

Agenda

Sacramento Suburban Water District Regular Board Meeting

3701 Marconi Avenue, Suite 100
Sacramento, California 95821

Monday, August 20, 2018
6:00 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 916.679.3972. 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 July 16, 2018 Regular Board Meeting
Recommendation: Approve subject minutes.

2. Return to Work Policy (PL – HR 007)
Recommendation: Approve subject policy.
3. Investment Policy (PL – Fin 003)
Recommendation: Approve subject policy.
4. Reserve Policy (PL – Fin 04)
Recommendation: Approve subject policy.
5. GIS Database Tool for Well Site Selection Planning
Recommendation: Approve utilizing the tool for future property acquisition for groundwater facilities.

Items for Discussion and/or Action

6. Resolution No. 18-13 Approving a Long Term Warren Act Contract For a Period of Twenty-Seven Years (2018 - 2045) Between the Sacramento Suburban Water District and the United States Bureau of Reclamation and Authorizing Execution of the Contract
Recommendation: Adopt subject resolution.
7. Resolution No. 18-14 A Resolution of the Board of Directors of the Sacramento Suburban Water District Recognizing Water Professionals Appreciation Week
Recommendation: Adopt subject resolution.
8. Directors Out of State Travel Request
Recommendation: Consider approving Directors out of state travel.

General Manager's Report

9. General Manager's Report
 - a. McClellan Business Park Successor Agreement Update
 - b. City of Sacramento Wholesale Agreement
 - c. Meter Reading Issues Update
 - d. Public Outreach Meeting on Main Replacement Projects
 - e. Grant of Easement and Right of Way at 4000 Edison Avenue
 - f. 2018 Water Transfer

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

10. a. Regional Water Authority (Director Wichert)
No report.

Regional Water Authority Executive Committee (General Manager York)
Agenda from the July 25, 2018 Meeting.
- b. Sacramento Groundwater Authority (Director Thomas)
Agenda from the August 9, 2018 Meeting.
- c. Water Caucus Meeting (General Manager York)
No report.
- d. Water Forum Successor Effort (General Manager York)
No report.
- e. Director Reports (AB1234)

Committee Reports

11. a. Facilities and Operations Committee (Director Jones)
Draft Minutes from the August 1, 2018 Meeting.
- b. Finance and Audit Committee (Director Thomas)
No report.

Information Items

12. 2018 Employee Compensation Study Update
13. 2018 Water Rate Study Update
14. Legislative and Regulatory Update
15. Upcoming Water Industry Events
16. Upcoming Policy Review
 - a. Public Works Contracting Policy (PL – Eng 002)
 - b. Procurement Policy (PL – Fin 005)

Department/Staff Reports

17. Financial Report
 - a. Financial Highlights – July 2018
 - b. Financial Statements – July 2018
 - c. Investments Outstanding and Activity
 - d. Cash Expenditures – July 2018
 - e. Credit Card Expenditures – July 2018
 - f. District Reserve Balances – July 2018
 - g. Information Required by Bond Agreement
 - h. Financial Markets Report
18. District Activity Report
 - a. Water Operations and Exceptions Report
 - b. Water Quality Report
 - c. Water Conservation and Regional Water Efficiency Program Report
 - d. Customer Service Report
 - e. Community Outreach Report
19. Engineering Report
 - a. Major Capital Improvement Projects
 - b. Other

Miscellaneous Correspondence and General Information

20. Correspondence received by the District

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)

- 21. 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.

Adjournment

Upcoming Meetings

- Monday, September 10, 2018 at 6:00 p.m., Special Board Workshop
- Thursday, September 13, 2018 at 2:00 p.m., Facilities and Operations Committee Meeting
- Monday, September 17, 2018 at 6:00 p.m., Regular Board Meeting
- Wednesday, October 3, 2018 at 6:30 p.m., SJWD/SSWD Water Management/Re-Organization Committee Meeting

I certify that the foregoing agenda for the August 20, 2018 meeting of the Sacramento Suburban Water District Board of Directors was posted by August 16, 2018 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.

Dan York
General Manager/Secretary
Sacramento Suburban Water District

ITEM 1

Minutes

Sacramento Suburban Water District Regular Board Meeting Monday, July 16, 2018

Call to Order

President Locke called the meeting to order at 6:00 p.m.

Pledge of Allegiance

President Locke led the Pledge of Allegiance.

Roll Call

Directors Present: Craig Locke, Dave Jones, Kevin Thomas, Kathleen McPherson and Robert Wichert.

Directors Absent: None.

Staff Present: General Manager Dan York, Finance Director Dan Bills, Heather Hernandez-Fort, Assistant General Manager Mike Huot, Dana Dean, Matt Underwood, Jim Arenz, Annette O’Leary, Lynne Yost, Dave Morrow, Greg Bundesen and David Armand.

Public Present: William Eubanks, Avery Wiseman and Gregory Glavinovich.

Announcements

General Manager Dan York (GM York) announced:

- Mike Huot, the District’s new Assistant General Manager;
- Save the Date for Sacramento Groundwater Authority’s 20th Anniversary October 18, 2018;
- Main Replacement Public Forum Meeting on August 2, 2018, at 6:00 pm at the District’s Marconi Office, and
- Form 470 – Financial Disclosure Statement for 2018 is at the dais for each Director.

Public Comment

Avery Wiseman (Mr. Wiseman) expressed that he was in favor of keeping printed handouts of the Board packet available for attendees at each Board meeting. He further provided a handout of an “SSWD History at a Glance,” referencing past District rate increases, budget and a fiscal summary.

Consent Items

1. **Minutes of the June 18, 2018 Regular Board Meeting**
2. **Employment Rules & Procedures Policy (PL – HR 001)**

3. **Driver Record and Insurance Review Policy (PL – HR 006)**
4. **Employee Recruitment, Hiring and Promotion Policy (PL – HR 009)**
5. **Sustainability Policy (PL – Adm 005)**
6. **Budget Policy (PL – Fin 012)**
7. **Workplace Violence Policy (PL – HR 013)**
8. **Resolution No. 18-10 A Resolution of the Board of Directors of the Sacramento Suburban Water District Authorizing Bank Account Signatories**
9. **Resolution No. 18-11 Amending Regulation No. 11 of the Regulations Governing Water Service**

President Locke noted that there was public comment for Item 2.

President Locke moved to approve the consent Items except Item 2; Director Thomas seconded. The motion passed by unanimous vote.

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

Regarding Item 2, a customer requested to pull the Item for further discussion.

Gregory Glavinovich (Mr. Glavinovich) commented that he believed that companies should ensure customer service representatives were available to answer the phone when customers call in. He further commented in regards to water conservation, stating that Sacramento has enough water, but he believed there are just too many people here.

President Locke moved to approve Item 2; Director Thomas seconded. The motion passed by unanimous vote.

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

Item 9 was reopened at the end of the meeting. Please see Director's Comments/Staff Statements and Requests below.

Items for Discussion and/or Action

10. **Resolution No. 18-12 Fixing the 2018 Employer Contribution at an Equal Amount for Employees and Annuitants Under the Public Employees' Medical and Hospital Care Act**

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

Lynne Yost (Ms. Yost) provided additional clarification on the staff report.

Director Wichert inquired how the District was in the position of fully funding employee's medical benefits.

Mr. Bills clarified that the District is fully funding the higher of the lowest PPO or HMO plans as determined by Board Policy established in 2007. He expressed that the two predecessor districts (Arcade and Northridge) offered free medical plans. He explained that when LAFCo approved the merging of the two districts, there was language placed in the LAFCo resolution that there would be no loss of employee benefits when the merger happened. He further noted that in 2010 District legal counsel reviewed the resolution and its requirements relating to employee benefits and provided the Board with their findings.

Mr. Bills provided clarification on the "100/90 formula" as well as the CalPERS, JPIA and CSDA plans and rates, noting that presently costs would be higher if the District moved away from CalPERS. He further stated that due to CalPERS not allowing agencies to return for five years, other providers typically increased pricing in years two through five (after having provided a very attractive first-year price structure).

Director Wichert requested further clarification of District health care benefits and costs.

Director McPherson commented that the Board could possibly set a cap for how much the District was going to contribute to medical benefits, and the employee would be responsible for whatever was remaining above the cap, in an effort to avoid going through the same presentation each year.

Mr. Bills reminded the Board they would have to consider the LAFCo resolution requirements.

Director McPherson expressed she believed LAFCo was possibly ensuring that the employees received health benefits, as they had been receiving them with each of the two predecessor districts. She further noted that getting an amount toward the cost of health benefits was a benefit in itself.

Mr. Bills expressed legal counsel would need to provide an answer to that question.

Ms. Yost stated the decision to go with CalPERS would need to be made before August 20, 2018.

Director Wichert expressed that he felt a little pressured on the item.

Director Thomas suggested staff provide the Board with the legal opinion of the LAFCo resolution.

Director Wichert stated he wanted further clarification on the 100/90 formula. He further expressed that he was interested in hearing all of the options that were available to the District.

William Eubanks (Mr. Eubanks) expressed he was unhappy that the Board didn't consult with staff before tonight's meeting regarding the topic. He expressed that if the Board didn't like CalPERS, then they should make a decision on it.

Ms. Yost reminded the Board the cost analysis between SDRMA and JPIA rates were much higher than CalPERS.

Ms. Yost further expressed if the Board decided to opt out of CalPERS that CalPERS would need to receive a resolution from the Board, and process the resolution by August 20, 2018.

Mr. Eubanks stated his displeasure that the Board was spending time in a public meeting on what he believed the Directors could have done with staff separately.

Director Wichert requested a detailed explanation of why the rates were decreasing, yet the District had to pay a higher premium.

President Locke requested staff bring back an information item to the August regular Board meeting on the details including all of the options that CalPERS offers, and legal counsel's opinion of the LAFCo resolution.

Mr. Bills expressed he would additionally confirm that the numbers presented in Resolution 18-12 were accurate.

President Locke moved to approve the staff recommendation; Director Thomas seconded. The motion passed by a 4/1 vote; Director Jones abstained, citing a possible conflict of interest.

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

President Locke added that he would like to receive the Board packet earlier in the month if possible, so there is more time to review the material.

11. **2019 Budget Assumptions**

Mr. Bills presented the staff report.

Director Wichert inquired about the City of Sacramento's water rates.

GM York expressed staff was still working with the City of Sacramento (the City) and that staff didn't plan on taking water if the City's rates were not lowered.

Director Wichert suggested to budget for the amount that staff wanted to pay, then estimate how much surface water staff thought we would take at that price.

GM York expressed staff informed the City that if they dropped their price, that we would increase our take.

Director Thomas suggested to leave the cost where it was, and reevaluate when staff got a better price from the City.

President Locke noted that the District was working on other cooperative projects with the City, and that he was confident that staff could negotiate reasonably with the City. He further noted that he was in favor of leaving the amounts in the budget, and if staff was able to negotiate a lower price, then he suggested to take more water.

Mr. Bills clarified the 5 new proposed positions and the merit process.

Director Wichert expressed he was in favor of a 3% merit increase, instead of a 4% increase.

Avery Wiseman (Mr. Wiseman) expressed he believed that a 3.7% COLA increase was a little high, and that a 2% COLA was more appropriate. He further expressed he disagreed with the whole merit pay system.

President Locke explained that if the COLA continued to increase, the whole range would move up. He stated as a result, it would take longer to get to the top of the salary range, and that the range was still competitive with the rest of the market. He further expressed that he was more interested in increasing the COLA.

Director Jones explained the increase in the construction inflation numbers.

Director Wichert expressed that he was ok with the 5 proposed positions, and that he would like further justification on the construction inflation.

Director Wichert moved the staff recommendation with changing the merit from a 4% increase to a 3% increase; Director Thomas seconded. The motion passed by unanimous vote.

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

12. **2018 Water Rate Study Consultant Selection**

Mr. Bills presented the staff report.

Director McPherson expressed she was in favor of Raftelis, as they had strong language in their proposal about sticking to their price, which also happened to be the lowest price of all of the proposals. She expressed she contacted some of their references and they came back great. She noted that the Finance and Audit Committee agreed that Raftelis was the most qualified, and recommended to select Raftelis.

President Locke noted he believed the Board selecting consultants was not a Policy decision, therefore not in the purview of a Director. He noted that he was uncomfortable with reviewing proposals, and that he was in favor of directing the General Manager to allow staff make those decisions.

Director McPherson expressed staff provided the proposals along with staff's ratings on each one, and that the Finance and Audit Committee was asked to select a consultant.

Mr. Bills explained that although it was rare for staff to request the Board to select a consultant, staff's reasoning was that the Board would want to select a rate consultant similar to the reason they select the District's auditor.

President Locke expressed he was not in favor of the Board selecting consultants.

Mr. Wiseman expressed he was under the impression that the Board was not planning to do a rate study for 2019. He further expressed he was not in favor of a rate study or a rate increase and suggested to control costs instead.

Mr. Eubanks expressed he was in favor of staff making a recommendation of the rate consultant to the Board rather than allow the Board to do it. He further noted that it is good to know where rates should be, based on where the District was going.

Director Wichert inquired if the Board agreed to do a rate study.

President Locke agreed that it was established when the 2018 Budget was approved.

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

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

13. **Annual Fraud Prevention Presentation**

Mr. Bills presented the staff report and PowerPoint presentation.

President Locke commented that staff does an excellent job with fraud prevention.

General Manager's Report

14. **General Manager's Report**

GM York presented the staff report.

a. *McClellan Business Park Successor Agreement Update*

GM York presented the staff report and provided an update.

The Board requested for the Item to be brought to the Facilities and Operations Committee.

b. *City of Sacramento Wholesale Agreement*

GM York presented the staff report.

c. *Open House*

GM York presented the staff report.

d. *Antelope Transmission Pipeline Total Repair Cost*

GM York presented the staff report.

Director Wichert inquired how staff was going to ensure that it would not happen again.

GM York expressed that on all new installations, staff would ensure that the material was installed to District standards.

e. *Statewide Water Tax Update*

GM York presented the staff report.

f. *Regional Water Transfer*

GM York presented the staff report.

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

15. a. Regional Water Authority (Director Wichert)

The Agenda from the July 12, 2018 Meeting was provided.

Regional Water Authority Executive Committee (General Manager York)
No report.

- b. Sacramento Groundwater Authority (Director Thomas)
No report.
- c. Water Caucus Meeting (General Manager York)
No report.
- d. Water Forum Successor Effort (General Manager York)
The Agenda from the June 28, 2018 Meeting was provided.
- e. Other Reports
President Locke provided oral reports on the meetings he had with the General Manager on March 9, 2018, and March 21, 2018.

Director Thomas provided oral reports on the meetings he had with the General Manager on June 8, 2018, June 19, 2018, July 5, 2018, July 6, 2018 and July 12, 2018.

Director Jones provided an oral report on the CSDA Conference that he attended July 8 – 11, 2018.

Committee Reports

- 16. a. Facilities and Operations Committee (Director Jones)
No report.
- b. Finance and Audit Committee (Director Thomas)
The Draft Minutes from the July 10, 2018, meeting were provided.

Director Wichert inquired about the question from the July 10, 2018 F&A Committee meeting regarding how much steel pipe was left from last year's purchase.

Dana Dean (Mr. Dean) expressed that we have on hand about 2/3 of the pipe required for the 2019 Main Replacement project.

Information Items

- 17. **Water Management Planning - SB 606 and AB 1668**
Greg Bundesen (Mr. Bundesen) presented the staff report.
- 18. **Human Resources and Succession Plan Biannual Report**
A written report was provided.
- 19. **2018 Semi-Annual Budget Update**
A written report was provided.

20. **New OPEB Report Under GASB 75**
A written report was provided.
21. **Legislative and Regulatory Update**
A written report was provided.
22. **Upcoming Water Industry Events**
A written report was provided.
23. **Upcoming Policy Review**
A written report was provided.
 - a. Return to Work Policy (PL – HR 007)
A written report was provided. Director comments are due by August 6, 2018.
 - b. Investment Policy (PL – Fin 003)
A written report was provided. Director comments are due by August 6, 2018.
 - c. Reserve Policy (PL – Fin 004)
A written report was provided. Director comments are due by August 6, 2018.

Department/Staff Reports

24. **Financial Report**
A written report was provided.
 - a. *Financial Highlights – June 2018*
A written report was provided.
 - b. *Financial Statements – June 2018*
A written report was provided.
 - c. *Investments Outstanding and Activity - Second Quarter 2018*
A written report was provided.
 - d. *Cash Expenditures – June 2018*
A written report was provided.
 - e. *Credit Card Expenditures – June 2018*
A written report was provided.
 - f. *Directors Compensation and Expense Accounting – Second Quarter 2018*
A written report was provided.
 - g. *District Reserve Balances – June 2018*
A written report was provided.

h. Information Required by Bond Agreement

A written report was provided.

i. Financial Markets Quarterly Report

A written report was provided.

25. District Activity Report

A written report was provided.

a. Water Operations and Exceptions Report

A written report was provided.

b. Water Quality Report

A written report was provided.

David Armand (Mr. Armand) provided an update to the Total Coliform and E. coli report.

c. Water Conservation and Regional Water Efficiency Program Report

A written report was provided.

d. Customer Service Report

A written report was provided.

e. Community Outreach Report

A written report was provided.

26. Engineering Report

a. Major Capital Improvement Projects

A written report was provided.

b. Other

A written report was provided.

Director's Comments/Staff Statements and Requests

Director Jones requested to reopen Item 9. President Locke agreed to reopen Item 9.

Director Jones noted that the change in resolution was to provide clarity that the District does not charge public fire protection agencies for water utilized exclusively for fire protection and suppression purposes for the protection of the public.

Director Jones moved for staff to use language similar to "water is at no cost as long as it is used for fire protection inside the District's boundaries," to clarify that the free water would remain within District boundaries; Director Thomas seconded. The motion passed by unanimous vote.

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

Director Wichert requested to have a meeting with the Water Quality staff to discuss the Consumer Confidence Report (CCR).

President Locke directed staff to place an item on the next F&O Committee regarding the CCR.

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

None.

Adjournment

President Locke adjourned the meeting at 8:22 p.m.

Dan York
 General Manager/Secretary
 Sacramento Suburban Water District



Agenda Item: 2

Date: August 6, 2018

Subject: Return to Work Policy (PL – HR 007)

Staff Contact: Lynne Yost, Human Resources Coordinator

Recommended Board Action:

Approve the revised Return to Work Policy (PL – HR 007).

Discussion:

A redline version of Return to Work Policy (PL – HR 007) is attached as Exhibit 1 for the Board's consideration. This policy was originally adopted by the Board in December 2003 and last reviewed in December 2016. It was submitted to the Board last month as an Information Item with updated language recommended by ACWA/JPIA when their model policy/employee handbook language was last updated in December 2016, just after the completion of the District's prior biennial review. The policy was not submitted to District legal counsel for review since the updated language was approved by ACWA/JPIA's legal counsel.

Comments from Directors were requested by August 6, 2018; none were received.

Staff also reviewed the District's current Return to Work Program Manual. This manual was last reviewed and updated in December 2016. Staff determined that no updates are required at this time after confirming ACWA/JPIA's model program documents have not changed since the last review and update was completed.

Fiscal Impact:

None.

Strategic Plan Alignment:

Customer Service – 3.A. Operate in an open and public manner.

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 benefit from the District having a program that reduces workers' compensation costs and provides reasonable accommodations to disabled employees as required by law.

Sacramento Suburban Water District

Return to Work Policy

Effective: December 15, 2003

Revised: ~~October 15, 2007; September 21, 2009; December 17, 2012; December 15, 2014~~ Approved with Changes on: August XX, 2018

100.00 Purpose of the Policy

The primary purpose of this policy is to develop a Return to Work (RTW) Program to minimize or reduce the effects of disability due to on-the-job and off-the-job injuries and illnesses and reduce workers' compensation costs (if applicable). This policy is consistent with the District's responsibilities under the Americans with Disabilities Act to provide reasonable accommodations to persons with disabilities.

200.00 Policy

The District considers a RTW Program an essential element in an overall risk management program. In conjunction with a well implemented safety program, it is an effective tool in returning employees to productive work in the shortest time possible to keep workers' compensation costs to a minimum.

It is the District's goal to maintain a productive work force. The RTW Program will support that goal by returning an employee to work in a productive capacity as soon as possible without risk to the employee's health. Supervisors and Managers will assist by directing the employee to appropriate care and assisting in proper reporting of the injury or illness while maintaining a positive and constant flow of communication with the injured worker. They will assist in arranging work which meets the District's business needs within the employee's work restrictions as needed to reduce lost time and meets the District's business needs. Management and Human Resources ~~staff~~ will work with the District's workers' compensation carrier (if applicable) and the physician to assist with the assessment of the employee's ability to return to work. By this joint effort, the District will help the injured/ill worker recover at a more rapid~~faster~~ rate, gain production for wages paid, minimize the employees' wage loss and reduce workers' compensation costs.

The transitional work/modified duty provided for employees with on-the-job or off-the-job injuries or illnesses must meet the business needs of the District and the employee must agree to comply with all requirements and procedures in the RTW Program Manual.

300.00 Authority and Responsibility

~~The Human Resources Coordinator,~~ the Assistant General Manager and the General Manager will be responsible for administering this policy. This will include maintaining the RTW Program Manual that is provided to all current and new employees.

400.00 Policy Review

This Policy will be reviewed at least biennially.



Agenda Item: 3

Date: August 1, 2018

Subject: Investment Policy (PL – Fin 003)

Staff Contact: Daniel A. Bills, Finance Director

Recommended Board Action:
Approve the updated Investment Policy (PL – Fin 003).

Discussion:
The Investment Policy (PL – Fin 003) was last reviewed by the Board in February 2017.

As indicated at the July 16, 2018 Board meeting, staff is recommending certain Policy changes based on recommended best practices from the California Municipal Treasurers Association (CMTA). The Policy is in compliance with the California Government Code (Code) that governs the investment of public funds. While no Code changes are required at this time, staff is proposing revisions and additions to the Policy that we believe will incorporate best practices, as recommended by CMTA, to increase the safety of the portfolio, and potentially increase investment opportunities. The suggested changes are summarized below:

1. Section 650.00 Portfolio Adjustments. We recommend deleting paragraph b, which could be interpreted to mean the District will not sell securities at a loss. Under the portfolio’s current strategy and management by PFM, securities may be sold at a loss if the sell and subsequent purchase will better position the portfolio going forward.
2. Section 700.00 Authorized Investments. The following changes are recommended to increase the portfolio’s safety and diversification: we recommend the Policy have a maximum sector limit on time deposits given the illiquid nature of the investment; we also recommend the District place maximum issuer limits on corporate notes, asset-backed securities, and supranationals. In addition to these recommendations, made with the intent of increasing portfolio safety, in order to safely increase the portfolio’s investment opportunities, we recommend increasing the maximum allowed in supranationals from 15% to 30%, consistent with Code. Supranationals are a triple A rated investment offering good value relative to Treasuries and Agencies.
3. Section 700.00 Grandfather Clause. The language from this section was moved into the new Review of Investment Portfolio section.

4. Section 800.00 Reporting. We recommend adding language from Code section 53607 that states the treasurer must submit monthly transaction reports if the governing body has delegated investment authority to the treasurer.
5. Appendix B. Staff recommends deleting Appendix B and references to Appendix B in the Policy. The language permitting investment in GSEs, agencies, and international intuitions in the Authorized Investments section describes which issuers are eligible for purchase, without naming the issuers. As such, having a list of permitted issuers is unnecessary and by excluding the list, the District will not have to be concerned with adjusting the list should there be any changes.

Staff has added the following sections recommended by CMTA: Scope, Authorized Financial Dealers and Institutions, Diversification, Review of Investment Portfolio, Investment Pools/Mutual Funds, Collateralization, Performance Standards, Internal Controls, Investment Policy Adoption, and Glossary. Many of the guidelines included in these sections are practices the District is currently doing, however, they were not specified previously identified in the Policy.

The Policy was reviewed by PFM which is the District's financial and investment advisors. It was not reviewed by General Counsel.

Comments from Directors were requested by August 6, 2018; none were received.

A redline version of the policy is attached to this report as Exhibit 1.

Fiscal Impact:

None.

Strategic Plan Alignment:

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

This policy benefits District customers by setting forth comprehensive guidelines for investing District reserve funds.

Sacramento Suburban Water District

Investment Policy

Adopted: December 16, 2002

Revised: ~~August 20, 2007; August 17, 2009; August 15, 2011; December 17, 2012;~~
~~November 17, 2014; February 23, 2015; February 27, 2017~~ Approved with changes on: August
XX, 2018

100.00 Investment Authority

In accordance with section 53600 et. seq. of the Government Code of the State of California (Government Code), the authority to invest public funds is expressly delegated to the Board of Directors for subsequent re-delegation to the Finance Director /District Treasurer. Investments by the Finance Director /District Treasurer, or his designee, pursuant to the delegation made by this Investment Policy are limited to those instruments described herein (the "Policy"). The District may delegate investment authority to an investment advisor. The advisor will follow the Investment Policy and such other written instructions as are provided.

200.00 Scope

This investment policy applies to all investment activities and financial assets of the District. The funds covered by this policy are accounted for and incorporated in the District's Comprehensive Annual Financial Report (CAFR). This policy specifically exempts any bond proceed funds. Bond proceeds shall be invested in accordance with the requirements and restrictions outlined in the bond documents. Also exempt are pension or other post-employment benefit funds held in a trust.

200300.00 Statement of Objectives

In order of importance, four fundamental criteria will be followed in the investment program:

210310.00 Safety of Principal

Investments will be undertaken in a manner which first seeks to ensure the preservation of capital in the portfolio. Each investment transaction will be entered into seeking quality in issuer and in underlying security or collateral. Market risk will be reduced by diversifying the portfolio, by limiting the average maturity of the portfolio, by limiting the maximum maturity of any one security, and by performing cash flow analyses to avoid the need to sell securities prior to maturity.

220320.00 Liquidity

Investments will be made with maturity dates compatible with cash flow requirements to permit conversion to cash without a significant loss in value.

230330.00 Interest Rate Risk Hedging

The District's investment portfolio will be designed with the objective of mitigating interest rate risk that arises due to adjustable-rate debt financing or other contractual arrangements, commensurate with the investment risk constraints and the cash flow characteristics of the portfolio.

240340.00 Return on Investment

The District's investment portfolio will be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow characteristics of the portfolio.

300400.00 Prudent Investor Standard

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing the District's funds, the Board and those to whom investment authority has been delegated shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the District, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the District. This standard will be applied in all investment decisions, including those related to hedging interest rate risks associated with debt financing.

500.00 Authorized Financial Dealers and Institutions

The Finance Director/District Treasurer will maintain a list of approved financial institutions authorized to provide investment services to the public agency in the State of California. A determination should be made to insure that all approved broker/dealer firms, and individuals covering the public agency, are reputable and trustworthy. In addition, the broker/dealer firms should have the ability to meet all of their financial obligations in dealing with the District. The firms, and individuals covering the agency, should be knowledgeable and experienced in Public Agency investing and the investment products involved. No public deposit shall be made except in a qualified public depository as established by the established state laws. An annual review of the financial condition and registrations of qualified bidders will be conducted by the Finance Director/District Treasurer. A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the District invests.

400600.00 Portfolio Management

Any reference to the District's portfolio will mean the total of the cash and securities under management by the Finance Director /District Treasurer, excluding cash and securities held in escrow or in trust on behalf of the District. Any reference to the Finance Director /District Treasurer herein will include his/her designee or designees (such as a professional portfolio manager or financial advisor). The Finance Director /District Treasurer may invest in any security authorized for investment under this Policy, subject to the limitations described below:

410610.00 Maturity Limitations

- a. With the exception of securities underlying repurchase agreements, the Finance Director /District Treasurer is authorized to invest the District's fund balances to a maximum term of five years, unless a longer maturity would be warranted and has been approved by the Board at least 90 days in advance of the investment. Investment of bond proceeds held by the bond Trustee such as bond reserve funds, construction funds or funds established for the refunding and defeasance of bonds shall be subject to the applicable provisions set forth in the bond agreements, rather than the provisions of the Government Code.
- b. For certain instruments, the term of the investment is limited by market convention or as otherwise prescribed herein.

620.00 Diversification

The District will diversify its investments by security type and institution. With the exception of U.S. Government, Agencies, and Government Sponsored Enterprises, and authorized pools, limitations will be placed the amount invested in a single security type or with a single financial institution. Limitations are described in Section 700.00 Authorized Investments.

420630.00 Purchase and Sale of Securities

- a. Information concerning investment opportunities and market developments will be gained by maintaining contact with the financial community together with information provided by financial advisors to the District.
- b. The purchase of any investment other than those purchased directly from the issuer will be, to the extent possible, purchases from a firm designated as a Primary Dealer (dealers) by the Federal Reserve Bank of New York.
- c. All dealers will be required to provide confirmations of all purchases or sales directly to the Finance Director /District Treasurer.
- d. Initially, and when there are material changes to this Policy, the Finance Director

/District Treasurer will transmit a copy of the current Policy to its professional portfolio manager or financial advisor, requiring them to return a signed statement indicating receipt and understanding of the Policy.

- e. When practicable, the Finance Director /District Treasurer will solicit more than one quotation on each trade. Investment trades will be awarded on a competitive bid basis.
- f. Prohibited investments include inverse floaters, range notes, interest-only strips derived from a pool of mortgages (Collateralized Mortgage Obligations), and any security that could result in zero interest accrual if held to maturity. (Zero interest accrual means the security has the potential to realize zero earnings through its maturity.)
- g. If the District uses a professional portfolio manager, the portfolio manager may use its own list of approved brokers, dealers, and financial institutions to conduct security transactions on behalf of the District subject to the provisions of Government Code section 53601.5.

430640.00 Exchange of Securities

An exchange of securities is a shift of assets from one instrument to another and may be done for a variety of reasons, such as for interest rate risk hedging purposes, to increase yield, to lengthen or shorten maturities, to realize a profit, or to increase investment quality. In no instance will an exchange be undertaken for speculative purposes. Exchanges, to the extent practicable, will be simultaneous (same day execution of sale and purchase).

440650.00 Portfolio Adjustments

- a. District portfolio percentage limitations for each category of investment are applicable only at the date of purchase. Should an investment percentage of portfolio limitation be exceeded due to an incident such as a fluctuation in portfolio size, the affected securities may be held to maturity, if deemed necessary, to avoid losses.
- ~~b. When no loss is indicated, the Finance Director /District Treasurer will consider restructuring the portfolio basing his/her decision in part on the expected length of time the portfolio will be imbalanced.~~
- eb. In the event a security held by the District is subject to a ratings change that brings it below the minimum ratings specified in this Policy, the Finance Director /District Treasurer shall notify the Board of the change. The course of action to be followed will be decided on a case-by-case basis, subject to Board approval, considering such factors as the reason for the ratings drop, prognosis for recovery or further ratings drops, and the market price of the security.

- dc. The Finance Director /District Treasurer may at any time further restrict the securities approved for investment as deemed appropriate.

450660.00 Safekeeping

- a. All securities transactions, including collateral, for repurchase agreements entered into by the District will be conducted on a delivery versus payment (DVP) basis.
- b. Securities will be held in safekeeping pursuant to a safekeeping agreement by an independent custodian, which does not act as a principal or secondary broker-dealer.
- c. All financial institutions which provide safekeeping services for the District will be required to provide reports or safekeeping receipts directly to the Finance Director /District Treasurer to verify securities taken into their possession.
- d. A counterparty bank's trust department or separate safekeeping department may be used for physical delivery of a security. The security must be held in the District's name.

670.00 Review of Investment Portfolio

The securities held by the District must be in compliance with Section 700.00 Authorized Investments at the time of purchase. Because some securities may not comply with Section 700.00 Authorized Investments subsequent to the date of purchase, the Finance Director/District Treasurer shall at least quarterly review the portfolio to identify those securities that do not comply. The Finance Director/District Treasurer shall establish procedures to report to the Board major and critical incidences of noncompliance identified through the review of the portfolio.

Any investment held by the District at the time this Policy is adopted or amended will not be sold to conform to any part of this Policy unless its sale is judged to be prudent by the Finance Director /District Treasurer.

680.00 Investment Pools/Mutual Funds

A thorough investigation of pool/fund's used by the District is required prior to investing, and on an annual basis. The review may address the following questions:

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.

3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
5. A schedule for receiving statements and portfolio listings.
6. A fee schedule, and when and how is it assessed.

690.00 Collateralization

Collateralization will be required on two types of investments: certificates of deposit and repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value for Certificate of Deposits and 102% for reverse repurchase agreements of principal and accrued interest.

500700.00 Authorized Investments

The following are types of securities that may be purchased subject to the limitations specified. A summary of these security types and the limitations on the percentage of portfolio is shown in Appendix A.

501701.00 U.S. Government, Agencies, and Government Sponsored Enterprises

- a. Investments in U.S. Treasury obligations will not be subject to any limitations. Purchases may be affected through the Federal Book Entry System which includes acceptance of a Federal Reserve receipt on behalf of the District.
- b. Investments in direct obligations of federal agencies guaranteed by the U.S. Government will not be subject to any limitations. ~~(See Appendix B.)~~
- c. Investments in federal agency obligations not explicitly guaranteed by the U.S. Government will not be subject to any limitations. ~~(See Appendix B.)~~
- d. Investments in government sponsored enterprise obligations not explicitly guaranteed by the U.S. Government will not be subject to any limitations. ~~(See Appendix B.)~~

502702.00 Municipal Obligations

- a. Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled or operated by the state or any local agency or by a department, board, agency or authority of the state or any local agency.

- b. Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United, in addition to California.

503703.00 Bankers' Acceptances

Restrictions are as follows:

- a. Investments in prime bankers' acceptances will not exceed 40 percent of the portfolio in effect immediately after any such investment is made.
- b. No more than 5 percent of the total portfolio may be invested in the securities of any one non-government issuer regardless of security type.
- c. Eligible bankers' acceptances will be rated in the highest short-term ratings category by NRSRO.
- d. The maximum maturity will be limited to 180 days.

504704.00 Negotiable Certificates of Deposit

Restrictions are as follows:

- a. Investments in negotiable certificates of deposit will not exceed 30 percent of the total portfolio in effect immediately after any such investment is made.
- b. No more than 5 percent of the District's portfolio may be invested in the securities of any one non-government issuer regardless of security type.
- c. To be eligible, a certificate of deposit must be issued by a nationally or state-chartered bank, a state or federal savings and loan association or savings bank, or a federally- or state-licensed branch of a foreign bank.
- d. Eligible negotiable certificates of deposits will be rated in a rating category of "A" long-term or "A-1" short-term, or its equivalent, or better by at least one NRSRO.
- e. The investment will not exceed the Districts' equity in any depository bank. For the purpose of this constraint, shareholders' equity will be deemed to include capital notes and debentures.
- f. The investment will not exceed the total of the net worth of any depository

savings and loan association, except that investments up to a total of \$500,000 may be made to a savings and loan association without regard to the net worth of that depository, if such investments are insured or secured as required by law.

- g. The District's Board and the Finance Director /District Treasurer or other official of the District having legal custody of the moneys are prohibited from investing District funds, or funds in the custody of the District, in negotiable certificates of deposit issued by a state or federal credit union if a member of the District's Board, or a person with investment decision making authority at the District also serves on the board of directors of the credit union, or any committee appointed by the credit union board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.
- h. The maximum maturity will be limited to five years.

505705.00 Commercial Paper

Restrictions are as follows:

- a. Only commercial paper of prime quality of the highest ranking or of the highest letter and numerical rating, at the time of purchase, as provided by Moody's Investors Services or Standard & Poor's Corporation, may be purchased.
- b. Investment of the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):
 - (1) The entity meets the following criteria:
 - a. Is organized and operating in the United States as a general corporation.
 - b. Has total assets in excess of five hundred million dollars (\$500,000,000).
 - c. Has debt other than commercial paper, if any, that is rated in a rating category of "A", its equivalent, or higher by a nationally recognized rating service.
 - (2) The entity meets the following criteria:
 - a. Is organized within the United States as a special purpose corporation, trust, or limited liability company.
 - b. Has program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or surety bond.
 - c. Has commercial paper that is rated in a rating category of "A-1", its equivalent, or higher, by a nationally recognized rating service.
- c. Investments in commercial paper will not exceed 25 percent of the District's

portfolio.

- d. Each investment will not exceed 270 days maturity.
- e. No more than 10 percent of the outstanding commercial paper of an issuing corporation may be purchased.
- f. No more than 5 percent of the District's portfolio may be invested in the securities of any one non-government issuer regardless of security type.

506706.00 Repurchase Agreements

A repurchase agreement is a purchase of authorized securities (~~other than commercial paper~~) with terms including a written agreement by the seller to repurchase the securities on a later specified date for a specified amount. Restrictions are as follows:

- a. The percentage limit for investment in repurchase agreements will be 50 percent of the total portfolio.
- b. Repurchase agreements will be made only with primary dealers of the Federal Reserve Bank of New York or with a nationally- or state-chartered bank that has had a significant banking relationship with the District. The bank must be rated in the highest short-term ratings category by an NRSRO.
- c. Such investments will provide for purchased securities with a market value of at least 102 percent of the amount of the invested funds. The value will be adjusted not less than quarterly.
- d. Purchased securities are limited to those protected by United States Bankruptcy Code, Treasury bills, bonds and notes, or other investments that are direct obligations of or fully guaranteed as to principal and interest by the United States or any agency thereof. Zero coupon and stripped coupon instruments are not acceptable.
- e. Such investments will provide for transfer of ownership and possession of the purchased securities either to the District directly or to a custodian depository institution which will take record title and will establish and maintain a sub-account in its financial records for the securities in the District's name, and such custodian will not be the dealer from which the securities were purchased.
- f. Each repurchase agreement will have a valid and perfected first security interest therein under the California Commercial Code or pursuant to the book entry procedures described by 31 C.F.R. Part 306 and/or 31 C.F.R. Part 357.
- g. The term of a repurchase agreement may not exceed one year.

507707.00 Time Deposits

For purposes of this policy, collateralized time deposits will be considered investments. The following criteria will be used in evaluating financial institutions and form of collateral to determine eligibility for deposits:

- a. Must have been in existence for at least five years.
- b. Must have received an overall rating of not less than “satisfactory” in its most recent evaluation by the appropriate federal financial supervisory agency of its record of meeting the credit needs of California’s communities. Eligibility for deposits will be limited to those financial institutions that have a branch in the State of California and maintain a rating equivalent to Thompson BankWatch Service of “B” or better. Credit requirements may be waived for a time deposit that is federally insured.
- c. The deposit will not exceed the shareholders’ equity of any depository bank. For the purpose of this constraint, shareholders’ equity will be deemed to include capital notes and debentures.
- d. The deposit will not exceed the total of the net worth of any depository savings and loan association, except that deposits not exceeding a total of \$500,000 may be made to a savings and loan association without regard to the net worth of that depository, if such deposits are insured or secured as required by law.
- e. Deposits must be insured up to the FDIC’s current limit. For uninsured deposits, the financial institution will maintain in the collateral pool securities having a market value of at least 10 percent in excess of the total amount deposited. The District, at its discretion, may waive the collateralization requirements for any portion that is covered by federal deposit insurance. The District shall have a signed agreement with any depository accepting District funds. Promissory notes secured by real estate mortgages or deeds of trust are not acceptable as collateral.
- g. When other factors are equal, appropriate consideration will be given to a financial institution that either individually or as a member of a syndicate bids on or makes a substantial investment in the District’s securities, contributes service to the District, and offers significant assistance to the District, so as to provide for distribution of total deposits among eligible financial institutions.
- h. Purchased time deposits will be limited to a maximum maturity of one year.
- i. Purchases of securities authorized by this subdivision may not exceed 50% of the District’s portfolio.

508708.00 Medium-Term Notes

Restrictions are as follows:

- a. Investment in medium-term notes are limited to corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.
- b. Notes eligible for investment under this subdivision will be rated in the rating category of “A”, its equivalent, or better by at least one NRSRO.
- c. Purchases of medium-term notes may not exceed 30 percent of the District’s portfolio.
- d. No more than 5 percent of the District’s portfolio may be invested in the securities of any one non-government issuer regardless of security type.
- de. Purchases of medium-term notes will be limited to a maximum maturity of five years.

509709.00 Mortgage Obligations and Asset Backed Securities

The District may invest in any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond. Restrictions are as follows:

- a. A maximum of five years to maturity.
- b. Securities eligible for investment must be rated in a rating category of “AA”, its equivalent, or better by an NRSRO, and issued by an issuer having an “A”, its equivalent, or higher rating for the issuer’s debt as provided by an NRSRO.
- c. Purchase of securities authorized by this subdivision may not exceed 20 percent of the District’s portfolio.
- d. No more than 5 percent of the District’s portfolio may be invested in the securities of any one non-government issuer regardless of security type.

510710.00 Local Agency Investment Fund Deposits

Deposits for the purpose of investment in the Local Agency Investment Fund of the State Treasury may be made up to the maximum amount permitted from time to time by State Treasury policy.

514711.00 Shares of Beneficial Interest (Money Market Funds)

The Finance Director /District Treasurer may invest, for temporary periods pending disbursement or reinvestment, in shares of beneficial interest issued by eligible diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940. These companies must meet the following criteria:

- a. Attain the highest ranking of the highest letter and numerical rating provided by not less than two nationally recognized rating agencies, or retain an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market funds with assets under management in excess of \$500 million.
- b. The purchase price of the shares will not include any commission that the companies may charge and will not exceed 20 percent of the District's portfolio.

512712.00 Shares of Beneficial Interest Issued by a Joint Powers Authority (Local Government Investment Pools)

Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (e) of Government Code Section 53601, inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria: (1) The adviser is registered or exempt from registration with the Securities and Exchange Commission. (2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (e) Government Code Section 53601, inclusive. (3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

513713.00 Supranationals

~~Beginning January 1, 2015.~~ United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB).

Restrictions are as follows:

- a. A maximum of five years to maturity.
- b. Must be eligible for purchase and sale within the United States.

c. Notes eligible for investment under this subdivision will be rated in a rating category of "AA", its equivalent, or better by at least one NRSRO.

d. Purchases of these securities may not exceed 15-30 percent of the District's portfolio.

~~d.e.~~ No more than 10 percent of the District's portfolio may be invested in the securities of any one supranational issuer.

600800.00 Reporting

On a ~~quarterly~~ regular basis, the Finance Director /District Treasurer will provide a report to the public and Board of Directors showing the holdings and investment transactions, issuers, maturity dates, par and dollar amounts invested, cash balances, amounts held by the Local Agency Investment Fund and any other amounts under the management of contracted parties. On a monthly basis, in accordance with Government Code 53607, the Finance Director/District Treasurer shall make a monthly report of transactions to the legislative body.

900.00 Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. The District will establish an appropriate performance benchmark to compare the performance of its portfolio to the performance of the benchmark.

700.00 Grandfather Clause

~~Any investment held by the District at the time this Policy is adopted or amended will not be sold to conform to any part of this Policy unless its sale is judged to be prudent by the Finance Director /District Treasurer.~~

1000.00 Internal Controls

The Finance Director/District Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, fraud or misuse. Accordingly, the Finance Director/District Treasurer shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures

8001100.00 Conflicts of Interest

The Finance Director /District Treasurer and his designees will perform duties under this Policy in accordance with sections 1090 and 1126 of the Government Code as well as any other state law referred to in this policy.

9001200.00 Conflicts

In the event any provision of this Policy is in conflict with any of the statutes referred to herein or any other state or federal statute, the provision of such statutes will govern.

10001300.00 Investment Policy AdoptionReview

The District's investment policy shall be adopted by resolution of the Board. This policy shall be reviewed at least biennially.

APPENDIX A

**State Authorized Investments vs. District's Statement of
Investment Policy**

Investment Type	Maximum Maturity ⁽¹⁾	Maximum Percentage of Portfolio	Percentage By Any Issuer or Bank
U.S. Treasury Obligations:			
State Code	5 years	100	--
District Policy	5 years	100	--
Federal Agencies and Government Sponsored Enterprises:			
State Code	5 years	100	--
District Policy	5 years	100	--
Municipal Obligations:			
State Code	5 years	100	--
District Policy	5 years	100	--
Repurchase Agreements:			
State Code	1 year	100	--
District Policy	1 year	50	--
Bankers Acceptances:			
State Code	180 days	40	30
District Policy	180 days	40	5
Commercial Paper:			
State Code	270 days	25	--
District Policy	270 days	25	5
Negotiable Certificates of Deposit:			
State Code	5 years	30	--
District Policy	5 years	30	5
Medium Term Notes:			
State Code	5 years	30	--
District Policy	5 years	30	5
Time Deposits:			
State Code	--	100	--
District Policy	1 year	100	--
Mortgage Backed and Asset Backed Obligations:			
State Code	5 years	20	--
District Policy	5 years	20	-- <u>5</u>
Local Agency Investment Fund:			
State Code	N/A	(2)	--
District Policy	N/A	(2)	--

Shares of Beneficial Interest (Money Market Fund):			
State Code	N/A	20	--
District Policy	N/A	20	10
Shares of Beneficial Interest (Local Government Investment Pools):			
State Code	N/A	100	--
District Policy	N/A	100	--
Supranationals:			
State Code	5 years	30	--
District Policy	5 years	15 30	-- 10

Note: For funds established by Indentures of Trust, the provisions of such Indentures will govern investments.

- (1) California Government Code provides authority to the Board to permit maturities beyond five years with certain restrictions. The current Policy provides for maturities longer than five years for funds established by Indentures of Trust.
- (2) District will allow up to the amount ~~Maximum~~ allowed by Local Agency Investment Fund_ is \$65 million for general reserve funds. There is no limit for bond-proceed funds.

APPENDIX B

Securities of Government-Sponsored Enterprises, Agencies and International Institutions

	<u>Explicit U.S. Govt.</u>
	<u>Issuer Guarantees</u>
Agency for International Development (AID)	Yes
Export-Import Bank	Yes
Farmers Home Administration (FmHA)	Yes
Federal Housing Administration (FHA)	Yes
Financial Assistance Corporation (FAC)	Yes
General Services Administration (GSA)	Yes
Private Export Funding (PEFCO)	Yes
Small Business Administration (SBA)	Yes
U.S. Department of Housing & Urban Development (PHAs)	Yes
U.S. Maritime Administration	Yes
Veterans Administration (VA)	Yes
Washington Metropolitan Area Transit	Yes
Government National Mortgage Association (GNMA)	No
Federal Farm Credit Bank (FFCB)	No
Federal Home Loan Bank (FHLB)	No
Federal Home Loan Mortgage Corporation (FHLMC)	No
Federal National Mortgage Association (FNMA)	No
Financing Corporation (FICO)	No
Resolution Funding Corporation (Refcorp)	No
Tennessee Valley Authority (TVA)	No
U.S. Postal Service (USPS)	No
World Bank (WB) (IBRD)	No

APPENDIX B

Glossary

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report of the District. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount and redeemed at maturity for full face value (*e.g., U.S. Treasury Bills.*)

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

DURATION: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per entity.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FHA mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party’s rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers’ acceptances, etc.) are issued and traded.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve’s most important and most flexible monetary policy tool.

PORTFOLIO: Collection of securities held by an investor.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in

exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.



Agenda Item: 4

Date: August 1, 2018

Subject: Reserve Policy (PL – Fin 004)

Staff Contact: Daniel A. Bills, Finance Director

Recommended Board Action:

Adopt the attached updated Reserve Policy (PL – Fin 004).

Discussion:

The Reserve Policy (PL – Fin 004) was last reviewed by the Board in April 2017.

As indicated at the July 16, 2018 Board meeting, the Finance and Audit Committee and staff are recommending two changes to the Reserve Policy. As part of refinancing the 2009B Certificate of Participation, debt service reserve funds of \$3,548,170 were used to reduce the District’s outstanding debt. At this time, no restricted funds remain. Therefore, it is recommended that restricted funds be stricken as a policy category. Further, it is recommended that the Minimum Reserve Funding Target be lowered from \$40.0 million to \$36.5 million.

Comments from Directors were requested by August 6, 2018; none were received.

A redline version of the policy is attached to this as Exhibit 1.

Fiscal Impact:

None.

Strategic Plan Alignment:

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

This policy benefits District customers by setting forth comprehensive guidelines for holding customer funds.

Exhibit 1

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~~ Approved with Changes August XX, 2018

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.

There are no designated restricted funds at this time.

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:

Fund Classification	Funding Level
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.
Minimum Reserve Funding Target	\$40-<u>36.5</u> million

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: 5

Date: August 9, 2018

Subject: GIS Database Tool for Well Site Selection Planning

Staff Contact: James Arenz, Senior Project Manager
Dave Morrow, P.E., Senior Engineer

Recommended Board Actions:

Approve the GIS database selection tool and process to help identify viable sites for future water wells. This report was presented to the Facilities and Operations Committee on August 1, 2018. The Committee supported the report and recommended it to be a Consent Item at the August 20, 2018 regular Board meeting.

Background:

Sacramento Suburban Water Districts (District) has 66 active groundwater wells with 35 of them over the age of 50 years. While all efforts are made to prolong a well's useful life to maximize best use of customer funds and maximize capacity, some wells may experience an unrecoverable decrease in yield or groundwater contamination. Unfortunately, nearly all of the District's older well sites are too small for new infrastructure (e.g., replacement well or treatment plant). Thus, the District identified a need to develop an effective approach for finding property well sites that are viable for new wells.

Discussion:

A GIS-based well siting screening tool is in development. The tool offers a comprehensive approach to evaluating and selecting new production well sites. The GIS database site selection tool combines readily available GIS information to focus on viable well locations in the District. Information used to identify viable well sites include District boundaries, parcel locations, size information, known toxic release locations, groundwater plumes and flow gradients, existing District pipelines of sufficient sizes and proximity, geologic formations, water quality data, and the proximity to existing wells.

The well siting methodically eliminates sites that do not meet District well siting criteria and provides the District with a Groundwater Atlas that will help the District evaluate land for well sites. The GIS database site selection tool will help the District select optimum well sites, which will be more cost effective and reliable.

Please see Exhibit 1 for a copy of the presentation given by West Yost Associates at the August 1, 2018, Facilities & Operation Committee meeting.

Fiscal Impact:

No direct immediate fiscal impact is expected.

Implementation of the presented approach is intended to reduce future fiscal impacts by identifying well sites in our service area that will reduce the cost of future well construction and to facilitate prudent use of District funds. The selection of sites that are close to existing water mains, storm drain and sewer connections, and electrical power sources reduces construction cost when compared to sites located further from these infrastructure elements. Other impacts will depend on Board direction as it relates to CIP funding priorities.

Strategic Plan Alignment:

Water Supply – 1.B. Provide for the long-term water supply needs of the customers through prudent planning that will ensure capacity to serve system demands.

Water Supply – 1.D. Manage the District’s water supplies to ensure their quality and quantity.

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

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

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

Facilities and Operations – 2.I. Implement energy management initiatives that reduce energy costs while protecting critical operations from water supply interruptions.

Using the GIS database site selection tool to identify sites for future wells will benefit District customers by ensuring our long-term water supply capacity needs are planned for and provided in a fiscally responsible manner.

Well Site Selection



Systematic Selection of Suitable Sites for New Wells

An example of a GIS process using well siting criteria developed in collaboration with SSWD Staff

GIS Well Site Screening Tool

- Starts with a model of ideal well site features
 - » Appropriate parcel size and shape
 - » Access to necessary infrastructure
 - » Avoids known hazards and incompatible land uses
- Utilizes available special data sets
 - » Parcel and land use maps
 - » Regulatory agency environmental case and plume maps
 - » Water, sewer, and storm drain maps
 - » High resolution aerial photography

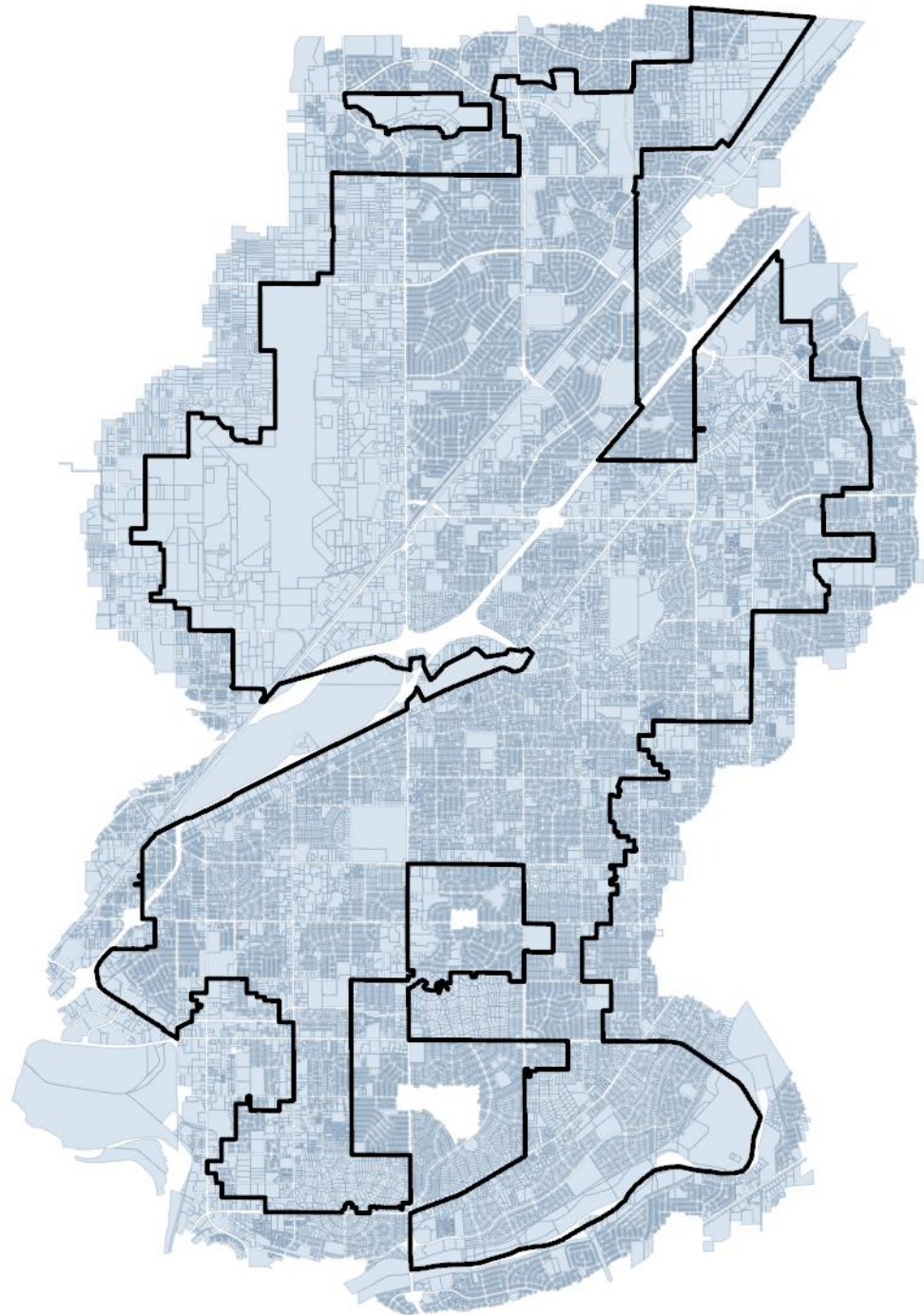
Systematic Selection

- Methodically eliminates from further consideration sites that do not meet District well siting criteria
- Methodology is applied sequentially
- Progressively eliminates sites to identify sites meeting all of SSWD's criteria
- Individual steps in the methodology can be easily repeated if criteria change or new information becomes available

Well Site Selection

Begins with all parcels within
SSWD boundaries. Over
44,000 parcels.

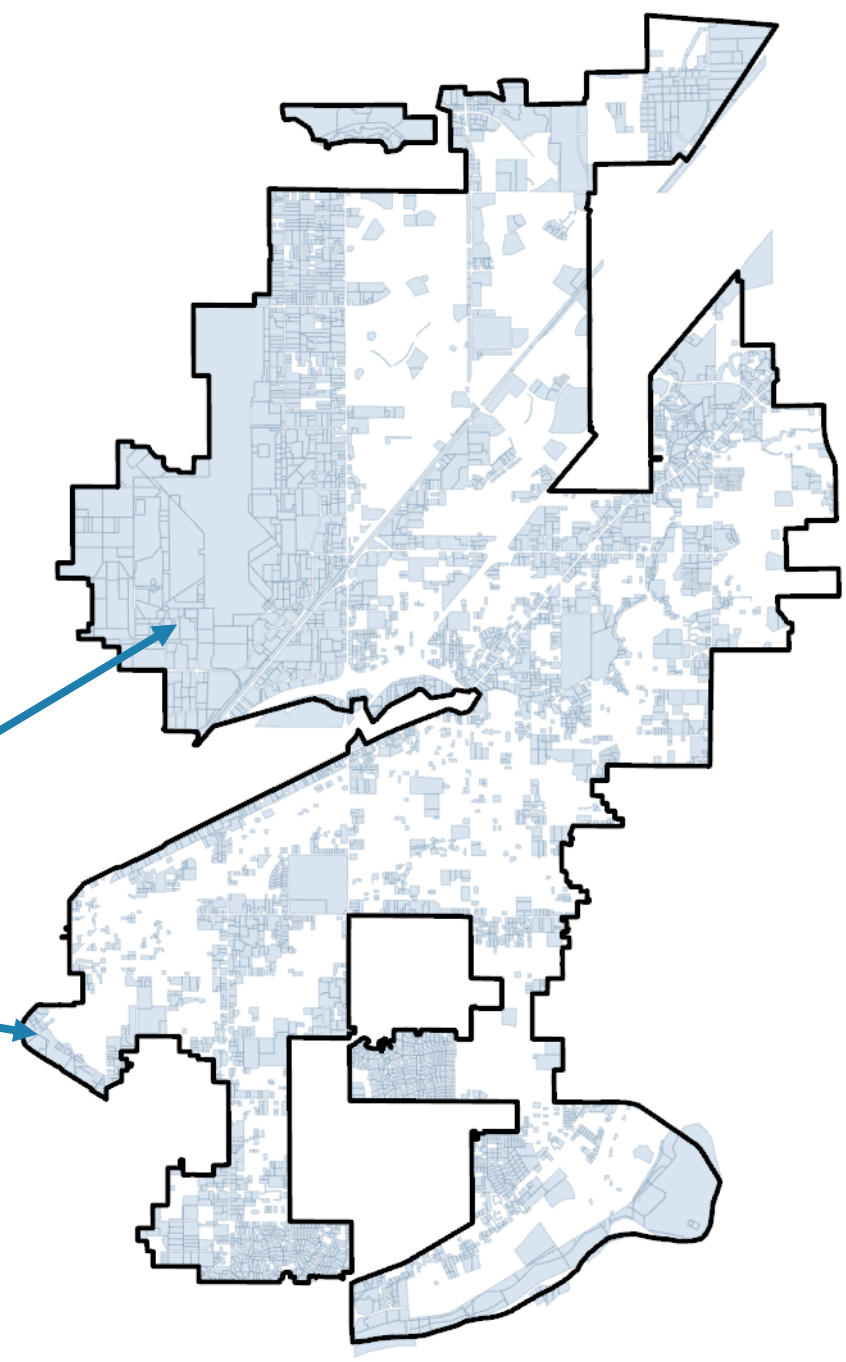
44,000+
Parcels



Parcels of Suitable Size and Shape are Selected

4,373
Parcels

Parcels with suitable size and shape are shown in gray



Parcels Near Documented Hazardous Chemical Releases are Removed

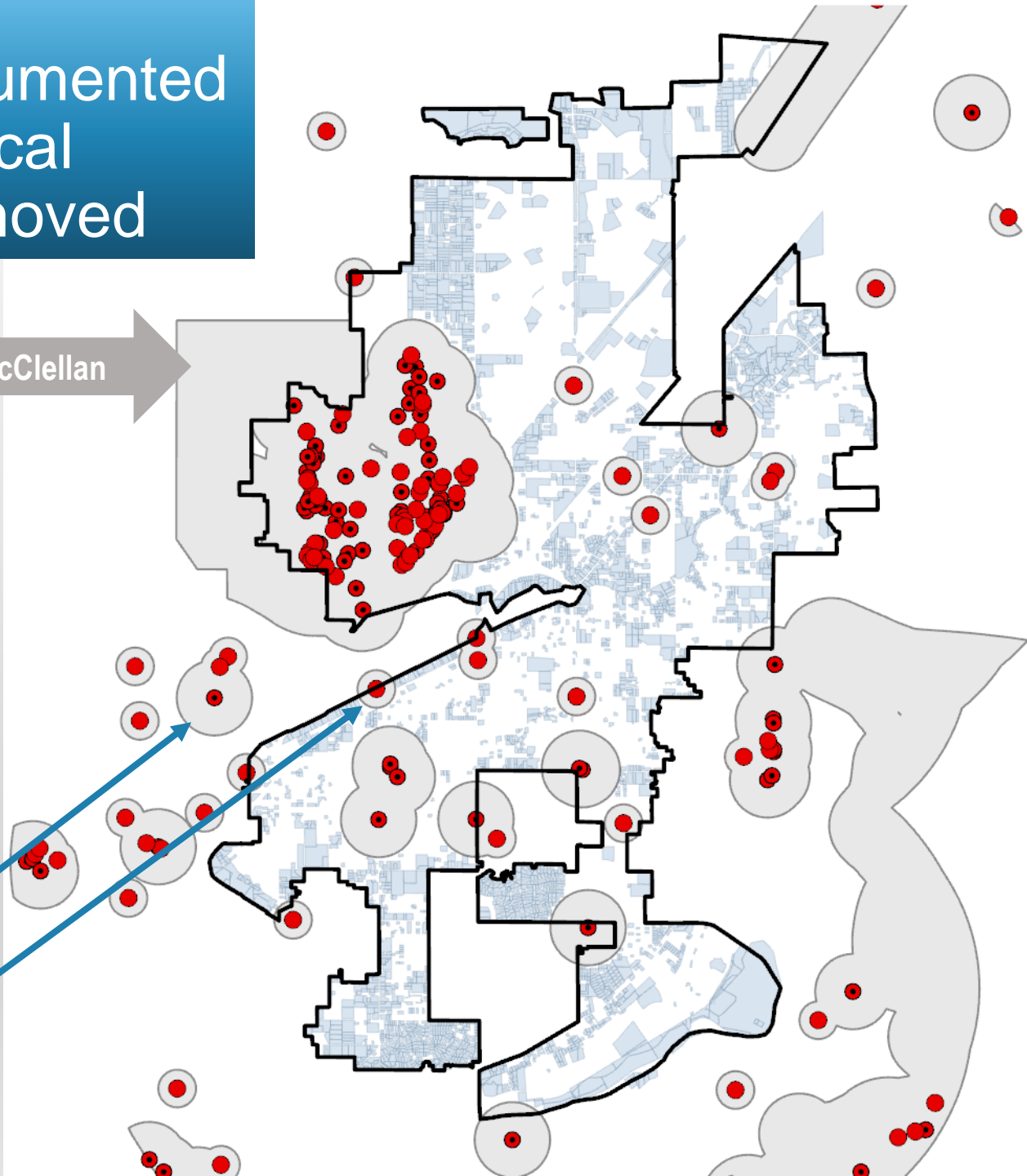
McClellan

3,078

Parcels remain

Excludes parcels within:

- **2,000 feet** of McClellan Prohibition Area
- **2,000 feet** of volatile organic compound release sites
- **1,000 feet** of fuel release sites

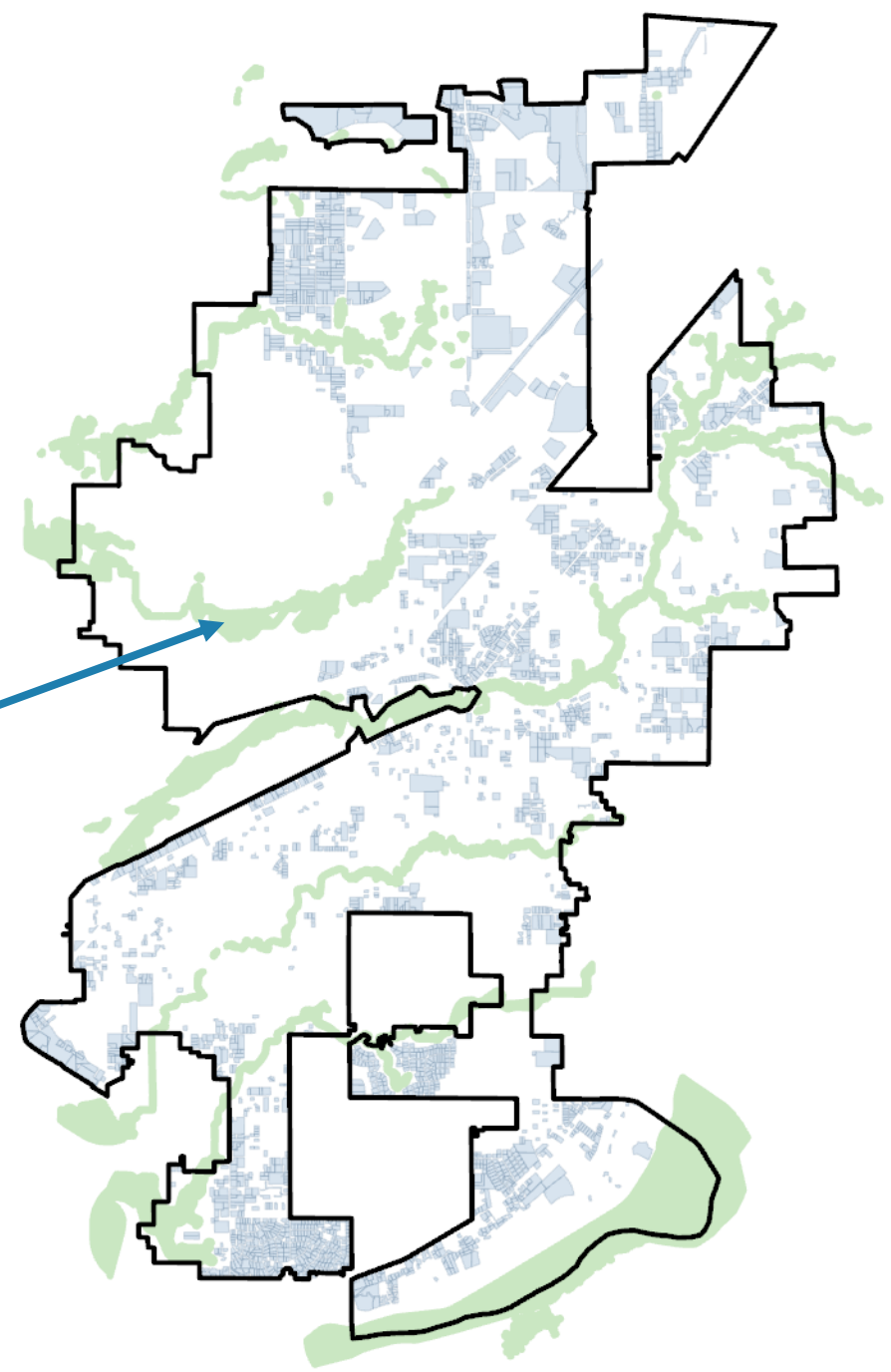


Parcels Near Critical Habitats are Removed

2,435

Parcels remain

Excludes parcels within **150 feet** of critical habitats

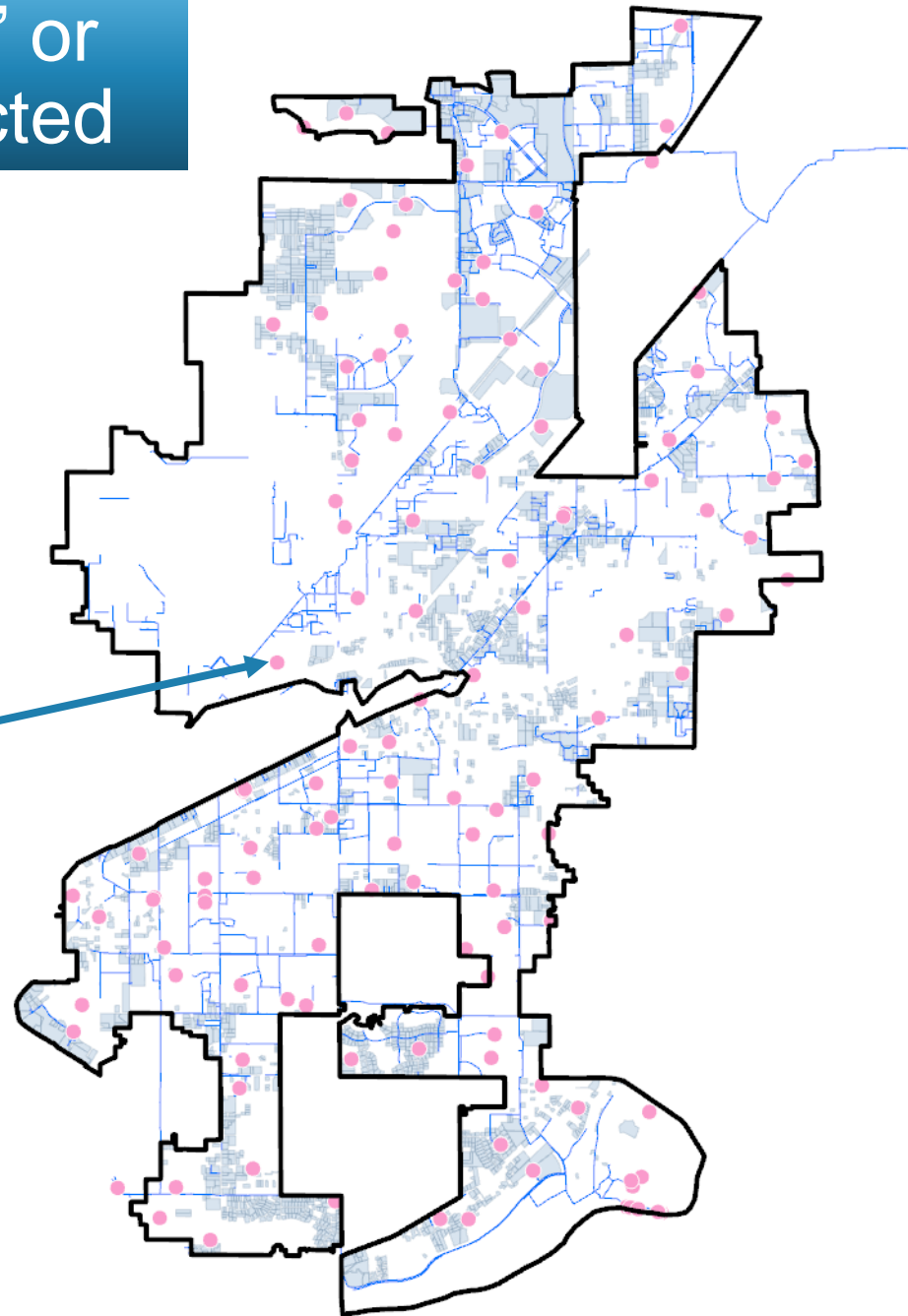


Parcels Within 1000' of a 12" or Larger Water Main are Selected

2,158

Parcels remain

Existing SSWD
production well

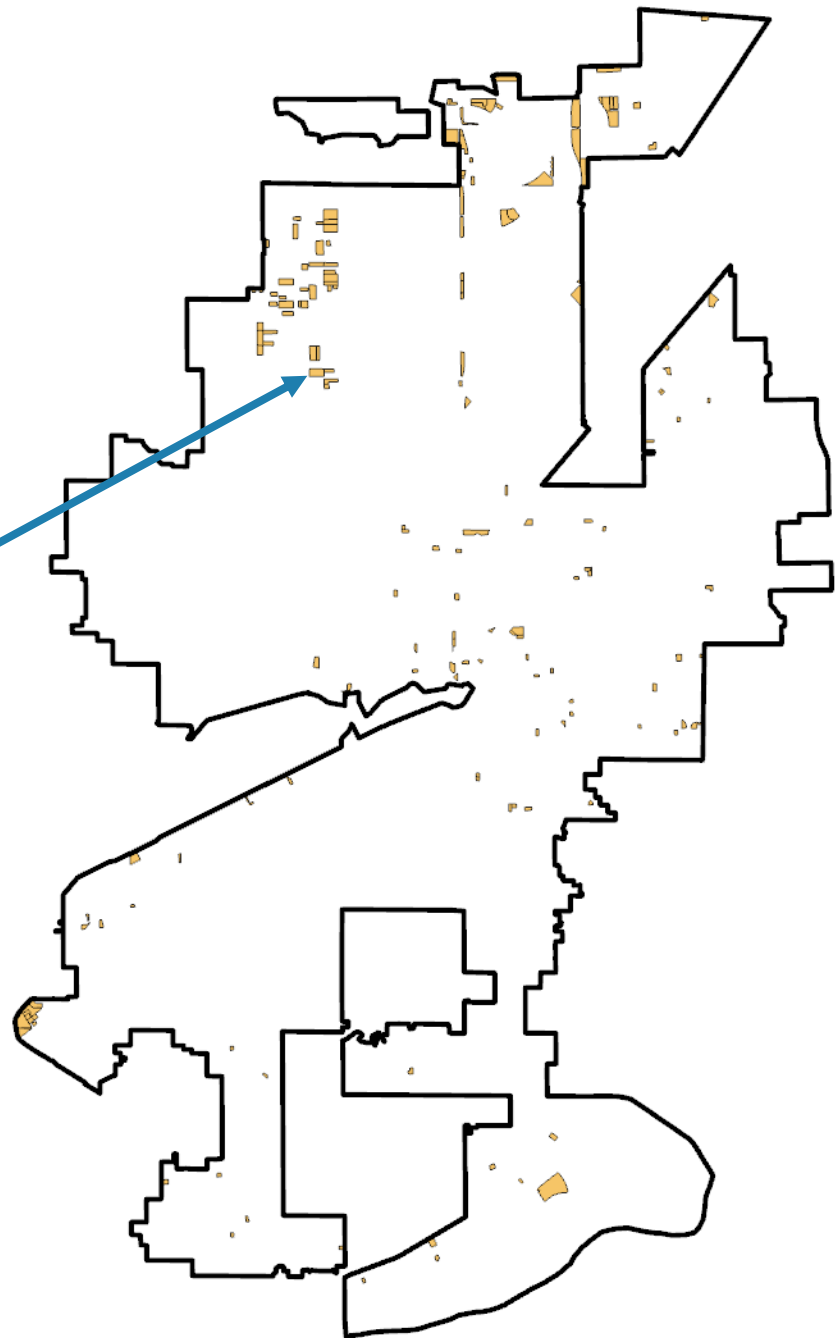


Parcels Listed as Vacant are Selected

170

Parcels remain

Selects remaining parcels categorized as **“Vacant”** in Sacramento County Tax Assessor's Parcel Mapping



Further Selection Steps

- The remaining 170 sites will be reduced further by:
 - » **Selecting** parcels within 1,000 feet of sewer and storm drains of suitable size
 - » **Assessing** separation between existing and proposed well sites
 - » **Verifying** the parcels are still vacant
 - » **Conducting** field evaluations and ranking eligible parcels
 - » **Recommending** up to three sites per service area for further consideration



Agenda Item: 6

Date: August 14, 2018

Subject: Resolution No. 18-13 Approving a Long Term Warren Act Contract For a Period of Twenty-Seven Years (2018-2045) Between the Sacramento Suburban Water District and the United States Bureau of Reclamation and Authorizing Execution of the Contract

Staff Contact: Dan York, General Manager

Recommended Board Action:

Adopt Resolution No. 18-13 Approving a Long Term Warren Act Contract for a Period of Up to Twenty-Seven Years (2018-2045) and provide authority for the Board President to execute 2018-2045 Twenty-Seven Year Warren Act Contract #18-WC-20-5271 between the Sacramento Suburban Water District and the United States Bureau of Reclamation, pending non-substantive revisions approved by legal counsel.

Background:

The District began attempts to obtain a Long-Term Warren Act Contract (LTWAC) from the Bureau of Reclamation (Reclamation) in 2004. The District was unsuccessful in obtaining a LTWAC, however, it has been able to enter into “wet-year only” Temporary 1-year contracts, a temporary 5-year Warren Act Contract in 2012 that expired in 2017, and a current Temporary 5-year Warren Act Contract that expires in 2023.

Prior to 2012, in December each year through formal written request by the District, Reclamation prepared a new draft Temporary Short Term Annual Warren Act Contract Agreement for Conveyance of Non-Central Valley Project (CVP) Water for the District’s Board’s approval and execution. The agreement is a Bureau standard agreement, which the District’s predecessor water agency, Northridge, had previously executed since 2000 and, which has been approved by the District’s Board since 2002.

Discussion:

The purpose of the contract (Exhibit 1) is for conveying the non-project water in the District contract with Placer County Water Agency (PCWA) originating in PCWA’s Middle Fork Project (MFP), up to 29,000 acre feet, through Reclamation facilities into San Juan Water District’s (SJWD) Peterson Treatment Plant near Folsom Reservoir. The non-project water is treated and delivered to the District through the SJWD Cooperative Transmission Pipeline and the District’s Antelope Transmission Pipeline. Executing the agreement is required for the District to transport raw water purchased from PCWA through the Bureau facilities at Folsom Reservoir to SJWD.

Resolution No. 18-13 Approving a Long Term Warren Act Contract For a Period of Up to Twenty-Seven Years (2018-2045) Between the Sacramento Suburban Water District and the United States Bureau of Reclamation and Authorizing Execution of the Contract

August 14, 2018

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The execution of a long term agreement allows the continued use of Reclamation facilities for transporting surface water through Folsom Reservoir should sufficient water supply exist. For the District to be eligible for water the estimated unimpaired inflows to Folsom Reservoir must be greater than 1,600,000 acre feet.

The PCWA Agreement is a vital component of the District's groundwater stabilization program. In addition, the District's 2015 Urban Water Management Plan, 2015 Water System Master Plan, Purveyor Specific Agreement with the Sacramento Water Forum, and other long range plans and commitments all assume continued availability of the MFP supply.

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

Fiscal Impact:

The Bureau's total cost of service for conveyance in the agreements varies annually. The rate for the beginning of the existing agreement was \$17.65/acre foot in 2011/12, rising to \$30.68/acre foot in 2017/18 and for the beginning of the new agreement the cost will be \$21.26/acre foot. The total estimated cost is within budget.

Strategic Plan Alignment:

Water Supply – 1.C. Continue to implement and support demand management strategies that comply with federal, state and regional programs, support Water Forum Agreement goals and efficiently meet the needs of SSWD customers.

The agreement for available use of surface water provides a primary source for the District in average and wet water years. Use of this water would offset the use of groundwater thus reducing overdraft and promoting conjunctive use goals.

RESOLUTION NO. 18-13

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SACRAMENTO SUBURBAN WATER DISTRICT APPROVING A LONG TERM WARREN ACT CONTRACT FOR A PERIOD OF UP TO TWENTY-SEVEN YEARS (2018 - 2045) BETWEEN THE SACRAMENTO SUBURBAN WATER DISTRICT AND THE UNITED STATES BUREAU OF RECLAMATION

WHEREAS, the United States Bureau of Reclamation (“Reclamation”) is authorized under the federal Warren Act to convey non-Central Valley Project (“CVP”) water through CVP facilities upon execution of contracts with water suppliers requesting such service;

WHEREAS, Reclamation and the District have negotiated a Long Term Warren Act Contract for up to twenty-seven years that would apply to non-CVP water conveyed to SSWD in the 2018 through 2045 water years; and

WHEREAS, Reclamation requests that the District’s Board of Directors formally adopts and approves the proposed Long Term Warren Act Contract for up to twenty-seven years to ensure that the parties comply with applicable federal laws and regulations.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sacramento Suburban Water District as follows:

1. The Board hereby adopts and approves a Long Term Warren Act Contract for up to twenty-seven years, provided that the terms of such agreement are agreeable to the General Manager and consistent with applicable law.
2. The President of the Board of Directors is hereby authorized to sign the Contract and any amendments, subject to the approval of pending non-substantive revisions by District Legal Counsel.
3. The General Manager and his designees are hereby authorized to implement the terms and conditions of the Contract.

PASSED AND ADOPTED by the Board of Directors of the Sacramento Suburban Water District on the 20th day of August 2018, by the following vote:

AYES:
NOES:
ABSENT:

By: _____
Craig Locke
President, Board of Directors
Sacramento Suburban Water District

I hereby certify that the foregoing resolution was duly and regularly adopted and passed by the Board of Directors of Sacramento Suburban Water District at a regular meeting hereof held on the 20th day of August 2018.

(SEAL)

By: _____
Dan York
General Manager/Secretary
Sacramento Suburban Water District

EXHIBIT 1

Long Term Warren Act Contract – Year 2018
M&I Only
Contract No. 18-WC-20-5271

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
American River Division, Central Valley Project, California

LONG TERM CONTRACT BETWEEN THE UNITED STATES
AND
SACRAMENTO SUBURBAN WATER DISTRICT
PROVIDING FOR CONVEYANCE OF NON-PROJECT WATER

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16 other beneficial uses, of waters of the Sacramento River, the American River, the Trinity River,
17 and the San Joaquin River and their tributaries; and

18 [2nd] WHEREAS, the Contractor asserts a right to a Non-Project Water supply
19 for Municipal and Industrial (M&I) purposes through a contractual entitlement with Placer
20 County Water Agency (PCWA) for water supplied from PCWA's Middle Fork Project (MFP)
21 and has requested the United States convey said Non-Project Water through Excess Capacity in
22 the Folsom Reservoir and associated facilities, features of the American River Division, Central
23 Valley Project; and

24 [3rd] WHEREAS, the United States is willing to convey said Non-Project
25 Water to the Contractor through Excess Capacity in said Project Facilities in accordance with the
26 terms and conditions hereinafter stated; and

27 [5th] WHEREAS, the environmental compliance requirements for the execution
28 of this Contract have been met by FONSI CCAO 17-08, dated February 20, 2018.

29 NOW, THEREFORE, in consideration of the covenants herein contained, the
30 parties agree as follows:

31 DEFINITIONS

32 1. When used herein unless otherwise distinctly expressed, or manifestly
33 incompatible with the intent of the parties as expressed in this Contract, the term:

34 (a) "Calendar Year" shall mean the period January 1 through December 31,
35 both dates inclusive;

36 b) "Contracting Officer" shall mean the Secretary of the Interior's duly
37 authorized representative acting pursuant to this Contract or applicable Reclamation law or
38 regulation;

39 (c) “Contractor’s Boundaries” shall mean the geographic area within which
40 the Contractor is authorized to serve Non-Project Water as set forth on Exhibit A, which may be
41 modified in accordance with Article 22, without amendment of this Contract;

42 (d) “Excess Capacity” shall mean capacity in the Project Facilities in excess
43 of that needed to meet the Project’s authorized purposes, as determined solely by the Contracting
44 Officer, which may be made available to convey and deliver Non-Project Water;

45 (e) “Irrigation Water” shall mean Non-Project Water used to irrigate land
46 primarily for the production of commercial agricultural crops or livestock, and domestic and
47 other uses that are incidental thereto. It does not include uses such as watering golf courses;
48 lawns and ornamental shrubbery used in residential and commercial landscaping, household
49 gardens, parks and other recreational facilities; pasture for animals raised for personal purposes
50 or for nonagricultural commercial purposes; cemeteries; and similar uses (except to the extent
51 that some of these uses may be incidental to uses that are primarily agricultural). It also does not
52 include commercial agricultural uses that do not require irrigation, such as fish farms and
53 livestock production in confined feeding or brooding operations;

54 (f) “Municipal and Industrial (M&I) Water” shall mean Non-Project Water
55 used for municipal, industrial, and miscellaneous purposes not falling under the definition of
56 “Irrigation Water” described in subdivision (e) of this Article 1 or within another category of
57 water use under an applicable Federal authority;

58 (g) “Non-Project Water” shall mean water acquired by or available to the
59 Contractor from the source(s) identified in Exhibit C that has not been appropriated or acquired
60 by the United States;

61 (h) "Project" shall mean the Central Valley Project, owned by the United
62 States and managed by the Department of the Interior, Bureau of Reclamation;

63 (i) "Project Facilities" shall mean the Folsom Dam, Reservoir Pumping Plant
64 and associated facilities, constructed as features of the American River Division, Central Valley
65 Project;

66 (j) "Project-Use Power" is that electrical energy, and its associated ancillary
67 service components, required to provide the full electrical service needed to operate and maintain
68 Project Facilities, and to provide electric service for Project purposes and loads in conformance
69 with the Reclamation Project authorization. Project-Use Power is not available to pump
70 Non-Project Water, to operate pumps that were not built as Federal facilities as part of the
71 Project, to pump Project Water outside the authorized service area, or provide for on-farm uses;

72 (k) "Project Water" shall mean all water that is developed, diverted, stored, or
73 delivered by the Secretary in accordance with the statutes authorizing the Project and in
74 accordance with the terms and conditions of water rights acquired pursuant to California law;

75 (l) "Rates" shall mean the amount to be paid to the United States by the
76 Contractor, as set forth in Exhibit B, for the use of Excess Capacity in the Project Facilities made
77 available pursuant to this Contract;

78 (m) "RRA" shall mean the Reclamation Reform Act of October 12, 1982
79 (96 Stat. 1263), as amended;

80 (n) "Secretary" shall mean the Secretary of the Interior, a duly appointed
81 successor, or an authorized representative acting pursuant to any authority of the Secretary and
82 through any agency of the Department of the Interior; and

83 (o) "Year" shall mean the period from and including March 1 of the Calendar
84 Year through the last day of February of the following Calendar Year.

85 TERM OF CONTRACT

86 2. (a) This Contract shall become effective on the date hereinabove written and
87 shall remain in effect through December 31, 2045 Provided, That upon written notice to the
88 Contractor, this Contract may be terminated by the Contracting Officer at an earlier date, if the
89 Contracting Officer determines that the Contractor has not been complying with one or more
90 terms or conditions of this Contract.

91 (b) The Contractor may request a new contract upon the expiration of this
92 Contract and the renewal of the Contractor's and PCWA agreement dated June 1, 2000 and
93 titled, "Agreement Between Placer County Water Agency and Northridge Water District for a
94 Water Supply for Groundwater Stabilization", as amended and supplemented, and as provided
95 under then existing law, to the extent the Contracting Officer determines there is Excess
96 Capacity in Project facilities and on terms mutually agreeable to the Parties.

97 INTRODUCTION, CONVEYANCE, AND DELIVERY OF NON-PROJECT WATER

98 3. (a) In each Year when certain criteria are met pursuant to Exhibit C of this
99 Contract, the Contractor may introduce up to 29,000 acre-feet each Year of Non-Project Water
100 from the source(s) identified in Exhibit C into the Project Facilities at Folsom Reservoir. The
101 Contractor shall arrange for the release of the Non-Project Water from the PCWA MFP
102 reservoirs for conveyance in Project Facilities. The timing of the release shall be coordinated
103 with Reclamation. The United States shall convey Non-Project Water through Excess Capacity
104 in the Project Facilities from said point(s) of introduction for delivery to the Contractor at San
105 Juan Water District's Sidney N. Peterson Water Treatment Plant or other location(s) mutually

106 agreed to in writing by the Contracting Officer and the Contractor, in accordance with an
107 approved schedule submitted by the Contractor pursuant to subdivision (d) of this Article:
108 Provided, That the quantity of Non-Project Water to be delivered to the Contractor from Project
109 Facilities shall not exceed the quantity of Non-Project Water previously introduced into the
110 Project Facilities by the Contractor at said point(s) of introduction.

111 (a.1) In the event the quantity of water delivered to the Contractor
112 exceeds the quantity of Non-Project water authorized pursuant to subdivision (a) of this Article,
113 the Contractor shall immediately take all reasonable actions to make available a like amount of
114 water, plus conveyance loss, into the Project Facilities for use by the United States for Project
115 purposes. The provisions of this subdivision are not exclusive and shall not prohibit the United
116 States from exercising any other remedy under existing law, including the early termination of
117 this Contract pursuant to Article 2 of this Contract.

118 (b) Exhibit C may be modified or replaced by mutual agreement of the
119 Contractor and the Contracting Officer to reflect changes to the source(s) of Non-Project water
120 without amendment of this Contract: Provided, however, That no such modification or
121 replacement shall be approved by the Contracting Officer absent the completion of all
122 appropriate environmental documentation, including but not limited to documents prepared
123 pursuant to the National Environmental Policy Act of 1969 (NEPA) and the Endangered Species
124 Act of 1973 (ESA), as amended.

125 (c) All Non-Project Water conveyed and delivered to the Contractor pursuant
126 to this Contract shall be used for M&I purposes within PCWA's water rights limitations.

127 (d) Prior to the introduction of Non-Project Water into the Project Facilities,
128 the Contractor shall submit a schedule to the Contracting Officer showing the quantities of Non-

129 Project Water to be introduced into the Project Facilities, and the desired time or times for
130 delivery of said Non-Project Water: Provided, That the Contractor is not required to initially
131 schedule delivery of the maximum quantity of Non-Project Water for which the Contractor
132 desires conveyance during the term of this Contract. The initial schedule and any revision(s)
133 thereof shall be in a form acceptable to the Contracting Officer and shall be submitted at such
134 times and in such manner as determined by the Contracting Officer. The Contractor shall not
135 introduce Non-Project Water into the Project Facilities unless and until the schedule and any
136 revision(s) thereof have been approved by the Contracting Officer.

137 (e) All Non-Project Water remaining in the Project Facilities after 30 days
138 from the date of introduction or upon expiration or termination of this Contract shall be deemed
139 to be unused water donated to the United States for Project purposes. Further, all Non-Project
140 Water made available for delivery to the Contractor from the Project Facilities and not accepted
141 by the Contractor shall be deemed to be unused water donated to the United States for Project
142 purposes.

143 (f) Unless otherwise agreed to in writing by the Contracting Officer, the Non-
144 Project Water shall be introduced into and delivered to the Contractor through existing Project
145 Facilities. If temporary inflow or delivery facilities are required to effectuate the introduction of
146 Non-Project Water into the Project Facilities or the delivery of the Non-Project Water to the
147 Contractor from the Project Facilities, the Contractor shall, at its own cost and expense obtain all
148 appropriate environmental documents, necessary rights-of-way for such facilities, including the
149 appropriate right of-use agreement(s) or other authorizations issued by the United States for any
150 such facilities located on right-of-way for existing Project Facilities. The Contractor, at its own
151 cost and expense, shall be responsible for providing, installing, operating, maintaining, repairing,

152 replacing, and removing said inflow and delivery facilities. The Contractor hereby grants to the
153 Contracting Officer access, for the purpose of this Contract, to all temporary inflow and delivery
154 facilities installed by the Contractor.

155 (g) The introduction, conveyance, and delivery of Non-Project Water pursuant
156 to this Contract will not be supported with Project-Use Power. If electrical power is required to
157 convey or pump the Non-Project Water into, through or from the Project Facilities, the
158 Contractor shall: (i) be responsible for the acquisition and payment of all electrical power and
159 associated transmission service charges, and provide a copy of a power contract and copies of
160 payment documents to the Contracting Officer as evidence that such electrical power has been
161 contracted and paid for prior to the introduction, conveyance, and delivery of any Non-Project
162 Water ; and/or (ii) prior to the introduction, conveyance, and delivery of any Non-Project Water,
163 enter into a letter of agreement with the United States that provides for the payment of all actual
164 energy costs and fees incurred in the introduction, conveyance and delivery of the Non-Project
165 Water.

166 (h) The Contractor shall have no rights to any benefits from increased power
167 generation that may result from the conveyance of the Non-Project Water through Excess
168 Capacity in the Project Facilities authorized pursuant to this Contract.

169 (i) The introduction of Non-Project Water into the Project Facilities by the
170 Contractor shall be conditioned upon compliance by the Contractor with the environmental
171 measures described in the environmental documentation prepared in connection with the
172 execution of this Contract and with the terms of the applicable operations procedures approved
173 by the Contracting Office.

174 MEASUREMENT OF NON-PROJECT WATER

175 4. (a) All Non-Project Water shall be measured and recorded at the point(s) of
176 release from the Contractor’s MFP reservoirs and point(s) of delivery established pursuant to
177 Article 3 herein with measurement devices acceptable to the Contracting Officer and the
178 methods used to make such measurements shall be in accordance with sound engineering
179 practices.

180 (b) Unless otherwise agreed to in writing by the Contracting Officer, the Non-
181 Project Water shall be measured with existing measurement devices on the Project Facilities and
182 the Contractor will not have responsibility for the measurement devices.

183 (c) The Contractor shall maintain accurate records of the quantity of Non-
184 Project Water, expressed in acre-feet, introduced into and delivered from Project Facilities at
185 said authorized point(s) of introduction and delivery and shall provide such records to the
186 Contracting Officer at such times and in such manner as determined by the Contracting Officer.

187 (1) The Contractor shall provide to the Contracting Officer a monthly
188 operational report demonstrating PCWA operated its upstream reservoirs in such a manner as to
189 make sufficient Non-Project Water available in Folsom Reservoir to provide for the outgoing
190 delivery to the Contractor pursuant to PCWA’s direct diversion and redirection rights under
191 Water Rights Permit Numbers 13856 and 13858. The Contracting Officer shall use these reports
192 to support the availability of the Non-Project Water at Folsom Reservoir and to cover the
193 Contractor’s scheduled deliveries after deduction of the conveyance losses in Article 3(a).

194 (d) Upon the request of either party to this Contract, the Contracting Officer
195 shall investigate the accuracy of all measurements of Non-Project Water required by this
196 Contract. If the investigation discloses errors in the recorded measurements, such errors shall be

197 promptly corrected. If the investigation discloses that measurement devices are defective or
198 inoperative, the Contracting Officer shall take any necessary actions to ensure that the
199 responsible party makes the appropriate adjustments, repairs, or replacements to the
200 measurement devices. In the event the Contractor, as the responsible party, neglects or fails to
201 make such adjustments, repairs, or replacements to the measurement devices within a reasonable
202 time and to the reasonable satisfaction of the Contracting Officer, the Contracting Officer may
203 cause such adjustments, repairs, or replacements to be made and the costs thereof shall be
204 charged to the Contractor and the Contractor shall pay said charges to the United States
205 immediately upon receipt of a detailed billing. For any period of time during which accurate
206 measurements of the Non-Project Water have not been made, the Contracting Officer shall
207 consult with the Contractor prior to making a determination of the quantity of Non-Project Water
208 introduced, conveyed and delivered for that period of time and such determination by the
209 Contracting Officer shall be final and binding on the Contractor.

210 PAYMENTS AND ADJUSTMENTS

211 5. (a) Each Year that the Contractor submits a schedule, or any revision(s)
212 thereof pursuant to subdivision (d) of Article 3 of this Contract, the Contractor shall make an
213 advance payment to the United States equal to the total amount payable pursuant to the
214 applicable Rates shown on Exhibit B for each acre-foot of Non-Project Water to be introduced
215 into the Project Facilities. However, the initial schedule and payment shall be submitted no later
216 than June 1 of each Year Non-Project Water is scheduled. The Rates are subject to annual
217 adjustment pursuant to the then-current ratesetting policy for the Project to cover all costs
218 incurred from the conveyance of Non-Project Water. At the beginning of each Year, the
219 Contracting Officer shall provide the Contractor with the Rates to be in effect for the upcoming

220 Year, and such notification shall revise Exhibit B without amending this Contract. Non-Project
221 Water shall not be introduced in to Project Facilities by the Contractor prior to such payment
222 being received the United States. Final adjustment between the advance payments for the Non-
223 Project Water scheduled and payment for the quantities of Non-Project Water conveyed during
224 each Year pursuant to this Contract shall be made as soon as practicable but no later than April
225 30th of the following Year.

226 (b) The amount of any overpayment by the Contractor by reason of the
227 quantity of Non-Project Water introduced into the Project Facilities and conveyed pursuant to
228 this Contract, as conclusively determined by the Contracting Officer, having been less than the
229 quantity which the Contractor otherwise under the provisions of this Contract would have been
230 required to pay for, shall be applied first to any accrued indebtedness arising out of this Contract
231 then due and owing to the United States by the Contractor. Any amount of such overpayment
232 then remaining shall be refunded to the Contractor: Provided, however, That no refund shall be
233 made by the United States to the Contractor for any quantity of Non-Project Water deemed to be
234 unused water donated to the United States for Project purposes pursuant to subdivision (e) of
235 Article 3 of this Contract.

236 (c) All payments made by the Contractor pursuant to subdivision (a) of this
237 Article 5 shall be covered into the Reclamation Fund pursuant to Section 3 of the Act of
238 February 21, 1911 (36 Stat. 925).

239 (d) The payment of the Rates set forth in this Article 5 for the use of Excess
240 Capacity are exclusive of any additional charges that the Contractor may assess its water users.
241 In accordance with the Act of February 21, 1911 (36 Stat. 925), the Contractor may not impose
242 on its water users any charge for the use of Excess Capacity that exceeds the total amount paid to

243 the United States: Provided, That the Contractor may also charge its water users such additional
244 amounts as are necessary to cover the Contractor's reasonable administrative costs in contracting
245 with the United States for the use of Excess Capacity in the Project Facilities.

246 MEDIUM FOR TRANSMITTING PAYMENTS

247 6. (a) All payments from the Contractor to the United States under this Contract
248 shall be by the medium requested by the United States on or before the date payment is due. The
249 required method of payment may include checks, wire transfers, or other types of payment
250 specified by the United States.

251 (b) Upon execution of the Contract, the Contractor shall furnish the
252 Contracting Officer with the Contractor's taxpayer's identification number (TIN). The purpose
253 for requiring the Contractor's TIN is for collecting and reporting any delinquent amounts arising
254 out of the Contractor's relationship with the United States.

255 EXCESS CAPACITY

256 7. (a) The availability of Excess Capacity shall be determined solely by the
257 Contracting Officer. Nothing contained in this Contract shall limit or preclude the United States
258 from utilizing available capacity in the Project Facilities for the storage and conveyance of
259 Project Water pursuant to Federal law, Reclamation law or policy, and existing contract(s); or for
260 using Excess Capacity in the Project Facilities for the storage and conveyance of any other
261 supplies of Non-Project Water.

262 (b) The Contracting Officer shall not be obligated to convey Non-Project
263 Water during periods of maintenance or for other operating requirements.

264 (c) If at any time the Contracting Officer determines that there will not be
265 Excess Capacity in the Project Facilities sufficient to allow the Non-Project Water to be
266 introduced into, conveyed, and delivered in accordance with an approved schedule submitted by
267 the Contractor, the Contracting Officer shall so notify the Contractor in writing. Within 24 hours
268 of said notice, the Contractor shall revise its schedule accordingly.

269 (d) No provision of this Contract shall be construed in any way as a basis for
270 the Contractor to establish a priority to or a permanent right to the use of Excess Capacity in the
271 Project Facilities nor to set a precedent to obligate the United States to enter into contracts with
272 any other entities or individuals for the conveyance or storage of Non-Project Water.

273 RECEIPT AND DISTRIBUTION OF NON-PROJECT WATER SALE, TRANSFER, OR
274 EXCHANGE OF NON-PROJECT WATER

275 8. (a) The parties hereto acknowledge that this Contract does not grant any
276 permission or entitlement to the Contractor to extract and/or divert Non-Project Water from the
277 source(s) described on Exhibit C or to change the nature or place of use of its rights to said Non-
278 Project Water in any way. It is the responsibility of the Contractor to comply with all applicable
279 Federal, State, and local laws, rules and regulations, including, but not limited to, State water law
280 in relation to the Non-Project Water. It is expressly understood by the parties that the United
281 States is only providing conveyance capacity for the Non-Project Water and does not claim any
282 interest in the acquisition or use of the Non-Project Water beyond the terms specifically set forth
283 in this Contract.

284 (b) The Contracting Officer makes no representations as to the accuracy of the
285 description or of the validity of the Contractor's rights to the Non-Project Water described in
286 Exhibit C.

287 (c) No sale, transfer, or exchange of Non-Project Water conveyed under this
288 Contract may take place without the prior written approval of the Contracting Officer.

289 WATER CONSERVATION

290 9. (a) Prior to the delivery of water provided from or conveyed through federally
291 constructed or federally financed facilities pursuant to this Contract, the Contractor shall provide
292 the Contracting Officer a water conservation plan consistent with the plans required by
293 subsection 210(b) of the Reclamation Reform Act of 1982 and 43 C.F.R. 427.1 (Water
294 Conservation Rules and Regulations).

295 (b) In accordance with WTR 01-01, of Reclamation's Manual Directives and
296 Standards, the Contractor has a State water conservation plan that fulfills the intent of Article
297 9(a) above of the Contract and is therefore exempt from preparing a water conservation plan.

298 UNITED STATES NOT LIABLE

299 10. (a) The United States, its officers, agents and employees, shall not be
300 responsible for the control, care, or distribution of the Non-Project Water before it is introduced
301 into or after it is delivered from the Project Facilities. It is specifically understood by the parties
302 hereto that the United States is only providing conveyance capacity for the Non-Project Water
303 and does not claim any interest in the Non-Project Water beyond the terms specifically set forth
304 in this Contract.

305 (b) The Contractor shall indemnify and hold harmless the United States, its
306 officers, agents and employees, from any loss or damage and from any liability on account of
307 personal injury, death, or property damage, or claims for personal injury, death, or property
308 damage, of any nature whatsoever arising out of any actions or omissions of the Contractor, its
309 directors, officers, agents, contractors, and employees, under this Contract, including the manner
310 or method in which the Non-Project Water identified on Exhibit C is introduced into and
311 delivered from the Project Facilities. The Contractor further releases the United States, its
312 officers, agents and employees, from every claim for injury to persons, death, or property
313 damage, direct or indirect, resulting from the Contracting Officer's determination of the quantity
314 of Excess Capacity available in the Project Facilities for conveyance of the Contractor's Non-
315 Project Water, the determination that the Non-Project Water introduced into Project Facilities
316 must be terminated, and the elimination from Exhibit C of any source(s) of Non-Project Water.

317 Nothing contained in this Article shall be construed as an assumption of liability by the
318 Contractor with respect to such matters.

319 RULES, REGULATIONS, OPINIONS AND DETERMINATIONS

320 11. (a) The parties agree that the delivery of water or the use of Federal facilities
321 pursuant to this contract is subject to Federal reclamation law, as amended and supplemented,
322 and the rules and regulations promulgated by the Secretary of the Interior under Federal
323 reclamation law.

324 (b) The Contracting Officer shall have the right to make determinations
325 necessary to administer this Contract that are consistent with the provisions of this Contract, the
326 laws of the United States and the State of California, and the rules and regulations promulgated
327 by the Secretary. Such determinations shall be made in consultation with the Contractor to the
328 extent reasonably practicable.

329 (c) Where the terms of this Contract provide for actions to be based upon the
330 opinion or determination of either party to this Contract, said terms shall not be construed as
331 permitting such action to be predicated upon arbitrary, capricious, or unreasonable opinions or
332 determinations. Both parties, notwithstanding any other provisions of this Contract, expressly
333 reserve the right to seek relief from and appropriate adjustment for any such arbitrary, capricious,
334 or unreasonable opinion or determination. Each opinion or determination by either party shall be
335 provided in a timely manner. Nothing in subdivision (c) of this Article 13 is intended to or shall
336 affect or alter the standard of judicial review applicable under Federal law to any opinion or
337 determination implementing a specific provision of Federal law embodied in statute or
338 regulation.

339 PROTECTION OF WATER AND AIR QUALITY

340 12. (a) Project Facilities used to make available and deliver Non-Project Water to
341 the Contractor shall be operated and maintained in the most practical manner to maintain the
342 quality of the Non-Project Water at the highest level possible as determined by the Contracting
343 Officer: Provided, That the United States does not warrant the quality of the Non-Project Water
344 delivered to the Contractor and is under no obligation to furnish or construct water treatment
345 facilities to maintain or improve the quality of the Non-Project Water delivered to the
346 Contractor.

347 (b) The Contractor shall comply with all applicable water and air pollution
348 laws and regulations of the United States and the State of California; and shall obtain all required
349 permits or licenses from the appropriate Federal, State, or local authorities necessary for the
350 delivery of Non-Project Water by the Contractor; and shall be responsible for compliance with
351 all Federal, State, and local water quality standards applicable to surface and subsurface drainage
352 and/or discharges generated through the use of Project Facilities or Contractor facilities or Non-
353 Project Water provided by the Contractor within the Contractor's Boundaries.

354 (c) This Article 12 shall not affect or alter any legal obligations of the
355 Secretary to provide drainage or other discharge services.

356 (d) The Non-Project Water introduced into the Project Facilities shall be of
357 such quality, as solely determined by the Contracting Officer, as to not degrade the quality of the
358 Project water nor negatively impact any Project operations. If it is so determined by the
359 Contracting Officer that the quality of the Non-Project Water from any source(s) identified in
360 Exhibit C will degrade the quality of Project water or its presence in Reclamation facilities will
361 negatively impact Project operations, the Contractor shall, upon receipt of a written notice from
362 the Contracting Officer, arrange for the immediate termination of the introduction of Non-Project
363 Water from such sources(s) into the Project Facilities, and Exhibit C shall be modified to delete
364 such sources(s) of Non-Project Water.

365 (e) The Contracting Officer reserves the right to require additional analyses to
366 ensure the Non-Project Water meets the Bureau of Reclamation's water quality acceptance
367 criteria.

368 (f) The Contracting Officer has included the "American River Watershed
369 Sanitary Survey 2013 Update", dated December 2013, as updated, (hereinafter "Survey")

370 incorporated by reference in this Contract. This Survey will serve as a baseline water quality
 371 monitoring plan that will be compared to water quality monitoring results to aid Reclamation in
 372 determining that the Contractor's Non-Project Water entering Project Facilities does not degrade
 373 the quality of Project Water. If the Survey is modified in future years, the Contractor will
 374 immediately provide written notification to Reclamation as specified in Article 23.

375 CHARGES FOR DELINQUENT PAYMENTS

376 13. (a) The Contractor shall be subject to interest, administrative, and penalty
 377 charges on delinquent payments. If a payment is not received by the due date, the Contractor
 378 shall pay an interest charge on the delinquent payment for each day the payment is delinquent
 379 beyond the due date. If a payment becomes 60 days delinquent, in addition to the interest
 380 charge, the Contractor shall pay an administrative charge to cover additional costs of billing and
 381 processing the delinquent payment. If a payment is delinquent 90 days or more, in addition to
 382 the interest and administrative charges, the Contractor shall pay a penalty charge for each day the
 383 payment is delinquent beyond the due date, based on the remaining balance of the payment due
 384 at the rate of 6 percent per year. The Contractor shall also pay any fees incurred for debt
 385 collection services associated with a delinquent payment.

386 (b) The interest charge rate shall be the greater of either the rate prescribed
 387 quarterly in the Federal Register by the Department of the Treasury for application to overdue
 388 payments or the interest rate of 0.5 percent per month. The interest charge rate will be
 389 determined as of the due date and remain fixed for the duration of the delinquent period.

390 (c) When a partial payment on a delinquent account is received, the amount
 391 received shall be applied first to the penalty charges, second to the administrative charges, third
 392 to the accrued interest, and finally to the overdue payment.

393 EQUAL EMPLOYMENT OPPORTUNITY

394 14. During the performance of this Contract, the Contractor agrees as follows.

395 (a) The Contractor will not discriminate against any employee or applicant for
 396 employment because of race, color, religion, sex, disability, or national origin. The Contractor
 397 will take affirmative action to ensure that applicants are employed, and that employees are
 398 treated during employment, without regard to their race, color, religion, sex, disability, or
 399 national origin. Such action shall include, but not be limited to the following: employment,
 400 upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination;
 401 rates of pay or other forms of compensation; and selection for training, including apprenticeship.
 402 The Contractor agrees to post in conspicuous places, available to employees and applicants for
 403 employment, notices to be provided by the Contracting Officer setting forth the provisions of this
 404 nondiscrimination clause.

405 (b) The Contractor will, in all solicitations or advertisements for employees
406 placed by or on behalf of the Contractor, state that all qualified applicants will receive
407 consideration for employment without regard to race, color, religion, sex, disability, or national
408 origin.

409 (c) The Contractor will send to each labor union or representative of workers
410 with which it has a collective bargaining agreement or other contract or understanding, a notice,
411 to be provided by the Contracting Officer, advising the labor union or workers' representative of
412 the Contractor's commitments under Section 202 of Executive Order 11246 of September 24,
413 1965 (EO 11246), and shall post copies of the notice in conspicuous places available to
414 employees and applicants for employment.

415 (d) The Contractor will comply with all provisions of EO 11246, and of the
416 rules, regulations, and relevant orders of the Secretary of Labor.

417 (e) The Contractor will furnish all information and reports required by EO
418 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto,
419 and will permit access to his books, records, and accounts by the Contracting Agency and the
420 Secretary of Labor for purposes of investigation to ascertain compliance with such rules,
421 regulations, and orders.

422 (f) In the event of the Contractor's noncompliance with the nondiscrimination
423 clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be
424 canceled, terminated or suspended in whole or in part and the Contractor may be declared
425 ineligible for further Government contracts in accordance with procedures authorized in EO
426 11246, and such other sanctions may be imposed and remedies invoked as provided in EO 11246
427 or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

428 (g) The Contractor will include the provisions of paragraphs (a) through (g) in
429 every subcontract or purchase order unless exempted by the rules, regulations, or orders of the
430 Secretary of Labor issued pursuant to Section 204 of EO 11246, so that such provisions will be
431 binding upon each subcontractor or vendor. The Contractor will take such action with respect to
432 any subcontract or purchase order as may be directed by the Secretary of Labor as a means of
433 enforcing such provisions, including sanctions for noncompliance: Provided, however, That in
434 the event the Contractor becomes involved in, or is threatened with, litigation with a
435 subcontractor or vendor as a result of such direction, the Contractor may request the United
436 States to enter into such litigation to protect the interests of the United States.

437 CERTIFICATION OF NONSEGREGATED FACILITIES

438 15. The Contractor hereby certifies that it does not maintain or provide for its
439 employees any segregated facilities at any of its establishments and that it does not permit its
440 employees to perform their services at any location under its control where segregated facilities
441 are maintained. It certifies further that it will not maintain or provide for its employees any
442 segregated facilities at any of its establishments and that it will not permit its employees to

443 perform their services at any location under its control where segregated facilities are
 444 maintained. The Contractor agrees that a breach of this certification is a violation of the Equal
 445 Employment Opportunity clause in this Contract. As used in this certification, the term
 446 “segregated facilities” means any waiting rooms, work areas, rest rooms and wash rooms,
 447 restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas,
 448 parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing
 449 facilities provided for employees which are segregated by explicit directive or are in fact
 450 segregated on the basis of race, creed, color, or national origin, because of habit, local custom,
 451 disability, or otherwise. The Contractor further agrees that (except where it has obtained
 452 identical certifications from proposed subcontractors for specific time periods) it will obtain
 453 identical certifications from proposed subcontractors prior to the award of subcontracts
 454 exceeding \$10,000 which are not exempt from the provisions of the Equal Employment
 455 Opportunity clause; that it will retain such certifications in its files; and that it will forward the
 456 following notice to such proposed subcontractors (except where the proposed subcontractors
 457 have submitted identical certifications for specific time periods):

458 NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR
 459 CERTIFICATIONS OF NONSEGREGATED FACILITIES

460 A Certification of Nonsegregated Facilities must be submitted prior to the award
 461 of a subcontract exceeding \$10,000 which is not exempt from the provisions of
 462 the Equal Employment Opportunity clause. The certification may be submitted
 463 either for each subcontract or for all subcontracts during a period (i.e., quarterly,
 464 semiannually, or annually). Note: The penalty for making false statements in
 465 offers is prescribed in 18 U.S.C. 1001.

466 COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS

467 16. (a) The Contractor shall comply with Title VI of the Civil Rights Act of 1964
 468 (Pub. L. 88-352; 42 U.S.C. § 2000d), the Rehabilitation Act of 1973 (Pub. L. 93-112, Title V, as
 469 amended; 29 U.S.C. § 791, et seq.), the Age Discrimination Act of 1975 (Pub. L. 94-135,
 470 Title III; 42 U.S.C. § 6101, et seq.), [Title II of the Americans with Disabilities Act of 1990
 471 (Pub. L. 101-336; 42 U.S.C. § 12131, et seq.),] and any other applicable civil rights laws, and
 472 with the applicable implementing regulations and any guidelines imposed by the U.S.
 473 Department of the Interior and/or Bureau of Reclamation.

474 (b) These statutes prohibit any person in the United States from being
 475 excluded from participation in, being denied the benefits of, or being otherwise subjected to
 476 discrimination under any program or activity receiving financial assistance from the Bureau of
 477 Reclamation on the grounds of race, color, national origin, disability, or age. By executing this
 478 contract, the Contractor agrees to immediately take any measures necessary to implement this
 479 obligation, including permitting officials of the United States to inspect premises, programs, and
 480 documents.

481 (c) The Contractor makes this agreement in consideration of and for the
 482 purpose of obtaining any and all Federal grants, loans, contracts, property discounts, or other

483 Federal financial assistance extended after the date hereof to the Contractor by the Bureau of
484 Reclamation, including installment payments after such date on account of arrangements for
485 Federal financial assistance which were approved before such date. The Contractor recognizes
486 and agrees that such Federal assistance will be extended in reliance on the representations and
487 agreements made in this Article and that the United States reserves the right to seek judicial
488 enforcement thereof.

489 (d) Complaints of discrimination against the Contractor shall be investigated
490 by the Contracting Officer's Office of Civil Rights.

491 GENERAL OBLIGATION – BENEFITS CONDITIONED UPON PAYMENT

492 17. (a) The obligation of the Contractor to pay the United States as provided in
493 this Contract is a general obligation of the Contractor notwithstanding the manner in which the
494 obligation may be distributed among the Contractor's water users and notwithstanding the
495 default of individual water users in their obligation to the Contractor.

496 (b) The payment of charges becoming due pursuant to this Contract is a
497 condition precedent to receiving benefits under this Contract. The United States shall not make
498 Non-Project Water available to the Contractor through Project Facilities during any period in
499 which the Contractor is in arrears in the advance payment of Rates and charges due the United
500 States. The Contractor shall not deliver Non-Project Water under the terms and conditions of
501 this Contract for lands or parties that are in arrears in the advance payment of rates and charges
502 as levied or established by the Contractor.

503 BOOKS, RECORDS, AND REPORTS

504 18. (a) The Contractor shall establish and maintain accounts and other books and
505 records pertaining to administration of the terms and conditions of this contract, including the
506 Contractor's financial transactions; water supply data; Project operation, maintenance, and
507 replacement logs; Project land and rights-of-way use agreements; the water users' land-use (crop
508 census), land-ownership, land-leasing, and water-use data; and other matters that the Contracting
509 Officer may require. Reports shall be furnished to the Contracting Officer in such form and on
510 such date or dates as the Contracting Officer may require. Subject to applicable Federal laws
511 and regulations, each party to this contract shall have the right during office hours to examine
512 and make copies of the other party's books and records relating to matters covered by this
513 contract.

514 (b) Nothing in this Article 18 shall be construed to limit or constrain the
515 ability of the Bureau of Reclamation to conduct contract compliance reviews of this Contract in
516 accordance with Reclamation Manual Directives and Standards PEC 05-08, last revised
517 November 20, 2014, as may be further revised, amended, modified, or superseded.

518 CONTINGENT UPON APPROPRIATION OR ALLOTMENT OF FUNDS

519 19. The expenditure or advance of any money or the performance of any obligation of
520 the United States under this contract shall be contingent upon appropriation or allotment of
521 funds. Absence of appropriation or allotment of funds shall not relieve the Contractor from any
522 obligations under this contract. No liability shall accrue to the United States in case funds are
523 not appropriated or allotted.

524 ASSIGNMENT LIMITED – SUCCESSORS AND ASSIGNS OBLIGATED

525 20. The provisions of this Contract shall apply to and bind the successors and assigns
526 of the parties hereto, but no assignment or transfer of this Contract or any right or interest therein
527 by either party shall be valid until approved in writing by the other party.

528 OFFICIALS NOT TO BENEFIT

529 21. No Member of or Delegate to the Congress, Resident Commissioner, or official of
530 the Contractor shall benefit from this Contract other than as a water user or landowner in the
531 same manner as other water users or landowners.

532 CHANGES IN CONTRACTORS ORGANIZATION

533 22. While this Contract is in effect, no change may be made in the Contractor’s
534 organization, by inclusion or exclusion of lands or by any other changes which may affect the
535 respective rights, obligations, privileges, and duties of either the United States or the Contractor
536 under this Contract including, but not limited to, dissolution, consolidation, or merger, except
537 upon the Contracting Officer’s written consent.

538 NOTICES

539 23. Any notice, demand, or request authorized or required by this Contract shall be
540 deemed to have been given, on behalf of the Contractor, when mailed, postage prepaid, or
541 delivered to Bureau of Reclamation, Central California Area Office, 7794 Folsom Dam Rd.,
542 Folsom CA 95630-1799, and on behalf of the United States, when mailed, postage prepaid, or
543 delivered to the President of the Board of Directors, Sacramento Suburban Water District, 3701
544 Marconi Ave. Suite 100, Sacramento CA 95821-5303. The designation of the addressee or the
545 address may be changed by notice given in the same manner as provided in this Article for other
546 notices.

547 CONFIRMATION OF CONTRACT

548 24. Promptly after the execution of this contract, the Contractor shall provide
549 evidence to the Contracting Officer that, pursuant to the laws of the State of California, the
550 Contractor is a legally constituted entity and the contract is lawful, valid, and binding on the
551 Contractor. This contract shall not be binding on the United States until such evidence has been
552 provided to the Contracting Officer’s satisfaction.

553

INCORPORATION OF EXHIBITS

554

25. Exhibits A through C are attached hereto and incorporated herein by reference.

555

CONTRACT DRAFTING CONSIDERATIONS

556

26. This Contract has been negotiated and reviewed by the parties hereto, each of whom is sophisticated in the matters to which this Contract pertains. The double-spaced articles of this Contract have been drafted, negotiated, and reviewed by the parties, and no one party shall be considered to have drafted the stated articles.

557

558

559

560

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year first above written.

561

562

UNITED STATES OF AMERICA

563

By: _____

564

Regional Director,
Mid-Pacific Region
Bureau of Reclamation

565

566

567

SACRAMENTO SUBURBAN WATER DISTRICT

568 (SEAL)

569

By: _____

570

President of the Board of Directors

571 Attest:

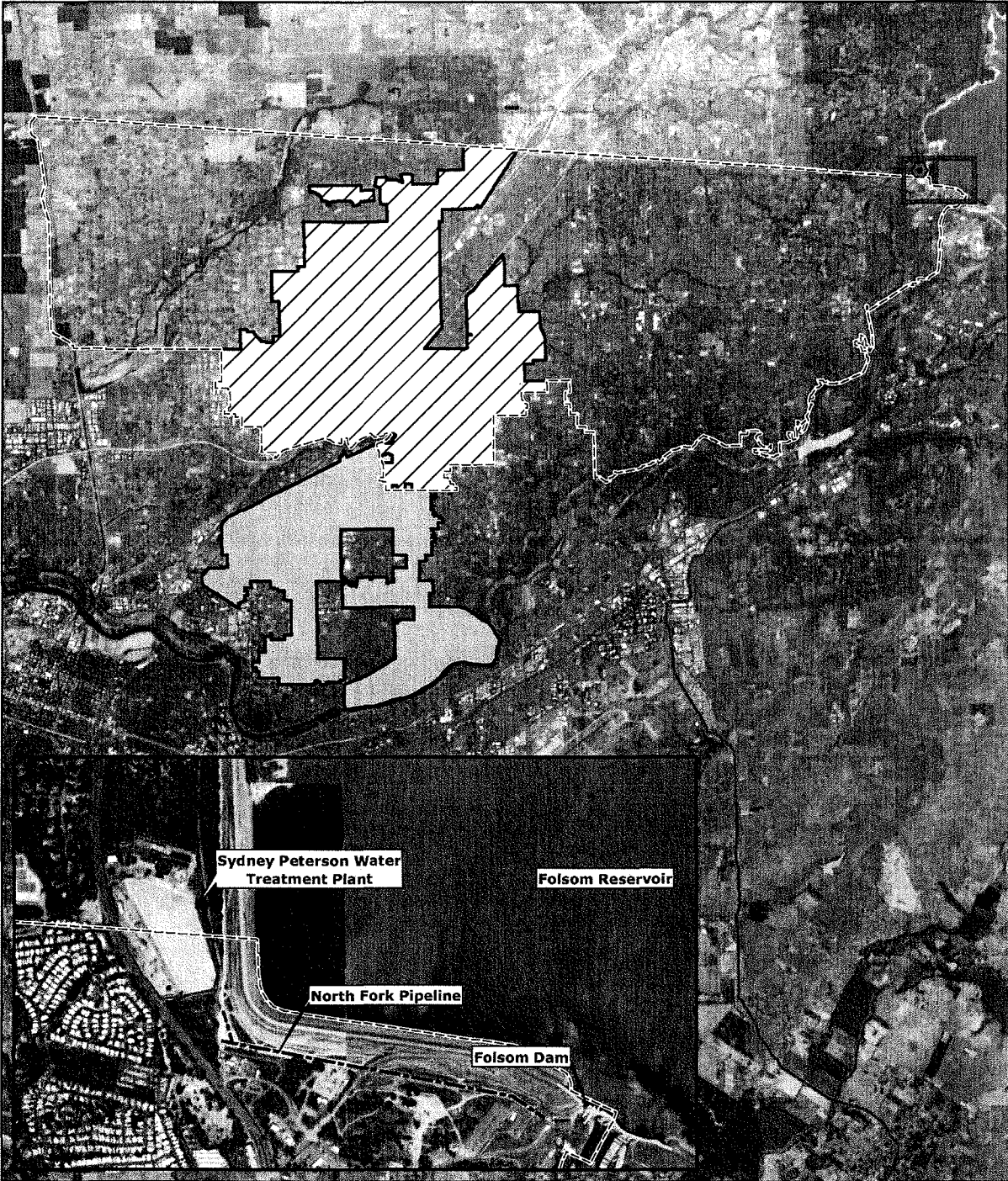
572

By: _____

573

Secretary of the Board of Directors

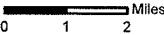
EXHIBIT A



Point of Diversion
 SSWD Long Term Warren Act Contractor Boundary Area
 SSWD North Service Area
 SSWD South Service Area
 North Fork Pipeline
 Date: 5/22/2019
 File Name: N:\Districts\Contract\sacramento_suburban\sacramento_suburban_20180320.mxd

Sacramento Suburban Water District

Contract No. 18-WC-20-5271
EXHIBIT A



RECLAMATION
Managing Water in the West

N
214-202-840

EXHIBIT B

M&I Only

Contract No. 18-WC-20-5271

**EXHIBIT B
SACRAMENTO SUBURBAN WATER DISTRICT
WARREN ACT CONTRACT CONVEYANCE RATES
WATER YEAR 2018
(Per Acre-Foot)**

Cost Component	M&I Cost of Service ¹
Water Marketing	\$6.70
Conveyance O&M ²	\$14.24
Conveyance O&M Sub-Total	\$20.94
Other Cost	\$0.14
Conveyance Construction ²	\$0.18
Conveyance Construction Sub-Total	\$0.32
TOTAL Water Marketing and Conveyance:	\$21.26

¹ The M&I Cost of Service Rate is applicable to Non-Project Water delivered for municipal and industrial purposes. See definition of "Municipal and Industrial Water" in subdivision (j) of Article 1 of this Contract.

² The Folsom Reservoir is used to convey water to the District; therefore, the storage rate is used for conveyance purposes.

Additional details of the rate components are available on the Internet at www.usbr.gov/mp/cvpwaterrates/ratebooks/index.html

EXHIBIT C

SOURCE(S) OF CONTRACTOR'S NON-PROJECT WATER

SACRAMENTO SUBURBAN WATER DISTRICT

The source of the Contractor's Non-Project Water supply is the Middle Fork American River Project Water under PCWA's Permits 13856 and 13858, made available to the Contractor in accordance with the agreement between the Contractor's predecessor in interest, Northridge Water District, and PCWA entitled, "Agreement Between Placer County Water Agency and Northridge Water District For a Water Supply For Groundwater Stabilization" (Agreement), dated June 1, 2000, and as amended with the Contractor on October 2, 2008 and June 2, 2016. Pursuant to the Agreement, Non-Project Water shall be delivered to the Contractor only: a) if the projected March to November unimpaired inflow to the Folsom Reservoir for each Year is greater than 1,600,000 acre-feet; or b) notwithstanding a) above, in December, January, or February following the March through November period of each Year when the unimpaired inflow was less than 1,600,000 acre-feet, when and after water is being released from Folsom Reservoir for flood protection. An additional 5% of Non-Project Water shall also be released from PCWA's MFP to cover losses from the point of release to the point of introduction into Project Facilities. Water provided pursuant to this Contract is further limited to the quantities and at the times as provided in the Agreement.



Agenda Item: 7

Date: August 20, 2018

Subject: Resolution No. 18-14 A Resolution of the Board of Directors of the Sacramento Suburban Water District Recognizing Water Professionals Appreciation Week

Staff Contact: Mike Huot, Assistant General Manager

Recommended Board Action:

Approve the attached Resolution committing the District to join the California Legislature in designating Water Professionals Appreciation Week during the month of October each year, beginning on the first Saturday of the month and ending on the Sunday of the following weekend, that encourages public water agencies to offer tours, open houses, and other events during that time to educate Californians on the important functions of water agencies.

Discussion:

Water Professionals Appreciation Week (Appreciation Week) was established by Senate Concurrent Resolution (SCR) 80, approved by the Legislature on September 13, 2018, and chaptered on September 19, 2018. The resolution was authored by Senator Bill Dodd and sponsored by an Association of California Water Agencies led coalition, including WaterReuse California, California Municipal Utilities Association, California Association of Sanitation Agencies, and California Water Association. The California Water Environment Association partnered in the effort.

The new annual Appreciation Week is intended to highlight the important role of water industry professionals and local public water agencies in ensuring safe and reliable water, wastewater, and recycled water in California.

During Appreciation Week, water agencies are encouraged to organize programs and events that educate California water customers, local elected leaders, state and federal legislators, and other key audiences on the value of water and wastewater services and the important role that water professionals play in providing these services. It is also an opportunity to showcase careers in the water industry.

Under SCR 80, Appreciation Week begins on the first Saturday of October and ends on the following Sunday. This timeframe was chosen to allow for two weekends to host activities and events. This year's Appreciation Week runs from October 6-14.

Actions:

Open House – The District's Open House is scheduled for October 17, 2018, the week following Appreciation Week to accommodate a schedule conflict. In future years, if the District holds an

Resolution No. 18-14 A Recognition of the Board of Directors of the Sacramento Suburban Water District Recognizing Water Professionals Appreciation Week

August 20, 2018

Page 2 of 2

Open House, it will be scheduled during the Appreciation Week. The District will also advertise Appreciation Week on the website. In future years, we will coordinate with regional water agencies to discuss other ideas, such as reaching out to schools to educate students, advertising on a regional scale, and other ways to reach the community to spark interest in the water industry.

Fiscal Impact:

Staff time devoted to organizing and facilitating the open houses, advertising on the intranet, and coordinating regionally.

Strategic Plan Alignment:

Customer Service – 3.A. Operate in an open and public manner.

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.

Customer Service – 3.D. Provide customer and community relations by communicating, educating, and providing updates on District operations, water quality issues, water conservation, fiscal stability, environmental stewardship, sustainability of water resources and physical system assets.

Leadership – 5.D. Provide leadership within the community in a positive manner for the mutual benefit of the area (service groups, adjacent water purveyors, county/city/local government).

Educating our customers about the role of Sacramento Suburban Water District (SSWD) and recognizing water professionals publicly benefits SSWD customers. Customer appreciation venues like open houses are a way to inform customers about the work SSWD performs and provides an ability for the customers to engage with staff. Recognizing water professionals publicly, on a region-wide or state-wide basis, increases recruitment and hiring potential, which enriches staffing resources for SSWD and benefits SSWD customers.

RESOLUTION NO. 18-14

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SACRAMENTO SUBURBAN WATER DISTRICT IN RECOGNITION OF WATER PROFESSIONALS APPRECIATION WEEK

WHEREAS, Water is the lifeblood of California, without safe and reliable water, no community and no sector of the economy—from agriculture to high tech to manufacturing—can thrive or expand; and

WHEREAS, Thanks to technological advances by water professionals and the dedication of thousands of water industry professionals in the state, California drinking water and treated wastewater meet some of the most stringent water quality standards in the nation; and

WHEREAS, Depending on where you live in California, your water may come from a nearby well or river, or it may travel hundreds of miles through canals or pipelines to reach your tap; and

WHEREAS, Regardless of where it originates, your drinking water is filtered, cleaned, tested, and distributed in a process carefully managed by water professionals; and

WHEREAS, Public water systems actively serve Californians, delivering six billion gallons of safe drinking water each day through an extensive network of pipelines and distribution systems; and

WHEREAS, Roughly four billion gallons of wastewater is managed each day through 100,000 miles of sanitary sewers and more than 900 wastewater treatment plants in California, protecting communities and reducing toxic chemicals and nutrient buildup in California's surface waters and the entire west coast of the state; and

WHEREAS, California is steadily expanding the reuse of treated wastewater and pioneering the use of advanced purified recycled water to replenish aquifers, prevent seawater intrusion, and improve local water supply resiliency; and

WHEREAS, Water professionals at local public water and wastewater agencies work 24 hours a day, seven days a week to plan for the future, maintain and upgrade their systems, and improve the safety and resiliency of local water supplies; and

WHEREAS, According to the Public Policy Institute of California, local public water and wastewater agencies invest more than \$25 billion a year on programs and projects that protect the public health and the environment, improve local water supply reliability, replenish and clean up groundwater basins, provide water for fire protection, and protect against floods; and

WHEREAS, Thousands of water, wastewater, and recycled water industry professionals in the state dedicate their careers to keeping drinking water, recycled water, and treated wastewater safe

and reliable for use by Californians; and

WHEREAS, The Association of California Water Agencies, WaterReuse California, California Municipal Utilities Association, California Water Association, and California Association of Sanitation Agencies acknowledge and celebrate the work of the professionals employed by their agency members;

NOW, THEREFORE, BE IT RESOLVED by the Sacramento Suburban Water District Board of Directors that the District joins the California Legislature in designating Water Professionals Appreciation Week during the month of October each year, beginning on the first Saturday of the month and ending on the Sunday of the following weekend, and encourages public water agencies to offer tours, open houses, and other events during that time to educate Californians on the important functions of water agencies; and

BE IT FURTHER RESOLVED, that the Sacramento Suburban Water District Board of Directors encourages residents to learn about the water industries in California and consider careers in this important field.

PASSED AND ADOPTED by the Board of Directors of the Sacramento Suburban Water District on the 20th day of August 2018, by the following vote:

AYES:
NOES:
ABSENT:

By: _____
Craig M. Locke
President, Board of Directors
Sacramento Suburban Water District

I hereby certify that the foregoing resolution was duly and regularly adopted and passed by the Board of Directors of Sacramento Suburban Water District at a regular meeting hereof held on the 20th day of August 2018.

(SEAL)

By: _____
Dan York
General Manager/Secretary



OCTOBER
7 - 15
2017

Water Professionals Appreciation Week Toolkit

September 2017

California's first-ever Water Professionals Appreciation Week will launch Oct. 7 as part of a new annual designation intended to highlight the important role of water industry professionals and local public water agencies in ensuring safe and reliable water, wastewater, and recycled water in California.

As part of the designated week, local urban and agricultural water agencies are encouraged to organize programs and events that educate California water customers, local elected leaders, state and federal legislators, and other key audiences on the value of water and wastewater services and the important role that water professionals play in providing these services. It is also an opportunity to showcase careers in the water industry.

Water Professionals Appreciation Week was established by Senate Concurrent Resolution (SCR) 80, approved by the Legislature on Sept. 13 and chaptered on Sept. 19.

The resolution, authored by Sen. Bill Dodd (D-Napa), was sponsored by an ACWA-led coalition that includes WaterReuse California, California Municipal Utilities Association, California Association of Sanitation Agencies and California Water Association. The California Water Environment Association also is a partner in the effort.

Under SCR 80, Water Professionals Appreciation Week begins on the first Saturday of October and ends on the Sunday of the following weekend each year. This timeframe was specifically chosen to allow for two available weekends to host related activities and events. This year's Water Professionals Appreciation Week runs from Oct. 7-15.

ACWA members who wish to participate in Water Professionals Appreciation Week may choose from the following suggested activities and tools.

Suggested Local Activities

1. Let your local media know you are participating in Water Professionals Appreciation Week. This [sample news release](#) is available.
2. Ask the cities and counties in your service area to pass resolutions in support of your agency and Water Professionals Appreciation Week.
3. Organize a tour of your agency's water facilities, infrastructure or projects, such as a water treatment plant, recycled water project, or irrigation infrastructure. Be sure to invite your customers, local officials, legislators and media.
4. Host an Open House at your district office.
5. Work with local high schools, colleges and universities to promote careers or internships at your district.
6. Start a mentor program for young professionals in your agency.

Social Media Content

During Water Professionals Appreciation Week, please share the following content on your agency's social media platforms using the Water Professionals Appreciation Week hashtags: **#WeAreCAWater**, **#CAWaterWeek** and **#WorkForWater**.

- Share these Water Professionals Appreciation Week [sample posts](#) in combination with this [WPAW logo](#) or any of the following graphics:
 - [Job Openings graphic](#)
 - [Have an Impact graphic](#)
 - [Love My Career graphic](#)
 - [Thank You graphic](#)
- Share ACWA's NextGen Initiative videos to promote careers in the water industry:
 - [Why Water](#)
 - [From Kindergarten to Career](#)
 - [Welcoming the New Wave](#)
- Record and share short video interviews with your staff to highlight the different jobs at your district. Videos should be no longer than 1-2 minutes.

- Create mini-profiles highlighting the water professionals in your agency. Profiles should be branded as shown in this [JPEG mock up](#). A group photo rather than an individual photo may be used in a similar manner as well. (To obtain the InDesign file for this mock up, please contact ACWA Communications Specialist [Emily Allshouse](#).)
- Educate your customers on the important role of the California water industry with ACWA's Value of Water graphics:
 - [#CAWater: Safe. Reliable. Essential.](#)
 - [Water: the Lifeblood of Farms and Food.](#)
 - [Safe Drinking Water: It's Worth the Investment.](#)
 - [Investing in Finding Every Drop We Can: It's Our Future.](#)
- Share existing tools from your agency that educate customers about your role in the water industry and local community.

Questions

ACWA members with questions about Water Professionals Appreciation Week or these tools may contact ACWA Communications Specialist [Emily Allshouse](#) at (916) 441-4545.



Agenda Item: 8

Date: August 13, 2018

Subject: Directors Out of State Travel Request

Staff Contact: Dan York, General Manager

Recommended Board Action:

Approve any interested Directors out of state travel request to attend the California Groundwater Association’s 2018 Annual Convention and Trade Show in Reno, Nevada.

Discussion:

A Director has requested to provide information for any interested Directors to attend the California Groundwater Association’s 2018 Annual Convention and Trade Show, October 25-27, 2018 in Reno, Nevada. The conference takes place out of state; therefore, per District Policy PL – BOD 003, Directors’ Compensation and Expense Reimbursement Policy, Board approval is required for Directors attending the conference. Attached as Exhibit 1 is further details about the conference.

Fiscal Impact:

Within budgeted amounts for Board travel and conferences.

Strategic Plan Alignment:

Leadership – 5.A. Engage in legislative affairs on issues affecting the District.

Leadership – 5.B. Engage in a role with professional water industry groups to provide proficiency in technical and policy matters.

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

By Board members attending conferences related to the water industry, District customers will benefit as there is a potential to form new relationships, networking opportunities, discover new solutions to water industry issues, attend workshops that showcase new technologies, workflow, and processes.



Registration Brochure

*CGA's 70th Annual
Convention and Tradeshow*

October 25-27, 2018
Grand Sierra Resort and Casino
Reno, NV

A decorative graphic consisting of three horizontal orange lines of varying lengths, arranged in a stepped, zig-zag pattern.




CGA's 70th Annual *Convention and Tradeshow*



Our Mission:

- Caring for California's groundwater resources
- Giving high quality service to members and the public
- Acting in the best interest of the groundwater industry



Join CGA for our 2018 Annual Convention and Tradeshow in the Biggest Little City in the world, Reno, NV at the Grand Sierra Resort. Our Convention Committee has worked diligently to build a top-notch educational program, including water treatment issues, a legislative update on the all of the hot button issues, well destruction...just to name a few!

We also will host the tradeshow beginning Thursday evening and continuing through the afternoon on Saturday. A diverse group of vendors will be displaying the latest innovations and products for groundwater.

General Information and Frequently Asked Questions

Where is the Seminar?

All activities associated with the 2018 Annual Convention and Tradeshow will take place at:
Grand Sierra Resort
2500 E. 2nd St.
Reno, NV 89595
Tel: 775-789-2000

How do I register?

The deadline to pre-register for the Convention is October 12, 2018. Sign up online at <https://groundh2o.site-ym.com/page/AnnualConvention>

What if I register after the October 12, 2018 deadline?

You will need to register onsite at the Convention. There is no additional fee assessed for onsite registration.

What is the cancellation policy?

Cancellations must be submitted IN WRITING and received by CGA (via fax, mail or email) no later than October 12, 2018. All cancellations received on or before October 12, 2018, will be refunded less a \$25 processing fee. There will be NO refunds for cancellations made after October 12, 2018.

What is the substitution policy?

If you are registered but cannot attend, substitutions are acceptable. While onsite substitutions are allowed, if you communicate a substitution before October 12th the person attending will have a name badge onsite.

When can I pick up my registration materials?

Registration materials will be available onsite at the registration desk during the following hours:

Thursday, October 25, 2018
7:30 AM – 5:00 PM
Friday, October 26, 2018
7:30 AM – 4:00 PM
Saturday, October 27, 2018
8:00 AM – 3:30 PM

Is there a dress code for the Annual Convention and Tradeshow?

Appropriate dress for the Annual Convention is casual. This year we are hosting a 50's themed event, so we welcome attendees to dress to our theme throughout the event!

Are there special group rates available at the Grand Sierra Resort?

Yes! The Grand Sierra Resort has extended the discounted rates of \$85-\$105 per night depending on room type, plus taxes and fees, to CGA for the 2018 Annual Convention and Tradeshow. Hotel accommodations can be made online <https://book.passkey.com/e/49444511> or by calling the hotel and identifying yourself as a CGA attendee.

By when do I need to book my hotel accommodations?

The discounted room rate of \$85 ends September 23, 2018.

New This Year!

In addition to our new two day tradeshow format, we have made a few more changes throughout the event!

- **Silent Auction** – This year, our silent auction is moving from the banquet to the tradeshow floor! If you have any items to donate, please drop them off at registration starting Thursday evening and make sure to bid on some great items!
- **2019 Exhibitor Booth Selection** – Are you interested in exhibiting that the 2019 Convention? If so, make sure you secure your booth on Friday, October 26th from 10:30AM - 2:30PM! Booth selection will be open to all exhibiting companies on a first come first serve basis. Payment must be submitted no later than 12/31/2018 to guarantee your selection.

Thursday, October 25, 2018

Registration Hours

7:30 AM – 5:00 PM

Golf Tournament (Lunch Included)

8:00 AM – Lakeridge Golf Course

Education Sessions

- 8:00AM - 12:00PM
Nevada Regulations – Jacob Echeverria, State of Nevada
- 12:00PM - 2:00PM
Well and Septic System Maintenance – Thi Pham, RCAC
- 2:00PM - 4:00PM
Update on groundwater laws – Jessie Richardson, Water Systems Council
- 2:00PM - 4:00PM
Marketing Your Business – Tom Krazen, Kings River Drilling

Exhibitor Meet and Greet – Come Meet our Sponsors and Exhibitors and get grab a drink!
5:30PM – 6:30PM

Bowling Tournament and Dessert

7:00PM – 9:30PM

Texas Hold'em Tournament

9:30PM

Friday, October 26, 2018

Registration and Silent Auction Hours

8:00AM – 3:00PM

Breakfast with the Exhibitors

8:00AM – 10:15AM

Educational Sessions – Exhibit Hall Closed

10:15AM - 11:30AM

- Meters and Trouble -Shooting Pump Systems - Dan Featherstone, Pentair
- Basic Geologic Conditions Related to Well Design and Performance – Jeremy Wire, Geo-Consultants
- How Water Well Contractors Become Invincible to Lawsuits and Save Thousands in Taxes – Riva Daniel, American Society of Asset Protection

2019 Exhibitor Booth Selection

10:30AM - 2:30PM

(Payment must be received by 12/31/2018 to secure booth selections)

General Membership Meeting and Luncheon on the Tradeshow Floor!

11:30AM - 1:15PM

Educational Sessions

1:15PM - 2:30PM

- Explosives – Tylor McMillian, Tylor McMillians Well Service, LLC
- Heavy Duty Well Screens For Deep Wells – Edd Schofield

Exhibit Hall Break

2:30PM – 3:00PM

Educational Sessions – Exhibit Hall Closed

3:00PM – 4:15PM

- Well Rehabilitation – Norman Howard, Cotey Chemical
- Nitrates, Are They Actually An Issue? – Larry Newcomb, Septic Layout

Manufacturer/Supplier Division Meeting

3:00PM – 4:00PM

70th Annual Banquet Reception

6:30PM – 7:15PM

70th Anniversary Banquet, Awards and Live Auction

7:15PM – 10:30PM

Saturday, October 27, 2018

Registration and Silent Auction Hours

8:00AM – 3:30PM

Breakfast with the Exhibitors

8:00AM – 11:15AM

Educational Sessions

11:15AM - 12:15PM

- Growing Your business with solar pumping, When & Where?– Aaron Dretel
- Well Repair Tools and Techniques and Rehabilitation Techniques – Mike Guardino, Welenco Inc/Water Well Technology

Tradeshow Luncheon

12:15PM – 1:30PM

CGAA Luncheon and Event

12:15PM – 2:15PM

Educational Sessions – Exhibit Hall Closed

1:30PM - 2:45PM

- Basic Geology and Lab Work – Jeremy Wire, Geo-Consultants

Spirits Tasting

3:30PM – 4:45PM

Blackjack Tournament

6:30PM – 8:30PM

Session Descriptions

Here are some of the exciting session descriptions for the upcoming convention!

Update on Groundwater Laws

This session discusses recent court cases and legislative developments that may impact water well contractors in California. Federal Reserved Water Rights, exempt wells, mandatory connection and the California Sustainable Groundwater Management Act are some of the topics that will be discussed. The speaker will also address how well contractors can ensure that their views will be considered by local, state and federal policy makers.

Meters and Trouble -Shooting Pump Systems

The goal of this training is to review the various meters seen in our profession, trying to answer the question do I really need that kind of meter. What can I really test and understand what the condition am testing mean? What is a bad reading, what is a good reading? What is the meter really telling me? In the time we have we will also look at trouble shooting of a Variable Speed Drive and discover often you do not need a meter to trouble shoot the system. The ultimate goal is to get you comfortable with using and understanding a meter and understanding how the pump system parts interact and potentially fail.

How Water Well Contractors Can Become Invincible to Lawsuits and Save Thousands in Taxes

Learn the strategies and tools the nation's top law firms use to save their clients millions of dollars each year. This lecture provides solutions to three major problems: lawsuits, taxes, and probate

Business Development with a Focus on Marketing

Business Development is the creation of longterm value for your organization from customers, markets, and relationships by knowing who you are and where you are going. In the simplest terms, business development can be summarized as the ideas, initiatives, and activities aimed towards making your business better. This includes increasing revenues, growth in terms of business expansion, increasing profitability, building strategic partnerships, and making good business decisions. It is a dream with a light at the end of the tunnel but as you get closer, moving the tunnel further back again. Today, we will explore mostly the Marketing side of Business Development.

Registration Information

Full registration fees include: Admission to the three-day convention and tradeshow; all seminars; all meal functions listed; and conference materials. Additional activities listed below require separate registration.

Contractor/Technical/Individual

\$240.00	Early Bird Full Conference Member
\$300.00	Early Bird Full Conference Non-Member
\$290.00	Full Conference Member
\$350.00	Full Conference Non-Member
\$75.00	Single Day Member
\$100.00	Single Day Non-Member

Exhibiting Manufacturer/Supplier

\$240.00	Early Bird Full Conference Member
\$300.00	Early Bird Full Conference Non-Member
\$290.00	Full Conference Member
\$350.00	Full Conference Non-Member
\$75.00	Single Day Member
\$100.00	Single Day Non-Member

Non-Exhibiting Manufacturer/Supplier

\$400.00	Early Bird Full Conference Member
\$420.00	Early Bird Full Conference Non-Member
\$470.00	Full Conference Member
\$490.00	Full Conference Non-Member
\$150.00	Single Day Member
\$175.00	Single Day Non-Member

Affiliate

\$400.00	Early Bird Full Conference Member
\$420.00	Early Bird Full Conference Non-Member
\$470.00	Full Conference Member
\$490.00	Full Conference Non-Member
\$150.00	Single Day Member
\$175.00	Single Day Non-Member

Separate Registration Required

Golf Tournament: \$150
Bowling: Adult - \$40
Child (Ages 12-18) - \$20
Poker Tournament: \$75
Blackjack Tournament: \$100
Beer/Whiskey Tasting: \$25

Registration Form

Full registration fees include: Admission to the three-day convention and tradeshow; all seminars; all meal functions listed; and conference materials. Additional activities listed below require separate registration.

Contact Information		
Name:	Title:	
Organization:		
Address:		
City:	State:	Zip:
Email:	Phone:	

Registration Fees (Check All That Apply):			
Contractor/ Technical/Individual	<input type="checkbox"/> \$240.00 Early Bird Full Conference Member <input type="checkbox"/> \$300.00 Early Bird Full Conference Non-Member <input type="checkbox"/> \$290.00 Full Conference Member <input type="checkbox"/> \$350.00 Full Conference Non-Member <input type="checkbox"/> \$75.00 Single Day Member <input type="checkbox"/> \$100.00 Single Day Non-Member	What is the cancellation policy? Cancellations must be submitted IN WRITING and received by CGA (via fax, mail or email) no later than October 12, 2018. All cancellations received on or before October 12, 2018, will be refunded less a \$25 processing fee. There will be NO refunds for cancellations made after October 12, 2018.	
Exhibiting Manufacturer/ Supplier	<input type="checkbox"/> \$240.00 Early Bird Full Conference Member <input type="checkbox"/> \$300.00 Early Bird Full Conference Non-Member <input type="checkbox"/> \$290.00 Full Conference Member <input type="checkbox"/> \$350.00 Full Conference Non-Member <input type="checkbox"/> \$75.00 Single Day Member <input type="checkbox"/> \$100.00 Single Day Non-Member	What is the substitution policy? If you are registered but cannot attend, substitutions are acceptable. While onsite substitutions are allowed, if you communicate a substitution before October 12th the person attending will have a name badge onsite.	
Non-Exhibiting Manufacturers/ Supplier	<input type="checkbox"/> \$400.00 Early Bird Full Conference Member <input type="checkbox"/> \$420.00 Early Bird Full Conference Non-Member <input type="checkbox"/> \$470.00 Full Conference Member <input type="checkbox"/> \$490.00 Full Conference Non-Member <input type="checkbox"/> \$150.00 Single Day Member <input type="checkbox"/> \$175.00 Single Day Non-Member		
Affiliate	<input type="checkbox"/> \$400.00 Early Bird Full Conference Member <input type="checkbox"/> \$420.00 Early Bird Full Conference Non-Member <input type="checkbox"/> \$470.00 Full Conference Member <input type="checkbox"/> \$490.00 Full Conference Non-Member <input type="checkbox"/> \$150.00 Single Day Member <input type="checkbox"/> \$175.00 Single Day Non-Member		
Golf Tournament	<input type="checkbox"/> \$150	Bowling	<input type="checkbox"/> Adult - \$40 <input type="checkbox"/> Child- \$20
Poker Tournament	<input type="checkbox"/> \$75	Blackjack Tournament	<input type="checkbox"/> \$100 Beer/Whiskey Tasting <input type="checkbox"/> \$25

Payment Information: (Payment must accompany registration form for processing.)	
Payment Enclosed In The Amount of:	Total \$
<input type="checkbox"/> Check # _____	<input type="checkbox"/> Pay Online at www.groundh2o.org



www.groundh20.org
700 R Street Ste 200
Sacramento, California 95811



Agenda Item: 9

Date: August 8, 2018

Subject: General Manager’s Report

Staff Contact: Dan York, General Manager

a. McClellan Business Park Successor Agreement Update

A meeting was held on July 11, 2018 between District staff and legal counsel and MBP staff and legal to discuss final edits to the draft Successor Agreement. The two parties were able to obtain some positive feedback on the draft Successor Agreement. On July 16th, the District responded to MBP on minor substantive changes to the draft Successor Agreement.

On July 23, 2018, District staff received a request from County of Sacramento (County) to have an agreement between the District and County for properties at MBP where they hold fee title and received the property directly from the United States Air Force. The properties cover approximately 5% of MBPs acreage. The County properties include US Coast Guard, Base Commissary, Base Exchange, VA Clinic, Sacramento Metropolitan Fire, and SMUD.

The County, upon review of the draft Successor Agreement with their legal counsel and executive management, and taking into consideration the County’s land holdings at McClellan, feel a stand-alone District and County agreement is a preferable alternative to a 3 party agreement. The County has the following suggestions:

- a. County can terminate the existing SSWD (Northridge) County Agreement outside of the SSWD MBP agreement.
- b. We can utilize the MBP/SSWD agreement as a “template” for County/SSWD agreement
 - i. The County would let MBP keep the proposed “Improvement Fund” benefits.
 - ii. The allocation of “equivalent inch diameters” of water service to County Parcels would be their main focus.
 - iii. The easement provisions would be included.
- c. County would work with their property tenants to assess “inch diameters of service” for each site and manage that capacity moving forward.
- d. If a County/SSWD agreement is agreed to, the County will prepare a draft agreement using the draft MBP/SSWD agreement as a base.

The MBP & SSWD draft Successor Agreement, in its current form, is similar to the Sanitation District agreement with MBP. That particular agreement was adopted in

2011. As an example, the sewer credits "run with the land" and are part of the title documents at time of transfer.

Due to scheduling conflicts, District and County legal counsel will be discussing the subject request in approximately three weeks.

Staff will be presenting the subject topic to the Facilities & Operations Committee on Thursday, September 13, 2018.

b. City of Sacramento Wholesale Agreement

As reported in October 2017, the District and City of Sacramento (City) concur that it is advantageous to amend the 2004 Agreement that will potentially lower the cost per acre feet that would allow the City to utilize their water supplies and to allow the District to purchase the water to benefit its Conjunctive Use Program. In addition, the City and the former Northridge Water District (NWD) entered into an agreement in 1980, under which the City granted NWD the right, subject to specified conditions, to divert up to 9,023 af per year from the American River for use within the portion of service area of NWD, referred to as Area D.

The District and the City last met on August 8, 2018, to address the status of ongoing discussions related to the Agreement. During the September 2017 meeting, the following topics were discussed to potentially add to the amended agreement:

- Wholesale Water Rates: The intent of the wholesale water rate analysis is to potentially adopt a wholesale water rate that is standard in the water treatment industry.
- 9,023 af of surface water supply of the former Northridge Water District: Add the subject surface water supply to the amended agreement that can only be utilized in Area D of the District's service area.
- Emergency/Maintenance Supply: Set parameters for utilizing the interconnection between the agencies for emergency or maintenance utilization.
- Sacramento River Water Supply: Opportunities to receive water from the Sacramento River Treatment Plant. Note, there are certain provisions in the Water Forum related to the Purveyor Specific Agreement.
- Water Transfers: Insert language/terms that would simplify the internal approval process in order to expedite water transfer opportunities.
- Groundwater Storage: Include language/terms that would simplify the internal approval process to conduct groundwater storage opportunities.

As previously reported, on July 6, 2018, the City provided the District with a draft Agreement. District staff and legal counsel will review and comment on the draft Agreement in a timely manner and schedule a meeting with the City to discuss both agencies comments/edits.

The City has contracted with HDR Engineering Inc. to conduct a wholesale water rate analysis. HDR is scheduled to provide the subject analysis to the City's Finance Department in November 2018. District staff is currently coordinating with the City to

provide a legal document to transfer the 9,023 af of Area D water to the District, separate from the draft wholesale agreement.

c. Meter Reading Issues Update

District staff continues to work with Mueller Systems in an effort to resolve the ongoing Advanced Metering Infrastructure (AMI) issues. The AMI infrastructure continues to experience coverage issues and is in need of additional collectors. Mueller Systems has agreed to install collectors at their cost, if the District agrees to release Mueller Systems from any further infrastructure improvement obligations. In July 2018, Mueller Systems submitted a proposed AMI Build Out, Software and Hardware Service Agreement (ASA). The ASA differs from the original ASA the District entered into with KP Electronics. District staff is not in agreement with Mueller Systems new terms. The ASA has been forwarded to legal counsel for further review. Staff will continue to provide updates as they develop.

d. Public Outreach Meeting on Main Replacement Projects

On August 2, 2018, the District held a public forum meeting to receive input from customers within the main replacement project areas. The purpose was to learn more about the projects, ask questions and provide feedback. In attendance was a representative from the contractor in the project areas, staff and Directors in the affected construction areas. A total of six customers attended the subject meeting. Staff conducted a presentation providing information on the projects. The attendees asked very good questions related to fire hydrants, meters, future projects and paving/slurry seal. In addition, staff received approximately seven comments from customers who could not attend the meeting.

Staff felt it was a very good turnout and are planning to conduct another public forum meeting following completion of the 2018 main replacement program to wrap up the 2018 construction phase. For future main replacement/CIP projects, staff plans to conduct three public forum meetings throughout a project. Initial meeting to inform/educate, middle for feedback and final to obtain feedback and closure to a project.

Attached as Exhibit 1 to this report is the letter that was distributed to the customers within the main replacement project area.

e. Grant of Easement and Right of Way at 4000 Edison Avenue

Pursuant to Resolution 16-21, the General Manager has accepted a Grant of Easement and Right of Way for the below listed property for the purposes of operation and maintenance of distribution main pipeline and related appurtenances at Mira Loma High School:

- 4000 Edison Avenue, Sacramento, California

f. 2018 Water Transfer

City of Sacramento (COS) and Sacramento Suburban Water District (SSWD) began transferring water on July 13, 2018. The State Water Board petition and order allowing this transfer is based on CSO transferring 3,900 acre-feet of groundwater and SSWD transferring up to 4,300 acre-feet of groundwater in lieu of using surface water, for a total of 8,200 acre-feet.

SSWD is on pace to transfer the committed 4,300 acre-feet. However, COS is running behind schedule because of the water transfer starting 12 days after the start date for the transfer (July 1, 2018) and many of their wells are out of service. COS is on pace to pump 2,440 acre-feet, which is 1,460 acre-feet less than committed. This leaves about 1,300 – 1,400 acre-feet additional water that SSWD could pump and transfer. This additional pumping provides additional funds to the transfer program for the District.



July xx, 2018

<<Name>>
 <<Street>>
 <<City>>, <<State>> <<Zip>>

Re: <<PropertyStreet>>

Dear Customer:

Please join us! Sacramento Suburban Water District (SSWD) would like your feedback.

We have scheduled a public forum to discuss the water pipeline replacement project in your area. We hope you will join us to learn more about the project, ask questions, and give feedback.

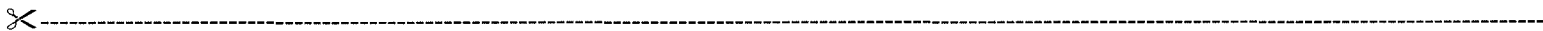
Attendees Expected:

- SSWD Directors McPherson and Thomas
- SSWD management and engineering staff
- Contractor representatives

Time & Date:	6:00 p.m., Thursday, August 02, 2018
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Location: SSWD Administrative Office
 3701 Marconi Avenue, Sacramento, CA 95821

We appreciate and encourage your input on how the project is affecting you and how SSWD and its contractors are performing their work in your area. Light refreshments will be provided.



If you are unable to attend this public forum we would still appreciate and value your comments and or questions.

Please fill in the form below and mail to:

Sacramento Suburban Water District
 Attn.: Engineering Project Coordinator
 3701 Marconi Avenue, Suite 100
 Sacramento, CA 95821

Name: _____

[Address]

Comments/Questions: _____



ITEM 10. a.

REGIONAL WATER AUTHORITY EXECUTIVE COMMITTEE AGENDA

July 25, 2018; 8:30 a.m.
5620 Birdcage Street, Suite 110
Citrus Heights, CA 95610
(916) 967-7692

AGENDA

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

1. **CALL TO ORDER AND ROLL CALL**
2. **PUBLIC COMMENT:** Members of the public who wish to address the committee may do so at this time. Please keep your comments to less than three minutes.
3. **CONSENT CALENDAR**
Minutes of the June 27, 2018 Executive Committee meeting
Action: Approve Consent Calendar item
4. **UPDATE OF POLICY 400.2, EMPLOYEE COMPENSATION**
Information Presentation and Discussion: John Woodling, Executive Director
5. **SUBCOMMITTEE UPDATES**
Information Presentation: Conference and Membership Subcommittees and Discussion
6. **EXECUTIVE DIRECTOR'S REPORT**
7. **DIRECTORS' COMMENTS**

ADJOURNMENT

Upcoming meetings:

Upcoming Executive Committee Meetings –August 22, 2018 and September 26, 2018 at 8:30 a.m. at the RWA office

Next RWA Board of Directors' Meeting – Thursday, September 13, 2018, at 9:00 a.m. in the RWA conference room, 5620 Birdcage Street, Ste. 110, Citrus Heights, CA 95610

ITEM 10. b.

SACRAMENTO GROUNDWATER AUTHORITY REGULAR MEETING OF THE BOARD OF DIRECTORS

Thursday, August 9, 2018; 9:00 a.m.

5620 Birdcage Street, Suite 110

Citrus Heights, CA 95610

(916) 967-7692

Agenda

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

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

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT: Members of the public who wish to address the Board may do so at this time. Please keep your comments to less than three minutes.

3. CONSENT CALENDAR

Minutes of June 14, 2018 meeting

Action: Approve June 14, 2018 meeting minutes

4. GROUNDWATER MANAGEMENT PROGRAM UPDATE

Information Update: Rob Swartz, Manager of Technical Services

5. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) UPDATE

Information Update: John Woodling, Executive Director

6. EXECUTIVE DIRECTOR'S REPORT

7. DIRECTORS' COMMENTS

ADJOURNMENT

Next SGA Board of Director's Meeting – October 18, 2018, 10:00 a.m., RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights.

ITEM 11. a.

Minutes

Sacramento Suburban Water District
Facilities and Operations Committee
Wednesday, August 1, 2018

Call to Order

Chair Jones called the meeting to order at 11:00 a.m.

Pledge of Allegiance

Chair Jones led the Pledge of Allegiance.

Roll Call

Directors Present: Dave Jones.

Directors Absent: Robert Wichert (Arrived at 11:17 a.m.)

Staff Present: General Manager Dan York, Assistant General Manager Mike Huot, Amy Bullock, Matt Underwood, David Morrow, Dana Dean, Mitchell McCarthy, Jim Arenz, David Espinoza and David Armand.

Public Present: William Eubanks, Paul Selsky, Ken Loy, Ken Worster, Pete Delevalle, Jim Mulligan and Kelye McKinney.

Announcements

General Manager Dan York (GM York) announced that on August 2, 2018, at 6:00 p.m. to 7:30 p.m. the District will host a Public Outreach event on the main replacement program on Edison Meadows and Parkland Estates where Director McPherson and Director Thomas will attend to represent their division.

Public Comment

None.

Consent Items

1. Minutes of the May 30, 2018 Facilities and Operations Committee Meeting

Chair Jones moved to approve Consent Item 1; The motion passed by unanimous vote.

AYES:	Jones.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:	Wichert.		

Items for Discussion and/or Action

2. Presentation on Well Site Selection Planning

Jim Arenz, Senior Project Manager (Mr. Arenz), introduced Ken Loy (Mr. Loy) with West Yost, who introduced Pete Delevalle (Mr. Delevalle) who went through a PowerPoint Presentation.

Chair Jones inquired if West Yost considered putting any of the District wells outside the District boundaries, what they refer to as the buffer zone.

Mr. Delevale stated in the specific study they did not look beyond the District's boundaries.

Mr. Arenz noted that for this study staff is looking for well sites inside the District's boundaries; however, should West Yost be unsuccessful in finding well sites that meet the criteria then the District can search outside the boundaries with this tool.

Chair Jones inquired in the 2,000 feet buffer zone does the District have any active wells there now.

Mr. Delevale stated that in some cases the District does have active wells in the 2,000 feet buffer zone.

Chair Jones inquired if school sites and park sites are included in the figure of 170 sites.

Mr. Delevale clarified that school and park sites are included in the 170 potential qualifying site figure.

Chair Jones inquired if high resolution aerial photography is available now.

Mr. Delevale stated that the aerial photography is available and is already in the data set program.

Chair Jones inquired if Mr. Delevale has looked at sites smaller than the criteria or RD5 sites.

Mr. Delevale stated that at this time they have not looked at sites outside of the criteria because they have sites that meet the District's criteria. Mr. Delevale further noted that if the data came back with no matching sites, then they could change the perimeter criteria to a smaller lot size to see what comes up.

GM York inquired if staff knew what DDW's minimum well site requirements are.

Mr. Arenz stated that DDW does not have a minimum lot size; however, they do have restrictions on proximity to sewer and storm drains.

Chair Jones inquired if any other districts have used this system or tool.

Mr. Delevale stated that the City of Santa Rosa has used the tool for well site selection and other property purchases.

Chair Jones inquired how hard it would be for other districts to use the system or tool once developed for the District.

Mr. Deleville stated that if the District had the data available, the data can be expanded and available for adjacent Districts.

Chair Jones stated for the record that Director Wichert is present for the meeting at 11:17 a.m.

Chair Jones inquired how much the system or tool was going to cost.

Mr. Arenz stated the cost to develop the tool is \$68,000.00 and would be paid for out of this year's budget.

The Facilities and Operations Committee (F&O) recommended taking the item to the full board as a Consent Item with a recommendation of approval.

Public comment from William Eubanks (Mr. Eubanks) requested some clarification on why this item needs to go to the full Board as a Consent Item for approval if the money has already been budgeted.

Chair Jones stated that taking the item to the full Board as a Consent Item moves the discussions along and having the item as a Consent Item informs the other Board members that the F&O Committee has reviewed the item with a recommendation of approval.

GM York further noted that the reason the item should go to the full Board as a Consent Item is to allow staff utilize the tool that has already been approved by the Board for future property purchases.

Mr. Eubanks further voiced that it seems extremely simple and straight forward and does not think the item should have to go to the full Board for approval to utilize the tool in the future.

3. Distribution Main Asset Management Plan Update

Dana Dean (Mr. Dean) presented the staff report.

Director Wichert stated that he was not in a position to make a decision on the agenda item.

Chair Jones noted that he has a lot of questions and comments on the whole progress and process in which he recently met with GM York on.

Mr. Dean noted that he would like to meet with Chair Jones to answer and address his questions and concerns.

GM York noted that October is the goal for recommendation of approval from the F&O Committee.

Director Wichert noted he would like a copy of Chair Jones comments and questions.

The Committee did not have any recommendations at this time and is recommending the item be brought back to another F&O Committee meeting potentially in late August or early September.

4. 2017 Consumer Confidence Report Review

David Armand (Mr. Armand) presented the staff report.

Director Wichert inquired if there is clarification on the language that he was informed is required, but leaves the consumers in his view wondering what to do. Director Wichert further noted that he is suggesting staff has language on how the District's water has performed in the past and how it is performing in the future.

Mr. Armand expressed that he has never seen or heard of anyone inserting clarification text after the mandated language.

Director Wichert inquired if the District's water is safe for pregnant woman to drink.

Mr. Armand stated that he is not a physician so he cannot answer Director Wichert's question.

Director Jones inquired if there is anyone from the State that can provide a statement on the water that the District is serving.

Mr. Armand is not aware of anyone that could provide a statement.

GM Dan York clarified that for the next year's CCR the District can request that new or different language be added.

Mr. Armand noted that he has been working with other staff on language for next year's CCR regarding certain language on how the District's water stacks up against other districts.

Assistant General Manager Mike Huot (AGM Huot) stated that staff could provide Directors with the District's draft language for review and potentially take the draft language to the State for review and or approval.

Public comment from Mr. Eubanks. Mr. Eubanks stated that he would caution staff and Board members to be very careful on how specific you get if you modify language and not to single out groups and deviate from State mandated language. He further noted in doing so this could open up legality issues and would highly refrain from modifying any language at all.

GM York stated that whatever draft language is currently in the works from staff will be provided at the next F&O Committee meeting per Director Wichert's request.

Adjournment

Chair Jones adjourned the meeting at 11:52 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District

DRAFT



Agenda Item: 12

Date: August 8, 2018

Subject: 2018 Employee Compensation Study Update

Staff Contact: Daniel A. Bills, Finance Director

The 2018 Employee Compensation Study is proceeding in line with the Scope and Schedule accepted by the Board on April 23, 2018.

As the Board will recall, Study tasks were split between two Consultants: Bryce Consulting (Shellie Anderson) to perform a review of the District’s Organizational Chart and Job Descriptions at a cost not to exceed \$8,500.00; and a Compensation Study Consultant to be selected through the RFP process to perform the Compensation Study.

Bryce Consulting had an initial meeting with senior management and discussed possible changes to the Organizational Chart. Subsequently, senior management made further changes, which have been sent back to Bryce Consulting for review. Comments are expected by Friday, August 10, 2018.

Bryce Consulting prepared a Job-Description Questionnaire that was distributed to all staff along with their current job descriptions asking for a response and edits on their job duties with the intent of bringing them current. All comments have been received from staff, updated job descriptions have been written and forwarded to Bryce Consulting for review. Comments are expected by Friday, August 17, 2018.

The major steps necessary to complete the Compensation Study are:

TASK	COMPLETED ON
1. Prepare/distribute Request for Proposals (RFP)	May 23, 2018
2. Receive Proposals	August 3, 2018
3. Select Consultant	August 13, 2018
4. Execute contract	
5. Consultant begins study	
6. Intermittent discussions with Committee and Board	
7. Study completed	
8. Board approval	

Currently, staff is awaiting receipt of proposals for the Compensation Study. To date, two have been received.



Agenda Item: 13

Date: August 6, 2018
Subject: 2018 Water Rate Study Update
Staff Contact: Daniel A. Bills, Finance Director

The 2018 Water Rate Study is proceeding in line with the Scope and Schedule approved by the Board on April 23, 2018.

As the Board will recall, the major steps necessary to complete the Study are:

TASK	COMPLETED ON
1. Prepare/distribute Request for Proposals (RFP)	May 23, 2018
2. Receive Proposals	June 13, 2018
3. Select Consultant	July 16, 2018
4. Execute contract	July 19, 2018
5. Consultant begins study	August 8, 2018
6. Intermittent discussions with Committee and Board	
7. Study completed	
8. Board approval	
9. 218 Hearing (only if increases are necessary)	

During August staff has received a data request from the Consultant while a kick-off meeting is scheduled sometime during the week of August 27.



Agenda Item: 14

Date: August 9, 2018

Subject: Legislative and Regulatory Update

Staff Contact: Greg Bundesen, Water Conservation Supervisor

RWA Government Affairs Committee

As the 2018 Legislative session advances, the Regional Water Authority (RWA) will continue to update the bill list being monitored by the Lobbyist Subscription Program (Program). As the Program begins to adopt positions and prioritizes bills, staff will inform the Board of the priority bill's status.

July 2018 Updates

The California legislature was on Summer Recess during July 2018. There are no updates to report for state senate and assembly bills.

Introduced in January 2018, H.R. 434: The New WATER Act, authorizes the Department of the Interior, for 15 years after the bill's enactment, to provide financial assistance, such as secured loans or loan guarantees, to entities that contract under federal reclamation law, to carry out water projects within the 17 western states served by the Bureau of Reclamation, and other states where the Bureau is authorized to provide project assistance, e.g., Alaska and Hawaii.

Projects eligible for assistance include:

- Non-federal water infrastructure projects that would contribute to a safe, adequate water supply for domestic, agricultural, environmental, or municipal and industrial use;
- Projects for enhanced energy efficiency in the operation of a water system;
- Projects for accelerated repair and replacement of aging water distribution facilities;
- Brackish or sea water desalination projects; and
- The acquisition of real property or an interest therein for water storage, reclaimed or recycled water, or wastewater that is integral to such a project.

To be eligible for assistance, a project must be deemed creditworthy. Eligible project costs must be reasonably anticipated to be at least \$20 million. Author, Congressman Jeff Denham, anticipates that this bill will be passed by the end of CY2018. The District could benefit from available funds for infrastructure improvement projects such as main/well replacement, water meter installation, and any other projects that enhance the reliability and sustainability of the District's water supply.

Table 1: Updates Regarding Previously Reported Legislation

Bill Number	Name	House Location	Date	Action	Comments	RWA Opinion
SB 623	Water Quality: Safe and Affordable Drinking Water Fund	Assembly	9/1/17	Re-referred to Committee on Rules	Removed from budget trailer bill process.	Oppose Unless Amended
SB 998	Discontinuation of Residential Water Service: Urban and Community Water Systems	Assembly	6/27/18	Pass and re-refer to Committee on Appr ¹ .		Oppose Unless Amended
AB 2370	Lead Exposure: Child Day Care Facilities: Family Day Care Homes	Senate	6/28/18	Read a second time and Amended.	Re-referred to Committee on Appr.	Watch
AB 3206	Water Conservation: Water Meters: Accuracy and Performance Standards	Senate	6/27/18	Amend and recommended to pass.	Re-referred to Committee on Appr.	Oppose Unless Amended
H.R. 434	New WATER Act	U.S. Congress	7/27/18	Natural Resources Committee	In Committee Process	Support recommended

¹ Appropriations (Appr)



Agenda Item: 15

Date: August 2, 2018

Subject: Upcoming Water Industry Events

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

Note that the Board adopted Policy governing Director compensation and expense reimbursement section 200.20(g) states that Directors may receive a meeting stipend (currently \$100.00) for “meetings, water industry events or office visits of a substantial duration concerning substantive District business as requested and approved for payment by the General Manager or the Board President...” Just because information is presented on upcoming water industry events, or regularly scheduled meetings of other water districts, does not necessarily imply that approval for a compensable meeting or reimbursement of expenses are triggered.

Below is a list of upcoming water industry events:

Upcoming Events

1. RWA Executive Committee Meeting
August 22, 2018
RWA Office
<http://rwah2o.org/>
2. RWA Board Meeting
September 13, 2018
RWA Office
<http://rwah2o.org/>
3. Water Education Foundation – 2018 Water Summit
September 20, 2018
Sacramento, CA
<https://www.watereducation.org/>
4. Carmichael Founders Day
Carmichael, CA
September 22, 2018
<https://www.fairoakshostlionsclub.com/carmichaels-founders-day.html>

Upcoming Water Industry Events

August 2, 2018

Page 2 of 3

5. CSDA Annual Conference & Exhibitor Showcase
September 24-27, 2018
Indian Wells, CA
<http://conference.csda.net/>
6. RWA Executive Committee Meeting
September 26, 2018
RWA Office
<http://rwah2o.org/>
7. Wood Rodgers Annual Open House
September 27, 2018
Wood Rodgers Office
<https://rsvp.woodrogers.com/invite?rsvp=MAVMBT>
8. SGA Board Meeting
October 11, 2018
SGA Office
<http://www.sgah2o.org/meetings/board-meetings/>
9. Sacramento Suburban Water District Open House
October 17, 2018
SSWD Office
www.sswd.org
10. SGA 20th Anniversary Event
October 18, 2018
Sacramento, CA
<http://www.sgah2o.org/>
11. AWWA Annual Fall Conference
October 22-25, 2018
Palm Springs, CA
<http://ca-nv-awwa.org/>
12. RWA Executive Committee Meeting
October 24, 2018
RWA Office
<http://rwah2o.org/>
13. California Groundwater Association's 2018 Annual Convention and Trade Show
October 25-27, 2018
Reno, NV
<https://cdn.ymaws.com/www.groundh2o.org/resource/resmgr/files/forms/cga-2018-registration-brochu.pdf>

Upcoming Water Industry Events

August 2, 2018

Page 3 of 3

14. RWA Board Meeting
November 8, 2018
RWA Office
<http://rwah2o.org/>

15. ACWA 2018 Fall Conference
November 27-30, 2018
San Diego, CA
<https://www.acwa.com/events/2018-fall-conference-exhibition/>

16. CSDA Extraordinary Leader Workshop
December 4, 2018
Sacramento, CA
<https://members.csdanet.net/imis1/EventDetail?EventKey=EXLE120418>

17. RWA Executive Committee Meeting
December 5, 2018
RWA Office
<http://rwah2o.org/>

18. SGA Board Meeting
December 13, 2018
SGA Office
<http://www.sgah2o.org/meetings/board-meetings/>

Below is a partial list of local Water Purveyors Regular Board Meeting information and websites:

- Carmichael Water District: <http://carmichaelwd.org/> - Every 3rd Monday of the month
- Citrus Heights Water District: <http://chwd.org/> - Every 2nd Tuesday of the month
- Del Paso Manor Water District: (916)487-0419 - Every 1st Monday of the month
- El Dorado County Water Agency - <http://www.edlafco.us/> - Every 2nd Wednesday of the month
- El Dorado Irrigation District - <http://www.eid.org/> - Every 2nd and 4th Monday's of the month
- Fair Oaks Water District: <http://www.fowd.com/> - Every 2nd Monday of the month
- Natomas Mutual Water Company - <http://natomaswater.com/> - Every 2nd Tuesday of the month
- Orangevale Water Company - <https://orangevalewater.com/> - Every 1st Tuesday of the month
- Placer County Water Agency: <https://pcwa.net/> - Every 1st and 3rd Thursdays of the month
- Rio Linda/Elverta Community WD: <http://www.rlecwd.com/> - Every 3rd Monday of the month
- San Juan Water District: <http://www.sjwd.org/> - Every 4th Wednesday of the month



Agenda Item: 16. a.

Date: August 8, 2018

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

Staff Contact: Dana Dean, P.E., Engineering Manager

The subject Policy is on a biennial review cycle and was last reviewed by the Board in August 2016.

Staff is recommending minor Policy changes intended generally to improve clarity. These are summarized below:

1. Header
The portion of the header which lists revisions was updated to the current format.
2. Introduction
Minor modifications were made to improve clarity.
3. Section 1.00 – Purpose
Some language in this section was moved to Section 3.00 (Procedure) because it relates to implementation of the Policy.
4. Section 2.00 – Authority
Minor modifications were made to improve clarity.
5. Section 3.00 – Procedure
Some language was moved to this section from Section 1.00 (Purpose) because it relates to implementation of the Policy.
6. Section 4.00 – Incorporation of Sustainability Policy
Minor modifications were made to improve clarity.

The Policy was reviewed by General Counsel. A redline version of the policy is attached to this as Exhibit 1.

The Policy is scheduled for Board consideration and adoption at the September Board meeting. If a Director wishes to have their comments included in the Board packet, please provide those comments to staff by Friday, August 31, 2018.

Sacramento Suburban Water District

Public Works Contracting Policy

Adopted: December 20, 2004

Revised ~~Approved with Changes: December 15, 2008; August 20, 2012; August 18, 2014;~~
~~August 15, 2016; August 620, 2018~~

Introduction

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

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

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

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

- Design/Build Contracting
- Emergency Contracting
- Force Account Contracting
- Open Bid Contracting

- Pre-Qualification Bid Contracting
- Request for Qualifications/ Request for Proposal
- Sole Source Negotiations
- Solicitation of Price Quotes

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

1.00 Purpose

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

2.00 Authority

The General Manager is designated as the District's contracting officer with the authority to award and execute contracts binding the District to the construction of public works projects. Board approval of contracts is required when contract amounts exceed the purchasing authority of the General Manager as specified in the District Procurement Policy (PL - Fin 005) or the ~~annual approval of the approved~~ Capital Improvement Program (CIP) budget. The General Manager ~~will have~~has the authority to appoint ~~one or more~~ designees to act on his/her behalf, ~~as required~~, subject to this ~~policy~~Policy and to the establishment of ~~proper~~ procedures and controls governing such designees' authority.

The Board, at its discretion, may direct the manner in which a particular public works contract is selected and/or awarded. The Board may delegate actions under this policy to a Board committee.

3.00 Procedure

The General Manager District staff will maintain procedures for each method of contracting, to be approved by the General Manager, and in conformance with this policy. Staff will utilize the method of contracting that best meets District needs. When time allows and it best suits the needs of the District, the District will utilize generally accepted methods to acquire competitive pricing to achieve this objective. Specific procedures for obtaining competitive pricing from competing contractors will follow District Policies.

4.00 Incorporation of Sustainability Policy

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

5.00 Policy Review

This Policy will be reviewed at least biennially.



Agenda Item: 16. b.

Date: August 1, 2018

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

Staff Contact: Daniel A. Bills, Finance Director

The Procurement Policy (PL – Fin 005) was last reviewed by the Board in August 2016.

The attached updated Policy has been reviewed by staff and legal counsel. Recommended substantive changes include:

Section 200.10 – Removal of confusing purchasing amount language.

Section 200.20 – Clarifying language for purchases less than \$100,000.00.

The policy is scheduled for Board consideration and adoption at the September Board meeting. If a Director wishes to have their comments included in Board packet, please provide those comments to staff by Friday, August 31, 2018.

Sacramento Suburban Water District

Procurement Policy

Adopted: September 20, 2004

Revised: ~~August 15, 2005, August 20, 2007, August 17, 2009, August 20, 2012, September 15, 2014, August 15, 2016~~ Approved with changes on August 20XX, 2018

100.00 Purpose of the Policy

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

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

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

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

200.00 Policy

200.10 Authority

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

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

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

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

200.20 Purchases of Materials and Trade Services

Up To ~~Under~~ \$100,000

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

For emergency purchasing guidance, see Section 200.50.

Irrespective of monetary or other limitations specified in this section, the Board of Directors may, at its discretion, direct the manner in which a ~~known particular~~ specific purchase will be made.

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

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

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

For trade services, selection criteria will be established by the District, which may be

based solely on qualifications (~~SOQ~~) of the candidate(s).

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

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

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

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

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

200.40 General Purchasing Guidelines

- (a) Purchases made with the District's Purchasing Card (Cal Card) shall conform to this Policy and Policy PL Fin 006 "Purchasing Card Policy."
- (b) Employees not designated under ~~awith~~ signed authorization, issued by the General Manager or his/her designee shall not encumber the District for

materials or trade services without prior, written authorization from the General Manager or his/her designee.

- (c) Transactions greater than \$500 may be pre-authorized with a valid Purchase Order or trade service contract.
- (d) Sales, Use, and other excise taxes shall be paid when~~re~~ required by State or Federal law.
- (e) Once materials or trade services received by the District have been confirmed to be acceptable and an appropriate invoice has been received, the District shall process the invoice, obtain the necessary approvals and pay for the materials or trade services within 30 days of receipt of invoice. If the invoice received is not approved, the District will provide notification of the deficiencies to the vendor within two weeks of receipt of invoice.
- (f) All receiving orders and invoices must be approved within the terms and conditions set forth by the General Manager in appropriately established purchasing procedures and controls before payment is made.
- (g) The General Manager may establish an imprest account(s) for the purposes of paying vendors or reimbursing employees for District expenditures of materials or trade services costing \$500 or less. Appropriate controls and procedures will be established by the General Manager or his/her designee.
- (h) All District purchases shall be made for District purposes only. Commingling of District purchases with personal purchases is prohibited.

200.50 Emergency Purchases

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

300.00 Policy Review

This Policy shall be reviewed at least biennially.



Agenda Item: 17

Date: August 9, 2018

Subject: Financial Report

Staff Contact: Daniel A. Bills, Finance Director

Eight reports are attached for your information. Please note formatting changes and additional reports:

- Financial Highlights – July 2018
- Financial Statements – July 2018
- Investments Outstanding and Activity – July 2018
- Cash Expenditures – July 2018
- Credit Card Expenditures – July 2018
- District Reserve Balances – July 2018
- Information Required by LOC Agreement
- Financial Markets Report – July 2018

Financial Highlights

The Balance Sheet and Income Statement Highlights are presented in this report. It is gleaned from the financial statements presented on subsequent pages. Key information from this report indicates the District is running ahead of its prior year cash balance at the same date by \$2.6 million; accordingly, investments are \$2.6 million more than on July 31, 2017; liabilities have decreased by \$8.0 million due to the payment of bond principal in October 2017 and the refunding of the 2009B COP in May 2018; and net position has increased by \$11.8 million in the last 12 months as the District continues to replace capital infrastructure through customer rates as opposed to debt financing. Operating revenues have increased compared to the same period a year ago due primarily to the 4.0% rate increase that occurred on January 1, 2018.

Financial Statements

Balance Sheet:

District cash and cash equivalents increased to \$11.7 million as of July 31, 2018, up from \$6.1 million at December 31, 2017. Cash held in the District's bank accounts (\$4.25 million as of July 31) is held in accordance with state and federal regulations, which state that cash held in the District's bank accounts above the FDIC insured limits must be fully collateralized with government securities that are equal to or greater than 110% of the District's cash balance in the bank at any time.

Investments increased since December 31, 2017, by \$0.1 million to a total of \$35.9 million, reflecting the reinvestment of \$0.4 million interest received off-set by \$0.3 unrealized market value losses. Investment portfolio balances and activity are reported on subsequent pages.

Capital assets grew \$6.9 million to \$465.4 million as of July 31, 2018, 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 \$250.8 million as of July 31, 2018, compared to \$245.4 million at December 31, 2017, for an increase of \$5.4 million.

Income Statement:

The net position increase of \$5.4 million in 2018, when compared to \$5.2 million for the same year-to-date period in 2017, shows:

1. Water Consumption Sales increased by \$0.4 million (7.2 percent) compared to the same period in 2017 due primarily to the 4.0 percent rate increase that occurred on January 1, 2018. Water deliveries decreased 1.0 percent as 16,892 acre-feet was delivered in 2018 compared to 17,043 acre-feet in 2017.
2. Total operating revenues also increased due to Capital Facility Charges increasing by \$0.5 million in line with the 4.0 percent rate increase referred to above.
3. Operating expenses remained unchanged due to the net effect of – 1) a decrease of \$0.3 million in surface water purchasing costs as no surface water was taken in first three months of 2018 due to the shutdown of the Antelope Transmission Pipeline (ATP) and availability of PCWA water; and 2) an increase of \$0.3 million in groundwater pumping costs.
4. Interest and investment income decreased \$0.4 million compared to the same period a year ago primarily due to unrealized holding losses in the first seven months of 2018 that is a result of increasing market rates.

Budgets:

The District’s operating and maintenance expenditures for 2018 came in less than the budget by \$2.0 million. Most of this positive variance is due to water cost savings that stem primarily from the lack of purchased surface water due to the shutdown of the ATP and water availability. The District still expects to take 12,000 AF of surface water in 2018 in the north service area, but is not planning on any surface water purchases in the south service area.

Operating capital project expenditures through July were \$0.36 million. The total budget for the year is \$1.16 million.

The District's 2018 capital improvement project (CIP) budget is \$19.2 million. For 2018, \$6.5 million has been spent, while \$10.5 million is under contract. Expenditures continue to be primarily in distribution system replacements, well improvements and meter retrofit projects.

Debt – July 2018

The District completed refunding the 2009B COP with the 2018A Revenue Refunding Bond in May, saving the District \$1.3 million (NPV) over the next 10 years. This report shows the Series 2009B COP with outstanding principal of \$22.065 million, and 5.0% Fixed Rate was repaid in full through the issuance of the series 2018A, 3.4% Fixed Rate Revenue Refunding Bond in the amount of \$19.615 million.

Scheduled 2018 principal payments of \$4.4 million are not due until the end of October. Total principal outstanding as of July 31, 2018 is \$79.1 million.

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

For seven months ending on July 31, 2018, the District has incurred interest expense of \$1,553,098 versus a forecast of \$2,018,333 or a \$465,235 positive variance. This is primarily due to 1) expected Federal Reserve interest rate increases occurring later than originally anticipated, and 2) savings from refunding the 2009B COP to a lower interest rate with the issuance of the 2018A Revenue Bond.

Investments Outstanding and Activity – July 2018

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, Supra-National Agency notes, 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 2.10% per annum, while LAIF is earning 1.94% per annum. District staff monitors investment assets quarterly and reviews/approves the effective duration of the District's portfolio against its benchmark index on a quarterly basis as well.

During the month of July, the District purchased one US Treasury Note for \$1.1 million (par), one Supra-National Agency Bond for \$0.8 million (par) and one Commercial Paper for \$0.7 million (par). The District sold two Supra-National Agency Bonds for \$1.1 million (par) and one US Treasury Note for \$0.7 million (par). The District received principal paydowns on four Federal Agency Collateralized Mortgage Obligations of \$36,258 (par) and eight Asset-Backed Security Obligations of \$55,265 (par). One Commercial Paper investment matured for \$0.7 million (par). 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 – July 2018

During the month of July, the District made cash payments totaling \$4.3 million. The primary expenditures were – \$1.4 million for 2018 capital improvement projects, \$0.2 million for debt service, \$1.2 million for water costs including pumping and chemical costs, \$0.1 million for legal and financial services, \$0.1 million for customer billing, printing and postage and \$1.1 million for payroll, pension and health benefits.

Purchasing Card Expenditures – July 2018

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 \$9,341 for various purchases on the six District purchasing cards. Details by vendor and purpose are included in this report.

District Reserve 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 July 31, 2018, are \$47,812,028 compared to \$45,669,205 at December 31, 2017. In May, \$3.5 million of reserves were liquidated due to refunding the 2009B COP.

Information Required by LOC Agreement

Per Article 5.2 (b) of the 2009A COP Reimbursement Agreement with Sumitomo Mitsui Banking Corporation (LOC Provider), 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
July 31, 2018

Sacramento Suburban Water District
Financial Highlights
Period Ended

BALANCE SHEET

	Year-To-Date 7/31/2018	Year-To-Date 7/31/2017
LIQUIDITY		
Cash and cash equivalents	\$11,667,952.02	\$9,029,824.78
INVESTMENT		
Investments	35,942,567.68	33,365,106.17
CAPITAL ASSETS		
Property, plant and equipment	465,374,334.85	452,030,581.34
Accumulated depreciation	(175,497,659.41)	(166,076,224.99)
	289,876,675.44	285,954,356.35
LIABILITIES		
Long Term Debt	(86,095,256.25)	(94,121,522.98)
NET POSITION		
Net Position	250,802,612.06	239,017,384.93

INCOME STATEMENT

	Month 7/31/2018	Year-To-Date 7/31/2018	Month 7/31/2017	Year-To-Date 7/31/2017
NET INCOME				
Operating Revenue	4,138,309.77	24,678,462.34	4,277,780.74	23,740,365.84
Operating Expense	(1,772,903.26)	(10,630,171.93)	(1,542,252.51)	(10,651,100.50)
Other, Net	(1,280,047.44)	(8,677,130.65)	(1,132,702.48)	(7,932,336.65)
	1,085,359.07	5,371,159.76	1,602,825.75	5,156,928.69

**Sacramento Suburban Water District
Balance Sheet**

As Of

	Month End 7/31/2018	Year End 12/31/17
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$11,655,320.68	\$6,084,811.39
Restricted Cash and cash equivalents	12,631.34	12,504.34
Accounts receivable, net of allowance for uncollectible accounts	2,482,945.98	3,220,813.91
Interest receivable	201,506.91	175,718.91
Restricted Interest receivable		7,982.27
Grants receivables	135,446.55	135,446.55
Other receivables		139,520.00
Inventory	736,223.63	687,361.49
Prepaid expenses and other assets	691,100.11	596,878.92
TOTAL CURRENT ASSETS	15,915,175.20	11,061,037.78
NONCURRENT ASSETS		
Investments	35,942,567.68	35,860,505.32
Restricted Investments		3,527,683.79
Fair value of interest rate swaps	487,057.00	487,057.00
TOTAL NONCURRENT ASSETS	36,429,624.68	39,875,246.11
Property, plant and equipment	465,374,334.85	458,488,252.58
Accumulated depreciation	(175,497,659.41)	(168,222,020.00)
TOTAL CAPITAL ASSETS	289,876,675.44	290,266,232.58
TOTAL ASSETS	342,221,475.32	341,202,516.47
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount on long-term debt refunding	6,299,534.54	6,678,090.23
Pension contribution subsequent to measurement date	2,623,682.00	2,807,227.00
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	351,144,691.86	350,687,833.70
LIABILITIES		
CURRENT LIABILITIES		
Current portion of long-term debt and capital leases	4,425,000.00	4,240,000.00
Accounts payable	840,874.24	1,799,258.35
Accrued interest	292,720.08	426,439.43
Deferred revenue and other liabilities	1,000,159.44	895,650.62
Accrued expenses	970,163.05	1,194,890.42
TOTAL CURRENT LIABILITIES	7,528,916.81	8,556,238.82
NONCURRENT LIABILITIES		
Long-term debt	81,670,256.25	85,548,384.48
Compensated absences	1,026,424.56	1,019,780.10
Net pension liability	8,997,648.00	8,997,648.00
TOTAL NONCURRENT LIABILITIES	91,694,328.81	95,565,812.58
TOTAL LIABILITIES	99,223,245.62	104,122,051.40
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow of effective swaps	487,057.00	487,057.00
Employee pensions	647,273.00	647,273.00
NET POSITION		
Invested in capital assets, net of related debt	207,155,938.33	207,155,938.33
Restricted	3,548,170.40	3,548,170.40
Unrestricted	40,083,007.51	34,727,343.57
TOTAL NET POSITION	250,787,116.24	245,431,452.30
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	351,144,691.86	350,687,833.70

**Sacramento Suburban Water District
Financial Highlights**

Period Ended

	<u>Month</u>	<u>Year-To-Date</u>	<u>Month</u>	<u>Year-To-Date</u>
	<u>7/31/2018</u>	<u>7/31/2018</u>	<u>7/31/2017</u>	<u>7/31/2017</u>
OPERATING REVENUES				
Water consumption sales	\$1,471,944.45	\$6,307,146.70	\$1,533,148.24	\$5,882,584.99
Water service charge	536,050.96	3,668,945.68	537,158.23	3,684,430.20
Capital facilities charge	2,039,001.76	13,949,763.71	1,959,979.98	13,408,680.66
Wheeling water charge	851.58	165,451.63	161,973.94	164,868.20
Other charges for services	74,965.20	571,658.80	85,520.35	599,801.79
TOTAL OPERATING REVENUES	<u>4,122,813.95</u>	<u>24,662,966.52</u>	<u>4,277,780.74</u>	<u>23,740,365.84</u>
OPERATING EXPENSES				
Source of supply	487,061.94	1,343,018.21	267,490.87	1,602,487.29
Pumping	255,684.62	2,358,818.02	450,656.97	2,109,491.11
Transmission and distribution	282,432.13	1,972,577.97	201,241.76	2,018,675.05
Water conservation	37,152.72	216,216.12	71,491.94	309,467.50
Customer accounts	103,127.57	722,039.99	98,238.18	722,985.35
Administrative and general	607,444.31	4,011,693.20	453,185.02	3,888,046.43
TOTAL OPERATING EXPENSES	<u>1,772,903.29</u>	<u>10,624,363.51</u>	<u>1,542,304.74</u>	<u>10,651,152.73</u>
Operating income before depreciation	2,349,910.66	14,038,603.01	2,735,476.00	13,089,213.11
Depreciation and amortization	<u>(1,038,023.60)</u>	<u>(7,275,639.41)</u>	<u>(1,016,205.66)</u>	<u>(7,116,368.84)</u>
OPERATING INCOME	<u>1,311,887.06</u>	<u>6,762,963.60</u>	<u>1,719,270.34</u>	<u>5,972,844.27</u>
NON-OPERATING REV. (EXP.)				
Rental income	27,963.45	147,420.71	41,926.67	150,882.98
Interest and investment income	42,166.10	108,244.71	103,314.58	476,294.43
Interest expense and debt related costs	(330,854.26)	(1,959,644.26)	(270,627.81)	(2,038,896.49)
Other non-operating revenues	1,647.50	151,321.97	1,695.00	93,667.51
Grant revenue pass-through to sub recipients				389,100.55
Other non-operating expenses		12,019.81	(34.78)	3,656.24
Sub recipient grant expenses				(389,100.55)
NON-OPERATING REV. (EXP.)	<u>(259,077.21)</u>	<u>(1,540,637.06)</u>	<u>(123,726.34)</u>	<u>(1,314,395.33)</u>
NET INCOME (LOSS) BEFORE CAPITAL	<u>1,052,809.85</u>	<u>5,222,326.54</u>	<u>1,595,544.00</u>	<u>4,658,448.94</u>
CAPITAL CONTRIBUTIONS				
Facility development charges		116,284.00		76,646.00
Developer contributions				413,977.00
Federal, state and local capital grants	17,053.40	17,053.40	7,281.75	7,856.75
TOTAL CAPITAL CONTRIBUTIONS	<u>17,053.40</u>	<u>133,337.40</u>	<u>7,281.75</u>	<u>498,479.75</u>
CHANGE IN NET POSITION	<u>1,069,863.25</u>	<u>5,355,663.94</u>	<u>1,602,825.75</u>	<u>5,156,928.69</u>
Net position at beginning of period	249,717,252.99	245,431,452.30	237,414,559.18	233,860,456.24
NET POSITION AT END OF PERIOD	<u>250,787,116.24</u>	<u>250,787,116.24</u>	<u>239,017,384.93</u>	<u>239,017,384.93</u>

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

	Month Of July	2018 YTD		
	Actual	Actual	Budget	Variance
BUDGETED OPERATING EXPENSES				
Board of Directors	\$5,516.82	\$23,694.47	\$41,971.49	\$18,277.02
Administrative	164,877.81	1,252,270.73	1,479,194.56	226,923.83
Finance	83,662.49	516,283.14	605,758.63	89,475.49
Customer Services	103,127.57	722,039.99	763,934.29	41,894.30
Field Operations	51,521.69	355,357.98	448,034.46	92,676.48
Production	742,746.56	3,701,836.23	4,714,594.78	1,012,758.55
Distribution	154,185.07	1,125,072.61	1,332,639.14	207,566.53
Field Services	128,247.06	845,846.91	847,946.16	2,099.25
Maintenance	47,610.64	348,055.09	393,114.82	45,059.73
Water Conservation	37,152.72	216,216.12	288,399.82	72,183.70
Engineering	146,296.38	721,924.65	801,297.05	79,372.40
GIS/CAD	38,098.11	218,069.03	244,508.79	26,439.76
Human Resources	16,845.45	106,610.99	144,117.24	37,506.25
Information Technology	53,014.92	471,085.57	536,560.47	65,474.90
TOTAL OPERATING EXPENSES	1,772,903.29	10,624,363.51	12,642,071.70	2,017,708.19

SACRAMENTO SUBURBAN WATER DISTRICT
OPERATING CAPITAL AMENDED BUDGET
7/31/2018

Project Number	Project Name	Original Budget	Amendments	Amended Budget	Current Month Expenditures	Expenditures Year-To-Date	Committed Year-To-Date	Remaining Balance
SF18-427	3 FOREMAN OFF FURNITURE/STATIO	\$ 12,000.00		\$ 12,000.00	\$ -	\$ 11,960.00	\$ -	\$ 40.00
SF18-428	FOLDING TABLES & CHAIRS	\$ 13,000.00		13,000.00	-	822.00	-	\$ 12,178.00
SF18-429	BUILDING & STRUCTURES MAINT	\$ 95,000.00		95,000.00	4,721.00	14,401.00	55,025.00	\$ 25,574.00
SF18-430	HVAC/ROOFS/BUILDING REPAIRS	\$ 30,000.00		30,000.00	-	8,610.00	-	\$ 21,390.00
SF18-431	EXT SEAL SOUTH WALL SHOP-WALNU	\$ 12,000.00		12,000.00	-	-	-	\$ 12,000.00
SF18-432	GAZEBO/BATHRM/KITCHEN-ANTELOPE	\$ 70,000.00		70,000.00	-	-	-	\$ 70,000.00
SF18-433	3 FOREMAN OFFICES REMODEL	\$ 31,000.00		31,000.00	-	25,626.00	-	\$ 5,374.00
SF18-434	WINDOW COVERING - WALNUT	\$ 5,000.00		5,000.00	-	4,598.54	-	\$ 401.46
SF18-435	REKEY ALL FACILITIES	\$ 12,000.00		12,000.00	-	-	-	\$ 12,000.00
SF18-436	REPLACE TRAILERS 168 & 169	\$ 20,000.00		20,000.00	-	-	-	\$ 20,000.00
SF18-437	VEH REPL - RIGHT SIZE TRUCK# 2	\$ 75,000.00		75,000.00	-	71,854.00	-	\$ 3,146.00
SF18-438	VEH REPL-RIGHT SIZE/TRUCK#11	\$ 33,000.00		33,000.00	27,706.00	27,706.00	258.00	\$ 5,036.00
SF18-439	VEH REPL-RIGHT SIZE/TRUCK#14	\$ 45,000.00		45,000.00	-	-	37,754.00	\$ 7,246.00
SF18-440	VEH REPL-RIGHT SIZE/TRUCK#47	\$ 45,000.00		45,000.00	-	-	37,754.00	\$ 7,246.00
SF18-441	VEH REPL-RIGHT SIZE/TRUCK#48	\$ 45,000.00		45,000.00	-	-	37,754.00	\$ 7,246.00
SF18-442	COMPACT MINI EXCAVATOR	\$ 62,000.00		62,000.00	-	59,370.00	276.00	\$ 2,354.00
SF18-443	METER VAULT LIDS REPLACEMENT	\$ 32,000.00		32,000.00	11,100.00	11,100.00	-	\$ 20,900.00
SF18-444	ASPHALT REPL/SEAL- WELL SITES	\$ 30,000.00		30,000.00	-	24,100.00	-	\$ 5,900.00
SF18-445	FENCES REPLACE - 4 WELL SITES	\$ 28,000.00		28,000.00	-	7,317.00	2,546.00	\$ 18,137.00
SF18-446	PERISTALTIC CHEM DOSING PUMPS	\$ 27,500.00		27,500.00	-	-	-	\$ 27,500.00
SF18-447	UCMR 4 MONITORING	\$ 120,000.00		120,000.00	-	-	-	\$ 120,000.00
SF18-448	HARDWARE REFESH PROGRAM	\$ 108,500.00		108,500.00	-	48,589.25	17,543.00	\$ 42,367.75
SF18-449	SOFTWARE ENHANCEMENTS/MODULES	\$ 160,000.00		160,000.00	2,160.00	39,397.00	36,352.00	\$ 84,251.00
SF18-450	SERVER ROOM	\$ 50,000.00		50,000.00	-	-	-	\$ 50,000.00
TOTAL		\$ 1,161,000.00	\$ -	\$ 1,161,000.00	\$ 45,687.00	\$ 355,450.79	\$ 225,262.00	\$ 580,287.21

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**Sacramento Suburban Water District
Capital Improvement Project Amended Budget
7/31/2018**

Project No.	Project Name	Original Budget	Changes	Amended Budget	Current Month Expenditures	Expenditures Year-To-Date	Committed Year-To-Date	Remaining Balance
SC18-009	WELL REHAB/PUMP ST IMPROVEMENT	\$ 1,000,000.00	(\$18,000.00) ²	\$982,000.00	\$ 49,762.00	\$ 313,854.00	\$267,647.00	\$ 400,499.00
SC18-010	SCADA RTU/COMMUN IMPROVEMENT	\$ 60,000.00		60,000.00		-	-	\$ 60,000.00
SC18-011	WELLHEAD TREATMENT/CHEM FEED	\$ 150,000.00	18,000.00 ²	168,000.00	4,301.00	159,064.00	3,707.00	\$ 5,229.00
SC18-012	WELL REPLACEMENTS	\$ 3,300,000.00		3,300,000.00	25,420.00	126,577.41	2,566,615.00	\$ 606,807.59
SC18-013	ELECTRICAL IMPROV @WELL SITES	\$ 200,000.00	(100,000.00) ³	100,000.00	-	6,484.50	26,288.00	\$ 67,227.50
SC18-018	DISTRIBUTION MAIN REPLACEMENTS	\$ 10,470,000.00		10,470,000.00	18,426.00	4,940,592.02	5,338,368.00	\$ 191,039.98
SC18-019	DIST MAIN IMPRV/EXT/INTERTIES	\$ 600,000.00	(60,000.00) ¹	540,000.00	23,125.00	256,181.79	129,452.00	\$ 154,366.21
SC18-020	MCCLELLAN LINE REPL	\$ 50,000.00		50,000.00	-	7,782.00	5,289.00	\$ 36,929.00
SC18-022	WTR RELATED STREET IMPRV	\$ 200,000.00		200,000.00	139,105.00	166,161.00	226,428.00	\$ (192,589.00)
SC18-024	METER RETROFIT PROGRAM	\$ 2,100,000.00	60,000.00 ¹	2,160,000.00	132,354.00	298,922.69	1,857,042.00	\$ 4,035.31
SC18-034	RESERVIOR/TANK IMPROVMENT	\$ 100,000.00		100,000.00	-	-	16,400.00	\$ 83,600.00
SC18-035	CORROSION CONTROL-TRAN MAINS	\$ 50,000.00		50,000.00	-	-	19,200.00	\$ 30,800.00
SC18-038	LARGE WTR METER >3" REPL	\$ 140,000.00		140,000.00	4,550.00	6,810.00	47,027.00	\$ 86,163.00
SC18-040	ENGINE GENERATOR COMPLIANCE	\$ 240,000.00	100,000.00 ³	340,000.00	-	206,930.00	34,071.00	\$ 98,999.00
SC18-042	METER REPLACE/REPAIR - WMP	\$ 350,000.00		350,000.00	-	-	-	\$ 350,000.00
SC18-046	TANK INSPECTION & REPAIRS	\$ 100,000.00		100,000.00	-	-	-	\$ 100,000.00
SC18-048	RIGHT OF WAY/EASEMENT ACQUISTI	\$ 50,000.00		50,000.00	-	-	-	\$ 50,000.00
		<u>\$ 19,160,000.00</u>	<u>\$ -</u>	<u>\$ 19,160,000.00</u>	<u>\$ 397,043.00</u>	<u>\$ 6,489,359.41</u>	<u>\$ 10,537,534.00</u>	<u>\$ 2,133,106.59</u>

**Sacramento Suburban Water District
Debt
7/31/2018**

Principal Current Month

	Series 2009A COP	Series 2009B COP	Series 2012A	Series 2018A	Total
Beginning Balance	\$ 42,000,000	\$ -	\$ 17,490,000		\$ 59,490,000
Additions:				\$ 19,615,000	19,615,000
Reductions: Payment	-	-	-	-	-
Ending Balance	<u>\$ 42,000,000</u>	<u>\$ -</u>	<u>\$ 17,490,000</u>	<u>\$ 19,615,000</u>	<u>\$ 79,105,000</u>

Principal Year-To-Date

	Series 2009A COP	Series 2009B COP	Series 2012A	Series 2018A	Total
Beginning Balance	\$ 42,000,000	\$ 22,065,000	\$ 17,490,000		\$ 81,555,000
Additions:				\$ 19,615,000	19,615,000
Reductions: Payment	-	(22,065,000)			(22,065,000)
Ending Balance	<u>\$ 42,000,000</u>	<u>\$ -</u>	<u>\$ 17,490,000</u>	<u>\$ 19,615,000</u>	<u>\$ 79,105,000</u>

Interest Expense

	Current Month Actual	Actual	Year-To-Date Budget	Variance
Interest Expense	<u>\$ 295,765</u>	<u>\$ 1,553,098</u>	<u>\$ 2,018,333</u>	<u>\$ 465,235</u>

**Investments Outstanding and Activity
July 2018**



Managed Account Detail of Securities Held

For the Month Ending July 31, 2018

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
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020	912828L32	250,000.00	AA+	Aaa	12/11/17	12/13/17	246,523.44	1.90	1,438.52	247,318.43	243,369.25
US TREASURY NOTES DTD 02/28/2014 2.000% 02/28/2021	912828B90	75,000.00	AA+	Aaa	07/06/16	07/08/16	78,667.97	0.92	627.72	77,057.18	73,608.38
US TREASURY NOTES DTD 05/02/2016 1.375% 04/30/2021	912828O78	175,000.00	AA+	Aaa	01/03/17	01/05/17	171,527.34	1.86	608.10	172,759.77	168,642.60
US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	100,000.00	AA+	Aaa	03/15/17	03/17/17	97,402.34	2.02	232.92	98,228.67	96,230.50
US TREASURY NOTES DTD 06/02/2014 2.000% 05/31/2021	912828WN6	300,000.00	AA+	Aaa	09/01/16	09/02/16	310,781.25	1.22	1,016.39	306,509.13	293,835.90
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	4,603.26	563,118.31	537,409.95
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	5,021.74	603,289.71	586,265.40
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	900,000.00	AA+	Aaa	07/06/17	07/11/17	905,449.22	1.85	7,532.61	904,102.41	879,398.10
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	8,788.04	1,052,068.97	1,025,964.45
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	11,717.39	1,411,386.00	1,367,952.60
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	275,000.00	AA+	Aaa	08/01/17	08/03/17	269,725.59	1.72	868.72	270,930.15	261,926.78
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	475,000.00	AA+	Aaa	10/05/17	10/10/17	463,997.07	1.85	1,500.51	466,130.87	452,418.98
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	1,200,000.00	AA+	Aaa	08/30/17	08/31/17	1,181,062.50	1.64	3,790.76	1,185,135.28	1,142,953.20
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	450,000.00	AA+	Aaa	12/04/17	12/06/17	445,324.22	2.12	2,132.30	445,994.90	435,093.75



Managed Account Detail of Securities Held

For the Month Ending July 31, 2018

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
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	500,000.00	AA+	Aaa	01/03/18	01/04/18	493,652.34	2.18	2,369.23	494,466.64	483,437.50
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	950,000.00	AA+	Aaa	05/03/18	05/07/18	919,644.53	2.73	4,501.53	921,344.12	918,531.25
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	1,050,000.00	AA+	Aaa	07/03/18	07/06/18	1,018,992.19	2.69	4,975.37	1,019,542.63	1,015,218.75
Security Type Sub-Total		10,300,000.00					10,246,412.11	1.95	61,725.11	10,239,383.17	9,982,257.34
Supra-National Agency Bond / Note											
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 09/19/2017 1.561% 09/12/2020	45905UP32	900,000.00	AAA	Aaa	09/12/17	09/19/17	897,840.00	1.64	5,424.48	898,456.73	876,182.40
INTER-AMERICAN DEVELOPMENT BANK DTD 11/08/2013 2.125% 11/09/2020	4581X0CD8	700,000.00	AAA	Aaa	10/02/17	10/10/17	706,488.37	1.81	3,388.19	704,822.82	689,014.20
INTER-AMERICAN DEVELOPMENT BANK NOTE DTD 04/19/2018 2.625% 04/19/2021	4581X0DB1	225,000.00	AAA	Aaa	04/12/18	04/19/18	224,505.00	2.70	1,673.44	224,550.20	223,138.58
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	750,000.00	AAA	Aaa	07/18/18	07/25/18	748,245.00	2.83	343.75	748,254.41	747,842.25
Security Type Sub-Total		2,575,000.00					2,577,078.37	2.13	10,829.86	2,576,084.16	2,536,177.43
Municipal Bond / Note											
CT ST 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	1,715.19	230,104.31	228,541.80
Security Type Sub-Total		230,000.00					230,646.30	1.90	1,715.19	230,104.31	228,541.80
Federal Agency Collateralized Mortgage Obligation											



Managed Account Detail of Securities Held

For the Month Ending July 31, 2018

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
Federal Agency Collateralized Mortgage Obligation											
FNMA SERIES M4 FA DTD 03/01/2015 2.295% 09/01/2018	3136AMTM1	3,323.81	AA+	Aaa	03/12/15	03/31/15	3,322.96	0.38	6.36	3,323.81	3,318.98
FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	13,939.43	AA+	Aaa	11/06/15	11/30/15	14,078.82	1.20	22.05	13,941.84	13,879.64
FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AODQ0	116,665.71	AA+	Aaa	10/07/15	10/30/15	117,833.99	1.08	160.03	116,876.13	116,138.67
FNMA SERIES 2015-M12 FA DTD 09/01/2015 2.425% 04/01/2020	3136AP3Z3	138,318.53	AA+	Aaa	09/10/15	09/30/15	138,268.75	0.54	315.09	138,318.53	138,264.96
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	250,000.00	AA+	Aaa	04/11/18	04/30/18	254,972.75	2.27	741.67	254,693.02	252,871.60
FHLMC MULTIFAMILY STRUCTURED P POOL DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	200,000.00	AA+	Aaa	04/04/18	04/09/18	201,703.13	2.61	515.00	201,569.52	199,539.74
Security Type Sub-Total		722,247.48					730,180.40	1.81	1,760.20	728,722.85	724,013.59
Federal Agency Bond / Note											
FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8OS5	975,000.00	AA+	Aaa	07/14/16	07/15/16	969,071.03	1.25	517.97	971,452.32	929,361.23
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	740.28	129,725.43	124,112.95
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	2,391.67	418,949.71	400,980.30
Security Type Sub-Total		1,525,000.00					1,516,925.30	1.28	3,649.92	1,520,127.46	1,454,454.48
Corporate Note											
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	266.67	49,965.25	49,761.50



Managed Account Detail of Securities Held

For the Month Ending July 31, 2018

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
Corporate Note											
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	1,733.33	324,948.01	323,449.75
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	445.88	144,978.11	144,031.55
AMERICAN HONDA FINANCE GLOBAL NOTES DTD 09/09/2014 2.250% 08/15/2019	02665WAH4	800,000.00	A+	A2	09/04/14	09/09/14	798,520.00	2.29	8,300.00	799,673.14	796,665.60
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	3,133.33	207,430.26	203,853.00
CITIGROUP INC (CALLABLE) CORP NOTE 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	571.67	399,921.66	396,190.00
JP MORGAN 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	250.00	498,722.69	494,619.50
WELLS FARGO & CO CORP BONDS 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	23.89	400,868.97	394,654.00
AMERICAN EXPRESS CREDIT (CALLABLE) NOTE 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	1,944.56	214,879.75	212,177.91
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	2,075.35	250,746.44	246,201.00
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	1,549.17	274,926.97	269,659.78
HOME DEPOT INC CORP NOTES DTD 06/05/2017 1.800% 06/05/2020	437076BQ4	175,000.00	A	A2	05/24/17	06/05/17	174,898.50	1.82	490.00	174,936.96	171,755.50
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	870.83	300,598.73	297,840.90
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	243.75	375,883.58	371,036.25



Managed Account Detail of Securities Held

For the Month Ending July 31, 2018

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
Corporate Note											
CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020	1491302A6	275,000.00	A	A3	09/05/17	09/07/17	274,769.00	1.88	2,077.40	274,837.03	268,305.40
APPLE INC DTD 11/13/2017 2.000% 11/13/2020	037833DJ6	400,000.00	AA+	Aa1	11/06/17	11/13/17	399,664.00	2.03	1,733.33	399,742.50	392,794.80
WAL-MART STORES INC CORP NOTE DTD 10/20/2017 1.900% 12/15/2020	931142EA7	375,000.00	AA	Aa2	10/11/17	10/20/17	374,456.25	1.95	910.42	374,593.04	367,219.13
US BANCORP CORP NOTES (CALLABLE) DTD 01/29/2016 2.350% 01/29/2021	91159HHL7	350,000.00	A+	A1	12/11/17	12/13/17	350,983.50	2.26	45.69	350,788.53	342,752.20
BRANCH BANKING & TRUST (CALLABLE) NOTES DTD 10/26/2017 2.150% 02/01/2021	05531FAZ6	75,000.00	A-	A2	10/23/17	10/26/17	74,965.50	2.17	806.25	74,972.53	73,077.00
IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	400,000.00	A+	A1	02/01/18	02/06/18	399,804.00	2.67	5,152.78	399,834.59	395,902.40
JOHN DEERE CAPITAL CORP NOTES DTD 03/13/2018 2.875% 03/12/2021	24422EUD9	375,000.00	A	A2	03/08/18	03/13/18	374,745.00	2.90	4,132.81	374,776.32	371,720.63
NATIONAL RURAL UTIL COOP DTD 02/26/2018 2.900% 03/15/2021	63743HER9	150,000.00	A	A2	02/21/18	02/26/18	149,833.50	2.94	1,872.92	149,857.31	148,971.75
NATIONAL RURAL UTIL COOP DTD 02/26/2018 2.900% 03/15/2021	63743HER9	225,000.00	A	A2	04/12/18	04/19/18	224,048.25	3.05	2,809.38	224,142.41	223,457.63
PEPSICO INC CORP (CALLABLE) NOTE DTD 10/10/2017 2.000% 04/15/2021	713448DX3	225,000.00	A+	A1	10/05/17	10/10/17	224,955.00	2.01	1,325.00	224,964.85	219,049.43
BANK OF NEW YORK MELLON CORP (CALLABLE) 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	2,760.42	379,790.67	367,920.75
BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	35,000.00	A-	A3	11/01/17	11/03/17	35,271.60	2.39	260.31	35,215.15	34,384.63
MORGAN STANLEY CORP NOTES DTD 04/21/2016 2.500% 04/21/2021	61746BEA0	350,000.00	BBB+	A3	11/01/17	11/03/17	351,134.00	2.40	2,430.56	350,899.38	341,424.30



Managed Account Detail of Securities Held

For the Month Ending July 31, 2018

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
Corporate Note											
AMERICAN EXPRESS CREDIT (CALLABLE) 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	1,209.38	224,701.39	219,362.63
BRANCH BANKING & TRUST (CALLABLE) 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	922.50	199,925.04	193,177.60
HERSHEY COMPANY CORP NOTES DTD 05/10/2018 3.100% 05/15/2021	427866BA5	150,000.00	A	A1	05/03/18	05/10/18	149,896.50	3.12	1,046.25	149,904.12	150,281.55
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	429.00	109,731.80	106,528.95
CHARLES SCHWAB CORP CORP NOTES DTD 05/22/2018 3.250% 05/21/2021	808513AW5	250,000.00	A	A2	05/17/18	05/22/18	249,992.50	3.25	1,557.29	249,992.90	250,385.00
BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021	06051GGS2	240,000.00	A-	A3	09/13/17	09/18/17	240,000.00	2.33	1,862.40	240,000.00	234,498.96
BANK OF AMERICA CORP NOTES DTD 05/17/2018 3.499% 05/17/2022	06051GHH5	90,000.00	A-	A3	05/14/18	05/17/18	90,000.00	3.50	647.32	90,000.00	89,919.18
Security Type Sub-Total		9,285,000.00					9,315,291.35	2.31	55,889.84	9,297,150.08	9,163,030.16
Commercial Paper											
CREDIT AGRICOLE CIB NY COMM PAPER -- 0.000% 08/08/2018	22533UH89	700,000.00	A-1	P-1	02/08/18	02/08/18	693,101.89	1.98	0.00	699,733.22	699,718.60
BNP PARIBAS NY BRANCH COMM PAPER DTD 01/22/2018 0.000% 10/19/2018	09659CCK3	700,000.00	A-1	P-1	01/22/18	01/23/18	689,329.67	2.07	0.00	696,866.33	696,598.00
MUFG BANK LTD/NY COMM PAPER DTD 07/20/2018 0.000% 04/16/2019	62479MRG0	750,000.00	A-1	P-1	07/20/18	07/20/18	735,543.75	2.62	0.00	736,186.25	736,218.75
Security Type Sub-Total		2,150,000.00					2,117,975.31	2.23	0.00	2,132,785.80	2,132,535.35
Certificate of Deposit											



Managed Account Detail of Securities Held

For the Month Ending July 31, 2018

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
Certificate of Deposit											
CANADIAN IMPERIAL BANK NY CD DTD 12/05/2016 1.760% 11/30/2018	13606A5Z7	725,000.00	A-1	P-1	12/01/16	12/05/16	724,434.50	1.78	2,162.11	724,905.62	723,663.83
NORDEA BANK FINLAND NY CD DTD 12/05/2016 1.760% 11/30/2018	65558LWA6	725,000.00	A-1+	P-1	12/01/16	12/05/16	725,000.00	1.74	2,233.00	725,000.00	724,396.80
SVENSKA HANDELSBANKEN NY LT CD DTD 01/12/2017 1.890% 01/10/2019	86958JHB8	750,000.00	A-1+	P-1	01/10/17	01/12/17	750,000.00	1.91	866.25	750,000.00	747,550.50
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 02/09/2017 1.880% 02/07/2019	06427KRC3	800,000.00	A-1	P-1	02/08/17	02/09/17	800,000.00	1.90	7,269.33	800,000.00	799,225.60
BANK OF NOVA SCOTIA HOUSTON LT CD DTD 04/06/2017 1.910% 04/05/2019	06417GUE6	375,000.00	A-1	P-1	04/05/17	04/06/17	375,000.00	1.91	2,347.71	375,000.00	373,403.63
SUMITOMO MITSUI BANK NY CD DTD 05/04/2017 2.050% 05/03/2019	86563YVN0	700,000.00	A-1	P-1	05/03/17	05/04/17	700,000.00	2.05	3,587.50	700,000.00	697,956.70
SKANDINAV ENSKILDA BANKEN NY CD DTD 08/04/2017 1.840% 08/02/2019	83050FXT3	700,000.00	A+	Aa2	08/03/17	08/04/17	699,727.00	1.85	6,440.00	699,862.75	694,585.50
MUFG BANK LTD/NY CERT DEPOS DTD 09/27/2017 2.070% 09/25/2019	06539RGM3	350,000.00	A	A1	09/25/17	09/27/17	350,000.00	2.07	6,198.50	350,000.00	346,846.50
CREDIT SUISSE NEW YORK CERT DEPOS DTD 02/08/2018 2.670% 02/07/2020	22549LFR1	375,000.00	A	A1	02/07/18	02/08/18	375,000.00	2.67	4,811.56	375,000.00	375,166.13
UBS AG STAMFORD CT LT CD DTD 03/06/2018 2.900% 03/02/2020	90275DHG8	400,000.00	A+	Aa2	03/02/18	03/06/18	400,000.00	2.93	4,768.89	400,000.00	401,458.80
BANK OF NOVA SCOTIA HOUSTON CD DTD 06/07/2018 3.080% 06/05/2020	06417GU22	375,000.00	A+	Aa2	06/05/18	06/07/18	374,857.50	3.10	1,732.50	374,867.86	377,316.38
WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	625,000.00	AA-	Aa3	08/03/17	08/07/17	625,000.00	2.05	6,192.71	625,000.00	615,922.50
SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	700,000.00	AA-	Aa2	11/16/17	11/17/17	700,000.00	2.30	3,398.69	700,000.00	686,366.80
ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	650,000.00	AA-	Aa2	06/07/18	06/08/18	650,000.00	3.24	3,100.50	650,000.00	654,878.90



Managed Account Detail of Securities Held

For the Month Ending July 31, 2018

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	S&P Par Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Security Type Sub-Total		8,250,000.00				8,249,019.00	2.18	55,109.25	8,249,636.23	8,218,738.57
Asset-Backed Security / Collateralized Mortgage Obligation										
NISSAN ABS 2015-A A3 DTD 04/14/2015 1.050% 10/15/2019	65477UAC4	9,206.53 NR	Aaa	04/07/15	04/14/15	9,204.60	1.06	4.30	9,206.12	9,201.18
FORD ABS 2015-B A3 DTD 05/26/2015 1.160% 11/15/2019	34530VAD1	8,323.85 NR	Aaa	05/19/15	05/26/15	8,323.08	1.16	4.29	8,323.67	8,318.65
NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	55,043.07 NR	Aaa	07/15/15	07/22/15	55,038.70	1.34	32.78	55,041.80	54,886.73
JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	55,018.58 NR	Aaa	07/19/16	07/27/16	55,014.20	1.25	30.57	55,016.73	54,683.60
ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	64,014.40 AAA	Aaa	05/24/16	05/31/16	64,008.19	1.44	40.97	64,011.57	63,743.95
HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	51,764.75 AAA	Aaa	03/22/16	03/30/16	51,754.72	1.57	35.89	51,760.45	51,521.34
FORD ABS 2016-B A3 DTD 04/26/2016 1.330% 10/15/2020	34532EAD7	54,356.71 AAA	NR	04/19/16	04/26/16	54,351.56	1.33	32.13	54,355.15	54,022.52
CITIBANK ABS 2017-A2 A2 DTD 01/26/2017 1.740% 01/19/2021	17305EGA7	550,000.00 AAA	Aaa	01/19/17	01/26/17	549,894.68	1.75	372.17	550,000.00	548,035.73
HYUNDAI ABS 2016-B A3 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	194,985.53	192,685.19
ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	150,000.00 NR	Aaa	01/24/17	01/31/17	149,986.89	1.70	113.33	149,991.63	148,811.67
FORD ABS 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	474,999.00	469,822.03
ALLY ABS 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	519,958.38	515,471.32
TAOT 2018-B A3 DTD 05/16/2018 2.960% 09/15/2022	89238TAD5	325,000.00 AAA	Aaa	05/09/18	05/16/18	324,995.16	2.96	427.56	324,995.41	324,500.38
ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023	02007JAC1	400,000.00 AAA	Aaa	06/19/18	06/27/18	399,972.64	3.09	533.33	399,973.30	399,635.60



Managed Account Detail of Securities Held

For the Month Ending July 31, 2018

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
Asset-Backed Security / Collateralized Mortgage Obligation											
CCCIT 2018-A1 A1 DTD 01/31/2018 2.490% 01/20/2023	17305EGK5	750,000.00	NR	Aaa	01/25/18	01/31/18	749,896.20	2.54	570.63	749,908.03	740,014.35
Security Type Sub-Total		3,662,727.89					3,662,351.30	2.11	3,073.69	3,662,526.77	3,635,354.24
Managed Account Sub-Total		38,699,975.37					38,645,879.44	2.10	193,753.06	38,636,520.83	38,075,102.96
Securities Sub-Total		\$38,699,975.37					\$38,645,879.44	2.10%	\$193,753.06	\$38,636,520.83	\$38,075,102.96
Accrued Interest											\$193,753.06
Total Investments											\$38,268,856.02

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**Investment Activity
July 2018**



Managed Account Security Transactions & Interest

For the Month Ending July 31, 2018

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
BUY											
07/03/18	07/06/18		US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	1,050,000.00	(1,018,992.19)	(3,584.41)	(1,022,576.60)			
07/18/18	07/25/18		INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	750,000.00	(748,245.00)	0.00	(748,245.00)			
07/20/18	07/20/18		MUFG BANK LTD/NY COMM PAPER DTD 07/20/2018 0.000% 04/16/2019	62479MRG0	750,000.00	(735,543.75)	0.00	(735,543.75)			
Transaction Type Sub-Total					2,550,000.00	(2,502,780.94)	(3,584.41)	(2,506,365.35)			
INTEREST											
07/01/18	07/25/18		FHLMC MULTIFAMILY STRUCTURED P POOL DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	200,000.00	0.00	515.00	515.00			
20 07/01/18	07/25/18		FNMA SERIES M4 FA DTD 03/01/2015 2.295% 09/01/2018	3136AMTM1	11,213.83	0.00	20.16	20.16			
07/01/18	07/25/18		FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	250,000.00	0.00	741.67	741.67			
07/01/18	07/25/18		FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AOD00	118,261.42	0.00	173.01	173.01			
07/01/18	07/25/18		FNMA SERIES 2015-M12 FA DTD 09/01/2015 2.425% 04/01/2020	3136AP3Z3	144,670.66	0.00	275.81	275.81			
07/01/18	07/25/18		FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	34,359.21	0.00	54.35	54.35			
07/02/18	07/02/18		MONEY MARKET FUND	MONEY0002	0.00	0.00	208.12	208.12			
07/10/18	07/10/18		SVENSKA HANDELSBANKEN NY LT CD DTD 01/12/2017 1.890% 01/10/2019	86958JHB8	750,000.00	0.00	7,126.88	7,126.88			
07/10/18	07/10/18		CITIGROUP INC (CALLABLE) CORP NOTE DTD 01/10/2017 2.450% 01/10/2020	172967LF6	400,000.00	0.00	4,900.00	4,900.00			
07/14/18	07/14/18		FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8OSS	975,000.00	0.00	5,484.38	5,484.38			
07/15/18	07/15/18		FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	475,000.00	0.00	661.04	661.04			



Managed Account Security Transactions & Interest

For the Month Ending July 31, 2018

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST											
	07/15/18	07/15/18	HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	57,160.29	0.00	74.31	74.31			
	07/15/18	07/15/18	FORD ABS 2016-B A3 DTD 04/26/2016 1.330% 10/15/2020	34532EAD7	59,516.31	0.00	65.96	65.96			
	07/15/18	07/15/18	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	195,000.00	0.00	209.63	209.63			
	07/15/18	07/15/18	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	150,000.00	0.00	212.50	212.50			
	07/15/18	07/15/18	NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	64,030.24	0.00	71.50	71.50			
	07/15/18	07/15/18	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	520,000.00	0.00	771.33	771.33			
	07/15/18	07/15/18	TAOT 2018-B A3 DTD 05/16/2018 2.960% 09/15/2022	89238TAD5	325,000.00	0.00	801.67	801.67			
	07/15/18	07/15/18	ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023	02007JAC1	400,000.00	0.00	600.00	600.00			
	07/15/18	07/15/18	TOYOTA ABS 2015-B A3 DTD 06/17/2015 1.270% 05/15/2019	89237CAD3	8,532.76	0.00	9.03	9.03			
	07/15/18	07/15/18	ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	71,308.55	0.00	85.57	85.57			
	07/15/18	07/15/18	FORD ABS 2015-B A3 DTD 05/26/2015 1.160% 11/15/2019	34530VAD1	15,115.19	0.00	14.61	14.61			
	07/15/18	07/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	59,522.32	0.00	62.00	62.00			
	07/15/18	07/15/18	NISSAN ABS 2015-A A3 DTD 04/14/2015 1.050% 10/15/2019	65477UAC4	17,807.49	0.00	15.58	15.58			
	07/17/18	07/17/18	CITIBANK ABS 2017-A2 A2 DTD 01/26/2017 1.740% 01/19/2021	17305EGA7	550,000.00	0.00	4,785.00	4,785.00			
	07/20/18	07/20/18	CCCIT 2018-A1 A1 DTD 01/31/2018 2.490% 01/20/2023	17305EGK5	750,000.00	0.00	8,818.75	8,818.75			
	07/22/18	07/22/18	WELLS FARGO & COMPANY NOTES DTD 07/22/2015 2.600% 07/22/2020	94974BGM6	375,000.00	0.00	4,875.00	4,875.00			
	07/23/18	07/23/18	JPMORGAN CHASE & CO (CALLABLE) DTD 01/23/2015 2.250% 01/23/2020	46625HKA7	500,000.00	0.00	5,625.00	5,625.00			



Managed Account Security Transactions & Interest

For the Month Ending July 31, 2018

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST											
07/29/18	07/29/18		US BANCORP CORP NOTES (CALLABLE) DTD 01/29/2016 2.350% 01/29/2021	91159HHL7	350,000.00	0.00	4,112.50	4,112.50			
07/30/18	07/30/18		WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	400,000.00	0.00	4,300.00	4,300.00			
Transaction Type Sub-Total					8,226,498.27	0.00	55,670.36	55,670.36			
MATURITY											
07/20/18	07/20/18		MUFG BANK LTD/NY COMM PAPER DTD 10/24/2017 0.000% 07/20/2018	06538CGL9	700,000.00	700,000.00	0.00	700,000.00	8,578.11	0.00	
Transaction Type Sub-Total					700,000.00	700,000.00	0.00	700,000.00	8,578.11	0.00	
PAYDOWNS											
07/01/18	07/25/18		FNMA SERIES 2015-M12 FA DTD 09/01/2015 2.425% 04/01/2020	3136AP3Z3	6,352.13	6,352.13	0.00	6,352.13	2.29	0.00	
07/01/18	07/25/18		FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AOD00	1,595.71	1,595.71	0.00	1,595.71	(15.98)	0.00	
07/01/18	07/25/18		FNMA SERIES M4 FA DTD 03/01/2015 2.295% 09/01/2018	3136AMTM1	7,890.02	7,890.02	0.00	7,890.02	2.03	0.00	
07/01/18	07/25/18		FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	20,419.78	20,419.78	0.00	20,419.78	(204.19)	0.00	
07/15/18	07/15/18		ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	7,294.15	7,294.15	0.00	7,294.15	0.71	0.00	
07/15/18	07/15/18		FORD ABS 2016-B A3 DTD 04/26/2016 1.330% 10/15/2020	34532EAD7	5,159.60	5,159.60	0.00	5,159.60	0.49	0.00	
07/15/18	07/15/18		NISSAN ABS 2015-A A3 DTD 04/14/2015 1.050% 10/15/2019	65477UAC4	8,600.96	8,600.96	0.00	8,600.96	1.81	0.00	
07/15/18	07/15/18		HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	5,395.54	5,395.54	0.00	5,395.54	1.05	0.00	
07/15/18	07/15/18		TOYOTA ABS 2015-B A3 DTD 06/17/2015 1.270% 05/15/2019	89237CAD3	8,532.76	8,532.76	0.00	8,532.76	0.46	0.00	
07/15/18	07/15/18		NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	8,987.17	8,987.17	0.00	8,987.17	0.71	0.00	



Managed Account Security Transactions & Interest

For the Month Ending July 31, 2018

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
PAYDOWNS										
07/15/18	07/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	4,503.74	4,503.74	0.00	4,503.74	0.36	0.00	
07/15/18	07/15/18	FORD ABS 2015-B A3 DTD 05/26/2015 1.160% 11/15/2019	34530VAD1	6,791.34	6,791.34	0.00	6,791.34	0.62	0.00	
Transaction Type Sub-Total				91,522.90	91,522.90	0.00	91,522.90	(209.64)	0.00	
SELL										
07/03/18	07/06/18	INTER-AMERICAN DEVEL BK NOTE DTD 04/12/2017 1.625% 05/12/2020	4581X0CX4	525,000.00	515,277.00	1,279.69	516,556.69	(8,478.75)	(8,967.31)	FIFO
07/03/18	07/06/18	INTER-AMERICAN DEVELOPMENT BANK DTD 04/12/2016 1.000% 05/13/2019	458182DX7	525,000.00	518,663.25	772.92	519,436.17	(4,761.75)	(5,896.05)	FIFO
07/18/18	07/25/18	US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	750,000.00	723,134.77	1,549.69	724,684.46	(7,382.81)	(13,492.83)	FIFO
Transaction Type Sub-Total				1,800,000.00	1,757,075.02	3,602.30	1,760,677.32	(20,623.31)	(28,356.19)	
Managed Account Sub-Total					45,816.98	55,688.25	101,505.23	(12,254.84)	(28,356.19)	
Total Security Transactions					\$45,816.98	\$55,688.25	\$101,505.23	(\$12,254.84)	(\$28,356.19)	

**Cash Expenditures
July 2018**

AP Warrant List from 7/1/2018 to 7/31/2018

Group	Vendor Name	Date	Amount	Description
000000	ACWA JPIA INSURANCE/EAP - Invoices:1	7/18/2018	\$155.10	Miscellaneous Employee Benefits
	ACWA JPIA INSURANCE AUTHORITY - Invoices:1	7/25/2018	\$21,136.04	Workers Compensation
	AFLAC - Invoices:2	7/2/2018	\$1,693.92	Supplemental Insurance
	AMERITAS (VISION) - Invoices:1	7/11/2018	\$1,936.44	Employee Benefit - Vision
	BASIC PACIFIC - Invoices:2	7/11/2018	\$68.00	Miscellaneous Employee Benefits
	CIGNA GROUP INS LIFE/LTD - Invoices:1	7/10/2018	\$4,265.54	Employee Benefit - LTD Insurance
	CIGNA-DENTAL INS - Invoices:1	7/2/2018	\$12,409.07	Employee Benefit - Dental
	PAYROLL	7/31/2018	\$421,039.02	Payroll
	PERS HEALTH - Invoices:2	7/2/2018	\$96,581.14	Miscellaneous Employee Benefits
	PERS PENSION - Invoices:9	7/3/2018	\$539,075.87	Employee Benefit - PERS
000000	ANDREGG PSOMAS - Invoices:1	7/2/2018	\$2,541.88	Construction In Progress
	ATLAS FENCE - Invoices:6	7/2/2018	\$4,045.00	Construction In Progress
	BURTON ROB /BURT'S LAWN & GARDEN SERVICE -	7/2/2018	\$7,930.00	Construction In Progress
	COUNTY OF SAC PUBLIC WORKS - Invoices:7	7/2/2018	\$10,288.50	Construction In Progress
	DOUG VEERKAMP GENERAL ENGR - Invoices:2	7/2/2018	\$398,531.05	Construction In Progress
	ERC CONTRACTING - Invoices:2	7/2/2018	\$16,600.00	Construction In Progress
	EXCEL BONDS AND INSURANCE SERV - Invoices:1	7/2/2018	\$414.00	Construction In Progress
	FERGUSON WATERWORKS - Invoices:8	7/2/2018	\$12,484.52	Construction In Progress
	FLOWLINE CONTRACTORS INC - Invoices:5	7/2/2018	\$578,977.16	Construction In Progress
	GEOCON CONSULTANTS INC - Invoices:4	7/2/2018	\$6,900.00	Construction In Progress
	GM CONSTRUCTION & DEVELOPERS - Invoices:12	7/2/2018	\$31,855.50	Construction In Progress
	GRAINGER - Invoices:4	7/2/2018	\$1,569.64	Construction In Progress
	LOEWEN PUMP MAINTENANCE - Invoices:6	7/2/2018	\$40,026.00	Construction In Progress
	NATIONAL METER AND AUTOMATION INC - Invoices:6	7/2/2018	\$124,448.99	Construction In Progress
	PAPE MACHINERY - Invoices:1	7/2/2018	\$59,370.25	Construction In Progress
	S E AHLSTROM INSPECTION - Invoices:2	7/10/2018	\$13,200.00	Construction In Progress
	SOPHOS SOLUTIONS - Invoices:4	7/18/2018	\$27,311.49	Construction In Progress
	US BANK CORPORATE PAYMENT SYSTEM - Invoices:3	7/18/2018	\$9,362.62	Construction In Progress
	Vault ACCESS SOLUTIONS - Invoices:1	7/18/2018	\$11,100.00	Construction In Progress
000000	CITIGROUP GLOBAL MARKETS INC - Invoices:1	7/11/2018	\$13,089.04	2009A COP Interest Expense
	SUMITOMO MITSUI BANKING CORPORATION -	7/10/2018	\$135,259.47	2009A COP Interest Expense
	WELLS FARGO SWAP - Invoices:1	7/2/2018	\$48,199.90	2009A COP Interest Expense
000000	ADP, INC - Invoices:3	7/13/2018	\$3,535.58	Financial Services
	BARTKIEWICZ KRONICK & SHANAHAN - Invoices:1	7/2/2018	\$20,059.65	Legal Services
	BRINKS - Invoices:2	7/11/2018	\$605.73	Financial Services
	FIELDMAN ROLAPP & ASSOCIATES - Invoices:1	7/18/2018	\$2,800.00	Audit Services
	MOODY'S INVESTORS SERVICE - Invoices:1	7/11/2018	\$2,000.00	Financial Services
	PFM ASSET MANAGEMENT LLC - Invoices:1	7/10/2018	\$4,001.82	Financial Services
	WESTAMERICA BANK ANALYSIS FEES - Invoices:1	7/17/2018	\$6,565.62	Financial Services
	WESTAMERICA CARD PROCESSING STMT - Invoices:1	7/17/2018	\$12,482.83	Financial Services
000000	AI FABRICATION & WELDING - Invoices:1	7/11/2018	\$125.00	Operating Supplies
	ADRIANA ZERIO - Invoices:1	7/11/2018	\$75.00	BMP Rebates
	AIRGAS USA LLC - Invoices:1	7/18/2018	\$129.36	Operating Supplies
	ALENE THOMAS - Invoices:1	7/25/2018	\$30.00	Local Travel Cost
	ALL PRO BACKFLOW - Invoices:2	7/10/2018	\$2,081.00	Backflow Testing Services
	ALLTECH GATES - Invoices:1	7/11/2018	\$180.00	Building Maintenance - Office &
	ANNE CHRISTINE POMER - Invoices:1	7/25/2018	\$650.00	BMP Rebates
	ANSWERNET - Invoices:1	7/25/2018	\$484.31	Communication
	ARMANINO - Invoices:1	7/11/2018	\$185.06	Equipment Maintenance Services
	AT&T CALNET 3 - Invoices:5	7/2/2018	\$4,736.25	Communication
	ATLAS DISPOSAL - Invoices:2	7/11/2018	\$366.43	Building Service Expense - Office &
	BACKFLOW DISTRIBUTORS INC - Invoices:3	7/11/2018	\$3,799.57	Operating Supplies
	BADGER METER INC - Invoices:1	7/18/2018	\$19.58	Communication
	BRIAN HENSON - Invoices:1	7/18/2018	\$1,782.00	Backflow Testing Services

BROADRIDGE MAIL LLC - Invoices:24	7/1/2018	\$65,949.44 Billing Service & Postage
BROWN & CALDWELL - Invoices:3	7/2/2018	\$9,849.15 Consulting Services
BRYAN LUTZ - Invoices:1	7/11/2018	\$150.00 BMP Rebates
BRYCE CONSULTING INC - Invoices:1	7/18/2018	\$160.00 Consulting Services
BUD'S TRI COUNTY TREE SERVICE - Invoices:2	7/25/2018	\$7,000.00 Misc. Repairs
BUREAU OF RECLAMATION FOLSOM - Invoices:1	7/11/2018	\$30.00 Local Travel Cost
CALIFORNIA LABORATORY SERVICES - Invoices:1	7/18/2018	\$570.00 Inspection & Testing
CAPITAL RUBBER CO LTD - Invoices:2	7/25/2018	\$344.56 Operating Supplies
CATHERINE BLAKE - Invoices:1	7/25/2018	\$650.00 BMP Rebates
CDWG - Invoices:2	7/2/2018	\$23,950.00 Licenses, Permits & Fees
CENTRAL VALLEY ENG & ASPHALT - Invoices:1	7/11/2018	\$7,475.00 Misc. Repairs
CINTAS - Invoices:16	7/2/2018	\$3,720.22 Building Maintenance - Office &
CITRUS HEIGHTS WATER DISTRICT - Invoices:1	7/11/2018	\$136.33 Public Relations
CITY OF CITRUS HEIGHTS - Invoices:1	7/2/2018	\$271.80 Licenses, Permits & Fees
CITY OF SACRAMENTO DEPT OF UTILITIES - Invoices:1	7/2/2018	\$12.77 Utilities
CODY SCOTT - Invoices:1	7/11/2018	\$125.00 Other Training
COMCAST - Invoices:1	7/18/2018	\$27.32 Communication
CONSOLIDATED COMMUNICATIONS - Invoices:1	7/11/2018	\$408.25 Communication
CORIX WATER PRODUCTS US INC. - Invoices:19	7/2/2018	\$31,869.30 Inventory
COSTCO - Invoices:1	7/18/2018	\$300.00 Office Supplies
COUGHRAN MECHANICAL SERVICE - Invoices:8	7/2/2018	\$5,558.30 Contract Services
COUNTY OF SAC ENVIRO MGT DEPT - Invoices:3	7/11/2018	\$1,803.00 Licenses, Permits & Fees
COUNTY OF SAC UTILITIES - Invoices:3	7/2/2018	\$590.11 Utilities
CRAIG LOCKE - Invoices:1	7/18/2018	\$2,540.66 Travel Conferences
CULLIGAN - Invoices:1	7/18/2018	\$69.75 Building Maintenance - Office &
Customer Refunds: 84	7/2/2018	\$10,138.80 Refund Clearing Account
DAN YORK - Invoices:1	7/18/2018	\$121.90 Local Travel Cost
DAVE JONES - Invoices:1	7/2/2018	\$708.19 Travel Conferences
DAVID CRABILL - Invoices:1	7/11/2018	\$150.00 BMP Rebates
DIRECT TV - Invoices:1	7/25/2018	\$9.25 Communication
EDGARDO S SALCEDO JR - Invoices:1	7/25/2018	\$150.00 BMP Rebates
ELEVATOR TECHNOLOGY INC - Invoices:2	7/11/2018	\$190.00 Building Service Expense - Office &
EMIGH ACE HARDWARE - Invoices:11	7/2/2018	\$515.39 Building Maintenance - Office &
EMPLOYEE RELATIONS NETWORK - Invoices:1	7/11/2018	\$275.20 Employment Cost
ERIN A HIMELRIGHT - Invoices:1	7/25/2018	\$270.00 BMP Rebates
EUROFINS EATON ANALYTICAL - Invoices:4	7/2/2018	\$15,449.00 Inspection & Testing
FASTENAL COMPANY - Invoices:8	7/2/2018	\$2,008.23 Operating Supplies
FRESH LOOK MOBILE WASH LLC - Invoices:3	7/2/2018	\$1,800.00 Vehicle Maintenance Services
GARY L GIBSON - Invoices:1	7/25/2018	\$518.00 BMP Rebates
GENEVIEVE J ROBERTS - Invoices:1	7/11/2018	\$150.00 BMP Rebates
HARRINGTON PLASTICS - Invoices:3	7/2/2018	\$5,041.99 Operating Supplies
HARROLD FORD - Invoices:8	7/11/2018	\$1,788.21 Vehicle Maintenance Services
HD Supply/WHITE CAP - Invoices:2	7/2/2018	\$1,162.89 Operating Supplies
HEATHER ERYN JUDD - Invoices:1	7/11/2018	\$359.00 BMP Rebates
HECTOR SEGOVIANO - Invoices:1	7/2/2018	\$138.50 Travel Conferences
HERBURGER PUBLICATIONS INC - Invoices:1	7/18/2018	\$400.00 Public Relations
HUBERT YOUNG PAN - Invoices:1	7/25/2018	\$75.00 BMP Rebates
IRON MOUNTAIN OFF SITE DATA PROTECTION -	7/18/2018	\$502.04 Equipment Maintenance Services
J&J LOCKSMITH - Invoices:2	7/10/2018	\$535.07 Building Maintenance - Office &
JERRYS PAINT AND SUPPLY INC - Invoices:1	7/25/2018	\$416.05 Operating Supplies
JON ALLEN AFFONSO - Invoices:1	7/25/2018	\$88.00 BMP Rebates
JOSHUA GAGNON - Invoices:1	7/18/2018	\$180.00 Other Training
KATHLEEN F SIKORA - Invoices:1	7/11/2018	\$96.00 BMP Rebates
KEN GEBERT - Invoices:2	7/2/2018	\$2,571.88 Travel Conferences
KYLE JIVIDEN - Invoices:3	7/11/2018	\$379.50 Other Training
LES SCHWAB TIRE CENTER/MADISON - Invoices:3	7/18/2018	\$2,822.59 Equipment Maintenance Services
LIFEGUARD FIRST AID - Invoices:2	7/2/2018	\$307.24 Building Service Expense - Office &
MATT UNDERWOOD - Invoices:1	7/18/2018	\$265.57 Travel Conferences
MESSENGER PUBLISHING GROUP - Invoices:3	7/11/2018	\$1,380.00 Public Relations
MICHAEL PHILLIPS LANDSCAPE CORP - Invoices:13	7/2/2018	\$7,895.00 Building Service Expense - Office &
MICHAEL S ROBINSON - Invoices:2	7/11/2018	\$584.00 BMP Rebates
MUELLER SYSTEMS - Invoices:3	7/2/2018	\$31,203.95 Inventory

NDS SOLUTIONS INC - Invoices:1	7/25/2018	\$666.81 Public Relations
NEW PIG - Invoices:1	7/2/2018	\$885.59 Operating Supplies
NOR CAL PIPELINE SERVICES - Invoices:1	7/2/2018	\$2,296.58 Hydrant Deposit Refund
NORMAC - Invoices:3	7/25/2018	\$48.47 Operating Supplies
OFFICE DEPOT INC - Invoices:7	7/11/2018	\$421.67 Office Supplies
PACE SUPPLY CORP - Invoices:1	7/2/2018	\$213.12 Maintenance Supplies
PACIFIC COPY & PRINT - Invoices:4	7/2/2018	\$1,803.45 Printing
PALADIN PRIVATE SECURITY - Invoices:1	7/11/2018	\$674.16 Building Service Expense - Office &
PATRICA M BRUNS - Invoices:1	7/11/2018	\$75.00 BMP Rebates
PAUL JOHNSON - Invoices:1	7/18/2018	\$125.00 Required Training
PEOPLEREADY - Invoices:4	7/11/2018	\$3,797.21 Temporary Help
PERFORMANCE PIPING - Invoices:1	7/2/2018	\$2,203.26 Hydrant Deposit Refund
POLLARD WATER - Invoices:1	7/2/2018	\$95.29 Operating Supplies
POWER DIRECT - Invoices:1	7/25/2018	\$1,959.00 Printing
PROBUILDERS - Invoices:1	7/25/2018	\$2,188.28 Hydrant Deposit Refund
PRODIGY ELECTRIC - Invoices:6	7/18/2018	\$4,428.00 Contract Services
PROTECTION ONE - Invoices:1	7/11/2018	\$543.78 Building Service Expense - Office &
R&S OVERHEAD DOORS AND GATES - Invoices:1	7/10/2018	\$3,127.50 Building Maintenance - Office &
RAMOS ENVIRONMENTAL - Invoices:1	7/18/2018	\$869.00 Hazardous Waste Disposal
RAY MORGAN CO - Invoices:4	7/2/2018	\$2,876.00 Equipment Maintenance Services
REGIONALSAN - Invoices:2	7/2/2018	\$27,976.25 NE Treatment Plant Lease
RELIABLE SEPTIC - Invoices:1	7/2/2018	\$2,870.00 Contract Services
RESOURCE TELECOM LLC - Invoices:1	7/2/2018	\$652.50 Equipment Maintenance Services
RUE EQUIPMENT INC - Invoices:12	7/2/2018	\$2,654.69 Equipment Maintenance Services
SACRAMENTO SUBURBAN WATER DISTRICT -	7/18/2018	\$206.33 Required Training
SARAH E WALKER - Invoices:1	7/11/2018	\$225.00 BMP Rebates
SHAWN CHANEY - Invoices:2	7/18/2018	\$360.16 Travel Conferences
SHRED-IT - Invoices:1	7/11/2018	\$70.25 Contract Services
SIGNS IN 1 DAY - Invoices:1	7/10/2018	\$494.58 Building Maintenance - Office &
SONITROL - Invoices:3	7/25/2018	\$1,971.51 Building Maintenance - Office &
STAR CREEK LAND STEWARDS INC - Invoices:1	7/25/2018	\$2,297.72 Hydrant Deposit Refund
SUTTER MEDICAL FOUNDATION - Invoices:1	7/11/2018	\$449.00 Employment Cost
TEE JANITORIAL & MAINTENANCE - Invoices:1	7/2/2018	\$3,223.50 Building Service Expense - Office &
THINK, INC - Invoices:1	7/10/2018	\$277.44 Printing
TINA LYNN DESIGN - Invoices:1	7/2/2018	\$687.50 Contract Services
TODD ARTRIP - Invoices:1	7/2/2018	\$262.95 Travel Conferences
TOM DICKINSON - Invoices:1	7/18/2018	\$116.40 Other Training
TOM MCNABB - Invoices:1	7/11/2018	\$150.00 BMP Rebates
TRENCH PLATE RENTAL - Invoices:1	7/2/2018	\$95.52 Equipment Maintenance Services
TRUE POINT SOLUTIONS LLC - Invoices:1	7/11/2018	\$45,000.00 Annual Maintenance/Support
TULLY & YOUNG - Invoices:1	7/10/2018	\$5,170.00 Consulting Services
ULINE SHIPPING SUPPLY SPECIALISTS - Invoices:1	7/2/2018	\$153.98 Operating Supplies
UNITED BUILDING CONTRACTORS - Invoices:1	7/25/2018	\$2,270.36 Hydrant Deposit Refund
USA REPLACEMENT AUTO GLASS CO - Invoices:1	7/11/2018	\$390.93 Vehicle Maintenance Services
VERIZON WIRELESS/DALLAS TX - Invoices:2	7/2/2018	\$5,404.09 Communication
VOYAGER FLEET SYSTEMS - Invoices:2	7/2/2018	\$20,247.15 Operating Supplies - Gasoline
WASTE MANAGEMENT - Invoices:3	7/11/2018	\$575.67 Building Service Expense - Office &
WATER EDUCATION FOUNDATION - Invoices:1	7/11/2018	\$1,984.00 Membership & Dues
WATERWISE CONSULTING, INC. - Invoices:1	7/18/2018	\$4,025.00 Consulting Services
WEST YOST & ASSOCIATES - Invoices:1	7/11/2018	\$6,953.12 Consulting Services
WHOLESALE TRAILER SUPPLY - Invoices:1	7/2/2018	\$25.72 Vehicle Maintenance Supplies
WILLIAM FLEISHER - Invoices:1	7/11/2018	\$49.00 BMP Rebates
WILLIAM W FOBES II - Invoices:1	7/25/2018	\$75.00 BMP Rebates
CITY OF SACRAMENTO WATER - Invoices:2	7/18/2018	\$827.58 Purchased Water-City of
PG&E - Invoices:2	7/18/2018	\$36.38 Utilities
PLACER COUNTY WATER AGENCY - Invoices:2	7/11/2018	\$219,900.00 Water
SAN JUAN WATER DISTRICT - Invoices:1	7/18/2018	\$639,862.73 Water
SIERRA CHEMICAL COMPANY - Invoices:6	7/2/2018	\$41,014.01 HFA, Chemical & Delivery
SMUD - Invoices:6	7/2/2018	\$246,948.67 Electrical Charges
		<u>\$4,288,019.20</u>

**Credit Card Expenditures
July 2018**

Sacramento Suburban Water District
 US Bank Purchasing Card Program
 CalCard Expenditures
 July 2018

Vendor Name	Description	Amount	Proj/GLAcct
HOME DEPOT	METAL GRINDING DISCS	\$21.52	06-52101
HOME DEPOT	SAFETY HASPS FOR WELL SITES	\$22.58	06-52101
COSTCO	RETURNED HAND TRUCK	(\$107.74)	08-52101
BATTERIES PLUS	REPLENISH 3V BATTERY SUPPLY	\$32.29	05-52101
HOME DEPOT	PIPE WRENCH	\$46.31	15-52101
HOME DEPOT	KNEE PADS FOR NEW INTERNS	\$23.64	15-52101
MCMaster-CARR	PVC FITTINGS (EDEN ROOT)	\$406.85	SC18-011B1
MANDALAY BAY	VEGAS HOTEL - ACE 18, TODD ARTRIP	\$696.18	08-55001
MANDALAY BAY	VEGAS HOTEL- ACE 18, MATT UNDERWOOD	\$696.18	05-55001
MCMaster-CARR	SPRAY NOZZLE (EDEN ROOT)	\$34.40	SC18-011B1
TARGET	MISC. WAREHOUSE SUPPLIES	\$123.85	05-52101
HOME DEPOT	CHANNEL LOCK	\$17.22	15-52101
SMART & FINAL	SAFETY BBQ FOOD/SUPPLIES	\$107.36	02-51403
COSTCO	SAFETY BBQ FOOD/SUPPLIES	\$458.07	02-51403
RALEY'S	ALL HANDS BREAKFAST ITEMS FOR MAY 25, 2018 MEETING	\$39.25	02-51403
GOVERNMENT FINANCE OFFICE	CAFR SUBMISSION	\$505.00	03-54509
CA-NV SECTION, AWWA	BACKFLOW REFRESHER COURSE - SHAWN CHANEY	\$195.00	07-51406
NYNY HOTEL	AWWA ACE18 HOTEL DEPOSIT-JOE CROCKETT	\$366.23	05-55001
NYNY HOTEL	AWWA ACE18 HOTEL DEPOSIT - KYLE JIVIDEN	\$366.23	08-55001
NYNY HOTEL	AWWA ACE18 HOTEL DEPOSIT-SHAWN CHANEY	\$366.23	05-55001
SKILLPATH	DEALINGEFFECTIVELY W/UNACCEPTABLEEMPLOYEEBEHAVIOR-SHAWN CHANEY	\$149.00	07-51407
SKILLPATH	THE ASSERTIVENESS SKILLS FOR MANAGERS SEMINAR - SHAWN CHANEY	\$199.00	07-51407
AWWA.ORG	M36 WATER AUDITS & LOSS CONTROL PROGRAMS - GREG BUNDESEN	\$133.50	05-52505
FRED PRYOR CAREER TRACK	THE EXCEPTIONAL TEAM LEADER - SHAWN CHANEY	\$149.00	07-51407
FRED PRYOR CAREER TRACK	BUSINESS WRITING FOR RESULTS - SHAWN CHANEY	\$179.00	07-51407
AUTONATION	FRONT END ALIGNMENT - VEHICLE #73	\$119.95	12-54005
BLINDS GALORE	DOOR BLINDS FOR UPSTAIRS FORMAN'S OFFICE & PRODUCTION SUP.	\$98.99	12-54008
GCIRON.COM	AIR FILTERS FOR MQ RAMMER #71 & STOCK WHEELS FOR MQ PUMPS	\$105.87	12-54003
VALLEY TOOL REPAIR	REPAIR SF-2500R RIDGID FREEZE MACHINCE S/N:2003781	\$690.00	12-54003
J&J LOCKSMITH	SIX (6) SPARE BIN KEYS FOR VEHICLE #73	\$32.33	12-54005
BUBBAS CAR WASH	4 EACH VEHICLE WASH CARDS WITH 11 WASHES EACH	\$240.00	12-54005
THE HOME DEPOT	2X8 VEHICLE #66 TAILGATE & THREADED ROD AND NUTS	\$40.46	12-52101
UPS	SHIPP RIDGID FREEZE MACHINE IN FOR REPAIR - S/N:2003754	\$157.99	12-53003
PEP BOYS	DEF FOR DIESEL VEHICLES, WINDOW WASHER FLUID, SAE30 OIL, FUEL ADD.	\$93.76	12-54006
AMAZON.COM	CELL PHONE CASE FOR SAMSUN GALAXY S9 & WIRELESS CHARGER	\$34.06	12-53503
REDBUBBLE.COM	SIGNAGE FOR THE RESTROOMS AT MARCONI	\$32.14	12-54008

AMAZON.COM	WIRELESS DOORBELL FOR WALNUT	\$14.99	12-54008
AMAZON.COM	CREDIT FOR WIRELESS DOORBELL FOR WALNUT	(\$14.99)	12-54008
THE HOME DEPOT	REPLACEMENT LED MOTION SENSOR LIGHT IN WALNUT SHOP	\$86.17	12-54008
THE HOME DEPOT	REFRIGERATOR FOR GM OFFICE	\$173.45	12-54008
LOWE'S	WIRELESS DOOR BELL FOR WALNUT	\$32.45	12-54008
FLASHPOINT STUDIOS	MONTHLY ON HOLD RECORDINGS FEE	\$79.00	04-54508
AMAZON MARKET PLACE	PHONE CASES	\$39.96	18-52101
DIGICERT	CERTIFICATE FOR NEW CITYWORKS SERVER	\$539.00	18-54509
SACRAMENTO COUNTY	PERMIT FOR NEW SERVER ROOM	\$462.96	18-54509
NOAH'S BAGELS	ALL HANDS REFRESHMENTS	\$77.50	02-51403
RALEY'S	MULTICULTURAL POTLUCK CONTRIBUTION FROM DISTRICT (CHICKEN AND POTATO)	\$32.31	02-51403
CSDA	REGISTRATION FOR DAVE JONES TO ATTEND CONFERENCE	\$600.00	01-55001
BATH AND BODY WORKS	HAND SOAP FOR OFFICE SUPPLIES	\$57.91	03-52108
WILSONS	LASER PLATE FOR NAME AT DAIS	\$86.60	03-52108
ACWA	REGISTRATION FOR ROB ROSCOE FOR MOKELUMNE RIVER TOUR MEETING	\$35.00	02-55002
MICHALES	FRAME FOR CAP TO CAP	\$116.15	03-52108
RALEY'S	REFRESHMENTS FOR ALL HANDS AND SAFETY MEETING	\$50.81	02-51403
		Totals:	<u><u>\$9,340.97</u></u>

**District Reserve Balances
July 31, 2018**

**Sacramento Suburban Water District
Reserve Fund Balance**

	<u>July 31, 2018</u>	<u>December 31, 2017</u>
Debt Service Reserve	\$ 12,631	\$ 3,548,170
Facilities Reimbursement	-	-
Emergency/Contingency	11,255,000	10,931,500
Operating	7,390,000	7,270,250
Rate Stabilization	6,244,500	5,976,000
Interest Rate Risk	-	-
Grant	-	210,000
Capital Asset	22,909,897	17,733,285
TOTAL	\$ 47,812,028	\$ 45,669,205

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

	<u>July 31, 2018</u>	<u>December 31, 2017</u>
Cash and cash equivalents	\$ 11,655,321	\$ 6,084,811
Investments	36,144,076	36,036,224
Restricted assets	12,631	3,548,170
TOTAL	\$ 47,812,028	\$ 45,669,205

Information Required by Bond Agreement

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

As Of

	<i>Actual Year-To-Date 7/31/2018</i>	<i>Budget Year-To-Date 7/31/2018</i>
REVENUES		
Water sales charges	\$10,713,202.81	\$11,936,748.00
Capital facilities charge	13,949,763.71	14,324,917.00
Facility development charges	116,284.00	175,000.00
Interest and investment income	108,244.71	524,417.00
Rental & other income	298,742.68	155,167.00
TOTAL REVENUES	25,186,237.91	27,116,249.00
EXPENSES		
Source of supply	1,343,018.21	2,038,870.69
Pumping	2,358,818.02	2,675,724.09
Transmission and distribution	1,972,577.97	2,224,335.30
Water conservation	216,216.12	288,399.82
Customer accounts	722,039.99	763,934.29
Administrative and general	3,999,673.39	4,650,807.51
TOTAL EXPENSES	10,612,343.70	12,642,071.70
NET REVENUE	14,573,894.21	14,474,177.30

Sacramento Suburban Water District
6 - Months Debt Service Schedule
7/31/2018

Month	Total SSWD Debt Service				Debt Service
	Principal	Interest Adjustable/Fixed/Swap	Facility Fee	Remarketing	
Aug-18	-	75,606.83	-	-	75,606.83
Sept-18	-	75,606.83	50,400.00	13,125.00	139,131.83
Oct-18	-	75,606.83	-	-	75,606.83
Nov-18	4,425,000.00	712,129.83	-	-	5,137,129.83
Dec-18	-	75,606.83	50,400.00	13,125.00	139,131.83
Jan-19	-	75,606.83	-	-	75,606.83

Month	Series 2012A Fixed Rate Bonds (\$23,440,000.00)				Debt Service
	Principal	Interest - Fixed 4.25%			
Aug-18	\$ -	\$ -	\$ -	\$ -	\$ -
Sept-18	-	-	-	-	-
Oct-18	-	-	-	-	-
Nov-18	2,105,000.00	381,113.00	-	-	2,486,113.00
Dec-18	-	-	-	-	-
Jan-19	-	-	-	-	-

Month	Series 2009A Adjustable Rate COPs (\$42,000,000.00)				Debt Service
	Principal	Interest, Adjustable 0.69%	Facility Fee 0.480%	Remarketing 0.125%	
Aug-18	\$ -	\$ 24,150.00	-	-	\$ 24,150.00
Sept-18	-	24,150.00	50,400.00	13,125.00	87,675.00
Oct-18	-	24,150.00	-	-	24,150.00
Nov-18	-	24,150.00	-	-	24,150.00
Dec-18	-	24,150.00	50,400.00	13,125.00	87,675.00
Jan-19	-	24,150.00	-	-	24,150.00

Month	Series 2018A Fixed Rate COPs (\$27,915,000)				Debt Service
	Principal	Interest - Fixed 3.45%			
Aug-18	\$ -	\$ -	\$ -	\$ -	\$ -
Sept-18	-	-	-	-	-
Oct-18	-	-	-	-	-
Nov-18	2,320,000.00	255,410.00	-	-	2,575,410.00
Dec-18	-	-	-	-	-
Jan-19	-	-	-	-	-

Month	2012 SWAP Interest, Net (\$33,000,000.00)				Debt Service
	Principal	Interest, Swap Net (3.283-1.2487-.18)%			
Aug-18	\$ -	\$ 51,456.83	-	-	51,456.83
Sept-18	\$ -	\$ 51,456.83	-	-	51,456.83
Oct-18	\$ -	\$ 51,456.83	-	-	51,456.83
Nov-18	\$ -	\$ 51,456.83	-	-	51,456.83
Dec-18	\$ -	\$ 51,456.83	-	-	51,456.83
Jan-19	\$ -	\$ 51,456.83	-	-	51,456.83

Financial Markets Report

Financial Markets Report

Summary of District's Debt Portfolio:

Debt	Original Par	Outstanding	Issuance	Credit Enhancement	Final Maturity
2009A	\$ 42,000,000	\$ 42,000,000	Adjustable Rate Revenue COP's	Sumitomo Bank*	11/1/2034
2012A	\$ 29,200,000	\$ 17,490,000	Fixed Rate Revenue Bond		11/1/2027
2018A	\$ 19,615,000	\$ 19,615,000	Fixed Rate Revenue Bond		11/1/2028
	\$ 90,105,000	\$ 79,105,000			

* Credit enhancement expires 6/30/2023

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

Debt	Outstanding	Credit Enhancement	Bank Owned	Sold in Market	Market Rate
2009A	\$42,000,000	Sumitomo Bank LOC	None	\$42,000,000	0.69%
Swap	Notional Amount \$33,300,000	Counterparty Wells Fargo Bank, N.A.	FMV (\$4,699,426)	Receive Rate 1.429%	Fixed Rate 3.283%

Current Status of District's Investment Portfolio (July 31, 2018):

Fair Market Value	Security Type	Yield
\$ 5,208,195.65	LAIF	1.94%
2,132,535.35	commercial paper	2.23%
3,635,354.24	Asset-Backed Securities/CMOs	2.11%
8,218,738.57	Certificates of Deposit	2.18%
9,163,030.16	Corporate Notes	2.31%
724,013.59	Federal Agency Collateralized Mortgage Obligation	1.81%
1,454,454.48	Federal Agency Securities Bonds/Notes	1.28%
228,541.80	Municipal Bonds	1.90%
2,536,177.43	Supra-National Agency Bond	2.13%
9,982,257.34	Treasury Bonds/Notes	1.95%
\$ 43,283,298.61		2.08%

Market:

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

Current Bond Markets

- Despite a rise in the federal funds rate, long-term Treasury yields declined in June, with the 30-year bond ending the month at a yield of 2.99%, down four basis points (bps) (0.04%). Meanwhile, maturities in the one- to five-year range increased by four to 10
- bps, furthering the trend toward a flat yield curve.
- As a result, both short- and long-term indices outperformed their intermediate maturity counterparts. For example, the six-month Treasury index returned 0.16% for the month and the

30-year Treasury index returned 0.29%, while the one- to five-year Treasury index returned -0.01% for the month.

- Investment grade credit spreads widened through June, largely on global trade tensions, European uncertainty and weaker demand. Although the corporate sector now offers the most incremental income when compared with government securities for more than a year, the spread widening generally resulted in corporate bonds underperforming comparable duration Treasuries on a total return basis.

PFM Outlook

- Given the strength of the U.S. economy, we expect the Fed to hike rates at least once more this year. New tariffs on imported goods could put further pressures on U.S. prices in the short run, thus supporting the Fed's action. As such, we believe a modestly defensive duration position continues to be warranted for at least the near term. Longer term, however, trade policies could become a drag on the U.S. and global economies, and the Fed might be compelled to alter its policies.
- Our view in the near term is that the credit sector offers value as economic and earnings growth balance the increase in corporate debt levels that we have observed. However, the sector would be among the first to feel adverse effects from trade policies and related geopolitical risk. As a result, we believe a modestly defensive posture is warranted. We prefer market-weight allocations to corporates, with a preference for AAA-rated Asset- Backed Securities (ABS) and negotiable certificates of deposit (CDs), which offer an element of diversification and downside protection in credit sectors.
- By contrast, federal agency yields remain very close to matched maturity Treasuries, for the most part, and offer little opportunity. One exception is longer maturity Tennessee Valley Authority debt securities (TVAs), where yield spreads widened on the Trump administration's proposal to privatize the agency.
- Supranationals remain a good alternative to agencies. Despite light issuance over the past few months, as expected seasonally, supranational yield spreads were generally unchanged over the month, with some areas of the curve modestly wider.
- The Fed rate hike in coming months has boosted money market rates well into the 2% range and, as bank deposit rates have lagged, short-term Treasuries, commercial paper and negotiable CDs are quite attractive for liquid funds.

(Source: PFMAM July 2018 Monthly Market Review).

Debt Portfolio:

The District's debt portfolio is evenly divided between fixed-rate debt and variable-rate debt. While the District's exposure to market conditions has been reduced, the District is exposed to interest rate risk primarily on the un-hedged portion of its variable-rate COP, representing \$8.7 million. Such risk is managed by the District through adherence to the District's Reserve Policy that addresses the management of interest

rate risk through prudent investing of reserves in short-term variable-rate securities in an amount at least equal to the un-hedged debt exposure.

Investment Portfolio:

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



Agenda Item: 18

Date: August 3, 2018

Subject: District Activity Report

Staff Contact: Matt Underwood, Operations 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, 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 Years 2017 and 2018. As a result of the near normal precipitation this past winter, surface water supplies are currently being utilized in the North Service Area, while the South Service Area continues to rely solely on groundwater sources.

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

This indicates the amount of water the District served to other water purveyors in Calendar Year 2018. The amount is indicated in Million Gallons (MG) and Acre Feet (AF).

iii. Water Operations Activity – Exhibit WO-3

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

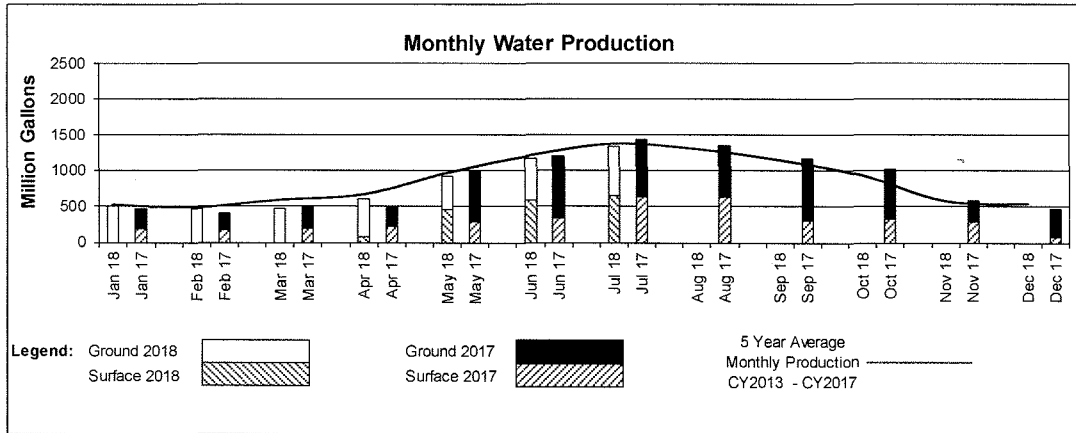
iv. Claims Update – Exhibit WO-4

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

Monthly Water Production 2018

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	0.000	299.436	299.436	0.000	212.467	212.467	511.903	16.513	9.300
Feb	0.000	271.513	271.513	0.000	203.539	203.539	475.052	16.966	8.631
Mar	0.000	282.333	282.333	0.000	192.666	192.666	474.999	15.323	8.630
Apr	82.525	277.599	360.124	0.000	253.253	253.253	613.377	20.446	11.144
May	459.997	68.243	528.240	0.000	399.628	399.628	927.868	29.931	16.858
Jun	590.922	66.521	657.443	0.000	511.774	511.774	1,169.217	37.717	21.242
July	652.821	111.735	764.556	0.000	567.176	567.176	1,331.732	42.959	24.195
Aug									
Sep									
Oct									
Nov									
Dec									
MG	1786.265	1377.380	3,163.645	0.000	2340.503	2,340.503	5504.148	25.963	
AF	5,481.846	4,227.024	9,708.870	0.000	7,182.740	7,182.740	16,891.610		



* 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.

Notes: Reported production values do not include water wheeled/sold to other purveyors.

The reporting periods for groundwater production may differ from the calendar month beginning/end dates and will vary year-to-year.

The previously reported North Service Area surface water total for April 2018 was adjusted to include 6.279 MG of water used to disinfect and flush the Antelope Transmission Pipeline, which bypassed the C-Bar-C flow meter.

Million Gallons (MG)

Mo/Yr	Surface	Ground	Total	Difference
Jan 18	0.000	511.903	511.903	39.431
Jan 17	187.518	284.954	472.472	
Feb 18	0.000	475.052	475.052	61.187
Feb 17	174.222	239.643	413.865	
Mar 18	0.000	474.999	474.999	-27.046
Mar 17	191.993	310.052	502.045	
Apr 18	82.525	530.852	613.377	112.810
Apr 17	231.705	268.862	500.567	
May 18	459.997	467.871	927.868	-78.151
May 17	299.000	707.019	1,006.019	
Jun 18	590.922	578.295	1,169.217	-41.395
Jun 17	343.160	867.452	1,210.612	
Jul 18	652.821	678.911	1,331.732	-116.084
Jul 17	645.034	802.782	1,447.816	
Aug 18				
Aug 17	646.839	715.477	1,362.316	
Sep 18				
Sep 17	314.565	860.300	1,174.865	
Oct 18				
Oct 17	324.859	704.543	1,029.402	
Nov 18				
Nov 17	293.807	295.098	588.905	
Dec 18				
Dec 17	82.322	392.959	475.281	

Exhibit WO-2

SACRAMENTO SUBURBAN WATER DISTRICT
Water Wheeled To Other Purveyors
 2018

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	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
February	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
March	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
April	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
May	0.000	0.000	0.000	0.000	152.877	49.815	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
June	147.116	47.938	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	253.146	82.488	0.000	0.000	*907.611	295.746	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
August														
September														
October														
November														
December														
YTD	400.263	130.426	0.000	0.000	152.877	345.561	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.
 * Regional Water Transfer

Exhibit WO-3

Water Operations Activity

	<u>July</u>	<u>Monthly Avg</u>	<u>Total</u>	<u>Total # in</u>	<u>% Completed</u>
	<u>2018</u>	<u>CY 2018</u>	<u>CY 2018</u>	<u>System</u>	<u>CY 2018</u>
<u>Production Department</u>					
<u>Service Orders</u>					
<u>Water Quality</u>					
<u>Complaints</u>	0	1	10		
<u>Inquiries</u>	14	16	109		
<u>Taste & Odor Complaints</u>	0	0	0		
<u>Taste & Odor Inquiries</u>	3	5	32		
<u>Distribution Department</u>					
<u>Service Orders</u>					
<u>Main Leaks</u>	4	3	23		
<u>Service Line Leaks</u>	10	7	48		
<u>Water Main Shutdown</u>					
-- <u>Emergency</u>	1	1	9		
-- <u>Scheduled</u>	2	1	5		
<u>Preventive Maintenance Program</u>					
<u>Fire Hydrants Inspected</u>	29	10	72	6,486	1.1%
<u>Fire Hydrant Valves Inspected</u>	23	16	110	5,759	1.9%
<u>Fire Hydrant Valves Exercised</u>	23	16	110	5,759	1.9%
<u>Mainline Valves Inspected</u>	158	150	1049	11,132	9.4%
<u>Mainline Valves Exercised</u>	142	133	933	11,132	8.4%
<u>After Hours Activity (On-Call Technician)</u>					
<u>Calls Received</u>	50	46	322		
<u>Calls Responded</u>	28	30	208		
<u>Overtime Hours</u>	53	54	381		
<u>Field Services Department</u>					
<u>Meters</u>					
<u>PM - Meters Tested (3 - 10 inch)</u>	19	9	64	451	14.2%
<u>PM - Meters Replaced (⁵/₈ - 1 inch)</u>	0	1	4	35,728	0.0%
<u>PM - Meter Re-Builds (1¹/₂ - 2 inch)</u>	0	32	221	2,441	9.1%
<u>Customer Pressure Inquiries</u>	7	10	67		
<u>Field Operations Department</u>					
<u>Service Requests Generated</u>	1,396	1,529	10,706		
<u>Work Orders Generated</u>	1,172	1,045	7,317		

Exhibit WO-4

Date: August 3, 2018

Subject: Claims Update

Staff Contact: Matt Underwood, 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 during this time.

CLAIMS UNDER REVIEW/INVESTIGATION

There are no claims under review/investigation at this time.

b. Water Quality Report

Nothing new to report for July.

c. Water Conservation and Regional Water Efficiency Program Report

i. Program Overview for July 2018

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 engage customers in an effort to ensure they are aware of the most up to date water use efficiency practices and water conservation programs being offered by the District and other local and state agencies. The following is a list of District water conservation related activities for July 2018.

- a. On April 23, 2018, 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 a 26% reduction in July 2018 (when compared to July 2013), exceeding the District's 10% monthly goal. Since the Emergency Drought Regulations were enacted¹ in July 2015, the District has maintained a 24% reduction in water use when compared to 2013.
- b. Customer Leak Notifications – Staff sent out 1,328 notifications of 72-hour continuous flow events in July 2018 and conducted 18 customer leak investigations.
- c. Public Outreach – The District utilized various info graphics for public outreach in July 2018. Staff utilized online advertising and the District's website to communicate the District's water use efficiency message. The online advertisements used for Google generated 394 clicks and left 109,978 impressions. The District's primary focus for July 2018 was the opening of Antelope Gardens and WaterSense products.

ii. Water Conservation Program and Results

District staff continues to promote water conservation. During the month of July 2018, District staff and the District's contract company performed 38 Single Family Residential Water-Wise House Calls (WWHC) and 2 Multi-Family WWHCs.

Staff received 30 calls and 27 reports via the District's website regarding water waste. Staff issued 30 Information Only Water Waste Notices, 98 Notices of Violation (NOV), 6 Warning NOVs, and 1 First Violation that did not result in a monetary assessment.

¹ Though the Emergency Drought Regulations were rescinded in July 2017, the District continues to use CY2013 as a baseline for water conservation and use efficiency target setting.

The District issued rebates for 2 toilets, 7 Weather Based Irrigation Controllers, 2 Clothes washers, 1 Rain Sensor, and 6 Irrigation Efficiency Upgrades in July 2018.

iii. Upcoming Events

Carmichael Founders Day – September 22, 2018

Open House – October 17, 2018.

d. Customer Service Report

i. Customer Service Monthly Activity - Exhibit CS-1

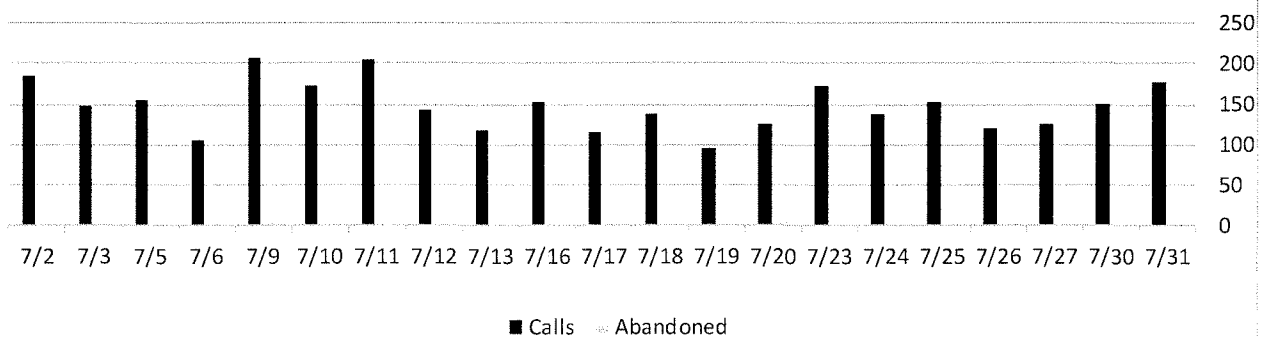
1. Customer Service Activity Report shows Customer Service activity for the month of July 2018.
2. Call Volume Report shows number of calls received, abandoned calls, and queue times.

Exhibit CS-1

	<u>July 2018</u>		<u>Calendar Year 2018</u>	
Billing				
Connections-Total Active	46,301			
E-billing	4,027			
Payments				
Cash/Check	960	2.4%	8,281	2.9%
Credit Card	689	1.7%	5,126	1.8%
Web	5,174	12.8%	36,138	12.9%
Auto-Pay (Checking)	3,997	9.9%	30,368	10.8%
Auto-Pay (Credit Card)	3,991	9.8%	27,466	9.8%
IVR (Auto Phone)	1,624	4.0%	11,111	4.0%
Online Banking	11,432	28.2%	77,367	27.5%
LockBox	12,691	31.3%	85,363	30.4%

Monthly Calls

Date	Total Calls	Calls Abandoned	% of Calls Abandoned	Avg Wait On Queue	Max Wait on Queue	Avg Talk Time
7/2/2018	184	3	1.63%	28s	3m, 50s	2m, 49s
7/3/2018	149	4	2.68%	19s	3m, 46s	2m, 53s
7/5/2018	155	4	2.58%	43s	7m, 50s	2m, 41s
7/6/2018	106	4	3.77%	30s	4m, 57s	2m, 55s
7/9/2018	208	7	3.37%	43s	5m, 14s	2m, 56s
7/10/2018	173	0	0.00%	29s	5m, 53s	2m, 34s
7/11/2018	204	3	1.47%	27s	3m, 18s	2m, 39s
7/12/2018	143	4	2.80%	29s	5m, 7s	2m, 54s
7/13/2018	118	5	4.24%	23s	5m, 39s	2m, 56s
7/16/2018	153	5	3.27%	17s	3m, 26s	2m, 49s
7/17/2018	117	3	2.56%	20s	5m, 52s	3m, 39s
7/18/2018	138	3	2.17%	1m, 8s	9m, 49s	3m, 4s
7/19/2018	97	4	4.12%	33s	4m, 29s	2m, 49s
7/20/2018	125	7	5.60%	52s	7m, 11s	3m, 11s
7/23/2018	172	2	1.16%	37s	5m, 15s	2m, 36s
7/24/2018	139	0	0.00%	31s	5m, 26s	2m, 55s
7/25/2018	153	2	1.31%	29s	9m, 21s	3m, 11s
7/26/2018	120	0	0.00%	26s	3m, 22s	3m, 2s
7/27/2018	125	0	0.00%	23s	6m, 57s	2m, 41s
7/30/2018	150	0	0.00%	11s	2m, 2s	2m, 36s
7/31/2018	177	4	2.26%	24s	3m, 41s	3m, 1s
Group Total	3106	64	2.06%	27s	5m, 14s	3m, 5s



e. Community Outreach Report

i. September Bill Insert

The September bill insert will begin on August 27, 2018 and continue until September 23, 2018. A sample of the bill insert has been included with this report.

ii. September Envelope Message

The September envelope informs customers of the Open House to be held on October 17, 2018. The envelope will begin on August 27, 2018 and continue until September 23, 2018.

iii. Community Meetings/Events

Staff, representing SSWD, attended the following agency meetings, conference calls, community meetings, and events in July 2018:

<u>Date:</u>	<u>Meeting:</u>	<u>Staff:</u>
07/02/18	Bay-Delta Task Force	Dan York
07/05/18	Gave Presentation at the Tri-Communities Lunch Bunch	Dan York
07/09/18	RWA Membership Committee	Dan York
07/11/18	McClellan Business Park Meeting	York/Huot
07/11/18	RWA – Regional Reliability Plan	Dan York
07/12/18	RWA Board Meeting	Dan York
07/25/18	RWA Executive Committee	Dan York
07/27/18	McClellan Business Park Meeting	York/Huot
07/30/18	ACWA Region 4 Meeting	York



You're Invited Oct. 17th!

SSWD Open House, 6-8 p.m.

SSWD will be holding an open house on Wednesday, October 17th from 6 to 8 p.m. Come on by to:

- ▶ Meet SSWD Board members and Dan York, the District's new General Manager.
- ▶ Check out WaterSense-labeled products.
- ▶ Learn about the local water supply and upcoming and current projects.
- ▶ Find out how we detect leaks in the water system

SSWD Open House | page 2

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.


H₂O Hero | Water-Wise at the Swimming Pool

Karen loves having a pool at her house and has developed a great way of reducing evaporation and keeping the heating costs down. During the summertime, she uses a lightweight solar pool cover that helps trap heat; reduce water loss and stops leaves and other debris from getting in the pool. Karen keeps the solar cover on when the pool is not in use. When she and her family feel like taking a dip, she simply rolls it up and out of the way.


When the temperature starts to drop, she keeps the solar cover in place and then also uses a mechanical pool cover on top of it. To keep even more heat in the pool, Karen places large Styrofoam planks over the middle of the pool that act as additional insulation.

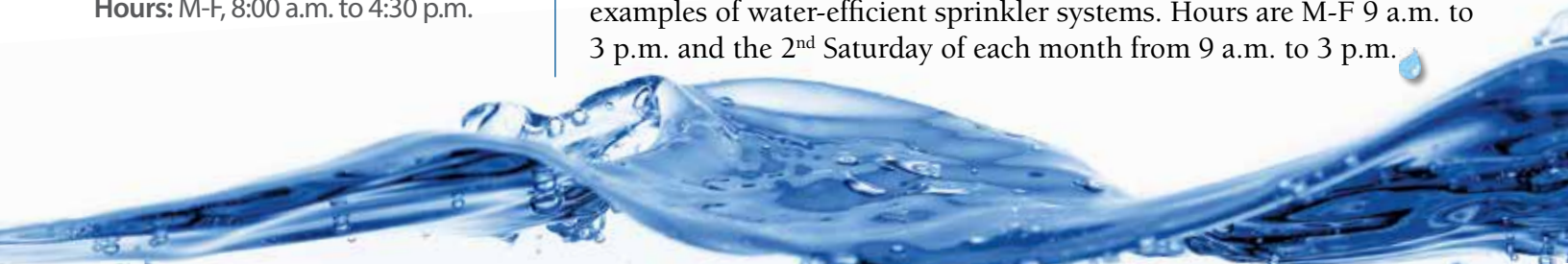
During the winter and spring, Karen drains the water that has collected on top of the pool cover into covered plastic garbage cans and uses it to water her plants throughout the rest of the year.

She's also made a commitment to being water-wise in other ways. Inside her home, she installed water-efficient showerheads and toilets and uses plenty of mulch around her plants and trees.

Are you a H₂O Hero? Let us know and you could be featured in our next bill insert. 

Last Chance to Visit Antelope Gardens

The Antelope Water Efficient Landscape Garden closes at the end of October. The garden is filled with native and low-water use plants and examples of water-efficient sprinkler systems. Hours are M-F 9 a.m. to 3 p.m. and the 2nd Saturday of each month from 9 a.m. to 3 p.m. 





RAFFLE TICKET

Fill out the form and bring it to our Open House for your chance to win a weather-based sprinkler controller.

Name: _____

Phone Number: _____

Email: _____



Forms must be brought to the Open House to be entered. Attendance at time of drawing is not required.

SSWD Open House | *from page 1*

- ▶ Enter our raffle to win a weather based irrigation controller.
- ▶ Refreshments and giveaways.

Top Watering Tricks for a Healthy Landscape

You can save a lot of water each time you water your yard by following these easy steps. You'll not only use water more efficiently, you'll have a better-looking yard and healthier plants.

1) Check the soil

First use a moisture meter or good old eight-inch screwdriver to see if your yard needs water. If meter says it is moist or the screwdriver easily goes into the soil you can skip running the sprinklers.

2) Inspect your sprinklers

Check your sprinklers on a regular basis for problems like clogged and broken heads or ones that are misdirected and spraying the sidewalk or your car instead of your yard.

3) Water in the morning

After you've checked to see if you need to water, set your sprinklers to run in the early morning. The temperatures are lower, slowing evaporation so less water is lost and more gets to your plants.

4) Use the cycle and soak method

Cycle and soak is a process of running your sprinklers in shorter increments spaced out over a period of time to allow for better absorption by the soil.

For example, if you're running your sprinklers for eight minutes, break the watering cycle into two increments of four minutes, spaced an hour apart. This allows the water to better permeate through the soil and get to where it's needed.

WaterSense Your Bathroom

If you're planning to renovate your bathroom or just want to make a few little upgrades; make sure to look for WaterSense-labeled fixtures and toilets when you're shopping.

More than half of the water we use inside our home is used in the bathroom. The EPA estimates that replacing your old showerhead, toilet and faucets with WaterSense-labeled ones could save the average home 10,000 gallons of water a year, enough electricity to run a refrigerator for seven months and \$150 a year on utility bills.

Learn more at: <https://www.epa.gov/watersense>

SSWD has complementary showerheads available at the District office. Stop by today to pick one up for your home.

Wondering About Water?

Ever wonder about SSWD or ways to be water-wise. SSWD is here to answer your questions.

We want to make sure we get you the answer you're looking for. Want to know more about Capital Improvement Projects, conservation, ways to pay your bill or your

Board of Directors, then email us at feedback@sswd.org and pose your question. We'll include it in future bill inserts, newsletter or future workshops.





Agenda Item: 19

Date: August 2, 2018
Subject: Engineering Report
Staff Contact: Dana Dean, P.E., Engineering Manager

Summarized below are significant Engineering Department activities and milestones over the past month. The report is separated into the following sections: a) Major Capital Improvement Program (CIP) Projects; and b) Other.

a. Major Capital Improvement Program (CIP) Projects

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

1) Supply

Well N6A – Palm (Replacement Well)

Construction of the pump station and treatment plant began in early July. Work is expected to be completed and the well on line in Spring 2019.

Well 78 – Butano / Cottage (New Well Site)

Construction of the new well is expected to begin in early August 2018. Pumping plant design is anticipated to be completed in the second half of 2018, with construction of above ground facilities beginning in Spring 2019. The well is anticipated to be completed and on line by the end of 2019 or early 2020.

Well N36A – Verner (New Well Site)

Well design is anticipated to be completed in late 2018, and well construction is expected to be completed in late 2018.

Various Well Investigation and/or Rehabilitation Projects

- Well 28 – Red Robin/Darwin. This well is offline for discharge piping and pump control modifications. It is expected to be back on line by September 2018.
- Well 30 – Rockbridge/Keith. This well is offline for discharge piping and pump control modifications. It is expected to be back on line by September 2018.
- Well 69 – Hilldale/Cooper. This well is offline for rehabilitation. An estimated return to service date has not yet been determined.

2) Distribution

Parkland Estates Phase 2 Main Replacement Project

Installation of distribution main and fire hydrants has been completed. Approximately 95% of services have been installed. This project is expected to be completed in fall 2018.

Edison Meadows Main Replacement Project

Construction work on the mainline is approximately 85% complete. Approximately 65% of services have been installed. This project is expected to be completed in late-2018 to early-2019.

Meter Retrofit Project

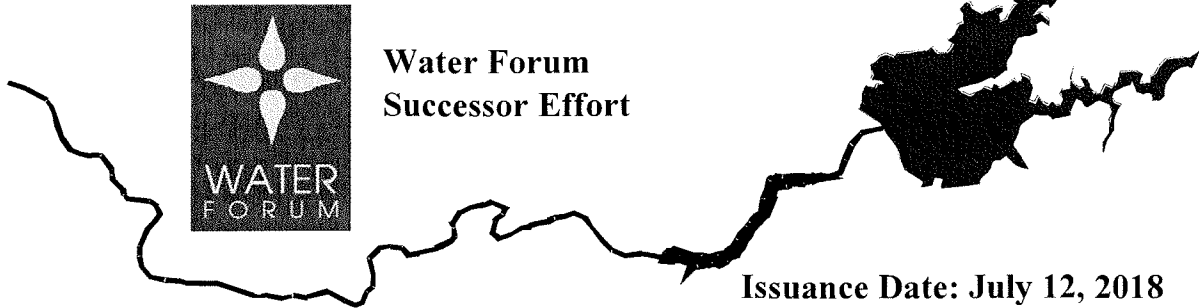
Of the approximately 1,200 meters in the 2018 Meter Retrofit Project, approximately 240 meters (20 percent) have been successfully installed. This project is expected to be completed in late 2018.

b. Other

New Engine Generator for Administration Building

- Work related to installation of the new generator, including electrical work and landscaping, is nearly complete with some punch-list items remaining. This phase of the project is expected to be completed in fall 2018.
- Work related to Phase 2 of the project, which includes permitting and coordination with SMUD for the construction of a new transformer pad and related site grading, installation of a new SMUD transformer, new underground primary and secondary electrical conduit, electrical panel upgrades, and related re-wiring, is expected to be completed in late 2019.

2018 Annual Runoff and Allocation Report



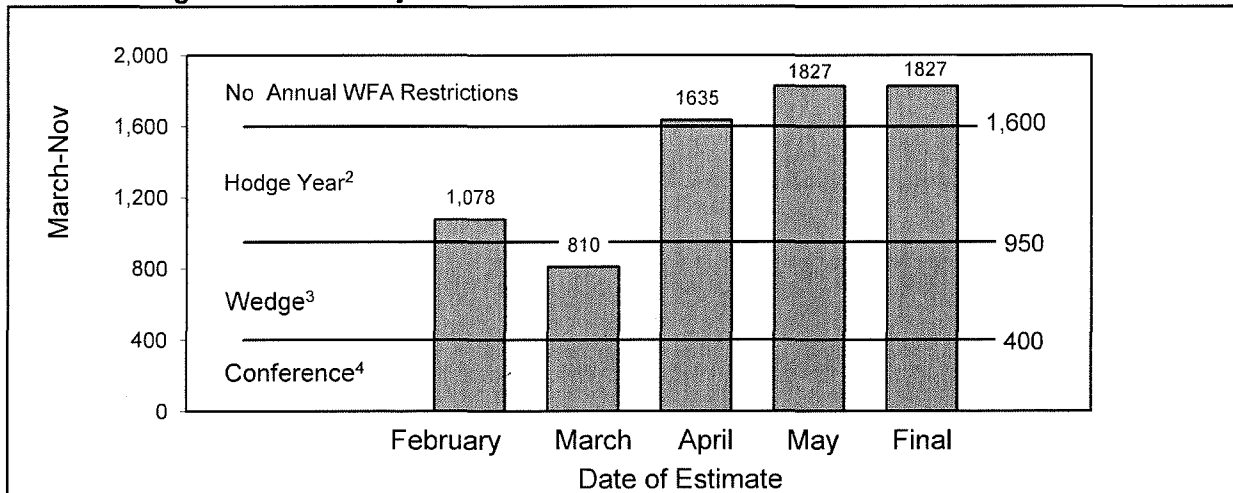
Water Forum
Successor Effort

Issuance Date: July 12, 2018

Purpose: This report is issued annually by the Water Forum Successor Effort to project March through November Unimpaired Inflow into Folsom Reservoir (March-Nov UIFR). Per the Water Forum Agreement of 2000, this hydrologic index is monitored every year during the months of February through June (See **Figure 1** and **Table 1**) to determine the type of water year and may be used by American River water purveyors and water right holders to determine the extent of their dry-year procedures. For more information on these topics, visit <http://www.WaterForum.org/Dry Year Procedures>.

Projected Mar-Nov UIFR for 2018 is 1827 TAF.

Figure 1. UIFR Projections and Annual American River Water Allocation¹



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

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

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

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

Monthly Runoff and Allocation Report; 2018 (continued)

Table 1. Monthly Runoff Values

Month	UIFR Monthly and Total Volumes in TAF				Final Values
	February Publication	March Publication	April Publication	May Publication	
March ¹	340	299	661	661	661
April ¹	290	215	370	713	713
May ¹	280	180	355	285	285
June ¹	85	50	150	88	88
July ¹	15	5	25	14	14
August and September ¹	4	1	6	3	3
October ²	30	30	30	30	30
November ²	30	30	30	30	30
Total	1,078	810	1,635	1,827	1,827

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

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

Significant Post May Events:

Mid-Month storm events in May-2018 did not deviate appreciably from the norm. DWR's post-May runoff updates did not indicate significant changes to the May projection of the March-Nov UIFR. Therefore, no post-May adjustments were made.

USBR American River CVP Municipal and Industrial Contractor Allocation

On February 27, 2015 the CVP announced that Municipal and Industrial (M&I) water service contractors North-of-Delta who are serviced by Folsom Reservoir on the American River are allocated 25 percent of their historic use. (<http://www.usbr.gov/newsroom/newsrelease/detail.cfm?RecordID=48986>).

Please note that the CVP allocations are administered by the USBR and are not part of the Water Forum Agreement. The CVP information is provided for informational purposes only.