

# **Agenda**

## **Sacramento Suburban Water District**

### **Regular Board Meeting**

3701 Marconi Avenue, Suite 100  
Sacramento, California 95821

Monday, February 27, 2017  
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**

#### **Pledge of Allegiance**

#### **Roll Call**

#### **Announcements**

#### **Public Comment**

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

#### **Consent Items**

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

1. Minutes of the January 23, 2017 Regular Board Meeting  
*Recommendation: Approve subject minutes.*

2. Electronic Mail Management and Retention Policy (PL – IT 003)  
*Recommendation: Adopt subject Policy.*
3. Investment Policy (PL – Fin 003)  
*Recommendation: Adopt subject Policy.*
4. Resolution No. 17-01 Concurring the Nomination of Cucamonga Valley Water District's Kathleen J. Tiegs to the ACWA/JPIA Executive Committee  
*Recommendation: Adopt subject Resolution.*
5. Resolution No. 17-02 In Support of Repealing Federal Water Rebate Taxation  
*Recommendation: Adopt subject Resolution.*

**Items for Discussion and Action**

6. A Week in the Life of Production  
*Presentation by Doug Cater from the District's Production Department.*
7. New Account Payable and Inventory Systems  
*Presentation by Dan Bills from the District's Finance Department.*
8. Setting the Dates for Future Regular Board Meetings  
*Receive written staff report and direct staff as appropriate.*
9. McClellan Business Park and Operations Agreement Update  
*Receive written staff report and direct staff as appropriate.*
10. Howe Park River-Friendly Demonstration Garden  
*Receive written staff report and direct staff as appropriate.*

**Information Items**

11. Update on District Actions to Address Chromium 6 Contamination of Groundwater Wells
12. 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

13. Engineering Report
  - a. Major Capital Improvement Projects
  - b. County and City Projects/Coordination
  - c. McClellan Business Park
  - d. Groundwater Quality Projects
  - e. General
  - f. Planning Studies
  - g. Other
14. Financial Report
  - a. DRAFT - Financial Statements – January 2017
  - b. Cash Expenditures – January 2017
  - c. Credit Card Expenditures – January 2017
  - d. DRAFT - District Reserve Balances – January 2017
  - e. DRAFT - Information Required by Bond Agreement
15. 2017 Budget Impact from Newly Adopted San Juan Water District Wholesale Water Rates
16. Proposed San Juan Water District Wholesale Water Rate Contract Discussion Points
17. 2017 OCB Budget Reallocations
18. New Catastrophic Leave Procedure (PR – HR 008)
19. McClellan Business Park Reservoir Tank Property
20. Examination of Well Pump Motors Failures
21. Annexation of Carmichael Water District Properties

22. County of Sacramento Proposed Paving Requirements
23. Comments on Final Environmental Impact Report/Environmental Impact Statement for the Bay-Delta Conservation Plan/California WaterFix
24. Ongoing State Board and Delta Issues
25. Division of Drinking Water Annual System Inspection
26. CEQA Exemptions for Water Facility Projects: Edison Avenue - Juliesse Avenue Water Main Extension and Connie Drive Water Main Extension
27. Legislative and Regulatory Update
28. General Manager's Report
  - a. Long Term Warren Act Contract Update
  - b. City of Sacramento Wholesale Water Rates and 9,023 af of Area D Water
  - c. Water Transfer – Bureau of Reclamation Update
  - d. How Other Districts Handle Firefighting Water Use
  - e. Sustainable Groundwater Management Act Implementation (SGMA)
29. Upcoming Policy Review
  - a. Improvement Standards and Technical Specifications (PL – Eng 001)
  - b. Strategic Plan Policy (PL – BOD 01)
30. Upcoming Water Industry Events

### **Committee Reports**

31.
  - a. Facilities and Operations Committee (Director Schild)  
Notes from the January 20, 2017 Meeting and Notes from the February 16, 2017 Meeting
  - b. Finance and Audit Committee (Director Thomas)  
No report

- c. Water Quality Committee (Director Wichert)  
No report.
- d. Government Affairs Committee (Director Locke)  
No report.
- e. Ad Hoc Water Banking and Transfer Committee (Director Schild)  
No report.

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

- 32. a. Regional Water Authority (Director Thomas)  
Agenda from the February 22, 2017 Meeting  
  
Regional Water Authority Executive Committee (General Manager Roscoe)  
Agenda from the January 25, 2017 Meeting
- b. Sacramento Groundwater Authority (Director Schild)  
Agenda from the February 9, 2017 Meeting
- c. Water Forum Successor Effort (General Manager Roscoe)  
Agenda from the February 9, 2017 Meeting  
  
Carryover Storage Working Group Meetings  
No report.  
  
Water Forum Dry Year Conference Meeting  
No report.  
  
Water Caucus Meeting  
No report.
- d. Other Reports

**Miscellaneous Correspondence and General Information**

- 33. Correspondence received by the District
- 34. 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)**

- 35. Public Employee Performance Evaluation Involving the General Manager Under Government Code Section 54954.5(e) and 54957
- 36. Conference with Board negotiating committee (including Director Wichert) involving the General Manager under Government Code sections 54954.5(f) and 54957.6.

**Adjournment**

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**Upcoming Meetings**

Monday, March 20, 2017 at 6:30 p.m., Regular Board Meeting  
Monday, March 27, 2017 at 3:00 p.m., Water Quality Committee Meeting

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I certify that the foregoing agenda for the February 27, 2017 meeting of the Sacramento Suburban Water District Board of Directors was posted by February 23, 2017 in a publicly-accessible location at the Sacramento Suburban Water District office, 3701 Marconi Avenue, Suite 100, Sacramento, California, and was freely available to the public.

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



## Agenda Item: 14

**Date:** February 13, 2017

**Subject:** Financial Report

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

Eight reports are attached for your information. They are:

- DRAFT - Financial Statements – January 2017
- Cash Expenditures – January 2017
- Credit Card Expenditures – January 2017
- DRAFT - District Reserve Balances – January 2017
- DRAFT - Information Required by Bond Agreement

### Draft Financial Statements

**These Financial Statements and certain other reports noted above and below are presented in Draft form and should not be relied upon for investment or other decision making purposes. As December 31 is the District's year-end for financial reporting purposes, amounts presented in this report will remain "Draft" until the external auditor's financial audit is complete and the Board accepts the audited 2016 annual report (CAFR). The results of the audit and the CAFR are expected to be complete and brought to the Board at the April Board meeting.**

#### DRAFT - Balance Sheet:

District cash and cash equivalents increased to \$2.9 million as of January 31, 2017, up from \$2.7 million at December 31 2016. Cash held in the District's bank accounts (\$2.2 million as of January 31) 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 any time.

Investments increased since December 31, 2016 by \$0.1 million to a total of \$34.7 million, reflecting net unrealized market value gain and the reinvestment of interest received. At the request of the Board, Investment portfolio and activity information is now reported quarterly.

Capital assets grew \$1.4 million to \$446.6 million as of January 31, 2017, reflecting expenditures on distribution main 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 \$234.3 million as of January 31, 2017, compared to \$233.6 million at December 31, 2016 for an increase of \$0.7 million.

DRAFT - Income Statement:

The net position increase of \$0.7 million in 2017, when compared to \$0.5 million in 2016, shows:

1. Water Consumption Sales increased by \$0.5 million (1.2%) compared to the same period of 2016 due primarily a 4.0 percent rate increase that occurred on January 1, 2017 as well as to increased water deliveries as 472 acre-feet of water was delivered in 2017 compared to 466 acre-feet in 2016 for an increase of 1.3 percent.
2. Capital Facility Charges and Water Service Charges increased by \$0.2 million in line with the 4.0 percent rate increase referred to above.
3. Operating expenses decreased by \$0.1 million compared to the same period a year ago due to - 1) annual IT license fees paid in January 2016 did not recur in January 2017; Surface water was available for purchase in the North Service Area this year at a cost of \$0.2 million but was unavailable in January 2016; and 3) partially offsetting the increased cost from purchasing surface water was a decrease of \$0.1million in groundwater pumping costs.
4. Interest and investment income decreased \$0.2 million compared to the same period a year ago primarily due to unrealized holding gains in 2016 not recurring in 2017.

DRAFT - Budgets:

The District’s operating and maintenance expenditures through January 2017 are less than the amended budget by \$0.6 million. Most of this positive variance is due timing differences.

There were no operating capital project expenditures in January. The total budget for the year is \$1.1 million.

The District’s amended capital improvement project (CIP) budget for 2017 is \$17 million. For 2017, \$1.4 million has been spent. Expenditures continue to be primarily in distribution system replacements and meter retrofit projects.

Debt – January 2017

This report shows District activity in repaying its long-term debt obligations. Scheduled 2017 principal payments of \$4.1 million are not due until the end of October. Total principal outstanding as of January 31, 2017 is now \$85.6 million.



Cash Expenditures – January 2017

During the month of January, the District made cash payments totaling \$1.0 million. The primary expenditures were – \$0.1 million for capital improvement projects, \$0.2 million for debt service, and \$0.6 million for payroll, pension and health benefits.

Purchasing Card Expenditures – January 2017

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 \$14,623 for various purchases on the six District purchasing cards. Details by vendor and purpose are included in this report.

DRAFT - 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 January 31, 2017 are \$41,193,059 compared to \$40,845,329 at December 31, 2016.

DRAFT - 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**  
**January 31, 2017**

Sacramento Suburban Water District  
Balance Sheet  
As Of

	January 2017	December FY 2016
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$2,977,353.67	\$2,695,369.99
Restricted Cash and cash equivalents	162.80	162.80
Accounts receivable, net of allowance for uncollectible accounts	1,478,508.36	2,278,888.82
Interest receivable	141,957.60	134,041.26
Restricted Interest receivable	11,539.69	8,714.06
Grants receivables	285,928.89	285,928.89
Inventory	456,346.44	456,314.17
Prepaid expenses and other assets	856,050.48	2,011,574.66
<b>TOTAL CURRENT ASSETS</b>	<b>6,207,847.93</b>	<b>7,870,994.65</b>
<b>NONCURRENT ASSETS</b>		
Investments	34,671,212.55	34,619,873.12
Restricted Investments	3,532,789.84	3,531,060.83
Fair value of interest rate swaps	14,266.00	14,266.00
<b>TOTAL NONCURRENT ASSETS</b>	<b>38,218,268.39</b>	<b>38,165,199.95</b>
Property, plant and equipment	446,615,791.63	445,209,742.33
Accumulated depreciation	(159,931,904.75)	(158,959,856.15)
<b>TOTAL CAPITAL ASSETS</b>	<b>286,683,886.88</b>	<b>286,249,886.18</b>
<b>TOTAL ASSETS</b>	<b>331,110,003.20</b>	<b>332,286,080.78</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred amount on long-term debt refunding	7,267,620.49	7,321,214.15
Pension contribution subsequent to measurement date	414,789.00	414,789.00
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>338,792,412.69</b>	<b>340,022,083.93</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Current portion of long-term debt and capital leases	4,060,000.00	4,060,000.00
Accounts payable	677,202.23	2,329,720.77
Accrued interest	560,931.39	491,892.27
Deferred revenue and other liabilities	690,699.88	701,005.02
Accrued expenses	435,189.08	751,367.93
<b>TOTAL CURRENT LIABILITIES</b>	<b>6,424,022.58</b>	<b>8,333,985.99</b>
<b>NONCURRENT LIABILITIES</b>		
Long-term debt	90,387,724.58	90,441,926.68
Compensated absences	1,128,156.17	1,087,883.47
Net pension liability	5,722,018.00	5,722,018.00
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>97,237,898.75</b>	<b>97,251,828.15</b>
<b>TOTAL LIABILITIES</b>	<b>103,661,921.33</b>	<b>105,585,814.14</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred intflow of effective swaps	14,266.00	14,266.00
Employee pensions	798,534.00	798,534.00
<b>NET POSITION</b>		
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	42,102,180.19	41,407,958.62
<b>TOTAL NET POSITION</b>	<b>234,317,691.36</b>	<b>233,623,469.79</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>	<b>\$338,792,412.69</b>	<b>\$340,022,083.93</b>

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

	Month 1/31/2017	Year-To-Date 1/31/2017	Month 1/31/2016	Year-To-Date 1/31/2016
<b>OPERATING REVENUES</b>				
Water consumption sales	\$433,650.94	\$433,650.94	\$386,847.98	\$386,847.98
Water service charge	470,721.57	470,721.57	438,697.01	438,697.01
Capital facilities charge	1,661,822.21	1,661,822.21	1,444,655.23	1,444,655.23
Wheeling water charge	284.36	284.36	296.60	296.60
Other charges for services	102,464.29	102,464.29	89,412.29	89,412.29
<b>TOTAL OPERATING REVENUES</b>	<b>2,668,943.37</b>	<b>2,668,943.37</b>	<b>2,359,909.11</b>	<b>2,359,909.11</b>
<b>OPERATING EXPENSES</b>				
Source of supply	195,065.68	195,065.68	2,438.60	2,438.60
Pumping	85,271.09	85,271.09	174,178.74	174,178.74
Transmission and distribution	123,810.28	123,810.28	161,276.06	161,276.06
Water conservation	15,638.06	15,638.06	14,403.59	14,403.59
Customer accounts	53,916.25	53,916.25	48,206.91	48,206.91
Administrative and general	301,694.07	301,694.07	441,092.77	441,092.77
<b>TOTAL OPERATING EXPENSES</b>	<b>775,395.43</b>	<b>775,395.43</b>	<b>841,596.67</b>	<b>841,596.67</b>
Operating income before depreciation	1,893,547.94	1,893,547.94	1,518,312.44	1,518,312.44
Depreciation and amortization	(972,048.60)	(972,048.60)	(995,000.02)	(995,000.02)
<b>OPERATING INCOME</b>	<b>921,499.34</b>	<b>921,499.34</b>	<b>523,312.42</b>	<b>523,312.42</b>
<b>NON-OPERATING REV. (EXP.)</b>				
Rental income	1,334.38	1,334.38	14,352.91	14,352.91
Interest and investment income	71,679.65	71,679.65	267,006.40	267,006.40
Interest expense	(309,470.75)	(309,470.75)	(296,273.66)	(296,273.66)
Other non-operating revenues	9,178.95	9,178.95	227.21	227.21
Other non-operating expenses			0.35	0.35
<b>NON-OPERATING REV. (EXP.)</b>	<b>(227,277.77)</b>	<b>(227,277.77)</b>	<b>(14,686.79)</b>	<b>(14,686.79)</b>
<b>NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	<b>694,221.57</b>	<b>694,221.57</b>	<b>508,625.63</b>	<b>508,625.63</b>
<b>CAPITAL CONTRIBUTIONS</b>				
Facility development charges			7,802.00	7,802.00
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b>0.00</b>	<b>0.00</b>	<b>7,802.00</b>	<b>7,802.00</b>
<b>CHANGE IN NET POSITION</b>	<b>694,221.57</b>	<b>694,221.57</b>	<b>516,427.63</b>	<b>516,427.63</b>
Net position at beginning of period	233,623,469.79	233,623,469.79	225,736,190.97	225,736,190.97
<b>NET POSITION AT END OF PERIOD</b>	<b>234,317,691.36</b>	<b>234,317,691.36</b>	<b>226,252,618.60</b>	<b>226,252,618.60</b>

Sacramento Suburban Water District  
Operations and Maintenance Budget  
Period Ended

	Month Of January			2017 YTD		
	Actual	Budget	Variance	Actual	Budget	Variance
<b>BUDGETED OPERATING EXPENSES</b>						
Board of Directors	\$663.36	\$12,804.88	\$12,141.52	\$663.36	\$12,804.88	\$12,141.52
Administrative	125,319.24	193,109.48	67,790.24	125,319.24	193,109.48	67,790.24
Finance	38,738.71	86,472.88	47,734.17	38,738.71	86,472.88	47,734.17
Customer Services	53,916.25	107,221.55	53,305.30	53,916.25	107,221.55	53,305.30
Field Operations	14,182.32	42,292.47	28,110.15	14,182.32	42,292.47	28,110.15
Production	280,336.77	360,643.98	80,307.21	280,336.77	360,643.98	80,307.21
Distribution	79,752.99	157,600.37	77,847.38	79,752.99	157,600.37	77,847.38
Field Services	44,057.29	106,667.66	62,610.37	44,057.29	106,667.66	62,610.37
Maintenance	18,005.69	59,875.65	41,869.96	18,005.69	59,875.65	41,869.96
Water Conservation	15,638.06	36,579.27	20,941.21	15,638.06	36,579.27	20,941.21
Engineering	49,276.90	123,462.02	74,185.12	49,276.90	123,462.02	74,185.12
GIS/CAD	16,166.91	29,488.82	13,321.91	16,166.91	29,488.82	13,321.91
Human Resources	6,949.53	35,532.96	28,583.43	6,949.53	35,532.96	28,583.43
MIS	32,391.41	65,514.81	33,123.40	32,391.41	65,514.81	33,123.40
<b>TOTAL OPERATING EXPENSES</b>	<b>775,395.43</b>	<b>1,417,266.80</b>	<b>641,871.37</b>	<b>775,395.43</b>	<b>1,417,266.80</b>	<b>641,871.37</b>

SACRAMENTO SUBURBAN WATER DISTRICT  
 OPERATING CAPITAL AMENDED BUDGET  
 1/31/2017

Project Number	Project Name	Original Budget	Budget Amendments	Amended Budget	Current Month Expenditures	Expenditures Year-To-Date	Committed Year-To-Date	Remaining Balance
SF17-396	VEH REPL - RIGHT SIZE/TRUCK#41	33,000.00		\$33,000.00	\$	\$		\$ 33,000.00
SF17-397	VEH REPL-RIGHT SIZE TRUCK#25	70,000.00		\$70,000.00	-	-		70,000.00
SF17-398	VEH REPL-RIGHT SIZE/TRUCK#27	130,000.00		\$130,000.00	-	-		130,000.00
SF17-399	NEW VEH-PROD DEPT/CCCS	34,500.00		\$34,500.00	-	-		34,500.00
SF17-400	FACILITY SIGN HOLDER REPL	7,200.00		\$7,200.00	-	-		7,200.00
SF17-401	PROD MAG METER REPL	23,000.00		\$23,000.00	-	-		23,000.00
SF17-402	CHEMICAL TRAILER REFURB/REPL	10,000.00		\$10,000.00	-	-		10,000.00
SF17-403	SECURITY CAMERAS	30,000.00		\$30,000.00	-	-		30,000.00
SF17-404	SCADA CONTRL SYS INTEGRATION	75,000.00		\$75,000.00	-	-		75,000.00
SF17-405	VANAIR UNDERDECK-AIR SUPPLY-T30	25,000.00		\$25,000.00	-	-		25,000.00
SF17-406	METER FAULT LID RETROFIT	10,500.00		\$10,500.00	-	-		10,500.00
SF17-407	GPS/GIS INTEGRATION-PH 1	70,000.00		\$70,000.00	-	-		70,000.00
SF17-408	BUILDING/STRUCTURE MAINT	95,000.00		\$95,000.00	-	-		95,000.00
SF17-409	HVAC/ROOF/BUILDING REPAIRS	30,000.00		\$30,000.00	-	-		30,000.00
SF17-410	WALNUT FACILITY LIGHT UPGRADE	40,000.00		\$40,000.00	-	-		40,000.00
SF17-411	DRIVEWAY/PARKING/IRRIGA-WALNUT	10,000.00		\$10,000.00	-	-		10,000.00
SF17-412	INTERIOR PAINT-WALNUT 1ST FLOO	25,000.00	\$11,000.00 1	\$36,000.00 1	-	-		36,000.00
SF17-413	EXTERIOR PAINT-WALNUT	40,000.00	(\$40,000.00) 1	\$0.00 1	-	-		-
SF17-414	FOREMAN OFF RENOVATION-WALNUT	15,000.00	\$22,000.00 1	\$37,000.00 1	-	-		37,000.00
SF17-415	FOYER FURNITURE UPGRADE-WALNUT	6,000.00	\$2,000.00 1	\$8,000.00 1	-	-		8,000.00
SF17-416	MULCH - ANTELOPE GARDEN	20,000.00		\$20,000.00	-	-		20,000.00
SF17-417	SECURITY UPGRADE-MARCONI	15,000.00		\$15,000.00	-	-		15,000.00
SF17-418	TRAILER REFURBISH - 33A	10,000.00		\$10,000.00	-	-		10,000.00
SF17-419	NEW STAFF OFF FURNITURES	10,000.00	\$5,000.00 1	\$15,000.00 1	-	-		15,000.00
SF17-420	HARDWARE REFRESH	82,800.00		\$82,800.00	-	-		82,800.00
SF17-421	SOFTWARE ENHANCEMENTS	85,000.00		\$85,000.00	-	-		85,000.00
SF17-422	GPS/GIS INTEGRATION - HARDWARE	75,000.00		\$75,000.00	-	-		75,000.00
SF17-423	WEBSITE UPGRADE	58,000.00		\$58,000.00	-	-		58,000.00
SF17-424	2 DESK TOP/2 LAPTOP- NEW STAFF	6,000.00		\$6,000.00	-	-		6,000.00
		1,141,000.00	\$0.00	\$1,141,000.00	\$	\$	\$	\$1,141,000.00

**Sacramento Suburban Water District  
Capital Improvement Project Amended Budget  
1/31/2017**

Project No.	Project Name	Original Budget	Amended Budget	Current Month Expenditures	Expenditures Year-To-Date	Committed Year-To-Date	Remaining Balance
SC17-009	WELL REHAB/PUMP ST IMPROVEMENT	700,000.00	\$700,000.00	-	\$-	-	\$ 700,000.00
SC17-010	SCADA RTU/COMMUN IMPROVEMENT	75,000.00	\$75,000.00	-	-	-	75,000.00
SC17-011	WELLHEAD TREATMENT/CHEM FEED	250,000.00	\$250,000.00	-	-	-	250,000.00
SC17-012	WELL REPLACEMENTS	2,000,000.00	\$2,000,000.00	-	-	-	2,000,000.00
SC17-013	ELECTRICAL IMPROV @WELL SITES	25,000.00	\$25,000.00	-	-	-	25,000.00
SC17-018	DISTRIBUTION MAIN REPLACEMENTS	9,250,000.00	\$9,250,000.00	-	867,185.40	-	8,382,814.60
SC17-019	DIST MAIN IMPRV/EXT/INTERTIES	600,000.00	\$600,000.00	-	-	-	600,000.00
SC17-020	MCCLELLAN LINE REPL	50,000.00	\$50,000.00	-	-	-	50,000.00
SC17-022	WTR RELATED STREET IMPRV	200,000.00	\$200,000.00	-	-	-	200,000.00
SC17-024	METER RETROFIT PROGRAM	2,540,000.00	\$2,540,000.00	-	538,863.90	-	2,001,136.10
SC17-034	RESERVIOR/TANK IMPROVMENT	100,000.00	\$100,000.00	-	-	-	100,000.00
SC17-034A	CORROSION CONTROL-TRAN MAINS	450,000.00	\$450,000.00	-	-	-	450,000.00
SC17-038	LARGE WTR METER >3" REPL	100,000.00	\$100,000.00	-	-	-	100,000.00
SC17-040	ENGINE GENERATOR COMPLIANCE	35,000.00	\$35,000.00	-	-	-	35,000.00
SC17-042	METER REPLACE/REPAIR - WMP	50,000.00	\$50,000.00	-	-	-	50,000.00
SC17-046	TANK INSPECTION & REPAIRS	200,000.00	\$200,000.00	-	-	-	200,000.00
SC17-047	NSA TRANSMISSION LINES	300,000.00	\$300,000.00	-	-	-	300,000.00
SC17-048	RIGHT OF WAY/EASEMENT ACQUISTI	50,000.00	\$50,000.00	-	-	-	50,000.00
<b>Totals SSWD</b>		<b>\$ 16,975,000.00</b>	<b>\$ 16,975,000.00</b>	<b>\$ 1,406,049.30</b>	<b>\$ 1,406,049.30</b>	<b>\$ -</b>	<b>\$ 15,568,950.70</b>

**Sacramento Suburban Water District  
Debt  
1/31/2017**

**Current Month**

	Series 2009A COP	Series 2009B COP	Series 2012A	Total
Beginning Balance	\$ 42,000,000	\$ 24,095,000	\$ 19,520,000	\$ 85,615,000
Additions:				-
Reductions:				
Payment	-	-	-	-
Ending Balance	<u>\$ 42,000,000</u>	<u>\$ 24,095,000</u>	<u>\$ 19,520,000</u>	<u>\$ 85,615,000</u>

**Year-To-Date**

	Series 2009A COP	Series 2009B COP	Series 2012A	Total
Beginning Balance	\$ 42,000,000	\$ 24,095,000	\$ 19,520,000	\$ 85,615,000
Additions:				-
Reductions:				
Payment	-	-	-	-
Ending Balance	<u>\$ 42,000,000</u>	<u>\$ 24,095,000</u>	<u>\$ 19,520,000</u>	<u>\$ 85,615,000</u>



**Cash Expenditures  
January 2017**

Sacramento Suburban Water District  
Cash Expenditures  
January-17

<u>Type</u>	<u>Payee</u>	<u># Inv</u>	<u>Purpose</u>	<u>Amount</u>
<b>CIP EXPENSES</b>				
	Brown & Caldwell	1	Engineering & Consulting CIP Services	303.20
	County of Sacramento Public Works	3	Inspection Fees	2,925.43
	Doug Veerkamp Engineering	1	Main Replacement Projects 2016	36,561.85
	ERC Contracting	1	Location Verification Services	9,880.00
	Flowline	5	Meter Installation Project	700.00
	GM Construction	1	Drayton Heights Retention Release	58,651.48
	GM Construction	1	District Main Repairs	8,364.00
<b>INVENTORY AND CIP SUPPLIES</b>				
	Ferguson/DBA Groeniger	1	Inventory/CIP Supplies	778.16
<b>OPERATING CAPITAL EXPENSES</b>				
<b>WATER COSTS</b>				
<b>OPERATIONS &amp; MAINTENANCE</b>				
	Advanced Integrated Pest Management	4	Pest Control Services	311.50
	AT&T Calnet3	2	Phone Service	461.96
	Broadrige Mail LLC/DST	13	Customer Billing Services	15,422.42
	CINTAS	7	Uniforms and Janitorial Supplies - Walnut	1,171.82
	Comcast	1	Cable	32.12
	Consolidated Communications	1	Telephone Services - Antelope	410.01
	County of Sac Utilities	2	Monthly Utilities	466.10
	County of Sacramento WEB	1	Annual WEB Access	4,330.00
	Craig Locke	1	Fall ACWA Conference/Misc Mileage	640.10
	Customer Refunds	41	Customer Refunds	3,620.79
	Dig Smart	1	Annual Maintenance Agreement	9,000.00
	Domco Plumbing	1	Plumbing Maintenance	875.00
	Emigh Hardware	2	Field Supplies	23.11
	Erik Flaa	1	Certification Reimbursement	110.92
	Fleet Wash	1	Vehicle Maintenance	153.00
	Frederick Gayle	1	ACWA Conference Attendance	19.44
	Griffin's Janitorial	1	Janitorial Services	3,408.20
	H2H Properties	2	Lease Space	1,197.00
	Harrold Ford	2	Vehicle Maintenance	2,865.38
	HDR Engineering	1	Treat and Wheel Water Rate Study	5,500.00
	Iron Mountain Offsite Data Protection	1	System Backup Protection Storage	462.29
	John Jackson Masonry	1	Fix Antelope PS Wall/Car Crash	6,824.00
	Lake Vue Electric	1	Building Light Maintenance	138.00
	Les Schwab Tire Center	1	Vehicle Maintenance	424.93
	NDS Solutions	1	Conservation Materials	2,106.31
	Pitney Bowes Postage	1	Bulk Postage	10,000.00
	Protection One	1	Fire Alarm Walnut	502.77
	Rawles Engineering	1	District Main/Valve Repairs	1,627.50
	Ray Morgan	1	Printer/Copier Monthly Lease	365.22
	River City Staffing	1	Temp Help	1,248.00
	Robert S Roscoe	1	Misc Meetings and Out of Pocket Expense	62.27

Sacramento Suburban Water District  
Cash Expenditures  
January-17

<u>Type</u>	<u>Payee</u>	<u># Inv</u>	<u>Purpose</u>	<u>Amount</u>
<b>OPERATIONS &amp; MAINTENANCE</b>				
	Sacramento County Prop Assessment	2	Lighting Assessments	48.75
	SAWWA	1	Membership/Dues 2017	1,000.00
	Sonitrol	2	Alarm Services	1,494.84
	Swim Chem	1	Customer Plumbing /Pool	1,015.14
	Tetra Tech	4	District Main Line Repairs	32,518.00
	Tina Lynn Design	2	Product Design Services	300.00
	US Bank Corporate Payment Systems	1	Calcard	14,751.89
	Vantiv Integrated Systems	1	Payment Systems	445.81
	Vicki Sprague	1	Certification Reimbursement	100.00
	Vision Technology Solutions LLC	1	Web Site Monthly Fees	243.10
	Vocantas	1	Utilities on Call Annual Maintenance	8,789.35
	Waste Management	2	Garbage Service	506.37
	Water Education Foundation	1	Annual Membership/Dues	1,725.00
	Water Research Foundation AWWA	1	Annual Membership/Dues	19,219.39
<b>DEBT SERVICE EXPENSES</b>				
	Wells Fargo Swap	1	COP Payments	83,786.18
	Sumitomo Mitsui Banking Corp.	1	COP Payments	70,717.78
<b>LEGAL &amp; AUDIT</b>				
	Bartkiewicz, Kronick & Shanahan	1	Legal	-
<b>PAYROLL , PENSION &amp; BENEFITS</b>				
	ADP	2	January Payroll	365,369.52
	ACWA JPIA Insurance Authority	1	2016 4th Quarter Workers Comp	23,149.00
	ACWA/JPIA Insurance/EAP	1	Employee Assistance Program	148.05
	ADP	2	Payroll Processing Fees	1,858.33
	AFLAC	1	Supplemental Insurance	815.88
	Ameritas/Vision	1	Vision Insurance	1,740.84
	CIGNA - Dental Insurance	1	Dental Insurance	-
	CIGNA Healthcare	1	Life/LTD	3,819.39
	PERS Health	1	PERS Health Insurance	88,934.62
	PERS Pension	3	January Contributions	66,728.99
<b>BANK CHARGES</b>				
	Brinks	1	Courier Fees	470.23
	Wells Fargo Statements & Notices	1	Analysis Charge	8,070.57
	Westamerica Card Processing Fees	1	Monthly Card Processing Fee	6,466.17
<b>EMPLOYEE RETENTION/MORALE FUND</b>				
<b>Total Cash Expenditures</b>				<u>\$ 996,177.47</u>

**Credit Card Expenditures  
January 2017**

# Credit Card Reconciliation Form

Reconciliation Month  
January 2017

Reconciliation #  
450546

AP – Credit Card

11/20/16 - 12/20/16 Billing Period

Purchase Date 12/12/2016	Vendor Name STIRLING BRIDGES	Project/Job Description DEPARTMENTAL LUNCHEON
Acct#/Project# 02-51403	Purchase Amount \$195.00	
Purchase Date	Vendor Name	Project/Job Description
Acct#/Project#	Purchase Amount \$0.00	
Purchase Date 12/01/2016	Vendor Name SACRAMENTO METRO CHAMBER	Project/Job Description HOLIDAY MIXER FOR FRED GAYLE - DIRECTOR
Acct#/Project# 01-55002	Purchase Amount \$25.00	
Purchase Date 12/05/2016	Vendor Name MARRIOTT ANAHEIM	Project/Job Description DIRECTOR CRAIG LOCKE HOTEL FOR ACWA CONFERENCE
Acct#/Project# 01-55001	Purchase Amount \$813.13	
Purchase Date 12/16/2016	Vendor Name RALEY'S	Project/Job Description EMPLOYEE MORALE FUND - DRINKS AND DESSERT FOR OFFICE
Acct#/Project# 02-51403	Purchase Amount \$37.26	
Purchase Date 12/16/2016	Vendor Name RALEY'S	Project/Job Description ALL HANDS BREAKFAST
Acct#/Project# 02-51403	Purchase Amount \$9.96	
Purchase Date 12/19/2016	Vendor Name OFFICE MAX	Project/Job Description GOLD SEALS FOR RESOLUTIONS
Acct#/Project# 02-52108	Purchase Amount \$6.47	

AP – Credit Card

Purchase Date 12/19/2016	Vendor Name ROUND TABLE PIZZA	Project/Job Description EMPLOYEE MORALE FUND - LUNCH FOR OFFICE
Acct#/Project# 02-51403	Purchase Amount \$215.22	
Purchase Date 11/17/2016	Vendor Name SUMMIT RACING	Project/Job Description 20" BOSCH WIPER BLADES #40520
Acct#/Project# 12-54006	Purchase Amount \$149.10	
Purchase Date 11/22/2016	Vendor Name SUPER BRIGHT LED'S INC	Project/Job Description RL-650-K 50W LED LOAD RESISTOR KITS
Acct#/Project# 12-54006	Purchase Amount \$56.78	
Purchase Date 11/22/2016	Vendor Name ROYAL TRUCK BODY	Project/Job Description 6EA REPLACEMENT UTILTY BIN LOCKS - VEHICLE #56
Acct#/Project# 03-52310	Purchase Amount \$178.37	
Purchase Date 11/28/2016	Vendor Name VALLEY BATTERY	Project/Job Description MTP-65 INTERSTATE BATTERY - CORE FEE WAS REFUNDED IN CASH - GAVE TO ROBIN
Acct#/Project# 12-54005	Purchase Amount \$182.47	
Purchase Date 11/28/2016	Vendor Name AMAZON.COM	Project/Job Description 2 EACH GOLDENROD #496-5 FUEL TANK FILTER REPLACEMENT - ANTELOPE
Acct#/Project# 12-54008	Purchase Amount \$27.44	
Purchase Date 11/29/2016	Vendor Name J&J LOCKSMITH	Project/Job Description REKEY THE IGNITION AND DOORS - VEHICLE #56
Acct#/Project# 03-52310	Purchase Amount \$275.89	
Purchase Date 11/30/2016	Vendor Name PEP BOYS	Project/Job Description 3 EACH CANS OF STARTING FLUID
Acct#/Project# 12-54004	Purchase Amount \$12.93	

AP – Credit Card

Purchase Date 12/08/2016	Vendor Name VALLEY BATTERY	Project/Job Description BATTERY FOR FORKLIFT #128
Acct#/Project# 12-54003	Purchase Amount \$29.51	
Purchase Date 12/08/2016	Vendor Name VALLEY BATTERY	Project/Job Description BATTERY FOR FORKLIFT #128 - WAS NOT CHARGED CORRECT PRICE 1ST TIME
Acct#/Project# 12-54003	Purchase Amount \$37.95	
Purchase Date 12/06/2016	Vendor Name AMAZON.COM	Project/Job Description 55 EACH SMART PHONE WIRELESS CHARGERS
Acct#/Project# 12-53503	Purchase Amount \$879.45	
Purchase Date 12/09/2016	Vendor Name AMAZON.COM	Project/Job Description 10 EACH 12 VOLT CELL PHONE CHARGERS
Acct#/Project# 12-53503	Purchase Amount \$159.90	
Purchase Date 11/29/2016	Vendor Name EWING EDUCATIONS SERVICES	Project/Job Description REGISTRATION/VICKIE S - 12/6/16 IMPROVE PROFITS THRU IRR RENOVATIONS
Acct#/Project# 13-51407	Purchase Amount \$49.00	
Purchase Date 11/29/2016	Vendor Name HILTON SLC CENTER, UT	Project/Job Description REGISTRATION BALANCE FOR CITYWORKS CONFERENCE/RODNEY LEE 12-5/12-8-16
Acct#/Project# 05-55001	Purchase Amount \$346.81	
Purchase Date 11/29/2016	Vendor Name SEARS.COM	Project/Job Description DISTRIBUTION REPLACEMENT TOOLS/PARTIAL ORDER
Acct#/Project# 07-52101	Purchase Amount \$432.88	
Purchase Date 11/29/2016	Vendor Name SEARS.COM	Project/Job Description DISTRIBUTION REPLACEMENT TOOLS/PARTIAL ORDER
Acct#/Project# 07-52101	Purchase Amount \$1,381.78	

## AP – Credit Card

Purchase Date 11/29/2016	Vendor Name SEARS.COM	Project/Job Description DISTRIBUTION REPLACEMENT TOOLS/BALANCE OF ORDER
Acct#/Project# 07-52101	Purchase Amount \$641.31	
Purchase Date 12/01/2016	Vendor Name SMART & FINAL	Project/Job Description WALNUT KITCHEN SUPPLIES - CREAMER & COFFEE
Acct#/Project# 05-52108	Purchase Amount \$106.46	
Purchase Date 12/01/2016	Vendor Name SMART & FINAL	Project/Job Description SUPPLIES FOR AEAE @ ANTELOPE 12/3/16
Acct#/Project# 02-51403	Purchase Amount \$24.08	
Purchase Date 12/01/2016	Vendor Name COSTCO	Project/Job Description BEVERAGES/PAPER GOODS FOR AEAE @ ANTELOPE 12/3/16
Acct#/Project# 02-51403	Purchase Amount \$161.22	
Purchase Date 12/02/2016	Vendor Name SAM'S CLUB	Project/Job Description (2) CHAFFING DISHES & GEL FUEL (REPLACING CHAFFING PANS @ ANTELOPE)
Acct#/Project# 05-52108	Purchase Amount \$107.19	
Purchase Date 12/02/2016	Vendor Name MICHAEL'S	Project/Job Description ACTIVITY SUPPLIES FOR AEAE @ ANTELOPE 12/3/16
Acct#/Project# 02-51403	Purchase Amount \$25.90	
Purchase Date 12/01/2016	Vendor Name UNDER THE BIG TOP	Project/Job Description TABLE COVERS FOR THE AEAE @ ANTELOPE 12/3/16
Acct#/Project# 02-51403	Purchase Amount \$51.83	
Purchase Date 12/02/2016	Vendor Name SKILLPATH/NATIONAL	Project/Job Description MICROSOFT EXCEL 2010 BUNDLE
Acct#/Project# 03-52502	Purchase Amount \$249.44	



AP – Credit Card

Purchase Date 12/05/2016	Vendor Name BUCA DI BEPPO	Project/Job Description ENTREES FOR AEAE @ ANTELOPE 12/3/16
Acct#/Project# 02-51403	Purchase Amount \$1,116.85	
Purchase Date 12/09/2016	Vendor Name HARBOR FREIGHT TOOLS	Project/Job Description STOREROOM REPLENISHMENT: WIRE BRUSHES/RATCHETING & RUBBER TIE DOWNS
Acct#/Project# 05-52101	Purchase Amount \$51.42	
Purchase Date 12/09/2016	Vendor Name AMAZON.COM	Project/Job Description (3) ALL-WEATHER UMBRELLAS & (1) 3PK WEBSTER DUSTERS - PRODUCTION
Acct#/Project# 06-52101	Purchase Amount \$71.67	
Purchase Date 12/13/2016	Vendor Name CODE 4 PUBLIC SAFETY ASSOC.	Project/Job Description SEMINAR - VERBAL EXCELLENCE, SACRAMENTO 12/16/16 MATT U.
Acct#/Project# 08-51407	Purchase Amount \$99.00	
Purchase Date 12/13/2016	Vendor Name HOME DEPOT	Project/Job Description (42) PLYWOOD SHEATHNG FOR DISTRIBUTION
Acct#/Project# 07-52101	Purchase Amount \$840.05	
Purchase Date 12/14/2016	Vendor Name HOME DEPOT	Project/Job Description TAPE MEASURES, SHUT-OFF COUPLINGS & SPECTRACIDE SPRAY
Acct#/Project# 05-52101	Purchase Amount \$191.33	
Purchase Date 12/19/2016	Vendor Name OFFICE DEPOT	Project/Job Description PRESSBOARD FOLDERS (IN STORE ONLY) FINANCE
Acct#/Project# 03-52108	Purchase Amount \$32.15	
Purchase Date 11/22/2016	Vendor Name ADALBERTOS MEXICAN FOOD	Project/Job Description BREAKFAST BURRITOS FOR NOVEMBER ALL HANDS MEETING
Acct#/Project# 02-51403	Purchase Amount \$343.44	

AP – Credit Card

Purchase Date 11/24/2016	Vendor Name AMAZON MARKETPLACE	Project/Job Description CLICK SHARE AND WIRELESS PRESENTATION MICE
Acct#/Project# 18-52101	Purchase Amount \$1,043.97	
Purchase Date 11/27/2016	Vendor Name FLASHPOINT STUDIOS	Project/Job Description MONTHLY FEE FOR ONHOLD RECORDINGS
Acct#/Project# 04-54506	Purchase Amount \$79.00	
Purchase Date 12/06/2016	Vendor Name CYBERGUYS/EFILLIATE	Project/Job Description NETWORK PATCH CABLES AND ADAPTERS PARTIAL ORDER
Acct#/Project# 18-52101	Purchase Amount \$467.36	
Purchase Date 12/09/2016	Vendor Name CYBERGUYS/EFILLIATE	Project/Job Description HDMI CABLES PARTIAL ORDER
Acct#/Project# 18-52101	Purchase Amount \$65.40	
Purchase Date 12/14/2016	Vendor Name CYBERGUYS/EFILLIATE	Project/Job Description HDMI CABLES REMAINDER OF ORDER
Acct#/Project# 18-52101	Purchase Amount \$8.18	
Purchase Date 12/16/2016	Vendor Name CALIFORNIA CAD SOLUTIONS	Project/Job Description FME PROFESSIONAL SUITE PLUS FIRST YEAR OF MAINTENANCE
Acct#/Project# 16-54509	Purchase Amount \$2,250.00	
Purchase Date 12/21/2016	Vendor Name GRACAST	Project/Job Description WEBCAST FOR WATER AVAILABLE FOR REPLENISHMENT REPORT AND ESTIMATES
Acct#/Project# 15-51407	Purchase Amount \$75.00	
Purchase Date 12/19/2016	Vendor Name OFFICE DEPOT	Project/Job Description FILE DIVIDERS
Acct#/Project# 17-52108	Purchase Amount \$42.09	

AP – Credit Card

Purchase Date  
12/19/2016

Vendor Name  
OFFICE DEPOT

Project/Job Description  
BINDERS

Acct#/Project#  
17-52108

Purchase Amount  
\$40.45

Purchase Date  
12/20/2016

Vendor Name  
HANNIBALS CATERING

Project/Job Description  
BREAKFAST FOR DECEMBER ALL  
HANDS MEETING ON 12/20/16

Acct#/Project#  
02-51403

Purchase Amount  
\$936.22

Total Amount  
14623.31

**DRAFT - District Reserve Balances  
January 31, 2017**

**Sacramento Suburban Water District  
Reserve Fund Balance**

	<u>January 31, 2017</u>	<u>December 31, 2016</u>
Debt Service Reserve	\$ 3,544,492	\$ 3,549,384
Facilities Reimbursement	-	-
Emergency/Contingency	10,931,500	10,387,000
Operating	7,270,250	6,490,750
Rate Stabilization	5,976,000	5,630,000
Interest Rate Risk	-	-
Grant	210,000	1,068,000
Capital Asset	13,260,817	13,720,195
<b>TOTAL</b>	<u><u>\$ 41,193,059</u></u>	<u><u>\$ 40,845,329</u></u>

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

	<u>January 31, 2017</u>	<u>December 31, 2016</u>
Cash and cash equivalents	\$ 2,977,354	\$ 2,676,072
Investments	34,671,213	34,619,873
Restricted assets	3,544,492	3,549,384
<b>TOTAL</b>	<u><u>\$ 41,193,059</u></u>	<u><u>\$ 40,845,329</u></u>

**DRAFT - Information Required by Bond Agreement**

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

	Actual	Budget
	Year-To-Date	Year-To-Date
	1/31/2017	1/31/2017
<b>REVENUES</b>		
Water sales charges	\$1,007,121.16	\$1,729,083.00
Capital facilities charge	1,661,822.21	1,914,750.00
Facility development charges		41,666.00
Interest and investment income	71,679.65	72,000.00
Rental & other income	10,513.33	20,833.00
<b>TOTAL REVENUES</b>	<b>2,751,136.35</b>	<b>3,778,332.00</b>
<b>EXPENSES</b>		
Source of supply	195,065.68	199,180.00
Pumping	85,271.09	161,463.98
Transmission and distribution	123,810.28	270,518.03
Water conservation	15,638.06	36,579.27
Customer accounts	53,916.25	107,221.55
Administrative and general	301,694.07	642,303.97
<b>TOTAL EXPENSES</b>	<b>775,395.43</b>	<b>1,417,266.80</b>
<b>NET REVENUE</b>	<b>1,975,740.92</b>	<b>2,361,065.20</b>

**Sacramento Suburban Water District**  
**6 - Months Debt Service Schedule**  
**1/31/2017**

Month	Total SSWD Debt Service					Debt Service
	Principal	Interest Adjustable/Fixed/Swap	Facility Fee	Remarketing		
Feb-17	\$ -	\$ 96,014.72	\$ -	\$ -	\$ -	\$ 96,014.72
Mar-17	-	96,014.72	47,250.00	13,125.00	-	156,389.72
Apr-17	-	96,014.72	-	-	-	96,014.72
May-17	-	1,138,977.72	-	-	-	1,138,977.72
June-17	-	96,014.72	47,250.00	13,125.00	-	156,389.72
July-17	-	96,014.72	-	-	-	96,014.72

Month	Series 2012A Fixed Rate Bonds (\$23,440,000.00)					Debt Service
	Principal	Interest - Fixed 4.25%				
Feb-17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mar-17	-	-	-	-	-	-
Apr-17	-	-	-	-	-	-
May-17	-	421,713.00	-	-	-	421,713.00
June-17	-	-	-	-	-	-
July-17	-	-	-	-	-	-

Month	Series 2009A Adjustable Rate COPs (\$42,000,000.00)					Debt Service
	Principal	Interest, Adjustable 0.65%	Facility Fee 0.450%	Remarketing 0.125%		
Feb-17	\$ -	\$ 22,750.00	-	-	-	\$ 22,750.00
Mar-17	-	22,750.00	47,250.00	13,125.00	-	83,125.00
Apr-17	-	22,750.00	-	-	-	22,750.00
May-17	-	22,750.00	-	-	-	22,750.00
June-17	-	22,750.00	47,250.00	13,125.00	-	83,125.00
July-17	-	22,750.00	-	-	-	22,750.00

Month	Series 2009B Fixed Rate COPs (\$27,915,000)					Debt Service
	Principal	Interest - Fixed 5.00%				
Feb-17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mar-17	-	-	-	-	-	-
Apr-17	-	-	-	-	-	-
May-17	-	621,250.00	-	-	-	621,250.00
June-17	-	-	-	-	-	-
July-17	-	-	-	-	-	-

Month	2012 SWAP Interest, Net (\$33,000,000.00)					Debt Service
	Principal	Interest, Swap Net (3.283-0.46283-.18)%				
Feb-17		\$ 73,264.72	-	-	-	73,264.72
Mar-17		\$ 73,264.72	-	-	-	73,264.72
Apr-17		\$ 73,264.72	-	-	-	73,264.72
May-17		\$ 73,264.72	-	-	-	73,264.72
June-17		\$ 73,264.72	-	-	-	73,264.72
July-17		\$ 73,264.72	-	-	-	73,264.72





## Agenda Item: 15

**Date:** February 8, 2017

**Subject:** 2017 Budget Impact from Newly Adopted San Juan Water District Wholesale Water Rates

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

**Discussion:**

As requested during the January Board meeting, the effect of the newly adopted wholesale water rates by San Juan Water District (see Exhibit 1 attached) will reduce the District’s cost of surface water by roughly \$35,000 in 2017, assuming the District takes its budgeted deliveries from PCWA of 12,000 Acre-Feet (AF). See below for all known changes to the cost of NSA surface water since budget adoption:

<b>Sacramento Suburban Water District</b>				
<b>2017 Partial Budget</b>				
<b>Production Department</b>				
<b>NSA Surface Water Costs</b>				
	<b>2016</b>	<b>2017</b>		
	<u><b>Actual</b></u>	<u><b>Budget</b></u>	<u><b>New Rates</b></u>	<u><b>Difference</b></u>
SJWD	\$ 1,525,800	\$ 2,172,720	\$ 2,137,200	\$ (35,520)
PCWA	582,600	605,400	605,400	-
USBR	304,850	340,680	368,160	27,480
<b>TOTAL</b>	<b>\$ 2,413,250</b>	<b>\$ 3,118,800</b>	<b>\$ 3,110,760</b>	<b>\$ (8,040)</b>
Usage	11,274	12,000	12,000	-
<b>Cost/AF</b>				
SJWD	\$ 135.34	\$ 181.06	\$ 178.10	\$ (2.96)
PCWA	\$ 48.55	\$ 50.45	\$ 50.45	\$ -
USBR	\$ 27.04	\$ 28.39	\$ 30.68	\$ 2.29

# EXHIBIT 1



**San Juan Water District**  
**Adopted Five-Year Rate Schedule <sup>(5)</sup>**  
**Calendar Years 2017 - 2011**  
 (effective January 1st of each year)

Calendar Year	2017	2018	2019	2020	2021
<b>San Juan Water District - Retail</b>					
Water Usage Rate (\$A/F)	\$ 81.14	\$ 81.14	\$ 81.14	\$ 81.14	\$ 81.14
Quarterly Service Charge (O, M & R)	\$ 278,661	\$ 339,915	\$ 408,924	\$ 358,131	\$ 405,397
Quarterly Capital Facilities Charge (1)	\$ 106,665	\$ 8,631	\$ 8,631	\$ 8,631	\$ -
Quarterly Debt Service Charges:					
2009 COP's	\$ 106,363	\$ 106,463	\$ 106,463	\$ 106,325	\$ 106,225
2012 Refunding Revenue Bonds	\$ 47,075	\$ 46,988	\$ 46,988	\$ 47,113	\$ 47,188
2019 Debt (2)				\$ 134,000	\$ 133,920
<b>Citrus Heights Water District</b>					
Water Usage Rate (\$A/F)	\$ 81.14	\$ 81.14	\$ 81.14	\$ 81.14	\$ 81.14
Quarterly Service Charge (O, M & R)	\$ 285,567	\$ 348,338	\$ 419,057	\$ 367,005	\$ 415,442
Quarterly Capital Facilities Charge (1)	\$ -	\$ -	\$ -	\$ -	\$ -
Quarterly Debt Service Charges:					
2009 COP's	\$ 113,238	\$ 113,338	\$ 113,338	\$ 113,200	\$ 113,088
2012 Refunding Revenue Bonds	\$ 54,963	\$ 54,850	\$ 54,838	\$ 54,988	\$ 55,088
2019 Debt (2)				\$ 125,625	\$ 125,550
<b>Fair Oaks Water District</b>					
Water Usage Rate (\$A/F)	\$ 81.14	\$ 81.14	\$ 81.14	\$ 81.14	\$ 81.14
Quarterly Service Charge (O, M & R)	\$ 213,956	\$ 260,987	\$ 313,972	\$ 274,973	\$ 311,264
Quarterly Capital Facilities Charge (3)	\$ -	\$ -	\$ -	\$ -	\$ -
Quarterly Debt Service Charges:					
2009 COP's	\$ 70,475	\$ 70,538	\$ 70,538	\$ 70,450	\$ 70,375
2012 Refunding Revenue Bonds	\$ 40,388	\$ 40,313	\$ 40,300	\$ 40,400	\$ 40,475
2019 Debt (2)				\$ 96,313	\$ 96,255
<b>Orange Vale Water Company</b>					
Water Usage Rate (\$A/F)	\$ 81.14	\$ 81.14	\$ 81.14	\$ 81.14	\$ 81.14
Quarterly Service Charge (O, M & R)	\$ 98,562	\$ 120,227	\$ 144,635	\$ 126,670	\$ 143,388
Quarterly Capital Facilities Charge (1)	\$ 54,862	\$ 2,294	\$ 2,294	\$ 2,294	\$ -
Quarterly Debt Service Charges:					
2009 COP's	\$ 35,588	\$ 35,613	\$ 35,613	\$ 35,575	\$ 35,550
2012 Refunding Revenue Bonds	\$ 12,400	\$ 12,375	\$ 12,375	\$ 12,400	\$ 12,425
2019 Debt (2)				\$ 46,063	\$ 46,035
<b>City of Folsom</b>					
Water Usage Rate (\$A/F)	\$ 81.14	\$ 81.14	\$ 81.14	\$ 81.14	\$ 81.14
Hinkle Pump Station Surcharge (\$A/F) (4)	\$ 74.38	\$ 81.07	\$ 88.37	\$ 96.32	\$ 102.10
Quarterly Service Charge (O, M & R)	\$ 28,416	\$ 34,663	\$ 41,700	\$ 36,520	\$ 41,340
Quarterly Capital Facilities Charge (1)	\$ 17,899	\$ -	\$ -	\$ -	\$ -
Quarterly Debt Service Charges:					
2009 COP's	\$ 11,038	\$ 11,050	\$ 11,050	\$ 11,038	\$ 11,025
2012 Refunding Revenue Bonds	\$ 3,063	\$ 3,050	\$ 3,050	\$ 3,063	\$ 3,075
Direct Portion of 2012 Debt (4)	\$ 21,438	\$ 21,388	\$ 21,388	\$ 21,450	\$ 21,488
2019 Debt (2)				\$ 12,563	\$ 12,555
<b>Sacramento Suburban Water District</b>					
Treat and Wheel Rate	\$ 178.10	\$ 194.13	\$ 211.60	\$ 230.64	\$ 242.17

**Notes:**

- (1) Unchanged from prior rate, except to remove charges related to Storage Building (old shop) Replacement, and to remove FOWD Fair Oaks 40" component (per agreement).
- (2) Estimates based on estimated debt service obligations and cost allocations associated with anticipated new debt.
- (3) Actual cost sharing and payments from FOWD to be based on the recent agreement between the District and FOWD related to the Fair Oaks 40" transmission pipeline relining project.
- (4) Source: Wholesale Financial Plan and Water Rate Update Study, page 5 and page 33, adopted by the San Juan Water District Board of Directors by motion on January 12, 2017.



## Agenda Item: 16

**Date:** February 15, 2017

**Subject:** Proposed San Juan Water District Wholesale Water Rate Contract Discussion Points

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

### Discussion:

Last October, staff became aware that San Juan Water District (SJWD) was proposing to significantly alter their wholesale water rates which would directly affect the District and other wholesale customer entities of SJWD. District staff attended meetings with SJWD staff and provided formal and informal input into the rate setting process. Letters were sent to SJWD's Board President and staff. The District's water rate consultant, HDR Engineering, Inc., also commented and provided a letter to SJWD.

While certain minor modifications to the proposed rate were made, the SJWD Board passed the rate plan in January 2017 citing in part contract language negotiated between SJWD and Northridge Water District (NWD) in 1993. Nevertheless, both SJWD staff and Board recognized that the language in the 1993 contract needed a significant overhaul.

On January 31, 2017, District staff sent the attached letter to SJWD staff recommending contract points to be discussed that would form the basis for the rate charged to the District. SJWD staff responded that "we are pretty close in concept" and stated they are currently developing a formal response to the District. On February 15<sup>th</sup>, District staff and SJWD staff discussed in great detail the issues, agreeing on many points and deciding how to frame SJWD costs in a structure that would allow for identification of costs applicable to the District. Staff is currently awaiting SJWD's formal identification of such costs.

Once the contract terms have been agreed upon, staff will seek independent legal counsel to draft the appropriate contract language for both Board's consideration.



January 31, 2017

Ms. Donna Silva  
Director of Finance  
San Juan Water District  
9935 Auburn Folsom Road  
Granite Bay, CA 95746

Dear Ms. Silva:

Sacramento Suburban Water District (District) appreciates the opportunity to work with San Juan Water District (SJWD) in further amending the "Agreement Between SJWD and Northridge Water District (Northridge) Concerning Diversion, Treatment and Conveyance of Water" (Agreement) dated November 23, 1993, as amended on October 12, 1994 (Exhibit 1). Based on prior letters between the District and SJWD and emails exchanged by the District's Assistant General Manager and SJWD's Interim General Manager, both Districts are desirous of amending Part 4 of the Agreement entitled "Payment for Use of Surplus Capacity or Surplus Water," which presently reads:

*"San Juan's charge to Northridge for use of Surplus Capacity in San Juan's Facilities to deliver Surplus Water or Northridge Water shall be at the same average wholesale rate it charges to San Juan's Member Districts, plus a charge to cover the pro rata cost of treating water to be delivered to Northridge to the extent treatment costs are not included in the wholesale rate. The charge for using Surplus Capacity to divert, treat and deliver Northridge Water shall not include the cost-of-water component of San Juan's wholesale rate, but may include the cost to San Juan to obtain Surplus Water specifically for the purpose of making it available for delivery to Northridge."*

Currently, Part 4 of the Agreement has been interpreted by SJWD to mean that the District's rate is to be calculated in the same manner as SJWD's wholesale customer agencies, exclusive of source of supply costs. As we have discussed, the District believes it does not utilize the resources of SJWD in the same manner, or to the same degree, as the wholesale customer agencies and, therefore, desires a different wholesale cost allocation structure in order to provide an equitable and cost-based rate to the District for the services provided.

To initiate discussions toward a more equitable rate, the District would propose the following cost structure for allocating SJWD's total wholesale costs:

1. Raw Water Supply Costs
2. Raw Water Transmission Costs
3. Treatment Costs

4. Treated Water Transmission and Storage Costs (including Hinkle Reservoir)
5. Distribution Costs Including Local Storage
6. Metering and Customer Service Costs

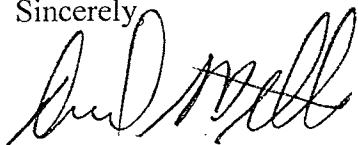
If such a structure is acceptable to SJWD, then the District proposes the following points for consideration in the development of contract replacement language.

1. This contract is an agreement for an interruptible water wheeling arrangement and not a firm, non-interruptible arrangement as is had with the wholesale customer agencies.
2. Conditions for interrupting the wheeling of water to the District are \_\_\_\_ (TBD) \_\_\_\_.
3. The rate charged to the District shall be based on a non-firm delivery rate which shall exclude all capacity-related costs. Based on the proposed wholesale cost structure above, only items 2, 3 and 4 should be included as components of the District's rate. Further regarding item 2, the District should only be assessed for raw water transmission from the face of Folsom dam through the "Hinkle Wye" to the Peterson water treatment plant, together with treatment costs at Peterson, including cost for clear well storage at Hinkle reservoir. SSWD (i.e., the District) should not be charged for finished water transmission in the Cooperative Transmission pipeline as it owns its own capacity in the facility.
4. The District will not be allocated costs to build reserves.
5. The District will not be allocated SJWD prior cost obligations.
6. The District will not be allocated costs for intra-SJWD loans and loan repayments.

Once we are in agreement on the terms of payment, the District would recommend the development of an exhibit to the contract illustrating the rate charge calculation based on the agreed upon methodologies.

Thank you again for your consideration. If I can provide any further insight or clarification, please contact me at (916) 679-3970.

Sincerely,



Daniel A. Bills  
Finance Director

cc: Rob Roscoe  
Dan York



## Agenda Item: 17

**Date:** February 7, 2017

**Subject:** 2017 OCB Budget Reallocations

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

### Discussion:

#### OCB Budget Reallocations

At Budget adoption, 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 1. The total amended OCB budget of \$974,000 is unchanged.

Reasons for the reallocation include:

The transfer to the new budget account or project is needed due to the following reason(s): Several OCB projects were approved for CY2017 to refurbish the interior and exterior of the aging Walnut Corporation Yard building much of which has not seen a substantial renovation in more than 20 years. Staff has begun moving forward with several of the interior projects while the weather is still too inclement for the exterior painting. However, it has become evident that additional funding will be required to complete some of the interior projects requested. Also, after speaking with vendors, it seems some costs could be reduced through the coordination of project schedules by completing all interior renovation projects in the same year. This cost savings would be realized through reduced labor costs from the elimination of project overlap, reduction of mobilization/demobilization efforts, and by streamlining vendor schedules to reduce the impact to District staff during the projects.

## EXHIBIT 1 – 2017 OCB Budget Transfers

<b>Project Number</b>	<b>Project Category</b>	<b>Amended Budget Estimate</b>	<b>Reallocated Amount</b>	<b>Amended Budget Estimate</b>	<b>Reason for Transfer</b>
SF17-412	Walnut Facility Interior Paint/Wall Paper Removal	\$25,000	\$11,000	\$36,000	Savings can be realized by completing most or all of the interior painting in same year.
SF17-413	Walnut Facility Exterior Painting	\$40,000	(\$40,000)	\$-0-	Project could be deferred until CY2018 without detrimental consequences.
SF17-414	Foreman Offices Renovation	\$15,000	\$22,000	\$37,000	Additional funding to complete renovation of Foremen offices upstairs (\$1,722) and an added project to create Water Conservation offices downstairs (\$20,218).
SF17-415	Foyer Area Furniture Upgrades	\$6,000	\$2,000	\$8,000	Additional funding to upgrade foyer furniture as costs were greater than originally expected.
SF17-419	Office Furniture for new positions	\$10,000	\$5,000	\$15,000	Additional funding to complete workspace upgrade at Walnut to include a small reception area, Administrative Assistant office, Operations Coordinator office, and two temp employee/intern work areas.
<b>Total</b>		<b>\$96,000</b>	<b>\$0</b>	<b>\$96,000</b>	



## Agenda Item: 18

**Date:** February 14, 2017

**Subject:** New Catastrophic Leave Procedure (PR-HR 008)

**Staff Contact:** Lynne Yost, Human Resources Coordinator

As directed by the Board when the revised Catastrophic Leave Policy (PL-HR 008) was approved at the January Board meeting, the General Manager developed a new Catastrophic Leave Procedure (PR-HR 008) with procedural language previously included in the policy. The new procedure and updated pledge form is attached as Exhibit 1.

Since the Board directed staff to keep intact the last section of the former policy in the new procedure, staff has attached Exhibit 2 to provide the Board with a redline version of that section to show updates required for the following reasons (items are numbered to correspond with the numbers shown in the procedure):

1. There are only two pay categories: employees are in either paid or unpaid status. Employees who donate catastrophic leave do so without receiving any vacation or sick leave accruals associated with the donated time. The donated time, including all associated vacation and sick leave accruals, is therefore transferred to the donee.
3. Donations require General Manager approval only; Department Manager approval is not needed.
6. Unused donations will be returned to the donors since, if leave is no longer needed or allowed under the policy, donations can no longer be used by the donee.
8. Donations are received by Human Resources. In the current qualifying bereavement leave, donations have been received in excess of what the employee will likely need, so the General Manager determined that using equal time from each donation would be the best way to recognize all contributions equally and still provide the amount of leave needed by the employee.



# EXHIBIT 1

PR – HR 008

Sacramento Suburban Water District

## Catastrophic Leave Procedure

Adopted: January 31, 2017

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### Purpose

The purpose of this procedure is to establish a process for providing leave to Regular and Management employees who 1) have a serious or catastrophic non-industrial illness or injury; 2) must provide necessary full-time care for a spouse or domestic partner, dependent child or parent; 3) need time to grieve the death of a spouse or child; or 4) experience similar catastrophic events. This procedure is authorized under the Catastrophic Leave Policy (PL – HR 008).

### Authority

The General Manager has the authority to create and implement a procedure for Catastrophic Leave donations, including employee eligibility criteria, length of time and the donation process.

### Procedure

Employees must meet the following requirements to be eligible to receive catastrophic leave:

1. The employee must have achieved full time Regular or Management status with the District.
2. The employee must have exhausted all accrued leave balances.
3. The employee must have a verifiable serious or catastrophic illness or non-industrial injury. Serious or catastrophic illness or injury is defined as one in which the employee is incapacitated and unable to work as certified by their physician. If the catastrophic leave is requested for a family member, the family member must have a verifiable serious illness or injury as certified by their physician and the illness or injury must result in the employee being required to provide verifiable full-time care for that family member. Medical verification is not required for leave to grieve the death of a spouse or child. Verification for other catastrophic events may be required as determined by the General Manager.
4. Intermittent leave will be allowed if authorized by the certifying physician or approved by the General Manager.
5. The employee must not be receiving any short or long term disability or similar benefit.

The maximum length of Catastrophic Leave that may be received and taken in any calendar year is:

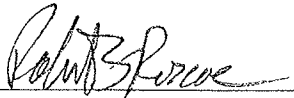
- a) sixty (60) calendar days for an employee's own qualifying non-industrial illness or injury, or until the employee becomes eligible for short or long term disability or similar benefits, whichever is shorter;

- b) sixty (60) calendar days for an employee providing care to a family member;
- c) ninety (90) days to grieve the death of a spouse or child; or
- d) length of time as determined by the General Manager for any other event approved for leave.

All donations will be subject to the following:

1. An employee receiving donated leave will accrue vacation and sick leave, and retirement, health and other employee benefit contributions will continue, as long as the employee is in paid status. All earned vacation and sick leave must be used before donated paid leave is used.
2. Employees donating leave may not deplete their sick or vacation leave balances to less than forty (40) hours.
3. Donations shall be made on the appropriate District form to be signed by the donating employee and are subject to the approval of the General Manager.
4. All donations must be in whole hours. Total donations from one donating employee may not exceed forty (40) hours in any twelve (12) month period.
5. Donations will be transferred hour-for-hour regardless of pay scale.
6. Donations are irrevocable and non-transferable; however, unused donated hours will be returned to the donor.
7. Donated leave time shall be subject to the recipient's normal payroll deductions.
8. Donations will be used in the order received by Human Resources. In the event numerous donations are received and not all donated time will be used, Human Resources will take an equal amount of time from each donation.
9. Donated hours are not tax deductible.

Approved by:



General Manager Signature

**Sacramento Suburban Water District  
Catastrophic Leave Pledge Form**

TO: Human Resources

FROM: Donor Name: \_\_\_\_\_

Department: \_\_\_\_\_ Donor Employee #: \_\_\_\_\_

Name of Intended Recipient: \_\_\_\_\_

I hereby pledge to the Intended Recipient a total of \_\_\_\_\_ hours (minimum of 1 hour) to be subtracted from my current leave balance(s) as follows:

Vacation hours \_\_\_\_\_

Sick Leave hours \_\_\_\_\_

CTO hours \_\_\_\_\_

Administrative Leave hours \_\_\_\_\_

I understand that I cannot deplete my vacation and sick leave balances to less than forty (40) hours and my total donations cannot exceed forty (40) hours in any twelve (12) month period.

I further understand that donations 1) are irrevocable and non-transferable, but unused donated hours will be returned to the donor; 2) will be used in the order received by Human Resources; and 3) are not tax deductible.

Donor Signature \_\_\_\_\_

Date \_\_\_\_\_

Approved

\_\_\_\_\_  
General Manager

Date \_\_\_\_\_

## Sacramento Suburban Water District

### Catastrophic Leave Procedure

Adopted: January 31, 2017

---

#### **Purpose**

The purpose of this procedure is to establish a process for providing leave to Regular and Management employees who 1) have a serious or catastrophic non-industrial illness or injury; 2) must provide necessary full-time care for a spouse or domestic partner, dependent child or parent; 3) need time to grieve the death of a spouse or child; or 4) experience similar catastrophic events. This procedure is authorized under the Catastrophic Leave Policy (PL – HR 008).

#### **Authority**

The General Manager has the authority to create and implement a procedure for Catastrophic Leave donations, including employee eligibility criteria, length of time and the donation process.

#### **Procedure**

Employees must meet the following requirements to be eligible to receive catastrophic leave:

1. The employee must have achieved full time Regular or Management status with the District.
2. The employee must have exhausted all accrued leave balances.
3. The employee must have a verifiable serious or catastrophic illness or non-industrial injury. Serious or catastrophic illness or injury is defined as one in which the employee is incapacitated and unable to work as certified by their physician. If the catastrophic leave is requested for a family member, the family member must have a verifiable serious illness or injury as certified by their physician and the illness or injury must result in the employee being required to provide verifiable full-time care for that family member. Medical verification is not required for leave to grieve the death of a spouse or child. Verification for other catastrophic events may be required as determined by the General Manager.
4. Intermittent leave will be allowed if authorized by the certifying physician or approved by the General Manager.
5. The employee must not be receiving any short or long term disability or similar benefit.

The maximum length of Catastrophic Leave that may be received and taken in any calendar year is:

- a) sixty (60) calendar days for an employee's own qualifying non-industrial illness or injury, or until the employee becomes eligible for short or long term disability or similar benefits, whichever is shorter;

- b) sixty (60) calendar days for an employee providing care to a family member;
- c) ninety (90) days to grieve the death of a spouse or child; or
- d) length of time as determined by the General Manager for any other event approved for leave.

All donations will be subject to the following:

1. An employee receiving donated leave will ~~not~~ accrue vacation ~~and~~ sick leave, time, and retirement, health and other employee benefit contributions will continue, as long as the employee is in paid status. All earned vacation and sick leave must be used before donated paid leave is used.
2. Employees donating leave may not deplete their sick or vacation leave balances to less than forty (40) hours.
3. Donations shall be made on the appropriate District form to be signed by the donating employee and are subject to the approval of the ~~Department Manager and~~ General Manager.
4. All donations must be in whole hours. Total donations from one donating employee may not exceed forty (40) hours in any twelve (12) month period.
5. Donations will be transferred hour-for-hour regardless of pay scale.
6. Donations are irrevocable and non-transferable; however, unused donated hours will be returned to the donor.
7. Donated leave time shall be subject to the recipient's normal payroll deductions.
8. Donations will be used in the order received by ~~Human Resources~~ Payroll. In the event numerous donations are received and not all donated time will be used, Human Resources will take an equal amount of time from each donation.
9. Donated hours are not tax deductible.

Approved by:

\_\_\_\_\_  
General Manager Signature



## Agenda Item: 19

**Date:** February 20, 2017

**Subject:** McClellan Business Park Reservoir Tank Property

**Staff Contact:** Mitchell S. Dion, Technical Services Director

The McClellan Business Park (MBP) proposed that the District consider and accept assignment of an alternative site for use by the District as a future reservoir or material storage site. MBP and the District have identified various properties for this purpose since the original agreement was established. Currently, the land for this purpose and land underlying other District facilities (such as booster station or elevated tanks) has never been deeded or conveyed to the District, therefore, the placement of the future tank site has remained “flexible”. Moreover, the future water demands for MBP have only been established at a rough, planning level, so typical infrastructure plans requisite to determine a future reservoir location are not feasible to complete.

In November 2008, the Board of Directors heard considerations and opted to surplus properties and relinquished control of properties in exchange for the property along eastern side of Winters Street, near Dean Street. That agenda item was approved and is foundational for the current proposal. Key aspects are:

- The location of a tank/storage site was recognized as flexible to be determined to be determined at a later date while accommodating better features near the gateway of MBP.
- The size of the tank was preliminarily estimated to be 3 million gallons; therefore the District sought a site large enough to accommodate such a facility.
- The District anticipated the need to change sites again in future once park masterplan was complete or to accommodate growth.
- Upon approval of this agreement, MBP was to demolish facilities at the surplus sites and to pay for reconnection to City of Sacramento to support fire booster pumps.
- The property at the proposed site was not released to MBP for sale, while property at the original sites had been granted for release and the District sought cooperative efforts towards the redevelopment of MBP.
- The agreement was to create a binding process for future property and for ensuring that MBP would transfer property when need was identified by the District.

In November 2016, the District considered a proposal for a site further north and nearer the runway and it was determined to be unsuitable. MBP has proposed a new site which appears to be substantially equal to the currently approved site. The newly proposed site is across the street

from the previously agreed upon site with no security limitations. Additionally, due to the changes in land status, the proposed site can actually be transferred in title to the District.

On January 20, 2017 this item went before the Facilities and Operations (F&O) Committee and it was tabled pending presentation of more formal land commitment such as the contractual material to support the representation and consideration of the parcel currently controlled by the District.

On February 16, 2017 a report was presented to the Facilities and Operations Committee. The Committee directed to staff to perform "due diligence" on the subject property and to bring it back to the full Board when complete. It is currently anticipated that due diligence will be completed in May and that this item will be brought back to the Board at the regular June 2017 Board Meeting.

A mild sense of urgency exists to keep this project moving for three reasons. First, the current land committed to the District has a tenant occupying it. The tenant was installed on the property without SSWD's knowledge or permission, but as time passes the existing condition leaves the District vulnerable. Second, the District has received commitments from MBP supported by the County which were entitlements provided for in the agreement with the County and the County seeks to pass control to MBP this year which could cause complications to this effort. Finally, real estate transactions require time for due diligence and escrow; added the potential calendaring requirements of public entities, time becomes an important consideration. The opportunity to receive fee simple title at the new parcel location is desirable.

Due diligence is anticipated to include an environmental assessment and appraisal. It is anticipated that the District will expend approximately \$7,500 for this effort.



## Agenda Item: 20

**Date:** February 14, 2017

**Subject:** Examination of Well Pump Motor Failures

**Staff Contact:** Jim Arenz, Operations Manager

As previously reported at the January 23, 2017 Regular Board Meeting (Agenda Item 23), over a four day period beginning on December 12, 2016, three electric motors on vertical turbine well pumps failed. As a result of the timing of these failures, staff sought assistance from Affinity Engineering to perform an examination of the failed motors and affected components to find the cause of each failure and determine if any relationship existed between the closely spaced events.

On February 13, 2017, Affinity Engineering submitted to the District a Technical Memorandum (TM) addressing the findings of their investigation (see Exhibit 1). In the TM Affinity Engineering states that their analysis led them to believe there were no causal relationships between the three events and that the timing of the failures were simply coincidental. The TM identified the cause of all three events to be motor winding failures causing an internal electrical fault. It also stated that the exceedingly high current draw from this electrical fault was likely the cause of the VFD failure at Well 56A. The TM concluded by noting that in all three events the upstream overcurrent protective devices worked as designed, opening when the fault occurred. Had these devices not worked as intended, damage to the electrical infrastructure at the sites would have been far more significant.

As noted in the TM, to date, two of the three motors have been rewound and are already scheduled to be reinstalled, while the third is nearly complete and scheduled to be installed by end of February. A new VFD has been ordered for Well 56A and should be installed and operational by the end of March.



**TECHNICAL MEMORANDUM**

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To: Jim Arenz, Sacramento Suburban Water District  
From: James A. DeHart, P.E., Affinity Engineering  
Subject: Motor Failures at Three Well Sites in December, 2016  
Date: February 13, 2017

---

This technical memorandum (TM) provides details regarding the motor failures at three Sacramento Suburban Water District (District) well sites that occurred in December, 2016. Affinity Engineering (Affinity) has investigated the failures and believes them to have no causal relationship to each other, they failed coincidentally. This TM presents the findings that led to this conclusion.

**Background**

The District had three outdoor well pump motors fail as follows:

1. Well 20A Watt/Arden □ Saturday, December 10, 2016, 100 horsepower (HP)
2. Well 56A Fairbairn/Karl □ Sunday, December 11, 2016, 300 HP
3. Well 4B Bell/Marconi □ Monday, December 12, 2016, 350 HP

The failures were all due to winding failures inside the motor which caused an electrical fault condition. Electrical fault conditions create substantially higher electrical current than normal which for all three sites caused the upstream overcurrent protective device to open and interrupt (stop) the fault current. Each of the well facilities are located between 2 and 4 miles from each other. Figure 1 on Page 3 shows the location of each of the sites.

The motors were removed from the site and delivered to a local motor rewinding shop to have their windings replaced and to inspect the motors for any additional damage. No significant damage except to the winding wires was observed. Figure 2 on page 4 shows the damaged windings (blackened area) of the 100 HP motor from Well 20A. Two of the affected motors have been rewound and are scheduled to be reinstalled. The third motor is nearly complete and should be installed before the end of February, 2017. Figure 3 on page 4 shows a technician at the motor rewind shop removing damaged winding wire from the 300 HP motor from Well 56A.

The variable frequency drive (VFD) at Well 56A was damaged by the fault current (5 to 10 times normal current or several thousand amps). A replacement VFD for Well 56A has been ordered and should be installed before the end of March, 2017.

Due to the unusual timing of the failures, Affinity was requested to investigate and identify any potential root causes.

## **Analysis**

The three motors that failed were unique in 3 important ways:

1. They were not located near each other
2. They were not the same horsepower
3. They were not the same age

The first item eliminates the possibility of a utility (SMUD) issue being the cause of the failures. Affinity contacted SMUD and determined that the three sites are fed from different SMUD power grids and that SMUD had no widespread power quality issues occurring at the time of the failures.

The second item eliminates the possibility that the failures are related to a particular horsepower of motor. Further, the District has many of the same size motors throughout its system that did not fail.

The third item eliminates the possibility that the District had acquired a "bad batch" of motors at some period of time in the past. Although all three motors are US Motors, two of the motors had been rewound previously. Not only was the actual calendar age of the motors different, but the amount of hours each motor had been run prior to the failures was substantially different. There was enough time since each motor was purchased or rewound that none of the failures would be considered premature.

One issue which may have influenced the failures is weather. The weather was wet and windy. However, since only 3 of the District's dozens of outdoor motors failed, it is unlikely that weather was a root cause of the failures.

For the reasons described above, it is most likely that the motors failures were coincidence.

The VFD at Well 56A likely failed because of the high currents that existed during the fault condition. Fault currents are incredibly destructive and unpredictable and damage to equipment subjected to such currents is not unusual.

Lastly, it is worth noting that at all three sites, the upstream overcurrent protective devices worked as designed and opened when the fault occurred. Had these devices failed, there would likely have been significant damage to the electrical infrastructure at each site increasing the downtime and repair cost significantly.

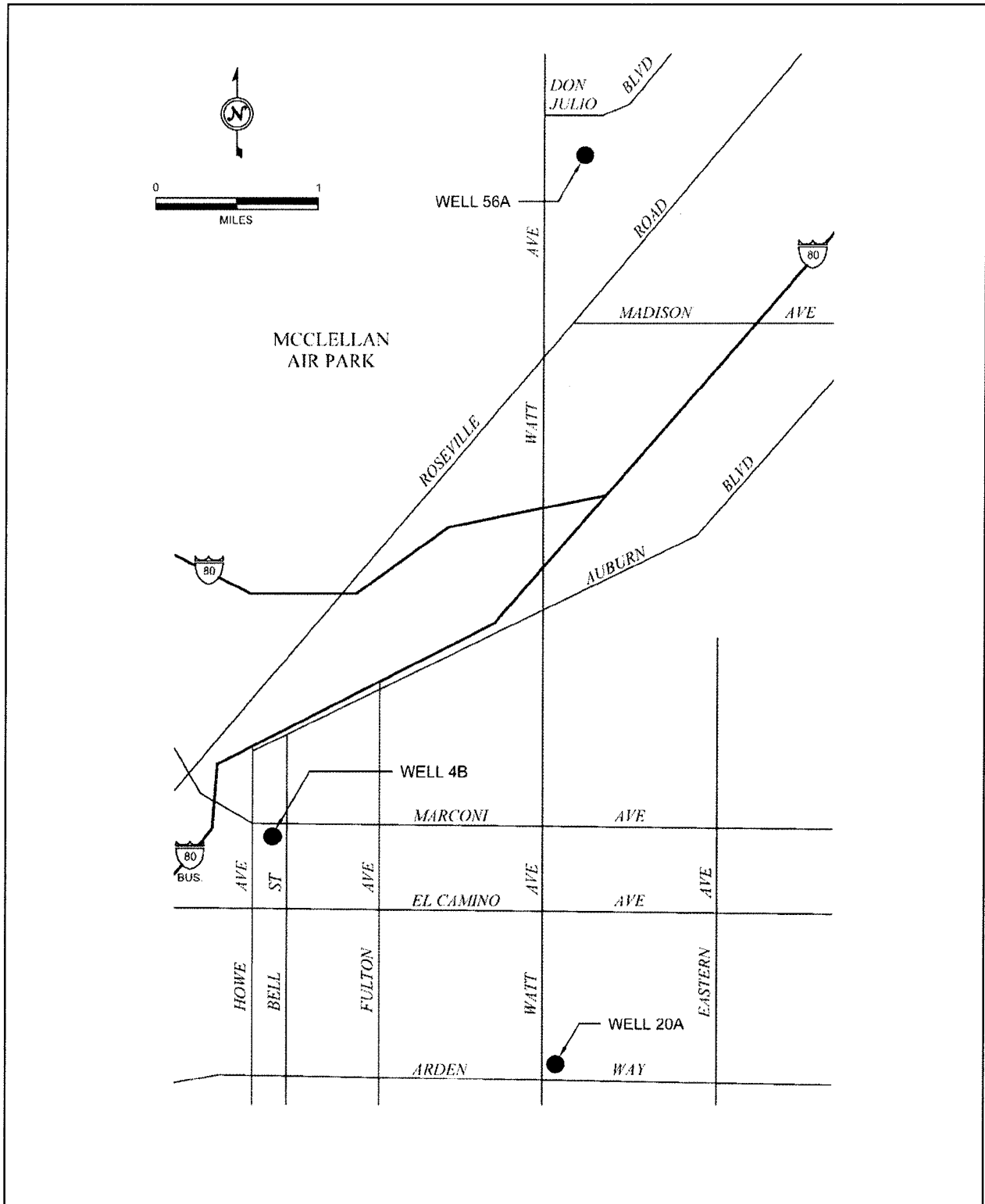


Figure 1 □ Motor Failure Locations

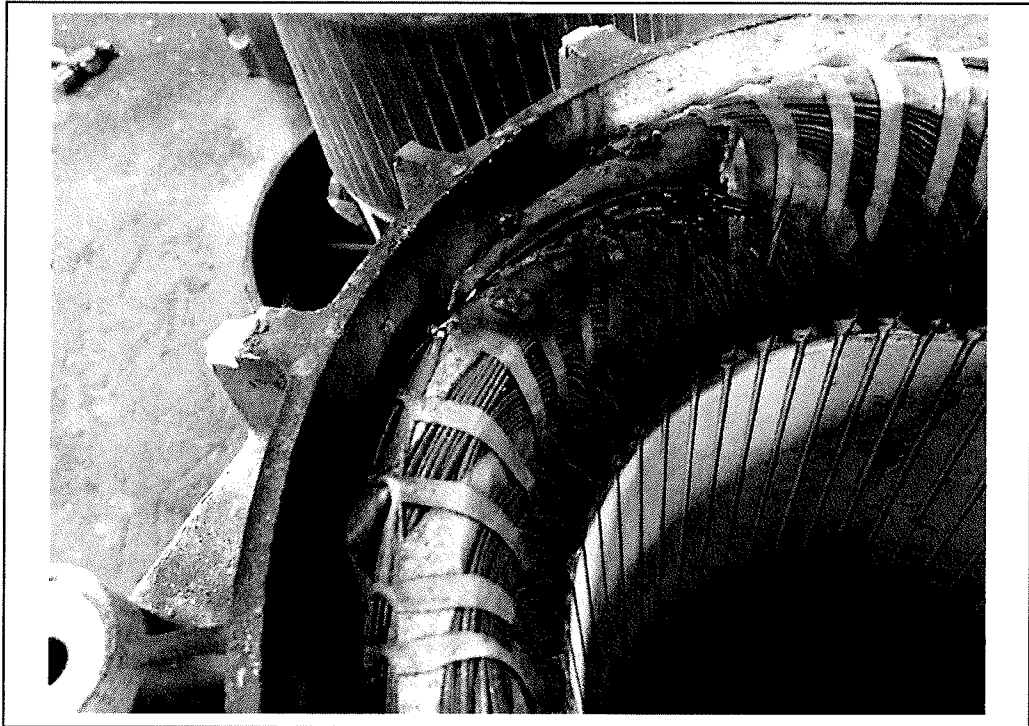


Figure 2 □ Well 20A Winding Failure



Figure 3 □ Well 56A Motor Winding Wire Removal



## Agenda Item: 21

**Date:** February 13, 2017

**Subject:** Annexation of Carmichael Water District Properties

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

This report is an update regarding the progress of the annexation proposal and application to Local Agency Formation Commission (LAFCo) of Sacramento County.

At the Board of Directors meeting on July 18, 2016, Resolution No. 16-18, to move forward with an application to annex several properties and detach one, was approved. The properties to be annexed are currently served by District infrastructure but are within the Carmichael Water District (CWD) boundaries. The CWD Board of Directors also approved a similar resolution on that date. In addition to approving the resolution, the Board of Directors provided direction to staff to provide further customer outreach and proceed with submission of the application to LAFCo. The District and CWD filed an application with Sacramento County Local Agency Formation Commission (LAFCo) proceedings for annexation of 4946-48, 5000, 5008, 5016, 5024, 5032 Whitney Avenue, 5400-04, 5412 Gibbons Drive and 3471 Walnut Avenue and detachment of 5148 Whitney Avenue.

Since that meeting, as directed by the Board, staff has conducted public outreach to customers providing an explanation of the process and sample billing implications based upon various water use scenarios. Additionally, staff invited these customers to call or participate in public comments of a board meeting. Staff received three responses and met with customers at their properties. The main concern expressed has been the potential of a cost increase. Staff has shared the District's billing schedule and provided options to correctly size the new meter to best fit usage and save money on their monthly bill.

The District received initial opposition of the annexation from Ms. Beckett, property owner of 5000 Whitney Avenue. Ms. Beckett was opposing annexation and was in the opinion that if she went with a smaller meter her landscaping would suffer. District staff maintained consistent communication with Ms. Beckett and also conducted a Water Wise House Call. Staff provided Ms. Beckett the results of the Water Wise House Call, which resulted in recommendations to repair a number of landscaping deficiencies.

The annexation was initially on LAFCo's December 7, 2016 agenda. However, Ms. Beckett contacted LAFCo opposing the annexation prior to the December 7<sup>th</sup> meeting. LAFCo postponed the item until the February 1, 2017 meeting. Ms. Beckett did not respond to LAFCo

Annexation of Carmichael Water District Properties

February 13, 2017

Page 2 of 2

prior to the February 1<sup>st</sup> meeting opposing the subject annexation, therefore, the item remained on the agenda and was approved unanimously by the LAFCo Board.

Currently, the District plans to jointly generate a letter with CWD that will be signed by both General Managers providing a thank you for being a customer of CWD and to welcome them as a new customer to the District. In addition, staff from both agencies will meet and discuss scheduling of changing over to the new districts services/billing to ensure it is a smooth transition. The schedule will be provided to the customers so they are aware of the transition schedule. It is anticipated the complete transition will be completed in Spring 2017.



## Agenda Item: 22

**Date:** February 14, 2017

**Subject:** County of Sacramento Proposed Paving Requirements

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

The County's proposed new trench cut restoration requirements that would greatly increase paving requirements compared to the existing standards was on the agenda for the February 7, 2017 County Supervisors meeting. As previously reported, a letter from legal counsel for a number of local utility providers providing comments on the Sacramento County Department of Transportation's proposed new trench cut restoration standards was being prepared and intended to be distributed prior to the February 7<sup>th</sup> meeting. On February 3, 2017, the subject letter was sent to Mike Penrose, Director of Sacramento County Department of Transportation, County Supervisors and Sacramento County Counsel, attached to this report as Exhibit 1. The letter was intended to express the undersigned utility providers' concerns from a legal perspective, which are in addition to the comments on the technical defects in SacDOT's proposed standards previously expressed by those entities.

At the February 7<sup>th</sup> County Supervisors meeting, the subject item was dropped from the agenda. Staff believes the letter generated by legal counsel of those entities involved was a key component in the item being dropped from the agenda. At this point it is unknown if or when the subject item will be brought back before the County Supervisors.

EXHIBIT I



February 1, 2017

**VIA E-MAIL AND U.S. MAIL**

Michael J. Penrose  
Director, Department of Transportation  
County of Sacramento Planning and Development Services  
827 7th Street, Suite 304  
Sacramento, California 95814

Re: Comments on Proposed Revisions to Sacramento County's Standard Construction Specifications for Trench Restoration Requirements

Dear Director Penrose:

We are writing to follow up on several discussions between you and representatives of local public utility providers in Sacramento County. These entities use county rights of way to install their underground facilities and are very concerned about the Sacramento County Department of Transportation's ("Department") proposed modifications to the County's existing trench restoration requirements ("Proposed Modifications"). The undersigned attorneys serve as legal counsel to the named public utility providers, which are coordinating efforts as the Utilities Work Group ("Work Group"). The Work Group entities have statutory and contractual franchises to trench in County roads to install, operate, repair and replace their utility facilities, which include electric, telecommunications, and water facilities. We understand that Department staff plans to present the Proposed Modifications, as they were described at the Department's May 10, 2016 Pavement Maintenance Workshop, for consideration and approval by the County Board of Supervisors. As such, our clients have directed us to share our analysis of the significant legal defects in the Proposed Modifications.

**The Work Group Members' Statutory Franchises**

As a preliminary matter, we note that the Legislature has, by statute, specifically authorized the public agency Work Group members to place their facilities in, along, and underneath county roads. (See Public Utilities Code, § 12808; Water Code, §§ 31060, 71695, and 22431.) These



Mr. Michael J. Penrose

February 1, 2017

Page 2

statutes expressly provide that the public agency Work Group members may use any county right-of-way to install, operate, repair and replace their utility facilities, provided that the agencies restore as nearly as possible to its former state any street, road, or other property affected by their construction or repair work, in a manner that does not unnecessarily impair the road's usefulness. (Public Utilities Code, § 12808; Water Code, §§ 31060, 71695, and 22431.) Similarly, the investor owned utilities' franchises with the County of Sacramento provide that the utilities shall "place said streets and alleys or so much thereof as may have been damaged thereby, in as good order and condition as that in which they were before being disturbed or excavated." (See e.g. Section 1(b) of County of Sacramento Ordinance Nos. 1158, 1223 1228, and 1254.) Simply put, the Work Group members' obligation with respect to restoring trench cuts means exactly what it says — to ensure that the County's streets, roads, and other rights-of-way are repaired and placed back in the condition they were in prior to the utility agency's commencement of excavation or trenching work. (See, Judgment, lines 2:23 - 3:6, issued September 14, 2000 in *Arcade Water District v. County of Sacramento, et al.*, Sacramento Superior Court Case No. 00CS00265 (copy attached for your reference).)

The Proposed Modifications go beyond this statutorily and contractually required standard of restoration and repair. Instead, they require Work Group members to undertake roadway improvements well beyond what would appear to be reasonably connected to the impacts caused by a member's trenching and excavation work. It is the County, and not the Work Group members, that is obligated to maintain and repair all streets and roads that have been accepted as part of the County's highway system. (Streets & Highways Code § 941.) In addition, the Department's proposal appears to be in violation of the binding 2000 Superior Court judgment that prohibits the County from requiring local franchise utility providers from making betterments and future guarantees of their trench cut restoration work. Consequently, we request that the Department provide us with full documentation providing the source of the County's authority for requiring Work Group members to undertake roadway improvements beyond those required by their individual franchises and otherwise enlarging the restoration provisions of such franchises.

### **Justification for the Proposed Modifications**

California courts have concluded that a franchise to lay utility facilities in a public street, whether it is owned by a private utility or a public agency, is a valid property interest, and that such a vested property right may not be damaged without payment or just compensation. (See *Northeast Sacramento County Sanitation Dist. v. Northridge Park County Water Dist.*(1966) 247 Cal.App.2d 317, 322 (citing *Stockton Gas & Electric Co. v. San Joaquin County* (1905) 148 Cal. 313, 321 and *Balestra v. Button* (1942) 54 Cal.App.2d 192); see also *So. Cal. Gas. Co. v. City of Los Angeles* (1958) 50 Cal.2d 713.) For the County to lawfully require a franchise holder to undertake the Proposed Modifications, which essentially are roadway improvements beyond those that would be required to restore a road to its former condition, the County must demonstrate that the Proposed Modifications have a direct nexus with, and are roughly proportional to, the impacts caused by the trenching and excavation work that the Proposed Modifications are intended to mitigate. (See *Nollan v. Cal. Coastal Comm'n* (1987) 483 U.S. 825; *Dolan v. City of Tigard* (1994) 512 U.S. 374.) If these criteria are not met, the Proposed

Modifications, if adopted, would cause the County's rules to violate federal regulatory takings jurisprudence.

A regulatory taking occurs when a government regulation goes "too far." (*Penn. Coal. Co. v. Mahon* (1922) 260 U.S. 393, 415-16.) In recent years, the United States Supreme Court has stated that such a taking occurs when a regulation effects a "functional equivalent" of a physical taking — that is, when the government actually physically invades the property and takes possession of it. (*Lingle v. Chevron U.S.A., Inc.* (2005) 544 U.S. 528, 539-40.) Regulatory takings challenges that do not involve either a physical invasion or that leave the property owner with some economically beneficial use of the property are governed by the "ad hoc, factual inquiries" set forth in *Penn Central Transp. Co v. New York City* (1978) 438 U.S. 104, 124. (*Shaw v. County of Santa Cruz* (2008) 170 Cal.App.4th 229, 261-262.) Primary among these *Penn Central* factors is "the economic impact of the regulation on the claimant and, particularly, the extent to which the regulation has interfered with distinct investment-backed expectations." (*Shaw, supra*, at p. 261.) This inquiry turns in large part, although not exclusively, upon the magnitude of a regulation's economic impact and the degree to which it interferes with legitimate property interests. (*Lingle, supra*, p. 540.)

There is no question that the Proposed Modifications, if adopted, would interfere with and violate the Work Group members' statutory and contractual franchises and would have a significant impact on their ability to pay for capital improvement projects involving excavation and trenching work. For example, Sacramento Suburban Water District has stated that the Proposed Modifications could increase the cost of repairing or replacing a linear mile of water pipe by approximately \$75,000 per mile. San Juan Water District has indicated that the Proposed Modifications' impacts on its capital improvement projects could be as much as \$600,000 per mile of pipeline for a typical project. An analysis by Rio Linda-Elverta Community Water District determined that the agency's costs would increase by approximately \$172,000 per mile. These public agencies are funded by property-related fee revenues at rates that must reflect each agency's reasonable costs of providing the particular service, and which must not be used to provide general governmental services that benefit the general public. Although Sacramento Municipal Utility District raises revenue through a different funding mechanism (a non-property related fee for electrical energy service), it would incur an additional \$23,252 per mile, or \$1,848,600 per year for the 80 miles of right-of-way work forecast for years 2017 and 2018.

Requiring Work Group members to comply with the Proposed Modifications essentially would require them to subsidize the County's road maintenance and improvement efforts in violation of the applicable legal requirements. The Work Group members do not have either the capability or the authority to pay for "restoration" work that far exceeds their repair and replacement obligations under law, goes beyond any reasonable expectations they could have had during infrastructure planning, and interferes with the benefits of their capital investments based on their statutory and contractual franchises. (See *Kaiser Aetna v. United States* (1979) 444 U.S. 164, 178-80.)

We understand that the Proposed Modifications were developed without conducting the analyses and study required to determine standards that would comport with the binding constitutional

and statutory mandates, which should have included quantifying actual utility trench impacts and evaluating factors such as the then-existing age of the pavement or existing pavement conditions. Indeed, we note that Department staff has yet to provide Work Group members with a study or report that provides the requisite justification for the Proposed Modifications, other than to make the conclusory statement during its May 10, 2016 workshop that such trenching work accelerates pavement deterioration.<sup>1</sup> We would like to review all reports prepared by the Department that address the nexus and proportionality issues described above in order to understand the County's legal justifications for pursuing the Proposed Modifications. Please either provide any such reports or advise us if no such documentation exists.

The 2000 *Arcade Water District v. County of Sacramento* case cited on page 2 of this letter involved a challenge by a former water district (now part of Sacramento Suburban Water District) to the County's standard specifications for trench restoration. In its judgment, the trial court noted that, by virtue of Water Code section 31060 (one of the statutes discussed above that grants county water districts a statutory franchise), the County has no authority to impose a continuing obligation for future repairs or maintenance of a street either through the payment of a street trench restoration fee or the execution of a pavement life warranty. While the Proposed Modifications take a slightly different form, they attempt to impose a similarly improper obligation: betterments of streets for which the Work Group members have no general legal obligation to repair or maintain. As such, we believe that the County remains bound by that judgment and therefore is precluded from imposing any new trench cut restoration standards that exceed what Judge Fall of the Sacramento Superior Court approved in the judgment.

### Conclusion

As discussed above, the Proposed Modifications would impose significant new burdens on Work Group members. Those burdens violate established federal and state constitutional principles, as well as the state franchise laws, franchise contracts, and Judge Fall's 2000 judgment binding the Department. We therefore respectfully urge the Department to refrain from submitting the Proposed Modifications for consideration by the Board of Supervisors, and to instead comply with the County's existing legally-approved trench cut restoration standards. While our clients, as public utilities and sister public agencies with similar budgetary constraints, sympathize with the County's predicament, the Department is prohibited from attempting to require our ratepayers to provide general benefits to the citizens of Sacramento County.

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<sup>1</sup> Indeed, what is particularly troubling about the Proposed Modifications is the lack of any supporting studies and the apparent implicit position of the Department that it can simply transfer the County's road maintenance and repair obligations to local utility agencies because the County lacks sufficient financial resources to satisfy its legal duties. (see, e.g., staff report and PowerPoint slide presentation by Department to Board of Supervisors at its May 10, 2016 meeting.)

Mr. Michael J. Penrose  
February 1, 2017  
Page 5

We look forward to your responses to this letter and our requests for information stated above.

Very truly yours,



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Joshua M. Horowitz, General Counsel to  
SACRAMENTO SUBURBAN WATER DISTRICT  
and SAN JUAN WATER DISTRICT



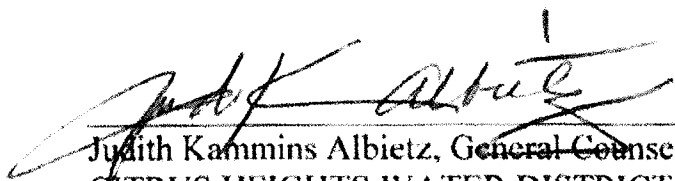
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Anthony J. Cerasuolo, Vice-President, Legal  
CALIFORNIA-AMERICAN WATER COMPANY



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Joel S. Levy, General Counsel to  
CARMICHAEL WATER DISTRICT



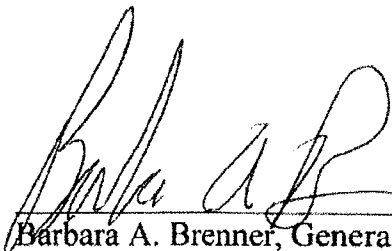
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Judith Kammins Albietz, General Counsel to  
CITRUS HEIGHTS WATER DISTRICT



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Adam C. Brown, General Counsel to  
DEL PASO MANOR WATER DISTRICT



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Barbara A. Brenner, General Counsel to  
RIO LINDA-ELVERTA COMMUNITY WATER DISTRICT

Mr. Michael J. Penrose  
February 1, 2017  
Page 6



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Joe Schofield, Assistant General Counsel to  
SACRAMENTO MUNICIPAL UTILITY DISTRICT

Cc: Phil Serna, District 1, Sacramento County Board of Supervisors  
Patrick Kennedy, District 2, Sacramento County Board of Supervisors  
Susan Peters, District 3, Vice-Chair, Sacramento County Board of Supervisors  
Sue Frost, District 4, Sacramento County Board of Supervisors  
Don Nottoli, District 5, Chair, Sacramento County Board of Supervisors  
Robyn Truitt Drivon, Sacramento County Counsel

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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF SACRAMENTO

ARCADE WATER DISTRICT, a	)	CASE NO. 00CS00265
county water district,	)	
	)	<b>JUDGMENT ON PETITION FOR WRIT</b>
Plaintiff and Petitioner,	)	<b>OF MANDATE</b>
	)	
v.	)	Assigned for All Purposes to:
	)	
THE COUNTY OF SACRAMENTO, a	)	Honorable Judge Timothy L. Fall
charter county, and ROGER	)	Yolo County Superior Court
DICKINSON, ILLA COLLIN,	)	Department 2
MURIEL JOHNSON, ROGER	)	
NIELLO, and DON NOTTOLI,	)	
individuals, in their capacity as	)	
members of the Board of Supervisors	)	
of the County of Sacramento,	)	
CHERYL F. CRESON, an individual	)	
in her capacity as Director of County	)	
Engineering, and DOES 1 through 20,	)	
inclusive,	)	
	)	
Defendants and Respondents.	)	
	)	

The Petition for Writ of Mandate came on regularly for hearing on July 10, 2000 at 9:00 a.m.

1 before the Honorable Timothy L. Fall, presiding judge of the Yolo County Superior Court, to which  
2 it has been assigned pursuant to Code of Civil Procedure § 394. Janet Morningstar, McCormick,  
3 Kidman & Behrens appeared on behalf of Petitioner and Plaintiff Arcade Water District and Deputy  
4 County Counsel Krista C. Breuer, appeared on behalf of Respondents and Defendants, The County  
5 of Sacramento, Roger Dickinson, Illa Collin, Muriel Johnson, Roger Niello, Don Nottoli and Cheryl  
6 Creson.  
7

8 The cause was submitted upon a stipulation to undisputed facts, documentary evidence and oral  
9 testimony of expert witnesses presented at the hearing. The Court having heard the oral argument  
10 presented by counsel for the parties and the cause having been submitted for decision, the Court  
11 made findings and directed that judgment and peremptory writ of mandate should issue in the cause  
12 as follows:  
13

14 1. The Court lacks authority to compel a legislative act, therefore it cannot compel the  
15 County to repeal or amend its Ordinance No. 1145.

16 2. There is a dispute among pavement experts as to the benefit of the "T-section" as a  
17 method of restoring a trench in a street made by a permittee in connection with the construction of  
18 works in the street. Because it is within the discretionary authority of the county to impose  
19 conditions in a permit as to the location and manner in which the work is to be done for the  
20 protection of the highway, the County has discretion to require permittee to restore trenches using  
21 a T-section as shown in the County Standard Specifications Detail 4-31.  
22

23 3. The provisions of Water Code Section 31060, because they are specific to the right of  
24 county water districts, supersede the provisions of Streets and Highways Code § 1462, which applies  
25 generally to permits for excavations in county highways. Water Code § 31060 does not impose an  
26 obligation on county water districts for the future repair or maintenance of the street after the initial  
27

1 restoration of the street trench. The right of the County to impose conditions upon the location and  
2 manner in which the work is to be done under Streets and Highways Code § 1462 does not authorize  
3 the imposition of a continuing obligation upon a county water district for future repair or  
4 maintenance of the street either through payment of a street trench restoration fee or execution of  
5 a pavement life warranty.  
6

7 4. Under Streets and Highways Code Section 1468 the county may not deny a permit to  
8 a county water district to construct works in county streets.

9 WHEREFORE IT IS ORDERED, ADJUDGED AND DECREED

10 1. That Petitioners application for a writ of mandate commanding Respondents to repeal  
11 or amend Sacramento County Ordinance No. 1145 is denied.

12 2. That a peremptory writ of mandate issue commanding Respondents to issue permits to  
13 Petitioner Arcade Water District for the construction of works in county streets, which permits may  
14 provide reasonable conditions as to the location and manner in which the work is to be done,  
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1 including, but not limited to, requiring a T-section as shown in County Standard Specifications  
2 Detail 4-31, but shall not require Petitioner to pay Trench Restoration fees or sign a pavement life  
3 warranty.  
4

5 Dated: 9/14, 2000

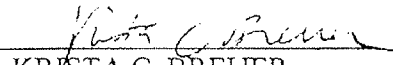
TIMOTHY L. FALL


Honorable Timothy L. Fall  
Presiding Judge

7 Reviewed and approved as to form:

8 On behalf of Defendants and Respondents  
9 County of Sacramento County

On behalf of Plaintiff and Petitioner  
McCormick, Kidman & Behrens, LLP

10  
11 By   
12 KRISTA C. BREUER  
Deputy County Counsel

By   
JANET MORNINGSTAR

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## Agenda Item: 23

**Date:** February 15, 2017

**Subject:** Comments on Final Environmental Impact Report/Environmental Impact Statement for the Bay-Delta Conservation Plan/California WaterFix

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

The Department of Water Resource (DWR) and Bureau of Reclamation (Reclamation) released the final Environmental Impact Report (EIR) / Environmental Impact Statement (EIS) on December 22, 2016. A comment period was set with a January 30, 2017 deadline. Attached as Exhibit 1, are the comments submitted to DWR and Reclamation on the California WaterFix final EIR/EIS by the American River Water Agencies (ARWA) group. The ARWA comments focused on the project's potential effects on Folsom Reservoir storage.

At present, it is expected that the final EIR/EIS will be certified by the respective agencies this spring. The attached comment letter (jointly submitted by attorneys representing the Cities of Sacramento, Folsom and Roseville, the County Water Agencies in Placer and Sacramento, and San Juan and Sacramento Suburban Water Districts, collectively ARWA) make the principal point that the environmental documents are fatally flawed, do not comply with existing law, and are invalid. In the concurred opinion of the ARWA group, the principal infirmities center on the lack of disclosure of potentially serious impacts to the water supplies of ARWA members, and the absence of any mitigation measures for those impacts.

This is a significant issue for ARWA purveyors as there is a statutory 30 day window within which litigation must be filed should the final EIR/EIS be certified.

**BARTKIEWICZ, KRONICK & SHANAHAN**

RICHARD P. SHANAHAN  
ALAN B. LILLY  
RYAN S. BEZERRA  
JOSHUA M. HOROWITZ  
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ANDREW J. RAMOS  
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*Of Counsel*

PAUL M. BARTKIEWICZ  
STEPHEN A. KRONICK  
JENNIFER T. BUCKMAN

January 30, 2017

**VIA E-MAIL**

Ms. Brook White  
Bureau of Reclamation  
Mid-Pacific Region, Bay-Delta Office  
801 I Street, Suite 140  
Sacramento, California 95814-2536  
[bwhite@usbr.gov](mailto:bwhite@usbr.gov)

Mr. Marcus Yee  
Program Manager, Executive Program Office  
California Department of Water Resources  
901 P Street, Room 411B  
Sacramento, CA 95814  
[marcus.yee@water.ca.gov](mailto:marcus.yee@water.ca.gov)

Re: California WaterFix Final Environmental Impact Report/Final Environmental  
Impact Statement – Comments of American River Water Agencies

Dear Ms. White and Mr. Yee:

For the American River Water Agencies (ARWA), we appreciate the opportunity to comment on the final environmental impact report/environmental impact statement (FEIR/EIS) for the California WaterFix project. These agencies rely, in part, on diversions from Folsom Reservoir and its releases to the lower American River for our water supplies. As discussed in more detail below, the information contained in, and supporting, the FEIR/EIS demonstrates that the document fails to adequately analyze the impacts that implementation of the California WaterFix would have on reservoir storage levels in Folsom Reservoir and related flows in the lower American River, and therefore our agencies' water supplies, in severely dry years. The FEIR/EIS contains so many varying hydrologic modeling runs, with so many different possible effects on Folsom Reservoir, that it is impossible to understand how much water-supply risk implementation of the California WaterFix would present to our agencies. Although the FEIR/EIS does not disclose this fact in its narrative, review of the electronic modeling files upon which the FEIR/EIS is based reveals that there is a significant risk that implementing the California WaterFix would cause Folsom Reservoir storage to be drawn down significantly going into potentially dry winters and also affect flows in the lower American River. Such a result would significantly impact our water supplies by increasing the risk that overly aggressive releases from the reservoir in one year could cause a water-supply crisis in the next year if the intervening winter were very dry. Notwithstanding our previous comments on this issue, the FEIR/EIS does not analyze this risk and proposes no mitigation measures to address it. Indeed, the FEIR/EIS does not even disclose this risk. The FEIR/EIS therefore does not comply with applicable law and is invalid.

1. *Background*

As discussed in previous ARWA comments, our agencies serve over 1,000,000 people in Placer and Sacramento Counties. Collectively, our agencies divert water directly from Folsom Reservoir, as well as from the lower American River below the reservoir, and pump groundwater from aquifers near the American River. Historically, those aquifers were overdrawn, but, in the last 20 years, our agencies have coordinated to stabilize and recover those aquifers. We have achieved this success by providing surface water from Folsom Reservoir and the lower American River to areas that historically were dependent on groundwater pumping. We have accomplished this as part of our efforts to implement the Water Forum Agreement, which is an agreement among water suppliers, land use agencies, environmental groups and civic organizations in the Sacramento metropolitan region to manage water supplies and the lower American River's environmental resources cooperatively. In order to protect these interests, we are submitting the comments below, as well as incorporating by reference prior ARWA comments on the Bay-Delta Conservation Plan (BDCP) and the California WaterFix and also the related comments by the North State Water Alliance. Our agencies all participate in that group as members of the Regional Water Authority.

2. *By Enabling Increased Exports Of Water Released From Folsom Reservoir Storage, The California WaterFix Could Increase Risks To American River Water Supplies In Severely Dry Years*

One of the most critical concerns our agencies have about the California WaterFix is that it could threaten our agencies' water supplies by enabling overly aggressive releases from Folsom Reservoir in a year leading into a subsequent severely dry year. Recent experience has demonstrated the significant risks to water supplies for American River-dependent water agencies resulting from overly aggressive Folsom Reservoir releases in such a situation. In 2013, notwithstanding the fact that there had been little significant precipitation that year, fall releases from Folsom Reservoir were managed to a relatively standard rate of approximately 1,500 cubic feet per second (cfs). When extremely dry conditions continued into early 2014, the reservoir was drained to historically low levels, reaching a low point of 162,617 acre-feet (AF) on February 6, 2014. If dry conditions had continued for another few weeks, the reservoir could have been drained below the level of its municipal and industrial (M&I) water supply intake by approximately April 2014.<sup>1</sup> That intake becomes inoperable when there is approximately 65,000 AF stored in Folsom Reservoir. The intake's supply capacity would be significantly reduced prior to that point as a result of the likely creation of a vortex effect around the intake when there is little water above the intake. In addition, lower releases to the lower American River that necessarily occur when Folsom Reservoir storage is drawn down to very low levels can impair the physical availability of water from the river for those agencies that depend on diversions from it. Those lower river releases resulting from reduced reservoir storage also could impact sensitive fish species in the lower American River, including steelhead listed under the federal and state Endangered Species Acts and fall-run Chinook salmon.

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<sup>1</sup>The data reflecting 2013-2015 operations discussed in this letter are available from the California Data Exchange Center.

The California WaterFix could increase the frequency of water-supply crises such as the one that occurred in late 2013 and early 2014 by increasing the combined capacity of the Central Valley Project (the CVP) and the State Water Project (the SWP) to divert from the Delta water released from storage in upstream reservoirs like Folsom Reservoir in the months preceding what turns out to be a severely dry winter. While the FEIR/EIS asserts that the California WaterFix would not change any "upstream operational criteria" for the CVP and the SWP, the Department of Water Resources' (DWR) SWP operator John Leahigh testified in the State Water Resources Control Board's (the SWRCB) related hearing that implementing the California WaterFix would enable the CVP and the SWP to export more water released from reservoir storage. Mr. Leahigh's PowerPoint presentation to the SWRCB states that the "Proposed CWF [California WaterFix] North Delta Diversions" would "[i]ncrease opportunity to use existing [CVP/SWP] water rights" by enabling "[r]e-diversion of stored water during Balanced Conditions" in the Delta. (See attached DWR exhibit 4-e, p. 35.) Modeling work conducted by MBK Engineers, and submitted in the SWRCB's California WaterFix hearing, demonstrates the risks to upstream storage associated with this "increased opportunity" to move water from upstream storage reservoirs South of the Delta. (See exhibits SVWU-100, ¶ 8, and SVWU-108 (copies submitted with the North State Water Alliance letter commenting on the FEIR/EIS).)

3. *The FEIR/EIS Fails To Adequately Disclose The California WaterFix's Potential Impacts On Folsom Reservoir Storage Because Its Analysis Varies Widely Depending On The Hydrologic Model Used*

The FEIR/EIS discloses – for the first time during the CEQA/NEPA review of first the BDCP and now the California WaterFix – hydrologic modeling based on terms that are proposed as part of the Endangered Species Act (ESA) permitting of the project. The FEIR/EIS's Appendix 5G compares the results of the prior modeling of the project in the recirculated draft environmental impact report/supplemental environmental impact statement (RDEIR/SDEIS) and the modeling resulting from the ESA process (called the CWF Section 7 Model or BA Model). Appendix 5G also discloses two important differences about the models themselves and the assumptions made in the modeling about how the CVP and the SWP would operate with the California WaterFix in place. First, a different version of CALSIM II, the relevant hydrologic model, was used in preparing the modeling in the RDEIR/SDEIS versus the ESA process. (Appendix 5G, pp. 5G-1 to 5G-3.) Second, the assumed level of spring Delta outflow that the CVP and the SWP must maintain apparently was different in the modeling for the DEIR/EIS, the RDEIR/SDEIS and the ESA process. (Appendix 5G, p. 5G-5, Table 5G-3.) The required level of Delta outflow – in any season – is a key driver of the coordinated operations of the CVP and the SWP. The effects of varying required levels of Delta outflow are not limited to water supplies that may be exported from the Delta, but can affect the amount of water stored in upstream CVP reservoirs like Folsom Reservoir.

These significant differences in the hydrologic models, and the different modeling assumptions used, result in the FEIR/EIS failing to present reliable information about how the project's implementation will impact Folsom Reservoir storage and therefore our agencies' water supplies. Figures 5G-7 and 5G-8 depict the California WaterFix's impacts on end-of-May and end-of-September Folsom Reservoir storage in comparison with the no action alternatives used for, respectively, the FEIR/EIS and the biological assessment (BA) prepared as part of the ESA process.

Those figures show that even the results of modeling the no action alternatives vary widely in dry years. Between approximately the 95<sup>th</sup> and the 99<sup>th</sup> percentiles for end-of-May storage on Figure 5G-7 – on the left side of the figure representing the very driest years when there is maximum pressure on Folsom Reservoir and our agencies' water supplies – the figure indicates that, in the BA Model, the reservoir would hold approximately 100,000 acre-feet more than the FEIR/EIS modeling. Figure 5G-8 shows a similar difference between the BA Model and FEIR/EIS no action alternatives for Folsom Reservoir's end-of-September storage between roughly the 87<sup>th</sup> and 95<sup>th</sup> percentiles. Similar differences also appear in the modeling results for the "with project" alternatives depicted in Figures 5G-7 and 5G-8. (The "with action" alternatives are identified in Figures 5G-7 and 5G-8 as the "CWF BA PA\_ELT" curve for the BA Model's proposed action and the "FEIRS Alt4A\_ELT" curve for the FEIR/EIS's Alternative 4A.) For context: (1) Folsom Reservoir's total capacity is approximately 977,000 acre-feet; (2) as discussed above, its municipal water supply intake would go dry when the reservoir holds less than approximately 65,000 acre-feet; and (3) after the severe dry years of 2013 through 2015, the reservoir reached an all-time low of approximately 135,561 acre-feet in storage on December 6, 2015.

The approximately 100,000 acre-foot variation in Folsom Reservoir storage in even the modeling of the different no action alternatives depicted in the FEIR/EIS's Appendix 5G causes the FEIR/EIS to fail to meet an EIR's fundamental mission of disclosing a project's potential impacts. The FEIR/EIS's Alternative 4A and the BA's proposed action both are possible ways in which the California WaterFix might be implemented and Figures 5G-7 and 5G-8 indicate that those two implementation options would result in very different conditions in Folsom Reservoir in very dry years. Based on the comparative model runs depicted in Appendix 5G, it simply is impossible for our agencies to determine how implementation of the California Water Fix may affect our water supplies through its effects on Folsom Reservoir.

This lack of clarity is compounded by the fact that the FEIR/EIS states that the operational assumptions reflected in the various hydrologic modeling analyses are still subject to possibly significant change. The FEIR/EIS's Master Response 28 states that, notwithstanding the modeling, the actual operations of the CVP and the SWP with the California WaterFix will be governed by permits and biological opinions that have not been prepared and then will be subject to further change through adaptive management. (FEIR/EIS, pp. 1-262 to 1-263.) Master Response 44 similarly states that "initial operating criteria" for California WaterFix will be determined "[p]rior to the start of construction" and then will be modified through adaptive management "after initial operations . . . ." (FEIR/EIS, p. 1-344.) Master Response 30 states that the models cannot capture real-time decision-making that affects how the CVP and the SWP operate upstream reservoirs (FEIR/EIS, p. 1-268), which suggests that the FEIR/EIS provides essentially no guidance about how those reservoirs will be operated with the California WaterFix in place. Due to all of these compounding uncertainties, it is impossible to understand how the California WaterFix may affect Folsom Reservoir, and our agencies' water supplies. The FEIR/EIS therefore is fundamentally inadequate and not compliant with either CEQA or NEPA.

4. *Information Available In The Electronic Modeling Files That Support The FEIR/EIS Show That Implementation Of The California WaterFix Could Cause Significant Drawdowns Of Folsom Reservoir Storage That Are Not Depicted Anywhere In The FEIR/EIS*

As discussed above, a significant water-supply risk to our agencies is that Folsom Reservoir may be operated overly aggressively in one year, resulting a water-supply crisis due to extremely low reservoir storage the following year if the intervening winter were to be very dry. The California WaterFix could cause this scenario to occur more frequently, and be more severe, by enabling the CVP and the SWP to export water released from Folsom Reservoir from the Delta more aggressively in the first year of such a scenario. The electronic modeling files prepared by DWR and Reclamation as part of the CEQA/NEPA process show that implementing California WaterFix could have this exact impact, even though the FEIR/EIS does not disclose this information. This information confirms MBK's testimony to the SWRCB that the California WaterFix's implementation could increase risks to upstream water supplies by enabling more aggressive Delta CVP and SWP exports. (See exhibits SVWU-100, ¶ 8, and SVWU-108.)

Despite our agencies' prior comments about the California WaterFix's possible impacts on our water supplies in multi-year cycles, the FEIR/EIS does not contain any information disclosing the project's possible effects under the scenarios we previously identified as needing analysis. Consistent with the draft EIR/EIS and the RDEIR/SDEIS, the FEIR/EIS depicts the California WaterFix's possible impacts on Folsom Reservoir storage largely as exceedance plots over the whole period of record. This approach causes non-sequential years to be depicted sequentially, so that, for example, the end-of-September reservoir storage for 1991 and 1977 may be depicted next to one another because they are similar in amount. This approach, however, does not disclose the impact that the California WaterFix could have in a repeat of sequential years, such as in a repeat of the 2013-2014 cycle. This is another reason why the FEIR/EIS fails to adequately disclose the California WaterFix's possible effects.

When sequential-year results are extracted from the electronic modeling files on which the FEIR/EIS's depiction of modeling results are based, however, those sequential-year results show that the California WaterFix could have the exact effect on Folsom Reservoir storage that concerns our agencies. As stated in the attached materials, Jeff Weaver, a hydrologic engineer, extracted, from the electronic files made available by DWR, modeled Folsom Reservoir storage and American River streamflows for the 1932-1933 cycle and the 1980-1981 cycle.<sup>2</sup> (The modeling reflects what would happen with and without the California WaterFix, assuming certain regulatory conditions and repeats of the hydrologic conditions that occurred historically during those cycles.) As depicted in the attached information for the 1932-1933 cycle from the BA Model, the California WaterFix could result in Folsom Reservoir being drawn down by approximately 200,000 acre-feet in June and July of 1932 relative to the no action alternative. This reduced reservoir storage would carry over into 1933, which was a critically dry year.

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<sup>2</sup>In CALSIM modeling, streamflow releases to the lower American River are depicted as streamflows at Nimbus Dam, which is downstream from Folsom Reservoir.

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Mr. Marcus Yee  
January 30, 2017  
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Similarly, the BA Model shows that, in June and July of 1981, implementation of the California WaterFix could result in Folsom Reservoir being drawn down by approximately 200,000 acre-feet more than the no action alternative. Moreover, the FEIR/EIS modeling shows that, in that scenario and using that modeling's assumptions, implementation of the California WaterFix could result in Folsom Reservoir being drawn down by approximately 150,000 acre-feet more than in that modeling's no action alternative. Finally, the draft EIR/EIS modeling shows that, in that same 1981 scenario, the California WaterFix could result in Folsom Reservoir being drawn down by approximately 250,000 acre-feet more than that scenario's no action alternative – so low that, with the California WaterFix, the reservoir would be drawn down to the lowest level that CALSIM apparently could model, approximately 100,000 acre-feet. In each of these 1981 scenarios, the above-referenced model runs show that Folsom Reservoir could start the 1981-1982 water year at very low levels as a result of the California WaterFix's implementation.

The FEIR/EIS ignores these impacts on Folsom Reservoir storage – and therefore on our agencies' water supplies – that the California WaterFix could have and proposes no mitigation of these impacts whatsoever. Moreover, the FEIR/EIS fails to discuss the indirect effects on groundwater in the Sacramento metropolitan area that would occur if agencies that generally rely on water from Folsom Reservoir and the lower American River were forced to pump more groundwater as a result of reservoir water becoming less reliable with the California WaterFix's implementation. For all of the reasons expressed in this letter, which incorporates by reference prior ARWA comments and all North State Water Alliance comments, the FEIR/EIS does not comply with either CEQA or NEPA.

5. *Conclusion*

The hydrologic modeling results depicted in the FEIR/EIS's Appendix 5G indicate that the FEIR/EIS's analysis of the California WaterFix's impacts on Folsom Reservoir storage are so uncertain that it is impossible for our agencies to determine how implementing that project could affect our water supplies in multi-year cycles. Moreover, when one reviews the underlying electronic modeling files that the FEIR/EIS does not include or describe, but which are the basis of the FEIR/EIS's hydrologic analysis, the information from those files demonstrates that implementing the California WaterFix could seriously impact our agencies' water supplies through potentially significant drawdowns of Folsom Reservoir storage. The FEIR/EIS does not disclose, or propose to mitigate, this impact. The FEIR/EIS therefore fails to comply with CEQA and NEPA.

Kind regards,

BARTKIEWICZ, KRONICK & SHANAHAN      SOMACH, SIMMONS & DUNN

By: 

Ryan S. Bezerra

By: /s/ Aaron Ferguson  
Aaron Ferguson

Attorneys for the Cities of Folsom and  
Roseville, Sacramento Suburban Water District  
and San Juan Water District

Attorneys for Sacramento County Water  
Agency



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Mr. Marcus Yee  
January 30, 2017  
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PLACER COUNTY WATER AGENCY

By: /s/ Daniel Kelly  
Staff Counsel

STOEL RIVES LLP

By: /s/ Wes Miliband

Attorneys for the City of Sacramento

Enclosures

8618/BDCP-CWF CEQA-NEPA/L013017 ARWA FEIR

Cc (w/encl.): [info@californiawaterfix.com](mailto:info@californiawaterfix.com)  
[CalWaterFix@water.ca.gov](mailto:CalWaterFix@water.ca.gov)



## Agenda Item: 24

**Date:** February 15, 2017

**Subject:** Ongoing State Water Board and Delta Issues

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

The agencies that form the American River Water Agencies (ARWA) group are participating in the Cal WaterFix hearings (see previous agenda item for a discussion of the flawed final environmental documents and listing of agencies included in ARWA). ARWA agencies are proposing that the State Water Resources Control Board (SWRCB) add certain terms to the Bureau of Reclamation's (Reclamation) water-right permits to ensure that the SWRCB's possible approval of Reclamation's Cal WaterFix change petition does not injure the agencies' water supplies or the lower American River's environment. Due to the close link between water supplies and maintenance of the environment in the lower American River, ARWA proposes to present those proposed terms, and all of the necessary supporting hydrological and biological technical information, in Part 2 of the hearing. The ARWA letter, signed by the agencies, is attached to this report as Exhibit 1.

In closely related activities, Governor Brown has appointed Secretary of the Interior Bruce Babbitt as a "facilitator" attempting to reach a negotiated global settlement of Cal WaterFix issues. For the Sacramento River Watershed, water interests on the main-stem Sacramento and the Feather, Yuba, Bear and American tributaries are included in the negotiating group. For the American River, ARWA members were successful in achieving two seats in the session's one representing Folsom Reservoir and upstream diverters and one representing downstream diverters. PCWA's Andy Fecko and the City of Sacramento's Jim Peiffer were selected by the ARWA group to negotiate with Secretary Babbitt.



CITY OF  
FOLSOM



CITY OF  
SACRAMENTO



February 16, 2017

Hearing Chair Tam Doduc  
Co-Hearing Chair Felicia Marcus  
State Water Resources Control Board  
1001 I Street  
Sacramento, California 95814

VIA E-MAIL

Re: California WaterFix Hearing – American River Water Agencies' Planned  
Presentation of Proposed Terms and Conditions

Dear Ms. Doduc and Ms. Marcus:

Our agencies form the American River Water Agencies (ARWA) group in this hearing. We plan to propose that the SWRCB add certain terms to the Bureau of Reclamation's (Reclamation) water-right permits to ensure that the SWRCB's possible approval of Reclamation's California WaterFix change petition does not injure our agencies' water supplies or the lower American River's environment. Because of the close link between water supplies and maintenance of the environment in the lower American River, we propose to present those proposed terms, and all of the necessary supporting hydrological and biological technical information, in Part 2 of the hearing. This integrated approach reflects, among other things, the lower American River's unique nature as the only urban river designated under both the federal and state Wild & Scenic Rivers Acts.

Moreover, our agencies are members of the Water Forum, a collaborative group representing public agency, environmental and water supply interests on the lower American River. For over 15 years, the Water Forum has successfully implemented programs to meet two coequal objectives: providing a reliable and safe water supply for the region's economic health and planned development, and preserving the fishery, wildlife, recreational and aesthetic values of the lower American River. As members of the Water Forum, our agencies have worked with our partners in the environmental community, as well as state and federal agencies, to, among other things, develop and implement lower American River streamflow standards and Folsom Reservoir storage management measures that protect these coequal objectives.

Our main concern with California WaterFix, as is evidenced by the testimony we presented in Part 1 of this hearing, is the potential aggressive operation of Folsom Reservoir,

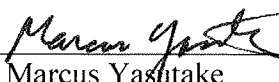
which, if not kept in check, could result in lower storage levels that would not only injure our water supplies, but also impact the reservoir's cold-water pool to the detriment of the lower American River and all of the progress we have made in the Water Forum. Our proposed terms will get directly at these issues involving impacts to water supplies and the environment, but presenting the proposed terms will involve significant scientific evidence regarding the environment of the lower American River and potential impacts to that environment. Because water supply and the environment are inextricably linked in the American River watershed, our preference is to present the proposed terms together in Part 2 of this hearing so as to provide a cohesive presentation and efficient use of resources including those of the State Water Resources Control Board.


We request confirmation from the SWRCB Hearing Team that presentation of proposed terms, and all of the necessary supporting hydrological and biological technical information, in Part 2 is consistent with the SWRCB's phasing of this hearing. If not, we would be required to split our presentation between Part 1 rebuttal and Part 2, which would likely lead to some inefficiencies and overlap. We will be prepared to proceed either way. Thank you for your consideration of our request.

Regards,

CITY OF FOLSOM

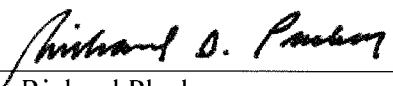
PLACER COUNTY WATER AGENCY

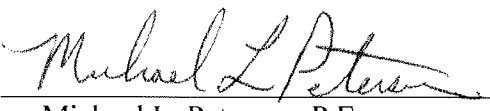
By:   
Marcus Yasutake  
Environmental and Water  
Resources Director

By:   
Andrew Fecko  
Director, Resource Development

CITY OF ROSEVILLE


SACRAMENTO COUNTY WATER AGENCY

By:   
Richard Plecker  
Environmental Utilities Director

By:   
Michael L. Peterson, P.E.  
Director of Water Resources

CITY OF SACRAMENTO

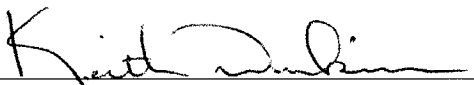
SACRAMENTO SUBURBAN WATER DISTRICT

By:   
Jim Peifer  
Principal Engineer, Policy and  
Legislation Manager,  
Department of Utilities

By:   
Rob Roscoe  
General Manager

Hearing Chair Tam Doduc  
Co-Hearing Chair Felicia Marcus  
February 16, 2017  
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SAN JUAN WATER DISTRICT

By:   
Keith Durkin  
Interim General Manager

Enclosures

cc: California WaterFix service list

8618/Cal WaterFix/WR Hearing/L021517rsb SWRCB ARWA



## Agenda Item: 25

**Date:** February 14, 2017

**Subject:** Division of Drinking Water Annual System Inspection

**Staff Contact:** Jim Arenz, Operations Manager

As previously reported at the September 19, 2016 Regular Board Meeting (Agenda Item 19.e.), the U.S. Environmental Protection Agency published the federal Groundwater Rule (GWR). Compliance under this rule began in California on December 1, 2009. The purpose of the GWR is to provide increased protection against microbial pathogens via four major regulatory components. One of these components is a sanitary survey (system inspection) of a community water system's groundwater system at least every 3 years.

California public water systems are required to meet all federal drinking water regulations, including the GWR. The State Water Resources Control Board, Division of Drinking Water (DDW) increased the frequency of the system inspections for large public water systems from the GWR's recommended every three years to annually.

In May 2016, DDW conducted an Annual System Inspection of the District's water system. The survey began May 2, 2016, concluded on May 6, 2016, and included all District groundwater production facilities, elevated storage tanks, ground level reservoirs, booster pump stations, and pressure reduction facilities. No significant findings were reported to District staff by DDW personnel during the survey.

On January 24, 2017, the District received a Water System Sanitary Survey and Compliance Inspection Report (Report) from DDW for the May 2016 survey. The cover letter for the Report provided direction to District staff to review the report and provide a response to items listed in the body of the report and in Appendix C, Source Inspection Results for Site Specific Deficiencies, which require some sort of action. In general, the items noted in the body of the report and in Appendix C have already been completed by staff or are ongoing concerns, such as low pump pedestal height at specific well sites, that will be addressed during the next scheduled pump maintenance cycle. The letter also directed staff to review Appendix D, Water Quality Monitoring Information. This review ensures that District staff and DDW are in agreement about the required water quality monitoring to be performed in 2017. The inspection report is roughly 60 pages long and is available on request. Staff will be preparing a response to DDW as in done following every inspection.

A comprehensive sanitary survey plays an important role in helping water systems protect public health by assessing the capability of a water system to consistently and reliably deliver a safe and reliable water source to its customers while ensuring the system remains in full compliance with state and federal regulations.



## Agenda Item: 26

**Date:** February 21, 2017

**Subject:** CEQA Exemptions for Water Facility Projects: Edison Avenue - Juliesse Avenue Water Main Extension and Connie Drive Water Main Extension

**Staff Contact:** Mitchell S. Dion, Technical Services Director

To comply with the California Environmental Quality Act (CEQA), the District has prepared “Notice of Exemptions” for the Edison Avenue: Juliesse Avenue Water Main Extension and Connie Drive Water Main Extension. Both projects are located in the South Service Area (SSA). A description of each project is listed below:

### Edison Avenue - Juliesse Avenue Water Main Extension

The Edison Avenue - Juliesse Avenue Water Main Extension consists of installing approximately 1,200 feet of new water main, four fire hydrants, and conversion of 36 non-metered services. The project is located on Edison and Howe Avenues within the City of Sacramento. See Exhibit 1 for a location map.

Article 21080.21 of the CEQA allows a Statutory Exemption for “any pipeline project of less than one mile within a public street or highway or any other public right-of-way for the installation of a new pipeline or the maintenance, repair, restoration, reconditioning, relocation, replacement, removal, or demolition of an existing pipeline or facilities located below surface”. For Edison Avenue - Juliesse Avenue a new water main less than one mile in length will be installed below the street surface in the public right of way. No additional capacity will be provided from this water main. Therefore, this project meets the criteria of “Statutory Exemption,” qualifying it as exempt under CEQA.

The “Notice of Exemption” (NOE) for the Edison Avenue - Juliesse Avenue project has been signed, endorsed and recorded by Sacramento County Clerk’s Office. A copy of the NOE is attached as Exhibit 2 to this report.

### Connie Drive Water Main Extension Project

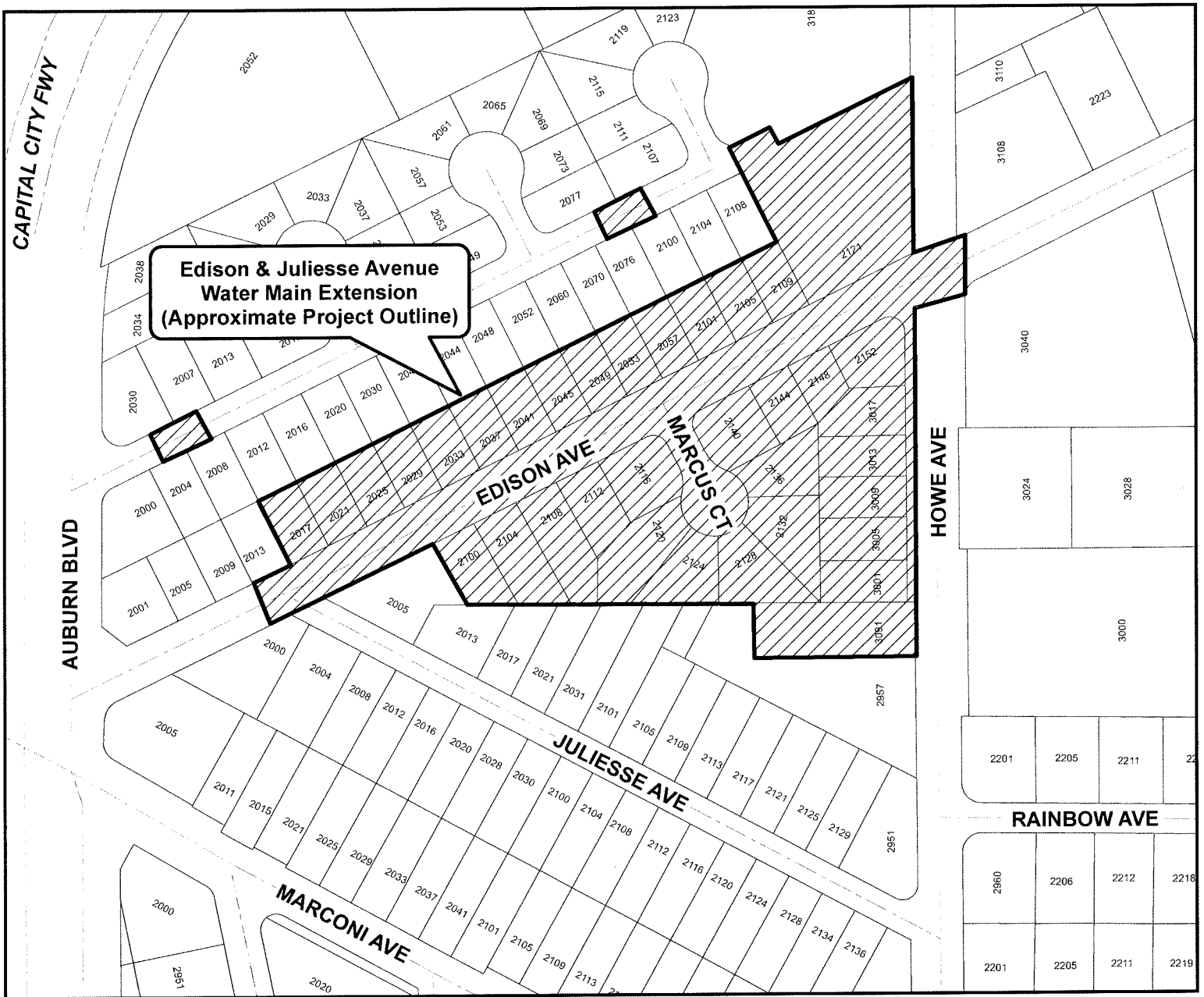
The Connie Drive Water Main Extension Project will extend and loop a dead end water main and connect into the distribution system. The project will place a new water main on Connie Drive and Joan Way with the proposed installation of 800 feet of 8-inch water main. As a result of this project, approximately 18 homes will be converted to the new water main constructed in the street, completing a loop on Connie Drive and upgrading one fire hydrant. The pipeline will provide for better circulation, pressures and greater fire flow capacity for the area. See Exhibit 3 for a location map.

CEQA Exemptions for Water Facility Projects: Edison Avenue - Juliesse Avenue Water Main Extension and Connie Drive Water Main Extension  
February 21, 2017  
Page 2 of 2

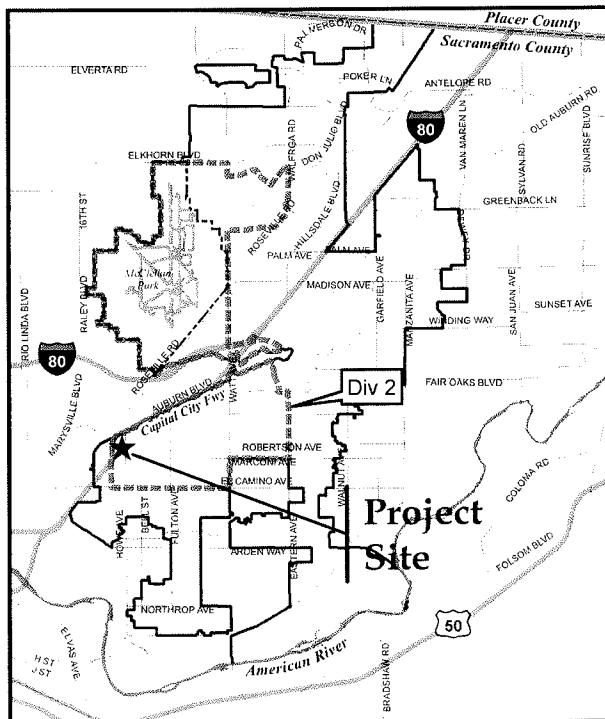
Article 21080.21 CEQA allows a Statutory Exemption for “any pipeline project of less than one mile within a public street or highway or any other public right-of-way for the installation of a new pipeline or the maintenance, repair, restoration, reconditioning, relocation, replacement, removal, or demolition of an existing pipeline or facilities located below surface”. For Connie Drive, a new water main less than one mile in length will be installed below the street surface in the public right of way. No additional capacity will be provided from this water main. Therefore, this project meets the criteria of “Statutory Exemption,” qualifying it as exempt under CEQA.

The “Notice of Exemption” for the Connie Drive Water Main Extension Project has been signed and sent to the Sacramento County Clerk’s Office for recording. A copy of the NOE is attached as Exhibit 4.





**Edison & Juliesse Avenue  
Water Main Extension  
(Approximate Project Outline)**



Not To Scale      Portion of Sacramento Suburban Water District

**Exhibit 1**

**Edison & Juliesse Avenue  
Water Main Extension  
Location Map**

**(Voting Division 2)**

Base Data: Sacramento County Gis Base Map  
 Projection: CA State Plane 2, NAD83  
 Scale: No Scale  
 Prepared by: DAV, SSWD  
 Sacramento, CA - February 2017  
 Edison\_Juliesse\_Loc.mxd

THIS MAP SHOWS THE LOCATION OF THE PROJECT SITE AND IS NOT PART OF THE EASEMENT DOCUMENTS

NOTICE OF EXEMPTION

Exhibit 2

To: County of Sacramento  
County Clerk  
600 8<sup>th</sup> St., Rm 101  
Sacramento, CA 95814

From: Sacramento Suburban Water District  
3701 Marconi Avenue, Suite 100  
Sacramento, CA 95821-5303

PROJECT TITLE: Edison Avenue – Juliesse Avenue Water Main Extension
PROJECT LOCATION: Within the City of Sacramento on Edison Avenue. The project is located within the boundaries of Juliesse Avenue on the Southwest and Howe Avenue on the Northeast. (Exhibit A)
ASSESSOR’S PARCEL NUMBER(S): Public right-of-way and a few residential lots.
DESCRIPTION OF PROJECT: Extension and construction of water mains and house service lines, consisting of approximately 1,100 linear feet of water main, installation of approximately 36 residential service lines and the upgrade of four fire hydrants.

NAME OF PUBLIC AGENCY APPROVING PROJECT: Sacramento Suburban Water District

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Mitchell McCarthy, Assistant Engineer, Sacramento Suburban Water District, (916) 972-7171

ENDORSED  
SACRAMENTO COUNTY

EXEMPT STATUS:

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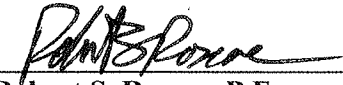
- MINISTERIAL (Sec. 21080 (b); 15268);
- DECLARED EMERGENCY (Sec. 21080 (b) (3); 15269(a));
- EMERGENCY PROJECT (Sec. 21080 (b) (4); 15269(b));
- GENERAL RULE (Sec. 15061 (b) (3));
- CATEGORICAL EXEMPTION - State Type and Section No
- STATUTORY EXEMPTION - State Code Number: Article 21080.21

DONNA ALLRED, CLERK/RECORDER  
BY  DEPUTY

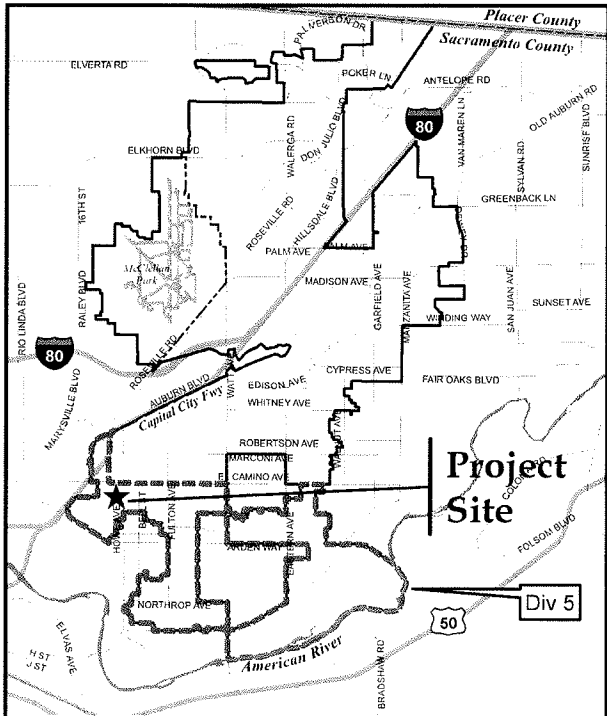
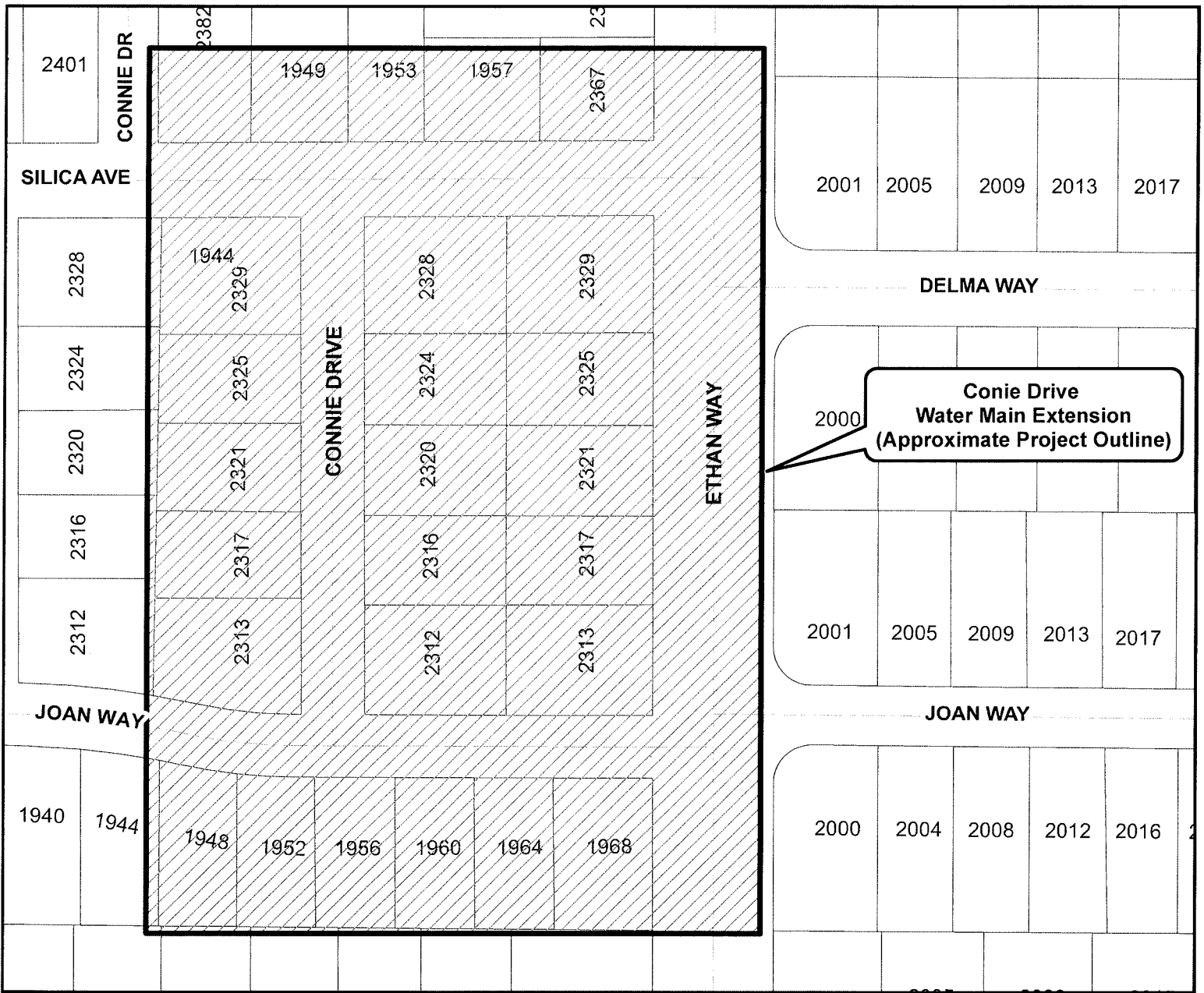
REASONS WHY PROJECT IS EXEMPT AND DOES NOT REQUIRE FURTHER ENVIRONMENTAL DOCUMENTATION:

The proposed project is part of the District’s planned water main replacement program which its length is less than one mile in length will be installed below surface in the public right-of-way. No additional capacity will be provided from this water main extension. Therefore, this project meets the criteria of “Statutory Exemption”, which would qualify it as being exempt under CEQA.

SACRAMENTO SUBURBAN WATER DISTRICT

BY:   
Robert S. Roscoe, P.E.  
General Manager

DATE: Jan 27, 2017



Not To Scale Portion of Sacramento Suburban Water District

Exhibit 3

**NOT FOR RECORDING**

**Connie Drive  
Water Main Extension  
Location Map**

(Voting Division 5)

Base Data: Sacramento County Gis Base Map  
 Projection: CA State Plane 2, NAD83  
 Scale: No Scale  
 Prepared by: DAV, SSWD  
 Sacramento, CA - February 2017  
 Connie\_Loc.mxd

THIS MAP SHOWS THE LOCATION OF THE PROJECT SITE AND IS NOT PART OF THE EASEMENT DOCUMENTS

NOTICE OF EXEMPTION

To: County of Sacramento  
County Clerk  
600 8<sup>th</sup> St., Rm 101  
Sacramento, CA 95814

From: Sacramento Suburban Water District  
3701 Marconi Avenue, Suite 100  
Sacramento, CA 95821-5303

<b>PROJECT TITLE:</b> Connie Drive Water Main Extension
<b>PROJECT LOCATION:</b> Within the City of Sacramento on Connie Drive. The project is located within the boundaries of Silica Avenue on the North, Joan Way on the South and Ethan Way on the East. (Exhibit A)
<b>ASSESSOR'S PARCEL NUMBER(S):</b> Public right-of-way and a few residential lots.
<b>DESCRIPTION OF PROJECT:</b> Extension and construction of water mains and house service lines, consisting of approximately 800 linear feet of water main, installation of approximately 18 residential service lines and the upgrade of one fire hydrant.

NAME OF PUBLIC AGENCY APPROVING PROJECT: Sacramento Suburban Water District

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Mitchell McCarthy, Assistant Engineer, Sacramento Suburban Water District, (916) 972-7171

EXEMPT STATUS:

- MINISTERIAL (Sec. 21080 (b); 15268);
- DECLARED EMERGENCY (Sec. 21080 (b) (3); 15269(a));
- EMERGENCY PROJECT (Sec. 21080 (b) (4); 15269(b));
- GENERAL RULE (Sec. 15061 (b) (3));
- CATEGORICAL EXEMPTION - State Type and Section No
- STATUTORY EXEMPTION - State Code Number: Article 21080.21

REASONS WHY PROJECT IS EXEMPT AND DOES NOT REQUIRE FURTHER ENVIRONMENTAL DOCUMENTATION:

The proposed project is part of the District's planned water main replacement program which its length is less than one mile in length will be installed below surface in the public right-of-way. No additional capacity will be provided from this water main extension. Therefore, this project meets the criteria of "Statutory Exemption", which would qualify it as being exempt under CEQA.

SACRAMENTO SUBURBAN WATER DISTRICT

BY: Robert S. Roscoe  
Robert S. Roscoe, P.E.  
General Manager

DATE: 2/16/17



## Agenda Item: 27

**Date:** February 16, 2017  
**Subject:** Legislative and Regulatory Update  
**Staff Contact:** Dan York, Assistant General Manager

### RWA Government Affairs Committee

The Regional Water Authority (RWA) Government Affairs Committee met on February 15, 2017 to review the legislative bills of interest that are being introduced for the 2017 legislative session. The key bills of interest, Spot Bills and all RWA tracked bills are attached as Exhibits 1-3.

The RWA is preparing a draft letter to the State Water Resources Control Board (SWRCB) regarding their adoption of new emergency urban water conservation regulations on February 8, 2017. Despite evidence that California is no longer experiencing drought conditions, the SWRCB is relying on a “drought emergency” to retain regulatory authority over urban water use. This action is especially concerning at a time when the SWRCB plans to ask the Legislature to delegate permanent authority to set and enforce new water use standards. The letter states the SWRCB should move on from crisis management and focus on building a sustainable and resilient future pertaining to California water supplies.

### State

The Association of California Water Agencies (ACWA) testified at the January 26, 2017 Little Hoover Commission and delivered the message that with 102 million dead trees in California forests, dealing with the impacts of the state’s tree mortality crisis will require the close cooperation, collaboration and long-term commitment of local, state, and federal stakeholders. ACWA Director of State Relations Wendy Ridderbusch testified at the hearing, noting the impact forest health has on water supply and water quality statewide and detailing ACWA’s engagement on headwaters/watershed management issues in recent years.

The SWRCB on February 14, 2017 launched a new Human Right to Water web portal intended to help the public find information related to efforts to address the state’s drinking water safety and affordability issues. The portal was first announced during the SWRCB February 8, 2017 workshop addressing drinking water safety and affordability issues and options for developing and implementing a plan for a statewide low-income water rate assistance program as required by AB 401 (Dodd) of 2015.

Cindy Messer, a former deputy director of the Delta Stewardship Council, was appointed chief deputy director at the California Department of Water Resource (DWR) on February 7, 2017. She served as assistant chief deputy director at DWR since 2016.

The Senate Natural Resources and Water Committee has scheduled two informational hearings on California WaterFix in February 2017. The first hearing was held February 14th and a second held on February 28th. According to the agenda for the February 14th hearing, Natural Resources Secretary John Laird and California DWR Acting Director William Croyle will provide an overview of the project while Department of Fish and Wildlife Director Charlton Bonham, SWRCB Executive Director Tom Howard, and Delta Stewardship Council Chair Randy Fiorini will report on pending state actions related to CA WaterFix. At the time of this report, an agenda for the February 28th hearing had not yet been posted, but it is expected to include extensive public comment.

State Bills of Interest (2017 two year bills)

<b>Key Bills</b>	<b>Topic</b>	<b>Recommended Position</b>
a. <b>AB 12 (Cooley)</b>	Administrative Regulations	Watch
b. <b>AB 18 (Garcia, Eduardo)</b>	Clean water, climate	Support if Amended
c. <b>AB 68 (Mathis)</b>	School facilities, proximity to farms	Watch
d. <b>AB 77 (Fong)</b>	Regs: Effective Dates and review	Watch
e. <b>AB 196 (Bigelow)</b>	Greenhouse Gas Reduction Fund	Watch
f. <b>AB 247 (Garcia, Cristina)</b>	Lead Advisory Taskforce	Watch
g. <b>AB 277 (Mathis)</b>	Water-Wastewater Loan Grant Prog	Watch
h. <b>SB 5 (DeLeon)</b>	Drought, water, parks, climate	Support if Amended
i. <b>SB 80 (Salas)</b>	Environmental Quality Act: notices	Watch
j. <b>SB 224 (Jackson)</b>	Environmental Quality Act: baseline	Oppose
k. <b>SB 229 (Wieckowski)</b>	Accessory dwelling units	Watch
l. <b>SB 427 (Leyva)</b>	Public Water: lead user service lines	Oppose
m. <b>SCA 4 (Hertzberg)</b>	Drought related drinking water projects	Watch

## **Federal**

The Bureau of Reclamation on February 8, 2016, released its spending plan for the \$166.3 million provided to it in the Consolidated Appropriations Act of 2016. The funds will be primarily directed toward Western drought response and rural water projects. Reclamation and its partners have created a spending plan that will help ensure sustainable water supplies across the Western United States that go toward conservation and improving long-term infrastructure and environmental work on key water projects.

### **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.

**RWA "Not Yet Considered" Bills  
for LSP consideration on 2/15/17**

**AB 12 (Cooley D) State government: administrative regulations: review.**

**Introduced:** 12/5/2016

**Summary:**

Would require each state agency to, on or before January 1, 2020, review that agency's regulations, identify any regulations that are duplicative, overlapping, inconsistent, or out of date, to revise those identified regulations, as provided, and report to the Legislature and Governor, as specified. The bill would repeal these provisions on January 1, 2021.

**Position:** Not Yet Considered

**Notes 1:** According to the author's office, "top-to-bottom reviews of state agencies' regulations have been few and far between, leading to outdated, duplicative or overlapping regulations that are not automatically purged or updated upon the passage of new regulations. The last top-to-bottom review of regulations was in 1995 initiated by Governor Pete Wilson."

AB 12 is authored by a member of RWA's Assembly delegation. It is unclear what interests of RWA member agencies would be served by a comprehensive review of state agency regulations.

**AB 18 (Garcia, Eduardo D) California Clean Water, Climate, and Coastal Protection and Outdoor Access For All Act of 2018.**

**Introduced:** 12/5/2016

**Summary:**

Would enact the California Clean Water, Climate, and Coastal Protection and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of \$3,005,000,000 pursuant to the State General Obligation Bond Law to finance a clean water, climate, and coastal protection and outdoor access for all program. This bill contains other related provisions.

**Position:** Not Yet Considered

**Misc1:** ACWA FAVOR/AMEND

**Notes 1:** AB 18 (E. Garcia) and SB 5 (De Leon) are parks and water bonds. The authors of these measures are the Chair of the Assembly Water, Parks, and Wildlife Committee and the Senate President pro Tem, respectively.

As introduced, there are two differences between these measures that are of potential interest to RWA member agencies:

1. AB 18 would make available no less than \$5,000,000 in funding for the Lower American River Conservancy Program created by AB 1716 (McCarty, 2016). RWA supported AB 1716.

2. SB 5 includes \$1.5 billion for four Proposition 1 funding categories. \$375 million would be provided for each of the following categories: Clean Water/Drinking Water SRF; Integrated Regional Water Management; Groundwater Sustainability/Cleanup; and, Recycling/Desalination.

ACWA has adopted a "Favor if Amended" position on both measures and convened a Work Group of members to identify desired amendments, including the inclusion of funding for conservancies in SB 5 and the allocation of additional funds for Proposition 1 funding categories in AB 18.

**AB 68 (Mathis R) School facilities: proximity to farms: water supply.**

**Introduced:** 12/14/2016

**Last Amended:** 1/23/2017

**Summary:**

Would require a new school facility built on or after January 1, 2018, and located within 2 miles of an operating farm to obtain its water supply from a public water system, as defined.

**Position:** Not Yet Considered

**Notes 1:** As amended, this bill would require a new school facility built after 1/1/2018 that is located within two miles of an operating farm to obtain its water supply from a public water system.

According to ACWA, "The Author's office has informed ACWA staff that AB 68 will be substantively amended [subsequent to 1/23/17 amendments]. While ACWA staff does not have draft language of the bill as proposed to be amended, the bill is expected to continue to address issues related to water



and agriculture. ACWA staff recommends a "Watch" position to monitor developments of AB 68."

**AB 77 (Fong R) Regulations: effective dates and legislative review.**

**Introduced:** 1/4/2017

**Last Amended:** 2/7/2017

**Summary:**

Would require the Office of Administrative Law to submit to each house of the Legislature for review a copy of each major regulation that it submits to the Secretary of State. The bill would add another exception to those currently provided that specifies that a regulation does not become effective if the Legislature enacts a statute to override the regulation.

**Position:** Not Yet Considered

**Misc1:** ACWA Watch

**Notes 1:** This bill would create a process of legislative review for major regulations. The Administrative Procedures Act defines a "major regulation" as a regulation that the promulgating agency determines has an expected economic impact in excess of \$50 million.

According to ACWA, "This bill could delay the process of implementing regulations, thereby adding uncertainty to their finalization and leaving those responsible for implementing their changes, such as local water agencies, unable to prepare for impending changes... This bill has been referred to its first policy committee. As this bill is authored by a [freshman Republican] member, ACWA should watch the bill for now and consider adopting a different position if the bill is scheduled for or heard in committee."

As amended on 2/7/17, this bill would simply provide that a major regulation would not come into effect under the existing quarterly enrollment schedule if the Legislature enacted a statute overriding the regulation.

**AB 196 (Bigelow R) Greenhouse Gas Reduction Fund: water supply repairs.**

**Introduced:** 1/19/2017

**Summary:**

Current law requires moneys from the Greenhouse Gas Reduction Fund to be allocated for the purpose of reducing greenhouse gas emissions in this state and satisfying other purposes. Current law authorizes specified investments, including water use and supply, if the investment furthers the regulatory purposes of the California Global Warming Solutions Act of 2006 and is consistent with law. This bill would authorize the use of the moneys in the fund for water supply repairs if the investment furthers the regulatory purposes of the act and is consistent with law.

**Position:** Not Yet Considered

**Misc1:** ACWA FAVOR/AMEND

**Notes 1:** According to the author's office, "While current law allows for the use of GGRF [Greenhouse Gas Reduction Fund] monies to be used on water use and supply, it is not explicitly stated that these funds can be used to repair infrastructure utilized for water use and supply. If the State is allocating GGRF funds for specific water use and supply projects, they should also supply the funding to preserve these costly projects... AB 196 would simply allow water supply repairs to be considered when allocating GGRF monies."

AB 196 is authored by a member of RWA's Assembly delegation. ACWA has taken a "Favor if Amended" position on this bill and will be seeking additional clarity/detail on eligible project types.

**AB 247 (Garcia, Cristina D) Public health: childhood lead poisoning: Lead Advisory Taskforce.**

**Introduced:** 1/30/2017

**Summary:**

Would require, by April 1, 2018, the Office of Environmental Health Hazard Assessment to convene a Lead Advisory Taskforce, with a prescribed membership, to review and advise regarding policies and procedures to reduce childhood lead poisoning in the state. The bill would require the taskforce to publish a recommended regulatory agenda that would identify sources of lead and ensure that regulatory standards are protective of health in the state, as specified.

**Position:** Not Yet Considered

**Notes 1:** As introduced, this will require the Office of Environmental Health Hazard Assessment to convene a Lead Advisory Taskforce to advise OEHHA regarding policies and procedures to reduce childhood lead poisoning in the state and develop a "recommended regulatory agenda" by April 1, 2018. The bill would require the Taskforce to evaluate the state's drinking water program as part of this effort.

As introduced, the only water related entity included on the list of 20 required Taskforce members is a "representative of a regional water quality control board." RWA Staff recommend the inclusion of water industry association and water agency representatives on any such Taskforce. Additionally, the RWQCB Taskforce representative should be replaced with a representative from the SWRCB Division of Drinking Water, as the Regional Boards' have no authorities or responsibility related to drinking water under existing law. Health & Safety Code § 116271(k)(3) currently provides that "the State Water Resources Control Board shall not delegate any authority, duty, power, purpose, function, or responsibility specified in this section, including, but not limited to, issuance and enforcement of public water system permits, to the regional water quality control boards."

**AB 277 (Mathis R) Water and Wastewater Loan and Grant Program.**

**Introduced:** 2/1/2017

**Summary:**

The Safe Drinking Water State Revolving Fund Law of 1997 establishes the Safe Drinking Water State Revolving Fund to provide grants or revolving fund loans for the design and construction of projects for public water systems that will enable those systems to meet safe drinking water standards. This bill would, to the extent funding is made available, authorize the State Water Resources Control Board to establish the Water and Wastewater Loan and Grant Program to provide funding to eligible applicants for specified purposes relating to drinking water and wastewater treatment.

**Position:** Not Yet Considered

**Notes 1:** This bill is similar to AB 954 (Mathis, 2015), which died in Senate Appropriations last session.

SDWSRF funds are currently available to public water systems with 15 or more connections. AB 277 is primarily intended to expand SDWSRF funding eligibility to individual home owners who are reliant on private groundwater wells.

ACWA adopted a "Watch" position on AB 954 in 2015.

**SB 5 (De León D) California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.**

**Introduced:** 12/5/2016

**Summary:**

Would enact the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of \$3,000,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program.

**Position:** Not Yet Considered

**Misc1:** ACWA FAVOR/AMEND

**Notes 1:** AB 18 (E. Garcia) and SB 5 (De Leon) are parks and water bonds. The authors of these measures are the Chair of the Assembly Water, Parks, and Wildlife Committee and the Senate President pro Tem, respectively.

As introduced, there are two differences between these measures that are of potential interest to RWA member agencies:

1. AB 18 would make available no less than \$5,000,000 in funding for the Lower American River Conservancy Program created by AB 1716 (McCarty, 2016). RWA supported AB 1716.

2. SB 5 includes \$1.5 billion for four Proposition 1 funding categories. \$375 million would be provided for each of the following categories: Clean Water/Drinking Water SRF; Integrated Regional Water Management; Groundwater Sustainability/Cleanup; and, Recycling/Desalination.

ACWA has adopted a "Favor if Amended" position on both measures and convened a Work Group of members to identify desired amendments, including the inclusion of funding for conservancies in SB 5 and the allocation of additional funds for Proposition 1 funding categories in AB 18.

**SB 80 (Wieckowski D) California Environmental Quality Act: notices.**

**Introduced:** 1/11/2017

**Summary:**

The California Environmental Quality Act requires the lead agency to mail certain notices to persons who have filed a written request for notices. The act provides that if the agencies offer to provide the notices by email, upon filing a written request for notices, a person may request that the notices be

provided to him or her by email. This bill would require the lead agency to post those notices on the agency's Internet Web site. The bill would require the agency to offer to provide those notices by email. Because this bill would increase the level of service provided by a local agency, this bill would impose a state-mandated local program.

**Position:** Not Yet Considered

**Notes 1:** From BKS:

"SB 80 (Wieckowski) would make two significant changes to CEQA.

First, SB 80 would require some notices regarding environmental impact reports and negative declarations to be posted on the website for every county where the proposed project would be "located." Our concern with this change is that there's an ambiguity in CEQA that implies water projects that could affect streamflows in multiple counties – like a through Delta water transfer – are "located" in every county through which the water would flow, necessitating correct Internet posting in numerous counties. Because CEQA requires strict compliance with its procedures and notice requirements, this new Internet posting requirement would increase the risk of litigation over procedural and notice issues for EIRs and negative declarations.

Second, SB 80 would require agencies to file notices of exemption every time they approve any activity that is not subject to CEQA. Under current law, notices of exemption are permissive and may not be filed for actions that are clearly exempt for CEQA. SB 80 would change this, and require agencies to file notices of exemption when they approve basic activities like repair and maintenance of existing facilities. This would be a significant change in CEQA. We expect interest groups, like CSAC, CMUA and the League of Cities, may strongly oppose this change, and we have alerted ACWA to the issue.

SB 80 would also require agencies for the first time to post certain CEQA notices on their websites."

**SB 224 (Jackson D) California Environmental Quality Act: baseline conditions.**

**Introduced:** 2/2/2017

**Summary:**

Would prohibit the lead agency, in determining the baseline physical conditions by which a lead agency determines whether a project has a significant effect on the environment, from considering the effects of certain actions on the environment.

**Position:** Not Yet Considered

**Notes 1:** In relevant part, this bill would impose new prohibitions on a CEQA lead agency when determining baseline physical conditions. Specifically, SB 224 provides that:

"In determining the baseline physical conditions by which a lead agency determines whether a project has a significant effect on the environment, the lead agency shall not consider modifications to the environment at the project site caused by either of the following:

- (A) Action undertaken without an environmental review pursuant to paragraph (2) or (4) of subdivision (b).
- [(b)(2) Emergency repairs to public service facilities necessary to maintain service... (b)(4) Specific actions necessary to prevent or mitigate an emergency.]
- (B) Action that is unpermitted or illegal at the time the action was undertaken."

This bill may impose new CEQA-related requirements on RWA member agencies.

**SB 229 (Wieckowski D) Accessory dwelling units.**

**Introduced:** 2/2/2017

**Summary:**

The Planning and Zoning Law authorizes the legislative body of a city or county to regulate the intensity of land use, and also authorizes a local agency to provide by ordinance for the creation of accessory dwelling units in single-family and multifamily residential zones, as specified. Current law requires the ordinance to designate areas within the jurisdiction of the local agency where these units may be permitted and impose specified standards on these units. This bill would authorize the ordinance to include more permissive maximums of increased floor area and total floor space.

**Position:** Not Yet Considered

**Notes 1:** From the Legislative Counsel digest: "Existing law prohibits an accessory dwelling unit from being considered a new residential use for the purposes of calculating local agency connection fees or capacity charges for utilities, including water and sewer service. Existing law prohibits, for an accessory dwelling unit constructed in an existing space, a local agency from requiring the applicant to install a new or separate utility connection directly between the accessory dwelling unit and the utility and from

imposing a related connection fee or capacity charge.

This bill would prohibit a special district from considering an accessory dwelling unit a new residential use for purposes of calculating connection fees or capacity charges for utilities. It would also extend the applicability of the above prohibition to special districts.

By increasing the duties of local officials with respect to land use regulations, this bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason."

**SCA 4 (Hertzberg D) Water conservation.**

**Introduced:** 2/2/2017

**Summary:**

The California Constitution requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable and that the waste or unreasonable use or unreasonable method of use of water be prevented. This measure would declare the intent of the Legislature to amend the California Constitution to provide a program that would ensure that affordable water is available to all Californians and to ensure that water conservation is given a permanent role in California's future.

**Position:** Not Yet Considered

**Notes 1:** As introduced, SCA 4 is a spot bill that would amend Article X of the California Constitution. The author intends to use this measure as a vehicle to address two issues related to water pricing under Proposition 218: conservation-based rate structures and low-income ratepayer assistance programs.

On 2/10/2017, the ACWA State Legislative Committee voted to sponsor SCA 4 if the author agreed to accept a number of key conditions established by the ACWA Board of Directors. See the ACWA staff analysis and "Recommendations from ACWA's Rates Policy Advisory Group" documents attached to the end of this bill packet for more information regarding the conditions of ACWA's potential sponsorship of this measure.

Total Measures: 12

Total Tracking Forms: 12

**Items of Interest & Spot Bills  
as of 2/10/2017**

- AB 161**    **(Levine D) Department of Finance: infrastructure investment.**  
**Summary:** Would authorize the Department of Finance to identify infrastructure projects in the state for which the department will guarantee a rate of return on investment for an investment made in that infrastructure project by the Public Employees' Retirement System. The bill would create the Reinvesting in California Special Fund as a continuously appropriated fund and would require the moneys in the fund to be used to pay the rate of return on investment. The bill would require the rate of return on investment to be subject to the availability of moneys in the fund.
- Misc1**  
Item of Interest
- AB 164**    **(Arambula D) Food assistance.**  
**Summary:** Current law establishes the CalFood Program, formerly known as the State Emergency Food Assistance Program, administered by the State Department of Social Services, whose ongoing primary function is to facilitate the distribution of food to low-income households. This bill would require the department to develop a system to respond to changing needs for food assistance and to provide benefits for specific needs. The bill would set forth criteria for the system, including requiring the system to be compatible with and utilize the EBT in accordance with federal law governing the use of EBT.
- Misc1**  
Spot Bill
- AB 166**    **(Salas D) Drinking water.**  
**Summary:** Current law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. This bill would make technical, nonsubstantive changes to these provisions.
- Misc1**  
Spot Bill
- AB 176**    **(Salas D) Water project: Friant-Kern Canal.**  
**Summary:** Current law requires the Department of Water Resources, upon appropriation by the Legislature, to provide funding for a project that substantially conforms to the project description for the Reverse Flow Pump-back Facilities on the Friant-Kern Canal Restoration Project, as specified, provided that certain conditions are met. Current law requires that the appropriation be no more than \$7,000,000. This bill would appropriate \$7,000,000 from the General Fund to the department for this project. This bill contains other related provisions.
- Misc1**  
Item of Interest
- AB 200**    **(Eggman D) Reclamation District No. 1614: Pump Station No. 7.**  
**Summary:** Would appropriate \$1,175,000 from the General Fund to the Department of Water Resources for the purpose of constructing a new pump station to replace Pump Station No. 7 of Reclamation District No. 1614 – Smith Tract. The bill would require the department to grant the \$1,175,000 appropriated for the purpose of replacing the pump station to Reclamation District No. 1614 — Smith Tract to construct a new pump station to replace Pump Station No. 7.
- Misc1**  
Item of Interest
- AB 241**    **(Dababneh D) Personal information: privacy: state and local agency breach.**  
**Summary:** Current law requires a person or business, if it was the source of a data security breach, to offer to provide appropriate identity theft prevention and mitigation services at no cost to the person whose information was or may have been breached if the breach exposed or may have exposed the person's social security number, driver's license number, or California identification card number. This bill also would require a state or local agency, if it was the source of the breach, to offer to provide appropriate identity theft prevention and mitigation services at no cost to a person whose information was or may have been breached if the breach exposed or may have exposed the person's social security number, driver's license number, or California identification card number.
- Misc1**  
Item of Interest
- AB 267**    **(Waldron R) Community services districts.**  
**Summary:** Current law provides for the organization and powers of community services districts, including the continuation of any community services district, improvement district of a community

services district, or zone of a community services district, that was in existence on January 1, 2006. This bill would make nonsubstantive changes to these provisions.

**Misc1**  
Spot Bill

**AB 268 (Waldron R) State mandates.**

**Summary:** The California Constitution requires the state to provide a subvention of funds to reimburse local government for the costs of that new program or higher level of service, with specified exceptions, when the Legislature or a state agency mandates a new program or higher level of service on any local government, including school districts. Current law establishes the sole and exclusive procedure by which a local agency or school district may claim reimbursement for these costs. This bill would make a technical, nonsubstantive change to this provision.

**Misc1**  
Spot Bill

**AB 271 (Caballero D) Property Assessed Clean Energy program.**

**Summary:** Would, as an alternative to the Notice of Intent to Remove Delinquent Special Tax Installment from the Tax Roll requirement, would authorize the local agency or legislative body to provide notice of the removal of the delinquent voluntary contractual assessment or special tax, if it arises from a contract entered into on or after January 1, 2018, through the adoption of a resolution or ordinance requiring the county tax collector to remove all delinquent voluntary contractual assessments and special taxes securing PACE bonds and arising from contracts entered into on or after January 1, 2018, from the county's secured tax roll during the annual fiscal yearend closing, whether or not a foreclosure action has been ordered.

**Misc1**  
Item of Interest

**AB 272 (Gipson D) Water quality.**

**Summary:** The Porter-Cologne Water Quality Control Act establishes a statewide program for the control of the quality of all the waters in the state and makes certain legislative findings and declarations. This bill would make technical, nonsubstantive changes to the legislative findings and declarations.

**Misc1**  
Spot Bill

**AB 278 (Steinorth R) California Environmental Quality Act: exemption: existing transportation infrastructure.**

**Summary:** Would exempt from the provisions of CEQA a project, or the issuance of a permit for a project, that consists of the inspection, maintenance, repair, rehabilitation, replacement, or removal of, or the addition of an auxiliary lane or bikeway to, existing transportation infrastructure and that meets certain requirements. The bill would require the public agency carrying out the project to take certain actions.

**Misc1**  
Item of Interest

**AB 302 (Gipson D) Greenhouse Gas Reduction Fund: 3-year investment plan.**

**Summary:** Current law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation by the Legislature. Current law requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund. Current law requires appropriations from the fund to be made in the annual Budget Act. This bill would make technical, nonsubstantive changes to those provisions.

**Misc1**  
Spot Bill

**AB 305 (Arambula D) School accountability report card: drinking water access points.**

**Summary:** Would amend the Classroom Instructional Improvement and Accountability Act to also require the school accountability report card to include an assessment of the drinking water access points at each school site, as specified. The bill would require the State Department of Education to compile the assessments and transmit them to the State Water Resources Control Board. By imposing additional duties on local educational agency officials, the bill would impose a state-mandated local program. The bill would provide that the Legislature finds and declares that the changes made to the act by its provisions further the purposes of the act.

**Misc1**  
Item of Interest

**AB 375****(Chau D) Public utilities: local publicly owned utilities: release of customer information.**

**Summary:** Current law prohibits the California Public Records Act from being construed to require the disclosure of certain information concerning utility customers of local agencies, but provides for the disclosure of some of that information, specifically the name, utility usage data, and home address of a utility customer, upon court order or the request of a law enforcement agency relative to an ongoing investigation. This bill would instead provide for the disclosure of that information to a law enforcement agency only in response to a warrant issued pursuant to specified criminal procedures.

**Misc1**

Item of Interest

**SB 32****(Moorlach R) Public employees' retirement.**

**Summary:** The California Public Employees' Pension Reform Act of 2013, on and after January 1, 2013, established various limits on retirement benefits generally applicable to a public employee retirement system in the state, with specified exceptions. This bill would state the intent of the Legislature to enact legislation to resume the public employee pension reform begun in the California Public Employees' Pension Reform Act of 2013.

**Misc1**

Item of Interest

**SB 181****(Berryhill R) Emergency services.**

**Summary:** Current law authorizes the director of the Office of Emergency Services to proclaim the existence of a state of emergency in the name of the Governor when the Governor has been inaccessible, as specified. Current law requires the Governor to either ratify that action or terminate the state of emergency as soon as the Governor becomes accessible. This bill would make a nonsubstantive change to this provision.

**Misc1**

Spot Bill

**SB 193****(Cannella R) Groundwater sustainability agencies.**

**Summary:** The Sustainable Groundwater Management Act requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. This bill would make a nonsubstantive change to those provisions. The Sustainable Groundwater Management Act, requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. The act authorizes any local agency or combination of local agencies overlying a groundwater basin to decide to become a groundwater sustainability agency for that basin, as prescribed. This bill would make a nonsubstantive change to those provisions.

**Misc1**

Spot Bill

**SB 210****(Leyva D) Pupil health: drinking water.**

**Summary:** Would require a school district that has drinking water sources with drinking water that does not meet the United States Environmental Protection Agency drinking water standards for lead or any other contaminant to close access to those drinking water sources, to provide alternative drinking water sources, as specified, and to notify specified persons if the school district is required to provide those alternative drinking water sources. By imposing additional duties on pupil schools and school districts, this bill would impose a state-mandated local program.

**Misc1**

Item of Interest

**SB 231****(Hertzberg D) Local government: fees and charges.**

**Summary:** Articles XIIIC and XIID of the California Constitution generally require that assessments, fees, and charges be submitted to property owners for approval or rejection after the provision of written notice and the holding of a public hearing. Current law, the Proposition 218 Omnibus Implementation Act, prescribes specific procedures and parameters for local jurisdictions to comply with Articles XIIIC and XIID of the California Constitution and defines terms for these purposes. This bill would define the term "sewer" for these purposes. The bill would also make findings and declarations relating to the definition of the term "sewer" for these purposes.

**Misc1**

Item of Interest

**SB 242 (Skinner D) Property Assessed Clean Energy program.**

**Summary:** Would state that it is the intent of the Legislature, in order to ensure that PACE programs continue to effectively meet their public purposes, to enact legislation to enhance the requirements, guidelines, and procedures to which PACE programs administered by 3rd parties must conform.

**Misc1**

Item of Interest

**Total Measures: 20**

**Total Tracking Forms: 20**



All RWA Tracked Bills  
as of 2/10/2017

- AB 12 (Cooley D) State government: administrative regulations: review.**  
**Current Text:** Introduced: 12/5/2016 [Text](#)
- AB 18 (Garcia, Eduardo D) California Clean Water, Climate, and Coastal Protection and Outdoor Access For All Act of 2018.**  
**Current Text:** Introduced: 12/5/2016 [Text](#)
- AB 68 (Mathis R) School facilities: proximity to farms: water supply.**  
**Current Text:** Amended: 1/23/2017 [Text](#)
- AB 77 (Fong R) Regulations: effective dates and legislative review.**  
**Current Text:** Amended: 2/7/2017 [Text](#)
- AB 161 (Levine D) Department of Finance: infrastructure investment.**  
**Current Text:** Introduced: 1/13/2017 [Text](#)
- AB 164 (Arambula D) Food assistance.**  
**Current Text:** Introduced: 1/13/2017 [Text](#)
- AB 166 (Salas D) Drinking water.**  
**Current Text:** Introduced: 1/13/2017 [Text](#)
- AB 176 (Salas D) Water project: Friant-Kern Canal.**  
**Current Text:** Introduced: 1/18/2017 [Text](#)
- AB 196 (Bigelow R) Greenhouse Gas Reduction Fund: water supply repairs.**  
**Current Text:** Introduced: 1/19/2017 [Text](#)
- AB 200 (Eggman D) Reclamation District No. 1614: Pump Station No. 7.**  
**Current Text:** Introduced: 1/23/2017 [Text](#)
- AB 241 (Dababneh D) Personal information: privacy: state and local agency breach.**  
**Current Text:** Introduced: 1/30/2017 [Text](#)
- AB 247 (Garcia, Cristina D) Public health: childhood lead poisoning: Lead Advisory Taskforce.**  
**Current Text:** Introduced: 1/30/2017 [Text](#)
- AB 267 (Waldron R) Community services districts.**  
**Current Text:** Introduced: 2/1/2017 [Text](#)
- AB 268 (Waldron R) State mandates.**  
**Current Text:** Introduced: 2/1/2017 [Text](#)
- AB 271 (Caballero D) Property Assessed Clean Energy program.**  
**Current Text:** Introduced: 2/1/2017 [Text](#)
- AB 272 (Gipson D) Water quality.**  
**Current Text:** Introduced: 2/1/2017 [Text](#)
- AB 277 (Mathis R) Water and Wastewater Loan and Grant Program.**  
**Current Text:** Introduced: 2/1/2017 [Text](#)
- AB 278 (Steinorth R) California Environmental Quality Act: exemption: existing transportation infrastructure.**  
**Current Text:** Introduced: 2/2/2017 [Text](#)
- AB 288 (Oberholte R) State responsibility areas: fire prevention fees.**  
**Current Text:** Introduced: 2/2/2017 [Text](#)

- AB 302** (**Gipson D**) **Greenhouse Gas Reduction Fund: 3-year investment plan.**  
**Current Text:** Introduced: 2/6/2017 [Text](#)
- AB 305** (**Arambula D**) **School accountability report card: drinking water access points.**  
**Current Text:** Introduced: 2/6/2017 [Text](#)
- AB 313** (**Gray D**) **Water.**  
**Current Text:** Introduced: 2/6/2017 [Text](#)
- AB 321** (**Mathis R**) **Groundwater sustainability plans.**  
**Current Text:** Introduced: 2/7/2017 [Text](#)
- AB 339** (**Mathis R**) **Drinking water.**  
**Current Text:** Introduced: 2/7/2017 [Text](#)
- AB 355** (**Chu D**) **State Water Resources Control Board: public water systems: collaboration.**  
**Current Text:** Introduced: 2/8/2017 [Text](#)
- AB 362** (**Wood D**) **Forestry assistance program: loans.**  
**Current Text:** Introduced: 2/8/2017 [Text](#)
- AB 366** (**Obernalte R**) **Water supply: new residential development: building permits.**  
**Current Text:** Introduced: 2/8/2017 [Text](#)
- AB 367** (**Obernalte R**) **Water supply: building permits.**  
**Current Text:** Introduced: 2/8/2017 [Text](#)
- AB 375** (**Chau D**) **Public utilities: local publicly owned utilities: release of customer information.**  
**Current Text:** Introduced: 2/9/2017 [Text](#)
- SB 5** (**De León D**) **California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.**  
**Current Text:** Introduced: 12/5/2016 [Text](#)
- SB 32** (**Moorlach R**) **Public employees' retirement.**  
**Current Text:** Introduced: 12/5/2016 [Text](#)
- SB 57** (**Stern D**) **Natural gas storage: moratorium.**  
**Current Text:** Amended: 2/2/2017 [Text](#)
- SB 80** (**Wieckowski D**) **California Environmental Quality Act: notices.**  
**Current Text:** Introduced: 1/11/2017 [Text](#)
- SB 181** (**Berryhill R**) **Emergency services.**  
**Current Text:** Introduced: 1/24/2017 [Text](#)
- SB 193** (**Cannella R**) **Groundwater sustainability agencies.**  
**Current Text:** Introduced: 1/30/2017 [Text](#)
- SB 210** (**Leyva D**) **Pupil health: drinking water.**  
**Current Text:** Introduced: 2/1/2017 [Text](#)
- SB 224** (**Jackson D**) **California Environmental Quality Act: baseline conditions.**  
**Current Text:** Introduced: 2/2/2017 [Text](#)
- SB 229** (**Wieckowski D**) **Accessory dwelling units.**  
**Current Text:** Introduced: 2/2/2017 [Text](#)
- SB 231** (**Hertzberg D**) **Local government: fees and charges.**  
**Current Text:** Introduced: 2/2/2017 [Text](#)
- SB 242** (**Skinner D**) **Property Assessed Clean Energy program.**

**Current Text:** Introduced: 2/6/2017 [Text](#)

**SB 252 (Dodd D) Water wells: permits: critically overdrafted groundwater basins.**

**Current Text:** Introduced: 2/7/2017 [Text](#)

**SB 262 (Wieckowski D) Climate change: climate adaptation: advisory council.**

**Current Text:** Introduced: 2/8/2017 [Text](#)

**SB 263 (Leyva D) Climate Assistance Centers.**

**Current Text:** Introduced: 2/8/2017 [Text](#)

**SCA 4 (Hertzberg D) Water conservation.**

**Current Text:** Introduced: 2/2/2017 [Text](#)

Total Measures: 44

Total Tracking Forms: 44



## Agenda Item: 28

**Date:** February 16, 2017

**Subject:** General Manager's Report

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

**a. Long Term Warren Act Contract Update**

Staff was notified by Bureau of Reclamation (Reclamation) staff on January 13, 2017, stating they have been given direction to proceed forward presenting a 25 year Long Term Warren Act Contract by submitting the Biological and Environmental Assessments.

The District's consultant, ECORP Consulting, Inc., submitted to Reclamation staff on January 30, 2017, the Screencheck Draft of the District's Long Term Warren Act Contract (LTWAC) Biological Assessment for their review and comment. Reclamation circulated the documents to all appropriate staff at the Central California Area Office. The documents included: 1) a text-only Word version of the October 2016 administrative draft Biological Assessment with all subsequent substantive revisions shown in "Track Changes," 2) that same Word document with changes accepted, and 3) a pdf of the complete document including CalSim Modeling Assumptions, Methods, and Results and lists of Special-Status Species.

The District's current 5-year Warren Act Contract expires February 28, 2018. Reclamation's present goal is to have a 25 year LTWAC signed no later than October 2017.

**b. City of Sacramento Wholesale Water Rates and 9,023 af of Area D Water**

The District and the City entered into a Wholesale Water Supply Agreement in January 2004. The Agreement was for the right to divert up to 26,064 acre feet (af) of water per year from the American River under the City's Permit Supply. The cost per af in 2004 was \$110. In 2016, the cost per af was \$428. Due to the substantial increase per af, District staff has met with City staff numerous times informing them of the concerns related to the increases that will basically price the City out of selling their water to the District. Both agencies concur that it is advantageous to amend the Agreement that will hopefully lower the cost per af that would allow the City to utilize their water supplies and allow the District to purchase the water to benefit its Conjunctive Use Program. City staff has committed to provide the District with a draft cost per af by June 2017.

The City is currently negotiating with two environmental caucus groups to provide for increased opportunities to wholesale water in the region. Based on the successful pilot that the District and City was conducted in November 2016, the environmental caucus groups

may be open to removing or amending the restrictions by demonstrating that the City could increase diversions off the Sacramento River rather than the American River during lower American River flows. City staff met with one of the environmental caucus groups on February 13, 2017 to continue discussions regarding amending the diversion criteria. Unfortunately, the representative from the other environmental caucus group could not make the meeting due to dealing with environmental issues pertaining to the Oroville Dam Emergency Spillway issue. The City is in the process of scheduling another meeting that will include representative from both environmental caucus groups. If the environmental caucus is amenable to amending the diversion criteria, the District and City will begin discussions to amend the 2004 Agreement.

The City entered into an agreement with the former Northridge Water District on January 31, 1980, under which the City granted NWD the right, subject to specified conditions, to divert up to 9,023 af per year from the American River for use within the portion of service area of NWD, referred to as Area D. District staff provided a draft agreement that would allocate to the District the subject surface water until the City is prepared to amend the Agreement. City staff and City Counsel met on February 7, 2017 to discuss process going forward. City Counsel would prefer to generate a letter that would agree to allocate the 9,023 af per year to the District until the 2004 Agreement is amended. When the 2004 Agreement is amended, the 9,023 af per year would be included in that amended agreement. SSWD staff considers this a big win for the District.

**c. Water Transfer – Bureau of Reclamation Update**

Reclamation has not made an official decision as of the date of this report, however, verbal communication between Reclamation and District staff has indicated that discussions for a 2017 water transfer have been discontinued. In addition, due to the high State Water Project (SWP) allocations and the resulting apparent lack of SWP export capacity during the 2017 summer months, buyers have decided to discontinue the State Water Contract transfers for 2017.

**d. How Other Districts Handle Firefighting Water Use**

During January 2017 Board meeting, former Director Fred Gayle presented the Board of Directors with the question “How do other districts handle firefighting water use?” Sacramento Suburban Water District conducted an informal survey reaching out to ten water purveyors (statewide) to gather appropriate information to answer this question. Of the ten contacted, only three charge a fee for fire flow testing for development or for insurance rating purposes. None of the agencies charged for water used in actual firefighting.

**e. Sustainable Groundwater Management Act Implementation (SGMA)**

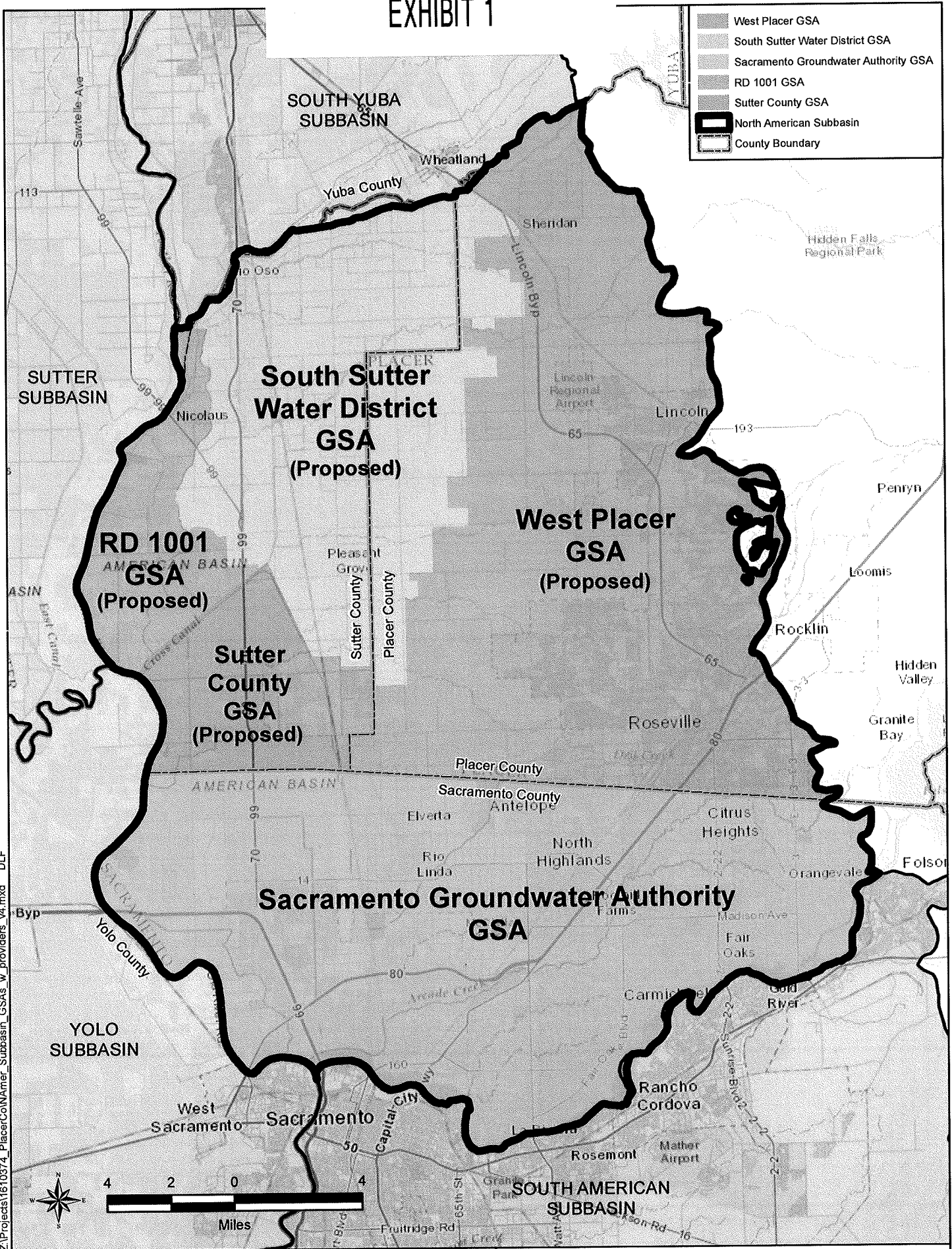
The first significant milestone in the 2014 SGMA law, the June 30, 2017 deadline for formation of Groundwater Sustainability Agencies (GSA's), is rapidly approaching. Within each groundwater sub-basin identified as high or medium priority by the Department of Water Resources, GSA's must be created with no overlap or underlap, and which cover the entire basin. Once a qualifying agency applies for GSA status there is a 90 day “appeal”

period beyond which the GSA entity is finalized if there are no protests or overlapping applications. For SSWD's area, the North American sub-basin, the Sacramento Groundwater Authority applied for GSA status covering the entire Sacramento County (the southern third) portion of the North American sub-basin. The application was unopposed and SGA is now the designated GSA for that area.

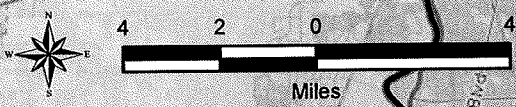
For the Placer and Sutter County portions of the sub-basin, it is now anticipated there could be as many as four additional GSA's: South Sutter Water District, Reclamation District 1001, Sutter County and West Placer. Applications to become GSA's for the Sutter and Placer County portions of the sub-basin have yet to be filed. A map depicting the proposed GSA areas is attached as Exhibit 1.

Should 5 GSA's be formed in the North American groundwater sub-basin, the next step is determining if a single Groundwater Sustainability Plan (GSP) covering the entire sub-basin is prepared or if each GSA would prepare their own GSP with an umbrella management structure that would coordinate all the GSP's into a single plan for the sub-basin. Should GSA's not be formed that cover the entire sub-basin area without any overlap by June 30, 2017, the State Water Resources Control Board will designate the entire sub-basin as "probationary" and impose state control over the basin.

# EXHIBIT 1



	West Placer GSA
	South Sutter Water District GSA
	Sacramento Groundwater Authority GSA
	RD 1001 GSA
	Sutter County GSA
	North American Subbasin
	County Boundary



31-Jan-2017 Z:\Projects\1610374\_PlacerCo\Amer\_Subbasin\_GSAs\_w\_providers\_v4.mxd DLF

GSA and GSP Development  
Placer County, California

Placer County



JANUARY 2017

North American Groundwater Subbasin

FIGURE 11



## Agenda Item: 29 a.

**Date:** February 13, 2017

**Subject:** Upcoming Policy Review – Improvement Standards and Technical Specifications Policy (PL – Eng 001)

**Staff Contact:** Mitchell S. Dion, Technical Services Director

The District's Improvement Standards and Technical Specifications Policy (PL - Eng 001) was originally adopted by the Board in February 2011 and was most recently reviewed without revision in April 2015. This policy is to be reviewed every two years. A copy of the current policy is attached as Exhibit 1. Currently, there are no recommended changes to the existing policy.

The policy is scheduled for Board consideration and adoption at the regular April Board meeting. If a Director wishes to have his comments included in hard copy for Board review and consideration, please provide those comments by close of business on Monday, March 20, 2017.



## Sacramento Suburban Water District

**Improvement Standards and Technical Specifications Policy**

Adopted: February 28, 2011

**100.00 Purpose of the Policy**

This document sets forth the policy of the Sacramento Suburban Water District concerning the establishment of Improvement Standards and Technical Specifications for the design and construction of improvements to the water works of the District. Improvement Standards and Technical Specifications are necessary to require minimum acceptable quality of design and construction of water infrastructure improvements. All improvements, modifications, and repairs to the District's water system will be planned, designed, and constructed in conformance with these Improvement Standards and Technical Specifications, any applicable District Regulations, and with any applicable special conditions that have been approved by the District.

**200.00 Authority**

In conformance with the California Water Code, Division 12, County Water Districts, the General Manager has the full responsibility and authority to set standards and specifications for the planning, design, construction, modification or repair of the water works system of the District. The Board of Directors recognizes this authority and through this document, acknowledges this as the policy of the District.

**300.00 Responsibility**

The General Manager shall be responsible for the establishment of the Improvement Standards and Technical Specifications of the District. He may, at his discretion, utilize District staff to update and maintain the Improvement Standards and Technical Specifications. The Improvement Standards and Technical Specifications will be maintained as a separate document and will be considered the procedures of this policy. The General Manager may review and change the Improvement Standards and Technical Specifications as necessary to meet the needs of the District.

**400.00 Policy Review**

This policy shall be reviewed at least biennially.



## **Agenda Item: 29 b.**

**Date:** February 17, 2017

**Subject:** Upcoming Policy Review – Strategic Plan Policy (PL –BOD 001)

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

The Strategic Plan Policy (PL – BOD 001) was originally adopted by the Board of Directors in October 2005.

The Strategic Plan was originally scheduled for annual review until April 2014 when the Board of Directors changed to a biennially review in the spring of odd years (following an election). This allowed staff to thoroughly review the Strategic Plan with newly elected Board of Directors, should there be a change in elected representation. When the Strategic plan was scheduled for its biennially review in spring 2015, due to Board member scheduling conflicts, it was not actually reviewed until April, 2016, a year later.

In an effort to keep the Strategic Plan Policy on its scheduled biennial review (following an election), President Wichert requested to bring the Strategic Plan Policy to the February regular Board meeting for Board consideration and adoption at the March regular Board meeting. If a Director wishes to have his comments included in hard copy for Board review and consideration, please provide those comments by close of business on Monday, March 6, 2017.

A copy of the current policy is attached as Exhibit 1. Currently, staff has no recommended changes to the existing policy.

## Sacramento Suburban Water District

### Strategic Plan

Adopted: October 17, 2005

Revised: May 18, 2009; March 21, 2011; April 16, 2012; April 15, 2013, April 25, 2016, March XX 2017

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#### Statement of Purpose

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

#### Mission Statement

*To deliver a high quality, reliable supply of water and superior customer service at the lowest responsible water rate.*

#### Values

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

# Goals and Principles

## 1. Water Supply

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

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

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

## 2. Facilities and Operations

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

**Principles**

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

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

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

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

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

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

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

### 3. Customer Service

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

**Principles**

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

### 4. Finance

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

**Principles**

- A. Monitor District operations through internal control procedures, documentation and other processes necessary to ensure effective financial performance.
- B. Establish the lowest responsible rates and connection fees that reflect the cost of service, encourage conservation, are simple to understand, and meet the District's revenue requirements, including bond covenants.
- C. Combine sound and efficient business and financial procedures with regular, frequent reporting to the Board and oversight bodies that explain the District's financial status and activities.
- D. Pay authorized District financial obligations in a timely manner.

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

- E. Provide cash and investment management and other prudent financial practices in order to meet the District's needs and maintain reserves within District policies.
- F. Manage the District's debt portfolio to minimize debt risk and costs.
- G. Produce annual financial statements and supporting documentation to allow outside auditors to provide the District with unqualified audit opinions.
- H. Produce and monitor an annual budget for system operations, maintenance and replacements.
- I. Pursue opportunities for grant funding and cost savings activities with collaborative entities.
- J. Produce a balanced budget.

## 5. Leadership

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

### **Principles**

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



## Agenda Item: 30

**Date:** February 16, 2017

**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. Water Education Foundation 2017 Water Tours  
Central Valley Tour  
March 8-10, 2017  
San Joaquin Valley, CA  
[www.watereducation.org/general-tours](http://www.watereducation.org/general-tours)
2. ACWA's 2017 Legislative Symposium  
March 8, 2017  
Sacramento Convention Center  
<http://www.acwa.com/events/acwa-2017-legislative-symposium>
3. RWA Board Meeting  
March 9, 2017  
RWA Office Sacramento, CA  
<http://rwah2o.org/rwa-celebrates-its-10th-anniversary/>
4. AWWA Sustainable Water Management Conference  
March 19-22, 2017  
New Orleans, LA  
[https://www.awwa.org/store/productdetail\\_event.aspx?productid=58386122](https://www.awwa.org/store/productdetail_event.aspx?productid=58386122)
5. 2017 Water Education Foundation – Executive Briefing  
March 23, 2017  
Sacramento, CA  
<http://www.watereducation.org/foundation-event/2017-executive-briefing>
6. CA Groundwater Coalition - Annual Legislative Symposium  
March 29, 2017  
Sacramento, CA  
[www.grac.org](http://www.grac.org)

7. Water Education Foundation 2017 Water Tours  
Lower Colorado River Tour  
April 5-7, 2017  
Nevada, California and Arizona  
[www.watereducation.org/general-tours](http://www.watereducation.org/general-tours)
8. SGA Board Meeting  
April 13, 2017  
SGA Office Sacramento, CA  
<http://www.sgah2o.org/sga/>
9. Cal-Neva AWWA Annual Conference  
April 10 – 13, 2017  
Anaheim, CA  
<http://ca-nv-awwa.org/CANV/CNS/WaterComm/committee/competitions.aspx>
10. Water Education Foundation 2017 Water Tours  
Headwaters Tour  
April 27-28, 2017  
Sierra Nevada Foothills  
[www.watereducation.org/general-tours](http://www.watereducation.org/general-tours)
11. Metro Chamber Cap to Cap  
April 29 – May 3, 2017  
Washington DC  
<https://metrochamber.org/events/capitol-to-capitol/>
12. ACWA 2017 Spring Conference  
May 9-12, 2017  
Monterey, CA  
<http://www.acwa.com/events/acwa-2017-spring-conference-exhibition>
13. CSDA Special Districts Legislative Days  
May 16-17, 2017  
<http://www.csda.net/conferences/>
14. 2017 AWWA Annual Conference and Exposition  
June 11-14, 2017  
Philadelphia, PA  
[http://www.awwa.org/store/productdetail\\_event.aspx?productId=59323626](http://www.awwa.org/store/productdetail_event.aspx?productId=59323626)



# ITEM 31 a.

## Minutes

### Sacramento Suburban Water District Facilities and Operations Committee

Friday, January 20, 2017

**Call to Order**

Director Locke called the meeting to order at 3:02 p.m.

**Roll Call**

Directors Present: Craig Locke and Neil Schild.

Directors Absent: None.

Staff Present: General Manager Rob Roscoe, Assistant General Manager Dan York, Amy Bullock, Mitch Dion, John Valdes, Dave Jones, David Espinoza, Dan Bills, Mitchell McCarthy and James Arenz.

**Public Present:** William Eubanks, Alan Hersh, Paul Selsky and Melanie Holton.

**Public Comment**

None.

**Announcements**

None.

**Consent Items**

- 1. Minutes of the December 9, 2016 Facilities and Operations Committee Meeting**  
Director Locke moved to approve Item 1; Director Schild seconded. The motion passed by unanimous vote.

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

**Items for Discussion and Action**

- 2. McClellan Park Reservoir Tank Property**  
Mitch Dion (Mr. Dion) presented the staff report.

Director Schild inquired if the District has title to the land.

Mr. Dion stated that the District does not have fee simple title, but the District does have a letter agreement for the property with McClellan Business Park.

General Manager Rob Roscoe (GM Roscoe) stated that from a water systems operations standpoint the proposed site satisfies the District's needs and the District would be willing to swap the existing 2008 site on the southeast corner of Dean and Lindhurst to the one on the southwest corner of Dean and Lindhurst.

Director Schild inquired to see the agreement on the existing site on the southeast corner of Dean and Lindhurst.

Mr. Dion stated that the District has the original agreement with the County and Northridge Water District. Many of these properties could not be recorded as fee simple properties due to the cleanup of McClellan.

Director Schild stated that until any of the other issues with McClellan are resolved, he was not willing to address any other property issues.

GM Roscoe stated that the District has a desire to continue to work with McClellan Business Park and does not feel that the District should impede the orderly development of Sacramento County.

Director Locke stated that he does not see a difference in the property across the street and assumes that there is adequate infrastructure at the new proposed site.

Public comment from Alan Hersh (Mr. Hersh) with McClellan Business Park. Mr. Hersh stated that the agreement is a place holder or a claim on the infrastructure. The reason there is no fee title ownership on the property is because of the environmental conditions of the property at the time of the Northridge contract. If the District had fee title ownership, then the District would be liable for the claims on the property. Mr. Hersh made it clear that there is no dispute about whose infrastructure is what.

Director Locke stated that it seems the District has two issues, a usage of the property issue and a location of the property issue.

GM Roscoe stated that if the District can move across the street and end up with fee title of the piece of property that is an improvement in the present situation for the District and the District should do that.

Director Locke agreed with GM Roscoe's statement.

Director Schild stated he could not support the decision to move this forward and would like to see the existing contract and language from McClellan Business Park proposal. He would like the language to clearly state what the District can or cannot use the current or new proposed site for operational uses.

Director Locke moved to table Item 2, Director Schild second the motion. Agenda Item 2 to be moved to the next month's Facilities and Operations Committee meeting.

### **3. McClellan Business Park and Operations Agreement Update**

Assistant General Manager Dan York (AGM York) presented the staff report.

Director Schild inquired what the District has tentatively agreed on.

AGM York stated that the District is in the development and drafting stages of discussion points. Both parties agree that the agreement between the District and Sacramento County needs to be amended.

Mr. Hersh suggested that both attorneys' take a potential six month pause and re-evaluate this and to also get the right engineers together. Mr. Hersh proposed getting together at a later date to resolve these issues.

GM Roscoe stated that the District is at a fork in the road and recommend that the District work with McClellan Business Park and to help avoid litigation. There will be legal fees, but the cost will be minimal if the District can avoid litigation.

Director Schild inquired why the District needs an agreement with McClellan.

GM Roscoe stated that the contract the District has adhered to is the contract of Northridge Water Districts and Sacramento County.

William Eubanks (Mr. Eubanks) stated that he would like to give the board a rate payer's perspective, does not think the District should be on the hook for McClellan Business Park's improvements, new facilities and their upgrades. McClellan Business Park seems to be getting stuff for free and the rate payers are subsidizing these improvements.

GM Roscoe stated that he is not in disagreement with anything that Mr. Eubanks stated, but the District is adhering to the Northridge contract and these are agreements Northridge agreed to. This District has a continuing obligation to adhere to the existing agreement but would like to try to come together with McClellan Business Park and proceed to try to avoid litigation.

Director Locke moved the recommended approval with periodic updates.

Director Schild seconded the motion.

### **4. Water System Master Plan Update**

Mr. Dion presented the staff report.

Melanie Holton with Brown and Caldwell (Ms. Holton) presented the first half of the PowerPoint Presentation.

Director Schild inquired when the Board will get the revised Master Plan updates.

Ms. Holton stated that the Board will have the revised version, Monday, January 23, 2017 at the regular Board meeting and it will be posted on the District website for public viewing.

Paul Selsky with Brown and Caldwell presented the second half of the Power Point Presentation.

Director Schild inquired if James Arenz was directly involved with the well sites reduction and transmission site analyses.

James Arenz (Mr. Arenz) stated that he was consulted on this and supports this 100%.

GM Roscoe stated that this item is expected to be brought to the full Board for acceptance on Monday, March 20, 2017.

**5. City of Sacramento Wholesale Water Rates and 9,023 af of Area D Water**

AGM York presented the staff report and provided an update to the Committee.

Director Schild inquired if the District comes to some sort of agreement, what is the District's plan to put it to use. Does the District have any idea what the cost is going to be.

AGM York stated it would be the same cost as the current wholesale water rate.

This is an informational item and an update to the Committee.

**6. Operations and Maintenance Cost Accounting**

Mr. Arenz presented the staff report.

Director Schild stated that this is a step in the right direction and feels the District is on the right track. Director Schild encourages staff to work with the finance department to determine the fully burdened rate.

**Adjournment**

Director Locke adjourned the meeting at 4:42 p.m.

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

# Minutes

Sacramento Suburban Water District  
**Facilities and Operations Committee**  
Thursday, February 16, 2017

## Call to Order

Director Schild called the meeting to order at 4:04 p.m.

## Roll Call

Directors Present: Neil Schild and Dave Jones.

Directors Absent: None.

Staff Present: General Manager Rob Roscoe, Assistant General Manager Dan York, Amy Bullock, Mitch Dion, John Valdes, David Espinoza, Dan Bills, Greg Bundesen and James Arenz.

**Public Present:** William Eubanks.

## Public Comment

None.

## Announcements

None.

## Consent Items

### 1. Minutes of the January 20, 2017 Facilities and Operations Committee Meeting

Director Schild requested a change to the minutes to add the word "letter" on page one, in the last paragraph, so that the sentence reads; Mr. Dion stated that the District does not have fee simple title, but the District does have a letter agreement for the property with McClellan Business Park.

Director Schild moved to approve Item 1 with the recommended change; Director Jones seconded. The motion passed by unanimous vote.

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

## Items for Discussion and Action

### 2. Facilities and Operations Committee Mission Statement and Charter

Assistant General Manager Dan York (AGM York) presented the staff report.

General Manager Rob Roscoe (GM Roscoe) stated that the Facilities and Operations (F&O) Committee is the one Standing Committee that has spending authority without going back to the full Board.

Director Schild stated that he wanted to be certain that the full Board understands the spending authority and the responsibility that the F&O Committee has, especially given the change in Board members in the past two years. Director Schild suggested that this topic, as well as all other standing committee Charters, be an Action Item to the full Board in the near future.

GM Roscoe stated that these Charters will be put into one Action Item to the full Board in the March or April time frame, so that the new Water Quality Committee has time to meet and consider their Mission Statement and Charter.

Director Schild agreed with GM Roscoe and recommends that this goes to the full Board in April.

William Eubanks (Mr. Eubanks) stated there seems to be too many sub-committees and ultimately all committee agenda items end up going to the full Board because the two committee members can't make a decision. The agenda items are repetitive if they go to the committee level to ultimately have to go to the full Board because the committee level never seems to make a decision. Mr. Eubanks recommends eliminating all the committees and take everything to the full Board moving forward.

Director Jones stated that the committee level is where Directors can get into greater detail on the agenda items so that when it goes to the full Board it can help expedite how much time is being spent on the topic at the full Board meeting level.

GM Roscoe stated that all three of the Standing Committee Charters will be an Action Item at the April regular Board meeting.

Director Jones inquired how much authority the F&O Committee has.

GM Roscoe stated that the authority that the F&O Committee has is what is granted from the full Board.

Director Schild stated that there needs to be some changes to the F&O Mission Statement when it goes to the full Board in April. On page one, the third bullet, under Mission Statement A, add a semicolon after the word "need" and delete the text; so that an adequate reserve fund can be maintained. The next bullet point change the sentence to read, "Coordination with Finance and Audit Committee and Water Quality Committee as necessary." On page 2, under A. Purpose and Authority paragraph, delete the sentence that read "In addition, the Committee is established to review and allocation alternatives." On the same page, first bullet point paragraph, change the \$100,000.00 figure to \$50,000.00.

Mr. Eubanks stated that there are Boards that have committees that meet monthly that operate differently. Their full Board takes the committee's recommendations and vote on it, there is no need to go over the agenda item again. If this District is going to have the committee system, then it should be utilized like other Boards do. Mr. Eubanks complemented that this District is very open and does a good job in being transparent.

### **3. McClellan Business Park and Operations Agreement Update**

AGM York presented the staff report.

Director Schild inquired if a list from each party has been made on what everyone is looking for in the agreement.

AGM York stated that at the next meeting they intend on compiling a list to determine how far apart we are from agreeing on a compromise.

Director Jones inquired if the cleanup activities at McClellan are going to affect this conversation.

AGM York stated there are some restrictions for new development on new areas, but to his knowledge, he is not aware of cleanup activities affecting the discussions.

Director Schild expressed that the District should be negotiating with Sacramento County (County) versus McClellan Business Park (MBP).

GM Roscoe stated that technically the contract is with County and the County would like MBP in the room for the negotiations. There are three parties in the room, County, MBP and the District and excluding MBP will delay the process.

Director Schild inquired why Northridge Water District made a list of specific upgrades or improvements.

GM Roscoe stated that the proposed list is being interpreted differently and that is why the District is in this position today, and the basis of the disagreement.

GM Roscoe stated that he has read the contract and he cannot find a place where he interprets it the way MBP is.

Mr. Eubanks expressed his opinion that he thinks the District should terminate the contract with MBP. He recommends that the District step back and take a different look at this issue.

Director Schild stated that he agreed with Mr. Eubanks statements and inquired when the next technical meeting is being held.

AGM York clarified that the next meeting is an Executive Team meeting, not a Technical Team meeting, and that it is scheduled for Tuesday, February 21, 2017.

Director Schild stated that maybe it would be best to cancel the February 21<sup>st</sup> Executive Team meeting and then bring it to the upcoming February 27, 2017 regular Board meeting, or call a Special Board meeting prior to the already scheduled February 21, 2017 Executive Team meeting with MBP.

Director Jones is interested to hear from legal counsel on what, if any, ramifications could come of terminating the contract.

GM Roscoe stated that he thinks that in the best interest of the District rate payers, is to proceed with scheduled meetings with the County and MBP to hopefully come to an agreement to avoid litigation.

GM Roscoe stated that he would like to have a discussion with Legal Counsel on this in hopes that staff can have this in the next board packet.

GM Roscoe stated that he does not intend to cancel or postpone the scheduled meeting with the County and MBP on Tuesday, February 21st.

Director Schild stated that the Committee has a split decision on how staff should proceed with further discussions with MBP.

GM Roscoe stated that until he seeks legal counsel advice, he is unsure if future meetings on this topic will be held in open or closed session.

Director Schild recommends that the District bring this as an Action Item for discussion at the February 27<sup>th</sup> regular Board meeting and have special counsel review this to determine if the District can terminate contract.

#### **4. McClellan Park Reservoir Tank Property**

Mitch Dion (Mr. Dion) presented the staff report.

Director Schild inquired if the District really needs the reservoir and pumping plant and questioned if MBP will give the District a different or another piece of property if needed.

Mr. Dion stated that he believes that MBP would be willing to allow the District to purchase property and hold fee simple title at the new proposed location.

Director Schild thinks the District should do the due diligence on the potential properties, but not on negotiations of the purchase of the property.

Director Schild inquired where staff is at with the easement surveys.

Mr. Dion stated that they are putting teams together to gather this information and the surveys are currently in the works.

Mr. Eubanks inquired why the District has to pursue the tank property now. If there is no urgent need to do this then he thinks the District should hold off.



Mr. Dion stated that there is no sense of urgency. Staff will proceed with the due diligence review which takes time.

**5. Operations and Maintenance Cost Accounting**

AGM York presented the staff report and introduced Dan Bills (Mr. Bills) to go over the burden rates.

Director Schild stated that he believes there is a certain amount of overhead that the District may not be accounting for when invoicing work performed by staff.

Mr. Bills explained the current process and fees being utilized by the District and will reach out to his counterpart at San Juan Water District and inquire what costs are included in their CIP fees and overhead fees and report back to the Committee his findings.

**6. Howe Park River-Friendly Demonstration Garden**

Greg Bundesen (Mr. Bundesen) presented the staff report.

Director Schild inquired if this is in the water conservation budget.

Mr. Bundesen stated that this is in the CY2017 conservation budget.

Director Jones inquired that in the past the District has done demonstration gardens with an agreement that it will be maintained and the garden at William Pond Park does not look like it is being maintained.

Mr. Bundesen reminded the Committee that Fulton El Camino Recreation and Park District will maintain the gardens as part of the agreement.

Mr. Bundesen reminded the Committee that the \$60,000 was for the amount it would have cost the District for the pipeline easement at Howe Park.

Director Jones asked if the \$60,000 pipeline easement cost was for Howe Park or also Seely Park.

Mr. Bundesen informed the Committee that he would report back on that topic.

GM Roscoe stated that the District will have to update the agreement with the Park District so that we ensure that they agree to maintain the additional garden if the Committee decides to expand the project and add the fifth garden.

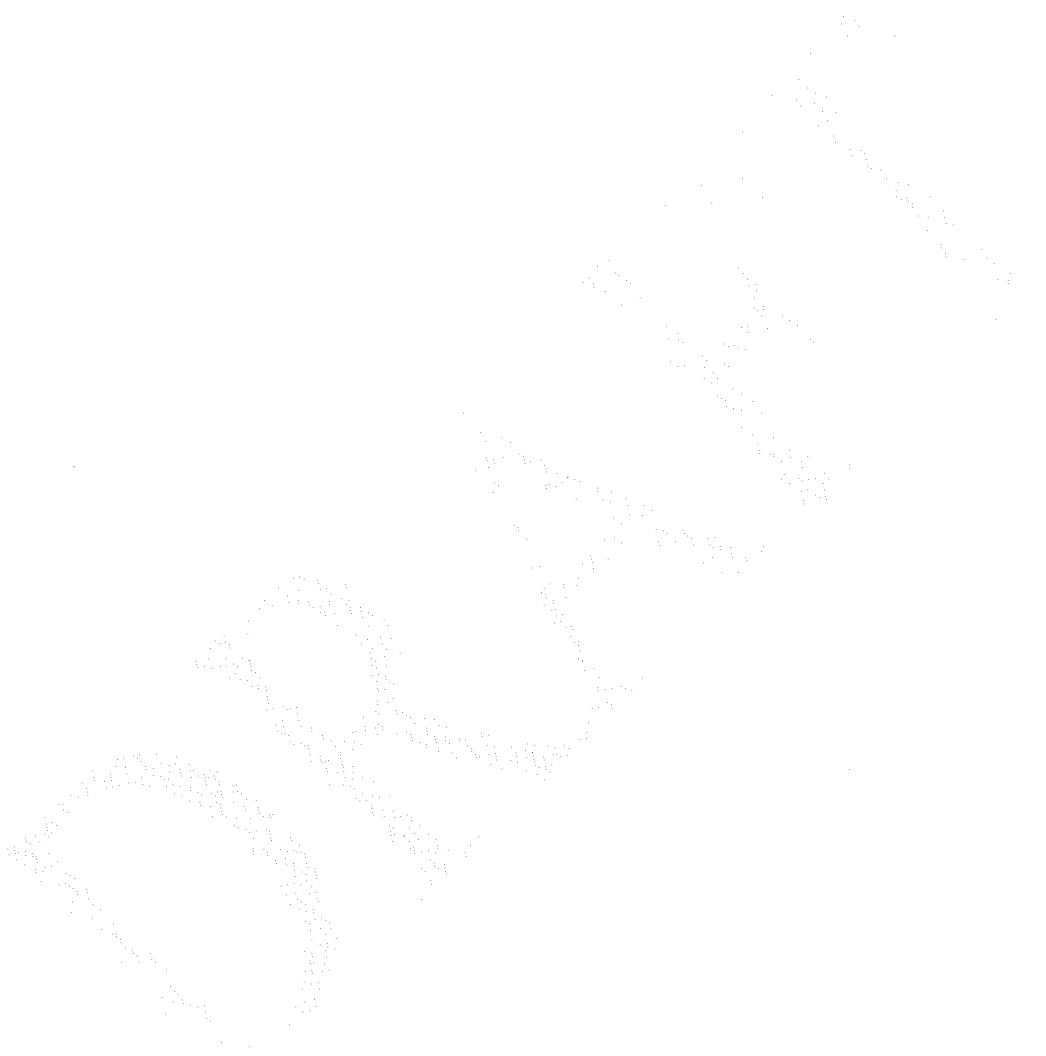
Director Schild stated the District should hold off and proceed with the original contract. Director Jones suggested it be brought to the full Board for discussion.

**Adjournment**

Director Schild adjourned the meeting at 5:57 p.m.

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



**REGIONAL WATER AUTHORITY  
EXECUTIVE COMMITTEE AGENDA**

**February 22, 2017; 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 January 25, 2017 Executive Committee meeting  
**Action: Approve Consent Calendar item**
- 4. DEVELOPMENT OF FY 2017 – 2018 BUDGET**  
Information Presentation and Discussion of Proposed FY 2017-2018 Budget  
**Action: Recommend RWA Board Approval of Proposed FY 2017-2018 Budget**
- 5. LEGISLATIVE AND REGULATORY UPDATE**  
Information Presentation: Adam Robin, Program Manager  
**Action: Adopt Positions on Legislation**
- 6. WATER FUTURE BRANDING FOR REGIONAL RELIABILITY PLAN**  
Discussion: John Woodling, Executive Director
- 7. COMPENSATION SURVEY**  
**Action: Direct Executive Director to Undertake Compensation Survey**
- 8. STRATEGIC PLAN PROGRESS DISCUSSION**  
Discussion: John Woodling, Executive Director
- 9. MARCH 9, 2017 RWA BOARD MEETING AGENDA**  
**Action: Approve March 9, 2017 proposed RWA Board Meeting Agenda**

**10. SUBCOMMITTEE REPORTS**

Reports from Subcommittees on Conference, Membership and Office Space

**11. EXECUTIVE DIRECTOR'S REPORT**

**12. DIRECTOR'S COMMENTS**

**ADJOURNMENT**

**Upcoming meetings:**

**Upcoming Executive Committee Meetings** –March 22, 2017 and April 26, 2017  
at 8:30 a.m. at the RWA office

**Next RWA Board of Directors' Meeting** – Thursday, March 9, 2017, at 9:00 a.m.  
in the RWA conference room, 5620 Birdcage Street, Ste. 110, Citrus Heights, CA  
95610

**REGIONAL WATER AUTHORITY  
EXECUTIVE COMMITTEE AGENDA**

**January 25, 2017; 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 December 7, 2016 Executive Committee meeting  
**Action: Approve Consent Calendar item**
- 4. 2017 RWA EXECUTIVE COMMITTEE MEETING SCHEDULE**  
**Action: Adopt proposed schedule of Executive Committee meetings for 2017**
- 5. STATUS OF RWA STRATEGIC PLAN IMPLEMENTATION**  
Information Presentation: John Woodling, Executive Director
- 6. DEVELOPMENT OF FISCAL YEAR 2017 – 2018 BUDGET**  
Information Presentation and Discussion of FY 2017 – 2018 Budget
- 7. LEGISLATIVE AND REGULATORY UPDATE**  
Information Presentation: John Woodling, Executive Director and Adam Robin, Program Manager
- 8. EXECUTIVE DIRECTOR'S REPORT**
- 9. DIRECTOR'S COMMENTS**

## **ADJOURNMENT**

### **Upcoming meetings:**

**Upcoming Executive Committee Meetings** – February 22, 2017 and March 22, 2017 at 8:30 a.m. at the RWA office

**Next RWA Board of Directors' Meeting** – Thursday, March 9, 2017, at 9:00 a.m. in the RWA conference room, 5620 Birdcage Street, Ste. 110, Citrus Heights, CA 95610

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

**Thursday, February 9, 2017; 9:00 a.m.**

5620 Birdcage Street, Suite 110

Citrus Heights, CA 95610

(916) 967-7692

**Agenda**

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

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 Board may do so at this time. Please keep your comments to less than three minutes.

**3. CONSENT CALENDAR**

a. Minutes of December 8, 2016 meeting

**Action: Approve December 8, 2016 meeting minutes**

b. Resolution 2017-01 Nominating Director Kathleen J. Tiegs to ACWA/JPIA Executive Committee

**Action: Approve Resolution 2017-01 Concurring in Nomination to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority ("ACWA JPIA")**

**4. APPOINT A BUDGET SUBCOMMITTEE FOR FISCAL YEAR 2017 - 2018**

**Action: Chair to Appoint Budget Subcommittee for Fiscal Year 2017 - 2018**

**5. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) UPDATE**

Information Update: John Woodling, Executive Director

**6. GROUNDWATER MANAGEMENT PROGRAM UPDATE**

Information Update: Rob Swartz, Manager of Technical Services

**7. EXECUTIVE DIRECTOR'S REPORT**

## **8. DIRECTORS' COMMENTS**

### **ADJOURNMENT**

**Next SGA Board of Director's Meeting** – April 13, 2016, 9:00 a.m., RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights.





**NOTE  
LOCATION**

## **WATER FORUM SUCCESSOR EFFORT**

Thursday, February 9, 2017

5:30 PM – 8:30 PM

**WATER FORUM**  
1330 21<sup>st</sup> Street, Ste. 103  
Sacramento, CA 95811

### Agenda

**5:30** DINNER

**5:45** INTRODUCTIONS

**6:00** DISCLOSURES/ REPORT BACKS / ANNOUNCEMENTS

**6:15** PRESENTATION                      Impacts of high flows on salmon and steelhead  
- Rob Titus

**6:45** PRESENTATION                      Red Sesbania removal - American River Parkway  
- Chris Aguirre

**7:30** UPDATES                              River and Water Supply Conditions – Tom Gohring  
FMS – Tom Gohring  
Habitat Management – Lilly Allen  
Groundwater Facilitation – Tom Gohring

**7:15** ANNOUNCEMENT                      Re-printed Water Forum Agreement – Tom Gohring

**8:00** ADJOURN

**Water Forum office:** located on the corner of 21<sup>st</sup> and N streets in midtown Sacramento. See map for parking information.

## ITEM 33

### NO DIV

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

From: Annette O'Leary  
Sent: Friday, January 27, 2017 7:44 AM  
To: '@gmail.com'  
Subject: RE: Robert Roscoe

Thank you for your comments, they will be provided to our Board of Directors.

Annette O'Leary  
Sacramento Suburban Water District

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

From: @gmail.com [mailto: @gmail.com]  
Sent: Wednesday, January 11, 2017 6:23 PM  
To: feedback  
Subject: Robert Roscoe

Miles of canals and ditches are empty. Use them to reduce the water levels on the rivers. Hold the water for release at a later time

Sent from my iPhone

**General Manager**

Robert S. Roscoe, P. E.



**Board of Directors**

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

February 6, 2017

Jeanine Townsend, Clerk to the Board  
State Water Resources Control Board  
1001 I Street, 24<sup>th</sup> floor  
Sacramento, CA 95814

via email to: [commentletter@waterboards.ca.gov](mailto:commentletter@waterboards.ca.gov)

SUBJECT: Comment Letter – Urban Water Conservation Workshop

Dear Ms. Townsend:

Sacramento Suburban Water District (District) appreciates the opportunity to comment on Item 9 of the State Water Resources Control Board’s Board Meeting Session regarding the consideration of a proposed resolution amending and readopting drought-related emergency regulations for urban water conservation to implement executive Order B-29-15, B-36-15, and B-37-16 being held on February 8, 2017. The District is a County Water District that serves over 178,000 customers in Sacramento County. Collectively, the District operates over 80 groundwater wells and has access to surface water from both Folsom Lake and the American River if specific hydraulic conditions are met.

Water supply conditions have drastically improved since the Emergency Regulation was first adopted in May 2015. In many parts of the State, precipitation levels are now at or above average historical levels, reservoirs are spilling to ensure flood protection, and a snowpack that is 175% of historical averages. Exhibit 1 attached is a copy of the current summary water conditions plot from the Department of Water Resource Data Exchange (CDEC) for the Sacramento 8-station index showing current water conditions are the wettest on record. We believe that current conditions no longer constitute a statewide drought emergency that calls for State intervention in local water management decisions. We recommend the State Water Resources Control Board (State Water Board) allow the current Emergency Regulation to expire in February 2017. We recognize that some limited areas of the State may still face potential water shortages in 2017, and urge the State Water Board to focus on those communities that require assistance in meeting their water needs.

In May 2016, the State Water Board adopted an Emergency Regulation that focused on a demonstration by water suppliers of whether they had adequate supplies to respond to three additional dry years. Unfortunately, this new standard was widely misinterpreted as “backsliding” from the prior mandatory conservation targets, when in fact it represented a sound water management approach given improved conditions. In light of current hydrologic conditions, there is no justification to consider a return to mandatory conservation targets on a statewide basis through October 2017. Instead, the most productive action now would be to shift our focus to developing a credible longer term approach to planning for drought and improving water use efficiency over time.

Since the enactment of the state mandated water conservation targets in June 2015, District customers have saved 27.3%. During the period of June 2016 to date, the District set a voluntary Water Conservation Goal of 10% and customers saved 22% demonstrating the District's ability to aggressively conserve in times of real or potential shortage. We are well situated to respond quickly if our region or the State should return to severe drought conditions in the future. In addition, our District has conjunctively banked over 200,000 acre feet of water in our local groundwater basin over the past 15 years, representing over a 6-year supply.

Furthermore, the State's current water supply conditions, including flood control releases from major reservoirs and a snowpack of 175% of historical average, highlight the necessity of embracing all of the actions in the California Water Action Plan. For example, expanding water storage capacity and promoting safe and effective water transfers would allow California to take advantage of these recent storms. To truly prepare for the effects of climate change, the State needs to implement a portfolio of solutions, in which conservation is but one important action among many others.

The District is dedicated to preparing for future droughts and advancing water supply reliability through a balanced approach. That approach includes the continued development and continued use of our conjunctive use system, which allows the District to reduce groundwater pumping when surface water is abundant. We believe continuing to extend emergency conservation regulations when local agencies are fighting floods in the wettest year on record causes an extreme problem with public messaging. We look forward to working together to implement the comprehensive California Water Action Plan. Let's move on from crisis management and focus on building a sustainable and resilient future.

Respectfully,

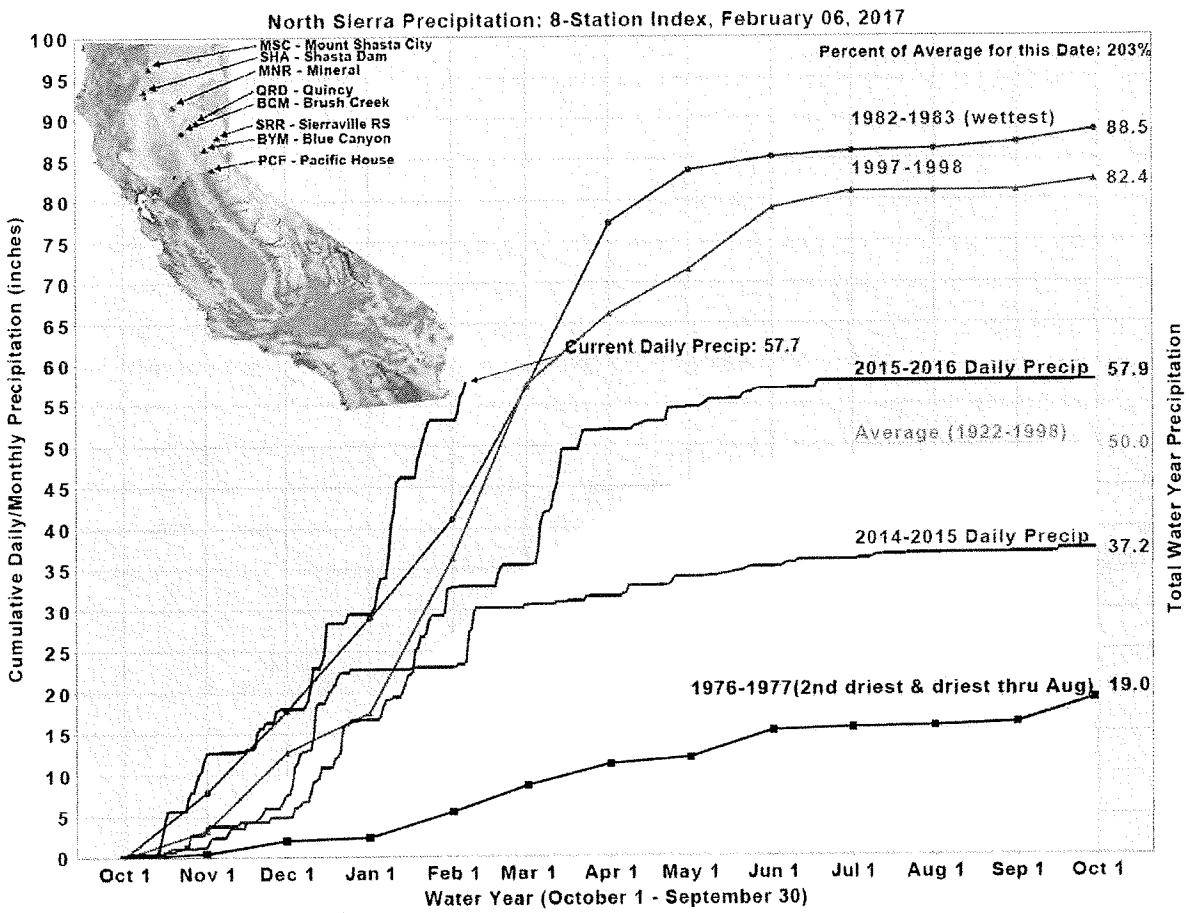


Robert S. Roscoe, P.E.

General Manager

Sacramento Suburban Water District

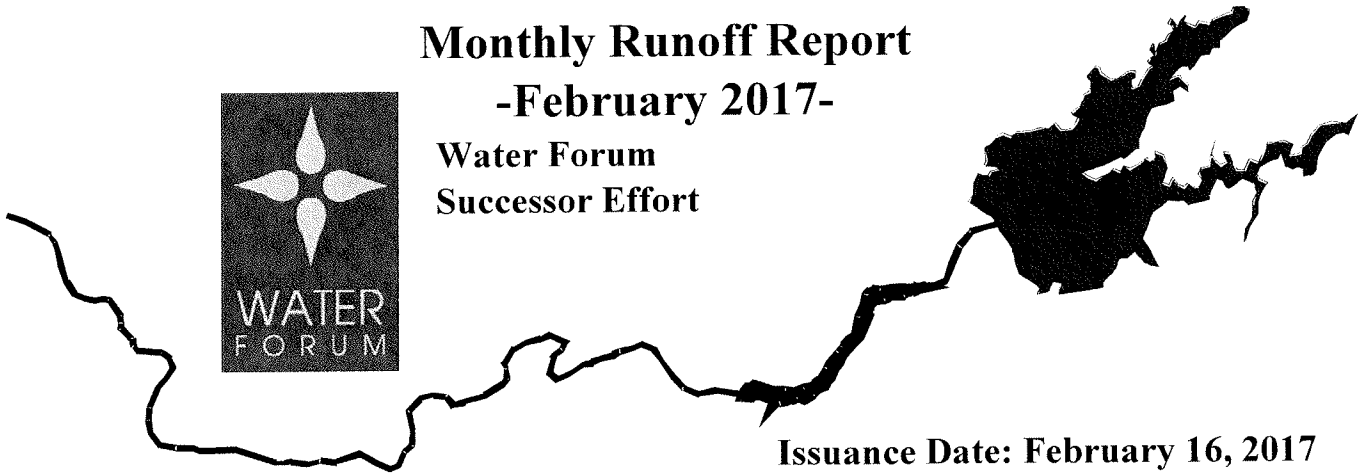
# EXHIBIT 1



# Monthly Runoff Report

-February 2017-

Water Forum  
Successor Effort

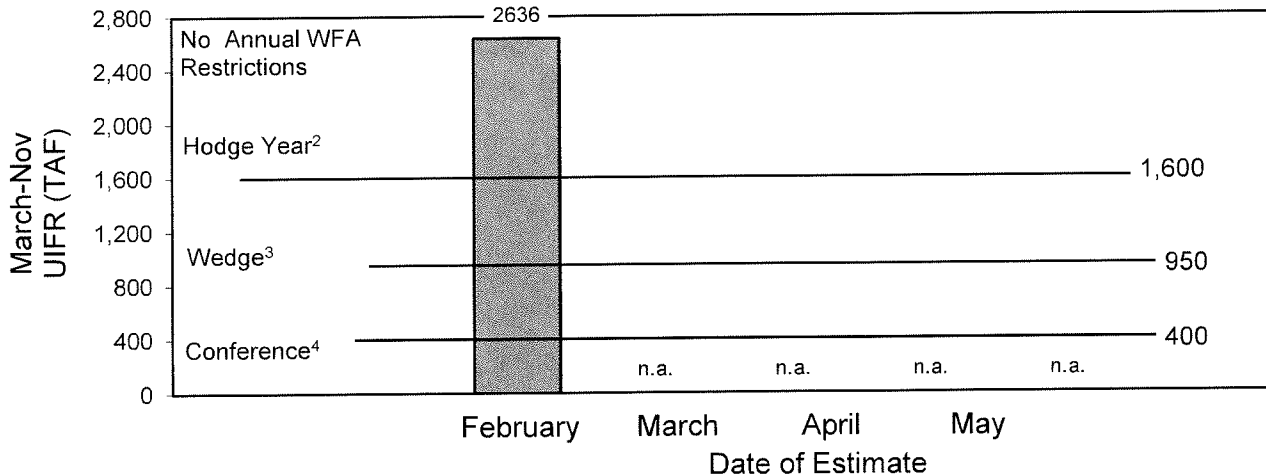


Issuance Date: February 16, 2017

**Purpose:** This monthly report is issued for each of four months (i.e., February, March, April, and May) every year by the Water Forum Successor Effort to provide the status of the March through November Unimpaired Inflow into Folsom Reservoir (March-Nov UIFR). Per the Water Forum Agreement of 2000, this hydrologic index is used to determine the type of water year and may be used by American River water purveyors and water right holders to determine the extent of their dry-year procedures. For more information on these topics, visit <http://www.WaterForum.org/Dry Year Procedures>.

**Projected Mar-Nov UIFR for February 2017 is 2636 TAF. For this year type there are no annual restrictions in the Water Forum Agreement.**

**Figure 1. UIFR Projections and American River Water Allocation<sup>1</sup>**



<sup>1</sup>Several factors can affect the allocation of water supply from the American River. When Mar-Nov UIFR is greater than 1.6 MAF then no annual WF restrictions are applied. However, other restrictions could be in effect such as the CVP shortage criteria.

<sup>2</sup>A "Hodge Year" occurs when the Mar-Nov UIFR is less than 1,600 TAF. This affects the allocation of American River water for Sacramento Suburban WD (after 2010) and South County Agriculture (see footnote #9 on page 11 of the 2000 Water Forum Agreement). This is different than the instantaneous "Hodge Flow trigger" which affects diversions at the Fairbairn treatment plant when the LAR flow is less than 3,000 cfs during Mar-Jun; 2) Less than 2,000 cfs from October 16-Feb; and 3) Less than 1,750 cfs from July-Oct15.

<sup>3</sup>A "Wedge" occurs when the Mar-Nov UIFR is less than 950 TAF. This may affect the allocation of American River water for the City of Folsom, Placer County Water Agency, City of Roseville, San Juan Water District, Sacramento Suburban WD (prior to 2010) and SMUD (see footnote #3 on page 11 of the 2000 Water Forum Agreement).

<sup>4</sup>"Conference" years occur when Mar-Nov UIFR is less than 400 TAF. In those years diverters and others are required to meet and confer on how best to meet demands and protect the American River (footnote #2 on page 11 of the 2000 Water Forum Agreement).

**Table 1. Monthly Runoff Values**

Month	UIFR Monthly and Total Volumes in TAF				
	February Publication	March Publication	April Publication	May Publication	Final Values
March <sup>1</sup>	745	n.a.	n.a.	n.a.	n.a.
April <sup>1</sup>	590	n.a.	n.a.	n.a.	n.a.
May <sup>1</sup>	680	n.a.	n.a.	n.a.	n.a.
June <sup>1</sup>	420	n.a.	n.a.	n.a.	n.a.
July <sup>1</sup>	100	n.a.	n.a.	n.a.	n.a.
August <sup>1</sup>	25	n.a.	n.a.	n.a.	n.a.
September <sup>1</sup>	16	n.a.	n.a.	n.a.	n.a.
October <sup>2</sup>	30	n.a.	n.a.	n.a.	n.a.
November <sup>2</sup>	30	n.a.	n.a.	n.a.	n.a.
<b>Total</b>	<b>2636</b>	n.a.	n.a.	n.a.	n.a.

<sup>1</sup> Values are from *Bulletin 120, Water Conditions in California*, California Department of Water Resources (DWR) for the given publication month (<http://cdec.water.ca.gov/snow/bulletin120/>). DWR publishes Bulletin 120 four times a year (February through May), providing forecasts of unimpaired flow for several watersheds in California for the given water year.

<sup>2</sup> Values are from *Technical Memorandum No. 1, Computing March through November Unimpaired Inflow into Folsom Reservoir*, Water Forum, May 2007.



**Agenda Item: 34**  
**General Information**

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# New Draft Report from DWR Shows Limited Surface Water Available for Groundwater Recharge

Submitted by Emily Allshouse on Fri, 01/13/2017 - 11:53am in Groundwater Water News



The California Department of Water Resources has released a draft of a highly anticipated report that underscores the need for investment in new water infrastructure and innovative strategies to help bring local groundwater basins into balance under the Sustainable Groundwater Management Act (SGMA).

The “Water Available for Replenishment” report analyzes water supply and demand in 10 separate regions of the state and considers a number of factors including existing flow requirements for streams, potential new infrastructure to divert water based on the capacity of existing facilities and the reliability of water deliveries from the State Water Project and Central Valley Project.

The report is required under SGMA and will be used by leaders of groundwater sustainability agencies (GSAs) as they craft groundwater sustainability plans (GSPs) that are due in 2020 for critically overdrafted basins and two years later for remaining high- and medium-priority basins. DWR is seeking public comment on the draft report through March 10.

With the exception of high precipitation years, the report shows available replenishment water will be limited in many regions, with as little as 50,000 acre-feet available annually in the Tulare Basin where demand for water is highest.

The report notes that while water deliveries from the State Water Project and the Central Valley Project historically have reduced groundwater overdraft in many basins in the state, average deliveries have declined in recent years due to drought and regulatory requirements. Climate change is expected to further exacerbate the challenge, the report says.

Providing more flexibility to capture storm runoff, construction of additional storage north and south of the Delta and improving Delta conveyance as proposed by California WaterFix would limit the decline in water deliveries and provide a more efficient system for environmental protection, the report says.

Tools such as water use efficiency, recycling, desalination and water transfers also can create additional water and help bring basins into balance, the report says.

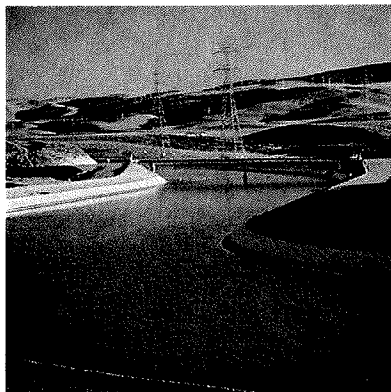
"Together, the (California) Water Action Plan and the Water Available for Replenishment report show that to achieve sustainable water resources, California must embrace conservation as a way of life and continue to invest in integrated water diversion, storage and conveyance projects including a wide array of local, regional and statewide projects that safeguard existing supplies, capture high flows when available, restore important habitats and expand efficiency and recycling," DWR said in a Jan. 12 news release.

ACWA is analyzing the report and will submit public comments by the March 10 deadline. ACWA members with questions regarding the draft report may contact ACWA Director of State Regulatory Relations Dave Bolland.

**<http://www.acwa.com/news/groundwater/new-draft-report-dwr-shows-limited-surface-water-available-groundwater-recharge>**

## Storms Boost SWP Allocations to 60%

Submitted by Lisa Lien-Mager on Wed, 01/18/2017 - 5:07pm in Water News



With winter storms continuing to boost reservoirs as well as the Sierra snowpack, the California Department of Water Resources today increased 2017 projected State Water Project allocations to 60% of requested amounts, up from 45% announced in December.

DWR said that with more rain and snow in the immediate forecast, the allocation could be further increased in coming weeks. It cautioned, however, that effects of the historic drought linger and some parts of the state continue to see supply challenges.

Under the 60% allocation announced today, the SWP would deliver 2.5 million acre-feet, compared to the 1.8 MAF it would have delivered under the previous 45% allocation.

DWR initially estimated it would be able to deliver only 20% of the 4.1 million acre-feet of SWP water requested this year.

Major Northern California reservoirs, including Lake Oroville, Shasta Lake and Folsom Lake, have been required to make flood control releases to maintain room to safely capture inflow that otherwise could flood downstream areas.

The last 100% SWP allocation – which DWR says is difficult to achieve even in wet years because of Delta pumping restrictions to protect threatened and endangered fish species – was in 2006. SWP allocations in recent years:

2016 – 60%  
2015 – 20%  
2014 – 5%  
2013 – 35%  
2012 – 65%  
2011 – 80%  
2010 – 50%  
2009 – 40%  
2008 – 35%  
2007 – 60%  
2006 – 100%

DWR's California Data Exchange Center Web sites show current water conditions at the state's largest reservoirs and weather stations.

Reservoirs: <http://cdec.water.ca.gov/reservoir.html>

Precipitation: [http://cdec.water.ca.gov/snow\\_rain.html](http://cdec.water.ca.gov/snow_rain.html)

Snow: <http://cdec.water.ca.gov/snow/current/snow/index.html>

**<http://www.acwa.com/news/water-news/storms-boost-swp-allocations-60>**

# State Water Board Hears Input on Emergency Regulation Next Steps

Submitted by Lisa Lien-Mager on Wed, 01/18/2017 - 3:57pm in Water Supply Challenges Regulatory Affairs Water News



Whether the state should extend the current emergency conservation regulation or let it expire was the focus of a workshop before the State Water Resources Control Board on Jan. 18.

Citing dramatically improved conditions, water agency representatives from throughout the state voiced support for letting the regulation expire in February. They emphasized, however, that urban water suppliers remain committed to helping their customers shift to permanent changes to improve water use efficiency on an ongoing basis.

Water suppliers also reiterated their support for the “stress-test” approach outlined in the current regulation, and many said they would continue monthly water use reporting and data collection if requested by the State Water Board. They encouraged the board to thank the public and shift the focus to the long term.

Their comments followed a presentation in which State Water Board staff recommended that the board extend the current regulation for another 270 days and revisit it in May when the rainy season is largely over and the water supply picture is clear. The staff also recommended that water suppliers update their stress tests to reflect changing conditions.

ACWA and numerous water suppliers said the emergency regulation had served to focus public attention on the drought, but has outlived its purpose. Much progress has been, they noted, and residents have changed how they view and use water. Continuing the emergency regulation could create credibility issues and confuse the public, they said.

“It’s clear that water agencies and Californians have stepped up in a big way in response to the emergency regulation,” ACWA Director of State Regulatory Relations Dave Bolland told State Water Board

members. “Continuing to message that we are in a crisis or emergency is problematic for a lot of agencies.... It’s time to move on to the long-term, sustainable practices agencies are now focused on.”

Bolland and others said it would be appropriate for water suppliers to continue submitting monthly reports, but noted that could be done under a different mechanism than the emergency regulation. They also noted that the state will soon consider regulations requiring just that under the long-term conservation framework state agencies are finalizing as directed by Gov. Jerry Brown in his May 2015 executive order.

The State Water Board did not take formal action on the staff recommendation. Board staff indicated proposed regulatory language would likely be released the following week, with action likely at the Feb. 7 meeting.

Several Board members indicated they were interested in continuing the data collection and monthly reporting that has taken place under the emergency regulation.

Prior to the workshop, the State Water Board heard an update on the Save Our Water program’s successful 2016 efforts presented by ACWA Deputy Executive Director for External Affairs and Member Services Jennifer Persike and Department of Water Resources Public Affairs Director Ed Wilson. The program is focusing in 2017 on evergreen messaging and promoting a California lifestyle shift. Board members made several positive comments about the program and its results.

**<http://www.acwa.com/news/water-supply-challenges/state-water-board-hears-input-emergency-regulation-next-steps>**

# ACWA Comments on Next Steps for State's Emergency Conservation Regulation

Submitted by Lisa Lien-Mager on Wed, 01/18/2017 - 4:04pm in Press Release



**SACRAMENTO** –Association of California Water Agencies (ACWA) Executive Director Timothy Quinn issued the following statement today regarding extension and possible modification of the state's emergency conservation regulation, which was the subject of a workshop before the State Water Resources Control Board.

“California water agencies and their customers have stepped up in a major way in response to the drought and the state's emergency conservation regulation. We've seen a tremendous shift in the way the public thinks about and uses water, and that will continue into the future.

“Water supply conditions have improved dramatically, and the public can readily see that. It's time to let the emergency regulation expire and continue our transition to long-term, sustainable practices that result in permanent water savings. Continuing the message that we remain in a drought emergency strains our credibility at this point.

“We encourage the State Water Board to let the emergency regulation expire in February and explore other mechanisms to request continued monthly use reporting as we transition to the long-term conservation regulations that will be developed soon by state agencies.”

**<http://www.acwa.com/news/press-release/acwa-comments-next-steps-state%E2%80%99s-emergency-conservation-regulation>**

# California Releases Proposed Plan to Achieve 2030 Climate Goals

Submitted by Pamela Martineau on Mon, 01/23/2017 - 2:32pm in Energy All Water News



The California Air Resources Board on Jan. 20 released a proposed plan to reduce greenhouse gas emissions by 40% below 1990 levels by 2030. The plan builds on the state's current efforts to reduce emissions, including continuing the Cap-and-Trade Program.

The first of three public hearings on the proposed plan will be held Jan. 27. The CARB is slated to hold workshops in February and hear an update at the Feb. 16 meeting. The Final 2017 Scoping Plan Update will be released in late March and be considered for approval by the board in late April. Stakeholders and the public are encouraged to submit comments by 5:00 pm March 6.

"Climate change is impacting California now, and we need to continue to take bold and effective action to address it head on to protect and improve the quality of life in California," CARB Chair Mary D. Nichols said in a written statement. "The plan will help us meet both our climate and our clean air goals in the coming decades and provide billions of dollars in investments to cut greenhouse gases, smog and toxic pollution in disadvantaged communities throughout the state. It is also designed to continue to drive creative innovation, generating good new jobs in the growing clean technology sector."

The proposed plan, which follows the release of a discussion draft in December, analyzes the potential economic impacts of different policy scenarios, including a carbon tax, and calculates the benefit to society of taking actions to reduce greenhouse gas emissions. The plan also includes the estimated range of greenhouse gas, criteria pollutant and toxic pollutant emissions reductions of each measure.

The analysis in the plan finds that Cap-and-Trade is the lowest cost, most efficient policy approach and provides certainty that the state will meet the 2030 goals even if other measures fall short. The Cap-and-Trade Program funds the California Climate Investments program, which provides funds for community, local, regional and statewide projects aimed at reducing greenhouse gas emissions – with at least 35 percent of proceeds invested in disadvantaged and low-income communities. To date, a total of



\$3.4 billion in cap-and-trade funds have been appropriated for the California Climate Investments program.

The full text of “The 2017 Scoping Plan Update: The Proposed Plan for Achieving California’s 2030 Greenhouse Gas Target” is available at:

<http://www.arb.ca.gov/cc/scopingplan/scopingplan.htm>

More information on submitting comments is at <https://www.arb.ca.gov/lispub/comm/bclist.php>.

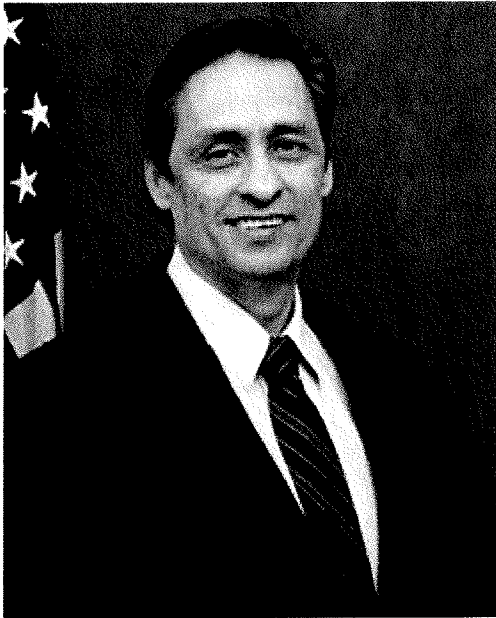
According to a press release from the CARB, achieving the 2030 target under the proposed plan will continue to build on investments in clean energy and set the California economy on a trajectory to achieving an 80% reduction in greenhouse gas emissions by 2050. This is consistent with the scientific consensus of the scale of emission reductions needed to stabilize atmospheric greenhouse gas concentrations at 450 parts per million carbon dioxide equivalent, and reduce the likelihood of catastrophic climate change.

For the past decade, California has been reducing emissions through a series of actions that include cleaner, more fuel-efficient cars and zero emission vehicles, low-carbon fuels, renewable energy, waste diversion from landfills, water conservation, improvements to energy efficiency in homes and businesses, and a Cap-and-Trade Program.

**<http://www.acwa.com/news/energy/california-releases-proposed-plan-achieve-2030-climate-goals>**

# David Murillo Named Acting Commissioner for U.S. Bureau of Reclamation

Submitted by Emily Allshouse on Mon, 01/23/2017 - 10:09am in Water News



The U.S. Bureau of Reclamation on Jan. 20 announced that David Murillo will serve as the Bureau's acting commissioner. Murillo will serve in this role until President Donald Trump nominates, and the Senate confirms, a new commissioner.

As acting commissioner, Murillo will oversee projects in 17 western states that include 475 dams, 337 reservoirs, and 53 hydroelectric power plants. According to the Bureau, these projects provide water for 31 million people in the West and about 15% of the nation's hydropower.

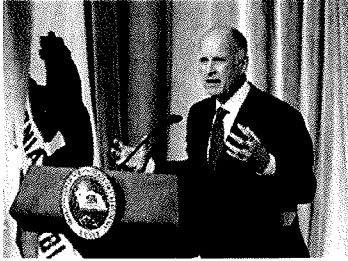
Since 2012, Murillo has served as the Bureau's regional director of the Mid-Pacific Region. In this role, he managed Region 11 water projects in the northern two-thirds of California, most of western Nevada and part of southern Oregon, including California's Central Valley Project.

His previous experience with the Bureau includes serving as the Bureau's deputy commissioner for operations in 2010, as the power manager for the Grand Coulee Power Office in 2006, and as the manager of the field office in Yakima, Washington in 2000.

**<http://www.acwa.com/news/water-news/david-murillo-named-acting-commissioner-us-bureau-reclamation>**

# **Brown Vows to Continue to Battle Climate Change, Hold Trump to Promise of Strengthening Infrastructure**

Submitted by Pamela Martineau on Tue, 01/24/2017 - 10:59am in Climate Change All Water News



In a rousing State of the State address on Tuesday, Gov. Jerry Brown vowed to continue California's fight against climate change and called on President Donald Trump to hold true to his promise to bolster infrastructure throughout the nation – especially in California.

Brown read verbatim Trump's reference in his inaugural address to strengthening the nation's infrastructure and praised that promise.

"I say – 'Amen to that man! Amen to that brother!'" Brown said in reference to Trump's call for strengthening infrastructure.

"We have roads. We have tunnels. We have railroads, and even a dam the president can help us with... I should get applause there," he added later to laughter in the room.

Brown took a strong stance against what he called "climate deniers" and vowed to keep California moving forward in its battle to fight climate change.

"Whatever they do in Washington, they can't change the facts," Brown told the lawmakers gathered in the Assembly chambers to hear the annual address. "We can't fall back and give in to the climate deniers."

Brown also described a current era of "deep division" throughout the nation and called on California lawmakers to "set an example for the rest of the country" in working in a bipartisan manner to tackle problems.

"Look for ways to work beyond parties and act as Californians first," said Brown.

Brown cited the 2014 water bond as one of the accomplishments the state has achieved during his most recent tenure as governor. He cited California's being the sixth largest economy in the world, and described how the state's well-being is critical to the nation.

"When California does well, America does well. When we defend California, we defend America," he said..

**<http://www.acwa.com/news/climate-change/brown-vows-continue-battle-climate-change-hold-trump-promise-strengthening-infra>**

# ACWA Testifies at LHC Hearing Examining State's Response to Tree Mortality Crisis

Submitted by Emily Allshouse on Thu, 01/26/2017 - 2:46pm in Water News



With 102 million dead trees in California forests, dealing with the impacts of the state's tree mortality crisis will require the close cooperation, collaboration and long-term commitment of local, state, and federal stakeholders. That was the overwhelming message delivered by a panel of state officials during a Jan. 26 Little Hoover Commission hearing examining the state's response to the tree mortality crisis in the Sierra Nevada.

ACWA Director of State Relations Wendy Ridderbusch testified at the hearing, noting the impact forest health has on water supply and water quality statewide and detailing ACWA's engagement on headwaters/watershed management issues in recent years.

In 2015, ACWA released its Headwaters Framework, which set forth comprehensive recommendations designed to achieve more resilient water resources through improved forest management policies and practices. ACWA also is a founding member of the California Forest Watershed Alliance (CAFWA), which has advocated for federal legislation to increase the pace and scale of investments in healthy forests.

During her testimony, Ridderbusch expressed ACWA's support for the use of additional Greenhouse Gas reduction Fund (Cap-and-Trade) and state General Fund dollars, as well as available Proposition 1 funding, to help fund healthy forests in 2017. Proposition 1, the \$7.5 billion dollar general obligation water bond approved by voters in 2014, includes \$1.49 billion intended for multi-benefit ecosystem, watershed protection and restoration projects.

Thursday's hearing was the first in a series of 2017 meetings the commission plans to hold to study the state's response to the crisis, including the tree die-off's intersection with catastrophic wildfire, greenhouse gas emission and watershed health.

During the hearing, the commission heard reports from members of the state's Tree Mortality Task Force including Chief Ken Pimlott, director of the California Department of Forestry and Fire Protection, Mark Ghilarducci, director of the Governor's Office of Emergency Services, Ashley Conrad-Saydah, deputy secretary for Climate Policy, California Environmental Protection Agency, Malcolm Dougherty, director of the California Department of Transportation and Jim Branham, executive officer for the Sierra Nevada Conservancy.

The panelists echoed the importance of cooperation and collaboration among agencies in meeting the goal of restoring and maintaining healthy forests statewide. Each speaker also heavily emphasized the long-term nature of such an effort.

“This is really the beginning... we have much more work to do...,” said Pimlott, who spoke first.

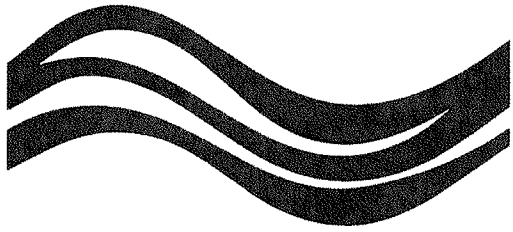
“This is a herculean effort... we want to remain out in front of the crisis. That’s very, very important,” added Ghilarducci during his report, which focused on the emergency costs associated with identifying and removing dead trees.

“All of us are united... all of can get something out of benefiting California’s forests,” said Conrad-Saydah, in discussing the importance of the Task Force’s collaborative efforts to mitigate the disaster.

**<http://www.acwa.com/news/water-news/acwa-testifies-lhc-hearing-examining-state%E2%80%99s-response-tree-mortality-crisis>**

# State Water Board Staff Proposes Extension of Emergency Conservation Regulation

Submitted by Pamela Martineau on Thu, 02/02/2017 - 1:58pm in Conservation All Water News



## Water Boards

The State Water Resources Control Board staff is formally proposing that the state's emergency conservation regulation be extended another 270 days. A draft resolution to amend and readopt the emergency regulation will be taken up after 1 p.m. on Feb. 8. Comments on the proposed resolution will be accepted through noon Monday, Feb. 6.

ACWA sent a comment letter to the State Water Board Feb. 3 asking that the emergency regulation be allowed to lapse.

The current emergency regulation became effective on May 31, 2016 and is set to expire Feb. 28, 2017, unless extended by the State Water Board. The draft resolution proposing extending the emergency regulation states that California has experienced "significant snow and rainfall in December and January, causing many of the state's reservoirs to shift to flood-control operations." The resolution adds, however, that groundwater levels remain "depleted in many areas" and "precipitation cannot be counted on to continue." Hydrologic water conditions "remain unclear" until at least April, the resolution adds, and "continued implementation of reasonable water conservation measures is prudent to address water supply uncertainty."

ACWA staff and several water agency representatives testified at a State Water Board hearing Jan. 18 and voiced support for letting the regulation expire in February, citing dramatically improved conditions. They also emphasized that urban water suppliers remain committed to helping their customers shift to permanent changes to improve water use efficiency on an ongoing basis.

The State Water Board staff report is here. ACWA's previous comment letter on allowing the emergency regulation to lapse is here.

**<http://www.acwa.com/news/conservation/state-water-board-staff-proposes-extension-emergency-conservation-regulation>**

# Sierra Nevada Snowpack Surges Following Recent Storms

Submitted by Pamela Martineau on Thu, 02/02/2017 - 3:24pm in Water Supply Challenges All Water News



Recent storms have significantly bolstered snowpack throughout the Sierra Nevada, with electronic readings taken today at more than 100 sites indicating that the snowpack water equivalence is 173% of average for this date, according to a press release from the California Department of Water Resources.

On Jan. 1, before a series of big January storms, the snow water equivalence of the statewide snowpack was 6.5 inches, just 64% of the New Year's Day average.

The DWR manual snow survey taken today at Phillips Station in the Sierra Nevada range also revealed a dramatic increase, with a snow water equivalence of 28.1 inches, a significant increase since the Jan. 3 survey, when just 6 inches was found there. The average as measured at Phillips since 1964 is 11.3 inches.

Frank Gehrke, chief of the California Cooperative Snow Surveys Program, conducted today's survey at Phillips and reported that "we've got a very good snowpack, a very robust snowpack on the ground right now."

The first four months of Water Year 2017 (Oct. 1 to today) were wet due to atmospheric river storms and rainfall from lesser storms that drenched the state. All three regions DWR monitors continuously for their rainfall had recorded more by Jan. 23 than their annual averages for the entire water year, which runs from Oct. 1 through Sept. 30.

State Climatologist Mike Anderson cautioned that while this year has been wet, "we cannot say whether it will be one wet year in another string of dry ones."

Measurements indicate the water content of the northern Sierra snowpack is 26 inches, 144% of the multi-decade average for the date. The central and southern Sierra readings are 32 inches (173% of average) and 32 inches (200% of average) respectively.

Other readings indicate:

- The average annual precipitation at the eight-station Northern California index is 50 inches; that total was surpassed on Jan. 20, 112 days into Water Year 2017. Water Year 1997 had more rain in the region

during the October-through-January period (58.22 inches) than during the same period this water year (53.2 inches).

- The San Joaquin Basin rainfall total today is 204% of average for the date.

- Tulare Basin rainfall is 207% of average for the date

- Shasta Lake, California's largest surface reservoir now holds 114% of its historical average on today's date. One year ago, Shasta's storage was just 78% of its Feb. 2 average. Similarly, Lake Oroville, the State Water Project's largest reservoir, holds much more water today than a year ago – 121% of its historical average today compared to just 68% one year ago.

Electronic snowpack readings are available at the California Data Exchange Center's (CDEC) Snow Water Equivalents page. For earlier readings, click the calendar icon below the map; select a date, then Refresh Data.

Water Year 2017's precipitation data can be found at CDEC's Precipitation page. Look in the right-hand column for the Northern Sierra 8-station index for updated rainfall readings in the critical northern portion of the state, as well as the San Joaquin 5-station and Tulare Basin 6-station links.

**<http://www.acwa.com/news/water-supply-challenges/sierra-nevada-snowpack-surges-following-recent-storms>**