

# **Agenda**

## **Sacramento Suburban Water District**

### **Regular Board Meeting**

3701 Marconi Avenue, Suite 100  
Sacramento, California 95821

Monday, September 16, 2019  
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 August 19, 2019 Regular Board Meeting  
*Recommendation: Approve subject minutes.*

2. Water Banking and Transfer Policy (PL – BOD 006)  
*Recommendation: Approve subject policy with changes.*
3. Directors' Compensation and Expense Reimbursement Policy (PL – BOD 003)  
*Recommendation: Approve subject policy with changes.*
4. Resolution No. 19-12 Honoring Song Dang on His Upcoming Retirement  
*Recommendation: Approve subject resolution.*
5. Resolution No. 19-13 Concurring the Nomination of San Juan Water District's Pam Tobin for Vice President of the Association of California Water Agencies (ACWA) Board of Directors  
*Recommendation: Approve subject resolution.*

#### **Items for Discussion and/or Action**

6. Del Paso Manor Water District Operational Service Agreement  
*Recommendation: Authorize the General Manager to enter into a Service Agreement with Del Paso Manor Water District, pending legal review.*
7. No-Cost Exchange of Inactive Well 12 for Property at Seely Park  
*Recommendation: Authorize the General Manager to negotiate and execute an agreement with the Fulton El Camino Recreation Park District for a no-cost exchange of the District's inactive well, for approximately 0.2 acre of land in Seely Park, pending legal review.*
8. District Revenues and Expenses Status and Trends  
*Recommendation: Receive written staff report and presentation.*
9. Regional Collaboration Integration Study Update  
*Recommendation: Receive staff report and direct staff as appropriate.*
10. City of Sacramento – Temporary Reduction in Price of Wholesale Surface Water Supply  
*Recommendation: Receive staff report and direct staff as appropriate.*

#### **General Manager's Report**

11. General Manager's Report
  - a. Director of Finance and Administration Recruitment Update
  - b. Northern California Congressional Water Tour

**Assistant General Manager's Report**

12. Assistant General Manager's Report
  - a. Strategic Plan - Implementation Plan
  - b. Regional Water Supply/Wheeling Opportunities

**Department/Staff Reports**

13. Financial Report
  - a. Financial Highlights – August 2019
  - b. Financial Statements – August 2019
  - c. Investments Outstanding and Activity – August 2019
  - d. Cash Expenditures – August 2019
  - e. Credit Card Expenditures – August 2019
  - f. District Reserve Balances – August 2019
  - g. Information Required by LOC Agreement
  - h. Financial Markets Report – August 2019
14. District Activity Report
15. Engineering Report
  - a. Major Capital Improvement Program (CIP) Projects
  - b. Planning Documents
  - c. Other

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

16. a. Regional Water Authority (President Jones)  
Agenda for the September 12, 2019 meeting.

Regional Water Authority Executive Committee (General Manager York)  
Agenda for the August 28, 2019 meeting.

- b. Sacramento Groundwater Authority (Director Thomas)  
None.
- c. Water Caucus Meeting (General Manager York)  
Agenda for the September 11, 2019 meeting.
- d. Water Forum Successor Effort (General Manager York)  
Agenda for the September 12, 2019 meeting.
- e. Other Reports – AB 1234

### **Committee Reports**

- 17. a. Facilities and Operations Committee (Director Jones)  
None.
- b. Finance and Audit Committee (Director Wichert)  
None.
- c. San Juan Water District/Sacramento Suburban Water District Water Management/Re-Organization Committee (Director Jones)  
Draft Notes from the August 22, 2019 meeting.

### **Information Items**

- 18. Legislative and Regulatory Update
- 19. Upcoming Water Industry Events
- 20. Upcoming Policy Review
  - a. Records Inspection, Retention and Disposal Policy (PL – Adm 002)
  - b. Rules for Proceedings of the Board of Directors (PL – BOD 002)

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

The Board and District staff may ask questions for clarification, and make brief announcements and comments, and Board members may request staff to report back on a matter, or direct staff to place a matter on a subsequent agenda.

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

- 21. Conference with legal counsel--existing litigation; Government Code sections 54954.5(c) and 54956.9(a) and (d)(1); *Sacramento Suburban Water District v. United States*, United States Court of Federal Claims case no. 1:17-cv-00860-RHH, and *Sacramento Suburban Water District v. United States, et al.*, United States District Court for the Eastern District of California, case no. 2:17-cv-01353-TLN-AC.
- 22. 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. – TCP
- 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.

**Adjournment**

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**Upcoming Meetings**

Wednesday, October 16, 2019 at 6:00 p.m., Special Board Meeting – Prop 218 Hearing  
Monday, October 21, 2019 at 6:00 p.m., Regular Board Meeting

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I certify that the foregoing agenda for the September 16, 2019 meeting of the Sacramento Suburban Water District Board of Directors was posted by September 13, 2019 in a publicly-accessible location at the Sacramento Suburban Water District office, 3701 Marconi Avenue, Suite 100, Sacramento, California, and was freely available to the public.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District

## Minutes

Sacramento Suburban Water District  
**Regular Board Meeting**  
Monday, August 19, 2019

### Call to Order

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

### Pledge of Allegiance

President Jones led the Pledge of Allegiance.

### Roll Call

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

Directors Absent: None.

Staff Present: General Manager Dan York, Assistant General Manager Mike Huot, Director of Finance and Administration Dan Bills, Heather Hernandez-Fort, Cassie Crittenden, Matt Underwood, David Armand, Tommy Moulton, Mitchel McCarthy, David Espinoza and Dana Dean.

Public Present: William Eubanks, Alan Driscoll, Gene Benneke, Debbie Sedwick and Paul Olmsted.

### Announcements

General Manager Dan York (GM York) announced:

- The Executive Team has been relocated to the dais.
- The Verizon Cell Tower Lease was signed on August 14, 2019.
- The ACWA Region 4 Boat Tour Event is on September 17, 2019.
- Director of Finance and Administration, Dan Bills, announced his retirement effective January 17, 2020.

### Public Comment

None.

### Consent Items

1. **Minutes of the July 15, 2019 Regular Board Meeting**
2. **Workplace Dishonesty Policy (PL – Adm 006)**
3. **Engagement of Auditor Policy (PL - Fin 001) and Extending Audit Services with Richardson & Company, LLP**

4. **2019 Audit Engagement Letter and Contract**

5. **ACWA Region 4 Board Election**

President Jones requested to pull Item 4 for discussion.

Director Locke moved to approve Items 1, 2, 3, and 5, Director Thomas seconded. The motion passed by unanimous vote.

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

**Public Hearing**

6. **2019 Triennial Public Health Goal Report**

President Jones opened the public hearing on the 2019 Triennial Public Health Goal Report.

David Armand (Mr. Armand) presented the PowerPoint presentation and answered several clarifying questions.

William Eubanks (Mr. Eubanks) inquired how Mr. Armand knew that surface water was not hard water.

Mr. Armand explained that they tested for hardness which is shown in the Consumer Confidence Report.

President Jones closed the Public Hearing.

**Public Comment**

David Espinoza (Mr. Espinoza) spoke on behalf of Gene Benneke (Mr. Benneke) per Mr. Benneke's request. Mr. Espinoza related that Mr. Benneke attended the meeting to show his appreciation for the Jonas Main Replacement Project, noting that he was very impressed with the staff and consultants professionalism.

Mr. Benneke spoke to emphasize his appreciation for staff on the Jonas Main Replacement Project.

**Consent Items**

Regarding Item 4, Mr. Eubanks inquired what the recommendation was from the Finance and Audit Committee, explaining that Director Wichert commented that changing the policy to comply with the law weakened the District's position.

Director Wichert expressed that the current policy stated that the Finance and Audit Committee would seek proposals from potential auditors no greater than every 5 years, and he explained that 6 years made it a weaker policy.

Mr. Eubanks inquired why Director Wichert was willing to support the staff recommendation and renew the contract with the current audit firm, Richardson and Company, given his concern that such a change would weaken the policy.

Director Wichert expressed that after much discussion at the Finance and Audit Committee meeting, he felt that even though it was a weaker position, it was acceptable.

Director Thomas moved to approve Item 4; Director Locke seconded. The motion passed by unanimous vote.

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

**Items for Discussion and/or Action**

- 7. **Memorandum of Understanding for Water Supply Opportunities Investigation Between Sacramento Suburban Water District and Carmichael Water District**  
Assistant General Manager Mike Huot (AGM Huot) presented the staff report.

GM York provided additional information and answered clarifying questions.

Director Thomas inquired why the sense of urgency with the project, as opposed to other water supply opportunities with other local purveyors.

GM York answered that it was an opportunity to enhance the District’s water portfolio, expressing that it would not interfere with any other future opportunities.

Director Thomas noted that there was also currently an agreement between the District and San Juan Water District, further noting that if a drought did occur, we would be diminishing the District’s groundwater basin.

GM York expressed that any agreements would be contingent on ensuring the operations of the District was first priority.

Director Thomas noted he was in favor of sharing a well with Carmichael, but not completely convinced to approve an agreement for surface water.

GM York answered additional clarifying questions.



Director Wichert moved to approve the staff recommendation.

Paul Olmsted (Mr. Olmsted), a retired SMUD employee, expressed his strong support for the Memorandum of Understanding, stating that it was a part of the water reliability plan for the region.

Director Locke seconded. The motion passed by 4/1 vote. Director Thomas opposed.

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

**8. Distribution Main Asset Management Plan**

President Jones expressed that he was uncomfortable with the condition assessment, noting that it was very difficult to get an accurate condition assessment without taking several samples of pipeline. He further expressed that taking several samples could not only further damage the pipeline, but would be a greater cost to the District. He stated that the engineering staff should rely on the criteria in the Asset Management Plan, such as leak history, location of the pipeline, risk assessment, and the age and material of the pipeline. He noted that the criteria has proven to work well in the past and recommended to continue to use the Asset Management Plan with the caveat that the condition assessment would be used based upon the recommendation of the District Engineer and approved by the General Manager.

Director Wichert was unsure why President Jones was uncomfortable with what the staff was recommending, expressing that staff was comfortable with it.

Dana Dean (Mr. Dean) expressed that it would be more complex and cost more, however, he expressed that the idea was to save money by replacing pipeline when it was ready, not just when it was scheduled to be replaced.

President Jones noted that the condition assessment would prevent staff from being able to inform customers when their area was due for pipeline replacement.

Director Locke expressed the condition assessment was just ranking the worst of the worst.

AGM Huot expressed that it was becoming more of an industry standard to do condition assessments and further noted there were additional options to explore such as inspection with a camera, in order to avoid puncturing the actual pipelines.

President Jones clarified he felt the engineering staff should use the condition assessment as an additional tool, and not make it a mandatory requirement for each main replacement project, if it was not needed.

Mr. Dean expressed that the intent was to use the condition assessment as an additional tool.

Director Thomas moved to approve the staff recommendation with the addition that the condition assessment would be used upon the recommendation of the District Engineer and approved by the General Manager; Director McPherson seconded. The motion passed by unanimous vote.

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

9. **Resolution No. 19-11 Fixing the Employer Contribution Under Section 22893 of the Public Employees' Medical and Hospital Care Act**

Cassie Crittenden (Ms. Crittenden) presented the staff report.

Director Thomas moved to approve the staff recommendation; Director Locke seconded.

Director Wichert expressed he was still in favor of the formation of an Ad Hoc Benefits Committee. Director's Thomas and McPherson agreed.

President Jones expressed he wanted to wait until the first of the year to form the new committee.

The motion passed by unanimous vote.

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

10. **2020 Budget Assumptions**

Mr. Bills presented the staff report.

Director Wichert inquired why the budget assumptions were not being presented to the Finance and Audit Committee and additionally inquired if the actuarial estimates from the OPEB were included in the rate study.

Mr. Bills expressed that he was asked to bring the item to the full Board and additionally stated he would look up if the actuarial estimates from the OPEB included in the rate study were the same as those in the budget assumptions.

Director Locke noted that there was still an outstanding liability and he was not in favor of deferring it.

Director Wichert inquired how much the unfunded liability currently was.

Mr. Bills expressed that he would report back on that figure.

Director McPherson expressed that she was still in favor of forming an Ad Hoc Benefits Committee to review the legal liability for employee benefits, and stated that it was unfair to discuss funding OPEB and employee benefits without collecting all of the information.

Director Wichert expressed that he was in favor of buying down the unfunded liability and noted that he was ok with paying the unpaid balance from 2019.

Director McPherson stated she believed the cost would require an additional rate increase.

Director Locke noted that the rate increase figures were based primarily off deferring some CIP projects. He further expressed that he believed the 2020 budget assumptions presented by staff were valid.

Director Wichert noted that he was comfortable with the assumptions if they were consistent with the proposed rate increases.

Mr. Eubanks encouraged the Board to purchase surface water from the City of Sacramento if their rate becomes \$120 per acre foot. He additionally inquired if there was a Director Division map which also included the North and South Service Areas.

Mr. Bills reported back to the board that the figures were not incorporated in the proposed rate increase.

Director Wichert recommended the amount that was in the rate increase analysis and suggested that staff come back with a recommendation on how to pay off the unfunded liability.

Director Wichert moved to use the assumptions provided for the rate increase, and if the budget needed to be increased, they would discuss that as a second step; Director Thomas seconded. The motion passed by unanimous vote.

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

## **General Manager's Report**

### **11. General Manager's Report**

GM York presented the staff report.

- a. *2019 Northern California Water Tour*  
GM York presented the staff report.
- b. *Del Paso Manor Water District Update*  
GM York presented the staff report.
- c. *City of Sacramento Wholesale Water Rate Analysis Update and Area D Map*  
GM York presented the staff report.
- d. *McClellan Business Park – Sacramento County Agreement*  
GM York presented the staff report.
- e. *Grant of Easement and Right of Way at 1440 Fulton Avenue and 2626 Marigold Lane in Sacramento, California.*  
GM York presented the staff report.

## **Assistant General Manager's Report**

### **12. Assistant General Manager's Report**

AGM Huot presented the staff report.

- a. *Strategic Plan - Implementation Plan*  
AGM Huot presented the staff report.
- b. *Jonas Main Replacement Open House*  
AGM Huot presented the staff report.

## **Department/Staff Reports**

### **13. Financial Report**

A written report was provided.

- a. *Financial Highlights – July 2019*  
A written report was provided.
- b. *Financial Statements – July 2019*  
A written report was provided.
- c. *Investments Outstanding and Activity – July 2019*  
A written report was provided.

- d. *Cash Expenditures – July 2019*  
A written report was provided.
- e. *Credit Card Expenditures – July 2019*  
A written report was provided.
- f. *District Reserve Balances – July 2019*  
A written report was provided.
- g. *Information Required by LOC Agreement*  
A written report was provided.
- h. *Financial Markets Report – July 2019*  
A written report was provided.

14. **District Activity Report**  
A written report was provided.

15. **Engineering Report**  
A written report was provided.

Mr. Eubanks inquired if the new well at Butano was going to be equipped with well head treatment and inquired if well 32A or well 26 were scheduled to be abandoned.

Mr. Dean answered that the Butano well would not have well head treatment, and that there was no plan to abandon either well 32A or 26.

- a. *Major Capital Improvement Program (CIP) Projects*  
A written report was provided.
- b. *Planning Documents*  
A written report was provided.
- c. *Other*  
A written report was provided.

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

16. a. Regional Water Authority (President Jones)  
None.

Regional Water Authority Executive Committee (General Manager York)  
The agenda for the July 24, 2019 meeting was provided.

b. Sacramento Groundwater Authority (Director Thomas)  
The agenda for the August 8, 2019 meeting was provided.

- c. Water Caucus Meeting (General Manager York)  
None.
- d. Water Forum Successor Effort (General Manager York)  
None.
- e. Other Reports – AB 1234

President Jones provided an oral report on the following meetings he attended:

- July 7-10, 2019 CSDA Leadership Training Conference.
- July 11, 2019 RWA Board meeting.
- July 12, 2019 Ethics Training.
- July 16, 2019 Sexual Harassment Training.
- July 18, 2019 SAWWA Tour of Woodland facilities.

Director Thomas provided oral reports on the following meetings he attended:

- July 5, 2019 meeting with the General Manager.
- July 10, 2019 Aero Jet CAG meeting.
- July 16, 2019 meeting with the Director of Finance and Administration.
- July 18, 2019 Jonas Main Replacement Open House.
- July 22, 2019 meeting with the General Manager.
- July 24, 2019 Delta Conservancy meeting.
- July 31, 2019 meeting with Ted Costa of SJWD.
- August 2, 2019 Auburn Dam Counsel meeting.
- August 8, 2019 meeting with the General Manager.

### **Committee Reports**

- 17. a. Facilities and Operations Committee (Director Jones)  
None.
- b. Finance and Audit Committee (Director Wichert)  
Draft Minutes of the August 5, 2019 and August 12, 2019 meetings were provided.
- c. San Juan Water District/Sacramento Suburban Water District Water Management/Re-Organization Committee (Director Jones)  
The agenda for the August 22, 2019 meeting was provided.

### **Information Items**

- 18. **Antelope Transmission Pipeline Damage**  
A written report was provided.

Matt Underwood (Mr. Underwood) presented a video of the damage as well as provided additional information.

19. **ACWA/JPIA Liability, Property and Workers' Compensation Risk Assessment**  
A written report was provided.
20. **Senate Bill 998 – Water Shutoff Protection Act**  
A written report was provided.
21. **2019 Water Rate Study Public Outreach**  
A written report was provided.
22. **ACWA Committee Appointment Considerations for the 2020-21 Term**  
A written report was provided.
23. **Legislative and Regulatory Update**  
A written report was provided.
24. **Upcoming Water Industry Events**  
A written report was provided.
25. **Upcoming Policy Review**  
A written report was provided.
  - a. Water Banking and Transfer Policy (PL – BOD 006)  
A written report was provided.
  - b. Directors' Compensation and Expense Reimbursement Policy (PL – BOD 003)  
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 8:30 p.m. to discuss the following:

26. **Public employee performance evaluation involving the General Manager under Government Code section 54954.5(e) and 54957.**

**Return to Open Session**

The Board convened in open session at 8:44 p.m.

President Jones made additional committee appointments.

Employee Benefits Ad Hoc Committee, Director Wichert and Director Locke. Director Locke was appointed Chair.

Ad Hoc General Manager Performance Review Committee, President Jones and Director Thomas. President Jones was appointed Chair.

**Adjournment**

President Jones adjourned the meeting at 8:52 p.m.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District

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## Agenda Item: 2

**Date:** September 4, 2019

**Subject:** Water Banking and Transfer Policy (PL – BOD 006)

**Staff Contact:** Mike Huot, Assistant General Manager

**Recommended Board Action:**

Approve the updated Water Banking and Transfer Policy (PL – BOD 006).

**Background:**

On August 19, 2019, the Water Banking and Transfer Policy was brought to the Board for review (Attachment 1). Comments from Directors were requested by September 3, 2019. No comments were received.

**Discussion:**

Staff recommends the Board approve the updated Water Banking and Transfer Policy (Attachment 2). Changes are minor, including some clerical changes and a few minor modifications to provide better clarity.

**Fiscal Impact:**

None.

**Strategic Plan Alignment:**

Goal A: Provide a High Quality Reliable Water Supply by Ensuring it is Sustainable, Clean, and Safe

Goal C: Fiscal Responsibility and Affordable Rates

This policy benefits District customers because it helps ensure water supply for future generations by establishing multiple supply sources, such as water banking and water transfers.

**Attachments:**

1 – Water Banking and Transfer Policy – redlined

2 – Water Banking and Transfer Policy - clean

Sacramento Suburban Water District

## Water Banking and Transfer Policy

Adopted: October 17, 2011

Revised: ~~October 21, 2013; October 19, 2015; September 18, 2017~~ Approved with Changes:  
September 16, 2019

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### 100.00 Purpose of the Policy

The primary purpose of this policy is to establish the parameters that will govern the actions of staff in the pursuit of water banking and transfer opportunities and agreements.

### 100.10 Definitions

Water is considered a public resource, and its use is permitted through water rights and contractual entitlements. ~~Use must be reasonable and beneficial; thus, water that is being considered for banking or transfer must not have been created by unreasonable use or excess to the needs of the water rights holder.~~ The following definitions are used in this policy:

Aquifer Storage and Recovery (ASR) – Means injecting water into an underground aquifer through wells or by surface spreading and infiltration and then pumping it out when needed. The aquifer essentially functions as a reservoir.

Conjunctive Use – Means the joint use of surface water and groundwater to more effectively manage water resources. Typically, during average or wet hydrologic years, surface water is used in lieu of groundwater, allowing the groundwater to remain in the aquifer for future use.

Water Banking – Means the practice of actively ~~exchanging in lieu of~~ using surface water supplies in lieu of available groundwater and leaving the groundwater in the basin storage space for later extraction and use by the storing party. Banking generally involves active management of the basin and accounting of the water supplies stored and withdrawn from underground storage. ~~Water may be b~~Bankinged and ASR are two means of conducting as part of a Conjunctive Use program.

Water Transfer – Means a transaction in which a holder of a surface water right or entitlement voluntarily sells/exchanges to a willing buyer the right to use all or a portion of the water that would have been consumptively used under that water right or entitlement, provided the transfer does not injure another water right holder or

unreasonably affect instream beneficial uses. The transferor retains title to the surface water right or entitlement, which distinguishes a Water Transfer from a sale or assignment of a water right or entitlement in which the buyer obtains the title or right. Under California Law, a Water Transfer is either short-term, i.e., a transfer of the right of use for one year or less, or long-term, i.e., for a period of more than one year. Water Transfers may occur between a transferor and transferee in the same watershed or basin or between parties in different watersheds.

## **200.00 Policy**

Sacramento Suburban Water District has invested considerable resources in a Conjunctive Use water supply system in an effort to ameliorate declining groundwater levels in the groundwater basin beneath its service area. This investment has created opportunities for the District to partner with others to utilize District assets during periods when such asset capacity is excess to the immediate needs of District customers. Allowing these available assets to be used by others can create a financial benefit to the ratepayers of the District while providing needed water supplies to agencies whose water supplies have been reduced.

It is the policy of the Board of Directors to authorize Water Banking and Water Transfer actions whenever prudent and to more fully utilize excess asset capacity to benefit District ratepayers and to maximize water use efficiency on a regional and statewide basis. The Board of Directors will protect the long term interests of the District and its ratepayers first by maintaining and defending the District's:

1. Water rights and contractual entitlements,
2. Groundwater quality,
3. Groundwater resource sustainability, and
4. The condition of physical assets.

## **300.00 Policy Review**

This Policy shall be reviewed at least biennially.

Sacramento Suburban Water District

**Water Banking and Transfer Policy**

Adopted: October 17, 2011  
Approved with Changes: September 16, 2019

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**100.00 Purpose of the Policy**

The primary purpose of this policy is to establish the parameters that will govern the actions of staff in the pursuit of water banking and transfer opportunities and agreements.

**100.10 Definitions**

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Conjunctive Use – Means the joint use of surface water and groundwater to more effectively manage water resources. Typically, during average or wet hydrologic years, surface water is used in lieu of groundwater, allowing the groundwater to remain in the aquifer for future use.

Water Banking – Means the practice of actively using surface water supplies in lieu of available groundwater and leaving the groundwater in the basin for later extraction and use by the storing party. Banking generally involves active management of the basin and accounting of the water supplies stored and withdrawn from underground storage. Water Banking and ASR are two means of conducting a Conjunctive Use program.

Water Transfer – Means a transaction in which a holder of a surface water right or entitlement voluntarily sells/exchanges to a willing buyer the right to use all or a portion of the water that would have been consumptively used under that water right or entitlement, provided the transfer does not injure another water right holder or unreasonably affect instream beneficial uses. The transferor retains title to the surface water right or entitlement, which distinguishes a Water Transfer from a sale or assignment of a water right or entitlement in which the buyer obtains the title or right. Under California Law, a Water Transfer is either short-term, i.e., a transfer of

the right of use for one year or less, or long-term, i.e., for a period of more than one year. Water Transfers may occur between a transferor and transferee in the same watershed or basin or between parties in different watersheds.

## **200.00 Policy**

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It is the policy of the Board of Directors to authorize Water Banking and Water Transfer actions whenever prudent and to more fully utilize excess asset capacity to benefit District ratepayers and to maximize water use efficiency on a regional and statewide basis. The Board of Directors will protect the long term interests of the District and its ratepayers first by maintaining and defending the District's:

1. Water rights and contractual entitlements,
2. Groundwater quality,
3. Groundwater resource sustainability, and
4. The condition of physical assets.

## **300.00 Policy Review**

This Policy shall be reviewed at least biennially.



### Agenda Item: 3

**Date:** August 30, 2019

**Subject:** Directors' Compensation and Expense Reimbursement Policy (PL – BOD 003)

**Staff Contact:** Mike Huot, Assistant General Manager

**Recommended Board Action:**

Adopt the updated Directors' Compensation and Expense Reimbursement Policy (PL – BOD 003).

**Background:**

On August 19, 2019, the Directors' Compensation and Expense Reimbursement Policy Update was brought to the Board for review. Comments from Directors were requested by September 3, 2019. No comments were received.

**Discussion:**

Staff recommends adopting the updated Directors' Compensation and Expense Reimbursement Policy. Both, a redline version (Attachment 1) and clean version (Attachment 2) are included for your reference. In summary, edits by staff and legal were made to the following sections:

Section 300.20 – Reimbursable Expenses:

- Hotel Expenses – If a Director travels on District business and no hotel is designated or is unable to book lodging at the designated hotel, then the District will reimburse at the General Services Administration (GSA) per diem rate. Staff recommends removing the option for reimbursing up to three times the maximum per diem hotel rate for the event location.
- Meals – Similar to the Hotel Expense changes, staff recommends allowing meals to be reimbursed at the maximum GSA per diem rates, but removing the allowance for being reimbursed up to three times the maximum GSA per diem rates.
- Incidental Allowances – Adjusting the maximum allowable tips from 15% to 20%.

Section 300.40 – Expense Reporting Procedures: Apply the same changes above for the Lodging and Meal Expense Reporting. The maximum reimbursable amount for Lodging and Meal Expenses reporting will be the maximum GSA per diem rates for the event location, not three times the maximum GSA per diem rates.

Similar adjustments are being made to staff's procedures.

**Fiscal Impact:**

Adopting the policy updates has a negligible fiscal impact.

**Strategic Plan Alignment:**

Goal C: Fiscal and Responsibility and Affordable Rates

District customers benefit from updating established fiscal management practices.

**Attachments:** 1 –Directors' Compensation and Expense Reimbursement Policy - redlined  
2 – Directors' Compensation and Expense Reimbursement Policy - clean

Sacramento Suburban Water District

**Directors' Compensation and Expense Reimbursement Policy**

Adopted: July 21, 2003

Revised: ~~May 15, 2006; May 19, 2008; May 17, 2010; June 20, 2011; July 15, 2013;~~

~~August 18, 2014; August 17, 2015; August 21, 2017~~ Approved with Changes:  
September 16, 2019

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**100.00 Purpose of the Policy**

This document sets forth the policy of the Sacramento Suburban Water District concerning Directors' compensation and the payment of actual and necessary expenses incurred in the performance of official duties and is intended to comply with the requirements of Government Code sections 53232 through 53232.4.

**200.00 Directors' Compensation**

**200.10 Amount of Compensation**

Each member of the Board of Directors of the District will be entitled to receive \$100 per day for each day's attendance at meetings of the Board, or for each day's service rendered as a member of the Board by request of the Board, as provided in article 200.20.

**200.20 Types of Service for Which Compensation Will Be Provided**

Applicable law (Government Code section 53232.1) permits the District to compensate Directors for each day's attendance at meetings of the Board, or for each day's service rendered as a Director, subject to a written policy adopted in a public meeting. A Director can be compensated for up to 10 days per calendar month of service in accordance with the Board's adoption of Ordinance No. 02-01. (Water Code section 20202.) The District encourages Directors to take advantage of opportunities to be informed concerning matters of interest to the District, and to inform others of the activities and interests of the District. The General Manager or his or her designee will provide to the Board on a monthly basis a list of meetings attended by each Director for which the Director was compensated under this policy. Directors will be compensated (for up to 10 days per calendar month) for attending the following types of meetings:

- a. Meetings of the Board of Directors of the District and the Board of Directors of the Sacramento Suburban Water District Financing Corporation;



- b. ~~Meetings of Board-appointed Committees meetings of the Board~~, attended as a member of the committee;
- c. ~~Other meetings necessary for the disposition of duties assigned to a Board committee, attended by a member of the committee;~~
- d. Meetings of other governmental entities, associations or duly-recognized committees on which the District is officially represented, attended by the liaison representative of the Board and/or the liaison representative alternate who has been appointed to represent the District on the governmental entity or committee (both liaison representative and liaison representative alternate should attend all meetings to be informed on the issues and therefore both will be compensated for attending those meetings);
- e. Conferences, seminars, workshops and other events held within the State of California that are sponsored by industry associations or nonprofit entities for the purpose of discussing relevant water and local government issues, including days while attending the conference, seminar, workshop or event, but excluding days in transit to or from the conference, seminar, workshop or event (attendance at conferences, seminars, workshops and events held outside the State of California will be approved by the Board of Directors on a case-by-case basis);
- f. Educational training, seminars, and courses designed to improve Directors' understanding of District business and their obligations as public officials, including ethics training mandated under Government Code section 53235(a) and harassment prevention training under Government Code section 12950.1;
- g. 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; and

In connection with business, educational and ceremonial ~~meetings, functions and conferences~~ events for which the District has prepaid for a Director's attendance, the Director shall attend such events. If the Director is unable to attend the pre-paid event, the Director shall immediately notify the District. If the District cannot obtain a refund of fees paid, then the District shall bill the Director for reimbursement for all amounts paid, unless the Director's failure to attend the event arises from circumstances beyond the control of the Director.

### **300.00 Reimbursement of Directors' Expenses**

#### **300.10 Policy and General Rules**

The District encourages Directors to attend conferences, seminars and other meetings that require their participation or provide an opportunity to be informed concerning

matters of interest to the District. Each Director is entitled to reimbursement for the amount of the reasonable and prudent expenditures (i.e., registration fees, travel, meals, lodging, and other actual and necessary expenses) incurred in the performance of his or her official duties. When a Director pre-pays expenses (e.g. registration, airfare, hotel), the Director may submit such items for expense reimbursement prior to the meeting occurrence as described in article 300.20.

A Director may use his or her personal funds for meeting registration. The District will reimburse the Director for the actual amount of the registration, if properly reported and documented in accordance with article 300.40. If requested, staff will register a Director for qualifying meetings as described in article 200.20.

The District's annual budget will set an appropriate level of funding for payment of Directors' expenses. A Director will not be entitled to receive in excess of \$ 4,000 per fiscal year for reimbursable expenses, exclusive of registration fees, unless the Board of Directors preapproves a Director's request to increase this amount for the applicable fiscal year. A maximum of five paid meeting days per conference will be allowed with the following exception: ancillary programs that are not a part of the main conference (e.g. ACWA/JPIA meetings). The General Manager or his or her designee will be responsible for ensuring that the budgeted amount is not exceeded without prior approval of the Board.

Any exceptions for expenses that do not come within the District's expense reimbursement policy must be approved by the Board in a public meeting in advance of the time when the expense will be incurred. (Government Code, §53232.2, subd. (f).) Any question concerning the propriety of a particular expense should be resolved by the Board before the expense is incurred.

### **300.20 Reimbursable Expenses**

Directors' direct expenses for attendance at meetings and events authorized by this policy, including registration fees, reasonable travel, lodging, and meal costs, and other actual necessary expenses, will be paid by the District in accordance with the guidelines and per diem rates for an accountable expense reimbursement plan as defined in the United States Internal Revenue Service's Publication 463 ("Travel, Entertainment, Gift and Car Expenses") and ~~Publication 1542 ("Per Diem Rates (For Travel Within the Continental United States")~~ (collectively, the ~~"IRS Publications"~~) federal per diem rates published by the General Services Administration (GSA). A copy of these documents ~~-current IRS Publications-~~ can be obtained from the Finance Director.

The following expenses are authorized business-related expenditures:

- a. Personal Vehicle Mileage. A Director will be reimbursed for actual vehicle travel miles at the rate authorized under the IRS Publications for all meetings attended and services provided as defined in article 200.20,

Director's Compensation, above. A Director will be considered to have accounted for personal vehicle expenses by indicating the actual miles traveled, the business purpose of the travel, and the date of travel on the approved District expense reimbursement form and submitted in accordance with article 300.40. The District will not reimburse Directors for any other personal vehicle expenses.

- b. Hotel Expenses. A Director will be reimbursed for reasonable lodging expenses incurred in accordance with this Policy when a Director attends conferences, seminars or meetings, if the Director stays at the hotel or other lodging listed in the event's registration materials at the group rate obtained for the event. If a Director travels on District business for which no hotel is designated or is unable to book lodging at a specified conference rate, he or she may either (a) will be reimbursed at the per diem hotel rate published provided in by the IRS Publications GSA for the city in which the hotel is located, or (b) use the Director's personal funds to pay for hotel charges, in which case the District will reimburse the Director for actual charges, but only up to three times the maximum per diem hotel rate provided for in the IRS Publications for the event location.
- c. Meals. A Director may be reimbursed for the cost of -meals while attending authorized conferences, seminars or meetings away from the District based on the per meal rate provided published for in the IRS Publications by the GSA. A Director may either (a) report meals at the IRS GSA per diem rate or (b) use the Director's personal funds to pay for meals, in which case the District will reimburse the Director for actual charges, but only up to ~~three times the maximum per diem meal rates published provided for in the IRS Publications by the GSA~~. If a Director is not traveling for a full day, defined as from 12:01 a.m. to 12:00 Midnight, the per diem meal/incidental allowance will be prorated according to the actual hours of travel unless a Director uses his or her personal funds to pay for meals, in which case the District will reimburse the Director for actual charges for meals incurred while traveling, but only up to ~~three times the maximum per diem meal rate published provided for in the IRS Publications by the GSA per diem rate~~. If the District pre-pays the cost of one or more meals with a meeting, function or conference registration, a Director must attend the prepaid meals. If a Director fails to attend a pre-paid meal, a Director may not submit a claim for reimbursement for an alternative meal taken in lieu of the pre-paid meal.
- d. Incidental Allowance. Tips for meals will be reimbursed up to a maximum of ~~45~~20% of the cost of the reimbursable portion of any meal in accordance with the tip shown on the receipt attached to an expense reporting form. The District will reimburse a Director for tips actually given to cabbies, baggage porters, bellhops and hotel housekeepers that are reasonable and customary for the area. A Director may be reimbursed for toll charges and parking fees up to the actual amount expended.

- e. Common Carrier Travel. When personal vehicle use for District business is impractical due to time and/or distance, a Director may use regularly-scheduled commercial carriers for travel. Consistent with scheduling needs and the most-direct route, a Director traveling by plane, train, rental vehicle, bus, ~~or taxi~~, or ride share will travel by the least-expensive fare actually available for the date and time of the travel. When possible, travel should be planned in advance to permit use of advance fares. Long-term parking must be used at airports for travel exceeding 24 hours. The District will reimburse the Director for the actual amount of the fare and related, necessary expenses (e.g., baggage fees), if properly reported in accordance with article 300.30.
- f. Telephone/Fax/Cellular/Internet. A Director will be reimbursed for actual telephone, fax and reasonable internet expenses incurred for District business. Telephone bills should identify which calls were made for District business. For cellular calls when the Director has a particular number of minutes included in the Director's plan, the Director can identify the percentage of calls made for District business.

### **300.30 Types of Expenses for Which Reimbursement Will Not be Provided**

Director expenses that are not deemed to be reimbursable business expenses may include, but are not limited to:

- a. Barber and/or beauty shop charges
- b. Fines for traffic or parking violations
- c. Expenses of any person accompanying a Director on a District-approved trip or event
- d. Personal telephone calls
- e. Fitness/Health Facility or Massages
- f. Alcoholic beverages
- g. Entertainment expenses (movies, sporting events, etc.)
- h. Non-Mileage vehicle expenses
- i. Charitable contributions

### **300.40 Expense Reporting Procedures**

In order to be reimbursed for any expense authorized under this Policy, within 60 days of incurring the expense, a Director must fill out and sign a District-provided expense report form available from the Finance Department. The expense report form is designed to ensure that Directors' expense reimbursements comply with the requirements of Government Code section 53232.3 and IRS Publication 463~~the IRS Publication~~~~the GSA per diem rate~~. Accordingly, the General Manager will review each expense report form, and sign it to indicate compliance with the requirements of this policy. In all cases when a Director seeks reimbursement for expenses incurred

while attending a conference, seminar or other meeting, a copy of the conference registration form must either be attached to his or her expense report or on file at the District (e.g. copy attached to check request or purchasing card paperwork). In addition, a Director will be required to attach the following documentation to his or her expense reimbursement report as a condition of receiving reimbursement for an appropriately-incurred business expense:

- a. Personal Vehicle Mileage. To verify mileage, the General Manager or designee will document personal vehicle mileage, using tools such as Google or MapQuest, which will be attached to the Director's expense report.
- b. Lodging Expenses. If a Director wishes to be reimbursed for lodging expenses, he or she must attach to the expense report an itemized bill issued by the hotel and a copy of the credit card receipt or other proof of the Director's payment. Except when attending a conference, seminar or other meeting and using the available group rate booked for the event, the District will reimburse a Director only for the actual amount of the hotel expenses incurred at the pre-arranged rate at the convention hotel or up to the GSA per diem rate for events that do not have a host hotel.~~a maximum amount equal to three times the applicable per diem rate shown in the IRS Publications.~~
- c. Meal Expenses. If a Director wishes to be reimbursed for meal expenses at the ~~IRS-GIS~~GSA per diem rate, he or she may fill out the expense report form and claim the expense without further documentation. If a Director pays for meals with his or her own funds, he or she must attach to the expense report an itemized bill, copy of a credit card receipt or other proof of the Director's payment. In such cases, the District will reimburse a Director only for the actual amount of the meal expense incurred up to a maximum amount of ~~three times the applicable per diem rate shown published by the in the IRS Publications~~GSA.
- d. Common Carrier Travel. A Director must attach to his or her expense report the fare, coupon, or itemized bill from a travel agency, airline, rental vehicle, bus or train showing the actual amount expended for such travel. A boarding pass, conference badge, business receipt from the destination or other documentation indicating the travel occurred must be attached to the Director's expense report.
- e. Incidental Expenses. Whenever possible, a Director should obtain a receipt for incidental expenses such as tolls and parking fees. For incidental expenses where no receipt is available, such as tips and parking meter costs, a reimbursement request for such expenses may be claimed on the District approved expense report. Certification that such expenses were related to

District business, reasonable, appropriate, and actually incurred by the Director is made when signing the District approved expense report form.

In all cases, the Director will remain responsible for filing an expense report and attaching the appropriate documentation obtained by the Director in conformance with paragraphs a. through e. above. Flat-rate advances or payments of expenses are prohibited under Government Code section 53232.2, except for per diem payments authorized in accordance with the GSA published rates.~~the IRS Publications.~~

A Director must substantiate all expenses on an expense report with the appropriate documentation attached within 60 days of incurring or paying the expense. An expense report submitted after the 60 days will only be paid if approved by the Board at a regular meeting. Any mis- or late-reported expenses incurred by a Director will ~~not meet the requirements of the IRS Publications and~~ will be considered income to the affected Director. To comply with the applicable tax laws, the District will issue to a Director a Form W-2 including all mis- or late-reported expenses as income.

### **300.50 Disclosure**

To comply with reporting requirements of Government Code section 53232.3, the District will prepare a list of the meetings attended by each Director for which the District provided compensation, and a list of the amount and purpose of each expense reimbursement paid by the District to each Director. This information will be included with the agenda materials for each regular monthly Board of Directors meeting. At the next regular Board meeting, Directors also must provide either an oral or written report of meetings and other authorized events attended for which they were compensated by the District. If multiple officials attended the same event, a joint report may be made.

All expenses are subject to verification that they comply with this Policy. Directors should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All District expenditures are public records subject to disclosure under the Public Records Act, except that the District will ensure that no Director personal information, such as credit card numbers and home addresses, is provided to the public in the event of a request for such records.

### **300.60 Penalties**

Government Code Section 53232.4 defines the penalties for falsifying or misusing public funds. The penalties include: (1) loss of the violator's reimbursement privileges; (2) restitution of misused District funds; (3) civil penalties of up to \$1,000 per day for each day of violation and three times the value of the public resources misused; and (4) criminal prosecution and lifetime bar from holding public office. The Board will report any violation of this Policy to the appropriate authorities.

**300.70 Payment of Compensation and Expenses**

All reimbursable expenses as outlined in this policy will be paid within the next payroll cycle upon receipt of a completed expense reporting form approved by the General Manager or designee.

**400.00 Policy Review**

This Policy shall be reviewed at least biennially.

Sacramento Suburban Water District

**Directors' Compensation and Expense Reimbursement Policy**

Adopted: July 21, 2003  
Approved with Changes: September 16, 2019

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- b. Meetings of Board-appointed committees, attended as a member of the committee;



- d. Meetings of other governmental entities, associations or duly-recognized committees on which the District is officially represented, attended by the liaison representative of the Board and/or the liaison representative alternate who has been appointed to represent the District on the governmental entity or committee (both liaison representative and liaison representative alternate should attend all meetings to be informed on the issues and therefore both will be compensated for attending those meetings);
- e. Conferences, seminars, workshops and other events held within the State of California that are sponsored by industry associations or nonprofit entities for the purpose of discussing relevant water and local government issues, including days while attending the conference, seminar, workshop or event, but excluding days in transit to or from the conference, seminar, workshop or event (attendance at conferences, seminars, workshops and events held outside the State of California will be approved by the Board of Directors on a case-by-case basis);
- f. Educational training, seminars, and courses designed to improve Directors' understanding of District business and their obligations as public officials, including ethics training mandated under Government Code section 53235(a) and harassment prevention training under Government Code section 12950.1;
- g. 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; and

In connection with business, educational and ceremonial events for which the District has prepaid for a Director's attendance, the Director shall attend such events. If the Director is unable to attend the pre-paid event, the Director shall immediately notify the District. If the District cannot obtain a refund of fees paid, then the District shall bill the Director for reimbursement for all amounts paid, unless the Director's failure to attend the event arises from circumstances beyond the control of the Director.

### **300.00 Reimbursement of Directors' Expenses**

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A Director may use his or her personal funds for meeting registration. The District will reimburse the Director for the actual amount of the registration, if properly reported and documented in accordance with article 300.40. If requested, staff will register a Director for qualifying meetings as described in article 200.20.

The District's annual budget will set an appropriate level of funding for payment of Directors' expenses. A Director will not be entitled to receive in excess of \$ 4,000 per fiscal year for reimbursable expenses, exclusive of registration fees, unless the Board of Directors preapproves a Director's request to increase this amount for the applicable fiscal year. A maximum of five paid meeting days per conference will be allowed with the following exception: ancillary programs that are not a part of the main conference (e.g. ACWA/JPIA meetings). The General Manager or his or her designee will be responsible for ensuring that the budgeted amount is not exceeded without prior approval of the Board.

Any exceptions for expenses that do not come within the District's expense reimbursement policy must be approved by the Board in a public meeting in advance of the time when the expense will be incurred. (Government Code, §53232.2, subd. (f).) Any question concerning the propriety of a particular expense should be resolved by the Board before the expense is incurred.

### **300.20 Reimbursable Expenses**

Directors' direct expenses for attendance at meetings and events authorized by this policy, including registration fees, reasonable travel, lodging, and meal costs, and other actual necessary expenses, will be paid by the District in accordance with the guidelines and per diem rates for an accountable expense reimbursement plan as defined in the United States Internal Revenue Service's Publication 463 ("Travel, Entertainment, Gift and Car Expenses") and federal per diem rates published by the General Services Administration (GSA). A copy of these documents can be obtained from the Finance Director.

The following expenses are authorized business-related expenditures:

- a. **Personal Vehicle Mileage.** A Director will be reimbursed for actual vehicle travel miles at the rate authorized under the IRS Publications for all meetings attended and services provided as defined in article 200.20, Director's Compensation, above. A Director will be considered to have accounted for personal vehicle expenses by indicating the actual miles traveled, the business purpose of the travel, and the date of travel on the approved District expense reimbursement form and submitted in accordance with article 300.40. The District will not reimburse Directors for any other personal vehicle expenses.
- b. **Hotel Expenses.** A Director will be reimbursed for lodging expenses incurred in accordance with this Policy when a Director attends conferences,

seminars or meetings, if the Director stays at the hotel or other lodging listed in the event's registration materials at the group rate obtained for the event. If a Director travels on District business for which no hotel is designated or is unable to book lodging at a specified conference rate, he or she will be reimbursed at the per diem hotel rate published by the GSA for the city in which the hotel is located.

- c. Meals. A Director may be reimbursed for the cost of meals while attending authorized conferences, seminars or meetings away from the District based on the per meal rate published by the GSA. A Director may either (a) report meals at the GSA per diem rate or (b) use the Director's personal funds to pay for meals, in which case the District will reimburse the Director for actual charges, but only up to the maximum per diem meal rates published by the GSA. If a Director is not traveling for a full day, defined as from 12:01 a.m. to 12:00 Midnight, the per diem meal/incidental allowance will be prorated according to the actual hours of travel unless a Director uses his or her personal funds to pay for meals, in which case the District will reimburse the Director for actual charges for meals incurred while traveling, but only up to the maximum per diem meal rate published by the GSA. If the District pre-pays the cost of one or more meals with a meeting, function or conference registration, a Director must attend the prepaid meals. If a Director fails to attend a pre-paid meal, a Director may not submit a claim for reimbursement for an alternative meal taken in lieu of the pre-paid meal.
- d. Incidental Allowance. Tips for meals will be reimbursed up to a maximum of 20% of the cost of the reimbursable portion of any meal in accordance with the tip shown on the receipt attached to an expense reporting form. The District will reimburse a Director for tips actually given to cabbies, baggage porters, bellhops and hotel housekeepers that are reasonable and customary for the area. A Director may be reimbursed for toll charges and parking fees up to the actual amount expended.
- e. Common Carrier Travel. When personal vehicle use for District business is impractical due to time and/or distance, a Director may use regularly-scheduled commercial carriers for travel. Consistent with scheduling needs and the most-direct route, a Director traveling by plane, train, rental vehicle, bus, taxi, or ride share will travel by the least-expensive fare actually available for the date and time of the travel. When possible, travel should be planned in advance to permit use of advance fares. Long-term parking must be used at airports for travel exceeding 24 hours. The District will reimburse the Director for the actual amount of the fare and related, necessary expenses (e.g., baggage fees), if properly reported in accordance with article 300.30.
- f. Telephone/Fax/Cellular/Internet. A Director will be reimbursed for actual telephone, fax and reasonable internet expenses incurred for District

business. Telephone bills should identify which calls were made for District business. For cellular calls when the Director has a particular number of minutes included in the Director's plan, the Director can identify the percentage of calls made for District business.

### **300.30 Types of Expenses for Which Reimbursement Will Not Be Provided**

Director expenses that are not deemed to be reimbursable business expenses may include, but are not limited to:

- a. Barber and/or beauty shop charges
- b. Fines for traffic or parking violations
- c. Expenses of any person accompanying a Director on a District-approved trip or event
- d. Personal telephone calls
- e. Fitness/Health Facility or Massages
- f. Alcoholic beverages
- g. Entertainment expenses (movies, sporting events, etc.)
- h. Non-Mileage vehicle expenses
- i. Charitable contributions

### **300.40 Expense Reporting Procedures**

In order to be reimbursed for any expense authorized under this Policy, within 60 days of incurring the expense, a Director must fill out and sign a District-provided expense report form available from the Finance Department. The expense report form is designed to ensure that Directors' expense reimbursements comply with the requirements of Government Code section 53232.3 and IRS Publication 463. Accordingly, the General Manager will review each expense report form, and sign it to indicate compliance with the requirements of this policy. In all cases when a Director seeks reimbursement for expenses incurred while attending a conference, seminar or other meeting, a copy of the conference registration form must either be attached to his or her expense report or on file at the District (e.g. copy attached to check request or purchasing card paperwork). In addition, a Director will be required to attach the following documentation to his or her expense reimbursement report as a condition of receiving reimbursement for an appropriately-incurred business expense:

- a. **Personal Vehicle Mileage.** To verify mileage, the General Manager or designee will document personal vehicle mileage, using tools such as Google or MapQuest, which will be attached to the Director's expense report.
- b. **Lodging Expenses.** If a Director wishes to be reimbursed for lodging expenses, he or she must attach to the expense report an itemized bill issued by the hotel and a copy of the credit card receipt or other proof of the Director's payment. Except when attending a conference, seminar or other

meeting and using the available group rate booked for the event, the District will reimburse a Director only for the actual amount of the hotel expenses incurred at the pre-arranged rate at the convention hotel or up to the GSA per diem rate for events that do not have a host hotel.

- c. Meal Expenses. If a Director wishes to be reimbursed for meal expenses at the GSA per diem rate, he or she may fill out the expense report form and claim the expense without further documentation. If a Director pays for meals with his or her own funds, he or she must attach to the expense report an itemized bill, copy of a credit card receipt or other proof of the Director's payment. In such cases, the District will reimburse a Director only for the actual amount of the meal expense incurred up to a maximum amount of the applicable per diem rate published by the GSA.
- d. Common Carrier Travel. A Director must attach to his or her expense report the fare, coupon, or itemized bill from a travel agency, airline, rental vehicle, bus or train showing the actual amount expended for such travel. A boarding pass, conference badge, business receipt from the destination or other documentation indicating the travel occurred must be attached to the Director's expense report.
- e. Incidental Expenses. Whenever possible, a Director should obtain a receipt for incidental expenses such as tolls and parking fees. For incidental expenses where no receipt is available, such as tips and parking meter costs, a reimbursement request for such expenses may be claimed on the District approved expense report. Certification that such expenses were related to District business, reasonable, appropriate, and actually incurred by the Director is made when signing the District approved expense report form.

In all cases, the Director will remain responsible for filing an expense report and attaching the appropriate documentation obtained by the Director in conformance with paragraphs a. through e. above. Flat-rate advances or payments of expenses are prohibited under Government Code section 53232.2, except for per diem payments authorized in accordance with the GSA published rates.

A Director must substantiate all expenses on an expense report with the appropriate documentation attached within 60 days of incurring or paying the expense. An expense report submitted after the 60 days will only be paid if approved by the Board at a regular meeting. Any mis- or late-reported expenses incurred by a Director will be considered income to the affected Director. To comply with the applicable tax laws, the District will issue to a Director a Form W-2 including all mis- or late-reported expenses as income.

### **300.50 Disclosure**

To comply with reporting requirements of Government Code section 53232.3, the District will prepare a list of the meetings attended by each Director for which the District provided compensation, and a list of the amount and purpose of each expense reimbursement paid by the District to each Director. This information will be included with the agenda materials for each regular monthly Board of Directors meeting. At the next regular Board meeting, Directors also must provide either an oral or written report of meetings and other authorized events attended for which they were compensated by the District. If multiple officials attended the same event, a joint report may be made.

All expenses are subject to verification that they comply with this Policy. Directors should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All District expenditures are public records subject to disclosure under the Public Records Act, except that the District will ensure that no Director personal information, such as credit card numbers and home addresses, is provided to the public in the event of a request for such records.

### **300.60 Penalties**

Government Code Section 53232.4 defines the penalties for falsifying or misusing public funds. The penalties include: (1) loss of the violator's reimbursement privileges; (2) restitution of misused District funds; (3) civil penalties of up to \$1,000 per day for each day of violation and three times the value of the public resources misused; and (4) criminal prosecution and lifetime bar from holding public office. The Board will report any violation of this Policy to the appropriate authorities.

### **300.70 Payment of Compensation and Expenses**

All reimbursable expenses as outlined in this policy will be paid within the next payroll cycle upon receipt of a completed expense reporting form approved by the General Manager or designee.

### **400.00 Policy Review**

This Policy shall be reviewed at least biennially.



## Agenda Item: 4

**Date:** August 28, 2019

**Subject:** Resolution No. 19-12 Honoring Song Dang on His Upcoming Retirement

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

**Recommended Board Action:**

Adopt Resolution No. 19-12 Honoring Song Dang on His Upcoming Retirement.

**Discussion:**

Mr. Dang has been a respected, admired, and valued employee of the Sacramento Suburban Water District for over 36 years, having been hired on September 12, 1983, prior to the merger of the predecessor Arcade and Northridge Water Districts. His last day of work as the Senior Inspector for the District will be on October 4, 2019, and his retirement will be effective on October 26, 2019. The resolution commemorates his service.

**Fiscal Impact:**

None.

**Strategic Plan Alignment:**

Goal E – Retain and Recruit a Qualified and Stable Workforce.

This resolution benefits District customers in that it recognizes staff who provided superior customer service during their years of service to the District and increases employee morale.

**Resolution No. 19-12**  
**A Resolution Honoring**  
**Song Dang**  
**On His Retirement**

Whereas, Song Dang has completed over 36 years of service with the Sacramento Suburban Water District, having been hired on September 12, 1983, by the former Northridge Water District; and

Whereas, Song's dedication to public service and the public health, in combination with his expertise in construction of water facilities, was vital in ensuring that the Sacramento Suburban Water District was able to reliably deliver a safe water supply to customers by ensuring projects were constructed to District Standards; and

Whereas, Song earned the admiration and respect of fellow employees, management, the Board of Directors, the public, contractors, and County inspectors for setting the bar very high through consummate professionalism, endless dedication, constant collegiality, infectious enthusiasm, and tireless hard work; and

Whereas, Song can now travel to far corners of the globe at his leisure to visit friends and family; and

Whereas, Song can now balance leisure, activity, and nature by playing more tennis and spending more time relaxing on fishing outings; and

Whereas, Song's last day of work will be October 4, 2019, and his retirement from the Sacramento Suburban Water District will be effective October 26, 2019.

Now therefore, be it resolved by the Board of Directors of the Sacramento Suburban Water District that:

The Board of Directors expresses its deep and sincere appreciation to Song Dang for his years of dedicated public service to the District and its customers.

The Board of Directors wishes Song all the best for a healthy, happy, and productive future.

PASSED AND ADOPTED by the Board of Directors of the Sacramento Suburban Water District on this 16<sup>th</sup> day of September, 2019.

AYES:

NOES:

ABSENT:

By: \_\_\_\_\_

David A. Jones  
President, Board of Directors  
Sacramento Suburban Water District

By: \_\_\_\_\_

Daniel R. York  
General Manager/Secretary  
Sacramento Suburban Water District

(SEAL)





## Agenda Item: 5

**Date:** September 6, 2019

**Subject:** Resolution No. 19-13 Concurring the Nomination of San Juan Water District's Pam Tobin for Vice President of the Association of California Water Agencies (ACWA) Board of Directors

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

**Recommended Board Action:**

Adopt Resolution No. 19-13 supporting the nomination of Pam Tobin for Association of California Water Agencies Board Vice President and authorize the General Manager to submit the resolution to San Juan Water District's office and ACWA offices.

**Discussion:**

Staff received a letter from San Juan Water District (SJWD) dated August 16, 2019 requesting the Board support the nomination of SJWD Director Pam Tobin and, if the Board chooses to support the nomination, to submit a resolution to the SJWD and ACWA. Please see attached letter from SJWD.

The Association of California Water Agencies (ACWA) is seeking candidates for the President and Vice President positions for the 2020-2021 term. Eligible candidates must be an elected or appointed member of the governing body or commission of a member agency of the Association.

Candidates will be reviewed by ACWA's Nominating Committee. Typically, a slate for President and Vice President is submitted at the general membership meeting during the ACWA fall conference, December 2 through December 6, 2019.

**Fiscal Impact:**

No fiscal impact.

**Strategic Plan Alignment:**

**Goal B** - Optimize Operational and Organizational Efficiencies.

## RESOLUTION NO. 19-13

### A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SACRAMENTO SUBURBAN WATER DISTRICT PLACING IN SUPPORT OF THE NOMINATION OF PAM TOBIN FOR VICE PRESIDENT OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) BOARD OF DIRECTORS

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

A. Recital

1. WHEREAS, ACWA has announced that a Nominating Committee has been formed to develop a slate for the Association's statewide positions of President and Vice President; and
2. WHEREAS, the individual who fills an officer position will need to have a working knowledge of water industry issues and concerns, possess strength of character and leadership capabilities, and be experienced in matters related to the performance of the duties of the office; and
3. WHEREAS, this person must be able to provide the dedication of time and energy to effectively serve in this capacity; and
4. WHEREAS, Pam Tobin has expressed interest in being a candidate for Vice President of the ACWA Board of Directors for the 2020-2021 term; and
5. WHEREAS, Pam Tobin has served in a leadership role as a member of ACWA Board of Directors since 2018; has served on the ACWA Region 4 Board since 2016 and is currently Region 4 Chair; has served on the ACWA Federal Affairs Committee and the ACWA Local Government Committee since 2014; and has served on the ACWA Board of Directors' Steering Committee for Long-Term Strategic Planning in 2019; and
6. WHEREAS, Pam Tobin is committed to advancing ACWA's Policy Principles and finding common ties between members to develop a long-term strategy that provides a sustainable water future for all members and their constituents;

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF SACRAMENTO SUBURBAN WATER DISTRICT, does hereby place its full and unreserved support of the nomination of Pam Tobin as Vice President of the Association of California Water Agencies for the 2020-2021 term.

PASSED AND ADOPTED by the Board of Directors of the Sacramento Suburban Water District on this 16<sup>th</sup> day of September, 2019 by the following vote:

AYES:  
NOES:  
ABSENT:

By: \_\_\_\_\_  
Dave Jones  
President, Board of Directors  
Sacramento Suburban Water District

\*\*\*\*\*

I hereby certify that the foregoing resolution was duly and regularly adopted and passed by the Board of Directors of Sacramento Suburban Water District at a regular meeting hereof held on the 16<sup>th</sup> day of September, 2019.

(SEAL)

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



P.O. Box 2157 | 9935 Auburn Folsom Road | Granite Bay, CA 95746 | 916-791-0115 | sjwd.org

August 16, 2019

Dan York  
General Manager  
Sacramento Suburban Water District  
3701 Marconi Avenue #100  
Sacramento, CA 95821

Directors  
Edward I. "Tod" Costa  
Marty Hanneman  
Kenneth H. Miller  
Dan Rich  
Pamela Tobin  
General Manager  
Paul Helliker

Dear Dan York:

It is my pleasure to inform you that the Board of Directors of the San Juan Water District (San Juan) took action at its June 26, 2019, board meeting to nominate Director Pam Tobin to be elected Vice-President of the Association of California Water Agencies (ACWA).

As noted in the enclosed Resolution of Support from the San Juan Board, Director Tobin "possesses all of the qualities needed to fulfill the duties of the office of ACWA Vice-President" – e.g. knowledge of the water industry, strength of character and leadership capabilities, and the ability to dedicate her time and energy to effectively serve. Moreover, Director Tobin has served ACWA in various capacities during her 15-year tenure as a San Juan Director, including:


- ◆ Current Chair of Region 4 and member of the Board of Directors, including being an appointee to the Steering Committee for Long-Term Strategic Planning;
- ◆ Board Member of ACWA JPIA since 2016; and
- ◆ Long-time active participant on the Federal Affairs and Local Government committees.

Director Tobin has also been a leader in regional water management efforts, including as a Board Member and multiple terms as Chair of both the Sacramento Regional Water Authority (RWA) and the Sacramento Groundwater Authority. In 2018, she was the recipient of the RWA's Distinguished Service Award.

In addition to informing you of Director Tobin's candidacy, we respectfully request your agency's support of Director Tobin's nomination by adopting a resolution endorsing her nomination to be ACWA's next Vice-President. Also enclosed you will find a sample resolution of support. If your board takes action, please forward your resolution of support to me by September 12th and also to ACWA c/o Donna Pangborn, 910 K Street, Suite 100, Sacramento, CA 95814.

Thank you very much for your consideration.

Sincerely,

  
Paul Helliker  
General Manager

**RESOLUTION NO. 19-03**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SAN JUAN WATER DISTRICT  
TO NOMINATE AND SUPPORT  
PAMELA TOBIN  
AS A CANDIDATE FOR THE POSITION OF ACWA VICE PRESIDENT**

WHEREAS, ACWA has announced that a Nominating Committee has been formed to develop a slate for the Association's statewide positions of President and Vice President; and

WHEREAS, the individual who fills an officer position will need to have a working knowledge of water industry issues and concerns, possess strength of character and leadership capabilities, and be experienced in matters related to the performance of the duties of the office; and

WHEREAS, this person must be able to provide the dedication of time and energy to effectively serve in this capacity; and

WHEREAS, Pamela Tobin has served in a leadership role as a member of the San Juan Water District Board of Directors since December 2004; and

WHEREAS, Pamela Tobin has served in a leadership role as a member of the ACWA Board of Directors since 2018; has served on the ACWA Region 4 Board since 2016 and is currently Region 4 Chair; has served on the ACWA Federal Affairs Committee and the ACWA Local Government Committee since 2014; and has served on the ACWA Board of Directors' Steering Committee for Long-Term Strategic Planning in 2019.

WHEREAS, Pamela Tobin has served on the Board of the Sacramento Regional Water Authority (RWA) since 2004, has previously served as RWA Board Chair, has served on the RWA Executive Committee for a number of years and received the RWA "Distinguished Service" Award for 2018.

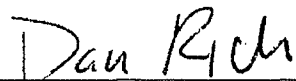
WHEREAS, Pamela Tobin has served on the Board of the Sacramento Groundwater Authority (SGA) since 2004 and has previously served as SGA Chair and is the current SGA Chair for 2019.

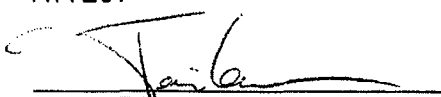
WHEREAS, it is the opinion of the San Juan Water District Board of Directors that Pamela Tobin possesses all of the qualities needed to fulfill the duties of the office of ACWA Vice President.

NOW, THEREFORE, BE IT RESOLVED, that the San Juan Water District Board of Directors does hereby nominate and support Pamela Tobin as a candidate for the office of ACWA Vice President, pledging the District's support of her endeavors in fulfilling the duties of this office if elected.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 26th day of June 2019, by the following vote:

AYES: DIRECTORS: Costa, Hanneman, Miller, Rich, Tobin  
NOES: DIRECTORS:  
ABSENT: DIRECTORS:

  
\_\_\_\_\_  
DAN RICH  
President, Board of Directors  
San Juan Water District

ATTEST  
  
\_\_\_\_\_  
TERI GRANT  
Secretary, Board of Directors



## PAMELA TOBIN

*petpyrs@surewest.net | C: 916-275-0875 |*

### Statement of Qualifications

August 2019

Hello ACWA Members:

My name is Pam Tobin and I am asking for your support to be ACWA Vice President (2020 -'21 term). I have more than 15 years of experience in California water at the local, regional and statewide level. I have served on the Board of Directors of the San Juan Water District in Northern California since 2004, including three terms as President of the Board. I also have served multiple terms as Chair of both the Sacramento Regional Water Authority and the Sacramento Groundwater Authority.



As you know, this recent period in California water has presented many challenges for public water agencies and the elected directors who lead them. In my various roles, I have engaged in policy deliberations addressing the worst drought in California's history, landmark groundwater legislation known as SGMA, and ongoing efforts to stabilize the Delta. The most gratifying part of working to find solutions is the relationships I have built.

I value my active participation in ACWA. ACWA is the place where all water agencies come together to learn, to share and to make a difference as we create strategies and policies that will work for the 450 public water agency members under the ACWA umbrella. Whether the agencies are from the north, middle or southern end of the state or serve ag, urban or rural customers, we have more in common than we think because we all serve the public interest. I have been energized by my time on the ACWA Board of Directors as the ACWA Region 4 Chair, hashing out key federal issues and representing ACWA legislative positions on Capitol Hill and thinking about the local issues and how best to serve customers through participation on the Local Government Committee.

It has been extremely rewarding to work closely with the ACWA Board to devise statewide policies on everything from safe drinking water access and quality, to conservation and drought contingency, to providing input to the Newsom Administration on a future water portfolio for California. Also, I have enjoyed serving as a member of the ACWA Board Steering Committee carving out a future path for ACWA through a five-year Strategic Plan. As an ACWA-JPIA Board member and a recently appointed member of its Liability Committee, I have worked to ensure we are offering the critical insurance services that public water agencies need today and into the

future, by securing ACWA-JPIA's financial health and growth. Through these activities, I have been able to put my personal skills around policy development, collaboration, finance, and conflict resolution on the table to help make progress.

Those who know me know that I am not afraid to dig into the tough issues. In fact, I relish the opportunity to work collaboratively with all parties to find the "win-win" outcome. I also am an independent thinker and can make the tough calls. That is what ACWA is all about. ACWA brings the issues, the solutions and the people together. This is precisely why I want to use my experience and skills to help advance ACWA's mission and vision as its vice president.

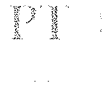
Serving on the board at San Juan Water District has provided the opportunity to understand both the wholesale and retail side of the water business. We serve families and businesses. While we have some of the most senior water rights in California (1853), the agency also is an American River Division contractor with the Federal Central Valley Project. The agency is active in regional groundwater management / conjunctive use planning, with issues such as SGMA implementation which has helped me to better understand the challenges that other agencies experience. My time working with more than 22 public water agencies, private water companies, cities and counties through my work with the Regional Water Authority and Sacramento Groundwater Authority has been another opportunity to build partnerships for collaborative solutions.

So, what do I do in my spare time? You might be surprised to know that I am a long-time realtor and property developer with over 30 years as a business owner. Understanding the nexus between land-use planning and water management has been invaluable in my water role and in my professional life. But my real passion is caring for our four-legged friends. For many years I focused on showing dogs, but now I rescue them. It is the hardest and best thing I have ever done.

**My background:** I hail from Laconia, New Hampshire, growing up in the Lakes Region. I have called California home since 1971. I have been married to my wonderful, supportive husband for 38 years. I have two grown children, my oldest son is a senior engineer in upper management for the City of Los Angeles and the youngest is an attorney living and working in Los Angeles. I also have four grandchildren.



Finally, I did not come to the decision to run for ACWA Vice President lightly. As is sometimes the case, several ACWA water leaders that I respect came to me and told me that I should throw my hat in the ring for ACWA VP. Everything I have done to date has prepared me for this moment. I look forward to meeting with many of you to share my ACWA vision and commitment to you personally and hope that I can count on your support for ACWA Vice President.



Pamela Tobin  
**My Priorities for ACWA**

August 2019

I am often asked, "What is your personal vision for how you hope to contribute to making ACWA better and more valuable to its members?" Here are my priorities:

- **Demystify ACWA:** Local public water agencies have an increasing number of challenges to deal with. ACWA is here to help them, but we must continue to educate them on the services available through ACWA. I want to be an active ambassador on this front. I am a people person and enjoy relating to folks from around the state.
- **Increase Member Involvement:** Keeping member agencies connected to ACWA is truly a job that is never done. With the major turnover in the water industry, we must be vigilant to continue to engage members and solicit their input.
- **Advance Forest Management and Protect Local Water Agencies:** We are making great progress on securing funding and getting folks up the learning curve on the need to reduce fire risk and protect our source water. A lesser understood side effect of catastrophic fires is the burden that it puts on local water agencies who may be shouldered with the fallout of issues like inverse condemnation. We need to bring visibility to this issue and protect our members.
- **Support the Resiliency Portfolio:** Just as ACWA has done through the decades with past administrations, it must step up to proactively provide constructive and innovative input to the Newsom Administration's water vision. I am proud of ACWA's work on this and my involvement.

**Pam Tobin – Endorsement Form**

I, \_\_\_\_\_, endorse Pam Tobin from the San Juan Water District for the office of Vice President of the Association of California Water Agencies for the 2020-'21 term. I give my permission to use my name in support and endorsement. My personal endorsement does not necessarily represent the position of my Board, Agency or Organization.

*Please return this page to me at [petpyrs@surewest.net](mailto:petpyrs@surewest.net) or fax at 916-791-6955*





## Agenda Item: 6

**Date:** September 10, 2019

**Subject:** Del Paso Manor Water District Operational Service Agreement

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

### **Recommended Board Action:**

Authorize the General Manager to enter into an Operational Service Agreement with Del Paso Manor Water District, pending legal review.

### **Background:**

On May 31, 2019, all but one employee of Del Paso Manor Water District (DPMWD) resigned/retired. In discussions between SSWD's General Manager and DPMWD'S Board President, DPMWD requested to activate the Mutual Aid Agreement (MAA) that exists between the two districts. The MAA was activated on June 6, 2019, for a period of 60 days, unless an extension is requested. The DPMWD has submitted two separate 30-day extension requests. Based on the most recent request, the MAA will expire on October 5, 2019. In August, the District invoiced DPMWD for services rendered (e.g., administrative and On-Call Standby) for June and July, and have been paid for services provided.

### **Discussion:**

On The DPMWD Board approved a contract for an interim General Manager, Leo Havenor, on August 6, 2019. The District's General Manager and Mr. Havenor met on September 6<sup>th</sup> to discuss the status of the MAA. Based on the discussion, it is recommended that an Operational Service Agreement be developed in place of the MAA. The MAA was developed to cover emergency services (e.g., emergency water, labor, vehicles/equipment and inventory supplies) for a short duration. The services currently being provided to DPMWD is staffing (which includes vehicles), due to them only having one operator for their water system. A, Operational Service Agreement can cover a majority of what is in the MAA, however, it would be more directed towards actual services being provided.

DPMWD next Board meeting is October 1, 2019. Mr. Havenor will be recommending to his Board approving an Operational Service Agreement with the District.

DPMWD has a temporary employee in the office and are in the process of hiring an additional operator. Staff recommends a Service Agreement until their staffing needs have been sufficed.

**Fiscal Impact:**

Revenue neutral to SSWD. Actual time of employees and material costs will be charged to DPMWD.

**Strategic Plan Alignment:**

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



## Agenda Item: 7

**Date:** September 12, 2019

**Subject:** No-Cost Exchange of Inactive Well 12 for Property at Seely Park

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

### **Recommended Board Action:**

Authorize the General Manager to negotiate and execute an agreement with the Fulton El Camino Recreation Park District (FECRPD) for a no-cost exchange of the District's inactive Santa Anita / Hernando Well (Well 12) for approximately 0.2 acre of land in Seely Park adjacent to Rubicon/Seely Park Well (Well 7), pending legal review.

### **Background:**

Both wells are located in the South Service Area (SSA) and are in inactive status awaiting destruction. Following is summary information for both:

Well 7: This is an 80-year-old well that last produced 190 gallons per minute (gpm).

- 2007 – Classified as emergency use only as well was not fluoridated.
- 2013 – Inactivated due to sanding and low production.
- Repairs and adding fluoridation are estimated at \$200k to \$250k.

This well is not planned to be put back into service due to its low production and estimated costs to do so.

Well 12: This is a 65-year-old well that last produced 560 gpm.

- 2007 – Classified as emergency use only as well was not fluoridated.
- 2018 – Inactivated due to the excessive estimated cost (\$300k to \$350k) necessary to modernize and fluoridate the well and replace failing ODS piping connecting the well to the distribution system, and address site access and easement issues.

This well is not planned to be put back into service due to its low production and estimated costs to do so.

### **Discussion:**

The proposed exchange is intended to achieve two primary objectives:

- 1) avoid expenses involved with abandoning a well, which includes demolition of above ground appurtenances; and

- 2) secure property needed to construct a new well at the Well 7 site in the future when needed.

The exchange involves two District facilities shown on the Location Map (Attachment 1). A summary for each facility is provided below:

Well 7: This well site would be expanded by the addition of adjacent property within Seely Park (Attachment 3). This well was inactivated in 2013 and is slated for destruction. The current parcel that this well is located on is about 1/4 acre and does not provide enough room for a new well to be constructed.

Well 7 is located in an area of the SSA that contains five other wells that have been inactivated for various reasons in the last about 10 years and have not replaced with new wells. This makes the Well 7 site a good candidate for a future new well.

Well 12: Ownership of this well and its property (about 0.05 acre) would be transferred to the FECRPD (Attachment 2). Well 12 was inactivated in 2018 and is slated for destruction following activation of a new well in the South Service Area (SSA) – Well 78 Butano / Cottage (Well 78), which is expected to be on line by fall 2020. The current parcel is too small for a new well without acquisition of adjacent FECRPD property to enlarge the existing well site.

By exchanging Well 12 for Seely Park property adjacent to Well 7, the District achieves the following benefits:

- Saves about \$200k to \$300k by avoiding land acquisition for a new well site. Obtaining the additional property at Seely Park would allow for expansion of the Well 7 parcel to about 1/2 an acre thus creating a parcel large enough for a new well.
- Saves about \$100k to \$150k by avoiding abandoning Well 12 (which consists of well destruction and facility demolition).

The FECRPD Board met on August 15, 2019, and approved the concept and authorized its staff to discuss acquiring Well for 12 for irrigation with the District.

Staff is working on an assessment for both properties, Well 12 and Seely Park, to confirm it is an economically sound decision.

**Fiscal Impact:**

The following summarized the expected fiscal impact:

- Savings of an estimated \$300k to \$450k by avoiding having to destroy Well 12 and avoiding property acquisition for a new well.
- Lost potential income, expected to be less than \$10k, from sale of both the Well 7 and Well 12 properties.

**Strategic Plan Alignment:**

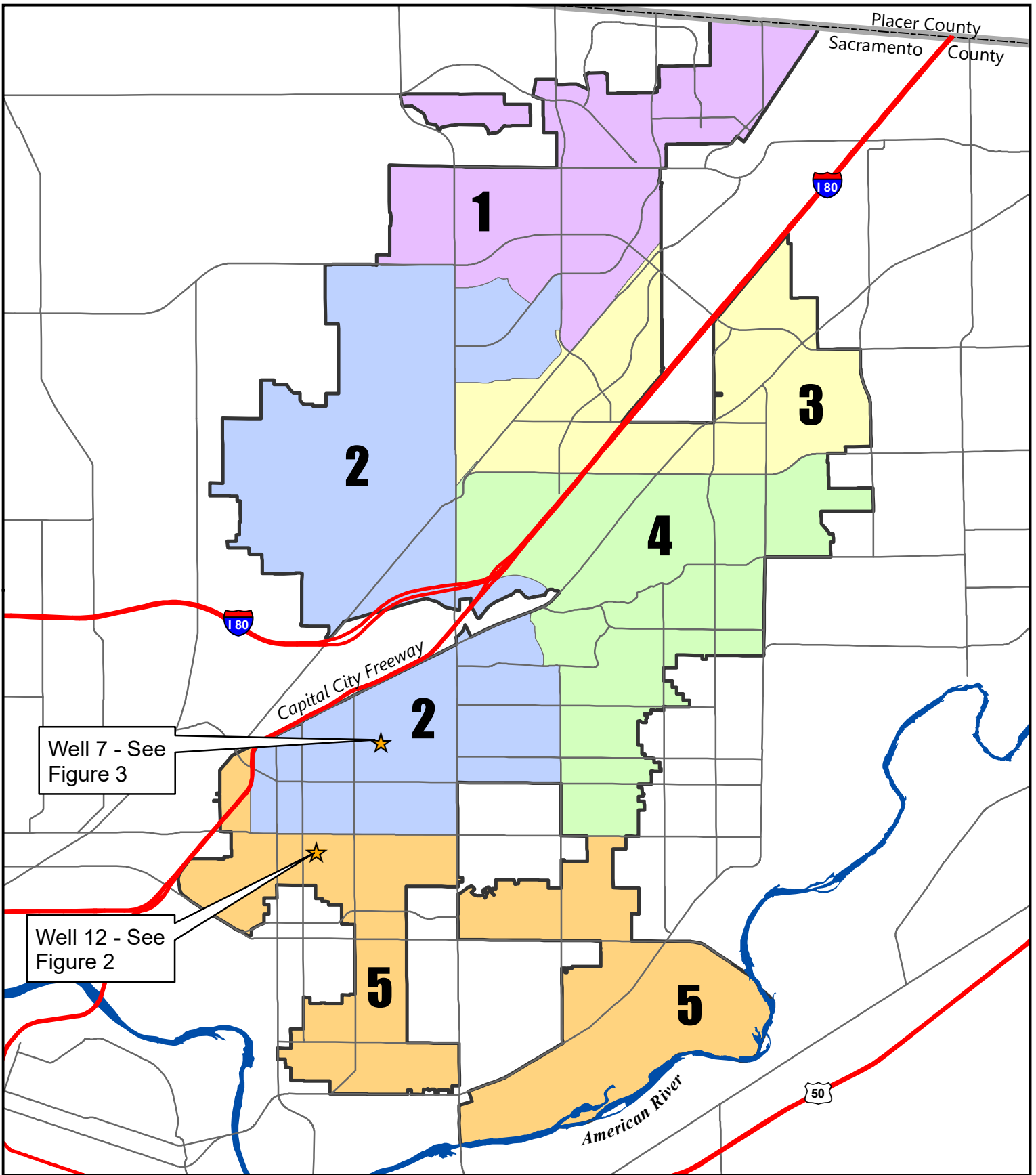
Goal A – Provide a High Quality Reliable Water Supply by Ensuring it is Sustainable, Clean, and Safe.

Goal C – Ensure Fiscal Responsibility and Affordable Rates.

The proposed exchange will benefit the District’s customers because it simultaneously secures property for a future well and terminates liability of an unneeded asset at significant combined cost savings.

**Attachments:**

1. Location Map
2. Map: Seely Park and Well 7 Rubicon / Seely Park
3. Map: Well 12 Santa Anita / Hernando



**Legend**

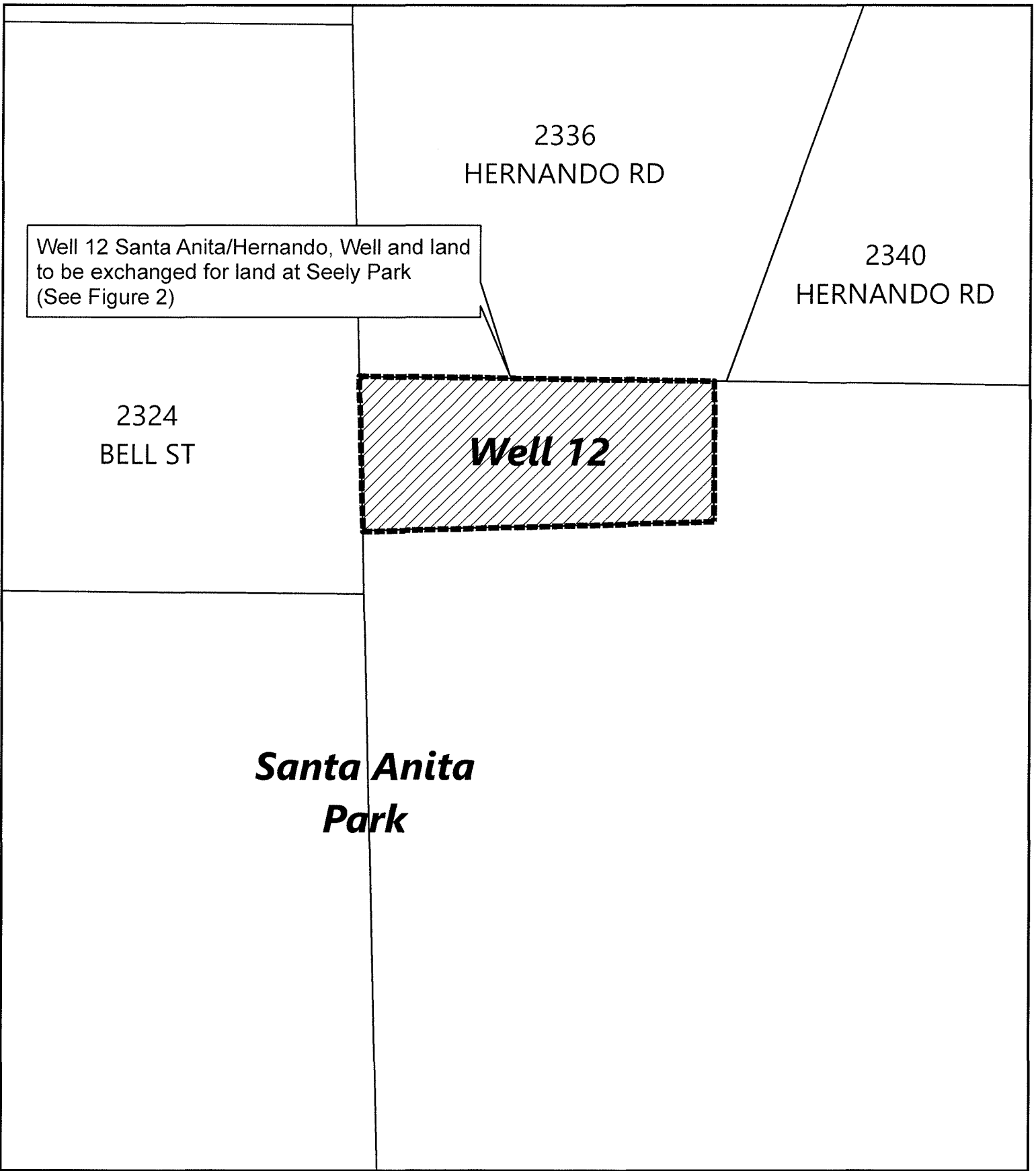
- ★ Well/Land Location
- Division 1 - David A. Jones
- Division 2 - Kathleen McPherson
- Division 3 - Robert P. Wichert
- Division 4 - Kevin M. Thomas
- Division 5 - Craig M. Locke





**Figure 1  
Location Map**



Drawn by: JWS  
Date: September 10, 2019  
File: Location Map.mxd



**Legend**

-  Parcels
-  Land to be Exchanged

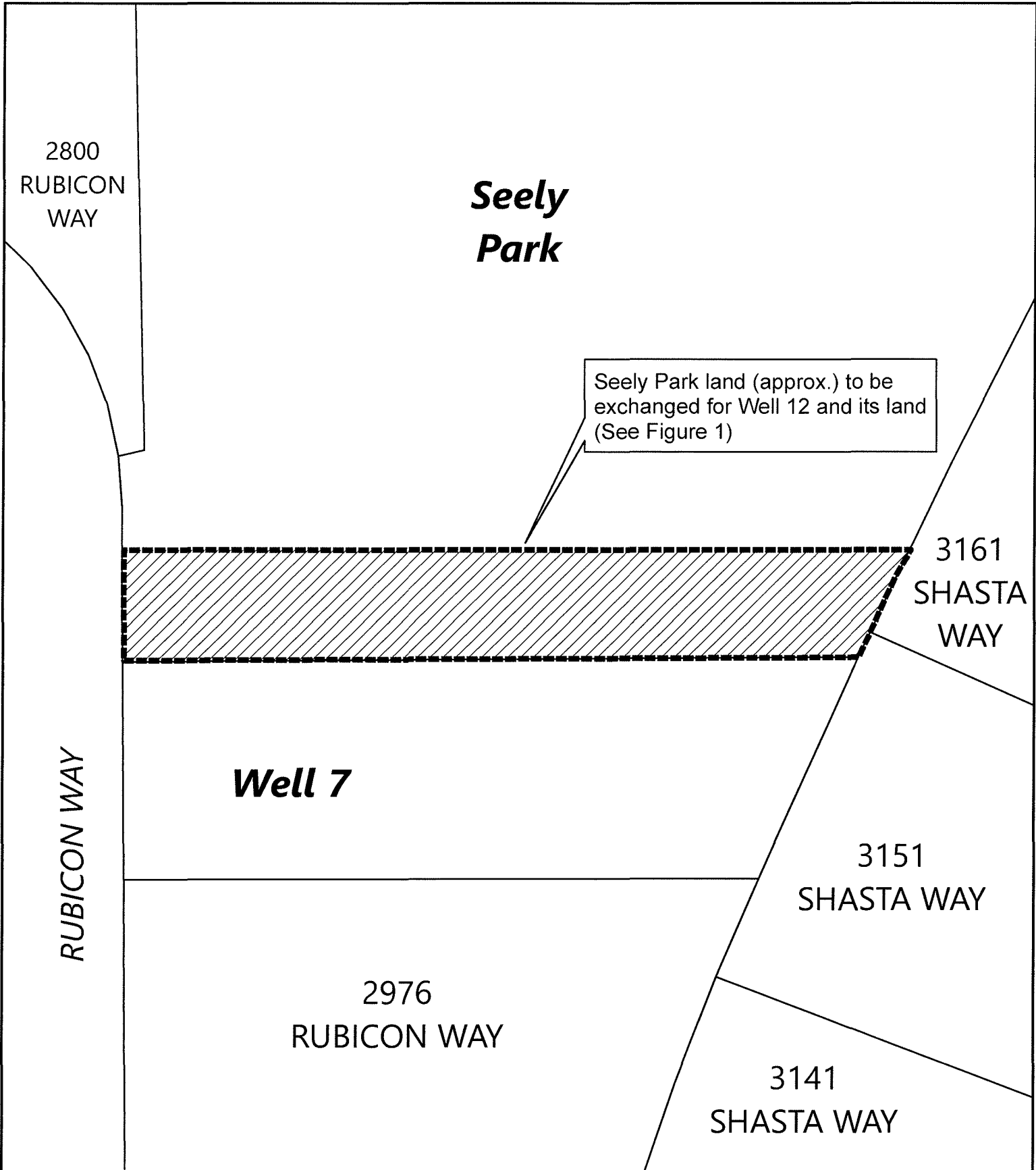


**Figure 2**

**Well 12 Santa Anita Park/Hernando**





Drawn by: JWS  
Date: September 10, 2019  
File: Santa Anita Park.mxd



Seely Park land (approx.) to be exchanged for Well 12 and its land (See Figure 1)

**Legend**

-  Parcels
-  Land to be Exchanged



**Figure 3**  
**Well 7 Rubicon/Seely Park**



Drawn by: JWS  
Date: September 10, 2019  
File: Seely Park.mxd





## Agenda Item: 8

**Date:** September 10, 2019

**Subject:** District Revenues and Expenses Status and Trends

**Staff Contact:** Daniel A. Bills, Director of Finance and Administration

**Recommended Board Action:**

No action.

**Discussion:**

The information presented here is typically included along with the annual budget presentation. Staff is separating this discussion to have an isolated look at past activities, illustrative trends and discuss the District's financial status separate from deciding the budget for 2020. This topic is an information item and no Board action is necessary.

District expenses are directly related to the District's purpose which is to deliver potable ground or surface water through pumping, transmission and distribution facilities to its consumers. Therefore, the construction and maintenance of water infrastructure assets is a major expenditure for the District, comprising 51% of total District expenditures in 2018. As a government entity, the District is primarily a service entity. Thus, staffing costs are the next major expense for the District, accounting for 21% of 2018 expenditures. In order to install many of the relatively larger and newer infrastructure assets the District has had to borrow money. Reaching a peak of \$127 million in 2005, District debt now stands at \$81 million with 2018 debt service payments totaling \$7.5 million or 18% of total 2018 expenditures.

A developing trend is repair and replacement costs on assets put in place over the past 25 years. Like most public entities with significant infrastructure, the average age of District assets continues to increase. For example, District distribution assets have an average age of 41 years. With roughly 700 miles of pipeline, replacing such assets is expensive. Currently, it costs the District approximately \$2 million to replace each mile of distribution pipeline. Other major District infrastructure assets include transmission facilities, wells, storage tanks, and water meters.

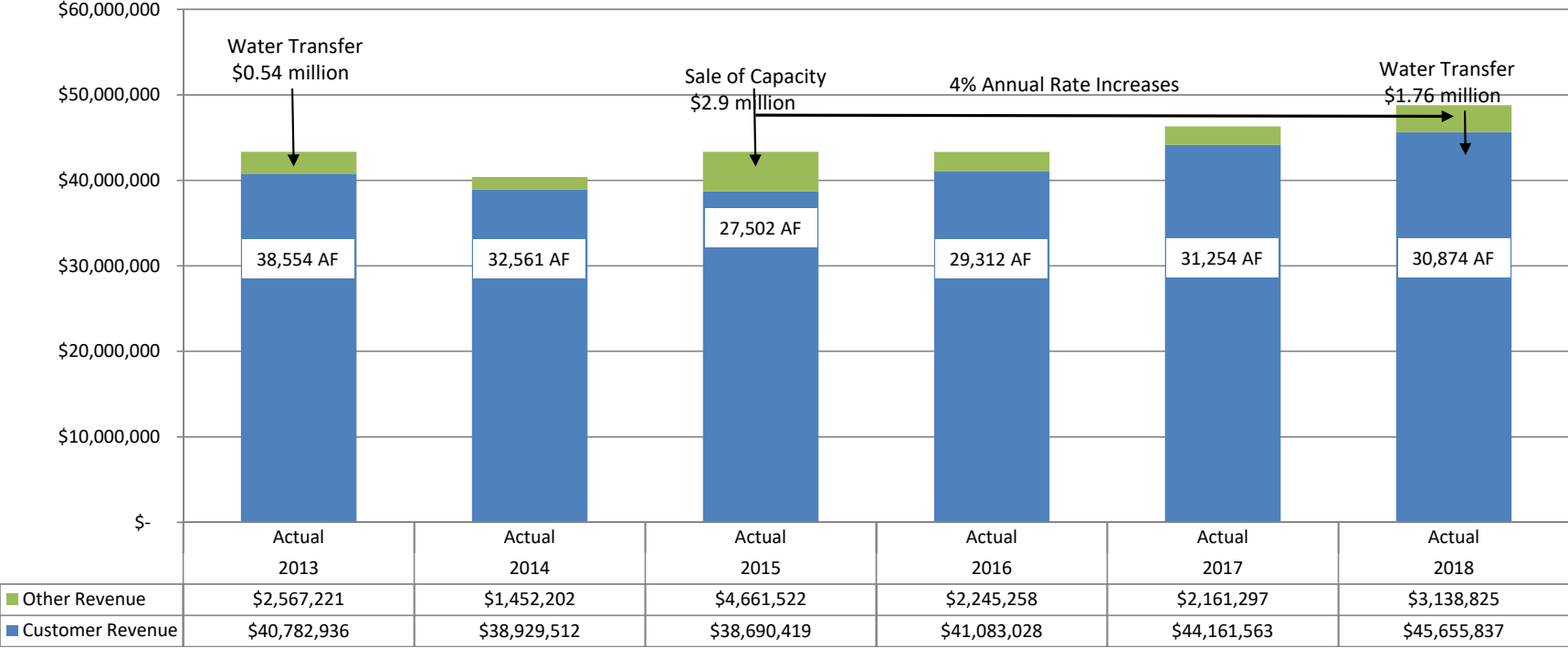
Over the past 25 years, the District has installed 54 miles of large transmission pipelines for the delivery of surface water and has installed over 34,000 meters. Due to the newness of these assets, repair and replacement expenditures have been minimal. Now, however, such assets are beginning to breakdown. As a new category of operations and maintenance expense, the District has begun tracking separately the costs of repairing and replacing such assets. In 2018, the District spent over \$300,000 to repair a leak in a transmission line and costs to repair or replace broken meters and telemetry in 2018 reached nearly \$850,000.

See attached presentation for greater detail.

# DISTRICT REVENUES AND EXPENSES STATUS AND TRENDS

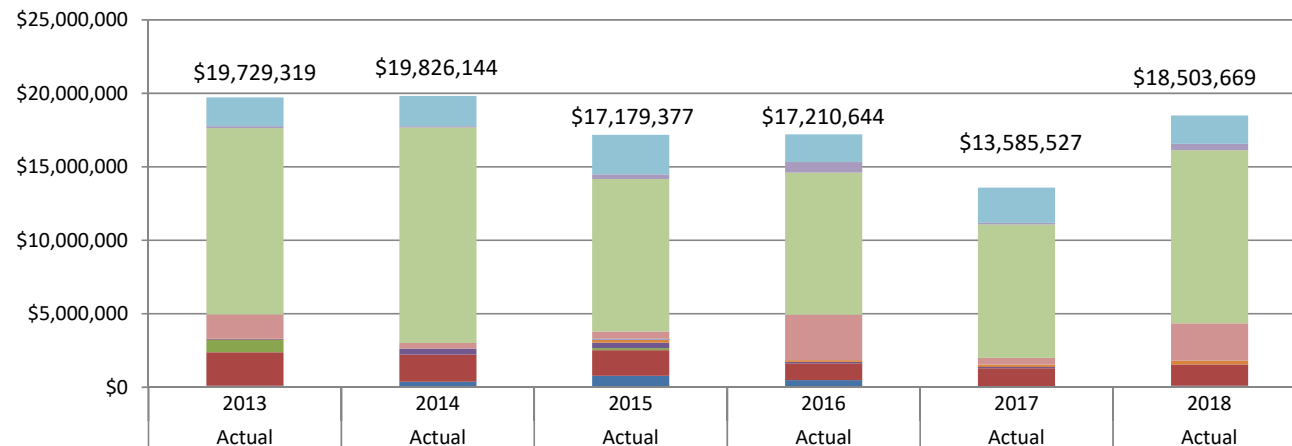
2013 to 2018

# District Revenues 2013 to 2018



Customer Revenues increased since 2015 due to four 4% annual rate increases and increased consumption. Other Revenues include rents, investment income and two water transfer sales (2013 & 18) and the sale of capacity on the SJWD Pumpback Project.

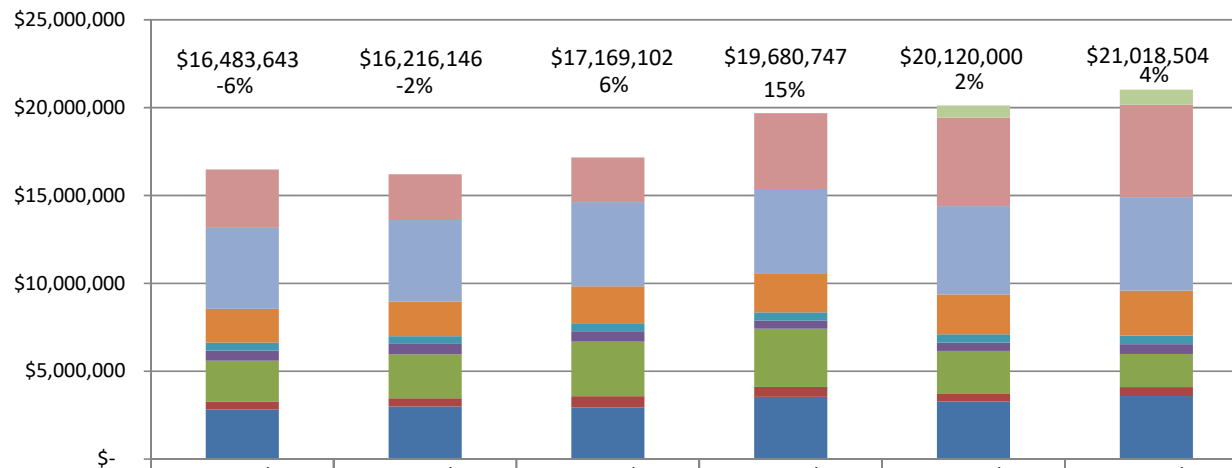
# Capital (CIP) Expenditures 2013 to 2018



|                                    | 2013<br>Actual | 2014<br>Actual | 2015<br>Actual | 2016<br>Actual | 2017<br>Actual | 2018<br>Actual |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Meter Retrofit AMP                 | 1,961,709      | 2,060,561      | 2,691,361      | 1,880,514      | 2,399,132      | 1,935,631      |
| Meter Replacement & Repair AMP     | 132,922        | 80,975         | 307,870        | 715,337        | 107,278        | 427,102        |
| Dist. Main Replacement AMP         | 12,674,933     | 14,672,460     | 10,381,851     | 9,674,096      | 9,077,465      | 11,791,939     |
| Well Replacement AMP               | 1,655,646      | 377,974        | 507,393        | 3,099,875      | 460,816        | 2,546,340      |
| Transmission Main AMP              | -              | -              | 31,866         | -              | -              | -              |
| Reservoir and Booster P.S. AMP     | 36,373         | -              | 221,300        | 116,901        | 160,494        | 255,891        |
| Buildings and Structures AMP       | -              | -              | -              | -              | -              | -              |
| SCADA AMP                          | 54,245         | 404,802        | 378,687        | 94,243         | 85,495         | -              |
| From 2009 Water System Master Plan | 833,148        | -              | 133,676        | -              | -              | -              |

Capital Improvement Project (CIP) Expenditures average \$17.7 million per annum, roughly 44% of total expenditures.

# Operating (O&M) Expenditures 2013 to 2018



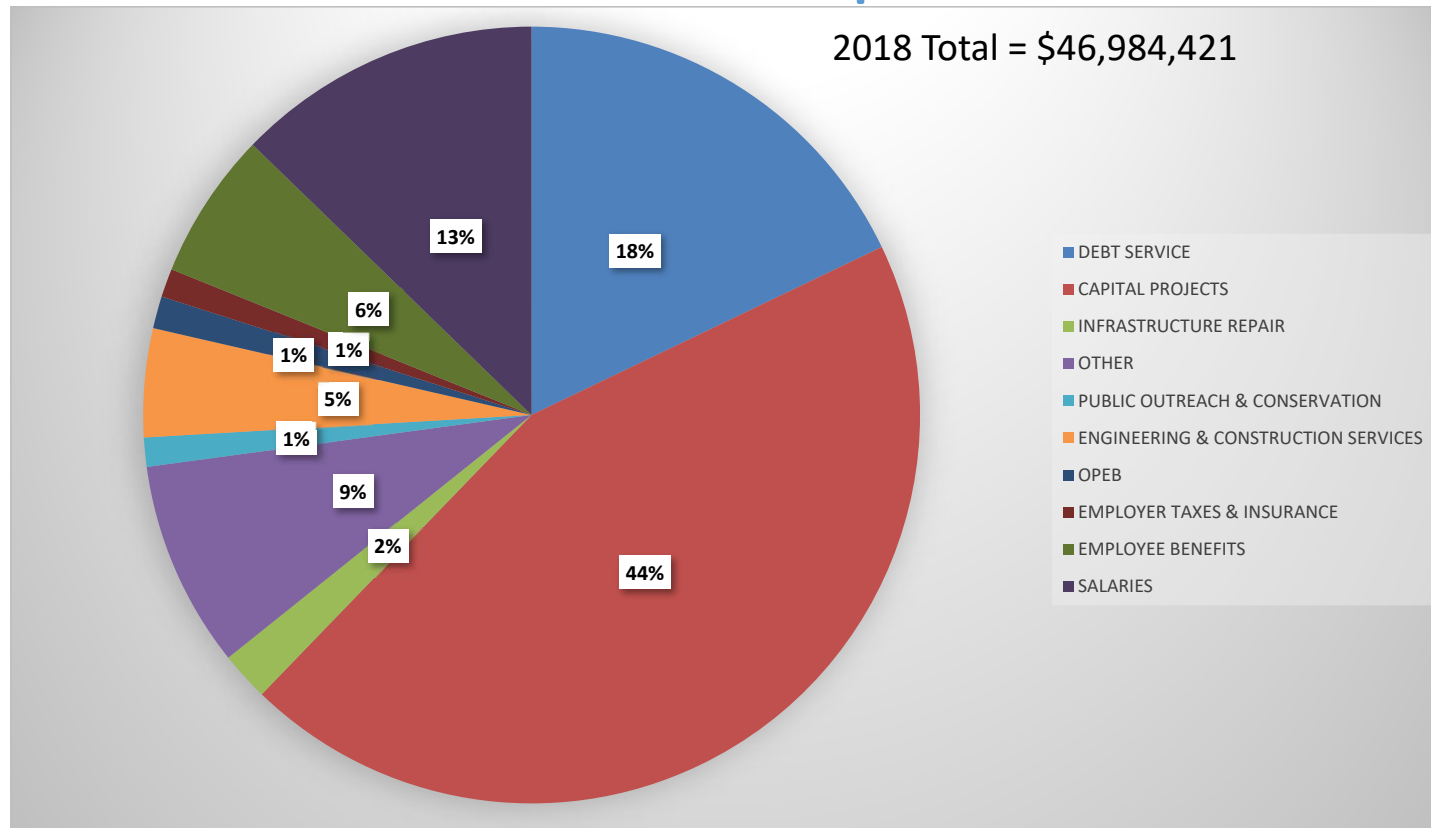
|                                     | Actual<br>2013 | Actual<br>2014 | Actual<br>2015 | Actual<br>2016 | Actual<br>2017 | Actual<br>2018 | Average<br>Annual<br>Increase |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------------------------|
| INFRASTRUCTURE REPAIR               | \$-            | \$-            | \$-            | \$-            | \$695,689      | \$849,455      | --                            |
| WATER COSTS                         | \$3,324,395    | \$2,607,987    | \$2,541,755    | \$4,309,905    | \$5,020,402    | \$5,254,096    | 13%                           |
| SALARIES                            | \$4,610,564    | \$4,633,287    | \$4,794,117    | \$4,833,627    | \$5,031,276    | \$5,320,890    | 3%                            |
| EMPLOYEE BENEFITS                   | \$1,915,889    | \$1,980,390    | \$2,096,685    | \$2,187,134    | \$2,267,113    | \$2,559,284    | 6%                            |
| EMPLOYER TAXES & INSURANCE          | \$457,888      | \$439,159      | \$460,746      | \$458,614      | \$476,780      | \$495,982      | 2%                            |
| OPEB                                | \$576,300      | \$592,700      | \$591,000      | \$470,000      | \$472,200      | \$557,934      | 0%                            |
| ENGINEERING & CONSTRUCTION SERVICES | \$2,323,246    | \$2,501,575    | \$3,102,132    | \$3,314,420    | \$2,449,179    | \$1,884,291    | -2%                           |
| PUBLIC OUTREACH & CONSERVATION      | \$452,250      | \$469,571      | \$641,111      | \$565,157      | \$427,633      | \$506,990      | 5%                            |
| OTHER                               | \$2,823,111    | \$2,991,477    | \$2,941,556    | \$3,541,890    | \$3,279,728    | \$3,589,582    | 5%                            |

# Debt Service Expenditures 2013 to 2018

|                    | 2013                | 2014                | 2015                | 2016                | 2017                | 2018                |
|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Principal          | \$ 3,580,000        | \$ 3,675,000        | \$ 3,795,000        | \$ 3,945,000        | \$ 4,060,000        | \$ 4,425,000        |
| Interest           | 3,882,356           | 3,808,909           | 3,648,132           | 3,526,059           | 3,499,121           | 3,037,249           |
| Total Debt Service | <u>\$ 7,462,356</u> | <u>\$ 7,483,909</u> | <u>\$ 7,443,132</u> | <u>\$ 7,471,059</u> | <u>\$ 7,559,121</u> | <u>\$ 7,462,249</u> |

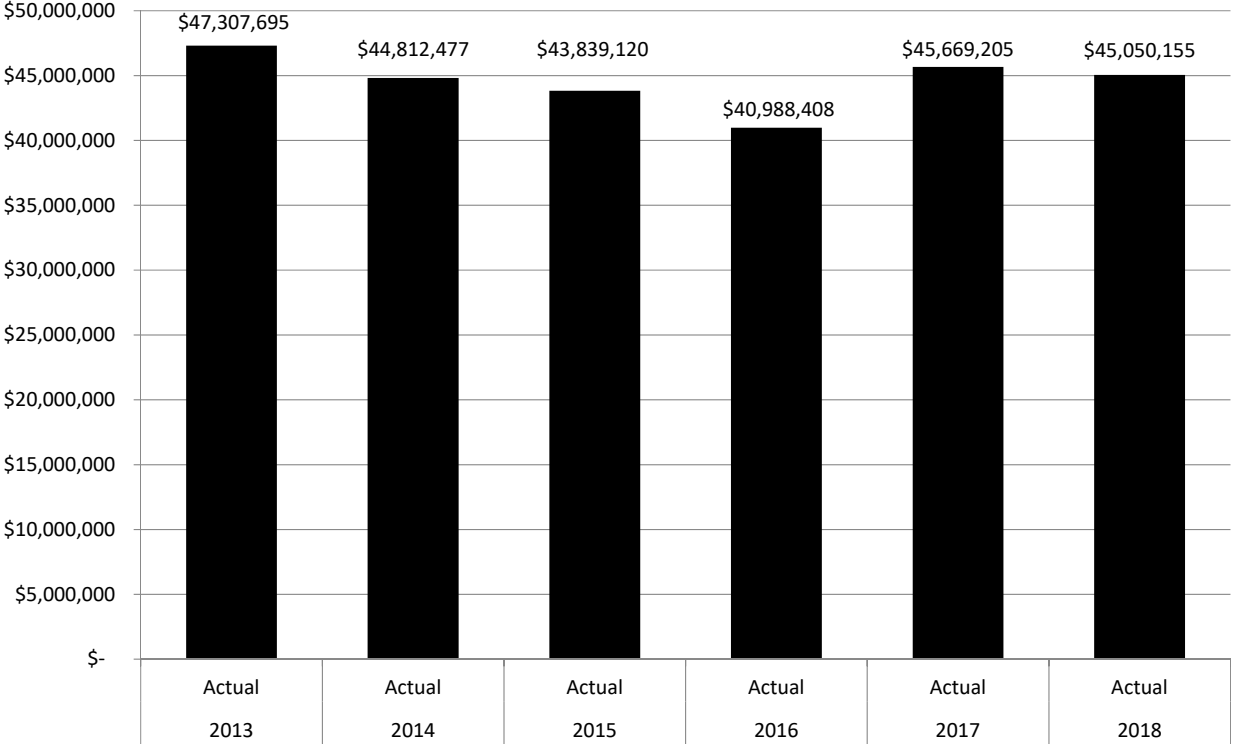
Debt Service Expenditures average \$7.48 million per annum. Due to the 2018 refinancing, debt service expenditures are expected to drop by \$0.34 million per annum.

# 2018 Total Expenses



Constructing, repairing and replacing water infrastructure assets is the dominate expenditure for the District (51%). As a government entity, service is also a primary District expenditure. Thus, salaries and benefits are the second largest set of expenditures (21%). Debt service is next coming it at 18% of total expenditures.

# Reserve Balance 2013 to 2018



From a high of \$57.7 million at the end of 2009, the Board has been strategically lowering the reserve balance.





## Agenda Item: 9

**Date:** September 10, 2019

**Subject:** Regional Collaboration Integration Study Update

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

**Recommended Board Action:**

No action, receive update from General Manager.

**Background:**

At the June 25, 2015 Joint Board Meeting between Sacramento Suburban Water District (SSWD) and San Juan Water District (SJWD), two motions by SSWD Directors passed. Paraphrasing, the first was to pay the Phase 2A Consultant, but not accept the Phase 2A report. The second motion was to suspend all work on consolidation with SJWD until SSWD coordinates with SJWD Wholesale Agencies and SSWD can evaluate the independent legal research SSWD commissioned.

On March 8, 2018, SSWD received correspondence from the SJWD General Manager, on behalf of the Board of Directors of SJWD, inquiring about the status of the merger discussions previously conducted by SSWD and SJWD. At SSWD's March 19, 2018 regular Board meeting, the Board approved to develop a 2X2 Committee to meet with SSWD's General Manager and develop goals and discussion points.

A SSWD-SJWD Water Management/Re-Organization Ad Hoc Committee (Committee) was developed and the Committee directed the SSWD and SJWD General Managers to extend an invitation to all General Managers in the region with the objective of identifying ways the agencies can potentially become more efficient in working together to minimize cost to their customers and optimize the use of their water supplies, personnel, equipment, infrastructure and other resources, as well as enhance their ability to influence state and federal policies.

The following agencies were invited to participate in the discussions: SSWD, SJWD, Fair Oaks WD, Citrus Heights WD, Carmichael WD, Rio Linda / Elverta Community WD, Del Paso Manor WD, Orange Vale Water Company, and City of Folsom. Following each agency presenting to their Boards for participation, Fair Oaks WD and Orange Vale Water Company chose to discontinue participation in the subject effort.

**Discussion:**

The participating agencies developed and agree upon a draft Sacramento Region Water Utility Collaboration/Integration Study Request for Proposal (RFP). The RFP has been finalized and will be provided to selected consultants the week of September 16, 2019. As part of the analysis, it is the intent of the selected consultant to identify opportunities for coordinating or integrating policies, programs, services, projects and activities to create efficiencies, improve results and achieve an overall cost benefit to the agencies' customers. The Scope of Work is intended to determine a range of alternatives, which include potential integration of selected projects, programs and services, up to and including integration or consolidation of two or more of the agencies into a single organization.

The cost per agency is currently unknown, however, the agencies anticipate the analysis to be in the \$250,000 range. The agencies will wait until the final proposal is approved in order to develop a cost per agency scenario. A draft Cost Allocation spreadsheet has been developed with three different scenarios, operating budget, connections and tier. The range for SSWD is \$65,000 - \$90,000. Note: The cost for participating agencies may increase based on the final number of participating agencies.

It has been determined that the General Managers and their technical staff work with the consultant during the Scope of Work and a Steering Committee, which consists of a General Manager and a Director, meet with the consultant following each of the work activities. When the study is complete, the consultant will present the final results to a facilitated meeting of the Boards of Directors/City Councils of the participating agencies.

**Fiscal Impact:**

The cost to the District for the study is between \$65,000 and \$90,000.

**Strategic Plan Alignment:**

Goal A - Provide a High Quality Reliable Water Supply by Ensuring it is Sustainable, Clean, and Safe

Goal B - Optimize Operational and Organizational Efficiencies

Goal D - Maintain Excellent Customer Service



## Agenda Item: 10

**Date:** September 10, 2019

**Subject:** City of Sacramento - Temporary Reduction in Price of Wholesale Surface Water Supply

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

### Recommended Board Action:

No action.

### Background:

The District and the City of Sacramento (City) entered into the Agreement in January 2004. The Agreement was for the right to divert up to 26,064 acre feet (af) of water per year from the American River under the City's Permit Supply. The cost per af in 2004 was \$110. Over the years the per acre feet cost has increased annually. In 2018/19, the cost per af was set at \$506. Due to the substantial increase in cost per af, District staff has met with City staff numerous times over the past several years informing them of the concerns related to the increases that has basically priced the City out of selling their water to the District. Both agencies concur that it is advantageous to amend the Agreement that will hopefully lower the cost per af and would allow the City to utilize their water supplies and allow the District to purchase the water to benefit its Conjunctive Use Program, as well as the regional groundwater basin.

The City's Finance Department contracted with HDR Engineering Inc. to conduct a wholesale water rate analysis to identify potential long-term revisions to pricing methodologies pertaining to their wholesale customers. It was anticipated to be completed in 2018. To date, the analysis has yet to be completed.

### Discussion:

District and City staff have been discussing a temporary pricing reduction under the current wholesale water supply agreement that would reduce the volumetric fee to \$120/af. The temporary reduction of the acre foot price of surface water, intended for one calendar year, still maintains cost recovery to City residents and will allow a physical demonstration of the capability to perform groundwater recharge in the South Service Area, as well as the City as a co-user of regional groundwater resources.

The proposed reduction in wholesale surface water to the District was placed on the City Council's September 10th agenda, and was ultimately approved. By approving the temporary reduction of surface water, it furthers the City's General Plan Policy to exercise and protect their

water rights by incentivizing the delivery of City surface water during non-drought conditions, thereby allowing a recharge of groundwater resources shared by multiple beneficial users.

The District and City participated in a 2018 Regional Water Transfer where approximately 4,000 af of groundwater was produced. Part of the agreement was for the District to receive the same amount of surface in 2019, drop for drop. The District is currently receiving surface water from the City, which is anticipated to cease on September 30, 2019. The plan is for the City to begin delivering the 120 af of surface water on October 1, 2019 through September 30, 2020. The District is planning to purchase approximately 10,000 af of surface water during the one-year pilot.

**Fiscal Impact:**

The cost to the District for the pilot is anticipated to be approximately \$1,200,000.

**Strategic Plan Alignment:**

Goal A: Provide a high quality reliable water supply by ensuring it is sustainable, clean, and safe

This is a benefit to customers as the District's Conjunctive Use Program greatly assists in protecting the regional groundwater basin.



## Agenda Item: 11

**Date:** September 6, 2019

**Subject:** General Manager's Report

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

**a. Director of Finance and Administration Recruitment Update**

As previously reported, the District's Director of Finance and Administration, Dan Bills, is retiring effective in January 2020. The District solicited for consulting services who specialize in recruitment for executive positions, similar to the District's Director of Finance and Administration position. The District chose to contract with RGS Consulting. A succession plan is being developed for recruitment and interviews in hopes of having Mr. Bills' replacement in the office prior to his retirement as part of the succession plan.

**b. Northern California Congressional Water Tour**

Agencies from the American River Watershed, the Sacramento Valley, and the San Joaquin County Delta, including the City of Folsom, the City of Roseville, the City of Sacramento, Sacramento County Water Agency, Sacramento Suburban Water District, San Juan Water District, Placer County Water Agency, San Joaquin County, Northern California Water Association, and the Sacramento River Settlement Contractors are presenting a three day Northern California Congressional Staff Water Tour. The tour will review water resources issues, including quality and supply that face the Sacramento and San Joaquin regions, their impact upon Northern California, and the kind of projects under review to address resiliency needs of communities and the environment. Local experts and officials will discuss how they are working to innovatively manage resources now and protect them for the future. As previously reported, the District's General Manager is on the Steering Committee and also asked to present on groundwater banking during the tour. The tour for the Lower American River Watershed is on Tuesday, October 8<sup>th</sup>. The tour will continue on Wednesday, October 9<sup>th</sup> for Placer County and San Joaquin County and Thursday, October 10<sup>th</sup>, for the Sacramento Valley.



## Agenda Item: 12

**Date:** September 10, 2019

**Subject:** Assistant General Manager's Report

**Staff Contact:** Mike Huot, General Manager

**a. Strategic Plan - Implementation Plan**

The Implementation Plan is in the process of being finalized. Comments from staff are being collected and we expect it to be ready for the General Manager's approval by the end of October 2019. The Implementation Plan process has been highly engaging for staff. Many creative ideas have come out of the process about how to make positive changes, both technically and organizationally. Most of the comments could be grouped into the need for the following: (1) Additional Training, (2) Standard Operating Procedures, including document management, operating facilities, and customer service, (3) Developing Standards for Construction and Maintenance and Operations, (4) Outreach for recruitment and setting up instructional YouTube's for Customer Service and Operations, (5) Increasing Efficiencies, and (6) Enhancing Security. It is scheduled to be presented to the Board as an Informational item at the November 2019, Regular Board meeting.

**b. Regional Water Supply/Wheeling Opportunities**

On August 28, 2019, Carmichael Water District (CWD), Sac Suburban Water District (SSWD), and Tully and Young (TY) staff met with the State Water Resource Control Board (SWRCB) staff to discuss the Temporary Groundwater Banking Transfer between CWD and SSWD. The meeting was productive and SWRCB staff was engaged and receptive to the idea. However, as presented, SWRCB staff did not feel the Temporary Groundwater Banking Transfer would be supported by current laws or regulations. SWRCB staff suggested some other ideas they felt had a better chance of getting SWRCB's approval for SSWD to receive surface water from CWD. TY is drafting four options for CWD and SSWD to review and will ultimately be provided to SWRCB staff for feedback. Discussions with San Juan Water District, Placer County Water Agency, and the City of Sacramento are continuing and discussions will be upcoming with SMUD and Rio Linda as well.



## Agenda Item: 13

**Date:** September 10, 2019

**Subject:** Financial Report

**Staff Contact:** Daniel A. Bills, Director of Finance and Administration

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

- Financial Highlights – August 2019
- Financial Statements – August 2019
- Investments Outstanding and Activity – August 2019
- Cash Expenditures – August 2019
- Credit Card Expenditures – August 2019
- District Reserve Balances – August 2019
- Information Required by LOC Agreement
- Financial Markets Report – August 2019

### Financial Statements

#### Financial Highlights

The Statements of Net Position and Statements of Revenues, Expenses and Changes in Net Position are presented in this report. They are gleaned from the financial statements presented on subsequent pages. Key information from this report indicates the District's cash balance is \$1.1 million less than its prior year balance at the same date; investments are \$2.9 million more than on August 31, 2018; liabilities have decreased by \$5.0 million due to the payment of scheduled bond principal in October 2018; and net position has increased by \$6.3 million in the last 12 months as the District continues to replace its capital infrastructure without incurring additional debt. Operating revenues decreased \$0.1 million compared to the same period a year ago due to the reduction in water consumption demand compared to the same period a year ago. There is no rate increase for 2019. Operating expenses increased \$1.0 million compared to the same period a year ago due to: 1) the increase in surface water purchasing costs as no surface water was taken in the first quarter of 2018, and 2) increased inventory costs to replace numerous failed drive-by endpoints on meters.

#### Statements of Net Position:

District cash and cash equivalents increased to \$11.3 million as of August 31, 2019, up \$3.7 million from \$7.6 million at December 31, 2018. Cash held in the District's bank accounts (\$4.5 million as of August 31) is held in accordance with state and federal regulations, which state that cash held

in the District's bank accounts above the FDIC insured limits must be fully collateralized with government securities that are equal to or greater than 110% of the District's cash balance in the bank at any time.

Investments increased since December 31, 2018 by \$2.3 million to a total of \$38.7 million, reflecting the reinvestment of interest received and unrealized market value gains. Investment portfolio balances and activity are reported on subsequent pages.

Capital assets increased by \$9.3 million to \$486.6 million as of August 31, 2019, resulting from expenditures on distribution main replacement projects, well improvement projects and meter retrofit costs. 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 \$258.7 million as of August 31, 2019, compared to \$251.3 million at December 31, 2018 for an increase of \$7.5 million.

Statements of Revenues, Expenses and Changes in Net Position:

The net position increase of \$7.5 million in 2019 is \$0.5 million more than the first eight months of 2018. Net changes are comprised of:

1. Water Consumption Sales decreased by \$0.3 million compared to the same period in 2018 due primarily to cooler temperatures and Spring rains in 2019 that resulted in a corresponding reduction in demand. Wheeling water charges increased by \$0.2 million compared to the same period in 2018 as surface was not available for wholesale wheeling in the first three months of 2018.
2. Operating expenses increased by \$1.0 million from the same period in 2018 due primarily to: 1) the increase of surface water costs as no surface water was taken in first quarter of 2018 due to the shutdown of the Antelope Transmission Pipeline (ATP) and availability of PCWA water, and 2) an increase in inventory purchases to replace drive-by endpoints that were failing and/or exceeding their useful lives.
3. Investment income increased by \$1.3 million compared to the same period a year ago primarily due to unrealized holding gains in the first seven month of 2019.
4. Interest expense and debt related costs decreased \$0.4 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 through August 2019 came in less than the approved budget by \$2.3 million. Most of this positive variance is due timing differences. As requested by the Board at the February 2019 Regular Board meeting, the 2019 Employee Morale Budget (Operations and Maintenance Expense Budget) has been reduced from \$18,500 to \$12,000.



Operating capital project expenditures in August were \$14,771; \$154,303 year-to-date. The total budget for the year is \$0.95 million.

The District's capital improvement project (CIP) budget for 2019 is \$18.3 million. For the first eight months of 2019, \$8.5 million has been spent while \$6.3 million is under contract. Expenditures continue to be primarily in distribution system replacements, well improvements and meter retrofit projects.

### **Debt – August 2019**

This report shows district activity in repaying its long-term debt obligations. Scheduled 2019 principal payments of \$4.6 million are not due until the end of October. Total principal outstanding as of August 31, 2019 was \$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 first eight months of 2019, the District has incurred interest expense of \$1,488,268 versus a forecast of \$1,900,000 or a \$411,732 positive variance. This is primarily due to expected Federal Reserve interest rate increases not occurring as anticipated.

### **Investments Outstanding and Activity – August 2019**

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. Both market portfolio and LAIF are currently earning 2.34% 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 August, the District purchased one Corporate Note for \$0.4 million (par), Commercial Paper for \$0.4 million (par), one Asset-Backed Security for \$0.8 million (par) and one Certificate of Deposit for \$0.4 million (par). The District received principal paydowns on three Federal Agency Collateralized Mortgage Obligations of \$6,259 (par) and seven Asset-Backed Security Obligations of \$81,769 (par). The District sold five U.S. Treasury Notes for \$1.5 million (par) and two Corporate Notes for \$0.3 million. See "Investment Activity" section in the attached report for further details.

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

**Cash Expenditures – August 2019**

During the month of August, the District made cash payments totaling \$3.7 million. The primary expenditures were – \$0.1 million for debt service, \$1.2 million for 2019 capital improvement projects, \$1.0 million for water costs including pumping and chemical costs, \$0.2 for material and supplies, \$0.1 million for customer billing, printing and postage, and \$0.9 million for payroll, pension and health benefits.

**Purchasing Card Expenditures – August 2019**

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 \$19,472 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 August 31, 2019 are \$50,093,839 compared to \$45,050,155 at December 31, 2018.

**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**  
**August 31, 2019**

Sacramento Suburban Water District  
Financial Highlights  
Period Ended

STATEMENTS OF NET POSITION

|                               | <u>Year-To-Date</u><br><u>8/31/2019</u> | <u>Year-To-Date</u><br><u>8/31/2018</u> |
|-------------------------------|---|---|
| <b>LIQUIDITY</b>              |   |   |
| Cash and cash equivalents     | \$11,291,363.10                         | \$12,420,291.31                         |
| <b>INVESTMENT</b>             |   |   |
| Investments                   | 38,686,483.23                           | 35,786,173.50                           |
| <b>CAPITAL ASSETS</b>         |   |   |
| Property, plant and equipment | 486,603,575.84                          | 467,070,699.59                          |
| Accumulated depreciation      | <u>(188,888,484.39)</u>                 | <u>(176,535,482.42)</u>                 |
|                               | <b>297,715,091.45</b>                   | <b>290,535,217.17</b>                   |
| <b>LIABILITIES</b>            |   |   |
| Long Term Debt                | <b>(81,040,786.80)</b>                  | <b>(86,047,128.60)</b>                  |
| <b>NET POSITION</b>           |   |   |
| Net Position                  | <u><b>258,742,306.06</b></u>            | <u><b>252,412,986.25</b></u>            |

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

|                               | <u>Month</u><br><u>8/31/2019</u> | <u>Year-To-Date</u><br><u>8/31/2019</u> | <u>Month</u><br><u>8/31/2018</u> | <u>Year-To-Date</u><br><u>8/31/2018</u> |
|-------------------------------|----------------------------------|---|----------------------------------|---|
| <b>NET INCOME</b>             |                                  |   |                                  |   |
| Operating Revenue             | 4,378,571.65                     | 28,949,643.30                           | 4,423,513.47                     | 29,101,971.32                           |
| Operating Expense             | (1,812,481.21)                   | (13,337,366.73)                         | (2,114,772.66)                   | (12,372,730.08)                         |
| Other, Net                    | <u>(713,078.01)</u>              | <u>(8,143,981.20)</u>                   | <u>(1,070,649.80)</u>            | <u>(9,747,707.29)</u>                   |
| <b>Change in Net Position</b> | <u><b>\$1,853,012.43</b></u>     | <u><b>\$7,468,295.37</b></u>            | <u><b>\$1,238,091.01</b></u>     | <u><b>\$6,981,533.95</b></u>            |

*Sacramento Suburban Water District  
Statements of Net Position*

|  | <i>As Of</i> | <u>Month End</u>             | <u>Year End</u>              |
|--|--------------|------------------------------|------------------------------|
|  |              | <u>8/31/2019</u>             | <u>12/31/18</u>              |
| <b>ASSETS</b>  |              |                              |                              |
| <b>CURRENT ASSETS</b>  |              |                              |                              |
| Cash and cash equivalents  |              | \$11,291,304.09              | \$7,585,118.00               |
| Restricted Cash and cash equivalents                             |              | 59.01                        | 9,767.92                     |
| Accounts receivable, net of allowance for uncollectible accounts |              | 2,355,837.55                 | 2,841,401.63                 |
| Interest receivable  |              | 207,232.31                   | 215,917.07                   |
| Grants receivables   |              | 0.01                         | 0.01                         |
| Other receivables  |              |                              | 945,572.10                   |
| Inventory  |              | 602,741.87                   | 495,142.20                   |
| Prepaid expenses and other assets                                |              | 1,446,342.71                 | 924,083.21                   |
| TOTAL CURRENT ASSETS   |              | <u>15,903,517.55</u>         | <u>13,017,002.14</u>         |
| <b>NONCURRENT ASSETS</b>   |              |                              |                              |
| Investments  |              | 38,686,483.23                | 36,369,025.38                |
| Fair value of interest rate swaps                                |              | 1,564,723.00                 | 1,564,723.00                 |
| TOTAL NONCURRENT ASSETS  |              | <u>40,251,206.23</u>         | <u>37,933,748.38</u>         |
| Property, plant and equipment                                    |              | 486,603,575.84               | 477,342,701.03               |
| Accumulated depreciation   |              | (188,888,484.39)             | (180,222,436.62)             |
| TOTAL CAPITAL ASSETS   |              | <u>297,715,091.45</u>        | <u>297,120,264.41</u>        |
| <b>TOTAL ASSETS</b>  |              | <b><u>353,869,815.23</u></b> | <b><u>348,071,014.93</u></b> |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                            |              |                              |                              |
| Deferred amount on long-term debt refunding                      |              | 5,583,727.88                 | 6,024,224.12                 |
| Pension contribution subsequent to measurement date              |              | 2,223,442.00                 | 2,223,442.00                 |
| Other post-employment benefits                                   |              | 24,450.00                    | 24,450.00                    |
| <b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>           |              | <b><u>361,701,435.11</u></b> | <b><u>356,343,131.05</u></b> |
| <b>LIABILITIES</b>   |              |                              |                              |
| <b>CURRENT LIABILITIES</b>                                       |              |                              |                              |
| Current portion of long-term debt and capital leases             |              | 4,625,000.00                 | 4,625,000.00                 |
| Accounts payable   |              | 900,701.18                   | 3,411,438.20                 |
| Accrued interest   |              | 411,149.72                   | 269,683.50                   |
| Deferred revenue and other liabilities                           |              | 2,154,376.84                 | 1,165,830.41                 |
| Accrued expenses   |              | 497,713.52                   | 840,578.24                   |
| TOTAL CURRENT LIABILITIES  |              | <u>8,588,941.26</u>          | <u>10,312,530.35</u>         |
| <b>NONCURRENT LIABILITIES</b>                                    |              |                              |                              |
| Long-term debt   |              | 76,415,786.80                | 76,804,132.00                |
| Compensated absences   |              | 952,893.99                   | 950,951.01                   |
| Net pension liability  |              | 8,812,373.00                 | 8,812,373.00                 |
| Net other post-employment benefits liability                     |              | 5,856,340.00                 | 5,856,340.00                 |
| TOTAL NONCURRENT LIABILITIES                                     |              | <u>92,037,393.79</u>         | <u>92,423,796.01</u>         |
| <b>TOTAL LIABILITIES</b>   |              | <b><u>100,626,335.05</u></b> | <b><u>102,736,326.36</u></b> |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                             |              |                              |                              |
| Deferred inflow of effective swaps                               |              | 1,564,723.00                 | 1,564,723.00                 |
| Employee pensions  |              | 741,595.00                   | 741,595.00                   |
| Other post-employment benefits                                   |              | 26,476.00                    | 26,476.00                    |
| <b>NET POSITION</b>  |              |                              |                              |
| Invested in capital assets, net of related debt                  |              | 221,715,356.53               | 221,715,356.53               |
| Restricted   |              | 9,767.92                     | 9,767.92                     |
| Unrestricted   |              | 37,017,181.61                | 29,548,886.24                |
| <b>TOTAL NET POSITION</b>  |              | <b><u>258,742,306.06</u></b> | <b><u>251,274,010.69</u></b> |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>      |              | <b><u>361,701,435.11</u></b> | <b><u>356,343,131.05</u></b> |

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

*Period Ended*

|  | <u>Month</u><br><u>8/31/2019</u> | <u>Year-To-Date</u><br><u>8/31/2019</u> | <u>Month</u><br><u>8/31/2018</u> | <u>Year-To-Date</u><br><u>8/31/2018</u> |
|--|----------------------------------|---|----------------------------------|---|
| <b>OPERATING REVENUES</b>                |                                  |   |                                  |   |
| Water consumption sales                  | \$1,672,643.99                   | \$7,679,954.93                          | \$1,669,776.55                   | \$7,976,905.55                          |
| Water service charge                     | 524,066.64                       | 4,117,282.34                            | 536,699.89                       | 4,206,267.57                            |
| Capital facilities charge                | 2,038,169.17                     | 15,976,658.04                           | 2,039,611.40                     | 15,989,392.80                           |
| Wheeling water charge                    | 54,777.76                        | 481,460.90                              | 96,538.99                        | 261,990.62                              |
| Other charges for services               | 88,914.09                        | 694,287.09                              | 80,886.64                        | 667,414.78                              |
| <b>TOTAL OPERATING REVENUES</b>          | <b>4,378,571.65</b>              | <b>28,949,643.30</b>                    | <b>4,423,513.47</b>              | <b>29,101,971.32</b>                    |
| <b>OPERATING EXPENSES</b>                |                                  |   |                                  |   |
| Source of supply                         | 272,055.79                       | 1,979,898.13                            | 478,230.93                       | 1,821,249.14                            |
| Pumping                                  | 345,005.32                       | 2,475,746.00                            | 371,506.55                       | 2,662,363.68                            |
| Transmission and distribution            | 369,296.40                       | 3,078,976.01                            | 304,323.80                       | 2,175,471.87                            |
| Water conservation                       | 40,366.68                        | 281,065.67                              | 57,752.02                        | 263,129.80                              |
| Customer accounts                        | 115,076.46                       | 869,974.32                              | 114,556.48                       | 812,307.78                              |
| Administrative and general               | 670,634.86                       | 4,653,953.11                            | 788,377.90                       | 4,632,374.41                            |
| <b>TOTAL OPERATING EXPENSES</b>          | <b>1,812,435.51</b>              | <b>13,339,613.24</b>                    | <b>2,114,747.68</b>              | <b>12,366,896.68</b>                    |
| Operating income before depreciation     | 2,566,136.14                     | 15,610,030.06                           | 2,308,765.79                     | 16,735,074.64                           |
| Depreciation and amortization            | <u>(1,082,892.43)</u>            | <u>(8,666,047.77)</u>                   | <u>(1,037,823.01)</u>            | <u>(8,313,462.42)</u>                   |
| <b>OPERATING INCOME</b>                  | <b>1,483,243.71</b>              | <b>6,943,982.29</b>                     | <b>1,270,942.78</b>              | <b>8,421,612.22</b>                     |
| <b>NON-OPERATING REV. (EXP.)</b>         |                                  |   |                                  |   |
| Rental income                            | 177,946.29                       | 348,362.29                              | 15,815.97                        | 163,236.68                              |
| Interest and investment income           | 392,901.37                       | 1,574,043.98                            | 152,520.22                       | 260,771.18                              |
| Interest expense and debt related costs  | (201,145.34)                     | (1,768,983.05)                          | (228,778.53)                     | (2,188,422.79)                          |
| Other non-operating revenues             | 66.40                            | 82,306.00                               | 560.57                           | 151,882.54                              |
| Other non-operating expenses             |                                  | (223.96)                                |                                  | 12,086.72                               |
| Gain(loss) on disposal of capital assets |                                  | 30,820.00                               | 27,030.00                        | 27,030.00                               |
| <b>NON-OPERATING REV. (EXP.)</b>         | <b>369,768.72</b>                | <b>266,325.26</b>                       | <b>(32,851.77)</b>               | <b>(1,573,415.67)</b>                   |
| <b>NET INCOME (LOSS) BEFORE CAPITAL</b>  | <b>1,853,012.43</b>              | <b>7,210,307.55</b>                     | <b>1,238,091.01</b>              | <b>6,848,196.55</b>                     |
| <b>CAPITAL CONTRIBUTIONS</b>             |                                  |   |                                  |   |
| Facility development charges             |                                  | 100,134.00                              |                                  | 116,284.00                              |
| Developer contributions                  |                                  | 144,664.30                              |                                  |   |
| Federal, state and local capital grants  |                                  | 13,189.52                               |                                  | 17,053.40                               |
| <b>TOTAL CAPITAL CONTRIBUTIONS</b>       |                                  | <b>257,987.82</b>                       |                                  | <b>133,337.40</b>                       |
| <b>CHANGE IN NET POSITION</b>            | <b>1,853,012.43</b>              | <b>7,468,295.37</b>                     | <b>1,238,091.01</b>              | <b>6,981,533.95</b>                     |
| Net position at beginning of period      | 256,889,293.63                   | 251,274,010.69                          | 251,174,895.24                   | 245,431,452.30                          |
| <b>NET POSITION AT END OF PERIOD</b>     | <b><u>258,742,306.06</u></b>     | <b><u>258,742,306.06</u></b>            | <b><u>252,412,986.25</u></b>     | <b><u>252,412,986.25</u></b>            |

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

|   | <i>Month Of August</i>     |                            |                          | <i>2019 YTD</i>             |                             |                            |
|---|----------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|----------------------------|
|   | <u>Actual</u>              | <u>Budget</u>              | <u>Variance</u>          | <u>Actual</u>               | <u>Budget</u>               | <u>Variance</u>            |
| <b><i>BUDGETED OPERATING EXPENSES</i></b> |                            |                            |                          |                             |                             |                            |
| Board of Directors                        | \$5,582.55                 | \$5,961.16                 | \$378.61                 | \$30,176.66                 | \$47,689.28                 | \$17,512.62                |
| Administrative                            | 172,439.51                 | 197,412.47                 | 24,972.96                | 1,331,858.55                | 1,579,299.76                | 247,441.21                 |
| Finance                                   | 97,333.56                  | 98,292.90                  | 959.34                   | 683,194.21                  | 790,347.20                  | 107,152.99                 |
| Customer Services                         | 115,076.46                 | 116,154.61                 | 1,078.15                 | 869,974.32                  | 931,815.48                  | 61,841.16                  |
| Field Operations                          | 60,855.36                  | 46,253.00                  | (14,602.36)              | 346,240.14                  | 541,974.00                  | 195,733.86                 |
| Production                                | 617,061.11                 | 810,374.50                 | 193,313.39               | 4,455,644.13                | 5,647,019.50                | 1,191,375.37               |
| Distribution                              | 202,234.25                 | 208,912.04                 | 6,677.79                 | 1,462,742.07                | 1,671,296.32                | 208,554.25                 |
| Field Services                            | 166,492.15                 | 220,473.39                 | 53,981.24                | 1,615,663.94                | 1,351,409.12                | (264,254.82)               |
| u Maintenance                             | 60,166.84                  | 58,068.53                  | (2,098.31)               | 407,073.08                  | 464,548.24                  | 57,475.16                  |
| Water Conservation                        | 40,366.68                  | 34,697.94                  | (5,668.74)               | 281,065.67                  | 349,771.02                  | 68,705.35                  |
| Engineering                               | 158,139.62                 | 127,559.19                 | (30,580.43)              | 886,816.69                  | 1,022,403.52                | 135,586.83                 |
| GIS/CAD                                   | 29,575.67                  | 25,777.28                  | (3,798.39)               | 198,317.27                  | 213,418.24                  | 15,100.97                  |
| Human Resources                           | 13,569.10                  | 14,168.29                  | 599.19                   | 116,013.47                  | 222,338.19                  | 106,324.72                 |
| Information Technology                    | 73,542.65                  | 92,607.89                  | 19,065.24                | 654,833.04                  | 848,009.12                  | 193,176.08                 |
| <b><i>TOTAL OPERATING EXPENSES</i></b>    | <u><u>1,812,435.51</u></u> | <u><u>2,056,713.19</u></u> | <u><u>244,277.68</u></u> | <u><u>13,339,613.24</u></u> | <u><u>15,681,338.99</u></u> | <u><u>2,341,725.75</u></u> |

SACRAMENTO SUBURBAN WATER DISTRICT  
OPERATING CAPITAL AMENDED BUDGET  
8/31/2019

| Project Number | Project Name                        | Original Budget      | Amended Budget       | Current Month Expenditures | Expenditures Year-To-Date | Committed Year-To-Date | Remaining Balance    |
|----------------|-------------------------------------|----------------------|----------------------|----------------------------|---------------------------|------------------------|----------------------|
| SF19-453       | FENCE REPLACE - 3 WELL SITES        | \$ 21,000.00         | \$ 21,000.00         | \$ -                       | \$ -                      | \$ 2,545.00            | \$ 18,455.00         |
| SF19-454       | UCMR 4 MONITORING                   | \$ 70,000.00         | 70,000.00            |                            |                           | -                      | \$ 70,000.00         |
| SF19-455       | WELL SITE PAVING                    | \$ 40,000.00         | 40,000.00            |                            |                           | -                      | \$ 40,000.00         |
| SF19-456       | ALUMINUM PIPE TRAILER REPLACEMENT   | \$ 9,000.00          | 9,000.00             |                            |                           | -                      | \$ 9,000.00          |
| SF19-457       | LARGE VOL DECHLORIN TRAILER UPGRADE | \$ 12,000.00         | 12,000.00            |                            |                           | -                      | \$ 12,000.00         |
| SF19-458       | LARGE VOL SUPER CHLORIN TRAILER     | \$ 9,000.00          | 9,000.00             |                            |                           | -                      | \$ 9,000.00          |
| SF19-459       | VEHICLE ADD - PRODUCTION FORMAN     | \$ 45,000.00         | 45,000.00            |                            |                           | 40,766.00              | \$ 4,234.00          |
| SF19-460       | VEHICLE REPL - TRUCK# 3             | \$ 30,000.00         | 30,000.00            |                            |                           | 28,685.00              | \$ 1,315.00          |
| SF19-461       | VEHICLE REPL - TRUCK # 21           | \$ 34,000.00         | 34,000.00            |                            |                           | 36,165.00              | \$ (2,165.00)        |
| SF19-462       | VEHICLE REPL - TRUCK #12            | \$ 31,000.00         | 31,000.00            | 5,674.00                   | 31,307.00                 | 475.00                 | \$ (782.00)          |
| SF19-463       | VEHICLE REPL - TRUCK #45            | \$ 31,000.00         | 31,000.00            | 5,038.00                   | 30,646.00                 | 500.00                 | \$ (146.00)          |
| SF19-464       | VEHICLE REPL - TRUCK #51            | \$ 45,000.00         | 45,000.00            |                            |                           | 40,766.00              | \$ 4,234.00          |
| SF19-465       | VEHICLE REPL - TRUCK #6             | \$ 42,000.00         | 42,000.00            |                            |                           | 40,350.00              | \$ 1,650.00          |
| SF19-466       | VEHICLE ADD - SAFETY OFFICER        | \$ 31,000.00         | 31,000.00            |                            |                           | 28,685.00              | \$ 2,315.00          |
| SF19-467       | OFFICE FURNITURE/WORKSTATIONS       | \$ 40,000.00         | 40,000.00            |                            | 39,242.00                 | 3,209.00               | \$ (2,451.00)        |
| SF19-468       | WELL SITE/BUILD STRUCTURE MAINT     | \$ 60,000.00         | 60,000.00            | 3,840.00                   | 3,840.00                  | -                      | \$ 56,160.00         |
| SF19-469       | HVAC/ROOF/BUILD REPAIRS             | \$ 50,000.00         | 50,000.00            | 219.00                     | 10,602.00                 | 29,062.00              | \$ 10,336.00         |
| SF19-470       | REMOVING ANTELOPE GARDEN            | \$ 54,000.00         | 54,000.00            |                            | 3,835.00                  | -                      | \$ 50,165.00         |
| SF19-471       | HARDWARE REFRESH PROGRAM            | \$ 107,000.00        | 107,000.00           |                            | 6,730.00                  | 72,905.00              | \$ 27,365.00         |
| SF19-472       | SOFTWARE ENHANCEMENTS/MODULES       | \$ 55,000.00         | 55,000.00            |                            |                           | -                      | \$ 55,000.00         |
| SF19-473       | BOARD LAPTOPS                       | \$ 5,000.00          | 5,000.00             |                            |                           | -                      | \$ 5,000.00          |
| SF19-474       | BOARD ROOM MONITORS                 | \$ 35,000.00         | 35,000.00            |                            | 1,021.00                  | 2,149.00               | \$ 31,830.00         |
| SF19-475       | REWIRE/MOVE SWITCH - WALNUT         | \$ 30,000.00         | 30,000.00            |                            | 15,299.00                 | -                      | \$ 14,701.00         |
| SF19-476       | PC/PHONES/LIC-NEW EMPLOYEES         | \$ 9,000.00          | 9,000.00             |                            |                           | -                      | \$ 9,000.00          |
| SF19-477       | PROJECT/PDF SOFTWARE-ENG DEPT       | \$ 13,000.00         | 13,000.00            |                            | 3,115.00                  | 265.00                 | \$ 9,620.00          |
| SF19-478       | SERVER ROOMS - WALNUT/MARCONI       | \$ 42,000.00         | 42,000.00            |                            | 8,666.00                  | -                      | \$ 33,334.00         |
| <b>TOTAL</b>   |                                     | <b>\$ 950,000.00</b> | <b>\$ 950,000.00</b> | <b>\$ 14,771.00</b>        | <b>\$ 154,303.00</b>      | <b>\$ 326,527.00</b>   | <b>\$ 469,170.00</b> |



**Sacramento Suburban Water District  
Capital Improvement Project Amended Budget  
8/31/2019**

| Project No. | Project Name                   | Original Budget         | Amended Budget          | Current Month Expenditures | Expenditures Year-To-Date | Committed Year-To-Date | Remaining Balance      |
|-------------|--------------------------------|-------------------------|-------------------------|----------------------------|---------------------------|------------------------|------------------------|
| SC19-009    | WELL REHAB/PUMP ST IMPROVEMENT | \$ 790,000.00           | \$790,000.00            | \$ 197,485.00              | \$ 422,676.00             | \$314,400.00           | \$ 52,924.00           |
| SC19-010    | SCADA RTU/COMMUN IMPROVEMENT   | \$ 60,000.00            | 60,000.00               | -                          | -                         | -                      | \$ 60,000.00           |
| SC19-012    | WELL REPLACEMENTS              | \$ 2,800,000.00         | 2,800,000.00            | 97,641.00                  | 776,730.00                | 980,117.00             | \$ 1,043,153.00        |
| SC19-013    | ELECTRICAL IMPROV @WELL SITES  | \$ 220,000.00           | 220,000.00              | -                          | -                         | -                      | \$ 220,000.00          |
| SC19-018    | DISTRIBUTION MAIN REPLACEMENTS | \$ 9,300,000.00         | 9,300,000.00            | 513,130.00                 | 5,702,804.80              | 3,374,732.00           | \$ 222,463.20          |
| SC19-019    | DIST MAIN IMPRV/EXT/INTERTIES  | \$ 1,400,000.00         | 1,400,000.00            | 551.00                     | 58,294.00                 | 218,193.00             | \$ 1,123,513.00        |
| SC19-020    | MCCLELLAN LINE REPL            | \$ 80,000.00            | 80,000.00               | -                          | -                         | -                      | \$ 80,000.00           |
| ✓ SC19-022  | WTR RELATED STREET IMPRV       | \$ 220,000.00           | 220,000.00              | -                          | 68,007.00                 | 34,500.00              | \$ 117,493.00          |
| SC19-024    | METER RETROFIT PROGRAM         | \$ 2,500,000.00         | 2,500,000.00            | 198,879.00                 | 1,271,360.00              | 1,236,550.00           | \$ (7,910.00)          |
| SC19-034    | RESERVIOR/TANK IMPROVMENT      | \$ 685,000.00           | 685,000.00              | 38,496.00                  | 58,550.00                 | 64,348.00              | \$ 562,102.00          |
| SC19-035    | CORROSION CONTROL-TRAN MAINS   | \$ 50,000.00            | 50,000.00               | -                          | -                         | -                      | \$ 50,000.00           |
| SC19-038    | LARGE WTR METER >3" REPL       | \$ 100,000.00           | 100,000.00              | 34,960.00                  | 43,160.00                 | 32,617.00              | \$ 24,223.00           |
| SC19-046    | TANK INSPECTION & REPAIRS      | \$ 50,000.00            | 50,000.00               |                            | 92,122.00                 | 5,400.00               | \$ (47,522.00)         |
| SC19-048    | RIGHT OF WAY/EASEMENT ACQUISIT | \$ 5,000.00             | 5,000.00                |                            | -                         | -                      | \$ 5,000.00            |
| SF19-480    | AMI REPLACEMENTS               | -                       | -                       | 88,769.00                  | 417,655.00                | 13,694.00              | \$ (431,349.00)        |
| SF19-481    | AMI SENSUS FLEXNET             | -                       | -                       |                            | -                         |                        | \$ -                   |
|             |                                | <b>\$ 18,260,000.00</b> | <b>\$ 18,260,000.00</b> | <b>\$ 1,169,911.00</b>     | <b>\$ 8,493,703.80</b>    | <b>\$ 6,260,857.00</b> | <b>\$ 3,074,090.20</b> |

**Sacramento Suburban Water District  
Debt  
8/31/2019**

**Principal Current Month**

|                        | Series<br>2009A COP  | Series<br>2012A      | Series<br>2018A      | Total                |
|------------------------|----------------------|----------------------|----------------------|----------------------|
| Beginning Balance      | \$ 42,000,000        | \$ 15,385,000        | \$ 17,295,000        | \$ 74,680,000        |
| Additions:             |                      |                      |                      | -                    |
| Reductions:<br>Payment | -                    |                      |                      |                      |
| Ending Balance         | <u>\$ 42,000,000</u> | <u>\$ 15,385,000</u> | <u>\$ 17,295,000</u> | <u>\$ 74,680,000</u> |

**Principal Year-To-Date**

|                        | Series<br>2009A COP  | Series<br>2012A      | Series<br>2018A      | Total                |
|------------------------|----------------------|----------------------|----------------------|----------------------|
| Beginning Balance      | \$ 42,000,000        | \$ 15,385,000        | \$ 17,295,000        | \$ 74,680,000        |
| Additions:             |                      |                      |                      | -                    |
| Reductions:<br>Payment | -                    |                      |                      | -                    |
| Ending Balance         | <u>\$ 42,000,000</u> | <u>\$ 15,385,000</u> | <u>\$ 17,295,000</u> | <u>\$ 74,680,000</u> |

**Interest Expense**

|                  | Current Month<br>Actual | Year-To-Date<br>Actual | Budget              | Variance          |
|------------------|-------------------------|------------------------|---------------------|-------------------|
| Interest Expense | <u>\$ 166,056</u>       | <u>\$ 1,488,268</u>    | <u>\$ 1,900,000</u> | <u>\$ 411,732</u> |

**Investments Outstanding and Activity  
August 2019**



Managed Account Detail of Securities Held

For the Month Ending August 31, 2019

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

| Security Type/Description<br>Dated Date/Coupon/Maturity | CUSIP     | Par          | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost | Market<br>Value |
|---|-----------|--------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| <b>U.S. Treasury Bond / Note</b>                        |           |              |               |                   |               |                |                  |                |                     |                   |                 |
| US TREASURY NOTES<br>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           | 4.12                | 76,199.16         | 75,410.18       |
| US TREASURY NOTES<br>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           | 810.80              | 173,630.47        | 174,350.58      |
| US TREASURY NOTES<br>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           | 349.39              | 98,895.73         | 99,640.60       |
| US TREASURY NOTES<br>DTD 06/02/2014 2.000% 05/31/2021   | 912828WN6 | 300,000.00   | AA+           | Aaa               | 09/01/16      | 09/02/16       | 310,781.25       | 1.22           | 1,524.59            | 304,040.81        | 302,156.40      |
| US TREASURY NOTES<br>DTD 09/02/2014 2.000% 08/31/2021   | 912828D72 | 375,000.00   | AA+           | Aaa               | 04/03/17      | 04/05/17       | 377,900.39       | 1.82           | 20.60               | 376,345.77        | 378,457.13      |
| US TREASURY NOTES<br>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           | 49.45               | 902,685.61        | 908,297.10      |
| US TREASURY NOTES<br>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           | 76.92               | 1,407,448.99      | 1,412,906.60    |
| US TREASURY NOTES<br>DTD 10/31/2016 1.250% 10/31/2021   | 912828T67 | 250,000.00   | AA+           | Aaa               | 08/01/17      | 08/03/17       | 245,205.08       | 1.72           | 1,052.99            | 247,512.80        | 248,603.50      |
| US TREASURY NOTES<br>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           | 2,000.68            | 469,033.91        | 472,346.65      |
| US TREASURY NOTES<br>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           | 5,054.35            | 1,190,011.39      | 1,193,296.80    |
| US TREASURY NOTES<br>DTD 05/01/2017 1.875% 04/30/2022   | 912828X47 | 135,000.00   | AA+           | Aaa               | 01/03/18      | 01/04/18       | 133,286.13       | 2.18           | 852.92              | 133,925.88        | 136,450.17      |
| US TREASURY NOTES<br>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           | 6,002.04            | 929,340.81        | 960,204.90      |
| US TREASURY NOTES<br>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           | 6,633.83            | 1,028,056.53      | 1,061,279.10    |
| US TREASURY NOTES<br>DTD 08/15/2012 1.625% 08/15/2022   | 912828TJ9 | 500,000.00   | AA+           | Aaa               | 09/05/18      | 09/07/18       | 479,023.44       | 2.76           | 375.34              | 484,057.82        | 502,773.50      |



**Managed Account Detail of Securities Held**

For the Month Ending August 31, 2019

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

| Security Type/Description<br>Dated Date/Coupon/Maturity                         | CUSIP     | Par                  | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost     | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost    | Market<br>Value      |
|---|-----------|----------------------|---------------|-------------------|---------------|----------------|----------------------|----------------|---------------------|----------------------|----------------------|
| <b>U.S. Treasury Bond / Note</b>  |           |                      |               |                   |               |                |                      |                |                     |                      |                      |
| US TREASURY NOTES<br>DTD 12/31/2015 2.125% 12/31/2022                           | 912828N30 | 800,000.00           | AA+           | Aaa               | 11/02/18      | 11/06/18       | 772,718.75           | 3.00           | 2,910.33            | 777,865.92           | 818,093.60           |
| US TREASURY NOTES<br>DTD 12/31/2015 2.125% 12/31/2022                           | 912828N30 | 800,000.00           | AA+           | Aaa               | 12/12/18      | 12/13/18       | 780,187.50           | 2.78           | 2,910.33            | 783,559.46           | 818,093.60           |
| US TREASURY NOTES<br>DTD 12/31/2015 2.125% 12/31/2022                           | 912828N30 | 1,375,000.00         | AA+           | Aaa               | 01/30/19      | 01/31/19       | 1,353,193.36         | 2.55           | 5,002.12            | 1,356,334.44         | 1,406,098.38         |
| US TREASURY NOTES<br>DTD 12/31/2015 2.125% 12/31/2022                           | 912828N30 | 1,800,000.00         | AA+           | Aaa               | 01/07/19      | 01/10/19       | 1,774,054.69         | 2.51           | 6,548.23            | 1,778,095.39         | 1,840,710.60         |
| US TREASURY N/B NOTES<br>DTD 05/31/2016 1.625% 05/31/2023                       | 912828R69 | 400,000.00           | AA+           | Aaa               | 04/01/19      | 04/05/19       | 389,109.38           | 2.32           | 1,651.64            | 390,138.82           | 402,906.40           |
| US TREASURY N/B NOTES<br>DTD 05/31/2016 1.625% 05/31/2023                       | 912828R69 | 575,000.00           | AA+           | Aaa               | 03/04/19      | 03/06/19       | 554,133.79           | 2.53           | 2,374.23            | 556,447.04           | 579,177.95           |
| US TREASURY N/B NOTES<br>DTD 05/31/2016 1.625% 05/31/2023                       | 912828R69 | 700,000.00           | AA+           | Aaa               | 06/03/19      | 06/07/19       | 694,503.91           | 1.83           | 2,890.37            | 694,818.47           | 705,086.20           |
| US TREASURY N/B NOTES<br>DTD 05/31/2016 1.625% 05/31/2023                       | 912828R69 | 725,000.00           | AA+           | Aaa               | 05/01/19      | 05/03/19       | 707,554.69           | 2.25           | 2,993.60            | 708,919.47           | 730,267.85           |
| US TREASURY NOTES<br>DTD 10/31/2016 1.625% 10/31/2023                           | 912828T91 | 650,000.00           | AA+           | Aaa               | 07/01/19      | 07/03/19       | 645,708.98           | 1.78           | 3,559.10            | 645,867.49           | 655,357.30           |
| <b>Security Type Sub-Total</b>  |           | <b>15,710,000.00</b> |               |                   |               |                | <b>15,469,362.31</b> | <b>2.24</b>    | <b>55,647.97</b>    | <b>15,513,232.18</b> | <b>15,881,965.09</b> |
| <b>Supra-National Agency Bond / Note</b>  |           |                      |               |                   |               |                |                      |                |                     |                      |                      |
| INTL BANK OF RECONSTRUCTION AND DEV<br>NOTE<br>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           | 6,595.23            | 899,240.92           | 897,889.50           |
| INTER-AMERICAN DEVELOPMENT BANK<br>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           | 4,627.78            | 702,547.59           | 703,304.00           |
| INTER-AMERICAN DEVELOPMENT BANK<br>NOTE<br>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           | 2,165.63            | 224,725.67           | 228,560.63           |



**Managed Account Detail of Securities Held**

For the Month Ending August 31, 2019

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

| Security Type/Description<br>Dated Date/Coupon/Maturity                         | CUSIP     | Par                 | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost    | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost   | Market<br>Value     |
|---|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| <b>Supra-National Agency Bond / Note</b>  |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| INTL BANK OF RECONSTRUCTION AND DEV<br>NOTE<br>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           | 2,177.08            | 748,872.42          | 766,408.50          |
| <b>Security Type Sub-Total</b>  |           | <b>2,575,000.00</b> |               |                   |               |                | <b>2,577,078.37</b> | <b>2.13</b>    | <b>15,565.72</b>    | <b>2,575,386.60</b> | <b>2,596,162.63</b> |
| <b>Federal Agency Collateralized Mortgage Obligation</b>                        |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| FNA 2018-M5 A2<br>DTD 04/01/2018 3.560% 09/25/2021                              | 3136B1XP4 | 183,183.68          | AA+           | Aaa               | 04/11/18      | 04/30/18       | 186,827.40          | 2.27           | 543.44              | 185,356.06          | 186,766.24          |
| FHLMC SERIES K721 A2<br>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              | 201,066.50          | 206,314.20          |
| FHMS KP05 A<br>DTD 12/01/2018 3.203% 07/01/2023                                 | 3137FKK39 | 169,845.14          | AA+           | Aaa               | 12/07/18      | 12/17/18       | 169,844.62          | 3.11           | 453.34              | 169,844.63          | 172,909.52          |
| <b>Security Type Sub-Total</b>  |           | <b>553,028.82</b>   |               |                   |               |                | <b>558,375.15</b>   | <b>2.65</b>    | <b>1,511.78</b>     | <b>556,267.19</b>   | <b>565,989.96</b>   |
| <b>Federal Agency Bond / Note</b>   |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| FHLB GLOBAL NOTE<br>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           | 1,432.03            | 972,739.02          | 967,732.35          |
| FNMA NOTES<br>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           | 63.19               | 129,821.88          | 129,239.11          |
| FNMA NOTES<br>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           | 204.17              | 419,318.59          | 417,541.74          |
| <b>Security Type Sub-Total</b>  |           | <b>1,525,000.00</b> |               |                   |               |                | <b>1,516,925.30</b> | <b>1.28</b>    | <b>1,699.39</b>     | <b>1,521,879.49</b> | <b>1,514,513.20</b> |
| <b>Corporate Note</b>   |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| CITIGROUP INC (CALLABLE) CORP NOTE<br>DTD 01/10/2017 2.450% 01/10/2020          | 172967LF6 | 400,000.00          | BBB+          | A3                | 01/04/17      | 01/10/17       | 399,840.00          | 2.46           | 1,388.33            | 399,980.30          | 400,290.40          |
| WELLS FARGO & CO CORP BONDS<br>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           | 740.56              | 400,242.61          | 400,110.80          |



Managed Account Detail of Securities Held

For the Month Ending August 31, 2019

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

| Security Type/Description<br>Dated Date/Coupon/Maturity                     | CUSIP     | Par        | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost | Market<br>Value |
|---|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| <b>Corporate Note</b>   |           |            |               |                   |               |                |                  |                |                     |                   |                 |
| AMERICAN EXPRESS CREDIT (CALLABLE) NOTE<br>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           | 2,338.72            | 214,961.27        | 215,101.48      |
| TOYOTA MOTOR CORP NOTES<br>DTD 03/12/2015 2.150% 03/12/2020                 | 89236TCF0 | 250,000.00 | AA-           | Aa3               | 03/23/15      | 03/27/15       | 252,220.00       | 1.96           | 2,523.26            | 250,247.99        | 250,278.00      |
| TOYOTA MCTOR CREDIT CORP<br>DTD 04/17/2017 1.950% 04/17/2020                | 89236TDU6 | 275,000.00 | AA-           | Aa3               | 04/11/17      | 04/17/17       | 274,873.50       | 1.97           | 1,996.04            | 274,972.93        | 274,759.10      |
| HOME DEPOT INC CORP NOTES<br>DTD 06/05/2017 1.800% 06/05/2020               | 437076B04 | 175,000.00 | A             | A2                | 05/24/17      | 06/05/17       | 174,898.50       | 1.82           | 752.50              | 174,973.74        | 174,698.83      |
| WELLS FARGO & COMPANY NOTES<br>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           | 1,056.25            | 375,404.04        | 376,812.00      |
| CATERPILLAR FINL SERVICE NOTE<br>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           | 2,501.35            | 274,920.63        | 274,989.00      |
| APPLE INC CORP NOTES<br>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           | 2,400.00            | 399,863.22        | 401,144.00      |
| WAL-MART STORES INC CORP NOTE<br>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           | 1,504.17            | 374,772.27        | 375,720.38      |
| US BANCORP CORP NOTES (CALLABLE)<br>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           | 731.11              | 350,440.79        | 351,856.75      |
| IBM CORP CORP NOTES<br>DTD 02/06/2018 2.650% 02/05/2021                     | 44932HAG8 | 400,000.00 | A             | A2                | 02/01/18      | 02/06/18       | 399,804.00       | 2.67           | 765.56              | 399,904.62        | 403,817.60      |
| JOHN DEERE CAPITAL CORP NOTES<br>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           | 5,061.20            | 374,866.94        | 379,854.75      |
| NATIONAL RURAL UTIL COOP NOTE<br>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           | 2,005.83            | 149,913.46        | 152,086.50      |
| NATIONAL RURAL UTIL COOP NOTE<br>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           | 3,008.75            | 224,487.63        | 228,129.75      |
| PEPSICO INC CORP (CALLABLE) NOTE<br>DTD 10/10/2017 2.000% 04/15/2021        | 713448DX3 | 225,000.00 | A+            | A1                | 10/05/17      | 10/10/17       | 224,955.00       | 2.01           | 1,700.00            | 224,978.70        | 225,664.65      |



Managed Account Detail of Securities Held

For the Month Ending August 31, 2019

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

| Security Type/Description<br>Dated Date/Coupon/Maturity                         | CUSIP     | Par        | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost | Market<br>Value |
|---|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| <b>Corporate Note</b>   |           |            |               |                   |               |                |                  |                |                     |                   |                 |
| BANK OF NEW YORK MELLON CORP<br>(CALLABLE)<br>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           | 3,541.67            | 377,842.82        | 378,180.00      |
| BANK OF AMERICA CORP NOTE<br>DTD 04/19/2016 2.625% 04/19/2021                   | 06051GFW4 | 35,000.00  | A-            | A2                | 11/01/17      | 11/03/17       | 35,271.60        | 2.39           | 336.88              | 35,131.00         | 35,327.60       |
| AMERICAN EXPRESS CREDIT (CALLABLE)<br>NOTES<br>DTD 05/05/2016 2.250% 05/05/2021 | 0258M0EB1 | 225,000.00 | A-            | A2                | 05/25/16      | 05/31/16       | 224,478.00       | 2.30           | 1,631.25            | 224,816.33        | 226,107.23      |
| HERSHEY COMPANY CORP NOTES<br>DTD 05/10/2018 3.100% 05/15/2021                  | 427866BA5 | 150,000.00 | A             | A1                | 05/03/18      | 05/10/18       | 149,896.50       | 3.12           | 1,369.17            | 149,940.00        | 152,870.55      |
| STATE STREET CORP NOTES<br>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           | 607.75              | 109,833.79        | 109,997.36      |
| CHARLES SCHWAB CORP NOTES<br>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           | 2,256.94            | 249,995.50        | 255,554.50      |
| BANK OF AMERICA CORP (CALLABLE)<br>DTD 09/18/2017 2.328% 10/01/2021             | 06051GGS2 | 240,000.00 | A-            | A2                | 09/13/17      | 09/18/17       | 240,000.00       | 2.33           | 2,328.00            | 240,000.00        | 240,396.48      |
| PACCAR FINANCIAL CORP NOTE<br>DTD 03/01/2019 2.850% 03/01/2022                  | 69371RP75 | 150,000.00 | A+            | A1                | 02/22/19      | 03/01/19       | 149,868.00       | 2.88           | 2,137.50            | 149,889.22        | 153,154.80      |
| BANK OF AMERICA CORP NOTES<br>DTD 05/17/2018 3.499% 05/17/2022                  | 06051GHH5 | 90,000.00  | A-            | A2                | 05/14/18      | 05/17/18       | 90,000.00        | 3.50           | 909.74              | 90,000.00         | 92,020.59       |
| JPMORGAN CHASE & CO BONDS<br>DTD 03/22/2019 3.207% 04/01/2023                   | 46647PBB1 | 675,000.00 | A-            | A2                | 03/15/19      | 03/22/19       | 675,000.00       | 3.21           | 9,560.87            | 675,000.00        | 693,957.38      |
| PNC BANK NA CORP NOTES<br>DTD 01/23/2019 3.500% 01/23/2024                      | 693475AV7 | 380,000.00 | A-            | A3                | 02/12/19      | 02/15/19       | 382,705.60       | 3.34           | 1,403.89            | 382,433.54        | 404,073.00      |
| MORGAN STANLEY CORP NOTES<br>DTD 04/28/2014 3.875% 04/29/2024                   | 61746BD06 | 375,000.00 | BBB+          | A3                | 07/19/19      | 07/23/19       | 396,483.75       | 2.59           | 4,924.48            | 396,039.40        | 402,343.13      |
| AMERICAN HONDA FINANCE CORP NOTE<br>DTD 06/27/2019 2.400% 06/27/2024            | 02665WCZ2 | 375,000.00 | A             | A2                | 07/11/19      | 07/15/19       | 373,140.00       | 2.51           | 1,600.00            | 373,186.02        | 381,586.13      |





**Managed Account Detail of Securities Held**

For the Month Ending August 31, 2019

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

| Security Type/Description<br>Dated Date/Coupon/Maturity                 | CUSIP     | Par                 | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost    | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost   | Market<br>Value     |
|---|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| <b>Corporate Note</b>   |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| GOLDMAN SACHS GROUP INC BONDS<br>DTD 07/08/2014 3.850% 07/08/2024       | 38141EC23 | 375,000.00          | BBB+          | A3                | 07/08/19      | 07/11/19       | 392,467.50          | 2.84           | 2,125.52            | 392,011.97          | 399,804.00          |
| BB&T CORPORATION CORP BONDS<br>DTD 07/29/2019 2.500% 08/01/2024         | 05531FBH5 | 400,000.00          | A-            | A2                | 08/01/19      | 08/05/19       | 400,664.00          | 2.46           | 888.89              | 400,655.09          | 406,389.60          |
| <b>Security Type Sub-Total</b>  |           | <b>9,070,000.00</b> |               |                   |               |                | <b>9,122,884.10</b> | <b>2.51</b>    | <b>66,096.18</b>    | <b>9,111,705.82</b> | <b>9,217,076.34</b> |
| <b>Commercial Paper</b>   |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| NATIXIS NY BRANCH COMM PAPER<br>DTD 05/08/2019 0.000% 11/04/2019        | 63873KY43 | 400,000.00          | A-1           | P-1               | 05/08/19      | 05/09/19       | 394,908.44          | 2.59           | 0.00                | 398,179.56          | 398,448.40          |
| MUFG BANK LTD/NY COMM PAPER<br>DTD 04/18/2019 0.000% 01/13/2020         | 62479LAD7 | 800,000.00          | A-1           | P-1               | 04/18/19      | 04/18/19       | 784,280.00          | 2.67           | 0.00                | 792,198.22          | 793,807.20          |
| MUFG BANK LTD/NY COMM PAPER<br>DTD 05/06/2019 0.000% 01/31/2020         | 62479LAX3 | 375,000.00          | A-1           | P-1               | 05/07/19      | 05/07/19       | 367,714.58          | 2.65           | 0.00                | 370,883.33          | 371,732.25          |
| <b>Security Type Sub-Total</b>  |           | <b>1,575,000.00</b> |               |                   |               |                | <b>1,546,903.02</b> | <b>2.65</b>    | <b>0.00</b>         | <b>1,561,261.11</b> | <b>1,563,987.85</b> |
| <b>Certificate of Deposit</b>   |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| CREDIT SUISSE NEW YORK CERT DEPOS<br>DTD 02/08/2018 2.670% 02/07/2020   | 22549LFR1 | 375,000.00          | A-1           | P-1               | 02/07/18      | 02/08/18       | 375,000.00          | 2.67           | 15,658.44           | 375,000.00          | 376,190.25          |
| UBS AG STAMFORD CT LT CD<br>DTD 03/06/2018 2.900% 03/02/2020            | 90275DHG8 | 400,000.00          | A-1           | P-1               | 03/02/18      | 03/06/18       | 400,000.00          | 2.93           | 5,832.22            | 400,000.00          | 401,955.60          |
| BANK OF NOVA SCOTIA HOUSTON CD<br>DTD 06/07/2018 3.080% 06/05/2020      | 06417GU22 | 375,000.00          | A-1           | P-1               | 06/05/18      | 06/07/18       | 374,857.50          | 3.10           | 2,759.17            | 374,944.47          | 378,769.50          |
| WESTPAC BANKING CORP NY CD<br>DTD 08/07/2017 2.050% 08/03/2020          | 96121T4A3 | 625,000.00          | A-1+          | P-1               | 08/03/17      | 08/07/17       | 625,000.00          | 2.05           | 854.17              | 625,000.00          | 626,788.13          |
| BANK OF MONTREAL CHICAGO CERT DEPOS<br>DTD 08/03/2018 3.190% 08/03/2020 | 06370REU9 | 670,000.00          | A-1           | P-1               | 08/01/18      | 08/03/18       | 670,000.00          | 3.23           | 1,602.98            | 670,000.00          | 676,668.51          |
| SUMITOMO MITSUI BANK NY CERT DEPOS<br>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           | 4,938.10            | 379,938.87          | 386,973.00          |



**Managed Account Detail of Securities Held**

For the Month Ending August 31, 2019

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

| Security Type/Description<br>Dated Date/Coupon/Maturity                         | CUSIP     | Par                 | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost    | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost   | Market<br>Value     |
|---|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| <b>Certificate of Deposit</b>   |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| SWEDBANK (NEW YORK) CERT DEPOS<br>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           | 4,767.00            | 700,000.00          | 701,852.90          |
| ROYAL BANK OF CANADA NY CD<br>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           | 4,914.00            | 650,000.00          | 666,551.60          |
| MUFG BANK LTD/NY CERT DEPOS<br>DTD 02/28/2019 2.980% 02/25/2022                 | 55379WZU3 | 375,000.00          | A             | A1                | 02/27/19      | 02/28/19       | 375,000.00          | 3.01           | 5,742.71            | 375,000.00          | 385,570.50          |
| NORDEA BANK ABP NEW YORK CERT DEPOS<br>DTD 08/29/2019 1.850% 08/26/2022         | 65558TLL7 | 400,000.00          | AA-           | Aa3               | 08/27/19      | 08/29/19       | 400,000.00          | 1.87           | 61.67               | 400,000.00          | 400,064.40          |
| SKANDINAVISKA ENSKILDA BANKEN<br>AB CERT DE<br>DTD 09/03/2019 1.860% 08/26/2022 | 83050PDR7 | 400,000.00          | A+            | Aa2               | 08/29/19      | 09/03/19       | 400,000.00          | 1.83           | 0.00                | 400,000.00          | 399,086.89          |
| <b>Security Type Sub-Total</b>  |           | <b>5,350,000.00</b> |               |                   |               |                | <b>5,349,340.70</b> | <b>2.70</b>    | <b>47,130.46</b>    | <b>5,349,883.34</b> | <b>5,400,471.28</b> |
| <b>Asset-Backed Security</b>  |           |                     |               |                   |               |                |                     |                |                     |                     |                     |
| HYUNDAI ABS 2016-B A3<br>DTD 09/21/2016 1.290% 04/15/2021                       | 44891EAC3 | 59,620.48           | AAA           | Aaa               | 09/14/16      | 09/21/16       | 59,612.45           | 1.30           | 34.18               | 59,618.06           | 59,489.60           |
| ALLY ABS 2017-1 A3<br>DTD 01/31/2017 1.700% 06/15/2021                          | 02007PAC7 | 50,456.58           | NR            | Aaa               | 01/24/17      | 01/31/17       | 50,452.18           | 1.70           | 38.12               | 50,454.92           | 50,379.44           |
| FORD ABS 2017-A A3<br>DTD 01/25/2017 1.670% 06/15/2021                          | 34531EAD8 | 203,610.83          | NR            | Aaa               | 01/18/17      | 01/25/17       | 203,610.08          | 1.67           | 151.12              | 203,610.58          | 203,266.42          |
| ALLY ABS 2017-2 A3<br>DTD 03/29/2017 1.780% 08/15/2021                          | 02007HAC5 | 214,891.79          | NR            | Aaa               | 03/21/17      | 03/29/17       | 214,866.45          | 1.79           | 170.00              | 214,881.24          | 214,592.14          |
| TAOT 2018-B A3<br>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              | 324,996.57          | 329,495.43          |
| HAROT 2018-4 A3<br>DTD 11/28/2018 3.160% 01/15/2023                             | 43815AAC6 | 325,000.00          | AAA           | Aaa               | 11/20/18      | 11/28/18       | 324,951.41          | 3.17           | 456.44              | 324,959.90          | 332,374.74          |
| ALLYA 2018-3 A3<br>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              | 399,979.56          | 404,104.44          |



**Managed Account Detail of Securities Held**

For the Month Ending August 31, 2019

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

| Security Type/Description<br>Dated Date/Coupon/Maturity | CUSIP     | Par                    | S&P<br>Rating | Moody's<br>Rating | Trade<br>Date | Settle<br>Date | Original<br>Cost       | YTM<br>at Cost | Accrued<br>Interest | Amortized<br>Cost      | Market<br>Value        |
|---|-----------|------------------------|---------------|-------------------|---------------|----------------|------------------------|----------------|---------------------|------------------------|------------------------|
| <b>Asset-Backed Security</b>                            |           |                        |               |                   |               |                |                        |                |                     |                        |                        |
| CCCIT 2018-A1 A1<br>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           | 2,126.88            | 749,927.75             | 757,397.55             |
| NAROT 2018-C A3<br>DTD 12/12/2018 3.220% 06/15/2023     | 65478NAD7 | 350,000.00             | AAA           | Aaa               | 12/04/18      | 12/12/18       | 349,932.94             | 3.53           | 500.89              | 349,943.42             | 359,205.00             |
| COMET 2019-A2 A2<br>DTD 09/05/2019 1.720% 08/15/2024    | 14041NFU0 | 800,000.00             | AAA           | NR                | 08/28/19      | 09/05/19       | 799,798.56             | 1.73           | 0.00                | 799,798.56             | 800,000.00             |
| <b>Security Type Sub-Total</b>                          |           | <b>3,478,579.68</b>    |               |                   |               |                | <b>3,478,088.07</b>    | <b>2.49</b>    | <b>4,438.52</b>     | <b>3,478,170.56</b>    | <b>3,510,304.76</b>    |
| <b>Managed Account Sub-Total</b>                        |           | <b>39,836,608.50</b>   |               |                   |               |                | <b>39,618,957.02</b>   | <b>2.36</b>    | <b>192,090.02</b>   | <b>39,667,786.29</b>   | <b>40,250,471.11</b>   |
| <b>Securities Sub-Total</b>                             |           | <b>\$39,836,608.50</b> |               |                   |               |                | <b>\$39,618,957.02</b> | <b>2.36%</b>   | <b>\$192,090.02</b> | <b>\$39,667,786.29</b> | <b>\$40,250,471.11</b> |
| <b>Accrued Interest</b>                                 |           |                        |               |                   |               |                |                        |                |                     |                        | <b>\$192,090.02</b>    |
| <b>Total Investments</b>                                |           |                        |               |                   |               |                |                        |                |                     |                        | <b>\$40,442,561.13</b> |

Bolded items are forward settling trades.

**Investment Activity  
August 2019**



Managed Account Security Transactions & Interest

For the Month Ending August 31, 2019

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 |
|-----------------------------------|----------|----------|--|-----------|---------------------|-----------------------|------------------|-----------------------|-------------------|-------------------------|-------------|
| <b>BUY</b>                        |          |          |  |           |                     |                       |                  |                       |                   |                         |             |
|                                   | 08/01/19 | 08/05/19 | BB&T CORPORATION CORP BONDS<br>DTD 07/29/2019 2.500% 08/01/2024                    | 05531FBH5 | 400,000.00          | (400,664.00)          | (166.67)         | (400,830.67)          |                   |                         |             |
|                                   | 08/27/19 | 08/29/19 | NORDEA BANK ABP NEW YORK CERT<br>DEPOS<br>DTD 08/29/2019 1.850% 08/26/2022         | 65558TLL7 | 400,000.00          | (400,000.00)          | 0.00             | (400,000.00)          |                   |                         |             |
|                                   | 08/28/19 | 09/05/19 | COMET 2019-A2 A2<br>DTD 09/05/2019 1.720%<br>08/15/2024                            | 14041NFU0 | 800,000.00          | (799,798.56)          | 0.00             | (799,798.56)          |                   |                         |             |
|                                   | 08/29/19 | 09/03/19 | SKANDINAVISKA ENSKILDA<br>BANKEN AB CERT DE<br>DTD 09/03/2019 1.860%<br>08/26/2022 | 83050PDR7 | 400,000.00          | (400,000.00)          | 0.00             | (400,000.00)          |                   |                         |             |
| <b>Transaction Type Sub-Total</b> |          |          |  |           | <b>2,000,000.00</b> | <b>(2,000,462.56)</b> | <b>(166.67)</b>  | <b>(2,000,629.23)</b> |                   |                         |             |
| <b>INTEREST</b>                   |          |          |  |           |                     |                       |                  |                       |                   |                         |             |
|                                   | 08/01/19 | 08/01/19 | MONEY MARKET FUND  | MONEY0002 | 0.00                | 0.00                  | 166.69           | 166.69                |                   |                         |             |
|                                   | 08/01/19 | 08/01/19 | BRANCH BANKING & TRUST<br>(CALLABLE) NOTES<br>DTD 10/26/2017 2.150% 02/01/2021     | 05531FAZ6 | 75,000.00           | 0.00                  | 806.25           | 806.25                |                   |                         |             |
|                                   | 08/01/19 | 08/25/19 | FHLMC SERIES K721 A2<br>DTD 12/01/2015 3.090% 08/25/2022                           | 3137BM6P6 | 200,000.00          | 0.00                  | 515.00           | 515.00                |                   |                         |             |
|                                   | 08/01/19 | 08/25/19 | FHMS KP05 A<br>DTD 12/01/2018 3.203% 07/01/2023                                    | 3137FKK39 | 170,120.26          | 0.00                  | 454.08           | 454.08                |                   |                         |             |
|                                   | 08/01/19 | 08/25/19 | FNMA SERIES 2015-M12 FA<br>DTD 09/01/2015 2.812% 04/01/2020                        | 3136AP3Z3 | 4,687.92            | 0.00                  | 10.99            | 10.99                 |                   |                         |             |
|                                   | 08/01/19 | 08/25/19 | FNA 2018-M5 A2<br>DTD 04/01/2018 3.560% 09/25/2021                                 | 3136B1XP4 | 184,479.90          | 0.00                  | 551.93           | 551.93                |                   |                         |             |
|                                   | 08/05/19 | 08/05/19 | IBM CORP CORP NOTES<br>DTD 02/06/2018 2.650% 02/05/2021                            | 44932HAG8 | 400,000.00          | 0.00                  | 5,300.00         | 5,300.00              |                   |                         |             |
|                                   | 08/05/19 | 08/05/19 | BANK OF MONTREAL CHICAGO CERT<br>DEPOS<br>DTD 08/03/2018 3.190% 08/03/2020         | 06370REU9 | 670,000.00          | 0.00                  | 21,788.59        | 21,788.59             |                   |                         |             |
|                                   | 08/07/19 | 08/07/19 | WESTPAC BANKING CORP NY CD<br>DTD 08/07/2017 2.050% 08/03/2020                     | 96121T4A3 | 625,000.00          | 0.00                  | 6,406.25         | 6,406.25              |                   |                         |             |



Managed Account Security Transactions & Interest

For the Month Ending August 31, 2019

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 |
|------------------|----------|----------|--|-----------|--------------|--------------------|------------------|----------|-------------------|-------------------------|-------------|
| <b>INTEREST</b>  |          |          |  |           |              |                    |                  |          |                   |                         |             |
|                  | 08/15/19 | 08/15/19 | HYUNDAI ABS 2016-B A3<br>DTD 09/21/2016 1.290% 04/15/2021    | 44891EAC3 | 70,342.63    | 0.00               | 75.62            | 75.62    |                   |                         |             |
|                  | 08/15/19 | 08/15/19 | US TREASURY NOTES<br>DTD 08/15/2012 1.625% 08/15/2022        | 912828TJ9 | 1,150,000.00 | 0.00               | 9,343.75         | 9,343.75 |                   |                         |             |
|                  | 08/15/19 | 08/15/19 | HAROT 2018-4 A3<br>DTD 11/28/2018 3.160% 01/15/2023          | 43815AAC6 | 325,000.00   | 0.00               | 855.83           | 855.83   |                   |                         |             |
|                  | 08/15/19 | 08/15/19 | ALLYA 2018-3 A3<br>DTD 06/27/2018 3.000% 01/15/2023          | 02007JAC1 | 400,000.00   | 0.00               | 1,000.00         | 1,000.00 |                   |                         |             |
|                  | 08/15/19 | 08/15/19 | FORD ABS 2016-B A3<br>DTD 04/26/2016 1.330% 10/15/2020       | 34532EAD7 | 2,271.75     | 0.00               | 2.52             | 2.52     |                   |                         |             |
|                  | 08/15/19 | 08/15/19 | ALLY ABS 2017-2 A3<br>DTD 03/29/2017 1.780% 08/15/2021       | 02007HAC5 | 243,932.33   | 0.00               | 361.83           | 361.83   |                   |                         |             |
|                  | 08/15/19 | 08/15/19 | TAOT 2018-B A3<br>DTD 05/16/2018 2.960% 09/15/2022           | 89238TAD5 | 325,000.00   | 0.00               | 801.67           | 801.67   |                   |                         |             |
|                  | 08/15/19 | 08/15/19 | JOHN DEERE ABS 2016-B A3<br>DTD 07/27/2016 1.250% 06/15/2020 | 47788NAC2 | 2,036.20     | 0.00               | 2.12             | 2.12     |                   |                         |             |
|                  | 08/15/19 | 08/15/19 | FORD ABS 2017-A A3<br>DTD 01/25/2017 1.670% 06/15/2021       | 34531EAD8 | 232,981.78   | 0.00               | 324.23           | 324.23   |                   |                         |             |
|                  | 08/15/19 | 08/15/19 | NAROT 2018-C A3<br>DTD 12/12/2018 3.220% 06/15/2023          | 65478NAD7 | 350,000.00   | 0.00               | 939.17           | 939.17   |                   |                         |             |
|                  | 08/15/19 | 08/15/19 | ALLY ABS 2017-1 A3<br>DTD 01/31/2017 1.700% 06/15/2021       | 02007PAC7 | 58,216.30    | 0.00               | 82.47            | 82.47    |                   |                         |             |
|                  | 08/15/19 | 08/15/19 | HYUNDAI ABS 2016-A A3<br>DTD 03/30/2016 1.560% 09/15/2020    | 44930UAD8 | 567.31       | 0.00               | 0.74             | 0.74     |                   |                         |             |
|                  | 08/17/19 | 08/17/19 | FNMA NOTES<br>DTD 08/19/2016 1.250% 08/17/2021               | 3135G0N82 | 420,000.00   | 0.00               | 2,625.00         | 2,625.00 |                   |                         |             |
|                  | 08/17/19 | 08/17/19 | FNMA NOTES<br>DTD 08/19/2016 1.250% 08/17/2021               | 3135G0N82 | 130,000.00   | 0.00               | 812.50           | 812.50   |                   |                         |             |
|                  | 08/31/19 | 08/31/19 | US TREASURY NOTES<br>DTD 09/02/2014 2.000% 08/31/2021        | 912828D72 | 900,000.00   | 0.00               | 9,000.00         | 9,000.00 |                   |                         |             |
|                  | 08/31/19 | 08/31/19 | US TREASURY NOTES<br>DTD 02/28/2014 2.000% 02/28/2021        | 912828B90 | 75,000.00    | 0.00               | 750.00           | 750.00   |                   |                         |             |
|                  | 08/31/19 | 08/31/19 | US TREASURY NOTES<br>DTD 09/02/2014 2.000% 08/31/2021        | 912828D72 | 375,000.00   | 0.00               | 3,750.00         | 3,750.00 |                   |                         |             |



Managed Account Security Transactions & Interest

For the Month Ending August 31, 2019

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   |  |                  |                   |                    |                  |                   |                   |                         |             |
| <b>SELL</b>                 |          |  |                  |                   |                    |                  |                   |                   |                         |             |
| 08/01/19                    | 08/05/19 | BRANCH BANKING & TRUST (CALLABLE) NOTE<br>DTD 05/10/2016 2.050% 05/10/2021 | 05531FAV5        | 200,000.00        | 199,124.00         | 968.06           | 200,092.06        | (744.00)          | (827.87)                | FIFO        |
| 08/08/19                    | 08/08/19 | US TREASURY NOTES<br>DTD 10/31/2016 1.250% 10/31/2021                      | 912828T67        | 25,000.00         | 24,798.83          | 84.92            | 24,883.75         | 278.32            | 54.90                   | FIFO        |
| 08/27/19                    | 08/29/19 | US TREASURY NOTES<br>DTD 05/01/2017 1.875% 04/30/2022                      | 912828X47        | 400,000.00        | 404,296.88         | 2,466.03         | 406,762.91        | 8,453.13          | 6,863.20                | FIFO        |
| 08/28/19                    | 09/05/19 | <b>US TREASURY NOTES<br/>DTD 08/15/2012 1.625%<br/>08/15/2022</b>          | <b>912828TJ9</b> | <b>650,000.00</b> | <b>653,833.98</b>  | <b>602.75</b>    | <b>654,436.73</b> | <b>31,103.51</b>  | <b>24,485.18</b>        | FIFO        |
| 08/29/19                    | 09/03/19 | US TREASURY NOTES<br>DTD 05/01/2017 1.875%<br>04/30/2022                   | 912828X47        | 35,000.00         | 35,373.24          | 224.69           | 35,597.93         | 736.91            | 596.68                  | FIFO        |
| 08/29/19                    | 09/03/19 | US TREASURY NOTES<br>DTD 05/01/2017 1.875%<br>04/30/2022                   | 912828X47        | 365,000.00        | 368,892.39         | 2,343.24         | 371,235.63        | 8,526.18          | 6,790.73                | FIFO        |
| Transaction Type Sub-Total  |          |  |                  | 1,750,000.00      | 1,761,170.82       | 6,707.61         | 1,767,878.43      | 48,240.05         | 37,830.86               |             |
| Managed Account Sub-Total   |          |  |                  |                   |                    | (151,263.86)     | 87,268.17         | (63,995.69)       | 48,222.09               | 37,830.86   |
| Total Security Transactions |          |  |                  |                   |                    | (\$151,263.86)   | \$87,268.17       | (\$63,995.69)     | \$48,222.09             | \$37,830.86 |

Bolded items are forward settling trades.



**Managed Account Security Transactions & Interest**

For the Month Ending August 31, 2019

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 |
|-----------------------------------|----------|----------|--|-----------|---------------------|--------------------|------------------|------------------|-------------------|-------------------------|-------------|
| <b>INTEREST</b>                   |          |          |  |           |                     |                    |                  |                  |                   |                         |             |
|                                   | 08/31/19 | 08/31/19 | US TREASURY NOTES<br>DTD 09/02/2014 2.000% 08/31/2021                          | 912828D72 | 1,400,000.00        | 0.00               | 14,000.00        | 14,000.00        |                   |                         |             |
| <b>Transaction Type Sub-Total</b> |          |          |  |           | <b>8,789,636.38</b> | <b>0.00</b>        | <b>80,727.23</b> | <b>80,727.23</b> |                   |                         |             |
| <b>PAYDOWNS</b>                   |          |          |  |           |                     |                    |                  |                  |                   |                         |             |
|                                   | 08/01/19 | 08/25/19 | FHMS KP05 A<br>DTD 12/01/2018 3.203% 07/01/2023                                | 3137FKK39 | 275.12              | 275.12             | 0.00             | 275.12           | 0.00              | 0.00                    |             |
|                                   | 08/01/19 | 08/25/19 | FNMA SERIES 2015-M12 FA<br>DTD 09/01/2015 2.812% 04/01/2020                    | 3136AP3Z3 | 4,687.92            | 4,687.92           | 0.00             | 4,687.92         | 1.69              | 0.00                    |             |
|                                   | 08/01/19 | 08/25/19 | FNA 2018-M5 A2<br>DTD 04/01/2018 3.560% 09/25/2021                             | 3136B1XP4 | 1,296.22            | 1,296.22           | 0.00             | 1,296.22         | (25.78)           | 0.00                    |             |
|                                   | 08/15/19 | 08/15/19 | HYUNDAI ABS 2016-A A3<br>DTD 03/30/2016 1.560% 09/15/2020                      | 44930UAD8 | 567.31              | 567.31             | 0.00             | 567.31           | 0.11              | 0.00                    |             |
|                                   | 08/15/19 | 08/15/19 | FORD ABS 2016-B A3<br>DTD 04/26/2016 1.330% 10/15/2020                         | 34532EAD7 | 2,271.75            | 2,271.75           | 0.00             | 2,271.75         | 0.21              | 0.00                    |             |
|                                   | 08/15/19 | 08/15/19 | ALLY ABS 2017-2 A3<br>DTD 03/29/2017 1.780% 08/15/2021                         | 02007HAC5 | 29,040.54           | 29,040.54          | 0.00             | 29,040.54        | 3.42              | 0.00                    |             |
|                                   | 08/15/19 | 08/15/19 | FORD ABS 2017-A A3<br>DTD 01/25/2017 1.670% 06/15/2021                         | 34531EAD8 | 29,370.95           | 29,370.95          | 0.00             | 29,370.95        | 0.11              | 0.00                    |             |
|                                   | 08/15/19 | 08/15/19 | HYUNDAI ABS 2016-B A3<br>DTD 09/21/2016 1.290% 04/15/2021                      | 44891EAC3 | 10,722.15           | 10,722.15          | 0.00             | 10,722.15        | 1.44              | 0.00                    |             |
|                                   | 08/15/19 | 08/15/19 | ALLY ABS 2017-1 A3<br>DTD 01/31/2017 1.700% 06/15/2021                         | 02007PAC7 | 7,759.72            | 7,759.72           | 0.00             | 7,759.72         | 0.68              | 0.00                    |             |
|                                   | 08/15/19 | 08/15/19 | JOHN DEERE ABS 2016-B A3<br>DTD 07/27/2016 1.250% 06/15/2020                   | 47788NAC2 | 2,036.20            | 2,036.20           | 0.00             | 2,036.20         | 0.16              | 0.00                    |             |
| <b>Transaction Type Sub-Total</b> |          |          |  |           | <b>88,027.88</b>    | <b>88,027.88</b>   | <b>0.00</b>      | <b>88,027.88</b> | <b>(17.96)</b>    | <b>0.00</b>             |             |
| <b>SELL</b>                       |          |          |  |           |                     |                    |                  |                  |                   |                         |             |
|                                   | 08/01/19 | 08/05/19 | BRANCH BANKING & TRUST<br>(CALLABLE) NOTES<br>DTD 10/26/2017 2.150% 02/01/2021 | 05531FAZ6 | 75,000.00           | 74,851.50          | 17.92            | 74,869.42        | (114.00)          | (131.96)                | FIFO        |



**Cash Expenditures  
August 2019**

## AP Warrant List from 8/1/2019 to 8/30/2019

| Group | Vendor Name                            | Date      | Amount       | Description                         |
|-------|--|-----------|--------------|-------------------------------------|
|       | PAYROLL                                | 8/31/2019 | \$666,333.16 | Payrolls for August                 |
|       | AFLAC - Invoices:1                     | 8/29/2019 | \$749.20     | Supplemental Insurance              |
|       | AMERITAS (VISION) - Invoices:1         | 8/7/2019  | \$1,995.12   | Employee Benefit - Vision           |
|       | CIGNA GROUP INS LIFE/LTD - Invoices:1  | 8/14/2019 | \$4,313.88   | Employee Benefit - LTD Insurance    |
|       | CIGNA-DENTAL INS - Invoices:2          | 8/7/2019  | \$17,731.12  | Employee Benefit - Dental           |
|       | EMPLOYEE RELATIONS NETWORK -           | 8/7/2019  | \$564.55     | Miscellaneous Employee Benefits     |
|       | PERS HEALTH - Invoices:2               | 8/1/2019  | \$96,041.56  | Miscellaneous Employee Benefits     |
|       | PERS PENSION - Invoices:6              | 8/1/2019  | \$76,118.49  | Employee Benefit - PERS             |
|       | SUTTER MEDICAL FOUNDATION -            | 8/27/2019 | \$249.00     | Miscellaneous Employee Benefits     |
|       | CITY OF SACRAMENTO/ ENCROACHMENT -     | 8/14/2019 | \$550.90     | Construction In Progress            |
|       | COUNTY OF SAC PUBLIC WORKS -           | 8/20/2019 | \$657.00     | Construction In Progress            |
|       | CRUSADER FENCE CO INC - Invoices:1     | 8/14/2019 | \$9,000.00   | Construction In Progress            |
|       | DOMENCHELLI & ASSOCIATES - Invoices:1  | 8/14/2019 | \$32,143.72  | Construction In Progress            |
|       | ERC CONTRACTING - Invoices:1           | 8/14/2019 | \$18,312.50  | Construction In Progress            |
|       | EXCEL BONDS AND INSURANCE SERV -       | 8/29/2019 | \$414.00     | Construction In Progress            |
|       | FLOWLINE CONTRACTORS INC - Invoices:5  | 8/7/2019  | \$604,227.38 | Construction In Progress            |
|       | GEI CONSULTANTS - Invoices:1           | 8/14/2019 | \$78,313.05  | Construction In Progress            |
|       | GEOCON CONSULTANTS INC - Invoices:2    | 8/7/2019  | \$1,645.00   | Construction In Progress            |
|       | GM CONSTRUCTION & DEVELOPERS -         | 8/7/2019  | \$93,146.49  | Construction In Progress            |
|       | KIRBY PUMP AND MECHANICAL - Invoices:3 | 8/7/2019  | \$19,070.00  | Construction In Progress            |
|       | KLEINFELDER - Invoices:4               | 8/14/2019 | \$32,131.30  | Construction In Progress            |
|       | LUHDORFF & SCALMANINI - Invoices:3     | 8/7/2019  | \$30,680.10  | Construction In Progress            |
|       | MURRAYSMITH INC - Invoices:4           | 8/2/2019  | \$106,021.34 | Construction In Progress            |
|       | ONE STOP TRUCK SHOP - Invoices:3       | 8/7/2019  | \$10,799.77  | Construction In Progress            |
|       | PACE SUPPLY CORP - Invoices:10         | 8/14/2019 | \$13,155.01  | Construction In Progress            |
|       | RIVER CITY PAINTING - Invoices:2       | 8/28/2019 | \$15,650.00  | Construction In Progress            |
|       | S E AHLSTROM INSPECTION - Invoices:1   | 8/7/2019  | \$17,010.00  | Construction In Progress            |
|       | US BANK CORPORATE PAYMENT SYSTEM -     | 8/15/2019 | \$19,483.83  | Construction In Progress            |
|       | WOOD RODGERS ENGINEERING -             | 8/14/2019 | \$67,281.70  | Construction In Progress            |
|       | SUMITOMO MITSUI BANKING                | 8/2/2019  | \$45,759.59  | 2009A COP Interest Expense          |
|       | WELLS FARGO SWAP                       | 8/30/2019 | \$36,979.86  | SWAP expense                        |
|       | BARTKIEWICZ KRONICK & SHANAHAN -       | 8/20/2019 | \$14,681.83  | Legal Services                      |
|       | PFM ASSET MANAGEMENT LLC - Invoices:2  | 8/14/2019 | \$8,299.86   | Audit Services                      |
|       | ADP, INC - Invoices:1                  | 8/2/2019  | \$350.00     | Financial Services                  |
|       | WESTAMERICA BANK ANALYSIS FEES -       | 8/15/2019 | \$8,518.81   | Financial Services                  |
|       | WESTAMERICA CARD PROCESSING STMT -     | 8/15/2019 | \$9,486.03   | Financial Services                  |
|       | A & A STEPPING STONE MFG., INC -       | 8/20/2019 | \$162.15     | Misc. Repairs                       |
|       | AFFORDA-TEST - Invoices:1              | 8/7/2019  | \$320.00     | Equipment Maintenance Services      |
|       | AIRGAS USA LLC - Invoices:1            | 8/20/2019 | \$28.64      | Operating Supplies                  |
|       | ALEX GARCIA - Invoices:1               | 8/14/2019 | \$196.00     | BMP Rebates                         |
|       | ALL PRO BACKFLOW - Invoices:1          | 8/28/2019 | \$4,509.00   | Backflow Services                   |
|       | ALLTECH GATES - Invoices:1             | 8/20/2019 | \$175.00     | Building Maintenance - Office &     |
|       | AM CONSERVATION GROUP INC -            | 8/14/2019 | \$1,072.12   | Operating Supplies                  |
|       | AMERICAN RIVER PARKWAY FOUNDATION -    | 8/14/2019 | \$1,000.00   | Public Relations                    |
|       | ANDREGG PSOMAS - Invoices:1            | 8/20/2019 | \$9,707.50   | Consulting Services                 |
|       | ANSWERNET - Invoices:1                 | 8/14/2019 | \$567.01     | Communication                       |
|       | AT&T - Invoices:1                      | 8/20/2019 | \$301.00     | Communication                       |
|       | ATLAS DISPOSAL - Invoices:2            | 8/20/2019 | \$380.70     | Building Service Expense - Office & |
|       | BACKFLOW DISTRIBUTORS INC -            | 8/7/2019  | \$526.62     | Operating Supplies                  |
|       | BADGER METER INC - Invoices:1          | 8/7/2019  | \$22.25      | Communication                       |
|       | BASIC PACIFIC - Invoices:2             | 8/7/2019  | \$677.62     | OPEB - Retiree Benefits Premium     |
|       | BAY ALARM COMPANY - Invoices:1         | 8/27/2019 | \$116.55     | Building Service Expense - Office & |

|                                       |           |  |
|---------------------------------------|-----------|--|
| BENDER ROSENTHAL INC - Invoices:2     | 8/20/2019 | \$3,293.55 Consulting Services                 |
| BROADRIDGE MAIL LLC - Invoices:9      | 8/7/2019  | \$36,438.98 Contract Services                  |
| BROWER MECHANICAL - Invoices:3        | 8/14/2019 | \$1,527.00 Building Maintenance - Office &     |
| BROWN & CALDWELL - Invoices:1         | 8/20/2019 | \$9,157.91 Consulting Services                 |
| BURTON ROB /BURT'S LAWN & GARDEN      | 8/14/2019 | \$9,380.00 Contract Services                   |
| CDWG - Invoices:2                     | 8/7/2019  | \$2,359.01 Licenses, Permits & Fees            |
| CELL ENERGY INC - Invoices:1          | 8/7/2019  | \$135.93 Vehicle Maintenance Services          |
| CHAD JIVIDEN - Invoices:1             | 8/27/2019 | \$50.00 Other Training                         |
| CHANCE WICK - Invoices:2              | 8/7/2019  | \$353.11 Required Training                     |
| CHRISTOPHER PETERS - Invoices:1       | 8/7/2019  | \$500.00 BMP Rebates                           |
| CINTAS - Invoices:7                   | 8/7/2019  | \$3,138.02 Building Maintenance - Office &     |
| CITY OF SACRAMENTO DEPT OF UTILITIES  | 8/7/2019  | \$55.09 Utilities                              |
| CLEAR VISION WINDOW CLEANING -        | 8/27/2019 | \$225.00 Building Service Expense - Office &   |
| COMCAST - Invoices:1                  | 8/20/2019 | \$40.33 Communication                          |
| CONSOLIDATED COMMUNICATIONS -         | 8/7/2019  | \$828.27 Communication                         |
| COOKS TRUCK BODY - Invoices:2         | 8/7/2019  | \$2,066.63 Vehicle Maintenance Services        |
| COTTON SHOPPE - Invoices:1            | 8/20/2019 | \$668.16 Uniforms                              |
| COUGHRAN MECHANICAL SERVICE -         | 8/29/2019 | \$931.48 Contract Services                     |
| COUNTY OF SAC ENVIRO MGT DEPT -       | 8/7/2019  | \$107.00 Licenses, Permits & Fees              |
| COUNTY OF SAC UTILITIES - Invoices:3  | 8/27/2019 | \$636.44 Utilities                             |
| COUNTY OF SACRAMENTO WEB -            | 8/7/2019  | \$4,522.50 Licenses, Permits & Fees            |
| CROWN DISTRIBUTING - Invoices:1       | 8/20/2019 | \$529.09 Building Maintenance - Office &       |
| CULLIGAN - Invoices:1                 | 8/20/2019 | \$141.25 Building Maintenance - Office &       |
| Customer Refunds: 49                  | 8/5/2019  | \$10,226.87 Refund Clearing Account            |
| DAILY JOURNAL CORPORATION -           | 8/7/2019  | \$2,193.00 Publication                         |
| DAN YORK - Invoices:1                 | 8/29/2019 | \$143.38 Local Travel Cost                     |
| DAVID ESPINOZA - Invoices:1           | 8/29/2019 | \$211.00 Licenses, Permits & Fees              |
| DIRECT TV - Invoices:1                | 8/20/2019 | \$5.00 Communication                           |
| DITCH WITCH EQUIPMENT CO - Invoices:1 | 8/7/2019  | \$2,555.84 Equipment Maintenance Services      |
| DOMCO PLUMBING - Invoices:2           | 8/20/2019 | \$1,050.00 Building Maintenance - Office &     |
| ELEVATOR TECHNOLOGY INC - Invoices:3  | 8/20/2019 | \$725.00 Building Service Expense - Office &   |
| EMCOR SERVICES - Invoices:3           | 8/7/2019  | \$10,353.63 Contract Services                  |
| EMIGH ACE HARDWARE - Invoices:13      | 8/7/2019  | \$397.99 Building Maintenance - Office &       |
| ENERGY SYSTEMS POWER SYSTEMS -        | 8/7/2019  | \$1,496.68 Contract Services                   |
| EXCEL PAINTING AND STRIPING -         | 8/7/2019  | \$570.00 Building Maintenance - Office &       |
| FASTENAL COMPANY - Invoices:2         | 8/14/2019 | \$1,057.59 Operating Supplies                  |
| FEDERAL EXPRESS CORPORATION -         | 8/27/2019 | \$112.50 Postage/Shipping/UPS/Fed Ex           |
| FERGUSON WATERWORKS - Invoices:1      | 8/14/2019 | \$238.97 Operating Supplies                    |
| FIRST SECURITY SERVICES - Invoices:2  | 8/7/2019  | \$1,348.32 Building Service Expense - Office & |
| FLEETWASH INC - Invoices:6            | 8/20/2019 | \$2,377.30 Vehicle Maintenance Services        |
| FRIENDS OF THE RIVER - Invoices:1     | 8/27/2019 | \$60.00 Membership & Dues                      |
| GOVERNMENT FINANCE OFFICERS           | 8/7/2019  | \$210.00 Membership & Dues                     |
| GRAINGER - Invoices:7                 | 8/7/2019  | \$4,924.87 Operating Supplies                  |
| GRANICUS - Invoices:2                 | 8/29/2019 | \$1,575.00 Contract Services                   |
| GRAYBAR ELECTRIC CO - Invoices:1      | 8/29/2019 | \$29.87 Operating Supplies                     |
| GREG BUNDESEN - Invoices:1            | 8/14/2019 | \$16.25 Local Travel Cost                      |
| HACH COMPANY - Invoices:2             | 8/7/2019  | \$458.10 Operating Supplies                    |
| HARRIS INDUSTRIAL GASES - Invoices:1  | 8/20/2019 | \$90.00 Operating Supplies                     |
| HAROLD FORD - Invoices:6              | 8/7/2019  | \$2,676.74 Vehicle Maintenance Services        |
| HARTIN AND HUME INC - Invoices:1      | 8/7/2019  | \$2,198.86 Hydrant Permit Refund               |
| HD Supply/WHITE CAP - Invoices:2      | 8/14/2019 | \$907.26 Operating Supplies                    |
| HEATHER HERNANDEZ-FORT - Invoices:1   | 8/27/2019 | \$95.60 Employee Retention/Morale              |
| ICONIX WATERWORKS (US) INC -          | 8/14/2019 | \$2,685.80 Inventory Issues                    |
| ILEANA BUTU - Invoices:1              | 8/14/2019 | \$117.00 BMP Rebates                           |
| IN COMMUNICATIONS - Invoices:2        | 8/7/2019  | \$12,641.41 Public Relations                   |
| INNOVYZE INC - Invoices:1             | 8/7/2019  | \$5,360.00 Licenses, Permits & Fees            |
| INTEGRA CHEMICAL CO - Invoices:1      | 8/29/2019 | \$7,673.96 Operating Supplies                  |
| IRON MOUNTAIN OFF SITE DATA           | 8/20/2019 | \$453.76 Equipment Maintenance Services        |
| J&J LOCKSMITH - Invoices:1            | 8/7/2019  | \$145.46 Vehicle Maintenance Supplies          |

|   |           |  |
|---|-----------|--|
| JOAN M LOEFORESTIER - Invoices:1        | 8/29/2019 | \$385.00 BMP Rebates                           |
| JOSEPH COLORADO - Invoices:1            | 8/29/2019 | \$250.00 Uniforms                              |
| LAKE VUE ELECTRIC INC - Invoices:1      | 8/27/2019 | \$523.00 Building Maintenance - Office &       |
| LES SCHWAB TIRE CENTER/MADISON -        | 8/20/2019 | \$1,415.18 Equipment Maintenance Services      |
| LOEWEN PUMP MAINTENANCE - Invoices:1    | 8/29/2019 | \$11,200.00 Construction Services              |
| MICHAEL PHILLIPS LANDSCAPE CORP -       | 8/14/2019 | \$5,110.00 Building Service Expense - Office & |
| MIKE HUOT - Invoices:1                  | 8/27/2019 | \$115.00 Required Training                     |
| MUELLER SYSTEMS - Invoices:1            | 8/20/2019 | \$2,345.83 Licenses, Permits & Fees            |
| NATIONAL METER AND AUTOMATION INC -     | 8/7/2019  | \$235,986.76 Materials & Supplies              |
| PACIFIC COPY & PRINT - Invoices:1       | 8/7/2019  | \$91.35 Operating Supplies                     |
| PAUL BAKER PRINTING INC - Invoices:1    | 8/29/2019 | \$8,592.07 Printing                            |
| PEOPLEREADY - Invoices:9                | 8/14/2019 | \$9,692.68 Temporary Help                      |
| PEST PROS - Invoices:2                  | 8/7/2019  | \$170.00 Building Service Expense - Office &   |
| PG&E - Invoices:4                       | 8/7/2019  | \$626.56 Utilities                             |
| RAFTELIS - Invoices:1                   | 8/7/2019  | \$3,265.07 Consulting Services                 |
| RAMOS ENVIRONMENTAL - Invoices:3        | 8/14/2019 | \$1,331.25 Hazardous Waste Disposal            |
| RAWLES ENGINEERING - Invoices:2         | 8/7/2019  | \$17,987.15 Construction Services              |
| RAY MORGAN CO - Invoices:3              | 8/7/2019  | \$2,611.06 Equipment Maintenance Services      |
| REGIONAL WATER AUTHORITY - Invoices:1   | 8/14/2019 | \$3,120.00 Consulting Services                 |
| RENE SCHMIT - Invoices:1                | 8/7/2019  | \$150.00 BMP Rebates                           |
| RIVERVIEW INTERNATIONAL TRUCKS INC -    | 8/20/2019 | \$2,481.82 Vehicle Maintenance Services        |
| RON TURLEY ASSOCIATES INC - Invoices:1  | 8/7/2019  | \$2,503.88 Licenses, Permits & Fees            |
| RONALD HOOPS - Invoices:2               | 8/14/2019 | \$450.00 BMP Rebates                           |
| RUE EQUIPMENT INC - Invoices:9          | 8/7/2019  | \$3,028.53 Equipment Maintenance Services      |
| RUIZ DIRECTIONAL DRILLING - Invoices:1  | 8/7/2019  | \$2,154.40 Hydrant Permit Refund               |
| SACRAMENTO SUBURBAN WATER               | 8/20/2019 | \$94.12 Required Training                      |
| SECUREWORKS - Invoices:1                | 8/7/2019  | \$9,804.00 Licenses, Permits & Fees            |
| SERVPRO - Invoices:1                    | 8/27/2019 | \$1,630.01 Contract Services                   |
| SHRED-IT - Invoices:1                   | 8/29/2019 | \$74.40 Contract Services                      |
| SIGNS IN 1 DAY - Invoices:3             | 8/7/2019  | \$1,418.99 Building Maintenance - Office &     |
| SONITROL - Invoices:2                   | 8/20/2019 | \$2,374.57 Building Service Expense - Office & |
| SPRINKLER SERVICE & SUPPLY - Invoices:1 | 8/29/2019 | \$16.81 Misc. Repairs                          |
| STEWART MCCORD - Invoices:1             | 8/7/2019  | \$750.00 BMP Rebates                           |
| SYBLON REID - Invoices:1                | 8/7/2019  | \$2,093.00 Hydrant Permit Refund               |
| TESCO - Invoices:1                      | 8/14/2019 | \$375.00 Contract Services                     |
| TETRA TECH INC - Invoices:1             | 8/14/2019 | \$1,479.00 Construction Services               |
| THE ROOTER GUYS-PLUMBING SEWER &        | 8/14/2019 | \$745.00 Construction Services                 |
| TODD ARTRIP - Invoices:1                | 8/27/2019 | \$164.64 Travel Conferences                    |
| TOM DICKINSON - Invoices:1              | 8/29/2019 | \$80.00 Required Training                      |
| TRAFFIC MANAGEMENT GROUP INC (TMI) -    | 8/20/2019 | \$3,675.00 Construction Services               |
| TULLY & YOUNG - Invoices:1              | 8/14/2019 | \$4,277.50 Consulting Services                 |
| UNITED PARCEL SERVICE - Invoices:2      | 8/20/2019 | \$69.07 Operating Supplies                     |
| VERIZON WIRELESS/DALLAS TX -            | 8/7/2019  | \$5,577.23 Communication                       |
| VOYAGER FLEET SYSTEMS - Invoices:1      | 8/14/2019 | \$9,211.94 Operating Supplies                  |
| WASTE MANAGEMENT - Invoices:3           | 8/20/2019 | \$713.47 Building Service Expense - Office &   |
| WATERTRAX - Invoices:1                  | 8/7/2019  | \$19,308.17 Licenses, Permits & Fees           |
| WATERWISE CONSULTING, INC. -            | 8/7/2019  | \$5,250.00 Consulting Services                 |
| WHOLESALE TRAILER SUPPLY - Invoices:1   | 8/20/2019 | \$252.29 Vehicle Maintenance Supplies          |
| WOLF CONSULTING - Invoices:1            | 8/7/2019  | \$2,125.00 Consulting Services                 |
| PLACER COUNTY WATER AGENCY -            | 8/14/2019 | \$122,010.00 Purchased Water                   |
| SAN JUAN WATER DISTRICT - Invoices:1    | 8/7/2019  | \$652,041.97 Purchased Water                   |
| CITY OF SACRAMENTO WATER - Invoices:3   | 8/7/2019  | \$31,788.20 Purchased Water-City of            |
| SIERRA CHEMICAL COMPANY - Invoices:7    | 8/7/2019  | \$20,826.57 HFA, Chemical & Delivery           |
| SMUD - Invoices:4                       | 8/7/2019  | \$123,153.56 Electrical Charges                |
|   |           | <u>\$3,669,061.17</u>                          |

**Credit Card Expenditures  
August 2019**

Sacramento Suburban Water District  
 US Bank Purchasing Card Program  
 CalCard Expenditures  
 August 2019

| Vendor Name               | Description  | Amount      | Proj/GLAcct |
|---------------------------|--|-------------|-------------|
| SKILLPATH                 | SKILLPATH STAR 12 PASS FOR RACHEL MIDDLESTEAD                                | \$ 299.00   | 15-51406    |
| THE SANDWICH SPOT         | LUNCH FOR INTERVIEW PANEL FOR DISTRIBUTION & PRODUCTION OPERATOR RECRUITMENT | \$ 30.25    | 17-56000    |
| GRAC.ORG                  | WBINAR REGISTRATION FOR 10+ ATTENDEES FOR 7/17/19 WEBINAR                    | \$ 100.00   | 15-51406    |
| CHIPOTLE ONLINE           | LUNCH FOR INTERVIEW PANEL FOR DISTRIBUTION & PRODUCTION OPERATOR RECRUITMENT | \$ 31.94    | 17-56000    |
| GRAC.ORG                  | WEBINAR REGISTRATION FOR 10+ ATTENDEES FOR 7/31/19 WEBINAR                   | \$ 100.00   | 15-51406    |
| AMAZON                    | 8 - 4" SHOT FILLED LEATHER PAPER WEIGHTS FOR ENGINEERING DEPARTMENT          | \$ 84.09    | 03-52108    |
| RALEY'S                   | COOKIES FOR OPEN HOUSE FORUM MEETING   | \$ 10.76    | 15-52101    |
| CAJPA                     | SENIOR INSPECTOR POSITION POSTING  | \$ 100.00   | 17-51402    |
| ACWA                      | SENIOR INSPECTOR POSITION POSTING  | \$ 475.00   | 17-51402    |
| CSDA                      | DAVE JONES LEADERSHIP REGISTRATION   | \$ 650.00   | 01-55001    |
| MR PICKLES SANDWICH       | GROUNDWATER MEETING LUNCHEON   | \$ 188.67   | 02-55002    |
| RALEY'S                   | STRATEGIC PLAN MEETING REFRESHMENTS  | \$ 67.02    | 03-51403    |
| NOAH'S BAGELS             | STRATEGIC PLAN MEETING REFRESHMENTS  | \$ 637.29   | 03-51403    |
| WALMART                   | ALL HANDS ACTIVITY   | \$ 15.71    | 03-51403    |
| ACWA                      | DAN YORK REGISTRATION ACWA CONFERENCE  | \$ 725.00   | 02-55001    |
| MICHAELS                  | ALL HANDS ACTIVITY   | \$ 17.63    | 03-51403    |
| ACWA                      | DAVE JONES ACWA CONFERENCE REGISTRATION                                      | \$ 725.00   | 01-55001    |
| EMIGHY HARDWARE           | PRE ALL HANDS ACTIVITY   | \$ 6.45     | 03-51403    |
| CSDA                      | 5 BOOKS FOR BOARD MEMBERS  | \$ 100.00   | 01-52108    |
| RALEY'S                   | ALL HANDS MEETING REFRESHMENTS   | \$ 41.27    | 02-51403    |
| NOAH'S BAGELS             | ALL HANDS MEETING REFRESHMENTS   | \$ 77.50    | 02-51403    |
| E&M ELECTRIC MACHINERY    | WONDERWARE TRAINING FOR GRAYSON MOYSE  | \$ 3,000.00 | 18-51406    |
| AMAZON MARKET PLACE       | PATCH CABLES FOR ILO SERVER CONNECTIONS                                      | \$ 163.70   | 18-52101    |
| CALIFORNIA CPA EDUCATION  | EXCEL FINANCIAL REPORTING & RETIREMENT DIST PLANNING FOR DAN BILLS           | \$ 560.00   | 03-51407    |
| ADVANTECH CORPORATION     | REPLACEMENT UNIT FOR MEGANET COLLECTOR AT MARCONI                            | \$ 1,202.61 | SF19-480    |
| CLIPPERCREEK, INC         | VEHICLE CHARGERS FOR THE MARCONI GARAGE                                      | \$ 1,606.61 | 12-54008    |
| FLOOR CITY                | 4" BURKE CHARCOAL COVE BASE FOR MARCONI KITCHEN                              | \$ 126.56   | 12-54008    |
| AEDSUPERSTORE             | REPLACED SOON TO EXPIRE AED PADS   | \$ 96.61    | 12-54007    |
| THE HOME DEPOT            | MAINTENANCE SUPPLIES   | \$ 277.53   | 12-54008    |
| ARB PERP                  | REQUEST FOR LOW USE PERMIT ON TIER I ENGINE - EQUIPMENT #87                  | \$ 110.00   | 12-54509    |
| AMAZON.COM                | REPLACEMENT OF NON-WORKING HOSE & HOSE REEL - TRAILER #146                   | \$ 387.87   | 12-54003    |
| HIGHLANDS UPHOLSTERY, LLC | 2-1/3 YARD YELLOW K-TEX - FOR AUBURN YARD BINS                               | \$ 75.04    | 12-54008    |
| LOWE'S                    | CEILING TILES, T BAR SUPPLIES AND SERVER ROOM A/C - MARCONI                  | \$ 187.60   | 12-54008    |
| THE HOME DEPOT            | A/C BACK UP - 90 DEGREE ELBOW  | \$ 15.88    | 12-54008    |

|                             |   |         |              |          |
|-----------------------------|---|---------|--------------|----------|
| LOWE'S                      | MONITOR WALL MOUNT, MOTION SENSOR SWITCH, ALUM. CORNER MOULDING, TOILET SEAT, WALL PLATE, TOILET REPAIR KIT | \$      | 200.72       | 12-54008 |
| NORTH AREA RECOVERY STATION | DISPOSAL OF BATTERIES AND SPRAY CANS  | \$      | 198.55       | 12-54010 |
| THE HOME DEPOT              | SUPPLIES TO BUILD MODEM MOUNTS FOR NEW VEHICLES   | \$      | 63.38        | 12-54006 |
| PAYPAL                      | PUBLIC SECTOR EXCELLENCE TRAINING- TODD ARTRIP  | \$      | 155.00       | 08-51407 |
| PAYPAL                      | BACKFLOW TESTER WORKSHOP  | \$      | 300.00       | 07-51406 |
| SOUTHWEST                   | AIRFARE- SENSUS REACH 19 CONFERENCE, RODNEY LEE   | \$      | 78.98        | 08-55001 |
| SOUTHWEST                   | AIRFARE- SENSUS REACH 19 CONFERENCE, RODNEY LEE   | \$      | 146.98       | 08-55001 |
| SEARS.COM                   | STEEL TOE RAIN BOOTS  | \$      | 54.74        | 05-52101 |
| B2B PRIME MEMBERSHIP        | AMAZON PRIME BUSINESS MEMBERSHIP  | \$      | 192.87       | 03-52108 |
| AMAZON                      | OFFICE SUPPLIES, WALNUT (NEW OFFICE)  | \$      | 59.44        | 03-52108 |
| ZORO.COM                    | LEAD FREE PRESSURE SNUBBERS (BOOSTER STATIONS)  | \$      | 1,229.42     | 06-52101 |
| ANAMET.ORG                  | FUNDAMENTALS OF PURCHASING TRAINING, SARAH DAINS  | \$      | 2,045.00     | 03-55001 |
| AMAZON                      | SAFETY SIGN WALNUT WAREHOUSE  | \$      | 7.59         | 05-52101 |
| AMAZON                      | SAFETY GOGGLES  | \$      | 43.00        | 05-52101 |
| AMAZON                      | POTABLE WATER HOSES   | \$      | 138.10       | 05-52101 |
| AMAZON                      | NOISE BLOCKING EARMUFFS   | \$      | 91.16        | 05-52101 |
| AMAZON                      | PRE EMPLOYEE MEETING SUPPLIES   | \$      | 27.33        | 03-51403 |
| AMAZON                      | HARD HAT SWEATBANDS   | \$      | 23.56        | 05-52101 |
| AMAZON                      | EZ UP SHADE CANOPY  | \$      | 125.10       | 07-52101 |
| AMAZON                      | PRE EMPLOYEE MEETING SUPPLIES   | \$      | 18.89        | 03-51403 |
| AMAZON                      | OFFICE SUPPLIE, WALNUT (NEW OFFICE)   | \$      | 27.99        | 03-52108 |
| AMAZON                      | STEEL TOE RAIN BOOTS  | \$      | 123.86       | 05-52101 |
| AMAZON                      | OFFICE SUPPLIES, WALNUT (NEW OFFICE)  | \$      | 31.45        | 03-52108 |
| AMAZON                      | MANHOLE LIFTER  | \$      | 61.64        | 05-52101 |
| AMAZON                      | OFFICE SUPPLIES   | \$      | 33.12        | 03-52108 |
| OWP SAC STATE               | WATER SYSTEMS OPERATIONS VIDEO TRAINING SERIES  | \$      | 116.75       | 05-51406 |
| FRED PRYOR                  | LEADERSHIP, TEAM BUILDING & COACHING SKILLS TRAINING, ERIK FLAA   | \$      | 199.00       | 07-51406 |
| AMAZON                      | RETURN: POTABLE WATER HOSES (WRONG SIZE)  | \$      | (67.00)      | 05-52101 |
| AMAZON                      | RETURN: POTABLE WATER HOSES (WRONG SIZE)  | \$      | (71.10)      | 05-52101 |
| AMAZON                      | RETURN: MANHOLE LIFTER (WRONG SIZE)   | \$      | (61.64)      | 05-52101 |
| SAMS CLUB                   | GALLON SIZE ZIPLOC BAGGIES (PRODUCTION DEPT)  | \$      | 73.16        | 06-52101 |
| AMAZON                      | POTABLE WATER HOSES   | \$      | 90.36        | 05-52101 |
| AMAZON                      | OPEN MESH CLOTH   | \$      | 77.90        | 05-52101 |
| HOME DEPOT                  | GRIZZLY BAR- FIELD SERVICES   | \$      | 83.22        | 08-52101 |
| UC DAVIS                    | BUILDING A MOTIVATED WORKPLACE TRAINING, HANNAH DUNRUD  | \$      | 295.00       | 06-51407 |
| AMAZON                      | KITCHEN SUPPLIES, WALNUT  | \$      | 42.35        | 03-52108 |
| AMAZON                      | SUNSCREEN   | \$      | 53.84        | 05-52101 |
| AMAZON                      | KITCHEN SUPPLIES, WALNUT  | \$      | 32.94        | 03-52108 |
| BERRY LUMBER                | PLYWOOD   | \$      | 836.58       | 05-52101 |
|                             |   | Totals: | \$ 19,471.82 |          |

**District Reserve Balances  
August 31, 2019**



**Sacramento Suburban Water District  
Reserve Fund Balance**

|                          | <u>August 31, 2019</u> | <u>December 31, 2018</u> |
|--------------------------|------------------------|--------------------------|
| Debt Service Reserve     | \$ -                   | \$ -                     |
| Facilities Reimbursement | -                      | -                        |
| Emergency/Contingency    | 11,542,750             | 11,255,000               |
| Operating                | 7,665,250              | 7,390,000                |
| Rate Stabilization       | 6,652,000              | 6,244,500                |
| Interest Rate Risk       | -                      | -                        |
| Grant                    | 137,500                | -                        |
| Capital Asset            | 24,096,339             | 20,160,655               |
| <b>TOTAL</b>             | <b>\$ 50,093,839</b>   | <b>\$ 45,050,155</b>     |

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

|   | <u>August 31, 2019</u> | <u>December 31, 2018</u> |
|---|------------------------|--------------------------|
| Cash and Cash Equivalents                   | \$ 11,200,065          | \$ 7,585,118             |
| Water Transfer Fund Receivable <sup>1</sup> | -                      | 872,280                  |
| Investments                                 | 38,686,483             | 36,369,025               |
| Interest Receivable                         | 207,232                | 215,917                  |
| Restricted Cash                             | 59                     | 7,814                    |
| <b>TOTAL</b>                                | <b>\$ 50,093,839</b>   | <b>\$ 45,050,155</b>     |

## **Information Required by Bond Agreement**

Sacramento Suburban Water District  
6 - Months Debt Service Schedule  
8/31/2019

| Month   | Total SSWD Debt Service |                                   |              |             | Debt Service |
|---------|-------------------------|-----------------------------------|--------------|-------------|--------------|
|         | Principal               | Interest<br>Adjustable/Fixed/Swap | Facility Fee | Remarketing |              |
| Sept-19 | -                       | 90,372.96                         | 50,400.00    | 13,125.00   | 153,897.96   |
| Oct-19  | 4,625,000.00            | 707,097.96                        | -            | -           | 5,332,097.96 |
| Nov-19  | -                       | 90,372.96                         | -            | -           | 90,372.96    |
| Dec-19  | -                       | 90,372.96                         | 50,400.00    | 13,125.00   | 153,897.96   |
| Jan-20  | -                       | 49,772.96                         | -            | -           | 49,772.96    |
| Feb-20  | -                       | 49,772.96                         | -            | -           | 49,772.96    |

| Month   | Series 2012A Fixed Rate Bonds (\$23,440,000.00) |                           |      |      | Debt Service |
|---------|---|---------------------------|------|------|--------------|
|         | Principal                                       | Interest - Fixed<br>4.25% |      |      |              |
| Sept-19 | \$ -  | \$ -                      | \$ - | \$ - | \$ -         |
| Oct-19  | 2,160,000.00                                    | 339,013.00                | -    | -    | 2,499,013.00 |
| Nov-19  | -   | -                         | -    | -    | -            |
| Dec-19  | -   | -                         | -    | -    | -            |
| Jan-20  | -   | -                         | -    | -    | -            |
| Feb-20  | -   | -                         | -    | -    | -            |

| Month   | Series 2009A Adjustable Rate COPs (\$42,000,000.00) |                               |                        |                       | Debt Service  |
|---------|---|-------------------------------|------------------------|-----------------------|---------------|
|         | Principal   | Interest, Adjustable<br>1.16% | Facility Fee<br>0.480% | Remarketing<br>0.125% |               |
| Sept-19 |   | \$ 40,600.00                  | \$ 50,400.00           | \$ 13,125.00          | \$ 104,125.00 |
| Oct-19  |   | 40,600.00                     | -                      | -                     | 40,600.00     |
| Nov-19  |   | 40,600.00                     | -                      | -                     | 40,600.00     |
| Dec-19  |   | 40,600.00                     | 50,400.00              | 13,125.00             | 104,125.00    |
| Jan-20  |   | 40,600.00                     | -                      | -                     | 40,600.00     |
| Feb-20  |   | 40,600.00                     | -                      | -                     | 40,600.00     |

| Month   | Series 2018A Fixed Rate COPs (\$27,915,000) |                           |      |      | Debt Service |
|---------|---|---------------------------|------|------|--------------|
|         | Principal                                   | Interest - Fixed<br>3.45% |      |      |              |
| Sept-19 | \$ -  | \$ -                      | \$ - | \$ - | \$ -         |
| Oct-19  | 2,465,000.00                                | 277,712.00                | -    | -    | 2,742,712.00 |
| Nov-19  | -   | -                         | -    | -    | -            |
| Dec-19  | -   | -                         | -    | -    | -            |
| Jan-20  | -   | -                         | -    | -    | -            |
| Feb-20  | -   | -                         | -    | -    | -            |

| Month   | 2012 SWAP Interest, Net (\$33,000,000.00) |  |   |   | Debt Service |
|---------|---|--|---|---|--------------|
|         | Principal                                 | Interest, Swap Net<br>(3.283-1.30938-.18)% |   |   |              |
| Sept-19 |   | \$ 49,772.96                               | - | - | 49,772.96    |
| Oct-19  |   | 49,772.96                                  | - | - | 49,772.96    |
| Nov-19  |   | 49,772.96                                  | - | - | 49,772.96    |
| Dec-19  |   | 49,772.96                                  | - | - | 49,772.96    |
| Jan-20  |   | 49,772.96                                  | - | - | 49,772.96    |
| Feb-20  |   | 49,772.96                                  | - | - | 49,772.96    |

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

*As Of*

|                                | <i>Actual<br/>Year-To-Date<br/>8/31/2019</i> | <i>Budget<br/>Year-To-Date<br/>8/31/2019</i> |
|--------------------------------|--|--|
| <b>REVENUES</b>                |  |  |
| Water sales charges            | \$12,972,985.26                              | \$13,334,273.00                              |
| Capital facilities charge      | 15,976,658.04                                | 16,050,166.00                                |
| Facility development charges   | 100,134.00                                   | 200,000.00                                   |
| Interest and investment income | 652,435.27                                   | 621,336.00                                   |
| Rental & other income          | 461,488.29                                   | 266,664.00                                   |
| <b>TOTAL REVENUES</b>          | <b>30,163,700.86</b>                         | <b>30,472,439.00</b>                         |
| <b>EXPENSES</b>                |  |  |
| Source of supply               | 1,979,898.13                                 | 2,439,363.50                                 |
| Pumping                        | 2,475,746.00                                 | 3,207,656.00                                 |
| Transmission and distribution  | 3,078,976.01                                 | 3,026,041.44                                 |
| Water conservation             | 281,065.67                                   | 349,771.02                                   |
| Customer accounts              | 869,974.32                                   | 931,815.48                                   |
| Administrative and general     | 4,654,177.07                                 | 5,726,691.55                                 |
| <b>TOTAL EXPENSES</b>          | <b>13,339,837.20</b>                         | <b>15,681,338.99</b>                         |
| <b>NET REVENUE</b>             | <b>16,823,863.66</b>                         | <b>14,791,100.01</b>                         |

## Financial Markets Report August 31, 2019

### Summary of District's Debt Portfolio:

| Debt  | Original<br>Par      | Outstanding          | Issuance                      | Credit<br>Enhancement | Final<br>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<br>Enhancement  | Bank<br>Owned | Sold in<br>Market | Market<br>Rate |
|-------|--------------------|------------------------|---------------|-------------------|----------------|
| 2009A | \$42,000,000       | Sumitomo Bank LOC      | None          | \$42,000,000      | 1.31%          |
|       | Notional<br>Amount | Counterparty           | FMV           | Receive<br>Rate   | Fixed<br>Rate  |
| Swap  | \$33,300,000       | Wells Fargo Bank, N.A. | (\$8,228,778) | 1.489%            | 3.283%         |

### Current Status of District's Investment Portfolio (August 31, 2019):

| Fair Market Value       | Security Type                                     | Yield        |
|-------------------------|---|--------------|
| \$ 156,052.61           | Money Market                                      | 1.75%        |
| 5,288,383.08            | LAIF  | 2.34%        |
| 1,563,987.85            | commercial paper                                  | 2.65%        |
| 3,510,304.76            | Asset-Backed Securities/CMOs                      | 2.49%        |
| 5,400,471.28            | Certificates of Deposit                           | 2.70%        |
| 9,217,076.34            | Corporate Notes                                   | 2.51%        |
| 1,514,513.20            | Federal Agency Securities Bonds/Notes             | 1.28%        |
| 565,989.96              | Federal Agency Collateralized Mortgage Obligation | 2.65%        |
| 2,596,162.63            | Supra-National Agency Bond                        | 2.13%        |
| 15,881,965.09           | Treasury Bonds/Notes                              | 2.24%        |
| <b>\$ 45,694,906.80</b> |   | <b>2.36%</b> |

**Market:**

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

**Current Bond Markets**

- After months of yield declines across all maturities, yields on intermediate maturities (one-10 years) rose modestly while yields of long and very short maturities declined.
- As a result, intermediate-term Treasury indices generated negative total returns for the month, while very short- and longer-term indices were positive. For example, the 3-month and 30-year constant maturity U.S. Treasury Index returned 0.18% and 0.21%, respectively. Meanwhile, the 2-year, 5-year, and 10-year indices generated total returns of -0.14%, -0.26%, and -0.01%, respectively, for the month.
- The trend of lower yields resumed in early August with Treasury rates rallying significantly and more than offsetting the increases in July.
- Spread sectors (including investment-grade credit, AAA-rated asset-backed securities, and mortgage-related sectors) generated positive excess returns (that is, returns higher than those of comparable Treasuries) for the month, benefiting well-diversified portfolios.

**PFM Outlook**

- In With the Fed in easing mode and the trade war brewing, we will continue to maintain portfolio durations with a neutral stance relative to benchmarks. While this may mean giving up near-term income because of the inverted yield curve, a neutral duration strategy helps reduce the risk of underperforming benchmarks in the event yields continue to fall.
- Federal agency yields remain tightly spread to comparable Treasuries. Thus, we continue to favor Treasuries over most agency bonds, sometimes selling agency bonds at levels more expensive than Treasury securities of similar maturity.
- Investment-grade (IG) credit generated positive excess returns for the third consecutive month in July. As a result, the sector is the year-to-date top performer by a wide margin. We will maintain current exposure in the sector; however, we advise caution as spreads approach 12-month tightness on the heels of strong performance results.
- Mortgage-backed securities (MBS) rebounded in July following a surge in prepayment expectations in the second quarter. The outlook for MBS performance remains very much tied to long-term interest rates and the resultant impact on prepayment estimates. As a result, MBS strategy focuses on those securities that exhibit less sensitivity to interest rate risks under adverse conditions.
- The inverted yield curve provides short-term investors with attractive current yields, but short-term investments are the most sensitive to future Fed rate moves. In the 12-month and under

maturity range high quality credit instruments such as commercial paper offer modest opportunities for incremental income.

(Source: PFMAM August 2019 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: 14

**Date:** September 4, 2019

**Subject:** District Activity Report

**Staff Contact:** Matt Underwood, Operations Manager

This report describes significant District Activities and milestones over the past month. Included in this report are (1) the Monthly Water Production, (2) the Water Operations Activity Report, (3) District Claims Update Report, (4) Water Quality Report, (5) Customers Service Monthly Activity, and (6) Community Outreach.

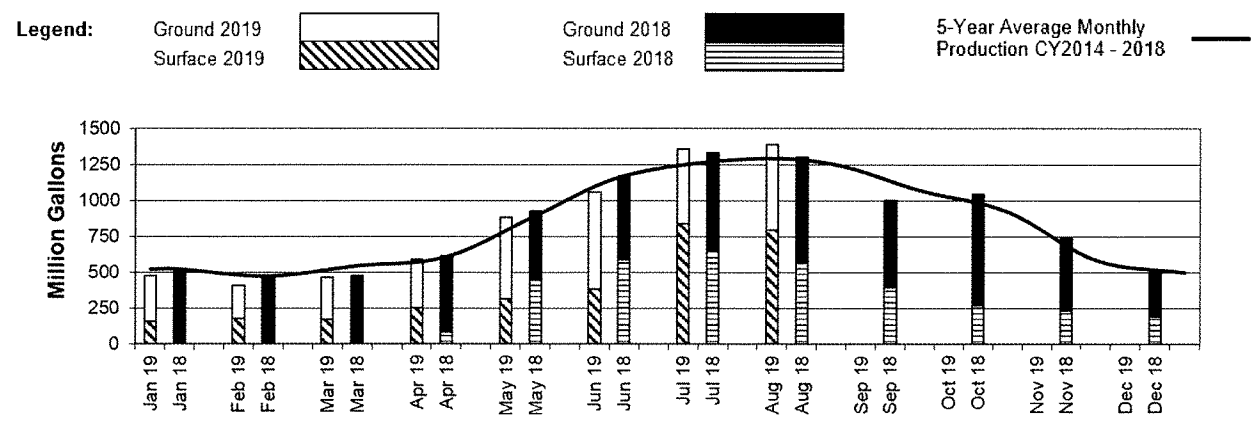
### 1. Monthly Water Production - Surface Water and Groundwater

Figure 1 shows tabulated data for 2019 and Figure 2 shows total water production graphically for 2018 and 2019.

**Figure 1. Monthly Water Production – 2019**

| Month     | North Service Area * |                  |                   | South Service Area ** |                  |                  | Total North & South Service Areas (MG) | Average MG/Day |
|-----------|----------------------|------------------|-------------------|-----------------------|------------------|------------------|--|----------------|
|           | Surface (MG)***      | Ground (MG)      | Sub Total (MG)    | Surface (MG)          | Ground (MG)      | Sub Total (MG)   |  |                |
| Jan       | 158.366              | 118.459          | 276.825           | 0.000                 | 200.316          | 200.316          | 477.141                                | 15.392         |
| Feb       | 175.760              | 69.922           | 245.682           | 0.000                 | 166.040          | 166.040          | 411.722                                | 14.704         |
| Mar       | 170.371              | 108.115          | 278.486           | 0.000                 | 183.788          | 183.788          | 462.274                                | 14.912         |
| Apr       | 255.292              | 79.591           | 334.883           | 0.000                 | 253.755          | 253.755          | 588.638                                | 19.621         |
| May       | 317.319              | 174.190          | 491.509           | 0.000                 | 388.650          | 388.650          | 880.159                                | 28.392         |
| Jun       | 385.637              | 209.202          | 594.839           | 0.000                 | 465.198          | 465.198          | 1,060.037                              | 34.195         |
| July      | 360.015              | 342.203          | 702.218           | 479.681               | 174.040          | 653.721          | 1,355.939                              | 43.740         |
| Aug       | 313.507              | 467.511          | 781.018           | 480.183               | 126.389          | 606.572          | 1,387.590                              | 44.761         |
| Sep       |                      |                  |                   |                       |                  |                  |  |                |
| Oct       |                      |                  |                   |                       |                  |                  |  |                |
| Nov       |                      |                  |                   |                       |                  |                  |  |                |
| Dec       |                      |                  |                   |                       |                  |                  |  |                |
| <b>MG</b> | <b>2,136.267</b>     | <b>1,569.193</b> | <b>3,705.460</b>  | <b>959.864</b>        | <b>1,958.176</b> | <b>2,918.040</b> | <b>6,623.500</b>                       | <b>27.257</b>  |
| <b>AF</b> | <b>6,555.963</b>     | <b>4,815.676</b> | <b>11,371.639</b> | <b>2,945.714</b>      | <b>6,009.421</b> | <b>8,955.136</b> | <b>20,326.775</b>                      | <b>83.649</b>  |

**Figure 2. Monthly Water Production (2018-2019)**



\* North Service Area (North Highlands, Antelope, McClellan Park and The Arbors)  
 \*\* South Service Area (Town and Country and Arden-Arcade)  
 \*\*\*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.



## 2. Water Operations Activity Report

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

| August 2019 | Monthly Avg CY 2019 | Total CY 2019 | Total # in System | Goal CY 2019 | % of Goal Completed in CY 2019 |
|-------------|---------------------|---------------|-------------------|--------------|--------------------------------|
|-------------|---------------------|---------------|-------------------|--------------|--------------------------------|

### Production Department

#### Water Quality

|                         |   |   |   |    |    |    |
|-------------------------|---|---|---|----|----|----|
| Complaints              | 1 | 1 | 6 | -- | -- | -- |
| Taste & Odor Complaints | 0 | 0 | 0 | -- | -- | -- |

### Distribution Department

#### Service Orders

|                    |    |   |    |    |    |    |
|--------------------|----|---|----|----|----|----|
| Main Leaks         | 6  | 4 | 35 | -- | -- | -- |
| Service Line Leaks | 16 | 7 | 53 | -- | -- | -- |

#### Water Main Shutdown

|              |   |   |    |    |    |    |
|--------------|---|---|----|----|----|----|
| -- Emergency | 3 | 3 | 24 | -- | -- | -- |
| -- Scheduled | 1 | 1 | 9  | -- | -- | -- |

#### Preventive Maintenance Program

|                               |    |     |       |        |       |       |
|-------------------------------|----|-----|-------|--------|-------|-------|
| Fire Hydrants Inspected       | 14 | 59  | 469   | 6,200  | 1,240 | 37.8% |
| Fire Hydrant Valves Inspected | 14 | 55  | 443   | 5,450  | 1,090 | 40.6% |
| Fire Hydrant Valves Exercised | 13 | 49  | 395   | 5,450  | 1,090 | 36.2% |
| Mainline Valves Inspected     | 30 | 152 | 1,214 | 12,435 | 2,487 | 48.8% |
| Mainline Valves Exercised     | 22 | 113 | 903   | 12,435 | 2,487 | 36.3% |
| Blow Off Valves Inspected     | 5  | 3   | 23    | 1,045  | 209   | 11.0% |
| ARV/CARV Inspected            | 0  | 1   | 8     | 280    | 56    | 14.3% |

### Field Services Department

#### Meters

|   |     |    |     |        |       |       |
|---|-----|----|-----|--------|-------|-------|
| PM - Meters Tested (3 - 10 inch)                              | 3   | 15 | 119 | 455    | 120   | 99.2% |
| PM - Meters Replaced ( <sup>6</sup> / <sub>8</sub> - 1 inch)  | 102 | 14 | 115 | 39,050 | 1,000 | 11.5% |
| PM - Meter Re-Builds (1 <sup>1</sup> / <sub>2</sub> - 2 inch) | 0   | 30 | 237 | 2,453  | 245   | 96.7% |
| Customer Pressure Inquiries                                   | 16  | 12 | 97  | --     | --    | --    |

### Field Operations Department

#### After Hours Activity (On-Call Technician)

|                              |    |    |     |    |    |    |
|------------------------------|----|----|-----|----|----|----|
| Calls Received Distribution  | 44 | 41 | 331 | -- | -- | -- |
| Calls Responded Distribution | 24 | 31 | 244 | -- | -- | -- |
| Calls Received Production    | 19 | 16 | 129 | -- | -- | -- |
| Calls Responded Production   | 10 | 6  | 51  | -- | -- | -- |

### 3. District Claims Update Report

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. The District's Claims Processing Policy requires claims in excess of \$10,000 be brought to the Board for approval or rejection. 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.

Claims Status: One claim closed by the General Manager in August 2019.

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

1. Sacramento Area Sewer District (SASD) vs. SSWD  
JPIA Claim #17-0560  
Date of Claim – March 17, 2017  
Claim Amount - \$167,744.81  
**Status** – Changed – Closed as of August 12, 2019

#### Background:

Claim filed against the District stating that during original water main installation of the subdivision "S147020" located in North Highlands, that the District and/or contractor working on behalf, damaged 29 SASD's sewer assets.

#### Update from the JPIA's attorney:

The statute of limitations for SASD to file a lawsuit against SSWD expired on July 2, 2019. JPIA has closed the file.

### 4. Water Quality Report

#### PERFLUORINATED COMPOUND MONITORING IN THE SACRAMENTO SUBURBAN WATER DISTRICT

Sacramento Suburban Water District (SSWD) initially performed perfluorinated compound monitoring in 2014, as a requirement of USEPA's Third Unregulated Contaminant Monitoring Rule (UCMR 3). Two rounds of monitoring were required at designated wells in accordance with SSWD's USEPA-approved, Groundwater Representative Monitoring Plan (GWRMP). The GWRMP listed 53 of SSWD's 83 wells (64%) as requiring UCMR 3 monitoring. Six perfluorinated compounds were included as UCMR 3 List 1 contaminants.

According to USEPA's Fact Sheet for Assessment Monitoring (List 1 Contaminants), industrial uses for two of the six perfluorinated compounds (PFOA and PFOS) include production of one or

more of the following: fire-fighting foam, circuit board etching acids, alkaline cleaners, floor polish, pesticide for insect bait traps, fluoropolymers (i.e. Teflon), cosmetics, greases, lubricants, paints, adhesives, and photographic films. The remaining four perfluorinated compounds (PFNA, PFHxS, PFHpA, and PFBS) are used in specific products to make them: stain, grease, heat, and water resistant.

Only one perfluorinated compound (PFHxS) was reported in samples collected from the 53 wells during the 2014 UCMR 3 monitoring. That compound, PFHxS, was reported at concentrations of 0.036 and 0.035 micrograms per liter ( $\mu\text{g/L}$ ) at Well 46. Those concentrations correspond to 36 and 35 parts per trillion (ppt).

On March 15, 2019, the State Water Resources Control Board, Division of Drinking Water (DDW) issued Order 01-09-19M-002-3410001 (Order), requiring SSWD to begin four quarters of perfluorinated compound monitoring by June 30, 2019. The Order requires SSWD to perform monitoring at eight South Service Area wells, including Well 46. Seven of the eight wells designated by DDW for sampling are the ones closest to Well 46.

The analytical method prescribed by DDW provides results for PFOA and PFOS as well as an additional 12 other perfluorinated compounds including PFHxS. SSWD completed the first round of monitoring at six of the eight wells in June 2019. The results show that six perfluorinated compounds were detected in the sample collected at Well 46, including both PFOA (2.3 ppt) and PFOS (10 ppt). The remaining two wells were out of service; therefore, could not be sampled. Sampling at those two wells will be initiated when they are returned to service. DDW has been notified that two of the wells (Wells 69 and 70) are down and there is no compliance issue. The wells will be scheduled for sampling when they are brought back to service.

On August 23, 2019, DDW reduced the NLs for PFOA (from 14 ppt to 5.1 ppt) and PFOS (from 13 ppt to 6.5 ppt). As a result, the June sample collected at Well 46 exceeds the NL for PFOS. According to California Health and Safety Code Section 116455, retail water systems must notify their governing bodies and the governing bodies of any local agencies (i.e., city or county, or a city and county) whose jurisdictions include areas supplied with their drinking water. SSWD staff are in the process of providing the requisite notifications.

Because Well 46 is unfluoridated, it has not been a major source of supply in the SSA. Usage trends from the past several years confirm that fact. For example, in 2018, Well 46 contributed 0.013% of the water produced in the SSA. At this time, SSWD expects to decrease the amount of water from Well 46 that is pumped into the system by voluntarily limiting system production to low pressure emergencies.

SSWD will continue its commitment to adhering to the operational, monitoring, and reporting requirements prescribed by DDW designed to protect public health and safety. SSWD will also

continue to work closely with DDW and other stakeholders to ensure that customers are supplied with a continuous supply of clean and healthful drinking water.

## 5. Customer Service Monthly Activity Report

Customer Service Activity Report for the month of August 2019.

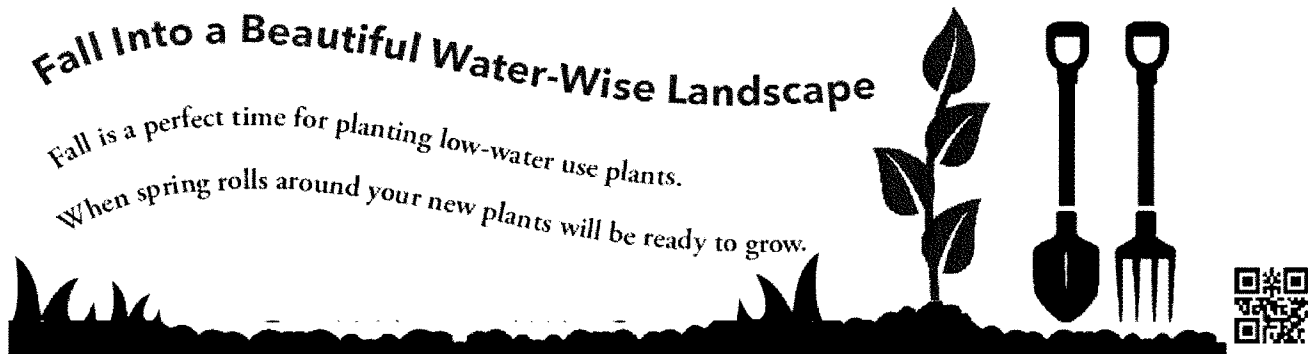
| Total Calls | Calls Abandoned | % of Calls Abandoned | Average Wait on Queue | Max Wait on Queue | Average Talk Time |
|-------------|-----------------|----------------------|-----------------------|-------------------|-------------------|
| 3,239       | 67              | 2.07%                | 36s                   | 12m, 20s          | 2m, 57s           |

## 6. Community Outreach Report

### October Envelope Message

The October envelope reminds customers that Fall is a perfect time to plant low-water use plants. The envelope will begin on September 23, 2019, and will continue until October 27, 2019.

### October Envelope Message




## October Bill Insert

The October bill insert will begin on September 23, 2019, and will continue until October 27, 2019. A sample of the bill insert shown below.

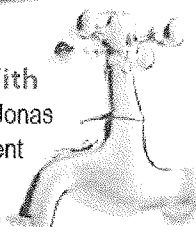

## October Bill Insert

00228079



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

October 2019



### Delivering With Every Turn | Jonas Main Replacement Project

In October, SSWD will complete a major water main replacement project in the South Service Area designed to reduce system leaks, increase fire hydrant flow rates and install new water meter technology.

When the \$7.5 million Jonas Main Replacement Project is complete, SSWD will have:

- Replaced 18,717 feet of water mains with new 6-, 8- and 12-inch pipes
- Installed 311 new metered services
- Upgraded 63 fire hydrants

SSWD is installing larger diameter ductile iron water mains that have a 100-year life expectancy and allow for higher flow rates. The new fire hydrants are designed to

*Delivering With Every Turn | page 2*

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

Phone: 916.972.7171


Fax: 916.972.7639

3701 Marconi Avenue, Suite 100  
Sacramento, CA 95821-5346

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

### Lay the Groundwork for Water Savings


Fall is the ideal time to add new plants to your yard and it's also a great time for improving the health of your soil. Here are some handy steps to follow:



#### Aerate the soil.

One of the best ways to help your plants succeed is by making sure they have access to oxygen, water and nutrients. When soil becomes compacted, it impedes the flow of the essential elements that allow for healthy growth.

Aeration breaks up compacted soil so your lawn and plants will be able to get all of the resources they need. You can purchase or rent an aerating tool from your local hardware store.

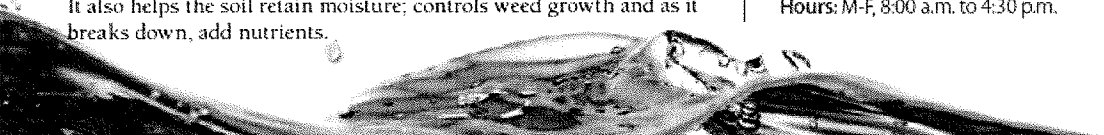


#### Mix in some compost.

After aerating, adding a layer of compost can improve the soil's quality, add important nutrients and help the soil retain water. Spread a couple of inches of compost over planting areas and then work it into the top 6 inches of the ground to improve soil health. You can also put a thin layer of compost over your lawn after reseeding or to revitalize your existing lawn.

#### Finish with a nice layer of mulch.

Mulch helps to moderate soil temperature and protect plant and tree roots from the heat and cold. It also helps the soil retain moisture; controls weed growth and as it breaks down, add nutrients.



## October Bill Insert



### Water Pressure 101 | What is Water Pressure?

Have you ever wondered about water pressure? How does SSWD generate and maintain it, and why it's stronger or weaker at certain times of the day?

SSWD strives to maintain pressures between 40 and 60 pounds per square inch throughout the water system, although some customers may experience pressures above or slightly below this range based on their location within the service area.

When SSWD is delivering groundwater, system pressure is primarily generated and maintained by our many groundwater well pumps, which are responsible for bringing water up from underground aquifers to the surface and distributing it to your home or business. Some of these pumps feature variable frequency drive (VFD) units that allow them to speed up or slow down so that we can maintain a more consistent pressure throughout the system at all times of the day.

SSWD also has an active conjunctive use program, which means we also utilize surface water sources, when available, to help ensure groundwater is available for future generations. When SSWD receives surface water in the South Service Area, water pressure from the source is boosted and maintained by a series of pumps at a booster pump station. When SSWD receives surface water in the North Service Area, water pressure is created by gravity since the source is at a higher elevation. The pressure is then maintained by a series of valves at pressure reduction stations.

You might notice slight variations in pressure in the early morning or evening hours as people start or end their days. This can also occur during a heat wave, when outdoor watering increases and customers use more water to cool down. When these demand peaks occur, additional pumps are automatically started to meet the demand, and the VFD pumps modulate their flow to maintain system pressure within the desired pressure range. These fluctuations in pressure are generally fairly minor and will in most cases not be noticeable.

We're dedicated at SSWD to providing the highest quality water at a consistent pressure every time you turn on the tap.

*Delivering With Every Turn | from page 1*

better handle increased flow rates and provide more effective fire protection. In addition, customers received new meters with advanced reading technology that will help them better track their water usage and allow SSWD to quickly identify potential leaks.

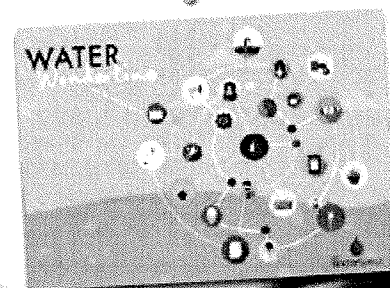
SSWD has made improving and upgrading our infrastructure a priority so that we can continue to provide high-quality water at the lowest responsible price today and far into tomorrow.

### Water Wonderline

**Q:** Why doesn't SSWD offer a Low-Income Rate Assistance Program?

**A:** Proposition 218, which was approved by voters in 1996, requires public water providers such as SSWD to restrict their water rates to the actual cost of providing service. It prevents SSWD from using ratepayer funds to set up assistance programs for low-income customers, because such programs charge higher rates on one set of customers in order to subsidize others.

Do you have a question about water use, billing or SSWD's operations? Submit your questions via [feedback@sswd.org](mailto:feedback@sswd.org) and we'll include the answer in future bill inserts, newsletters or online.





## Agenda Item: 15

**Date:** August 22, 2019

**Subject:** Engineering Report

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

Summarized below are significant Engineering Department activities. The report is separated into the following sections: a) Major Capital Improvement Program (CIP) Projects; b) Planning Documents; and c) Other.

### a. Major Capital Improvement Program (CIP) Projects

The District continues to deliver CIP projects consistent with the Board’s approved funding program.

#### 1) Supply – New Production Wells

The table below shows stages of the current projects. Overall, projects are on-track for completion consistent with planning.

| Well                              | Completion Target |                |
|-----------------------------------|-------------------|----------------|
|                                   | Design            | Construction   |
| N6A Palm                          | Complete          | September 2019 |
| 78 Butano / Cottage               | Fall 2019         | Fall 2020      |
| 79 Verner / Panorama <sup>1</sup> | Spring 2020       | Fall 2021      |

<sup>1</sup>Funding is being pursued with Regional Water Authority via the *2019 Proposition 1 Integrated Regional Water Management Implementation Grant*.

#### 2) Distribution

##### Main Replacement Program

The table below shows stages of the current major main replacement projects. Overall, projects are on-track for completion consistent with planning.

| Project | Completion Target |              |
|---------|-------------------|--------------|
|         | Design            | Construction |
| Jonas   | Complete          | Winter 2019  |
| Thor    | Winter 2019       | Winter 2020  |

Meter Retrofit Program

The Meter Retrofit Program is on track for completion by 2022 before the State deadline of January 2025. Projects through 2020 are shown in the table below and are on schedule.

| Project                     | Completion Target |              |
|-----------------------------|-------------------|--------------|
|                             | Design            | Construction |
| 2019 Project – Grant Funded | Complete          | Complete     |
| 2019 Project                | Complete          | Fall 2019    |
| 2020 Project                | Fall 2019         | Fall 2020    |

**b. Planning Documents**

The District has planning documents (e.g., Asset Management Plans – AMPs, and Master Plans – MPs) for all of its infrastructure categories. Plans are generally updated on a staggered schedule and the update frequencies range from 3 to 7 years. The table below lists the plans scheduled for updates in the near future:

| Plan  | Completion Target  |
|---|--------------------|
| Distribution Main AMP                         | Complete           |
| Fleet & Facilities AMP                        | 2019               |
| Transmission Main AMP                         | Draft – late 2019  |
| Buildings and Structures AMP                  | Draft – late 2019  |
| Groundwater Wells AMP                         | Final – early 2020 |
| Meter AMP                                     | 2020               |
| SCADA MP                                      |                    |
| Water System Master Plan Update <sup>1</sup>  |                    |
| 2020 Urban Water Management Plan <sup>2</sup> | 2021               |

<sup>1</sup> Preliminary Schedule.

<sup>2</sup> Schedule is set by the California Department of Water Resources.

**c. Other**

**Major Activities Related to Existing Active Wells**

The table below shows the active wells undergoing work this year.

| Well                  | Activity             | Completion Target |
|-----------------------|----------------------|-------------------|
| N10 Walnut            | Condition Assessment | Fall 2019         |
| N20 Cypress           | Condition Assessment | Fall 2019         |
| N34 Cottage           | Condition Assessment | Fall 2019         |
| 59A Bainbridge        | Condition Assessment | Fall 2019         |
| 69 Hillsdale / Cooper | Condition Assessment | Spring 2020       |
| N33 Walerga           | Condition Assessment | Spring 2020       |



**Safety Upgrades for the Administration Building's Backup Electrical System**

This project will provide the District an electrical distribution panel compliant with National Fire Protection Association's Standard 70E (*Standard for Electrical Safety in the Workplace*). The preliminary schedule is to have design completed in early 2020 and construction completed by the end of 2020.

## AGENDA ITEM: 16. a.

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

Thursday, September 12, 2019, 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. The Board of Directors may consider any agenda item at any time during the meeting.

1. **CALL TO ORDER AND ROLL CALL**
2. **APPOINTMENT OF TEMPORARY SECRETARY**  
**Action: Appoint Secretary for September 12, 2019 RWA Regular Board Meeting**
3. **PUBLIC COMMENT**
4. **CONSENT CALENDAR**
  - a. Minutes from the July 11, 2019 RWA regular board meeting  
**Action: Approve July 11, 2019 RWA Board meeting minutes**
5. **EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS**
  - a. Information: Final minutes of the June 26, 2019 and July 24, 2019 Executive Committee meetings
6. **LEGISLATIVE/REGULATORY UPDATE**  
Information Presentation: Ryan Ojakian, Legislative and Regulatory Affairs Manager
7. **RESOLUTION SUPPORTING PAM TOBIN FOR ACWA VP**  
Information and Discussion: Led by Jim Peifer, Executive Director  
**Action: Adopt resolution supporting the nomination of Pam Tobin as Vice President of ACWA**
8. **TELECOMMUNICATION POLICY**  
Information and Discussion: Jim Peifer, Executive Director  
**Action: Adopt Policy 500.17**
9. **VOLUNTARY AGREEMENT AD HOC COMMITTEE UPDATE**  
Information Update and Discussion: Led by Kerry Schmitz, Ad Hoc Committee Chair

**10. FEDERAL AFFAIRS AD HOC COMMITTEE UPDATE**

Information Update and Discussion: Led by Sean Bigley, Ad Hoc Committee Chair

**11. EXECUTIVE DIRECTOR'S REPORT**

**12. DIRECTORS' COMMENTS**

**ADJOURNMENT**

Upcoming meetings:

Next Executive Committee Meetings – Wednesday, September 25, 2019, 8:30 a.m. and October 23, 2019, 8:30 a.m. at the RWA office.

Next RWA Board of Directors' Meetings –November 14, 2019, 9:00 a.m. and January 9, 2020 at 9:00 a.m. at the RWA office.

The RWA Board Meeting electronic packet is available on the RWA website at <https://rwah2o.org/meetings/board-meetings/> to access and print the RWA Board electronic packet.

**REGIONAL WATER AUTHORITY  
EXECUTIVE COMMITTEE AGENDA**

**August 28, 2019; 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. The Executive Committee may consider any agenda item at any time during 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**
  - a. Minutes of the July 24, 2019 Executive Committee meeting  
**Action: Approve the July 24, 2019 Executive Committee meeting minutes**
4. **LEGISLATIVE/REGULATORY UPDATE**

Information Presentation: Ryan Ojakian, Legislative and Regulatory Affairs Manager  
**Action: Take positions on recently amended legislation**
5. **RESOLUTION SUPPORTING PAM TOBIN FOR ACWA VP**

Information and Discussion: Led by Jim Peifer, Executive Director  
**Action: Recommend submission of the resolution for consideration and adoption by the RWA Board**
6. **RWA STRATEGIC PLAN UPDATE**

Information and Discussion: Led by Jim Peifer, Executive Director
7. **AGENCY AWARD**

Information and Discussion: Led by Jim Peifer, Executive Director
8. **TELECOMMUNICATION POLICY**

Information and Discussion: Led by Jim Peifer, Executive Director  
**Action: Recommend RWA Board approval of Telecommunication Policy 500.17**

9. **VOLUNTARY AGREEMENT AD HOC COMMITTEE UPDATE**  
Information Update and Discussion: Led by Kerry Schmitz, Ad Hoc Committee Chair
10. **FEDERAL AFFAIRS AD HOC COMMITTEE UPDATE**  
Information Update and Discussion: Led by Sean Bigley, Ad Hoc Committee Chair
11. **SACRAMENTO REGIONAL WATER BANK UPDATE**  
Information and Discussion: Rob Swartz, Manager of Technical Services
12. **RWA SEPTEMBER 12, 2019 BOARD OF DIRECTORS MEETING AGENDA**  
Action: Approve September 12, 2019 Board of Directors Meeting Agenda
13. **EXECUTIVE DIRECTOR'S REPORT**
14. **DIRECTORS' COMMENTS**

#### **ADJOURNMENT**

#### **Upcoming meetings:**

**Upcoming Executive Committee Meetings** – September 25, 2019 at 8:30 a.m. at the RWA office

**Next RWA Board of Directors' Meeting** – Thursday, September 12, 2019, at 9:00 a.m. at the RWA office

The RWA Executive Committee Meeting electronic packet is available on the RWA website at <https://rwah2o.org/meetings/board-meetings/> to access and print the RWA Board electronic packet.

# **AGENDA ITEM: 16. c.**

## **WATER CAUCUS**

**Wednesday, September 11, 2019**

**11:30 AM – 1:00 PM**

**Regional Water Authority**

**5620 Birdcage St., Citrus Heights**

### **Agenda**

1. Voluntary Agreement Update
  - VA process
  - Reclamation possibly joining Water Forum
2. Water Reliability Plan Update
3. Legislative Update
4. SGMA Update
5. Water Efficiency Update

# AGENDA ITEM: 16. d.

## WATER FORUM SUCCESSOR EFFORT

Thursday, September 12, 2019

5:30 PM – 7:30 PM

### SAILOR BAR

4253 Illinois Avenue

Fair Oaks, CA 95628



**NOTE  
LOCATION**

#### Agenda

5:30 DINNER

5:45 INTRODUCTIONS

6:00 DISCLOSURES/ REPORT BACKS / ANNOUNCEMENTS

6:15 TOUR & PRESENTATION      2019 Salmon Spawning Project at Upper Sailor Bar  
- Lilly Allen

7:30 ADJOURN

#### **What to bring:**

- Wear comfortable walking shoes
  - Bring your own chair
  - Hat & sunscreen

#### **Parking Instructions:**

We will pay for your parking, but you need to enter a code at the pay station kiosk when entering the park. Follow the prompts on the screen for #5 "More Selections" then #3 "Coupon Code" then enter the coupon code provided below. The parking pass will be printed and needs to be placed on the dash of each vehicle. Please bring these instructions with you to the meeting. Call Lilly (505) 690-3126 if you need additional assistance.

- Your coupon code: **waterforum**

**Directions:** From Winding Way, turn South on Illinois Ave in Fair Oaks, continue toward boat ramp for almost a mile. Turn left at the parking lot before the boat ramp, near the large oak tree and the bathrooms.

# AGENDA ITEM: 17. c.

DRAFT

## Sacramento Suburban Water District and San Juan Water District 2x2 Water Management / Re-Organization Committee Meeting Notes

San Juan Water District  
9935 Auburn Folsom Road  
Granite Bay, CA

August 22, 2019  
4:00 p.m.

### Call to Order

Director Hanneman called the meeting to order at 4:00 p.m.

### Roll Call

Committee Members: Marty Hanneman, SJWD Director  
Ted Costa, SJWD Director  
Craig Locke, SSWD Director  
Dave Jones, SSWD Director

Staff Present: Paul Helliker, SJWD General Manager  
Dan York, SSWD General Manager  
Teri Grant, SJWD Board Secretary/Administrative Assistant

Public Present: Steve Nugent, CWD General Manager  
Hilary Straus, CHWD General Manager  
David Gordon, CHWD Operations Manager  
Tom Gray, FOWD General Manager  
Mary Harris, RLECWD General Manager  
Dan Rich, SJWD Director  
Ken Miller, SJWD Director  
Pam Tobin, SJWD Director  
Greg Zlotnick, SJWD Water Resources & Strategic Affairs  
Mike Huot, SSWD Assistant General Manager  
William Eubanks  
Paul Olmstead  
Debra Sedwick  
Paul Selsky

Director Costa opened the meeting at 4:00 pm. He added Public Comment to the beginning of the agenda and Ideas and Suggestions from Board Members to the end of the agenda and suggested that both items be added to every meeting agenda.

### 1. Public Comment

There were no public comments.



**2. Notes from the June 20, 2019 SSWD/SJWD Water Management/Re-organization Meeting**

GM York asked that the minutes be revised to remove John Lenahan and Marissa Burt, DPMWD Directors, as they were not in attendance.

Director Jones moved to approve the minutes with the recommended amendment; Director Hanneman seconded. The motion passed by unanimous vote.

|         |                                   |            |  |
|---------|-----------------------------------|------------|--|
| AYES:   | Costa, Hanneman, Jones, and Locke | ABSTAINED: |  |
| NOES:   |                                   | RECUSED:   |  |
| ABSENT: |                                   |            |  |

**3. Sacramento Region Water Utility Collaboration/Integration Study Update**

GM Helliker informed the committee that there are six agencies interested in participating in the Sacramento Region Water Utility Collaboration/Integration Study: Carmichael Water District (CWD), Citrus Heights Water District (CHWD), Rio Linda/Elverta Community Water District (RLECWD), Sacramento Suburban Water District (SSWD), San Juan Water District (SJWD), and the City of Folsom (Folsom). He stated that Fair Oaks Water District (FOWD) and Orange Vale Water Company (OVWC) have elected not to participate. In addition, GM York stated that he will be meeting with a director from Del Paso Manor Water District (DPMWD), which is undecided at this time.

GM Helliker stated that the SJWD Board will be reviewing the Request for Proposal (RFP) at their meeting next week. He explained that SSWD will be taking the lead on administering the RFP and will be working with the participants to identify consultants to whom to send the RFP. GM York stated that the plan is to send the RFP to the General Managers of the participating agencies for a final review then release the RFP in early September.

Director Costa asked what the relationship is between this committee and the committee that is referenced in the RFP. GM Helliker explained that the steering committee, as described in the RFP, would be composed of at least one management representative from each participating agency (as selected by each agency) and the purpose of the steering committee would be to oversee the implementation of the contract, provide input to SSWD on administrative matters, and make decisions. In addition, GM Helliker stated that the RFP references joint meetings of all the boards of directors of the participating agencies at the end of each of the three stages. GM Helliker explained that there was no reference in the RFP to form an ad hoc committee similar to this committee and it would be at the direction of the participating agencies' boards to create and participate in an ad hoc committee.

Director Costa commented that the minutes from the last committee meeting stated that this committee would be the managing committee. He voiced concern regarding

having a separate committee. GM York explained that the participating agencies will be paying funds for the study and, therefore, are expecting to have input in the process. GM York explained that the intent was to have all participating agencies on the steering committee which will meet with the consultant on a regular basis. GM York recommends that a minimum of two representatives be on the steering committee, so that at least one can be in attendance at the meetings if there are scheduling issues.

Director Hanneman inquired what the other boards' impression of the steering committee was and will the SSWD-SJWD 2x2 committee be phased out. GM York explained that he attended other board meetings with GM Helliker and the vision was that the participating agencies want to be included on the steering committee in order to provide input on the study and that this committee would be phased out.

GM Helliker explained that the participating agencies' boards want equal representation. In response to Director Jones' concern regarding the amount of funds that each agency pays, GM Helliker explained that it would be similar to how Regional Water Authority (RWA) is set up where each participating agency gets one vote no matter what their size or contribution is. Director Costa voiced concern regarding assets to consider between agencies for purposes of collaboration.

In response to CWD General Manager Steve Nugent's question, Director Costa stated that the steering committee would be open to having representatives from the participating agencies. CHWD General Manager Hilary Straus referenced a handout that he provided to the committee at the outset of this process, and advocated for a steering committee composed of all participating agencies. GM Straus commented that CHWD only has three board members, therefore, only one board member could be on the committee. GM York commented that the representatives on the committee would be selected by each agency and could be one board member and the GM or two board members.

GM Helliker responded to a question on groundwater sustainability and explained that SGA is currently working on the sustainability plan within the region. He explained that this study would be looking at all programs and all operations, including groundwater operations which could overlap with work being completed on the Groundwater Sustainability Plan. However, he explained that there is no reference to the Groundwater Sustainability Plan in the RFP since SGA is covering that issue.

Director Locke stated that he agrees that this committee should sunset and a new committee be established; however, he would want the new committee to meet on a regular basis with two representatives from each participating agency so that if one can't make a meeting then they are still represented at the meeting and there is no delay in meetings. In addition, he suggested that the chair of the meeting be selected by the committee once the committee members are selected. Director

Costa agreed but would like the 2x2 committee to go dormant not sunset. GM Straus commented that the RFP would prompt that the consultant set the meeting frequency of the committee based on the timeline of the project.

GM Helliker informed the committee that throughout the project there will be decisions to be made – some are managerial/administrative more suitable for a group of managers and some will be more appropriate for the committee in an open public meeting regarding policy issues. In addition, he stated that, at this point, the RFP includes the consultant attending four meetings of all the participating agency's Board of Directors throughout the course of the project.

Director Locke would agree with the steering committee selecting the consultant and negotiating the contract.

In response to Director Locke's comment regarding the committee's decision, Director Costa stated that the committee decided that this committee would go dormant and the steering committee would be formed from each participating agency. Director Hanneman clarified with GMs Helliker and York that there are six, possibly seven, participating agencies, the RFP will be sent out, proposals will be received with the projected costs, each participating agency representative will go back to their board with the cost allocation information, each board will decide whether or not to participate, then each participating agency will have a seat at the table. GM Helliker suggested that when each board is deciding to participate then they should also decide whether or not they want an ad hoc committee to be part of the management of the project.

Director Locke suggested that each agency select their representatives for the steering committee at their September board meeting then the steering committee could meet to start discussing cost allocations, chair of the committee, and establish the ground rules for the committee. Director Costa suggested that the general managers discuss the cost allocations then bring back to their boards.

Director Hanneman inquired if this committee should set the parameters of the steering committee such as how many representatives each agency is allowed on the committee. GM Helliker suggested that each participating agency board of directors decide on who their representatives are, not to exceed two members in order to be less than a majority of the board when meeting. The committee discussed the makeup of the steering committee and decided that each agency should have a representative (board member) and an alternate serve on a standing (Brown Act) committee. The committee agreed that the makeup of the committee does not need to be in the RFP, but each agency should be informed.

GM Helliker commented that the responsibility of the steering committee needs to be outlined. He stated that a management committee will be needed to make decisions that the board ad hoc policy committee doesn't need to be involved in that

are not policy issues. GM Straus agreed that there should be two committees and stated that it should be included in the RFP so that the proposals include better scope, schedule and budget information. GM Nugent agrees with representation from each agency which could be two board members or one board member and one staff person. Director Locke suggested that no more restrictions be placed on the steering committee and let the steering committee self-govern themselves.

FOWD General Manager Tom Gray inquired if the recommendation of the report is that two agencies merge then does that mean that the participating agencies endorse that merger. Director Hanneman explained that the boards would decide whether to endorse the recommendation but it would be up to the two agencies to determine their course of action. Director Costa commented that the committee would not endorse a recommendation – the agencies would work with LAFCO. Director Costa explained that the agencies are participating to take a study.

Ms. Debra Sedwick commented that this was originally established to look at the water agencies in the region to determine everything from a do nothing stand to a consolidation, and she voiced concern with Director Costa's comments regarding participants "bringing something to the table." She commented that the study may show it beneficial for all the water agencies to merge for financial reasons and a savings to the rate payers. Director Costa retracted his previous comment and agreed with Ms. Sedwick that every agency does offer something to bring to the table at varying degrees.

Mr. Paul Olmstead commented that a RFP looks for recommendations to solve a problem and he would like to know what the committee believes that the problem is that needs to be solved. Director Costa replied that the region needs to be ready to hold the water here or have the ability to sell the water when the tunnels are put in place. GM Helliker reviewed scope of work and the Problem Statements that the committee developed and are included in the RFP. GM Gray commented that water reliability isn't the driver on the scope of work that is in the RFP since it is already being worked on through SGA.

Mr. William Eubanks commented that at least the original 2x2 had clarity and purpose and isn't sure what this committee is after. He stated that it is physically impossible to deliver a single drop of San Juan water to approximately two-fifths of the entire SSWD customer base.

#### **4. 2X2 Committee Structure / Participation**

This portion of the agenda was discussed under Agenda Item 3.

#### **5. Discuss Agreement on Cost Sharing**

GM York commented that San Juan will need to approve their participation in the study, then the general managers will be contacted. GM Helliker explained that the RFP will be released, the proposals will be received, the general managers will meet

and decide which proposal will be recommended then staff reports will be prepared and submitted to each board. In addition, the cost allocation will be determined and included in the staff reports. He stated that a proposed cost allocation methodology will be developed and accepted by each agency.

Director Locke commented that he saw a different process with the RFP being released, the steering committee formed and the committee deciding on the cost allocation. In addition, he thought that the management committee would present the RFPs to the steering committee which would then decide on the consultant to recommend to their boards. Director Locke suggested that a meeting date be set up for the steering committee at the end of this meeting, and that each agency would select the steering committee representatives at their September board meetings. He stated that then the committee would discuss cost allocations then return to their boards in October.

GM Helliker commented that no organization has committed to participate in the project, since there is no signed contract at this time – they have only agreed to have their names listed in the RFP. Director Hanneman agrees with the process that GM Helliker outlined above for that reason. In response to Director Locke’s comment, GM Helliker explained that there is no cost estimate yet so there is no way to allocate the costs. GM Helliker explained that there are some potential methodologies that the general managers have discussed but there is no proposal yet on the cost of the study. Director Hanneman stated that once the proposals are received, the cost allocation will be proposed so that each board can approve their participation then those agencies will form the steering committee.

**6. Ideas and Suggestions**

Director Costa suggested that this committee cease meeting until such a time that the agencies want to meet again since the new committee will be formed.

Director Hanneman moved to have this committee go dormant until needed again; Director Costa seconded. The motion passed by unanimous vote.

|         |                                   |            |  |
|---------|-----------------------------------|------------|--|
| AYES:   | Costa, Hanneman, Jones, and Locke | ABSTAINED: |  |
| NOES:   |                                   | RECUSED:   |  |
| ABSENT: |                                   |            |  |

**7. Next Meeting**

There was no meeting scheduled since the committee went dormant.

The meeting was adjourned at 5:11 p.m.



## Agenda Item: 18

**Date:** September 2, 2019

**Subject:** Legislative and Regulatory Update

**Staff Contact:** Greg Bundesen, Water Conservation Supervisor

### 1. RWA Government Affairs Committee

During March 2019, Legislative committees heard and amended existing bills being considered for the 2019 and 2020 Legislative session. Table 1 below shows the Assembly Bills (AB) and Senate Bills (SB) staff will track this year. The table is organized to show the bill number, name, voting results, District’s recommended position regarding the bill (favor, not favor, watch), the Sacramento Regional Water Authority’s (RWA) position, and the Association of California Water Agencies’ (ACWA) position. Staff works with RWA and ACWA to update **Table 1** each month and add information as the legislative session progresses during the year. A summary of each bill can be provided upon request. Due to the high number of bills, staff has updated the table to track only the bills tracked by RWA’s Advocacy Committee and ACWA’s Legislative Committee.

### 2. Notable Updates

- a. **Inverse Condemnation Doctrine:** On August 15, 2019, the California Supreme Court (“Supreme Court”) issued its first inverse condemnation opinion in the case *City of Oroville v. Superior Court of Butte County*, Case No. S243247 (“Opinion”). In this unanimous opinion authored by Justice Cuéllar, the Supreme Court held that to succeed on an inverse condemnation claim, a property owner must show more than just a causal link between the existence of a public improvement and damage to private property: it must demonstrate that “the property damage was the probable result or necessary effect of an inherent risk associated with the design, construction, or maintenance of the relevant public improvement.” Staff will monitor the Supreme Court’s decision and solicit District Legal Counsel’s opinion regarding inverse condemnation and the effect the Opinion may have on District operations.
- b. **AB352 Wildfire, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020:** AB352 is a new bill introduced by Assemblyman Garcia that would authorize the issuance of \$3.92 billion dollars in bond funding for projects related to wildfire, safe drinking water, drought preparation, and flood protection. This bond funding would add significant funding for local water related project.
- c. **SB134: Water Conservation: Water Losses: Enforcement:** SB134 was passed and sent to the Governor for his consideration. This bill will prohibit the State Water Resources Control Board (SWRCB) from issuing any enforcement measures to an urban retail water supplier that does not meet its urban water use objective if SWRCB determines the water supplier volume of water loss exceeds the urban retail water supplier’s standard for water loss.

- d. **SB 1414: Urban Retail Water Suppliers: Reporting:** Sponsored by the Los Angeles Department of Water and Power, SB 1414 was passed and sent to the Governor for his consideration. Beginning January 1, 2024, SB 1414 will require urban water retailers to submit a validated water loss as part of regular water efficiency reporting instead of the reporting schedule currently written into law. Current laws require urban retail water suppliers to submit a validated water loss audit by October 1<sup>st</sup> of each year if reporting on a calendar year and January 1<sup>st</sup> of each year if reporting on a fiscal year. This bill will also require an urban retail water user to calculate its water use objective by January 1<sup>st</sup> of each year (beginning in 2024) instead of November 1<sup>st</sup> of each year and include any demand management measures the urban water supplier plans to implement to achieve its urban water use objective by January 1, 2027. And, finally, this bill revises the deadline to submit an urban water supplier's annual water supply and demand assessment from June 1<sup>st</sup> of each year to July 1<sup>st</sup>.

3. **Ongoing Bill Implementation**

- a. **SB 998:** Discontinuing Residential Water Service implementation continues. Staff has been meeting with regional stakeholders to determine the best course for implementing this bill. The District has until February 1, 2020, to comply. This bill establishes exemptions of discontinuing water service for non-payment and requires information regarding the discontinuation to be made available to the public. Staff will continue reviewing District regulations and provide updates to the Board as necessary.
- b. **AB 1668 and SB 606:** Requires SWRCB and Department of Water Resources (DWR) to adopt long-term standards for the efficient use of water on or before June 30, 2022. The long-term standards estimate indoor water use (55 gallons per person per day), outdoor water use (measured by satellite), water loss (validated in accordance with SB 555), and Commercial, Industrial, and Institutional water use (yet to be determined). SWRCB and DWR are currently in the rule making process of the legislation. Recommendations for performance standards are due by October 1, 2021. Staff is engaged in the rule making process. DWR has published a primer of how the indoor and outdoor water use standard will be calculated. The next step is to calculate the outdoor standards by taking landscape measurements via satellite.

DWR has created several workgroups to help develop the water conservation framework regulations over the next several years. The various groups include:

1. Wholesale Water Loss;
2. Water Use Studies;
3. Standards and Methodologies;
4. Urban Water Management Plan Guidebook;
5. Annual Water Supply and Demand Assessment; and,
6. Data Streamlining

Staff will continue to engage DWR and these workgroups regarding Framework implementation and report back to the Board regarding any progress or significant updates.

- c. **AB 401:** In 2015, AB 401 was signed by the Governor establishing the Low-Income Water Rate Assistance Act, which requires SWRCB to develop a plan for a Low-Income Rate Assistance Program and report its findings to the legislature. AB 401 has the intention of establishing a program to assist low-income households in paying their water bills. In January 2019, SWRCB released a draft report - "Options for Implementation of a Statewide Water Rate Assistance Program" - with a 30 day public review period. ACWA submitted a comment letter that focused on the program basis, revenue source, benefit distribution, program tier structure, and local rate structures.



**Table 1: Assembly and Senate Bill Tracking**

| <b>Bill Number</b> | <b>Name</b>   | <b>District Position</b> | <b>RWA Position</b> | <b>ACWA Position</b> | <b>Result</b>   |
|--------------------|---|--------------------------|---------------------|----------------------|-----------------|
| <b>AB 134</b>      | Safe, Clean, Affordable, and Accessible Drinking Water                                    | Watch                    | Watch               | Watch                |                 |
| <b>AB 171</b>      | Employment: Sexual Harassment   | Watch                    | Watch               | Watch                |                 |
| <b>AB 223</b>      | California Safe Drinking Water Act: Microplastics   | Watch                    | Watch               | Watch                |                 |
| <b>AB 352</b>      | Wildfire, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020 | Favor if Amended         | Unknown             | Favor if Amended     |                 |
| <b>AB 382</b>      | Integrated Regional Water Management Plans: Grant Funding: Upper Watershed Health         | Watch                    | Watch               | Watch                |                 |
| <b>AB 405</b>      | Sales and Use Taxes: Exemption: Water Treatment   | Watch                    | Watch               | Watch                |                 |
| <b>AB 417</b>      | Agriculture and Rural Prosperity Act  | Watch                    | Watch               | Watch                |                 |
| <b>AB 441</b>      | Water: Underground Storage  | Favor                    | Favor               | Watch                |                 |
| <b>AB 533</b>      | Income Tax: Water Conservation or Efficiency Programs                                     | Favor                    | Favor               | Watch                |                 |
| <b>AB 756</b>      | Public Water Systems: perfluoroalkyl substances and polyfluoroalkyl Substances Act        | Watch                    | Watch               | Watch                | Signed into Law |
| <b>AB 1414</b>     | Urban Retail Water Suppliers: Reporting   | Favor                    | Favor               | Favor                | Enrolled        |
| <b>SB 45</b>       | Wildfire, Drought, and Flood Protection Bond Act of 2020                                  | Favor if Amended         | Watch               | Favor if Amended     |                 |
| <b>SB 134</b>      | Water Conservation: Water Loss Performance Standards                                      | Favor                    | Favor               | Favor                | Signed into Law |
| <b>SB 135</b>      | Family Care and Paid Leave  | Watch                    | NA                  | NA                   |                 |
| <b>SB 414</b>      | Small Water Systems Authority Act   | Watch                    | NA                  | NA                   |                 |
| <b>SB 669</b>      | Water Quality: Safe Drinking Water Fund   | Watch                    | Watch               | Watch                |                 |
| <b>ACA 3</b>       | Water: Minimum Funding Guarantee  | Watch                    | Watch               | Watch                |                 |



## Agenda Item: 19

**Date:** September 6, 2019

**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 Region 4 Program and Boat Tour: Overcoming Obstacles of Habitat Restoration and Cache Slough  
September 17, 2019  
Liberty Island Duck Club, Dixon, CA  
[https://www.acwa.com/events/acwa-region-4-program-and-boat-tour-overcoming-obstacles-of-habitat-restoration-and-cache-slough/?\\_cldee=bWljaGF1bGNAYWN3YS5jb20%3d&recipientid=contact-616bf9a5bda2e61180f65065f38afab1-cf32284bc54542c2b64f8c269bbb373e&utm\\_source=ClickDimensions&utm\\_medium=email&utm\\_campaign=ACWA%20Events&esid=a08921b1-e2b4-e911-a95a-000d3a36eaf](https://www.acwa.com/events/acwa-region-4-program-and-boat-tour-overcoming-obstacles-of-habitat-restoration-and-cache-slough/?_cldee=bWljaGF1bGNAYWN3YS5jb20%3d&recipientid=contact-616bf9a5bda2e61180f65065f38afab1-cf32284bc54542c2b64f8c269bbb373e&utm_source=ClickDimensions&utm_medium=email&utm_campaign=ACWA%20Events&esid=a08921b1-e2b4-e911-a95a-000d3a36eaf)
2. CSDA Annual Conference and Exhibitor Showcase  
September 25-28, 2019  
Anaheim, CA  
[https://members.csda.net/iMIS1/CSDA2/Shared\\_Content/Higher\\_Logic/HLEvents\\_Calendar.aspx](https://members.csda.net/iMIS1/CSDA2/Shared_Content/Higher_Logic/HLEvents_Calendar.aspx)
3. SSWD Fall Speaker Series: Water Supplies and Pressure 101: The Highs and Lows of Pressure at Your Home or Business  
September 27, 2019  
SSWD Boardroom  
[www.sswd.org](http://www.sswd.org)

4. Carmichael Founders Day  
September 29, 2019  
Carmichael Park
5. 2019 Northern California Congressional Water Tour  
October 8, 2019  
Sacramento, CA
6. SSWD Open House  
October 8, 2019  
SSWD  
[www.sswd.org](http://www.sswd.org)
7. SGA Board Meeting  
October 10, 2019  
RWA Office  
<http://www.sgah2o.org/meetings/board-meetings/>
8. Californi-Nevada AWWA – Fall Conference  
October 21-24, 2019  
San Diego, CA  
[http://ca-nv-awwa.org/canv/CNS/Events\\_Classes/Future\\_Events/CNS/EventsandClasses/Copy\\_of\\_events.aspx?hkey=40976128-710b-4097-b27b-e35fe6133849](http://ca-nv-awwa.org/canv/CNS/Events_Classes/Future_Events/CNS/EventsandClasses/Copy_of_events.aspx?hkey=40976128-710b-4097-b27b-e35fe6133849)
9. Water Education Foundation’s 2019 Water Summit  
October 30, 2019  
Sacramento, CA  
<https://www.acwa.com/events/water-education-foundations-2019-water-summit/>
10. RWA Board Meeting  
November 14, 2019  
RWA Office  
<http://rwah2o.org/>
11. ACWA Fall Conference  
December 3-6, 2019  
San Diego, CA  
<https://www.acwa.com/events/2019-fall-conference-exhibition/>
12. SGA Board Meeting  
December 12, 2019  
RWA Office  
<http://www.sgah2o.org/meetings/board-meetings/>

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

- Carmichael Water District: <http://carmichaelwd.org/> - Every 3<sup>rd</sup> Monday of the month at 7:00 p.m.
- Citrus Heights Water District: <http://chwd.org/> - Every 3<sup>rd</sup> Wednesday of the month at 6:30 p.m.
- Del Paso Manor Water District: <https://www.delpasomanorwd.org/> (916)487-0419 - Every 1<sup>st</sup> Tuesday of the month at 6:30 p.m.
- El Dorado County Water Agency - <http://www.edlafco.us/> - Every 4<sup>th</sup> Wednesday of the month at 5:30 p.m.
- El Dorado Irrigation District - <http://www.eid.org/> - Every 2<sup>nd</sup> and 4<sup>th</sup> Monday's of the month at 9:00 a.m.
- Fair Oaks Water District: <http://www.fowd.com/> - Every 2<sup>nd</sup> Monday of the month at 6:30 p.m.
- Natomas Mutual Water Company - <http://natomaswater.com/> - Every 2<sup>nd</sup> Tuesday of the month at 9:00 a.m.
- Orangevale Water Company - <https://orangevalewater.com/> - Every 1<sup>st</sup> Tuesday of the month at 4:00 p.m.
- Placer County Water Agency: <https://pcwa.net/> - Every 1<sup>st</sup> and 3<sup>rd</sup> Thursdays of the month at 2:00 p.m.
- Rio Linda/Elverta Community WD: <http://www.rlecwd.com/> - Every 3<sup>rd</sup> Monday of the month at 6:30 p.m.
- San Juan Water District: <http://www.sjwd.org/> - Every 4<sup>th</sup> Wednesday of the month at 6:00 p.m.



## Agenda Item: 20 a.

**Date:** September 3, 2019

**Subject:** Records Inspection, Retention, and Disposal Policy (PL – Adm 002)

**Staff Contact:** Mike Huot, Assistant General Manager

The Records Inspection Retention and Disposal Policy (PL – Adm 002) is scheduled for its biennial review. The subject policy was originally adopted by the Board on October 20, 2003, and last revised on October 16, 2017.

Staff and legal counsel are recommending clerical and clarification changes, in addition to policy adjustments for the following Sections:

### Section 200.50 – Additional Public Records

- Added language to address personal devices - Writings involving official District business created, used, or retained on a personal electronic device owned, leased, or possessed by a District Director or employee are public records of the District and must be retained in accordance with this policy and all other applicable District policies. A Director or employee should avoid retaining District records on a personal device indefinitely to avoid inadvertent destruction or tampering, and should contact the District Secretary or his/her designee as soon as possible to arrange to transfer such records into the District’s records management system.

### Section 300.20 – Records Retention Schedule

- Changes to the Records Retention Schedule for the following
  - Board of Directors and Committees
    - Agendas and Staff Reports – Changed from 3 years to 5 years
  - As-built plans/documents
    - Changed from 7 years to permanent or until facility is decommissioned and removed from service
  - Personal Property
    - Inventory and Maintenance and Inspection Logs – Changed from 4 years to 3 years
  - Insurance
    - Memoranda of coverage, insurance policies, endorsements, certificates of insurance, coverage opinions, and surety/fidelity bonds - Changed from 5 years to 3 years

- Membership
  - Program participation agreements – Changed from 10 years to 7 years
- Personnel
  - Employment testing results (non-hires) – Changed from 2 years to 1 year

**Fiscal Impact:**

Adopting the policy updates does not have a fiscal impact.

**Strategic Plan Alignment:**

Goal B: Optimize Operational and Organizational Efficiencies

District customers benefit from an established records management program that increases efficiencies for storing documents and purging old documents.

**Attachment:**

1 – Records Inspection Retention and Disposal Policy - redlined

## Sacramento Suburban Water District

### **Records Inspection, Retention, and Disposal Policy**

Adopted: October 20, 2003

Revised: ~~January 23, 2006; January 28, 2008; August 17, 2009; November 21, 2011; October 21, 2013; December 16, 2013; December 21, 2015; October 16, 2017~~ Approved with Changes: October, XX, 2019

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#### **100.00 Purpose of the Policy**

This document describes the Sacramento Suburban Water District's policy concerning records inspection, retention, destruction, and storage.

#### **200.00 Inspection**

##### **200.10 Purpose and Scope**

This section provides criteria for the inspection of records.

##### **200.20 General**

Public records of the District are open to inspection during normal office hours and any person has a right to inspect these records.

##### **200.30 Definitions**

As used in this section:

- a. "Public Records" includes any writing containing information relating to the conduct of public business prepared, owned, used, or retained by the District regardless of physical form or characteristics and which is not otherwise exempt from disclosure in accordance with applicable laws.
  
- b. "Writing" means handwriting, typewriting, printing, photostating, photographing, photocopying, transmitting by electronic mail or facsimile, and every other means of recording upon any tangible thing or any form of communication or representation, including letters, words, pictures, sounds or symbols, or combinations thereof, and any record thereby created, regardless of the manner in which the record has been stored.~~and all papers, maps, magnetic or paper tapes, photographic films and prints, magnetic or punched cards, discs, or drives, drums, or other documents.~~ Writing does not include compilations of writings created outside the normal course of business.

## 200.40 Exemptions

Nothing in this section requires disclosure of the following records:

- a. Preliminary drafts, notes, or intra- or inter-agency memoranda not retained by the District in the ordinary course of business, if the public interest in withholding such records clearly outweighs the public interest in disclosure;
- b. Records pertaining to pending litigation in which the District is a party or to claims made pursuant to Division 3.6 (Commencing with Section 810) of Title 1 of the Government Code, until such litigation or claim has been finally adjudicated or otherwise settled;
- c. Personnel, medical, or similar files, the disclosure of which would constitute an unwarranted invasion of personal privacy or that is otherwise limited by law;
- d. Geological and geophysical data, plant production data, and similar information relating to utility systems development obtained in confidence from any source, related to groundwater well drilling/development;
- e. Test questions, scoring keys, and other examination data used to administer examinations for employment;
- f. The contents of real estate appraisals, engineering, or feasibility estimates and evaluations made for or by the District relative to the acquisition of property, or to prospective supply and construction contracts, until such time as the property has been acquired or the contract agreement has been obtained. The law of eminent domain will not be affected by this provision;
- g. Records exempted or prohibited from disclosure pursuant to provisions of Federal or State Law, including, but not limited to, provisions of the Evidence Code relating to privilege;
- h. Data, plans, drawings, schematics, manuals, and other documents related to the security and protection of the District's water supplies;
- i. Private information pertaining to any customer, director or employee that is explicitly exempt under Government Code sections 6254(c) and 6254.16 or that may be exempt because of personal safety and privacy concerns under Government Code section 6255, including, but not limited to, personal identifying information and private data such as social security numbers, home address, telephone number, credit history, water usage, and confidential personnel and financial records.
- j. Computer software developed by the District for internal use and not otherwise made available to the public except by selling, leasing, or licensing



such software for commercial or non-commercial use.—The District's proprietary computer software may include computer mapping systems, computer programs, and computer graphics systems.

- k. Information security, if disclosure of that information would reveal vulnerabilities of, or otherwise increase the potential for an attack on the District's information technology system.—This exemption in no way limits the District's obligation to disclose otherwise public records stored within its information technology system; and
- l. Other records the disclosure of which is not required by law.

## **200.50 Additional Public Records**

Notwithstanding the foregoing:

- a. Every employment contract between the District and a public official or public employee is a public record.
- b. An itemized statement of the total expenditures and disbursements of the District provided for in Article VI of the California Constitution will be open for inspection;-and
- c. Documents concerning an open session item of a noticed public meeting that are provided to all or a majority of the Board or a committee less than 72 hours before that meeting are public records;
- e.d. Writings involving official District business created, used, or retained on a personal electronic device owned, leased, or possessed by a District Director or employee are public records of the District and must be retained in accordance with this policy and all other applicable District policies. A Director or employee should avoid retaining District records on a personal device indefinitely to avoid inadvertent destruction or tampering, and should contact the District Secretary or his/her designee as soon as possible to arrange to transfer such records into the District's records management system.

## **200.60 Justification for Withholding of Records**

The District will justify withholding a record by demonstrating the record is exempt under the express provisions of Government Code sections 6254 and 6254.16 and any other applicable statute (including the records listed above in section 200.40) or by demonstrating that the public interest served by not making the record available clearly outweighs the public interest served by disclosing the record. Written notice of intent to withhold records stating the reasons for withholding the records, the person making such determination, and an estimated time for when disclosable documents will be furnished will be provided to the person requesting the record within ten days, or later if good

cause requires, of the request for inspection as required by Government Code sections 6253, subdivision (c) and 6255, subdivision (b).

## **200.70 Confidentiality of Certain Records**

While the District supports and implements the legal principles underlying the “government sunshine laws”, including the Public Records Act and Brown Act, it also recognizes the equally important constitutional principles underlying its customers’, directors’, and employees’ rights to privacy in their personal information. Such information includes those items described in Section 200.40(i) of this Policy. The District will not disclose private information of any customer, director, or employee unless compelled by a legally-authorized subpoena, court order or order of another government agency with the power to obtain such records or authorized by the customer, director, or employee in writing.— In cases where there is no clear exemption from disclosure, the District will attempt to contact the customer, director, or employee whose private information is being requested, inform the customer, director, or employee of the request, and provide that person or entity with the opportunity to object to the request and if desired, to seek a court order to protect the private information being requested from disclosure.

## **200.80 Copies of Records**

- a. A person may obtain copies of identifiable records, by written request on the District’s request form. –Upon request, District staff will assist the requestor to identify records and complete the request form. –The District Secretary is the custodian of the District’s records and will provide the requestor with copies of all requested records unless a record is in electronic form or in a specialized format, in which case the District will provide the most accurate copy possible within the limits of available technology and the requestor’s instructions and willingness to pay the appropriate costs to retrieve and reproduce copies of such non-standard records, if applicable. –Officers, agents, and employees of the District are not required to request records in compliance with this section when acting within the course and scope of employment or office holding. If the District is unable to provide requested copies within ten days of the request, it will advise the requestor in writing of the date when the record will be provided.
- b. The charge for plain paper standard black and white letter or legal size photocopies will be in accordance with the Regulation 3 of the District’s Regulations Governing Water Service, which reflects the District’s direct copying costs. –Large format documents, maps, color copies, and similar specialized documents will be charged at cost, which the District will determine and advise the requestor of and receive approval from the requestor before copying begins. –Payment for all services is required at the time copies are provided, although the District may require a deposit as provided below in subdivision (c) before beginning copying and/or sending the job to an outside

copy service, in which case the copy service's actual charges will be passed through to the requestor. No charge will be imposed for research.

~~e. c.~~ The District Secretary or designee may require a person who desires to obtain ~~a copy~~ of ~~a record~~ to deposit an amount equal to the estimated fees for copying prior to ~~starting reproduction~~ receiving the record. The portion of the deposit not ~~required~~ used for the costs of reproduction will be refunded. If the deposit is insufficient, the District ~~may~~ will require the requestor to pay any balance of copying charges due before any records are released.

## **200.90 Public Counter Records**

- a. Except for writings exempt from public disclosure, the District Secretary or designee will maintain a duplicate copy of the last approved Board meeting minutes and the agenda and written materials distributed to the Board for discussion or consideration at the next scheduled Board meeting. ~~These records will be maintained at the public counter located in the District's administrative office. Public records discussed during a public meeting but not previously available will be made available before the commencement of discussion at such meeting or as soon thereafter as practicable.~~
- b. Public counter records also include those public meeting documents described in subdivision (c) of section 200.50 of this Policy.
- c. No charge will be imposed for the use or review of the records described in this section. ~~However, the District will, however,~~ impose a copy charge if a copy of a public counter record is requested.
- d. The District also posts on its website copies of all public counter records, archived Board meeting minutes and agendas, current Board policies, and other important District documents. ~~Requestors are encouraged to view and obtain copies of available documents on the District's website by visiting: www.sswd.org.~~

## **200.95 Recording-Keeping**

The District Secretary or designee will maintain a record of all requests for records filed with the District, including those ~~inspection~~ that are denied and the reasons for the denial.

## **300.00 Retention, Disposal, and Storage**

### **300.10 Purpose and Scope**

This section provides criteria for the retention, destruction, and storage of records.

**300.20 Records Retention Schedule**

This is the District’s Records Retention Schedule, which has been adopted by the Board of Directors by Resolution 06-01 in accordance with Government Code sections 12236 and 60201, subdivision (b)(2), and reviewed at least biennially. –As provided by California law, the District will retain, store, and dispose of its records in accordance with this schedule and the requirements and procedures set forth in this policy. In accordance with Government Code sections 60201 and 60203, the District may keep a copy of any record listed in the schedule below either in its original form or as an electronic record stored in the District’s Records Management System, which is a trusted system within the meaning of Government Code section 60203(a).

**R = Legally required retention period.**

| <u>Title</u>  | <u>Minimum Retention Period</u> | <u>Notes/Comments</u> |
|---|---------------------------------|-----------------------|
| <b><u>Administration:</u></b>   |                                 |                       |
| Correspondence  | 3 years                         |                       |
| Policy and Procedures   | 7 years after cancellation      |                       |
| Formation/aecreditation   | Permanent                       |                       |
| Consumer confidence reports   | 10 years                        | <b>R</b>              |
| Oaths of office/ballots/other official materials related to election or appointment of directors and officers | Term of Office + 7 years        | <b>R</b>              |
| Filings with Secretary of State   | Permanent                       | <b>R</b>              |
| Work Orders/-Time Sheets  | 3 years                         |                       |
| Form 700 Statements of Economic Interests   | 7 years after filing            | <b>R</b>              |
| Form 801 Gift to Agency   | 7 years after filing            | <b>R</b>              |
| Form 470 annual Financial Disclosure Statements   | 7 years after filing            | <b>R</b>              |
| <b><u>Board of Directors:</u></b>   |                                 |                       |
| Agendas   | 53 years                        |                       |
| Meeting Notices   | 3 years                         |                       |
| Staff Reports   | 35 years                        |                       |
| Board and standing committee meeting minutes  | Permanent                       | <b>R</b>              |
| Ordinances and Resolutions  | Permanent                       | <b>R</b>              |
| Conflict of Interest Code   | Current + 3 years               | <b>R</b>              |
| Board policies and procedures   | Current + 3 years               | <b>R</b>              |

|  |                   |          |
|--|-------------------|----------|
| Ethics Code  | Current + 3 years | <b>R</b> |
| Proofs of Completion of Directors' and Designated Employees' Ethics Training | 5 years           | <b>R</b> |
|  |                   |          |
| <b><u>Committees:</u></b>  |                   |          |
| Agendas  | <u>5</u> 3 years  |          |
| Meeting notices  | 3 years           |          |
| Minutes  | Permanent         | <b>R</b> |
| Staff Reports  | <u>5</u> 3 years  |          |

| <u>Title</u>   | <u>Minimum Retention Period</u>   | <u>Notes/Comments</u>  |
|--|---|--|
| <b><u>Contracts:</u></b>   |   |  |
| Agreements and contracts   | 7 years following end of contract   | R  |
| Requests for proposal and requests for qualifications              | Contract Termination + 5 years  |  |
| Responses to requests for proposal and requests for qualifications | Contract Termination + 5 years and 2 years for all unaccepted proposals and qualifications                  | R  |
| <b><u>Capital Improvements:</u></b>                                |   |  |
| Capital improvement contracts                                      | 7 years following end of contract   | R  |
| Accepted and proposed bid documents                                | 5 years   |  |
| As-built plans/-documents  | Permanent or until facility is decommissioned and removed from service<br>7 years following end of contract |  |
| Unaccepted construction bids and proposals                         | 2 years   | R  |
| <b><u>Elections Materials:</u></b>                                 |   |  |
| General  | 3 years   |  |
| Special  | 3 years   |  |
| <b><u>Financial:</u></b>   |   |  |
|  | All categories below: Audit +   | Records of Grant-reimbursed expenses must be kept until state DOF audit complete |
| <b><u>Accounts payable</u></b>                                     | All categories below: - Audit +   |  |
|  | 2 years   |  |
| Correspondence   | 3 years   |  |
| A/P ledger/distribution journal                                    | 3 years   |  |
| Cash disbursements   | 3 years   |  |
| Payroll/stipend payments   | 3 years   | R  |
| Petty cash reports   | 3 years   | R  |
| Expense reports  | 3 years   | R  |
| Invoices   | 3 years   | R  |
| Purchase orders  | 3 years   | R  |
| Warrants   | 3 years   | R  |
| <b><u>Accounts Receivable</u></b>                                  |   |  |
| A/R register   | 3 years   |  |

|   |  |                              |
|---|--|------------------------------|
| Aged trial balance                                    | 3 years  |                              |
| Invoices  | 3 years  |                              |
| <b><u>Title</u></b>                                   | <b><u>Minimum Retention Period</u></b>           | <b><u>Notes/Comments</u></b> |
| <b><u>Audit Reporting</u></b>                         |  |                              |
| Correspondence  | 3 years  |                              |
| Reports   | 3 years  |                              |
| State Controller's report                             | Permanent  | R                            |
| Work papers   | 3 years  |                              |
| <b><u>Banking</u></b>                                 |  |                              |
| Correspondence  | 3 years  |                              |
| Bank confirmations                                    | 3 years  |                              |
| Bank reconciliations                                  | 3 years  |                              |
| Bank statements                                       | 3 years  |                              |
| Canceled and voided checks                            | 3 years  |                              |
| Deposit slips   | 3 years  |                              |
| Signature authorization                               | 3 years  |                              |
| <b><u>Financial Reporting</u></b>                     |  |                              |
| Correspondence  | 7 years  |                              |
| Reports and studies                                   | 7 years  |                              |
| Charts of accounts                                    | 7 years  |                              |
| Treasurer's reports                                   | 7 years  |                              |
| Accountant reports                                    | 7 years  |                              |
| <b><u>Ledgers</u></b>                                 | All categories below - Audit +<br>2 years        |                              |
| Account analysis                                      |  |                              |
| Balance sheets  |  |                              |
| General ledger  |  |                              |
| Journal entries                                       |  |                              |
| <b><u>Annual Budgets</u></b>                          | 2 years  |                              |
| <b><u>Issuance of Indebtedness:</u></b>               | All categories below: 4 years<br>after repayment | R                            |
| <b><u>Bond Insurance</u></b>                          | All categories below: 4 years<br>after repayment |                              |
| Trust indentures                                      | <b><u>4 years</u></b>                            | R                            |
| Funds management agreement                            | <b><u>4 years</u></b>                            | R                            |
| Other permanent bond records                          | <b><u>4 years</u></b>                            | R                            |
| Canceled checks for bond interest payments/redemption | 10 years   |                              |
| <b><u>Securities</u></b>                              |  |                              |
| Acquisition of securities                             | 3 years  |                              |
| Broker/-bank receipts                                 | 3 years  |                              |
| Periodic statements                                   | 3 years  |                              |
| <b><u>Personal Property</u></b>                       |  |                              |

|   |  |                              |
|---|--|------------------------------|
| Inventory   | 4-3 years                              |                              |
| Maintenance and inspection logs   | 4-3 years                              |                              |
| <b><u>Title</u></b>   | <b><u>Minimum Retention Period</u></b> | <b><u>Notes/Comments</u></b> |
| Computer licenses and documentation   | Until eExpiration/obsolescence         |                              |
| <b><u>Insurance:</u></b>  |  |                              |
| Memoranda of coverage   | Expiration + 5-3 years                 |                              |
| Insurance policies  | Expiration + 5-3 years                 |                              |
| Endorsements  | Expiration + 5-3 years                 |                              |
| Certificates of insurance   | Expiration + 5-3 years                 |                              |
| Coverage opinions   | Expiration + 5-3 years                 |                              |
| Surety/Fidelity Bonds   | Expiration + 5-3 years                 |                              |
| Required to be maintained by insurer  | 10 years                               |                              |
| <b><u>Legal:</u></b>  |  |                              |
| General correspondence  | 3 years                                |                              |
| Attorney correspondence   | 3 years                                |                              |
| Claims and claims records   | 2 years after close of claim           | R                            |
| Minor's claims  | 2 years from age of 18                 | R                            |
| Litigation  | 2 years after litigation concludes     | R                            |
| Opinions  | 7 years                                | R                            |
| <b><u>Membership:</u></b>   |  |                              |
| Membership records  | 7 years                                |                              |
| Program participation agreements  | <del>7</del> 10 years                  |                              |
| Appointment resolutions/letters   | 7 years                                |                              |
| <b><u>Personnel:</u></b>  |  |                              |
| Personnel files   | Permanent                              | R                            |
| Amount of compensation paid to Officers and Employees   | 7 years after date of payment          | R                            |
| Reimbursements, advances, and credit card payment records for Officer and Employee travel and other District-related expenses | 7 years after date of payment          | R                            |
| Job descriptions  | Current + 2 years                      | R                            |
| Time sheets   | Current + 4 years                      |                              |
| Call reports and logs   | Current + 4 years                      |                              |
| Employment Agreements   | Expiration/Termination + 4 years       |                              |
| Job applications and resumes (non-hires)  | 1 year                                 | R                            |
| Position advertisements   | 2 years                                | R                            |
| Employment testing results (non-  | 12 years                               | R                            |



|        |  |  |
|--------|--|--|
| hires) |  |  |
|--------|--|--|

| <u>Title</u>  | <u>Minimum Retention Period</u>  | <u>Notes/Comments</u> |
|---|--|-----------------------|
| OSHA logs and records   | 5 years  |                       |
| Safety and training records   | Employment + 4 years   |                       |
| Drug & alcohol program records  | 5 years  |                       |
| Form DE 34-New Employee Report  | 4 years  |                       |
| Form I9-Employment Eligibility  | 3 years after hire or 1 year after termination, whichever is later                               |                       |
| Harassment Training Records   | 2 years  |                       |
| <b><u>Real Property:</u></b>  |  |                       |
| Deeds and other documents related to real property interests  | Permanent  | R                     |
| Eminent domain  | Permanent  | R                     |
| Annexation and detachment   | Permanent  | R                     |
| <b><u>Tax-Related:</u></b>  |  |                       |
| Auditor's assessed valuation certificates   | 5 years  | R                     |
| District tax collection information   | 5 years  | R                     |
| <b><u>Miscellaneous:</u></b>  |  |                       |
| Other records Board determines to be of significant and lasting historical, administrative, financial, legal, or research value | Permanent  | R                     |
| Records not prepared or received nor required to be maintained pursuant to state or federal law                                 | 2 years  |                       |
| Other records prepared or received pursuant to state or federal law, but not expressly required to be maintained                | 3 years  |                       |
| Board meeting tape recordings   | After approval of minutes by Board or 30 days, whichever is later, if District chooses to record | R                     |

### 300.30 Retention of Other Records

- a. The District must retain the following records, regardless of any different destruction policy or schedule as to any identified record or records specified in the records retention schedule set forth in section 2300.2 above:
  - i. Any record of the District that is the subject of a pending request made under the California Public Records Act, Government Code sections 6250 through 6276.48, until the District has either (A) complied with the request or (B) waited at least two years after the record was withheld and written notice denying the request was provided to the requestor; **(R)**
  - ii. Documents related to pending public works projects not accepted by the District or to which a stop notice claim may be legally presented; **(R)**
  - iii. Documents related to any non-discharged District debt; and **(R)**
  - iv. Any document that has not yet fulfilled the administrative, fiscal, or legal purpose for which it was created or received by the District. **(R)**
- b. The District may dispose of the following records at any time, without maintenance of a copy:
  - i. Duplicates, the original, or a permanent photographic record of which is on file;
  - ii. ~~Rough~~ Working ~~Drafts~~, notes, and working papers prepared or kept by any employee or accumulated in the preparation of a communication, study or other document, unless of a formal nature contributing significantly to the preparation of the document, including but not limited to meter books after the contents thereof have been transferred to other records;
  - iii. Cards, listings, non-permanent indices, other papers used for controlling work and transitory files including letters of transmittal, suspense letters, and tracer letters;
  - iv. Canceled coupon sheets from registered bonds; and
  - v. Shorthand notebooks, telephone messages, and inter-departmental notes.

### **300.40 Records Storage**

All of the records referenced in this section will be maintained at the District's Administrative office located at 3701 Marconi Avenue, Suite 100, Sacramento, California 95821; ~~District facilities at 5331 Walnut Avenue, Sacramento, California 95841; 7800 North Antelope Road, Antelope, California 95843;~~ and/or such other repository that the District may designate from time to time. -All records requests should be directed to the District's administrative office at 3701 Marconi Avenue, Suite 100, Sacramento, California 95821.

### **300.50 Records Disposal**

The ~~General Manager~~District Secretary, or his or her designee, may destroy and discard, by any permanent method that protects the confidentiality of any privileged or confidential information contained therein, any District record after the expiration of the applicable retention period described in the above Records Retention Schedule.

### **400.00 Policy Review**

This policy shall be reviewed at least biennially.



## **Agenda Item: 20 b.**

**Date:** September 6, 2019

**Subject:** Rules for Proceeding of the Board of Directors (PL – BOD 002)

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

The Rules for Proceeding of the Board of Directors (PL – BOD 002) is scheduled for its biennial review. The subject policy was originally adopted by the Board on February 20, 2002, and last revised on October 16, 2017.

Staff and legal counsel are recommending clerical and clarification changes, in addition to one policy adjustment in the following section:

Rule 7 – Conflicts of Interest, page 3, minor changes to confirm the language to the recently amended Fair Political Practices Commission conflict of interest regulations. Those changes also delete some redundant language.

The policy is scheduled for Board consideration and adoption at the October 2019 regular Board meeting. If a Director wishes to comment on the policy, please provide those comments to staff by Monday, October 7, 2019. If no comments are received by any Director, this policy will be placed on the Consent agenda.

**Fiscal Impact:**

Adopting the policy updates does not have a fiscal impact.

**Strategic Plan Alignment:**

Goal B: Optimize Operational and Organizational Efficiencies

This policy is a benefit for District customers as it provides fundamental principles of parliamentary law, protects the rights of Board members and those they represent, sets the deliberative process so their views are heard, and protects against instability.

**Attachment:**

1 – Records Inspection Retention and Disposal Policy - redlined

Sacramento Suburban Water District

**Rules for Proceedings of the  
Board of Directors**

Adopted: February 20, 2002

~~Revised~~Approved with Changes: November 12, 2007; September 15, 2008; September 20,  
2010; December 19, 2011; December 16, 2013; January 25, 2016; October 16~~XX~~, 2019~~7~~.

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**Introduction**

These are the rules for proceedings of the Board of Directors of Sacramento Suburban Water District. (See Water Code section 30530.) The purposes of these rules are to facilitate public participation during meetings of the Board, protect the rights of all Directors and to provide a process for conducting Board meetings in an orderly and efficient manner. The provisions of the County Water District Law (see Water Code sections 30000, *et seq.*), Brown Act (Government Code section 54950, *et seq.*) and any other applicable law will control over any inconsistent provision contained in these rules.

**Rule 1 – Selection of Officers**

The President and Vice-President of the Board will be elected by the members of the Board for a one year term. The election will be held at the first regular meeting in December of each year or at any earlier special meeting called for the purpose of swearing in new members and organizing the Board. (See Water Code section 30520 and Elections Code section 10554.) The remaining provisions of this paragraph will be considered discretionary guidelines for the Board to follow in selecting its President and Vice-President, and will not be binding on the Board. The Board will normally follow a rotation for the election of President and Vice-President under which the Vice President will normally be elected President at the conclusion of the President's one year term. If the membership on the Board of the President is terminated before the expiration of his or her one year term of office, the Vice-President will automatically become the President for the balance of that term.

In the event of a contested election, the following is the recommended procedure for nominating and selecting the Board President or Vice President: (1) the then-presiding President should open nominations and ask if there are there any nominations for the contested office; (2) any Director then may make a nomination -- e.g., "I nominate Director X" -- no second is required for a nomination, although sometimes one or more Directors will second a nomination to indicate endorsement (a Director may nominate himself or herself, but nominations cannot be accepted from members of the public); (3) a Director may decline a nomination; (4) when it appears that no one else wishes to make a nomination, the President should ask if there are additional nominations -- if there is no response, the President then should declare that the nominations for the office are closed and state the names of the nominees (it is unnecessary to have a motion to close the nominations); (5) after nominations have been closed, nominations

may be reopened only by a motion, second and majority vote to reopen them; (6) after nominations have been closed and before the vote, the public should be provided an opportunity to comment on the agenda item; (7) the President then should call for votes on the nominees by a roll call vote on each nominee, and each Director should cast his or her yea or nay vote on each nominee, e.g., “For the first nominee for President, Director X, please state your vote by yea or nay;” (8) nominees should be voted on in the order in which they are nominated and the process should continue until there is a majority approval of one of the nominees; and (9) as soon as one of the nominees receives a majority vote, the President should declare that person elected to the office and no vote is taken on any remaining nominees.

The Board will by majority vote appoint a Secretary and Treasurer, who will serve at the pleasure of the Board. (See Water Code sections 30540-30543.)

## **Rule 2 – Duties of President of the Board**

The President of the Board of Directors will be its presiding officer. (See Water Code section 30520.) The President's duties will include, but not be limited to, the following: acting as the liaison between the General Manager and the Board, calling special meetings of the Board, presiding over meetings of the Board, establishing and appointing committees of the Board, and appointing representatives of the District to associations of which the District is a member or in which it has a significant interest. The Board will appoint representatives of the District to joint powers authorities of which the District is a member. In the President's absence, the Vice-President of the Board will perform such duties. If both the President and Vice-President are absent from a noticed public meeting, the remaining three Board members will choose one of their number to preside.

## **Rule 3 – Time and Place for Regular Meetings**

The regular monthly meeting of the Board of Directors will be held in the Boardroom at the District's administrative office (3701 Marconi Avenue, Suite 100, Sacramento, California) on the third Monday of each month, commencing at 6:30 p.m. (6:00 p.m. starting January 2018) except that the January regular Board meeting will be held on the fourth Monday of that month due to the Martin Luther King, Jr. Holiday and the February meeting will be held on the Monday following President's Day Holiday. The location, day and time for holding regular meetings may be changed by the Board of Directors from time to time by resolution. If a regular meeting falls on a different holiday (as listed in Government Code section 6700), the meeting will be held on the day designated by the Board by minute order. (See Government Code section 54954(a).)

## **Rule 4 – Quorum Requirements**

The Board of Directors consists of five members. Three members of the Board will constitute a quorum for the transaction of business. (See Water Code section 30524 and Resolution 04-09, adopted April 19, 2004).

### **Rule 5 – Majority Vote**

Three members of the Board will be required to approve any ordinance, resolution or motion, unless a different voting requirement to approve a particular action is specified under State law. (See Water Code section 30525.)

### **Rule 6 – What Constitutes an Affirmative Vote**

Unless a Director is not voting because of a conflict of interest, a Director who is present for a vote on a matter before the Board will be deemed to have voted in the affirmative on a matter unless the Director votes against the measure by casting a "no" vote. An "abstain" vote will constitute an "aye" vote. (See *Dry Creek Valley Association, Inc. v. Board of Supervisors* (1977) 67 Cal.App.3d 839.) When calling for the vote on a motion, the President of the Board may (a) call for "aye" and "no" votes, or (b) ask if there are any "no" votes, since the remaining Directors present will be deemed to have voted in the affirmative unless they are not voting due to a conflict of interest.

### **Rule 7 – Conflicts of Interest**

A member of the Board may not make, participate in making or in anyway attempt to use his or her official position to influence a decision of the Board of Directors in which he or she knows or has reason to know that he or she has a financial interest. (Government Code section 87100.) Generally, a Director has a financial interest in a matter if it is reasonably foreseeable that the Board decision would have a material financial effect, ~~(as defined and analyzed under by the Fair Political Practices Commission's ["FPPC"] regulations,)~~ that is distinguishable from the effect on the public generally, involving the dollar amounts set by FPPC regulations from time to time, on (a) a business entity in which the Director has a direct or indirect investment ~~in the amount specified in FPPC regulations,~~ (b) real property in which the Director has a direct or indirect investment interest, ~~with a worth in the amount specified in FPPC regulations,~~ (c) a source of income of the Director, ~~in the amount specified in FPPC regulations,~~ within twelve months before the Board decision, (d) a source of gifts to the Director, ~~in the amount specified in FPPC regulations,~~ within twelve months before the Board decision, or (e) a business entity in which the Director holds a position as a director, trustee, officer, partner, manager or employee. An "indirect interest" means any investment or interest owned by the spouse or dependent child of the Director, by an agent on behalf of the Director, or by a business entity or trust in which the Director, or the Director's spouse, dependent child or agent owns directly, indirectly or beneficially a ten percent interest or greater. (Government Code section 87103.)

If a member of the Board believes he or she may be disqualified from participation in the discussion, deliberations or vote on a particular matter due to a conflict of interest, the following procedure will be used: (a) if the Director becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Director will notify the General Manager of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest; (b) if it is not possible for the Director to discuss the potential conflict with the General Manager before the meeting, or if the Director does not become aware of the potential conflict until during the meeting, the Director will

immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest; and (c) upon a determination that there is a disqualifying conflict of interest, the Director (1) will not participate in the discussion, deliberation or vote on the matter for which a conflict of interest exists, and (2) leave the Board room until after the discussion, vote and any other disposition of the matter has been concluded, unless the matter has been placed on the consent agenda, except that the Director may speak on the matter during the time that the general public speaks on the matter. In such a case, the Board minutes will state: –“Due to a potential conflict of interest, Director \_\_\_\_\_ did not participate in the discussion, deliberation or vote on this matter.”

A Board member also is prohibited from having a financial interest in a contract with the District, or be purchaser at a sale by the District or a vendor at a purchase made by the District, unless the Board member’s participation is authorized under Government Code section 1090, 1091 or 1091.5, or other provisions of law. Any Director who has a prohibited interest in a contract proposed to be made by the District should declare the conflict as soon as it becomes known and the Board will not consider or take any further action in regard to such contract.

### **Rule 8 – Motions**

The three steps for bringing a motion before the Board are: (a) a Director makes a motion, (b) another Director seconds the motion, and (c) the President states the motion. Once the motion has been stated by the President, it is open to formal discussion. While only one motion can be considered at a time, and a motion must be disposed of before any other question is considered, (a) a motion may be amended before it is voted on, either by the consent of the Directors who moved and seconded, or by a new motion and second, which is then approved by the Board, or (b) a motion may be tabled before it is voted on by motion made to table, which is then seconded and approved by the Board, or (c) a motion may be rejected without further discussion of or action on the motion by a motion of “objection to consideration,” which is then seconded and approved by the Board, or (d) further discussion of a motion can be terminated by a motion “to call the question,” which is then seconded and approved by the Board. Any Director, including the President, may make or second a motion.

### **Rule 9 – Protection of Rights of Directors**

One of the primary purposes for these rules of procedure is to protect the rights of all Directors. The President will allow each Director a reasonable opportunity to discuss a motion, after it has been made and seconded, and before it has been voted on. The President can set reasonable time limits for discussion of a motion. A Director can object to a procedural ruling by the President by stating: “Mister/Madam President, I rise to a point of order.” The President must then ask the Director to state the point of order. The President will then rule on the point of order. The President’s ruling on a point of order may be appealed by a motion made and seconded to appeal the decision, which is then voted on by the Board.

### **Rule 10 – Record of Vote**

Except where action is taken by the unanimous vote of all Board members present and



voting, the ayes and noes taken upon the passage of all ordinances, resolutions or motions will be entered upon the minutes. (See Water Code section 30526.)

### **Rule 11 – Ordinances**

The enacting clause of all ordinances passed by the Board will be: "Be it ordained by the Board of Directors of Sacramento Suburban Water District as follows:" (See Water Code section 30527.) All ordinances will be signed by the President and attested by the Secretary. (See Water Code section 30528.)

### **Rule 12 – Agenda and Agenda Materials**

In consultation with the Board President, the General Manager will be responsible for preparing the agenda for regular Board meetings and meetings of standing and *ad hoc* committees (see Government Code section 54952 and Rule 22), and having the agenda for regular Board meetings and standing committee meetings posted at the District office in a location freely accessible to the public no later than seventy-two hours before a regular meeting and on the District's website. The agenda will specify the time and location of the meeting and contain a brief, general description of each item of business to be transacted or discussed at the meeting, including closed session items. (See Government Code section 54954.2.) Any member of the Board may request the General Manager to place an item for discussion or action on the agenda. In order to allow sufficient time to prepare the agenda and back-up materials, the deadline for adding items to the agenda for a regular meeting will be at 4 p.m., seven working days before the meeting. Any member of the public may make a request to the Board at any regular meeting to place an item for discussion on a future agenda, but such a request will be honored only if a majority of the Board approves by motion or consensus.

An agenda for a regular or special Board meeting will contain the following statements: (a) "The public may address the Board concerning an agenda item either before or during the Board's consideration of that agenda item." (See Government Code section 54954.3(a).); (b) "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." (See Government Code section 54957.5(b)(2).); and (c) "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 [insert the name and telephone number of the person designated by the General Manager]. Requests must be made as early as possible, and at least one-full business day before the start of the meeting." (See Government Code section 54954.2(a).).

### **Rule 13 – Requests for Copies of Agendas and Agenda Materials**

Any person may request the District to mail or electronically mail him or her a copy of the agenda or agenda packet for any meeting of the Board. When the District receives such a request, the General Manager or his/her designee will distribute copies of the requested materials (except for documents that are exempt from disclosure under the Public Records Act) to the

requesting party at the time that the agenda is posted or when the agenda packets are distributed to a majority of the Board members, whichever occurs first. Any request for copies of agendas or agenda packets for all Board meetings in a given year will be valid for the calendar year in which the request is submitted, and the request must be renewed after January 1 of each year in which it is to remain in effect. (Government Code section 54954.1.)

Documents that are distributed to all or a majority of the members of the Board by any person in connection with a matter subject to discussion or consideration at a regular or special meeting of the Board will be disclosable public records under the California Public Records Act (commencing with Government Code section 6250), and will be made available upon request by a member of public without delay, except as to documents that are exempt from disclosure under the Public Records Act. Any public documents related to an open session agenda item that are distributed to all or a majority of Board members by staff or any third party less than 72 hours before a regular Board meeting will be made available for public inspection at the same time. Such documents will be available for public inspection in the customer service area of the District's Administrative Office. Documents that are distributed during a regular or special Board meeting that are subject to disclosure under the Public Records Act will be made available for public inspection at the meeting, if prepared by the District or a member of the Board, or after the meeting, if prepared by some other person. The District may charge a fee for responding to requests for copies of agendas, agenda packets or other documents, which fee will be limited to the District's copying and postage costs as provided in the District's Records Inspection, Retention, and Disposal, ~~and~~ Storage Policy (PL - Adm 002). (See Government Code section 54957.5(a) and (b).)

Upon request, the agenda and other documents referred to in this rule will be made available in an appropriate alternative format to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. section 12132) and the federal rules and regulations adopted in implementation thereof. (See Government Code sections 54954.1, 54954.2(a) and 54957.5(b).) The District will not charge a special surcharge to provide documents requested in an alternative format by a person with a disability in accordance with the Americans with Disabilities Act and its implementing regulations. (See Government Code section 54957.5(c).)

If the District records the meeting, it will retain the recording for at least thirty days following the meeting, after which it may be erased or destroyed. The public may inspect the recording on a computer made available by the District, without charge. (See Government Code section 54953.5(b).)

#### **Rule 14 – Authority to Act on Matters Not on the Agenda**

The Board will not take action on or discuss any item not appearing on the posted agenda, except under the following conditions, in which cases the item will be publicly identified before discussion begins: (a) upon a determination by a majority of the Board that an emergency situation exists, as further described in Rule 25 hereof; (b) upon a determination by a two-thirds vote of the Board members present at the meeting, or, if less than two-thirds of the members of the Board are present, a unanimous vote of those members present, that the need to take

immediate action became apparent after the agenda was posted; or (c) the item was posted for a prior meeting of the Board occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken. (See Government Code sections 54954.2 and 54956.5.)

### **Rule 15 – Consent Agenda**

The General Manager may list on the agenda a “consent agenda,” which will consist of routine matters on which there is generally no opposition or need for discussion. Examples of consent agenda items might include approval of minutes, financial reports and routine resolutions. Any matter may be removed from the consent agenda and placed on the regular agenda at the request of any member of the Board. The entire consent agenda may be approved by a single motion made, seconded and approved by the Board.

### **Rule 16 – Oral Informational Reports**

Any member of the Board may make an oral report at a regular meeting for the purpose of informing the Board of any matter of interest to the District. Regular meeting agendas will include specific items for Directors’ reports and comments. The Board also may call on the General Manager, District staff or District legal counsel for oral informational reports on matters not on the agenda. Unless the Board makes the determinations required under Rule 14, there will be no more than limited discussion, and no action, on matters covered in such oral reports. (See Government Code section 54954.2(a).)

### **Rule 17 – ~~Public Forum and Comment~~Participation**

Every agenda for a regular meeting will provide an opportunity for members of the public to directly address the Board on items of interest that are within the subject matter jurisdiction of the Board and that do not appear on the agenda. This agenda item will be described substantially as follows: “Opportunity for public comment on non-agenda items within the Board’s jurisdiction.” During the Public Forum, the Board may, at its discretion, not respond, briefly respond to statements made or questions posed by the public, or ask District staff for clarification, refer the matter to District staff or ask District staff to report back at a future meeting. (See Government Code sections 54954.2 and 54954.3.) The Board will not take action on any matter raised during the Public Forum, unless the Board first makes the determinations set forth in Rule 14. In order to facilitate public participation during the Public Forum session of the meeting, the Board may limit the total amount of time allocated for public comment on a particular issue (ten minutes or less normally will be standard), and may limit the time allocated for public comment by an individual speaker (three minutes or less normally will be standard). The President may declare any comment as out of order, irrelevant, repetitious or disruptive. (See Government Code section 54954.3.)

It is the general policy of the Board to refer to the General Manager for resolution complaints received from members of the public. If the complaint cannot be resolved, the General Manager will place it on a future meeting agenda for consideration by the Board.

The public may address the Board concerning an agenda item during a regular or special Board meeting, including commenting on the closed session agenda prior to the Board adjourning into closed session, either before or during the Board's consideration of that agenda item. (See Government Code section 54954.3(a).)

These rules are not intended to prohibit public criticism of policies, procedures, programs or services of the District, or of the acts or omissions of the Board. (See Government Code section 54954.3(c).)

In the event that any meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting infeasible, and order cannot be restored by the removal of individuals who are willfully interrupting the meeting, the Board may order the meeting room cleared and continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, will be allowed to attend any session held pursuant to this section. Nothing in this section will prohibit the Board from readmitting an individual or individuals not responsible for disturbing the orderly conduct of the meeting. (See Government Code section 54957.9.)

### **Rule 18 – Public Hearings**

The procedure for conducting public hearings during a meeting of the Board will be as follows: (a) no earlier than the time set for the public hearing, the President of the Board will declare the public hearing open; (b) the President will ask the General Manager whether notice of the public hearing has been given in the manner required by law; (c) the President will ask the General Manager whether written comments on the subject matter of the public hearing have been received; (d) the President will ask whether any member of the public wishes to present written or oral comments on the subject of the public hearing; (e) in its discretion, the Board may set time limits on the amount of time an individual speaker is allowed to comment orally during the public hearing; and (f) following the close of presentation of comments and before any Board discussion and action on the subject matter, the President will declare the public hearing closed. The Board may continue a public hearing from time to time. ~~A public hearing may be continued~~ in accordance with the procedures described in Rule 19. (See Government Code section 54955.1.)

### **Rule 19 – Adjournment**

A meeting of the Board will be adjourned by (a) loss of a quorum, (b) by declaration of the President that the meeting is adjourned when the agenda has been completed and there is no further business to come before the Board, or (c) by motion made, seconded and approved to adjourn the meeting. A regular or special meeting of the Board may also be adjourned for the purpose of continuing it to a specific day and time (a) by motion made, seconded and approved by a majority of the Board, (b) by approval of less than a quorum if a quorum is not present, or (c) by the Secretary of the Board if all members are absent from any regular or adjourned regular meeting. A copy of the order or notice of adjournment to continue a meeting to another date will be conspicuously posted on or near the door of the District office where the meeting was held

within twenty-four hours after the time of adjournment. (See Government Code section 54955.)

### **Rule 20 – Special Meetings**

A special meeting may be called at any time by the President or by a majority of the members of the Board, by delivering personally or by any other means, including mail, facsimile and electronic mail, written notice to each member and to each newspaper, radio or television station requesting notice in writing. Such notice must be received at least twenty-four hours before the time of such meeting as specified in the notice to constitute notice of the special meeting (except as to emergency meetings, in which case, the notice requirements specified in Rule 25 will be followed). Electronic mail will constitute notice of a special meeting only if the recipient confirms receipt, and it will be deemed to be received at the time of such confirmation. The call and notice for a special meeting must specify the time and place of the special meeting and the business to be transacted, and must include the statements specified in Rule 12. No other business will be considered at such meeting. The written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the District Secretary a written waiver of notice. Waiver may be given in person or by mail, facsimile, electronic mail or telegram. Such written notice may also be dispensed with as to any member who was actually present at the meeting at the time it convenes. Notice of a special meeting must also be posted at least twenty-four hours before the meeting in a location freely accessible to the public and on the District's website. (See Government Code sections 54954.3(a) and 54956.)

### **Rule 21 – Board Workshop Meetings**

From time to time, the Board may set a regular or special meeting to be conducted as a “workshop meeting,” during which the Board would have the opportunity to receive presentations on and discuss matters identified on the agenda, but the Board would not normally take action on those items. Nothing in this rule is intended to prevent the Board from taking action on a matter during a workshop session if it is identified as an item for possible action on the agenda for that meeting.

### **Rule 22 – Board Committees**

Board committees will be composed of less than three Directors, and may be either standing committees or *ad hoc* advisory committees. A Board standing committee has continuing subject matter jurisdiction. (See Government Code section 54952.) In accordance with Rule 12, standing committee meetings will be open to the public (except for authorized closed sessions), and the agenda for those meetings will be posted in the same manner as the agenda for regular Board meetings. In addition, the President may from time to time establish, and appoint the members of, *ad hoc* advisory committees to serve a limited or single purpose, which committees are to be dissolved once their specific task is completed. The meetings of an *ad hoc* advisory committee are not required to be open to the public, and notice of such meetings is not required to be posted. (See Government Code sections 54951 and 54952.)

Directors who are not members of a standing committee may attend a standing committee meeting only as observers, and they may not participate in the committee meeting, ask questions

or sit with the committee members at the Board table. (See subsection (c)(6) of Government Code section 54952.2.) Directors who are not members of an *ad hoc* committee may not attend an *ad hoc* committee meeting.

### Rule 23 – Closed Sessions

A closed session may be held on any subject authorized under the Brown Act. The agenda for a regular or special meeting will contain a brief, general description of the purpose of a closed session, in substantially the following form:

a. Conference with legal counsel--existing litigation; Government Code sections 54954.5(c) and 54956.9(a) and (d)(1); \_\_\_\_\_ v. \_\_\_\_\_ [insert name of case, e.g., *Jones v. District*].

b. Conference with legal counsel--existing litigation; Government Code sections 54954.5(c) and 54956.9(a) and (d)(1); case name unspecified because \_\_\_\_\_ [insert either “disclosure would jeopardize service of process” or “disclosure would jeopardize existing settlement negotiations”].

c. 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 \_\_\_\_\_ [describe].

d. Conference with legal counsel--anticipated litigation; Government Code sections 54954.5(c) and 54956.9(a) and (d)(4); consideration of initiation of litigation involving \_\_\_\_\_ [describe or specify only number of cases if confidentiality is required or deemed necessary].

e. Public employee appointment involving \_\_\_\_\_ [insert position(s) to be filled]; Government Code sections 54954.5(e) and 54957(b)(1).

f. Public employee performance evaluation involving \_\_\_\_\_ [insert position(s) being reviewed]; Government Code sections 54954.5(e) and 54957(b)(1).

g. Public employee discipline/dismissal/release; Government Code sections 54954.5(e) and 54957(b). [No additional information required.]

h. Conference with labor negotiator involving \_\_\_\_\_ [insert name of District negotiator] and \_\_\_\_\_ [insert name of employee organization involved in negotiation]; Government Code sections 54954.5(f) and 54957.6.

i. Conference with labor negotiator involving \_\_\_\_\_ [insert name of District negotiator] and unrepresented employee(s) in position(s) of \_\_\_\_\_ [insert position(s) of unrepresented employee(s) involved in negotiation]; Government Code sections 54954.5(f) and 54957.6.

j. Conference with real property negotiator involving the purchase, sale, lease or exchange of \_\_\_\_\_ [insert street address or other description of property], \_\_\_\_\_ and \_\_\_\_\_ [insert name of District negotiator(s)], District negotiator(s), will negotiate with \_\_\_\_\_ [insert name of other party(ies)]. Instructions to the negotiator(s) may include price, terms of payment, or both. (See Government Code sections 54954.5(b) and 54956.8.)

k. Closed session consultation [insert the name, if applicable, of a law enforcement agency, and the title of the officer, or the name of an applicable agency representative (legal counsel or security officer) and title] concerning a threat to public services or facilities, or for the assessment of the security vulnerability of public facilities. (See Government Code sections 54954.5(e) and 54957(a).)

The Board will not keep minutes of its closed sessions. (See Government Code section 54957.2.) In the closed session, the Board will consider only those matters covered in its statement of reasons for holding the closed session. (See Government Code section 54957.7.)

Before holding a closed session to consider complaints or charges against a particular employee (as distinguished from evaluation of performance unrelated to any specific complaint or charge), the District will provide twenty-four hours' advance written notice to the employee of his or her right to have the matter heard in open session. If the employee requests, the complaint or charges must be heard in open session. (See Government Code section 54957(b)(2).)

A closed session may be held to meet with the District's negotiator regarding the salary and benefits of District officers and employees, but not including elected officials, but the District's available funds, funding priorities or budget will not be discussed during the closed session except to the extent necessary to permit the Board to provide instructions to its designated labor negotiator(s). (See Government Code section 54957.6.)

Following every closed session, the Board will reconvene to open session and publicly report any action and vote during the closed session in accordance with the following guidelines:

a. For action concerning final approval of a real property purchase, sale or exchange agreement or lease, report in open session at the same meeting the action taken (including the substance of the agreement) and vote, except that, if final approval rests with another party, the report may be deferred until the other party's approval. (See Government Code section 54957.1(a)(1).)

b. Approval given to legal counsel to defend or initiate a lawsuit, or seek appellate review will be reported in open session at the public meeting during which the closed session was held. (See Government Code section 54957.1(a)(2).)

c. Approval given to legal counsel to settle pending litigation or action taken to dispose of a claim will be reported in open session as soon as the settlement or claim disposition becomes final. (See Government Code section 54957.1(a)(3) and (4).)

d. For action to appoint, employ or dismiss, accept the resignation of, or otherwise affect the employment status of an employee, the Board will report in open session at the same meeting the action taken (including identity of employee or position and any change in compensation) and vote, except that, for any dismissal or non-renewal of a contract, the report back may be deferred until the first meeting after the exhaustion of administrative remedies. (See Government Code section 54957.1(a)(5).)

e. For action concerning a labor MOU, after the MOU has been approved by both parties, the Board will report in open session the action taken and vote. (See Government Code section 54957.1(a)(6).)

The District will make available after a closed session to anyone who has requested them in advance, agreements or other documents approved in closed session, unless the document needs to be revised, in which case it will be provided as soon as possible. After the closed session, changes to the agreement will be orally summarized if anyone present so requests. (See Government Code section 54957.1(b).)

A Director is not authorized, without prior approval of the Board of Directors, to disclose information that qualifies as confidential information under applicable provisions of law to a person not authorized to receive it, that (1) has been received for, or during, a closed session meeting of the Board, (2) is protected from disclosure under the attorney/client or other evidentiary privilege, or (3) is not required or authorized to be disclosed under the California Public Records Act.

A Director is not prohibited from taking the following actions in regard to a closed session of the Board: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the Board, (2) expressing an opinion concerning the propriety or legality of actions taken by the Board in closed session, including disclosure of the nature and extent of the allegedly illegal action, or (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (1) or (2), above, however, a Board member will first bring the matter to the attention of either the President of the Board or the full Board, to provide the Board an opportunity to cure an alleged violation.

A Director's violation of the duty to protect closed session confidences may be remedied as provided in Government Code section 54963(c). A Director who willfully and knowingly discloses for pecuniary gain confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code section 1098.

(See Government Code section 54963, and 76 Ops.Cal.Atty.Gen. 289, 290 (1993) and 80 Ops.Cal.Atty.Gen. 231 (1997).)

#### **Rule 24 – Meetings by Teleconference**

The Board may hold meetings by teleconference. (See Government Code section



54953(b).) For purposes of this rule, “meetings by teleconference” include meetings at which one or more Board member attends and participates in the meeting by telephone, video conferencing or any other electronic means using live audio or video, or both. For any meeting by teleconference conducted by the Board, the following requirements will apply:

a. At least a quorum of the Board must participate in the teleconference meeting from locations within the District’s boundaries and each teleconference location (i.e., the location from which one or more Board members attends and participates in a meeting by teleconference) will be accessible to the public.

b. When meetings by teleconference are held by telephone, speaker phones that allow all persons attending the meeting to hear and be heard will be used at the main meeting location and at any teleconference location where there are members of the public in attendance.

c. All votes taken at a meeting by teleconference will be by roll call.

d. The Board will conduct the meeting by teleconference in a manner that protects the statutory and constitutional rights of parties and the public to attend and participate in the meeting.

e. Each teleconference location will be identified in the regular meeting agenda or special meeting notice, and the agenda or notice will state that members of the public will have the opportunity to address the Board from any teleconference location.

f. Notice of any meeting by teleconference will be included in the meeting agenda or special meeting notice in substantially the following form:

“All or portions of this meeting will be conducted by teleconference in accordance with Government Code section 54953(b). The teleconference location(s) for the meeting are as follows: \_\_\_\_\_.  
Each teleconference location is accessible to the public, and members of the public may address the Board of Directors from any teleconference location.”

g. In addition to the usual notice and agenda requirements, the regular meeting agenda or special meeting notice will be posted at all teleconference locations at least seventy-two hours before regular meetings or twenty-four hours before special meetings.

### **Rule 25 – Emergency Meetings**

Under Government Code section 54956.5, a meeting to address an emergency may be held if a majority of the Board determines that a situation exists which involves matters upon which prompt action is necessary. An emergency situation is defined as: (1) a work stoppage, crippling activity, or other activity that severely impairs public health, safety, or both; or (2) a dire emergency, which shall be defined as a crippling disaster, mass destruction, terrorist act, or threatened terrorist activity that poses peril so immediate and significant that requiring the Board

to provide one-hour notice before holding an emergency meeting may endanger the public health, safety, or both.

As a condition of holding an emergency meeting, the Board President or his/her designee shall provide notice of the meeting by telephone to each local newspaper of general circulation, radio station and television station that has requested notice of special meetings. For a meeting for a “non-dire emergency” (Definition 1, above), the telephone notice must be provided at least one hour prior to the emergency meeting. In the case of a meeting for a “dire emergency” (Definition 2, above), the telephone notice must be provided to the media at or near the same time as notice is given to the members of the Board. In the event that telephone services are not functioning, the notice requirements of this section shall be deemed waived, and the legislative body, or designee of the legislative body, shall notify those newspapers, radio stations, or television stations of the fact of the holding of the emergency meeting, the purpose of the meeting, and any action taken at the meeting as soon after the meeting as possible.

The Board may meet in closed session upon approval by a two-thirds vote of the Board (or the unanimous vote of the Board if less than two-thirds are present) to discuss security or employment matters related to the emergency situation. (See Government Code sections 54956.5(c) and 54957.)

With the exception of the 24-hour notice and posting requirements and any other exceptions provided in herein, all special meeting requirements described in Rule 20 shall be applicable to an emergency meeting called pursuant to this Rule.

The draft minutes of an emergency meeting called under this Rule must be posted in a public place for a minimum of 10 days as soon after the meeting as possible, and include a list of persons who the Board President or his/her designee notified or attempted to notify of the meeting, if applicable, any actions taken at the meeting, and a recording of any votes taken by roll call. (See Government Code section 54956.5(e).)

### **Rule 26 – Amendment of Rules**

By motion made, seconded and approved, the Board in its discretion may at any meeting (a) temporarily suspend these rules in whole or in part, (b) amend these rules in whole or in part, or (c) both, as long as any amendment or suspension is otherwise consistent with the Brown Act and other applicable laws. Unless amended earlier, District staff will review these Rules for Proceedings biennially and recommend changes for Board consideration and action.