

# **Agenda**

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

3701 Marconi Avenue, Suite 100  
Sacramento, California 95821

Monday, March 21, 2016  
6:30 p.m.

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

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

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Sacramento Suburban Water District Human Resources at 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**

### **Announcements**

### **Public Comment**

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

### **Consent Items**

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

1. Minutes of the February 19, 2016 Strategic Plan Workshop  
*Recommendation: Approve subject minutes.*

2. Minutes of the February 22, 2016 Regular Board Meeting  
*Recommendation: Approve subject minutes.*
3. Resolution No. 16-03 Accepting Grant of Easement and Right of Way for Cottage Park, APN 279-0101-024  
*Recommendation: Adopt subject resolution.*
4. Resolution No. 16-04 and 16-05 Accepting Two Grants of Easement and Rights of Way for 3932 Dudley Boulevard – United States Cold Storage, Inc.  
*Recommendation: Adopt subject resolution.*
5. Resolution No. 16-06 Accepting Grant of Easement and Right of Way for 4850 Antelope Road – EJM Homes LLC  
*Recommendation: Adopt subject resolution.*
6. Reasonable Accommodation and Interactive Process Policy (PL - HR 014)  
*Recommendation: Adopt subject Policy.*

#### **Items for Discussion and Action**

7. Arc Flash Hazard Assessment and Mitigation Update  
*Presentation by Jim DeHart on Arc Flash.*
8. Groundwater Monitoring Wells Project  
*Presentation by Alex McDonald on Regional Contaminant Plumes and Groundwater Monitoring Wells.*
9. Facility Development Charges  
*Recommendation: Approve the Update on Facility Development Charges.*
10. Board Member Out of State Travel Request  
*Recommendation: Approve any Directors Out of State Travel.*
11. Strategic Plan (PL - BOD 001)  
*Recommendation: Adopt subject policy.*
12. 2016 Water Transfer Program  
*Receive written staff report and direct staff as appropriate.*
13. Long Term Warren Act Contract  
*Receive written staff report and direct staff as appropriate.*

**Information Items**

14. Water Conservation and Regional Water Efficiency Program Report
  - a. Drought Report
  - b. Summary of Activities During February 2016
  - c. Water Conservation Program and Results
  - d. Upcoming Events
15. District Activity Reports
  - a. Water Operations and Exceptions Report
  - b. Customer Service Report
  - c. Community Outreach Report
16. Engineering Report
  - a. Major Capital Improvement Projects
  - b. County and City Projects/Coordination
  - c. McClellan Business Park
  - d. Groundwater Quality Projects
  - e. Developer Projects
  - f. Water System Master Plan Update and 2015 Urban Water Management Plan
  - g. Other
17. Financial Report
  - a. Draft Financial Statements – February 2016
  - b. Draft Investments Outstanding and Activity – February 2016
  - c. Draft Cash Expenditures – February 2016

- d. Draft Purchasing Card Expenditures – February 2016
  - e. Draft Directors Compensation and Expense Accounting – February 2016
  - f. Draft Market Report Yields – January 2010 through January 2016
  - g. Draft District Reserve Fund Balances – February 2016
  - h. Information Required by Bond Agreement
- 18. 2015 Annual Audit Status
  - 19. 3941 Madison Avenue Water Main Leak
  - 20. California Special Districts Association Call for Nominations for Seat B
  - 21. Sacramento Metro Chamber of Commerce Cap-to-Cap Event 2016
  - 22. Sacramento River Water Reliability Study Update
  - 23. 2015 Surface Water Sources and Costs
  - 24. General Manager’s Report
    - a. Website Payment Portal
    - b. Paperless vs. Paper Billing Cost
    - c. Merchant Bank Change Information
    - d. Acquisition of Property on Antelope North Road
    - e. McClellan Business Park Update
    - f. Placer County Water Agency (PCWA) Agreement
  - 25. Legislative and Regulatory Update
  - 26. Upcoming Policy Review
    - a. Disposing of Surplus District Real Property, Vehicles and Large Equipment and Other Personal Property Policy (PL - Adm 003)
    - b. Employee Recruitment, Hiring and Promotion Policy (PL - HR 009)



27. Upcoming Water Industry Events

**Committee Reports**

28. a. Facilities and Operations Committee (Director Locke)  
No report.
- b. Finance and Audit Committee (Director Thomas)  
No report.
- c. Government Affairs Committee (Director Locke)  
No report.
- d. Ad Hoc Water Banking and Transfer Committee (Director Wichert)  
No report.

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

29. a. Regional Water Authority (Director Thomas)  
Agenda from the March 10, 2016 meeting.
- Regional Water Authority Executive Committee (General Manager Roscoe)  
No report.
- b. Sacramento Groundwater Authority (Director Schild)  
No report.
- c. Water Forum Successor Effort (General Manager Roscoe)  
Agenda from the March 10, 2016 meeting.
- Carryover Storage Working Group Meetings  
No report.
- Water Forum Dry Year Conference Meeting  
No report.
- Water Caucus Meeting  
No report.
- d. Other Reports

**Miscellaneous Correspondence and General Information**

30. Correspondence received by the District

31. General Information

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

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

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

- 32. a. Public Employee Performance Evaluation Involving the General Manager Under Government Code Section 54954.5(e) and 54957
- b. Conference with Board Negotiating Committee (including Director Thomas) Involving the General Manager Under Government Code Sections 54954.5(f) and 54957.6.

**Adjournment**

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**Upcoming Meetings**

Friday, April 1, 2016 at 2:00 p.m., Facilities and Operations Committee Meeting  
Monday, April 18, 2016 at 6:30 p.m., Regular Board Meeting

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I certify that the foregoing agenda for the March 21, 2016 meeting of the Sacramento Suburban Water District Board of Directors was posted by March 17, 2016 in a publicly-accessible location at the Sacramento Suburban Water District office, 3701 Marconi Avenue, Suite 100, Sacramento, California, and was freely available to the public.

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



## Agenda Item: 8

**Date:** March 15, 2016

**Subject:** Groundwater Monitoring Wells Project

**Staff Contact:** John E. Valdes, Engineering Manager

### **Recommended Board Action:**

Approve awarding a contract to Roadrunner Drilling & Pump Company for the construction of two groundwater monitoring wells consistent with the project definition and the District's Local Groundwater Assistance (LSA) grant.

**Note:** This report was presented to the Facilities and Operations Committee at their meeting on February 12, 2016. The committee recommended that this item be brought before the full Board for consideration.

### **Background:**

As previously reported, the District received formal notification of a grant award via a Commitment Letter dated July 15, 2013, from the Department of Water Resources (DWR) Proposition 84 funds. As indicated in that letter, the District's grant award amount is \$157,135 which was approximately 63 percent of the amount originally requested (\$247,500).

Due to the partial grant award, the project as originally proposed was scaled back. The scaled back project includes the design and construction of two groundwater monitoring wells and related tasks (CEQA/Permitting, Sampling, etc.). At the time the grant was awarded (2013), the estimated total cost for the scaled back project was approximately \$207,000. Therefore, the District's local cost share was estimated at approximately \$50,000 and was provided in the budget process.

The purpose of these wells is to assist in monitoring the groundwater basin and groundwater contamination which could potentially impact the District's water production capability. Specifically, as stated in the District's grant application to DWR, "these (wells) locations have been selected to be sentry wells to detect the presence of perchlorate, which has been detected in water supply wells upgradient of SSWD wells...". Furthermore, it is stated that "These wells will be added to the California Statewide Groundwater Elevation Monitoring (CASGEM) system to provide water level data for the region and will also provide critical data for the refinement to regional groundwater models." In the District's Grant Funding Agreement dated December 19, 2013, it states that these wells will "enhance the groundwater monitoring network, increase understanding of groundwater movement in the study area and improve nature and extent for

characterization of perchlorate and NDMA impacted groundwater in Sacramento County in the vicinity of Sacramento Suburban Water District (SSWD).”

Since project commencement, the planned monitoring well locations have had to be changed from the original locations due to new information on the location of Aerojet’s groundwater contamination plume. See the attached Exhibit 1 for the current location of the proposed groundwater monitoring wells. Also, the District had to obtain approval from the San Juan Unified School District (SJUSD) to drill one of the wells on school property. In addition, the depth of the wells was increased from what was proposed in the grant application.

The project was placed out to bid in November 2015 and opened in December with one bid at \$298,000 far exceeding the original (2013) engineer’s estimate of \$121,435. Therefore, the bid was rejected with a commitment to rebid. Additionally, it was thought that allowing the drilling contractors to submit a proposed alternative start date would assist in mitigating the expensive bidding climate created by the drought.

Bids were opened on February 3, 2016, and two bids were received. The apparent low bidder is Roadrunner Drilling at \$193,128. The second bid was from National EMP in the amount of \$338,216. A copy of Roadrunner’s bid is attached as Exhibit 2. As noted, Roadrunner provided an alternate construction start date of April 4, 2016, with a scheduled completion date of June 3, 2016. Roadrunner Drilling has a good reputation and their bid appears to be responsive and competitive.

Note that there are a few reasons why the cost of the monitoring wells has increased from the engineer’s estimate originally prepared in 2013. Well drilling contractors are extremely busy as a result of the ongoing drought and their bid prices reflect that. In addition, the monitoring wells were originally supposed to be completed to a depth of approximately 330 feet and 500 feet below ground surface (bgs), respectively. As currently designed, both wells will be drilled to a depth of 552 feet bgs. The extra depth results in increased drilling costs.

**Discussion:**

This item was presented to the Board at the February 2016 Board Meeting. The Board tabled this item to the March Board Meeting and asked for a more detailed presentation on the Aerojet groundwater contamination plume and ongoing efforts to monitor the plume. As a result, District staff have invited Mr. Alex MacDonald from the Central Valley Regional Water Quality Control Board (CVRWQCB) to make a presentation at the March Board Meeting. See the attached Exhibit 3 for a copy of the power point presentation to be made by Mr. MacDonald.

As stated above, these groundwater monitoring wells are intended to provide additional monitoring locations for overall basin management. In addition, these wells will be valuable for any future reporting that may be required as a result of the Sustainable Groundwater Management Act (SGMA). They are also intended to be “sentry” wells to detect the moving edge of the Aerojet groundwater contamination plume. This plume has two constituents of concern, perchlorate and NDMA. If the Aerojet plume was not in the vicinity of SSWD these

wells would still be beneficial for other basin monitoring requirements and needs. However, the two wells were carefully planned, located, and designed to also act as sentry wells for the Aerojet contamination plume.

At the February 2016 Board Meeting, the Board also asked what the ramifications might be if a decision was made to drill only one monitoring well or to cancel the project completely. District staff discussed these two options with both DWR's Grant Administrator and Grant Program Manager. The grant program manager would not give a definitive answer on what would happen if the District decided to drill only one monitoring well. One option would be to reduce the District's grant amount (currently \$157,135) in half because the scope of work included in the grant funding application and agreement calls for the construction of two wells. However, DWR staff recognizes the impacts the drought has had on the bid prices received by the District. They would prefer to wait until the Board takes a formal action as a request for grant amendment is made before they decide.

If the Board elects to not proceed with the construction of either of the monitoring wells, DWR would cancel the grant funding agreement. No legal repercussions as expected at this time. Previous performance is not currently factored into DWR's grant application scoring so no impacts on future grant awards is expected unless past performance gets added as a scoring criterion in the future.

**Fiscal Impact:**

To date, a total of \$32,039 has been spent on design and other engineering services for this project. B&C's total contract amount is \$87,640. The remaining funds will be spent on bidding services, construction management, water quality sampling/testing, and grant reporting.

The award of this project exceeds the initial estimate and the grant authorization. Also, when the 2016 CIP budget was prepared in August/September 2015, it was still anticipated that the monitoring wells would be drilled in 2015. Rebidding after budget approval pushed the project to 2016. Therefore, only \$50,000 was included in the 2016 CIP budget to cover engineering services and water sampling/testing. However, the wells were not drilled in 2015 and additional funds are needed in the 2016 budget. The grant reimbursement will not take place until after the wells are completed, so therefore, the entire project amount must be budgeted.

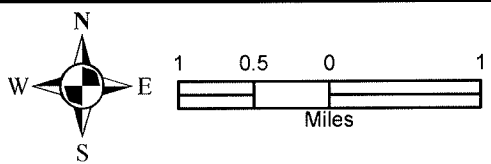
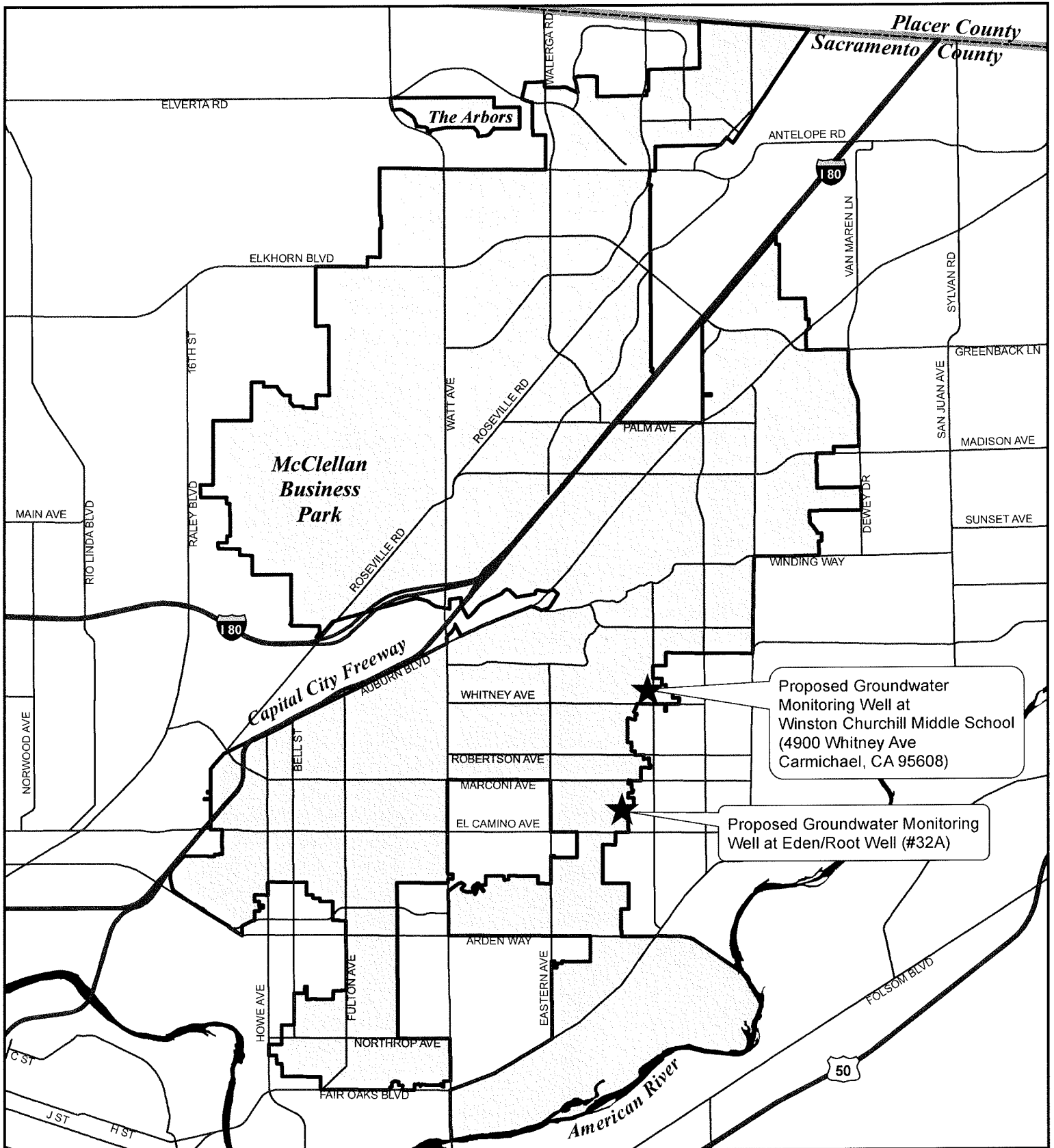
A budget of \$250,000 is recommended for CY2016. This will cover the construction cost to drill the new monitoring wells and engineering and construction management costs including the cost for water quality sampling/testing. However, staff is not asking for additional budget. Funds can be obtained from a re-prioritization of approved 2016 CIP budget funds. In combination with the amount already spent on this project (approx. \$32,000) the total project budget will increase to approximately \$282,000. Based on the grant amount of \$157,135, the District's cost share will increase to a total of approximately \$125,000. Staff will continue to pursue additional grant funding that may be available (Proposition 1) to partially offset additional District expenses.

**Strategic Plan Alignment:**

Facilities and Operations – 2.A. The District will utilize appropriate planning tools, identify financial resources necessary, and prioritize system requirements to protect and maintain District assets and attain water resource objectives incorporating resource sustainability into the framework.

Water Supply – 1.E. Ensure the safety and security of the water supply system.

This project aligns with this goal because the groundwater monitoring wells are intended to be “sentry” wells to detect the moving edge of the Aerojet groundwater contamination plume that could potentially contaminate the District’s groundwater supply. Monitoring the water quality for potential contaminants prior to a plume entering the District’s groundwater supply is a benefit the District’s customers to assist in ensuring safe water supply is delivered.



Sacramento Suburban Water District

Exhibit 1

**DWR Local Groundwater Assistance (LGA) Grant Monitoring Well Locations Map**



Base Data: Sacramento County Gis Base Map  
 Projection: CA State Plane 2, NAD83  
 Scale: No Scale  
 Prepared by: JWS, SSWD  
 Sacramento, CA - June 9, 2015  
 Monitor Well Location Map-Grant.mxd

**1.2 BID**

TO: Sacramento Suburban Water District, 3701 Marconi Avenue #100, Sacramento, CA 95821

The undersigned states and declares as follows:

That the Bidder has carefully examined the location of the proposed work; that the Bidder has examined the Contract Documents entitled: Construction of Two Monitoring Well Clusters; that the Bidder has read the accompanying Instructions to Bidders; that the Bidder hereby proposes to begin work and complete the project in accordance with the schedule and deadlines in the Contract Documents; that the Bidder hereby proposes to furnish all labor, materials, tools, and equipment, and to perform all work required, complete in place, in compliance with all terms and condition and requirements of the Contract Documents; and that the Bidder will take in full payment for the work the prices set forth in the accompanying bid schedule.

The Bidder acknowledges that the following quantities are approximate only, being given as a basis for the comparison of proposals, that the District does not expressly or by implication agree that the actual amount of the work will correspond therewith, and that the District reserves the right to increase or decrease the amount of any class or portion of the work, as may be deemed necessary or advisable by the Engineer.

The following surety or sureties have agreed to furnish payment and faithful performance bonds to the Bidder if it is awarded the contract:

Faithful Performance Bond: Travelers Casualty and Surety Company of America

Payment Bond: Travelers Casualty and Surety Company of America

The undersigned hereby acknowledges the receipt and review of addenda nos.

N/A

Contractor's License No.: 803909

Expiration Date: 06/30/2017

Type of license: C 57

Name under which license is held: Roadrunner Drilling and Pump Company, Inc.

Status of license: Current and Active

Executed on February 2, 2016, at 80 Bee Jay Way, Woodland, CA 95776




The Bidder's authorized officer identified below hereby declares that the representations in this Bid are true and correct and of my own personal knowledge, and that these representations are made under penalty of perjury under the laws of the State of California.

BIDDER

Company Name: Roadrunner Drilling & Pump Company, Inc.

Type of Corporate Entity and State of Incorporation (e.g., corporation, partnership):

Corporation / California

Authorized Signature: 

Printed Name: Jim L. Brookshire

Title: President

Address: 80 Bee Jay Way

Woodland, California 95776

Phone: 530-406-8559

Fax: 530-666-7854

Email: rdrunnerdrilling@aol.com

### 1.3 BID SCHEDULE

Bid items 1 through 13 include all work set forth under the contract. Bid prices shall include everything necessary for the completion of the work including, but not limited to, providing the materials, equipment, tools, plant and other facilities, and the management, superintendence, labor and services. Bid prices shall include allowance for federal, state and local taxes.

Abbreviations used in the Bid Schedule are defined as follows:

- LF -- linear feet
- LS -- lump sum
- EA -- each

tem No.	Estimated Quantity	Description	Unit price	Total Price
1	1	Mobilization of all Project Equipment/Demobilization	Lump Sum	\$ 73,000.00
2	1	Mobilization between Monitoring Well Cluster Sites	Lump Sum	\$ 1,500.00
3	2,212 L.F.	7-inch Bore Hole	\$ 20.00 /LF	\$ 44,240.00
4	2	Geophysical Logging	\$ 2400.00/EACH	\$ 4,800.00
5	2,080 L.F.	F&I Blank PVC Casing	\$ 6.00 /LF	\$ 12,480.00
6	120 L.F.	F&I Slotted PVC Casing	\$ 24.00 /LF	\$ 2,880.00
7	192 L.F.	F&I Gravel Pack Filter Materials	\$ 19.00 /LF	\$ 3,648.00
8	30 L.F.	F&I Bentonite Seals	\$ 16.00 /LF	\$ 480.00
9	1,990 L.F.	F&I Grout Surface Seal	\$ 10.00 /LF	\$ 19,900.00
10	6	Well Development	\$ 3000.00/EACH	\$ 18,000.00
11	6	Wellhead Completion	\$ 600.00 /EACH	\$ 3,600.00
12	2	Clean Up	\$ 2500.00/EACH	\$ 5,000.00
13	12 Hours	Authorized Drill Rig Standby Time	\$ 300.00 /Hour	\$ 3,600.00

**Total Price**

\$ 193,128.00

(Written Total Price: One Hundred Ninety Three Thousand, One Hundred Twenty Eight Dollars, and No Cents. )

- A) The monitoring wells' construction dimensions have been estimated for proposal purposes. Final monitoring well construction dimensions will be determined from test hole data.
  - B) Where lump sum prices are in the bidding schedule, they shall include all labor, materials and equipment necessary to produce a complete and finished job.
  - C) When no specific item is listed in the bidding schedule for work required, the cost of such work shall be included in the price bid for the item which most appropriately covers the work.
  - D) Proposed Alternative Start Date: April 4, 2016
- Proposed Alternative Completion Date: June 3, 2016

**Acknowledge Addenda**

Addendum #: _____	Signed: _____
Addendum #: _____	Signed: _____
Addendum #: _____	Signed: _____
Addendum #: _____	Signed: _____

#### 1.4 DESIGNATION OF SUBCONTRACTORS

In compliance with Public Contract Code section 4100 et seq. each bidder shall set forth below the: (a) name, location of the mill, shop, or office, and California contractor's license number of each subcontractor who will perform work or labor or render service to the Contractor in or about the construction of the work or improvement to be performed under these specifications in excess of one-half of 1% of the Contractor's total bid, (b) description of the type of work to be performed by each such subcontractor, and (c) portion of the work (expressed in dollar amount) that will be performed by each such subcontractor.

If the Contractor fails to specify a subcontractor for any portion of the work to be performed under the Contract, it shall be deemed to have agreed to perform such portion itself, and it shall not be permitted to subcontract that portion of the work except under the conditions hereinafter set forth.

Subletting or subcontracting of any portion of the work in excess of one-half of 1% of the Contractor's total bid as to which no subcontractor was designated in the original bid shall only be permitted in cases of public emergency or necessity, and then only after a making a written finding as a public record of the District setting forth the facts constituting the emergency or necessity.

Subcontractor (name, location and Subcontractor's CSLB Contractor's License Number)	Description of Subcontractor Work	Portion of Work (\$)
West Coast Well Logging Rancho Cordova, CA Contractor's License Not Required	Geophysical Logging	\$4,800.00

Additional pages attached: \_\_\_\_\_

**1.5 BID BOND**

Bid Bond Number: RDR-38

KNOW ALL MEN BY THESE PRESENTS, THAT WE, THE UNDERSIGNED Roadrunner Drilling & Pump Company, Inc., Contractor as Principal; and Travelers Casualty and Surety Company of America, as Surety, are hereby held and bound unto Sacramento Suburban Water District, hereinafter called the District, in the sum of \$ Not to exceed 10% of the bid amount\*\*\*\*\*, which sum is equal to at least ten percent of the total amount of the Bid, payment of which sum, well and truly to be made, we hereby jointly and severally bind ourselves, our heirs, executors, administrators, successors, and assigns.

The condition of the above obligation is such that whereas the Principal has submitted to the District a certain Bid, attached hereto and hereby made a part hereof, to enter into a Contract in writing, for the construction of the following public works project:

Construction of Two Monitoring Well Clusters - Construct and develop two monitoring well clusters consisting of three monitoring wells per cluster.

NOW, THEREFORE,

(a) If the Bid is rejected, or in the alternate,

(b) If the Bid is accepted and the Principal shall sign and deliver a Contract, in the form of the Contract attached hereto and shall execute and deliver Performance and Payment Bonds in the forms attached hereto and shall deliver proof of insurance (all completed in accordance with the Contract Documents), and shall in all other respects perform the agreement created by the acceptance of the Bid;

Then, this obligation shall be void, otherwise the same shall remain in force and effect; it being expressly understood and agreed that the liability of the Surety for any and all default of the Principal hereunder shall be the amount of this obligation as herein stated.

The Surety, for value received, hereby stipulates and agrees that the obligations of said Surety and its bond shall be in no way impaired or affected by any extension of the time within which the District may accept such Bid, and said Surety does hereby waive notice of any such extension.

IN WITNESS THEREOF, the above bounded parties have executed this instrument under their several seals this 2<sup>nd</sup> day of February, 2016, the name and corporate seal of each corporate party being hereto affixed and those presents duly signed by its undersigned representative, pursuant to authority of its governing body.

For Contractor as Principal:

Roadrunner Drilling & Pump Company, Inc.

Name: Jim L. Brookshire  
Title: Jim L. Brookshire

For Surety:

Travelers Casualty and Surety Company of America  
Name: Erin Johnson  
Title: Erin Johnson  
Attorney-in-Fact

(Seal)

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

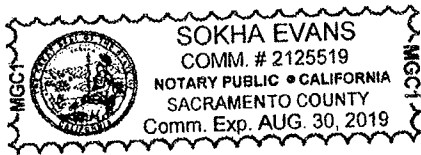
STATE OF CALIFORNIA

County of California }

On 2/2/16 before me, Sokha Evans, Notary Public,  
Date Insert Name of Notary exactly as it appears on the official seal

personally appeared Erin Johnson

Name(s) of Signer(s)



Place Notary Seal Above

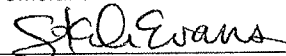
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature

Signature of Notary Public



## OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of the form to another document.

### Description of Attached Document

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

### Capacity(ies) Claimed by Signer(s)

Signer's Name: Erin Johnson

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER

Top of thumb here

Signer is Representing:  
Travelers Casualty and  
Surety Company of  
America

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER

Top of thumb here

Signer is Representing:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_





POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 228896

Certificate No. 006374342

KNOW ALL MEN BY THESE PRESENTS: That Farmington Casualty Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company are corporations duly organized under the laws of the State of Connecticut, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Sharon J. Rusconi, Sandra R. Black, Erin Johnson, and Sokha Evans

of the City of Concord, State of California, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 29th day of May, 2015.

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By: [Signature]
Robert L. Raney, Senior Vice President

On this the 29th day of May, 2015, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2016.



[Signature]
Marie C. Tetreault, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, which resolutions are now in full force and effect, reading as follows:

**RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

**FURTHER RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

**FURTHER RESOLVED**, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

**FURTHER RESOLVED**, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kevin E. Hughes, the undersigned, Assistant Secretary, of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 2nd day of February, 20 16

  
Kevin E. Hughes, Assistant Secretary



To verify the authenticity of this Power of Attorney, call 1-800-421-3880 or contact us at [www.travelersbond.com](http://www.travelersbond.com). Please refer to the Attorney-In-Fact number, the above-named individuals and the details of the bond to which the power is attached.

**1.6 EXPERIENCE QUALIFICATIONS**

The Bidder has been engaged in the contracting business, under the present business name for 11 years. Experience in work of a nature similar to that covered in the Bid extends over a period of 38 years.

The Bidder, as a contractor, has never failed to satisfactorily complete a contract awarded to it, except as follows:

N/A

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The following contracts have been satisfactorily completed in the last three years for the persons, firm or entity indicated:

Year	Owner	Type of Work	Contract Amount
2014	Redwood Valley Company Water District	Triple Completion MW	\$52,914.50
2014	Millview Water District	Single Completion MW	\$75,507.00
2015	City of Pittsburg	Triple Completion MW	\$48,401.50
2015	Santa Nella Investors	Single Completion MW	\$64,766.40
2014	Sacto Cty Water Agency	Single Completion MW	\$36,045.00
2014	City of Roseville	Single Completion MW	\$38,820.00

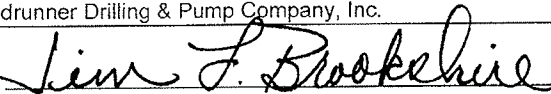
The following is a list of plant and equipment owned by the Bidder, which is definitely available for use on the proposed work as required.

Quantity	Name, Type, and Capacity	Condition	Location
1	Failing 1500 Mud Rotary Drill Rig	Good	Woodland, CA
1	Tulsa Iron Rig Shaker	Good	Woodland, CA
2	CAT 4300D Backhoe	Good	Woodland, CA
1	Isuzu 45KW Generator	Good	Woodland, CA
1	International Flatbed Truck	Good	Woodland, CA
2	Sterling Water Trk 4000 gal	Good	Woodland, CA
2	CAT Forklift RC80	Good	Woodland, CA
600'	4.5" x 20' Drill Pipe	Good	Woodland, CA

Executed on February 2, 2016, at 80 Bee Jay Way, Woodland, CA

BIDDER

Company Name: Roadrunner Drilling & Pump Company, Inc.

Authorized Signature: 

Printed Name: Jim L. Brookshire

Title: President

**1.7 NONCOLLUSION DECLARATION TO BE EXECUTED BY  
BIDDER AND SUBMITTED WITH BID (PUBLIC CONTRACT CODE SECTION 7106)**

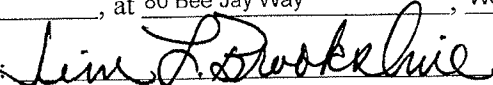
The undersigned declares:

I am the President (Title)  
of Roadrunner Drilling & Pump Company, Inc. (Bidder), the  
party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on February 2, 2016, at 80 Bee Jay Way, Woodland, CA.

Authorized Signature: 

Printed Name: Jim L. Brookshire

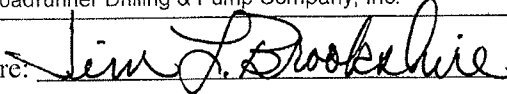
**1.8 ACKNOWLEDGMENT OF INSURANCE REQUIREMENTS**

By signing below Bidder acknowledges the insurance requirements as listed in the General Conditions, section 5.54 "Insurance". By this acknowledgment, the Bidder and its insurance provider(s) and surety(ies) certify that they have read and understand the insurance and bonding requirements in their entirety, including limits of coverage, additional insureds and endorsements, and bonding requirements, and that the Bidder can provide the insurance coverage and bonds as required in the Contract documents without exception.

Bidder understands that if the insurance coverage provided in section 5.54 of the General Conditions and the Contract Bonds cannot be provided, its bid is subject to rejection by the District as non-responsive.

BIDDER

Company Name: Roadrunner Drilling & Pump Company, Inc.

Authorized Signature: 

Printed Name: Jim L. Brookshire

Title: President

Date: February 2, 2016

INSURANCE PROVIDER/SURETY REPRESENTATIVE

Insurer/Surety Name: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Bidder Must Provide a Signed Acknowledgment for Each Insurer or Surety Providing Insurance Coverage or a Bond under this Contract**

**1.8 ACKNOWLEDGMENT OF INSURANCE REQUIREMENTS**

By signing below Bidder acknowledges the insurance requirements as listed in the General Conditions, section 5.54 "Insurance". By this acknowledgment, the Bidder and its insurance provider(s) and surety(ies) certify that they have read and understand the insurance and bonding requirements in their entirety, including limits of coverage, additional insureds and endorsements, and bonding requirements, and that the Bidder can provide the insurance coverage and bonds as required in the Contract documents without exception.

Bidder understands that if the insurance coverage provided in section 5.54 of the General Conditions and the Contract Bonds cannot be provided, its bid is subject to rejection by the District as non-responsive.

**BIDDER**

Company Name: Roadrunner Drilling & Pump Company, Inc.  
Authorized Signature: *Jim L. Brookshire*  
Printed Name: Jim L. Brookshire  
Title: President  
Date: February 2, 2016

**INSURANCE PROVIDER/SURETY REPRESENTATIVE**

Insurer/Surety Name: Travelers Casualty and Surety Company of America  
Authorized Signature: *Erin Johnson*  
Printed Name: Erin Johnson  
Title: Attorney-in-Fact  
Date: February 2, 2016

**Bidder Must Provide a Signed Acknowledgment for Each Insurer or Surety Providing Insurance Coverage or a Bond under this Contract**

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

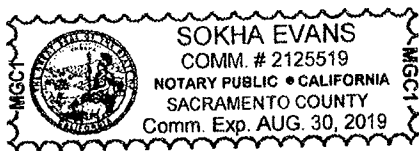
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

County of California }

On 2/2/10 before me, Sokha Evans, Notary Public,  
Date Insert Name of Notary exactly as it appears on the official seal

personally appeared Erin Johnson  
Name(s) of Signer(s)



Place Notary Seal Above

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature Sokha Evans  
Signature of Notary Public

## OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of the form to another document.

### Description of Attached Document

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

### Capacity(ies) Claimed by Signer(s)

Signer's Name: Erin Johnson

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER

Top of thumb here

Signer is Representing:  
Travelers Casualty and  
Surety Company of  
America

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER

Top of thumb here

Signer is Representing:  
\_\_\_\_\_  
\_\_\_\_\_



1.8 ACKNOWLEDGMENT OF INSURANCE REQUIREMENTS

By signing below Bidder acknowledges the insurance requirements as listed in the General Conditions, section 5.54 "Insurance". By this acknowledgment, the Bidder and its insurance provider(s) and surety(ies) certify that they have read and understand the insurance and bonding requirements in their entirety, including limits of coverage, additional insureds and endorsements, and bonding requirements, and that the Bidder can provide the insurance coverage and bonds as required in the Contract documents without exception.

Bidder understands that if the insurance coverage provided in section 5.54 of the General Conditions and the Contract Bonds cannot be provided, its bid is subject to rejection by the District as non-responsive.

BIDDER

Company Name: Roadrunner Drilling & Pump Company, Inc.

Authorized Signature: *Jim L. Brookshire*

Printed Name: Jim L. Brookshire

Title: President

Date: February 2, 2016

INSURANCE PROVIDER/SURETY REPRESENTATIVE

Insurer/Surety Name: United Fire Group / Travelers Indemnity

Authorized Signature: *[Signature]*

Printed Name: Greg Monroe

Title: Agent # 0159262

Date: 2/2/16

**Bidder Must Provide a Signed Acknowledgment for Each Insurer or Surety Providing Insurance Coverage or a Bond under this Contract**



# *AEROJET UPDATE*

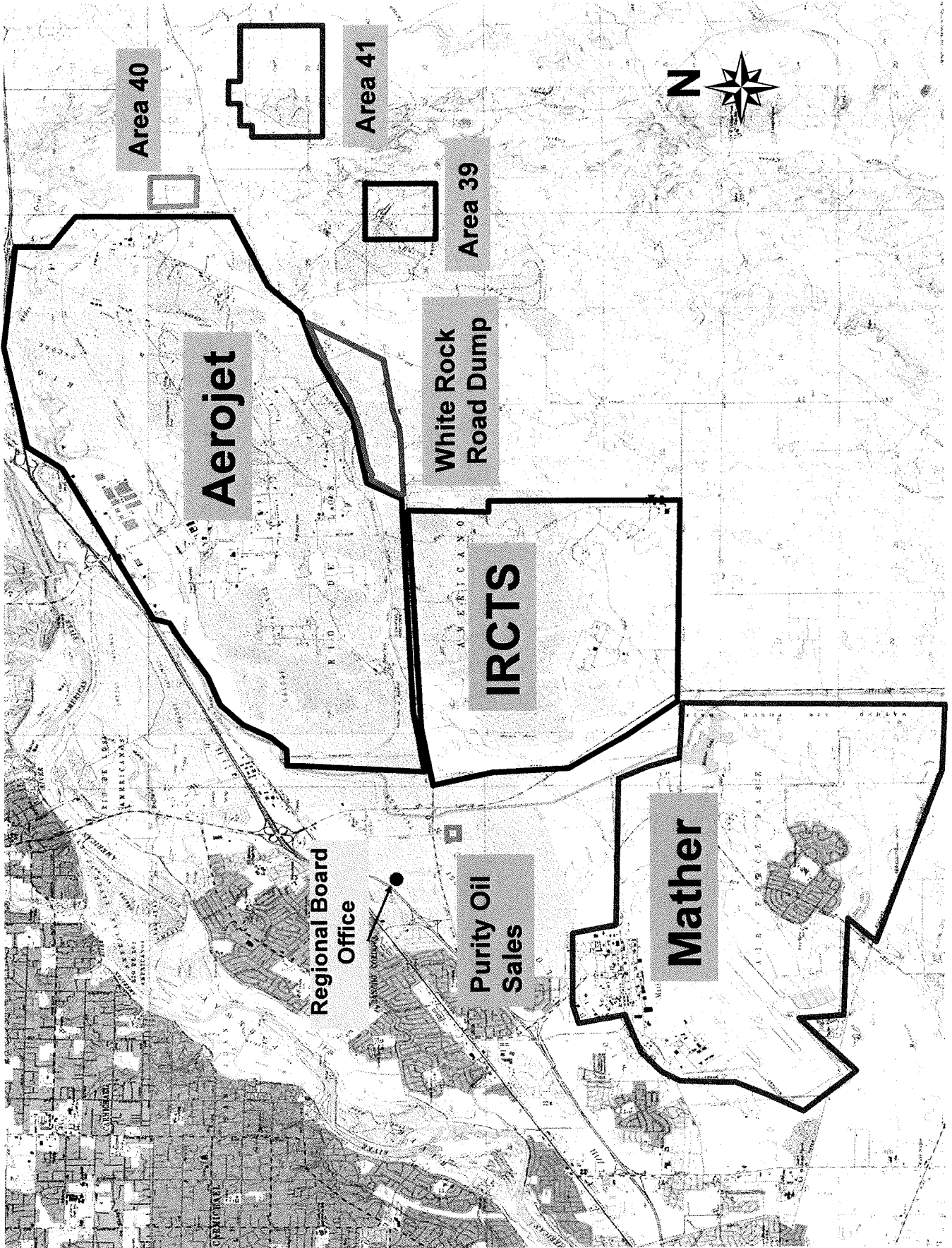
March 2016

Alexander MacDonald

916-464-4625

[amacdonald@waterboards.ca.gov](mailto:amacdonald@waterboards.ca.gov)

v



Area 40

Area 41

Area 39

Aerojet

White Rock Road Dump

IRCTS

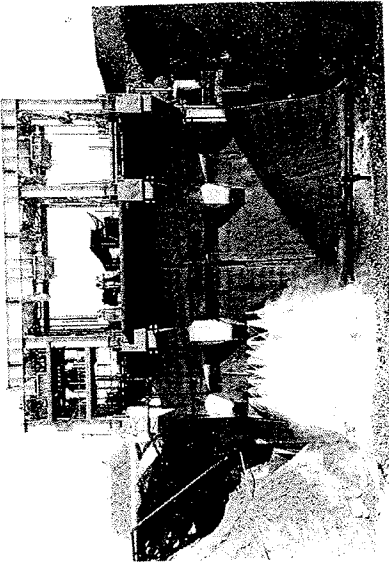
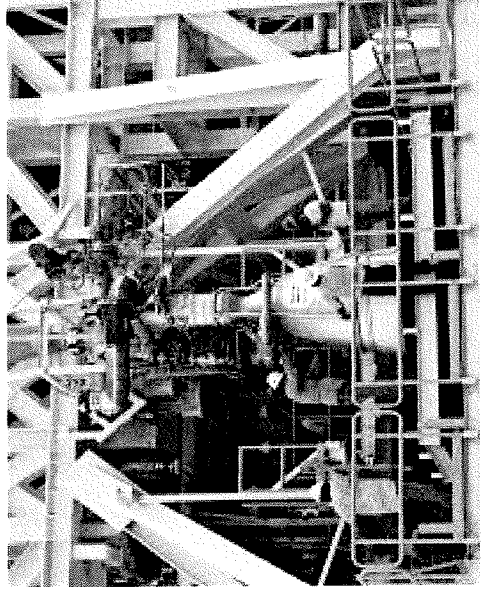
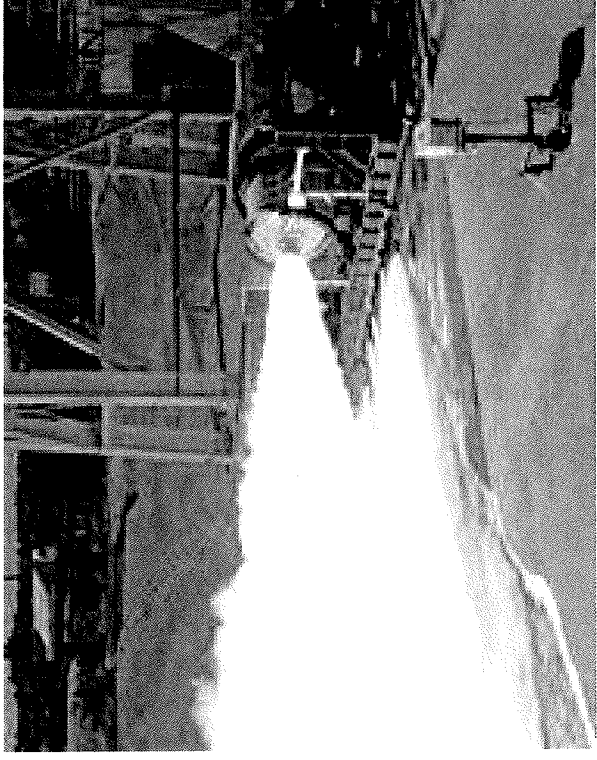
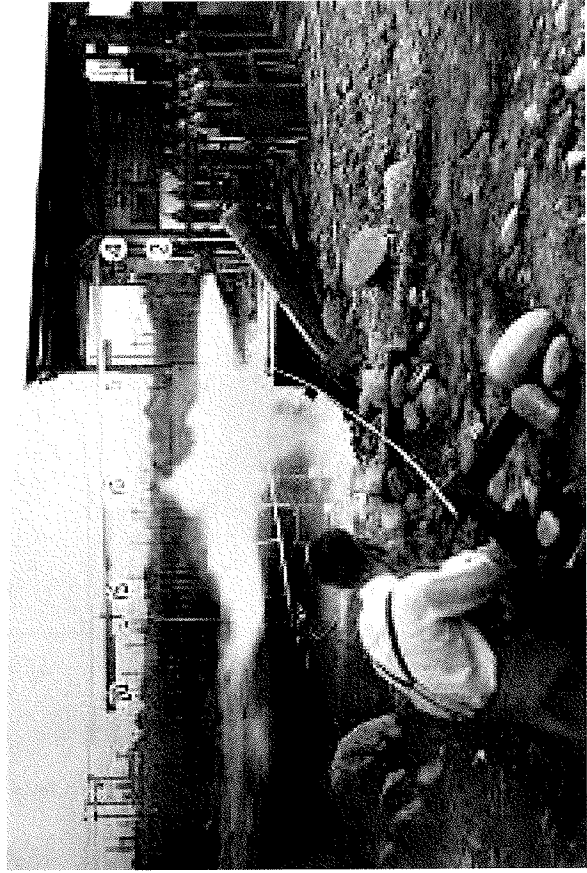
Mather

Purity Oil Sales

Regional Board Office



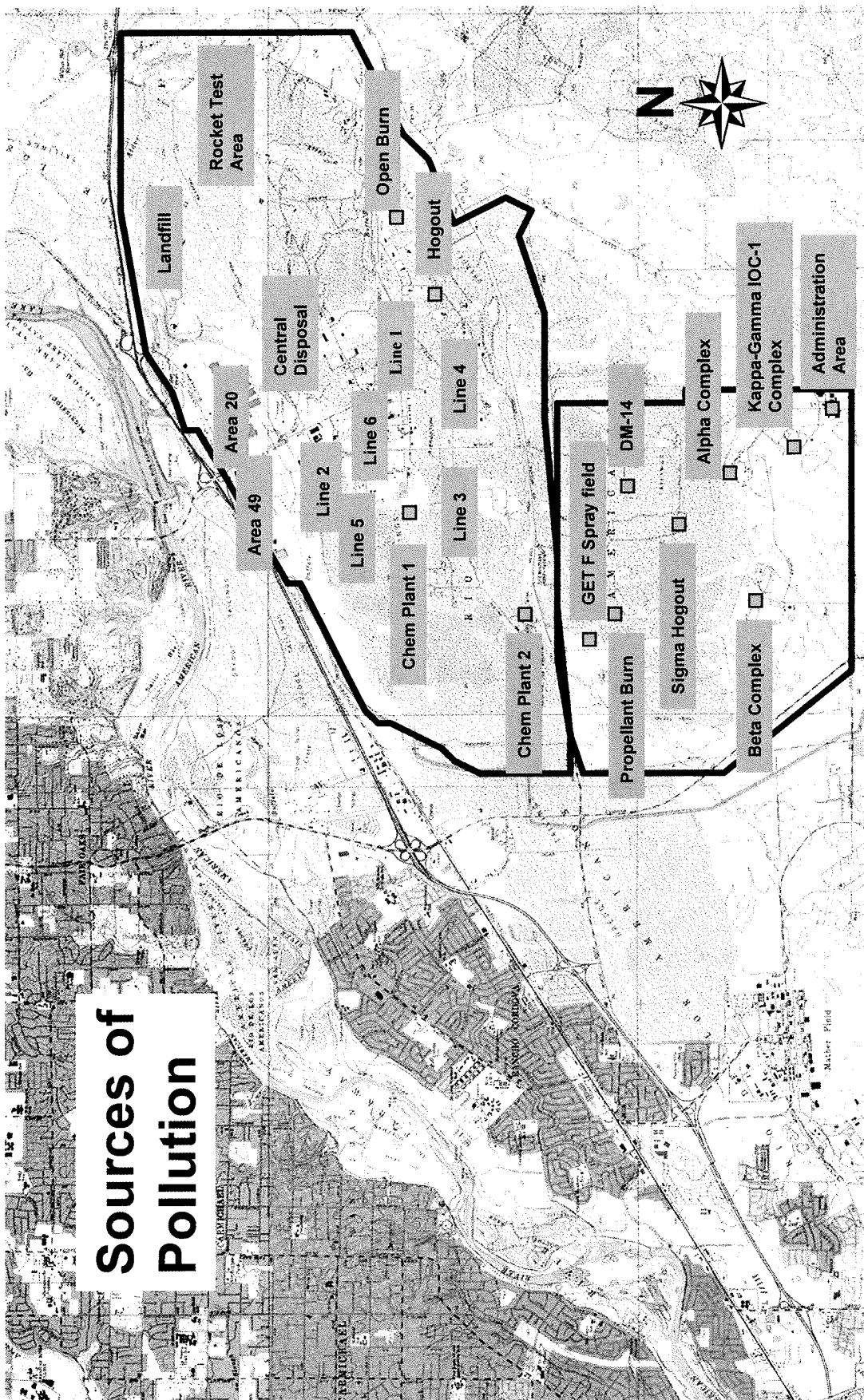
# Rocket Testing



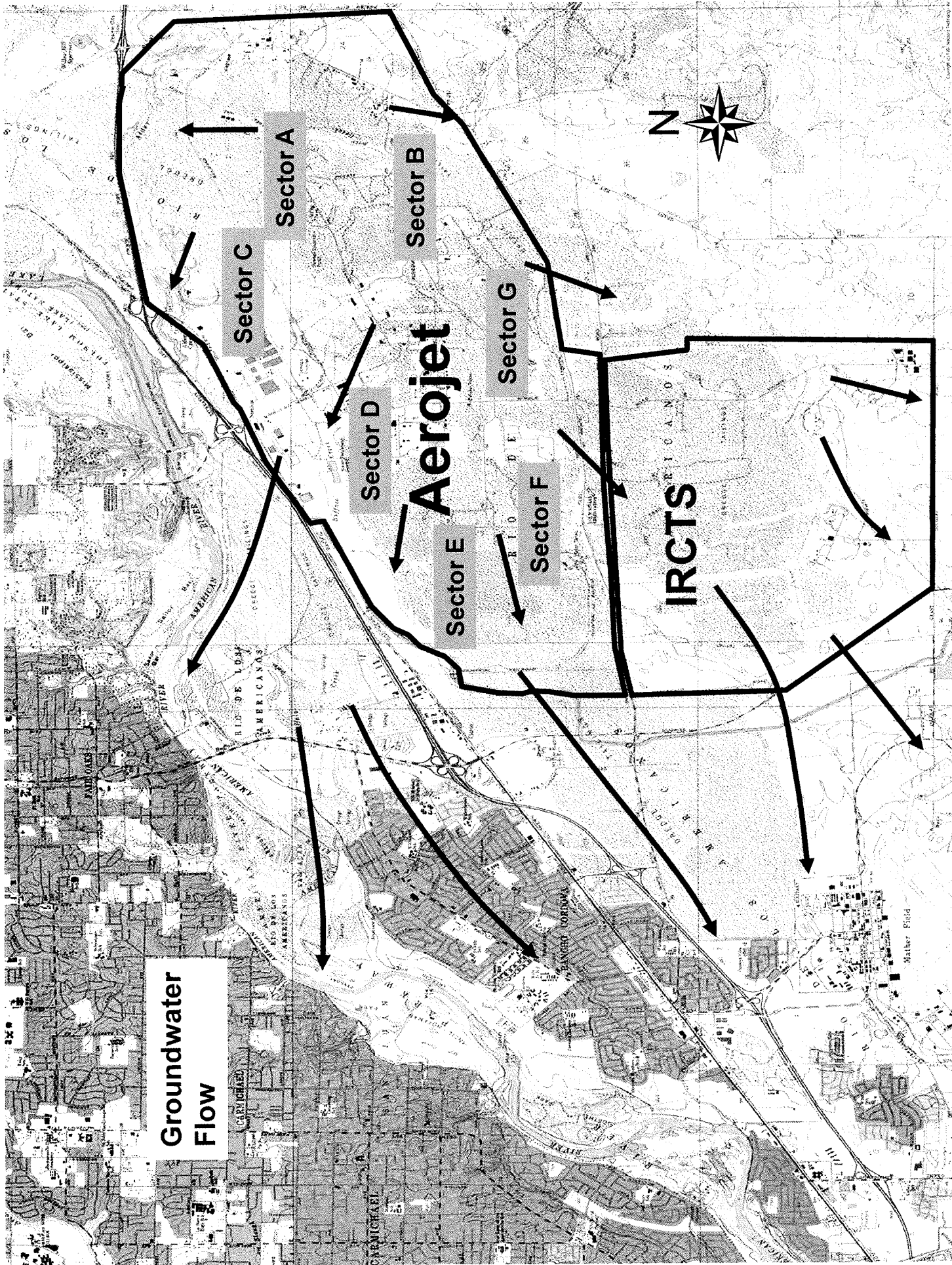
## *Contaminants of Concern*

- Solvents - TCE, PCE, Freon, Chloroform – level of concern low ppb
- Perchlorate – component of solid rocket propellant - level of concern low ppb
- NDMA – associated with liquid rocket fuel - level of concern low ppt
- Fuels – hydrazine-based, kerosene

# Sources of Pollution







**Groundwater  
Flow**

**Sector A**

**Sector B**

**Sector C**

**Sector D**

**Aerojet**

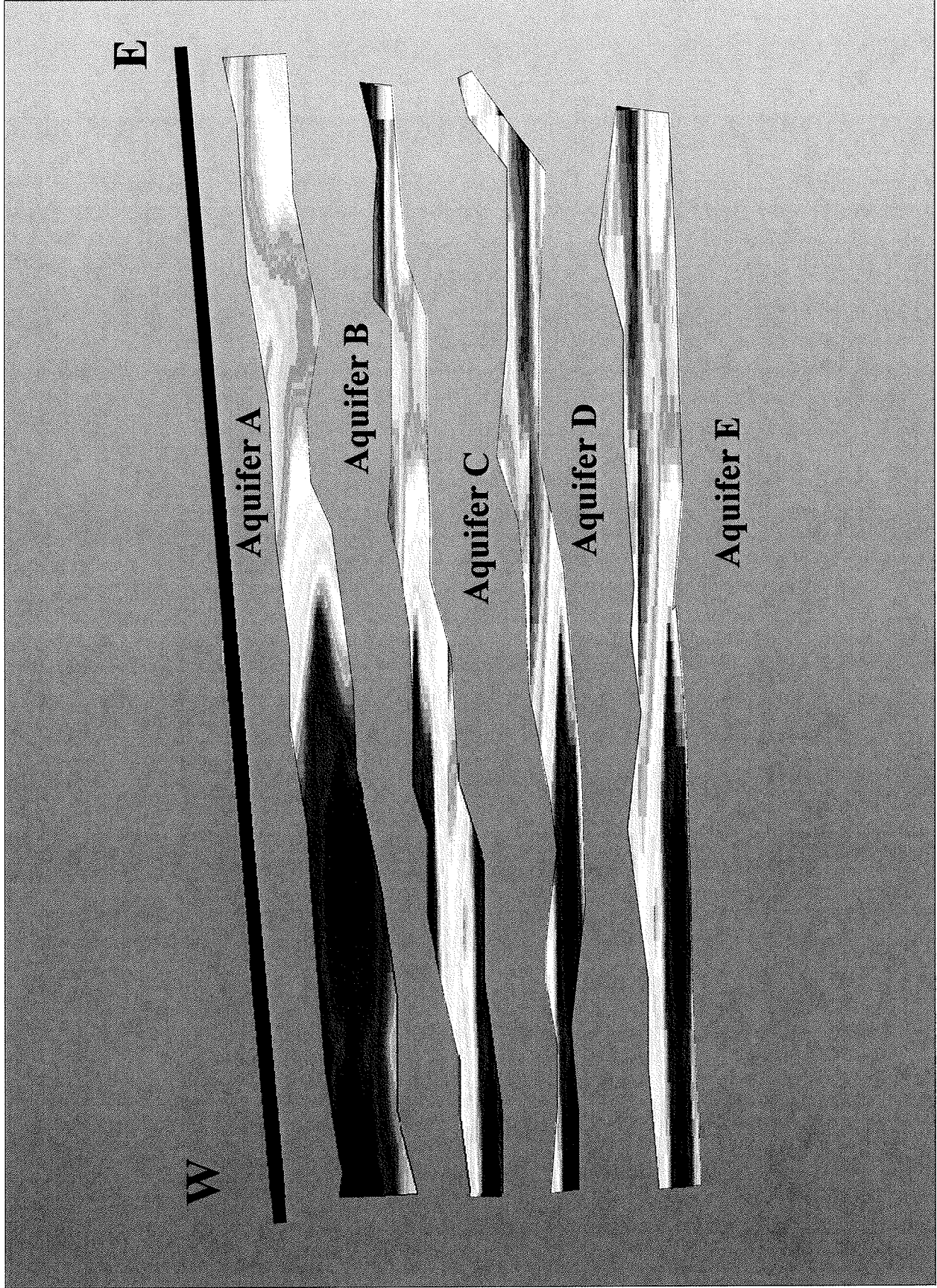
**Sector G**

**Sector E**

**Sector F**

**IRCTS**







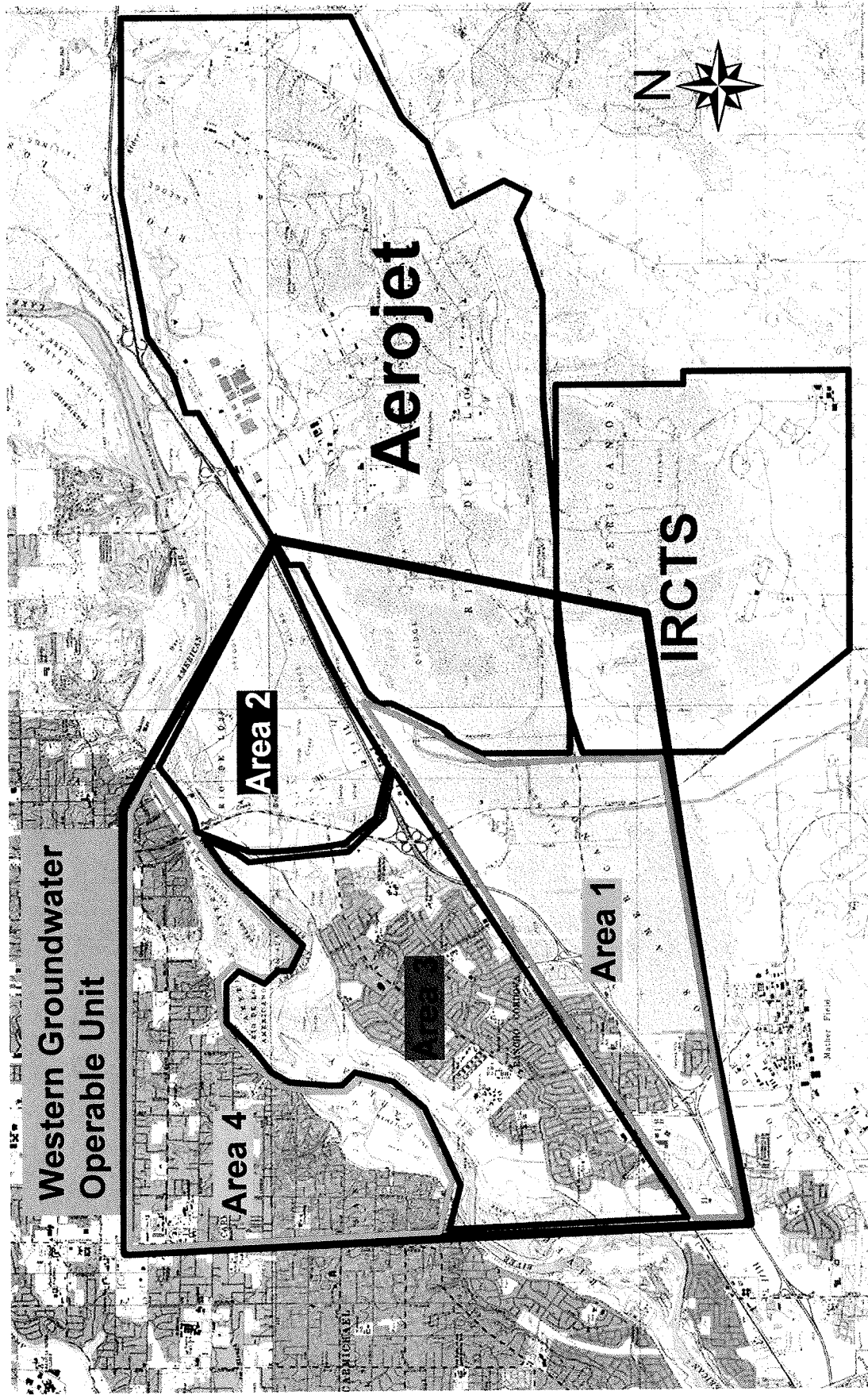
## *General Timeline*

- 1950 – Aerojet comes to Rancho Cordova to Build and Test Rockets
- 1979 – Regional Board Issues Cleanup and Abatement Order
- 1982 – Aerojet Placed on First Superfund List
- 1989 – Partial Consent Decree Signed
- 1994 – USEPA Issues Provisional Reference Dose for Perchlorate

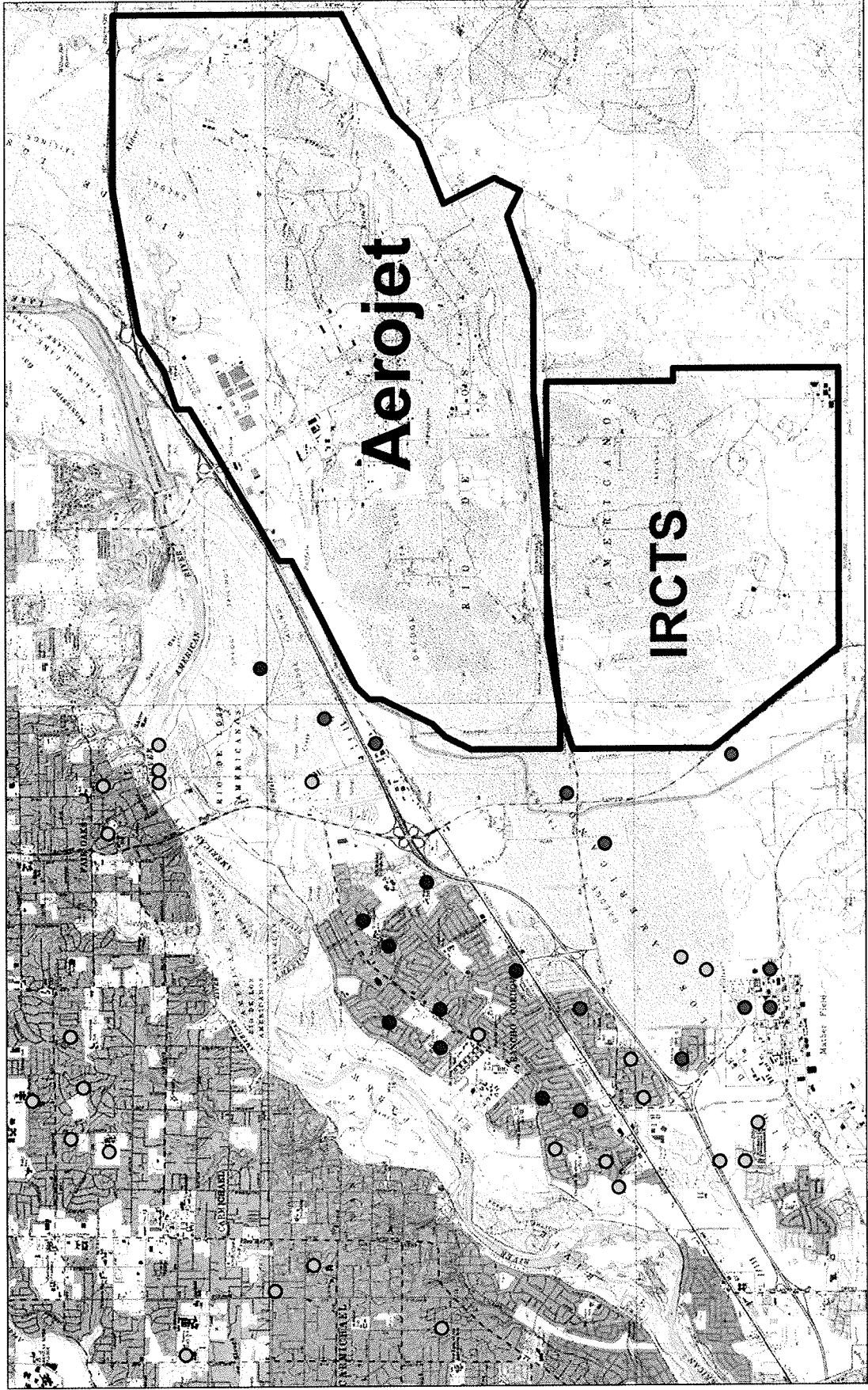
## *General Timeline*

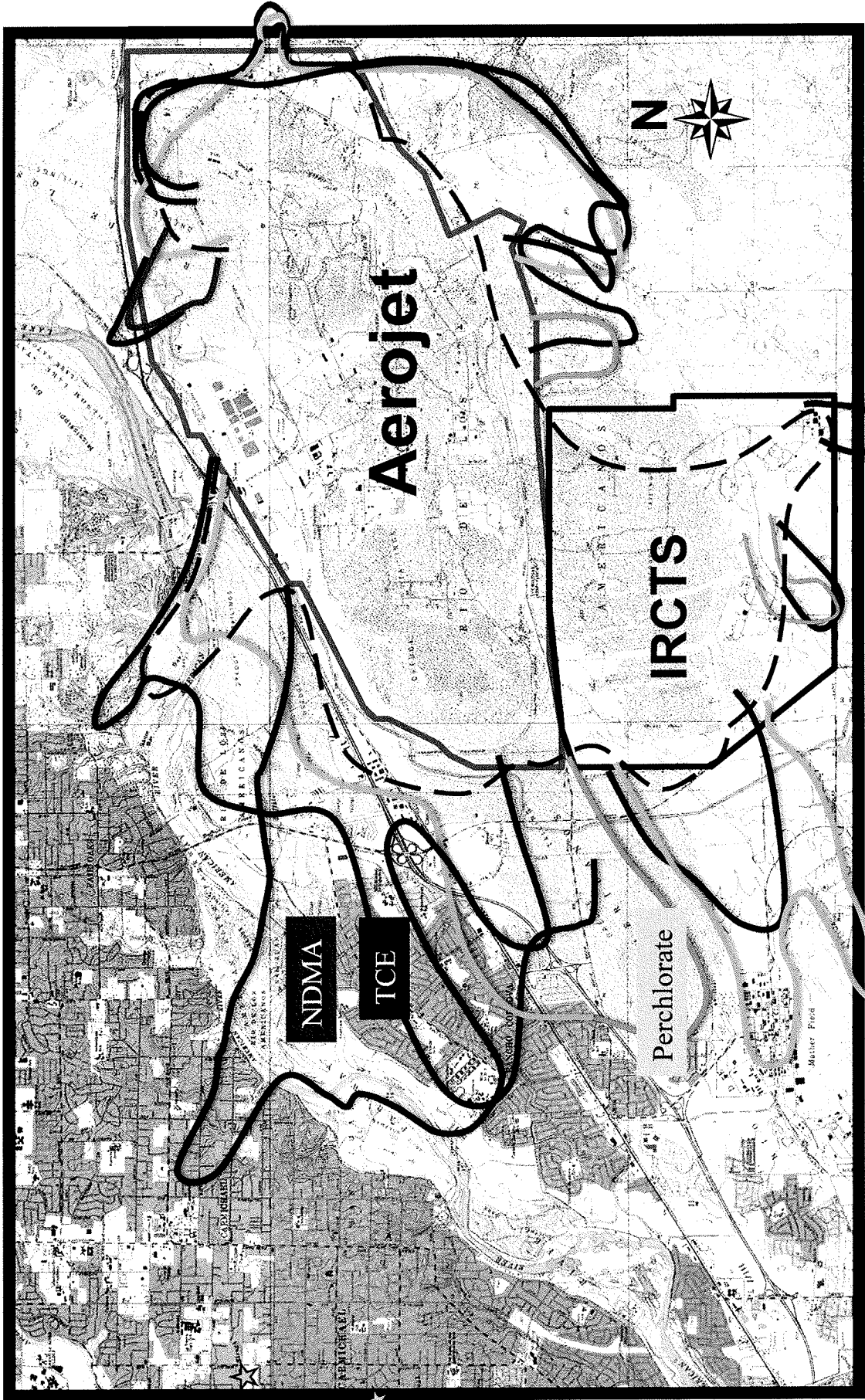
- 1996 Regional Board Request Aerojet to Create Operable Unit and Investigate Extent of Pollution to the West
- 2001 – Record of Decision for Western Groundwater Operable Unit
- 2002-2011 - Construct Six Treatment Systems in Western Groundwater
- 2011 USEPA Issues Operational and Functional Designation for Treatment Systems

# Western Groundwater Operable Unit ROD 2001



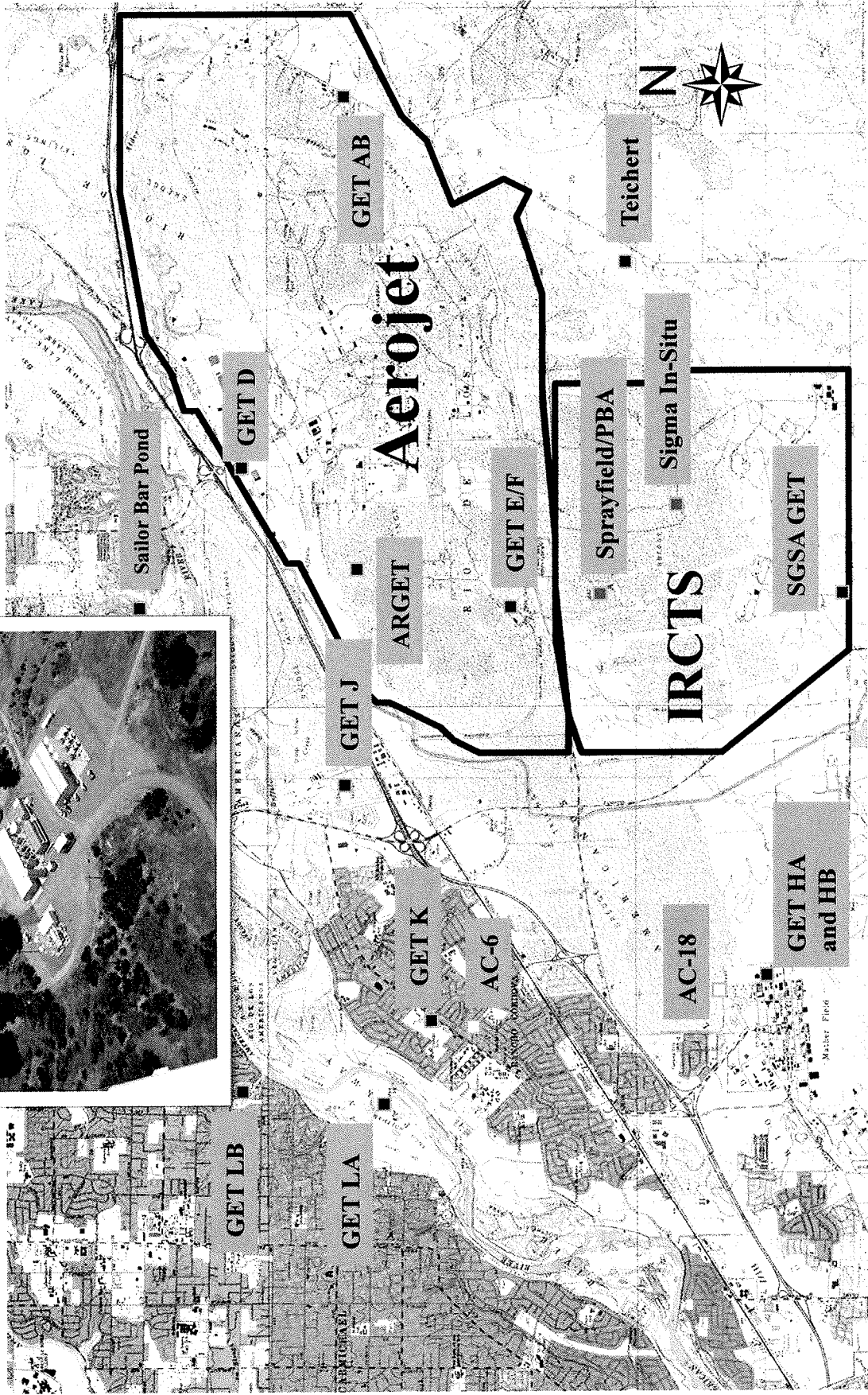
Public Water Supply Wells in the Vicinity of Aerojet

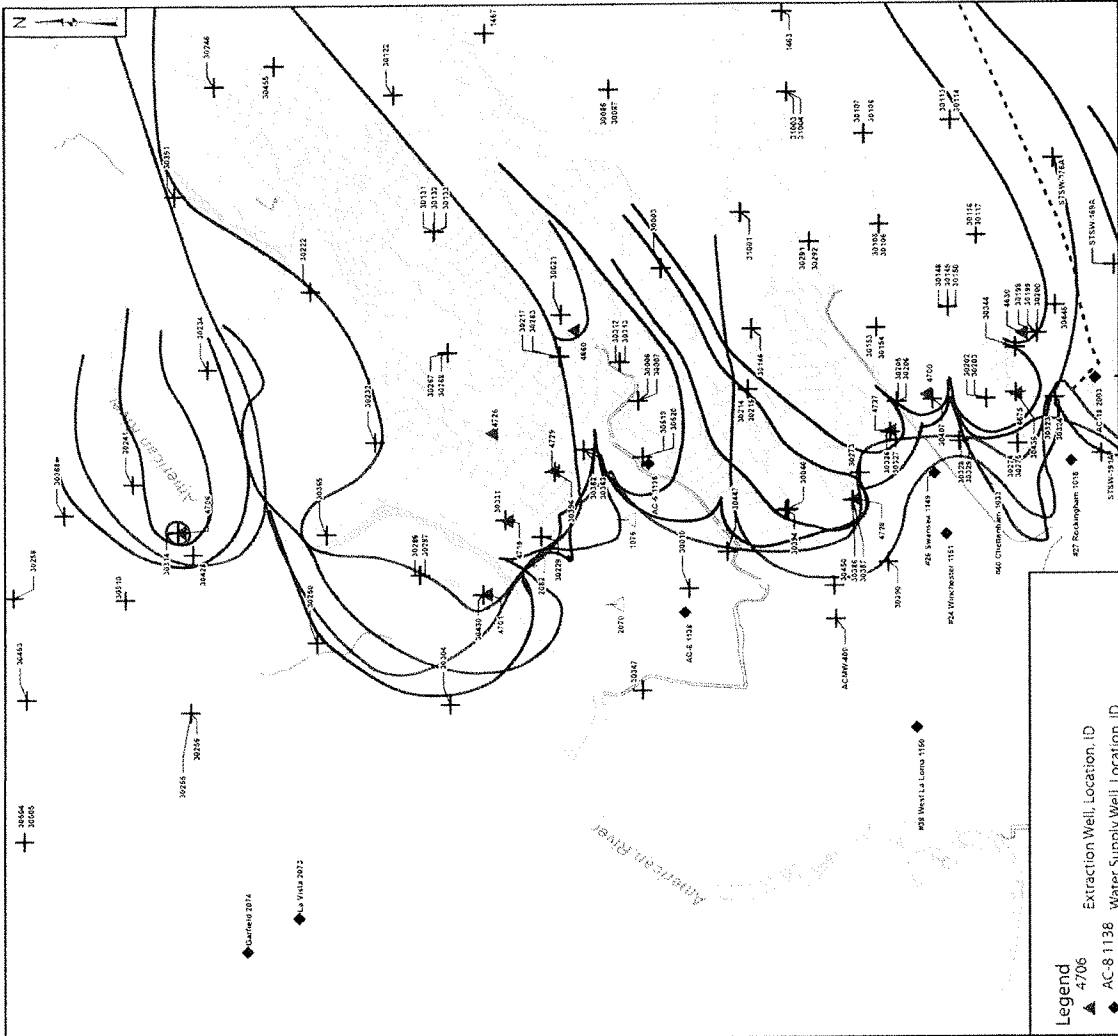






# Aerojet Treatment Systems





**Legend**

- ▲ 4706 Extraction Well, Location, ID
- ◆ AC-8 1138 Water Supply Well, Location, ID
- ▽ 1033 Inactive Water Supply Well, ID
- ▲ 2070 Irrigation Well, Location, ID
- + 30010 Monitoring Well, Location, ID
- Linear-Kriging Capture Zone Boundary
- Linear-Log Kriging Capture Zone Boundary
- Modeled Capture Zone Boundary
- Target Capture Zone Boundary, dashed where not certain
- Target Capture Zone
- IRCTS Target Capture Zone

**Notes**  
IRCTS = Inactive Rancho Cordova Test Site

**Scale:** 3,000 1,500 0 3,000 Feet

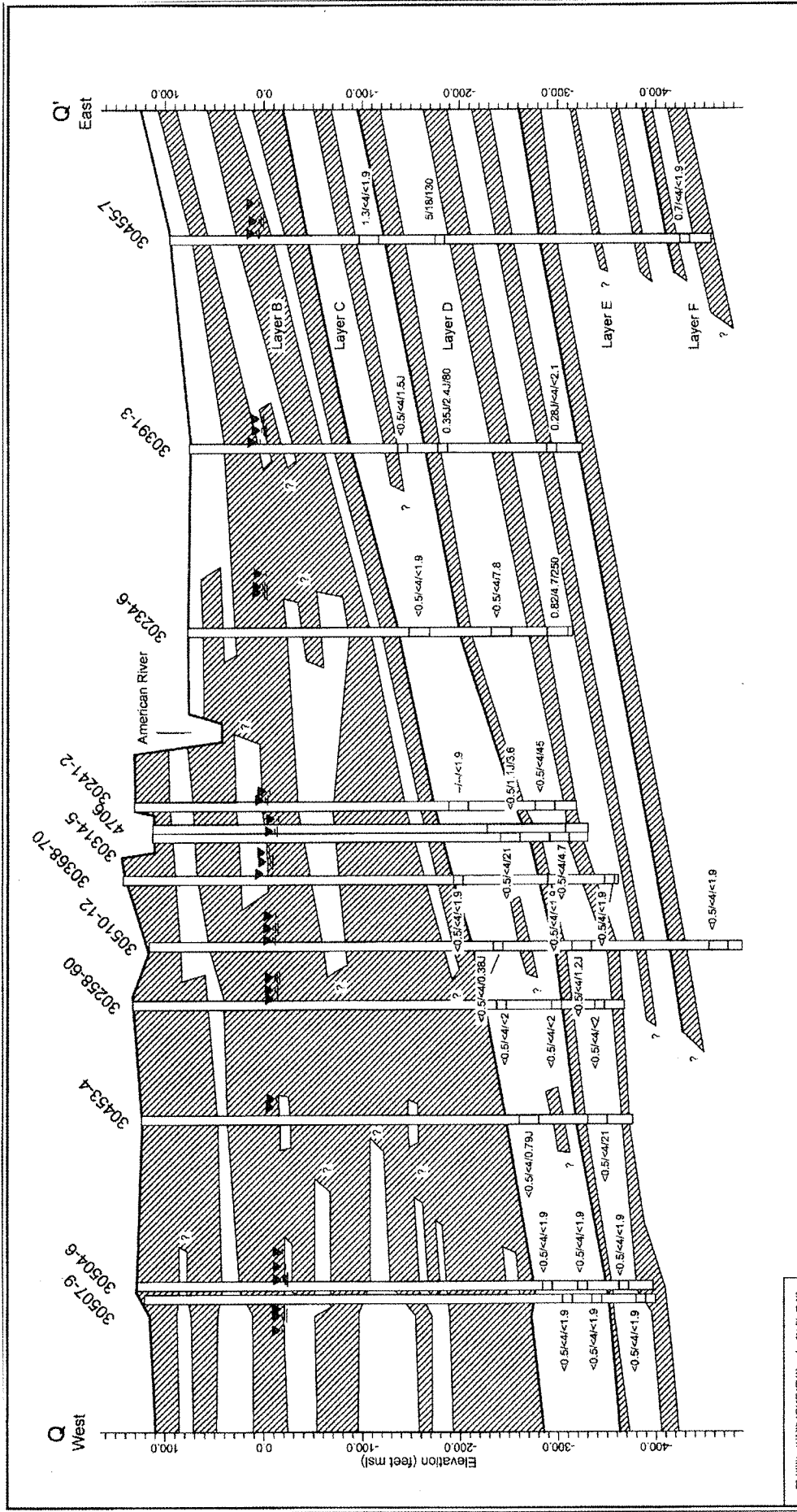
**Layer C, Comparison of Capture Zones, Outer Barrier, October 2015**

Western Groundwater Operable Unit - Outer Barrier Performance Evaluation Report  
Aerojet Superfund Site, Rancho Cordova, California

**Geosyntec consultants**  
**AEROJET ROCKETDYNE**  
The Rocket Company  
**CVEI**  
CENTRAL VALLEY ENVIRONMENTAL, INC.

Project No.: SAC160 February 2016

Figure 5-3



**Title:** Hydrostratigraphic Cross-Section Q-Q'

**Location:** Western Groundwater Operable Unit (OU-3)  
Aerojet Superfund Site

**Geosyntec**  
consultants  
**CVEI**  
CENTRAL VALLEY ENVIRONMENTAL, INC.

**AEROJET**  
**ROCKETDINE**  
The Rocket Company

Drafted	MHS	Figure:
Checked	TCL	2-3
Date	12/28/15	

**Legend:**

- Hydrostratigraphic Layer boundary, dashed where uncertain, queried where unknown
- Geologic contact, dashed where uncertain, queried where unknown
- Relatively higher permeability sediments: gravel, sand, silty sand
- Relatively lower permeability sediments: silts and clays

**Well Log Symbols:**

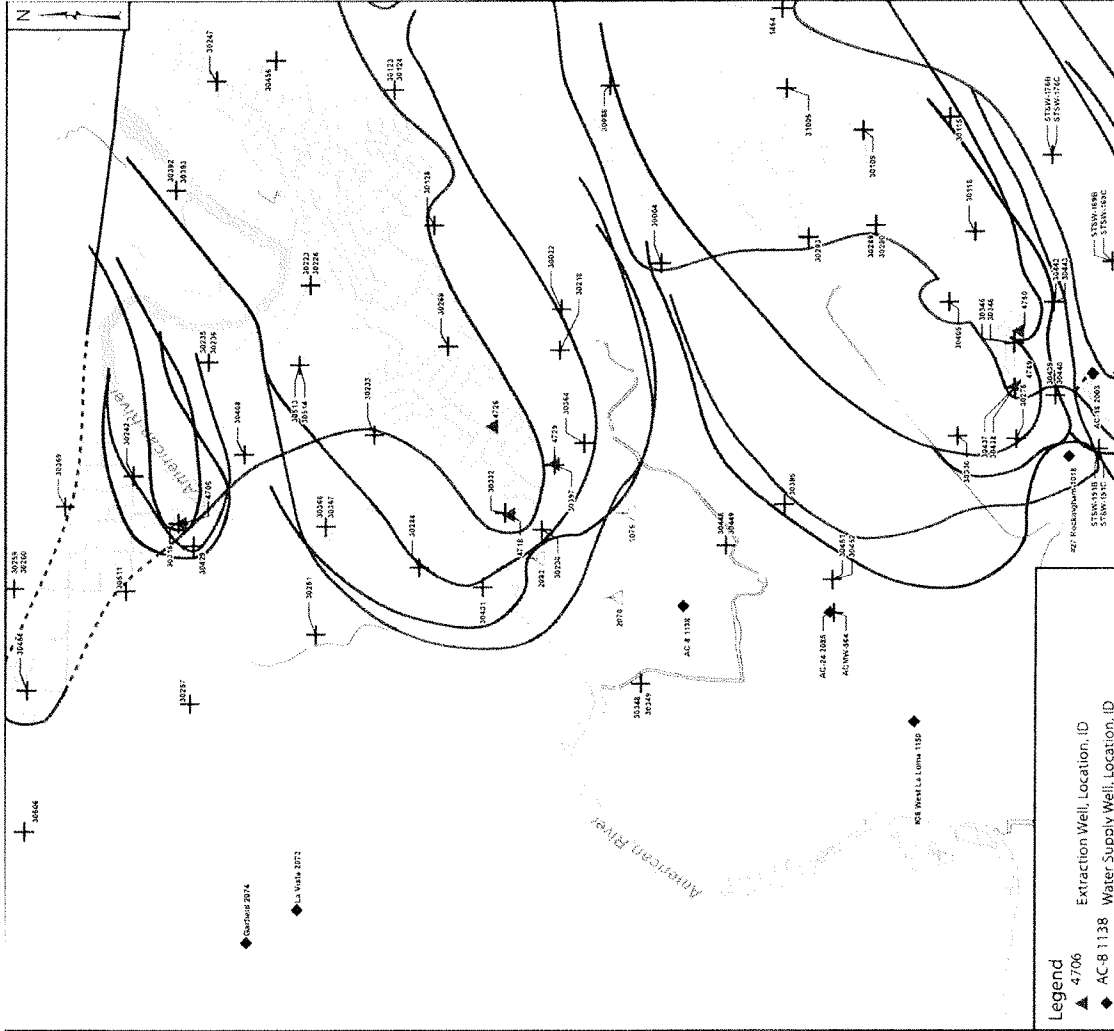
- Water level, October 2015. Number of lbs. indicates screened interval.
- Trichloroethene (ug/L)
- Pesticides (ug/L)
- N-Nitrosodimethylamine (ng/L)
- <0.5ug/L <0.0019
- Most recent result 2010 - 2015
- "-": Not sampled
- "J": Estimated result between MDL and PQL

**Scale:**

- Vertical Scale: 1" = 100'
- Horizontal Scale: 1" = 1,600'
- Vertical Exaggeration: 16x



**Inset Map:** Shows the location of the site within the Central Valley region, highlighting the American River and the site boundary.





**Layer D, Comparison of Capture Zones, Outer-Barrier, October 2015**

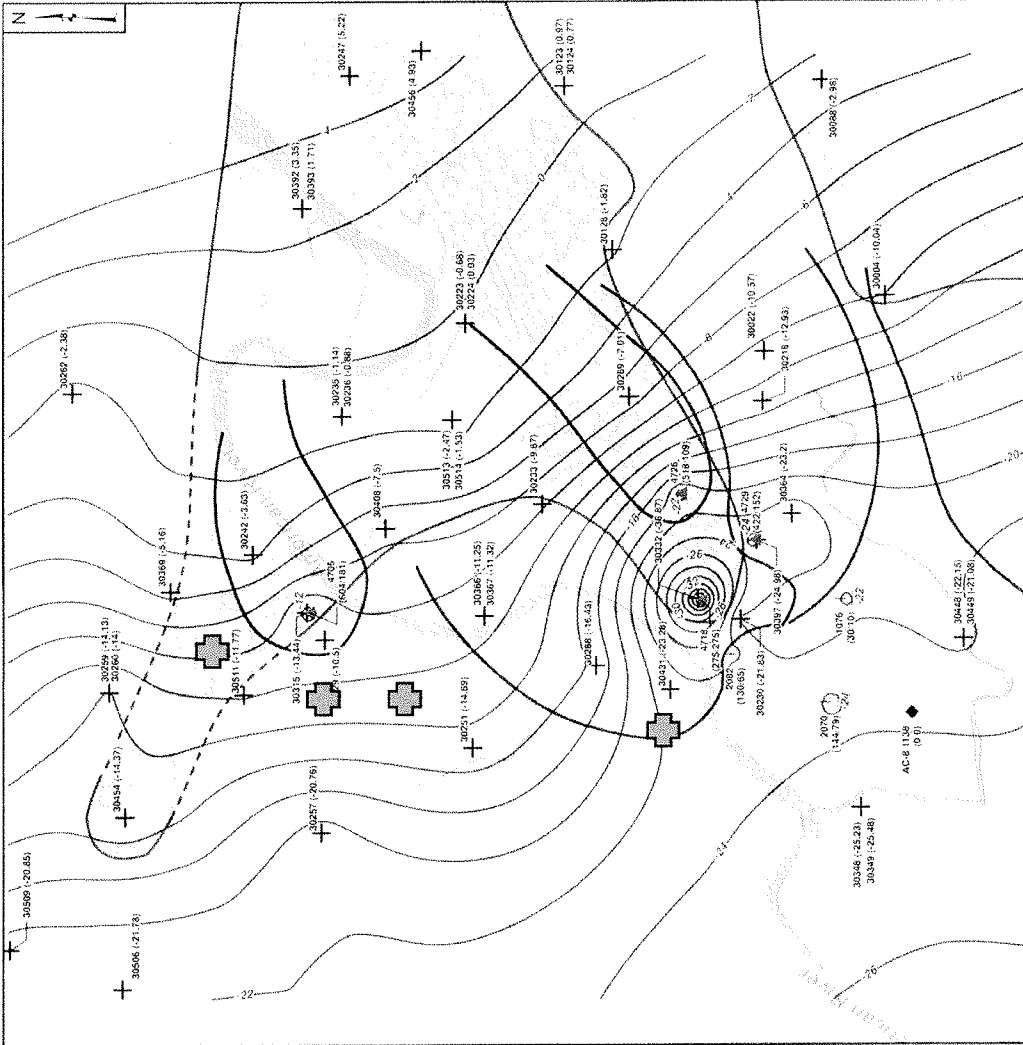
Western Groundwater-Operable Unit - Outer Barrier Performance Evaluation Report  
 Aerojet Superfund Site, Rancho Cordova, California



  
 The Rocket Company  
**CVEI**  
 CENTRAL VALLEY ENVIRONMENTAL, INC.

Project No.: SAC160 February 2016

Figure 5-6

- Legend**
- ▲ 4706 Extraction Well, Location, ID
  - ◆ AC-8 1138 Water Supply Well, Location, ID
  - ◇ 1633 Inactive Water Supply Well, ID
  - △ 2070 Irrigation Well, Location, ID
  - + 30010 Monitoring Well, Location, ID
  - Linear Kriging Capture Zone Boundary
  - Linear-Log Kriging Capture Zone Boundary
  - Modified Capture Zone Boundary
  - Target Capture Zone Boundary, dashed where not certain
  - Target Capture Zone
  - IRCTS Target Capture Zone
- NOTES**
- IRCTS = Inactive Rancho Cordova Test Site



**Legend**

- ▲ 4706 Extraction Well, Location, ID and Extraction Rate Total/Layer (gpm) (600/324)
- ◆ AC-8 1138 Water Supply Well, Location, ID and Extraction Rate Total/Layer (gpm) (0/0)
- 1033 Inactive Water Supply Well, ID
- ⊥ 2070 Irrigation Well, Location, ID and Extraction Rate Total/Layer (gpm) (144/60)
- ⊕ 30010 Monitoring Well, Location, ID and Water Level (ft msl) (-26.06)
- GET Well Capture Zone Boundary
- - - Target Capture Zone Boundary, dashed where not certain
- Inferred line of equal groundwater elevation (ft msl)
- Target Capture Zone

**Notes**  
Pumping rates are presented in gallons per minute (gpm) ft msl = feet mean sea level

**Scale**  
2.500 Feet

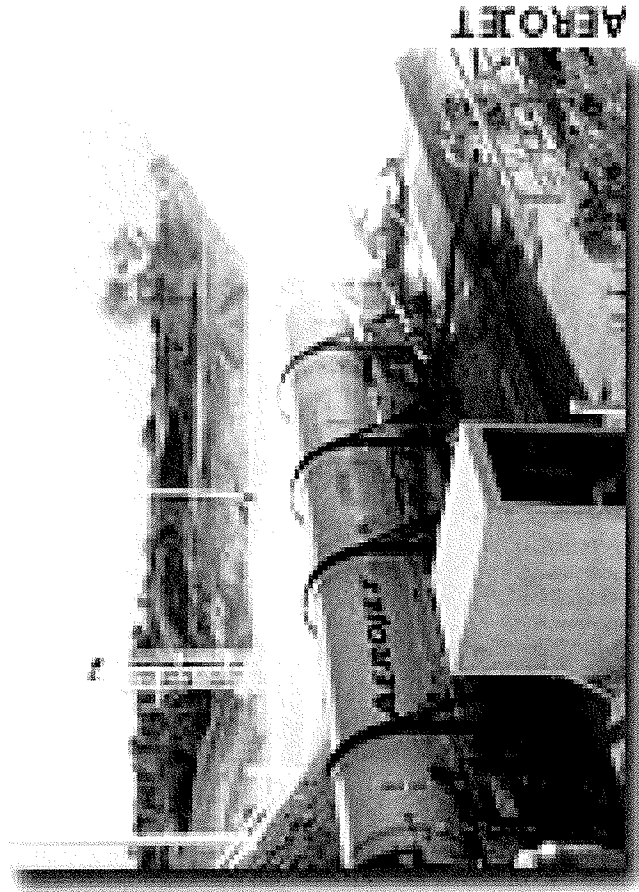
**Title**  
Layer D, GET K and LA/LB Areas, Linear-Log Kriging with Estimated Capture Zones, October 2015  
Western Groundwater Operable Unit - Outer Barrier Performance Evaluation Report  
Aerojet Superfund Site, Rancho Cordova, California

**Logos**  
Geosyntec  
CORPORATION  
**AEROJET ROCKETDYNE**  
Aerojet Environmental, Inc.  
CVEI  
CENTRAL VALLEY ENVIRONMENTAL, INC.

**Project Info**  
Project No.: SAC160  
February 2016

**Figure**  
3-36

# QUESTIONS?





## Agenda Item: 9

**Date:** March 2, 2016

**Subject:** Facility Development Charges

**Staff Contact:** Daniel A. Bills, Finance Director

**Recommended Board Action:**

Accept the update on Facility Development Charges (FDCs) from the District’s consultant, HDR Engineering, Inc. (HDR), provided as Exhibit 1.

Adopt the proposed 2016/17 FDCs as determined pursuant to the results of HDR’s update by amending Regulation No. 7, part H.5 of the Regulations Governing Water Services as shown in Exhibit 2, effective April 1, 2016.

**Discussion:**

The District updates its FDC charges annually on April 1 in accordance with Regulation 7, Part H.5, to reflect cost changes in materials, labor or real property applied to projects or project capacity.

The primary purpose for FDC charges is to recoup from new customers the capital outlay necessary to buy-in to the District’s existing system capacity at an equitable cost with current customers. Based on HDR’s update (see Table 2, page 3), it has been determined that the net cost of the existing system infrastructure assets have increased in value over the prior year. Therefore, the proposed 2016/17 FDC charges for new development are as follows:

Meter Size	2015/16 Facilities Development Charge	Proposed 2016/17 Facilities Development Charge	Change
5/8"	\$3,130.00	\$3,168.00	\$38.00
3/4"	\$4,672.00	\$4,728.00	\$56.00
1"	\$7,802.00	\$7,896.00	\$94.00
1 ½"	\$15,558.00	\$15,745.00	\$187.00
2"	\$24,902.00	\$25,202.00	\$300.00
3"	\$46,720.00	\$47,282.00	\$562.00

Facility Development Charges

March 2, 2016

Page 2 of 2

4"	\$77,882.00	\$78,820.00	\$938.00
6"	\$155,718.00	\$157,592.00	\$1,874.00
8"	\$249,158.00	\$252,157.00	\$2,999.00
10"	\$358,202.00	\$362,514.00	\$4,312.00
12"	\$525,600.00	\$531,927.00	\$6,327.00

**Fiscal Impact:**

Increases in FDCs will potentially increase District revenue. However, as the District is substantially built-out, increases are expected to be minimal. In 2015 and 2014, FDC revenue totaled \$542,558 and \$560,784, respectively.

**Strategic Plan Alignment:**

Finance – 4.B. Provide rates and connection fees that are fair, simple to understand, logical and meet the revenue requirements, including bond rate covenants, of the District.



February 18, 2016

Mr. Dan Bills  
Finance Director  
Sacramento Suburban Water District  
3701 Marconi Avenue, Suite 100  
Sacramento, California 95821-5346

**Subject: Update Water Facility Development Charges with ENR**

Dear Mr. Bills:

Please find attached an update to the water facility development charges (FDCs) for Sacramento Suburban Water District (District). The objective of the update was to adjust the current charge as of June 2015, as shown in Regulation 7 to reflect cost changes in materials, labor or real property applied to projects or project capacity by applying a specific index to the current charges. This is neither an update nor a change to the current FDC methodology.

The District currently has in place Regulation 7 which requires the annual calculation of the FDCs. Specifically, Regulation 7 requires the following:

*“Each year the Facilities Development Charges will be adjusted to reflect cost changes in materials, labor or real property applied to projects or project capacity. This adjustment in cost is not considered a change in the Facilities Development Charge methodology. The cost adjustment shall be the application of one or more specific cost indexes or other periodic data sources. A specific cost index or periodic data source must be:*

- 1. A relevant measure of the average change in prices or cost over an identified time period for materials, labor, real property or a combination of the three;*
- 2. Published by a recognized organization or agency that produces the index or data source for reasons that are independent of the Facilities Development Charges methodology;*
- 3. Publicly-available and generally recognized in the utility industry as an authoritative resource for calculating periodic cost adjustments; and*
- 4. Shall be adopted from time to time by Resolution of the Board*

*The effective date of the recalculated Facilities Development Charges will be April 1<sup>st</sup>. A comprehensive review and update of Facility Development Charge methodology shall occur at least every five years.”*

The specific cost index used to update the fee was the Engineering News Record, Construction Cost Index for the 20 City. This index is an industry recognized index and is the same index

which is used within the District’s full FDC methodology and is reflective of the costs associated with the construction of infrastructure (i.e. water plant assets).

The District’s current June 2015 water facility development charges are shown below in Table 1. The current FDCs final index was the January 2015 index.

<b>Table 1</b>	
<b>Present 2014/2015 Water Facility Development Charge<sup>[1]</sup></b>	
<b>Meter Size</b>	<b>Facility Development Charge</b>
5/8"	\$3,130
3/4"	4,672
1"	7,802
1-1/2"	15,558
2"	24,902
3"	46,720
4"	77,882
6"	155,718
8"	249,158
10"	358,202
12"	525,600

[1] – District Facility development charges effective June 15, 2015, as required by Regulation 7.

The District’s current June 2015 water facility development charges were applied the most available ENR 20 City index which is November 2015. The updated calculation indicated the need for an adjustment of a 1.2% increase from the 2015 charges. The rate index was calculated as follows:

January 2015 ENR 20 City	9,971.96
November 2015 ENR 20 City	<u>10,092.00</u>
Index Difference	120.04
Rate Index Adjustment (120.04/9,971.96)	1.2%

Table 2 shows the water facility development charge adjusted by 1.2%. This reflects the change from the January 2015 to November 2015 change in cost index.



**Table 2  
Proposed 2015/2016 Water Facility Development Charge<sup>[1]</sup>**

Meter Size	Facility Development Charge
5/8"	\$3,168
3/4"	4,728
1"	7,896
1-1/2"	15,745
2"	25,202
3"	47,282
4"	78,820
6"	157,592
8"	252,157
10"	362,514
12"	531,927

*[1] – District Facility development charges adjusted to reflect November 2015 ENR, as required by Regulation 7.*

The water facility development charge developed and presented in this letter will provide cost-based charges for new customers connecting to the District’s water system. This adjustment is within the District’s Regulation which contains provision for periodic (annual) adjustments to the facility development charges using an appropriate cost index. The District should update the actual calculations for the facility development charges based on the methodology as approved by the resolution or ordinance setting forth the methodology for facility development charges at such time when a new capital improvement plan, public facilities plan, master plan or a comparable plan is approved or updated by the District.

We appreciate the assistance provided by the District staff and management in the development of this update.

Sincerely yours,  
HDR Engineering, Inc.



Tom Gould  
Vice President  
HDR’s Business Leader for  
Finance and Rates



**Table 1****SSWD - Water Facilities Development Charge**

ENR Construction Cost Index, 20-City Index	January 2015	(1)	9,971.96
ENR Construction Cost Index, 20-City Index	November 2015	(2)	10,092.00
ENR Adjustment			<u>1.2%</u>

Meter Size	Meter Ratio (3)	2014/2015 Existing	2015/2016 Calculated
5/8"	0.67	\$3,130	\$3,168
<b>3/4"</b>	<b>1.00</b>	<b>4,672</b>	<b>4,728</b>
1"	1.67	7,802	7,896
1-1/2"	3.33	15,558	15,745
2" (4)	5.33	24,902	25,202
3"	10.00	46,720	47,282
4"	16.67	77,882	78,820
6"	33.33	155,718	157,592
8"	53.33	249,158	252,157
10"	76.67	358,202	362,514
12"	112.50	525,600	531,927

**Notes:**

- (1) 2014/2015 facilities development charge based on January 2015 20 City Index.
- (2) November 2015 was most current index available on 2/18/2016.
- (3) Based on AWWA meter equivalency for 3/4" equivalent meter.
- (4) It is recommended to base fee for meter sizes larger than 2-inch on projected usage.

Regulation No. 7  
New or Additional Service Connections

Adopted: July 19, 2004

Amended: December 19, 2011; March 19, 2012; January 28, 2013;  
March 18, 2013; April 21, 2014; June 15, 2015; March XX, 2016

Water Service from Sacramento Suburban Water District is not transferable or assignable and is subject to full compliance with the District's Regulations Governing Water Service, including the following terms and conditions:

A. New or Additional Service Connections Generally

No New Service shall be connected to the District Water System unless there exists a District water main in a street or right-of-way fronting an Applicant's property accessible to the proposed location of the Applicant's service. A New Service will be located only in the front of a Parcel if an existing water main fronts a Customer's property. A New Service shall only be permitted in a backyard when no other viable option is available. A District water main available to serve a New Service shall have Adequate and Reserve Capacity and pressure to provide safe and reliable water service for domestic and fire protection use as solely and conclusively determined by the District. The District, in determining the adequacy of the existing facilities, will take into consideration all factors such as the water requirements of the project to be served by a New Service, the flows required for fire protection, and whether the use of the water will significantly impair service to existing Customers. If the District determines that the New Service will not be connected into the District Water System unless the Applicant provides such adequate extensions or additions as may be necessary in accordance with District regulations, Master Plan and technical specifications, then the District shall determine the location, capacity, and design of such extensions or additions and provide its determination to the Applicant. In making this determination, the District may consider all factors, including but not limited to, anticipated future land uses, water requirements, the desirability of looping water mains to increase reliability and adequacy of service, required flows needed for fire protection, and the long range plans for capital improvements of the District Water System. The District's determination will be conclusive on the Applicant.

B. No Prior Service

1. Adequate Main Abuts Applicant's Parcel

A New Service will be connected provided the following conditions are fulfilled:

- (a) The Parcel to be served is within the District's geographical boundaries or is annexed to the District in accordance with an order of LAFCO;

EXHIBIT 2

- (b) The Applicant's Parcel is or has been made subject to applicable bonded indebtedness of the District, if any;
- (c) The District possesses adequate water supply to serve the Applicant's requested needs;
- (d) A District water main of Adequate and Reserve Capacity exists in a public right-of-way fronting the Principal Boundary or Principal Boundaries of the Applicant's Parcel, where the public right-of-way is less than 80 feet wide. For public rights-of-way 80 feet or wider, a water main of Adequate and Reserve Capacity shall exist fronting the Applicant's Principal Boundary from within the area measured from the centerline of the public right-of-way to the Applicant's property line contiguous to the public right-of-way; and
- (e) An Application for Water Service has been filed with the District in compliance with Section D, hereof.

2. No Adequate Main Abuts Applicant's Parcel

Service will be connected provided the following conditions are fulfilled:

- (a) The Parcel to be served is within the District's geographical boundaries or is annexed to the District in accordance with an order of LAFCO;
- (b) The Applicant's Parcel is or has been made subject to applicable bonded indebtedness of the District, if any;
- (c) The District possesses adequate water supply to serve the Applicant's requested needs;
- (d) The Applicant will provide a main of Adequate and Reserve Capacity at his/her own cost and expense, which main shall be constructed in a public right-of-way fronting the entire frontage of the Applicant's Parcel. Should the Applicant's Parcel front two or more rights-of-way, the Applicant shall be required to install the main along the Parcel's Principal Boundary as designated in the District's Master Plan as the right-of-way necessary to provide for future extension of the District Water System. Should the Applicant be required to service the Parcel from a right-of-way other than the principal right-of-way (service shall also mean fire service if required by the applicable fire agency), then the Applicant shall be required to install water mains of Adequate and Reserve Capacity along both the principal and the service frontage. All provisions for main extensions shall be in accordance with all applicable District Regulations, Master Plans, Plans and Specifications; and

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- (e) An Application for Water Service has been filed with the District in compliance with Section D, hereof.

C. Prior Service

1. A Parcel to which service has been discontinued will be re-connected upon the filing of a new application together with the payment of all fees and the upgrade of all District facilities affected by the re-connection as required by District Regulations.
2. If any one of the following, but not limited to, conditions exists on an Applicant's Parcel, the District will require an upgrade of the existing service before reconnection to the District Water System will be permitted:
  - (a) An improvement on the Parcel requires an increase in water pressure or quantity. The District's increase of water pressure or quantity determination shall be based on the quantity of added water use facilities to be installed as a result of the improvement. The Applicant's engineer shall submit to the District a record of all the plumbing fixtures and flows required to serve all existing and proposed improvements on the Applicant's Parcel. Based on this information, the District shall determine if the existing service is adequate to serve the Premises. The District shall use AWWA Standards to determine the adequacy of all services and the consequent need for upgrades.
  - (b) An improvement on the Parcel requires increased water pressure or quantity in order to satisfy ISO Fire Suppression Standards as more specifically described in Regulation No. 9, Section O.
  - (c) An improvement changes a multiple unit Premises from master-metered to individually-metered units.
3. In those cases when service has not been interrupted but the Parcel has been improved, the provisions and requirements of Regulations Nos. 7 and 9 hereof shall apply if any one of the conditions described above in subparagraph 2 exists.

D. Application for Service

1. The District will not provide or continue service to any Parcel unless the present Landowner has filed an Application for Water Service with the District.
2. Application for service shall be made in writing on forms provided by the District and signed by the Landowner.

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3. Applications shall be supported by plat maps and a legal description of the Parcel, and a project description that includes construction type and number of living units, plan of water distribution, project approval by the appropriate fire service district, the planned service date, the name and billing address of the Landowner, the domestic water requirements in gallons per minute, and the total fire-flow requirements, as well as the location of existing and/or proposed fire hydrants to meet applicable fire-flow requirements.
4. The failure of an Applicant to request the connection of his or her Parcel to the District Water System within one year of the District's Plan Approval shall automatically terminate the application and entitle the Applicant to the return of all fees paid except the plan check fee, any annexation fee, and other fees as described in Subsection G hereof. A request for refunding of fees shall be made in writing to the District.
5. The Applicant must deposit with the District, on or before the Plan Approval date, an amount equal to the cost of all Extension Facilities proposed to be constructed by the District, together with all service charges, fees, and Facilities Development Charges in effect on the date of the Final Approval.
6. Any decision by the District's staff concerning an application for service is appealable to the District Board of Directors or the Board's Facilities and Operations Committee. An Applicant's appeal must comply with the applicable requirements provided in Regulation 17, Procedures for Variance Application.
7. In situations where a retail municipal water supplier must allocate service connections due to supply limitations, Government Code section 65889.7 requires the District to provide a service priority to proposed residential developments that include units affordable to lower income households, as such are defined in Health & Safety Code sections 50052.5, 50053 and 50079.5. The District currently has sufficient supplies to serve all anticipated new demands and given its largely built-out condition, expects to have sufficient supplies to meet all future new demands. If, however, an allocation of new services becomes necessary, the following states the District's low income housing priority policy. An application for service to a proposed development that includes housing units affordable to lower income households, as defined by Government Code section 65589.7(d)(1), shall not be denied, conditionally approved, or the amount of service applied for reduced without specific written findings that the denial, condition, or reduction is necessary due to one or more of the following:
  - a. The District does not have "sufficient water supply," as defined in paragraph (2) of subdivision (a) of Section 66473.7, or is operating under a water shortage emergency or distribution capacity to serve the needs of the proposed development, as demonstrated by a written engineering analysis and report;

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- b. The District is subject to a compliance order issued by the State Department of Public Health that prohibits new water connections;
- c. The Applicant has failed to agree to reasonable terms and conditions relating to the provisions of service generally applicable to development projects seeking service from the District, including, but not limited, the requirements of local, state, or federal laws and regulations or payment of a connection fee or capacity charge imposed pursuant to Government Code section 66013.

In accordance with Water Code section 10631.1, the District will include in its Urban Water Management Plans projections of water use by single- and multiple-family housing needed for low income families.

E. Water Main Sizes

- 1. The size of water mains to be installed in accordance with this Regulation 7 shall be in compliance with the provisions of Regulation 9, Sections N and O.
- 2. Whenever Extension Facilities are required to be installed in accordance with this Regulation 7, the District may require, in accordance with its approved Master Plan and for the purposes of public convenience, necessity, and safety, the installation of an Up-Sized Line. Whenever the District requires the installation of an Up-Sized Line, the line shall be designed in accordance with one of the following procedures at the District's option:
  - (a) An Applicant, with approval from the District, shall have his or her engineer design the Up-Sized Line. The Applicant shall competitively bid and in accordance with the lowest responsive and responsible bid, construct the extension facility in accordance with the following conditions:
    - (1) The Applicant's engineer will prepare a spreadsheet detailing the Applicant's cost of installation of the line size required in accordance with provisions of Regulation 9, Sections N and O.
    - (2) The Applicant's engineer will prepare a spreadsheet detailing the cost of the installation of the Up-Sized Line.
    - (3) The Applicant's engineer shall design plans and specifications for both the main size required in accordance with District Regulations and the Up-Sized Line. The design of the water mains shall be according to District Standards with plan review, revisions, and Plan Approval by District staff.

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- (4) The District shall pay to the Applicant, when the job is completed and accepted by the District, the difference in cost between the cost of the Up-Sized Line based on the lowest responsive and responsible bid and the cost of the installation of the line of the size required to adequately serve his or her Parcel, based on the average of the three lowest responsive and responsible bids. The District shall pay for the Up-Sized Line in accordance with Regulation 9, Section L.
  - (5) The Applicant shall pay to the contractor the full cost of the main installed.
  - (6) The Applicant shall pay all of the District's fees, charges and costs required for the installation of the water main.
  - (7) The Applicant shall comply with all applicable regulations of the District and any amendments adopted from time to time by the Board of Directors.
- (b) The District shall design plans and call for separate bidding to construct the Extension Facilities as follows:
- (1) District staff will prepare spreadsheets detailing the cost of installing the line size required in accordance with provisions of Regulation 9, Sections N and O.
  - (2) District staff will prepare spreadsheets detailing the cost of installing the Up-Sized Line.
  - (3) The Applicant shall pay to the District the full cost of the installation of the line of the size required to adequately serve his or her Parcel, based on the average of the three lowest responsive and responsible bids, and the District will pay the difference for the cost of the Up-Sized Line as contained in those bids. Applicant's payment to the District shall be no later than 30 calendar days after the District has awarded the project.
  - (4) The Applicant shall comply with all rules and regulations of the District and any amendments adopted from time to time by the Board of Directors.

F. District Final Plan Approval

The date of the District's final Plan Approval is defined as that date when the District shall, after receipt of all applicable fees, charges, applications and grants of easements, date and sign the Applicant's plans as approved for construction, or where no Extension

## EXHIBIT 2

Facilities are required, on that date when the District shall, after receipt of all applicable fees, charges, application and grants of easements, approve and date the said application. Should Applicant not obtain District's approval of his or her plans, the Applicant shall not be allowed to connect to the District Water System until he or she has obtained final Plan Approval. The District's Final Plan Approval is subject to all time limits and other restrictions provided in this Regulation 7 and such approval does not create any vested right in an Applicant except to the extent provided herein.

### G. Expired Plans/Un-Built Projects

If construction of the required extension has not begun on the one-year anniversary date of Plan Approval or the District receives a written statement from an Applicant that the project will not be built, the District shall deem the plans void. The District will refund collected fees upon the Applicant's written request, except for plan review, hydrant permit, construction water, annexation, and fire hydrant flow test fees. Should an Applicant resubmit plans for approval, the District will review the plans in accordance with this Regulation 7 and Regulation 9. New and/or additional fees will be calculated and assessed for review of resubmitted plans. New Plan Approval shall be per Section F hereof.

### H. Charges for New or Improved Service Connections

#### 1. Plan Check Fee

A charge shall be assessed by the District for the review of the Applicant's construction plans for new or improved water service. The charge will be assessed at the rate of \$90.00 per hour for each District employee assigned to the review. In addition, the District may charge staff time or consultant fees at cost for any additional services required as part of the review, including but not limited to, hydraulic analyses, site verification, and research. The District shall estimate the cost of reviewing such plans and notify the Applicant of the estimated costs for the services required. The Applicant shall deposit with the District the estimated plan check costs as a condition precedent to plan review. In the event that the actual cost for plan checking incurred by the District exceeds the amount deposited, the Applicant shall pay the excess fees due to the District before final Plan Approval. The charge for Plan Review shall be in accordance with Regulation 3, Section R.

#### 2. Service Line Charge

The District charge for the installation of a new metered water service line from the existing water main to an Applicant's Parcel shall equal the District's actual cost of materials, installation, labor, equipment, and normal overhead charges. The charge for the installation of a new service line shall be in accordance with Regulation 3, Section U.



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3. Service Line Relocation

The District charge for the relocation of a service line from the existing water main to an Applicant's Parcel (which will be relocated according to current specifications) shall equal the District's actual cost of materials, installation, labor, equipment, and normal overhead charges. The charge for relocation of a service line shall be in accordance with Regulation 3, Section V.

4. Water Meters

District charges for installing and setting water meters will consist of the District's actual cost of materials, labor, equipment, installation, and overhead. The installation of a metered New Service shall be charged according to Section H.2 of this Regulation 7, provided that all applicable conditions of the District's Regulations have been satisfied. When the only service rendered is restoring water service by reinstalling a Meter, a charge will be assessed in accordance to Regulation 3, Section I for each reinstallation.

5. Facilities Development Charge

To cover a portion of the District's costs incurred for the installation of wells, pumps, and storage and treatment facilities, and to provide a fund for reimbursement of a portion of Customers' costs of Extension Facilities pursuant to Regulation No. 9, Section A, a Facilities Development Charge will be imposed in accordance with the following schedule for each new or improved service:

Service Size	Facilities Development Charge*
5/8"	<del>\$3,130.00</del> <u>\$3,168.00</u>
3/4"	<del>\$4,672.00</del> <u>\$4,728.00</u>
1"	<del>\$7,802.00</del> <u>\$7,896.00</u>
1 1/2"	<del>\$15,558.00</del> <u>\$15,745.00</u>
2"	<del>\$24,902.00</del> <u>\$25,202.00</u>
3"	<del>\$46,720.00</del> <u>\$47,282.00</u>
4"	<del>\$77,882.00</del> <u>\$78,820.00</u>
6"	<del>\$155,718.00</del> <u>\$157,592.00</u>
8"	<del>\$249,158.00</del> <u>\$252,157.00</u>
10"	<del>\$358,202.00</del> <u>\$362,514.00</u>
12"	<del>\$525,600.00</del> <u>\$531,927.00</u>

EXHIBIT 2

\* Each year the Facilities Development Charges will be adjusted to reflect cost changes in materials, labor or real property applied to projects or project capacity. This adjustment in cost is not considered a change in the Facilities Development Charge methodology. The cost adjustment shall be made by applying one or more specific cost indexes or other periodic data sources. A specific cost index or periodic data source must be:

1. A relevant measure of the average change in prices or cost over an identified time period for materials, labor, real property or a combination of the three;
2. Published by a recognized organization or agency that produces the index or data source for reasons that are independent of the Facilities Development Charges methodology;
3. Publicly-available and generally recognized in the utility industry as an authoritative resource for calculating periodic cost adjustments; and
4. Shall be adopted from time to time by Resolution of the Board

The effective date of the recalculated Facilities Development Charges will be April 1<sup>st</sup>. A comprehensive review and update of Facility Development Charge methodology shall occur at least every five years.

Private Fire Protection

Size of Each Private Fire Service Connection	Private Fire Protection Connection Fee **
4 Inch and under	\$1,750.00
6-inch	\$1,825.00
8-inch	\$1,900.00
10-inch	\$1,975.00
12-inch	\$2,050.00

\*\*Each year the Private Fire Protection Connection Fee will be adjusted to reflect cost changes in materials, labor and other relevant costs. The cost adjustment shall be made by applying one or more specific cost indexes or other periodic data sources. A specific cost index or periodic data source must be:

1. A relevant measure of the average change in prices or cost over an identified time period for materials, labor, real property or a combination of the three;
2. Published by a recognized organization or agency that produces the index or data source for reasons that are independent of the Facilities Development Charges methodology;

## EXHIBIT 2

3. Publicly-available and generally recognized in the utility industry as an authoritative resource for calculating periodic cost adjustments; and
4. Shall be adopted from time to time by Resolution of the Board.

The effective date of the recalculated Private Fire Protection Connection Fee will be April 1<sup>st</sup>. A comprehensive review and update of Private Fire Protection Connection Fee shall occur at least every five years.

The District will determine the Facilities Development Charge for services greater than twelve (12) inches at time of application.

- (a) In the event that the Facilities Development Charge assessed to the Applicant impose a financial burden on his or her project, the Applicant may request that the District enter into a deferred payment plan on the all of following terms:
  - (1) The written application includes a request for deferment of the payment of all or part of the Facilities Development Charge.
  - (2) The District Board of Directors must approve the request.
  - (3) The request is accompanied by a surety bond or an irrevocable letter of credit in an amount equal to the Facilities Development Charge imposed on the Applicant as specified above, and the specified security is issued by a surety or financial institution authorized to do business and in good standing with the appropriate agency of the State of California.
  - (4) The deferment request is accompanied by an executed Contract on a form provided by the District, which Contract includes the provisions of this subsection and provides for the payment of such Facilities Development Charge as may be in effect on the date of payment, together with interest at the legal rate. The Contract also will provide that the Applicant will pay the Facilities Development Charge in full no later than a date that is no more than 12 months from the date of the filing of the Service Application with the District.
  - (5) The written application and accompanying plans must comply with all applicable District Ordinances, Regulations, Plans and Specifications.
  - (6) The deferment rights granted to an Applicant, if any, are not assignable except upon the District's written consent.

### 6. Supervision and Inspection Charges

## EXHIBIT 2

A charge shall be assessed for District supervision and inspection of water system improvements based upon hourly rate of \$75.00 per hour. At the time of service application, the District will estimate the minimum cost for District supervision and inspection of the proposed water system improvements, which the Applicant shall deposit with the District in advance of Plan Approval, in addition to all other charges owing under the District's regulations. In the event that actual supervision and inspection costs for supervision and inspection incurred by the District exceed the amount deposited, the Applicant will pay the excess fees due to the District as a condition precedent to final District acceptance of the water system improvements and connection of service. Should any additional costs be required due to damage to District facilities by Applicant's contractor during construction, the cost shall be billed separately to the contractor. The contractor's payment of billed damages shall be due as a condition of commencing water service and final District acceptance of the improvements. The charge for Supervision and Inspection shall be in accordance with Regulation 3, Section S.

Should the need for an inspection occur weekdays between 4:30 p.m. and 8:00 a.m. the following day, or on weekends or holidays, the requested inspection shall be scheduled through the District to ensure the availability of personnel for the time requested. Overtime costs for inspections outside of normal business hours by District personnel shall be calculated and paid by the Applicant in advance of scheduling the after-hours work. The overtime charge shall be at least one and one-half (1½) times the standard hourly rate for inspection.

### 7. Fire Hydrant Flow Test

When requested by the local fire agency having jurisdiction over a project within the District, a fire hydrant flow test will be performed to determine the flow available at the test date. The flow test will only demonstrate the pressure and distribution capabilities at the time and under the conditions existing when the test is performed. The District will not guarantee that the flow test results obtained will be consistent with flows available at all times and under all conditions.

Flow tests will be performed either in the field or using the District's updated water model. Tests will be performed by District staff as time allows but not to exceed 4 weeks after a request is made. For design purposes, fire flow tests using the water model will be run with the most conservative assumptions reasonable in order to establish the projected worst case conditions prevailing in the District's water system.

A charge will be assessed for the District to supervise and perform the test and to provide written results. The charge shall be in accordance with Regulation 3, Section T.

### 8. Bacteriological Testing

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After installation and disinfection, the District will sample all new Extension Facilities and have the sample tested by a certified laboratory for bacteria. The Extension Facilities will be super-chlorinated and flushed using at least three times the volume of water in the facilities before bacteria testing is to begin. After flushing is complete, the first set of bacteria testing will be collected from the Extension Facilities. 24 hours after the first collection, a second set of bacteria testing will be collected. If the new Extension Facilities fail to meet applicable federal, state and local bacteriological standards, the Applicant will be responsible for re-disinfecting and re-testing those facilities until they pass. A charge for this test and any required retests will be assessed in accordance to Regulation 3, Section J.

9. Backflow Prevention Assembly Test Charge

A charge will be assessed for the District to test all Backflow Prevention Assemblies as part of a new development to verify the operating status of each such device. If a Backflow Prevention Assembly does not pass the first inspection, the Applicant will be required to repair the Backflow Prevention Assembly and re-test it at the Applicant's expense. Each backflow test charge shall be in accordance with Regulation 3, Section D.

10. Environmental Document Charge

Whenever the District determines that an environmental impact report or other environmental document is required for a proposed Extension Facility necessary to serve an Applicant's Parcel, the District will estimate the cost of preparing such a document, including overhead expenses, preparation, and hearings. In addition to all other costs that may be due to the District for provision of service, the Applicant shall deposit with the District the estimated Environmental Document Charge as a condition precedent to the District's approval of an environmental document. In the event that the actual cost to prepare an environmental document exceeds the amount deposited, the Applicant will pay the excess amount before Final Approval. If the deposit exceeds the cost, the District will refund the balance.

In the event that the Applicant delivers to the District a certified copy of an environmental document duly approved and filed by the County of Sacramento relevant to the Applicant's Parcel, the District may determine, in its sole discretion, that the provisions of this paragraph do not apply.

11. Furnish-Only Fees

Meters, as shown on the standard detail drawing of the District's Improvement Standards and Technical Specifications adopted by the Board of Directors and any revision thereto, are required on all new or improved Service Connections

## EXHIBIT 2

and shall be Furnish-Only Materials by the District. The District will charge fees for Furnish-Only Materials to an Applicant in accordance with the number, the cost, and the District's inventory and overhead cost for furnishing the required Meter(s).

### I. Water Service

The District shall make water service available to an Applicant's new or improved Service Connection subject to the following terms and conditions:

1. No service shall be granted or continued unless an Applicant has filed an application for service on a District-furnished form.
  - (a) All new construction and improved Parcels shall have a Meter installed on the Principal Boundary no more than one foot behind a sidewalk or curb.
  - (b) Monthly water billing shall be computed on actual consumption based on the Metered Rates in Regulation No. 3.
  - (c) A separate Service Connection and Meter shall be installed on each Parcel. A separate Service Connection may include multiple meters except as otherwise limited by this Regulation 7.
  - (d) If a Parcel is found to be served by more than one Service Connection, it will be at the sole discretion of the District, in consultation with the Customer, to determine how the parcel will receive water through a metered connection(s). The owner of the parcel will be responsible for the cost of any changes to the service configuration, including the abandonment of any existing unused Service Connection or the upgrade to District current standards of additional Service Connections as determined necessary by the District.
  - (e) The minimum water service size for a new residential Service Connection shall be one inch in diameter.
  - (f) No more than one Service Connection per Single Family Residential Parcel will be permitted unless otherwise determined by the District.
  - (g) Each residential unit is required to have its own District-approved Service Connection.
  - (h) A separate metered irrigation service shall be required for all non-residential units.
  - (i) No credit will be allowed for vacancies in multiple family residential units.

EXHIBIT 2

- (j) All non-residential services and multi-family residential structures containing 5 or more units fed from a single connection services shall have water meters with an approved Backflow Prevention Assembly.
- 2. Use of a 5/8" meter shall be limited to multi-family residential units fed by a single water service such as, but not limited to, duplexes, triplexes, fourplexes, apartment buildings with five or more residential units, and condominiums.
- 3. Voluntary Meter Installation on an Existing Residential Service
  - (a) At a Customer's request, the District will install a permanent Meter on an existing un-metered Service Connection for a residential Parcel at no direct charge. However, should the Parcel be within a current main replacement project area that is scheduled for a new water service installation a new meter will be installed only after the installation of the new water main.
  - (b) Upon installation of a Meter, the District will compute and charge the Parcel's water bill based on actual consumption at the Metered Rates stated in Regulation No. 3.

J. Connection to Facilities Extended by District

- 1. If an Applicant for water service to a Parcel fronting Extension Facilities built with District funds desires to connect to such facilities, he or she shall deposit with the District, together with a New Service application, a portion of the total cost of designing and installing the Extension Facilities. The Applicant's cost share shall be determined by comparing the length of the Applicant's frontage along the right-of-way in which the water service facilities will or have been located to the total combined frontage along said right-of-way of all Parcels served by the Extension Facilities. The District also will calculate and charge all other applicable fees and charges established by District Regulations.
- 2. If an Applicant chooses, payment of the costs and charges to connect to District-constructed Extension Facilities as defined in Regulation 9, Section A may be deferred for a period not to exceed 12 months from the date on which the District approves the Application for Water Service, provided:
  - (a) The Applicant requests the District defer the charges in writing before the date the application is approved, and
  - (b) The full amount of such fees and charges together with interest thereon at the legal rate is guaranteed by a surety bond issued by a surety company acceptable to the District, and the Applicant executes an agreement to

EXHIBIT 2

make such payment together with interest at the legal rate within the 12-month deferment period, and

(c) The deferment is not transferable.

3. Reimbursement for eligible costs of Extension Facilities as defined by Regulation 9, Section A will not be made until all connection charges have been paid by the Applicant.

K. Abandonment of Service Line

The District charge for the abandonment of an existing water service from the existing water main to the Applicant's Parcel shall equal the District's actual cost of materials, labor, equipment and normal overhead charges. The charge for service abandonment shall be in accordance with Regulation 3, Section W.

L. Existing Services

All Service Connections that are not directly affected by an improvement, but which exist on a Parcel to be improved, shall be upgraded to current District Standards if the Landowner intends to use such service(s) in the future. If the unaffected Service Connection(s) will not be used, the Landowner shall be required to abandon such service(s) in accordance with District Standards. This requirement applies to all services that serve other buildings or appurtenances on the Parcel being improved.

District-required upgrades of existing Service Connection(s) shall include, but are not limited to, repair, upgrade and/or replacement of existing facilities to current District Specifications and Standard Details.

Credit will be given for existing unused services on improvement projects affecting the Parcel. Credit will be given in the amount of the existing Facilities Development Charge on the Plan Approval date, subject to abandonment of the unused Service Connection(s) as required herein. Credit will only apply to new Facilities Development Charges and will not exceed the total for the project.

M. Existing Services on Split Parcels

After a parcel split, the existing service will serve only the Parcel on which it is installed. If any unserved portion of a split Parcel will be developed, the Landowner shall be required to install a New Service on such Parcel in accordance with all applicable District ordinances, rules, regulations, plans and specifications.





## Agenda Item: 10

**Date:** March 9, 2016

**Subject:** Board Member Out of State Travel Request

**Staff Contact:** Heather Hernandez-Fort, Interim Executive Assistant

### **Recommended Board Action:**

Consider approving a request for a Director's out of state travel to attend out-of-state industry events including the California Rural Water Association Expo (Expo) in Lake Tahoe, Nevada, April 25-28, 2016.

### **Discussion:**

The Expo is April 25-28, 2016 in Lake Tahoe, Nevada. Director Locke indicated he may be interested in attending the Expo. Information on this event is included in case other Directors are interested in attending.

Attendees participate in the Expo to learn more about current water industry issues, earn necessary contact hours, network with exhibitors and peers, and connect with Environmental Protection Agency and State Water Resources Control Board representatives. The Expo offers a wide range of classes with topics relevant to the water industry. The deadline to register is April 11, 2016.

Out of state travel for Directors is approved by the Board on a case-by-case basis. Attached as Exhibit A is an announcement of the Expo including a quick view of program courses.

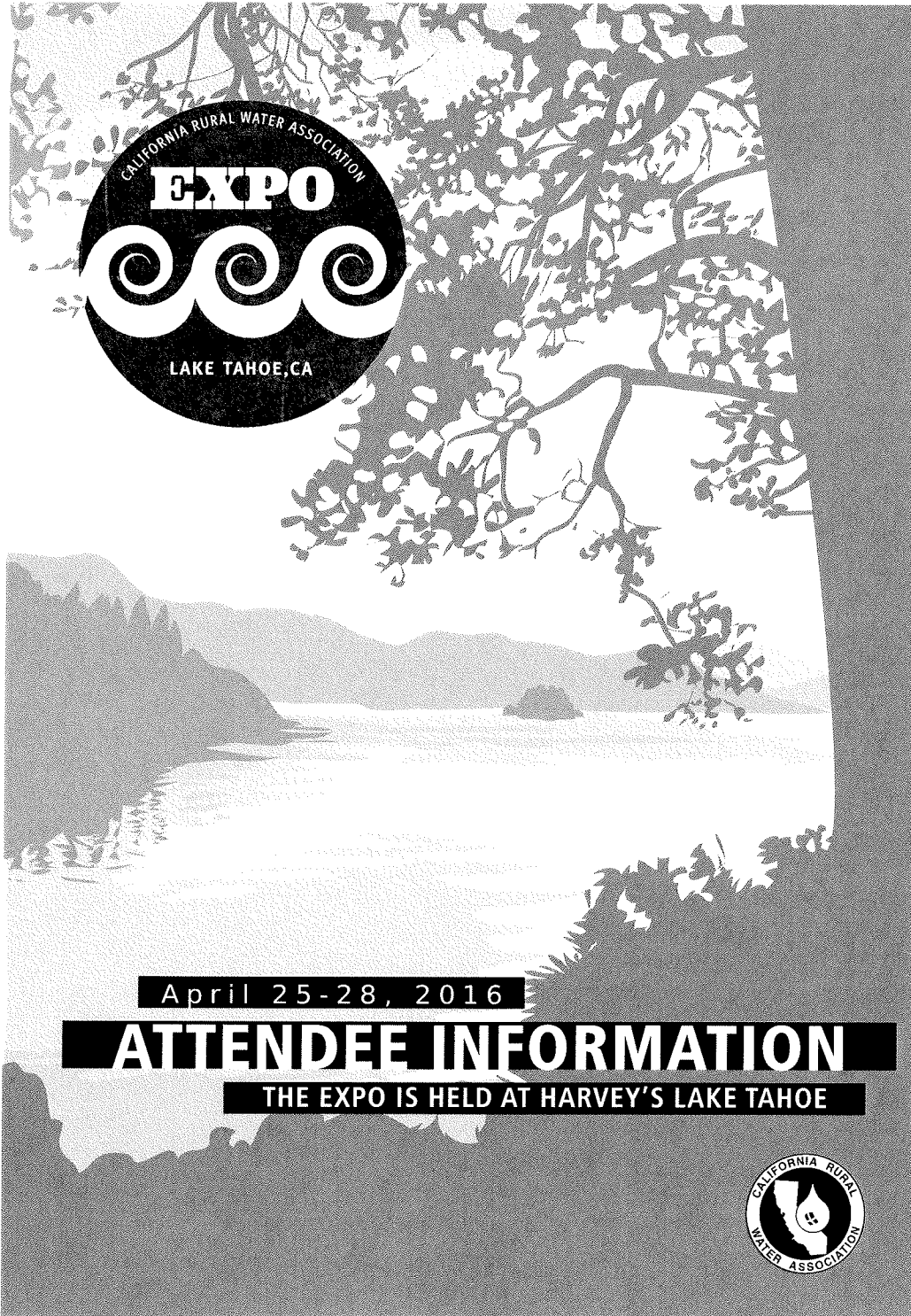
### **Fiscal Impact:**

Registration fees, hotel accommodations, meals, etc. associated with conference travel. Some costs are not available at this time to provide accurate dollar amounts, but are expected to be within annual budgeted amounts.

### **Strategic Plan Alignment:**

Leadership – 5.C. Participate in regional, statewide and national water management partnerships.

Educating Director on current or upcoming water industry issues allows them to make sound decisions during Board meetings, which benefit District Customers.



CALIFORNIA RURAL WATER ASSOCIATION

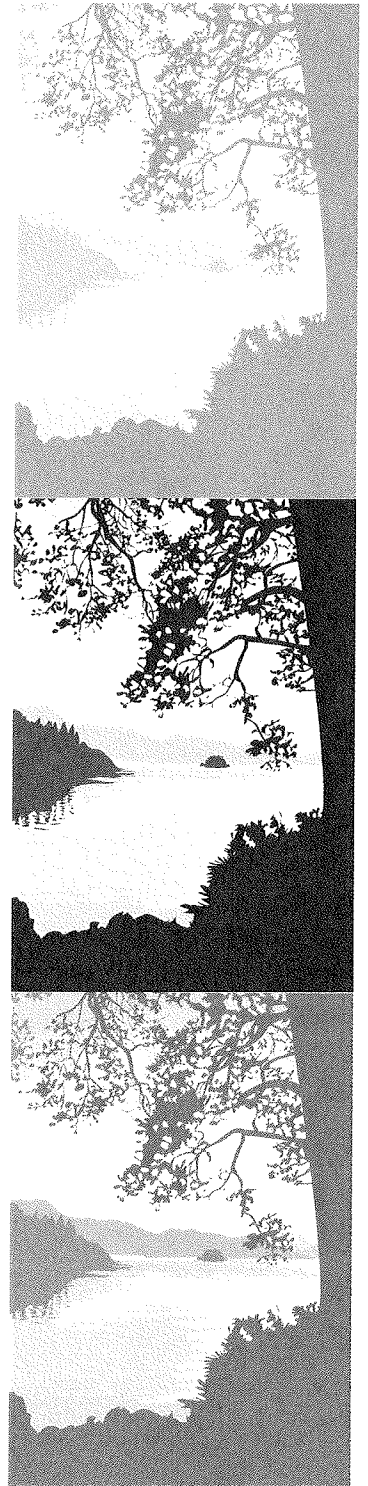

**EXPO**

LAKE TAHOE, CA

April 25-28, 2016

**ATTENDEE INFORMATION**

THE EXPO IS HELD AT HARVEY'S LAKE TAHOE



**Nearly 100 training hours at this year's Expo** - Contact Hours for water system and wastewater operators are available for eligible sessions, enabling you to meet most or all training requirements at one time.



## FREQUENTLY ASKED QUESTIONS

• **How do I register?**

You may register immediately for the 2016 Education & Exhibitor Expo by completing the form on page 11. Additional registration forms are available at [www.calruralwater.org](http://www.calruralwater.org).

• **Why should I attend?**

Attendees participate in the Expo to earn necessary contact hours, network with exhibitors and peers, connect with EPA and SWRCB representatives, and to have a good time! This year's Expo includes a wide range of classes with topics relevant to water and wastewater operators and administrators.

• **When can I pick up my registration packet?**

Registration packets including conference materials, contact hour cards and an onsite guide will be available at the registration desk beginning at 6pm on Monday, April 25, 2016.

• **Can I register after the April 11, 2016 deadline?**

Yes, but you will not receive a formal confirmation until you arrive at the Expo. If you do register after April 11, please call the CRWA office to confirm receipt of your registration.

• **What meals are included in my registration?**

Breakfast and lunch will be provided to you on each day that you are registered for the Expo. We also offer free beer samples and snacks during our brewfest on Wednesday afternoon.

• **Can I attend the Awards Banquet?**

Yes, as long as you check the box on your registration form! All attendees are encouraged to join us at our Annual Awards Banquet on Tuesday night. Fees for the banquet are included if you are registered for Tuesday classes. Remember, it is important that you let us know on your registration form that you plan on attending the banquet – tickets will only be given to those who indicate their attendance when they register. Guests are welcome to join in on the fun. You can purchase guest tickets using your registration form for \$60.

• **If I register but can't attend, can someone else attend in my place?**

Yes, you may substitute someone else from your system by notifying CRWA in writing by April 11, 2016.

• **How do I cancel a registration?**

You must cancel your registration in writing. Cancellations received by April 11, 2016 will receive a refund less a \$25 processing fee. Cancellations after April 11, 2016 will not be refunded.

• **Where should I stay?**



All Expo activities take place at Harveys Lake Tahoe Casino & Resort. We recommend staying at this hotel as well for convenience. Harvey's is located at Highway 50 at Stateline Avenue, Lake Tahoe, NV 89449

Reservations: 800.455.4770  
Special CRWA Room Rates\*:  
\$59 for Mountain Tower or  
\$79 for Lake Tower  
Room Rate Cut-Off: April 11, 2016

*\* Please identify yourself with group code S04CRW6 to receive the special group rate!*

• **How do I contact CRWA?**

*By mail:*  
California Rural Water Association  
4131 Northgate Blvd.  
Sacramento, CA 95834  
*Phone:* 800.833.0322  
*Fax:* 916.553.4904  
*Email:* [info@calruralwater.org](mailto:info@calruralwater.org)



## MONDAY, APRIL 25

**Welcome Reception - Registration Packet Pickup**

*Beer, Wine and Snacks Served*

**HOSTED BY CRWA ON THE 3RD FLOOR CONVENTION CENTER.**

Join us for beer, wine and snacks on Monday night. Meet CRWA staff, pick up your registration materials and prepare for your upcoming classes and Expo events. See you there!



# 2016 Quick View Program



## TUESDAY, APRIL 26

	WATER 1	WATER 2	WASTEWATER	REGULATORY	MANAGEMENT
7-8:00	Beginning Water Math 1 SWRCB Contact Hour (W1)	Beginning Water Math 1 SWRCB Contact Hour (W5)	Beginning Water Math 1 SWRCB Contact Hour (W8)	Beginning Water Math 1 SWRCB Contact Hour (W9)	
8-9:00	<b>BREAKFAST</b>				
9-10:00	Alternative Disinfection 3 SWRCB Contact Hours (W2)	Cross Connection Control 3 SWRCB Contact Hours (W6)	Sewer Lift Pump Station Design 3 CWEA Hours (WW1)	Update on EPA Regs 1 SWRCB Contact Hour (R1)	Intro Utility Management 1 SWRCB Contact Hour (M1)
10-11:00				Groundwater Rule 1 SWRCB Contact Hour (R2)	CEQA 1 SWRCB Contact Hour (M2)
11-12:00				Revised Coliform Rule 1 SWRCB Contact Hour (R3)	Managing Insurance Risks 1 SWRCB Contact Hour (M3)
12-1:00	<b>LUNCH</b>				
1-2:00	Chrome VI 2 SWRCB Contact Hours (W3)	Leak Detection & Metering Information 4 SWRCB Contact Hours (W7)	Wastewater Cert Review 4 CWEA Hours (WW2)	Confined Space 4 SWRCB Contact Hours (R4)	Ten Most Common Pitfalls of the Utility Manager 4 Completion Hours (M4)
2-3:00					
3-4:00					
4-5:00	Basic SCADA Controls 2 SWRCB Contact Hours (W4)				
5-6:00	<b>ANNUAL MEETING AND AWARDS BANQUET</b>				

## WEDNESDAY, APRIL 27

	WATER 1	WATER 2	WASTEWATER	REGULATORY	MANAGEMENT
7-8:00	Intermediate Math 1 SWRCB Contact Hour (W10)	Intermediate Math 1 SWRCB Contact Hour (W12)	Intermediate Math 1 SWRCB Contact Hour (W14)	Intermediate Math 1 SWRCB Contact Hour (W15)	
8-9:00	<b>BREAKFAST</b>				
9-10:00	Water Tank Selection 3 SWRCB Contact Hours (W11)	State and Federal Funding Opportunities 3 SWRCB Contact Hours (W13)	Collection System Compliance 3 CWEA Contact Hours (WW3)	Arsenic Compliance & Treatment 3 SWRCB Contact Hours (R5)	Rates & Rate Structures 3 SWRCB Contact Hours (M5)
10-11:00					
11-12:00					
12-1:00	<b>LUNCH WITH EXHIBITORS</b>				
1-5:00	<b>EXHIBITOR HOURS, RAFFLE AND RECEPTION</b>				

## THURSDAY, APRIL 28

	WATER 1	WATER 2	WASTEWATER	REGULATORY	MANAGEMENT
7-8:00	Advanced Water Math 1 SWRCB Contact Hour (W16)	Advanced Water Math 1 SWRCB Contact Hour (W19)	Advanced Water Math 1 SWRCB Contact Hour (W22)	Advanced Water Math 1 SWRCB Contact Hour (W23)	
8-9:00	<b>BREAKFAST</b>				
9-10:00	Chlorine Disinfection 3 SWRCB Contact Hours (W17)	Basic Sampling AB&WW 3 SWRCB Contact Hours (W20)	Activated Sludge 3 CWEA Hours (WW4)	Source Water Protection 3 SWRCB Contact Hours (R6)	AB 54/AB 240 2 SWRCB Contact Hours (M6)
10-11:00					Ethics Overview 1 SWRCB Contact Hour (M7)
11-12:00					
12-1:00	<b>LUNCH</b>				
1-2:00	Diagnosing & Solving Well Problems 3 SWRCB Contact Hours (W18)	Advanced Operations & Management Tools 4 SWRCB Contact Hours (W21)	Chemical Dosing 3 CWEA Hours (WW5)	Sanitary Survey Prep 4 SWRCB Contact Hours (R7)	
2-3:00					
3-4:00					
4-5:00					

**Please note:** This is a preliminary schedule and is subject to change. Please check our website for the most current lineup of courses.

**Questions? Please contact us:** California Rural Water Association  
916.553.4900 • [www.calruralwater.org](http://www.calruralwater.org) • [info@calruralwater.org](mailto:info@calruralwater.org)

# EDUCATION TRACKS

**TUESDAY APRIL 26, 2016**

## WATER TRACK

7 - 8AM

### **Beginning Water Math (W1)**

1 SWRCB CONTACT HOUR

This session will cover water terms & definitions, water measurements, formulas (area and volume), and conversions. This course is appropriate for operators preparing for the Grade 1 exam or anyone wanting basic water math skills.

9AM - 12PM

### **Alternative Disinfection (W2)**

3 SWRCB CONTACT HOURS

Are disinfection by products causing you grief or is chlorine just not meeting your needs? Check out what other chemicals or processes may suit your particular system better. We will cover UV, ozone, and other options that are available today.

1 - 3PM

### **Chromium VI Occurrence, Regulations and Remediation (W3)**

2 SWRCB CONTACT HOURS

The movie "Erin Brockovich" brought chromium VI (Cr (VI)), Cr +6, (hexavalent chromium) into public awareness as a metallic element of great concern for human health. Drama aside, Cr (VI) is a known carcinogen and worthy of care when it occurs in an environment with potential human exposure. In this class, the instructors will attempt to address various aspects of Cr (VI), including its occurrence, regulations associated with Cr (VI), and existing and developing treatment technologies and remediation options for Cr (VI).

3 - 5PM

### **Basic SCADA Controls (W4)**

2 SWRCB CONTACT HOURS

This class will discuss practical solution and the basic components, layouts, and configurations of effective SCADA systems including: field devices; PLC's and remote IO; HMI clients and servers, remote connectivity, and the networks on which they operate.

## WATER TRACK II

7 - 8AM

### **Beginning Water Math (W5)**

1 SWRCB CONTACT HOUR

Please see previous description.

9AM - 12PM

### **Cross Connection Control (W6)**

3 SWRCB CONTACT HOURS

This course looks at recent updates in cross-connection control. Topics include new regulations, survey techniques, new manuals and publications, resource information and related safety issues.

1 - 5PM

### **Leak Detection and Metering (W7)**

4 SWRCB CONTACT HOURS

Principles of leak detection and how meters play a significant part with Non-Revenue Water (NRW); it will also feature a panel from our vendors about their products. IF YOU DON'T MEASURE IT, HOW DO YOU MANAGE IT!

## WASTEWATER TRACK

7 - 8AM

### **Beginning Water Math (W8)**

1 SWRCB CONTACT HOUR

Please see previous description.

9AM - 12PM

### **Sewer Lift Pump Station Design (WW1)**

3 CWEA WW CONTACT HOURS

Sewer Lift stations should be designed to pump the peak flow rate as well as keep the sewage from turning septic during periods of low flow; considerations for future growth should be allowed in the design. The control system should be matched to the system used by the utility and considerations should be given to SCADA. Emergency power should be provided either as a fixed generator or by a portable generator. Odor control should be considered for all stations as well, additionally, remote locations may be able to have less than a station in residential area.

1 - 5PM

### **Wastewater Cert Review (WW2)**

4 CWEA WW CONTACT HOURS

This review class utilizes the CRWA Wastewater Certification Review Workbook and is designed to enhance an operator's working knowledge of wastewater. It will also provide detailed instruction on the expected range of knowledge for Wastewater operators, and practice exams. This format will refresh operators on the many wastewater systems and helps sharpen their test-taking skills.

**TUES.**

**Registration Desk Hours**  
6:30AM - 5PM

**Breakfast**  
8 - 9AM

**Taste Test Luncheon**  
12 - 1PM

**CRWA Annual Business Meeting**  
4:30 - 5PM

**Awards Banquet**  
6:30 - 9PM



REGULATORY TRACK

7 - 8AM

**Beginning Water Math (W9)**

1 SWRCB CONTACT HOUR

Please see previous description.

9 - 10AM

**Update on EPA Regulations (R1)**

1 SWRCB CONTACT HOUR

This drinking water regulation update will focus on recent EPA regulatory actions including the Unregulated Contaminant Monitoring Rule 3rd Cycle, the Airline Drinking Water Rule, and other recent federal SDWA actions/inactions.

10 - 11AM

**Groundwater Rule (R2)**

1 SWRCB CONTACT HOUR

The purpose of the Federal Groundwater Rule (GWR) is to reduce disease incidence associated with disease-causing microorganisms in drinking water. The rule applies to all systems that use groundwater as a source of drinking water. This class will review the GWR and how it affects you and your system.

11AM - 12PM

**Revised Coliform Rule (R3)**

1 SWRCB CONTACT HOUR

This class will explain the revisions in the Total Coliform Rule.

1 - 5PM

**Confined Space (R4)**

4 SWRCB CONTACT HOURS

This course provides the understanding, knowledge, and skills necessary for the safe performance of confined-space entry duties in compliance with state and federal OSHA regulations. Topics include protection requirements, OSHA regulations, host employer's responsibilities, permit-required spaces, and emergency rescue and retrieval.

MANAGEMENT TRACK

9 - 10AM

**Introduction to Utility Management (M1)**

1 SWRCB CONTACT HOUR

This course will give an overview into the following Utility Management components; financial sustainability and capacity development, accounting practices and principles, personnel policies and procedures, water and wastewater operations as well as, information on human resources; including federal wage and hour laws, requirements, and public relations and policy.

10 - 11AM

**CEQA (M2)**

1 SWRCB CONTACT HOUR

This class will explain what CEQA is, who is responsible for implementing it and when it applies. It will also cover the types of CEQA documents, mitigation measures and the CEQA Process. Case studies will be included and a brief Q & A session to follow.

11AM - 12PM

**Managing Insurance Risks (M3)**

1 SWRCB CONTACT HOUR

This class is designed to provide clear understanding to water utility board members, managers and officers on utility insurance and forms of coverage. Various forms of coverage will be studied including General Liability, Management Liability, Auto and Excess, Property, Inland Marine and Crime.

1 - 5PM

**Ten Most Common Pitfalls of the Utility Manager (M4)**

4 Completion Hours \* this course is not applicable for contact hours\*

This class will cover how changes to the U.S. Economy, specifically interest rates, unemployment, and the housing market, are impacting a rural water borrower's access to the debt market. And will cover and discuss what options are available for rural water borrowers.

## Don't miss...

### TASTE TEST LUNCHEON • 12 - 1PM



Watch as judges taste nominations for the Best Tasting Water in California! The winner will be announced at the Awards Banquet later in the evening. Seating is on a first-come, first-served basis.

### AWARDS BANQUET • 6:30 - 9PM



Support your peers as the winners for the Best Tasting Water in California, Associate Member of the Year, and Water and Wastewater Operators of the Year awards are announced. Dinner and entertainment will follow for an evening of good food, good company, and good laughs! Please indicate your attendance at this event on the registration form. Seating is on a first-come, first-served basis.

# EDUCATION TRACKS

WEDNESDAY APRIL 27, 2016

## WATER TRACK

7 - 8AM

### Intermediate Math (W10)

1 SWRCB CONTACT HOUR

This course will cover conversion calculations such as the pounds formula, velocity calculations, bleach concentrations and dosage problems. The class will cover the type of problems that you will see on a Grade 2 exam and some of math on the Grade 3 exam. This class will benefit anyone planning to take a state certification exam at the Grade levels 1-3.

9AM - 12PM

### Water Tank Selection (W11)

3 SWRCB CONTACT HOURS

This presentation discusses the three primary tank types and identifies the benefits and draw-backs of each tank type. The program will then address tank maintenance and will focus on proven methods and procedures used to achieve tank service life expectations in excess of 100 years. The talk will conclude by covering the different types of inspections and addressing the critical aspects that should be addressed in any good inspection. Attendees will leave the class with a basic understanding of how to inspect their tanks and an inspection form to assist in routine inspections. All recommendations and conclusions will be supported by AWWA Standards, California Water Works Standard, OSHA Standards or other such documentation.

## WATER TRACK II

7 - 8AM

### Intermediate Math (W12)

1 SWRCB CONTACT HOUR

Please see previous description.

9AM - 12PM

### State and Federal Funding Opportunities (W13)

3 SWRCB CONTACT HOURS

This presentation will cover how to identify a capital project, environmental documentation, construction bidding, the role of TME, funding agencies and many other aspects of infrastructure planning and funding.

## WASTEWATER TRACK

7 - 8AM

### Intermediate Math (W14)

1 SWRCB CONTACT HOUR

Please see previous description.

9AM - 12PM

### Collection System Compliance (WW3)

3 CWEA WW CONTACT HOURS

This very informative session will cover Collection System Compliance, Safety, and Traffic Safety including the CAL-OSHA mandates regarding Flagger training & safety. It will also cover the newest regulations and mandates beginning in May 2010 such as the Statewide Sanitary Sewer Overflow Reduction Program and the Statewide Sanitary Sewer Overflow Reduction Program Compliance and Enforcement Plan.

## REGULATORY TRACK

7 - 8AM

### Intermediate Math (W15)

1 SWRCB CONTACT HOUR

Please see previous description.

9AM - 12PM

### Arsenic Compliance & Treatment (R5)

3 SWRCB CONTACT HOURS

This course will focus on the regulatory requirements of the SDWA Arsenic regulations in regards to treatment, reporting, and testing requirements. The different treatment technologies available will be discussed along with methodologies for blending to achieve contaminant level reductions that will satisfy the mandated MCL.

## MANAGEMENT TRACK

9AM - 12PM

### Rates and Rate Structures (M5)

3 SWRCB CONTACT HOURS

How do I develop a rate structure? We have to install meters, how do I figure out a meter rate? What is a fair rate? This class will analyze the various options in rate setting; it will provide you with the tools you need to set up viable rates and rate structures.

WED.

### Registration Desk Hours

6:30AM - 5PM

### Breakfast

8 - 9AM

### Lunch with Exhibitors

12 - 1PM

### Exhibitor Hours

12 - 5PM

### Reception and Micro Brew Beer Fest

1 - 5PM

## THURSDAY APRIL 28, 2016

# Don't miss...

### WEDNESDAY RECEPTION • 1 – 5PM



### BREWFEST

#### WEDNESDAY Reception and Micro Brew Beer Fest 1 – 5PM

Enjoy hot appetizers and taste a variety of microbrews while networking with peers and exhibitors! Visit with exhibitors and fellow attendees while raffle prizes are awarded every 15 minutes. All raffle ticket sales benefit the NRWPA Political Action Committee.

### WATER TRACK

7 - 8AM

#### Advanced Water Math (W16)

1 SWRCB CONTACT HOUR

This class enhances water math skills for those who already have developed knowledge of using basic math formulas. Mathematical equations include CT calculations, filtration, sedimentation, and solution mixing. Time is provided to review math problems and allow the participant to find the solution.

9AM - 12PM

#### Chlorine Disinfection (W17)

3 SWRCB CONTACT HOURS

This course will cover Chlorine Disinfection as it relates to utilization of sodium hypochlorite. This course will cover trouble shooting basic chlorine taste and odor problems, residual kmc retention, and basic chlorine chemistry as it relates to the development of THMs in the distribution system and storage.

1 - 4PM

#### Diagnosing and Solving Well Problems (W18)

3 SWRCB CONTACT HOURS

This session will discuss the various tools and techniques available to diagnose and treat various well problems ranging from bacterial contamination to reduced well yields to well sanding to well casing issues. Well rehabilitation and maintenance techniques will also be discussed. The goal is to optimize operational efficiency and reduce in operating costs of the well, as well as increase the operational life span of the well to reduce overall capital costs to the water purveyor.

### WATER TRACK II

7 - 8AM

#### Advanced Water Math (W19)

1 SWRCB CONTACT HOUR

Please see previous description.

9AM – 12PM

#### Basic Sampling AB&WW (W20)

3 SWRCB CONTACT HOURS

This course will cover both class AB & WW (wastewater) sampling procedures. It will also cover how to communicate effectively with your laboratory, how to read & interpreting lab results, proper hand sanitation, why you should take a water sample. A sample-siting plan is required for all Small Water Systems according to the California Code of Regulations, Title 22.

1 - 5PM

#### Advanced Operations & Management Tools (W21)

4 SWRCB CONTACT HOURS

This course is offering Advanced Operations and Management Tools for Water Utilities. This course is designed to train operators and managers for management and operations on the various computer applications available for operations and management of the water system; it will provide ADVANCED training in the computer applications that will specifically assist in regulatory compliance, financial reporting, and the operation and maintenance of the water system. Students will learn how to increase productivity with helpful tips, shortcuts and new functions.

THURS.

#### Registration Desk Hours

6:30AM – 1PM

#### Breakfast

8 – 9AM

#### Lunch

12 – 1PM



# EDUCATION TRACKS



## THURSDAY CONTINUED

### WASTEWATER TRACK

7 - 8AM

#### **Advanced Water Math (W22)**

1 SWRCB CONTACT HOUR

Please see previous description.

9AM - 12PM

#### **Activated Sludge (WW4)**

3 CWEA WW CONTACT HOURS

The Activated Sludge process is a Secondary Treatment method which utilizes aerobic organisms to oxidize, reduce and consume the finely divided suspended solids and soluble organic components which were not removed by the previous treatment units (screens, clarifiers, etc.). This is accomplished in the Aeration Basin by the organisms converting the organic matter into carbon dioxide, water and nitrate and sulfate compounds. This results in a stabilized organic mass which readily clumps together and settles which enables removal in a clarifier. A major portion of the solids which settle in the clarifier are returned to the head of the Aeration Basin (RAS- Return Activated Sludge) with a small percentage of the solids (WAS-Waste Activated Sludge) removed for further treatment and disposal.

1 - 4PM

#### **Chemical Dosing (WW5)**

3 CWEA WW CONTACT HOURS

The primary consideration in chemical dosing is that of safety. Before beginning any aspect of dosing, the operator must have a thorough knowledge of the issues. This class offers an overview of all the aspects of chemical dosing.

### REGULATORY TRACK

7 - 8AM

#### **Advanced Water Math (W23)**

1 SWRCB CONTACT HOUR

Please see previous description.

9AM - 12PM

#### **Source Water Protection (R6)**

3 SWRCB CONTACT HOURS

Want to impress funding sources with your proactive approach to water supply management? Do you have a water supply that is precariously set near multiple potentially contaminating activities? Want to learn how to protect your water supply from pollution? Or do you have excellent drinking water that never needs to be treated? Want to keep it that way? After all, prevention is only a fraction of the cost of mitigation. This class will show you how and why a source water protection plan is an inexpensive but necessary choice for all water systems. We will also take you through all the steps of creating and implementing your own source water protection plan.

1 - 5PM

#### **Sanitary Survey Prep (R7)**

4 SWRCB CONTACT HOURS

This workshop is to assist or prepare the water system for a sanitary survey. The main objective is to provide awareness to the system owner/operator regarding sanitary defects. Primary focus is to provide the water agency personnel with the administrative tools to perform an in-house inspection utilizing the guidelines of the sanitary survey checklist.

### MANAGEMENT TRACK

9 - 11AM

#### **AB54/AB240 (M6)**

2 SWRCB CONTACT HOURS

This training for mutual water company directors will cover both the required subject matter set forth in AB 54 (i.e., the duties of mutual water directors, the duties of public water systems to provide drinking water that complies with federal and state requirements and issues related to the long-term management of a public water system – including budgeting and rate setting), and the provisions of AB 240 concerning, among other things, new requirements for open mutual water company board meetings and the disclosure of certain company records.

11AM – 12PM

#### **Ethics Overview (M7)**

1 SWRCB CONTACT HOUR

This session will review ethics issues such as conflicts of interest, legislative regulations, violation consequences, economic interests, gift restrictions, honorariums, and constitutional issues. We will also discuss transparency laws, competitive bidding requirements, Public Records Act (PRA), and fair decision-making practices. It is not intended as a detailed and technical overview of the statute for guidance of City Clerks, Board Secretaries and other public records professionals, although some may find it a useful summary. If you have questions specific to your obligations under the Act, please consult your legal counsel.

## Operator of the Year Awards

Please fill out the award nomination form below and supporting documentation no later than March 25, 2016.

CALIFORNIA RURAL WATER ASSOCIATION

# WATER OPERATOR AND WASTEWATER OPERATOR OF THE YEAR



### Nomination Forms

Please send all nomination forms for Water/Wastewater Operator of the Year and Best Tasting Water by March 25, 2016 to:

CRWA  
Attn: Expo Awards Program  
4131 Northgate Blvd  
Sacramento, CA. 95834  
Fax: 916.553.4904  
e: info@calruralwater.org

Nomination forms are also available at [www.calruralwater.org/p/expo](http://www.calruralwater.org/p/expo)

### Nominee Criteria

A nominee must be a certified water and/or wastewater operator, must have worked full time for the system for at least two years, and must have the appropriate certifications to operate that system. The recipient of this award must be able to attend the 2016 CRWA Education Expo on April 26, 2016.

### AWARD NOMINATION APPLICATION

This is your chance to brag about your system's personnel! Do you have a water and/or wastewater operator who goes above and beyond to excel in their management of your water system? If so, we want to know about them and give them the recognition they deserve for being the best in the business! Each CRWA member system can submit one nomination in each field. Selection of winners will be based on a submitted example of how the nominee has contributed to the system's operations and their commitment to the system and its constituents. Information on the nominee's achievements both within and outside of the system as well as letters of recommendation will also be accepted for use in the selection process. This is a great way to honor your exemplary water and/or wastewater operator!

#### SYSTEM CRITERIA

Nominations are accepted from water and wastewater systems that are members of CRWA. The system may nominate one operator for each category (water and wastewater) or one operator for both categories. The system must be in compliance, or in the process of becoming compliant, due to the nominee's efforts. A nomination can come from co-workers, management, boards or office staff.

#### NOMINATION CREDENTIALS

The nomination form must be accompanied by:

- Proof of the nominee's operator certification(s)
- Nominee's job description(s)
- A brief narrative description of the nominee's contributions to the system's operations and commitment to the system (e.g., through letters of support from the system, DHS, community members, or board members), outlining the nominee's achievements
- Contact names and numbers for follow-up research by CRWA

#### SELECTION PROCESS

The nomination form(s) and supporting documentation must be received by the CRWA office no later than March 25, 2016. CRWA management will select this year's award recipients on the basis of the nomination materials received and processed. Award recipients will be notified on or before April 15, 2016.

### Award Application

System Name: \_\_\_\_\_

Nominee Name: \_\_\_\_\_

Nominee Title: \_\_\_\_\_

Nominated for:  Water Operator of the Year  Wastewater Operator of the Year

City: \_\_\_\_\_

State: \_\_\_\_\_

Zip: \_\_\_\_\_

Tel: \_\_\_\_\_

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Submitted by: \_\_\_\_\_

Please mail/fax this form by March 25, 2016 to: California Rural Water Association, ATTN: Expo Awards Program, 4131 Northgate Blvd, Sacramento, CA 95834 • Phone: (916) 553-4900 Fax: (916) 553-4904

# BEST TASTING WATER

## DOES YOUR SYSTEM HAVE THE BEST TASTING WATER IN CALIFORNIA?



### Application Forms

Please send all application forms for the Best Tasting Water by April 22, 2016 to:

CRWA  
Attn: Resource Development  
4131 Northgate Blvd  
Sacramento, CA. 95834  
Fax: 916.553.4904  
e: info@calruralwater.org

Application forms are also available at [www.calruralwater.org/p/expo](http://www.calruralwater.org/p/expo)

### THEN SHOW US WHAT YOU'VE GOT AT THE 2016 EXPO!

#### CREDENTIALS

To enter your water into the "Best Tasting Water in California" contest, one-gallon sample in a sanitized, nonporous container to the Expo Registration Desk no later than 10:30am on Tuesday April 26, 2016. Make sure your system's name is clearly labeled on the container so we know what system is responsible for your best-tasting contender.

#### SELECTION PROCESS

A panel of judges will sample the entries for clarity, bouquet and taste. The final round of the taste test will take place at the 2016 Education Expo during the Water Taste Test Luncheon on Tuesday April 26, 2016, where the winner will be selected. The finalists and winners will be announced at the CRWA Awards Banquet the evening of Tuesday, April 26, 2016. The winning system's water will go on to represent California at the Great American Taste Test in Washington DC in February 2017.

Please fill out the section below and submit it to the CRWA Training Center by April 22, 2016 or bring it to the Expo along with your water sample. Please print clearly so we know whose name to shout out at the Awards Banquet!

### Water Tasting Application

System Name: \_\_\_\_\_

System Address: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_

Zip: \_\_\_\_\_

Tel: \_\_\_\_\_

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Submitted by: \_\_\_\_\_

Please mail/fax this form by April 22, 2016 to: California Rural Water Association, ATTN: Resource Development, 4131 Northgate Blvd, Sacramento, CA 95834 • Phone: (916) 553-4900 Fax: (916) 553-4904

## ENTER YOUR WATER INTO THE CONTEST





**CRWA 2016 EDUCATION & EXHIBITOR EXPO**  
 April 25 – 28, 2016 • South Lake Tahoe

**Registration fee includes:**

Daily breakfast and lunch on all 3 days,  
 Annual Awards Banquet and Exhibitor  
 Showcase Reception. Meals will be provided  
 to you only on the days you are registered.

**2016 ATTENDEE REGISTRATION**

**Registration Fees - Includes Annual Awards Banquet!**

Individual registration:

- Member: \$425 per person       Non-member: \$525 per person  
 1 day only: \$300 Member/\$400 Non-member - Select Day:     Tues.     Wed.     Thurs.

Exhibit Hall and brewfest only: \$80

*Have a large group? If you have three or more attendees from your system, please call us to discuss a group rate.*

Fees  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Annual Awards Banquet** (This event is included in registration fees.)

You must check the box in order to receive banquet tickets.

- YES!** I would like to attend the Annual Awards Banquet, Tuesday, April 26 (Included In Registration Fees)  
 \$60 - Banquet Guest -- Guest Name: \_\_\_\_\_

Fees  
**FREE**  
 \_\_\_\_\_

**Workshops** (Please indicate which workshops you will be attending.)

- |                             |                              |                              |                             |                              |                              |                              |                              |                             |  |  |  |
|-----------------------------|------------------------------|------------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|------------------------------|-----------------------------|--|--|--|
| Tuesday                     |                              |                              |                             | Wednesday                    |                              |                              |                              | Thursday                    |  |  |  |
| <input type="checkbox"/> W1 | <input type="checkbox"/> W6  | <input type="checkbox"/> WW2 | <input type="checkbox"/> M1 | <input type="checkbox"/> W10 | <input type="checkbox"/> W15 | <input type="checkbox"/> W16 | <input type="checkbox"/> W21 | <input type="checkbox"/> R6 |  |  |  |
| <input type="checkbox"/> W2 | <input type="checkbox"/> W7  | <input type="checkbox"/> R1  | <input type="checkbox"/> M2 | <input type="checkbox"/> W11 | <input type="checkbox"/> WW3 | <input type="checkbox"/> W17 | <input type="checkbox"/> W22 | <input type="checkbox"/> R7 |  |  |  |
| <input type="checkbox"/> W3 | <input type="checkbox"/> W8  | <input type="checkbox"/> R2  | <input type="checkbox"/> M3 | <input type="checkbox"/> W12 | <input type="checkbox"/> R5  | <input type="checkbox"/> W18 | <input type="checkbox"/> W23 | <input type="checkbox"/> M6 |  |  |  |
| <input type="checkbox"/> W4 | <input type="checkbox"/> W9  | <input type="checkbox"/> R3  | <input type="checkbox"/> M4 | <input type="checkbox"/> W13 | <input type="checkbox"/> M5  | <input type="checkbox"/> W19 | <input type="checkbox"/> WW4 | <input type="checkbox"/> M7 |  |  |  |
| <input type="checkbox"/> W5 | <input type="checkbox"/> WW1 | <input type="checkbox"/> R4  |                             | <input type="checkbox"/> W14 |                              | <input type="checkbox"/> W20 | <input type="checkbox"/> WW5 |                             |  |  |  |



TOTAL AMOUNT ENCLOSED: \$

ATTENDEE INFORMATION		
Name:		
System:		
System Address:		
City:	State:	Zip:
Phone:	Fax:	
Email:		
The email address(es) above will receive all confirmation materials for the attendee(s) on this form.		
PAYMENT INFORMATION: PAYMENT MUST BE RECEIVED BEFORE REGISTRATION CAN BE PROCESSED.		
<input type="checkbox"/> Check (payable to CRWA) #:	<input type="checkbox"/> MasterCard/Visa/American Express/Other Credit Card	TOTAL - \$
Credit card number:	Expiration date:	
Name on card:	Authorized signature:	
Accommodations		
<input type="checkbox"/> Vegetarian	<input type="checkbox"/> Other:	



## Agenda Item: 11

**Date:** March 11, 2016

**Subject:** Strategic Plan (PL – BOD 001)

**Staff Contact:** Heather Hernandez, Interim Executive Assistant

### **Recommended Board Action:**

Review the revisions to the Sacramento Suburban Water District’s Strategic Plan (PL – BOD 001) and either:

- 1.) Approve the redline strikethrough version (Exhibit 1) showing all proposed changes made at the February 19, 2016 Strategic Plan Workshop and/or;
- 2.) Review and/or approve the redline strikethrough version (Exhibit 2) showing the changes suggested by Director Schild and/or;
- 3.) Provide staff further direction.

### **Discussion:**

The Strategic Plan was originally adopted by the Board in October, 2005 and was last revised in April 2016. At the February 19, 2016 Strategic Planning Workshop, the Board reviewed in detail the District’s Strategic Plan (PL - BOD 001). The Board directed staff to make specific changes to the Strategic Plan largely for clarification of intent. The proposed changes include:

Statement of Purpose, Mission Statement and Values:

- Proposed change to the Mission Statement to “the lowest responsible water rate” after “superior customer service at.”

Water Supply:

- No proposed changes.

Facilities and Operations:

- Proposed change to Principle A: “...and lifecycle cost analysis...”
- Proposed change to Principle D: remove “protective” after “implementing,” and, add “and analysis” after “predictive maintenance.”

Customer Service:

- No proposed changes.

Finance:

- Proposed change to Principle B: remove the phrase “rates and connection fees that are fair” and replace it with “the lowest responsible rates and connection fees.”
- Proposed the addition of Principal J to read: “Produce a balanced budget.”

Leadership:

- No proposed changes.

A redline strikethrough version (Exhibit 1) showing all proposed changes is provided for the Board’s consideration.

Also included is a redline strikethrough version (Exhibit 2) showing all of Director Schild’s proposed changes for the Board’s consideration. In addition to non-substantive edits recommended for acceptance, Director Schild’s proposed substantive edits include:

Water Supply:

- Proposed to remove Principle D.

Facilities and Operations:

- Proposed to edit Principle E to include “personal information, and communications” before “data.”

Customer Service:

- Proposed to add to Goal “and reliable” after “Assure superior.”
- Proposed to remove the statement from Principle B “to ensure safe, efficient and effective job performance” after “and professional development.”
- Proposed to remove the statement from Principle D “and physical system assets” after “sustainability of water resources.”

**Fiscal Impact:**

No impact for the strategic plan itself. Implementation of the plan will have an impact of indeterminable amount as this plan guides staff activities on all levels, including making annual budget recommendations.

**Strategic Plan Alignment:**

Regular updating and refreshing of the District’s Strategic Plan ensures District actions remain aligned with the Board’s policy intent.

EXHIBIT 1

Sacramento Suburban Water District

**Strategic Plan**

Adopted: October 17, 2005

Revised: May 18, 2009; March 21, 2011; April 16, 2012; April 15, 2013

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Statement of Purpose

The Sacramento Suburban Water District Board of Directors is committed to the long term development of the District and its ability to serve its customers now and into the future. To this end, the Board developed and routinely reviews the Strategic Plan that aligns the District's activities to its Mission Statement. The Strategic Plan is the District's vision and philosophy, ~~expressed as a plan.~~ The plan takes the vision expressed as a mission statement and with values and translates it into ~~broad~~ goals that will guide the formulation of achievable objectives. The Strategic Plan focuses the resources of the District in a manner that strives to achieve the vision and ~~over time,~~ increase value to its the customers.

Mission Statement

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

Values

- Respect customers ~~and~~ while conducting ing District business through open and transparent governance and communications.
- Practice the highest ethical standards and maintain integrity ~~at all levels of~~ throughout the organization.
- Ensure public health and safety by conducting operations in strict accordance with all statutory and regulatory requirements.
- Achieve high levels of staff professionalism through career development, including training opportunities, and retention of skilled staff with competitive compensation.
- ~~Support~~ Maintain sustainable resources and ~~District~~ facilities asset management through cost effective business practices.
- Emphasize internal and external collaboration in pursuing ~~attaining~~ objectives and resolving issues.

Comment [HH1]: ?

- Provide leadership and vision in water management issues.



## Goals and Principles

### 1. Water Supply

**Goal**<sup>1</sup>: Assure a present and long-term safe and reliable supply of high quality water in an environmentally responsible and sustainable manner for District customers<sup>2</sup>.

#### **Principles**<sup>3</sup>

- A. Protect public health and the environment through compliance with all applicable federal, state and local regulations.
- B. Provide for the long-term future water supply needs of the District customers through prudent planning that will ensure sufficient capacity to serve all customers system demands.
- C. Continue to implement and support demand management strategies and water conservation that comply with federal, state and regional<sup>4</sup> programs; support Water Forum Agreement<sup>5</sup> goals and efficiently meet the water supply needs of the District customers.
- D. ~~Manage the District's water supplies to ensure their quality and quantity.~~
- E. D. Ensure the safety and security of the water supply system.

### 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**

- A. The District will utilize appropriate planning tools, identify financial resources necessary, and prioritize system requirements to protect and maintain District assets and attain water resource objectives incorporating resource sustainability into the framework.
- B. Monitor and improve the District's system efficiencies in operating and maintaining system infrastructure.
- C. Develop cost-effective strategies utilizing appropriate technology and ~~other~~ available resources to optimize delivery of water and enhance service.

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<sup>1</sup> Broadly conceived targets or ends that allow the organization to achieve its mission.

<sup>2</sup> A SSWD District customer is inclusive of the following: someone who receives a SSWD water statement, residents in the District's service area, internal and external stakeholders and owners of property connected to the water system.

<sup>3</sup> Guidelines and approaches used in pursuing goals, i.e., the manner in which the District will pursue the goal; strategies.

<sup>4</sup> Encompassing the general area of North Sacramento County.

<sup>5</sup> An agreement reached in 2000 by the Water Forum (a group of business interests, agricultural leaders, citizens groups, environmentalists, water managers and local governments in Sacramento County), which formalized principles to guide development of a regional solution to water issues.

- D. Manage assets by implementing protective, preventive and predictive maintenance and analysis programs on all District assets to extend their life and reduce service interruptions.
- E. ~~Provide~~ Continue with information technology systems that will ~~facilitate~~ provide the availability of timely and accurate information ~~allowing a~~ and enable provision of superior service to our customers.
- F. Safeguard the District's electronic personal information, and communications data.
- G. Maintain up-to-date emergency response plans in conjunction with other public service organizations.
- H. Implement water conservation programs that efficiently utilize ~~provide~~ potable water supplies.
- I. Implement energy management initiatives that reduce energy costs while protecting critical operations from energy ~~or~~ water supply interruptions.

### 3. Customer Service

**Goal:** Assure superior and reliable customer service.

**Principles**

- A. Operate in an open and public manner including public reporting information to the Board of Directors.
- B. Attract and retain a well-qualified staff with ~~competitive~~ adequate compensation, effective training, and professional development, ~~to ensure safe, efficient and effective job performance.~~
- C. Assure appropriate staffing at all levels consistent with service goals.
- D. Provide ~~effective~~ customer and community relations by communicating, educating, and providing information updates on District operations, drinking water quality issues, water conservation, fiscal stability, environmental stewardship, sustainability of water resources, and physical system assets.
- E. Solicit and respond to customer and community concerns and feedback.
- F. Monitor and benchmark<sup>6</sup> customer service parameters to ensure that District the customers' needs are met.

### 4. Finance

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

**Principles**

- A. Monitor District operations through internal control procedures, documentation and such other processes necessary to ensure effective financial performance.
- 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.

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<sup>6</sup> Data is collected to develop a standard by which services may be measured, evaluated and compared to improve performance.

- C. Combine sound and efficient business and financial procedures with regular, frequent reporting to the Board and oversight bodies that explain the District's financial status and activities.
- D. Pay authorized District financial obligations in a timely manner.
- E. Provide ~~responsible~~ cash and investment management and other prudent financial practices in order to meet the District's needs and maintain reserves within District policies.
- F. Manage the District's debt portfolio to minimize debt risk and costs.
- G. Produce annual financial statements and supporting documentation to allow outside auditors to provide the District with unqualified audit opinions.
- H. Produce and monitor an annual budget for ~~necessary~~ system operations, maintenance and ~~improvements~~ replacements.
- I. Pursue opportunities for grant funding and cost savings activities with collaborative entities.

## 5. Leadership

**Goal:** Provide leadership on regional, statewide and national water management issues that affect ~~impact~~ the District customers.

### Principles

- A. Engage in legislative affairs on issues affecting the District.
- B. Engage in a ~~leadership~~ role with professional water industry groups to ~~enhance~~ provide proficiency in technical and policy matters.
- C. Participate in regional, statewide and national water management partnerships.
- D. Provide leadership within the community in a positive and ~~progressive~~ manner for the mutual benefit of the area (service groups, adjacent water purveyors, county/city/local government).

EXHIBIT 2

Sacramento Suburban Water District

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Adopted: October 17, 2005

Revised: May 18, 2009; March 21, 2011; April 16, 2012; April 15, 2013

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- ~~Support~~ Maintain sustainable resources and District ~~facilities~~ asset management through cost effective business practices.
- Emphasize internal and external collaboration in ~~pursuing~~ attaining objectives and resolving issues.
- Provide leadership and vision in water management issues.

Comment [HH1]: ?

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

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<sup>3</sup> Guidelines and approaches used in pursuing goals, i.e., the manner in which the District will pursue the goal; strategies.

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- D. Manage assets by implementing protective, preventive and predictive maintenance and analysis programs on all District assets to extend their life and reduce service interruptions.
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- A. Monitor District operations through internal control procedures, documentation and such other processes necessary to ensure effective financial performance.
- 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.

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<sup>6</sup> Data is collected to develop a standard by which services may be measured, evaluated and compared to improve performance.

- C. Combine sound and efficient business and financial procedures with regular, frequent reporting to the Board and oversight bodies that explain the District's financial status and activities.
- D. Pay authorized District financial obligations in a timely manner.
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## 5. Leadership

**Goal:** Provide leadership on regional, statewide and national water management issues that ~~affect~~ impact the District ~~customers~~.

### **Principles**

- A. Engage in legislative affairs on issues affecting the District.
- B. Engage in a ~~leadership~~ role with professional water industry groups to ~~enhance~~ provide proficiency in technical and policy matters.
- C. Participate in regional, statewide and national water management partnerships.
- D. Provide leadership within the community in a positive ~~and progressive~~ manner for the mutual benefit of the area (service groups, adjacent water purveyors, county/city/local government).



## Agenda Item: 12

**Date:** March 9, 2016

**Subject:** 2016 Water Transfer Program

**Staff Contact:** Robert Roscoe, General Manager

### Recommended Board Action:

Authorize the General Manager to execute all agreements necessary to implement the Temporary Water Transfer Program for 2016 with the following agencies, subject to approval by District legal counsel of any non-substantive changes to such agreements:

1. San Juan Water District (SJWD) in a regional collaborate water transfer which includes participation with Citrus Heights Water District (CHWD) and Fair Oaks Water District (FOWD).
2. Placer County Water Agency (PCWA) to institute a groundwater substitution transfer which would forego receipt of Middle Fork Project surface water.
3. City of Sacramento (City) to exchange surface water diversions for District groundwater.
4. City to institute a groundwater substitution transfer of Area D Surface Water.

### Discussion:

With California in a potential fifth year of a drought, the shortage of water supplies is causing economic projections to show serious impacts to farms, farm workers and agriculture related business. This has also resulted in limited surface water supplies available to many urban water users. As a result, there is currently a healthy transfer market. In addition, the District Board of Directors adopted a budget that assumes \$1.3 million of revenue through water transfers in CY2016.

San Juan Water District (SJWD) has been working to identify a transfer partner that desires to benefit both agencies customers. Santa Clara Valley Water District (SCVWD) has a desire for supplemental surface water supplies in 2016 to meet customer water demands to reduce groundwater pumping and allow in-lieu recharge to its groundwater basin to reduce the possibility of land subsidence.

SJWD and SCVWD attempted to obtain approval for the transfer of conserved water in 2015, and will be continuing in this effort. Transferring conserved municipal water has not been done before in California and requires the development of an approved process. This process is ongoing. SCVWD is interested in working on this transfer as well as a groundwater substitution transfer. Both transfers are being pursued as separate projects.



CHWD, FOWD, Sacramento Suburban Water District (SSWD), and SJWD have recently been discussing the possibility of conducting a groundwater substitution transfer in 2016. Staff level discussions show a desire by all agencies to proceed with further investigations of a potential transfer.

CHWD, FOWD and SSWD have identified the amount of groundwater they could potentially pump during each month between June and September, the period during which water transfers are currently allowed. CHWD and FOWD would use groundwater to offset their use of surface water. SSWD would pump groundwater via the Antelope Pump Back after meeting demands of SSWD customers. The additional groundwater that would be pumped into the Cooperative Transmission Pipeline would be used by SJWD in place of surface water. The combined amount of surface water that is replaced with groundwater use would be transferred to SCVWD.

SJWD has an existing agreement with SCVWD for transfer of conserved or conjunctive use water that has a term through December 2016. SCVWD has first right of refusal for any transfer water available from SJWD this year. If a groundwater substitution transfer is to be completed this year, it will require signed agreements between SJWD and each of the participating groundwater pumping agencies prior to the initiation of any transfer. The terms of any agreement between SJWD and SCVWD, and between SJWD and groundwater pumping agencies are still under negotiation. The intent of all agencies' staff is to develop terms of agreement in a consensus based approach and to provide benefits to all agencies' customers.

Each of the groundwater pumping agencies are responsible for obtaining approval from Department of Water Resources (DWR), Sacramento Groundwater Authority and the County of Sacramento for the pumping of groundwater to conduct a groundwater substitution water transfer.

SJWD is taking the lead in the approval through Bureau of Reclamation and DWR for the overall surface water transfer to SCVWD, as well as all discussions with SCVWD. The terms of the previous SSWD agreement with SCVWD for transfer of water in 2015 are summarized below.

- SJWD will coordinate the schedule of the transfer with SCVWD to ensure there is transfer capacity in the Delta.
- SCVWD has responsibility for all losses through the Delta.
- SJWD's point of delivery is in Folsom Lake.
- Once SCVWD schedules delivery of water, failure to take the water is at the risk of SCVWD. SJWD gets paid once water is available in Folsom.
- Once all approval for transfer is obtained, SCVWD will pay \$50 per af as a deposit, based on the amount of water included in contract, which will go against the total cost of water. SJWD reimburses the \$50 per af for any water it does not deliver.
- SCVWD has first right of refusal for any transfer water available in 2016.

The actual terms for an agreement in 2016 are anticipated to be similar, though the price for water transfers is being "benchmarked" at approximately \$500 to \$550 per af. The anticipated

transfer would total approximately 8,000 af with the transfer funds being split 50/50 between participation selling agencies.

The PCWA water transfer would consist of selling the District's contracted water to a buyer and provide PCWA with a negotiated amount. In the 2009 water transfer the District paid PCWA \$70 per af from the \$275 per AF received from the buyer. In 2009, the buyer was the state drought water bank. Terms of the contract are expected to be similar with the exception of the buyer and contract pricing.

The City water transfer would consist of one of two options, which are listed below:

Option 1: Groundwater substitution transfer during Hodge Flows. The District would transfer approximately 3,000 af depending on how long the releases are above Hodge Flows on the American River. The District would pay the City a charge for the use of Area D water. In the 2013 water transfer, the District paid the City \$38 per af for the Area D water from the \$190/ac ft sale price. Terms of the contract are expected to be similar except for the buyer and contract pricing.

Option 2: Groundwater transfer to the city. The District would transfer approximately 5,000 af of groundwater to the City. The City would exchange surface water diversions for District groundwater. The District and City split of revenues is still being discussed.

**Fiscal Impact:**

The gross revenue potentially received from water transfers is approximately \$500- \$550 per af. Revenues would be divided among project participants in accordance with contract terms.

**Strategic Plan Alignment:**

Finance (C) – Combine sound and efficient business procedures with regular and simple reporting, ensuring proper handling and reporting of all District financial processes. Securing a water transfer agreement will provide revenue to assist in reducing District debt service.

Leadership – 5.C. Participate in regional water management partnerships. Participation in the 2009 Drought Water Bank requires the District to partner with several agencies and work through SGA and RWA in the process as well as the State of California, Department of Water Resources.

The District's ratepayers will benefit from a water transfer as it will generate additional revenues that can be used by the District for water system maintenance, replacements and upgrades or other purposes without any impacts on service.



## Agenda Item: 13

**Date:** March 5, 2016

**Subject:** Long Term Warren Act Contract

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

### **Recommended Board Action:**

Authorize the General Manager to proceed with attempts to receive a 25-year Long Term Warren Act Contract from the Bureau of Reclamation.

**Note:** This report was presented to the Facilities and Operations Committee at their meeting on February 12, 2016, and before the full Board at the February 22, 2016 regular Board meeting as an Information Item. Staff was directed to present it to the full Board at the March 21, 2016 regular Board meeting as an Action Item.

### **Background:**

As mentioned in previous staff reports, the District has been attempting to obtain a Long-Term Warren Act Contract (LTWAC) from the Bureau of Reclamation (Reclamation) since 2004. The District was unsuccessful in obtaining a LTWAC, however, it has been able to enter into “wet-year only” Temporary 1-year contracts, and, most recently, a temporary 5-year Warren Act Contract (WAC). The District’s current Temporary 5-year WAC expires in 2017.

### **Discussion:**

To inform the District Board’s decision making regarding renewal of the current long-term agreement with the Placer County Water Agency (PCWA) for up to 29,000 acre-feet annually of Middle Fork Project (MFP) and potential execution of future “Warren Act” contracts with the U.S. Bureau of Reclamation (Reclamation) for use of excess capacity in Folsom Dam and Reservoir (Folsom Facilities) to store and/or convey the District’s MFP water, an Assessment Report (Assessment) has been generated, attached to this report as Exhibit 1. The purpose of this Assessment is to help facilitate decisions by the District regarding continued reliability of the MFP surface water supply in average or wet years.

The PCWA Agreement is a vital component of the District’s groundwater stabilization program. In addition, the District’s 2010 Urban Water Management Plan, 2009 Water System Master Plan, Purveyor Specific Agreement with the Sacramento Water Forum, and other long range plans and commitments all assume continued availability of the MFP supply.

A very important factor is the District cannot take delivery of the MFP supply without corresponding Warren Act contracts with Reclamation for storage and conveyance through the Folsom Facilities. There is currently no alternative infrastructure available in the Region to convey the MFP supply from the upper American River watershed to the District's point of delivery at the terminus of the North Fork Pipeline (the Hinkle Wye) adjacent to San Juan Water District's Sydney Peterson Water Treatment Plant.

As previously reported, staff and Ecorp Consulting (modeling consultant) met with Reclamation staff on February 3, 2016 to discuss the District's 2006 Draft Environmental Assessment (DEA) and potential modeling requirements. There were two key items resulting from that meeting. It was determined the DEA is outdated and should not be relied upon and the District will have to include temperature in an American River model. Reclamation staff informed District staff that they would be reviewing the DEA to determine if it needed to be updated and/or reformatted. On February 25, 2016, Reclamation provided staff with their comments on the DEA. Reclamation is in the process of setting a meeting to discuss the DEA and temperature modeling the week of March 21, 2016.

Reclamation staff has consistently commented to staff that it is of the upmost importance to continue moving forward in an efficient manner to obtain a LTWAC. With input from Reclamation, a tentative schedule is attached to this report as Exhibit 2. Based on the schedule, under the most favorable conditions, the District could potentially obtain a LTWAC by July 2016.

The Assessment is a summary-level report intended to assist the District's Board and management in making informed decisions. The Assessment outlines two key factors regarding the LTWAC, which are listed below:

**Cost:** The estimated cost of a 25-year LTWAC is roughly approximated at \$200,000. The estimated cost of either twenty-five consecutive 1-year WAC's or five consecutive 5-year WAC's would be close to or equal to a 25-year LTWAC. Reclamation staff informed staff that temperatures in the American River is a major concern that a temperature model would most likely need to be conducted whether the District attempts to obtain a 1-year, 5-year, or 25-year WAC.

**Risk:** Failure to award the LTWAC places the District in the position of pursuing successive temporary WAC's indefinitely in order to take delivery of its MFP supply. The risks of frequent negotiations in either 1-year or 5-year intervals to continued, reliable delivery of the MFP supply could potentially be significant, especially considering expected long term volatility in the regulatory environment.

At the February 22, 2016 regular Board meeting, Director Schild commented that he would feel more comfortable if there was any indication that the National Marine Fisheries Service (NMFS) showed support of a LTWAC. He suggested staff speak with NMFS staff to obtain information on whether or not they will support a LTWAC. Staff agrees that a meeting with NMFS is a good

idea, however, the purpose of the meeting should be an attempt to educate NMFS on the benefits and minimal impacts and seek their advice on how to best make the process to obtain a LTWAC work for the District. Staff does not expect NMFS to commit to the outcome of any consultation process. A key to NMFS meeting is demonstrating results of a preliminary analysis plus informing them of past history since the District began taking PCWA water.

**Fiscal Impact:**

The approximate cost to obtain a 25-year LTWAC is \$200,000. Staff did not begin discussions with Reclamation on a LTWAC until after the CY2016 budget was approved, therefore, funds were not included for this particular scope of work. Staff will utilize available funds in the budget for consulting services, and if necessary, request an augmentation of the budget later in the calendar year.

**Strategic Plan Alignment:**

Water Supply - B. Provide for the long-term future needs of the District through prudent planning that will ensure sufficient capacity to serve all customers.

Water Supply - D. Manage the District's water supplies to ensure their quality and quantity.

Receiving a 25-year LTWAC will assist in securing a safe and reliable water supply that will benefit District customers long-term. In addition, receiving surface water during wet years will allow the District to assist with its groundwater stabilization program.

**EXHIBIT 1**

**DRAFT**

**Assessment Report**

**Continued Reliability**

**Sacramento Suburban Water District (SSWD)**

**Middle Fork American River Project (MFP) Surface Water Supply**

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## Introduction

**Purpose.** The purpose of this Assessment Report (Assessment) is to facilitate decisions by Sacramento Suburban Water District (SSWD) management on two pending contractual actions affecting continued reliability of the SSWD Middle Fork American River Project (MFP) surface water supply:

1. Renewal of the current long-term agreement with the Placer County Water Agency (PCWA) for up to 29,000 acre-feet annually (AFA) of MFP supply (PCWA Agreement or Agreement); and
2. Execution of future “Warren Act” contracts with the U.S. Bureau of Reclamation (Reclamation) for use of excess capacity in Folsom Dam and Reservoir (Folsom Facilities) to store and/or convey SSWD’s MFP water.

The Assessment is a summary-level report intended to assist SSWD management in making informed decisions. The Assessment is neither a technical report nor a formal cost/benefit analysis. Such reports and analyses are incorporated by reference as appropriate.

### Need for Assessment

The SSWD Strategic Plan makes commitments and establishes goals and principles for meeting SSWD’s mission of “[delivering] a high quality, reliable supply of water and superior customer service at a reasonable price”. SSWD’s ability to achieve or surpass its strategic objectives depends to a great extent upon the certainty of renewing the PCWA Agreement upon expiration; and negotiating corresponding Warren Act contracts with Reclamation.

The PCWA Agreement is a vital component of SSWD’s groundwater stabilization program. The Agreement represents roughly 55% of SSWD’s total surface water supply<sup>1</sup>. SSWD’s Urban Water Management Plan (UWMP), Water System Master Plan, Purveyor Specific Agreement (PSA) with the Sacramento Water Forum, and other long range plans and commitments all assume continued availability of the MFP supply.

Critically, SSWD cannot take delivery of the MFP supply without corresponding Warren Act contracts with Reclamation for storage and conveyance through the Folsom Facilities. There is currently no alternative infrastructure available in the Region to convey the MFP supply from the upper American River watershed to SSWD’s point of delivery at the terminus of the North Fork Pipeline (the Hinkle Wye) adjacent San Juan Water District’s Sydney Peterson Water Treatment Plant (WTP) in Granite Bay.

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<sup>1</sup> The remainder of SSWD’s surface water supply consists of 22,404 AFA under an indefinite purchase agreement with the City of Sacramento; and periodic “Section 215” contracts with Reclamation for flood releases from the Folsom Facilities.



The existing PCWA Agreement expires in 2025; SSWD’s most recent Warren Act contract with Reclamation expires in 2018. An assessment is necessary in advance of those expiration dates to identify future risks and uncertainties to SSWD’s MFP water supply, and to formulate and implementing relevant mitigation strategies accordingly. .

**Assessment Framework**

Scope. The Assessment consists of three main parts: (1) the PCWA Agreement; (2) temporary Warren Act contracts for terms of up to 5 years each; and (3) a long-term Warren Act contract (LTWAC) for a term of 25 years.

Assessment Factors. The Agreement and both types of Warren Act contract are each assessed according to five individual factors. The assessment for each factor is followed by a summary of main risks and uncertainties, together with potential risk mitigation strategies. All assessment factors are primarily aligned with either SSWD Strategic Plan Goal 1 (Water Supply) or Goal 4 (Finance) or both.

Assessment Factor	Definition
1. Contractual Certainty	“Contractual Certainty” means the extent to which the contracting agency has the legal authority to execute the contracts or Agreements and the obligation or discretion to exercise that authority.
2. Regulatory Environment	“Regulatory Environment” means the relative stability of laws, regulations, court decisions and policies with respect to the Agreement and contracts.
3. System Reliability	“Reliability” refers to continued reliability of project infrastructure and operations necessary to deliver SSWD’s MFP water pursuant to the Agreement and contracts.
4. Cost	“Cost” includes order-of-magnitude cost estimates for water acquisition, conveyance and treatment, contract negotiation and related environmental analysis.  NOTE: Cost estimates are for comparative purposes only. The Assessment does not represent a formal cost estimate or formal benefit cost analysis.
5. Impact of Not Executing the Contract(s)	This factor summarizes the potential impacts to SSWD’s conjunctive use strategy and program should the contract(s) be delayed or fail to be renewed or awarded altogether.

**Disposition.** SSWD management will brief the SSWD Facilities & Operations Committee on the draft and final Assessment Reports, and a proposed course of action, then coordinate with the SSWD Board of Directors (SSWD Board) accordingly.

## Part I: PCWA Agreement

### Overview

PCWA is authorized by Section 81-5.1 of the Placer County Water Agency Act (Cal. Stat. of 1957, ch. 1234, as amended)<sup>2</sup> to enter into contracts with any district, among other purposes, for “The sale, lease, or other disposition of water, a water supply, water rights, or water storage facilities or any interests in any thereof for any purpose by the agency to any district or by any district to the agency.” The PCWA Board of Supervisors (PCWA Board) exercises approval authority for such contracts.

On August 21, 1995, PCWA executed a 25-year Agreement with SSWD’s predecessor agency, Northridge Water District (Northridge)<sup>3</sup> as a main component of Northridge’s groundwater stabilization project. Under the contract, PCWA agreed to supply Northridge with up to 29,000 AFA of MFP water to replace groundwater use by Northridge.

The 1995 contract was superseded on June 1, 2000, by the “Agreement between Placer County Water Agency and Northridge Water District for Water Supply for Ground Water Stabilization”, also for up to 29,000 AFA. The 2000 Agreement also memorializes commitment by the San Juan Water District (SJWD) to treat, then convey SSWD’s MFP supply through the Cooperative Treatment Pipeline (CTP) to SSWD’s designated place of delivery (C-Bar-C Park).

The 2000 Agreement was amended on October 2, 2008, to clarify the quantities of MFP water made available to SSWD and modify certain payment conditions related to those quantities. The current Agreement, as amended, expires on December 31, 2025.

### Assessment Factor 1: Contractual Certainty.

a. Authority. There is no indication whatsoever that the Placer County Water Agency Act would be amended or rescinded prior to expiration of the existing Agreement, or any time thereafter. In the absence of such an amendment, it is highly improbable that legal discretion by the PCWA Board to renew the Agreement would be curtailed or revoked.

b. Obligation to renew. PCWA is under no legal or contractual obligation to renew the Agreement with SSWD. Article 3, Renewals of Term, stipulates (underscore added): “Renewals of this Agreement may be made for successive periods not to exceed twenty-five year each. The terms and conditions of each renewal shall be agreed upon by the parties not later than one year before the expiration of then current term of the Agreement.” Renewal is therefore subject to mutual agreement by the parties.

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<sup>2</sup> [https://www.pcwa.net/files/docs/public/PCWA\\_Act.pdf](https://www.pcwa.net/files/docs/public/PCWA_Act.pdf)

<sup>3</sup> Northridge Water District consolidated with Arcade Water District in February 2002 to form Sacramento Suburban Water District.

PCWA has consistently demonstrated its intent to renew the Agreement. PCWA accounted for the entire 29,000 AFA MFP supply through 2035 in their UWMP<sup>4</sup> (Chapter 3, Section 3.7.6, Wholesale Water Supply Projections). SSWD's MFP supply is also included as a modeling assumption in the PCWA MFP Water Rights Extension which, if approved as expected by the State Water Resources Control Board (State Water Board) would extend through 2043.

By e-mail to the SSWD General Manager dated November 17, 2015, PCWA management confirmed their interest in renewing the Agreement. Coordination with SJWD management indicates that SJWD fully expects to continue treatment and conveyance of SSWD's MFP supply as part of any future renewal Agreement.

c. Summary. There is a very high degree of certainty that PCWA intends to renew the Agreement, assuming the parties can come to terms. To memorialize that intent, and to promote early discussion of contract terms, SSWD may consider proposing a Memorandum of Understanding (MOU) with PCWA this year with provision for annual or bi-annual meetings every year leading up to renewal.

In addition, SSWD should continue to coordinate with PCWA to ensure the Agreement is accounted for in future UWMPs and other agency planning and permitting processes.

### **Assessment Factor 2: Regulatory Environment.**

a. MFP Water Rights. PCWA maintains Water Right Permits 13856 and 13858 which allow for the diversion, storage, and redirection of water associated with the MFP for irrigation, domestic, recreational, municipal, and industrial uses within PCWA's Place of Use. PCWA also maintains companion permits 13855 and 13857 covering water diversion and storage for power generation purposes. PCWA is currently in the process of petitioning the State Water Resources Control Board (State Water Board) for an extension through 2043 to put the MFP consumptive water right permits (13856 and 13858) to full beneficial use. That process is expected to be completed in late 2017 or early 2018, but continues to progress on schedule with no major complications identified to date. PCWA has requested license on permits 13855 and 13857 (Power Generation).

b. Environmental. Water resource agencies are required by law to evaluate the impact of discretionary actions on State or Federally listed threatened or endangered species. Mitigation related to such impacts often affects water supply availability. Federal and State listed species influencing operations in the lower American River include, but are not limited to: Pacific Lamprey, River Lamprey, Fall Run Chinook Salmon, and Central Valley Steelhead. None of these species currently exist above Folsom Dam. However, reintroduction of steelhead into the upper watershed is prescribed by the National Marine Fisheries Service (NMFS) as a Reasonable and Prudent Alternative (RPA) in their 2009 Biological Opinion (BiOp) for long term operation of the CVP.

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<sup>4</sup><http://www.water.ca.gov/urbanwatermanagement/2010uwmps/Placer%20County%20Water%20Agency/Placer%20Co%20WA%20Final%202010%20UWMP%20-%20Main%20document.pdf>

c. Summary. Laws, regulations and policies governing renewal of the Agreement should remain relatively stable for the foreseeable future. There is a high probability the State Water Board will approve MFP water rights extension; potential reintroduction of threatened or endangered species into the upper American River watershed is a very long-term undertaking. Nevertheless, SSWD should continue to monitor and, as practicable, participate in any significant regulatory process that could affect timely renewal of the PCWA Agreement.

### **Assessment Factor 3: System Reliability.**

a. Infrastructure. The MFP is located on the west slope of the Sierra Nevada range primarily in Placer County, California. The Project's major storage reservoirs, French Meadows and Hell Hole, have a combined capacity of 342,583 acre-feet (a/f). The Project has a generation capacity of approximately 224 megawatts (MW) and has produced an average of about 1 million megawatt-hours (MWh) per year. The Project includes recreation facilities near its storage reservoirs. In addition, its operations accommodate popular whitewater rafting opportunities in the Middle Fork American River below Oxbow Powerhouse. There appears to be no current or anticipated future infrastructure-related constraint on continued delivery of SSWD's MFP supply to Folsom Reservoir.

b. Operations. Article 4 of the PCWA Agreement, Water to be Furnished to Northridge, establishes a graduated scale for the quantity of MFP water supply available each year between 2000 and 2014. Beginning in 2014 and thereafter, SSWD is contractually entitled to up to 29,000 AFA. This entitlement is constrained by Northridge's (now SSWD's) PSA with the Sacramento Water Forum. Under terms of the PSA, SSWD may only take delivery of the MFP supply in years when the projected March through November unimpaired inflow into Folsom Reservoir is greater than 1,600,000 AF<sup>5</sup>. This condition effectively makes the PCWA Agreement a "wet-year only" contract.

The MFP has proven to be a very productive project hydrologically. SSWD has consistently received all MFP as scheduled, year in and year out. Although there are no guarantees, modeling by PCWA indicates SSWD's MFP supply will remain reliable in the future even under projected climate change conditions.

c. Summary. There is a high degree of certainty that the MFP will continue to produce and deliver all scheduled water up through expiration of the existing PCWA Agreement and thereafter.

### **Assessment Factor 4: Cost.**

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<sup>5</sup> Under terms of the PSA, Northridge was authorized for an interim ten-year period (through 2010) to divert their MFP water in years when the projected March through November unimpaired inflow to Folsom Reservoir was greater than 950,000 acre feet. After the ten-year period, unless the State Water Board issues a subsequent order, Northridge would divert up to 29,000 AFA of their MFP supply from Folsom Reservoir subject to the 1.6 MAF inflow criteria.

a. Cost per a/f. The PCWA Agreement establishes criteria for determining the cost of MFP water in any particular year.<sup>6</sup> According to that criteria, the cost of the MFP water to SSWD has consistently remained at \$35 a/f since 2000. In addition to the purchase cost of water, SSWD also pays storage and conveyance charges to Reclamation in accordance with successive Warren Act contracts; and water treatment and conveyance charges to SJWD under an agreement with that agency.

b. Total Cost. The total cost of the MFP water supply to SSWD – to include water acquisition, storage, conveyance and treatment - is summarized by year in enclosure 2. The total cost fluctuates annually for several reasons, but primarily because of differences in the quantity of water delivered under the Agreement. For example, the total cost to SSWD in 2007 was \$ .397 million based upon 3,841.9 a/f total deliveries at \$103.31 per a/f. In comparison, total cost to SSWD in 2015 was \$1.657 million with deliveries of 15,516.8 a/f at \$106.78 per a/f.

c. “Take or Pay”. Article 4, Water to Be Furnished to Northridge states: “Each year Northridge shall be required to pay for its entitlement . . . .” Amendment 1 to the Agreement, dated October 1, 2008, capped the quantity subject to “take or pay” at 12,000 a/f. Altogether, this means that SSWD must pay for the first 12,000 a/f under the PCWA Agreement regardless of whether SSWD actually takes delivery of that water. The Agreement further states that if SSWD does not pay for the scheduled water deliveries, then SSWD’s future entitlements under the contract are reduced<sup>7</sup>.

d. Renewal costs. The renewal process itself will involve other types of costs including, but not limited to: staff and consultant costs associated with contract negotiations, general administration, and – in particular – modeling and analysis necessary to comply with the California Environmental Quality Act (CEQA), California Endangered Species Act (CESA), project water rights permits and other statutes and regulations.

e. Summary. Water acquisition, conveyance and treatment costs required by a renewal Agreement are difficult to quantify since these are all subject to future negotiations. However, based upon current and outyear projections, SSWD should anticipate there will be an upward trend in such costs between now and 2025. SSWD should further assume that the cost of renewing the contract may be significant, especially the cost modeling and environmental analysis. SSWD could manage the scale of future cost increases through regular communication and meetings with PCWA between now and 2025 as memorialized by an MOU.

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<sup>6</sup> Article 12, Rate and Method of Payment for the Water, Subparagraph 12(a) Rate for Payment of Water, states: “Each year Northridge shall pay [PCWA] for each acre-foot of Northridge Annual Entitlement made available in Northridge’s Service Area the highest of the following three rates: (1) Thirty-five dollars; (2) One hundred seventy-five percent (175%) of the acre-foot price [PCWA] charges the City of Roseville and San Juan [Water District] that year for water made available to them in Folsom Reservoir for use within Placer County; or (3) One hundred fifty percent (150%) of the total amount, per acre-foot, including any restoration and other fees and charges, [PCWA] is required to pay that year to Reclamation for water to be used within [PCWA] pursuant to [PCWA’s] September 18, 1970 contract as amended and supplemented or pursuant to any renewals of that contract.”

<sup>7</sup> Article 4 states: “. . . if Northridge does not take or pay for the Northridge Annual Entitlement for any year, the Northridge Annual Entitlement for each year thereafter shall be reduced by the amount equal to 50% of the amount which Northridge did not take or pay for during that year.”

**Factor 5: Impact of Not Renewing the Contract.**

The SSWD UWMP, Section 4.6, District Conjunctive Use Strategy, states: “As part of the District’s 2009 Water System Master Plan, the District developed a conjunctive use strategy that consists of integrating the buildout water needs, groundwater pumping target, available surface water supplies, groundwater supply capacity, and frequency of occurrence of WFA climate year types to arrive at the optimum mix of water supplies. An objective of the conjunctive use strategy is for the District to not exceed the groundwater pumping target on average and utilize surface water as part of the supply in wet years when supplies are plentiful and less costly.”

The UWMP goes on to provide additional detail on SSWD’s conjunctive use strategy. In summary, the Sacramento Groundwater Authority (SGA), formerly the Sacramento North Area Groundwater Management Authority, was formed in 1999 to manage the groundwater basin north of the American River. One objective of SGA is to maintain the long-term sustainable yield of the groundwater basin north of the American River through conjunctive use practices. SGA adopted its groundwater management plan (GMP) in December 2003 and adopted a revised GMP in December 2008. SSWD is a participating agency in SGA.

The “sustainable yield” of the portion of the North American groundwater sub-basin within Sacramento County was defined as part of the Water Forum process and in the formation of the SGA. The estimated “average annual sustainable yield” defined by the Water Forum is 131,000 AFA (EDAW/SWRI, 1999). SSWD’s portion of this yield has been defined by the SGA as a sustainable pumping estimate of 35,035 AFA.

As illustrated in UWMP Table 4-5, SSWD’s two sources of surface water supply (MFP supply and City of Sacramento supply) are essential to meeting the long-term groundwater pumping target of 35,035 AFA.

<b>Table 4-5. Conjunctive Use Strategy, Meet District Needs – Total System, AFA</b>					
	<b>Wet</b>	<b>Average</b>	<b>Drier</b>	<b>Driest</b>	<b>Ave Use</b>
2035 Demand	41,133	41,133	41,133	41,133	41,133
Surface Water Available					
PCWA	29,000	0	0	0	0
City of Sacramento	9,399	3,500	1,400	0	0
Total surface water available	38,399	3,500	1,400	0	0
Groundwater Use	31,241	41,133	41,133	41,133	35,000
Surface Water Use	9,892	0	0	0	6,133

Note: Water year types in this table refer to water year types as defined in the Water Forum Agreement.

Should the PCWA Agreement not be renewed, then SSWD would have to make up the shortfall through other sources. There are multiple variation of how this might be accomplished but in general, SSWD would most likely max out their available City of Sacramento supply first, then increase groundwater extraction to cover the remaining balance. This would present significant risk to SSWD’s conjunctive use strategy. For example, the total quantity of water available under the City of Sacramento contract is 26,064 AFA. However, in most years deliveries are constrained well below this amount by the “Hodge” provisions of the City of Sacramento’s water rights permit. Over time, this dynamic would make it very difficult for SSWD to remain within their sustainable yield allocation. Other considerations include:

Cost. As reflected in the following table, the City of Sacramento supply is historically much more expensive on an a/f basis than the MFP supply.

<b>Year</b>	<b>MFP Supply</b>	<b>City Supply</b>	<b>Difference</b>
2006	\$95.25	\$150	\$54.75
2007	\$103.31	\$178	\$74.69
2008	\$104.40	\$195	\$90.60
2009	\$104.74	\$195	\$90.26
2010	\$106.78	\$224	\$117.22
2011	\$111.26	\$257	\$145.74
2012	\$112.36	\$283	\$170.64
2013	\$114.36	\$311	\$196.64
2014	\$116.10	\$342	\$225.90
2015	\$119.00	\$428	\$309.00

- The California Sustainable Groundwater Management Act (SGMA) of 2014. SGMA requires the formation of local groundwater sustainability agencies (GSAs) that must assess conditions in their local water basins and adopt locally-based management plans. The act provides substantial time – 20 years – for GSAs to implement plans and achieve long-term groundwater sustainability. It protects existing surface water and groundwater rights and does not impact current drought response measures. The outcome of this process could modify longstanding assumptions by the RGA and SSWD regarding a sustainable yield targets and groundwater management in general.

- Regional projects. Failure to renew the PCWA Agreement would almost certainly affect pending commitments by SSWD to participate in the evolving Regional Water Reliability Project. The long-term certainty of SSWD’s MFP supply is critical to planning and design for the Sacramento River Reliability Project (RiverArc), American River Watershed Basin Study, Regional Drought Planning and other Regional projects and initiatives.

d. Summary. Reference Assessment Factors 1 through 4 above: there appears to be a very high probability that the existing Agreement will be renewed upon expiration. Nevertheless, assessing the implications of not renewing, or renewing with less favorable terms and conditions, highlights the importance of the Agreement to SSWD's entire program. For that reason, it would appear to be to SSWD's best interests to engage with PCWA on a regular basis leading up to renewal negotiations. In addition:

- The SSWD General Manager should continue proactive involvement as a member of the Association of California Water Agencies (ACWA) Groundwater Committee in managing implementation of SGMA.
- SSWD should also continue to explore and support options for taking delivery of its City of Sacramento supply through diversions from the Sacramento River, rather than the Lower American River.
- SSWD should continue its commitment to participate with other local agencies on projects and initiatives to improve regional water supply reliability.



## Part II: Temporary Warren Act Contracts

### Overview

Reclamation is authorized to enter into contracts for use by other entities of excess capacity of Reclamation facilities to store or convey non-project water. The authorizing statutes are:

- The Act of February 21, 1911, Chapter 141 (36 Stat. 925, 926)<sup>8</sup> and related federal rules (43 U.S.C. secs. 523, 524) authorize the Secretary of Interior, with certain provisos, to contract with irrigation systems, individuals, corporations, and irrigation districts for use of excess capacity in Reclamation projects in impoundment, storage or carriage of non-project water for irrigation purposes. The 1911 Act is commonly referred to as the Warren Act and pertains exclusively to non-project water for irrigation purposes.

- Section 305 of Public Law 102-250 Reclamation States Emergency Drought Relief Act of 12 1991<sup>9</sup> as amended (106 Stat. 59; 43 U.S.C Ch 40)<sup>10</sup> expanded the original Warren Act authority beyond irrigation to include contracts with municipalities, public water districts and agencies, other Federal agencies, State agencies, and private for the impounding, storage, and carriage of non-project water for domestic, municipal, fish and wildlife, industrial, and other beneficial purposes using any facilities associated with the Central Valley Project and other specified Reclamation projects.

- Section 3408(c) of Title 34, Public Law 102-575, Central Valley Project Improvement Act (106 Stat. 4604). Section 3408(c), Contracts for Additional Storage and Delivery of Water, states: “The Secretary is authorized to enter into contracts pursuant to Reclamation law and this title with any Federal agency, California water user or water agency, State agency, or private non-profit organization for the exchange, impoundment, storage, carriage, and delivery of Central Valley Project and non-project water for domestic, municipal, industrial, fish and wildlife, and any other beneficial purpose, except that nothing in this subsection shall be deemed to supersede the provisions of section 103 of Pub. L. 99-546 (100 Stat. 3051).”

Between 2000 and 2011, SSWD negotiated and executed temporary 1-year Warren Act contracts with Reclamation for use of excess capacity in the Folsom Facilities to store and convey the MFP water supply. In 2012, SSWD was successful in executing a temporary 5-year Warren Act contract through February 28, 2018 (Contract No. 12-WC-20-0020), subject to certain terms and conditions imposed by NMFS.

### Assessment Factor 1: Contractual Certainty.

a. Authority. It is very unlikely that statutes governing temporary contracts for use of excess capacity in Reclamation facilities will be modified or rescinded in the future.

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<sup>8</sup> <https://www.law.cornell.edu/uscode/text/43/523>

<sup>9</sup> <http://www.usbr.gov/drought/legislation/102-250.html>

<sup>10</sup> <https://www.law.cornell.edu/uscode/text/43/chapter-40>

Reclamation Area Managers exercise delegated authority to approve temporary Warren Act contracts for up to 5-years in duration. No approved Basis of Negotiation (BON) is required prior to awarding these contracts since the form of contract is heavily standardized.

Discretion to exercise this delegated authority has never been constrained by any statute or court-order. All previous legal restrictions on CVP contracts have specifically pertained to award or renewal of CVP long-term water service and repayment contracts. Nevertheless, NMFS has typically been very cautious over the past several years with requests by Reclamation for consultation on temporary Warren Act contracts with terms exceeding 1-year. Requests by NMFS for additional analysis and delays in responding to such requests can have the effect of a de facto restriction.

b. Obligation. There is no provision for renewal in SSWD's existing temporary Warren Act contract. Accordingly, Reclamation is under no obligation to renew that contract. Any successor contracts would be new contracts subject to new terms and conditions.

c. Summary. There is no indication that any of the three authorizing statutes will be amended or rescinded any time in the future. However, discretion by Reclamation to exercise that authority – especially with respect to term of contract - could potentially be restricted either formally or informally based upon changing circumstances. Use of successive short-term contracts to meet a long term need generally increases the risk of this occurring.

Risk mitigation strategies could include pursuing a LTWAC as discussed in Part III of this Assessment; or, including at least an acknowledgement of the parties' intent to renew as a provision of future temporary Warren Act contracts, regardless of term.

## **Assessment Factor 2: Regulatory Environment.**

a. Water Rights. On August 27, 2015, the Department of Water Resources (DWR) and Reclamation filed a petition with the State Water Board to change their respective water rights to add three additional Points of Diversion (PODs) in support of the California WaterFix Project (WaterFix Project), formerly part of the Bay Delta Conservation Plan or BDCP. Multiple parties have filed formal protests to the Reclamation/DWR change petition. Protest resolution could potentially result in amendments to Reclamation's permits concerning operation of the Folsom Facilities or CVP Delta operations.

Concurrent with their review of the WaterFix change petition, the State Water Board continues to develop and implement updates to the Bay-Delta Water Quality Control Plan (WQCP). Phase 4 of the WQCP process involves developing and implementing flow objectives for priority tributaries to the Delta to protect beneficial uses in the Bay-Delta watershed. Priority tributaries include the American River.

Conditions imposed by the State Water Board on Reclamation's water rights permits through either or both of these two processes could potentially modify Reclamation's operations at the Folsom Facilities and Lower American River. Such operational changes could conceivably affect the timing and availability of excess capacity at the Folsom Facilities. In addition,

litigation of State Water Board decisions on WaterFix or the Delta WQCP could once again result in court-ordered restrictions in awarding or renewing CVP water contracts.

b. Environmental.

(1) CVP Operations. Recent completion by Reclamation of the Record of Decision (ROD) for Long-Term Operation for the Central Valley Project in Coordination with the State Water Project (LTO). The LTO ROD culminates nearly 10 years of continuous litigation related to CVP operations<sup>11</sup>. For most of that period, Reclamation was restricted either by court-order or uncertainty in future CVP operations from executing most long-term CVP contracts including most long-term Warren Act contracts. There is currently no legal constraint on award or renewal of CVP contracts.

This could potentially be only brief a respite. Any significant change in CVP operations resulting from the WaterFix or Phase IV processes, or any new listings, may well necessitate additional Endangered Species Act (ESA) Section 7 consultation by Reclamation with NMFS and the U.S. Fish and Wildlife Service (USFWS). Over the past 10 years such CVP-wide consultation has almost inevitably resulted in new operational requirements – either directly through new Biological Opinions (BiOps) or as a result of litigation. Significantly new or modified operations could affect the content and award of future Warren Act contracts.

(2) Annual CVP Temperature Plan. Because of their operations cycle, SSWD needs temporary Warren Act contracts fully approved and awarded by February or March each year. In the absence of fully executed contracts by that time, SSWD must necessarily rely upon groundwater resources to meet demands. Firing up the infrastructure necessary to extract, treat and distribute groundwater supplies is an expensive undertaking and difficult to reverse even if a Warren Act contract is later awarded.

Reclamation has historically experienced some difficulty in securing NMFS concurrence within the February – March timeframe. NMFS relies heavily upon Reclamation’s annual CVP temperature plan to make decisions for the upcoming summer season for protection and recovery of endangered species. Reclamation does not finalize the annual CVP temperature plan until May of each year. This time gap between SSWD’s need for an approved Warren Act contract in February - March, and publication of the final CVP temperature plan in May, introduces significant uncertainty in NFMS’ ability to evaluate impacts on listed species.

c. Reclamation policies. Reclamation-wide policies are subject to continuous update and revision. New or revised policies typically cannot supersede or amend existing water contracts. Consequently, as a standard practice Reclamation requires that new policy directives be incorporated prospectively into any new or successor contracts. For example, most of the original long-term CVP water service contracts charged a very low flat rate for CVP deliveries, in some cases only \$6 per a/f. In the late 1980’s and early 1990’s, Reclamation developed new water ratesetting policies based upon actual Cost of Service (COS) then incorporated these new policies as a condition of all renewal contracts.

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<sup>11</sup> A summary of CVP litigation is enclosed (enclosure 1).

Consecutive short-term (1-year, 5-year) contracts such as SSWD's temporary Warren Act contracts are particularly vulnerable to this dynamic. The most recent example is a proposed new policy by Reclamation that would significantly increase rates associated with new Warren Act contracts. If finalized and implemented, Reclamation would require the new rates to be incorporated as a provision of all new Warren Act contracts.

d. Summary. The regulatory environment for the CVP is expected to remain highly uncertain, even volatile, for the foreseeable future. The process of negotiating and awarding consecutive temporary Warren Act contracts over an extended period increases SSWD's exposure to periodic court-ordered contracting restrictions, new Reclamation policies, and complicated and often inconclusive ESA consultation with NMFS and the USFWS. Potential mitigation strategies are the same as Assessment Factor 1 above.

### **Assessment Factor 3: System Reliability.**

a. Infrastructure. SSWD's MFP supply is diverted by Reclamation at Folsom Dam through the Municipal and Industrial (M&I) water intake, and conveyed by way of the Folsom pump plant and North Fork Pipeline to the Hinkle Wye. SJWD then treats and conveys the MFP water to SSWD's point of delivery at C-Bar-C Park.

The only real risk in terms of infrastructure reliability would be in situations where the reservoir level dropped below the operational capability of the M&I intake – approximately elevation 360'. The chances of that affecting SSWD's MFP supply are generally very minimal. The M&I intake operations have never been interrupted since Folsom Dam went into service in 1956. In any case, the SSWD Warren Act contract is a "wet-year" contract that applies only when the projected March through November unimpaired inflow into Folsom Reservoir is greater than 1,600,000 a/f. The risk of the reservoir dropping below elevation 360' in those wet years is highly improbable.

SJWD continues to reserve sufficient capacity in their Water Treatment Plant and pipeline to accommodate the MFP supply beyond expiration of the current PCWA Agreement.

b. Operations. The primary operational constraint associated with the Warren Act contract is SSWD's PSA with the Water Forum. In addition, the NMFS Letter of Concurrence for SSWD's existing temporary Warren Act requires Reclamation to reconsult based upon any of the following conditions:

- (1) If the preliminary and annual temperature data indicates mean daily water temperature at Watt Avenue cannot be maintained below or at actual mean daily temperatures exceeding 65 F;
- (2) If releases of the transfer water result in LAR flow fluctuation above or below the threshold flow of 4,000 cubic feet per second;
- (3) Operation outlooks indicate below average Folsom Reservoir storage condition by the end of May;

- (4) Historical storage in Folsom Reservoir is at or below average for the month of March-May;
- (5) Snowpack water content in the American River Basin is below the historical average for the month of March; or
- (6) Water conditions deviate from 2005 conditions, which is the benchmark used to determine if water temperature conditions are likely to be met.

NMFS and Reclamation are likely to require continuation of these conditions in future Warren Act contracts.

c. Summary. The project infrastructure and related operational rules necessary to store and convey SSWD's MFP supply through the Folsom Facilities to the SJWD Treatment Plant is expected to remain consistently reliable in the future. Although infrastructure-related risks are relatively low, the Folsom Facilities remain the only option for taking delivery of the MFP supply. Accordingly, SSWD may consider partnering with other local agencies to explore options for redundant conveyance capability at the Folsom Facilities in the event the M&I intake ever becomes inoperable.

#### **Assessment Factor 4: Cost.**

a. Contract costs. The following tables illustrate the range of costs involved with executing consecutive temporary 1-year and 5-year Warren Act contracts over a 25 year period. Reclamation policy requires applicants to cover the cost of Reclamation staff in negotiating, reviewing and otherwise completing award of each Warren Act contract; and in reviewing and approving environmental documents. The tables therefore reflect both Reclamation staff costs and SSWD consultant costs. SSWD staff costs are assumed be absorbed by the organization and are not included. Costs reflected in the tables are for comparison only and do not represent a disciplined cost estimate. General assumptions are as follows:

- (1) Level of effort (work hours) are based very roughly upon experience with previous SSWD Warren Act contracts;
- (2) The Reclamation labor rate is based upon a fully burdened hourly rate for GS-12 Step 4 (\$40.13 x 1.30 indirect cost factor).
- (3) Cost escalation for Reclamation staff costs is based upon 1% per year; cost escalation for consultant costs is calculated at 1.5% annually.
- (4) The frequency of consecutive 1-year contracts over a 25 year period is estimated at 60% probability (15 individual contracts) based upon previous historical record.

Costs estimates in the tables generally assume rote stability in all required tasks from one year to the next; and do not consider any of the many variables that could occur in any specific contract cycle. Variables that could significantly increase costs in any given year include, but are not limited to: requirement by Reclamation to prepare a separate stand-alone Biological Assessment

(BA) rather than a combined EA/BA; updated modeling required by NMFS to reflect new or modified BiOps; and the like.

(5) Definitions. For references purposes:

- ‘Contract Actions’ generally includes technical evaluation of proposed contract provisions by both SSWD consultants and Reclamation staff, related policy and regulatory research, actual negotiations meetings, legal and technical review of completed contracts, and final processing and approval.

- ‘Environmental Analysis’ generally includes (a) consultant time in conducting modeling, analyzing impacts, identifying mitigation actions, preparing EAs, BAs and other actions in compliance with the National Environmental Policy Act (NEPA) and Endangered Species Act (ESA), and additional specialized modeling and analysis in response to NMFS or FWS questions; and (b) Reclamation staff time performing technical review and commenting on draft documents, performing comparative modeling and related analysis, and conducting ESA consultation activities by Reclamation staff.

- ‘Administration’ generally includes scoping and coordination meetings, project management scheduling, project-related accounting, records search, copying, distribution and other general support tasks in support of contract actions and environmental analysis.

<b>25 Consecutive 1-Year WACs</b>					
<b>Task</b>	<b>Hours</b>	<b>Rate PH</b>	<b>Total</b>	<b>25 Year Total (Straight Line)</b>	<b>25 Year Total (Cost Esc)</b>
<b>Contract Actions</b>					
Recl Staff	12	\$ 52.17	\$ 626.04	\$ 9,390.60	\$ 14,074.38
Consultant	8	\$ 150.00	\$ 1,200.00	\$ 18,000.00	\$ 28,644.07
<b>Environmental Analysis</b>					
Recl Staff	40	\$ 52.17	\$ 2,086.80	\$ 31,302.00	\$ 46,914.59
Consultant	8	\$ 300.00	\$ 2,400.00	\$ 36,000.00	\$ 57,288.15
<b>Administration</b>					
Recl Staff	24	\$ 52.17	\$ 1,252.08	\$ 18,781.20	\$ 28,148.75
Consultant	8	\$ 150.00	\$ 1,200.00	\$ 18,000.00	\$ 28,644.07
<b>TOTAL</b>	<b>100</b>		<b>\$ 8,764.92</b>	<b>\$ 131,473.80</b>	<b>\$ 203,714.01</b>

\* 15 individual contracts over a 25 year period based upon historical experience.

5 Consecutive 5-Year WACs					
Task	Hours	Rate PH	Total	25 Year Total (Straight Line)	25 Year Total (Cost Esc)
<b>Contract Actions</b>					
Recl Staff	24	\$ 52.17	\$ 1,252.08	\$ 6,260.40	\$ 6,932.51
Consultant	16	\$ 150.00	\$ 2,400.00	\$ 12,000.00	\$ 14,003.79
<b>Environmental Analysis</b>					
Recl Staff	48	\$ 52.17	\$ 2,504.16	\$ 12,520.80	\$ 13,865.01
Consultant	80	\$ 300.00	\$ 24,000.00	\$ 120,000.00	\$ 140,037.89
<b>Administration</b>					
Recl Staff	24	\$ 52.17	\$ 1,252.08	\$ 6,260.40	\$ 6,932.51
Consultant	24	\$ 150.00	\$ 3,600.00	\$ 18,000.00	\$ 21,005.68
<b>TOTAL</b>	216		\$ 35,008.32	\$ 175,041.60	\$ 202,777.38

Actual hours will vary within a general range from the estimated level of effort reflected in the tables. From a trend perspective, costs associated with Environmental Analysis-related tasks can be expected to increase proportionately with the term of contract. The main reason is the progressive uncertainty in the impact of the contract on federally listed species. Because of this uncertainty, NMFS and USFWS tend to require a greater degree of modeling and analysis in conjunction with the ESA consultation process. By extension, additional environmental analysis can also be expected to increase contract-related costs since Reclamation will typically propose contract language to reflect required ESA mitigation measures.

b. Rates. Consistent with Department of the Interior policy, Warren Act rates are determined in accordance with the “then-existing CVP Ratesetting Policies”. Reference enclosure 2, rates for SSWD Warren Act contracts have historically averaged somewhere in the \$18.00 - \$20.00 per a/f range. Reclamation is currently proposing new policies that could significantly increase historical rates. However, disposition of those policies is still pending the outcome of intensive review by Reclamation water contractors West-wide.

c. Summary. The most significant risk concerning Warren Act costs is variability from one award period to the next. The most likely variable is the level of NEPA analysis and ESA consultation required to complete the contract. Reducing the number of award cycles for Warren Act contracts tends to reduce variability, and therefore costs. For example: the level of environmental analysis associated with a 5-year contract, particularly modeling effort, is typically greater per event than a 1-year contract. However, these and other costs tend to be

offset over the long term since the parties don't have to negotiate, evaluate and process contracts as often.

**Assessment Factor 5: Impact of Not Executing the Contract(s).**

a. Failure to execute each consecutive temporary Warren Act contract means SSWD cannot take delivery of its MFP supply. The impact is basically a microcosm of not renewing the MFP Agreement, as discussed in Part I. In summary, SSWD would have to rely on either the City of Sacramento supply or SSWD groundwater resources, or both, to make up the difference. The City of Sacramento supply is significantly more expensive than the MFP supply and has a limitation on availability; relying on groundwater to make up the shortfall for any extended time risks exceeding SSWD's sustainable yield commitment.

b. Failure by Reclamation to timely execute a temporary Warren Act contract does not relieve SSWD of the take or pay provisions of the PCWA Agreement, as modified. According to those provisions, SSWD would still have to pay for the first 12,000 a/f of scheduled MFP supply even though they were unable to take delivery.

c. Failure to execute any particular temporary Warren Act contract could introduce uncertainty into SSWD's capability to meet conjunctive use commitments for other potential projects under joint consideration to improve Regional water supply reliability. Such projects and initiatives include, but are not limited to: the Sacramento River Diversion (RiverArc) Project, infrastructure improvement projects, a potential American River Basin Study, and Regional Drought Planning.

d. Summary. Not executing consecutive Warren Act contracts presents a significant risk to SSWD's MFP supply. Absent a Warren Act contract in any year, there will be quantifiable impacts to cost and water supply reliability.



## **Part III: Long Term Warren Act Contract**

### **Overview**

In 2005, SSWD requested Reclamation negotiate a long-term, 25-year Warren Act Contract (LTWAC) for use of excess capacity at the Folsom Facilities to store and convey SSWD's MFP supply. The primary strategy in requesting a LTWAC was to ensure SSWD's use of excess capacity was considered as a continuing assumption in Reclamation's current and outyear planning for CVP operations. SSWD also assumed the proposed LTWAC would more appropriately align with the term of the PCWA Agreement, reduce regulatory, logistical and financial uncertainties of executing temporary 1-Year Warren Act contracts each year.

The Reclamation Mid-Pacific Region concurred with the request and submitted a BON for approval by the Office of the Commissioner. Reclamation policy requires a BON as a first step in negotiating all types of long-term water contracts. An final approved BON represents a delegation of authority to the Regional Director (Contracting Officer) for negotiating and warding the proposed contract subject to specified parameters.

The BON was approved by the Commissioner on June 1, 2005. SSWD and Reclamation successfully concluded negotiations for the LTWAC in 2006 (Contract No. 05-WC-20-3279) and made very significant progress in completing the corresponding environmental analyses. However, further work on the environmental analysis was suspended in 2007 due to then-ongoing litigation on CVP-wide operations. Since 2007, Reclamation has been restricted by a succession of court-orders and internal agency determinations from executing any long-term water service contracts pending completion by Reclamation, the U.S. Fish and Wildlife Service (USFWS) and the National Marine Fisheries Service (NMFS) of additional CVP-wide environmental documentation.

The legal restrictions on long-term water service contracts did not specifically include LTWACs. However, because the additional environmental documentation encompassed CVP-wide operations in coordination with the State Water Project (SWP), Reclamation generally extended the prohibition as a matter of policy to all types of long-term water contracts and agreements.

Reclamation's LTO ROD was the last court-ordered environmental document. There is currently no legal restriction on renewing CVP water service contracts, or in resuming the environmental analysis and completing negotiations for SSWD's LTWAC. SSWD has requested an independent assessment prior to a final decision on re-initiating the LTWAC process.

In conjunction with the Assessment process, SSWD has initiated several meetings with Reclamation to exchange information, clarify tasks necessary to complete the LTWAC and develop a preliminary completion schedule.

### **Assessment Factor 1: Contractual Certainty.**

a. Authority. Reclamation is authorized to execute LTWACs according to the same statutes as temporary WACs. Specifically: The Act of February 21, 1911, Chapter 141 (36 Stat. 925, 926) and related federal rules (43 U.S.C. secs. 523, 524); Section 305 of Public Law 102-250 Reclamation States Emergency Drought Relief Act of 12 1991 as amended (106 Stat. 59; 43 U.S.C Ch 40); and Section 3408(c) of Title 34, Public Law 102-575, Central Valley Project Improvement Act (106 Stat. 4604).

Now that the LTO ROD has been signed, Reclamation ostensibly has discretion to exercise that authority constrained only by terms and conditions defined in the 2005 BON. However, Reclamation staff has informed SSWD that they expect the Office of the Commissioner to issue additional policy guidelines in the near future concerning long-term CVP contracts. Among other subjects, staff infers such guidance may provide direction to Reclamation offices on length of term for different types of water contracts.

According to Reclamation staff, there is a limited window of opportunity for executing the LTWAC. Staff advises that major decisions by Reclamation on CVP-wide operations are usually followed by litigation. Such litigation has historically resulted in court orders constraining award of long term CVP contracts. In that regard, staff emphasizes the importance of expediting main tasks necessary to complete the LTWAC.

b. Obligation. Neither the existing nor the proposed contract includes any obligation to renew.

c. Summary. There is no indication that any of the authorizing acts will be amended or rescinded; and there is currently no constraint on Reclamation's ability execute long term CVP contracts, including the SSWD LTWAC other than the 2005 BON. There is some uncertainty regarding the nature of additional guidelines forthcoming from the Office of the Commissioner. Otherwise, the primary risk at this point is that any litigation challenging the LTO ROD could once again lead to restrictions in awarding long-term CVP contracts, including the SSWD LTWAC.

The main mitigation strategy should be timely decision by SSWD on whether to proceed with completing the LTWAC; or instead rely on consecutive, short-term Warren Act contracts indefinitely.

SSWD should also consider proposing a renewal clause of some type in all future Warren Act contracts. The following example was excerpted from Reclamation's LTWAC with El Dorado Irrigation District (EID) for EID's 'Ditch Right' entitlement:

*"WHEREAS, the United States will consider, in good faith, the Contractor's requests for future renewal of this Contract, to the extent that Excess Capacity in Project Facilities exists at the time of renewal, and to the extent that renewal of this Contract would not contravene then-applicable law, including but not limited to the Federal Reclamation laws and 43 U.S.C. Sections 523-525"*

## **Assessment Factor 2: Regulatory Environment.**

The regulatory environment for the CVP will continue to be highly uncertain, even volatile indefinitely, for the same reasons discussed in Part II, Temporary Warren Act Contracts. The most effective strategy for mitigating that uncertainty may be to secure a LTWAC.

**Assessment Factor 3: System Reliability.**

As summarized in Part II, Temporary Warren Act Contracts, the project infrastructure necessary to store and convey SSWD’s MFP supply through the Folsom Facilities to the SJWD Treatment Plant is expected to remain consistently reliable in the future. Although the infrastructure-related risks are relatively low, the Folsom Facilities remain the only option for taking delivery of the MFP supply. Accordingly, SSWD may consider partnering with other local agencies to explore options for redundant capability in the future.

Also as discussed in Part II, Reclamation is likely to require that operational conditions imposed by NMFS in the existing, temporary Warren Act contract be carried forward and included in any future LTWAC.

**Assessment Factor 4: Cost.**

The following table provides a preliminary estimate of costs for completing the LTWAC. A more detailed, final estimate will be developed depending on whether or not SSWD elects to proceed with the LTWAC.

Task	Estimate
<b>Contract Actions</b> - Negotiate updated LTWAC - Release updated LTWAC for public review - Evaluate comments, update and finalize LTWAC	\$20,000
<b>Environmental Analysis</b> - Update 2006 Draft EA - Complete additional modeling to conform with Reclamation’s LTO* model assumptions - Prepare stand-alone BA - ESA Consultation - Complete additional analysis and prepare a Final EA	\$175,000
<b>Administration</b>	\$5,000
<b>Total</b>	<b>\$200,000</b>

\* “LTO” is an acronym for “Long-Term Operation”. Long-Term Operation in this context refers to the modeling performed by Reclamation in completing the court-ordered Environmental Impact Statement and Record of Decision for the “Coordinated Long-Term Operation of the Central Valley Project and State Water Project”.

Summary. There is some risk that new constraints on executing long term contracts could be imposed on Reclamation for one reason or another prior to completion of the LTWAC. Basically, negotiation for a LTWAC could be shut down before SSWD and Reclamation are able to complete negotiations and award the contract. In that event, SSWD would have to decide whether to complete the additional work in anticipation of some future opportunity to award the LTWAC, or to revert to consecutive temporary Warren Act contracts.

**Factor 5: Impact of Not Executing the Contract(s)**

Failure to award the LTWAC places SSWD in the position of pursuing successive temporary Warren Act contracts indefinitely, in order to take delivery of its MFP supply. The risks of frequent negotiations in either 1-year or 5-year intervals to continued, reliable delivery of the MFP supply could potentially be significant, especially considering expected long term volatility in the regulatory environment.

Failure to award a LTWAC also potentially influences Reclamation assumptions in modeling and analysis for future CVP operations. For example, SSWD’s continuing need for Warren Act contracts to store and convey MFP water through the Folsom Facilities was not recognized as an assumption in Reclamation’s LTO modeling. The reasons given was that “no long term Warren Act contract was in place or being negotiated”.

Finally, failure to award a LTWAC potentially introduces uncertainty in SSWD’s ability to commit to other Regional conjunctive use projects and initiatives.

## OCAP Litigation Summary

On June 30, 2004, Reclamation completed a new long-term CVP OCAP and OCAP BA. The main purpose for preparing the 2004 OCAP and OCAP BA was to consult with NMFS and FWS on a long-term BiOp covering CVP contract renewals, additional species listed under ESA since the previous (1992) OCAP, integration of the proposed Freeport Water Facility and SWP/CVP intertie into CVP/SWP operations; and to consolidate consultation on all the listed species to a common point. The 2004 CVP OCAP and OCAP BA further incorporated new operational requirements mandated by CVPIA and State Water Board Decision D-1641.

On July 30, 2004, the FWS issued a BiOp for the 2004 CVP OCAP. On February 16, 2005, the FWS issued an amended BiOp which superseded the 2004 OCAP BiOp. The 2005 FWS OCAP BiOp concluded that the coordinated operation of the SWP and CVP, including the proposed future actions, would not jeopardize the Delta Smelt's continued existence. Although the BiOp recognized that existing protective measures may be inadequate, the FWS concluded that certain proposed protective measures, including the Environmental Water Account (EWA) and a proposed "adaptive management" protocol would provide adequate protection.

On October 22, 2004, the NMFS Southwest Regional Office issued a BiOp on the effects of the proposed long-term CVP OCAP on federally listed, endangered and threatened salmon and steelhead and their designated habitat in accordance with Section 7 of the ESA. The BiOp concluded that the project, as proposed, was not likely to jeopardize the continued existence of endangered and threatened salmon and steelhead or result in the destruction or adverse modification of designated habitat for the endangered and threatened salmon and steelhead.

Both the 2004 NMFS Salmon/Steelhead BiOp and the 2005 FWS Smelt BiOp were litigated.

On May 25, 2007, the District Court issued an order remanding the 2005 FWS BiOp. The court held that the 2005 FWS BiOp's conclusion that Delta Smelt were not in jeopardy was arbitrary and capricious and remanded to the agency. The court found that the take limits authorized by the BiOp were based on inadequate historical data that did not reasonably estimate the Delta Smelt's population. The court also found that FWS did not consider available data on climate change and the possible impacts on the smelt's critical habitat. Finally, the court was not convinced mitigation efforts were reasonably certain to occur.

May 20, 2008, the District Court issued an order remanding the 2004 NMFS BiOp. The court held that the 2004 NMFS BiOp conclusion that salmon and steelhead were not in jeopardy was arbitrary and capricious and remanded to the agency. According to the decision, the BiOp failed to analyze the impact of global climate change and the damage to salmon and steelhead critical habitats.

In compliance with court ordered dates, Reclamation prepared and submitted a revised BA to NFMS and FWS in August 2008.

On December 15, 2008, the FWS issued a BiOp pertaining to the effect of CVP/SWP on Delta Smelt. FWS found the operations could jeopardize the continued existence of the species; and required certain Reasonable and Prudent Alternatives (RPAs) to avoid a jeopardy opinion.

On June 4, 2009, NMFS issued a BiOp pertaining to the effect of CVP and SWP on Chinook salmon, steelhead trout, green sturgeon, and southern resident killer whales. NMFS found the CVP/SWP operations could jeopardize the continued existence of the species. NMFS required numerous major RPAs in order to avoid a jeopardy opinion.

Reclamation provisionally accepted both BiOps and initiated implementation of the required RPAs. Both BiOps were subsequently litigated.

On March 13, 2014, the Ninth Circuit Court of Appeals issued an opinion that reversed in part and affirmed in part the district court's judgment invalidating the 2008 FWS BiOp that concluded that the CVP and SWP jeopardized the continued existence of the delta smelt and its habitat. The Ninth Circuit affirmed the district court's order remanding to Reclamation so that it can complete an EIS evaluating the effects of its adoption and implementation of the BiOp.

On December 22, 2014, the Ninth Circuit upheld the NMFS BiOp in its entirety and affirmed Reclamation must conduct NEPA analysis of BiOp RPAs.

January 12, 2016. Current court-ordered date for Reclamation to issue the Record of Decision for their NEPA analysis.

**Historical Deliveries  
PCWA Middle Fork Project Supply**

<b>Year</b>	<b>A/F</b>	<b>Acq Cost (A/F)</b>	<b>WAC Charge (A/F)</b>	<b>Treat/Conv Charge (A/F)</b>	<b>Other Charge (A/F)</b>	<b>Total Charge Per A/F</b>	<b>TOTAL COST (Mil)</b>
2001	0	*	*	*	N/A		\$ .000
2002	16,930.9	*	*	*	N/A		
2003	15,071.8	\$35	\$21.29	\$44.45	N/A	\$100.79	\$1.519
2004	15,337.3	\$35	\$23.47	\$44.45	N/A	\$102.97	\$1.579
2005	14,362.5	\$35	\$15.71	\$44.45	N/A	\$95.21	\$1.368
2006	13,073.0	\$35	\$20.44	\$44.45	N/A	\$95.25	\$1.245
2007	0	\$35	\$19.47	\$47.87	N/A	\$103.31	\$ .000
2008	0	\$35	\$17.71	\$49.93	N/A	\$104.40	\$ .000
2009	8,210.7	\$35	\$16.29	\$52.03	N/A	\$104.74	\$ .860
2010	15,516.8	\$35	\$17.65	\$55.49	N/A	\$106.78	\$1.657
2011	12,625.5	\$35	\$17.65	\$58.61	N/A	\$111.26	\$1.405
2012	0	\$35	\$21.29	\$59.71	N/A	\$112.36	\$ .000
2013	0	\$35	\$18.36	\$61.00	N/A	\$114.36	\$ .000
2014	0	\$35	\$19.00	\$62.10	N/A	\$116.10	\$ .000
2015	0	\$35	\$19.00	\$65.00	N/A	\$119.00	\$ .000
<b>TOTAL</b>	111,128.5						\$9.633
<b>AVE</b>	7,408.57	\$35	\$19.03	\$53.04		\$106.66	

\*Looking for additional data

**Historical Deliveries  
City of Sacramento Supply**

<b>Year</b>	<b>A/F</b>	<b>Acq Cost (A/F)*</b>	<b>WAC Charge (A/F)**</b>	<b>Treat/Conv Charge (A/F)*</b>	<b>Other Charge (A/F)*</b>	<b>Total Charge Per A/F*</b>	<b>TOTAL COST (Mil)</b>
2001	N/A	N/A	N/A	N/A	N/A	\$150	
2002	N/A	N/A	N/A	N/A	N/A	\$150	
2003	N/A	N/A	N/A	N/A	N/A	\$150	
2004	0.0	N/A	N/A	N/A	N/A	\$150	\$ 0.000
2005	0.0	N/A	N/A	N/A	N/A	\$150	\$ 0.000
2006	0.0	N/A	N/A	N/A	N/A	\$150	\$ 0.000
2007	3,701.2	N/A	N/A	N/A	N/A	\$178	\$ .659
2008	2,742.5	N/A	N/A	N/A	N/A	\$195	\$ .535
2009	3,872.1	N/A	N/A	N/A	N/A	\$195	\$ .755
2010	2,289.3	N/A	N/A	N/A	N/A	\$224	\$ .513
2011	4,083.6	N/A	N/A	N/A	N/A	\$257	\$ 1.050
2012	6,463.0	N/A	N/A	N/A	N/A	\$283	\$ 1.829
2013	0.0	N/A	N/A	N/A	N/A	\$311	\$ 0.000
2014	0.0	N/A	N/A	N/A	N/A	\$342	\$ 0.000
2015	0.0	N/A	N/A	N/A	N/A	\$428	\$ 0.000
<b>TOTAL</b>	23,151.7		N/A				
<b>AVE</b>	1,929.3		N/A				

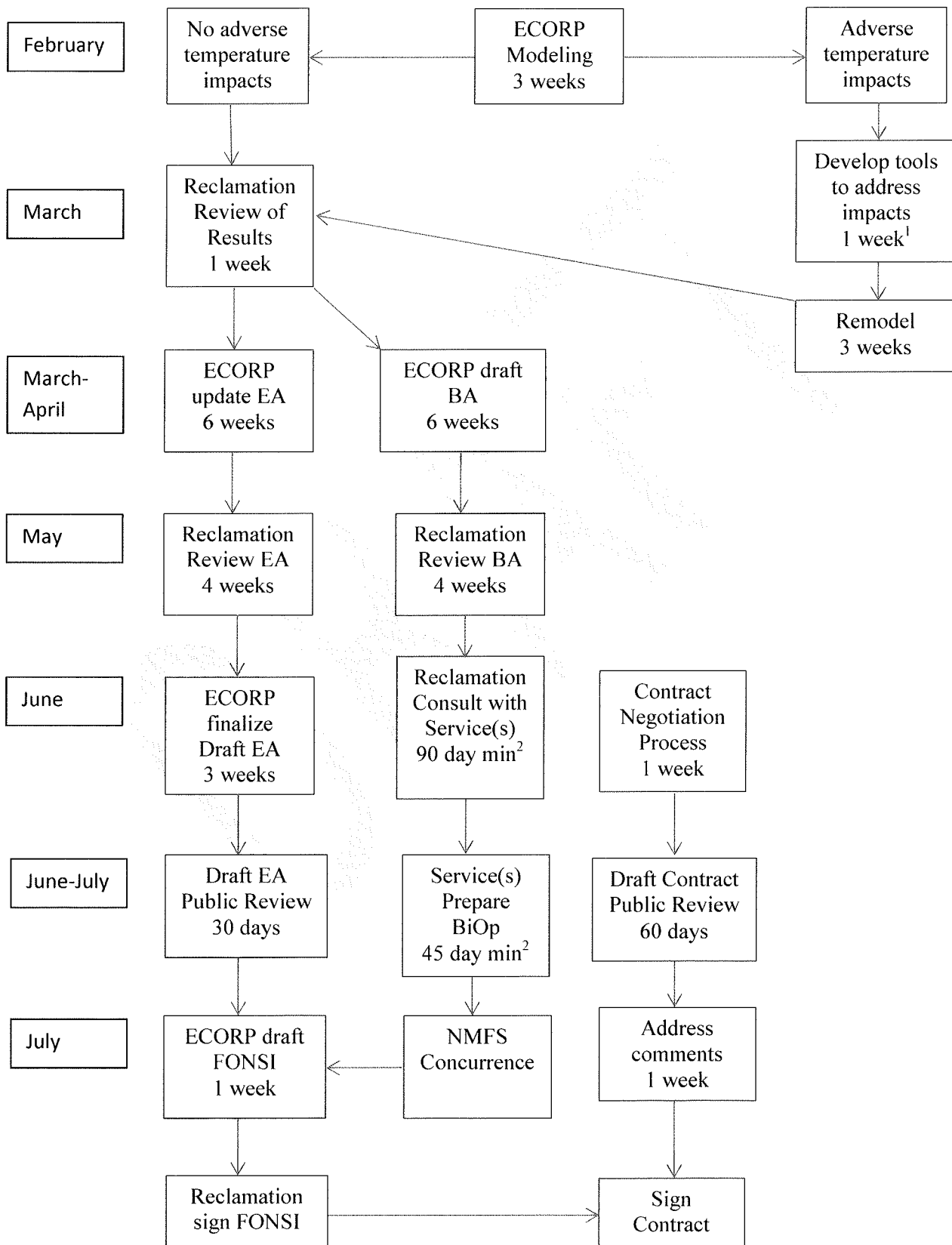
\* City of Sacramento historically charges SSWD and other wholesale customers a flat rate covering labor, operations, administration/overhead, and CIP.

\*\* No Warren Act contract is required since the City supply is not stored or conveyed through any Reclamation facilities.



EXHIBIT 2

Long Term Warren Act Contract Schedule



1: Assuming minimal impacts and one meeting with Reclamation



## Agenda Item: 14

**Date:** March 8, 2016

**Subject:** Water Conservation and Regional Water Efficiency Program Report

**Staff Contact:** Greg Bundesen, Water Conservation Supervisor

### Background

As previously reported, on April 1, 2015 the Governor of California issued Executive Order B-29-15 calling on the State Water Resources Control Board (SWRCB) to impose restrictions on urban water suppliers to achieve a 25% reduction in statewide water use by the end of February 2016. The SWRCB met on May 5, 2015 and passed its Emergency Regulations for meeting the Governor's 25% reduction. The District has been assigned a 32% reduction target from the SWRCB. Water utilities are mandated to reduce their total water production, not Gallons Per Capita per Day (GPCD), by the amount of their assigned tier. GPCD was only used to set the water utilities target reduction tier. The SWRCB has extended its Emergency Drought Regulation through October 31, 2016. The SWRCB has also made adjustments to the District's reduction standard. **The District has received a climate adjustment and its new Water Conservation Reduction Standard is now 29%.**

### a. Drought Report

The District did not meet the SWRCB mandatory water conservation reduction target of 29% in February 2016. The District reduced its water use by only 9% (see Exhibit 1) when compared to February 2013. Cumulatively (June 2015 – February 2016) the District has reduced its water use by 30% and is exceeding its new mandatory Reduction Standard. The District has saved 50% (2,874 Million Gallons (MG)) of its October 2016 goal of 5,729 MG.

The SWRCB noted in their February 25, 2016 media release (see Exhibit 2), that Californians reduced water use statewide by 17.1% in January 2016, missing the state's 25% reduction mandate. The Statewide cumulative water savings since June 2015 fell just below the 25% mandate and is now at 24.8%. Also noted in this release were compliance statistics for the 401 water suppliers who reported water production totals for the month of January 2016. Of the reporting water suppliers, 58% met or were within one percentage point of meeting their standard, 18% were between 1 and 5 percent of their compliance standard, 22% were between 5 and 15 percent of their compliance standard, and 2% were greater than 15 percent off of their compliance standard.

The Regional Water Authority (RWA) published its January 2016 water conservation results for its member agencies. According to the RWA's January 2016 report (see Exhibit 3) the region reduced its water consumption in December by 11.5% and has reduced its

consumption by 31.5% cumulatively from June 2015 through January 2016. The RWA monthly reports are published after Board Meeting agenda packet deadlines and summarize data from the previous month.

The Department of Water Resources released its third Snow Survey Report of the season on March 1, 2016 (see Exhibit 4). The March 1, 2016 Snow Survey found a snow depth of 58.3 inches, 83% of the March 1<sup>st</sup> average for the Phillips Station site. Electronic readings showed a statewide average snowpack of 20.7 inches of snow water content, 83% of the statewide March 1<sup>st</sup> average. Although the snow pack is below average for this time of year, water storage in the state's eight largest reservoirs remains low as those lakes are currently only holding between 111% (Lake Folsom) and 31% (New Melones Lake) of their historical averages for this time of year.

**b. Summary of Activities During February 2016**

In response to the SWRCB mandatory 29% water reduction target, the District has implemented a very aggressive Drought Response Plan. The District has taken the following Demand Management Measures (DMM) approach to meet the SWRCB reduction target:

DMM 1 – Water Loss Control

The District's 2015 Water Loss Control Leak Detection Program wrapped up in February 2016. Utility Services Associates completed just over 200 miles of contracted leak detection services with very few findings. Staff will provide the Board with a full report once USA provides staff with a final report.

Staff has updated the District's Work Order system to begin tracking specific leak data to ensure compliance with Senate Bill 555. Signed into law in October 2015, SB 555 requires that all urban water suppliers submit a validated Water Loss analysis by October 1, 2017 for the previous calendar year. Staff has begun developing new data collecting features that will make the data collection and analysis process more streamlined when the initial reporting period begins in 2017. The new work order data collection features were fully implemented as of January 1, 2016.

DMM 2 – Water Metering

The District retrofitted 187 water meters in January 2016.

DMM 3 – Community Outreach

In November 2015 the Board approved a winter message that was distributed to customers in December 2015 and January 2016. The message asked customers to voluntarily turn off their sprinklers during the winter months and leave them off until the spring. Staff developed the following methods to distribute the new voluntary request:

- a. Online Advertising – Staff continued to run the “Off Till Spring” and the “Good Weather for Ducks” advertisements on Google websites (side bar advertising) generating 52 clicks and 66,806 impressions. Staff also ran the same advertisements on Facebook which

generated 195 clicks, 135,741 impressions and reached 27,131 people. An example of the advertisements can be seen in Exhibit 5, Figures 1a and 1b.

- b. Local Newspapers – Staff submitted an editorial to the local newspaper, Antelope News, regarding the District’s winter water conservation messaging. The editorial was picked up and ran by Arden/Carmichael Times in February. See Exhibit 6 for the editorial that was run.
- c. District Website Update – The District’s Water Conservation webpage was updated with information regarding the washing of vehicles, irrigating a sloped landscape, and rebates.

#### DMM 4 – Education Programs

No additional activities were generated for the School Education Program.

#### DMM 6 – Residential Programs

On February 10, 2016 staff used the District’s Advanced Metering System to identify 92 customers that had 72 hours of continuous water use indicating the strong possibility that a leak existed at the location. Using this information, staff sent out a post card notifying both the location and the property owners of the suspected leak (see Exhibit 5, Figures 2a and 2b). Staff is developing a program that will identify customers that have been identified on subsequent reports to ensure that they are contacted directly by District staff. Leaks can account for significant amount of water inside a home each year.

The District’s Public Outreach Consultant, iN Communications, nominated the District for a California Association of Public Information Officers (CAPIO) Excellence in Communications Award for the Printed Publications: Special Purpose Publication/Other Category for its Leak Notification post card (see Exhibit 7). Staff has estimated that 60% of the customers receiving the post card repair their leaks and are not identified on subsequent reports making the Leak Notification Program very successful. Staff will continue to update the Board of Directors regarding the results of the nomination.

#### DMM 7 – Commercial, Industrial, and Institutional Programs

The District performed one (1) Commercial audit in February 2016.

#### DMM 8 – Large Landscape Irrigation Customers

The current Modified Stage 3 – Water Crisis states “*Except where non-potable water is used, all CII must cease all turf irrigation. Non-ornamental turf, such as the active playing surfaces of sports fields, may be irrigated provided the overall system water use is reduced by greater than 30%.*” Staff has been meeting with the District’s CII customers to convey the new regulation and solicit feedback regarding the new regulation. Some customers have begun submitting variances to the current Water Crisis Stage. The General Manager has been granted the authority to make exceptions to the Water Crisis Stage enforcement on a case by case basis. Staff has developed a new Large Landscape Customer Alternate Services Agreement that may allow park districts an alternative method of compliance to ceasing all ornamental turf irrigation. The General Manager has granted seven such variances. Staff

continues to review the water use for those customers with approved watering day variances and communicates any concerns with those agencies.

**c. Water Conservation Program and Results**

District staff continues to promote water conservation directly to the District customers. To date, District staff and our contract company performed 3 indoor residential Water-Wise House Calls (WWHC) and 17 outdoor residential WWHCs in February 2016. Staff received 37 notifications of water waste and issued 16 Information Only Notices, 29 Notice of Violations, and 1 Warning Notice of Violation for Water Waste in January. Staff also conducted one (1) Commercial audit in February.

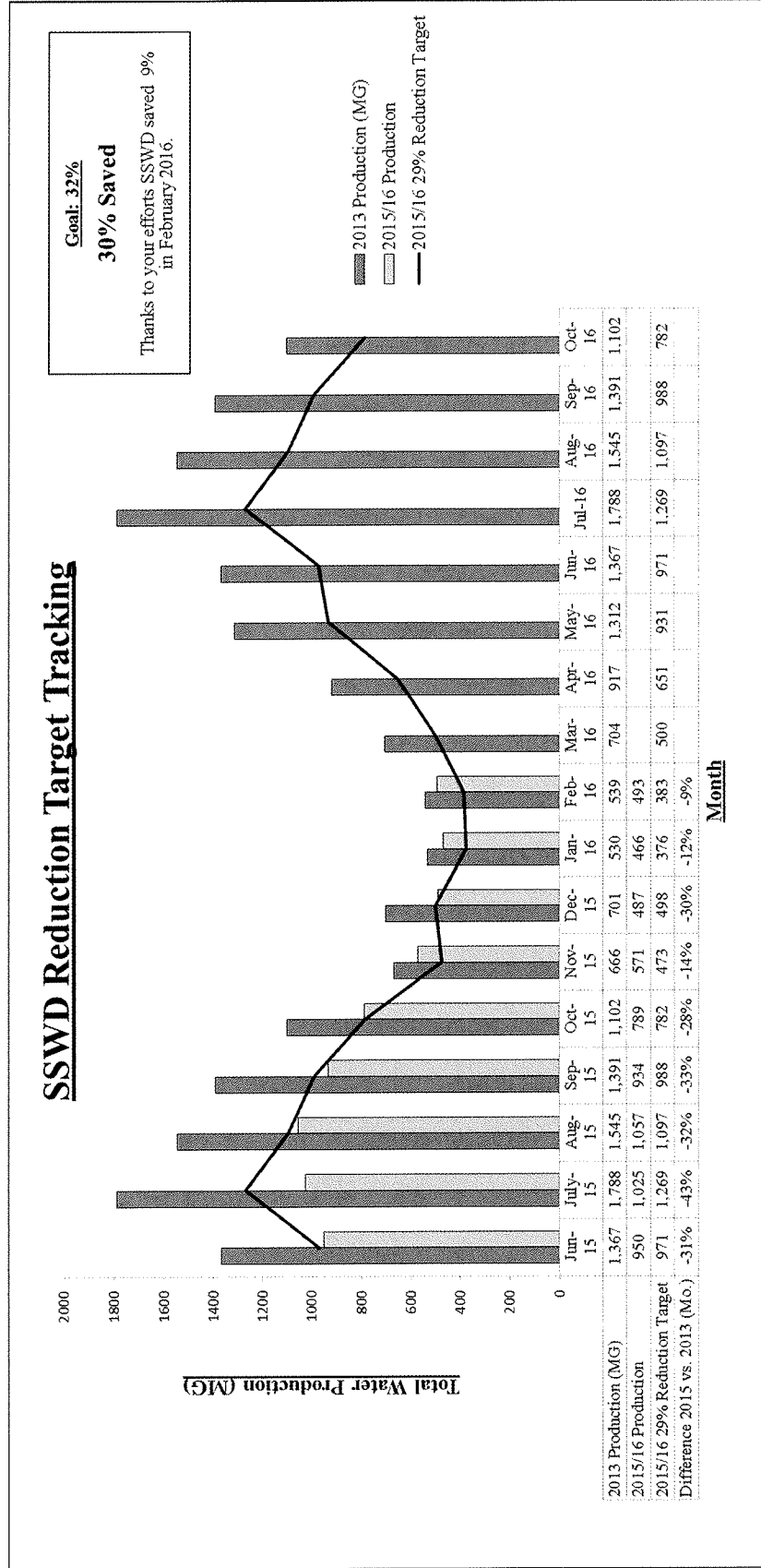
Through the District's rebate program customers were provided one (1) cash for grass rebate (\$976), three (3) hot water pump rebates (\$450), and two (2) Irrigation Efficiency Upgrade rebates (\$566). Exhibit 8 provides a breakdown of how many of each rebate was distributed in February 2016, as well as, year to date.

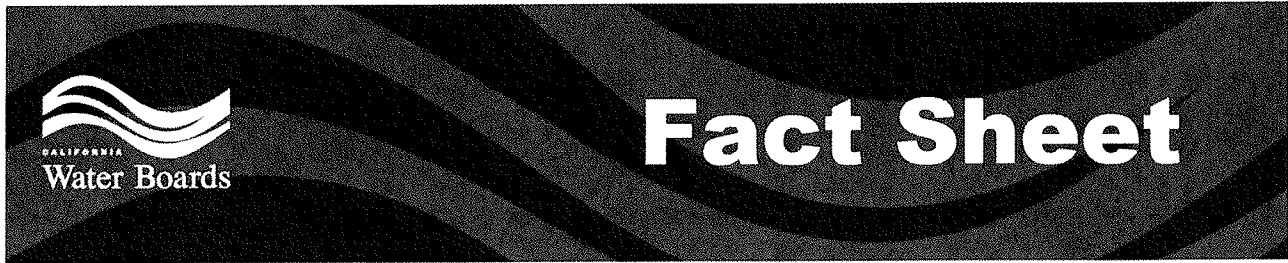
**d. Upcoming Events**

1. Creek Week Celebration Event – April 9, 2016 – Carmichael Park, Carmichael, CA from 11:00 am – 2:00 pm.
2. California Urban Water Conservation Council Plenary Meeting – April 13, 2016 – Chino Basin Water District, CA.

Exhibit 1

Figure 1 SSWD Reduction Target Tracking Graph





# January 2016 Statewide Conservation Data

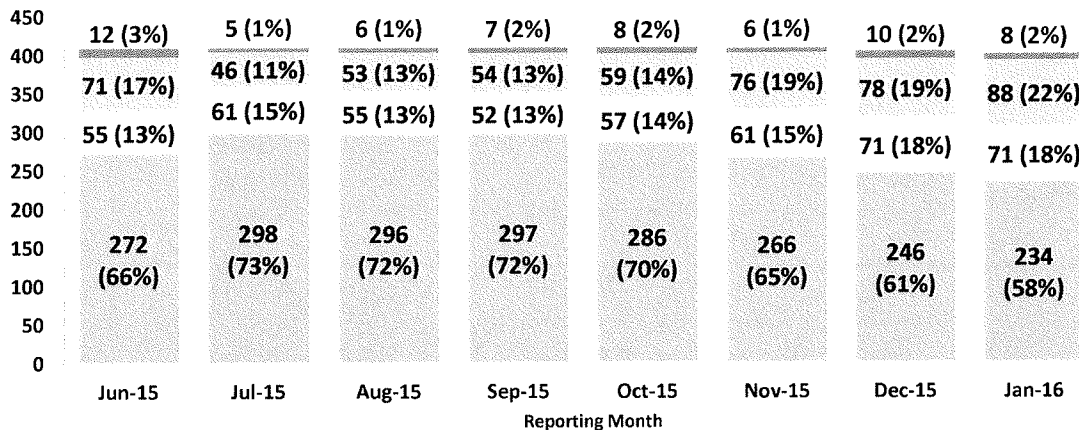
## January Conservation Summary

January marks the eighth month that the state’s 400-plus urban water suppliers must be in compliance with the emergency conservation standards. This fact sheet summarizes the results for January and illustrates the progress made since June 2015 when urban water suppliers were first required to submit monthly conservation reports. The current report is posted [here](#).

The percentage of water saved collectively by the state’s large urban water suppliers decreased from 18.4 percent in December 2015 to 17.1 percent in January, as compared to the same months in 2013, which serves as the baseline for determining water savings. As expected, monthly water savings have declined in the cooler winter months when outdoor water use is lower. After four straight months of monthly water savings below 25 percent, the cumulative savings effort dipped below the Governor’s 25 percent conservation mandate for the first time since June 2015 – coming in at 24.8 percent.

Despite the dip in the cumulative savings rate, the total amount of water saved remains strong, with more than 1.1 million acre-feet of water saved since June 2015, or 96 percent of the February goal. Despite 2015 being one of the hottest years of record, average statewide water use continued to decline for the sixth month in a row, with 61 residential gallons per capita per day (R-GPCD) reported in January – the lowest per-person rate since water-use recording began in June 2014.

## Conservation Standard Compliance June 2015 to January 2016



1 Greater than 15 percentage points from meeting standard      2 Between five and 15 percentage points from meeting standard  
 3 Between one and five percentage points from meeting standard      0 Met or within one percentage point from meeting standard



Overall compliance by water suppliers decreased from December to January by three percentage points – from 61 percent to 58 percent -- due to lower monthly savings. With 401 water supplier reports submitted for January, 234 suppliers (58 percent) met or were within one percentage point of their conservation standard; 71 suppliers (18 percent) were between one and five percentage points of meeting their conservation standard; and 88 suppliers (22 percent) were between five and 15 percentage points of meeting their conservation standard. Eight suppliers (2 percent) were more than 15 percentage points from meeting their conservation standard.

The State Water Resources Control Board continues to work closely with water suppliers to implement the regulation and to support improved local efforts where conservation savings are falling short. Information about the Board’s compliance actions is located [here](#).

### Water Savings by Hydrologic Region June 2014 to January 2016

As stated above, statewide monthly savings for January was 17.1 percent, with hydrologic region monthly savings for January ranging from 13.3 percent to 28.6 percent. In January, four of the 10 hydrologic regions reported higher monthly savings than they did in December 2015. The table below provides the monthly savings (i.e., the percent saved during a one-month period) by hydrologic region for June 2014 to January 2016.

Hydrologic Region	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Jan 15	Feb 15	Mar 15	Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Jan 16
Central Coast	9.5%	13.5%	15.2%	15.9%	14.4%	21.6%	29.2%	9.4%	8.8%	9.4%	19.1%	30.5%	30.6%	31.9%	28.1%	26.9%	24.1%	27.3%	23.7%	18.2%
Colorado River	6.6%	3.1%	7.0%	6.9%	5.4%	6.7%	7.4%	12.2%	-0.9%	7.3%	11.9%	19.8%	25.2%	34.0%	24.7%	17.2%	24.7%	21.7%	11.5%	28.6%
North Coast	4.0%	10.8%	13.1%	9.5%	22.0%	19.6%	15.9%	15.7%	7.4%	-4.0%	22.8%	28.8%	16.0%	32.5%	19.7%	20.0%	16.8%	18.0%	20.5%	19.5%
North Lahontan	0.0%	1.4%	13.9%	5.3%	-0.9%	0.8%	12.7%	8.8%	11.9%	9.8%	16.8%	38.4%	29.8%	32.4%	25.0%	16.2%	10.0%	12.9%	18.8%	27.7%
Sacramento River	14.0%	19.6%	22.1%	16.7%	18.8%	25.9%	21.6%	6.0%	14.1%	11.5%	23.5%	38.8%	36.3%	38.4%	34.5%	28.2%	26.6%	32.7%	25.9%	13.5%
San Francisco Bay	10.3%	12.9%	15.1%	15.4%	14.9%	17.8%	20.9%	2.4%	7.9%	6.5%	19.9%	31.9%	32.3%	32.3%	30.5%	25.3%	23.3%	26.8%	23.5%	13.3%
San Joaquin River	6.7%	12.2%	13.1%	10.1%	9.9%	20.6%	18.2%	12.3%	13.5%	11.4%	19.9%	34.9%	33.3%	34.5%	30.0%	26.7%	26.7%	31.0%	21.0%	15.4%
South Coast	-0.1%	2.3%	8.4%	8.1%	1.8%	3.3%	23.8%	6.2%	-2.6%	0.6%	9.0%	25.8%	23.0%	28.3%	23.8%	26.7%	20.6%	14.1%	15.9%	17.9%
South Lahontan	5.7%	4.5%	11.0%	8.5%	0.6%	1.5%	6.9%	10.8%	3.3%	10.0%	12.0%	21.8%	31.1%	35.9%	29.2%	25.8%	22.9%	18.8%	5.0%	16.8%
Tulare Lake	5.0%	8.6%	14.4%	11.6%	6.3%	16.5%	26.2%	8.7%	9.9%	4.3%	17.2%	31.3%	29.4%	32.2%	28.0%	25.9%	22.1%	28.3%	21.7%	15.9%
Statewide	4.4%	7.5%	12.0%	10.6%	6.8%	10.0%	22.3%	6.6%	2.5%	3.9%	13.7%	29.0%	27.5%	31.4%	27.0%	26.2%	22.3%	20.3%	18.4%	17.1%

### R-GPCD by Hydrologic Region June 2014 to January 2016

As stated above, average statewide R-GPCD for January was 61, the lowest reported per-person rate since water-use reporting began in June 2014 due to the drought. The table on the next page provides the average R-GPCD by hydrologic region for June 2014 to January 2016. Average hydrologic region R-GPCDs for January 2016 range from 49 to 95. All 10 hydrologic regions reported lower R-GPCDs in January than they did in January 2015, including the Colorado River Hydrologic Region which reduced per person water usage by 22 gallons per day between January 2015 and January 2016.



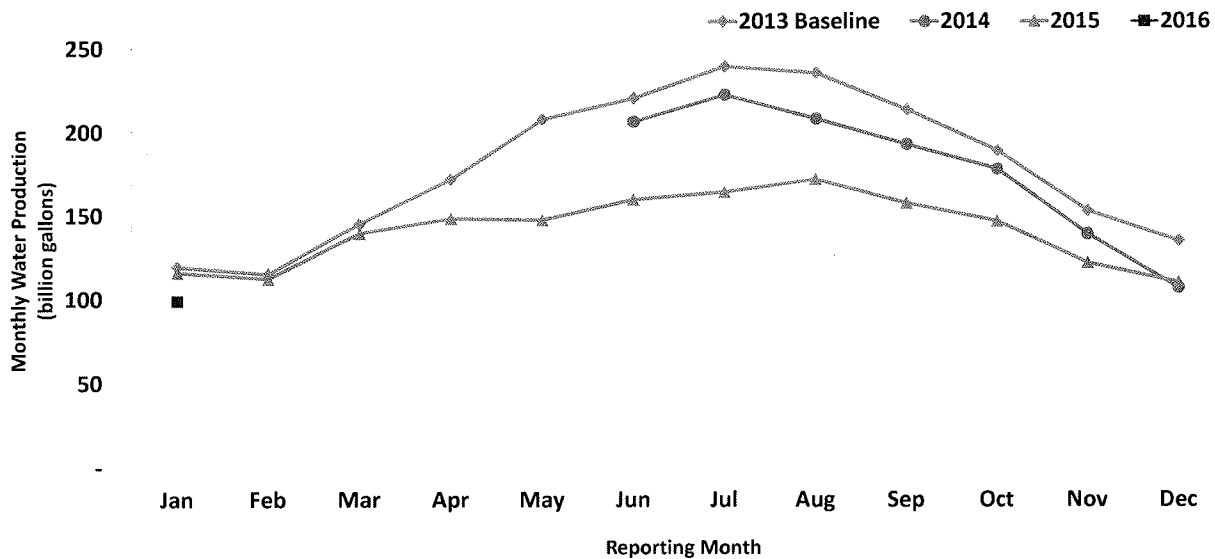


# Fact Sheet

Hydrologic Region	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Jan 15	Feb 15	Mar 15	Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Jan 16
Central Coast	99.9	95.0	90.6	88.6	83.4	65.9	54.3	60.5	62.1	65.1	71.5	71.5	75.5	76.7	77.0	77.2	70.5	59.9	53.4	48.6
Colorado River	221.8	241.0	222.1	185.3	172.6	169.3	117.7	117.6	135.4	125.7	163.2	163.2	169.9	153.8	171.7	161.9	131.9	141.1	112.7	95.1
North Coast	88.5	95.2	81.9	84.2	66.9	54.8	56.5	54.3	54.5	61.5	60.0	64.1	78.7	73.5	75.7	73.3	70.7	53.4	52.3	50.1
North Lahontan	162.0	147.8	131.2	126.6	93.8	68.2	72.4	70.2	63.7	61.2	66.3	83.4	115.2	113.5	117.7	113.4	81.4	56.2	61.6	57.9
Sacramento River	187.0	197.5	177.4	164.1	130.4	89.2	70.7	73.6	74.3	97.3	104.2	118.0	137.9	151.8	149.7	142.5	117.5	80.0	68.2	67.6
San Francisco Bay	98.8	98.2	90.7	84.0	76.7	62.8	53.0	56.8	57.9	63.4	65.4	65.9	70.0	72.0	72.3	72.2	67.4	55.1	51.0	49.5
San Joaquin River	196.7	196.5	173.6	157.5	128.7	90.1	71.3	68.2	71.2	92.5	104.7	112.2	128.7	132.5	132.9	124.6	102.5	76.9	66.4	61.3
South Coast	121.5	120.0	112.6	111.6	103.3	88.3	64.6	73.2	79.6	83.3	90.1	81.2	91.2	88.4	94.5	89.1	83.7	78.6	70.5	62.1
South Lahontan	189.3	191.6	179.7	158.2	132.8	107.2	71.5	71.6	78.1	95.3	113.4	120.6	133.3	130.6	147.5	129.1	106.5	91.8	73.2	68.7
Tulare Lake	201.0	211.4	188.9	178.6	148.2	105.5	80.1	74.7	77.7	101.0	127.0	132.0	154.9	162.5	164.0	150.2	124.4	88.8	76.9	69.8
<b>Statewide</b>	<b>132.8</b>	<b>133.1</b>	<b>123.1</b>	<b>117.6</b>	<b>105.1</b>	<b>85.8</b>	<b>65.0</b>	<b>70.5</b>	<b>75.1</b>	<b>82.4</b>	<b>90.5</b>	<b>87.5</b>	<b>98.0</b>	<b>98.0</b>	<b>102.3</b>	<b>96.9</b>	<b>87.3</b>	<b>75.7</b>	<b>67.2</b>	<b>60.9</b>

## Statewide Water Production Trends

The graph below shows the statewide trends in water production reductions, in billion gallons, for June 2014 through January 2016, as compared to reported production in the respective 2013 baseline month. Historically, January has the second-lowest monthly water production (as seen in the 2013 baseline), as outdoor water use is lower in the cooler winter months. This low baseline makes achieving a high percent monthly savings more difficult. In January 2016, Californians saved 20.4 billion gallons of water, which is almost two-and-a-half times the amount of water saved in January 2015 (8.2 billion gallons).



## Caring for Trees While Conserving Water

Saving trees is important for cooling city streets and public safety, and watering them is essential and requires some care. That is why the [Save Our Water campaign](#) has partnered with California ReLeaf to provide residents with tips on how to maintain trees while reducing outdoor water use. Information is available at: [www.saveourwater.com/trees](http://www.saveourwater.com/trees).



## **Rebate Programs for Turf Removal and Toilet Replacement**

Inefficient toilets and turf grass use large volumes of water, and present opportunities for significant water savings. Rebates are now available at: <http://saveourwaterrebates.com/>.

*(This fact sheet was last updated February 25, 2016)*

## Exhibit 3

## RWA Drought Summary January 2016

### REDUCTION BY VOLUME (Million Gallons)

	Jan.	Feb.	March	April	May	June	July	August	Sept.	Oct.	Nov.	Dec.	Total
<b>2016</b>	6,154												
<b>2013</b>	6,954												
<b>%</b>	11.5%												

### STATE WATER BOARD WATER SAVINGS TRACKING (Million Gallons)

	June	July	August	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Total
<b>2015/16</b>	12,419	13,789	13,866	12,560	10,759	7,131	6,217	6,154		82,895
<b>2013</b>	19,488	22,418	20,859	17,316	14,836	10,649	8,433	6,954		120,953
<b>%</b>	36.3%	38.5%	33.5%	27.5%	27.5%	33.0%	26.3%	11.5%		<b>31.5%</b>

### REDUCTION BY AGENCY (Data compared to 2013)

Water Agency	Conservation Target	Jan. 2016 Reduction	June 15-Jan. 16 Reduction
California American Water	20%	23.0%	34.7%
Carmichael Water District	36%	18.4%	33.7%
Citrus Heights Water District	32%	10.4%	34.7%
City of Davis	28%	13.0%	26.4%
City of Folsom	32%	6.2%	26.8%
City of Lincoln	32%	13.5%	32.3%
City of Roseville	28%	13.2%	34.7%
City of Sacramento	28%	6.0%	29.1%
City of West Sacramento	28%	9.2%	32.3%
City of Woodland	24%	16.4%	30.2%
City of Yuba City	32%	12.2%	27.2%
Del Paso Manor Water District	25%	23.1%	34.5%
El Dorado Irrigation District	28%	25.2%	30.0%
Elk Grove Water District	28%	19.5%	35.2%
Fair Oaks Water District	36%	20.4%	35.4%
Golden State Water Company	36%	3.2%	31.2%
Orange Vale Water Company	36%	20.5%	36.9%
Placer County Water Agency	32%	9.1%	30.4%
Rancho Murieta CSD	25%	2.6%	26.6%
Rio Linda/Elverta CWD	36%	19.1%	33.0%
Sacramento County Water Agency	32%	3.1%	35.3%
<b>Sacramento Suburban WD</b>	<b>32%</b>	<b>12.0%</b>	<b>30.9%</b>
San Juan Water District	36%	4.5%	35.6%
Average		30.5%	32.1%
Minimum		20.0%	26.4%
Maximum		36.0%	36.9%





**March 1, 2016**

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## **California's Three Traditionally Wettest Months End With Statewide Snowpack Water Content Less than Average**

**SACRAMENTO** –The statewide snowpack – source of much of the California's water supply – is only 83 percent of the March 1 average, the result of moderate precipitation since last October and relatively warm temperatures.

"Mother Nature is not living up to predictions by some that a 'Godzilla' El Niño would produce much more precipitation than usual this winter," said DWR Director Mark Cowin. "We need conservation as much as ever."

The Department of Water Resources (DWR) conducted its third media-oriented snowpack survey of the season today 90 miles east of Sacramento just off Highway 50 in the Sierra Nevada. Phillips Station is one of about 250 snow courses measured manually several times each winter.

Frank Gehrke, chief of the California Cooperative Snow Surveys Program, and his survey team measured snow that was 58.3 inches deep at Phillips with a water content of 27.1 inches. The Phillips readings are the best for early March since 2011, but individual snow courses are not generally representative of the entire mountain snowpack.

The statewide readings suggest this may not be a drought-busting year unless California receives heavy rain this month as it did during the "March Miracles" of 1991 and 1995.

"Right now, we're obviously better than last year but still way below what would be considered adequate for any reasonable level of recovery at this point," Gehrke said.

Electronic readings of northern Sierra Nevada snow conditions found 23.1 inches of water content (89 percent of normal for March 1), 21.7 inches in the central region (85 percent of normal) and 17 inches in the southern region (75 percent of normal).

Today's snow measurements at Phillips were markedly improved compared to March 2015, when the depth was only 6.5 inches and the water content just 1 inch. Dry

conditions persisted in March, and Governor Edmund G. Brown Jr. stood on bare ground on April 1 when he mandated a 25-percent reduction in water use throughout California.

Traditionally, half of the state's annual water falls as rain or snow during December, January and February. Precipitation in December and January measured at weather stations monitored electronically by DWR was 170 percent of the two-month average, but October, November and February rainfall was far below normal. Snowfall since December 1 has mirrored that pattern.

In normal years, the snowpack supplies about 30 percent of California's water needs as it melts in the spring and early summer. The greater the snowpack water content, the greater the likelihood California's reservoirs will receive ample runoff as the snowpack melts to meet the state's water demand in the summer and fall.

Results of today's manual readings by DWR near Echo Summit are as follows:

<b>Location</b>	<b>Elevation</b>	<b>Snow Depth</b>	<b>Water Content</b>	<b>% of Long-Term Average</b>
Alpha	7,600 feet	60.5 inches	22.5 inches	77
Phillips Station	6,800 feet	58.3 inches	27.1 inches	105
Lyons Creek	6,700 feet	70.5 inches	27 inches	93
Tamarack Flat	6,550 feet	60 inches	25 inches	97

Among the eight reservoirs with capacities of 1 million acre-feet (MAF) or more tracked by DWR at the website below, all are currently below average storage for this date, from New Melones (31 percent) to Lake Shasta (83 percent). The only major reservoir with current storage above its historical average on this date is Folsom Lake (111 percent).

**Detailed information on major reservoir storage is found here:**  
<http://cdec.water.ca.gov/cdecapp/resapp/getResGraphsMain.action>

**Electronic snowpack readings can be found at:**  
<http://cdec.water.ca.gov/cdecapp/snowapp/sweq.action>

For earlier readings, click the calendar icon below the map, select a date, then Refresh Data.

**VIDEO NOTE:** Raw video will be available for downloading at approximately 1 p.m. today at this website: <http://bit.ly/23NXgqe> Edited video will be posted around 2 p.m. here: <https://vimeo.com/calwater>

**High-resolution photographs from today's survey will be posted here:**  
<http://bit.ly/1RkyYea>

Governor Brown declared a drought State of Emergency on January 17, 2014 and directed state officials to take all necessary actions to prepare for water shortages. On April 1, 2015, when the statewide snowpack's water content was historically low at 5 percent of that date's average, Governor Brown mandated a 25-percent reduction in water use across the state.

Conservation – the wise, sparing use of water – remains California's most reliable drought management tool. Each individual act of conservation, such as letting the lawn go brown or replacing a washer in a faucet to stop a leak, makes a difference over time.

**Water Year 2016 precipitation is found at:** [http://cdec.water.ca.gov/snow\\_rain.html](http://cdec.water.ca.gov/snow_rain.html)  
**Look in the right-hand column for the Northern Sierra 8-station index for updated rainfall readings in the critical northern portion of the state, as well as the San Joaquin 5-station and Tulare Basin 6-station links**

For a broader snapshot of current and historical weather conditions, see DWR's "Water Conditions" and "Drought" pages:

**Water Conditions Page:**  
<http://www.water.ca.gov/waterconditions/waterconditions.cfm>

**Drought Page:**  
<http://www.water.ca.gov/waterconditions/index.cfm>

**Everyday water conservation tips at Save Our Water:**  
<http://www.saveourwater.com>

**Information on the State's turf and toilet rebate program:**  
<http://www.saveourwaterrebates.com/>

– 30 –

*Visit [SaveOurWater.com](http://SaveOurWater.com) to find out how everyone can do their part, and visit <http://drought.ca.gov> to learn more about how California is dealing with the effects of the drought. The Department of Water Resources operates and maintains the State Water Project, provides dam safety and flood control and inspection services, assists local water districts in water management and water conservation planning, and plans for future statewide water needs.*

**Figure 1a – Online Advertisements for Google and Facebook**



**Figure 1b – Online Advertisements for Google and Facebook**



**When It's Rainy Out**

sswd.org

Remember to turn off your sprinklers and leave them off for 48 hours after the rain ends.

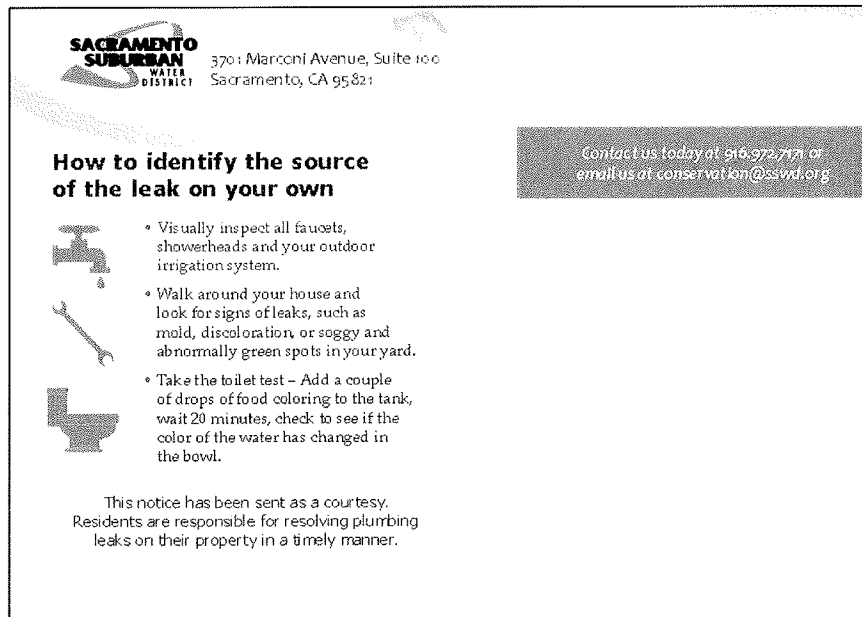


**Figure 2a - Possible Leak Notification (Front)**



The flyer features the Sacramento Suburban Water District logo in the top right corner. The main title is "IMPORTANT DROUGHT MESSAGE" in large, bold, black letters. Below the title are four circular icons: a showerhead with water droplets, a faucet with a single drop, a wrench, and a toilet. To the right of these icons, the text reads: "You may have a LEAK. A recent review of your water meter shows continuous use of water at all times of the day. Contact us today to schedule a free Water Wise House Call. We can help you evaluate your water use indoors and outside. 916.972.7171 or conservation@sswd.org". At the bottom right, the website "sswd.org" is displayed in a large, white font against a dark background.

**Figure 2b - Possible Leak Notification (Back)**



The back of the flyer includes the Sacramento Suburban Water District logo and address: "3701 Marconi Avenue, Suite 100 Sacramento, CA 95821". A grey box contains the contact information: "Contact us today at 916.972.7171 or email us at conservation@sswd.org". The section "How to identify the source of the leak on your own" is accompanied by icons of a faucet, a wrench, and a toilet. The instructions are: "• Visually inspect all faucets, showerheads and your outdoor irrigation system. • Walk around your house and look for signs of leaks, such as mold, discoloration, or soggy and abnormally green spots in your yard. • Take the toilet test - Add a couple of drops of food coloring to the tank, wait 20 minutes, check to see if the color of the water has changed in the bowl." At the bottom, a disclaimer states: "This notice has been sent as a courtesy. Residents are responsible for resolving plumbing leaks on their property in a timely manner."

# Improve your home and conserve water this winter with some help from Sacramento Suburban Water District

Wintertime is the perfect time to focus on home improvement projects, and Sacramento Suburban Water District (SSWD) has some handy suggestions on water-efficient ones to undertake that can conserve water and make life a little better.

One of the first things people can do is replace their older toilets with new water-efficient ones. Toilets account for the most water used inside a home, and represent nearly 30 percent of an average home's water consumption. Older, less efficient toilets can use as much as 6 gallons per flush, almost 13,000 gallons a year.

When you're shopping for a new toilet, make sure to look for one with a WaterSense label. WaterSense Labeled toilets are third party tested and independently certified to ensure they meet the U.S. Environmental Protection Agency's criteria for both efficiency and performance. The State's Department of Water Resources may still have toilet rebate funding available on their website, [www.saveourwater.com](http://www.saveourwater.com). WaterSense labeled products are 20 percent more water-efficient than average products, and include faucets, showerheads, toilets, weather-based irrigation controllers, urinals, and even new homes.

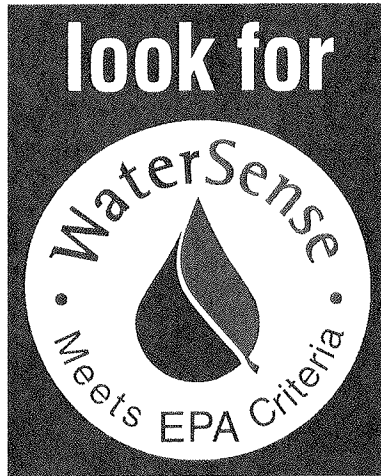
Another upgrade to consider is a recirculating hot water pump. These pumps are an inexpensive way to conserve water and energy; and have instant hot water at the turn of the tap. The pump's timer can be set to run during times when hot water is needed at the furthest part of your home from the water heater (i.e. early morning before showering). During operation, the cold water in the pipe is cycled to and from your hot water heater, so that the water in the pipes is hot, and ready when you want it. An added bonus: Sacramento Suburban Water District offers a \$150 rebate for these pumps to help offset costs.


SSSWD customers can also stop by the office to pick up a free Water Conservation Kit. The kit contains:

- 2 - Low flow adjustable showerheads;

- 2 - Dual thread faucet aerators for the bathroom;
- 1 - Dual thread kitchen faucet aerator;
- Dye tablets for checking to see if your toilet is leaking; and,
- A handy instruction sheet to make installation easy

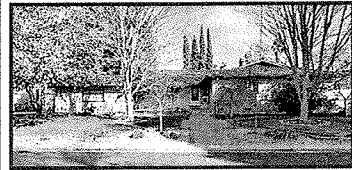
And while at the office, they can sign you up a complementary Water-Wise House Call to identify additional water efficient practices that you may be interested in implementing. Customers can also schedule a Water-Wise House Call by calling SSWD's customer service center at 916-972-7171.





**Chris Briggs**  
Dunnigan, Realtors  
(916) 834-6483  
CR BRE# 01301999

**South Land Park**



**1127 Chargene Way | \$425,000**  
3 Bedroom, 2 bath, 1,453 sq. ft. home.

## TREE TECH SERVICES

Serving the Green Industry  
A Subsidiary of Tree Technology, Inc.

**688-7979**  
ELK GROVE

Thorough Clean-Up Prompt Friendly Service  
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**386-1780**  
SACRAMENTO

2 CERTIFIED ARBORISTS ON STAFF  
REPORTS & CONSULTATION AVAILABLE

**\$25 OFF**  
any service of \$200 or more  
TREE TECH

## RESERVE YOUR SPACE



California Kids!

CALL STEVE AT (916) 429-9901 TODAY!

34th Annual

## SPRING CRAFT FAIR

Saturday, March 5  
9 am - 3 pm

Over 60 Crafters!

Great shopping for speciality gifts!

Parks Make Life Better! **FREE** Mission Oaks!

Mission Oaks Community Center  
4701 Gibbons Drive, Carmichael  
972-0336 • MORPD.com



**COWBOY PIZZA**

# \$11

Fresh Pan \$1 More Large

Red Sauce, Pepperoni, Italian Sausage, Mushrooms, Black Olives, Herbs & Cheese

FEBRUARY SPECIAL - IN-STORE ONLY. At participating locations for a limited time. Not valid with other offers.

**\$8 Large Heart Baker** Pepperoni Pizza

Valid 2/8/21/17/16. In-store only. At participating locations for a limited time. Not valid with other offers.

**\$3 off** Family Size Original Crust

**\$2 off** Large Original Crust or Family Size Gourmet Crust or Thin Crust

**\$1 off** Medium Original Crust or Large Gourmet Crust or Thin Crust

Choose Your Size and Save!

Papa Murphy's  
IN STORE ONLY Expires 2/28/16. Discount off regular menu price. Excludes Mini Murphy's, PANESSE and Desserts. Fresh Pan in Large only. Valid at participating locations. Not valid with any other offers. Cannot be sold, transferred or duplicated. Link 3: 1674-VALM915

75% MORE PIZZA

## FREE

### Family Size It

Family Size any Pizza for the price of a Medium of regular menu price

Papa Murphy's  
IN STORE ONLY Expires 2/28/16. Excludes PANESSE, Fresh Pan in Large only, PANESSE, PANESSE and Desserts. Fresh Pan in Large only. Valid at participating locations. Not valid with any other offers. Cannot be sold, transferred or duplicated. Link 3: 1674-VALM915

**\$8** LARGE

### Signature Pepperoni Pizza

Red Sauce and 60 Slices of Premium Pepperoni

Buy a Family Size for 30% more Pizza

Papa Murphy's  
IN STORE ONLY Expires 2/28/16. Valid at participating locations. Not valid with any other offers. Cannot be sold, transferred or duplicated. Link 3: 1674-VALM915

**\$4 OFF**

### Family Size Pizza

Papa Murphy's  
IN STORE ONLY Expires 2/28/16. Discount off regular menu price. Excludes Mini Murphy's, PANESSE and Desserts. Fresh Pan in Large only. Valid at participating locations. Not valid with any other offers. Cannot be sold, transferred or duplicated. Link 3: 1674-VALM915

484-7272

4340 Arden Way

we welcome EBT

# CAPIO 2016

## ► Excellence in Communications Awards

Printed Publications: Special Purpose Publication/Other

### Stop That LEAK

*Postcard*



**Sacramento Suburban Water District and IN Communications**  
***Stop That LEAK Postcard***  
**Printed Publications: Special Purpose Publication/Other**

## **OVERVIEW**

In 2015, California and Sacramento Suburban Water District (SSWD) continued to endure a fourth year of unprecedented drought conditions. The Governor had declared a statewide drought emergency, and the State Water Resources Control Board mandated a 32 percent conservation target for SSWD.

Faced with one of the highest conservation targets in the state, SSWD staff looked for a new and innovative way to help customers conserve. Their answer: Develop a new program and postcard to help customers identify and fix leaks on their property.

## **RESEARCH/PLANNING**

The program and postcard were developed with the following in mind:

- The U.S. Environmental Protection Agency estimates that an average household's leaks can account for more than 10,000 gallons of water wasted every year, or the amount needed to wash 270 loads of laundry, and that household leaks waste more than 1 trillion gallons of water annually nationwide. So, finding and fixing household leaks has critical potential to save hundreds of thousands of gallons of water per year.
- A statistically valid survey by the Regional Water Authority, which included SSWD customers found that "checking plumbing and appliances for leaks and fixing them within 48 hours" to be among the actions customers are most willing to undertake to conserve water.

The target audience was Sacramento Suburban Water District customers, especially homeowners (and particularly college-educated women over age 55 with middle to higher incomes who, according to public opinion research, are most likely to adopt water-saving behaviors).

Project funding totaled \$1,400 (\$2.60 per postcard). Of that, \$270 was for an outreach consultant to write the postcard and guide design; \$550 for graphic design; and \$650 for printing and postage. SSWD staff provided approximately 15 hours of time.

## **IMPLEMENTATION**

SSWD used their Advanced Metering Infrastructure (AMI) system to identify households where water was continuously flowing for 72 hours or more, indicating that they have a leak. Once identified, those customers received a postcard telling them about the leak and providing information about how they might find it.

The postcard was eye catching and straightforward. It notified customers about the problem—that a recent review of their water meter showed continuous use of water at all times of the day—and offered services from SSWD to help them identify the leak. The postcard also described how customers could identify leaks on their own.

## **RESULTS AND EVALUATION**

Since November 2015, SSWD has distributed 620 leak postcards. SSWD's analysis shows that more than 60 percent of households receiving the postcard have stopped the continuous flow of water, indicating that they located and repaired leaks on their property—reaching SSWD's goals. Overall, SSWD estimates that more than 1.03 million gallons of water has been saved by the program and postcard in just four months of implementation.

FRONT



# IMPORTANT DROUGHT MESSAGE



**You may have a LEAK.** A recent review of your water meter shows continuous use of water at all times of the day.



Contact us today to schedule a free Water Wise House Call. We can help you evaluate your water use indoors and outside.

916.972.7171 or [conservation@sswd.org](mailto:conservation@sswd.org)



[sswd.org](http://sswd.org)

BACK



3701 Marconi Avenue, Suite 100  
Sacramento, CA 95821

### How to identify the source of the leak on your own



- Visually inspect all faucets, showerheads and your outdoor irrigation system.



- Walk around your house and look for signs of leaks, such as mold, discoloration, or soggy and abnormally green spots in your yard.



- Take the toilet test – Add a couple of drops of food coloring to the tank, wait 20 minutes, check to see if the color of the water has changed in the bowl.

This notice has been sent as a courtesy.  
Residents are responsible for resolving plumbing leaks on their property in a timely manner.

Contact us today at 916.972.7171 or  
email us at [conservation@sswd.org](mailto:conservation@sswd.org)



## 2016 BMP Activity Report

	<u>Month</u>	<u>Year</u>
	February	2016
<b><u>Foundational BMPs - No Measurable Water Savings</u></b>		
1.1-1 Conservation Coordinator	*	Yes
1.1-2 Water Waste Prevention	*	Yes
1.1-3 Wholesale Agency Assistance	N/A	N/A
1.2 Water Loss Control	N/A	Yes
1.3 Metering/Commodity Rates	187	263
1.4 Retail Conservation Pricing	*	N/A
2.1 Public Information	*	N/A
2.2 School Education	*	N/A

**Programmatic BMPs - Demonstrated Water Savings**

3 Residential Audits - Indoors	3	16
3 Residential Audits - Outdoors	17	31
4 CII Audits	1	2
5 Large Landscape Audits	0	0
3 Water Conservation Kits		14
3 High Bill Investigates	9	20
3 Leak Notifications	92	139

**Current Rebates**

	<u>Monthly Spend</u>		<u>To Date Spent</u>	
Rebates - Cash for Grass	1	\$976	5	\$3,221
Rebates - Pool Covers	0	\$0	0	\$0
Rebates - Hot Water Pumps	3	\$450	6	\$750
Rebates - WBIC	3	\$0	4	\$100
Rebates - Rain Sensors	0	\$0	0	\$0
Rebates - Irrigation Upgrades	2	\$566	2	\$566
Rebates - Clothes Washers	11	\$935	15	\$1,275
Rebates - HET Toilets	0	\$0	0	\$0

**Water Waste Calls and Notifications**

Water Waste Calls	14	34
Water Waste via Website	23	36
Notice - Information Only	16	47
Notice of Violation	29	39
Warning Notice of Violation	1	1
1st Violation - Water Waste	0	0
2nd Violation - Water Waste	0	0
3rd Violation - Water waste	0	0

\* Not all BMPs are quantifiable. Of those that are not, if the District is implementing them, they're noted as "Yes." If the District is not implementing them, they are noted as, "N/A."



## Agenda Item: 15

**Date:** March 8, 2016

**Subject:** District Activity Report

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

Described below are significant District Activities and milestones over the past month. The report is separated into the following sections: Water Operations and Exception Report, and Customer Service Report, and Community Outreach Report.

### a. Water Operations And Exceptions Report

- i. Monthly Water Production – Exhibit WO-1**  
This indicates the amount of water produced, both ground and surface water, in the District’s North Service Area (McClellan Business Park, The Arbors at Antelope, and portions of North Highlands, Antelope, Carmichael, and Citrus Heights) and South Service Area (Portions of Arden Arcade, Carmichael, and City of Sacramento) for Calendar Year 2015 and 2016. Due to the continuing drought conditions, surface water supplies are currently unavailable in both the North and South Service Areas; therefore, the District continues to rely solely on its groundwater sources.
- ii. Water Wheeled to Other Purveyors – Exhibit WO-2**  
This indicates the amount of water the District served to other water purveyors in Calendar Year 2016. The amount is indicated in Million Gallons (MG) and Acre Feet (AF).
- iii. Water Operations Activity – Exhibit WO-3**  
This shows the types and number of activities that are conducted daily in the Production, Distribution and Field Services Departments.
- iv. Claims Update – Exhibit WO-4**  
This is a summary report of claims received by the District that are less than \$10,000, and approved or rejected by the General Manager.
- v. General System Discharges by Category – Exhibit WO-5**  
This report quantifies the amount of water discharged to waste for each discharge type. In February 2016, the total volume of water flushed was 0.135 MG or 0.03% of the total water produced for the month.



**vi. Exception Report for February**

1. Since January 2013 the unimpaired inflow into Folsom Reservoir (UIFR) has been below the minimum threshold that would allow the District to purchase water from Placer County Water Agency (PCWA). However, with near normal precipitation over the past several months, the projected UIFR rose above the minimum 1.6 million acre feet (MAF) in February 2016 allowing the District to begin receiving surface water, purchased from PCWA and treated by San Juan Water District, into its North Service Area.

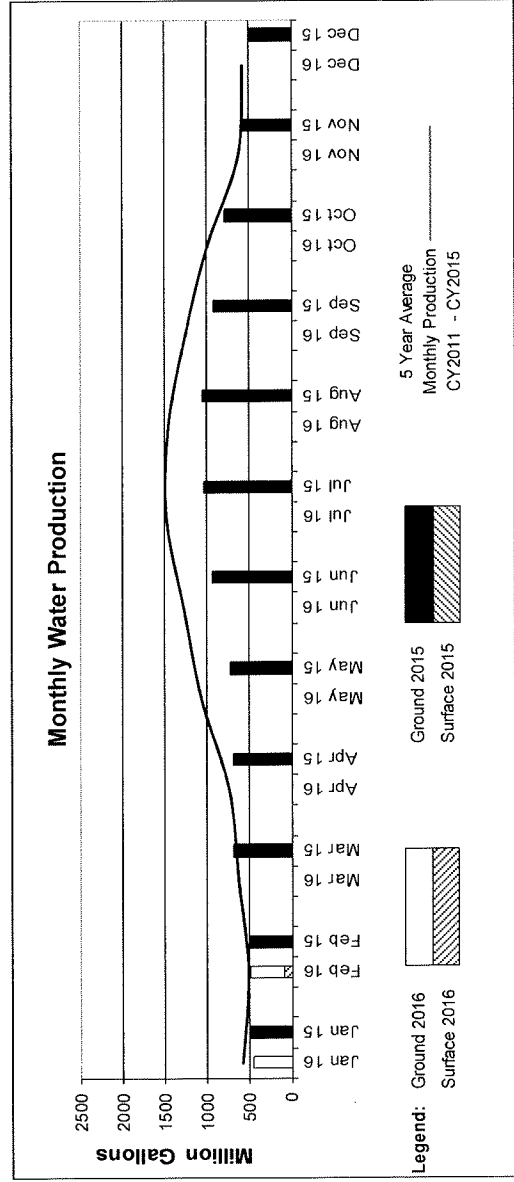
The UIFR report for early March showed the projected inflow number just below 1.6 MAF. At that time, the Bureau of Reclamation was releasing water to maintain reservoir storage within the flood control diagram, which meant PCWA Middle Fork Project water remained available. SSWD continues to operate with a 12,000 ac ft take or pay obligation.

2. Also in February, the District provided water through the North Antelope Intertie to City of Roseville to test run the pumps at their new PFE Pump Station in order to develop system curves.
3. Please see Item 19, Madison Avenue Water Main Leak Report.

Exhibit WO-01

Monthly Water Production  
 2016

Month	North Service Area *		South Service Area **		Sub Total (MG)	Total North & South Service Areas (MG)	Average MG/Day	% Of Total Year to Date Production
	Surface (MG) ‡	Ground (MG)	Surface (MG)	Ground (MG)				
Jan	0.000	283.684	0.000	182.615	182.615	466.299	16.079	48.632
Feb	97.141	200.496	0.000	194.894	194.894	492.531	15.888	51.368
Mar								
Apr								
May								
Jun								
Jul								
Aug								
Sep								
Oct								
Nov								
Dec								
MG	97.141	484.180	0.000	377.509	377.509	958.830	60	
AF	298.115	1,485.894	1,784.009	1,158.533	1,158.533	2,942.541		



Mo/Yr	Million Gallons (MG)		Total	Difference
	Surface	Ground		
Jan 16	0.000	466.299	466.299	-45.265
Jan 15	0.000	511.564	511.564	
Feb 16	97.141	395.390	492.531	-8.454
Feb 15	0.000	500.985	500.985	
Mar 16				
Mar 15	0.000	692.221	692.221	
Apr 16				
Apr 15	0.000	702.405	702.405	
May 16				
May 15	0.000	722.950	722.950	
Jun 16				
Jun 15	5.200	944.611	949.811	
Jul 16				
Jul 15	0.465	1,042.233	1,042.698	
Aug 16				
Aug 15	0.000	1,057.321	1,057.321	
Sep 16				
Sep 15	20.375	913.428	933.803	
Oct 16				
Oct 15	0.000	788.885	788.885	
Nov 16				
Nov 15	0.000	571.407	571.407	
Dec 16				
Dec 15	0.047	487.323	487.370	

\* North Service Area (North Highlands, Northridge, McClellan Park and The Arbors)  
 \*\* South Service Area (Town and Country)

**Exhibit WO-2**

**SACRAMENTO SUBURBAN WATER DISTRICT**  
**Water Wheeled To Other Purveyors**  
 2016

Month	California American Water		Citrus Heights Water District		City of Sacramento		County of Sacramento		Rio Linda / Elverta Water		San Juan Water District		City of Roseville	
	(AF)	(MG)	(AF)	(MG)	(AF)	(MG)	(AF)	(MG)	(AF)	(MG)	(AF)	(MG)	(AF)	(MG)
January	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	13.058	4.255	0.000	0.000
February	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.178	0.058
March														
April														
May														
June														
July														
August														
September														
October														
November														
December														
YTD	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	13.058	4.255	0.178	0.058

Note: Water wheeled to other purveyors includes water sold.

**Exhibit WO-3**

**Water Operations Activity**

	<u>February 2016</u>	<u>Monthly Average</u>	<u>CY 2016</u>
<b><u>Production Department</u></b>			
<b><u>Service Orders</u></b>			
Preventive Maintenance: Work Orders Completed	174	523	1046
Corrective Maintenance: Work Orders Completed	6	6	11
<b><u>Water Quality</u></b>			
Complaints	2	1	2
Inquiries	19	30	59
<b><u>Distribution Department</u></b>			
<b><u>Service Orders</u></b>			
Main Leaks	15	10	19
Service Line Leaks	1	5	9
Locate & Expose (L&E)	15	15	30
Determine Responsibility (DR)	42	44	87
<b><u>Water Main Shutdown</u></b>			
-- Emergency	4	4	7
-- Scheduled	3	2	4
<b><u>Preventive Maintenance Program</u></b>			
Fire Hydrants Inspected	87	91	182
Fire Hydrant Valves Inspected	79	85	170
Fire Hydrant Valves Exercised	69	80	160
Mainline Valves Inspected	22	12	24
Mainline Valves Exercised	22	12	24
<b><u>Underground Service Alert</u></b>			
Reviewed	1722	1640	3280
Marked	406	382	763
<b><u>After Hours Activity (On-Call Technician)</u></b>			
Calls Received	86	83	166
Calls Responded	52	49	97
Average Call Time Hours	2	2	2
Overtime Hours	84	82	164
<b><u>Field Services Department</u></b>			
<b><u>Meters</u></b>			
Preventive Maintenance - Meters Tested	3	3	6
Preventive Maintenance - Meters Replaced	0	1	1
Preventive Maintenance - Meter Re-Builds	38	20	39
<b><u>Customer Service</u></b>			
Shut Off (non-payment)	154	193	386
Restore Service	167	183	366
Customer Pressure Inquiries	6	8	15
<b><u>Field Operations Department</u></b>			
Service Requests Generated	1257	1452	2903
Work Orders Generated	987	1090	2180

**Exhibit WO-4**

**Date:** March 7, 2016

**Subject:** Claims Update

**Staff Contact:** Jim Arenz, Operations Manager

On December 21, 2009, the District adopted a Claims Processing Policy. The Policy requires any claim in excess of \$10,000 be brought before the Board for approval or rejection of said claim. The General Manager has the authority to approve or reject claims up to \$10,000. The Policy further requires that all claims less than \$10,000 be reported to the Board as an information item.

The following information provides an overview of the claims that have been submitted to the District:

**CLAIMS APPROVED/REJECTED BY GENERAL MANAGER**

There were no claims approved/rejected by the General Manager this month.

**CLAIMS UNDER REVIEW/INVESTIGATION**

There are no claims under review or investigation at this time.

**CLAIMS IN LITIGATION**

There are no claims in litigation at this time.

**Exhibit WO-5**

# **General System Discharges by Category**

From 2/1/2016 to 2/29/2016

**Report Group**

**Water Used (MG)**

**Distribution Flushing** (10 detail records)

Sub Total

0.131

**Meter Testing - Reuse - Land Application** (1 detail records)

Sub Total

0.004

**Total Gallons Flushed for all Types of Discharges:**

---

**0.135**

**Total Monthly Production for January 2016 (MG):**

**492.531**

**Percent of Total Production Discharged to Waste:**

**0.03%**

## **b. Customer Service Report**

### **i. Customer Service Monthly Activity - Exhibits CS-1 & CS-2**

1. Customer Service Activity Report shows Customer Service activity for the month of February 2016.
2. Call Volume Report shows number of calls received, abandoned calls, and queue times.

### **ii. Customer Service Exceptions**

In January there were approximately 3,000 accounts that did not get billed due to a billing error. When the error was discovered the accounts were immediately billed, but not until February. Customers received notification on the bill message.

**Exhibit CS-1**

	<b>February 2016</b>	<b>Calendar Year 2016</b>
<b><u>Customer Service Department</u></b>		
<b><u>Billing</u></b>		
Water Connections - Total Active	46,571	n/a
Active Flat w/o Meter	9,870	n/a
Active Flat w/Meters	1,846	n/a
Active Meter Non-Residential	7,006	n/a
Active Meter Residential	27,849	n/a
Water Connections - Suspended	531	n/a
Owner/Tenant Billing Agreement	1,266	n/a
E-billing	2,542	n/a
Water Statements Mailed	39,544	39,544
Monthly Calls	4,562	4,562
Customer Changes	183	183
<b><u>Collections</u></b>		
15-Day Notices	1,612	1,612
48-hour Door Tags Generated	747	747
Lock-off Door Tags Generated	233	233
Bankruptcy Processed	0	0
<b><u>Payments</u></b>		
Cash/Check Payments (Front Office)	334    0.9%	334    0.9%
Credit Card Payments (Front Office)	685    1.8%	685    1.8%
SSWD Customer Web Payments	3,453    9.0%	3,453    9.0%
Direct Payment Service (Auto Pay-Checking)	4,615    12.1%	4,615    12.1%
Direct Payment Service (Auto Pay-Credit Card)	1,837    4.8%	1,837    4.8%
IVR (Automated Phone System)	1,835    4.8%	1,835    4.8%
Electronic Payments (Online Banking)*	10,879    28.5%	10,879    28.5%
LockBox (Checks)	14,558    38.1%	14,558    38.1%
<b>Total Payments</b>	<b>38,196    100.0%</b>	<b>38,196    100.0%</b>

\*Electronic payments have been combined into one category

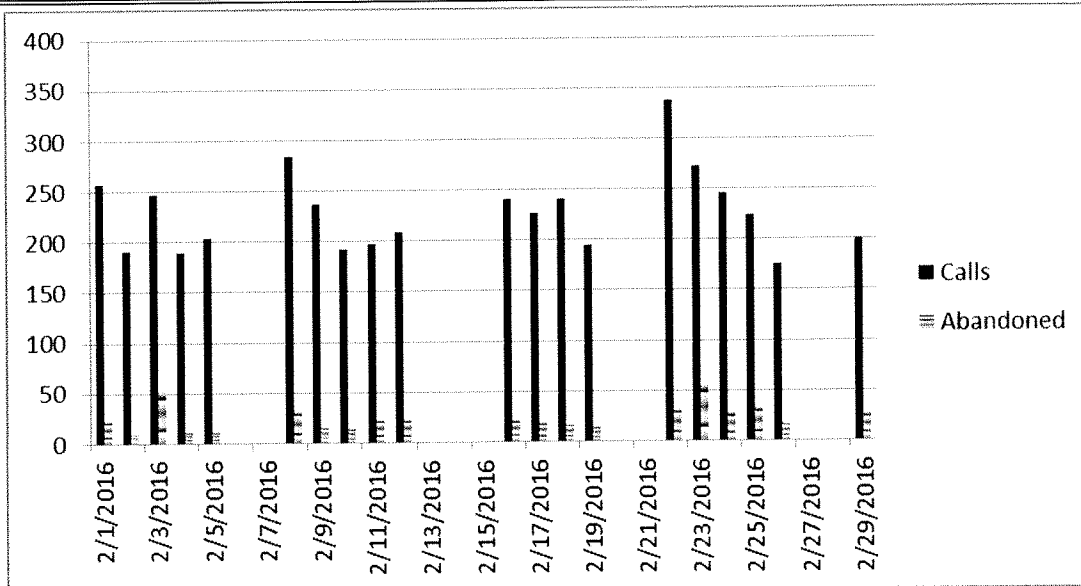


### Exhibit CS-2

Date Ranges : 02/01/2016 - 02/29/2016

Time Ranges : 08:00 a.m. - 04:30 p.m.

Date	Calls Accepted	Calls Abandoned	% of Calls Abandoned	Average Wait On Queue	Max Wait on Queue	Average Call Time
2/1/2016	257	24	9.34%	0:01:38	0:10:06	0:02:52
2/2/2016	191	9	4.71%	0:01:52	0:07:37	0:02:49
2/3/2016	247	53	21.46%	0:02:41	0:13:33	0:03:14
2/4/2016	189	12	6.35%	0:01:12	0:05:03	0:02:24
2/5/2016	204	12	5.88%	0:01:51	0:07:47	0:02:53
2/8/2016	284	32	11.27%	0:02:10	0:13:52	0:03:03
2/9/2016	237	16	6.75%	0:01:56	0:10:38	0:02:48
2/10/2016	192	15	7.81%	0:01:28	0:08:33	0:03:00
2/11/2016	197	23	11.68%	0:02:15	0:11:40	0:02:32
2/12/2016	208	23	11.06%	0:02:06	0:11:15	0:03:03
2/16/2016	241	22	9.13%	0:01:50	0:11:16	0:03:17
2/17/2016	226	20	8.85%	0:02:23	0:15:24	0:02:57
2/18/2016	241	17	7.05%	0:02:10	0:09:55	0:02:49
2/19/2016	194	15	7.73%	0:02:07	0:07:50	0:02:56
2/22/2016	338	32	9.47%	0:01:51	0:10:46	0:02:49
2/23/2016	272	56	20.59%	0:02:47	0:14:42	0:03:15
2/24/2016	245	28	11.43%	0:01:27	0:06:42	0:02:51
2/25/2016	224	34	15.18%	0:02:28	0:11:48	0:03:03
2/26/2016	175	17	9.71%	0:02:24	0:14:27	0:02:42
2/29/2016	200	27	13.50%	0:01:52	0:11:05	0:03:30
<b>GroupTotal</b>	<b>4562</b>	<b>487</b>	<b>10.68%</b>	<b>0:02:06</b>	<b>0:15:24</b>	<b>0:02:56</b>



### **c. Community Outreach Report**

#### **i. April Bill Insert**

The April bill insert will begin on March 26, 2016 and continue until April 24, 2016. The bill insert includes the following articles:

- 365 Conservation
- Celebrate Earth Day with a Water-Wise Landscape
- WaterSense Reminder
- Antelope Garden Reopens in May
- April Drought Champ (this article will be changed to H2o Hero in future inserts)

The bill insert is scheduled to be posted on the District's website at the end of March 2016. A sample of the bill insert has been included with this report.

#### **ii. April Envelope Message**

The April envelope notes the top 5 ways water is wasted around the home. The envelope will begin on March 26, 2016 and continue until April 24, 2016.

#### **iii. Community Meetings/Events**

Staff, representing SSWD, attended the following agency meetings, conference calls, community meetings, and events in February 2015:

<u>Date</u>	<u>Meeting</u>	<u>Staff</u>
02/02/16	CalWater Fix Meeting	York/Roscoe
02/02/16	State Water Board Meeting	Robert Roscoe
02/04/16	Regional Water Transfer Meeting	Dan York
02/04/16	Groundwater Resources Legislative Committee	Robert Roscoe
02/11/16	Joint Mtg between Fire Agencies/Water Purveyors	Arenz/Espinoza
02/11/16	SGA Meeting	Rob Roscoe
02/17/16	RWA Executive Committee	Rob Roscoe
02/18/16	Regional Water Transfer Meeting	Dan York

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

April 2016

# 365

Conserve Water. Every Day.

## 365 Conservation

Sacramento Suburban Water District is launching a new effort to encourage water conservation every day of the year. Each month we'll be focusing on another way to use water wisely. These practical tips and information will help make every drop count.

### Spring Sprinkler Tune Up Tips

Almost 60 percent of residential water use occurs outdoors. Here are some ways to make sure sprinklers are operating as efficiently as possible during these drought times.

#### 1. Walk Your Zones

Turn on your sprinklers one zone at a time and check each sprinkler to make sure it is not clogged, leaking or damaged. Also make sure it is watering your plants and not your hardscape or causing

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[sswd.org](http://sswd.org)

Phone: 916.972.7171

Fax: 916.972.7639

3701 Marconi Avenue, Suite 100

Sacramento, CA 95821-5346

Hours: M-F, 8:00 a.m. to 4:30 p.m.



## Celebrate Earth Day With A Water-Wise Landscape

Friday, April 22nd is Earth Day and we've come up with some great water friendly ways for you to celebrate.

**Go Native** – Are you thinking about fine-tuning your landscape or replacing your lawn? Consider adding native plants or Arboretum All-Stars from UC Davis. Arboretum All-Stars are plants that are easy to grow, don't require a lot of water, are attractive and suited for the Sacramento region. You can view their list and find out about upcoming plant sales and other places to buy the All-Stars online at [http://arboretum.ucdavis.edu/arboretum\\_all\\_stars.aspx](http://arboretum.ucdavis.edu/arboretum_all_stars.aspx)

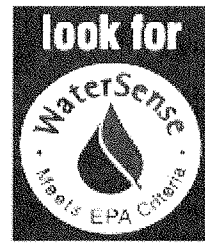
**Pull Out Some Weeds** – There's no better way to celebrate Earth Day than getting your gardening gloves dirty removing weeds from your plant beds and yard. Weeds compete with your plants for water and nutrients, and are unsightly to boot.

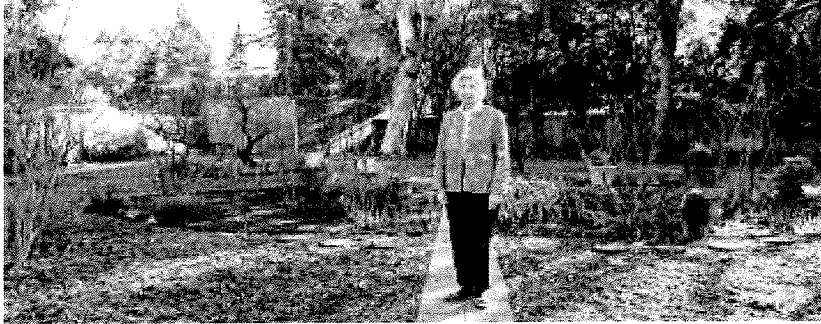
**Add Compost** – Add compost around your plants and trees to replenish and add nutrients to the soil. Compost is comprised of decayed organic matter and can be made from grass clippings, leaves, dead flowers, vegetables and fruits, coffee grounds, and even old newspapers. You can purchase compost at a nursery or hardware store, and even start your own pile. It's an earth-friendly way to enrich your soil and cut down on water use.

**Top It Off With Mulch** – Adding a couple of inches of mulch around your trees and plants will help to moderate the temperature of the soil, slow the rate of evaporation, control weeds, and as it breaks down the mulch will add even more nutrients to your soil.

### ➔ Watersense Reminder

Remember when you're making home improvements to look for the WaterSense label. WaterSense labels are applied to those fixtures that are 20 percent more efficient than average products.





### April Drought Champ

Our April Drought Champ Wendy Wilson knew she wanted to do something to reduce her water use and make a difference during the drought. She had a water meter installed at her home in 2014 and so was able to track the exact amount of water she used each month, and decided to take some steps to conserve.

Wendy enrolled in the University of California Cooperative Extension Master Gardener training class offered by Sacramento County and learned more about her plants' water needs, the best irrigation systems to use, and about low-water use plants that would be pleasing to the eye and also attract beneficial insects and wildlife.

Using what she learned in the class, Wendy applied for the Cash for Grass and Irrigation Upgrade rebates. She removed over 5,000 square feet of grass, and in its place installed a new drip irrigation system and a more functional and colorful landscape.

In the front yard, she placed raised beds and planted vegetables and low-water use herbs. Among the herbs she planted are lavender, rosemary, oregano, thyme, sage and *Crocus sativus*. The *Crocus* is not only beautiful, but also the source for saffron and grows very well in the Sacramento area.

In the backyard, she added permeable pathways of brick set on gravel, plenty of mulch and planted low-water use ground covers. The ground covers she added include white flowering *Creeping Myoporum*, *Diamond Heights Ceanothus*, *Arctostaphylos Emerald Carpet* and *Jade Mound Grevillea Lanigera*. These plants will spread out as they become more established and will require little to no additional watering.

She also added four rain barrels and will use water from the barrels to hand water her plants and trees that need additional watering during the hot summer months. Wendy also collects water from the shower as it warms and pours it into the rain barrels. It's estimated that she will reduce her outdoor water use by 57 percent.

She's very happy with her new landscape that will require less maintenance, less water and is also very attractive. ■

### Antelope Garden Reopens In May

Take a stroll through the Antelope Gardens this spring and check out the selection of low-water use plants. You might get some ideas for your own yard. The garden also features innovative irrigation systems that use water efficiently so that no water is wasted.

The garden is located at 7800 Antelope North Road and will reopen in early May, and be open Monday - Friday from 9:00 am to 3:00 pm and the second Saturday of each month (May - October) from 9:00 am to 3:00 pm.

If you're interested in renting the garden for an event, please contact our customer service center at 916.972.7171. ☺

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runoff. Mark the problem sprinklers with a small flag so you'll know which ones will require a return visit to make necessary repairs.

#### **2. Change Your Sprinkler Heads**

You can improve your sprinkler system's efficiency by 25 to 50 percent by replacing your old pop-up spray sprinklers with new pop-up rotating heads that apply water more directly and uniformly than conventional sprays. Rebates up to \$300 are available.

#### **3. Add a WaterSense Labeled Weather Based Irrigation Controller**

Installing a WaterSense labeled "Smart" irrigation controller can save 100 to 150 gallons per day. These controllers use local weather conditions to precisely control when to water and how much water to apply. Rebates up to \$100 are available. ■



**Top 5 Ways  
Water is Wasted**

**SSWD's top 5 ways water is wasted around the home.**



- ⑤ Using a garden hose instead of a broom to clean concrete.
- ④ Watering during the day when water evaporation is at its highest.
- ③ Not repairing leaks within 48 hours.
- ② Watering when it's not necessary (i.e. during/within 48 hrs of rainfall)

And the number ① way people waste water... **Overwatering the lawn!**

For more information on water saving practices, please visit us on website, [www.sswd.org](http://www.sswd.org).

