

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

3701 Marconi Avenue  
Sacramento, California 95821

Monday, December 18, 2023  
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.**

**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/82380604397?pwd=cHdia0dXVHAwaEVQRGVaVEF3KzJCZz09>

**Meeting ID: 823 8060 4397**

**Password: 846839**

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

New to Zoom? Get the app now and be ready when your first meeting starts: <https://zoom.us/>  
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 after the staff presentation but before 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**

## **Election of District Officers**

1. Election of District Officers

## **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 requests that an item be removed from the Consent Items, it will be considered with the Items for Discussion and/or Action.

2. Draft Minutes of the November 20, 2023, Regular Board Meeting  
***Recommendation: Approve the Draft Minutes of the November 20, 2023, Regular Board Meeting.***
3. Treasurer's Report  
***Recommendation: Approve the items in the report as recommended.***
4. General Manager Out of State Travel Request  
***Recommendation: Approve the General Manager out of state travel to attend the Sacramento Metropolitan Chamber's Capitol-to-Capitol Conference, scheduled April 13-17, 2024.***
5. Policy Review - Water Banking and Transfer Policy (PL - BOD 006)  
***Recommendation: Approve the Water Banking and Transfer Policy (BOD 006) with changes.***

6. Policy Review - Investment Policy (PL - Fin 003)  
***Recommendation: Approve the Investment Policy PL – Fin 003 with changes, and affirm the Board of Directors’ desire to delegate its investment authority to the District Treasurer for a period of one year (Calendar Year 2024) pursuant to Government Code section 53607 and Investment Policy (PL – Fin 003).***

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

7. Consider Conducting a Valuation of Kirby’s Pump & Mechanical, Inc.  
***Recommendation: Authorize the General Manager to conduct a valuation of Kirby’s Pump & Mechanical, Inc., for potential use in an assessment as to whether to consider purchase of Kirby’s Pump & Mechanical, Inc., as provided by the exclusive 5-year contract with Kirby’s Pump & Mechanical, Inc., and report back to the Board at a future regular Board meeting.***
8. CY2023 Operating and Capital Budget Amendments  
***Recommendation: Approve the requested \$1,000,000 amendment to the 2023 Operating Budget for additional production water costs and transmission & distribution repair costs, and to move up to \$1,200,000 from the CY2024 budget to CY2023 for the Well 84 Multi-Year project.***
9. Committee and Liaison Appointments for 2024  
***Recommendation: The Board President makes appointments to Board committees and assigns Board member liaisons to outside organizations.***

#### **General Manager’s Report**

10. General Manager’s Report
  - a. CSDA Virtual Tour: Water Infrastructure for Firefighting

#### **Department/Staff Reports**

11. Groundwater Well Status Report
12. Engineering Report
  - a. Major Capital Improvement Program Projects
  - b. Planning Documents
  - c. Other Projects

13. Financial Report
  - a. Financial Highlights
  - b. Financial Statements
  - c. Budgets
14. District Activity Report

#### **Information Items**

15. ACWA/JPIA President's Special Recognition Award
16. Combination with Carmichael Water District
17. Upcoming Water Industry Meetings/Conferences
18. RiverArc Project
19. Upcoming Policy Review
  - a. Electronic Communication Management and Retention Policy (PL - IT 003)

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

20. a. Regional Water Authority (Director Wichert)  
None.
- b. Sacramento Groundwater Authority (Director Boatwright)  
Agenda for the December 14, 2023, Board Meeting.
- c. Director Reports – AB 1234

#### **Committee Reports**

21. a. Carmichael Water District/SSWD 2x2 Committee Meeting (Director Locke)  
Agenda for the December 13, 2023, meeting.

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

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

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

- 22. Public Employee Performance Evaluation Involving the General Manager Under Government Code Section 54954.5(e) and 54957.

**Open Session**

- 23. Report from Closed Session.

**Adjournment**

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**Upcoming Meetings**

Monday, January 8, 2024, at 6:00 p.m., CWD/SSWD Joint Board Meeting

Monday, January 22, 2024, at 5:45 p.m., Financial Corporation Meeting

Monday, January 22, 2024, at 6:00 p.m., Regular Board Meeting

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I certify that the foregoing agenda for the December 18, 2023, meeting of the Sacramento Suburban Water District Board of Directors was posted by December 8, 2023, in a publicly accessible location at the Sacramento Suburban Water District office, 3701 Marconi Avenue, Sacramento, California, and was freely available to the public.

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Dan York  
 General Manager/Secretary  
 Sacramento Suburban Water District



## Agenda Item: 1

**Date:** December 18, 2023

**Subject:** Election of District Officers

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

According to the Rules for Proceedings of the Board of Directors (PL - BOD 002), annually at the first regular meeting in December, the Board may select a President and/or Vice President to serve for the coming year. Below is an excerpt from the Rules for Proceedings of the Board of Directors Policy PL - BOD 002 that outlines the selection of officers and the duties of the President.

### Rule 1 – Selection of Officers

The President and Vice-President of the Board will be elected by the members of the Board for a one-year term. The election will be held at the first regular meeting in December of each year or at any earlier special meeting called for the purpose of swearing in new members and organizing the Board. (See Water Code section 30520 and Elections Code section 10554.) The remaining provisions of this paragraph will be considered discretionary guidelines for the Board to follow in selecting its President and Vice-President, and will not be binding on the Board. The Board will normally follow a rotation for the election of President and Vice-President under which the Vice President will normally be elected President at the conclusion of the President's one-year term. If the membership on the Board of the President is terminated before the expiration of his or her one-year term of office, the Vice-President will automatically become the President for the balance of that term.

In the event of a contested election, the following is the recommended procedure for nominating and selecting the Board President or Vice President: (1) the then-presiding President should open nominations and ask if there are there any nominations for the contested office; (2) any Director then may make a nomination -- e.g., "I nominate Director X" -- no second is required for a nomination, although sometimes one or more Directors will second a nomination to indicate endorsement (a Director may nominate himself or herself, but nominations cannot be accepted from members of the public); (3) a Director may decline a nomination; (4) when it appears that no one else wishes to make a nomination, the President should ask if there are additional nominations -- if there is no response, the President then should declare that the nominations for the office are closed and state the names of the nominees (it is unnecessary to have a motion to close the nominations); (5) after nominations have been closed, nominations may be reopened only by a motion, second and majority vote to reopen them; (6) after nominations have been closed and before the vote, the public should be provided an opportunity to comment on the agenda item; (7) the President then should call for votes on the nominees by a

roll call vote on each nominee, and each Director should cast his or her ye or nay vote on each nominee, e.g., “For the first nominee for President, Director X, please state your vote by ye or nay;” (8) nominees should be voted on in the order in which they are nominated and the process should continue until there is a majority approval of one of the nominees; and (9) as soon as one of the nominees receives a majority vote, the President should declare that person elected to the office and no vote is taken on any remaining nominees.

The Board will by majority vote appoint a Secretary and Treasurer, who will serve at the pleasure of the Board. (See Water Code sections 30540-30543.)

### **Rule 2 – Duties of President of the Board**

The President of the Board of Directors will be its presiding officer. (See Water Code section 30520.) The President's duties will include, but not be limited to, the following: acting as the liaison between the General Manager and the Board, calling special meetings of the Board, presiding over meetings of the Board, establishing and appointing committees of the Board, and appointing representatives of the District to associations of which the District is a member or in which it has a significant interest. The Board will appoint representatives of the District to joint powers authorities of which the District is a member. In the President's absence, the Vice-President of the Board will perform such duties. If both the President and Vice-President are absent from a noticed public meeting, the remaining three Board members will choose one of their number to preside.



**Agenda Item: 2**

**Date:** December 18, 2023

**Subject:** Draft Minutes of the November 20, 2023, Regular Board Meeting

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

**Recommended Board Action:**

Approve the Draft Minutes of the November 20, 2023, Regular Board Meeting.

**Attachment:**

1 – Draft Minutes of the November 20, 2023, Regular Board Meeting



## **Minutes**

**Sacramento Suburban Water District**  
**Regular Board Meeting**  
November 20, 2023

### **Location:**

3701 Marconi Avenue, Sacramento, CA 95821, Audio Conference at 1-669-900-6833, and Video Conference using Zoom at Meeting ID #831 3763 0770

### **Call to Order**

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

### **Pledge of Allegiance**

President Boatwright led the Pledge of Allegiance.

### **Roll Call**

Directors Present: Jay Boatwright, Kevin Thomas, and Robert Wichert.

Directors Absent: Craig Locke and Dave Jones.

Staff Present: General Manager Dan York, Assistant General Manager Matt Underwood, Heather Hernandez-Fort, Julie Nemitz, Dana Dean, Jeff Ott, Greg Bundesen, Tommy Moulton, David Armand, Tom Dickinson, Mitchell McCarthy, Dylan Huntzinger, Joe Crockett, and Ann Bradford.

Public Present: Trevor Joseph, Laura Dickinson, Jackie Dickinson, Tommy Dickinson, Scarlet Dickinson, and Paul Helliker.

### **Announcements**

General Manager Dan York (GM York) announced:

- Happy Thanksgiving to all.

### **Public Comment**

None.

### **Consent Items**

1. **Draft Minutes of the October 16, 2023, Special Board Meeting**
2. **Draft Minutes of the October 16, 2023, Regular Board Meeting**
3. **Draft Minutes of the November 2, 2023, Special Board Meeting**
4. **Treasurer's Report**

5. **2023 Audit Engagement Letter and Task Order 4**
6. **Policy Review - Training and Career Development Policy (PL - HR 004)**
7. **Policy Review - Engagement of Auditor Policy (PL – Fin 001)**
8. **Policy Review - Debt Management Policy (PL - Fin 011)**
9. **Revised Capacity Fee Setting Policy (PL – Fin 010)**

Director Wichert moved to approve all Consent Items; Director Thomas seconded. The motion passed by unanimous vote.

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

**Items for Discussion and/or Action**

**9.5 Resolution No. 23-06 Honoring Tom Dickinson on his Retirement**

GM York presented the staff report.

Director Wichert moved to approve the staff recommendation; Director Thomas seconded. The motion passed by unanimous vote.

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

GM York presented a ceremonial resolution to Tom Dickinson (Mr. Dickinson).

Mr. Dickinson expressed his appreciation for the staff and noted that the District was in great shape with great leadership.

**10. Sacramento Regional Water Bank**

Assistant General Manager Matt Underwood (AGM Underwood) summarized the staff report and introduced Trevor Joseph (Mr. Joseph), Manager of Technical Services with the Regional Water Authority, who presented the PowerPoint Presentation and answered clarifying questions.

Director Wichert requested staff send the PowerPoint presentation to the Directors.

**11. Auburn Contractors – Progressive Design-Build Projects Update**

Mitchell McCarthy summarized the staff report and introduced Bryan Truce Project Manager with Auburn Constructors, who presented the PowerPoint Presentation and answered clarifying questions.

Director Wichert requested to see the schedules in detail. He additionally requested staff provide milestones that included additional budget details.

**11.5 Regional Water Authority Vice Chair and Executive Committee 2024 Election**  
GM York presented the staff report.

Director Wichert provided his comments, noting he requested the Board approve the following order:

For RWA Vice Chair:

William Roberts in the first position for Vice Chair.  
Michael Saunders in the second position for Vice Chair.

For RWA Executive Committee:

1. Robert Wichert
2. Sean Bigley
3. Bruce Kamilos
4. Ron Greenwood
5. William Roberts
6. Michael Saunders

The Board agreed with Director Wichert's recommendations and directed staff to submit the voting ballot to Regional Water Authority.

**12. State Urban Water Use Objective Update**

Greg Bundesen summarized the staff report, presented the PowerPoint Presentation, and answered clarifying questions.

**13. Groundwater Well Asset Management Plan Implementation Status**

AGM Underwood presented the staff report and answered clarifying questions.

Director Wichert requested staff provide a monthly update to the Board starting in January 2024, until a schedule is presented.

**General Manager's Report**

**14. General Manager's Report**

GM York presented the staff report.

- a. *Regional General Manager & Utility Directors Workshop*  
GM York presented the staff report.

## Department/Staff Reports

15. **Groundwater Well Status Report**  
Tommy Moulton presented the staff report and answered clarifying questions.
16. **Engineering Report**  
Dana Dean presented the staff report and answered clarifying questions.
  - a. *Major Capital Improvement Program Projects*  
A written report was provided.
  - b. *Planning Documents*  
A written report was provided.
  - c. *Other Projects*  
A written report was provided.
17. **Financial Report**  
Jeff Ott (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.
18. **District Activity Report**  
AGM Underwood presented the staff report.

## Information Items

19. **Carmichael Water District/Sacramento Suburban Water District - Combination Discussion**  
GM York presented the staff report.
20. **Carmichael Water District/Sacramento Suburban Water District - Major Themes Document**  
GM York presented the staff report.
21. **Consolidated District Billing**  
Julie Nemitz presented the staff report.

The Board agreed with the changes presented.

22. **Fieldman, Rolapp and Associates, Inc. - SEC Settlement**  
Mr. Ott presented the staff report and answered clarifying questions.
23. **Upcoming Water Industry Meetings/Conferences**  
A written report was provided.
24. **Upcoming Policy Review**  
A written report was provided.
  - a. *Water Banking and Transfer Policy (PL - BOD 006)*
  - b. *Investment Policy (PL - Fin 003)*

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

25. a. Regional Water Authority (Director Wichert)  
The Agenda from the November 9, 2023, Board Meeting was provided.
- b. Sacramento Groundwater Authority (Director Boatwright)  
None.
- c. Director Reports – AB 1234

Director Thomas provided an oral report of his meeting with the General Manager on October 10, 2023; the SGA Board meeting he attended on October 12, 2023; the webinar he attended on October 17, 2023; and the SJWD Board meeting he attended on October 25, 2023.

**Committee Reports**

26. a. Carmichael Water District/SSWD 2x2 Committee Meeting (Director Locke)  
The Draft Minutes from the October 11, 2023, meeting were provided.
- b. Facilities and Operations Committee Meeting (Director Jones)  
The Draft Minutes from the October 19, 2023, meeting were provided.

President Boatwright requested staff place an item on the December Regular Board meeting Agenda for the Board to consider staff conducting a valuation on Kirby's Pump & Mechanical, Inc.

- c. Carmichael Water District/SSWD Joint Board Meeting (Director Boatwright)  
The Draft Minutes from the October 24, 2023, meeting were provided.
- d. Water Banking Committee Meeting (Director Thomas)  
The Draft Minutes from the October 30, 2023, meeting were provided.

- e. Audit Committee Meeting (Director Locke)  
The Draft Minutes from the November 1, 2023, meeting were provided.

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

None.

GM York announced that Ryan Saunders, a Director of Del Paso Manor Water District, has announced that he was resigning from the Board of Directors in early 2024.

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

The Board convened in Closed Session at 9:02 p.m. to discuss the following:

- 27. Public Employee Performance Evaluation Involving the General Manager Under Government Code Section 54954.5(e) and 54957.

**Return to Open Session**

The Board convened in Open Session at 9:05 p.m. There was no reportable action.

- 28. **Report from Closed Session.**  
A written report was provided.

**Adjournment**

President Boatwright adjourned the meeting at 9:06 p.m.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District



## Agenda Item: 3

**Date:** December 18, 2023

**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 November 1, 2023, through November 30, 2023.
2. Accept the credit card expenditures listing for the period November 1, 2023, through November 30, 2023.
3. Ratify the Investment Activity register for the period November 1, 2023, through November 30, 2023.
4. Ratify the Quarterly Directors Compensation and Expense Register for 3rd Quarter 2023.

### Background:

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

Per District Policy PL – Fin 014, Payment of Demands, the Board 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 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 the various financial transactions of the District.

### Discussion:

Four (4) registers are included for Board review and acceptance or ratification:

- Cash Expenditures (AP Warrants) Register – November 2023
- Credit Card Expenditures Register – November 2023
- Investment Activity Register – November 2023
- Directors Compensation and Expense Register – 3rd Quarter 2023

**Cash Expenditures (AP Warrants) Register– November 2023**

During the month of November 2023, the District made cash payments totaling \$7.2 million. The primary expenditures were \$3.7 million for capital improvement projects, \$0.7 million for payroll, \$0.3 million for pension and health benefits, \$0.2 million for engineering, construction & contract services, \$1.4 for water costs, \$0.5 general insurance liability, and \$0.2 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 2023 Annual Budget. The Cash Expenditures (AP Warrants) Register is included as Attachment 1.

**Credit Card Expenditures Register – November 2023**

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 \$19,863 for various purchases on the six District purchasing cards. Details by vendor and purpose are included in this report as Attachment 2.

**Investment Activity Register – November 2023**

During the month of November 2023, the District purchased one Asset-Backed Security Obligation for \$0.1 million (par), and two Federal Agency Commercial Mortgages for \$0.2 million (par). Two Federal Agency Notes matured for \$0.9 million (par) and one Supra-National Agency Note matured for \$0.6 million. The District sold two US Treasury Notes for \$0.2 million. The District also received principal pay downs on fourteen Asset-Backed Security Obligations for \$0.1 million (par) and two Agency Commercial Mortgages for \$597 (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.

**Directors Compensation and Expense Register – 3rd Quarter 2023**

Director meetings attended for the 3rd quarter of 2023 (that Directors have reported to staff and have been compensated for attending) and expense reimbursements are attached in accordance with the District's Directors' Compensation and Expense Reimbursement Policy (PL – BOD 003) and Government Code Section 53065.5. Directors who have not reported their meeting attendance to District staff are not included in this report and are expected to make an oral report at the Board meeting. Director's Compensation and Expense Register is included with this report as Attachment 4.



**Attachments:**

1. Cash Expenditures (AP Warrants) Register – November 2023
2. Credit Card Expenditures Register – November 2023
3. Investment Activity Register – November 2023
4. Investment Portfolio Register – 3rd Quarter 2023

**Cash Expenditures  
November 2023**

# AP Warrant List From: 11/1/2023 To: 11/30/2023

Attachment 1

VENDOR	NO.	DATE	AMOUNT	DESCRIPTION
A.I. ELECTRIC	84700	11/29/2023	\$330.00	CONTRACT SERVICES
		TOTAL	\$330.00	
A1 FABRICATION & WELDING	84626	11/16/2023	\$4,983.04	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$4,983.04	
	84684	11/29/2023	\$390.00	OPERATING SUPPLIES
		TOTAL	\$390.00	
AARON CAUDILLO	84604	11/8/2023	\$250.00	UNIFORMS
		TOTAL	\$250.00	
ACS CONSTRUCTION	000008334	11/16/2023	\$2,822.71	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$2,822.71	
	000008355	11/30/2023	\$1,325.00	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$1,325.00	
ACWA JPIA INSURANCE AUTHORITY	84572	11/2/2023	\$488,223.00	PREPAID INSURANCE - GENERAL LIABILITY
		TOTAL	\$488,223.00	
ACWA JPIA INSURANCE EAP	84574	11/8/2023	\$178.56	MISCELLANEOUS EMPLOYEE BENEFITS
		TOTAL	\$178.56	
ADP, INC	PAYROLL	11/17/2023	\$662,353.82	PAYROLL
		TOTAL	\$662,353.82	
	ACH0082579	11/17/2023	\$1,977.44	FINANCIAL SERVICES
		TOTAL	\$1,977.44	
	ACH0082580	11/17/2023	\$390.60	FINANCIAL SERVICES
		TOTAL	\$390.60	
AFLAC	84582	11/8/2023	\$601.27	SUPPLEMENT INSURANCE - AFLAC
		TOTAL	\$601.27	
AIRGAS USA LLC	000008347	11/30/2023	\$51.45	OPERATING SUPPLIES
		TOTAL	\$51.45	
ALL PRO BACKFLOW	000008306	11/8/2023	\$561.00	BACKFLOW SERVICE
		TOTAL	\$561.00	
	000008326	11/16/2023	\$5,571.00	BACKFLOW SERVICE
		TOTAL	\$5,571.00	
	000008346	11/30/2023	\$7,356.00	BACKFLOW SERVICE
		TOTAL	\$7,356.00	
ALLIED UNIVERSAL	84602	11/8/2023	\$862.42	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$862.42	
	84641	11/16/2023	\$44.42	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$44.42	
	84702	11/29/2023	\$862.42	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$862.42	
AMAZON BUSINESS	000008310	11/8/2023	\$1,006.99	OPERATING SUPPLIES
		TOTAL	\$1,006.99	
	000008329	11/16/2023	\$387.48	OFFICE SUPPLIES
			\$293.95	OPERATING SUPPLIES
			\$159.98	PUBLIC RELATIONS
	TOTAL	\$841.41		
AMERITAS (VISION)	84627	11/16/2023	\$2,210.28	EMPLOYEE BENEFIT - VISION INSURANCE
		TOTAL	\$2,210.28	
ANSWERNET	000008300	11/8/2023	\$722.08	COMMUNICATION
		TOTAL	\$722.08	
ANTHONY ROWLAND	84646	11/16/2023	\$500.00	CONSERVATION REBATES
		TOTAL	\$500.00	

# AP Warrant List From: 11/1/2023 To: 11/30/2023

Attachment 1

VENDOR	NO.	DATE	AMOUNT	
APEX SITE SOLUTIONS	84629	11/16/2023	\$9,517.00	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$9,517.00	
ARETTA KOCH	84573	11/8/2023	\$150.00	CONSERVATION REBATES
		TOTAL	\$150.00	
AT&T	84601	11/8/2023	\$248.36	COMMUNICATION
		TOTAL	\$248.36	
	84640	11/16/2023	\$349.42	COMMUNICATION
		TOTAL	\$349.42	
ATLAS DISPOSAL	84659	11/29/2023	\$314.94	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$314.94	
AUBURN CONSTRUCTORS	84571	11/2/2023	\$321,643.63	PROJECT: WELL 84 ANTELOPE/DON JULIO
		TOTAL	\$321,643.63	
	84584	11/8/2023	\$184,505.40	PROJECT: WELL 80 WALNUT/AUBURN
		TOTAL	\$184,505.40	
	84606	11/15/2023	\$7,909.97	PROJECT: WELL 84 ANTELOPE/DON JULIO
		TOTAL	\$7,909.97	
	84607	11/15/2023	\$982,556.23	PROJECT: WLS 81/82/83 ANTELOPE N./POKER
		TOTAL	\$982,556.23	
	84619	11/16/2023	\$163,342.71	PROJECT RETENTION : WELL 79 VERNER PANORAMA
		TOTAL	\$163,342.71	
	84657	11/29/2023	\$66,824.88	PROJECT: WELL 84 ANTELOPE/DON JULIO
		TOTAL	\$66,824.88	
	84675	11/29/2023	\$174,298.03	PROJECT: WELL 80 WALNUT/AUBURN
		TOTAL	\$174,298.03	
AVEVA SELECT CALIFORNIA	84603	11/8/2023	\$1,200.00	IT - LICENSES, PERMITS & FEES
		TOTAL	\$1,200.00	
	84642	11/16/2023	\$27,045.00	IT - LICENSES & PERMIT
		TOTAL	\$27,045.00	
AWWA	84660	11/29/2023	\$7,716.00	PREPAID MEMBERSHIP & DUES
		TOTAL	\$7,716.00	
BADGER METER INC	000008295	11/8/2023	\$4,208.05	PROJECT: 3500 EDISON AVE 2550070001
			\$16,860.70	PROJECT: 5856 GARFIELD AVE-22006080024
		TOTAL	\$21,068.75	
BARTKIEWICZ KRONICK & SHANAHAN	000008315	11/16/2023	\$17,385.09	LEGAL SERVICES
		TOTAL	\$17,385.09	
BAY ALARM COMPANY	84661	11/29/2023	\$116.55	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$116.55	
BENDER ROSENTHAL INC	84632	11/16/2023	\$805.00	PROJECT: PROP ACQU-PARK OAKS DR
		TOTAL	\$805.00	
BROADRIDGE MAIL LLC	84597	11/8/2023	\$10,553.56	CONTRACT SERVICES
			\$706.43	POSTAGE/SHIPPING/UPS/FED EX
			\$4,305.88	PRINTING
			TOTAL	\$15,565.87
	ACH0082491	11/6/2023	\$3,104.17	CUSTOMER SERVICE - POSTAGE/SHIPPING/UPS/FED EX
			TOTAL	\$3,104.17
	ACH0082492	11/6/2023	\$623.51	CUSTOMER SERVICE - POSTAGE/SHIPPING/UPS/FED EX
			TOTAL	\$623.51
	ACH0082493	11/7/2023	\$64.82	CUSTOMER SERVICE - POSTAGE/SHIPPING/UPS/FED EX
			TOTAL	\$64.82
	ACH0082494	11/8/2023	\$3.93	CUSTOMER SERVICE - POSTAGE/SHIPPING/UPS/FED EX

# AP Warrant List From: 11/1/2023 To: 11/30/2023

Attachment 1

VENDOR	NO.	DATE	AMOUNT	
		TOTAL	\$3.93	
	ACH0082495	11/13/2023	\$4,793.61	CUSTOMER SERVICE - POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$4,793.61	
	ACH0082496	11/13/2023	\$405.54	CUSTOMER SERVICE - POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$405.54	
	ACH0082497	11/14/2023	\$954.42	CUSTOMER SERVICE - POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$954.42	
	ACH0082498	11/15/2023	\$2.24	CUSTOMER SERVICE - POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$2.24	
	ACH0082575	11/22/2023	\$162.11	CUSTOMER SERVICE - POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$162.11	
	ACH0082576	11/20/2023	\$5,581.46	CUSTOMER SERVICE - POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$5,581.46	
	ACH0082577	11/21/2023	\$1,209.68	CUSTOMER SERVICE - POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$1,209.68	
BROWER MECHANICAL	000008303	11/8/2023	\$986.70	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$986.70	
BROWN & CALDWELL	84589	11/8/2023	\$9,294.99	PROJECT: CALIBRATION HYDROLIC MODEL
		TOTAL	\$9,294.99	
	84622	11/16/2023	\$2,215.66	ENGINEERING - CONSULTING SERVICES
		TOTAL	\$2,215.66	
BRUCE NIXON	84648	11/16/2023	\$500.00	CONSERVATION REBATES
		TOTAL	\$500.00	
BURTON ROBB /BURT'S LAWN & GARDEN SERVICE	000008337	11/30/2023	\$8,340.00	PRODUCTION - CONTRACT SERVICES
		TOTAL	\$8,340.00	
CAPITAL SWEEPER SERVICE	84638	11/16/2023	\$184.00	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$184.00	
CAROLE CANFIELD	84643	11/16/2023	\$500.00	CONSERVATION REBATES
		TOTAL	\$500.00	
CDWG	000008296	11/8/2023	\$975.00	LICENSES, PERMITS & FEES
		TOTAL	\$975.00	
CENTRAL VALLEY ENG & ASPHALT	000008323	11/16/2023	\$68,946.00	DISTRIBUTION - MISC. REPAIRS
		TOTAL	\$68,946.00	
	000008343	11/30/2023	\$31,844.00	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$31,844.00	
CHAD JIVIDEN	84690	11/29/2023	\$55.00	REQUIRED TRAINING
		TOTAL	\$55.00	
CHASE PAYMENTECH	ACH0082593	11/2/2023	\$15,964.51	CUSTOMER SERVICE - CREDIT CARD PROCESSING FEE
		TOTAL	\$15,964.51	
CIGNA-DENTAL INS	84595	11/8/2023	\$15,632.70	EMPLOYEE BENEFIT - DENTAL INSURANCE - NOV
		TOTAL	\$15,632.70	
	84688	11/29/2023	\$16,031.70	EMPLOYEE BENEFIT - DENTAL INSURANCE - DEC
		TOTAL	\$16,031.70	
CINTAS	84662	11/29/2023	\$1,307.16	BUILDING MAINTENANCE - OFFICE & YARD
			\$2,446.27	UNIFORMS
		TOTAL	\$3,753.43	
CITY OF SACRAMENTO DEPT OF UTILITIES	84588	11/8/2023	\$28.17	UTILITIES
		TOTAL	\$28.17	
	84620	11/16/2023	\$14.69	UTILITIES
		TOTAL	\$14.69	

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Attachment 1

VENDOR	NO.	DATE	AMOUNT	DESCRIPTION
	84676	11/29/2023	\$9.39	UTILITIES
		TOTAL	\$9.39	
CITY OF SACRAMENTO WATER	84590	11/8/2023	\$500.68	PURCHASED WATER-CITY OF SACRAMENTO
		TOTAL	\$500.68	
	84623	11/16/2023	\$51,699.00	WATER FORUM 2.0 COST SHARING AGREEMENT
		TOTAL	\$51,699.00	
	84678	11/29/2023	\$500.68	PURCHASED WATER-CITY OF SACRAMENTO
		TOTAL	\$500.68	
CLEAR VISION WINDOW CLEANING	84674	11/29/2023	\$225.00	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$225.00	
COMCAST	84663	11/29/2023	\$93.82	COMMUNICATION
		TOTAL	\$93.82	
COMPASSCOM	000008327	11/16/2023	\$7,732.80	IT - LICENSES, PERMITS & FEES
		TOTAL	\$7,732.80	
CONSOLIDATED COMMUNICATIONS	84673	11/29/2023	\$586.22	IT - COMMUNICATION
		TOTAL	\$586.22	
COTTON SHOPPE	84617	11/16/2023	\$465.45	UNIFORMS
		TOTAL	\$465.45	
COUNTY OF SAC DEPT OF FINANCE	84605	11/8/2023	\$123.25	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$123.25	
COUNTY OF SAC ENVIRO MGT DEPT	84681	11/29/2023	\$2,656.00	ENVIRON COMPL - LICENSES, PERMITS & FEES
		TOTAL	\$2,656.00	
COUNTY OF SAC PUBLIC WORKS	84576	11/8/2023	\$4,534.50	PROJECT: WATT MAIN EXTENSIION
			\$151.00	PROJECT: WELL 80 WALNUT/AUBURN
		TOTAL	\$4,685.50	
	84655	11/29/2023	\$1,235.90	PROJECT: WLS 81/82/83 ANTELOPE N./POKER
		TOTAL	\$1,235.90	
	84656	11/29/2023	\$424.50	PROJECT: WELL 84 ANTELOPE/DON JULIO
		TOTAL	\$424.50	
	84665	11/29/2023	\$2,617.00	PROJECT: WATT MAIN EXTENSIION
			\$755.00	PROJECT: WELL 80 WALNUT/AUBURN
		TOTAL	\$3,372.00	
COUNTY OF SAC UTILITIES	84575	11/8/2023	\$275.16	UTILITIES
		TOTAL	\$275.16	
	84608	11/16/2023	\$382.68	UTILITIES
		TOTAL	\$382.68	
	84664	11/29/2023	\$596.79	UTILITIES
		TOTAL	\$596.79	
CRAIG BAMMEL	84652	11/16/2023	\$500.00	CONSERVATION REBATES
		TOTAL	\$500.00	
CULLIGAN	84628	11/16/2023	\$164.00	OPERATING SUPPLIES
		TOTAL	\$164.00	
CUSTOMER REFUNDS		11/16/2023	\$24.42	Customer Refunds: 1
		TOTAL	\$24.42	
DEWBERRY ENGINEERS INC	84599	11/8/2023	\$1,578.00	PROJECT: AUBURN BLVD BRIDGE PIPE REPL
		TOTAL	\$1,578.00	
DIRECT TV	84594	11/8/2023	\$33.00	COMMUNICATION
		TOTAL	\$33.00	
	84685	11/29/2023	\$13.00	COMMUNICATION
		TOTAL	\$13.00	

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VENDOR	NO.	DATE	AMOUNT	DESCRIPTION
DOMCO PLUMBING	84683	11/29/2023	\$3,159.00	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$3,159.00	
DOUG VEERKAMP GENERAL ENGR	000008305	11/8/2023	\$195,365.73	PROJECT: WATT MAIN EXTENSIION
		TOTAL	\$195,365.73	
	000008325	11/16/2023	\$780,648.57	PROJECT: WATT MAIN EXTENSIION
		TOTAL	\$780,648.57	
	000008345	11/30/2023	\$81,463.91	PROJECT: WATT MAIN EXTENSIION
		TOTAL	\$81,463.91	
ELEVATOR TECHNOLOGY INC	000008330	11/16/2023	\$226.00	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$226.00	
ELLEN M CROSS/STRATEGY DRIVER INC	84600	11/8/2023	\$17,052.05	SSWD/CWD COMBINATION - CONSULTING SERVICES
		TOTAL	\$17,052.05	
EMCOR SERVICES	84698	11/29/2023	\$12,157.00	PROJECT: WELL N10 - A/C REPLACEMENT
			\$939.98	PRODUCTION - CONTRACT SERVICES
		TOTAL	\$13,096.98	
EMIGH ACE HARDWARE	000008316	11/16/2023	\$46.13	OPERATING SUPPLIES
		TOTAL	\$46.13	
EMPLOYEE RELATIONS	000008304	11/8/2023	\$317.53	EMPLOYMENT COST
		TOTAL	\$317.53	
ERC CONTRACTING	000008292	11/2/2023	\$3,000.00	PROJECT: WELL 84 ANTELOPE/DON JULIO
		TOTAL	\$3,000.00	
	000008308	11/8/2023	\$4,750.00	PROJECT: WATT MAIN EXTENSIION
			\$2,500.00	PROJECT: WATT/ELKHORN CHECK VALVE REPL
			\$400.00	PROJECT: WELL 20A-WATT/ARDEN-ELEC IMPRV
			\$5,000.00	PROJECT: WELL 52 - PUMP REPAIR
			\$3,000.00	PROJECT: WELL 66 - SOUND ENCLOSURE MODS
			\$600.00	PROJECT: WELL N20 - CA & MN MITIGATION
			\$375.00	PROJECT: WELL N3 - WATER QUALITY INVEST
	TOTAL	\$16,625.00		
	000008328	11/16/2023	\$5,775.00	PROJECT: WATT MAIN EXTENSIION
			TOTAL	\$5,775.00
	000008349	11/30/2023	\$18,375.00	PROJECT: KPM CONTRACT - 2023 TERM 1
			TOTAL	\$18,375.00
EUROFINS EATON ANALYTICAL	84658	11/29/2023	\$7,034.00	PROJECT: WELL 84 ANTELOPE/DON JULIO
		TOTAL	\$7,034.00	
	84687	11/29/2023	\$56.00	ENVIRON COMPL - INSPECTION & TESTING
			\$208.00	ENVIRON COMPL - LICENSES, PERMITS & FEES
TOTAL	\$264.00			
FEDERAL EXPRESS CORPORATION	84609	11/16/2023	\$34.29	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$34.29	
FLEETWASH INC	000008309	11/8/2023	\$502.06	VEHICLE MAINTENANCE SERVICES
		TOTAL	\$502.06	
	000008350	11/30/2023	\$411.50	VEHICLE MAINTENANCE SERVICES
			TOTAL	\$411.50
FRISCH ENGINEERING INC	84586	11/8/2023	\$469.02	PROJECT: WELL N7 ROSEBUD -ELECT MPROV
		TOTAL	\$469.02	
FUTURE FORD	84610	11/16/2023	\$73,273.91	PROJECT: VEHICLE REPL-TRUCK#62
		TOTAL	\$73,273.91	
	84666	11/29/2023	\$93.88	VEHICLE MAINTENANCE SERVICES
			TOTAL	\$93.88

# AP Warrant List From: 11/1/2023 To: 11/30/2023

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VENDOR	NO.	DATE	AMOUNT	DESCRIPTION
GEOCON CONSULTANTS INC	84680	11/29/2023	\$8,215.00	PROJECT: WATT MAIN EXTENSIION
		TOTAL	\$8,215.00	
GEREMY MOODY	84621	11/16/2023	\$250.00	UNIFORMS
		TOTAL	\$250.00	
GLORIA BACANI	84650	11/16/2023	\$150.00	CONSERVATION REBATES
		TOTAL	\$150.00	
GOVERNMENT FINANCE OFFICERS ASSOCIATION	84577	11/8/2023	\$150.00	MEMBERSHIP & DUES
		TOTAL	\$150.00	
GRAINGER	84578	11/8/2023	\$104.60	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$104.60	
	84611	11/16/2023	\$104.60	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$104.60	
	84667	11/29/2023	\$383.80	BUILDING MAINTENANCE - OFFICE & YARD
		\$151.27	OPERATING SUPPLIES	
TOTAL	\$535.07			
GREEN MEDIA CREATIONS INC	000008335	11/16/2023	\$8,251.88	CONTRACT SERVICES
		TOTAL	\$8,251.88	
HARRINGTON PLASTICS	84612	11/16/2023	\$3,899.60	INVENTORY
			\$978.00	OPERATING SUPPLIES
		TOTAL	\$4,877.60	
HEATHER JACKSON	84707	11/29/2023	\$70.02	CONSERVATION REBATES
		TOTAL	\$70.02	
HECTOR SEGOVIANO	84668	11/29/2023	\$205.21	UNIFORMS
		TOTAL	\$205.21	
HOLT OF CALIFORNIA	84585	11/8/2023	\$2,149.28	PRODUCTION - CONTRACT SERVICES
		TOTAL	\$2,149.28	
IBM CORPORATION	84694	11/29/2023	\$3,568.32	COMMUNICATION
		TOTAL	\$3,568.32	
IN COMMUNICATIONS	84592	11/8/2023	\$5,884.26	COMM OUTREACH - PUBLIC RELATIONS
		TOTAL	\$5,884.26	
INTEGRA CLEAR CO	84635	11/16/2023	\$9,430.13	OPERATING SUPPLIES
		TOTAL	\$9,430.13	
INVOICE CLOUD INC	84634	11/16/2023	\$23,274.22	CUSTOMER SERVICES - CREDIT CARD PROCESSING
		TOTAL	\$23,274.22	
JOE WRIGHT	84706	11/29/2023	\$150.00	CONSERVATION REBATES
		TOTAL	\$150.00	
JULIE NEMITZ	84703	11/29/2023	\$695.25	TRAVEL CONFERENCES
		TOTAL	\$695.25	
KENNEDY JENKS CONSULTANTS	000008324	11/16/2023	\$34,350.52	PROJECT: WATT MAIN EXTENSIION
		TOTAL	\$34,350.52	
KERRI STUART	84644	11/16/2023	\$270.00	CONSERVATION REBATES
		TOTAL	\$270.00	
KIRBY PUMP AND MECHANICAL	84686	11/29/2023	\$164,586.39	PROJECT: KPM CONTRACT - 2023 TERM 1
			\$22,866.56	PROJECT: WELL 28 - CONDITION ASSESSMENT
			\$26,865.31	PROJECT: WELL N3 - WATER QUALITY INVEST
			TOTAL	\$214,318.26
LEONARD RICE ENGINEERS INC	000008354	11/30/2023	\$875.00	ENINGEERING - CONSULTING SERVICES
		TOTAL	\$875.00	
LES SCHWAB TIRE CENTER MADISON	84669	11/29/2023	\$1,116.62	EQUIPMENT MAINTENANCE SERVICES
			\$2,681.39	VEHICLE MAINTENANCE SERVICES



# AP Warrant List From: 11/1/2023 To: 11/30/2023

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VENDOR	NO.	DATE	AMOUNT	
		TOTAL	\$3,798.01	
LOEWEN PUMP MAINTENANCE	000008297	11/8/2023	\$8,500.00	PROJECT: WELL 60 - CONDITION ASSESSMENT
		TOTAL	\$8,500.00	
MARIEANNE GOODING	84645	11/16/2023	\$150.00	CONSERVATION REBATES
		TOTAL	\$150.00	
MATT UNDERWOOD	84583	11/8/2023	\$959.60	TRAVEL CONFERENCES
		TOTAL	\$959.60	
MICHAEL PHILLIPS LANDSCAPE CORP	000008298	11/8/2023	\$4,088.00	BUILDING SERVICE EXPENSE - OFFICE & YARD
			\$2,060.00	PRODUCTION - CONTRACT SERVICES
		TOTAL	\$6,148.00	
	000008338	11/30/2023	\$4,058.00	BUILDING SERVICE EXPENSE - OFFICE & YARD
			\$2,645.00	PRODUCTION - CONTRACT SERVICES
		TOTAL	\$6,703.00	
MITCHELL MCCARTHY	84630	11/16/2023	\$1,547.66	ENGINEERING - TRAVEL CONFERENCES
		TOTAL	\$1,547.66	
MOBILE-MED WORK HEALTH SOLUTIONS INC	84636	11/16/2023	\$381.00	EMPLOYMENT COST
		TOTAL	\$381.00	
NINJIO LLC	84637	11/16/2023	\$187.52	IT - LICENSES, PERMITS & FEES
		TOTAL	\$187.52	
OFFICE DEPOT INC	84613	11/16/2023	\$259.86	OFFICE SUPPLIES
		TOTAL	\$259.86	
OK TIRE AND AUTOMOTIVE	84679	11/29/2023	\$79.36	VEHICLE MAINTENANCE SERVICES
		TOTAL	\$79.36	
PACE SUPPLY CORP	000008322	11/16/2023	\$3,205.19	INVENTORY
		TOTAL	\$3,205.19	
	000008342	11/30/2023	\$1,077.50	OPERATING SUPPLIES
		TOTAL	\$1,077.50	
PATTY BRUNS	84709	11/29/2023	\$80.28	CONSERVATION REBATES
		TOTAL	\$80.28	
PAUL JOHNSON	84598	11/8/2023	\$552.86	OTHER TRAINING
		TOTAL	\$552.86	
	84695	11/29/2023	\$247.81	UNIFORMS
		TOTAL	\$247.81	
PERS 457 PLAN	ACH0082582	11/3/2023	\$2,415.38	ACCRUED DEF COMP, PERS ROTH 457B
		TOTAL	\$2,415.38	
	ACH0082589	11/21/2023	\$2,415.38	ACCRUED DEF COMP, PERS ROTH 457B
		TOTAL	\$2,415.38	
PERS HEALTH	ACH0082349	11/3/2023	\$122,913.28	EMPLOYEE BENEFIT - PERS HEALTH INSURANCE
		TOTAL	\$122,913.28	
	ACH0082350	11/3/2023	\$1,695.20	OPEB - RETIREE BENEFITS PREMIUM
		TOTAL	\$1,695.20	
PERS LONG TERM CARE PROGRAM	84580	11/8/2023	\$5,049.25	OPEB - RETIREE BENEFITS PREMIUM
		TOTAL	\$5,049.25	
PERS PENSION	ACH0082583	11/3/2023	\$8,642.48	EMPLOYEE BENEFIT - PERS RETIREMENT
		TOTAL	\$8,642.48	
	ACH0082584	11/3/2023	\$19,960.09	EMPLOYEE BENEFIT - PERS RETIREMENT
		TOTAL	\$19,960.09	
	ACH0082585	11/3/2023	\$24,465.40	EMPLOYEE BENEFIT - PERS RETIREMENT
		TOTAL	\$24,465.40	
	ACH0082586	11/20/2023	\$9,225.94	EMPLOYEE BENEFIT - PERS RETIREMENT

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VENDOR	NO.	DATE	AMOUNT	DESCRIPTION
		TOTAL	\$9,225.94	
	ACH0082587	11/20/2023	\$20,002.07	EMPLOYEE BENEFIT - PERS RETIREMENT
		TOTAL	\$20,002.07	
	ACH0082588	11/20/2023	\$23,961.24	EMPLOYEE BENEFIT - PERS RETIREMENT
		TOTAL	\$23,961.24	
PEST PROS PEST SOLUTIONS	84697	11/29/2023	\$372.90	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$372.90	
PETERSON BRUSTAD INC	84596	11/8/2023	\$1,149.75	PROJECT: ENTERPR/NORTHDROP RESERVIOR/PS
			\$16,879.64	ENGINEERING - CONSULTING SERVICES
		TOTAL	\$18,029.39	
PFM ASSET MANAGEMENT LLC	000008302	11/8/2023	\$3,553.62	FINANCIAL SERVICES
		TOTAL	\$3,553.62	
PG&E	84579	11/8/2023	\$161.30	UTILITIES
		TOTAL	\$161.30	
	84614	11/16/2023	\$89.49	UTILITIES
		TOTAL	\$89.49	
PIP MARKETING SIGNS PRINT	84633	11/16/2023	\$244.59	VEHICLE MAINTENANCE SUPPLIES
		TOTAL	\$244.59	
PITNEY BOWES GLOBAL FINANCIAL SERVICES LLC	000008331	11/16/2023	\$2,736.68	EQUIPMENT RENTAL/LEASE
		TOTAL	\$2,736.68	
PSOMAS	000008314	11/15/2023	\$4,002.00	PROJECT: WLS 81/82/83 ANTELOPE N./POKER
		TOTAL	\$4,002.00	
QUADIENT FINANCE USA - POSTAGE	84639	11/16/2023	\$500.00	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$500.00	
R&S OVERHEAD DOORS AND GATES	000008321	11/16/2023	\$1,611.25	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$1,611.25	
	000008341	11/30/2023	\$3,968.73	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$3,968.73	
RAMOS ENVIRONMENTAL SERVICES	84670	11/29/2023	\$100.00	HAZARDOUS WASTE DISPOSAL
		TOTAL	\$100.00	
RAWLES ENGINEERING	84615	11/16/2023	\$11,300.00	PROJECT: 2023 VALVE/HYDRANT/SERV REPL
		TOTAL	\$11,300.00	
REGIONAL WATER AUTHORITY	84616	11/16/2023	\$400.00	LOCAL TRAVEL COST
		TOTAL	\$400.00	
RICHARD STEPHAN	84708	11/29/2023	\$150.00	CONSERVATION REBATES
		TOTAL	\$150.00	
RICK DEGEN	84647	11/16/2023	\$500.00	CONSERVATION REBATES
		TOTAL	\$500.00	
RIVER CITY FIRE EQUIP CO INC	84682	11/29/2023	\$98.43	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$98.43	
ROBERT ROSCOE	000008299	11/8/2023	\$722.40	OPEB - RETIREE BENEFITS PREMIUM
		TOTAL	\$722.40	
RON TURLEY ASSOCIATES INC	84624	11/16/2023	\$3,900.00	LICENSES, PERMITS & FEES
		TOTAL	\$3,900.00	
RUE EQUIPMENT INC	84671	11/29/2023	\$227.50	EQUIPMENT MAINTENANCE SERVICES
			\$7,353.50	VEHICLE MAINTENANCE SERVICES
		TOTAL	\$7,581.00	
SAC ICE LLC	84692	11/29/2023	\$633.09	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$633.09	
SAC VALLEY ELECTRIC INC	84699	11/29/2023	\$424.70	BUILDING MAINTENANCE - OFFICE & YARD

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VENDOR	NO.	DATE	AMOUNT	DESCRIPTION
		TOTAL	\$424.70	
SAN JUAN WATER DISTRICT	000008317	11/16/2023	\$1,315,414.17	SURFACE WATER - SAN JUAN TREATMENT COST
			\$30,176.25	SHARED CTP MAINTENANCE & CAPITAL IMPRV COSTS
		TOTAL	\$1,345,590.42	
SANDI SCOTT	84651	11/16/2023	\$29.91	CONSERVATION REBATES
		TOTAL	\$29.91	
SHRED-IT STERICYCLE	84689	11/29/2023	\$188.22	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$188.22	
SILICON VALLEY SHELVING AND EQUIP	000008348	11/30/2023	\$1,036.56	OFFICE SUPPLIES
		TOTAL	\$1,036.56	
SMUD	84581	11/8/2023	\$72,388.15	PRODUCTION - ELECTRICAL CHARGES
		TOTAL	\$72,388.15	
	84672	11/29/2023	\$64,080.54	PRODUCTION - ELECTRICAL CHARGES
		TOTAL	\$64,080.54	
SMUD ACCOUNTING	000008312	11/8/2023	\$500.00	PROJECT: WELL N20 - CA & MN MITIGATION
		TOTAL	\$500.00	
SONITROL	000008318	11/16/2023	\$4,053.74	BUILDING SERVICE EXPENSE - OFFICE & YARD
			\$2,561.14	MAINTENANCE - CONTRACT SERVICES
		TOTAL	\$6,614.88	
STATE OF CA DEPT OF INDUSTRIAL RELATIONS	84593	11/8/2023	\$225.00	LICENSES, PERMITS & FEES
		TOTAL	\$225.00	
TAK COMMUNICATIONS CA INC	84701	11/29/2023	\$7,100.00	PROJECT: 2023 VALVE/HYDRANT/SERV REPL
		TOTAL	\$7,100.00	
TEE JANITORIAL & MAINTENANCE	84631	11/16/2023	\$4,108.00	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$4,108.00	
TELSTAR INSTRUMENTS	84691	11/29/2023	\$11,578.07	PRODUCTION - CONTRACT SERVICES
		TOTAL	\$11,578.07	
TESCO	000008339	11/30/2023	\$1,334.50	PRODUCTION - CONTRACT SERVICES
		TOTAL	\$1,334.50	
TINA LYNN DESIGN	000008344	11/30/2023	\$270.00	COMM OUTREACH - CONTRACT SERVICES
		TOTAL	\$270.00	
TODD BARSNESS VOICE OVER TALENT	000008333	11/16/2023	\$400.00	COMM OUTREACH - CONTRACT SERVICES
		TOTAL	\$400.00	
TRIMARK ASSOCIATES INC	000008353	11/30/2023	\$12,982.50	PROJECT: 2023 SCADA NETWORK IMPROVEMENT
		TOTAL	\$12,982.50	
UBEO BUSINESS SERVICES	000008311	11/8/2023	\$126.26	EQUIPMENT MAINTENANCE SERVICES
		TOTAL	\$126.26	
	000008352	11/30/2023	\$80.81	EQUIPMENT MAINTENANCE SERVICES
			\$1,912.61	FINANCIAL SERVICES
	TOTAL	\$1,993.42		
ULINE SHIPPING SUPPLY SPECIALISTS	84625	11/16/2023	\$808.44	OPERATING SUPPLIES
		TOTAL	\$808.44	
UNUM	84704	11/29/2023	\$5,639.93	EMPLOYEE BENEFIT - LTD INSURANCE
		TOTAL	\$5,639.93	
US BANK CORPORATE PAYMENT SYSTEM	84654	11/16/2023	\$19,862.70	PURCHASING CARD PAYMENT - NOVEMBER
		TOTAL	\$19,862.70	
VALIC AIG	ACH0082590	11/3/2023	\$4,975.00	DEF COMP, VALIC 457B
		TOTAL	\$4,975.00	
	ACH0082591	11/21/2023	\$4,975.00	DEF COMP, VALIC 457B
		TOTAL	\$4,975.00	

# AP Warrant List From: 11/1/2023 To: 11/30/2023

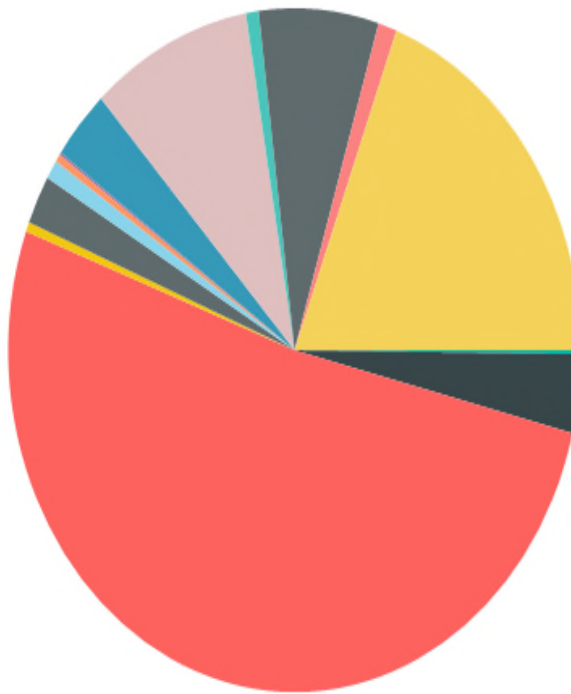
Attachment 1

VENDOR	NO.	DATE	AMOUNT		
VALLEY BATTERY	84696	11/29/2023	\$409.23	OPERATING SUPPLIES	
		TOTAL	\$409.23		
VELOCITYEHS	000008332	11/16/2023	\$2,651.00	LICENSES, PERMITS & FEES	
		TOTAL	\$2,651.00		
VERIZON WIRELESS DALLAS TX	84587	11/8/2023	\$5,198.60	COMMUNICATION	
		TOTAL	\$5,198.60		
VICKI SPRAGUE	84591	11/8/2023	\$59.96	PUBLIC RELATIONS	
		TOTAL	\$59.96		
WALNUT INDUSTRIAL CENTER LLC	84705	11/29/2023	\$2,060.00	H&D WALNUT PARKING LOT LEASE	
		TOTAL	\$2,060.00		
WASTE MANAGEMENT	000008319	11/16/2023	\$723.07	BUILDING SERVICE EXPENSE - OFFICE & YARD	
		TOTAL	\$723.07		
WATERWISE CONSULTING, INC.	000008307	11/8/2023	\$1,915.00	CONTRACT SERVICES	
		TOTAL	\$1,915.00		
WEST YOST & ASSOCIATES	000008294	11/8/2023	\$41,420.72	PROJECT: WELL 84 ANTELOPE/DON JULIO	
		TOTAL	\$41,420.72		
	000008301	11/8/2023	\$24,838.25	PROJECT: WELL 80 WALNUT/AUBURN	
		TOTAL	\$24,838.25		
	000008313	11/15/2023	\$166,956.83	PROJECT: WLS 81/82/83 ANTELOPE N./POKER	
		TOTAL	\$166,956.83		
	000008320	11/16/2023	\$164.00	PROJECT: Q STREET MAIN REPLACMENT	
		TOTAL	\$164.00		
	000008336	11/29/2023	\$38,378.50	PROJECT: WELL 84 ANTELOPE/DON JULIO	
		TOTAL	\$38,378.50		
	000008340	11/30/2023	\$20,509.75	PROJECT: WELL 80 WALNUT/AUBURN	
		TOTAL	\$20,509.75		
	WEX	000008293	11/2/2023	\$18,504.48	OPERATING SUPPLIES
			TOTAL	\$18,504.48	
000008356		11/30/2023	\$13,808.32	OPERATING SUPPLIES	
		TOTAL	\$13,808.32		
WOLF CONSULTING	000008351	11/30/2023	\$7,950.00	IT - CONSULTING SERVICES	
		TOTAL	\$7,950.00		
WOOD RODGERS ENGINEERING	84677	11/29/2023	\$8,636.25	PROJECT: MARCONI BLDG ELECTRICAL UPGRAD	
		TOTAL	\$8,636.25		
WORLDPAY INTEGRATED PAYMENTS	ACH0082592	11/7/2023	\$470.94	FINANCIAL SERVICES	
		TOTAL	\$470.94		
ZOSIMO CABANTING	84649	11/16/2023	\$500.00	CONSERVATION REBATES	
		TOTAL	\$500.00		
<b>GRAND TOTAL</b>			<b>\$7,230,127.14</b>		

VENDOR	NO.	DATE	AMOUNT
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## AP Warrant List Summary Chart

- \$13,488 - 0.19%
- Benefits - \$268,864 - 3.72%
- CIP & OCB - \$3,741,055 - 51.74%
- Customer Accts - \$32,781 - 0.45%
- Eng/Const/Contr Services - \$167,303 - 2.31%
- Financial Services - \$64,929 - 0.90%
- Licenses , Permits, Fees - \$27,045 - 0.37%
- Membership & Dues - \$7,716 - 0.11%
- Other - \$244,392 - 3.38%
- Payroll - \$658,058 - 9.10%
- Pd Others - \$51,699 - 0.72%
- Prepaid Insurnace - General Liability - \$488,223 - 6.75%
- Supplies & Inventory - \$75,771 - 1.05%
- Water Costs - \$1,388,804 - 19.21%



**Credit Card Expenditures  
November 2023**

**Sacramento Suburban Water District  
US Bank Purchasing Card Program  
CalCard Expenditures  
November 2023**

<b>Vendor Name</b>	<b>Description</b>	<b>Amount</b>
DIRECT TV	MONTHLY INVOICE PAYMENT	\$45.17
PLASTIC-MART	FITTING FOR WACHS VAC TRAILER 131	\$44.17
HOME DEPOT	FITTINGS FOR ICE MACHINE WALNUT AND WIRE CUTTER AND CRIMPER	\$66.68
SAFELITE AUTO GLASS	WINDSHEILD REPLACEMENT TRUCK 90	\$451.68
HOME DEPOT	REPLACEMENT DISHWASHER WALNUT	\$784.95
DAKOTA BODIES	REPLACEMENT DOOR LATCH	\$81.17
DAKOTA BODIES	REPLACEMENT DOOR LATCH	\$40.65
HOME DEPOT	BATTERY CHARGER WALNUT	\$62.47
COMPLIANCE IQ	TRAINING-MATT, HECTOR, TODD 05-51407-\$116.66, 02-51406-\$116.66, 08-51407- \$116.67	\$350.00
GMES-GEARCOR	WAREHOUSE SUPPLIES	\$1,184.80
SKILLPATH	TRAINING- KYLE JIVIDEN & JOSH GAGNON	\$398.00
HOME DEPOT	NEW TOOLS-TRUCK 94	\$174.01
WESTIN	TRAINING-ANN BRADFORD	\$798.96
4IMPRINT	SSWD NEW EMPLOYEE SUPPLIES	\$525.19
ROUND TABLE PIZZA	LUNCH MEETING	\$83.06
RALEYS	WATER PROFESSIONALS WEEK LUNCHEON	\$79.99
RALEYS	KITCHEN SUPPLIES-WALNUT	\$8.99
BOUDIN CATERING	WATER PROFESSIONALS WEEK LUNCHEON	\$1,522.50
HI VIZ.COM	CLASS 3 SAFETY SWEATSHIRTS	\$160.45
FRED PRYOR	TRAINING-CHAD JIVIDEN	\$109.00
HOME DEPOT	WAREHOUSE SUPPLIES	\$139.13
MANGATES	TRAINING-SARAH DAINS	\$545.00
MANGATES	TRAINING- SHAWN CHANEY	\$545.00
HOME DEPOT	WAREHOUSE SUPPLIES	\$913.19
BEST WESTERN	TRAINING- PAUL JOHNSON	\$499.47
LEARN IT	TRAINING - RAUL PALOMAR	\$290.00
HOME DEPOT	WAREHOUSE SUPPLIES	\$255.04
COSTCO	ALL STAFF BREAKFAST	\$22.15
COSTCO	STAFF TEAM BUILDING AWARDS	\$143.03
COSTCO	OPEN HOUSE REFRESHMENTS	\$118.17
OFFICE MAX	OPEN HOUSE ITEMS	\$94.02
ROUND TABLE PIZZA	OPEN HOUSE	\$255.39
COSTCO	DRINKS FOR WATER PROFESSIONALS WEEK	\$114.60
COSTCO	BATTERIES FOR THE OFFICE	\$106.51
HOTEL	VICKI SPRAGUE OVERCHARGE FOR ROOM	(\$23.61)
AMAZON	BOOK ORDER FOR HEATHER HERNANDEZ - APVD BY DAN YORK	\$26.93
CAPTIOL SAND	MULCH FOR MULCH EVENT	\$2,855.38
ROUND TABLE	LUNCH WITH THE GM	\$113.02
RALEYS	COOKIES FOR LUNCH WITH THE GM	\$5.99
CLEVERBRIDGE	CORELDRAW SUBSCRIPTION - WAYNE	\$242.10
DF SUPPLY INC.	LINEAR ACT31D TRANSMITTER REMOTES	\$579.96

**Sacramento Suburban Water District  
US Bank Purchasing Card Program  
CalCard Expenditures  
November 2023**

<b>Vendor Name</b>	<b>Description</b>	<b>Amount</b>
APWA	MITCHELL MCCARTHY AND TOMMY MOULTON TRAINING	\$690.00
NOAH'S BAGELS	ALL STAFF REFRESHMENTS	\$126.36
CPS HR CONSULTING	REFUNDED HR TRAINING - MARKCUS (CLASS CANCELLED)	(\$100.00)
PMA ONLINE	ENGINEERING TRAINING - ANGELINA NGUYEN	\$1,195.00
CPS HR CONSULTING	HR TRAINING - MARKCUS	\$100.00
LCW	HR TRAINING - SUSAN AND MARKCUS	\$150.00
RALEYS	OPEN HOUSE REFRESHMENT	\$21.98
TRANSIT TALENT	JOB ADVERTISEMENT - CROSS CONNECTION CONTROL SPECIALIST	\$145.00
YOURMEMBERSHIP (AWWA)	JOB ADVERTISEMENT - CROSS CONNECTION CONTROL SPECIALIST	\$399.00
YOURMEMBERSHIP (NGWA)	JOB ADVERTISEMENT - CROSS CONNECTION CONTROL SPECIALIST	\$349.00
PAYPAL	JOB ADVERTISEMENT - CROSS CONNECTION CONTROL SPECIALIST	\$315.00
WATER AND WASTEWATER JOBS	JOB ADVERTISEMENT - CROSS CONNECTION CONTROL SPECIALIST	\$185.00
CSDA	JOB ADVERTISEMENT - CROSS CONNECTION CONTROL SPECIALIST	\$155.00
GOVERNMENTJOBS (NEOGOV)	JOB ADVERTISEMENT - CROSS CONNECTION CONTROL SPECIALIST	\$199.00
AWRA	JOB ADVERTISEMENT - CROSS CONNECTION CONTROL SPECIALIST	\$545.00
ACWA	JOB ADVERTISEMENT - CROSS CONNECTION CONTROL SPECIALIST	\$475.00
CAJPA	JOB ADVERTISEMENT - CROSS CONNECTION CONTROL SPECIALIST	\$100.00
	Totals:	<b>\$19,862.70</b>



**Investment Activity  
November 2023**



## Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2023**

### SACRAMENTO SUBURBAN WATER DISTRICT - Combined Portfolio

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
<b>BUY</b>										
11/01/23	11/08/23	HAROT 2023-4 A3 DTD 11/08/2023 5.670% 06/21/2028	438123AC5	70,000.00	(69,987.67)	0.00	(69,987.67)			
11/14/23	11/21/23	FHMS K510 A2 DTD 11/01/2023 5.069% 10/01/2028	3137HB3D4	135,000.00	(134,609.72)	(380.18)	(134,989.90)			
<b>11/28/23</b>	<b>12/07/23</b>	<b>FHMS K511 A2</b> <b>DTD 12/07/2023 4.860%</b> <b>10/25/2028</b>	<b>3137HB3G7</b>	<b>210,000.00</b>	<b>(209,396.67)</b>	<b>(170.10)</b>	<b>(209,566.77)</b>			
<b>Transaction Type Sub-Total</b>				<b>415,000.00</b>	<b>(413,994.06)</b>	<b>(550.28)</b>	<b>(414,544.34)</b>			
<b>INTEREST</b>										
11/01/23	11/01/23	CINTAS CORPORATION NO. 2 CORP NOTE (CALL DTD 05/03/2022 3.450% 05/01/2025	17252MAP5	85,000.00	0.00	1,466.25	1,466.25			
11/01/23	11/01/23	CA ST UNIV TXBL REV BONDS DTD 07/29/2021 0.862% 11/01/2025	13077DQD7	115,000.00	0.00	495.65	495.65			
11/01/23	11/01/23	MONEY MARKET FUND	MONEY0002	0.00	0.00	2,888.25	2,888.25			
11/01/23	11/25/23	FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028	3137HAMH6	575,000.00	0.00	2,228.13	2,228.13			
11/01/23	11/25/23	FHLMC MULTIFAMILY STRUCTURED P DTD 07/01/2017 3.243% 04/01/2027	3137F1G44	375,000.00	0.00	1,013.44	1,013.44			
11/01/23	11/25/23	FHMS K508 A2 DTD 10/01/2023 4.740% 08/01/2028	3137HAO74	375,000.00	0.00	1,481.25	1,481.25			
11/01/23	11/25/23	FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026	3137BTUM1	260,000.00	0.00	725.18	725.18			
11/01/23	11/25/23	FHMS K509 A2 DTD 10/01/2023 4.850% 09/01/2028	3137HAST4	280,000.00	0.00	1,131.67	1,131.67			
11/01/23	11/25/23	FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	271,960.18	0.00	693.95	693.95			
11/01/23	11/25/23	FHMS K054 A2 DTD 04/20/2016 2.745% 01/01/2026	3137BNGT5	200,000.00	0.00	457.50	457.50			
11/01/23	11/25/23	FHMS K058 A2 DTD 11/09/2016 2.653% 08/01/2026	3137BSP72	450,000.00	0.00	994.88	994.88			
11/01/23	11/25/23	FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028	3137HACX2	375,000.00	0.00	1,505.94	1,505.94			



## Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2023**

### SACRAMENTO SUBURBAN WATER DISTRICT - Combined Portfolio

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
<b>INTEREST</b>										
11/01/23	11/25/23	FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028	3136BODE6	375,000.00	0.00	1,309.38	1,309.38			
11/01/23	11/25/23	FHMS K064 A2 DTD 05/15/2017 3.224% 03/01/2027	3137BXQY1	375,000.00	0.00	1,007.50	1,007.50			
11/01/23	11/25/23	FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028	3137HAMS2	375,000.00	0.00	1,500.00	1,500.00			
11/01/23	11/25/23	FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028	3137HAD45	299,531.17	0.00	1,192.38	1,192.38			
11/04/23	11/04/23	AMERICAN EXPRESS CO (CALLABLE) CORPORATE DTD 11/04/2021 1.650% 11/04/2026	025816CM9	325,000.00	0.00	2,681.25	2,681.25			
11/07/23	11/07/23	FANNIE MAE NOTES DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	450,000.00	0.00	1,125.00	1,125.00			
11/12/23	11/12/23	AMAZON.COM INC CORPORATE NOTES DTD 05/12/2021 0.450% 05/12/2024	023135BW5	355,000.00	0.00	798.75	798.75			
11/13/23	11/13/23	APPLE INC CORPORATE NOTES DTD 05/13/2015 3.200% 05/13/2025	037833BG4	600,000.00	0.00	9,600.00	9,600.00			
11/15/23	11/15/23	BACCT 2023-A1 A1 DTD 06/16/2023 4.790% 05/15/2028	05522RDG0	135,000.00	0.00	538.88	538.88			
11/15/23	11/15/23	COMET 2021-A1 A1 DTD 07/22/2021 0.550% 07/15/2026	14041NFW6	415,000.00	0.00	190.21	190.21			
11/15/23	11/15/23	NAROT 2021-A A3 DTD 06/23/2021 0.330% 10/15/2025	65480BAC1	223,321.46	0.00	61.41	61.41			
11/15/23	11/15/23	DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026	254683CP8	250,000.00	0.00	120.83	120.83			
11/15/23	11/15/23	AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028	02582JKD1	330,000.00	0.00	1,438.25	1,438.25			
11/15/23	11/15/23	LOCKHEED MARTIN CORP NOTES (CALLABLE) DTD 05/25/2023 4.450% 05/15/2028	539830BZ1	45,000.00	0.00	945.63	945.63			
11/15/23	11/15/23	CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026	14317DAC4	182,083.03	0.00	83.45	83.45			
11/15/23	11/15/23	AMXCA 2023-1 A DTD 06/14/2023 4.870% 05/15/2028	02582JJZ4	150,000.00	0.00	608.75	608.75			



## Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2023**

### SACRAMENTO SUBURBAN WATER DISTRICT - Combined Portfolio

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
<b>INTEREST</b>										
11/15/23	11/15/23	CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026	14314QAC8	69,793.27	0.00	30.24	30.24			
11/15/23	11/15/23	US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026	912828U24	5,300,000.00	0.00	53,000.00	53,000.00			
11/15/23	11/15/23	MBALT 2021-B A3 DTD 06/29/2021 0.400% 11/15/2024	58769KAD6	58,600.55	0.00	19.53	19.53			
11/15/23	11/15/23	COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026	14044CAC6	107,424.43	0.00	68.93	68.93			
11/15/23	11/15/23	CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025	14316HAC6	36,667.85	0.00	15.28	15.28			
11/15/23	11/15/23	HART 2021-C A3 DTD 11/17/2021 0.740% 05/15/2026	44935FAD6	79,903.34	0.00	49.27	49.27			
11/15/23	11/15/23	UNIV OF CAL TXBL REV BONDS DTD 07/16/2020 0.883% 05/15/2025	91412HGE7	100,000.00	0.00	441.50	441.50			
11/15/23	11/15/23	TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025	89190GAC1	223,206.76	0.00	48.36	48.36			
11/15/23	11/15/23	UNITEDHEALTH GROUP INC (CALLABLE) CORPOR DTD 05/19/2021 1.150% 05/15/2026	91324PEC2	325,000.00	0.00	1,868.75	1,868.75			
11/15/23	11/15/23	CARMX 2022-3 A3 DTD 07/20/2022 3.970% 04/15/2027	14318MAD1	300,000.00	0.00	992.50	992.50			
11/15/23	11/15/23	CARMX 2021-1 A3 DTD 01/27/2021 0.340% 12/15/2025	14316NAC3	22,038.89	0.00	6.24	6.24			
11/15/23	11/15/23	HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025	44933LAC7	36,444.47	0.00	11.54	11.54			
11/16/23	11/16/23	GMCAR 2020-4 A3 DTD 10/14/2020 0.380% 08/18/2025	36260KAC8	25,841.76	0.00	8.18	8.18			
11/16/23	11/16/23	GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026	362554AC1	89,407.43	0.00	50.66	50.66			
11/16/23	11/16/23	GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026	380140AC7	108,273.75	0.00	43.31	43.31			
11/19/23	11/19/23	JPMORGAN CHASE & CO NOTES (CALLABLE) DTD 11/19/2020 1.045% 11/19/2026	46647PBT2	250,000.00	0.00	1,306.25	1,306.25			



## Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2023**

### SACRAMENTO SUBURBAN WATER DISTRICT - Combined Portfolio

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
<b>INTEREST</b>											
	11/20/23	11/20/23	VWALT 2022-A A4 DTD 06/14/2022 3.650% 01/20/2027	92868AAD7	145,000.00	0.00	441.04	441.04			
	11/21/23	11/21/23	HAROT 2021-4 A3 DTD 11/24/2021 0.880% 01/21/2026	43815GAC3	104,292.08	0.00	76.48	76.48			
	11/25/23	11/25/23	BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025	09690AAD5	370,000.00	0.00	132.58	132.58			
	11/28/23	11/28/23	ASTRAZENECA FINANCE LLC (CALLABLE) CORP DTD 05/28/2021 1.200% 05/28/2026	04636NAA1	325,000.00	0.00	1,950.00	1,950.00			
<b>Transaction Type Sub-Total</b>					<b>16,323,790.42</b>	<b>0.00</b>	<b>98,844.40</b>	<b>98,844.40</b>			
<b>MATURITY</b>											
	11/06/23	11/06/23	FREDDIE MAC NOTES DTD 11/05/2020 0.250% 11/06/2023	3137EAEZ8	450,000.00	450,000.00	562.50	450,562.50	405.00	0.00	
	11/24/23	11/24/23	INTL BK RECON & DEVELOP NOTES DTD 11/24/2020 0.250% 11/24/2023	459058JM6	600,000.00	600,000.00	750.00	600,750.00	1,290.00	0.00	
	11/27/23	11/27/23	FANNIE MAE NOTES DTD 11/25/2020 0.250% 11/27/2023	3135G06H1	400,000.00	400,000.00	500.00	400,500.00	456.00	0.00	
<b>Transaction Type Sub-Total</b>					<b>1,450,000.00</b>	<b>1,450,000.00</b>	<b>1,812.50</b>	<b>1,451,812.50</b>	<b>2,151.00</b>	<b>0.00</b>	
<b>PAYDOWNS</b>											
	11/01/23	11/25/23	FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	444.35	444.35	0.00	444.35	(22.01)	0.00	
	11/01/23	11/25/23	FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028	3137HAD45	152.21	152.21	0.00	152.21	0.00	0.00	
	11/15/23	11/15/23	CARMX 2021-1 A3 DTD 01/27/2021 0.340% 12/15/2025	14316NAC3	2,250.22	2,250.22	0.00	2,250.22	0.44	0.00	
	11/15/23	11/15/23	CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025	14316HAC6	5,537.93	5,537.93	0.00	5,537.93	1.22	0.00	
	11/15/23	11/15/23	TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025	89190GAC1	20,457.60	20,457.60	0.00	20,457.60	2.20	0.00	
	11/15/23	11/15/23	HART 2021-C A3 DTD 11/17/2021 0.740% 05/15/2026	44935FAD6	5,563.69	5,563.69	0.00	5,563.69	1.24	0.00	



## Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2023**

### SACRAMENTO SUBURBAN WATER DISTRICT - Combined Portfolio

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
<b>PAYDOWNS</b>										
11/15/23	11/15/23	HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025	44933LAC7	4,589.71	4,589.71	0.00	4,589.71	0.48	0.00	
11/15/23	11/15/23	CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026	14314QAC8	6,019.33	6,019.33	0.00	6,019.33	1.30	0.00	
11/15/23	11/15/23	CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026	14317DAC4	11,254.06	11,254.06	0.00	11,254.06	1.85	0.00	
11/15/23	11/15/23	MBALT 2021-B A3 DTD 06/29/2021 0.400% 11/15/2024	58769KAD6	20,534.76	20,534.76	0.00	20,534.76	1.55	0.00	
11/15/23	11/15/23	COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026	14044CAC6	6,507.10	6,507.10	0.00	6,507.10	0.12	0.00	
11/15/23	11/15/23	NAROT 2021-A A3 DTD 06/23/2021 0.330% 10/15/2025	65480BAC1	19,853.49	19,853.49	0.00	19,853.49	0.34	0.00	
11/16/23	11/16/23	GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026	380140AC7	7,571.56	7,571.56	0.00	7,571.56	0.47	0.00	
11/16/23	11/16/23	GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026	362554AC1	5,182.05	5,182.05	0.00	5,182.05	0.13	0.00	
11/16/23	11/16/23	GMCAR 2020-4 A3 DTD 10/14/2020 0.380% 08/18/2025	36260KAC8	4,693.14	4,693.14	0.00	4,693.14	1.00	0.00	
11/21/23	11/21/23	HAROT 2021-4 A3 DTD 11/24/2021 0.880% 01/21/2026	43815GAC3	7,065.60	7,065.60	0.00	7,065.60	1.49	0.00	
<b>Transaction Type Sub-Total</b>				<b>127,676.80</b>	<b>127,676.80</b>	<b>0.00</b>	<b>127,676.80</b>	<b>(8.18)</b>	<b>0.00</b>	
<b>SELL</b>										
11/29/23	12/07/23	US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024	912828YY0	125,000.00	120,659.18	951.09	121,610.27	(12,944.34)	(6,428.79)	FIFO
11/29/23	12/07/23	US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024	912828YY0	100,000.00	96,527.34	760.87	97,288.21	(10,003.91)	(5,026.77)	FIFO
<b>Transaction Type Sub-Total</b>				<b>225,000.00</b>	<b>217,186.52</b>	<b>1,711.96</b>	<b>218,898.48</b>	<b>(22,948.25)</b>	<b>(11,455.56)</b>	
<b>Managed Account Sub-Total</b>					<b>1,380,869.26</b>	<b>101,818.58</b>	<b>1,482,687.84</b>	<b>(20,805.43)</b>	<b>(11,455.56)</b>	



## Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2023**

### SACRAMENTO SUBURBAN WATER DISTRICT - Combined Portfolio

<b>Total Security Transactions</b>	<b>\$1,380,869.26</b>	<b>\$101,818.58</b>	<b>\$1,482,687.84</b>	<b>(\$20,805.43)</b>	<b>(\$11,455.56)</b>
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Bolded items are forward settling trades.

**Directors Compensation  
Third Quarter 2023**



Sacramento Suburban Water District  
Board of Directors Meeting Attended  
Pay Rate per Diem is \$131.00

Meeting Date	Meeting	Payroll Date	K. Thomas	Payroll Date	C. Locke	Payroll Date	D. Jones	Payroll	J. Boatwright	R. Wichert
<b>3rd Quarter: 7/1/2023 - 9/30/2023</b>										
7/6/2023	ACWA Leadership to Leadership			8/11/2023	X					
7/10/2023	Meeting with Director Nelson 2x2 Prep			8/11/2023	X					
7/10/2023	Meeting with GM, Dan York							8/11/2023	X	
7/11/2023	2X2 SSWD & Carmichael Water District	8/11/2023	X	8/11/2023	X					
7/12/2023	Water Form 2023 Habitat Project	8/11/2023	X							
7/12/2023	Water Form Listing Session			8/11/2023	X					
7/13/2023	Meeting with GM, Dan York	8/11/2023	X	8/11/2023	X					
7/17/2023	July Board Meeting	8/11/2023	X	8/11/2023	X	9/8/2023	X	8/11/2023	X	
7/19/2023	ACWA Town Hall Meeting			8/11/2023	X					
7/19/2023	Aerojet CAG	8/11/2023	X							
7/21/2023	Meeting with Counsel - Conflict waiver							8/11/2023	X	
7/25/2023	Meeting with C. Locke					9/8/2023	X			
7/25/2023	Wildfire Impacts on Drinking Water	8/11/2023	X	8/11/2023	X					
7/26/2023	SIWD Board Meeting	8/11/2023	X							
7/26/2023	Review 2X2 points w/ Director Jones			8/11/2023	X					
7/27/2023	Adapting to Weather Extremes			8/11/2023	X					
8/2/2023	LAFCO Meeting	9/22/2023	X					9/22/2023	X	
8/2/2023	State Board			10/6/2023	X					
8/7/2023	Special Board Meeting	9/22/2023	X	10/6/2023	X	9/8/2023	X	9/22/2023	X	
8/9/2023	2X2 SSWD & Carmichael Water District	9/22/2023	X	10/6/2023	X			9/22/2023	X	
8/14/2023	Meeting with GM, Dan York	9/22/2023	X			9/8/2023	X			
8/16/2023	Meeting with Director Saunders from DPMWD							9/22/2023	X	
8/16/2023	Move the Dial			10/6/2023	X					
8/16/2023	Webinar - Groundwater Treatment	9/22/2023	X							
8/17/2023	Meeting with GM, Dan York							9/22/2023	X	
8/18/2023	SGA Board Meeting	9/22/2023	X					9/22/2023	X	
8/21/2023	August Board Meeting	9/22/2023	X	10/6/2023	X	9/8/2023	X	9/22/2023	X	
8/23/2023	SIWD Board Meeting			10/6/2023	X					
8/24/2023	Webinar - EPA Water Smart Grant Project	9/22/2023	X	10/6/2023	X					
8/28/2023	CSDA Conference							9/22/2023	X	
8/29/2023	CSDA Conference							9/22/2023	X	
8/29/2023	Webinar - Storage and Distribution	9/22/2023	X							
8/30/2023	ACWA Committees	9/22/2023	X					9/22/2023	X	
8/30/2023	CSDA Conference							9/22/2023	X	
8/31/2023	CSDA Conference									
9/5/2023	DPMWD Board Meeting	10/20/2023	X							
9/6/2023	CSDA Conference							10/20/2023	X	
9/13/2023	Meeting with GM, Dan York	10/20/2023	X							
9/14/2023	Regional Water Authority Meeting							10/20/2023	X	
9/15/2023	Meeting with GM, Dan York							10/20/2023	X	
9/18/2023	September Board Meeting	10/20/2023	X			11/17/2023	X	10/20/2023	X	
9/19/2023	RWA Webinar on 606/1668 implementation							10/20/2023	X	
9/20/2023	Aerojet CAG	10/20/2023	X							
9/21/2023	SGA 25th Anniversary Celebration					11/17/2023	X	10/20/2023	X	
9/25/2023	RWA Award of State Funds @ Treatment Plant					11/17/2023	X			
9/27/2023	Meeting with GM, Dan York	10/20/2023	X							
9/27/2023	CalWep Water Efficiency Webinar							10/20/2023	X	
<b>3rd Quarter</b>	<b>Total Paid</b>	<b>22</b>	<b>\$ 2,882.00</b>	<b>17</b>	<b>\$ 2,227.00</b>	<b>8</b>	<b>\$ 1,048.00</b>	<b>21</b>	<b>\$ 2,751.00</b>	<b>\$ -</b>

**Directors Expense Report  
Calendar Year 2023**

<b>Event/Purpose - 1st Quarter</b>	<b>Jones</b>	<b>Locke</b>	<b>Boatwright</b>	<b>Thomas</b>	<b>Wichert</b>	<b>Total</b>
Local Meeting Mileage						-
Reimbursed by District						-
Local Meeting Expenses						-
Reimbursed by District						-
Paid Directly by District						-
Conferences						-
Reimbursed by District		4,139.40				4,139.40
Paid Directly by District	4,021.90	2,572.35	815.00			7,409.25
<b>Total</b>	<b>4,021.90</b>	<b>6,711.75</b>	<b>815.00</b>	<b>-</b>	<b>-</b>	<b>11,548.65</b>

<b>Event/Purpose - 2nd Quarter</b>	<b>Jones</b>	<b>Locke</b>	<b>Boatwright</b>	<b>Thomas</b>	<b>Wichert</b>	<b>Total</b>
Local Meeting Mileage						-
Reimbursed by District			11.53			11.53
Local Meeting Expenses						-
Reimbursed by District						-
Paid Directly by District						-
Conferences						-
Reimbursed by District	5,803.74	3,393.71	1,914.00			11,111.45
Paid Directly by District	320.70		730.00			1,050.70
<b>Total</b>	<b>6,124.44</b>	<b>3,393.71</b>	<b>2,655.53</b>	<b>-</b>	<b>-</b>	<b>12,173.68</b>

<b>Event/Purpose - 3rd Quarter</b>	<b>Jones</b>	<b>Locke</b>	<b>Boatwright</b>	<b>Thomas</b>	<b>Wichert</b>	<b>Total</b>
Local Meeting Mileage						-
Reimbursed by District						-
Local Meeting Expenses						-
Reimbursed by District						-
Paid Directly by District						-
Conferences						-
Reimbursed by District			247.96			
Paid Directly by District			1,490.00			
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,737.96</b>	<b>-</b>	<b>-</b>	<b>1,737.96</b>

<b>Event/Purpose - 4th Quarter</b>	<b>Jones</b>	<b>Locke</b>	<b>Boatwright</b>	<b>Thomas</b>	<b>Wichert</b>	<b>Total</b>
Local Meeting Mileage						-
Reimbursed by District						-
Local Meeting Expenses						-
Reimbursed by District						-
Paid Directly by District						-
Conferences						-
Reimbursed by District						-
Paid Directly by District						-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Directors Expense Report  
2023 Year to Date**

<b>Event/Purpose</b>	<b>Jones</b>	<b>Locke</b>	<b>Boatwright</b>	<b>Thomas</b>	<b>Wichert</b>	<b>Total</b>
Local Meeting Mileage						-
Reimbursed by District	-	-	11.53	-	-	11.53
Local Meeting Expenses						-
Reimbursed by District						-
Paid Directly by District						-
Conferences						-
Reimbursed by District	5,803.74	7,533.11	2,161.96	-	-	15,498.81
Paid Directly by District	4,342.60	2,572.35	3,035.00	-	-	9,949.95
Refunded by Director						-
Refunded Directly by Vendor						-
<b>Total</b>	<b>10,146.34</b>	<b>10,105.46</b>	<b>5,208.49</b>	<b>-</b>	<b>-</b>	<b>25,460.29</b>

This report meets the reporting requirements of Government Code sections 53065.5 and 53232.3 and is in conformance with District Policy. Per section 300.10 of the Director's Compensation and Expense Reimbursement Policy (PL-BOD003), a Director's total annual reimburseable expenses, excluding registration fees, may not exceed \$10,000.00.



## Agenda Item: 4

**Date:** December 18, 2023

**Subject:** General Manager Out of State Travel Request

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

**Recommended Board Action:**

Approve the General Manager out of state travel to attend the Sacramento Metropolitan Chamber's Capitol-to-Capitol Conference, scheduled April 13-17, 2024.

**Discussion:**

The Sacramento Metropolitan Chamber of Commerce's Capitol-to-Capitol Conference is in Washington, D.C., April 13 through April 17, 2023. Registration for this conference opens soon.

The General Manager has been asked to participate/lead on committees who will present at the subject conference. This conference takes place out of state, therefore, Board approval is required for General Manager attendance.

**Fiscal Impact:**

Within budgeted amounts for staff and Board travel and conferences.

**Strategic Plan Alignment:**

Goal B - Optimize Operational and Organizational Efficiencies

By staff and Directors attending conferences related to the water industry, District customers will benefit as there is a potential to form new relationships, networking opportunities, discover new solutions to water industry issues, attend workshops that showcase new technologies, workflow, and processes.



## Agenda Item: 5

**Date:** December 18, 2023

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

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

**Recommended Board Action:**

Approve the Water Banking and Transfer Policy (BOD 006) with changes.

**Background:**

The Water Banking and Transfer Policy (Policy) was adopted by the Board of Directors (Board) on October 17, 2011, and was last reviewed by the Board and ratified without changes on September 20, 2021. On November 20, 2023, the Policy was brought to the Board for its biennial review. Comments from Directors were requested by November 27, 2023. No comments from Directors have been received to date.

This Policy was reviewed by legal counsel for this update.

**Discussion:**

Staff recommends approving the Policy with changes. Both a redline version (Attachment 1) and clean version (Attachment 2) are included for your reference. In summary, several changes in terminology were made by staff and legal counsel to more accurately use the terms “Conjunctive Use” and “Water Banking”.

**Fiscal Impact:**

Approving the Policy does not have a fiscal impact.

**Strategic Plan Alignment:**

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

Goal C: Fiscal Responsibility and Affordable Rates

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

**Attachments:**

- 1 – Water Banking and Transfer Policy (BOD 006) – redline
- 2 – Water Banking and Transfer Policy (BOD 006) – clean

Sacramento Suburban Water District

## Water Banking and Transfer Policy

Adopted: October 17, 2011

~~Ratified-Approved~~ without changes: ~~September 20, 2021~~ December 18, 2023

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### 100.00 Purpose of the Policy

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

### 100.10 Definitions

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

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

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

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

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

the right of use for one year or less, or long-term, i.e., for a period of more than one year. Water Transfers may occur between a transferor and transferee in the same watershed or basin or between parties in different watersheds.

## **200.00 Policy**

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

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

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

## **300.00 Policy Review**

This Policy shall be reviewed at least biennially.

Sacramento Suburban Water District

## **Water Banking and Transfer Policy**

Adopted: October 17, 2011

Approved with changes: December 18, 2023

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

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

### **100.10 Definitions**

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

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

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

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

## **200.00 Policy**

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

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

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

## **300.00 Policy Review**

This Policy shall be reviewed at least biennially.





## Agenda Item: 6

**Date:** December 18, 2023

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

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

### Recommended Board Action:

1. Approve the Investment Policy PL – Fin 003 with changes.
2. Affirm the Board of Directors’ desire to delegate its investment authority to the District Treasurer for a period of one year (Calendar Year 2024) pursuant to Government Code section 53607 and Investment Policy (PL – Fin 003).

### Background:

The Investment Policy (PL – Fin 003) (Policy) was adopted by the Board on December 16, 2002, and was last reviewed by the Board on December 19, 2022. On November 20, 2023, the Policy update was brought to the Board for its scheduled review. No comments from Directors have been received to date.

This Policy was reviewed by legal counsel for this update.

The Board of Directors has the authority to delegate its investment authority to the District Treasurer. 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, 2024, following the passage of Senate Bill 882 (SB 882). SB 882, also known as the Local Government Omnibus Act of 2023,

made a number of changes to Code, including several that impact the investment of public funds. Language was added to Code Section 53601(o), the subdivision that allows investment in assets-backed and mortgage-backed securities, to state that securities allowed under 53601(o) that are issued by the U.S. Treasury, federal agencies, or United States government-sponsored enterprises are exempt from the credit and diversification requirements included in 53601(o).

Both a redline version (Attachment 1) and clean version (Attachment 2) are included for your reference. In summary, edits by staff and legal were made to the following sections:

1. **Section 709.00 – Mortgage Obligations and Asset Backed Securities:** Staff recommends replacing the last sentence with the following language:

For securities eligible for investment under this subdivision not issued or guaranteed by an agency or issuer identified in subdivision 701.00, restrictions are as follows:

2. **Section 1300.00 – Policy Review:** The last sentence is being replaced with the following language due to the change in policy review adopted by the Board of Directors:

This policy shall be periodically reviewed by the Board of Directors in accordance with its established policy review schedule.

**Fiscal Impact:**

Adopting the policy updates does not have a fiscal impact.

**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 18, 2023

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**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. For securities eligible for investment under this subdivision not issued or guaranteed by an agency or issuer identified in subdivision 701.00, 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 periodically reviewed by the Board of Directors in accordance with its established policy review schedule.



**APPENDIX A**

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

<b>Investment Type</b>	<b>Maximum Maturity <sup>(1)</sup></b>	<b>Maximum Percentage of Portfolio</b>	<b>Percentage By Any Issuer or Bank</b>
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	<sup>(2)</sup>	--
District Policy	N/A	<sup>(2)</sup>	--

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.

Sacramento Suburban Water District

**Investment Policy**

Adopted: December 16, 2002  
Approved with changes on: December 18, 2023

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**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. For securities eligible for investment under this subdivision not issued or guaranteed by an agency or issuer identified in subdivision 701.00, 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 periodically reviewed by the Board of Directors in accordance with its established policy review schedule.

**APPENDIX A**

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

<b>Investment Type</b>	<b>Maximum Maturity <sup>(1)</sup></b>	<b>Maximum Percentage of Portfolio</b>	<b>Percentage By Any Issuer or Bank</b>
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	<sup>(2)</sup>	--
District Policy	N/A	<sup>(2)</sup>	--

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 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.

**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.



## Agenda Item: 7

**Date:** December 18, 2023

**Subject:** Consider Conducting a Valuation of Kirby’s Pump & Mechanical, Inc.

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

### **Recommended Board Action:**

Authorize the General Manager to conduct a valuation of Kirby’s Pump & Mechanical, Inc., for potential use in an assessment as to whether to consider purchase of Kirby’s Pump & Mechanical, Inc., as provided by the exclusive 5-year contract with Kirby’s Pump & Mechanical, Inc., and report back to the Board at a future regular Board meeting.

### **Note:**

Staff presented this item to the Facilities and Operations Committee at its October 19, 2023, meeting. The Committee chose to table the item. At the November 20, 2023, Regular Board meeting, staff was directed to bring this item to the full Board at its December 18, 2023, regular Board meeting for consideration of approval.

### **Background:**

The District’s maintenance and repair efforts for groundwater production and storage facilities have been significantly hampered due to lack of necessary contractor availability. Critical maintenance and repair activities were not able to be completed and this resulted in severe degradation of the overall system reliability.

While State water quality regulations is a controlling factor, the most significant factor within the District’s control was production facility reliability. Lack of contractor availability severely impacted the District’s ability to maintain production facilities. The missing component needed to provide acceptable reliability of production facilities is regular maintenance through sustained ready access to qualified contractors.

### Assessment

The overall assessment identified that the long-term degradation of reliability resulting from lack of maintenance due to low contractor availability created a vulnerability which, when combined with the loss of production due to regulatory water quality issues, lowered supply capacity to a critical level. Work that was being performed at groundwater production and storage facilities was almost exclusively reactive. Clearly the status quo was inadequate, so staff pursued ideas for an alternative and creative approach.

## Response

Kirby's Pump & Mechanical, Inc. (KPM), a California-licensed contractor specializing in maintenance and repair of groundwater wells of all types, has provided excellent service to the District for 20 years, as well as to both of the District's predecessor agencies before that. At the September 26, 2022, Special Board meeting, by a unanimous vote, the Board authorized the General Manager to enter into an exclusive long-term contract (Contract) with KPM for well maintenance and repair.

On September 29, 2022, the District and KPM executed the Contract, the terms of which germane to the Board item are:

- a) An initial one-year Term and up to four (4) consecutive one-year extension Terms; and
- b) The option for the District to purchase KPM at any time after the initial Term.

The Contract's Term 1 began March 1, 2023.

## **Discussion:**

With seventy-one groundwater wells, the District is 100% reliant on groundwater to provide a reliable water supply to customers. The District does have contract entitlements for surface water, however, the availability of surface water has a history of being intermittent and unpredictable. Therefore, the District must maintain production facilities at a high level of reliability if it is to meet the supply demands of its customers.

The Contract has been by all measures and results a resounding success. As reported to the Board at the September 19, 2023, regular Board meeting, in the first six months of the Contract (March through August 2023) twenty-two off-line wells were returned to on-line status, which represents a combined capacity of 26,800 gallons per minute. Additionally, important non-capacity projects were completed, such as replacement of the booster pump at the Walnut Tank and installation of a mixer in the Watt/Elkhorn Reservoir. In summary, numerous backlogged maintenance and repair activities were completed to restore capacity and improve reliability.

## Assessment

There are several strong positives supporting a purchase of KPM:

1. *Maintenance: Reactive to Proactive*

It would bring the necessary capability in-house to move from a reactive posture to a proactive posture for maintenance. Wells require maintenance over their entire lifespan.

2. *Reliability*

Such in-house capability would assure the necessary level of reliability consistent with the needs of District customers.

3. *Longevity*

Maintained wells last longer and produce water at a higher rate since clogging of perforations is reduced through proper maintenance. Therefore, over the life of a well its benefit is maximized.

4. *Property Acquisition*

Property for a new well is very hard to come by and it can be very costly. Prolonging the life and capacity of existing wells through proper maintenance can potentially delay the need to acquire land.

5. *Space*

The District has sufficient space at existing facilities to accommodate purchase of KPM and construction of new facilities is not required. Therefore, integration with current operations would be not be overly complicated.

6. *Contractor Scarcity Avoided*

The Contract provides an exit for KPM after the initial Term. As such, the District is at a potential risk of a return to the prior contractor market conditions that led to the decline in reliability:

If the District were to not purchase KPM, and KPM later opted to not renew the exclusive contract with the District, the District would surely find itself once again competing with other water purveyors for capable contractors in a market with a severely inadequate supply. Or a worse case scenario, KPM could enter into an exclusive contract with another water purveyor, thereby leaving the District in dire straits with respect to production reliability.

Conclusion

Staff recommends not delaying efforts to look further into the benefit and viability of the option to purchase KPM. This would start by conducting a valuation of KPM.

KPM has expressed a strong interest in discussions with the District on the purchase option. District legal counsel provided preliminary guidance that this option appears likely to be viable from a legal standpoint. The work to assess benefit and viability of a purchase will require assistance of a consultant, and consultation with District legal counsel to guide staff in the process.

**Fiscal Impact:**

A. Purchase Option

- Fiscal impact from a valuation/assessment of purchasing KPM is anticipated to be approximately \$35,000.
- The full fiscal impact of purchasing KPM is not known at this time and would be a primary component of the effort to assess the benefit to the District of purchasing KPM.
- If the purchase price is on the order of \$5 million, and salary and benefits costs are \$1 million per year, this option would be a better financial deal to the District after only about 3 or 4 years.

**Strategic Plan Alignment:**

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

Goal B: Optimize Operational and Organizational Efficiencies

Goal C: Ensure Fiscal Responsibility and Affordable Rates

Goal D: Maintain Excellent Customer Service



## Agenda Item: 8

**Date:** December 18, 2023

**Subject:** CY2023 Operating and Capital Budget Amendments

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

### Recommended Board Action:

Approve the requested \$1,000,000 amendment to the 2023 Operating Budget for additional production water costs and transmission & distribution repair costs, and to move up to \$1,200,000 from the CY2024 budget to CY2023 for the Well 84 Multi-Year project.

### Summary:

The CY2023 budget accounted for approximately 10,000 Acre Fee (AF) of surface water purchases for both the north and south service areas. With plenty of surface water availability in CY2023, the District will consume approximately 20,500AF of surface water this year. Surface water is more expensive than ground water. Staff forecasts that an additional \$850,000 of budget will be needed to fill the budget gap for surface water purchases. Additionally, the Transmission and Distribution (T&D) Department has seen significant increases in construction costs in CY2023 due in part to last winter's storms, a significant leak that occurred, and the increased requirement from Sacramento County for paving. Staff forecasts that an additional \$150,000 will be necessary to cover these increased costs. Finally, multi-year project Well 84 is moving ahead of the schedule anticipated when the CY2023 budget was prepared. As such, Engineering is forecasting a need to move up to \$1,200,000 of budget funds from the CY2024 budget forecast to the CY2023 budget to be able to fund this acceleration in the schedule.

Staff does not anticipate that all of the Operating Budget amendment of \$1,000,000 will be needed from reserves. Additional revenues are being recognized from the sale of wheeling water to California American Water (Cal-Am) (~\$700,000) and grant revenue from the Federal Emergency Management Agency (FEMA) (~\$140,000) that will cover a portion of the \$1,000,000 increase in water production and T&D costs.

### Background:

#### Operating Budget

During the October 2021 discussions for the CY2022 Operating Budget, staff discussed with the Board, and the Board approved, an increase in the reserve target for the Rate Stabilization Reserve balance from 35% to 40% to cover situations where insufficient funds are budgeted to cover surface water costs. This was the result of the practice of full budgeting of the take-or-pay surface water agreement with Placer County Water Agency (PCWA) that would result in significant positive variances in the annual water production budget. The current budget practice is to budget approximately 1/3 to 1/2 of the PCWA commitment resulting in smaller variances in water

production costs when no surface water is available. In years where surface water is available and the budget is insufficient to cover the total water production costs, the Rate Stabilization Reserve would be used to supplement the budget for water production, with Board approval.

Since the pandemic of 2020, inflation has steadily risen. Staff have observed increases in costs across the board. However, one particular element has increased dramatically, construction costs. Not only the cost of construction, but also Sacramento County's requirements for paving when the pavement is disturbed such as with valve or main repairs. The Distribution Department has seen the repair costs nearly triple from the 2017-2021 average of approximately \$187,000 annually to an approximate \$557,000 annual average for 2022-2023 (2023 forecast approximately \$600,000). The CY2023 budget is \$227,500.

### Capital Budget

At the June 19, 2023, regular Board meeting, the Board approved budget amendments for the new well projects Well 81 – 83 and Well 84. As part of that budget amendment, the CY2023 budgets for these projects were amended as well. The CY2023 budget for the Wells 81 – 83 project was increased \$1.05 million and the CY2023 budget for the Well 84 project was increased by \$150,000. Staff also discussed that the schedule for these projects is fluid and subject to change based on many factors such as drilling conditions, supply chain, and weather among others. Staff indicated that the total amended budgets, based on current projections, are sufficient, but the allocation between 2023 and future years could require some adjustments based on the progress of the projects.

### **Discussion:**

#### Operating Budget

CY2023 surface water costs were budgeted at \$2.3 million for 10,000 acre feet (AF) while groundwater costs were budgeted at \$2.7 million for 21,000 AF. The current forecast is for approximately 20,500 AF of surface water and approximately 10,900 AF of groundwater. Net surface water costs are approximately \$203.00/AF this year compared to groundwater at approximately \$178.00/AF. Part of this production does include approximately 1,500 AF of Cal-Am wheeling water which will result in approximately \$700,000 in additional unbudgeted revenues that could cover part of the increased production costs. Staff forecasts a deficit of approximately \$850,000 in the Production Department budget.

<u>Budget Item</u>	<u>Forecast Amount</u>
Additional Water Production Costs	\$850,000
Additional Wheeling Water Revenue	\$700,000
Effect on Net Revenues (Forecasted)	(\$150,000)

The winter of 2023 saw several significant storms that caused damage to district property. In addition, several major leaks caused significant damage to District and customer property. However, this did not account for all of the increase in repair costs for CY2023. Construction and particularly paving costs have increased substantially in addition to the new requirement from the County to pave larger areas and include ADA compliance when breaking the pavement for repairs. The District has received \$179,000 from insurance to offset portions of the leak damage costs along with \$140,000 in FEMA funds to recover portions of the winter storm damage costs. With



funds available from the Field Services Department budget, staff are requesting an additional \$150,000 for Distribution Department budget.

With the increase in water production and distribution repair costs over the budget, staff are requesting a CY2023 Operating Budget amendment of \$1,000,000 to cover additional expenses as follows:

Production: \$850,000

Distribution: \$150,000

This represents staff's best estimate of the amounts needed to fund these department expenditures for the remainder of CY2023. All of these funds may not be required as there are other funds available in other department budgets; however, those forecasts are not completely clear at this time and the amount of excess funds available can only be estimated. Only the actual expenditures will be accounted for when comparing revenues and expenditures for CY2023. This amendment will allow staff to complete the year with an operating budget sufficient to cover all anticipated expenditures as required by Budget Policy PL – Fin 012.

#### Capital Budget

As discussed with the Board at the June 19, 2023, regular Board meeting, staff are now requesting an additional move of up to \$1.2 million from the CY2024 budget into the CY2023 budget for the Well 84 project to keep the project on schedule. Current cash flow projections show a deficit in the current CY2023 budget. This would only be a move of budget from CY2024 to CY2023, only in the amount actually required, and not an increase in the total budget for the project.

#### **Fiscal Impact:**

The operating budget amendment will increase the CY2023 operating budget from \$24,860,000 to \$25,860,000. Additional revenues of approximately \$840,000 will be recognized from both FEMA and Cal-Am to offset some of these increased costs. The CY 2023 budget was reserve neutral so this amendment could require up to \$1.0 million from District reserves. However, staff believes that will not be necessary after the additional revenues are factored into the year-end budget reconciliation.

The capital budget amendment could potentially increase the CY2023 capital budget from \$24,005,000 to \$25,205,000 and decrease the CY2024 capital budget from \$29,710,000 to \$28,510,000. Staff will report back to the Board the actual transfer when presenting the CY2023 budget reconciliation in the first quarter of CY2024.

#### **Strategic Plan Alignment:**

**GOAL A** – Provide a High Quality Reliable Water Supply by Ensuring it is Sustainable, Clean, and Safe

**GOAL B** – Optimize Operational and Organizational Efficiencies

**GOAL C** – Ensure Fiscal Responsibility and Affordable Rates



## Agenda Item: 9

**Date:** December 18, 2023

**Subject:** Committee and Liaison Appointments for 2024

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

**Recommended Board Action:**

The Board President makes appointments to Board committees and assigns Board member liaisons to outside organizations.

**Discussion:**

The Board President appoints Directors to various committees. Typically, there is an annual review of committee assignments.

Included with this report is the most recent list of the 2023 Committee and Liaison Assignments indicating the appointments for the past year (Attachment 1).

Note that some assignments are to establish the District's voting representative with outside entities and others are to assign liaison interests for the purposes of establishing compensable attendance per District policies on Director compensation.

**Fiscal Impact:**

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

**Strategic Plan Alignment:**

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

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

**Attachments:**

1. 2023 Committee and Liaison Assignments

**Sacramento Suburban Water District  
2023 Committee and Liaison Assignments**

**Committees**

Audit Committee.....	Craig Locke, Chair
.....	Jay Boatwright
Facilities and Operations Committee.....	Dave Jones, Chair
.....	Craig Locke
.....	Jay Boatwright, Alternate
Regulatory Compliance/Water Quality Committee.....	Robert Wichert, Chair
.....	Kevin Thomas
Water Banking Committee .....	Kevin Thomas
.....	Robert Wichert
Carmichael Water District/SSWD 2x2 Committee .....	Craig Locke, Chair
.....	Dave Jones
Del Paso Manor Water District/SSWD 2x2 Committee.....	Robert Wichert, Chair
.....	Jay Boatwright
General Manager Performance Review Committee .....	Robert Wichert
.....	Kevin Thomas

**Liaison Assignments**

ACWA/JPIA .....	Jay Boatwright
.....	Staff Position: Dan York
ACWA General Election Voting Delegate .....	Jay Boatwright
	Dan York, Alternate
ACWA Groundwater Committee.....	Dave Jones
.....	Kevin Thomas
.....	Craig Locke
.....	Dan York
.....	Jay Boatwright
.....	Ed Winkler
.....	Jim Peifer
ACWA Water Quality Committee.....	Dave Jones
ACWA Energy Committee .....	Robert Wichert

ACWA Federal Affairs Committee .....	Jim Peifer
.....	Michelle Banonis
ACWA Board (Federal Affairs Committee Chair) .....	Jim Peifer
ACWA Legal Affairs Committee .....	Ryan Bezerra
ACWA State Legislative Committee .....	Ryan Ojakian
ACWA Business Development Committee .....	Edward Winkler
California Special Districts Association .....	Dave Jones
LAFCo Special District Advisory Committee .....	Jay Boatwright
Regional Water Authority (03/21/2023) .....	Robert Wichert
.....	Dan York, Alternate
.....	Jay Boatwright, Alternate
.....	Dave Jones, Alternate
.....	Craig Locke, Alternate
.....	Kevin Thomas, Alternate
Sacramento Groundwater Authority .....	Jay Boatwright, Board Rep.
.....	Robert Wichert, Alternate
.....	Kevin Thomas, Alternate
Sacramento Water Forum Successor Effort .....	Staff Rep: Dan York
.....	Bob Wichert
.....	Craig Locke, Alternate
.....	Kevin Thomas, Alternate
.....	Dave Jones, Alternate



## Agenda Item: 10

**Date:** December 18, 2023

**Subject:** General Manager’s Report

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

**a. CSDA Virtual Tour: Water Infrastructure for Firefighting**

Sacramento Suburban Water District, California Special Districts Association, and Sacramento Metropolitan Fire District have collaborated to send a message on the importance of maintaining/improving firefighting infrastructure. A video was developed to present at a Virtual Tour attended by staffers/representatives from federal and state agencies. The Virtual Tour was held on December 5, 2023, with approximately fifty attendees. The collaborative efforts are intended to provide the message to enhance potential opportunities for state and federal grant opportunities.

Below were the audiences invited to the Virtual Tour:

- Governor’s Office
- Department of Finance
- Department of Conservation
- Cal OES
- State Water Resources Control Board, DDW
- Department of Water Resources
- Little Hoover Commission
- Department of Insurance



## Agenda Item: 11

**Date:** December 18, 2023

**Subject:** Groundwater Well Status Report

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

### Introduction

The purpose of this report is to give a comprehensive overview of the current condition and capacity of the Active groundwater wells within the District. This report aims to identify all of the off-line Active sources, their project status, and when they are expected to be operational (on-line). This information is categorized by the following sections: A) Capacity Status Summary; and B) Off-Line Capacity Detail.

### Definitions

Active – A well is defined as an Active source within the District’s Drinking Water Permit.

On-line – A well is considered on-line when it is Active and available for operation into the distribution system.

Off-line – A well is considered off-line when it is Active and locked-out and tagged-out. As a result, it cannot and will not be used as a source of supply. There are various reasons why a well may be off-line, such as maintenance, power supply, water quality, among others.

Note: Work has been initiated on numerous facilities and steady progress is underway as indicated below in Section B. Unless specified differently, KPM is the contractor for a project.

**A. CAPACITY STATUS SUMMARY**

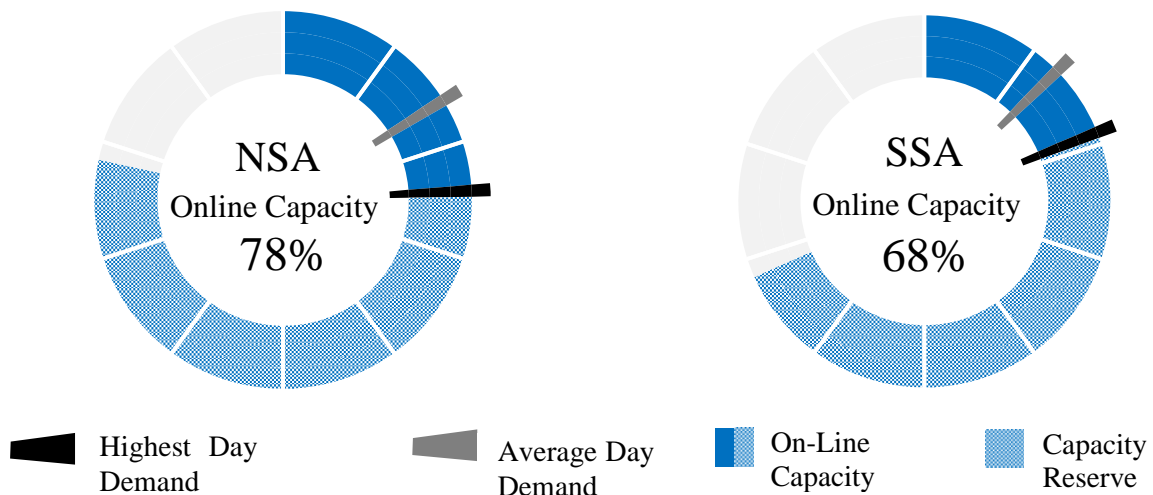
Table 1 below lists the District’s groundwater supply capacity for Active wells, the On-Line amount and percentage, the current month’s projected daily demand based on a 3-year rolling average (*Average Day*), and the current month’s projected highest day demand calculated using a factor of 1.5 applied to the Average Day demand (*Highest Day*). Figure 1 below presents the capacity and demand data graphically.

**Table 1.** Status Summary of Groundwater Supply Capacity by Service Area

Area	Groundwater Supply Capacity			Monthly Demand Projection	
	Active (MGD)	On-Line (MGD)	On-Line (%)	Average Day (MGD)	Highest Day (MGD)
NSA	58.9	45.9	78%	9.4	14.2
SSA	57.6	39.4	68%	7.3	10.9
<b>Total</b>	116.5	85.3	73%	16.7	25.1

MGD = Million Gallons per Day

**Figure 1.** Capacity vs. Demand by Service Area



**B. OFF-LINE CAPACITY DETAIL**

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

**NORTH SERVICE AREA**

Total Active capacity off-line for listed projects: 8,700 gpm / 12.6 MGD  
(8,800 gpm last report)

<b>Summary of Change in Well Status</b>		
<u>Well</u>	<u>Status</u>	<u>Capacity (gpm)</u>
52 Weddigen/Gothberg	On	800
59A Bainbridge/Holmes	Off	(1,800)
N7 Rosebud	On	1,100
Net Change in Capacity:		100

**CONDITION ASSESSMENT AND INVESTIGATIVE PROJECTS**

Listed below are current Condition Assessment (CA) and preliminary investigative projects. A CA is the initial step in assessing a well’s physical condition necessary to monitor the well’s health and is used in planning any further work efforts.

Projects in this category frequently move to the *Repair and Rehabilitation Projects* or the *Water Quality* category following completion of the CA and/or investigative project before moving to the *Completed* category.

In-Progress Projects: 0 gpm

None

Planned Projects: 0 gpm

None



## REPAIR AND REHABILITATION PROJECTS

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

*In-Progress Projects:* 0 gpm

None

*Planned Projects:* 1,800 gpm

59A Bainbridge/Holmes

*Capacity / Status:* 1,800 gpm / Off-line 11/27/2023

*Reason:* Leaking check valve

*Project Phase:* New check valve ordered

*Tentative Start:* February 2024

*Expected Completion:* February 2024

## HYDRO-PNEUMATIC TANK PROJECTS

### Background

In 2012, the District's insurance carrier, ACWA/JPIA, alerted its member agencies of the hazards concerning aging hydro-pneumatic (HP) tanks and the potential for catastrophic failure (with potential for major damage, injury, and death). They recommended regular preventive maintenance and inspections be conducted.

The process of performing HP tank inspections involves the following. The well and tank are isolated from the distribution system and the tank is drained. The tank is then cleaned and an inspection is performed which consists of visual inspection and metal thickness measurements. If needed, appurtenances like safety relief valves are replaced and coating repairs are completed.

Tanks are returned to service if the inspection shows that it is in serviceable condition. However, a tank may need to be recoated and/or repaired, or even replaced.

### Projects

Listed below are current HP tank projects and inspections. An inspection is the initial step in assessing a tank's coating and physical condition and is used in planning work efforts.

Recent inspections have revealed significant deficiencies in several HP tanks that may have reached the end of their service life and require removal from service or need to be remediated prior to returning to service. District staff and KPM have been evaluating facilities with HP tanks where inspections have identified deficiencies. To determine the optimum solution for each facility, various factors are taken into consideration, including: coating composition, tank age and structural certification, operational considerations, as well as the cost and lead-times for new tanks.

*In-Progress Projects:* 900 gpm

N3 Engle

*Capacity / Status:* 900 gpm / Off-line 1/13/2023

*Reason:* HP tank structural deficiencies. (Off-line due to safety concerns). Pump needs to be replaced.

*Project Phase:* HP tank has been replaced. Discharge pipe modifications are underway. Replacement pump is on order.

*Expected Completion:* February 2024

*Planned Projects:* 0 gpm

None (backlog has been eliminated; there are no pending projects).

## WATER QUALITY PROJECTS

Listed below are current water quality investigation and remediation projects.

Wells in this category tend to require significant downhole modifications, chemical rehabilitation, and/or treatment plants. The probability of inactivation is higher for a well in this category than for those in the previous categories.

*In-Progress Projects:* 3,800 gpm

N6A Palm

*Capacity / Status:* 1,700 gpm / Off-line 3/4/2020

*Reason:* Bacteriological

*Project Phase:* Well disinfection and treatment plant conditioning complete. Minor equipment to be replaced is on order.

*Expected Completion:* January 2024

N20 Cypress

*Capacity / Status:* 1,100 gpm / Off-line 8/23/2018

*Reason:* Manganese

*Project Phase:* Well rehabilitation started.

*Expected Completion:* January 2024 (for rehabilitation)

N23A Freeway

*Capacity / Status:* 1,000 gpm / Off-line 7/6/2023

*Reason:* Bacteriological

*Project Phase:* Disinfection in progress with a more aggressive chemical treatment.

*Expected Completion:* April 2024

Planned Projects: 2,200 gpm

N1 Evergreen

*Capacity / Status:* 1,100 gpm / Off-line 6/1/2021

*Reason:* PFAS

*Contractor:* Roadrunner

*Project Phase:* Project is well modification in an attempt to mitigate PFAS contamination. Ready for construction; waiting for well contractor availability.

*Tentative Start:* April 2024

*Expected Completion:* May 2024

N8 Field

*Capacity / Status:* 1,100 gpm / Off-line 5/2/2023

*Reason:* Bacteriological

*Project Phase:* Lab results received. Currently evaluating water quality data.

*Tentative Start:* March 2024 (this will most likely require a chemical treatment approach that is relatively time-consuming).

*Expected Completion:* April 2024

**COMPLETED PROJECTS**

Restored Capacity: 1,900 gpm

N7 Rosebud

*Capacity / Status:* 1,100 gpm / Off-line 9/24/2021

*Reason:* Electrical upgrade (incoming power from 3- to 4-wire)

*Resolution:* Upgraded electrical service.

52 Weddigen/Gothberg

*Capacity / Status:* 800 gpm / Off-line 5/16/2023

*Reason:* Pump noise

*Resolution:* Pump rebuilt and converted to water pre-lube.

**SOUTH SERVICE AREA**

*Total Active capacity off-line for listed projects:* 12,600 gpm / 18.2 MGD  
(9,500 gpm last report)

**Summary of Change in Well Status**

<u>Well</u>	<u>Status</u>	<u>Capacity (gpm)</u>
4B Bell/Marconi	Off	(2,700)
26 Greenwood/Marconi	On	600
66 Eastern/Woodside Church	Off	(1,000)
Net Change in Capacity:		(3,100)

**CONDITION ASSESSMENT AND INVESTIGATIVE PROJECTS**

*In-Progress Projects:* 600 gpm

28 Red Robin/Darwin

*Capacity / Status:* 600 gpm / Off-line 9/21/2020

*Reason:* Capacity loss (pump breaking suction)

*Project Phase:* Well cleaning complete.

In work queue for pump installation.

*Expected Completion:* February 2024

*Planned Projects:* 0 gpm

None

**REPAIR AND REHABILITATION PROJECTS**

*In-Progress Projects:* 4,700 gpm

4B Bell/Marconi

*Capacity / Status:* 2,700 gpm / Off-line 11/10/2023

*Reason:* Discharge pipe repairs

*Project Phase:* Replacement fittings on order

*Expected Completion:* January 2024

41 Albatross/Iris

*Capacity / Status:* 500 gpm / Off-line 11/5/2018  
*Reason:* Site electrical power supply line replacement  
*Contractor:* Auburn Constructors  
*Project Phase:* Contractor has installed new conduit. Currently waiting for SMUD to install new power pole (to connect well site to SMUD's pole-mounted transformer). Operational testing to follow.  
*Expected Completion:* February 2024 (based on SMUD anticipated schedule to install new power pole and conductors)

60 Whitney/Concetta

*Capacity / Status:* 500 gpm / Off-line 5/13/2021  
*Reason:* Motor failure and pump worn out (Loewen); and pump station improvements (KPM)  
*Contractor:* Loewen; followed by KPM  
*Project Phase:* Water pre-lube plumbing  
*Expected Completion:* March 2024

66 Eastern/Woodside Church

*Capacity / Status:* 1,000 gpm / Off-line 11/14/2023  
*Reason:* Motor failure  
*Project Phase:* In work queue for motor installation.  
*Expected Completion:* January 2024

Planned Projects: 3,200 gpm

13 Calderwood/Marconi

*Capacity / Status:* 700 gpm / Off-line 7/16/2020  
*Reason:* Capacity loss (pump breaking suction)  
*Project Phase:* Condition assessment completed.  
In work queue for well cleaning.  
*Tentative Start:* March 2024  
*Expected Completion:* May 2024

20A Watt/Arden

*Capacity / Status:* 1,100 gpm / Off-line 3/1/2022  
*Reason:* Electrical service failure (SMUD requires upgrade from 3- to 4-wire)  
*Project Phase:* Plan has been approved by SMUD.  
In work queue for construction of upgraded electrical lines.  
*Tentative Start:* January 2024  
*Expected Completion:* April 2024 (based on anticipated SMUD schedule)

35 Ulysses/Mercury

*Capacity / Status:* 800 gpm / Off-line 6/7/2023  
*Reason:* Electrical service failure (SMUD requires upgrade from 3-  
to 4-wire)  
*Contractor:* Frisch Engineering (design); KPM (construction)  
*Project Phase:* Scoping/contracting with designer and contractor  
*Tentative Start:* January 2024 (design)  
*Expected Completion:* January 2026 (est. 24-month project duration)

70 Sierra/Blackmer

*Capacity / Status:* 600 gpm / Off-line 5/10/2019  
*Reason:* Capacity loss (total). Additionally, HP tank has structural  
deficiencies (removed from service due to safety concerns)  
*Project Status:* Well condition assessment completed.  
In work queue for well cleaning.  
*Tentative Start:* April 2024  
*Expected Completion:* June 2024

**HYDRO-PNEUMATIC TANK PROJECTS**

*In-Progress Projects:* 0 gpm

None

*Planned Projects:* 1,300 gpm

18 Riding Club/Ladino

*Capacity / Status:* 900 gpm / Off-line 4/8/2022  
*Reason:* HP tank inspection (off-line due to safety concerns)  
Additionally, fluoride injection system is malfunctioning.  
*Project Phase:* Site access alternatives assessment  
*Tentative Start:* January 2024 (for assessment)  
*Expected Completion:* September 2024

77 Larch/Northrop

*Capacity / Status:* 400 gpm / Off-line 12/21/2022  
*Reason:* HP tank inspection (off-line due to safety concerns)  
*Project Phase:* Pump testing to assess well condition  
*Tentative Start:* May 2024 (for well condition assessment)  
*Expected Completion:* June 2024

**WATER QUALITY PROJECTS**

*In-Progress Projects:* 0 gpm

None

Planned Projects: 2,800 gpm

46 Jonas/Sierra

*Capacity / Status:* 700 gpm / Off-line 7/16/2018

*Reason:* PFAS

*Contractor:* N/A

*Project Phase:* Evaluation for inactivation

*Tentative Start:* N/A

*Expected Completion:* January 2024

68 Northrop/Dornajo

*Capacity / Status:* 1,600 gpm / Off-line 11/3/2021

*Reason:* Entrained gas; manganese

*Project Phase:* Condition assessment completed. In work queue for well cleaning.

*Tentative Start:* May 2024

*Expected Completion:* July 2024

69 Hilldale/Cooper

*Capacity / Status:* 500 gpm / Off-line 1/25/2017

*Reason:* Bacteriological

*Contractor:* N/A

*Project Phase:* Evaluation for inactivation

*Tentative Start:* N/A

*Expected Completion:* January 2024

**COMPLETED PROJECTS**

Restored Capacity: 600 gpm

26 Greenwood/Marconi

*Capacity / Status:* 600 gpm / Off-line 10/16/2023

*Reason:* Relocation of one HP tank to well N3 Engle

*Resolution:* Discharge pipe modifications



## Agenda Item: 12

**Date:** December 18, 2023

**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) Planning Documents; and C) Other Projects.

### A. MAJOR CAPITAL IMPROVEMENT PROGRAM PROJECTS

Below are major CIP projects consistent with the Board’s approved funding program.

SUPPLY – NEW WELLS

The table below shows the stages of the current projects.

Well 78 Butano / Cottage	<b>DESIGN AND CONSTRUCTION</b>		
	<b>Approximate Completion</b>		<b>Change in Completion Status Since Last Report</b>
	<b>Design</b>	<b>Construction</b>	
	<i>Production Well</i>		
	Complete	Complete	n/a
	<i>Pump Station</i>		
	Complete	Complete	n/a
	<b>FACILITY COMMISSIONING</b>		
	<b>Start</b>	<b>End</b>	<b>Notes</b>
	May 2023	January 2024	See Note 1

**Note 1.** Commissioning began in May, Operational testing has been initiated with the contractor, the integrator, and District Operations staff and is moving forward while the above-mentioned programming issue (for the chemical feed while under backup electrical power) is sorted out. The well has been pumping into the distribution system as of early December.

Currently, the only outstanding issue is with the control programming related to operation of the two chemical feed pumps while the facility is on backup electrical power. It is being worked on by the integrator. As a result, Facility Commissioning is now expected to be completed in January 2024.



<b>Well 80 Walnut / Auburn</b>	<b>DESIGN AND CONSTRUCTION</b>		
	<b>Approximate Completion</b>		<b>Change in Completion Status Since Last Report</b>
	<b>Design</b>	<b>Construction</b>	
	<i>Production Well</i>		
	Complete	Complete	n/a
	<i>Pump Station</i>		
	Complete	<i>May 2023 (original)</i>	No Change
		December 2023	
	<b>FACILITY COMMISSIONING</b>		
	<b>Start</b>	<b>End</b>	<b>Notes</b>
December 2023	May 2024	No Change	

<b>Wells 81, 82, and 83 Antelope North / Poker</b>	<b>DESIGN AND CONSTRUCTION</b>		
	<b>Approximate Completion</b>		<b>Change in Completion Status Since Last Report</b>
	<b>Design</b>	<b>Construction</b>	
	<i>Production Wells</i>		
	Complete	Complete	n/a
	<i>Pump Station</i>		
	Complete	<i>December 2024 (original)</i>	No Change
		October 2025	
	<b>FACILITY COMMISSIONING</b>		
	<b>Start</b>	<b>End</b>	<b>Notes</b>
n/a	n/a	n/a	

Well 84 Antelope / Don Julio	DESIGN AND CONSTRUCTION		
	Approximate Completion		Change in Completion Status Since Last Report
	Design	Construction	
	<i>Production Well</i>		
	Complete	Complete	n/a
	<i>Pump Station</i>		
	Complete	June 2024 (original)  March 2025	No Change
	FACILITY COMMISSIONING		
	Start	End	Notes
	n/a	n/a	n/a

DISTRIBUTION

**MAIN REPLACEMENT PROGRAM**

The table below shows stages of the current major main replacement/improvement projects.

Project	Approximate Completion		Change in Completion Status Since Last Report
	Design	Construction	
Auburn Blvd. Bridge Main Replacement (see Note 1)	March 2024	see Note 2	Construction Schedule Under Review by City
MBP Dudley Peacekeeper Main Replacement	September 2024	2025	No Change
MBP Dudley Dudley Main Replacement	October 2024	2025	No Change

**Note 1.** This is a City of Sacramento (City) project to replace an Auburn Boulevard bridge over Arcade Creek. Design for the water line was contracted by the District with City’s Consultant and is managed by the District. Construction of the entire project, including SSWD’s water line, is contracted with and managed by the City. SSWD will be reimbursing City for costs related to the water line replacement.

**Note 2.** Construction was planned to occur in 2024, but recent information provided by the City suggests that construction may occur in 2025.

## B. PLANNING DOCUMENTS

The District has planning documents (e.g., Asset Management Plans (AMPs) and Master Plans (MPs)) for all of its infrastructure categories. AMPs are generally updated on a staggered schedule and the update frequencies range from 4 to 6 years.

The table below lists all of the District's AMPs and MPs and their update status.

Plan	Last Update	Next Update	Comment
Buildings and Structures AMP	2020	2026	
Distribution Main AMP	2019	2024	
Fleet AMP	2020	2025	
Groundwater Well AMP	2020	2026	
Meter AMP	2023	2028	
Reservoir and Booster Pump Station AMP	2011	n/a	Note 1
SCADA AMP	2021	2026	
Transmission Main AMP	2020	2024	
Water System MP	2017	n/a	Note 2

**Note 1.** Updating has been deferred until resolution of the Combination Study with Carmichael Water District.

**Note 2.** Updating has been deferred pending further progress of the Combination Study with Carmichael Water District.

## C. OTHER PROJECTS

### Enterprise Reservoir and Booster Pump Station – 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. Based on information gained during field testing with the integrator and District Operations staff in October 2023, programming modifications have been requested by the District to enhance operational flexibility. As a result of the request for additional programming, anticipated project completion has been extended from October 2023 into January 2024. Start-up and testing are now anticipated to begin mid-December and, barring any complications, the project is expected to be complete in January 2024.



## Agenda Item: 13

**Date:** December 18, 2023

**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 October 31, 2023.

- Financial Statements – October 2023
- Budget to Actual Reports – October 2023

### Financial Statements

#### Financial Statement Highlights – October 2023

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.

	<b>Statement of Net Position</b>		
	<b>Year-To-Date</b>	<b>Year-To-Date</b>	<b>Variance</b>
	<b>10/31/2023</b>	<b>10/31/2022</b>	
<b>LIQUIDITY</b>	\$ 12,964,533.21	\$ 10,687,208.60	\$ 2,277,324.61
<b>INVESTMENT</b>	37,208,331.06	38,793,433.60	(1,585,102.54)
<b>CAPITAL ASSETS</b>	331,202,697.62	315,822,209.55	15,380,488.07
<b>DEBT</b>	49,348,862.74	55,046,845.62	(5,697,982.88)
<b>NET POSITION</b>	315,181,226.09	293,669,075.46	21,512,150.63

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

	<u>Year-To-Date</u> <u>10/31/2023</u>	<u>Year-To-Date</u> <u>10/31/2022</u>	<u>Variance</u>
Operating Revenue	\$ 43,715,734.76	\$ 42,758,236.34	\$ 957,498.42
Operating Expense	(20,552,037.27)	(18,087,704.60)	(2,464,332.67)
Other, Net	(10,438,817.28)	(14,703,012.69)	4,264,195.41
<b>NET INCOME</b>	<b>12,724,880.21</b>	<b>9,967,519.05</b>	<b>2,757,361.16</b>

Key information from this report indicates that combined the District’s cash balance is \$2.3 million more than the balance on October 31, 2022, while investments are \$1.6 million less than on October 31, 2022; long-term debt has decreased by \$5.7 million; and net position has increased by \$21.5 million in the last 12 months as the District continues to invest in capital infrastructure replacements while decreasing its outstanding debt. Operating revenues increased \$1.0 million, operating expenses increased \$2.5 million and other, net expenses decreased \$4.3 million, year to date compared to the same period a year ago. Increase in operating revenues primarily due to the 3% rate increase that occurred on January 1 of this year and water wheeling income from Cal-American Water Company. The year-over-year operating expense increase of \$2.4 million is primarily related to \$1.7 million increase in surface water costs as more surface water was taken than last year, transmission and distribution construction cost increases of \$0.4 million, conservation costs increase \$0.1 million and G&A increases of \$0.5 million. Other, net expenses decreased \$4.3 million net from 2022 primarily related to the combination of a \$3.1 million net increase in investment income/loss and unrealized gains/losses of the investment portfolio from the previous year, \$0.4 million decrease in interest expense and related costs and \$0.8 million increase in capital developer contributions.

**Budgets:**

<b>Budget Item</b>	<b>Actual Amount YTD</b>	<b>Budget Amount YTD</b>	<b>Variance YTD</b>
Revenues and Sources of Funds	45,318,755	44,276,000	1,042,755
Operations and Maintenance	20,522,037	20,868,504	(346,467)
Capital Expenditures *	17,456,393	24,476,046	(7,019,653)
Debt Service - Principal	4,910,000	4,910,000	-
Debt Service - Interest	1,737,410	1,737,400	10

\*Capital budget includes rollover budget from previous years.

The District’s revenues for first ten months of 2023 were \$1.0 million more than budgeted amount primarily due to water service charges, water wheeling income from Cal-American Water Company and capacity fees from developer projects were more than the budgeted.

The District’s operating and maintenance expenditures as of October 31, 2023, came in less than the approved budget by \$0.3 million. Most of this positive variance is due to timing differences. A budget amendment is also requested this month to cover the increase in surface water costs and

transmission and distribution repair costs over budget. Please see CY2023 Operating and Capital Budget Amendments staff report.

The District's adjusted Capital Improvement Program (CIP) budget for 2023 is \$24.0 million plus \$5.4 million in rollover funds from previous years' budgets for a total of \$29.2million. As of October 31, 2023, \$16,514,705 million has been spent while an additional \$6.8 million is under commitment. Expenditures continue to be primarily in new well construction, well rehabilitation, and distribution system replacements.

The District's adjusted Operating Capital Program (OCP) for 2023 is \$0.6 million plus \$1.3 million in rollover funds from previous years' budgets for a total of \$1.9 million. As of October 31, 2023, \$0.9 million has been spent while an additional \$0.5 million is under commitment.

Scheduled 2023 principal payments of \$4.9 million have been paid this month. Total principal outstanding as of October 31, 2023, is \$49.3 million. The District's debt service budget for 2023 is \$7.0 million consisting of \$4.9 million for principal and \$2.1 for interest payments. Interest payments are in line with the 2023 budget.

**Attachments:**

1. Financial Statements – October 31, 2023
2. Budget to Actual Reports – October 31, 2023

**Financial Statements**  
**October 31, 2023**

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

	As Of		
		<u>Month End</u>	<u>Month End</u>
		<u>10/31/2023</u>	<u>10/31/2022</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		\$12,964,514.27	\$10,687,194.57
Restricted Cash and cash equivalents		18.94	14.03
Accounts receivable, net of allowance for uncollectible accounts		3,982,351.06	3,068,282.30
Interest receivable		195,992.69	160,074.77
Grants receivables			7296.94
Other receivables			24.42
Inventory		893,581.79	1,058,878.33
Prepaid expenses and other assets		2,127,659.18	1,213,075.55
<b>TOTAL CURRENT ASSETS</b>		<b>20,164,117.93</b>	<b>\$16,194,840.91</b>
<b>NONCURRENT ASSETS</b>			
Investments		37,208,331.06	38,793,433.60
<b>TOTAL NONCURRENT ASSETS</b>		<b>37,208,331.06</b>	<b>38,793,433.60</b>
Property, plant and equipment		566,738,242.13	539,189,904.43
Accumulated depreciation		(235,535,544.51)	(223,367,694.88)
<b>TOTAL CAPITAL ASSETS</b>		<b>331,202,697.62</b>	<b>315,822,209.55</b>
<b>TOTAL ASSETS</b>		<b>388,575,146.61</b>	<b>370,810,484.06</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amount on long-term debt refunding		3,330,686.67	4,289,165.07
Pension contribution subsequent to measurement date		4,842,834.00	1,720,366.00
Other post-employment benefits		1,300,500.00	578,563.00
Deferred outflow of Asset Obligation		981,339.87	966,186.87
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>		<b>399,030,507.15</b>	<b>378,364,765.00</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Current portion of Compensated Absences		1,000,000.00	1,000,000.00
Accounts payable		2,700,406.06	653,558.74
Accrued interest			0.05
Deferred revenue and other liabilities		3,638,257.02	5,178,524.87
Accrued expenses		2,463,691.78	719,284.36
<b>TOTAL CURRENT LIABILITIES</b>		<b>9,802,354.86</b>	<b>7,551,368.02</b>
<b>NONCURRENT LIABILITIES</b>			
Long-term debt		49,348,862.74	55,046,845.62
Compensated absences		271,858.46	208,409.90
Net pension liability		12,721,219.00	5,806,835.00
Net other post-employment benefits liability		3,139,340.00	3,590,451.00
Asset Retirement Obligation		5,133,984.00	5,080,865.00
<b>TOTAL NONCURRENT LIABILITIES</b>		<b>70,615,264.20</b>	<b>69,733,406.52</b>
<b>TOTAL LIABILITIES</b>		<b>80,417,619.06</b>	<b>77,284,774.54</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Employee pensions		705,650.00	5,448,430.00
Other post-employment benefits		2,726,012.00	1,962,485.00
<b>NET POSITION</b>			
Invested in capital assets, net of related debt		270,541,612.06	247,827,877.16
Restricted		2,358.84	15.77
Unrestricted		44,637,255.19	45,841,182.53
<b>TOTAL NET POSITION</b>		<b>315,181,226.09</b>	<b>293,669,075.46</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>		<b>399,030,507.15</b>	<b>378,364,765.00</b>



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

	<u>Year-To-Date</u> <u>10/31/2023</u>	<u>Year-To-Date</u> <u>10/31/2022</u>
<b>OPERATING REVENUES</b>		
Water consumption sales	\$ 13,103,194.63	\$ 13,425,747.31
Water service charge	29,466,894.72	28,494,781.30
Wheeling water charge	284,671.29	6,058.02
Other charges for services	860,974.12	831,855.48
<b>TOTAL OPERATING REVENUES</b>	<b>43,715,734.76</b>	<b>42,758,442.11</b>
<b>OPERATING EXPENSES</b>		
Source of supply	3,433,249.31	1,690,191.97
Pumping	4,388,731.58	4,409,526.07
Transmission and distribution	3,485,131.93	3,436,238.36
Water conservation	586,877.02	456,307.92
Customer accounts	1,441,452.93	1,400,977.31
Administrative and general	7,216,594.50	6,694,462.97
<b>TOTAL OPERATING EXPENSES</b>	<b>20,552,037.27</b>	<b>18,087,704.60</b>
Operating income before depreciation	23,163,697.49	24,670,737.51
Depreciation and amortization	(11,446,005.46)	(11,480,108.70)
<b>OPERATING INCOME</b>	<b>11,717,692.03</b>	<b>13,190,628.81</b>
<b>NON-OPERATING REV. (EXP.)</b>		
Rental income	258,318.92	261,785.64
Interest and investment income	1,027,866.64	(2,067,761.29)
Interest expense and debt related costs	(1,879,489.60)	(2,264,661.81)
Other non-operating revenues	214,015.44	39,175.14
Other non-operating expenses	(20,746.80)	(250.08)
<b>NON-OPERATING REV. (EXP.)</b>	<b>(400,035.40)</b>	<b>(4,031,712.40)</b>
<b>NET INCOME (LOSS) BEFORE CAPITAL</b>	<b>11,317,656.63</b>	<b>9,158,916.41</b>
<b>CAPITAL CONTRIBUTIONS</b>		
Capacity fees	861,269.00	26,935.00
Developer contributions	545,954.58	781,667.64
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b>1,407,223.58</b>	<b>808,602.64</b>
<b>CHANGE IN NET POSITION</b>	<b>12,724,880.21</b>	<b>9,967,519.05</b>
Net position at beginning of year	302,456,345.88	283,701,556.41
<b>NET POSITION AT END OF PERIOD</b>	<b>\$ 315,181,226.09</b>	<b>\$ 293,669,075.46</b>

**Budget to Actual Reports**  
**October 31, 2023**

**Sacramento Suburban Water District  
Budget to Actual As Of  
Period Ended**

	10/31/2023 - YTD		2023	
	Actual	Budget	Variance	Annual Budget
<b>REVENUES</b>				
Water consumption sales	\$13,103,194.63	\$13,080,000.00	\$23,194.63	\$15,248,000.00
Water transfer sales				
Water service charge	29,466,894.72	29,072,000.00	394,894.72	35,556,000.00
Wheeling water charge	284,671.29	6,000.00	278,671.29	7,000.00
Other charges for services	860,974.12	878,000.00	(17,025.88)	1,115,000.00
Capacity fees	861,269.00	540,000.00	321,269.00	1,000,000.00
Interest and investment income	269,776.34	410,000.00	(140,223.66)	484,000.00
Rental & other income	471,975.28	290,000.00	181,975.28	350,000.00
Grant income				900,000.00
<b>TOTAL REVENUES</b>	<b>45,318,755.38</b>	<b>44,276,000.00</b>	<b>1,042,755.38</b>	<b>54,660,000.00</b>
<b>EXPENSES</b>				
Board of Directors	63,239.41	83,593.60	20,354.19	98,552.32
Administrative	2,095,373.86	2,206,349.50	110,975.64	2,650,665.40
Finance	945,042.24	1,095,755.70	150,713.46	1,312,902.84
Customer Services	1,190,877.13	1,407,779.10	216,901.97	1,689,344.92
Field Operations	403,575.66	461,500.40	57,924.74	553,798.44
Production	7,156,030.17	6,409,724.62	(746,305.55)	7,552,330.79
Environmental Compliance	665,950.72	741,038.53	75,087.81	889,248.04
Distribution	2,417,871.24	2,328,506.90	(89,364.34)	2,794,208.64
Field Services	1,067,260.69	1,287,608.24	220,347.55	1,545,130.12
Maintenance	716,677.37	606,102.80	(110,574.57)	727,324.00
Water Conservation	586,877.02	600,501.50	13,624.48	683,394.80
Engineering	1,214,533.36	1,475,512.70	260,979.34	1,768,859.24
GIS/CAD	371,601.24	397,318.80	25,717.56	476,770.56
Human Resources	308,634.89	351,382.40	42,747.51	421,672.88
Information Technology	1,097,916.47	1,132,938.90	35,022.43	1,359,526.68
Community Outreach	250,575.80	282,890.00	32,314.20	336,450.00
<b>TOTAL OPERATING EXPENSES</b>	<b>20,552,037.27</b>	<b>20,868,503.69</b>	<b>316,466.42</b>	<b>24,860,179.67</b>

**Sacramento Suburban Water District  
Capital Budget  
10/31/2023**

Project Name	Original Budget	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 St Improv	\$3,801,000.00	\$2,248,000.00	\$947,482.84	\$3,195,482.84	\$208,158.02	\$1,411,587.40	\$1,160,754.42	\$623,141.02
CIP-SCADA/Communication Improv	\$266,000.00	\$237,000.00	\$195,497.03	\$432,497.03	\$58,800.30	\$225,309.51	\$123,468.05	\$83,719.47
CIP-Well Destruction	\$253,500.00	-	-	-	-	-	-	-
CIP-Well New Construction	\$13,898,500.00	\$16,096,668.00	\$1,982,785.78	\$18,079,453.78	\$667,913.95	\$11,510,968.89	\$4,560,004.57	\$2,008,480.32
CIP-Trans & Dist Improvements	\$1,847,750.00	\$2,213,750.00	\$632,313.17	\$2,846,063.17	\$256,992.04	\$1,380,785.81	\$357,033.61	\$1,108,243.75
CIP-Meter Retrofit Program	\$5,000.00	\$5,000.00	-	\$5,000.00	-	-	-	\$5,000.00
CIP-Reservoir/Tank Improv	\$337,000.00	\$508,000.00	\$170,506.67	\$678,506.67	\$97,053.29	\$403,258.49	\$155,298.74	\$119,949.44
CIP-Corrosion Control	\$57,000.00	\$57,000.00	\$16,800.00	\$73,800.00	-	-	\$62,450.00	\$11,350.00
CIP-Valve/Hydrant/Service Repl	\$380,000.00	\$801,286.98	\$24,882.75	\$826,169.73	\$33,757.78	\$478,469.82	\$324,665.23	\$23,034.68
CIP-Large Meter Replacement	\$38,000.00	\$44,801.42	-	\$44,801.42	-	\$44,801.42	-	-
CIP-Meter Replacement PM	\$294,500.00	\$287,313.60	-	\$287,313.60	\$37,127.84	\$177,417.43	\$2,674.45	\$107,221.72
CIP-AMI Endpoints	\$665,000.00	\$331,954.00	-	\$331,954.00	-	\$331,953.58	-	\$0.42
CIP-Special Projects	\$14,250.00	\$14,250.00	\$33,913.81	\$48,163.81	-	\$33,153.00	\$6,510.57	\$8,500.24
CIP-Water Related Street Imprpv	\$237,500.00	\$517,832.00	\$12,665.46	\$530,497.46	\$79,860.80	\$517,000.00	\$12,665.46	\$832.00
<b>CIP Subtotal</b>	<b>\$22,095,000.00</b>	<b>\$23,362,856.00</b>	<b>\$4,016,847.51</b>	<b>\$27,379,703.51</b>	<b>\$1,439,664.02</b>	<b>\$16,514,705.35</b>	<b>\$6,765,525.10</b>	<b>\$4,099,473.06</b>
OCP - Equipment	-	-	\$6,100.00	\$6,100.00	-	\$6,026.67	-	\$73.33
OCP - Fleet & Facilities	\$118,000.00	\$227,041.00	\$169,000.00	\$396,041.00	-	\$289,539.40	\$2.52	\$106,499.08
OCP - Information Technology	\$316,000.00	\$242,000.00	\$111,269.27	\$353,269.27	-	\$303,729.27	\$5,858.32	\$43,681.68
OCP - Maintenance	\$20,000.00	\$3,103.00	\$250,000.00	\$253,103.00	-	\$28,529.91	\$33,566.59	\$191,006.50
OCP - Operations	\$256,000.00	\$170,000.00	\$375,219.15	\$545,219.15	\$10,033.47	\$271,127.18	\$126,844.82	\$147,247.15
OCP - Property Acquisition	-	-	\$437,818.15	\$437,818.15	\$33.75	\$42,735.50	\$358,942.03	\$36,140.62
<b>OCB Subtotal</b>	<b>\$710,000.00</b>	<b>\$642,144.00</b>	<b>\$1,349,406.57</b>	<b>\$1,991,550.57</b>	<b>\$10,067.22</b>	<b>\$941,687.93</b>	<b>\$525,214.28</b>	<b>\$524,648.36</b>
<b>Total</b>	<b>\$22,805,000.00</b>	<b>\$24,005,000.00</b>	<b>\$5,366,254.08</b>	<b>\$29,371,254.08</b>	<b>\$1,449,731.24</b>	<b>\$17,456,393.28</b>	<b>\$7,290,739.38</b>	<b>\$4,624,121.42</b>



## Agenda Item: 14

**Date:** December 18, 2023

**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 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

	November 2023	Monthly Average CY 2023	Total CY 2023	Total # in System	Goal CY 2023	% of Goal Completed in CY 2023
<b>Preventive Maintenance Program - Distribution</b>						
Fire Hydrants Inspected	-	118	1298	6490	1298	100%
Fire Hydrant Valves Inspected	-	107	1174	5869	1174	100%
Mainline Valves Inspected	1	205	2251	11255	2251	100%
Blow Off Valves Inspected	-	26	281	1049	210	134%
ARV/CARV Inspected	31	6	62	283	57	110%
<b>Preventive Maintenance Program - Meters</b>						
Meters Tested (3 - 10 inch)	-	11	120	450	120	100%
Meters Replaced (5/8 - 1 inch)	37	75	827	41167	826	100%
Meter Re-Builds (1 1/2 - 2 inch)	-	22	245	2449	245	100%
<b>Preventive Maintenance Program - Production</b>						
Air Release Valves	-	3	32	96	32	100%
Chemical Systems - Sodium Hypochlorite	-	6	67	67	67	100%
Chemical Systems - Hydrofluorosilicic Acid	10	2	27	29	29	93%
Generator Inspection & Maintenance	-	2	23	23	23	100%
Generator Load Bank Testing	-	1	10	23	10	100%
Generator Battery Replacement	-	1	6	23	6	100%
Hydraulic Control Valves	-	4	48	48	48	100%
Level Transducers	-	3	35	35	35	100%
Motors (Vertical Turbine)	-	7	81	81	81	100%
Pressure Transducers	-	9	95	95	95	100%
Sumps and Associated Pumps	-	2	17	17	17	100%
	November 2023	Monthly Average	YTD Completed	Total With GPS	Total Assets	Percentage Completed
<b>Global Positioning System</b>						
GPS Coordinates Marked	999	496	5460	25945	84541	31%
	November 2023	Monthly Average CY 2023	Total CY 2023			
<b>Service Requests</b>						
Main Leaks	5	6	70			
Service Line Leaks	6	5	56			
Customer Pressure Inquiries	6	8	93			
<b>Water Main Shutdown</b>						
-- Unscheduled	5	5	54			
-- Scheduled	6	5	55			
<b>Customer Service</b>						
Calls Received Distribution	28	43	475			
Calls Responded Distribution	13	28	311			
Calls Received Production	10	29	322			
Calls Responded Production	2	3	38			
<b>Water Quality</b>						
Complaints	1	1	16			
Taste & Odor Complaints	-	0	1			

**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**

No new claims filed in November.

**3. Customer Service Monthly Activity Report**

Customer Service Activity Report.

	<b>Total calls</b>	<b>Calls Abandoned</b>	<b>% of Calls Abandoned</b>	<b>Avg. Wait on Queue</b>	<b>Max. Wait on Queue</b>	<b>Avg. Talk Time</b>
<b>November</b>	1446	14	.97%	15s	6m,52s	2m, 54s
<b>October</b>	1721	18	1.05%	13s	5m, 14s	3m, 7s
<b>September</b>	1864	29	1.56%	21s	6m,31s	3m,11s
<b>August</b>	2543	41	1.61%	20s	6m, 41s	2m, 48s
<b>July</b>	2281	42	1.84%	27s	6m, 31s	3m, 14s
<b>June</b>	2636	47	2.00%	33s	6m, 48s	2m, 57s

**4. Community Outreach Report**

**December Bill Insert**

A sample of the January 2024 Bill Insert is shown below.

00293665



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

January 2024



## Working Behind the Scenes to Keep Water Flowing | Using Grant Funding to Keep Rates Lower

Sacramento Suburban Water District (SSWD) is launching a new monthly feature highlighting the technology, operations, and essential roles that happen behind the scenes, and are critical in making the delivery of high-quality and reliable water supplies possible. This month we are spotlighting the use of grant funding to help pay for infrastructure improvements.

From 2002 to 2022, SSWD received over \$20 million in state and federal grants to help cover the cost of meter retrofits, groundwater wells, pump stations, and mainline extensions.

This past September it was announced that SSWD will receive a grant of \$18.8 million to help pay for the construction of four new groundwater wells and pump stations. One of the new well sites will have the capability to conduct Aquifer Storage and Recovery operations, which means it will have the ability to pump excess surface water down into the aquifer for future use.

*Working Behind the Scenes | page 2*

## 2024 Water Rate Increase

A 3 percent rate increase will go into effect for all customers this January as part of the rate plan adopted in 2019. This is the last rate increase that was approved as part of that plan. The increase in rates is needed to support the continued delivery of safe, high-quality, and reliable water service and to pay for capital improvement projects, including the construction of new wells, water main replacements, and other related efforts. Please visit [sswd.org/water-rates](https://sswd.org/water-rates) for more information.

## SSWD Streamlines Billing Cycle

SSWD is adjusting the timing of how it issues its monthly bills to customers. In the past, SSWD conducted four weekly billing cycles, determined by the location of the service address.

Starting this month, every water bill will be mailed out on or around the fifth of the month and will be due on or around the 24<sup>th</sup> of each month. This change will make it easier for customers to see their water usage over the previous month and reduce overall costs for SSWD.

This change has been made possible by transitioning all meter services to advanced metering infrastructure, which allows for a faster and more efficient means of reading water meters.



[sswd.org](https://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.







### You're Invited | Public Meeting and Open House on Potential Combination with Carmichael Water District

**Date:** Wednesday, January 31, 2024, at 6:30 p.m.

**Location:** SSWD Boardroom, 3701 Marconi Ave. Sacramento

Please join us for an update on combination discussions with Carmichael Water District and the results of the new Technical Analysis report, which provides a detailed look at combination opportunities and in-depth responses to questions posed through the process.

The meeting will include a brief presentation and the opportunity for you to ask questions and share your thoughts with our team of Sacramento Suburban Water District technical experts, managers, and Board members.

Visit [sswd.org](https://www.sswd.org) to find additional details about the upcoming meeting, including access to a virtual option.

### Paperless Billing Option Available

Are you tired of hunting for a stamp every month? Want to reduce clutter? Why not make the switch to paperless billing? Each month you will receive an email or text letting you know your water bill is ready for viewing. You can also set up automatic payments and never worry about paying your bill late again.

### Update on Combination Discussions

This past October, the SSWD and Carmichael Water District (CWD) Boards of Directors held a Joint Board meeting to discuss the ongoing exploration of combining the two water districts. The Boards approved the Technical Analysis report developed by the staffs of both water agencies and agreed to hold Joint Board meetings in January and March.

Minutes from the October Joint Board meeting may be read online at: <https://www.sswd.org/about/meeting-agendas-packets-minutes>.

### Help Paying for Water Bills

The Low Income Household Water Assistance Program (LIHWAP) provides funds to help low-income households pay their water bills. LIHWAP is a federally-funded state-administered program that can help pay overdue bills up to \$15,000 or credit an account between \$200 and \$371.

To be eligible, a person must be considered low income, have a valid social security card/number, as well as a driver's license, California ID and/or valid US identification. Complete details on how to apply and the income guidelines are at <https://www.communityresourceproject.org/>.

### Working Behind the Scenes | from page 1

The grant from the California Natural Resources Agency and Department of Water Resources is part of the \$55 million dollars the state agencies are committing to advance 21 projects designed to boost local water supplies and environmental flows for the Lower American River during dry years.

The new wells are anticipated to have a combined total production rate of 7,500 gallons per minute when complete.





## Agenda Item: 15

**Date:** December 18, 2023

**Subject:** ACWA/JPIA President's Special Recognition Award

**Staff Contact:** Ben Harris, Safety/Risk Officer

Property, workers' compensation and liability insurance can be very costly to a public utility if measures are not taken to provide a safe and healthy workplace for employees. Sacramento Suburban Water District (District) has made safety a primary goal and continues its commitment to ensure the health and safety of its employees and customers. Each year at its annual Fall Conference, the District's insurance carrier, ACWA/JPIA, provides recognition for the hard work and commitment of District staff and Board of Directors in keeping safety at the forefront.

On November 27, 2023, the District received a letter from Melody McDonald, President of ACWA/JPIA, commending the District for its efforts in reducing claims (Attachment 1). On this same date, in recognition of this effort, ACWA/JPIA approved a President's Special Recognition Award certificate for the Workers' Compensation Program (Attachment 2).

This award was presented for achieving low loss ratios in the Workers' Compensation Program for the period 07/01/2019 – 06/30/2022. A member district must have a loss ratio of 20% or less to receive the President's Special Recognition Award. Loss ratios are calculated by dividing total incurred losses by the total premiums in a three-year period.

Based on the type and volume of work conducted on a daily basis by member agencies throughout the state, District staff believes these awards are significant and represent the District's continued commitment to the health and safety of its customers and staff.

**Attachments:**

- 1 – Letter from ACWA/JPIA
- 2 – President's Special Recognition Award Certificate



YOUR BEST PROTECTION

## ACWA JPIA

P. O. Box 619082  
Roseville, CA  
95661-9082

phone  
916.786.5742  
800.231.5742

[www.acwajpia.com](http://www.acwajpia.com)

### Core Values

- People
- Service
- Integrity
- Innovation

11/27/2023

Sacramento Suburban Water District (S053)  
3701 Marconi Avenue, Ste. 100  
Sacramento, CA 95821-5346

General Manager:

Each year at Fall Conference, the JPIA recognizes members that have a Loss Ratio of 20% or less in either of the Liability, Property or Workers' Compensation programs (loss ratio = total losses / total premiums).

The members with this distinction receive the "**President's Special Recognition Award**" certificate for each Program that they qualify in.

The JPIA is extremely pleased to present Sacramento Suburban Water District (S053) with this special recognition and commends the District on the hard work in reducing claims.

Congratulations to you, your staff, Board, and District. Keep up the good work!

The JPIA wishes you the best in 2024.

Sincerely,

Melody McDonald  
President

Enclosure: President's Special Recognition Award(s)



# *President's Special Recognition Award*

*The President of the  
**ACWA JPIA**  
hereby gives Special Recognition to*

## *Sacramento Suburban Water District*

*for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"  
in the Workers' Compensation Program for the period 07/01/2019 - 06/30/2022  
announced at the Board of Directors' Meeting in Indian Wells.*



*Melody McDonald, President*



*November 27, 2023*





## Agenda Item: 16

**Date:** December 18, 2023

**Subject:** Combination with Carmichael Water District

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

The Carmichael Water District (CWD) and Sacramento Suburban Water District (SSWD) Boards discussed several items related to combination with CWD at the October 2023 Joint Board meeting. At CWDs November 2023 regular Board meeting, a number of items were discussed, CWD staff is presenting these items, which include:

- County Water District vs. Municipal Water District
- Union representation
- Employee survey
- Upcoming Public Information Workshops
- Water rights considerations
- Next 2x2 Committee meeting and draft agenda

### County Water District vs. Municipal Water District

Based on CWD's attorneys memo on County Water District vs Municipal Water District, and the discussion at the October 24, 2023 CWD/SSWD Joint Board meeting, the Directors support the combined agency to be a County Water District.

### Union Representation

A portion of the CWD's current employees, mostly field staff in the Production Department and Distribution Department, are represented by American Federation of State, County, and Municipal Employees (AFSCME). The current Memorandum of Understanding (MOU) between CWD and AFSCME does not allow for succession of representation. To establish the succession in the current MOU prior to finalizing the combination process, CWD and AFSCME would need to open the MOU and negotiate the terms and conditions for succession.

### Employee Survey

Based on the discussion from the Joint Board meeting, CWD Directors commented that they would like to conduct an employee survey. SSWD Directors commented that they would support an employee survey. The following questions could be considered. 1) Do you understand the rationale and benefits behind a possible combination? 2) What do you believe could be the most significant benefits for your agency's customers and staff if the combination occurs? [provide list and ask for ranking on scale to 1 to 5] 3) As an employee, what aspect of a combination would you look forward to? 4) As an employee, what aspect of a combination concerns you? 5) What do you see as your growth with your agency? How about with a new combined agency? 6) What is your perception of change if we combine? 7) What additional information would be beneficial to you? 8) What other thoughts would you like to share?

Combination with Carmichael Water District

December 18, 2023

Page 2 of 2

Upcoming Public Information Workshops

CWD upcoming Public Information Workshop is on Wednesday January 24, 2024, at 6:30 p.m. SSWD's workshop is on Wednesday, January 31, 2024. Directors are welcome to attend the other agency's workshop as an observer. The workshops will also be available virtually via Zoom.

Next 2x2 Committee meeting and draft agenda

The next 2x2 Committee meeting is on December 13, 2023, at 3:00 pm.



## Agenda Item: 17

**Date:** December 18, 2023

**Subject:** Upcoming Water Industry Meetings/Conferences

**Staff Contact:** Heather Hernandez-Fort, Executive Assistant to the General Manager

Note that the Board adopted Policy PL – BOD 003 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...” Information provided on upcoming water industry events, or regularly scheduled meetings of other water districts, does not imply that approval for a compensable meeting or reimbursement of expenses are triggered.

Below is a list of upcoming water industry meetings/conferences:

### Upcoming Meetings:

1. SGA Board Meeting  
December 14, 2023  
In-Person for voting Board Directors, virtual option for all public  
<https://www.sgah2o.org/meetings/board-meetings/>

### Upcoming Conferences:

2. WEF/AWWA The Utility Management Conference  
February 13-16, 2024  
Portland, OR  
[https://www.wef.org/events--education/conferences/utilitymanagement2024/?utm\\_medium=display&utm\\_source=awwa\\_web&utm\\_campaign=umc\\_24](https://www.wef.org/events--education/conferences/utilitymanagement2024/?utm_medium=display&utm_source=awwa_web&utm_campaign=umc_24)
3. ACWA 2024 Spring Conference & Exhibition  
May 7-9, 2024  
Sacramento, CA  
<https://www.acwa.com/events/page/3/>
4. ACE24  
June 10-13, 2024  
Anaheim, CA  
<https://www.awwa.org/ace/>

5. CSDA Annual Conference & Exhibitor Showcase  
September 9-12, 2024  
Indian Wells, CA  
[https://www.csda.net/annualconference/home?\\_ga=2.61373484.1833878149.1701801111-843909300.1701801111](https://www.csda.net/annualconference/home?_ga=2.61373484.1833878149.1701801111-843909300.1701801111)
6. AWWA Fall Conference  
October 21-24, 2024  
Reno, NV  
<https://ca-nv-awwa.org/canv/events>
7. ACWA 2024 Fall Conference & Exhibition  
December 3-5, 2024  
Palm Desert, CA  
<https://www.acwa.com/events/page/3/>

**Below is a partial list of local Water Purveyors Regular Board Meeting information and websites:**

- Carmichael Water District: <http://carmichaelwd.org/> - Every 3<sup>rd</sup> Tuesday of the month at 6:00 p.m.
- Citrus Heights Water District: <http://chwd.org/> - Every 3<sup>rd</sup> Wednesday of the month at 6:30 p.m.
- Del Paso Manor Water District: <https://www.delpasomanorwd.org/> - Every 1<sup>st</sup> and 3<sup>rd</sup> Monday of the month at 6:00 p.m.
- El Dorado County Water Agency - <http://www.edlafco.us/> - Every 2<sup>nd</sup> Wednesday of the month at 10:00 a.m.
- El Dorado Irrigation District - <http://www.eid.org/> - Every 2<sup>nd</sup> and 4<sup>th</sup> Mondays of the month at 9:00 a.m.
- Fair Oaks Water District: <http://www.fowd.com/> - Every 3<sup>rd</sup> Monday of the month at 6:30 p.m.
- Natomas Mutual Water Company - <http://natomaswater.com/> - Every 2<sup>nd</sup> Tuesday of the month at 9:00 a.m.
- Orangevale Water Company - <https://orangevalewater.com/> - Every 1<sup>st</sup> Tuesday of the month at 4:00 p.m.
- Placer County Water Agency: <https://pcwa.net/> - Every 1<sup>st</sup> and 3<sup>rd</sup> Thursdays of the month at 2:00 p.m.



Upcoming Water Industry Meetings/Conferences

December 18, 2023

Page 3 of 3

- Rio Linda/Elverta Community Water District: <http://www.rlecwd.com/> - Every 3<sup>rd</sup> Monday of the month at 6:30 p.m.
- San Juan Water District: <http://www.sjwd.org/> - Every 4<sup>th</sup> Wednesday of the month at 6:00 p.m.



## Agenda Item: 18

**Date:** December 18, 2023

**Subject:** RiverArc Project

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

Seventy-five percent of Sacramento-area water agencies currently depend solely on the American River watershed for their water supply. The RiverArc Project aims to redistribute a portion of the region's water reliance on the American River to the much larger Sacramento River. The RiverArc Project, stemming from the 2000 Water Forum Agreement, offers regional benefits by optimizing groundwater use, increasing Folsom Reservoir storage by up to 43,000 acre-feet during dry years, and redirecting diversions to meet municipal water needs, while protecting fish habitats in the Lower American River.

The RiverArc Project will include construction of water treatment and transmission facilities to deliver Sacramento River water supplies to the region upon implementation. The facilities are planned to include use of an existing raw water intake on the Sacramento River that includes state-of-the-art fish screens, a raw water booster pump station, a transmission pipeline to deliver raw water for treatment, a water treatment plant, and treated water delivery pipelines.

The first phase of RiverArc (Phase 1) will be the first investment toward providing significant regional water security. Environmental and early design efforts are underway thanks to a \$5.1 million grant from the California Wildlife Conservation Board. Project Partners (PCWA, City of Sacramento and Sacramento County) estimate that Phase 1 will cost between \$250 and \$350 million, however, the costs are highly dependent on Phase 1 capacity and the project participants involved.

The District would need to further explore the possible benefits associated with participation in RiverArc. Some of the benefits are expected to include:

- in-lieu recharge of the groundwater basin due to strategic use of surface water,
- reliable surface water supply,
- connection of the American River and Sacramento River supplies by joining the RiverArc treated water pipeline to the cooperative pipeline,
- attractive project for State and Federal funding due to the regional, environmental, and climate mitigation nature of the project leading to lower customer costs, and
- greater regional water supply reliability associated with the operational flexibility provided to Reclamation by RiverArc.

Additional information will be presented in Spring 2024.



## Agenda Item: 19 a.

**Date:** December 18, 2023

**Subject:** Upcoming Policy Review – Electronic Communication Management and Retention Policy (PL – IT 003)

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

The Electronic Communication Management Retention Policy (PL-IT 003) (Policy) is scheduled for its annual review. The Policy was adopted by the Board on February 25, 2008, and was last reviewed by the Board with changes on May 17, 2021.

Staff have reviewed the Policy and have only minor language changes to the policy.

The Policy is scheduled for Board review and approval at the January 22, 2024, regular Board meeting. If a Director desires to comment on the Policy, staff request that they do so by December 25, 2023. If no comment is received, this Policy will be placed as a Consent Item on the January 22, 2024, regular Board meeting agenda.

This Policy was adopted by the Board for the purpose of stating the responsibilities of all District employees concerning the creation, removal, storage, and retention of electronic communications that are designated official District records.

The suggested Policy changes are summarized below:

1. **Name:** Recommend changing name from Electronic Communication Management and Retention Policy to Electronic Communications System Management and Retention Policy.
2. **Section 100.00 – Purpose:** Staff recommend updating the name of the referenced policy PL – Adm 002 to “Records Management Policy”. Minor clarifications in language have also been recommended consistent with the Policy name change and clarifying the purpose.
3. **Section 100.10 – Scope:** Staff recommend minor clarifications in language.
4. **Section 300.00 – Policy Review:** The last sentence is being replaced with the following language due to the change in policy review adopted by the Board of Directors:

This Policy shall be periodically reviewed by the Board of Directors in accordance with its established policy review schedule.

Upcoming Policy Review - Electronic Communication Management and Retention Policy (PL – IT 003)

December 18, 2023

Page 2 of 2

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

The Policy was reviewed by legal counsel.

**Attachments:**

- 1) Electronic Communication Management and Retention Policy (PL – IT 003) – redlined
- 2) Electronic Communication Management and Retention Policy (PL – IT 003) – clean

Sacramento Suburban Water District

## **Electronic Communications System Management and Retention Policy**

Adopted: February 25, 2008

Approved with changes: ~~May 17, 2024~~ January 22, 2024

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### **100.00 Purpose**

The Sacramento Suburban Water District (District) provides electronic communications services and devices, including ~~(“e-mail, cell/desk telephoned, and mobile telephones (“electronic communications system”)~~ for the to facilitate its employees’ ~~to~~ conduct of District business. In return for providing electronic communications system, the District expects the employees to manage and protect records resulting from their use of the electronic communications system such as e-mails, text or voice messages. This policy is adopted by the Board for the purposes of stating the responsibilities of all District employees concerning the creation, ~~removal,~~ storage, ~~and retention,~~ and destruction of records generated by the electronic communications system that are designated official District records.

The District electronic communications systems ~~(e-mail, cell /desk phones)~~ are is intended solely as a means of communicating District information. All District employees are forbidden from using the District electronic communications systems for the storage and maintenance of District records. To ensure the District electronic communications systems functions as intended, it is imperative that all District employees regularly delete electronic communications, including ~~(e-mails, text and voice messages,)~~ from the system as provided in this policy.

This policy supplements and is intended to be ~~carried out~~ implemented in concert with the District’s Records ~~Inspection, Retention and Disposal~~ Management Policy (PL – Adm 002, “Records Policy”). While not all electronic communications are designated District records, all electronic communications are subject to discovery and can be used as electronic evidence in the event of litigation. Unmanaged and unidentified electronic communications residing on District systems and devices could create expensive and unmanageable problems in the event of litigation and pose a threat to the District’s ability to properly and coherently document and reconstruct business and allow decision-making processes.

The Board makes the following findings concerning specific features of the District’s computer network and related hardware and software that comprise the District electronic communications systems:

1. District performs an electronic back-up of its computer network, including the e-mail system, on a regular schedule. The District does not backup District cell/desk phone data. Those back-ups are an electronic recording of the status of the District's computer systems at a particular moment in time and cannot accurately capture or reflect all electronic communications or other activity that occurred on the District's computer network on a specific day. For example, a back-up does not capture items on employees' desktops or in their non-networked drives.
2. District maintains a particular computer system back-up for a set period of time, after which that back-up is completely over-written. Such overwriting is necessary for management and security reasons and to aid the recovery of the computer system in case of a complete failure. Because the process is transitory, a back-up is not reliable and cannot constitute official District records.
3. District maintains an e-mail filter which reduces SPAM, Phishing, viruses, and other unwanted e-mail and malware from entering the District's system. Employees of the District are responsible for reviewing summary e-mail lists from the e-mail filter to determine if valid e-mails were captured by the filter. The e-mail filter system automatically deletes filtered e-mail after a certain set-time period.
4. District has implemented an electronic Records Management System (RMS) which serves as the repository of all District records for future storage and retrieval, retention control, and document protection. The RMS will be used to notify District employees of all records that have met retention policy requirements and are available for deletion from the system.

## 100.10 Scope

Electronic communications generally are considered public records and therefore, the retention and disposition of public records is governed by the District's Records Policy. In general, electronic communications fall into three categories:

1. Communications that document official District business, which include without limitation, approvals for staff action initiating a business transaction, requests and replies to a request for public information, and direction to employees or consultants. Such communications generally should be transferred to the RMS and retained in accordance with the District's Records Policy.
2. Communications that provide transitory information, such as announcing the date and time of a meeting, responses to professional organizations in which an employee participates, external colleague communications, and for other transitory-general information about the District. Such communications are transitory and are not considered District records that must be managed according to the District's Records Policy and shall be routinely deleted from

District electronic communications systems ~~(e-mail, cell/desk phone)~~. If a District employee believes that any communication of this type constitutes a District official record, such ~~an~~ e-mails or e-mail attachments, text messages or voice messages should be transferred to the RMS and retained in accordance with the District's Records Policy.

2.

3. Electronic documents such as personal e-mail or text correspondence, informal e-mail, text or voice communications between District employees, and working notes and drafts (unless intentionally saved for an official purpose). Such documents are not District records and should be permanently deleted from the District's electronic ~~facilities-communications system,~~ including (servers, workstations, laptops, cell/desk phones, etc.,) as soon as they are received and read, or are otherwise superseded or subject to deletion under this policy.

## **200.00 Policy**

It is the Policy of the District that any electronic communication containing information that documents District business must be saved into the RMS in accordance with the District's Records Policy. Responsibility for complying with this policy is imposed on each District employee. If an employee has any question or concern about retaining an electronic communication or attachment or other issues of compliance with this policy, he or she should discuss the issue with the General Manager or his/her designee. If deemed necessary, the General Manager or designee may consult with legal counsel about any electronic communication retention or removal issue.

### **200.10 Text or Instant Messages**

It is the policy of the District that employees may use text or instant messaging only for routine or transitory messages that do not need to be retained by the District. Examples include informal notices of meetings, directions, scheduling information, and other routine messages that would not be kept in a file if it were a paper communication.

### **200.20 Violation of Policy**

While the Board recognizes that occasional lapses in the use and management of electronic communications occur in the process of business, a failure to adhere to this policy also could have serious legal and financial consequences for the District. Therefore, violations of this policy will be reviewed on a case-by-case basis. In appropriate cases, as determined by the General Manager, a violation may result in disciplinary action against an employee, up to and including termination.

### **200.30 Procedures**

The General Manager will prepare procedures outlining implementation protocols for this policy.

**300.00 Policy Review**

This Policy shall be periodically reviewed by the Board of Directors in accordance with its established policy review schedule~~at least biennially~~.



Sacramento Suburban Water District

## **Electronic Communications System Management and Retention Policy**

Adopted: February 25, 2008  
Approved with changes: January 22, 2024

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### **100.00 Purpose**

The Sacramento Suburban Water District (District) provides electronic communications services and devices, including e-mail, desk telephoned, and mobile telephones (“electronic communications system”) to facilitate its employees’ conduct of District business. In return for providing electronic communications system, the District expects the employees to manage and protect records resulting from their use of the electronic communications system such as e-mails, text or voice messages. This policy is adopted by the Board for the purposes of stating the responsibilities of all District employees concerning the creation, storage, retention, and destruction of records generated by the electronic communications system that are designated official District records.

The District electronic communications system is intended solely as a means of communicating District information. All District employees are forbidden from using the District electronic communications system for the storage and maintenance of District records. To ensure the District electronic communications system functions as intended, it is imperative that all District employees regularly delete electronic communications, including e-mails, text and voice messages, from the system as provided in this policy.

This policy supplements and is intended to be implemented in concert with the District’s Records Management Policy (PL – Adm 002, “Records Policy”). While not all electronic communications are designated District records, all electronic communications are subject to discovery and can be used as electronic evidence in the event of litigation. Unmanaged and unidentified electronic communications residing on District systems and devices could create expensive and unmanageable problems in the event of litigation and pose a threat to the District’s ability to properly and coherently document and reconstruct business and allow decision-making processes.

The Board makes the following findings concerning specific features of the District’s computer network and related hardware and software that comprise the District electronic communications system:

1. District performs an electronic back-up of its computer network, including the e-mail system, on a regular schedule. The District does not backup

District cell/desk phone data. Those back-ups are an electronic recording of the status of the District's computer systems at a particular moment in time and cannot accurately capture or reflect all electronic communications or other activity that occurred on the District's computer network on a specific day. For example, a back-up does not capture items on employees' desktops or in their non-networked drives.

2. District maintains a particular computer system back-up for a set period of time, after which that back-up is completely over-written. Such overwriting is necessary for management and security reasons and to aid the recovery of the computer system in case of a complete failure. Because the process is transitory, a back-up is not reliable and cannot constitute official District records.
3. District maintains an e-mail filter which reduces SPAM, Phishing, viruses, and other unwanted e-mail and malware from entering the District's system. Employees of the District are responsible for reviewing summary e-mail lists from the e-mail filter to determine if valid e-mails were captured by the filter. The e-mail filter system automatically deletes filtered e-mail after a certain time period.
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Electronic communications generally are considered public records and therefore, the retention and disposition of public records is governed by the District's Records Policy. In general, electronic communications fall into three categories:

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or e-mail attachments, text messages or voice messages should be transferred to the RMS and retained in accordance with the District's Records Policy.

3. Electronic documents such as personal e-mail or text correspondence, informal e-mail, text or voice communications between District employees, and working notes and drafts (unless intentionally saved for an official purpose). Such documents are not District records and should be permanently deleted from the District's electronic communications system, including servers, workstations, laptops, cell/desk phones, etc., as soon as they are received and read, or are otherwise superseded or subject to deletion under this policy.

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### **200.30 Procedures**

The General Manager will prepare procedures outlining implementation protocols for this policy.

**300.00 Policy Review**

This Policy shall be periodically reviewed by the Board of Directors in accordance with its established policy review schedule.



**SACRAMENTO GROUNDWATER AUTHORITY**  
**MEETING OF THE BOARD OF DIRECTORS**

**Thursday, December 14, 2023**  
**at 9:00 a.m.**

**2295 Gateway Oaks, Suite 100**  
**Sacramento, CA 95833**  
**(916) 967-7692**

The Board will discuss all items on this agenda, and may take action on any of those items, including information items and continued items. The Board may also discuss other items that do not appear on this agenda but will not act on those items unless action is urgent, and a resolution is passed by a two-thirds (2/3) vote declaring that the need for action arose after posting of this agenda.

**IMPORTANT NOTICE REGARDING VIRTUAL PUBLIC PARTICIPATION:**

The Sacramento Groundwater Authority currently provides in person as well as virtual public participation via the Zoom link below until further notice. 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.

**Join the meeting from your computer, tablet or smartphone**

<https://us06web.zoom.us/j/82737526432?pwd=PMOQuQs6PsY18JREWLbab9atzA0E6G.1>

**Phone: 1-669-900-6833**

**Meeting ID: 827 3752 6432 Passcode: 121932**

**If we experience technical difficulties and the Zoom link drops and you are no longer able to connect to the Board meeting, please dial 877-654-0338 – Guest Code 198**

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 on SGA's website. 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 [jpeifer@rwah2o.org](mailto:jpeifer@rwah2o.org). Requests must be made as early as possible, and at least one full business day before the start of the meeting.

## **AGENDA**

### **1. CALL TO ORDER AND ROLL CALL**

**2. PUBLIC COMMENT:** Members of the public who wish to address the Board may do so at this time. Please keep your comments to less than three minutes.

### **3. CONSENT CALENDAR:**

All items listed under the Consent Calendar are considered and acted upon by one motion. Anyone may request an item be removed for separate consideration.

**3.1** Approve the draft meeting minutes of October 12, 2023 SGA Board meeting.

**3.2** Approve Josette Reina-Luken as the alternate Board Secretary for the December 14, 2023 Board meeting.

**Action: Approve Consent Calendar items as presented**

### **4. FISCAL YEAR 2022/2023 AUDIT REPORT**

Presenter: Ingrid Sheipline, Richardson & Company, LLP

**Action: Accept Fiscal Year 2022/2023 SGA Financial Audit Report**

### **5. REVISIONS TO POLICY 100.3 (EMPLOYEE COMPENSATION POLICY) AND APPROVE PAST SALARY SCHEDULES**

Presenter: Josette Reina-Luken, Financial and Administrative Services Manager

**Action: Approve Revisions to Policy 100.3 and Approve Past Salary Schedules**

### **6. SGA WATER ACCOUNTING FRAMEWORK**

Presenter: Jim Peifer, Executive Director and Trevor Joseph, Manager of Technical Services

### **7. ELECTION OF 2024 SGA OFFICERS**

Presenter: Randy Marx, Chair

**Action: 2024 Chair and Vice Chair and select SGA Ad Hoc Nominating Committee**

### **8. EXECUTIVE DIRECTOR'S REPORT**

### **9. DIRECTORS' COMMENTS**

## **ADJOURNMENT**

### **Next SGA Board of Director's Meetings:**

February 8, 2024, 9:00 a.m. at the RWA/SGA office, 2295 Gateway Oaks, Suite 100, Sacramento, CA 95833. The location is subject to change.

Notification will be emailed when the SGA electronic packet is complete and posted on the SGA website at <https://www.sgah2o.org/meetings/board-meetings/>

Posted on: December 8, 2023

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James Peifer, Executive Director

## Agenda Item 20 c.

Jay Boatwright  
Attended meetings.  
November 2023

11/01/2023: Attended the Audit Committee meeting as a member of that committee. We recommended approval of the audit work order for 2023.

11/02/2023: Special Board meeting. Closed session.

11/17/2023: Met with GM York to review the agenda items for the next regular board meeting.

11/20/2023: Regular board meeting for SSWD...

11/27/2023: Attended, as a director, the ACWA JPIA conference. This took place at Indian Wells, CA.

11/28/2023: Attended day 2 of the ACWA JPIA conference, and the committee meetings at the regular ACWA conference, which started on 11/28.

11/29/2023: Attended the second day of the ACWA conference. Attended various sessions appropriate for my position as a Director.

11/30/2023: Attended the final day of the ACWA conference. Of particular interest was the session on the PFAS settlements.





## Agenda

### Carmichael Water District/Sacramento Suburban Water District 2x2 Committee Meeting

3701 Marconi Avenue  
Sacramento, CA 95821

Wednesday, December 13, 2023  
3:00 p.m.

**This meeting will be conducted both in-person in the Sacramento Suburban Water 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 Chairperson will call for public comment on each agenda item at the appropriate time. If a member of the public chooses to participate in this public meeting via videoconference and/or teleconference, please see 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/87537667349?pwd=QXJOQmVhbzYyb0MwcFZ6Ukk2RHROZz09>

**Meeting ID: 875 3766 349**

**Password: 253991**

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

New to Zoom? Get the app now and be ready when your first meeting starts: <https://zoom.us/>  
Zoom uses encryption of data during Zoom meetings. The two Agencies use 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 Committee 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 Committee less than 72 hours before the meeting are available for public inspection at each Agency's Administrative Offices.

The public may address the Committee concerning an agenda item either before or during the Committee'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 either one of the General

Managers. The Chairperson 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**

## **Roll Call**

## **Public Comment**

This is an opportunity for the public to comment on non-agenda items within the subject matter jurisdiction of the Committee. Comments are limited to 3 minutes.

## **Consent Items**

The Committee 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 Committee 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. **Draft Minutes of the October 11, 2023, Carmichael Water District/Sacramento Suburban Water District 2x2 Committee Meeting**  
*Recommendation: Approve the Draft Minutes of the October 11, 2023, Carmichael Water District/Sacramento Suburban Water District 2x2 Committee Meeting.*

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

2. **Communication Outreach Summary**  
*Recommendation: Review and approve the Frequently Asked Questions and Key Benefits Documents, and receive staff presentation on status of the communications and outreach efforts to date.*
3. **Public Information Workshop Overview**  
*Recommendation: Receive staff presentation on the January Public Information Workshop Overview and provide appropriate direction.*
4. **LAFCo Resolution and Application Process**  
*Recommendation: Receive staff presentation and direct staff as appropriate.*
5. **Combination Discussion Process and Timeline**  
*Recommendation: Receive staff presentation and direct staff as appropriate.*

6. **2x2 Committee Meetings for 2024**

*Recommendation: Discuss the frequency/necessity of 2x2 Committee meetings in 2024 and direct staff as appropriate.*

**Adjournment**

\* \* \* \* \*

I certify that the foregoing agenda for the December 13, 2023, meeting of the Carmichael Water District/Sacramento Suburban Water District 2x2 Committee was posted by December 8, 2023 in a publicly-accessible location at the Sacramento Suburban Water District office, 3701 Marconi Avenue, Sacramento, California, and at the Carmichael Water District office, 7837 Fair Oaks Boulevard, Carmichael, CA 95608, and was made available to the public during normal business hours.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District



## Agenda Item: 23

**Date:** December 18, 2023

**Subject:** Report from Closed Session

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

This is a placeholder in the event there is a report back from Closed Session.