

Agenda
Sacramento Suburban Water District
Finance and Audit Committee

3701 Marconi Avenue, Suite 100
Sacramento, CA 95821

Wednesday, May 14, 2014
4:00 p.m.

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 members of the Finance and Audit Committee 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 Committee concerning an agenda item either before or during the Board's consideration of that agenda item. Persons who wish to comment on either agenda or non-agenda items should fill out a Comment Card and give it to the General Manager. The Committee Chair 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 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 the opportunity for the public to comment on non-agenda items within the Committee's jurisdiction. Comments are limited to 3 minutes.

Items for Discussion and Action

1. **Draft Request for Proposal – Audit Services**
Review draft RFP and provide direction to staff

2. **Draft Request for Proposal – Banking Services**
Review draft RFP and provide direction to staff

3. **Draft Information Technology Master Plan (ITMP)**
Review draft ITMP and provide direction to staff

Finance and Audit Committee

May 9, 2014

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I certify that the foregoing agenda for the May 14, 2014, meeting of the Sacramento Suburban Water District Finance and Audit Committee was posted by May 9, 2014 at the Sacramento Suburban Water District office, 3701 Marconi Avenue, Suite 100, Sacramento, California, and was made available to the public during normal business hours.

Robert S. Roscoe
General Manager/Secretary
Sacramento Suburban Water District



Agenda Item: 1

Date: May 9, 2014

Subject: Draft Request For Proposal - Auditing Services

Staff Contact: Daniel A. Bills, Finance Director

Recommended Committee Action:

Provide staff with direction. Recommend distribution on May 19, 2014.

Discussion:

At the request of the Committee, the attached draft RFP for Professional Auditing Services has been prepared to solicit a new auditing firm to serve the District annually up to five years. Per the District's "Engagement of Auditor Policy" (PL – Fin 001), "the Finance and Audit Committee is responsible for recommending the District's independent auditor to the full Board for appointment and compensation, and administering the relationship between the District and independent auditor during the course of the audit..." Therefore, the Finance and Audit Committee is asked to review the attached RFP and, at a later date, to select the firm from the proposals received, then recommend the selected firm to the full Board for approval.

Gilbert Associates, Inc. has served as the District's auditors the past five years. Prior to then, Charles Z. Fedak & Company served as the auditors for two years, with Richardson and Company serving as auditors the first five years after the District was formed.



CLEARLY REFRESHING SERVICE!

DRAFT REQUEST FOR PROPOSALS

Professional Auditing Services

May 2014

Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821-5346
(916) 972-7171
FAX: (916) 972-7639

I. PURPOSE

The Sacramento Suburban Water District (“District”) is requesting proposals (RFPs) from qualified certified public accounting firms to audit its annual financial statements (a component of the District’s comprehensive annual financial report or CAFR) for up to five years beginning with the calendar year ending December 31, 2014. The District is looking for a committed and qualified firm that has demonstrated experience with governmental audits as applied to the water industry and proprietary fund groups. Further, due to the District’s debt structure, the depth of understanding of the firm and its demonstrated experience with derivative financial instrument accounting, reporting and disclosures is paramount to the success of the audit.

II. DISTRICT BACKGROUND

District Background

The District was formed on February 1, 2002 under the State of California’s County Water District Law by the consolidation of the Northridge Water District and the Arcade Water District. The consolidation was approved and ordered by the Sacramento County Local Agency Formation Commission. The District is located in northern Sacramento County, California and includes portions of the unincorporated area of Sacramento County, Antelope, Carmichael, Citrus Heights, Foothill Farms, and North Highlands; small portions of the cities of Sacramento and Citrus Heights; and all of McClellan Business Park (formerly McClellan Air Force Base). The District, which serves water to approximately 171,000 people, generally is divided in two service areas. The North Service Area is comprised mainly of the former Northridge Water District’s territory, the Arcade Water District’s North Highlands service area and McClellan Business Park. The South Service Area is comprised mainly of the former Arcade Water District’s Town and Country territory.

The District is governed by a 5-member board of directors, each of which is elected to four-year terms from geographical divisions by the registered voters residing in each division of the District. The terms of the Directors are staggered, with the Directors from Divisions 1 and 2 elected at the same Statewide general election and the Directors from Divisions 3, 4 and 5 elected at the general election two years later.

The District’s service area covers approximately 36 square miles. The District’s territory is substantially built out. Based on Sacramento Area Council of Governments projections, the District’s population is expected to be 216,500 in 2035, when the District is expected to be fully built out. Other than residential and commercial in-fill projects, and industrial and commercial development at the McClellan Business Park, the District does not expect significant additional development within its territory.

The water supply of the District is a combination of both surface water and groundwater. Historically, the District had used groundwater as its water supply source; however, in 1998, the District initiated a conjunctive use program, supplementing its groundwater supply with surface water to address the declining groundwater table using in-lieu recharge. The District has made significant investments to put surface water supply and conjunctive use facilities in place.

The District's annual revenues come primarily from water sales. Operating revenues segregate water sales into three components used by the District in setting its water rate structure: consumption charges, service charges and capital facility charges. In addition, the District receives operating revenues from treated water passed through its conveyance system to neighboring water districts as well as from fees charged for certain District services, including penalty charges.

The District continues to be in a period of transition as water meters are installed on unmetered residential connections and customers are gradually converted from flat rate accounts to metered rate accounts. Presently, 72 percent of the District is metered, with all connections expected to be fully metered before the year 2025. Current flat rate accounts include a fixed monthly service charge with a "variable" charge varying based on parcel size. The fixed portion of the charge reflects the estimated fixed costs of service as well as a base water allotment considered sufficient for indoor usage. The portion of the service charge tied to parcel size is intended to reflect an estimate of water usage for irrigation purposes. A capital facility charge is applied based on connection size and is intended to cover pay-as-you-go capital improvements and debt service charges. The District offers a water meter and metered billing to any flat-rate customer on request.

Current residential metered rates include fixed service charges plus two-tier water usage rates as well as a capital facility charge based on connection size. The tier structure includes 10 CCF (CCF means 100 cubic feet) per month at a lower initial rate with usage in excess of 10 CCF at a higher rate. 10 CCF is equivalent to roughly 250 gallons per day, and is representative of typical indoor water usage for residential customers.

Non-residential customers are subject to fixed service charges plus a seasonal water usage rate structure as well as a capital facility charge based on connection size. Under the seasonal rates a higher rate applies to water usage during peak months (May through October) and a lower rate during non-peak months (November through April). All non-residential customers are on metered accounts.

The District's other sources of revenue comes from state and federal capital grants, developer contributions and investment income.

Prior Auditors

Gilbert Associates, Inc. served as the District's auditors from 2009 through 2013. Prior to that time, the District's auditors were Charles Z. Fedak & Company for the years 2007 and 2008 and Richardson and Company from 2002 to 2006.

III. SCOPE OF WORK

The selected auditor will be required to provide the following services: **(Note: this may not be a complete list of all services required to complete the annual audit. The auditor is expected to provide a more detailed scope of work with their RFP.)**

- a. Audit the District's basic financial statements in accordance with Generally Accepted Auditing Standards (GAAS) in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts.
- b. Express an opinion on the financial statements as to whether they present fairly, in all material respects, the financial position of the District and the changes in financial position and cash flows in conformity with generally accepted accounting principles (GAAP), and issue an independent auditors' report stating this opinion.
- c. Test internal controls over financial reporting and on compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters, in accordance with Government Auditing Standards and those issue by the Comptroller General of the United States, and issue an independent auditors' report on their consideration.
- d. Apply limited procedures related to the Required Supplementary Information (RSI), Management's Discussion and Analysis (MD&A) and the Supplementary Information contained in the CAFR, which is prepared by District staff.
- e. Perform additional procedures by expanding the scope of your expense testing to include additional sample sizes for general cash disbursements, payroll disbursements, wire and ACH transfers, petty cash, and purchasing card payments. This testing will include verifying payments to District employees and Board members on a sample basis. Payment verification will include verifying the pay rates for at least one period of senior management, finance staff, anyone involved in the payroll processing function and a sample of 10 other employees.
- f. Prepare a "Single Audit" Report and issue a related audit opinion, if necessary, for federal grant monies received and expenses made.
- g. Prepare a Report to the Board of Directors which identifies significant audit findings, difficulties encountered in performing the audit, identify any corrected and uncorrected misstatements, disagreements with management, management representations, control deficiencies, significant deficiencies and material weaknesses, if any, and your recommendations for improvements in accounting and administrative controls.
- h. Present and discuss the results of the audit and the annual financial statements to the Finance and Audit Committee of the Board in early April and the full Board of Directors during its regularly scheduled April meeting.

- i. Communicate immediately and in writing all irregularities and illegal acts, or indications of illegal acts, of which the auditor becomes aware, to the appropriate level of management and/or Directors of the District.
- j. Provide general consultation as required, during the year, on financial accounting and reporting matters.
- k. Retain at auditor's expense audit working papers for three (3) years, unless the firm is notified in writing by the District of the need to extend the retention period. In addition, the firm shall respond to reasonable inquiries of the District and successor auditors and allow the District and successor auditors to review working papers relating to matters of continuing accounting significance.

IV. TIMING AND OTHER REQUIREMENTS

1. Key Dates for Proposal Evaluation and Selection:

Time Table – Summary	
Distribution of RFP	May 19, 2014
Deadline for submission of questions	May 30, 2014
Proposal submission date	June 10, 2014
Proposal review	June 27, 2014
Notification to all proposers	July 3, 2014
Oral presentations, if necessary	July 14, 2014
Finance and Audit Committee approval	July 14, 2014
Board approval	July 21, 2014
Notification of selected firm	July 22, 2014
Expected signing of contract	July 31, 2014

Details of the timing of the proposal process are as follows:

- a. **Distribution of RFPs:** May 19, 2014.
- b. **Questions:** Inquiries concerning this RFP should be addressed to Dan Bills, Finance Director, at dbills@sswd.org. A copy of the District's most recent audited financial statements and the Board adopted 2014 budgets are available on the District's website at www.sswd.org, click Departments, then Finance.
- c. **Proposal submission:** Proposals must be delivered in person or mailed directly to:

Sacramento Suburban Water District
Attn: Finance Director
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821

Late submissions after the deadline or proposals delivered via fax will not be accepted. A total of six (1 original and 5 copies) labeled "AUDIT SERVICES PROPOSAL" are requested.

- d. **Proposal review:** The Finance and Audit Committee of the Board and District senior management will constitute the review committee. The committee will evaluate each proposal submitted. It is anticipated that the review process will be completed by June 27, 2014.
- e. **Notification to all proposers:** The District anticipates sending written notification to all proposers regarding the outcome of the review process by July 3, 2014.
- f. **Oral presentations, if necessary:** Included with the notification to all proposers, the selected finalists will be informed if the review committee feels oral presentations will be necessary. Oral presentations will take place at the Districts Administrative Office at 3701 Marconi Avenue, Suite 100 on or about July 14, 2014.
- g. **Notification of selected firm:** The review committee is expected to select the audit firm on July 14, 2014. All finalists will be notified of the final decision by July 22, 2014. Upon written request, the District will provide an electronic copy of the winning proposal once the contract is executed.
- h. **Contract term:** The Audit Services contract will become effective upon the execution of the contract for one (1) year with the option to extend the contract for up to four (4) additional one-year periods, at the District's sole discretion.

The District will make every effort to administer the proposal process in accordance with the terms and dates discussed in this RFP. However, the District reserves the right to modify the proposal process and dates as deemed necessary, and reserves the right to not award a contract. The District assumes no obligation for any costs incurred by any proposer in preparing the response to this request, attending an interview, or any other activity prior to awarding the contract to the selected firm.

2. Schedule for Calendar Year 2014 Audit:

- a. The auditor shall provide the District with an audit plan plus a list of schedules and other work requested for the interim audit no later than December 19, 2014.
- b. District facilities and staff will be available for inventory testing on January 6, 2015 and interim field work the week of February 2, 2015.
- c. The auditor shall provide the District with a list of schedules and other work requested for year-end field work at the end of the interim audit.
- d. The District expects to have the CAFR, all records, prepared by client lists and other schedules ready for the year-end audit by February 28, 2015. Accordingly, District

facilities and staff will be available for year-end field work the two week period beginning March 2, 2015.

- e. The auditor shall complete field work in time to allow for preparation and discussion of the draft CAFR and Single Audit, if necessary, with the Finance and Audit Committee by April 1, 2015.
- f. A draft of the required communication letter(s) shall also be provided by April 1, 2015. District staff shall have the opportunity to discuss and comment upon any findings and recommendations noted in the required communication letter(s) prior to April 1, 2015.
- g. Final CAFR, Single Audit and required communication letter(s) will be presented by the auditor and District staff to the Board of Directors at its April 20, 2015 meeting. After Board acceptance, the District will make bound and electronic copies for distribution to Directors, the public, other interested parties, regulatory agencies, and made available in electronic format on the District's website.

A similar schedule will be developed for audits in subsequent calendar years.

3. Assistance Provided to the Auditor

Finance Department staff will be available during interim and audit field work to assist the firm by providing access and direction to information, documentation, and be available for explanations of all inquiries. District staff will provide clerical assistance for preparation of confirmations and other routine correspondence. The District will be responsible for the preparation of the CAFR and all its components with the exception of the audit opinion(s). The auditor will be responsible for the Single Audit report and all of its contents.

The District will provide the auditors with reasonable and secure workspace, phone, wireless internet and copy machine access.

4. Additional Services

If it should become necessary for the District to request the auditor to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the District and the auditor. Any such additional work agreed to between the District and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the Proposal Data Sheet and the contents of the Technical Proposal. An example of such services would be review work necessary to consent to the inclusion of the CAFR to accompany debt and/or derivative issuances.

5. Payment

Progress payments will be made on work completed during the course of the engagement. Interim billings shall be at the discretion of the auditor, but only for work performed up to the time of invoice preparation.

V. Proposal Requirements and Contents

Please submit one (1) original signed version and five (5) copies of the Proposal (six (6) copies in total).

A. Format of Technical Proposal

1. Title page

- a) The RFP subject,
- b) The proposing firm's name,
- c) Contact person's name, address, telephone number, and email address. If the firm has more than one office, state which office will be responsible for providing services to the District, and
- d) The date of submission.

2. Table of Contents

- a) Identification of material submitted, by section and page number,
- b) Where appropriate, cross reference to section and page number of RFP.

3. Transmittal Letter

- a) General introduction stating the proposer's understanding of the services to be provided,
- b) A statement why the firm believes itself to be best qualified to perform the engagement both in terms of audit ability for water districts and derivative financial instruments,
- d) A statement of how long the firm has been in business and how many financial audits were performed by the firm for public agencies, water districts and proprietary fund groups during the past five (5) years,
- e) A statement that the attached pro forma contract (Exhibit C) is acceptable as is or includes proposed changes that, if acceptable to the District, are acceptable to the proposing firm,
- f) Name(s) of person(s) authorized to represent the proposer, title, address, telephone number, email address, and
- g) Signature.

4. Detailed Proposal Following the Order Set Forth in Section B below.

B. Contents of Technical Proposal

The purpose of the Technical Proposal is to demonstrate the qualifications, competence, and capacity of the firms seeking to undertake the independent audit of the District in conformity with the requirements of this RFP. The Technical Proposal should demonstrate the qualifications of the firm and of the staff intended to be assigned to this engagement. It should also specify an audit approach that will meet the RFP requirements.

The Technical Proposal should address all the points in the order outlined in the RFP. The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of this RFP. While additional data may be presented, the areas detailed below must be included. They represent the criteria against which the proposal will be evaluated.

1. License to Practice in California

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed or supervised by certified public accountants in good standing duly authorized to practice in California.

2. Independence

The firm should provide an affirmative statement that it is independent of the Sacramento Suburban Water District as defined by generally accepted auditing standards, Government Auditing Standards, Minimum Audit Requirements and Reporting Guidelines for Special Districts as required by the State Controller's Office, and those issued by the Comptroller General of the United States.

The firm should also list and describe the firm's professional relationships involving the District for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

3. Firm Qualification and Experience

To qualify, the firm must have extensive experience in audits of local governments, preferably water districts, as well as experience with derivative instrument accounting and reporting in compliance with generally accepted accounting principles, generally accepted auditing standards, Minimum Audit Requirements and Reporting Guidelines for Special Districts as required by the State Controller's Office, and Government Auditing Standards as issued by the Comptroller General of the United States.

The proposal should briefly introduce the firm, indicating whether the firm is local, regional, national, or international. State the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed (the District has a strong preference to work with a firm with an office and assigned staff located in Northern California), and the number and nature of the professional staff to be

employed in this engagement on a full-time basis, and the number and nature of the staff to be so employed on a part-time basis. Indicate the name of the person who will be authorized to answer questions, the person's title, address, email and telephone number.

If the firm participates in a peer review or quality review program, provide the year, month and result of the most recent review and submit a copy of the report on the firm's most recent external quality control (peer) review, along with a statement as to whether that quality control review included a review of specific government engagements (required by Government Audit Standards).

Provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

4. Engagement Partner, Manager/Supervisor and Staff Qualifications and Experience

Identify the senior-level staff, including engagement partner and manager/supervisor, who would be assigned to this engagement on an on-going basis. Indicate whether these individuals have CPA licenses authorized to practice in California and their standing with the Board of Accountancy. Please provide information on the governmental auditing experience and derivative accounting and reporting experience of these individuals, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit. The District reserves the right to approve or reject any replacements in the senior level staff participating in the District's audit.

Identify junior-level staff who may be assigned to this engagement. Indicate the stability of this team of individuals in relation to being assigned to this engagement on an annual basis. Please indicate their experience as outlined above for senior level staff. Indicate how the quality of the junior-level staff will be assured to the District over the term of the agreement. The District reserves the right to approve or reject any replacements in the junior level staff participating in the District's audit.

Staff consistency is an important consideration in awarding the audit contract.

5. Prior Engagements with the District

Indicate prior engagements of the firm with the District or its predecessor districts, the scope of work, date, engagement partners, total hours, and the location of the firm's office from which the engagement was performed.

6. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed to perform the services required in Section III above.

1. Proposed segmentation of the audit work:
 - a. What will be accomplished during interim and what at year end?
 - b. What other contact can the District expect during the year related to the audit engagement?
2. Expectations of District staff:
 - a. What documents and working papers are expected to be provided by District staff during interim and year end work? Please provide a sample "Prepared by Client (PBC)" list and schedules for each section of the audit field work.
3. Proposed time frame for each segment of audit work:
 - a. What is the anticipated length of field work for interim and year end work?
 - b. What is the standard turnaround time from end of field work, to senior level review, to final draft, to partner review, to audit report issuance?
4. Planned number of hours on the engagement for each level of auditing staff.
5. Sample size and the extent to which statistical sampling is to be used in the engagement.
6. Type and extent of use of software in the engagement.
7. Type and extent of analytical procedures to be used in the engagement.
8. Approach to be taken to gain and document an understanding of the District's internal control structure.
9. Approach to be taken in determining laws and regulations that will be subject to audit test work.
10. Approach to be taken in drawing audit samples for purposes of tests of compliance.

7. Staff Estimate and Cost

Provide an estimate of staff time required for each scope item. Estimates shall be broken down by task to enable District staff to determine the level of detail and number of management, staff and support personnel hours envisioned for each task. Estimates of hours for each staff classification shall be provided for each task.

Provide an hourly rate schedule for those job classifications to be billed to the Study and identify all other costs to be billed to the Study. Include total Study cost and identify any adjustments, which are predicted to occur during the life of the Study.

8. References

Please provide a maximum of three (3) references for similar types of audits of water districts or similar government entities in the past 5 years. As a minimum, please include the client's

name, audit type, description, total fee, contact name and title, address, phone number, and e-mail address.

9. Conflicts of Interest

Firms submitting a proposal in response to this RFP must disclose any actual, apparent, direct or indirect, or potential conflicts of interest that may exist with respect to the firm, management, or employees of the firm or other persons relative to the services to be provided under the Agreement for auditing services to be awarded pursuant to this RFP. If a firm has no conflicts of interest, a statement to that effect shall be included in the Proposal.

10. Proprietary Information

Firms submitting a Proposal in response to this RFP must provide a statement that nothing contained in the submitted proposal will be proprietary. All proposals shall become the property of the District once submitted.

11. Insurance

Provide a summary of the firm's insurance coverage. Summary should include a statement that the firm's insurance meets or exceeds the District's requirements. Minimum limits and types of insurance that are required to be maintained throughout the term of the engagement are identified in Attachment B.

12. Signature

The proposal shall be signed by an official authorized to bind the consulting firm and shall expressly state that the proposal is valid for 90 days.

VI. Selection Process

Qualification-based selection methods will be used for award of this audit contract. Specifically, proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposal evaluated and scored for both technical qualifications and price. The following represents the principal selection criteria, which will be considered during the evaluation process:

1. Mandatory Elements:

- a. The audit firm and its team anticipated to be assigned to the District audit are independent, insured, licensed and in good standing to practice in California.
- b. The firm has no conflict of interest with regard to any other work to be performed for the District.
- c. The firm adhered to the instructions in this RFP.
- d. The firm has experience with accounting and reporting derivative financial instruments.
- e. The firm submits a copy of its last external quality control review report and the firm has record of quality audit work.

2. Technical Quality (maximum 50 points):

a. Expertise and Experience

- i. The firm has substantial past experience in performing the required audits on government agencies comparable to the District.
- ii. The quality and stability of the firm's professional staff to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation is proficient and acceptable to the District..

b. Audit Approach:

- i. The firm provided proposed plans for the various segments of the engagement which are acceptable to the District.
- ii. The firm presented a thorough understanding of the objectives, scope and issues for this type of engagement.
- iii. Adequacy of proposed staffing plan.
- iv. Adequacy of sampling techniques.
- v. Adequacy of analytical procedures.
- vi. The firm is committed to the timeliness in the conduct and completion of the audit.
- vii. Location of firm managing and conducting audit.

c. References

3. Price (maximum 50 points):

Evaluation of the proposed fee to conduct the audit on a per annum basis.

4. Oral Presentation (if determined necessary)

During the evaluation process between selected finalists, the committee may, at its discretion, request the finalists to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the committee may have on a firm's proposal.

5. Final Decision

It is anticipated that the Board of Directors will select a firm on July 21, 2014. Following notification of the firm selected, it is expected a contract will be executed between both parties by July 31, 2014.

VII. Proposal Terms and Conditions

The District will not pay any costs incurred by the firm in preparing or submitting the proposal. The District reserves the right to modify or cancel, in part or in its entirety, this RFP. The District reserves the right to reject any or all proposals, to waive defects or informalities, and to offer the contract with any firm in response to any RFP. This RFP does not constitute any form of offer to contract.

VIII. Standard Hold Harmless Agreement

The Consultant shall defend, indemnify and save and hold harmless the District, its officers, agents and employees from any claims, suits or actions of every name, kind and description brought forth, or an account of, injuries to or death of any persons, including, but not limited to, works and the public or damage to property, resulting from or arising out of the Consultant's negligence or willful misconduct in the performance of this project.

IX. Contract Forms

The District's standard contract form will be used as the agreement between the auditor and District. A copy of the District's standard agreement is attached (Attachment C). If the firm is unable to execute the District's standard agreement, suggested modifications to the standard agreement must be detailed in the proposal. The District will consider any proposed deviations to the standard agreement in the evaluation of consultant qualifications.

ATTACHMENT A
DISTRICT'S 2014 CAFR

Go to www.sswd.org, click on Departments, then Finance, then
Comprehensive Annual Financial Report.

ATTACHMENT B
STANDARD INSURANCE REQUIREMENTS

The selected Consultant shall provide, at its own expense, and maintain at all times, the following insurance with insurance companies licensed in the State of California.

COVERAGE	LIMITS OF LIABILITY
General Liability with the following endorsements: ➤ Comprehensive ➤ Premises – operations ➤ Explosive/Collapse & Underground Hazard ➤ Products/Completed Operations ➤ Broad form Property Damage ➤ Independent Contractors ➤ Personal Injury	Bodily Injury: ➤ \$2,000,000 each occurrence ➤ \$5,000,000 aggregate Property Damage: ➤ \$2,000,000 each occurrence Personal Injury: ➤ \$2,000,000 each occurrence ➤ \$5,000,000 aggregate
Automobile Liability with: ➤ Comprehensive ➤ Owned ➤ Hired ➤ Non-owned	Bodily Injury: ➤ \$2,000,000 each occurrence Property Damage: ➤ \$2,000,000 each occurrence
Worker's Compensation	Statutory
Professional Liability (Errors and Omissions)	\$1,000,000 each occurrence

ATTACHMENT C

DISTRICT'S STANDARD CONSULTING CONTRACT

**AGREEMENT BETWEEN SACRAMENTO SUBURBAN WATER DISTRICT
AND _____ FOR AUDITING SERVICES**

THIS AGREEMENT is made this _____, 2014, in Sacramento, California, between Sacramento Suburban Water District ("District"), a public agency, and _____ ("Consultant"), concerning auditing services (the "Work"). The parties agree as follows:

1. Scope of Work. Consultant shall perform the work described in Exhibit A attached hereto and incorporated herein, and described as follows: year-end 2014 auditing services (the "Work"). Consultant shall: (a) provide all labor, equipment, material and supplies required or necessary to properly, competently, and completely perform the Work under this Agreement; and (b) determine the method, details and means of doing the Work.

2. Compensation.

a. In exchange for the Work, the District shall pay to Consultant a fee based on Consultant's actual time and expenses necessarily and actually expended on the Work in accordance with Consultant's fee schedule, as described in Exhibit A.

b. The total fee for the Work shall not exceed \$_____. There shall be no compensation for extra or additional work or services by Consultant unless approved in advance in writing by the District. Consultant's fee shall include all of Consultant's costs and expenses related to the Work.

c. At the end of each month, Consultant shall submit to the District an invoice for the Work performed during the preceding month. The invoice shall include a brief description of the Work performed, the dates of Work, number of hours worked and by whom (if payment is based on time), and an itemization of any reimbursable expenditures. If the Work is satisfactorily completed and the invoice is accurately computed, the District shall pay the invoice within 30 days of its receipt.

3. Term and Termination.

a. This Agreement shall take effect on the above date and continue in effect until completion of the Work, unless sooner terminated as provided below. Time is of the essence in this Agreement. Consultant shall complete the Work no later than April 30, 2015. This deadline may be extended by the District for good cause shown by Consultant.

b. This Agreement may be terminated at any time by the District upon 10 days advance written notice to Consultant. In the event of such termination, Consultant shall be fairly compensated for all work performed to the date of termination as calculated by the District based on the above fee and payment provisions. Compensation under this subsection shall not include any termination-related expenses, cancellation or demobilization charges, or lost profit associated with the expected completion of the Work or other such similar payments relating to Consultant's claimed benefit of the bargain.

4. Professional Ability of Consultant. Consultant represents that it is specially trained and experienced, and possesses the skill, ability, knowledge and certification, to competently perform the Work provided by this Agreement. The District has relied upon Consultant's training, experience,

skill, ability, knowledge and certification as a material inducement to enter into this Agreement. All Work performed by Consultant shall meet the standard of care and quality ordinarily to be expected of competent professionals in Consultant's field.

5. Conflict of Interest. Consultant (including its principals, associates and professional employees) represents and acknowledges that: (a) it does not now and shall not acquire any direct or indirect investment, interest in real property or source of income in the area covered by this Agreement or that would be affected in any manner or degree by the performance of Consultant's services under this Agreement; and (b) no person having any such interest shall perform any portion of the Work. The parties agree that Consultant is not a designated employee within the meaning of the Political Reform Act and the District's conflict of interest code because Consultant will perform the Work independent of the control and direction of the District or of any District official, other than normal contract monitoring, and Consultant possesses no authority with respect to any District decision beyond the rendition of information, advice, recommendation or counsel. Consultant shall not engage in any conduct or other employment or business that would be incompatible with or unreasonably interfere with its obligations under this Agreement, that would create a conflict of interest, or that would reflect unfavorably upon the interests of the District.

6. Consultant Records.

a. Consultant shall keep and maintain all ledgers, books of account, invoices, vouchers, canceled checks, and other records and documents evidencing or relating to the Work and charges for services, expenditures and disbursements for the Work for a minimum period of three years (or for any longer period required by law) from the date of final payment to Consultant under this Agreement. The District may inspect and audit such books and records, including source documents, to verify all charges, payments and reimbursable costs under this Agreement.

b. In accordance with California Government Code section 8546.7, the parties acknowledge that this Agreement, and performance and payments under it, are subject to examination and audit by the State Auditor General for three years following final payment under the Agreement.

7. Ownership of Documents. Every report, study, spreadsheet, worksheet, plan, blueprint, specification, drawing, map, photograph, computer model, computer disk, magnetic tape, CAD data file, GIS data file, computer software and any other document or thing prepared by Consultant under this Agreement and provided to the District ("Work Product") shall be the sole and exclusive property of the District, and the District shall have the perpetual, world-wide right to use, reuse, reproduce, publish, display, broadcast and distribute the Work Product and to prepare derivative and additional documents or works based on the Work Product without further compensation to Consultant or any other party. Consultant may retain a copy of any Work Product and use, reproduce, publish, display, broadcast and distribute any Work Product and prepare derivative and additional documents or works based on any Work Product; provided, however, that Consultant shall not provide any Work Product to any third party without the District's prior written approval, unless compelled to do so by legal process. If any Work Product is copyrightable, Consultant may copyright the same, except that, as to any Work Product that is copyrighted by Consultant, the District reserves a royalty-free, nonexclusive, world-wide, and irrevocable license to use, reuse, reproduce, publish, display, broadcast and distribute the Work Product and to prepare derivative and additional documents or works based on the Work Product. If the District reuses or modifies any Work Product for a use or purpose other than that intended by the scope of work under this Agreement, then the District shall hold Consultant harmless against all claims, damages, losses and expenses arising from such reuse or modification. For Work Product provided to the District in

paper format, upon request by the District, Consultant agrees to provide the Work Product to the District in an appropriate and usable electronic format (e.g., Word file, Excel spreadsheet, Adobe pdf, AutoCAD file).

8. Compliance with Laws. Consultant shall perform the Work in compliance with all applicable federal, California, and local laws and regulations, include applicable anti-discrimination and anti-harassment laws. Consultant also shall possess, maintain and comply with all federal, state and local permits, licenses, certificates, and approvals that may be required for it to perform the Work. In accordance with California Code of Regulations Title 13, section 2022.1(g), Consultant shall comply with all federal, state and local air pollution control laws and regulations applicable to the Consultant and its Work.

9. Confidentiality of Documents and Information. Consultant shall keep in strict confidence all Work Product and other documents and information provided to, shared with or created by Consultant in connection with the performance of the Consulting Services under this Agreement or during its time as a District consultant (collectively "Information"). Consultant shall not use any Information for any purpose other than the performance of the Work under this Agreement, unless otherwise authorized in writing by the District. Consultant shall not disclose any Information to any person or entity not connected with the performance of the Work under this Agreement, unless otherwise authorized in writing by the District.

10. Professional Liability Insurance. Consultant shall maintain professional liability insurance as shall protect against claims based on alleged errors or negligent acts or omissions which may arise from the Work or from Consultant's operations or performance under this Agreement, whether any such claim is made during or subsequent to the term of this Agreement, and whether such operations or performance be by Consultant or its employees, consultants, agents or anyone else employed by any of the foregoing. The amount of this insurance shall not be less than \$1,000,000. Said policy shall be continued in full force and effect during the term of this Agreement and for a period of five years following the completion of the Work. In the event of termination of said policy, new coverage shall be obtained for the required period to insure for the prior acts of Consultant during the course of performing services under the terms of this Agreement. Consultant shall provide to the District a certificate of insurance on a form acceptable to the District indicating the deductible or self-retention amounts and the expiration date of said policy, and shall provide renewal certificates within 10 days after expiration of each policy term. The insurance is to be placed with insurers licensed to do business by and in good standing with the California Department of Insurance, with a current A.M. Best's rating of A:VII or better unless otherwise acceptable to District.

11. General Insurance.

a. Consultant, at its sole cost and expense, shall procure and maintain for the duration of this Agreement the following types and limits of insurance:

<u>Type</u>	<u>Limits</u>	<u>Scope</u>
Commercial general liability	\$2,000,000 per occurrence & \$5,000,000 aggregate	at least as broad as ISO CG 0001
Automobile liability	\$2,000,000 per occurrence	at least as broad as ISO CA

Workers' compensation	Statutory limits
Employer's Liability	\$1,000,000 per accident

b. The general liability, auto, and property and casualty policies will be endorsed to name the District, and its directors, officers, employees, authorized volunteers, and agents as additional insureds regarding liability arising out of this Agreement. Consultant shall provide all applicable certificates of insurance and additional insured endorsements to the District within five days after execution of this Agreement. The policies shall contain no special limitations on the scope of protection afforded to the District, and its directors, officers, employees, authorized volunteers, and agents. Each insurance policy will be endorsed to state that coverage will not be canceled, except after 30 days' prior written notice to the District (10 days for non-payment of premium). The worker's compensation policy will be endorsed to include a waiver of subrogation against the District and its directors, officers, employees, volunteers, and agents.

c. Consultant's coverage will be primary and apply separately to each insurer against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. The District's insurance or self-insurance, if any, will be excess and will not contribute with Consultant's insurance.

d. Insurance is to be written on policy forms acceptable to the District and be placed with insurers with a current A.M. Best's rating of A:VII or better and that are admitted to do business and in good standing in California, unless otherwise acceptable upon notice to and approval by the District.

e. Upon execution of this Agreement and annually thereafter, Consultant will provide to the District the following proof of insurance: (a) certificate(s) of insurance evidencing this insurance; and (b) endorsement(s) on ISO Form CG 2010 (or insurer's equivalent), signed by a person authorized to bind coverage on behalf the insurer(s), and certifying the additional insured coverage.

f. The requirements as to the types, limits, and the District's approval of insurance coverage to be maintained by the Consultant are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by Consultant under this Agreement. In addition, in the event any change is made in the insurance carrier, policies or nature of coverage required under this Agreement, Consultant shall notify the District prior to making such changes.

g. Consultant shall ensure that all required insurance coverages are maintained throughout the term of this Agreement. If any of the required coverages expire during the term of this Agreement, Consultant shall deliver renewal certificates and any required endorsements to the District at least 10 days before the expiration date.

h. Consultant must declare any deductible or self-insured retention and such must be approved by the District. At the District's sole option, Consultant may be required to either reduce or eliminate such deductibles or self-insured retentions.

12. **Indemnification.** To the fullest extent permitted by law, Consultant shall indemnify, defend (with counsel approved by District), protect, and hold harmless the District, and its directors, officers, employees, volunteers, and agents from and against any and all actions, judgments, legal or

administrative proceedings, arbitrations, claims, demands, damages, liabilities, interest, and costs (including, without limitation, attorney's, expert witness and consultant fees and expenses, fines, penalties, and litigation costs and expenses) of every nature ("claims" or "claim"), arising out of, pertaining to or in any way connected with the negligence, recklessness or willful misconduct of Consultant or its employees', agents' or subcontractors' negligence, recklessness or willful misconduct, except where caused by the active negligence or willful misconduct of the District or as otherwise provided or limited by law. Consultant's obligations under this indemnification provision shall survive the completion of Work under, or the termination of, this Agreement. Submission of insurance certificates or submission of other proof of compliance with the insurance requirements in this Agreement does not relieve Consultant from liability under this provision. The obligations of this provision shall apply whether or not such insurance policies shall have been determined to be applicable to any claims.

13. Subcontractors. No subcontract shall be awarded nor any outside contractor engaged by Consultant without the District's prior written approval. Any approved subcontractor shall be covered by Consultant's insurance in accordance with the insurance requirements of Paragraphs 10 and 11 of this Agreement or such subcontractor services will be subject to a separate agreement between the District and the subcontractor.

14. Independent Contractor. It is expressly understood and agreed by the parties that Consultant's relationship to the District is that of an independent contractor. All persons hired by Consultant and performing the Work shall be Consultant's employees or agents. Consultant and its officers, employees and agents are not District employees, and they are not entitled to District employment salary, wages or benefits. Consultant shall pay, and District shall not be responsible in any way for, the salary, wages, workers' compensation, unemployment insurance, disability insurance, tax withholding, and benefits to and on behalf of Consultant's employees. Consultant shall, to the fullest extent permitted by law, indemnify District, and its officers, employees, volunteers and agents, from and against any and all liability, penalties, expenses and costs resulting from any adverse determination by the federal Internal Revenue Service, California Franchise Tax Board or other federal or state agency concerning Consultant's independent contractor status.

15. Entire Agreement. This Agreement and the attached exhibits represent the sole, final, complete, exclusive, and integrated expression and statement of the terms of the agreement between the parties concerning the Work. There are no written or oral agreements, conditions, representations, warranties, or promises with respect to the subject matter of this Agreement except those contained in or referred to in this writing. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties to this Agreement.

16. Successors and Assignment. This Agreement shall be binding on, and inure to the benefit of, the heirs, successors, and assigns of the parties; however, Consultant agrees that it will not subcontract, assign, transfer, convey, or otherwise dispose of this Agreement or any part thereof, or its rights, title or interest therein, or its power to execute the same without the prior written consent of the District.

17. Severability. If any part of this Agreement is held to be void, invalid, illegal or unenforceable, then the remaining parts will continue in full force and effect and be fully binding, provided that each party still receives the benefits of this Agreement.

18. **No Waiver of Rights.** Any waiver at any time by either party of its rights as to a breach or default of this Agreement shall not be deemed to be a waiver as to any other breach or default. No payment by the District to Consultant shall be considered or construed to be an approval or acceptance of any Work or a waiver of any breach or default.

19. **Interpretation.** The District and Consultant each had the opportunity to consult independent counsel in the negotiation and execution of this Agreement. For the purposes of interpretation of this Agreement, neither party will be deemed to have been its drafter.

20. **Governing Law and Venue.** This Agreement will be governed by and construed in accordance with the laws of the State of California. The state superior or federal district court where the District's office is located shall be venue for any litigation concerning the enforcement or construction of this Agreement.

21. **Notices.** Any notice or other communication required or permitted to be given under this Agreement will be in writing and will be deemed to be properly given if delivered, mailed or sent by facsimile or e-mail in the manner provided in this paragraph, to the following persons:

District:
Sacramento Suburban Water District
Attn: Daniel A. Bills, Finance Director
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821
Fax: (916) 972 - 7639
E-mail: dbills@sswd.org

Consultant:

Attn: _____

Fax: _____
E-mail: _____

If sent by mail, any notice, delivery or other communication will be effective or deemed to have been given three days after it has been deposited in the United States mail, with postage prepaid, and addressed as set forth above. If sent by facsimile or e-mail, any notice, delivery or other communication will be deemed to have been given only after it has been confirmed in writing as received. If delivered personally or by overnight delivery service, any such notice, delivery or other communication will be deemed to have been given on the date of delivery. Either party may change that party's address by giving written notice of the change to the other party in the manner provided in this paragraph.

22. **Licensing.** Consultant represents that it is licensed by the California Board of Accountancy, and that Consultant's license is in good standing and will be kept in good standing during the term of this Agreement.

IN WITNESS WHEREOF, the parties execute this Agreement on the day and year first above written.

SACRAMENTO SUBURBAN WATER DISTRICT: _____:

By: _____
Neil W. Schild, Director
Chair, Finance and Audit Committee

By: _____

[Name]
[Title]



Agenda Item: 2

Date: May 12, 2014

Subject: Draft Request For Proposal - Banking Services

Staff Contact: Daniel A. Bills, Finance Director

Recommended Committee Action:

Provide staff with direction. Recommend distribution on May 19, 2014.

Discussion:

At the request of the Committee, the attached draft RFP for Professional Banking Services has been prepared to solicit a new financial institution to serve the District in the foreseeable future. The District has utilized WestAmerica Bank as their primary financial institution for its treasury management functions since its formation in 2002. As the District has grown and its processes have become more automated, the need for automated and more efficient banking services has become ever more necessary. WestAmerica is unable to meet some of the District needs.



CLEARLY REFRESHING SERVICE!

DRAFT REQUEST FOR PROPOSALS

Financial Institution and Merchant Services

May 2014

Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821-5346
(916) 972-7171
FAX: (916) 972-7639

I. PURPOSE

The Sacramento Suburban Water District (“District”) is requesting proposals (RFPs) from qualified commercial financial institutions for Financial Institution and Merchant Services. The District’s objective is to obtain the most efficient, high quality services at a reasonable cost.

II. DISTRICT BACKGROUND

District Background

The District was formed on February 1, 2002 under the State of California’s County Water District Law by the consolidation of the Northridge Water District and the Arcade Water District. The consolidation was approved and ordered by the Sacramento County Local Agency Formation Commission. The District is located in northern Sacramento County, California and includes portions of the unincorporated area of Sacramento County, Antelope, Carmichael, Citrus Heights, Foothill Farms, and North Highlands; small portions of the cities of Sacramento and Citrus Heights; and all of McClellan Business Park (formerly McClellan Air Force Base). The District, which serves water to approximately 171,000 people, generally is divided in two service areas. The North Service Area is comprised mainly of the former Northridge Water District’s territory, the Arcade Water District’s North Highlands service area and McClellan Business Park. The South Service Area is comprised mainly of the former Arcade Water District’s Town and Country territory.

The District is governed by a 5-member board of directors, each of which is elected to four-year terms from geographical divisions by the registered voters residing in each division of the District. The terms of the Directors are staggered, with the Directors from Divisions 1 and 2 elected at the same Statewide general election and the Directors from Divisions 3, 4 and 5 elected at the general election two years later.

The District’s service area covers approximately 36 square miles. The District’s territory is substantially built out. Based on Sacramento Area Council of Governments projections, the District’s population is expected to be 216,500 in 2035, when the District is expected to be fully built out. Other than residential and commercial in-fill projects, and industrial and commercial development at the McClellan Business Park, the District does not expect significant additional development within its territory.

The water supply of the District is a combination of both surface water and groundwater. Historically, the District had used groundwater as its water supply source; however, in 1998, the District initiated a conjunctive use program, supplementing its groundwater supply with surface water to address the declining groundwater table using in-lieu recharge. The District has made significant investments to put surface water supply and conjunctive use facilities in place.

The District’s annual revenues come primarily from water sales. Operating revenues segregate water sales into three components used by the District in setting its water rate structure: consumption charges, service charges and capital facility charges. In addition, the District receives operating revenues from treated water passed through its conveyance system to

neighboring water districts as well as from fees charged for certain District services, including penalty charges.

The District continues to be in a period of transition as water meters are installed on unmetered residential connections and customers are gradually converted from flat rate accounts to metered rate accounts. Presently, 72 percent of the District is metered, with all connections expected to be fully metered before the year 2025. Current flat rate accounts include a fixed monthly service charge with a “variable” charge varying based on parcel size. The fixed portion of the charge reflects the estimated fixed costs of service as well as a base water allotment considered sufficient for indoor usage. The portion of the service charge tied to parcel size is intended to reflect an estimate of water usage for irrigation purposes. A capital facility charge is applied based on connection size and is intended to cover pay-as-you-go capital improvements and debt service charges. The District offers a water meter and metered billing to any flat-rate customer on request.

Current residential metered rates include fixed service charges plus two-tier water usage rates as well as a capital facility charge based on connection size. The tier structure includes 10 CCF (CCF means 100 cubic feet) per month at a lower initial rate with usage in excess of 10 CCF at a higher rate. 10 CCF is equivalent to roughly 250 gallons per day, and is representative of typical indoor water usage for residential customers.

Non-residential customers are subject to fixed service charges plus a seasonal water usage rate structure as well as a capital facility charge based on connection size. Under the seasonal rates a higher rate applies to water usage during peak months (May through October) and a lower rate during non-peak months (November through April). All non-residential customers are on metered accounts.

The District’s other sources of revenue comes from state and federal capital grants, developer contributions and investment income.

III. MINIMUM QUALIFICATIONS

To be considered for selection, proposing commercial financial institutions must meet the following qualifications:

- a. Be a Federal or State of California chartered financial institution.
- b. Be a member of the Federal Reserve System and have access to all services.
- c. Be a qualified State depository for public funds.
- d. Be a full service financial institution in good standing among other comparable financial institutions and have a location in the District’s service territory.
- e. Be capable of providing the services sought by the District, to include a wide range of deposit account, funds transfer, cash management, deposit services and merchant services.
- f. Agree to assign experienced and dedicated staff committed and capable of servicing the District’s accounts.

- g. Meet or exceed the Federal regulatory capital requirements of an “Adequately Capitalized” institution.

IV. TIMING AND OTHER REQUIREMENTS

1. Key Dates for Proposal Evaluation and Selection:

Time Table – Summary	
Distribution of RFP	May 19, 2014
Deadline for submission of questions	May 30, 2014
Proposal submission date	June 10, 2014
Proposal review	June 27, 2014
Notification to all proposers	July 3, 2014
Oral presentations, if necessary	July 14, 2014
Finance and Audit Committee approval	July 14, 2014
Board approval	July 21, 2014
Notification of selected firm	July 22, 2014
Expected signing of contract	July 31, 2014

Details of the timing of the proposal process are as follows:

- a. **Distribution of RFPs:** May 19, 2014.
- b. **Questions:** Inquiries concerning this RFP should be addressed to Dan Bills, Finance Director, at dbills@sswd.org. A copy of the District's most recent audited financial statements are available on the District's website at www.sswd.org, click Departments, then Finance.
- c. **Proposal submission:** Proposals must be delivered in person or mailed directly to:

**Sacramento Suburban Water District
Attn: Finance Director
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821**

Late submissions after the deadline or proposals delivered via fax will not be accepted. A total of six (1 original and 5 copies) labeled "FINANCIAL INSTITUTION AND MERCHANT SERVICES PROPOSAL" plus an electronic version (to dbills@sswd.org) are requested.

- d. **Proposal review:** The Finance and Audit Committee of the Board and District senior management will constitute the review committee. The committee will evaluate each proposal submitted. It is anticipated that the review process will be completed by June 27, 2014.

- e. **Notification to all proposers:** The District anticipates sending written notification to all proposers regarding the outcome of the review process by July 3, 2014.
- f. **Oral presentations, if necessary:** Included with the notification to all proposers, the selected finalists will be informed if the review committee feels oral presentations will be necessary. Oral presentations will take place at the Districts Administrative Office at 3701 Marconi Avenue, Suite 100 on or about July 14, 2014.
- g. **Notification of selected firm:** The review committee is expected to select the commercial financial institution on July 14, 2014. All finalists will be notified of the final decision by July 22, 2014. Upon written request, the District will provide an electronic copy of the winning proposal once the contract is executed.
- h. **Contract term:** The Financial Institution and Merchant Services contract will become effective upon the execution of the contract for one (1) with subsequent annual renewal periods, at the District's sole discretion.

The District will make every effort to administer the proposal process in accordance with the terms and dates discussed in this RFP. However, the District reserves the right to modify the proposal process and dates as deemed necessary, and reserves the right to not award a contract. The District assumes no obligation for any costs incurred by any proposer in preparing the response to this request, attending an interview, or any other activity prior to awarding the contract to the selected firm.

V. Proposal Requirements and Contents

Please submit one (1) original signed version, five (5) copies of the Proposal (six (6) hard copies in total) plus an electronic version to dbills@sswd.org.

A. Format of Technical Proposal

1. Title page

- a) The RFP subject,
- b) The proposing firm's name,
- c) Contact person's name, address, telephone number, and email address. If the firm has more than one office, state which office will be responsible for providing services to the District, and
- d) The date of submission.

2. Table of Contents

- a) Identification of material submitted, by section and page number,
- b) Where appropriate, cross reference to section and page number of RFP.

3. Transmittal Letter

- a) General introduction stating the proposer's understanding of the services to be provided,

- b) A statement why the institution believes itself to be best qualified to perform the engagement both in terms of audit ability for water districts and derivative financial instruments,
- d) A statement of how long the institution has been in business and an estimate of the number of California public agencies the institution currently has as customers, with selected relevant examples,
- e) A statement that the attached pro forma contract (Exhibit C) is acceptable as is or includes proposed changes that, if acceptable to the District, are acceptable to the proposing institution,
- f) Name(s) of person(s) authorized to represent the proposer, title, address, telephone number, email address, and
- g) Signature.

4. Detailed Proposal Following the Order Set Forth in Section B below.

B. Contents of Technical Proposal

The purpose of the Technical Proposal is to demonstrate the qualifications, competence, and capacity of the institutions seeking to undertake the treasury and merchant services of the District in conformity with the requirements of this RFP.

The Technical Proposal should address all the points in the order outlined in the RFP. The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of this RFP. While additional data may be presented, the areas detailed below must be included. They represent the criteria against which the proposal will be evaluated.

1. Financial Institution and Personnel Profile: Please respond to the following:

Financial Institution Overview – Provide a general overview of the financial institution's operations, fundamental management and customer service philosophy, and financial strength. Identify the primary office or branch that the District will be assigned and where the District will conduct its primary banking business.

Experience – Describe the financial institution's direct experience in servicing public sector clients. Please include information such as the number of California public agency clients, the dollar amount of public funds on deposit for these clients, and the financial institution's knowledge of and adherence to the California Government Code and other applicable laws.

Relationship Management – Identify the size and scope of your California-based public banking unit, officers to be responsible for the District's accounts, what each person's role and responsibilities will be, and the relevant credentials and experience of each person on the relationship management team.

Customer Service – Describe how the financial Institution handles problem resolution, customer service, day-to-day contact, and ongoing maintenance for governmental entities.

Specify whom the District will be calling for day-to-day banking and treasury management issues.

2. References: Please provide three (3) references. References should include other California public agencies of similar size and scope of service utilization as the District. Please include the following information for each reference:

- Contact name and title
- Name of agency
- Telephone number and e-mail address
- Number of years as a customer
- Services provided

3. Demand Deposit Accounts: The District currently uses multiple demand deposit accounts and zero balance accounts.

1. Describe the daily and month-end account viewing/statement process?
2. Describe on-line and hardcopy statement process?
3. Does the Financial Institution offer analyzed interest bearing demand accounts? If so, please describe the service.

4. Lockbox Services: The District currently utilizes a lockbox service with its present financial institution.

1. Describe the lockbox process and daily and month-end account viewing/statement process?
2. Describe on-line and hardcopy activity process?
3. Specify the PO Box location and pick-up/delivery process?
4. Identify the posting and viewing of remittances process?
5. Describe how "other Items" included in the remittance envelope are handled?

5. Collateralization of Deposits: Banks are required to collateralize public funds deposits under the California Government Code, Sections 53651 and 53652. Copies of the reports filed with the State of California shall be made available to the District upon request. Please detail the institution's procedures for collateralizing public funds deposits.

1. What types of securities are used as collateral?
2. What say does the District have in the types of collateral?
3. Which department is responsible for tracking deposits and monitoring collateral?
4. What is the institutions current level (\$ amount) of California public funds deposits and the related collateral?
5. What is the frequency of reporting to the State Treasurer's Office?
6. Please include a copy of the Bank's Contract for Deposit of Moneys in this section.

6. Deposit Activity: The District currently utilizes an armored car service for daily deposit pick-up at its Marconi Avenue office location. Deposits consist of pre-encoded checks,

money orders, cashier's checks, coin and currency. Estimated monthly volume can be ascertained from Exhibit A. The District requires the ability to use a local branch to make certain deposits, to get change and for other miscellaneous activities.

1. Please identify the institution's full-service branch locations within the District's Service Area.
 2. Please describe the institution's deposit requirements. How should the coin and currency deposits be prepared? How should encoded check deposits be prepared?
 3. How would the District order deposit supplies? How is payment made for such supplies?
 4. Please describe in detail the institution's procedures for handling deposit adjustments. What documentation on discrepancies does the institution provide?
 5. Is the deposit adjustment documentation different for cash deposits and check deposits? What is the minimum adjustment amount? How soon would support documentation of a deposit discrepancy be provided to the District?
 6. Please describe the institution's returned item handling and notification procedures. Is an automatic re-clear option available? How long does it take for returned items to be sent to the District?
 7. What are the cut-off times for deposits at the institution's local branch and at the bank's Processing Center to ensure same day credit? Where is the Processing Center/Cash Vault located? Will the District deal directly with the Cash Vault on deposit adjustments or with a local representative?
 8. Does the bank support remote deposit processing (Check 21)?
- 7. Wire Transfers:** The District currently transacts wire transfers on-line, initiating several wires and book transfers a month and receiving several incoming wires per month as well. See information provided directly in Exhibit A.
1. Please describe the institution's online wire transfer service capabilities and process.
 2. What is the deadline for initiating wire transfers?
 3. What safeguards and security measures does the bank have in place to protect the District?
- 8. Automated Clearing House (ACH) Service Requirements**
1. Describe the process for vendor payments made via ACH?
 2. Is positive pay available? Describe how it works?
- 9. Merchant Processor:** The District accepts Visa and MasterCard credit card payments and utilizes a utility discount offered on such cards. The District operates with "gateway" and "merchant" processors. The District is in need of a new Merchant Processor and accordingly asks the institution to describe their process. Card payments are accepted over-the-counter, on-line and by telephone.
1. Please describe the bank's Merchant Bankcard and Point-of-Sale processing capabilities.

2. Please describe the reporting methodology and how adjustments and charge backs are handled. How is the District notified of charge backs? Is online response and status tracking available? Are charge backs and other debit adjustments netted from daily proceeds or debited from daily proceeds or debited separately? Is the discount fee refunded when a charge back or refund occurs? What is the rebuttal process?
3. When and how will the District receive funds for each day's transactions? Is settlement by ACH or Fed wire? Are settlement amounts listed separately on the bank statement or will they appear in one lump sum? Will the bank break out settlement amounts by merchant location?
4. What is the settlement cutoff time for card transactions?
5. Does the bank supply the District with the terminals?
6. Is the bankcard relationship managed by a separate unit of the bank, or by the Account Relationship Manager? Please briefly describe the structure of this area.
7. When and how are the discount rate and other fees charged to the District? Can this fee be paid through analysis? Is tiered pricing available?
8. Is reporting information available on line? What is the fee associated with this service? Is a "corporate level" view available to see all merchant accounts?
9. What network will be used for front end and back end operations?
10. Please explain your rate increase policies. Can the rates be fixed for any period of time during the District's contract?
11. What PCI Compliance services are provided?
12. The following pertains to the associated discount rate and other applicable charges. Please provide the following:
 - a. Visa Authorization Fee
 - b. MasterCard Authorization Fee
 - c. Monthly Service Fee
 - d. Monthly Statement Fee
 - e. Please list any other monthly or other fees that the District would be charged.

10. Costs

1. Describe the Earnings Credit Rate and how it is applicable to the District.
2. Describe costs of depository services, wire transfers, ACH processing, returned item and other such costs.
3. Describe armored car service costs/contracts.
4. Describe lock-box service costs.
5. Describe how FDIC assessment is passed through to the District.
6. Are there set-up costs for new clients?

C. Other

2. Conflicts of Interest

Institutions submitting a proposal in response to this RFP must disclose any actual, apparent, direct or indirect, or potential conflicts of interest that may exist with respect to the firm, management, or employees of the firm or other persons relative to the services to be pursuant

to this RFP. If a firm has no conflicts of interest, a statement to that effect shall be included in the Proposal.

3. Proprietary Information

Institutions submitting a Proposal in response to this RFP must provide a statement that nothing contained in the submitted proposal will be proprietary. All proposals shall become the property of the District once submitted and available for public inspection.

4. Insurance

Provide a summary of the institution's insurance coverage. Summary should include a statement that the institution's insurance meets or exceeds the District's requirements. Minimum limits and types of insurance that are required to be maintained throughout the term of the engagement are identified in Attachment B.

5. Signature

The proposal shall be signed by an official authorized to bind the institution and shall expressly state that the proposal is valid for 90 days.

VI. Selection Process

Qualification-based selection methods will be used for award of this Financial Institution and Merchant Services contract. Specifically, proposals will be evaluated using three sets of criteria. Institutions meeting the mandatory criteria will have their proposal evaluated and scored for both technical qualifications and price. The following represents the principal selection criteria, which will be considered during the evaluation process:

1. Mandatory Elements:

- a. Must meet all minimum qualifications as noted in section III above.
- b. Must provide necessary services required by District as noted in section V above.

2. Technical Quality (maximum 70 points):

- a. Expertise and Experience
- b. Approach
- c. Automation
- d. Impact to current District processes

3. Cost (maximum 30 points):

Evaluation of the proposed fees on a per monthly basis.

4. Oral Presentation (if determined necessary)

During the evaluation process between selected finalists, the committee may, at its discretion, request the finalists to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the committee may have on a firm's proposal.

5. Final Decision

It is anticipated that the Board of Directors will select a firm on July 21, 2014. Following notification of the firm selected, it is expected a contract will be executed between both parties by July 31, 2014.

VII. Proposal Terms and Conditions

The District will not pay any costs incurred by the institution in preparing or submitting the proposal. The District reserves the right to modify or cancel, in part or in its entirety, this RFP. The District reserves the right to reject any or all proposals, to waive defects or informalities, and to offer the contract with any institution in response to any RFP. This RFP does not constitute any form of offer to contract.

VIII. Standard Hold Harmless Agreement

The Consultant shall defend, indemnify and save and hold harmless the District, its officers, agents and employees from any claims, suits or actions of every name, kind and description brought forth, or an account of, injuries to or death of any persons, including, but not limited to, works and the public or damage to property, resulting from or arising out of the institution's negligence or willful misconduct in the performance of this project.

IX. Contract Forms

The District's standard contract form is preferred as the format for the agreement between the institution and the District. A copy of the District's standard agreement is attached (Attachment C). If the institution is unable to execute the District's standard agreement, suggested modifications to the standard agreement must be detailed in the proposal. The District will consider any proposed deviations to the standard agreement in the evaluation of the institution's qualifications.

ATTACHMENT A
DISTRICT'S CURRENT FINANCIAL ACTIVITY & COSTS

ACCOUNT ANALYSIS STATEMENT

SACRAMENTO SUBURBAN WATER DISTRICT
MANAGERS FUND

STATEMENT PERIOD:
04-01-2014 through 04-30-2014
30 days in this cycle

Relationship ID: ---

SERVICE ACTIVITY CHARGES FOR RELATIONSHIP:

TMA	CODE	SERVICE DESCRIPTION	VOLUME	PRICE	CHARGE	BAL REQUIRED
	00	BALANCE & COMPENSATION INFO				
000230		DEPOSIT INSURANCE CHARGE	2,702	0.1167	315.32	1,096,112.23
		TOTAL BALANCE & COMPENSATION INFO			315.32	1,096,112.23
	01	GENERAL ACCOUNT SERVICES				
010000		ACCOUNT MAINTENANCE	4	17.00	68.00	236,380.92
010020		ZBA MAINTENANCE-MASTER	1	10.00	10.00	34,761.90
010021		ZBA MAINTENANCE-SUB ACCOUNT	1	15.00	15.00	52,142.85
		TOTAL GENERAL ACCOUNT SERVICES			93.00	323,285.67
	05	LOCKBOX SERVICES				
050020		LOCKBOX MONTHLY BASE			100.00	347,619.00
050222		LOCKBOX ITEMS SCAN	13,183	0.20	2,636.60	9,165,322.55
050232		LOCKBOX ITEMS	279	0.45	125.55	436,435.65
		TOTAL LOCKBOX SERVICES			2,862.15	9,949,377.21
	10	DEPOSITORY SERVICES				
100000		CREDITS AND DEPOSITS	48	1.30	62.40	216,914.26
100220		CHECKS DEPOSITED, WESTAMERICA	58	0.10	5.80	20,161.90
100222		CHECKS DEPOSITED, NON-WESTAMERICA	11,325	0.11	1,245.75	4,330,463.69
100400		RETURN ITEM	39	10.00	390.00	1,355,714.10
101000		ARMORED CAR SERVICE			399.64	1,389,224.57
101010		ARMORED CAR ADDITIONAL SERVICE			35.97	125,038.55
101020		ARMORED CAR CASH VAULT SERVICE			69.55	241,769.01
		TOTAL DEPOSITORY SERVICES			2,209.11	7,679,286.09
	15	PAPER DISBURSEMENT SERVICES				
150102		CHECKS PAID TRUNCATED	279	0.15	41.85	145,478.55
		TOTAL PAPER DISBURSEMENT SERVICES			41.85	145,478.55
	25	ACH SERVICES				
250100		ONSITE BANKER PLUS ACH ORIG DEBIT/CREDIT	4,561	0.08	364.88	1,268,392.21
250202		ACH RECEIVED DEBIT/CREDIT	281	0.09	25.29	87,912.85
250504		ONSITE BANKER PLUS ACH FILE TRANSM	8	10.00	80.00	278,095.20
251100		ONSITE BANKER PLUS ACH USAGE	1	40.00	40.00	139,047.60
		TOTAL ACH SERVICES			510.17	1,773,447.85
	30	EDI SERVICES				
300522		EDI TRANSLATION REPORT - INTERNET	22	4.00	88.00	305,904.72
		TOTAL EDI SERVICES			88.00	305,904.72
	35	WIRE TRANSFER SERVICES				
350104		PC-OUTGOING WIRE	4	10.00	40.00	139,047.60
		TOTAL WIRE TRANSFER SERVICES			40.00	139,047.60
	40	ELECTRONIC BANKING SERVICES				
400000		ONSITE BANKER PLUS BASIC FEE	1	20.00	20.00	69,523.80
400220		ONSITE BANKER PLUS ADDITIONAL ACCOUNT	3	5.00	15.00	52,142.85
400221		ONSITE BANKER PLUS PER ITEM FEE	200	0.05	10.00	34,761.90
400221		ONSITE BANKER PLUS PER ITEM FEE	460	0.04	18.40	63,961.90
		TOTAL ELECTRONIC BANKING SERVICES			63.40	220,390.45
TOTAL ACTIVITY CHARGES					6,223.00	21,632,330.37

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ACCOUNT ANALYSIS STATEMENT

Page: 3 of 10

SACRAMENTO SUBURBAN WATER DIST (SSWD)
3701 MARCONI AVE STE 100
SACRAMENTO CA 95821

601

YOUR BRANCH CONTACT:
Julie Martinez
TELEPHONE NUMBER:
916-648-6580

STATEMENT PERIOD:
04-01-2014 through 04-30-2014
30 days in this cycle

INDIVIDUAL ACCOUNT ANALYSIS

Account Number:

Relationship ID:

BALANCE INFORMATION

	CURRENT	YEAR TO DATE
Average Ledger Balance	1,871,974.19	2,718,500.89
Less Average Float	61,710.17	79,661.28
Average Collected Balance	1,810,264.02	2,638,839.62
Average Positive Collected Balance	1,810,264.02	2,638,839.62
Less Legal Reserve @10.00%	181,026.40	263,883.96
Positive Balance Available for Earnings Allowance	\$1,629,237.62	\$2,374,955.65

EARNINGS ALLOWANCE INFORMATION

	AVERAGE BALANCES	RATE	AMOUNT
Earnings Allowance on Positive Balance Available	1,629,237.62	0.35%	468.68
Expense on Negative Collected Balance	0.00	8.25%	0.00
Net Earnings Allowance			468.68

ACCOUNT POSITION

Net Earnings Allowance	468.68
Less Activity Charges	4,718.59
Net Position	-\$4,249.91

ACCOUNT ANALYSIS STATEMENT

SACRAMENTO SUBURBAN WATER DISTRICT
MANAGERS FUND

STATEMENT PERIOD:
04-01-2014 through 04-30-2014
30 days in this cycle

Relationship ID: _____

SERVICE ACTIVITY CHARGES FOR ACCOUNT:

TMA	CODE	SERVICE DESCRIPTION	VOLUME	PRICE	CHARGE	BAL REQUIRED
	00	BALANCE & COMPENSATION INFO				
000230		DEPOSIT INSURANCE CHARGE	1,871	0.1167	218.35	759,026.09
		TOTAL BALANCE & COMPENSATION INFO			218.35	759,026.09
	01	GENERAL ACCOUNT SERVICES				
010000		ACCOUNT MAINTENANCE	1	17.00	17.00	59,095.23
		TOTAL GENERAL ACCOUNT SERVICES			17.00	59,095.23
	05	LOCKBOX SERVICES				
050020		LOCKBOX MONTHLY BASE			100.00	347,619.00
050222		LOCKBOX ITEMS SCAN	13,183	0.20	2,636.60	9,165,322.55
050232		LOCKBOX ITEMS	279	0.45	125.55	436,435.65
		TOTAL LOCKBOX SERVICES			2,862.15	9,949,377.21
	10	DEPOSITORY SERVICES				
100000		CREDITS AND DEPOSITS	48	1.30	62.40	216,914.26
100220		CHECKS DEPOSITED, WESTAMERICA	58	0.10	5.80	20,161.90
100222		CHECKS DEPOSITED, NON-WESTAMERICA	11,325	0.11	1,245.75	4,330,463.69
100400		RETURN ITEM	20	10.00	200.00	695,238.00
		TOTAL DEPOSITORY SERVICES			1,513.95	5,262,777.85
	15	PAPER DISBURSEMENT SERVICES				
150102		CHECKS PAID TRUNCATED	1	0.15	0.15	521.43
		TOTAL PAPER DISBURSEMENT SERVICES			0.15	521.43
	25	ACH SERVICES				
250202		ACH RECEIVED DEBIT/CREDIT	211	0.09	18.99	66,012.85
		TOTAL ACH SERVICES			18.99	66,012.85
	30	EDI SERVICES				
300522		EDI TRANSLATION REPORT - INTERNET	22	4.00	88.00	305,904.72
		TOTAL EDI SERVICES			88.00	305,904.72
TOTAL ACTIVITY CHARGES					4,718.59	16,402,715.37

ACCOUNT ANALYSIS STATEMENT

SACRAMENTO SUBURBAN WATER DIST (SSWD)
 MANAGERS FUND
 3701 MARCONI AVE STE 100
 SACRAMENTO CA 95821

601

YOUR BRANCH CONTACT:
 Julie Martinez
TELEPHONE NUMBER:
 916-648-6580

STATEMENT PERIOD:
 04-01-2014 through 04-30-2014
 30 days in this cycle

INDIVIDUAL ACCOUNT ANALYSIS

Account Number:

Relationship ID:

BALANCE INFORMATION

	CURRENT	YEAR TO DATE
Average Ledger Balance	826,007.73	610,747.75
Less Average Float	0.00	0.00
Average Collected Balance	826,007.73	610,747.75
Average Positive Collected Balance	826,007.73	610,747.75
Less Legal Reserve @10.00%	82,600.77	61,074.77
Positive Balance Available for Earnings Allowance	\$743,406.96	\$549,672.98

EARNINGS ALLOWANCE INFORMATION

	AVERAGE BALANCES	RATE	AMOUNT
Earnings Allowance on Positive Balance Available	743,406.96	0.35%	213.86
Expense on Negative Collected Balance	0.00	8.25%	0.00
Net Earnings Allowance			213.86

ACCOUNT POSITION

Net Earnings Allowance	213.86
Less Activity Charges	1,450.72
Net Position	-\$1,236.86

ACCOUNT ANALYSIS STATEMENT

 SACRAMENTO SUBURBAN WATER DISTRICT
 MANAGERS FUND

 STATEMENT PERIOD:
 04-01-2014 through 04-30-2014
 30 days in this cycle

Relationship ID: _____

SERVICE ACTIVITY CHARGES FOR ACCOUNT:

TMA	CODE	SERVICE DESCRIPTION	VOLUME	PRICE	CHARGE	BAL REQUIRED
	00	BALANCE & COMPENSATION INFO				
000230		DEPOSIT INSURANCE CHARGE	826	0.1167	96.39	335,069.95
		TOTAL BALANCE & COMPENSATION INFO			96.39	335,069.95
	01	GENERAL ACCOUNT SERVICES				
010000		ACCOUNT MAINTENANCE	1	17.00	17.00	59,095.23
010020		ZBA MAINTENANCE-MASTER	1	10.00	10.00	34,761.90
		TOTAL GENERAL ACCOUNT SERVICES			27.00	93,857.13
	10	DEPOSITORY SERVICES				
100400		RETURN ITEM	19	10.00	190.00	660,476.10
101000		ARMORED CAR SERVICE			399.64	1,389,224.57
101010		ARMORED CAR ADDITIONAL SERVICE			35.97	125,038.55
101020		ARMORED CAR CASH VAULT SERVICE			69.55	241,769.01
		TOTAL DEPOSITORY SERVICES			695.16	2,416,508.24
	15	PAPER DISBURSEMENT SERVICES				
150102		CHECKS PAID TRUNCATED	268	0.15	40.20	139,742.84
		TOTAL PAPER DISBURSEMENT SERVICES			40.20	139,742.84
	25	ACH SERVICES				
250100		ONSITE BANKER PLUS ACH ORIG DEBIT/CREDIT	4,561	0.08	364.88	1,268,392.21
250202		ACH RECEIVED DEBIT/CREDIT	41	0.09	3.69	12,827.14
250504		ONSITE BANKER PLUS ACH FILE TRANSM	8	10.00	80.00	278,095.20
251100		ONSITE BANKER PLUS ACH USAGE	1	40.00	40.00	139,047.60
		TOTAL ACH SERVICES			488.57	1,698,362.15
	35	WIRE TRANSFER SERVICES				
350104		PC-OUTGOING WIRE	4	10.00	40.00	139,047.60
		TOTAL WIRE TRANSFER SERVICES			40.00	139,047.60
	40	ELECTRONIC BANKING SERVICES				
400000		ONSITE BANKER PLUS BASIC FEE	1	20.00	20.00	69,523.80
400220		ONSITE BANKER PLUS ADDITIONAL ACCOUNT	3	5.00	15.00	52,142.85
400221		ONSITE BANKER PLUS PER ITEM FEE	200	0.05	10.00	34,761.90
400221		ONSITE BANKER PLUS PER ITEM FEE	460	0.04	18.40	63,961.90
		TOTAL ELECTRONIC BANKING SERVICES			63.40	220,390.45
TOTAL ACTIVITY CHARGES					1,450.72	5,042,978.36

ACCOUNT ANALYSIS STATEMENT

 SACRAMENTO SUBURBAN WATER DIST (SSWD)
 PAYROLL ACCOUNT
 3701 MARCONI AVE STE 100
 SACRAMENTO CA 95821

601

YOUR BRANCH CONTACT:
 Julie Martinez
TELEPHONE NUMBER:
 916-648-6580

STATEMENT PERIOD:
 04-01-2014 through 04-30-2014
 30 days in this cycle

INDIVIDUAL ACCOUNT ANALYSIS

Account Number:

Relationship ID:

BALANCE INFORMATION

	CURRENT	YEAR TO DATE
Average Ledger Balance	0.00	0.00
Less Average Float	0.00	0.00
Average Collected Balance	0.00	0.00
Average Positive Collected Balance	0.00	0.00
Less Legal Reserve @10.00%	0.00	0.00
Positive Balance Available for Earnings Allowance	\$0.00	\$0.00

EARNINGS ALLOWANCE INFORMATION

	AVERAGE BALANCES	RATE	AMOUNT
Earnings Allowance on Positive Balance Available	0.00	0.35%	0.00
Expense on Negative Collected Balance	0.00	8.25%	0.00
Net Earnings Allowance			0.00

ACCOUNT POSITION

Net Earnings Allowance	0.00
Less Activity Charges	34.94
Net Position	-\$34.94

ACCOUNT ANALYSIS STATEMENT

 SACRAMENTO SUBURBAN WATER DISTRICT
 MANAGERS FUND

 STATEMENT PERIOD:
 04-01-2014 through 04-30-2014
 30 days in this cycle

Relationship ID: 04 000105

SERVICE ACTIVITY CHARGES FOR ACCOUNT:

TMA	CODE	SERVICE DESCRIPTION	VOLUME	PRICE	CHARGE	BAL REQUIRED
	01	GENERAL ACCOUNT SERVICES				
010000		ACCOUNT MAINTENANCE	1	17.00	17.00	59,095.23
010021		ZBA MAINTENANCE-SUB ACCOUNT	1	15.00	15.00	52,142.85
		TOTAL GENERAL ACCOUNT SERVICES			32.00	111,238.08
	15	PAPER DISBURSEMENT SERVICES				
150102		CHECKS PAID TRUNCATED	10	0.15	1.50	5,214.29
		TOTAL PAPER DISBURSEMENT SERVICES			1.50	5,214.29
	25	ACH SERVICES				
250202		ACH RECEIVED DEBIT/CREDIT	16	0.09	1.44	5,005.71
		TOTAL ACH SERVICES			1.44	5,005.71
TOTAL ACTIVITY CHARGES					34.94	121,458.08

ACCOUNT ANALYSIS STATEMENT

 SACRAMENTO SUBURBAN WATER DISTRICT
 FLEXIBLE SPENDING ACCOUNT
 3701 MARCONI AVE STE 100
 SACRAMENTO CA 95821

601

 YOUR BRANCH CONTACT:
 Julie Martinez
 TELEPHONE NUMBER:
 916-648-6580

 STATEMENT PERIOD:
 04-01-2014 through 04-30-2014
 30 days in this cycle

INDIVIDUAL ACCOUNT ANALYSIS

Account Number:

Relationship ID:

BALANCE INFORMATION

	CURRENT	YEAR TO DATE
Average Ledger Balance	5,699.20	4,382.68
Less Average Float	0.00	0.00
Average Collected Balance	5,699.20	4,382.68
Average Positive Collected Balance	5,699.20	4,383.69
Less Legal Reserve @10.00%	569.92	438.37
Positive Balance Available for Earnings Allowance	\$5,129.28	\$3,945.31

EARNINGS ALLOWANCE INFORMATION

	AVERAGE BALANCES	RATE	AMOUNT
Earnings Allowance on Positive Balance Available	5,129.28	0.35%	1.48
Expense on Negative Collected Balance	0.00	8.25%	0.00
Net Earnings Allowance			1.48

ACCOUNT POSITION

Net Earnings Allowance	1.48
Less Activity Charges	18.75
Net Position	-\$17.27

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ACCOUNT ANALYSIS STATEMENT

 SACRAMENTO SUBURBAN WATER DISTRICT
 MANAGERS FUND

 STATEMENT PERIOD:
 04-01-2014 through 04-30-2014
 30 days in this cycle

Relationship ID: _____

SERVICE ACTIVITY CHARGES FOR ACCOUNT:

TMA	CODE	SERVICE DESCRIPTION	VOLUME	PRICE	CHARGE	BAL REQUIRED
	00	BALANCE & COMPENSATION INFO				
000230		DEPOSIT INSURANCE CHARGE	5	0.1167	0.58	2,016.19
		TOTAL BALANCE & COMPENSATION INFO			0.58	2,016.19
	01	GENERAL ACCOUNT SERVICES				
010000		ACCOUNT MAINTENANCE	1	17.00	17.00	59,095.23
		TOTAL GENERAL ACCOUNT SERVICES			17.00	59,095.23
	25	ACH SERVICES				
250202		ACH RECEIVED DEBIT/CREDIT	13	0.09	1.17	4,067.14
		TOTAL ACH SERVICES			1.17	4,067.14
TOTAL ACTIVITY CHARGES					18.75	65,178.56

ATTACHMENT B
STANDARD INSURANCE REQUIREMENTS

The selected Consultant shall provide, at its own expense, and maintain at all times, the following insurance with insurance companies licensed in the State of California.

COVERAGE	LIMITS OF LIABILITY
General Liability with the following endorsements: ➤ Comprehensive ➤ Premises – operations ➤ Explosive/Collapse & Underground Hazard ➤ Products/Completed Operations ➤ Broad form Property Damage ➤ Independent Contractors ➤ Personal Injury	Bodily Injury: ➤ \$2,000,000 each occurrence ➤ \$5,000,000 aggregate Property Damage: ➤ \$2,000,000 each occurrence Personal Injury: ➤ \$2,000,000 each occurrence ➤ \$5,000,000 aggregate
Automobile Liability with: ➤ Comprehensive ➤ Owned ➤ Hired ➤ Non-owned	Bodily Injury: ➤ \$2,000,000 each occurrence Property Damage: ➤ \$2,000,000 each occurrence
Worker's Compensation	Statutory
Professional Liability (Errors and Omissions)	\$1,000,000 each occurrence

ATTACHMENT C

DISTRICT'S STANDARD CONSULTING CONTRACT

**AGREEMENT BETWEEN SACRAMENTO SUBURBAN WATER DISTRICT
AND _____ FOR BANKING SERVICES**

THIS AGREEMENT is made this _____, 2014, in Sacramento, California, between Sacramento Suburban Water District ("District"), a public agency, and _____ ("Consultant"), concerning auditing services (the "Work"). The parties agree as follows:

1. Scope of Work. Consultant shall perform the work described in Exhibit A attached hereto and incorporated herein, and described as follows: year-end 2014 auditing services (the "Work"). Consultant shall: (a) provide all labor, equipment, material and supplies required or necessary to properly, competently, and completely perform the Work under this Agreement; and (b) determine the method, details and means of doing the Work.

2. Compensation.

a. In exchange for the Work, the District shall pay to Consultant a fee based on Consultant's actual time and expenses necessarily and actually expended on the Work in accordance with Consultant's fee schedule, as described in Exhibit A.

b. The total fee for the Work shall not exceed \$ _____. There shall be no compensation for extra or additional work or services by Consultant unless approved in advance in writing by the District. Consultant's fee shall include all of Consultant's costs and expenses related to the Work.

c. At the end of each month, Consultant shall submit to the District an invoice for the Work performed during the preceding month. The invoice shall include a brief description of the Work performed, the dates of Work, number of hours worked and by whom (if payment is based on time), and an itemization of any reimbursable expenditures. If the Work is satisfactorily completed and the invoice is accurately computed, the District shall pay the invoice within 30 days of its receipt.

3. Term and Termination.

a. This Agreement shall take effect on the above date and continue in effect until completion of the Work, unless sooner terminated as provided below. Time is of the essence in this Agreement. Consultant shall complete the Work no later than April 30, 2015. This deadline may be extended by the District for good cause shown by Consultant.

b. This Agreement may be terminated at any time by the District upon 10 days advance written notice to Consultant. In the event of such termination, Consultant shall be fairly compensated for all work performed to the date of termination as calculated by the District based on the above fee and payment provisions. Compensation under this subsection shall not include any termination-related expenses, cancellation or demobilization charges, or lost profit associated with the expected completion of the Work or other such similar payments relating to Consultant's claimed benefit of the bargain.

4. Professional Ability of Consultant. Consultant represents that it is specially trained and experienced, and possesses the skill, ability, knowledge and certification, to competently perform the Work provided by this Agreement. The District has relied upon Consultant's training, experience,

skill, ability, knowledge and certification as a material inducement to enter into this Agreement. All Work performed by Consultant shall meet the standard of care and quality ordinarily to be expected of competent professionals in Consultant's field.

5. **Conflict of Interest.** Consultant (including its principals, associates and professional employees) represents and acknowledges that: (a) it does not now and shall not acquire any direct or indirect investment, interest in real property or source of income in the area covered by this Agreement or that would be affected in any manner or degree by the performance of Consultant's services under this Agreement; and (b) no person having any such interest shall perform any portion of the Work. The parties agree that Consultant is not a designated employee within the meaning of the Political Reform Act and the District's conflict of interest code because Consultant will perform the Work independent of the control and direction of the District or of any District official, other than normal contract monitoring, and Consultant possesses no authority with respect to any District decision beyond the rendition of information, advice, recommendation or counsel. Consultant shall not engage in any conduct or other employment or business that would be incompatible with or unreasonably interfere with its obligations under this Agreement, that would create a conflict of interest, or that would reflect unfavorably upon the interests of the District.

6. **Consultant Records.**

a. Consultant shall keep and maintain all ledgers, books of account, invoices, vouchers, canceled checks, and other records and documents evidencing or relating to the Work and charges for services, expenditures and disbursements for the Work for a minimum period of three years (or for any longer period required by law) from the date of final payment to Consultant under this Agreement. The District may inspect and audit such books and records, including source documents, to verify all charges, payments and reimbursable costs under this Agreement.

b. In accordance with California Government Code section 8546.7, the parties acknowledge that this Agreement, and performance and payments under it, are subject to examination and audit by the State Auditor General for three years following final payment under the Agreement.

7. **Ownership of Documents.** Every report, study, spreadsheet, worksheet, plan, blueprint, specification, drawing, map, photograph, computer model, computer disk, magnetic tape, CAD data file, GIS data file, computer software and any other document or thing prepared by Consultant under this Agreement and provided to the District ("Work Product") shall be the sole and exclusive property of the District, and the District shall have the perpetual, world-wide right to use, reuse, reproduce, publish, display, broadcast and distribute the Work Product and to prepare derivative and additional documents or works based on the Work Product without further compensation to Consultant or any other party. Consultant may retain a copy of any Work Product and use, reproduce, publish, display, broadcast and distribute any Work Product and prepare derivative and additional documents or works based on any Work Product; provided, however, that Consultant shall not provide any Work Product to any third party without the District's prior written approval, unless compelled to do so by legal process. If any Work Product is copyrightable, Consultant may copyright the same, except that, as to any Work Product that is copyrighted by Consultant, the District reserves a royalty-free, nonexclusive, world-wide, and irrevocable license to use, reuse, reproduce, publish, display, broadcast and distribute the Work Product and to prepare derivative and additional documents or works based on the Work Product. If the District reuses or modifies any Work Product for a use or purpose other than that intended by the scope of work under this Agreement, then the District shall hold Consultant harmless against all claims, damages, losses and expenses arising from such reuse or modification. For Work Product provided to the District in

paper format, upon request by the District, Consultant agrees to provide the Work Product to the District in an appropriate and usable electronic format (e.g., Word file, Excel spreadsheet, Adobe pdf, AutoCAD file).

8. Compliance with Laws. Consultant shall perform the Work in compliance with all applicable federal, California, and local laws and regulations, include applicable anti-discrimination and anti-harassment laws. Consultant also shall possess, maintain and comply with all federal, state and local permits, licenses, certificates, and approvals that may be required for it to perform the Work. In accordance with California Code of Regulations Title 13, section 2022.1(g), Consultant shall comply with all federal, state and local air pollution control laws and regulations applicable to the Consultant and its Work.

9. Confidentiality of Documents and Information. Consultant shall keep in strict confidence all Work Product and other documents and information provided to, shared with or created by Consultant in connection with the performance of the Consulting Services under this Agreement or during its time as a District consultant (collectively “Information”). Consultant shall not use any Information for any purpose other than the performance of the Work under this Agreement, unless otherwise authorized in writing by the District. Consultant shall not disclose any Information to any person or entity not connected with the performance of the Work under this Agreement, unless otherwise authorized in writing by the District.

10. Professional Liability Insurance. Consultant shall maintain professional liability insurance as shall protect against claims based on alleged errors or negligent acts or omissions which may arise from the Work or from Consultant's operations or performance under this Agreement, whether any such claim is made during or subsequent to the term of this Agreement, and whether such operations or performance be by Consultant or its employees, consultants, agents or anyone else employed by any of the foregoing. The amount of this insurance shall not be less than \$1,000,000. Said policy shall be continued in full force and effect during the term of this Agreement and for a period of five years following the completion of the Work. In the event of termination of said policy, new coverage shall be obtained for the required period to insure for the prior acts of Consultant during the course of performing services under the terms of this Agreement. Consultant shall provide to the District a certificate of insurance on a form acceptable to the District indicating the deductible or self-retention amounts and the expiration date of said policy, and shall provide renewal certificates within 10 days after expiration of each policy term. The insurance is to be placed with insurers licensed to do business by and in good standing with the California Department of Insurance, with a current A.M. Best's rating of A:VII or better unless otherwise acceptable to District.

11. General Insurance.

a. Consultant, at its sole cost and expense, shall procure and maintain for the duration of this Agreement the following types and limits of insurance:

<u>Type</u>	<u>Limits</u>	<u>Scope</u>
Commercial general liability	\$2,000,000 per occurrence & \$5,000,000 aggregate	at least as broad as ISO CG 0001
Automobile liability	\$2,000,000 per occurrence	at least as broad as ISO CA

Workers' compensation	Statutory limits
Employer's Liability	\$1,000,000 per accident

b. The general liability, auto, and property and casualty policies will be endorsed to name the District, and its directors, officers, employees, authorized volunteers, and agents as additional insureds regarding liability arising out of this Agreement. Consultant shall provide all applicable certificates of insurance and additional insured endorsements to the District within five days after execution of this Agreement. The policies shall contain no special limitations on the scope of protection afforded to the District, and its directors, officers, employees, authorized volunteers, and agents. Each insurance policy will be endorsed to state that coverage will not be canceled, except after 30 days' prior written notice to the District (10 days for non-payment of premium). The worker's compensation policy will be endorsed to include a waiver of subrogation against the District and its directors, officers, employees, volunteers, and agents.

c. Consultant's coverage will be primary and apply separately to each insurer against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. The District's insurance or self-insurance, if any, will be excess and will not contribute with Consultant's insurance.

d. Insurance is to be written on policy forms acceptable to the District and be placed with insurers with a current A.M. Best's rating of A:VII or better and that are admitted to do business and in good standing in California, unless otherwise acceptable upon notice to and approval by the District.

e. Upon execution of this Agreement and annually thereafter, Consultant will provide to the District the following proof of insurance: (a) certificate(s) of insurance evidencing this insurance; and (b) endorsement(s) on ISO Form CG 2010 (or insurer's equivalent), signed by a person authorized to bind coverage on behalf the insurer(s), and certifying the additional insured coverage.

f. The requirements as to the types, limits, and the District's approval of insurance coverage to be maintained by the Consultant are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by Consultant under this Agreement. In addition, in the event any change is made in the insurance carrier, policies or nature of coverage required under this Agreement, Consultant shall notify the District prior to making such changes.

g. Consultant shall ensure that all required insurance coverages are maintained throughout the term of this Agreement. If any of the required coverages expire during the term of this Agreement, Consultant shall deliver renewal certificates and any required endorsements to the District at least 10 days before the expiration date.

h. Consultant must declare any deductible or self-insured retention and such must be approved by the District. At the District's sole option, Consultant may be required to either reduce or eliminate such deductibles or self-insured retentions.

12. Indemnification. To the fullest extent permitted by law, Consultant shall indemnify, defend (with counsel approved by District), protect, and hold harmless the District, and its directors, officers, employees, volunteers, and agents from and against any and all actions, judgments, legal or

administrative proceedings, arbitrations, claims, demands, damages, liabilities, interest, and costs (including, without limitation, attorney's, expert witness and consultant fees and expenses, fines, penalties, and litigation costs and expenses) of every nature ("claims" or "claim"), arising out of, pertaining to or in any way connected with the negligence, recklessness or willful misconduct of Consultant or its employees', agents' or subcontractors' negligence, recklessness or willful misconduct, except where caused by the active negligence or willful misconduct of the District or as otherwise provided or limited by law. Consultant's obligations under this indemnification provision shall survive the completion of Work under, or the termination of, this Agreement. Submission of insurance certificates or submission of other proof of compliance with the insurance requirements in this Agreement does not relieve Consultant from liability under this provision. The obligations of this provision shall apply whether or not such insurance policies shall have been determined to be applicable to any claims.

13. Subcontractors. No subcontract shall be awarded nor any outside contractor engaged by Consultant without the District's prior written approval. Any approved subcontractor shall be covered by Consultant's insurance in accordance with the insurance requirements of Paragraphs 10 and 11 of this Agreement or such subcontractor services will be subject to a separate agreement between the District and the subcontractor.

14. Independent Contractor. It is expressly understood and agreed by the parties that Consultant's relationship to the District is that of an independent contractor. All persons hired by Consultant and performing the Work shall be Consultant's employees or agents. Consultant and its officers, employees and agents are not District employees, and they are not entitled to District employment salary, wages or benefits. Consultant shall pay, and District shall not be responsible in any way for, the salary, wages, workers' compensation, unemployment insurance, disability insurance, tax withholding, and benefits to and on behalf of Consultant's employees. Consultant shall, to the fullest extent permitted by law, indemnify District, and its officers, employees, volunteers and agents, from and against any and all liability, penalties, expenses and costs resulting from any adverse determination by the federal Internal Revenue Service, California Franchise Tax Board or other federal or state agency concerning Consultant's independent contractor status.

15. Entire Agreement. This Agreement and the attached exhibits represent the sole, final, complete, exclusive, and integrated expression and statement of the terms of the agreement between the parties concerning the Work. There are no written or oral agreements, conditions, representations, warranties, or promises with respect to the subject matter of this Agreement except those contained in or referred to in this writing. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties to this Agreement.

16. Successors and Assignment. This Agreement shall be binding on, and inure to the benefit of, the heirs, successors, and assigns of the parties; however, Consultant agrees that it will not subcontract, assign, transfer, convey, or otherwise dispose of this Agreement or any part thereof, or its rights, title or interest therein, or its power to execute the same without the prior written consent of the District.

17. Severability. If any part of this Agreement is held to be void, invalid, illegal or unenforceable, then the remaining parts will continue in full force and effect and be fully binding, provided that each party still receives the benefits of this Agreement.



Agenda Item: 3

Date: May 9, 2014

Subject: Draft Information Technology Master Plan (ITMP)

Staff Contact: Daniel A. Bills, Finance Director

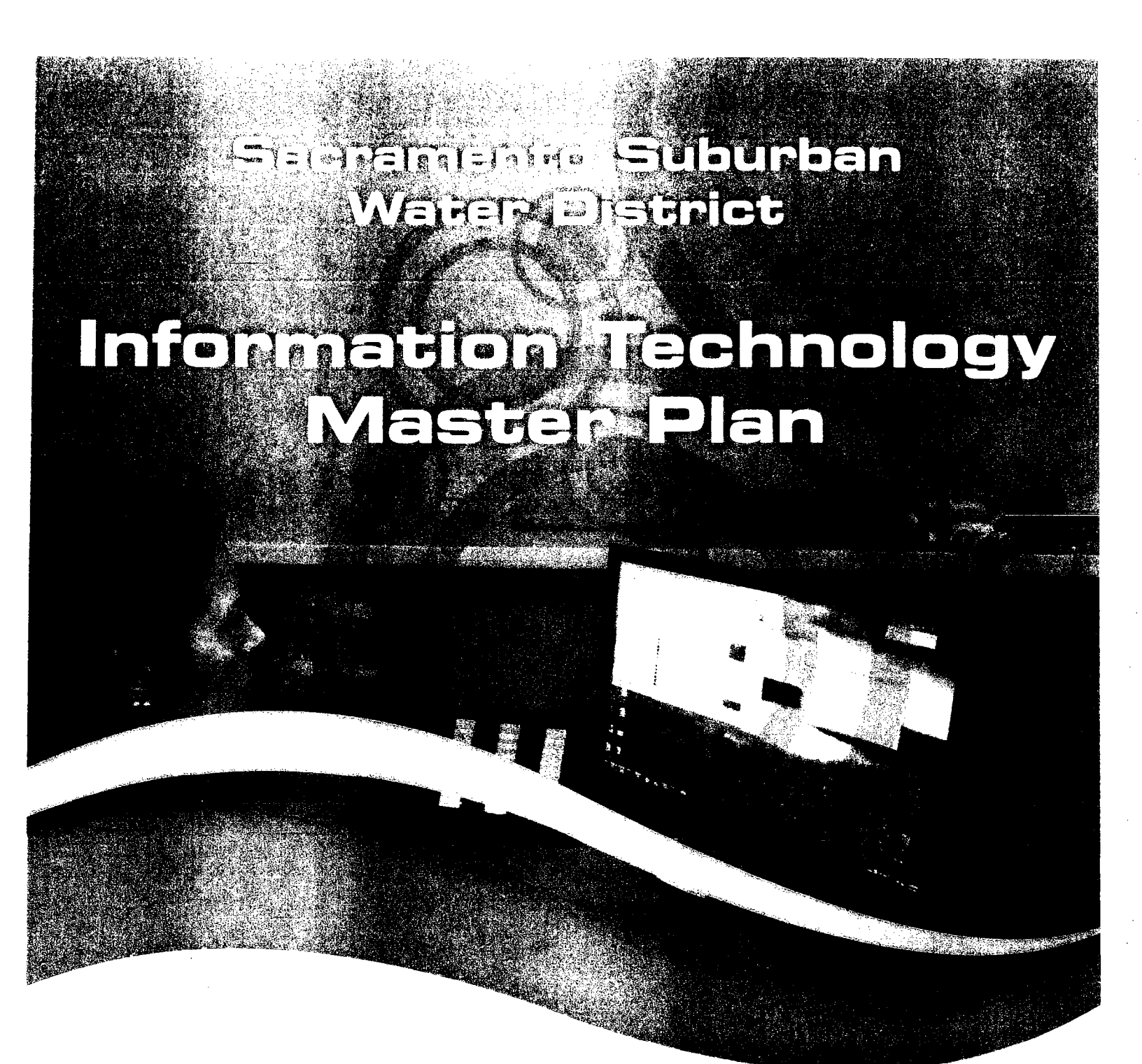
Recommended Committee Action:

Receive Information Technology cost expectations over the next 5 years. Provide direction to staff.

Discussion:

In 2013 staff, along with the professional consulting services of SOPHOS LLC, began preparing an Information Technology Master Plan (ITMP) for the years 2014 through 2018. The purpose of the ITMP was to design the “next generation” of IT systems for the District. In 2005 through 2007, the District invested significant amounts in implementing multiple software systems and a hardware infrastructure. Since that time, the systems have been enhanced and turned into robust technological tools that allow staff to operate more efficiently and accurately. Indeed, such investments have allowed District staffing levels to remain relatively unchanged for the past seven years (2007 – 59 staff versus 62 today.)

Attention is directed to page 6 of the ITMP that provides annual and total costs for IT projects through 2018. Uninflated total costs are expected to be roughly \$2.3 million during this five year period, with \$0.4 million to be spent in the current year (adopted by Board in 2014 budget.)



**Sacramento Suburban
Water District**

**Information Technology
Master Plan**

May 2014

**SACRAMENTO
SUBURBAN**
WATER
DISTRICT

Information Technology Master Plan (ITMP)

**Improving the delivery of products and services to
Customers through the use of technology**

October 2013

Sacramento Suburban Water District
3701 Marconi Ave, Suite 100
Sacramento, CA 95821

Tel. 916-972-7171
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Executive Summary

The Information Technology Master Plan (ITMP) is a guide for solidifying the District's existing, sound investments in information technology (IT) and moving ahead with improvements that will ensure continued delivery of reliable services and products.

The ITMP recognizes the strengths in the District's commitments to the important role that information technology plays in relation to improving business processes, such as:

- The 2005 technology implementation improvement project that ushered in the current technology environment at the District;
- The continual enhancement to the District's information technologies through investment in necessary system solutions;
- The ability of the District to best serve the needs of its customers through appropriate investments in information technologies;
- Efficient and flexible IT infrastructure of servers, networks, storage, telecommunications and remote access that has enabled District staff to have their information "anywhere and anytime";
- The willingness of the staff to learn and utilize the IT systems and tools; and
- The District's recognition in the water industry as being progressive and advanced in its use of information technology to support efficient operations.

This ITMP identifies a series of strategic IT business challenges facing the District that are familiar to many water agencies:

- Continuous improvement in business process efficiency.
- Managing the vast amount of data and documents.
- Keeping staff trained and up to date in their use of District IT systems.
- Greater leveraging of existing IT investments.
- Streamlining, reporting and improving decision making.
- Keeping up-to-date with security and computer threats.

Strategies and programs

The District's ITMP creates a bridge between business strategies and the IT systems that support them. It highlights the IT priorities and the strategies and initiatives that will be required in future years to execute the ITMP.

The following strategies listed in the plan are intended to address the District's IT business challenges.

1. Utilizing a single computing platform (i.e., MS Windows)
2. Standardizing hardware in concert with a plan to maximize reliability and performance.
3. Virtualizing computing resources.
4. Utilizing a single database platform (i.e., MS SQL Server)
5. Having District data elements maintained in one host system and replicated to non-host systems.
6. Users of data being responsible for data quality.
7. Utilizing a "Best-Of-Breed" approach to software applications.

8. Utilizing geographic information system (GIS) as the backbone to the information access platform.
9. Utilizing browser – based client user interfaces.
10. Engaging appropriate cross-functional teams in designing business process optimization.
11. Integrating the various business processes with application processes.

To put these strategies into action, the ITMP defines the following eight programs, or business focus areas, and describes the commitment to program ownership that is required for success.

1. Resources, Standards and Governance.
2. Customer Service and Billing Management.
3. Financial Management and Business Intelligence.
4. IT Infrastructure.
5. Enterprise Asset Management.
6. Operations Management.
7. Maintenance Management.
8. Document Management.

2013-2018 course of action

Initially, only projects for 2013 and 2014 have been prioritized. Decisions regarding the prioritization for projects in 2015 to 2018 will be done during 2014 aided by the improvements implemented in 2013 and 2014.

The primary goals for 2013 and 2014 follow:

- **Migrating applications to browser based interfaces with service oriented architectures.**
 - Replace the current CSM customer service and billing application. Continue to improve customer service and information tools available.
 - Focus on upgrading the GIS environment to ArcGIS server and develop the in-house skills necessary to extend and enhance this application environment.
 - Focus on upgrading the Cityworks Computerized Maintenance Management System (CMMS) environment to Cityworks server.
 - Develop the skills required to extend the browser interface to obtain greater integration in other applications.
- **Continue to seek additional ways to leverage current technologies and streamline processes.**
 - Focus on virtualizing server environments to reduce number of physical machines to manage which will reduce power consumption and cooling requirements.
 - Continue to migrate applications to MS SQL Server database platform to align with the District's single database platform strategy.
 - Maintain current momentum with users regarding data ownership.
 - Engage appropriate Cross-Functional Teams in designing Business Process Optimization solutions.
 - Continue to seek additional efficiencies by integrating business processes and application processes.

IT resources

The ITMP recommends having GIS staff report to the IT Manager to gain whatever efficiencies in operation might be available to address the recommended projects and tasks identified in this ITMP. If the gleaned efficiencies from combining GIS staff and the IT Manager prove to be insufficient, then additional consulting dollars will need to be budgeted to address the resource shortfalls. If both these additional resources still prove insufficient, then the hiring of an additional staffing resource may be necessary. The addition to staff would effectively increase IT head count from 1.5 to 2.0 FTEs and GIS headcount from 2.5 to 3.0 FTEs. These increases will also allow the District to better leverage the IT Manager’s skills and allow the expansion of GIS services to District staff, customers and other stakeholders.

Estimated budget

The ITMP includes an estimated six-year budget of \$2.3 million that was developed by Sophos Solutions consultants familiar with the District’s existing IT strategies and goals and with the cost of similarly sized efforts implemented by other utilities.

The following table summarizes the IT capital investment required over the six-year plan horizon and shows annual expenditures as a percentage of the total.

Program	2013 Committed	2014 Planned	2015 Planned	2016 Planned	2017 Planned	2018 Planned	2013-2018 Total
IT Master Plan Budgets*	\$410,400	\$397,500	\$554,500	\$484,500	\$188,500	\$223,500	\$2,258,900
Percentage of Total	18%	18%	25%	21%	8%	10%	100%

*(Note: Establishing a more accurate budget for the ITMP at this time is challenging for a number of reasons. The most significant being the difficulty in determining to what degree the District’s own personnel can provide expertise in a variety of roles versus the amount of professional consulting required to either coach those functions or perform specialized tasks.)

The recommended IT strategies, programs and projects in the plan are aligned with the District’s business strategies, goals and principles. They account for the District’s existing IT strengths and encompass not only required information technology investments, but also the staff resources essential in moving the ITMP forward and attaining the benefits it identifies.

In the end, IT is a cornerstone of the District’s overall operational excellence. The pace and degree of improvement in IT systems and functionality, along with the increased ability of staff to utilize IT effectively, bears directly on the District’s overall capability to maintain and improve its services to its customers.

Background

When the District was formed in 2002, the IT environment consisted of various technologies that existed in both predecessor water districts (Arcade and Northridge water districts). At that time certain technologies were selected from one or the other district for use in the new SSWD. However, some of the systems selected to remain in place were arcane and difficult to use even at that time and were not very flexible when it came to reporting operational information. For example, the Customer Information System (CIS) and Accounting System (FIS) were on a windows based system that used a proprietary database. Support was extremely expensive for these two systems. GIS was used primarily by the engineering department to publish various maps for internal users and, sometimes, external users. No District-wide access to GIS information existed. Further, there was no Computerized Maintenance Management System (CMMS) at the District. Work orders were completed on paper only. All other information processes were performed using spreadsheets or manual paper forms.

In 2004, The District hired an IT Manager to focus on getting the District's technology assets functioning effectively. The IT Manager started to implement standards for the various computing platforms at the District. This included standardizing on Microsoft (MS) Windows systems and software for computer operating systems, databases, applications and tools. During 2005, the District embarked on a program to implement an integrated set of applications that would; 1) replace the inflexible and expensive "Comet" customer billing and accounting system, 2) make GIS fully functional and available to all District employees, 3) implement a CMMS to track all maintenance activities, and 4) enable access to District systems remotely, primarily from operation's staff vehicles. This platform would become the core that would allow other business critical applications to communicate and share information with each other and be available from virtually anywhere. In 2006, the new integrated system was fully implemented and the District was beginning to reap the benefits of having an integrated core set of applications. This foundation has allowed the District to expand its technology offerings to other District functions and processes with increasingly positive results, especially demonstrated in staff efficiency and time.

Over the past six years the District's IT department has implemented additional IT systems that integrate and share data with this core application environment. These include:

1. DigSmart: Automated USA tracking and reporting.
2. Customer Web: Portal to allow customers to retrieve account information and pay bills on-line.
3. IVR: Phone system application to allow customers to use the phone to retrieve their personal account data, pay bills, and listen to service outages.
4. Tokay: Backflow management and reporting.
5. On-Base: enterprise-wide electronic document management system.
6. PDC: Production Data Capture for recording and reporting of production information.
7. 3Com Call Center: To allow for the routing of calls through the customer call center.
8. RTA Fleet Management Software: To provide tracking of maintenance activities for district vehicles and facilities.

The strategies deployed in 2005 have allowed the District to: 1) standardize on a computing platform that has a large number of trained resources available (Microsoft trained resources) both inside and outside of the District; is easier to support than heterogeneous environments made up of various computing

platforms (fewer system experts are needed to manage the single MS platform); and, 3) is an “open-architecture” allowing information exchange between all District computing systems.

The District’s current systems are supported by 1.5 FTEs which are employed by the District whom are further supported by various consultants and value added resellers (VARs) who provide specialized technical expertise when needed.

While there have been numerous strategies deployed by the IT department not all have been formally documented. This ITMP is the result of efforts by the IT Department to formally document the Strategies, Goals, and Objectives that will drive future IT decisions and initiatives.

Current Assessment of IT Environment

This section of the ITMP addresses the current state or condition of the technology environment at the District. Workshops were held with executive management and every department to gain insight into perceptions and realities of where the current technology environment is strong and where it is weak from the perspective of the users who rely on the information contained in the District’s systems. A review of the strategies put into place in 2005 has been performed to determine if the District has achieved its stated IT goals and objectives. These user workshops revealed the strengths, weaknesses, opportunities and challenges of the District related to its current IT environment.

Outcomes from Previous Planning and Goal Setting

This section will describe the results of the implementation of strategies governing IT objectives put into place in 2005. The following is a list of the 2005 strategies that were put into place and the level of satisfaction stated by the employees in achieving the stated goals:

1. 2005 Goal: Implement computing systems and platforms that integrate with each other and can share information easily.

Current Assessment: All of the major (core) applications and all of the ancillary applications can and do share information with each other. The District is continually looking for ways to improve the exchange of information between systems to improve information retrieval and reporting. Employees expressed satisfaction with the level of integration achieved.

2. 2005 Goal: Maintain Master Data elements in one core system.

Current Assessment: This strategy is focused on not having duplicate master data maintained in more than one system. This means that for each master data element the data element is updated in one system then is used by any other system needing that master data element. For performance reasons master data may be automatically copied to another system but is not maintained by the other system. At this time all master data elements are maintained in their respective host systems. Employees expressed satisfaction with how master data management has been achieved within the core District systems.

3. 2005 Goal: Minimize duplicate data storage.

Current Assessment This strategy is focused on not having user data in more than one place/file. This is an ongoing and continuous process for the IT department to manage. User education on tools, storage and links is continually being performed to reduce the amount of duplication of data stored on the District's various servers and workstations. Employees expressed satisfaction with the level of integration and data duplication achieved within the core District systems.

4. 2005 Goal: Standardize all platforms on MS Windows operating systems.

Current Assessment: There is only one system that is not MS Windows based and that is the phone system. The phone system was updated in 2008, but utilizes a Unix based operating system. The phone system is scheduled to be replaced in the time horizon of this ITMP. All other systems are utilizing the MS Windows Operating System.

5. 2005 Goal: Standardize on MS SQL Server Database Platform

Current Assessment: At this point of the 13 information systems that utilize a database, 11 of them are using MS SQL Server database platform. The two remaining systems (Tokay Backflow and Vehicle Location) utilize a Microsoft database. The Backflow and Vehicle Location systems are scheduled to be updated in the timeframe of this ITMP.

6. 2005 Goal: Standardize Server Hardware on HP Proliant

Current Assessment: All District servers are now HP Proliant based systems.

7. 2005 Goal: Standardize on Dell workstations and laptops.

Current Assessment: All District workstations and laptops are now Dell based systems.

8. 2005 Goal: Standardize all computer communications on "TCP/IP over Ethernet".

Current Assessment: All data and voice networks utilize TCP/IP over Ethernet except the SCADA radio network. See SCADA master plan to see future communication enhancements.

9. 2005 Goal: Standardize Reporting Tools.

Current Assessment: With the open-architecture nature of the District's computing environment, many tools exist to report data contained in the District's various systems. To reduce the support burden, the District has standardized on two reporting platforms: 1) Microsoft Office Professional (MS Access and MS Excel); and, SAP Crystal Decisions. At this point the District utilizes only these two reporting tools for reports generated by end users.

Strengths, Weaknesses, Opportunities, Threats (SWOT)

Every IT environment has areas that are strong and areas that need improvement. During the development of this plan, we assessed these conditions at the District. This section will present the findings of the current strengths, weaknesses, opportunities and threats of the IT department.

During the course of creating this ITMP several key factors arose as being strengths of the current technology environment. Executive management especially cautioned that these strengths need to be maintained in any planning effort going forward.

Strengths:

Area	Key Factors
Technology	<ol style="list-style-type: none"> 1. The current technology environment is very strong and robust 2. The use of GIS as the “window” into District data 3. Common SQL Databases 4. Information is available to all decision makers 5. Ability for appropriate end-users to see what is going on in the various systems 6. Detailed records of activity
People	<ol style="list-style-type: none"> 1. Level of user sophistication is high 2. Staff is fully engaged in data ownership. Willing to change to make better 3. Utilization of work order system 4. Staff willing to learn new things 5. Staff familiarity with current systems
Reporting	<ol style="list-style-type: none"> 1. Common reporting tools 2. Use of reporting tools
Board Support	<ol style="list-style-type: none"> 1. Board has traditionally supported technology initiatives
Industry Leader	<ol style="list-style-type: none"> 1. Other Districts/Agencies follow our lead

The challenge moving forward will be to keep these strengths while eliminating the weaknesses. What follows are the weaknesses that were identified. This ITMP will attempt to put into place strategies and objectives that will correct these weaknesses.

Weaknesses:

Area	Key Factors
Process	<ol style="list-style-type: none"> 1. Streamline paper processes. Having two office locations creates timeliness issues with getting paper documents routed. 2. Related to 1, no automated routing of documents. 3. Overlap of functionality and data storage between systems. 4. Getting field staff and end-users to engage in the IT improvement processes. 5. Making sure the systems support the business operation and not the other way around.

Area	Key Factors
Data	<ol style="list-style-type: none"> 1. Too many locations of data. Who owns the data? Where is it published? 2. Differing data definitions. 3. Don't know what data is fed into what reports for use by whom. We need consistent sources of information. 4. Data validation. Making sure data is accurate when entered into system.
Training	<ol style="list-style-type: none"> 1. General training needed. 2. Data validation. End user discipline in properly entering data. 3. Inability to run all applications in house. (e.g., Hydraulic Modeling) 4. Labor accounting. Getting users to use the methods available to properly track labor hours.
CIS	<ol style="list-style-type: none"> 1. Technical support from current CIS provider is not good. 2. Current CIS is not easily modified to fit District processes. (Timely manner)
Organizational	<ol style="list-style-type: none"> 1. Too many operations centers.
Reporting	<ol style="list-style-type: none"> 1. Multiple reporting requirements. External requirements, Regulatory reporting. Consistency in what is reported. 2. Currently no snapshot of operational Key Performance Indicators (KPI's). Need "dashboard" summary reports, graphs, charts customized for managers. 3. Report data timing. All reports going to board should be consistent and use the same data (date ranges).
Security	<ol style="list-style-type: none"> 1. Keeping up with all the threats that can potentially threaten the IT environment.

In addition to weaknesses, staff identified several areas where additional opportunities for improvement exist. The following table lists the areas where improvement should be sought.

Opportunities:

Area	Key Factors
Warehouse Management	<ol style="list-style-type: none"> 1. Inventory is currently spread out all over the yard and warehouse. 2. Issuing inventory is not very efficient. 3. Reconciling warehouse issues to Cityworks is difficult.
Automated Routine Reporting	<ol style="list-style-type: none"> 1. Production report, operations report, financial reports, etc. should be as close as possible to push button reports.
Asset Condition Tracking and Reporting	<ol style="list-style-type: none"> 1. Focus is needed on obtaining and recording the condition of all District assets. 2. Use of asset condition in prioritizing work activities.

In order to achieve the objectives laid out in this plan, risks of failure need to be identified and properly mitigated. The following threats could hamper achieving the stated objectives in this ITMP.

Threats:

Area	Key Factors
Budgetary Constraints	<ol style="list-style-type: none"> 1. Budgetary limitations could curb the amount of dollars available to address IT weaknesses and pursue opportunities. 2. Competing priorities for budgetary dollars.
Board Approval	<ol style="list-style-type: none"> 1. Motivation of the Board to continue supporting technology initiatives.
Adequate Staffing to Address Deficiencies	<ol style="list-style-type: none"> 1. Ability of current staffing levels in IT to meet the challenges addressed. 2. Training of staff to stay current with technology. 3. Focus on established priorities.

The challenge for the IT department is to maintain the strengths, eliminate the weaknesses, seize the opportunities and avoid the threats. The intent of this ITMP is to address each of these objectives to improve the technology environment at the District.

Departmental Needs Assessment

As part of the development of this ITMP, each department was interviewed to obtain a list of systems, services, tools, devices or processes that were viewed as inefficient or not effective. A list of deficiencies was compiled. Each of the items identified will be addressed by this ITMP. Some items will be resolved or addressed during the normal course of system updates and maintenance. Others will be included as projects for the IT department to undertake, while the remainder will be requests to the District’s system vendors for enhancements to their products. Any others will be brought before management to discuss the impacts on business processes.

Mission, Vision and Guiding Principles

The mission of the District is:

“To deliver a high quality, reliable supply of water and superior customer service at a reasonable price.”

IT plays a vital role in the ability of the District to achieve its mission. This ITMP is focused on activities that will help the District achieve its stated mission.

District Goals

The District’s mission is supported with five (5) main goal areas: Water Supply, Facilities and Operations, Customer Service, Finance and Leadership. While IT is involved in all 5 goal areas, it is most noticeable in goal numbers: 2 - Facilities and Operations, 3 - Customer Service and 4 - Finance. The following section highlights where IT plays a vital role assisting the District in achieving its stated goals.

2- Facilities and Operations:

Goal: “Plan, construct, operate and maintain the District water system facilities embracing sustainable practices to provide reliable delivery of high quality water.”

Principles:

- B. Monitor and improve the District’s efficiencies in operating and maintaining system infrastructure.
- C. Develop cost-effective strategies utilizing appropriate technology and other available resources to achieve optimization in delivery of water and enhance service.
- D. Manage assets by implementing protective, preventive, and predictive maintenance programs on all district assets to extend their useful life and reduce service interruptions.
- E. Provide information technology systems that will facilitate the availability of timely and accurate information and enable provision of superior service.
- F. Safeguard the District’s electronic data.

3- Customer Service:

Goal: “Assure superior customer service.”

Principles:

- D. Provide effective customer and community relations by communicating, educating and providing information on District operations, drinking water issues, water conservation, fiscal stability, environment stewardship, sustainability of water resources and physical system assets.
- E. Solicit and respond to customer and community concerns and feedback.
- F. Monitor and benchmark customer service parameters to ensure that District customers’ needs are met.

4- Finance:

Goal: “Ensure effective and efficient management and public reporting of all District financial processes.”

Principles:

- B. Establish rates and connection fees that are fair, reflect the cost of service, encourage conservation, are simple to understand, and meet the District’s revenue requirements, including bond covenants.
- D. Pay authorized District financial obligations in a timely manner
- G. Produce annual financial statements and supporting documentation to allow outside auditors to provide the District with unqualified audit opinions.
- H. Produce and monitor annual budget for necessary system operations, maintenance and improvements.

All of the strategies, goals and objectives of the IT department are in alignment with these District goals and principals. The remainder of this ITMP will address the specifics of how the IT department will continue to achieve the goals laid out in the District’s Strategic Plan.

IT Department Mission

The purpose of IT is to enable the District to operate faster, better and more cost effectively. While IT continues to evolve, its purpose remains constant and is reflected in the IT department's mission statement, which is:

Securely maintain and provide timely, relevant and accurate information, when and where it is needed, to support sound business decisions that improve the cost, efficiency, quality and safety of the products and services the District delivers and uses.

IT Department Vision

The underlying vision needed to accomplish the department's mission is:

Turn action into data, data into information, information into decisions and decisions into action.

Guiding Principles

To achieve the goals and implement the strategies in this plan, 11 guiding principles are in place and focus on governance and excellence through teamwork, responsiveness, innovation, creativity, humility and quality. These principles require commitment not only from the District's IT staff, but from all District employees, including management and the Board.

Business Need: Drive IT initiatives according to business needs, goals, and objectives, and develop a sound business case before making or continuing any investments.

Enterprise View: View IT from the perspective of the entire organization and not just from an individual department perspective.

Cooperation: Foster interdepartmental cooperation in everything IT does.

Standardization: Acquire, manage, and use technology resources effectively and efficiently through standards developed by IT.

Open Systems: Acquire and use technology tools that allow for the easy sharing of data between systems and users.

Accessibility: District information should be available to authorized staff to view information at any time it is needed from any location.

Aggregation: Where feasible aggregate data to reduce duplication and employ information technology that is flexible and interoperable.

Accountability: The IT department is accountable to the Board for the safety and availability of information maintained.

Affordability: Recognition that District information management and storage practices must be affordable in the context of the District's overall budget.

Leverage: Devise strategies to leverage investments in the District's existing technologies.

Training: Train end-users in the skills needed to effectively use IT systems and the information they contain.

Strategies, Goals and Objectives

To make the delivery of IT as efficient and cost effective as possible, the IT department has developed several strategies that govern how IT is acquired and maintained in concert with the goals defined above.

Technology Strategies

Technology strategies involve developing structure around macro technological parameters and deciding how technology will be deployed in an organization. The goal is always to meet the needs of the organization, but prudence needs to be deployed so as to not lose focus on available resources (both people and financial) needed to implement and maintain technology. In that regard the following strategies will place some limits on the level of technologies that will be considered for use in the District. These strategies will focus on costs versus benefits and what the District is able to expend in resources to achieve its objectives.

Technology strategy one is foundational to all the District's needs for computing platforms. Having a single computing platform greatly reduces the cost to install and maintain the District's systems. Selecting a platform that has wide business acceptance and a large qualified and trained labor force is critical. Trying to maintain multiple computing platforms will require more highly skilled staff or possibly more staff as the skill level increases. The District has selected as its Computing Platform Microsoft Windows (Windows.) The goal is to have all information systems that are maintained by District staff on the Windows platform.

Technology Strategy 1: Utilize a Single Computing Platform

Goals:

- Minimize the cost to maintain and support IT systems.

Objectives:

- Implement a platform with industry acceptance and high levels of available trained professionals.
- Reduce the amount of specialized skills required by District IT professionals to maintain and support its IT resources.
- Utilize a platform that most users are familiar with and may have used in the past.
- Simplify access methods by providing users a single method to access District systems.
- Acquire systems that are both efficient and cost effective.

Benefits:

- Minimizes staff time required to support District IT systems, as knowledge of only one system is required.
- Simplifies staff turnover issues due to large numbers of trained professionals available in the market place.
- End users, typically, are familiar with District standardized systems, thus requiring less training of staff.

With the Windows platform being chosen as the District's standard platform, the hardware selected to run Windows will be a critical factor in determining the reliability of District systems. Having business proven manufacturers provide required hardware that supports Windows significantly improves the reliability of District systems. Keeping this equipment up to date with current technology will additionally contribute to

the reliability of District systems. PC based hardware has become more of a commodity over time. Very specialized and technical equipment is available to drive modern systems to higher and higher levels of performance at decreasing costs. Technology, historically, has continued to decrease in size and cost and increase in capability and performance. To help assure that the District's systems are reliable and perform optimally, a structured update cycle or "hardware refresh plan" is in place. The hardware components are structured in very specific ways and the rate of technological advancement is such that it is not practical to update hardware components after several years of use. Instead it is better and cheaper to replace the aging hardware completely. Thus, the strategy is to obtain sufficiently capable hardware to last approximately 5 years. After 5 years, a complete replacement of the hardware device is warranted. This allows the District to update not only the hardware device but the related device software at one time taking advantage of advancements in reliability and performance. Such a strategy greatly reduces the life cycle cost of the system as labor costs to work on systems can sometimes exceed the systems replacement value. Older systems can then be relegated to non-critical or backup roles thus extending their useful life beyond that which was planned while still providing value to the District.

Technology Strategy 2: Standardize Hardware and Refresh Devices to Maximize Reliability and Performance

Goals:

- Minimize costs to maintain and support computer systems.
- Increase the reliability and longevity of computer systems.
- Allocate devices to best use of operation.

Objectives:

- Procure new devices and rotate older devices on regular consistent cycles (i.e., 5 years).
- Procure hardware from vendors with sustained track records of designing and manufacturing reliable and long lasting equipment who have readily available repairs inventory and service.
- Standardize on key vendors/manufacturers to minimize the amount of specialized skills required by District IT professionals to maintain and support hardware.
- Utilize manufacture warranties and extended warranties on critical, non-redundant systems.
- Where appropriate maintain spare hardware devices.

Benefits:

- Minimize staff time required to support and maintain hardware as knowledge of only a few systems is required.
- Critical systems can stay the most current keeping them reliable with better performance.
- Ease of acquiring replacement parts and obtaining support.
- A longer life cycle is possible before retirement is necessary.

Previously one computer device could only handle one computing system. With the advent of virtual machines, a single computer device (server) can handle many computer systems. So what once required 4 or 5 machines to operate can now operate on one physical machine running 4 or 5 virtual servers. This greatly increases the utilization of hardware. Other benefits include real time performance optimization

based on computing resource needs, dynamic allocation of CPU and memory, complete system backups and faster system recovery times.

As more and more of the District's functions and processes become computerized and automated the sheer number of computing devices has greatly increased. These devices require space, power, cooling, monitoring and maintenance to remain reliable and perform optimally. In an effort to minimize the physical number of devices needed to operate and maintain the District systems, the migration to virtual machines has begun.

Technology Strategy 3: Virtualize Computing Resources

Goals:

- Minimize the cost to maintain and support computer systems.
- Increase the reliability and longevity of computer systems.
- Decrease recovery time and disaster response time.

Objectives:

- Utilize virtualization services to reduce the physical number of servers and equipment needed to support IT Infrastructure.
- Reduce space, power and environmental requirements for servers and equipment.
- Ease the process of backing up and restoring data and systems. Reduce the time required to back up and restore data and systems.
- Allow faster recovery time in event of system failure or disaster.

Benefits:

- Fewer physical devices to monitor and support.
- Reduced power costs
- Better utilization of equipment

Enterprise Data Management Strategies

The District's IT department has developed and implemented several data management strategies that will continue to drive IT decisions on designing, acquiring, implementing and maintaining IT systems and data.

The first Enterprise Data Management (EDM) Strategy is focused on utilizing one database management system for managing the District's core data. This strategy has been implemented to facilitate the ease and timeliness of sharing data between information systems and to simplify the maintenance of that data. Fewer skilled resources are required to support only one database management system. The District has selected Microsoft (MS) SQL Server as its standard database management platform. All core systems currently utilize MS SQL Server as their database platform. Going forward new systems will be sought that utilize this database platform and current ancillary systems that do not presently operate in MS SQL will be updated or replaced with support for MS SQL Server when implemented.

EDM Strategy 1: Utilize a Single Database Platform

Goals:

- Minimize the cost to maintain and support data management systems.
- Increase the ease of sharing data between systems.

Objectives:

- Implement a database with industry-wide acceptance and high levels of available trained professionals.
- Reduce the amount of specialized skills required by District IT professionals to maintain and support District data repositories.
- Utilize a database that is open and allows ease of access to its data.
- Use a database that has a large number of available applications written for it.
- Acquire a database that is cost effective.

Benefits:

- Minimize staff time required to support and maintain as knowledge of only one system is required.
- Efficiency of replacing staff due to large numbers of trained professionals available in the market place.
- Large pool of software applications available for purchase thereby reducing the price of applications due to competition.

EDM Strategy two focuses on maintaining data integrity within the many District systems. Customer name and address, meter number and location, meter reading and usage, CIP balance and status are some examples of data that may reside on many of the District's systems. However, which system's data supplies the answer for questions asked is an issue. If each of these data elements is separately maintained in each system, what happens if one system is updated and the others are not? The data becomes out of sync. IT staff, working closely with end-users, will develop a master data library. Definitions will identify the master data element and from which system they are maintained. The library will also identify all other systems where the data element is used. The master data library will be kept in a commonly accessible drive under the control of IT staff with system end-users responsible for notifying IT of any updates.

EDM Strategy 2: District Data Elements will be Maintained in one Host System and Replicated to Non-Host Systems.

Goals:

- To eliminate duplicate data maintenance. Data elements will be maintained in one host system.
- To create consistency in data reporting by allowing only one authoritative source for data.
- To have accurate data available in all systems requiring the common data element.

Objectives:

- Identify each data elements system of record.
- Link other systems needing the data element to the system of record.
- Educate users on data source locations. This will accomplished through the Data Library.
- Automate replication of data elements where feasible.

- IT will maintain data security, storage and availability.

Benefits:

- Minimize staff time required to maintain data elements.
- Eliminate confusion regarding authoritative sources for District data.
- Consistency in reporting data.

EDM Strategy three involves the District-wide concept of user data ownership. End- users are primarily responsible for the accuracy of the data. With this in mind additional processes need to be put into place to assist end-users in reviewing and ensuring data accuracy.

EDM Strategy 3: Users of Data will be Responsible for Data Quality

Goals:

- To increase the accuracy and integrity of District data.

Objectives:

- Users will take ownership of the data they manage.
- Users will be responsible for data accuracy.

Benefits:

- Reduce errors found in District data.
- Increase staff confidence in data elements.

Enterprise Application Strategies

The following Enterprise Application (EA) strategies are directed towards how the District will design, select, implement and support its business applications. The three strategies that follow are being implemented to allow the IT department to best meet the needs of the District in this area.

The first EA Strategy is to utilize “Best-of-Breed” software applications. “Best-of-Breed” applications allow the District to select the optimal software to meet the specific business process needs. Business applications are grouped by major process areas for functions such as Enterprise Resource Planning (ERP) for finance and accounting, Customer Information System (CIS) for customer account management, billing and cash receipts, Geographic Information System (GIS) for asset tracking and management, Computerized Maintenance Management System (CMMS) for scheduling, tracking and reporting of maintenance activities, Electronic Document Management System (EDMS) for tracking and managing documents and Supervisory Control And Data Acquisition (SCADA) for controlling and managing production and distribution facilities. These 6 application areas make up the District’s “Core” business applications. All other applications, typically, support one or more of these core applications.

EA Strategy 1: Utilize “Best-Of-Breed” Software Applications

Goals:

- Acquire the optimal software available to meet the needs of the business requirement. The District will typically not seek a single “Complete” package unless it clearly meets all District requirements and is affordable. Systems can be integrated at the user interface or data level.
- Seek software that is flexible and will fit the way the District desires to configure and operate.
- Look for software that is open and can integrate with other systems.
- Prefer software that is easy to maintain and support.

Objectives:

- Obtain the optimal software application available to meet the needs of the specific business process(es) being automated.
- Procure software compatible with the District’s Technology Strategies.
- Purchase software that advances the District’s current capabilities.
- Identify integration points with other District applications/processes.
- Minimize amount of customizations.

Benefits:

- A larger number of requirements can be met by not having to settle for a single system where functionality may be weak in a particular area.
- Recognition that it is often more efficient and cost effective to replace pieces without having to replace the whole.
- Not become reliant on one vendor.
- Ease of upgrades.

The second EA Strategy is directed towards enabling the District’s GIS to become the primary “window” into the District’s data. All of the District’s data has a spatial data component. Assets are distributed across the District’s service area, customers are distributed across the District’s service area and even Employees are distributed across the District’s service area. The GIS allows us to see at any given time where the District’s assets, customers and employees are located. The ability to analyze data that has both spatial and temporal elements is very powerful. For this reason, GIS will be integrated with all other District systems in an appropriate and meaningful way to improve the ability to turn data into action.

EA Strategy 2: Utilize Geographic Information System as Backbone Information Access Platform

Goals:

- GIS will be the primary system to visualize, analyze and report infrastructure asset and customer data.
- GIS will be available to all information users.
- The District will be able to leverage all GIS tools and resources.

Objectives:

- ESRI ArcGIS will be the District’s GIS platform.
- The District will maintain in-house expertise to enhance, develop, manage and support the GIS.

- All enterprise applications will integrate with GIS. Other applications should be able to integrate with GIS.

Benefits:

- Spatial analysis of information is more informative.
- Spatial analysis can indicate systemic problems in the Districts water infrastructure.
- Relating all District asset and customer data in a common interface generates considerable benefit to District staff.
- Data is primarily visual: A picture is worth a thousand words.

The third EA Strategy is focused on easing the process of accessing and working with the transactional data of the District. The District’s prior strategies had concentrated on minimizing the interfaces employees had to use to access District information. Presently, the 6 core applications can be viewed through 4 separate interfaces. Add to this the approximate twenty other applications and there exists a large list of interfaces that users need to familiarize themselves with in order to accomplish their daily tasks. While the previous strategy dealt with viewing data, the proposed strategy deals with entry and processing of primary data elements and transactions. With the increase in user sophistication, more users are involved in many processes and need to access many systems to accomplish their assigned duties. This strategy will seek to reduce the interfaces that users must familiarize themselves with to complete their duties.

EA Strategy 3: Utilize Browser – Based Client User Interfaces with Service Oriented Architectures

Goals:

- To enable a single configurable interface specific to each user’s roles and responsibilities.
- Reduce efforts to keep client devices up-to-date with software applications.
- Integrate business process functions across multiple applications into one interface.

Objectives:

- Reduce the interfaces that users must access.
- Procure new applications that are “Browser Based” and utilize service oriented architectures.
- In-house ability to enhance user interface to achieve greater efficiency of data retrieval.
- Increase level of application and process integration of business systems.

Benefits:

- Users have a single interface to District systems.
- Greater levels of process integration reduce time to create and find information.
- Less time required to keep client devices “up to date”.

Enterprise Process Improvement Strategies

One of the goals of the District is “Develop cost-effective strategies utilizing appropriate technology and other available resources to achieve optimization in delivery of water and enhance service.” This is the core of process optimization - to improve the efficiency of how the District delivers water and services to its customers. During our assessment it was observed that there is a strong sense of ownership and pride in staff for being efficient. District staff is very interested in “doing it better”.

The District's first Enterprise Process Improvement (EPI) Strategy is focused on building appropriate teams to review and recommend improvements to business processes. These teams will work with other teams, process owners, and users to recommend process improvements that leverage one or more of the District's information systems.

EPI Strategy 1: Engage Appropriate Cross-Functional Teams in Business Process Optimization

Goals:

- Increase the effectiveness of the District's business processes.
- Reduce the amount of manual processes that cause inefficiency.

Objectives:

- Regularly meet to review business processes.
- Review business process with process owners.
- Develop processes with process users.
- Automate as much as possible.
- Simplify processes while still meeting business objectives.

Benefits:

- Process "buy-in" as process owners and users are engaged in process improvement.
- Reduce the staff required to perform process.

The second EPI Strategy focuses on pulling all of the other strategies together. To really leverage all of the District's technological resources, there is a need to integrate the District's business processes and application processes. This is a mindset that looks at processes from a District-wide (as opposed to a departmental) perspective and optimizes the process utilizing current or new technology. Many processes involve multiple departments and will utilize multiple applications. The goal is to optimize the flow of data in the process to enable quicker process execution time and require less data input and manipulation by the process users. To optimize the ability to integrate business processes and application processes all strategies discussed above need to be in place. So at a macro level all IT efforts are focused on procuring or developing technology that can be integrated together to allow the District to optimize all its business processes.

EPI Strategy 2: Integrate Business Processes and Application Processes

Goals:

- Increase the effectiveness of the District's Information Systems.
- Improve the efficiency of data flow throughout the organization.

Objectives:

- Automate the flow of data throughout the process across disparate systems.
- Integrate systems at the data or user interface layer.
- To the extent possible seek systems that already have integration or automated interfaces.
- Keep integrations simple.
- To the extent possible, leverage existing District technologies.

Benefits:

- Faster response time to information requests.
- More accurate information for decision making.
- Improved operational efficiency, i.e., getting more done in the same number of hours.

IT Program Elements

Successful implementation of the ITMP requires that the plan's goals and strategies are turned into real operational processes. The ITMP incorporates eight program elements, or business focus areas, that span the entire organization. Each of the following program elements will be governed by one or more of the previous 11 strategies.

Each program is aligned with the ITMP's goals and strategies. Each project was developed from the workshops conducted with departmental staff. The sequencing, staging and budgeting requirements for each project will be detailed in the section "Action Plan and Proposed Budget".

IT Program: Resources, Standards and Governance

The purpose of this program is to establish the foundation for utilization of IT resources, standards and governance practices. Each of the defined projects within this plan will adhere to the standards and governance practices established.

- **IT Infrastructure Standards and Governance** – With industry best practices as a guideline, establish standards for IT data, systems and practices.
- **IT Resources** – To accomplish the projects within the plan additional IT resources will be required. The current 1.5 FTE staffing will be insufficient to complete the plan. Refer to staffing plan at the end of this section

IT Program: Customer Service and Billing Management

Customer service projects are focused on improving the District's ability to service the needs of its customers. IT projects in this category are listed below.

- **Customer Service and Billing System Replacement** – Replace the current CIS customer service and billing system.
- **Call Center System Replacement** – Replace the current customer service call center environment.
- **Customer Portal Fixed Network Meter Reads** – Develop pages to display fixed network reads and perform usage analysis on new Customer Service Portal.
- **SSWD Application for Droid/iPhone** – Develop or procure an application for use on smart phones to allow customers to receive and pay bills, get District notifications, create service orders and otherwise interact with the District.
- **Update X,Y Coordinates from GIS to CIS** – Locate each service connection in CIS with GPS coordinates of the service point in GIS.
- **Track Rebates and Rebate Programs** – Develop or procure a tool to track customer rebates and rebate programs.

IT Program: Financial Management and Business Intelligence

The projects within this program support the District's financial management and business performance management activities. These projects implement or enhance District enterprise business intelligence systems, that provide the applications needed to support decision making processes including applications for planning, budgeting, forecasting, analyzing and reporting. IT projects in this category are listed below.

- **Use Tax Tracking** – Determine best approach to record, track and pay use tax for out of state and other non-taxed purchases.
- **Financial Information System Replacement** – Two phases to this project. First do a Request For Information (RFI) to determine if any applications can meet current deficiencies in contract management, CIP costing, budgeting and inventory management. Results of RFI will direct next phase to enhance current application or procure a new financial information system.
- **Inventory Tracking Pilot** – Develop pilot program to investigate methods to better record and track inventory movements to and from warehouse.
- **Tracking Lots for MTUs/Meters** – Determine best approach for managing lot data (serial numbers) for MTU and meter inventory items.
- **Tracking Allotments for Inventory Items** – Determine best approach for tracking allotments of inventory items within CMMS and the ERP System.
- **Enterprise Management Reporting** – Streamline the reporting processes for all primary District reports going to the Board, regulatory agencies and other stakeholders.
- **Management Dashboard** – Develop pilot to research means and tools to present discrete management data to users in a “Dashboard” style interface.

IT Program: IT Infrastructure

IT infrastructure projects provide the foundation for enabling, protecting and securing District information and for all District computing initiatives. IT projects in this category are listed below.

- **Internet Access at Antelope** – Connect Antelope facility to the rest of SSWD network.
- **Smart Phones and Tablets** – Determine best approach to integrating smart phones and tablets in the work processes at the District.
- **Board Room Technology Update** – Update recording, sound amplifiers, projector and other technology in the board room.
- **Recurring Hardware Replacements** – Refer to “Hardware Replacement Schedule” for details of this program.
- **Web Site Update** – update www.sswd.org web site with new technology tools and functions.

IT Program: Enterprise Asset Management

Enterprise asset management projects provide support for the management of all District facilities and equipment, including support for efforts associated with upgrade, repair and replacement of production (vertical), distribution (horizontal), structure and equipment assets. IT projects in this category are listed below.

- **GPS Locate Assets** – Procure hardware, software and services and develop specific projects to record accurate location of District assets. This will be a multi-phased project over a several year period.
- **Valve Isolation (Geometric Network) Enhancement** – Update the GIS features and objects to enable the geometric network for performing network analysis on the distribution system.
- **Develop Processes and Routines to Track Asset Condition** – In cooperation with other District Asset Management Plans develop the means to capture, track and report on asset condition.
- **Wachs Vitals Data Storage** - Develop repository in GIS/CMMS and related processes to retrieve Vitals data from Wachs' system and store in GIS.
- **ArcGIS Server Update** – Migration of current GIS environment from desktop presentation tools to the new ESRI server (browser) based tools.
- **CMMS Server Migration** - Migrate current CMMS Desktop environment to Server.
- **Vehicle Location System Update** - Update Sierra Wireless AVL system that has been discontinued. Need new AVL solution to address obsolete current system.
- **Production Asset Data Model** - Redesign production GIS objects to better reflect how Production desires to manage their assets.
- **Automate Vehicle Point System** - Develop tool to track and report on vehicle points retrieving data from various systems to track the point values.
- **SCADA/KP Security Monitoring** - Setup SCADA or KP to monitor some of the Districts security devices. (Door Alarms, yard beams, IT Air Conditioner, etc.)

IT Program: Operations Management

This program is directed at applications and processes used to operate the water system, to support the efficient use of water by customers and to manage operations and maintenance staff. IT projects in this category are listed below.

- **SCADA System Update/Replacement** – Procure Hardware, Software and Services and develop specific plan to either update the current “Wonderware” environment or replace with a new Human Machine Interface (HMI).
- **Production Data Collection (PDC) Enhancements** - Update reports and start data validation scripting enhancements.
- **Labor Recording** - Develop tool to allow field staff to log time during the day per work order and employee. Integrate with other District systems needing labor details.
- **Board Activity Reports** - Enhance/Modify board activity reports. Review and modify existing reports.
- **Water Conservation Survey Database Enhancements** – Develop/procure tool to replace current excel file based system with on-line web system for WC surveys.
- **Water Flushing Model Enhancement** - Procure water flushing add-on to water modeling (Innovyze) software. Get commitment from department(s) to keep staff trained on the use of the model.

IT Program: Maintenance Management

Maintenance management projects are focused on enhancing and extending the value of the District's existing CMMS application for both production and distribution facilities. IT projects in this category are listed below.

- **Preventive Maintenance Enhancements** – Enhance current CMMS system to incorporate comprehensive creating and scheduling of all preventive maintenance activities according to District PM plans.
- **Online Backflow Test Results** - Develop tool to allow backflow testers to log test results on-line.
- **Automate Vehicle Inspection, Tracking & Notification** - Develop/Procure tool to allow on-line entry and reporting of vehicle inspection data.
- **Auto Creating Service Orders** - Develop automation to allow users to have the SSOI program automatically create SO from a UDF on CW requests.
- **On-Demand Routing of Work Orders & Service Requests** – Develop or procure tool to allow users to on-demand route based on WO and SR selected

IT Program: Document Management

The document management projects are focused on enhancing and extending the value of the existing OnBase electronic document management system. IT projects in this category are listed below.

- **Mobile OnBase Access** - Perform Pilot project to determine how mobile OnBase access can be utilized by various staff. USA to start.

IT Staffing Resources:

All of the technology at the District is managed by 1.5 FTE staffing with supplemental support provided by external consultants. There is 1.0 FTE IT manager and a 0.5 FTE IT support staff employed by the District. The outside consultants provide specialized expertise that covers most of the District's systems. The 1.5 FTE internal staff are responsible for all end-user support (District full-time equivalent staff size of 65 employees), server, workstation and laptop repairs, upgrades and replacements, all system security issues, all application system updates and fixes, new technology planning and acquisition, department management and vendor support.

Currently, a significant amount of the IT manager's time is devoted to the varied and multiple support calls that he receives on any given day from District staff. The ability of the IT manager to dedicate focused time on major IT projects is significantly limited as he responds to the numerous end-user requests. The GIS technician, the 0.5 FTE, is able to assist in certain, limited support and maintenance activities and some system upgrade activities. However, during times of major system updates and for implementation of the IT projects outlined above, there are insufficient IT staff resources available to accomplish these necessary tasks.

To complete the vision laid out in this ITMP, additional internal IT resources are required. Specifically, another 0.5 FTE is needed in IT to address end user needs making the IT Manager available for the projects outlined in this ITMP. Further, to fully support the planned enhancement of the GIS environment

envisioned in this ITMP, additional GIS skills and support are necessary. An increase in the GIS department from 2.5 to 3.0 FTEs is necessary to accomplish the GIS projects outlined above.

Action Plan and Proposed Budgets

As mentioned at the beginning of this ITMP, previous IT planning has been performed and the outcomes of those plans have been enacted. This ITMP is the current District initiative to implement long range plans for IT resources. Thus, most of this ITMP's 2013 and some of the 2014 projects are in the process of implementation or planning for these projects has begun. Due to the transition to managing IT investments through this ITMP, 2013 and 2014 will have slightly different action plans compared to 2015 thru 2018.

2013-2014 Course of Action

A number of the proposed ITMP projects have already been planned and included in the District's Operating Capital budget. The remaining expenditures for 2013 will be spent in completing these already planned activities as well as planning new activities identified in this ITMP for 2013.

2014 is a mix of already defined projects and new projects identified in this ITMP. Planned projects for 2014, however, will be reprioritized in light of this proposed ITMP. Specific 2014 ITMP projects will be identified as part of the 2014 budget process and will be presented to the Board via this standard District approval process. Once this ITMP is approved, then the budgets for 2015 – 2018 will be prepared and reference this ITMP for each respective year.

2015-2018 Course of Action

As budgeting commences for years 2015 thru 2018, each year's projects will be re-prioritized based on accomplishments of the previous year. In this way the ITMP can adjust to changing priorities that may drive the scheduling of projects in a different order than that which is defined in this ITMP. That year's projects will then be included in the year's OCB budget plan and presented to the Board for approval with reference to this ITMP.

2013-2018 Proposed Budgets

Implementing the projects identified in this ITMP carries a cost. An estimated budget has been developed for each major program area and placed in the District's 2013-2018 OCB budget. The estimated budget, which totals \$2,258,900 over six years, was developed by Sophos Solutions consultants familiar with the District's existing information technology baseline, the information technology goals of the District, and the cost of similar-sized efforts implemented by other utilities.

Typical water utility IT capital project budgets range from 6 percent to 10 percent of the utility's overall capital spending. Utilities spending on the high end of this range are generally playing catch-up after periods of low IT investment. Utilities spending on the low side of the range are generally sustaining their IT investments. Given that the District has made a number of sound investments in IT over the past several years, has successes to show for those investments, and has made IT an important element in the design of the District, the ITMP budget estimate is based on a conservative figure of 2.1 percent of the 2013-2018 OCB/CIP budgets.

This ITMP advocates a gradual, information-driven approach to expand and extend IT investments, using actual information obtained and leveraging existing investments to the fullest before making new expenditures. This approach is also reflected in the estimated budget. The following table summarizes the IT budget by year over the six-year span contemplated by this ITMP and shows the annual expense as a percentage of the total six-year budget.

Program	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned	2018 Planned	2013-2018 Total
IT Master Plan Budgets	\$410,400	\$397,500	\$554,500	\$484,500	\$188,500	\$223,500	\$2,258,900
Percentage of Total	18%	18%	25%	21%	8%	10%	100%

Please note that establishing an accurate budget for the ITMP at this time is challenging for a number of reasons. The most significant is determining to what degree the District’s own personnel can provide expertise in a variety of roles versus the amount of professional consulting or staff augmentation required to either coach those functions or perform specialized tasks. Some critical roles in the IT department require skills not currently present in the District (see the next section, Organizational Structure). A number of IT program areas require ownership and new skills necessary to develop and sustain them. And a significant amount of District asset information must be collected and verified by field staff—including the geospatial coordinates that require specialized tools and skills.

Organizational Structure

The IT department provides the foundation, with a few changes, to fulfill the basic IT support needs of the District and deliver the benefits identified in this ITMP. The following describes the general functions of the IT department and, where needed, identifies necessary organizational changes.

Desktop Support

Desktop Support is responsible for meeting the day-to-day user needs for IT services across the District. Currently, IT staff repair, maintain, and manage user-facing elements of IT, including workstations and laptops (both in the office and in field vehicles), user accounts and permissions, productivity software support, printers and copiers. This function is currently performed by both the IT Manager and the 0.5 FTE support staff. Approximately 30% of this workload is currently performed by the IT Manager with 70% being performed by the 0.5 FTE support staff. However, current staff resources are insufficient to properly address this function as needed. The process of combing GIS and IT staff into a single department may yield sufficient resources to address this function. If not, it may be necessary to either add consulting dollars to the annual budget and/or add a 0.5 FTE staff member. Regardless, this will help free up the IT Manager to focus on more strategic IT initiatives.

Infrastructure Support

Infrastructure support's responsibilities are to support the District's IT computing and network systems. This includes the management of servers, storage area networks, backup and recovery of data, local and wide area networks, network security, video surveillance and the telephone system. This function is currently performed by both the IT Manager and the 0.5 FTE support staff. Approximately 80% of this workload is currently performed by the IT Manager with 20% being performed by the 0.5 FTE support staff. However, current staff resources are insufficient to properly address this function as is necessary. The process of combing GIS and IT staff into a single department may yield sufficient resources to properly address this function. If not, it may be necessary to either add consulting dollars to the annual budget and/or add a 0.5 FTE staff member. Regardless, this will help free up the IT Manager to focus on more strategic IT initiatives.

Enterprise Application, Database Support and Integration

The District's approach to support Enterprise Applications is to engage both technical and functional staff resources. IT is responsible for the management and safety of the computing resources and data for each application while the setup, function, processes and outputs are managed by the functional system owner. The system owner is the assigned staff responsible for the operation of the application. This allows for the functional aspects of the system to be controlled and managed by the person/department responsible for the business processes automated by the application. Each District core system has a system owner. The following table summarizes the system owners by application

Enterprise Application	System Owner	Department
Customer Information System (CIS)	Admin Services Manager	Admin Services
Financial Information System (FIS)	Assistant Controller	Finance
Computerized Maintenance Management System (CMMS)	Operations Coordinator	Operations
Geographic Information System (GIS)	GIS Coordinator	Engineering
Electronic Document Management System (EDMS)	Admin Services Manager	Admin Services
Automated Meter Reading System (AMR)	Superintendent Field Services	Field Services
Electronic Mail System (email)	IT Manager	IT

With this approach both the system owner and the IT department work in concert to support the Enterprise Application.

The GIS will require additional skills to continue to enhance and improve its effectiveness in the District. Most District staff utilizes GIS in some manner. As part of this ITMP, it is recommended that combining GIS and IT staff into a single department may yield sufficient resources to properly address the GIS function. If not, it may be necessary to either add consulting dollars to the annual budget and/or add a 0.5 FTE staff member.

Database support for all enterprise applications is provided by a combination of District IT staff, outside consultants and the application vendor. Specialized skills and training are required to operate and manage the District's database environments. This approach allows the District to provide much of its own support while having the availability of specialized consultants to manage the most complex issues. This allows the District to avoid having to hire a full-time database administrator to manage the 6+ enterprise database environments.

One of the main goals of the IT department is to have all of the enterprise applications integrated where appropriate and cost effective. Integration saves considerable time by moving data between applications automatically instead of through user input. The "Best-of-Breed" application strategy only works well when integration of dissimilar applications occurs. At this time all of the core enterprise applications and several departmental applications benefit from such integration. Integration services are provided by outside consultants with specialized database and programming skills. These integrations have been developed with standard tools that the District already has available and is supported by a large number of trained Microsoft professionals. The District does not intend to develop integrations using uncommon tools. The District maintains complete documentation for each the integrations and IT is significantly involved in the development, deployment and management of each interface. The use of outside consultants for integration allows the District to avoid hiring an expensive application programmer to develop and maintain these integrations.

Other Concerns

At this time there are no planned or anticipated retirements of positions relating to the support of core IT systems and applications. As such, succession planning has not been addressed in this ITMP.

Appendix-A:

Project Name	Description/Scope	Department	Budgeted Cost	Year	2013	2014	2015	2016
Call Center	Replace 3-Com call center hardware and software, including services.	Cust Serv	\$25,000	2016	0	0	0	25,000
New CIS	Replace Cogsdale CSM CIS with more current system.	Cust Serv	\$350,000	2013	350,000	0	0	0
Fixed network Reads Available on Web	Implement tools to allow Customers to view daily/hourly consumption from Customer Portal	Cust Serv	\$10,000	2015	0	0	10,000	0
SSWD App for Droid/iPhone	Develop an application for constituents to interact with the district via their smart phone.	Cust Serv	\$40,000	2015	0	0	10,000	30,000
Update X,Y coordinates from GIS to CIS	Locate each LID in CIS with the GPS coordinates of the service point for that LID.	Cust Serv	\$0	2013	0	0	0	0
Upgrade Backflow Program/Online Backflow Test Results	Develop tool to allow backflow testers to log test results on-line	Distribution	\$25,000	2014	0	25,000	0	0
Automate Vehicle Inspection Tracking/Notifying	Develop/Procure tool to allow on-line entry and reporting of vehicle inspection data.	Facilities	\$10,000	2013	10,000	0	0	0
Automate Vehicle Point System	Develop tool to track and report on vehicle points retrieving data from various systems to track the point values.	Facilities	\$10,000	2014	0	10,000	0	0
RainBird Maxicom	What to do with Garden and the irrigation system. Need input from Management	Facilities	\$10,000	2014	0	10,000	0	0
SCADA/KP Security Monitoring	Setup SCADA or KP to monitor some of the Districts security devices. (Door Alarms, yard beams, etc)	Facilities		2014	0	0	0	0
New/Update Financial Accounting System	Replace Microsoft Great Plains with newer more feature rich financial application.	Finance	\$510,000	Multi	0	10,000	300,000	200,000
Use Tax Tracking	Determine if MGP can track use tax by invoice for reporting and remitting to State.	Finance	\$0	2013	0	0	0	0
Inventory Scanning Pilot	Develop Pilot program to test card based scanning system for warehouse.	Finance	\$20,000	2014	0	20,000	0	0
Tracking Lots for MTU's and Meters	Determine if MGP can track lots (by serial number) for MTU's and Meters.	Finance	\$0	2013	0	0	0	0
Tracking Allotments for Reserved Inventory Items	Determine if MGP can track allotments coming from other systems	Finance	\$0	2013	0	0	0	0
Web Site Update	Update Web-Site	General	\$15,000	2018	0	0	0	0

Appendix-A:

Board Room Technology	Update recording, sound amplifiers, projectors, etc.	General	\$10,000	2018	0	0	0	0
Digital Board Packets	Develop digital board packets and provide devices to utilize during board meetings.	General	\$0	2014	0	0	0	0
Smart Phones/Tablets	Determine appropriate staff to utilize smart phones and/or tablets. Need to resolve security and policy enforcement rules	General	\$4,000	2013	4,000	0	0	0
Internet Access At Antelope	Get Antelope setup so that the facility can connect to the rest of the SSWD network	General	\$3,000	2013	3,000	0	0	0
Valve Isolation (Geometric Network)	Get the GIS set up to enable value isolation tracing. Need to implement the Geometric Network	GIS	\$4,000	2013	4,000	0	0	0
Storing Wachs Vitals Data	Develop respository in GIS and related processes to retrieve Vitals data from Wach's system and store in GIS	GIS	\$3,000	2014	0	3,000	0	0
GPS Locate Assets	Procure Hardware, Software and Services and develop specific projects to record accurate location of District Assets.	GIS	\$450,000	multi	0	50,000	100,000	100,000
Electronic Employment Applications	Develop/Procure tool to track employment applications on SSWD web site. Hosted solution or On-Base workflow could be used.	HR	\$0	2014	0	0	0	0
Vehicle Location Update	Update Sierra Wireless AVL system that has been discontinued. Need new AVL solution to address obsolete system	IT	\$25,000	2014	0	25,000	0	0
ESRI ArcGIS Server Implementation	Install and familiarize GIS staff with GIS Server and required tools	IT/GIS	\$15,000	2014	0	15,000	0	0
Cityworks Server Migration	Migrate current Cityworks Desktop environment to Server	IT/Operations	\$20,000	2014	0	20,000	0	0
Labor Recording	Develop tool to allow field staff to log time during the day per work order and employee. (Method to record all 8 hours of the day)	Operations	\$10,000	2014	0	10,000	0	0
On-Demand Routing of WO's and SR's.	Develop/Procure too to allow users to on-demand route based on WO and SR selected	Operations	\$10,000	2015	0	0	10,000	0
Mobile on-Base access and testing	Perform Pilot project to determine how mobile On-base access can be utilized by various staff. USA to start	Operations	\$0	2013	0	0	0	0

Appendix-A:

Water Flushing Model	Procure water flushing add-on to water modeling (Innovize) software. Get commitment from some department to keep staff trained on the use of the model	Operations	\$10,000	2014	0	10,000	0	0
PDC Enhancements	Update reports and start data validation scripts	Production	\$75,000	Multi	0	15,000	15,000	15,000
Production GIS Object updates	Redesign production GIS objects to better reflect how Production wants to track their assets	Production	\$0	2013	0	0	0	0
SCADA Hardware Replacement	Replace SCADA hardware environment. This decision is dependant on the SCADA system decision	Production	\$0	2013	0	0	0	0
Water Conservation Management	Develop/Procure tool to track customer rebates and rebate programs	WtrCons	\$70,000	2014	0	70,000	0	0
Water Conservation Survey Database	Develop tool to replace current excel file based system with on-line web system for WC surveys.	WtrCons	\$10,000	2014	0	10,000	0	0
Auto Creating Service Orders (CSM) from Service Requests (CW)	Develop automation to allow users to have the SSOI program automatically create SO from a UDF on CW requests.	WtrCons	\$0	2013	0	0	0	0
Board Activity Reports	Enhance/Modify board activity reports. Review and modify existing reports.		\$6,000	2013	6,000	0	0	0
Reporting	Develop list of new or enhanced reports		\$20,000	2014	0	20,000	0	0
Server Replacement	specific annual replacements		\$179,000	Multi	18,000	42,000	32,000	0
Workstation Replacements			\$62,500	Multi		12,500	12,500	12,500
Laptop Replacements			\$90,400	Multi	15,400	15,000	15,000	15,000
Device Replacement			\$35,000	Multi	0	5,000	0	15,000
MOPIERS			\$80,000	Multi			50,000	30,000
HP Plotter			\$25,000	2016				25,000
KIP Plotter, Scanner, Copier			\$17,000	2016				17,000

\$2,258,900

\$410,400 \$397,500 \$554,500 \$484,500

18% 18% 25% 21%