

Agenda

Sacramento Suburban Water District Regular Board Meeting

3701 Marconi Avenue, Suite 100
Sacramento, California 95821

Monday, July 18, 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 June 20, 2016 Regular Board Meeting
Recommendation: Approve subject minutes.

2. Sustainability Policy (PL – Adm 005)
Recommendation: Adopt subject policy.
3. Workplace Violence Policy (PL – HR 013)
Recommendation: Adopt subject policy.

Items for Discussion and Action

4. Master Service Agreement for Main Replacements
Recommendation: Approve one year extension of contract with Doug Veerkamp General Engineering, Inc.
5. Fraud Prevention Presentation
Discuss and review fraud prevention policies and procedures for District operations.
6. Resolution No. 16-18 Recommendation to Initiate Application by Sacramento Suburban Water District and Carmichael Water District to Initiate LAFCo's Proceeding for Annexation/Detachment
Recommendation: Adopt subject resolution.
7. Mutual Aid and Assistance Agreement Between City of Roseville and Sacramento Suburban Water District
Recommendation: Approving a mutual aid agreement.
8. California Special Districts Association Board Elections – Seat B
Receive written staff report and direct staff as appropriate.
9. 2016 Triennial Public Health Goal Report
Receive written staff report and call for a public hearing on August 15, 2016.
10. Continuous Flow Report from Network – Read Water Meters
Receive written staff report and direct staff as appropriate.

Information Items

11. District Activity Report
 - a. Water Operations and Exceptions Report
 - b. Water Conservation and Regional Water Efficiency Program Report
 - c. Customer Service Report
 - d. Community Outreach Report

12. 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. Planning Studies
 - g. Other
13. Financial Report
 - a. Financial Statements – June 2016
 - b. Investments Outstanding and Activity – June 2016
 - c. Cash Expenditures – June 2016
 - d. Credit Card Expenditures – June 2016
 - e. Directors Compensation and Expense Accounting – Through June 2016
 - f. Market Report Yields – January 2010 through June 2016
 - g. District Reserve Balances – June 2016
 - h. Information Required by Bond Agreement
14. Financial Markets Quarterly Report
15. Year-to-Date Interest Expense Quarterly Report
16. 2016 Budget Reallocations
17. CIP Projects Quarterly Report
18. Human Resources Quarterly Report

19. State Water Resources Control Board Water Conservation Standard Self Certification
20. Board Packet Preparation Process And Schedule
21. 4533 Antelope Road Water Main Failure
22. Sacramento Regional County Sanitation District Notice of Violation
23. General Manager's Report
 - a. McClellan Business Park Improvement Issues Update
 - b. Long Term Warren Act Contract Update
 - c. Northridge Area D Water Supply – 9,000 AF
 - d. City of Sacramento Surface Water
 - e. Water Transfer – Bureau of Reclamation
 - f. 2016 Compensation Study Update
 - g. Forensic Analysis and Testing of Pipe Update
 - h. Water System Master Plan Update
 - i. Joint Defense Agreement Update
 - j. Review of 2017 Medical Plans, Rates and Renewal
24. Legislative and Regulatory Update
25. Upcoming Policy Review
 - a. Procurement Policy (PL – Fin 005)
 - b. Public Works Contracting Policy (PL – Eng 002)
26. Upcoming Water Industry Events

Committee Reports

27. a. Facilities and Operations Committee (Director Locke)
Notes from the June 23, 2016 Meeting.

- 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)

- 28. a. Regional Water Authority (Director Thomas)
Agenda from the July 14, 2016 Meeting.

Regional Water Authority Executive Committee (General Manager Roscoe)
Agenda from the June 22, 2016 Meeting.
- b. Sacramento Groundwater Authority (Director Schild)
No report.
- c. Water Forum Successor Effort (General Manager Roscoe)
No report.

Carryover Storage Working Group Meetings
No report.

Water Forum Dry Year Conference Meeting
No report.

Water Caucus Meeting
No report.
- d. Other Reports
No report.

Miscellaneous Correspondence and General Information

- 29. Correspondence received by the District
- 30. 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)

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

Adjournment

Upcoming Meetings

Friday, July 22, 2016 at 3:00 p.m., Facilities and Operations Meeting
Monday, August 15, 2016 at 6:30 p.m., Regular Board Meeting

I certify that the foregoing agenda for the July 18, 2016 meeting of the Sacramento Suburban Water District Board of Directors was posted by July 14, 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.

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



Agenda Item: 12

Date: July 5, 2016

Subject: Engineering Report

Staff Contact: Mitchell S. Dion, Technical Services Director
John E. Valdes, Engineering Manager

Described below are significant engineering department activities and milestones over the past month. The report is separated into the following sections: Major Capital Improvement Projects, County and City Projects/Coordination, McClellan Business Park, Groundwater Quality Projects, Developer Projects, Planning Studies and Other.

A. Major Capital Improvement Projects

i. Production

Rutland Well (#N39) Pumping Plant Construction

The District's contractor, Koch & Koch, has completed a significant amount of work during the past month on the pumping plant. However, they have notified the District that they will not meet the contracted substantial completion date of July 10, 2016, and that they will be requesting a formal time extension. Koch & Koch believes that they can complete construction of the pumping plant by the end of July at which point it would be operable. Except for some trim, the pumping plant building is complete. SMUD has installed the new power pole, set the transformer, energized it and connected the wiring. The new submersible pump was installed during the week of June 27th. Installation of the chemical feed systems is currently being completed. Final electrical for various instrumentation and controls will be completed during the week of July 11th. Site work is also underway including the installation of perimeter fencing and construction of the concrete driveway and sidewalk repair is scheduled for the week of July 4th.

Various Well Investigation and/or Rehabilitation Projects

Some of the ongoing projects are discussed in more detail below:

Well #2A, El Prado/Park Estates – This project consists of raising an existing well pump/motor out of a below ground vault and other necessary improvements. Well rehabilitation work will be performed at the same time. The project has been awarded to the low bidder, Clyde G. Steagall, Inc. in the amount of \$466,024. Signed contracts and bonds and insurance documentation have been submitted by Steagall. The pre-construction conference is scheduled for July 7, 2016. Notice to Proceed will be issued to Steagall on the same day. The contracted completion date is January 12, 2017, although the majority of the work will be completed before the end of 2016.

Well #3A, Kubel/Armstrong – A new 75 hp submersible pump has been ordered for this well. It is anticipated that this well will be returned to service in August/September 2016 barring unforeseen delays for pumps or controls.

Well #59A, Bainbridge/Holmes – The well was re-videoed to try and determine the cause of gravel entering the well upon startup. It appears that the sounding tube has broken at a junction box where it connects to the well casing. The current recommendation is to install a patch inside the well casing at this location. Well screen cleaning will be performed during the week of July 4th. The patch will be installed immediately thereafter.

Well #N8, Field – Well was taken out of service due to contamination and required oil (food grade lubricating oil) to be removed from casing. Over 200 gallons of pump oil were removed from the well, a video was conducted and currently a repair/rehab program is being developed for work during FY 2017. The motor and pump are being returned to the well for continued operation during for this summer.

Well #N15, Cabana – Levels of Trichloroethylene (TCE) above the maximum contaminant level (MCL) were detected. This contamination likely migrated only into the shallow aquifer from an unidentified source. Wood Rodgers was selected to conduct an investigation this well and made a recommendation on possible rehabilitation and/or wellhead treatment. Price proposals were submitted to implement the recommended corrective measures. However, the cost for restoration and possible unsatisfactory STET performance afterward mandates additional consideration.

Well #23, Marconi North/Fulton – This well has a history of contamination noted in elevated coliforms. It was determined that the pump oil (food grade) had most likely contaminated the well. The pump was lifted and 160 gallons of oil was removed. The casing was videoed and reveals that the well is an old cable-tool style (constructed in 1952) with no perforations, just an open bore hole for production. The district has received a proposal for rehab at an estimated cost of \$560,000 and is presently considering other options.

Well #N25, Sutter – This well needed an electrical controls and communications upgrade. Work was initiated in April 2016 to replace the control panel with a new “Endurance” model. The motor also needed to be rewound to provide a more robust capability. This work was completed and the well returned to service during June.

Well #26, Greenwood/Marconi – This well was identified with numerous electrical deficiencies as a result of the Arc Flash assessment. The panel was replaced during April 2016 and site awaited power restoration by SMUD which was completed. Final communication tuning between SCADA and RTU was completed and site was restored to active production.

Replacement Palm Well (#N6A)

The District contracted with Luhdorff and Scalmanini Consulting Engineers (LSCE) to provide design, bidding and construction management services for the construction of a replacement well at the District's Palm Well (#N6A) site. A test hole was drilled on the site and water quality samples taken were found to be suitable for development in deeper aquifers. Design and environmental review work are both nearly complete. A Draft Initial Study/Mitigated Negative Declaration has been prepared to comply with the California Environmental Quality Act (CEQA) and is posted for public comment. Specifications for the production well are complete and bids are scheduled to open on July 15th. The replacement well is anticipated to be constructed and operational by July 2017.

ii. Distribution

Drayton Heights Phase 2 Main Replacement Project

Doug Veerkamp General Engineering continues to install new water mains with over 18,000 feet of pipe installed to date. To date, they have completed pipe installation in five of the 10 construction phases. In addition, GM Construction has installed 60 meters, over 150 service lines, and has completed construction phases 1 and 2. The project is currently on schedule.

Keema Avenue Waterline Extension Project

Construction work is well underway and the District's contractor, Tetra Tech, has now installed over 1,000 feet of new 12-inch water main. The project is expected to be completed by mid-August.

Watt Avenue at Magpie Creek Mainline Connection Project

The final paving work has been completed and a Notice of Completion has been filed at the County Clerk/Recorder's Office. There will be no further reporting on this project.

Edison Meadows Main Replacement Project

Domenichelli & Associates (D&A) is completing the design for this main replacement project and they are approximately 75% complete. D&A still anticipates submitting plans to the County for an Encroachment Permit by mid-July. Two easements are also being prepared.

Parkland Estates Main Replacement Project

Area West Engineers is completing the design for this main replacement project and is approximately 60% complete. A constructability review was completed in late-June. Area West still anticipates submitting plans to the County for an Encroachment Permit in late-July.

2016 Meter Retrofit WaterSMART Grant Project

The District's contractor, Flowline Contractors, Inc. (Flowline), is well underway in completing the project. Construction work began on January 8, 2016. As of the end of

June, 871 services have been retrofitted with meters and a total of \$1,006,618 has been spent on the project. Flowline's contract is for \$1,154,763 for the installation of a total of 896 meters.

2016 Meter Retrofit CalFED Grant Project

Flowline has been awarded the contract in the amount of \$772,656. A Notice to Proceed has been issued to Flowline and the work is now underway. As of the end of June, 24 services have been retrofitted with meters and a total of \$32,275 has been spent on the project. A total of 614 meters are scheduled to be installed with this project.

B. County and City Projects/Coordination

County of Sacramento – Fulton Avenue Overlay Project

The District's contractor, Tetra Tech, has raised 53 valve boxes. Tetra Tech commenced placing permanent pavement around the valve boxes during June.

County of Sacramento – Marconi, El Camino and Eastern Avenue Overlay Project

The County has paved a portion of Eastern Avenue and will pave portions of Marconi Avenue and El Camino Avenue. The District's contractor, GM Construction, has lowered all valve boxes required to be lowered on the three streets. GM has raised all 17 valve boxes on Eastern Avenue. As soon as paving work is completed on El Camino Avenue and Marconi Avenue, GM will raise those valve boxes as well. There will be additional paving during 2017 by the County on Eastern which will require we expedite a line replacement to avoid the conflict.

C. McClellan Business Park

The District is working with McClellan Business Park on a couple new projects that will continue to enhance the infrastructure to meet current standards. Discussions for drainage easements from District facilities have proceeded favorably.

D. Groundwater Quality Projects

Local Groundwater Assistance Grant Project

In June, Roadrunner Drilling completed construction of the groundwater monitoring well cluster at the Eden/Root Well (#32A) site. Following some downtime to repair their well drilling rig, Roadrunner then mobilized onto the Winston Churchill Middle School site. As of the date of this report, Roadrunner had completed drilling and construction of two of the three monitoring well holes at this site. They started drilling the last (shallowest) monitoring well hole on July 5, 2016. All monitoring well construction work is scheduled to be completed by July 8, 2016. Initial water quality samples will then be taken from both monitoring well clusters.

E. Developer Projects

General

There are approximately 35 projects in various stages of the approval process within the District. The majority of these are commercial projects. Currently there are 18 projects approved by the District, 8 of which have started or are under construction, and 10 that are scheduled, but have not provided the required deliverables prior to start of construction.

During the month of June, the following projects were approved for construction:

- **5590 Madison Avenue**

This project is located in the North Service Area, Division 4, of the District's service area. The project is an addition to an existing church. One new domestic and two new fire services will be installed.

- **2805 Root Avenue**

This project is located in the South Service Area, Division 4, of the District's service area. The project is the construction of three single family homes. Three new water services will be installed.

- **6150 Auburn Boulevard**

This project is located in the North Service Area, Division 3, of the District's service area. The project is the subdivision of an existing commercial parcel. One new domestic water services will be installed.

- **McClellan: Building 238**

This project is located in the North Service Area, Division 2, of the District's service area. The project is the relocation of an existing fire hydrant. No new water services will be installed.

- **McClellan: 4720 Lange Avenue**

This project is located in the North Service Area, Division 2, of the District's service area. The project is the relocation of an existing fire hydrant. No new water services will be installed.

Total fees collected for CY 2016 are approximately \$214,602, of which Facilities Development Charges accounted for approximately \$159,173.

F. Planning Studies

Urban Water Management Plan

Resolution No. 16-17 was adopted by the Board of Directors at the June Board Meeting to approve the District's 2015 Urban Water Management Plan (UWMP) as prepared by Brown and Caldwell consulting engineers. An electronic copy of the final plan was submitted to

the Department of Water Resources (DWR) on June 30, 2016, to meet the deadline of July 1, 2016. A copy of the final plan is posted on the District's website. Copies of the final plan will be distributed to management staff and the Board of Directors on request.

Water Master Plan Update

Progress continues to be made by the District's consultant, Brown and Caldwell (B&C), on the completion of the Water Master Plan Update. Currently, the District and B&C are reviewing proposed Capital Improvements and implications for efficiencies for water production and distribution.

G. Other

There is nothing to report this month.



Agenda Item: 13

Date: July 11, 2016

Subject: Financial Report

Staff Contact: Daniel A. Bills, Finance Director

Eight reports are attached for your information. They are:

- Financial Statements – June 2016
- Investments Outstanding and Activity – June 2016
- Cash Expenditures – June 2016
- Credit Card Expenditures – June 2016
- Directors Compensation and Expense Accounting – Through June 2016
- Market Report Yields – January 2010 through May 2016
- District Reserve Balances – June 2016
- Information Required by Bond Agreement

Financial Statements

Balance Sheet:

District cash and cash equivalents increased to \$5.7 million as of June 30, 2016, up from \$3.1 million at year-end. Cash held in the District's bank accounts (\$3.7 million as of June 30) is held in accordance with state and federal regulations, which state that cash held in the District's bank accounts above the FDIC insured limits must be fully collateralized with government securities that are equal to or greater than 110% of the District's cash balance in the bank at anytime.

Investments increased since year-end by \$0.7 million to a total of \$37.9 million, reflecting net unrealized market value gains and the reinvestment of interest received.

Capital assets grew \$4.2 million to \$434.8 million as of June 30, 2016, reflecting expenditures on distribution main replacement projects, well replacement projects, and meter retrofits. Capital assets are primarily funded by monthly remuneration from customers through "capital facilities charges," developer contributions, as well as grant funds, when available, and District reserves when necessary.

Net position stands at \$230.1 million as of June 31, 2016, compared to \$225.7 million at year-end for an increase of \$4.4 million.

Income Statement:

The net position increase of \$4.4 million in 2016, when compared to \$4.6 million for the same year-to-date period in 2015, shows:

1. Total operating revenues increased by \$0.7 million in line with the rate increase that took effect at the beginning of 2016.
2. Operating expenses increased by \$0.8 million due primarily to the purchase of surface water in the North Service Area at a cost of \$1.0 million as surface water is available to the District this year. Offsetting the increased cost from purchasing surface water is a decrease of \$0.3 in groundwater pumping costs.
3. Interest expense decreased by \$0.1 million compared to the same period a year ago, but rates are expected to rise later in the year due to Federal Reserve actions and market conditions.
4. Interest and Investment income increased by \$0.4 million compared to the same period a year ago due to the increase of unrealized market value gains on investments.
5. Facility Development Charges decreased by \$0.4 million compared to the same period a year ago as a large project in 2015 did not recur in 2016.

Amended Budgets:

The District's operating and maintenance expenditures through June 2016 are less than the amended budget by \$0.6 million. Most of this positive variance is due to lower water production costs and engineering costs relative to that expected in the budget as customer demand is down and two salaried positions in engineering have been unfilled for most of the year.

Operating capital project expenditures in June were \$0.1 million, bringing expenditures to-date of roughly \$0.3 million, with an additional \$0.3 million encumbered. The total amended budget for the year is \$1.0 million.

The District's amended capital improvement project (CIP) budget for 2016 is \$18.5 million. To date, \$5.6 million has been spent, while \$10.7 million is encumbered. Expenditures continue to be primarily in distribution system replacements, well improvements/replacements and meter retrofit projects.

Debt – June 2016

This report shows District activity in repaying its long-term debt obligations. Scheduled principal payments for 2016 are not due until October. Total principal outstanding as of June 30, 2016 is \$89.6 million.

Investments Outstanding and Activity – June 2016

Reserve funds are invested in diverse investments that consist of corporate notes, Federal Agency bonds and discount notes, U.S. Treasury bonds, notes and bills, commercial paper, municipal bonds, negotiable certificates of deposit and LAIF (Local Agency Investment Fund). The District's investments are under the day-to-day management of PFM Asset Management, LLC (PFM). PFM manages the portfolio in compliance with the District's Investment Policy and provides monthly and quarterly reporting, analysis and proposes strategies for the District. The market portfolio is currently earning a rate of 1.38% per annum, while LAIF is earning 0.58% per annum. District staff monitors investment assets quarterly and reviews/approves the effective duration of the District's portfolio against its benchmark index on a quarterly basis as well.

During the month, the District purchased four US Treasury Note for \$1.5 million (par) and two Corporate Notes for \$0.3 million (par). The District sold two US Treasury Note for \$0.4 million (par), three Corporate Notes for \$0.5 million (par), and one Certificate of Deposit for \$0.8 million (par). The District received paydowns on principal on three Federal Agency Collateralized Mortgage Obligations of \$2,481 (par) and three Asset-Backed Security Obligations for \$43,349 (par). See "Investment Activity" section in the attached report for further details, including net gain (loss) on sale.

All investments are invested and accounted for in accordance with the District Investment Policy (PL - FIN 003) and Government Code.

Cash Expenditures – June 2016

During the month of June, the District made cash payments totaling \$2.8 million. The primary expenditures were – \$1.6 million for capital improvement projects, \$0.1 million for capital improvement and operating and maintenance inventory supplies, \$0.1 million for water costs including surface water costs, pumping and chemical costs, \$0.1 for postage and customer billing costs, \$0.2 million for debt service, and \$0.4 million for payroll, pension and health benefits.

Purchasing Card Expenditures – June 2016

Per the District's Purchasing Card Policy (PL – FIN 006), a monthly report detailing each purchasing card transaction by cardholder is provided.

During the month, the District spent \$11,879 for various purchases on the six District purchasing cards. Details by vendor and purpose are included in this report.

Directors Compensation and Expense Accounting – June 2016

Director meetings attended during the month of June and expenses are attached in accordance with the District's Directors' Compensation and Expense Reimbursement Policy (PL – BOD 003) and Government Code Section 53065.5. Director's who have not reported their meeting attendance to District staff are not included in this report and are expected to make an oral report at the Board meeting.

Market Report Yields – January 2010 through May 2016

The first page in this report shows current market rate data. The overall yield curve was lower compared to the prior month. The yield on 30-year Treasury Bonds dropped 31 basis points compared to the prior month to 2.14% and short-term rate increased by 5 bps to 0.26%. The slope of the curve continues to remain steep in the 2 to 5 year range. Compared to one year ago, the 30-year Treasury bond yield was 3.19% while the short-term rate was at 0.01%. The Federal Reserve Target Rate increased by 25 basis points to 50 basis points compared to 25 basis points one year ago.

The second page in this section shows the holdings of the District's investment portfolio by maturity as a percentage of the total portfolio. The District's portfolio is compared to the Bank of America/Merrill Lynch UST Zero-to-5 year index (the District's benchmark index) for purposes of broadly illustrating the District's investment strategy in terms of its duration.

The final page shows the monthly (unannualized) returns of the District's portfolio relative to its benchmark index, as well as the annualized returns of the portfolio at month-end. This final page is an attempt to evaluate the District's portfolio strategy on a rate-return basis (as opposed to a total return or a risk basis) relative to the market.

District Reserve Fund Balances

The District's Reserve Policy, PL – Fin 004, requires the District to maintain a certain level of cash and investments on hand at any one time, as determined by the Board annually. Balances as of June 30, 2016 are \$47,168,294 compared to \$43,839,120 at December 31, 2015.

Information Required by Bond Agreement

Per Article 5.2 (b) of the 2009A COP Reimbursement Agreement with Sumitomo Mitsui Banking Corporation, year-to-date net revenues available for the payment of debt service costs and an estimate of debt service payments for the upcoming six months are provided.

DRAFT
Financial Statements
June 30, 2016

**Sacramento Suburban Water District
Balance Sheet**

As Of

	Month End 6/30/2016	Year End 12/31/15
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$5,736,893.00	\$3,107,756.76
Restricted Cash and cash equivalents	5,851.93	16,646.54
Accounts receivable, net of allowance for uncollectible accounts	2,278,104.63	2,303,487.73
Interest receivable	128,588.38	119,499.25
Restricted Interest receivable	11,326.64	10,807.97
Grants receivables	238,325.47	238,325.47
Other receivables		637,224.83
Inventory	456,532.90	484,946.83
Prepaid expenses and other assets	470,748.78	339,374.05
TOTAL CURRENT ASSETS	9,326,371.73	7,258,069.43
NONCURRENT ASSETS		
Investments	37,884,251.73	37,206,112.72
Restricted Investments	3,529,970.71	3,495,980.65
TOTAL NONCURRENT ASSETS	41,414,222.44	40,702,093.37
Property, plant and equipment	434,765,586.19	428,897,522.75
Accumulated depreciation	(155,012,628.78)	(149,076,072.93)
TOTAL CAPITAL ASSETS	279,752,957.41	279,821,449.82
TOTAL ASSETS	330,493,551.58	327,781,612.62
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount on long-term debt refunding	7,642,776.11	7,964,338.07
Deferred outflow of effective swaps	765,224.00	765,224.00
Pension contribution subsequent to measurement date	414,789.00	546,726.00
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	339,316,340.69	337,057,900.69
LIABILITIES		
CURRENT LIABILITIES		
Current portion of long-term debt and capital leases	3,945,000.00	3,945,000.00
Accounts payable	342,993.45	2,341,285.19
Accrued interest	373,954.27	427,131.48
Deferred revenue and other liabilities	681,463.17	666,050.73
Accrued expenses	667,249.53	503,876.74
TOTAL CURRENT LIABILITIES	6,010,660.42	7,883,344.14
NONCURRENT LIABILITIES		
Long-term debt	94,826,155.28	95,148,711.88
Compensated absences	1,049,078.90	1,003,877.70
Net pension liability	5,722,018.00	5,722,018.00
Fair value of interest rate swaps	765,224.00	765,224.00
TOTAL NONCURRENT LIABILITIES	102,362,476.18	102,639,831.58
TOTAL LIABILITIES	108,373,136.60	110,523,175.72
DEFERRED INFLOWS OF RESOURCES		
Employee pensions	798,534.00	798,534.00
NET POSITION		
Invested in capital assets, net of related debt	188,692,076.01	188,692,076.01
Restricted	3,523,435.16	3,523,435.16
Unrestricted	37,929,158.92	33,520,679.80
TOTAL NET POSITION	230,144,670.09	225,736,190.97
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	339,316,340.69	337,057,900.69

**Sacramento Suburban Water District
Income Statement
Period Ended**

	Month 6/30/2016	Year-To-Date 6/30/2016	Month 6/30/2015	Year-To-Date 6/30/2015
OPERATING REVENUES				
Water consumption sales	\$1,263,663.21	\$4,112,700.98	\$862,487.96	\$3,849,751.08
Water service charge	525,942.64	3,127,524.45	533,243.32	3,154,905.29
Capital facilities charge	1,882,773.58	10,996,813.39	1,805,676.25	10,537,106.86
Wheeling water charge	630.02	2,409.72	516.60	2,800.44
Other charges for services	87,732.84	483,103.96	87,727.19	505,649.37
TOTAL OPERATING REVENUES	3,760,742.29	18,722,552.50	3,289,651.32	18,050,213.04
OPERATING EXPENSES				
Source of supply	254,840.84	1,045,539.73	4,228.75	25,372.50
Pumping	239,160.72	1,605,075.52	336,073.17	1,951,830.83
Transmission and distribution	271,604.82	1,619,274.63	263,365.25	1,324,564.57
Water conservation	23,667.75	197,469.01	118,784.81	249,787.20
Customer accounts	78,616.04	514,426.31	107,156.76	589,839.37
Administrative and general	442,056.77	2,803,373.46	550,294.08	2,893,077.55
TOTAL OPERATING EXPENSES	1,309,946.94	7,785,158.66	1,379,902.82	7,034,472.02
Operating income before depreciation	2,450,795.35	10,937,393.84	1,909,748.50	11,015,741.02
Depreciation and amortization	(987,408.12)	(5,936,555.85)	(945,067.05)	(5,680,395.08)
OPERATING INCOME	1,463,387.23	5,000,837.99	964,681.45	5,335,345.94
NON-OPERATING REV. (EXP.)				
Rental income	6,910.00	111,333.61	23,841.40	129,397.85
Interest and investment income	270,082.16	778,436.58	(50,374.78)	348,159.70
Interest expense	(342,934.35)	(1,777,006.22)	(328,815.62)	(1,855,566.20)
Other non-operating revenues	3,273.80	6,768.57	3,011.13	21,569.04
Grant revenue pass-through to sub recipients		356,407.00		
Other non-operating expenses		6.59	21.11	(75.04)
Sub recipient grant expenses		(356,407.00)		
Gain(loss) on disposal of capital assets				6,251.53
NON-OPERATING REV. (EXP.)	(62,668.39)	(880,460.87)	(352,316.76)	(1,350,263.12)
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	1,400,718.84	4,120,377.12	612,364.69	3,985,082.82
CAPITAL CONTRIBUTIONS				
Facility development charges	76,482.00	138,852.00	96,844.00	516,134.00
Federal, state and local capital grants		149,250.00	1,425.00	122,696.00
TOTAL CAPITAL CONTRIBUTIONS	76,482.00	288,102.00	98,269.00	638,830.00
CHANGE IN NET POSITION	1,477,200.84	4,408,479.12	710,633.69	4,623,912.82
Net position at beginning of period	228,667,469.25	225,736,190.97	224,235,204.71	220,321,925.58
NET POSITION AT END OF PERIOD	230,144,670.09	230,144,670.09	224,945,838.40	224,945,838.40

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

	Month Of June			2016 YTD		
	Actual	Amended Budget	Variance	Actual	Amended Budget	Variance
BUDGETED OPERATING EXPENSES						
Board of Directors	\$1,407.29	\$2,788.71	\$1,381.42	\$18,364.85	\$23,332.26	\$4,967.41
Administrative	164,877.28	180,424.95	15,547.67	843,493.48	895,919.70	52,426.22
Finance	65,969.39	78,257.47	12,288.08	498,296.50	555,344.82	57,048.32
Customer Services	78,616.04	97,852.88	19,236.84	514,426.31	589,547.28	75,120.97
Field Operations	22,947.60	34,067.85	11,120.25	166,039.66	204,407.10	38,367.44
Production	494,001.56	460,426.23	(33,575.33)	2,650,615.25	2,751,057.38	100,442.13
4 Distribution	185,652.33	144,578.65	(41,073.68)	1,024,457.78	867,471.90	(156,985.88)
Field Services	85,952.49	102,397.28	16,444.79	593,917.85	576,778.68	(17,139.17)
Maintenance	29,853.71	51,829.23	21,975.52	278,111.81	310,975.26	32,863.45
Water Conservation	23,667.75	48,161.48	24,493.73	197,469.01	288,968.88	91,499.87
Engineering	59,986.13	92,659.42	32,673.29	386,659.09	555,661.52	169,002.43
GIS/CAD	17,933.93	28,433.59	10,499.66	148,402.05	174,101.54	25,699.49
Human Resources	7,699.66	15,581.32	7,881.66	84,126.45	126,152.92	42,026.47
MIS	71,381.78	58,513.61	(12,868.17)	380,778.57	423,385.66	42,607.09
TOTAL OPERATING EXPENSES	1,309,946.94	1,395,972.67	86,025.73	7,785,158.66	8,343,104.90	557,946.24

SACRAMENTO SUBURBAN WATER DISTRICT
OPERATING CAPITAL AMENDED BUDGET
6/30/2016

Project Number	Project Name	Original Budget	Amended Budget	Current Month Expenditures	Expenditures Year-To-Date	Committed Year-To-Date	Remaining Balance
SF16-344	2015 URBAN MASTER PLAN	\$42,000.00	\$42,000.00		\$ 36,547.43	\$ 2,274.00	\$ 3,178.57
SF16-345	UPDATE WATER SYS MASTER PLAN	\$73,000.00	\$134,000.00 ¹		14,652.68	41,295.00	78,052.32
SF16-371	OFFICE FURNITURE SUITE 200	\$5,000.00	\$5,000.00		567.47		4,432.53
SF16-372	OFFICE FURNITURE WALNUT	\$10,000.00	\$10,000.00		8,842.62		1,157.38
SF16-373	BOARD ROOM WALL MAPS	\$5,000.00	\$5,000.00		-		5,000.00
SF16-374	NEW VEHICLE-FIELD SERVICE DEPT	\$45,000.00	\$45,000.00		-	46,402.00	(1,402.00)
SF16-375	VEH REPL/ RIGHT SIZE TRUCK#32	\$124,000.00	\$124,000.00		-	82,342.00	41,658.00
SF16-376	VEH REPL-TRUCK# 26	\$33,500.00	\$33,500.00	27,832.49	27,832.49	5,320.00	347.51
SF16-377	VEH REPL/RIGHT SIZE -TRUCK# 13	\$33,500.00	\$33,500.00		-	33,152.00	348.00
SF16-378	ASPHALT REPAIR/REPL-WELL SITES	\$35,500.00	\$35,500.00		-	24,800.00	10,700.00
SF16-379	PROD METERS REPL/MAGMETERS	\$15,000.00	\$15,000.00		10,983.48		4,016.52
SF16-380	NOMAD 360/AREA SPOTET LIGHT	\$4,000.00	\$4,000.00		-		4,000.00
SF16-381	METER VAULT LID RETROFIT	\$10,500.00	\$10,500.00		-		10,500.00
SF16-382	WATER CONSERV -MASTER PLAN	\$45,000.00	\$45,000.00		-		45,000.00
SF16-383	REMODEL CUSTOMER SERV AREA	\$35,000.00	\$35,000.00	36,845.69	36,845.69	24,058.00	(25,903.69)
SF16-384	REPL EXT/GARAGE LIGHTING-LED	\$20,000.00	\$20,000.00		8,067.34	1,649.00	10,283.66
SF16-385	INSTL 5 CAMERAS @ WALNUT	\$20,000.00	\$20,000.00		-		20,000.00
SF16-386	REPL CAMERAS @ MARCONI	\$6,000.00	\$6,000.00		-		6,000.00
SF16-387	HVAC/ROOF/BUILD REPAIRS	\$30,000.00	\$30,000.00		-		30,000.00
SF16-388	BUILD & STRUCTURES MAINTENANCE	\$95,000.00	\$95,000.00	19,120.00	71,520.00	27,180.00	(3,700.00)
SF16-389	HARDWARE REFRESH	\$170,000.00	\$105,000.00 ¹		18,147.98	33,572.00	53,280.02
SF16-390	SOFTWARE ENHANCEMENTS/MODULES	\$115,000.00	\$115,000.00		20,720.00	15,280.00	79,000.00
SF16-391	TRIMBLE HANHELD COMPUTR-FIELD	\$6,000.00	\$6,000.00	4,650.00	4,650.00		1,350.00
SF16-392	WEB SITE UPGRADE	\$35,000.00	\$0.00 ¹		-		-
SF16-393	GPS ASSET LOCATION PROJECT	\$75,000.00	\$0.00 ¹		-		-
		\$ 1,088,000.00	\$ 974,000.00	\$ 88,448.18	\$ 259,377.18	\$ 337,324.00	\$ 377,298.82

**Sacramento Suburban Water District
Capital Improvement Project Amended Budget
6/30/2016**

Project No.	Project Name	Original Budget	Amended Budget	Current Month Expenditures	Expenditures Year-To-Date	Committed Year-To-Date	Remaining Balance	Prior month Expenditures Year-To-Date
SC16-007	GROUNDWTR MONITORING/MODELING	\$50,000.00	\$250,000.00 ¹	\$	9,228.88	\$ 227,275.00	\$ 13,496.32	\$ 9,228.68
SC16-009	WELL REHAB/PUMP ST IMPROVEMENT	\$690,000.00	890,000.00	\$97,884.53	346,863.66	687,958.00	(144,821.66)	248,979.13
SC16-010	SCADA RTU/COMMUN IMPROVEMENT	\$200,000.00	200,000.00	28,900.00	41,964.00	57,135.00	100,901.00	13,064.00
SC16-011	WELLHEAD TREATMENT/CHEM FEED	\$370,000.00	370,000.00	373,737.73	47,987.84	202,512.00	119,500.16	47,987.84
SC16-012	WELL REPLACEMENTS	\$2,600,000.00	2,600,000.00		1,012,876.57	1,443,946.00	143,177.43	639,138.84
SC16-013	ELEC ARC FLASH MOD @ WELL SITES	\$330,000.00	330,000.00	13,885.00	76,287.00	61,495.00	192,218.00	62,402.00
SC16-018	DISTRIBUTION MAIN REPLACEMENTS	\$8,420,000.00	8,420,000.00	735,470.20	2,648,140.85	6,035,120.00	(263,260.85)	1,912,670.65
SC16-019	DIST MAIN IMPRV/EXT/INTERTIES	\$775,000.00	775,000.00	69,024.00	138,578.73	594,037.00	42,384.27	69,564.73
SC16-022	LOWERING/RAISING VALVE BOXES	\$150,000.00	150,000.00		2,730.00	58,787.00	88,483.00	2,730.00
SC16-024	METER RETROFIT PROGRAM	\$1,900,000.00	1,900,000.00	233,835.20	773,613.29	908,100.00	216,286.71	539,778.09
SC16-024A	VOLUNTARY METER RETROFIT PROGRAM	\$75,000.00	75,000.00	3,750.00	15,746.31	6,050.00	53,203.69	11,996.31
SC16-027	DISTRIB MAJOR REPAIRS	\$350,000.00	350,000.00		94,211.49	41,400.00	214,388.51	94,211.49
SC16-028	DISTRIB SYSTEM IMPRV	\$375,000.00	375,000.00		23,459.75	9,500.00	342,040.25	23,459.75
SC16-034	RESERVIOR/TANK IMPROVMENT	\$200,000.00	200,000.00	2,480.00	29,029.54	61,752.00	109,216.46	26,549.54
SC16-034A	CORROSION CONTRL/TRANSMISSION MAIL	\$450,000.00	450,000.00		6,225.00	1,945.00	441,830.00	6,225.00
SC16-035	PROFESSIONAL/SPECIAL PROJ	\$100,000.00	100,000.00		45,592.50	27,728.00	26,679.50	45,592.50
SC16-038	LARGE WTR METER >3" REPL	\$140,000.00	140,000.00		8,400.00	4,399.00	127,201.00	8,400.00
SC16-039	FIRE HYDRANT REPL/REHAB/ADD	\$200,000.00	200,000.00		16,240.00	7,124.00	176,636.00	16,240.00
SC16-040	ENGINE GENERATOR COMPLIANCE	\$75,000.00	75,000.00		1,620.00	50,177.00	23,203.00	1,620.00
SC16-042	METER REPLACE/REPAIR - WMP	\$558,000.00	558,000.00	66,560.00	275,292.70	247,248.00	35,459.30	208,732.70
SC16-044	CAPITAL IMPRV C/P(S/JWD AGREEMENT)	\$7,000.00	7,000.00		-	-	7,000.00	-
SC16-045	ENTERPRISE INTERTIE IMPROVEMENT	\$180,000.00	\$101,000.00 ¹		-	-	101,000.00	-
Totals SSWD		\$ 18,395,000.00	\$ 18,516,000.00	\$ 1,625,526.66	\$ 5,614,087.91	\$ 10,733,668.00	\$ 2,168,224.09	\$ 3,986,561.25

**Sacramento Suburban Water District
Debt
6/30/2016**

Current Month

	Series 2009A COP	Series 2009B COP	Series 2012A	Total
Beginning Balance	\$ 42,000,000			
Additions:				
Reductions:				
Payment	-			
Ending Balance	<u>\$ 42,000,000</u>	<u>\$ 26,045,000</u>	<u>\$ 21,515,000</u>	<u>\$ 89,560,000</u>

Year-To-Date

	Series 2009A COP	Series 2009B COP	Series 2012A	Total
Beginning Balance	\$ 42,000,000			
Additions:				
Reductions:				
Payment	-			
Ending Balance	<u>\$ 42,000,000</u>	<u>\$ 26,045,000</u>	<u>\$ 21,515,000</u>	<u>\$ 89,560,000</u>

**Investments Outstanding and Activity
June 2016**

SACRAMENTO SUBURBAN WATER DISTRICT
INVESTMENTS OUTSTANDING - OPERATING FUND

MONTH END: June 30, 2016

Detail of Securities Held:

SECURITY TYPE	CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	RATING	S&P	TRADE DATE	SETTLE DATE	ORIGINAL COST	YTM AT COST	ACCRUED INTEREST	MARK - TO-MARKET	MARKET VALUE
PFM	89113ESN7	NORDEA BANK FINLAND NY CD	825,000.00	1.240	6/16/2017	AA-	AA-	6/16/2016	6/19/2015	825,000.00	1.25	312.58	2,335.75	827,335.75
PFM	8695NDH4	SVENSKA HANDELSBANKEN NY FLT CD	750,000.00	0.852	8/24/2017	A-1+	A-1+	11/20/2015	11/24/2015	750,000.00	0.84	879.78	3,575.00	750,875.00
PFM	66117GAS7	BANK OF NOVA SCOTIA HOUSTON CD	1,560	11/6/2017	A-1	A-1	11/16/2015	11/9/2015	1,560,000.00	1.55	1,787.50	3,837.50	1,570,717.50	
PFM	81049FBG5	SKANDINAVISKA ENSKILDA BANKEN NY CD	750,000.00	1.480	11/16/2017	A-1	A-1	11/16/2015	11/17/2015	750,000.00	1.48	6,999.17	795.00	750,795.00
PFM	4042XAR41	HSBC BANK USA NA FLOATING CD	750,000.00	0.954	11/17/2017	A-1+	A-1+	11/17/2015	11/18/2015	750,000.00	0.97	1,141.50	1,308.75	751,308.75
PFM	78009NZ2	ROYAL BANK OF CANADA NY CD	750,000.00	1.700	3/29/2018	AA-	AA-	3/11/2016	3/15/2016	750,000.00	1.69	3,895.83	5,846.25	755,846.25
			7,975,000.00							7,975,000.00	1.19	25,534.70	16,538.25	7,991,538.25
ASSET-BACKED SECURITY														
PFM	43K1KAB7	HONDA ABS 2015-A2	33,364.89	0.700	6/15/2017	AAA	AAA	1/31/2015	1/28/2015	33,364.89	0.70	10.38	(.94)	33,361.21
PFM	8923WAB4	TOYOTA AUTO RECEIVABLES OWNER ABS NOTES	41,604.70	0.710	7/15/2018	AAA	AAA	2/24/2015	3/4/2015	41,604.71	0.71	13.13	(3.20)	41,599.08
PFM	43K1JNAC0	HAROT 2015-2, A3	285,000.00	1.040	2/11/2019	AAA	AAA	5/13/2015	5/20/2015	284,956.25	1.05	82.33	281.64	285,237.89
PFM	17305SEFN0	CTIBK CREDIT CRD ISSUANCE	300,000.00	1.020	2/22/2019	AAA	AAA	3/17/2015	3/20/2015	299,589.84	1.08	1,096.50	722.61	300,312.45
PFM	89237CAD3	TOYOTA ABS 2015-B A3	385,000.00	1.270	5/15/2019	AAA	AAA	6/10/2015	6/17/2015	384,979.17	1.27	2,173.21	1,714.21	386,693.38
PFM	65477UAC4	NISSAN AUTO RECEIVABLE OWNER 2015-A	295,000.00	1.050	10/15/2019	NR	NR	4/7/2015	4/14/2015	294,977.99	1.06	3,723.29	295,310.28	295,310.28
PFM	5450VAAD1	FORDO 2015-B A3	200,000.00	1.160	11/15/2019	NR	NR	5/19/2015	5/26/2015	199,981.50	1.16	1,031.11	391.46	200,372.96
PFM	6547WAD0	NISSAN ABS 2015-B A3	195,000.00	1.240	3/16/2020	NR	NR	7/15/2015	7/22/2015	194,984.50	1.24	1,161.13	1,258.68	196,243.18
PFM	02007LAC6	ALLY ABS 2016-3 A3	130,000.00	1.440	3/16/2020	NR	NR	7/15/2015	7/22/2015	129,987.38	1.44	83.20	590.48	130,577.86
PFM	44930UAD8	HYUNDAI ABS 2016-A A3	70,000.00	1.560	9/15/2020	AAA	AAA	3/22/2016	3/30/2016	69,986.42	1.57	48.53	583.39	70,569.81
PFM	65222RCU0	BANK OF AMER CREDIT CARD TR 2015-A2	280,000.00	1.360	9/15/2020	AAA	AAA	10/28/2015	10/29/2015	280,404.69	1.30	1,629.51	1,279.51	281,684.20
PFM	34332EAD7	FORD ABS 2016-B A3	85,000.00	1.330	10/15/2020	NR	NR	4/19/2016	4/26/2016	84,991.94	1.33	50.24	421.85	85,413.79
			2,292,969.59							2,292,969.59	1.20	2,137.77	2,588.95	2,307,558.09
US TSY BONDNOTE														
PFM	91282875	US TREASURY NOTES	660,000.00	0.875	4/15/2027	AA+	AA+	5/15/2015	5/15/2015	664,176.56	0.54	1,214.96	(2,178.74)	661,997.82
PFM	91283VQ0	US TREASURY NOTES	250,000.00	1.375	7/31/2018	AA+	AA+	8/3/2015	8/31/2015	252,861.33	0.99	1,435.44	1,094.42	253,925.75
PFM	91283VQ0	US TREASURY NOTES	425,000.00	1.375	7/31/2018	AA+	AA+	2/2/2015	2/4/2015	431,607.42	0.92	2,440.25	66.36	431,673.78
PFM	91283A34	US TREASURY NOTES	275,000.00	1.250	1/30/2018	AA+	AA+	6/2/2014	6/3/2014	273,536.84	1.41	248.80	4,973.79	278,510.63
PFM	91282845	US TREASURY NOTES	325,000.00	1.500	12/31/2018	AA+	AA+	12/29/2014	12/31/2014	324,082.62	1.53	13.25	7,029.51	331,102.13
PFM	912828F9	US TREASURY NOTES	475,000.00	1.500	9/30/2019	AA+	AA+	3/26/2015	3/27/2015	482,566.21	1.39	2,089.48	7,496.07	489,962.38
PFM	912828TR1	US TREASURY NOTES	875,000.00	1.600	9/30/2019	AA+	AA+	2/26/2015	2/27/2015	858,696.29	1.42	2,199.45	22,832.69	881,528.38
PFM	91283UQ1	US TREASURY NOTES	275,000.00	1.250	9/2/2015	AA+	AA+	10/8/2015	10/9/2015	274,236.56	1.32	1,148.95	16,092.42	279,105.55
PFM	91283UQ1	US TREASURY NOTES	275,000.00	1.250	9/2/2015	AA+	AA+	10/8/2015	10/9/2015	274,236.56	1.32	1,148.95	16,092.42	279,105.55
PFM	91282804	US TREASURY NOTES	100,000.00	1.375	3/31/2020	AA+	AA+	6/22/2016	6/27/2016	101,326.56	1.04	345.63	664.04	101,990.60
PFM	912828R4	US TREASURY NOTES	140,000.00	1.375	3/31/2020	AA+	AA+	6/22/2016	6/27/2016	141,782.81	1.03	483.88	864.03	142,646.84
PFM	912828R4	US TREASURY NOTES	300,000.00	1.375	3/31/2020	AA+	AA+	6/22/2016	6/27/2016	312,421.46	1.07	1,067.99	2,329.49	314,841.95
PFM	91283VP2	US TREASURY NOTES	650,000.00	2.000	7/31/2020	AA+	AA+	12/1/2015	12/4/2015	662,363.67	1.58	5,438.57	16,097.78	678,361.45
PFM	91283VP2	US TREASURY NOTES	675,000.00	2.125	8/31/2020	AA+	AA+	12/28/2015	12/30/2015	686,680.66	1.74	4,794.24	21,278.24	707,958.90
PFM	91283VCH	US TREASURY NOTES	1,000,000.00	1.750	10/31/2020	AA+	AA+	2/1/2016	2/3/2016	1,018,515.63	1.35	2,948.57	15,117.37	1,033,633.00
PFM	912828PC8	US TREASURY NOTES	165,000.00	2.625	11/15/2020	AA+	AA+	5/2/2016	5/2/2016	174,358.20	1.28	553.18	2,023.79	176,381.99
PFM	912828PC8	US TREASURY NOTES	850,000.00	2.625	11/15/2020	AA+	AA+	5/3/2016	5/6/2016	902,726.56	1.21	2,849.69	7,968.54	910,695.10
PFM	91283A42	US TREASURY NOTES	525,000.00	2.000	11/30/2020	AA+	AA+	3/2/2016	3/4/2016	539,991.21	1.35	889.34	8,613.32	548,604.53
PFM	912828A3	US TREASURY NOTES	625,000.00	2.375	12/31/2020	AA+	AA+	3/30/2016	3/31/2016	656,396.48	1.28	40.34	7,079.77	663,476.25
PFM	91283QJ7	US TREASURY NOTES	950,000.00	1.250	3/31/2021	AA+	AA+	6/27/2016	6/29/2016	962,097.66	0.98	2,984.97	(1,038.71)	961,058.95
			9,784,000.00							9,955,356.86	1.26	34,325.73	133,861.57	10,087,198.43
TOTAL INVESTMENT PORTFOLIO														
			373,148,804.96							37,537,636.15	1.38	125,686.72	346,615.58	37,884,251.73
US TSY MONEY MKT														
U.N.	43111450	US TREASURY MONEY MARKET	102,706.58		OVERNIGHT					102,706.58	0.00	-	-	102,706.58
LAIF	90R406	LOCAL AGENCY INVESTMENT FUND	2,148,309.38		OVERNIGHT					2,148,309.38	0.58	2,901.66	16.52	2,148,325.90
TOTAL CASH EQUIVALENTS														
			2,150,565,820.92							2,150,788,652.11		2,901.66	16.52	2,153,680.28

**Investment Activity
June 2016**



For the Month Ending June 30, 2016

Managed Account Security Transactions & Interest

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Trade	Settle	Transaction Type	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
BUY											
06/02/16	06/09/16		CITIGROUP INC CORP NOTES	172967KS9	145,000.00	(144,924.60)	0.00	(144,924.60)			
			DTD 06/09/2016 2.050% 06/07/2019								
06/03/16	06/08/16		BURLINGTON WRTH CORP	12189TBC7	200,000.00	(220,780.00)	(1,749.44)	(222,529.44)			
			DTD 09/24/2009 4.700% 10/01/2019								
06/22/16	06/27/16		US TREASURY NOTES	912828J84	100,000.00	(101,226.56)	(330.60)	(101,557.16)			
			DTD 03/31/2015 1.375% 03/31/2020								
06/22/16	06/27/16		US TREASURY NOTES	912828J84	140,000.00	(141,782.81)	(462.84)	(142,245.65)			
			DTD 03/31/2015 1.375% 03/31/2020								
06/23/16	06/28/16		US TREASURY NOTES	912828J84	309,000.00	(312,512.46)	(1,033.17)	(313,545.63)			
			DTD 03/31/2015 1.375% 03/31/2020								
06/27/16	06/29/16		US TREASURY NOTES	912828O37	950,000.00	(962,097.66)	(2,920.08)	(965,017.74)			
			DTD 03/31/2016 1.250% 03/31/2021								
Transaction Type Sub-Total						1,844,000.00	(1,883,324.09)	(6,496.13)	(1,889,820.22)		

INTEREST											
06/01/16	06/01/16		MONEY MARKET FUND	MONEY0002	0.00	0.00	4.53	4.53			
			06/25/16	3136ANJY4	185,000.00	0.00	238.96	238.96			
			06/01/16	3136AOSW1	170,000.00	0.00	268.89	268.89			
			06/01/16	3136AMMC0	131,884.72	0.00	74.53	74.53			
			06/01/16	3136AMTM1	116,812.96	0.00	65.01	65.01			
			06/01/16	3136AODO0	355,000.00	0.00	486.94	486.94			
			06/01/16	3136AP3Z3	379,618.38	0.00	253.75	253.75			
			06/05/16	166764AA8	150,000.00	0.00	828.00	828.00			
			06/05/16	166764AA8	220,000.00	0.00	1,214.40	1,214.40			
Transaction Type Sub-Total						1,844,000.00	(1,883,324.09)	(6,496.13)	(1,889,820.22)		



PFM Asset Management LLC



Managed Account Security Transactions & Interest

For the Month Ending June 30, 2016

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST											
	06/12/16	06/12/16	JOHN DEERE CAPITAL CORP NOTES	2442ZESN0	670,000.00	0.00	3,768.75	3,768.75			
			DTD 06/12/2014 1.125% 06/12/2017								
	06/15/16	06/15/16	TOYOTA ABS 2015-B A3	89237CAD3	385,000.00	0.00	407.46	407.46			
			DTD 06/17/2015 1.270% 05/15/2019								
	06/15/16	06/15/16	FORD ABS 2014-C A2	34530PAC6	15,359.49	0.00	7.81	7.81			
			DTD 11/25/2014 0.610% 08/15/2017								
	06/15/16	06/15/16	HYUNDAI ABS 2016-A A3	44930UAD8	70,000.00	0.00	91.00	91.00			
			DTD 03/30/2016 1.560% 09/15/2020								
	06/15/16	06/15/16	FORD ABS 2015-B A3	34530VAD1	200,000.00	0.00	193.33	193.33			
			DTD 05/26/2015 1.160% 11/15/2019								
	06/15/16	06/15/16	HONDA ABS 2015-1 A2	43814KAB7	47,827.44	0.00	27.90	27.90			
			DTD 01/28/2015 0.700% 06/15/2017								
	06/15/16	06/15/16	TOYOTA ABS 2015-A A2	89236WAB4	55,131.59	0.00	32.62	32.62			
			DTD 03/04/2015 0.710% 07/15/2017								
	06/15/16	06/15/16	BANK OF AMER CREDIT CARD TR	05522RCU0	280,000.00	0.00	317.33	317.33			
			2015-A2								
			DTD 04/29/2015 1.360% 09/15/2020								
	06/15/16	06/15/16	FORD ABS 2016-B A3	34532EAD7	85,000.00	0.00	94.21	94.21			
			DTD 04/26/2016 1.330% 10/15/2020								
	06/15/16	06/15/16	NISSAN ABS 2015-B A3	65475WAD0	195,000.00	0.00	217.75	217.75			
			DTD 07/22/2015 1.340% 03/15/2020								
	06/15/16	06/15/16	NISSAN ABS 2015-A A3	65477UAC4	295,000.00	0.00	258.13	258.13			
			DTD 04/14/2015 1.050% 10/15/2019								
	06/15/16	06/15/16	ALLY ABS 2016-3 A3	02007LAC6	130,000.00	0.00	78.00	78.00			
			DTD 05/31/2016 1.440% 08/15/2020								
	06/20/16	06/20/16	TORONTO DOMINION BANK NY YCD	89113ESN7	825,000.00	0.00	10,428.92	10,428.92			
			DTD 06/19/2015 1.240% 06/16/2017								
	06/21/16	06/21/16	HONDA ABS 2015-2 A3	43813NAC0	285,000.00	0.00	247.00	247.00			
			DTD 05/20/2015 1.040% 02/21/2019								
	06/23/16	06/23/16	HSBC USA INC	40434CAA3	290,000.00	0.00	1,885.00	1,885.00			
			DTD 06/23/2014 1.300% 06/23/2017								
	06/23/16	06/23/16	JP MORGAN CHASE & CO CORP NT	46625HLW8	300,000.00	0.00	4,125.00	4,125.00			
			(CALLABLE)								
			DTD 06/23/2015 2.750% 06/23/2020								



Managed Account Security Transactions & Interest

For the Month Ending June 30, 2016

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST											
	06/24/16	06/24/16	CHEVRON CORP GLOBAL NOTES	166764AE0	680,000.00	0.00	5,841.20	5,841.20			
			DTD 06/24/2013 1.718% 06/24/2018								
	06/29/16	06/29/16	FREDDIE MAC GLOBAL NOTES	3137EADH9	500,000.00	0.00	2,500.00	2,500.00			
			DTD 05/14/2012 1.000% 06/29/2017								
	06/29/16	06/29/16	FREDDIE MAC GLOBAL NOTES	3137EADH9	65,000.00	0.00	325.00	325.00			
			DTD 05/14/2012 1.000% 06/29/2017								
	06/30/16	06/30/16	US TREASURY NOTES	912828A75	325,000.00	0.00	2,437.50	2,437.50			
			DTD 12/31/2013 1.500% 12/31/2018								
	06/30/16	06/30/16	US TREASURY NOTES	912828A83	625,000.00	0.00	7,421.88	7,421.88			
			DTD 12/31/2013 2.375% 12/31/2020								
Transaction Type Sub-Total					8,031,634.58	0.00	44,140.80	44,140.80			

PAYDOWNS											
	06/01/16	06/25/16	FNMA SERIES 2015-M12 FA	3136AP3Z3	439.15	439.15	0.00	439.15	0.16	0.00	
			DTD 09/01/2015 0.772% 04/01/2020								
	06/01/16	06/25/16	FNMA SERIES 2015-M3 FA	3136AMMCO	1,928.99	1,928.99	0.00	1,928.99	0.50	0.00	
			DTD 02/01/2015 0.652% 06/01/2018								
	06/01/16	06/25/16	FNMA SERIES M4 FA	3136AMTM1	112.55	112.55	0.00	112.55	0.03	0.00	
			DTD 03/01/2015 0.642% 09/01/2018								
	06/15/16	06/15/16	HONDA ABS 2015-1 A2	43814KAB7	14,462.55	14,462.55	0.00	14,462.55	0.75	0.00	
			DTD 01/28/2015 0.700% 06/15/2017								
	06/15/16	06/15/16	FORD ABS 2014-C A2	34530PAC6	15,359.49	15,359.49	0.00	15,359.49	7.20	0.00	
			DTD 11/25/2014 0.610% 08/15/2017								
	06/15/16	06/15/16	TOYOTA ABS 2015-A A2	89236WAB4	13,526.89	13,526.89	0.00	13,526.89	0.13	0.00	
			DTD 03/04/2015 0.710% 07/15/2017								
Transaction Type Sub-Total					45,829.62	45,829.62	0.00	45,829.62	8.77	0.00	

SELL											
	06/02/16	06/09/16	US TREASURY NOTES	912828A75	125,000.00	126,625.98	829.33	127,455.31	1,748.05	1,704.88	SPEC LOT
			DTD 12/31/2013 1.500% 12/31/2018								
	06/03/16	06/08/16	US TREASURY NOTES	912828TR1	225,000.00	225,140.63	424.18	225,564.81	4,333.01	3,193.03	SPEC LOT
			DTD 10/01/2012 1.000% 09/30/2019								





Managed Account Security Transactions & Interest

For the Month Ending June 30, 2016

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
SELL											
	06/22/16	06/27/16	ABBOTT LABORATORIES DTD 03/10/2015 2.000% 03/15/2020	002824AZ3	100,000.00	100,618.00	566.67	101,184.67	(43.00)	117.54	SPEC LOT
	06/22/16	06/27/16	ABBOTT LABORATORIES DTD 03/10/2015 2.000% 03/15/2020	002824AZ3	140,000.00	140,956.20	793.33	141,749.53	30.80	255.55	SPEC LOT
	06/23/16	06/28/16	ABBOTT LABORATORIES DTD 03/10/2015 2.000% 03/15/2020	002824AZ3	310,000.00	311,608.90	1,773.89	313,382.79	(440.20)	58.58	SPEC LOT
	06/27/16	06/29/16	GOLDMAN SACHS BANK USA CD DTD 08/19/2014 0.900% 08/12/2016	381472L5	800,000.00	799,600.00	2,584.11	802,184.11	(400.00)	(400.00)	SPEC LOT
Transaction Type Sub-Total					1,700,000.00	1,704,549.71	6,971.51	1,711,521.22	5,228.66	4,929.58	
Managed Account Sub-Total						(132,944.76)	44,616.18	(88,328.58)	5,237.43	4,929.58	
Total Security Transactions						(\$132,944.76)	\$44,616.18	(\$88,328.58)	\$5,237.43	\$4,929.58	



**Cash Expenditures
June 2016**

Sacramento Suburban Water District
Cash Expenditures
June-16

<u>Type</u>	<u>Payee</u>	<u># Inv</u>	<u>Purpose</u>	<u>Amount</u>
CIP EXPENSES				
	Affinity Engineering	10	CIP Project Engineering Services	\$ 54,645.00
	Ahlstrom Construction	1	Main Replacement Inspection Services	7,725.00
	ARC	3	Printing of Well Documents	515.03
	Area West Engineers	1	Engineering & Consulting CIP Services	500.00
	County of Sacramento Public Works	1	Inspection Fees	320.06
	Domenichelli & Associates	1	Engineering & Consulting CIP Services	24,920.00
	Doug Veerkamp Engineering	1	Main Replacement Projects 2016	431,668.50
	E. Rozakis Restoration	1	Well N22 Painting	7,920.00
	ERC Contracting	2	Location Verification Services	16,010.00
	Flowline	1	Meter Installation Project	233,819.20
	GM Construction	1	Drayton Heights Main Replacement	98,190.20
	GM Construction	1	Eastern/EI Camino	15,390.00
	Koch & Koch	1	Rutland Project Consulting	253,050.00
	Loewen Pump Maintenance	4	Pump Rehabilitation - Various	45,350.00
	Luhdorff & Scalmanini	1	Palm Well N6A	30,779.67
	Lund Construction	2	Retention Release	150,759.90
	Rawles Engineering	2	Well N6A Construction	66,335.00
	River City Painting	1	Painting of District Facilities	11,200.00
	Roadrunner Drilling	1	Field Services	7,570.00
	San Joaquin Electric	1	Well N25 Scada System	28,900.00
	SMUD New Services Division	1	New Service - Rutland PS	30,168.00
	Teldata	1	Customer Service Improvements	2,314.60
	Tetra Tech	7	System Improvements	82,426.00
INVENTORY AND CIP SUPPLIES				
	Ferguson/DBA Groeniger	3	Inventory/CIP Supplies	6,540.88
	KP Electronics	2	Inventory/CIP Supplies	71,210.00
OPERATING CAPITAL EXPENSES				
	Silicon Valley Shelving	1	Customer Service	21,604.09
	Vans Carpets	1	Customer Service	10,437.00
WATER COSTS				
	City of Sacramento	1	Diversion Fees	28,465.77
	PG&E	0	Gas Service Buildings & P.S.	-
	Sierra Chemical	5	Water Quality Services/Chemicals	20,293.36
	SMUD	10	Electrical Utilities	72,076.81
OPERATIONS & MAINTENANCE				
	Advanced Integrated Pest Management	2	Pest Control Services	160.50
	Airgas USA LLC	1	Field Supplies	83.16
	Answernet/Signius	1	Answering Service	548.75
	AT&T Calnet3	2	Phone Service	1,017.24
	Atlas Disposal	2	Trash Removal Services	431.02
	Atlas Fence	2	Fence Repairs	7,580.00
	Badger Meter	1	Service Renewal	57.00
	Biondi Paving	1	Pavement Restoration Services	25,113.25
	Brian Henson	1	Backflow Testing Services	700.00
	BSK Analytical Services	1	Lab Testing	1,496.00

Sacramento Suburban Water District
Cash Expenditures
June-16

<u>Type</u>	<u>Payee</u>	<u># Inv</u>	<u>Purpose</u>	<u>Amount</u>
	Burt's Lawn & Garden Service	1	Pump Site Maintenance	525.00
OPERATIONS & MAINTENANCE				
	Cell Energy	1	Field Supplies	143.76
	CINTAS	7	Uniforms and Janitorial Supplies - Walnut	1,214.41
	Citrus Heights Water District	1	Small Equipment Repairs	429.66
	Cityworks	1	Annual Software Maintenance	43,135.00
	Consolidated Communications	1	Telephone Services - Antelope	413.92
	Cotton Shoppe	2	Uniform Supplies	157.46
	County of Sacramento Utilities	2	Monthly Utilities	227.66
	Craig Locke	1	Reimb. Out of Pocket Expense	108.54
	Customer Rebates	7	Rebate Programs	1,875.00
	Customer Refunds	143	Customer Refunds	33,820.43
	Culligan	1	Water System - Walnut	68.50
	Daryl Vinavong	1	Safety Shoe Reimbursement	178.17
	Doug Cater	1	Certification Renewal Reimbursement	90.00
	DST Output	7	Billing Production Processing & Postage	11,318.90
	Emigh Hardware	7	Field Supplies	308.21
	Employee Relations Network	1	Employee HR Services	194.60
	Eurofins Eaton Analytical	1	Lab Services	16.00
	Fastenal Company	1	Field Supplies	112.32
	Fleet Wash	1	Vehicle Maintenance	297.50
	GM Construction	10	System Repairs	37,857.32
	Griffin Janitorial	1	Janitorial Services	3,408.20
	Hannah Dunrud	1	Educational Reimbursement	2,240.00
	Harrold Ford	8	Vehicle Maintenance	3,084.17
	HD Supply/Whitecap	1	Warehouse Stock	2,346.62
	Herburger Publications	1	Community Outreach	730.00
	IN Communications	2	Community Outreach	8,335.00
	James Arenz	1	Certification Renewal Reimbursement	80.00
	Jerry's Paint and Supply Inc	1	Paint Supplies	377.39
	John F Mahaney Company	1	Field Supplies	143.41
	Lake Vue Electric	1	Light Conversion	2,490.00
	Les Schwab Tire Center	5	Vehicle Maintenance	2,737.20
	Lifeguard First Aid	2	First Aid Supplies	155.40
	Management Group	1	Conservation Materials	842.40
	Mitch's Certified Classes	1	Employee Training	1,000.00
	NM Ranch	1	Pump Site Maintenance	2,960.00
	Normac	2	Field Supplies	105.33
	Office Depot	5	Office Supplies	809.09
	One Stop Truck Shop	1	Vehicle Maintenance	2,048.99
	Paladin Security	1	After Hours Security	460.00
	PFM Asset Management	2	Investor Services	7,679.91
	Pitney Bowes Postage	1	Bulk Postage	25,000.00
	Placer County Water Agency	1	Joint Defense Contract	35,150.54
	Pump Efficiency Testing	1	Test Point Accuracy Testing	4,850.00
	Rachel Middlestead	1	Educational Reimbursement	496.13
	Ramos Oil	1	Pump Site Maintenance	541.25
	Ray Morgan	1	Printer/Copier Monthly Lease	156.34
	Richardson & Company	1	Audit Services	4,460.00

Sacramento Suburban Water District
Cash Expenditures
June-16

<u>Type</u>	<u>Payee</u>	<u># Inv</u>	<u>Purpose</u>	<u>Amount</u>
OPERATIONS & MAINTENANCE				
	Robert Roscoe	1	Reimburse Out of Pocket Expenses	1,287.64
	Rue Equipment	3	Equipment Maintenance	351.19
	Sac Regional Sanitation District	1	Annual Lease North East Treatment Plant	27,559.42
	Sacramento Area Sewer District	1	Monthly Utilities	3,195.48
	Sacramento Business Journal	1	Subscription	120.00
	Song Dang	1	Safety Shoe Reimbursement/Certification Reimb.	265.17
	Sophos Solutions	1	Systems Maintenance	11,520.00
	Sutter Medical Foundation	1	Preemployment Physicals	198.00
	Tank Industry Consultants	1	Tank Cleaning	5,500.00
	Think Inc	1	Product Design Services	1,791.34
	Tina Lynn Design	6	Product Design Services	700.00
	USC University of Southern CA	1	Annual Membership/Dues	500.00
	Verizon Wireless	2	Cell Service	3,712.83
	Vicki Sprague	1	Certification Renewal Reimbursement	114.92
	Vision Technology Solutions LLC	1	Web Site Monthly Fees	231.52
	Voyager Fleet Systems	1	Fuel	6,937.62
	Waste Management	3	Garbage Service	369.32
	Wells Sweeping	1	Monthly Maintenance/ Annual Cleaning	88.75
DEBT SERVICE EXPENSES				
	Union Bank N.A.	1	COP Payments	1,695.00
	Wells Fargo Swap	1	COP Payments	91,603.77
	Sumitomo Mitsui Banking Corp.	1	COP Payments	64,634.93
LEGAL & AUDIT				
	Bartkiewicz, Kronick & Shanahan	1	Legal	8,627.97
PAYROLL , PENSION & BENEFITS				
	ADP	2	June Payroll	377,824.55
	ADP	3	Payroll Processing Fees	569.84
	AFLAC	1	Supplemental Insurance	915.98
	PERS Pension	2	June Contribution	-
	ACWA/JPIA Insurance/EAP	1	Employee Assistance Program	143.35
	Ameritas/Vision	1	Vision Insurance	1,721.28
	CIGNA Healthcare	1	Life/LTD	3,416.70
	CIGNA - Dental Insurance	2	Dental Insurance	11,105.18
	PERS Health	1	PERS Health Insurance	-
BANK CHARGES				
	Brinks	2	Courier Fees	531.65
	Vantiv Integrated Payment Solutions	1	Payment Services - Customer Service	420.59
	Westamerica Analysis Fees	1	Analysis Charge and Card Processing	46.00
	Westamerica Card Processing Fees	1	Monthly Card Processing Fee	5,448.01
	Wells Fargo Statement & Notices	1	Monthly Statement	8,764.31
EMPLOYEE RETENTION/MORALE FUND				
Total Cash Expenditures				<u><u>\$ 2,755,383.03</u></u>

**Credit Card Expenditures
June 2016**

Sacramento Suburban Water District
US Bank Purchasing Card Program
CalCard Expenditures
June-16

Type	Vendor	Purpose	Cost
CIP/OCB Expenses			
	Sacramento Bee	Urban Water Mgt Ad	1,167.44
OPERATIONS & MAINTENANCE			
	The Home Depot	Combination Locks	226.31
	Michaels	Building Supplies	54.26
	Optima Companies	Rail End Caps	27.04
	The Home Depot	Building Supplies	47.85
	Target	Building Supplies	29.06
	Locke Well & Pump Co	Building Supplies	219.40
	Amazon.com	Phone Protectors	18.96
	J&J Locksmith	Keys	129.60
	Global Machinery	ROP Replacement Poles & Seat	1,193.50
	Gciron.com	Pump Repair	177.94
	The Home Depot	Plywood	730.05
	Skillpath.com	Employee Training	111.75
	USA Bluebook	Custom Marking Flags	348.71
	Hasties Capitol Sand & Gravel	Mulch Madess Event Cedar	1,404.00
	T & T Tools Inc	Field Tools	198.00
	The Home Depot	Field Tools	449.10
	The Home Depot	Sprayer	18.21
	The Home Depot	Field Tools	41.00
	Amazon.com	Fan Dolly	30.95
	Mitch's Certified Classes	Employee Training	250.00
	Water Smart Innovations	Conference Registration	335.00
	Southwest Airlines	Conference Airfare	239.96
	SouthPoint Hotel	Conference Accomodations	100.80
	Office Depot	Office Supplies	121.35
	Office Depot	Office Supplies	47.50
	Digcert	Renewal of SSL Certs	818.00
	Flashpoint Studios	Messages on Hold	79.00
	AWWA.org	Publications	76.00
	Logmein.com	Annual Maintenance	149.00
	ESRI	Employee Training	1,524.00
	Bestbuy	Office Supplies	13.96
	FRYS	Network Switch	182.74
	Groundwater Association	Webinar	75.00
	Digcert	Renewal of SSL Certs	419.00
	Hardrock Hotel - Lake Tahoe		143.65
	Hardrock Hotel - Lake Tahoe		251.30
	Hotel Cancellation		(1,380.68)
	CA Rural Water Association		650.00
	The Stevenson Monterey		518.12
	ACWA		560.00
Employee Morale Fund			
	Gala Gifts Hallmark	Retirement Cards	8.61
	Raley's	All Hands Meeting	13.70
	Noah's Bagels	All Hands Meeting	59.96
			11,879.10

**Directors Compensation and Expense Accounting –
Through June 2016**

Sacramento Suburban Water District
 Board of Directors Meetings Attended (1)
 Pay Rate per Diem is \$100.0
 June 2016

Director Locke:

Director Schild:
 06/07/2016 SSWD Special Board Meeting
 06/09/2016 Sacramento Groundwater Authority Meeting
 06/13/2016 SSWD Finance & Audit Committee
 06/16/2016 National Watershed Webinar (no pay)
 06/20/2016 SSWD Regular Board Meeting
 06/23/2016 SSWD Facilities and Operations Committee

Director Wichert:

Director Gayle:
 06/07/2016 SSWD Special Board Meeting
 06/20/2016 SSWD Regular Board Meeting

Director Thomas:

06/01/2016 Meeting with Dan York
 06/13/2016 SSWD Finance & Audit Committee
 06/15/2016 Meeting with Dan Bills
 06/07/2016 SSWD Special Board Meeting
 06/20/2016 SSWD Regular Board Meeting
 06/21/2016 ACWA Region Meeting

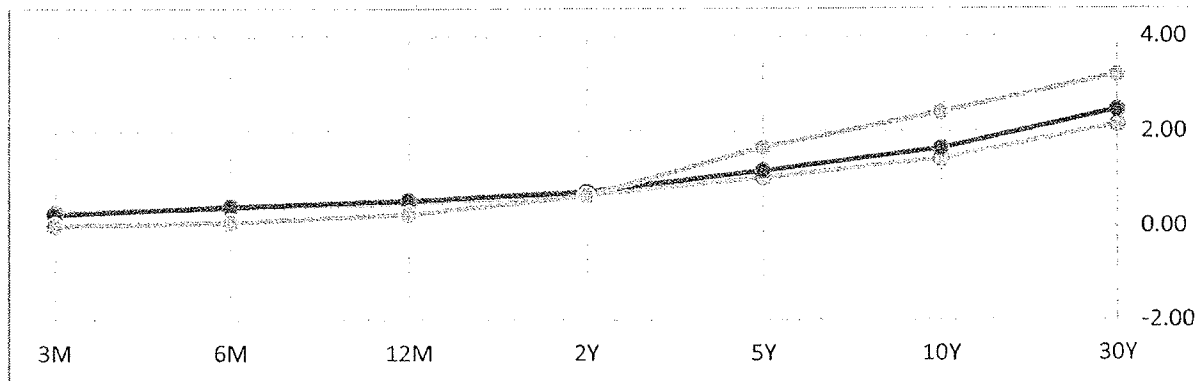
(1) Meetings during the current month reported by individual directors.

This report meets the reporting requirements of Government Code section 53065.5. This information will be included with the agenda materials for each regular monthly Board of Directors meeting.

**Market Report Yields -
January 2010 through May 2016**

Sacramento Suburban Water District
United States Treasury and Federal Reserve Yields/Rates
As of: July 11, 2016
(Source: Bloomberg Market Data)

US Treasury Yields



NAME	COUPON	PRICE	YIELD	1 MONTH	1 YEAR	TIME (EDT)
3 Month	0.00	0.26	0.29%	+5	+28	11:44 AM
6 Month	0.00	0.37	0.38%	-3	+30	11:44 AM
12 Month	0.00	0.47	0.48%	-6	+23	11:43 AM
2 Year	0.63	99.95	0.65%	-8	+1	11:44 AM
5 Year	1.13	100.53	1.02%	-15	-64	11:44 AM
10 Year	1.63	101.89	1.42%	-22	-98	11:44 AM
30 Year	2.50	107.97	2.14%	-31	-105	11:43 AM

Change shown in basis points

Federal Reserve Rates

Rate	Current	1 Year Prior	Rate	Current	1 Year Prior
Fed Funds Rate	0.41	0.31	Fed Reserve Target	0.50	0.25
Prime Rate	3.50	3.25			

**Sacramento Suburban Water District
District Maturities Compared to Average Market Maturities
(Market is Merrill-Lynch 0-5 Year U.S. Treasury Index)**

<u>5/31/2016</u>	<u>SSWD Holdings</u>	<u>ML 0-5 Year UST Index</u>
Under 6 Months	2.1%	12.6%
6 - 12 Months	11.8%	13.8%
1 - 2 Years	33.5%	23.1%
2 - 3 Years	18.2%	19.7%
3 - 4 Years	16.2%	15.9%
4 - 5 Years	18.2%	14.9%
TOTAL	100.0%	100.0%

Sacramento Suburban Water District
District Monthly Yield and Return Compared to Average Market
(Market is Merrill-Lynch 0-5 Year U.S. Treasury Index)

	<u>Unannualized Monthly Returns</u>		<u>Yield to Maturity at Cost</u> <u>SSWD Operating Fund</u>
	<u>SSWD</u>	<u>ML 0-5 Year UST Index</u>	
1/31/2010	0.65%	0.87%	2.41%
2/28/2010	0.27%	0.25%	2.41%
3/31/2010	-0.24%	-0.38%	2.45%
4/30/2010	0.45%	0.38%	2.36%
5/31/2010	0.47%	0.63%	2.18%
6/30/2010	0.67%	0.67%	2.17%
7/31/2010	0.51%	0.49%	2.09%
8/31/2010	0.32%	0.39%	2.06%
9/30/2010	0.24%	0.22%	1.96%
10/31/2010	0.38%	0.31%	1.95%
11/30/2010	-0.35%	-0.33%	1.84%
12/31/2010	-0.49%	-0.52%	1.84%
1/31/2011	0.22%	0.27%	1.85%
2/28/2011	-0.08%	-0.18%	1.82%
3/31/2011	-0.01%	-0.05%	1.79%
4/30/2011	0.68%	0.59%	1.79%
5/31/2011	0.47%	0.57%	1.73%
6/30/2011	-0.01%	0.03%	1.69%
7/31/2011	0.52%	0.59%	1.57%
8/31/2011	0.43%	0.62%	1.43%
9/30/2011	-0.12%	-0.11%	1.41%
10/31/2011	0.14%	0.09%	1.40%
11/30/2011	0.01%	0.12%	1.30%
12/31/2011	0.19%	0.13%	1.29%
1/31/2012	0.48%	0.25%	1.28%
2/29/2012	0.07%	-0.24%	1.19%
3/31/2012	-0.09%	-0.16%	1.19%
4/30/2012	0.26%	0.39%	1.19%
5/31/2012	0.03%	0.16%	1.18%
6/30/2012	0.06%	-0.07%	1.18%
7/31/2012	0.38%	0.33%	1.18%
8/31/2012	0.10%	0.04%	1.09%
9/30/2012	0.06%	0.01%	1.09%
10/31/2012	-0.02%	-0.10%	1.08%
11/30/2012	0.19%	0.18%	0.98%
12/31/2012	-0.03%	-0.03%	0.91%
1/31/2013	-0.03%	-0.10%	0.90%
2/28/2013	0.20%	0.19%	0.87%
3/31/2013	0.05%	0.04%	0.86%
4/30/2013	0.21%	0.19%	0.81%
5/31/2013	-0.34%	-0.41%	0.79%
6/30/2013	-0.42%	-0.32%	0.80%
7/31/2013	0.25%	0.19%	0.80%
8/31/2013	-0.30%	-0.22%	0.81%
9/30/2013	0.36%	0.41%	0.83%
10/31/2013	0.22%	0.19%	0.87%
11/30/2013	0.15%	0.09%	0.89%
12/31/2013	-0.27%	-0.37%	0.88%
1/31/2014	0.41%	0.34%	0.88%
2/28/2014	0.18%	0.12%	0.88%
3/31/2014	-0.21%	-0.24%	0.87%
4/30/2014	0.25%	0.20%	0.89%
5/31/2014	0.29%	0.32%	0.90%
6/30/2014	-0.02%	-0.08%	0.92%
7/31/2014	-0.11%	-0.17%	0.95%
8/31/2014	0.23%	0.28%	0.98%
9/30/2014	-0.14%	-0.14%	0.97%
10/31/2014	0.32%	0.39%	0.97%
11/30/2014	0.24%	0.25%	0.98%
12/31/2014	-0.19%	-0.27%	1.02%
1/31/2015	0.71%	0.81%	1.03%
2/28/2015	-0.21%	-0.40%	1.06%
3/31/2015	0.28%	0.34%	1.10%
4/30/2015	0.09%	0.03%	1.10%
5/31/2015	0.06%	0.08%	1.12%
6/30/2015	-0.13%	-0.07%	1.14%
7/31/2015	0.17%	0.15%	1.15%
8/31/2015	-0.05%	-0.01%	1.15%
9/30/2015	0.38%	0.43%	1.18%
10/31/2015	0.02%	-0.18%	1.28%
11/30/2015	-0.12%	-0.24%	1.28%
12/31/2015	-0.23%	-0.11%	1.32%
1/31/2016	0.68%	0.86%	1.32%
2/29/2016	0.14%	0.20%	1.35%
3/31/2016	0.44%	0.20%	1.35%
4/30/2016	0.08%	0.01%	1.36%
5/31/2016	-0.04%	-0.12%	1.38%

DRAFT
District Reserve Balances
June 30, 2016

**Sacramento Suburban Water District
Reserve Fund Balance**

	<u>June 30, 2016</u>	<u>December 31, 2015</u>
Debt Service Reserve	\$ 3,547,149	\$ 3,523,427
Facilities Reimbursement	-	21,873
Emergency/Contingency	10,387,000	10,758,000
Operating	6,490,750	6,468,857
Rate Stabilization	5,630,000	5,870,000
Interest Rate Risk	-	-
Grant	1,068,000	654,000
Capital Asset	20,045,395	16,542,963
TOTAL	<u><u>\$ 47,168,294</u></u>	<u><u>\$ 43,839,120</u></u>

**Cash and Investments
Per District Balance Sheet
(Provided for Reconciliation Purposes)**

	<u>June 30, 2016</u>	<u>December 31, 2015</u>
Cash and cash equivalents	\$ 5,736,893	\$ 3,109,581
Investments	37,884,252	37,206,113
Restricted assets	3,547,149	3,523,427
TOTAL	<u><u>\$ 47,168,294</u></u>	<u><u>\$ 43,839,120</u></u>

Information Required by Bond Agreement

Sacramento Suburban Water District
6 - Months Debt Service Schedule
6/30/2016

Month	Total SSWD Debt Service					Debt Service
	Principal	Interest Adjustable/Fixed/Swap	Facility Fee	Remarketing		
Jul-16	\$ -	\$ 92,167.52	\$ -	\$ -	\$ -	\$ 92,167.52
Aug -16	-	92,167.52	-	-	-	92,167.52
Sep-16	-	92,167.52	47,250.00	13,125.00	-	152,542.52
Oct-16	3,945,000.00	1,214,030.52	-	-	-	5,159,030.52
Nov-16	-	92,167.52	-	-	-	92,167.52
Dec-16	-	92,167.52	47,250.00	13,125.00	-	152,542.52

Month	Series 2012A Fixed Rate Bonds (\$23,440,000.00)					Debt Service
	Principal	Interest - Fixed 4.25%				
Jul-16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aug -16	-	-	-	-	-	-
Sep-16	-	-	-	-	-	-
Oct-16	1,995,000.00	461,613.00	-	-	-	2,456,613.00
Nov-16	-	-	-	-	-	-
Dec-16	-	-	-	-	-	-

Month	Series 2009A Adjustable Rate COPs (\$42,000,000.00)					Debt Service
	Principal	Interest, Adjustable 0.39%	Facility Fee 0.450%	Remarketing 0.125%		
Jul-16	\$ -	\$ 13,650.00	-	-	-	\$ 13,650.00
Aug -16	-	13,650.00	-	-	-	13,650.00
Sep-16	-	13,650.00	47,250.00	13,125.00	-	74,025.00
Oct-16	-	13,650.00	-	-	-	13,650.00
Nov-16	-	13,650.00	-	-	-	13,650.00
Dec-16	-	13,650.00	47,250.00	13,125.00	-	74,025.00

Month	Series 2009B Fixed Rate COPs (\$27,915,000)					Debt Service
	Principal	Interest - Fixed 5.00%				
Jul-16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aug -16	-	-	-	-	-	-
Sep-16	-	-	-	-	-	-
Oct-16	1,950,000.00	660,250.00	-	-	-	2,610,250.00
Nov-16	-	-	-	-	-	-
Dec-16	-	-	-	-	-	-

Month	2012 SWAP Interest, Net (\$33,000,000.00)					Debt Service
	Principal	Interest, Swap Net (3.283-0.27354-0.18)%				
Jul-16		\$ 78,517.52	-	-	-	78,517.52
Aug -16		\$ 78,517.52	-	-	-	78,517.52
Sep-16		\$ 78,517.52	-	-	-	78,517.52
Oct-16		\$ 78,517.52	-	-	-	78,517.52
Nov-16		\$ 78,517.52	-	-	-	78,517.52
Dec-16		\$ 78,517.52	-	-	-	78,517.52

**Sacramento Suburban Water District
Schedule of Net Revenues**

	<i>As Of</i>	
	<i>Actual Year-To-Date</i>	<i>Approved Budget Year-To-Date</i>
	<u>6/30/2016</u>	<u>6/30/2016</u>
REVENUES		
Water sales charges	\$7,725,739.11	\$10,298,502.00
Capital facilities charge	10,996,813.39	11,015,500.00
Facility development charges	138,852.00	249,996.00
Interest and investment income	778,436.58	340,002.00
Rental & other income	117,777.18	150,000.00
TOTAL REVENUES	<u>19,757,618.26</u>	<u>22,054,000.00</u>
EXPENSES		
Source of supply	1,045,539.73	1,126,009.98
Pumping	1,605,075.52	1,625,047.40
Transmission and distribution	1,619,274.63	1,444,250.58
Water conservation	197,469.01	288,968.88
Customer accounts	514,426.31	589,547.28
Administrative and general	2,803,373.46	3,269,280.78
Other expenses	(6.59)	
TOTAL EXPENSES	<u>7,785,152.07</u>	<u>8,343,104.90</u>
NET REVENUE	<u>11,972,466.19</u>	<u>13,710,895.10</u>



Agenda Item: 14

Date: July 8, 2016

Subject: Financial Markets Quarterly Report

Staff Contact: Daniel A. Bills, Finance Director

Summary of District's Debt Portfolio:

Debt	Original Par	Outstanding	Issuance	Credit Enhancement	Final Maturity
2009A	\$ 42,000,000	\$ 42,000,000	Adjustable Rate Revenue COP's	Sumitomo Bank*	11/1/2034
2009B	\$ 36,155,000	\$ 26,045,000	Fixed Rate Revenue COP's		11/1/2028
2012A	\$ 29,200,000	\$ 21,515,000	Fixed Rate Revenue Bond		11/1/2027
	<u>\$107,355,000</u>	<u>\$ 89,560,000</u>			

* Credit enhancement expires 6/30/2018

Current Status of District's Variable-Rate Debt Portfolio:

Debt	Outstanding	Credit Enhancement	Bank Owned	Sold in Market	Market Rate
2009A	\$42,000,000	Sumitomo Bank LOC	None	\$42,000,000	0.39%
	Notional Amount	Counterparty	FMV	Receive Rate	Fixed Rate
Swap	\$33,300,000	Wells Fargo Bank, N.A.	(\$9,930,223)	0.454%	3.283%

Current Status of District's Investment Portfolio (June 30, 2016):

Fair Market Value	Security Type	Yield
\$ 2,148,309	LAIF	0.57%
526,798	Supra-National Agency Bond	1.10%
7,991,508	Certificates of Deposit	1.19%
10,339,072	Corporate Notes	1.74%
3,367,885	Agency Securities Bonds/Notes	1.17%
1,921,458	Municipal Bonds	1.85%
10,087,198	Treasury Bonds/Notes	1.26%
1,342,976	Agency Collateralized Mortgage Obligation	0.78%
2,307,356	Asset-Backed Securities/CMOs	1.20%
<u>\$40,032,560</u>		<u>1.33%</u>

Market:

Listed below is the most recent market summary provided by the District's Investment Portfolio Advisor (PFM Asset Management):

Current Bond Markets

- Yields plunged after the Brexit vote shocked investors, with 10-year and 30-year Treasuries falling to record lows. Low inflation, weakening global economic prospects, and commitments by global central banks to provide significant accommodation added fuel to the bond market rally. Treasury yields fell 33 to 39 basis points (.33%-.39%), leading to a strong performance on all Treasury benchmarks for the month.
- Yields also fell in other advanced economies, with an unprecedented number of issues from Japan and many European countries carrying negative yields.
- Federal agency yields remained slightly higher than those on Treasuries. As a result, most agency indexes slightly outperformed similar-duration Treasuries.
- Investment-grade corporate yield spreads widened modestly after Brexit. The widening was muted for most U.S. corporate issues, and far from the rout that took place in January and February of this year. The result: corporate bond performance in June lagged behind that of comparable maturity Treasuries.
- Asset-backed securities (ABS) and mortgage-backed securities (MBS) underperformed Treasury securities in June as well, as volatility picked up and prepayment risk increased amid the downturn in yields.
- Money market securities — those with maturities of one year or less — continued to offer attractive yields versus comparable maturity Treasuries. Looming money market fund reform in October remains the main driver of the sector.

PFM Outlook

- Brexit changed our outlook for the economy. While the long-term prospect of slow growth remains, volatility and uncertainty have infused all markets, with effects on spreads and valuations. The UK economy could see a recession, and already slow growth in the rest of Europe could decline further. In the U.S., growth could hold at the 2% level, but inflation could be pressured lower. The Fed should continue to be accommodative, and interest rates are likely to be lower for longer.
- With such uncertainty dominating the markets, we continue to recommend that portfolios be positioned close to benchmark durations. This should protect portfolios against unpredictable interest rate volatility.
- Investment grade corporate bonds held up well in the aftermath of the Brexit vote. Corporate bonds have been one of the bestperforming sectors so far in 2016, but we recommend care in selecting securities post-Brexit. There is still value in domestic issuers, especially in financials, while issuers exposed to a potential economic slowdown in Europe should be approached with caution.
- The money market sector continues to offer opportunities for investors with shorter-duration portfolios. Dislocations from the looming October implementation of money market fund reform has created a very steep credit curve for maturities under one year. There is excellent value in six-month and longer commercial paper and negotiable certificates of deposit (CDs), but similar caution is warranted with issuers exposed to Europe.

(Source: PFMAM June 2016 Monthly Market Review).

Debt Portfolio:

The District's debt portfolio is now primarily fixed-rate debt, with such issuances representing 53% of the District's portfolio. While the District's exposure to market conditions has been reduced, the District is exposed to interest rate risk primarily on the un-hedged portion of its variable-rate COP, representing \$8.7 million. Such risk is managed by the District through adherence to the District's Reserve Policy that addresses the management of interest rate risk through prudent investing of reserves in short-term variable-rate securities in an amount at least equal to the un-hedged debt exposure.

Investment Portfolio:

In this market environment, the investment objective is to position portfolio durations modestly short of benchmarks while emphasizing intermediate maturities and underweighting longer maturities thus shortening the portfolio.



Agenda Item: 15

Date: July 11, 2016

Subject: Year-to-Date Interest Expense Quarterly Report

Staff Contact: Daniel A. Bills, Finance Director

Interest expense consists of: 1) interest paid to bondholders, 2) letter-of-credit facility fees, 3) remarketing fees, 4) arbitrage rebate liabilities, and 5) net SWAP interest.

Year-to-date, the District has incurred interest expense of \$1,777,006 versus a forecast of \$1,930,000 or a \$152,994 positive variance. The combination of the municipal bond markets continuing to remain stable with debt trading at or near historic lows and the “receive-rate” on the interest rate swap exceeding interest expense on variable-rate debt have led to the positive results.

**Sacramento Suburban Water District
Interest Expense
2016**

	<u>A</u> 2016 Debt Interest FORECAST	<u>B</u> 2016 Actual Debt Service Cost	<u>A - B</u> 2016 DIFFERENCE	2016 CUMULATIVE YTD DIFFERENCE
2016				
January	\$ 321,666	\$ 296,274	\$ 25,392	\$ 25,392
February	321,667	264,179	57,488	82,880
March	321,667	331,256	(9,589)	73,291
April	321,666	272,503	49,163	122,454
May	321,667	269,860	51,807	174,261
June	321,667	342,934	(21,267)	152,994
July				
August				
September				
October				
November				
December				
TOTAL 2015	<u>\$ 1,930,000</u>	<u>\$ 1,777,006</u>	<u>\$ 152,994</u>	



Agenda Item: 16

Date: July 6, 2016

Subject: 2016 Budget Reallocations

Staff Contact: Daniel A. Bills, Finance Director

Discussion:

CIP Budget Reallocations

At budget adoption, the Board authorizes “the General Manager to adjust and/or reallocate amongst the project type cost categories as necessary within the total CIP Budget amount.” Recently, the General Manager authorized transfers between various projects as described in Exhibit 1. The total amended CIP budget of \$18,516,000 is unchanged.

OCB Budget Reallocations

Similar to the CIP budget, the Board authorizes “the General Manager to adjust and/or reallocate amounts amongst the project type cost categories as necessary during the budget year within the total OCB Budget amount.” Necessary reallocations related to various projects are described in Exhibit 2. The total amended OCB budget of \$974,000 is unchanged.

EXHIBIT 1 - CY2016 CIP Budget Transfers

Project Number	Project Name	Amended or Reallocated Budget Estimate	Reallocated Amount	Current Budget Estimate	Reason for Transfer
SC16-009	Well Rehab/Pump Station Improvements	\$1,090,000	\$180,000	\$1,270,000	Several well rehabilitation and/or pump station improvement projects are underway to bring sites up to current standards.
SC16-018	Distribution Main Replacements	\$8,420,000	\$200,000	\$8,620,000	Transfer needed to fund the 2015 Paving Partnership relating to the Santa Anita, Barcellona and Fair Oaks Estates main replacement projects. Staff expected exception of the agreement before the end of 2015.
SC16-022	Lowering/Raising Valve Boxes	\$150,000	(\$80,000)	\$70,000	This account is variable based on the County's plans for paving projects. There will be fewer valve boxes lowered/raised this year than anticipated.
SC16-034A	Corrosion Control/Transmission Mains	\$450,000	(\$300,000)	\$150,000	Certain planned cathodic protection projects have been rescheduled in 2017 for various reasons. Most of this work will carryover into 2017.
Total		\$10,110,000	\$0	\$10,110,000	

EXHIBIT 2 – 2016 OCB Budget Transfers

Project Number	Project Category	Amended Budget Estimate	Reallocated Amount	Amended Budget Estimate	Reason for Transfer
SF16-382	Water Conservation Master Plan	\$45,000	(\$45,000)	\$-0-	Due to the State's mandated Water Conservation measures, developing a conservation master plan will be deferred to 2017.
SF16-375	Vehicle Replacement – Truck #32	\$124,000	\$10,000	\$134,000	Actual costs for the utility bed and modifications are more than the original budget.
SF16-383	Remodel Customer Service Area	\$35,000	\$30,000	\$65,000	Costs exceeded budget due to the purchase of ergonomic work stations, painting, and carpeting of the storage room and board room.
SF16-388	Building and Structures Maintenance	\$95,000	\$5,000	\$100,000	Additional budget funding needed for painting of various well site facilities.
Total		\$299,000	\$0	\$299,000	



Agenda Item: 17

Date: July 8, 2016

Subject: CIP Projects Quarterly Report

Staff Contact: Mitchell S. Dion, Technical Services Director
John E. Valdes, Engineering Manager

The following report provides updates on the projects identified in the approved Capital Improvement Program (CIP). This report shows those projects included in the approved Calendar Year (CY) 2016 CIP budget and the current status of those projects. The total approved CIP budget for CY 2016 is \$18.4 million. To the extent that billings and invoices have been received and processed, cost expenditures through end of June, 2016, are included in the report.

A similar report will be used throughout CY 2016 as a tool for staff to track projects internally and as a report to the Board to show the progress of individual projects and the program in total. Projects completed in prior years will no longer be shown. It is anticipated that the report will continue to be provided to the Board on a quarterly basis.

Sacramento Suburban Water District
 Calendar Year (CY) 2016
 Capital Improvement Program Budget

Project Number	Work Order #	Project Name	Responsible Staff	Approved and/or Amended 2016 Budget	CY16 Spent To Date (\$) (Thru 7/08/16)	Remaining Encumbered Funds (\$)	Status: P=Planning D=Design C=Construction	% Complete	Status Comments	Project Description	Update Date	Update Initial
PRODUCTION (SOURCE OF SUPPLY)												
SC16-007	121259	SSWD Groundwater Monitoring and Modeling Project	John Valdes	\$250,000	\$15,853	\$34,147	C	80%	At the March Board Meeting, the Board approved awarding a contract to Roadrunner Drilling & Pump Company for the construction of the two groundwater monitoring wells. The contract amount with Roadrunner Drilling is \$193,128. The groundwater monitoring well at the Eden/Root Well site is completed and the monitoring well at the Winston Churchill Middle School is underconstruction.	This is a continuation of a project originally initiated in CY2014. The District has received a partial Prop. 84 Local Groundwater Assistance (LGA) grant from the Department of Water Resources (DWR) in the amount of \$157,135. The funded project consists of two groundwater monitoring wells and related tasks, including water quality sampling and testing. The two proposed monitoring well locations were both changed in 2015 resulting in some delays. The two monitoring wells will be constructed in late-2015. Remaining work will include quarterly water quality sampling/testing and grant reporting.	7/5/2016	MD
SC16-009	N/A	Well Rehabilitation / Pump Station Improvements	See Below	\$890,000	\$0	\$0	See Below	See Below	Budget increased from \$890,000 to \$1,270,000 via budget transfer. See Below.	Projects planned for CY 2016 may include, but not be limited to: well investigations/evaluations and/or rehabilitation projects for Wells #23 (Marconi North/Fulton), #74 (River Walk/NETP South) and #N6 (Palm); replacement or removal of hydropneumatic tanks (replace with new tanks or install flush-to-waste assemblies) at Wells #N3 (Engle), #N15 (Cabana), #N17 (Oakdale) and #N22 (River College); rebuild two pressure vessels and replace underdrain system at Well #32A (Eden/Root); investigation and possible installation of a VFD at Well #68R (Northrop/Dornajo); and destruction of Wells #N11 (Diablo), #N18 (McCloud), #N19 (Larchmont), #67 (El Camino/Eastern) and #63 A-F (AWD infiltration gallery). Specific projects for CY 2017 have not yet been identified.		
SC16-009A	151359	Well #N8 Investigation/Rehab & Site Improvements	Mitch Dion	Incl. Above	\$5,600	\$0	P	40%	Staff has obtained a permit through Sacramento County and the pump is schedule to be pulled the week of 5/23/2016. The pump was pulled and the casing was videoed. The well is being restored to service for summer usage and will be rehabed during the winter.	Well N8 develop bacterialal contamination due to lubricating oil (food grade) . The well needs to be renovated including a water lubricated bearing to avoid oil seepage.	7/8/2016	MD
SC16-009B	151360	Well #46 Automation Project	Doug Cater	Incl. Above	\$0	\$0	P	0%	This project has not been started. Due to the expected budget over draft we are recommending that this project be canceled and budgted for CY2017	This project is to install a centrifugal clutch in the dual drive pump so that the natural gas engine can engage automatically	5/18/2016	Cater
SC16-009B1	118954	Well #N3 Discharge Piping Upgrades	John Valdes	Incl. Above	\$0	\$0	D	5%	A decision has been made to replace the existing hydropneumatic tank with a new tank. A cost quote for tank has been recieved from Auburn Constructors. Discharge piping will be modified to adjust to new tank.	Several hydropneumatic tanks operated by the District were recently inspected and the pressure ratings for six tanks were found to be near or below the normal system pressure at the tank location. The District would like to replace the six tanks with either new tanks or with piping and surge anticipation valves to allow the wells to pump-to-waste when the well starts. This is one of the six wells being looked at. At this site, the cost to add storm drain out to the street needs to be evaluated to see if it can be done, otherwise, a new tank will be installed at this site to replace the existing one.	7/5/2016	JEV/MD
SC16-009C		Well #N25 Site Updates--- w/o 137921--SC16-010E2	Mitch Dion	Incl. Above	\$16,520	\$980	C	100%	The new endurance drive MCC has been fabricated. Motor was rewound. San Joaquin Electric will install the new MCC. The installation work was completed. Water quality testing was completed and well was returned to service.	Miscellaneous improvements to site to accompany a new endurance drive MCC.	6/30/2016	MD
SC16-009C1		Well #N15 Discharge Piping Upgrades	John Valdes	Incl. Above	\$0	\$0	P	-	Preliminary design for the pump-to-waste project has been started but is currently on hold. Wood Rodgers investigated a water quality (TCE) problem at the well and made a recommendation on how to resolve the issue for long-term operation. Other approaches are under consideration, but the site constraints of the site render the most effective solutions as infeasible.	Several hydropneumatic tanks operated by the District were recently inspected and the pressure ratings for six tanks were found to be near or below the normal system pressure at the tank location. The District would like to replace the six tanks with either new tanks or with piping and surge anticipation valves to allow the wells to pump-to-waste when the well starts. This is one of the six wells. This site will be getting a surge anticipation valve and discharge piping to replace the existing tank.	7/5/2016	JEV/MD
SC16-009D	153385	Well #N15 Investigation and Rehab.	Mitch Dion	Incl. Above	\$0	\$2,325	P	100%	Project assigned to Wood Rodgers the week of 28 March for investigation and preparation of scope of work. Wood Rodgers investigated a water quality (TCE) problem at the well and made a recommendation for method to control water quality issue, however there were a number of other issues related to water quality on this well.	The pump was pulled at the subject well. The dripper oil was removed and a video was taken of the well. There is a permit still out, but we will need to have designer and contractor to complete project.	7/5/2016	MD
SC16-009D1		Well #N17 Discharge Piping Upgrades	John Valdes	Incl. Above	\$0	\$0	D	-	A decision has been made to replace the existing hydropneumatic tank with a new tank. This tank had lubrication oil which required the tank be cleaned before removal. Auburn Constructors have been asked to complete the tank replacement.	Several hydropneumatic tanks operated by the District were recently inspected and the pressure ratings for six tanks were found to be near or below the normal system pressure at the tank location. The District would like to replace the six tanks with either new tanks or with piping and surge anticipation valves to allow the wells to pump-to-waste when the well starts. This is one of the six wells. At this site, the cost to add storm drain out to the street needs to be evaluated to see if it can be done, otherwise, a new tank will be installed at this site to replace the existing one.	7/5/2016	JEV/MD

SC16-009E	153386	Well #70 Investigation and Rehab.	Mitch Dion	Incl. Above	\$22,160	\$23,546	C	95%	Well required upgrades to Electrical including new MCC and addition of fluoride. Coordination with SMUD to reuse existing transformer. New magmeter and SCADA provisions were included in the work.	It requires improvements to include Fluoride, new panel and controls. We will use a designer and several contractors with different trades and licenses to complete.	7/4/2016	MD
SC16-009E1		Well #N22 Discharge Piping Upgrades	Dave Jones	Incl. Above	\$0	\$0	-	-	Preliminary design for this project has been started, the site currently has a storm drain inlet on the site so FTW can easily be added. Percent complete = 25%. Construction to take place after summer demand period.	Several hydropneumatic tanks operated by the District were recently inspected and the pressure ratings for six tanks were found to be near or below the normal system pressure at the tank location. The District would like to replace the six tanks with either new tanks or with piping and surge anticipation valves to allow the wells to pump-to-waste when the well starts. This is one of the six wells. This site will be getting a surge anticipation valve and discharge piping to replace the existing tank.	7/5/2016	DJ
SC16-009F	157949	Well (Palm) #N6 Destruction/Demo	Mitch Dion	Incl. Above	\$40,226	\$7,274	C	100%	This well was destroyed in order to facilitate construction of the replacement well N6A.	Several wells have been abandoned over the years and were not properly destroyed per the State and County standards. This well is one of a handful that are slotted to be destroyed this year. Demolition of above ground facilities will also occur within the well site and waterlines will properly be abandoned.	6/30/2016	DE/MD
SC16-009F1	150331	Well #16 Destruction/Demo	David Espinoza	Incl. Above	\$23,713	\$0	C	99%	Well has been destroyed. Property will be evaluated for surplus.	Several wells have been abandoned over the years and were not properly destroyed per the State and County standards. This well is one of a handful that are slotted to be destroyed this year. Demolition of above ground facilities will also occur within the well site and waterlines will properly be abandoned.	7/8/2016	MD
SC16-009F2	135778	2015 Well #12 Santa Anita/Hernando Improvements - [PROJECT ON HOLD]	Dave Jones	Incl. Above	\$2,975	\$1,026	D	50%	Staff is still negotiating with FECRPD regarding the required Santa Anita Park easements (pipeline and access).	This well falls under this year's 2015 Santa Anita Phase 2 mainline replacement, and will need to have upgraded piping up to the well site. During a review of the well site it was noted that a pump-to-waste would be ideal. The Fulton-El Camino Recreation and Park District (FECRPD) is very interested in Well #12 for their ownership and is looking at possibly giving the District a new well site at Bohemian Park in exchange for the well. The FECRPD has agreed to move forward with determining the feasibility in this transfer for next year.	4/5/2016	DJ
SC16-009G	134951	Well #47 (Copenhagen/Arden) Storm Drain Improvements	John Valdes	Incl. Above	\$2,720	\$12,280	D	0%	Task Order No. 19 has been executed with Affinity Engineering to provide design services for the new storm drain.	Based on a Temporary Discharge Permit being issued by Regional San, this well will have specific flow restrictions into the sanitary sewer system that we currently don't have the capability of meeting. Rather than spending money to improve the existing system that discharges to the sanitary sewer, efforts will be focused on constructing a new storm drain at this site.	7/8/2016	MD
SC16-009G1	150332	Well #N21 Destruction/ Demo	Mitch Dion	Incl. Above	\$2,500	\$0	D	90%	Destruction memo paperwork to be prepared. Quotes from DoubleB Demolition for demo and Fox Loomis for destruction have been submitted. Fox Loomis has been issued a PO to move forward with the County permitting process.	Several wells have been abandoned over the years and were not properly destroyed per the State and County standards. This well is one of a handful that are slotted to be destroyed this year. Demolition of above ground facilities will also occur within the well site and waterlines will properly be abandoned.	4/5/2016	DE
SC16-009G2		Well #8 Access Improvements	Dave Jones	Incl. Above	\$0	\$0	-	-	Engineering to issue Area West a task order to proceed with easement work at this site. Area West provided a scope of work and fee estimate.	The access easement to this well site needs to be improved and perfected.	5/12/2016	DJ
SC16-009H		Well #13 Sound Enclosure	John Valdes	Incl. Above	\$0	\$0	D	-	A new sound enclosure has been ordered from Kirby's Pump and Mechanical.	There have been recent noise complaints from neighbors to the District's Calderwood/Marconi Well (#13). A new sound enclosure will be installed around the pump/motor.	7/6/2016	JEV
SC16-009H5	101766	General Well Evaluation and Rehabilitation - Engineering Services	John Valdes	Incl. Above	\$58,965	\$92,727	-	-	WR working on #N15. B&C is working on well rehab. summary reports for Wells #13, 64, N27 and N31.	Contract amendments in the amount of \$75,000 have been issued to Brown and Caldwell (B&C) for continued well evaluation and rehabilitation engineering and hydrogeological services. Wood Rodgers is also still under contract for similar services.	7/5/2016	JEV
SC16-009I1	151498	Well #N11 Destruction/Demo	Mitch Dion	Incl. Above	\$16,558	\$41,442	C	95%	Destruction of well is scheduled for 2016. Affinity has been tasked with this work. Work should be completed by end of May. All above ground facilities have been removed and site is awaiting final approval before demolition of well.	Several wells have been abandoned over the years and were not properly destroyed per the State and County standards. This well is one of a handful that are slotted to be destroyed this year. Demolition of above ground facilities will also occur within the well site and waterlines will properly be abandoned.	7/7/2016	DE/MD
SC16-009J1	151500	Well #N18 Destruction/Demo	Mitch Dion	Incl. Above	\$4,145	\$52,955	C	90%	Destruction of well is scheduled for 2016. Affinity has been tasked with this work. Work should be completed by end of May. Above surface facilities have been removed, except tank due to antenna... New antenna mast installed on 29 Apr. Antenna to be relocated and tank to be removed week of 2 May.	Several wells have been abandoned over the years and were not properly destroyed per the State and County standards. This well is one of a handful that are slotted to be destroyed this year. Demolition of above ground facilities will also occur within the well site and waterlines will properly be abandoned.	7/5/2016	MD

SC16-009K2	137911	Well #45 Investigation/Rehab & Site Improvements	Mitch Dion	Incl. Above	\$10,800	\$4,753	C	25%	Pump has been set, design of discharge piping being completed by B & C. Proposal to fabricate lift for Motor and discharge piping has been received and PO's to initiate the work have been issued.	Due to bacteriological hits, the pump at Well 45 needs to be pulled and have the oil removed off the top of the well water, and have the well video surveyed as part of routine maintenance. The work will also include raising the pedestal to comply with the County's 18" requirement, and reconfiguring of discharge piping and installation of new flow meter. Given the tight constraints in the pump building, it was determined the best course of action was to destroy the portion of the building that enclosed the pump and the chemical room, leaving only the motor room. The building destruction has been completed and the pump investigation/rehab will occur in 2015. Loewen has pulled the pump and performed a TV video. Hedman Drilling has cleaned and bailed the well and performed a second TV video. BC reviewed the work performed and made additional recommendations.	7/8/2016	MD
SC16-009L1	150333	Well #50 Destruction/Demo	David Espinoza	Incl. Above	\$20,225	\$0	C	99%	Well has been destroyed and documentation delivered to Production. Site restoration remains. Site has been proposed for surplus.	Several wells have been abandoned over the years and were not properly destroyed per the State and County standards. This well is one of a handful that are slated to be destroyed this year. Demolition of above ground facilities will also occur within the well site and waterlines will properly be abandoned. County Environ. Mgmt. inspected the site on June 8th and approved destruction to proceed. This well is slated to be destroyed in 2021, however due to a mainline replacement project, this destruction has been moved up to 2015.	7/5/2016	MD
SC16-009M1	Various	Flowmeter Modifications & Improvements	Doug Cater	Incl. Above	\$32,827	\$164,332	C	85%	62 of the 72 well sites have been equipped with Modbus Protocol meters.	Production staff realized that our production meters were not properly communicating the total production with SCADA, creating a miscalculation in our production numbers. The top 40 producers will receive the necessary improvements to correct this matter in 2015 with the rest of the sites receiving the improvements in 2016. Site selection and order was based on highest production meters (2014 production data)	6/30/2016	MD
SC16-009N1	151501	Well #N19 Demolition Work	Mitch Dion	Incl. Above	\$12,424	\$42,576	C	95%	Destruction of well is scheduled for 2016. Affinity Engineering to pursue a turn key approach. EA issued. All above surface work on site is complete.	Several wells have been abandoned over the years and were not properly destroyed per the State and County standards. This well is one of a handful that are still to be destroyed. In preparation for the destruction work in the following years, demolition of above ground facilities will also occur within the well site and waterlines will properly be abandoned.	7/5/2016	MD
SC16-009O2	137915	Well #23 Investigation/Rehab	Mitch Dion	Incl. Above	\$12,688	\$2,312	P	0%	Project scope and approach designed by Affinity. Will commence to pull pump and investigate whether well is worth keeping. Work completed April 2016. Estimate to restore this well is \$ 560,000 and is pending approval. However further investigation of this work has been initiated. Site has been recommended for closure or possible injection site.	Requests for quotes out to Kirby Pump and Loewen Pump to pull pump at Well 23, remove the oil off the top of the well water, and have the well video surveyed as part of routine maintenance. Work will also include raising pedestal to comply with 18" requirement, and reconfiguring of discharge piping and installation of new flow meter. Due to schedule constraints on the contractors and coordination with SMUD to alley arm the overhead lines, the pump investigation work will occur in 2015.	7/8/2016	MD
SC16-009P1	137916	Well #3A Fencing	Mitch Dion	\$0	\$7,816	\$0			Fencing to be completed once test pumping and well is placed back into service. Testing is complete and work order for new pump and installation has been issued.	New fencing is needed at this well site.	7/8/2016	MD
SC16-009P2	150109	Well #3A Investigation/Rehab & Site Improvements	Mitch Dion	Incl. Above	\$310	\$37,828	D	50%	Due to pulling the pump, and per Department of Drinking Water (DDW) regulations, the District was required to raise the pump pedestal a minimum of 18" prior to installing a new pump. The pedestal has now been raised. Pump test was conducted, new pump and motor order, work expected to be complete during Aug 2016.	Requests for quotes out to Kirby Pump and Loewen Pump to pull pump at Well 3A, remove the oil off the top of the well water, and have the well video surveyed as part of routine maintenance. Work will also include raising pedestal to comply with 18" requirement, and reconfiguring of discharge piping and installation of new flow meter. Additionally, due to lot size constraints, it was decided to remove the hydropneumatic tank at the site. The tank was removed and the piping blind flanged at either end. Due to schedule constraints on the contractors and coordination with SMUD to alley arm the overhead lines, the pump investigation work will occur in 2015, along with the reconfiguration of the discharge piping once the pump pedestal has been raised. Loewen has pulled the pump and performed a TV video, Hedman Drilling is scheduled to clean and bail the well and performed a second TV video.	6/29/2016	MD
SC16-009Q2	139383	Well #N1 Discharge Piping & Site Improvements	Mitch Dion	Incl. Above	\$37,980	\$23,520	D	100%	Area West has completed design of the discharge piping, and will go out to bid at the end of February. Affinity Engineering is working with SMUD to upgrade the power service from a 3 wire to a 4 wire, and in doing so has been informed that it will take until approximately May for the new service to be installed. Project divided into two phases. Phase one - all site improvements currently in progress. Energy component to be completed in Winter/Spring.	Several hydropneumatic tanks operated by the District were recently inspected and the pressure ratings for six tanks were found to be near or below the normal system pressure at the tank location. The District has replaced tank with piping and surge anticipation valves to allow the wells to pump-to-waste when the well starts. The tank has been removed and a flush-to-waste system installed into the discharge piping to resolve issues. The electrical controls have been improved and other site work will be completed in the Spring once the well can be shut down again.	7/8/2016	MD
SC16-009U1	153227	Bainbridge/Holmes Well (#59A) Rehab and Pump Replacement	John Valdes	Incl. Above	\$63,362	\$37,698	C	90%	All work associated with installation of the new 300-hp water-lubricated line-shaft pump/motor has been completed by Loewen Pump. The well started to produce gravel during the startup and evaluations have been ongoing to determine source of gravel. No source of failure has been identified. A team consisting of mechanical and well patching specialists are being assembled on site during July to aggressively find problem and be equipped to implement corrective action.	A major pump failure has occurred at this well site. The submersible pump/motor at this site was pulled and the bearings were found to be destroyed. This type of pump uses a mercury seal near the connection point between the pump and the motor. As a result of the bearing failure, the mercury used in the seal has fallen to the bottom of the well. This is not terribly uncommon but the mercury must be collected and accounted for. A suction type bailer is recommended in order to collect the mercury. If necessary, the bottom of the well can also be filled with a cement cap to ensure that the mercury is covered over. The chances are unlikely that the mercury will contribute to any water quality problems. However, additional water quality testing may be required by the State Water Resources Control Board, Division of Drinking Water (DDW).	7/8/2016	JEV/MD
SC16-009U3	130528	Well #35 Site Improvements	David Espinoza	Incl. Above	\$0	\$0	D	10%	Per discussions with Mitch and Jim, this project is being terminated. Waiting for any potential outstanding invoices from Area West. Sent Area West an email on 5/10/2016 & 6/15/2016. No response yet.	This well was rehabilitated last year, however some work still remains at the site to bring it current, including removal of the tank, installation of a storm drain system out to the street, a surge anticipation valve and reconfiguration of the discharge piping. The eyewash station will also be re-plumbed, and SCADA will be added to the site.	6/15/2016	DE

SC16-009V1	134807	Well #72 Methane Investigation	John Valdes	Incl. Above	\$0	\$0	P	100%	Test results have been obtained and a final Tech. Memo has been received from KJC. Staff is evaluating whether to proceed with above-ground treatment for methane using air stripping. Current levels of methane with limited hours of operation are within standards. Well is used as peaking capacity, which meets demands without inducing methane issues.	The District has contracted with Kennedy/Jenks Consultants (KJC) to investigate a methane gas problem at the River Walk/NETP Well (#72). The contract amount with KJC is not to exceed \$20,000.	7/5/2016	JEV/MD	
SC16-009W1	149630	Well #2A El Prado Pump Station Upgrade Project	John Valdes	Incl. Above	\$61,197	\$150,385	D	100%	The District's engineer, Luhdorff & Scalmanini, has completed the final plans, bid and the project has been awarded. Notice to proceed was issued and work is scheduled to commence. Completion date is 12 Jan 17.	The project consists of a complete overhaul of Well #2A in conjunction with the 2016 Drayton Heights Phase 2 Main Replacement Project. Well #2A currently is a below grade well, which consists of an above ground pump installed in a vault. The Division of Drinking Water (DDW) has asked the District to bring the well up to current standards as soon as possible. This primarily includes extending the casing so that the pump pedestal is a minimum of 18" above finished grade, discharge piping, new submersible pump, and an electrical update.	7/8/2016	MD	
SC16-009W3	130530	Well #N6 Investigation/Rehab.	John Valdes	Incl. Above	\$0	\$0	C	100%	Old well was determined unusable and destroyed in April 2016. Luhdorff has been selected for design of new well. New test well completed. Contract for well construction has been awarded and design commenced. Project scheduled for completion June 2017. Work order is being closed. New well is on a new work order.	The entire casing from the surface to a depth of 110' is riddled with holes. Wood Rodgers is working on the design for the modifications to rehab the well. The plan is install new 8" well casing in the well with an annular seal to 175'. The 14" casing will be perforated from 80'-120'. A gravel envelope will be installed from 175'-508' and a wire wrapped screen from 370'-490'.	7/8/2016	DE/MD	
Subtotals					\$890,000	\$455,711			\$697,957				
SC16-010	N/A	SCADA Remote Terminal Units (RTU's) / Communication Improvements / MCC Panel Replacement/Upgrades	See Below		\$200,000	See Below	\$0	See Below	See Below	See Below.	This project includes improvements and modifications recommended in the SCADA Master Plan. The District is very close to having all active wells on SCADA. Well sites to be upgraded with new MCC panels and/or PLC's/RTU's in CY2016 are #N25 (Sutter), #N8 (Field), and #N14 (Orange Grove). Two other well sites, yet to be determined, will be upgraded with new PLC's/RTU's only. These sites were selected from staff's motor control center study and analysis.		
SC16-010A	153228	Well #77 SCADA Upgrades	Cater	Incl. Above	\$6,534	\$17,226	C	75%	An extra PLC with radio was taken from Capehart and has been installed by Prodigy Electric. Some additional panel modifications and programming work is still required. This is expected to take place the week of 5/30/2016	This well still needs to be equipped with SCADA.	Cater	5/18/2016	
SC16-010B		SCADA Buildout Consulting Services	John Valdes	Incl. Above	\$3,645	\$11,355	N/A	N/A	A priority list of SCADA projects has been provided to ECC and they are working on the highest priority projects first. ECC has 5 sites currently in progress and completed three.	A contract in the amount of \$15,000 has been entered into with Electrical Construction Consulting (ECC) to assist the District with SCADA system buildout.	6/29/2016	JEV	
SC16-010C1	148474	Truax Well #43 Site Upgrades	Doug Cater	Incl. Above	\$0	\$13,265	C	50%	Control Panel has been completed and work has been assigned to Prodigy. Work commenced and panels are being installed.	Testco Panel need to be installed by Prodigy. Prodigy has supplied the District with a bid and EA is being processed. It does not appear that this account was rolled over with Finance although it is listed in this spreadsheet.	7/8/2016	MD	
SC16-010E2	137921	Well #N25 SCADA Work	Mitch Dion	Incl. Above	\$29,520	\$0	\$28,900	100%	All equipment has been received. Work is complete.	These well sites are not currently equipped with SCADA. SCADA RTU/PLC and MCC Installation at Wells #N8, #N14, and #N25 (Previous Project Name).	6/29/2016	MD	
SC16-010F2	136357	SCADA RTU Panels Arbor PRV		Incl. Above	\$0	\$0							
Subtotals					\$200,000	\$39,699			\$41,846				
SC16-011	N/A	Wellhead Treatment / Chemical Feed System Rehab. / Improvements	See Below		\$370,000	\$0	\$0	See Below	See Below	See Below	Project to cover costs associated with needing to install new and repair/replace existing wellhead treatment or chemical feed systems on an as-needed basis. Seven District wells have Chromium VI levels above the established MCL. A Chromium VI operations plan is currently being prepared that will address the potential need for wellhead treatment as compared to other options. A carryover project from 2015 is the design and eventual construction of a manganese (Mn) treatment facility at the existing Verner Well (#N36). Luhdorff & Scalmanini has been selected for this work. The alternatives evaluation phase and pre and final design work will extend into the fall of 2016. Construction of a proposed 1,500 gpm Mn treatment facility would begin in late-2016 and extend into 2017. The estimated construction cost for this facility is \$1.5 million. The Mn treatment facility would be designed to be expandable since it may be possible to drill additional wells at this site. In addition, several well sites (gas engine sites) not currently equipped with disinfection equipment will be equipped with tablet chlorinator units purchased in 2014 including Wells #37 (Morse/Cottage Park), #40 (Auburn/Yard), #43 (Edison/Truax), #45 (Jamestown/Middleberry), #46 (Jonas/Sierra Mills), and #47 (Copenhagen/Arden).		
SC16-011B1		Well #75 Iron/Manganese Treatment Plant Repairs	John Valdes	Incl. Above	\$0	\$0	N/A	N/A	This project is on hold due to current issues with Well #75. Engineering to coordinate with Production Dept.	During Loprest's investigation, it was found that the media bed is contaminated with something that is causing higher pressure drops. It was recommended to replace the media bed down to but not including the concrete fill. Inspect the underdrain system for leaks and breakage, and pressure wash the interior of the vessel to remove accumulated sludge, and replace all manway gaskets at the same time.	4/5/2016	JEV	

SC16-011C1		Verner Well (#N36) Manganese Treatment Design- Verner Pump Rehab	John Valdes	Incl. Above	\$47,988	\$202,512	D	0%	District completed review of a draft Technical Memorandum as prepared by Luhdorff & Scalmanini that evaluates different manganese removal technologies. This technical memo also address alternatives for the media, filter configurations and manufacturers. The memo recommends that the District proceed with the use of "Green Sand" technology and four vertical pressure filters. A meeting/workshop was conducted to determine best approach for the first well and long term development of the site. Costs for full site development including treatment will be included in Master plan. This site is large and future plans may include up to two additional groundwater wells and a storage reservoir. Which would reflect a \$10 million dollar investment.	The manganese (Mn) level at this well is above the MCL and efforts to reduce the Mn concentration by modifying the well have been unsuccessful. Above ground treatment is recommended.	7/9/2016	JEV/MD
SC16-011C2	141567	Chlorinator Units at Gas Engine Sites	Mitch Dion	Incl. Above	\$0	\$0	C	40%	This project was not able to be completed in 2015 and will now be completed in 2016. Placing units into service for wells is evaluated with each project as the footprint and power requirements are challenging. The district continues to improve these well sites incrementally.	Chlorinator units were purchased in 2014 for installation in 2015. Sites to receive chlorinator units include Wells #5, 37, 40, 41, 43, and 45.	7/9/2016	MD
Subtotals					\$370,000	\$47,988						
SC16-012	N/A	Well Replacement	See Below	\$2,600,000	\$123,259	\$0	See Below	See Below	See Below.	* Priority depends on the well. Recommended in 2009 Water System Master Plan capital needs analysis. The Rutland Well pumping plant will be under construction starting in October 2015 but construction will not be completed until July 2016. Therefore, there will be construction work in progress or carryover at the end of 2015. Some of the unused budgeted 2015 funds are anticipated to be used to pre-purchase materials for the 2016 Meter Retrofit Project. For 2016, budget is also included for design and drilling of a new well either on property to be obtained within the new Barrett Ranch East Subdivision or District owned property at the Kingbird Well lot. Both of these sites are in the District's North Service Area. Also, costs are budgeted to acquire additional land for future replacement well sites within the District. For 2017, it is assumed that the pumping plant will be constructed for either the Barrett Ranch Well or the Kingbird Well.		
SC16-012A	144936	Palm Well #N6A	David Espinoza	Incl. Above	\$101,000	\$169,220	D/C	15%	Test hole/Monitoring Well drilled. CEQA has been posted for public comments. Test well is complete, well drilling contract is currently out for bid to be awarded in July.	This project consists of the construction of a new groundwater well and pumping plant with a capacity of 1,000 gpm in the District's North Service Area (NSA). Luhdorff & Scalmanini Consulting Engineers will design the well. This well is scheduled to be in operation by July 2017.	7/8/2016	MD
SC16-012A2	132002	Rutland Well #N39 (Charles Peck School)	John Valdes	Incl. Above	\$814,729	\$1,274,726	Pumping Plant: C	85%	The District's contractor, Koch & Koch, has mostly completed the building and much of the site concrete work. We continue to have problems with this vendor not keeping site clean or dirt out of road. They are now behind schedule, but we anticipate start up of well approximately 30 July.	This project consists of the construction of a new groundwater well and pumping plant with a capacity of 1,500 gpm in the District's North Service Area (NSA). Well construction is completed. A Notice of Completion was filed at the County/Clerk Recorder's Office on April 6, 2015.	7/8/2016	MD
Subtotals					\$2,600,000	\$1,038,987						
SC16-013	N/A	Electrical Arc Flash Hazard Modifications at Various Well Sites	See Below	\$330,000	\$7,152	See Below	See Below	See Below	See Below.	An electrical engineering consultant was previously hired to perform a hazard assessment of all of the District's electrical panels to determine what modifications are necessary for panels rated as Category 3 or higher. Based on work already performed, required modifications are expected to cost up to \$15,000 per well site. The highest priority modifications were completed in 2011 - 2014. Some additional panels required some sort of modification and/or corrective action and these modifications were, for the most part, completed in 2015. However, two items of work remain in 2016. The arc flash labels at all of the sites need to be updated to reflect improvements and corrections made over the past few years. In addition, arc flash modifications are still required for the electrical distribution panel at the Administration Building. This panel will be replaced with a new panel in 2016. In addition, a new SMUD transformer will be installed at the Admin. Building due to access issues related to the existing transformer.		
SC16-013E3	105116, 137910, 135783	ARC Flash Design Services	Mitch Dion	Incl. Above	\$7,750	\$53,250	-	-	Affinity Engineering completed design for the Marconi improvements completed. Contract has been signed and preliminary work commenced to degree possible as we are awaiting final County permit for related site improvements.	Continuation of project initiated in 2013 with Affinity Engineering. Affinity Engineering was hired to perform a hazard assessment of all of the District's electrical panels to determine what modifications are necessary for panels rated as Category 3 or higher. Approximately 17 panels remain that will require some sort of modification and/or corrective action. Based on work already performed, required modifications are expected to cost up to \$15,000 per well site. The highest priority modifications were completed in 2011 - 2013. The next set of highest priority modifications (at 14 well sites) will be performed in 2014. An amendment will be prepared for the work at the Marconi Office which will occur over 2014 and 2015.	7/8/2016	MD

SC16-013E3	135782	Arc Flash Labeling Updates	Mitch Dion	Incl. Above	Incl. Above	Incl. Above	-	70%	This work is part of bringing certain sites into compliance with ArcFlash requirements. Work at each site has to be verified before labels can be ordered/ installed. Affinity is working Herzig to accurately label sites. This project was not completed in 2015 and will now be completed in 2016.	The sites that have had corrective measures to date require updated arc flash hazard analysis and updated documentation and labeling. This will include 21 sites in 2015.	7/8/2016	MD
SC16-013K2	135780	Wells #N33, #N29, #N24, #N23A, #N9, #60, #N22, #28	Mitch Dion	Incl. Above	\$4,960	\$40	-	90%	This project is nearly completed.	ARC FLASH ~ Control Panel Modifications to mitigate arc flash hazards by adding another level of protection upstream of the motor control center. Plan is to do Well #N29 first to see how work goes, then do #N23, N24 and N33 as those are all summer runners. Wells #N22, N9, 28 and 60 will follow.	7/8/2016	MD
SC16-013L2	137764	Well #26, Greenwood/ Marconi	Mitch Dion	Incl. Above	\$19,175	\$4,225	C	90%	The installation plan for Well #26 has been reassigned to be placed at Well #3A. This project was not completed in 2015. The project will be completed in 2016. Well 26 work complete. Well 3A needing step test.	ARC FLASH ~ New service pedestals were purchased to mitigate arc flash hazards by adding another level of protection upstream of the motor control center.	7/8/2016	MD
SC16-013M2	137765	Marconi Office Arc Flash Improvements	Mitch Dion	Incl. Above	\$54,980	\$4,020	C	20%	Work for electrical upgrades at Marconi all in single project with generator. Design is complete, the generator has been delivered and preliminary prep work done. Awaiting final permit from County.	ARC FLASH ~ Prodigy will be working with District Staff and Affinity Engineering in design and constructability coordination for arc flash work to be done at the Marconi Office. The construction phase of the work will occur in 2015. Affinity's costs are tracked under SC14-013E1.	7/8/2016	MD
		Subtotals		\$330,000	\$94,017	\$61,535						
SC16-040	150183	Engine Generator Compliance (Admin Bldg)	Mitch Dion	\$75,000	\$1,620	\$50,177	P	0%	This project is being combined with the "Marconi Office Arc Flash Improvements." The generator has been sized, pricing being solicited week of 14 Mar. Electrical room/panel design complete 11 Mar. New site layout and improvements designed and price proposal sought. SMUD and PG&E applications to be submitted. Generator ordered. David Armand to coordinate with County/Air Quality Permit.	Funds are included for a major engine overhaul and/or engine generator replacement. Anticipate one new engine generator (for Administration Building) in 2016 and an engine overhaul in 2017.	4/29/2016	MD
DISTRIBUTION												
SC16-018	N/A	Distribution Main Replacements	Dave Jones	\$8,420,000	See Below	\$0	See Below	See Below	See Below.	This project assumes up to 8 miles of distribution mains to be replaced per year using the service contract approach combined with District purchase of materials. Some contracted design and construction work from 2015 is anticipated to carryover into CY2016. Projects planned for construction in CY 2016 include the Drayton Heights Phase 2, Edison Meadows Phase 1 and Rivera Woods (size to be determined based on remaining budget). This includes approximately 35,000 lf of new 8" and 12" mains. Work planned for 2016 also includes completion of final paving for the Santa Anita Phase 2, Fair Oaks Estates and Barcelona Main Replacement Projects. Also includes hiring consultant(s) to provide support services (surveying and mapping services, SWPPP, construction management, etc.) for in-house design of projects planned for construction in 2017/2018. In addition, funds are included to pre-purchase up to 40,000 linear feet of ductile iron pipe in the fall of 2016, for installation in 2017, before anticipated price increases take affect. Includes installation of 371 water meters in 2016 and 564 in 2017.		
SC16-018A	151628	2016 Edison Meadows Main Replacement - Phase 1	Dave Jones	Incl. Above	\$35,225	\$199,475	D	50%	Domenichelli & Associates (D&A) has been selected to complete final design for this main replacement project. The project is slated to be completed in two phases. The first phase scheduled for late summer will include the backbone system comprised of new main lines being installed on Watt Avenue, Edison Avenue and a portion of Becerra Way. The first phase will be driven by available 2016 CIP budgeted funds. The second phase will be completed in 2017 and will include all the minor streets adjoining Watt Avenue, Edison Avenue and Becerra Way. 1st phase is 65% complete with an estimated construction budget between \$2.3 and \$2.7 million	Based on the District's Distribution Main Asset Management Plan Updated in 2014 it was determined that Edison Meadows was the next major waterline replacement to follow Drayton Heights. This project consists of an area bound by Watt Avenue, Edison Avenue, Norris Avenue, and Whitney Avenue. Project consists of installing 1,000-feet of 6-inch, 12,000-feet of 8-inch, and 14,200-feet of 12-inch mainline.	6/9/2016	DJ
SC16-018A2	128114	2015 Barcelona Waterline Replacement Project	Dave Jones	Incl. Above	\$108,487	\$414,703	C	95%	Project is complete with the exception of final paving to be completed by the County.	This project will consist of the installation of approximately 6,500 feet of new water mains and approximately 150 new metered service connections. The project area is outlined by El Camino Avenue, Howe Avenue, Bell Street, and Cottage Way. Construction is anticipated in 2015, depending on budget availability. The design work for this project was completed in-house.	6/9/2016	DJ
SC16-018D2	135205	2015 Fair Oaks Estate Main Replacement Project	Dave Jones	Incl. Above	\$394	\$21,735	C	95%	Project is complete with the exception of final paving to be completed by the County.	This project will replace a high leak prone portion of ODS mainline. The project will also abandon a 6" water main where a garage was built over the water main that was not encumbered by an easement. The project area will consist of Fair Oaks Blvd., Estates Dr., Cortlandt Dr., Treehouse Ln., Columbia Dr., and Alton Ct. An aerial survey was prepared by Area West Engineers. The project was awarded to the Master Service contractors as Task No. 2. Construction began on July 13, 2015 and is expected to be substantially complete October 2, 2015.	6/9/2016	DJ
SC16-018E1	148600	Eastern Rand Lane	Dave Jones	Incl. Above	\$156,137	\$20,796	C	100%	The project is complete.	Final paving is not part of the Paving Partnership Agreement with County.	6/9/2016	DJ
SC16-018F1	149570	2016 Drayton Heights Main Repl. Project - Phase 2	Dave Jones	Incl. Above	\$2,417,250	\$5,389,941	C	85%	The construction phase is underway. Veerkamp has completed main line pipe installation in the first 3 construction phases. GM Construction has completed installing copper service lines and PVC in-tract line on the 1st phase of construction. The project is currently on schedule.	Project will consist of the installation of 500-feet of 6-inch, 15,000-feet of 8-inch, and 11,000-feet of 12-inch mainline in the area surrounded by Elvyra Road, Fulton Avenue, Cottage Way, and Morse Avenue. This is the next mainline replacement project per the Distribution Asset Management Plan. This will be task order number 4 for Veerkamp, and task order number 5 for GM.	7/10/2016	MD
		Subtotals		\$8,420,000	\$2,717,492	\$6,046,649				Total budget, spent to date and additional encumbered funds on SC16-018 projects.		

SC16-019	N/A	Distribution Main Improvements / Extensions / Interties and Resolving Utility Conflicts	See Below	\$775,000	\$0	\$0	See Below	See Below	See Below.	Includes various small main replacement projects to solve distribution system hydraulic issues and relocating District water mains and appurtenances due to grade conflicts with County of Sacramento improvements (storm drains, etc.). Small main replacement projects planned for construction in 2016 include the El Camino/Bell Main Extension and Keema Avenue Main Extension projects.			
SC16-019A	153704 159134	2016 Miscellaneous Repair Issues	Dave Jones	Incl. Above	\$2,411	\$42,589	D	0%	General repair issues throughout the year.	Any general repair issue that may occur. Espinoza-Abandon 4" main on Auburn.	6/9/2016	DJ	
SC16-019B	157672	Don Julio / Keema Main Extension	Dave Jones	Incl. Above	\$24,765	\$235			Tetra Tech has begun construction with site preparation and intends to begin installing main line on June 13th. The project is expected to take 5-7 weeks to complete the 1,800 feet of main line installation.	This project will eliminate a dead end distribution line in Keema Drive and provide a connection point to the Don Julio Junior High School.	6/9/2016	DJ	
SC16-019D1		2015 DPMWD Intertie At Annette Street And Eastern Avenue	John Valdes	Incl. Above	\$26,873	\$0	C	100%	The project is completed. The District has reimbursed DPMWD for it's share of agreed upon project costs.	The District will be cost sharing (50%) for a new 8" intertie between DPMWD and SSWD. SSWD is pre-ordering the vault and meter for the project. The project will be completed under DPMWD's contract with GM Construction. Project is to be completed in front of the County's paving project on Eastern Avenue in June 2015.	3/21/2016	JEV	
SC16-019J1	147247	2015 Watt Avenue/Magpie Creek	Dave Jones	Incl. Above	\$39,287	\$0	C	95%	The project is complete except for final paving which is scheduled to be completed the week of June 20th.	In 2014 the District had yet another 12" PVC break, and with this break there are now two 12" dead ends that need to be reconnected on the south side of Magpie Creek to provide adequate circulation and fire flows for Watt Avenue.	6/9/2016	DJ	
SC16-019K1	148784	2015 Brightwood Waterline Extension Project	Dave Jones	Incl. Above	\$38,119	\$602	C	100%	Tetra Tech has complete final asphalt restoration. Project has found to be acceptable by the County of Sacramento.	During the 2013 Meter Retrofit project it was discovered that a 2" ABS line existing on Brightwood Court that is currently feeding 4 homes. It was determined that no meters would be installed on the ABS and that new 6" mainline would have to be installed in order to complete the meter installations.	6/9/2016	DJ	
SC16-019L1	106658	2015 Pasadena Avenue Main Connection Project	Dave Jones	Incl. Above	\$37,767	\$337	C	100%	Tetra Tech has completed all tasks associated with this project	During 2014 it was discovered during a shutdown to replace a service on Pasadena Avenue that it only required one valve due to a dead end pipeline approximately 214-feet away from another dead end pipeline. After reviewing the District's north and south systems it was determined that the two blow offs should be connected.	6/9/2016	DJ	
		Subtotals		\$775,000	\$169,222	\$43,764							
SC16-020		McClellan Improvements	N/A	\$0	\$0	\$0	-	-	N/A	Improvements required per agreement with McClellan AFB. (Combined into project -019 above.)			
SC16-022	N/A	Water Related Street Improvements (Lowering/Raising Valve Boxes)	See Below	\$150,000	\$0	\$0	See Below	See Below	Budget decreased from \$150,000 to \$70,000 via budget transfer. See Below.	This project includes lowering and raising existing water valve boxes before and after pavement grinding and overlay by the County of Sacramento and/or the City of Citrus Heights. Typically, the County of Sacramento and City of Citrus Heights have 2 to 4 projects a year and the District's cost projection is an annual average of their project impacts. This project also includes work identified by the District's Preventative Maintenance (PM) crew including raising valve boxes, etc.			
SC16-022A	159132	City of Citrus Heights SRTS - Relocate 6" Blow Off	David Espinoza	Incl. Above	\$0	\$8,600	C	1%	Issued PO to GM to relocate a 6" blow off on Antelope Road out of proposed sidewalk area. Scheduled work for 7/12/2016.	The City of Citrus Heights has a project to install sidewalk along Antelope Road.	7/8/2016	DE	
SC16-022B	159166	County Sidewalk Installation - Relocate Fire Hydrant	David Espinoza	Incl. Above					Pursuing PO for Rawles Engineering to relocate a FH. Scheduled work to start 7/13/2016.	The County will be installing sidewalk along Fair Oaks Boulevard. District has a FH at	7/8/2016	DE	
SC16-022A1	154113	County Contract #(4220) El Camino Lower/Raise Valves on 2015 Federal AC Overlay Project	David Espinoza	Incl. Above	\$18,120	\$14,860	C	75%	GM completed the project. All valve boxes have been raised and valves are accessible. Waiting for final invoice.	Lower then raise approximately 67 valve boxes along El Camino Avenue, Eastern Avenue and Marconi Avenue. Tricia is procuring the new valve boxes.	7/8/2016	DE	
SC16-022B2	147558	County Contract #(4263) Fulton Lower/Raise Valves on 2015 AC Overlay Project	David Espinoza	Incl. Above	\$0	\$0	C	95%	Tetra Tech called and notified that they have scheduled to complete the work on the evening of 7/14/2016.	Lower then raise approximately 53 valve boxes along Fulton Avenue from Marconi Avenue to Auburn Blvd. Tricia is procuring the new valve boxes.	7/8/2016	DE	
SC16-022C1		County Contract #(4269) Garfield Lower/Raise Valves on 2015 Federal Phase 2 AC Overlay Project	David Espinoza	Incl. Above	\$0	\$0	C	0%	County planned to pave in 2015. County has rescheduled paving. Emailed & called County 7/8/2016 and am waiting for response on project status.	Lower then raise approximately 8 valve boxes along Garfield Avenue from S/O of Verner Avenue to Greenback Lane. Tricia is procuring the new valve boxes.	7/8/2016	DE	
		Subtotals		\$150,000	\$18,120	\$23,460							
SC16-024	140255	Meter Retrofit Program - District Funded and 2013/14 CalFED Meter Retrofit Grant & WaterSMART Grant	David Espinoza		\$1,900,000	\$1,019,318	\$908,101	C	N/A	See Below.	District is on schedule to comply with AB 2572 requirement to install meters in California by 2025. Specific meter retrofit schedule is in accordance with updated Water Meter Retrofit Plan originally adopted in September 2004 and last updated in 2015. In 2016, an estimated 1,510 meters will be replaced as part of the retrofit program. Note that the District committed to installing 1,476 meters to receive the grant funding; the remaining 34 meters are being installed to complete a meter retrofit area. It is currently anticipated that available 2015 CIP funds will be used to purchase materials in advance for the 2016 retrofit project. In 2017, an estimated 1,216 meters will be replaced as part of the retrofit program.	6/27/2016	DE

SC16-024A		Voluntary Meter Retrofit Program	Matt Underwood	\$75,000	\$25,010	\$6,050		0%	Meters installed per customer requests. Twelve meters installed YTD.	Budget is provided to install new water meters as requested by customers through the District's voluntary meter program. Expenditures over the past five years have averaged approximately \$125,000/year.	7/1/2016	MTU
SC16-024B1	151609	2016 Meter Retrofit WaterSMART Grant Project	David Espinoza	Included in SC16-024	\$2,578	\$0	C	85%	Flowline is well underway in completing the project. Construction work began on January 8, 2016. As of the end of May, 673 services have been retrofitted with meters and a total of \$749,072 has been spent on the project. Flowline's contract is for \$1,154,763 for the installation of a total of 896 meters.	A total of 896 meters are scheduled for installation with this project. Approximately 83 meters will be replaced using the CalFed WaterSMART grant funds (\$145,000). Both of these grants were obtained to accelerate meter installation.	6/15/2016	DE
SC16-024C1	151629	2016 Meter Retrofit CalFED Grant Project	David Espinoza	Included in SC16-024	\$0	\$0	C	0%	Flowline is scheduled to begin work in July 2016.	A total of 614 meter are scheduled for installation with this project. Approximately 56 meters will be replaced using CalFed Water Use Efficiency grant funds (\$98,000). Both of these grants were obtained to accelerate meter installation.	6/15/2016	DE
Subtotals				\$1,975,000	\$1,046,906	\$914,151						
SC16-042		Meter Replacement and Repair	Matt Underwood	\$558,000	\$276,813	\$247,248	P	0%	Orders have been placed for (128) .75" meters, (236) 1" meters, (107) 1.5" meters, (64) 2" meters, and (491) MTUs. This will replace the remaining Sensus and Neptune meters 2" and below in the system. These meters have outlived their useful life and have 100 cubic foot registers that are not compatible with AMI technology. This is "Phase 1" of this project. A P.O. has been issued to Tetra Tech to replace (107) 1.5" meters and (64) 2" meters. Work has begun and 147 meters have been replaced. A P.O. has been issued to Flowline for the 1" and below meters. Additional ~650 meters were ordered for a total of approximately 1,000 1" and below meters to be replaced by Flowline.	As recommended in the 2015 Water Meter Asset Management Plan (100-year replacement schedule) with some adjustments to level out the work each year. This is the initiation of a planned program to repair and/or replace water meters that have outlived their useful life (estimated at 20 years). In the Asset Management Plan, an inventory of meters installed from pre-1990 through 2014 was used to project a 100-year meter replacement schedule. In 2016, it is estimated that 1,200 existing water meters in sizes from 3/4-inch to 1-inch will be replaced. An additional 188 existing meters in the 1-1/2" and 2" sizes will also be replaced as these meters are not rebuildable and they are not compatible with AMR. The new water meters will be compatible with the fixed network meter reading system. For 2017, an additional 1,200 existing water meters in sizes from 3/4-inch to 1-inch will also be replaced.	7/1/2016	MTU
SC16-027	See Below	Distribution System Major Repairs	See Below	\$350,000	See Below	See Below	See Below	See Below	See Below	Consists of repair of major main breaks that require replacement of infrastructure.		
Subtotals				\$350,000	\$94,211	\$41,400						
SC16-028	See Below	Distribution System Improvements	See Below	\$375,000	See Below	See Below	See Below	See Below	See Below	Note: New account. Includes funds originally budgeted under O&M Accounts No. 07-54507, 07-54511 and 08-54507. Covers costs for miscellaneous distribution system repairs improvements including new taps/saddles, new water service lines, etc.		
Subtotals				\$375,000	\$23,460	\$9,500						
SC16-038		Large Water Meter (> 3") Replacement Program	Matt Underwood	\$140,000	\$43,500	\$4,399	C	0%	One service upgrade. Eight 6" fire service meters have been identified as having restricted flow due to excessive build-up in the strainer and also failed accuracy testing. The manufacturer no longer supports this product. An order has been placed for replacement meters. Meters have been received and work will be scheduled.	Budget is provided for the replacement of large (> 3") water meters that have outlived their useful life. In most cases, it is unnecessary to replace the meters; instead the large meters are rebuilt. As a result, this account is generally used to upgrade the service to current District standards with a bypass to allow for future testing and maintenance without interrupting water service to the customer. This is an ongoing project and work is scheduled according to findings related to the Meter PM Program. For 2016 and 2017, an additional \$50,000 has been included in the budget for the installation of meter bypasses.	7/1/2016	MTU
Subtotals				\$140,000	\$43,500	\$4,399						
SC16-039	N/A	Fire Hydrant Replacement / Rehabilitation / Additions	See Below	\$200,000	See Below	See Below	See Below	See Below	See Below.	Note: Similar to 2015, the 2016 budget has been increased by \$100,000 using funds that were originally included in the O&M budget (Account #07-54507). The 2009 Water System Master Plan identifies some areas with insufficient fire flow. This project will bring these areas into compliance with minimum District and fire district standards, especially in those areas where main replacement projects are not scheduled for several years. A similar budget is proposed for 2017.		
SC16-039D	150402	McKinney Road	Bob Ames	Incl. Above	\$10,322	\$4,356	C	100	Completed.	Staff identified a fire hydrant that is non-operational or repairable.	6/14/2016	RDA
Subtotals				\$200,000	\$16,240	\$7,124						
STORAGE & DISTRIBUTION												
SC16-034	N/A	Corrosion Control and Reservoir and Tank Painting/Coating, Upgrades and Improvements	See Below	\$200,000	\$0	\$0	See Below	See Below	SC16-034A budget decreased from \$450,000 to \$150,000 via budget transfer. See Below.	Note: Includes funds originally budgeted under O&M Account 06-54508. Transmission mains, storage and hydropneumatic tanks, and corrosion control facilities are on a scheduled maintenance program for inspection, testing, and recoating as necessary. Many of the District's above ground storage reservoirs have existing cathodic protection systems in place, but they have not been serviced since installation. The District is going to complete a survey on each system verifying its proper operation. As part of this process, a corrosion consultant is assisting with coating inspections in 2015 to determine a baseline for each of the above ground storage reservoirs. These inspections are being performed by a certified Coating Inspector Level 1. This condition assessment will help provide the District with better knowledge of the existing conditions of the tanks and which tanks are in need of repair or restoration in 2016.		
SC16-034A	121917	Corrosion Control - CMLC Water Mains	David Espinoza	\$450,000	\$6,255	\$1,945	D	90%	On hold	The District is moving forward with acquiring well drilling permits for the Conveyance Pipeline to install five new anode wells. Additionally, the District is working with SMUD to acquire power for each of the five sites. AWE is working on collecting any necessary easements for all rectifier locations. JDH Corrosion is working with SMUD to finalize drawing set. SMUD has re-designed two rectifier locations requiring additional design work.	6/15/2016	DE

SC16-034C2	153186	Hydraulic Improvements at Elevated Tanks #216, 769, and Capehart--Elevated Tank Corrosion Control	Mitch Dion	Incl. Above	\$21,240	\$40,730	C	95%	CAPEHART - Final testing for this site has been completed, it is operational. Need easement for power to Panel. #769 - is complete with only control sequencing to debug. #216 - is also operational but needs communications conflict resolved.	Affinity Engineering has designed hydraulic improvements for the Elevated Tanks #216, 769, and Capehart to make them in compliance with DDW inspection requirements. Kirby Pumps and Prodigy Electric are performing the work. Construction work started in January 2015.	7/8/2016	MD	
SC16-034D2	153188	Antelope Reservoir Flow Meter Replacement	John Valdes	Incl. Above	\$11,785	\$21,022	P	10%	The new 24" flow meter has arrived and is being stored at the Antelope Reservoir. Funding is available to allow the meter to be installed in 2016 along with a new sample station. Affinity is preparing construction drawings. Price quotes will then be obtained from contractors to install the flowmeter and sample station.	The flow meter at the Antelope Reservoir is not working properly and needs to be replaced. Due to backorder constraints and lead time, the flow meter will be purchased in early 2015 and the design work and construction will occur in 2015.	4/29/2016	JEV/MD	
			Subtotals		\$650,000	\$39,280			\$63,697				
SPECIAL PROJECTS													
SC16-035	N/A	Professional/ Special Services	See Below		\$100,000	See Below	See Below	See Below	See Below	See Below.	Includes potential professional services for CEQA Work, Preliminary Design, Special Studies, Hydraulic Modeling, Surveying, etc.		
SC16-035A		Misc. Consulting Services	John Valdes	Incl. Above	\$39,440	\$10,560	N/A	N/A	Ongoing.		A contract has been executed with Mitch Dion to provide miscellaneous consulting services to the District.	4/5/2016	JEV
SC16-035B	N/A	Hydraulic Model Training and Meter Sizing	David Espinoza	Incl. Above	\$0	\$15,345	P	0%	A contract has been executed with Brown and Caldwell (B&C) in the amount of \$15,345. The work is underway.		Assistance is needed with hydraulic model training and meter sizing.	6/15/2016	JEV
SC16-035B		Hydraulic Model Training and Meter Sizing	David Espinoza	Incl. Above	\$0	\$0	P	0%	A contract has been executed with Brown and Caldwell in the amount of \$15,345 for hydraulic model training and meter sizing.		Assistance is needed for hydraulic model training and meter sizing.	6/15/2016	DE
SC16-035B1		2015 Conveyance Rectifier Easements	David Espinoza	Incl. Above	\$3,575	\$0	D	75%	Patrick Project - On hold? Area West is attempting to collect signatures from Antelope Fellowship Christian at the corner of Antelope and Old Auburn. JDH is working on re-design of an existing anode well location to accommodate a property owner's requests, which will affect the timeline of acquiring an easement.		This is a task order for Area West to determine the limits for three easements to install new rectifiers on the Conveyance Pipeline at the following locations: Old Auburn Road and Antelope Road/Purslane Way/Don Julio Way and Antelope Road.	6/15/2016	DE
SC16-035C		Pipe Testing and Forensic Analysis	John Valdes	Incl. Above	\$0	\$0	p	0%	The pipe has been shipped to Anamet, Inc. in Hayward, CA for testing and forensic analysis. Analysis of pipe from recent Antelope Road failure also sent for analysis.		Testing and forensic analysis will be performed on a piece of 12-inch PVC pipe that failed. This pipe was in service on Madison Avenue.	7/10/2016	MD
SC16-035D1		Property Acquisition on North Antelope Road	John Valdes/Dave Jones	Incl. Above	\$2,578	\$1,823	N/A	70%	Area West Engineers has requested and received letters from every utility company indicating that have no objection to the two street right-of-ways being abandoned. These letters have been forwarded to the County Dept. of Transportation for the actual right-of-way abandonment which must be approved by the County Board of Supervisors.		The District is in the process of purchasing two separate parcels located on Antelope North Road just north of the Antelope Reservoir Facility.	4/5/2016	JEV
SC16-035E2		Long Term Warren Act Contract Consulting Services	Dan York/John Valdes	Incl. Above	\$0	\$0	N/A	N/A	A contract has been executed with Municipal Consulting Group (MCG). The work is underway.		Municipal Consulting Group (MCG) will assist the District in negotiations with USBR on a Long Term Warren Act Contract. MCG's fee for this work is \$17,900.	4/5/2016	DY
SC16-035G2	134788	Elevated Water Tank Analysis and Improvements	Mitch Dion	Incl. Above	\$0	\$0	C	95%	Affinity's design is complete. They are assisting with project management of the hydraulic improvements project. Tanks have been cleaned. Operational controls adapted for 3 of 3 sites complete.		Based on a CDPH inspection, three of the District's elevated water storage tanks have operational issues and common inlet/outlet designs that may pose water age problems. According to CDPH, "All new reservoirs must have a separate inlet and outlet. Since these are existing tanks, SSWD should submit an operational plan that shows how the water in the tanks will be routinely cycled to minimize water stagnation." New booster pumps are proposed to allow the water in the tanks to be cycled in/out on a daily basis.	7/9/2016	MD
			Subtotal		\$100,000	\$45,593			\$27,728				
CONJUNCTIVE USE													
SC16-044		Capital Improvements to CTP (SJWD)	John Valdes		\$7,000	\$0		-	-	Still waiting to be invoiced by SJWD.	District's cost share (owed to San Juan Water District) for Cooperative Transmission Pipeline (CTP) Corrosion Testing for 2015.	4/5/2016	JEV
SC16-045	158588	Enterprise Intertie Improvements	John Valdes		\$101,000	\$0		D	-	City of Sacramento has now agreed to pay for 100% of local (non-grant) cost share. The Board has approved entering into a cost sharing agreement with the City of Sacramento. Design has been completed and work can be initiated during the fall.	SSWD has an existing intertie with the City of Sacramento at SSWD's Enterprise Reservoir site. This intertie was originally designed for SSWD to take delivery of treated surface water purchased from the City of Sacramento. With the addition of some piping, a control valve and instrumentation and controls, this intertie can also be used for SSWD to deliver excess groundwater supplies to the City of Sacramento in dry years, thereby promoting conjunctive use. It is estimated that an instantaneous supply of as much as 20.0 mgd could be made available for delivery to the City. The estimated total project cost is \$178,700 but a Prop. 84 Drought Implementation Grant in the amount of \$118,225 has been awarded by the Dept. of Water Resources (DWR). Currently a cost-sharing agreement is being negotiated with the	7/9/2016	JEV/MD
			Totals		\$18,516,000	\$6,184,710			\$9,961,242				



Agenda Item: 18

Date: June 28, 2016

Subject: Human Resources Quarterly Report

Staff Contact: Lynne Yost, Human Resources Coordinator

1. Current Statistics

Full Time Employees:	62
Temporary Employees:	4*
Full Time Vacancies:	1**

*Total includes two water conservation representatives and two engineering interns (one currently on staff and one expected to start work on July 11, 2016).

**Current vacancy in the Engineering department is being reviewed to determine the position that will best meet the needs of the District.

2. Completed/Ongoing Work of Note

- a) Completed hiring process and orientations for new Technical Services Director to fill a succession planning vacancy and new Customer Service Representative I following a retirement; over 230 applications were received and processed in-house for the Customer Service vacancy.
- b) Completed orientations for new Distribution Operator I following a resignation (the candidate was on an internal hiring list from a prior recruitment), and new Administrative Assistant I following an internal promotion (the candidate was offered the full-time position after completing a temporary assignment).
- c) Completed orientation for two temporary Water Conservation Representatives for the 2016 conservation program.
- d) Completed exit interview for engineering intern who obtained full-time employment.
- e) Issued Request for Proposals (RFP) for 2016 Compensation Study (\$15,000 estimate included in 2016 budget); notice to proceed will be issued no later than July 13th with study expected to be completed by or before September 19th and available for ongoing 2017 budget discussions as needed.
- f) Began updating Employee Handbook for management team and committee review.
- g) Began 2017 Benefits Renewal Analysis for medical, dental, vision and life insurance/disability plans.

Human Resources Quarterly Report

June 28, 2016

Page 2 of 2

- h) Continuing update process for remaining 2 of 10 classification specifications (job descriptions) last updated in 2013; also finalizing class spec for new Technical Services Director position.
- i) Continuing to review benefit billing options for retirees under the vesting schedule for health, dental and vision plans.
- j) Continuing to oversee job analysis for full time position; two new positions will also be reviewed since both now have over one year of work performed by current incumbents.



Agenda Item: 19

Date: July 8, 2016

Subject: State Water Resources Control Board Water Conservation Standard Self Certification

Staff Contact: Greg Bundesen, Water Conservation Supervisor

In response Executive Order B-37-16, in May 2016 the State Water Resources Control Board (SWRCB) passed new Water Conservation Regulations that allow urban water utilities to self-certify their Water Conservation Standard based on their current water supply and with the notion that the next three years will mirror the hydrological conditions of the past three years. Urban Water Agencies had until June 22, 2016 to provide their self-certified calculations and supporting data to the SWRCB. The urban water agency would then have to meet their new self-certified target beginning on June 1, 2016 – January 31, 2017.

The SWRCB provided worksheets to calculate the District's water supply reliability (see Exhibit 1) and allowed urban water purveyors to submit notes and comments to validate their self certification process and calculations (see Exhibit 2). Also required was a Certification of Self-Certified Conservation Standard document to be signed by the General Manager (see Exhibit 3).

Based on research and the associated data the District submitted calculations self-certify to the SWRCB that it would not have a supply shortfall in year three if the next three years mirrored the hydrology of the previous three years. The District, therefore, now has a self-certified conservation standard of 0% and is able to declare normal water supply conditions lifting any excess water use restrictions beyond those required under Normal Water Supply in the District's Regulation No. 15.

Exhibit 1

Step 2 of Water Supply Reliability Certification and Data Submission Form

Sacramento Suburban Water District << Enter name of urban water supplier

User Input Instructions

- (1) Please select units of measure from the dropdown menu.
- (2) Enter information on available water supplies and supplies committed to other uses.

LEGEND:

User Input or Selection	
Linked from User Input	

acre feet (AF) << Select units of measure

Available Water Supplies

Sources of Supply	Name of Provider(s) or Description	Source used in prior years?	Water Available in WY 2017 *	WY 2018 *	WY 2019	Wholesaler Information Direct Web Link	Wholesaler Water System Number**
WHOLESALE SUPPLIED >> Provide direct web link(s) to information on the volume of water the wholesaler expects to deliver to the retailer water supplier in each year.							
Wholesaler 1		Select Y/N					
Wholesaler 2		Select Y/N					
Wholesaler 3		Select Y/N					
Wholesaler 4		Select Y/N					
Wholesaler 5		Select Y/N					
SELF-SUPPLIED							
Water Recycling (potable)		Select Y/N					
Surface water: SWP		Select Y/N					
Surface water: CVP		Select Y/N					
Surface water: Colorado River		Select Y/N					
Surface water: other (describe)	American River	Yes	11,049.0	1,596.0	3,560.0		
Surface water: other (describe)	Folsom Lake	Yes	-	-	-		
Local Groundwater	North American River Sub Basin	Yes	41,035.0	41,035.0	41,035.0		
Seawater Desalination		Select Y/N					
Transfers		Select Y/N					
Exchanges		Select Y/N					
Other (describe):		Select Y/N					
SUBTOTAL of available supplies (in units selected)			52,084.0	42,631.0	44,595.0		

<< Complete groundwater tab
<< To add more self-supplied sources, insert as many rows

* Any carryover from one year is incorporated in the supply of the following year, as legally allowed.

** Look up Water system number at this link: <https://sawis.waterboards.ca.gov/PDWW/>

Rows can be inserted to account for other sources of supply (e.g., desalination of brackish water, banked water) if a source has not been used in prior years. e.g., a new treatment facility will be constructed, supporting documentation must document when the new source will be fully implemented.

Water Supplies Committed to Other Uses (Not Available)

Other Uses	Describe	Quantity in WY 2017	Quantity in WY 2018	Quantity in WY 2019
Agriculture				
Commercial, industrial or institutional				
New residential customers				
Transfers				
Other:				
Other:				
SUBTOTAL of supplies not available (in units selected)		-	-	-
TOTAL available water supply (in units selected)		52,084.0	42,631.0	44,595.0
<i>(Subtotal of available supplies minus subtotal of supplies committed to other uses)</i>				

>>> Please enter values calculated below in Step 2 of the online form

TOTAL available water supply converted to acre feet	52,084	42,631	44,595
--	---------------	---------------	---------------

>> If error, verify you have selected units of measure

If using local groundwater sources, answer questions below

Complete only if relying on local groundwater for a portion of supply (not brackish groundwater desalination or banking)

Do you know the volume of water in the aquifer that is in your source(s) of groundwater?

Pick one:

Optional notes and comments:

There is no accurate way to quantify the total volume of water in the North American River Sub Basin and SSWD's service area is located over only one small section of the aquifer. However, if pressed to quantify the available volume of the section of aquifer beneath SSWD's service area, staff would estimate it at approximately 145,000 AF.

How frequently are groundwater elevations monitored?

Pick one:

Optional notes and comments:

Groundwater elevations are measured every April and October, at a minimum, at each of the District's potable water wells. Groundwater elevations at the District's monitoring wells are measured monthly.

At what depth is/was your water table? (in feet) Do not average values for multiple basins, management zones, or wells.

If there are multiple wells, enter the depth for the source where the largest portion of supply comes from; itemize information in the notes or supporting documentation.

In June 2016 feet

In June 2013 feet

Optional notes and comments:

This value is based on the April groundwater levels for the well that produced the largest portion of water for the District's North Service Area (Well N32B).

How many feet can you withdraw without substantially affecting your ability to pump water? (in feet)

If there are multiple wells, enter the depth for the source where the largest portion of supply comes from as a representative well; provide additional information in the notes or supporting documentation.

feet

Optional notes and comments:

This value is based on the well that produced the largest portion of water for the District's North Service Area (Well N32B). By comparison, over 200 feet could be withdrawn from the well that produced the largest portion of water in the District's South Service Area (Well S4B).

Do you have groundwater that you expect to sell or distribute to another water supplier that is not accounted for in your calculations?

Pick one:

Describe:

>>> Thank you.



Notes and Comments

Estimated Annual Total Water Supply

Discussion

On May 8, 2016 the State Water Resources Control Board adopted new Emergency Regulations regarding the Drought Emergency (Attachment A). The newly adopted regulations provide urban water utilities the ability to self certify their own Water Conservation Standard (Standard) by no later than June 22, 2016. The addition to the Emergency Regulations outlined below is the new compliance option for urban water utilities. If an urban water utility chooses not to use the option outlined below, its Standard would not change. The District's Standard, if it does not report a self certified Standard, will remain 29%.

According the text, Section 864.5.a.5.b: *"Each urban water supplier's water conservation Standard pursuant to this section shall be the percentage by which the supplier's total potable water supply is insufficient to meet the total potable water demand in the third year after this section take effect under the following assumptions:*

- 1) *The next three years' precipitation is the same as it was in Water Years (WY) 2013-2015;*
- 2) *No temporary change orders that increase the availability of water to any urban water supplier are issued in the next three years;*
- 3) *The supplier's total potable water demand for each of the next three years will be the supplier's average annual total potable water production for the years 2013 and 2014;*
- 4) *The supplier's total potable water supply shall include only water sources of supply available to the supplier that could be used for potable drinking water purposes;*
- 5) *Each urban water supplier's conservation Standard shall be calculated as a percentage and rounded to the nearest whole percentage point."*

Staff has reviewed the District's data in an effort to accurately provide information to the SWRCB for the self-certification process. The self-certification process relies on three steps when calculating a water utility's conservation standard:

1. Determine Total Potable Water Demand (TPWD)
 - a. Determined by calculating the average water production between 2013 and 2014.
2. Calculate Total Potable Water Supply (TPWS)
 - a. Total Surface Water Supply for 2013, 2014, and 2015 water years.
 - b. Total Imported Water Supply for 2013, 2014, and 2015 water years.
 - c. Total Groundwater Supply for 2013, 2014, and 2015 water years.
3. Calculate Conservation Standard
 - a. The conservation standard is based on the supply reliability in year 3 if the next three water years mirror water years 2013, 2014, and 2015.
 - b. The water year is based on the time frame from October 1 – September 30.
 - i. Water Year 1 (2013) = 2012/13
 - ii. Water Year 2 (2014) = 2013/14

- iii. Water Year 3 (2015) = 2014/15
- c. $\{[TPWD] - [TPWS \text{ in Year 3 (2015 water year)}]\} / TPWD$
- d. The conservation standard is the result rounded to the nearest percentage point.
- e. If the result is negative, the conservation standard is 0%.

Step 1: Determine TPWD

The District’s TPWD is calculated by calculating the average water production for calendar years 2013 and 2014 as outlined in section 864.5.a.5.b.3. The District’s Avg.-PWD is calculated in Figure 1 below.

Figure 1: TPWD

Step 1: Determine Total Potable Water Demand (Used in Step 3)		
Potable Water Production in Calendar Year 2013	38,554	Acre Feet
Potable Water Production in Calendar Year 2014	32,561	Acre Feet
Total Potable Water Demand $([38,554 + 32,561])/2$	35,558	Acre Feet

Step 2: Determine TPWS

Of the categories listed in the calculation staff has determined the following as the District’s TPWS for the each of the specified Water Years:

- A. Total Surface Water Supply
 - a. City of Sacramento (Hodge)
 - b. Placer County Water Agency (Middle Fork Project)
- B. Total Imported Water
 - a. The District did not access Imported Water during the three listed water years.
- C. Total Ground Water
 - a. Basin Sustainability Pumping Target
 - b. Basin Sustainability Balance
 - c. Exchangeable Water Balance

Surface Water Supply

During the 2013, 2014 and 2015 Water Years the District had access to surface water from the City of Sacramento based on the Hodge flow restrictions in the American River when outflows from Nimbus Dam exceeded 2,000 cfs from October 15 – February 28/29, 3,000 cfs from March 1 – June 30, and 1,750 cfs from July 1 – October 14. Staff investigated how often in the associated Water Years the District had access to City of Sacramento water. The number of days the District did have access was multiplied by the City’s ability to provide 20 million gallons per day (MGD) to the District if demand called for it. The District did not have access to water from PCWA during the associated water years. Figure 2 shows how much surface water the District had access to in Water Years 2013, 2014, and 2015 respectively.

Figure 2: TPWS

Step 2: Calculate Total Potable Water Supply				
Potable Water Supply		Year 1	Year 2	Year 3
Local Surface Water	City of Sacramento (Hodge)	11,049	1,596	3,560
	PCWA (Middle Fork Proj.)	0	0	0

Imported Water

The District did not import any water from outside the watershed in any of the associated water years.

Groundwater

The District has two methods of tracking its access to available groundwater in the North American River Sub-basin (Basin). Beginning in 2011, the Sacramento Ground Water Authority (SGA) created an accounting system that tracked the District’s Exchangeable Water Balance (EWB), its Sustainable Pumping Target (SPT) and its Basin Sustainability Balance BSB. The baseline EWB was calculated as the total of all of the surface water the District has put to beneficial use within the basin in excess of the amount necessary to offset the groundwater extraction to meet the District’s respective basin sustainability goal through its two conjunctive use systems in the District’s north and south service areas and water the District has transferred out of the watershed since 1998. SGA calculated the District’s 2011 EWB balance as 183,034 AF stored in the Basin. Changes in the EWB are realized if the District purchases surface water and puts it to beneficial use (credit to the EWB) and/or exports/transfers water out of the watershed (debit to the EWB). The District’s EWB at the beginning of 2016 was 187,960 AF. The District’s EWB is not affected by its SPT or its BSB.

The District’s SPT from the Basin, set by SGA in 2011, reflects the relative long-term sustainable ground water extraction level average assigned to an agency to sustainably maintain the Basin. SGA determined the District’s SPT as 35,035 AF on average per year. Each year the District’s Total Water Pumped (TWP) from the Basin is calculated and added to its BSB. The BSB is balance of the water extracted from the Basin each year. In years when the District extracts less than its SPT, its BSB increases, and in years when the District extracts more than its estimated SPT, its BSB decreases. The goal is to have the long-term average amount of water extracted from the Basin to be 35,035 AF though that total will vary considerably based on the type of water year (weather patterns, mandatory conservation targets, etc.) the Basin experiences. Beginning in 2016, the District’s BSB balance was 14,482 AF. If the District had to draw on its BSB for the associated water year calculations, the District could provide 4,827 AF per year beyond its SPT from its BSB.

Since 2004, the District has had an average annual groundwater TWP of 38,256 AF per year, 2,698 AF over its STP. The minimum TWP for the 12 year period was 27,502 (2015) and the maximum was 48,597 AF (2004). The standard deviation (the amount of variation from the mean in the data points) was calculated as 5,509 AF. Using the standard deviation as a metric, the District would either need to produce an additional 5,509 AF per year beyond its STP on average or would have the ability to add 5,509 AF to its BSB on average. For the purposes of

this exercise and the SWRCB self-certification calculations, it is reasonable to assume that the District could draw on both its BSB and its available EWB to supplement an estimated average of 6,000 AF of additional water demand beyond its SPT in each of the associated water years based on its historical water demand since 2004, assuming a conservation standard of 0% is granted and customer demand goes back normal. Staff is using the long-term average and not the TPWD to illustrate the District's ability to meet the SWRCB's TPWD calculation and any fluctuations to its TPWD in the next three years up to its 12 year average water demand of 38,256 AF. The District could utilize 4,827 AF from its BSB in each of the next three years, and 1,173 AF from its EWB in each of the associated Water Years. The three year total extraction from the EWB at the end of Water Year three would be 3,519 AF (1,173 F per year). If the conditions under the new standards continue beyond the three year period and the District were to continue to self-certify its TPWS reliability, the District could provide 100% of its customer demand for 30 years based on its SPT, extractions from its EWB of 6,000 AF per year to supplement estimated average demands beyond its SPT, and assuming that the District would not utilize any additional surface water and/or execute any water transfers during that time that would further decrease the EWB. Figure 3 shows the District's Groundwater supply based on the calculations and assumptions above.

Figure 3: Groundwater Supply

Example Calculation 1: Sufficiency Supply				
Step 2: Calculate Total Potable Water Supply				
Potable Water Supply		Year 1	Year 2	Year 3
Ground Water	Sustainable Pumping Target (SGA)	35,035	35,035	35,035
	Basin Sustainability Balance (SGA)	4,827	4,827	4,827
	Exchangeable Water Balance (SGA)	1,173	1,173	1,173

Calculate TPWS

TPWS is calculated as the sum of Local Surface Water, Imported Water, and Groundwater in each of the associated Water Years. Figure 4 shows the TPWS calculation for the self-certification process.

Figure 4: TPWS Calculation

Example Calculation 1: Sufficiency Supply				
Step 2: Calculate Total Potable Water Supply				
Potable Water Supply		Year 1	Year 2	Year 3
Local Surface Water	City of Sacramento (Hodge)	11,049	1,596	3,560
	PCWA (Middle Fork Proj.)	0	0	0
Imported Water	None	0	0	0
Ground Water	Sustainable Pumping Target (SGA)	35,035	35,035	35,035
	Basin Sustainability Balance (SGA)	4,827	4,827	4,827
	Exchangeable Water Balance (SGA)	1,173	1,173	1,173
Total Potable Water Supply [Local Surface Water]+[Imported Water]+[Groundwater]		52,084	42,631	44,595

Step 3: Calculate Conservation Standard

The conservation standard is the calculation of the TPWS shortfall in year three (assuming the next three years mirror the hydrology of the past three years) divided by the TPWD from Step 1. To calculate the TPWS shortfall, TPWS is subtracted by the TPWD in Step 1 (a negative amount indicates a surplus). The conservation standard is calculating by dividing the TPWS shortfall by the TPWD from Step 1. The resulting percentage is the water utilities conservation standard. A negative result would equal a conservation standard of 0%. Figure 5 shows the District's conservation standard calculation. The District would have a Standard of 0% utilizing its STP, BSB, and EWB for the SWRCB's self-certification calculation.

Figure 5: Conservation Standard Calculation

Step 3: Calculate Conservation Standard		
Total Potable Water Demand (from Step 1)	35,558	Acre Feet
Total Potable Water Supply in Year 3 (from Step 2)	44,595	Acre Feet
Supply Shortfall in Year 3 (negative amount indicates a surplus)	-9,038	Acre Feet
Conservation Standard with Self-Certification of Supply Reliability [Shortfall in Year 3] ÷ [Total Potable Water Demand]* [-9,037 AF] ÷ [35,558 AF]		-25%
*There is no shortfall in Year 3, the conservation Standard is 0%.		

Considerations

There are several different options for calculating the District's Standard. One option would be to show that the District could meet its customer demands just by drawing on its EWB of 187,960 AF for the next 5 years provided the District does not take any surface water and/or transfer water out of the watershed during that time. A second option would be to show the District's commitment to a sustainable Basin by assuming the District will use all of its SPT of 35,035 AF and the available surface water from the City of Sacramento for the next three years.

A third option would be to show the results from the District’s Urban Water Management Plan which illustrate the assumption that the District has the ability to meet demands of up to 50,000 AF per year if the next three years are considered dry years. The 50,000 AF assumption is based on the District’s SPT and its EWB.

Staff believes that the providing the data shown in Figure 6 below provides the best representation of the District’s water supply reliability conditions if the next three years are as dry as the previous three and beyond. The data highlights the District’s commitment to sustainably maintaining the Basin, its BSB that allows the District flexibility in sustainably maintaining the Basin, and its investments in conjunctive use and groundwater banking which allow the District to meet additional demands beyond its 2013/14 average water production for many years.

Figure 6: Complete Water Conservation Standard Calculation

Calculation of Urban Water Supplier's Conservation Standard Supply Reliability of Three Additional Years of Drought				
Step 1: Determine Total Potable Water Demand (Used in Step 3)				
Potable Water Production in Calendar Year 2013	38,554	Acre Feet		
Potable Water Production in Calendar Year 2014	32,561	Acre Feet		
Total Potable Water Demand {[38,554 + 32,561]}/2	35,558	Acre Feet		
Example Calculation 1: Sufficiency Supply				
Step 2: Calculate Total Potable Water Supply				
Potable Water Supply		Year 1	Year 2	Year 3
Local Surface Water	City of Sacramento (Hodge)	11,049	1,596	3,560
	PCWA (Middle Fork Proj.)	0	0	0
Imported Water	None	0	0	0
Ground Water	Sustainable Pumping Target (SGA)	35,035	35,035	35,035
	Basin Sustainability Balance (SGA)	4,827	4,827	4,827
	Exchangeable Water Balance (SGA)	1,173	1,173	1,173
Total Potable Water Supply [Local Surface Water]+[Imported Water]+[Groundwater]		52,084	42,631	44,595
Step 3: Calculate Conservation Standard				
Total Potable Water Demand (from Step 1)	35,558	Acre Feet		
Total Potable Water Supply in Year 3 (from Step 2)	44,595	Acre Feet		
Supply Shortfall in Year 3 (negative amount indicates a surplus)	-9,038	Acre Feet		
Conservation Standard with Self-Certification of Supply Reliability [Shortfall in Year 3] ÷ [Total Potable Water Demand]* [-9,037 AF] ÷ [35,558 AF]		-25%		
*There is no shortfall in Year 3, the conservation Standard is 0%.				

Summary

Based on research and the associated data the District has submitted the calculations in Figure 6 to self-certify to the SWRCB that it would not have a supply shortfall in year three if the next three years mirrored the hydrology of the previous three years. The District would therefore have a self-certified conservation standard of 0% and would be able to declare normal water supply conditions lifting any excess water use restrictions beyond those required under Normal Water Supply in the District's Regulation No. 15.

Post-2014 Conservation and Non-potable Supply Development

The District did not include any reductions in demand based on structural conservation or substitution of non-potable supplies for potable supplies after 2014.

Certification of Self-Certified Conservation Standard

Certification of Self-Certified Conservation Standard

Recognizing persistent yet less severe drought conditions throughout California, on May 18, 2016, the State Water Board adopted an emergency water conservation regulation that replaces the February 2 emergency regulation. The May 2016 regulation requires locally developed conservation standards based upon each agency's specific circumstances. It replaces the prior percentage reduction-based water conservation standard with a localized "stress test" approach. Each water supplier is required to evaluate its supply portfolio and self-certify the accuracy of its information; the State Water Board assigns each supplier a mandatory conservation standard equal to the percentage deficiency the supplier identifies in its supply under certain specified assumptions. See this webpage [Water Conservation Portal](#) for more information on the May 2016 emergency regulation. The new conservation standards take effect in June and remain in effect until the end of January 2017.

Requirements:

The regulation requires individual urban water suppliers to conduct a stress test and self-certify the level of available water supplies they have assuming three additional dry years, as well as the level of conservation necessary to assure adequate supply over that time. Suppliers that would face a shortage after a third dry year are required to comply with a conservation standard equal to the amount of that shortage. Water supply reliability after the 2018-19 winter is calculated as follows:

- The supply projection for the next three years is based on **current supply conditions** plus an assumed three-year hydrology mirroring the 2012-13, 2013-14, and 2014-15 water years. (A water year runs from October 1 through September 30).
- No temporary change orders that increase the availability of water to any urban water supplier are issued in the next three years.
- Demand over that same period is based on each supplier's average total potable water production for calendar years 2013 and 2014.
- Suppliers factor into their calculations all of their water sources that are realistically capable of being treated to potable standard during the three-year projected period.
- Supplier's conservation standards are calculated as a percentage and rounded to the nearest whole percentage point.
- Suppliers self-certify accuracy of their conclusions and provide their analysis and supporting data to the State Water Board and at a publicly available website.
- The State Water Board posts information provided by suppliers on its website and assigns each supplier, as a mandatory conservation standard, reductions equal to the supplier's projected percentage deficiency in supply at the end of the third dry year.
- Wholesale water suppliers are required to make projections about how much water they would deliver to retail water suppliers under the three-dry-years scenario. While the wholesale suppliers may aggregate water supply production data for a region, they will need to assign how the water would be apportioned among retailer water suppliers that are its customers (e.g., using the same apportionments as in water years 2013, 2014, and 2015.)
- Additionally, if a wholesaler in a region, along with every one of its urban water supplier customers in that region all agree, in a legally binding document, those suppliers and wholesaler may submit an aggregate stress test and conservation standard. While the conservation standard would be in lieu of an individual conservation standard, the submittal shall include all the supporting documentation required of each retail supplier covered by the aggregated conservation standard for individualized self-certified conservation standards, and responsibility for compliance remains ultimately on the individual water suppliers.

Certification of Self-Certified Conservation Standard

Suppliers that do not submit a water reliability certification and supporting information retain their current conservation standard in almost all cases.

What to submit:

The online form, this certification form, and supporting data and analysis **must be submitted to the State Water Board by June 22, 2016**. Late submittals will not be reviewed. The online form is accessed at this link: <http://drinc.ca.gov/dnn/applications/publicwatersystems/waterreliabilitycertification.aspx>

Complete the online form, which includes a step to upload this signed certification form and supporting data and documents. The submittal includes:

1. **Worksheet:** *Worksheet 1 Total available water supply for individual water supplier or Worksheet 2 Calculation for Aggregated Self-Certification Conservation Standard*
2. **Supporting data and analysis:** Worksheet 1 will have a specific place for listing each type of supply that the supplier intends to use for each of the next three years. Suppliers will also be asked to provide an itemized list of these sources of supply, by type. For example, the form will have a place to record aggregate local surface water. This information must be itemized and show each individual local surface water source. Data can be provided in a separate document, if they do not fit on the online form and worksheet. Supporting documents that explain data and calculations, including assumptions, must be uploaded to the online form and should not exceed 10 pages.
3. **Certification Form:** the next page of this document must be signed and submitted **as part of the** online form submittal. **This form needs to be completed prior to completing and submitting the online form.**

Effective Date:

The State Water Board will review the data and supporting documentation reported by the supplier. The self-certified conservation standard becomes effective on June 1, 2016. (June potable water production reports are due by July 15, 2016 and this allows an effective date to occur prior to the submittal date.)

Certification of Self-Certified Conservation Standard


Certification of Self-Certified Conservation Standard Form

I hereby certify that: **Sacramento Suburban Water District**

1. I will oversee, review, and take full responsibility for the completeness and accuracy of all data submitted to the State Water Resources Control Board as part of the reporting required pursuant to California Code of Regulations, title 23, section 864.5, subdivisions (a)(3) and (h);
2. I have the authority to make the aforesaid certifications on behalf of

Sacramento Suburban Water District

I acknowledge that submitting any information required by California Code of Regulations, title 23, section 864.5, including this certification, that I know or should know to be materially false is a violation punishable by civil liability of up to five hundred dollars (\$500) for each day in which the violation occurs. Every day that the error goes uncorrected constitutes a separate violation. Civil liability for the violation is in addition to, and does not supersede or limit, any other remedies, civil or criminal.

Printed Name	Robert S. Roscoe, P.E.
Title <i>(General Manager or equivalent)</i>	General Manager
Signature	
Date	<i>June 20, 2016</i>
Email Address	rroscoe@sswd.org
Phone Number	(916) 679-3994

Please print, sign and submit completed form and upload the form to this weblink (see Step 5 of the online form): <http://drinc.ca.gov/dnn/applications/publicwatersystems/waterreliabilitycertification.aspx>



Agenda Item: 20

Date: July 11, 2016

Subject: Board Packet Preparation Process And Schedule

Staff Contact: Daniel A. Bills, Finance Director

Discussion:

After discussion at the June 23, 2016, Facility and Operations Committee meeting, staff will continue to produce the Board Packet as it has in the past, with the exception that when the board meeting date falls later in the month, staff will try and deliver the packet a day or two ahead of the normal delivery date which is presently Thursday before the Board meeting.

The District's process for producing materials for the monthly regularly scheduled Board meetings has been in place since 2004. The Brown Act requires information to be available to the public 72 hours prior to the Board meeting, or Friday by 6:30 p.m. prior to a regular third Monday Board meeting. This process produces hardcopy packets for Board review 1 to 2 business days prior to the scheduled Board meeting, easily meeting Brown Act requirements. At the March Board meeting, staff was asked to review the production schedule and recommend alternatives that would allow for director review, in essence, 3 to 4 business days ahead of the Board meeting date.

Current Process

The Board packet review and assembly process starts two weeks prior to the Board meeting date. (Note: The schedules that follow presume Board meetings on the third Monday of a month.) During the first week, staff turns in reports with review performed by the General Manager beginning towards the end of the week and most often occurring over the weekend. Typically the last staff report received for review by the General Manager is the Financial Report. The Financial Report cannot be completed nor analysis provided until all information is received from the billing system, accounts payable, inventory and capital project systems, and bank account and investment data are received from outside entities. This takes a minimum of five business days plus an additional day to reconcile and perform analytical reviews. The Agenda is also prepared during the first week by the General Manager with distribution to the Board President and Legal Counsel occurring on Friday of the first week. Board President and Legal Counsel comments are requested by the following Tuesday.

Beginning the second week, one week prior to the Board meeting, General Manager review comments on individual staff reports are reviewed by the staff who prepared the report with a response and re-review, if necessary, by the General Manager and all other edits made by the Executive Assistant. Once complete, the entire Packet is then copied on Wednesday with Distribution occurring on Thursday. As two directors have requested their Packets be mailed,

Board Packet Preparation Process And Schedule

July 11, 2016

Page 2 of 2

receipt for them does not occur until Friday, one business day prior to the Board meeting. Website posting for public access is generally completed 100 hours before the Board meeting.

The current process typically produces a Packet to Directors in 12 calendar days. See current process timeline and tasks below:

Current Production Process:

Sun	Monday	Tuesday	Wednesday	Thursday	Friday	Sat
	1 Staff Reports Received	2 Staff Reports Received	3 Staff Reports Received/ GM Review	4 Staff Reports Received/ GM Review	5 Staff Reports Received/ GM Review <hr/> Draft Agenda out	6 GM Review
7 GM Review	8 Edits Made	9 Edits Made	10 Board Packet Assembly and Copying	11 Board Packet Assembly and Copying/Post to Website. Overnight mail or hand delivery to Board	12 Directors Review	13 Directors Review
14 Directors Review	15 Board Meeting	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Following discussion at the F&O Meeting on June 23, 2016, staff will attempt to accelerate delivery of the Board packets by 1-2 days, which should be able to be met when the third Monday of the month falls between the 18th to the 21st. This will remain a challenge when the third Monday falls on the 15th or the 16th of the month.



Agenda Item: 21

Date: June 29, 2016

Subject: 4533 Antelope Road Water Main Failure

Staff Contact: Jim Arenz, Operations Manager

On June 21, 2016, at approximately 7:45 a.m., District staff was dispatched to 4533 Antelope Road (see Exhibit 1) responding to concerns of water main failure. Upon arriving staff observed a large volume of water flowing from the roadway. Staff immediately initiated a shutdown of the affected area in order to isolate the leak.

Due to the topography and slope of the roadway, the water flowed from the failure towards the east to an open field just west of the Hastings Park Apartment Complex. The water traveled north from this point abutting several apartment buildings then onto the driveway surface of the apartment complex and exited through the storm drain system. Eight (8) apartment units were inundated with water which will result in claims against the District (see Exhibit 2).

Once the location of the leak was positively identified, staff was able to isolate the failed section of water main by shutting down several valves. The portion of main isolated by the shutdown only impacted one District customer, the Antelope Christian Center. The water main that failed was a section of 12" C-900 PVC pipe. The amount of water that was discharged from this section of water main is estimated at approximately 353,500 gallons over a 45 minute period. The leak was identified by staff via increased well activity on the District's Supervisory Control and Data Acquisition (SCADA) system almost immediately after the failure occurred allowing staff to respond very quickly.

Due to the size and severity of the damage to the roadway caused by the water main leak, the District outsourced the work necessary to repair the water main and roadway (see Exhibit 3). The contractor's staff worked the entire day to repair the water main and secure the roadway to a temporary state for traffic flow. The repair to the water main was accomplished by replacing approximately thirty (30) feet of C-900 with Ductile Iron pipe (see Exhibit 4).

The estimated total cost incurred for the repair of the water main and roadway is \$103,400. Below is a breakdown of those costs:

- \$33,200 = Repair/replacement of water main and all incidentals, removal of initial asphalt, and clean-up of surrounding area.

- \$70,200 = Removal/replacement of unstable AB material, temporary and permanent asphalt, and paint.

The above mentioned costs do not include billing for the Sacramento County Encroachment Inspectors. This invoice will be received at a later date. Costs also do not reflect any claims which are expected to be received.

Strategic Plan Alignment:

Facilities and Operation – 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.

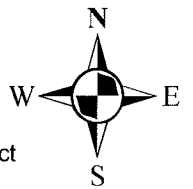
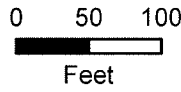
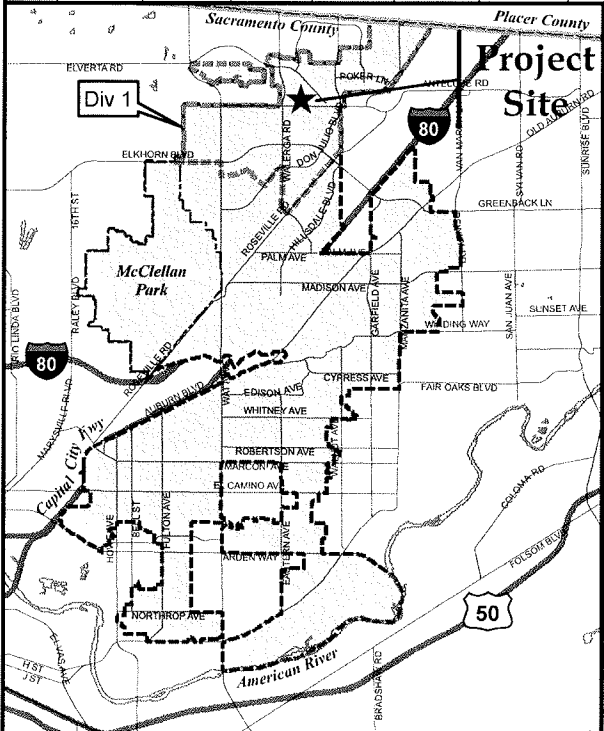
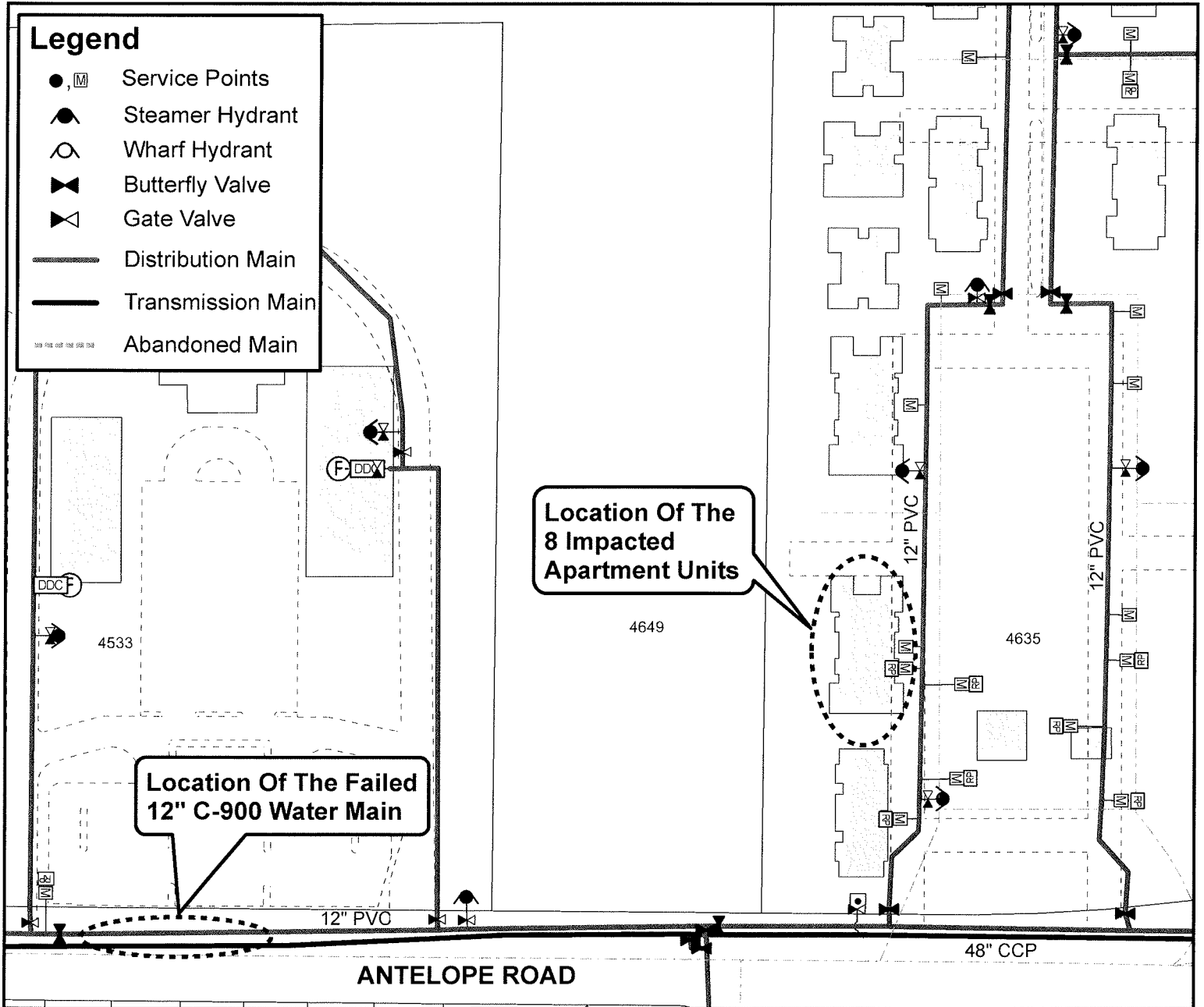
Facilities and Operations – 2.D. Implement protective, preventive and predictive maintenance programs on all District assets to extend their life and reduce service interruptions.

Finance – 4.A. Monitor District operations to ensure cost effective and competitive performance.

Staff responded extremely quickly to this water main failure thus reducing the total amount of water lost and minimizing the damage to the roadway and other personal property. Staff utilized efficient means of repairing the water mains and restored water service to the District customers in a timely manner.

Legend

- , M Service Points
- ⦿ Steamer Hydrant
- ⦿ Wharf Hydrant
- ✂ Butterfly Valve
- ✂ Gate Valve
- Distribution Main
- Transmission Main
- - - Abandoned Main



Portion of Sacramento Suburban Water District

EXHIBIT 1

**4533 Antelope Road
Water Main Leak**

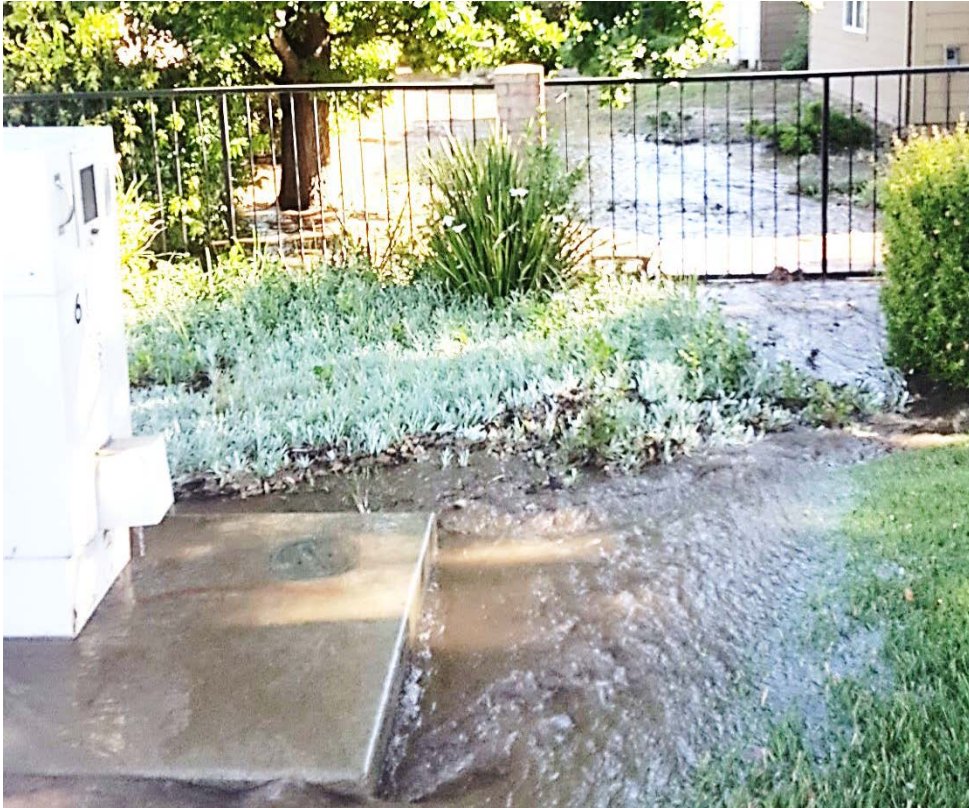
(Voting Division 1)



Base Data: Sacramento County Gis Base Map
 Projection: CA State Plane 2, NAD83
 Scale: As Shown
 Prepared by: DAV SSWD
 Sacramento, CA, June, 2016
 Antelope_4533.mxd

Exhibit 2

4533 Antelope Road Water Main Failure



These photos illustrate the volume of water produced during the leak and the path the water traveled alongside the Hastings Park Apartment Buildings.

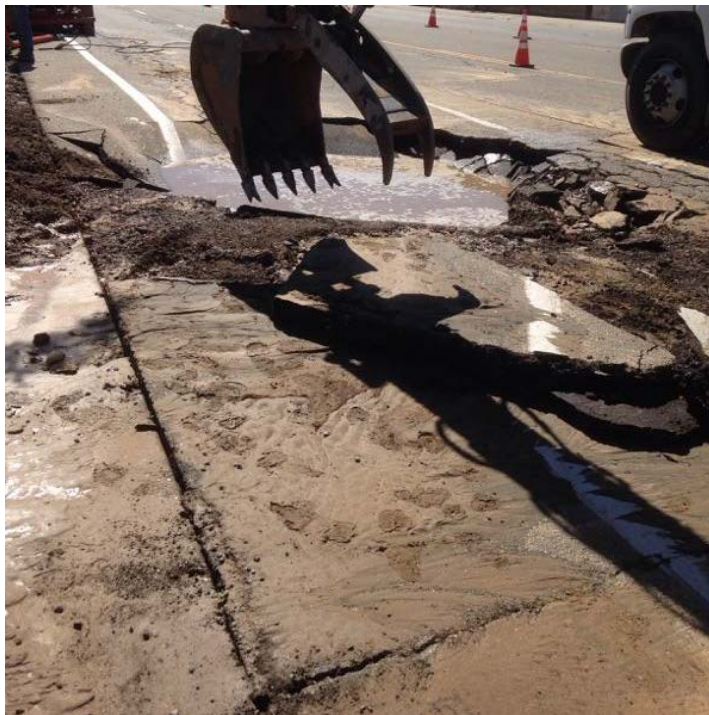
Exhibit 2



These photos emphasize the volume of water that inundated the apartment complex.

Exhibit 3

4533 Antelope Road Water Main Failure



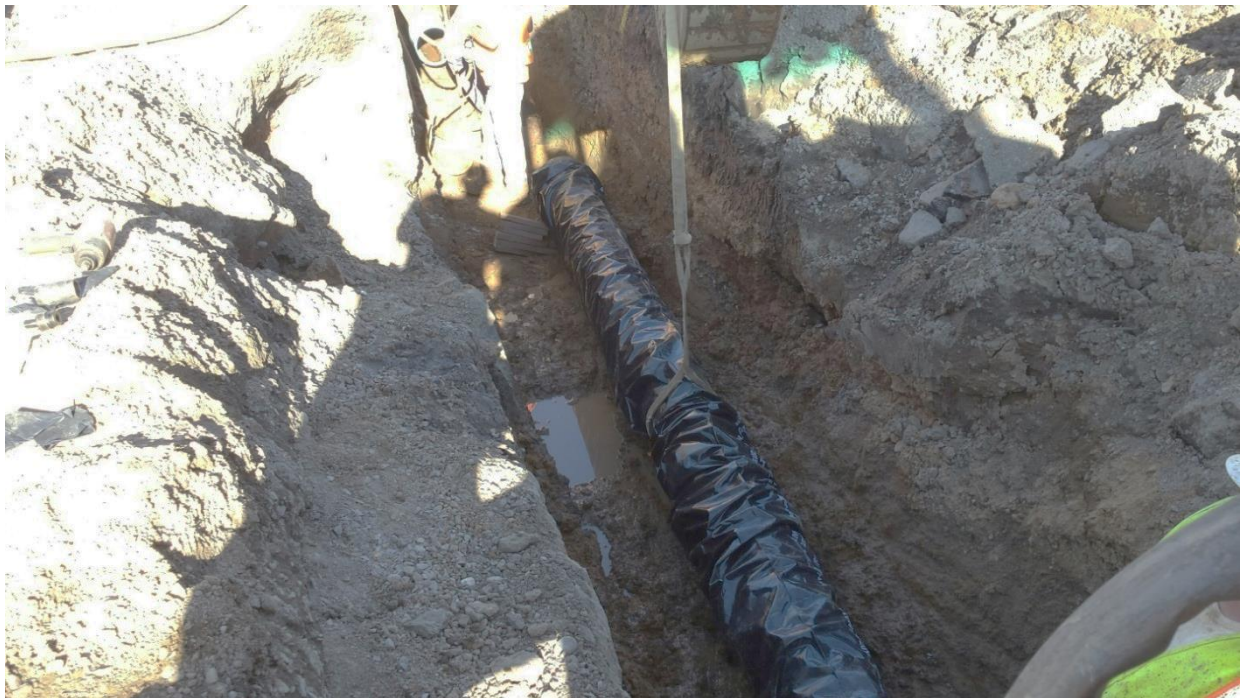
These photos illustrate the condition of the roadway at the failure point of the 12" C-900 water main. In addition to this area, approximately 175 linear feet east and west of this location also had to be repaved.

Exhibit 4

4533 Antelope Road Water Main Failure



This photo illustrates that the failure point appears to emanate from a belled end of the C-900 piping which has been a consistent finding with a majority of the C-900 pipe failures.



This photo illustrates the wrapped Ductile Iron Pipe water main being installed to replace the failed section of C-900 water main.



Agenda Item: 22

Date: July 8, 2016

Subject: Sacramento Regional County Sanitation District Notice of Violation

Staff Contact: Jim Arenz, Operations Manager

The District received a Notice of Violation (NOV) from Sacramento Regional County Sanitation District (SRCSD), dated June 22, 2016 (see Exhibit 1). SRCSD issued the NOV to Sacramento Suburban Water District (District) for a March 10, 2016, sanitary sewer discharge that violated a provision of SRCSD's Consolidated Ordinance.

The discharge occurred at the District's Copenhagen/Arden Well #47 (Well #47) which is the only District well with a pump-to-waste discharging to the sanitary sewer system rather than the storm drain system, a provision put in place in 1997 as there was no nearby access to the County's storm drain system. Along with the NOV was an invoice in the amount of \$2,029.59 (see Exhibit 2), of which \$286.74 was allocated for administrative costs relating to the NOV and \$1,742.85 was for labor and equipment utilized by the Sacramento Area Sewer District for spill response to the sanitary sewer overflow.

As noted above, in 1997 after the completion of site modifications to allow discharge to sanitary sewer, normal operational parameters were put in place to accommodate both manual and automated start-up discharges of raw water to the sanitary sewer. A review of the March 10, 2016 incident by District staff determined that the excessive discharge was the result of a District Production Operator manually cycling Well #47. Prior to the subject discharge event, Well #47 had been off-line for an extended period of time. As a result of this inactivity Well #47 was cycled in an effort to more thoroughly flush the well casing prior to collecting water quality samples. Although the operator was aware of the site's discharge limitations and was inspecting the discharge vault between cycles to ensure it had fully emptied, the well was cycled more frequently than would have occurred under normal operating conditions. This increased frequency resulted in the overflow of a sewer lateral several hundred feet downstream of Well #47.

On June 30, 2016 the District sent a response letter to SRCSD regarding the subject incident (see Exhibit 3). The letter outlines several short-term mechanical and operational changes that staff has already started to implement at the Well #47 facility to limit discharge rates until a more permanent resolution is determined.



REGIONALSAN

TAKING THE WASTE OUT OF WATER

Sacramento Regional County Sanitation District

Main Office

10060 Goethe Road
Sacramento, CA 95827-3553
Tel: 916.876.6000
Fax: 916.876.6160

Treatment Plant

8521 Laguna Station Road
Elk Grove, CA 95758-9550
Tel: 916.875.9000
Fax: 916.875.9068

Board of Directors

Representing:

- County of Sacramento
- County of Yolo
- City of Citrus Heights
- City of Elk Grove
- City of Folsom
- City of Rancho Cordova
- City of Sacramento
- City of West Sacramento

Prabhakar Somavarapu
District Engineer

Ruben Robles
Director of Operations

Christoph Dobson
Director of Policy & Planning

Karen Stoyanowski
Director of Internal Services

Joseph Maestretti
Chief Financial Officer

Claudia Goss
Public Affairs Manager

www.regionalsan.com

June 22, 2016

Jim Arenz
Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821

SUBJECT: NOTICE OF VIOLATION

Drinking Water Well #47 (Copenhagen/Arden) located within 1631 Copenhagen Way

The Sacramento Regional County Sanitation District (Regional San) has identified a violation of Regional San Consolidated Ordinance. The violation occurred on March 10, 2016.

The maximum allowable discharge rate of 80 gallons per minute included in the Capacity Memo issued by Sacramento Area Sewer District (SASD) and emailed to Dan York on August 2, 2002, was exceeded during an extended well flushing activity and the exceedance resulted in Sanitary Sewer Overflow of the lateral sewer line.

Under the conditions of the SASD Capacity Memo and Regional San Consolidated Ordinance, Sacramento Suburban Water District is required to comply with the permitted discharge rate and is prohibited from surcharging the sewer system.

SASD CAPACITY MEMO:

"(...)a maximum discharge rate of 80 gpm can be allowed".

CONSOLIDATED ORDINANCE SECTION:

Sections: 2.5.3 (10) and 2.6.5 (2)

After the event, SASD re-evaluated the discharge rate limit to see if a higher discharge rate can be allowed. Regional San will issue a Temporary Discharge Permit with updated discharge rate limits of 300 gallons per minute for 3 minutes followed by a 100 gallons per minute rate for the remaining volume of the flush batch. Wet weather restriction and appropriate break periods between batches from multiple flushes will be required in the permit.

ACTION TO BE TAKEN:

1. Upon receipt of this notice, contact Sabina Rynas at the Wastewater Source Control Section (WSCS), at (916) 876-6522 or rynass@sacsewer.com within three working days to acknowledge delivery.
2. Review your discharge procedures to determine the reason for the recent violation and implement immediate corrective measures.

3. By July 1, 2016, submit a written explanation, plan, and time schedule for achieving consistent compliance with the updated discharge rate limits during a regular flush with one flushing cycle and an extended flush with two or more cycles.

Administrative fees will be assessed for Regional San and SASD staff time directly related to the processing and resolution of this violation.

Failure to complete all actions within the time specified could result in escalation of enforcement, assessment of monetary penalties, revocation of your permit, termination of Regional San services, and/or civil legal action.

Respectfully,



Linda Stevens
Environmental Program Manager
Wastewater Source Control Section

INVOICE



Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821
Attn: Jim Arenz

Notice of Violation fee and SASD charges

INVOICE # 16-552
DATE 6/22/2016

Line Item	Qty	Description of Services	Unit Price	Extended Price
1	3.0	Regional San: Notice of Violation non-compliance administrative time	\$ 95.58	\$ 286.74
2	1.0	SASD: Non-compliance costs for work done in response to SSO (equipment and labor)	\$ 1,742.85	\$ 1,742.85
3				-
4				-
5				-
6				-
7				-
8				-
9				-
10				-
11				-
12				-
13				-
14				-
15				-
16				-
17				-
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19				-
20				-
21				-
22				-
23				-
24				-
25				-
26				-
27				-
28				-
29				-
30				-
Invoice Total				\$ 2,029.59

Make all checks payable to Sacramento Regional County Sanitation District (or Regional San) and remit to:
ATTN: Accounts Receivable
10060 Goethe Road
Sacramento, CA 95827

If paying by Journal Voucher use:
Fund 261A
Fund Center 3028440
GL Account 1100000

Payment is due and payable upon receipt.
If you have any questions concerning this invoice, please call (916) 876-6522

General Manager

Robert S. Roscoe, P. E.



Board of Directors

President - Kevin M. Thomas
Vice President - Robert P. Wichert
Frederick A. Gayle
Craig M. Locke
Neil W. Schild

June 30, 2016

Ms. Linda Stevens
Environmental Program Manager
Sacramento Regional County Sanitation District
10060 Goethe Road
Sacramento, CA 95827-3553

**SUBJECT: RESPONSE TO THE JUNE 22, 2016, NOTICE OF VIOLATION,
COPENHAGEN/ ARDEN WELL #47, 1631 COPENHAGEN WAY**

Dear Ms. Stevens,

This letter summarizes the information requested in the Sacramento Regional County Sanitation District's (SRCSD) notice of violation (NOV) dated, June 22, 2016. SRCSD issued the NOV to Sacramento Suburban Water District (District) for a March 10, 2016, sanitary sewer discharge that violated a provision of SRCSD's Consolidated Ordinance. The discharge occurred at the District's Copenhagen/Arden Well #47 (Well #47), located at 1631 Copenhagen Way, Sacramento. The District appreciates SRCSD's responsiveness and overall efforts toward ensuring discharges to the sanitary sewer are in accordance with regulatory requirements.

The District has reviewed the March 10, 2016 incident and determined that the excessive discharge was the result of a District Production Operator manually cycling Well #47 more frequently than would have occurred under normal operating conditions. Prior to the subject discharge event, Well #47 had been off-line for an extended period of time. As a result of this inactivity Well #47 was cycled in an effort to more thoroughly flush the well casing prior to collecting water quality samples. Normal operational parameters for Well #47 were put in place in late 1997 upon completion of site modifications made to accommodate manual and automated start-up discharges of raw water to the sanitary sewer. The District has since taken steps to ensure that all production staff are aware of the existing operational parameters as well as the additional measures discussed in this letter that are designed to restrict Well #47's operation and limit discharge rates to those specified in the NOV.

The NOV establishes the following discharge rate limits: 300 gallons per minute (gpm) for three minutes, followed by a 100 gpm limit thereafter. It also cites a wet weather restriction. In order to meet those requirements, the District intends to implement

several short-term mechanical and operational changes at the Well #47 facility until a more permanent resolution is determined. Routine manual and automated start-up discharges at Well #47 were designed to prevent local hydraulic hammering in the system as well as provide an initial flush of the well to maintain optimal water quality.

The primary mechanical change involves reducing the existing 6-inch-diameter discharge point in the 8 foot x 8 foot x 6 foot vault down to 2 inches, before it enters the 6-inch sewer lateral. The District believes this change will keep instantaneous and extended discharge rates below their respective limits. Operational changes discussed below are designed to facilitate compliance with the discharge rate limits, prevent the vault from overflowing, and minimize hydraulic hammering in the system. The pilot controls (needle valves) on the hydraulic control valve will be adjusted to limit the duration of discharge for this 1,200 gpm well to roughly two minutes after which, discharge to the vault will cease and all water being pumped will flow into the system. In addition, to minimize the frequency of start-ups, Well #47 will be set as a lead well during the period of peak demand. As seasonal demand begins to decrease, the District intends to set Well #47 as a lag source that will be used occasionally to maintain system pressure. The seasonal operational parameters will facilitate the District's ability to restrict use of the source during periods of wet weather.

The District intends to have the above mechanical and operational changes at Well #47 completed and implemented within two months. If you have any questions or concerns in relation to the information provided in this letter, please contact me by phone at (916) 679-2880, or by email at jarenz@sswd.org.

Thank you,

A handwritten signature in black ink, appearing to read "James Arenz", with a stylized flourish at the end.

James Arenz
Operations Manager
Sacramento Suburban Water District



Agenda Item: 23

Date: July 11, 2016

Subject: General Managers Report

Staff Contact: Robert S. Roscoe, General Manager

a. McClellan Business Park Improvement Issues Update

On September 7, 1999, Northridge Water District (NWD) executed the Operations Agreement (Agreement) between Sacramento County (County) and NWD for the Conveyance of the McClellan Water Distribution System for ownership, operation, and maintenance of the potable water system. Included in the Agreement was a Capital Improvement Plan (CIP) consisting of ten items that were included in the proposal. In Section 2 of the Agreement, NWD was required to provide “upgrades” to the existing potable water system to bring it up to current standards. The “upgrades” are itemized in the Agreement for a total estimated cost of \$5,062,000. There are three items from the CIP list that have yet to be 100% completed.

Staff has been directed to bring before the F&O Committee a report on the current status of the Agreement including current discussions regarding the system improvement requirements. The report is currently on the agenda for the July 22, 2016 F&O Committee meeting.

b. Long Term Warren Act Contract Update

Staff and ECORP met with Bureau of Reclamation (Reclamation) staff and Central Valley Operations (CVO) staff on June 23, 2016 to review the modeling results. Reclamation staff has provided ECORP comments of their review of the outline of the administrative draft of the Environmental Assessment (EA) and Biological Assessment. ECORP will finalize the draft project description and submit it to CVO staff. In addition, ECORP will provide CVO staff with the draft temperature modeling results. CVO staff has verbally committed to review and comment on the draft temperature modeling results in early August 2016.

c. Northridge Area D Water Supply - 9,000 AF

As previously reported, the City has agreed to work with the District to renegotiate the existing 2004 Wholesale Water Agreement (Agreement) to include the former Northridge Area D surface water supply. However, the City is currently negotiating with the environmental caucus on wholesaling water off the Sacramento River. The City has suggested that additional discussions be postponed until the negotiations are completed.

If the outcome is positive, it is expected the City will be required to revise the Agreement with SSWD, and those revisions could include discussion of the original NWD Area D allocation.

d. City of Sacramento Surface Water

As previously reported in June 2016, the City is currently negotiating with the environmental caucus on wholesaling water off the Sacramento River. The final outcome may bring forth opportunities to have the Agreement be made more comprehensive regarding water marketing and exchange agreements. City staff met with the environmental caucus on May 31, 2016 and upon conclusion of that meeting, an informal agreement was made to allow the City to conduct a pilot test on how the reporting mechanism for water being utilized from the Sacramento and Fairbairn treatment plants. District and City staff began initial discussions on the pilot test and also the current Wholesale Water Rate Calculation, (currently is \$428 per af) to determine if there is another cost methodology that can be utilized. The City has agreed to temporarily reduce the Wholesale Water Rate in order to conduct the pilot test. The temporary Wholesale Water Rate is \$280 per af. This may be the initial phase of the District's attempts to have the City permanently reduce their Wholesale Water Rate that would enable the use of the District's contract water rights in a manner that is a cost benefit to its customers. The pilot test would consist of the City delivering approximately 730 af of surface water into the District's South Service Area. Currently the City owes the District 435 af of surface water. The District would take delivery of 435 af of water owed prior to purchasing the remaining water. The remaining water to be purchased would cost the District roughly \$82,600.

e. Water Transfer – Bureau of Reclamation

The District continues to work on a potential Groundwater Substitution water transfer with the Bureau of Reclamation (Reclamation). Under the proposed action, the District would transfer up to 10,000 AF of its 2016 Placer County Water Agency (PCWA) contract water entitlement to Reclamation. Based on projected 2016 customer demands, the District anticipates that it can transfer approximately 8,000 AF of its available PCWA supply to Reclamation during July 15, 2016 to September 30, 2016, which is the potential Transfer Period. All Middle Fork Project water delivered by PCWA for transfer by the District under the Proposed Action shall be 'exchanged' by the District's pumping of groundwater from the North American Groundwater Basin to meet its consumptive demands in lieu of taking PCWA water. If the water transfer is implemented, the District will receive \$300 per af from Reclamation. The District would pay PCWA \$60 per af of transferred water. Staff estimates that the District could net approximately \$1,900,000, depending on the amount of transferred water. If the transfer is not approved and initiated until later in the summer, less water would be transferred and District net receipts would be concomitantly reduced.

f. 2016 Compensation Study Update

A Request for Proposals for 2016 Compensation Study (RFP) was released on June 10, 2016, and sent to seven consulting firms in Sacramento, Davis and the greater Bay Area. The last study was done in 2013. The study will focus on total compensation with surveyed agencies in the local area that are the most comparable and competitive. Additional agencies will be surveyed for management classes.

Proposals were due by July 6, 2016. The only consultant who submitted a proposal was Shellie Anderson, Principal of Bryce Consulting, Inc. Three consulting firms declined to propose, two replied they do not perform compensation studies, and one was returned to sender. One other local firm was contacted but indicated they did not have an expertise in public sector compensation work. Ms. Anderson is very familiar with the District organizational structure and survey requirements as a result of conducting prior studies. She knows the local labor market very well, has developed contacts with local agencies that will be included in the study, and has gained an even greater knowledge of local and state water agencies through her human resources contract work for ACWA.

Ms. Anderson's proposal provided a scope of work that included all project elements outlined in the RFP for a projected cost of \$11,040 for professional services and \$500 for direct project related expenses (e.g., travel, telephone, printing and binding). This represents an increase of just \$90 over the cost of the 2013 study she conducted for the District. Human Resources budgeted \$15,000 for this study. It was noted the second-ranked proposal submitted by another firm for the 2013 study was \$4,540 higher than Bryce Consulting, Inc., for a similar scope of work, so it is highly likely the same firm, if it had not declined to propose, would have been similarly higher. It was further noted the other local consulting firm that declined to propose did not submit a proposal for the 2013 study because they did not believe they would be cost competitive.

The draft study will be presented to the Facilities & Operations Committee prior to presentation to the full Board on September 19, 2016. Ms. Anderson will attend the Committee and Board meetings to provide an overview of the study process and recommendations and answer any questions Committee and Board members may have prior to staff requesting the Board's acceptance of the study.

A copy of the proposal received from Ms. Anderson will be provided to any interested Board members upon request.

g. Forensic Analysis and Testing of Pipe Update

Historically, the District has conducted testing of existing water mains to plan for replacements or when failures occurred in a manner that provoked additional questions. Recent efforts have focused on asbestos cement (AC) water mains. However, following the PVC main break which occurred in February 2016 on Madison Avenue, Director

Wichert suggested that the district should conduct forensic analysis on failed water mains. In this case, the water main that failed was a 6 foot long section of 12-inch C-900 PVC pipe. The amount of water discharged was estimated at 550,000 gallons over a 60 minute period. The repair to the water main was accomplished by replacing the entire length of failed C-900 water main as well as an existing 12-inch mainline valve and a 2-inch water service line that was also in the affected area. The total cost for the repair of the water main and the parking lot was approximately \$70,000.

Anamet, Inc. of Hayward, CA confirmed that they can perform the necessary forensic analysis and testing. Anamet provided the District a detailed scope of work and cost estimate for the recommended analysis and testing. It is estimated that the cost of this analysis will be less than \$5,000. The subject pipe and another recent coupon of failed pipe have been shipped to them for analysis. We are awaiting results.

h. Water System Master Plan Update

Progress continues to be made by the District's consultant, Brown and Caldwell (B&C), on the completion of the Water Master Plan Update. Using new water demands reflecting less water use affects future needs in resources and assets and those results cascade throughout the report. Establishing a stronger transmission network in Northern Service Area and increasing the reinvestment to rehabilitate and renovate facilities is an emerging driving factor. Improving interties with neighboring agencies to reinforce regional reliability has also become a significant planning criterion.

i. Joint Defense Agreement Update

Over the past 14 months, the seven agencies¹ that make up the American River joint defense group (JDA) have collaborated closely to complete a new operating plan for the American River in preparation for several upcoming regulatory proceedings at the California State Water Resources Control Board. The first of these proceedings, the California WaterFix petition to change the water rights of the state and federal water projects, is scheduled to proceed in the next several months and will be done in two phases. The second proceeding, the update of the Bay Delta Water Quality Control Plan, may proceed later this year. For both proceedings, the JDA has determined that the Modified Flow Management Standard (MFMS), a package of modified minimum instream flow requirements and carryover storage targets for Folsom Reservoir, is required to protect the co-equal goals of American River stakeholders: protection of the lower American River ecosystem and the long-term water supply reliability of the Sacramento region.

The JDA group has expended approximately \$350,000 in the past 14 months to define and test the details of the MFMS through extensive hydrologic and water temperature

¹ The seven agencies are: The Cities of Folsom, Roseville and Sacramento; Sacramento County Water Agency; Placer County Water Agency; San Juan Water District; and Sacramento Suburban Water District.

modeling efforts. This work has been directed in cooperation with the Water Forum staff, and has been carried out by a local consulting team that is familiar with the issues facing the lower American river. The results of the effort have been tangible. The MFMS operating plan has been refined to be protective of the region's goals while also protecting the Sacramento river and the Bay Delta. The MFMS achieves this primarily by guaranteeing an end-of-year carryover storage target at Folsom Reservoir of 300,000 AF in 95% of years, lowering to 230,000 AF in the most critical of droughts. This is a significant improvement over the current paradigm, and particularly important given the Governor's plan to facilitate the export of water from northern California using two tunnels under the Delta.

While the initial funding contribution of \$50,000 per agency has funded the technical effort necessary to bring the MFMS to a level of refinement which is useful in protecting the region's interests in the upcoming WaterFix hearing, the funding of the preparation of the necessary testimony and participation in the hearing itself by the JDA is not currently funded. The proposal at hand is that each participating agency would continue to fund its own legal and staff team's participation in the collaborative effort, and participating agency's would contribute an additional \$100,000 to the group's effort to fund preparation of the technical experts' testimony in Phases 1 and 2 of the WaterFix proceeding, as well as anticipated work for the State Board's Bay Delta Water Quality Control Plan proceeding. As per the existing JDA, funds would only be collected from participating agencies to fulfill invoices, and a complete breakdown of costs and charges will be available from PCWA, who will continue to hold the contracts with the relevant technical contractors.

j. Review of 2017 Medical Plans, Rates and Renewal

District staff has reviewed and compared the 2017 medical plans and rates for the CalPERS and ACWA/JPIA medical programs. SDRMA rates were not reviewed this year since they have been consistently higher than the CalPERS and ACWA/JPIA rates (+\$332,000 for active employees in 2016) and they do not offer a Kaiser HMO plan, which is currently the most highly utilized plan (60%) by District employees and retirees.

ACWA/JPIA reported there will be a 12% rate increase for their 2017 HMO and PPO plans and a 5.96% rate increase for their 2017 Kaiser North HMO plan. Comparatively, CalPERS reported their 2017 medical plan rates will include a 4.14% average increase for HMO plans, a 3.76% increase for PPO plans, and a 1.63% average reduction for Medicare plans. The 2017 CalPERS Kaiser HMO plan will have a premium reduction of 0.65%. Estimates based on current District demographics and comparable health plan enrollments show an additional annual cost of over \$9,500² for the active employee group

² Based on 100% participation compared with estimated savings for participants currently in the District's Health Insurance Coverage Program (HICP); does not include 4% discount for Anthem Blue Cross enrollments (Kaiser enrollments not eligible); 25% maximum opt-out is 15 employees (District currently has 12 HICP participants).

under the ACWA/JPIA medical program. Administrative support for 1) retiree Open Enrollment, 2) mandatory Medicare A&B enrollment at age 65, and 3) COBRA enrollment and billing is provided by CalPERS as part of the quoted plan rates but is not provided by ACWA/JPIA. An additional annual cost of \$6,000 is estimated for a third-party administrator to provide these services to the District (cost estimate includes annual administrative fees, Open Enrollment costs, COBRA costs and monthly participant costs).

ACWA/JPIA's program includes three HMO insurance carriers and five plans for active employees while the CalPERS program includes five HMO carriers and six plans. ACWA/JPIA offers two PPO plans compared with three offered by CalPERS.

It is important to remember that when an agency leaves the CalPERS health insurance program, it cannot return for five years. Plans that are currently in the CalPERS medical program (e.g., Kaiser, United Healthcare, Blue Shield of California) will not provide a quote for separate group coverage until a Board Resolution is provided that confirms the agency's intent to leave the CalPERS program.

Based on all of the above, the District will remain in the CalPERS medical program for 2017 and new resolutions will be prepared for the Board's review and approval at the August Board meeting to set the 2017 "cap" plan and the amount to be paid by the District based on the higher of the lowest-cost CalPERS HMO and PPO plans.



Agenda Item: 24

Date: July 7, 2016

Subject: Legislative and Regulatory Update

Staff Contact: Dan York, Assistant General Manager

RWA Government Affairs Committee

The RWA Lobbyist Subscription Program Committee members continue to monitor the Legislative Hot List, as well as other relevant legislation, to determine what priority to give them and what position should be taken. The Hot List includes bills to be determined to be of High or Medium priority using the decision matrix included in the Legislative Platform and/or input from the Lobbyist Subscription Program Committee. The bills are comprised of 29 Hot Bills, 12 High Priority Bills and 15 Medium Priority Bills, attached to this report as Exhibits 1-3. Please note the highlighted bills on the Hot List are "Dead". There will be other "Dead" bills, such as SB 1317 (Wolk's groundwater bill), which is anticipated to be gutted and amended.

State

On July 1, 2016, the California Department of Water Resources (DWR) released a draft of its approved changes to California's groundwater basin boundaries, which reflect basin boundary modification requests and public comments made earlier this year. The release of the draft of approved changes is a key step in implementing the Sustainable Groundwater Management Act (SGMA) of 2014. Public meetings are scheduled July 12-15, 2016 to allow the public to comment on the proposed changes. A public meeting will be held July 15, 2016, in West Sacramento.

SGMA initially established the basin boundaries as defined in Bulletin 118, a report on California groundwater resources that is periodically updated by DWR. Under SGMA, local agencies can request that DWR modify these boundaries to improve coordination and promote statewide sustainable groundwater management. After the July 2016 public meetings, the public comments will be summarized and presented to the California Water Commission, which will hear the modifications and provide the public an opportunity to comment. Following consideration and potential incorporation of comments heard, DWR will publish the final basin boundary modifications. In accordance with SGMA, these new basin definitions will be evaluated under the basin prioritization process and documented in the interim update of Bulletin 118, expected later in 2016.

The State Water Resources Control Board (SWRCB) held a public hearing on June 22, 2016 to receive public comment related to its draft Drinking Water Program fee regulations for Fiscal Year 2016-'17. While the SWRCB did not take action on the draft fee regulations, it could consider adoption of any final draft fee regulations at its September 20, 2016 meeting.

During the workshop, ACWA staff expressed concerns that the draft regulations could increase annual public water system operating fees by more than 1,000% for some drinking water systems while reducing fees for others. The SWRCB was asked to consider an alternative proposal developed by an ACWA Work Group and other stakeholders, called the "Water Community Option." The option would allow the SWRCB to recover the same amount in total fees as the draft fee regulations, while more fairly allocating the necessary fee increases. At the public hearing, SWRCB staff indicated their intent was to have the final fee regulations in place by January 1, 2017. The District submitted a comment letter on June 22, 2016, attached as Exhibit 4.

State Bills of Interest (2015 two year bills)

Key Bills	Topic	Recommended Position
a. AB 453 (Bigelow)	GW Management	Support
b. AB 1362 (Gordon)	Mosquito Abatement: apt of members	Support
c. AB 1555 (Gomez)	Greenhouse Gas Reduction Fund	Support
d. AB 1716 (McCarty)	Lower American River Conservancy	Support
e. AB 2022 (Gordon)	Advanced Purified Demonstration Water	Support
f. SB 163 (Hertzberg)	Recycled Water Mandate	Oppose
g. SB 814 (Hill)	Excessive Water Use During Drought Emergency	Oppose
h. SB 1317 (Wolk)	Permits For Ground Water Extraction	Dead
i. SB 1340 (Wolk)	Water Conservation In Landscaping	Watch
j. ACA 8 (Bloom)	Local Government Financing	Support

Federal

The U. S. Department of the Interior in June 2016 announced more than \$30 million in funding through the Bureau of Reclamation's Title XVI program for seven projects that will provide clean water to California communities and promote water and energy efficiency. The investments will hopefully build resilience for local communities struggling with limited water supplies, an effort that is more important than ever as the dangers of drought escalate in the face of climate change. The selected projects are: City of Corona Water Recycling and Reuse Project, San Diego Area Water Reclamation Program, Eastern Municipal Water District Recycled Water System, Lower Chino Dairy Area Desalination and Reclamation Project, San Diego Area Water Reclamation Program, Sonoma County Water Agency and San Diego Area Water Reclamation Program.

Federal Bills of Interest (113th Congress)

- a. **HR 5781 California Emergency Drought Relief Act of 2014** - This bill was recently introduced in the House of Representatives following failure of a Senate compromise bill, pushed by Senator Feinstein, to gain sufficient support. Several Republican Congressmen Valadao, Nunes, McCarthy, McClintock, Calvert, and La Malfa were joined by central valley Democrat Costa in sponsoring the bill. HR 5781 passed the House but is not expected to pass the Senate this term. Adding bill language to a must-pass omnibus spending bill is being considered.
- b. **HR 1837 - San Joaquin Valley Water Reliability Act (Nunes)** -To address certain water-related concerns on the San Joaquin River, and for other purposes.
- c. **HR 4345 - Domestic Fuels Protection Act of 2012 (Shimkus)** - A bill to provide liability protection for claims on the design, manufacture, sale, offer for sale, introduction into commerce, or use of certain fuels and fuel additives, and for other purposes.
- d. **HR 6484 - SAFE Levee Act (Garamendi)** - To amend the Calfed Bay-Delta Authorization Act to authorize the secretary of the Interior to provide assistance to non-Federal interests for levee stability improvements located within the Sacramento- San Joaquin Delta related to Bureau of Reclamation Central Valley Project water deliveries, and for other purposes.
- e. **S 1140 – Federal Water Quality Protection Act (Barrasso)** - This bill requires the Department of the Army and the Environmental Protection Agency, in the interest of protecting traditional navigable waters from water pollution, to adhere to certain principles and take specified actions in proposing any regulation revising the definitions of "waters of the United States" and "navigable waters."

Regional Water Authority – Legislative Hot List – 2016 (June 20 Version)

RWA's Legislative Hot List provides the summary and status of significant legislation followed by RWA's Advocacy Program. The Hot List includes bills determined to be of High or Medium priority using the decision matrix included in the Legislative Platform and/or input from the Lobbyist Subscription Program Committee. For more information on a specific bill, please contact Soyla Fernandez, Hector Fernandez or Dave Brent.

RWA – Hot Bill Legislation (New Bills)	Position	Status
<p><i>AB 1555 (Gomez D) Greenhouse Gas Reduction Fund.</i></p> <p>RWA Interest: This bill would potentially benefit RWA's efforts to provide State funding for turf replacement and other water efficiency tools.</p> <p>This bill would state the intent of the Legislature to enact future legislation to appropriate \$800 million from the GGRF for the 2016/17 fiscal year, for among other things, \$100 million to DWR for turf and toilet replacement programs and \$10 million for an energy efficient groundwater pump replacement program.</p>	SUPPORT	<p>Introduced: 1/4/16</p> <p>Dead</p>
<p><i>AB 1585 (Alejo D) Monterey County Water Resources Agency: Lake Nacimiento and Lake San Antonio</i></p> <p>RWA Interest: For consideration, does RWA want to take positions on earmark funding issues? The funding source-, the General Fund, is appropriate.</p> <p>Amended on 5/31 to reduce allocation to \$10 million, identify the source as the General Fund, and specify that the funding go to the DWR to grant to the MCWR Agency for the purpose of constructing a water conveyance tunnel between Lake Nacimiento and Lake San Antonio to reduce flooding, maximize runoff capture and reduce saltwater intrusion.</p> <p>ACWA Watch</p>	Watch	<p>Introduced: 1/6/16</p> <p>Amended on 5/31</p> <p>Moved to Senate on 6/6</p> <p>To Com. on RLS for assignment</p>
<p><i>AB 1587 (Mathis R) Groundwater: subsidence abatement.</i></p> <p>RWA Interest: Two things, first is the "earmark" issue and second is the proposal to streamline groundwater recharge during droughts and floods. (As of 4/14, the bill has been amended to remove the streamlining provision)</p> <p>This bill contains two provisions of interest. The first issue is a provision that would appropriate \$50M of the \$100M authorized in Prop 1 for groundwater resource planning for those projects that would create groundwater recharge basins in areas of fallow farmland.</p> <p>ACWA Not Favor because the \$50M appropriation is an amendment to Prop. 1.</p>	Watch	<p>Introduced: 1/6/16</p> <p>Dead</p>

RWA – Hot Bill Legislation (New Bills)	Position	Status
<p><u>AB 1588 (Mathis R)</u> Water and Wastewater Loan and Grant Program.</p> <p>RWA Interest: This bill offers an alternative source of funding (i.e., the General Fund) for low income assistance programs. Consistent with our “Public Goods Policy”.</p> <p>This bill would require the State Board to establish a program to provide low-interest loans and grants to eligible, low income homeowners for specified purposes related to drinking water and wastewater treatment. Creates the “Water and Wastewater Loan and Grant Fund” and provides \$10 M (per 5/31 amendments) from the General Fund, upon appropriation by the Legislature, to the State Board for the program.</p> <p>ACWA Favor</p>	Watch	<p>Introduced: 1/6/16</p> <p>Amended on 5/31</p> <p>Moved to Senate on 6/6</p> <p>To Com. on RLS for assignment</p>
<p><u>AB 1649 (Salas D)</u> Water Quality, Supply, and Infrastructure Improvement Act of 2014: water storage projects.</p> <p>RWA Interest: The bill attempts to confirm the commitment of the Legislature to ensure Prop 1 funding and construction of qualified, surface water storage projects. Importantly, it also greases the skids for Temperance Flat Dam and Sites Reservoir which could probably be considered earmarks and a change to Prop 1’s intent of having qualified projects compete for funding.</p> <p>While these reservoirs are consistent with RWA priorities and principals related to “Statewide Balanced Management Solutions Beneficial to the Greater Sacramento Region”, they may be counter to our stance on “earmarks”.</p> <p>ACWA Opposed – due to earmark of specific projects counter to Prop 1 principles</p>	Watch	<p>Introduced: 1/12/16</p> <p>Minor amendments on 5/27</p> <p>Moved to Senate on 6/2</p> <p>To Com. on RLS for assignment</p>
<p><u>AB 1716 (McCarty D)</u> Lower American River Conservancy</p> <p>RWA Interest: The LAR Conservancy would include local representation plus State officials including, Secretary of the Natural Resources Agency, and the directors of Finance, Fish and Wildlife, and Parks and Recreation. Also would include appointees from the Governor, Senate Rules Committee, and the Assembly Speaker.</p> <p>This bill would establish in the Natural Resources Agency the Lower American River Conservancy to receive and expend proceeds from bonds or other appropriations for the benefit of the American River Parkway. The bill would create the LAR Conservancy Fund in the State Treasury, and would specify that moneys in the fund shall be available, upon appropriation, for the purposes of the conservancy.</p> <p>ACWA is not following this bill</p>	Support	<p>Introduced: 1/27/16</p> <p>Amendment on 4/26 - favorable to our Support position</p> <p>Moved to Senate on 6/2</p> <p>To Com. on RLS for assignment</p>

RWA – Hot Bill Legislation (New Bills)	Position	Status
<p><i>AB 1749 (Mathis R) California Environmental Quality Act: exemption: recycled water pipelines.</i></p> <p>RWA Interest: As noted by ACWA, the original bill was part of the Trailer Bill process (SB 88) that included the water system consolidation issue. RWA was opposed to both the TB process and the consolidation component of SB 88. The bill itself is helpful.</p> <p>This bill extends the sunset of a CEQA exemption for construction of recycled water pipelines and related infrastructure, including related groundwater replenishment projects, approved or carried out before July 1, 2017. Exemption is repealed January 1, 2018 or the end of Governor's declared drought emergency, whichever occurs first.</p> <p>This bill has become a very specific and short-term. Not sure it is important to RWA anymore. Recommend removing from Hot List.</p> <p>ACWA has a favor and amend position to include a broader range of recycled water projects.</p>		<p>Introduced: 2/2/16 Amended 3/28 and 4/27</p> <p>Moved to Senate on 5/27</p> <p>To Com. on RLS for assignment</p>
<p><i>AB 1755 (Dodd D) The Open and Transparent Water Data Act.</i></p> <p>RWA Interest: As the title implies, this bill is attempting to upgrade the State's collection, management, and transparency of water data, including pending and previous water transfer information. Recommend that RWA work through ACWA on this and AB 2304 (Levine).</p> <p>This bill would enact the Open and Transparent Water Data Act. The act would require the DWR to establish a public benefit corporation that would create and manage (1) a statewide water information accounting system to improve the ability of the state to meet the growing demand for water supply reliability and healthy ecosystems, that, among things, would integrate existing water data information from multiple databases and (2) an online water transfer information clearinghouse for water transfer information that would include, among other things, a database of historic water transfers and transfers pending responsible agency approval and a public forum to exchange information on water market issues.</p> <p>ACWA has moved to Support</p>	WATCH	<p>Introduced: 2/2/16</p> <p>Amended on 4/5 and 5/11</p> <p>Moved to Senate on 6/1</p> <p>To Com. on RLS for assignment</p>
<p><i>AB 1925 (Chang R) Desalination: statewide goal.</i></p> <p>RWA Interest: One of several desalination related bills. This one would establish annual production goals for 2025 and 2030. This would be consistent with RWA Priorities and Policy Principles if increased use of desalination by exporters reduce dependency on Delta supplies, as it should.</p> <p>If desalination in the State does become more of a priority, RWA will need to keep an eye on funding sources and assure that the beneficiary pays principles are upheld.</p> <p>ACWA Favor if Amended</p>	Watch	<p>Introduced: 2/12/16</p> <p>Dead</p>

RWA – Hot Bill Legislation (New Bills)	Position	Status
<p><i>AB 1989 (Jones R) Water, energy and reduction of greenhouse gas emissions</i></p> <p>As gutted and amended on March 14, this bill would require the State Water Board, in coordination with the California Energy Commission (CEC), the Public Utilities Commission (PUC), and DWR, to develop and implement a grant and low-interest loan program for water projects that result in the net reduction of water-related GHG emissions.</p> <p>ACWA Favor if Amended – change lead agency to DWR</p>	Watch	<p>Introduced: 2/16/16</p> <p>Dead</p>
<p><i>AB 2040 (Melendez R) Outdoor Water Efficiency Act of 2016: personal income tax credits: outdoor water efficiency.</i></p> <p>RWA Interest: A tax credit for water efficiency improvements that would be consistent with RWA Priority Issues and Policy Principles. However, the bill would require local agency involvement.</p> <p>This bill, for taxable years beginning on or after January 1, 2016, and before January 1, 2021, would allow a credit equal to 25% of the amount paid or incurred by a qualified taxpayer for water-efficiency improvements, as defined, on qualified real property in this state, as specified.</p> <p>ACWA has not taken a position.</p>	Watch	<p>Introduced: 2/17/16</p> <p>Amended on 4/6 and 5/16</p> <p>Fiscal bill – held under submission</p>
<p><i>AB 2099 (Stone, Mark D) Safe drinking water assistance program.</i></p> <p>RWA Interest: In its current form, this bill hits the mark by providing assistance to low income households without depending on a PGC on water ratepayers. The bill, as amended, would require the State Department of Social Services to, on or before February 1, 2017, convene a workgroup to develop recommendations for delivering a water benefit to supplement the purchase of drinking water for low-income households with inadequate access to safe drinking water. We need to keep an eye on it for amendments that would utilize a PGC.</p> <p>AB 2099 provides temporary relief to struggling families who live in homes with inadequate drinking water supplies by offsetting the cost of purchasing water during the interim wait for long-term water supply infrastructure upgrades. The measure allows impoverished families who live in a community or home with insufficient, contaminated, or otherwise unsafe drinking water supplies to access a small supplemental cash benefit for purchasing water.</p> <p>ACWA Watch</p>	Watch	<p>Introduced: 2/17/16</p> <p>Amended 3/28,4/14, and 5/27</p> <p>Moved to Senate on 6/2</p> <p>To Com. on RLS for assignment</p>

RWA – Hot Bill Legislation (New Bills)	Position	Status
<p><i>AB 2304 (Levine D) California Water Market Exchange.</i></p> <p>RWA Interest: This bill attempts to do a lot in managing water transfers. Key concerns for RWA include 1) the establishment of the Ca. Water Market Exchange, a 5-member board, four appointed by the Governor; 2) would this be funded by a PGC? and 3) provisions that might limit an “open market” for transfers. Recommend that RWA work through ACWA on this and AB 1755 (Dodd).</p> <p>Would establish the California Water Market Exchange, governed by a 5-member board, in the Natural Resources Agency. This bill would require the market exchange, on or before December 31, 2017, to create a centralized water market platform on its Internet Web site that provides ready access to information about water available for transfer or exchange.</p> <p>Reviewing amendments (AB 1755 appears more reasonable and practical)</p> <p>ACWA Support if Amended</p>	Watch	<p>Introduced: 2/18/16</p> <p>Dead</p>
<p><i>AB 2480 (Bloom D) Source watersheds: maintenance and repair.</i></p> <p>RWA Interest: Originally introduced as a “spot bill” AB 2480 declares it state policy that source watersheds are recognized and defined as integral components of California’s water system and that their maintenance and repair are eligible for financing on an equivalent basis with other water collection and treatment infrastructure. As recently amended, this bill would require that, to the extent feasible, the maintenance and repair of source watersheds and associated projects would receive financing consideration on the same basis with other water collection and treatment infrastructure.</p> <p>The stipulation that source watersheds would be eligible for financing on an equivalent basis with other water infrastructure may mean that this bill will become another vehicle for a PGC. RWA should keep an active eye on this bill.</p> <p>ACWA Not Favor Unless Amended – Awaiting SLC input as of 6/8</p>	Watch	<p>Introduced: 2/19/16</p> <p>Amended: 3/17 – no longer a spot bill Amended on 5/31 Potential PGC candidate</p> <p>Moved to Senate on 6/6</p> <p>To Com. on RLS for assignment</p>

RWA – Hot Bill Legislation (New Bills)	Position	Status
<p><i>AB 2525 (Holden D) Water-efficient landscaping.</i></p> <p>RWA Interest: This bill would encourage local agencies to incentivize water efficient landscapes. It also creates the Water Efficient Landscaping Fund that provides funding for turf replacement and other water efficiency measures for low-income and disadvantaged communities. The presumption is the Fund would be part of a PGC.</p> <p>Would require the DWR to create the California Water Efficient Landscaping Program for the purpose of encouraging local agencies and water purveyors to use economic incentives that promote the efficient use of water, promote the benefits of consistent landscape ordinances, and support and enhance turf replacement. This bill would create the Water Efficient Landscaping Fund and provide that moneys in the fund are available, upon appropriation by the Legislature, to the department for certain purposes.</p> <p>ACWA Watch</p>	Watch	<p>Introduced: 2/19/16</p> <p>Dead</p>
<p><i>AB 2551 (Gallagher R) Surface storage: design-build contracts.</i></p> <p>RWA Interest:</p> <p>Copied from ACWA - As amended on April 5 and again on April 27, this bill would amend the Public Contract Code instead of Proposition 1 to allow a local agency to use the construction management at-risk, design-build, or design-build-operate method of delivery on a CALFED surface storage project. The bill would require these contracts to be awarded on a best value basis or to the lowest responsible bidder, and establish a procurement process for these contracts. The bill would also prohibit a contracting entity from being prequalified or shortlisted unless it provides an enforceable commitment to the local agency that the entity and its subcontractors who will be doing construction on the project will use a skilled and trained workforce to perform all work on the project or contract that falls within an apprenticeable occupation in the building and construction trades, as specified.</p> <p>ACWA Favor and Amend</p>	Watch	<p>Introduced: 2/19/16</p> <p>Moved to Senate 5/23</p> <p>To Com. on RLS for assignment</p> <p>Recommend we remove from Hot List</p>
<p><i>ACA 8 (Bloom D) Local government financing: water facilities and infrastructure: voter approval.</i></p> <p>RWA Interest: This measure attempts to add a tool to the toolbox water agencies can use for funding needed infrastructure projects. Specifically, it would exempt bonds sold for purposes of funding water related infrastructure projects from the 1% property tax limit and it would lower the voter approval threshold for such bonds from 2/3 of voters to 55% of voters.</p> <p>ACWA Support</p>	Support	<p>Introduced: 2/19/16</p> <p>No activity since introduction</p> <p>Moved from Watch to Support</p>

RWA – Hot Bill Legislation (New Bills)	Position	Status
<p><i>SB 814 (Hill D) Drought: excessive water use: urban retail water suppliers.</i></p> <p>RWA Interest: SB 814 will require both public and private urban retail water suppliers that directly provide potable municipal water to more than 3,000 users – to define “excessive water use” and levy fines against excessive water users.</p> <p>SB 814 was further amended on 6/6/16. The requirement to have a penalty of \$500 per ccf has been removed, there is a stipulation for communities that are not fully metered and there is more emphasis on local water shortages. RWA may want to consider removing opposition to the bill and going neutral.</p> <p>The bill prohibits excessive water use and requires water suppliers to assess a penalty of at least \$500 on residential water customers for every hundred cubic feet used above an “excessive use definition”.</p> <p>Would require water providers to:</p> <ul style="list-style-type: none"> • Establish an ordinance or rule to create a definition of excessive use based on local conditions and declare that excessive use is a waste or unreasonable use of water. • Assess fines on residential customer’s water bills. • Have a process for non-payment. • Have an appeal process for assessed fines. <p>ACWA Oppose Unless Amended (as of April 7th)</p>	<p>OPPOSE</p>	<p>Introduced: 1/4/16 Moved to Assembly on 5/9</p> <p>Assigned to Com. on W, P, & W on 5/16</p> <p>RWA Oppose letter sent to Com. on W, P, & W on 5/23</p> <p>Amended on 6/6</p> <p>Calendar: 6/14 @ Com. on W, P, & W</p>
<p><i>SB 919 (Hertzberg D) Water supply: creation or augmentation of local water supplies.</i></p> <p>RWA Interest: SB 919 is attempting to encourage more recycled water and desalination by cost-effectively tapping into oversupplies of renewable energy. ACWA concludes that the existing language discourages inter-regional transfers and is anti-robust water market. ACWA’s position at this point is a “Favor if Amended”</p> <p>SB 919 requires the Public Utilities Commission to develop a special time of use rate for entities that augment local water supply through recycling, brackish desalting, or desalination. The bill also requires the Commission to adopt other policies that address the issue of oversupply.</p> <p>ACWA Favor if Amended</p>	<p>Watch</p>	<p>Introduced: 1/27/16</p> <p>Amended on 5/31</p> <p>Moved to Assembly on 5/9</p> <p>Assigned to Com. on Utilities and Commerce</p> <p>Calendar: 6/15 @ Com. on U&C</p>

RWA – Hot Bill Legislation (New Bills)	Position	Status
<p><i>SB 1233 McGuire D) Joint powers authorities: Water Bill Savings Act.</i></p> <p>RWA Interest: This bill would authorize JPAs to provide funding for a customer of a local agency to voluntarily acquire, install, or repair a water efficiency improvement on the customer's property. The bill would require the customer to repay the JPA through an efficiency charge on their water bill. SB 1233 will provide local governments and disadvantaged communities the necessary tools to fund water savings projects for customers who voluntarily participate, thus helping the state achieve its continued goals of reducing water use.</p> <p>ACWA Watch and Amend</p>	Watch	<p>Introduced: 2/18/16</p> <p>Amended on 5/23</p> <p>Moved to Assembly on 5/26</p> <p>Assigned to Com. on Local Gov on 6/6</p>
<p><i>SB 1262 (Pavley D) Water supply planning.</i></p> <p>RWA Interest: This bill, along with a few others, including SB 1263, SB 1317, and SB 1318 all take strides towards more State Board control and seem to also further define the water system consolidation requirements put into law last year through the Trailer Bill process, specifically SB 88.</p> <p>SB 1262, in conjunction with SB 1263 builds on the administration's Affordable Safe Drinking Water Initiative to update the "show me the water" bills from 2012 (SB 610 and SB 221) as follows:</p> <ul style="list-style-type: none"> • Integrates GSA's and consideration of groundwater sustainability plans into water supply and land use planning. • Prohibits use of groundwater to supply new development if the groundwater basin has been deemed out of compliance with SGMA (i.e., is "probationary") • Prohibits the use of hauled water • Creates a process to discourage creation of new water systems when it is geographically and economically feasible to connect to an existing system <p>ACWA Oppose Unless Amended</p>	WATCH	<p>Introduced: 2/18/16</p> <p>Moved to Assembly on 5/26</p> <p>Assigned to Com. on W, P, &W on 6/6</p> <p>Calendar: 6/28 @ Com. W, P, &W</p>

RWA – Hot Bill Legislation (New Bills)	Position	Status
<p><i>SB 1263 (Wieckowski D) Public water system: permits.</i></p> <p>RWA Interest: This bill, along with a few others, including SB 1262, SB 317, and SB 318 all take strides towards more State Board control and seem to also further define the water system consolidation requirements put into law last year through the Trailer Bill process, specifically SB 88.</p> <p>Also, there is no definition of “new public water system” in the bill.</p> <p>As amended on 6/8, SB 1262 <i>would require an application for a permit for a proposed new public water system to first submit a preliminary technical report six months in advance to the State Board and would allow the State Board to impose technical, financial, or managerial requirements on the permit.</i></p> <p>ACWA Oppose Unless Amended</p>	WATCH	<p>Introduced: 2/18/16</p> <p>Moved to Assembly on 5/10</p> <p>Assigned to Com. on E.S. & T.M. on 6/8</p> <p>Amended on 6/8</p> <p>Calendar: 6/14 @ Com. on E.S. & T.M.</p>
<p><i>SB 1264 (Cannella R) Monterey County Water Resources Agency: Salinas River System.</i></p> <p>RWA Interest: This one is simply an earmark question. It probably doesn't have much of a chance of getting signed into law. Does RWA take stances on earmark matters? To be determined after further direction from the Executive Committee.</p> <p>Would appropriate \$1,000,000 from the General Fund to the Monterey County Water Resources Agency, for use in the Salinas River, to assist in the removal of excess vegetation and trash, increase efficiency of instream flow using sediment and vegetation management strategies, and support the development and implementation of long-term management policies.</p> <p>ACWA Favor</p>	Watch	<p>Introduced: 2/18/16</p> <p>Dead</p>

RWA – Hot Bill Legislation (New Bills)	Position	Status
<p><i>SB 1294 (Pavley D) The California Community Climate, Drought, and Jobs Resiliency Act.</i></p> <p>RWA Interest: At face value, RWA agencies could benefit from this bill as it specifically states that in awarding grants, the Department of Resources Recycling and Recovery shall give priority to projects that would aid urban canopies at the greatest risk from drought. The bill does not indicate where the funding would come from so, RWA should keep an eye on this for potential PGC language.</p> <p>Would require the Department of Resources Recycling and Recovery to award grants to local conservation corps certified by the California Conservation Corps for projects that improve the climate and drought resiliency of urban canopies, community landscaping, and urban greening efforts through the use of various water conservation methods, including the application of compost and mulch.</p> <p>ACWA Favor</p>	Watch	<p>Introduced: 2/19/16</p> <p>Dead</p>
<p><i>SB 1317 (Wolk D) groundwater extraction permit</i></p> <p>RWA Interest: This bill will require local agencies to issue permits for groundwater wells unless they adopt an ordinance regulating the installation of groundwater wells before July 1, 2017.</p> <p>Would, by July 1, 2017, require a city or county overlying a basin designated as a high- or medium-priority basin to establish a process for the issuance of permits for the development of a groundwater extraction facility in order to prevent a new groundwater extraction facility from contributing to or creating an undesirable result, as prescribed.</p> <p>ACWA Oppose</p>	OPPOSE	<p>Introduced: 2/19/16</p> <p>RWA opposition letter sent to author on 5/25</p> <p>Amended on 5/27</p> <p>Moved to Assembly on 6/2 (narrowly passed)</p> <p>Held at Desk</p>

RWA – Hot Bill Legislation (New Bills)	Position	Status
<p><i>SB 1318 (Wolk D) Local government: drinking water infrastructure or services: wastewater infrastructure or services.</i></p> <p>RWA Interest: This bill is another step towards mandatory consolidations. Recent amendments (4/12) slow down the process but still limit LAFCO discretion. RWA is staying neutral at this point as this is a land use bill and is universally opposed by LAFCO's across the State.</p> <p>Senate Bill 1318 ensures that disadvantaged communities secure access to safe and affordable drinking water and wastewater services. Specifically, this bill requires cities and special districts to make water and wastewater services available to existing communities within or adjacent to their spheres of influence prior to annexing more land or extending services for new development.</p> <p>ACWA Oppose</p>	<p>OPPOSE</p>	<p>Introduced: 2/19/16</p> <p>Amended on 6/1</p> <p>Moved to Assembly on 6/2 (narrowly passed)</p> <p>Held at Desk</p>
<p><i>SB 1340 (Wolk D) Water Conservation in Landscaping Act</i></p> <p>RWA Interest: SB 1340 incorporates a requirement for the permitting of stand-alone irrigation installations for commercial and large residential landscapes into the Water Conservation and Landscaping Act. This is definitely an added workload on local agencies but it does address a potential problem area that is addressed in the Independent Technical Report produced in response to AB 1420 (Laird). RWA may want to consider a "Support" position.</p> <p>SB 1340 would add to the model water efficient landscape ordinance a permit requirement for the installation, expansion, or replacement of specified automatic irrigation systems for a landscape project on or after July 1, 2017. The bill would allow the governing body of a local agency to adopt an ordinance prescribing fees for filing an application for the permit.</p> <p>Recommend RWA move to a Support position</p> <p>ACWA Oppose</p>	<p>Support</p>	<p>Introduced: 2/19/16</p> <p>Moved to Assembly on 5/16</p> <p>RWA Support letter sent to author on 5/23</p> <p>Assigned to Com. on W, P, & W on 6/1</p> <p>Amended on 6/8</p> <p>Calendar: 6/14 @ Com. W, P, & W</p>
<p><i>SB 1398 (Leyva D) Public water systems: lead pipes.</i></p> <p>RWA Interest: Would require a public water system to compile an inventory of lead pipes in use by July 1, 2018, and, after completing the inventory, to provide a timeline for replacement of lead pipes in the system to the board. This bill would require the board to establish best practices to ensure that chemicals introduced into public water systems do not create corrosion or contamination within the system.</p> <p>ACWA Watch</p>	<p>Watch</p>	<p>Gut and Amended on 3/28</p> <p>Amended on 5/31</p> <p>Moved to Assembly on 6/2 – Held at Desk</p>

RWA – Hot Bill Legislation (New Bills)	Position	Status
<p>SB 552 (Wolk D) Public water systems: disadvantaged communities: consolidation or extension of service: administrative and managerial services.</p> <p><u>2-YR Bill – added to Hot List</u></p> <p>RWA Interest: As amended, SB 552 would allow the State Board to step into the role of administrator and manager of water agencies that fail to meet water quality standards and could require those same agencies to be consolidated with well run, compliant water agencies. There are a couple of major concerns with this bill. One is the lack of specificity in the bill relating to funding of the required administrative services and whether the state appointed administrator would be subject to Proposition 218. Further, this bill would specify that if the State ordered a consolidation, customers of the subsumed water system may not be charged an additional fee beyond the costs of the consolidation itself. As written, the subsuming agency would have to take on additional costs and financial risk in the consolidation of the troubled agency.</p> <p>ACWA Oppose</p>	<p>Oppose</p>	<p>Introduced: July 2015</p> <p><u>2-YR Bill</u></p> <p>Amended 5/17/16 and 6/16/16</p> <p>Calendar: 6/28 @ Com. W,P, & W</p>

Version 7 of Hot List Summary – June 20 2016

- For approval by Executive Committee on 6/22
- Added SB 552

All High Priority Bills

AB 935 (Salas D) Water projects.

Status: 9/11/2015-Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/10/2015)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	2 year	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority

HIGH

AB 937 (Salas D) Groundwater planning: technical assistance: disadvantaged communities.

Status: 8/28/2015-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. on 8/27/2015)

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority

HIGH

AB 938 (Rodriguez D) Sustainable Groundwater Management Act: adjudicated basins.

Status: 3/9/2016-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on N.R. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority

HIGH

AB 1242 (Gray D) Water quality and storage.

Status: 9/11/2015-Failed Deadline pursuant to Rule 61(a)(14). (Last location was THIRD READING on 9/2/2015)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	2 year	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority

HIGH

AB 1362 (Gordon D) San Mateo County Mosquito and Vector Control District: board of trustees: appointment of members.

Status: 6/29/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 1.) (June 29). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 8/1/2016 10 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, LARA, Chair

Priority

HIGH

AB 1755 (Dodd D) The Open and Transparent Water Data Act.

Status: 6/29/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 8. Noes 0.) (June 28). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 8/1/2016 10 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, LARA, Chair

Priority

HIGH

SB 7 (Wolk D) Housing: water meters: multiunit structures.

Status: 1/1/2016-Set for Hearing.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority

HIGH

SB 20**(Pavley D) Low Carbon Fuels Council.**

Status: 6/30/2016-ASM, NAT. RES. Vote - Do pass as amended and be re-referred to the Committee on Appropriations.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
HIGH

SB 552**(Wolk D) Public water systems: disadvantaged communities: consolidation or extension of service: administrative and managerial services.**

Status: 6/28/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 10. Noes 5.) (June 28). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
HIGH

SB 814**(Hill D) Drought: excessive water use: urban retail water suppliers.**

Status: 6/30/2016-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
HIGH

SB 1262**(Pavley D) Water supply planning.**

Status: 6/30/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 8. Noes 0.) (June 29). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
HIGH

SB 1263**(Wieckowski D) Public water system: permits.**

Status: 6/29/2016-Read second time and amended. Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
HIGH

Total Measures: 12
Total Tracking Forms: 12

EXHIBIT 3

AB 1201 (Salas D) Fish and wildlife: Sacramento-San Joaquin Delta: predation by nonnative species.
Status: 8/28/2015-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. on 8/27/2015)

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
Medium

AB 1585 (Alejo D) Monterey County Water Resources Agency: Lake Nacimiento and Lake San Antonio.
Status: 6/9/2016-Referred to Com. on B. & F.R.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
Medium

AB 1588 (Mathis R) Water and Wastewater Loan and Grant Program.
Status: 6/30/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (June 29). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
Medium

AB 1716 (McCarty D) Lower American River Conservancy Program.
Status: 6/28/2016-Action From N.R. & W.: Do pass as amended.To APPR..

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
Medium

AB 2040 (Melendez R) Outdoor Water Efficiency Act of 2016: personal income tax credits: outdoor water efficiency.
Status: 5/27/2016-Joint Rule 62(a), file notice suspended. (Page 4943.) In committee: Held under submission.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
Medium

AB 2099 (Stone, Mark D) Safe drinking water benefit.
Status: 6/16/2016-Read second time and amended. Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
Medium

AB 2480 (Bloom D) Source watersheds: financing.
Status: 6/29/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 2.) (June 28). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
Medium

AB 2551 (Gallagher R) Contract procurement: surface storage projects.
Status: 6/29/2016-Action From GOV. & F.: Do pass as amended.To APPR..

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
Medium

ACA 8 (Bloom D) Local government financing: water facilities and infrastructure: voter approval.
Status: 6/23/2016-Referred to Coms. on L. GOV. and APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
Medium

SB 554 (Wolk D) Delta levee maintenance.
Status: 6/29/2016-June 29 set for first hearing. Placed on APPR. suspense file.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
Medium

SB 919 (Hertzberg D) Water supply: creation or augmentation of local water supplies.
Status: 6/28/2016-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To consent calendar. (Ayes 15. Noes 0.) (June 28). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
Medium

SB 1233 (McGuire D) Joint powers authorities: Water Bill Savings Act.
Status: 6/29/2016-ASM. L. GOV. Vote - Do pass as amended.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
Medium

SB 1264 (Cannella R) Monterey County Water Resources Agency: Salinas River System.
Status: 3/3/2016-Referred to Coms. on N.R. & W. and E.Q.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
Medium

SB 1340 (Wolk D) Water Conservation in Landscaping Act.
Status: 6/30/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 5. Noes 3.) (June 29). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
Medium

SB 1398 (Leyva D) Public water systems: lead service lines.
Status: 6/30/2016-Read second time and amended. Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Priority
Medium

Total Measures: 15
Total Tracking Forms: 15

General Manager

Robert S. Roscoe, P. E.

EXHIBIT 4



Board of Directors

President - Kevin M. Thomas
Vice President - Robert P. Wichert
Frederick A. Gayle
Craig M. Locke
Neil W. Schild

June 22, 2016

Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
I Street, 24th Floor
Sacramento, California 95814

Re: Comments regarding SWRCB Draft Drinking Water Fee Regulations

Dear Ms. Townsend:

Sacramento Suburban Water District is a public agency responsible for providing water service to northwest Sacramento County, California including portions of Antelope, Carmichael, Citrus Heights, Foothill Farms, North Highlands, the City of Sacramento, and all of McClellan Business Park (formerly McClellan Air Force Base). We serve a total of 46,414 retail connections and a population of roughly 175,000. We appreciate the opportunity to comment on the State Water Resources Control Board's ("SWRCB") draft Drinking Water Fee Regulations released for public comment on April 29, 2016 ("Draft Fee Regulations").

Sacramento Suburban Water District recognizes that the final Fee Regulations must ensure that the Drinking Water Program has adequate funding. However, we are concerned that the Draft Fee Regulations do not equitably allocate Drinking Water Program costs among fee payors. We also encourage the SWRCB to take steps to ensure that the Drinking Water Program maintains its accountability to public water systems and the customers we serve. **Sacramento Suburban Water District supports the Association of California Water Agencies' comments and suggested amendments to the Draft Fee Regulations, including the Water Community Option for the fee schedule.**

Thank you for the opportunity to comment on the Draft Fee Regulations. Sacramento Suburban Water District encourages the SWRCB and its staff to continue to work with public water systems and their representatives on this important issue. If you have any questions regarding this matter, please contact the undersigned at rroscoe@sswd.org or (916) 679-3994.

Sincerely,

A handwritten signature in black ink that reads "Robert S. Roscoe".

Robert S. Roscoe, P.E.
General Manager

cc: Cindy Tuck, ACWA



Agenda Item: 25 a.

Date: July 6, 2016

Subject: Upcoming Policy Review - Procurement Policy (PL - Fin 005)

Staff Contact: Daniel A. Bills, Finance Director

Discussion:

Included with this report is the updated Procurement Policy (PL - Fin 005) for the Board's review and comment. The Procurement Policy was last reviewed in September 2014. The Policy has been reviewed by Legal Counsel. Recommended changes include language that is consistent with other District policies, clarifying language and removing duplicate instructions.

This policy will be brought before the Board for consideration at the August meeting. All director comments received by the end of business on Monday, August 1, 2016, will be included in the draft report for the August meeting.

Sacramento Suburban Water District

Field Code Changed

Procurement Policy

Adopted: September 20, 2004

Revised: August 15, 2005, August 20, 2007, August 17, 2009, August 20, 2012, September 15, 2014, August XX, 2016

100.00 Purpose of the Policy

This document sets forth the policy of the Sacramento Suburban Water District concerning its purchases or procurement of materials (including supplies, inventory and equipment) and trade services. This Policy is adopted in accordance with the provisions of Article 7, Chapter 5, Part 1, Division 2 of Title 5 of the California Government Code (commencing with Section 54201) and the provisions of Article 1, Chapter 3, Part 5 of Division 13 of the California Water Code (commencing with Section 35600).

The primary purpose of this Policy is to provide for the purchase of materials and trade services with the objective that they will be available at the proper time, in the proper place, in the proper quantity, in the proper quality, and at a reasonable available price, consistent with the anticipated needs of the District.

When used in this Policy, the term “procurement,” “purchase,” or “purchases” includes the purchase, lease or rental of materials and/or trade services.

When used in this Policy, the term “trade services” means services provided to the District other than those provided by ~~construction-licensed contractors performing construction of public works.~~ Public works Construction contractor services are covered under District Policy PL – Eng. 002, “Public Works Contracting Policy.”

200.00 Policy

200.10 Authority

The General Manager of the District has the authority to make purchases, sign contracts and otherwise encumber the District for the acquisition of materials or trade services within the confines of the Board of Directors approved District’s annual operating and maintenance budget, operating capital budget, or capital improvement program budget. The General Manager will have the authority to appoint one or more designee’s to act as the District’s purchasing agent and may delegate his/her authority(ies) to District staff within established procedures and controls.

All District material or trade contract purchases, excepting those made under District Policy PL – Eng. 002, “Public Works Contracting Policy.” will be made in accordance with this Policy.

Purchases from contract and/or grant funds shall be approved in accordance with the sponsoring agency's contract or grant procedures in addition to this Policy.

The determination of the purchase amount will be undertaken based on the estimated or actual cumulative cost of materials and trade services to the provider on all projects provided by the provider in a single calendar year. The General Manager has the authority to determine which purchasing process is appropriate.

200.20 ~~Unbudgeted Purchases of Supplies, Materials, Equipment and Trade Services Under \$100,000~~

~~For non-emergency, unbudgeted purchases or other encumbrances under \$100,000, the General Manager or designee will have the authority to make the purchase, without the prior authorization of the Board of Directors and without following the procedures described in Section 200.30 of this Policy. However, disclosure of the purchase and its impact on the District’s estimated total annual expenses or capital budget will be made to the Board of Directors at the next regularly scheduled meeting of the Board of Directors. The General Manager may make purchases of materials or trade services under \$100,000 by negotiation, requests for proposal/qualifications or competitive bid at his or her discretion, provided that the method chosen is reasonable and ensures that the goods or services are procured at a price that is fair to the District and its ratepayers.~~

~~For emergency purchasing guidance, see Section 200.50.~~

~~For non-emergency, unbudgeted purchases or other encumbrances above \$100,000, the General Manager or designee is required to obtain Board of Directors approval before such encumbrances are incurred, through an action of the Board of Directors.~~

~~Irrespective of monetary or other limitations specified herein this section, for purchases by competitive bid, request for proposals or by negotiation, the Board of Directors may, at its discretion, direct the manner in which a particular purchase will be made.~~

200.30 ~~Purchases of Supplies, Materials, Equipment and Trade Services in Excess of \$100,000.00 by a Request for Qualifications (RFQ) or a Request for Proposal (RFP)~~

~~Except as otherwise specified herein, all purchases of materials and trade services where the estimated expenditure is in excess of \$100,000.00 per annum will be made by a competitive process in the following manner.~~

~~An RFQ or RFP inviting bids for such purchases or trade services will be sent to qualified bidders as determined by the District, at least 10 days prior to the date designated for receipt of the RFQ or RFP.~~

For trade services, selection criteria will be established by the District, which may be based solely on qualifications (SOQ) of the candidate(s).

A written contract will be executed for all such purchases, preferably a contract prepared by the District.

The General Manager may determine and declare a bidder not to be a responsible bidder upon consideration of the following factors:

- (a) The bidders record of performance on previous contract(s) or service(s);
- (b) The bidders previous and existing compliance with laws and ordinances relating to the contract or service;
- (c) The bidders ability, capacity, and skill to perform the contract or provide the service required;
- (d) Whether the bidder has the facilities to perform the contract or provide the service promptly, or within the time specified, without delay or interference;
- (e) The sufficiency of the financial resources of the bidder to perform the contract or provide the service;
- (f) The ability of the bidder to provide future maintenance and service (if required) of the commodity purchased;
- (g) The character, integrity, reputation, judgment, experience, and efficiency of the bidder.

Upon finding that a bidder is not a responsible bidder, the General Manger will transmit to the bidder a statement of the basis for such determination, and the bidder will be given a reasonable opportunity to refute the basis for such determination, prior to awarding the contract to another responsible bidder.

Once notified, a disqualified prospective bidder may appeal the District's proposed disqualification. The District will provide a two-tiered appeal process, consisting of an initial appeal to the General Manager and if dissatisfied with the General Manager's decision, to the Board of Directors or a committee of Directors assigned by the Board President. The Board of Directors' ruling on a disqualification appeal is final.

200.40 ~~Purchase Order Guideline~~

~~The following guidelines are established for the purchase or procurement of materials and trade services.~~

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~~(a) Transactions greater than \$500 may be pre-authorized with a valid Purchase Order or trade service contract.~~

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~~200.50~~ **General Purchasing Guidelines**

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- (a) Purchases made with the District's Purchasing Card (Cal Card) shall conform to this Policy and Policy PL Fin 006 "Purchasing Card Policy."
- (b) Employees not designated with signed authorization, shall not encumber the District for materials or trade services without prior, written authorization from the General Manager or his/her designee.
- (c) Transactions greater than \$500 may be pre-authorized with a valid Purchase Order or trade service contract.
- (d) Sales, Use, and other excise taxes shall be paid where required by State or Federal law.
- (de) Once receipt of the materials or trade services received by the District have been confirmed to be acceptable to the District and an appropriate invoice has been received, the District shall process the invoice, obtain the necessary approvals and pay for the materials or trade services within 30 days of receipt of invoice. If the invoice received is not approved, the District will provide notification of the deficiencies to the vendor within two weeks.
- (ef) All receiving orders and invoices must be approved within the terms and conditions set forth by the General Manager in appropriately established purchasing procedures and controls before payment is made.
- (fg) The General Manager may establish an imprest account(s) for the purposes of paying vendors or reimbursing employees for minimal District expenditures of materials or trade services costing \$500 or less. Appropriate controls and procedures will be established by the General Manager or his/her designee.
- (gh) All District purchases shall be made for District purposes only. There will be no eCommingleing of District purchases with personal purchases is prohibited.

~~200.650~~ **Emergency Purchases**

In case of emergency, where a purchase has not been authorized by the Board of Directors or this Policy requires such purchase to be made by competitive process or RFQ or RFP, and the General Manager has determined that the best interests of the District require that such purchase be made before the Board of Directors can meet to authorize such purchase, the General Manager or designee is authorized to make such purchase by negotiation after first obtaining the verbal consent of **two members** of the Board of Directors. The General Manager will thereafter promptly report in writing to the Board of Directors at the next regularly scheduled meeting of the Board

of Directors the nature and amount of the purchase and the emergency circumstances justifying such purchase.

300.00 Policy Review

This Policy shall be reviewed at least biennially.



Agenda Item: 25 b.

Date: July 11, 2016

Subject: Upcoming Policy Review – Public Works Contracting Policy (PL – Eng 002)

Staff Contact: Mitchell S. Dion, Technical Services Director
John E. Valdes, Engineering Manager

The District’s Public Works Contracting Policy (PL - Eng 002) was originally adopted by the Board in December 2004 and was most recently revised in August 2014. This policy is to be reviewed every two years. A copy of the current policy is attached as Exhibit 1. Staff has no recommended changes to the existing policy.

The policy is scheduled for Board consideration and adoption at the regular August Board meeting. If a Director wishes to have his comments included in hard copy for Board review and consideration, please provide those comments to staff by Monday, August 1, 2016. Note that District legal counsel will perform a concurrent review of the existing policy to ensure alignment with any recent changes in contracting law.

Sacramento Suburban Water District

Public Works Contracting Policy

Adopted: December 20, 2004

Revised: December 15, 2008; August 20, 2012; August 18, 2014

Introduction

Under sections 31005 and 31049 of the California Water Code, County Water Districts may contract for the construction of public works projects. Under these provisions, the Sacramento Suburban Water District has broad discretion to contract for the construction of public works. The Board of Directors desires to provide District ratepayers the best value for the revenues spent on public works projects within the District. In determining best value, District will develop procedures that will include the following, as appropriate:

- Contractor Qualifications
- Quality of Service
- Quality of Product
- Schedule
- Acceptable Contract Terms
- Contractor's Reputation, History, and/or Performance on Similar Projects
- District Costs of Contract Management including District staff costs

The Board of Directors desires to maintain flexibility for staff to contract District public works projects. Also, the Board desires to treat contractors working for the District in a fair and equitable manner, to ensure that the ratepayers procure the highest quality projects for the lowest possible cost and with the least likelihood of contractor claims or bid protests. Methods of awarding contracts to perform public works projects shall be transparent and produce the greatest economic advantage to District ratepayers. Public works contracting processes also will avoid providing any favoritism or unfair advantage to individual contractors. Procedures developed for this policy will ensure proper District/contractor relationships.

Depending on the circumstances driving the need for a public works project, District staff may use a variety of methods to contract for that project. These methods may include, but are not limited to, the following:

- Design/Build Contracting
- Emergency Contracting
- Force Account Contracting
- Open Bid Contracting
- Pre-Qualification Bid Contracting
- Request for Qualifications/ Request for Proposal

- Sole Source Negotiations
- Solicitation of Price Quotes

The General Manager has the discretion to authorize staff to choose the appropriate contracting method, taking into consideration the project's requirements, available funds, effects on ratepayers, impacts on District operations, applicable legal and regulatory requirements, and any applicable grant or loan funding contract requirements pertaining to the particular project. Staff will document the reasons for choosing a particular contracting method and when appropriate, report them to the Board.

1.00 Purpose

The primary purpose of this policy is to provide the District's ratepayers the best value for public works contracts let by the District. Staff will utilize the method of contracting that best meets the District's needs. When time allows, the District will utilize generally accepted methods to acquire competitive pricing to achieve this objective. Specific procedures for obtaining competitive pricing from competing contractors will be developed by District staff.

2.00 Authority

The General Manager is designated as the District's contracting officer with the authority to award and execute contracts binding the District to the construction of public works projects. Board approval of contracts is required when contract amounts exceed the purchasing authority of the General Manager as specified in the District Procurement Policy or the annual approval of the Capital Improvement Program (CIP) budget. The General Manager will have the authority to appoint one or more designees to act on his/her behalf, as required, subject to this policy and to the establishment of proper procedures and controls governing such designees' authority. The Board, at its discretion, may direct the manner in which a particular public works contract is selected and/or awarded. The Board may delegate actions under this policy to a Board committee.

3.00 Procedure

District staff will maintain procedures for each method of contracting, to be approved by the General Manager, and in conformance with this policy.

4.00 Incorporation of Sustainability Policy

Whenever prudent and permitted by law, staff will incorporate the applicable principles of the District's Sustainability Policy into the bid procedures and the projects constructed in accordance with this Public Works Contracting Policy.

5.00 Policy Review

This Policy will be reviewed at least biennially.



Agenda Item: 26

Date: July 11, 2016

Subject: Upcoming Water Industry Events

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

Below is a list of upcoming water industry events.

Upcoming Events

1. ACWA Region 1 Program & Tour
Russian River Water Supply System Tour
August 5, 2016
Ukiah, CA
<http://www.acwa.com/events/acwa-region-1-program-tour>
2. Urban Water Institute, Inc. "23rd Annual Water Conference"
August 24-26, 2016
San Diego, CA
<http://www.urbanwater.com/conference/>
3. ACWA Continuing Legal Education for Water Professionals
September 15-16, 2016
San Diego, CA
<http://www.acwa.com/content/event-registration>
4. Groundwater Resources Association 25th Annual Meeting and Conference
September 28-29, 2016
Concord, CA
<http://www.watereducation.org/event-calendar>
5. ACWA Regulatory Summit
October 3-4, 2016
Sacramento, CA
<http://www.acwa.com/content/event-registration>
6. CSDA Annual Conference
October 10-13, 2016
San Diego, CA
www.csda.net

Upcoming Water Industry Events

June 29, 2016

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7. Water Education Foundation's Northern California Tour 2016
October 19-21, 2016
Sacramento, CA
<http://www.watereducation.org/event-calendar>

8. AWWA Annual Meeting
October 24 – 27, 2016
San Diego, CA
<http://www.awwa.org/conferences-education/events-calendar.aspx?page=5&resultsperpage=10&sd=2016-06-13>

9. ACWA Fall Conference & Exhibition
November 29 – December 2, 2016
Anaheim, CA
www.acwa.com

Minutes

Sacramento Suburban Water District
Facilities and Operations Committee
Thursday, June 23, 2016

Call to Order

Director Locke called the meeting to order at 4:01 p.m.

Roll Call

Directors Present: Craig Locke and Neil Schild.

Directors Absent: None.

Staff Present: General Manager Robert Roscoe, Assistant General Manager Dan York, Amy Bullock, Lynne Yost, Mitch Dion, John Valdes, Dave Jones, David Espinoza, Rachel Middlestead, Chantell Garvin.

Public Present: William Eubanks, Ben Borba, Mark Rollins and Eric Wunschel.

Consent Items

1. Minutes of the April 1, 2016 Facilities and Operations Committee Meeting

General Manager Robert Roscoe (GM Roscoe) presented the report.

William Eubanks (Mr. Eubanks) withdrew his comments.

Director Locke moved to approve Item 1; Director Schild seconded. The motion carried by unanimous vote.

AYES:	Schild and Locke.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:			

Items for Discussion and Action

2. Master Service Contracting Process For Main Replacement Program

GM Roscoe introduced the staff report. Mitch Dion (Mr. Dion) presented the report.

Director Schild stated that he believed that the contract extension ended, but in fact, whatever project they have been given prior to December would still be under contract, and the specific project would need to be finished.

GM Roscoe confirmed that no new awards would be given after the first of the year but existing task orders would still be required to be completed.

Director Schild inquired that because the District is a County Water District, then the District would not be required to go out and bid a potential new contract which consists of a 3 year contract with 1 or 2 year extensions?

Mr. Dion responded that is correct.

Discussion ensued regarding prevailing wage rates.

Mr. Dion informed the Committee that whatever rates were in effect when the District went out to bid, would be the rate the District would use.

Director Schild noted that the recommended Committee action was to consider options for proceeding, however, he felt that there were not enough options presented.

No action was taken.

3. Master Service Agreement For Main Replacements

Mr. Dion introduced Eric Wunschel (Mr. Wunschel), a Finance Controller for Doug Veerkamp General Engineering, Inc. who presented a PowerPoint presentation.

Director Locke inquired what percentage of their business was for the District.

Doug Veercamp Construction staff stated 10-12 percent.

Mr. Eubanks stated that he was not clear on what staff was asking the Committee to do.

GM Roscoe stated that staff was requesting to extend the contract with Doug Veercamp Construction for one year.

Mr. Eubanks noted that he was very proud that the District had come full circle and felt that Doug Veercamp Construction was doing a great job. He further noted that they should get credit for their terrific job and that the Committee should move forward with approving the contract.

Director Schild agreed.

Director Locke agreed with the staff recommendation.

Director Schild inquired about clarification on the Master Services Agreement.

Mr. Jones clarified the Master Services Agreement.

Director Schild commended Veerkamp on doing a good job. He further noted that he felt uneasy without a competitive bidding process, but he recommended the one year extension, stating that when that contract is up, staff should look at a new 5 year contract.

Director Locke agreed with Director Schild commenting that staff should look at the workload and see whether one year makes the most sense or if we should extend into further years.

The Committee recommended presenting this item to the full Board with a recommendation of approval that the contract be extended for another year.

4. Recommendation to Initiate Application by Sacramento Suburban Water District and Carmichael Water District to initiate LAFCo's Proceedings for Annexation/Detachment

Chantell Garvin (Ms. Garvin) presented the staff report.

Director Schild stated that these properties were all located in the Carmichael Water District area; however they were all being billed by the District.

Director Schild asked what property is vacant. Are we going to have to install our meters on the properties?

Ms. Garvin informed the Committee that the District will install its meters and meter reading system at these locations.

Director Schild is ok to move forward, but feels there may be a problem with the customers and LAFCo.

The Committee unanimously agreed to move forward with the customer notification and LAFCo process.

5. Update On Forensic Analysis and Testing of Pipe

Mr. Dion presented the staff report.

Director Schild felt that Director Wichert had the direction on this matter in the past and agreed to move forward.

GM Roscoe clarified that this item was presented as an update; no action was required.

Mr. Eubanks withdrew his comment.

6. Board Packet Preparation Process And Schedule

GM Roscoe presented the staff report.

Director Schild did not feel that computer tablets are a viable option and secure method for the board reports.

GM Roscoe stated that staff needed 6-7 business days to get a current financial report from the Finance Department, and preferred to keep the current schedule.

Director Locke suggested using the previous month's financial report even though it would be slightly dated in order to receive the board packet earlier.

Mr. Eubanks stated that he did not feel the more time you give the Board members to review the board packet is a good thing. He thinks the computer tablets are a useless expense. Mr. Eubanks stated he still wants the hard copy. In Mr. Eubanks opinion on Regular Board meetings the agenda items could be condensed to 7-8 agenda items. Mr. Eubanks felt the Board gets bogged down about things that are not important drawing out the meeting time longer than it needs to be.

Director Locke stated that he did not want a computer tablet, or to change the meeting time, he just requested to get the packet earlier. He noted that he was in favor of option 3 in the staff report.

Director Schild agreed with option 3 as well.

GM Roscoe stated that staff will attempt to assemble and deliver the Board packets by the Wednesday before the meeting.

7. 2736 Auburn Blvd. – Potential Lot Split

Mr. Dion presented the staff report.

Mr. Eubanks withdrew his comment.

Director Schild noted that he felt that this was an information item not an action item.

GM Roscoe agreed and stated nothing much has changed since the last time this was in front of the Committee.

Director Locke is not in favor of putting additional money towards this issue in the staff report, noting the \$50,000.00

GM Roscoe concurred. No action was taken and no additional staff direction was provided.

8. 2016 Compensation Study

GM Roscoe presented the staff report.

Director Schild inquired why staff needed this study and how much it was going to cost for the study.

GM Roscoe stated that the RFP's are out on the street now and that proposals are due after the 4th of July. The projected cost of this study is identified in the budget and was believed to be around \$15,000.00.

GM Roscoe stated that the last time a study was done was in 2013 and staff needed the study for future salaries and budgeting purposes. The Compensation Study is presented to the Committee for informational purposes. No action was taken.

9. Water System Master Plan Update

GM Roscoe presented the staff report. No recommended action required.

Adjournment

Director Locke adjourned the meeting at 5:37 p.m.

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

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**REGIONAL WATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS**

Thursday, July 14, 2016; 9:00 a.m.

5620 Birdcage Street, Suite 110

Citrus Heights, CA 95610

(916) 967-7692

AGENDA

The public shall have the opportunity to directly address the Board on any item of interest before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Authority's Administrative Office at the address listed above. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the Executive Director of the Authority at (916) 967-7692. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

- 1. CALL TO ORDER AND ROLL CALL**
- 2. PUBLIC COMMENT**
- 3. CONSENT CALENDAR**
 - a) Minutes from the May 12, 2016 RWA regular board meeting
Action: Approve Consent Calendar Item
- 4. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS**
 - a) Information: Final minutes of the April 27, 2016 Executive Committee meetings and draft minutes from the June 22, 2016 Executive Committee meeting
 - b) **Action: Approve RWA Associate application from Placer County**
- 5. RWA JULY 2015 OTHER POST EMPLOYMENT BENEFITS (OPEB) AND ACTUARIAL REPORT ON RETIREE BENEFITS**

Action: Approve the RWA July 2015 OPEB and Actuarial Report on GASB 45 retiree benefit evaluation using the 7.0% discount rate
Action: Recommend continued funding of explicit OPEB subsidy
Action: Recommend funding implicit OPEB subsidy up to the amount of budget OPEB funding
- 6. EXECUTIVE DIRECTOR'S REPORT**
- 7. CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS 54954.5(C) AND 54956.9(D) – UPDATE ON CALPERS CONTINUED OBLIGATION TO PROVIDE PENSION BENEFITS TO RWA EMPLOYEES**
- 8. DIRECTORS' COMMENTS**

ADJOURNMENT

Upcoming meetings:

Next Executive Committee Meetings – Wednesday, July 27, 2016 and Wednesday, August 24, 2016, 8:30 a.m. at the RWA office.

Next RWA Board of Directors' Meeting – Thursday, September 8, 2016 9:00 a.m., at the RWA Office.

**REGIONAL WATER AUTHORITY
EXECUTIVE COMMITTEE AGENDA**

**June 22, 2016; 8:30 a.m.
5620 Birdcage Street, Suite 110
Citrus Heights, CA 95610
(916) 967-7692**

AGENDA

The public shall have the opportunity to directly address the Board on any item of interest before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Authority's Administrative Office at the address listed above. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the Executive Director of the Authority at (916) 967-7692. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

- 1. CALL TO ORDER AND ROLL CALL**
- 2. PUBLIC COMMENT:** Members of the public who wish to address the committee may do so at this time. Please keep your comments to less than three minutes.
- 3. CONSENT CALENDAR**
Minutes of the April 27, 2016 Executive Committee meeting
Action: Approve Minutes of the April 27, 2016 Executive Committee meeting
- 4. RWA ASSOCIATE APPLICATION**
Information Presentation - John Woodling, Executive Director.
Action: Recommend RWA Board approval of RWA Associate application from Placer County
- 5. CHAIR TO APPOINT 2016 EXECUTIVE DIRECTOR EVALUATION COMMITTEE**
- 6. RWA DRAFT JULY 2015 OTHER POST EMPLOYMENT BENEFITS (OPEB) AND ACTUARIAL REPORT ON RETIREE BENEFITS**
Action: Recommend RWA Board approval of the draft RWA July 2015 OPEB and Actuarial Report on GASB 45 retiree benefit evaluation with discount rate modifications
Action: Recommend continued funding of explicit OPEB subsidy
- 7. REGIONAL RELIABILITY PLAN UPDATE**
Information Presentation: Rob Swartz, Manager of Technical Services
- 8. LEGISLATION UPDATE**
Information Presentation: John Woodling, Executive Director and Dave Brent, Water Policy Advisor

9. RWA JULY 14, 2016 BOARD MEETING

Action: Approve Agenda for July 14, 2016 Meeting of the RWA Board of Directors

10. EXECUTIVE DIRECTOR REPORT

11. DIRECTOR'S COMMENTS

ADJOURNMENT

Upcoming meetings:

Upcoming Executive Committee Meetings – July 27, 2016 and August 24, 2016 at 8:30 a.m. at the RWA office

Next RWA Board of Directors' Meeting – Thursday, July 14, 2016, at 9:00 a.m. at the RWA office

From: Howard [mailto:howard@]
Sent: Wednesday, June 29, 2016 1:36 PM
To: John Valdes
Cc: Howard; Mitch Dion; Annette O'Leary
Subject: Re: Cluster Project monitoring well?

Thanks for the info, and for the quick response, John!

Regards,
-Howard

On Jun 29, 2016, at 1:15 PM, John Valdes <jvaldes@sswd.org> wrote:

Howard--

Thanks for your e-mail. You are 100% correct that it's a groundwater monitoring well "cluster" that is under construction. Essentially it consists of three separate small monitoring wells drilled about 10 feet apart and to different depths. These monitoring wells will be used for measuring groundwater levels, detecting any possible groundwater contamination before it reaches any production wells, and to provide other data useful for groundwater modeling. Fortunately, when the project is completed the three wells will be capped at the surface of the ground and there will be nothing left above ground.

I hope this helps. Please let me know if you have any more questions.
Sincerely,

John E. Valdes, P.E.
Engineering Manager
Sacramento Suburban Water District

-----Original Message-----

From: Howard [mailto:howard@]
Sent: Wednesday, June 29, 2016 12:47 PM
To: John Valdes
Cc: Howard Moon
Subject: Cluster Project monitoring well?

Hi,

I'm just trying to find out information about a project going on in Carmichael, on Whitney Ave., near Winston Churchill Middle School. The sign out front (from what I can read while driving by) says "Cluster Project". I am guessing that this is one of the "monitoring wells" that is mentioned briefly on your website (<<http://sswd.org/index.aspx?page=526>>), correct? Can you tell me anything about what this is for, and why the name "Cluster Project"? (We're assuming this has nothing to do with a "cancer cluster" or something similar, but mainly just curious what's going on exactly.)

Thanks!
Howard, Carmichael resident

DIV 2

From: Greg Bundesen
Sent: Thursday, June 16, 2016 8:31 AM
To: larry@
Cc: Annette O'Leary
Subject: RE: Robert Roscoe

Mr. ,

SSWD is now in Normal Water Supply conditions and since the Splash Pad is not considered a decorative fountain, it is allowed to be used; however, the District strongly recommends that the Parks Dist. retrofit the splash pad with a recirculating system (if applicable).

Thanks!

Greg Bundesen
Water Conservation Supervisor
Sacramento Suburban Water District

From: Larry [<mailto:larry@ng>]
Sent: Thursday, June 09, 2016 11:22 AM
To: feedback
Cc: scott@ ; 'Mark '
Subject: Robert Roscoe

The North Highlands Recreation and Park District developed a public Splash Pad approximately 8 years ago at Freedom Park. It was not designed with a recirculation pump. The Splash Pad has been turned off for the past two year due to drought conditions. My question is.....because SSWD has eased water restrictions, is my district able to reopen the splash pad? The NHRPD does not own a public swimming pool and residents of North Highlands must travel outside of the community to swim in a public pool. Our splash pad has provided temporary heat relief to our residents during hot summer days. Not being able to use the splash pad has had an impact on our community. A prompt response is appreciated.

Thank you,

Larry, District Administrator
North Highlands Recreation and Park District

DIV Unknown

From: Greg Bundesen
Sent: Monday, June 13, 2016 7:55 AM
To: jc_mac@
Cc: Annette O'Leary
Subject: RE: Watering on Mondays

Mr.,

Thank you for your question. From an operational standpoint, weekend water production increases significantly which increases the use of District wells. By asking customers to not water on Mondays, the District is trying to rest some of our smaller wells that may have to run to support increased weekend production. Please let me know if you have any further questions.

Regards,

Greg Bundesen
Water Conservation Supervisor

-----Original Message-----

From: Jim [mailto:jc_mac@]
Sent: Thursday, June 09, 2016 8:13 PM
To: feedback
Subject: Watering on Mondays

Why, specifically, is watering on Mondays discouraged?

DIV Unknown

From: Dan York
Sent: Monday, June 06, 2016 1:15 PM
To: Heather Hernandez
Cc: Annette O'Leary
Subject: Director Kevin M. Thomas

We have since received another email from this customer. I am going to respond to him and inform him that we are in the process of forwarding his messages to Director Gayle, and I will try to have this customer call me so I can speak with him.

From: cliff [mailto:cliffdutton@]
Sent: Monday, June 06, 2016 10:59 AM
To: Annette O'Leary
Subject: Re: Director Kevin M. Thomas

Hi Annette

It is nice of you to send my E-Mail on

I am still looking for someone to help me with my new rate on my bill

Suburban water is an independent special district?

So who can I talk to about Suburban water upping my rates?

The most I can come up with is the judge that gave Suburban water the independent special district?

It all started about the same time

If you know someone that looks over Suburban water can you let me know?

Thank you, Cliff

From: Annette O'Leary
Sent: Friday, June 3, 2016 12:15 PM
To: cliff

Mr.

Thank you for your email; it will be forwarded to the Board of Directors and our management team.

Annette O'Leary

From: cliff [mailto:cliffdutton@]
Sent: Friday, June 03, 2016 11:31 AM
To: feedback
Subject: Director Kevin M. Thomas

Higher cost for water

I am on a low income or a no income and it's hard to see that Suburban water needs more to run a pump.

Had a set rate at one time for years and then had to have a water meter added to the house and an upgrade to the piping added two new fire hydrant at the school

And never painted the front side of the street red so no one will park in front them. (May not work?)

So I now need to pay off the loan for do the upgrade

And now it cost more to run the pumps so suburban water needs more money?

Hard to believe that with all the truck running up and down the street all day.

I know that Suburban water is like the old phone company if you don't like it don't use it.

I came home yesterday at noon and Pacific Career Technology High School has the kids that drive to school, park on the street

So I had to walk down to my house and the school was watering the grass, do schools have the same watering time as me or do the water police (suburban water) stop in and talk to them?

Know any way to cut back on my bill?

Thank you, Cliff



Agenda Item: 30

General Information

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Appellate Court Temporarily Blocks Delta Island Sale

By: Ryan Sabalow and Dale Kasler - rsabalow@sacbee.com – June 7, 2016 at 3:02 PM

Metropolitan Water District of Southern California agreed to pay \$175 million for five islands. Land sale believed to be linked to twin tunnels.



A state appellate court has temporarily blocked the Metropolitan Water District of Southern California's \$175 million purchase of five islands in the heart of the Sacramento-San Joaquin Delta.

On Tuesday, the 3rd District Court of Appeal granted a temporary stay preventing the sale from closing.

Last month, a San Joaquin County judge refused to grant a request for a preliminary injunction filed by environmental groups, local water districts, and San Joaquin and Contra Costa counties. Those groups sued in April, aiming to halt the sale pending an environmental review. Metropolitan officials have said it makes no sense to do an environmental review before the agency has a firm proposal for how it wants to use the islands.

Metropolitan has suggested the properties could be used to store equipment or possibly "fill" dirt for Gov. Jerry Brown's controversial tunnels project, which is designed to improve the reliability of water shipments to areas south of the Delta. The project is wildly unpopular among environmentalists and elected officials in the Delta region, and they have taken aim at Metropolitan's pending land purchase as well. They contend the purchase ultimately will harm the Delta's ecosystem and water supply, so an environmental review is required.

"We are grateful that the justices have prevented Metropolitan from closing on this unprecedented purchase of five Delta islands while they consider whether to extend the injunction for the duration of the litigation," San Joaquin County Counsel J. Mark Myles said in an email.

Metropolitan attorney Catherine Stites said the appellate court's decision is merely a procedural ruling to give the court time to review the case. Stites said that when the appeal was filed Thursday, it included nearly 1,000 pages of documents, and Metropolitan submitted a stack of documents in response.

"We believe the 3rd Appellate District will come to the same conclusion (as the San Joaquin County court judge), when it has a chance to review all the papers carefully," she said.

In a one-paragraph order issued Tuesday, the appellate court enjoined Metropolitan from moving forward with the purchase pending further instructions from the court. The court gave no explanation for its ruling.

Dante Nomellini, a lawyer for the Central Delta Water Agency and a plaintiff in the case, said the ruling doesn't mean an end to Metropolitan's purchase, but that the court could force the Southern California agency to perform environmental reviews before it can complete the acquisition.

Until now, Metropolitan has suggested it wants the islands to help push the Delta tunnels project forward but hasn't made that explicit. It also has said the islands could be used for wetlands restoration and other purposes.

"We all know they want to get the property ... for facilitating the WaterFix," Nomellini said, using the official name for the tunnels project. "Why would Met come up here and buy land unless it related to their water supply?"

A second suit was filed late last month by San Joaquin County and a group of Delta farmers who allege that the pending sale represents a breach of contract.

Delta Wetlands Properties, a subsidiary of Swiss financial services conglomerate Zurich Insurance Group, bought the islands 20 years ago with the aim of converting them into giant reservoirs that could store water in wet years and ship it to Southern California when supplies run low. Local governments and landowners sued over the plan. In 2013, they negotiated a series of settlements that restrict what can be done with the land.

The lawsuit filed in Contra Costa Superior Court argues that Delta Wetlands signed a contract that requires future buyers to abide by the negotiated settlements.

Metropolitan spokesman Bob Muir said last week that "those agreements are not relevant to the purchase of the property." Metropolitan officials say they won't be using the islands as reservoirs.

Ryan Sabalow: 916-321-1264, @ryansabalow

<http://www.sacbee.com/news/state/california/water-and-drought/delta/article82336262.html>

The 'Third Age' Of Water: Stretching Every Drop

Tuesday, June 14, 2016 – By: Melinda Burns



Efficiency Plus Conservation is Smarter, Cheaper than Dams and Desal, Experts Say.

If you were thirsting for some good news about the water crisis, the panelists at the Lobero Theater on Sunday had some.

It's true, they said, that 700 million people around the globe are without access to safe drinking water. Polluted rivers still catch on fire. People still get sick from water-borne diseases such as cholera, and from lead poisoning, as in Flint, Michigan. In California, where aqueducts crisscross the state, every source of water, including rivers, lakes, and underground basins, is over-committed, both legally and physically, the experts said. Even absent the drought, there is not enough water.

But water use in the United States peaked 30 years ago, even as the economy expanded and the population grew, Peter Gleick, president of the Pacific Institute, a global water think tank based in Oakland, told the Lobero audience of 200. It is a sign, he said, that the country is entering the "Third Age of Water."

"We have lots of bad news about water, but we are in the midst of a transition to an age of sustainability," Gleick said. "The idea has always been to build another dam, tap another river, drill another well. We can do much more in conservation and efficiency – do more with the water we collect and distribute."

A \$55 million desalination plant is expected to begin operations this fall on the Santa Barbara waterfront. But at Sunday's discussion, organized by *Pacific Standard*, a national magazine and website, the panelists said desalination was not the best way to address water shortages – at least not yet. The Carlsbad desalination plant, they said, is producing the most expensive water in California.

"It doesn't make sense to me," said Jane Gray, a member of the Central Coast Water Quality Control Board. Gray, Gleick, and Robert Wilkinson, a UCSB professor of water policy, cited a long list of much cheaper ways to create new supply and keep it local.

Wastewater that is dumped offshore could be treated to a higher level and used for irrigation, the panelists said. Stormwater that is channeled out to sea could be captured, treated, and injected into depleted groundwater basins. More rainwater could be harvested and stored. Toilets and dishwashers could be more efficient. “We have to stretch one drop of water five, six, seven, eight times,” Gray said. “We have to turn stresses into opportunities.”

Wilkinson noted that Southern California gets fully half its water supply from local sources and aims to further reduce its dependence on aqueduct supplies. The City of Los Angeles, population four million, is planning to cut its allocations from northern reservoirs by half, he said. In light of this trend, Wilkinson asked, who’s going to pay for the governor’s \$16 billion plan to build massive twin tunnels underneath the San Francisco Bay Delta, a project designed to move water more efficiently to the south?

“We’re shifting from centralized water projects to local supply options because of cost and reliability,” Wilkinson said. Treating wastewater and contaminated groundwater, he said, uses much less energy than removing salt from seawater or lifting aqueduct water 3,000 feet from the Delta to Los Angeles.

Agriculture uses 80 percent of California’s water supply. Over-pumping for farms has so depleted groundwater basins on the Central Valley that the land has sunk between 20 and 30 feet, a phenomenon called subsidence. In the Cuyama Valley, farmers are pumping well water that is 30,000 years old.

Low-value, water-intensive crops could be replaced with crops that use less water and yield greater profits, the panelists said. “There is going to have to be a discussion statewide about taking some land out of production,” Gleick said. “That’s the last thing farmers want to do.”

Gleick described the “First Age of Water” as the period from ancient Mesopotamia to the Renaissance that saw the construction of the first aqueducts. During the “Second Age of Water,” he said, empires realized they were losing control of their water sources to pollution and disease. The Second Age flowered in the 20th century, Gleick said, with the construction of massive dams, water treatment plants, irrigation systems, and aqueducts hundreds of miles long.

“The future will not be like the past because of climate change,” he said. “Water is no longer an engineering problem. It’s a food problem ... We use a lot less water for everything than we did 30 years ago. This is an indication we’re on the path to the new way.”

Sunday’s panel, moderated by Adam Nagourney, Los Angeles bureau chief of the *New York Times*, is the first in a series to be organized by *Pacific Standard*. The magazine is published by the Miller-McCune Center for Research, Media, and Public Policy, founded by Sara Miller McCune, the Santa Barbara philanthropist and publisher of academic journals.

<http://www.independent.com/news/2016/jun/14/third-age-water-stretching-every-drop/>

Do Southern California Water Wholesalers Have Enough Supply For 3 More Years Of Drought?

June 14, 2016 – By: Emily Guerin



Lake Oroville, a major source of water for southern California, received enough runoff this spring to release water over its dam for the first time in five years. This photo was taken when the reservoir was at 41% full. calilily/Flickr.

Wednesday will be a day of reckoning for California water wholesalers like Southern California's Metropolitan Water District (MWD). They have to prove to the state that they have enough water to get through three more years of drought. If they don't, they need to figure out how much they need to save. It's a big change from the way the state was regulating water just a month ago. Let's break it down.

What's different?

Well, to put it simply, rain.

2015 was the driest year in 500 years. And last spring, Governor Jerry Brown ordered cities to collectively cut their water use by 25 percent — the first urban water restrictions ever in state history.

But this winter it rained and — more importantly — it snowed. And the state's most important reservoirs in Northern California filled up. Southern California gets a lot of its water from Lake Oroville. Because of that, the state water board was under a lot of pressure to relax the mandatory water restrictions.

Are water agencies going to be conserving water at all anymore?

Yeah, they are. The difference is that this time around the state isn't telling them how much they have to conserve. They're deciding. They have to prove they have enough water to make it through three more dry years.

The state has given them a calculation that takes into account projected supplies and demand. If at the end of the three years, the calculation indicates they're going to be short, they'll have to start conserving now

to make sure they'll have enough. If it looks like they'll have some water left over, they won't have to conserve.

We'll hear from the wholesalers — like MWD — on Wednesday. And then the individual water agencies — like the L.A. Department of Water and Power — that buy from MWD next week. But if MWD works out its calculations and finds it doesn't have to conserve, that might mean that the water agencies that are its customers might not have to either.

So I can go back to watering my lawn in the rain and spraying down my sidewalk?

Nope, there's now a permanent statewide ban on wasteful uses of water. And the state water board is hoping water agencies will encourage their customers to continue cutting back, even if they don't impose mandatory conservation targets.

But Tracy Quinn with Natural Resources Defense Council is skeptical. She says voluntary conservation is simply not as effective as mandatory restrictions. She points to what happened in 2014, when Governor Jerry Brown asked for a 20 percent voluntary statewide reduction in water use that was only met once.

“We're still in an emergency drought situation,” Quinn said. “Messages like, ‘we're relaxing conservation standards or in some parts of the state eliminating them all together,’ are really worrisome.”

Quinn said she will be looking closely at water agencies' plans to make sure they are being realistic about their water supplies.

What happens if they're not realistic?

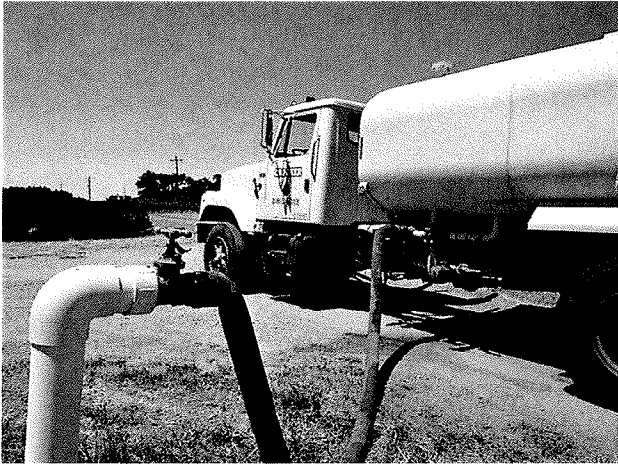
The state water board has made it clear that it has the right to re-institute mandatory water restrictions if it thinks individual water agencies aren't doing a good job managing their supplies.

Individual water agencies' plans are due on June 22, and water board staff will be looking closely to make sure they can provide the water they say they can.

<http://www.scpr.org/news/2016/06/14/61544/do-southern-california-water-wholesalers-have-enou/>

First Step In California Groundwater Law Stirs Debate

Thursday, June 16, 2016 | Sacramento, CA | By: Amy Quinton | Capital Public Radio



A Crocker Water truck fills underground storage tanks for a homeowner near Paso Robles whose well no longer pumps enough water.

Two years ago, California became one of the last states in the West to pass a law to manage groundwater. The political will to do so took decades. But the bigger battle may be putting the law into practice.

Paso Robles in San Luis Obispo County may be a perfect example of how hard it's going to be.

The region is known mostly for its more than 200 wineries. But amidst the rolling hills full of vineyards, it's not unusual to see tanker trucks delivering water to rural homeowners whose wells have run dry.

Stephen Johansen with Crocker Water is filling storage tanks for one rural homeowner. He says business is booming.

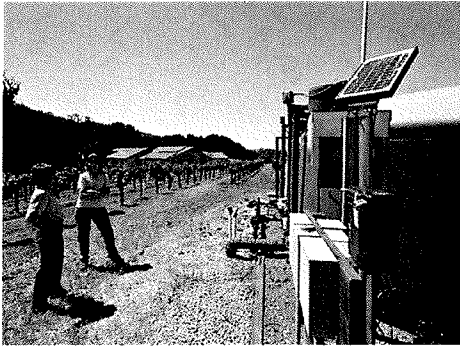
"Within the last two months we've had probably more than 20 customers added on to our weekly delivery list," says Johansen. "There's no water here."

Right next door, Sue Luft, a retired environmental engineer, started to see her well fail before the drought even started.

"We had a good well, 135 feet to groundwater. Now we're down at 285 feet, a new well, extremely poor quality water," says Luft.

Luft has spent about \$30,000 drilling a new well that's pulling up water from so deep it's full of sulfur.

"They drilled. They drilled. They drilled," says Luft, pointing up the road to her neighbors who have also had water supply problems. "Those guys kept dropping their pumps. He's only watering part of the vineyard at a time 'cause he can't keep up anymore."

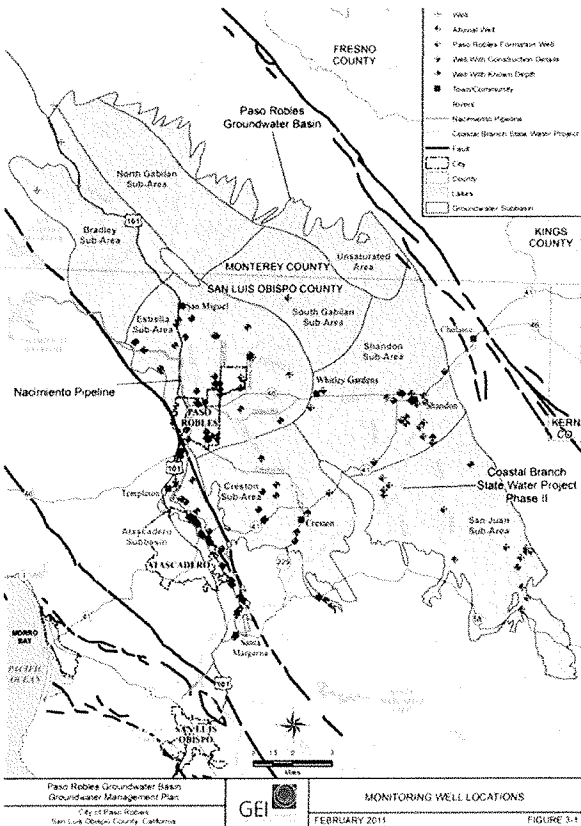


Homeowners Laurie Gage (L) and Sue Luft (R) depend on water in the Paso Robles groundwater basin. Both have seen water levels in their wells decline over the last several years. Luft has had to drill a new well and buy a treatment system because the water quality is bad.

Water levels in the Paso Robles basin have dropped more than 100 feet in some areas. More water is now pumped out of the basin every year than can be replenished.

The state has deemed the basin in “Critical Overdraft” under the new Sustainable Groundwater Management Act – or SGMA. One of the first steps of that law requires the creation of a local agency by next year. These Groundwater Sustainability Agencies would be charged with coming up with a plan to manage the basin.

"Based upon the SGMA requirements, you're going to have to manage this basin. It has to be managed," says Frank Meacham with the San Luis Obispo County Board of Supervisors. "How that's managed, who manages it, the cost involved in that, those are still all trying to be put together."



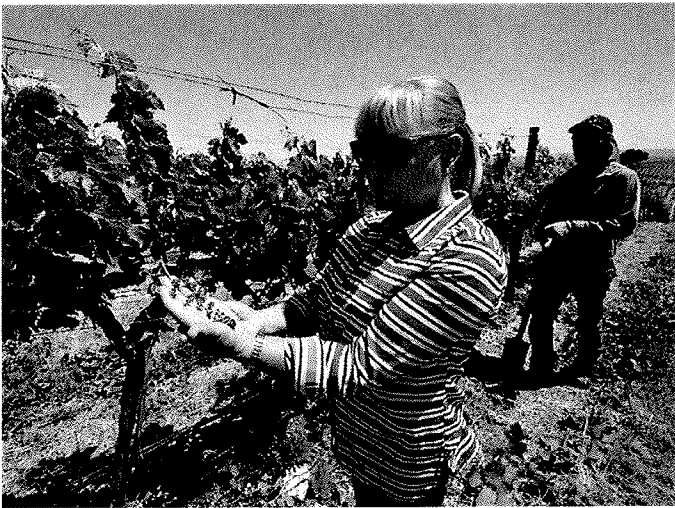
This map shows the Paso Robles groundwater basin, the largest basin in San Luis Obispo County. State regulators say it's considered in critical overdraft. Map / San Luis Obispo County Public Works Department

Back before the state's new law, San Luis Obispo County appeared to be well on the way to managing groundwater.

In 2013, the county prevented new vineyard or crop plantings unless groundwater demand remained the same. Large vineyard owners and rural homeowners came together to form a local groundwater management district right about the same time the state's groundwater law passed.

"We were doing exactly what the state wanted people to do, which is local people take responsibility for their groundwater," says Jerry Reaugh, a former vineyard owner that supported the proposal.

But when they put the local district plan to a vote, more than 70 percent of voters in the Paso Robles Basin rejected it.



Jacqueline Plant-Mason shows the beginnings of Merlot grapes she grows near Paso Robles. She wants to see the groundwater basin adjudicated, and fought against a water district.

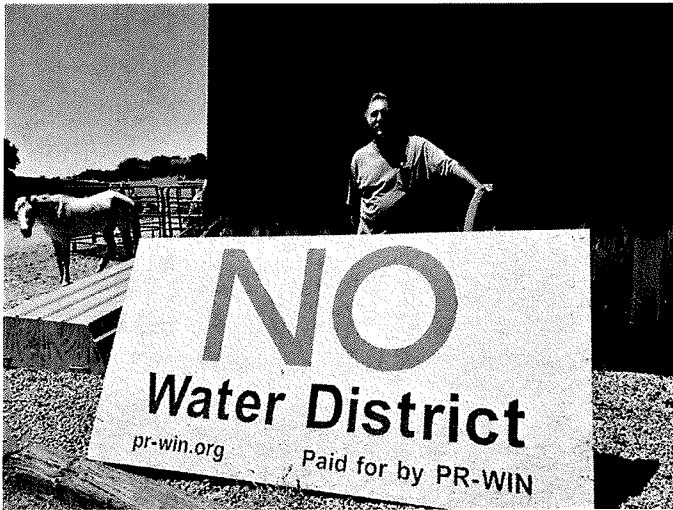
High on a hillside just outside of Paso Robles, Jacqueline Plant-Mason walks among the 40 acres of wine grapes she grows. She opposed the water district.

"When you have this quote 'water district,' it's another layer of government. That's all it is. It's another layer of control," says Plant-Mason.

Plant-Mason and hundreds of other landowners have sued. They believe a court should decide how to manage the groundwater basin.

Greg Grewall led the opposition to the local district. He doesn't even believe the basin is critically overdrafted.

"The other basins included on the list have major significant problems. We don't have a significant issue," says Grewall.



Greg Grewall, a rancher in San Luis Obispo County, led the opposition to defeat the formation of the water district this spring. Amy Quinton / Capital Public Radio

The arguments against the local water district became ugly, with rumors circulating about a plot by big agriculture to steal water.

“I think there was a tremendous amount of character assassination during this campaigning. There were a tremendous amount of conspiracy issues that were out there,” says Frank Meacham with the San Luis Obispo Board of Supervisors. "I just can't deal with a lot of that."

Regardless of why the election went the way it did, state law will require San Luis Obispo County come up with a solution.

Otherwise, state regulators can take over, meter wells, and charge fees – all without voter approval.

<http://www.capradio.org/articles/2016/06/16/first-step-in-california-groundwater-law-stirs-debate/>

Groundwater Levels Still Falling

By: Alex Breitler - Record Staff Writer - Posted Jun. 15, 2016 at 5:54 PM

More rain helps, but not enough to stop the slide.

What a difference a year doesn't make.

For anyone who doubts that we're still in a drought, San Joaquin County's groundwater "savings account" was even more depleted this spring than last, despite improved rainfall over the course of the winter.

Routine surveys of hundreds of wells across the county revealed water levels had dropped about 2 feet on average — not as severe as the 3-foot drop seen the previous spring, but still a decline.

Officials had hoped the results might be a little better.

"But we weren't expecting an instant turnaround," said Fritz Buchman, deputy director of county Public Works.

Here's why: While last winter was better than the three so-called "rainy seasons" that preceded it, it was not an extraordinarily wet year. Rainfall at the Stockton Metropolitan Airport is about 3 inches ahead of normal, but other local monitoring locations — like Stockton's Fire Station No. 4 on Pacific Avenue — are actually below normal.

The less rain, the less water is available to seep into the soil and recharge the groundwater, a source relied upon to varying degrees by both farmers and San Joaquin County residents.

The county's less-than-ideal groundwater report, released Wednesday to the Advisory Water Commission, is one reason county officials are leaving twice-a-week watering rules in place for residents in unincorporated areas.

"It's just too early" to lift those rules, Buchman said.

Lower groundwater is also troublesome for farmers, who must pay more for the power needed to pump the water from deeper underground.

The groundwater decline is not universal across the county. Some areas — including wells in the city of Stockton and Tracy — have seen improvement. Those communities have been relying more on river water in recent years.

Heading east of Stockton, however, the farther you go the more depleted the wells have become. The same is true heading into the northeastern portion of the county generally in the area of Highway 99. In both areas, groundwater levels this spring were as low or even slightly lower than the fall of 1992, which has long been considered the benchmark "low-water" year.

In the most extreme case, a well within the Central San Joaquin Water Conservation District dropped 28 feet this spring compared to last spring. (Though another well within the same district climbed 12 feet, highlighting how variable groundwater levels can be, depending on local conditions.)

San Joaquin County's groundwater problems, of course, predate the drought. The county has long been considered by state officials to be in overdraft, meaning that on average, more water is taken out of the ground than is replaced by the rain.

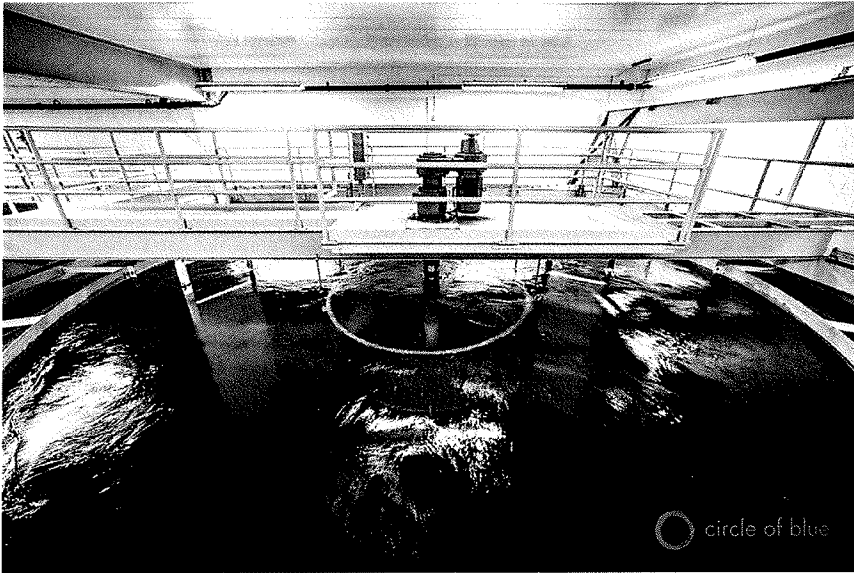
In some areas, irrigated orchards have sprouted in areas where before there was only dry-land grazing.

The county is still working on long-term solutions, including an experimental groundwater banking partnership with the East Bay Municipal Utility District east of Lodi.

<http://www.recordnet.com/news/20160615/groundwater-levels-still-falling>

U.S. Water Utilities Not Prepared for Catastrophe

June 23, 2016 - In Infrastructure, United States, Water News – By: Brett Walton, Circle of Blue



U.S. water utilities need more investment, partnerships, and planning to be able to ensure water service after a natural disaster or cyberattack. Photo © J. Carl Ganter / Circle of Blue

The federal government should have a more active role in preparing for natural disaster and cyberattack, report argues.

Cutting beneath the lower Mississippi River, the New Madrid fault is a T-shaped geological hazard that is primed for a fierce tremor. A magnitude 7.7 earthquake where the fault crosses the Missouri-Tennessee border would be devastating, snapping water distribution pipes and toppling power lines in seven states, as far as 200 miles from the epicenter. About 1.1 million homes would be without water and 2.6 million without electricity, for days, weeks or perhaps months. The shaking would weaken levees and dams, rupture sewage pipes, and isolate communities.

Such a “black sky” event — infrequent but debilitating — would be beyond the capacity of current emergency response, according to a National Infrastructure Advisory Council report on the U.S. water sector’s resilience to natural disaster and cyberattack.

A New Madrid earthquake is one of five disaster scenarios analyzed in the council’s 212-page report to the Department of Homeland Security. The council will meet in Los Angeles on Friday to finalize the recommendations.

The report argues that the federal government ought to take a more prominent role in assessing risks and coordinating emergency response because the water sector is divided into many thousands of agencies across state and county jurisdictions and because water service is a prerequisite for a community’s quick recovery. The report claims that “cascading failures” – a loss of power, for instance, that leads to a loss of water service that results in a hospital running short of water – are not well understood and ought to be the subject of more analysis and planning. Above all, water utilities need money to invest in repairs, a game

plan for delivering water to hospitals and other critical facilities after a disaster, and a more complete understanding of the risks.

Diverse Utilities But Common Risks

After previous reports on the electric power and transportation sectors, the council was tasked with assessing the ability of the nation's water delivery systems to withstand disaster and mend quickly. Council members interviewed more than 70 experts at water utilities, trade groups, universities, private companies, and government agencies. They did not consider questions about supply or pollution.

Though U.S. water utilities are diverse in their technical capacity and financial resources, the council found three common risks.

First, many water system pipes and facilities have reached or exceeded retirement age and need to be upgraded. It is an oft-repeated assessment, but the report notes that everyday failures — the water main breaks and sewage leaks that are a near-daily occurrence in some cities — do not inspire confidence that the systems will survive more exacting pressures during a natural disaster.

“Simply put, we have failed to make reinvestment in our infrastructure a top national priority,” the report states. “The condition of our infrastructure seriously lags behind in an increasingly competitive global economy, but we have been unable to generate the overall public interest, support, and political will to reinvigorate it.”

Second is the risk of cyberattack, which the council argues “is no longer hypothetical.” A dam in New York was hacked in September 2013 by Iranian computer experts, and chemical levels at an unnamed treatment plant were manipulated. Virtual intruders could shut down water service, tamper with dam gates, or destroy equipment. As more of the industrial control systems that operate pump stations and valves are connected to the internet, water utility employees need new skills, training, information, and computer savvy.

Climate change is the third common threat. Storms are increasingly severe, with bigger tidal surges and greater risk of flooding. Hurricane Sandy, which pummeled the mid-Atlantic coast in 2012, gave officials a glimpse of the future. The storm caused overflows at 10 of 14 New York City sewage plants and damage to nearly half the city's pump stations. Repairs to a plant operated by the Passaic Valley Sewerage Commission, in New Jersey, cost \$US 200 million – four times the commission's annual operating budget.

List of Challenges Grows Longer

Water utilities have a number of hurdles to overcome on the path to resilience. The sector is notoriously splintered. There are some 52,000 community water systems in the United States, and four out of five serve fewer than 3,300 people. Small systems have neither the technical skills to fend off a cyberattack nor the financial capacity of larger utilities. The report recommends that the federal government provide them with more training and aid while facilitating partnerships with well-staffed utilities that have more resources. This sort of planning is taking place in California and, having learned from Sandy, in the New York metro area.

Unlike energy or transportation, there is no single federal agency focused on water. Groups such as the Government Coordinating Council, comprising state and federal representatives, and the Water Sector Coordinating Council, an industry body, already assist utilities. But the Federal Emergency Management Agency's disaster response divides water responsibilities across four units, which impedes information sharing and splits authority, according to the report.

The water sector is also, in a way, a victim of its own success. Its services, largely buried beneath city streets or concealed in nondescript buildings, are undervalued by the public, the report claims. So far, the sector has posted a "remarkable track record" of maintaining service during disaster. As the risks intensify, more diligence and preparation will be needed.

The following two tabs change content below.

<http://www.circleofblue.org/2016/world/u-s-water-utilities-not-prepared-catastrophe/>

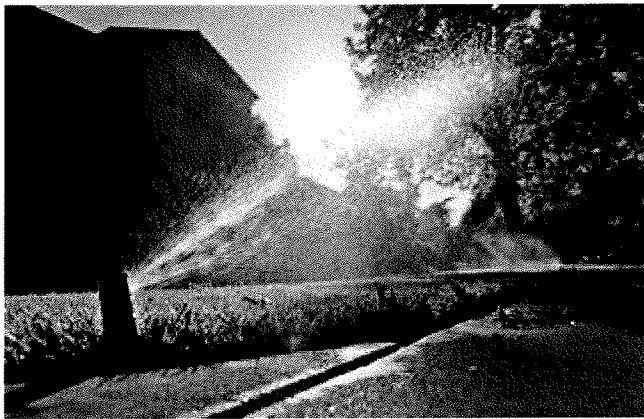
Sacramento Region To California: We've Got Plenty Of Water

June 27, 2016 6:00 AM - By Phillip Reese and Ryan Sabalow - preese@sacbee.com

California officials announced Wednesday, March 30, 2016, that snowpack levels near Lake Tahoe stand at roughly 95 percent of the historical average, a welcome respite from years of drought. Department of Water Resources

The Sacramento region's largest water districts have given a resounding answer to the question of whether they could handle three more years of drought: We have plenty of water.

The State Water Resources Control Board last month asked California's urban water districts to evaluate how much water they would need in the next three years if drought persisted – and whether their supplies would meet that demand. Districts that certify their supplies are adequate will not face mandatory water-use cuts. Those with inadequate supplies must set conservation goals proportional to their anticipated shortfall.



Sprinklers water grass at a home on July 1, 2014. Many water districts say they have plenty of water, but will simultaneously encourage conservation. Hector Amezcua hamezcua@sacbee.com

The new localized approach to water conservation in California is a sharp reversal from last year, when a “we’re all in this together” ethos led the state to demand mandatory water-use cuts of more than 28 percent throughout most of the Sacramento region compared with 2013.

Each of the 10 largest districts in the Sacramento region told the state last week that their water supplies are healthy and there is no need to impose mandatory percentage-based cuts again this year. Some districts reported large surpluses, contending they could withstand multiple years of drought without running out of water. Others reported a surplus but said that they would ask for voluntary conservation from customers. The city of Sacramento reported adequate supplies but nonetheless will maintain a two-day-a-week outdoor watering schedule and has set a water-use reduction target of 20 percent compared with 2013.

Several large districts in Southern California, which received far less precipitation this winter and remain dependent on imported water, also reported having ample supplies to withstand three more years of drought. Earlier this month, the Metropolitan Water District of Southern California, a mammoth wholesaler serving 19 million people, told its contractors that it had adequate supplies for the next three

years. The Los Angeles Department of Water and Power and the San Diego County Water Authority also reported they had passed the state's so-called drought stress test.

Under the state's newly relaxed conservation rules, California's 400 urban water districts were to submit an analysis of their supply conditions and conservation outlook by last Wednesday. The water board won't publish the responses until next month. The Sacramento Bee asked a number of individual districts across the region and California for copies of their submissions.

Water board chairwoman Felicia Marcus said Friday that, without analyzing the submissions, it's too early to say whether California is looking at a widespread retreat from last year's conservation efforts. Under the state's 2015 mandates, cities and suburbs cut usage nearly 25 percent statewide compared with 2013.

"We'll have a problem if people step back and say, 'Water your lawn with wild abandon,' " she said. "But I suspect it's going to be a more complex story. I think we're going to take a little while to see what this means."

Environmentalists interviewed said they saw troubling contradictions between the optimistic supply outlooks so many districts are reporting and the realities of the state's water situation. Forty percent of the state is in extreme or exceptional drought and the entire state is abnormally dry, according to the National Drought Mitigation Center.

Federal officials are struggling to come up with a plan for managing north-state reservoirs in a manner that ensures irrigation water for farms this summer, as well as cold, healthy flows for endangered fish species brought to the brink of extinction by the long drought. One of the plans under consideration could significantly deplete reservoirs, including Folsom Lake, a primary source of drinking water for the Sacramento region.

Noah Garrison, a water law expert and environmental scientist at the UCLA Institute of the Environment and Sustainability, said amid that uncertainty, as well as forecasts of a dry La Niña winter, it's unthinkable that districts would say they're in good shape.

"It's incredibly short-sighted," he said. "And it's emblematic of the way California has treated its problem over the past four or five years."

Water officials in the Sacramento region counter that they've asked ratepayers to spend millions in recent years on drought resiliency programs and that supplies were boosted by near-normal precipitation in Northern California. The state's two largest reservoirs have more water than average for this time of year. Eight of California's 12 major reservoirs are at depths that are at least 75 percent of normal. The region has ample groundwater.

Still, agency officials acknowledged that much of the state remains in drought, which means they're facing seemingly contradictory narratives: Tell their customers to keep conserving – while at the same time announcing that their water supplies are adequate to handle years of continued dry weather.

The Placer County Water Agency offers an example of how that messaging challenge is playing out. It has spent years investing in reservoirs and pumping facilities. It has solid water contracts in the high Sierra that have come through even in the worst of the drought. Its reservoirs stand above normal levels.

So the agency reported a huge surplus to the state and recently lifted restrictions on outdoor watering.

“We certainly have full supply,” said agency spokesman Ross Branch. “We have more than enough supply to meet our customer demands.”

But the agency will continue to offer rebates to customers pursuing conservation. It also will remind them that the drought is not over. “We certainly believe that using water efficiently is a good stewardship of the resource,” Branch said.

At the Los Angeles Department of Water and Power, a similar story is unfolding. Officials said they have enough water to withstand three more dry years, thanks to investments in supply capacity and extensive turf replacement rebates offered to customers. But they also want residents to continue to conserve.

“Staying on the path we are on will allow us to weather the next few years as we bring on more local water supplies and drive down our reliance on imported water,” senior assistant general manager Marty Adams said in a written statement. “In short, the zero percent requirement by the state goes hand-in-hand with the city’s reduced water demands and future water supply plans.”

Tim Quinn, executive director of the Association of California Water Agencies, said telling customers to conserve while acknowledging healthy water supplies is not a contradiction. The focus now, he said, should be on long-term savings.

“We’ve got the resources in place so that we are drought-prepared in no small part because of the sacrifices and the conservation and the local resource investments that we have been making in the past,” he said. “But this is not the time to let up on those things. This is the time to raise the bar. ... Climate change and other things are just going to make the challenge greater.”

Water board staff will spend the next two weeks reviewing the supply evaluations. Max Gomberg, the board’s climate and conservation manager, said staff likely would present their findings to the water board in early July.

Marcus, the water board chair, said several districts that have reported adequate water supplies have assured the board their customers would continue to conserve, even in the absence of mandatory cuts. Districts will be required to report monthly how much water customers use. The board could choose to be more aggressive if conservation stops.

“My hope is folks will keep conserving,” she said. “You don’t have to regulate everything.”

<http://www.sacbee.com/news/state/california/water-and-drought/article86115867.html>

Perfect Storm Brewing For California Fire Season

June 27, 2016 – By: Tara Lohan



A firefighter battles a wildfire burning along Highway 178, on Friday, June 24, 2016 in Lake Isabella, Calif. The wildfire that roared across dry brush and trees in the mountains of central California gave residents little time to flee as flames burned homes to the ground, propane tanks exploded and smoke obscured the path to safety. *Jae C. Hong, AP*

A bark beetle epidemic driven by drought is killing off millions of trees in the Sierra Nevada as California starts another summer plagued by drought and higher temperatures.

California's climate has always been hospitable to fire – it comes with the territory. But add five years of drought and rising temperatures, and it's a recipe for disaster.

“We are seeing the compounded effects of climate change that includes five consecutive years of drought and rising mean temperatures across the West – last year was the hottest year on record,” said Janet Upton, deputy director of communication at the California Department of Forestry and Fire Protection (Cal Fire). “All that is trending to a more flammable California.”

Last week the U.S. Forest Service reported that 26 million trees had died in six counties in the southern Sierra Nevada since October. Adding in an estimated 40 million dead trees counted since October 2010, it brings the statewide tree mortality to at least 66 million in less than six years.

High rates of tree mortality are being driven by bark beetles in combination with the state's drought. Like fire, bark beetles are a natural part of the state's ecology and a way for nature to weed out the weak and keep forests healthy. But when the trees suffer from drought, they no longer have their natural defense mechanism to fight off bark beetles. “Trees draw up moisture and push the beetle out,” said Upton. “With the drought, they couldn't draw the moisture needed to do that.” And that has led to a bark beetle explosion – to epidemic levels.

Hardest hit so far has been the southern Sierra. “We identified six high hazard counties and now we've added four more,” said Upton. The bark beetle blight is marching to the north.

“It’s a slow-moving disaster, I can’t characterize it any other way,” she said. “It’s heart-wrenching. These residents moved there to enjoy a beautiful, natural forested landscape and it’s dying before their eyes.”



Jimmy Romo, 73, leads a horse and other animals from his ranch as a wildfire burns behind them in Azusa, Calif., on Monday, June 20, 2016. Police in the city of Azusa and parts of Duarte ordered hundreds of homes evacuated. (Ringo H.W. Chiu, AP)

While this fire season may be shaping up to be a bad one, it is also part of a growing trend. Of the top 20 largest fires by acreage in California’s history dating back to the 1920s, half have occurred since 2002, said Upton. And fire intensity is increasing, too. The kind of fires we are seeing more of now, said Upton, are not the “good” fires that help restore natural landscapes, but devastating ones that burn everything in their path, causing mudslides and damage to water supply.

“Vegetation thrives on fire, but it thrives on healthy beneficial, low-intensity fire,” said Upton. “Not these fires that absolutely convert a forest into a brush patch.”

Even the parts of the state that got near-average rainfall this year have seen it’s been a double-edged sword. In many places rain fueled a robust crop of annual grasses, which have died out and are now the perfect kindling for an errant spark.

Wildfires are a danger to health, safety and property, but they also can impact crucial watersheds, which feed urban water supply. “People in urban areas don’t necessarily think about where the [water in the] faucet originates and how important a healthy forest is to a clean, reliable water supply,” said Upton.

State agencies are prepared for the fire season, though, Upton said – thanks in part to the governor’s budget, which has included \$77 million extra to staff up early. This preparation has included hiring 400 seasonal firefighters in February and adding extra engines, extra aircraft, extra support personnel and even extra public educators.

Cal Fire has launched a website for its “Ready, Set, Go!” campaign to help the public learn what to do before, during and after a wildfire. “Literally this information can be lifesaving,” said Upton. “We urge residents to get on that website.”

She says the long-range goal is to create a healthy forest in California that will be better able to fend off bark beetles and disease infestations and can withstand fire a lot better.

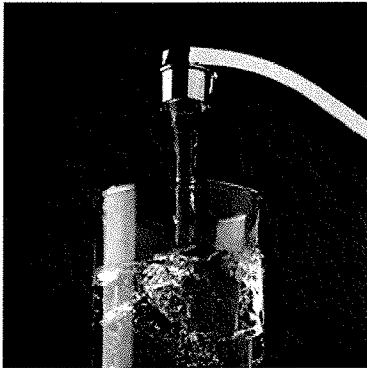
But there is a long way to go before then and more resources are needed. Last year was the first year that the Forest Service had to spend more than 50 percent of its budget on fire suppression (compared to just 16 percent in 1995), which leaves less money for restoration and management projects to increase forest health and restore watersheds.

“Unfortunately, unless Congress acts now to address how we pay for firefighting, the Forest Service will not have the resources necessary to address the forest die-off and restore our forests,” said Agriculture Secretary Tom Vilsack. “Forcing the Forest Service to pay for massive wildfire disasters out of its pre-existing fixed budget instead of from an emergency fund like all other natural disasters means there is not enough money left to do the very work that would help restore these high-mortality areas. We must fund wildfire suppression like other natural disasters in the country.”

<https://www.newsdeeply.com/water/articles/2016/06/27/perfect-storm-brewing-for-california-fire-season>

State Water Board Hears Comments On Proposed Drinking Water Fees

By : Emily Allshouse - 06/22/2016 - 3:03pm - In Water Quality Regulatory Affairs Water News



The State Water Resources Control Board held a public hearing Wednesday to receive public comment related to its draft Drinking Water Program fee regulations for Fiscal Year 2016-'17. While the State Water Board did not take action on the draft fee regulations, it could consider adoption of any final draft fee regulations at its Sept. 20 meeting.

During the workshop, ACWA Senior Regulatory Advocate Adam Robin expressed concerns that the draft regulations could increase annual public water system operating fees by more than 1,000% for some drinking water systems while reducing fees for others.

Robin asked to State Water Board to consider an alternative proposal developed by an ACWA Work Group and other stakeholders, called the "Water Community Option." The option would allow the board to recover the same amount in total fees as the draft fee regulations while more fairly allocating the necessary fee increases.

Representatives from the California Municipal Utilities Association, the Metropolitan Water District of Southern California, and Helix Water District expressed support for the Water Community Option.

Robin also highlighted specific recommendations included in ACWA's comment letter, including continued tracking of Drinking Water Program service provided to individual water systems and the enhanced collection and reporting of Drinking Water Program performance metrics.

At the public hearing, SWRCB staff indicated their intent to have the final fee regulations in place by Jan. 1, 2017.

ACWA will continue to engage the State Water Board and advocate for a more equitable approach to the proposed fees as the draft regulations move forward.

ACWA's final comment letter, including details on the "Water Community Option" proposal, is available [here](#).

<http://www.acwa.com/news/water-quality/state-water-board-hears-comments-proposed-drinking-water-fees>

Sacramento Judge Rules Delta Plan Invalid

By: Pamela Martineau - 06/27/2016 - 11:29am - In Delta Water News



A Sacramento Superior Court Judge on June 24 ruled that the Delta Stewardship Council's Delta Plan is invalid and will remain so until it includes "quantified or otherwise measurable targets associated with achieving reduced Delta reliance."

Sacramento Superior Court Judge Michael Kenny issued the ruling after several parties filed motions for clarifications to an earlier ruling he issued in May. His June 24 ruling also validates the DSC's role in creating an enforceable Delta Plan, and its use of best available science to set direction for the Delta.

The June 24 ruling states:

"The Court reiterates that Respondent must revise the Delta Plan, and any applicable regulations to include quantified or otherwise measurable targets associated with achieving reduced Delta reliance, reduced environmental harm from invasive species, restoring more natural flows, and increased water supply reliability."

The court also clarified that the challenges to the EIR and CEQA are moot:

"In light of the Court's finding of statutory violations and its finding that the Delta Plan is invalid, there is no longer a project with an EIR for which to conduct a CEQA analysis and review. Accordingly, the Court provided that the CEQA matters were moot, by which the Court implied, without expressly ordering, that there is no project, and consequently no EIR to currently review."

Jessica Pearson, executive officer of the DSC, issued a statement saying the DSC will appeal the ruling.

"The Delta remains in crisis and now isn't the time to set aside the state's only comprehensive management plan for the Delta," she wrote. "Because of this, the Council likely will appeal."

Pearson also wrote that the DSC is disappointed that the court "chose to invalidate the entire Delta Plan because of what it identified as inadequacies in two discrete areas." Those areas are: "The lack of legally enforceable, quantifiable targets for achieving reduced Delta reliance, reduced harm from invasive species, restoring more natural flows and increased water supply reliability" and "inadequate 'promotion' of options to improve the way water projects move water across the Delta."

Pearson went on to state that the court in its ruling considered the "Delta Plan as it was adopted in May 2013."

“Over the past three years the Council – working with state and local agencies and a wide range of stakeholders – has greatly improved the plan’s performance measures,” Pearson wrote. “The Council conducted a rigorous public process and adopted refined measures in February of this year.”

Pearson added that: “the 2009 Delta Reform Act envisioned that the then-Bay Delta Conservation Plan, which proposed new Delta conveyance, would be automatically incorporated into the Delta Plan if it met all other requirements of law. Now that the BDCP is no longer being pursued consistent with that provision of the Delta Reform Act, the Council last year began work on potential amendments to promote conveyance options with new storage and improved operations to achieve the coequal goals.”

By tentatively invalidating the Delta Plan, the Court would remove the enforceability of uncontested policies such as those protecting portions of the Delta for future habitat restoration, prohibiting new development in floodplains and floodways, and requiring the use of best available science and adaptive management for projects in the Delta.”

<http://www.acwa.com/news/delta/sacramento-judge-rules-delta-plan-invalid>

New Water Rules Make Good Sense

June 22, 2016 6:00 AM – By: Kathleen Tiegs and Brent Hastey - Special to The Bee



A home in Irvine features a drought-tolerant garden. State officials have given local water agencies more control over water conservation targets. Jae C. Hong The Associated Press

After a year of heroic water conservation under state-mandated emergency rules, Californians will shift this summer to ongoing water-saving practices guided by local conditions.

Under new rules adopted by the State Water Resources Control Board, California is transitioning from last year's one-size-fits-all mandatory reductions in water use to a locally driven approach better suited to where we are today. It reflects improved water supplies in many areas and recognizes substantial investments that local communities have made in drought-resilient supplies.

Californians have done a tremendous job of saving water in response to the state's historic drought, with extraordinary measures including brown lawns, shower buckets and turf removal.

Now, urban Californians will continue their water-efficient practices under locally managed programs designed to ensure adequate supplies through three additional dry years. This does not mean conservation is going away, only that emergency measures will be replaced in many areas.

No one is ready to declare the drought over, especially not local water managers, who know the next dry year is always just around the corner. So while we may be enjoying a reprieve this year, we are not about to let down our guard.

No one is getting a free pass. Californians are much more efficient water users today than even a few years ago, and that is not going to change. Local water agencies will continue that momentum with ongoing conservation and permanent prohibitions on wasteful practices such as hosing down driveways and irrigating landscapes within 48 hours of measurable rainfall.

As a recent Field Poll revealed, the drought has changed the way most Californians view water. Three-fourths of respondents said it is important to continue saving water both inside and outside their homes, and nearly nine in 10 said they plan to do so permanently.

Californians get it. Last year, they understood we were in a drought that required extraordinary action. But they rely on their water supplier to tell them when heroic conservation is needed. To maintain credibility with their customers, we must be able to tailor the level of conservation to actual water supplies.

<http://www.sacbee.com/opinion/op-ed/soapbox/article85095117.html>