

Agenda

Sacramento Suburban Water District

Regular Board Meeting

3701 Marconi Avenue, Suite 100
Sacramento, California 95821

Monday, November 19, 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 Items for Discussion and/or Action.

1. Minutes of the October 15, 2018 Regular Board Meeting
Recommendation: Approve subject minutes.

2. Minutes of the October 30, 2018 Special Board Meeting
Recommendation: Approve subject minutes.
3. Debt Obligation Continuing Disclosure Policy (PL – Fin 013)
Recommendation: Approve proposed updates to subject policy.
4. Resolution No. 18-17 Rescinding Resolution No. 18-15 and Further Amending District Conflict of Interest Code to Require Mandatory E-filing
Recommendation: Approve subject resolution.
5. Federal WaterSmart Marketing Strategy Plan Memorandum of Agreement
Recommendation: Approve the General Manager to sign the Water Marketing Strategy Plan Memorandum of Agreement.

Public Hearings

6. Public Hearing on Initial Study and Proposed Mitigated Negative Declaration for Well 79 Verner/Panorama Production Well Project
Hold a public hearing on Initial Study and Proposed Mitigated Negative Declaration for Well 79 Verner/Panorama. Receive staff presentation, open public hearing, receive public comment on the Initial Study and Proposed Mitigated Negative Declaration for Well 79 Verner/Panorama, close public hearing, respond as appropriate to public comments and accept the Initial Study and Proposed Mitigated Negative Declaration for Well 79 Verner/Panorama.

Items for Discussion and/or Action

7. Adoption of an Initial Study/Mitigated Negative Declaration for Well 79 Verner/Panorama Production Well and Pumping Station
Recommendation: Adopt the Initial Study/Mitigated Negative Declaration.
8. Communications Site Lease Agreement – Auburn Yard
Recommendation: Receive written staff report and direct staff as appropriate.
9. 2018 Employee Compensation Study
Recommendation: Approve 2018 Employee Compensation Study.
10. Employee Compensation Policy (PL – HR 002)
Recommendation: Approve proposed updates to subject policy.
11. Budget 2019 – 3rd Draft
Recommendation: Provide direction to staff in anticipation of Budget approval at the December 17, 2018 regular Board meeting.

General Manager's Report

12. General Manager's Report
 - a. City of Sacramento 9,023 Acre Feet Area D Water
 - b. San Juan Water District/Sacramento Suburban Water District Water Management/Re-Organization Committee Update
 - c. Regional Water Supply/Wheeling Opportunities
 - d. Mueller Systems, LLC Contract Update

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

13.
 - a. Regional Water Authority (Director Wichert)
Agenda from the November 8, 2018 Meeting.

Regional Water Authority Executive Committee (General Manager York)
Agenda from the October 24, 2018 Meeting.
 - b. Sacramento Groundwater Authority (Director Thomas)
Agenda from the October 18, 2018 Meeting.
 - c. Water Caucus Meeting (General Manager York)
None.
 - d. Water Forum Successor Effort (General Manager York)
None.
 - e. Other Reports – AB 1234

Committee Reports

14.
 - a. Facilities and Operations Committee (Director Jones)
None.
 - b. Finance and Audit Committee (Director Thomas)
None.
 - c. San Juan Water District/Sacramento Suburban Water District Water Management/Re-Organization Committee (Director Locke and Director Jones)
None.

Information Items

15. Biannual Groundwater Elevations Report
16. Legislative and Regulatory Update
17. Upcoming Water Industry Events
18. Upcoming Policy Review
 - a. Electronic Mail, Internet and Computer Use Policy (PL – IT 005)

Department/Staff Reports

19. Financial Report
 - a. Financial Highlights – October 2018
 - b. Financial Statements – October 2018
 - c. Investments Outstanding and Activity – October 2018
 - d. Cash Expenditures – October 2018
 - e. Credit Card Expenditures – October 2018
 - f. District Reserve Balances – October 2018
 - g. Information Required by Bond Agreement
 - h. Financial Markets Report
20. 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

- 21. Engineering Report
 - a. Major Capital Improvement Projects
 - b. Other

Miscellaneous Correspondence and General Information

- 22. 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)

- 23. Conference with legal counsel – potential litigation; Government Code sections 54954.5(c) and 54956.9(a) and (d)(4); consideration of initiating litigation involving one case.
- 24. 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.
- 25. Conference with Legal Counsel – Anticipated Litigation, Government Code sections 54954.5(c) and 54956.9(a) and (d)(2) and (3); significant exposure to litigation involving discrimination complaint filed by Brenda Davis, DFEH No. 964520-318001; EEOC No. 37A-2018-00815-C.
- 26. Public employee performance evaluation involving the General Manager under Government Code section 54954.5(e) and 54957

Adjournment

Upcoming Meetings

Monday, December 10, 2018 at 4:30 p.m., SJWD/SSWD Water Management/Re-Organization Committee Meeting – Located at San Juan Water District, 9935 Auburn Folsom Road, Granite Bay, CA 95746
Monday, December 17, 2018 at 6:00 p.m., Regular Board Meeting

* * * * *

I certify that the foregoing agenda for the November 19, 2018 meeting of the Sacramento Suburban Water District Board of Directors was posted by November 15, 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, October 15, 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, Kathleen McPherson, Kevin Thomas and Robert Wichert.

Directors Absent: None.

Staff Present: General Manager Dan York, Finance Director Dan Bills, Assistant General Manager Mike Huot, Heather Hernandez-Fort, Dana Dean, Matt Underwood, Jim Arenz, Annette O'Leary, David Espinoza, Greg Bundesen, Cody Scott, Mike Jenner, David Armand, Paul Johnson, Raul Palomar, Hannah Dunrud, Joe Crockett, Hector Segoviano, Jerald Beams, Sarah Dains, Todd Artrip, Jeovani Benavidez, Colton Boatwright, Kyle Cobb, Abel Ramirez, Shawn Shedenhelm, Tom Fox, Amy Bullock, Robin Geiger, Mitchell McCarthy, Song Dang, Vicki Sprague, Rachel Middlestead, Tom Dickinson, Kyle Jividen, Michelle Hirt and Josh Taylor.

Public Present: Ryan Bezerra, William Eubanks, Avery Wiseman, Doug Johnson, Rick Phelps, Lisa Vernekoff, Alexis McCarthy, Shelly Artrip and Regina Espinoza.

Announcements

General Manager Dan York (GM York) announced:

1. SSWD was honored with the 2018 National WaterSense Excellence in Education and Outreach Award;
2. Open House on Wednesday, October 17, 2018 between 6:00 and 8:00 p.m.

Public Comment

William Eubanks (Mr. Eubanks) urged the Board to discontinue the sub-committee meetings as he believed they were not valuable, as they rarely provide the full Board with recommendations as intended. He expressed that often the material that was presented at the sub-committee meetings was duplicated at regular Board meetings, creating a lot of redundancy and wasted time.

Director Wichert requested staff to evaluate the subcommittees for value, and to provide a short analysis of their findings at a regular Board meeting. He suggested to include an analysis of how many items have gone through committees and been placed on consent versus action.

Rick Phelps (Mr. Phelps) noted that he regularly receives his neighbor's mail, who resides in one of the units of his four-plex, and requested to have that corrected. He further requested for the District to remove the pipeline size shown on the bill, as he believed it was confusing for the customers.

GM York explained what the pipeline sizes were for.

Director Wichert expressed the reason that the pipeline size was shown on the bill was so customers understood the basis of their charges.

Consent Items

1. **Minutes of the September 17, 2018 Regular Board Meeting**
2. **Public Works Contracting Policy (PL – Eng 002)**
3. **Procurement Policy (PL – Fin 005)**
4. **2018 Audit Engagement Letter and Contract**

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

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

Items for Discussion and/or Action

5. **2018 Employee Compensation Study**
Dan Bills (Mr. Bills) presented the staff report, providing a history of the Study.

Discussion ensued regarding the 2016 Compensation Study, noting that at the time it was understood that the target was total compensation as of the middle of the third quartile, with cash compensation being lower than the third quartile, but that non-cash benefits brought total compensation back near the third quartile.

Mr. Bills expressed that it would be best that the Policy give the General Manager direction as to where the Board wanted to position the District in the market.

Mr. Bills introduced Mr. Doug Johnson (Mr. Johnson) with Ralph Andersen and Associates, who prepared the 2018 Compensation Study.

Mr. Johnson presented the PowerPoint presentation and reviewed the Compensation Study with the Board.

Clarification questions were asked.

Director McPherson requested not using the two top agencies, as she believed that including it moves the District's position downward. She requested to see the data after having removed the top two agencies.

Mr. Johnson expressed they were asked to survey all the surrounding agencies and not omit those that were high or low.

Director Jones expressed that the top two agencies were the ones that the District was losing employees to, as their compensation was much higher.

Mr. Johnson noted that it would be difficult to do an exact comparison of the data in the 2016 Study with the data in the 2018 Study, as the study done in 2016 only represented 19 jobs, compared to the 40 jobs currently surveyed.

Discussion ensued regarding the benefit provisions for retirement plans and their basis for comparison.

Mr. Johnson explained that the retirement information was used as a basis for comparing the costs among the districts for providing such plans. Director Wichert responded that the comparative basis should be the benefit to the employee and not the cost to the District, in particular as SSWD has done a good job of lowering its retirement costs.

Discussion ensued on retirement costs.

Director Wichert requested Mr. Johnson's comments on how the 2016 Study handled retirement benefits and costs.

Mr. Johnson responded to Director Wichert's question that the 2016 Study did not include the employer rate as part of the analysis.

Director Wichert expressed he was unhappy that the staff report portrayed that the Board was responsible for the market position the District was in.

President Locke expressed it was the responsibility of the Board to set policy and to determine where they wanted to position the District within the market; which has more to do than just base pay.

Mr. Eubanks expressed total compensation packages do not focus on the salary component well enough as the increasing costs of food, housing, and transportation,

etc., are covered by salary only and not benefits, and that he believed the Board should be focusing on salary only.

GM York expressed that within the last 5 years 16 employees left the District; 9 of those employees left to other agencies, 4 of them to private companies, and 3 of them to consulting firms. Compared to the loss of those 16 employees, only one recruitment came from another local agency.

Director McPherson noted that 7 of the 16 employees that left the District were distribution operators and she expressed that she supported the General Manager dealing with those on a case-by-case basis. She further stated that the 2018 survey was broad and would have served the District better if it were focused more on water industry specific positions and how they compare with other water agencies, and not compare all of the positions to the labor market. She additionally expressed that she didn't undervalue any of the employees and she believed that the Study made the District's position look worse than it was. She concluded by stating she represented the rate payers and wanted to be sure the District was the best in terms of fiscal responsibility into the future.

Director Wichert stated if the current Study was conducted as the 2016 study was conducted, he believed the District would be about 4.3% below the median.

Mr. Johnson expressed the 2016 study used different data.

Mr. Bills explained staff was requesting direction on a conclusion to the Study that would form the basis for any needed adjustments. He noted that removing the two highest paid agencies from the Study would bias the Study.

President Locke restated staff was requesting the Board to set the policy where they wanted to position the District to be in the market, and then allow the General Manager to notify the Board how he plans to implement the policy.

Director Wichert moved to target the median base pay of the survey (50%) plus cash and insurance.

The motion died for lack of a second.

President Locke expressed he would rather target the 62.5 percentile for base salary, and keep the benefits where they are. He noted it should not all happen in one year, but that the General Manager would need to provide an implementation plan.

Director Wichert stated he was not comfortable with a 16 percent increase. He noted as each agency increases to match one another, the rates continue to drive up.

Director McPherson expressed the only trend she noticed with regards to turnover data was with the distribution operator classification, and that she didn't see a huge problem

with turnover. She stated she believed the salary ranges at the District were good, with a nice place to work and a good working environment.

President Locke recommended for the Board to set a target in the policy.

At the request of the Board, Mr. Bills explained why it would cost the District more in retirement costs if the Board raised employee salaries sufficient to cover the employee portion of CalPERS and then had the employee pay it.

Director Jones stated he was in favor of a 62.5 percentile target.

Director Thomas suggested the 55 percentile for base pay, and that the cash and benefits would bring the range up to the 62.5 percentile.

Mr. Johnson explained the difference between base pay and base pay plus cash.

President Locke proposed the 60th percentile with a 2 year implementation.

Discussion ensued regarding where to place the target.

Avery Wiseman (Mr. Wiseman) reminded the Board to consider the budget and the ratepayers when reviewing the Compensation Study. He also suggested the Study should show where the District's rates were in comparison to the other agencies.

Mr. Bills stated there were many ways to manage the budget.

President Locke moved to approve 58 percentile for the salary, as a target, and implement it over two years; Director Jones seconded.

The motion failed by a 2/3 vote. Wichert, Thomas and McPherson opposed.

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

Director McPherson stated she was against it, and she was unaware why they didn't vote on the Study first.

President Locke moved to accept and approve the Compensation Study as presented; Director Jones seconded. The motion passed by 3/2 vote. Wichert and McPherson opposed.

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

Director Wichert moved to amend the original motion made by President Locke, to approve moving ahead with the compensation study to eliminate the consideration of a retirement, to be consistent with the Compensation Study that was prepared in 2016; President Locke seconded.

Discussion ensued.

Director Wichert restated his motion to direct the study to be revised to eliminate retirement, and brought back to the Board; Director Thomas seconded. The motion passed by unanimous vote.

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

Director McPherson requested to discuss other options with the Compensation Study.

Director Wichert suggested for Director McPherson to meet with the General Manager to discuss.

6. **Antelope Garden Deactivation**

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

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

Mr. Eubanks supported the Board’s decision.

7. **Options for Providing the Board with Electronic Board Packets**

Assistant General Manager Mike Huot (AGM Huot) presented the staff report.

Director Wichert inquired if he would still be allowed to use his own device. Legal Counsel Ryan Bezerra (Mr. Bezerra) expressed that it was the Directors decision, however, he noted the use of personal devices while conducting District business could potentially render the device to disclosure. He additionally expressed that the confidential packets could still be distributed via email or printed in hard copy.

Mr. Eubanks inquired if the Directors would be able to send and receive emails during a Board meeting. He noted he felt it would be appropriate to have a display board to show what was on each Director’s laptop during each meeting. He concluded by expressing that he was in favor of the 12.3” screens so the audience could still see the Director over the laptop.

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

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

Director Thomas requested staff look at the Microsoft Surface Go.

8. Fiscal Year 2019 Budget – 2nd Draft

Mr. Bills presented the staff report.

President Locke recommended staff to set a budget for each CIP project, then encumber the funds, and the encumbrance would stay until the project was complete. He stated that it would not need to come up each year in the budget for review other than to sign contracts and/or review budget augmentation.

Mr. Bills expressed that the recommendation would make budgeting for CIP much more efficient.

President Locke further expressed he believed the real estate fund needed to be greater, and the McClellan liability needed to be addressed separately, rather than a plan to take from reserves.

The Board approved President Locke’s recommendations.

Director Wichert moved to change the COLA from 3.9 percent to 4.3 percent; Director Jones seconded.

Director McPherson inquired why Director Wichert moved to change the COLA.

Director Wichert explained that it was he believed they should do.

The motion passed by a 3/2 vote.

Mr. Bills stated he would double check if there needed to be a basis in which to change the COLA percent.

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

General Manager’s Report

9. General Manager’s Report

GM York presented the staff report.

- a. *2018 Water Transfer Update*
GM York presented the staff report and provided an update.
- b. *Strategic Plan Workshop Update*
GM York presented the staff report and provided an update.

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

- 10. a. Regional Water Authority (Director Wichert)
None.

Regional Water Authority Executive Committee (General Manager York)
The agenda from the September 27, 2018 Meeting was provided.

- b. Sacramento Groundwater Authority (Director Thomas)
No report.

- c. Water Caucus Meeting (General Manager York)
None.

- d. Water Forum Successor Effort (General Manager York)
The agenda from the October 11, 2018 Meeting was provided.

- e. Other Reports – AB 1234

President Locke provided an oral report on the meeting he had with the Assistant General Manager on April 27, 2018.

Director Thomas provided oral reports on the meetings he had with the General Manger on September 20, August 22, August 28 and October 10, 2018. He provided oral reports on the Bay Delta meetings he attended on August 14 and 15, 2018; the Aerojet CAG meeting he attended on September 19, 2018; and the RWA meeting on September 13, 2018.

Director Jones provided an oral report on the meeting he had at ACWA Region 4 tour on September 26, 2018, and the meeting he had with the General Manager on September 28, 2018.

Director McPherson provided oral reports on the meetings she had with the General Manager on July 18, 2018, and September 7, 2018.

Director Wichert provided a report regarding a meeting he had with a CIP consultant.

Committee Reports

11. a. Facilities and Operations Committee (Director Jones)
The draft minutes from the September 13, 2018 Meeting were provided.
- b. Finance and Audit Committee (Director Thomas)
The draft minutes from the October 8, 2018 Meeting were provided.
- c. San Juan Water District/Sacramento Suburban Water District Water Management/Re-Organization Committee (Director Locke and Director Jones)
The draft notes from the October 3, 2018 meeting were provided.

Mr. Eubanks disagreed with the comment in the notes from the San Juan Water District/Sacramento Suburban Water District Water Management/Re-Organization Committee, where he was noted as saying he discouraged bringing more people into the discussion, as he stated the more input you get the longer it takes. He expressed that he meant the opposite, as he suggested very strongly to put everyone on that Committee for the specific purpose of making it take longer.

GM York and President Locke provided a summary of the meeting.

Information Items

12. **Well Efficiency Testing Annual Report**
A written report was provided.
13. **2018 Water Rate Study Update**
A written report was provided.
14. **2018 Budget Reallocations**
A written report was provided.
15. **Environment Review for Well 79 Verner/Panorama Project**
A written report was provided.
16. **Legislative and Regulatory Update**
A written report was provided.
17. **Upcoming Water Industry Events**
A written report was provided.
18. **CEQA Notice of Exemption**
A written report was provided.
 - a. Jonas Main Replacement and Plover Main Replacement
A written report was provided.

19. **Upcoming Policy Review**

A written report was provided.

- a. Debt Obligation Continuing Disclosure Policy (PL – Fin 013)
A written report was provided.
- b. Employee Recognition and Retention Expense Policy (PL – Adm 008)
A written report was provided.

Department/Staff Reports

20. **Financial Report**

A written report was provided.

- a. *Financial Highlights – September 2018*
A written report was provided.
- b. *Financial Statements – September 2018*
A written report was provided.
- c. *Investments Outstanding and Activity – September 2018*
A written report was provided.
- d. *Cash Expenditures – September 2018*
A written report was provided.
- e. *Credit Card Expenditures – September 2018*
A written report was provided.
- f. *Directors Compensation and Expense Accounting – Third Quarter 2018*
A written report was provided.
- g. *District Reserve Balances – September 2018*
A written report was provided.
- h. *Information Required by Bond Agreement*
A written report was provided.
- i. *Financial Markets Report – September 2018*
A written report was provided.

21. **District Activity Report**

- a. *Water Operations and Exceptions Report*
A written report was provided.

- b. *Water Quality Report*
A written report was provided.
- 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.

22. **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

None.

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

The Board convened in Closed Session at 8:56 p.m. to discuss the following:

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

Return to Open Session

The Board convened in open session at 9:16 p.m. There was no reportable action.

Adjournment

President Locke adjourned the meeting at 9:17 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District

ITEM 2

Minutes

Sacramento Suburban Water District
Special Board Meeting
Tuesday, October 30, 2018

Call to Order

President Locke called the meeting to order at 4:30 p.m.

Pledge of Allegiance

President Locke led the Pledge of Allegiance.

Roll Call

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

Directors Absent: Robert Wichert.

Staff Present: General Manager Dan York, Finance Director Dan Bills, Assistant General Manager Mike Huot, Heather Hernandez-Fort, Annette O'Leary and Lynn Pham.

Public Present: William Eubanks, Avery Wiseman, Habib Isaac and Andrea Boehling.

Announcements

General Manager Dan York (GM York) announced:

- Long Term Warren Act Contract was signed and executed by the Bureau of Reclamation.

Public Comment

None.

Items for Discussion and/or Action

1. **2018 Water Rate Study**

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

Director Wichert joined the meeting at 4:33 p.m.

Mr. Bills introduced Habib Isaac (Mr. Isaac) with Raftelis who presented the PowerPoint presentation.

Mr. Isaac reviewed the key assumptions, current financials, capital investment plan, reserves and the recommended financial plan.

Director Wichert recommended staff look into SMUD's upcoming time of use rates to see what effect it will have on the District.

Avery Wiseman (Mr. Wiseman) stated he was not in favor of increasing reserves and expressed that they should be reduced. He additionally stated that a 3% rate increase was not justified and stated the District was in a really good financial position.

William Eubanks (Mr. Eubanks) expressed that he was in favor of the methodology and that sufficient reserves were a good business practice.

Director Wichert expressed that the Master Plan (the Plan) was initially presented to the Board with no rate commitment, however, he stated that now it doesn't appear so. He additionally stated that if they would adopt a more frugal Capital Improvement Project plan, then rates would not be as adversely impacted by it. He also conveyed that that Mr. Isaac was not making any recommendations to the Asset Management Plans.

Mr. Isaac explained that it was not a part of his scope to provide an asset management plan analysis of the current system to determine if the Plan was appropriate, or to offer any suggestions on it.

Discussion ensued regarding rates and financial outlook.

Mr. Eubanks praised the strong financial position the District is in.

Mr. Isaac explained that to reduce the capital projects would increase the District's risk, creating a higher need for increased reserves to cover the risk tolerance.

Mr. Wiseman expressed that the Plan stated there was not a future funding commitment. He additionally expressed that the Board should consider where they stand regarding a consolidation with San Juan Water District, as that would significantly impact revenue.

Director McPherson expressed that she was ok with the methodology, but that the recommendation from the consultant was to raise the rates. She expressed that if the study was accepted, the Board still had the option to make changes to those recommendations based on the numbers each year.

Mr. Bills expressed that the Board would need a basis for changing the study once it was accepted.

Mr. Eubanks stated that he believed the process was needed in order to justify the rates, but that it wasn't the basis for a rate increase. He supported completing the study and allow the Board to determine a decision accordingly.

Mr. Isaac further explained the benefit of conducting the study that the last one was done 5 years ago and pointed out even if rates don't change the cost structure will have changed over the past 5 years, so an update is necessary in order to remain compliant with Prop 218.

Director Jones conveyed that he was comfortable with the assumptions made and the information used to generate the study, and he was interested in the details that would be presented at the December Regular Board meeting.

Director Wichert stated he was not satisfied with using the Plan, and expressed that it would increase rates.

Mr. Eubanks commented that the Board was not obligated to anything, as they were able to change whatever they wanted, other than state law, by a majority vote.

President Locke expressed that he was comfortable with the Plan.

Director Thomas requested Mr. Isaac to provide the Board with 2 different analyses at a minimum. The first would represent a 3% increase each year over the next 5 years; the second would represent a 0% increase for 2019, then 2 years with a 4% increase each year, and 2 years with a 3% increase each year.

Director Wichert requested for him to additionally show what adjustments would need to be made to the Capital Plan in order to realize the rate increases proposed.

Mr. Isaac explained that he would not be able to recommend a particular plan for expenses of the District, but that he could incorporate another Capital Improvement scenario if staff wanted to provide him with one.

President Locke expressed that Director Wichert's request would require a majority vote of the Board.

Director Wichert clarified he wanted to see how much the CIP would need to change in order to realize the rate increases proposed.

Mr. Bills expressed that staff could provide that information to him.

Mr. Bills stated that the report would be presented to the full Board at the December Regular Board Meeting for approval.

Adjournment

President Locke adjourned the meeting at 5:54 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District



Agenda Item: 3

Date: November 1, 2018

Subject: Debt Obligation Continuing Disclosure Policy (PL – Fin 013)

Staff Contact: Daniel A. Bills, Finance Director

Recommended Board Action:

Adopt the attached updated Debt Obligation Continuing Disclosure Policy (PL – Fin 013).

Discussion:

The Debt Obligation Continuing Disclosure Policy (PL – Fin 013) was last reviewed by the Board in March 2018 as part of the Series 2009B COP refinancing, but was last approved by the Board in November 2016.

Staff has no recommended changes to the Policy. The Policy was last reviewed by Bond Counsel – Stradling, Yocca, Carlson & Rauth in March 2018.

Director comments were requested by November 1, 2018. No comments were received.

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 investors and customers by setting forth transparency guidelines for District debt issuances and holdings.

Sacramento Suburban Water District

Debt Obligation Continuing Disclosure Policy

Adopted: March 16, 2015; ~~Approved with no~~ Ratified without changes on November XX, 2018
Revised: November 21, 2016

100.00 Purpose of the Policy

The purpose of this Debt Obligation Continuing Disclosure Policy (“Policy”) is to memorialize and communicate Board direction in connection with obligations, including notes, bonds and certificates of participation, issued by or on behalf of the Sacramento Suburban Water District (the “District”) so as to ensure that the District continues to comply with all applicable disclosure obligations and requirements under the federal securities laws.

200.00 Policy

The District from time to time issues certificates of participation, revenue bonds, notes or other obligations (collectively, “Obligations”) in order to fund or refund capital investments or other long-term programs. Certain obligations are executed and delivered through the Sacramento Suburban Water District Financing Corporation (the “Financing Corporation”) and others are incurred directly by the District. In offering Obligations to the public, and at other times when the District makes certain reports, the District must comply with the “anti-fraud rules” of federal securities laws. (“Anti-fraud rules” refers to Section 17 of the Securities Act of 1933 and Section 10(b) of the Securities and Exchange Act of 1934, and regulations adopted by the Securities and Exchange Commission under those Acts, particularly “Rule 10b-5” under the 1934 Act.)

The core requirement of these rules is that potential investors in Obligations must be provided with all “material” information relating to the offered Obligations. The information provided to investors must not contain any material misstatements, and the District must not omit material information which would be necessary to provide to investors a complete and transparent description of the Obligations and the District’s financial condition. In the context of the sale of securities, a fact is generally considered to be “material” if there is a substantial likelihood that a reasonable investor would consider it to be important in determining whether or not to purchase the securities being offered.

In connection with the issuance or execution and delivery of Obligations, the District has entered and may enter into a number of contractual agreements (“Continuing Disclosure Certificates”) to provide annual reports related to its financial condition

Attachment 1

(including its audited financial statements) as well as notice of certain events relating to the Obligations specified in the Continuing Disclosure Certificates. The District must comply with the specific requirements of each Continuing Disclosure Certificate. The District's Continuing Disclosure Certificates generally require that the annual reports be filed within 270 days after the end of the District's fiscal year, and material event notices are generally required to be filed within 10 business days of their occurrence.

Specific events which require "material event" notices are set forth in each particular Continuing Disclosure Certificate.

The District Treasurer shall be responsible for preparing and filing the annual reports and material event notices required pursuant to the Continuing Disclosure Certificates. Particular care shall be paid to the timely filing of any changes in credit ratings on Obligations (including changes resulting from changes in the credit ratings of insurers of particular Obligations).

300.00 Policy Review

This Policy shall be reviewed at least biennially.



Agenda Item: 4

Date: November 12, 2018

Subject: Resolution No. 18-17 Rescinding Resolution No. 18-15 and Further Amending District Conflict of Interest Code to Require Mandatory E-filing

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

Recommended Board Action:

It is recommended that the Board of Directors approve the following action:

Adopt Resolution No. 18-17 Rescinding Resolution No. 18-15 and Further Amending District Conflict of Interest Code to Require Mandatory E-filing (see Attachment 1).

Discussion:

At the September 17, 2018 Regular Board Meeting, the Board of Directors approved Resolution Number 18-15, Amending District Conflict of Interest Code. After submitting the amendments to the Sacramento County Clerk of the Board, staff was advised that in order for the Clerk of the Board's Office to continue managing the filing of the District's Forms 700, language needed to be added to the District's Conflict of Interest Code reflecting that all designated filers will file with the Clerk of the Board's Office via their electronic filing system. Those amendments have been added to the attached Conflict of Interest Code (see Attachment 2).

District legal counsel has reviewed and approved the proposed changes to the Conflict of Interest Code and Resolution No. 18-17. If approved, the Resolution would adopt the revised Conflict of Interest Code and staff will submit it to the Sacramento County Board of Supervisors for final approval.

Fiscal Impact:

None.

Strategic Plan Alignment:

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

A Conflict of Interest Code is a benefit to the District's customer's because the purpose is to ensure that agency officials subject to the statute disclose economic interests that might be involved in the making of decisions that may have a material effect on each official's financial interest.

RESOLUTION NO. 18-17

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SACRAMENTO SUBURBAN WATER DISTRICT
RESCINDING RESOLUTION NO. 18-15 AND FURTHER AMENDING DISTRICT
CONFLICT OF INTEREST CODE**

WHEREAS, Government Code Section 87300 requires each local public agency to adopt and promulgate a Conflict of Interest Code pursuant to the Political Reform Act for the purpose of ensuring that agency officials subject to the statute disclose economic interests that might be involved in the making or in the participation of making decisions that may foreseeably have a material effect on each official's financial interest;

WHEREAS, Government Code Section 87307 authorizes a local public agency to amend its conflict of interest code at any time; and

WHEREAS, on September 17, 2018, the Board approved certain amendments to the District's existing Conflict of Interest Code in Resolution No. 18-15, including updating designated staff positions subject to the code's reporting requirements and other minor changes.

WHEREAS, Resolution No. 18-15 designates the Executive Assistant to the General Manager as the District's code filing officer; and

WHEREAS, the Board desires to mandate that all District statutory and code filers file their Forms 700 electronically through the County of Sacramento's e-filing system and, in order to apply this mandate, the Board must further amend the District's Conflict of Interest Code to designate the Sacramento County Clerk of the Board's Office as the code filing officer instead of the Executive Assistant to the General Manager.

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

1. The Board of Directors hereby rescinds Resolution No. 18-15 adopting the previous version of the amended District Conflict of Interest Code on September 17, 2018.

2. The Board hereby adopts the revised District Conflict of Interest Code attached hereto, which supersedes the versions of the amended conflict of interest code adopted by the Board on November 21, 2016 and September 17, 2018, and all other prior inconsistent codes or resolutions.

3. The Sacramento County Clerk of the Board's Office shall act as the District's code filing officer and designated employees and consultants shall file statements of economic interest on FPPC Form 700 with the Clerk of the Board's Office via Sacramento County's Form 700 electronic filing system.

4. The District Conflict of Interest Code as amended in this resolution shall not take effect until the Sacramento County Board of Supervisors approves it in its capacity as code reviewing

Attachment 1

body under the Political Reform Act. The General Manager is hereby authorized and directed to submit a certified copy of this resolution with the amended District Conflict of Interest Code to the Board of Supervisors and request approval of that code.

5. After approval by the Sacramento County Board of Supervisors, the amended code attached hereto shall constitute the Conflict of Interest Code of the Sacramento Suburban Water District in accordance with subdivision (a) of Section 18730.

PASSED AND ADOPTED by the Board of Directors of the Sacramento Suburban Water District on this 19th day of November 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 thereof held on the 19th day of November 2018.

(SEAL)

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

Sacramento Suburban Water District

Conflict of Interest Code

Adopted: February 20, 2002

Revised: ~~September 17, 2012, November 21, 2016~~ September 17, 2018 November 19, 2018

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, Section 18730 of Title 2 of the California Code of Regulations, which contains the terms of a standard conflict of interest code. This regulation can be incorporated by reference into any agency's code without publication in full within the code. After public notice and hearing, Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of that regulation, Title 2, section 18730 of the California Code of Regulations and any amendments to it duly adopted by the Fair Political Practices Commission from time to time are hereby incorporated by reference in full into this code and will be applied in accordance with the provisions existing on the date that any issue arising under this code adopted by the Sacramento Suburban Water District Board of Directors must be addressed. This cover page, the referenced and incorporated FPPC regulation, and the Appendix, which is attached hereto and incorporated herein, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the Sacramento Suburban Water District.

Recognizing that different employees have different levels of authority and responsibility, the Appendix to this Conflict of Interest Code establishes three categories of disclosure under which employees are designated based on the scope of their decision making authority. Employees with no significant decision making responsibility are classified as exempt, and are not required to file reports under this Code.

Non-exempt District employees and officers listed in the attached Appendix are designated as persons who are deemed to make, or participate in the making of, decisions that may have a material effect on a financial interest. Consultants are also subject to the disclosure requirements of this Conflict of Interest Code if they are in a position to make decisions, or influence decisions, that could have an effect on their financial interest.

**SACRAMENTO SUBURBAN WATER DISTRICT
CONFLICT OF INTEREST CODE**

APPENDIX OF DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES

Designated Positions. The officers and employees listed below are designated as persons who are deemed to make, or participate in the making of, decisions that may have a material effect on a financial interest. Persons holding designated positions listed below will disclose interests and investments in accordance with the corresponding disclosure categories as defined below.

<u>Designated Position</u>	<u>Disclosure Categories</u>
Assistant General Manager	1
District Legal Counsel	1
Engineering Manager Technical Services Director	2
Operations Manager	2
Information Technology Manager	2
Administrative Services Manager	3
Consultants	1 ¹

Officials Who Manage Public Investments. Officials who manage public investments are deemed to be “statutory filers” within the meaning of Government Code Section 87200 and California Code of Regulations, Title 2, section 18720 because they must file statements of economic interest (FPPC Form 700) pursuant to the state Political Reform Act instead of the District’s Conflict of Interest Code. The District’s statutory filers are: Members of the Board of Directors, General Manager/Board Secretary and Finance Director/Board Treasurer. As a result, such persons are not designated in this code and are listed here for information only. An individual holding one of the above-listed positions may contact the Fair Political Practices Commission (“FPPC”) for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The FPPC makes the final determination whether or not a position is covered by Government Code Section 87200.

¹ Unless the General Manager determines in writing that narrower disclosure is permitted in accordance with the standards provided on page 2 of this Appendix under the heading “Consultants.”

Disclosure Categories. The District's disclosure categories are defined as follows:

Category 1- Full Disclosure: All persons in this disclosure category will disclose all interests in real property within two miles of the District's boundaries, as well as all investments, business positions in business entities and sources of income, including receipt of gifts, loans and travel payments, from all sources.

Category 2 – Employees with Significant Contracting and Policy Authority But Without Authority Over Acquisition of Interests in Real Property: All persons in this disclosure category will disclose all investments, business positions in business entities and sources of income, including receipt of gifts, loans and travel payments, in or from all sources that provide goods, equipment or services, including training or consulting services, of the type utilized by the District.

Category 3 – Employees with Specific Contracting or Policy Authority or Who Participate in Making Specific Contracts or Policies: All positions in this category will disclose all investments, business positions in business entities and sources of income, including the receipt of gifts, loans and travel payments, in or from all sources that provide services and supplies of the type utilized by the department or programs administered or managed by the designated position.

Consultants. "Consultant" means an individual who, pursuant to a contract with the District, either: (A) Makes a governmental decision whether to: (1) approve a rate, rule, or regulation; (2) adopt or enforce a law; (3) issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement; (4) authorize the District to enter into, modify, or renew a contract provided it is the type of contract that requires District approval; (5) grant District approval to a contract that requires District approval and to which the District is a party, or to the specifications for such a contract; (6) grant District approval to a plan, design, report, study, or similar item; or (7) adopt or grant District approval of policies, standards, or guidelines for the District, or for any subdivision thereof; or (B) Serves in a staff capacity with the District and in that capacity participates in making a governmental decision as defined in California Code of Regulations, Title 2, Section 18702.2 or performs the same or substantially all the same duties for the District that would otherwise be performed by an individual holding a position specified in the District's conflict of interest code under Government Code Section 87302. (See 2 CCR 18701(a)(2).)²

² A consultant serves in a staff capacity only if he or she has an on-going relationship with the District. A consultant who works on one project or a limited range of projects for the District is not deemed a consultant subject to the reporting requirements of this code unless the project or projects extend over a substantial period of time, generally more than one year. (See *Smith* Advice Letter, FPPC No. I-99-316; *Travis* Advice Letter, FPPC No. A-96-053; *Randolph* Advice Letter, FPPC No. A-95-045.)

“Consultants” are included in the list of designated positions and must disclose interests and investments in accordance with the broadest disclosure category in the District’s conflict of interest code, subject to the following limitation: The General Manager may determine in writing that a particular consultant, although a “consultant” and “designated position,” nevertheless is hired or retained to perform a range of duties that is limited in scope and therefore is not required to comply with any or some of the disclosure requirements described in this section. The General Manager’s written determination will include a description of the consultant’s duties, and, based on that description, a statement of the extent of disclosure requirements. The written determination is a public record and will be retained for public inspection in the same manner and location as the District’s conflict of interest code as required by Government Code Section 81008.

New Position Added or New Consultant Hired Without Code Revision. If the District creates a new position that requires disclosure under this code without simultaneously amending the code, the employee appointed to fill such a position will file a Form 700 Assuming Office Statement and thereafter file annual Form 700 Disclosure of Economic Interest Statements using the broadest disclosure category until the District amends the code to designate the position and, if warranted, to authorize more narrow disclosure for the position. Alternatively, the General Manager may designate for any such position or consultant narrower disclosure obligations using a FPPC Form 804 (New Hire) or Form 805 (New Consultant) as appropriate. (See 2 CCR 18734.)

Filing of Form 700 Statements of Economic Interest. Persons holding designated positions shall complete and file Form 700 statements of economic interests with the Sacramento County Clerk of the Board’s Office via the County’s electronic filing system. Administrative Services Manager Executive Assistant to the General, who is the District’s code filing officer. The Administrative Services Manager Manager Executive Assistant to the General Manager The Clerk of the Board -will act as the District’s Code filing officer and retain all Forms 700 filed for the retention period provided in the District’s records management policy and will, upon request, make filed statements of economic interests available for public inspection and reproduction (at a cost of no more than \$0.10 per page) in accordance with Government Code Section 81008.



Agenda Item: 5

Date: November 6, 2018

Subject: Federal WaterSmart Water Marketing Strategy Plan Memorandum of Agreement

Staff Contact: Mike Huot, Assistant General Manager

Recommended Board Action:

Approve the General Manager to sign the Water Marketing Strategy Plan Memorandum of Agreement, pending legal review.

Background:

On March 21, 2017, the Board approved SSWD's participating in the Federal WaterSmart Water Marketing Strategy Grant and authorized the Board President to send a confirming letter of support.

The Bureau of Reclamation (USBR) works with state and local partners to conduct water supply and demand studies of river basins in the Western United States through basin studies. This program was established in 2009. Entities must contribute at least half of the cost as cash or in-kind services. Basin studies include four main elements:

- Projecting water supply and demand, including climate change risks.
- Analyzing how existing water and power infrastructure will respond to changing water realities.
- Developing adaptation and mitigation strategies to improve operations and infrastructure to supply water in the future.
- Identifying trade-off analysis strategies and findings.

The American River Non-Federal Partners, led by El Dorado County Water Agency and a consultant, prepared a Memorandum of Agreement to develop a Water Market Strategy Plan (WMSP) based on these basin study elements – see Attachment 1.

Discussion:

American River Non-Federal Partners are planning to work collaboratively to perform a WMSP as part of the Basin Study Program established by the USBR. Currently the participating partners include, El Dorado County Water Agency, the Placer County Water Agency, the Sacramento Suburban Water District, the City of Sacramento, the City of Folsom, and the Sacramento Regional Water Authority.

The purpose of the WMSP is to evaluate water supplies and demands in the American River Basin and develop a range of options to facilitate water marketing strategies. The WMSP will

include an evaluation of integrated water marketing strategies to improve regional water supply reliability in the American River Basin and to improve Reclamation's flexibility in operating Folsom Reservoir to meet flow and water quality standards and protect fish species listed under the federal Endangered Species Act in the Lower American River and the Sacramento-San Joaquin Delta.

The parties will develop a work plan to detail roles, responsibilities, tasks, deliverables, schedule, and budget required to complete the project. The work plan will be submitted to Reclamation.

SSWD effort is focused on in-lieu banking and regional water transfer opportunities. A summary of all Non-Federal Partners' In-Kind Contributions is described in Attachment 2.

Non-Federal Partners' financial contributions will be in the form of in-kind products and services, predominately modeling analyses and staff participation, which is approximately \$450,000. Reclamation's financial contribution to the WSMP shall not exceed 50% of the total cost and is capped at \$400,000.

Fiscal Impact:

The costs of the WSMP will be shared between Reclamation and the Non-Federal Partners. Reclamation has a budget not to exceed \$400,000 and the Non-Federal Partners have a budget not to exceed \$450,000. The District's contribution is estimated to be \$19,932.

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.C. Continue to implement and support demand management strategies and water conservation that comply with federal, state and regional⁴ programs; support Water Forum Agreement⁵ goals and efficiently meet the water supply needs of the customers.

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

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

Working collaboratively in developing a Water Marketing Strategy Plan with American River partners will provide water transfer and banking opportunities for SSWD. Ultimately SSWD customers will benefit from improved water reliability and increased funding.

- Attachments:** 1 – Water Marketing Strategy Plan MOA
2 – Water Marketing Strategy Plan Cost Share Summary

ATTACHMENT 1

American River Non-Federal Partners WATER MARKETING STRATEGY PLAN MEMORANDUM OF AGREEMENT

El Dorado County Water Agency (EDCWA), the Placer County Water Agency (PCWA), the Sacramento Suburban Water District (SSWD), the City of Sacramento (Sacramento) the City of Folsom (Folsom) and the Sacramento Regional Water Authority (RWA) agree to work collaboratively to perform the Water Marketing Strategy Plan (WMSP) as part of the WaterSMART Basin Study Program. This Memorandum of Agreement (MOA) establishes the terms that will guide the performance of the Plan.

This MOA is intended to facilitate cooperative efforts for mutual provision of services and support, and technical assistance by both Parties in the conduct of meeting the objectives and scope of this MOA.

I. Purpose

The purpose of the WMSP is to evaluate existing and potential future water supplies and demands in American River Basin and develop a range of strategies which may be employed to facilitate water marketing strategies. Along with other strategies, the WMSP will include an evaluation of integrated water marketing strategies to improve regional water supply reliability within the American River Basin and to improve Reclamation's flexibility in operating Folsom Reservoir to meet flow and water quality standards and protect fish species listed under the federal Endangered Species Act in the Lower American River and the Sacramento-San Joaquin Delta.

II. Workplan

Per Task 1.1, the Parties will work together to develop a work plan to detail rolls, responsibilities, tasks, deliverables, schedule and the budget required to the complete the project. The workplan will be submitted to Reclamation.

ARTICLES

III. Definitions

- A. Reclamation means the United States Department of the Interior, Bureau of Reclamation.
- B. Non-Federal Partners means PCWA, Sac Suburban Water District, EDCWA, Sacramento, Folsom and RWA.
- C. Parties means Reclamation and Non-Federal Partners.

ATTACHMENT 1

- D. In-Kind Services means services provided by a Non-Federal Partner that substantially contribute to the completion of the work task or task identified.
- E. Confidential Information means trade secrets or commercial or financial information that is privileged or confidential under the meaning of 5 USC 552(b)(4).
- F. Intellectual Property means any invention that is legally protected through patents, copyrights, trademarks, and trade secrets or otherwise protectable under Title 35 of the United States Code, under 7 USC 2321, et seq., or under the patent laws of a foreign country.
- G. Key Personnel means Reclamation and Non-Federal Partner Agency representatives to the WMSP Executive Steering Committee; Reclamation and Non-Federal Partner Agency representatives to the WMSP Project Management Team as identified below in Section V, Article 14 – Notices and Key Personnel.
- H. Subject Invention means any invention or other Intellectual Property conceived or first reduced to practice under this MOA which is patentable or otherwise protectable under Title 35 of the United States Code, under 7 USC 2321, et seq., or under the patent laws of a foreign country.

IV. Authorities and Financial Obligations

A. Reclamation’s authority to award grant:

- 1. Reclamation Act of June 17, 1902 (ch. 1093, 32 Stat. 388; 43 U.S.C. 372, et seq.) and acts amendatory thereof and supplementary thereto.
- 2. Title IX, Section 9503 of the Omnibus Public Land Management Act of 2009 (P.L. 111-11, 123 Stat. 991).

B. Non-Federal Partner’s authority to enter into this MOA:

- 1. PCWA is authorized to enter into this MOA by Board of Directors Resolution _____ dated _____.
- 2. Sac Suburban Water District is authorized to enter into this MOA by City Council Resolution _____ dated _____.
- 3. EDCWA is authorized to enter into this MOA by Board of Supervisors Resolution _____ dated _____.

ATTACHMENT 1

4. Sacramento is authorized to enter into this MOA by City Council Resolution _____ dated _____.
 5. Folsom is authorized to enter into this MOA by City Council Resolution _____ dated _____.
 6. RWA is authorized to enter into this MOA by Board of Directors Resolution _____ dated _____.
- C. Cost Sharing: The costs of the WMSP will be shared between Reclamation and the Non-Federal Partners in the following amounts:
1. Reclamation: not to exceed \$400,000;
 2. Non-Federal Partners: not to exceed \$450,000;

The Non-Federal Partners' financial contributions will be in the form of in-kind products and services, predominately modeling analyses and staff participation. Reclamation's financial contribution to the WMSP shall not exceed 50% of the total cost. All or part of the Non-Federal Partners' share may be provided as in-kind services. Valuation of in-kind services shall be in accordance with 2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87).

- D. Financial Obligations: This MOA is not a funding document and does not authorize the obligation or transfer of funds. If a subsequently identified activity or project is identified that may require Reclamation to expend funds received from the Non-Federal Partners for investigations, surveys, construction work, or any other development work incident thereto involving operations similar to those provided for by the Reclamation law, a Contributed Funds Agreement, pursuant to the Sundry Civil Expenses Appropriations Act for 1922 (43 USC 395) will be required. Funds contributed by Non-Federal Partner(s) will only be used to pay for costs incurred by Reclamation or its contractors associated with completing the tasks described in this Agreement or modifications to this Agreement.
- E. Anti-Deficiency Act: All activities, responsibilities, and commitments made under or pursuant to this MOA (including any Contributed Funds Agreements under this Agreement) are subject to the availability of appropriated funds and each Agency's budget priorities, as determined by each Agency, and the Non-Federal Partners are not obligated in any way under this MOA to expend appropriations or to enter into any contract, assistance agreement, Contributed Funds Agreement, or other financial obligation. No provision herein shall be interpreted to require obligation or payment of funds in violation of the Anti-Deficiency Act, 31 U.S.C. 1341.

ATTACHMENT 1

V. Publications, Reports, and Confidentiality

- A. Publications: The Parties understand and agree that this MOA may be disclosed to the public in accordance with the Freedom of Information Act or California Public Records Act. Subject to the requirements of Article 7- Confidentiality and preservation of rights in Subject Inventions, a party may publish information developed for the WMSP prior to its official release PROVIDED:
1. The other Parties are allowed to review the manuscript at least sixty (60) days prior to submission for publication, and
 2. The publication shall acknowledge this MOA and the contributions of each party's personnel.
- B. Reports: The results of this MOA and science, engineering, and technology data that are collected, compiled, and evaluated under this MOA shall be shared and mutually interchanged by Non-Federal Partners and Reclamation. A final report summarizing all data shall be submitted to Reclamation and the Non-Federal Partners through the key contacts identified in Sections V, Article 15 and within the performance period of this MOA, as defined in Section IV, Article 9. The final report will be in the public domain, and will be published on Reclamation's WaterSMART Water Marketing Strategy Grants website.
- C. Confidentiality: Any Confidential Information used in this MOA or WMSP shall be clearly marked confidential or proprietary by the submitter and shall not be disclosed by the Recipient without permission of the owner. To the extent a party orally submits its Confidential Information to the other Parties, the submitting party will prepare a document marked "CONFIDENTIAL" embodying or identifying in reasonable detail such orally submitted Confidential Information and provide the document to the other Parties within thirty (30) days of disclosure.

No party shall be bound by confidentiality if the Confidential Information received from another party:

1. Already is available to the public or known to the recipient;
2. Becomes available to the public through no fault of the recipient;
3. Is nonconfidentially received from another party legally entitled to it;
or
4. Is required to be released pursuant to the Freedom of Information Act.

It shall not be a breach of this Agreement if the Non-Federal Partners are required to disclose the Confidential Information by a valid order of a court or

ATTACHMENT 1

other government body, or as otherwise required by law, including without limitation the California Public Records Act, or as necessary to establish the rights of a party under this MOA; PROVIDED THAT the Non-Federal Partner(s) shall provide prompt prior notice thereof to Reclamation to enable Reclamation to seek a protective order or otherwise prevent such disclosure, and PROVIDED FURTHER THAT the Confidential Information otherwise shall continue to be confidential.

D. Intellectual Property: Unless otherwise agreed by the Parties, custody and administration of inventions made as a consequence of, or in direct relation to, the performance of activities under this MOA shall remain with the respective inventing party. In the event that an invention is made jointly by employees of the Parties or an employee of a Party's contractor, the Parties shall consult and agree as to future actions toward establishment of patent protection for the invention.

VI. Term and Termination

A. Term: This MOA shall take effect upon the approval of the Parties and, unless terminated per Section IV, Article 11 - Termination, will expire three years and 6 months from the date of the last signature to this MOA. Any Contributed Funds Agreement(s) entered into pursuant to this MOA will be limited to an initial period of performance not to exceed the term of this Agreement, although they may be renewed for additional periods of performance not to exceed the term of this Agreement for any renewal period as mutually agreed to by the Parties to this Agreement and the subject Contributed Funds Agreement.

B. Amendment: If a party desires a modification in this Agreement, the Parties shall confer in good faith to determine the desirability of such modification. Such modification shall not be effective until a written amendment is signed and dated by the authorized representatives of the Parties.

C. Termination: A party may terminate its participation in this MOA prior to its expiration at any time, with or without cause, and without incurring any liability or obligation to the other Parties, by giving the other Parties at least ninety (90) calendar days prior written notice of termination.

VII. Authorities not altered: Nothing in this MOA alters the statutory authorities or any other authorities of the Non-Federal Partners or Reclamation. This MOA does not supersede or void existing agreements between the Non-Federal Partners and Reclamation.

VIII. Liability: It is understood and agreed that no party to this MOA shall be responsible for any damages or injuries arising out of the conduct of activities governed by this MOA, except to the extent that such damages and/or injuries were caused by the negligent or wrongful acts or omissions of its employees, agents or officers.

ATTACHMENT 1

Reclamation's liability shall be limited by the Federal Tort Claims Act, 28 USC 2671, *et seq.*

- IX. Limitations: This MOA sets out the Parties' intentions and objectives and does not direct or apply to any person outside the Non-Federal Partner(s) and Reclamation. This MOA is not intended to, and does not create any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity, by anyone against the United States, its agencies, its officers, or any person.
- X. Notices and Key Personnel: Notices between the Parties and copies of correspondence among the scientific and/or technical representatives of each party that interpret or may have a bearing on the legal effect of this Agreement's terms and conditions shall be sent to the key personnel below. Reclamation's key personnel is authorized to perform scientific and/or technical activities falling within the Scope of this Agreement.

A. Non-Federal Partner Key Personnel :

Mr. Ken Payne
General Manager
El Dorado County Water Agency
4330 Golden Center Drive, Suite C
Cameron Park, California 95667
ken.payne@edcgov.us
(916) 621-5403

Mr. Dan York
General Manager
Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821
dyork@sswd.org
(916) 972-7171

Mr. Andy Fecko
Director of Resource Development
Placer County Water Agency
144 Ferguson Road
Auburn, CA 95604
afecko@pcwa.net
(530) 308-4507

Mr. James Peifer
Policy and Legislation Manager
City of Sacramento
1395 35th Avenue
Sacramento, CA 95822
jpeifer@cityofsacramento.org
(916) 808-1416

Mr. Marcus Yasutake
Environmental and Water Resources
Director
City of Folsom
50 Natoma St.
Folsom, CA 95630
myasutake@folsom.ca.us
(916) 351-3528

Mr. Rob Swartz
Manager of Technical Services
Regional Water Authority
5620 Birdcage Street, Suite 180
Citrus Heights, CA 95610
rswartz@rwah2o.org
(916) 967-7692

ATTACHMENT 1

- XI. Subcontracting Approval: A party hereto desiring to obtain and use the services of a third party via contract or otherwise shall give prior notice to the other Parties, including details of the contract or other arrangement. This requirement is to assure that confidentiality is not breached and rights in Subject Inventions are not compromised.
- XII. Assignment: No party has the right to assign this MOA or any of its responsibilities hereunder.
- XIII. Endorsement: The Non-Federal Partner(s) shall not in any way state or imply that this Agreement or the results of this Agreement is an endorsement by the Department of the Interior, Federal Government, or Reclamation and any of its organizational units, employees, products, or services except to the extent permission is granted by an authorized representative of Reclamation.
- XIV. Regulatory Compliance: The Parties acknowledge and agree to comply with all applicable laws and regulations of the state, Federal, and local environmental and cultural and paleontological resource protection laws and regulations as applicable to the activities or projects for this Agreement. These regulatory compliance requirements may include but are not limited to, the National Environmental Policy Act (NEPA) including the Council on Environmental Quality, the Department of the Interior regulations implementing NEPA, the Clean Water Act, the Endangered Species Act, consultation with potentially affected Tribes, and consultation with the State Historic Preservation Office.
- XV. Disputes: Any dispute arising under this Agreement, which cannot be readily resolved, shall be submitted jointly to the key personnel officials, identified in Section V, Article 15, Notices and Key Personnel. Each party agrees to seek in good faith to resolve the issue through negotiation or other forms of nonbinding dispute resolution processes mutually acceptable to the Parties. Pending the resolution of any dispute or claim pursuant to Section V, Article 20, the Parties agree that performance of all obligations shall be pursued diligently.
- XVI. Force Majeure: No party shall be liable for any unforeseeable event beyond its reasonable control not caused by the fault or negligence of such party:
- A. Which causes the party to be unable to perform its obligations under this Agreement; and
 - B. Which it has been unable to overcome by the exercise of due diligence.
 - C. This includes, but is not limited to, flood, drought, earthquake, storm, fire, pestilence, lightning and other natural catastrophes, epidemic, war, riot, civil disturbance or disobedience, strikes, labor dispute, failure or sabotage of the party's facilities or any order or injunction made by a court or public agency.

ATTACHMENT 1

- XVII. Relationship between the Parties: The Parties are and shall remain independent contractors and nothing herein shall be construed to create a partnership, agency, joint venture, or teaming agreement between the Parties.
- XVIII. Severability: The illegality or invalidity of any provision of this Agreement shall not impair, affect, or invalidate the other provisions of this Agreement.
- XIX. Governing Law: The construction, validity, performance, and effect of this entire Agreement shall be governed by the laws applicable to the Government of the United States of America in accordance with applicable Federal Law as interpreted by Federal Courts.
- XX. Waiver: The failure of a party to enforce any term hereof shall not be deemed a waiver of any rights contained herein.
- XXI. Invalid Provision: In the event any provision of this Agreement is determined to be invalid or unenforceable under any controlling law, the invalidity or unenforceability of that provision shall not in any way affect the validity or enforceability of the remaining provisions of this Agreement.
- XXII. Counterparts: This MOA may be executed in counterparts and each such counterpart shall be equally effective.

ATTACHMENT 1

IN WITNESS WHEREOF, the Parties have caused this MOA to be executed.

Name
El Dorado County Water Agency

Date

Name
Placer County Water Agency

Date

Name
Sacramento Regional Water Authority

Date

Name
City of Sacramento

Date

Name
City of Folsom

Date

Name
Sacramento Suburban Water District

Date

Non-Federal Partner	Project or Action	Description of Contribution	Nexus to WMSP	Amount	Anticipated Timing	Contract Status	Procurement Method ⁽³⁾
EDCWA [1,2]	EDCWA Supplemental Water Rights Application	This effort is to perfect water rights to meet El Dorado County's long-term water supply needs. In the short-term, this project will be a test case for water supply development of the WMSP Implementation and Governance	Provides information related to the institutional constraints on water availability.	\$ 20,000	2018	In-Progress	SS
	Cooperative Transfer Pipeline (CTP) market analysis	The CTP is a major water transmission pipeline, owned and operated by San Juan Water District, that conveys wholesale water to regional water purveyors. This effort will asset incorporation of this facility into the overall regional transfer strategy.	Analysis to be performed will contribute to the Asset Development & Investment portion of the WMSP through development of regional cost/risk sharing concepts.	\$ 10,000	2018	To be solicited	<\$10K
	EDCWA/Folsom Group transfer to Rio Linda (interim) (include Rio Linda ASR program)	As a regional cooperative project, this effort will be a test case used to develop and define the water transfer processes as part of the WMSP Implementation and Governance.	Transfer design concept development	\$ 20,000	2019	To be solicited	
	Staff time for participation	As lead non-federal partner on the WMSP, EDCWA will be the lead staff in managing this effort.		\$ 52,933	2018-2019	salary certifications submitted	N/A
	Total			\$ 102,933			
City of Folsom [1,2]	Market analysis for surface water transfers	Under the Water Forum (a collaboration of regional water purveyors and NGO's), Folsom has agreed to water supply cutbacks for environmental purposes under certain drought conditions. This is contingent on other regional water purveyors providing in-leiu water. This analysis will be developed another type of regional transfer for environmental purposes as well as assessment of supply and conveyance options.	Transfer design concept development, Asset development, implementation and governance implementation	\$ 15,000	2018-2019	To be solicited with EDCWA	RFO
	Staff time for participation			\$ 17,370	2018	salary certifications submitted	N/A
	Total			\$ 32,370			
City of Sacramento [1,2]	Staff time for participation	The City of Sacramento is a significant water purveyor and has made a significant effort toward a conjunctive use program and has developed transfers within the region. It is anticipated they will continue to be a transfer partner in the region.	The City's participation will contribute the to development of all three major areas of this study (Asset Development & Investment, Market Focus & Capture, and Implementation and Governance).	\$ 13,507	2018-2019	Need salary certifications	N/A
	Total			\$ 13,507			
PCWA [1,2]	RiverArc Project	The RiverArc Project, under development by twelve of the regions water purveyors, would provide a new major water supply from the Sacramento River that would provide water supply, treatment and conveyance facilities within the region.	1. Evaluates expansion of regional conjunctive use program with phased implementation RiverArc. Supports development of hydrological, operational and physical constraints analyses.	\$ 20,000	2018-2019	solicitation information submitted	

	RiverArc Project		2. Estimates required investment for phased implementation of RiverArc project. Supports the analysis of infrastructure and investment considerations	\$ 20,000	2018-2019	salary certifications submitted	N/A
	RiverArc Project		3. Supports analysis of institutional and legal constraints for project development and transfer opportunities.	\$ 10,000	2018		
	Staff time for participation			\$ 14,837	2019		
	Total			\$ 64,837			
RWA [1,2]	Regional Water Reliability Plan	RWA is preparing a plan to address water supply reliability for the regions water purveyors that includes transfer partnering options, conjunctive use options, and infrastructure needs.	1. Identifies and engages potential transfer partners, with a focus on potential CVP and SWP partners	\$ 32,000	2016-2018	In progress	N/A
	Regional Water Reliability Plan		2. Evaluates the potential for additional groundwater recharge capacity with improved ability to share surface supplies regionally. Supports the development of the hydrological, operational and physical constraints analysis	\$ 95,327	2016-2018		
	Regional Water Reliability Plan		3. Evaluates potential infrastructure improvement to increase current capacity for groundwater banking and recovery. Supports analysis of infrastructure and investment considerations	\$ 20,000	2018		
	Water Accounting Framework	Development a high-level action plan for expanding regional conjunctive use and establishing a regional groundwater bank in the North and South American River groundwater basins.	This effort will contribute to development of the Implementation & Governance portion of the WMSP.	\$ 47,400	2018-2019		
	Staff time for participation			\$ 13,912	2018-2019		
	Total			\$ 208,639			
SSWD [1,2]	Staff time for participation	Sacramento Suburban Water District has been a significant participant regionally in in-lieu banking and has developed some key infrastructure for regional water transfers. Their participation will be integral to development of assets for regional transfers	SSWD's participation will contribute to the development of all three major areas of this study (Asset Development & Investment, Market Focus & Capture, and Implementation and Governance).	\$ 19,932	2018-2019	salary certifications submitted	N/A
	Total			\$ 19,932			
TOTAL Cost-Share				\$ 442,218			

[1] All Regional Water Reliability Plan (RWRP) in-kind contribution is shown under RWA budget.

[2] All SGMA Implementation in-kind contribution is shown under RWA.

(3) Procurement processes: Request for Proposal (RFP); Request for Qualifications (RFQ); Sole Source (SS); Memorandum of Agreement (MOA). Not required if contract is less than \$10,000 (<\$10K)



Agenda Item: 6

Date: November 9, 2018

Subject: Public Hearing on Initial Study and Proposed Mitigated Negative Declaration for Well 79 Verner/Panorama Production Well Project.

Staff Contact: David Morrow, P.E., Senior Engineer

Recommended Board Action:

Conduct a Public Hearing on the Initial Study and Proposed Mitigated Negative Declaration for the Well 79 Verner/Panorama Production Well Project.

Note: There is a separate agenda item, and staff report, asking the Board to adopt a Mitigated Negative Declaration for this project (following the Public Hearing).

Discussion:

The District proposes to construct and install a second municipal groundwater supply well and pump station on a District owned parcel in the District's North Service Area (NSA). Well 79 Verner/Panorama will be located to the northeast of the intersection of Verner Avenue and Panorama Drive in the City of Citrus Heights, California. See the Attachment 1 for a map showing the location of the proposed well. The well is being constructed for replacement of aging infrastructure and wells lost in the NSA due to water quality issues.

Well 79 Verner/Panorama is proposed to consist of an 18-inch-diameter groundwater well capable of producing approximately 1,500 gallons per minute (gpm). The new well will include existing connections to both the Sacramento County-owned storm drain and sanitary sewer. An approximately 700 square foot building would be constructed to house the motor control center, treatment equipment (if required), and chlorination facilities for disinfection.

If elevated levels of iron/manganese are detected in the water, a treatment system would be installed. The iron/manganese treatment system would include components such as a horizontal multi-media pressure filter, ground-level backwash water holding tank, associated pipes and valves, and associated electrical switchgear. The treatment system would require the construction of an above-grade backwash storage tank with capacity to store approximately 60,000 gallons. This coated steel tank would be approximately 25 feet in diameter and up to 20 feet tall.

In addition, the well may be equipped to operate as an aquifer storage and recovery well in the future. This improvement would involve the installation of a specialized valve and some small

Public Hearing on Initial Study and Proposed Mitigated Negative Declaration for the
Well 79 Verner/Panorama Production Well Project

November 9, 2018

Page 2 of 3

additional station piping. The projected schedule is to construct the production well boring in fall 2018, with overall project well equipping completion by December 2019.

To comply with the California Environmental Quality Act (CEQA), an Initial Study has been prepared by the District's consultant, Wood Rodgers, to evaluate the potential environmental impacts of the project and to propose mitigation for any significant impacts. An electronic copy of the Initial Study/Proposed Mitigated Negative Declaration is available for review on the District's website at www.sswd.org.

Based on the results of the Initial Study, it has been determined that the proposed project would not have significant impacts on the environment. This conclusion is supported by the following findings:

1. The Proposed Project would have no impacts on: agriculture, biological resources, cultural resources, mineral resources, geology and soils, land use planning, mineral resources, population and housing, public services, recreation, transportation and traffic.
2. The Proposed Project would have less-than-significant impacts on: aesthetic resources, air quality, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, noise, and utilities and service systems.
3. The Proposed Project would have no significant impacts.

The Applicant has included a number of measures in the proposed project to avoid or minimize potential impacts. See Attachment 2 for "Measures Included in the Proposed Project to Minimize Impacts."

At the October 15, 2018, regular Board meeting, the Sacramento Suburban Water District Board of Directors authorized a Public Hearing to be held at their next regular meeting scheduled for November 19, 2018, to receive comments on the Initial Study/Proposed Mitigated Negative Declaration for the Project. The Public Hearing notice was mailed to property owners surrounding the well site, posted on the District's website, and posted at the well site. The public review period began on October 16, 2018, and ended on November 16, 2018. To date, no public comments have been received.

Fiscal Impact:

No additional cost. The Preparation and filing of the Initial Study/Mitigated Negative Declaration are included in Wood Rodgers' contract for design and construction management for the Project.

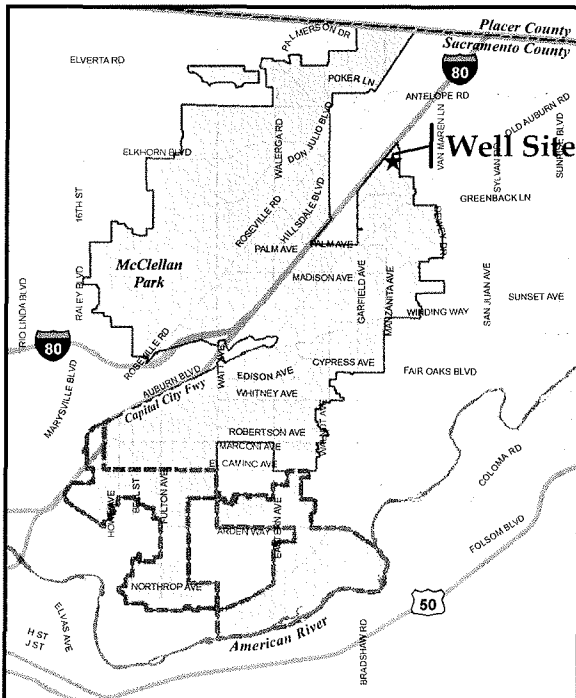
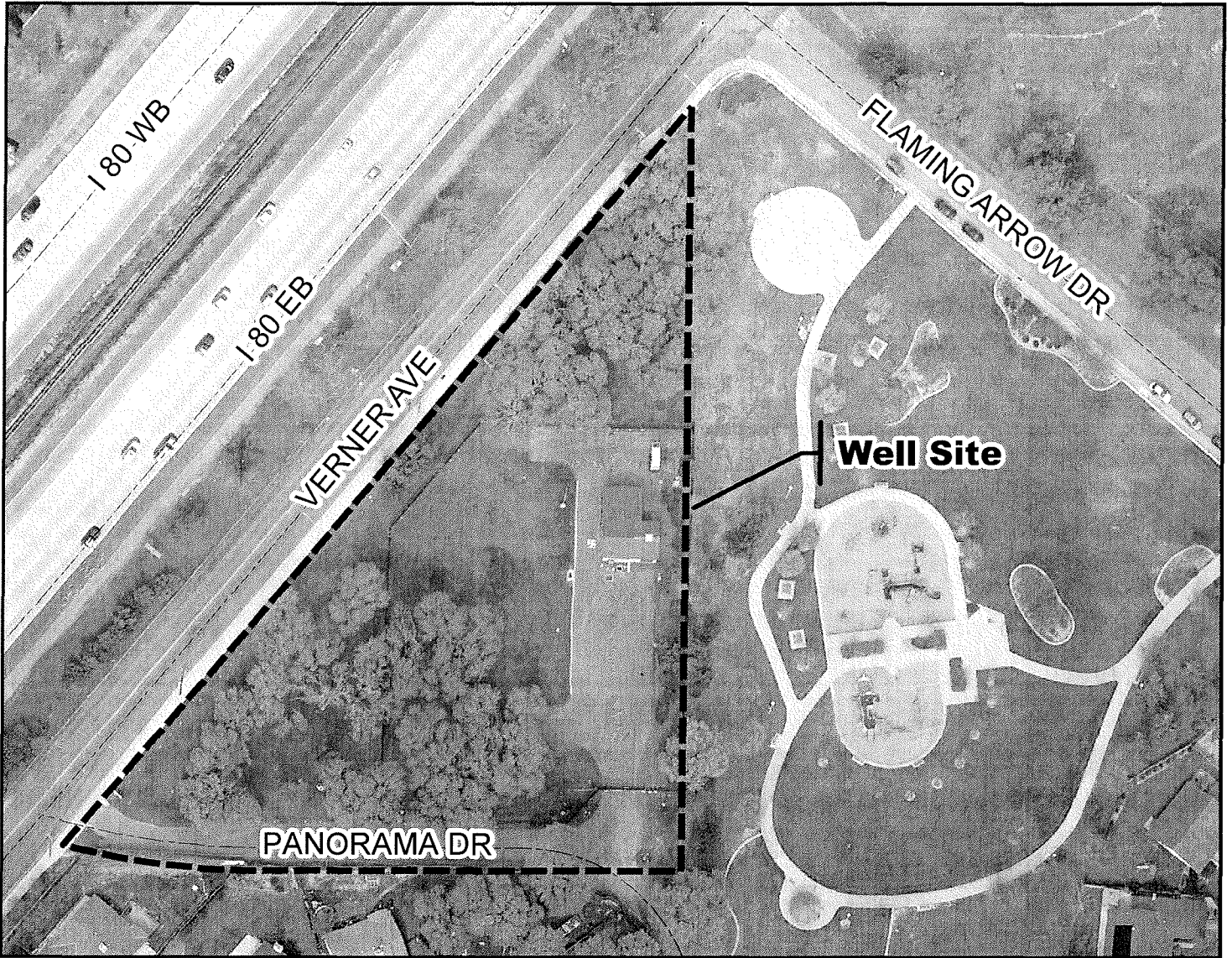
Strategic Plan Alignment:

Water Supply – 1.A. Protect public health and the environment through compliance with all applicable federal, state and local regulations.

Water Supply – 1.B. Provide for the future needs of the District through prudent planning that will ensure sufficient capacity to serve all customers.

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

The production well will provide additional water supply for future use and enhance the current system supplies and pressures which is a benefit to District customers.



NOT TO SCALE



Well 79 Verner/Panorama Site Location Map



Prepared by: DAV, SSWD
November 2, 2018
Well 79_Loc.mxd

THIS MAP SHOWS THE LOCATION OF THE PROJECT SITE AND THE APPROXIMATE SIZE OF THE WELL LOT

Attachment 2

MEASURES INCLUDED IN THE PROPOSED PROJECT TO MINIMIZE IMPACTS

The Well 79 Verner/Panorama site is located in an area that has existing facilities and will be constructed near the existing onsite pumping station.

Aesthetics

- Most of the construction activities will only occur during daylight hours to minimize the potential of contributing to light pollution. A small portion of the well construction will require 24-hour activities. During this portion of the construction, mitigative measures will be taken to limit both light pollution and noise from construction related activities.

Recreation:

- Although the Well 79 Verner/Panorama site is located immediately adjacent to a public park, the well site is fully fenced not allowing public access. Construction activities at the Well 79 Verner/Panorama site will be fully contained within the District owned 2.5 acre parcel and will not impact activities at the park; however, strict safety measures will be adhered to during construction at this site and SSWD will work closely with the Sunrise Recreation and Park District events calendar for the park to minimize park impact.

Air Quality

Because the construction of the proposed project has the potential to create fugitive dust, SSWD will require the construction contractor to implement the following measures:

- Water all exposed surface two times daily, or as required to eliminate fugitive dust.
- Cover or maintain at least two feet of free board space on haul trucks transporting soil, sand, or other loose material on the site. Any haul trucks that would be traveling along freeways or major roadways should be covered.
- Keep the street clean and free of loose soil. Use wet power vacuum street sweepers to remove any visible trackout mud or dirt onto adjacent public roads as least once per day. Use of dry power sweeping is prohibited.
- Maintain all construction equipment in proper working condition according to manufacturer's specifications. The equipment must be checked by a certified mechanic and determine to be running in proper condition before it is operated.
- Minimize idling time either by shutting equipment off when not in use or reducing the time of idling to 5 minutes [California Code of Regulations, Title 13, sections 2449(d)(3) and 2485]. Provide clear signage that posts this requirement for workers at the entrance to the site.

Cultural Resources

- If previously unidentified cultural resources are encountered during earth-moving activities, construction activities in their vicinity will be halted immediately and the appropriate authorities notified. Authorities should include the County Coroner if suspected human remains are discovered and a qualified archaeologist if prehistoric or historic-period artifacts are found.

Hydrology and Water Quality

- To minimize the introduction of sediment to the storm water system during construction, SSWD will implement standard erosion management measures, including the following Sacramento County's storm water best management practices (BMPs):
- The use of straw waddles and/or silt fences onsite to prevent the flow of sediment off the site.
- The use of sediment traps or gravel bags at drainage inlets to prevent any sediment from entering the storm water system.

Geology and Soils

- Permanent erosion control measures and BMPs will be implemented during and after construction.
- The SSWD will comply with the conditions of the State Water Resources Control Board, National Pollutant Discharge Elimination System, and General Construction Permit. Given the extent of proposed disturbance is less than 1 acre, the project will not require preparation of a Storm Water Pollution Prevention Plan (SWPPP) for the project site.
- Geotechnical information will be developed prior to the construction of the proposed pump station building. The recommendations from the geotechnical investigation will be incorporated into the design to rectify any soil characteristics adverse to the stability of the building.

Noise

Because of the proximity of the Well 79 Verner/Panorama site to several sensitive noise receptors (park, single family residential), and because the well drilling portion of construction could operate twenty-four hours a day for multiple days over a 4-week construction period, SSWD will implement the following measures to minimize noise effects:

- During the well drilling and construction portion of the project, equipment will be required to be rated for residential use. Night time activities will be limited to only time sensitive and critical tasks that require 24-hour per day operations.
- A key design component to eliminate operational noise at the site includes use of a submersible pump and motor for the well surrounded by a concrete pedestal and pad.
- During the construction of the well, SSWD will work with the Sunrise Recreation and Park District to make sure the construction schedule takes into account previously schedule events to take placed at the park.

Transportation

SSWD will prepare a transportation management plan to maintain the safe operation of all vehicle modes along Verner Avenue and Panorama Drive during the period of construction of the well. This plan will contain the following provisions:

- Avoid blocking traffic on Verner Avenue and at its intersection with Panorama Drive
- Allow for continuous pedestrian traffic along Verner Drive;



Agenda Item: 7

Date: November 2, 2018

Subject: Adoption of an Initial Study/Mitigated Negative Declaration for Well 79 Verner/Panorama Production Well and Pumping Station

Staff Contact: David Morrow, P.E., Senior Engineer

Recommended Board Action:

Adopt the Initial Study/Mitigated Negative Declaration for the Well 79 Verner/Panorama Production Well Project and authorize the General Manager to execute a Notice of Determination to be filed at the County Clerk Recorder's Office and the State Clearinghouse.

Discussion:

Based on the findings in the Initial Study, as prepared by Wood Rodgers, and after conducting a Public Hearing to hear any further public comments on the proposed project, a Mitigated Negative Declaration is proposed for this project to meet the District's obligation under the California Environmental Quality Act. It is recommended that the Board adopt the Initial Study/Mitigated Negative Declaration for this project.

After execution by the General Manager, a Notice of Determination will then be filed at the County Clerk Recorder's Office and at the State Clearinghouse. A copy of the Notice of Determination is attached as Attachment 1.

Fiscal Impact:

No additional costs are associated with adoption of this Mitigated Negative Declaration.

Strategic Plan Alignment:

Water Supply – 1.A. Protect public health and the environment through compliance with all applicable federal, state and local regulations.

Water Supply – 1.B. Provide for the future needs of the District through prudent planning that will ensure sufficient capacity to serve all customers.

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

The production well will provide additional water supply for future use and enhance the current system supplies and pressures.

Notice of Determination

Appendix D

To:
[] Office of Planning and Research
U.S. Mail: P.O. Box 3044
Sacramento, CA 95812-3044
Street Address: 1400 Tenth St., Rm 113
Sacramento, CA 95814

[] County Clerk
County of: Sacramento
Address: 600 8th Street
Sacramento, CA 95814

From:
Public Agency: Sacramento Suburban Water District
Address: 3701 Marconi Avenue, Suite 100
Sacramento, CA 95821
Contact: David Morrow, Senior Engineer
Phone: (916) 972-7171

Lead Agency (if different from above):
Address:
Contact:
Phone:

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

State Clearinghouse Number (if submitted to State Clearinghouse): 2018102048

Project Title: Municipal Production Well 79 Verner/Panorama

Project Applicant: Sacramento Suburban Water District

Project Location (include county): APN 229-0390-001 Citrus Heights, Sacramento County

Project Description:
See Attached

This is to advise that the Sacramento Suburban Water District has approved the above
[] Responsible Agency or [] Lead Agency

described project on October 15, 2018 and has made the following determinations regarding the above
(date)
described project.

- 1. The project [] will [] will not have a significant effect on the environment.
2. [] An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.
[] A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures [] were [] were not made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan [] was [] was not adopted for this project.
5. A statement of Overriding Considerations [] was [] was not adopted for this project.
6. Findings [] were [] were not made pursuant to the provisions of CEQA.

This is to certify that the final EIR with comments and responses and record of project approval, or the
negative Declaration, is available to the General Public at:

Sacramento Suburban Water District 3701 Marconi Ave., Sacramento, CA 95821

Signature (Public Agency): [Signature] Title: General Manager

Date: October 15, 2018 Date Received for filing at OPR: 10/17/18

Project Description

The Sacramento Suburban Water District (SSWD) proposes to construct and operate one municipal supply well to supplement existing supplies in the northern portion of its service area, within Sacramento County.

The Well 79 Verner/Panorama site would consist of a 18-inch groundwater well capable of producing approximately 1,500 gallons per minute (gpm). The well would include new connections to both the Sacramento County-owned storm drain and sanitary sewer. An approximately 700 square foot building would be constructed to house the motor control center, treatment equipment, and chlorination facilities for disinfection of the treated water. The building will also be plumbed for fluoridation of water. If elevated levels of iron/manganese are detected in the water, a treatment system would be installed. If necessary, the iron/manganese treatment system would include components such as a horizontal multi-media pressure filter, ground-level backwash water holding tank, associated pipes and valves, and associated electrical switchgear. The treatment system would require the construction of an above-grade backwash storage tank with capacity to store approximately 60,000 gallons. This painted metal tank would be approximately 25 feet in diameter and up to 20 feet tall. In addition, the Well may be equipped to operate as aquifer storage and recovery (ASR) well in the future. This improvement would involve the installation of a specialized valve and some small-additional station piping, all within the area already disturbed.

The projected schedule is to construct the production well in 2018, with overall project completion in 2019.



Agenda Item: 8

Date: November 14, 2018

Subject: Communications Site Lease Agreement – Auburn Yard

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

Recommended Board Action:

Approve the attached *Draft Communications Site Lease Agreement* (Agreement) (Attachment 1) and authorize the General Manager to negotiate final terms of the agreement.

Background:

Arcade Water District entered into the current lease on May 1, 1994, which has an initial term of 15 years and the option to extend for two (2) 5-year terms for a maximum period of 25 years. The current lease with Verizon Wireless is approaching the end of its final 5-year term, which expires on February 28, 2019. The current monthly rate is \$937.48.

Discussion:

This is a successor lease with American Tower Corporation on behalf of Verizon Wireless for a portion of the District's Auburn Yard (total area of 1,200 square feet) for the operation of cellular communications equipment. The cellular communications tower and all equipment on the site are owned by various communications companies and this lease agreement is for the use of the District's land.

The District will be pursuing similar lease terms to the existing lease terms, at a potentially higher monthly rent, which will include an inflation-based escalated monthly rent. The new proposed lease is for an initial five-year term with the lessee's option of four (4) successive 5-year terms for a maximum duration of 25 years. The Agreement was drafted by District legal counsel and was reviewed by staff for compatibility with District operations and maintenance activities.

In 2007, during staff's negotiation of a lease with a cellular communications company for use of the District's Capehart Tank, the Board had several questions for staff regarding the draft lease agreement. Staff made modifications to the lease agreement to address the Board's concerns. The agreement was reviewed by legal counsel, and then approved by the Board in August 2007.

Staff requests authorization to negotiate terms with the intended lessee and bring back to the Board for approval – expected in December 2018 or January 2019.

Fiscal Impact:

The average revenue from this lease over the last five years has been approximately \$10,000 annually.

Strategic Plan Alignment:

Finance – 4.C. Combine sound and efficient business and financial procedures with regular, frequent reporting to the Board and oversight bodies that explain the District’s financial status and activities.

Generating revenue from communication site leases offset expenses, which is a benefit to District operations.

Attachment:

1 – Communications Site Lease Agreement – Preliminary Draft for Negotiation

**SACRAMENTO SUBURBAN WATER DISTRICT
COMMUNICATIONS SITE LEASE AGREEMENT
(AMERICAN TOWER CO – AUBURN YARD SITE)**

This Communications Site Lease Agreement (“Agreement”) is made effective this _____, 201_ between the Sacramento Suburban Water District, a local public agency (“District”), and American Tower Corporation, a _____ (“Lessee”), who agree as follows:

1. Recitals. This Agreement is made with reference to the following background recitals:

1.1. District owns the real property described in the attached Exhibit A, commonly known as the Auburn Corporation Yard, Sacramento, California, and designated Sacramento County Assessor’s Parcel No. 254-0060-086 (“Property”).

1.2. Lessee is a provider of shared wireless communications infrastructure that desires to operate and maintain existing wireless communications facilities on a portion of the Property as part of its wireless communications network upon the February 28, 2019 termination of an existing lease that the District’s predecessor in interest, the Arcade Water District entered into with an entity known as the Sacramento-Valley Limited Partnership (current lessee, Verizon Wireless) on January 31, 1997.

1.3. In particular, Lessee desires to lease approximately 1,300 square feet of surface area on the Property as shown on the attached Exhibit B (the “Premises”). District is willing to lease the Premises to Lessee for Lessee’s proposed use, on and subject to the terms and conditions of this Agreement.

2. Lease. Subject to the terms and conditions set forth below, District leases to Lessee, and Lessee leases from District, the Premises for Lessee’s uses as described in this Agreement, together with the right of reasonable ingress and egress over other portions of the Property as necessary for Lessee’s access and provision of utilities to the Premises. Nothing in this Agreement permits Lessee to use any additional or other District property without District’s prior written approval and negotiation of mutually satisfactory additional rent and related lease terms.

3. Facilities and Use.

3.1. Lessee may use, operate and maintain on the Premises wireless communications structures, facilities and equipment, including tower structures, equipment shelters, meter boards, antennas, associated cabinets and poles, and related improvements and structures and uses incidental thereto (the “Lessee Facilities”). Lessee has the right to do all work necessary to maintain and operate the Premises for Lessee’s business operations. All of Lessee’s operations, maintenance and other work shall be performed at Lessee’s sole cost and in a good and workmanlike manner.

3.2. Lessee shall hold title to the Lessee Facilities. All of the Lessee Facilities shall remain Lessee's personal property and are not fixtures.

3.3. Lessee may use the Premises for any activity in connection with the provision of shared wireless communications facilities. Lessee shall use the Premises strictly in accordance with the terms of this Agreement and solely for the purpose of constructing, installing, supplementing, using, operating, maintaining, repairing, replacing, and upgrading the Lessee Facilities.

3.4. Lessee's operations and use of the Premises shall be lawful and comply with all applicable federal, state and local laws, regulations, orders, and other legal requirements. Lessee, at its sole cost, shall obtain, maintain and comply with all necessary federal, state and local permits, licenses and other entitlements (including, but not limited to, County of Sacramento building permits and use permits) required for its use of the Premises. Lessee shall provide District with a current copy of the Federal Communications Commission license authorizing Lessee to operate the Lessee Facilities on the Premises. This Agreement shall not be construed as a waiver of any requirement, fee or procedure required to obtain any such entitlement or permit. District agrees to cooperate with Lessee, at Lessee's sole cost and expense, in applying for and obtaining all licenses, permits and any and all other necessary approvals that may be required for Lessee's intended use of the Premises.

3.5. Lessee shall not use or permit the Premises to be used for any purpose other than as described in this Agreement, without the prior written consent of District. Lessee shall not transact or allow to be transacted any offensive, dangerous, or illegal trade, business, occupation or activity at or in connection with the Premises.

3.6. Lessee shall use the Premises in a manner that is at all times subordinate to and consistent with District's use of the Property. In the event of an emergency in which Lessee's access would materially impair District's ability to remedy effects of an emergency, District shall have the right to bar access to the Premises for the duration of the emergency and any period reasonably necessary to remedy the effects of the emergency.

3.7. Lessee shall not operate or allow to be operated any machinery or apparatus on or near the Premises, the operation of which might cause damage or otherwise risk injury to the Property, public, or adjacent buildings.

3.8. Lessee shall maintain the Premises in good, safe, clean, attractive and sanitary condition and repair, including, but not limited to, regular pickup of debris on the Premises, removal of graffiti on Lessee Facilities, maintenance of the fence around the Premises, regular repainting of Lessee Facilities as may be appropriate to maintain a good appearance, and removal and control of weeds within the Premises.

4. Construction and Installation.

4.1. Lessee shall have the right to enter upon the Property to construct, install, repair, upgrade, replace, supplement, operate and maintain the Lessee Facilities on the Premises. For any construction or installation work that will result in a significant increase in the size

of the existing equipment on the tower visible to the public or a significant increase in the circumference of the equipment on the tower, Lessee shall provide 60 days' advance written notice of the proposed change and plans and specifications for the proposed change to District for its review and approval. Lessee will not begin work prior to receiving written approval from District. District will not unreasonably withhold, condition or delay its approval. In the event District reasonably objects to all or a portion of Lessee's proposed plans, District shall provide Lessee notice of its objections, and Lessee shall make all commercially reasonable adjustments to its proposed plans to accommodate District's concerns. Lessee shall provide written notice to District within a reasonable time for all other work not subject to advance District review and approval.

4.2. All construction and improvement work shall be performed in a good and workmanlike manner, and shall comply with all applicable federal, state and local laws, codes and building and other permit requirements. Lessee shall keep the Premises and Property free and clear from any and all liens, stop notices, claims and demands for work performed, materials furnished, or operations conducted on the Premises. Lessee shall indemnify and hold District and the Property free, clear and harmless from any claims, liens, demands, charges, encumbrances or litigation arising directly or indirectly out of any use, occupancy or activity of Lessee, or out of any work performed, material furnished, or obligations incurred by Lessee, in, upon, about or otherwise in connection with the Premises.

4.3. Lessee will not install or construct any new, expanded, improved or replacement equipment, structure or facility on the Premises if it would result in a substantial increase in the size of the Lessee Facilities. A "substantial increase" in the size of the Lessee Facilities would occur under one or more of the following circumstances: (a) more than two new equipment cabinets would be added to the Premises; (b) an additional structure would be constructed, installed, or placed on the surface of the Premises; (c) the width of the Lessee Facilities would be increased by more than five feet in any direction from the edge of the current facilities; or (d) any excavation or installation would occur outside the Premises. If the proposed new, expanded, improved or replacement work would result in a substantial increase in the size of the Lessee Facilities, then approval of the work would require a renegotiation and amendment of this Agreement before Lessee may make any such change.

5. Term.

5.1. The term of this Agreement shall be five years commencing on , 201 ("Commencement Date"), and terminating on the fifth anniversary of the Commencement Date (the "Term"). Lessee shall have the right to extend the Term for up to four successive five-year periods (the "Renewal Terms") on the same terms and conditions as set forth in this Agreement by giving written notice of extension to District prior to the end of the then-current Term or Renewal Term. In the event Lessee holds over and continues in possession of the Premises after expiration of the final Renewal Term, Lessee's continued occupancy of the Premises will be considered a month-to-month tenancy subject to all of the terms and conditions of this Agreement. This Agreement will automatically be extended for each successive five-year Renewal Term unless either Lessor or Lessee notifies the other party in writing of its intention not to extend this Agreement at least 90 days prior to the expiration of the Term or any Renewal Term.

5.2. Upon expiration or earlier termination of this Agreement, Lessee at its cost will promptly: (a) surrender and deliver the Premises to District in as good condition as it was in at the commencement of the Agreement, excepting ordinary wear and tear; and (b) remove all Lessee Facilities and any other Lessee-owned or installed structures, equipment, material and other property from the Premises. Lessee also agrees to repair any damage to the Premises or Property caused by such removal. Should Lessee fail to remove the Lessee Facilities from the Premises within 60 days following the expiration or termination, District may remove and store the Lessee Facilities at Lessee's sole cost. If Lessee does not claim the Lessee Facilities, and provided that District has given Lessee and any third party financing entity disclosed to District with written notice given prior to Agreement termination or expiration, the Lessee Facilities shall be deemed abandoned. Lessee shall post a \$_,000.00 surety bond to secure the timely removal of the Lessee Facilities. The surety bond shall remain in effect until six months following expiration or termination of this Agreement or until completion of Lessee's obligations under this section, whichever occurs last. The provisions of this section shall survive the expiration or termination of this Agreement.

6. Rent.

6.1. Lessee will pay rent to District ("Rent") on or before the Commencement Date and on the first day of each subsequent month for the duration of this Agreement. Rent shall be payable to District at 3701 Marconi Avenue, Suite 100, Sacramento, California 95821. For the first year of the Term, Lessee shall pay Rent in the amount of \$_,000.00 per month. Thereafter, Rent shall be increased on each anniversary of the Commencement Date during the Term and Renewal Terms by an amount equal to the greater of three percent (3%) or the percent change for the previous year in the Consumer Price Index for All Urban Consumers for the west urban area, as reported by the U.S. Bureau of Labor Statistics, with such amount to be capped at five percent (5%).

6.2. Rent payments made after the tenth day of any month shall be considered delinquent, and shall accrue interest at the rate of ten percent per annum on the delinquent amount. If the tenth day of the month is on a Saturday, Sunday or District holiday, then the payment shall not be deemed delinquent if received by District on the next business day.

6.3. Prior to the commencement of the second Renewal Term, District shall have the option to obtain an independent valuation of the Premises to determine an appropriate rent amount (the "Appraisal Option"). In the event District exercises the Appraisal Option, an appraisal of the Premises shall be made by a professional independent real estate appraiser selected by District, at District's sole cost. District may, in its discretion, elect to make use of the appraised value as the new Rent, in lieu of the annual Rent adjustment that would otherwise take effect pursuant to Section 6.1. In no event shall the monthly Rent increase more than ten percent (10%) of the most recent Rent amount.

6.4. Upon execution of this Agreement and at such other times as may be reasonably requested by Lessee, District agrees to provide Lessee with a completed IRS Form W-9, or its equivalent. In the event ownership of the Premises is transferred by District, the succeeding owner shall have a duty at the time of such transfer to provide Lessee with a completed IRS

Form W-9, or its equivalent, and other related paperwork to effect a transfer in rent to the new owner.

7. One-Time Lease Administration Fee. In further consideration for this Agreement, and upon its execution, Lessee shall make a single payment of \$__,000.00 to District to offset District's staff time and administrative costs of preparing and entering into this Agreement.

8. Subleasing and Collocation.

8.1. Lessee may sublease the Premises, which includes a collocation agreement, on and subject to the provisions of this section. Any sublease requires the prior written consent of District. Prior to entering into any sublease, Lessee will deliver written notice to District describing its intention to sublease an interest in the Premises under this Agreement, the proposed sublessee and sublease terms, and proposed new equipment or additions to the Lessee Facilities, if any. District will not unreasonably withhold, condition or delay consent to a proposed sublease the Premises. Any sublease will be subject to the terms, conditions and limitations of this Agreement. Upon an approved sublease, Lessee will remain liable for the sublessee's compliance with and performance under this Agreement.

8.2. Lessee may sublease the Premises only if it will not result in a substantial increase in the size of the Lessee Facilities as described in this Agreement. A "substantial increase" in the size of the Lessee Facilities would occur under one or more of the circumstances described in section 4.3. If the sublease would result in a substantial increase in the size of the Lessee Facilities, then approval of the proposed use would require a renegotiation and amendment of this Agreement before Lessee may make any such change.

8.3. If, after full execution of this Agreement, Lessee enters into any future sublease or license with a subtenant or licensee not already a subtenant or licensee on the Premises (each a "Future Broadband Sublease"), Lessee agrees to pay to District fifty percent (50%) of the rental, license or similar payments actually received by Lessee from such Future Broadband Sublease, excluding any reimbursement of taxes, construction costs, installation costs, revenue share reimbursement or other expenses incurred by Lessee ("Future Broadband Sublease Fee") within 30 days after receipt of said payments by Lessee. If any Future Broadband Sublease expires or terminates for any reason, Lessee shall no longer be obligated to pay a Future Broadband Sublease Fee for such Future Broadband Sublease. Lessee shall have no obligation for payment to District of a Future Broadband Sublease Fee if not actually received by Lessee. Subject to sections 8.1 and 8.2, Lessee shall have sole discretion as to whether, and on what terms, to sublease, license or otherwise allow occupancy of the Premises and there shall be no express or implied obligation of Lessee to do so. Notwithstanding anything in this subsection to the contrary, District shall not be entitled to a Future Broadband Sublease Fee for any sublease or license to any subtenant of Lessee or any successors and/or assignees of such subtenant who executed a sublease or license prior to the effective date of this Agreement. Once per calendar year, District may submit a written request to Lessee for a business summary report pertaining to Lessee's Future Broadband Sublease Fee revenue for the prior 12 month period, and Lessee shall provide such written accounting to District within 60 days after Lessee's receipt of such written request. District and its employees, accountants, attorneys and agents may review, inspect and copy these

reports. If Lessee deems these reports to constitute confidential or trade secret information, it shall so label the reports and advise the District of such claim when the reports are transmitted. If Lessee asserts such a claim, District shall keep all such information confidential unless required by law to release it.

9. Utilities; Access and Posting.

9.1. Lessee shall pay for the electricity it consumes in its operations at the rate charged and separately billed by the servicing utility company. Any electrical upgrade necessary for Lessee's enjoyment of the Premises shall be at Lessee's sole cost and expense. Lessee may obtain separate utility services from any utility company that is legally authorized to provide service to the Premises (including a standby power generator for Lessee's exclusive use, if approved and permitted by the governing local jurisdiction). District agrees to sign such documents as may be required by such utility company to provide service to the Premises, including a grant of easement in, over, across or through the Property that might be required by a servicing utility company to provide utility services to Lessee. Any easement necessary for such power or other utilities shall be granted by District, at no cost to Lessee, and shall be located in an area of the Property acceptable to District and the servicing utility company.

9.2. Lessee and Lessee's employees and contractors shall have access to the Premises at no charge 24 hours per day, seven days per week. District grants to Lessee, and its employees and contractors, a non-exclusive right and easement for pedestrian and vehicular ingress and egress across that portion of the Property described in Exhibit B. Lessee will repair or otherwise remedy any damage to the access road caused by use of such access by Lessee or its employees, officers, guests, contractors or agents.

9.3. Immediately upon taking possession of the Premises, Lessee shall post a sign or placard upon the fence around the Lessee Facilities that is clearly visible from the exterior of the Premises. The sign or placard shall be labeled with Lessee's business name, the name of the managing company responsible for the care and maintenance of the Premises, if any, a site identification code, and contact information for Lessee or Lessee's agent in the event of an emergency. A transfer of interest in this Agreement to any successor, subtenant or assignee shall require a change in the Lessee Facilities identification sign or placard within 30 days of such transfer.

10. Interference.

10.1. Lessee acknowledges that there are other electronic devices, including wireless communications systems, on the Property. Lessee shall operate the Premises and Lessee Facilities in a manner that does not interfere with any other lessees' uses of the Property. Such interference shall be deemed a material breach by Lessee. In the event interference occurs, Lessee agrees to take all reasonable steps necessary to eliminate such interference within a reasonable time period. In the event Lessee fails to comply with this section, District may terminate this Agreement or pursue other remedies available under this Agreement or by law.

10.2. District shall not permit new lessees or licensees to install equipment on the Property if such equipment is likely to cause interference with Lessee's operations. Such interference shall be deemed a material breach by District. In the event interference occurs, District agrees to take all reasonable steps necessary to eliminate such interference within a reasonable time period. In the event District fails to comply with this section, Lessee may terminate this Agreement or pursue other remedies available under this Agreement or by law.

11. Fees and Taxes. Lessee will pay, and hold District and the Property free and harmless from, all of the following: (a) charges and assessments for water, gas, electricity, telephone, and all other utilities and services of any kind that may be provided to the Premises; (b) taxes, assessments and other charges levied or imposed by any governmental entity on the structures, equipment, material, and other property placed or used by Lessee in, on or about the Premises; (c) real property taxes, assessments and standby charges levied or assessed against the Premises or Property by a governmental entity as a result of Lessee's use of the Premises, including taxes on any taxable possessory interest created by this Agreement; and (d) any other fees or charges levied or imposed by a federal, state or local government agency, utility company or service provider as a result of Lessee's use of the Premises. All such fees, charges, taxes and assessments will be paid as they become due and payable, but in any event before they become delinquent.

12. Waiver of District's Lien.

12.1. District waives any lien rights it may have concerning the Lessee Facilities, which are deemed Lessee's personal property and not fixtures, and Lessee has the right to remove the same at any time without District's consent.

12.2. District acknowledges that Lessee may enter into a financing arrangement including promissory notes and financial security agreements for the financing of the Lessee Facilities (the "Collateral") with a third party financing entity. In connection therewith, District: (a) consents to the installation of the Collateral consistent with the terms of this Agreement; (b) disclaims any interest in the Collateral, as fixtures or otherwise; and (c) agrees that the Collateral shall be exempt from execution, foreclosure, sale, levy, attachment, or distress for any Rent due or to become due and that such Collateral may be removed at any time without recourse to legal proceedings.

13. Termination. This Agreement may be terminated prior to expiration on 30 days' prior written notice as follows:

13.1. By District for a Lessee default under Section 20.

13.2. By Lessee upon a breach or default of any covenant or term of the Agreement by District, which breach or default is not cured within 30 days after receipt of written notice of breach or default.

13.3. By either party if Lessee does not obtain or maintain any license, permit or the approval necessary for the construction and operation of the Lessee Facilities.

13.4. By Lessee if Lessee is unable to occupy and utilize the Premises due to an action by the Federal Communications Commission, including without limitation, a take back of channels or change in frequencies.

13.5. By Lessee if Lessee determines that the Premises are not appropriate for its operations for economic or technological reasons, including, without limitation, signal interference as provided in Section 10 of this Agreement.

Should this Agreement be terminated for any reason, Lessee shall pay all Rent due up to the effective date of the termination.

14. Condemnation. If at any time during the term of this Agreement, title and possession of the Premises or Property are taken under the power of eminent domain by any public or quasi-public agency or entity, District will notify Lessee of the proposed taking within five days of receiving said notice and Lessee will have the option to: (a) declare this Agreement null and void and thereafter neither party will have any liability or obligation hereunder; or (b) remain in possession of that portion of the Premises and easements that will not be taken, in which event there shall be an equitable adjustment in Rent on account of the portion of the Premises and easements so taken. With either option, Lessee shall have the right to contest the taking and directly pursue an award.

15. Insurance.

15.1. Lessee, at its sole cost and expense, shall procure and maintain for the duration of this Agreement the following types and limits of insurance: (a) commercial general liability coverage at least as broad as ISO CG 0001 with limits of \$2,000,000 per occurrence and \$5,000,000 aggregate, which may be met by a combination of primary and excess or umbrella insurance; (b) automobile liability at least as broad as ISO CA 0001, code 1 (any auto) with limits of \$2,000,000 per accident; (c) workers' compensation as required by law; (d) employers' liability with limits of \$1,000,000 per accident; and (e) property and casualty insurance covering full replacement cost of Lessee's Facilities.

15.2. The general and automobile liability policies shall be endorsed to name District, its officers, employees, volunteers and agents as additional insureds regarding all liability arising out of or connected to this Agreement. The coverage shall contain no special limitations on the scope of protection afforded to District, its officers, officials, employees, agents or volunteers. The additional insured coverage or endorsement shall comply with California Insurance Code section 11580.04.

15.3. Lessee's coverage shall be primary and apply separately to each insurer against whom claim is made or suit is brought, except with respect to the limits of each insurer's liability. District's insurance or self-insurance, if any, shall be excess to and shall not contribute with Lessee's insurance. Lessee shall provide 30 days' prior written notice to District in the event that insurance policy coverage is canceled for any reason other than non-payment of premium, in which case the Lessee will provide written notice within 10 days upon receipt of any such notice.

15.4. Insurance is to be placed with insurers admitted by and in good standing with the California Department of Insurance with a current A.M. Best's rating of A:VII or better unless otherwise acceptable to District. Upon request, Lessee shall provide to District the following proof of insurance: (a) certificates of insurance evidencing this insurance; and (b) endorsements on ISO Form CG 2010 (or insurer's equivalent), signed by a person authorized to bind coverage on behalf the insurer, and certifying the additional insured coverage.

15.5. The requirements as to the types, limits, and District's approval of insurance coverage to be maintained by Lessee are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by Lessee under this Agreement.

16. Liability and Indemnity.

16.1. Lessee shall protect, hold harmless, indemnify and defend District, and its directors, officers, agents and employees, from and against any and all suits, actions, judgments, legal or administrative proceedings, arbitrations, claims, demands, causes of action, damages, liabilities, interest, attorneys' fees, fines, penalties, losses, costs or expenses of whatsoever kind or nature (collectively, "Claims"), arising out of or in connection with: (a) operations or performance under this Agreement by Lessee or its officers, directors, employees, independent Lessees, agents, guests, invitees or lenders; (b) any injury to or the death of any person or any damage to property, if such injury, death or damage arises out of or is attributable to or results from the acts or omissions of Lessee or its directors, officers, employees, independent Lessees, lenders, guests, invitees or agents, including without limitation, the use, occupancy or enjoyment of the Premises by Lessee or any work, activity or other things allowed or suffered by Lessee or Lessee's directors, officers, employees, independent Lessees, lenders, guests, invitees or agents on the Premises or Property; or (c) any new or amended federal, state or local law or regulation directly relating to the existence, maintenance or operation of the Premises and imposing or causing costs or expenses to comply with or implement the new or amended law or regulation, except to the extent that such Claims are caused by the negligent acts or willful misconduct of District, or its directors, officers, agents, or employees.

16.2. Lessee will assume responsibility for, indemnify District against, and pay any fines or penalties levied on Lessee or District by any federal, state or local government agency as a result of Lessee's violation of any environmental, workplace safety or other law or regulation in connection with its use of the Premises.

16.3. Neither the expiration or earlier termination of this Agreement nor completion of the acts to be performed under this Agreement shall release Lessee from its obligation to indemnify, as to any Claim, so long as the event upon which the Claim is predicated will have occurred prior to the effective date of any such expiration or earlier termination or completion and arose out of or was in any way connected with performance or operations under this Agreement by Lessee, its directors, officers, employees, contractors, guests, invitees or agents, or any one of them.

17. Assignment. Except for an assignment or transfer to a subsidiary, parent, affiliate or successor legal entity acquiring all or substantially all of Lessee's business and assets, Lessee

may not assign or transfer this Agreement or any right or duty under it without the prior express written approval of District. District may condition any such approval on proof of the financial responsibility and experience of a proposed assignee to undertake and perform the duties and responsibilities of Lessee under this Agreement. District will not unreasonably withhold, condition or delay approval of a request to assign this Agreement. Notwithstanding anything to the contrary in this Agreement, Lessee may assign, mortgage, pledge, hypothecate or otherwise transfer without notice or consent its interest in this Agreement to any bank or other financing entity or its agent to whom Lessee has: (a) obligations for borrowed money or in respect of related guaranties, (b) obligations evidenced by bonds, debentures, notes or similar instruments, or (c) obligations under or with respect to letters of credit, bankers acceptances and similar facilities or in respect of related guaranties.

18. Risk of Loss; Damage or Destruction to Lessee Facilities. Lessee shall bear all risk of loss to the Lessee Facilities and Premises, including any structures, fixtures, furnishings, equipment and improvements installed, furnished or placed on the Premises by Lessee. Lessee shall promptly repair any damage to the Premises or Property resulting from use of the Premises by Lessee or Lessee's employees, agents, contractors, guests or invitees. In the event of any destruction or major damage to the Lessee Facilities, Lessee will have the option in its sole discretion and at its sole cost and expense to either (a) repair, rebuild and restore the Lessee Facilities to substantially the same condition as it was in prior to the destruction or damage (subject to Section 4), or (b) terminate this Agreement by giving written notice of termination to District.

19. Hazardous Substances.

19.1. Lessee agrees that it will not, and that it will not permit any of its employees, contractors or agents to, treat, use, store, dispose, release, handle or otherwise manage any Hazardous Material on the Premises, except as done in connection with the operation, maintenance, construction or repair of the Premises or in the ordinary course of the use of the Premises and in compliance with all applicable federal, state and local laws and regulations.

19.2. In the event of any release or spill of any Hazardous Material in or around the Premises, or receipt of any notice, demand, claim or order received by Lessee from any governmental agency pertaining to Hazardous Material that may affect the Premises, Lessee will immediately notify District about the occurrence.

19.3. Lessee agrees to hold harmless, defend and indemnify District and its officers, employees, and agents from and against any and all liability, loss, damage, expense, penalties and costs (including attorney fees, investigation costs and litigation costs from the first notice of any claim or demand) of every nature arising out of or in connection with (a) Lessee's breach or violation of any covenant or prohibition in this Agreement concerning Hazardous Material, or (b) the activities, acts or omissions of Lessee, its employees, contractors or agents relating to the handling, storage, use or release of any Hazardous Material on or affecting the Premises, whether such condition, liability, loss, damage, cost, penalty, fine or expense is discovered before or after the termination of this Agreement. This indemnification supplements and in no way limits the scope of the general indemnification set forth in Section

16 of this Agreement. This indemnification provision shall survive the termination of this Agreement for any occurrence or event occurring prior to the termination.

19.4. "Hazardous Material" means any (a) substance or material defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous waste," "acutely hazardous waste," "restricted hazardous waste," "toxic substances" or "known to cause cancer or reproductive toxicity" (or words of similar import) in any federal or state statute or regulation, (b) oil, gasoline, or other petroleum product, (c) explosive material, or (d) any other chemical substance or material that is prohibited, limited or regulated under any federal, state or local law, ordinance, regulation, order, permit, or license regulating, relating to or imposing liability or standards concerning materials or substances known or suspected to be toxic or hazardous to health, safety, or the environment.

20. Default by Lessee.

20.1. Events of Default. The following events constitute an event of default by Lessee under this Agreement:

(A) Failure by Lessee to pay Rent to District when due and payable under this Agreement;

(B) Failure by Lessee to comply with or perform any other obligation, covenant or condition on its part to be complied with or performed under this Agreement for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to Lessee by District, except, however, that if the Lessee reasonably notifies District that in its reasonable opinion the failure stated in the notice can be corrected, but not within the 30-day cure period, such failure will not constitute an event of default if the Lessee commences to cure such failure within the 30-day period and thereafter diligently and in good faith cures the failure in a reasonable period of time; or

(C) The insolvency of Lessee as determined under the U.S. Bankruptcy Code or any similar state law relating to bankruptcy, insolvency, rights and remedies of creditors, appointment of receivers or the liquidation of companies that are unable to pay their debts when due (collectively "Bankruptcy Law"); the filing by Lessee of a petition of bankruptcy or a petition to reorganize under a Bankruptcy Law; the consenting of Lessee to the filing of any bankruptcy or reorganization petition against it under a Bankruptcy Law; the filing against Lessee of a petition to reorganize it, pursuant to a Bankruptcy Law, which petition is not discharged or dismissed within 90 days after its filing; or, the issuance of a court order appointing a receiver, liquidator, custodian or trustee of the Lessee or of a major part of the Lessee's property.

20.2. Remedies on Default. If an event of default occurs, District has the right, at its option and without any further demand or notice, to take any one or more of the following actions:

(A) Continue the Agreement in effect and pursue appropriate breach of contract remedies.

(B) Terminate the Agreement and Lessee's right to possession of the Premises by written notice to Lessee and pursue other appropriate remedies against Lessee.

(C) Take whatever action at law or in equity may appear necessary or desirable to collect the sums due or enforce compliance with and performance of any obligation, covenant or condition of the Lessee under this Agreement.

21. General Provisions.

21.1. Entire Agreement. The parties intend this document to be the sole, final, complete, exclusive and integrated expression and statement of the terms of their contract concerning the subject matter of this document. This Agreement supersedes all prior oral or written negotiations, representations, contracts (including those contracts listed in Section 1.2) or other documents that may be related to the subject matter of this Agreement, except those other documents that may be expressly referenced in this Agreement.

21.2. Construction and Interpretation. The parties agree and acknowledge that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party will not apply in construing or interpreting this Agreement.

21.3. Waiver. The waiver at any time by any party of its rights with respect to a default or other matter arising in connection with this Agreement will not be deemed a waiver with respect to any subsequent default or matter. No payment by Lessee to District will be considered or construed to be a waiver of any breach or default.

21.4. Remedies Not Exclusive. The remedies provided in this Agreement are cumulative and not exclusive, and are in addition to any other remedies that may be provided by law or equity. A party's exercise of any remedy under this Agreement will not prejudice or affect the enforcement of any other remedy.

21.5. Severability. If any part of this Agreement is held to be void, invalid, illegal or unenforceable, then the remaining parts will continue in full force and effect and be fully binding, so long as the rights and obligations of the parties are not materially and adversely affected.

21.6. Amendment. This Agreement may be modified or amended only by a later writing approved and signed by all parties. Amendment by District requires approval by its Board of Directors at a public meeting.

21.7. Governing Law and Venue. This Agreement will be interpreted, governed by, and construed under the laws of the State of California, without giving effect to any conflict of law principles. The County of Sacramento will be the venue for any state court litigation and the Eastern District of California will be the venue for any federal court litigation concerning the enforcement or construction of this Agreement.

ATTACHMENT I

21.8. Memorandum of Lease; Title Insurance. District acknowledges that Lessee may record a Memorandum of Lease in the official records of Sacramento County after execution of this Agreement, which shall be in the form of Exhibit C attached to this Agreement. Lessee, at its sole cost, may obtain title insurance on its interest in the Property. District shall cooperate with Lessee by executing any reasonable documentation required by the title insurance company.

21.9. Notices. Any notice, demand, invoice or other communication required or permitted to be given under this Agreement must be in writing and delivered: (a) in person, (b) by prepaid, first class U.S. mail, or (c) by a nationally-recognized commercial overnight courier service that guarantees next day delivery and provides a receipt. Such notices, etc. shall be addressed as follows:

District: Sacramento Suburban Water District Attn: General Manager 3701 Marconi Avenue, Suite 100 Sacramento, CA 95821	Lessee: American Tower Corporation _____ _____ _____
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Notice given as above will be deemed given: (a) when delivered in person, (b) three days after deposited in prepaid, first class U.S. mail, or (c) on the date of delivery as shown on the overnight courier service receipt. Any party may change its contact information by notifying the other party of the change in the manner provided above.

SACRAMENTO SUBURBAN WATER DISTRICT:

By: _____
Daniel R. York
General Manager

LESSEE:

By: _____
[Name]
[Title]

EXHIBIT A

DESCRIPTION OF DISTRICT'S REAL PROPERTY

District's Property, a portion of which constitutes the Premises described in the Agreement, is described as follows:

(to be inserted later)

EXHIBIT B

DESCRIPTION OF PREMISES

The Premises consist of those specific areas described or shown below. The Premises and the associated utility connections and access, including easements, ways of ingress and egress, dimensions, and locations as described or shown, are approximate only and may be adjusted or changed by Lessee, upon prior written approval by District, to reasonably accommodate sound engineering criteria and the physical features of District's Property.

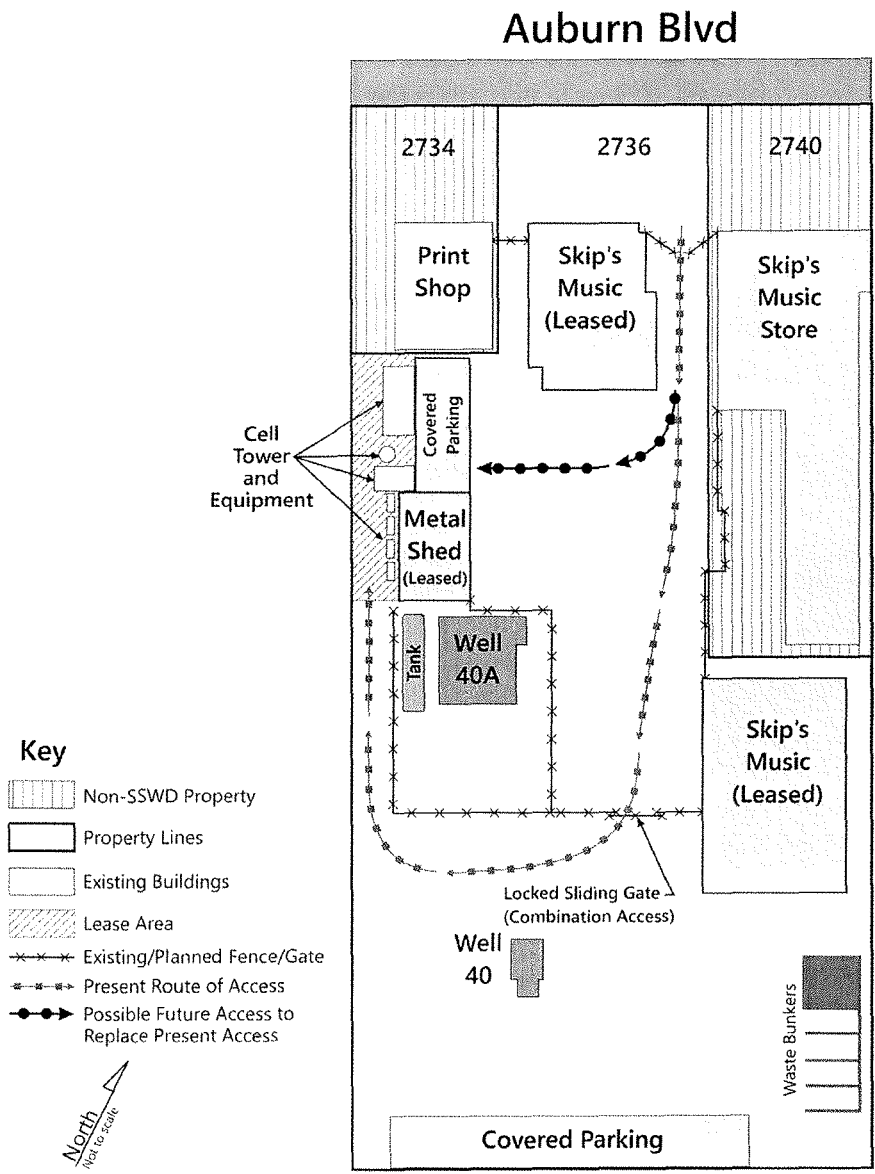


EXHIBIT C

FORM OF MEMORANDUM OF COMMUNICATIONS SITE LEASE AGREEMENT

RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:

[Insert lessee's name and address]

--SPACE ABOVE THIS LINE FOR RECORDER'S USE--

MEMORANDUM OF COMMUNICATIONS SITE LEASE AGREEMENT

This Memorandum of Communications Site Lease Agreement is entered into on this ____ day of _____, 201_, by and between Sacramento Suburban Water District, a local public agency ("District") and American Tower Corporation, a _____ ("Lessee").

- 1. District and Lessee entered into a Communications Site Lease Agreement ("Agreement") on _____, 201_, for the purpose of permitting Lessee to install, operate, maintain, and replace specified wireless communications facilities, equipment and other improvements. All of the foregoing is set forth in full in the Agreement.
- 2. The term of the Agreement is for five years commencing upon the first day of _____, 201_ and expiring on _____, 20__. The Agreement contains a provision for automatic renewal for up to four successive five-year terms.
- 3. The Property that is the subject of the Agreement is described in the attached Exhibit A and the portion of the Property being used by Lessee (the "Premises") is described in the attached Exhibit B.

SACRAMENTO SUBURBAN WATER DISTRICT

LESSEE

By: _____
Daniel R. York
General Manager

By: _____

_____ [name]
_____ [title]

CERTIFICATE OF ACKNOWLEDGMENT BY NOTARY PUBLIC
[California Civil Code § 1189]

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

State of California)
County of _____)

On _____, 20__ before me, _____, a notary public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

(Seal)



Agenda Item: 9

Date: November 14, 2018

Subject: 2018 Employee Compensation Study

Staff Contact: Daniel A. Bills, Finance Director

Recommended Board Action:

1. Approve the 2018 Compensation Survey Report (Survey) as attached.
2. Direct the General Manager to increase individual salary bands per the District’s Policy for each position as recommended by the Survey (average is 12.8%).
3. Direct the General Manager to add to the 2019 budget a salary increase equal to the Survey’s market median for each position (total increase is 9.5% or \$510,000/annum).
4. Direct staff to set COLA and Merit at zero in the 2019 budget. Previous amounts were 3.8% and 3.0%, respectively.

Current Background:

At the October Board meeting, after much discussion, staff was directed to remove retirement as a consideration in the Survey consistent with the 2016 Compensation Survey and to re-review other items used in the Survey. This has been done and a revised Survey is attached.

Current Discussion:

Based on the results of the updated Survey, staff is recommending the District maintain its long standing practice of benchmarking salary bands against the middle of the third quartile of the market. Based on the Survey, on average this would increase salary bands by 12.8% (range is - 12.1% to +30.8%). As an equity adjustment for employees, staff is recommending the District forego a COLA and Merit increase in 2019 of 6.8% and instead implement salary changes equal to the Survey’s results for the market median for an average increase of 9.5% (range is 0.0% to 25.0%) effective January 1, 2019. As explained more thoroughly in the 2019 Budget, the cost increase for implementing a 9.5% salary increase is \$510,000/annum. But by setting the COLA and Merit increase to zero, the additional 2019 cost of staff’s proposal is \$145,000 above the COLA and Merit increase.

Prior Background:

Prior to last month, the District last conducted an employee compensation study in 2016. After consideration of the information in the study, the Board approved changing the pay ranges for four positions. Per section 300.00 of the District’s Employee Compensation Policy (PL – HR 002), the General Manager is to periodically “provide pay/salary and benefit benchmarking information and surveys for Board review,” and “may change or alter the labor budget during the year by...submitting an amended labor budget, explaining reasons for the change, and receiving Board approval for the change.”

Prior Discussion:

Upon approval of the 2018 Operations and Maintenance Budget in November 2017, the Board approved performing and funding an employee compensation study in 2018. With a new General Manager and actual and announced retirements of certain managerial staff and seasoned employees, it was decided to review the District's Organization Chart in its entirety. After reviewing the Organization Chart and as part of standard District practices of reviewing job descriptions and assignments for positions upon employee severance, it quickly became apparent that a full-review of District staffing was necessary. Accordingly, as the Board has been updated on all year, the Study was defined and split between two consultants.

The first consultant was Bryce Consulting who was asked to provide input on the District's Organization Chart and to review employee job descriptions. Bryce Consulting has been providing such services to the District for many years. The results of Bryce Consulting's work was a new set of revised and updated job descriptions for nearly every position in the District. Comments were also received on the Organization Chart.

The second consultant was hired to perform the Market Compensation Survey (Survey) portion of the Study. This Consultant was selected through the Request-for-Proposal (RFP) process out of four firms that proposed (five were invited). The winning firm was Ralph Andersen & Associates located in Rocklin, CA. The results of their Survey are presented in Exhibit 1.

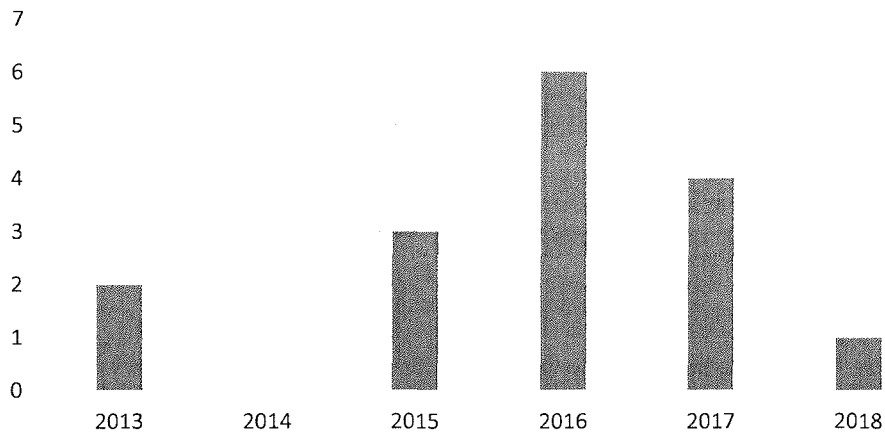
Ralph Andersen & Associates has over 44 years of local government consulting experience with cities, counties, utilities, special districts, community colleges, schools, non-profit organizations and state governments. Mr. Doug Johnson, Vice President of the Human Resources Consulting and Executive Search division is the Project Manager for the District's Survey and has over 31 years of experience performing such studies.

Both the Finance and Audit Committee and Board approved the Study, Scope and Schedule of the Study on April 4 and April 23, 2018, respectively. On May 16, 2018 the Finance and Audit Committee approved the Request for Proposals and the firms invited to participate. The contract was executed with Ralph Andersen & Associates on August 15, 2018.

Current Analysis:

Noticeably out-of-character for the District has been the number of employees who have left SSWD for other entities in our labor market. See graph below. Note that the graph does not include retirees or terminated employees. This information along with job announcements posted by other water agencies and their respective compensation programs relative to that offered by SSWD, coupled with the inability for SSWD to attract qualified candidates in sufficient numbers for posted positions, led staff to conclude, anecdotally, there is a compensation anomaly between SSWD and its peers.

SSWD TURNOVER 2013 TO PRESENT



Referring to the graph above, of the 16 positions that were vacated, the District was only able to attract one staff from the comparable labor market to fill those positions.

Survey Results

Survey results are based on the exact same “market” as utilized in the 2016 Survey (see Slide 2 on the attached presentation for a list of comparative agencies used in the Survey.)

The results of the Survey are dramatic and striking. In reviewing Slide 6, for Non-Exempt positions, the District currently falls at the very bottom in compensation relative to other water agencies in the market, or 15th out of 15. Meaning all other surrounding agencies/cities will out recruit SSWD when competing for new hires and attract District employees we need to retain. For Exempt positions, referring to the same slide, the District currently falls at the second from the bottom in compensation relative to other water agencies/cities in the market or 19th out of 20.

From Slide 13 it can be seen that District total compensation is roughly 12.8% below the middle of the third quartile of the market and 9.5% below the median.

Conclusion:

Staff views the District’s compensation policy from two perspectives – recruitment and retention. For recruitment purposes, staff is recommending the salary bands be increased to the middle of the third quartile of the market as reported in the Survey. For retention purposes, staff proposes that 2019 compensation be increased to the median of the market. Future opportunities for existing staff to increase their pay back to the same position as previously achieved in their respective salary bands will be achieved via adequate COLA and Merit increases.

Fiscal Impact:

Study costs - \$38,495: \$8,500 for Bryce Consulting; \$29,995 for Ralph Andersen & Associates.

Labor cost increases, if staff recommendation is adopted, of \$510,000 in 2019.

Strategic Plan Alignment:

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.

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

**Ralph Andersen &
Associates**

November 14, 2018

Sacramento Suburban Water District

2018 Compensation Survey Report

Why Surveys Are Done

Compensation surveys are a necessary part of assessing and updating an organization's compensation plan.

- Anticipate and understand what labor market is doing
- Data-driven framework for allocating resources to wages and benefits
- Provide defensibility and public accountability employee compensation
- Optimize the District's ability to recruit and retain employees
- Processes such as fact-finding are data-driven

Public and Private employers both use market data to assess compensation; just a difference in accessibility and transparency of data.

Survey Agencies & Selection Criteria

- Historical Practices
- Natures of Services
- Geographic Proximity
- Size
- Economic Similarity

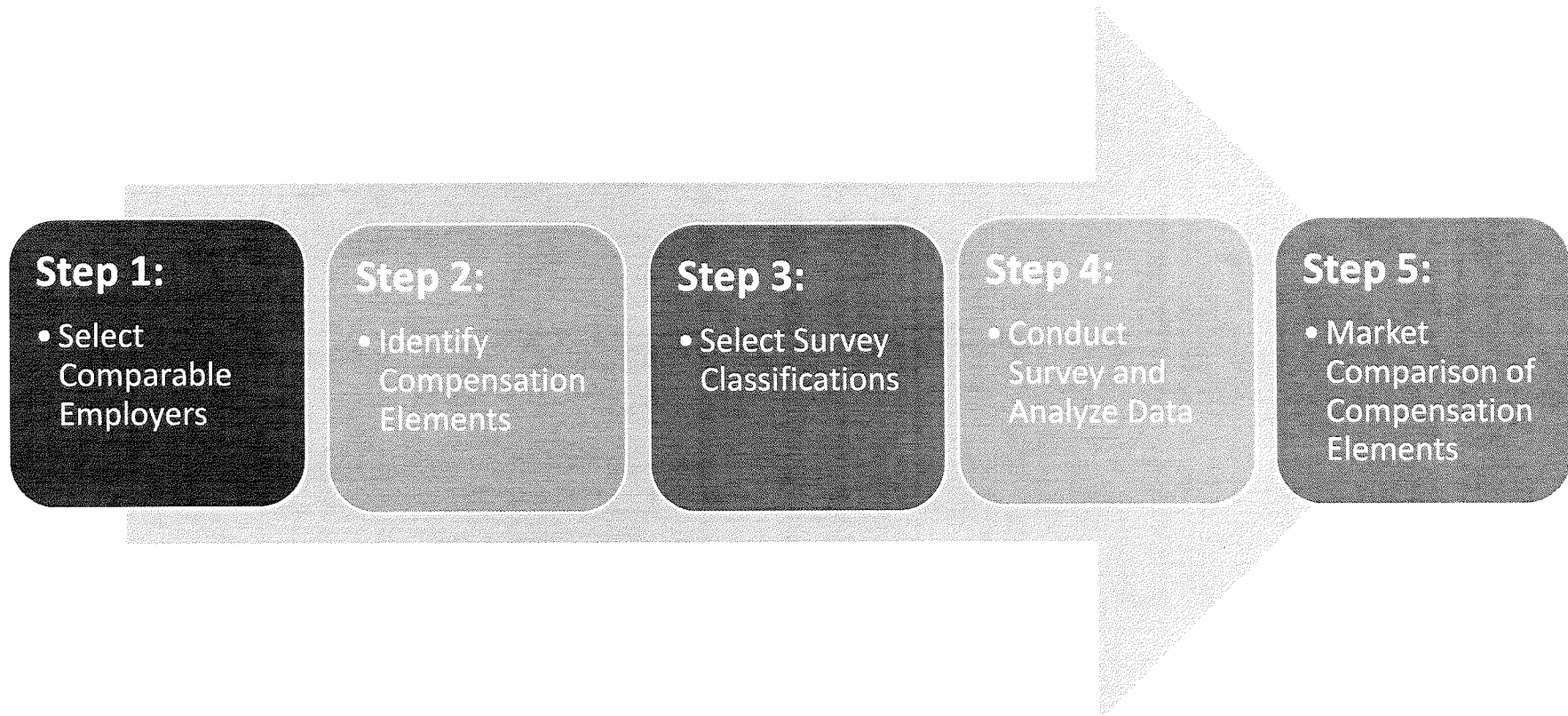
Carmichael Water District
Citrus Heights Water District
City of Davis
City of Folsom
City of Roseville
City of Sacramento
City of West Sacramento
City of Woodland
El Dorado Irrigation District
Elk Grove Water District
Fair Oaks Water District
Placer County Water Agency
Sacramento County
San Juan Water District

Supplemental Management Agencies

Amador Water Agency
City of Lodi
San Luis and Delta Mondata WA
Stockton East Water District
Stockton Municipal Utility (City)



Survey Process



Compensation survey data was collected by the project consultants and included the collection and analysis of the following:

- Organization charts, budgets, and position control documents
- Job descriptions
- Salary schedules
- Follow-up information provided by each survey agency
- Additional survey research based on District feedback

Survey job matches were determined by the project consultants and went beyond title comparisons.

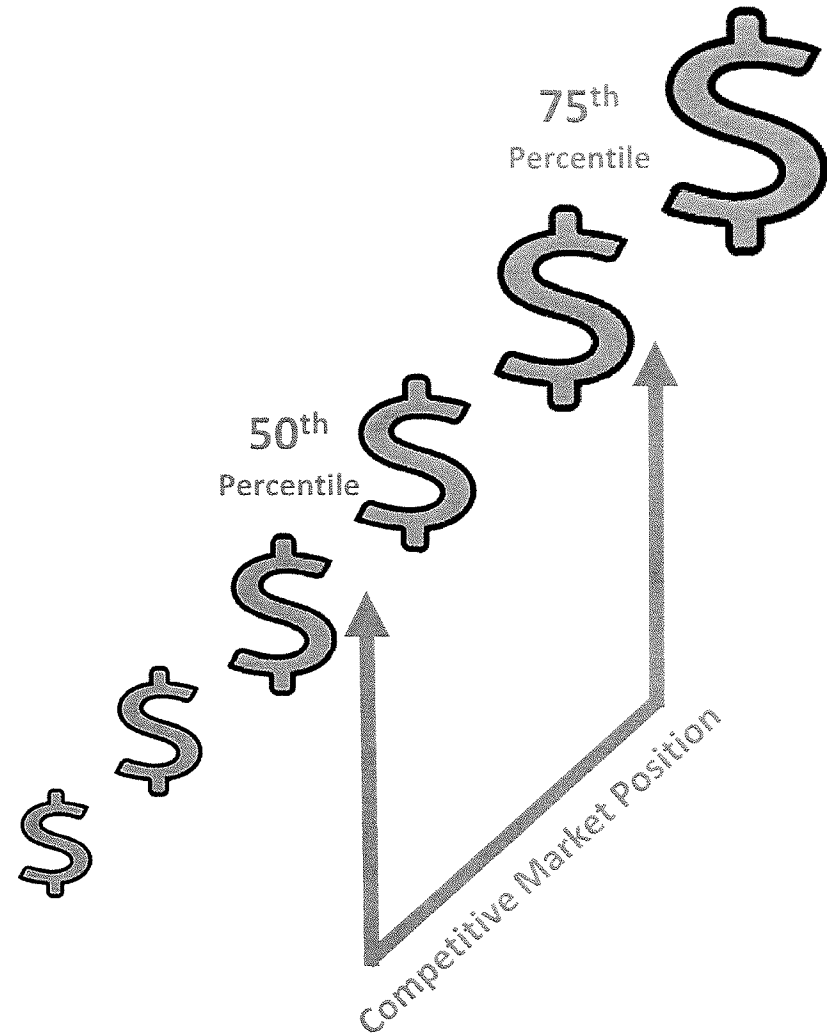
Matching Job Classifications

Matching job classifications relies on a number of source documents beyond comparisons of job descriptions.

- Job matches only occur if a position exists and is allocated in the budget (and staffed). Some agencies may have legacy job descriptions or titles in their salary schedules that are not used.
- Job matches are based on a review of major and essential job duties along with a comparison of qualifications. Significant differences can result in no comparable job being matched. Examples of differences include:
 - Mismatches in qualification requirements such as requiring specific certifications or a four-year degree
 - Different organization structures such as layers of supervisory and management and broader responsibilities
 - Position allocations that demonstrate working versus advanced levels
- Factors not considered in matching jobs:
 - Staffing, equipment, facility, and resource differences that don't impact required skills and abilities
 - Job functions performed within a broad classification that is used in many assignments
 - Job classifications performing the same duties but in a different department
 - Employee performance or unique qualifications that are beyond what is required
- The survey data will include matches that are similar as well as those that will be slightly higher or lower in role and responsibility.

Market Position

- Establishes competitive position
- Historical practices is an important consideration; change in practice requires explanation
- \$ or % differences between percentiles depends on the array of data; can be very small if data is tightly arrayed
- Recruitment and retention goals



Survey Agency Rank (by percentile)

Non-Exempt

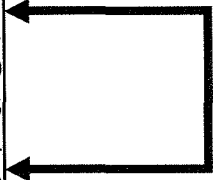
Pctile	Agency
96	San Juan Water District
89	Citrus Heights Water District
65	City of Folsom
62.5 P	Elk Grove Water District
60	City of Roseville
57	City of Sacramento
56	Fair Oaks Water District
53	El Dorado Irrigation District
51	Placer County Water Agency
50 th P	City of West Sacramento
48	Sacramento County
35	City of Davis
26	City of Woodland
22	Carmichael Water District
19	Sacramento Suburban WD

Exempt

Pctile	Agency
90	San Juan Water District
87	Citrus Heights Water District
67	City of Roseville
67	City of Sacramento
62.5 P	El Dorado Irrigation District
61	City of Folsom
57	Placer County Water Agency
55	Elk Grove Water District
54	Fair Oaks Water District
50 th P	52 Sacramento County
44	City of West Sacramento
41	Stockton Municipal Utility (City)
39	San Luis and Delta Mondata WA
34	Stockton East Water District
25	City of Lodi
25	City of Woodland
25	City of Davis
20	Carmichael Water District
19	Sacramento Suburban WD
16	Amador Water Agency

Sample Data – Base Salary

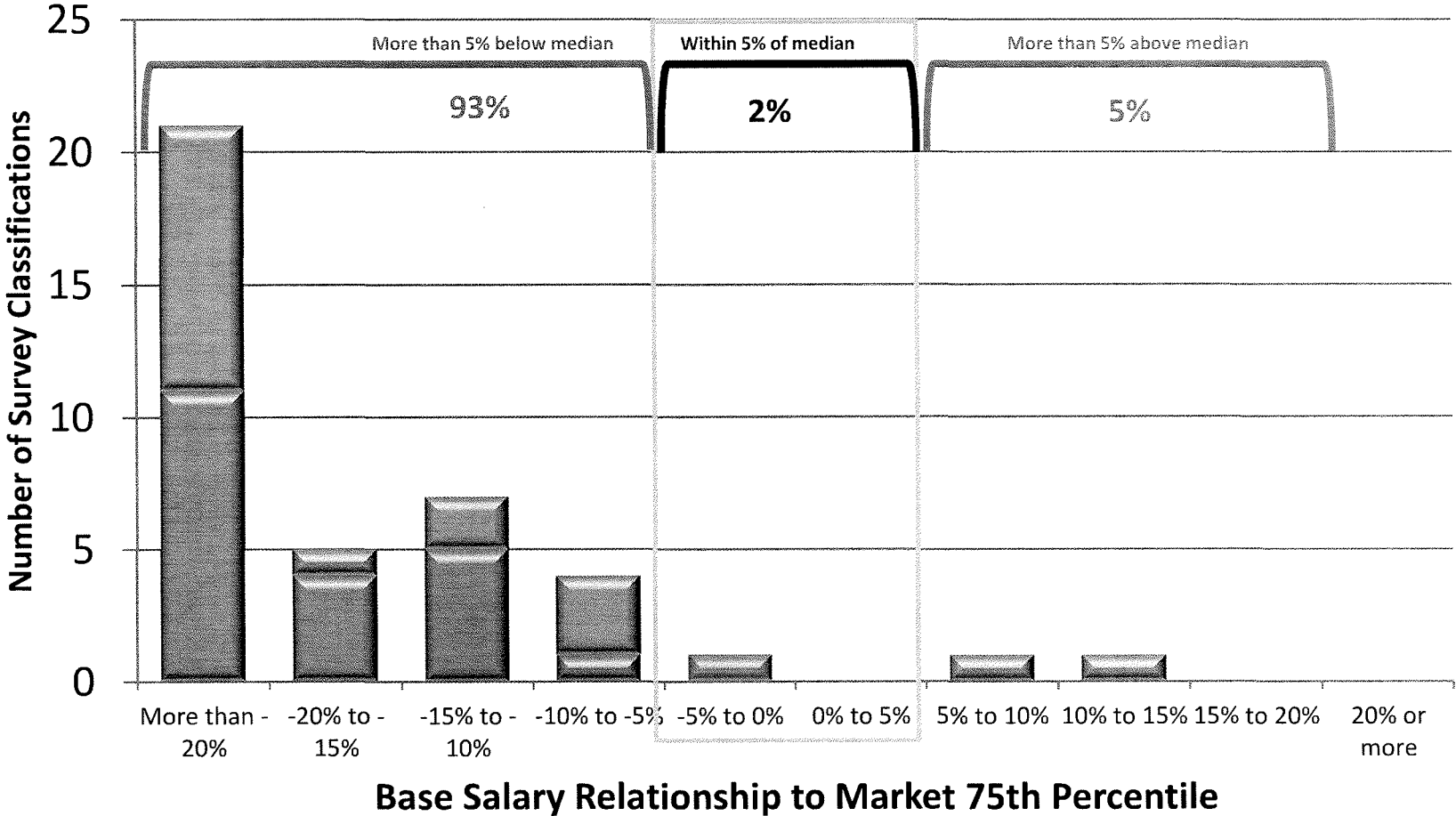
Agency	Comparable Title	Range Max
Citrus Heights Water District	Associate Civil Engineer	\$11,454
San Juan Water District	Associate Civil Engineer	\$11,063
San Luis and Delta Mondata WA	Associate Civil Engineer	\$9,807
Sacramento County	Associate Civil Engineer	\$9,556
Elk Grove Water District	Associate Civil Engineer	\$9,441
El Dorado Irrigation District	Associate Civil Engineer	\$9,360
Placer County Water Agency	Associate Engineer	\$9,326
City of Sacramento	Associate Civil Engineer	\$9,294
Amador Water Agency	Resident Engineer	\$9,090
City of Folsom	Associate Civil Engineer	\$8,965
City of West Sacramento	Associate Civil Engineer	\$8,707
Sacramento Suburban WD	Associate Engineer (Registered)	\$8,578
Stockton East Water District	Associate Engineer II	\$8,491
City of Woodland	Associate Civil Engineer	\$8,178
City of Lodi	Associate Civil Engineer	\$8,178
Stockton Municipal Utility (City)	Associate Engineer	\$7,979
City of Davis	Associate Civil Engineer	\$7,963
	75th Percentile	\$9,470
	% '+/-'	-10.4%
	62.5 Percentile	\$9,339
	% '+/-'	-8.9%
	Median (50th Percentile)	\$9,192
	% '+/-'	-7.2%



3rd Quartile Range

Market Summary – 75th Percentile

20.2% Below 75th Percentile on Average

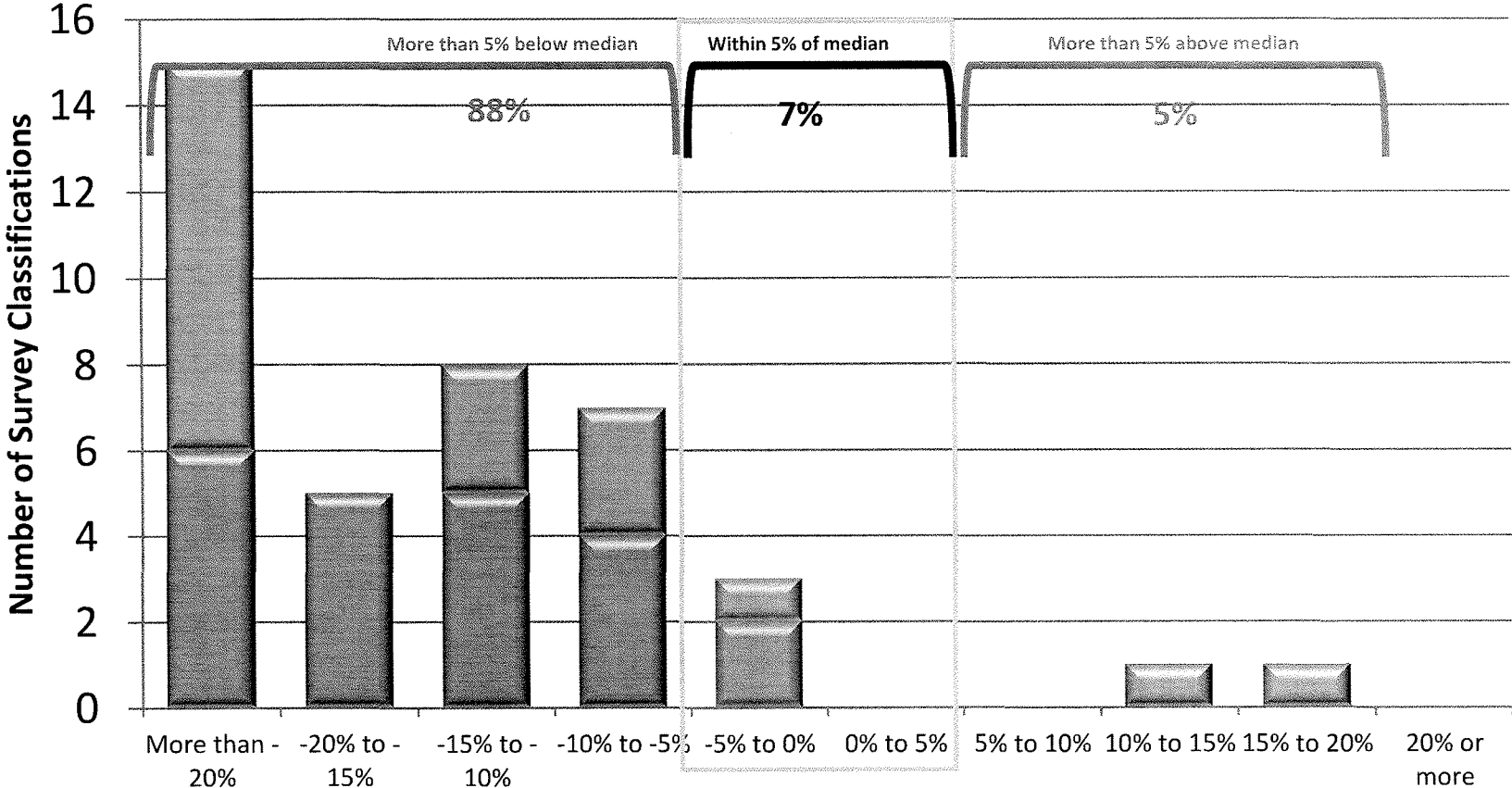


Strongest trend of the survey jobs should be in shaded region

■ Non-Exempt ■ Exempt

Market Summary – 62.5 Percentile

16.0% Below 62.5 Percentile on Average



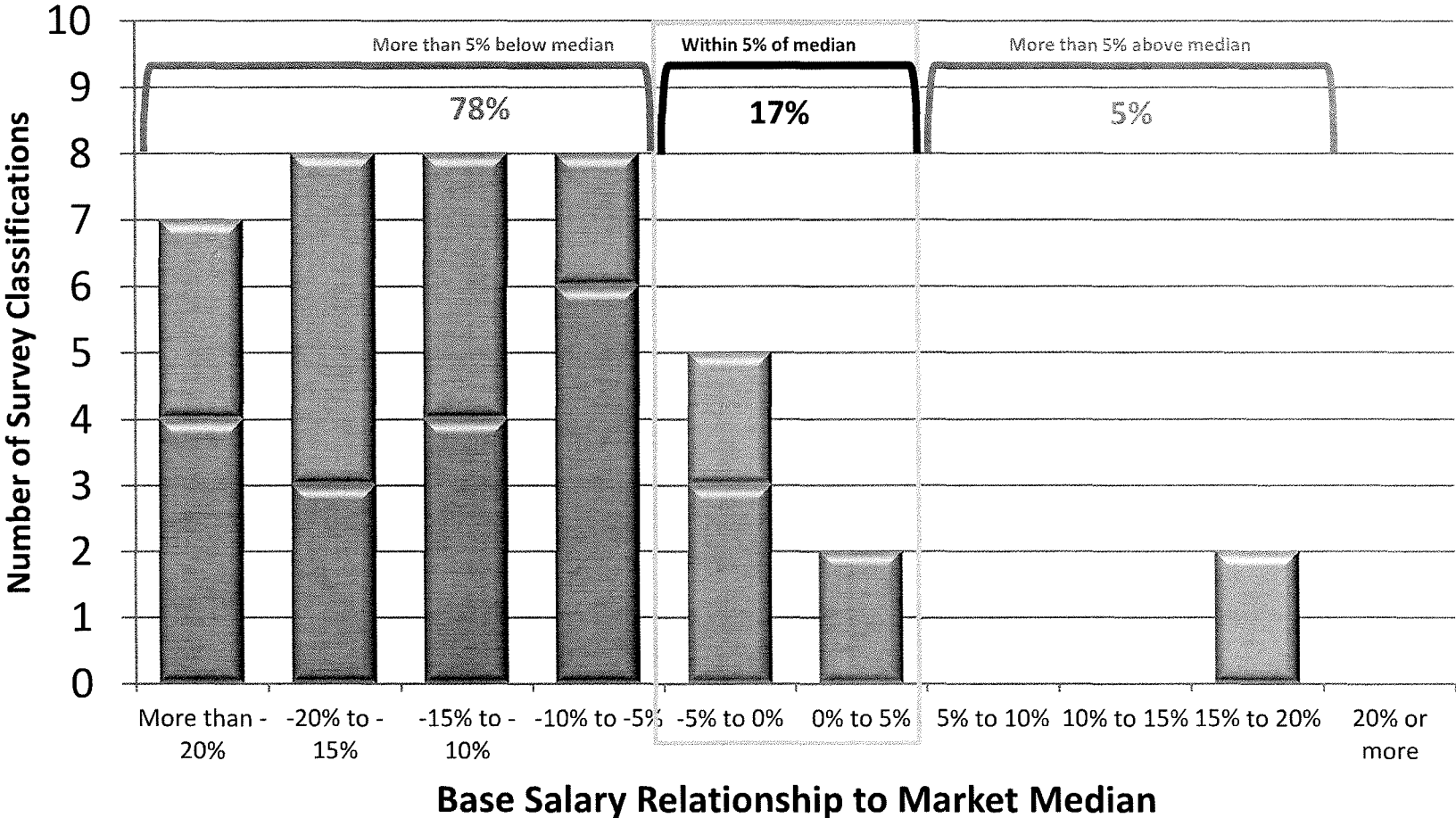
Base Salary Relationship to Market 62.5 Percentile

Strongest trend of the survey jobs should be in shaded region

■ Non-Exempt ■ Exempt

Market Summary – 50th Percentile

11.5% Below Median on Average



Strongest trend of the survey jobs should be in shaded region

■ Non-Exempt ■ Exempt

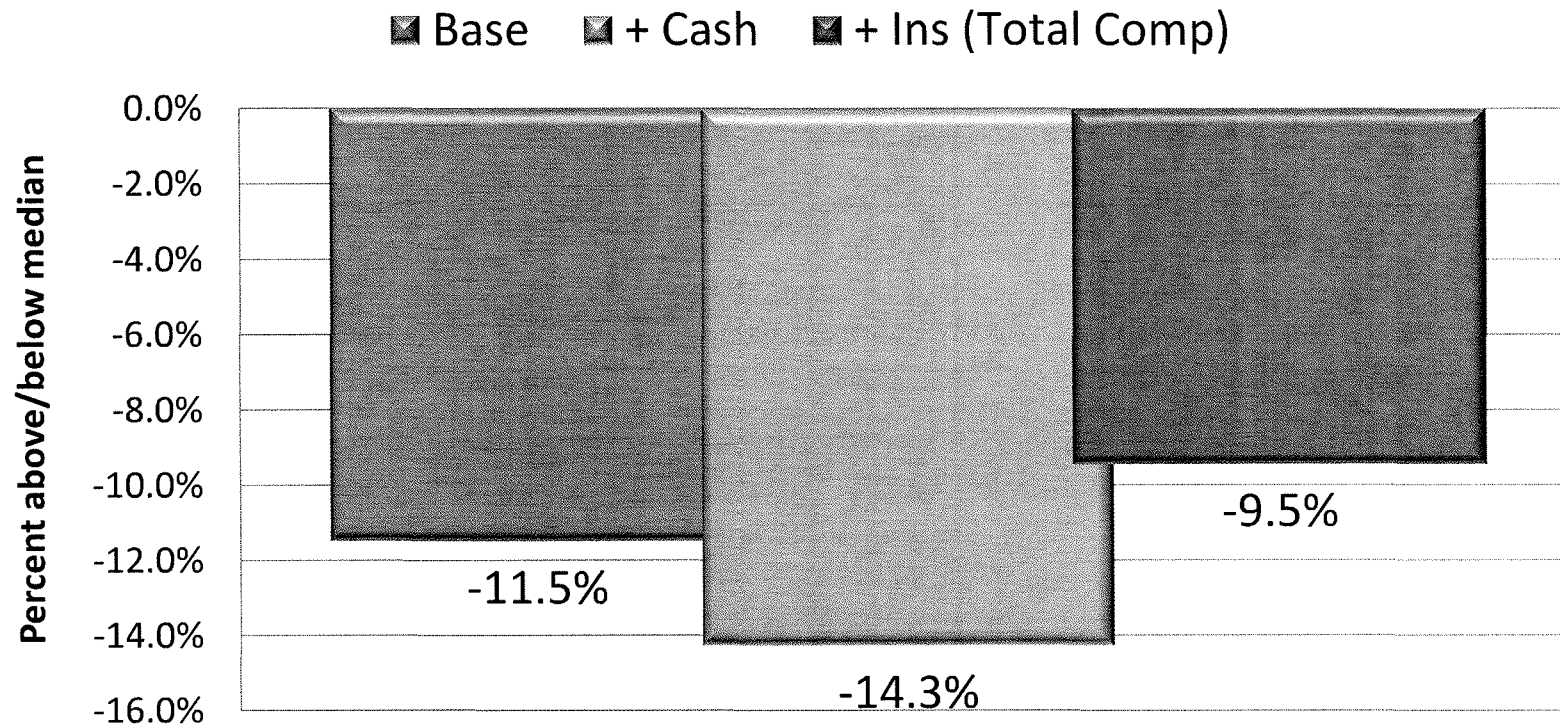
Sample Data – Cash Benefits

Associate Engineer (Registered)			Cash Supplements			
Survey Agency	Comparable Class	Range Max.	Long.	Other Cash	Def. Comp.	Base + Cash
Carmichael Water District	No Comparable Class					
Citrus Heights Water District	Associate Civil Engineer	\$11,454				\$11,454
City of Davis	Associate Civil Engineer	\$7,963	\$398			\$8,362
City of Folsom	Associate Civil Engineer	\$8,965			\$350	\$9,315
City of Roseville	No Comparable Class					
City of Sacramento	Associate Civil Engineer	\$9,294	\$25		\$186	\$9,505
City of West Sacramento	Associate Civil Engineer	\$8,707				\$8,707
City of Woodland	Associate Civil Engineer	\$8,178	\$67		\$164	\$8,408
El Dorado Irrigation District	Associate Civil Engineer	\$9,360				\$9,360
Elk Grove Water District	Associate Civil Engineer	\$9,441	\$472			\$9,913
Fair Oaks Water District	No Comparable Class					
Placer County Water Agency	Associate Engineer	\$9,326	\$466			\$9,793
Sacramento County	Associate Civil Engineer	\$9,556				\$9,556
San Juan Water District	Associate Civil Engineer	\$11,063				\$11,063
Amador Water Agency	Resident Engineer	\$9,090				\$9,090
City of Lodi	Associate Civil Engineer	\$8,178			\$245	\$8,423
San Luis and Delta Mondata WA	Associate Civil Engineer	\$9,807			\$1,275	\$11,082
Stockton East Water District	Associate Engineer II	\$8,491				\$8,491
Stockton Municipal Utility (City)	Associate Engineer	\$7,979				\$7,979
Sacramento Suburban WD	Associate Engineer (Registered)	\$8,578				\$8,578
	Median	\$9,192				\$9,337
	% +/-	-7.2%				-8.9%

Sample Data – Insurance Benefits

Associate Engineer (Registered)				Insurance Benefits					
Survey Agency	Comparable Class	Range Max.	Base + Cash	Health	Dental	Vision	Life	LTD	Base + Cash + Ins.
Carmichael Water District	No Comparable Class								
Citrus Heights Water District	Associate Civil Engineer	\$11,454	\$11,454	\$1,800	\$143	\$31	\$17	\$59	\$13,504
City of Davis	Associate Civil Engineer	\$7,963	\$8,362	\$1,744	\$214		\$8	\$40	\$10,368
City of Folsom	Associate Civil Engineer	\$8,965	\$9,315	\$1,526	\$150	\$22	\$11	\$53	\$11,076
City of Roseville	No Comparable Class								
City of Sacramento	Associate Civil Engineer	\$9,294	\$9,505	\$1,587	incl.	incl.	\$3		\$11,095
City of West Sacramento	Associate Civil Engineer	\$8,707	\$8,707	\$950	incl.	incl.		\$1	\$9,658
City of Woodland	Associate Civil Engineer	\$8,178	\$8,408	\$1,877	\$154	\$19	\$14	\$35	\$10,507
El Dorado Irrigation District	Associate Civil Engineer	\$9,360	\$9,360	\$1,630	\$142	\$19	\$3		\$11,154
Elk Grove Water District	Associate Civil Engineer	\$9,441	\$9,913	\$2,264	\$128	\$23	\$41		\$12,369
Fair Oaks Water District	No Comparable Class								
Placer County Water Agency	Associate Engineer	\$9,326	\$9,793	\$1,859	\$58	\$18	\$36	\$42	\$11,806
Sacramento County	Associate Civil Engineer	\$9,556	\$9,556	\$1,453	\$125		\$1		\$11,136
San Juan Water District	Associate Civil Engineer	\$11,063	\$11,063	\$2,097	\$149	\$19	\$37	\$77	\$13,442
Amador Water Agency	Resident Engineer	\$9,090	\$9,090	\$1,808	\$123	\$24	\$1	\$44	\$11,089
City of Lodi	Associate Civil Engineer	\$8,178	\$8,423	\$1,795	\$83	\$17	\$69		\$10,387
San Luis and Delta Mondata WA	Associate Civil Engineer	\$9,807	\$11,082	\$2,220	\$164	\$24			\$13,490
Stockton East Water District	Associate Engineer II	\$8,491	\$8,491	\$2,488	\$123	\$23	\$28		\$11,152
Stockton Municipal Utility (City)	Associate Engineer	\$7,979	\$7,979	\$1,557	incl.	incl.	\$7	\$50	\$9,594
Sacramento Suburban WD	Associate Engineer (Registered)	\$8,578	\$8,578	\$1,830	\$175	\$20	\$3	\$35	\$10,641
	Median	\$9,192	\$9,337						\$11,115
	% +/-	-7.2%	-8.9%						-4.5%

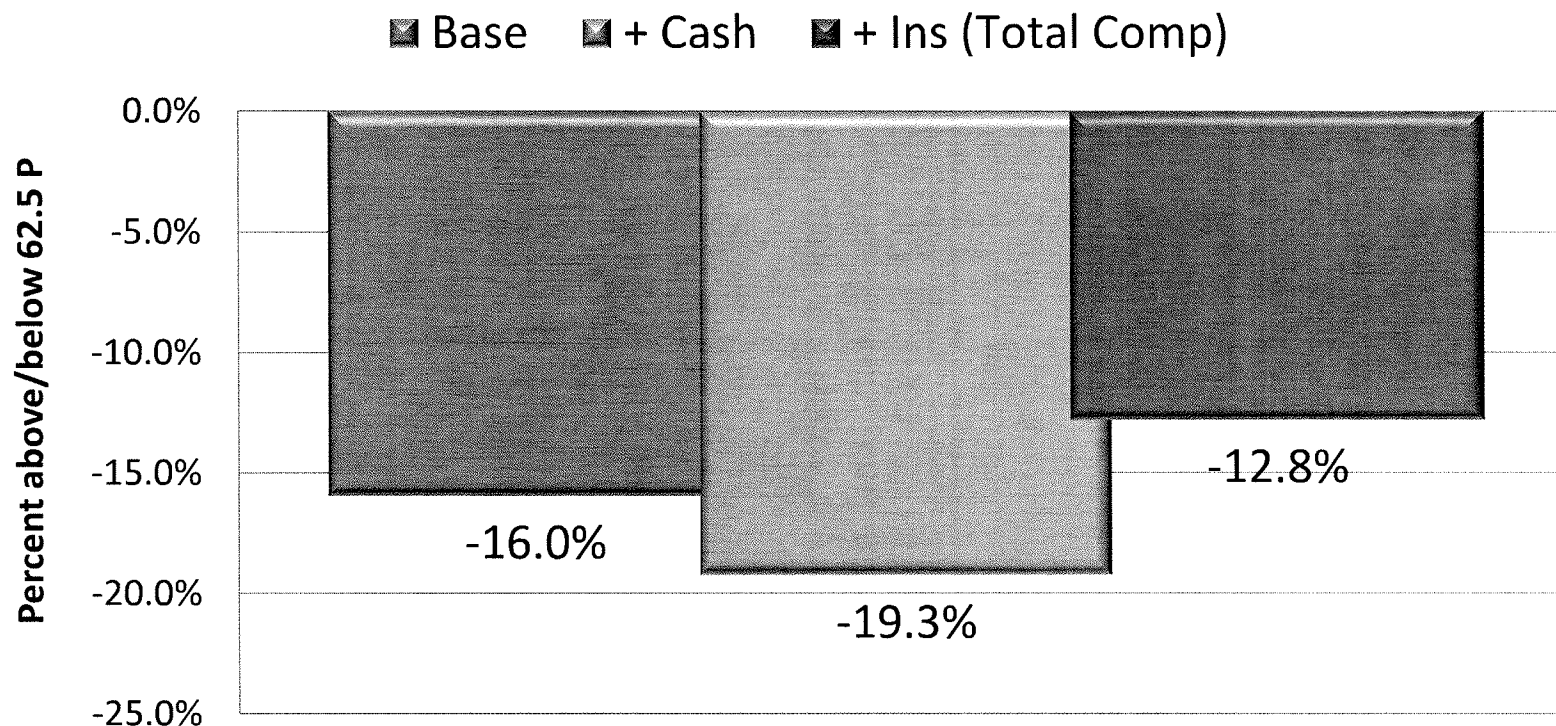
Benefits Survey Summary - Median



Benefits analysis based on snap-shot trends of major benefit categories

- Analysis does NOT consider retirement costs
- When base salary ranges are compared, the District is 11.5% below median overall
- When cash benefits are added to base salary and the cumulative totals analyzed, the District is 14.3% below market median. This means the District's cash benefits are slightly lower than market, but not significantly so (differences of 3% are not significant)
- When insurance benefits are cumulatively added to base and cash benefits, the District is 9.5% below the market median which indicates a slight gain due to higher insurance benefits (employer cost)
- **Overall, the District gains 2.0% in market position when benefits are added, a statistically insignificant change.**

Benefits Survey Summary – 62.5 P

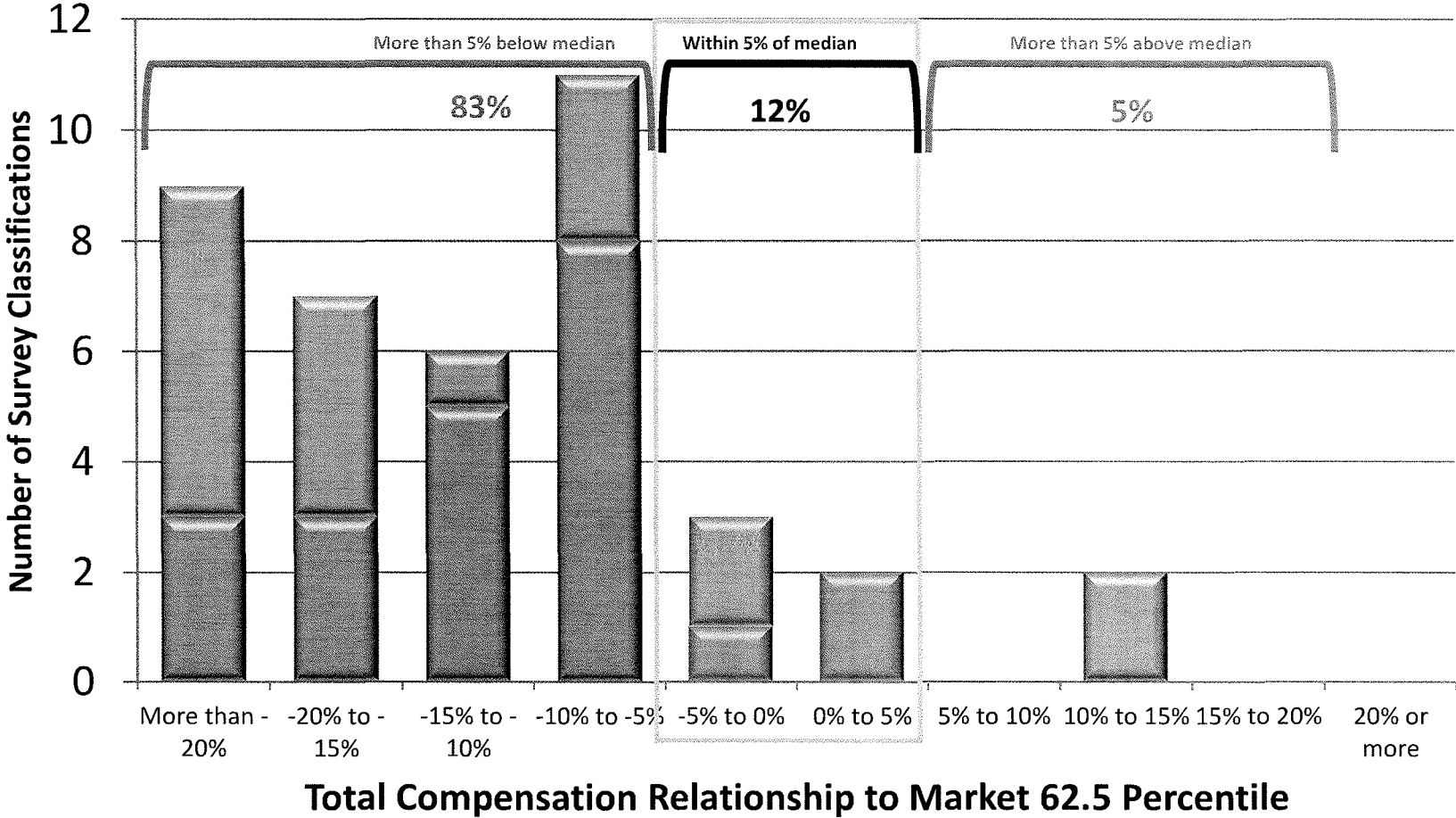


Benefits analysis based on snap-shot trends of major benefit categories

- Analysis does NOT consider retirement costs
- When base salary ranges are compared, the District is 16.0% below median overall
- When cash benefits are added to base salary and the cumulative totals analyzed, the District is 19.3% below market median. This means the District's cash benefits are slightly lower than market, but not significantly so (differences of 3% are not significant)
- When insurance benefits are cumulatively added to base and cash benefits, the District is 12.8% below the market median which indicates a slight gain due to higher insurance benefits (employer cost)
- **Overall, the District gains 3.1% in market position when benefits are added, a statistically insignificant change.**

Market Summary TC – 62.5 Percentile

12.8% Below 62.5 Percentile on Average



Strongest trend of the survey jobs should be in shaded region

■ Non-Exempt ■ Exempt

Summary of Benefit Differences

- Cash Benefits
 - One-quarter of the survey agencies have longevity and employer paid deferred compensation benefits.
- Insurance Benefits
 - On average, the District's combined Health, Dental, and Vision insurance costs are \$130 more than the market (per month).
- Retirement Benefits - PEPRA
 - There is no significant difference in retirement benefits or costs when PEPRA tiers are compared.
 - Just over half of the market agencies have Social Security benefits (FICA).
- Overall, the District's benefits don't significantly impact its competitive market position.

Benchmarking - Example

- Establish market benchmarks
 - Best job matches
 - High number of comparables
 - Best data statistically
- Analyze internal relationship
- Establish % differentials
- Result: salary range adjustments

Widget Production Manager

20%

Widget Line Supervisor

15%

Lead Widget Maker

10%

Widget Maker

15%

Apprentice Widget Maker

Production Analyst

15%

Production Specialist

5%

Salary Range Recommendations

- Benchmark positions tied to market median
 - Not all jobs need market ties
 - Tied to range maximum
- Internal relationships
 - Assessment of differences and similarities in duties, role, responsibilities, qualifications, and resources
 - 5% difference between jobs when minor differences exist
 - 10% between classes in a series where moderate differences exist
 - 15% - 20% minimum over subordinates and between job classes with significant differences
- Internal salary alignments for internal equity where important
 - Some internal ties and better market benchmarks may be a better measure than some market relationships
- Adjusted to fit the District's salary table, as needed



Agenda Item: 10

Date: November 14, 2018

Subject: Employee Compensation Policy (PL – HR 002)

Staff Contact: Dan York, General Manager

Recommended Board Action:

Approve amending Section 200. a) of the District’s Employee Compensation Policy (PL – HR 002) as follows: “It is the District’s policy to remain competitive within the local labor market. To accomplish this, the General Manager will target the mid-point of the third quartile of compensation in the appropriate labor market when setting compensation for District positions. This includes retirement, health and dental insurance, life insurance, holidays and other benefits, including vacation and sick leave.” (See Attachment 1)

Background:

The Employee Compensation Policy was presented last month at the October 15, 2018 Board meeting. As directed by the Board, the Policy is presented for further discussion and action.

Discussion:

The present version of the District’s Employee Compensation Policy states the General Manager shall recommend to the Board of Directors “a level of compensation in the appropriate labor market when setting compensation for District positions.” The last recommendation of the General Manager was “mid-point of the third-quartile of compensation.” This recommendation was approved by the Board at the September 19, 2016 Board Meeting. The previous General Manager’s recommendation was based on a study performed by Bryce Consulting in 2016, entitled SSWD 2016 Total Compensation Study. In this report Bryce Consulting recommended, “It is the District’s policy to remain competitive within the local labor market. Per the District’s policy, in order to accomplish this, the General Manager will target a level of compensation in the appropriate labor market when setting compensation for District positions. This includes retirement, health and dental insurance, life insurance, holidays, and other benefits, including vacation and sick leave. Based on the policy, the consultant recommended the mid-point of the third quartile as the point of comparison. The median, or 50th percentile, would place the District at the mid-point, which would be consistent with the market, but not competitive... The mid-point of the third quartile will help ensure that the District is conservatively competitive in the labor market with the goal of reducing turnover and costs associated with recruiting and training, especially as it relates to the more technical classifications.” (See “SSWD 2016 Total Compensation Study,” prepared by Bryce Consulting, September 2016, page 8.)

Accordingly, the General Manager is recommending targeting compensation at the same level used in 2016 – “mid-point of the third quartile” - as recommended by the prior General Manager

and Compensation Consultant and approved by the Board of Directors. In addition, staff has looked back at previous studies noting that mid-point of the third quartile was the District practice in these years as well.

Fiscal Impact:

Will be determined annually as part of the budget.

Strategic Plan Alignment:

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.

This Policy benefits District customers by setting forth District guidance for establishing employee compensation, which will assist in ensuring the District employs the highest standard of employees. This will ensure customers receive the highest standard of customer services but most importantly, safe and reliable water supplies.

Upon Policy adoption, staff will develop procedures for conducting future studies.

Sacramento Suburban Water District

Employee Compensation Policy

Adopted: July 19, 2004

Approved with changes on November XX, 2018~~Revised: September 15, 2008; April 18, 2011; May 20, 2013; April 17, 2017~~

100.00 Purpose of the Policy

The purpose of this policy is to state the intention of the District in regards to employee compensation, delineate the process, and clarify the role and responsibility of the General Manager in the process. A compensation program is necessary to provide each employee with fair and equitable compensation for the value of the skills the employee brings to the District and the position. In order to provide each employee with fair and equitable compensation, it is desirable to develop a systematic method of establishing and maintaining a compensation program. Pursuant to California Water Code Section 30580(d), the General Manager has the responsibility to “fix and alter the compensation of employees and assistants subject to approval by the board” as given during the annual budget process.

200.00 Policy

It is the District’s policy to provide all of its employees fair and equitable compensation defined in terms of comparison to other positions within the District and the local labor market for the value of the skills the employee brings to the position and the District.

- a) It is the District’s policy to remain competitive within the local labor market. To accomplish this, the General Manager will target the mid-point of the third quartile-a-level of compensation in the appropriate labor market when setting compensation for District positions. This includes retirement, health and dental insurance, life insurance, holidays and other benefits, including vacation and sick leave.
- b) The compensation program will include, in addition to direct wages (regular, overtime and stand-by pay), all District holidays and other paid time off benefits, and contributions toward medical/dental/vision insurance, life insurance, short and long term disability, retirement, incentive program and training/educational programs. The total compensation program will be used when comparing the District’s pay level to the current labor market.
- c) It is the District’s policy to provide a program for advancement of its employees within the pay/salary range of their position using a merit-based system based on objective, regular goal setting and performance evaluations.

300.00 Authority and Responsibility

The Board of Directors has the responsibility and authority to establish annual budgetary guidelines for the District that include the annual labor budget.

- a) As part of the proposed annual Operations and Maintenance Budget, the General Manager will prepare and present to the Board of Directors a proposed annual labor budget that will consist of: 1) a detailed annual compensation budget; 2) a proposed merit pool percentage increase; 3) an annual cost-of-living adjustment (COLA); and 4) revised pay/salary bands.
- b) The Board of Directors will consider, amend as needed, and approve the annual labor budget.
- c) The General Manager will have the authority to fix and alter employee compensation within the approved annual labor budget.

The General Manager may change or alter the labor budget during the year by either: 1) requesting the Board of Directors to authorize the General Manager to make such changes at budget adoption; or 2) submitting an amended labor budget, explaining reasons for the change, and receiving Board approval for the change.

The General Manager will have full authority to implement this policy up to the limits of the approved labor budget, which includes:

- Determining staffing requirements, titles, positions, responsibilities and organization structure.
- Setting goals and conducting performance reviews.
- Proposing and, as approved, implementing annual pay/salary adjustments that include annual merit and COLA increases.
- Creating incentive pay programs.
- Creating programs for position upgrades and special assignments.
- Providing pay/salary and benefit benchmarking information and surveys for Board review.
- Creating dual or multiple grade positions as needed.

The General Manager will insure the equitable and uniform implementation of this policy, which includes reporting to the Board on at least an annual basis, typically during the budget process.

400.00 Policy Review

This Policy will be reviewed at least biennially.



Agenda Item: 11

Date: November 15, 2018

Subject: Budget 2019 – 3rd Draft

Staff Contact: Daniel A. Bills, Finance Director

Recommended Board Action:

Adopt the current 2019 Budget (Attachment A) by way of the following actions:

1. With respect to the Operations and Maintenance Budget (O&M Budget):
 - a. Approve the O&M Budget for 2019 as per Attachment A or as amended by the Board.
 - b. Authorize the General Manager spending and delegation authority up to the total O&M budgeted amount.
 - c. Authorize the General Manager to adjust and/or reallocate various line item costs as necessary within the total O&M Budget amount.
 - d. Approve the employee position list as shown in Attachment B.
 - e. Approve a direct labor budget of \$6,036,000 (\$9,584,000 with benefits and taxes) and the 2019 Salary Band Schedule with no COLA or Merit, but including a 9.5% 2018 Compensation Survey Equity Adjustment as shown in Attachment C.
 - f. Approve the Other Post-Employment Benefits (OPEB) portion of the O&M budget (\$580,000), and direct the General Manager to fully fund the Actuarial Required Contribution.

2. With respect to the Capital Improvement Program Budget (CIP Budget):
 - a. Approve the CIP Budget for 2019 and an inaugural budget for 2020 as per Attachment A or as amended by the Board.
 - b. Approve each project and project category as listed for 2019 and 2020 as per Exhibit A.
 - c. Authorize the General Manager spending and delegation authority up to the total budgeted CIP amount.
 - d. Authorize the General Manager to adjust and/or reallocate amongst the project type cost categories as necessary during the budget year within the total CIP Budget amount.

3. With respect to the Operating Capital Budget (OCB Budget):
 - a. Approve the OCB Budget for 2019 as per Attachment A or as amended by the Board.
 - b. Approve each project and project category as listed for 2019 as per Attachment A.

- c. Authorize the General Manager spending authority up to the total OCB budgeted amount.
 - d. Authorize the General Manager to adjust and/or reallocate amounts amongst the project type cost categories as necessary during the budget year within the total OCB Budget amount.
4. Direct the District Treasurer to make required debt service payments.
 5. Direct the General Manager to request Board approval prior to any inter-budget transfers, e.g., O&M budget to CIP budget transfers, with subsequent reporting to the Board.
 6. Direct the District Treasurer to report the Budget status at regular monthly Board meetings and to report any intra-budget reallocations as necessary.

Discussion:

The District's Budget Policy (PL Fin-012), requires a balanced Budget. The proposed 2019 Budget does not balance (expenses exceed projected revenues) to the tune of \$3.02 million. The Budget proposes that the difference be taken from operating reserves. No rate increase has been assumed for 2019 as the Rate Study is currently in process.

Discussions on the Budget to-date have included a presentation to the full Board on September 10th and a subsequent update included in the October meeting packet that due to time was not discussed. Board direction and requests received from individual Directors have been incorporated into this third draft, which at the Board's request is being presented for possible adoption.

The 2018 Budget includes \$23.2 million for O&M expenses and presumes water production of 33,000 Acre-Feet, 2,000 of which is to be wholesaled to a neighboring water purveyor. Total water production estimates also presume the purchase of 12,150 acre-feet of surface water in the North Service Area and 1,000 acre-feet in the South Service Area. Staffing levels are requested to increase by 3 in 2019. While no COLA increase or merit increase is presented for 2019, the Budget assumes a 9.5% equity adjustment based on the median results of the 2018 Compensation Survey (Survey) effective January 1, 2019. Salary Band increases are projected at the middle of the third quartile based on the Survey. See Attachment D, slides 20 – 29 for more detail.

The 2019 Budget includes \$19.6 million for CIP projects. Major projects are listed on Exhibit A and Attachment D, slides 32 – 44.

The 2019 Budget includes \$1.0 million for OCB projects. OCB projects comprise fleet purchases, computer hardware/software purchases, building maintenance and operating equipment purchases. All OCB projects are listed on Exhibit A and Attachment D, slides 46 – 51.

District debt service payments are forecast to be \$7.4 million in 2019. See Attachment D, slide 53.

The 2019 Budget and 2020 CIP Forecast are presented in the following order in the attached PowerPoint presentation (Attachment D):

1. District Goals and Budget Process
2. 2019 Key Assumptions
3. Total Revenue, Expense and Reserve Balance Analysis
4. Operation & Maintenance (O&M) Budget
5. Capital Improvement Program (CIP) Budget
6. Operating Capital Budget (OCB)
7. Debt Service Forecast

Fiscal Impact:

If adopted as presented, the 2019 O&M budget would be \$23.2 million, including funding other post-employment benefits of \$0.58 million; the 2019 CIP budget would be \$19.6 million; the 2019 OCB budget would be \$1.0 million, and the 2019 debt service forecast would be \$7.4 million. The total of all four budgets would be \$51.1 million. Revenues are projected to be \$48.1 million resulting in a planned drawdown of reserves of \$3.0 million. Projected reserve level at the end of 2019 is expected to be \$42.4 million.

Strategic Plan Alignment:

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

District customers benefit by ensuring that planned expenditures of ratepayer funds is open, transparent, and responsive to customer needs.

ATTACHMENT A

2019 Budget

Operations and Maintenance Budget	2019 Budget
Water Costs	\$5,722,000
Salaries	6,036,000
Employee Benefits	2,990,000
Employer Taxes and Insurance	558,000
OPEB	580,000
Engineering and Construction Services	2,552,000
Public Outreach & Conservation	530,000
Other	4,241,000
Total	\$23,209,000

Capital Improvement Program Budget	2019 Budget
Production (Source of Supply)	\$3,730,000
Transmission	50,000
Storage	735,000
Distribution	15,000,000
Special Projects	55,000
Total	\$19,570,000

Operating Capital Budget	2019 Budget
Information Technology	\$296,000
Maintenance	164,000
Operations	131,000
Vehicles and Fleet	319,000
Office Furniture and Equipment	40,000
Total	\$950,000

Debt Service Forecast	\$7,420,000
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Total 2019 Budget	\$51,149,000
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Capital Improvement Program Budget	2020 Inaugural Budget
Production (Source of Supply)	\$2,000,000
Distribution	1,800,000
Total 2020 CIP Inaugural Budget	\$3,800,000

ATTACHMENT A (continued)

Capital Improvement Program (CIP) Projects for 2019 & 2020
McClellan line replacements
Edison Meadows Distribution Main Project
Jonas Distribution Main Project
Thor Distribution Project
Arcade Creek Crossing
Well 78, 69-1, 79 and N6A – Treatment, Drilling and Pump Stations
Meter Retrofit Program – 1,015 meters in 2019 and 2020
Special Projects – Buy Parcels for Future Well Sites; Easement Acquisitions
CIP Projects - Recurring Maintenance, Failures or Improvements
Production Projects – Well Rehabilitation; SCADA Terminals/RTUs; Electrical Improvements; and Engine Generator Compliance Projects
Transmission Projects – Corrosion Control; Pipeline Connections
Storage Projects– Tank/Well Corrosion Control; Tank Inspection/Repairs
Distribution Projects – Small Projects – e.g., Utility Conflicts; McClellan Line Replacements; Lowering/Raising Valve Boxes; Meter Replacement/Repair

Operating Capital Projects for 2019
Various Well Site Asphalt & Sealing
Fence Replacement – 3 Well Sites
UCMR 4 Monitoring
Office Furniture New staff and replacements
Trailer Replacements
Vehicle Replacement/Right Size - Truck #3, 6, 12, 21, 45 and 51
Vehicles for Safety Officer and Production Foreman
Remove Antelope Garden
HVAC/Roof/Building Repairs
Well Site and Building Structures Maintenance
Computer Hardware Refresh Program Purchases
Software Enhancements/Modules & Engineering Software
Server Room – Walnut, Complete Marconi
Board Room Monitors and Director Laptops
Computers/Phones/Licenses for 3 New Employees

ATTACHMENT B
Pay/Salary Band Position List

1/1/2019

Pay/Salary Band Number	Position	Number of Employees
240	Customer Service Representative I	1 Flex Position
260	Administrative Assistant I	0 Flex Position
	Distribution Operator I	5 Flex Position
	Water Conservation Technician I	0 Flex Position
270	Production Operator I	3 Flex Position
280	Customer Service Representative II	4 Flex Position
	Engineering Drafter	1
300	Administrative Assistant II	1 Flex Position
	Distribution Operator II	12 Flex Position
	Water Conservation Technician II	1 Flex Position
310	Facilities & Fleet Specialist	1
	Production Operator II	4 Flex Position
	Purchasing Specialist	1
320	Accountant	1
	Cross Connection Control Specialist	1
	Environmental Compliance Technician	1 Vacant
	Field Operations Coordinator	1
330	Engineering Project Coordinator	1
	GIS/IT Technician	1
	Senior Inspector	1
350	Instrumentation & Electrical Technician	1
	Foreman	4
	Foreman - Production	1
360	GIS Coordinator	1
370	Assistant Engineer	1 Flex Position
	Assistant Engineer	1 Flex Position
650	Environmental Compliance Supervisor	1
	Executive Assistant to the GM	1
	Human Resources Coordinator	1 Vacant
	Water Conservation Supervisor	1
660	Administrative Services Manager	1
	Superintendent	3
	Controller Financial Analyst	1
	Safety/Risk Officer Admin Analyst I	1
	Information Technology Analyst	1
670	Information Technology Manager	1
	Project Manager	0 Flex Position
680	Associate Engineer Registered	Flex Position
700	Senior Project Manager	1 Flex Position
710	Senior Engineer	2
720	Operations Manager	1
730	Engineering Manager	1
740	Director of Finance and Administration	1
760	Assistant General Manager	1
Contract Employee	General Manager	<u>1</u>
		70

ATTACHMENT C

Position	Current Pay/Salary Bands				Comp Study Adjusted Pay/Salary Range					Comp Survey Increase
	Band	Hourly			Hourly			Annual		
		Min	Mid	Max	Min	Mid	Max	Min	Max	
Accountant	320	26.17	29.08	31.99	28.42	31.58	34.74	59,115	72,262	8.6%
Administrative Assistant II	300	23.77	26.41	29.05	25.62	28.47	31.32	53,298	65,137	7.8%
Administrative Services Manager	660	33.16	39.02	44.87	41.12	48.38	55.64	85,526	115,729	24.0%
Assistant Engineer	370	33.43	37.15	40.86	38.34	42.61	46.87	79,756	97,482	14.7%
Assistant General Manager	760	54.06	63.60	73.14	65.14	76.64	88.13	135,496	183,318	20.5%
Associate Engineer Registered	680	36.59	43.04	49.49	39.85	46.87	53.89	82,881	112,101	8.9%
Controller	New Position				39.53	48.00	56.47	82,219	117,456	
Cross Connection Control Specialist	320	26.17	29.08	31.99	31.40	34.90	38.39	65,320	79,847	20.0%
Customer Service Representative I	240	17.74	19.71	21.68	20.60	22.88	25.17	42,840	52,355	16.1%
Customer Service Representative II	280	21.55	23.95	26.34	23.68	26.32	28.95	49,262	60,211	9.9%
Distribution Operator I	260	19.55	21.72	23.89	23.69	26.32	28.95	49,285	60,226	21.2%
Distribution Operator II	300	23.77	26.41	29.05	28.43	31.59	34.74	59,132	72,267	19.6%
Engineering Drafter	280	21.55	23.95	26.34	27.26	30.29	33.32	56,702	69,306	26.5%
Engineering Manager	730	46.66	54.90	63.15	49.93	58.75	67.57	103,846	140,547	7.0%
Engineering Project Coordinator	330	27.49	30.55	33.60	32.71	36.35	39.98	68,043	83,167	19.0%
Environmental Compliance Supervisor	650	31.58	37.15	42.72	40.68	47.85	55.02	84,604	114,449	28.8%
Environmental Compliance Technician	320	26.17	29.08	31.99	29.31	32.57	35.83	60,966	74,524	12.0%
Executive Assistant to the GM	650	31.58	37.15	42.72	27.76	32.65	37.55	57,738	78,106	-12.1%
Facilities & Fleet Specialist	310	24.94	27.72	30.49	28.73	31.93	35.12	59,760	73,059	15.2%
Field Operations Coordinator	320	26.17	29.08	31.99	31.40	34.90	38.39	65,320	79,847	20.0%
Finance Director	740	49.02	57.66	66.31	62.01	72.95	83.88	128,981	174,475	26.5%
Financial Analyst	650	31.58	37.15	42.72	33.22	39.08	44.94	69,102	93,478	5.2%
Foreman	350	30.30	33.66	37.02	38.27	42.51	46.76	79,599	97,253	26.3%
General Manager	Contract	79.33	79.33	79.33	96.38	96.38	96.38	200,475	200,475	21.5%
GIS Coordinator	360	31.83	35.37	38.91	37.11	41.24	45.37	77,197	94,368	16.6%
GIS/IT Technician	330	27.49	30.55	33.60	28.64	31.83	35.01	59,581	72,823	4.2%
Human Resources Coordinator	650	31.58	37.15	42.72	35.43	41.68	47.93	73,700	99,698	12.2%
Information Technology Analyst	New Position				39.53	48.00	56.47	82,219	117,456	
Information Technology Manager	670	34.82	40.97	47.11	44.50	52.35	60.21	92,560	125,230	27.8%
Instrumentation & Electrical Technician	350	30.30	33.66	37.02	34.81	38.68	42.54	72,415	88,475	14.9%
Operations Manager	720	44.45	52.29	60.13	53.47	62.90	72.34	111,225	150,460	20.3%
Production Operator I	270	20.53	22.81	25.09	23.86	26.51	29.15	49,620	60,642	16.2%
Production Operator II	310	24.94	27.72	30.49	28.61	31.79	34.97	59,501	72,742	14.7%
Purchasing Specialist	310	24.94	27.72	30.49	27.43	30.49	33.54	57,063	69,761	10.0%
Safety/Risk Officer	New Position				36.93	44.84	52.75	76,810	109,728	
Senior Engineer	710	42.32	49.79	57.26	45.79	53.87	61.96	95,244	128,867	8.2%
Senior Inspector	330	27.49	30.55	33.60	32.71	36.35	39.98	68,043	83,167	19.0%
Senior Project Manager	700	40.32	47.44	54.56	43.63	51.33	59.03	90,743	122,791	8.2%
Superintendent	660	33.16	39.02	44.87	43.37	51.03	58.69	90,216	122,075	30.8%
Water Conservation Supervisor	650	31.58	37.15	42.72	36.03	42.39	48.74	74,948	101,387	14.1%
Water Conservation Technician I	260	19.55	21.72	23.89	22.81	25.35	27.88	47,455	57,990	16.7%
Water Conservation Technician II	300	23.77	26.41	29.05	27.36	30.40	33.44	56,907	69,548	15.1%

ATTACHMENT D

2019 Budget Third Draft

Board Meeting
November 19, 2018



Mission Statement

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

2019 Budget Development Process

- June Board Meeting – 06/18/18, 6:00 pm
 - Budget Preparation Timeline Approved
- Finance and Audit Committee – 07/10/18, 4:00 pm
 - Consider Budget Assumptions; Provide Direction to Staff
- July Board Meeting – 07/16/18, 6:00 pm
 - Approve Budget Assumptions; Provide Direction to Staff
- August Board Meeting – 08/20/18, 6:00 pm
 - Status Report; Provide Direction to Staff
- Board Workshop – 09/10/18, 6:00 pm
 - First Draft Presentation; Provide Direction to Staff
- September Board Meeting – 09/17/18, 6:00 pm
 - Updates from Board Workshop; Provide Additional Direction to Staff
- October Board Meeting – 10/15/18, 6:00 pm
 - Provide Additional Direction to Staff
- November Board Meeting – 11/19/18, 6:00 pm
 - Budget Approval or Provide Additional Direction to Staff
- December Board Meeting – 12/17/18, 6:00 pm
 - Budget Approval

Budget Periods

- O&M and OCB Budget
 - Projects and Budget Adopted for One Year

- CIP Budget
 - Projects Approved for Two Year Period
 - Budget Adopted for one Year Plus Encumbrances for Second Year

2019 Budget Assumptions

Key Assumptions	2017		2018		2019	
1 Rate Increase	4.00%	\$1,700,000	4.00%	\$1,800,000	In Process (D)	
2 No Change in SSWD Service Boundaries						
3 New Service Connections (Growth)	Increase	0.52%	Increase	0.52%	Increase	0.52%
4 Water Production: (A)	<u>Cost/AF</u>	<u>AF</u>	<u>Cost/AF</u>	<u>AF</u>	<u>Cost/AF</u>	<u>AF</u>
a. Water Supply Forecast Based on 5 Year Average						
b. SSA Surface Water (City)	\$ 559.00	1,000 AF	\$ 483.50	1,000 AF	\$ 507.68	1,000 AF
c. SSA Groundwater (City)						3,800 AF
d. SSA Groundwater (Variable costs)	\$ 110.65	15,000 AF	\$ 121.43	13,000 AF	\$ 136.51	9,200 AF
e. NSA Surface Water (PCWA)	\$ 35.00	12,000 AF	\$ 36.65	12,000 AF	\$ 38.48	12,000 AF
f. NSA Surface Water (Bureau)	\$ 30.68	12,000 AF	\$ 21.26	12,000 AF	\$ 22.32	12,000 AF
g. NSA Surface Water (SJWD Treatment)	\$ 161.92	12,150 AF	\$ 176.49	12,150 AF	\$ 192.37	12,150 AF
h. NSA Groundwater (Variable costs)	\$ 97.33	6,850 AF	\$ 112.30	6,850 AF	\$ 117.12	6,850 AF
i. NSA Bureau 215 Water	\$ 74.55	150 AF	\$ 78.28	150 AF	\$ 80.26	150 AF
j. NSA Wheel Water to Cal-AM, RLEVWD (Revenue)	\$ (337.05)	1,935 AF	\$ (356.14)	2,000 AF	\$ (366.71)	2,000 AF
5 Anticipated Outside Water Sales, Net		None	\$ 900,000	4,000 AF	None	None
6 Investment Yield		2.00%		2.00%		2.00%
7 Variable Debt Interest Rate		3.86%		3.86%		3.86%
8 Electrical Cost Increase		2.50%		2.50%		2.00%
9 COLA (As of May 31)		0.70%		3.00%		0.00%
10 Merit Program		3.00%		3.00%		0.00%
11 2018 Compensation Study		0.00%		0.00%		9.50%
12 Construction Inflation (B)		2.80%		3.00%		8.00%
13 Health Care Cost (C)		-2.00%		2.33%		2.00%
14 Tier 1 Pension Cost (% of Salaries)	\$373,000	21.50%	\$ 470,000	22.37%	\$ 582,000	23.00%
15 Tier 2 Pension Cost (% of Salaries)	\$ 7,500	16.10%	\$ 12,500	16.64%	\$ 18,000	17.10%
16 Tier 3 Pension Cost (% of Salaries)	\$ 200	6.90%	\$ 500	7.30%	\$ 900	7.30%
17 New Hires		4		-		3
18 Funding of Post Retirement Benefits		\$ 472,200		\$ 560,000		\$ 580,000
19 2018 Compensation Study is currently in process						
Footnotes:						
(A) SSA = South Service Area; NSA = North Service Area						
(B) 20 Cities CCI Index, Source: ENR						
(C) From UnitedHealthcare to HealthNet Smart Care HMO						
(D) 2018 Rate Study is currently in process						

2018 Projected Actual and Highlights

	Approved 2018 Budget \$ Millions	Projected 2018 Actual \$ Millions	Projected Unspent %
Operations & Maintenance Budget	\$21.9	\$21.0	(4.0)
Capital Improvement Program Budget	19.1	18.4	(4.0)
Operating Capital Program Budget	1.2	1.2	-
Debt Service Budget	<u>7.7</u>	<u>7.6</u>	<u>(1.8)</u>
Total	<u>\$49.9</u>	<u>\$48.2</u>	<u>(3.6)</u>

2018 Projected Results:

- Water Deliveries of 32,850 AF
 - Comprised of 30,850 AF to Customers and Wheeled Water Deliveries of 2,000 AF
- Select critical/necessary projects from asset management plans that included:
 - For 2018 expect to replace 4.3 miles of Distribution Main Lines, including approximately 670 Meters
 - Install (Retrofit) an additional 1,285 Water Meter Retrofits – (1,270 Meter Retrofit Program, 15 Voluntary)
 - Replace 1,200 Old Water Meters that have outlived their useful life (estimated at 20 Years)
 - Continue Work on Palm Avenue Well – Site Work and Pumping Facilities
 - Continue Work on Design and Construction of Butano, Palm and Verner Wells
 - Began Multi-Year Process to Acquire Future Well Sites

2019 Goals

Budget Will Allow the District to Accomplish the Following:

- Water Deliveries of 33,000 AF
 - 31,000 AF to Customers
 - 2,000 AF Wheeled to Cal-American
- Follow modified asset management plans for replacing water infrastructure assets, to include:
 - For 2019, replace up to 4.3 miles of Distribution Main Lines, including approximately 312 Meters
 - Install (Retrofit) an Additional 1,000 Water Meter Retrofits plus 15 Voluntary
 - Complete Palm Well – Pumping Facility Construction
 - Continue Work on Butano Well – Pumping Facility Design & Construction
 - Continue Work on Verner Well – Pumping Facility Design
 - Rehab River College Well and Northrop Well
 - Destroy 3 - 5 Abandoned Well Sites

2019 Budget

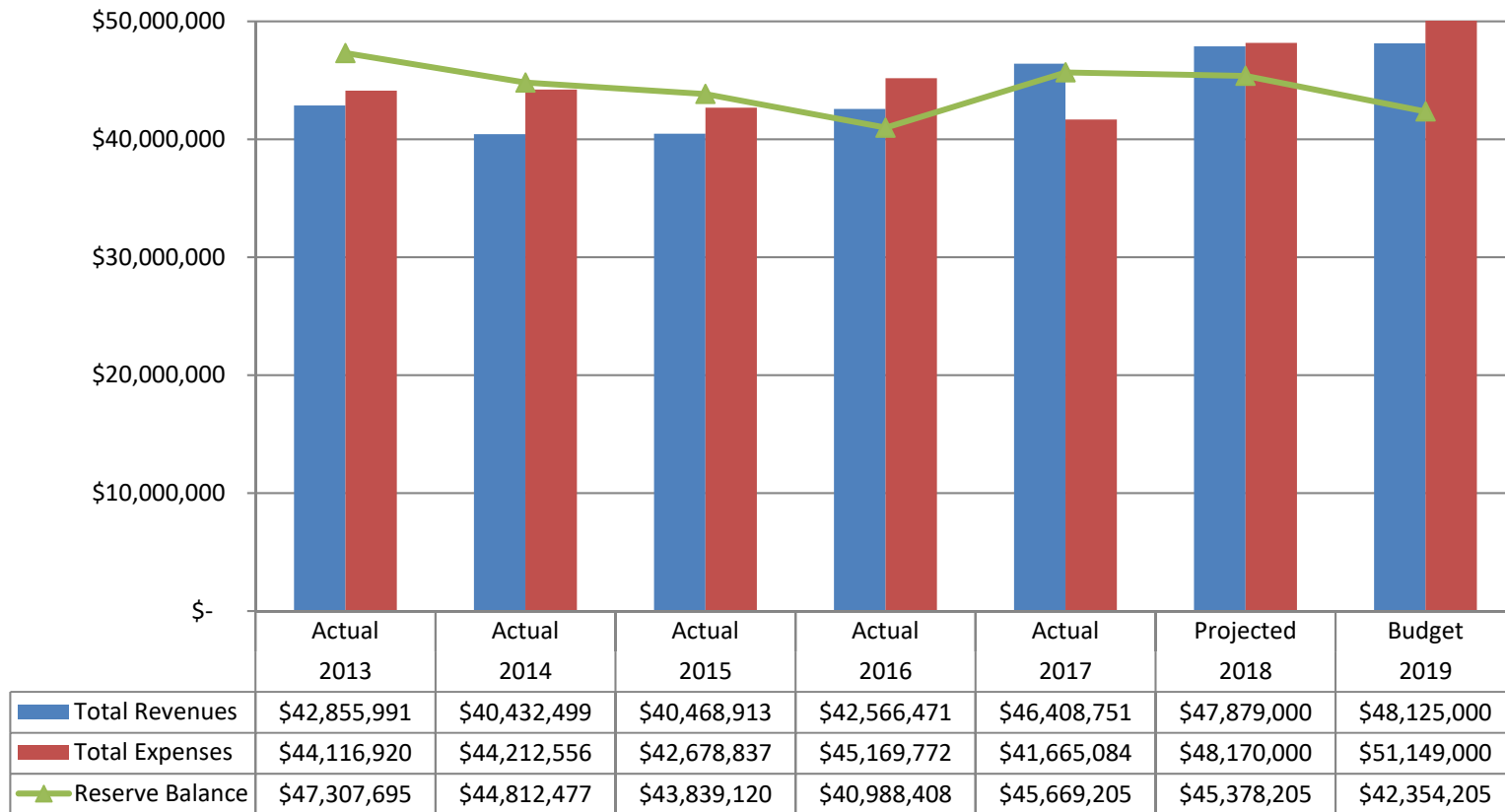
	<u>2017 Actual</u>	<u>2017 Amended Budget</u>	<u>Actual As Of 10/31/18</u>	<u>2018 Projected</u>	<u>2018 Approved Budget</u>	<u>2019 Proposed Budget</u>
Water Sales Charge	\$ 12,543,644	\$ 11,952,000	\$ 11,233,049	\$ 13,235,000	\$ 12,489,000	\$ 13,304,000
Water Service Charge	6,365,984	7,146,000	5,280,170	6,458,000	6,752,000	6,492,000
Capital Facilities/Debt Repayment	23,498,931	22,977,000	20,067,221	24,444,000	24,557,000	24,571,000
Wheeling Water Charge	675,830	633,000	329,835	530,000	175,000	730,000
Other Charges for Services	1,077,174	1,018,000	867,415	1,068,000	1,047,000	1,074,000
Income From Customers	44,161,563	43,726,000	37,777,690	45,735,000	45,020,000	46,171,000
Water Transfers	-	1,992,000	-	900,000	-	-
Interest Income	571,716	820,000	288,066	494,000	899,000	979,000
Other Income (Leases, Cells, Etc.)	452,653	250,000	371,203	450,000	266,000	400,000
Facility Development Charges	135,073	500,000	116,284	300,000	300,000	300,000
Grant Income	1,087,746	210,000	17,053	-	-	275,000
Total Other Income	2,247,188	3,772,000	792,606	2,144,000	1,465,000	1,954,000
Total Revenue	<u>\$ 46,408,751</u>	<u>\$ 47,498,000</u>	<u>\$ 38,570,296</u>	<u>\$ 47,879,000</u>	<u>\$ 46,485,000</u>	<u>\$ 48,125,000</u>
Budgets:						
Operations and Maintenance	19,424,311	21,311,000	16,204,588	21,024,000	21,860,000	23,209,000
Capital Improvement Program	13,585,527	16,975,000	11,856,016	18,420,000	19,160,000	19,570,000
Operating Capital Program	1,135,278	1,166,000	631,617	1,161,000	1,161,000	950,000
Debt Service (Forecast)	7,519,968	7,770,000	2,625,864	7,565,000	7,700,000	7,420,000
Total Costs	<u>41,665,084</u>	<u>47,222,000</u>	<u>31,318,085</u>	<u>48,170,000</u>	<u>49,881,000</u>	<u>51,149,000</u>
Change in Reserve Balance	4,743,667	276,000	7,252,211	(291,000)	(3,396,000)	(3,024,000)
Reserve (Cash) Balance	<u>\$ 45,669,205</u>	<u>\$ 41,264,408</u>	<u>\$ 48,452,890</u>	<u>\$ 48,926,375</u>	<u>\$ 41,566,409</u>	<u>\$ 42,354,205</u>
Refunding 2009B			\$ (3,548,170)	\$ (3,548,170)		
	<u>\$ 45,669,205</u>	<u>\$ 41,264,408</u>	<u>\$ 44,904,720</u>	<u>\$ 45,378,205</u>	<u>\$ 41,566,409</u>	<u>\$ 42,354,205</u>

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

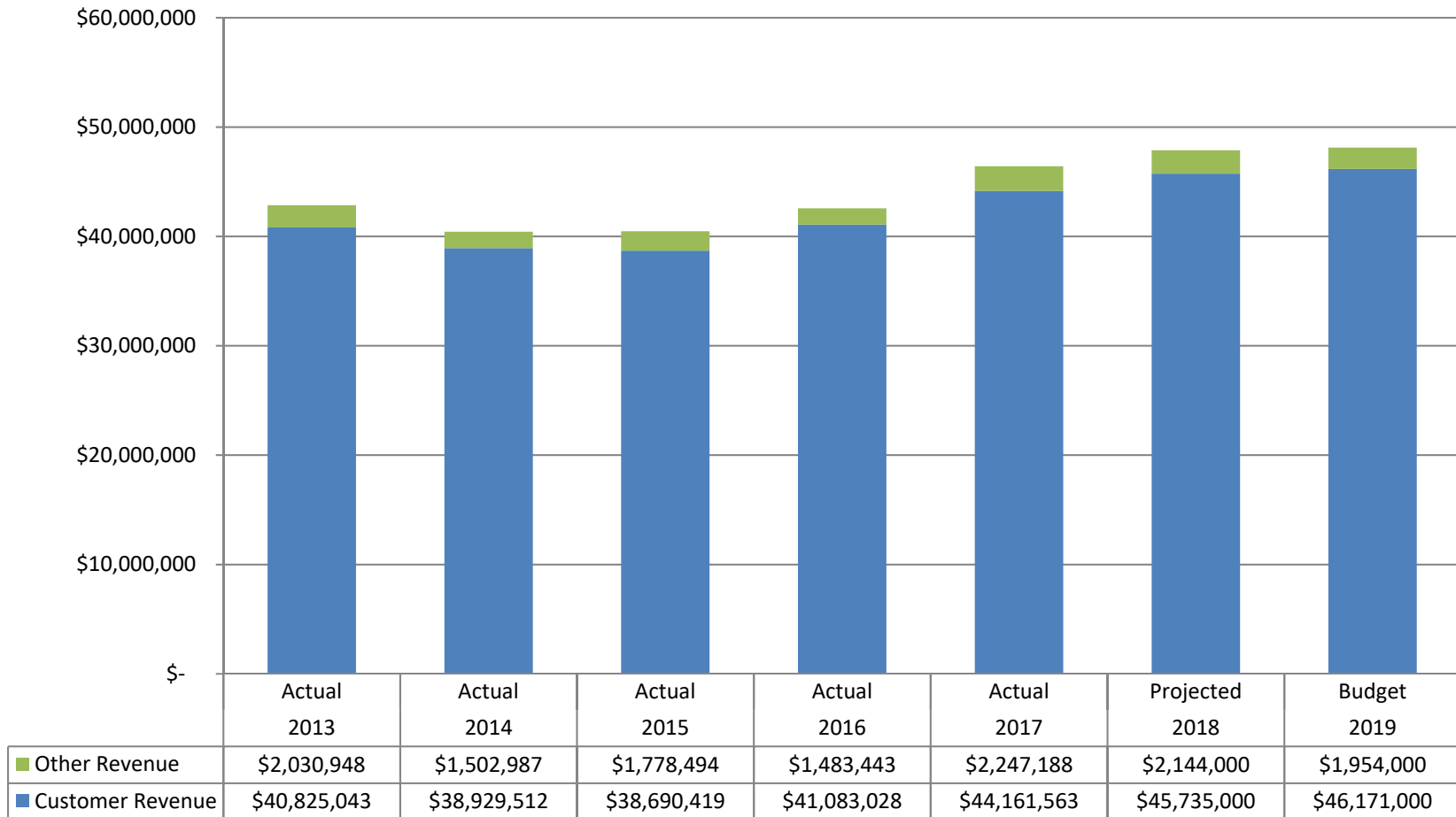
2019 Budget Changes

- Operations and Maintenance – Increasing by \$2.2 Million
 - NSA Surface Water Treatment Costs increasing by \$19/AF (\$228,000)
 - SSA Surface Water Cost increasing by \$22/AF (\$220,000)
 - Groundwater electrical and chemicals reduced by (\$300,000)
 - Salaries: Increased 12.8% - Comp Study – 9.5% (\$510,000); 3 New Positions – (\$243,000); Less Former GM Salary (-\$215,000)
 - Employee Benefits - Increase of \$375,000 – Primarily Pension (\$220,000) and 3 New Positions (\$88,000)
 - Reclass Small Meters from CIP Budget to O&M Budget (\$250,000)
- Capital Improvement Program - Increasing by \$1.2 Million
 - Increase of \$0.4 Million compared to 2018 Budget; \$1.2 Million Compared to Projected 2018
 - Increase is primarily in Distribution projects (\$1.1 million) and painting the Antelope Reservoir (\$0.7 million)
- Operating Capital Budget - Decreasing by \$0.2 Million
 - Decrease due to reduced office remodeling
- Debt Service Forecast - Decreasing by \$0.2 Million
 - Decreasing by \$150,000 due to Refunding the 2009B COP in 2018

Total Revenues Vs Total Expenditures 2013 to 2019

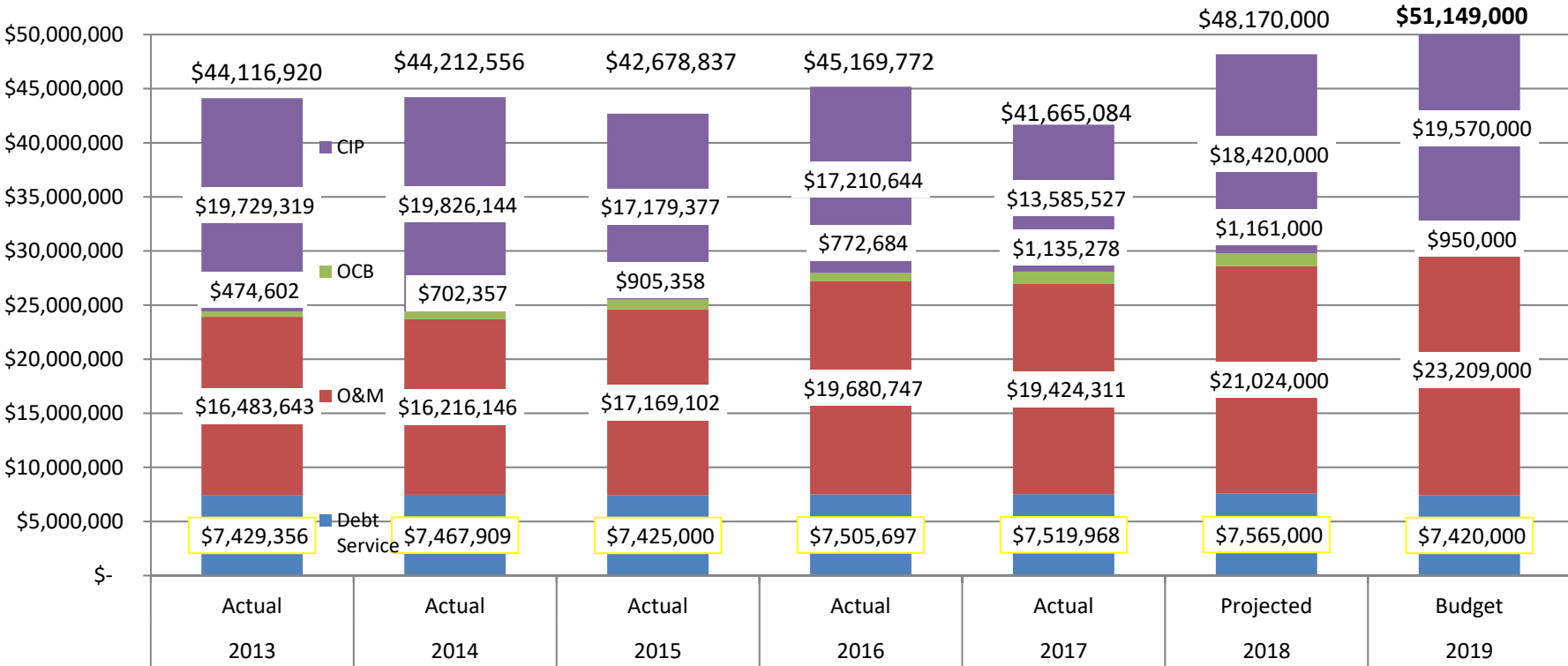


Total Revenues 2013 to 2019



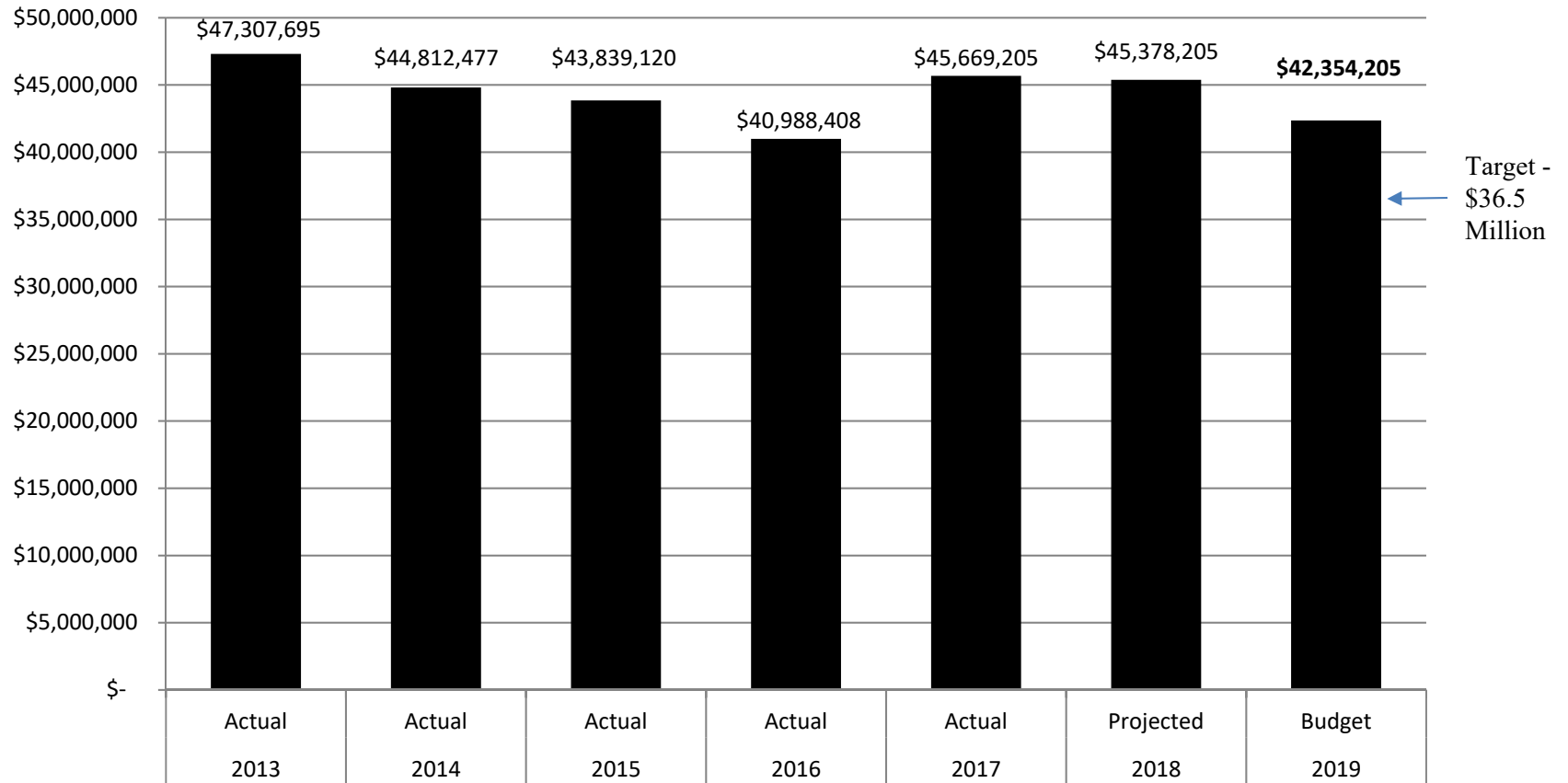
The 2018 Rate Study is in process. No rate changes assumed for 2019.

Total Expenditures 2013 to 2019



The increase in 2018 is due primarily to two 2017 deferred CIP Projects - \$3.69 million. The increase in 2019 is due primarily to a \$2.2 million O&M increase and a \$1.2 million CIP increase.

Reserve Balance 2013 to 2019



From a high of \$57.7 million at the end of 2009, the Board has strategically lowered the reserve balance to roughly \$40 million. With the pay-off of the 2009B COP in 2018, the Debt Service Reserve Fund of \$3.5 million was liquidated. The reserve balance target was changed to \$36.5 million.

Reserve Balance Detail

2013 to 2019

	Actual <u>12/31/2013</u>	Actual <u>12/31/2014</u>	Actual <u>12/31/2015</u>	Actual <u>12/31/2016</u>	Actual <u>12/31/2017</u>	Projected <u>12/31/2018</u>	Budget <u>12/31/2019</u>
Debt Service Reserve	\$ 3,520,472	\$ 3,540,082	\$ 3,523,427	\$ 3,540,038	\$ 3,548,170	\$ 12,531	\$ -
Facilities Reimbursement	42,968	21,873	21,873	-	-	-	-
Emergency/Contingency	10,317,750	10,758,000	10,758,000	10,387,000	10,931,500	11,255,000	11,542,750
Operating	6,466,000	6,468,857	6,468,857	6,490,750	7,270,250	7,390,000	7,568,250
Rate Stabilization	5,525,000	5,870,000	5,870,000	5,630,000	5,976,000	5,044,500	3,628,000
Interest Rate Risk	-	-	-	-	-	-	-
Grant	3,832,000	654,000	654,000	1,068,000	210,000	-	-
Capital Asset	17,603,505	17,499,665	16,542,963	13,872,620	17,733,285	21,676,174	19,615,205
TOTAL	<u>\$ 47,307,695</u>	<u>\$ 44,812,477</u>	<u>\$ 43,839,120</u>	<u>\$ 40,988,408</u>	<u>\$ 45,669,205</u>	<u>\$ 45,378,205</u>	<u>\$ 42,354,205</u>

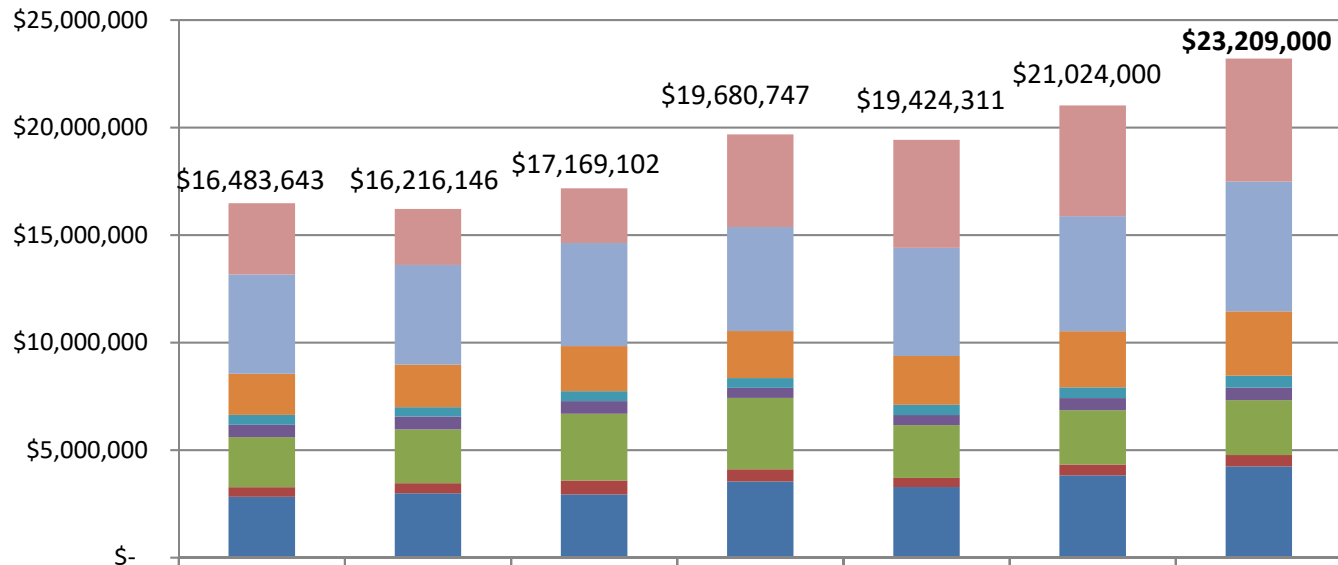
Projected \$3.0 million shortfall is primarily due to O&M increases. Therefore, Rate Stabilization Reserve Fund utilized. Individual reserve account changes based on approved 2019 budget.

Actual fluctuations (2013 to 2017) are due to changes in CIP expenditures and/or Consumption Revenues.

Reduction in 2018 due to pay-off of 2009B COP and liquidation of DSRF ~ \$3.5 million.

O&M Budget

O&M Expenses 2013 to 2019

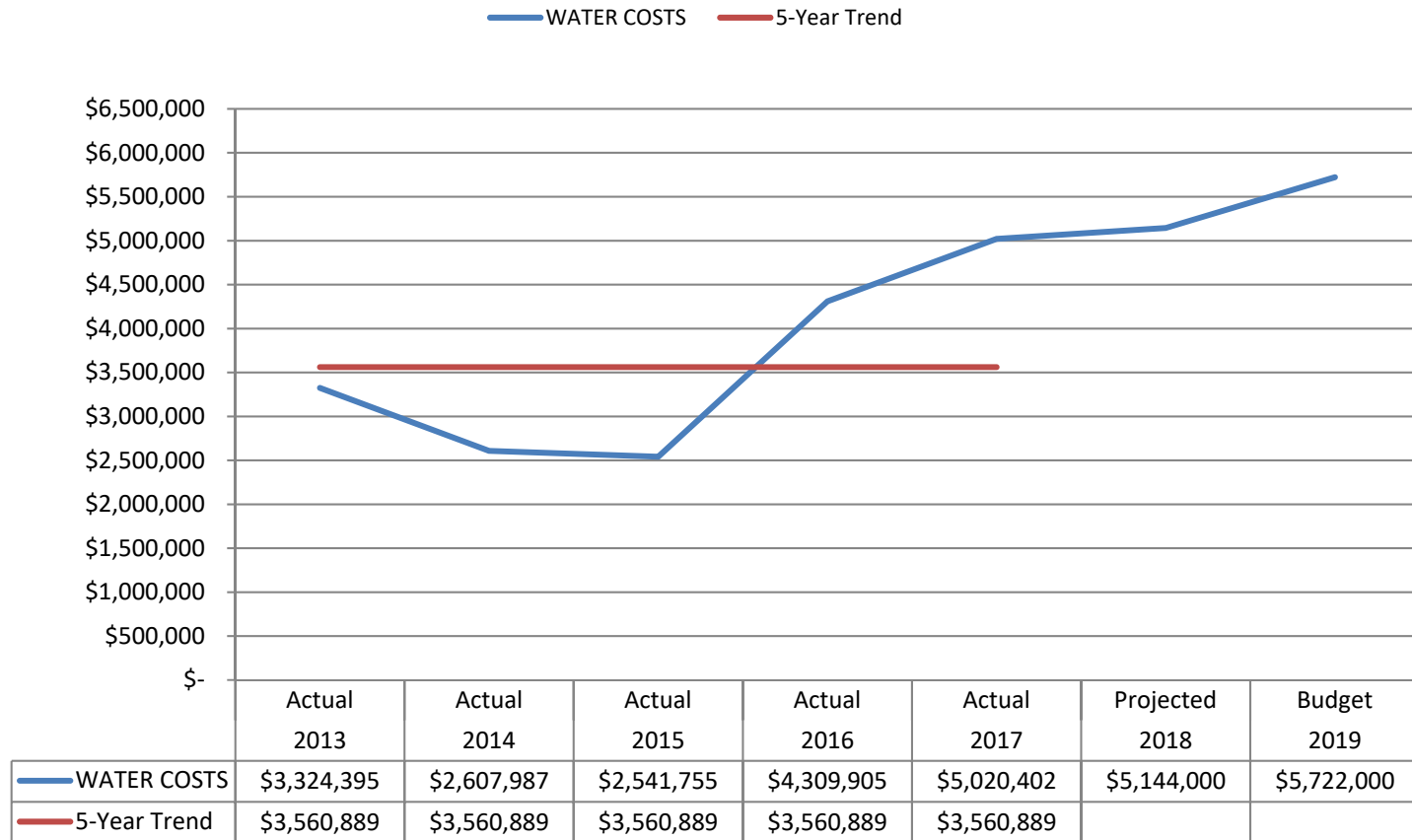


	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Projected 2018	Budget 2019
■ WATER COSTS	\$3,324,395	\$2,607,987	\$2,541,755	\$4,309,905	\$5,020,402	\$5,144,000	\$5,722,000
■ SALARIES	\$4,610,564	\$4,633,287	\$4,794,117	\$4,833,627	\$5,031,276	\$5,352,000	\$6,036,000
■ EMPLOYEE BENEFITS	\$1,915,889	\$1,980,390	\$2,096,685	\$2,187,134	\$2,267,113	\$2,614,000	\$2,990,000
■ EMPLOYER TAXES & INSURANCE	\$457,888	\$439,159	\$460,746	\$458,614	\$476,780	\$500,000	\$558,000
■ OPEB	\$576,300	\$592,700	\$591,000	\$470,000	\$472,200	\$560,000	\$580,000
■ ENGINEERING & CONSTRUCTION SERVICES	\$2,323,246	\$2,501,575	\$3,102,132	\$3,314,420	\$2,449,179	\$2,526,000	\$2,552,000
■ PUBLIC OUTREACH & CONSERVATION	\$452,250	\$469,571	\$641,111	\$565,157	\$427,633	\$506,990	\$530,000
■ OTHER	\$2,823,111	\$2,991,477	\$2,941,556	\$3,541,890	\$3,279,728	\$3,821,010	\$4,241,000

Discussion of individual line items variances appear on subsequent pages.

O&M Expense Detail

Water Costs

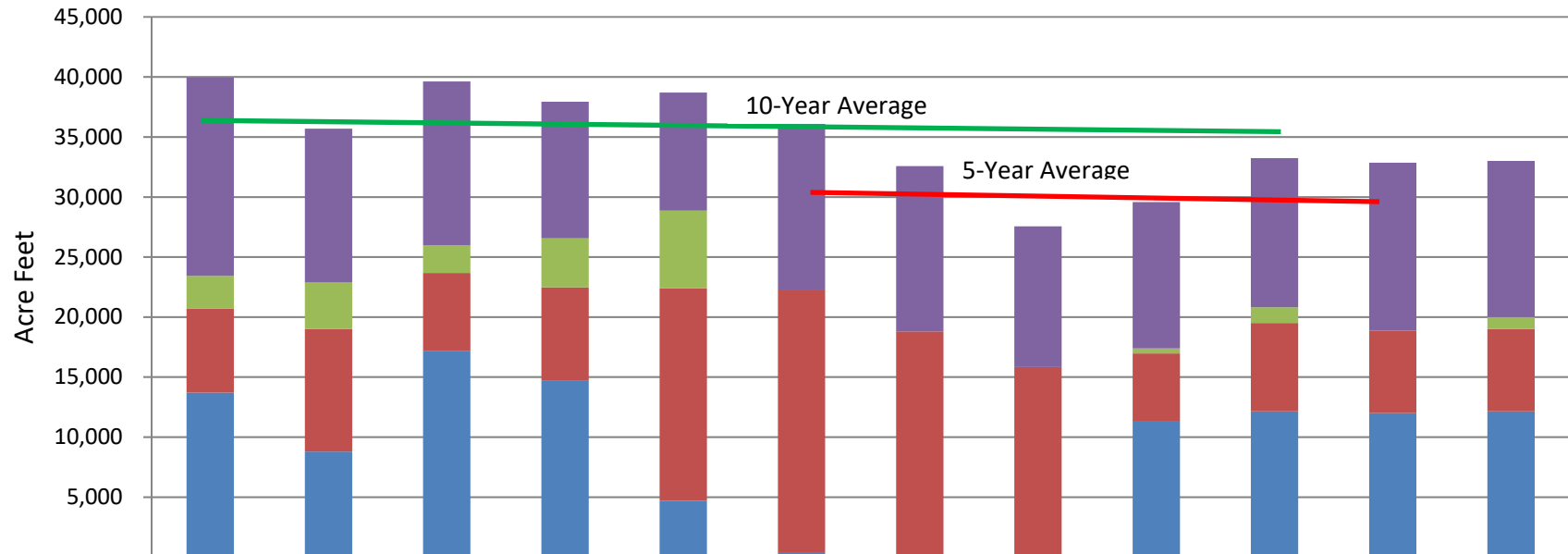


Water deliveries and costs fluctuate based on hydrological conditions. Due to the conditions in 2013 - 2015, SW was largely unavailable. 2019 assumes the purchase of 13,150 AF of SW (SSA - 1,000 AF and NSA 12,150 AF). GW pumping is expected to produce 19,850 AF, (SSA - 13,000* AF and NSA – 6,850 AF).
 * Due to 2018 water transfer, in 2019, 3,875 AF of 13,000AF (SSA) GW will be supplied by City at no cost.
 SW = Surface Water; GW = Ground Water

O&M Expense Detail

Water Production

■ NSA Surface Water ■ NSA Ground Water ■ SSA Surface Water ■ SSA Ground Water

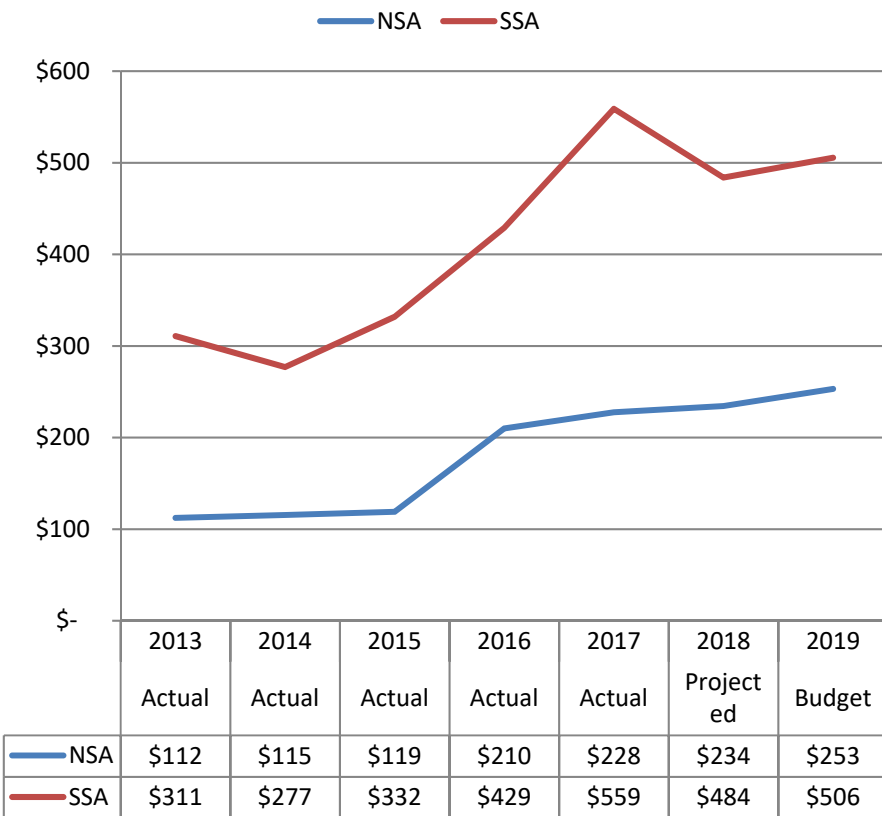


	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Projected	2019 Proposed
■ SSA Ground Water	16,531	12,818	13,656	11,380	9,833	16,607	13,771	11,719	12,185	12,427	14,000	13,000
■ SSA Surface Water	2,743	3,872	2,289	4,084	6,463	-	-	-	423	1,301	-	1,000
■ NSA Ground Water	6,985	10,203	6,522	7,741	17,697	21,886	18,790	15,702	5,678	7,364	6,850	6,850
■ NSA Surface Water	13,697	8,799	17,150	14,729	4,705	409	11	131	11,289	12,146	12,000	12,150

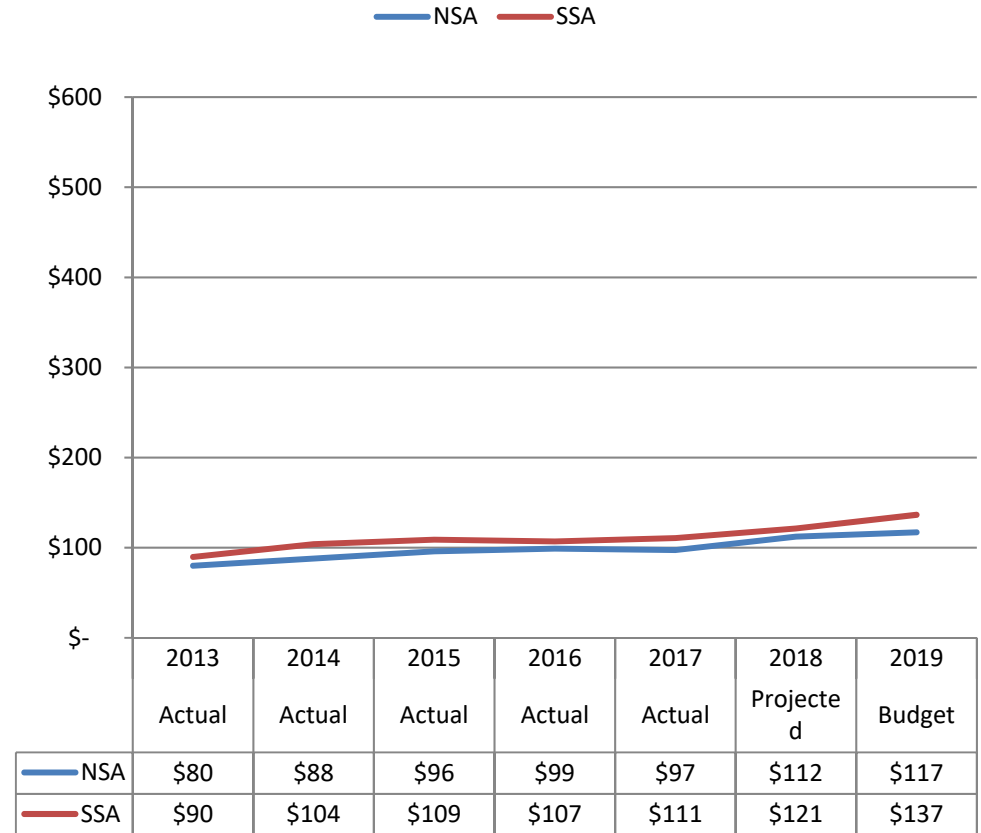
Production amounts for 2018 – Per Budget - 33,000 AF; Projected Actual – 32,850 AF.
 Production estimate for 2019 – 33,000 AF.

Surface Water vs Ground Water Costs

Variable Surface Water Costs



Variable Ground Water Costs



SSA - SW cost will be \$506 per AF in 2019.

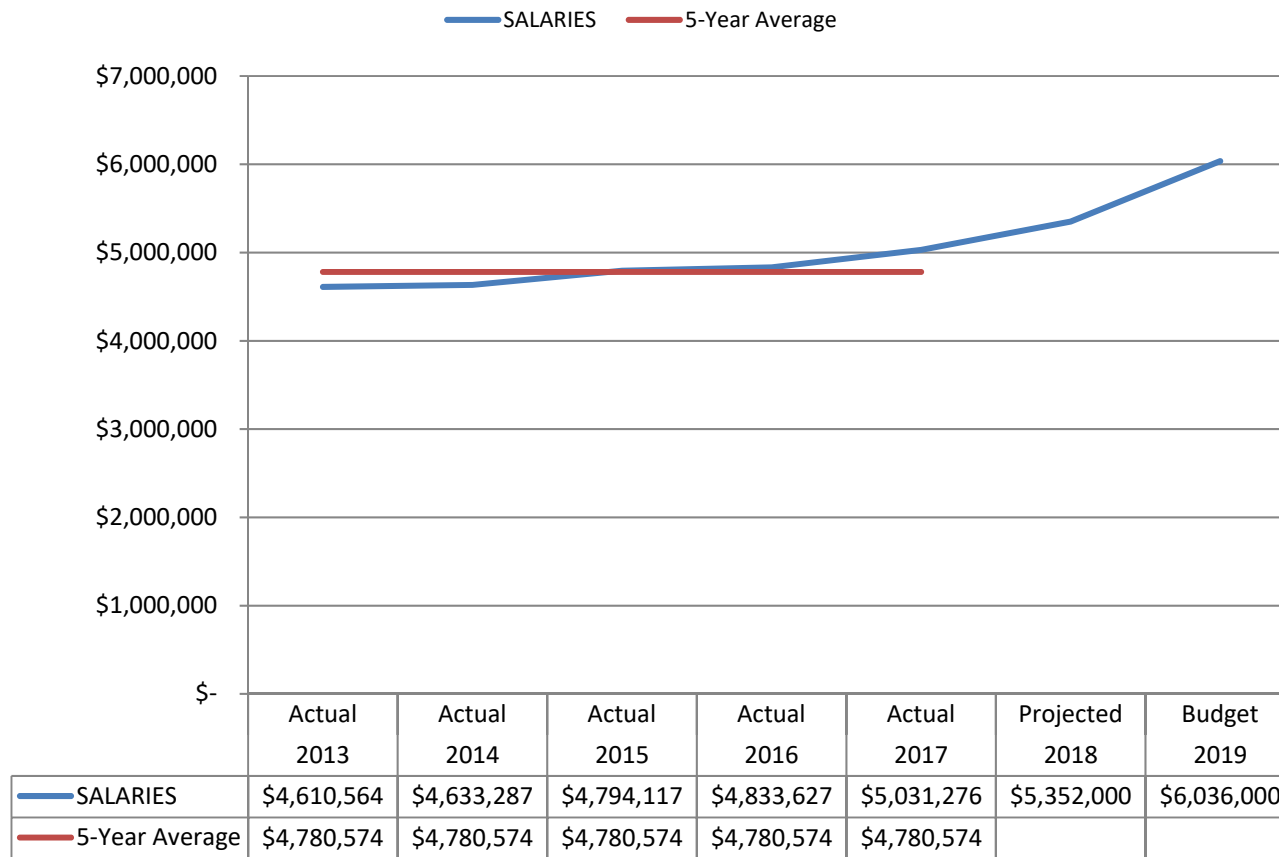
NSA –SW cost will be \$253/AF in 2019, compared to \$234/AF in 2018.

SSA/NSA - GW costs increasing due to - 1.0% electricity and 3.0% chemical cost increases.

SW = Surface Water; GW = Ground Water

O&M Expense Detail

Salaries



2019 increase due to - 3 new positions (\$243,000), 2018 Comp Study equity adjustment (\$510,000); ½ year AGM’s salary (\$75,000); 8 Promotions (\$50,000); net of the reduction in former GM’s salary of \$215,000.

O&M Expense Detail

New Position Requests

➤ New Position Requests:

1. Information Technology Analyst
2. Production Foreman
3. Assistant Engineer

➤ New Positions Cost:

	<u>Annual Cost</u>
Salaries	\$ 243,000
Employer Taxes	24,000
Employer Benefits	<u>88,000</u>
Annual Cost of New Positions	<u>\$ 355,000</u>

NEW POSITION SUPPORT

- Information Technology Analyst
 - To Replace IT Consultant (Consulting costs savings of ~ \$80k/annum)
 - Duties To Perform Include:
 - Data Analysis and Cleanup
 - SQL Queries and Programming
 - System Integration
 - System Security – Hardware, Software and Recovery
 - Implementation and Maintenance of Apps and Programs
 - SCADA Software Management
 - Database and Software Updates
 - Resolves System Problems

NEW POSITION SUPPORT

➤ Production Foreman

- The current Production Foreman has seven direct reports. The Instrumentation/Electrician Technician is reporting directly to the Production Superintendent as the Production Foreman is in excess of the number of desired direct reports to be effective and efficient. Additionally, Production Department staffing is projected to increase adding to the number of current direct reports. This addition will allow each Production Foreman the bandwidth to develop staff properly and efficiently by having 4 direct reports each. Production staff performed a comprehensive 10 week task audit of the current Production Foreman. The current Production Foreman is only able to spend 4% of time mentoring and training staff. This has resulted in poorly trained staff in vital areas (e.g., automated control valves, SCADA, etc.)
- Since 2014 overtime hours/annum for this position have increased from 72 to 307 in 2017.
- Benefits from this position include better communication and staff training plus an improved balance in workload.

NEW POSITION SUPPORT

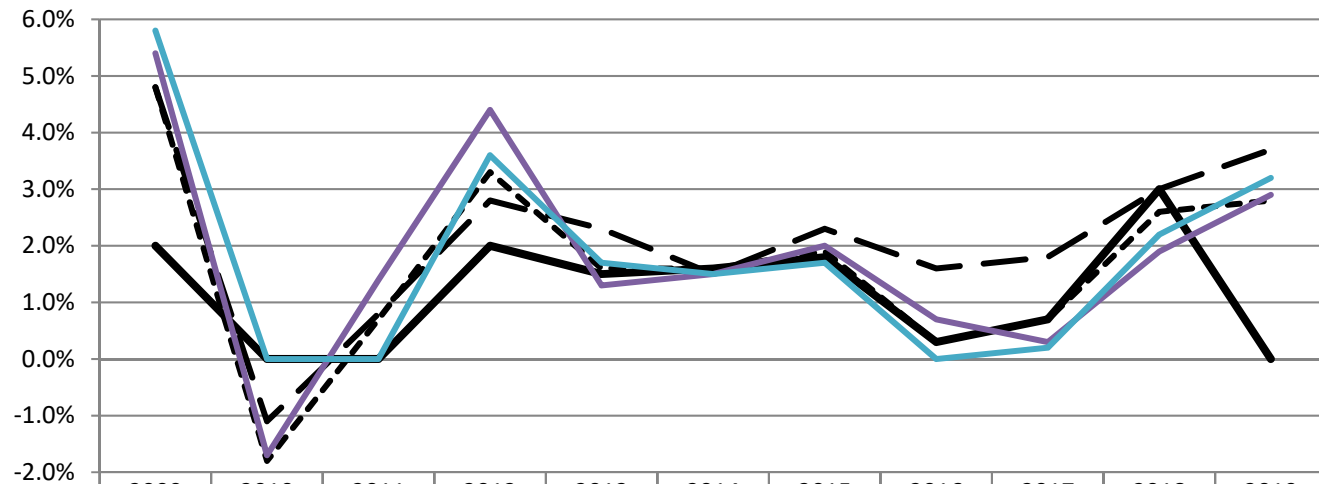
➤ Assistant Engineer

- Needed for demands of planning, design and construction of District structures and facilities, improvements to groundwater wells and water production and storage, and distribution facilities
- Full-Time Attention for Many Recurring Tasks Currently Performed By Interns
- 3 Engineering Intern Positions eliminated. Salary cost of savings of ~ \$45k/annum

O&M Expense Detail

COLA

— SSWD
 - - - Western Cities - A
 - - - Western Cities - B/C
 — U.S. Cities
 — Social Security

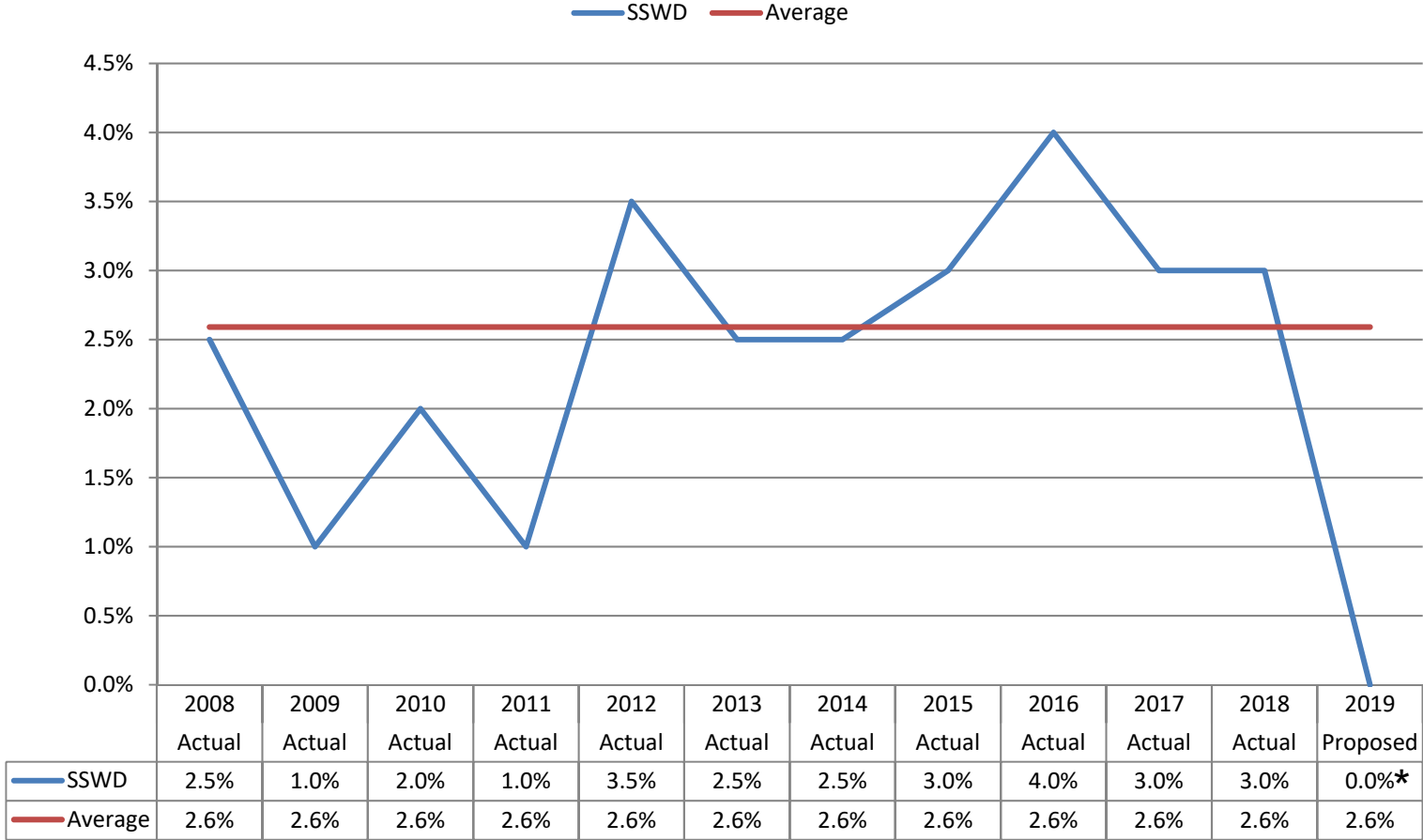


	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
— SSWD	2.0%	0.0%	0.0%	2.0%	1.5%	1.6%	1.8%	0.3%	0.7%	3.0%	0.0%*
- - - Western Cities - A	4.8%	-1.1%	0.8%	2.8%	2.3%	1.5%	2.3%	1.6%	1.8%	3.0%	3.7%
- - - Western Cities - B/C	4.8%	-1.8%	0.7%	3.3%	1.6%	1.6%	1.9%	0.3%	0.7%	2.6%	2.8%
— U.S. Cities	5.4%	-1.7%	1.4%	4.4%	1.3%	1.5%	2.0%	0.7%	0.3%	1.9%	2.9%
— Social Security	5.8%	0.0%	0.0%	3.6%	1.7%	1.5%	1.7%	0.0%	0.2%	2.2%	3.2%

* Typically SSWD's COLA is equal to the Western Cities – A Index as published by the US Bureau of Labor Statistics. If the 2018 Compensation Study is approved as recommended, staff recommends no COLA for 2019.

O&M Expense Detail

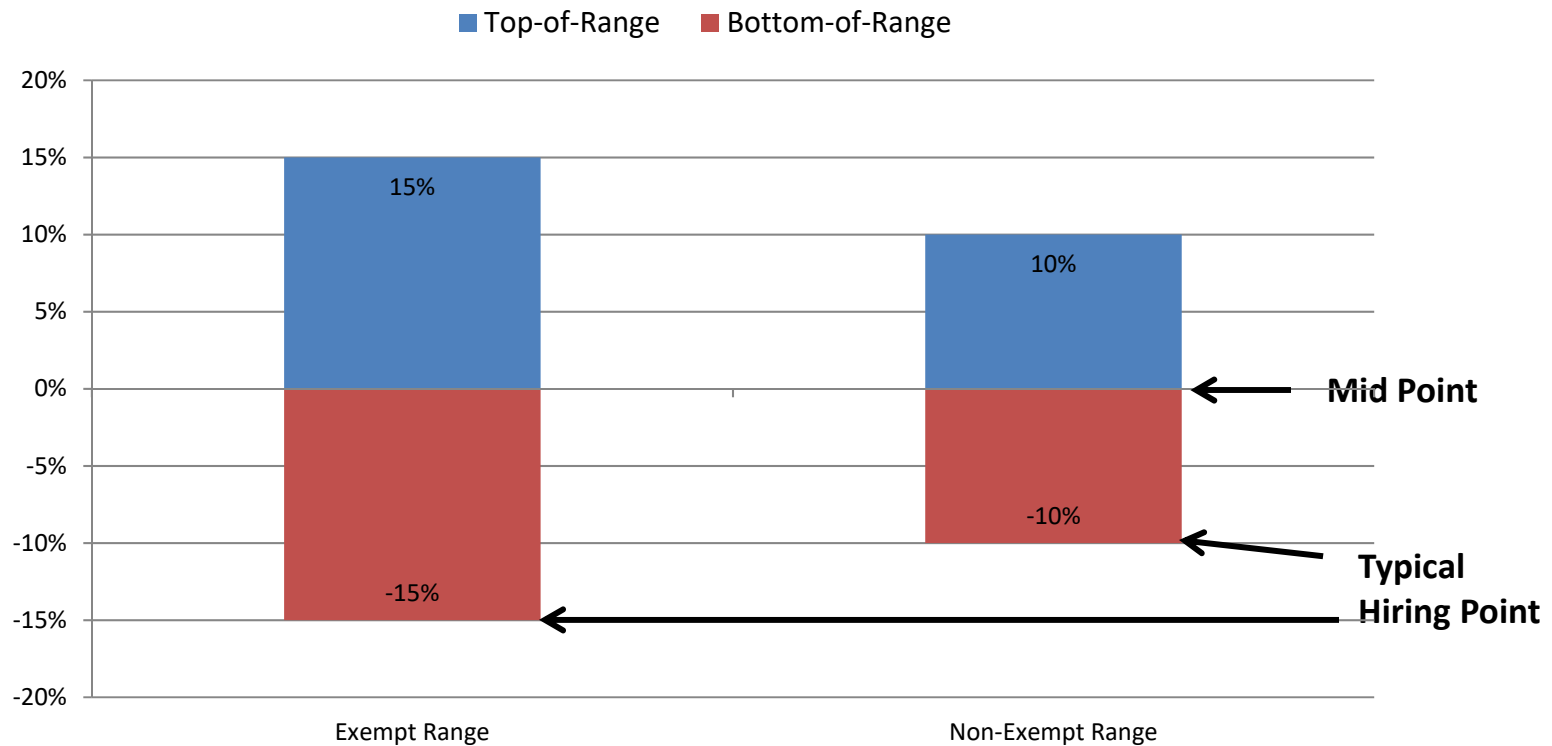
Merit



* Typically SSWD’s Merit should be set in the 4% to 5% range. If the 2018 Compensation Study is approved as recommended, staff recommends no Merit increase for 2019.

O&M Expense Detail

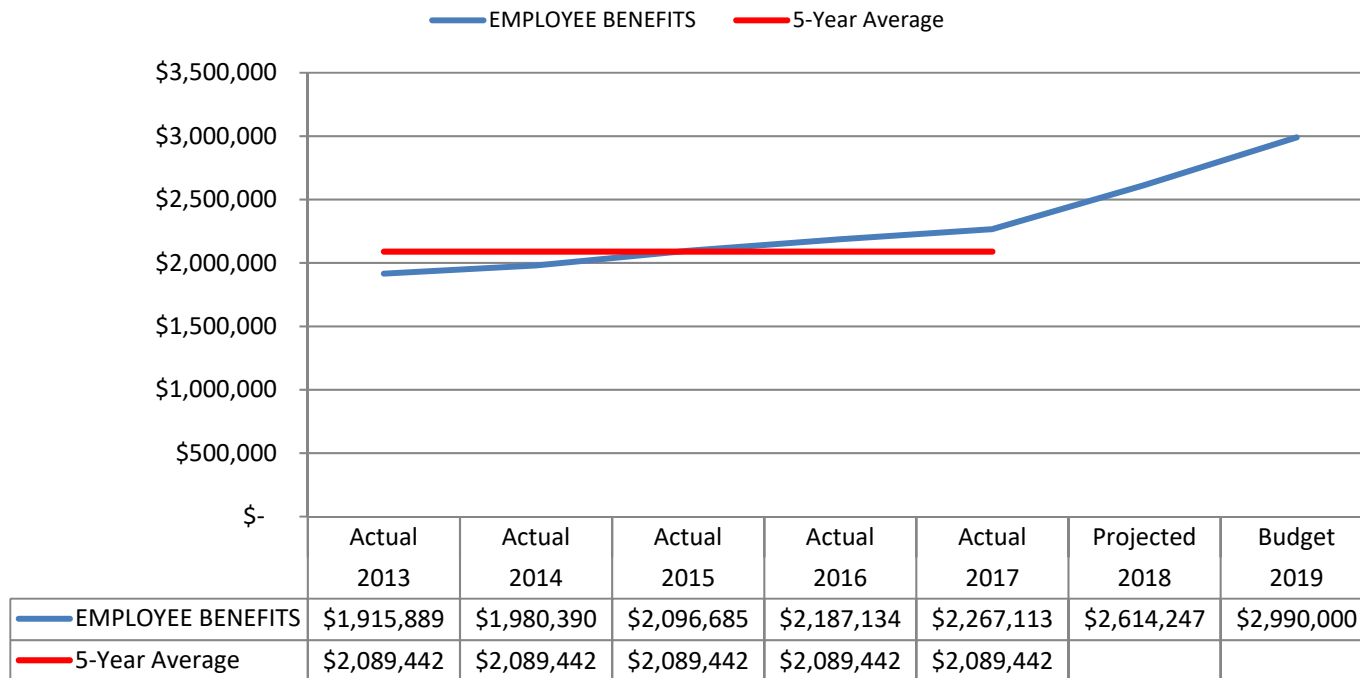
Salary Bands



New employees typically hired at or near bottom of salary range. Based on performance, an average merit increase of 5.0% will move a good performing non-exempt employee through their salary range in 4 years and an exempt employee in 6 years.

O&M Expense Detail

Employee Benefits



2019 increase due primarily to increased pension costs (\$230,000), and 3 new positions (\$88,000).

O&M Expense Detail

Employee Benefits

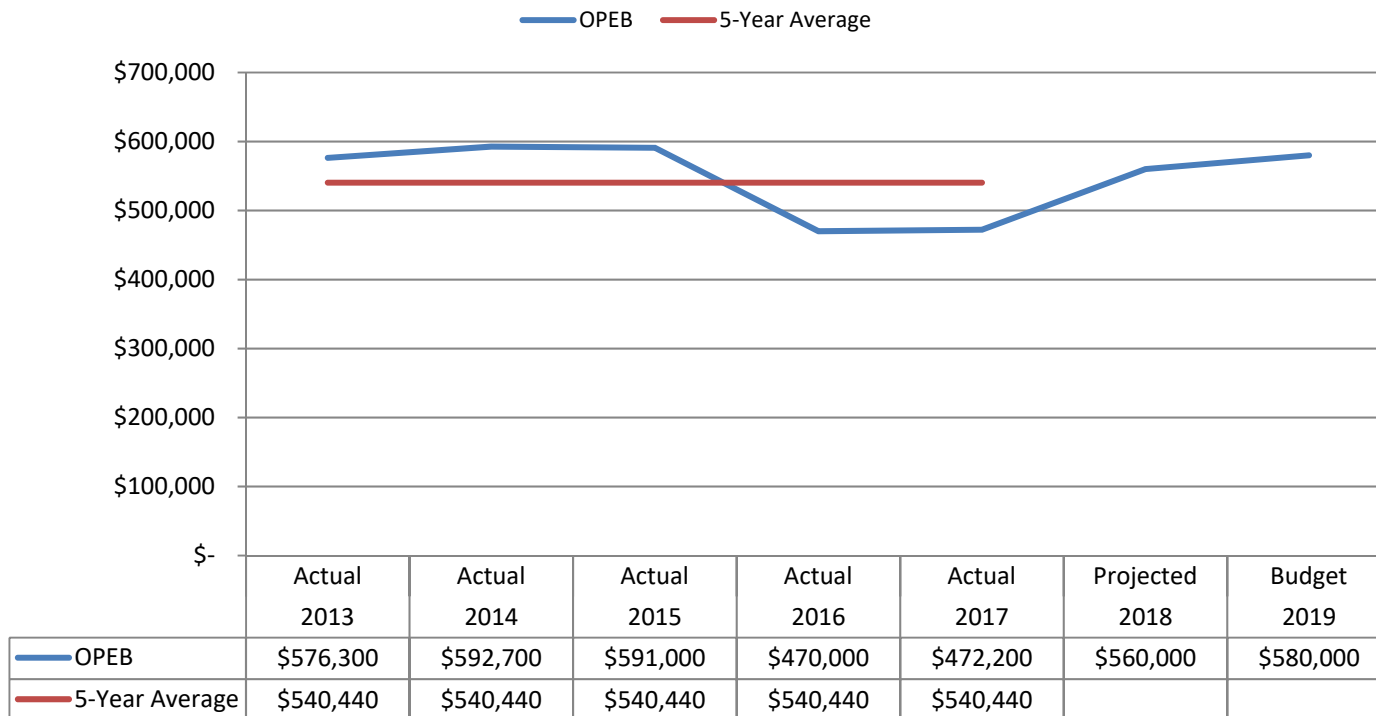
	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Projected	2019 Budget
EMPLOYEE BENEFITS	\$ 1,915,889	\$ 1,980,390	\$ 2,096,685	\$ 2,187,134	\$ 2,267,113	\$ 2,614,000	\$ 2,990,000
Medical Insurance	\$ 797,192	\$ 846,251	\$ 905,832	\$ 922,772	\$ 968,600	\$ 1,074,700	\$ 1,152,000
Dental Insurance	82,640	96,894	102,555	94,682	100,119	120,437	132,000
Vision Insurance	16,304	15,065	13,845	14,083	8,167	16,320	17,000
Life Insurance	16,648	17,090	17,731	17,708	20,266	22,472	26,000
LTD Insurance	23,147	22,050	22,966	22,970	26,050	29,696	34,000
CalPERS Pension	940,005	944,510	1,007,417	1,081,615	1,099,669	1,289,844	1,571,000
Miscellaneous *	39,953	38,530	26,339	33,304	44,242	60,778	58,000
Total Employee Benefits	\$ 1,915,889	\$ 1,980,390	\$ 2,096,685	\$ 2,187,134	\$ 2,267,113	\$ 2,614,247	\$ 2,990,000

Primary increase in Benefit Costs are pension (\$281k) and medical (\$77k).

* Miscellaneous includes - Unemployment costs (\$15k), CalPERS Admin Fees (\$6k), LT Care for Former GM/Spouse (\$11k), Employee Morale (19k), EAP Program (\$2k), Education Assistance (\$3k), OT Meals (\$3k).

O&M Expense Detail

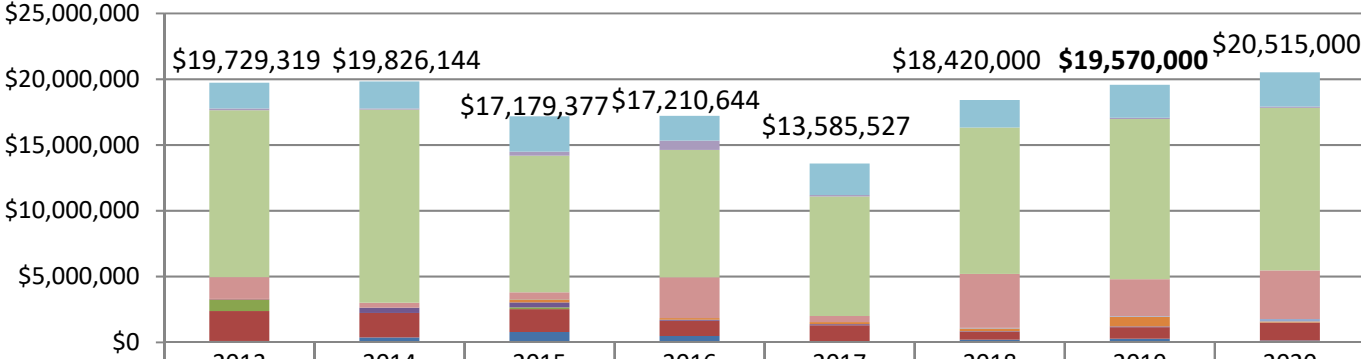
OPEB



2016 - 2017 reduction due to a combination of – reduced projected liability and higher earnings inception-to-date; offset by a reduced UAAL amortization from 22 years down to 10 years. 2018 and 2019 increase due to a reduced discount rate (7.0% in 2015, 6.5% in 2017, 2018 and 2019); increased health care costs; increased participants, and a change in demographic assumptions.

CIP Budget

CIP Project Costs 2013 to 2020

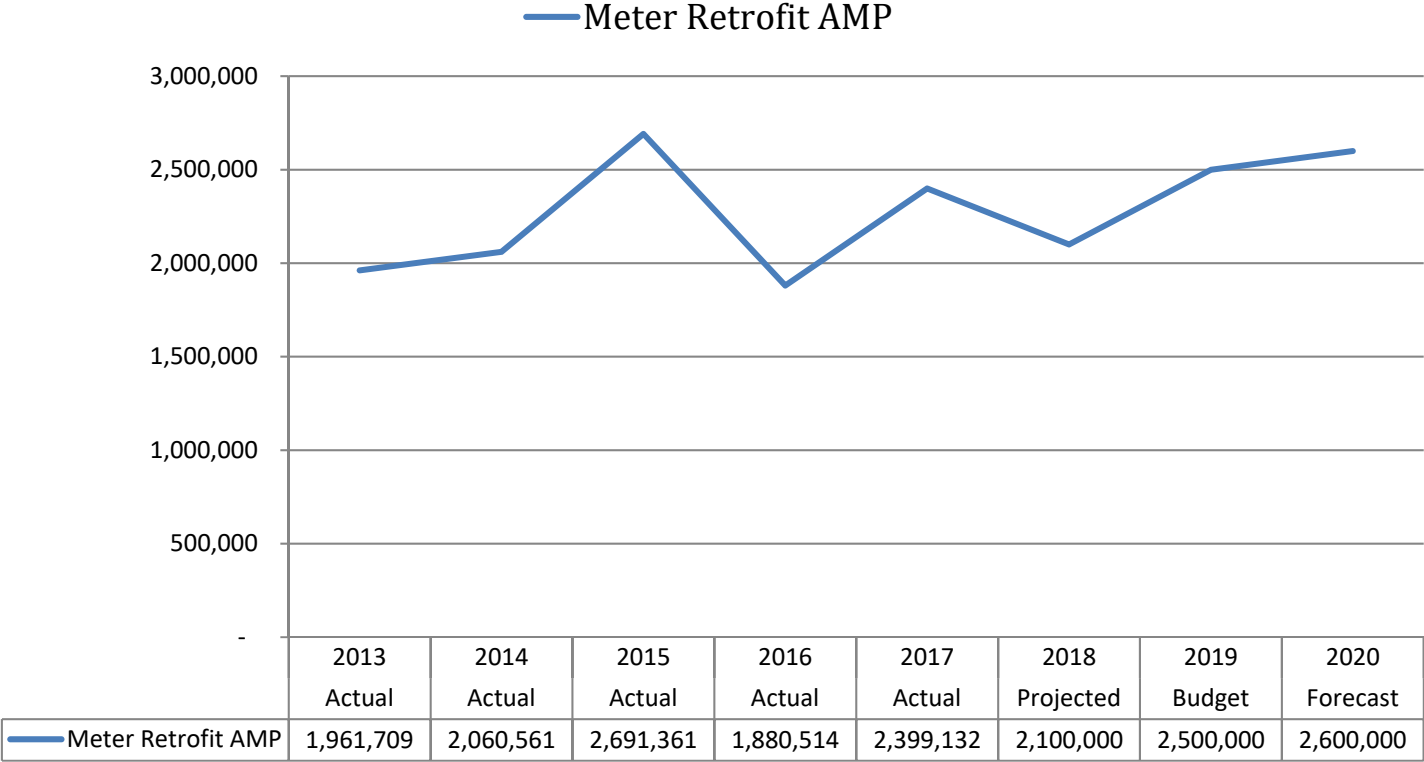


	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Projected	2019 Budget	2020 Forecast
Meter Retrofit AMP	1,961,709	2,060,561	2,691,361	1,880,514	2,399,132	2,100,000	2,500,000	2,600,000
Meter Replacement & Repair AMP	132,922	80,975	307,870	715,337	107,278		100,000	100,000
Dist. Main Replacement AMP	12,674,933	14,672,460	10,381,851	9,674,096	9,077,465	11,120,000	12,180,000	12,345,000
Well Replacement AMP	1,655,646	377,974	507,393	3,099,875	460,816	4,100,000	2,800,000	3,700,000
Transmission Main AMP	-	-	31,866	-	-	50,000	50,000	180,000
Reservoir and Booster P.S. AMP	36,373	-	221,300	116,901	160,494	200,000	735,000	85,000
Buildings and Structures AMP	-	-		-	-	-	-	-
SCADA AMP	54,245	404,802	378,687	94,243	85,495	60,000	60,000	20,000
From 2009 Water System Master Plan	833,148	-	133,676	-	-	-	-	-
Other Re-Occurring Annual Capital Costs	2,274,474	1,859,724	1,745,028	1,149,924	1,241,934	590,000	870,000	1,350,000
Other Capitalized Projects	105,869	369,648	780,345	479,754	52,913	200,000	275,000	135,000

Discussion of individual line items appears on subsequent pages.

CIP Budget

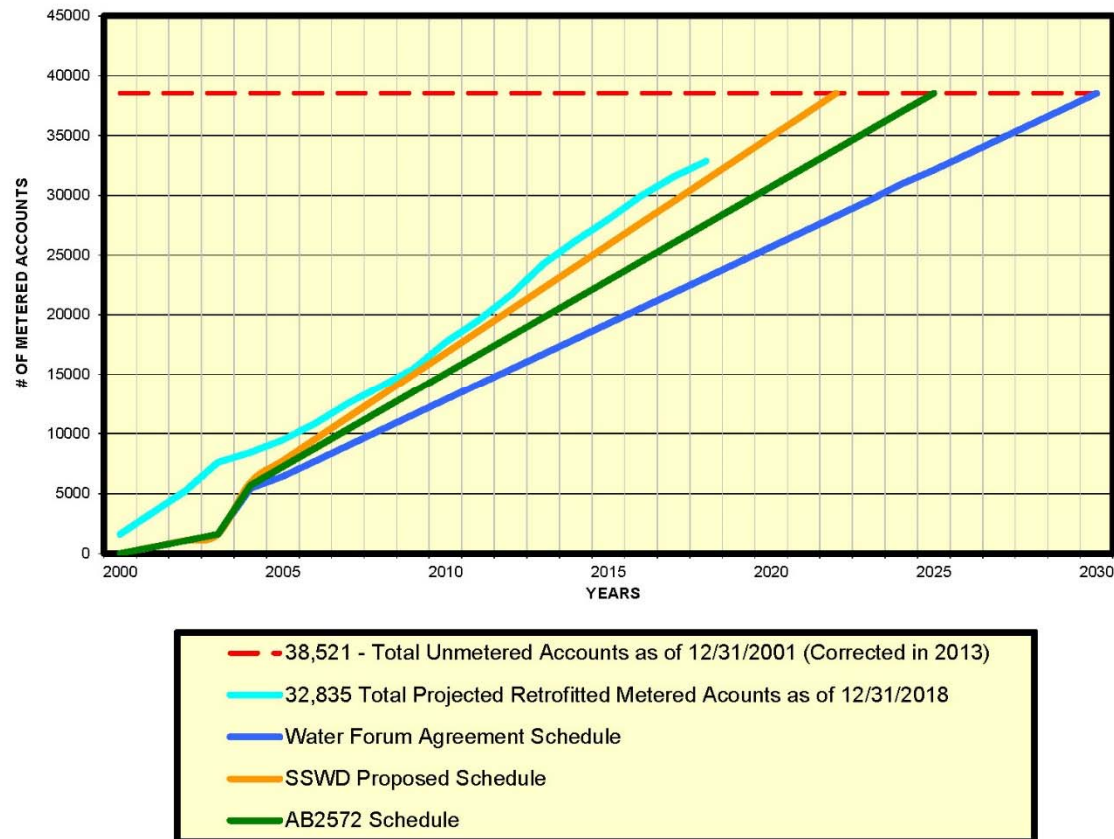
Water Meter Retrofit Program



Meters installed in 2018 are expected to be 1,285. Meters expected to be installed in 2019 and 2020 is 1,015 each year.

Water Meter Retrofit Program

SSWD 30 YEAR METERING PLAN (RESIDENTIAL)



2018 Meters added – 1,955; 1,270 meter retrofit program, 15 voluntary and 670 main replacement project.
 2019 Meters added – 1,327; 1,000 meter retrofit program, 15 voluntary and 312 main replacement project.
 2020 Meters added – 1,424; 1,000 meter retrofit program, 15 voluntary and 409 main replacement project.

CIP Project Detail

Meter Replacement & Repair Costs

5-Year Low	5-Year High	5-Year Average	AMP 2019	Budget 2019	Forecast 2020
\$ 80,975	\$ 715,337	\$ 268,900	\$ 404,926	\$ 100,000	\$ 100,000

2019/20 Projects

Replace obsolete large meters (>3")

100,000	100,000
\$ 100,000	\$ 100,000

Per Water Meter Asset Management Plan, beginning in 2016 a new program to replace large water meters (>3") installed as far back as the 1990's began.

CIP Project Detail

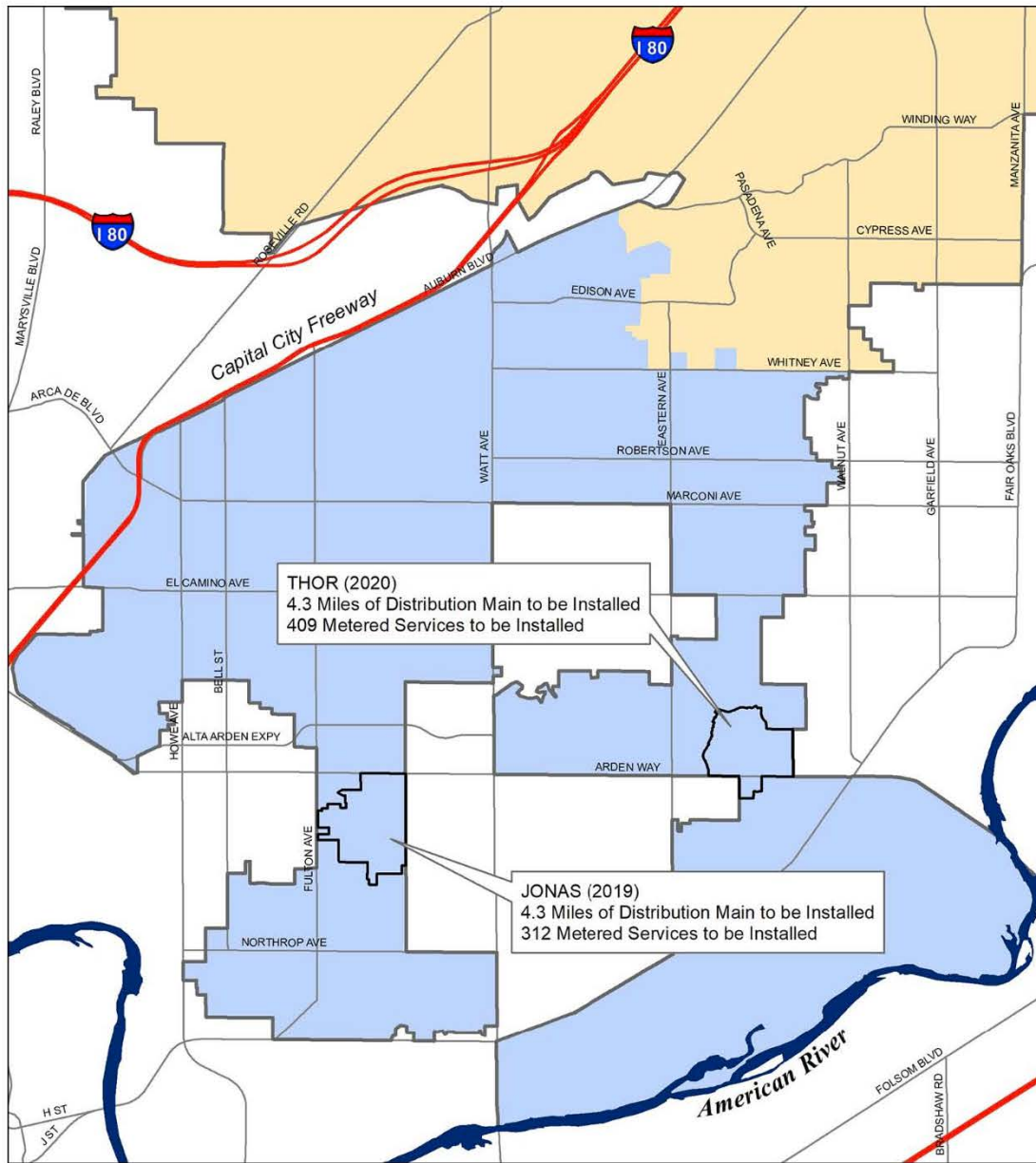
Distribution Main Replacement Costs

5-Year Low	5-Year High	5-Year Average	AMP 2019	Budget 2019	Forecast 2020
\$ 9,077,465	\$ 14,672,460	\$ 11,296,200	\$ 13,402,435	\$ 12,180,000	\$ 12,345,000

2019/20 Projects

Edison Meadows	\$ 270,000	\$ -
Jonas (Area 48)	10,100,000	
Arcade Creek Crossing	600,000	-
Thor (Area 90B/C/D)	330,000	11,370,000
New Area		330,000
Various small main replacement projects	800,000	500,000
McClellan line replacements	80,000	145,000
	\$ 12,180,000	\$ 12,345,000

See next slide for further details



THOR (2020)
 4.3 Miles of Distribution Main to be Installed
 409 Metered Services to be Installed

JONAS (2019)
 4.3 Miles of Distribution Main to be Installed
 312 Metered Services to be Installed

Legend

-  Distribution Main Replacement Areas
-  North Service Area
-  South Service Area



**Proposed 2019-2020
 Distribution Main Projects**

Prepared by: JWS, SSWD
 Sacramento, CA - September 5, 2018
 Main Replacements-2019-2020.mxd

CIP Project Detail

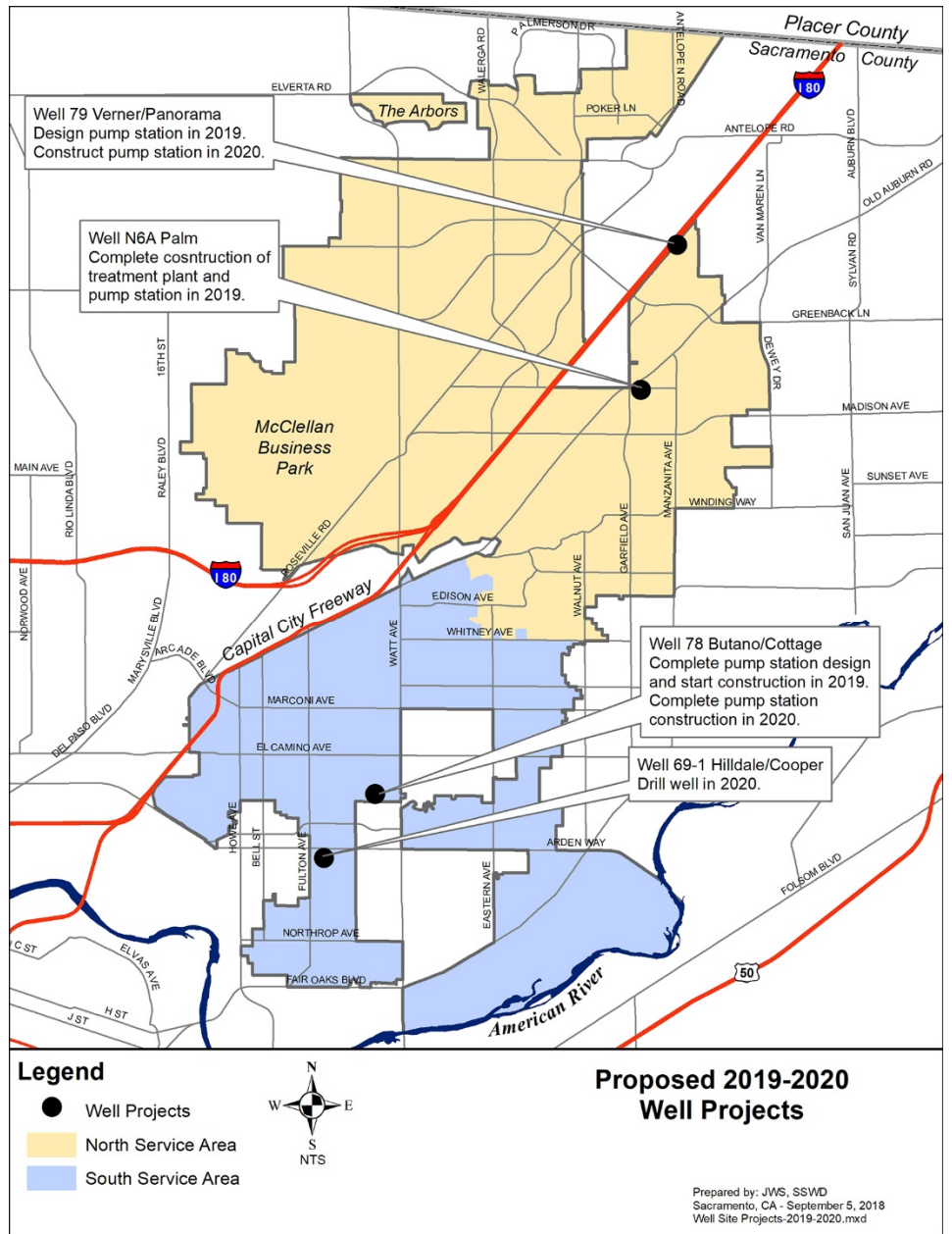
Well Replacement Costs

5-Year Low	5-Year High	5-Year Average	AMP 2019	Budget 2019	Forecast 2020
\$ 377,974	\$ 3,099,875	\$ 1,220,300	\$ 3,716,129	\$ 2,800,000	\$ 3,700,000

2019/20 Projects

Well #N6A - Palm	\$ 770,000	\$ -
Well #78 - Butano/Cottage	1,230,000	1,090,000
Well #79 - Verner/Panorama	300,000	2,040,000
Well #69-1 - Hilldale/Cooper	.	550,000
Property Acquisition (TBD)	500,000	20,000
	\$ 2,800,000	\$ 3,700,000

See next slide for further details



Well Design and Construction Planned for 2019 and 2020 are shown in the Map above.

CIP Project Detail

Transmission Main Costs

5-Year Low	5-Year High	5-Year Average	AMP 2019	Budget 2019	Forecast 2020
\$ -	\$ 31,866	\$ 6,400	\$ 182,760	\$ 50,000	\$ 180,000

2019/20 Projects

Corrosion Control-Variou s Protection and/or Cathodic Protection for existing transmission mains

	\$	50,000	\$	180,000
	\$	50,000	\$	180,000

Corrosion Control on Transmission Mains is comprised of planning activities in 2019 and construction in 2020.

CIP Project Detail

SCADA System Costs

5-Year Low	5-Year High	5-Year Average	AMP 2019	Budget 2019	Forecast 2020
\$ 54,245	\$ 404,802	\$ 203,500	\$ -	\$ 60,000	\$ 20,000

2019/20 Projects

SCADA Radio Evaluation

\$ 60,000	\$ 20,000
\$ 60,000	\$ 20,000

Projects include SCADA Radio Evaluation (2019 – SSA, 2020 – NSA).

CIP Project Detail

Reservoir and Booster P.S. Costs

5-Year Low	5-Year High	5-Year Average	AMP 2019	Budget 2019	Forecast 2020
\$ -	\$ 221,300	\$ 107,000	\$ -	\$ 735,000	\$ 85,000

2019/20 Projects

Tank Inspections and Repairs - Inspect Walnut Tank, Tank 216, Caphart Tank and Enterprise Reservoir and repairs/modify to storage facilities as needed	\$ 50,000	\$ 50,000
Antelope Reservoir Exterior and Interior Coating	650,000	-
Hydropneumatic Tanks Interior Coating	35,000	35,000
	\$ 735,000	\$ 85,000

CIP Project Detail

Other Re-Occurring Capital Costs

5-Year Low	5-Year High	5-Year Average	Estimate 2019	Budget 2019	Forecast 2020
\$ 1,149,924	\$ 2,274,474	\$ 1,654,200	\$ 3,825,785	\$ 870,000	\$ 1,350,000

2019/20 Projects

Well Rehabilitation - Rehab well 68 & N22 in 2019 and well 70, N5,18 & 66 in 2020;
Remove natural gas engines at 3 sites in 2019 and 4 sites in 2020; Destroy 3-5
abandoned wells each year

\$ **650,000** \$ 1,100,000

Lowering/Raising Valve Boxes (Based on County provided information)

220,000 250,000

\$ **870,000** \$ 1,350,000

CIP Project Detail

Other Capitalized Project Costs

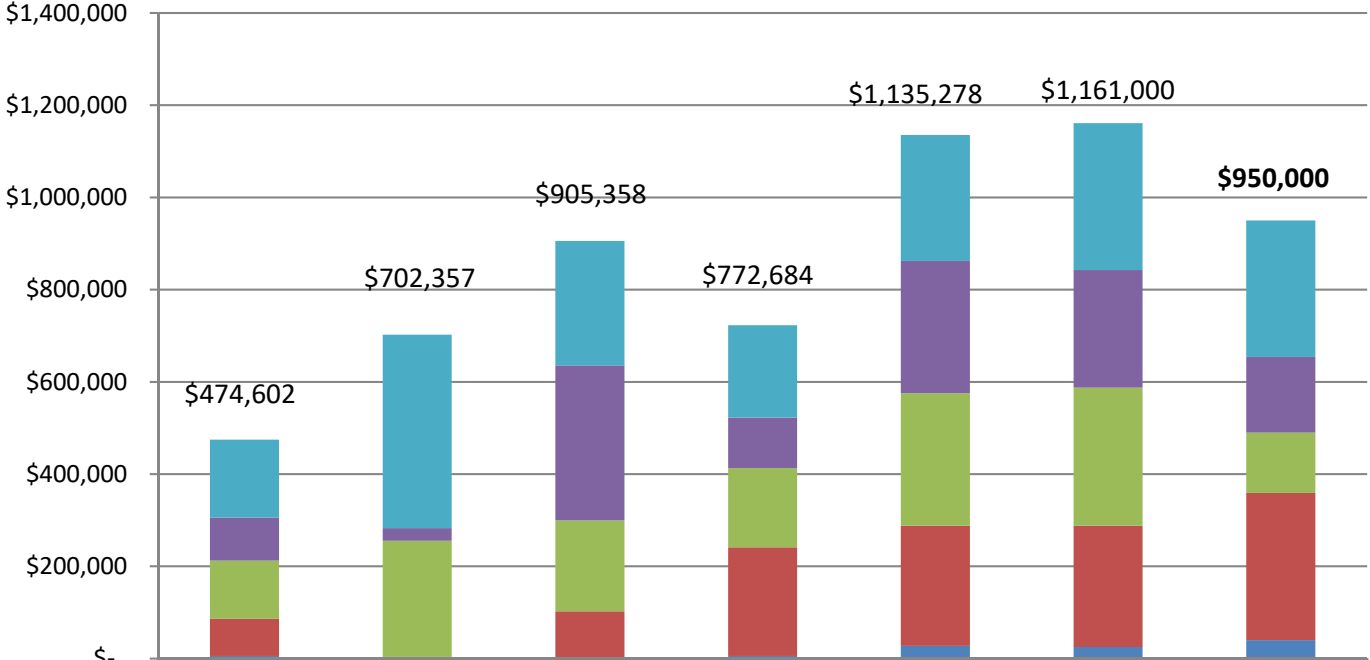
5-Year Low	5-Year High	5-Year Average	Estimate 2019	Budget 2019	Forecast 2020
\$ 52,913	\$ 780,345	\$ 357,700	\$ -	\$ 275,000	\$ 135,000

2019/20 Projects

Electrical Improvements at Marconi facility	\$ 220,000	\$ 130,000
Antelope Garden	50,000	
Right of way/easement acquisitions	5,000	5,000
	\$ 275,000	\$ 135,000

OCB Budget

OCB Project Costs 2013 to 2019



	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Projected	2019 Budget
Information Technology	\$168,850	\$419,552	\$269,607	\$200,060	\$273,286	\$318,500	\$296,000
Maintenance	\$93,321	\$27,660	\$336,293	\$109,647	\$286,800	\$255,000	\$164,000
Operations	\$126,581	\$251,745	\$197,310	\$171,914	\$287,120	\$299,500	\$131,000
Vehicles/Fleet	\$80,500	\$-	\$99,729	\$235,576	\$260,890	\$263,000	\$319,000
Office Furniture/Equipment	\$5,350	\$3,400	\$2,419	\$5,487	\$27,182	\$25,000	\$40,000

Discussion of individual line items appear on subsequent pages.

OCB Project Detail

Information Technology Costs

5-Year Low	5-Year High	5-Year Average	Budget 2019
\$ 168,850	\$ 419,552	\$ 266,300	\$ 296,000
<u>2019 Projects</u>			
Hardware Refresh Program			\$ 107,000
Software Enhancements/Modules			55,000
Board Laptops			5,000
Board Room Monitors			35,000
Server Rooms - Walnut, Complete Marconi			42,000
Rewire and Move Switch for Walnut Facility			30,000
Computers/Phones/Licenses for new Employee			9,000
Project and PDF Software for Engineering Department			13,000
			\$ 296,000

2018 budget was \$318,500

OCB Project Detail Maintenance

5-Year Low	5-Year High	5-Year Average	Budget 2019
\$ 27,660	\$ 336,293	\$ 170,700	\$ 164,000

2019 Projects

Well Site and Building Structures Maintenance	\$ 60,000
HVAC/Roof/Building Repairs	50,000
Removing Antelope Garden	54,000
	\$ 164,000

2018 Budget was \$255,000.

OCB Project Detail

Operations Project Costs

5-Year Low	5-Year High	5-Year Average	Budget 2019
\$ 126,581	\$ 287,120	\$ 206,900	\$ 131,000

2019 Projects

Fence Replacement - 3 Well Sites	\$ 21,000
UCMR 4 Monitoring	70,000
Well Site Paving	40,000
	\$ 131,000

2018 budget was \$299,500

OCB Project Detail Vehicles/Fleet

5-Year Low	5-Year High	5-Year Average	Budget 2019
\$ -	\$ 260,890	\$ 135,300	\$ 319,000
 <u>2019 Projects</u>			
Trailer Replacement/Upgrade/Addition			\$ 30,000
Vehicle Replacement - Truck #3			30,000
Vehicle Replacement - Truck 21			34,000
Vehicle Replacement - Truck # 12			31,000
Vehicle Replacement - Truck # 45			31,000
Vehicle Replacement - Truck # 51			45,000
Vehicle Replacement - Truck # 6			42,000
Vehicle Addition - Production Operator I			45,000
Vehicle Addition - Safety Officer			31,000
			\$ 319,000

2018 budget was \$263,000 – Replaced four Trucks and two trailers.

OCB Project Detail

Office Furniture & Equipment

5-Year Low	5-Year High	5-Year Average	Budget 2019
\$ 2,419	\$ 27,182	\$ 8,800	\$ 40,000

2019 Projects

Office Furniture/Workstations	\$ 40,000
	\$ 40,000

2019 budget is for Walnut Facility remodel and 3 new staff.

Debt Service Forecast

Debt Service Forecast

5-Year Low	5-Year High	5-Year Average	Budget 2019
\$ 7,425,000	\$ 7,509,550	\$ 7,467,502	\$ 7,420,000

	2013	2014	2015	2016	2017	2018	2019
Principal	\$ 3,580,000	\$ 3,675,000	\$ 3,795,000	\$ 3,945,000	\$ 4,060,000	\$ 4,425,000	\$ 4,570,000
Interest	3,849,356	3,792,909	3,630,000	3,560,697	3,459,968	3,140,000	2,850,000
Total Debt Service	<u>\$ 7,429,356</u>	<u>\$ 7,467,909</u>	<u>\$ 7,425,000</u>	<u>\$ 7,505,697</u>	<u>\$ 7,519,968</u>	<u>\$ 7,565,000</u>	<u>\$ 7,420,000</u>

2019 forecast assumes a variable interest rate of 3.86%.

2018 to 2020 reflect the refunding of the 2009B COP and the issuance of the 2018A Bond.

2019 Budget Summary

	2017 Actual	2017 Amended Budget	Actual As Of 10/31/18	2018 Projected	2018 Approved Budget	2019 Proposed Budget
Income From Customers	\$ 44,161,563	\$ 43,726,000	\$ 37,777,690	\$ 45,735,000	\$ 45,020,000	\$ 46,171,000
Water Transfers	-	1,992,000	-	900,000	-	-
Total Other Income	2,247,188	1,780,000	792,606	1,244,000	1,465,000	1,954,000
Total Revenue	<u>\$ 46,408,751</u>	<u>\$ 47,498,000</u>	<u>\$ 38,570,296</u>	<u>\$ 47,879,000</u>	<u>\$ 46,485,000</u>	<u>\$ 48,125,000</u>
Budgets:						
Operations and Maintenance	19,424,311	21,311,000	16,204,588	21,024,000	21,860,000	23,209,000
Capital Improvement Program	13,585,527	16,975,000	11,856,016	18,420,000	19,160,000	19,570,000
Operating Capital Program	1,135,278	1,166,000	631,617	1,161,000	1,161,000	950,000
Debt Service (Forecast)	7,519,968	7,770,000	2,625,864	7,565,000	7,700,000	7,420,000
Total Costs	<u>41,665,084</u>	<u>47,222,000</u>	<u>31,318,085</u>	<u>48,170,000</u>	<u>49,881,000</u>	<u>51,149,000</u>
Change in Reserve Balance	4,743,667	276,000	7,252,211	(291,000)	(3,396,000)	(3,024,000)
Reserve (Cash) Balance	<u>\$ 45,669,205</u>	<u>\$ 41,264,408</u>	<u>\$ 48,452,890</u>	<u>\$ 48,926,375</u>	<u>\$ 41,566,409</u>	<u>\$ 42,354,205</u>
Refunding 2009B			\$ (3,548,170)	\$ (3,548,170)		
	<u>\$ 45,669,205</u>	<u>\$ 41,264,408</u>	<u>\$ 44,904,720</u>	<u>\$ 45,378,205</u>	<u>\$ 41,566,409</u>	<u>\$ 42,354,205</u>



Agenda Item: 12

Date: November 12, 2018

Subject: General Manager's Report

Staff Contact: Dan York, General Manager

a. City of Sacramento 9,023 Acre Feet Area D Water

As previously reported, the City of Sacramento (City) and the former Northridge Water District (NWD) entered into an agreement in 1979, under which the City granted NWD the right, subject to specified conditions, to divert up to 9,023 acre feet (af) per year from the American River for use within the portion of service area of NWD, referred to as Area D. NWD never fulfilled the conditions set forth in the 1979 agreement. In 1983, the City took the position that the agreement had expired. Both agencies agreed that the best course of action would be to re-negotiate a new agreement. However, negotiations never took place. In 2015, the District requested to negotiate a new agreement to acquire a right to use the Area D water supplies.

A letter was delivered to the City on September 10, 2018 requesting an opportunity to begin negotiations to acquire a right to use the Area D water. The District has received a response from the City confirming they are willing to enter into negotiations with the District for a new agreement for the subject water supplies. However, the commitment to enter into negotiations is conditioned on several factors regarding costs associated with the City's 1957 operating contract with Bureau of Reclamation, obtaining required approvals and permits, possible curtailment due to drought, compliance with environmental reviews, potential termination if the water is not utilized within a specified number of years, and if the City needs the supplies for other purposes.

The District and City staff would like to begin negotiations at the same time as the two agencies are re-negotiating the 2004 Wholesale Agreement. The two agencies are anticipating to implement the subject negotiations in early 2019.

Due to the conditions set forth by the City, staff will analyze the conditions and determine if there is sufficient merit to move forward and place this item on the agenda for January 28, 2018 regular Board meeting to obtain direction.

b. San Juan Water District/Sacramento Suburban Water District Water Management/Re-Organization Committee Update

Following the October 3, 2018 SSWD-SJWD Water Management/Re-Organization Ad Hoc Committee meeting, the Committee directed the SSWD and SJWD General Managers to hold a meeting, extending an invitation to all General Managers in the region, with the objective of defining potential problems and opportunities, as well as

prepare options and recommendations to the Committee going forth. At the October 3rd Committee meeting, Fair Oaks Water District (FOWD) and Citrus Heights Water District (CHWD) commented that they are willing to engage in the dialogue. Having FOWD and CHWD engaged in the discussions would be a potential benefit to determine if there are areas to ultimately improve efficiencies of organizations that have similar missions than limiting to just SSWD rather than immediately proceed towards re-organization.

The General Managers of SSWD and SJWD extended the offer of other regional water agencies to participate in the discussions regarding supply reliability/re-organization and reports that were prepared for SSWD and SJWD in 2014 and 2015. The intent and purpose of the dialogue is to determine interests in how each agency might be interested in participating in discussions and negotiations regarding options ranging from increased collaboration in operations groundwater banking, surface water supplies, up to and including full organizational integration (e.g., "merger.").

On October 29, 2018, a meeting was held with interested managers from the region. The following agencies were represented: SSWD, SJWD, FOWD, CHWD, Carmichael Water District, Rio Linda/Elverta Community Water District, Del Paso Manor Water District, and City of Folsom.

A number of representatives in the meeting were not aware of the specifics related to the previous discussions between SSWD and SJWD in 2014-15. Therefore, the intent of the meeting was to basically update the representatives in attendance. A second meeting is scheduled for November 16, 2018, between the same representatives/agencies to engage in more detailed discussion points. Staff will provide an update on that particular meeting at the November 19, 2018 regular Board meeting.

c. Regional Water Supply/Wheeling Opportunities

Staff has been contacted by several water agencies in the region to discuss opportunities related to sharing new groundwater wells, wheeling, surface water supplies and groundwater banking. Due to potential complexity related to these opportunities, the General Manager will appoint an internal committee to begin compiling the necessary information to present to the Board. The following agencies have contacted the District:

Carmichael Water District – New groundwater well cost sharing
County of Sacramento – Groundwater banking/transfer
Placer County Water Agency - Wheeling
San Juan Water District – Surface water in dry years
SMUD – Surface water in dry years

d. Mueller Systems, LLC Contract Update

In 2010, the District entered into an agreement with KP Electronics (KP) for Advanced Metering Infrastructure (AMI). The District has expended more than \$3.9 million in public funds in exchange for a fully functional AMI system. In 2017, Mueller Systems acquired KP and succeeded KP's rights and obligations under its contract with the

District. Part of the obligations was to install additional infrastructure if necessary, at no cost to the District.

The District feels Mueller has failed and refused to meet its obligation to install such infrastructure while attempting to use its own failure as leverage to negotiate a new agreement with the District. Therefore, the District had no choice but to generate a letter to the Chief Executive Officer of Mueller. The letter was finalized by District legal counsel and signed by the Board President Craig Locke. The District has requested that Mueller respond as soon as possible and begin installing the infrastructure by December 31, 2018.

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

Thursday, November 8, 2018, 9:00 a.m.

5620 Birdcage Street, Suite 110

Citrus Heights, CA 95610

(916) 967-7692

AGENDA

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

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT

3. CONSENT CALENDAR

a. Minutes from the September 13, 2018 RWA Board meeting

b. Approve RWA Affiliate application from Fracta, Inc.

Action: Approve the Consent Calendar Items

4. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS

Information: Final minutes of the August 22, 2018 and September 27, 2018

Executive Committee meetings and draft minutes from the October 24, 2018

Executive Committee meeting

5. RETIREE HEALTH BENEFITS

Information Presentation: John Woodling, Executive Director

Action: Direct staff to work with counsel to prepare a resolution to comply with the "minimum payment" option under PEMHCA.

6. EXECUTIVE DIRECTOR'S REPORT

7. DIRECTORS' COMMENTS

ADJOURNMENT

Upcoming meetings:

Next Executive Committee Meetings – Wednesday, December 5, 2018 and Wednesday, January 23, 2019, 8:30 a.m. at the RWA office.

Next RWA Board of Directors' Meeting – Thursday, January 10, 2019, 9:00 a.m., at the RWA Office.

**REGIONAL WATER AUTHORITY
EXECUTIVE COMMITTEE AGENDA**

**October 24, 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 September 27, 2018 Executive Committee meeting
Action: Approve Consent Calendar items
- 4. INTRODUCTION OF AUDITORS GILBERT ASSOCIATES, INC.**
Information Presentation: John Woodling, Executive Director
- 5. RETIREE HEALTH BENEFITS**
Information Presentation: John Woodling, Executive Director
- 6. SUBCOMMITTEE UPDATES**
Information Presentation and Discussion: Conference and Membership Subcommittees
- 7. PROPOSED AQUIFER STORAGE AND RECOVERY FEASIBILITY STUDY CONSULTANT SUPPORT SELECTION**
Information Presentation: Rob Swartz, Manager of Technical Services
Action: Approve Consultant Selection Process and Recommendation
- 8. LANDSCAPE IMAGERY ANALYSIS PROPOSAL**
Information Presentation: Amy Talbot, Water Efficiency Program Manager
Action: Approve Executive Director to enter into a contract with Land IQ for a not-to-exceed amount of \$85,000, subject to funding availability

9. NOVEMBER 8, 2018 RWA BOARD MEETING AGENDA

Action: Approve November 8, 2018 proposed RWA Board Meeting Agenda

10. EXECUTIVE DIRECTOR'S REPORT

11. DIRECTORS' COMMENTS

ADJOURNMENT

Upcoming meetings:

Upcoming Executive Committee Meetings – December 5, 2018 and January 23, 2019 at 8:30 a.m. at the RWA office

Next RWA Board of Directors' Meeting – Thursday, November 8, 2018, at 9:00 a.m. in the RWA conference room, 5620 Birdcage Street, Ste. 110, Citrus Heights, CA 95610

ITEM 13. b.

SACRAMENTO GROUNDWATER AUTHORITY REGULAR MEETING OF THE BOARD OF DIRECTORS

Thursday, October 18, 2018; 10:00 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 August 9, 2018 meeting
Action: Approve August 9, 2018 meeting minutes
- 4. CHECK SIGNING AUTHORITY POLICY 400.5**
Information Presentation: John Woodling, Executive Director
Action: Approve Check Signing Authority Policy 400.5
- 5. GROUNDWATER MANAGEMENT PROGRAM UPDATE**
Information Update: Rob Swartz, Manager of Technical Services
- 6. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) UPDATE**
Information Update: John Woodling, Executive Director
- 7. APPOINTMENT OF NOMINATIONS COMMITTEE FOR 2019 SGA OFFICERS**
Action: Chair Foster to Appoint Nominations Committee for 2019 SGA Officers
- 8. EXECUTIVE DIRECTOR'S REPORT**
- 9. DIRECTORS' COMMENTS**

ADJOURNMENT

Next SGA Board of Director's Meeting – December 13, 2018, 9:00 a.m.,
RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights.



Agenda Item: 15

Date: November 5, 2018

Subject: Biannual Groundwater Elevations Report

Staff Contact: Matt Underwood, Operations Manager

Groundwater levels are monitored as part of a water management program designed to help local purveyors implement water sustainability practices on a regional basis. Static (standing) and dynamic (pumping) water levels also assist staff in monitoring the placement of the well pump in relation to these levels. Furthermore, drawdown, the difference between the static and dynamic levels, in conjunction with well yield, provides important information about the performance and efficiency of District wells. Drawdown measurements can also help detect other problems in their early stages, such as plugging of well screens by encrustation.

The data tables in Attachment 1 provide a summary of the standing water levels collected at all active well sites throughout the District for the past 8 years. The standing water levels are collected in the spring and fall of each year. The standing water level data collected in the fall generally indicates a reduction in the groundwater levels as a result of reduced recharge and higher pumping demands throughout the summer months. The standing water level data collected each spring generally indicates a replenishment of the groundwater aquifer levels throughout the winter months from reduced demand and aquifer recharge from precipitation. At the bottom of each table are the Fall Average, Spring Average, and Overall Average for the last eight years from 2011 to 2018.

Surface water was not available to the District from January 2013 through January 2016 due to drought conditions. However, the precipitation this past winter substantially increased the flows into Folsom Lake allowing the District to once again take surface water in the North Service Area (NSA). The use of surface water this year has resulted in an increase in the average standing water level for fall in the NSA when compared to the fall measurements from 2013 – 2016. The average standing water level for fall in the SSA remained the same from last year and has remained nearly unchanged over the past 8 years due in large part to recent conservation efforts. The overall groundwater levels District-wide indicate a general trend toward a replenishing aquifer over the past 15 years as shown on the linear trend line on the SSWD District Wide Average Biannual Static Water Level Graph from October 2003 through October 2018 (see Attachment 2).

The stability of the aquifer in both the NSA and the SSA is a direct result of customers doing their part to reduce water use during drought periods combined with the District's utilization of surface water when available during wet years through the Conjunctive Use Program. These combined efforts result in the District banking water in the aquifer. These reserves allow the District to utilize its groundwater sources in drought years without sustaining substantial negative effects on the long-term health of the aquifer.



Attachment 1

Static Water Levels, April / October, In Feet Below Ground Surface

Sacramento Suburban Water District ~ North Service Area

Well Name	Well #	Apr 2011	Oct 2011	Apr 2012	Oct 2012	Apr 2013	Oct 2013	Apr 2014	Oct 2014	Apr 2015	Oct 2015	Apr 2016	Oct 2016	Apr 2017	Oct 2017	Apr 2018	Oct 2018
Melrose / Channing	27	126	132	115	132	116	131	120	126	121	127	117	124	114	124	116	123
Watt / Elkhorn	31A	115	113	106	120	112	125	116	122	116	121	112	118	110	116	111	118
La Cienega / Melrose	34	115	123	116	130	118	132	122	130	123	127	118	124	115	N/A	117	124
Thomas / Elkhorn	39	N/A	N/A	122	136	120	N/A	130	142	135	138	128	134	N/A	N/A	127	N/A
Weddigen / Gothberg	52	130	135	130	147	135	148	137	145	137	143	132	140	130	139	133	141
Fairbairn / Karl	56A	151	164	164	127	119	131	132	126	121	127	119	124	116	125	116	124
32nd Street / Elkhorn	58	N/A	N/A	N/A	N/A	N/A	N/A	N/A	116	110	115	106	114	108	113	107	114
Bainbridge / Holmes School	59A	147	153	147	163	153	165	154	162	155	160	152	157	149	161	150	154
Galbrath / Antelope Woods	64	N/A	N/A	N/A	N/A	N/A	N/A	N/A	142	137	142	131	140	131	138	134	135
McClellan Park	MC10	107	110	106	113	108	116	110	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	NA
Capehart 1C	MC-C1	119	128	105	116	108	121	130	120	114	120	112	116	110	111	110	111
Capehart 3C	MC-C3	109	N/A	109	119	112	125	120	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Evergreen	N1	92	97	108	98	91	103	95	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Engle	N3	119	122	120	126	114	133	122	132	123	N/A	N/A	N/A	N/A	N/A	NA	N/A
Hillsdale	N5	137	166	160	177	165	179	167	176	168	172	163	169	162	171	163	164
Rosebud	N7	109	114	111	120	114	124	116	122	115	118	113	116	113	118	114	120
Field	N8	119	125	122	132	125	133	126	131	124	130	122	N/A	N/A	129	125	126
Cameron	N9	117	121	122	126	117	131	122	130	121	128	120	122	121	129	122	128
Walnut	N10	137	148	151	150	141	154	151	154	143	N/A	141	149	N/A	148	N/A	N/A
St. John	N12	129	131	130	138	128	141	134	143	134	142	134	136	134	141	135	140
Orange Grove	N14	103	106	113	123	113	121	114	120	113	118	115	115	115	120	103	120
Cabana	N15	141	148	146	146	156	178	156	179	161	164	N/A	130	127	N/A	NA	N/A
Oakdale	N17	117	120	117	124	158	169	158	168	159	164	156	117	115	121	112	126
Cypress	N20	126	130	130	142	128	142	135	141	130	140	130	133	132	131	131	131
River College	N22	94	126	118	126	119	130	120	131	123	129	120	123	119	126	120	126
Freeway	N23A	99	N/A	N/A	134	124	136	126	135	128	132	124	124	124	130	135	136
Don Julio	N24	157	162	159	180	162	185	168	183	165	177	157	170	162	162	162	167
Sutter	N25	149	159	143	164	151	162	160	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Monument	N26	187	195	190	211	197	212	199	212	205	209	190	202	190	193	195	196
Jamestown	N27	132	136	134	138	114	140	139	143	140	N/A	137	138	136	137	137	138
Merrihill	N29	130	138	132	141	135	146	137	144	135	140	134	137	134	137	134	141
Parkoaks	N30	129	134	131	153	133	140	136	141	135	138	134	132	131	129	134	136
Barrett Meadows	N31	151	152	144	151	147	159	154	158	151	157	151	154	152	156	151	156
Poker	N32A	162	165	160	176	169	N/A	169	N/A	N/A	173	164	172	164	166	165	N/A
Poker	N32B	161	165	160	176	169	176	167	176	177	173	164	171	162	166	165	166
Poker	N32C	163	164	161	176	169	179	166	N/A	N/A	N/A	168	169	164	164	N/A	N/A
Walerga	N33	156	165	159	171	163	175	172	174	167	171	162	168	160	162	161	164
Cottage	N34	137	146	139	159	145	155	146	153	N/A	N/A	142	N/A	N/A	N/A	N/A	N/A
North Antelope	N35	142	146	142	159	148	158	149	157	152	156	145	150	146	145	146	146
Verner	N36	148	156	152	165	156	N/A	185	161	155	159	152	153	151	153	N/A	N/A
Coyle	N38	N/A	N/A	N/A	N/A	N/A	N/A	167	N/A	150	N/A	147	148	N/A	151	148	147
Rutland	N39	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	145	141	147	145	145
Average Static Water Level		131	140	134	144	136	147	142	147	139	146	137	141	136	141	135	139

Fall Average 2011 - 2018:

143

Spring Average 2011 - 2018:

136

Overall Average 2011 - 2018:

140

Sacramento Suburban Water District ~ South Service Area

Well Name	Well #	Apr 2011	Oct 2011	Apr 2012	Oct 2012	Apr 2013	Oct 2013	Apr 2014	Oct 2014	Apr 2015	Oct 2015	Apr 2016	Oct 2016	Apr 2017	Oct 2017	Apr 2018	Oct 2018
El Prado / Park Estates	2A	86	91	80	83	81	83	82	86	81	84	80	N/A	88	95	90	86
Kubel / Armstrong	3A	96	99	95	95	94	102	95	97	94	73	68	76	70	75	73	78
Bell / Marconi	4B	92	95	99	98	91	97	95	100	94	97	88	99	90	101	92	99
Bell / El Camino	5	91	94	89	91	84	91	89	93	89	92	89	91	87	92	89	92
Ravenwood / Eastern	9	N/A	N/A	N/A	100	N/A	N/A	101	106	N/A	108	102	108	101	105	101	109
Hernando / Santa Anita Park	12	77	80	76	81	74	78	74	81	77	76	74	79	75	82	77	81
Calderwood / Marconi	13	98	102	103	100	97	101	95	99	95	94	94	84	90	94	100	100
Marconi South / Fulton	14	102	103	98	99	91	98	95	100	97	99	91	98	93	98	95	100
Riding Club / Ladino	18	88	95	88	94	91	98	91	99	93	98	92	99	88	96	90	NA
Watt / Arden	20A	99	102	100	102	98	107	101	109	101	104	101	105	97	104	100	108
West / Becerra	22	124	133	107	N/A	N/A	119	113	118	112	114	111	117	N/A	121	112	121
Marconi North / Fulton	23	122	120	126	128	120	124	126	118	122	123	N/A	93	95	96	92	99
Beccerra / Woodcrest	24	112	110	108	109	101	110	102	110	105	110	104	111	104	110	105	111
Thor / Mercury	25	103	108	102	107	105	114	106	112	109	111	106	111	102	110	102	116
Greenwood / Marconi	26	N/A	N/A	N/A	N/A	N/A	125	117	123	119	125	119	123	116	121	114	127
Red Robin / Darwin	28	102	104	102	102	98	100	100	101	98	98	96	102	98	102	99	102
Rockbridge / Keith	30	66	68	62	68	60	63	62	60	65	67	64	66	61	68	65	69
Eden / Root	32A	117	120	112	N/A	114	126	115	127	117	124	116	121	116	120	112	NA
Auburn / Norris	33A	95	100	92	103	96	114	98	106	103	103	99	105	100	108	102	106
Ulysses / Mercury	35	125	130	124	129	128	135	126	108	105	107	101	107	99	104	99	109
Morse / Cottage Park	37	73	76	73	76	71	76	74	79	73	78	72	78	71	79	73	78
Watt / Auburn	38	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Auburn Yard	40	104	111	104	116	104	112	105	107	100	110	112	110	111	113	112	N/A
Auburn Yard	40A	99	105	97	104	97	106	99	103	100	99	99	104	102	104	100	108
Albatros / Iris	41	102	98	98	99	91	98	99	100	97	93.7	96	101	98	101	99	103
Edison / Truax	43	92	96	91	92	92	95	91	92	89	87	84	93	87	94	88	92
Jamestown / Middleberry	45	64	66	64	64	62	62	64	67	64	64	61	65	58	67	65	69
Jonas / Sierra Mills	46	65	68	65	69	68	70	64	70	67	68	65	71	63	67	64	70
Copenhagen / Arden	47	110	112	110	114	114	124	105	117	114	118	111	119	109	112	110	117
Stewart / Lynndale	55A	130	135	130	147	135	148	137	145	137	143	132	140	130	96	89	99
Whitney / Concetta	60	88	96	93	97	95	104	94	99	96	97	93	98	86	132	125	133
Merrily / Annadale	65	N/A	N/A	N/A	129	110	132	112	118	115	115	109	114	112	121	114	NA
Eastern / Woodside Church	66	121	130	124	130	125	134	121	135	127	135	128	133	128	142	128	136
Northrop / Dornajo	68	46	50	48	49	46	50	54	51	49	48	48	51	42	50	46	50
Hilldale / Cooper	69	64	67	64	68	66	68	62	68	65	67	63	68	62	67	66	67
Sierra / Blackmer	70	44	46	46	45	43	48	44	49	48	50	46	48	39	48	44	50
Rodney T.Franz	71	62	70	71	74	72	76	71	78	73	71	72	74	64	74	69	74
River Walk / NETP	72	67	70	68	94	72	95	73	81	73	78	72	77	68	77	68	77
River Walk / NETP East	73	66	77	68	89	72	92	71	83	73	78	73	78	71	83	69	78
River Walk / NETP South	74	67	84	67	106	71	79	70	80	73	78	72	76	70	79	68	77
Enterprise / Northrop	75	52	52	50	54	50	54	51	65	48	65	52	56	48	57	48	57
Fulton / Fair Oaks	76	47	50	48	49	46	51	48	52	50	51	48	52	42	51	46	52
Larch / Northrop	77	74	75	70	74	72	72	72	79	74	73	72	76	69	76	70	N/A
Average Static Water Level		88	92	87	93	87	96	90	95	90	92	87	92	85	93	87	92

Fall Average 2011 - 2018:

93

Spring Average 2011 - 2018:

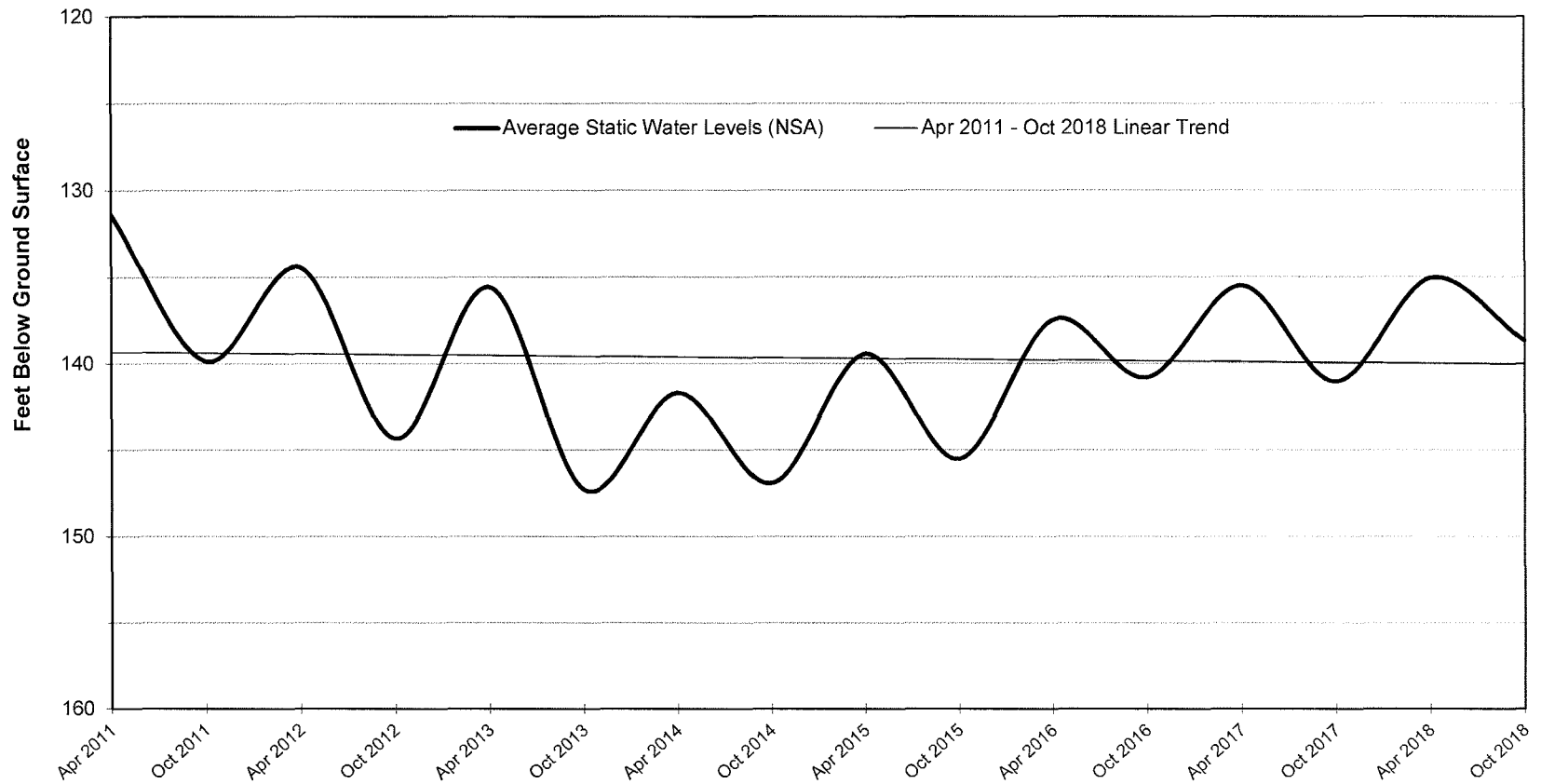
88

Overall Average 2011 - 2018:

90

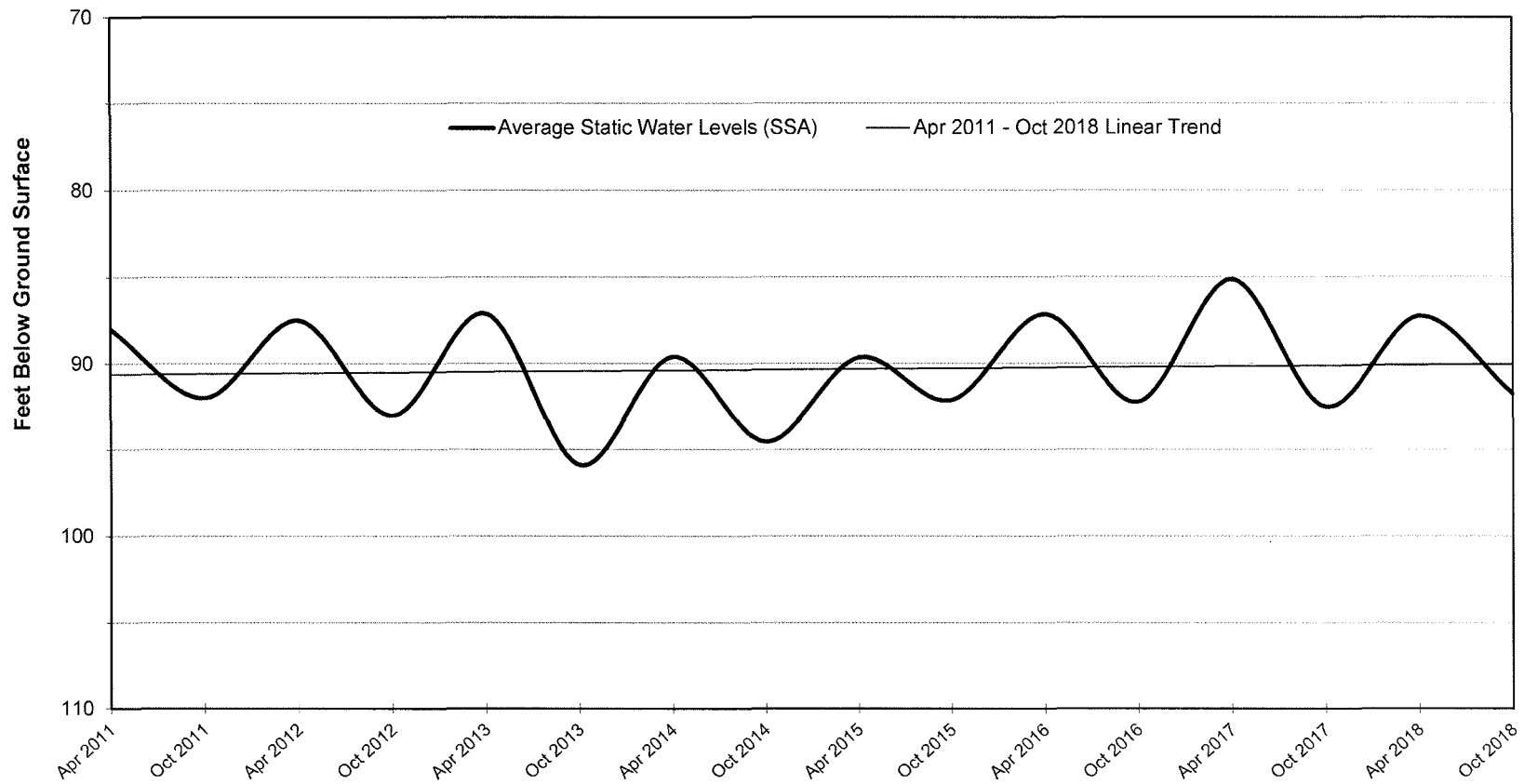
Attachment 2

**SSWD North Service Area
Average Biannual Static Well Water Levels**



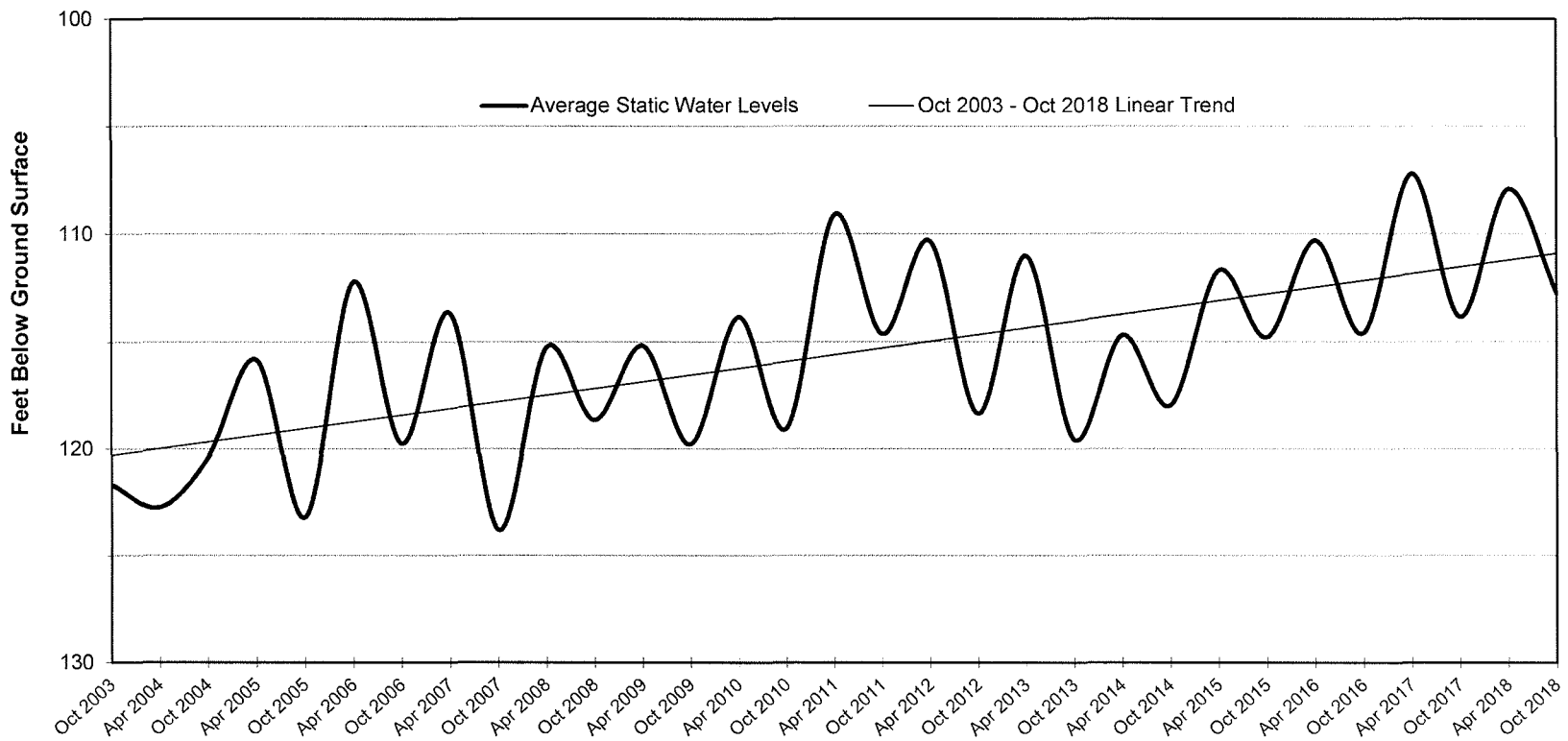
Attachment 2

SSWD South Service Area
Average Biannual Static Well Water Levels



Attachment 2

SSWD District-wide
Average Biannual Static Well Water Levels
October 2003 - April 2018*



*Graph represents data from a separate table (not depicted in Attachment 1) that contains the combined data from both the North Service Area and the South Service Area from October 2003 - October 2018.

Agenda Item: 16

Date: November 2, 2018

Subject: Legislative and Regulatory Update

Staff Contact: Greg Bundesen, Water Conservation Supervisor

RWA Government Affairs Committee

The 2018 Legislative Session ended on August 31, 2018. Table 1 shows a listing of the results from the Bills the District and the Regional Water Authority (RWA) have been tracking.

The RWA has hired a new Legislative and Regulatory Affairs Manager, Ryan Ojakian. Mr. Ojakian will lead RWA's Advocacy Program as the Lobbyist Subscription Program transitions from a subscription to a Core RWA Program. The District will continue to participate in the Advocacy Program to ensure both regional and District legislative and regulatory goals are promoted in the legislature.

On October 23, 2018, the President of the United States signed into law, legislation pertaining to water infrastructure. S.3021, a combination of H.R. 3387 and S.2800, reauthorizing the state revolving loan fund (SRF) program and the Water Infrastructure Finance and Innovation (WIFI) program for two years, both very positive outcomes according to the American Water Works Association. S.3021 will affect the District because it includes a provision from the Environmental Protection Agency (EPA) to require Consumer Confidence Reports (CCR) to be distributed twice per year, instead of once per year. Staff is reviewing the potential impact of distributing the District's CCR twice per year and will budget accordingly if S.3021 becomes a requirement.

S.3021 also formally authorizes the voluntary WaterSense conservation program. Unlike the Energy Star program, WaterSense had never been formally authorized by Congress and has been funded at the will of the Administrator of the EPA. Now that the President has signed S.3021 into law, the WaterSense program will become a permanently funded program within the EPA's budget. The District utilizes WaterSense promotional material as part of the public outreach efforts.

H.R. 434, supported by SSWD and currently being reviewed by the Natural Resources Committee, authorizes the Department of the Interior to provide financial assistance, such as 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. Eligible projects include:

- Non-federal water infrastructure projects;
- 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.

The District can benefit from H.R. 434 by applying for grants that assist in the funding of various capital improvement projects.

Table 1: Updates Regarding Previously Reported Legislation

Bill Number	Name	House Location	Date	Action	Comments	Results
SB 623	Safe and Affordable Drinking Water Fund	NA	NA	Rewritten and assigned as SB 845		Rewritten
SB 845	Safe & Affordable Drinking Water Fund	Assembly	8/24/18	Not Passed	Died in committee process	Oppose Unless Amended
SB 998	Discontinuation of Residential Water Service	Senate	8/29/18	Passed	Enrolled	Oppose Unless Amended
SB 1422	California Safe Drinking Water Act: Micro-plastics	Assembly	8/23/18	Passed	Enrolled	Oppose unless Amended
AB 2370	Lead Exposure: Child Day Care Facilities: Family Day Care Homes	Senate	6/28/18	Passed	Enrolled	Watch
AB 3206	Water Conservation: Water Meters: Accuracy and Performance Standards	Senate	8/16/18	Not Passed.	Placed on suspense file	Oppose Unless Amended
H.R. 434	New WATER Act	U.S. Congress	7/27/18	Natural Resources Committee	In committee process	Support recommended
S.3021	America's Water Infrastructure Act of 2018	U.S. Congress	9/17/18	Passed	Signed by President	Support recommended



Agenda Item: 17

Date: November 12, 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. ACWA 2018 Fall Conference
November 27-30, 2018
San Diego, CA
<https://www.acwa.com/events/2018-fall-conference-exhibition/>
2. CSDA Extraordinary Leader Workshop
December 4, 2018
Sacramento, CA
<https://members.csda.net/imis1/EventDetail?EventKey=EXLE120418>
3. RWA Executive Committee Meeting
December 5, 2018
RWA Office
<http://rwah2o.org/>
4. RWA & SGA Holiday Social
December 6, 2018
Sacramento, CA

5. SGA Board Meeting
December 13, 2018
SGA Office
<http://www.sgah2o.org/meetings/board-meetings/>
6. RWA Board Meeting
January 10, 2019
RWA Office
<http://rwah2o.org/>
7. RWA Executive Committee Meeting
January 23, 2019
RWA Office
<http://rwah2o.org/>
8. Water Caucus
February 13, 2019
RWA Office
9. SGA Board Meeting
February 14, 2019
SGA Office
<http://www.sgah2o.org/meetings/board-meetings/>
10. RWA Executive Committee Meeting
February 27, 2019
RWA Office
<http://rwah2o.org/>
11. ACWA 2019 Spring Conference
May 7, 2019
Monterey, CA
<https://www.acwa.com/events/>

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: 18

Date: November 7, 2018

Subject: Upcoming Policy Review – Electronic Mail, Internet and Computer Use Policy (PL – IT 005)

Staff Contact: Matthew B. Winans, IT Manager

The Electronic Mail, Internet and Computer Use Policy (PL – IT 005) was last reviewed by the Board in May 2015.

Staff has no recommended changes to the Policy, but is presenting the Policy to the Board for Director comment.

The Policy is scheduled for Board consideration and adoption at the December Board meeting. If a Director wishes to have their comments included in Board packet, please provide those comments to staff by Monday, December 3, 2018.

Sacramento Suburban Water District

Electronic Mail, Internet and Computer Use Policy

Adopted: September 20, 2004

Revised: ~~December 20, 2010; January 28, 2013; May 18, 2015~~ Updated/Ratified without no changes on December xx, 2018

100.00 Purpose of the Policy

The purpose of this policy is to establish and insure that all forms of electronic communication and equipment are used for District-related business only with no right or expectation of personal privacy

200.00 Policy

The District uses various forms of electronic communication and equipment including, but not limited to, computers, tablets, modems, telephones, cell phones, voice mail, fax machines, internet, and e-mail. All electronic communications, including all software and hardware, are and will remain the sole property of the District. All messages sent and received, including any personal messages, and all data and information stored on the District's computer systems are the District's property regardless of content.

Use of District electronic communication and equipment for "Social Networking" is not permitted. Employees who may need to utilize social networking for District-related business must obtain prior approval from the General Manager or his/her designee.

Electronic communications will not be used in any manner that would: (1) be discriminatory, lewd, derogatory, defamatory, disparaging, sexually explicit, harassing, threatening, or obscene; (2) constitute copyright, trademark infringement or misappropriation of trade secrets; or (3) be for any other purpose which is illegal, against District policy, or not in the best interests of the District.

Employees will not install personal software in District computer systems. All software on any District computer system must be licensed to the District. Any updates to existing software must be approved by the Information Technology Manager prior to installing the update. All electronic information created by any employee using any means of electronic communication is the property of the District and will remain the property of the District. Employees should understand that they have no right or expectation of privacy with respect to any messages or information created or

Attachment 1

maintained on the District's computer systems, including personal information or messages. Personal passwords may be used for purposes of security, but the use of a personal password does not affect the District's ownership of, or ability to access, the electronic information. Employees must not place stickers on laptop computers.

The District reserves the right to enter, access, search, monitor, review, copy, and/or retrieve electronic files, messages, e-mail, voice mail, history of internet usage, and any other type of electronic file or information, without notice, for any legitimate business purpose including, but not limited to, ensuring that there is no misuse or violation of District policy or any law, investigating theft, and monitoring disclosure of District information. The District may override personal passwords if it becomes necessary or appropriate to do so for any reason.

All electronic communications, including e-mail, access to the internet, and other types of District-paid communication access, are to be used only for District-related business and not for any personal use.

Any employee who misuses the District's electronic communications or otherwise violates this policy will be subject to discipline up to and including termination.

All employees must manage and protect records resulting from their e-mail communications as required by the District's Records Inspection, Retention and Disposal Policy (PL - Adm 002), Electronic Mail Management and Retention Policy (PL - IT 003) and Procedure (PR - IT 002), which sets forth the responsibilities of all District employees concerning the creation, removal, storage, and retention of e-mails that are designated as official District records.

300.00 Policy Review

This Policy shall be reviewed at least biennially.



Agenda Item: 19

Date: November 12, 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 – October 2018
- Financial Statements – October 2018
- Investments Outstanding and Activity – October 2018
- Cash Expenditures – October 2018
- Credit Card Expenditures – October 2018
- District Reserve Balances – October 2018
- Information Required by LOC Agreement
- Financial Markets Report – October 2018

Financial Highlights

The Statements of Net Position and Statements of Revenues, Expenses and Changes in Net Position are presented in this report. It is gleaned from the financial statements presented on subsequent pages. Key information from this report indicates the District's cash balance is \$0.4 million lower than its prior year balance at the same date; investments, however, are \$1.7 million more than on October 31, 2017; liabilities have decreased by \$8.4 million due to the refunding of the 2009B COP in May 2018 and the payment of bond principal this month; and net position has increased by \$11.2 million in the last 12 months as the District continues to replace capital infrastructure without incurring additional 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

Statements of Net Position:

District cash and cash equivalents increased to \$8.9 million as of October 31, 2018, up from \$6.1 million at December 31, 2017. Cash held in the District's bank accounts (\$6.8 million as of October 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 remained unchanged since December 31, 2017 at a total of \$35.8 million, reflecting the reinvestment of interest received off-set by unrealized market value losses. Investment portfolio balances and activity are reported on subsequent pages.

Capital assets grew \$13.8 million to \$471.3 million as of October 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 \$255.2 million as of October 31, 2018, compared to \$245.4 million at December 31, 2017 for an increase of \$9.7 million.

Statements of Revenues, Expenses and Changes in Net Position:

The net position increase of \$9.7 million in 2018, when compared to \$10.1 million for the same year-to-date period in 2017, shows:

1. Water Consumption Sales Revenue increased by \$0.4 million (4.0 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 2.9 percent as 27,173 acre-feet was delivered in 2018 compared to 27,988 acre-feet in 2017.
2. Capital Facility Charge Revenue increased by \$0.8 million in line with the 4.0 percent rate increase referred to above.
3. Operating expenses increased by \$0.4 from the same period in 2017 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; 2) an increase of \$0.6 million in groundwater pumping costs; 3) a decrease of \$0.1 million in transmission and distribution costs; and 4) an increase of \$0.2 million in administrative and general costs.
4. Interest and investment income decreased \$0.3 million compared to the same period a year ago primarily due to unrealized holding losses in the first ten months of 2018 that is a result of increasing market rates.
5. Interest expense and debt related costs decreased \$0.2 million compared to the same period a year ago primarily due to the savings from refunding the 2009B COP to a lower interest rate with the issuance of the 2018A Revenue Bond.

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 cost of surface water in the south service area and the shutdown of the ATP and water availability in the north service area. 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 October were \$0.6 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, \$11.9 million has been spent, while \$5.5 million is under contract. Expenditures continue to be primarily in distribution system replacements, well improvements and meter retrofit projects.

Debt – October 2018

The District completed refunding the Series 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 \$22,065,000, 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 \$19,615,000.

This report also shows district activity in repaying its long-term debt obligations. Scheduled 2018 principal payments of \$4.4 million were made at the end of October. Total principal outstanding as of October 31, 2018 is now \$74.7 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 the ten months ended October 31, 2018, the District has incurred interest expense of \$2,114,050 versus a forecast of \$2,883,333 or a \$769,283 positive variance. This is primarily due to: 1) expected Federal Reserve interest rate increases occurring later in the year than originally anticipated, and 2) savings from refunding the Series 2009B COP to a lower interest rate with the issuance of the 2018A Revenue Bond.

Investments Outstanding and Activity – October 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, asset-backed securities, collateralized mortgage obligations 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, analytics and proposes strategies for the District. The market portfolio is currently earning a rate of 2.20% per annum, while LAIF is earning 2.1% 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 October, the District purchased one Corporate Note for \$0.4 million (par), one Certificate of Deposit for \$0.4 million (par), and one Commercial Paper for \$0.8 million (par). The District sold one Corporate Note for \$0.3 million (par), one Certificate of Deposit for \$0.7

million (par). The District received principal paydowns on four Federal Agency Collateralized Mortgage Obligations of \$58,332 (par) and seven Asset-Backed Security Obligations of \$49,404 (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 – October 2018

During the month of October, the District made cash payments totaling \$9.0 million. The primary expenditures were – \$5.2 million for debt service, \$2.0 million for 2018 capital improvement projects, \$0.7 million for water costs including pumping and chemical costs, \$0.1 million for customer billing, printing and postage, \$0.2 million for auto and general liability insurance and \$0.6 million for payroll, pension and health benefits.

Purchasing Card Expenditures – October 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 \$16,726 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 October 31, 2018 are \$44,904,720 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
October 31, 2018

**Sacramento Suburban Water District
Statements of Net Position**

As Of

	Month End	Year End
	10/31/2018	12/31/17
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$8,889,604.41	\$6,084,811.39
Restricted Cash and cash equivalents	7,814.14	12,504.34
Accounts receivable, net of allowance for uncollectible accounts	2,394,426.86	3,220,813.91
Interest receivable	169,504.21	175,718.91
Restricted Interest receivable		7,982.27
Grants receivables	135,446.55	135,446.55
Other receivables		139,520.00
Inventory	762,241.20	687,361.49
Prepaid expenses and other assets	1,066,987.03	596,878.92
TOTAL CURRENT ASSETS	13,426,024.40	11,061,037.78
NONCURRENT ASSETS		
Investments	35,837,797.85	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	36,324,854.85	39,875,246.11
Property, plant and equipment	471,300,812.88	458,488,252.58
Accumulated depreciation	(178,609,747.74)	(168,222,020.00)
TOTAL CAPITAL ASSETS	292,691,065.14	290,266,232.58
TOTAL ASSETS	342,441,944.39	341,202,516.47
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount on long-term debt refunding	6,134,348.18	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	351,199,974.57	350,687,833.70
LIABILITIES		
CURRENT LIABILITIES		
Current portion of long-term debt and capital leases		4,240,000.00
Accounts payable	1,084,159.41	1,799,258.35
Accrued interest		426,439.43
Deferred revenue and other liabilities	997,718.37	895,650.62
Accrued expenses	1,316,686.63	1,194,890.42
TOTAL CURRENT LIABILITIES	3,398,564.41	8,556,238.82
NONCURRENT LIABILITIES		
Long-term debt	81,525,728.30	85,548,384.48
Compensated absences	985,850.21	1,019,780.10
Net pension liability	8,997,648.00	8,997,648.00
TOTAL NONCURRENT LIABILITIES	91,509,226.51	95,565,812.58
TOTAL LIABILITIES	94,907,790.92	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	44,453,744.92	34,727,343.57
TOTAL NET POSITION	255,157,853.65	245,431,452.30
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	351,199,974.57	350,687,833.70

Sacramento Suburban Water District
Statements of Revenues, Expenses and Changes in Net Position

Period Ended

	<u>Month</u>	<u>Year-To-Date</u>	<u>Month</u>	<u>Year-To-Date</u>
	<u>10/31/2018</u>	<u>10/31/2018</u>	<u>10/31/2017</u>	<u>10/31/2017</u>
OPERATING REVENUES				
Water consumption sales	\$1,343,811.14	\$11,233,049.21	\$1,340,653.01	\$10,813,086.55
Water service charge	536,378.60	5,280,169.86	537,919.62	5,293,299.80
Capital facilities charge	2,037,818.38	20,067,221.45	1,959,468.17	19,288,768.65
Wheeling water charge	67,054.66	329,835.30	551.76	167,185.82
Other charges for services	107,470.14	867,415.33	102,864.29	874,423.27
TOTAL OPERATING REVENUES	<u>4,092,532.92</u>	<u>37,777,691.15</u>	<u>3,941,456.85</u>	<u>36,436,764.09</u>
OPERATING EXPENSES				
Source of supply	250,594.64	2,409,046.17	448,140.83	2,696,061.01
Pumping	718,942.31	3,741,897.00	405,956.18	3,152,102.92
Transmission and distribution	365,021.69	2,984,296.16	409,406.05	3,122,080.40
Water conservation	40,638.80	339,571.67	31,365.23	366,306.16
Customer accounts	95,087.98	1,021,930.30	61,872.65	1,016,616.59
Administrative and general	608,814.59	5,707,846.51	453,866.90	5,449,905.57
TOTAL OPERATING EXPENSES	<u>2,079,100.01</u>	<u>16,204,587.81</u>	<u>1,810,607.84</u>	<u>15,803,072.65</u>
Operating income before depreciation	2,013,432.91	21,573,103.34	2,130,849.01	20,633,691.44
Depreciation and amortization	<u>(1,036,680.57)</u>	<u>(10,387,727.74)</u>	<u>(1,011,784.92)</u>	<u>(10,159,284.37)</u>
OPERATING INCOME	<u>976,752.34</u>	<u>11,185,375.60</u>	<u>1,119,064.09</u>	<u>10,474,407.07</u>
NON-OPERATING REV. (EXP.)				
Rental income	20,843.49	200,458.66	20,655.72	216,189.00
Interest and investment income	43,597.72	288,066.29	10,302.69	551,254.78
Interest expense and debt related costs	(228,621.61)	(2,625,864.04)	(273,432.02)	(2,899,601.56)
Other non-operating revenues	3,889.14	155,805.18		179,909.10
Grant revenue pass-through to sub recipients				389,100.55
Other non-operating expenses	1.99	12,090.27		3,667.07
Sub recipient grant expenses				(389,100.55)
Gain(loss) on disposal of capital assets		27,030.00		
NON-OPERATING REV. (EXP.)	<u>(160,289.27)</u>	<u>(1,942,413.64)</u>	<u>(242,473.61)</u>	<u>(1,948,581.61)</u>
NET INCOME (LOSS) BEFORE CAPITAL	<u>816,463.07</u>	<u>9,242,961.96</u>	<u>876,590.48</u>	<u>8,525,825.46</u>
CAPITAL CONTRIBUTIONS				
Facility development charges		116,284.00		91,097.00
Developer contributions		350,101.99		413,977.00
Federal, state and local capital grants		17,053.40		1,085,127.04
TOTAL CAPITAL CONTRIBUTIONS		<u>483,439.39</u>		<u>1,590,201.04</u>
CHANGE IN NET POSITION	<u>816,463.07</u>	<u>9,726,401.35</u>	<u>876,590.48</u>	<u>10,116,026.50</u>
Net position at beginning of period	254,341,390.58	245,431,452.30	243,099,892.26	233,860,456.24
NET POSITION AT END OF PERIOD	<u>255,157,853.65</u>	<u>255,157,853.65</u>	<u>243,976,482.74</u>	<u>243,976,482.74</u>

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

	<i>Month Of October</i>			<i>2018 YTD</i>		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<i>BUDGETED OPERATING EXPENSES</i>						
Board of Directors	\$1,824.38	\$2,853.07	\$1,028.69	\$29,297.36	\$50,530.70	\$21,233.34
Administrative	142,114.65	210,886.08	68,771.43	1,803,029.50	2,111,860.80	308,831.30
Finance	59,688.60	79,394.09	19,705.49	722,000.24	843,940.90	121,940.66
Customer Services	95,087.98	109,133.47	14,045.49	1,021,930.30	1,091,334.70	69,404.40
Field Operations	89,254.96	67,147.78	(22,107.18)	472,975.41	649,977.80	177,002.39
Production	969,536.95	717,939.54	(251,597.41)	6,150,943.17	6,909,421.40	758,478.23
Distribution	173,786.00	190,377.02	16,591.02	1,595,999.23	1,903,770.20	307,770.97
4 Field Services	191,235.69	119,839.16	(71,396.53)	1,386,638.48	1,212,772.64	(173,865.84)
Maintenance	54,711.52	56,159.34	1,447.82	508,456.89	561,592.80	53,135.91
Water Conservation	40,638.80	41,164.26	525.46	339,571.67	411,917.60	72,345.93
Engineering	120,470.30	115,586.15	(4,884.15)	1,040,671.25	1,145,909.50	105,238.25
GIS/CAD	24,603.90	33,714.97	9,111.07	279,847.15	345,653.70	65,806.55
Human Resources	10,304.19	24,707.32	14,403.13	151,306.27	213,235.20	61,928.93
Information Technology	105,842.09	71,437.21	(34,404.88)	701,920.89	754,372.10	52,451.21
<i>TOTAL OPERATING EXPENSES</i>	<u>2,079,100.01</u>	<u>1,840,339.46</u>	<u>(238,760.55)</u>	<u>16,204,587.81</u>	<u>18,206,290.04</u>	<u>2,001,702.23</u>

SACRAMENTO SUBURBAN WATER DISTRICT
OPERATING CAPITAL AMENDED BUDGET
10/31/2018

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 ##	30,172.00	70,558.25	12,300.00	\$ 12,141.75
SF18-430	HVAC/ROOFS/BUILDING REPAIRS	\$ 30,000.00		30,000.00 ##	-	7,500.00	4,057.00	\$ 18,443.00
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	(38,000.00) ³	32,000.00 ³	1,737.00	1,737.00	15,631.00	\$ 14,632.00
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	(9,900.00) ²	2,100.00 ²		590.00	-	\$ 1,510.00
SF18-436	REPLACE TRAILERS 168 & 169	\$ 20,000.00		20,000.00 ##		-	12,369.00	\$ 7,631.00
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 ##		30,935.00	-	\$ 2,065.00
SF18-439	VEH REPL-RIGHT SIZE/TRUCK#14	\$ 45,000.00		45,000.00 ##	5,495.00	39,216.00	1,123.00	\$ 4,661.00
SF18-440	VEH REPL-RIGHT SIZE/TRUCK#47	\$ 45,000.00		45,000.00 ##	5,495.00	39,216.00	5,497.00	\$ 287.00
SF18-441	VEH REPL-RIGHT SIZE/TRUCK#48	\$ 45,000.00		45,000.00 ##	1,123.00	39,216.00	-	\$ 5,784.00
SF18-442	COMPACT MINI EXCAVATOR	\$ 62,000.00		62,000.00 ##		59,370.00	-	\$ 2,630.00
SF18-443	METER VAULT LIDS REPLACEMENT	\$ 32,000.00		32,000.00 ##		11,100.00	22,035.00	\$ (1,135.00)
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	9,900.00 ²	37,900.00 ²		7,317.00	30,570.00	\$ 13.00
SF18-446	PERISTALTIC CHEM DOSING PUMPS	\$ 27,500.00		27,500.00 ##	17,209.00	21,727.00	-	\$ 5,773.00
SF18-447	UCMR 4 MONITORING	\$ 120,000.00		120,000.00 ##	-	-	-	\$ 120,000.00
SF18-448	HARDWARE REFRESH PROGRAM	\$ 108,500.00	34,251.00 ⁴	142,751.00 ⁴	24,998.00	89,757.25	7,284.00	\$ 45,709.75
SF18-449	SOFTWARE ENHANCEMENTS/MODULES	\$ 160,000.00	(84,251.00) ^{1,4}	75,749.00 ^{1,4}		72,929.00	2,820.00	\$ -
SF18-450	SERVER ROOM	\$ 50,000.00	50,000.00 ¹	100,000.00 ¹		1,488.00	71,429.00	\$ 27,083.00
SF18-451	SECURITY @ ENTERPRISE RESERVOIR FACIL	\$ -	38,000.00 ³	38,000.00 ³		-	37,310.00	\$ 690.00
TOTAL		\$ 1,161,000.00	\$ -	\$ 1,161,000.00	\$ 86,229.00	\$ 631,617.04	\$ 222,425.00	\$ 306,957.96

**Sacramento Suburban Water District
Capital Improvement Project Amended Budget
10/31/2018**

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	(\$92,000.00) ⁵	\$908,000.00	\$ 64,895.00	\$ 452,510.00	\$183,522.00	\$ 271,968.00
SC18-010	SCADA RTU/COMMUN IMPROVEMENT	\$ 60,000.00		60,000.00	-	-	-	\$ 60,000.00
SC18-011	WELLHEAD TREATMENT/CHEM FEED	\$ 150,000.00	31,000.00 ^{2,4}	181,000.00	-	159,080.00	16,375.00	\$ 5,545.00
SC18-012	WELL REPLACEMENTS	\$ 3,300,000.00	(200,000.00) ⁵	3,100,000.00	510,789.00	1,167,877.41	1,587,545.00	\$ 344,577.59
SC18-013	ELECTRICAL IMPROV @WELL SITES	\$ 200,000.00	(100,000.00) ³	100,000.00	3,621.00	15,425.50	31,923.00	\$ 52,651.50
SC18-018	DISTRIBUTION MAIN REPLACEMENTS	\$ 10,470,000.00		10,470,000.00	994,833.00	8,068,321.02	2,186,840.00	\$ 214,838.98
SC18-019	DIST MAIN IMPRV/EXT/INTERTIES	\$ 600,000.00	140,000.00 ^{1,5}	740,000.00	1,758.00	299,754.79	238,392.00	\$ 201,853.21
SC18-020	MCCLELLAN LINE REPL	\$ 50,000.00		50,000.00	-	11,575.00	1,496.00	\$ 36,929.00
SC18-022	WTR RELATED STREET IMPRV	\$ 200,000.00	161,000.00 ⁵	361,000.00	-	360,693.00	-	\$ 307.00
SC18-024	METER RETROFIT PROGRAM	\$ 2,100,000.00	10,000.00 ^{1,5}	2,110,000.00	349,319.00	1,031,591.69	1,070,512.00	\$ 7,896.31
SC18-034	RESERVIOR/TANK IMPROVMENT	\$ 100,000.00		100,000.00	9,200.00	13,485.00	12,365.00	\$ 74,150.00
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	3,831.00	27,341.00	65,311.00	\$ 47,348.00
SC18-040	ENGINE GENERATOR COMPLIANCE	\$ 240,000.00	100,000.00 ³	340,000.00	19,588.00	226,518.00	69,295.00	\$ 44,187.00
SC18-042	METER REPLACE/REPAIR - WMP	\$ 350,000.00		350,000.00	4,932.00	12,994.00	-	\$ 337,006.00
SC18-046	TANK INSPECTION & REPAIRS	\$ 100,000.00		100,000.00	8,850.00	8,850.00	29,550.00	\$ 61,600.00
SC18-048	RIGHT OF WAY/EASEMENT ACQUISTI	\$ 50,000.00	(50,000.00) ⁵	-	-	-	-	\$ -
		\$ 19,160,000.00	\$ -	\$ 19,160,000.00	\$ 1,971,616.00	\$ 11,856,016.41	\$ 5,512,326.00	\$ 1,791,657.59

**Sacramento Suburban Water District
Debt
10/31/2018**

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	-	-	(2,105,000)	(2,320,000)	(4,425,000)
Ending Balance	<u>\$ 42,000,000</u>	<u>\$ -</u>	<u>\$ 15,385,000</u>	<u>\$ 17,295,000</u>	<u>\$ 74,680,000</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)	(2,105,000)	(2,320,000)	(26,490,000)
Ending Balance	<u>\$ 42,000,000</u>	<u>\$ -</u>	<u>\$ 15,385,000</u>	<u>\$ 17,295,000</u>	<u>\$ 74,680,000</u>

Interest Expense

	Current Month Actual	Actual	Year-To-Date Budget	Variance
Interest Expense	<u>\$ 193,532</u>	<u>\$ 2,114,050</u>	<u>\$ 2,883,333</u>	<u>\$ 769,283</u>

**Investments Outstanding and Activity
October 2018**



Managed Account Detail of Securities Held

For the Month Ending **October 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	588.74	247,638.80	243,339.75
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	256.91	76,857.80	73,476.60
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	6.65	172,958.58	168,560.53
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	578.55	98,381.81	96,183.60
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	2,524.59	305,940.35	293,191.50
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	1,883.98	562,059.77	536,185.65
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	2,055.25	603,026.45	584,929.80
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	3,082.87	903,774.25	877,394.70
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	3,596.69	1,051,903.66	1,023,627.15
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	4,795.58	1,410,473.72	1,364,836.20
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	9.50	271,234.96	261,722.73
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	16.40	466,793.79	452,066.53
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	41.44	1,186,249.97	1,142,062.80
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	23.31	446,251.77	433,863.45



Managed Account Detail of Securities Held

For the Month Ending **October 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	25.90	494,821.12	482,070.50
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	49.21	923,162.87	915,933.95
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	54.39	1,021,490.80	1,012,348.05
US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	1,150,000.00	AA+	Aaa	09/05/18	09/07/18	1,101,753.91	2.76	3,960.94	1,103,500.82	1,094,790.80
Security Type Sub-Total		11,450,000.00					11,348,166.02	2.03	23,550.90	11,346,521.29	11,056,584.29
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	1,912.23	898,636.55	876,544.20
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	7,106.94	704,302.67	688,324.70
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	196.88	224,590.15	222,860.25
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	5,500.00	748,395.49	744,228.00
Security Type Sub-Total		2,575,000.00					2,577,078.37	2.13	14,716.05	2,575,924.86	2,531,957.15
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	580.14	230,062.52	228,937.40
Security Type Sub-Total		230,000.00					230,646.30	1.90	580.14	230,062.52	228,937.40



Managed Account Detail of Securities Held

For the Month Ending **October 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 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	9,571.88	AA+	Aaa	11/06/15	11/30/15	9,667.60	1.20	15.14	9,571.88	9,539.78
FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AODO0	41,274.23	AA+	Aaa	10/07/15	10/30/15	41,687.55	1.08	56.61	41,319.50	41,046.63
FNMA SERIES 2015-M12 FA DTD 09/01/2015 2.409% 04/01/2020	3136AP3Z3	98,723.47	AA+	Aaa	09/10/15	09/30/15	98,687.94	0.54	198.22	98,723.47	98,637.45
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	225,273.75	AA+	Aaa	04/11/18	04/30/18	229,754.67	2.27	668.31	229,143.77	225,806.00
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	201,453.80	198,467.12
Security Type Sub-Total		574,843.33					581,500.89	1.99	1,453.28	580,212.42	573,496.98
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	3,260.16	971,747.95	929,167.20
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	334.03	129,747.59	124,044.57
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	420,000.00	AA+	Aaa	08/17/16	08/19/16	418,299.00	1.33	1,079.17	419,034.45	400,759.38
Security Type Sub-Total		1,525,000.00					1,516,925.30	1.28	4,673.36	1,520,529.99	1,453,971.15
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	16.67	49,977.02	49,761.80
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	108.33	324,965.62	323,451.70



Managed Account Detail of Securities Held

For the Month Ending October 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											
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	1,189.00	144,984.51	144,144.50
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	783.33	205,849.18	202,958.80
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	3,021.67	399,935.07	396,310.00
JPMORGAN CHASE & CO (CALLABLE) DTD 01/23/2015 2.250% 01/23/2020	46625HKA7	500,000.00	A-	A2	10/01/15	10/06/15	496,400.00	2.43	3,062.50	498,936.14	494,113.00
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	2,173.89	400,725.32	394,802.40
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	762.06	214,898.41	212,169.74
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	731.60	250,632.29	246,888.25
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	208.54	274,937.47	270,829.08
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	1,277.50	174,945.38	171,574.55
JP MORGAN CHASE & CO CORP NT (CALLABLE) DTD 06/23/2015 2.750% 06/23/2020	46625HLW8	300,000.00	A-	A2	09/01/15	09/04/15	301,491.00	2.64	2,933.33	300,518.21	297,050.70
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	2,681.25	375,773.82	369,936.75
CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020	14913O2A6	275,000.00	A	A3	09/05/17	09/07/17	274,769.00	1.88	805.52	274,856.19	268,912.33
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	3,733.33	399,770.07	391,384.80



Managed Account Detail of Securities Held

For the Month Ending October 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											
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	2,691.67	374,627.94	365,785.88
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	2,101.94	350,708.85	342,531.00
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	403.13	74,975.22	73,061.33
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	2,532.22	399,850.61	393,801.20
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	1,467.45	374,796.96	371,674.50
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	555.83	149,870.81	148,368.60
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	833.75	224,223.53	222,552.90
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	200.00	224,968.01	218,285.10
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	416.67	379,345.53	367,486.13
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	30.63	35,195.96	34,337.17
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	243.06	350,819.36	341,007.80
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	2,475.00	224,727.59	218,799.23
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	1,947.50	199,931.61	193,646.00



Managed Account Detail of Securities Held

For the Month Ending **October 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											
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	2,208.75	149,912.58	149,330.55
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	965.25	109,755.10	106,173.87
CHARLES SCHWAB 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	3,588.54	249,993.43	249,165.25
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	465.60	240,000.00	234,282.00
AMERICAN HONDA FINANCE CORP NOTES DTD 10/10/2018 3.375% 12/10/2021	02665WCP4	375,000.00	A+	A2	10/03/18	10/10/18	374,820.00	3.39	738.28	374,820.00	374,508.38
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	1,434.59	90,000.00	89,574.57
Security Type Sub-Total		8,860,000.00					8,891,591.35	2.36	48,788.38	8,870,227.79	8,728,659.86
Commercial Paper											
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	741,112.08	740,310.75
BNP PARIBAS NY BRANCH COMM PAPER DTD 10/19/2018 0.000% 04/17/2019	09659CRH3	750,000.00	A-1	P-1	10/19/18	10/19/18	739,875.00	2.74	0.00	740,606.25	740,430.75
DEXIA CREDIT LOCAL SA NY COMM PAPER DTD 08/09/2018 0.000% 04/29/2019	25214PKQ5	500,000.00	A-1+	P-1	08/08/18	08/09/18	490,685.42	2.60	0.00	493,660.42	493,500.00
Security Type Sub-Total		2,000,000.00					1,966,104.17	2.66	0.00	1,975,378.75	1,974,241.50
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	5,352.11	724,977.38	724,656.35
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	5,493.89	725,000.00	724,838.33



Managed Account Detail of Securities Held

For the Month Ending **October 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											
SVENSKA HANDELSBANKEN NY 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	4,488.75	750,000.00	749,278.50
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	537.19	375,000.00	373,751.63
SKANDINAV ENSKILDA BANKEN NY CD DTD 08/04/2017 1.840% 08/02/2019	83050FXT3	700,000.00	A-1	P-1	08/03/17	08/04/17	699,727.00	1.85	3,255.78	699,897.25	695,716.70
MUFG BANK LTD/NY CERT DEPOS DTD 09/27/2017 2.070% 09/25/2019	06539RGM3	350,000.00	A-1	P-1	09/25/17	09/27/17	350,000.00	2.07	744.63	350,000.00	347,260.55
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	7,314.69	375,000.00	374,456.25
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	1,868.89	400,000.00	400,448.40
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	4,620.00	374,885.13	376,214.63
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	2,989.58	625,000.00	615,484.38
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 08/03/2018 3.190% 08/03/2020	06370REU9	670,000.00	A+	Aa2	08/01/18	08/03/18	670,000.00	3.23	5,343.25	670,000.00	668,032.88
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 10/18/2018 3.390% 10/16/2020	86565BPC9	380,000.00	A	A1	10/16/18	10/18/18	379,483.20	3.46	465.18	379,492.29	382,631.88
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	7,459.47	700,000.00	685,210.40
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	8,365.50	650,000.00	651,775.80
Security Type Sub-Total		7,800,000.00					7,798,502.20	2.38	58,298.91	7,799,252.05	7,769,756.68
Asset-Backed Security / Collateralized Mortgage Obligation											
NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	30,012.05	NR	Aaa	07/15/15	07/22/15	30,009.67	1.34	17.87	30,011.48	29,951.54



Managed Account Detail of Securities Held

For the Month Ending **October 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											
JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	40,982.99	NR	Aaa	07/19/16	07/27/16	40,979.72	1.25	22.77	40,981.82	40,768.48
ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	43,610.79	AAA	Aaa	05/24/16	05/31/16	43,606.56	1.44	27.91	43,609.13	43,433.63
HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	36,909.83	AAA	Aaa	03/22/16	03/30/16	36,902.68	1.57	25.59	36,907.19	36,759.92
FORD ABS 2016-B A3 DTD 04/26/2016 1.330% 10/15/2020	34532EAD7	39,160.01	AAA	NR	04/19/16	04/26/16	39,156.30	1.33	23.15	39,159.01	38,960.50
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	2,764.67	550,000.00	548,899.95
HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	177,865.69	AAA	Aaa	09/14/16	09/21/16	177,841.75	1.30	101.98	177,853.92	176,027.87
ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	134,148.75	NR	Aaa	01/24/17	01/31/17	134,137.03	1.70	101.36	134,141.98	133,065.70
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	474,999.10	470,456.96
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	519,962.08	515,965.68
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	324,995.68	323,750.80
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	399,974.74	397,875.00
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	5,239.38	749,912.57	738,518.25
Security Type Sub-Total		3,522,690.11					3,522,329.32	2.13	10,049.51	3,522,508.70	3,494,434.28
Managed Account Sub-Total		38,537,533.44					38,432,843.92	2.20	162,110.53	38,420,618.37	37,812,039.29



Managed Account Detail of Securities Held

For the Month Ending **October 31, 2018**

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Securities Sub-Total	\$38,537,533.44	\$38,432,843.92	2.20%	\$162,110.53	\$38,420,618.37	\$37,812,039.29
Accrued Interest						\$162,110.53
Total Investments						\$37,974,149.82

**Investment Activity
October 2018**



Managed Account Security Transactions & Interest

For the Month Ending **October 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											
	10/03/18	10/10/18	AMERICAN HONDA FINANCE CORP NOTES DTD 10/10/2018 3.375% 12/10/2021	02665WCP4	375,000.00	(374,820.00)	0.00	(374,820.00)			
	10/16/18	10/18/18	SUMITOMO MITSUI BANK NY CERT DEPOS DTD 10/18/2018 3.390% 10/16/2020	86565BPC9	380,000.00	(379,483.20)	0.00	(379,483.20)			
	10/19/18	10/19/18	BNP PARIBAS NY BRANCH COMM PAPER DTD 10/19/2018 0.000% 04/17/2019	09659CRH3	750,000.00	(739,875.00)	0.00	(739,875.00)			
Transaction Type Sub-Total					1,505,000.00	(1,494,178.20)	0.00	(1,494,178.20)			

INTEREST											
	10/01/18	10/01/18	MONEY MARKET FUND	MONEY0002	0.00	0.00	274.09	274.09			
	10/01/18	10/01/18	BURLINGTON NRTH CORP DTD 09/24/2009 4.700% 10/01/2019	12189TBC7	200,000.00	0.00	4,700.00	4,700.00			
	10/01/18	10/01/18	BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021	06051GGS2	240,000.00	0.00	2,793.60	2,793.60			
	10/01/18	10/25/18	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	236,025.29	0.00	725.47	725.47			
	10/01/18	10/25/18	FNMA SERIES 2015-M12 FA DTD 09/01/2015 2.409% 04/01/2020	3136AP3Z3	119,243.88	0.00	239.42	239.42			
	10/01/18	10/25/18	FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	9,585.84	0.00	15.16	15.16			
	10/01/18	10/25/18	FHLMC MULTIFAMILY STRUCTURED P POOL DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	200,000.00	0.00	515.00	515.00			
	10/01/18	10/25/18	FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AODO0	68,321.00	0.00	93.71	93.71			
	10/05/18	10/05/18	BANK OF NOVA SCOTIA HOUSTON LT CD DTD 04/06/2017 1.910% 04/05/2019	06417GUE6	375,000.00	0.00	3,640.94	3,640.94			
	10/15/18	10/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	45,422.45	0.00	47.32	47.32			
	10/15/18	10/15/18	PEPSICO INC CORP (CALLABLE) NOTE DTD 10/10/2017 2.000% 04/15/2021	713448DX3	225,000.00	0.00	2,250.00	2,250.00			



Managed Account Security Transactions & Interest

For the Month Ending October 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											
	10/15/18	10/15/18	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	475,000.00	0.00	661.04	661.04			
	10/15/18	10/15/18	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	190,938.89	0.00	205.26	205.26			
	10/15/18	10/15/18	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	143,303.03	0.00	203.01	203.01			
	10/15/18	10/15/18	NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	37,418.92	0.00	41.78	41.78			
	10/15/18	10/15/18	TAOT 2018-B A3 DTD 05/16/2018 2.960% 09/15/2022	89238TAD5	325,000.00	0.00	801.67	801.67			
	10/15/18	10/15/18	ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023	02007JAC1	400,000.00	0.00	1,000.00	1,000.00			
	10/15/18	10/15/18	HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	41,704.59	0.00	54.22	54.22			
	10/15/18	10/15/18	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	520,000.00	0.00	771.33	771.33			
	10/15/18	10/15/18	ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	49,592.57	0.00	59.51	59.51			
	10/15/18	10/15/18	BANK OF NEW YORK MELLON CORP (CALLABLE) DTD 02/19/2016 2.500% 04/15/2021	06406FAA1	375,000.00	0.00	4,687.50	4,687.50			
	10/15/18	10/15/18	FORD ABS 2016-B A3 DTD 04/26/2016 1.330% 10/15/2020	34532EAD7	43,712.73	0.00	48.45	48.45			
	10/17/18	10/17/18	TOYOTA MOTOR CREDIT CORP DTD 04/17/2017 1.950% 04/17/2020	89236TDU6	275,000.00	0.00	2,681.25	2,681.25			
	10/19/18	10/19/18	BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	35,000.00	0.00	459.38	459.38			
	10/19/18	10/19/18	INTER-AMERICAN DEVELOPMENT BANK NOTE DTD 04/19/2018 2.625% 04/19/2021	4581X0DB1	225,000.00	0.00	2,953.13	2,953.13			
	10/21/18	10/21/18	MORGAN STANLEY CORP NOTES DTD 04/21/2016 2.500% 04/21/2021	61746BEA0	350,000.00	0.00	4,375.00	4,375.00			



Managed Account Security Transactions & Interest

For the Month Ending **October 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									
INTEREST										
10/25/18	10/25/18	GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.000% 04/25/2019	38141GVT8	325,000.00	0.00	3,250.00	3,250.00			
10/25/18	10/25/18	GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.000% 04/25/2019	38141GVT8	50,000.00	0.00	500.00	500.00			
10/31/18	10/31/18	US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	1,200,000.00	0.00	7,500.00	7,500.00			
10/31/18	10/31/18	US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	450,000.00	0.00	4,218.75	4,218.75			
10/31/18	10/31/18	US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	950,000.00	0.00	8,906.25	8,906.25			
10/31/18	10/31/18	US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	275,000.00	0.00	1,718.75	1,718.75			
10/31/18	10/31/18	US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	1,050,000.00	0.00	9,843.75	9,843.75			
10/31/18	10/31/18	US TREASURY NOTES DTD 05/02/2016 1.375% 04/30/2021	912828O78	175,000.00	0.00	1,203.13	1,203.13			
10/31/18	10/31/18	US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	500,000.00	0.00	4,687.50	4,687.50			
10/31/18	10/31/18	US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	475,000.00	0.00	2,968.75	2,968.75			
Transaction Type Sub-Total				10,655,269.19	0.00	79,094.12	79,094.12			
MATURITY										
10/19/18	10/19/18	BNP PARIBAS NY BRANCH COMM PAPER DTD 01/22/2018 0.000% 10/19/2018	09659CCK3	700,000.00	700,000.00	0.00	700,000.00	10,670.33	0.00	
Transaction Type Sub-Total				700,000.00	700,000.00	0.00	700,000.00	10,670.33	0.00	
PAYDOWNS										
10/01/18	10/25/18	FNMA SERIES 2015-M12 FA DTD 09/01/2015 2.409% 04/01/2020	3136AP3Z3	20,520.41	20,520.41	0.00	20,520.41	7.38	0.00	



Managed Account Security Transactions & Interest

For the Month Ending October 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
PAYDOWNS											
10/01/18	10/25/18		FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AOD00	27,046.77	27,046.77	0.00	27,046.77	(270.84)	0.00	
10/01/18	10/25/18		FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	13.96	13.96	0.00	13.96	(0.14)	0.00	
10/01/18	10/25/18		FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	10,751.54	10,751.54	0.00	10,751.54	(213.86)	0.00	
10/15/18	10/15/18		FORD ABS 2016-B A3 DTD 04/26/2016 1.330% 10/15/2020	34532EAD7	4,552.72	4,552.72	0.00	4,552.72	0.43	0.00	
10/15/18	10/15/18		HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	13,073.20	13,073.20	0.00	13,073.20	1.76	0.00	
10/15/18	10/15/18		HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	4,794.76	4,794.76	0.00	4,794.76	0.93	0.00	
10/15/18	10/15/18		JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	4,439.46	4,439.46	0.00	4,439.46	0.35	0.00	
10/15/18	10/15/18		NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	7,406.87	7,406.87	0.00	7,406.87	0.59	0.00	
10/15/18	10/15/18		ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	5,981.78	5,981.78	0.00	5,981.78	0.58	0.00	
10/15/18	10/15/18		ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	9,154.28	9,154.28	0.00	9,154.28	0.80	0.00	
Transaction Type Sub-Total					107,735.75	107,735.75	0.00	107,735.75	(472.02)	0.00	
SELL											
10/03/18	10/10/18		AMERICAN HONDA FINANCE GLOBAL NOTES DTD 09/09/2014 2.250% 08/15/2019	02665WAH4	300,000.00	298,566.00	1,031.25	299,597.25	(879.00)	(1,333.88)	FIFO
10/16/18	10/18/18		SUMITOMO MITSUI BANK NY CD DTD 05/04/2017 2.050% 05/03/2019	86563YVNO	700,000.00	697,023.43	6,696.67	703,720.10	(2,976.57)	(2,976.57)	FIFO
Transaction Type Sub-Total					1,000,000.00	995,589.43	7,727.92	1,003,317.35	(3,855.57)	(4,310.45)	
Managed Account Sub-Total						309,146.98	86,822.04	395,969.02	6,342.74	(4,310.45)	
Total Security Transactions						\$309,146.98	\$86,822.04	\$395,969.02	\$6,342.74	(\$4,310.45)	

**Cash Expenditures
October 2018**

AP Warrant List from 10/1/2018 to 10/31/2018

Vendor Name	Amount	Description
ACWA JPIA INSURANCE/EAP - Invoices:2	\$310.20	Miscellaneous Employee Benefits
AMERITAS (VISION) - Invoices:1	\$1,916.88	Employee Benefit - Vision
BASIC PACIFIC - Invoices:1	\$34.00	Miscellaneous Employee Benefits
CIGNA GROUP INS LIFE/LTD - Invoices:1	\$4,162.11	Employee Benefit - LTD Insurance
CIGNA-DENTAL INS - Invoices:1	\$12,589.67	Employee Benefit - Dental
EMPLOYMENT DEVELOPMENT - Invoices:1	\$3,962.44	Miscellaneous Employee Benefits
Payroll	\$409,838.10	October Payroll
PERS HEALTH - Invoices:2	\$100,452.20	Miscellaneous Employee Benefits
PERS LONG TERM CARE PROGRAM - Invoices:2	\$2,657.04	Miscellaneous Employee Benefits
PERS PENSION - Invoices:6	\$72,694.15	Employee Benefit - PERS
SUTTER MEDICAL FOUNDATION - Invoices:1	\$284.00	Miscellaneous Employee Benefits
A1 FABRICATTION & WELDING - Invoices:6	\$6,402.50	Construction In Progress
ADVANCED ROOF DESIGN INC - Invoices:1	\$1,173.00	Construction In Progress
AREA WEST ENGINEERS - Invoices:1	\$3,175.00	Construction In Progress
AVILES SIGN AND LIGHTING REPAIR - Invoices:1	\$1,737.00	Construction In Progress
CALIFORNIA DIESEL AND POWER - Invoices:2	\$10,219.39	Construction In Progress
CANNON WATER TECHNOLOGY - Invoices:4	\$19,760.53	Construction In Progress
CDWG - Invoices:1	\$24,997.50	Construction In Progress
CITY OF SACRAMENTO COMM DEVELOP DEPT -	\$1,208.00	Construction In Progress
COUNTY OF SAC PUBLIC WORKS - Invoices:6	\$5,334.75	Construction In Progress
DOMENCHELLI & ASSOCIATES - Invoices:2	\$62,541.00	Construction In Progress
DOUG VEERKAMP GENERAL ENGR - Invoices:2	\$686,478.83	Construction In Progress
ERC CONTRACTING - Invoices:2	\$14,496.63	Construction In Progress
FERGUSON WATERWORKS - Invoices:3	\$3,415.27	Construction In Progress
FLOWLINE CONTRACTORS INC - Invoices:3	\$377,496.75	Construction In Progress
GEOCON CONSULTANTS INC - Invoices:2	\$3,766.25	Construction In Progress
GM CONSTRUCTION & DEVELOPERS - Invoices:9	\$85,056.00	Construction In Progress
HD Supply/WHITE CAP - Invoices:1	\$100.36	Construction In Progress
HEROLD & MIELENZ INC - Invoices:1	\$12,946.72	Construction In Progress
INDUSTRIAL ELECTRICAL CO - Invoices:1	\$12,097.36	Construction In Progress
LOEWEN PUMP MAINTENANCE - Invoices:3	\$11,350.00	Construction In Progress
LUHDORFF & SCALMANINI - Invoices:1	\$28,106.46	Construction In Progress
MBP MASTER ASSOCIATION INC - Invoices:1	\$550.00	Construction In Progress
ONE STOP TRUCK SHOP - Invoices:2	\$8,744.94	Construction In Progress
PRODIGY ELECTRIC - Invoices:2	\$27,200.00	Construction In Progress
RIVER CITY PAINTING - Invoices:6	\$33,860.00	Construction In Progress
ROADRUNNER DRILLING & PUMP CO - Invoices:1	\$200,411.00	Construction In Progress
S E AHLSTRÖM INSPECTION - Invoices:2	\$13,200.00	Construction In Progress
SYBLON REID - Invoices:1	\$232,393.75	Construction In Progress
TANK INDUSTRY CONSULTANTS - Invoices:1	\$7,650.00	Construction In Progress
WOOD RODGERS ENGINEERING - Invoices:5	\$62,862.17	Construction In Progress
CITIGROUP GLOBAL MARKETS INC - Invoices:1	\$13,232.88	2009A COP Interest Expense
SUMITOMO MITSUI BANKING CORPORATION -	\$40,685.07	2009A COP Interest Expense
UNION BANK NA - Invoices:4	\$5,061,522.03	Accrued Interest - 2012A Revenue
WELLS FARGO SWAP - Invoices:1	\$46,647.45	2009A COP Interest Expense
ADP, INC - Invoices:2	\$1,648.22	Financial Services
BRINKS - Invoices:2	\$664.12	Financial Services
PFM ASSET MANAGEMENT LLC - Invoices:1	\$3,734.82	Financial Services
WESTAMERICA BANK ANALYSIS FEES - Invoices:1	\$5,048.71	Financial Services
WESTAMERICA CARD PROCESSING STMT - Invoices:1	\$14,354.45	Financial Services
WORLDPAY INTEGRATED PAYMENTS - Invoices:1	\$530.48	Financial Services
A & B ASPHALT SEALING CO INC - Invoices:1	\$398.00	Contract Services
ACWA - Invoices:1	\$23,535.00	2019 Membership Dues
ACWA JPIA INSURANCE AUTHORITY - Invoices:4	\$174,106.10	Other Training
AIRGAS USA LLC - Invoices:1	\$139.29	Operating Supplies
ALL PRO BACKFLOW - Invoices:2	\$2,299.00	Backflow Services
ALLTECH GATES - Invoices:1	\$445.00	Building Maintenance - Office &
AM CONSERVATION GROUP INC - Invoices:1	\$2,421.28	Operating Supplies
AMY BULLOCK - Invoices:1	\$57.72	Local Travel Cost
ANITA PRIETTO CUETO - Invoices:1	\$75.00	BMP Rebates
ANSWERNET - Invoices:1	\$447.35	Communication
AT&T CALNET 3 - Invoices:8	\$6,777.80	Communication
ATLAS DISPOSAL - Invoices:2	\$366.43	Building Service Expense - Office &
BADGER METER INC - Invoices:1	\$20.47	Communication

BARTH L WILSEY - Invoices:1	\$150.00 BMP Rebates
BARTKIEWICZ KRONICK & SHANAHAN - Invoices:1	\$12,456.35 Legal Services
BENDER ROSENTHAL INC - Invoices:1	\$16,900.00 Consulting Services
BRIAN D MULLIN - Invoices:1	\$100.00 BMP Rebates
BRIAN HENSON - Invoices:1	\$1,140.00 Backflow Services
BROADRIDGE MAIL LLC - Invoices:7	\$23,736.54 Contract Services
BROWER MECHANICAL - Invoices:2	\$518.00 Building Service Expense - Office &
BROWN & CALDWELL - Invoices:1	\$7,633.60 Consulting Services
BRYCE CONSULTING INC - Invoices:1	\$340.00 Consulting Services
BUD'S TRI COUNTY TREE SERVICE - Invoices:1	\$700.00 Misc. Repairs
BUREAU OF RECLAMATION FOLSOM - Invoices:1	\$3,500.00 Consulting Services
BURTON ROB /BURT'S LAWN & GARDEN SERVICE -	\$7,100.00 Contract Services
CALIF SPECIAL DISTRICTS ASSOCIATION - Invoices:1	\$7,252.00 2019 Membership Dues
CALIFORNIA LABORATORY SERVICES - Invoices:1	\$3,266.00 Inspection & Testing
CALIFORNIA SURVEYING & DRAFTING - Invoices:1	\$781.64 Office Supplies
CALIFORNIA WATER EFFICIENCY PARTNERSHIP -	\$1,400.00 Printing
CAPITAL RUBBER CO LTD - Invoices:1	\$162.38 Vehicle Maintenance Supplies
CAPITOL ELEVATOR COMPANY - Invoices:2	\$225.00 Building Service Expense - Office &
CHANCE WICK - Invoices:1	\$100.00 Other Training
CHRISTOPHER P MOORE - Invoices:2	\$900.00 BMP Rebates
CINTAS - Invoices:20	\$3,929.28 Building Maintenance - Office &
CITY OF CITRUS HEIGHTS - Invoices:2	\$157.50 Licenses, Permits & Fees
CITY OF SACRAMENTO DEPT OF UTILITIES -	\$25.54 Utilities
CITY OF SACRAMENTO/ ENCROACHMENT - Invoices:1	\$435.00 Licenses, Permits & Fees
CLEAR VISION WINDOW CLEANING - Invoices:1	\$225.00 Building Service Expense - Office &
COMCAST - Invoices:1	\$27.30 Communication
CONSOLIDATED COMMUNICATIONS - Invoices:1	\$409.72 Communication
CORE & MAIN - Invoices:1	\$46.38 Operating Supplies
CORIX WATER PRODUCTS US INC. - Invoices:6	\$11,711.39 Operating Supplies
COTTON SHOPPE - Invoices:4	\$1,028.44 Uniforms
COUNTY OF SAC ENVIRO MGT DEPT - Invoices:1	\$601.00 Licenses, Permits & Fees
COUNTY OF SAC UTILITIES - Invoices:2	\$402.51 Utilities
CULLIGAN - Invoices:1	\$241.75 Building Maintenance - Office &
Customer Refunds: 96	\$35,451.95 Fire Hydrant Permit Deposits
DAN YORK - Invoices:1	\$291.54 Travel Conferences
DANA O HALEY - Invoices:1	\$600.00 BMP Rebates
DATABANK IMX - Invoices:1	\$54,350.35 Licenses, Permits & Fees
DEPT OF TOXIC SUBSTANCE CONTROL - Invoices:1	\$150.00 Licenses, Permits & Fees
DIRECT TV - Invoices:1	\$5.00 Communication
DOUG CATER - Invoices:1	\$95.90 Public Relations
ELEVATOR TECHNOLOGY INC - Invoices:2	\$190.00 Building Service Expense - Office &
EMCOR SERVICES - Invoices:3	\$772.04 Contract Services
EMIGH ACE HARDWARE - Invoices:16	\$401.26 Building Maintenance - Office &
ERIK FLAA - Invoices:1	\$225.95 Uniforms
FASTENAL COMPANY - Invoices:9	\$2,272.03 Operating Supplies
FRESH LOOK MOBILE WASH LLC - Invoices:1	\$630.00 Vehicle Maintenance Services
GEI CONSULTANTS - Invoices:1	\$11,646.00 Consulting Services
GEREMY MOODY - Invoices:1	\$190.00 Required Training
GOLDEN STATE TOWING LLC - Invoices:1	\$55.00 Claims & Insurance Reimb.
GRAINGER - Invoices:2	\$524.26 Operating Supplies
GRAYBAR ELECTRIC CO - Invoices:1	\$283.21 Operating Supplies
GREG BUNDESEN - Invoices:2	\$1,456.76 Travel Conferences
GREGORY TAGERT - Invoices:2	\$375.00 BMP Rebates
H2H PROPERTIES - Invoices:3	\$3,735.00 H&D WALNUT PARKING LOT
HACH COMPANY - Invoices:1	\$1,420.54 Purchase Price Variance
HANNAH DUNRUD - Invoices:2	\$2,627.94 Education Assistance
HAROLD KADEN - Invoices:1	\$78.00 BMP Rebates
HARRINGTON PLASTICS - Invoices:2	\$1,366.54 Operating Supplies
HARROLD FORD - Invoices:16	\$2,394.15 Vehicle Maintenance Services
HAZARD MANAGEMENT SERVICES, INC. (HMS, INC.) -	\$3,520.00 Operating Supplies
HERBURGER PUBLICATIONS INC - Invoices:1	\$400.00 Public Relations
IRON MOUNTAIN OFF SITE DATA PROTECTION -	\$502.04 Equipment Maintenance Services
J&J LOCKSMITH - Invoices:1	\$101.00 Building Maintenance - Office &
J4 SYSTEMS - Invoices:6	\$6,045.00 Licenses, Permits & Fees
JAMES ARENZ - Invoices:1	\$105.00 Required Training
JAMES SAMMUT - Invoices:1	\$75.00 BMP Rebates
JAMES SAMMUT - Invoices:1	\$150.00 BMP Rebates
JASON TREVOR STROBEL - Invoices:1	\$255.00 BMP Rebates
JEOVANI BENAVIDEZ - Invoices:1	\$220.72 Uniforms
JILL V SORENSON - Invoices:1	\$75.00 BMP Rebates
JOE CROCKETT - Invoices:1	\$236.19 Uniforms

JOHN M HENDRIE - Invoices:1	\$150.00 BMP Rebates
KELLER AMERICA INC - Invoices:1	\$3,828.35 Operating Supplies
KRISTEN L DODSON - Invoices:1	\$500.00 BMP Rebates
KYLE JIVIDEN - Invoices:1	\$199.31 Uniforms
LAI F CHUNG - Invoices:1	\$150.00 BMP Rebates
LES SCHWAB TIRE CENTER/MADISON - Invoices:3	\$2,274.51 Equipment Maintenance Services
MCCROMETER - Invoices:1	\$2,678.01 Operating Supplies
MESSENGER PUBLISHING GROUP - Invoices:1	\$460.00 Public Relations
MICHAEL PHILLIPS LANDSCAPE CORP - Invoices:11	\$22,397.50 Building Service Expense - Office &
NATIONAL METER AND AUTOMATION INC - Invoices:1	\$6,877.51 Inventory Supplies
NDS SOLUTIONS INC - Invoices:1	\$533.32 Public Relations
NEW PIG - Invoices:2	\$690.73 Operating Supplies
NICOLE SOLANDER - Invoices:1	\$150.00 BMP Rebates
OFFICE DEPOT INC - Invoices:4	\$1,637.92 Office Supplies
PACE SUPPLY CORP - Invoices:6	\$5,310.90 Operating Supplies
PACIFIC COPY & PRINT - Invoices:1	\$4,603.44 Printing
PALADIN PRIVATE SECURITY - Invoices:1	\$674.16 Building Service Expense - Office &
PEOPLEREADY - Invoices:5	\$5,781.60 Temporary Help
PEST PROS - Invoices:6	\$510.00 Building Service Expense - Office &
PITNEY BOWES LEASES - Invoices:1	\$546.03 Equipment Rental/Lease
POLLARD WATER - Invoices:2	\$280.51 Operating Supplies
PROTECTION ONE - Invoices:1	\$543.78 Building Service Expense - Office &
PUMP EFFICIENCY TESTING SERVICES - Invoices:1	\$5,500.00 Contract Services
RAMOS ENVIRONMENTAL - Invoices:2	\$1,443.56 Hazardous Waste Disposal
RAUL PALOMAR - Invoices:1	\$250.00 Uniforms
RAY MORGAN CO - Invoices:2	\$1,054.35 Equipment Maintenance Services
REGIONAL WATER AUTHORITY - Invoices:1	\$600.00 Required Training
RICHARD J MORAT - Invoices:1	\$150.00 BMP Rebates
RICHARD L HART JR - Invoices:1	\$75.00 BMP Rebates
RIVER CITY FIRE EQUIP CO INC - Invoices:2	\$1,981.48 Building Service Expense - Office &
RUE EQUIPMENT INC - Invoices:7	\$732.08 Equipment Maintenance Services
SAC VALLEY DIESEL - Invoices:1	\$138.25 Vehicle Maintenance Services
SACRAMENTO CO TAX COLLECTOR - Invoices:17	\$1,555.44 Property Taxes
SACRAMENTO GROUNDWATER AUTHORITY -	\$310.00 Public Relations
SACRAMENTO LAFCO - Invoices:1	\$6,694.00 Licenses, Permits & Fees
SACRAMENTO SUBURBAN WATER DISTRICT -	\$141.24 Required Training
SHAWN SHEDENHELM - Invoices:2	\$394.35 Required Training
SHRED-IT - Invoices:1	\$70.25 Contract Services
SIGNS IN 1 DAY - Invoices:1	\$323.25 Operating Supplies
SONITROL - Invoices:2	\$1,821.29 Building Service Expense - Office &
SOPHOS SOLUTIONS - Invoices:2	\$11,440.00 Consulting Services
SOUTHWEST VALVE LLC - Invoices:1	\$1,637.93 Operating Supplies
TEE JANITORIAL & MAINTENANCE - Invoices:2	\$6,447.00 Building Service Expense - Office &
TEICHERT CONSTRUCTION - Invoices:1	\$2,089.26 Hydrant Permit Refund
TERENCE GARDNER - Invoices:1	\$295.00 BMP Rebates
TERESE ANN DACKINS - Invoices:1	\$75.00 BMP Rebates
TESCO - Invoices:1	\$750.00 Contract Services
THINK, INC - Invoices:1	\$8,178.97 Printing
TINA LYNN DESIGN - Invoices:4	\$437.49 Contract Services
TODD ARTRIP - Invoices:1	\$408.58 Travel Conferences
TRAFFIC MANAGEMENT GROUP INC (TMI) - Invoices:2	\$1,984.00 Construction Services
ULINE SHIPPING SUPPLY SPECIALISTS - Invoices:2	\$469.27 Operating Supplies
US BANK CORPORATE PAYMENT SYSTEM - Invoices:1	\$16,725.92 Vehicle Maintenance Supplies
VALLEY REDWOOD & YARD SUPPLY - Invoices:2	\$85.13 Operating Supplies
VERIZON WIRELESS/DALLAS TX - Invoices:2	\$4,639.26 Communication
VICKI SPRAGUE - Invoices:1	\$247.83 Uniforms
VOYAGER FLEET SYSTEMS - Invoices:1	\$9,691.63 Operating Supplies
WASTE MANAGEMENT - Invoices:3	\$665.46 Building Service Expense - Office &
WATER SYSTEMS OPTIMIZATION INC - Invoices:1	\$2,500.00 Consulting Services
WATERWISE CONSULTING, INC. - Invoices:2	\$5,975.00 Consulting Services
WEST YOST & ASSOCIATES - Invoices:2	\$10,354.50 Consulting Services
WHOLESALE TRAILER SUPPLY - Invoices:2	\$476.59 Equipment Maintenance Supplies
WILLIAM KATZAKIAN - Invoices:1	\$75.00 BMP Rebates
PG&E - Invoices:3	\$282.10 Utilities
CITY OF SACRAMENTO WATER - Invoices:2	\$827.58 Purchased Water-City of
PLACER COUNTY WATER AGENCY - Invoices:1	\$109,950.00 Water 3rd Quarter
SIERRA CHEMICAL COMPANY - Invoices:10	\$93,534.15 HFA, Chemical & Delivery
SMUD - Invoices:6	\$445,710.21 Electrical Charges
	<u>\$9,027,629.29</u>

**Credit Card Expenditures
October 2018**

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

Vendor Name	Description	Amount	Proj/GLAcct
AMERICAN SOCIETY OF CIVIL ENGINEERS	LIVE WEBINAR ON INSPECTIONS AND REHAB METHODOLOGIES FOR LARGE DIAMETER WATER TRANSMISSION PIPES	\$249.00	15-51407
CA-NV SECTION AWWA	WATER MAIN INSTALLATION & INSPECTION TRAINING - MITCHELL MCCARTHY	\$195.00	15-51407
CA-NV SECTION AWWA	WATER MAIN INSTALLATION & INSPECTION TRAINING - DAVID MARROW	\$195.00	15-51407
CA-NV SECTION AWWA	WATER MAIN INSTALLATION & INSPECTION TRAINING - DAVID ESPINOZA	\$195.00	15-51407
CA-NV SECTION AWWA	WATER MAIN INSTALLATION & INSPECTION TRAINING - DARYL VINAVONG	\$195.00	15-51407
PAYPAL-WATER EDUCATION - AMERICAN GROUND WATER TRUST	CA PFAS WORKSHOP - JAMES ARENZ & MITCHELL MCCARTHY	\$400.00	15-51407
RALEY'S	SEPTEMBER ALL HANDS MEETING FOOD	\$103.25	02-51403
ACADEMY X TRAINING	EXCEL INTRO & INTERMEDIATE CLASS - AMY BULLOCK	\$500.00	02-51406
GRAND SIERRA RESORT	1ST NIGHT ROOM & TAX CHARGE - 2018 TRUEPOINT USER CONFERENCE - KERRY SMITH	\$100.57	04-51407
PAYPAL-WATER EDUCATION - AMERICAN GROUND WATER TRUST	CA PFAS WORKSHOP - DANA DEAN	\$200.00	15-51407
FLASHPOINT STUDIOS	MONTHLY FEE FOR ON HOLD RECORDINGS	\$79.00	04-54508
AMAZON	WRIST RESTS FOR KEN GEBERT	\$37.70	18-52101
DELL	REPAIR LAPTOP SCREEN ON LAPTOP ISSUED TO ANDY DUARTE	\$310.13	18-52101
AMAZON	MOUSE FOR DAN YORK	\$39.98	18-52101
MICROSOFT SUPPORT	MICROSOFT SUPPORT CALL FOR EXCHANGE SERVER	\$499.00	18-54003
NUANCE ORDER	UPGRADE TO ECOPY SOFTWARE 5 USER LICENSE	\$645.00	18-54509
GLOBAL KNOWLEDGE	ESSENTIAL PYTHON TRAINING CLASS FOR KEN GEBERT	\$2,495.00	16-51406
USPS	POSTAGE TO MAIL LTWA CONTRACT	\$10.70	04-53003
RALEY'S	APT LUNCHEON	\$21.65	02-51403
RALEY'S	DAN YORK CSDA TOUR REFRESHMENTS	\$9.98	02-53001
ROUND TABLE PIZZA	ATP LUNCHEON PIZZA	\$217.84	02-51403
SUBWAY	LUNCH MEETING WITH DAN YORK, DAN BILLS AND MIKE HUOT	\$23.18	02-53001
EVENT BRITE - SGA	SGA 20 YEAR ANNIVERSARY LUNCHEON	\$330.00	02-55002
ACWA	CRAIG LOCKE REGISTRATION FOLSOM DAM	\$40.00	01-55002
EVENT BRITE - SGA	SGA - KEVIN THOMAS	\$55.00	01-55002
SOUTHWEST	SOUTHWEST DAN YORK	\$277.96	02-55001
ROYAL TRUCK BODY	CLIPS FOR BIN LOCKS	\$38.15	12-54006
THE HOME DEPOT	PAPER AND TAPE TO COVER THE BARE CONCRETE FLOOR - MARCONI SERVER ROOM	\$55.19	12-52101
EMIGH ACE HARDWARE	MISTAKENLY CHAGED PERSONAL ITEMS WITH SSWD CREDIT CARD	\$57.00	
EMIGH ACE HARDWARE	CREDIT FOR THE ABOVE PURCHASED ITEMS	(\$57.00)	
TRACTOR SUPPLY CO.	BATTERY TESTER, BATTERY JUMP BOX AND BATTERY CHARGER	\$290.89	12-52101
AMAZON.COM	LADDER LOCK FOR VEHICLE #75	\$23.31	12-54005

RAM MOUNTS	LAP TOP KEEPERS FOR VEHICLE COMPUTER DESKS	\$157.73	12-54005
AMAZON.COM	DANO LADDER RACK LOCK FOR VEHICLE #77	\$54.24	12-54005
CAPITAL AIR TOOL, LLC	REPLACE DAMAGED CLAY SPADE	\$112.80	12-54003
THE HOME DEPOT	VELCRO STRAPS FOR MODEMS	\$9.99	12-54006
THE HOME DEPOT	EXTENSION CORD FOR JUMPER BOX AT ANTELOPE (MISPLACED RECEIPT)	\$16.96	12-52101
RAM MOUNTS	LAP TOP KEEPERS SEND TO THE WRONG ADDRESS SO THEY WERE REFUNDED	(\$144.90)	12-54005
AMAZON.COM	5 EACH FIRST AID KITS FOR VEHICLE	\$207.00	12-54006
SMART & FINAL	SAFETY BBQ	\$150.81	02-51403
COSTCO	SAFETY BBQ	\$424.65	02-51403
SAFEWAY	SAFETY BBQ	\$50.05	02-51403
AMANET.ORG	INVENTORY MANAGEMENT TECHNIQUES-SARAH DAINS	\$2,345.00	05-55001
AWWA	2018 CA-NV AWWA ANNUAL FALL CONFERENCE-TODD ARTRIP	\$495.00	08-55001
SAMS CLUB	SAFETY BBQ	\$68.78	02-51403
SAMS CLUB	WAREHOUSE SUPPLIES	\$17.76	05-52101
HOME DEPOT	BLACK MULCH	\$11.83	07-52101
DELTA AIRLINES	AIRFARE FOR AWWA FALL CONFERENCE: SMF-PSP-TODD ARTRIP	\$550.60	08-55001
WESTIN MISSION HILLS	HOTEL FOR AWWA FALL CONFERENCE (1ST NIGHT)-TODD ARTRIP	\$232.16	05-55001
OFFICE DEPOT	OFFICE SUPPLIES	\$115.11	05-52101
OFFICE DEPOT	PRODUCTION DEPARTMENT SUPPLIES	\$91.56	06-52101
TARGET	WAREHOUSE SUPPLIES	\$126.86	05-52101
PVC PIPE SUPPLIES	2" BULK HEAD FITTINGS	\$263.24	06-52101
MITCH'S CERTIFIED CLASSES	BACKFLOW PREVENTION ASSEMBLY TESTERS COURSE-JEOVANI BENAVIDEZ	\$1,100.00	06-51406
PEP BOYS	PRODUCTION DEPARTMENT SUPPLIES	\$42.01	06-52101
AWWA	DEVELOPING & IMPLEMENTING PREVENTIVE MAINT. PROGRAMS-J.CROCKETT	\$195.00	07-51407
AWWA	DEVELOPING & IMPLEMENTING PREVENTIVE MAINT. PROGRAMS-S.CHANEY	\$195.00	07-51407
SAFETY CENTER	TRAFFIC CONTROL & FLAGGER CLASS-SCOTT BLAKE	\$150.00	07-51406
AWWA	GROUNDWATER WORKSHOP-JEOVANI BENAVIDEZ	\$195.00	06-51406
AWWA	EFFECTIVE O&M PROGRAMS-HANNAH DUNRUD	\$195.00	06-51406
AWWA	GROUNDWATER WORKSHOP-MATT UNDERWOOD	\$195.00	05-51406
PLATT ELECTRIC	CIRCUIT BREAKERS	\$124.13	06-52101
SAFETY CENTER	EXCAVATION-COMPETENT PERSON	\$150.00	07-51406
HOME DEPOT	WAREHOUSE SUPPLIES	\$28.52	05-52101
PAYPAL (WATER EDUCATION)	CA PFAS WORKSHOP-MATT UNDERWOOD	\$200.00	05-51406
PAYPAL (WATER EDUCATION)	CA PFAS WORKSHOP-DOUG CATER	\$200.00	06-51406
PAYPAL (WATER EDUCATION)	CA PFAS WORKSHOP-DAVID ARMAND	\$200.00	06-51406
NORTHERN TOOL	WAREHOUSE SUPPLIES	\$213.10	05-52101
SMART & FINAL	KITCHEN SUPPLIES	\$150.96	05-52101
SMART & FINAL	PRODUCTION SUPPLIES	\$2.49	06-52101
Totals:		\$16,725.92	

**District Reserve Balances
October 31, 2018**

**Sacramento Suburban Water District
Reserve Fund Balance**

	<u>October 31, 2018</u>	<u>December 31, 2017</u>
Debt Service Reserve	\$ -	\$ 3,527,684
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	20,015,220	17,753,771
TOTAL	\$ 44,904,720	\$ 45,669,205

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

	<u>October 31, 2018</u>	<u>December 31, 2017</u>
Cash and Cash Equivalents	\$ 8,889,604	\$ 6,084,811
Investments	35,837,798	35,860,505
Interest Receivable	169,504	175,719
Restricted Cash	7,814	12,504
Restricted Investments	-	3,527,684
Restricted Interest Receivable	-	7,982
TOTAL	\$ 44,904,720	\$ 45,669,205

Information Required by Bond Agreement

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

As Of

	<i>Actual Year-To-Date 10/31/2018</i>	<i>Budget Year-To-Date 10/31/2018</i>
REVENUES		
Water sales charges	\$17,710,469.70	\$17,052,497.00
Capital facilities charge	20,067,221.45	20,464,167.00
Facility development charges	116,284.00	250,000.00
Interest and investment income	288,066.29	749,167.00
Rental & other income	383,293.84	221,667.00
TOTAL REVENUES	38,565,335.28	38,737,498.00
EXPENSES		
Source of supply	2,409,046.17	2,912,674.70
Pumping	3,741,897.00	3,996,746.70
Transmission and distribution	2,984,296.16	3,179,042.84
Water conservation	339,571.67	411,917.60
Customer accounts	1,021,930.30	1,091,334.70
Administrative and general	5,695,756.23	6,614,573.50
TOTAL EXPENSES	16,192,497.53	18,206,290.04
NET REVENUE	22,372,837.75	20,531,207.96

Sacramento Suburban Water District
6 - Months Debt Service Schedule
10/31/2018

Month	Total SSWD Debt Service					Debt Service
	Principal	Interest Adjustable/Fixed/Swap	Facility Fee	Remarketing		
Nov-18	\$ -	\$ 92,869.11	\$ -	\$ -	\$ -	\$ 92,869.11
Dec-18	-	92,869.11	50,400.00	13,125.00	-	156,394.11
Jan-19	-	92,869.11	-	-	-	92,869.11
Feb-19	-	92,869.11	-	-	-	92,869.11
Mar-19	-	92,869.11	50,400.00	13,125.00	-	156,394.11
Apr-19	-	48,069.11	-	-	-	48,069.11

Month	Series 2012A Fixed Rate Bonds (\$23,440,000.00)					Debt Service
	Principal	Interest - Fixed 4.25%				
Nov-18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dec-18	-	-	-	-	-	-
Jan-19	-	-	-	-	-	-
Feb-19	-	-	-	-	-	-
Mar-19	-	-	-	-	-	-
Apr-19	-	-	-	-	-	-

Month	Series 2009A Adjustable Rate COPs (\$42,000,000.00)					Debt Service
	Principal	Interest, Adjustable 1.28%	Facility Fee 0.480%	Remarketing 0.125%		
Nov-18	\$ -	\$ 44,800.00	-	-	\$ -	\$ 44,800.00
Dec-18	-	44,800.00	50,400.00	13,125.00	-	108,325.00
Jan-19	-	44,800.00	-	-	-	44,800.00
Feb-19	-	44,800.00	-	-	-	44,800.00
Mar-19	-	44,800.00	50,400.00	13,125.00	-	108,325.00
Apr-19	-	44,800.00	-	-	-	44,800.00

Month	Series 2018A Fixed Rate COPs (\$27,915,000)					Debt Service
	Principal	Interest - Fixed 3.45%				
Nov-18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dec-18	-	-	-	-	-	-
Jan-19	-	-	-	-	-	-
Feb-19	-	-	-	-	-	-
Mar-19	-	-	-	-	-	-
Apr-19	-	-	-	-	-	-

Month	2012 SWAP Interest, Net (\$33,000,000.00)					Debt Service
	Principal	Interest, Swap Net (3.283-1.37078-.18)%				
Nov-18	\$ -	\$ 48,069.11	-	-	\$ -	\$ 48,069.11
Dec-18	\$ -	\$ 48,069.11	-	-	\$ -	\$ 48,069.11
Jan-19	\$ -	\$ 48,069.11	-	-	\$ -	\$ 48,069.11
Feb-19	\$ -	\$ 48,069.11	-	-	\$ -	\$ 48,069.11
Mar-19	\$ -	\$ 48,069.11	-	-	\$ -	\$ 48,069.11
Apr-19	\$ -	\$ 48,069.11	-	-	\$ -	\$ 48,069.11

Financial Markets Report

Financial Markets Report November 12, 2018

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	\$ 15,385,000	Fixed Rate Revenue Bond		11/1/2027
2018A	\$ 19,615,000	\$ 17,295,000	Fixed Rate Revenue Bond		11/1/2028
	<u>\$ 90,105,000</u>	<u>\$ 74,680,000</u>			

* 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	1.29%
Swap	Notional Amount	Counterparty	FMV	Receive Rate	Fixed Rate
	\$33,300,000	Wells Fargo Bank, N.A.	(\$4,155,041)	1.551%	3.283%

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

Fair Market Value	Security Type	Yield
\$ 156,747.15	Money Market	1.61%
5,206,195.65	LAIF	2.00%
1,930,730.75	commercial paper	2.42%
3,547,172.42	Asset-Backed Securities/CMOs	2.12%
8,089,000.01	Certificates of Deposit	2.30%
8,671,479.21	Corporate Notes	2.31%
634,372.83	Federal Agency Collateralized Mortgage Obligati	1.91%
1,455,088.55	Federal Agency Securities Bonds/Notes	1.28%
228,785.60	Municipal Bonds	1.90%
2,533,222.58	Supra-National Agency Bond	2.13%
11,062,590.11	Treasury Bonds/Notes	2.03%
\$ 43,515,384.86		2.13%

Market:

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

Current Bond Markets

- The U.S. Treasury yield curve is showing signs of steepening, while short-term rates rose in lockstep with the Fed.

- As a result of higher yields, the majority of investment-grade (IG), fixed-income benchmarks generated negative returns for the month, with shorter-term maturities significantly outperforming their longer-term counterparts. For example, the three-year, five-year and 30-year constant maturity indices returned -0.30%, -0.70% and -3.34%, respectively.
- Among the few positively performing fixed-income sectors for the month were corporates and asset-backed securities (ABS) with maturities of less than three years. These sectors captured incremental income, while credit spreads were stable. Over the last several quarters, income has been a critical component of fixed income total returns.

PFM Outlook

- We have become a bit more defensive of late, tapping lightly on the risk brake by again reducing durations a tad and seeking to improve the quality and reduce the risk of our corporate and mortgage-backed allocations. The backdrop for this perspective is the solid performance of the U.S. economy, rising global economic uncertainty and a Fed that remains publicly committed to higher rates, whether bond markets fully believe it or not.
- Credit sectors, including corporate notes and negotiable bank certificates of deposit (CDs), were the star performers in September and for all of the third quarter. While our view of corporates is still positive, we have become more defensive and selective. We will maintain the majority of current holdings, but may strategically reduce holdings where yields offer little advantage to comparable-maturity Treasuries.
- Federal agencies appear to have little value relative to U.S. Treasury securities. The flat yield curve, however, has made callable agency structures relatively more attractive. As a result, we may opportunistically add cheaper new issues or callables. While supranationals have been a good alternative this year, we will likely limit additions to the sector until supply picks up and spreads widen.
- The mortgage-backed security (MBS) sector suffers from higher long-term rates that lead to duration extensions and to the Fed program reducing its MBS balance sheet holdings. We will likely limit new purchases.
- AAA-rated ABS continue to generate positive excess returns. The sector offers a defensive alternative to corporate bond and bank deposit allocations.
- Money market fund and ultra-short-term, fixed-income investors now reap the benefit of an effective federal funds rate of more than 2% for the first time in a decade. While short-term credit spreads have narrowed to near-one-year tightness, commercial paper (CP) and negotiable CDs still offer incremental earnings potential versus similar-maturity Treasuries.

(Source: PFMAM October 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 variable market rate increases has been reduced via the interest rate swap, 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: 20

Date: November 5, 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, Water Quality Report, Water Conservation and Regional Water Efficiency Program Report, Customer Service Report, and Community Outreach Report.

a. Water Operations And Exceptions Report

i. Monthly Water Production – Attachment 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 – Attachment 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 – Attachment 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 – Attachment WO-4

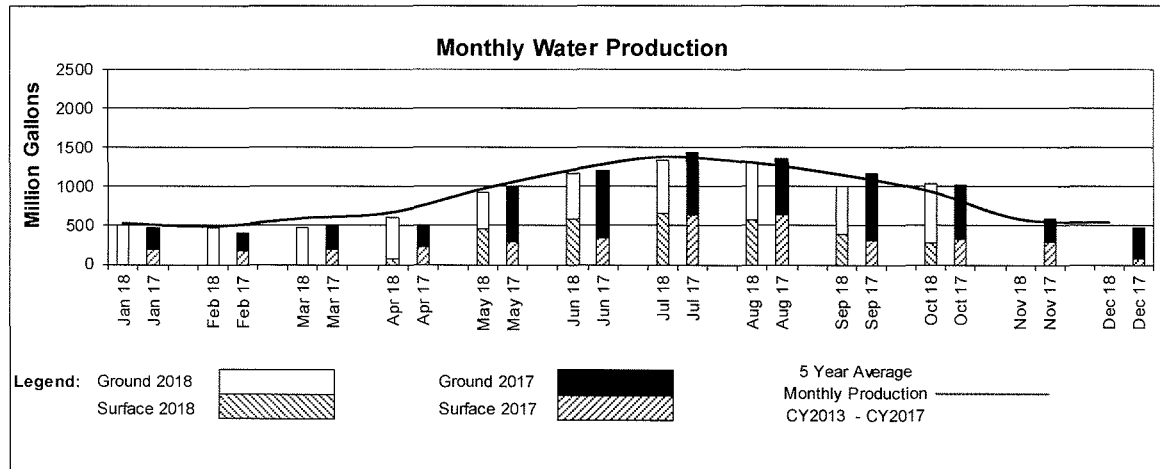
This is a summary report of claims received by the District that are less than \$10,000, and approved or rejected by the General Manager.

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	5.781
Feb	0.000	271.513	271.513	0.000	203.539	203.539	475.052	16.966	5.365
Mar	0.000	282.333	282.333	0.000	192.666	192.666	474.999	15.323	5.365
Apr	82.525	277.599	360.124	0.000	253.253	253.253	613.377	20.446	6.927
May	459.997	68.243	528.240	0.000	399.628	399.628	927.868	29.931	10.479
Jun	590.922	66.521	657.443	0.000	511.774	511.774	1,169.217	37.717	13.205
July	652.821	111.735	764.556	0.000	567.176	567.176	1,331.732	42.959	15.040
Aug	567.414	150.643	718.057	0.000	585.543	585.543	1,303.600	42.052	14.723
Sep	398.291	186.727	585.018	0.000	416.185	416.185	1,001.203	32.297	11.308
Oct	270.532	287.286	557.818	0.000	487.542	487.542	1,045.360	33.721	11.806
Nov									
Dec									
MG	3022.502	2002.036	5,024.538	0.000	3829.773	3,829.773	8854.311	32.433	
AF	9,275.718	6,144.023	15,419.741	0.000	11,753.142	11,753.142	27,172.883		

Mo/Yr	Million Gallons (MG)			
	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	567.414	736.186	1,303.600	-58.716
Aug 17	646.839	715.477	1,362.316	
Sep 18	398.291	602.912	1,001.203	-173.662
Sep 17	314.565	860.300	1,174.865	
Oct 18	270.532	774.828	1,045.360	15.958
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	



* 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.

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	279.711	91.144	0.000	0.000	1488.555	485.047	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
September	242.289	78.950	0.000	0.000	1478.473	481.762	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
October	249.068	81.159	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
November														
December														
YTD	1171.330	381.679	0.000	0.000	4027.516	1312.370	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.

Attachment WO-3

Water Operations Activity

	<u>October</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	14		
<u>Inquiries</u>	14	15	148		
<u>Taste & Odor Complaints</u>	0	0	0		
<u>Taste & Odor Inquiries</u>	8	4	42		
<u>Distribution Department</u>					
<u>Service Orders</u>					
<u>Main Leaks</u>	2	4	37		
<u>Service Line Leaks</u>	5	6	61		
<u>Water Main Shutdown</u>					
-- Emergency	0	1	14		
-- Scheduled	2	1	9		
<u>Preventive Maintenance Program</u>					
<u>Fire Hydrants Inspected</u>	30	18	179	6,486	2.8%
<u>Fire Hydrant Valves Inspected</u>	28	21	214	5,759	3.7%
<u>Fire Hydrant Valves Exercised</u>	28	21	213	5,759	3.7%
<u>Mainline Valves Inspected</u>	169	156	1555	11,132	14.0%
<u>Mainline Valves Exercised</u>	142	138	1382	11,132	12.4%
<u>After Hours Activity (On-Call Technician)</u>					
<u>Calls Received</u>	27	44	437		
<u>Calls Responded</u>	18	30	298		
<u>Overtime Hours</u>	42	54	541		
<u>Field Services Department</u>					
<u>Meters</u>					
<u>PM - Meters Tested (3 - 10 inch)</u>	7	11	107	451	23.7%
<u>PM - Meters Replaced (⁵/₈ - 1 inch)</u>	208	31	309	35,728	0.9%
<u>PM - Meter Re-Builds (1¹/₂ - 2 inch)</u>	2	24	244	2,441	10.0%
<u>Customer Pressure Inquiries</u>	14	11	111		
<u>Field Operations Department</u>					
<u>Service Requests Generated</u>	1,839	1,586	15,859		
<u>Work Orders Generated</u>	1,819	1,267	12,670		

Attachment WO-4

Date: November 5, 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, as well as any pending claims or litigation that are under review/investigation by JPIA:

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.

**CLAIMS UNDER REVIEW/INVESTIGATION
BY JPIA – UPDATE**

1. Beliso V. Twin Rivers PUD
Member: Sacramento Suburban Water District
JPIA Claim #19-0151
Date of Claim – February 6, 2018
Claim Amount - Unknown
Status - Open

Background:

Claim filed against the District asserting that the District is the owner/operator of the unsecured storm drain grate that resulted in an injury to Noah Beliso. Upon receipt of the claim, staff performed an investigation to determine the validity of the claim. Staff utilized the provided attachment within the District Claim Form to determine the exact type of appurtenance that was referenced in the claim and visited the site to determine the storm drain inlet was part the overall drainage system of the school.

On September 21, 2018, staff received notification that JPIA has retained the legal services of Donahue Davies LLP.

Update: On November 5, 2018, staff received a status update from Donahue Davies. The plaintiff timely filed his complaint on August 3, 2018. An answer was filed on behalf of SSWD on October 5, 2018.

There are two causes of action plead in the Complaint: Liability under Government Code 815.2 and Dangerous Condition of Public Property (Gov. Code 835).

Legal Analysis

First Cause of Action – Liability Under Government Code §815.2

Plaintiff's first cause of action pled against the public entity defendants is derived from Government Code §815.2 which states in part: "*A public entity is liable for injury proximately caused by an act or omission of an employee of the public entity within the scope of his employment if the act or omission would, apart from this section, have given rise to a cause of action against that employee or his personal representative.*" In order to prevail on this theory, Plaintiff must establish that some act or omission of a SSWD employee caused or contributed to the failure to secure the subject storm drain. As it appears that SSWD had no custody or control over the subject area, it is unlikely that Plaintiff will be able to prevail against SSWD on this cause of action.

Second Cause of Action – Dangerous Condition of Public Property (Gov. Code §835)

The second cause of action against the defendants, including SSWD, arises from allegations of a dangerous condition of public property. Liability for dangerous condition of public property arises by virtue of Government Code §835.

In order to prevail on a claim of dangerous condition of public property, the Plaintiff must establish that the property was under the custody and/or control of the public agency, actually in a dangerous condition at the time of the injury, that the injury was proximately caused by the dangerous condition, that the dangerous condition created a reasonable foreseeable risk of the kind of injury that occurred and finally, that the public agency had notice, either actual or constructive, of the dangerous condition.

Based upon the limited information to date, it appears that the Plaintiff will have a difficult time not only establishing that SSWD had control over the area, but also establishing any liability on behalf of SSWD. During Donahue Davies initial investigation, they will confirm that the area in question is not owned, operated, controlled and/or maintained by SSWD. Donahue Davies will then request that Plaintiff dismiss SSWD from this action. Should Plaintiff refuse, they would then recommend filing a motion for summary judgment.

Cross-Complaint Filed by Twin Rivers Unified School District

On September 25, 2018, Twin Rivers Unified School District filed a Cross-Complaint naming Arden Creek Recreation and Park District, County of Sacramento and the Sacramento Suburban Water District. The Cross-Complaint was served upon SSWD on

October 12, 2018. Accordingly, Donahue Davies will proceed with filing a responsive pleading to protect the interests of SSWD. The Cross-Complaint seeks equitable indemnity, apportionment and declaratory relief. Again, once we confirm the ownership of the storm grate, we will request that Twin Rivers USD dismiss SSWD from the Cross-Complaint.

Donahue Davies will focus their efforts on establishing that SSWD is not responsible for the area where the incident occurred to extricate the District from this action. In the interim, they will ensure that all necessary steps are taken to protect the interest of the District.

b. Water Quality Report

Nothing new to report for October.

c. Water Conservation and Regional Water Efficiency Program Report

i. Program Overview for October 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. Regulation No. 15 is the District's Water Shortage Contingency Plan and outlines the prohibitions of water use for the Water Conservation Stage adopted by the Board of Directors. The District has declared Normal Water Supply conditions for 2018. 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 October 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 5% reduction in October 2018 (when compared to October 2013), missing the District's 10% monthly goal. Since the Emergency Drought Regulations were enacted¹ in October 2015, the District has maintained a cumulative water use reduction of 23% when compared to 2013.
- b. Customer Leak Notifications – Through the District's Advanced Metering Infrastructure, staff sent out 1,338 leak notification post cards to customers

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

regarding 72-hour continuous flow events in October 2018. Staff conducted 18 customer leak investigations as a result of the post cards.

- c. Public Outreach – The District utilized various info graphics for public outreach in October 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 354 clicks and left 175,595 impressions. The District’s primary focus for October 2018 was weather-based irrigation controller rebates, the District’s Open House event on October 17, 2018, and the final month of Antelope Gardens being open.

ii. Water Conservation Program and Results

District staff continues to promote water conservation. During the month of October 2018, District staff and the District’s contract company performed 39 Single Family Residential, 2 Multi-Family, and 1 Commercial Water-Wise House Calls (WWHC).

Staff received 16 calls and 14 reports via the District’s website regarding water waste. Staff issued 22 Information Only Water Waste Notices and 74 Notices of Violation (NOV). On October 1, 2019, the new District Water Year began and all Water Waste Violation reset.

The District issued rebates for 2 toilets, 4 Weather Based Irrigation Controllers, 1 pool cover, 4 Irrigation Efficiency Upgrades, and 3 clothes washers in October 2018.

iii. WaterSense Award

On October 4, 2018, the Environmental Protection Agency honored the District with a WaterSense Award for Excellence in Education and Outreach for the District’s 2017 public outreach program. The awards ceremony took place the WaterSmart Innovations Conference in Las Vegas, Nevada and honored several other agencies from around the country. The District is the first water utility to win an EPA WaterSense Award from the Sacramento region. The Regional Water Authority won an EPA WaterSense award in 2016.

iv. Upcoming Events

None.

d. Customer Service Report

i. Customer Service Monthly Activity - Attachment CS-1

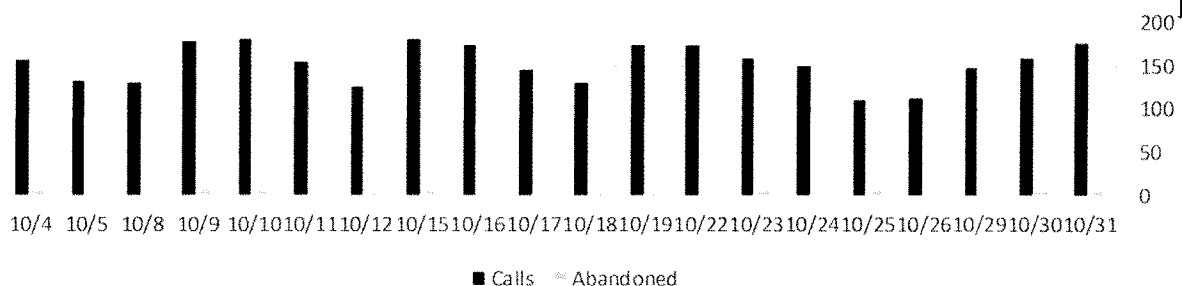
- Customer Service Activity Report shows Customer Service activity for the month of October 2018.
- 1,231 flat rate accounts were transitioned to metered billing at the end of October.

Attachment CS-1

	October 2018		Calendar Year 2018	
Billing				
Connections-Total Active	46,244			
E-billing	4,091			
Payments				
Cash/Check	1,539	3.5%	12,332	3.1%
Credit Card	797	1.8%	7,543	1.9%
Web	5,730	13.2%	52,412	13.0%
Auto-Pay (Checking)	4,454	10.3%	43,765	10.9%
Auto-Pay (Credit Card)	4,068	9.4%	39,576	9.8%
MR (Auto Phone)	1,757	4.0%	16,118	4.0%
Online Banking	11,928	27.5%	110,144	27.4%
LockBox	13,172	30.3%	120,586	30.0%

Monthly Calls

Date	Total Calls	Calls Abandoned	% of Calls Abandoned	Avg Wait On Queue	Max Wait on Queue	Avg Talk Time
10/1/2018	212	2	0.94%	31s	5m, 42s	3m, 3s
10/2/2018	136	0	0.00%	23s	3m, 55s	2m, 42s
10/3/2018	150	1	0.67%	37s	7m, 3s	2m, 59s
10/4/2018	158	6	3.80%	30s	4m, 57s	2m, 45s
10/5/2018	133	1	0.75%	26s	10m, 24s	2m, 46s
10/8/2018	130	0	0.00%	21s	3m, 48s	2m, 33s
10/9/2018	179	7	3.91%	59s	8m, 26s	2m, 25s
10/10/2018	180	5	2.78%	54s	8m, 13s	3m, 14s
10/11/2018	154	4	2.60%	1m, 22s	6m, 48s	2m, 44s
10/12/2018	127	4	3.15%	16s	2m, 11s	3m, 1s
10/15/2018	180	6	3.33%	43s	6m, 38s	2m, 35s
10/16/2018	174	3	1.72%	43s	6m, 10s	2m, 38s
10/17/2018	145	1	0.69%	49s	5m, 29s	3m, 28s
10/18/2018	130	3	2.31%	34s	6m, 20s	3m, 24s
10/19/2018	175	4	2.29%	42s	8m, 16s	3m, 0s
10/22/2018	174	9	5.17%	1m, 15s	7m, 48s	3m, 24s
10/23/2018	160	6	3.75%	1m, 9s	12m, 42s	3m, 8s
10/24/2018	150	2	1.33%	27s	7m, 13s	3m, 1s
10/25/2018	111	5	4.50%	34s	6m, 5s	2m, 58s
10/26/2018	114	2	1.75%	28s	4m, 54s	3m, 2s
10/29/2018	148	2	1.35%	19s	4m, 4s	2m, 46s
10/30/2018	159	5	3.14%	49s	5m, 50s	3m, 7s
10/31/2018	177	5	2.82%	22s	3m, 11s	3m, 8s
Group Total	3556	83	2.33%	45s	6m, 16s	3m, 18s



e. Community Outreach Report

December Bill Insert

The December bill insert will begin on November 26, 2018, and continue until December 23, 2018. A sample of the bill insert has been included with this report.

December Envelope Message

The December envelope wishes customers best wishes from SSWD. The envelope will begin on November 26, 2018, and continue until December 23, 2018.

Community Meetings/Events

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

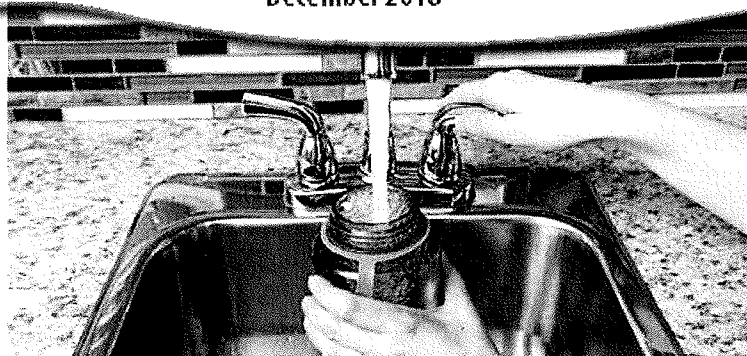
<u>Date:</u>	<u>Meeting:</u>	<u>Staff:</u>
10/04/2018	WaterSense Award Luncheon	Dan York
10/05/2018	East Bay MUD Event	Dan York
10/16/2018	RWA Interview Panel	Dan York
10/17/2018	SSWD Open House	Dan York
10/18/2018	SGA Board Meeting	Dan York
10/18/2018	SGA 20 Year Anniversary Luncheon	Dan York
10/18/2018	NCWA Meeting	Dan York
10/24/2018	RWA Executive Committee Meeting	Dan York

00210709



H₂O on the Go

December 2018



Water-Wise Party Tips for the Holiday Season

'Tis the season for holiday parties and big family dinners and we have some helpful and handy tips to make your festivities water-wise.

- Check all your faucets to make sure they aren't leaking and consider attaching WaterSense-labeled aerators. SSWD has complimentary WaterSense-labeled aerators available.
- Wash your fruits and vegetables in a pan of water instead of under a running tap.
- Put pitchers of water on the table instead of filling up everyone's water glass.

Water Wise Party Tips | 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.

It Pays to Fill Up at Home | Bottled Water is Costly

The next time you're feeling thirsty or headed out for the day, remember to grab your reusable drinking bottle filled with water from the tap rather than buying a single use plastic water bottle on the go.

Consider this: A gallon of bottled water can cost three times as much as a gallon of milk, four times the average price of gasoline and hundreds of times more than tap water. Not only is bottled water expensive, it also consumes a lot of resources. In 2016, for example, 4 billion pounds of plastic were used in the United States to produce plastic water bottles. It also takes twice as much water to produce a plastic bottle as it can hold. It is estimated that nearly 70 percent of bottles are not recycled each year, leaving them to clog landfills and pollute our lakes, streams, rivers and oceans instead.

Finally, more than 25 percent of bottled water originates as tap water in the first place. So, go ahead and fill up at home – your wallet and the planet will thank you.

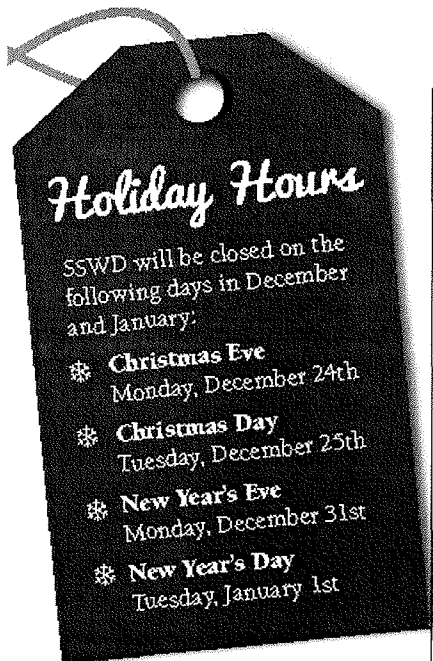
Give Your Sprinklers a Winter Break

Winter is here, and typically your sprinklers shouldn't need to run until spring. If there's a long stretch without rain, be sure to check the soil moisture before you water to keep your plants healthy.

Complimentary moisture meters are available at the District office on Marconi Avenue. You can also install a WaterSense-labeled weather-based sprinkler controller to help take the guesswork out of watering.

SSWD has rebates available. They make great holiday gifts! Be sure to check out all of the rebates we have available if you're looking for some great gifts for the home and the special people in your life.





Water Wise Party Tips | from page 1

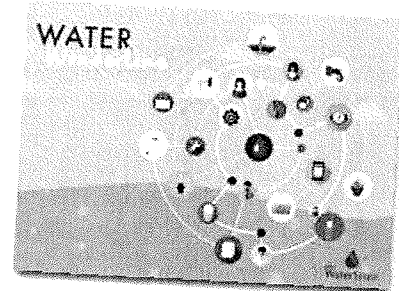
- Use leftover drinking water on your houseplants. Check the soil moisture to make sure they need water first.
- Use the dishwasher instead of hand washing. Using an Energy Star-certified dishwasher can save you energy and thousands of gallons of water a year.
- If you have a newer dishwasher, you can skip pre-rinsing. Many new dishwashers have sensors that detect how dirty dishes are.
- Compost leftover food or scrape it into the trash instead of using the garbage disposal.
- If you have to hand wash some dishes or pots, make sure to fill one basin with wash water and the other with rinse water.
- Soak pots and pans instead of running water over them while you scrub them.

Water Wonderline | Let Us Quench Your Thirst for Knowledge

Our new Water Wonderline is now available to address your burning questions about water, ways to be water-wise and more! Here are some of the recent questions we have received. Send us your questions and queries via feedback@sswd.org and we'll include the answer in future bill inserts, newsletters or online.

Q: How do I transfer billing into my name?

You can transfer your billing by visiting sswd.org and clicking the button marked Start/Stop Service (found on the right side of the home page). Fill out the simple form, click submit and you're done. It's that easy.



Q: Is my water safe to drink?

Yes! SSWD's water supply goes through rigorous testing on a regular basis. You can view the District's annual water quality report (called a Consumer Confidence Report or CCR) online at: <http://www.sswd.org/2017ccr>. The CCR contains detailed information about the quality of drinking water that a public water system provides to its consumers.

Q: I want to convert my lawn to a drought tolerant landscape. Do you have any rebates available to help me with the cost?

SSWD does not currently have rebates for converting your lawn, but the State Department of Water Resources does. You can find complete details at: <http://www.saveourwaterrebates.com/turf-replacement-rebates.html>

Visit sswd.org/rebates for information regarding District-offered rebates.

Show Off Your Water Smarts in the Water Spots Video Contest | Entry Deadline is March 15, 2019

Middle and high school students are invited to "Show Off Your Water Smarts" in the 2019 Water Spots Video contest sponsored by Sacramento Suburban Water District, the Regional Water Authority and local water providers. The contest challenges students to create a 30-second video about using water efficiently for the chance to win cash prizes.

The grand prize winning video will also premiere at local movie theatres next summer. The deadline for entries is March 15, 2019. Complete information is available online at

<http://bewatersmart.info/waterspots/>





Agenda Item: 21

Date: November 7, 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 at Existing Site)

- Pumping plant and treatment plant construction began in July 2018.
- The well is anticipated to be on line by summer 2019.

Well 78 Butano / Cottage (New Well at New Site)

- Well construction began in October 2018 and is expected to be completed in November 2018.
- Pumping plant design is anticipated to be completed in late 2018 to early 2019.
- Pumping plant construction is anticipated to begin by summer 2019.
- The well is anticipated to be on line in spring 2020.

Well 79 Verner / Panorama (New Well at Existing Site)

As reported last month, Engineering is moving ahead with plans to design and construct a new production well at the existing Verner Well Site in the North Service Area. The well construction design prepared by Wood Rodgers has been finalized. WR has prepared an Initial Study/Mitigated Negative Declaration document to comply with California Environmental Quality Act requirements. A Staff report has been prepared for this month's Board meeting with additional information.

- Well construction is anticipated to begin in December 2018 or January 2019.
- Well construction is anticipated to be completed in early 2019.
- Pumping plant design is anticipated to be completed in late 2019.
- Pumping plant construction is anticipated to begin in early 2020.
- The well is anticipated to be on line in spring 2021.

2) Distribution

Parkland Estates Phase 2 Main Replacement Project

Installation of distribution main and fire hydrants is complete. All services have been installed. This project is expected to be completed in November 2018.

Edison Meadows Main Replacement Project

Construction work on the mainline is approximately 95% complete. Approximately 85% of services have been installed. This project is expected to be substantially completed in late 2018 with final paving occurring in early 2019.

Jonas Main Replacement Project

Material Condition Assessment of Existing Distribution Main

As directed in the September 13, 2018, Facilities and Operations Committee meeting, staff has sampled the existing distribution main Outside Diameter Steel pipe to visually assess its condition before moving forward with the construction phase of this project. The pipe sampled was observed to be in a degraded condition generally consistent with staff's experience of past failures of this pipe type and associated repair activities. Based on the Jonas project area's leak history and condition of the sampled pipe, staff concludes that this Main Replacement Area's pipe has reached the end of its useful life and is suitable for replacement.

Construction – Mains

As reported last month, a Request for Proposal for this project's "Main Line" portion is expected to be put out to bid in late October for a construction start in early 2019. Staff plans to continue to utilize the Master Service Contract (MSC) contracting approach which has been effective at controlling costs. A bid opening is scheduled for late November 2018, and staff anticipates bringing bid results with a recommendation for contract award to the next Facilities and Operations Committee meeting (provided a meeting is held before the December 2018 regular Board meeting and scheduling permits), and then to the December 17, 2018, regular Board meeting.

Construction – Services

As reported last month, staff will also negotiate a cost with Flowline Contractors, Inc. (Flowline) for the "Service Line" portion of the project as part of the District's MSC with Flowline, awarded earlier this year.

Plover Main Replacement Project

This project consists of approximately 1,600 feet of new distribution main to replace old and undersized backyard main. The project also includes 32 new metered services and 4 fire hydrants. Flowline Contractors Inc. was awarded the competitive bid contract in late October 2018. Work is expected to be substantially complete in late 2018 with paving work being completed as weather permits – possibly occurring as late as spring 2019.

Meter Retrofit Project

2018

Approximately 65 percent of the meters have been installed.

This project is expected to be completed in late 2018.

2019 and Beyond

As reported last month, a Request for Proposal is expected to be issued in late November 2018 for a construction start in early 2019.

Staff plans to utilize the MSC contracting approach which has been effective at containing costs in the Distribution Main Replacement Program. A bid opening is scheduled for December 21, 2018, and staff anticipates bringing bid results with a recommendation for contract award to the next Facilities and Operations Committee meeting (provided a meeting is held before the January 2019 regular Board Meeting and scheduling permits), and then to the January 21, 2019, regular Board meeting.

2019 Grant Funding

As approved by the Board on March 19, 2018, via *Resolution No. 18-05 Authorizing Application for Funding Assistance through the Bay-Delta Restoration Program: CalFed Water Use Efficiency Grant Program 2018*, the District applied for a grant for the 2019 project. The grant will be managed by the Regional Water Authority. The grant has been awarded and is finalized for \$750,000 to be shared among three entities (the City of Sacramento, Sacramento County, and the District). The District anticipates funding on the order of \$250,000, however final funding allocations are yet to be determined.

b. Other

Well Investigation and/or Rehabilitation Projects

- Well 69 Hilldale / Cooper

This well is offline and the pump pulled for evaluation of possible rehabilitation options to return this well to service. It is still too early in the assessment to develop an estimated return to service period, but if an economic approach is developed the well could possibly be returned to service as early as late spring 2019.

- Well N36 Verner

This well is offline and being modified to reduce manganese levels in the pumped groundwater so as to avoid the need to construct a treatment plant for manganese removal. If the modification is successful, this well would be expected to be back in service in early 2019.

New Engine Generator for Administration Building

- Work related to installation of the new generator (Phase 1) is expected to be completed in late 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 new wiring, is expected to be completed between late 2019 and early 2020.

ITEM 22

Dear Mr. Dean,

I truly appreciate your willingness to help me with the water issue dilemma I faced with the introduction of the water meters. I was bewildered with the options I had available for getting water to my vegetable garden and plants, which my husband had extensively built over the years, and with his passing I was anxious as to how to fix the problem. Thank you for giving the go ahead to have another hose bib installed inside my garden area.

I also want you to know that all the managers and employees of Flowline have been very kind and efficient with me through this process. I can't even imagine what you and they are going through to implement this system. So that being said THANK YOU!

With sincere gratitude
and appreciation.

Debby