

Agenda

Sacramento Suburban Water District Facilities and Operations Committee

3701 Marconi Avenue, Suite 100
Sacramento, CA 95821

Thursday, February 13, 2020
1:00 p.m.

Public documents relating to any open session item listed on this agenda that are distributed to the Committee members 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 Committee concerning any item of interest. 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 Committee Chair will call for comments at the appropriate time. Comments will be subject to reasonable time limits (3 minutes).

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Sacramento Suburban Water District Human Resources at (916)679-3972. Requests must be made as early as possible and at least one-full business day before the start of the meeting.

Call to Order

Pledge of Allegiance

Roll Call

Announcements

Public Comment

This is an opportunity for the public to comment on non-agenda items within the subject matter jurisdiction of the Committee. Comments are limited to 3 minutes.

Consent Items

The committee 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 member of the Committee, staff or interested person requests that an item be removed from the Consent Items, it will be considered with the action items.

- 1. Minutes of the September 13, 2018 Facilities and Operations Committee Meeting**
Recommendation: Approve subject minutes.

Items for Discussion and or Action

2. Antelope Pump-Back Booster Pump Station Operations Agreement

Recommendation: Receive report on amendment to Antelope Pump-Back Booster Pump Station Ownership, Operation and Maintenance Agreement and recommend to the full Board approving the amended agreement at the February 24, 2020, regular Board meeting, pending legal review.

3. Memorandum of Understanding – San Juan Water District Hinkle Reservoir Relining Project

Recommendation: Authorize the General Manager to negotiate and execute a Memorandum of Understanding (MOU) with San Juan Water District (SJWD) for their Hinkle Reservoir Relining Project (Hinkle Project), pending legal review.

Adjournment

Upcoming Meetings:

Monday, February 24, 2020 at 5:45 p.m., Special Financing Corporation Board Meeting
Monday, February 24, 2020 at 6:00 p.m., Regular Board Meeting

I certify that the foregoing agenda for the February 13, 2020 meeting of the Sacramento Suburban Water District Facilities and Operations Committee was posted by February 10, 2020 in a publicly-accessible location at the Sacramento Suburban Water District office, 3701 Marconi Avenue, Suite 100, Sacramento, California, and was made available to the public during normal business hours.

Dan York
General Manager/Secretary
Sacramento Suburban Water District

Minutes

Sacramento Suburban Water District
Facilities and Operations Committee
Thursday, September 13, 2018

Call to Order

Chair Jones called the meeting to order at 2:00 p.m.

Pledge of Allegiance

Chair Jones led the Pledge of Allegiance.

Roll Call

Directors Present: Dave Jones and Robert Wichert.

Directors Absent: None.

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

Public Present: William Eubanks.

Announcements

None.

Public Comment

None.

Consent Items

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

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

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

Items for Discussion and/or Action

2. Distribution Main Asset Management Plan Update

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

Director Wichert inquired what version of the draft Distribution Main Asset Management Plan he had: was it a revised version that incorporated Chair Jones comments from the last Facilities and Operations Committee meeting

Mr. Dean confirmed that the version presented in the meeting packet is an updated version that incorporated Chair Jones' comments from the last Facilities and Operations Committee meeting. Mr. Dean further noted that he recently met with Chair Jones and Assistant General Manager Mike Huot (AGM Huot) and addressed further questions in the revised Distribution Main Asset Management Plan.

Director Wichert inquired how close staff is in assessing the condition of the distribution piping before it is replaced.

Mr. Dean stated that staff is not close and bases the decision to replace distribution main on leak data, age, other factors, and limited physical data.

Director Wichert inquired if anyone in the industry is doing significantly more towards assessing condition prior to replacement.

Mr. Dean stated that he believes East Bay Municipal Utility District (East Bay MUD) is doing something to assess condition.

General Manager Dan York (GM York) stated that Chair Jones and John Valdes went down to East Bay MUD about 7 years ago where the City of Las Vegas was doing a presentation on AC pipe and coupon sampling. Consultants in the past have done coupon sampling for the District, but it had been a few years since a coupon sample has been collected and analyzed.

Director Wichert stated that in the industry if there is a way to assess the condition other than age, then he has to think that method would be preferable.

AGM Huot stated that when he was with the Sacramento County Water Agency (SCWA) they had a consultant to do some leak detection work and there is a lot of new technology coming out on ways to evaluate the lines. The new technology is expensive. AGM Huot further noted that he can reach out to SCWA and see what they are currently doing.

Chair Jones stated that he thinks the District should get the ODS out of our system.

Director Wichert inquired what it costs to replace ODS.

Chair Jones stated that it's \$2 million per mile to replace ODS.

GM York stated that the plan right now is that in 2 years the District will be done with replacing ODS.

Director Wichert stated that he would like staff to do everything they can to assess the condition of the other pipe types without damaging them.

AGM Huot requested clarification regarding Director Wichert's request that a condition assessment element be added to the Distribution Main Asset Management Plan.

Director Wichert confirmed that he would like a condition assessment element added to the plan.

Chair Jones requested that technology information be added to the Distribution Main Asset Management Plan as well.

Public comment from William Eubanks (Mr. Eubanks) stated that he does not understand how staff can disrupt pipe without major adverse issues. He further noted that disturbing the pipe opens up potential issues with leaks and blowouts.

3. Review Draft Language for 2018 Consumer Confidence Report

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

Chair Jones inquired if Mr. Armand presented any of this draft language to the State Water Resources Control Board (SWRCB) to see how it might be received.

Mr. Armand stated that this draft letter and language has not been presented or run past the SWRCB.

AGM Huot confirmed Mr. Armand's response and is requesting that the Directors confirm the proposed language before reaching out to SWRCB.

Director Wichert stated that he is good with the draft language with a few modifications. Changing some language to read: does not facilitate lead dissolving from customer pipes or fixtures.

Chair Jones inquired if any of the draft language needs to be run past legal.

Mr. Armand stated that legal has not reviewed any of this information in the past and the State is the one who puts this information out. The District is required to follow State Regulations.

Public comment from Mr. Eubanks. Mr. Eubanks stated that the language regarding Nitrate seems ridiculous. Mr. Eubanks further noted that the language that reads check with your health care provider should really read that pregnant woman or other groups sensitive to Nitrates should be directed to not drink the water.

GM York stated that the District's main goal is ensuring the District supplies safe and reliable water. The District is to follow guidelines of the State and EPA. If customers have any questions the Consumer Confidence Report (CCR) has a link and phone number to contact District staff to pose such questions.

Director Wichert stated that his request was to help clarify the language so that the customer can clearly understand it.

The Committee recommended staff make the requested modifications to the draft language and send the proposed draft language to legal if needed. If legal does not need to review the draft language, then the letter can be sent to SWRCB.

4. McClellan Business Park Update

David Morrow (Mr. Morrow) presented the staff report and went through a PowerPoint presentation.

Chair Jones inquired if there is an intertie agreement with CalAm.

Mr. Morrow stated that there is an opportunity for an emergency intertie, but the plan has yet to be completed.

Chair Jones inquired if the pipe material is asbestos (AC).

GM York stated that if a leak does occur with AC, it is typically at the joints.

Chair Jones inquired about the fire hydrants and whether it included spacing.

Mr. Morrow stated that he is unsure if the fire hydrants included spacing.

Director Wichert inquired if backflow devices are on sprinklers.

Mr. Morrow stated that any fire connection would have backflow devices.

GM York stated that when this was brought to the full Board about a year ago one of the issues was that former Director Schild strongly felt that McClellan Business Park be treated like everyone else. The take away from this presentation is an update to the Committee that staff is trying to figure out the cost to install backflows for fire services.

Director Wichert inquired if staff has the draft agreement available.

GM York stated he can provide the draft agreement to the Directors.

Director Wichert requested that he would like to see a status of where staff is with the agreement, discussions and negotiations.

GM York stated that the plan is to bring before the Board in the next two months the agreements with McClellan Business Park and the County and recommendations for installing backflows on fire services.

Public comment from Mr. Eubanks. Mr. Eubanks stated that staff has done a great job making sure McClellan Business Park is treated like everyone else.

5. Antelope Gardens

Matt Underwood (Mr. Underwood) presented the staff report.

Chair Jones inquired if there would be a benefit of selling or leasing the property or pushing the rental use by advertising it's available for rent for events like weddings.

Mr. Underwood stated that there are parking issues for large wedding-type events.

Chair Jones inquired if there has been a random survey of what the customers think about potentially demolishing the garden.

Mr. Underwood stated that the District has not done a customer based survey; all of the discussions have been at a Committee level.

Director Wichert stated that he would be comfortable supporting staff's recommendation and moving the item to the full Board meeting as a Consent Item.

Chair Jones stated he is not comfortable with the item as Consent, and that it should be an item for discussion.

Public comment from Mr. Eubanks. Mr. Eubanks stated that the \$1.2 million spent on constructing the garden and the money spent yearly to maintain it seem like a waste of public money and it should have been torn down 10 years ago.

Adjournment

Chair Jones adjourned the meeting at 3:29 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District



Facilities and Operations Committee

Agenda Item: 2

Date: February 10, 2020

Subject: Antelope Pump-Back Booster Pump Station Operations Agreement

Staff Contact: Mike Huot, Assistant General Manager

Recommended Committee Action:

Receive report on amendment to Antelope Pump-Back Booster Pump Station Ownership, Operation and Maintenance Agreement and recommend to the full Board approving the amended agreement at the February 24, 2020, regular Board meeting, pending legal review.

Background:

In 2015 Sacramento Suburban Water District (SSWD) and San Juan Water District (SJWD) entered into a Memorandum of Understanding to provide groundwater supplies to SJWD through the Cooperative Transmission Pipeline (CTP). This pump station was also expected to be part of a conjunctive use program between SSWD and SJWD that was part of the discussions on water supply and integration in 2014 and 2015.

On June 15, 2015, the Board approved the Antelope Pump-Back Booster Pump Station Ownership, Operation, and Maintenance Agreement (Agreement) between SSWD and SJWD. This Agreement defined the purpose of the project to provide groundwater supplies to SJWD during dry years, planned outages of United States Bureau of Reclamation or SJWD's Treatment Plant facilities, or emergencies when SJWD's surface water supplies are reduced.

Discussion:

SSWD has been part of the drought contingency planning and regional water reliability planning that has been conducted by the Regional Water Authority (RWA) and its member agencies during the past few years. The most significant recommendation has been to expand the region's conjunctive use activities and establish a groundwater bank. SSWD's facilities, the CTP and the Antelope Pump-Back Booster Pump Station (the latter two of which are jointly owned by SJWD) are all identified as essential elements of the regional water reliability infrastructure, and are necessary to optimize the ability to store water in the groundwater basin during wet years and pump it out for use during dry years.

Staff has prepared a proposed Amendment (see Attachment 1) to the Agreement in collaboration with staff at SJWD to remain aligned with the region's conjunctive use objectives. It clarifies the Agreement can be used for conjunctive use and water banking operations.

Citrus Heights Water District (CHWD) and Fair Oaks Water District (FOWD) have expressed some concerns about the potential future use of the CTP and the Antelope Pump-Back Booster Pump Station. SSWD staff are working closely with CWD, FOWD, and SJWD to address concerns, now and into the future.

Staff recommends the Committee recommend to the full Board approving the amended Agreement at the February 24, 2020, regular Board meeting, pending legal review. The subject Agreement will also be considered for approval by the SJWD Board at their February 26, 2020, meeting.

Fiscal Impact:

Adopting the Amendment does not have an immediate fiscal impact

Strategic Plan Alignment:

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

Goal B: Optimize Operational and Organizational Efficiencies

SSWD's customers will benefit by having a more robust Conjunctive Use Program. Enhancing SSWD's Conjunctive Use Program improves the reliability and resiliency of its water supplies.

Attachment:

- 1 – Redline version of Amendment No. 1 to the Agreement Between Sacramento Suburban Water District and San Juan Water District for the Ownership, Operation, and Maintenance of the Antelope Pump-Back Booster Pump Station.
- 2 – Clean version of Amendment No. 1 to the Agreement Between Sacramento Suburban Water District and San Juan Water District for the Ownership, Operation, and Maintenance of the Antelope Pump-Back Booster Pump Station.

AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN SACRAMENTO SUBURBAN WATER DISTRICT AND SAN JUAN WATER DISTRICT FOR THE OWNERSHIP, OPERATION, AND MAINTENANCE OF THE ANTELOPE PUMP-BACK BOOSTER PUMP STATION

This Amendment No. 1 to the Agreement between Sacramento Suburban Water District and San Juan Water District for the Ownership, Operation, and Maintenance of the Antelope Pump-Back Booster Pump Station (entered into on June 23, 2015, Agreement) by and between Sacramento Suburban Water District (“SSWD”) and San Juan Water District (“SJWD”), is entered into as of the XX, 2019 (“the Effective Date”). SSWD and SJWD are referred to as “Parties.”

RECITAL

The Parties desire to clarify the language in the Agreement concerning the purpose of the Pump-Back Booster Pump Station.

The Parties Agree as follows:

1. Amendment of Recital A. Recital A of the Agreement is amended as follows:

A. The station is intended to provide groundwater supplies to SJWD during dry years, planned outages of United States Bureau of Reclamation (“USBR”) or SJWD’s Treatment Plant facilities, or emergencies when SJWD’s surface water supplies are reduced. The station is also intended both to facilitate compliance with regulatory requirements that impact the reliability of SJWD’s surface water supplies, and to assist as well as regional conjunctive use and water banking operations. SJWD relies on surface water diverted from Folsom Reservoir as its main supply source, but that source is inadequate for supplying the desired minimum levels of services to SJWD if deliveries from Folsom Reservoir are compromised by USBR operations, drought or system failure. This Station supplements SJWD’s water supplies during times of limited surface water availability from Folsom Reservoir. SSWD will also benefit from the Station by being able to pump water from the northern-most portion of SSWD’s North Service Area (NSA), where the Station is located, to the southern portion of the NSA to improve water supply reliability within that zone.

2. Amendment of Section 6. Section 6 of the Agreement is amended as follows:

6. Operation Control and Monitoring. Operations and control of the Station will be performed exclusively by SSWD in close collaboration with SJWD. SSWD staff will monitor and operate the Station to meet both Agencies’ requirements, including supplying up to 10,000 gpm to SJWD during dry years, outages, ~~or~~ emergencies, or for other intended purposes when SJWD’s surface water supplies are reduced and when sufficient SSWD groundwater supplies are available. Upon request by SJWD, SSWD personnel

will promptly respond to operate the facility to provide supply to SJWD as needed consistent with this Agreement. Separate radio telemetry equipment will be included in the Station to allow SJWD to remotely monitor key information from the facility (pump on/off status, flow, pressure, etc.)

BETWEEN SACRAMENTO SUBURBAN WATER DISTRICT AND SAN JUAN WATER DISTRICT FOR THE OWNERSHIP, OPERATION, AND MAINTENANCE OF THE ANTELOPE PUMP-BACK BOOSTER PUMP STATION

This Amendment No. 1 to the Agreement between Sacramento Suburban Water District and San Juan Water District for the Ownership, Operation, and Maintenance of the Antelope Pump-Back Booster Pump Station (entered into on June 23, 2015, Agreement) by and between Sacramento Suburban Water District (“SSWD”) and San Juan Water District (“SJWD”), is entered into as of the XX, 2019 (“the Effective Date”). SSWD and SJWD are referred to as “Parties.”

RECITAL

The Parties desire to clarify the language in the Agreement concerning the purpose of the Pump-Back Booster Pump Station.

The Parties Agree as follows:

1. Amendment of Recital A. Recital A of the Agreement is amended as follows:

A. The station is intended to provide groundwater supplies to SJWD during dry years, planned outages of United States Bureau of Reclamation (“USBR”) or SJWD’s Treatment Plant facilities, or emergencies when SJWD’s surface water supplies are reduced. The station is also intended both to facilitate compliance with regulatory requirements that impact the reliability of SJWD’s surface water supplies, and to assist conjunctive use and water banking operations. SJWD relies on surface water diverted from Folsom Reservoir as its main supply source, but that source is inadequate for supplying the desired minimum levels of services to SJWD if deliveries from Folsom Reservoir are compromised by USBR operations, drought or system failure. This Station supplements SJWD’s water supplies during times of limited surface water availability from Folsom Reservoir. SSWD will also benefit from the Station by being able to pump water from the northern-most portion of SSWD’s North Service Area (NSA), where the Station is located, to the southern portion of the NSA to improve water supply reliability within that zone.

2. Amendment of Section 6. Section 6 of the Agreement is amended as follows:

6. Operation Control and Monitoring. Operations and control of the Station will be performed exclusively by SSWD in close collaboration with SJWD. SSWD staff will monitor and operate the Station to meet both Agencies’ requirements, including supplying up to 10,000 gpm to SJWD during dry years, outages, emergencies, or for other intended purposes when SJWD’s surface water supplies are reduced and when sufficient SSWD groundwater supplies are available. Upon request by SJWD, SSWD

Attachment 2

personnel will promptly respond to operate the facility to provide supply to SJWD as needed consistent with this Agreement. Separate radio telemetry equipment will be included in the Station to allow SJWD to remotely monitor key information from the facility (pump on/off status, flow, pressure, etc.)



Facilities and Operations Committee

Agenda Item: 3

Date: February 4, 2020

Subject: Memorandum of Understanding – San Juan Water District Hinkle Reservoir Relining Project

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

Recommended Committee Action:

Authorize the General Manager to negotiate and execute a Memorandum of Understanding (MOU) with San Juan Water District (SJWD) for their Hinkle Reservoir Relining Project (Hinkle Project), pending legal review.

Discussion:

SJWD's Hinkle Reservoir has a synthetic membrane liner and (floating) cover. The membrane has reached the end of its service life and needs to be replaced. The Hinkle Project will require taking the Hinkle Reservoir off-line for about 6 months to replace its liner and cover. This is anticipated to occur between November 2020 and April 2021. However, this is still under review and SJWD is considering delaying the project by 12 months.

Because SJWD's Sidney N. Peterson Water Treatment Plant (Peterson WTP) relies on Hinkle Reservoir to balance production and demand flows, an alternate flow-balancing capability will be required during the Hinkle Project to ensure SJWD can meet its commitments to both wholesale (including SSWD if PCWA water is available) and retail customers. SJWD is planning to construct two temporary 1-million-gallon storage tanks to address this; however, this will be insufficient storage capacity to permit near-normal and predictable operations of the Peterson WTP during the Hinkle Project.

To address the storage capacity shortfall, SJWD has requested the District assist with flow-balancing by agreeing to receive expected excess flows from Peterson WTP to allow for its predictable operations during the Hinkle Project. To accomplish this, SJWD is proposing that relatively minor temporary modifications be made to the operational controls at the District's Antelope Pressure Reduction Valve Station (Antelope PRV).

Staff have reviewed the Antelope PRV modification plan and met with SJWD staff and their consultant (HDR Engineering) several times to discuss the project and the expected flow

conditions affecting the District. Staff's understanding of SJWD's plan is that it is sound, includes appropriate safeguards to our system and customers, and does not create significant new risk to District operations.

All outside costs (e.g., engineering, construction, permitting, etc.) are to be borne by SJWD. Additionally, any cost impacts to the District's Take-or-Pay contract with PCWA will be borne by SJWD (e.g., missed "Take").

Fiscal Impact:

Any District outside costs are to be borne by SJWD. Therefore, no costs beyond staff time are anticipated.

Strategic Plan Alignment:

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

Goal C – Ensure Fiscal Responsibility and Affordable Rates.

The proposed cooperation and assistance for the District's wholesale partner, SJWD, will benefit the District's customers because it helps ensure that facilities necessary for surface water deliveries to the District are ready when needed.

Attachment:

1 – Memorandum of Understanding between SSWD and SJWD for the Operation of the Antelope Pressure Reducing Valve Station During the Hinkle Reservoir Liner and Cover Replacement Project

MEMORANDUM OF UNDERSTANDING BETWEEN SACRAMENTO SUBURBAN WATER DISTRICT AND SAN JUAN WATER DISTRICT FOR THE OPERATION OF THE ANTELOPE PRESSURE REDUCING VALVE STATION DURING THE HINKLE RESERVOIR LINER AND COVER REPLACEMENT PROJECT

This Memorandum of Understanding (“MOU”) is made effective as of the 3rd day of February, 2020, by and between San Juan Water District (“SJWD”) and Sacramento Suburban Water District (“SSWD”) for the design, construction, maintenance, and operation of the Antelope Pressure Reducing Valve Station (“Station”) temporary modifications (“Station Project”) during the Hinkle Reservoir Liner and Cover Replacement Project (“Hinkle Project”). SJWD and SSWD are both California public agencies with the authority to carry out the Station Project as described herein. SJWD and SSWD are collectively referred to herein as the “Agencies” and individually as an “Agency”.

RECITALS

- A. The purpose of this MOU is to document the understanding of the Agencies regarding the planning, design, engineering, construction, maintenance, and operation for the proposed Station Project at the Station. This MOU is intended to govern the allocation of responsibilities and costs for work undertaken jointly by SJWD and SSWD.
- B. The Hinkle Project is scheduled to start in the summer/fall of 2020. The Hinkle Project includes the replacement of the SJWD’s Hinkle Reservoir Hypalon liner and cover. The reservoir provides critical operational storage for SJWD’s Wholesale Service Area (“WSA”) daily demands. The current Hinkle Project schedule anticipates that the reservoir will be off line from November 2020 to May 2021. While the reservoir is off line, improvements are necessary to maintain deliveries to meet daily demand fluctuations in the WSA transmission and SJWD retail service systems. The significant Station Project components include modifying the Station’s existing pressure reducing valves to operate and maintain upstream pressure rather than only downstream pressure as is currently the case. Valve controls will be modified to open and close as needed to maintain an appropriate upstream pressure range in the WSA. Additionally, the valves will be set and operated as needed to maintain a safe downstream pressure based on SSWD system requirements. The Station’s upstream pressure will be set to accommodate gravity flows from temporary water storage tanks to be installed at SJWD’s Corporation Yard located at 9935 Auburn Folsom Road in Granite Bay, California.
- C. The Station is located at 7800 Antelope North Road in Antelope, California. The Station has four control valves - two 16”, one 12”, and one 8” - to accommodate a wide range of flows and provide redundancy. The Station is currently operated to regulate pressure from surface water deliveries from SJWD to SSWD’s North Service Area (“NSA”). Upstream pressure at the Station is normally greater than 100 psi; the pressure reducing valves regulate and reduce pressure to safely deliver water into the NSA. The valves are controlled by valve piloting and a Programmable Logic Controller (PLC) at the Station. Existing SCADA controls provide SSWD operators visual

connectivity and operational control of the Station.

- D. During the Hinkle Project, control of the Station's pressure reducing valves will be provided to both SJWD and SSWD operators through the planned improvements to SCADA by way of radio/cellular communications systems. Safety set points shall be included to prevent damage to both SJWD's and SSWD's systems. SJWD has a PLC and SCADA panel located at the Antelope Pump Back Pump Station ("APBPS") located adjacent to the Station. SSWD will maintain primary operational control of the Station during the Hinkle Project.
- E. SJWD has contracted with HDR Engineering, Inc. ("HDR") to conduct planning and engineering studies and to design the Station Project. SJWD and SSWD staffs are collaborating on the design of the Station Project and providing relevant information and data to HDR.
- F. Engineering studies completed by SJWD's consultant for the Station Project indicate that SSWD has sufficient capacity through the Station control valves to receive anticipated water flows into its NSA during the Hinkle Project. Although it is their intent to maintain deliveries into the NSA, the Agencies understand that unforeseen circumstances, related to either the Hinkle Project or the Station Project, may require this operation to be paused to resolve issues that arise. As near-continuous operation of the Station will be critical to maintain water deliveries to the WSA during the Hinkle Project, all reasonable efforts will be made by the Agencies to quickly resolve operational issues as they arise to restore operations.
- G. Upon completion of the Hinkle Project, the Station will be reconfigured to its pre-Project condition. All SJWD SCADA controls of the Station will be disabled and any physical project components shall be removed as determined by SSWD. Conduits installed between SSWD facilities are to remain.
- H. SJWD has been paying the costs for and directing HDR's work required to complete preliminary investigations, initial planning, design, and engineering work for the Station Project. The Agencies have agreed that SJWD will continue to manage, direct, and pay for the Station Project planning and design work. SSWD will continue to collaborate in the planning process, design reviews, and other project activities to ensure that the Station Project meets both Agencies' needs.
- I. SSWD has a "Treat and Wheel" agreement with SJWD for SJWD to treat and deliver Placer County Water Agency ("PCWA") water to SSWD in years in which the Unimpaired In-Flow into Folsom Reservoir ("UIFR") is at least 1.6 million acre-feet (AF). SSWD has a "Take or Pay" contract with PCWA for PCWA to supply 12,000 AF of water in years that the UIFR reaches the 1.6 million AF trigger. SSWD's "Take or Pay" obligation may be reduced prior to completion of the Hinkle Project.
- J. The Agencies agree that there is a need to construct the Station Project for the safe delivery of water to WSA customers during the outage for the Hinkle Project and a desire to avoid delay in its

planning, design, engineering, construction, and operation. This MOU is intended to facilitate work by providing a written understanding between the Agencies on the scope of the Station Project.

UNDERSTANDING

1. Incorporation of Recitals. The Agencies agree that the foregoing recitals are true and that they are incorporated herein by reference.
2. Lead Agency. SJWD will continue to act as lead Agency for the planning, design, and engineering phases of the Station Project and will provide primary direction to HDR and other Consultants contracted to work on the Station Project. The Agencies will coordinate to ensure that the Station Project is designed to meet both Agencies' requirements and will share all information and data required to enable Consultants to perform all tasks necessary to plan, design, and engineer the Station Project. SJWD will also be the lead Agency during the bidding and construction phase of the Station Project and will provide primary direction for construction management and inspection. SSWD will participate and assist during the bidding and construction phase to ensure the constructed facilities meet both Agencies' requirements.

SJWD will be the lead Agency during the Hinkle Project with regard to the operation of the Station during the period that Hinkle Reservoir is off line. SJWD will coordinate closely with SSWD during the Hinkle Project regarding operation the Station. Communications protocols will be developed for operation and emergency response identifying the Agencies key personnel and agreed response actions.

3. Scope of MOU. The Agencies agree this MOU covers the Station Project work completed before the date of this MOU through the expiration or termination of this MOU, as provided in Section 7 below.
4. Station Project Scope. The Agencies intend that the Station Project be designed with the following benefits provided to SJWD and SSWD, respectively:
 - a. SJWD:
 - Operational control of the Station as necessary, in consultation with SSWD, for the duration of the Hinkle Project.
 - Varying flow capacity of approximately 500 to 5,000 gallons per minute (gpm) into SSWD NSA during normal operating conditions. The flows listed above may be increased or decreased based on mutual agreement between the Agencies.
 - Pressure management to the WSA by modifying the Station control valves to allow operation to maintain a maximum downstream pressure in SSWD's NSA as well as maintain an appropriate upstream system pressure in the WSA.
 - SCADA and PLC emergency control of the Station control valves operation.

- Establish a redundant, reliable SCADA connection between the APBPS PLC and the SJWD's SCADA system.
- Installed conduits between the APBPS and Station control panels to connect the PLCs to provide for control of the Station through the SJWD SCADA system.
- Operational cellular communication improvements at APBPS (Including a radio backup) for communication to SJWD's Water Treatment Plant (WTP).

b. SSWD:

- SCADA view and operational control of modified control valves.
- SCADA view of temporary storage tanks at SJWD Corporation Yard.
- Maximum 50 psi downstream pressure.
- Station restored to its pre-project condition upon completion of the Hinkle Project.

5. Cost Allocation.

- a. The total costs for planning, design, construction, construction administration, and restoration for the Station improvements will be paid by SJWD.
- b. The foregoing cost allocation will also apply to SSWD's costs incurred for legal work, work performed by other consultants and contractors, permits, and other direct costs related to this MOU, with prior approval by SJWD per section 6 below.
- c. The Agencies agree that each Agency will be responsible for its own staff time and expenses to administer both projects.
- d. Water delivered to SSWD shall be considered part of its normal deliveries and shall be charged at the same rate as applied pursuant to the existing "Treat and Wheel" agreement between SJWD and SSWD for the delivery by SJWD of treated PCWA water.
- e. SSWD has a "Treat and Wheel" agreement with SJWD for SJWD to treat and deliver PCWA water to SSWD in years in which the UIFR is at least 1.6 million AF. SSWD's "Take or Pay" contract with PCWA is for 12,000 AF of water per "water year" for years in which the UIFR trigger is met. This amount of "Take or Pay" water may be reduced prior to the completion of the Hinkle Project. If, as a consequence of carrying out the Hinkle Project or Station Project, SSWD is, despite reasonable efforts to do so, unable to take all of its PCWA "Take or Pay" commitment, SJWD will reimburse SSWD for losses associated with such foregone water (i.e., "Pay") deliveries directly attributable to the implementation of either project.

6. Invoices and Payments. SSWD will provide monthly itemized invoices to SJWD for costs associated with any Station improvements in furtherance of the Station Project. Prior to incurring any costs related to such improvements, SSWD will provide a price estimate and justification for the work to

SJWD for review and approval by SJWD’s Operations Manager. SJWD will pay all approved invoices received from SSWD for Station Project work within 30 days of receipt.

- 7. Term of MOU. This MOU will be effective as of the effective date stated above and will remain in effect until the Hinkle Project is completed and the Station is, to SSWD’s reasonable satisfaction, restored to its pre-Station Project condition. This MOU also may be terminated by either SJWD or SSWD upon 30 days’ written notice to the other Agency.
- 8. Amendment. The terms of this MOU may be modified or amended only by written amendment approved and executed by both Agencies.
- 9. Cooperation. SJWD and SSWD will reasonably cooperate with each other, including the execution of all necessary documents and providing of all information and data required to carry out the purpose and intent of this MOU.
- 10. Counterparts. This MOU may be executed in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

SAN JUAN WATER DISTRICT:

SACRAMENTO SUBURBAN WATER DISTRICT:

By: _____
Paul Helliker
General Manager

By: _____
Dan York
General Manager