

# **Agenda**

## **Sacramento Suburban Water District**

### **Regular Board Meeting**

3701 Marconi Avenue, Suite 100  
Sacramento, California 95821

Monday, January 27, 2020  
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**

#### **Election of District Officers**

1. Election of District Officers – Appointment of District Secretary and Treasurer

#### **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.

2. Minutes of the December 16, 2019 Regular Board Meeting  
*Recommendation: Approve subject minutes.*
3. Training and Career Development Policy (PL – HR 004)  
*Recommendation: Approve subject policy with changes.*
4. Resolution No. 20-01 Honoring Einar Maisch on His Retirement  
*Recommendation: Adopt subject resolution.*
5. Resolution No. 20-02 A Resolution of the Board of Directors of the Sacramento Suburban Water District Authorizing Bank Account Signatories  
*Recommendation: Adopt subject resolution.*
6. Water Service Charges and Rate Setting Policy (PL - Fin 009)  
*Recommendation: Approve the subject policy with changes.*

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

7. 2020 – 2024 Water Transfer Program  
*Recommendation: Receive written staff report and consider approving delegation of authority to General Manager to conduct a five-year water transfer program.*
8. Sacramento Suburban Water District and Del Paso Manor Water District 2x2 Ad-Hoc Committee  
*Recommendation: Receive written staff report and direct staff as appropriate.*
9. New Policy – Disconnection of Residential Water Service Policy (PL – CS 001); Resolution No. 20-03, A Resolution of the Board of Directors of the Sacramento Suburban Water District Amending Regulations Nos. 2, 3, 5 and 6 of the Regulations Governing Water Service and Adopting Disconnection of Water Service Policy; Updates to Regulations Nos. 2, 3, 5 and 6.  
*Recommendation: Approve subject Policy, Resolution, updates to Regulations Nos. 2, 3, 5 and 6.*
10. Hemlock Street Mortar Lined Steel Pipeline Leak  
*Recommendation: Approve claim for property damage due to water leak.*

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

11. General Manager's Report
  - a. Sacramento Region Water Utility Collaboration Study Update
  - b. CY2019 Capital Improvement Program

- c. McClellan Business Park and County of Sacramento Successor Agreements
- d. Del Paso Manor Water District On-Call Water Services Agreement

**Assistant General Manager's Report**

- 12. Assistant General Manager's Report
  - a. Regional Water Supply/Wheeling Opportunities Update
  - b. Placer County Water Agency Agreement

**Department/Staff Reports**

- 13. Financial Report
  - a. Draft - Financial Highlights – December 2019
  - b. Draft - Financial Statements – December 2019
  - c. Investments Outstanding and Activity – December 2019
  - d. Cash Expenditures – December 2019
  - e. Credit Card Expenditures – December 2019
  - f. Directors Compensation and Expense Accounting – Fourth Quarter 2019
  - g. Draft - District Reserve Balances – December 2019
  - h. Information Required by LOC Agreement
  - i. Financial Markets Report - December 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 (Director Jones)  
Agenda for the January 9, 2020 meeting.  
  
Regional Water Authority Executive Committee (General Manager York)  
Agenda for the January 22, 2020 meeting.
- b. Sacramento Groundwater Authority (Director Wichert)  
None.
- c. Water Caucus Meeting (General Manager York)  
None.
- d. Water Forum Successor Effort (General Manager York)  
None.
- e. Other Reports – AB 1234

**Information Items**

17. 2019 Budget Reallocations
18. Human Resources and Succession Plan Semiannual Report
19. Legislative and Regulatory Update
20. Upcoming Water Industry Events
21. Upcoming Policy Review
  - a. Debt Management Policy (PL - Fin 011)
  - b. Electronic Mail, Internet and Computer Use Policy (PL – IT 005)

**Miscellaneous Correspondence and General Information**

22. Correspondence received by the District

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

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

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

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

**Adjournment**

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**Upcoming Meetings**

Thursday, February 13, 2020 at 1:00 p.m., Facilities and Operations Committee Meeting  
Monday, February 24, 2020 at 6:00 p.m., Regular Board Meeting

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I certify that the foregoing agenda for the January 27, 2020 meeting of the Sacramento Suburban Water District Board of Directors was posted by January 24, 2020 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



## Agenda Item: 1

**Date:** January 3, 2020

**Subject:** Election of District Officers - Appointment of District Secretary and Treasurer

**Staff Contact:** Daniel R. York, General Manager

**Recommended Board Action:**

Due to the retirement of the current Director of Finance and Administration, Daniel A. Bills, appoint Jeffery S. Ott as Sacramento Suburban Water District's District Treasurer as provided under Water Code sections 30540 and 30582. Additionally, appoint Dan York to continue as District Secretary.

**Discussion:**

Daniel A. Bills has served as the Director of Finance and Administration and District Treasurer since June 2003 and will be retiring in April 2020. The General Manager has hired Jeffery S. Ott as the Director of Finance and Administration, and now requests the Board appoint Mr. Ott as District Treasurer pursuant to Water Code sections 30540 and 30582.

**Fiscal Impact:**

Labor costs within approved District Labor budget.

**Strategic Plan Alignment:**

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

## Minutes

### Sacramento Suburban Water District **Regular Board Meeting** Monday, December 16, 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, Kathleen McPherson, Kevin Thomas and Robert Wichert.

Directors Absent: Craig Locke.

Staff Present: General Manager Dan York, Assistant General Manager Mike Huot, Dan Bills, Heather Hernandez-Fort, Cassie Crittenden, Dana Dean, Julie Nemitz and Matt Underwood.

Public Present: William Eubanks, Avery Wiseman, Debra Sedwick, Paul Olmstead, Alan Hersh and Alan Driscoll.

**Election of District Officers**

1. **Election of District Officers**

Director Wichert nominated Director Thomas for president; Director Jones seconded. The motion passed by unanimous vote.

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

Director Jones nominated Director Locke for Vice President. The motion died for a lack of a second.

Director Thomas nominated Director Wichert for Vice President; Director McPherson seconded. The motion passed by unanimous vote.

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

**Announcements**

General Manager Dan York (GM York) announced:

- Pam Tobin was elected ACWA Vice President at the ACWA Fall Conference.
- District employee Josh Gagnon received an H.R. LaBounty Safety Award.
- The new Director of Finance and Administration, Jeff Off, was hired and starts January 13, 2020.
- Happy Holidays wishes to the Board.

**Public Comment**

None.

**Consent Items**

2. **Minutes of the November 18, 2019 Regular Board Meeting**
3. **Capital Asset Policy (PL - Fin 002)**
4. **Resolution No. 19-15 Honoring Steve Nugent on His Retirement**

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

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

**Items for Discussion and/or Action**

5. **Committee and Liaison Appointments for 2020**  
President Thomas made the following appointments for 2020:

**Committees**

Facilities and Operations Committee ..... Dave Jones, Chair  
(Standing: no regularly assigned meeting time)..... Kathleen McPherson

Finance and Audit Committee..... Kevin Thomas, Chair  
(Standing: no regularly assigned meeting time)..... Bob Wichert

SJWD/SSWD Water Management/Re-organization Committee .... Kevin Thomas, Chair  
(Ad Hoc: no regularly assigned meeting time) ..... Craig Locke

Employee Benefits Ad Hoc Committee ..... Dave Jones, Chair  
(Ad Hoc: no regularly assigned meeting time) ..... Kathleen McPherson



Ad Hoc General Manager Performance Review Committee ..... Kevin Thomas, Chair  
(Ad Hoc: no regularly assigned meeting time) ..... Dave Jones

Ad Hoc Water Banking and Transfer Committee ..... Bob Wichert  
(Ad Hoc: no regularly assigned meeting time) ..... Kevin Thomas

**Liaison Assignments**

ACWA/JPIA..... Kathleen McPherson  
..... Staff Position: Dan York

ACWA General Election Voting Delegate ..... Kathleen McPherson

ACWA Groundwater Committee ..... Dave Jones  
..... Kevin Thomas  
..... Craig Locke  
..... Kathleen McPherson  
..... Dan York

ACWA Water Quality Committee ..... Kathleen McPherson  
..... Dave Jones

ACWA Energy Committee ..... Kevin Thomas

ACWA Communications Committee..... Kevin Thomas

ACWA Legal Affairs Committee..... Ryan Bezerra

California Special Districts Association..... Kathleen McPherson  
..... Dave Jones

CSDA Transparency and Formation Expert Feedback Teams..... Kevin Thomas

CSDA Fiscal and Education Committees ..... Dave Jones

LAFCo Special District Advisory Committee ..... Kathleen McPherson

Regional Water Authority ..... Dave Jones  
..... Dan York

Regional Water Authority Executive Committee ..... Staff Rep: Dan York

Sacramento Groundwater Authority ..... Bob Wichert, Board Rep.  
..... Dan York, Staff Rep.  
..... Kevin Thomas, Alternate  
..... Craig Locke, Alternate  
..... Dave Jones, Alternate  
..... K. McPherson, Alternate

Sacramento Water Forum Successor Effort (12/16/19) ..... Staff Rep: Dan York  
 ..... Kevin Thomas  
 ..... Craig Locke, Alternate  
 ..... Bob Wichert, Alternate  
 ..... Dave Jones, Alternate

6. **McClellan Business Park Water Service Successor Agreement with Sacramento County**

Assistant General Manager Mike Huot (AGM Huot) presented the staff report and provided a history of the agreement.

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

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

7. **Sacramento LAFCo Election of Alternate Special District Commissioner**

GM York presented the staff report.

Director Wichert moved to vote for Michel Hanson from Arcade Creek Recreation and Park District, President Thomas seconded. The motion passed by unanimous vote.

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

8. **General Manager Employment Agreement**

GM York presented the staff report.

Director Jones provided a brief summary of the report.

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

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

9. **State of the District Presentation**

GM York presented the staff report and PowerPoint presentation.

## **General Manager's Report**

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

GM York presented the staff report.

a. *Del Paso Manor Water District Update*

GM York presented the staff report.

GM York answered clarifying questions.

b. *Grant of Easement and Right of Way at 5236 Manzanita Avenue*

GM York presented the staff report.

c. *Sacramento Region Collaboration Study Update*

GM York presented the staff report.

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

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

AGM Huot presented the staff report.

a. *Implementing the Strategic Plan*

AGM Huot presented the staff report.

Director Wichert suggested to minimize consultant work and increase staff involvement.

Director McPherson echoed Director Wichert's suggestion to minimize consultants.

## **Department/Staff Reports**

### **12. Financial Report**

A written report was provided.

a. *Financial Highlights – November 2019*

A written report was provided.

b. *Financial Statements – November 2019*

A written report was provided.

c. *Investments Outstanding and Activity – November 2019*

A written report was provided.

d. *Cash Expenditures – November 2019*

A written report was provided.

e. *Credit Card Expenditures – November 2019*  
A written report was provided.

f. *District Reserve Balances – November 2019*  
A written report was provided.

g. *Information Required by LOC Agreement*  
A written report was provided.

h. *Financial Markets Report - November 2019*  
A written report was provided.

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

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

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)**

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

Regional Water Authority Executive Committee (General Manager York)  
The agenda for the December 11, 2019 meeting was provided.

b. Sacramento Groundwater Authority (Director Thomas)  
The agenda for the December 12, 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

Director McPherson provided an oral report on the RWA webinar she attended on October 3, 2019, and the ACWA Fall Conference she attended December 2 through 5, 2019.

Director Jones provided an oral report on the RWA Board meeting that he attended on November 14, 2019.

Director Thomas provided an oral report on the meetings he had with the General Manager on October 30, 2019; November 6, 2019; November 19, 2019; November 27, 2019; the meeting he had with Director Wichert on November 7, 2019; the meeting he had with the Assistant General Manger on November 8, 2019; the meeting he had with Ted Costa on November 16, 2019; the AeroJet CAG meeting he attended on November 20, 2019; The Del Paso Manor Water District Board meeting he attended on December 3, 2019; the PPIC meeting he attended on December 5, 2019; the Auburn Dam Council meeting he attended on December 6, 2019 and the GM Contract meeting he attended on December 10, 2019.

### **Committee Reports**

16. 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)  
None.

### **Information Items**

17. **2019 Budget Reallocations**  
A written report was provided.

Director Wichert requested for further explanation in future budget reallocation reports.

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

19. **Upcoming Water Industry Events**  
A written report was provided.

20. **Upcoming Policy Review**  
A written report was provided.

- a. Training and Career Development Policy (PL – HR 004)

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

None.

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

The Board convened in Closed Session at 7:33 p.m. to discuss the following:

21. Conference with legal counsel – potential litigation; Government Code sections 54954.5(c) and 54956.9(a) and (d)(4); consideration of initiating litigation involving the State Water Resources Control Board's proceedings related to the California Water Fix and the Bay-Delta Water Quality Control Plan Update.
22. Conference with real property negotiator involving the purchase, sale, lease or exchange of 5334 Walnut Avenue, Sacramento, CA. Dan York, District negotiator, will negotiate with Robert Jacobs. Instructions to the negotiator(s) may include price, terms of payment, or both. (See Government Code sections 54954.5(b) and 54956.8.)

**Return to Open Session**

The Board convened in Open Session at 8:01 p.m. There was no reportable action.

**Adjournment**

President Thomas adjourned the meeting at 8:02 p.m.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District



## Agenda Item: 3

**Date:** December 30, 2019

**Subject:** Training and Career Development Policy (PL – HR 004)

**Staff Contact:** Cassie Crittenden, Human Resources Coordinator

**Recommended Board Action:**

Approve the updated Training and Career Development Policy (PL – HR 004) with changes.

**Background:**

On December 16, 2019, the Training and Career Development Policy update was brought to the Board for review. To date, no comments from the Board have been received.

**Discussion:**

Staff recommends adopting the updated Training and Career Development Policy. Both, a redlined version (Attachment 1) and clean version (Attachment 2) are included for your reference. In summary, edits were made to the following sections:

*Section 100.00* – Revised to include language that personal and professional development is not only the responsibility of staff, but management and human resources as well.

*Section 200.00* – Revised to include the types of training opportunities staff have for personal and professional development.

*Section 300.00* – Revised adding a “his/her designee” as an additional authority to establish and pre-approve all non-mandatory training courses, along with the General Manager.

**Fiscal Impact:**

Adopting the policy updates has no fiscal impact.

**Strategic Plan Alignment:**

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

District customers benefit from having a uniform and consistent program for effective employee training and career development as this will assist the District in retaining and recruiting a qualified and stable workforce.

**Attachments:**

- 1 – Training and Career Development Policy (PL – HR 004)- redlined
- 2 – Training and Career Development Policy (PL – HR 004) - clean

Sacramento Suburban Water District

**Training and Career Development Policy**

~~Effective:~~Adopted: November 17, 2003  
~~Revised: October 15, 2007; November 21, 2011; December 21, 2015; November 20,~~  
~~2017~~Approved with changes on: XXXJanuary 27, 2020

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**100.00 Purpose of the Policy**

The purpose of this policy is to establish a uniform and consistent program to provide District-wide training and career development for its employees. This policy also serves as a guide to promote and conduct training and educational activities that provide for the employee's personal and professional growth, enhance job skills, and encourage positive professional behavior. This policy is a reminder that employees, managers, and human resources should all collaborate to build a continuous professional development culture, which ~~This policy reminds employees that developing and promoting a positive organization image is essential to the District's future operations.~~

**200.00 Policy**

The District will provide all of its employees a program of continuous training and career development that is tailored to their position, meets District goals, complies with all legal and regulatory requirements, and promotes professional enrichment. The District also promotes and encourages employees to participate in educational activities, formal training sessions, employee coaching and mentoring, participating in conferences, on-the-job training, job shadowing, and job rotation ~~to improve~~increase employee job proficiency, knowledge, and skills ~~and improve work force stability~~. This policy is expected to enhance the District's ability to retain and attract outstanding employees.

**300.00 Authority and Responsibility**

The General Manager or his/her designee is authorized and responsible for establishing a training program that a) provides all employees who require a license or certificate to perform critical District functions an opportunity to earn or maintain such a license or certificate, and b) provides an opportunity for employees to complete other mandatory training. The General Manager or his/her designee will pre-approve all mandatory training courses; fees and related expenses will be paid by the District.

The General Manager or his/her designee is further authorized to establish training and career development programs and pre-approve all non-mandatory training courses and programs that will enhance employee skills in accordance with the District's mission statement, values, goals, and principles; fees, tuition, and related expenses will be paid by the District as determined and approved by the General Manager.



**400.00 Policy Review**

This Policy will be reviewed at least biennially.

Sacramento Suburban Water District

**Training and Career Development Policy**

Adopted: November 17, 2003  
Approved with changes on: January 27, 2019

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**100.00 Purpose of the Policy**

The purpose of this policy is to establish a uniform and consistent program to provide District-wide training and career development for its employees. This policy also serves as a guide to promote and conduct training and educational activities that provide for the employee's personal and professional growth, enhance job skills, and encourage positive professional behavior. This policy is a reminder that employees, managers, and human resources should all collaborate to build a continuous professional development culture, which is essential to the District's future operations.

**200.00 Policy**

The District will provide all of its employees a program of continuous training and career development that is tailored to their position, meets District goals, complies with all legal and regulatory requirements, and promotes professional enrichment. The District also promotes and encourages employees to participate in educational activities, formal training sessions, employee coaching and mentoring, participating in conferences, on-the-job training, job shadowing, and job rotation to improve employee job proficiency, knowledge, and skills. This policy is expected to enhance the District's ability to retain and attract outstanding employees.

**300.00 Authority and Responsibility**

The General Manager or his/her designee is authorized and responsible for establishing a training program that a) provides all employees who require a license or certificate to perform critical District functions an opportunity to earn or maintain such a license or certificate, and b) provides an opportunity for employees to complete other mandatory training. The General Manager or his/her designee will pre-approve all mandatory training courses; fees and related expenses will be paid by the District.

The General Manager or his/her designee is further authorized to establish training and career development programs and pre-approve all non-mandatory training courses and programs that will enhance employee skills in accordance with the District's mission statement, values, goals, and principles; fees, tuition, and related expenses will be paid by the District as determined and approved by the General Manager.

**400.00 Policy Review**

This Policy will be reviewed at least biennially.



## Agenda Item: 4

**Date:** February 15, 2020

**Subject:** Resolution No. 20-01 Honoring Einar Maisch on His Retirement

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

**Recommended Board Action:**

Adopt Resolution No. 20-01 Honoring Einar Maisch on His Retirement.

**Discussion:**

Einar Maisch (Mr. Maisch) has been a respected, admired, and valued leader in the water industry, and has held a variety of roles at Placer County Water Agency (PCWA) including General Manager, for over 34 years. He will be retiring from his position on February 28, 2020. The resolution commemorates his service to the water industry. Staff has prepared a ceremonial, framed version of the resolution to be presented to Mr. Maisch.

**Fiscal Impact:**

None.

**Strategic Plan Alignment:**

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

**Resolution No. 20-01**  
**A Resolution Honoring**  
**Einar Maisch**  
**On His Retirement**

Whereas, Einar Maisch has faithfully, effectively, and successfully served as General Manager of Placer County Water Agency (PCWA) from March 7, 2015 through February 28, 2020 overseeing management of water resources, hydroelectric energy production, and water utility service to expansive areas of Placer County; and

Whereas, Mr. Maisch has served the people of Placer County for 34 years in a variety of roles at PCWA including Director of Technical Services, Director of Strategic Affairs, Executive Director of the Middle Fork Project Finance Authority and General Manager; and

WHEREAS, Mr. Maisch's steadfast and visionary leadership has made it possible to surmount many critical challenges facing the region including droughts, floods, water shortage emergencies, and fires in the watershed; and

WHEREAS, under Mr. Maisch's leadership, PCWA has achieved significant accomplishments including the construction of the American River Pump Station and restoration of a portion of the North Fork of the American River to its natural course; construction and modernization of major water treatment plants, water storage tanks, and associated pipelines; the federal relicensing of the Middle Fork American River Project; and development of PCWA's independent energy marketing capabilities; and

WHEREAS, Mr. Maisch worked tirelessly throughout his career to bring the water purveyors of the American River region together to speak with one voice on critical regional issues, and to subsequently develop the landmark Water Forum agreement which created a durable voluntary agreement that supported the region's co-equal goals of water supply reliability and environmental stewardship; and

WHEREAS, Mr. Maisch has elevated PCWA's interests and presence to the State and Federal level and is a respected and esteemed voice on issues affecting the region and State, testifying on numerous occasions to legislative and regulatory bodies in Sacramento and Washington D.C.; and

WHEREAS, Mr. Maisch has consistently demonstrated an unwavering commitment to serving the customers of PCWA with a level of responsiveness that exceeds both the expectations and the requirements of his office. Furthermore, he has unselfishly served the people of Placer County and has exhibited considerable expertise, insight and wisdom in all matters before him, particularly those issues relevant to Placer County's water resources. His numerous contributions and significant impact on PCWA, Placer County and the region have created a legacy for which he will be recognized for generations to come; and

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 in recognition of Einar Maisch's valuable contributions and dedication to the water industry and to the people of California served by that industry.

The Board of Directors wishes Mr. Maisch 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 27<sup>th</sup> day of January 2020.

AYES:

NOES:

ABSENT:

By: \_\_\_\_\_  
Kevin Thomas  
President, Board of Directors  
Sacramento Suburban Water District

(SEAL)

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



## Agenda Item: 5

**Date:** January 3, 2020

**Subject:** Resolution No. 20-02 A Resolution of the Board of Directors of the Sacramento Suburban Water District Authorizing Bank Account Signatories

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

**Recommended Board Action:**

Adopt Resolution No. 20-02 authorizing a change in bank account signatories.

**Discussion:**

Resolution 20-02 will remove Daniel A. Bills, Director of Finance and Administration, and add Jeffery S. Ott, the District's new Director of Finance and Administration/District Treasurer, as a signatory to the District financial accounts with the various commercial financial institutions used to conduct District business. With this addition, District financial account signatories will be – General Manager Daniel R. York, Assistant General Manager Michael J. Huot, and Director of Finance and Administration Jeffery S. Ott.

**Fiscal Impact:**

None.

**Strategic Plan Alignment:**

Goal B – Optimize Operational and Organizational Efficiencies.

## RESOLUTION 20-02

### A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SACRAMENTO SUBURBAN WATER DISTRICT AUTHORIZING BANK ACCOUNT SIGNATORIES

WHEREAS, the Sacramento Suburban Water District is a depositor into various deposit accounts with different commercial financial institutions, and the Board of Directors desires to continue maintaining such deposit accounts;

WHEREAS, such commercial financial institutions require that the Board of Directors of the Sacramento Suburban Water District designate the District's deposit account signatories and authorize them to withdraw funds, initiate payment orders and otherwise give instructions on behalf of the District with respect to its deposit accounts by a duly adopted resolution;

WHEREAS, the District's existing Director of Finance and Administration/District Treasurer, Daniel A. Bills, is retiring from the District and Jeffery S. Ott has been appointed as the District's new Director of Finance and Administration and District Treasurer; and

WHEREAS, it therefore is necessary for the Board to remove Mr. Bills and add Mr. Ott as a signatory on the District's deposit accounts, along with the existing signatories General Manager Daniel R. York and Assistant General Manager Michael J. Huot.

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

1. The Board of Directors authorizes the General Manager and/or the Assistant General Manager and/or the Director of Finance and Administration to enter into deposit account, funds transfer, investment, cash management, and deposit service agreements with WestAmerica Bank, MUFG Union Bank, State of California Local Agency Investment Fund, CalPERS, PFM Group, Wells Fargo Bank and Sumitomo Mitsui Banking Corporation, and other approved financial institutions as necessary for conducting District financial affairs, and designates the following officers as the District's authorized signatories for withdrawing funds, initiating payment orders, and otherwise giving instructions on behalf of the District with respect to its deposit and other financial accounts.

(a) Daniel R. York  
General Manager

(b) Michael J. Huot  
Assistant General Manager

(c) Jeffery S. Ott  
Director of Finance  
and Administration

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

2. This authorization shall remain in effect until the District provides written notice of its revocation to the appropriate financial institution.

3. This Resolution shall be made effective and any and all prior resolutions relating to District deposit and other financial accounts, including Resolution 18-10, shall be rescinded and rendered invalid on January 27, 2020.

PASSED AND ADOPTED by the Board of Directors of Sacramento Suburban Water District, Sacramento County, California at a meeting on the 27th day of January 2020 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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

Kevin M. Thomas  
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 27<sup>th</sup> day of January 2020.

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

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





## Agenda Item: 6

**Date:** January 6, 2020

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

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

### **Recommended Board Action:**

Approve the updated Water Service Charges and Rate Setting Policy (PL - Fin 009) as attached.

### **Discussion:**

The Water Service Charges and Rate Setting Policy was provided to the Board for review in November 2019. At the request of the Board, Policy approval consideration was deferred to the January 2020 regularly scheduled Board meeting.

Attached is the updated Water Service Charges and Rate Setting Policy (PL - Fin 009) for the Board's consideration. The Water Service Charges and Rate Setting Policy was last reviewed in July 2017. There are two recommended changes in this update – 1. In Section 200.00, it is recommended that water service charges and rates be assessed by staff annually instead of biennially; and 2) in Section 200.00, part A. 8 – language is added recommending that customer wage increases be calculated and used as a point of consideration in adopting new customer rates.

### **Fiscal Impact:**

Adoption of the Water Service Charges and Rate Setting Policy will have no change to the District's financial position.

### **Strategic Plan Alignment:**

Goal C – Ensure Fiscal Responsibility and Affordable Rates

## Sacramento Suburban Water District

**Water Service Charges and Rate Setting Policy**

Adopted: September 15, 2014; ~~September 19, 2016~~  
 Approved with Changes: ~~Revised: July 17, 2017~~ December/January XX, 2020<sup>19</sup>

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**100.00 Purpose of the Policy**

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

**200.00 Policy**

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

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

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

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

1. Revenue requirements, including anticipated external funding, will be established on a “cash basis” approach that will include all District programs, operation & maintenance expenses, any applicable taxes/transfer payments, debt service (P&I), and capital improvements funded from rates.
2. Revenues and costs will be annually projected for a five year period (the proposed budget year plus four additional projected years).
3. Projections of Operations & Maintenance (O&M) costs should include any estimated incremental O&M costs associated with increased service levels (or future capital improvements.)
4. District staff will review the five year capital improvement plan and update it regularly by way of its Asset Management Plans and Water System Master Plan.
5. On an annual basis, the District will fund, through its rates and other available revenues, an amount to adequately maintain the existing infrastructure of the District. To achieve this goal, the District will fund selected capital projects based on the District’s Capital Asset Replacement Management Plans and the Water System Master Plan.
6. The system’s capital improvement program will consider growth related capital improvements, and replacement capital improvements.
7. The level of any proposed rate adjustment(s) will reflect all of the above costs (direct, indirect and costs of administration), such that rates will be cost-based and provide for full cost recovery of providing water services to customers and to other local water retailers.
- 7.8. The estimated wage increases of District customers since the time of the last rate increase. This will be accomplished by utilizing the latest published data from the U.S. Bureau of Labor Statistics, “Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimate” for the “Sacramento-Roseville-Arden Arcade Area.”

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

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

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

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

**300.00 Revenue Diversification**

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

**400.00 Reviews and Updates**

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

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

**500.00 Authority**

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

**600.00 Policy Review**

This Policy will be reviewed at least biennially.



## Agenda Item: 7

**Date:** January 19, 2020

**Subject:** 2020 - 2024 Water Transfer Program

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

### **Recommended Board Action:**

Authorize the General Manager to execute and sign agreements necessary to implement the District's Temporary Water Transfer Program at a minimum of \$200 per acre-foot statewide for 5 years (2020-2024), subject to approval by District legal counsel of any non-substantive changes to such agreements.

### **Background:**

On January 28, 2019, the Sacramento Suburban Water District Board authorized the General Manager to execute and sign all agreements necessary to implement the District's 2019 Water Transfer Program, at a minimum of \$200 per acre-foot statewide, subject to approval by District legal counsel of any non-substantive changes to such agreements. This aligns with the Water Banking and Transfer Policy (Attachment 1) by providing water to other water agencies that have had water supplies reduced and in return the District's ratepayers will be adequately compensated.

The District did not participate in a Water Transfer Program in 2019. The typical south of Delta buyers did not express any interest due to the wet conditions and decent south of Delta Central Valley Project (CVP) and State Water Project (SWP) allocations. Further, since north to south transfers are dependent on conveyance capacity in the California Aqueduct, when SWP allocations are generally 50% or greater, there is no room for non-SWP water to be moved, which is what the District's water is considered. Because water transfers do not occur every year due to these considerations, if there is demand for water in any one year in the 2020 to 2024 period, each such transfer will be conducted on a one-year ("temporary") basis.

### **Discussion:**

Members of the State Water Contractors (SWC) group are soliciting offers to sell transfer water in 2020 from interested sellers upstream of the Delta. The same American River water agencies that participated in the regional water transfers to SWC members in 2018 are interested in transferring water in 2020. It is unknown which agencies will actually participate and which agency would administer the water transfers at this time. SWC's interest is not firm because of the weather and relatively good water supplies stored south of the Delta, so it is unknown if there will ultimately be a market for water transfers this year. The administration support for a water transfer will depend on the number of agencies participating and their experience. The water market will become firmer in late February or March, when it is clearer if capacity will exist in the Delta to transfer non-project water and buyers and sellers will decide to participate or not.

Assuming that buyers are interested in purchasing transfer water in 2020, or any later year through 2024, staff recommends that the Board authorize the General Manager to execute and sign Water Transfer agreements with a minimum of \$200 per acre-foot statewide for any of the next 5 years, 2020-2024, when buyers have interest in purchasing water and the price and terms are consistent with the Board's policies and approvals. Previously the Board has delegated this authority annually. Providing authority for a five-year program will make the process more efficient while maintaining the same level of transparency because staff will continue updating the Board when Water Transfer opportunities arise.

#### New Department of Water Resource Groundwater Substitution Transfer Requirements for 2020

The 2019 Draft Water Transfer White Paper Update (White Paper) is effective and applies to 2020 Groundwater Substitution Transfers. The White Paper provides approval criteria to determine whether water proposed for a transfer is transferable. The main intent for the White Paper is to avoid injury to other legal users of water. Following are changes that could impact the District:

- Consistency with GSPs - Transfers must be consistent with the Groundwater Sustainability Plan (GSP) for the basin or sub-basin where the transfer originates. As a condition of the transfer, the District must consult with the jurisdictional Groundwater Sustainability Agency (GSA) to determine if the transfer is consistent with the applicable GSP, and obtain the GSA's written concurrence that the transfer is consistent with the GSP and provide that concurrence to DWR. DWR will rely on the GSA's written concurrence, and the written concurrence must be provided no later than the time the agreements for the transfer are approved. This will become effective once a GSP is approved by our GSA, which is required by 2022. So, this will not impact the District until 2022, assuming the modification stays intact in future White Paper updates.
- Consistency with the CVP Long-Term Water Transfer EIS/EIR - The District's mitigation plan for a transfer must be consistent with the CVP Long-Term Water Transfer Final EIS/EIR that San Luis and Delta-Mendota Water Authority prepared. The District's legal team is reviewing the EIS/EIR mitigation measures to determine if there are impacts. One item DWR focused on is that if water levels in wells fall below historic low or Best Management Objective triggers, a seller would need to cease pumping. This is unlikely to impact the District since groundwater levels have rebounded significantly from historic lows. Staff will follow up with the Board if more significant impacts are found during legal counsel's review of the EIS/EIR mitigation measures.

#### **Fiscal Impact:**

The revenue potential is unknown at this time.

#### **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

2020 - 2024 Water Transfer Program

January 19, 2020

Page 3 of 3

The District's ratepayers will benefit from a water transfer because it will generate additional revenues that can be used for water system maintenance, replacements, and upgrades or other purposes without any impacts on service or water supply and reliability.

**Attachments:**

1 – Water Banking and Transfer Policy

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**

Water is considered a public resource, and its use is permitted through water rights and contractual entitlements. 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 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**

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.



## Agenda Item: 8

**Date:** January 21, 2020

**Subject:** Sacramento Suburban Water District and Del Paso Manor Water District  
2X2 Ad-Hoc Committee

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

**Recommended Board Action:**

Provide staff direction.

**Background:**

On May 31, 2019, all but one employee of Del Paso Manor Water District (DPMWD) resigned/retired, which included the General Manager. In discussions between SSWD's General Manager and DPMWD'S Board President, a request was made to activate the Mutual Aid Agreement (MAA) that exists between the two districts. The MAA was activated on June 6, 2019. The DPMWD has submitted several extensions to the MAA. Based on the most recent extension request, the MAA will expire on February 20, 2020.

The MAA is developed to cover emergency services (e.g., emergency water, labor, vehicles/equipment and inventory supplies), typically 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. An Operating Service Agreement (OSA) can cover a majority of what is in the MAA, however, it would be more directed towards actual services being provided. At the September 2019 regular Board meeting the SSWD Board gave the General Manager authority to sign an OSA with DPMWD, pending legal review. An OSA was approved by the DPMWD Board at their January 7, 2020 Board meeting.

**Discussion:**

On January 21, 2020, the District received correspondence from DPMWD Board President, John Lenahan, on behalf of the Board of Directors of DPMWD, to enter into discussions on furthering the partnership between SSWD and DPMWD, up to and including merger discussions. The correspondence from Mr. Lenahan is attached as Exhibit 1.

Staff has consistently maintained that a decision to consolidate public agencies is a policy decision to be made by the officials elected to represent District customers. Therefore, staff is now seeking guidance from the Board.

**Fiscal Impact:**

Unknown at this time.

# DEL PASO MANOR *Water District*

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PHONE (916) 487-0419 FAX (916) 487-8534

1817 MARYAL DRIVE STE 300 • SACRAMENTO, CA 95864

January 21, 2020

Mr. Dan York  
General Manager  
Sacramento Suburban Water District  
3701 Marconi Avenue  
Sacramento, CA 95821

Re: District Discussions and Continued Partnership

Dear Dan:


On behalf of the Board of Directors of Del Paso Manor Water District, I am writing to enter into discussions on furthering the partnership between our water district and Sacramento Suburban Water District, up to and including merger discussions.

Sacramento Suburban Water District has been a strategic partner to my district through the Mutual Aid and Assistant Agreement since it was activated May 31, 2019. Furthermore, our districts are in the final stages of a Service Agreement to continue that partnership in 2020.

Del Paso Manor Water District is also participating in similar collaboration efforts through the Regional Collaboration Integration Study.

I appreciate the assistance that Sacramento Suburban Water District has provided our District to date. I look forward to starting these discussions as soon as possible.

Sincerely,



John Lenahan  
Board President  
Del Paso Manor Water District

cc: DPMWD Board of Directors



## Agenda Item: 9

**Date:** January 8, 2020

**Subject:** New Policy – Disconnection of Residential Water Service Policy (PL – CS 001); Resolution No. 20-03, A Resolution of the Board of Directors of the Sacramento Suburban Water District Amending Regulations Nos. 2, 3, 5 and 6 of the Regulations Governing Water Service and Adopting Disconnection of Water Service Policy; Updates to Regulations Nos. 2, 3, 5 and 6.

**Staff Contact:** Daniel A. Bills, Director of Finance and Administration  
Julie Nemitz, Customer Services Manager

### Recommended Board Action:

Approve:

1. Attachment 1 - Disconnection of Residential Water Service Policy (PL – CS 001):
2. Attachment 2 - Resolution No. 20-03, A Resolution of the Board of Directors of the Sacramento Suburban Water District Amending Regulations Nos. 2, 3, 5 and 6 of the Regulations Governing Water Service:
3. Attachment 3 - Updates to Regulations Nos. 2, 3, 5 and 6.

### Discussion:

As presented to the Board in August 2019, the passage of Senate Bill 998 (SB 998) becomes effective and applicable to the District on February 1, 2020. SB 998 requires modifications to the District's procedures for discontinuing residential water service to customers for nonpayment and requires the District to adopt and implement a written policy concerning such disconnections that is available in multiple languages. The attached Policy was provided and reviewed by legal counsel to meet the requirements of SB 998. In addition to the Policy, certain other changes were necessary to Regulations 2, 3, 5, and 6, certain District Procedures, and changes to the District's 10-Day, 5-Day, and 48-Hour Notices. The Policy and the three Notices will be made available in five other languages – Spanish, Chinese, Tagalog, Vietnamese, and Korean – as required by the statute. The Policy will be posted on the District's website.

### Fiscal Impact:

Adoption of the Disconnection of Residential Water Service Policy (PL – CS 001) will have no change to the District's financial position. Instead, it may further delay the collection of certain customer payments.

### Strategic Plan Alignment:

Goal C – Ensure Fiscal Responsibility and Affordable Rates

**ATTACHMENT 1**

**Disconnection of Residential Water Service Policy (PL –  
CS 001)**

## Sacramento Suburban Water District

**Disconnection of Residential Water Service Policy**

Adopted: January 27, 2020

**100.00 General Provisions**

a. Application. This Policy applies only to disconnection of residential water service for nonpayment. The District's existing ordinances, resolutions, policies, and procedures shall continue to apply to non-residential water service accounts and to disconnection of residential water service for other reasons, including the termination of a service connection by the District due to a customer violation of any other ordinance, rule, regulation, or policy of the District. In the event of any conflict between this Policy and any other ordinance, rule, regulation, or policy of the District, this Policy shall prevail. In the event of any conflict between this Policy and state law, state law shall prevail.

b. Customer Responsibility. Under applicable District ordinances, resolutions, policies, and procedures, bills for water service are rendered to each customer on a monthly basis, and are due and payable upon presentation. Water service bills become delinquent if not paid within 60 days from the date on the bill. It is the customer's responsibility to ensure that payments are received at the District office in a timely manner. Payment may be made at the District office, online, or to the address for remittance of mailed payments.

c. Availability of Policy. The District shall provide this Policy and all written notices given under this Policy in English, Spanish, Chinese, Tagalog, Vietnamese, and Korean, and in any other language spoken by at least 10 percent of the people residing in the District's service area or required by Civil Code section 1632. This Policy shall be posted and maintained on the District's Internet website at [www.sswd.org](http://www.sswd.org).

d. Contact Telephone Number. The District's Customer Service Department can be reached at (916) 972-7171 for assistance concerning the payment of water bills and to discuss options for stopping disconnection of residential service for nonpayment.

**101.00 Disconnection of Residential Water Service for Nonpayment**

a. 60-day Delinquency Period. The District shall not disconnect residential water service for nonpayment of a service bill until a customer's payment has been delinquent for 60 days.

b. Reminder Notice. Reminder notices will not be sent separately to customers, but notice of the delinquency and any related delinquency fees will be printed on the next month's bill.

c. 10-Day Notice. Not less than 10 days before disconnection of residential service for nonpayment, the District shall contact the customer named on the account by telephone or written notice.

i. When the District contacts the customer named on the account by written notice under this section, the written notice of payment delinquency and impending disconnection shall be mailed to the customer of the residence to which the residential service is provided. If the customer's address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided, addressed to "Occupant."

ii. The written notice shall include all of the following information in a clear and legible format:

1. The customer's name and address.
2. The amount of the delinquency, including an itemization of any late payment penalties and interest to be applied to the delinquent charges.
3. The date and time by which payment or arrangement for payment must be made in order to avoid disconnection of water service.
4. A description of the process to apply for an extension of time to pay the delinquent charges.
5. A description of the procedure by which the customer may petition for bill review and appeal or initiate a complaint or request an investigation concerning the service or charges.
6. A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges, consistent with this Policy.
7. A description of the procedure for the customer to obtain information on the availability of financial assistance, including private, local, state, or federal sources, if applicable.
8. The District's telephone number, business address, and hours of operation of a customer service representative who can provide additional information or institute arrangements for payment.

iii. If the written notice is returned through the mail as undeliverable, the District shall make a good faith effort to visit the residence and leave or place in a conspicuous place a notice of imminent disconnection of residential service for nonpayment and a copy of this Policy.

d. 48-hour Posting Notice. The District shall make a reasonable, good faith effort to contact an adult person residing at the premises of the customer by telephone or in person at least

48 hours prior to any termination of service except that whenever telephone or personal contact cannot be accomplished, the District shall give, by mail or by posting in a conspicuous location at the premises, a notice of termination of service, at least 48 hours prior to termination. This notice of termination of service shall include all of the following information:

- i. The customer's name and address.
  - ii. The amount of the delinquency, including an itemization of any late payment penalties and interest to be applied on any delinquent charges.
  - iii. The date and time by which payment or arrangements for payment is required in order to avoid termination.
  - iv. The procedure for the customer to obtain information on the availability of financial assistance, including private, local, state, or federal sources, if applicable.
  - v. The District's telephone number, business address, and hours of operation of a customer service representative who can provide additional information or institute arrangements for payment.
- e. Service Restoration Information. Upon disconnection, the District shall provide the customer with information on how to restore residential service.

#### **102.00 Restrictions on Disconnection of Water Service**

- a. The District shall not disconnect residential water service for nonpayment of a service bill until a customer's payment has been delinquent for 60 days.
- b. The District shall not disconnect residential service in any of the following situations:
  - i. During the time that the District is investigating a customer dispute or complaint under section 8 of this Policy.
  - ii. When a customer has been granted an extension of the period for payment of a bill.
- c. The District shall not disconnect residential service if all of the following conditions are met:
  - i. The customer, or a tenant of the customer, submits to the District the certification of a primary care provider, as defined in section 14088(b)(1)(A) of the Welfare and Institutions Code, that disconnection of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the property receiving service.
  - ii. The customer demonstrates that he or she is financially unable to pay for residential service within the urban and community water system's normal billing cycle.



The customer shall be deemed financially unable to pay for residential service within the urban and community water system's normal billing cycle if (1) any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (2) the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

iii. The customer is willing to enter into an alternative payment arrangement, consistent with the provisions of Section 4 of this Policy.

If a customer meets the three conditions listed in this subsection (c), the District shall offer the customer one or more of the payment options described in Section 4. Any customer meeting these requirements shall, upon request, be permitted to amortize, over a period not to exceed 12 months, the unpaid balance of any bill asserted to be beyond the means of the customer to pay within the normal period for payment.

d. The District is prohibited from terminating water service to any customer or tenant of a customer on any Saturday, Sunday, legal holiday, or outside of its normal operating hours.

### **103.00 Alternative Payment Arrangements**

a. Options. Upon request, the District will consider the following options with a delinquent customer to avert discontinuation of residential service for nonpayment:

- i. Amortization of the unpaid balance;
- ii. Participation in an alternative payment schedule;
- iii. A partial or full reduction of the unpaid balance, financed without additional charges to other ratepayers; or.
- iv. Temporary deferral of payment.

(Collectively "Payment Arrangements.")

b. District Administration. The District General Manager, or his or her designee, may choose which of the Payment Arrangements described in Section 4(a), above, may be available to the customer and may set the parameters of that payment option. Ordinarily, the Payment Arrangement offered should result in payment of any remaining outstanding balance within 12 months. The District may grant a longer payment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case. The District may charge an administrative fee for the cost of administering Payment Arrangements under this provision. The General Manager, or his or her designee, is authorized to prepare and approve a Payment Arrangement agreement with a customer consistent with this Section 4.

c. Customer Obligations. If the District and customer enter into a Payment Arrangement under this Section 4, the customer shall comply with the agreement or other

arrangement and remain current on any new water service charges as they are billed in each subsequent billing period. The customer may not request further amortization or reduction of any unpaid charges on subsequent bills while paying delinquent charges under an alternative payment arrangement. Commencing on the date the first payment arrangement is entered into, customers who fail to comply with any agreed payment arrangement will not be eligible to establish future payment arrangements for a period of 24 months, except as otherwise prohibited by law.

#### **104.00 Disconnection After Failure to Comply with Alternative Payment Arrangements**

a. If the District and customer enter into any Payment Arrangement under Section 4, the District may disconnect service no sooner than five business days after the District posts a final notice of intent to disconnect service in a prominent and conspicuous location at the property under either of the following circumstances:

- i. The customer fails to comply with the Payment Arrangement for 60 days or more.
- ii. While undertaking a Payment Arrangement, the customer does not pay his or her current residential service charges for 60 days or more.

b. The notice of termination under this Section 5 shall include all of the following information:

- i. The customer's name and address.
- ii. Notice of the customer's noncompliance with the Payment Arrangement.
- iii. The Payment Arrangement or other conditions the customer must satisfy in order to avoid termination.
- iv. The District's telephone number, business address, and hours of operation of a customer service representative of the District who can provide additional information.

This notice does not entitle the customer to further investigation or provision of alternative payment arrangements by the District.

#### **105.00 Disconnection in Master Meter Landlord-Tenant Situations**

a. Applicability. This section applies to District service through an individual meter to a detached single-family dwelling, a multi-unit residential structure, mobile home park, or permanent residential structure in a labor camp, only if the owner, manager or operator is the customer of record, and there is a landlord-tenant relationship between the residential occupants and the owner, manager, or operator of the building.

b. Notice. The District shall make every good faith effort to inform the residential occupants, by means of written notice, when the account is in arrears that service will be terminated at least 10 days prior to the termination. This notice shall further inform the residential occupants

that they have the right to become District customers, to whom the service will then be billed, without being required to pay any amount which may then be due on the delinquent account.

c. Service to Occupants. The District is not required to make service available to the residential occupants unless each residential occupant agrees to the terms and conditions of District water service and meets the requirements of law and the District's ordinances, rules, regulations, and policies. However, if one or more of the residential occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the District, or if there is a physical means legally available to the District of selectively terminating service to those residential occupants who have not met the requirements of the District's ordinances, rules, regulations, and policies, the District shall make service available to those residential occupants who have met those requirements.

d. Proof of Credit. If prior service for a period of time is a condition for establishing credit with the District, residence and proof of prompt payment of rent or other credit obligation acceptable to the District for that period of time is a satisfactory equivalent.

e. Detached Single-Family Dwellings. In the case of a detached single-family dwelling, the District may do any of the following:

i. Give notice of termination at least seven days prior to the proposed termination.

ii. In order for the amount due on the delinquent account to be waived, require an occupant who becomes a customer to verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling.

#### **106.00 Additional Considerations for Financial Hardship**

a. If a customer who demonstrates to the District household income below 200 percent of the federal poverty line, the District shall both:

i. Set a reconnection of service fees for reconnection during normal operating hours at \$50 and for reconnection during nonoperational hours at \$150. These fees shall not exceed the actual cost of reconnection if those costs are less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.

ii. Waive interest charges on delinquent bills once every 12 months.

b. The District shall deem a residential customer to have a household income below 200 percent of the federal poverty line if:

i. Any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or

- ii. The customer declares that the household's annual income is less than 200 percent of the federal poverty level.

### **107.00 Procedure to Contest or Appeal a Bill**

A customer may appeal or contest the amount set forth in any bill for residential water service pursuant to the following procedure:

- a. General Appeal. Within five days of receipt of the bill for water service, a customer has a right to request an appeal or review of any bill or charge rendered by the District. The request must be made in writing and be delivered to the District's office. For so long as the customer's appeal and any resulting investigation is pending, the District cannot disconnect water service to the customer.

- b. 10-Day Notice Appeal. In addition to the appeal rights under subsection (a), above, a customer who receives a 10-Day Notice described in Section 2(c) of this Policy may request an appeal or review of the bill to which the notice relates within five business days of the date of the notice. However, no such appeal or review rights shall apply to any bill for which an appeal or request for review under subsection (a) above, has been made. Any appeal or request for review under this subsection must be in writing and must include documentation supporting the appeal or the reason for the review. The request for an appeal must be delivered to the District's office within the five-day period. For so long as the customer's appeal and any resulting investigation is pending, the District cannot disconnect water service to the customer.

- c. Appeal Process.

- i. Following receipt of a request for an appeal or review under subsections (a) or (b), above, the District's General Manager, or his or her designee, shall evaluate the request for review and supporting material provided by the customer and the information on file with the District concerning the water charges in question. Within 10 days after receipt of the customer's request for review, the General Manager, or his or her designee, shall render a decision as to the accuracy of the water charges set forth on the bill and shall provide the appealing customer with a brief written summary of the decision.

- ii. If water charges are determined to be incorrect, the District will provide a corrected invoice and payment of the revised charges will be due within 10 calendar days of the invoice date for revised charges. If the revised charges remain unpaid for more than 60 calendar days after the corrected invoice is provided, water service will be disconnected. Prior to disconnection, the District shall provide the customer with the 10-Day Notice in accordance with Section 2(c), above. Water service will only be restored upon full payment of all outstanding water charges, penalties, interest, and any applicable reconnection charges.

- iii. If the water charges in question are determined to be correct, the water charges are due and payable within three business days after receipt of the General Manager's, or his or her designee's, decision. At the time the decision is rendered, the customer will be advised of the right to further appeal before the District's Board of Directors. Any such appeal must be filed in writing within three business days after receipt

of the General Manager's, or his or her designee's, decision. The appeal hearing will occur at the next regular meeting of the District's Board of Directors, unless the customer and General Manager, or his or her designee, agree to a later date.

iv. If the customer does not timely appeal to the District's Board of Directors, the water charges in question shall be immediately due and payable. In the event the charges are not paid in full within 60 calendar days after the original billing date, then the District shall provide customer with the 10-Day Notice in accordance with Section 2(c), above, and may disconnect water service to the customer's property if the outstanding bill is not timely paid.

v. When a hearing before the Board of Directors is requested, the customer will be required to personally appear before the Board and present supporting material and reasons as to why the water charges on the bill in question are not accurate. The Board shall evaluate the evidence presented by the customer, as well as the information on file with the District concerning the water charges in question (including the General Manager's/designee's decision) and any staff presentation, and render a decision as to the accuracy of the charges. The Board's decision shall be final and binding.

vi. If the Board finds that the water service charges in question are incorrect, the customer will be invoiced for the revised charges. If the revised charges remain unpaid for more than 60 calendar days after the corrected invoice is provided, water service will be disconnected, on the next regular working day after expiration of that period. The District shall provide the customer with the 10-Day Notice in accordance with Section 2(c), above.

vii. If the water service charges in question are determined to be correct, they shall be due and payable within three business days after the date of the decision of the Board. In the event the charges are not paid in full within 45 calendar days after the original billing date, then the District shall provide with the 10-Day Notice in accordance with Section 2(c), above, and may disconnect water service to the customer's property if the outstanding bill is not timely paid.

d. Any overcharges due from the District will be reflected as a credit on the next regular bill to the customer, or refunded directly to the customer, at the sole discretion of the General Manager or Board of Directors.

e. Water service to any customer shall not be disconnected at any time during which the customer's appeal to the General Manager or the Board of Directors is pending.

## **ATTACHMENT 2**

**Resolution No. 20-03, A Resolution of the Board of  
Directors of the Sacramento Suburban Water District  
Amending Regulations Nos. 2, 3, 5 and 6 of the  
Regulations Governing Water Service and Adopting  
Disconnection of Water Service Policy**

## **RESOLUTION NO. 20-03**

### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SACRAMENTO SUBURBAN WATER DISTRICT AMENDING REGULATIONS NOS. 2, 3, 5 AND 6 OF THE REGULATIONS GOVERNING WATER SERVICE AND ADOPTING DISCONNECTION OF WATER SERVICE POLICY**

WHEREAS, on July 19, 2004, the Board enacted Ordinance 2004-03, entitled “An Ordinance of the Board of Directors of Sacramento Suburban Water District Adopting Regulations Governing Water Service”;

WHEREAS, in 2019, the Legislature passed and the Governor signed into law Senate Bill 998 (“SB 998”), which requires new procedures for disconnection of residential water service for nonpayment and requires water suppliers like the District to adopt a written policy concerning such disconnections;

WHEREAS, to comply with SB 998, the Board now desires to amend Regulation Nos. 2, 3, 5 and 6 of the Regulations Governing Water Service as described in this Resolution;

WHEREAS, to comply with SB 998, the Board also desires to approve and adopt the Disconnection of Residential Water Service Policy (the “Policy”) as described in this Resolution; and

WHEREAS, none of the described amendments to Regulation Nos. 2, 3, 5 and 6 nor the Policy are subject to Proposition 218’s notice and hearing requirements as provided in Article XIII D, section 6 of the California Constitution.

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

1. Regulation Nos. 2, 3, 5 and 6 are hereby amended as shown in Exhibit 1, which is attached to and made a part of this Resolution.
2. The Policy is hereby approved and adopted as shown in Exhibit 2, which is attached to and made a part of this Resolution.
3. The Board authorizes and directs the General Manager and staff to take all actions necessary to amend Regulation Nos. 2, 3, 5 and 6, to adopt the Policy, and to enforce such amended regulations and the Policy in accordance with the authority granted by this Resolution.
4. Except as modified by the terms of this Resolution, the existing District Regulations Governing Water Service shall remain in full force and effect. Any provisions in the existing regulations that conflict with the amendments set forth in this Resolution are deemed superseded and of no further effect.

5. This Resolution shall take effect as of January 27, 2020.

PASSED AND ADOPTED by the Board of Directors of the Sacramento Suburban Water District on the 27th day of January 2020, by the following vote:

AYES:  
NOES:  
ABSENT:

By: \_\_\_\_\_  
Kevin M. Thomas  
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 27th day of January 2020.

(SEAL)

By: \_\_\_\_\_  
Daniel R. York  
General Manager/Secretary  
Sacramento Suburban Water District



## **ATTACHMENT 3**

**Updates to Regulations Nos. 2, 3, 5 and 6.**

## Regulation No. 2 Conditions of Service

Adopted: July 19, 2004

Amended: November 17, 2008; December 21, 2009; January 28, 2013;  
June 15, 2015

### A. Service Subject to District Regulations

Water supply and service will be provided by the District to Customers within defined District boundaries in accordance with regulations governing said service from time to time adopted and amended by the District's Board of Directors.

The District will exercise reasonable care and diligence to deliver to its Customers a continuous and sufficient supply of water under proper pressure and of good quality at the District Point of Responsibility to the Customer's Premises.

### B. Non-Liability of District

The District is not, and will not be, liable for any loss, damage, or inconveniences to any Customer by reason of shortage, insufficiency, suspension, discontinuation, shut off, increase, or decrease of water pressure, or by a water quality problem.

### C. Service Interruption

The District reserves the right at any and all times to shut off water delivery for the purposes of maintenance, emergency repairs, alterations, or improvements to the system. Whenever practical, advance notice of interruption of service will be given to all Water Users affected either by personal contact, mail, or door hanger.

### D. Access Facilities

#### 1. Unrestricted Access

By applying for or receiving water service from the District, each Customer irrevocably licenses the District and its authorized employees and representatives to enter upon the Customer's property at all reasonable times for the purpose of reading, inspecting, testing, checking, repairing, maintaining, or replacing the District's Meters and Water System components.

## 2. Restricted Access to District Water System

If access to District Water System is obstructed, the Customer will be required to move or modify the obstruction to allow access by authorized District employees or representatives. The cost to move or modify an obstruction will be borne by the Customer. Removal or modification of any obstruction will be carried out in accordance with Regulation 16 hereof.

### E. Customers' Responsibility for Control of Water Delivered

Title to water furnished by the District, the risk of loss thereof, and full responsibility for the carriage, handling, storage, disposal, and use thereof shall pass from the District to the Customer at the Point of Responsibility. In all cases where a Parcel is leased or rented, the Landowner will retain total responsibility for control of and payment for water delivered.

### F. Place of Use of Water: Resale Prohibited

Except with the prior written authorization of the District, no Customer shall use, or permit the use of, any water furnished by the District on any Premises other than specified in his/her Application for Water Service, nor shall any Customer resell any water furnished by the District unless his/her business uses water in the process of producing a product for resale. The bottling of water for resale is not considered a process of producing a product for resale and is expressly prohibited.

### G. Electric Grounds

No electric circuit shall be grounded to the District's facilities or to any plumbing or metal in contiguity therewith. Any Customer who makes, or permits to be made, such a connection will be liable for damages to the District's facilities and for personal injury resulting therefrom. Ground Rods may be installed per Sacramento County Standards by District staff or contractor when electrical grounds are found connected to service lines during the course of District business.

### H. Water User's Compliance with Regulations

By applying for and/or receiving water service from the District, each Applicant and Customer agrees to be bound by and to comply with all regulations in effect, adopted or amended by the District Board of Directors from time to time. An Applicant or Customer who violates any District regulation is subject to termination of District Water Service if he or she does not immediately resolve the violation to the satisfaction of the District.

### I. Responsibility for Payment

Each Landowner is responsible for regular monthly payment for all services rendered by the District to his, her or its Premises, whether an invoice is received or not, until the District receives a notice from the Customer to terminate such service. (Gov. Code Section

54347; Water Code Section 31007.5) A Landowner remains responsible for all District fees and charges incurred on his, her or its Premises regardless of the time or manner in which the charges were incurred. A Landowner remains responsible for payment of all such fees and charges whether or not the Landowner enters into a financial responsibility agreement with the District in accordance with Section I of Regulation 5.

In the absence of such notice to terminate services, and/or when the Landowner has been notified of the District's intention to discontinue services, or in the event the Premises are vacant and service has been discontinued in accordance with the provisions of Regulation No. 6 hereof and/or Policy – Disconnection of Residential Water Service Policy (PL – CS 001), and the District has given notice of its demand for payment against the Premises by attaching such notice to the front of or to the principal entrance or any structure located thereon, then water service will not be continued, restored, or re-established until all unpaid bills, charges, fees, and penalties have been paid by the Landowner, Tenant, Agent, or by any subsequent Landowner, Tenant, or Agent.

In some cases a homeowner's association is receiving the water bills for each individual property or unit within the association and making payment for water service on behalf of its members. If the homeowner's association requests to transition the billing to each Customer in the association, the association first will be required to obtain and provide to the District a signed Application for Water Service from each Customer within the association as a condition of the District providing water service to individual Customers in lieu of the homeowner's association. The District also will require the homeowner's association to remain responsible for water bills rendered for District Water Service to all common areas within the association.

#### J. Reimbursement

Upon written application of a Customer, the District will consider a credit/refund against future water charges to the extent the Customer has paid water charges erroneously levied by the District in excess of the proper water charge, provided that the credit will not apply to charges levied more than four (4) years before the application for credit was filed. The four year limitation on refunds is based on the statute of limitations for claims made upon a written contract. Nothing in this Section J excuses a Customer from complying with the Government Claims Act if he/she applies for a reimbursement of overpaid water charges.

#### K. Contracts

The District, at the discretion of the District General Manager and with the approval of the Board of Directors, may enter into a Contract with third parties for the supply or delivery of water and/or other services. The Contract may specify price, delivery conditions or limitations, schedule, duration, guarantees and/or liabilities as circumstances warrant, as determined in the best interest of the District.

# Regulation No. 3 Water Service Charges and Rates

Adopted: March 15, 2004  
Approved with Changes on: January 27, 2020

## A. Charges for Water Service

The District charges all Customers on a monthly basis. Customers billed on a Residential Flat Rate are billed in advance, while Metered Rate Customers are billed in arrears. All charges are based on the District's costs of providing District Water Service. Therefore, the basis for charges and rates are categorized on the same basis as District costs. Explanations of each charge and the related District costs are as follows:

1.

**Usage Charge:** This charge is based on Parcel square footage. The charge is intended to cover District operations and maintenance variable costs, attributable to Residential Flat Rate Customers.

**Fixed Charge:** This charge is based on connection size. The charge is intended to cover District operations and maintenance fixed costs, attributable to serving Residential Flat Rate Customers.

<b>Sacramento Suburban Water District Flat Rate Customers</b>					
	<b>01/01/20</b>	<b>01/01/21</b>	<b>01/01/22</b>	<b>01/01/23</b>	<b>01/01/24</b>
<b>Usage Charge (\$/1,000 sq. ft.)</b>	\$ 2.35	\$ 2.47	\$ 2.57	\$ 2.65	\$ 2.73
<b>Fixed Charge</b>					
3/4" connection	\$ 44.40	\$ 46.68	\$ 48.61	\$ 50.13	\$ 51.63
1" connection	\$ 69.19	\$ 72.75	\$ 75.75	\$ 78.12	\$ 80.45
1 1/2" connection	\$ 131.17	\$ 137.90	\$ 143.60	\$ 148.11	\$ 152.53
2" connection	\$ 205.53	\$ 216.08	\$ 225.01	\$ 232.07	\$ 238.99

2. **Usage Charge:** This charge is based on water usage. The charge is intended to cover District operations and maintenance variable costs attributable to Metered Rate Customers, including the cost of water and treatment and pumping and conveyance costs. The Usage Charge is based on 100 cubic feet of water (748 gallons.).

**Fixed Charge:** This charge is based on meter size and property location. The charge is intended to cover District fixed operations and maintenance costs attributable to serving

Metered Rate Customers. This charge also covers District capital improvement costs and periodic principal and interest payments due on District debt.

<b>Sacramento Suburban Water District Metered Rate Customers</b>					
<b>Meter Usage Charge (\$/CCF) – 1 CCF = 748 gallons</b>	<b>01/01/20</b>	<b>01/01/21</b>	<b>01/01/22</b>	<b>01/01/23</b>	<b>01/01/24</b>
Residential - 1st Tier (0-15 CCF)	\$ 0.88	\$ 0.93	\$ 0.97	\$ 1.00	\$ 1.03
Residential - 2nd Tier (16+ CCF)	\$ 1.15	\$ 1.21	\$ 1.26	\$ 1.30	\$ 1.34
Multi-Family Residential - Uniform	\$ 1.26	\$ 1.33	\$ 1.39	\$ 1.44	\$ 1.49
Non-Residential - Uniform	\$ 1.33	\$ 1.40	\$ 1.46	\$ 1.51	\$ 1.56
<b>Fixed Charge</b>					
5/8" meter	\$ 32.01	\$ 33.65	\$ 35.04	\$ 36.13	\$ 37.21
3/4" meter	\$ 44.40	\$ 46.68	\$ 48.61	\$ 50.13	\$ 51.63
1" meter	\$ 69.19	\$ 72.75	\$ 75.75	\$ 78.12	\$ 80.45
1 1/2" meter	\$ 131.17	\$ 137.90	\$ 143.60	\$ 148.11	\$ 152.53
2" meter	\$ 205.53	\$ 216.08	\$ 225.01	\$ 232.07	\$ 238.99
3" meter	\$ 403.85	\$ 424.59	\$ 442.15	\$ 456.03	\$ 469.62
4" meter	\$ 626.95	\$ 659.16	\$ 686.42	\$ 707.97	\$ 729.07
6" meter	\$ 1,246.68	\$ 1,310.72	\$ 1,364.95	\$ 1,407.81	\$ 1,449.77
8" meter	\$ 2,238.25	\$ 2,353.23	\$ 2,450.59	\$ 2,527.55	\$ 2,602.87
10" meter	\$ 2,891.93	\$ 3,135.11	\$ 3,264.82	\$ 3,367.35	\$ 3,467.69
12" meter	\$ 4,190.40	\$ 4,405.66	\$ 4,587.93	\$ 4,732.02	\$ 4,873.03

**B. Service Charges**

- For each new account to be established, a service charge shall be assessed and added to the first or opening water bill for payment in accordance with the following provisions:

Service charge with water service already on. \$9.00

Service charge during regular business hours,  
which requires restoration of water. \$31.00

- The following dispatch service charges shall be assessed in accordance to Section K.2, Regulation 5 and Section C, Regulation 6:

Dispatching personnel to deliver delinquency notice \$35.00

Dispatching personnel to terminate water service \$60.00

Other than in an emergency, to locate a service or shut-off water service after regular business hours the District will charge its actual cost of time and material, not to exceed \$150.00.

C. Temporary Turn-On Charges

When water service has been terminated for non-payment or put into an inactive status, and temporary (24-hour maximum) service is required for third-party inspection purposes, a non-refundable charge of \$40.00 shall be paid before service is turned on.

D. Cross-Connection Control Program

Monthly charges shall be paid to fund the District’s Cross-Connection Control Program (CCCP). This charge shall be billed monthly per Backflow Prevention Assembly (Assembly) to each Account holder with one or more Assemblies. Each Assembly is the property of the Landowner. The services covered by this charge shall include, but are not limited to, administering/monitoring the program, notifying Customers, performing inspections, reviewing and recording test results and reporting to the State Water Resources Control Board Division of Drinking Water (DDW). The charge shall be determined each year based on program expenses and the number of Assemblies within the District. The monthly charge for the CCCP shall be (see table below) per Assembly for all connection sizes.

<b>Monthly CCCP Charge</b>					
	<b>01/01/20</b>	<b>01/01/21</b>	<b>01/01/22</b>	<b>01/01/23</b>	<b>01/01/24</b>
Per Unit Charge	\$ 2.31	\$ 2.41	\$ 2.49	\$ 2.57	\$2.65

If a Customer requests Assembly testing or the District determines it is necessary to test an Assembly, the District will impose an Assembly test charge of \$61.00 per Assembly. The charge includes the fee for the required District tag. While the District does not routinely perform repairs or replacements, labor and materials will be charged to the Account holder if the District is required to repair or replace an Assembly.

As part of the Assembly test, a District tag must be attached to the Assembly indicating whether it “passed” or “failed”. These tags are to be purchased by the tester at the District office. The cost of the tag shall be determined each year based on the cost of producing the tag and overseeing the tag distribution. The current cost shall be \$1.00 per tag.

E. Privately-Owned Fire Protection Systems

A monthly charge shall be paid for water service at un-metered connections to the District’s Water System which supplies water to privately-owned and maintained sprinklers used exclusively for firefighting, irrespective of the quantity of water used and based on the size of the fire service assembly as follows:

<b>Private Fire Service</b>					
<b>Size</b>	<b>01/01/20</b>	<b>01/01/21</b>	<b>01/01/22</b>	<b>01/01/23</b>	<b>01/01/24</b>
2-inch	\$ 13.95	\$ 14.51	\$ 14.95	\$ 15.40	\$15.87
3-inch	\$ 26.17	\$ 27.22	\$ 28.04	\$ 28.89	\$29.76
4-inch	\$ 42.62	\$ 44.33	\$ 45.66	\$ 47.03	\$48.45
6-inch	\$ 84.82	\$ 88.22	\$ 90.87	\$ 93.60	\$96.41
8-inch	\$ 150.05	\$ 156.06	\$ 160.75	\$ 165.58	\$170.55
10-inch	\$ 234.44	\$ 243.82	\$ 251.14	\$ 258.68	\$266.45
12-inch	\$ 261.28	\$ 271.74	\$ 279.90	\$ 288.30	\$296.95

**F. Security Deposits**

Whenever an Applicant's or Customer's credit rating or payment history is or becomes unacceptable to the District because of poor credit history, non-payment of water bills, or frequent delinquent bill payment, a cash deposit may be required in accordance with the schedule set below:

1. Residential Customers shall be required to pay the sum equal to two (2) months water charge, but not less than \$90.00 (cost of ¾" flat base charges).
2. Business Customers shall be required to pay the sum equal to three (3) times the estimated water bill, but not less than \$180.00 (cost of 1" meter base charges).

The District may apply the security deposit to any account of a Customer that is delinquent for more than 30 days and will notify the Customer of such application. Water service may be terminated if the account is not fully paid and the security deposit replenished, subject to the conditions and procedures described in Regulation 6, Section B.

The security deposit will be returned to the Customer without interest upon termination of the service and payment of all rates and charges owed to the District by the Customer, or at such earlier time as the District may determine that the credit of the Customer is satisfactory. Security deposits that remain unclaimed after five (5) years from the date the deposit became refundable will become property of the District.

For the purpose of this Regulation 3, the District shall determine whether a Customer's credit is satisfactory. The credit of a Customer who has paid all rates and charges without delinquency for twelve months shall be deemed satisfactory.

**G. Application of Payments**

Any monies received on an account will be applied first to the oldest outstanding charges.

**H. Returned Payments**

The District shall levy a charge for each returned payment as defined in Regulation 5, Section C. The amount shall be the District's actual Bank Service Charge plus \$10.00.



I. Meter Testing Fee

This charge will be assessed to accounts that request a meter test with results within the range set by AWWA per Regulation 4, Section D. The fee will be \$285.00 per meter test for large meters (3" and above), \$200.00 for medium meters (1-1/2" and 2"), and \$60.00 for small meters (1" and below).

J. Bacteriological Testing

The District will assess actual time and material costs but not less than a minimum charge of \$25.00 for each bacteriological test as defined in Regulation 7, Section H.8.

K. Annexation Fees

The District will charge annexation fees for each Parcel located outside of the District's legal boundaries that desires to be annexed into the District. The fee will be charged on a time and materials basis and reflect all District costs to apply for and complete the annexation of a Parcel, including without limitation staff time, attorneys' and consultant fees, LAFCO application fees, and costs of studies and environmental review. Upon application for an annexation into the District, staff will estimate the costs to process the annexation and the applicant shall deposit the estimated costs with the District. Upon conclusion of the annexation proceedings, if a portion of the deposit remains, it will be refunded to the applicant. If the District has expended the entire deposit and advanced additional funds to pay costs of the annexation proceedings, the applicant will repay the entire amount of any funds advanced by the District as a condition of LAFCO's recording of the Certificate of Completion approving the annexation and of the District's approval of the applicant's Application for Water Service.

L. Water Conservation Violation

In accordance with Section B of Regulation 15, the following charges may be imposed for a Water User's violation of the District's water conservation regulations:

1. A charge of \$50.00 will be added to the next billing for serving the second water conservation violation as defined in Regulation 15, Section B.
2. A charge of \$100.00 will be added to the next billing for serving the third water conservation violation as defined in Regulation 15, Section B.

M. Variance Application Service Fees

1. A service fee of \$300.00 will be charged to any person or entity for a filing variance application as provided in Regulation 17, Section B.

2. If an Applicant desires a hearing at a special Board of Directors meeting, a fee of \$1,200.00 will be charged as provided in Regulation 17, Section E.

N. Facility Use Fees

District Facilities may be used only upon approval of the General Manager. Interested parties must apply for use of District Facilities by completing the District's "Facility Use Application." All charges for use of District Facilities, including insurance requirements, are as noted on the Application and are dependent on facility location, event duration and recovery of all District costs required for the event.

O. Public Information Request

A charge of \$0.10 per page shall be charged for requests for copying of disclosable District records. Additional charges and terms of reproduction and delivery of copies of records are provided in the District's Records Inspection, Retention and Disposal Policy, PL-Admin 002.

P. Construction Water Charge

Water provided by the District for construction purposes will be charged subject to conditions of the service or project and in conformance with Regulation 12. The following charges will apply:

1. For construction water taken through a District Fire Hydrant Meter the contractor will be required to pay the current metered nonresidential peak usage rate per hundred cubic feet of water taken, a \$50.00 permit fee and \$2,300.00 deposit for the hydrant meter with backflow prevention assembly.
2. Use of District Fire Hydrants is authorized by a permit issued by the District only, as conditioned in Regulation 13, Section D. Illegal use of a Fire Hydrant may be subject to a \$250.00 charge.

Q. Plan Check Fee

An hourly rate of \$90.00 shall be assessed for review of an Applicant's construction plans as provided in Regulation 7 under Part H.1. The minimum plan check fee shall be \$900.00.

R. Supervision and Inspection

An hourly charge of \$87.00 shall be used to calculate the deposit for supervision and inspection of new or upgraded water facilities to be connected to the District system, as provided in Regulation 7, Section H.6. The minimum fee for Supervision and Inspection shall be \$600.00.

S. Hydrant Flow Test

A completed application for hydrant flow test and \$350.00 fee shall be paid in advance to supervise and perform a fire hydrant flow test and to provide written results of the test to the person or entity requesting it.

T. Abandonment of Service and Reinstallation of Abandoned Service

The District charge for abandoning an existing water service from the existing water main as provided in Regulation 7, Section K shall be calculated on a time and materials basis, with a minimum charge of \$3,000.00. The estimated charge shall be paid to the District prior to scheduling the abandonment. In addition, if requested by a Landowner, the District will restore an abandoned service connection by charging on a time and materials basis, with a minimum charge of \$3,000.00.

U. Administration Fee

This fee will be assessed to those accounts that participate in certain District programs, including without limitation the Large Irrigation Service, Wholesale Water, and Owner/Tenant Billing Agreement. Each fee is based on actual District costs for administering the individual program and is reviewed at least annually.

V. Locking Device Replacement Fee

If the District has installed a locking device on a water meter, curb stop or service valve and such a device is damaged or removed, then a \$35.00 charge shall be imposed on the Landowner.

If installed locking devices on the same service connection continue to be damaged or removed, the District reserves the right to abandon the service. Charges for service abandonment and any subsequent reinstallation of service will be on time and materials for the abandonment of the service as provided in Section T of this Regulation 3. The charges will be added to the Customer's water bill and must be paid before service is restored.

# Regulation No. 5

## Billing, Payments, and Miscellaneous Charges

Adopted: July 19, 2004

~~Amended: November 17, 2008; December 21, 2009; January 28, 2013;  
June 15, 2015~~ Approved with Changes: January 27, 2019

District water service is a privilege and is maintained by prompt payment of all fees and charges and compliance with all District regulations and applicable laws governing water service. Under California law, the responsibility for paying District fees and charges results from possession of the property on which water is used, rather than from any personal obligation. California law also requires that each Parcel connected to the District water system pay its fair share of the costs to operate and maintain the system. Based on these legal principles, it is the District's policy to minimize the costs of administering the water system and to ensure each Parcel pays its fair share for operating and maintaining the District water system by requiring Landowners to be financially responsible for all fees and charges imposed on their Parcels for the privilege of receiving District water service, whether the Landowner occupies the Parcel or rents or leases it to another person or entity.

### A. Billing

#### 1. Flat Rate Service

Bills for flat rate water service will be mailed at the beginning of the monthly period. If the Customer owns and resides at the subject Premises, the District shall mail the bill to the Premises address or another address designated by the Customer. If a Landowner rents or leases the subject Premises, the District shall mail the bill to the Landowner's designated address or to his or her designated Agent. If a Premises is leased or rented, the District will mail a duplicate bill to a tenant at the Premises address only in accordance with the procedure provided below in section I. (Gov. Code section 54347, Water Code section 31007.5) Non-receipt of a bill shall not relieve a Landowner of any payment obligation to the District.

#### 2. Commercial Metered Rate Service

Bills for commercial metered rate water service will be mailed monthly, following the reading of the Meter, to the mailing address of each Landowner or designated lessee. The Landowner or his/her designated lessee shall be responsible to keep the District advised of the address to which bills are to be mailed. Non-receipt of a bill shall not relieve a Landowner or the lessee of any payment obligation to the District.

#### 3. Residential Metered Rate Service

Bills for residential metered rate water service will be mailed monthly, following the reading of the Meter. If the Customer owns and resides at the subject Premises, the District shall mail the bill to the Premises address or another address designated by the Customer. If a Landowner rents or leases the subject Premises, the District shall mail the bill to the Landowner's designated address or to his or her designated Agent. If a Premises is leased or rented, the District will mail a duplicate bill to a tenant at the Premises address only in accordance with the procedure provided below in section I. (Gov. Code section 54347, Water Code section 31007.5) Non-receipt of a bill shall not relieve a Landowner of any payment obligation to the District.

B. Payment

Bills are due and payable upon receipt. Payment can be made via the District's web site, telephone, mail or in person at the District Office, 3701 Marconi Avenue, Suite 100, Sacramento, California 95821, between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday. For billing disputes, see Section H hereof.

C. Returned Payments

The District shall levy a fee in accordance to Regulation 3, Section H for each check payment, electronic payment or credit card payment tendered to the District for water service charges that is returned unpaid.

D. Charges Against Deposits

The District may deduct the amount of any delinquent bill, including delinquent charges, against a security or any other deposit made to the District by the Customer liable for such bill.

E. Estimated Bills

If a Meter fails to register correctly or cannot be read, a water service bill will be based on the District's estimate of the quantity of water delivered, taking into consideration seasonal water demand and any other factors that are material and reasonable in determining a fair charge. Once the meter is repaired or the amount corrected, the subsequent water service bill will be corrected to the actual quantity of water delivered for the billing period(s) in question.

F. Prorated Bills

For water service bills calculated for less than a full billing period, flat rate Customers will pay a prorated amount from the first day of the billing period to the date of termination of service, or from the commencement of service until the last day of the billing period. For water meter fees and charges the bill will be calculated based on actual quantities used

from the last billing date to the date the account is closed, plus the prorated charge for the fixed portion of the bill.

#### G. Vacancies in Multiple Family Residences

No credit will be allowed or approved for any vacancies of multiple family residential water service accounts, unless each unit is separately metered or has a separate connection.

#### H. Disputed Bills and Other Charges

Should a Customer dispute a current bill for water service, a written explanation must be received before the next regular billing. District staff will review the account in question and contact the owner of the property to resolve the issue. If staff rules in favor of the Customer, the Customer's account will be credited for the disputed item. If the Customer is dissatisfied with the District's resolution, the Customer may appeal the staff decision to the District General Manager. If dissatisfied with the District General Manager's decision, then an appeal may be made to the District Board of Directors. All decisions made by the District Board of Directors are final. A Customer is required to pay any undisputed portion of a water service bill by the due date except as otherwise provided in Regulation 6, Section B.

If a Customer disputes any other rate, fee, charge, refund or reimbursement levied or rendered by the District, the Customer must comply with the formal claims presentation requirements of the Government Claims Act (Government Code sections 810 and following) and the District's local claims procedures ordinance, Ordinance No. 02-02. In all cases where a dispute requires a Customer to file a formal complaint, the District's action on the claim will be final and no appeal will be allowed.

#### I. Duplicate Bill to Tenant; Tenant Non-Payment

1. The District will prepare and mail a duplicate bill to a Tenant, provided the Landowner of the Premises at which the Tenant resides satisfies all of the following terms and conditions:
  - a. The Landowner signs a financial responsibility agreement in the form provided by the District, in which the Landowner agrees to guarantee payment of any fees and charges incurred by his, her or its Tenants as a result of District water service provided to the Landowner's Premises.
  - b. The Landowner pays a monthly duplicate mailing fee set by the District to reflect the costs of generating and mailing the duplicate bill.
  - c. If a Tenant defaults on the payment of any fee or charge, the Landowner will promptly pay the fees and charges due upon receipt of a notice of delinquency.

2. The District reserves the right to require a Landowner to assume sole liability for payment of fees and charges if there is a history of non-payment of bills by a Tenant of the Landowner.

#### J. Payment of Outstanding Water Service Charges Upon Property Transfer

Consistent with the legal principles set forth in the preface of this Regulation 5, a Landowner who acquires real property in the District is responsible for paying any outstanding District fees and charges owing on the acquired Parcel regardless of the time or manner in which those charges were incurred. The District reserves the right to refuse to open an account and to provide water service to a Parcel until the acquiring Landowner pays all outstanding fees and charges. It will be the acquiring Landowner's sole responsibility to pursue any legal remedies it may have to seek reimbursement of such outstanding fees and charges from any former Landowner or occupant of the acquired Parcel. All prospective Landowners considering acquiring a Parcel within the District are urged to call the District prior to acquiring ~~that a~~ Parcel to determine the status of its water service account.

#### K. Delinquency-Related Fees

##### 1. Penalty Charges

The District shall levy a charge in accordance to Regulation 3, Section Z if a District bill for water service is not paid in full by the time the District processes the next month's water bills, which in no case will be any earlier than 19 days after the bill was mailed or otherwise presented to a Customer. If a bill becomes delinquent, then a penalty fee in the amount of 10 percent of the unpaid portion of the bill will be assessed on the account and will appear on the Customer's next water bill. The amount of a delinquent water bill and the assessed penalty charge will continue to appear and be marked as delinquent on a Customer's bill until paid in full. The District may terminate a Customer's water service for non-payment as provided in Regulation 6 and/or the Disconnection of Residential Water Service Policy (PL – CS 001).

The District also will charge interest at the rate of one-half of one percent per month on all delinquent water service bills until the principal, penalty charge and any accrued interest is paid in full. The amount of accrued interest on any delinquent water bill also will appear on a Customer's bill until it is paid in full.

In cases where a penalty fee is imposed on a water bill that has become delinquent, the District will have the discretion to waive the penalty fee in circumstances where a Customer, upon receiving the month's bill showing the previous month's water bill as delinquent, contacts the District by no later than 19 days after receipt of the next month's bill to offer a reasonable and substantial excuse for non-payment of the previous month's bill, requests a waiver of the penalty charge, and is willing to immediately pay the full amount of delinquency (less the assessed penalty charge)

by telephone or in person. In determining whether to grant or deny a Customer's request to waive a penalty charge, the District may request additional information from the Customer documenting the excuse and may consider the Customer's payment history and waiver request history.

## 2. Notice of Termination or Turn Off

The District shall levy a charge in accordance ~~with~~ Regulation 3, Section B.2 if a District employee must be dispatched to deliver a notice of termination due to delinquency, or terminate water service due to a delinquency or an illegal restoration of a water service in a disconnect status.



# Regulation No. 6

## Disconnection and Restoration of Service

Adopted July 19, 2004

Amended: ~~November 17, 2008; December 21, 2009; January 28, 2013;~~  
~~June 15, 2015~~ January 27, 2020

The requirements to discontinue or restore water service for residential customers are provided in the District's Disconnection of Residential Water Service Policy (PL – CS 001). For all non-residential customers, the process for discontinuing or restoring water service is as follows:

### A. Disconnection by the District

The District reserves the right to disconnect any connection to the District Water System and to discontinue water service for any of the following reasons:

1. A Customer fails to comply with any of the District's regulations.
2. The District is furnishing service without a proper application on file.
3. There is evidence of unlawful tampering or interference with the District Water System.
4. The District or a state or county public health officer finds that there exists a condition hazardous to the health and safety of any Customer of the District.
5. A Customer fails, after notice from the District, to remove an obstruction that prevents reading of his/her Meter or observation or repair of any connection at the Point of Responsibility, per Regulation 2, Section D.
6. Failing to install or upgrade an authorized Backflow Prevention Assembly per Regulation 14, Section G.
7. Committing unlawful acts as defined in Regulation 13.
8. For failure to conserve water as provided under Regulation 15.
9. Failure to provide access to property for operation and maintenance of District facilities upon request.
10. Failure to repair a leak on a Customer's System after being notified by the District.

### B. Nonpayment of Bills

The District reserves the right to terminate a Customer's water service for non-payment of any bill rendered by the District upon the following conditions:

1. A District bill for water service becomes delinquent because it is not paid in full by the time the District processes the next month's water bills, which in no case will be any earlier than nineteen (19) days after the bill was mailed or otherwise presented to the Customer, and the Customer is otherwise not excused from the delinquency as provided in Section K, Regulation 5 and this Section.
2. When an account is two billings delinquent, the District mails to the Customer at his or her last-known address a 15-day notice of impending service termination at least nineteen (19) days after the delinquent bill was mailed, and at least fifteen (15) days before water service is to be terminated. The 15-day notice will be included in the third bill statement.
3. The District gives final notice of a delinquent water bill and pending termination at least forty-eight (48) hours before water service is to be terminated. The 48-hour termination notice will be delivered to the Parcel where the service is provided and left at the front of or the principal entrance to any structure located thereon. At the District's discretion, this notice may be delivered by priority mail, certified mail/return receipt requested or overnight delivery service. By delivery in this manner the notice may be left where the Customer's typically receives mail delivery. The 48-hour period will commence upon delivery of the notice.
4. During the notice periods described above in subsections (2) and (3), the Customer fails to make full payment of the delinquent charges and any late fees, penalties or other charges accrued thereon, or to make satisfactory arrangements with the District for payment of those amounts.
5. Government Code section 60372 provides general procedures for terminating utility service by public agencies. Subdivision (b) states exceptions to the general rule provided in subdivision (a) that a public agency may terminate utility service for non-payment upon proper notice of the delinquency and impending termination. The exceptions in subdivision (b) are limited to: (1) the time during which a public agency is investigating a Customer dispute or complaint; (2) any extension period a public agency has given a Customer for paying a past due bill; or (3) a licensed doctor's certification that the Customer's life will be threatened if the utility service is terminated, and the Customer is unable to timely pay the bill and is willing to enter into an amortization agreement not exceeding 12 months to repay the delinquent balance.

#### C. Charge for Service Restoration After a Termination

The District will levy a termination charge in accordance with Regulation 3, Section B.2, which will be added to a bill for any service that has been terminated due to delinquency. The District will impose this charge in addition to the dispatch charge in accordance with

Regulation 3, Section B.2 if the District must deliver a 48-hour delinquency notice. A Customer must pay current all charges and fees before water service will be restored, except as provided in subsection B.5 hereof.

Upon service termination, if the District has installed a locking device and such a device is damaged or stolen, then a charge sufficient to cover the District's cost for replacing said device will be added to the Customer's water bill and must be paid before service is restored in accordance with Regulation 3, Section Y.

D. Termination of Service by Customer

The District will terminate water service on any business day during regular business hours (not a Saturday, Sunday, or Holiday) requested by a Customer, provided that the request is received by the District at least two (2) business days prior to the requested date of termination. The Customer must advise the District if the Premises is occupied. If the Premises is occupied, a 10-day notice of termination will be delivered to the Premises and left at the front of or to the principal entrance or any structure located thereon. Prior to termination, a 48-hour notice to terminate will be delivered to the Premises and left at the front of or the principal entrance to the residence or other structure located on the Premises. If the Premises is unoccupied, a 48-hour notice to terminate will be delivered to the Premises and left at the front of or the principal entrance to any structure located thereon. After the 48-hour period water service will be terminated. The Customer will be responsible for all service furnished by the District prior to the termination of his, her or its service.

E. Billing on Disconnected Services

The District reserves the right to disconnect any connection to the District Water System for various reasons as noted above. The water bill will be affected as follows:

1. Non-Payment Disconnection; water billing will be suspended for the service disconnected for non-payment issues.
2. Vacancy/Maintenance Disconnection; water billing will be suspended for the service disconnected.
3. Backflow Non-Compliance; water billing will be suspended for the service disconnected for non-compliance.
4. Non-Compliance of Notice to Repair Leak; water billing will be suspended for the service disconnected for non-compliance of leak repair.
5. Conservation; water billing will be suspended for non-compliance of conservation restrictions.

F. Notice of Lien

When a Customer's water bill becomes delinquent and/or when the District terminates water service as provided in Sections A and B above, or when the District has determined that the recovery of the amount due may be uncertain due to abandonment of a Parcel and/or Service Connection, then the District may file with the Sacramento County Recorder a Notice of Lien, setting forth the legal description of the Parcel, the amount of the obligation owed, specifying that the same is owed to the District, and that all delinquent service charges, together with late fees, penalties and interest, are a lien against the Parcel to which the service was provided. (Govt. Code section 54354.) The District also may choose to collect any delinquent charges by any other legally-permitted means within its authority.

G. Restoration of Service

For service that the District has disconnected or terminated, a Customer desiring to restore such service shall pay current all delinquent rates, fees, and charges, and if the District so determines, pay a security deposit in accordance with section F of Regulation No. 3. In addition, as condition for restoring service, the District may require the Customer to upgrade the existing water service. The extent of upgrade shall be at the District's discretion, and shall conform to District Specifications and Standard Detail No. 13 for Single Family Residence and Nos. 14, 15 and 16 for Metered Services. A Backflow Prevention Assembly will be required with each Meter that serves any non-domestic use, including for irrigation. Installation of such devices shall comply with Sacramento County Standard Drawing #8-8A, Drawing #8-8B and Drawing #8-8C for Backflow installation only.



## Agenda Item: 10

**Date:** January 13, 2020

**Subject:** Hemlock Street Mortar Lined Steel Pipeline Leak

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

**Recommended Board Action:**

Approve claim that will exceed \$10,000.

**Discussion:**

This report summarizes staff's response to a Mortar Lined Steel (MLS) pipeline leak on Hemlock Street that occurred on December 17, 2019, as well as customer impacts.

Incident and Staff Response

On December 17, 2019, SSWD's On-Call Technician received a call from Sacramento Metro Fire Department dispatch at 6:06 a.m. stating there was a leak in the roadway. The leak was on Hemlock Street, between Madison Avenue and Myrtle Avenue (see Attachment 1). In addition, water was entering the residences of 4920 Hemlock Street and 4930 Hemlock Street (see Attachment 2).

Sacramento Metro Fire Department was the initial responder on site and set up temporary traffic control. SSWD staff arrived at 6:20 a.m. and determined the leak was coming from an 8-inch MLS pipeline. Staff proceeded to isolate the failed section of pipeline and had it shut down by 6:40 a.m. The length of water main that was taken out of service was approximately 1,050 feet. The shutdown impacted water service at 14 residential properties. Water service was restored later in the evening at approximately 7:00 p.m. on December 17, 2019.

The water main that failed was a section of 8-inch MLS pipeline that deteriorated on the top of the pipe and blew out a hole on the bottom of the pipe (see Attachment 3). A District contractor worked through the day to replace the failed portion of pipeline. The customer at 4920 Hemlock Street stated they believed the leak began at 1:30 a.m. when their dog began barking. If so, the amount of water that was discharged from this section of water main was estimated at approximately 360,000 gallons over a five-hour period. The repair to the pipeline was accomplished by replacing an 8-foot section of pipe with 8-inch ductile iron pipe.

It should be noted that a section about 8-feet upstream of this MLS pipeline failed in December 2007 and caused similar damages to 4920 Hemlock Street. Staff will conduct a condition assessment on this particular section to determine if this area is in need of replacement.

## Hemlock Street Mortar Lined Steel Pipeline Leak

January 13, 2020

Page 2 of 2

PL – Adm 007 Claims Processing Policy requires that all claims exceeding \$10,000 in value be presented for action to the Board of Directors at a regularly scheduled Board Meeting. In order to streamline the claims process, staff intends to recommend changes to this Policy at the February 2020 regular Board Meeting.

### Customer Impacts

The pipeline break resulted in an uncontrolled discharge that impacted two residences described below.

#### 4920 Hemlock Street:

- Damage to contents in the garage.
- Damage under the house, including the basement.
- Damage to the yard, filled with mud and debris.
- Damage to the periphery of the house.
- Damage to fencing and landscaping.

#### 4930 Hemlock Street:

- Damage to contents in the garage.
- Damage under the house, including the crawl space below the raised foundation.
- Damage to the yard, filled with mud and debris.

ACWA/JPIA initiated one claim case that will address all damages associated with this leak event. Three claim forms were received from affected customers (Attachment 4). The property owner of 4920 Hemlock Street submitted a claim for potential structural damages as well as damages to personal property. The property owner of 4930 Hemlock Street submitted a claim for property restoration due to flooding. The tenant who resides at 4930 Hemlock Street submitted a claim for damages to personal property.

### **Fiscal Impact:**

District contractor cost to repair was approximately \$30,000.

An ACWA/JPIA claim adjuster is working directly with the customers for damaged real and personal property reimbursements. Claim amount is yet to be determined, but is expected to exceed \$10,000.

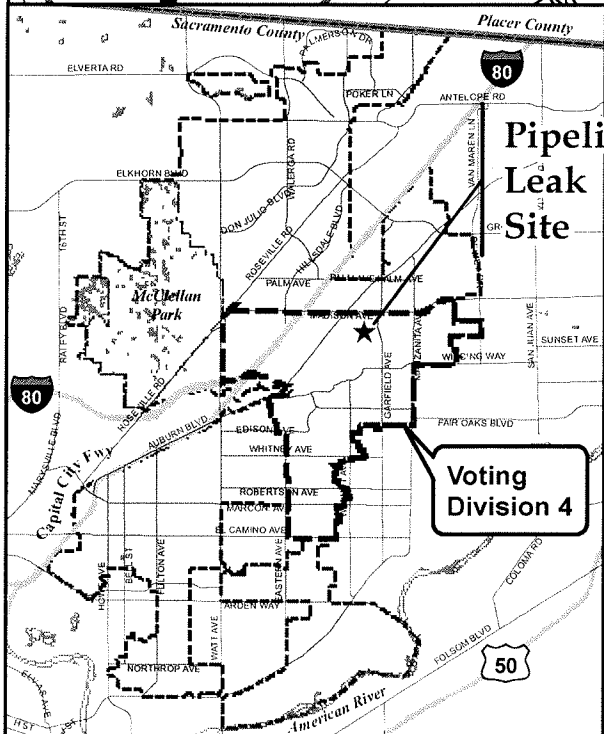
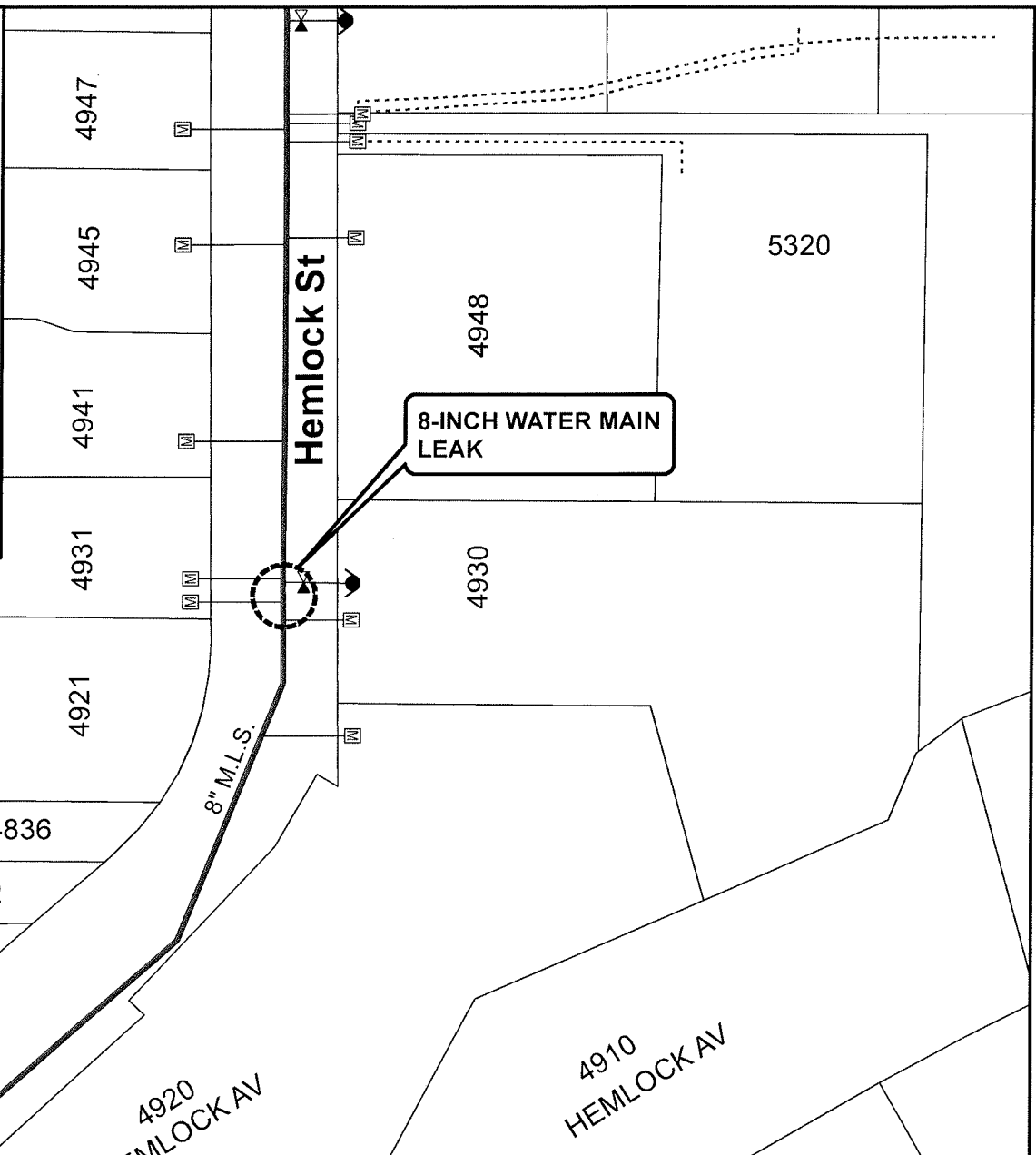
### **Strategic Plan Alignment:**

Goal D - Maintain Excellent Customer Service

### **Attachments:**

1. Incident location and site map
2. Incident photographs
3. MLS pipeline photographs
4. Claim Forms

- Legend**
- , [M] Service Points
  - ⦿ Steamer Hydrant
  - ⊕ Wharf Hydrant
  - ⊗ Gate Valve
  - Blow Off
  - Distribution Main
  - Transmission Main
  - - - Abandoned Main
  - (CAV) Combination Air Release Valve



Partial of Sacramento Suburban Water District



**Attachment 1**

**NOT FOR RECORDING**

**4930 HEMLOCK STREET  
8-INCH WATER MAIN LEAK**

(Voting Division 4)



4920 Hemlock Street – Water Entering Garage



4930 Hemlock Street – Debris in yard





Top of 8" MLS pipe



Hole in bottom of 8" MLS pipe



**Matt Underwood**

**From:** feedback@sswd.org  
**Sent:** Tuesday, December 17, 2019 8:32 AM  
**To:** Ben Harris; Matt Underwood  
**Subject:** Claim Form

A new entry to a form/survey has been submitted.

**Form Name:** Claim Form  
**Date & Time:** 12/17/2019 8:31 AM  
**Response #:** 11  
**Submitter ID:** 10962  
**IP address:** 2601:204:dd00:e240:e498:b785:3bfa:3194  
**Time to complete:** 20 min. , 18 sec.

**Survey Details**

Page 1

**Claimant Information:**

<b>Name</b>	[REDACTED]	<b>Street Address</b>	4920 Hemlock Street
<b>Home Number</b>	[REDACTED]	<b>City</b>	Sacramento
<b>Mobile Number</b>	[REDACTED]	<b>State</b>	CA
<b>Email Address</b>	[REDACTED]	<b>ZIP Code</b>	95841-3012

**Circumstance of the occurrence or transaction:**

<b>Date</b>	12/17/2019	<b>Street Address</b>	4920 Hemlock Stret
<b>Place</b>	4920 Hemlock St, Sac, CA	<b>City</b>	Sacramento
<b>Time</b>	approx 5:45am	<b>State</b>	CA
<b>Email Address</b>	[REDACTED]	<b>ZIP Code</b>	95841-3012

**Describe Event (give complete information)**

At approx 1:30am our dog barked (this is rare) we believe this is when the water line broke. At approx 5:45am spouse Laura Watson noticed water flooding from the front of the house and woke me. I immediately called 311 had long wait so called 911. Laura went outside and saw the water gushing from in front of the fire hydrant located in front of the property next door (north side), the Fire Dept. was dispatched to attempt shutting off the water, were unable to locate the correct shut off, the Water Dept. arrived later and the water was eventually shut off around 7am. Our house has a detached garage and a basement. The driveway is filled with mud, debris and was flooded, the garage was flooded. The property is fenced and gated, the gate to the right of the garage was bent/bowed in from the water and debris/mud. The flow of water was significant enough to topple garbage cans and float multiple items into the main yard. The flow ran directly to

and under the house, made two large rivers - one to each side of the house flowing to the back yard. The basement was flooded. We have a large gully behind our house - the flow was significant enough to fill this gully. We are still assessing the damage and working on getting photos uploaded, it was extremely dark at the time of the incident.

**If you have documents and/or photographs to support your claim, upload them below.**

**Are there any witnesses to the incident?**

(o) Yes

**Witness Information:**

	<b>Name</b>	<b>Address</b>	<b>Telephone Number</b>
1	Fire Department	Station 23 - 4 people	Not answered
2	Water Dept.	Not answered	Not answered
3	Not answered	Not answered	Not answered

**General description of the indebtedness, obligation, injury or loss incurred to date of claim submittal.**

This is still to be determined as we assess the damage. The Water Dept. representative advised us to submit a claim right away. There is clean up, damaged property and concerns with structural integrity of the property.

**Name of District employee(s) or Contractor(s) information causing the injury, damage or loss if known.**

	<b>District Employee Name</b>	<b>Contractor's Name</b>	<b>Contractor's Staff Name</b>
1	Not answered	Not answered	Not answered
2	Not answered	Not answered	Not answered
3	Not answered	Not answered	Not answered

- If claim totals less than ten thousand dollars (\$10,000) as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage or loss, insofar as it may be known at the time of the presentation of the claim, together with the basis of computation of the amount claimed.
- If claim is ten thousand dollars or more (\$10,000), no dollar amount shall be included in the claim. However, it shall indicate whether the claim would be a limited civil case.

**Claim Amount:**

Not answered

**By typing your name below, you confirm that all information provided is true and accurate.**

Date                                      12/17/2019                                      Applicant's Name                                      

Thank you,  
Sacramento Suburban Water District

This is an automated message generated by the Vision Content Management System™. Please do not reply directly to this email.

**Matt Underwood**

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**From:** feedback@sswd.org  
**Sent:** Wednesday, December 18, 2019 3:45 PM  
**To:** Ben Harris; Matt Underwood  
**Subject:** Claim Form

A new entry to a form/survey has been submitted.

**Form Name:** Claim Form  
**Date & Time:** 12/18/2019 3:45 PM  
**Response #:** 12  
**Submitter ID:** 10985  
**IP address:** 67.182.183.90  
**Time to complete:** 11 min. , 23 sec.

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**Survey Details**

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Page 1

**Claimant Information:**

<b>Name</b>	[REDACTED]	<b>Street Address</b>	4860 Willowbrook Dr
<b>Home Number</b>	[REDACTED]	<b>City</b>	Sacramento
<b>Mobile Number</b>	[REDACTED]	<b>State</b>	CA
<b>Email Address</b>	[REDACTED]	<b>ZIP Code</b>	95842

**Circumstance of the occurrence or transaction:**

<b>Date</b>	12/17/2019	<b>Street Address</b>	4930 Hemlock St
<b>Place</b>	House	<b>City</b>	Sacramento
<b>Time</b>	Unknown	<b>State</b>	CA
<b>Email Address</b>	[REDACTED]	<b>ZIP Code</b>	95841

**Describe Event (give complete information)**

Flooded garage, and underneath the house causing a musty smell inside the house. Please refer to adjuster Irina Ganchenko from Sedwig who came to look at the damage and took photos. As well report from Ben Hobbs and Cameron Robinson from ServiceMaster Restoration Services of all damaged items inside the garage.

**If you have documents and/or photographs to support your claim, upload them below.**

**Are there any witnesses to the incident?**

No

**Witness Information:**

	<b>Name</b>	<b>Address</b>	<b>Telephone Number</b>
1	Not answered	Not answered	[REDACTED]

2	Not answered	Not answered	Not answered
3	Not answered	Not answered	Not answered

**General description of the indebtedness, obligation, injury or loss incurred to date of claim submittal.**

I, [REDACTED] (Maiden Last Name: [REDACTED]) is the owner of the property on 4930 Hemlock St Ca 9584. Currently I rent this property out to tenants [REDACTED].

**Name of District employee(s) or Contractor(s) information causing the injury, damage or loss if known.**

	District Employee Name	Contractor's Name	Contractor's Staff Name
1	Not answered	Not answered	Not answered
2	Not answered	Not answered	Not answered
3	Not answered	Not answered	Not answered

- If claim totals less than ten thousand dollars (\$10,000) as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage or loss, insofar as it may be known at the time of the presentation of the claim, together with the basis of computation of the amount claimed.
- If claim is ten thousand dollars or more (\$10,000), no dollar amount shall be included in the claim. However, it shall indicate whether the claim would be a limited civil case.

**Claim Amount:**

Unknown

**By typing your name below, you confirm that all information provided is true and accurate.**

Date                                      12/18/2019                                      Applicant's Name                                      [REDACTED]

Thank you,  
Sacramento Suburban Water District

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**Matt Underwood**

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**From:** feedback@sswd.org  
**Sent:** Monday, December 23, 2019 9:17 AM  
**To:** Ben Harris; Matt Underwood  
**Subject:** Claim Form

A new entry to a form/survey has been submitted.

**Form Name:** Claim Form  
**Date & Time:** 12/23/2019 9:17 AM  
**Response #:** 13  
**Submitter ID:** 11021  
**IP address:** 67.182.183.90  
**Time to complete:** 14 min. , 16 sec.

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**Survey Details**

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Page 1

**Claimant Information:**

<b>Name</b>	[REDACTED]	<b>Street Address</b>	4930 Hemlock St
<b>Home Number</b>	[REDACTED]	<b>City</b>	Sacramento
<b>Mobile Number</b>	[REDACTED]	<b>State</b>	Ca
<b>Email Address</b>	[REDACTED]	<b>ZIP Code</b>	95841

**Circumstance of the occurrence or transaction:**

<b>Date</b>	12/17/2019	<b>Street Address</b>	4930 Hemlock St
<b>Place</b>	4930 Hemlock St	<b>City</b>	Sacramento
<b>Time</b>	in the morning	<b>State</b>	CA
<b>Email Address</b>	[REDACTED]	<b>ZIP Code</b>	95841

**Describe Event (give complete information)**

Flooded the entire garage and underneath the house.  
 Musty smell in the home.

**If you have documents and/or photographs to support your claim, upload them below.**

**Are there any witnesses to the incident?**

(o) No

**Witness Information:**

	<b>Name</b>	<b>Address</b>	<b>Telephone Number</b>
1	Not answered	Not answered	Not answered
2	Not answered	Not answered	Not answered
3	Not answered	Not answered	Not answered

**General description of the indebtedness, obligation, injury or loss incurred to date of claim submittal.**

all items damaged over 1ft.

**Name of District employee(s) or Contractor(s) information causing the injury, damage or loss if known.**


	District Employee Name	Contractor's Name	Contractor's Staff Name
1	Not answered	Not answered	Not answered
2	Not answered	Not answered	Not answered
3	Not answered	Not answered	Not answered

- If claim totals less than ten thousand dollars (\$10,000) as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage or loss, insofar as it may be known at the time of the presentation of the claim, together with the basis of computation of the amount claimed.
- If claim is ten thousand dollars or more (\$10,000), no dollar amount shall be included in the claim. However, it shall indicate whether the claim would be a limited civil case.

**Claim Amount:**

Unknown

**By typing your name below, you confirm that all information provided is true and accurate.**

Date                                      12/23/2019                                      Applicant's Name                                      

Thank you,  
Sacramento Suburban Water District

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## Agenda Item: 11

**Date:** January 21, 2020

**Subject:** General Manager's Report

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

**a. Sacramento Region Water Utility Collaboration Study Update**

As reported to the Board in December 2019, four consultants were interviewed on December 17, 2019 by the General Managers of the participating agencies. Upon conclusion of the interviews, and a lengthy discussion, the panel unanimously recommended to continue discussions with Rafetelis consulting firm.

The participating agencies are scheduled to meet with Rafetelis on January 22nd to discuss the final scope of work, which entails combing particular tasks, methodology for tracking costs related to collaboration / consolidation, and schedule. The proposed cost submitted by Rafetelis is approximately \$175,000, which is under the original estimate of \$250,000.

A cost allocation spreadsheet has been drafted and distributed to the participating agencies to bring before their respective Boards. The group recommended the cost allocation be based on operating budget. Currently, the cost per agency is as low as \$5,000 and as high as \$53,000. The District's cost at this point is \$53,000.

The plan going forward is each agency will bring before their Boards in February 2020 a recommendation to enter into a contract with Rafetelis, agree on the cost allocation, and approve a Memorandum of Understanding for the study. If the Boards of the participating agencies agree on those points, it is hopeful to have Rafetelis under contract in March 2020.

**b. CY2019 Capital Improvement Program**

The budget for CIP in 2019 was \$18.26M and Engineering spent \$18.19M (essentially 100%). Some of the projects came in under budget and some came in over budget, which is to be expected. By staff managing CIP expenditures so close to budget is worth recognizing. This is the first time in the history of SSWD where staff nearly spent the approved CIP budget amount.

Staff begins 2020 with the same intent of closely managing the Capital Improvement Program and the goal of spending within 3% of the CIP budget. However, it is worth noting that there are a number of factors that influence the CIP budget, including many that are beyond our control, such as changes to material costs, results of Condition Assessment, unforeseen schedule delays, and changes to project scope based on what is



found in the field during construction. So, let's savor this moment and congratulate staff for their superb work in managing the 2019 CIP.

**c. McClellan Business Park and County of Sacramento Successor Agreements**

The District's successor agreements between McClellan Business Park (MBP) and County of Sacramento (County) have both been finalized and approved by legal of all agencies involved. The plan is to have the District and County agreement signed and recorded prior to the District and MBP signing and recording that agreement. By doing so, once the County agreement is signed and recorded, the 2001 County agreement will be void.

The County received the agreement on January 16<sup>th</sup>. Staff is anticipating said agreements will be signed and recorded by January 31, 2020.

**d. Del Paso Manor Water District On-Call Water Services Agreement**

A Mutual Aid Agreement (MAA) was activated in June 2019 between the District and Del Paso Manor Water District (DPMWD) due to three of their four staff members retiring/resigning on May 31, 2019. The initial MAA was activated on June 6, 2019, for a period of 60 days. The DPMWD has submitted several extension requests, with the most recent expiration date of February 20, 2020.

The MAA was developed to cover emergency services (e.g., emergency water, labor, vehicles/equipment and inventory supplies) for a six-month duration. The services currently being provided to DPMWD is staffing (which includes vehicles), due to them only having one operator for their water system. An OSA can cover a majority of what is in the MAA, however, it would be more directed towards actual services being provided. At the September 2019 regular Board meeting the SSWD Board gave the General Manager authority to sign an OSA with DPMWD, pending legal review. The OSA was approved by the DPMWD Board at their January 7, 2020 Board meeting. The OSA has been approved by both SSWD and DPMWD general counsel. The OSA is currently being routed for signatures of both agencies. Once the OSA is officially signed by both parties, the MAA will no longer be in effect.



## Agenda Item: 12

**Date:** January 21, 2020

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

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

**a. Regional Water Supply/Wheeling Opportunities Update**

Carmichael Water District (CWD):

*Water Conservation Temporary Transfer Opportunity* - On December 10, 2019, our Water Planning Consultant (Tully & Young) submitted a draft Memorandum (Memo) on CWD's Water Conservation Assessment. This Memo addresses the water conservation temporary transfer opportunities available to CWD and Sacramento Suburban Water District (SSWD). CWD's conserved water assets are preserved for its future use or transfer under Water Code section 1011. This Memo provides the rationale and data for such a transfer. Tully & Young is proceeding with filing for a water conservation temporary transfer with the State.

*Temporary Water Right* – Tully & Young has a meeting set up with the Sacramento Water Resources Control Board (SWRCB) staff on February 10. This is to go over the water right application process for submitting a temporary and long-term permit for surplus water on the American River. A Temporary Water Right would be a new water right to divert surplus flows from the American River for purposes of groundwater banking. CWD would divert and treat the water for SSWD and deliver it to an intertie on the CWD-SSWD boundary. Obtaining a water right would set the precedent for SSWD to obtain temporary permits for surplus conditions in the future.

Rio Linda Elverta Community Water District (RLECWD):

*Surface Water Supplies* - On January 15, 2020, Dan York and I met with Tim Shaw, the General Manager of RLECWD. We discussed their need for surface water and options for getting surface water. Currently, there is not a perceived need for RLECWD to obtain surface water since their community can be served solely by groundwater. Additional water supplies (i.e. surface water) would be needed if development begins in large developing areas, such as the Elverta Specific Plan area. Furthermore, before implementing a Conjunctive Use Program, which requires surface water supplies, the RLECWD Board and General Manager will need a better overall understanding of a conjunctive use program and benefits for such a program. Dan and I offered to educate the General Manager and their Board on a Conjunctive Use Program if requested.

*City of Sacramento (COS):*

On January 23, 2020, Dan York, Matt Underwood, and I met with the City of Sacramento Director of Utilities and his staff to discuss the Wholesale Agreement, including various agreements pertaining to water contract rights between the City of Sacramento (COS) and SSWD. COS reiterated their commitment to working with SSWD and expressed interest in perfecting their water rights, which requires the City to put their water to use consistently over time. We agreed to work on an amendment to the Wholesale Agreement to address costs and to simplify the approval process for moving between COS and SSWD. In parallel, COS and SSWD staff will prepare a memorandum listing items that need to be resolved long term. Such as, looking into consolidating our COS agreements, addressing Hodge Flow limitations, agreeing to water quality standards, and addressing infrastructure needs if SSWD wants to expand where COS water can be delivered.

**b. Placer County Water Agency Agreement**

Staff is working with Placer County Water Agency (PCWA) on an amendment to the Agreement between Placer County Water Agency and SSWD for a Water Supply for Groundwater Stabilization (Agreement). Key revisions being suggested are as follows:

- Reduce the Take-Or-Pay amount from 12,000 acre-feet to 8,000 acre-feet.
- Adjusting the Time and Method of Payment from quarterly to semi-annual, with payments due following deliveries that are made.
- Reducing the net revenue amount owed to PCWA for selling, leasing, transferring, or disposing of water outside the authorized service area from 95% to 50%, or an amount that SSWD and PCWA agrees upon on a case-by-case basis.
- Allowing PCWA to purchase up to 15 Million Gallons per Day of Cooperative Pipeline Transmission Capacity. This water would be treated by San Juan Water District, wheeled across SSWD's service area, and delivered into Placer County to meet PCWA water delivery obligations to developing areas, such as Placer Vineyards and Regional University developments.

While this Agreement is being completed, PCWA has received approval from their Board to temporarily reduce the Take-Or-Pay amount from 12,000 acre-feet to 8,000 acre-feet for 2020. A Letter of Agreement has been signed by PCWA's Board to authorize the Take-Or-Pay reduction for 2020. The letter is being prepared for the SSWD Board to review for approval in February.



## Agenda Item: 13

**Date:** January 17, 2020

**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:

- Draft Financial Highlights – December 2019
- Draft Financial Statements – December 2019
- Investments Outstanding and Activity – December 2019
- Cash Expenditures – December 2019
- Credit Card Expenditures – December 2019
- Directors Compensation and Expense Accounting – Fourth Quarter 2019
- Draft District Reserve Balances – December 2019
- Information Required by LOC Agreement
- Financial Markets Report – December 2019

### DRAFT - Financial Statements

**These Financial Statements and certain other reports noted above are presented in Draft form and should not be relied upon for investment or other decision making purposes. As December 31 is the District’s year-end for financial reporting purposes, amounts presented in this report will remain “Draft” until the external auditor’s financial audit is complete and the Board accepts the audited 2019 annual report (CAFR). The results of the audit and the CAFR are expected to be complete and brought to the Board for approval at the April Board meeting.**

### DRAFT - 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 \$0.4 million more than its prior year balance at the same date; investments are \$2.7 million more than on December 31, 2018; liabilities have decreased by \$5.2 million due to the payment of scheduled bond principal made at the end of October; and net position has increased by \$13.5 million in the last 12 months as the District continues to replace its capital infrastructure without incurring additional debt. Operating revenues decreased \$1.7 million compared to the same period a year ago due to a \$1.7 million water transfer revenue earned in 2018 that did not reoccur in 2019. There

is no water rate increase for 2019. Operating expenses decreased \$1.5 million compared to the same period a year ago due to: 1) \$0.9 million raw surface water cost from the 2018 water transfer not recurring in 2019; and 2) as yet undetermined reasons.

DRAFT - Statements of Net Position:

District cash and cash equivalents balance was \$8.0 million as of December 31, 2019, which is \$0.5 million more than at December 31, 2018. Cash held in the District's bank accounts (\$3.6 million as of December 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 \$2.7 million to a total of \$39.0 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 \$20.2 million to \$497.5 million as of December 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 \$264.7 million as of December 31, 2019, compared to \$251.3 million at December 31, 2018 for an increase of \$13.5 million.

DRAFT - Statements of Revenues, Expenses and Changes in Net Position:

The net position increase of \$13.5 million in 2019 is \$2.0 million more than the twelve months ended December 31, 2018. Net changes are comprised of:

1. Operating revenues decreased \$1.7 million compared to the same period a year ago due to the \$1.7 million water transfer revenue earned in 2018 that did not reoccur in 2019.
2. Operating expenses decreased by \$1.5 million from the same period in 2018 due to the net effect of: 1) \$0.9 million raw surface water costs from the 2018 water transfer that did not reoccur in 2019; 2) an increase of \$0.4 million in 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; 3) operating expenses changes as yet undetermined.
3. Rental income increased by \$0.1 million compared to the same period a year ago primarily due a one-time fee of \$80,000 paid upon the renewal of an existing contract.
4. Investment income increased by \$1.0 million compared to the same period a year ago primarily due to unrealized holding gains in 2019.

5. Interest expense and debt related costs decreased \$0.5 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.
6. Facility development charges increased by \$0.2 million compared to the same period a year ago, as there were more developer projects submitted in 2019 than in 2018.
7. Developer contributions increased by \$0.3 million compared to the same period a year ago, as there were more developer projects done in 2019 than in 2018.

DRAFT - Budgets:

The District's operating and maintenance expenditures through December 2019 came in less than the approved budget by \$2.4 million primarily due to savings in the cost of water. Total 2019 operating and maintenance expenditures are not yet finalized.

The District's operating capital project (OCB) budget is \$0.95 million. For 2019, expenditures through December were \$0.95 million, which is 100% of the approved budget.

The District's capital improvement project (CIP) budget for 2019 is \$18.3 million. For 2019, \$18.2 million has been spent, which is 99 percent of the approved budget. Expenditures continue to be primarily in distribution system replacements, meter retrofit projects and meter reading end-point replacements.

Debt – December 2019

This report shows district activity in repaying its long-term debt obligations. Scheduled 2019 principal payments of \$4.6 million were made at the end of October. Total principal outstanding as of December 31, 2019 is now \$70.1 million.

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

For the last twelve months ended December 31, 2019, the District has incurred interest expense of \$2,489,759 versus a forecast of \$2,850,000 or a \$360,241 positive variance. This is primarily due to expected Federal Reserve interest rate increases not occurring as anticipated.

**Investments Outstanding and Activity – December 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, provides monthly and quarterly reporting, analytics, and proposes strategies for the District. The market portfolio is currently earned a rate of 2.24% per annum, while LAIF is earning 2.04% 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 December, the District purchased one U.S. Treasury Note for \$1.9 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 \$14,903 (par) and four Asset-Backed Security Obligations of \$57,585 (par). The District sold three U.S. Treasury Notes for \$2.0 million and One Corporate Note for \$0.4 million (par). See "Investment Activity" section in the attached report for further details.

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

#### **Cash Expenditures – December 2019**

During the month of December, the District made cash payments totaling \$2.6 million. The primary expenditures were – \$0.1 million for debt service, \$1.6 million for 2019 capital improvement projects, \$0.1 million for miscellaneous repairs and construction services, and \$0.7 million for payroll, pension and health benefits.

#### **Purchasing Card Expenditures – December 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 \$13,025 for various purchases on the six District purchasing cards. Details by vendor and purpose are included in this report.

#### **Directors Compensation and Expense Accounting – Fourth Quarter 2019**

Director meetings attended during the 4th quarter of 2019 (that Directors have reported to staff) and expense reimbursements are attached in accordance with the District's Directors' Compensation and Expense Reimbursement Policy (PL – BOD 003) and Government Code Section 53065.5. Directors who have not reported their meeting attendance to District staff are not included in this report and are expected to make an oral report at the Board meeting.

#### **DRAFT - 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 December 31, 2019 are \$47,228,138 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  
December 31, 2019**



Sacramento Suburban Water District  
Financial Highlights  
Period Ended

STATEMENTS OF NET POSITION

	<u>Year-To-Date</u> <u>12/31/2019</u>	<u>Year-To-Date</u> <u>12/31/2018</u>
<b>LIQUIDITY</b>		
Cash and cash equivalents	\$7,972,503.27	\$7,594,885.92
<b>INVESTMENT</b>		
Investments	39,040,578.27	36,369,025.38
<b>CAPITAL ASSETS</b>		
Property, plant and equipment	497,508,951.79	477,342,701.03
Accumulated depreciation	(193,216,121.14)	(180,222,436.62)
	<u>304,292,830.65</u>	<u>297,120,264.41</u>
<b>LIABILITIES</b>		
Long Term Debt	(76,220,427.20)	(81,429,132.00)
<b>NET POSITION</b>		
Net Position	<u>264,730,517.03</u>	<u>251,274,010.69</u>

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	<u>Month</u> <u>12/31/2019</u>	<u>Year-To-Date</u> <u>12/31/2019</u>	<u>Month</u> <u>12/31/2018</u>	<u>Year-To-Date</u> <u>12/31/2018</u>
<b>NET INCOME</b>				
Operating Revenue	3,983,531.84	45,746,880.43	5,871,133.24	47,438,171.87
Operating Expense	(2,355,604.73)	(20,884,012.48)	(4,702,495.55)	(22,470,195.74)
Other, Net	(101,595.41)	(11,406,361.61)	(592,622.26)	(13,502,267.74)
<b>Change in Net Position</b>	<u>\$1,526,331.70</u>	<u>\$13,456,506.34</u>	<u>\$576,015.43</u>	<u>\$11,465,708.39</u>

Sacramento Suburban Water District  
Statements of Net Position  
As Of

	Month End 12/31/2019	Year End 12/31/18
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$7,972,502.06	\$7,585,118.00
Restricted Cash and cash equivalents	1.21	9,767.92
Accounts receivable, net of allowance for uncollectible accounts	2,931,081.78	2,841,401.63
Interest receivable	215,053.00	215,917.07
Grants receivables	0.01	0.01
Other receivables		945,572.10
Inventory	557,521.09	495,142.20
Prepaid expenses and other assets	1,446,417.76	924,083.21
<b>TOTAL CURRENT ASSETS</b>	<b>13,122,576.91</b>	<b>13,017,002.14</b>
<b>NONCURRENT ASSETS</b>		
Investments	39,040,578.27	36,369,025.38
Fair value of interest rate swaps	1,564,723.00	1,564,723.00
<b>TOTAL NONCURRENT ASSETS</b>	<b>40,605,301.27</b>	<b>37,933,748.38</b>
Property, plant and equipment	497,508,951.79	477,342,701.03
Accumulated depreciation	(193,216,121.14)	(180,222,436.62)
<b>TOTAL CAPITAL ASSETS</b>	<b>304,292,830.65</b>	<b>297,120,264.41</b>
<b>TOTAL ASSETS</b>	<b>358,020,708.83</b>	<b>348,071,014.93</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred amount on long-term debt refunding	5,363,479.76	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>365,632,080.59</b>	<b>356,343,131.05</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Current portion of long-term debt and capital leases	4,790,000.00	4,625,000.00
Accounts payable	3,803,304.83	3,411,438.20
Accrued interest	231,475.64	269,683.50
Deferred revenue and other liabilities	1,865,940.41	1,165,830.41
Accrued expenses	911,985.66	840,578.24
<b>TOTAL CURRENT LIABILITIES</b>	<b>11,602,706.54</b>	<b>10,312,530.35</b>
<b>NONCURRENT LIABILITIES</b>		
Long-term debt	71,430,427.20	76,804,132.00
Compensated absences	866,922.82	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
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>86,966,063.02</b>	<b>92,423,796.01</b>
<b>TOTAL LIABILITIES</b>	<b>98,568,769.56</b>	<b>102,736,326.36</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	43,005,392.58	29,548,886.24
<b>TOTAL NET POSITION</b>	<b>264,730,517.03</b>	<b>251,274,010.69</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>	<b>365,632,080.59</b>	<b>356,343,131.05</b>

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

	Month 12/31/2019	Year-To-Date 12/31/2019	Month 12/31/2018	Year-To-Date 12/31/2018
<b>OPERATING REVENUES</b>				
Water consumption sales	\$828,760.19	\$13,250,822.36	\$941,013.01	\$13,272,095.29
Water consumption sales - raw water		42,577.52	1,760,900.00	1,760,900.00
Water service charge	566,120.79	6,228,239.38	569,467.78	6,370,582.36
Capital facilities charge	2,365,976.00	24,453,649.84	2,356,211.82	24,448,809.89
Wheeling water charge	77,635.07	641,588.61	122,399.25	510,167.53
Other charges for services	145,039.79	1,130,002.72	99,706.30	1,054,181.72
<b>TOTAL OPERATING REVENUES</b>	<b>3,983,531.84</b>	<b>45,746,880.43</b>	<b>5,849,698.16</b>	<b>47,416,736.79</b>
<b>OPERATING EXPENSES</b>				
Source of supply	173,376.64	3,217,902.15	259,888.66	2,882,314.95
Source of supply raw water			907,115.50	907,115.50
Pumping	462,844.06	3,955,598.56	837,874.05	4,946,461.85
Transmission and distribution	578,033.69	4,332,361.68	941,582.59	4,232,847.45
Water conservation	85,576.74	461,553.36	71,550.09	440,674.20
Customer accounts	115,122.31	1,315,508.13	171,932.39	1,301,010.89
Administrative and general	940,651.31	7,601,088.60	1,512,818.07	7,750,411.97
<b>TOTAL OPERATING EXPENSES</b>	<b>2,355,604.75</b>	<b>20,884,012.48</b>	<b>4,702,761.35</b>	<b>22,460,836.81</b>
Operating income before depreciation	1,627,927.09	24,862,867.95	1,146,936.81	24,955,899.98
Depreciation and amortization	(1,081,571.50)	(12,993,684.52)	(1,035,946.13)	(12,460,118.05)
<b>OPERATING INCOME</b>	<b>546,355.59</b>	<b>11,869,183.43</b>	<b>110,990.68</b>	<b>12,495,781.93</b>
<b>NON-OPERATING REV. (EXP.)</b>				
Rental income	27,277.04	378,706.90	20,149.93	244,204.52
Interest and investment income	78,976.29	1,761,964.05	318,035.76	746,340.68
Interest expense and debt related costs	(145,806.48)	(2,566,798.34)	(278,619.25)	(3,112,261.83)
Other non-operating revenues	133,697.34	672,033.02	36,791.10	192,596.28
Grant revenue pass-through to sub recipients				20,248.76
Other non-operating expenses		(244.96)	(181.95)	11,882.65
Sub recipient grant expenses				(20,248.76)
Gain(loss) on disposal of capital assets		30,820.00	(33,784.85)	(6,754.85)
<b>NON-OPERATING REV. (EXP.)</b>	<b>94,144.19</b>	<b>276,480.67</b>	<b>62,390.74</b>	<b>(1,923,992.55)</b>
<b>NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	<b>640,499.78</b>	<b>12,145,664.10</b>	<b>173,381.42</b>	<b>10,571,789.38</b>
<b>CAPITAL CONTRIBUTIONS</b>				
Facility development charges	21,809.00	287,209.00	41,717.00	158,001.00
Developer contributions	864,022.92	1,008,687.22	360,917.01	711,019.00
Federal, state and local capital grants		14,946.02		24,899.01
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b>885,831.92</b>	<b>1,310,842.24</b>	<b>402,634.01</b>	<b>893,919.01</b>
<b>CHANGE IN NET POSITION</b>	<b>1,526,331.70</b>	<b>13,456,506.34</b>	<b>576,015.43</b>	<b>11,465,708.39</b>
Net position at beginning of period	263,204,185.33	251,274,010.69	256,321,145.26	239,808,302.30
<b>NET POSITION AT END OF PERIOD</b>	<b>264,730,517.03</b>	<b>264,730,517.03</b>	<b>256,897,160.69</b>	<b>251,274,010.69</b>

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

	Month Of December			2019 YTD		
	Actual	Budget	Variance	Actual	Budget	Variance
<b>BUDGETED OPERATING</b>						
Board of Directors	\$3,907.14	\$5,961.16	\$2,054.02	\$42,450.65	\$71,533.92	\$29,083.27
Administrative	214,619.62	507,888.55	293,268.93	2,460,943.08	2,679,425.72	218,482.64
Finance	109,951.47	138,286.90	28,335.43	1,017,037.87	1,183,514.80	166,476.93
Customer Services	115,122.31	116,611.37	1,489.06	1,315,508.13	1,397,911.32	82,403.19
Field Operations	111,961.86	124,467.00	12,505.14	578,941.50	807,650.00	228,708.50
Production	636,220.70	680,814.80	44,594.10	7,173,500.71	8,162,019.80	988,519.09
↳ Distribution	302,228.24	321,378.04	19,149.80	2,456,124.09	2,507,948.48	51,824.39
Field Services	263,323.97	269,090.39	5,766.42	1,792,129.63	1,903,870.68	111,741.05
Maintenance	95,577.78	96,072.48	494.70	660,902.12	696,834.16	35,932.04
Water Conservation	85,576.74	92,355.94	6,779.20	461,553.36	517,262.28	55,708.92
Engineering	229,637.92	235,498.19	5,860.27	1,484,166.44	1,532,455.28	48,288.84
GIS/CAD	30,776.53	35,783.28	5,006.75	301,258.35	317,535.36	16,277.01
Human Resources	23,220.18	24,168.29	948.11	185,175.63	283,246.35	98,070.72
Information Technology	133,480.29	142,113.77	8,633.48	954,320.92	1,179,946.56	225,625.64
<b>TOTAL OPERATING EXPENSES</b>	<b>2,355,604.75</b>	<b>2,790,490.16</b>	<b>434,885.41</b>	<b>20,884,012.48</b>	<b>23,241,154.71</b>	<b>2,357,142.23</b>

SACRAMENTO SUBURBAN WATER DISTRICT  
OPERATING CAPITAL AMENDED BUDGET  
12/31/2019

Project Number	Project Name	Original Budget	Amendments	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	\$ (5,430.00)	\$ 15,570.00	\$ 9,165.00	\$ 15,565.00		\$ 5.00
SF19-454	UCMR 4 MONITORING	\$ 70,000.00	(70,000.00)	-		-		\$ -
SF19-455	WELL SITE PAVING	\$ 40,000.00	(40,000.00)	-		-		\$ -
SF19-456	ALUMINUM PIPE TRAILER REPLACEMENT	\$ 9,000.00	1,500.00	10,500.00	10,200.00	10,200.00		\$ 300.00
SF19-457	LARGE VOL DECHLORIN TRAILER UPGRADE	\$ 12,000.00	(4,300.00)	7,700.00	7,700.00	7,700.00		\$ -
SF19-458	LARGE VOL SUPER CHLORIN TRAILER	\$ 9,000.00	(9,000.00)	-		-		\$ -
SF19-459	VEHICLE ADD - PRODUCTION FORMAN	\$ 45,000.00	3,430.00	48,430.00	8,163.54	48,428.54		\$ 1.46
SF19-460	VEHICLE REPL - TRUCK# 3	\$ 30,000.00	(1,900.00)	28,100.00		28,052.00		\$ 48.00
SF19-461	VEHICLE REPL - TRUCK # 21	\$ 34,000.00	2,500.00	36,500.00		36,165.00		\$ 335.00
SF19-462	VEHICLE REPL - TRUCK #12	\$ 31,000.00	500.00	31,500.00		31,307.00		\$ 193.00
SF19-463	VEHICLE REPL - TRUCK #45	\$ 31,000.00		31,000.00		30,646.00		\$ 354.00
SF19-464	VEHICLE REPL - TRUCK #51	\$ 45,000.00		45,000.00	4,402.25	44,667.25		\$ 332.75
SF19-465	VEHICLE REPL - TRUCK #6	\$ 42,000.00	2,500.00	44,500.00	4,402.25	44,341.25		\$ 158.75
SF19-466	VEHICLE ADD - SAFETY OFFICER	\$ 31,000.00		31,000.00	2,131.50	30,183.50		\$ 816.50
SF19-467	OFFICE FURNITURE/WORKSTATIONS	\$ 40,000.00	8,000.00	48,000.00	3,226.75	47,940.75		\$ 59.25
SF19-468	WELL SITE/BUILD STRUCTURE MAINT	\$ 60,000.00	4,100.00	64,100.00	54,296.36	64,036.36		\$ 63.64
SF19-469	HVAC/ROOF/BUILD REPAIRS	\$ 50,000.00		50,000.00		49,607.00		\$ 393.00
SF19-470	REMOVING ANTELOPE GARDEN	\$ 54,000.00	15,000.00	69,000.00	44,557.50	68,522.50		\$ 477.50
SF19-471	HARDWARE REFESH PROGRAM	\$ 107,000.00	5,600.00	112,600.00	39,670.98	112,510.98		\$ 89.02
SF19-472	SOFTWARE ENHANCEMENTS/MODULES	\$ 55,000.00	(55,000.00)	-		-		\$ -
SF19-473	BOARD LAPTOPS	\$ 5,000.00	(5,000.00)	-		-		\$ -
SF19-474	BOARD ROOM MONITORS	\$ 35,000.00	(31,800.00)	3,200.00		3,170.00		\$ 30.00
SF19-475	REWIRE/MOVE SWITCH - WALNUT	\$ 30,000.00	(14,500.00)	15,500.00		15,299.00		\$ 201.00
SF19-476	PC/PHONES/LIC-NEW EMPLOYEES	\$ 9,000.00	(9,000.00)	-		-		\$ -
SF19-477	PROJECT/PDF SOFTWARE-ENG DEPT	\$ 13,000.00	(9,500.00)	3,500.00		3,115.00		\$ 385.00
SF19-478	SERVER ROOMS - WALNUT/MARCONI	\$ 42,000.00	(26,000.00)	16,000.00		15,566.00		\$ 434.00
SF19-482	UPDATING ASSETS MANAGEMENT PLANS	\$ -	238,300.00	238,300.00	181,166.86	238,265.86		\$ 34.14
<b>TOTAL</b>		<b>\$ 950,000.00</b>	<b>\$ -</b>	<b>\$ 950,000.00</b>	<b>\$ 369,082.99</b>	<b>\$ 945,288.99</b>	<b>\$ -</b>	<b># \$ 4,711.01</b>

**Sacramento Suburban Water District  
Capital Improvement Project Amended Budget  
12/31/2019**

Project No.	Project Name	Original Budget	Changes	Amended Budget	Current Month Expenditures	Expenditures Year-To-Date	Remaining Balance
SC19-009	WELL REHAB/PUMP ST IMPROVEMENT	\$ 790,000.00	440,000	\$1,230,000.00	\$ 742,172.80	\$ 1,229,910.80	\$ 89.20
SC19-010	SCADA RTU/COMMUN IMPROVEMENT	\$ 60,000.00	(55,000)	5,000.00	5,000.00	5,000.00	\$ -
SC19-012	WELL REPLACEMENTS	\$ 2,800,000.00	(1,362,000)	1,438,000.00	144,637.57	1,437,125.57	\$ 874.43
SC19-013	ELECTRICAL IMPROV @WELL SITES	\$ 220,000.00	(220,000)	-	-	-	\$ -
SC19-018	DISTRIBUTION MAIN REPLACEMENTS	\$ 9,300,000.00	531,000	9,831,000.00	1,392,788.90	9,830,537.70	\$ 462.30
SC19-019	DIST MAIN IMPRV/EXT/INTERTIES	\$ 1,400,000.00	(687,000)	713,000.00	603,056.76	712,217.76	\$ 782.24
SC19-020	MCCLELLAN LINE REPL	\$ 80,000.00	(80,000)	-	-	-	\$ -
SC19-022	WTR RELATED STREET IMPRV	\$ 220,000.00	(90,500)	129,500.00	-	129,057.00	\$ 443.00
SC19-024	METER RETROFIT PROGRAM	\$ 2,500,000.00	672,000	3,172,000.00	1,002,139.38	3,171,196.38	\$ 803.62
SC19-034	RESERVIOR/TANK IMPROVMENT	\$ 685,000.00	(588,000)	97,000.00	8,168.89	96,523.89	\$ 476.11
SC19-035	CORROSION CONTROL-TRAN MAINS	\$ 50,000.00	(49,500)	500.00	-	-	\$ 500.00
SC19-038	LARGE WTR METER >3" REPL	\$ 100,000.00	(15,000)	85,000.00	-	84,223.00	\$ 777.00
SC19-046	TANK INSPECTION & REPAIRS	\$ 50,000.00	43,000	93,000.00	-	92,122.00	\$ 878.00
SC19-048	RIGHT OF WAY/EASEMENT ACQUISIT	\$ 5,000.00	(5,000)	-	-	-	\$ -
SF19-480	AMI REPLACEMENTS	-	1,466,000	1,466,000.00	74,300.48	1,398,643.48	\$ 67,356.52
		<b>\$ 18,260,000.00</b>	<b>-</b>	<b>\$ 18,260,000.00</b>	<b>\$ 3,972,264.78</b>	<b>\$ 18,186,557.58</b>	<b>\$ 73,442.42</b>

Sacramento Suburban Water District  
Debt  
12/31/2019

Principal Current Month

	Series 2009A COP	Series 2012A	Series 2018A	Total
Beginning Balance	\$ 42,000,000	\$ 13,225,000	\$ 14,830,000	\$ 70,055,000
Additions:				-
Reductions: Payment	-	-	-	-
Ending Balance	<u>\$ 42,000,000</u>	<u>\$ 13,225,000</u>	<u>\$ 14,830,000</u>	<u>\$ 70,055,000</u>

Principal Year-To-Date

	Series 2009A COP	Series 2012A	Series 2018A	Total
Beginning Balance	\$ 42,000,000	\$ 15,385,000	\$ 17,295,000	\$ 74,680,000
Additions:				-
Reductions: Payment	-	(2,160,000)	(2,465,000)	(4,625,000)
Ending Balance	<u>\$ 42,000,000</u>	<u>\$ 13,225,000</u>	<u>\$ 14,830,000</u>	<u>\$ 70,055,000</u>

Interest Expense

	Current Month Actual	Year-To-Date Actual	Budget	Variance
Interest Expense	<u>\$ 139,659</u>	<u>\$ 2,489,759</u>	<u>\$ 2,850,000</u>	<u>\$ 360,241</u>

**Investments Outstanding and Activity  
December 2019**





Managed Account Detail of Securities Held

For the Month Ending December 31, 2019

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 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	506.87	75,931.96	75,307.65
US TREASURY NOTES DTD 05/02/2016 1.375% 04/30/2021	912828078	175,000.00	AA+	Aaa	01/03/17	01/05/17	171,527.34	1.86	409.86	173,901.74	174,466.78
US TREASURY NOTES DTD 06/02/2014 2.000% 05/31/2021	912828WN6	300,000.00	AA+	Aaa	09/01/16	09/02/16	310,781.25	1.22	524.59	303,276.13	301,652.40
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	375,000.00	AA+	Aaa	07/06/17	07/11/17	377,270.51	1.85	2,534.34	375,933.80	377,475.75
US TREASURY NOTES 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	532.28	247,890.25	248,496.00
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	475,000.00	AA+	Aaa	10/05/17	10/10/17	463,997.07	1.85	1,011.33	469,938.29	472,142.40
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	1,200,000.00	AA+	Aaa	08/30/17	08/31/17	1,181,062.50	1.64	2,554.95	1,191,528.28	1,192,780.80
US TREASURY NOTES 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	431.15	134,057.00	135,875.34
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	950,000.00	AA+	Aaa	05/03/18	05/07/18	919,644.53	2.73	3,034.00	931,847.02	956,159.80
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	1,050,000.00	AA+	Aaa	07/03/18	07/06/18	1,018,992.19	2.69	3,353.37	1,030,719.59	1,056,808.20
US TREASURY NOTES 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	3,068.95	485,785.51	500,469.00
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	850,000.00	AA+	Aaa	01/07/19	01/10/19	837,748.05	2.51	49.62	840,646.51	862,948.90
US TREASURY NOTES 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	80.27	1,358,120.29	1,395,946.75
US TREASURY N/B NOTES 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	568.31	390,981.66	400,015.60



**Managed Account Detail of Securities Held**

For the Month Ending **December 31, 2019**

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>U.S. Treasury Bond / Note</b>											
US TREASURY N/B NOTES 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	816.94	558,026.76	575,022.43
US TREASURY N/B NOTES 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	994.54	695,265.61	700,027.30
US TREASURY N/B NOTES 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	1,030.05	710,295.56	725,028.28
US TREASURY NOTES 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	1,799.11	646,190.01	649,416.30
US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	2,050,000.00	AA+	Aaa	10/02/19	10/04/19	2,061,771.48	1.48	5,674.11	2,061,093.00	2,048,159.10
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,150,000.00	AA+	Aaa	11/01/19	11/06/19	1,173,269.53	1.55	63.19	1,172,542.83	1,165,947.05
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,925,000.00	AA+	Aaa	12/02/19	12/05/19	1,953,875.00	1.66	105.77	1,953,437.76	1,951,693.98
<b>Security Type Sub-Total</b>		<b>15,885,000.00</b>					<b>15,750,326.18</b>	<b>2.01</b>	<b>29,143.60</b>	<b>15,807,409.56</b>	<b>15,965,839.81</b>
<b>Supra-National Agency Bond / Note</b>											
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 09/19/2017 1.561% 09/12/2020	45905UP32	900,000.00	AAA	Aaa	09/12/17	09/19/17	897,840.00	1.64	4,253.73	899,485.34	900,189.00
INTER-AMERICAN DEVELOPMENT BANK DTD 11/08/2013 2.125% 11/09/2020	4581X0CD8	700,000.00	AAA	Aaa	10/02/17	10/10/17	706,488.37	1.81	2,148.61	701,838.65	702,335.20
INTER-AMERICAN DEVELOPMENT BANK NOTE DTD 04/19/2018 2.625% 04/19/2021	4581X0DB1	225,000.00	AAA	Aaa	04/12/18	04/19/18	224,505.00	2.70	1,181.25	224,780.73	227,714.40
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	750,000.00	AAA	Aaa	07/18/18	07/25/18	748,245.00	2.83	9,052.08	749,066.43	762,468.75
<b>Security Type Sub-Total</b>		<b>2,575,000.00</b>					<b>2,577,078.37</b>	<b>2.13</b>	<b>16,635.67</b>	<b>2,575,171.15</b>	<b>2,592,707.35</b>



**Managed Account Detail of Securities Held**

For the Month Ending **December 31, 2019**

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Municipal Bond / Note</b>											
CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024	157411TK5	100,000.00	AA-	Aa1	11/06/19	12/05/19	100,000.00	2.10	151.74	100,000.00	99,828.00
<b>Security Type Sub-Total</b>		<b>100,000.00</b>					<b>100,000.00</b>	<b>2.10</b>	<b>151.74</b>	<b>100,000.00</b>	<b>99,828.00</b>
<b>Federal Agency Collateralized Mortgage Obligation</b>											
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	161,213.34	AA+	Aaa	04/11/18	04/30/18	164,420.06	2.27	478.27	162,781.39	162,820.01
FHLMC SERIES K721 A2 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	200,910.91	204,215.32
FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	121,114.06	AA+	Aaa	12/07/18	12/17/18	121,113.69	3.11	323.27	121,113.70	123,836.44
FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137FQ3V3	149,764.23	AA+	Aaa	11/20/19	11/26/19	149,760.64	2.03	261.09	149,760.64	149,120.09
<b>Security Type Sub-Total</b>		<b>632,091.63</b>					<b>636,997.52</b>	<b>2.49</b>	<b>1,577.63</b>	<b>634,566.64</b>	<b>639,991.86</b>
<b>Federal Agency Bond / Note</b>											
FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8OS5	975,000.00	AA+	Aaa	07/14/16	07/15/16	969,071.03	1.25	5,088.28	973,138.15	967,715.78
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	130,000.00	AA+	Aaa	08/17/16	08/19/16	129,555.27	1.32	604.86	129,851.85	129,313.21
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	420,000.00	AA+	Aaa	08/17/16	08/19/16	418,299.00	1.33	1,954.17	419,433.24	417,781.14
<b>Security Type Sub-Total</b>		<b>1,525,000.00</b>					<b>1,516,925.30</b>	<b>1.28</b>	<b>7,647.31</b>	<b>1,522,423.24</b>	<b>1,514,810.13</b>
<b>Corporate Note</b>											
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	400,000.00	A-	A2	02/02/15	02/05/15	402,796.00	2.00	3,607.22	400,047.22	400,060.00



Managed Account Detail of Securities Held

For the Month Ending December 31, 2019

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Corporate Note</b>											
AMERICAN EXPRESS CREDIT (CALLABLE) NOTE DTD 03/03/2017 2.200% 03/03/2020	0258M0EE5	215,000.00	A-	A2	02/28/17	03/03/17	214,776.40	2.24	1,550.39	214,986.80	214,997.21
TOYOTA MOTOR CORP NOTES DTD 03/12/2015 2.150% 03/12/2020	89236TCF0	250,000.00	AA-	Aa3	03/23/15	03/27/15	252,220.00	1.96	1,627.43	250,092.24	250,065.25
TOYOTA MOTOR CREDIT CORP DTD 04/17/2017 1.950% 04/17/2020	89236TDU6	275,000.00	AA-	Aa3	04/11/17	04/17/17	274,873.50	1.97	1,102.29	274,987.28	274,994.23
HOME DEPOT INC CORP NOTES DTD 06/05/2017 1.800% 06/05/2020	437076BQ4	175,000.00	A	A2	05/24/17	06/05/17	174,898.50	1.82	227.50	174,985.20	174,906.20
WELLS FARGO & COMPANY NOTES DTD 07/22/2015 2.600% 07/22/2020	94974BGM6	375,000.00	A-	A2	09/01/15	09/04/15	377,103.75	2.48	4,306.25	375,254.04	376,432.88
CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020	1491302A6	275,000.00	A	A3	09/05/17	09/07/17	274,769.00	1.88	1,653.44	274,946.74	274,876.25
APPLE INC CORP NOTES DTD 11/13/2017 2.000% 11/13/2020	037833DJ6	400,000.00	AA+	Aa1	11/06/17	11/13/17	399,664.00	2.03	1,066.67	399,900.89	401,021.60
WAL-MART STORES INC CORP NOTE DTD 10/20/2017 1.900% 12/15/2020	931142EA7	375,000.00	AA	Aa2	10/11/17	10/20/17	374,456.25	1.95	316.67	374,830.58	375,511.88
US BANCORP CORP NOTES (CALLABLE) DTD 01/29/2016 2.350% 01/29/2021	91159HHL7	350,000.00	A+	A1	12/11/17	12/13/17	350,983.50	2.26	3,472.78	350,332.14	351,930.60
IBM CORP CORP NOTES 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	4,298.89	399,926.58	403,660.80
JOHN DEERE CAPITAL CORP NOTES DTD 03/13/2018 2.875% 03/12/2021	24422EUD9	375,000.00	A	A2	03/08/18	03/13/18	374,745.00	2.90	3,264.32	374,895.48	379,634.63
NATIONAL RURAL UTIL COOP NOTE DTD 02/26/2018 2.900% 03/15/2021	63743HER9	150,000.00	A	A2	02/21/18	02/26/18	149,833.50	2.94	1,280.83	149,931.92	151,688.25
NATIONAL RURAL UTIL COOP NOTE 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	1,921.25	224,596.82	227,532.38
PEPSICO INC CORP (CALLABLE) NOTE DTD 10/10/2017 2.000% 04/15/2021	713448DX3	225,000.00	A+	A1	10/05/17	10/10/17	224,955.00	2.01	950.00	224,983.02	225,641.93



**Managed Account Detail of Securities Held**

For the Month Ending **December 31, 2019**

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Corporate Note</b>											
BANK OF NEW YORK MELLON CORP (CALLABLE) DTD 02/19/2016 2.500% 04/15/2021	06406FAA1	375,000.00	A	A1	05/16/16	05/19/16	383,617.50	2.00	1,979.17	377,234.64	377,593.13
BANK OF AMERICA CORP NOTE 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	183.75	35,104.66	35,320.67
AMERICAN EXPRESS CREDIT (CALLABLE) NOTES DTD 05/05/2016 2.250% 05/05/2021	0258M0EB1	225,000.00	A-	A2	05/25/16	05/31/16	224,478.00	2.30	787.50	224,852.27	226,084.28
HERSHEY COMPANY CORP NOTES DTD 05/10/2018 3.100% 05/15/2021	427866BA5	150,000.00	A	A1	05/03/18	05/10/18	149,896.50	3.12	594.17	149,951.48	152,539.35
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	110,000.00	A	A1	05/19/16	05/24/16	109,532.50	2.04	250.25	109,865.61	110,228.03
CHARLES SCHWAB CORP NOTES DTD 05/22/2018 3.250% 05/21/2021	808513AW5	250,000.00	A	A2	05/17/18	05/22/18	249,992.50	3.25	902.78	249,996.35	254,877.00
BANK OF AMERICA CORP (CALLABLE) 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	1,396.80	240,000.00	240,683.76
PACCAR FINANCIAL CORP NOTE 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	1,425.00	149,903.57	153,142.50
BANK OF AMERICA CORP NOTES 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	384.89	90,000.00	91,808.19
JPMORGAN CHASE & CO BONDS 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	5,411.81	675,000.00	691,096.73
PNC BANK NA CORP NOTES 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	5,837.22	382,261.21	400,216.00
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDO6	375,000.00	BBB+	A3	07/19/19	07/23/19	396,483.75	2.59	2,502.60	394,621.40	398,654.25
AMERICAN HONDA FINANCE CORP NOTE 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	100.00	373,306.06	379,197.00



**Managed Account Detail of Securities Held**

For the Month Ending **December 31, 2019**

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Corporate Note</b>											
GOLDMAN SACHS GROUP INC BONDS 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	6,938.02	390,918.71	396,636.38
BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024	05531FBH5	400,000.00	A-	A3	08/01/19	08/05/19	400,664.00	2.46	4,222.22	400,613.94	405,267.20
WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	400,000.00	A	A2	09/03/19	09/06/19	398,368.00	1.84	2,236.11	398,468.06	396,964.80
<b>Security Type Sub-Total</b>		<b>9,070,000.00</b>					<b>9,121,412.10</b>	<b>2.48</b>	<b>65,798.22</b>	<b>9,106,794.91</b>	<b>9,193,263.36</b>
<b>Commercial Paper</b>											
MUFG BANK LTD/NY COMM PAPER 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	799,301.34	799,478.40
MUFG BANK LTD/NY COMM PAPER 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	374,187.50	374,422.13
<b>Security Type Sub-Total</b>		<b>1,175,000.00</b>					<b>1,151,994.58</b>	<b>2.67</b>	<b>0.00</b>	<b>1,173,488.84</b>	<b>1,173,900.53</b>
<b>Certificate of Deposit</b>											
CREDIT SUISSE NEW YORK CERT DEPOS 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	18,995.94	375,000.00	375,380.63
UBS AG STAMFORD CT LT CD 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	3,866.67	400,000.00	400,811.60
BANK OF NOVA SCOTIA HOUSTON CD 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	834.17	374,968.62	377,302.13
WESTPAC BANKING CORP NY CD 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	5,125.00	625,000.00	626,466.25
BANK OF MONTREAL CHICAGO CERT DEPOS 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	8,846.05	670,000.00	674,556.00
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 10/18/2018 3.390% 10/16/2020	86565BPC9	380,000.00	A-1	P-1	10/16/18	10/18/18	379,483.20	3.46	2,755.32	379,867.09	385,209.04



**Managed Account Detail of Securities Held**

For the Month Ending **December 31, 2019**

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Certificate of Deposit</b>											
SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	700,000.00	A-1+	P-1	11/16/17	11/17/17	700,000.00	2.30	1,942.11	700,000.00	701,911.70
ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	650,000.00	AA-	Aa2	06/07/18	06/08/18	650,000.00	3.24	1,404.00	650,000.00	664,407.25
MUFG BANK LTD/NY CERT DEPOS 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	9,529.79	375,000.00	384,892.50
NORDEA BANK ABP NEW YORK CERT DEPOS 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	2,569.44	400,000.00	400,651.60
SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	400,000.00	A+	Aa2	08/29/19	09/03/19	400,000.00	1.88	2,480.00	400,000.00	400,756.40
DNB BANK ASA/NY LT CD DTD 12/04/2019 2.040% 12/02/2022	23341VZT1	400,000.00	AA-	Aa2	12/04/19	12/06/19	400,000.00	2.04	612.00	400,000.00	399,570.40
<b>Security Type Sub-Total</b>		<b>5,750,000.00</b>					<b>5,749,340.70</b>	<b>2.66</b>	<b>58,960.49</b>	<b>5,749,835.71</b>	<b>5,791,915.50</b>
<b>Asset-Backed Security</b>											
HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	20,943.20	AAA	Aaa	09/14/16	09/21/16	20,940.38	1.30	12.01	20,942.55	20,928.98
ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	24,886.11	NR	Aaa	01/24/17	01/31/17	24,883.94	1.70	18.80	24,885.47	24,869.73
FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	105,130.58	NR	Aaa	01/18/17	01/25/17	105,130.19	1.67	78.03	105,130.48	105,060.52
ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	120,403.17	NR	Aaa	03/21/17	03/29/17	120,388.97	1.79	95.25	120,398.40	120,345.08
TAOT 2018-B A3 DTD 05/16/2018 2.960% 09/15/2022	89238TAD5	325,000.00	AAA	Aaa	05/09/18	05/16/18	324,995.16	2.96	427.56	324,996.94	328,190.69
HAROT 2018-4 A3 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	324,963.70	330,338.94
ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023	02007JAC1	400,000.00	AAA	Aaa	06/19/18	06/27/18	399,972.64	3.09	533.33	399,981.50	403,103.40



**Managed Account Detail of Securities Held**

For the Month Ending **December 31, 2019**

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Asset-Backed Security</b>											
CCCIT 2018-A1 A1 DTD 01/31/2018 2.490% 01/20/2023	17305EGK5	750,000.00	NR	Aaa	01/25/18	01/31/18	749,896.20	2.54	8,351.88	749,933.86	755,164.88
NAROT 2018-C A3 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	349,948.19	356,675.59
COMET 2019-A2 A2 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	611.56	799,812.46	797,544.48
<b>Security Type Sub-Total</b>		<b>3,221,363.06</b>					<b>3,220,890.39</b>	<b>2.56</b>	<b>11,085.75</b>	<b>3,220,993.55</b>	<b>3,242,222.29</b>
<b>Managed Account Sub-Total</b>		<b>39,933,454.69</b>					<b>39,824,965.14</b>	<b>2.26</b>	<b>191,000.41</b>	<b>39,890,683.60</b>	<b>40,214,478.83</b>
<b>Securities Sub-Total</b>		<b>\$39,933,454.69</b>					<b>\$39,824,965.14</b>	<b>2.26%</b>	<b>\$191,000.41</b>	<b>\$39,890,683.60</b>	<b>\$40,214,478.83</b>
<b>Accrued Interest</b>											<b>\$191,000.41</b>
<b>Total Investments</b>											<b>\$40,405,479.24</b>



**Investment Activity  
December 2019**



**Managed Account Security Transactions & Interest**

For the Month Ending **December 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>											
	11/06/19	12/05/19	CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024	157411TK5	100,000.00	(100,000.00)	0.00	(100,000.00)			
	12/02/19	12/05/19	US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,925,000.00	(1,953,875.00)	(16,529.89)	(1,970,404.89)			
	12/04/19	12/06/19	DNB BANK ASA/NY LT CD DTD 12/04/2019 2.040% 12/02/2022	23341VZT1	400,000.00	(400,000.00)	0.00	(400,000.00)			
<b>Transaction Type Sub-Total</b>					<b>2,425,000.00</b>	<b>(2,453,875.00)</b>	<b>(16,529.89)</b>	<b>(2,470,404.89)</b>			

<b>INTEREST</b>											
	12/01/19	12/25/19	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	200,000.00	0.00	515.00	515.00			
	12/01/19	12/25/19	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137FO3V3	150,000.00	0.00	261.50	261.50			
	12/01/19	12/25/19	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	130,222.19	0.00	347.58	347.58			
	12/01/19	12/25/19	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	166,772.84	0.00	502.15	502.15			
	12/02/19	12/02/19	MONEY MARKET FUND	MONEY0002	0.00	0.00	163.27	163.27			
	12/05/19	12/05/19	HOME DEPOT INC CORP NOTES DTD 06/05/2017 1.800% 06/05/2020	437076BO4	175,000.00	0.00	1,575.00	1,575.00			
	12/05/19	12/05/19	BANK OF NOVA SCOTIA HOUSTON CD DTD 06/07/2018 3.080% 06/05/2020	06417GU22	375,000.00	0.00	5,775.00	5,775.00			
	12/07/19	12/07/19	ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012JEE1	650,000.00	0.00	10,530.00	10,530.00			
	12/13/19	12/13/19	MONEY MARKET FUND	MONEY0002	0.00	0.00	0.17	0.17			
	12/15/19	12/15/19	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	30,486.10	0.00	43.19	43.19			
	12/15/19	12/15/19	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	325,000.00	0.00	855.83	855.83			
	12/15/19	12/15/19	COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	800,000.00	0.00	1,146.67	1,146.67			
	12/15/19	12/15/19	ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023	02007JAC1	400,000.00	0.00	1,000.00	1,000.00			



**Managed Account Security Transactions & Interest**

For the Month Ending December 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>											
	12/15/19	12/15/19	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	350,000.00	0.00	939.17	939.17			
	12/15/19	12/15/19	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	127,186.16	0.00	177.00	177.00			
	12/15/19	12/15/19	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	141,113.91	0.00	209.32	209.32			
	12/15/19	12/15/19	WAL-MART STORES INC CORP NOTE DTD 10/20/2017 1.900% 12/15/2020	931142EA7	375,000.00	0.00	3,562.50	3,562.50			
	12/15/19	12/15/19	TAOT 2018-B A3 DTD 05/16/2018 2.960% 09/15/2022	89238TAD5	325,000.00	0.00	801.67	801.67			
	12/15/19	12/15/19	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	30,161.94	0.00	32.42	32.42			
	12/27/19	12/27/19	AMERICAN HONDA FINANCE CORP NOTE DTD 06/27/2019 2.400% 06/27/2024	02665WCZ2	375,000.00	0.00	4,500.00	4,500.00			
	12/31/19	12/31/19	US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,150,000.00	0.00	11,500.00	11,500.00			
	12/31/19	12/31/19	US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	1,375,000.00	0.00	14,609.38	14,609.38			
	12/31/19	12/31/19	US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	850,000.00	0.00	9,031.25	9,031.25			
	12/31/19	12/31/19	US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,925,000.00	0.00	19,250.00	19,250.00			
<b>Transaction Type Sub-Total</b>					<b>10,425,943.14</b>	<b>0.00</b>	<b>87,328.07</b>	<b>87,328.07</b>			
<b>PAYDOWNS</b>											
	12/01/19	12/25/19	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	9,108.13	9,108.13	0.00	9,108.13	0.03	0.00	
	12/01/19	12/25/19	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137FO3V3	235.77	235.77	0.00	235.77	0.01	0.00	
	12/01/19	12/25/19	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	5,559.50	5,559.50	0.00	5,559.50	(110.58)	0.00	
	12/15/19	12/15/19	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	5,599.99	5,599.99	0.00	5,599.99	0.49	0.00	



**Managed Account Security Transactions & Interest**

For the Month Ending December 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>PAYDOWNS</b>											
12/15/19	12/15/19		ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	20,710.74	20,710.74	0.00	20,710.74	2.44	0.00	
12/15/19	12/15/19		HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	9,218.74	9,218.74	0.00	9,218.74	1.24	0.00	
12/15/19	12/15/19		FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	22,055.58	22,055.58	0.00	22,055.58	0.08	0.00	
<b>Transaction Type Sub-Total</b>					<b>72,488.45</b>	<b>72,488.45</b>	<b>0.00</b>	<b>72,488.45</b>	<b>(106.29)</b>	<b>0.00</b>	
<b>SELL</b>											
12/02/19	12/05/19		US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	200,000.00	203,000.00	1,824.73	204,824.73	9,820.31	8,124.28	FIFO
12/02/19	12/05/19		US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	800,000.00	812,000.00	7,298.91	819,298.91	31,812.50	27,220.24	FIFO
12/02/19	12/05/19		US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	950,000.00	964,250.00	8,667.46	972,917.46	27,943.36	24,949.03	FIFO
12/04/19	12/06/19		CITIGROUP INC (CALLABLE) CORP NOTE DTD 01/10/2017 2.450% 01/10/2020	172967LF6	400,000.00	400,008.00	3,974.44	403,982.44	168.00	13.19	FIFO
<b>Transaction Type Sub-Total</b>					<b>2,350,000.00</b>	<b>2,379,258.00</b>	<b>21,765.54</b>	<b>2,401,023.54</b>	<b>69,744.17</b>	<b>60,306.74</b>	
<b>Managed Account Sub-Total</b>						<b>(2,128.55)</b>	<b>92,563.72</b>	<b>90,435.17</b>	<b>69,637.88</b>	<b>60,306.74</b>	
<b>Total Security Transactions</b>						<b>(\$2,128.55)</b>	<b>\$92,563.72</b>	<b>\$90,435.17</b>	<b>\$69,637.88</b>	<b>\$60,306.74</b>	

**Cash Expenditures  
December 2019**

# AP Warrant List from 12/1/2019 to 12/31/2019

Group	Vendor Name	Amount	Description
	ACWA JPIA INSURANCE/EAP - Invoices:1	\$157.45	Miscellaneous Employee Benefits
	AFLAC - Invoices:2	\$1,498.40	Supplemental Insurance
	BACKGROUNDS ONLINE - Invoices:1	\$65.00	Miscellaneous Employee Benefits
	CIGNA GROUP INS LIFE/LTD - Invoices:1	\$4,542.77	Employee Benefit - LTD Insurance
	CIGNA-DENTAL INS - Invoices:1	\$13,708.79	Employee Benefit - Dental
	Payroll - 2	\$508,854.78	Payroll
	PERS HEALTH - Invoices:2	\$100,592.24	OPEB - Retiree Benefits Premium
	PERS PENSION - Invoices:3	\$38,637.16	Employee Benefit - PERS
	WIENHOFF DRUG TESTING - Invoices:1	\$825.00	Miscellaneous Employee Benefits
	BROWN & CALDWELL - Invoices:1	\$36,734.33	Construction In Progress
	CDWG - Invoices:4	\$16,133.39	Construction In Progress
	DOUG VEERKAMP GENERAL ENGR -	\$504,897.90	Construction In Progress
	ERC CONTRACTING - Invoices:1	\$22,500.00	Construction In Progress
	FLOWLINE CONTRACTORS INC -	\$516,662.50	Construction In Progress
	ICONIX WATERWORKS (US) INC -	\$57,629.02	Construction In Progress
	LEONARD RICE ENGINEERS INC -	\$6,947.21	Construction In Progress
	LOEWEN PUMP MAINTENANCE - Invoices:2	\$17,380.00	Construction In Progress
	MURRAYSMITH INC - Invoices:2	\$6,615.00	Construction In Progress
	NATIONAL METER /BADGER - Invoices:3	\$302,457.34	Construction In Progress
	PACE SUPPLY CORP - Invoices:4	\$17,372.13	Construction In Progress
	ROADRUNNER DRILLING & PUMP CO -	\$43,620.70	Construction In Progress
	S E AHLSTROM INSPECTION - Invoices:2	\$12,690.00	Construction In Progress
	SILICON VALLEY SHELVING AND EQUIP -	\$3,226.75	Construction In Progress
	WEST YOST & ASSOCIATES - Invoices:1	\$4,970.00	Construction In Progress
	WOOD RODGERS ENGINEERING -	\$13,693.90	Construction In Progress
	SUMITOMO MITSUI BANKING	\$26,669.73	2009A COP Interest Expense
	WELLS FARGO SWAP - Invoices:1	\$53,455.79	2009A COP Interest Expense
	ADP, INC - Invoices:2	\$2,826.67	Financial Services
	MUFG UNION BANK NA - Invoices:1	\$420.00	Financial Services
	PFM ASSET MANAGEMENT LLC - Invoices:1	\$3,824.33	Financial Services
	ABA DABA RENTAL - Invoices:1	\$90.49	Operating Supplies
	ABC PRINTING - Invoices:2	\$685.30	Printing
	ALLTECH GATES - Invoices:1	\$1,950.00	Building Maintenance - Office &
	APPLIED BEST PRACTICES - Invoices:1	\$2,800.00	Consulting Services
	AQUA TECH COMPANY - Invoices:1	\$9,250.00	Contract Services
	ASCENT ENVIRONMENTAL - Invoices:1	\$2,000.00	Consulting Services
	AT&T - Invoices:2	\$3,658.60	Communication
	ATLAS DISPOSAL - Invoices:1	\$208.19	Building Service Expense - Office &
	BADGER METER INC - Invoices:1	\$22.25	Communication

BASIC PACIFIC - Invoices:1	\$643.62 OPEB - Retiree Benefits Premium
BAY ALARM COMPANY - Invoices:1	\$116.55 Building Service Expense - Office &
BROADRIDGE MAIL LLC - Invoices:13	\$31,071.85 Contract Services
BUD'S TRI COUNTY TREE SERVICE -	\$3,900.00 Misc. Repairs
CALIFORNIA WATER EFFICIENCY	\$5,000.00 Membership & Dues
CALSTRIPE - Invoices:1	\$2,268.14 Hydrant Permit Refund
CAPITAL RUBBER CO LTD - Invoices:1	\$296.84 Equipment Maintenance Services
CELL ENERGY INC - Invoices:1	\$162.58 Equipment Maintenance Services
CENTRAL VALLEY ENG & ASPHALT -	\$43,778.00 Misc. Repairs
CINTAS - Invoices:6	\$2,333.20 Building Maintenance - Office &
CITRUS HEIGHTS SAW & MOWER -	\$213.35 Equipment Maintenance Services
CITY OF CITRUS HEIGHTS - Invoices:1	\$5,000.00 Licenses, Permits & Fees
CITY OF SACRAMENTO DEPT OF UTILITIES -	\$8.39 Utilities
COTTAGE MEADOWS LLC - Invoices:1	\$884.00 BMP Rebates
COUNTY OF SAC ENVIRO MGT DEPT -	\$2,724.00 Licenses, Permits & Fees
Customer Refunds: 34	\$6,990.96 Refund Clearing Account
DANIEL D OWENS - Invoices:1	\$150.00 BMP Rebates
DEANNA ESTELLE GREEN - Invoices:1	\$650.00 BMP Rebates
DOUG CATER - Invoices:2	\$196.91 Public Relations
DOUMIT COMMUNICATIONS - Invoices:1	\$1,619.56 Hydrant Permit Refund
EMIGH ACE HARDWARE - Invoices:7	\$184.07 Equipment Maintenance Services
GARFIELD COURT APARTMENTS -	\$1,000.00 BMP Rebates
GM CONSTRUCTION & DEVELOPERS -	\$12,835.12 Construction Services
GRAINGER - Invoices:2	\$162.05 Operating Supplies
GRANICUS - Invoices:1	\$787.50 Contract Services
GREG BUNDESEN - Invoices:1	\$427.55 Travel Conferences
HACH COMPANY - Invoices:1	\$1,818.19 Operation Supplies
HARROLD FORD - Invoices:8	\$4,040.20 Claims & Insurance Reimb.
HECTOR SEGOVIANO - Invoices:1	\$253.14 Travel Conferences
HODGE PRODUCTS - Invoices:2	\$945.41 Operating Supplies
J&J LOCKSMITH - Invoices:1	\$129.30 Building Maintenance - Office &
JOEL KASPICK - Invoices:1	\$95.00 BMP Rebates
JOSH TAYLOR - Invoices:1	\$233.23 Uniforms
LAKE VUE ELECTRIC INC - Invoices:1	\$741.00 Building Maintenance - Office &
LES SCHWAB TIRE CENTER/MADISON -	\$1,085.34 Vehicle Maintenance Services
LOWELL D MCPHERSON - Invoices:1	\$492.00 BMP Rebates
LT ARBOR RIDGE I APARTMENTS -	\$2,000.00 BMP Rebates
MANAGEMENT PARTNERS - Invoices:1	\$2,600.00 Consulting Services
MAYNARD THOMAS FOX - Invoices:1	\$250.00 Uniforms
MCCOY FAMILY LLC - Invoices:1	\$1,000.00 BMP Rebates
NINJIO LLC - Invoices:1	\$134.46 Equipment Maintenance Services
NIROOP R RAVULA - Invoices:1	\$150.00 BMP Rebates
OFFICE DEPOT INC - Invoices:1	\$295.55 Office Supplies
PACIFIC COPY & PRINT - Invoices:1	\$813.45 Printing
PALADIN PRIVATE SECURITY - Invoices:2	\$1,348.32 Building Service Expense - Office &

PAUL JOHNSON - Invoices:1	\$215.95 Uniforms
PAUL WHITE - Invoices:1	\$207.60 Uniforms
PEOPLEREADY - Invoices:3	\$3,612.16 Temporary Help
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PG&E - Invoices:1	\$373.11 Utilities
RACHEL MIDDLESTEAD - Invoices:1	\$1,091.72 Travel Conferences
RANDALL D ALLEN - Invoices:1	\$150.00 BMP Rebates
RAWLES ENGINEERING - Invoices:1	\$898.25 Construction Services
RAY MORGAN CO - Invoices:1	\$450.40 Equipment Maintenance Services
REGIONAL GOVERNMENT SERVICES -	\$1,154.00 Consulting Services
REVEENER INC - Invoices:1	\$3,900.00 Equipment Maintenance Services
ROBINSON CONSTRUCTION COMPANY -	\$2,101.32 Hydrant Permit Refund
RODNEY LEE - Invoices:1	\$198.00 Travel Conferences
SAN JUAN WATER DISTRICT - Invoices:1	\$114.19 Local Travel Cost
SERVPRO - Invoices:1	\$958.59 Building Service Expense - Office &
SHAWN SHEDENHELM - Invoices:1	\$237.01 Uniforms
SHRED-IT - Invoices:1	\$74.40 Contract Services
SIGNS IN 1 DAY - Invoices:1	\$21.55 Vehicle Maintenance Supplies
ST JOHN EVANGELIST CATHOLIC SCHOOL -	\$165.00 Construction Services
STATE WATER RESOURCE - Invoices:1	\$2,572.00 Licenses, Permits & Fees
TEE JANITORIAL & MAINTENANCE -	\$3,223.50 Building Service Expense - Office &
THE E&H SECOND FAMILY LP - Invoices:1	\$1,000.00 BMP Rebates
TOM DICKINSON - Invoices:1	\$107.75 Uniforms
TRAFFIC MANAGEMENT GROUP INC (TMI) -	\$1,984.00 Construction Services
TULLY & YOUNG - Invoices:1	\$3,740.00 Consulting Services
URBAN ART LITHOGRAPHY INC - Invoices:1	\$284.93 Printing
VALLEY REDWOOD & YARD SUPPLY -	\$189.64 Misc. Repairs
VERIZON WIRELESS/DALLAS TX -	\$5,633.92 Communication
VOYAGER FLEET SYSTEMS - Invoices:1	\$10,825.31 Operating Supplies
WASTE MANAGEMENT - Invoices:2	\$170.09 Building Service Expense - Office &
WATERWISE CONSULTING, INC. -	\$1,275.00 Consulting Services
WOLF CONSULTING - Invoices:1	\$1,750.00 Consulting Services
	<u>\$2,551,219.48</u>



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VALLEY REDWOOD & YARD SUPPLY -	\$189.64 Misc. Repairs
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VOYAGER FLEET SYSTEMS - Invoices:1	\$10,825.31 Operating Supplies
WASTE MANAGEMENT - Invoices:2	\$170.09 Building Service Expense - Office &
WATERWISE CONSULTING, INC. -	\$1,275.00 Consulting Services
WOLF CONSULTING - Invoices:1	\$1,750.00 Consulting Services
	<u>\$2,551,219.48</u>

**Credit Card Expenditures  
December 2019**

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

Vendor Name	Description	Amount	Proj/GLAcct
COSTCO	PRE ALL HANDS ACTIVITY SUPPLIES	\$ 60.95	02-51403
MICHAELS	PRE ALL HANDS ACTIVITY SUPPLIES	\$ 8.59	02-51403
DOLLAR STORE	ANNUAL EMPLOYEE ACH. EVENT SUPPLIES	\$ 37.40	02-51403
MICHAELS	KUDO'S BOARD OFFICE SUPPLIES	\$ 12.90	03-52108
AMAZON	ALL HANDS ACTIVITY SUPPLIES	\$ 12.90	02-51403
COSTCO	ANNUAL EMPLOYEE ACH EVENT SUPPLIES	\$ 21.74	02-51403
CSDA	PO RECRUITMENT	\$ 105.00	17-51402
NEOGOV	PO RECRUITMENT	\$ 175.00	17-51402
PAYPAL CWEA	PO RECRUITMENT	\$ 290.00	17-51402
CAJPA	PO RECRUITMENT	\$ 100.00	17-51402
BROWN AND CALD	PO RECRUITMENT	\$ 200.00	17-51402
HOME DEPOT	DISHWASHER FOR MARCONI KITCHEN	\$ 738.67	12-54008
AMAZON MARKETPLACE	MICROPHONES AND CABLES FOR AUDIO IN CONFERENCE ROOMS	\$ 159.28	18-52101
HOME DEPOT	CREDIT FOR NOT INSTALLING DISHWASHER	\$ (120.00)	12-54008
ADVANTECH CORPORATION	REPLACEMENT PC'S FOR KP AMI COLLECTION	\$ 3,522.62	18-52101
AMAZON MARKETPLACE	CREDIT FOR RETURNING INCORRECT 6 FOOT CABLES	\$ (17.22)	18-52101
AMAZON MARKETPLACE	CREDIT FOR RETURNING INCORRECT 3 FOOT CABLES	\$ (16.14)	18-52101
SAMSClub ONLINE	FRAUDULANT CHARGE TO BE CREDITED NEXT MONTH	\$ -	
AMAZON.COM	HDMI TO DISPLAY PORT CABLES	\$ 39.70	18-52101
AMAZON.COM	FIRST AID KITS FOR VEHICLE	\$ 220.95	12-54007
AMAZON.COM	KEY TAGS FOR KEY BOX	\$ 9.47	12-52101
J&J LOCKSMITH	SPARE KEYS	\$ 16.16	12-52101
AMAZON.COM	LARGER VEHICLE KEY BOX FOR VEHICLE SPARE KEYS	\$ 183.16	12-52101
AMAZON.COM	REPLACEMENT PROPANE FUEL LINE FOR FORKLIFT #130	\$ 76.63	12-54003
J&J LOCKSMITH	REPLACEMENT LOCK FOR LADDER LOCK AT AUBURN ADMIN FACILITY	\$ 24.78	12-54008
AMAZON.COM	CORKBOARD FOR WALNUT	\$ 23.83	03-52108
AMAZON.COM	CORKBOARD FOR MARCONI	\$ 23.83	03-52108
COSTCO	CHIPS & WATER FOR MEETING WITH ROSEVILLE & SSWD	\$ 18.98	02-55002
COSTCO	SANDWICH TRAYS & COOKIES FOR MEETING WITH ROSEVILLE & SSWD	\$ 81.96	02-55002
COSTCO	COOKIES & LEMONADE FOR 10/25/19 OPEN HOUSE	\$ 22.17	15-56000
COSTCO	OCTOBER ALL HANDS BREAKFAST	\$ 84.47	02-51403
SACRAMENTO MOTHER-LODE	CASSIE CRITTENDEN - 2020 PUBLIC SECTOR EMPLOYMENT LAW UPDATES	\$ 60.00	17-51407
AMAZON.COM	SPECIAL STICKY NOTES	\$ 33.29	03-52108
AMAZON.COM	SPECIAL STICKY NOTES	\$ 4.53	03-52108
PANERA BREAD	LUNCH FOR INTERVIEW PANNEL FOR DIRECTOR OF FINANCE & ADMINISTRATION	\$ 40.77	17-56000
PANERA BREAD	LUNCH FOR HOST OF INTERVIEW PANNEL FOR DIRECTOR OF FINANCE & ADMINISTRATION	\$ 14.01	17-56000
SAMS CLUB	NOVEMBER ALL HANDS BREAKFAST	\$ 15.05	02-51403

HOME DEPOT	WAREHOUSE SUPPLIES	\$ 40.08	05-52101
HOME DEPOT	WAREHOUSE SUPPLIES	\$ 111.62	05-52101
AMAZON	OFFICE SUPPLIES	\$ 15.86	03-52108
HOME DEPOT	WAREHOUSE SUPPLIES	\$ 15.00	05-52101
IVES	TRAINING, BEN HARRIS	\$ 1,095.00	05-51406
MURDOCK INDUSTRIAL	WAREHOUSE SUPPLIES	\$ 343.07	05-52101
MITCHS CERT. CLASSES	TRAINING, KYLE JIVIDEN	\$ 300.00	08-51406
AMAZON	WAREHOUSE SUPPLIES	\$ 32.30	05-52101
AMAZON	WAREHOUSE SUPPLIES	\$ 26.54	05-52101
SAFETY CENTER	TRAINING, BEN HARRIS & MATT UNDERWOOD	\$ 20.00	05-51407
AMAZON	REPLACEMENT FUSE	\$ 40.92	06-52101
AMAZON	WAREHOUSE SUPPLIES	\$ 38.36	05-52101
HOME DEPOT	REPAIR SUPPLIES	\$ 20.04	07-52101
OFFICE DEPOT	OFFICE SUPPLIES	\$ 39.31	03-52108
AMAZON	WAREHOUSE SUPPLIES	\$ 134.84	05-52101
AWWA	AWWA BOOKS	\$ 256.00	06-52502
MURDOCK INDUSTRIAL	POTABLE WATER HOSE	\$ 617.10	05-52101
AMAZON	OFFICE SUPPLIES	\$ 58.72	03-52108
MARRIOTT	HOTEL STAY- HECTOR SEGOVIANO, TRAINING	\$ 982.44	08-55001
MARRIOTT	HOTEL STAY- RODNEY LEE, TRAINING	\$ 982.44	08-55001
TOWN & COUNTRY	CREDIT- TAX RATE ADJUSTMENT	\$ (3.08)	08-55001
TARGET	OFFICE SUPPLIES	\$ 6.35	03-52108
HOME DEPOT	WAREHOUS SUPPLIES	\$ 40.61	05-52101
RAMADA	HOTEL STAY- AARON KING, TRAINING	\$ 242.40	06-51406
RAMADA	HOTEL STAY- SHAWN SHEDENHELM, TRAINING	\$ 242.40	06-51406
GLOBAL INDUSTRIAL	WAREHOUSE SUPPLIES	\$ 252.17	05-52101
PLANNER PAD	OFFICE SUPPLIES	\$ 43.47	03-52108
HARBOR FREIGHT	WAREHOUSE SUPPLIES	\$ 59.47	05-52101
AMAZON	WAREHOUSE SUPPLIES	\$ 23.27	05-52101
AMAZON	AEAE PRIZE	\$ 32.31	02-51403
SAFETY CENTER	TRAINING- BEN HARRIS	\$ 155.00	05-51406
AMAZON	AEAE PRIZES	\$ 127.94	02-51403
SMART & FINAL	KITCHEN SUPPLIES	\$ 116.47	03-52108
AMAZON	WAREHOUSE SUPPLIES	\$ 106.14	05-52101
SAMS CLUB	KITCHEN SUPPLIES	\$ 45.88	03-52108
SAMS CLUB	AEAE PRIZES	\$ 52.95	02-51403
AMAZON	WAREHOUSE SUPPLIES	\$ 26.28	05-52101

Totals: \$ 13,025.10

**Directors Compensation and Expense Accounting –  
Through June 2019**

**Directors Expense Report**  
**Calendar Year 2019**  
**Fourth Quarter**

Event/Purpose	Jones	Locke	McPherson	Thomas	Wichert	Total
Local Meeting Mileage						-
Reimbursed by District		36.89				36.89
Local Meeting Expenses						
Reimbursed by District						
Paid Directly by District						
Conferences						
Reimbursed by District	2,090.84					2,090.84
Paid Directly by District	657.25					657.25
<b>Total</b>	<b>2,748.09</b>	<b>36.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,784.98</b>

**Directors Expense Report**  
**2019 Year to Date**

Event/Purpose	Jones	Locke	McPherson	Thomas	Wichert	Total
Local Meeting Mileage						-
Reimbursed by District	-	36.89		-		36.89
Local Meeting Expenses						
Reimbursed by District						
Paid Directly by District						
Conferences						
Reimbursed by District	738.14	1,794.21	-			2,532.35
Paid Directly by District	3,535.00	950.00	1,270.00			5,755.00
<b>Total</b>	<b>4,273.14</b>	<b>2,781.10</b>	<b>1,270.00</b>	<b>-</b>	<b>-</b>	<b>8,324.24</b>

This report meets the reporting requirements of Government Code sections 53065.5 and 53232.3 and is in conformance with District I Per section 300.10 of the Director's Compensation and Expense Reimbursement Policy (PL-BOD003), a Director's total annual reimb expenses, excluding registration fees, may not exceed \$4,000.00.



Sacramento Suburban Water District  
Board of Directors Meetings Attended (1)  
Pay Rate per Diem is \$100.00  
**4th Quarter 2019**

Director Thomas:

10/03/2019 Meeting with Dan York  
10/04/2019 Auburn Dam Council  
10/07/2019 Meeting for GM Review  
11/20/2019 Aerojet CAG  
11/27/2019 Meeting with Dan York  
12/03/2019 Del Paso WD Board Meeting  
12/05/2019 Path Forward for California's Fresh Water  
12/06/2019 Auburn Dam Council  
12/10/2019 GM Review  
12/06/2019 SSWD Regular Board Meeting  
12/17/2019 Meeting with Mike Huot  
12/18/2019 Del Paso Manor Board Meeting  
12/20/2019 Meeting with Dan York  
12/28/2019 Meeting with President Jones – GM Review

34 Director Jones:

10/03/2019 Meeting with Dan York  
10/05/2019 Meeting for GM Review  
10/07/2019 Meeting for GM Review  
10/08/2019 SSWD Open House  
10/15/2019 Collaborative 2 X 2 Meeting  
10/16/2019 SSWD Public 218 Hearing  
10/18/2019 Meeting with Dan Bills  
10/21/2019 SSWD Regular Board Meeting  
10/25/2019 Palm Well Open House  
11/14/2019 Regional Water Authority Meeting  
11/18/2019 November Board Meeting  
12/10/2019 Meeting with Dan York – Reivew  
12/12/2019 SGA Board Meeting  
12/16/2019 SSWD Regular Board Meeting  
12/26/2019 Del Paso Manor Special Board Meeting  
12/27/2019 Carmichael Water District Open House  
12/28/2019 Meeting with Dir. Thomas – GM Review

Director McPherson:

10/03/2019 RWA Board Meeting  
10/08/2019 SSWD Open House  
10/16/2019 SSWD Public 218 Hearing  
10/21/2019 SSWD Regular Board Meeting  
10/25/2019 Palm Well Open House Meeting  
11/18/2019 SSWD Regular Board Meeting  
12/02/2019 ACWA Fall Conference  
12/03/2019 ACWA Fall Conference  
12/04/2019 ACWA Fall Conference  
12/05/2019 ACWA Fall Conference

Director Locke:

10/08/2019 SSWD Open House  
10/11/2019 Human Right to Water Webinar  
10/15/2019 Climate Change Workshop  
10/16/2019 SSWD Public 218 Hearing  
10/21/2019 SSWD Regular Board Meeting  
10/25/2019 Palm Well Open House  
10/28/2019 Meeting with Dan York – EE Benefits  
11/06/2019 Meeting with Dan York – Legal Opinion  
11/07/2019 Employee Benefits Committee  
11/14/2019 Groundwater Protection and Outreach  
11/18/2019 SSWD Regular Board Meeting  
11/20/2019 Aerojet CAG  
11/21/2019 AWWA Webinar – Lead and Copper Rule

Director Wichert:

No Pay – Verbal Report

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

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

**District Reserve Balances  
December 31, 2019**

**Sacramento Suburban Water District  
Reserve Fund Balance**

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Debt Service Reserve	\$ -	\$ -
Facilities Reimbursement	-	-
Emergency/Contingency	11,194,277	11,255,000
Operating	13,866,933	7,390,000
Rate Stabilization	4,656,400	6,244,500
Interest Rate Risk	-	-
Grant	137,500	-
Capital Asset	17,373,028	20,160,655
<b>TOTAL</b>	<u><u>\$ 47,228,138</u></u>	<u><u>\$ 45,050,155</u></u>

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

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Cash and Cash Equivalents	\$ 7,972,506	\$ 7,585,118
Water Transfer Fund Receivable <sup>1</sup>	-	872,280
Investments	39,040,578	36,369,025
Interest Receivable	215,053	215,917
Restricted Cash	1	7,814
<b>TOTAL</b>	<u><u>\$ 47,228,138</u></u>	<u><u>\$ 45,050,155</u></u>

## **Information Required by Bond Agreement**

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

	Actual Year-To-Date <u>12/31/2019</u>	Budget Year-To-Date <u>12/31/2019</u>
<b>REVENUES</b>		
Water sales charges	\$21,293,230.59	\$21,610,000.00
Capital facilities charge	24,453,649.84	24,571,000.00
Facility development charges	287,209.00	300,000.00
Interest and investment income	1,074,437.45	932,000.00
Rental & other income	1,081,559.92	400,000.00
<b>TOTAL REVENUES</b>	<b><u>48,190,086.80</u></b>	<b><u>47,813,000.00</u></b>
<b>EXPENSES</b>		
Source of supply	3,217,902.15	3,663,934.50
Pumping	3,955,598.56	4,498,085.30
Transmission and distribution	4,248,823.72	4,416,819.16
Water conservation	461,553.36	517,262.28
Customer accounts	1,315,508.13	1,397,911.32
Administrative and general	7,684,871.52	8,747,142.15
<b>TOTAL EXPENSES</b>	<b><u>20,884,257.44</u></b>	<b><u>23,241,154.71</u></b>
<b>NET REVENUE</b>	<b><u>27,305,829.36</u></b>	<b><u>24,571,845.29</u></b>

Sacramento Suburban Water District  
 6 - Months Debt Service Schedule  
 12/31/2019

Month	Total SSWD Debt Service					Debt Service
	Principal	Interest Adjustable/Fixed/Swap	Facility Fee	Remarketing		
Jan-20	\$ -	\$ 100,648.88	\$ -	\$ -	\$ -	\$ 100,648.88
Feb-20	-	100,648.88	-	-	-	100,648.88
Mar-20	-	100,648.88	50,400.00	13,125.00	-	164,173.88
April-20	-	631,548.88	-	-	-	631,548.88
May-20	-	100,648.88	-	-	-	100,648.88
June-20	-	100,648.88	50,400.00	13,125.00	-	164,173.88

Month	Series 2012A Fixed Rate Bonds (\$23,440,000.00)				Debt Service
	Principal	Interest - Fixed 4.25%			
Jan-20			\$ -	\$ -	\$ -
Feb-20			-	-	-
Mar-20			-	-	-
April-20		306,613.00	-	-	306,613.00
May-20		-	-	-	-
June-20		-	-	-	-

Month	Series 2009A Adjustable Rate COPs (\$42,000,000.00)				
	Principal	Interest, Adjustable 1.25%	Facility Fee 0.480%	Remarketing 0.125%	Debt Service
Jan-20		\$ 43,750.00			\$ 43,750.00
Feb-20		43,750.00			43,750.00
Mar-20		43,750.00	50,400.00	13,125.00	107,275.00
April-20		43,750.00			43,750.00
May-20		43,750.00			43,750.00
June-20		43,750.00	50,400.00	13,125.00	107,275.00

Month	Series 2018A Fixed Rate COPs (\$27,915,000)			
	Principal	Interest - Fixed 3.45%		Debt Service
Jan-20			\$ -	\$ -
Feb-20			-	-
Mar-20			-	-
April-20		224,287.00	-	224,287.00
May-20		-	-	-
June-20		-	-	-

Month	2012 SWAP Interest, Net (\$33,000,000.00)			
	Principal	Interest, Swap Net (3.283-1.05259-.18)%		Debt Service
Jan-20		\$ 56,898.88	-	56,898.88
Feb-20		\$ 56,898.88	-	56,898.88
Mar-20		\$ 56,898.88	-	56,898.88
April-20		\$ 56,898.88	-	56,898.88
May-20		\$ 56,898.88	-	56,898.88
June-20		\$ 56,898.88	-	56,898.88

## Financial Markets Report December 31, 2019

### Summary of District's Debt Portfolio:

Debt	Original Par	Outstanding	Issuance	Credit Enhancement	Final Maturity
2009A	\$ 42,000,000	\$ 42,000,000	Adjustable Rate Revenue COP's	Sumitomo Bank*	11/1/2034
2012A	\$ 29,200,000	\$ 13,225,000	Fixed Rate Revenue Bond		11/1/2027
2018A	\$ 19,615,000	\$ 14,830,000	Fixed Rate Revenue Bond		11/1/2028
	<u>\$ 90,105,000</u>	<u>\$ 70,055,000</u>			

\* Credit enhancement expires 6/30/2023

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

Debt	Outstanding	Credit Enhancement	Bank Owned	Sold in Market	Market Rate
2009A	\$42,000,000	Sumitomo Bank LOC	None	\$42,000,000	1.86%
	Notional Amount	Counterparty	FMV	Receive Rate	Fixed Rate
Swap	\$33,300,000	Wells Fargo Bank, N.A.	(\$6,788,444)	1.239%	3.283%

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

Fair Market Value	Security Type	Yield
\$ 227,098.08	Money Market	1.35%
3,818,495.70	LAIF	2.04%
1,173,900.53	commercial paper	2.67%
3,242,222.29	Asset-Backed Securities/CMOs	2.56%
5,791,915.50	Certificates of Deposit	2.66%
9,193,263.36	Corporate Notes	2.48%
1,514,810.13	Federal Agency Securities Bonds/Notes	1.28%
639,991.86	Federal Agency Collateralized Mortgage Obligation	2.49%
99,828.00	Municipal Obligations	2.10%
2,592,707.35	Supra-National Agency Bond	2.13%
15,965,839.81	Treasury Bonds/Notes	2.01%
<b>\$ 44,260,072.61</b>		<b>2.24%</b>



**Market:**

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

**Current Bond Markets**

- The U.S. Treasury yield curve moved higher over the month, with one- to 10-year maturities up nine to 13 basis points (bps). A stable Fed, abundant liquidity, and reduced trade risks stabilized the U.S. rate outlook.
- The move higher in rates caused shorter-term Treasuries to outperform their longer-dated counterparts. For the month, the three-month Constant Maturity U.S. Treasury Index returned 0.12%, while the two-year returned -0.06%. Meanwhile, the five year index generated a total return of -0.40%, and the 10-year index generated a total return of -0.76%.
- Markets remain supportive of credit and other non-government spread sectors, which continue to perform well. However, narrow yield spreads mean that current valuations are generally rich.

**PFM Outlook**

- We expect the Fed to hold the key fed funds rate steady well into 2020. We also expect the U.S. economy to chug along near 2%, and the global economy to improve modestly over the next year. This implies that interest rates should remain within in a narrow range. As a result, we will continue to position portfolio durations in line with benchmarks.
- Value in the federal agency and supranational sectors remains limited, as spreads are at or near their tightest levels in multiple years. While the general outlook for the agency sector shows few signs of change, headlines around government-sponsored enterprise reform continue to warrant attention.
- The iron is still hot in the municipal sector and we continue to take advantage of the surge in taxable issuance. Given their typical high quality, taxable municipal issues offer good value relative to U.S government and even some high-grade corporates.
- Investment-grade (IG) credit has been a top performer for high quality fixed income investors through most of 2019 (and, in fact, the prior 10 years). However, along with attractive returns, yield spreads have ground to multi-quarter lows. Valuations are rich and risk is a bit heightened. We will likely seek opportunities to book profits on the most expensive issues heading into year-end, while maintaining core allocations in the sector.
- Mortgage-backed securities (MBS) posted strong returns for November, marking back-to-back months of positive relative performance. While spreads remain elevated from a near-term perspective, over longer periods the sector offers fair value by historical standards. We continue to maintain current allocations with an eye on selectively adding where specific structures are attractively priced.
- Money market investors have found opportunities to offset a portion of the lower fed funds and repurchase agreement rates by taking advantage of wider yield spreads in short-term commercial

paper and negotiable certificates of deposit. We believe the yield curve will justify maturity extensions.

(Source: PFMAM December 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:** January 13, 2020

**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.

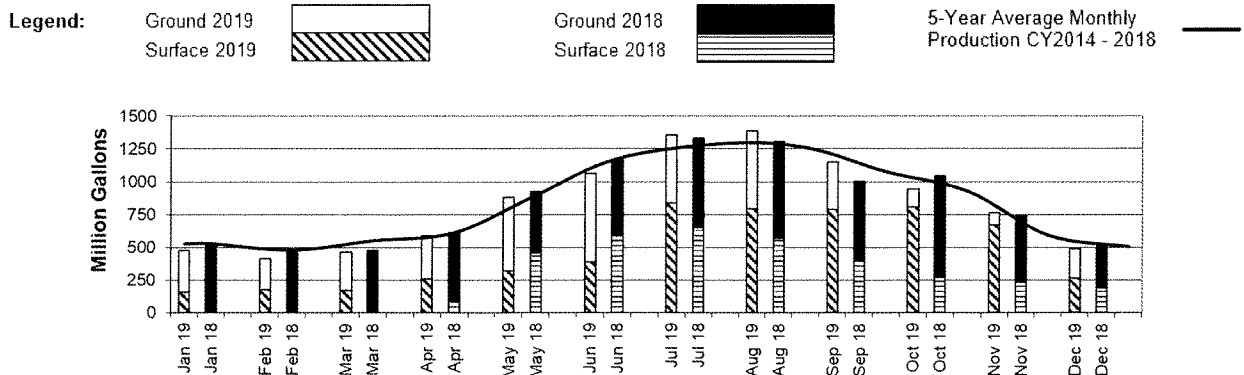
### 1. Monthly Water Production - Surface Water and Groundwater

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	410.005	233.933	643.938	375.772	133.478	509.250	1,153.188	37.200
Oct	461.397	64.103	525.500	343.935	77.450	421.385	946.885	30.545
Nov	412.862	17.737	430.599	258.870	74.635	333.505	764.104	25.470
Dec	112.509	162.474	274.983	148.434	63.097	211.531	486.514	15.694
<b>MG</b>	<b>3,533.040</b>	<b>2,047.440</b>	<b>5,580.480</b>	<b>2086.875</b>	<b>2,306.836</b>	<b>4,393.711</b>	<b>9,974.191</b>	<b>27.327</b>
<b>AF</b>	<b>10,842.502</b>	<b>6,283.363</b>	<b>17,125.864</b>	<b>6,404.384</b>	<b>7,079.420</b>	<b>13,483.804</b>	<b>30,609.668</b>	<b>83.862</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. The previously reported value of 176.172 MG for the North Service Area surface

## 2. Water Operations Activity Report

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

December 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	2	15	—	—	—
Taste & Odor Complaints	0	0	1	—	—	—

### Distribution Department

#### Service Orders

Main Leaks	7	4	53	—	—	—
Service Line Leaks	2	5	65	—	—	—

#### Water Main Shutdown

-- Emergency	4	3	34	—	—	—
-- Scheduled	1	1	13	—	—	—

#### Preventive Maintenance Program

Fire Hydrants Inspected	90	73	873	6,200	1,240	70.4%
Fire Hydrant Valves Inspected	84	70	845	5,450	1,090	77.5%
Fire Hydrant Valves Exercised	75	64	768	5,450	1,090	70.5%
Mainline Valves Inspected	146	158	1,900	12,435	2,487	76.4%
Mainline Valves Exercised	89	118	1,414	12,435	2,487	56.9%
Blow Off Valves Inspected	13	6	73	1,045	209	34.9%
ARV/CARV Inspected	0	1	9	280	56	16.1%

### Field Services Department

#### Meters

PM - Meters Tested (3 - 10 inch)	1	10	125	455	120	104.2%
PM - Meters Replaced ( <sup>5</sup> / <sub>8</sub> - 1 inch)	179	77	929	39,050	1,000	92.9%
PM - Meter Re-Builds (1 <sup>1</sup> / <sub>2</sub> - 2 inch)	0	20	245	2,453	245	100.0%
Customer Pressure Inquiries	2	11	129	—	—	—

### Field Operations Department

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

Calls Received Distribution	44	42	501	—	—	—
Calls Responded Distribution	34	29	350	—	—	—
Calls Received Production	39	17	203	—	—	—
Calls Responded Production	6	6	67	—	—	—

### 3. District Claims Update Report

This summarizes claims received that are less than \$10,000. 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:** See Agenda Item 10, Hemlock Street Mortar Lined Steel Pipeline Leak.

### 4. Water Quality Report

Nothing to report on water quality for the month of December 2019.

### 5. Customer Service Monthly Activity Report

Customer Service Activity Report for the month of December 2019.

<b>Total Calls</b>	<b>Calls Abandoned</b>	<b>% of Calls Abandoned</b>	<b>Average Wait on Queue</b>	<b>Max Wait on Queue</b>	<b>Average Talk Time</b>
2,922	87	2.98%	49s	14m, 17s	2m, 56s

### 6. Community Outreach Report

#### February Bill Insert

The February bill insert will begin on January 28, 2020, and will continue until February 24, 2020. A sample of the bill insert is shown on next page.

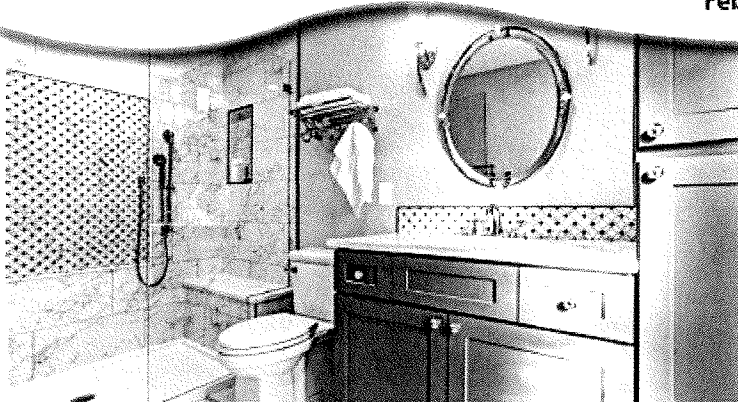
## February Bill Insert

00239910



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

February 2020



## Tap Talk

### Tap Talk | Using Surface Water to Protect the Future

The majority of the water SSWD provides to our customers comes from the North Area Groundwater Basin, which we access through our series of wells and pump stations.

For the better part of the last two decades, SSWD has made protecting the groundwater basin a major priority. This has been accomplished through our involvement in Sacramento Groundwater Authority, which was formed to protect this important region-wide resource, and by the development of our conjunctive use program.

Conjunctive use is a way of diversifying our water

*Tap Talk | page 2*



### Upgrade to A Water-Wise Bathroom

Did you know bathrooms account for the largest amount of water used indoors? Show your love for water efficiency by upgrading your bathroom this February.

#### Faucets and Faucet Aerators: Installing

WaterSense-labeled faucets and aerators can save the average family 700 gallons of water per year, which equals the water needed for 45 showers. If every home in the United States used WaterSense-labeled faucets and aerators we could save 69 billion gallons of water per year. Best of all, aerators cost only a few dollars and you can even get complimentary ones from SSWD.

**Showerheads:** Each year in the U.S. we use nearly 1.2 trillion gallons of water for showering. You can make a difference and have a great shower by installing a WaterSense-labeled showerhead. These showerheads are 20 percent more water-efficient and work as well or better than regular showerheads. The average household could save nearly 3,000 gallons a year by installing WaterSense-labeled showerheads.

**Toilets:** Toilets are the biggest source of water use in a home, accounting for nearly 30 percent of water used. By upgrading your old toilets with WaterSense-labeled ones that use only 1.28 gallons per flush you can save thousands of gallons of water a year. If everyone in the U.S. replaced their old toilets with WaterSense-labeled ones, we could save 360 billion gallons of water per year.

Learn more about rebates available at [sswd.org/rebates](http://sswd.org/rebates).

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

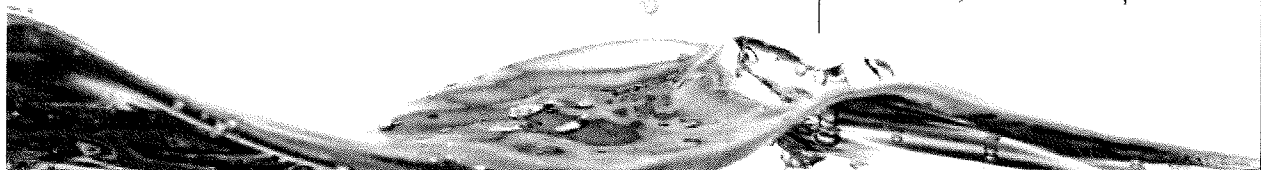
Phone: 916.972.7171

Fax: 916.972.7639

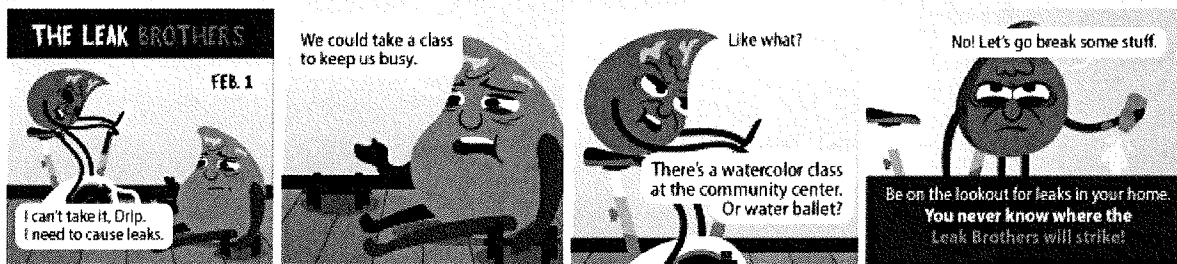
3701 Marconi Avenue, Suite 100

Sacramento, CA 95821-5346

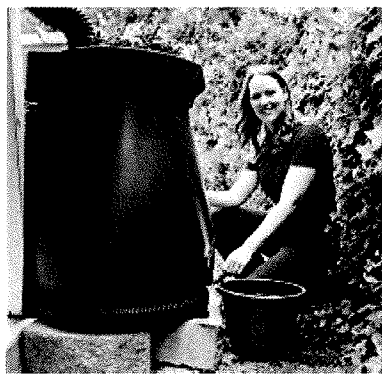
Hours: M-F, 8:00 a.m. to 4:30 p.m.



## February Bill Insert



### Rain Barrels and Rain Gardens | Putting Rain to Work Instead of Letting It Runaway



Rain Barrels and rain gardens are two great ways to harness the rain and put it to work instead of letting it run into streets and gutters.

Rain barrels are attached to a downspout from a roof and typically feature a spigot at the bottom that can be attached to a garden hose. This water can then be used on lawns, gardens or potted plants.

Rain gardens feature a lower area in a yard into which water from a roof can be diverted instead of letting it flow out into the street. The water is slowly absorbed into the soil and helps to ultimately recharge the groundwater. You can learn more about them at <http://www.ecolandscapes.org/riverfriendly/raingardens/raingardens.html>

### March Tap Talk Live 2020 | A Look Ahead

Please join us on Friday, March 27th from 12:00 to 1:00 p.m. for a special presentation by SSWD General Manager Dan York and staff on our Strategic Plan and a look at the year ahead. The talk will cover:

- Planned Infrastructure Improvements
- Conjunctive Use Program
- Meter Installation Progress



### Water Spots Deadline is March 13

There's still time for the young filmmaker in your family to enter the Water Spots video contest. The contest is open to high school and middle school-aged students and is designed to raise awareness about using water efficiently. This year's theme is BE A LEAK DETECTIVE. The last day to enter is Friday, March 13.



Complete details are available online at [bewatersmart.info/waterspots](http://bewatersmart.info/waterspots)

Tap Talk | from page 1

supply by utilizing surface water purchased from the Placer County Water Agency and the City of Sacramento during rainy or normal water years, using groundwater during dry years and investing in the infrastructure needed to convey both water sources.

Our conjunctive use program and the efforts of other local water providers have made a huge difference in the basin's health, which was declining at a rapid rate and reached historic lows in the 1990s. The groundwater basin has since stabilized and slowly recovered over the last 15 years thanks to these actions.

This not only protects the basin for the future, but it also lowers our operating costs. Generally, the deeper the groundwater basin, the more expensive it is to pump groundwater.

At SSWD we are not only focused on delivering high-quality water today, but also making sure we can continue to do so far into the future.





## Agenda Item: 15

**Date:** January 2, 2020

**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
78 Butano / Cottage	Spring 2020	Spring 2021
79 Verner / Panorama <sup>1</sup>	Summer 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 <sup>1</sup>	Complete	Complete
Thor	Early 2020	Fall 2020

<sup>1</sup>Final paving (slurry) planned for spring 2020 as weather permits.



Meter Retrofit Program

The Meter Retrofit Program is on track to be complete by 2022 before the State deadline of January 2025. Project(s) for 2020 are shown in the table below and are on schedule.

Project	Completion Target	
	Design	Construction
2020 Project	Complete	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
Fleet AMP	Draft – February 2020 Final – March 2020
Transmission Main AMP	Draft – April 2020 Final – July 2020
Buildings and Structures AMP	Draft – Q1 2020 Final – Q2 2020
Groundwater Wells AMP	Draft – Q1 2020 Final – Q2 2020
SCADA AMP	Q3 2020
2020 Urban Water Management Plan <sup>1</sup>	2021
Meter AMP	

<sup>1</sup> Schedule is set by the California Department of Water Resources.

**c. Other**

**Major Activities Related to Active Wells**

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

Well	Activity	Completion Target
N20 Cypress	Condition Assessment & Pump Repair	Spring 2020
59A Bainbridge	Condition Assessment	Spring 2020
N10 Walnut	Condition Assessment & Pump Repair	Spring 2020
N34 Cottage	Condition Assessment & Pump Repair	Spring 2020
69 Hillsdale / Cooper	Condition Assessment & Pump Repair	Spring 2020
N33 Walerga	Condition Assessment	Summer 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.

## REGIONAL WATER AUTHORITY SPECIAL MEETING OF THE BOARD OF DIRECTORS Thursday, January 9, 2020, 9:00 a.m.

Conference Rooms 2 and 3  
Roseville Corporation Yard  
2005 Hilltop Circle  
Roseville, CA 95747  
(916) 774-5770

### 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. PUBLIC COMMENT

#### 3. CONSENT CALENDAR

- a. Adopt proposed RWA Board Meetings Scheduled for 2020  
**Action: Adopt proposed RWA Board Meetings scheduled for 2020**
- b. Grant Funded Water Efficiency Irrigation Controller Program  
**Action: Direct Executive Director to contract with Rachio for a regional irrigation controller program**
- c. IN Communications Contract  
**Action: Direct Executive Director to contract with IN Communications for both Water Efficiency and Public Relations Programs**

#### 4. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS

- a. Information: Final minutes of the October 23, 2019 Executive Committee meeting

#### 5. RWA LEGISLATIVE AND REGULATORY POLICY PRINCIPLES

Presentation and Discussion: Ryan Ojakian, Legislative and Regulatory Program Manager

**Action: Approve the RWA Legislative and Regulatory Priority and Policy Issues**

#### 6. RWA FEDERAL PLATFORM

Discussion: Jim Peifer, Executive Director

**Action: Adopt the RWA Federal Platform**

#### 7. ELECT 2020 RWA EXECUTIVE COMMITTEE

**Action: Elect the 2020 Executive Committee of the RWA Board of Directors**

**8. ELECT 2020 RWA CHAIR AND VICE-CHAIR**

**Action: Elect 2020 Chair and Vice-Chair of the RWA Executive Committee and RWA Board of Directors**

**9. EXECUTIVE DIRECTOR'S REPORT**

**10. DIRECTORS' COMMENTS**

**ADJOURNMENT**

Upcoming meetings:

Regular Board Meeting: Thursday, March 12, 2020, 9:00 a.m., at the RWA Office.

**REGIONAL WATER AUTHORITY  
EXECUTIVE COMMITTEE AGENDA**

**January 22, 2020; 8:30 a.m.  
3701 Marconi Avenue, Suite 100  
Sacramento, CA 95821  
(916) 972-71717**

**AGENDA**

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

- 1. CALL TO ORDER AND ROLL CALL**
- 2. PUBLIC COMMENT:** Members of the public who wish to address the committee may do so at this time. Please keep your comments to less than three minutes.
- 3. CONSENT CALENDAR**
  - a. Minutes of the December 11, 2019 Executive Committee meeting  
**Action: Approve Consent Calendar item**
  - b. 2020 RWA Executive Committee Meeting Schedule  
**Action: Adopt Proposed Schedule of 2020 Executive Committee meetings**
- 4. DEVELOPMENT OF FISCAL YEAR 2020 – 2021 BUDGET**  
Information Presentation and Discussion of FY 2020 – 2021 Budget Process, Timeline and Key Questions for Direction
- 5. STRATEGIC PLAN**  
Discussion: Jim Peifer, Executive Director
- 6. OTHER POST-EMPLOYMENT BENEFITS (OPEB) FUNDING REPORT**  
Information and Discussion: Josette Reina-Luken, Financial and Administrative Services Manager
- 7. LEGISLATIVE/REGULATORY UPDATE**  
Information Presentation: Ryan Ojakian, Legislative and Regulatory Affairs Manager
- 8. FEDERAL AFFAIRS PLATFORM**  
Discussion: Sean Bigley, Chair, Federal Affairs Ad Hoc Committee

**9. URBAN WATER MANAGEMENT PLAN SUPPORT**

Discussion: Amy Talbot, Water Use Efficiency Program Manager

**10. EXECUTIVE DIRECTOR'S REPORT**

**11. DIRECTORS' COMMENTS**

**ADJOURNMENT**

**Upcoming meetings:**

**Upcoming Executive Committee Meetings** – February 26, 2020 and March 25, 2020 at 8:30 a.m. at the RWA office

**Next RWA Board of Directors' Meeting** – Thursday, March 12, 2020, at 9:00 a.m. in the RWA conference room, 5620 Birdcage Street, Ste. 110, Citrus Heights, CA 95610

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: 17

**Date:** January 21, 2020

**Subject:** 2019 Budget Reallocations

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

### **Discussion:**

As required by Board actions taken upon adoption of the 2019 Budget, staff is reporting the following Budget actions taken by the General Manager:

#### CIP Budget Reallocations

At budget adoption, the Board authorizes “the General Manager to adjust and/or reallocate amongst the project type cost categories as necessary within the total CIP Budget amount.” Over the past few months, the General Manager authorized transfers between various projects as described in Attachment 1. The total amended CIP budget of \$18,260,000 is unchanged.

#### OCB Budget Reallocations

Similar to the CIP budget, the Board authorizes “the General Manager to adjust and/or reallocate amounts amongst the project type cost categories as necessary during the budget year within the total OCB Budget amount.” Necessary reallocations related to various projects are described in Attachment 2. The total amended OCB budget of \$950,000 is unchanged.

**Attachment 1 - CY2019 CIP Budget Transfers**

Project Number	Project Name	Amended Budget	Reallocated Amount	Current Budget Estimated	Reason for Transfer
SC19-009	WELL REHAB/PUMP ST IMPROVEMENT	1,340,000.00	(110,000.00)	1,230,000.00	Well destruction projects were completed under budget.
SC19-010	SCADA RTU/COMMUN IMPROVEMENT	20,000.00	(15,000.00)	5,000.00	This project was started late in the year and is expected to be completed in early 2020.
SC19-012	WELL REPLACEMENTS	1,850,000.00	(412,000.00)	1,438,000.00	The design of two wells progressed slower than expected; and the start of construction of one of them was delayed as a result.
SC19-018	DISTRIBUTION MAIN REPLACEMENTS	8,800,000.00	1,031,000.00	9,831,000.00	The scope of the Distribution Main Replacement Project expanded to include a high priority project area to expedite removal of ODS pipes (i.e. Albatross).
SC19-019	DIST MAIN IMPRV/EXT/INTERTIES	1,285,000.00	(572,000.00)	713,000.00	A project in this account was delayed due to permitting/coordination issues and provided budget for a high priority Distribution Main Replacement Project.
SC19-022	WTR RELATED STREET IMPRV	136,500.00	(7,000.00)	129,500.00	Minor cost savings realized.
SC19-024	METER RETROFIT PROGRAM	2,900,000.00	272,000.00	3,172,000.00	The planned installation of 674 meter retrofits was completed well under budget (excess of about \$579,000). An additional 834 meters were installed and we are on target to complete meter retrofits by 2022.
SC19-034	RESERVIOR/TANK IMPROVMENT	195,000.00	(98,000.00)	97,000.00	A Condition Assessment performed in 2019 on a reservoir concluded that its coating has a remaining life of approximately 5 years. As a result, planned rehabilitation was deferred.
SC19-035	CORROSION CONTROL-TRAN MAINS	23,500.00	(23,000.00)	500.00	The study phase extended longer than anticipated, but it is expected to be completed in early 2020.
SC19-038	LARGE WTR METER >3" REPL	107,000.00	(22,000.00)	85,000.00	This account is used to upgrade large water meter services as required due to findings when they are tested during Meter Preventive Maintenance. No upgrades were warranted during testing. Excess funds were available to reallocate.
SC19-046	TANK INSPECTION & REPAIRS	98,000.00	(5,000.00)	93,000.00	Minor cost savings realized.
SC19-048	RIGHT OF WAY/EASEMENTS	5,000.00	(5,000.00)	-	Easements acquired in 2019 were granted and did not cost the District.
SF19-480	AMI REPLACEMENTS	1,500,000.00	(34,000.00)	1,466,000.00	This is a reactive account used to replace failed Mueller Systems AMI Endpoints. Excess funds were available to reallocate.
	<b>Total</b>	<b>\$ 18,260,000.00</b>	<b>\$ -</b>	<b>\$ 18,260,000.00</b>	



**ATTACHMENT 2 – 2019 OCB Budget Transfers**

<b>Project Number</b>	<b>Project Category</b>	<b>Original Budget</b>	<b>Reallocated Amount</b>	<b>Amended Budget Estimate</b>	<b>Reason for Transfer</b>
SF19-453	Replace Fencing at 3 Well Sites	\$21,000	(\$5,430)	\$15,570	Fencing costs came in less than expected.
SF19-482	Update Asset Management Plans	\$0	\$238,300	\$238,300	Amount spent was for Risk & Resiliency Plan and AMP Updates. Updates not Originally Planned for 2019. AMP's updated include – Groundwater Wells and Building and Structures.
SF19-454	UCMR 4 Monitoring	\$70,000	(\$70,000)	\$0	Lab failed to comply with the terms of the contract and did not complete the analysis and reporting; therefore, SSWD did not pay and the lab subsequently waived the fees. USEPA informed SSWD that because the lab was approved, no re-sampling was required. As such, the UCMR 4 monitoring was completed as required.
SF19-455	Well Site Paving	\$40,000	(\$40,000)	\$0	No projects were executed in 2019.
SF19-456	Aluminum Pipe Trailer Replacement	\$9,000	\$1,500	\$10,500	Trailer came in a little more than expected due to modifications needed to meet the needs of the District.
SF19-457	Super Dechlorinator Trailer	\$12,000	(\$4,300)	\$7,700	Trailer was purchased but was not outfitted as planned in 2019. It is planned to outfit the trailer in 2020.
SF19-458	Super Chlorinator Trailer	\$9,000	(\$9,000)	\$0	This project was to modify an existing trailer and did not take place. Plan to complete modifications in 2020.
SF19-459	Vehicle – New Production Foreman	\$45,000	\$3,430	\$48,430	Staff estimates vehicle prices when budgets are prepared. By the time the District purchases the vehicles in the following year prices adjust. This is to be expected and occurred with the vehicles purchased in 2020. Overall the vehicles were within 4% of estimates.
SF19-461	Replace Truck #21	\$34,000	\$2,500	\$36,500	
SF19-460	Replace Truck #3	\$30,000	(\$1,900)	\$28,100	

January 21, 2020

<b>Project Number</b>	<b>Project Category</b>	<b>Original Budget</b>	<b>Reallocated Amount</b>	<b>Amended Budget Estimate</b>	<b>Reason for Transfer</b>
SF19-462	Replace Truck #12	\$31,000	\$500	\$31,500	Staff estimates vehicle prices when budgets are prepared. By the time the District purchases the vehicles in the following year prices adjust. This is to be expected and occurred with the vehicles purchased in 2020. Overall the vehicles were within 4% of estimates.
SF19-465	Replace Truck #6	\$42,000	\$2,500	\$44,500	
SF19-467	Office Furniture	\$40,000	\$8,000	\$48,000	JPIA conducted an ergonomic assessment and the District purchased furniture recommended to mitigate findings.
SF19-468	Well Site Maintenance	\$60,000	\$4,100	\$64,100	Costs came in a little more than anticipated.
SF19-470	Remove Antelope Gardens	\$54,000	\$15,000	\$69,000	Costs came in higher than anticipated as contract with original contractor was terminated due to major safety issues and the District utilized next highest bidder.
SF19-471	Hardware Refresh Program	\$107,000	\$5,600	\$112,600	Costs came in more than anticipated.
SF19-472	Software Enhancement Modules	\$55,000	(\$55,000)	\$0	Vendor changed modules that were offered. Staff is re-evaluating to make sure proper modules are purchased. Project rescheduled to 2020.
SF19-473	Board Laptops	\$5,000	(\$5,000)	\$0	No Board Member requested a District laptop.
SF19-474	Board Room Monitors	\$35,000	(\$31,800)	\$3,200	Staff found a cheaper alternative solution.
SF19-475	Rewire Switch – Walnut	\$30,000	(\$14,500)	\$15,500	Costs came in lower than anticipated.
SF19-476	Electronic Equipment for new Positions	\$9,000	(\$9,000)	\$0	Staff was able to absorb new equipment costs as part of refresh plan. No additional monies spent.

January 21, 2020

<b>Project Number</b>	<b>Project Category</b>	<b>Original Budget</b>	<b>Reallocated Amount</b>	<b>Amended Budget Estimate</b>	<b>Reason for Transfer</b>
SF19-477	PDF Software for Engineering Dept.	\$13,000	(\$9,500)	\$3,500	Costs came in lower than anticipated.
SF19-478	Server Rooms – Marconi & Walnut	\$42,000	(\$26,000)	\$16,000	Costs came in lower than anticipated.
<b>Total</b>		<b>\$793,000</b>	<b>\$0</b>	<b>\$793,000</b>	



## Agenda Item: 18

**Date:** December 30, 2019

**Subject:** Human Resources and Succession Plan Semiannual Report

**Staff Contact:** Cassie Crittenden, Human Resources Coordinator

### 1. Current Statistics

Full Time Employees:	67
Temporary Employees:	7
Full Time Vacancies:	3

Current temporary employees include two Water Conservation Representatives, three student interns, and two office assistants.

Current full-time vacancies are as follows:

1. Production Operator I/II
2. Customer Service Representative I/II
3. <sup>1</sup>Vacant Position

### 2. Completed/Ongoing Work of Note

- a) Completed 2020 Benefit Renewal Analysis. Current plan set to renew in 2020 is VSP (Ameritas). Compared benefit packages and premium rates (VSP through Ameritas, VSP Direct, and VSP through the Special District Risk Management Authority [SDRMA]). The District renewed a two-year contract for 2020 and 2021 with Ameritas with no rate increase.
- b) Completed review of 2020 medical plans and premium rates (CalPERS, ACWA/JPIA, and SDRMA). Board approved to continue with CalPERS for 2020.
- c) Completed hiring process and orientations for six new full-time staff, including two Distribution Operators, three Production Operators, and one Environmental Compliance Technician.
- d) Completed orientation for one new temporary staff, a Water Conservation Representative.
- e) Ongoing review of class specification.
- f) Staff has met to discuss the implementation process for the Strategic Plan, and is now completing the business initiatives 2020/2021.
- g) Annual Performance Evaluations are currently being completed.

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<sup>1</sup> Following the retirement of the Distribution Superintendent in November 2018, the position has remained vacant. Effective June 2019, the District reorganized the Operations Department, temporarily removing this vacant position from the Organizational Chart. Staff's plans are to reassess the needs of the District in the following months to determine where the vacant position is best allocated.

### **3. Succession Plan Update**

To date, District succession planning efforts have been successful in filling our Senior Inspector position. Erik Flaa, previous Distribution Operator II was hired as our new Senior Inspector in August 2019 and Song Dang, previous Senior Inspector, retired in late October 2019. This overlap between the two provided the essential training and mentorship Mr. Flaa needed to be successful in this position.

Staff is now preparing for the upcoming vacancy of the Director of Finance and Administration who is set to retire in April 2020. The District recruited for this position in October 2019 and were successful in hiring a candidate. The candidate is set to begin employment on January 13, 2020. The three-month overlap between these two individuals will provide the essential training and mentorship needed to successfully manage our Finance and Administration department.

In addition, staff is working with Management Partners, a consulting firm, to help us develop a training and leadership development program. Within this program will be components of succession planning and how the District can be successful in preparing for this in the future.



## Agenda Item: 19

**Date:** January 10, 2020  
**Subject:** Legislative and Regulatory Update  
**Staff Contact:** Greg Bundesen, Water Conservation Supervisor

### 1. RWA Government Affairs Committee

The 2019/20 legislative session was closed during December 2019. The legislative session will reopen on January 6, 2020. Table 1 below shows the Assembly Bills (AB) and Senate Bills (SB) staff will continue tracking throughout the New 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 worked with RWA and ACWA to follow each bill and update Table 1 during the legislative session. 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, ACWA's Legislative Committee, and other bills that could impact SSWD.

### 2. Notable Updates

- a. The RWA is considering a workgroup that will focus on federal legislation platform. The platform will focus on attempting to expand the Sacramento regional water bank, increase lower American River fish habitat, enhance Folsom Reservoir cold water pool, enhance watershed stewardship and forest management, and focus on legacy Perfluorooctanesulfonic acid (PFAS) groundwater contamination.

### 3. Ongoing Bill Implementation

- a. AB 1668 and SB 606: Requires State Water Resources Control Board (SWRCB) and the 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.

<b>Table 1: Assembly and Senate Bill Tracking</b>					
<b>Bill Number</b>	<b>Name</b>	<b>District Position</b>	<b>RWA Position</b>	<b>ACWA Position</b>	<b>Result</b>
AB 533	Income Tax: Water Conservation or Efficiency Programs	Favor	Favor	Watch	Held In Committee
AB 510	Records Retention Requirements	Favor	Favor	Favor	Two Year Bill
AB 933	Ecosystem Resilience Program	Favor	Favor	Favor	Held In Committee
AB 1204	MCL Compliance Notifications	Favor	Favor	Favor	Two Year Bill
AB 60	Water Meter Accuracy	Favor if Amended	Favor if Amended	Favor if Amended	Held In Committee
SB 414	Failing Public Water System Requirements	Watch	Watch	Watch	Held In Committee
SB 402	Local Funding Stabilization Program	Watch	Watch	Watch	Held in Committee



## Agenda Item: 20

**Date:** January 15, 2020

**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. NACWA Winter Conference – Board Approved Conference  
February 4-7, 2020  
Atlanta, GA  
<https://www.nacwa.org/conferences-events/2020-winter-conference>
2. RWA Special Board Meeting  
February 15, 2020  
RWA Office  
<http://rwah2o.org/>
3. ACWA Legislative Symposium  
March 12, 2020  
Sacramento, CA  
<https://www.acwa.com/events/>
4. RWA Board Meeting  
March 14, 2020  
RWA Office  
<http://rwah2o.org/>



## Upcoming Water Industry Events

January 15, 2020

Page 2 of 3

5. SSWD Tap Talk – A 2020 Look Ahead  
March 27, 2020  
SSWD Boardroom  
[www.sswd.org](http://www.sswd.org)
  
6. Cal-Neva AWWA Spring conference  
April 6-9, 2020  
Anaheim, CA  
[https://www.ca-nv-awwa.org/canv/CNS/Events\\_Classes/Future\\_Events/Annual\\_Spring\\_Conference\\_2020/CNS/EventsandClasses/conf/SC20/SC2020.aspx?hkey=d049e7ba-a5ef-4007-8940-7dbfce971ae8](https://www.ca-nv-awwa.org/canv/CNS/Events_Classes/Future_Events/Annual_Spring_Conference_2020/CNS/EventsandClasses/conf/SC20/SC2020.aspx?hkey=d049e7ba-a5ef-4007-8940-7dbfce971ae8)
  
7. Creek Week  
April 18, 2020  
Carmichael Park  
[www.sswd.org](http://www.sswd.org)
  
8. Sacramento Metro Chamber of Commerce Capitol to Capitol – Board Approved Conference  
April 25 – 29, 2020  
Washington DC  
<https://metrochamber.org/>
  
9. Legislative Washington DC Trip – Board Approved Conference  
Spring 2020
  
10. RWA Board Meeting  
May 2, 2020  
RWA Office  
<http://rwah2o.org/>
  
11. ACWA Spring Conference  
May 5-8, 2020  
Monterey, CA  
<https://www.acwa.com/events/2020-spring-conference-exhibition/>
  
12. American Water Works Association Annual Conference & Exposition – Board Approved Conference  
June 14-17, 2020  
Orlando, FL  
<https://www.awwa.org/Events-Education/Exhibitors-Sponsors>

**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: 21 a.

**Date:** January 6, 2020

**Subject:** Upcoming Policy Review - Debt Management Policy (PL - Fin 011)

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

**Discussion:**

Included with this report is the updated Debt Management Policy (PL - Fin 011) for the Board's review. The Debt Management Policy was last reviewed in February 2018. Staff has no recommend changes.

This Policy will come before the Board for consideration at the February 2020 regular Board meeting. All Director comments received by the end of business on Monday, February 10, will be included in the draft version for the February Board meeting.

## Sacramento Suburban Water District

**Debt Management Policy**Adopted: September 15, 2014; ~~November 21, 2016; February 26, 2018~~Updated: February XX, 2020**100.00 Purpose of the Policy**

This policy sets forth comprehensive guidelines for the financing of capital expenditures. It is the objective of this policy that – 1) the District obtain financing when necessary, 2) the process for identifying the timing and amount of debt or other financing be as efficient as possible, 3) the most favorable interest rate and issuance costs be obtained, and 4) when appropriate, future financial flexibility be maintained.

**200.00 Policy**

The issuance of long-term debt is a valuable funding resource for the District. Used appropriately and prudently, long-term debt can minimize the District's water system charges and rates over time.

To minimize dependency on debt financing for capital projects, annual renewal and replacement capital projects will be adequately funded from rates. Funding levels for capital investments will be sufficient to meet capital improvement projections needed as outlined in the current Asset Management Plans and/or Water System Master Plan. Long-term debt will be considered only for large capital improvement projects or greater than normal capital plans. The District will be managed to at least meet, and potentially exceed, the minimum and target Debt Service Coverage (DSC) requirements as imposed by bond covenants. The District will not issue long-term debt to support operating costs.

- A. Use of Long-Term Debt As a Funding Mechanism – Use of long-term debt will be minimized. The District may consider the use of long-term debt financing when it appears that a capital project, or other expenditures as deemed appropriate by the Board, is of such a magnitude that it will negatively impact the District's rates in the short-term. The benefit of long-term debt financing is that it will spread the costs of the capital asset over a longer period of time and will, therefore, approximate the useful life of the asset, and over time, charge those customers that benefit from that asset more equitably.
- B. Types of Long-Term Debt – The District will strive to utilize the type of debt that has the lowest costs, while not imposing any burdensome covenants or reporting requirements.
- C. Legal Covenants – The District will manage the water District to meet all bond covenants associated with the long-term debt. Bond covenants are legal obligations of the District.

- D. Debt Service Coverage Covenants – Long-term debt issuances typically contain legal covenants regarding DSC. A DSC ratio is an important financial measure of the District’s ability to repay the outstanding debt obligation, and is reviewed for adequacy by banks and rating agencies. Generically, the DSC ratio is the District’s net operating income divided by the total annual debt service payment. For financial planning purposes, the targeted annual DSC ratio will be greater than or equal to 1.85 on all outstanding debt that carries such a covenant.
- E. Reporting Standards – The District will fully adhere to all applicable Government Accounting Standards Board (GASB) requirements and recognized best practices for the accounting treatment and disclosure of debt obligation transactions in its audited financial statements and other relevant publications.
- F. Revenue-Bonded Debt Capacity – The issuances of debt are supported by the revenues of the District. The ability of the District to fund and support revenue bonded debt will financially establish a debt level and capacity for revenue-bonded debt.

**300.00 Conditions for Debt Issuance**

When debt issuance is determined necessary, the District will assess the market conditions and timing for debt issuance to include issuing debt – 1) in times of favorable market conditions, 2) when Bond ratings would qualify District issuances to be investment grade, and 3) when revenues are sufficient to adequately cover expected debt service and issuance costs.

Bond credit enhancements will be considered when necessary for market acceptance and when costs are favorable to the District.

**400.00 Conditions for Debt Refinancing**

Debt refinancing (refunding) is an important debt management tool for the District. There are three key concepts that must be taken into consideration when evaluating a debt for refunding:

- 1. Financial and Policy Objectives
- 2. Financial Savings/Results of Financing
- 3. Bond Structure and Escrow Efficiency

Financial and Policy Objectives – The District may undertake a refinancing for a number of financial and/or policy objectives, including to achieve debt service savings, eliminate restrictive debt/legal covenants, restructure the stream of debt service payments, or to achieve other policy objectives. Although in most circumstances the District may undertake a refunding to obtain economic savings, it may refund an issue to restructure its debt portfolio in order to obtain budgetary/cash flow relief or to address exposure to other costs/liabilities and to extend the maturity.

Financial Savings/Results of Financing - The financial framework regarding the evaluation of refunding opportunities is to be developed and evaluated by the District Treasurer, typically to include the efforts of outside financial advisors. It is important to note that federal tax law typically permits an issuer to conduct one advance refunding over the life of a bond issue<sup>2</sup>. As such, the District must take greater care

(i.e., require a higher savings threshold) when evaluating an advance refunding opportunity.

In certain circumstances, lower savings thresholds may be justified. For example, when an advance refunding is being conducted primarily for policy reasons (other than economic savings), interest rates are at historically low levels or the time remaining to maturity is limited, and as such, future opportunities to achieve greater savings are not likely to occur.

Bond Structure and Escrow Efficiency<sup>1</sup> – The District’s debt management practices should anticipate the potential for future refundings. When debt is issued, careful attention should be paid to the bond structure to address features that may affect flexibility in the future. To that end, upon debt issuance the District shall consider: optional redemption provisions, bond coupon characteristics giving up call rights for certain maturities in exchange for a lower interest rate on the bonds, call provisions that permit the redemption of bonds in any order of maturity or on any date, call provisions that permit the issuer to call bonds at the earliest date without incurring a significant interest-rate penalty, and coupons on callable bonds priced as close to par as possible at the time of original issue.

<sup>1</sup> Escrow Efficiency - The lower the cost of the escrow the more efficient the escrow. Also, in order to be efficient, escrow securities need to mature or pay interest when debt service payments of the refunded escrow are due.

<sup>2</sup> Current vs. Advance Refunding - There are two types of refundings, as defined by Federal Tax laws; a current refunding in which a refunding takes place (i.e., refunding bonds are sold) within 90 days of the optional call date, and an advance refunding in which refunding bonds are sold more than 90 days prior to the first call date. Federal tax law typically permits an issuer to conduct one advance refunding over the life of a bond issue.

## **500.00 Internal Controls**

To ensure that proceeds of any debt issued in accordance with its governing documents and this Policy no disbursements shall be made without the approval of the General Manager or Assistant General Manager and Finance Director. For CIP projects, the draw request shall be provided to the Finance Director for budget approval by the project engineer with the consent of the District’s inspector. Draw request approval shall only be provided when the General Manager or Assistant General Manager is in receipt of the Finance Director’s budgetary approval and an appropriate certification from the construction project manager with supporting invoices from suppliers and/or contractors evidencing appropriate expenses in connection with the project.

In the case of an issue of bonds, the proceeds of which will be used by a governmental entity other than the District, the District may rely upon a certification by such other governmental entity that it has adopted the policies described in SB 1029.

**600.00 Interest Rate Swaps**

The incurring or carrying of variable-rate debt obligations by the District involves a variety of interest rate payments and other risks that interest rate swaps are available to offset, hedge, or reduce. It is the policy of the District to utilize such interest rate swaps to better manage its debt portfolio. The District will consider executing an interest rate swap transaction if it expects the swap transaction will result in any of the following:

- A. Reduce exposure to changes in interest rates on a financial transaction;
- B. Result in a significantly lower net cost of borrowing with respect to the District’s debt consistent with an established target; or
- C. Manage variable interest rate exposure consistent with prudent debt practices and guidelines as approved by the Board.

**Savings Target**

Interest rate swaps will require a significant financial benefit or savings versus traditional fixed-rate debt. For an interest rate swap intended to produce the effect of a synthetic fixed rate transaction, the swap transaction must generate 5% or greater net present value savings compared to standard fixed-rate bonds which have the same optional redemption features.

**Restrictions**

The District will not enter into any swap transaction

- a) for speculative purposes.
- b) if the swap presents an extraordinary risk to the District’s liquidity to terminate the agreement due to unforeseen events.
- c) if there is insufficient price transparency to allow for fair market valuation.

**Provider Requirements**

The transaction provider will have a credit rating of AA (or equivalent) or better from at least two nationally recognized credit rating agencies (at the time of agreement execution). The transaction provider will have a demonstrated record of successfully executing derivative transactions and have a minimum capitalization of \$2 billion.

**Use of Independent Advisor**

The District will use a professional advisor or designated swap representative (“Swap Advisor”) to assist in the assessment, structuring, and pricing of proposed or existing interest rate swaps. The Swap Advisor will be a firm which:

- i. is a Municipal Advisor registered with the Securities and Exchange Commission;
- ii. has sufficient knowledge to evaluate the swap transaction and risks;
- iii. is not subject to a statutory disqualification;
- iv. is independent of the swap dealer or major swap participant;
- v. undertakes a duty to act in the best interests of the District;
- vi. provides appropriate and timely disclosures to the District; and

vii. evaluates fair pricing and the appropriateness of the swap.

**700.00 Authority**

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

**800.00 Policy Review**

This Policy will be reviewed at least biennially.





## **Agenda Item: 21 b.**

**Date:** January 16, 2020

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

**Staff Contact:** Jeffery S. Ott, Director of Finance and Administration  
Matt Winans, IT Manager

### **Discussion:**

Included with this report is the updated Electronic Mail, Internet and Computer Use Policy (PL – IT 005) for the Board’s review and comment. The Electronic Mail, Internet and Computer Use Policy was last reviewed in May 2015.

After extensive review, legal counsel and staff are recommending various changes to the Policy that reflect enhancements to appropriate use of District electronic equipment and communications. The proposed changes are as follows:

#### Section 100.00 – Changes to Purpose of Policy

- Remove the hard policy that all forms of District electronic communications and equipment are used solely for District business purposes. Staff will be allowed de minimis use of District communication and equipment for personal use.
- Remove the phrase “with no right or expectation of personal privacy” from section 100.00 as the phrase is included and highlighted in section 200.00.

#### Section 200.00 – Changes to Policy

- Change the phrase “Social Networking” to “Social Media” to be more consistent with prevailing language.
- Add the phrase “Any form of social media utilized by the District as an outreach or communication tool will be subject to procedures promulgated by the General Manager and shall not be used in a manner that creates a public forum.” at the recommendation of legal counsel.
- Remove the phrase “are to be used only for District related business and not for any personal use” and add the phrase “are to be used solely in accordance with District Procedures.” to be consistent with section 100.00.
- Move the last paragraph before the paragraph describing consequences of violating the policy.
- Add the following language “Employees are advised that if they use their personal electronic devices on District business, they may be creating District records that must be

preserved and that may subject their personal electronic devices to surrender to the District to search for, view, and possibly extract any District records.” at the recommendation of legal counsel.

This Policy will come before the Board for consideration and adoption at the February 2020 regular Board meeting. If a Director wishes to comment on the policy, please provide those comments by the end of business on Monday, February 10, 2020. If no comments are received by any Director, this policy will be placed on the Consent agenda.

**Fiscal Impact:**

Minor fiscal savings of not having to maintain separate computers that can be used for personal use.

**Strategic Plan Alignment:**

Goal B – Optimize Operational and Organizational Efficiencies

The policy changes recommended will further clarify Social Media use guidelines for staff. The policy also clarifies the potential consequences of using personal electronic devices for District business purposes.

Goal E: Retain and Recruit Qualified and Stable Workforce

This policy change will allow staff the ability to use District electronic communication and equipment resources in accordance with District Procedures which will allow de minimis personal use. The change will increase employee moral by allowing de minimis personal use of District communication and equipment resources.

**Attachment:**

1 – Electronic Mail, Internet and Computer Use Policy - redlined

## Sacramento Suburban Water District

**Electronic Mail, Internet and Computer Use Policy**

Adopted: September 20, 2004

Revised: ~~December 20, 2010; January 28, 2013, May 18, 2015~~ Approved with Changes: \_\_\_\_\_,  
2020**100.00 Purpose of the Policy**

The purpose of this policy is to provide guidelines for the appropriate use of all technology resources provided by the District. These resources include computers, servers, printers, scanners, software, Internet, Intranet, phones, copier/fax machines and all other technology-related devices and data items. ~~is to establish and insure that all forms of electronic communication and equipment are used for District-related business only with no right or expectation of personal privacy~~

**200.00 Policy**

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

Use of District electronic communication and equipment to access and use any form of "social media networking" is not permitted. Employees who may need to utilize social media networking for District-related business must obtain prior approval from the General Manager or his/her designee. Any form of social media utilized by the District as an outreach or communication tool will be subject to procedures promulgated by the General Manager and shall not be used in a manner that creates a public forum.

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

Employees will not install personal software in District computer systems. All software on any District computer system must be licensed to the District. Any updates to existing software must be approved by the Information Technology Manager prior to

installing the update. All electronic information created by any employee using any means of electronic communication owned, leased, operated, or employed by the District is the property of the District and will remain the property of the District. **Employees should understand that they have no right or expectation of privacy with respect to any messages or information created or maintained on the District's computer systems and electronic devices, including personal information or messages, and that any electronic information created, sent, received or accessed by an employee may be a public record subject to disclosure upon request.** Personal passwords may be used for purposes of security, but the use of a personal password does not affect the District's ownership of, or ability to access, the electronic information. Employees must not place stickers on laptop computers.

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

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

~~All employees must manage and protect records resulting from their e-mail communications as required by the District's Records Inspection, Retention and Disposal Policy (PL - Adm 002), Electronic Mail Management and Retention Policy (PL - IT 003) and Procedure (PR - IT 002), which sets forth the responsibilities of all District employees concerning the creation, removal, storage, and retention of e-mails that are designated as official District records. Employees are advised that if they use their personal electronic devices on District business, they may be creating District records that must be preserved and that may subject their personal electronic devices to surrender to the District to search for, view, and possibly extract any District records.~~

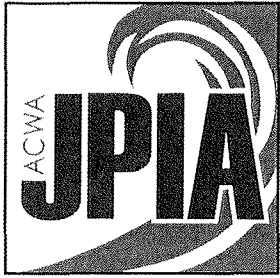
Any employee who misuses the District's electronic communications or otherwise violates this policy will be subject to discipline up to and including termination.

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

**300.00 Policy Review**

This Policy shall be reviewed at least biennially.

# AGENDA ITEM: 22



YOUR BEST PROTECTION

December 17, 2019

## ACWA JPIA

P. O. Box 619082  
Roseville, CA 95661-9082

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Melody A. McDonald  
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Kathleen Tiegs

Mr. Dan York, General Manager  
Sacramento Suburban Water District  
3701 Marconi Avenue, Ste. 100  
Sacramento, CA 95821-5346

Dear Mr. York:

The JPIA appreciates your membership and your participation in our training program. Training designed specifically for water agencies reduces losses, improves employee skills and contributes to a positive working environment.

Thank you for the use of your staff and facility on December 10 & 16, 2019 for Defensive Driver training. We hope your staff found it a valuable experience.

We also appreciate you allowing neighboring JPIA member agencies to attend. Your generosity is what makes our training program benefit the entire pool. *We couldn't do it without you.*

Please feel free to contact us regarding any future training questions or needs.

Sincerely,

MBA, SPHR-CA, IPMA-CP  
ACWA JPIA Director of Human Resources & Administration