

# **Agenda**

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

3701 Marconi Avenue, Suite 100  
Sacramento, California 95821

Monday, July 17, 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 June 19, 2017 Regular Board Meeting  
*Recommendation: Approve subject minutes.*

2. Hastings Park Apartment Complex – Claim – 4533 Antelope Road Water Main Leak – June 21, 2016  
*Recommendation: Reject Claim.*

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

3. McClellan Business Park and Operations Agreement Update  
*Receive presentation and direct staff as appropriate.*
4. Parkland Estates Waterline Replacement Project Phase 2 – Service Lines  
*Direct the General Manager as appropriate.*
5. Extension of Master Service Agreement for Main Replacements  
*Receive written staff report and direct staff as appropriate.*
6. A Day in the Life of the Environmental Compliance Department  
*Presentation on Environmental Compliance by David Armand.*
7. Water Service Charges and Rate Setting Policy (PL – Fin 009)  
*Recommendation: Adopt subject policy.*
8. Budget Policy (PL – Fin 012)  
*Recommendation: Adopt subject policy.*
9. 2018/19 Budget Assumptions  
*Receive written staff report and direct staff as appropriate.*
10. 2017 Budget Reallocations and Marconi Project Request  
*Receive written staff report and direct staff as appropriate.*
11. Resolution No. 17-08 Fixing the 2018 Employer Contribution at an Equal Amount for Employees and Annuitants Under the Public Employees’ Medical and Hospital Care Act, and Resolution No. 17-09 Fixing the 2018 Employer Contribution Under Section 22893 of the Public Employees’ Medical and Hospital Care Act  
*Recommendation: Adopt subject resolution.*

### **Information Items**

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. Developer Projects (Including McClellan Business Park)
  - d. Planning Studies
  - e. Other
- 14. Financial Report
  - a. Financial Statements – June 2017
  - b. Investments Outstanding and Activity Quarterly Report
  - c. Cash Expenditures – June 2017
  - d. Credit Card Expenditures – June 2017
  - e. Directors Compensation and Expense Accounting Quarterly Report
  - f. District Reserve Balances – June 2017
  - g. Information Required by Bond Agreement
- 15. Financial Markets Quarterly Report
- 16. Year-to-Date Interest Expense Quarterly Report
- 17. Human Resources and Succession Plan Quarterly Report
- 18. CIP Projects Quarterly Report
- 19. Chromium 6 Court Compliant and Regulations Update
- 20. Retirement Plan Enrollments, Turnover Information and Average Years of Experience

21. Improvements from Hiring of New Position in Customer Service
22. Association of California Water Agencies Call for Candidate Nominations for President and Vice President for the 2018-19 Term
23. Sacramento Local Agency Formation Commission (LAFCo) Open Nomination Period for Special District Commissioner Office No. 7 and Alternate Special District Commissioner for Offices No. 6 & 7
24. New Administrative Services Department Procedures
25. Update on Water/Sewer Separation Issue with Division of Drinking Water
26. Legislative and Regulatory Update
27. General Manager's Report
  - a. Long Term Warren Act Contract Update
  - b. California WaterFix Update
  - c. ACWA/JPIA Liability, Property, and Workers' Compensation Risk Assessment
  - d. Update to Closeout of District's Groundwater Monitoring Wells Project
  - e. McClellan Business Park – Excavation Process
  - f. Failed Network Switch
28. Upcoming Policy Review
  - a. Directors' Compensation and Expense Reimbursement Policy (PL - BOD 003)
  - b. Impaired Capital Asset Policy (PL - Fin 008)
  - c. Purchasing Card Policy (PL – Fin 006)
29. Upcoming Water Industry Events

### **Committee Reports**

30. a. Facilities and Operations Committee (Director Schild)  
No report.



- b. Finance and Audit Committee (Director Thomas)  
Draft Minutes from the July 10, 2017 Meeting.
- c. Water Quality Committee (Director Wichert)  
Agenda for the July 17, 2017 Meeting.
- d. Government Affairs Committee (Director Locke)  
No report.
- e. Ad Hoc Water Banking and Transfer Committee (Director Schild)  
No report.
- f. Ad Hoc Selection Committee (Director Wichert)  
No report.
- g. Ad Hoc Process Committee (Director Wichert)  
No report.
- h. Ad Hoc Compensation Committee (Director Schild)  
No report.

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

- 31. a. Regional Water Authority (Director Thomas)  
Agenda from the July 13, 2017 Meeting.  
  
Regional Water Authority Executive Committee (General Manager Roscoe)  
No report.
- b. Sacramento Groundwater Authority (Director Schild)  
No report.
- c. Water Caucus Meeting  
Agenda from the July 12, 2017 Meeting.
- d. Water Forum Successor Effort (General Manager Roscoe)  
No report.
- e. Other Reports

**Miscellaneous Correspondence and General Information**

- 32. Correspondence received by the District

33. 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)**

- 34. Public employee appointment involving the position of General Manager; Government Code sections 54954.5(e) and 54957(b)(1).

**Adjournment**

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**Upcoming Meetings**

Thursday, July 27, 2017 at 4:00 p.m., Facilities and Operations Committee Meeting  
Monday, August 21, 2017 at 6:30 p.m., Regular Board Meeting

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I certify that the foregoing agenda for the July 17, 2017 meeting of the Sacramento Suburban Water District Board of Directors was posted by July 13, 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

# ITEM 1

## Minutes

### Sacramento Suburban Water District Regular Board Meeting Monday, June 19, 2017

#### Call to Order

President Wichert called the meeting to order at 6:30 p.m.

#### Pledge of Allegiance

President Wichert led the Pledge of Allegiance.

#### Roll Call

Directors Present: Dave Jones, Craig Locke, Neil Schild, Kevin Thomas and Robert Wichert.

Directors Absent: None.

Staff Present: General Manager Robert Roscoe, Assistant General Manager Dan York, Finance Director Dan Bills, Heather Hernandez-Fort, Annette O'Leary, David Espinoza, James Arenz, Dana Dean and John Valdes.

Public Present: District Legal Counsel Ryan Bezerra, Avery Wiseman, Mitch Dion, Jeff Nelson and Audie Foster.

#### Announcements

General Manager Robert Roscoe (GM Roscoe) announced:

- The El Dorado County Water Agency Application for WaterSMART Water Marketing Strategy Grant status;
- And that the Form 470's were at the dais for each Board member to fill out and turn in;
- That the Association of California Water Agencies (ACWA) highlighted the District's Ribbon Cutting Event in their publication;
- And that staff requested to pull Agenda Item number 9, as there were updates to the Item. He noted that staff would bring the Item back at a future Board meeting.

#### Public Comment

None.

#### Consent Items

1. **Minutes of the May 15, 2017 Regular Board Meeting**
2. **Resolution No. 17-07 Placing in Nomination Assistant General Manager Dan York for Association of California Water Agencies Region 4 Board Member**

Director Schild requested to pull Item 2.

Director Locke moved to approve Item 1; Director Thomas seconded.

Director Schild expressed that he had one comment for Item 1.

GM Roscoe clarified that the Board should then pull Item 1 for correction.

President Wichert pulled agenda Item 1.

Regarding agenda Item 1, Director Schild noted that on page 58 the minutes stated that he “attended” the FISH Working Group Meeting, however, he corrected that he “monitored the webinar.” He requested for the minutes to reflect that correction.

GM Roscoe noted that it would be corrected.

Director Thomas moved to approve Item 1 with the noted change; Director Locke seconded. The motion passed by unanimous vote.

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

Regarding agenda Item 2, Director Thomas moved to approve agenda Item 2; Director Jones seconded.

Director Schild commented that the District rate payers had been paying for someone to serve on the Board, but that the District really didn’t get much out of it. He further commented that other districts should step up and represent their district. He also stated that he didn’t believe that staff had much time to commit to this Board.

President Wichert commented that he didn’t want to seem like the District was pulling back as a result of the General Manager’s retirement. He noted that he was in favor of staff’s recommendation.

Director Thomas noted that he also supported staff’s recommendation.

GM Roscoe explained the benefit to the District by being involved and active with ACWA.

Director Schild commented that the Directors should be the ones representing the District with ACWA.

Director Thomas inquired if Director Schild was interested in running; Director Schild commented that it was too late.

GM Roscoe expressed that the staff report reflected the recommendation from the Board at the May regular Board meeting. He further explained ACWA’s nominating process.

President Wichert inquired if Director Schild was interested in being nominated, he responded that he was.

President Wichert moved to nominate Director Schild.

GM Roscoe reminded the Board that there was already a motion and a second to support the staff recommendation.

Director Jones noted that he believed that Assistant General Manager Dan York (AGM York) would be a better candidate. He stated that there would be a new General Manager coming onboard soon, and that AGM York could provide information to that new General Manager.

Director Jones was recognized as the maker of the motion. He stated that he wanted the President to call the question. President Wichert restated the initial motion to support the staff recommendation. The motion passed on a 4/1 vote. Director Schild opposed.

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

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

#### **3. Update on Website Redesign**

Annette O’Leary (Ms. O’Leary) presented an overview on the progress of the new redesigned website.

Director Thomas inquired about Vision Internet, the web designer that staff chose to rebuild the District’s website, inquiring if staff looked into any additional companies.

GM Roscoe provided further explanation as to why staff selected Vision Internet.

AGM York informed the Board that staff did obtain a proposal from one other web designer and staff generated a memorandum of recommendation to the General Manager to contract with Vision Internet.

President Wichert expressed that he felt that it was equitable to go with Vision Internet.

Director Thomas inquired if there were any statistics on how many District customers viewed the District website via wireless device.

Ms. O’Leary expressed that staff would get that information and report back to the Board.

Director Schild requested for further updates in the future.

4. **Budget Policy (PL – Fin 012)**

Dan Bills (Mr. Bills) presented the staff report.

President Wichert expressed that he was not comfortable with the policy, as he believed it did not highlight keeping the rates low. He further commented that the policy noted the District's Master and Asset Plans, which were not supported by the current budget amounts, stating that it could be used as leverage to increase the budget/rates in the future.

Director Jones pointed out that rates were identified in the District's Mission Statement.

Director Schild pointed out a few sections which noted to stabilize and minimize rates over time.

President Wichert expressed that he wanted to try to maintain rates equal to inflation noting that he was not in favor of having rate increases based on Capital Improvement Projects (CIP) that may or may not be necessary.

Mr. Bills reminded the Board that there was a separate policy that was established for setting rates, PL – Fin 009 Water Service Charges and Rate Setting Policy. He passed out that policy to the Board and public.

Director Locke expressed that he felt that linking the budget to the expenses was more important than linking it to the rate. He suggested that perhaps the two policies should be reviewed together. He further commented that it was universal throughout the industry that infrastructure needs were not being addressed as the cost of water increased. He additionally commented that if the District raised rates incrementally, it would still allow for maintaining and improving the District's assets, which would be the more responsible course of action to take. He finally stated that he believed to underfund maintenance and operations could result in the District having massive rate increases, which was not responsible.

Director Schild commented that the District's CIP has been maintained, and that he believed that the District has made a lot of good investments in CIP.

Director Locke expressed that the District had a CIP plan and that studies have been conducted showing that we are not funding it to the degree that is necessary.

Avery Wiseman (Mr. Wiseman) commented that he believed that the District had a grossly overinflated CIP. He expressed that he believed the cost of water was not increasing, and that the ratepayers were being taken advantage of, and that the District had a huge reserve. He expressed that the Board should be talking about economizing.

President Wichert requested to review the Budget Policy and the Water Service Charges and Rate Setting Policy together at the July 2017 regular Board meeting.

Mr. Bills explained that Directors had until July 3, 2017 to provide any comments they have on either or both of the policies.

5. **2018/19 Budget Preparation Timeline**

Mr. Bills presented the staff report.

Director Schild suggested having an additional Finance and Audit Committee (F&A Committee) Meeting before the Board workshop and for that committee to review the budget before it was presented to the Board.

President Wichert moved to support the staff report with the inclusion of an additional F&A Committee Meeting before the Board workshop; Director Thomas seconded. The motion passed by unanimous vote.

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

6. **Claim – 2925 Mission Avenue**

John Valdes (Mr. Valdes) presented the staff report.

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

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

7. **California Special Districts Association Board Elections – Seat C**

Director Schild recommended casting the vote for Scott Holbrook.

Director Thomas moved to cast the vote for Scott R. Holbrook with the Auburn Area Recreations & Park District; Director Schild seconded. The motion passed by unanimous vote.

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

8. **General Manager Recruitment Salary Range**

Director Schild presented the staff report. He noted that the committee recommended the starting point of \$14,000 – \$16,250 per month, for the General Manager recruitment salary range.

Mr. Wiseman commented that he believed that GM Roscoe was very highly qualified and that he should be performing at a much higher level. He further expressed that the District didn't need a professional engineer as a General Manager, but rather a person

that can make good financial and personnel decisions. He commented that the region had grossly inflated salary ranges, and that the District should hire appropriately. Lastly, he suggested seeking retired military officers as potential replacements.

President Wichert inquired what the highest paid salary position at the District was, plus 10 percent.

Mr. Bills answered the figure would be \$160,000 per year.

President Wichert noted that he had no problem with offering a range of \$160,000 – \$195,000 per year.

Director Jones moved to set the General Manager recruitment salary range to \$160,000 – \$195,000 per year; Director Thomas seconded. The motion passed by a 4/1 vote, Director Locke abstained and Director Schild opposed.

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

9. **Verizon Wireless Lease at Auburn Yard**

This item was pulled and will be brought back at a future meeting.

**Information Items**

10. **District Activity Report**

A written report was provided.

Director Schild inquired about the preventative maintenance program in the Exception Report.

Director Locke recommended that staff list the number of main line valves the District has in order to show a comparison on how many have been completed.

AGM York noted that the information provided to the Board was to notify that there was significantly less preventative maintenance work completed due to staffing issues.

Director Schild inquired why we were not taking more surface water.

Jim Arenz (Mr. Arenz) noted that we were right on target for the 12,000 acre feet that was budgeted.

GM Roscoe noted that the budget assumed roughly 2 million dollars in revenue from a water transfer which was unlikely to occur.

a. *Water Operations and Exceptions Report*

A written report was provided.



*b. Water Conservation and Regional Water Efficiency Program Report*  
A written report was provided.

*c. Customer Service Report*  
A written report was provided.

*d. Community Outreach Report*  
A written report was provided.

**11. Engineering Report**

A written report was provided.

Director Schild inquired about the cost of the manganese treatment at the Palm Well.

John Valdes (Mr. Valdes) commented that staff was currently getting quotes.

Director Schild further inquired about who was responsible for the refurbished well casing failure at the N8 Well.

Mr. Valdes expressed that staff will look into it and report back.

*a. Major Capital Improvement Projects*  
A written report was provided.

*b. County and City Projects/Coordination*  
A written report was provided.

*c. Groundwater Quality Projects*  
A written report was provided.

*d. Developer Projects*  
A written report was provided.

*e. Planning Studies*  
A written report was provided.

*f. Other*  
A written report was provided.

**12. Financial Report**

A written report was provided.

*a. Financial Statements – May 2017*  
A written report was provided.

- b. *Cash Expenditures – May 2017*  
A written report was provided.
- c. *Credit Card Expenditures – May 2017*  
A written report was provided.
- d. *District Reserve Balances – May 2017*  
A written report was provided.
- e. *Information Required by Bond Agreement*  
A written report was provided.

13. **McClellan Business Park and Operations Agreement Update**  
AGM York presented the staff report.

Director Jones inquired if there would be any additional costs if the District had to excavate and discard the dirt at the McClellan site.

AGM York expressed that he would get the answer and report back.

14. **Closeout of Groundwater Monitoring Wells Project**  
A written report was provided.

Director Schild inquired what the total cost of the project was.

Mr. Valdes noted that he would get that answer and report back.

15. **Conjunctive Use and Drought Response**  
A written report was provided.

16. **Legislative and Regulatory Update**  
A written report was provided.

17. **General Manager's Report**  
A written report was provided.

- a. *Long Term Warren Act Contract Update*  
A written report was provided.
- b. *California WaterFix Update*  
A written report was provided.
- c. *Joint Purchasing Opportunities*  
A written report was provided.

d. *Letter-of-Credit Extension*

A written report was provided.

e. *Water/Sewer Separation Issue with Department of Drinking Water*

A written report was provided.

18. **Upcoming Water Industry Events**

A written report was provided.

Director Locke requested for meetings such as the Kennedy Jenks meetings to be included in the staff report.

**Committee Reports**

19. a. Facilities and Operations Committee (Director Schild)

No report.

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.

f. Ad Hoc Selection Committee (Director Wichert)

No report.

g. Ad Hoc Process Committee (Director Wichert)

No report.

h. Ad Hoc Compensation Committee (Director Schild)

Provided in agenda item 8.

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

20. a. Regional Water Authority (Director Thomas)

The agenda from the May 18, 2017 Meeting was provided. Director Schild provided an oral report on the meeting.

Regional Water Authority Executive Committee (General Manager Roscoe)

The agenda from the May 24, 2017 Meeting was provided.

- b. Sacramento Groundwater Authority (Director Schild)  
The agenda from the June 8, 2017 Meeting was provided. Director Schild provided an oral report on the meeting.
- c. Water Caucus Meeting  
No report.
- d. Water Forum Successor Effort (General Manager Roscoe)  
The agenda from the June 8, 2017 Meeting was provided.
- e. Other Reports  
Director Thomas provided oral reports regarding his meetings with the General Manager on May 31, 2017; the Assistant General Manager on June 9, 2017; the Ethics Training that he took on June 17, 2017; the Sexual Harassment Training that he took on June 18, 2017; and the Water Forum Meeting that he attended on June 8, 2017.

#### **Miscellaneous Correspondence and General Information**

- 21. **Certain correspondence received by the District was provided.**
- 22. **General Information related to District business was provided.**

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

None.

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

The Board convened in closed session at 7:54 p.m. to discuss the following:

- 23. Conference with legal counsel – potential litigation; Government Code sections 54954.5(c) and 54956.9(a) and (d)(4); consideration of initiating litigation involving the State Water Resources Control Board's proceedings related to the California Water Fix and the Bay-Delta Water Quality Control Plan Update.

#### **Return to Open Session**

The Board convened in open session at 8:22 p.m. There was no reportable action.

#### **Adjournment**

President Wichert adjourned the meeting at 8:23 p.m.

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



## Agenda Item: 2

**Date:** July 11, 2017

**Subject:** Hastings Park Apartment Complex – Claim – 4533 Antelope Road Water Main Leak – June 21, 2016

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

**Recommended Board Action:**

Reject the claim submitted by Philadelphia Insurance Company for costs associated with repairs to Hastings Park Apartment Complex due to a water main failure which occurred on June 21, 2016.

**Discussion:**

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

Due to the topography and slope of the roadway, the water flowed from the failure towards the east to an open field just west of the Hastings Park Apartment Complex. The water traveled north from this point abutting several apartment buildings then onto the driveway surface of the apartment complex and exited through the storm drain system. Eight (8) apartment units were inundated with water (see Exhibit 2). Additional detail on this main failure was included in the July 2016 Board Packet.

On July 3, 2017, staff received a District Claim Form (see Exhibit 3) from Philadelphia Insurance Company, requesting reimbursement for repair costs associated with this water main leak. A very large volume of support documents submitted with the Claim Form were not included in this report, but a copy of these documents can be provided upon request.

The recommended Board action is not a denial of liability. The District’s Insurance Carrier, ACWA/JPIA has recommended this course of action for the purpose of enabling their authority to act on the District’s behalf to investigate and mitigate this claim.

**Fiscal Impact:**

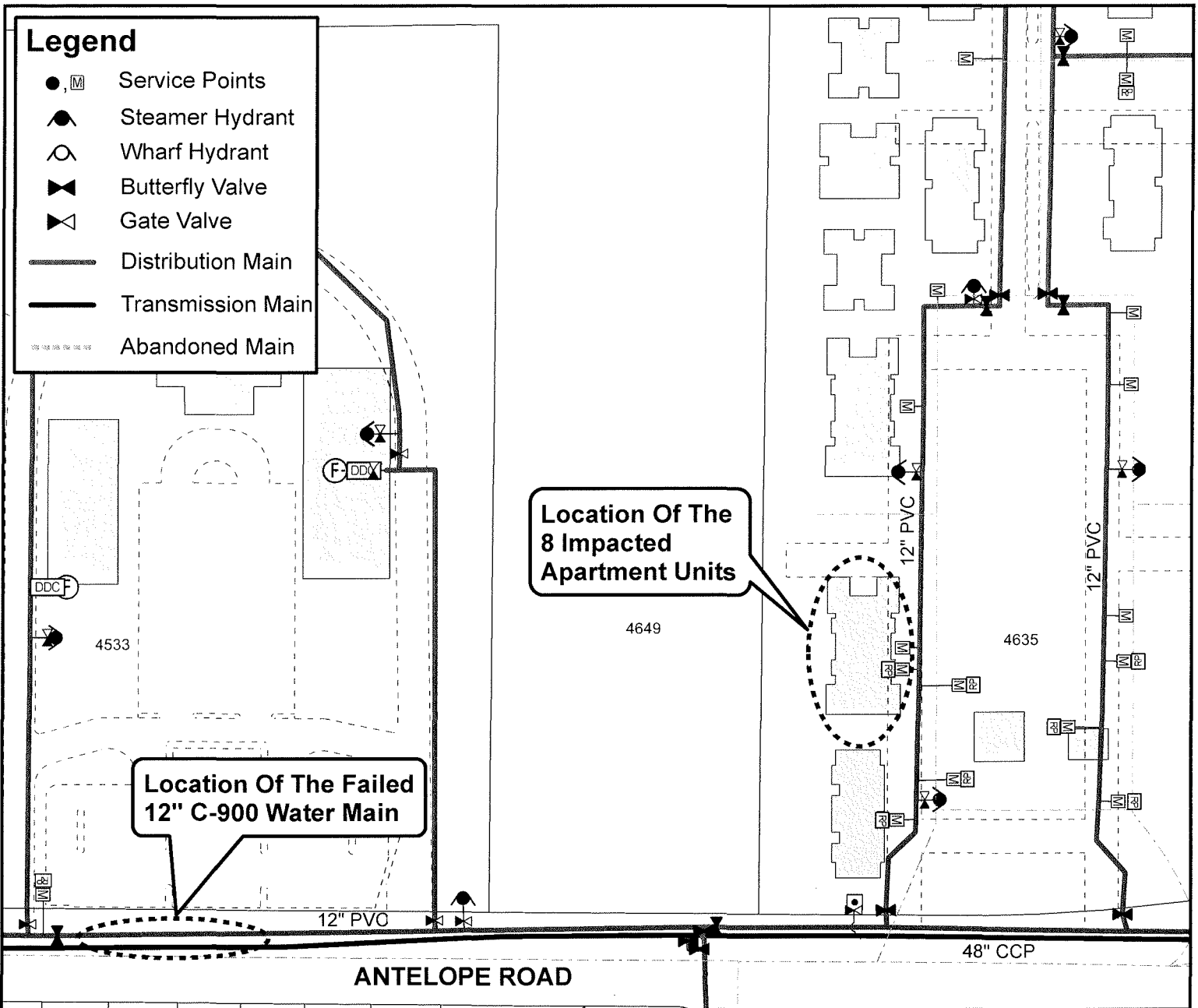
Final fiscal impact will not be known until resolution of the claim by ACWA/JPIA, the District’s insurance provider. The present claim amount is \$159, 577.49.

**Strategic Plan Alignment:**

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

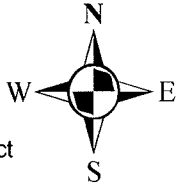
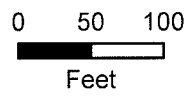
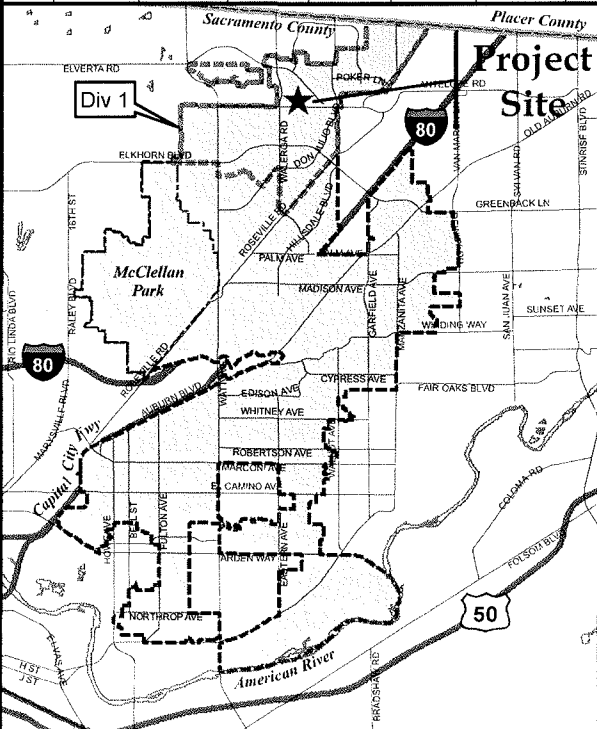
**Legend**

- M Service Points
- ⦿ Steamer Hydrant
- ⊗ Wharf Hydrant
- ⋈ Butterfly Valve
- ⊘ Gate Valve
- Distribution Main
- Transmission Main
- - - Abandoned Main



Location Of The Failed 12" C-900 Water Main

Location Of The 8 Impacted Apartment Units



Portion of Sacramento Suburban Water District

**EXHIBIT 1**

**4533 Antelope Road Water Main Leak**

(Voting Division 1)



Base Data: Sacramento County Gis Base Map  
 Projection: CA State Plane 2, NAD83  
 Scale: As Shown  
 Prepared by: DAV SSWD  
 Sacramento, CA, June, 2016  
 Antelope\_4533.mxd

Exhibit 2

4533 Antelope Road



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



Exhibit 2



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



# Claim Form

(A claim shall be presented by the claimant or by a person acting on his behalf.)

<b>NAME OF DISTRICT:</b>	
<b>1</b>	Claimant name, address (mailing address if different), phone number, social security number, e-mail address, and date of birth. <i>Effective January 1, 2010, the Medicare Secondary Payer Act (Federal Law) requires the District/Agency to report all claims involving payments for bodily injury and/or medical treatments to Medicare. As such, if you are seeking medical damages, we <b>MUST</b> have both your Social Security Number and your date of birth.</i>
	Name: Philadelphia Insurance Company a/s/o The Ezralow Company Phone Number: ( 908) 757-9778
	Address(es): P O Box 950 Bala Cynwyd PA 19004 Social Security No.:
	Date of Birth:
	E-mail: sherry.bock@phly.com
<b>2</b>	List name, address, and phone number of any witnesses.
	Name:
	Address:
	Phone Number: ( )
<b>3</b>	List the date, time, place, and other circumstances of the occurrence or transaction, which gave rise to the claim asserted.
	Date: 6/20/16 Time: Place: 4365 Antelope Rd Antelope CA 95843
	Tell What Happened (give complete information):
	Water line broke 8 units damaged
	Plesae reference our claim number 994220 on all coorespondence
	<b>NOTE: Attach any photographs you may have regarding this claim.</b>
<b>4</b>	Give a general description of the indebtedness, obligation, injury, damage, or loss incurred so far as it may be known at the time of presentation of the claim.
	\$159,577.49 in damageso far
<b>5</b>	Give the name or names of the public employee or employees causing the injury, damage, or loss, if known.
<b>6</b>	The amount claimed if it totals less than ten thousand dollars (\$10,000) as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage or loss, insofar as it may be known at the time of the presentation of the claim, together with the basis of computation of the amount claimed. If the amount claimed exceeds ten thousand dollars (\$10,000), no dollar amount shall be included in the claim. However, it shall indicate whether the claim would be a limited civil case.
	\$159,577.49
Date: 6-30-17 Time: Signature: <i>Joe Smith</i>	
<b>ANSWER ALL QUESTIONS. OMITTING INFORMATION COULD MAKE YOUR CLAIM LEGALLY INSUFFICIENT!</b>	



## Agenda Item: 3

**Date:** July 12, 2017

**Subject:** McClellan Business Park and Operations Agreement Update

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

### **Recommended Board Action:**

Receive report and direct staff as appropriate.

Note: Kent Craney, Senior Civil Engineer, County of Sacramento Department of Community Development, will be in attendance at the July 17, 2017 regular Board meeting to answer any questions on behalf of the County.

### **Background:**

On September 7, 1999, Northridge Water District (NWD) executed an Agreement (1999 Agreement) between Sacramento County (County) and NWD for the Conveyance of the McClellan Water Distribution System for ownership, operation, and maintenance of the potable water system at the former McClellan Air Force Base, now McClellan Business Park (MBP). Sacramento Suburban Water District (District) assumed responsibility for the 1999 Agreement in 2002 when the District was formed.

### **Discussion:**

The County has been in the process of transferring property to MBP. Staff from the District, MBP and County have been working together to develop a Successor Agreement between the District and MBP once the property transfer has been completed. In continuing efforts to generate a draft Successor Agreement, the following talking points have been included in the discussions:

- Termination of the 1999 Agreement.
- The County's intention to transfer McClellan Park property to MBP.
- Upon County's transfer of property, it's status as party to the 1999 Agreement may terminate and it becomes a land use/regulatory authority only.
- The District's obligation for unperformed obligations under the 1999 Agreement are quantified as a sum calculated based on remaining items unperformed in the 1999 Agreement, as listed in Exhibit C, at the District's current estimated cost.
- Develop a Term Sheet that will be provided to legal counsel from each entity to draft a Successor Agreement between the District and MBP. The Term Sheet is expected to address operating guidelines, incomplete CIP items and potential expiration date.

- Coordination of efforts to ensure the District's infrastructure and parcel maps are functionally equivalent to the MBP's infrastructure and parcel maps as that will identify the number of water services/fire services at the inception of the 1999 Agreement and current.
- The Successor Agreement will acknowledge the District is the water provider to MBP and that the relationship between the District and MBP is provider-customer subject to the District's ordinances, rules, regulations and policies, except as modified by Successor Agreement.

The County has scheduled the transfer of property item on the July 25, 2017 County Board of Supervisors agenda for consideration to approve the property transfer. If the County Board of Supervisors approves the transfer of property to MBP, there is an approximate 30 day period for closing of escrow. The County is anticipating the property transfer to be completed by August 31, 2017.

A preliminary draft Term Sheet has been developed, attached to this report as Exhibit 1. The draft Term Sheet will be forwarded to legal counsel of each entity to assist in their efforts to generate a draft Successor Agreement. Due to the current schedule for transferring of property from the County to MBP, it is anticipated that District staff will bring forth a draft Successor Agreement with MBP at the August 21, 2017 regular Board meeting.

As a reminder, in the 1999 Agreement was a Capital Improvement Plan (CIP) consisting of ten items that was identified as Exhibit C. There are currently two items from the CIP list that have yet to be completed. Those two items are listed below with percent of completion:

1. Installation of water meters and backflows on all buildings on existing services at the former Air Force Base. Status: This item is approximately 95% complete. The remaining water meters and backflows will be installed per State regulations by 2025, or when new tenant service is requested by MBP.
2. Installation of backflow prevention on all private fire sprinkler services at McClellan Air Force Base. Status: This item is approximately 30% complete. Approximate cost to complete this item is \$2.5 million. The District has chosen not to install a backflow device on a fire service that is not in use, or potentially abandoned depending on facility improvements at MBP.

In addition, the County's obligation to grant to SSWD any necessary water line easements subject to surveying by the District will be similarly assumed by MBP.

The total funding spent to date at MBP is approximately \$9.7 million. Costs associated with the ten items on the capital improvements is approximately \$6.8 million. Therefore, approximately \$2.9 million has been spent in operations and maintenance activities. The original estimate for the capital improvements was approximately \$5.1 million.

The direction provided to District staff from the Board of Directors was to ensure MBP is treated the same as any other customer/developer. Based on the ongoing meetings between the District, MBP and County, it is very evident that all three entities are in mutual agreement that requirements for new development and facility improvements must abide by the District's Rules and Regulations Governing Water Service.

The next scheduled Executive Team meeting with MBP, Sacramento County and SSWD is scheduled for July 18, 2017.

**Fiscal Impact:**

Currently, the District will continue to expend staff time towards developing guidelines and research to achieve resolution of technical issues. Some legal support is also expected.

**Strategic Plan Alignment:**

Facilities and Operations – 2.B. Monitor and improve the District's efficiencies in operating and maintaining system infrastructure.

Placing closure to this issue and develop a new agreement with MBP will assist staff in reviewing and approving improvement/new development plans in the future. This will benefit the customers by ensuring MBP abides by the District's Rules and Regulations Governing Water Service.

## **EXHIBIT 1**

### **DRAFT TERM SHEET**

McClellan Park Water System Successor Agreement, between Sacramento Suburban Water District (SSWD) and McClellan Business Park (MBP), to the Northridge Water District and Sacramento County McClellan Water Service Agreement of 1999.

SSWD is and will continue to be the water provider for MBP subject to District rules and regulations as adopted by the District's Board of Directors, except as modified below:

1. All new construction and improvements will be subject to the SSWD rules and regulations. McClellan APNs (Assessor Parcel Numbers) which have an existing building or previously had a building which was demolished (demolished building list is defined as any demolished building on the SACDOT MBP Development Impact Fee list) will be subject to Term #2.
2. All MBP Assessor Parcel Numbers (APN) which had water service as of the 1999 water system transfer date, from the United States Air Force to Sacramento County to Northridge Water District, will be eligible for water service line credit based upon the total of water services lines, as expressed in "equivalent inch diameters", to the APN. Service credits are not transferrable across parcel lines. MBP and SSWD are working together to finalize a MBP map or figure which will show –
  - a. MBP APN configuration at the 1999 date when the water system transfer occurred.
  - b. The total water system service (expressed in "inch diameters" of total water service) to each APN
3. MBP is and will continue to be included in SSWD's Distribution Main Asset Management Plan and associated Capital Improvement Plan (CIP).
4. Though SSWD previously (2001 with Andreg) developed plats and legal descriptions for their MBP facilities, SSWD has not executed all water facility easements because SSWD continues to identify more SSWD water facilities as MBP construction occurs. If MBP gains fee title to Sacramento County land, MBP will issue SSWD water facility easements in the future pursuant to SSWD regulations.
5. The 1999 McClellan Water Service Transfer Exhibit C has a list of specific McClellan water system improvements to be constructed and installed by SSWD. Many of the items on Exhibit C have been completed, but there are two items that remain to be completed, particularly backflow preventer installations, as McClellan Park redevelops. SSWD has estimated the value of the remaining items at \$2.5 M to in 2017 construction costs. MBP, the County and SSWD will work together to:
  - a. Determine a fair value for the remaining items in Exhibit C, and either:

1. Develop SSWD improvement plan that the remaining value (\$) can be expended on, or
2. Continue to complete the remaining items, or
3. "Buy out" the remaining obligation.

DRAFT



## Agenda Item: 4

**Date:** July 12, 2017

**Subject:** Parkland Estates Waterline Replacement Project Phase 2 – Service Lines

**Staff Contact:** John E. Valdes, Engineering Manager  
Dana Dean, Associate Engineer

### **Recommended Board Action:**

Authorize the General Manager to pursue any of the three options for the service line portion of the Parkland Estates Waterline Replacement Project Phase 2: 1) Negotiate a price with Rawles Engineering, Inc., the second-lowest bidder for service lines under the 2011 Master Service Agreement, and authorize the General Manager to execute a contract on behalf of the District; 2) Negotiate a price with the current main line master service contractor (Doug Veerkamp General Engineering) and authorize the General Manager to execute a contract on behalf of the District; or 3) If option 1 or 2 are not completed to the satisfaction of the General Manager, take the service line work out to public bid to a select list of contractors.

### **Background:**

The Parkland Estates Phase Main Replacement Project is a large two-phase distribution main replacement project located in the District's South Service Area (SSA) that is in an area of primarily backyard mains with unmetered services. See the attached Exhibit 1 for a location map. Phase 1 was completed in early 2017 by Doug Veerkamp General Engineering (Veerkamp) – mains, and GM Construction & Developers, Inc. (GM) – service lines. The Parkland Phase 2 project consists of about 28,000 feet of new distribution main to replace backyard mains, and about 590 new metered services to replace un-metered services.

The Parkland Phase 2 project and several previous projects were constructed under a competitively-bid Master Services Agreement (MSA) contract, dated December 11, 2011, which took effect in 2012 and had a three-year duration with options to extend up to five years in one-year-increments. The current MSA's were extended by the Board in July 2016 (Veerkamp) and October 2016 (GM) to a total of six years.

### **Discussion:**

Veerkamp began work on the Parkland Phase 2 project in April of this year after delays due to weather conditions and a change in enforcement of State regulations for water and sewer separation. GM had not yet provided a bond as required by contract and as such, a Notice of Award was not issued. On June 19, 2017, the District was informed verbally by GM that they would not be able to obtain the required Faithfull Performance Bond (bond), and on June 23,

2017, the District received written notification from GM to this effect. See the attached Exhibit 2. Exhibit 3 are the costs that had been negotiated with GM should they have been able to secure a bond.

The MSA provides for negotiation with higher bidders in the event that a Task Order cannot be negotiated with the lowest bidder. In 2013, the District exercised this option by replacing the lowest bid water main contractor (Ahlstrom Construction) with another MSA bidder (Veerkamp) due to escalating prices and not being able to reach agreement with Ahlstrom Construction. Note that Veerkamp was actually the third low bid on the water main MSA and the District approached them only after being unable to reach agreement with the second low bidder, Lund Construction.

- The adopted Board Agenda Item 4 (January 13, 2012) states:

*“... choosing the successful bidders would not be based entirely on lowest cost, but to also review the bid schedule and consider how the prices quoted might affect future task orders.”*

Further, staff recommended that:

*“... Rawles Engineering, Inc., ranked number two, be considered for possible future negotiations should the District not be able to negotiate future task orders with the number one ranked firm.”*

Rawles performed service line construction on The Highlands Phase III project in 2014 as a subcontractor to Lund Construction. This project was very similar to the Parkland Phase 2 project, although it was about half its size.

As indicated above, three possible options to select an alternate contractor are as follows:

Option 1 – Attempt to negotiate a price with the next lowest responsible service line bidder from the 2011 MSA (Rawles);

Option 2 – Attempt to negotiate a change order with the current main line contractor (Veerkamp) such that the mainline work and service line work are under the same contract; and

Option 3 – Put the work out to bid.

These three options are discussed below in the order in which they would be pursued.

Option 1 – Attempt to negotiate a price with the next lowest responsible service line bidder from the 2011 MSA (Rawles)

The 2011 MSA provides for selection of an alternate contractor when a selected contractor cannot meet contract requirements, as follows:



*“If a Task Order cannot be negotiated between the Contractor and the District, the District shall begin negotiation with the second lowest bidder and so on until a Task Order can be negotiated.”*

The “Pros” and “Cons” for this option are presented below:

Pros:

- District staff and consultants involved in The Highlands Phase III project construction report that work went very smoothly, and Rawles demonstrated an ability to keep the jobsite clean and accommodate residents and businesses affected by the work.
- Rawles has been a long-time District contractor for the Operations Department under their Water Services Agreement dating back to 2002, and prior to that with the predecessor Districts. The Operations Department has been very satisfied with the services provided.

Cons:

- Rawles would require a significant scale-up in operations for this size project.

Option 2 – Attempt to negotiate a price with the current main line contractor (Veerkamp)

As shown in Option 1, above, the MSA allows for a negotiation with higher bidders in the event that a negotiated price cannot be reached with the lowest bidder, and successively higher bidders, until a Task Order can be negotiated by staff. Veerkamp is an approved MSA contractor, however, they did not bid on the service line portion of the work.

The “Pros” and “Cons” for this option are presented below:

Pros:

- Veerkamp has been a very effective contractor for the District on main line work since 2011.
- Veerkamp is very familiar with the service line work, and coordinates very smoothly with the service line contractors and District staff, and ratepayers frequently express appreciation for their conscientious work habits – some in writing.
- They may elect to use GM as a subcontractor which would retain personnel who are very familiar with service line construction and District construction practices.
- Could preclude possible additional charges resulting from delay of start of service line work.
- A single contractor has control of the whole project and jobsite eliminating potential conflicts between companies with concurrent work in the same streets.

Cons:

- While Veerkamps work on main line contracts has been exemplary, the District has not had Veerkamp do service line work on the past so there is no personal history on their performance in this specialty.

Option 3 – Put the work out to bid

This is considered the highest risk option due to the current rather active development/construction climate that has evolved in the last few years.

The “Pros” and “Cons” for this option are presented below:

Pros:

- Avoids potential for complaint/claim by contractors that an award to another MSA contractor was inappropriate due to extensions made to the MSA.
- Costs could be lower than the GM bid – however, this is considered very unlikely given the current rather active development/construction climate that has evolved in the last few years.

Cons:

- Costs could be significantly higher than the GM cost – this is considered very likely given the current rather active development/construction climate.
- Bidding takes additional time and would further delay a project that is already behind schedule due to weather conditions and new State regulations. Although a compressed bid process could be employed, the process would likely still take two or more months. Cost impacts from further delay to the main line contractor are difficult to quantify, but could be on the order of \$100,000.
- Bidding would also necessitate modifications to the plans and specifications since they were prepared for Task Order, not open bid; as well as bid administration and bidding costs. This cost is estimated at \$40,000 to \$50,000.
- If Veerkamp is not selected as the service line contractor under Option 2, the expected resultant project delay due to the bidding process would likely create a situation wherein the mainline contractor (Veerkamp) has completed their work with the exception of paving, while the service line contractor still has months of work remaining. This has a potential to create conditions such that a choice would need to be made between: a) paying possible delay charges to Veerkamp; or b) closing Veerkamp’s contract and bid out the paving work after service line work is completed. Such a delay in paving could result in additional project expenses related to maintenance of the thin temporary pavement. Additionally, if performance of the final paving is substandard, the liability for this would be difficult to assign due to having had two contractors work on the trench line. The Task Order cost for paving on Parkland Phase 2 is about \$846,000. In addition,

the work area would be under construction for a longer time causing additional neighborhood disruptions and potential customer complaints.

Negotiating a contract for service line installation with either Rawls as the replacement for GM, or Veerkamp as the mainline MSA contractor would be less complicated, faster, and likely significantly cheaper than putting it out to bid. In particular, the potential added cost from a paving schedule delay could be significant. Additionally, the District's risk from ambiguity over contractor liability for pavement / trench line performance is impossible to estimate but could be very large.

**Fiscal Impact:**

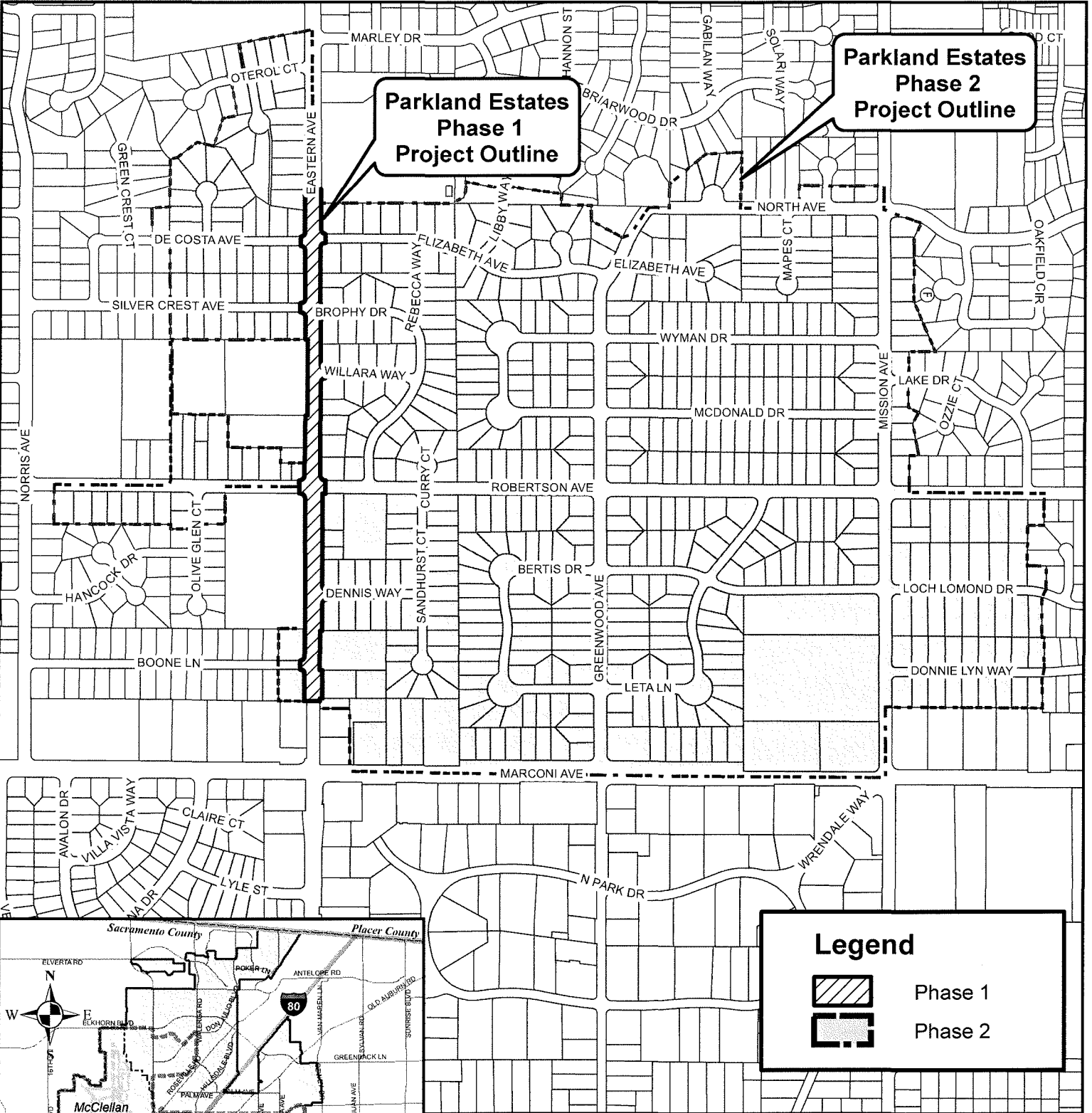
Potential fiscal impact ranges from none to low if a either Rawles or Veerkamp provides a price acceptable to the District, or potentially very high if bids vary from currently negotiated prices.

**Strategic Plan Alignment:**

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

Facilities and Operations – 2.C. Develop cost effective strategies utilizing technology and available resource to optimize delivery of water and enhance service.



This proposal is consistent with improving and implementing the cost effective and timely replacement of infrastructure to support the long term reliability of water delivery for customers.

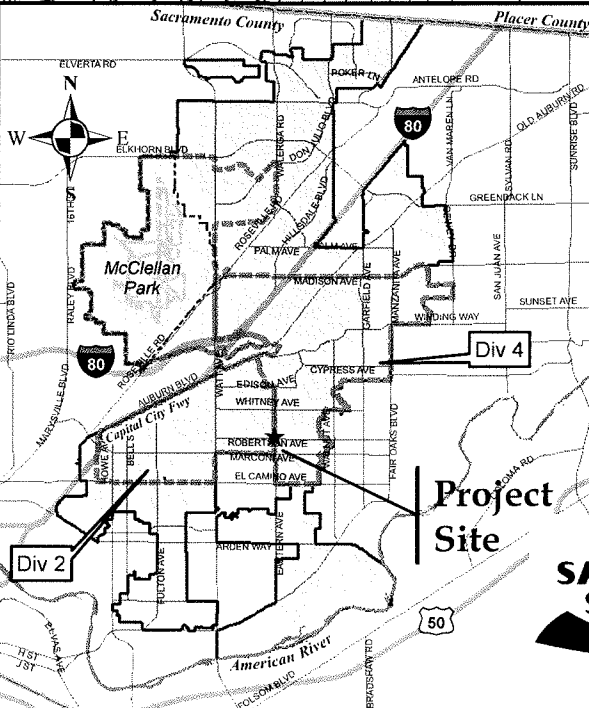


**Parkland Estates  
Phase 2  
Project Outline**

**Parkland Estates  
Phase 1  
Project Outline**

**Legend**

-  Phase 1
-  Phase 2



NO SCALE Portion of Sacramento Suburban Water District

**EXHIBIT 1**

NOT FOR RECORDING

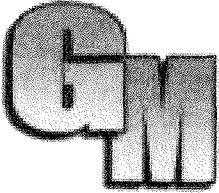
**Parkland Estates  
Phase 1 & 2  
Project Outlines**

(Voting Div. 2 & 4)



Base Data: Sacramento County  
 Gis Base Map  
 Projection: CA State Plane 2, NAD83  
 Scale: No Scale  
 Prepared by: DAV, SSWD  
 Sacramento, CA - November, 2016  
 Parkland\_Estates.mxd

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



Construction & Developers, Inc

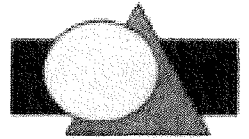


Exhibit 2

June 23, 2017

SSWD  
3701 Marconi Ave  
Sacramento, CA 95621

Atten: Rob Roscoe

Re: Task Order Parkland Estates Phase II

Sir

Much to our dismay we are unable to accept this project at this time. It has been our pleasure to have worked with your offices for the past several years on these task order projects. At this time however it is not possible for GM to secure a 2.7 million bond. We apologize for any inconvenience that this may cause the District or its representatives.

Respectfully



Kathryn Medley  
Office Manager  
Secretary Treasurer

Parkland Estates Ph II

<b>Exhibit 3</b>
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Item	Bid Sched	Qty	Unit	Unit Price	Total
1 Mob/Demob Admin (including SB854 compliance) staking,		1	\$	60,925.00	\$ 60,925.00
2 asbuilts		1	\$	92,880.00	\$ 92,880.00
3 Traffic control		1	\$	18,000.00	\$ 18,000.00
4 Swpp compliance		1	\$	6,000.00	\$ 6,000.00
5 Potholing (Minor)		620	\$	263.00	\$ 163,060.00
6 Potholing (Major)		70	\$	446.00	\$ 31,220.00
7 4" Pipe Installation (Minor)		20	\$	80.00	\$ 1,600.00
8 1" Hot tap (Minor)		19	\$	3,675.00	\$ 69,825.00
9 1" Hot tap (Major)		2	\$	4,000.00	\$ 8,000.00
10 1 1/2" Hot tap (Major)		1	\$	4,000.00	\$ 4,000.00
11 2" Hot tap & reconnect (Minor)		1	\$	4,200.00	\$ 4,200.00
12 4" Hot tap & reconnect (Minor)		1	\$	6,100.00	\$ 6,100.00
13 1" Meter reconnect (Minor)		54	\$	1,550.00	\$ 83,700.00
14 1 1/2" Meter reconnect (Minor)		1	\$	1,708.00	\$ 1,708.00
15 1 1/2" Meter reconnect (Major)		1	\$	1,940.00	\$ 1,940.00
16 2" Meter reconnect (Major)		1	\$	2,300.00	\$ 2,300.00
17 1" Copper water service installation (Minor)		489	\$	1,550.00	\$ 757,950.00
18 1 1/2" Copper water service installion (Minor)		2	\$	1,708.00	\$ 3,416.00
19 2" Copper water service installation(Minor)		1	\$	2,128.00	\$ 2,128.00
20 1" Copper water service installation (Major)		15	\$	1,755.00	\$ 26,325.00
21 2" Copper water service installation(Major)		3	\$	2,300.00	\$ 6,900.00
22 1" Backflow		1	\$	1,155.00	\$ 1,155.00
23 1 1/2" Backflow		1	\$	1,365.00	\$ 1,365.00
24 2" Backflow		1	\$	1,515.00	\$ 1,515.00
25 6" Double detector check with fdc		1	\$	6,300.00	\$ 6,300.00
26 1 1/4" Sch 40 intrack		150	\$	1,149.00	\$ 172,350.00
27 1 1/2" Sch 40 intrack		232	\$	1,470.00	\$ 341,040.00
28 2" Sch 40 intrack		125	\$	1,890.00	\$ 236,250.00
29 2 1/2" Sch 40 intrack		25	\$	3,675.00	\$ 91,875.00
30 Compound bore		30	\$	1,100.00	\$ 33,000.00
31 Service line crossover - type 2		532	\$	357.00	\$ 189,924.00
32 Install ground		1	\$	550.00	\$ 550.00
33 Full circle band		18	\$	2,400.00	\$ 43,200.00
34 Minor concrete repair		300	\$	12.50	\$ 3,750.00
35 Meter sheet completion		591	\$	25.00	\$ 14,775.00
36 Service location sheet completion		591	\$	10.00	\$ 5,910.00
37 Field data collection		1	\$	23,219.00	\$ 23,219.00
<b>Total base bid</b>					<b>\$ 2,518,355.00</b>
Optional Bid Items					
38 3 Man crew utility work day		10	\$	320.00	\$ 3,200.00
39 3 man crew utility work night		10	\$	420.00	\$ 4,200.00
40 Locate & expose existing services		10	\$	115.00	\$ 1,150.00
<b>Total optional bid</b>					<b>\$ 8,550.00</b>
<b><u>Project total bid (total base &amp; optional)</u></b>					<b><u>\$ 2,526,905.00</u></b>



## Agenda Item: 5

**Date:** July 12, 2017

**Subject:** Extension of Master Service Agreement for Main Replacements

**Staff Contact:** John E. Valdes, Engineering Manager  
Dana Dean, Associate Engineer

### **Recommended Board Action:**

Consider a three to five year extension to the Master Service Agreement contract with Doug Veerkamp General Engineering, Inc. (Veerkamp) for installation of water mains as part of the Water Main Replacement Program. Authorize the General Manager to execute any subsequent task orders on behalf of the District.

### **Background:**

Historically, from 2003 to 2005, the District had difficulty implementing a cost effective and customer friendly waterline replacement program. During 2006 the District opted to use a long term Master Services Agreement (MSA) as the preferred contracting mechanism. The District has now successfully completed 11 years of MSA contracts for the construction and installation of water mains and services for our Mainline Replacement Program. This process was selected in order to achieve predictability and stability for a core function of the District in order to lower total project costs for District rate payers.

The District was provided competitive bids and the contractor was assured of controlled increases to labor and materials provided under terms of this contract based upon a published index. Additionally, the District is able to ensure competitiveness by ready comparisons to other work being performed in similar services. Using the MSA contract and the team at Veerkamp the District has successfully averaged over 7 miles of mainline replacement annually. Moreover, the customer response and evaluation of this disruptive work in their neighborhoods has been overwhelmingly favorable.

In the fall of 2016, Veerkamp requested, and the Board approved, a one-year extension to the MSA to cover main replacement work in 2017. However, the Board also directed staff to prepare plans and specifications as necessary to competitively bid the next three to five year MSA for main replacement and service line replacement in the fall of 2017.

### **Discussion:**

Representatives from Veerkamp contacted District staff requesting to be placed on the agenda for the July 17, 2017 regular Board meeting to make a presentation to the full Board. The

purpose of the presentation is to request that the Board consider another contract extension of three to five years. Veerkamp is confident that the information to be provided to the Board has substantially more justification than what was presented in 2016 for the current extension. See the attached Exhibit 1 for a copy of Veerkamp's Power Point presentation.

A spreadsheet for key components of the mainline work is provided (Exhibit 2). As the costs are based upon unit costs, comparisons to other recent competitively bid contracts for similar work reflect favorably upon the unit costs provided for in the MSA. Additionally, mark-up of items are shown to the District in change orders. Mark-up of equipment is 15%, of subcontractors 5%, of materials 10%, and on surety bonds 1%. In addition to considering unit costs and reviewing authorized mark-up, the District is also able to consider larger indices such as cost/mile or cost/service installed. In both of these measures, the MSA with Veerkamp performs favorably.

There are three potential direct cost impacts with this action. First, as presented last month, California Underground Service Alert (USA) law requires that a contractor expose potential conflicts before beginning construction (i.e., they cannot rely on potholing performed by another contractor). Veerkamp has performed potholing services for a portion of the next main replacement project (Edison Meadows) for design purposes at a cost of about \$41,000. This particular work was performed prior to the Division Drinking Water's new waiver requirements. If Veerkamp is not selected as the mainline contractor for that project, that potholing work will need to be performed by the selected contractor. Second, due to the project schedule impacts from the Division of Drinking Water's new waiver requirements and withdrawal of the selected service line contractor (GM Construction), significant delays (on the order of 2 to 3 months possibly) in the end-phase of the project could impact Veerkamp. The associated cost of this scenario has not been evaluated. And third, the bidding climate has changed considerably from 2011/2012 and if the District rebids the MSA(s) this fall, it's likely that the bids will be significantly higher on both a unit cost and total cost basis and there may be fewer bidders than before.

More broadly, it will enable the District to award work for mainline replacements during calendar year 2018 and beyond, which will defer the costs to prepare bid documents to select a vendor for 2018 main replacement projects. The amount of work issued under provisions of this contract will be determined once the Board of Directors approves the 2018 Budget and specifically the elements of the Capital Improvement Program.

**Fiscal Impact:**

Actual fiscal impacts are unknown at this time, but potential impacts are described above and include: 1) Additional potholing costs; 2) schedule and delay related costs; and 3) unknown cost impacts that would result from competitive bidding in the current bidding climate.

**Strategic Plan Alignment:**

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



Extension of Master Service Agreement for Main Replacements

July 12, 2017

Page 3 of 3

Facilities and Operations – 2.C. Develop cost effective strategies utilizing technology and available resource to optimize delivery of water and enhance service.

This proposal is consistent with improving and implementing the cost effective and timely replacement of infrastructure to support the long term reliability of water delivery for customers.

District customers also benefit by continuing to deploy the successful team for project delivery which has been noteworthy in achieving water main replacements in neighborhoods with minimal disruption to customers while avoiding added costs to develop and administer the bidding process.



*Master Service Contract Extension*



*Looking to continue our partnership for years to come.*

# Master Service Contract Extension

- Why Doug Veerkamp General Engineering, Inc.?
  - Successful Sacramento Suburban Water District Projects
  - SSWD Pricing vs. The Market
  - Potential Savings to Ratepayers
  - Relationships

# Completed SSWD Projects

- Installed over 157,279 ft. of pipe since 2009, our first project with SSWD.
- Successfully completed 32 projects for a total of over \$24 million.
- Our SSWD project team has remained consistent for over 4 years with the same foreman since 2009.
- Our SSWD pipe installation crew has worked together for over 16 years and has completed all of our SSWD contracts.

# Competitive Pricing

- Consistently competitive bidding SSWD public projects.
- Only price increases for Prevailing Wage labor increases and material increases.
- SSWD Per Foot Price beats other comparable projects!!!

# Comparative Project Pricing Prepared by EID Engineer

## Bid Comparison

<u>Name</u>	<u>LF</u>	<u>Price/Foot</u>
• Polaris And Gilmore Waterline (EID)	10,257	\$290
• <u>Pardi</u> Waterline Replacement (City of Placerville)	3,980	\$650
• Whitney Waterline Replacement (Placer County Water Agency)	4,050	\$370
• Drayton Waterline Replacement (Sacramento Suburban Water District)	25,710	\$265

# Pardi Waterline

- Engineers Estimate - \$2,000,000
- DVGE Total Bid - \$2,611,745
- Second Place - \$3,740,000
- Difference to Low Bidder 50%

# Public Bid Market

- Only two bidders on Pardi Waterline.
- Surplus of work available = less competition.
- Recent Domenichelli Bid Opening – No Bidders.



# Potential Savings

- Engineering
  - Avoid costs associated with bid process.
  - Reduced design costs.
  - Reduced timeframe between projects.

# Potential Savings

- Potholing
  - Potholing needs to be completed prior to design and by awarded contractor.
  - District will pay for potholing twice.
  - Approx. \$250,000 savings.

# Potential Savings

- Potential Change Orders – DDW Delays
  - Parklands Phase II
    - Phasing of project due to DDW conflicts.
    - Right of way delay and loss of production.
    - Approx. \$85,000 savings.

# Potential Savings

- Potential Change Orders – Service Line Contract Delays
  - Parklands Phase II
    - Delay caused by service contract.
    - Phasing tie-ins and abandonments.
    - Loss of production and additional mobilizations.
    - Approx. \$30,000 savings.

# Relationships

- Inspectors
  - SSWD and Sac County
  - Less inspection time equals less cost to the district.
  - Reduced from 3 days to 2 days per week for compaction testing.
- Project Managers and Engineers
  - Maintain positive working relationship with SSWD staff.
  - Work together to field design as issues arise.
- Public Interactions

## Director Division 4

June 16, 2017  
4409 Elizabeth Avenue  
Sacramento, CA 95821

Mr. Robert Roscoe, P.E.  
General Manager  
Sacramento Suburban Water District  
3701 Marconi Avenue, Suite 100  
Sacramento, CA 95821-5346

Dear Mr. Roscoe:

Please accept this letter as my commendation of you and your team for the selection of a contractor to work on the water mains in our neighborhood. Every single person I have dealt with on the project, either because I was curious, because I needed a timing update, or because I needed to get my car in or out, has been extremely pleasant, courteous, and helpful.

Universally, in fact, I have felt that **company representatives have gone out of their way** to make at least this resident as happy as possible in a somewhat difficult situation. When I have thanked them for their courtesy, they have replied that it's my home – certainly true, but rarely regarded or even considered in most construction projects.

I have also been particularly impressed by the advance notice and in-person communication provided by your organization and the firm. Everyone has been responsive, but I have had the most communication with **Richard Ingraham, Scott Ahlstrom, and Ben the foreman, all of whom have been excellent.** I've made a couple of requests, and so far they have been honored to the extent possible. Thus an experience I have been dreading, as I often work at home but come and go frequently, has turned out not to be that much of a problem.

Finally, I just noticed a "broom" truck going by and would like to add that I watched the men work for a spell yesterday afternoon and was really impressed by their attention to detail. It seemed apparent that they wanted to leave a first-rate finished product and a clean worksite.

If you would be so kind as to pass this letter along to the individuals involved in contracting with this company as well as to the appropriate **company representatives,** I would be most appreciative. **Such a positive experience with**

**this type of project is in my experience unique** and certainly deserving of recognition.

Sincerely,

Jennifer D. Franz, Ph.D.

## Director Division 4

Sacramento Suburban Water District  
3701 Marconi Ave. Suite 100  
Sacramento, CA 95821  
Attn. Bob Roscoe, Manager  
May 10, 2017

Dear Mr. Roscoe

My wife and I own a home on Mission Avenue within the SSWD area. We recently had an experience with your contractor who is upgrading the water system in our area. I am writing to express to you how impressed we were with your contractor Doug Veerkamp and his Superintendent Ben Borba.

I worked as a superintendent years ago for a large construction company and I know how difficult it is to get a job done while at the same time keeping homeowners in the surrounding neighborhoods happy. When I spoke to Mr. Borba and asked him to explain some details of what his work involved, and my concerns over a few issues, he was very kind and patient to provide a full explanation. He was careful and detailed to make sure our concerns were addressed to our satisfaction.

Thank you for the work your agency is doing in the area to improve the water system. The new fire hydrant we now have nearer our home provides a higher level of protection for the homes on our street. Also thank you for using a contractor that is sensitive to the concerns of ourselves and our neighbors on our busy street.

Sincerely

Don and Janice Burton

C.C. Dan York assistant manager, Kevin Thomas board member



Greetings,

I have been observing your daily operation north of Arden and West of Eastern Avenue. I no longer work so I get to watch. What a privilege!

Background on me. I am retired from the Air Force with responsibilities for men, machinery, and material including support to aircraft and missiles. Accustomed to heavy equipment and precision performance I have been thrilled to see the technical precision and polite speed of your team. The dance of the trencher, the truckers removing the dirt, the crews laying the pipe, the immediate replacement of the dirt and other materials to refill the trench and the efficient roller and laying the asphalt was as eye watering as the military guards at the Tomb of the Unknown Soldiers.

I should say that I live at an intersection so this was all going on in four directions AND there was no inconvenience to the homeowners.

Hats off to Jon Teie, working supervisor/foreman, who has been informative and totally reassuring that there would be no inconvenience. What a delight.

I have tried to let the workers know with a smile or friendly wave how much I respect their professionalism. Please pass this along to everyone, the heavy equipment operators to the men who dig with shovels and put out and collect the road signs.

Doris Walters  
1817 Rolling Hills Rd  
Sacramento, CA 95864

Director Division 5

Sent from my iPad



## Director Division 5

Karl A. Whittington  
2300 Meadowbrook Road  
Sacramento, CA 95825

August 9, 2016

Dave Jones, Associate Engineer and Project Manager  
Sacramento Suburban Water District  
3701 Marconi Avenue, Suite 100  
Sacramento, CA 95821-5346

Re: Drayton Heights Water Main Replacement Project

Dear Mr. Jones,

The purpose of this letter is to commend and thank you and your contractors for the very smooth and efficient accomplishment of the Drayton Heights Water Main Replacement Project here in Cottage Park (Park Hills Estate). In particular, I would like to applaud the superb job performance by the supervisors and crew of the Doug Veerkamp General Engineering Company for their part in the installation of the new water mains and fire hydrants.

When we received your letter dated February 1, 2016, first announcing the project, my neighbors and I all dreaded the summer ahead, thinking that it would be nothing but a total nightmare of delays and interruptions and loss of accessibility to our properties. As it turned out, our worries were totally unfounded. The precision operation and coordination of heavy equipment by the entire Veerkamp crew and their supervisors was not only very professional, but downright amazing. At no time did any of us in the neighborhood experience any disruptions or problems stemming from the project. The kept us fully informed of their anticipated progress and timetables and were always available to answer our questions and concerns. They began and finished each portion on time every day and never left the work site until all open trenches had been filled in and re-paved. The crews made sure that we all had access to our driveways and properties at all times.

Lastly, I would also like to thank both Scott Ahlstrom and Ben Borba who were both terrific answering my questions every time I pestered them.

Sincerely,



Karl A. Whittington

cc: Doug Veerkamp General Engineering  
Robert S. Roscoe, General Mgr. SSWD

Dave Jones  
Project Manager  
Sacramento Suburban Water District  
3701 Marconi Avenue, Suite 100  
Sacramento, California 95821-5346

Director Division 5

Re: Arden Oaks Main Replacement Project

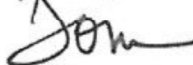
Dear Dave:

I am writing on behalf of the Arden Oaks Neighborhood Association ("AONA") and to express our sincere appreciation for all of your hard work and all of the others at Sacramento Suburban Water District ("Sac Suburban") on the recently completed Arden Oaks Main Replacement Project. These types of projects inherently cause significant disruption to a neighborhood, like Arden Oaks, but we found that based on all of the planning and outreach done by Sac Suburban prior to initiating the project and the continuing outreach during the construction process resulted in significantly less disruption than we anticipated. We know that such an outcome does not come about by accident and, for that, we thank you.

You and the others at Sac Suburban have been a pleasure to work with and have continually had a "can do" attitude when it came to addressing the inevitable issues that arose during the project. We have also heard from a number of neighbors who similarly expressed to us their positive experiences working with both the contractor and the staff from Sac Suburban. The disruption to the neighborhood was kept to a minimum, the streets were as well maintained as could be expected during the process and the overall positive attitude of those working on the project all combined to make this a very successful project in our opinion.

Thanks again for keeping the lines of communication open and honest and for working with me and the Arden Oaks Neighborhood Association on this project.

Many thanks,



Thomas Harvey, President  
Arden Oaks Neighborhood Association  
Board of Directors

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

**From:** Steve Hoover [mailto:shoover119@msn.com]

**Sent:** Thursday, March 26, 2015 02:36 PM

**To:** [info@dougveerkamp.com](mailto:info@dougveerkamp.com)

**Subject:** Fabulous Crew

Director Division 5

Dear Service Representative,

My wife and I live in the Santa Anita portion of the Sacramento Suburban Water District, and are currently having our water mains replaced, relocated, and having water meters installed.

This project is amazingly fabulous; each crew member from supervisors to various operators are the epitome of courtesy, diligence, gracious kindness, and all possess enormous patience.

We are grateful that your company is handling this project. Not only do we not have any complaint whatever we feel that your company and crews should be somehow acknowledged for exemplary work ethic, fastidious work practices, infinite courtesy and patience, and enormous integrity. Somehow you have managed to employ only those who not only are skilled, but are remarkable people as well.

With great respect indeed,  
Stephen R. Hoover  
2380 Lloyd Lane  
Sacramento, Ca 95825  
916-265-3350

p.s. If you ever need a customer review for any reason, please do not hesitate to contact us!!

Sacramento Suburban Water Co.

Director Division 5

Dear Mr. York,

My name is Gordon C. Gervin. I live, with my wife, Jean, at 2321 Cortez Lane, where we have resided for 56 years. Our neighborhood is in the process of receiving water meters and a new water service and there is more activity here than I can ever remember. I would like to congratulate and thank you for selecting the people you have performing this work. They are the most skilled, pleasant and accommodating people I have met in a very long time. They bend over backwards to keep from inconveniencing us any more than what is absolutely necessary and they are friendly and cordial at all times.

It is amazing to watch the skill of the equipment operators. They maneuver those huge pieces of equipment so delicately that I believe they could pick my pocket with one of those shovels without me knowing it. We are also amazed at how nicely they clean up every single afternoon.

Richard Ingraham, Ben Borba, the Foreman, and Scott Ahlstrom, the Inspector, have been particularly gracious to us. I wish I knew the names of all of the workmen because I would like to thank each one of them.

Sincerely

**Gordon and Jean Gervin**



## Director Division 5

### Mark Rawlings

**From:** Veerkamp <ben.borba@dougveerkamp.com>  
**Sent:** Thursday, December 17, 2015 12:17 PM  
**To:** M Rawlings  
**Subject:** Fwd: Kudos to Contractor Scott Alstrom and Douglas Veerkamp Supervisor Ben Borba

Sent from my iPhone

Begin forwarded message:

**From:** "Sandra Moorehead" <sm.miniaci@gmail.com>  
**Date:** December 16, 2015 at 3:12:36 PM PST  
**To:** <feedback@sswd.org>  
**Cc:** "Sandra Moorehead" <sm.miniaci@gmail.com>, <info@dougveerkamp.com>, <ben.borba@dougveerkamp.com>  
**Subject:** Kudos to Contractor Scott Alstrom and Douglas Veerkamp Supervisor Ben Borba

December 16, 2015

Sacramento Suburban Water District  
3701 Marconi Ave., Ste. 100  
Sacramento, Ca 95821

[feedback@sswd.org](mailto:feedback@sswd.org)  
Attn: Dave Jones

Dear Mr. Jones:

I would like to take a moment to comment positively on the water main project that has been going on in our neighborhood for the past several months. During this period of time, SSWD contractors and Douglas Veerkamp Engineering have been an active presence. What could have been an exasperating experience has actually turned out to be a positive reflection on project leadership and concern for the community. The Veerkamp employees not only maintained a high work ethic but they also demonstrated how well people can work together when approached with the right attitude. At all times, the employees were polite, addressing needs and concerns regarding the project and accommodating citizens when it came to ensuring ingress and egress to individual properties. I have personally experienced their going "the extra mile" during the completion of this project. For example, when I expressed concern that I didn't want to damage my water meter by personally removing a precariously close plant, SSWD contractor Scott Alstrom and Douglas Veerkamp Supervisor Ben Borba assessed the situation and saw that it was done.

Unfortunately, people usually only take the time to write when they have had a negative experience. I want you to know that I appreciate your vetting contractors and employees who are accessible and concerned about community needs. I would also appreciate your providing a

copy of my letter to both Mr. Alstrom and Mr. Borba so that their employees know the value of their attitude and efforts.

Sincerely ,

Sandra Moorehead  
706 Cortlandt Drive  
Sacramento, CA 95864

# Why extend the Master Service Contract?

- Current Pricing is cheaper than Hard Bid Market
- Proven track record
- Potential Savings to Ratepayers upwards of \$365,000
- Proven relationships

# Request for Consideration

- Extension of the Master Service Agreement.
- 3 year extension with an option for 2 additional years.
- Expressing our interest in pursuing mainline and service contracts as part of the proposed extension.

Exhibit 2

2016 DRAYTON HEIGHTS WATERLINE REPLACEMENT PROJECT PHASE 2 - COMPARISON

Project Names:				Drayton (Task Order 4-2015)				Eastern - Rand (Bid)		Barcelona (Task Order 3-2015)				Fair Oaks Estates (Task Order 2-2015)				Santa Anita Phase 2 (Task Order 3-2015)				Arden Oaks Phase 1 (Bid)		El Camino/Fulton R.O.W. (Bid)	
NO.	ITEM	ESTIMATED QUANTITY	UNIT	Veerkamp UNIT PRICE	R&B UNIT PRICE	TOTAL UNIT PRICE	TOTAL	UNIT PRICE	Lund	Veerkamp UNIT PRICE	R&B UNIT PRICE	TOTAL UNIT PRICE	TOTAL	Veerkamp UNIT PRICE	R&B UNIT PRICE	TOTAL UNIT PRICE	TOTAL	UNIT PRICE	HD UNIT PRICE	TOTAL UNIT PRICE	Veerkamp	UNIT PRICE	Lund	UNIT PRICE	M.A. Long
1	6-Inch Pipe Installation (Minor Roads)	466	LF	\$69	\$1.65	\$71	\$32,923	\$70	\$32,620	\$65	\$1.65	\$67	\$31,059	\$66	\$1.65	\$68	\$31,525	\$65	\$1.57	\$67	\$31,022			\$89	\$41,474
2	8-Inch Pipe Installation (Minor Roads)	14,409	LF	\$70	\$1.65	\$72	\$1,032,405	\$87	\$1,253,583	\$65	\$1.65	\$67	\$960,360	\$69	\$1.65	\$70.65	\$1,017,996	\$65	\$1.57	\$67	\$959,207	\$85	\$1,224,765	\$99	\$1,426,491
3	12-Inch Pipe Installation (Minor Roads)	6,225	LF	\$79	\$1.65	\$81	\$502,046			\$74	\$1.65	\$76	\$470,921	\$76	\$1.65	\$77.65	\$483,371	\$74	\$1.57	\$76	\$470,423	\$94	\$585,150	\$134	\$834,150
4	8-Inch Pipe Installation (Major Roads)	402	LF	\$82	\$1.65	\$84	\$33,627	\$80	\$32,160					\$79.50	\$0.65	\$80.15	\$32,220	\$78	\$1.57	\$80	\$31,987.14			\$120	\$48,240
5	12-Inch Pipe Installation (Major Roads)	4,028	LF	\$87	\$1.65	\$89	\$357,082	\$84	\$338,352	\$84	\$1.65	\$86	\$344,998	\$85	\$1.65	\$86.65	\$349,026	\$83	\$1.57	\$85	\$340,648	\$158	\$636,424	\$140	\$563,920
6	Deepend Trenches	8,680	LF	\$12.50	\$0	\$12.50	\$108,500	\$35	\$303,800	\$12	\$0	\$12	\$104,160	\$12.50	\$0	\$12.50	\$108,500	\$12	\$0	\$12	\$104,160	\$10	\$86,800	\$30	\$260,400
7	6-Inch R5 Gate Valve	7	EA	\$600	\$388.75	\$989	\$6,921			\$600	\$388.75	\$989	\$6,921	\$600	\$388.65	\$989	\$6,921	\$650	\$397	\$1,047	\$7,329			\$1,600	\$11,200
8	8-Inch R5 Gate Valve	50	EA	\$620	\$601	\$1,221	\$61,050	\$1,500	\$75,000	\$600	\$601	\$1,201	\$60,050	\$600	\$601	\$1,201	\$60,050	\$700	\$617	\$1,317	\$65,850	\$1,700	\$85,000	\$1,800	\$90,000
9	12-Inch Butterfly Valve	29	EA	\$650	\$990	\$1,640	\$47,560	\$1,895	\$54,955	\$650	\$990	\$1,640	\$47,560	\$650	\$990	\$1,640	\$47,560	\$850	\$955	\$1,805	\$52,345	\$2,300	\$66,700	\$2,400	\$69,600
10	New/Replace Fire Hydrant Assembly	62	EA	\$3,400	\$2,000	\$5,400	\$334,800	\$7,995	\$495,690	\$3,100	\$2,000	\$5,100	\$316,200	\$3,100	\$2,000	\$5,100	\$316,200	\$3,600	\$1,848	\$5,448	\$337,776	\$6,500	\$403,000	\$8,995	\$557,690
11	8-Inch Tie-In (Minor Roads)	10	EA	\$5,340	\$0	\$5,340	\$53,400			\$5,300	\$0	\$5,300	\$53,000	\$5,840	\$0	\$5,840	\$58,400	\$6,100	\$0	\$6,100	\$61,000	\$3,500	\$35,000	\$3,500	\$35,000
12	8-Inch Tie-In (Major Roads)	2	EA	\$10,340	\$0	\$10,340	\$20,680	\$4,995	\$9,990	\$8,200	\$0	\$8,200	\$16,400	\$7,920	\$0	\$7,920	\$15,840	\$7,900	\$0	\$7,900	\$15,800	\$11,000	\$22,000	\$9,500	\$19,000





## Agenda Item: 6

**Date:** July 6, 2017

**Subject:** A Day in the Life of the Environmental Compliance Department

**Staff Contact:** David Armand, Environmental Compliance Supervisor

Environmental Compliance, a division of the Production Department, is primarily responsible for all the regulatory reporting required by numerous local, state and federal agencies, administration of the Cross Connection Control Program, responding to customer inquiries regarding water quality and providing guidance documents and training on new regulations for District staff.

On a daily basis, the Environmental Compliance team members create Work Orders for the collection of required water quality samples, process documentation and receive laboratory results for approximately 2,000 water quality samples collected each year, and ensure the nearly 4,600 backflow prevention assemblies installed in the District are tested. In addition, they provide water quality and production data to other District departments as needed, and conduct special assignments and projects when required.

To provide a small insight into the every day life of the Environmental Compliance Team, a PowerPoint presentation showing some of the tasks and duties assigned to them will be presented at the board meeting. A copy of the PowerPoint is attached.

# Who We Are & What We Do – Environmental Compliance



# Environmental Compliance

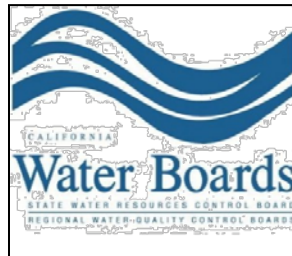
- 2,000 water quality samples collected, analyzed, and reported annually
- Draft/update/revise Hazardous Materials Business Plans
- Annual Usage Reporting for Internal Combustion Engines
- Develop Three-year Water Quality Monitoring Plan
- Provide a Monthly Report to DDW on the Quality of the Water Produced
- Generate an Annual Consumer Confidence Report
- Discharge Compliance and Reporting for National Pollutant Discharge Elimination System
- Manage 4,600 Backflow Prevention Assemblies
- Triennial Lead and Copper Monitoring
- Triennial Public Health Goal Report
- Customer water quality calls and emails



# Environmental Compliance

The District's Environmental Compliance Program provides assistance with activities such as regulatory reporting, providing training and drafting guidance for District staff. Daily operational activities are impacted by regulatory requirements from several different agencies including the:

- State Water Resources Control Board, Division of Drinking Water (DDW)
- U.S. Environmental Protection Agency (USEPA)
- Central Valley Regional Water Quality Control Board (CVRWQCB)
- California Department of Toxic Substance Control (DTSC)
- Sacramento County Environmental Management Department (SCEMD)
- Sacramento Metropolitan Air Quality Management District (SMAQMD)
- Sacramento Regional County Sanitation District (SRCSD)
- California Air Resources Board (CARB)
- Federal Communications Commission (FCC)





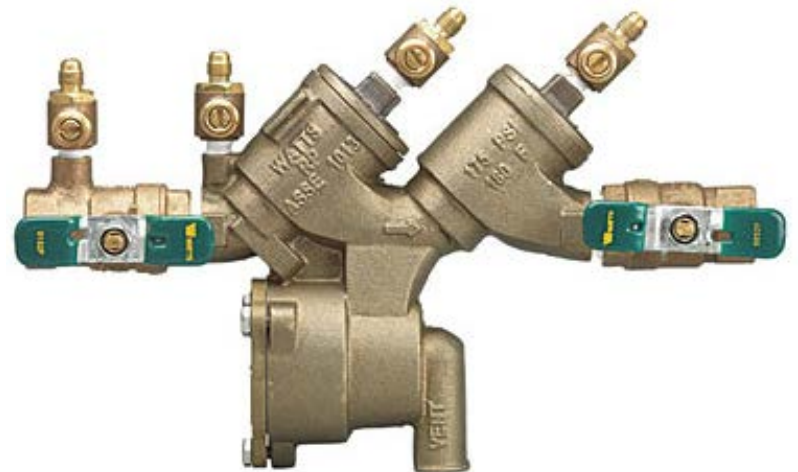
# Environmental Compliance

## Water Quality Monitoring Schedule

- <P:\Production\--WATER QUALITY\Monitoring Schedule\2016 - 2020\2016-2020 WQ Monitoring Plan MASTER.xlsx>

# Environmental Compliance

- Cross-Connection Control
  - Customer/tester correspondence and assistance
  - Test report management
  - Hazard assessments and surveys
  - Pre and post installation inspections
  - Backflow prevention assembly testing
    - 45 District owned devices
  - Field verifications
  - Delivery of notifications for non-compliance
  - Termination/restoration of water service



# Special Projects

- New NPDES permit regulatory approach and report development
- Backflow system conversion and portal development
- Contamination investigations
- Lead monitoring in schools
- Regulatory crisis management
- Engineering project assistance
- Blending studies
- Special data requests
- Special regulatory reports





# What's Next - Going forward

- Unregulated Contaminant Monitoring Rule 4 monitoring and reporting
- Laboratory contract
- Backflow portal launch and tester training
- Lead sampling in San Juan Unified School District schools
- Revised Total Coliform Rule



# Questions





## Agenda Item: 7

**Date:** July 3, 2017

**Subject:** Water Service Charges and Rate Setting Policy (PL - Fin 009)

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

**Recommended Board Action:**

Approve the Water Service Charges and Rate Setting Policy (PL – Fin 009) per Board direction.

**Discussion:**

This Policy was distributed to the Board at the dias at the June 2017, 2017 regular Board meeting. Per Board direction, comments would be provided by Directors to staff on or before the July 2017 regular Board meeting. As the Water Service Charges and Rate Setting Policy was last reviewed in September 2016, staff has no recommended edits to the Policy.

As of the date of this report, comments have been received from one Director. Such comments have been incorporated into the attached Policy.

**Fiscal Impact:**

The Policy does not directly increase or decrease the District's net position.

**Strategic Plan Alignment:**

Finance - 4.A. Monitor District operations through internal control procedures, documentation and such other processes necessary to ensure effective financial performance.

This will benefit District customers by providing the Board with direction and a basis for setting customer charges and rates.

## Sacramento Suburban Water District

**Water Service Charges and Rate Setting Policy**

Adopted: September 15, 2014; September 19, 2016

Revised: July XX, 2017**100.00 Purpose of the Policy**

It is important for the District to have cost-based rates that are fair, equitable, and defensible. The basis for establishing water rates that are fair, equitable, and defensible has traditionally been cost of service principles and methodologies.<sup>1</sup> At the same time, the courts have historically recognized that municipal entities can take into account policy items other than strictly cost of service when establishing rates (e.g., conservation, efficient use, ability to pay, accrual of prudent reserves, etc.). The people of California, however, have established certain legal constraints on setting water rates pursuant to Proposition 218. Therefore, this policy has been developed to provide guidance and consistency in District financial planning and the rate setting decision-making process for the Board and staff. Also, this policy provides a foundation for the long-term financial sustainability of the District, while providing the outside financial community with a better understanding of the District's commitment to managing the District in a financially prudent and sustainable manner.

**200.00 Policy**

The District's water service charges and rates will be ~~reviewed~~assessed biennially by staff, to confirm sufficient funding, and to assess needed adjustments to reflect inflation, construction needs, maintain bond covenants, and/or to avoid immediate or major rate adjustments. This does not imply that rates ~~must~~will be adjusted biennially, simply that the rates are reviewed and a determination is made of their adequacy in funding the District.

The District will establish water rates and charges using "generally accepted" rate setting and costing methodologies, including establishing appropriate cost bases for any existing or future water rate structure imposed or proposed to be imposed on District ratepayers, and in compliance with all appropriate laws (i.e., Proposition 218). The District will be viewed on a "stand-alone" basis to help assure self-sufficiency and sustainability. The analyses associated with "generally accepted" rate-setting techniques include the following analyses:

- A. Revenue Requirement Analysis – Establishes the overall level of financial needs of the District. In developing the revenue requirements for the District, the District will consider the following:

<sup>1</sup> Generally-accepted cost of service principles and methodologies are best defined and discussed within the American Water Works Association M-1 Manual, Principles of Water Rates, Fees and Charges.

1. Revenue requirements, including anticipated external funding, will be established on a “cash basis” approach that will include all District programs, operation & maintenance expenses, any applicable taxes/transfer payments, debt service (P&I), and capital improvements funded from rates.
2. Revenues and costs will be annually projected for a five year period (the proposed budget year plus four additional projected years).
3. Projections of Operations & Maintenance (O&M) costs should include any estimated incremental O&M costs associated with increased service levels (or future capital improvements.)
4. ~~The District staff will review the~~continue to develop a five year capital improvement plan and update it regularly by way of its Asset Management Plans and Water System Master Plan.
5. On an annual basis, the District will fund, through its rates and other available revenues, an amount to adequately maintain the existing infrastructure of the District. To achieve this goal, the District will fund selected capital projects ~~pursuant to~~based on the District’s Capital Asset Replacement Management Plans and the Water System Master Plan. ~~At a minimum, capital projects will be funded based on a running historical 5-year average of capital expenditures, excluding unusually large one-time capital projects.~~
6. The system’s capital improvement program will consider ~~necessary capital improvements,~~ growth related capital improvements, and replacement capital improvements.
7. The level of any proposed rate adjustment(s) will reflect all of the above costs (direct, indirect and costs of administration), such that rates will be cost-based and provide for full cost recovery of providing water services to customers and to other local water retailers.

B. Cost of Service Analysis – Determines the equitable allocation of costs (revenue requirements) between the various customer groups.

1. When possible, a cost of service study will be utilized to equitably allocate the District costs to the customer classifications of service.
2. The cost allocation methodology will utilize techniques that are “generally accepted” by the industry (e.g. American Water Works Association) including conservation-based methodologies. The cost of service for the District will consider the specific circumstances and unique characteristics of the District in the cost allocation methodology.
3. A cost of service analysis will be conducted at least once every five years to determine if rates remain equitable between different customer classes of service.

C. Rate Design Analysis – The District will design rates to collect the appropriate level of revenue that reflects the rate design goals, objectives and policies of the District, including water conservation policies established by the District Board.

1. Rate designs will be reflective of system needs, and also reflect the greater public purpose and policy goals of the District Board.
2. Rate structures will be developed to promote understanding by the District's customers (e.g. bills that are easy to understand).
3. Rates will be set at a level that recovers necessary costs, by customer classification, yet flexible enough to accomplish the District's objectives. As deemed appropriate, rate structures will be designed to reward the preservation of valuable resources (conservation), the efficient use of resources, while discouraging excessive or wasteful usage. (e.g. public purpose programs).
4. Rates will be designed to be equitable, and detailed to a level to reflect the service provided (e.g., private fire protection, multi-family services, etc).
5. Rates will balance the overall goals and objectives of the rate design process with any administrative or District billing issues. Providing rates that are easy to understand and administer is beneficial to both the customer and the District.

**300.00 Revenue Diversification**

The District has limited ability for revenue diversification. Where possible, the District will explore additional revenue sources such as grants, developer contributions, etc.

**400.00 Reviews and Updates**

The District will closely monitor the financial/rate performance of the District to help maintain adequate rates and charges through:

- A. Annual Reviews - District rates will be reviewed annually as part of the budget process, to determine the adequacy of revenues, and, as necessary, adjustments made to reflect inflation, construction needs, maintain bond covenants, and avoid major periodic increases.
- B. Comprehensive Rate Studies - District rate studies will be conducted, at a minimum, every five years to update assumptions and plan for the long-term solvency and viability of the District's utilities/water services.

**500.00 Authority**

The General Manager and District Treasurer are responsible for adherence to this policy and regular reporting of the District's financial status. Board oversight will be accomplished through regular reporting of financial status and review of this Policy.

**600.00 Policy Review**

This Policy will be reviewed at least biennially.



## Agenda Item: 8

**Date:** June 28, 2017

**Subject:** Budget Policy (PL - Fin 012)

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

**Recommended Board Action:**

Approve the updated Budget Policy (PL – Fin 012) as attached.

**Discussion:**

Prior Board action was to defer this agenda item to July when it could be considered along with the Water Service Charges and Rate Setting Policy.

The Budget Policy was last reviewed in July 2015. Staff has minor edits to Sections 200.00, 300.00 and 400.00 as follows:

Section 200.00 – Added a new statement asserting that the District will always budget to exceed the minimum debt rate covenant requirements that are in all Bond/COP indentures. Clarifying language added.

Section 300.00 – Based on revisions to the Employee Compensation Policy (PL – HR 002) as approved by the Board in March 2017, language has been added to state the annual labor budget, and all its components, will now be included in the Operations and Maintenance Budget.

Section 400.00 – Clarifying language added.

Edits were received from one Director and have been incorporated herein, with the exception of edits requested in Section 200.00 H. Recommendations were received to replace “rate” with the term “revenue”. These two terms are not synonymous or related. District revenues are a function of customer demand and third party actions, neither of which the District controls. Rates, on the other hand, are established by the District.

**Fiscal Impact:**

The Policy does not directly increase or decrease the District’s net position.

**Strategic Plan Alignment:**

Finance - 4.A. Monitor District operations through internal control procedures, documentation and such other processes necessary to ensure effective financial performance.

Budget Policy (PL - Fin 012)

June 28, 2017

Page 2 of 2

This will benefit District customers as the annual budget approved by the Board will serve as the basis for operating the District.



## Sacramento Suburban Water District

**Budget Policy**Adopted: September 15, 2014; July 20, 2015; July XX, 2017**100.00 Purpose of the Policy**

The District's annual budget, as approved by the Board, will serve as the basis for operating the District. The budget includes a number of specifically identified projects, their attendant costs, as well as ~~anticipated~~ projected costs for operations and maintenance activities.

**200.00 Policy**

The District's Strategic Plan will serve as a guide in the development of the District's annual Budget. The District will establish and maintain separate operations & maintenance (O&M), operating capital, capital improvement and debt service budgets (collectively – District Budget) in order to provide for proper fund management, financial planning and long-term solvency of the District.

On a combined basis, the Budget will comprise or include the following:

- A. Self-Supporting – The District will be self-supporting, such that current revenues fully fund current expenses and any fund balance or debt service coverage requirements.
- B. Prioritization – In concert with the adopted District's Strategic Plan, Asset Management Plans, Urban Water Management Plan and all other District planning documents and as recommended by staff, the Board will prioritize projects and expenditures within the constraint of expected revenues.
- C. Capital Accounts – Capital ~~contributions~~ income from rates, grants, loans and other financing mechanisms will be accounted for separately in capital accounts, such that funds dedicated to capital purposes are expended only for capital purposes.
- D. Adequate Funding to Preserve System Assets – The total operating expenditures will be funded at a level that will ~~preserve~~ continue the intended life and functional requirements of the District's water system.
- E. Evaluation and Monitoring of Costs – Costs will be evaluated and monitored through monthly and annual reporting to ensure that the District is operated in a cost effective and economically prudent manner.
- F. Maintenance of Sufficient Reserves – The District will maintain sufficient reserves in accordance with the District's Reserve Policy (PL Fin 004.).
- G. Positive Annual Net Income - The District will strive to achieve positive annual net income (total revenue less O&M expenditures, debt service and capital projects funded from rates) greater than or equal to zero net income on a cash basis.

H. Bond/COP Rate Covenant Requirements – The District will budget such that it will exceed the Rate Covenant obligations of its indebtedness, which is a minimum of 115% of the District’s annual debt service costs.

H.1. Strive for Rate Stability - Rate stability reinforces that costs are being managed and controlled. Rates should be stable in their ability to generate sufficient revenues, but also in the customer’s perception of the rate changes from year to year.

1. Needed rate adjustments will attempt to minimize impacts to customers by phasing-in or transitioning large rate adjustments over time.
2. ~~Where possible and deemed appropriate, e~~Excess fund balances will be used to offset rate increases with any remaining balances being used for approved capital purposes. The use of fund balances (reserves) will not compromise the financial policy on establishing and maintaining minimum targeted reserves levels or adequate funding on a long-term self-sustaining basis.
3. Annual rate reviews will consider a five-year projected period ~~to~~ in an attempt to stabilize and minimize rates over time.
4. A comprehensive rate study will be conducted by an outside party at a time subsequent to the end of previous rate increase ~~least every three (3) to five (5) years~~ in order to assess the fairness of the rates to the District’s ratepayers and to verify that necessary revenue is ~~available for the District’s operating and capital needs.~~

### **300.00 Budget Presentation**

The budget will be comprised as follows:

1. Key Assumptions – To include expected water production and source.
2. Revenue Projections – To include projected net income.
3. Projected debt service coverage ratio.
4. Reserve Balance Projections.
5. Trend and/or Comparative Information

The four budgets will include the following:

#### 1. Operations and Maintenance Budget (O&M):

- a. Incorporates all District O&M expenses, including:
- b. Expected Other Post Employment Benefit costs and funding to be separately identified and approved.
- a.c. Annual labor budget and its components per the Employee Compensation Policy (PL – HR 002) section 300.00
- b.d. Segregated by department and function.

#### 2. Operating Capital Budget (OCB):

- a. Will include all Information Technology capital projects, vehicle and fleet capital costs, capitalizable office furniture, and capitalizable costs for operations. Capitalizable costs in the ~~Operating Capital~~ OCB Budget are distinguished from those in the Capital Improvement Program Budget based,

generally, on the shorter expected life of the asset and that the asset is not part of the general water delivery system.

**3. Capital Improvement Program Budget (CIP):**

- a. Will be based primarily on the District's Asset Replacement Management Plans and/or the Water System Master Plan.

**4. Debt Service Budget:**

- a. Will be based on contractual obligations for all principal and fixed-rate interest obligations. Adjustable-rate interest obligations will be forecast based on best available market data at budget preparation time.

**District Reserves:**

1. The District's Reserve Policy (PL – Fin 004) will be reviewed annually commensurate with the budget preparation and adoption process.

**400.00 Authority**

The General Manager will have authority to reallocate specific budgeted amounts within a particular budget (O&M, OCB or CIP) during the year with subsequent reporting to the Board. Amounts to be transferred between budgets (e.g., O&M to CIP) will be approved by the Board prior to the transfer. The General Manager and District Treasurer are responsible for adherence to this policy and regular reporting of the District's financial status. Board oversight will be accomplished through regular reporting of budget-to-actual expenditures during the year and review of this Policy.

**500.00 Policy Review**

This Policy will be reviewed at least biennially.



## Agenda Item: 9

**Date:** July 11, 2017

**Subject:** 2018/19 Budget Assumptions

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

### **Recommended Board Action:**

As recommended by the Finance and Audit Committee, direct staff to proceed with preparation of the 2018 and 2019 Budget using the assumptions in the attached slide presentation, specifically the assumptions on page 9 and option 3 on page 11 of the presentation.

### **Discussion:**

Each year at the inception of the annual budget process, staff provides the Board with certain key assumptions that are necessary to begin the Budget preparation process. These assumptions are first vetted by the Finance and Audit Committee and are based on either historical experience or reflect current or expected economic and climatic conditions. While these assumptions are necessary in order to provide an initial draft for Board/Committee review, such assumptions are subject to change at Board discretion throughout the Budget preparation process.

District revenues and expenses are evaluated over a 2 year horizon; a formal budget adopted for the first year, and a “forecast” for the second year for Operations and Maintenance expenditures. For Capital Improvement Projects and Operating Capital Budget projects a 2 year budget is requested for approval.

As required by policy, the District’s Reserve Policy (Exhibit 1) is attached for review/comment and will continue to be provided for review/comment during the entire budget process.

<sup>1</sup> The Budget is comprised of the Operations and Maintenance Budget (O&M), Operating Capital Budget (OCB), and the Capital Improvement Program Budget (CIP).

# 2018/19 Budget Assumptions

Board Meeting  
July 17, 2017

# Mission Statement

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

# Strategic Plan Goals

- **Water Supply:**
  - Assure a present and long-term safe and reliable supply of high quality water in an environmentally responsible and sustainable manner for District customers.
- **Facilities and Operations:**
  - Plan, construct, operate and maintain the District water system embracing sustainable practices to provide reliable delivery of high quality water.
- **Customer Service:**
  - Assure superior and reliable customer service.
- **Finance:**
  - Ensure effective and efficient management and public reporting of all District financial processes.
- **Leadership:**
  - Provide leadership on regional, statewide and national water management issues that impact the customers.

# 2018/19 Budget Development Process

- Finance and Audit Committee – 07/10/17, 3:00 pm
  - Budget Assumptions; Provide Direction to Staff
- July Board Meeting – 07/17/17
  - Budget Assumptions; Provide Direction to Staff
- September Board Meeting – 09/18/17
  - Status Report; Provide Direction to Staff
- Finance and Audit Committee – 10/02/17, 3:00 pm
  - First Draft; Provide Direction to Staff
- Board Workshop – 10/09/17, 6:00 pm
  - Initial Presentation; Provide Direction to Staff
- October Board Meeting – 10/16/17
  - 2<sup>nd</sup> Draft Presentation; Provide Additional Direction to Staff
- November Board Meeting – 11/20/17
  - Budget Approval or Additional Direction to Staff



# 2018/19 Budget Process

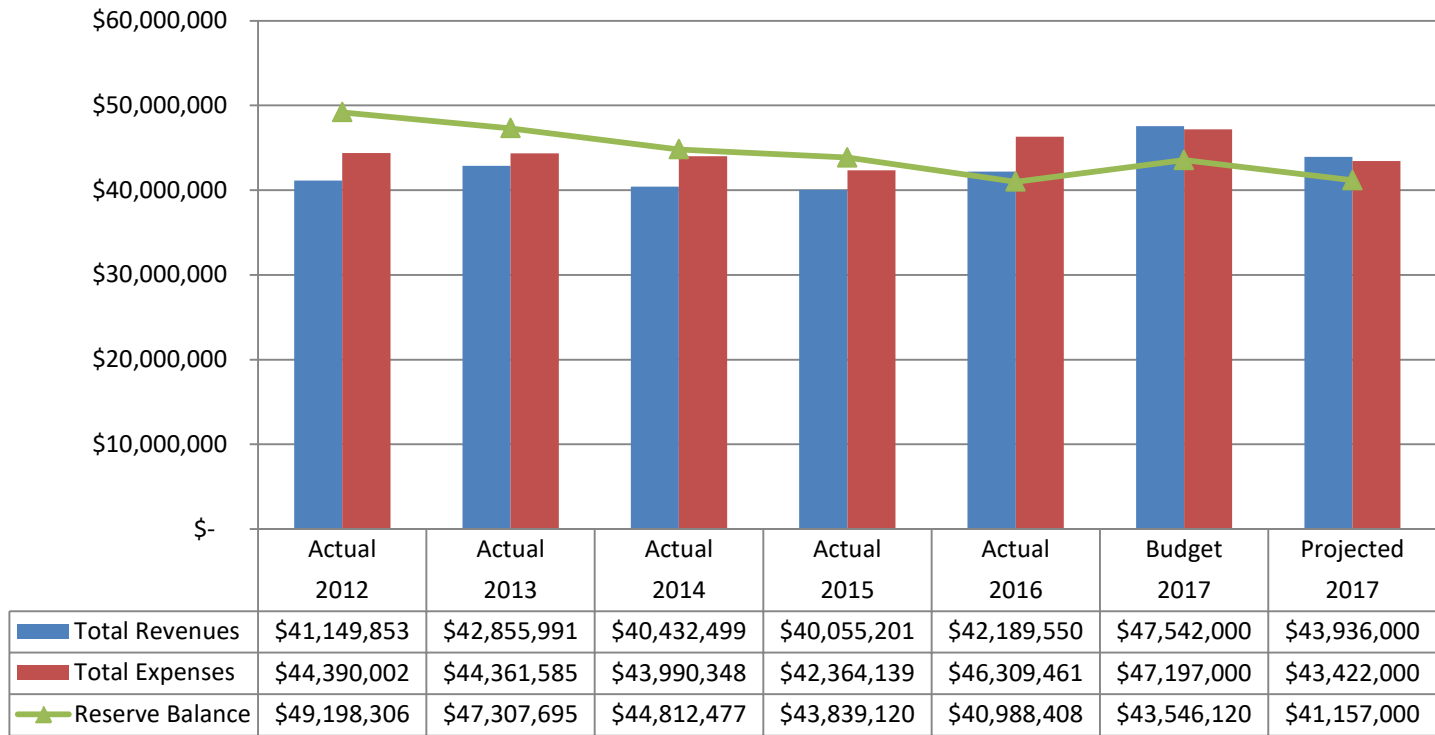
- Two Year Planning Process
  - Revenue and Expenses Projected over a 2 Year Horizon
- O&M Budget
  - Budget Adopted for First Year
  - Forecast Provided for Second Year
- CIP and OCB Projects and Budget (**NEW**)
  - Approved for 2 Year Period

# 2017 Budget

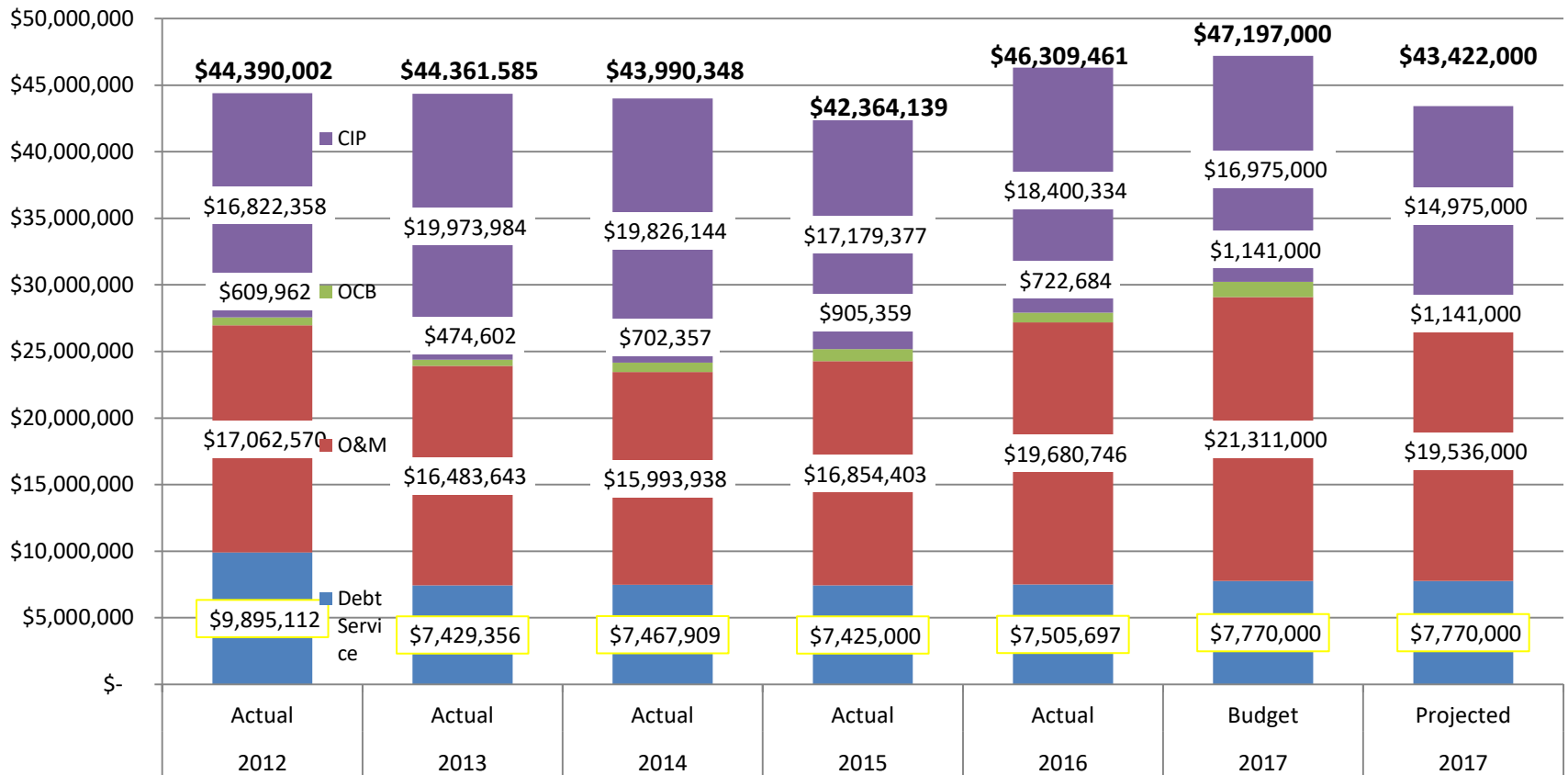
	<b>2015 Actual</b>	<b>2015 Amended Budget</b>	<b>Actual As Of 7/31/16</b>	<b>Projected 2016</b>	<b>2016 Amended Budget</b>	<b>2017 Adopted Budget</b>	<b>2018 Forecast</b>
Water Sales Charge	\$ 9,644,073	\$ 9,412,000	\$ 5,445,090	\$ 10,782,000	\$ 10,850,000	\$ 11,952,000	\$ 12,430,000
Water Service Charge	6,401,956	6,980,000	3,662,598	6,837,000	7,000,000	7,146,000	7,432,000
Capital Facilities/Debt Repayment	21,646,182	21,430,000	12,878,766	21,983,000	22,000,000	22,977,000	23,896,000
Wheeling Water Charge	6,368	5,000	164,306	567,000	560,000	633,000	658,000
Other Charges for Services	991,840	1,010,000	562,802	972,000	1,000,000	1,018,000	1,059,000
Income From Customers	38,690,419	38,837,000	22,713,562	41,141,000	41,410,000	43,726,000	45,480,000
Water Transfers	-	-	-	-	-	1,992,000	1,976,000
Interest Income	457,731	600,000	801,107	600,000	680,000	864,000	760,000
Other Income (Leases, Cells, Etc.)	364,326	288,000	147,268	252,460	300,000	250,000	250,000
Facility Development Charges	542,558	200,000	166,585	300,000	500,000	500,000	500,000
Grant Income	413,879	654,000	149,825	1,320,270	1,425,000	210,000	100,000
Total Other Income	1,778,494	1,742,000	1,264,785	2,472,730	2,905,000	3,816,000	3,586,000
<b>Total Revenue</b>	<b>\$ 40,468,913</b>	<b>\$ 40,579,000</b>	<b>\$ 23,978,347</b>	<b>\$ 43,613,730</b>	<b>\$ 44,315,000</b>	<b>\$ 47,542,000</b>	<b>\$ 49,066,000</b>
<b>Budgets:</b>							
<b>Operations and Maintenance</b>	<b>16,854,403</b>	<b>17,895,000</b>	<b>9,526,428</b>	<b>17,827,000</b>	<b>17,895,000</b>	<b>21,311,000</b>	<b>21,124,000</b>
<b>Capital Improvement Program</b>	<b>17,179,377</b>	<b>18,332,000</b>	<b>8,578,198</b>	<b>17,846,000</b>	<b>18,796,000</b>	<b>16,975,000</b>	<b>19,600,000</b>
<b>Operating Capital Program</b>	<b>905,359</b>	<b>1,140,925</b>	<b>357,958</b>	<b>974,000</b>	<b>974,000</b>	<b>1,141,000</b>	<b>672,000</b>
<b>Debt Service (Forecast)</b>	<b>7,425,000</b>	<b>7,850,000</b>	<b>2,113,715</b>	<b>7,605,000</b>	<b>7,605,000</b>	<b>7,770,000</b>	<b>7,760,000</b>
<b>Total Costs</b>	<b>42,364,139</b>	<b>45,217,925</b>	<b>20,576,299</b>	<b>44,252,000</b>	<b>45,270,000</b>	<b>47,197,000</b>	<b>49,156,000</b>
Change in Reserve Balance	(1,895,226)	(4,638,925)	3,402,048	(638,270)	(955,000)	345,000	(90,000)
Reserve (Cash) Balance	\$ 43,839,120	\$ 40,173,552	\$ 46,297,277	\$ 43,201,120	\$ 42,884,120	\$ 43,546,120	\$ 43,456,120

Note: Bolded lines are the budgets – O&M, CIP, OCB and Debt Service

# Total Revenues Vs Total Expenditures 2012 to 2017



# Actual and Estimated Expenses



# 2018/19 Budget Assumptions

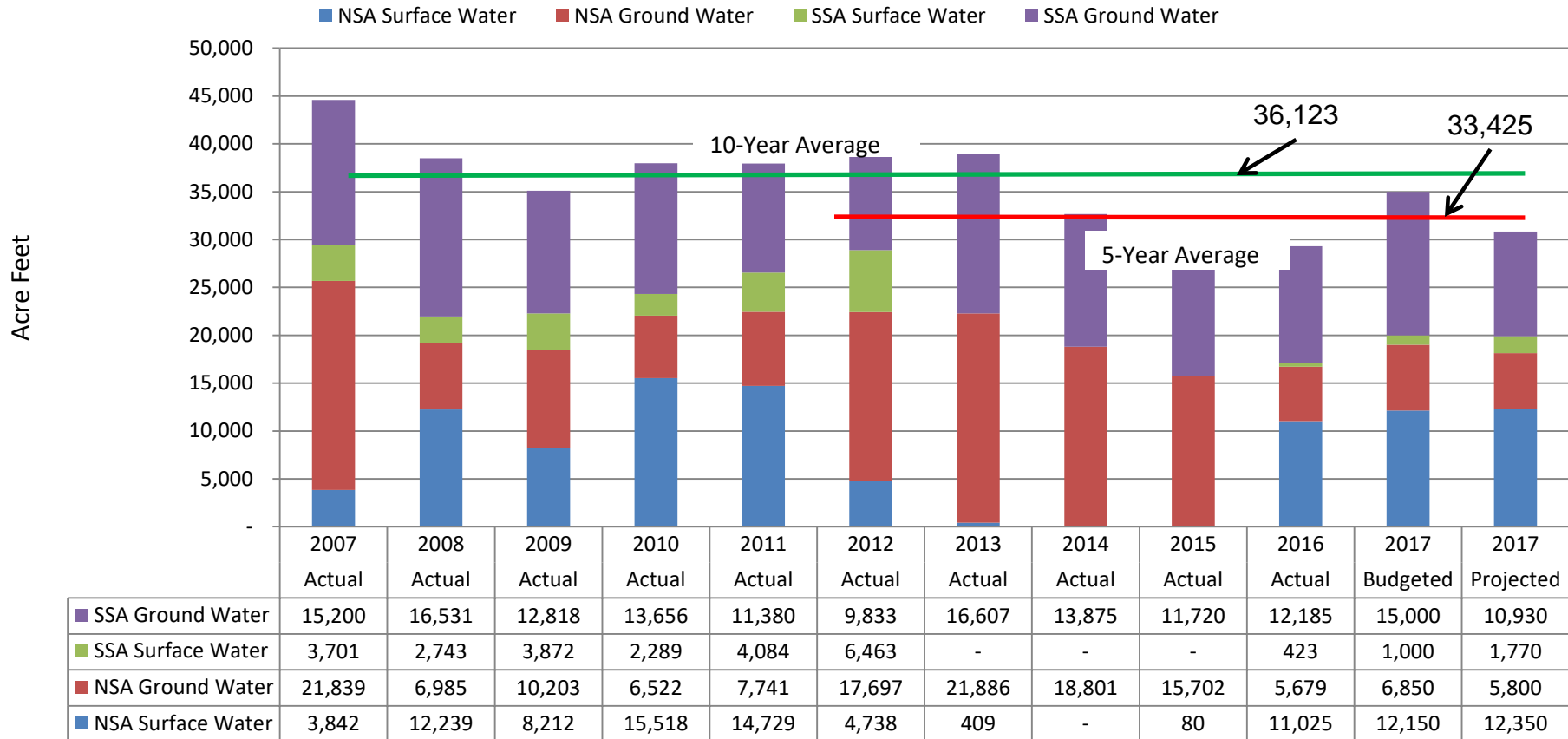
## Sacramento Suburban Water District Budget Assumptions

Key Assumptions	2016		2017		2018		2019	
1 Rate Increase	4.00%	\$1,615,000	4.00%	\$1,632,000	4.00%	\$1,700,000		
2 No Change in SSWD Service Boundaries								
3 New Service Connections (Growth)	Increase	0.43%	Increase	0.52%	Increase	0.52%	Increase	0.52%
4 Water Production: (A)	<u>Cost/AF</u>	<u>AF</u>	<u>Cost/AF</u>	<u>AF</u>	<u>Cost/AF</u>	<u>AF</u>	<u>Cost/AF</u>	<u>AF</u>
a. Water Supply Forecast Based on 5 Year Average								
b. SSA Surface Water (City)	\$ 428.80	550 AF	\$ 450.24	1,000 AF	\$ 472.75	1,000 AF	\$ 472.75	1,000 AF
c. SSA Groundwater (Variable costs)	\$ 118.39	10,550 AF	\$ 123.12	15,000 AF	\$ 128.05	13,000 AF	\$ 133.17	13,000 AF
d. NSA Surface Water (PCWA)	\$ 48.05	12,000 AF	\$ 48.55	12,000 AF	\$ 50.98	12,000 AF	\$ 53.53	12,000 AF
e. NSA Surface Water (Wheeling)	\$ 27.04	12,000 AF	\$ 30.68	12,000 AF	\$ 32.21	12,000 AF	\$ 33.82	12,000 AF
f. NSA Surface Water (Treatment)	\$ 135.34	12,000 AF	\$ 161.92	12,150 AF	\$ 176.49	12,150 AF	\$ 192.37	12,150 AF
g. NSA Groundwater (Variable costs)	\$ 106.81	8,900 AF	\$ 111.08	6,850 AF	\$ 197.35	6,850 AF	\$ 197.35	6,850 AF
h. NSA Bureau 215 Water	\$ 72.80	0 AF	\$ 76.44	150 AF	\$ 80.26	150 AF	\$ 84.28	150 AF
i. NSA Wheel Water from Citrus Heights	\$ 30.38	0 AF	\$ 30.99	300 AF	\$ 31.61	300 AF	\$ 32.24	300 AF
j. NSA Wheel Water to Citrus Heights (Revenue)	\$ (30.38)	0 AF	\$ (30.99)	300 AF	\$ (31.61)	300 AF	\$ (32.24)	300 AF
k. NSA Wheel Water to Cal-AM (Revenue)	\$ (196.48)	2,000 AF	\$ (337.05)	2,000 AF	\$ (356.57)	2,000 AF	\$ (356.57)	2,000 AF
5 Anticipated Outside Water Sales, Net		None		None	\$ -	0 AF	\$ -	0 AF
6 Investment Yield		1.75%		2.00%		2.00%		2.00%
7 Variable Debt Interest Rate		3.86%		3.86%		3.86%		3.86%
8 Electrical Cost Increase		2.50%		2.50%		2.50%		2.50%
9 COLA (As of July 31)		0.30%		0.70%		2.30%		2.30%
10 Merit Program		4.00%		3.00%		3.00%		3.00%
11 Construction Inflation (B)		2.10%		3.40%		2.50%		2.50%
12 Health Care Cost (C)		2.60%		-2.00%		2.33%		3.00%
13 Tier 1 Pension Cost (% of Salaries)	\$317,000	21.70%	\$ 373,000	21.50%	\$ 470,000	21.55%	\$ 500,000	21.60%
14 Tier 2 Pension Cost (% of Salaries)	\$ 5,000	16.20%	\$ 7,500	16.10%	\$ 12,000	16.10%	\$ 15,000	16.10%
15 Tier 3 Pension Cost (% of Salaries)		6.73%	\$ 200	6.90%	\$ 500	7.00%	\$ 800	7.00%
16 New Hires		1		4		2		0
17 Funding of Post Retirement Benefits		\$ 459,600		\$ 472,200		\$ 485,200		\$ 500,000

**Footnotes:**  
 (A) SSA = South Service Area; NSA = North Service Area  
 (B) 20 Cities CCI Index, Source: ENR  
 (C) From UnitedHealthcare to HealthNet Smart Care HMO

# O&M Expense Detail

## Water Production



Production amounts for 2017 – Per Budget - 35,000 AF; Projected Actual – 32,400 AF.  
 Production estimate for 2018 – Recommend - 33,000 AF (See option 3 on next slide).

# 2018 Water Production Budget Options

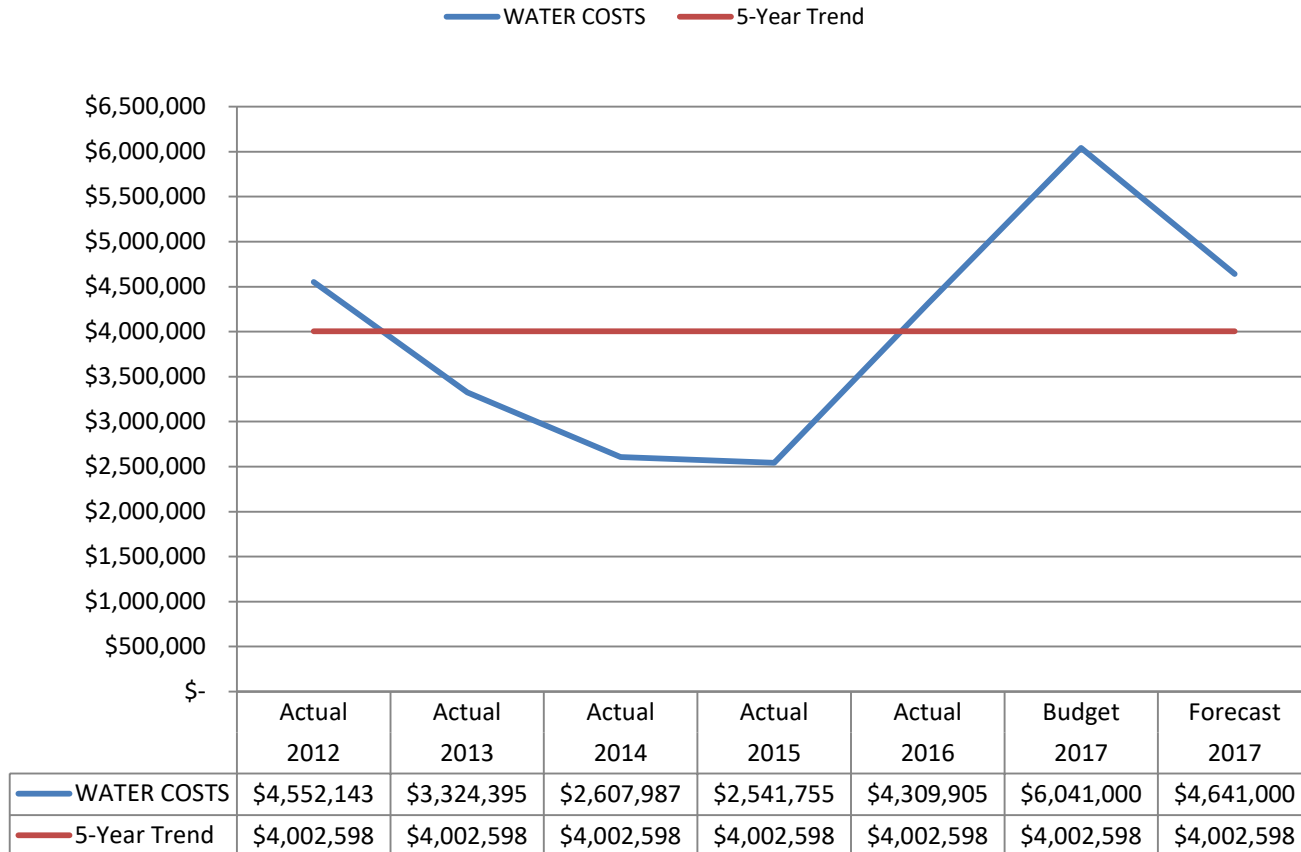
	Average	Average	2017	2017	2018 Options			
	<u>Prior 10 Years</u>	<u>Prior 5 Years</u>	<u>Budgeted</u>	<u>Projected</u>	1	2	3	4
SSA Ground Water	13,381	12,844	15,000	12,000	13,381	12,844	13,000	14,000
SSA Surface Water	2,358	1,377	1,000	1,800	2,358	1,377	1,000	-
NSA Ground Water	13,306	15,953	6,850	6,300	13,306	15,953	6,850	19,000
NSA Surface Water	7,079	3,250	12,150	12,350	7,079	3,250	12,150	-
Total Production	<u>36,123</u>	<u>33,425</u>	<u>35,000</u>	<u>32,450</u>	<u>36,123</u>	<u>33,425</u>	<u>33,000</u>	<u>33,000</u>

## Options:

1. Assumes Average of Prior 10 Years.
2. Assumes Average of Prior 5 Years.
3. Same as 2 above, but with full allotment of NSA surface water.
4. Same as 3 above, but Groundwater only.

# O&M Expense Detail

## Water Costs

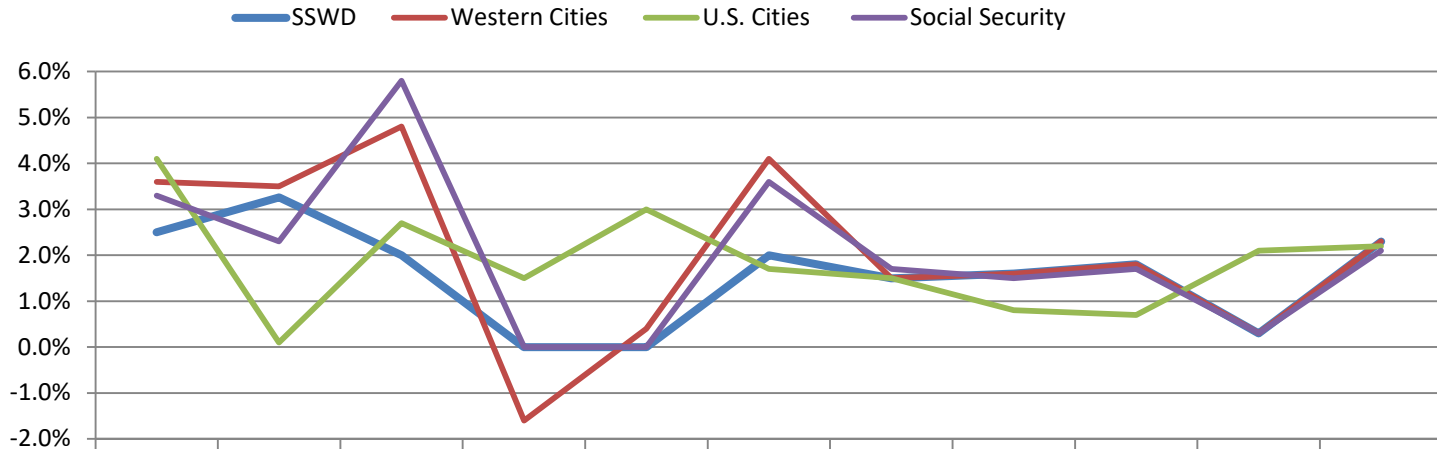


Water costs fluctuate based on hydrological conditions. Due to the conditions in 2013 through 2016, surface water was largely unavailable. Surface water is available in 2017 and presumed to be available in 2018.



# O&M Expense Detail

## COLA



	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Projected
SSWD	2.5%	3.3%	2.0%	0.0%	0.0%	2.0%	1.5%	1.6%	1.8%	0.3%	2.3%
Western Cities	3.6%	3.5%	4.8%	-1.6%	0.4%	4.1%	1.5%	1.6%	1.8%	0.3%	2.3%
U.S. Cities	4.1%	0.1%	2.7%	1.5%	3.0%	1.7%	1.5%	0.8%	0.7%	2.1%	2.2%
Social Security	3.3%	2.3%	5.8%	0.0%	0.0%	3.6%	1.7%	1.5%	1.7%	0.3%	2.1%

SSWD COLA is intended to be equal to the Western Cities Index. Comparison is also shown to National CPI and SS Indices. Indices in the years presented are implemented in the following year.

# O&M Expense Detail

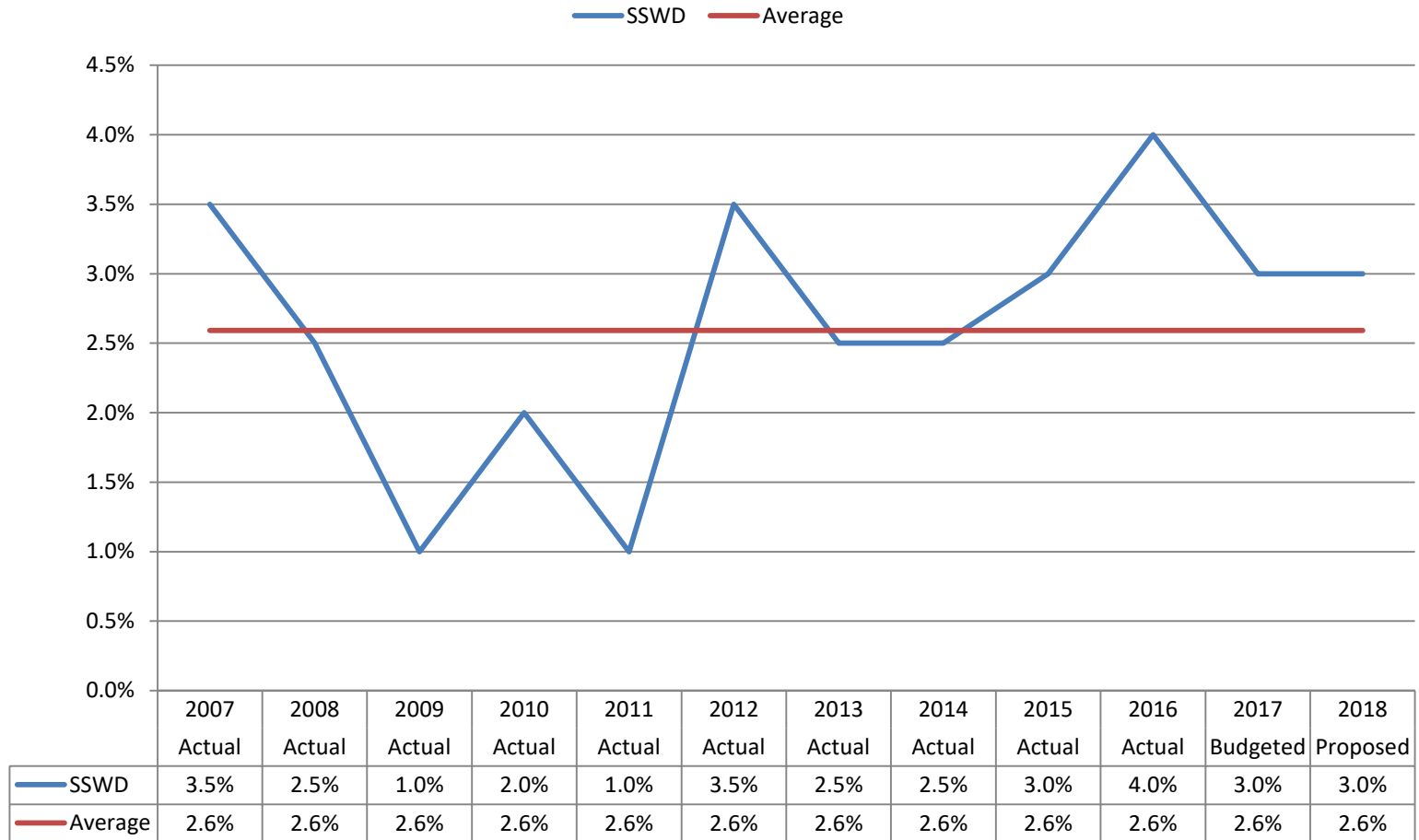
## COLA – 10 Year Average

Index	Average	SSWD Average	SSWD Award%
Social Security	2.0%	1.5%	75%
U.S. Cities	1.8%	1.5%	83%
Western Cities	2.0%	1.5%	75%
Total	1.9%	1.5%	77%

SSWD Average COLA Increase over the past 10 years has been 77% of the average Western Cities, Social Security and US Cities COLAs.

# O&M Expense Detail

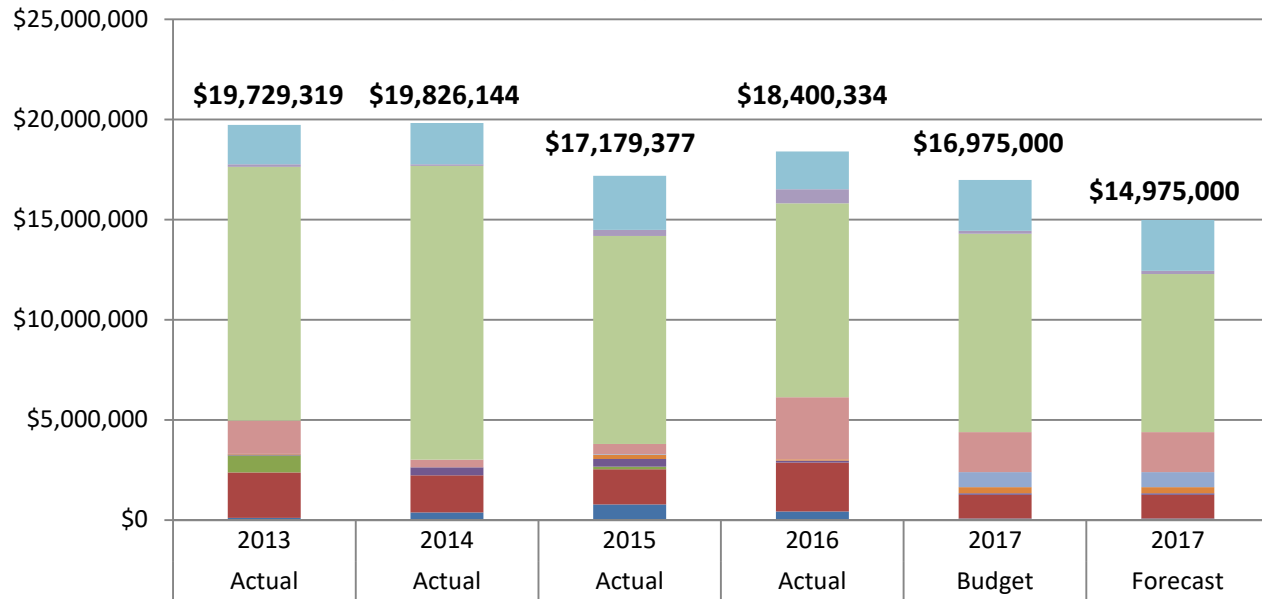
## Merit



Staff's recommendation is consistent with 2017 and average of prior years.

# CIP Budget

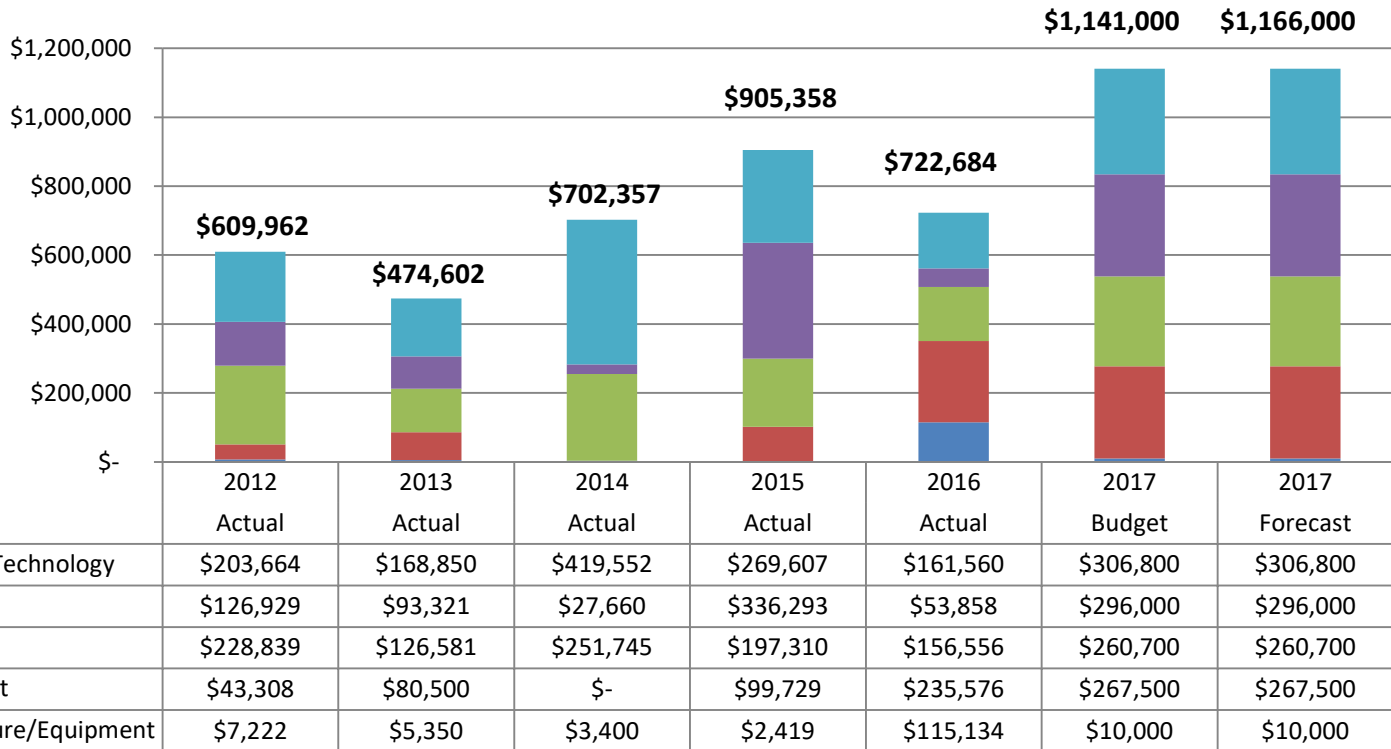
# CIP Project Costs 2013 to 2017



	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Budget	2017 Forecast
Meter Retrofit AMP	1,961,709	2,060,561	2,691,361	1,880,514	2,540,000	2,540,000
Meter Replacement & Repair AMP	132,922	80,975	307,870	715,338	150,000	150,000
Dist. Main Replacement AMP	12,674,933	14,672,460	10,381,851	9,674,097	9,900,000	7,900,000
Well Replacement AMP	1,655,646	377,974	507,393	3,099,875	2,000,000	2,000,000
Transmission Main AMP	-	-	31,866	-	750,000	750,000
Reservoir and Booster P.S. AMP	36,373	-	221,300	66,262	300,000	300,000
Buildings and Structures AMP	-	-	-	-	-	-
SCADA AMP	54,245	404,802	378,687	94,243	75,000	75,000
From 2009 Water System Master Plan	833,148	-	133,676	-	-	-
Other Re-Occurring Annual Capital Costs	2,274,474	1,859,724	1,745,028	2,440,493	1,185,000	1,185,000
Other Capitalized Projects	105,869	369,648	780,345	429,512	75,000	75,000

# OCB Budget

# OCB Project Costs 2012 to 2017



## Sacramento Suburban Water District

**Reserve Policy**

Adopted: August 18, 2003

Revised: September 20, 2004; August 21, 2006; August 18, 2008, November 19, 2012,  
January 27, 2014; November 16, 2015, October 17, 2016; April 17, 2017**100.00 Purpose of the Policy**

The District will maintain reserve funds where required by law, ordinance or bond covenant, and revenue stability, so as to provide the necessary cash flow for normal and ordinary operations, while also providing the ability to address economic downturns and limited system emergencies.

The primary purposes of this policy are: to establish a reserve fund level that is specific to the needs and risks of the District; to identify when and how reserve funds are utilized and replenished; and to recognize the long-term nature of such funds and their relationship to current and projected customer rates. The District's financial reserve fund comprises various funds established for specific purposes and to reduce certain risks. Collectively, these funds enable the District to operate in a prudent manner, while allowing for transparency of reserve fund balances.

**200.00 Policy****200.10 Fund Classification Types**

The District shall maintain three fund classifications that collectively comprise the District's reserve fund balance. Fund classifications are a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon it. The fund classifications are - Restricted funds, Committed funds and Assigned funds, with distinction among the funds based on the relative strength of the constraints that control how amounts can be spent.

Restricted funds include amounts that can be spent only for specific purposes stipulated by law or third parties, such as grantors or creditors. Committed funds include amounts that can be used only for specific purposes as determined by Board action. Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed.



## **200.20 Restricted Funds Classification**

Restricted funds are those financial assets subject to enforceable third party constraints, such as those imposed by creditors, grantors, laws or regulation.

### ***Debt Service Reserve Fund***

Financial assets held by the District per bond or certificate-of-participation (COP) debt covenants. The amount of assets to be held as debt service reserves is determined at the time of debt issuance. Such assets may only be used to repay the outstanding bond or COP for which the assets were placed in reserve as long as the bond or COP remains outstanding.

## **200.30 Committed Funds Classification**

Committed funds are those financial assets identified by the Board for specific purposes as determined by Board resolution or ordinance. Such financial assets are to be utilized only as directed by the Board.

### ***Facilities Reimbursement Fund***

As established by the Board in the District's Regulations Governing Water Service (Regulations), the District will retain a percentage of Facility Development Charges (FDC) collected each fiscal year for the purpose of repaying individuals or businesses who were required to install up-sized lines or extension facilities at the request of the District. Disbursements will be made in accordance with the Regulations, including the release of unexpended funds into the District's unrestricted net position.

## **200.40 Assigned Funds Classification**

Assigned funds are those financial assets determined necessary to be retained for specific risk-mitigation purposes as determined by the Board as needs arise.

### ***Emergency/Contingency Fund***

Financial assets held for purposes of continued operations during times of severe economic distress due to events that require an immediate and/or significant use of cash. Such severe economic situations may include otherwise insurable events for which the timely receipt of cash may be delayed. The District shall target a balance of twenty-five percent (25%) of its following year's anticipated annual revenues in this fund. Conditions for utilization of such reserves and a plan for fund replenishment will be approved by the Board.

Prior to amounts being expended from this fund, the District shall establish a contingency plan that addresses, at a minimum:

1. The reason(s) for expenditures from this fund.
2. Amounts expected to be expended.
3. The funds replenishment timeline and funding source.

### ***Operating Fund***

Financial assets held primarily in the form of cash and cash-equivalents for the purpose of debt avoidance due to unexpected expenditures of a non-recurring nature or to meet unexpected increases in operating costs. The District shall target a minimum balance in short-term investments and/or cash equal to twenty-five percent (25%) of its current year's budgeted annual expenditures for operating costs and debt service in this fund. Conditions for utilization of these reserves and a plan for fund replenishment will be determined by the Board at annual budget time.

The operating fund reflects the timing difference between billing for revenues and payment of expenses. The target level is a financial measure or guideline. If the fund level drops below the twenty-five percent target balance, that is a sign for staff to review the fund and, if necessary, bring recommendations to the Board to assure the fund will not continue to decline.

### ***Rate Stabilization Fund***

Financial assets held for purposes of managing cost variability in obtaining, treating and delivering potable surface water and groundwater. This Fund is focused on consumption fluctuations related to customer demand and purchasing of surface water as part of the District's conjunctive use efforts. Consumption charges established in the rate setting process forecast customer demand based on a repeat of average, recent climactic conditions. Financial fluctuations occur when situations vary from the assumption. The District shall target a balance of fifty percent (50%) of its expected upcoming year consumption revenues in this fund. Conditions for utilization of such reserves and a plan for fund replenishment will be directed by the Board at annual budget time.

### ***Interest Rate Risk Management Fund***

This fund is derived from earnings based on financial assets held as short-term investments pursuant to interest rate risk exposure assumed by the District upon the issuance of floating-rate debt. The amount of investments from which earnings are derived and accumulated will be determined at the time of debt issuance. Earnings on such investments will be used to repay a portion of the interest expense on the outstanding floating-rate bond or COP as long as the bond or COP is subject to interest rate risk exposure. This fund will be reduced in line with the amortized balance of the interest-rate swap(s).

### ***Grant Fund***

Financial assets held for purposes of funding the "local cost share" and advance payment of eligible reimbursable costs on capital projects funded partially from grant awards. As eligibility for potential grant awards requires the District to demonstrate financial viability to fund anticipated project costs, the District shall maintain a minimum balance equal to the combined sum of anticipated costs for those projects considered grant eligible in the upcoming biennial period. Conditions for utilization of such reserves and a plan for fund replenishment will be determined at the time of grant award.

***Capital Asset Fund***

Financial assets held for purposes of funding District capital asset replacements and capital projects necessary to meet regulatory requirements and/or system reliability needs. Through the annual budget process, staff shall recommend capital replacement projects and any necessary appropriations from this fund. The District shall target a balance to sufficiently fund anticipated capital improvement project replacement cost deviations above the CIP funding level. Fund replenishment will be determined by the Board periodically through the rate setting process and annually through the budget process.

***Facilities Development Charge Fund***

Financial assets held for expenditure on growth/capacity-related capital asset projects only. Amounts deposited into this fund come from unexpended facility development charges collected from developers (see related Facilities Reimbursement Fund in section 200.30 above.) These growth/capacity-related capital asset projects form the cost-basis and legal nexus for the establishment and collection of the Facility Development Charges. This fund is dependent upon customer growth. Therefore, there is no prescribed target or minimum balance.

**300.00 Disposition of “One-Time” Revenues**

“One-time” revenues are revenues of an unusual or infrequent nature which are likely not the result of the District providing services and producing and delivering goods in connection with the District’s principal ongoing operations (e.g. legal settlement). Unless specifically earmarked by Board action otherwise, “one-time” revenues should be transferred to the appropriate reserve fund which best represents the reason for the “one-time” revenue.

**400.00 Target Funding Level**

A summary of reserve fund classifications and funding levels is shown below:

<b>Fund Classification</b>	<b>Funding Level</b>
Debt Service Reserve Fund	Determined upon bond issuance.
Facilities Reimbursement Fund	20% of FDC charges collected annually less developer payouts.
Emergency/Contingency Fund	25% of annual revenues.
Operating Fund	25% of annual operating and debt service expenditures.
Rate Stabilization Fund	50% of water consumption revenues.
Interest Rate Risk Management Fund	Accumulated earnings on short-term investments above 3.283% on the unhedged portion of variable-rate debt.
Grant Fund	Sufficient to pay for “local cost share” on all outstanding and applied-for grants.

Capital Asset Fund	Sufficient to fund CIP projects above the amount CIP funding amount anticipated at rate setting or budget preparation time.
Facilities Development Charge Fund	Remaining amounts of FDC Charges after amounts used by Facilities Reimbursement Fund expended. For new infrastructure.
<b>Minimum Reserve Funding Target</b>	<b>\$40 million</b>

**500.00 Authority**

The General Manager is responsible for the appropriate accounting and regular reporting of the District’s reserve fund balance. Board oversight will be accomplished through regular reporting and review of this Policy.

**600.00 Procedure**

District staff will maintain procedures for each fund classification, to be approved by the General Manager, and in conformance with this Policy.

In any case where the reserves are drawn below target minimums, a report shall be developed containing the reasons for withdrawals and any impacts to programs or rates due to such withdrawals. If reserves are depleted, the reserves shall be replenished over a maximum five (5) year period to the established or re-established target as directed by the Board.

Maintenance of minimum reserves should not, on its own, trigger the need for a rate adjustment. Rates will be reviewed after two consecutive years of revenue dropping below established minimums balances, or diminishing reserves as a result of covering unanticipated costs.

**700.00 Policy Review**

This Policy will be reviewed annually as part of the budget adoption process.



## Agenda Item: 10

**Date:** July 7, 2017

**Subject:** 2017 Budget Reallocations and Marconi Project Request

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

### **Recommended Board Action:**

Approve the new security project at Marconi for \$25,000, increasing the 2017 OCB budget from \$1,141,000 to \$1,166,000. See discussion below.

### **Discussion:**

#### CIP Budget Reallocations

At budget adoption, the Board authorizes “the General Manager to adjust and/or reallocate amongst the project type cost categories as necessary within the total CIP Budget amount.” Recently, the General Manager authorized transfers between various projects as described in Exhibit 1. The total amended CIP budget of \$16,975,000 is unchanged.

#### OCB Budget Reallocations

Similar to the CIP budget, the Board authorizes “the General Manager to adjust and/or reallocate amounts amongst the project type cost categories as necessary during the budget year within the total OCB Budget amount.” Necessary reallocations related to various projects are described in Exhibit 2. The total amended OCB budget of \$1,141,000 is unchanged.

#### New OCB Project

As discussed with the Finance & Audit Committee, the recent break in at the Marconi garage that resulted in the theft of tools from, and damage to, Truck 51 has prompted staff to request an expansion of the Marconi Sonitrol security system to provide coverage within the garage area. The cost quoted for parts and labor is roughly \$25,000. O&M costs will increase as monitoring costs for July – December will be an additional \$1,212.00 (\$202.00/month). Staff would like this expansion to take place as soon as possible in 2017 to ensure District vehicles parked on site as well as other District property within the garage will be better protected against theft and/or vandalism. Accordingly, staff seeks Board approval of this new project which will increase the OCB budget from \$1,141,000 to \$1,166,000.

### **Strategic Plan Alignment:**

Finance – 4.H. Produce and monitor an annual budget for necessary system operations, maintenance and improvements.

**EXHIBIT 1 - CY2017 CIP Budget Transfers**

<b>Project Number</b>	<b>Project Name</b>	<b>Amended or Reallocated Budget Estimate</b>	<b>Reallocated Amount</b>	<b>Current Budget Estimate</b>	<b>Reason for Transfer</b>
SC17-009	Well Rehab/Pump Station Improvements	\$700,000	\$300,000	\$1,000,000	Funds needed due to the identification of more well rehabilitation and pump improvement projects.
SC17-012	Well Replacements	\$2,000,000	(\$300,000)	\$1,700,000	Funds are available as the Palm Avenue Well project has been delayed due to the need to add manganese treatment.
<b>Total</b>		<b>\$2,700,000</b>	<b>\$0</b>	<b>\$2,700,000</b>	

**EXHIBIT 2 – 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>
SF17-396	Vehicle Replacement	\$33,000	(\$3,335)	\$29,665	Funds available as vehicle costs were less than anticipated.
SF17-399	New Vehicle – Production Dept	\$34,500	\$1,670	\$36,170	Funds needed to complete vehicle purchase.
SF17-410	Walnut Light Upgrade	\$40,000	(\$16,260)	\$23,740	Portions of project delayed until 2018 in order to have funds to finish interior work at Walnut.
SF17-412	Walnut – Interior Paint/Wallpaper	\$25,000	\$16,700	\$41,700	Funds needed to finish interior work at cheaper price than remobilizing later to finish the job.
SF17-413	Walnut Facility Exterior Painting	\$40,000	(\$40,000)	\$0	Project delayed until 2018 in order to have funds to finish interior work at Walnut.
SF17-414	Walnut – Foremen Offices Renovation	\$15,000	\$26,715	\$41,715	Funds needed to finish foremen offices (\$1,700) and to build new offices for water conservation staff (\$20,300).
SF17-415	Walnut – Foyer Area Furniture	\$6,000	\$2,000	\$8,000	Funds needed for office furniture that was more expensive than anticipated.
SF17-417	Security Upgrade	\$15,000	(\$4,325)	\$10,675	Portions of project delayed until 2018 in order to have funds to finish interior work at Walnut.
SF17-419	Walnut – Office Area for New Positions	\$10,000	\$16,835	\$26,835	Funds needed to complete workspace upgrade for various offices at Walnut.
<b>Total</b>		<b>\$218,500</b>	<b>\$0</b>	<b>\$218,500</b>	



## Agenda Item: 11

**Date:** July 7, 2017

**Subject:** Resolution No. 17-08 Fixing the 2018 Employer Contribution at an Equal Amount for Employees and Annuitants Under the Public Employees' Medical and Hospital Care Act, and Resolution No. 17-09 Fixing the 2018 Employer Contribution Under Section 22893 of the Public Employees' Medical and Hospital Care Act

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

### Recommended Board Action:

Adopt the following CalPERS resolutions to set the District's maximum 2018 contribution levels for employee and retiree medical insurance:

- 1) Resolution No. 17-08 Fixing the 2018 Employer Contribution at an Equal Amount for Employees and Annuitants Under the Public Employees' Medical and Hospital Care Act (Exhibit 1); and
- 2) Resolution No. 17-09 Fixing the 2018 Employer Contribution Under Section 22893 of the Public Employees' Medical and Hospital Care Act (Exhibit 2).

### Discussion:

Staff has determined the District should remain in the CalPERS medical program for 2018 after comparing plans and rates with those offered through ACWA/JPIA and Special District Risk Management Authority (SDRMA). ACWA/JPIA indicated they will not be competitive with CalPERS next year since CalPERS will have an overall average rate increase of 2.33% compared with ACWA/JPIA's rate increase of 4.5%-8.26%. SDRMA will not have 2018 rates until the end of this month, but in comparing their current HMO and PPO plan rates with comparable CalPERS HMO and PPO plans, SDRMA would have cost the District over \$300,000 more this year based on active employee enrollment, which is consistent with the premium review conducted two years ago. (Note: since SDRMA will be adding Kaiser to their HMO plans next year, staff will review the 2019 SDRMA plans and rates, including Medicare coordination of benefits, as soon as that information is available in late July 2018.)

The last day to file a resolution to terminate enrollment in the 2018 CalPERS health insurance program is August 21, 2017. Since that is also the date of the August Board meeting, staff is bringing this item forward for Board approval in July and would note two important reminders: 1) when an agency leaves the CalPERS health insurance program, it cannot return for five years, and 2) plans currently in the CalPERS medical program (e.g., Kaiser, United Healthcare, Blue Shield of California, etc.) will not provide a quote for separate group coverage until a Board Resolution is provided that confirms the agency's intent to leave the CalPERS program.



As directed by the Board since 2007 for the CalPERS medical program, the General Manager determines the maximum or “cap” amount to be paid by the District for employee medical insurance premiums prior to Open Enrollment each year based on the higher of the Sacramento Region Basic lowest cost HMO and PPO plans. Based on the rate chart attached as Exhibit 3, the Kaiser CA HMO plan will be the higher of the lowest cost HMO and PPO CalPERS medical plans in 2018. (For 2017, the higher of the lowest cost HMO and PPO plans was Health Net SmartCare.) Given the change in the “cap” plan for 2018, staff has prepared updated CalPERS resolutions (using the required CalPERS templates) for adoption by the Board of Directors as follows:

1. Resolution No. 17-08 Fixing the Employer Contribution at an Equal Amount for Employees and Annuitants Under the Public Employees’ Medical and Hospital Care Act (Exhibit 1): This Resolution applies to **all pre-merger employees and annuitants hired prior to January 1, 2003**. It includes the CalPERS minimum premium rate under the 100/90 formula for single coverage and the Kaiser CA HMO rate for 2-party and family coverage.
2. Resolution No. 17-09 Fixing the Employer Contribution Under Section 22893 of the Public Employees’ Medical and Hospital Care Act (Exhibit 2): This Resolution applies to **all employees and annuitants hired on or after January 1, 2003**, who are subject to the CalPERS vesting schedule for their post-retirement benefits. It includes the maximum amount since CalPERS determines individual annuitant premium levels based on the 100/90 formula.

The monthly premium rates for the HMO and PPO plans offered by CalPERS in 2017 and 2018 for a single person are shown below (the District’s “cap” amount is shown in bold for each year):

<b>HMO Medical Benefit Plan</b>	<b>2017 Monthly Premium</b>	<b>2018 Monthly Premium</b>
Anthem HMO Select	\$907.08	\$942.29
Anthem HMO Traditional	\$1,286.41	\$1,054.62
Blue Shield Access+	\$859.42	\$806.71
Health Net SmartCare	<b>\$672.66</b>	\$980.82
Kaiser CA	\$690.56	<b>\$703.96</b>
United Healthcare	\$756.78	\$831.42
Western Health Advantage (New)	--	\$744.79

<b>PPO Medical Benefit Plan</b>	<b>2017 Monthly Premium</b>	<b>2018 Monthly Premium</b>
PERS Choice (PPO)	\$723.47	\$735.38
PERS Select (PPO)	\$641.47	\$684.90
PERSCare	\$812.40	\$797.61

Resolution No. 17-08 Fixing the 2018 Employer Contribution at an Equal Amount for Employees and Annuitants Under the Public Employees' Medical and Hospital Care Act, and Resolution No. 17-09 Fixing the 2018 Employer Contribution Under Section 22893 of the Public Employees' Medical and Hospital Care Act  
July 7, 2017  
Page 3 of 3

As shown, the “cap” amount paid by the District for single premium rates for active employees will increase by \$31.30 per month, with proportionate increases in two-party and family coverage rates based on the CalPERS plan ratio of 1:2:2.6 (i.e., the two-party rate is 2 times greater than the single rate and the family rate is 2.6 times greater than the single rate).

**Fiscal Impact:**

Moderate increase in 2018 Operations and Maintenance expenses. District staff may elect to change plans during Open Enrollment. The precise cost impact to the District is unknown at this time, but it is estimated to be less than \$5,000 per month.

**Strategic Plan Alignment:**

Customer Service – 3.A. Operate in an open and public manner including public reporting to the Board of Directors.

Customer Service – 3.B. Attract and retain a well-qualified staff with competitive compensation, effective training, and professional development to ensure safe, efficient and effective job performance.

District customers will benefit from the savings achieved by the District in remaining in the CalPERS medical program when compared with ACWA/JPIA and SDRMA 2018 plan rates.

# EXHIBIT 1

## RESOLUTION NO. 17-08

### FIXING THE EMPLOYER CONTRIBUTION AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT

- WHEREAS, (1) Sacramento Suburban Water District is a contracting agency under Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act"); and
- WHEREAS, (2) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and
- WHEREAS, (3) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; and
- RESOLVED, (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of **\$725.00** per month for employee or annuitant enrolled for self alone, **Kaiser CA Sacramento Region Basic Party Rate 2** per month for employee or annuitant enrolled for self and one family member, and **Kaiser CA Sacramento Region Basic Party Rate 3** per month for employee or annuitant enrolled for self and two or more family members, plus administrative fees and Contingency Reserve Fund assessments; and be it further
- RESOLVED, (b) Sacramento Suburban Water District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further
- RESOLVED, (c) That the participation of the employees and annuitants of Sacramento Suburban Water District shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Sacramento Suburban Water District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer.
- RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, Lynne Yost, Human Resources Coordinator, or Daniel Bills, Finance Director, to file with the Board a verified copy of this resolution, and to perform on behalf of Sacramento Suburban Water District all functions required of it under the Act.

Adopted at a regular meeting of the Sacramento Suburban Water District Board of Directors at Sacramento, California, this 17th day of July, 2017.

# EXHIBIT 1

Signed: \_\_\_\_\_  
Robert P. Wichert, President, Board of Directors

Attest: \_\_\_\_\_  
Robert S. Roscoe, General Manager/Secretary

## EXHIBIT 2

### RESOLUTION NO. 17-09 FIXING THE EMPLOYER CONTRIBUTION UNDER SECTION 22893 OF THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT

- WHEREAS, (1) Sacramento Suburban Water District is a contracting agency under Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act"); and
- WHEREAS, (2) Sacramento Suburban Water District is a contracting agency has filed a resolution with the Board of the California Public Employees' Retirement System to provide a postretirement health benefits vesting requirement to employees who retire for service in accordance with Government Code Section 22893; and
- RESOLVED, (a) That the employer contribution for each annuitant subject to vesting shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of **Kaiser CA Sacramento Region Basic** per month, but not less than the amounts prescribed by Section 22893(a)(1), plus Administrative fees and Contingency Reserve Fund assessments; and be it further,
- RESOLVED, (b) Sacramento Suburban Water District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further
- RESOLVED, (c) That the participation of the employees and annuitants of Sacramento Suburban Water District shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Sacramento Suburban Water District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, the California Public Employees' Retirement System may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further
- RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, Lynne Yost, Human Resources Coordinator, or Daniel Bills, Finance Director, to file with the Board a verified copy of this resolution, and to perform on behalf of Sacramento Suburban Water District all functions required of it under the Act.

Adopted at a regular meeting of the Sacramento Suburban Water District Board of Directors at Sacramento, California, this 17<sup>th</sup> day of July, 2017.

Signed: \_\_\_\_\_  
Robert P. Wichert, President, Board of Directors

Attest: \_\_\_\_\_  
Robert S. Roscoe, General Manager/Secretary

EXHIBIT 3

# CaIPERS

## 2018 Regional Health Plan Rates

### Sacramento Region

Plan	Employee Plan Only	Plan Code	Employee Plan + 1	Plan Code	Employee Plan + Family	Plan Code
<b>HMOs</b>						
Anthem HMO Select	\$942.29	4461	\$1,884.58	4462	\$2,449.95	4463
Anthem HMO Traditional	\$1,054.62	4421	\$2,109.24	4422	\$2,742.01	4423
Blue Shield Access+	\$806.71	1011	\$1,613.42	1012	\$2,097.45	1013
HealthNet SmartCare	\$980.82	3761	\$1,961.64	3762	\$2,550.13	3763
<b>Kaiser</b>	<b>\$703.96</b>	<b>1031</b>	<b>\$1,407.92</b>	<b>1032</b>	<b>\$1,830.30</b>	<b>1033</b>
United Healthcare	\$831.42	4241	\$1,662.84	4242	\$2,161.69	4243
Western Health Advantage	\$744.79		\$1,489.58		\$1,936.45	
<b>PPOs</b>						
PERS Choice	\$735.38	1051	\$1,470.76	1052	\$1,911.99	1053
PERS Select	\$684.90	1251	\$1,369.80	1252	\$1,780.74	1253
PERSCare	\$797.61	1211	\$1,595.22	1212	\$2,073.79	1213

**“Cap” Plan Shown in Red**



## Agenda Item: 12

**Date:** July 6, 2017

**Subject:** District Activity Report

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

Described below are significant District Activities and milestones over the past month. The report is separated into the following sections: Water Operations and Exception Report, and Customer Service Report, and Community Outreach Report.

### **a. Water Operations And Exceptions Report**

#### **i. Monthly Water Production – Exhibit WO-1**

This indicates the amount of water produced, both ground and surface water, in the District's North Service Area (McClellan Business Park, The Arbors at Antelope, and portions of North Highlands, Antelope, Carmichael, and Citrus Heights) and South Service Area (Portions of Arden Arcade, Carmichael, and City of Sacramento) for Calendar Year 2016 and 2017. The District continues to receive surface water supplies as the primary water source for the North Service Area, while the primary source in the South Service remains groundwater.

#### **ii. Water Wheeled to Other Purveyors – Exhibit WO-2**

This indicates the amount of water the District served to other water purveyors in Calendar Year 2017. The amount is indicated in Million Gallons (MG) and Acre Feet (AF). Cal American Water continues to take surface water deliveries from the North Service Area.

#### **iii. Water Operations Activity – Exhibit WO-3**

This shows the types and number of activities that are conducted daily in the Production, Distribution and Field Services Departments.

#### **iv. Claims Update – Exhibit WO-4**

This is a summary report of claims received by the District that are less than \$10,000, and approved or rejected by the General Manager.

#### **v. General System Discharges by Category – Exhibit WO-5**

This report quantifies the amount of water discharged for each discharge type. In June 2017, the total volume of water discharged was 0.410 MG or 0.03% of the

total water produced for the month, of which 10.0% or 0.041 MG was reused through land application.

vi. **Exception Report for June**

On June 8, 2017, twelve production facilities abruptly lost radio communication with the Supervisory Control and Data Acquisition (SCADA) system. Despite the communication loss, each site continued to operate normally utilizing the automated program of the on-site programmable logic controller. Tesco Controls, the District's SCADA integration and radio system vendor, was contacted to troubleshoot the issue. Tesco dispatched staff to perform radio tests and a frequency path analysis. Tesco discovered a frequency path immediately adjacent to one of the District's SCADA system radio frequencies causing interference and disrupting communication to the affected sites.

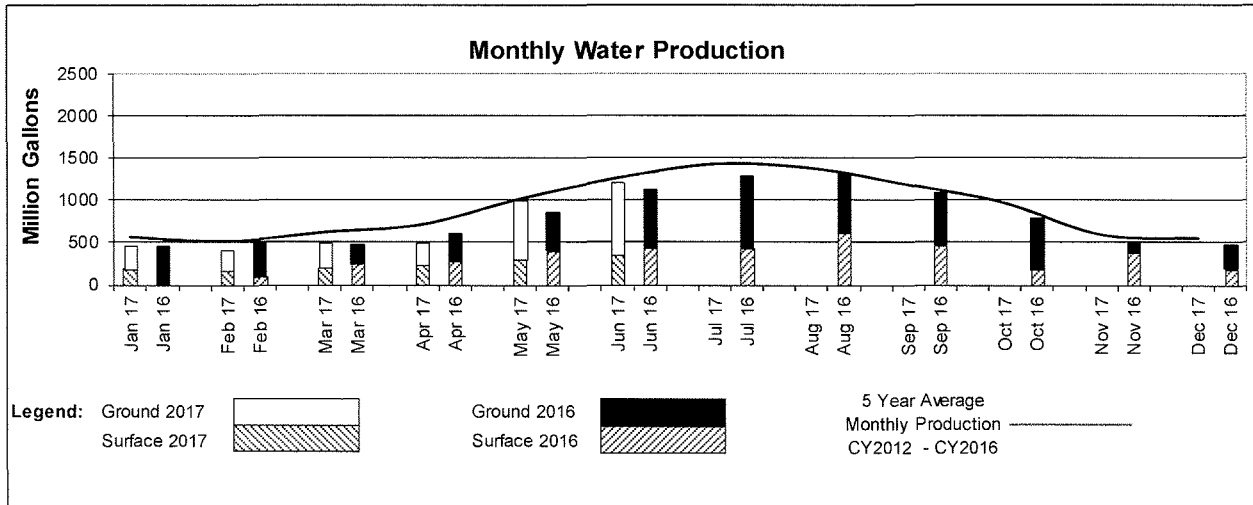
The frequency path causing the disruption is originating from a PG&E owned property in Grass Valley located at an elevation of 3,200 feet. Tesco noted that PG&E is operating this site within the FCC guidelines, but their signal is still causing interference or "noise" that can not be completely tuned out through an adjustment of the District's radios. Tesco is currently investigating whether an existing alternate radio frequency, already owned by the District but not currently in use, can be utilized to mitigate the issue at the affected sites.



## Monthly Water Production 2017

Exhibit WO-1

Month	North Service Area *			South Service Area **			Total North & South Service Areas (MG)	Average MG/Day	% Of Total Year to Date Production
	Surface (MG)**	Ground (MG)	Sub Total (MG)	Surface (MG)	Ground (MG)	Sub Total (MG)			
Jan	187.518	93.149	280.667	0.000	191.805	191.805	472.472	15.241	11.508
Feb	174.222	74.344	248.566	0.000	165.299	165.299	413.865	14.781	10.081
Mar	191.993	99.806	291.799	0.000	210.246	210.246	502.045	16.195	12.228
Apr	231.705	66.983	298.688	0.000	201.879	201.879	500.567	16.686	12.192
May	299.000	254.180	553.180	0.000	452.839	452.839	1,006.019	32.452	24.504
Jun	343.160	326.951	670.111	0.000	540.501	540.501	1,210.612	39.052	29.487
July									
Aug									
Sep									
Oct									
Nov									
Dec									
<b>MG</b>	<b>1427.598</b>	<b>915.413</b>	<b>2,343.011</b>	<b>0.000</b>	<b>1762.569</b>	<b>1,762.569</b>	<b>4105.580</b>	<b>22.683</b>	
<b>AF</b>	<b>4,381.137</b>	<b>2,809.299</b>	<b>7,190.437</b>	<b>0.000</b>	<b>5,409.126</b>	<b>5,409.126</b>	<b>12,599.562</b>		



\* North Service Area (North Highlands, Northridge, McClellan Park and The Arbors)  
 \*\* South Service Area (Town and Country)  
 \*\*\*The surface water delivery quantities are reported from SJWD's monthly records.  
 Note: Reported production values do not include water wheeled/sold to other purveyors.

Mo/Yr	Million Gallons (MG)			Difference
	Surface	Ground	Total	
Jan 17	187.518	284.954	472.472	6.173
Jan 16	0.000	466.299	466.299	
Feb 17	174.222	239.643	413.865	-78.704
Feb 16	97.179	395.390	492.569	
Mar 17	191.993	310.052	502.045	22.472
Mar 16	244.176	235.397	479.573	
Apr 17	231.705	268.862	500.567	-118.368
Apr 16	278.717	340.218	618.935	
May 17	299.000	707.019	1,006.019	152.464
May 16	406.766	446.789	853.555	
Jun 17	343.160	867.452	1,210.612	78.501
Jun 16	429.012	703.099	1,132.111	
Jul 17				
Jul 16	432.815	861.902	1,294.717	
Aug 17				
Aug 16	610.979	715.213	1,326.192	
Sep 17				
Sep 16	470.076	623.344	1,093.420	
Oct 17				
Oct 16	184.916	617.280	802.196	
Nov 17				
Nov 16	385.163	129.400	514.563	
Dec 17				
Dec 16	190.646	286.450	477.096	

Exhibit WO-2

**SACRAMENTO SUBURBAN WATER DISTRICT**  
**Water Wheeled To Other Purveyors**  
 2017

Month	California American Water Company		Citrus Heights Water District		City of Sacramento		County of Sacramento		Rio Linda / Elverta Water District		San Juan Water District		City of Roseville	
	(AF)	(MG)	(AF)	(MG)	(AF)	(MG)	(AF)	(MG)	(AF)	(MG)	(AF)	(MG)	(AF)	(MG)
January	106.368	34.660	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
February	87.743	28.591	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
March	97.446	31.753	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
April	88.583	28.865	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
May	112.232	36.571	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
June	127.592	41.576	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
July														
August														
September														
October														
November														
December														
YTD	<b>619.964</b>	<b>202.016</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

Note: Water wheeled to other purveyors includes water sold.

**Exhibit WO-3**

**Water Operations Activity**

	<u>June 2017</u>	<u>2017 Monthly Average</u>	<u>CY 2017</u>
<b><u>Production Department</u></b>			
<b><u>Service Orders</u></b>			
Preventive Maintenance: Work Orders Completed	690	648	3885
Corrective Maintenance: Work Orders Completed	6	6	37
<b><u>Water Quality</u></b>			
Complaints	2	1	7
Inquiries	14	8	50
<b><u>Distribution Department</u></b>			
<b><u>Service Orders</u></b>			
Main Leaks	8	4	26
Service Line Leaks	2	10	62
Locate & Expose (L&E)	14	14	86
Determine Responsibility (DR)	65	53	315
<b><u>Water Main Shutdown</u></b>			
-- Emergency	5	3	15
-- Scheduled	0	0	1
<b><u>Preventive Maintenance Program</u></b>			
Fire Hydrants Inspected	8	2	12
Fire Hydrant Valves Inspected	2	4	23
Fire Hydrant Valves Exercised	2	4	21
Mainline Valves Inspected	18	76	458
Mainline Valves Exercised	18	71	425
<b><u>Underground Service Alert</u></b>			
Reviewed	2405	1933	11597
Marked	650	461	2766
<b><u>After Hours Activity (On-Call Technician)</u></b>			
Calls Received	37	41	248
Calls Responded	27	27	161
Average Call Time Hours	2.1	2	2
Overtime Hours	56	53	317
<b><u>Field Services Department</u></b>			
<b><u>Meters</u></b>			
Preventive Maintenance - Meters Tested	16	14	81
Preventive Maintenance - Meters Replaced	0	1	7
Preventive Maintenance - Meter Re-Builds	69	25	150
<b><u>Customer Service</u></b>			
Shut Off (non-payment)	134	150	897
Restore Service	149	153	917
Customer Pressure Inquiries	18	8	49
<b><u>Field Operations Department</u></b>			
Service Requests Generated	1241	1371	8225
Work Orders Generated	998	1089	6535

**Exhibit WO-4**

**Date:** July 6, 2017

**Subject:** Claims Update

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

On December 21, 2009, the District adopted a Claims Processing Policy. The Policy requires any claim in excess of \$10,000 be brought before the Board for approval or rejection of said claim. The General Manager has the authority to approve or reject claims up to \$10,000. The Policy further requires that all claims less than \$10,000 be reported to the Board as an information item.

The following information provides an overview of the claims that are less than \$10,000 that have been submitted to the District:

**CLAIMS APPROVED/REJECTED BY GENERAL MANAGER**

There were no claims approved or rejected by the General Manager.

**CLAIMS UNDER REVIEW/INVESTIGATION**

4555 S. Park Drive (Cara Keough)

Claim – On June 27, 2017, staff received a District Claim Form from Ms. Keough requesting reimbursement for repairs to her in-tract (private) water line. She alleges that when the service was installed 8 years ago it was not installed properly resulting in a leak on March 24, 2017.

Claim Amount – \$320.00

Date of loss – March 24, 2017

**Exhibit WO-5**

# General System Discharges by Category

From 6/1/2017 to 6/30/2017

<b>Report Group</b>	<b>Water Used (MG)</b>
<b>Distribution Flushing</b> (8 detail records)	
Discharge Sub Total	<b>0.378</b>
Portion Reused	0.034
<b>Meter Testing</b> (2 detail record)	
Discharge Sub Total	<b>0.032</b>
Portion Reused	0.007
<b>Total Water Flushed for all Types of Discharges::</b>	<b>0.410</b>
<b>Total Monthly Production for June 2017:</b>	<b>1,210.612</b>
<b>Percent of Total Production Discharged to Waste:</b>	<b>0.03%</b>
<b>Total Water Reused for all Types of Discharges:</b>	<b>0.041</b>
<b>Percent of Discharged Water Reused:</b>	<b>10.0%</b>

## **b. Water Conservation and Regional Water Efficiency Program Report**

### **i. Program Overview for June 2017**

The District continues to message water conservation and use efficiency to its customers. The District's website reflects the current water use restrictions and the current update to Regulation No. 15. Staff will continue to reach out to customers in an effort ensure they are aware of the most up to date water use efficiency actions and water conservation programs that the District is promoting and offering in 2017. The following is a list of District water conservation activities for June 2017.

- a. In May 2017 the District's Board of Directors declared Normal Water Supply conditions, but called on District customers to continue to use water as efficiently as possible. The District set an overall water conservation goal of 10%. The District achieved an 11.4% reduction in June 2017 (when compared to June 2013), exceeding the District's 10% goal. Since the Emergency Drought Regulations were enacted in June 2015, the District has achieved a 26.5% reduction in water use when compared to 2013.
- b. The Regional Water Authority (RWA) issued the regional water conservation results for May 2017. The Sacramento Region reduced water use by 24.3% in May 2017 (compared to May 2013), 28.5% CY2017 (compared to CY2013), and 24.7% since Emergency Drought Regulations were enacted in June 2015. Data graphics can be provided upon request.
- c. Customer Leak Notifications – Staff sent out 549 notifications of 72 hour continuous flow events in June 2017.
- d. Public Outreach – The District utilized different info graphics for public outreach in June 2017. Staff utilized local newspapers, online advertising, and the District's website to communicate the District's message to use water as efficiently as possible during the winter months. Exhibit 1 shows the various graphics used for public outreach. The online advertisements used for Facebook generated 325 clicks, reached 179,314 people and left 220,373 impressions. The online advertisements used for Google generated 180 clicks and left 75,443 impressions. The District's focus for June 2017 was the EPA's WaterSense Sprinkler Spruce Up program, "Do the Twist" WaterSense faucet aerator replacements, Antelope Gardens, and the District's rebate program.

### **ii. Water Conservation Program and Results**

District staff continues to promote water conservation directly to the District customers. During June 2017 District staff and our contract company performed 21 indoor residential Water-Wise House Calls (WWHC), 47 outdoor residential WWHC's, and 1 Commercial WWHC. Staff received 31 calls and 16 reports via the District's website regarding reports of water waste. Staff issued 38 Information Only Notices, 75 Notices of

Violation, 5 Warning Notice of Violation, 1 First Notice of Violation, and 1 Second Violation that resulted in a \$50 assessment (see Exhibit 2).

The District issued rebates for 8 toilets (\$1,147), 1 Pool Cover (\$99), 3 Weather-Based Irrigation Controllers (\$450), 2 Irrigation Efficiency Upgrades (\$704) and 1 clothes washer (\$75) in June 2017. Also, as part of the Water Energy Grant Program (operated by the Regional Water Authority) Southwest Environmental (SWE) has scheduled the replacement of high volume toilets in various multi-family residential disadvantaged communities throughout the District. To date, the SWE has replaced 1,362 toilets, 1,024 showerheads, 941 bathroom faucet aerators, and 280 kitchen faucet aerators.

### **iii. Water Conservation Legislation – AB 968**

Below is a brief summary of one of the key pieces of legislation under consideration by the state legislature:

1. AB 968 – Would amend existing law that requires urban water retailers to reduce water use by 20% by 2020 to require urban water utilities to develop a water efficiency target for 2025 in its 2020 Urban Water Management Plan. The target would be set by the urban water retailer by choosing one of three different methods of compliance. The three different methods of compliance are as follows:
  - Option 1: 75% of the urban water retailer’s base daily per capita water use;
  - Option 2: The sum of the following:
    - 55 gallons of water per person per day;
    - Estimated amount of water required for irrigated landscape based on landscape installation year and estimated amount of evapotranspiration;
    - Unique volumes of water; and,
    - Performance measures for Commercial, Industrial and Institutional customers.
  - Option 3: 90% of the applicable hydrologic region target as set by the state’s 20x2020 Water Conservation Plan.

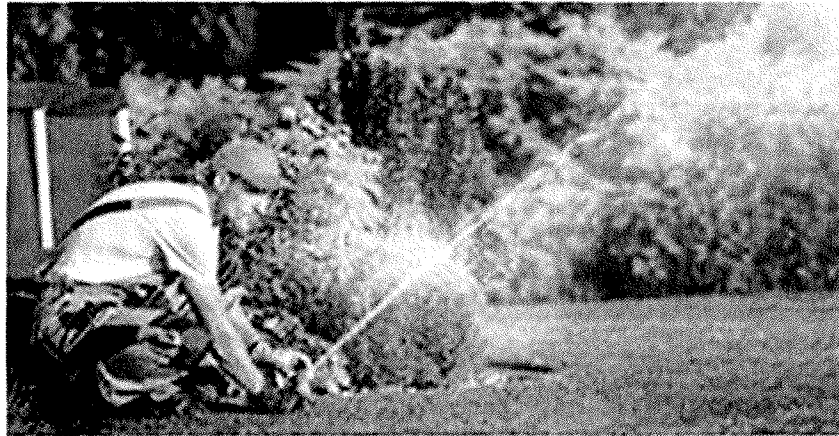
AB 968 is currently being reviewed by the state’s Appropriations Committee. A copy of AB 968 can be provided upon request. Staff will continue to update the Board regarding the progress of AB 968.

### **iv. Upcoming Events**

- a. **None.**

Exhibit 1

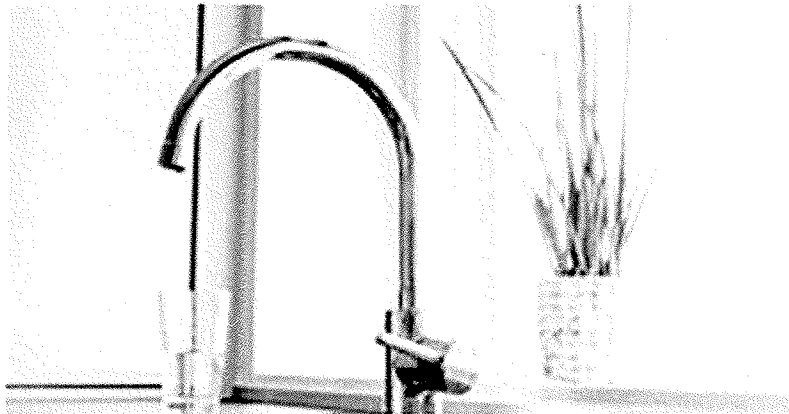
**June 2017 Public Outreach Advertisements**



**Spruce Up Your Sprinklers**

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

Get your sprinkler system ready for summer by replacing old heads with high-efficiency ones.



**Do The Twist**

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

Install a WaterSense-labeled faucet or aerator and save water every time you turn on the tap.





Exhibit 2

### 2017 Water Conservation Activity Report

	<u>Month</u> <u>June</u>	<u>Year</u> <u>2017</u>
<b><u>Non-Measurable Water Saving Programs</u></b>		
1.1-1 Conservation Coordinator	*	Yes
1.1-2 Water Waste Prevention	*	Yes
1.1-3 Wholesale Agency Assistance	N/A	N/A
1.2 Water Loss Control	N/A	Yes
1.3 Metering/Commodity Rates	254	1144
1.4 Retail Conservation Pricing	*	N/A
2.1 Public Information	*	N/A
2.2 School Education	*	N/A

<b><u>Demonstrated Water Saving Programs</u></b>		
3 Residential Audits - Indoors	21	108
3 Residential Audits - Outdoors	47	162
3 Water Conservation Kits - Indoor	294	415
3 Water Conservation Kits - Outddor	4	8
3 High Bill Investigates	18	47
3 Leak Notifications Sent - All Customers	549	2012
4 CII Audits	1	5
5 Large Landscape Audits	0	0

**Current Rebates**

	<u>Monthly Spend</u>	<u>To Date Spent</u>
Rebates - Cash for Grass	0	\$0
Rebates - Pool Covers	1	\$199
Rebates - Toilet	8	\$1,147
Rebates - WBIC	3	\$450
Rebates - Rain Sensors	0	\$0
Rebates - Irrigation Upgrades	2	\$704
Rebates - Clothes Washers	1	\$75
Rebates - HET Toilets (DAC)	967	\$0

**Water Waste Calls and Notifications**

Water Waste Calls	31	84
Water Waste via Website	16	52
Notice - Information Only	38	94
Notice of Violation	75	166
Warning Notice of Violation	5	7
1st Violation - Water Waste	1	2
2nd Violation - Water Waste	1	1
3rd Violation - Water waste	0	0

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

## **c. Customer Service Report**

### **i. Customer Service Monthly Activity - Exhibits CS-1 & CS-2**

1. Customer Service Activity Report shows Customer Service activity for the month of June 2017.
2. Call Volume Report shows number of calls received, abandoned calls, and queue times.

### **ii. Customer Service Exceptions**

There were no significant exceptions to report.

### **iii. Website Redesign Update**

The website redesign team participated in a training session with Vision Internet to discuss website content strategies. During this meeting staff found that streamlining the website content has numerous benefits to our customers. In addition, staff will be training on website accessibility regarding American Disability Act in the coming weeks.

At the end of June 2017, staff added Google Analytics to the current website which will then be placed on the new website. The analytics tracks information on the type of activity on the site including: pages accessed, number of views, time of day of the access, and the type of device. Since the end of June, analytics shows the following access: 60% by desktop, 33% by mobile and 7% by tablet.

## Exhibit CS-1

	<u>June 2017</u>		<u>Calendar Year 2017</u>	
<b><u>Customer Service Department</u></b>				
<b><u>Billing</u></b>				
Water Connections - Total Active	46,812		n/a	
Active Flat w/o Meter	7,135		n/a	
Active Flat w/Meters	2,882		n/a	
Active Meter Non-Residential	7,334		n/a	
Active Meter Residential	29,461		n/a	
Water Connections - Suspended	462		n/a	
Owner/Tenant Billing Agreement	1,286		n/a	
E-billing	3,117		n/a	
Water Statements Mailed	40,039		239,770	
Monthly Calls	3,465		19,408	
Customer Changes	227		1,392	
<b><u>Collections</u></b>				
15-Day Notices	1,369		8,587	
48-hour Door Tags Generated	720		4,450	
Lock-off Door Tags Generated	179		1,015	
Bankruptcy Processed	3		5	
<b><u>Payments</u></b>				
Cash/Check Payments (Front Office)	1,010	2.7%	7,874	3.5%
Credit Card Payments (Front Office)	692	1.9%	4,810	2.1%
SSWD Customer Web Payments	3,883	10.4%	23,362	10.2%
Direct Payment Service (Auto Pay-Checking)	4,583	12.3%	27,737	12.2%
Direct Payment Service (Auto Pay-Credit Card)	3,328	8.9%	18,700	8.2%
IVR (Automated Phone System)	1,396	3.8%	8,599	3.8%
Electronic Payments (Online Banking)*	10,774	28.9%	65,207	28.6%
LockBox (Checks)	11,554	31.0%	71,812	31.5%
<b>Total Payments</b>	<b>37,220</b>	<b>100.0%</b>	<b>228,101</b>	<b>100.0%</b>

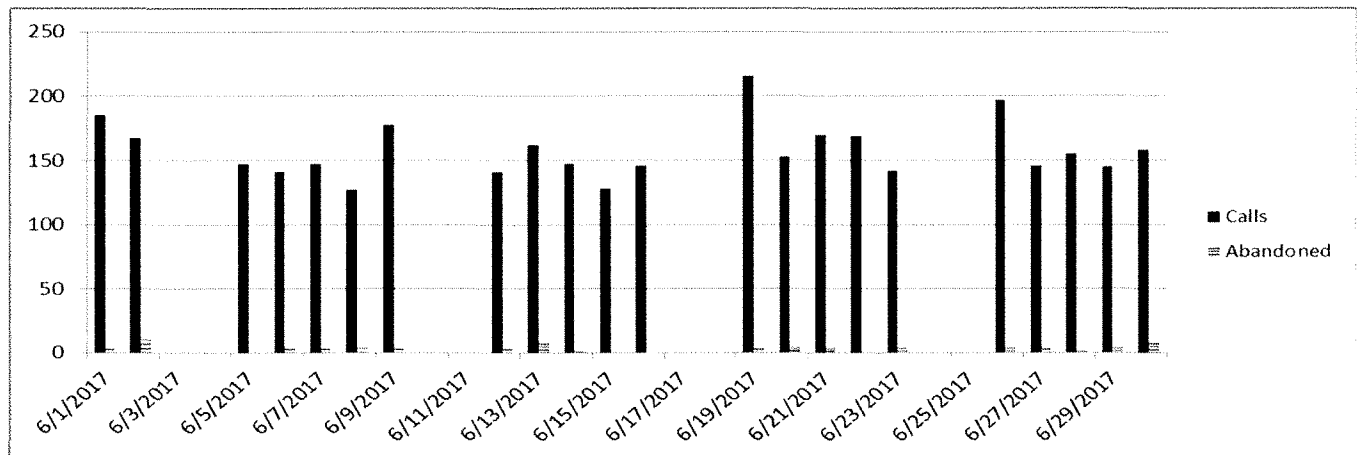
\*Electronic payments have been combined into one category

## Exhibit CS-2

Date Ranges : 06/01/2017 - 06/30/2017

Time Ranges : 08:00 a.m. - 04:30 p.m.

Date	Total Calls	Calls Abandoned	% of Calls Abandoned	Avg Wait On Queue	Max Wait on Queue	Avg Talk Time
6/1/2017	185	3	1.62%	33s	5m, 35s	2m, 19s
6/2/2017	167	11	6.59%	57s	14m, 16s	2m, 40s
6/5/2017	147	1	0.68%	15s	3m, 33s	2m, 11s
6/6/2017	141	3	2.13%	50s	8m, 44s	2m, 40s
6/7/2017	147	3	2.04%	50s	6m, 15s	2m, 25s
6/8/2017	127	6	4.72%	39s	5m, 14s	2m, 25s
6/9/2017	177	3	1.69%	51s	8m, 9s	2m, 44s
6/12/2017	141	3	2.13%	40s	7m, 20s	2m, 44s
6/13/2017	162	8	4.94%	1m, 30s	8m, 12s	2m, 7s
6/14/2017	147	2	1.36%	1m, 1s	7m, 24s	3m, 32s
6/15/2017	128	1	0.78%	14s	2m, 44s	2m, 13s
6/16/2017	146	0	0.00%	14s	3m, 21s	2m, 6s
6/19/2017	215	3	1.40%	33s	4m, 56s	2m, 43s
6/20/2017	153	5	3.27%	52s	6m, 28s	2m, 38s
6/21/2017	170	5	2.94%	30s	4m, 41s	2m, 23s
6/22/2017	169	1	0.59%	24s	4m, 29s	2m, 4s
6/23/2017	142	4	2.82%	31s	10m, 38s	2m, 39s
6/26/2017	197	4	2.03%	34s	7m, 5s	2m, 33s
6/27/2017	146	3	2.05%	18s	3m, 54s	2m, 58s
6/28/2017	155	2	1.29%	17s	2m, 29s	2m, 14s
6/29/2017	145	4	2.76%	31s	6m, 13s	1m, 54s
6/30/2017	158	8	5.06%	59s	5m, 59s	2m, 30s
<b>GroupTotal</b>	<b>3465</b>	<b>83</b>	<b>2.40%</b>	<b>42s</b>	<b>6m, 6s</b>	<b>2m, 29s</b>



**d. Community Outreach Report**

**i. August Bill Insert**

The August bill insert will begin on July 24, 2017 and continue until August 27, 2017.

The bill insert includes the following articles:

- Water-Wise Tips for Back to School and for Life
- H<sub>2</sub>O Heroes: Video Stars of Jesuit High School
- Your Monthly Water Bill – There are Many Ways to Pay
- Water Facts
- Water Fun & Games

The bill insert is scheduled to be posted on the District’s website at the end of July, 2017. A sample of the bill insert has been included with this report.

**ii. August Envelope Message**

The August envelope promotes the available District rebates. The envelope will begin on July 24, 2017 and continue until August 27, 2017.

**iii. 2016 Consumer Confidence Report**

The 2016 Consumer Confidence Report was directly mailed to all customers on June 24, 2017 to be received on or before July 1, 2017. SSWD had made the CCR available electronically and only sent paper reports upon request. Due to the overwhelming response from customers, SSWD found that it was more cost effective to directly mail the CCR to each customer. The report is posted to the website.

**iv. Community Meetings/Events**

Staff, representing SSWD, attended the following agency meetings, conference calls, community meetings, and events in June 2017:

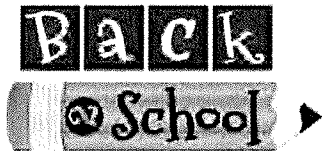
<u>Date:</u>	<u>Meeting:</u>	<u>Staff:</u>
06/02/17	ACWA Board Meeting	Rob Roscoe
06/08/17	Placer County Middle Fork Project Tour	Rob Roscoe
06/09/17	Placer County Middle Fork Project Tour	Rob Roscoe
06/20/17	Kennedy Jenks Water Quality Meeting	Roscoe/York
06/21/17	RWA Lobbyist Program Meeting	Dan York
06/26/17	Country Club Alliance of Neighborhoods – Presentation	Rob Roscoe
06/27/17	ASCE Capital Branch Luncheon	Rob Roscoe
06/28/17	RWA Meeting	Rob Roscoe
06/29/17	McClellan Business Park Meeting	Dan York

00190382



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

August 2017



## Water-Wise Tips | for Back to School and for Life

It's that time of year again when school bells are ringing again, buses are arriving, and kids and parents are scrambling to get ready for school.

Here are some handy tips to help kids get a head start on the new school year and establish water-wise habits that will serve them through life:

### Turn off the tap

An easy way to help conserve water is by turning off the faucet when brushing our teeth. This simple step can save up to 200 gallons a month.

### Scrape instead of pre-rinse

If your kids help you clean up after dinner, have them scrape any leftover food into the trash and skip pre-rinsing the dishes before putting them in the dishwasher.

*Water-Wise Tips | page 2*

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

Phone: 916.972.7171

Fax: 916.972.7639

3701 Marconi Avenue, Suite 100

Sacramento, CA 95821-5346

Hours: M-F, 8:00 a.m. to 4:30 p.m.



## H<sub>2</sub>O Heroes: Video Stars of Jesuit High School

A group of sophomores and seniors from Jesuit High School were among the top 10 finalists in this year's Water Spots video contest, sponsored by Sacramento Suburban Water District, Regional Water Authority and water providers from throughout the Sacramento region.

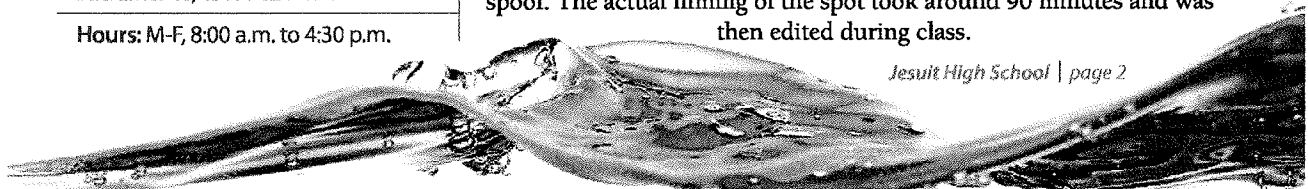
The contest challenges local high school and middle school students to create a 30-second public service video that educates and motivates the public to use water efficiently and stop water waste. This year's theme was WATER MYTHS BUSTED! Most household water use occurs outdoors.

There were 102 video entries this year, the most ever in the contest's history. The top 10 were chosen by a group of celebrity judges, including Kathleen Dodge from the Tahoe Film Commission, Monica Woods from ABC10 and Rita Schmidt Sudman from the Water Education Foundation. The selections were judged on their creativity, entertainment value, accuracy, originality and incorporation of the 2017 water efficiency message.

Students finalists saw their video premiere on the Raley Field Jumbotron and were honored for their work before a Sacramento River Cats game.

The Jesuit High School students were all part of the digital filmmaking class taught by Katherine Madden. They spent around two weeks doing research into water conservation and battling around ideas for the 30-second spot, until they settled on the idea of "Water Court", a Judge Judy spoof. The actual filming of the spot took around 90 minutes and was then edited during class.

*Jesuit High School | page 2*



*Jesuit High School | from page 1*

“They learned a lot about water conservation as they developed and refined the idea,” Katherine said. “It’s something that has stayed with all of us.”

The Jesuit High School Team:  
 Nico Pedroncelli '18, Joseph Courey '18, Michael Lukas '17, Nathan Keowen '18, Donovan McGuire '18, Nate Parry '17, Conrad Hawkins '17, Thatcher Marshall '19, Antonio Hernandez '17 and Abbas Kazmi '17.

*Water-Wise Tips | from page 1*

Take a shower instead of a bath  
 The average bath uses up to 70 gallons of water. By taking a shower instead, you can save between 60 and 45 gallons of water. And by limiting showers to five minutes or less, you can save even more.

### Water Facts

- The average family of four uses 400 gallons of water a day
- Most of the water we use at home in the Sacramento area is used outdoors.
- 70 percent of the world is covered by water, but less than 1 percent is fresh water that is easily accessible.

Kids can test their water knowledge and learn more ways to use water wisely at:  
[https://www.epa.gov/water-sense/watersense-kids.](https://www.epa.gov/water-sense/watersense-kids)

### Your Monthly Water Bill | There are Many Ways to Pay

SSWD has many different options for paying your monthly water bill, including:

- Recurring Credit Card Payments, set up online or in-person
- Direct Payment Service, which allows for your monthly water bill to be automatically paid by deduction from your checking account
- Via credit card (Visa or MasterCard), or debit card (with Visa or MasterCard logo) in person or over the phone
- Cash, Check or money order in person
- Check or money order dropped off in the SSWD night drop box at our Administrative office at 3701 Marconi Avenue, Sacramento, CA 95821
- CheckFreePay vendor. You can find a list of locations online at <https://www.checkfreepay.com>
- U.S. Mail

Please note that as of February 1st, SSWD has a new mailing address for payments:

Sacramento Suburban Water District  
 PO Box 1420  
 Suisun City, CA 94585-4420

## WATER FUN & GAMES

### WORD SEARCH

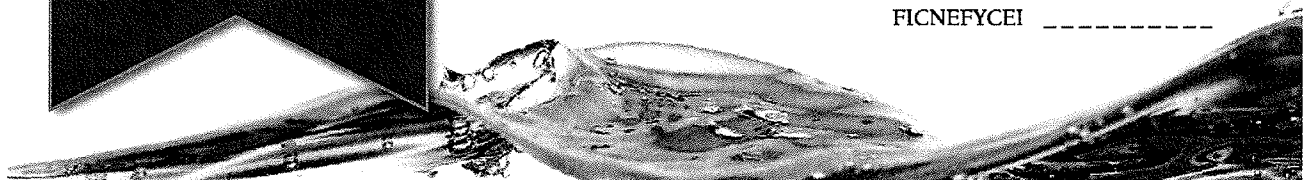
- HOSE
- LEAK
- METER
- MULCH
- OCEAN
- PIPE
- RAIN BARREL
- RIVER
- RUNOFF
- SHOWER
- WATER
- WATERSENSE

M	H	P	H	C	L	U	M	P	F	J	B	T	M	Q
P	H	I	D	G	S	M	J	B	A	F	Z	E	I	J
A	B	P	W	M	C	X	E	R	K	K	O	S	P	E
L	M	E	R	I	T	E	P	T	T	G	K	N	Y	Q
B	Q	M	F	A	I	C	F	Y	E	B	D	E	U	T
R	B	U	D	A	I	Z	O	S	V	R	X	S	E	R
D	X	W	B	R	M	N	A	T	V	I	X	R	S	D
Y	O	A	H	N	R	N	B	V	S	G	E	E	O	H
F	Z	S	H	O	W	E	R	A	Q	O	I	T	H	J
B	I	X	U	Z	A	T	T	H	R	I	I	A	P	A
O	C	E	A	N	P	H	W	A	P	R	B	W	H	B
F	P	G	K	A	A	S	N	W	W	T	E	Z	D	T
K	G	K	V	O	V	Q	H	S	U	G	H	L	N	W
Y	I	U	W	L	E	A	K	D	K	L	Z	K	H	M
V	N	P	N	N	R	E	V	I	R	Y	R	S	V	E

Answers will be published in the September H<sub>2</sub>O on the Go

### WORD SCRAMBLE

- |           |       |            |       |
|-----------|-------|------------|-------|
| NRAI      | ----  | PRID       | ----  |
| TACUEF    | ----- | TARERAO    | ----- |
| LERPNKSIR | ----- | NTRIGRAIOI | ----- |
|           |       | FICNEFYCEI | ----- |



### SAVE MONEY AND WATER WITH SSWD'S REBATES

Rebates are available for:

- Toilets
- Pool Covers
- Clothes Washers
- Irrigation Upgrades
- Rain Sensors
- Weather-Based Irrigation Controllers

Complete details on the rebate programs are available at [sswd.org/rebates](http://sswd.org/rebates).

Remember

*Always look for the WaterSense label when shopping for water fixtures and appliances.*







## Agenda Item: 13

**Date:** July 3, 2017  
**Subject:** Engineering Report  
**Staff Contact:** John E. Valdes, Engineering Manager

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

**a. Major Capital Improvement Projects**

The District continues to deliver CIP projects at a steady rate, supporting operations and ensuring the readiness of District supply and facilities consistent with the funding program as approved by the Board of Directors.

**1) Supply**

**Replacement Palm Well (#N6A)**

The District's consultant, Luhdorff and Scalmanini Consulting Engineers (LSCE), has submitted a proposal to provide design and other services related to manganese treatment at the subject well site. Their proposal includes preliminary research into various treatment options. District staff has taken the lead and procured several manganese treatment proposals directly from vendors in an effort to better understand the various treatment systems available in the market. Vendors have provided schematics and pricing for their treatment systems. Staff is evaluating the proposals and technologies and a decision will be made shortly on how to proceed with the project. A presentation on this project will also be made to the Water Quality Committee at their meeting scheduled for July 17, 2017.

**Various Well Investigation and/or Rehabilitation Projects**

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

- Well #78, Butano/Cottage – Engineering is moving ahead with plans to design and construct a new production well in the South Service Area (SSA). This well will be located on property that the District previously purchased on Butano Drive near Cottage Way. The site is approximately ¼-acre in size and is located near an existing 24-inch transmission main in Cottage Way. A new production well has not been constructed in the SSA since 2000 and this area was identified by Operations as a priority for a new well.

- Well #2A, El Prado/Park Estates – The final punch list items have been successfully resolved by the District’s contractor (Clyde G. Steagall, Inc.). Therefore, a Notice of Completion will be filed at the County Clerk/Recorder’s Office.
- Well #31A, Watt/Elkhorn – The work to lift and replace gravel pack around the well casing has been completed by Roadrunner Drilling under the supervision of LSCE. Test pumping has begun with hopes to clear out any fine gravel that is still coming through the well screens. The work should be completed by the end of July 2017.
- Well #N8, Field – As previously reported, it was recently determined that a previous refurbishment of the well (installation of a liner) failed to correctly vent the well casing. This problem was identified as the result of a current project to convert the well pump to water lube bearings. At the June 2017 Board Meeting, a Director asked why staff wasn’t going back to the original contractor to fix the venting issue. Staff determined that the rehabilitation work in question was completed in 2004 (over 12 years ago) by Layne Christensen Co. Construction warranties are typically only in place for a duration of one (1) year and therefore, too much time has passed to handle this as a warranty issue. Also, Layne Christensen hasn’t worked for the District or even bid on any District projects in several years. For the current work, Kirby’s Pump & Mechanical has been hired to pull the pump, extend the vent tube correctly and raise the pedestal height. Once the vent tube is extended and the discharge piping is raised, Prodigy Electric will finish all wiring and water lube controls. The work has been postponed due to the need to obtain a permit from the County. The work is scheduled for completion near the end of July 2017.
- Well #N15, Cabana – Concentrations of Trichloroethylene (TCE) above the maximum contaminant level (MCL) was detected in 2016 and the well was taken off-line. Phase 1 of an environmental site assessment was recently completed by Sierra West Consultants (SWC) and a report was made to the Water Quality Committee on March 27<sup>th</sup>. SWC has provided a proposal and scope of work for the next phase of the investigation and a contract amendment has been executed. The next phase will include refining and developing information for regulators to see if a responsible party can be identified. SWC’s scope of work also includes evaluating the potential costs of well rehabilitation and wellhead treatment. A presentation on this topic will be made to the Water Quality Committee at their meeting scheduled for July 17, 2017.
- Well #N17, Oakdale – Well rehabilitation work by Roadrunner Drilling will begin as soon as they are completed at Well #31A. Staff hopes to restore the well’s specific capacity with the rehabilitation work. Kirby Pump & Mechanical has already started the modifications necessary for the above ground work at the well site. The well rehabilitation work is expected to be completed before the Oakdale Elementary School resumes classes in August 2017.

## **2) Distribution**

### **Water Main and Non-Potable Pipeline Separation Requirements**

As noted last month, Engineering staff is working with the State Water Resources Control Board, Division of Drinking Water (DDW) staff to obtain project by project separation waivers. Engineering expects to obtain the crossings waiver from DDW for Parkland Estates Phase 2 in early July, and will immediately follow that with an application for a parallel separation waiver. Construction sequencing has been adjusted significantly to avoid areas where separation conditions require a waiver. The end result of DDW's revisions to the waiver process is expected to significantly raise the overall project costs not only for this project, but for the entire ongoing Main Replacement Program. For more detailed information on this topic, see a separate report prepared for the July Board Meeting.

### **Edison Meadows Main Replacement Project**

Construction work on the project is anticipated to begin in early 2018 for completion in late 2018 to early 2019. The new DDW separation waiver requirements and impacts to project design and construction learned during mid-course implementation for the Parkland Estates Phase 2 project are being incorporated into this project (and the overall Main Replacement Program).

This project is being developed as the base bid for the multiple year Main Replacement Program contracts. Staff is evaluating including a contractor pre-qualification phase to the contract bid phase of this project to increase chances of continuing to attract appropriately qualified contractors working on the Main Replacement Program.

### **Parkland Estates Phase 1 Main Replacement Project**

The District has received Notice of Completion from Sacramento County that the project is closed. Services for Eastern Oak Park have been adjusted to accommodate their renovation project (currently in construction) and will be completed under the Parkland Estates Phase 2 project (only the park site portion remains). The County has indicated that paving on Eastern Avenue will take place in June 2018.

### **Parkland Estates Phase 2 Main Replacement Project**

Doug Veerkamp General Engineering (Veerkamp) began construction in May. To date, approximately 5,500 feet of new 8- and 12-inch water mains have been installed. They have also installed ten (10) new fire hydrants, upgraded one (1) fire hydrant, and completed four (4) tie-ins.

To date, the District has been granted a separation waiver for 82 of 86 total sewer/storm drain crossings. Additional information was requested for the other four crossings and that information has been provided to DDW. Due to the DDW waiver process relating to separation requirements and the corresponding delay, Veerkamp began work on Marconi Avenue. Veerkamp completed the majority of the work on Marconi Avenue before moving to interior streets to avoid sewer and storm drain crossings. While working on

interior streets, Veerkamp has been very cooperative in accommodating the lack of a waiver and frequently changing work areas to avoid DDW conflict areas.

The District's Service Line Master Service Contractor (GM Construction) has notified the District that they cannot obtain bonding and therefore, will not be able to meet the contract requirements. Staff is currently in contract negotiations with the Master Service Agreement's second-lowest bidder, Rawles Engineering, Inc. Board action will be required.

**Edison Avenue Water Main Extension Project**

This water main extension project consists of approximately 1,200 feet of pipe and meter installation. The project design is being completed by District staff. A task order will then be created to add this project to our Master Service Contractors. The project will be scheduled around Veerkamp's availability based on their progress on the Parkland Estates Phase 2 Main Replacement Project.

**2017 Meter Retrofit Project**

Flowline Contractors, Inc. began construction of the project in January and has installed 876 meters (of 1,151 scheduled for 2017) through the end of June. Good, clear weather in May and June resulted in consistently high productivity and it is anticipated the project will be successfully completed by the deadline of December 15, 2017.

**b. County and City Projects/Coordination**

The County has a variety of projects scheduled in the next couple of years. Including the project listed below, the County has approximately six capital projects which will need coordination with District facilities. Specific projects will be described and mitigations proposed as County projects trigger District action.

▪ **Howe Avenue Safe Routes to School Phase 2**

The County has completed their sidewalk, curb ramp and pavement improvements near the intersection of Howe Avenue and Marconi Avenue. The District's contractor, GM Construction and Developers (GM), successfully raised 13 valve boxes within the project limits. This project is complete.

▪ **Fulton Avenue Overlay Project Phase 2**

The County will be paving Fulton Avenue between Arden Way and Marconi Avenue this summer. The District has 226 valve boxes within the project limits. District staff will attempt to contract with the County's contractor to lower and raise the District's valve boxes. If staff is unsuccessful at entering into contract with the District's contractor, bids will be solicited to perform the work.

**c. Developer Projects (Including McClellan Business Park)**

There are approximately 40 development projects in various stages of the approval process within the District. The majority of these are commercial projects. Currently there are 23 projects approved by the District, 10 of which have started or are under construction, and 13

that are scheduled, but have not provided the required deliverables prior to start of construction.

During the month of June, the following project was approved for construction:

- **2020 Fulton Avenue – Neillo BMW**

This project is located in Division 5 of the District's SSA. The project consists of installing an 8-inch fire service.

Total fees collected for CY 2017 are approximately **\$103,473**, of which Facilities Development Charges accounted for approximately **\$77,480**.

**d. Planning Studies**

Transmission Main Modeling and Prioritization

The District's Water System Master Plan (WSMP) consultant, Brown and Caldwell (B&C) is moving ahead with hydraulic modeling related to documenting and prioritizing new transmission main installation. The updated WSMP identifies over 100,000 linear feet of new transmission main to be installed in the North Service Area (NSA) through 2031 to provide a more robust transmission main backbone system to improve system reliability, increase operations flexibility and improve conjunctive use opportunities. The District desires additional hydraulic modeling to be completed to document the hydraulic justification for new transmission main backbone projects recommended for prioritization over the next 5 years. This work should be completed by August 2017.

**e. Other**

**New Engine Generator for Administration Building**

After a long delay due to the county's permit process, on June 21<sup>st</sup>, the District's setback variance request was approved by the County's Zoning Administrator pending a 10 business day public objection period. That 10-day period will end on Wednesday, July 5<sup>th</sup>. Assuming there are no objections, the County will then clear the hold on the building permit. Once the permit is in hand, construction can begin. However, the District's contractor, San Joaquin Electric (SJE), may be backlogged with work and staff is not yet sure when they will be able to start construction. A meeting is being scheduled with SJE to confirm the schedule. Work is expected to be completed before the end of the year.

**Sacramento Suburban GPS/GIS Implementation Project**

Work continues on a program to acquire and use Global Positioning System (GPS) and eliminate inefficient and inaccurate descriptive criteria in mapping. Included is an update of the base maps which will facilitate the use of GPS data and improve the mapping products available from the District's Geographic Information System (GIS) team. An internal GPS Committee was previously formed to move this project forward. On June 27, 2017, the GPS Committee visited the City of Woodland and received a demonstration on how they currently use their GPS equipment. The committee will continue to meet on a regular basis.

**RFQ for General Surveying Services**

Contracts have now been executed with both selected firms, Area West Engineers and Andregg Geomatics, for Master Service Agreements (MSA) for general, on-call surveying services. Task Orders will be prepared as necessary for specific surveying projects. The planned duration of the MSA's is three years.



## Agenda Item: 14

**Date:** July 11, 2017

**Subject:** Financial Report

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

Eight reports are attached for your information. They are:

- Financial Statements – June 2017
- Investments Outstanding and Activity – Second Quarter 2017
- Cash Expenditures – June 2017
- Credit Card Expenditures – June 2017
- Directors Compensation and Expense Accounting – Second Quarter 2017
- Market Report Yields – January 2011 through June 2017
- District Reserve Balances – June 2017
- Information Required by Bond Agreement

### Financial Statements

#### Balance Sheet:

District cash and cash equivalents increased to \$7.1 million as of June 30, 2017, up from \$2.7 million at December 31, 2016. Cash held in the District's bank accounts (\$4.7 million as of June 30) is held in accordance with state and federal regulations, which state that cash held in the District's bank accounts above the FDIC insured limits must be fully collateralized with government securities that are equal to or greater than 110% of the District's cash balance in the bank at any time.

Investments decreased since December 31, 2016 by \$1.1 million to a total of \$33.5 million, reflecting 1) the liquidation of \$1.5 million of investments, plus 2) unrealized market value losses and the reinvestment of interest received. At the request of the Board, Investment portfolio and activity is now reported quarterly.

Capital assets grew \$5.5 million to \$451.2 million as of June 30, 2017, reflecting expenditures on distribution main replacement projects, well improvement 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 \$237.4 million as of June 30, 2017, compared to \$233.9 million at December 31, 2016 for an increase of \$3.5 million.

Income Statement:

The net position increase of \$3.5 million in 2017, when compared to \$4.4 million for the same year-to-date period in 2016, shows:

1. Operating revenues increased by \$0.7 million compared to the same period of 2016 due primarily a 4.0 percent rate increase that occurred on January 1, 2017.
2. Operating expenses increased by \$1.4 million compared to the same period a year ago due to - 1) Surface water costs increased \$0.3 million compared to the same period a year ago as surface water was unavailable in the North Service Area until mid-March 2016; 2) two major leak repairs occurred in 2017 relative to the same period in 2016; and 3) legal cost increases related to CalWaterFix and other projects.
3. Interest and investment income decreased \$0.4 million compared to the same period a year ago primarily due to unrealized holding gains in 2016 not recurring in 2017.
4. Developer contributions increased by \$0.4 million compared to the same period a year ago.
5. Capital grant revenue decreased \$0.1 million compared to the same period a year ago.

Budgets:

The District's operating and maintenance expenditures through June 2017 are less than the amended budget by \$1.0 million. Most of this positive variance is due budgetary timing differences.

Operating capital project expenditures year-to-date have been \$0.45 million. The total budget for the year is \$1.1 million.

The District's capital improvement project (CIP) budget for 2017 is \$17.0 million. For 2017, \$4.7 million has been spent, while \$6.3 million is encumbered. Expenditures continue to be primarily in distribution system replacements, well improvements and meter retrofit projects.

Debt – June 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 June 30, 2017 is now \$85.6 million.



### Investments Outstanding and Activity – Second Quarter 2017

Reserve funds are invested in diverse investments that consist of corporate notes, Federal Agency bonds and discount notes, U.S. Treasury bonds, notes and bills, commercial paper, municipal bonds, negotiable certificates of deposit and LAIF (Local Agency Investment Fund). The District's investments are under the day-to-day management of PFM Asset Management, LLC (PFM). PFM manages the portfolio in compliance with the District's Investment Policy and provides monthly and quarterly reporting, analysis and proposes strategies for the District. The market portfolio is currently earning a rate of 1.64% per annum, while LAIF is earning 0.93% per annum. District staff monitors investment assets quarterly and reviews/approves the effective duration of the District's portfolio against its benchmark index on a quarterly basis as well.

During the 2nd quarter, the District purchased two US Treasury Note for \$2.0million (par), two Corporate Notes for \$0.5 million (par), one Supra-National Agency Note for \$0.5 million, one Commercial Paper for \$0.7 million, and two Certificates of Deposit for \$1.5 million. The District sold three US Treasury Notes for \$1.0 million (par), two Federal Agency Notes for \$0.3 million (par), one Certificate of Deposit for \$0.8 million (par), and five Corporate Notes for \$1.5 million. The District received principal paydowns on fifteen Federal Agency Collateralized Mortgage Obligations of \$88,405 (par) and fifteen Asset-Backed Security Obligations for \$293,098 (par). One Certificate of Deposit matured for \$1.0 million. See "Investment Activity" section in the attached report for further details.

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

### Cash Expenditures – June 2017

During the month of June, the District made cash payments totaling \$2.7 million. The primary expenditures were – \$0.9 million for capital improvement projects, \$0.1 million for debt service, \$0.2 million for water costs including pumping and chemical costs, and \$0.6 million for payroll, pension and health benefits.

### Purchasing Card Expenditures – June 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 \$13,702 for various purchases on the six District purchasing cards. Details by vendor and purpose are included in this report.

### Directors Compensation and Expense Accounting – Second Quarter 2017

Director meetings attended during the 2<sup>nd</sup> quarter of 2017 and expenses are attached in accordance with the District's Directors' Compensation and Expense Reimbursement Policy (PL – BOD 003) and Government Code Section 53065.5. Directors who have not reported their meeting attendance to District staff are not included in this report and are expected to make an oral report at the Board meeting.

Market Report Yields – January 2011 through May 2017

The first page in this report shows current market rate data. The overall yield curve slightly increased compared to the prior month. The yield on 30-year Treasury Bonds increase 6 basis points compared to the prior month to 2.91% and short-term rate increased by 5 bps to 1.04%. The slope of the curve continues to remain steep in the 2 to 5 year range. Compared to one year ago, the 30-year Treasury bond yield was 2.14% while the short-term rate was at 0.28%. The Federal Reserve Target Rate increased by 75 basis points to 1.25% compared to 50 basis points one year ago.

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

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

District Reserve Fund Balances

The District's Reserve Policy, PL – Fin 004, requires the District to maintain a certain level of cash and investments on hand at any one time, as determined by the Board annually. Balances as of June 30, 2017 are \$44,260,651 compared to \$40,988,408 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.

**Financial Statements**  
**June 30, 2017**

**Sacramento Suburban Water District  
Balance Sheet**

*As Of*

	<b>Month End</b>	<b>Year End</b>
	<b>6/30/2017</b>	<b>12/31/16</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$7,076,488.66	\$2,694,456.00
Restricted Cash and cash equivalents	17,351.03	263.28
Accounts receivable, net of allowance for uncollectible accounts	2,761,155.76	2,277,678.14
Interest receivable	149,714.53	134,041.26
Restricted Interest receivable	7,981.08	8,714.06
Grants receivables	33,218.85	285,928.89
Other receivables		130,550.13
Inventory	566,980.97	463,850.02
Prepaid expenses and other assets	175,642.17	1,949,109.81
<b>TOTAL CURRENT ASSETS</b>	<b>10,788,533.05</b>	<b>7,944,591.59</b>
<b>NONCURRENT ASSETS</b>		
Investments	33,482,570.64	34,619,873.12
Restricted Investments	3,526,544.29	3,531,060.83
Fair value of interest rate swaps	14,266.00	14,266.00
<b>TOTAL NONCURRENT ASSETS</b>	<b>37,023,380.93</b>	<b>38,165,199.95</b>
Property, plant and equipment	451,169,476.07	445,666,713.19
Accumulated depreciation	(165,060,019.33)	(158,959,856.15)
<b>TOTAL CAPITAL ASSETS</b>	<b>286,109,456.74</b>	<b>286,706,857.04</b>
<b>TOTAL ASSETS</b>	<b>333,921,370.72</b>	<b>332,816,648.58</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred amount on long-term debt refunding	6,999,652.19	7,321,214.15
Pension contribution subsequent to measurement date	2,078,534.00	2,078,534.00
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>342,999,556.91</b>	<b>342,216,396.73</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	281,280.58	2,339,210.63
Accrued interest	347,654.21	465,592.15
Deferred revenue and other liabilities	883,451.16	701,139.54
Accrued expenses	512,921.28	1,048,093.02
<b>TOTAL CURRENT LIABILITIES</b>	<b>6,085,307.23</b>	<b>8,614,035.34</b>
<b>NONCURRENT LIABILITIES</b>		
Long-term debt	90,116,008.08	90,441,926.68
Compensated absences	1,176,539.35	1,087,883.47
Net pension liability	7,654,038.00	7,654,038.00
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>98,946,585.43</b>	<b>99,183,848.15</b>
<b>TOTAL LIABILITIES</b>	<b>105,031,892.66</b>	<b>107,797,883.49</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflow of effective swaps	14,266.00	14,266.00
Employee pensions	543,791.00	543,791.00
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	199,526,144.51	199,526,144.51
Restricted	3,540,038.17	3,540,038.17
Unrestricted	34,343,424.57	30,794,273.56
<b>TOTAL NET POSITION</b>	<b>237,409,607.25</b>	<b>233,860,456.24</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>	<b>342,999,556.91</b>	<b>342,216,396.73</b>

**Sacramento Suburban Water District  
Income Statement**

*Period Ended*

	<u>Month</u> <u>6/30/2017</u>	<u>Year-To-Date</u> <u>6/30/2017</u>	<u>Month</u> <u>6/30/2016</u>	<u>Year-To-Date</u> <u>6/30/2016</u>
<b>OPERATING REVENUES</b>				
Water consumption sales	\$1,499,611.19	\$4,349,611.50	\$1,263,663.21	\$4,112,700.98
Water service charge	529,084.45	3,147,302.19	525,942.64	3,127,519.55
Capital facilities charge	1,958,880.88	11,449,045.12	1,882,773.58	10,996,813.39
Wheeling water charge	839.04	2,894.26	630.02	2,409.72
Other charges for services	72,189.99	504,875.90	87,732.84	483,082.45
<b>TOTAL OPERATING REVENUES</b>	<u>4,060,605.55</u>	<u>19,453,728.97</u>	<u>3,760,742.29</u>	<u>18,722,526.09</u>
<b>OPERATING EXPENSES</b>				
Source of supply	284,626.60	1,334,996.42	254,840.84	1,045,539.73
Pumping	322,904.31	1,658,834.14	249,872.90	1,617,865.89
Transmission and distribution	274,025.96	1,817,433.29	286,939.21	1,637,487.70
Water conservation	36,004.19	237,975.56	25,348.09	199,241.20
Customer accounts	94,931.23	624,885.84	82,417.23	518,391.95
Administrative and general	637,415.54	3,431,550.44	471,348.89	2,832,828.17
<b>TOTAL OPERATING EXPENSES</b>	<u>1,649,907.83</u>	<u>9,105,675.69</u>	<u>1,370,767.16</u>	<u>7,851,354.64</u>
Operating income before depreciation	2,410,697.72	10,348,053.28	2,389,975.13	10,871,171.45
Depreciation and amortization	<u>(1,015,356.75)</u>	<u>(6,100,163.18)</u>	<u>(987,408.12)</u>	<u>(5,936,555.85)</u>
<b>OPERATING INCOME</b>	<u>1,395,340.97</u>	<u>4,247,890.10</u>	<u>1,402,567.01</u>	<u>4,934,615.60</u>
<b>NON-OPERATING REV. (EXP.)</b>				
Rental income	17,368.71	109,701.27	21,751.24	126,174.85
Interest and investment income	(16,819.92)	372,979.85	270,082.16	778,436.58
Interest expense	(325,693.35)	(1,768,268.68)	(342,934.35)	(1,777,006.22)
Other non-operating revenues	22,849.10	91,972.51	3,273.80	7,518.57
Grant revenue pass-through to sub recipients	202,908.85	389,100.55		356,407.00
Other non-operating expenses		3,677.96	0.07	6.63
Sub recipient grant expenses	<u>(202,908.85)</u>	<u>(389,100.55)</u>		<u>(356,407.00)</u>
<b>NON-OPERATING REV. (EXP.)</b>	<u>(302,295.46)</u>	<u>(1,189,937.09)</u>	<u>(47,827.08)</u>	<u>(864,869.59)</u>
<b>NET INCOME (LOSS) BEFORE CAPITAL</b>	<u>1,093,045.51</u>	<u>3,057,953.01</u>	<u>1,354,739.93</u>	<u>4,069,746.01</u>
<b>CAPITAL CONTRIBUTIONS</b>				
Facility development charges	25,035.00	76,646.00	76,482.00	138,852.00
Developer contributions	413,977.00	413,977.00		
Federal, state and local capital grants	50.00	575.00		149,250.00
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<u>439,062.00</u>	<u>491,198.00</u>	<u>76,482.00</u>	<u>288,102.00</u>
<b>CHANGE IN NET POSITION</b>	<u>1,532,107.51</u>	<u>3,549,151.01</u>	<u>1,431,221.93</u>	<u>4,357,848.01</u>
Net position at beginning of period	<u>235,877,499.74</u>	<u>233,860,456.24</u>	<u>228,662,817.05</u>	<u>225,736,190.97</u>
<b>NET POSITION AT END OF PERIOD</b>	<u><b>237,409,607.25</b></u>	<u><b>237,409,607.25</b></u>	<u><b>230,094,038.98</b></u>	<u><b>230,094,038.98</b></u>

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

	<i>Month Of June</i>			<i>2017 YTD</i>		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>BUDGETED OPERATING EXPENSES</b>						
Board of Directors	\$7,103.38	\$2,704.88	<i>(\$4,398.50)</i>	\$22,769.85	\$26,329.28	\$3,559.43
Administrative	203,026.13	180,359.48	<i>(22,666.65)</i>	996,067.42	1,077,406.88	81,339.46
Finance	87,914.54	86,472.88	<i>(1,441.66)</i>	551,827.28	634,337.28	82,510.00
Customer Services	94,931.23	108,657.55	<i>13,726.32</i>	624,885.84	646,201.30	21,315.46
Field Operations	49,667.62	34,792.47	<i>(14,875.15)</i>	297,057.94	302,754.82	5,696.88
Production	607,530.91	812,731.06	<i>205,200.15</i>	2,993,830.56	3,628,024.28	634,193.72
Distribution	148,621.57	197,650.37	<i>49,028.80</i>	1,076,267.52	1,145,852.22	69,584.70
4 Field Services	125,404.39	110,237.66	<i>(15,166.73)</i>	740,924.83	650,030.96	<i>(90,893.87)</i>
Maintenance	64,045.84	59,875.70	<i>(4,170.14)</i>	304,238.57	359,254.00	55,015.43
Water Conservation	36,004.19	41,904.27	<i>5,900.08</i>	237,975.56	252,350.62	14,375.06
Engineering	88,671.63	123,892.02	<i>35,220.39</i>	624,815.68	744,147.12	119,331.44
GIS/CAD	25,363.36	29,488.82	<i>4,125.46</i>	173,349.08	183,432.92	10,083.84
Human Resources	16,321.55	11,512.96	<i>(4,808.59)</i>	85,775.80	107,022.76	21,246.96
MIS	95,301.49	65,514.81	<i>(29,786.68)</i>	375,889.76	394,838.86	18,949.10
<b>TOTAL OPERATING EXPENSES</b>	<u><b>1,649,907.83</b></u>	<u><b>1,865,794.93</b></u>	<u><b>215,887.10</b></u>	<u><b>9,105,675.69</b></u>	<u><b>10,151,983.30</b></u>	<u><b>1,046,307.61</b></u>

SACRAMENTO SUBURBAN WATER DISTRICT  
OPERATING CAPITAL AMENDED BUDGET  
6/30/2017

Project Number	Project Name	Original Budget	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	\$29,665.00		\$ 29,638.26		\$ 26.74
SF17-397	VEH REPL-RIGHT SIZE TRUCK#25	70,000.00	\$70,000.00		-	65,116.00	4,884.00
SF17-398	VEH REPL-RIGHT SIZE/TRUCK#27	130,000.00	\$130,000.00		-	118,111.00	11,889.00
SF17-399	NEW VEH-PROD DEPT/CCCS	34,500.00	\$36,169.00	<sup>2</sup> 25,613.81	25,613.81	6,486.53	4,068.66
SF17-400	FACILITY SIGN HOLDER REPL	7,200.00	\$7,200.00		-	4,060.00	3,140.00
SF17-401	PROD MAG METER REPL	23,000.00	\$23,000.00	12,760.00	19,800.00	400.00	2,800.00
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	145.46	4,571.38	74,108.00	(3,679.38)
SF17-405	VAN AIR UNDERDECK-AIR SUPPLY-T30	25,000.00	\$25,000.00		-	19,909.00	5,091.00
SF17-406	METER FAULT LID RETROFIT	10,500.00	\$10,500.00		-	10,827.00	(327.00)
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	53,200.00	53,200.00	18,800.00	23,000.00
SF17-409	HVAC/ROOF/BUILDING REPAIRS	30,000.00	\$30,000.00		1,928.00		28,072.00
SF17-410	WALNUT FACILITY LIGHT UPGRADE	40,000.00	\$23,741.00	<sup>2</sup>	23,740.65		0.35
SF17-411	DRIVEWAY/PARKING/IRRIGA-WALNUT	10,000.00	\$10,000.00		-	7,180.00	2,820.00
SF17-412	INTERIOR PAINT-WALNUT 1ST FLOOR	25,000.00	\$41,700.00	<sup>1,2</sup> 41,700.00	41,700.00	2,800.00	(2,800.00)
SF17-413	EXTERIOR PAINT-WALNUT	40,000.00	\$0.00	<sup>1</sup>	-		-
SF17-414	FOREMAN OFF RENOVATION-WALNUT	15,000.00	\$41,716.00	<sup>1,2</sup>	41,716.00		-
SF17-415	FOYER FURNITURE UPGRADE-WALNUT	6,000.00	\$8,000.00	<sup>1</sup>	-		8,000.00
SF17-416	MULCH - ANTELOPE GARDEN	20,000.00	\$20,000.00		16,305.00	7,390.00	(3,695.00)
SF17-417	SECURITY UPGRADE-MARCONI	15,000.00	\$10,679.00	<sup>2</sup>	11,224.08		(545.08)
SF17-418	TRAILER REFURBISH - 33A	10,000.00	\$10,000.00	500.00	500.00	7,808.00	1,692.00
SF17-419	NEW STAFF OFF FURNITURES	10,000.00	\$26,830.00	<sup>1,2</sup> 2,283.94	27,181.51		(351.51)
SF17-420	HARDWARE REFRESH	82,800.00	\$82,800.00		65,203.16		17,596.84
SF17-421	SOFTWARE ENHANCEMENTS	85,000.00	\$85,000.00	49,950.00	49,950.00		35,050.00
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		24,035.00	24,036.00	9,929.00
SF17-424	2 DESK TOP/2 LAPTOP- NEW STAFF	6,000.00	\$6,000.00		6,479.15		(479.15)
		<b>1,141,000.00</b>	<b>\$1,141,000.00</b>	<b>\$ 186,153.21</b>	<b>\$ 442,786.00</b>	<b>\$ 367,031.53</b>	<b>\$ 331,182.47</b>

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**Sacramento Suburban Water District  
Capital Improvement Project Amended Budget  
6/30/2017**

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 <sup>1</sup>	\$1,000,000.00 <sup>1</sup>	\$ 32,134.19	\$ 449,377.88	\$ 325,880.75	\$ 224,741.37
SC17-010	SCADA RTU/COMMUN IMPROVEMENT	75,000.00	\$75,000.00	1,100.00	10,010.00	48,090.00	16,900.00
SC17-011	WELLHEAD TREATMENT/CHEM FEED	250,000.00	\$250,000.00	-	3,111.00	166,989.00	79,900.00
SC17-012	WELL REPLACEMENTS	2,000,000.00 <sup>1</sup>	\$1,700,000.00 <sup>1</sup>	14,810.40	71,859.18	132,721.22	1,495,419.60
SC17-013	ELECTRICAL IMPROV @WELL SITES	25,000.00	\$25,000.00	1,208.00	3,348.00	14,597.00	7,055.00
SC17-018	DISTRIBUTION MAIN REPLACEMENTS	9,250,000.00	\$9,250,000.00	363,204.74	2,687,617.06	4,967,179.07	1,595,203.87
SC17-019	DIST MAIN IMPRV/EXT/INTERTIES	600,000.00	\$600,000.00	9,171.38	28,033.30	2,269.70	569,697.00
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	-	74,230.00	636.00	125,134.00
SC17-024	METER RETROFIT PROGRAM	2,540,000.00	\$2,540,000.00	209,981.24	1,249,905.03	639,779.00	650,315.97
SC17-034	RESERVIOR/TANK IMPROVMENT	100,000.00	\$100,000.00	990.00	35,175.72	9,534.28	55,290.00
SC17-034A	CORROSION CONTROL-TRAN MAINS	450,000.00	\$450,000.00	-	3,750.45	-	446,249.55
SC17-038	LARGE WTR METER >3" REPL	100,000.00	\$100,000.00	-	31,650.00	40,337.00	28,013.00
SC17-040	ENGINE GENERATOR COMPLIANCE	35,000.00	\$35,000.00	-	8,000.00	-	27,000.00
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>\$ 632,599.95</b>	<b>\$ 4,656,067.62</b>	<b>\$ 6,348,013.02</b>	<b>\$ 5,970,919.36</b>



**Sacramento Suburban Water District  
Debt  
6/30/2017**

**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>

**Investments Outstanding and Activity  
Second Quarter 2017**



**Managed Account Detail of Securities Held**

For the Month Ending **June 30, 2017**

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 07/31/2013 2.000% 07/31/2020	912828VP2	125,000.00	AA+	Aaa	12/01/15	12/04/15	127,358.40	1.58	1,042.82	126,580.84	126,547.88
US TREASURY NOTES DTD 09/03/2013 2.125% 08/31/2020	912828VV9	675,000.00	AA+	Aaa	12/28/15	12/30/15	686,680.66	1.74	4,794.24	683,028.30	685,863.45
US TREASURY NOTES DTD 10/31/2013 1.750% 10/31/2020	912828WC0	1,000,000.00	AA+	Aaa	02/01/16	02/03/16	1,018,515.63	1.35	2,948.37	1,013,142.50	1,004,219.00
US TREASURY NOTE DTD 12/02/2013 2.000% 11/30/2020	912828A42	250,000.00	AA+	Aaa	03/02/16	03/04/16	257,138.67	1.38	423.50	255,190.82	252,939.50
US TREASURY NOTES DTD 12/31/2013 2.375% 12/31/2020	912828A83	625,000.00	AA+	Aaa	03/30/16	03/31/16	656,396.48	1.28	40.34	648,304.67	640,136.88
US TREASURY NOTES DTD 02/28/2014 2.000% 02/28/2021	912828B90	625,000.00	AA+	Aaa	07/06/16	07/08/16	655,566.41	0.92	4,177.99	649,222.59	631,982.50
US TREASURY NOTES DTD 05/02/2016 1.375% 04/30/2021	912828Q78	900,000.00	AA+	Aaa	01/03/17	01/05/17	882,140.63	1.86	2,084.92	884,089.10	888,504.30
US TREASURY NOTES DTD 06/02/2014 2.000% 05/31/2021	912828WN6	675,000.00	AA+	Aaa	09/01/16	09/02/16	699,257.81	1.22	1,143.44	695,127.04	681,855.30
US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	850,000.00	AA+	Aaa	03/15/17	03/17/17	827,919.92	2.02	989.92	829,395.27	838,213.05
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	550,000.00	AA+	Aaa	10/03/16	10/05/16	570,646.48	1.21	3,676.63	567,619.11	554,833.95
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	600,000.00	AA+	Aaa	04/03/17	04/05/17	604,640.63	1.82	4,010.87	604,402.61	605,273.40
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	1,050,000.00	AA+	Aaa	12/01/16	12/05/16	1,053,117.19	1.93	7,019.02	1,052,768.19	1,059,228.45
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	1,400,000.00	AA+	Aaa	06/27/17	06/29/17	1,415,257.81	1.73	9,358.70	1,415,239.03	1,412,304.50
<b>Security Type Sub-Total</b>		<b>9,325,000.00</b>					<b>9,454,636.72</b>	<b>1.59</b>	<b>41,710.76</b>	<b>9,424,110.07</b>	<b>9,381,902.26</b>



**Managed Account Detail of Securities Held**

For the Month Ending **June 30, 2017**

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Supra-National Agency Bond / Note</b>											
INTER-AMERICAN DEVELOPMENT BANK DTD 04/12/2016 1.000% 05/13/2019	458182DX7	525,000.00	AAA	Aaa	04/05/16	04/12/16	523,425.00	1.10	700.00	524,040.50	519,414.00
INTER-AMERICAN DEVEL BK NOTE DTD 04/12/2017 1.625% 05/12/2020	4581X0CX4	525,000.00	AAA	Aaa	04/05/17	04/12/17	523,755.75	1.70	1,872.14	523,843.51	523,531.85
<b>Security Type Sub-Total</b>		<b>1,050,000.00</b>					<b>1,047,180.75</b>	<b>1.40</b>	<b>2,572.14</b>	<b>1,047,884.01</b>	<b>1,043,045.85</b>
<b>Municipal Bond / Note</b>											
CA EARTHQUAKE AUTH TXBL REV BONDS DTD 11/06/2014 1.824% 07/01/2017	13017HAD8	215,000.00	NR	A3	10/29/14	11/06/14	215,000.00	1.82	1,960.80	215,000.00	215,000.00
UNIV OF CAL TXBL REV BONDS DTD 10/02/2013 2.054% 05/15/2018	91412GSZ9	695,000.00	AA	Aa2	09/26/13	10/02/13	695,000.00	2.05	1,824.07	695,000.00	698,794.70
CT TXBL GO BONDS DTD 03/25/2015 1.974% 03/15/2019	20772JZK1	230,000.00	A+	A1	03/16/15	03/25/15	230,646.30	1.90	1,336.84	230,283.12	230,043.70
<b>Security Type Sub-Total</b>		<b>1,140,000.00</b>					<b>1,140,646.30</b>	<b>1.98</b>	<b>5,121.71</b>	<b>1,140,283.12</b>	<b>1,143,838.40</b>
<b>Federal Agency Collateralized Mortgage Obligation</b>											
FNMA SERIES 2015-M7 ASQ2 DTD 04/01/2015 1.550% 04/01/2018	3136ANJY4	172,020.77	AA+	Aaa	04/15/15	04/30/15	173,740.35	0.83	222.19	172,285.37	171,836.78
FNMA SERIES 2015-M3 FA DTD 02/01/2015 1.215% 06/01/2018	3136AMMC0	87,294.55	AA+	Aaa	02/12/15	02/27/15	87,271.73	0.39	88.39	87,294.55	87,279.74
FNMA SERIES M4 FA DTD 03/01/2015 0.790% 09/01/2018	3136AMTM1	97,138.75	AA+	Aaa	03/12/15	03/31/15	97,113.86	0.38	70.61	97,138.75	97,113.17
FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	170,000.00	AA+	Aaa	11/06/15	11/30/15	171,699.98	1.20	268.89	170,671.82	170,090.81
FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AODO0	318,343.41	AA+	Aaa	10/07/15	10/30/15	321,531.27	1.08	436.66	319,947.38	318,276.49
FNMA SERIES 2015-M12 FA DTD 09/01/2015 1.110% 04/01/2020	3136AP3Z3	303,049.46	AA+	Aaa	09/10/15	09/30/15	302,940.39	0.54	280.32	303,049.46	303,606.01



**Managed Account Detail of Securities Held**

For the Month Ending June 30, 2017

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Security Type Sub-Total</b>		<b>1,147,846.94</b>					<b>1,154,297.58</b>	<b>0.81</b>	<b>1,367.06</b>	<b>1,150,387.33</b>	<b>1,148,203.00</b>
<b>Federal Agency Bond / Note</b>											
FHLB GLOBAL NOTE DTD 08/04/2016 0.875% 08/05/2019	3130A8Y72	200,000.00	AA+	Aaa	08/03/16	08/04/16	199,616.00	0.94	709.72	199,731.04	197,555.40
FNMA NOTES DTD 09/02/2016 1.000% 08/28/2019	3135G0P49	430,000.00	AA+	Aaa	08/31/16	09/02/16	429,329.20	1.05	1,445.28	429,513.07	425,798.90
FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	300,000.00	AA+	Aaa	02/24/17	02/28/17	299,808.00	1.52	1,537.50	299,829.45	299,213.70
FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8Q55	975,000.00	AA+	Aaa	07/14/16	07/15/16	969,071.03	1.25	5,088.28	970,183.03	950,014.65
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	130,000.00	AA+	Aaa	08/17/16	08/19/16	129,555.27	1.32	604.86	129,630.36	127,080.59
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	420,000.00	AA+	Aaa	08/17/16	08/19/16	418,299.00	1.33	1,954.17	418,586.15	410,568.06
<b>Security Type Sub-Total</b>		<b>2,455,000.00</b>					<b>2,445,678.50</b>	<b>1.24</b>	<b>11,339.81</b>	<b>2,447,473.10</b>	<b>2,410,231.30</b>
<b>Corporate Note</b>											
BERKSHIRE HATHAWAY GLOBAL NOTE DTD 02/11/2013 1.550% 02/09/2018	084670BH0	525,000.00	AA	Aa2	01/29/13	02/11/13	524,270.25	1.58	3,209.79	524,908.47	525,492.98
GENERAL ELEC CAP CORP GLOBAL NOTES DTD 04/02/2013 1.625% 04/02/2018	36962G6W9	200,000.00	AA-	A1	04/10/13	04/15/13	200,514.00	1.57	803.47	200,080.55	200,310.20
APPLE INC GLOBAL NOTES DTD 05/03/2013 1.000% 05/03/2018	037833AJ9	475,000.00	AA+	Aa1	04/30/13	05/03/13	473,247.25	1.08	765.28	474,699.43	473,278.13
BANK OF NEW YORK MELLON CORP (CALLABLE) DTD 05/29/2015 1.600% 05/22/2018	06406HDB2	400,000.00	A	A1	05/22/15	05/29/15	399,964.00	1.60	693.33	399,988.91	400,210.00
CHEVRON CORP GLOBAL NOTES DTD 06/24/2013 1.718% 06/24/2018	166764AE0	680,000.00	AA-	Aa2	06/17/13	06/24/13	680,000.00	1.72	227.16	680,000.00	681,489.20
CISCO SYSTEMS INC GLOBAL NOTES DTD 03/03/2014 2.125% 03/01/2019	17275RAR3	375,000.00	AA-	A1	08/29/14	09/04/14	378,562.50	1.90	2,656.25	376,357.08	378,040.50



Managed Account Detail of Securities Held

For the Month Ending June 30, 2017

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Corporate Note</b>											
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.000% 04/25/2019	38141GVT8	50,000.00	BBB+	A3	04/20/16	04/25/16	49,861.00	2.10	183.33	49,914.82	49,978.50
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.000% 04/25/2019	38141GVT8	325,000.00	BBB+	A3	04/21/16	04/26/16	324,792.00	2.02	1,191.67	324,872.53	324,858.95
CITIGROUP INC CORP NOTES DTD 06/09/2016 2.050% 06/07/2019	172967KS9	145,000.00	BBB+	Baa1	06/02/16	06/09/16	144,924.60	2.07	198.17	144,950.74	145,093.67
AMERICAN HONDA FINANCE GLOBAL NOTES DTD 09/09/2014 2.250% 08/15/2019	02665WAH4	800,000.00	A+	A1	09/04/14	09/09/14	798,520.00	2.29	6,800.00	799,340.46	806,792.80
BURLINGTON NRTH CORP DTD 09/24/2009 4.700% 10/01/2019	12189TBC7	200,000.00	A	A3	06/03/16	06/08/16	220,780.00	1.48	2,350.00	214,218.70	212,626.60
CITIGROUP INC DTD 01/10/2017 2.450% 01/10/2020	172967LF6	400,000.00	BBB+	Baa1	01/04/17	01/10/17	399,840.00	2.46	4,655.00	399,864.56	402,404.80
JPMORGAN CHASE & CO (CALLABLE) DTD 01/23/2015 2.250% 01/23/2020	46625HKA7	500,000.00	A-	A3	10/01/15	10/06/15	496,400.00	2.43	4,937.50	497,814.90	501,551.00
WELLS FARGO & CO DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	400,000.00	A	A2	02/02/15	02/05/15	402,796.00	2.00	3,607.22	401,481.58	401,028.40
AMERICAN EXPRESS CREDIT CORP NOTES DTD 03/03/2017 2.200% 03/03/2020	0258M0EE5	215,000.00	A-	A2	02/28/17	03/03/17	214,776.40	2.24	1,550.39	214,800.16	216,023.19
TOYOTA MOTOR CORP NOTES DTD 03/12/2015 2.150% 03/12/2020	89236TCF0	250,000.00	AA-	Aa3	03/23/15	03/27/15	252,220.00	1.96	1,627.43	251,234.53	251,428.75
TOYOTA MOTOR CREDIT CORP DTD 04/17/2017 1.950% 04/17/2020	89236TDU6	275,000.00	AA-	Aa3	04/11/17	04/17/17	274,873.50	1.97	1,102.29	274,881.96	274,915.03
HOME DEPOT INC CORP NOTES DTD 06/05/2017 1.800% 06/05/2020	437076BO4	175,000.00	A	A2	05/24/17	06/05/17	174,898.50	1.82	227.50	174,900.89	175,079.98
JP MORGAN CHASE & CO CORP NT (CALLABLE) DTD 06/23/2015 2.750% 06/23/2020	46625HLW8	300,000.00	A-	A3	09/01/15	09/04/15	301,491.00	2.64	183.33	300,941.59	305,012.70



**Managed Account Detail of Securities Held**

For the Month Ending **June 30, 2017**

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Corporate Note</b>											
WELLS FARGO & COMPANY NOTES DTD 07/22/2015 2.600% 07/22/2020	94974BGM6	375,000.00	A	A2	09/01/15	09/04/15	377,103.75	2.48	4,306.25	376,350.27	380,286.75
BANK OF NEW YORK MELLON CORP DTD 02/19/2016 2.500% 04/15/2021	06406FAA1	375,000.00	A	A1	05/16/16	05/19/16	383,617.50	2.00	1,979.17	381,731.12	377,975.63
AMERICAN EXPRESS CREDIT CORP NOTES DTD 05/05/2016 2.250% 05/05/2021	0258M0EB1	225,000.00	A-	A2	05/25/16	05/31/16	224,478.00	2.30	787.50	224,589.24	224,652.15
BRANCH BANKING & TRUST CORP NOTE DTD 05/10/2016 2.050% 05/10/2021	05531FAV5	200,000.00	A-	A2	05/10/16	05/16/16	199,868.00	2.06	580.83	199,896.91	198,439.40
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	110,000.00	A	A1	05/19/16	05/24/16	109,532.50	2.04	250.25	109,632.02	108,610.92
<b>Security Type Sub-Total</b>		<b>7,975,000.00</b>					<b>8,007,330.75</b>	<b>1.98</b>	<b>44,873.11</b>	<b>7,997,451.42</b>	<b>8,015,580.03</b>
<b>Commercial Paper</b>											
CREDIT AGRICOLE CIB NY COMM PAPER DTD 02/08/2017 0.000% 08/08/2017	22533TV86	825,000.00	A-1	P-1	02/09/17	02/09/17	819,761.25	1.28	0.00	823,894.04	823,925.03
BANK OF TOKYO MITSUBISHI UFJ LTD COMM PA DTD 04/21/2017 0.000% 10/23/2017	06538BXP3	700,000.00	A-1	P-1	04/21/17	04/21/17	695,107.78	1.37	0.00	696,985.33	697,088.70
<b>Security Type Sub-Total</b>		<b>1,525,000.00</b>					<b>1,514,869.03</b>	<b>1.32</b>	<b>0.00</b>	<b>1,520,879.37</b>	<b>1,521,013.73</b>
<b>Certificate of Deposit</b>											
SKANDINAVISKA ENSKILDA BANKEN NY CD DTD 11/17/2015 1.480% 11/16/2017	83050FBG5	750,000.00	A+	Aa3	11/16/15	11/17/15	750,000.00	1.48	6,999.17	750,000.00	749,673.75
HSBC BANK USA NA FLOATING CERT DEPOS DTD 11/18/2015 1.769% 11/17/2017	40428AR41	750,000.00	AA-	Aa2	11/17/15	11/18/15	750,000.00	0.97	1,658.85	750,000.00	751,618.50
ROYAL BANK OF CANADA NY CD DTD 03/15/2016 1.700% 03/09/2018	78009NZZ2	750,000.00	AA-	Aa3	03/11/16	03/15/16	750,000.00	1.69	3,966.67	750,000.00	751,362.75
CANADIAN IMPERIAL BANK NY CD DTD 12/05/2016 1.760% 11/30/2018	13606A5Z7	725,000.00	A+	Aa3	12/01/16	12/05/16	724,434.50	1.78	1,098.78	724,596.74	728,037.03



**Managed Account Detail of Securities Held**

For the Month Ending **June 30, 2017**

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Certificate of Deposit</b>											
NORDEA BANK FINLAND NY CD DTD 12/05/2016 1.760% 11/30/2018	65558LWA6	725,000.00	AA-	Aa3	12/01/16	12/05/16	725,000.00	1.74	1,134.22	725,000.00	728,037.03
SVENSKA HANDELSBANKEN NY LT CD DTD 01/12/2017 1.890% 01/10/2019	86958JHB8	750,000.00	AA-	Aa2	01/10/17	01/12/17	750,000.00	1.91	6,693.75	750,000.00	747,963.00
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 02/09/2017 1.880% 02/07/2019	06427KRC3	800,000.00	A+	Aa3	02/08/17	02/09/17	800,000.00	1.90	5,932.44	800,000.00	804,650.40
BANK OF NOVA SCOTIA HOUSTON LT CD DTD 04/06/2017 1.910% 04/05/2019	06417GUE6	750,000.00	A+	A1	04/05/17	04/06/17	750,000.00	1.91	3,422.08	750,000.00	749,558.25
SUMITOMO MITSUI BANK NY CD DTD 05/04/2017 2.050% 05/03/2019	86563YVNO	700,000.00	A	A1	05/03/17	05/04/17	700,000.00	2.05	2,272.08	700,000.00	701,064.00
<b>Security Type Sub-Total</b>		<b>6,700,000.00</b>					<b>6,699,434.50</b>	<b>1.71</b>	<b>33,178.04</b>	<b>6,699,596.74</b>	<b>6,711,964.71</b>
<b>Asset-Backed Security / Collateralized Mortgage Obligation</b>											
HONDA ABS 2015-2 A3 DTD 05/20/2015 1.040% 02/21/2019	43813NAC0	141,277.31	AAA	NR	05/13/15	05/20/15	141,255.62	1.05	40.81	141,269.16	141,081.74
TOYOTA ABS 2015-B A3 DTD 06/17/2015 1.270% 05/15/2019	89237CAD3	252,323.14	AAA	Aaa	06/10/15	06/17/15	252,309.49	1.27	142.42	252,317.32	252,135.36
CARMAX ABS 2016-3 A2 DTD 07/20/2016 1.170% 08/15/2019	14314EAB7	225,591.86	AAA	NR	07/14/16	07/20/16	225,573.45	1.18	117.31	225,579.39	225,302.56
NISSAN ABS 2015-A A3 DTD 04/14/2015 1.050% 10/15/2019	65477UAC4	157,051.30	NR	Aaa	04/07/15	04/14/15	157,018.29	1.06	73.29	157,036.31	156,780.21
FORD ABS 2015-B A3 DTD 05/26/2015 1.160% 11/15/2019	34530VAD1	125,304.78	NR	Aaa	05/19/15	05/26/15	125,293.18	1.16	64.60	125,299.10	125,131.88
NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	195,000.00	NR	Aaa	07/15/15	07/22/15	194,984.50	1.34	116.13	194,991.86	194,731.45
JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	80,000.00	NR	Aaa	07/19/16	07/27/16	79,993.63	1.25	44.44	79,995.42	79,644.16
ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	130,000.00	AAA	Aaa	05/24/16	05/31/16	129,987.38	1.44	83.20	129,990.81	129,855.38





Managed Account Detail of Securities Held

For the Month Ending June 30, 2017

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Asset-Backed Security / Collateralized Mortgage Obligation</b>											
HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	70,000.00	AAA	Aaa	03/22/16	03/30/16	69,986.42	1.57	48.53	69,990.61	69,973.65
BANK OF AMER CREDIT CARD TR 2015-A2 DTD 04/29/2015 1.360% 09/15/2020	05522RCU0	280,000.00	AAA	Aaa	10/28/15	10/29/15	280,404.69	1.30	169.24	280,271.36	279,781.04
FORD ABS 2016-B A3 DTD 04/26/2016 1.330% 10/15/2020	34532EAD7	85,000.00	Aaa	Aaa	04/19/16	04/26/16	84,991.94	1.33	50.24	84,994.34	84,712.95
CCCIT 2017-A2 A2 DTD 01/26/2017 1.740% 01/17/2021	17305EGA7	550,000.00	AAA	Aaa	01/19/17	01/26/17	549,894.68	1.75	4,120.42	550,000.00	550,701.91
HYUNDAI AUTO RECEIVABLES TRUST DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	195,000.00	AAA	Aaa	09/14/16	09/21/16	194,973.75	1.30	111.80	194,978.69	193,383.14
ALLYA 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	150,000.00	AAA	Aaa	01/24/17	01/31/17	149,986.89	1.70	113.33	149,988.22	149,830.16
FORDO 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	475,000.00	NR	Aaa	01/18/17	01/25/17	474,998.24	1.67	352.56	474,998.54	474,648.03
ALLYA 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	520,000.00	NR	Aaa	03/21/17	03/29/17	519,938.69	1.79	411.38	519,941.81	520,111.44
<b>Security Type Sub-Total</b>		<b>3,631,548.39</b>					<b>3,631,590.84</b>	<b>1.48</b>	<b>6,059.70</b>	<b>3,631,642.94</b>	<b>3,627,805.06</b>
<b>Managed Account Sub-Total</b>		<b>34,949,395.33</b>					<b>35,095,664.97</b>	<b>1.64</b>	<b>146,222.33</b>	<b>35,059,708.10</b>	<b>35,003,584.34</b>
<b>Securities Sub-Total</b>		<b>\$34,949,395.33</b>					<b>\$35,095,664.97</b>	<b>1.64%</b>	<b>\$146,222.33</b>	<b>\$35,059,708.10</b>	<b>\$35,003,584.34</b>
<b>Accrued Interest</b>											<b>\$146,222.33</b>
<b>Total Investments</b>											<b>\$35,149,806.67</b>

**Investment Activity  
Second Quarter 2017**

**Managed Account Security Transactions & Interest  
For the Quarter Ending June 30, 2017**

Transaction Type	Trade Date	Settle Date	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total Amount
<b>BUY</b>								
BUY	4/3/2017	4/5/2017	US TREASURY NOTES	912828D72	600,000.00	604,640.63	1,173.91	605,814.54
BUY	4/5/2017	4/12/2017	INTER-AMERICAN DEVEL BK NOTE	4581X0CX4	525,000.00	523,755.75	-	523,755.75
BUY	4/5/2017	4/6/2017	BANK OF NOVA SCOTIA HOUSTON LT CD	06417GUE6	750,000.00	750,000.00	-	750,000.00
BUY	4/11/2017	4/17/2017	TOYOTA MOTOR CREDIT CORP	89236TDU6	275,000.00	274,873.50	-	274,873.50
BUY	4/21/2017	4/21/2017	BANK OF TOKYO MITSUBISHI UFJ LTD COMM PA	06538BXP3	700,000.00	695,107.78	-	695,107.78
BUY	5/3/2017	5/4/2017	SUMITOMO MITSUI BANK NY CD	86563YVNO	700,000.00	700,000.00	-	700,000.00
BUY	5/24/2017	6/5/2017	HOME DEPOT INC CORP NOTES	437076BQ4	175,000.00	174,898.50	-	174,898.50
BUY	6/27/2017	6/29/2017	US TREASURY NOTES	912828D72	1,400,000.00	1,415,257.81	9,206.52	1,424,464.33
<b>BUY Total</b>					<b>5,125,000.00</b>	<b>5,138,533.97</b>	<b>10,380.43</b>	<b>5,148,914.40</b>
<b>INTEREST</b>								
INTEREST	4/1/2017	4/25/2017	FNMA SERIES 2015-M15 ASQ2	3136AQSW1	-	-	268.89	268.89
INTEREST	4/1/2017	4/25/2017	FANNIE MAE SERIES 2015-M13 ASQ2	3136AQDQ0	-	-	480.20	480.20
INTEREST	4/1/2017	4/25/2017	FNMA SERIES M4 FA	3136AMTM1	-	-	90.00	90.00
INTEREST	4/1/2017	4/25/2017	FNMA SERIES 2015-M12 FA	3136AP3Z3	-	-	309.07	309.07
INTEREST	4/1/2017	4/25/2017	FNMA SERIES 2015-M3 FA	3136AMMCO	-	-	86.25	86.25
INTEREST	4/1/2017	4/25/2017	FNMA SERIES 2015-M7 ASQ2	3136ANJY4	-	-	252.51	252.51
INTEREST	4/1/2017	4/1/2017	BURLINGTON NRTH CORP	12189TBC7	-	-	4,700.00	4,700.00
INTEREST	4/2/2017	4/2/2017	GENERAL ELEC CAP CORP GLOBAL NOTES	36962G6W9	-	-	4,062.50	4,062.50
INTEREST	4/15/2017	4/15/2017	HYUNDAI ABS 2016-A A3	44930UAD8	-	-	91.00	91.00
INTEREST	4/15/2017	4/15/2017	FORD ABS 2016-B A3	34532EAD7	-	-	94.21	94.21
INTEREST	4/15/2017	4/15/2017	BANK OF AMER CREDIT CARD TR 2015-A2	05522RCU0	-	-	317.33	317.33
INTEREST	4/15/2017	4/15/2017	ALLY ABS 2016-3 A3	02007LAC6	-	-	156.00	156.00
INTEREST	4/15/2017	4/15/2017	HYUNDAI AUTO RECEIVABLES TRUST	44891EAC3	-	-	209.63	209.63
INTEREST	4/15/2017	4/15/2017	ALLYA 2017-1 A3	02007PAC7	-	-	212.50	212.50
INTEREST	4/15/2017	4/15/2017	NISSAN ABS 2015-A A3	65477UAC4	-	-	177.77	177.77
INTEREST	4/15/2017	4/15/2017	FORD ABS 2015-B A3	34530VAD1	-	-	154.58	154.58
INTEREST	4/15/2017	4/15/2017	CARMAX ABS 2016-3 A2	14314EAB7	-	-	292.46	292.46
INTEREST	4/15/2017	4/15/2017	TOYOTA ABS 2015-B A3	89237CAD3	-	-	354.71	354.71
INTEREST	4/15/2017	4/15/2017	NISSAN ABS 2015-B A3	65475WAD0	-	-	217.75	217.75
INTEREST	4/15/2017	4/15/2017	JOHN DEERE ABS 2016-B A3	47788NAC2	-	-	83.33	83.33
INTEREST	4/15/2017	4/15/2017	ALLYA 2017-2 A3	02007HAC5	-	-	411.38	411.38
INTEREST	4/15/2017	4/15/2017	FORDO 2017-A A3	34531EAD8	-	-	661.04	661.04
INTEREST	4/15/2017	4/15/2017	BANK OF NEW YORK MELLON CORP	06406FAA1	-	-	4,687.50	4,687.50
INTEREST	4/21/2017	4/21/2017	HONDA ABS 2015-2 A3	43813NAC0	-	-	170.26	170.26
INTEREST	4/21/2017	4/21/2017	RABOBANK NEDERLAND NV CERT DEPOS	21684BXH2	-	-	5,350.00	5,350.00
INTEREST	4/25/2017	4/25/2017	GOLDMAN SACHS GRP INC CORP NT (CALLABLE)	38141GVT8	-	-	3,250.00	3,250.00
INTEREST	4/25/2017	4/25/2017	GOLDMAN SACHS GRP INC CORP NT (CALLABLE)	38141GVT8	-	-	500.00	500.00
INTEREST	4/30/2017	4/30/2017	US TREASURY NOTES	912828WC0	-	-	8,750.00	8,750.00
INTEREST	4/30/2017	4/30/2017	US TREASURY NOTES	912828Q78	-	-	6,187.50	6,187.50

**Managed Account Security Transactions & Interest  
For the Quarter Ending June 30, 2017**

Transaction Type	Trade Date	Settle Date	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total Amount
INTEREST	5/1/2017	5/25/2017	FNMA SERIES 2015-M7 ASQ2	3136ANJY4		-	247.15	247.15
INTEREST	5/1/2017	5/25/2017	FNMA SERIES 2015-M3 FA	3136AMMCO		-	99.80	99.80
INTEREST	5/1/2017	5/25/2017	FNMA SERIES M4 FA	3136AMTM1		-	105.30	105.30
INTEREST	5/1/2017	5/25/2017	FANNIE MAE SERIES 2015-M13 ASQ2	3136AQDQ0		-	672.12	672.12
INTEREST	5/1/2017	5/25/2017	FNMA SERIES 2015-M12 FA	3136AP3Z3		-	354.15	354.15
INTEREST	5/1/2017	5/25/2017	FNMA SERIES 2015-M15 ASQ2	3136AQSW1		-	268.89	268.89
INTEREST	5/3/2017	5/3/2017	APPLE INC GLOBAL NOTES	037833AJ9		-	2,375.00	2,375.00
INTEREST	5/5/2017	5/5/2017	AMERICAN EXPRESS CREDIT CORP NOTES	0258M0EB1		-	2,531.25	2,531.25
INTEREST	5/10/2017	5/10/2017	BRANCH BANKING & TRUST CORP NOTE	05531FAV5		-	2,050.00	2,050.00
INTEREST	5/13/2017	5/13/2017	INTER-AMERICAN DEVELOPMENT BANK	458182DX7		-	2,625.00	2,625.00
INTEREST	5/15/2017	5/15/2017	UNIV OF CAL TXBL REV BONDS	91412GSZ9		-	7,137.65	7,137.65
INTEREST	5/15/2017	5/15/2017	FORD ABS 2016-B A3	34532EAD7		-	94.21	94.21
INTEREST	5/15/2017	5/15/2017	FORD ABS 2015-B A3	34530VAD1		-	142.34	142.34
INTEREST	5/15/2017	5/15/2017	CARMAX ABS 2016-3 A2	14314EAB7		-	266.21	266.21
INTEREST	5/15/2017	5/15/2017	ALLYA 2017-1 A3	02007PAC7		-	212.50	212.50
INTEREST	5/15/2017	5/15/2017	TOYOTA ABS 2015-B A3	89237CAD3		-	323.32	323.32
INTEREST	5/15/2017	5/15/2017	FORDO 2017-A A3	34531EAD8		-	661.04	661.04
INTEREST	5/15/2017	5/15/2017	JOHN DEERE ABS 2016-B A3	47788NAC2		-	83.33	83.33
INTEREST	5/15/2017	5/15/2017	HYUNDAI ABS 2016-A A3	44930UAD8		-	91.00	91.00
INTEREST	5/15/2017	5/15/2017	BANK OF AMER CREDIT CARD TR 2015-A2	05522RCU0		-	317.33	317.33
INTEREST	5/15/2017	5/15/2017	ALLY ABS 2016-3 A3	02007LAC6		-	156.00	156.00
INTEREST	5/15/2017	5/15/2017	HYUNDAI AUTO RECEIVABLES TRUST	44891EAC3		-	209.63	209.63
INTEREST	5/15/2017	5/15/2017	ALLYA 2017-2 A3	02007HAC5		-	771.33	771.33
INTEREST	5/15/2017	5/15/2017	NISSAN ABS 2015-A A3	65477UAC4		-	162.98	162.98
INTEREST	5/15/2017	5/15/2017	NISSAN ABS 2015-B A3	65475WAD0		-	217.75	217.75
INTEREST	5/17/2017	5/17/2017	HSBC BANK USA NA FLOATING CERT DEPOS	40428AR41		-	3,025.59	3,025.59
INTEREST	5/19/2017	5/19/2017	STATE STREET CORP NOTES	857477AV5		-	1,072.50	1,072.50
INTEREST	5/21/2017	5/21/2017	HONDA ABS 2015-2 A3	43813NACO		-	152.89	152.89
INTEREST	5/22/2017	5/22/2017	BANK OF NEW YORK MELLON CORP (CALLABLE)	06406HDB2		-	3,200.00	3,200.00
INTEREST	5/30/2017	5/30/2017	CANADIAN IMPERIAL BANK NY CD	13606A5Z7		-	6,202.78	6,202.78
INTEREST	5/30/2017	5/30/2017	NORDEA BANK FINLAND NY CD	65558LWA6		-	6,238.22	6,238.22
INTEREST	5/31/2017	5/31/2017	US TREASURY NOTES	912828WN6		-	6,750.00	6,750.00
INTEREST	5/31/2017	5/31/2017	US TREASURY NOTE	912828A42		-	2,500.00	2,500.00
INTEREST	5/31/2017	5/31/2017	US TREASURY NOTES	912828R77		-	5,843.75	5,843.75
INTEREST	6/1/2017	6/25/2017	FNMA SERIES 2015-M3 FA	3136AMMCO		-	104.57	104.57
INTEREST	6/1/2017	6/25/2017	FNMA SERIES 2015-M15 ASQ2	3136AQSW1		-	268.89	268.89
INTEREST	6/1/2017	6/25/2017	FNMA SERIES 2015-M12 FA	3136AP3Z3		-	367.29	367.29
INTEREST	6/1/2017	6/25/2017	FNMA SERIES M4 FA	3136AMTM1		-	100.85	100.85
INTEREST	6/1/2017	6/25/2017	FNMA SERIES 2015-M7 ASQ2	3136ANJY4		-	230.44	230.44
INTEREST	6/1/2017	6/25/2017	FANNIE MAE SERIES 2015-M13 ASQ2	3136AQDQ0		-	586.23	586.23

**Managed Account Security Transactions & Interest  
For the Quarter Ending June 30, 2017**

Transaction Type	Trade Date	Settle Date	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total Amount
INTEREST	6/5/2017	6/5/2017	CHEVRON CORP (CALLABLE) GLOBAL NOTES	166764AA8		-	662.40	662.40
INTEREST	6/7/2017	6/7/2017	CITIGROUP INC CORP NOTES	172967KS9		-	1,486.25	1,486.25
INTEREST	6/15/2017	6/15/2017	BANK OF AMER CREDIT CARD TR 2015-A2	05522RCU0		-	317.33	317.33
INTEREST	6/15/2017	6/15/2017	ALLYA 2017-1 A3	02007PAC7		-	212.50	212.50
INTEREST	6/15/2017	6/15/2017	ALLYA 2017-2 A3	02007HAC5		-	771.33	771.33
INTEREST	6/15/2017	6/15/2017	JOHN DEERE ABS 2016-B A3	47788NAC2		-	83.33	83.33
INTEREST	6/15/2017	6/15/2017	FORD ABS 2016-B A3	34532EAD7		-	94.21	94.21
INTEREST	6/15/2017	6/15/2017	ALLY ABS 2016-3 A3	02007LAC6		-	156.00	156.00
INTEREST	6/15/2017	6/15/2017	NISSAN ABS 2015-A A3	65477UAC4		-	150.47	150.47
INTEREST	6/15/2017	6/15/2017	FORD ABS 2015-B A3	34530VAD1		-	132.18	132.18
INTEREST	6/15/2017	6/15/2017	HYUNDAI ABS 2016-A A3	44930UAD8		-	91.00	91.00
INTEREST	6/15/2017	6/15/2017	HYUNDAI AUTO RECEIVABLES TRUST	44891EAC3		-	209.63	209.63
INTEREST	6/15/2017	6/15/2017	TOYOTA ABS 2015-B A3	89237CAD3		-	295.90	295.90
INTEREST	6/15/2017	6/15/2017	NISSAN ABS 2015-B A3	65475WAD0		-	217.75	217.75
INTEREST	6/15/2017	6/15/2017	FORDO 2017-A A3	34531EAD8		-	661.04	661.04
INTEREST	6/15/2017	6/15/2017	CARMAX ABS 2016-3 A2	14314EAB7		-	243.33	243.33
INTEREST	6/21/2017	6/21/2017	HONDA ABS 2015-2 A3	43813NAC0		-	137.63	137.63
INTEREST	6/23/2017	6/23/2017	JP MORGAN CHASE & CO CORP NT (CALLABLE)	46625HLW8		-	4,125.00	4,125.00
INTEREST	6/24/2017	6/24/2017	CHEVRON CORP GLOBAL NOTES	166764AE0		-	5,841.20	5,841.20
INTEREST	6/30/2017	6/30/2017	US TREASURY NOTES	912828A83		-	7,421.88	7,421.88
<b>INTEREST Total</b>						-	<b>124,708.01</b>	<b>124,708.01</b>
<b>MATURITY</b>								
MATURITY	4/21/2017	4/21/2017	RABOBANK NEDERLAND NV CERT DEPOS	21684BXH2	1,000,000.00	1,000,000.00	-	1,000,000.00
<b>MATURITY Total</b>					<b>1,000,000.00</b>	<b>1,000,000.00</b>	-	<b>1,000,000.00</b>
<b>PAYDOWNS</b>								
PAYDOWNS	4/1/2017	4/25/2017	FNMA SERIES 2015-M3 FA	3136AMMCO	1,043.71	1,043.71	-	1,043.71
PAYDOWNS	4/1/2017	4/25/2017	FNMA SERIES 2015-M12 FA	3136AP3Z3	439.81	439.81	-	439.81
PAYDOWNS	4/1/2017	4/25/2017	FNMA SERIES M4 FA	3136AMTM1	108.40	108.40	-	108.40
PAYDOWNS	4/1/2017	4/25/2017	FANNIE MAE SERIES 2015-M13 ASQ2	3136AQDQ0	561.19	561.19	-	561.19
PAYDOWNS	4/1/2017	4/25/2017	FNMA SERIES 2015-M7 ASQ2	3136ANJY4	2,897.07	2,897.07	-	2,897.07
PAYDOWNS	4/15/2017	4/15/2017	FORD ABS 2015-B A3	34530VAD1	12,663.35	12,663.35	-	12,663.35
PAYDOWNS	4/15/2017	4/15/2017	TOYOTA ABS 2015-B A3	89237CAD3	29,656.31	29,656.31	-	29,656.31
PAYDOWNS	4/15/2017	4/15/2017	NISSAN ABS 2015-A A3	65477UAC4	16,899.22	16,899.22	-	16,899.22
PAYDOWNS	4/15/2017	4/15/2017	CARMAX ABS 2016-3 A2	14314EAB7	26,924.17	26,924.17	-	26,924.17
PAYDOWNS	4/21/2017	4/21/2017	HONDA ABS 2015-2 A3	43813NAC0	20,038.73	20,038.73	-	20,038.73
PAYDOWNS	5/1/2017	5/25/2017	FNMA SERIES 2015-M3 FA	3136AMMCO	131.98	131.98	-	131.98
PAYDOWNS	5/1/2017	5/25/2017	FNMA SERIES 2015-M12 FA	3136AP3Z3	3,274.06	3,274.06	-	3,274.06
PAYDOWNS	5/1/2017	5/25/2017	FNMA SERIES M4 FA	3136AMTM1	9,300.43	9,300.43	-	9,300.43
PAYDOWNS	5/1/2017	5/25/2017	FANNIE MAE SERIES 2015-M13 ASQ2	3136AQDQ0	21,491.26	21,491.26	-	21,491.26
PAYDOWNS	5/1/2017	5/25/2017	FNMA SERIES 2015-M7 ASQ2	3136ANJY4	3,697.87	3,697.87	-	3,697.87

**Managed Account Security Transactions & Interest  
For the Quarter Ending June 30, 2017**

Transaction Type	Trade Date	Settle Date	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total Amount
PAYDOWNS	5/15/2017	5/15/2017	FORD ABS 2015-B A3	34530VAD1	10,504.95	10,504.95	-	10,504.95
PAYDOWNS	5/15/2017	5/15/2017	TOYOTA ABS 2015-B A3	89237CAD3	25,904.04	25,904.04	-	25,904.04
PAYDOWNS	5/15/2017	5/15/2017	NISSAN ABS 2015-A A3	65477UAC4	14,301.18	14,301.18	-	14,301.18
PAYDOWNS	5/15/2017	5/15/2017	CARMAX ABS 2016-3 A2	14314EAB7	23,466.52	23,466.52	-	23,466.52
PAYDOWNS	5/21/2017	5/21/2017	HONDA ABS 2015-2 A3	43813NAC0	17,606.58	17,606.58	-	17,606.58
PAYDOWNS	6/1/2017	6/25/2017	FNMA SERIES 2015-M3 FA	3136AMMC0	12,702.69	12,702.69	-	12,702.69
PAYDOWNS	6/1/2017	6/25/2017	FNMA SERIES 2015-M12 FA	3136AP3Z3	16,585.97	16,585.97	-	16,585.97
PAYDOWNS	6/1/2017	6/25/2017	FNMA SERIES M4 FA	3136AMTM1	97.15	97.15	-	97.15
PAYDOWNS	6/1/2017	6/25/2017	FANNIE MAE SERIES 2015-M13 ASQ2	3136AQDQ0	9,688.81	9,688.81	-	9,688.81
PAYDOWNS	6/1/2017	6/25/2017	FNMA SERIES 2015-M7 ASQ2	3136ANJY4	6,384.29	6,384.29	-	6,384.29
PAYDOWNS	6/15/2017	6/15/2017	FORD ABS 2015-B A3	34530VAD1	11,435.28	11,435.28	-	11,435.28
PAYDOWNS	6/15/2017	6/15/2017	TOYOTA ABS 2015-B A3	89237CAD3	27,271.03	27,271.03	-	27,271.03
PAYDOWNS	6/15/2017	6/15/2017	NISSAN ABS 2015-A A3	65477UAC4	14,915.61	14,915.61	-	14,915.61
PAYDOWNS	6/15/2017	6/15/2017	CARMAX ABS 2016-3 A2	14314EAB7	23,973.34	23,973.34	-	23,973.34
PAYDOWNS	6/21/2017	6/21/2017	HONDA ABS 2015-2 A3	43813NAC0	17,528.27	17,528.27	-	17,528.27
<b>PAYDOWNS Total</b>					<b>381,493.27</b>	<b>381,493.27</b>	-	<b>381,493.27</b>
<b>SELL</b>								
SELL	4/3/2017	4/5/2017	US TREASURY NOTES	912828WL0	255,000.00	256,225.20	1,324.04	257,549.24
SELL	4/3/2017	4/5/2017	FHLB GLOBAL NOTE	3130A8Y72	200,000.00	197,524.00	291.67	197,815.67
SELL	4/5/2017	4/12/2017	US TREASURY NOTES	912828VP2	525,000.00	531,911.13	2,059.39	533,970.52
SELL	4/5/2017	4/6/2017	BANK OF NOVA SCOTIA HOUSTON YCD	06417GAS7	750,000.00	750,975.00	4,875.00	755,850.00
SELL	4/11/2017	4/17/2017	US TREASURY NOTES	912828J84	249,000.00	248,358.05	159.03	248,517.08
SELL	5/3/2017	5/4/2017	CHEVRON CORP (CALLABLE) GLOBAL NOTES	166764AA8	220,000.00	219,667.80	1,005.25	220,673.05
SELL	5/3/2017	5/4/2017	CHEVRON CORP (CALLABLE) GLOBAL NOTES	166764AA8	30,000.00	29,954.70	137.08	30,091.78
SELL	5/24/2017	6/5/2017	FHLB GLOBAL NOTE	3130A8Y72	100,000.00	98,832.00	291.67	99,123.67
SELL	6/27/2017	6/29/2017	GENERAL ELEC CAP CORP GLOBAL NOTES	36962G6W9	300,000.00	300,477.00	1,178.13	301,655.13
SELL	6/27/2017	6/29/2017	EXXON MOBIL CORP NOTES	30231GAL6	800,000.00	799,832.00	3,277.00	803,109.00
SELL	6/27/2017	6/29/2017	CHEVRON CORP (CALLABLE) GLOBAL NOTES	166764AA8	120,000.00	119,859.60	88.32	119,947.92
<b>SELL Total</b>					<b>3,549,000.00</b>	<b>3,553,616.48</b>	<b>14,686.58</b>	<b>3,568,303.06</b>
<b>Grand Total</b>					<b>10,055,493.27</b>	<b>10,073,643.72</b>	<b>149,775.02</b>	<b>10,223,418.74</b>

**Cash Expenditures  
June 2017**

## AP Warrant List from 6/1/2017 to 6/30/2017

Vendor Name	Date	Amount	Description
ADP, INC - Invoices:2	6/30/2017	\$419,449.57	June Payroll
ACWA JPIA INSURANCE/EAP - Invoices:1	6/7/2017	\$143.35	Miscellaneous Employee Benefits
AFLAC - Invoices:1	6/1/2017	\$851.25	Employee Paid Benefit
AMERITAS (VISION) - Invoices:1	6/7/2017	\$1,799.52	Employee Benefit - Vision Insurance
BASIC - Invoices:1	6/27/2017	\$34.00	Miscellaneous Employee Benefits
CIGNA GROUP INS LIFE/LTD - Invoices:1	6/7/2017	\$3,860.75	Employee Benefit - LTD Insurance
CIGNA-DENTAL INS - Invoices:2	6/1/2017	\$22,543.06	Employee Benefit - Dental Insurance
PERS HEALTH - Invoices:2	6/20/2017	\$93,731.68	Miscellaneous Employee Benefits
PERS PENSION - Invoices:6	6/28/2017	\$65,840.03	Employee Benefit - PERS Retirement--ER SHARE
AFFINITY ENGINEERING INC - Invoices:15	6/1/2017	\$22,921.00	Construction In Progress
AREA WEST ENGINEERS - Invoices:1	6/20/2017	\$33,862.13	Construction In Progress
ARMORCAST PRODUCTS COMPANY - Invoices:2	6/14/2017	\$32,979.11	Construction In Progress
BACKFLOW TECHNOLOGIES - Invoices:2	6/7/2017	\$4,209.91	Construction In Progress
BROWN & CALDWELL - Invoices:3	6/1/2017	\$13,469.34	Construction In Progress
CALIFORNIA CUSTOM TRAILERS - Invoices:1	6/1/2017	\$500.00	Construction In Progress
COUNTY OF SAC ENVIRO MGT DEPT - Invoices:1	6/16/2017	\$320.00	Construction In Progress
COUNTY OF SAC PUBLIC WORKS - Invoices:3	6/20/2017	\$1,838.24	Construction In Progress
DOMENCHELLI & ASSOCIATES - Invoices:1	6/13/2017	\$13,380.00	Construction In Progress
DOUG VEERKAMP GENERAL ENGR - Invoices:2	6/13/2017	\$265,385.82	Construction In Progress
ELK GROVE AUTO/WINNER CHEVY - Invoices:1	6/14/2017	\$23,488.55	Construction In Progress
ERC CONTRACTING - Invoices:1	6/13/2017	\$14,970.00	Construction In Progress
FERGUSON WATERWORKS - Invoices:3	6/13/2017	\$7,834.79	Construction In Progress
FLOWLINE CONTRACTORS INC - Invoices:1	6/7/2017	\$199,482.18	Construction In Progress
GEOCON CONSULTANTS INC - Invoices:1	6/20/2017	\$1,345.00	Construction In Progress
GRAINGER - Invoices:2	6/27/2017	\$1,992.06	Construction In Progress
H2O URBAN SOLUTIONS - Invoices:1	6/27/2017	\$1,100.00	Construction In Progress
KOCH & KOCH - Invoices:1	6/7/2017	\$10,840.28	Construction In Progress
LOEWEN PUMP MAINTENANCE - Invoices:5	6/7/2017	\$20,000.00	Construction In Progress
LUHDORFF & SCALMANINI - Invoices:2	6/20/2017	\$2,032.89	Construction In Progress
NATIONAL METER AND AUTOMATION INC - Invoice	6/1/2017	\$56,729.77	Construction In Progress
PRODIGY ELECTRIC - Invoices:1	6/1/2017	\$4,200.00	Construction In Progress
RICOS WINDOW COVERING SYSTEMS - Invoices:1	6/1/2017	\$2,283.94	Construction In Progress
RIVER CITY PAINTING - Invoices:3	6/1/2017	\$94,900.00	Construction In Progress
S E AHLSTROM INSPECTION - Invoices:1	6/13/2017	\$10,960.00	Construction In Progress
TRUE POINT SOLUTIONS LLC - Invoices:1	6/27/2017	\$49,950.00	Construction In Progress
WOOD RODGERS ENGINEERING - Invoices:1	6/2/2017	\$14,810.40	Construction In Progress
SUMITOMO MITSUI BANKING CORPORATION - In	6/6/2017	\$80,304.59	2009A COP Interest Expense
WELLS FARGO SWAP - Invoices:1	6/1/2017	\$61,726.70	2009A COP Interest Expense
ADP, INC - Invoices:4	6/1/2017	\$1,903.56	Financial Services
BARTKIEWICZ KRONICK & SHANAHAN - Invoices:1	6/20/2017	\$22,613.52	Legal Services
BRINKS - Invoices:2	6/14/2017	\$628.43	Financial Services
MOODYS INVESTORS SERVICE - Invoices:1	6/27/2017	\$7,500.00	Financial Services
PFM ASSET MANAGEMENT LLC - Invoices:1	6/27/2017	\$3,717.96	Financial Services
STANDARD AND POORS - Invoices:1	6/27/2017	\$3,500.00	Financial Services
UNION BANK OF CAL TRUST - Invoices:1	6/14/2017	\$1,695.00	Financial Services
VANTIV INTEGRATED PAYMENT SOLUTIONS - Inv	6/15/2017	\$474.74	Financial Services
WESTAMERICA BANK ANALYSIS FEES - Invoices:1	6/12/2017	\$7,428.72	Financial Services
WESTAMERICA CARD PROCESSING STMT - Invoice	6/6/2017	\$6,500.65	Financial Services
ADVANCED INTEGRATED PEST MANAGEMENT - In	6/13/2017	\$328.00	Building Service Expense - Office & Yard
ALL PRO BACKFLOW - Invoices:6	6/1/2017	\$4,738.00	Backflow Services
ALLTECH GATES - Invoices:1	6/1/2017	\$3,800.00	Building Maintenance - Office & Yard
ANSWERNET - Invoices:1	6/27/2017	\$396.77	Communication
APPLIED BEST PRACTICES - Invoices:1	6/14/2017	\$1,188.00	Consulting Services
AT&T CALNET 3 - Invoices:4	6/7/2017	\$4,418.97	Communication



ATLAS DISPOSAL - Invoices:2	6/14/2017	\$324.80	Building Service Expense - Office & Yard
ATLAS FENCE - Invoices:2	6/27/2017	\$600.00	Contract Services
BADGER METER INC - Invoices:1	6/27/2017	\$36.00	Communication
BALIHAR S GILL - Invoices:1	6/20/2017	\$150.00	BMP Rebates
BARBARA CHIODO - Invoices:1	6/20/2017	\$148.00	BMP Rebates
BAY ALARM COMPANY - Invoices:1	6/1/2017	\$116.55	Building Service Expense - Office & Yard
BRIAN HENSON - Invoices:2	6/27/2017	\$2,518.00	Backflow Services
BROADRIDGE MAIL LLC - Invoices:14	6/20/2017	\$32,460.72	Contract Services
BROWER MECHANICAL - Invoices:3	6/13/2017	\$2,602.00	Building Maintenance - Office & Yard
BRYCE CONSULTING INC - Invoices:1	6/14/2017	\$4,272.00	Consulting Services
BSK ASSOCIATES - Invoices:7	6/1/2017	\$7,832.00	Inspection & Testing
BUD'S TRI COUNTY TREE SERVICE - Invoices:1	6/13/2017	\$5,064.00	Misc. Repairs
BURTON ROB /BURT'S LAWN & GARDEN SERVICE	6/20/2017	\$7,710.00	Contract Services
CAPITAL RUBBER CO LTD - Invoices:1	6/1/2017	\$237.08	Equipment Maintenance Services
CAPITOL ELEVATOR COMPANY - Invoices:2	6/1/2017	\$225.00	Building Service Expense - Office & Yard
CDWG - Invoices:6	6/7/2017	\$24,815.04	Licenses, Permits & Fees
CENTRAL VALLEY ENG & ASPHALT - Invoices:1	6/1/2017	\$13,441.00	Misc. Repairs
CHRIS BUTCHER - Invoices:1	6/20/2017	\$150.00	BMP Rebates
CINTAS - Invoices:16	6/1/2017	\$2,483.78	Building Maintenance - Office & Yard
CITY OF SACRAMENTO DEPT OF UTILITIES - Invo	6/7/2017	\$25.54	Utilities
CITY OF SACRAMENTO WATER - Invoices:4	6/7/2017	\$32,559.25	Licenses, Permits & Fees
CITYWORKS AZTECA SYSTEMS INC - Invoices:1	6/13/2017	\$43,135.00	Licenses, Permits & Fees
CLEAR VISION WINDOW CLEANING - Invoices:1	6/27/2017	\$225.00	Building Service Expense - Office & Yard
COLLECTION PLUS - Invoices:1	6/7/2017	\$80.00	Employment Cost
COMCAST - Invoices:1	6/14/2017	\$27.37	Communication
CONSOLIDATED COMMUNICATIONS - Invoices:1	6/27/2017	\$412.83	Communication
COREY CARSKADDON - Invoices:1	6/2/2017	\$150.00	BMP Rebates
COUGHRAN MECHANICAL SERVICE - Invoices:5	6/7/2017	\$4,262.09	Contract Services
COUNTY OF SAC UTILITIES - Invoices:1	6/1/2017	\$122.87	Utilities
CRAIG LOCKE - Invoices:1	6/7/2017	\$1,281.73	Travel Conferences
CULLIGAN - Invoices:1	6/14/2017	\$69.00	Building Maintenance - Office & Yard
Customer Refunds: 48	6/1/2017	\$5,941.37	Local Travel Cost
DAN YORK - Invoices:1	6/20/2017	\$104.86	Local Travel Cost
DEVON SIMPSON - Invoices:1	6/2/2017	\$150.00	BMP Rebates
DIRECT TV - Invoices:2	6/1/2017	\$10.00	Communication
DITCH WITCH EQUIPMENT CO - Invoices:1	6/1/2017	\$291.25	Equipment Maintenance Services
EMIGH ACE HARDWARE - Invoices:6	6/7/2017	\$124.15	Claims & Insurance Reimb.
EMPLOYEE RELATIONS NETWORK - Invoices:1	6/7/2017	\$240.25	Employment Cost
ERIK FLAA - Invoices:1	6/14/2017	\$200.00	Required Training
FEDERAL EXPRESS CORPORATION - Invoices:1	6/1/2017	\$62.36	Postage/Shipping/UPS/Fed Ex
FRESH LOOK MOBILE WASH LLC - Invoices:2	6/14/2017	\$1,210.00	Vehicle Maintenance Services
FULTON EL CAMINO RECREATION & PARK - Invoic	6/27/2017	\$10.00	Local Travel Cost
FUTURE FORD - Invoices:1	6/1/2017	\$473.25	Vehicle Maintenance Services
GM CONSTRUCTION & DEVELOPERS - Invoices:8	6/1/2017	\$39,788.24	Construction Services
H2H PROPERTIES - Invoices:1	6/20/2017	\$1,221.00	H&D WALNUT PARKING LOT LEASE
HARROLD FORD - Invoices:9	6/1/2017	\$3,180.18	Vehicle Maintenance Services
HECTOR SEGOVIANO - Invoices:1	6/14/2017	\$90.00	Required Training
HERBURGER PUBLICATIONS INC - Invoices:1	6/7/2017	\$300.00	Public Relations
IRON MOUNTAIN OFF SITE DATA PROTECTION - I	6/13/2017	\$434.62	Equipment Maintenance Services
JAMES MARTA & COMPANY - Invoices:2	6/20/2017	\$2,800.00	Consulting Services
JEAN ELLEN HARPER - Invoices:1	6/20/2017	\$150.00	BMP Rebates
JERRY SIDEBOTTOM - Invoices:1	6/7/2017	\$150.00	BMP Rebates
JOANNA ZADRA - Invoices:1	6/2/2017	\$650.00	BMP Rebates
JULIE STEINER - Invoices:1	6/2/2017	\$250.00	BMP Rebates
LEO ORCIUOLI ELECTRIC - Invoices:1	6/7/2017	\$2,200.00	Contract Services
LES SCHWAB TIRE CENTER/MADISON - Invoices:2	6/1/2017	\$845.54	Vehicle Maintenance Services
LIFEGUARD FIRST AID - Invoices:2	6/1/2017	\$163.08	Building Service Expense - Office & Yard
LODI TRUCK AND EQUIPMENT - Invoices:2	6/1/2017	\$659.06	Vehicle Maintenance Services
MICHAEL CROCKETT - Invoices:1	6/2/2017	\$150.00	BMP Rebates
MICHAEL PHILLIPS LANDSCAPE CORP - Invoices:4	6/13/2017	\$4,710.00	Building Service Expense - Office & Yard
MILLER MECHANICAL - Invoices:9	6/20/2017	\$9,337.24	Contract Services
MUNICIPAL CONSULTING GROUP - Invoices:2	6/7/2017	\$27,274.03	Consulting Services

NM RANCH - Invoices:3	6/7/2017	\$8,140.00 Contract Services
ONE STOP TRUCK SHOP - Invoices:2	6/13/2017	\$1,247.57 Vehicle Maintenance Services
PALADIN PRIVATE SECURITY - Invoices:1	6/1/2017	\$460.00 Building Service Expense - Office & Yard
PEOPLEREADY - Invoices:5	6/1/2017	\$4,595.16 Temporary Help
PETER CHRISTENSEN - Invoices:1	6/2/2017	\$150.00 BMP Rebates
PG&E - Invoices:3	6/7/2017	\$1,087.07 Utilities
PLACER COUNTY WATER AGENCY - Invoices:3	6/14/2017	\$38,862.29 Consulting Services
PREMIER TRAINING NETWORK - Invoices:1	6/7/2017	\$2,500.00 Required uTraining
PUMP EFFICIENCY TESTING SERVICES - Invoices:1	6/20/2017	\$12,500.00 Contract Services
RAMOS OIL COMPANY - Invoices:1	6/20/2017	\$78.00 Hazardous Waste Disposal
RAWLES ENGINEERING - Invoices:3	6/1/2017	\$11,630.00 Construction Services
RAY MORGAN CO - Invoices:2	6/13/2017	\$492.90 Equipment Maintenance Services
RIVER CITY STAFFING INC - Invoices:1	6/27/2017	\$504.00 Temporary Help
ROBERT ROSCOE - Invoices:1	6/27/2017	\$32.25 Local Travel Cost
ROGER L STOUGHTON - Invoices:1	6/2/2017	\$150.00 BMP Rebates
RONALD C WETHERALL - Invoices:1	6/7/2017	\$150.00 BMP Rebates
RUE EQUIPMENT INC - Invoices:9	6/14/2017	\$6,165.87 Equipment Maintenance Services
SAC ICE LLC - Invoices:1	6/1/2017	\$4,731.96 Building Maintenance - Office & Yard
SACRAMENTO CO DEPT OF CHILD SUPPORT SERV	6/1/2017	\$2,292.92 Garnishment
SACRAMENTO SUBURBAN WATER DISTRICT - Invo	6/7/2017	\$108.73 Public Relations
SAN JUAN WATER DISTRICT - Invoices:1	6/13/2017	\$202,908.85 Grant Expenses Other-Pass Through to Subreceptipier
SHRED-IT - Invoices:1	6/1/2017	\$65.86 Contract Services
SONITROL - Invoices:2	6/13/2017	\$1,494.84 Building Service Expense - Office & Yard
SOPHOS SOLUTIONS - Invoices:1	6/7/2017	\$4,080.00 Consulting Services
TEE JANITORIAL & MAINTENANCE - Invoices:1	6/1/2017	\$3,223.80 Building Service Expense - Office & Yard
THINK, INC - Invoices:1	6/27/2017	\$15,515.92 Printing
TINA LYNN DESIGN - Invoices:3	6/13/2017	\$975.00 Consulting Services
TODD ARTRIP - Invoices:1	6/22/2017	\$260.00 Other Training
TOTAL COMPENSATION SYSTEMS INC - Invoices:1	6/27/2017	\$2,000.00 Consulting Services
US BANK CORPORATE PAYMENT SYSTEM - Invoice	6/2/2017	\$13,701.59 Construction In Progress
USC UNIVERSITY OF SOUTHERN CA - Invoices:1	6/20/2017	\$500.00 Membership & Dues
VERIZON WIRELESS/DALLAS TX - Invoices:2	6/1/2017	\$4,485.24 Communication
WASTE MANAGEMENT - Invoices:3	6/1/2017	\$1,009.55 Building Service Expense - Office & Yard
WATERWISE CONSULTING, INC. - Invoices:1	6/7/2017	\$6,825.00 Consulting Services
WELLS SWEEPING LLC - 2X ANNUAL - Invoices:1	6/1/2017	\$710.00 Building Service Expense - Office & Yard
WELLS SWEEPING -Monthly - Invoices:1	6/1/2017	\$88.75 Building Service Expense - Office & Yard
WHOLESALE TRAILER SUPPLY - Invoices:1	6/14/2017	\$176.60 Equipment Maintenance Supplies
AIRGAS USA LLC - Invoices:1	6/13/2017	\$125.62 Operating Supplies
ASTRAL COMMUNICATIONS INC - Invoices:1	6/14/2017	\$2,398.00 Operating Supplies
BACKFLOW DISTRIBUTORS INC - Invoices:2	6/20/2017	\$183.01 Operating Supplies
CORIX WATER PRODUCTS US INC. - Invoices:3	6/13/2017	\$20,847.04 Operating Supplies
HACH COMPANY - Invoices:1	6/27/2017	\$2,672.28 Operating Supplies
HD Supply/WHITE CAP - Invoices:1	6/13/2017	\$451.26 Operating Supplies
MW MANAGEMENT GROUP - Invoices:1	6/20/2017	\$2,197.56 Operating Supplies
OFFICE DEPOT INC - Invoices:12	6/14/2017	\$1,449.75 Office Supplies
PACE SUPPLY CORP - Invoices:1	6/1/2017	\$3,892.73 Office Supplies
POLLARD WATER - Invoices:1	6/27/2017	\$91.61 Operating Supplies
R & B COMPANY - Invoices:2	6/1/2017	\$5,454.72 Operating Supplies
RESOURCE TELECOM LLC - Invoices:1	6/13/2017	\$58.16 Operating Supplies
VOYAGER FLEET SYSTEMS - Invoices:1	6/1/2017	\$7,375.97 Operating Supplies
PLACER COUNTY WATER AGENCY - Invoices:1	6/14/2017	\$105,000.00 Purchased Water
SIERRA CHEMICAL COMPANY - Invoices:4	6/7/2017	\$24,363.14 HFA, Chemical & Delivery
SMUD - Invoices:4	6/7/2017	\$104,518.01 Electrical Charges
		<u>\$2,652,587.94</u>

**Credit Card Expenditures  
June 2017**

Sacramento Suburban Water District  
 US Bank Purchasing Card Program  
 CalCard Expenditures  
 June 2017

Vendor Name	Description	Amount	Proj/GLAcct
ACWA	CRAIG LOCKE REGISTRATION FOR CONFERENCE	\$ 699.00	01-55001
ACWA	CRAIG LOCKE REGISTRATION SUBTRACTING MEALS	\$ (144.00)	01-55001
ACWA	KEVIN THOMAS REGISTRATION FOR ACWA CONFERENCE	\$ 555.00	01-55001
ACWA	DAVE JONES REGISTRATION FOR ACWA CONFERENCE	\$ 699.00	01-55001
ALLIANCE TAG	200 BARCODE TAGS FOR IT EQUIPMENT	\$ 231.32	18-52101
AMAZON.COM	MOUNT FOR SCADA MONITOR IN DOUGS OFFICE	\$ 72.73	SF17-404
AMAZON.COM	MOUNT FOR SCADA MONITOR IN PRODUCTION AREA	\$ 72.73	SF17-404
AMAZON.COM	HDMI VIDEO CARDS FOR SCADA MONITORS	\$ 137.90	18-52101
AMAZON.COM	HDMI VIDEO CARDS FOR CONFERENCE ROOM MONITORS	\$ 275.80	18-52101
AMAZON.COM	WIRELESS ENDOSCOPE	\$ 48.99	12-52101
AMAZON.COM	GAS STATION WATER FAUCET - REPLACED LEAKING ONE AT ANTELOPE	\$ 11.81	12-54008
AMAZON.COM	DRAFTING STOOL WITH ARMS - WATER QUALITY OFFICE	\$ 113.86	12-52108
AMAZON.COM	PNEUMATIC HEIGHT ADJUSTABLE TABLE	\$ 206.06	12-52108
AMAZON.COM	LEATHER (3) AND NYLON (3) SHEATHS FOR LEATHERMAN	\$ 76.65	05-52101
AMAZON.COM	2 EACH LEATHERMAN WAVE MULTI TOOL	\$ 194.52	05-52101
AMAZON.COM	HIGH PRESSURE HOSE REEL FOR TRAILER VAC #159	\$ 112.21	12-54003
AWARDS BY KAY	ENGARVE TOP-OPS PLAQUE	\$ 21.65	12-54008
AWARDS BY KAY	ENGARVE CHILLI COOK OFF PLAQUE	\$ 32.40	12-54008
BATH & BODY WORKS	HAND SOAP FOR THE RESTROOMS	\$ 38.79	12-54008
BROWN & CALDWELL	AD FOR INSTRUMENTATION & ELECTRICAL TECHNICIAN POSITION	\$ 200.00	17-51402
CALIFORNIA CPA EDUCATION	EXCEL FINANCIAL REPORTING & ANALYSIS FOR DAN BILLS	\$ 275.00	03-51406
CAL-NEV AWWA	REGISTRATION FOR MITCHELL MCCARTHY	\$ 150.00	15-55001
CAPITOL SAND AND GRAVEL	MULCH FOR MULCH MAYHEM EVENT	\$ 1,530.05	13-52101
CHAMPION AWARDS	DUPLICATE PLAQUE - TOP OP'S CHALLENGE	\$ 83.00	12-54008
CUWCC ORGANIZATION	WORKSHOP MEMBERSHIP FEE - VICKI SPRAGUE	\$ 150.00	13-55001
EWRI	4 REGISTRATIONS FOR EWRI MEETING	\$ 80.00	02-55002
FLASHPOINT STUDIOS	MONTHLY FEE FOR ONHOLD RECORDINGS	\$ 79.00	04-54506
FRED PRYOR CAREER TRACK	TRAINING COURSE - SHAWN SHEDENHELM	\$ 249.00	05-51406
GALA GIFTS	3 GREETING CARDS	\$ 6.43	02-51403
GRA	2017 LEGISLATIVE SYMPOSIUM	\$ 390.00	01-55001
GRA GRAC.ORG	WEBCAST FOR JOHN VALDES WATER WELL VIDEO LOGGING	\$ 75.00	15-51407
GRAYBAR	WIRE STRIPPERS & CRIMPING TOOLS FOR FIELD SERVICES	\$ 113.49	08-52101
GREEN JADE RESTURANT	LUNCH MEETING REGARDING BOARD PREP AND GM RECRUITMENT	\$ 60.00	02-55001
GROUNDWATER RESOURCES ASSC OF CA	MEETING REGISTRATION - DAVID ARMAND AND HANNAH DUNRUD	\$ 70.00	06-55001
HANDLERY HOTEL	WORKSHOP HOTEL - VICKI SPRAGUE	\$ 250.64	13-55001
HOTEL CURRENT LONG BEACH	HOTEL FOR MITCHELL MCCARTHY FOR WATER WELL REHABILITATION WORKSHOP	\$ 140.42	15-51407
IMEMORIES	CONVERT VHS TAPES TO CD'S	\$ 200.83	05-52101
JET BLUE	FLIGHT FOR MITCHELL MCCARTHY FOR WATER WELL REHABILITATION WORKSHOP	\$ 216.40	15-51407
LOGMEIN	YEARLY MAINTENANCE FOR LOGMEIN SUBSCRIPTION	\$ 249.99	18-54509
MOUNTAIN MIKE'S PIZZA	PIZZA FOR WORKING LUNCHEON - PRODUCTION	\$ 97.14	06-51406
MOUNTAIN MIKE'S PIZZA	PIZZA FOR WORKING LUNCHEON - PRODUCTION	\$ 97.14	06-51406
NOAH'S BAGELS	ALL HANDS/SAFETY REFRESHMENTS	\$ 59.96	02-51403
PEP BOYS	12 VOLT ADAPTER TO INSTALL LAPTOP POWER SUPPLY - VEHICLE #70	\$ 5.38	12-54005
PORTOLA HOTEL	HOTEL FOR DAN YORK FOR ACWA CONFERENCE	\$ 499.10	02-55001
RALEY'S	REFRESHMENTS FOR SAFETY/ALL HANDS MEETING	\$ 24.09	02-51403
RALEY'S	ALL HANDS/SAFETY MEETING REFRESHMENTS	\$ 21.26	02-51403
RALEY'S	ALL HANDS/SAFETY MEETING REFRESHMENTS	\$ 12.83	02-51403
SOUTHWEST	DAVE JONES FLIGHT TO AWWA CONFERENCE	\$ 351.88	01-55001
SOUTHWEST AIRLINES	WORKSHOPTRAVEL - VICKI SPRAGUE	\$ 202.96	13-55001
SOUTHWEST AIRLINES	CONFERENCE TRAVEL - GREG BUNDESEN	\$ 147.96	13-55001
STAPLES	CANON CALCULATOR	\$ 53.86	17-52018
TARGET	SODAS FOR WORKING LUNCHEON - PRODUCTION	\$ 18.02	06-51406
THE HOME DEPOT	SUPPLIES TO REPAIR LEAK IN KITCHEN AT MARCONI	\$ 134.94	12-54008
THE HOME DEPOT	GRASS SEED, HAMMERS, AND CLEANING SUPPLIES	\$ 156.94	05-52101
THE HOME DEPOT	MEN'S RESTROOM SIGNS FOR WALNUT	\$ 21.51	12-54008
THE HOME DEPOT	TOOLS FOR NEW PRODUCTION TRUCK #72	\$ 198.34	SF17-399
THE STEVENSON HOTEL	HOTEL FOR KEVIN THOMAS FOR ACWA CONFERENCE	\$ 359.01	01-55001
TURCK OFFICE LLC	TRUCK OFFICE FOR ON-CALL VEHICLE #67	\$ 2,865.00	12-54005
WALMART	ALL HANDS AWARDS FOR CAL NEVA WINNERS	\$ 10.68	02-51403
WORKNGEAR.COM	TOP OPS JACKETS - HANNAH DUNRUD & MATT UNDERWOOD	\$ 193.92	12-51408
		<b>Total: \$ 13,701.59</b>	

**Directors Compensation and Expense Accounting –  
Second Quarter 2017**

Sacramento Suburban Water District  
Board of Directors Meetings Attended (1)  
Pay Rate per Diem is \$100.00  
**2nd Quarter 2017**

Director Locke:

04/17/2017 SSWD Regular Board Meeting  
04/24/2017 SSWD Special Board Meeting  
05/09/2017 ACWA Spring Conference  
05/10/2017 ACWA Spring Conference  
05/11/2017 ACWA Spring Conference  
05/12/2017 ACWA Spring Conference  
05/13/2017 Fulton El Camino Park District Garden Dedication  
05/15/2017 SSWD Regular Board Meeting  
06/19/2017 SSWD Regular Board Meeting  
06/20/2017 Water Transfer Seminar  
06/27/2017 Meet with Dan York  
06/28/2017 San Juan Water District Board Meeting

Director Schild:

04/07/2017 Finance & Audit Committee  
04/17/2017 SSWD Regular Board Meeting  
04/20/2017 BMP Impact Local Subcommittee  
04/24/2017 SSWD Special Board Meeting  
04/27/2017 Facilities & Operations Committee  
04/29/2017 Carmichael – Creek Week Event  
05/05/2017 Water Forum Fish Group Webinar  
05/08/2017 ACWA JPIA Meeting  
05/09/2017 Federal Affairs and Ground Water Meeting  
05/10/2017 ACWA Spring Conference  
05/11/2017 ACWA Spring Conference  
05/12/2017 ACWA Spring Conference  
05/13/2017 Fulton El Camino Park District Garden Dedication  
05/15/2017 SSWD Regular Board Meeting  
05/16/2017 GM Compensation Committee  
05/18/2017 RWA Board Meeting  
06/08/2017 SGA Board Meeting  
06/19/2017 SSWD Regular Board Meeting  
06/28/2017 San Juan Water District Board Meeting

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Director Wichert:

No Pay – Verbal Report

Director Jones:

04/11/2017 AWWA Conference  
04/12/2017 AWWA Conference  
04/13/2017 AWWA Conference  
04/17/2017 SSWD Regular Board Meeting  
04/24/2017 SSWD Special Board Meeting  
04/27/2017 Finance & Operations Committee  
05/09/2017 ACWA Spring Conference  
05/10/2017 ACWA Spring Conference  
05/12/2017 ACWA Spring Conference  
05/13/2017 Fulton El Camino Park District Garden Dedication  
05/15/2017 SSWD Regular Board Meeting  
05/16/2017 GM Compensation Committee

Director Thomas:

04/07/2017	Finance and Audit Committee Meeting
04/13/2017	Sacramento Groundwater Authority
04/17/2017	Meeting with GM (no pay)
04/17/2017	SSWD Regular Board Meeting
05/09/2017	ACWA Spring Conference
05/10/2017	ACWA Spring Conference
05/11/2017	ACWA Spring Conference
05/12/2017	Meeting with AGM
05/15/2017	SSWD Regular Board Meeting
05/31/2017	Meeting with AGM
06/08/2017	Water Forum Meeting
06/09/2017	Meeting with AGM
06/17/2017	Ethics Meeting
06/18/2017	Sexual Harassment Training
06/19/2017	SSWD Regular Board Meeting
06/22/2017	Delta Water Project Meeting
06/23/2017	Meeting with GM

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

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

**Directors Expense Report**  
**Calendar Year 2017**  
**Current Quarter**

Event/Purpose	Jones	Locke	Schild	Thomas	Wichert	Total
Local Meeting Mileage						
Reimbursed by District	32.25		17.66			49.91
Local Meeting Expenses						
Reimbursed by District						-
Paid Directly by District						-
Conferences						
Reimbursed by District	1,774.23	1,281.73	1,553.17	247.26		4,856.39
Paid Directly by District	1,050.88	699.00		914.01		2,663.89
<b>Total</b>	<b>2,857.36</b>	<b>1,980.73</b>	<b>1,570.83</b>	<b>1,161.27</b>	<b>-</b>	<b>7,570.19</b>

**Directors Expense Report**  
**2017 Year to Date**

Event/Purpose	Jones	Locke	Schild	Thomas	Wichert	Total
Local Meeting Mileage						-
Reimbursed by District	32.25	48.82	188.61			269.68
Local Meeting Expenses						-
Reimbursed by District			40.00			40.00
Paid Directly by District	50.00	50.00	50.00			150.00
Conferences						-
Reimbursed by District	1,774.23	1,281.73	1,553.17	247.26		4,856.39
Paid Directly by District	1,050.88	699.00	699.00	914.01		3,362.89
<b>Total</b>	<b>2,907.36</b>	<b>2,079.55</b>	<b>2,530.78</b>	<b>1,161.27</b>	<b>-</b>	<b>8,678.96</b>

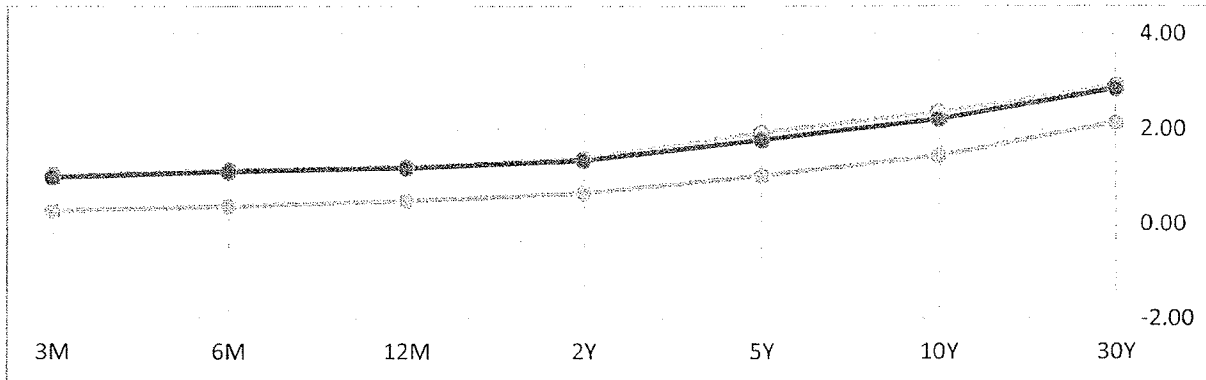
This report meets the reporting requirements of Government Code sections 53065.5 and 53232.3 and is in conformance with District Policy. This information will be included with the agenda materials for each regular monthly Board of Directors meeting.



**Market Report Yields -  
January 2011 through May 2017**

**Sacramento Suburban Water District**  
**United States Treasury and Federal Reserve Yields/Rates**  
**As of: July 11, 2017**  
**(Source: Bloomberg Market Data)**

**US Treasury Yields**



NAME	COUPON	PRICE	YIELD	1 MONTH	1 YEAR	TIME (EDT)
3 Month	0.00	1.03	1.04%	+5	+76	12:52 PM
6 Month	0.00	1.12	1.14%	+3	+76	12:52 PM
12 Month	0.00	1.18	1.20%	+2	+71	12:52 PM
2 Year	1.25	99.76	1.38%	+4	+73	12:52 PM
5 Year	1.75	99.22	1.92%	+15	+90	12:52 PM
10 Year	2.38	100.16	2.36%	+15	+92	12:52 PM
30 Year	3.00	101.73	2.91%	+6	+77	12:52 PM

Change shown in basis points

**Federal Reserve Rates**

Rate	Current	1 Year Prior	Rate	Current	1 Year Prior
Fed Funds Rate	1.16	0.40	Fed Reserve Target	1.25	0.50
Prime Rate	4.25	3.50			

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

<u>5/31/2017</u>	<u>SSWD Holdings</u>	<u>ML 0-5 Year UST Index</u>
Under 6 Months	9.2%	11.8%
6 - 12 Months	12.7%	13.3%
1 - 2 Years	21.3%	23.8%
2 - 3 Years	17.3%	19.5%
3 - 4 Years	21.2%	16.7%
4 - 5 Years	18.3%	14.8%
5 Years and Over	0.0%	0.0%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

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

	Unannualized Monthly Returns		Yield to Maturity at Cost
	SSWD	ML 0-5 Year UST Index	SSWD Operating Fund
1/31/2011	0.22%	0.27%	1.85%
2/28/2011	-0.08%	-0.18%	1.82%
3/31/2011	-0.01%	-0.05%	1.79%
4/30/2011	0.68%	0.59%	1.79%
5/31/2011	0.47%	0.57%	1.73%
6/30/2011	-0.01%	0.03%	1.69%
7/31/2011	0.52%	0.59%	1.57%
8/31/2011	0.43%	0.62%	1.43%
9/30/2011	-0.12%	-0.11%	1.41%
10/31/2011	0.14%	0.09%	1.40%
11/30/2011	0.01%	0.12%	1.30%
12/31/2011	0.19%	0.13%	1.29%
1/31/2012	0.48%	0.25%	1.28%
2/29/2012	0.07%	-0.24%	1.19%
3/31/2012	-0.09%	-0.16%	1.19%
4/30/2012	0.26%	0.39%	1.19%
5/31/2012	0.03%	0.16%	1.18%
6/30/2012	0.06%	-0.07%	1.18%
7/31/2012	0.38%	0.33%	1.18%
8/31/2012	0.10%	0.04%	1.09%
9/30/2012	0.06%	0.01%	1.09%
10/31/2012	-0.02%	-0.10%	1.08%
11/30/2012	0.19%	0.18%	0.98%
12/31/2012	-0.03%	-0.03%	0.91%
1/31/2013	-0.03%	-0.10%	0.90%
2/28/2013	0.20%	0.19%	0.87%
3/31/2013	0.05%	0.04%	0.86%
4/30/2013	0.21%	0.19%	0.81%
5/31/2013	-0.34%	-0.41%	0.79%
6/30/2013	-0.42%	-0.32%	0.80%
7/31/2013	0.25%	0.19%	0.80%
8/31/2013	-0.30%	-0.22%	0.81%
9/30/2013	0.36%	0.41%	0.83%
10/31/2013	0.22%	0.19%	0.87%
11/30/2013	0.15%	0.09%	0.89%
12/31/2013	-0.27%	-0.37%	0.88%
1/31/2014	0.41%	0.34%	0.88%
2/28/2014	0.18%	0.12%	0.88%
3/31/2014	-0.21%	-0.24%	0.87%
4/30/2014	0.25%	0.20%	0.89%
5/31/2014	0.29%	0.32%	0.90%
6/30/2014	-0.02%	-0.08%	0.92%
7/31/2014	-0.11%	-0.17%	0.95%
8/31/2014	0.23%	0.28%	0.98%
9/30/2014	-0.14%	-0.14%	0.97%
10/31/2014	0.32%	0.39%	0.97%
11/30/2014	0.24%	0.25%	0.98%
12/31/2014	-0.19%	-0.27%	1.02%
1/31/2015	0.71%	0.81%	1.03%
2/28/2015	-0.21%	-0.40%	1.06%
3/31/2015	0.28%	0.34%	1.10%
4/30/2015	0.09%	0.03%	1.10%
5/31/2015	0.06%	0.08%	1.12%
6/30/2015	-0.13%	-0.07%	1.14%
7/31/2015	0.17%	0.15%	1.15%
8/31/2015	-0.05%	-0.01%	1.15%
9/30/2015	0.38%	0.43%	1.18%
10/31/2015	0.02%	-0.18%	1.28%
11/30/2015	-0.12%	-0.24%	1.28%
12/31/2015	-0.23%	-0.11%	1.32%
1/31/2016	0.68%	0.86%	1.32%
2/29/2016	0.14%	0.20%	1.35%
3/31/2016	0.44%	0.20%	1.35%
4/30/2016	0.08%	0.01%	1.36%
5/31/2016	-0.04%	-0.12%	1.38%
6/30/2016	0.69%	0.78%	1.38%
7/31/2016	0.05%	-0.03%	1.38%
8/31/2016	-0.17%	-0.24%	1.38%
9/30/2016	0.12%	0.14%	1.38%
10/31/2016	-0.10%	-0.14%	1.37%
11/30/2016	-0.64%	-0.72%	1.36%
12/31/2016	0.10%	0.03%	1.43%
1/31/2017	0.19%	0.15%	1.50%
2/28/2017	0.25%	0.13%	1.53%
3/31/2017	0.06%	0.04%	1.56%
4/30/2017	0.32%	0.26%	1.60%
5/31/2017	0.25%	0.18%	1.62%

**DRAFT - District Reserve Balances  
June 30, 2017**

**Sacramento Suburban Water District  
Reserve Fund Balance**

	<u>June 30, 2017</u>	<u>December 31, 2016</u>
Debt Service Reserve	\$ 3,551,876	\$ 3,540,038
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	16,321,024	13,872,620
<b>TOTAL</b>	<b>\$ 44,260,651</b>	<b>\$ 40,988,408</b>

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

	<u>June 30, 2017</u>	<u>December 31, 2016</u>
Cash and cash equivalents	\$ 7,076,489	\$ 2,694,456
Investments	33,632,285	34,753,914
Restricted assets	3,551,876	3,540,038
<b>TOTAL</b>	<b>\$ 44,260,651</b>	<b>\$ 40,988,408</b>

**DRAFT - Information Required by Bond Agreement**

Sacramento Suburban Water District  
 6 - Months Debt Service Schedule  
 6/30/2017

Month	Total SSWD Debt Service				Debt Service
	Principal	Interest Adjustable/Fixed/Swap	Facility Fee	Remarketing	
July-17	-	97,345.26	-	-	97,345.26
Aug-17	-	97,345.26	-	-	97,345.26
Sept-17	-	97,345.26	47,250.00	13,125.00	157,720.26
Oct-17	4,060,000.00	1,140,308.26	-	-	5,200,308.26
Nov-17	-	97,345.26	-	-	97,345.26
Dec-17	-	97,345.26	47,250.00	13,125.00	157,720.26

Month	Series 2012A Fixed Rate Bonds (\$23,440,000.00)				Debt Service
	Principal	Interest - Fixed 4.25%			
July-17	\$ -	\$ -	\$ -	\$ -	\$ -
Aug-17	-	-	-	-	-
Sept-17	-	-	-	-	-
Oct-17	2,030,000.00	421,713.00	-	-	2,451,713.00
Nov-17	-	-	-	-	-
Dec-17	-	-	-	-	-

Month	Series 2009A Adjustable Rate COPs (\$42,000,000.00)				Debt Service
	Principal	Interest, Adjustable 0.87%	Facility Fee 0.450%	Remarketing 0.125%	
July-17	\$ -	\$ 30,450.00			\$ 30,450.00
Aug-17	-	30,450.00			30,450.00
Sept-17	-	30,450.00	47,250.00	13,125.00	90,825.00
Oct-17	-	30,450.00			30,450.00
Nov-17	-	30,450.00			30,450.00
Dec-17	-	30,450.00	47,250.00	13,125.00	90,825.00

Month	Series 2009B Fixed Rate COPs (\$27,915,000)				Debt Service
	Principal	Interest - Fixed 5.00%			
July-17	\$ -	\$ -	\$ -	\$ -	\$ -
Aug-17	-	-	-	-	-
Sept-17	-	-	-	-	-
Oct-17	2,030,000.00	621,250.00	-	-	2,651,250.00
Nov-17	-	-	-	-	-
Dec-17	-	-	-	-	-

Month	2012 SWAP Interest, Net (\$33,000,000.00)				Debt Service
	Principal	Interest, Swap Net (3.283-0.69236-18)%			
July-17		\$ 66,895.26	-	-	66,895.26
Aug-17		\$ 66,895.26	-	-	66,895.26
Sept-17		\$ 66,895.26	-	-	66,895.26
Oct-17		\$ 66,895.26	-	-	66,895.26
Nov-17		\$ 66,895.26	-	-	66,895.26
Dec-17		\$ 66,895.26	-	-	66,895.26



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

	<i>As Of</i>	<i>Budget</i>
	<i>Actual</i>	<i>Year-To-Date</i>
	<u>6/30/2017</u>	<u>6/30/2017</u>
<b>REVENUES</b>		
Water sales charges	\$8,004,683.85	\$10,374,498.00
Capital facilities charge	11,449,045.12	11,488,500.00
Facility development charges	76,646.00	249,996.00
Interest and investment income	277,988.77	432,000.00
Rental & other income	201,673.78	124,998.00
<b>TOTAL REVENUES</b>	<u><b>20,010,037.52</b></u>	<u><b>22,669,992.00</b></u>
<b>EXPENSES</b>		
Source of supply	1,334,996.42	1,527,955.00
Pumping	1,658,834.14	2,100,069.28
Transmission and distribution	1,817,433.29	1,833,383.18
Water conservation	237,975.56	252,350.62
Customer accounts	624,885.84	646,201.30
Administrative and general	3,427,872.48	3,792,023.92
<b>TOTAL EXPENSES</b>	<u><b>9,101,997.73</b></u>	<u><b>10,151,983.30</b></u>
<b>NET REVENUE</b>	<u><u><b>10,908,039.79</b></u></u>	<u><u><b>12,518,008.70</b></u></u>