

Agenda

Sacramento Suburban Water District Regular Board Meeting

3701 Marconi Avenue, Suite 100
Sacramento, California 95821

Monday, March 16, 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

Announcements

Public Comment

This is the opportunity for the public to comment on non-agenda items within the Board's jurisdiction. Comments are limited to 3 minutes.

Consent Items

The Board will be asked to approve all Consent Items at one time without discussion. Consent Items are expected to be routine and non-controversial. If any Board member, staff or interested person requests that an item be removed from the Consent Items, it will be considered with the Items for Discussion and/or Action.

1. Minutes of the February 24, 2020 Regular Board Meeting
Recommendation: Approve subject minutes.

2. Resolution No. 20-04 Calling for the November 3, 2020 District Election
Recommendation: Adopt subject resolution.
3. Disposing of Surplus District Real Property, Vehicles and Large Equipment and Other Personal Property Policy (PL - Adm 003)
Recommendation: Approve subject policy with changes.
4. Ethics Policy Update (PL – BOD 004)
Recommendation: Approve subject policy with changes.
5. Claims Processing Policy (PL – Adm 007)
Recommendation: Approve subject policy with changes.

Items for Discussion and/or Action

6. Association of California Water Agencies Joint Powers Insurance Authority Rate Stabilization Fund Refund Check
Recommendation: Receive presentation by Pam Tobin of ACWA.
7. Resolution No. 20-05 Honoring Daniel A. Bills on his Upcoming Retirement
Recommendation: Adopt subject resolution.
8. Resolution No. 20-06 Amending Regulation No. 7 of the Regulation Governing Water Service
Recommendation: Approve subject resolution.

General Manager's Report

9. General Manager's Report
 - a. Sacramento Region Water Utility Collaboration/Integration Study Update

Department/Staff Reports

10. Financial Report
 - a. Draft - Financial Statements – February 2020
 - b. Draft - Financial Highlights – February 2020
 - c. Investments Outstanding and Activity – February 2020
 - d. Cash Expenditures – February 2020

- e. Credit Card Expenditures – February 2020
 - f. Draft - District Reserve Balances – February 2020
 - g. Information Required by Bond Agreement
 - h. Financial Markets Report – February 2020
11. District Activity Report
12. 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)

13. a. Regional Water Authority (Director Jones)
Agenda for the March 12, 2020 meeting.
- Regional Water Authority Executive Committee (General Manager York)
None.
- 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. Director Reports – AB 1234

Committee Reports

14. a. Finance and Audit Committee (Director Thomas)
Draft Notes from the February 18, 2020 meeting.
- b. DPMWD/SSWD 2x2 Ad Hoc Committee (Director Locke)
Draft Notes from the March 3, 2020 meeting.

Information Items

- 15. Legislative and Regulatory Update
- 16. Upcoming Water Industry Events
- 17. CEQA Notice of Exemption for Miscellaneous Water Facility Projects
- 18. Upcoming Policy Review
 - a. Information Technology/Disaster Recovery Policy (PL – IT 004)
 - b. Reasonable Accommodation and Interactive Process Policy (PL - HR 014)
 - c. Director Sexual Harassment Prevention Training Policy (PL – BOD 005)
 - d. Water Service Charges and Rate Setting Policy (PL - Fin 009)

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)

- 19. Conference with legal counsel--anticipated litigation; Government Code sections 54954.5(c) and 54956.9(a) and (d)(4); consideration of initiating litigation involving claims related to TCP contamination.

Adjournment

Upcoming Meetings

Monday, March 23, 2020 at 4:00 p.m., Ad Hoc Water Banking and Transfer Committee Meeting

Monday, April 6, 2020, at 5:00 p.m., Del Paso Manor Water District/Sacramento Suburban Water District 2x2 Ad Hoc Committee Meeting

Monday, April 20, 2020 at 6:00 p.m., Regular Board Meeting

SSWD Regular Board Meeting Agenda

March 16, 2020

Page 5 of 5

I certify that the foregoing agenda for the March 16, 2020 meeting of the Sacramento Suburban Water District Board of Directors was posted by March 13, 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.

Dan York
General Manager/Secretary
Sacramento Suburban Water District

AGENDA ITEM: 1

Minutes

Sacramento Suburban Water District

Regular Board Meeting

Monday, February 24, 2020

Call to Order

President Thomas called the meeting to order at 6:02 p.m.

Roll Call

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

Directors Absent: Robert Wichert.

Staff Present: General Manager Dan York, Assistant General Manager Mike Huot, Jeff Ott, Heather Hernandez-Fort, Cassie Crittenden, Dana Dean, Julie Nemitz, Matt Underwood, and District Legal Counsel Josh Horowitz.

Public Present: William Eubanks, Avery Wiseman, Rob Swartz, Ted Costa, Tom Gray, Linda Brown, Rod Wood, Paul Olmstead, and Alan Driscoll.

Announcements

General Manager Dan York (GM York) announced:

- Director Wichert was absent due to an emergency work related issue.
- The District and Del Paso Manor Water District (DPMWD) 2x2 Ad Hoc Committee Meeting was scheduled for Monday, March 2, 2020 at 5:00 p.m. at the District office.
- Staff requested to pull Item 4 from the Consent Items for discussion.

Public Comment

None.

Consent Items

1. **Minutes of the January 27, 2020 Regular Board Meeting**
2. **Debt Management Policy (PL – Fin 001)**
3. **Electronic Mail, Internet and Computer Use Policy (PL – IT 005)**
4. **Antelope Pump-Back Booster Pump Station Operations Agreement**
5. **Memorandum of Understanding – San Juan Water District Hinkle Reservoir Relining Project**

President Thomas acknowledged the request from staff to pull Item 4, Director Locke moved to approve all Consent Items except Item 4; Director Thomas seconded. The motion passed by unanimous vote.

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

Regarding Item 4, Assistant General Manager Mike Huot (AGM Huot) presented the staff report.

GM York expressed that staff requested to pull the Item from the Consent Items to provide additional history, the intent of the Item, and inform the Board of the letter received from Best, Best and Krieger, LLP, attorneys representing the Citrus Heights Water District (CHWD) regarding the Item (See attachment 1).

Rod Wood (Mr. Wood) representing CHWD, read the letter that was written to the Board, requesting the Board to not take any action on the proposed amendment to the Pump-Back Agreement until further operational and other details were worked out among all owners of the Cooperative Transmission Pipeline (CPT), (attachment 1). He additionally requested for CHWD to be included in any further discussions regarding the CTP.

GM York reminded the Board that there was a Pump Back Agreement with San Juan Water District (SJWD), as well as a Mutual Aid Agreement with SJWD, which supplied water for emergency purposes, and reminded the Board that the District also contributed 4.7 million dollars to the construction of the CPT pipeline. He additionally reminded the Board that the intent of the Antelope Pump-Back Booster Pump Station Operations Agreement was to use it for Aquifer Storage and Recovery (ASR), Groundwater recharge, and a potential for Placer County Water Agency (PCWA) as well as other local water purveyor's participation.

Josh Horowitz (Mr. Horowitz), District Legal Counsel, expressed that the districts could still discuss negotiations regarding additional uses of the CTP; however, for the purpose of amending the Antelope Pump-Back Booster Pump Station Operations Agreement, he supported staff's recommendation.

President Thomas agreed with Mr. Horowitz.

Director Locke requested to place the word "regional" back into the language under section A.

Staff agreed with Director Locke's recommendation.

Director Locke moved to approve the staff recommendation, with the amendment of including the word "regional" back into the agreement; Director Jones seconded. The motion passed by unanimous vote.

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

Items for Discussion and/or Action

6. **Presentation by Rob Swartz on the History of the Sacramento Groundwater Authority**

Rob Swartz, (Mr. Swartz) Manager of Technical Services with Sacramento Groundwater Authority (SGA) presented a PowerPoint presentation on the History of SGA.

The Board thanked Mr. Swartz for the presentation.

7. **Consider Changing the Regular Board Meeting Time**

President Thomas requested to table the Item, as Director Wichert requested to be present to provide input.

Director McPherson expressed she would be absent at the March regular Board meeting.

Director Jones expressed he was available any time of the day for the monthly regular Board meeting.

Director McPherson echoed Director Jones, expressing she was ok with whatever time was decided.

Mr. Eubanks inquired if staff made any public outreach attempts regarding changing the time of the regular Board meeting.

GM York expressed that staff would make an announcement on the District website.

Linda Brown (Ms. Brown) expressed that she had a comment about billing.

Director Thomas requested she fill out a comment card.

Julie Nemitz (Ms. Nemitz) Customer Service Manager, assisted Ms. Brown with her concerns offline.

The Board agreed to table the Item and requested staff solicit customer input regarding changing the time of the regular Board meeting on the District website and on the bill message and bring the Item back to the April regular Board meeting for discussion.

8. **Sacramento Region Water Utility Collaboration/Integration Study Memorandum of Understanding and Professional Services Agreement.**

GM York presented the staff report.

Director Locke recommended to approve \$80,000 as the maximum amount, if needed, for the agreement.

Director Thomas moved to approve the staff recommendation, including approving an \$80,000 maximum for the Agreement; Director Locke seconded. The motion passed by unanimous vote.

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

9. **Water Service Charges and Rate Setting Policy (PL - Fin 009)**

Jeff Ott (Mr. Ott) presented the staff report.

Director McPherson explained her suggested changes to the Policy, including her concerns for adding language regarding including wage estimates when determining rates. Her recommendation was to remove the following language from the Policy: “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.” She believed it gave the wrong message.

Director Locke agreed to remove the language.

Mr. Eubanks agreed with Director McPherson’s suggestion as well, and further expressed that he found a lot of redundancy in the Policy, and offered to review the Policy with Mr. Ott.

Mr. Ott accepted Mr. Eubanks offer.

The Board agreed to table the Item until the March regular Board meeting.

10. **Directors’ Compensation and Expense Reimbursement Policy (PL – BOD 003)**

AGM Huot presented the staff report.

Director Jones requested to change the policy to reflect compensation for 2 meetings per day, excluding conferences, and not to exceed 10 meetings per month.

Mr. Horowitz expressed that statutorily, the way it was written was “per day of service,” therefore, being compensated for two meetings per day would not be permitted.

Director Locke requested to include the states of Nevada and Washington D.C. in Section 200.20 e. following the language “events held outside the State of California...”

Mr. Horowitz expressed no concern over Director Locke’s request.

Director McPherson expressed that similar to the policy of the State of California, if an employee wished to travel out of state on business, it required another layer of approval, which she agreed with.

Director Locke additionally requested to change the amount under Section 300.10, in the third paragraph, second sentence, from \$4,000 of reimbursable expenses to \$7,500.

He additionally requested to remove any “in advance” language from the final paragraph in Section 300.10 which reads, “Any exceptions for expenses that do not come within the District’s expense reimbursement policy must be approved by the Board in a public meeting in advance of the time when the expense will be incurred. (Government Code, §53232.2, subd. (f).) Any question concerning the propriety of a particular expense should be resolved by the Board before the expense is incurred.

President Thomas and Director Jones agreed with Director Lock’s recommendations.

Director McPherson wanted to be careful from allowing any opportunity for Directors to take advantage of the Policy.

Director Locke moved to approve the staff recommendation, including his three proposed changes; Director Jones seconded. The motion passed on a 3/1 vote.

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

11. Claims Processing Policy (PL – Adm 007)

AGM Huot presented the staff report noting that Director comments were due to staff by March 6, 2020.

General Manager’s Report

12. General Manager’s Report

GM York presented the staff report.

a. *Grant of Easement and Right of Ways at 1310, 1314, 1320, 1330 and 1340 Fulton Avenue*

GM York presented the staff report.

b. *McClellan Business Park Successor Agreement Update*

GM York presented the staff report.

c. *Water Forum Agreement Re-Negotiations*

GM York presented the staff report.

Assistant General Manager's Report

13. Assistant General Manager's Report

AGM Huot presented the staff report.

a. Surface Water

AGM Huot presented the staff report.

b. Regional Water Supply/Wheeling Opportunities Update

AGM Huot presented the staff report.

Mr. Eubanks withdrew his comment.

Department/Staff Reports

14. Financial Report

A written report was provided.

Mr. Eubanks inquired how many customer accounts were in delinquent status.

Julie Nemitz (Ms. Nemitz) advised him that she could provide the figures he requested to him via email.

President Thomas inquired if staff could provide him with more information on the hardware refresh and software, enhancement programs.

Mr. Ott expressed that he would provide him with the information.

a. Draft - Financial Highlights – January 2020

A written report was provided.

b. Draft - Financial Statements – January 2020

A written report was provided.

c. Investments Outstanding and Activity – January 2020

A written report was provided.

d. Cash Expenditures – January 2020

A written report was provided.

e. Credit Card Expenditures – January 2020

A written report was provided.

f. Draft - District Reserve Balances – January 2020

A written report was provided.

g. Information Required by LOC Agreement

A written report was provided.

h. Financial Markets Report – January 2020

A written report was provided.

15. District Activity Report

Matt Underwood (Mr. Underwood) presented the staff report and provided an update.

16. 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)

17. a. Regional Water Authority (Director Jones)

None.

Regional Water Authority Executive Committee (General Manager York)

The agenda for the February 19, 2020 meeting was provided.

b. Sacramento Groundwater Authority (Director Wichert)

The agenda for the February 13, 2020 meeting was provided.

Director McPherson provided an oral report of the meeting.

c. Water Caucus Meeting (General Manager York)

The agenda for the February 12, 2020 meeting was provided.

d. Water Forum Successor Effort (General Manager York)

The agenda for the February 13, 2020 meeting was provided.

e. Other Reports – AB 1234

Director Locke provided an oral report on the meeting he had with the General Manager on January 10, 2020; and the AEROJet CAG meeting he attended on January 15, 2020.

President Thomas provided oral reports on the meetings he had with Director Locke on February 8th and February 23rd, 2020; his meeting with Director McPherson on February 16, 2020; the SJWD meeting he attended on January 8, 2020; his meeting with Director Jones on February 15, 2020; and his meeting with the General Manger on February 20, 2020.

Committee Reports

18. a. Facilities and Operations Committee (Director Jones)
Committee update from the February 13, 2020 meeting were provided.
- b. Finance and Audit Committee (President Thomas)
Committee update from the February 18, 2020 meeting were provided.

Information Items

19. **Sensus Advanced Meter Infrastructure Master Services Agreement**
Mr. Underwood provided an oral report of the item.
20. **Legislative and Regulatory Update**
A written report was provided.
21. **Upcoming Water Industry Events**
A written report was provided.
22. **Upcoming Policy Review**
A written report was provided.
 - a. Disposing of Surplus District Real Property, Vehicles and Large Equipment and Other Personal Property Policy (PL - Adm 003)
 - b. Ethics Policy (PL – BOD 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 7:58 p.m. to discuss the following:

23. Conference with legal counsel – potential litigation; Government Code sections 54954.5(c) and 54956.9(a) and (d)(4); consideration of initiating litigation involving the State Water Resources Control Board's proceedings related to the California Water Fix and the Bay-Delta Water Quality Control Plan Update.
24. Public employee performance evaluation involving the General Manager under Government Code section 54954.5(e) and 54957.

Return to Open Session

The Board convened in Open Session at 8:39 p.m. There was no reportable action.

Adjournment

President Thomas adjourned the meeting at 8:40 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District

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February 20, 2020

VIA EMAIL AND U.S. MAIL

Kevin Thomas, President
Members of the Board of Directors
Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821

Re: Proposed Amendment to Antelope Pump-Back Station Agreement

Dear Mr. Thomas and Members of the SSWD Board of Directors:

Best Best & Krieger LLP serves as general counsel to Citrus Heights Water District (CHWD). CHWD understands that Sacramento Suburban Water District (SSWD) will consider at its February 24, 2020 Board of Directors meeting a proposed amendment to the Antelope Pump-Back Booster Pump Station Operations Agreement (“Pump-Back Agreement”) designed to expand the potential use of that facility through increased pumping of groundwater in reverse (i.e., uphill) through the Cooperative Transmission Pipeline (CTP) “to assist conjunctive use and water banking operations” and “for other intended purposes”. We believe SSWD Board consideration of that amendment is premature until further operational details are addressed and related agreements are reached with all of the owners of CTP capacity rights, including CHWD.

CHWD invested more than \$5 million in its ratepayer funds to purchase proportional capacity entitlements in the CTP. Those entitlements provide the CHWD system with needed redundancy to ensure delivery of surface water from Folsom Reservoir to CHWD customers can continue in all water year types and during outage or maintenance of CHWD’s 42” main. That investment is, of course, entirely stranded during times when the CTP is operated contrary to gravity in a manner that deprives CHWD of access to surface water through the CTP.

The March 17, 1998 Agreement for Ownership, Utilization, Operation and Maintenance of the Cooperative Transmission Pipeline signed by SSWD, CHWD, San Juan Water District (SJWD), Fair Oaks Water District (FOWD) and Orange Vale Water Company (collectively, the “Participants”) makes abundantly clear that the primary, and perhaps only contemplated, purpose



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ATTORNEYS AT LAW

Mr. Kevin Thomas, President
February 20, 2020
Page 2

of the CTP is to deliver surface water to the Participants. It is for this reason that the Agreement states:

“The principal source of water to be conveyed through the Project to the Participants is surface water from the American River diverted by means of United States Bureau of Reclamation facilities at Folsom Lake. SJWD shall not allow any change in the source of water to be conveyed through the Project without first obtaining the written consent of the affected Participants, which consent shall not be unreasonably withheld or delayed.” (CTP Agreement, Para. 7(G), pp. 22-23.)

In addition, the CTP Agreement also states:

“No Participant shall use a share of the available capacity in a pipeline segment that is greater than the share that Participant is entitled to as set forth in Exhibit C if that use would diminish, impair, restrict or otherwise adversely impact the operation of the Project or the use of capacity to which another Participant is entitled.” (CTP Agreement, Para. 3(C), p. 12.)

Notwithstanding the above language of the CTP Agreement, in June 2015 SSWD and SJWD approved the Pump-Back Agreement over the concerns expressed by CHWD and FOWD. In particular, CHWD and FOWD raised five major issues: (1) risk to their water supply reliability; (2) ambiguous frequency (of when the CTP was proposed to be operated in reverse); (3) impacts to CHWD and FOWD water management opportunities; (4) potential cost impacts to those not benefitting from the pump station; and (5) lack of compliance with the California Environmental Quality Act. These concerns are described in a February 25, 2015 comment letter submitted by CHWD and FOWD. A copy of that 2015 comment letter is attached. Five years later, these comments have still not been meaningfully considered, and consensus was never reached on the need to potentially amend the CTP Agreement to address pump-back matters.

CHWD supports regional approaches to solving water resource issues. Indeed, CHWD is participating in the regional ASR study and discussions related to water banking, as well as other efforts being spearheaded by the Regional Water Authority. And, CHWD does not object to use of the CTP in reverse during emergency circumstances to ensure all customers can be served.



BEST BEST & KRIEGER
ATTORNEYS AT LAW

Mr. Kevin Thomas, President
February 20, 2020
Page 3

However, in order to avoid unnecessary conflicts, CHWD asks that SSWD not take further action on the proposed amendment to the Pump-Back Agreement until further operational and other details are worked out among all CTP capacity owners.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Steven Anderson', followed by a horizontal line extending to the right.

Steven M. Anderson
of BEST BEST & KRIEGER LLP

cc: Josh Horowitz, General Counsel, SSWD
Rob Donlan, Counsel, Fair Oaks Water District
David Aladjem, Counsel, Orange Vale Water Company
Dan York, SSWD



February 24, 2020

Mr. Kevin Thomas, President
Members of the Board of Directors
Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821

RE: Antelope Pump Back Station Project

Dear Mr. Thomas and Members of the SSWD Board of Directors:

The Fair Oaks Water District (FOWD) was copied on a letter from legal counsel representing the Citrus Heights Water District (CHWD) dated February 20, 2020. The letter was addressed to the Sacramento Suburban Water District (SSWD) Board of Directors and requested that SSWD not take further action on the proposed amendment to the Antelope Pump Back Project Agreement until operational issues related to San Juan Member Agencies are resolved.

Upon review of the information received from CHWD, the FOWD Board President requested that a letter of support of the CHWD position be sent from FOWD. The purpose of this letter is to highlight FOWD concern over issues that seem to be having a negative impact on the relationship between multiple Agencies. Without getting into details and legalities of individual Agency positions, it is obvious that important issues remain unresolved.

Sincerely,

Tom R. Gray
General Manager
Fair Oaks Water District

C: Dan York, SSWD General Manger
Paul Helliker, SJWD General Manager
Hilary Straus, CHWD General Manager
Joe Duran, OVWC General Manager
Steve Anderson, General Counsel, CHWD

Attachment: February 20, 2020 letter to SSWD from BBK



Agenda Item: 2

Date: March 2, 2020

Subject: Resolution No. 20-04 Calling for the November 3, 2020 District Election

Staff Contact: Dan York, General Manager

Recommended Board Action:

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

1. Adopt Resolution No. 20-04 Calling the November 3, 2020 District Election, Requesting Consolidation of Elections and Designating Payment for Publication of Statements of Qualifications.
2. Authorize the General Manager/Secretary to prepare, execute and submit the necessary documents to the County of Sacramento, Office of Voter Registration and Elections to call for the election of Directors for Divisions 1 and 2 at the November 3, 2020 general election, including the Notice of District Election and Publication of Notice of Election.
3. Authorize payment of invoices for fees required by the Sacramento County Office of Voter Registration and Elections for the District's share of costs for the elections held in 2020.

Discussion:

Sacramento Suburban Water District elects Directors by Division in even numbered years. In 2020, Division 1 (Dave Jones) and Division 2 (Kathleen McPherson) are scheduled for election.

To place items on the November 3, 2020 ballot, the District must take several actions to meet requirements of the County of Sacramento (County), Office of Voter Registration and Elections. Four items must be returned to the Office of Voter Registration and Elections by the County's administrative deadline of July 1, 2020. Those items include:

- Resolution Calling General District Election
- Notice of District Election
- Publication of Notice of Election
- Certification of Maps and Boundaries

The Notice of Election must provide information on the date of the election, offices for which candidates may file, qualifications required for the candidates, and, in an effort to reduce costs to the District while still meeting requirements of election code, the statement that the election

notice will be published combining information with other districts scheduled for the November 3, 2020 election into one notice. The District must pay the costs of its share of the election in accordance with the fee schedule provided by the office of the Sacramento County Voter Registration and Elections.

The Elections Code further requires that a current map and boundary description must be delivered to the Office of Voter Registration and Elections by June 3, 2020. An updated District map was submitted to the County after the Board adopted Resolution No. 11-13, Reapportioning Divisions for the Election of Directors After the 2010 Federal Census. The Board has made no changes to the Division Boundaries since then, therefore, the same Division Maps will be used.

Legal Counsel reviewed the resolution and forms included in this report.

Fiscal Impact:

While final costs will not be known until a bill is submitted to the District after the November 2020 election, the District has budgeted for expected costs for the election of two directors in 2020 in the amount of \$36,000.

Strategic Plan Alignment:

Goal B - Optimize Operational and Organizational Efficiencies

Elections provide District customers an opportunity to become directly involved in SSWD, exercise the democratic process, and voice an opinion on their elected representative on the District's Board of Directors.

Voter Registration and Elections

Courtney Bailey-Kanelos
Registrar of Voters

**Divisions**

Campaign Services
Outreach
Precincts
Registration
Vote by Mail
Voting Systems & Technology

County of Sacramento

February 20, 2020

Dan York, General Manager
Sacramento Suburban Water District
3701 Marconi Ave, Suite 100
Sacramento, CA 95821

Dear Dan York:

Preparations are currently in progress for the November 3, 2020 Presidential General Election. Several items will need to be acted upon by your district board in conjunction with the required "election resolution". Please provide in writing the information outlined below.

1. **RESOLUTION CALLING THE ELECTION**

The district election will be held on the same date as the November 3, 2020 Presidential General Election. Pursuant to Elections Code §10403, you are required to file a resolution requesting consolidation and setting forth the exact form of any question(s) or office(s) to be voted upon at such election. The resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election. Please include in the resolution, in case of a tie vote, the method for determining the winner, and who is responsible for determining winner.

A. **Elective offices**

Date and purpose of the election.

If a vacancy occurs between the date of your resolution and the beginning of the nomination period, please notify our office immediately.

B. **Candidate's Statement — number of words**

The district board must determine whether to limit candidate statements of qualifications to 200 words or authorize an extension to 400 words (We recommend 200 words). (Reference: Elections Code §13307(a))

C. **Candidate's Statement costs**

The district board must determine whether the individual candidate(s) or the district will pay for the publication of the voluntary candidates' statements included in the County Voter Information Guide. Whether the Candidate or the district pays the cost of the candidate's statement, the candidate statement payment is required at the Voter Registration and Elections office at the time the candidate(s) files their nomination documents, and a statement to this effect must be included in the resolution.

We proudly conduct elections with accuracy, integrity and dignity

7000 65th Street, Suite A • Sacramento, California 95823-2315
(916) 875-6451 • TTY: 711 • fax (916) 875-5130 • toll-free (800) 762-8019
www.elections.saccounty.net

Resolution Letter
Page 2 of 2

2. **NOTICE OF DISTRICT ELECTION AND PUBLICATION OF ELECTION NOTICE**

Elections Code §12112 requires that we publish a notice of election that contains the date of the election, the offices for which candidates may file, qualifications required by your principal act, and other information. In an effort to reduce costs to the district(s) while still meeting requirements of code, we will publish one election notice, combining information on all districts scheduled for election on November 3, 2020.

3. **REIMBURSEMENT OF COSTS**

The Board of Supervisors has adopted an ordinance establishing a schedule of fees and charges for the administration of elections by Sacramento County Voter Registration and Elections. **Please refer to the current fee schedule to calculate your cost.**

A bill will be submitted to your district after the November 3, 2020 Election certification.

4. **CERTIFICATION OF MAPS AND BOUNDARIES**

If the map and boundary description on file with our office is current, you must provide a letter verifying that there are no changes.

If there are changes to the map and boundary, please provide a current map and boundary description to the Registrar of Voters. **Our recommended deadline is June 3, 2020** for the November 3, 2020 Election.

Any pending annexation will need to be completed prior to this date and be reflected on the map you provide or certify. This certification may be done by letter or by completion of a certification form in this office. Please contact our mapping department at (916) 875-6248 if you have any questions in this regard.

5. **OTHER**

If your district is contemplating placing a measure on the November 3, 2020 Presidential General Election ballot, please coordinate this with our office at the earliest date possible. The recommended deadline for a district measure to be consolidated with the November election is July 27, 2020. If this deadline cannot be met, contact this office immediately. It is important for your district and our office to coordinate the details of what and how items need to be submitted to us.

If any resolutions necessitate special requirements that the Elections Office needs to fulfill, such requirements need to be listed in the resolution.

6. **RETURN TO VOTER REGISTRATION AND ELECTIONS**

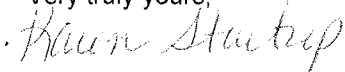
- ▶ Your Resolution ▶ Publication of Notice of Election Form
- ▶ Notice of Election ▶ Certification of maps and boundaries

Enclosed is a sample resolution which may be of assistance to you in providing the required information. The deadline for submission of the resolution requesting consolidation with the November 3, 2020 Presidential General Election is July 1, 2020.

The nomination period for the November 3, 2020 Election is July 13, 2020 through August 7, 2020. A Candidate's Guide for the election is being prepared and will be made available all candidates at the time they obtain their nomination papers.

If you have any questions regarding the election, or require additional information or clarification of the above, please call my staff at (916) 875-6276.

Very truly yours,



Karen Startup
Campaign Services Manager
Enclosures

RESOLUTION NO. 20-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SACRAMENTO SUBURBAN WATER DISTRICT CALLING THE NOVEMBER 3, 2020 DISTRICT ELECTION, REQUESTING CONSOLIDATION OF ELECTIONS AND DESIGNATING PAYMENT FOR PUBLICATION OF STATEMENTS OF QUALIFICATIONS

WHEREAS, a statewide general election will be held within the County of Sacramento on Tuesday, November 3, 2020;

WHEREAS, it is the District's policy to hold its elections for Directors on the same date as the statewide general election on the first Tuesday after the first Monday in November in even numbered years in order to promote interest in the election and to reduce costs for ratepayers;

WHEREAS, an election is required to be held within the Sacramento Suburban Water District on November 3, 2020 for the purpose of electing members of the Board of Directors by and from Divisions 1 and 2, which will affect Sacramento County;

WHEREAS, the Board of Directors adopted a description of the boundaries of and map designating the District's voting divisions on June 20, 2011 ("Map"), a copy of which Map was certified and delivered to the Sacramento County Board of Supervisors and Registrar of Voters;

WHEREAS, it is the District's policy to require candidates for seats on the Board of Directors to pay for the cost of publishing their statements of qualifications; and

WHEREAS, Elections Code section 10403 requires the District to file with the Board of Supervisors, with a copy to the Registrar of Voters, a resolution requesting consolidation with a statewide election if such consolidation is desired.

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

1. In accordance with Elections Code section 10403, the District requests that the Board of Supervisors of Sacramento County consolidate the regularly scheduled General District Election with the statewide election to be held on November 3, 2020.
2. The Board hereby re-certifies the Map, which is on file with the Registrar of Voters, and confirms that there have not been any changes in the boundaries of the District's electoral divisions since the Map was certified and filed with the Registrar;
3. In accordance with Water Code sections 30733 and 30735 and section 1, subdivision (h)(3) of Resolution No. LAFC 1237, the Board (a) determines that a candidate for

election to the Board of Directors of the District shall be a resident of the division from which he or she is elected, and shall be elected by the voters alone of that division, and (b) authorizes and directs the General Manager to hold an election in Divisions 1 and 2, as such divisions are shown on the Map, at the November 3, 2020 General District Election.

4. Each candidate for the office of Director in Divisions 1 and 2 shall pay his or her pro rata share of the costs of publication of that candidate's statement as required under Elections Code section 13307 and as determined by the County Registrar of Voters. The limitation on the number of words that each candidate may use in his or her candidate's statement is 200 words. Each candidate shall prepay the costs of his or her candidate's statement to the Registrar of Voters at her office at the time the candidate files his or her nomination papers.
5. In accordance with Elections Code sections 1303, 10509 and 10522 and the Sacramento County Registrar of Voters' administrative regulations, the District Board authorizes and directs the Secretary to execute and seal this resolution, and to deliver the signed and sealed resolution to the Sacramento County Registrar of Voters, who shall, as required by law, submit this Resolution to the Sacramento County Board of Supervisors on the District's behalf by no later than July 1, 2020.
6. The District agrees to reimburse the Registrar of Voters for actual costs incurred to conduct the District election, such costs to be calculated by the method set forth in the County's current Election Cost Allocation Procedures, and billed to and paid by the District after the November 3, 2020 general election.
7. In accordance with the Sacramento County Registrar of Voters' administrative guidelines, the District hereby certifies that it will use the following method of selecting a winning candidate for Director in Division 1 and 2 in case of a tie vote at the November 3, 2020 general District election:

Upon notification of a tie by the Registrar of Voters, the District Secretary will notify the candidates who have received the tie votes and order those candidates or their designated representatives to appear before the Board of Directors for a determination of the winner at the time and place designated by the Board. At the designated time and place, the Board will determine the tie by a drawing of lots conducted by the Board President, or his or her designee, and the winner of the drawing shall be declared the winner by the Board. (Elections Code Section 10551, subd. (b).)

PASSED AND ADOPTED by the Board of Directors of Sacramento Suburban Water District at a meeting on the 16th day of March, 2020, by the following vote:

AYES:
NOES:
ABSENT:

By: _____
Kevin 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 Special meeting hereof held on the 16th day of March, 2020.

(SEAL)

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

NOTICE OF DISTRICT ELECTION

Sacramento Suburban Water District

Notice is hereby given that a General District Election will be held November 3, 2020 in this District. The offices for which candidates may declare their candidacy are:

Director, two positions, representing Divisions 1 and 2.

Qualifications: Each candidate must meet the following qualifications for office as specified in the principal act under which the District is organized (Water Code sections 30000 et seq.):

Each candidate must reside in and be a registered voter of the Division by and from which he or she would be elected both while a candidate and if elected, while he or she remains in office.

(Elections Code section 359; Water Code sections 30021 and 30735.)

Official Declarations of Candidacy for eligible candidates desiring to file for any of the above elective offices may be obtained from the office of the Registrar of Voters at 7000 65th Street, Suite A, Sacramento, CA 95823-2315, on and after July 13, 2020, and must be filed not later than 5:00 p.m. on August 7, 2020. However, if a Declaration of Candidacy for an incumbent is not filed by the latter date and hour, any person other than the incumbent shall have until 5:00 p.m. on August 12, 2020, to file a Declaration of Candidacy for such office.

Appointment to each elective office will be made by the supervising authority as prescribed by Elections Code §10515 in the event there are no candidates, or an insufficient number of candidates for such office and a petition for an election is not filed within the time prescribed by Elections Code §10515; that is, by 5:00 p.m. on August 12, 2020.

Dated this 16th day of March, 2020.

(District Seal)

Dan York
District Secretary

PUBLICATION OF NOTICE OF ELECTION

Elections Code §12112 requires the publication of a “Notice of Election.” The notice shall contain the date of the General District Election, name the offices for which candidates may file, and state the qualifications required by the principal act for each office, as well as other pertinent information.

Sacramento Suburban Water District

Recommends the following (check one only):

The Registrar of Voters publish a combined election notice with other districts

or

A separate/individual district notice.

If a separate/individual district notice is requested, the district requesting is responsible for publication in a newspaper that circulates district-wide.

Dated: March 16, 2020

Dan York
District Secretary



Agenda Item: 3

Date: March 2, 2020

Subject: Disposing of Surplus District Real Property, Vehicles, and Large Equipment and Other Personal Property Policy (PL – Adm 003)

Staff Contact: Mike Huot, Assistant General Manager

Recommended Board Action:

Approve the updated Disposing of Surplus District Real Property, Vehicles, and Large Equipment and Other Personal Property Policy (PL – Adm 003) with changes.

Background:

On February 24, 2020, the Disposing of Surplus District Real Property, Vehicles, and Large Equipment and Other Personal Property Policy (PL – Adm 003) update was brought to the Board for review. No comments have been received from the Board.

Discussion:

Staff recommends approving the updated Disposing of Surplus District Real Property, Vehicles, and Large Equipment and Other Personal Property Policy (PL – Adm 003). Both, a redlined version (Attachment 1) and a clean version (Attachment 2) of the updated policy are attached for your reference. Following are the recommended changes in addition to minor clerical updates:

- *Annual List of Surplus Items* - Change the wording in Sections 400.00 and Sections 500.00 so the surplus lists for vehicles, large equipment, and property are prepared on a calendar year basis by staff. Currently these Sections state the lists will be prepared once each fiscal year by the General Manager.
- *Reference to Vehicle Point System* – Staff is updating the Fleet Asset Management Plan. In the Vehicle Replacement Section, the Vehicle Point System is being replaced by mileage and age thresholds, which is more consistent with industry standards. Section 400.00, Section 1, has been modified by removing references to the Vehicle Point System.
- *Threshold for Sale of Personal Property* – Raise the authorization threshold for the General Manager in Section 500.00 to \$15,000. This is consistent with the authorization threshold for vehicles and large equipment in Section 400.00. Currently Section 500.00 states an authorization threshold of \$4,000 for personal property.

Fiscal Impact:

Adopting the policy updates does not have a fiscal impact.

Strategic Plan Alignment:

Goal B: Optimize Operational and Organizational Efficiencies

Goal C: Ensure Fiscal Responsibility and Affordable Rates

Attachment:

- 1 Redline - Disposing of Surplus District Real Property, Vehicles and Large Equipment and Other Personal Property Policy (PL – Adm 003)
- 2 Clean - Disposing of Surplus District Real Property, Vehicles and Large Equipment and Other Personal Property Policy (PL – Adm 003)

Sacramento Suburban Water District

**Disposing of Surplus District Real Property, Vehicles, and Large Equipment
and Other Personal Property Policy**

Adopted: July 21, 2003
Approved with Changes on March 16, 2020
~~Approved with changes on April 23, 2018~~

100.00 Purpose of the Policy

The primary purpose of this policy is to allow management staff to determine if a parcel of real property, easement, vehicles, or large equipment or other personal property is no longer needed for daily, emergency, and/or future operations. A staff report is generated to document why a parcel of real property, easement, vehicles, or large equipment or other District property should not be retained.

100.10 Definitions

Real Property – Any parcel of land owned by the District.

Easement – An interest in another’s real property that permits the District to make limited use of that real property for a District purpose.

Vehicles and Large Equipment – Utility trucks, dump trucks, tractors, backhoes, forklifts, and other significant self-propelled equipment used in District operations.

Personal Property – Small equipment (cut-off saws, drills, etc.), computer equipment (monitors, printers, etc.), office furniture.

200.00 Disposal of Real Property

1. District management staff determines if a parcel of real property no longer meets the needs of daily, emergency, and/or future operations, ~~and~~ a staff report is generated to document why the parcel should not be retained.
2. District management staff determines if a parcel falls within the notice and offer procedures provided in Government Code sections 54220 through 54232, as they may be amended from time to time. If the statutory notice and offer procedures must be followed, the District must obtain a qualified appraisal of the parcel and offer the surplus real property to specified public agencies before it can sell the

property to other public agencies or a private party. The specified public agencies are as follows:

- a) Sacramento County for developing low- and moderate-income housing;
 - b) Sacramento County Parks and Recreation Department for park and recreational purposes;
 - c) Any regional park authority that has jurisdiction over the area in which the surplus real property is located if it is to be used for park and recreational purposes;
 - d) The State Resources Agency for park and recreational purposes; and
 - e) The school district in whose jurisdiction the parcel is located.
3. A parcel of real property is exempt from the statutory notice and offer procedures if it:
- a) Is less than 5,000 square feet; **or**
 - b) Is less than “the minimum legal residential building lot size for the jurisdiction in which the parcel is located”; **or**
 - c) Has no recorded access and is less than 10,000 square feet; **and**
 - d) Is not: (a) contiguous to land owned by a state or local agency that is used for park, recreational, open-space, low- or moderate-income housing; or (b) located in an enterprise zone or high-density, economically-distressed areas involved in certain redevelopment program; **and**
 - e) Is sold to the owner of contiguous land.
4. The Board of Directors declares real property surplus and determines if a parcel must be offered to the designated public agencies under the statutory notice and offer procedures prescribed by the Government Code or is exempt from such procedures. If the District must sell a surplus parcel under the statutory notice and offer procedures, the General Manager will give qualifying public agencies notice of the parcel’s availability for purchase. If none of the agencies to which notice must be given notifies the District within 60 days after receiving notice that they are interested in buying the surplus parcel, then the District may sell the parcel by advertised public sale.
5. In all cases where the statutory notice and offer procedures have not resulted in disposal of a parcel, the District will sell surplus real property by public sale. The General Manager will notice the parcel’s sale at the appraised value unless the

Board of Directors authorizes a different price. The notice of sale will contain a description of the property; a statement of time and place for opening bids. Bids for the purchase of real property will be accepted or rejected by a resolution of the District Board of Directors. Alternatively, the District may list the surplus parcel for public sale with a licensed real estate broker in good standing who advertises the parcel through a multiple listing service or similar listing system at a fair market value determined by the broker using comparable sales data. Documents for the conveyance of title to surplus real property will be executed by the President of the Board upon authorization by the Board of Directors.

6. If the General Manager determines that a surplus parcel is exempt from the Government Code's notice and offer procedures, it will not be necessary to obtain a formal appraisal of the property. If circumstances warrant, the surplus parcel may be sold for less than fair market value. In such cases, the General Manager or his designee will prepare a staff report documenting why the parcel was not appraised, why it may be sold for less than fair market value, the fiscal impact of selling the parcel, and why it is exempt from the Government Code notice and offer procedures. After review of the staff report, the Board of Directors may approve the sale of the surplus parcel by motion. A staff report and a certified copy of the Board of Directors Meeting minutes reflecting the Board's approval of the sale is sufficient to authorize the General Manager to make the sale.

300.00 Relinquishment of District Interest in Easements

1. Staff determines if an easement no longer meets the needs of daily, emergency, and/or future operations of the District. Staff then will generate a report that documents the justification for relinquishing the easement and makes a determination whether the easement has any fair market value. Staff then will forward the report to the General Manager for review. If staff determines that the easement has fair market value, the General Manager will present the staff report to the Board at its next regular meeting with a recommendation for Board action on relinquishing the easement in accordance with Article 200.00 of this policy.
2. If staff determines that the easement has nominal fair market value, the General Manager shall have the authority, upon review and approval of the recommendation in the staff report, to sign and record a quitclaim deed to relinquish the District's interest in the easement. If the easement is a Public Utility Easement, the General Manager shall have the authority, upon review and approval of the recommendation in the staff report, to sign an easement relinquishment letter.
3. If, upon recommendation of staff, the General Manager authorizes disposal of an easement under this Article, then the General Manager will report the disposal

of the easement to the Board at its next regular meeting following the recording of the quitclaim deed relinquishing the easement.

400.00 Disposal of Vehicles and Large Equipment

1. At least once each ~~fiscal calendar~~ year, the ~~General Manager~~ staff will prepare a list of District vehicles and items of large equipment that are deemed surplus because they exceed the District's Vehicle Point System. This system is used to project actual vehicle and equipment value throughout the life of the asset. The system utilizes ~~age/depreciation, maintenance and repairs, miles, type of service, reliability, and condition as criteria for this determination.~~
2. District management staff will establish values and set minimum bid prices for each vehicle or item of large equipment to be sold by public auction. If staff, during the process of establishing value to a vehicle or piece of large equipment, determines that the particular vehicle or equipment has diminutive or no value or the costs of preparation for sale and sale are greater than the value of the vehicle or equipment, then the General Manager is authorized to dispose of the property in accordance with Sections 500.00 (5) and (6) of this policy.
3. The General Manager may authorize the sale of surplus vehicles and large equipment with an estimated value of \$15,000 or less. Vehicles and large equipment with an estimated value greater than \$15,000 will be sold as surplus following authorization by the Board of Directors at a public meeting.
4. Vehicles or large equipment are to be sold at public auction. The General Manager will consign the vehicles or equipment to a public auctioneer after posting a notice concerning the sale of the vehicle and/or large equipment.

400.10 Guidelines Concerning the Sale of Surplus Vehicles and Large Equipment

Prior to the sale of surplus vehicles or large equipment, the General Manager will direct staff to take the following actions:

1. Remove all District equipment from the vehicle or large equipment (radio, decals, etc.).
2. Clean, and if necessary, repair the vehicle or large equipment if it has an immediate safety issue.
3. Vehicle or large equipment will be sold at public auction.
4. Establish vehicle or large equipment value using an appropriate, publicly available valuation tool such as the Kelley Blue Book, qualified appraisal, trade

publications, or classified newspaper advertisements. Staff will prepare a written report concerning the valuation of the item and attach appropriate documentation.

5. Arrange for the delivery and consignment of the item and in consultation with the General Manager and auctioneer, determine an appropriate reserve or minimum price for the item.
6. Prepare and post a notice of sale. The notice and advertisement will include the vehicle or large equipment description, minimum bid, conditions of sale, and place of public auction.
7. When the vehicle or large equipment is sold, the General Manager or his/her designee will sign the "pink slip", bill of sale, and any other documents required to complete the sale.
8. After the vehicle or large equipment is sold, the General Manager or his/her designee will complete paperwork as required by DMV to report the sale of the vehicle or large equipment, and return all completed forms and vehicle license plates to DMV.

500.00 Disposal of Other Personal Property Other than Vehicles/Large Equipment

1. At least once each ~~fiscal~~-calendar year, the ~~General Manager~~staff will prepare a list of District personal property, other than vehicles and large equipment, which is deemed surplus.
2. District management staff will establish values and set minimum bid prices for each item of personal property to be sold by public auction. If staff, during the process of establishing value to an item of personal property, determines it to be of diminutive or no value, the General Manager is authorized to dispose of the property in accordance with Sections 500.00 (5) and (6) of this policy.
3. The General Manager may authorize the sale of personal property with an estimated value of \$415,000 or less. Personal property with an estimated value greater than \$415,000 will be sold as surplus following authorization by the Board of Directors at a public meeting.
4. Surplus personal property is to be sold at public auction. The General Manager will consign the personal property to a public auctioneer after posting a notice concerning the District's sale of the property.
5. For surplus items not sold, the General Manager has the authority to donate such items to another government agency or any non-discriminatory, tax exempt non-profit organization qualified under Internal Revenue Code section 501(c)(3).

6. If an item of surplus property is not sold during sale and the General Manager is unable to donate the surplus items to a qualified government agency or tax-exempt organization, the General Manager may properly dispose of such items at a legal disposal site.

600.00 Revenue from Disposal of Surplus Property

All revenue received from the disposal of surplus real or personal property will be deposited in the District's General Operating Fund unless otherwise specified by the Board of Directors.

700.00 Prohibition Against Upgrades

Unless necessary to ensure the safety, merchantability, and/or serviceability of surplus property, District staff may not make any repairs or upgrades to any real or personal property recommended or already deemed to be surplus. For example, staff may not replace a vehicle's worn but serviceable tires with new tires, nor may staff add or replace optional equipment that enhances a vehicle's value. Before sale and upon the General Manager's authorization, District staff may repair or replace parts on a surplus item if it is necessary to ensure that it is safe, serviceable, and/or merchantable.

800.00 Prohibited Director, Officer and Employee Transactions

In accordance with Government Code section 1090, all members of the District Board of Directors and the General Manager are prohibited from purchasing surplus District real or personal property. Staff members generally are eligible to buy surplus District real or personal property noticed for sale on the same terms and conditions as those offered to members of the public, except that any District employee who actively participated in determining an item's price, surplus status, or conditions of sale is prohibited from purchasing such items because the employee is deemed by law to have a prohibited interest in the sale. The General Manager, in consultation with the Board and legal counsel, will determine if an employee has a prohibited interest in an item of surplus property.

900.00 Lot or Group Sales

The District reserves the right to place items of surplus property in a group or lot for sale to the highest bidder.

900.10 Discretion of Board and General Manager

Except as prohibited by law, the Board of Directors and General Manager will have the discretion to waive any minor irregularity in the procedures for the surplus and disposing of surplus property. Such discretion will be exercised in a non-discriminatory manner.

1000.00 Policy Review

This Policy shall be reviewed at least biennially.

Sacramento Suburban Water District

**Disposing of Surplus District Real Property, Vehicles, and Large Equipment
and Other Personal Property Policy**

Adopted: July 21, 2003
Approved with Changes on March 16, 2020

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1. District management staff determines if a parcel of real property no longer meets the needs of daily, emergency, or future operations, a staff report is generated to document why the parcel should not be retained.
2. District management staff determines if a parcel falls within the notice and offer procedures provided in Government Code sections 54220 through 54232, as they may be amended from time to time. If the statutory notice and offer procedures must be followed, the District must obtain a qualified appraisal of the parcel and offer the surplus real property to specified public agencies before it can sell the property to other public agencies or a private party. The specified public agencies are as follows:

- a) Sacramento County for developing low- and moderate-income housing;
 - b) Sacramento County Parks and Recreation Department for park and recreational purposes;
 - c) Any regional park authority that has jurisdiction over the area in which the surplus real property is located if it is to be used for park and recreational purposes;
 - d) The State Resources Agency for park and recreational purposes; and
 - e) The school district in whose jurisdiction the parcel is located.
3. A parcel of real property is exempt from the statutory notice and offer procedures if it:
- a) Is less than 5,000 square feet; **or**
 - b) Is less than “the minimum legal residential building lot size for the jurisdiction in which the parcel is located”; **or**
 - c) Has no recorded access and is less than 10,000 square feet; **and**
 - d) Is not: (a) contiguous to land owned by a state or local agency that is used for park, recreational, open-space, low- or moderate-income housing; or (b) located in an enterprise zone or high-density, economically-distressed areas involved in certain redevelopment program; **and**
 - e) Is sold to the owner of contiguous land.
4. The Board of Directors declares real property surplus and determines if a parcel must be offered to the designated public agencies under the statutory notice and offer procedures prescribed by the Government Code or is exempt from such procedures. If the District must sell a surplus parcel under the statutory notice and offer procedures, the General Manager will give qualifying public agencies notice of the parcel’s availability for purchase. If none of the agencies to which notice must be given notifies the District within 60 days after receiving notice that they are interested in buying the surplus parcel, then the District may sell the parcel by advertised public sale.
5. In all cases where the statutory notice and offer procedures have not resulted in disposal of a parcel, the District will sell surplus real property by public sale. The General Manager will notice the parcel’s sale at the appraised value unless the Board of Directors authorizes a different price. The notice of sale will contain a description of the property; a statement of time and place for opening bids. Bids

for the purchase of real property will be accepted or rejected by a resolution of the District Board of Directors. Alternatively, the District may list the surplus parcel for public sale with a licensed real estate broker in good standing who advertises the parcel through a multiple listing service or similar listing system at a fair market value determined by the broker using comparable sales data. Documents for the conveyance of title to surplus real property will be executed by the President of the Board upon authorization by the Board of Directors.

6. If the General Manager determines that a surplus parcel is exempt from the Government Code's notice and offer procedures, it will not be necessary to obtain a formal appraisal of the property. If circumstances warrant, the surplus parcel may be sold for less than fair market value. In such cases, the General Manager or his designee will prepare a staff report documenting why the parcel was not appraised, why it may be sold for less than fair market value, the fiscal impact of selling the parcel, and why it is exempt from the Government Code notice and offer procedures. After review of the staff report, the Board of Directors may approve the sale of the surplus parcel by motion. A staff report and a certified copy of the Board of Directors Meeting minutes reflecting the Board's approval of the sale is sufficient to authorize the General Manager to make the sale.

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2. If staff determines that the easement has nominal fair market value, the General Manager shall have the authority, upon review and approval of the recommendation in the staff report, to sign and record a quitclaim deed to relinquish the District's interest in the easement. If the easement is a Public Utility Easement, the General Manager shall have the authority, upon review and approval of the recommendation in the staff report, to sign an easement relinquishment letter.
3. If, upon recommendation of staff, the General Manager authorizes disposal of an easement under this Article, then the General Manager will report the disposal of the easement to the Board at its next regular meeting following the recording of the quitclaim deed relinquishing the easement.

400.00 Disposal of Vehicles and Large Equipment

1. At least once each calendar year, staff will prepare a list of District vehicles and items of large equipment that are deemed surplus.
2. District management staff will establish values and set minimum bid prices for each vehicle or item of large equipment to be sold by public auction. If staff, during the process of establishing value to a vehicle or piece of large equipment, determines that the particular vehicle or equipment has diminutive or no value or the costs of preparation for sale and sale are greater than the value of the vehicle or equipment, then the General Manager is authorized to dispose of the property in accordance with Sections 500.00 (5) and (6) of this policy.
3. The General Manager may authorize the sale of surplus vehicles and large equipment with an estimated value of \$15,000 or less. Vehicles and large equipment with an estimated value greater than \$15,000 will be sold as surplus following authorization by the Board of Directors at a public meeting.
4. Vehicles or large equipment are to be sold at public auction. The General Manager will consign the vehicles or equipment to a public auctioneer after posting a notice concerning the sale of the vehicle or large equipment.

400.10 Guidelines Concerning the Sale of Surplus Vehicles and Large Equipment

Prior to the sale of surplus vehicles or large equipment, the General Manager will direct staff to take the following actions:

1. Remove all District equipment from the vehicle or large equipment (radio, decals, etc.).
2. Clean, and if necessary, repair the vehicle or large equipment if it has an immediate safety issue.
3. Vehicle or large equipment will be sold at public auction.
4. Establish vehicle or large equipment value using an appropriate, publicly available valuation tool such as the Kelley Blue Book, qualified appraisal, trade publications, or classified newspaper advertisements. Staff will prepare a written report concerning the valuation of the item and attach appropriate documentation.
5. Arrange for the delivery and consignment of the item and in consultation with the General Manager and auctioneer, determine an appropriate reserve or minimum price for the item.

6. Prepare and post a notice of sale. The notice and advertisement will include the vehicle or large equipment description, minimum bid, conditions of sale, and place of public auction.
7. When the vehicle or large equipment is sold, the General Manager or his/her designee will sign the “pink slip”, bill of sale, and any other documents required to complete the sale.
8. After the vehicle or large equipment is sold, the General Manager or his/her designee will complete paperwork as required by DMV to report the sale of the vehicle or large equipment and return all completed forms and vehicle license plates to DMV.

500.00 Disposal of Other Personal Property Other than Vehicles/Large Equipment

1. At least once each calendar year, staff will prepare a list of District personal property, other than vehicles and large equipment, which is deemed surplus.
2. District management staff will establish values and set minimum bid prices for each item of personal property to be sold by public auction. If staff, during the process of establishing value to an item of personal property, determines it to be of diminutive or no value, the General Manager is authorized to dispose of the property in accordance with Sections 500.00 (5) and (6) of this policy.
3. The General Manager may authorize the sale of personal property with an estimated value of \$15,000 or less. Personal property with an estimated value greater than \$15,000 will be sold as surplus following authorization by the Board of Directors at a public meeting.
4. Surplus personal property is to be sold at public auction. The General Manager will consign the personal property to a public auctioneer after posting a notice concerning the District’s sale of the property.
5. For surplus items not sold, the General Manager has the authority to donate such items to another government agency or any non-discriminatory, tax exempt non-profit organization qualified under Internal Revenue Code section 501(c)(3).
6. If an item of surplus property is not sold during sale and the General Manager is unable to donate the surplus items to a qualified government agency or tax-exempt organization, the General Manager may properly dispose of such items at a legal disposal site.

600.00 Revenue from Disposal of Surplus Property

All revenue received from the disposal of surplus real or personal property will be deposited in the District’s General Operating Fund unless otherwise specified by the Board of Directors.

700.00 Prohibition Against Upgrades

Unless necessary to ensure the safety, merchantability, or serviceability of surplus property, District staff may not make any repairs or upgrades to any real or personal property recommended or already deemed to be surplus. For example, staff may not replace a vehicle's worn but serviceable tires with new tires, nor may staff add or replace optional equipment that enhances a vehicle's value. Before sale and upon the General Manager's authorization, District staff may repair or replace parts on a surplus item if it is necessary to ensure that it is safe, serviceable, or merchantable.

800.00 Prohibited Director, Officer and Employee Transactions

In accordance with Government Code section 1090, all members of the District Board of Directors and the General Manager are prohibited from purchasing surplus District real or personal property. Staff members generally are eligible to buy surplus District real or personal property noticed for sale on the same terms and conditions as those offered to members of the public, except that any District employee who actively participated in determining an item's price, surplus status, or conditions of sale is prohibited from purchasing such items because the employee is deemed by law to have a prohibited interest in the sale. The General Manager, in consultation with the Board and legal counsel, will determine if an employee has a prohibited interest in an item of surplus property.

900.00 Lot or Group Sales

The District reserves the right to place items of surplus property in a group or lot for sale to the highest bidder.

900.10 Discretion of Board and General Manager

Except as prohibited by law, the Board of Directors and General Manager will have the discretion to waive any minor irregularity in the procedures for the surplus and disposing of surplus property. Such discretion will be exercised in a non-discriminatory manner.

1000.00 Policy Review

This Policy shall be reviewed at least biennially.



Agenda Item: 4

Date: February 28, 2020

Subject: Ethics Policy Update (PL – BOD 004)

Staff Contact: Mike Huot, Assistant General Manager

Recommended Board Action:

Approve the updated Ethics Policy (PL – BOD 004) with changes.

Background:

On February 24, 2020, the Ethics Policy update was brought to the Board for review. No comments have been received from the Board.

Discussion:

Staff recommends approving the updated Ethics Policy (PL – BOD 004). Both, a redlined version (Attachment 1) and a clean version (Attachment 2) of the updated policy are attached for your reference. There are only a few minor edits and formatting changes, but no substantial changes.

Fiscal Impact:

Adopting the policy updates does not have a fiscal impact.

Strategic Plan Alignment:

Aligns with core values of the District – Professionalism, Ethics, and Respect.

Attachment:

- 1 Redline - Ethics Policy (PL – BOD 004)
- 2 Clean - Ethics Policy (PL-BOD 004)

Sacramento Suburban Water District

Ethics Policy

Adopted: January 27, 2003

~~Approved with Changes on March 16, 2020 Revised: January 23, 2006, January 28, 2008,
January 25, 2010, June 20, 2011, July 15, 2013, June 15, 2015, October 16, 2017~~

100.00 Purpose of the Policy

The policy of the Sacramento Suburban Water District is to maintain the highest standards of ethics from its Directors and employees. The proper operation of the District requires that decisions and policy be made in the proper channels of governmental structure, that public office not be used for personal gain, and that all individuals associated with the District remain impartial and responsible towards the public. Accordingly, it is the policy of the District that Directors and District employees will maintain the highest standard of personal honesty and fairness in carrying out their duties.

This policy contains two parts. The first part addresses mandated ethics training requirements for Directors and certain designated officers. The second part of this policy sets ethics standards for Directors. The ethical standards to be followed by District employees, including the General Manager, Treasurer, and Secretary (if an employee), are provided in the District's Employee Handbook.

The primary purpose of the ethics training policy (articles 200.00 – 250.00) is to ensure that all District Directors and certain designated officers comply with the ethics training and reporting mandates imposed by Government Code sections 53234 through 53235.2.

The primary purpose of the ethics guidelines for Directors (articles 300.00 – 375.00) is to set forth the minimum ethical standards to be followed by the Board of Directors of the Sacramento Suburban Water District. The objectives of this policy are to (1) provide guidance for dealing with ethical issues, (2) heighten awareness of ethics and values as critical elements in Directors' conduct, and (3) improve ethical decision-making and values-based management.

200.00 Mandatory Ethics Training

210.00 Positions Requiring Training

Ethics training is required for all Directors (Government Code section 53235, subd. (a).) The following District officers also will be required to receive ethics training:

(1) General Manager; and (2) Finance Director. (Government Code section 53234, subds. (a), (b) and (c)(1).) Collectively, Directors and the designated officers are the District's "Covered Officials" under this policy. The Board encourages all other District employees to receive ethics training, although such training is not a legal requirement.

220.00 Training Curriculum

The required ethics training must cover general ethics principles and ethics laws relevant to the Covered Officials' public service. All Covered Officials must receive ethics training in the following topics relevant to the service to the District:

(1) Laws relating to personal financial gain by public servants, such as prohibitions on conflict of interest and bribery;

(2) Laws relating to the privileges of office, such as limitations on personal receipt of gifts and travel, use of public resources, mass-mailing restrictions, and prohibitions on gifts of public funds;

(3) Government transparency laws, such as the Brown Act, the Public Records Act, and financial interest disclosure laws; and

(4) Laws relating to fair public process, such as due process and competitive bidding requirements, bias prohibitions, and incompatible office restrictions.

Covered Officials may fulfill their required ethics training obligations by participating in any approved form of training, including but not limited to seminars, webinars, group or individual training, or self-study at home, in-person, or on-line. If self-study courses are used, a test component must be included. (Government Code section 53235, subd. (d).)

230.00 Frequency of Training

Every two years, all Covered Officials must receive at least two hours of ethics training that complies with the requirements of Article 220.00. (Government Code section 53235, subd. (b).) All Covered Officials may take more than two hours of training every two years and the Board encourages all Covered Officials to obtain more than the required minimum training.

Newly elected or appointed Covered Officials must complete their first two hours of ethics training within one year after taking office. After completing the initial training requirement, Covered Officials must receive a minimum of two hours of ethics training every two years for as long as they remain in office.

240.00 Training Documentation

Compliance with the Government Code sections 53234 through 53235.2 ethics training requirements must be documented. The person or entity providing the training must provide a proof of participation to the Covered Official. (Government Code section 53235, subd. (e).) The District will also keep records of its Covered Officials' dates of participation in ethics training and the person or entity providing the training for five years. (Government Code section 53235.2, subd. (a).) The Executive Assistant to the General Manager will maintain the ethics training records. All Covered Officials must submit a copy of their proofs of participation in all ethics training completed to the Executive Assistant to the General Manager within 30 days of completing any ethics training. All ethics training policies and attendance records are public records subject to disclosure under the California Public Records Act. (Government Code section 53235.2, subd. (b).)

250.00 Miscellaneous Training Rules

The District will inform its Covered Officials of available ethics training opportunities at least once annually. (Government Code section 53235, subd. (f).)

It is the responsibility of each Covered Official to ensure his or her compliance with this policy, including selecting the ethics training courses and securing and submitting the ethics training documentation to the Executive Assistant to the General Manager as required in Article 240.00.

If a Covered Official holds more than one position covered by the ethics training mandate, he or she need only complete the minimum two hours every two years to comply. (Government Code section 53235.1, subd. (c).) If a Covered Official wishes to receive District credit for ethics training completed on behalf of another agency, he or she should submit the relevant documentation to the District Secretary or designee.

300.00 Ethics Guidelines for Directors

310.00 Responsibilities of Public Office

Directors are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Directors will comply with applicable laws regulating their conduct, including conflict of interest, financial disclosure, and open government laws. Directors will work in cooperation with other public officials unless prohibited from so doing by law or officially-recognized confidentiality of their work, or if doing so would be contrary to the best interests of the District.

(Article 20, section 3 of the California Constitution; Government Code section 1360.)

315.00 Fair and Equal Treatment

Directors will not, in the performance of their official functions, discriminate against any person on the basis of race, sex, color, national origin, ancestry, disability, or any other protected class under federal, state, or local laws. A Director will not grant any special consideration, treatment, or advantage to any person or group beyond that which is available to every other person or group in similar circumstances.

(See, e.g., Article 1, section 31 of the California Constitution; Age Discrimination in Employment Act of 1967 (29 U.S.C. sections 621 and following); Americans with Disabilities Act of 1990 (42 U.S.C. sections 12101 and following); California Fair Employment and Housing Act (Government Code sections 12900 and following and Chapter 5 of Title 47, U.S.C.); Rehabilitation Act of 1973 (29 U.S.C. sections 701 and following); Title VII of the Civil Rights Act of 1964 (42 U.S.C. sections 2000e and following).)

320.00 Proper Use and Safeguarding of District Property and Resources

Except as specifically authorized, a Director will not use or permit the use of District-owned vehicles, equipment, telephones, materials, or property for personal convenience or profit. A Director will not ask or require a District employee to perform services for the personal convenience or profit of a Director or employee. Each Director must protect and properly use any District asset within his or her control, including information recorded on paper or in electronic form. Directors will safeguard District property, equipment, moneys, and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust. Directors are responsible for maintaining written records, including expense accounts, in sufficient detail to reflect accurately and completely all transactions and expenditures made on the District's behalf, in accordance with the District's policy for reimbursement of expenses of Directors.

(Article 16, section 6 of the California Constitution; Government Code sections 8314 and 53232.3; Penal Code section 424; see *People v. Battin* (1978) 77 Cal.App.3d 635.)

325.00 Use of Confidential Information

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

- B. This section does not prohibit any of the following: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the District, or an elected official or employee, (2) expressing an opinion concerning the propriety or legality of actions taken by the Board in closed session, including disclosure of the nature and extent of the allegedly illegal action, or (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (1) or (2), above, however, a Director will first bring the matter to the attention of either the President of the Board or the full Board, to provide the Board an opportunity to cure an alleged violation.
- C. A Director who willfully and knowingly discloses for pecuniary gain confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code section 1098.

(Government Code section 54963.)

330.00 Conflict of Interest

- A. A Director will not have a financial interest in a contract with the District, or be a purchaser at a sale by the District or a vendor at a purchase made by the District, unless the Director's participation is authorized under Government Code section 1090, 1091 or 1091.5, or other provisions of law. A Director will not participate in the discussion, deliberation, or vote on a matter before the Board of Directors, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter, as defined in the Political Reform Act, Government Code sections 81000 and following, relating to conflicts of interest. Generally, a Director has a disqualifying financial interest in a matter if a Board decision would have a reasonably foreseeable material financial effect (as defined by the Fair Political Practices Commission ("FPPC") regulations) on the Director, or his or her immediate family, that is distinguishable from the effect on the public generally on (a) a business entity in which the Director has a direct or indirect investment of \$2,000 or more, (b) real property in which the Director has a direct or indirect interest worth \$2,000 or more, (c) a source of income of the Director amounting to a total of \$500 or more within 12 months before the Board decision, (d) a source of gifts to the Director amounting to \$470 or more within 12 months before the Board decision, or (e) a business entity in which the Director holds a position as a director, officer, partner, trustee, manager or employee. An "indirect interest" means any investment or interest owned by the spouse or dependent child of the Director, by an agent on behalf of the Director, or by a business entity or trust in which the Director, or the Director's spouse, dependent child or agent, owns directly, indirectly or beneficially a ten percent interest or greater. A Director will not accept gifts or honoraria that exceed the limitations specified in the Fair Political Practices Act or FPPC regulations.

Directors will report all gifts, campaign contributions, income, and financial information as required under the District's Conflict of Interest Code and the provisions of the Fair Political Practices Act and FPPC regulations. The dollar limitations referred to in this section are adjusted from time to time by the FPPC, and any such adjustment shall automatically be incorporated into this policy when made effective by the FPPC.

(Government Code sections 87100 and following.)

- B. If a Director believes that he or she may be disqualified from participation in the discussion, deliberations, or vote on a particular matter due to a conflict of interest, the following procedure will be followed: (a) if the Director becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Director will notify the District's General Manager and the District's legal counsel of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest; (b) if it is not possible for the Director to discuss the potential conflict with the General Manager and the District's legal counsel before the meeting, or if the Director does not become aware of the potential conflict until during the meeting, the Director will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest; and (c) upon a determination that there is a disqualifying conflict of interest, the Director (1) will not participate in the discussion, deliberation, or vote on the matter for which a conflict of interests exist, which will be so noted in the Board minutes and (2) will leave the room until after the discussion, vote, and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters (e.g., the consent calendar), in which case the Director will identify the nature of the conflict and not vote on the specified item. If the item is agendized for discussion and possible action, the Director may speak on his or her personal interests in the matter during the time the general public speaks on the issue but must leave the room during Board discussion and action on that item.
- C. A Director will not recommend the employment of a relative ~~by~~ to the District. In addition, a Director will not recommend the employment of a relative to any person known by the Director to be bidding for or negotiating a contract with the District.
- D. A Director who knowingly asks for, accepts, or agrees to receive any gift, reward, or promise thereof for doing an official act, except as may be authorized by law, may be guilty of a misdemeanor under Penal Code section 70.

(Government Code sections 1090 and following, 81000 and following, and 87105; Penal Code sections 68 and 70.)

335.00 Soliciting Political Contributions

Directors are prohibited from soliciting political funds or contributions at District facilities, or from District employees. A Director will not accept, solicit, or direct a political contribution from (a) District employees, officers, consultants, or contractors, or (b) any person or entity who has a financial interest in a contract or other matter while that contract or other matter is pending before the District. A Director will not use the District's seal, trademark, stationary, or other indicia of the District's identity, or facsimile thereof, in any solicitation for political contributions contrary to state or federal law.

(Government Code section 3205.)

340.00 Incompatible Offices and "Revolving Door" Policy

- A. Any Director appointed or elected to a public office of another public entity, the duties of which may require action contradictory or inconsistent with the interest of the first entity (as determined under applicable law), is deemed to have vacated his or her office with the District upon taking the second, incompatible office.
- B. For a period of one year after leaving office, Directors will not represent for compensation non-governmental entities before the District with regard to any issues over which that Director had decision-making authority during the three years prior to leaving office.
- C. For purposes of this section, "represent" will mean for compensation to actively support or oppose a particular decision in a proceeding by lobbying in person the officers or employees of the District or otherwise acting to influence the officers of the District.
- D. These restrictions will not apply to representation of not-for-profit charitable entities before the District.
- E. Nothing in this section is intended or will be applied to prevent a former Director from participating in meetings of the Board in the same manner as other members of the public. (See, for example, Government Code section 54954.3.)

(Government Code sections 1099, 53227 and 87406.3; see also, 73 Ops.Cal.Atty.Gen. 357 (1990).)

345.00 Board-General Manager Relationship

- A. The Board sets the policy for the District. Under the County Water District Law, the District's General Manager (a) has full charge and control of the maintenance,

operation, and construction of the water system of the District, (b) has full power and authority to employ and discharge all employees and assistants at pleasure, consistent with other provisions of law, (c) prescribes the duties of employees and assistants, consistent with District policy, and (d) fixes and alters the compensation of employees and assistants, subject to approval by the Board. The Board will, after considering the recommendation of the General Manager, appoint the District's Finance Director/Treasurer (who will report to the General Manager). The Finance Director/Treasurer will install and maintain a system of auditing and accounting that will completely and at all times show the financial condition of the District in accordance with generally accepted accounting principles and legal requirements. The Board will retain an auditor as an independent contractor of the District (other than the Finance Director/Treasurer) to conduct an annual audit of the District's books, records, and financial affairs in accordance with generally accepted auditing standards. The auditor will report to the Board, who will periodically review the auditor's work.

- B. The District's General Manager serves at the pleasure of the Board. The Board will provide policy direction and instructions to the General Manager on matters within the authority of the Board by majority vote of the Board during duly-convened Board and Board committee meetings. Directors will deal with matters within the authority of the General Manager through the General Manager, and not through other District employees, except as it pertains to the functions of the Finance Director/Treasurer and District consultants, including the District auditor. Directors will refrain from making requests directly to District employees (rather than to the General Manager) to undertake analyses, perform other work assignments, or change the priority of work assignments. Directors may request non-confidential, factual information regarding District operations from District employees.

(Water Code sections 30540 and 30580 through 30582.)

350.00 Improper Activities and the Reporting of Such Activities; Protection of "Whistle Blowers"

- A. The General Manager has primary responsibility for (1) ensuring compliance with the District's Employee Handbook, and ensuring that District employees do not engage in improper activities, (2) investigating allegations of improper activities, and (3) taking appropriate corrective and disciplinary actions. The Board has a duty to ensure that the General Manager is operating the District according to law and the policies approved by the Board. Directors are encouraged to fulfill their obligation to the public and the District by disclosing to the General Manager, to the extent not expressly prohibited by law, improper activities within their knowledge. Directors will not interfere with the General Manager's responsibilities in identifying, investigating, and correcting improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities. Nothing in

this section affects the responsibility of the Board to oversee the performance of the General Manager.

A.B. _____ A

Director will not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding, or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the attention of the General Manager or the Board any information that, if true, would constitute: a work-related violation by a Director or District employee of any law or regulation, gross waste of District funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of a District official or employee, use of a District office or position or of District resources for personal gain, or a conflict of interest of a Director or District employee.

B.C. _____ A

Director will not use or threaten to use any official authority or influence to effect any action as a reprisal against another Director or District employee who reports or otherwise brings to the attention of the General Manager any information regarding the subjects described in this section.

~~C.D.~~ _____ Any person who believes that he or she has been subjected to any action prohibited by this section may file a confidential complaint with (1) the General Manager; or (2) a Director, if the complaint involves the conduct of the General Manager, who will thereupon refer the matter to the full Board to investigate the complaint. Upon the conclusion of the investigation, the General Manager (or the Board in the case of a complaint against the General Manager) will take appropriate action consistent with the District's Employee Handbook, related human resources policies and procedures, and applicable law.

(Labor Code section 1102.5, and following, and Government Code sections 53298 and 53298.5.)

355.00 Compliance with the Brown Act

Directors, and persons elected but who have not yet assumed office as Directors, will fully comply with the provisions of the Brown Act, the State's open meeting law for public agencies. The Board has adopted "Rules for Proceedings of the Board of Directors" (PL - BOD 002) to guide the Board in ensuring that Board decisions are made during meetings of the Board that are open to the public in compliance with the Brown Act.

(Government Code sections 54950 and following, and 54952.1 and 54959.)

360.00 Directors' Compensation and Expense Reimbursement

Directors will fully comply with the provisions of the Board's "Directors' Compensation and Expense Reimbursement Policy" (PL - BOD 003).

(Government Code sections 53232 and following; Water Code sections 20200 and following.)

365.00 Changes in Compensation

Changes in the compensation of the Board will require the approval of the Board during an open meeting of the Board held at least sixty days prior to the effective date of the change.

(Water Code sections 20200 and following.)

370.00 Candidate's Statement

A Director will not include false or misleading information in a candidate's statement for a general District election filed pursuant to section 13307 of the Elections Code.

(Elections Code section 13313.)

375.00 Violation of Ethics Guidelines

A perceived violation of the ethics guidelines (Ethics Policy articles 300.00 – 370.00) by a Director should be referred to the President of the Board or the full Board of Directors for investigation, and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Director who has violated this policy, (b) injunctive relief, (c) referral of the violation to the District Attorney and/or the grand jury; or (d) investigation and action under the District's Workplace Dishonesty Policy (PL - Adm 006) and Procedures (PR - Adm 004).

400.00 Policy Review

This Policy shall be reviewed at least biennially.

Sacramento Suburban Water District

Ethics Policy

Adopted: January 27, 2003
Approved with Changes on March 16, 2020

100.00 Purpose of the Policy

The policy of the Sacramento Suburban Water District is to maintain the highest standards of ethics from its Directors and employees. The proper operation of the District requires that decisions and policy be made in the proper channels of governmental structure, that public office not be used for personal gain, and that all individuals associated with the District remain impartial and responsible towards the public. Accordingly, it is the policy of the District that Directors and District employees will maintain the highest standard of personal honesty and fairness in carrying out their duties.

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(Article 20, section 3 of the California Constitution; Government Code section 1360.)

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(Article 16, section 6 of the California Constitution; Government Code sections 8314 and 53232.3; Penal Code section 424; see *People v. Battin* (1978) 77 Cal.App.3d 635.)

325.00 Use of Confidential Information

- A. A Director is not authorized, without prior approval of the Board of Directors, to disclose information that qualifies as confidential information under applicable provisions of law to a person not authorized to receive it, that (1) has been received for, or during, a closed session meeting of the Board, (2) is protected from disclosure under the attorney/client or other evidentiary privilege, or (3) is not required to be disclosed under the California Public Records Act.
- B. This section does not prohibit any of the following: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the District or an elected official or employee, (2) expressing an opinion concerning the propriety or legality of actions taken by the Board in closed session, including disclosure of the

nature and extent of the allegedly illegal action, or (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (1) or (2), above, however, a Director will first bring the matter to the attention of either the President of the Board or the full Board, to provide the Board an opportunity to cure an alleged violation.

- C. A Director who willfully and knowingly discloses for pecuniary gain confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code section 1098.

(Government Code section 54963.)

330.00 Conflict of Interest

- A. A Director will not have a financial interest in a contract with the District, or be a purchaser at a sale by the District or a vendor at a purchase made by the District, unless the Director's participation is authorized under Government Code section 1090, 1091 or 1091.5, or other provisions of law. A Director will not participate in the discussion, deliberation, or vote on a matter before the Board of Directors, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter, as defined in the Political Reform Act, Government Code sections 81000 and following, relating to conflicts of interest. Generally, a Director has a disqualifying financial interest in a matter if a Board decision would have a reasonably foreseeable material financial effect (as defined by the Fair Political Practices Commission ("FPPC") regulations) on the Director, or his or her immediate family, that is distinguishable from the effect on the public generally on (a) a business entity in which the Director has a direct or indirect investment of \$2,000 or more, (b) real property in which the Director has a direct or indirect interest worth \$2,000 or more, (c) a source of income of the Director amounting to a total of \$500 or more within 12 months before the Board decision, (d) a source of gifts to the Director amounting to \$470 or more within 12 months before the Board decision, or (e) a business entity in which the Director holds a position as a director, officer, partner, trustee, manager or employee. An "indirect interest" means any investment or interest owned by the spouse or dependent child of the Director, by an agent on behalf of the Director, or by a business entity or trust in which the Director, or the Director's spouse, dependent child or agent, owns directly, indirectly or beneficially a ten percent interest or greater. A Director will not accept gifts or honoraria that exceed the limitations specified in the Fair Political Practices Act or FPPC regulations. Directors will report all gifts, campaign contributions, income, and financial information as required under the District's Conflict of Interest Code and the provisions of the Fair Political Practices Act and FPPC regulations. The dollar limitations referred to in this section are adjusted from time to time by the FPPC, and any such adjustment shall automatically be incorporated into this policy when made effective by the FPPC.

(Government Code sections 87100 and following.)

- B. If a Director believes that he or she may be disqualified from participation in the discussion, deliberations, or vote on a particular matter due to a conflict of interest, the following procedure will be followed: (a) if the Director becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Director will notify the District's General Manager and the District's legal counsel of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest; (b) if it is not possible for the Director to discuss the potential conflict with the General Manager and the District's legal counsel before the meeting, or if the Director does not become aware of the potential conflict until during the meeting, the Director will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest; and (c) upon a determination that there is a disqualifying conflict of interest, the Director (1) will not participate in the discussion, deliberation, or vote on the matter for which a conflict of interests exist, which will be so noted in the Board minutes and (2) will leave the room until after the discussion, vote, and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters (e.g., the consent calendar), in which case the Director will identify the nature of the conflict and not vote on the specified item. If the item is agendized for discussion and possible action, the Director may speak on his or her personal interests in the matter during the time the general public speaks on the issue but must leave the room during Board discussion and action on that item.
- C. A Director will not recommend the employment of a relative to the District. In addition, a Director will not recommend the employment of a relative to any person known by the Director to be bidding for or negotiating a contract with the District.
- D. A Director who knowingly asks for, accepts, or agrees to receive any gift, reward, or promise thereof for doing an official act, except as may be authorized by law, may be guilty of a misdemeanor under Penal Code section 70.

(Government Code sections 1090 and following, 81000 and following, and 87105; Penal Code sections 68 and 70.)

335.00 Soliciting Political Contributions

Directors are prohibited from soliciting political funds or contributions at District facilities or from District employees. A Director will not accept, solicit, or direct a political contribution from (a) District employees, officers, consultants, or contractors, or (b) any person or entity who has a financial interest in a contract or other matter while that contract or other matter is pending before the District. A Director will not use the District's seal, trademark, stationary, or other indicia of the District's identity, or

facsimile thereof, in any solicitation for political contributions contrary to state or federal law.

(Government Code section 3205.)

340.00 Incompatible Offices and “Revolving Door” Policy

- A. Any Director appointed or elected to a public office of another public entity, the duties of which may require action contradictory or inconsistent with the interest of the first entity (as determined under applicable law), is deemed to have vacated his or her office with the District upon taking the second, incompatible office.
- B. For a period of one year after leaving office, Directors will not represent for compensation non-governmental entities before the District with regard to any issues over which that Director had decision-making authority during the three years prior to leaving office.
- C. For purposes of this section, “represent” will mean for compensation to actively support or oppose a particular decision in a proceeding by lobbying in person the officers or employees of the District or otherwise acting to influence the officers of the District.
- D. These restrictions will not apply to representation of not-for-profit charitable entities before the District.
- E. Nothing in this section is intended or will be applied to prevent a former Director from participating in meetings of the Board in the same manner as other members of the public. (See, for example, Government Code section 54954.3.)

(Government Code sections 1099, 53227 and 87406.3; see also, 73 Ops.Cal.Atty.Gen. 357 (1990).)

345.00 Board-General Manager Relationship

- A. The Board sets the policy for the District. Under the County Water District Law, the District’s General Manager (a) has full charge and control of the maintenance, operation, and construction of the water system of the District, (b) has full power and authority to employ and discharge all employees and assistants at pleasure, consistent with other provisions of law, (c) prescribes the duties of employees and assistants, consistent with District policy, and (d) fixes and alters the compensation of employees and assistants, subject to approval by the Board. The Board will, after considering the recommendation of the General Manager, appoint the District’s Finance Director/Treasurer (who will report to the General Manager). The Finance Director/Treasurer will install and maintain a system of auditing and accounting that will completely and at all times show the financial condition of the District in accordance with generally accepted accounting

principles and legal requirements. The Board will retain an auditor as an independent contractor of the District (other than the Finance Director/Treasurer) to conduct an annual audit of the District's books, records, and financial affairs in accordance with generally accepted auditing standards. The auditor will report to the Board who will periodically review the auditor's work.

- B. The District's General Manager serves at the pleasure of the Board. The Board will provide policy direction and instructions to the General Manager on matters within the authority of the Board by majority vote of the Board during duly-convened Board and Board committee meetings. Directors will deal with matters within the authority of the General Manager through the General Manager, and not through other District employees, except as it pertains to the functions of the Finance Director/Treasurer and District consultants, including the District auditor. Directors will refrain from making requests directly to District employees (rather than to the General Manager) to undertake analyses, perform other work assignments, or change the priority of work assignments. Directors may request non-confidential, factual information regarding District operations from District employees.

(Water Code sections 30540 and 30580 through 30582.)

350.00 Improper Activities and the Reporting of Such Activities; Protection of "Whistle Blowers"

- A. The General Manager has primary responsibility for (1) ensuring compliance with the District's Employee Handbook and ensuring that District employees do not engage in improper activities, (2) investigating allegations of improper activities, and (3) taking appropriate corrective and disciplinary actions. The Board has a duty to ensure that the General Manager is operating the District according to law and the policies approved by the Board. Directors are encouraged to fulfill their obligation to the public and the District by disclosing to the General Manager, to the extent not expressly prohibited by law, improper activities within their knowledge. Directors will not interfere with the General Manager's responsibilities in identifying, investigating, and correcting improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities. Nothing in this section affects the responsibility of the Board to oversee the performance of the General Manager.
- B. A Director will not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding, or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the attention of the General Manager or the Board any information that, if true, would constitute: a work-related violation by a Director or District employee of any law or regulation, gross waste of District funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of a District

official or employee, use of a District office or position or of District resources for personal gain, or a conflict of interest of a Director or District employee.

- C. A Director will not use or threaten to use any official authority or influence to effect any action as a reprisal against another Director or District employee who reports or otherwise brings to the attention of the General Manager any information regarding the subjects described in this section.
- D. Any person who believes that he or she has been subjected to any action prohibited by this section may file a confidential complaint with (1) the General Manager or (2) a Director, if the complaint involves the conduct of the General Manager, who will thereupon refer the matter to the full Board to investigate the complaint. Upon the conclusion of the investigation, the General Manager (or the Board in the case of a complaint against the General Manager) will take appropriate action consistent with the District's Employee Handbook, related human resources policies and procedures, and applicable law.

(Labor Code section 1102.5, and following, and Government Code sections 53298 and 53298.5.)

355.00 Compliance with the Brown Act

Directors, and persons elected but who have not yet assumed office as Directors, will fully comply with the provisions of the Brown Act, the State's open meeting law for public agencies. The Board has adopted "Rules for Proceedings of the Board of Directors" (PL - BOD 002) to guide the Board in ensuring that Board decisions are made during meetings of the Board that are open to the public in compliance with the Brown Act.

(Government Code sections 54950 and following, and 54952.1 and 54959.)

360.00 Directors' Compensation and Expense Reimbursement

Directors will fully comply with the provisions of the Board's "Directors' Compensation and Expense Reimbursement Policy" (PL - BOD 003).

(Government Code sections 53232 and following; Water Code sections 20200 and following.)

365.00 Changes in Compensation

Changes in the compensation of the Board will require the approval of the Board during an open meeting of the Board held at least sixty days prior to the effective date of the change.

(Water Code sections 20200 and following.)

370.00 Candidate's Statement

A Director will not include false or misleading information in a candidate's statement for a general District election filed pursuant to section 13307 of the Elections Code.

(Elections Code section 13313.)

375.00 Violation of Ethics Guidelines

A perceived violation of the ethics guidelines (Ethics Policy articles 300.00 – 370.00) by a Director should be referred to the President of the Board or the full Board of Directors for investigation and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Director who has violated this policy, (b) injunctive relief, (c) referral of the violation to the District Attorney and/or the grand jury; or (d) investigation and action under the District's Workplace Dishonesty Policy (PL - Adm 006) and Procedures (PR - Adm 004).

400.00 Policy Review

This Policy shall be reviewed at least biennially.



Agenda Item: 5

Date: March 4, 2020

Subject: Claims Processing Policy (PL – Adm 007)

Staff Contact: Mike Huot, Assistant General Manager

Recommended Board Action:

Approve the updated Claims Processing Policy (PL – Adm 007) with changes.

Background:

On February 24, 2020, the Claims Processing Policy (PL – Adm 007) update was brought to the Board for review. No comments have been received from the Board.

Discussion:

Staff recommends approving the updated Claims Processing Policy (PL – Adm 007). Both, a redlined version (Attachment 1) and a clean version (Attachment 2) of the updated policy are attached for your reference. In addition to some minor grammatical and wording modifications, staff recommends (1) removing the \$10,000 threshold for reviewing, approving, and rejecting claims for property and injuries (2) removing the requirement for staff to bring injury claims to the Board of Directors before sending to ACWA/JPIA to process.

ACWA/JPIA reviews SSWD claims, determines fault, and recommends a settlement amount. Removing the dollar threshold provides a more efficient process. Currently SSWD staff presents claims for approval before the claim amount is known so ACWA/JPIA can continue with the claims process (e.g., Hemlock Claim, January 27, 2020). Removing the claim threshold will not change the outcome, but it streamlines the process while maintaining the same level of transparency as they are reported monthly to the Board in the District Activities Report. Furthermore, ACWA-JPIA informed SSWD staff that the SSWD Board does not have to deny or reject a claim – property or injury claim - in order to send the claim to ACWA-JPIA for processing. Sections 200.00 and 300.00 were modified accordingly to allow the General Manager to review and approve or reject all claims without a dollar threshold.

Fiscal Impact:

Adopting the policy updates does not have a fiscal impact.

Strategic Plan Alignment:

Goal B: Optimize Operational and Organizational Efficiencies

Goal D: Maintain Excellent Customer Service

Attachment:

1 Redline – Claims Processing Policy (PL – Adm 007)

2 Clean - Claims Processing Policy (PL – Adm 007)

Sacramento Suburban Water District

Claims Processing Policy

Adopted: December 21, 2009

Revised: ~~December 19, 2011; January 27, 2014; January 25, 2016; December 18, 2017~~ Approved with Changes on March 16, 2020

100.00 Purpose of the Policy

The purpose of this policy is to establish a claims handling process that complies with the Government Claims Act, Government Code sections 810 and following, and Ordinance 02-02 establishing local claims procedures for the Sacramento Suburban Water District (District). This process will be used by persons and entities that file claims seeking reimbursement from the District for damages to personal or real property, or for personal injuries alleged to be caused by District facilities or equipment, or its directors, officers, employees, or agents.

200.00 Policy

Pursuant to authority granted by the Government Claims Act and the County Water District Law, the District must take action on each ~~valid~~ claim made by a person or entity against the District for damages to personal or real property, or personal injuries before the person or entity is permitted to file legal action on such claims. Under this Policy, the Board of Directors grants the General Manager, or his or her designee, the authority to review and to approve or reject a claim ~~for personal or real property damage in an amount not exceeding \$10,000. In accordance with the policies of the District's risk pool, ACWA-JPIA, all claims involving bodily injury and all liability claims over \$25,000 must be reported to ACWA-JPIA, and all claims involving bodily injury must be denied by the Board of Directors and referred reported to ACWA-JPIA for handling.~~ The processing of all claims will be conducted in accordance with the Government Claims Act and Ordinance 02-02, including the time limits on claims processing and requirements for claims presentation. All claims ~~exceeding \$10,000 in value will will~~ be presented as information to ~~for action to~~ the Board of Directors at a regularly scheduled Board Meeting. ~~District staff will present all documents received from a claimant, an investigation report, and a recommendation to approve or reject the claim. In the event that a claim against the District is rejected, District staff will send a letter to the claimant describing the Board of Directors' action on the claim and advising the claimant of his, her, or its rights under the Government Claims Act with respect to any adverse action on the claim. Staff also will send a letter to and negotiate any necessary agreement with any claimant whose claim is approved in whole or in part.~~

300.00 Authority and Responsibility

The General Manager, or designee, has the authority to approve or reject all claims.~~a personal or real property claim up to a value of \$510,000.~~ The Operations Manager has the responsibility to receive claim documentation and prepare an investigation report with recommendation for action to the General Manager, ~~or Board.~~ The General Manager shall adopt and implement appropriate procedures to carry out this Policy and report to the District Board of Directors at its next regular meeting on each claim, ~~in the amount of \$510,000 or less that is processed by staff under this policy.~~

400.00 Tender of Claims to Risk Pool or Insurer

Upon receipt of any claim, District staff will provide notice of the claim and all relevant documents to ACWA-JPIA or to any other risk pool or insurer from which the District may obtain any insurance coverage or indemnity for claims from time to time.

500.00 Policy Review

This Policy shall be reviewed at least biennially.

Sacramento Suburban Water District

Claims Processing Policy

Adopted: December 21, 2009
Approved with Changes on March 16, 2020

100.00 Purpose of the Policy

The purpose of this policy is to establish a claims handling process that complies with the Government Claims Act, Government Code sections 810 and following, and Ordinance 02-02 establishing local claims procedures for the Sacramento Suburban Water District (District). This process will be used by persons and entities that file claims seeking reimbursement from the District for damages to personal or real property, or for personal injuries alleged to be caused by District facilities or equipment, or its directors, officers, employees, or agents.

200.00 Policy

Pursuant to authority granted by the Government Claims Act and the County Water District Law, the District must take action on each claim made by a person or entity against the District for damages to personal or real property, or personal injuries before the person or entity is permitted to file legal action on such claims. Under this Policy, the Board of Directors grants the General Manager, or his or her designee, the authority to review and to approve or reject a claim. In accordance with the policies of the District's risk pool, ACWA-JPIA, all claims involving bodily injury and all liability claims over \$25,000 must be reported to ACWA-JPIA for handling. The processing of all claims will be conducted in accordance with the Government Claims Act and Ordinance 02-02, including the time limits on claims processing and requirements for claims presentation. All claims will be presented as information to the Board of Directors at a regularly scheduled Board Meeting.

300.00 Authority and Responsibility

The General Manager, or designee, has the authority to approve or reject all claims. The Operations Manager has the responsibility to receive claim documentation and prepare an investigation report with recommendation for action to the General Manager. The General Manager shall adopt and implement appropriate procedures to carry out this Policy and report to the District Board of Directors at its next regular meeting on each claim.

400.00 Tender of Claims to Risk Pool or Insurer

Upon receipt of any claim, District staff will provide notice of the claim and all relevant documents to ACWA-JPIA or to any other risk pool or insurer from which the District may obtain any insurance coverage or indemnity for claims from time to time.

500.00 Policy Review

This Policy shall be reviewed at least biennially.



Agenda Item: 6

Date: March 10, 2020

Subject: Association of California Water Agencies Joint Powers Insurance Authority
Rate Stabilization Fund Refund Check

Staff Contact: Dan York, General Manager

Recommended Board Action:

None.

Discussion:

Pam Tobin of the Association of California Water Agencies will present the Stabilization Fund Refund Check.

Fiscal Impact:

Unknown.

Strategic Plan Alignment:

Goal C - Ensure Fiscal Responsibility and Affordable Rates



Agenda Item: 7

Date: March 6, 2020

Subject: Resolution No. 20-05 Honoring Daniel A. Bills on His Upcoming Retirement

Staff Contact: Dan York, General Manager

Recommended Board Action:

Adopt Resolution No. 20-05 Honoring Daniel A. Bills on His Upcoming Retirement.

Discussion:

Daniel A. Bills (Mr. Bills) has been a respected, admired, and valued Director of Finance and Administration of the Sacramento Suburban Water District for over 16 years, having been hired on June 30, 2003, following the merger of the predecessor Arcade and Northridge Water Districts. His last day of work will be on April 17, 2020. The resolution commemorates his service. Staff has prepared a ceremonial, framed version of the resolution for presentation to Mr. Bills at the March 6, 2020, regular Board meeting.

Fiscal Impact:

Negligible.

Strategic Plan Alignment:

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

This resolution benefits District customers in that it recognizes the Director of Finance and Administration's dedication to making the District a more efficient organization with superior customer service and increased water supply reliability.

Resolution No. 20-05
A Resolution Honoring
Daniel Bills
On His Retirement

Whereas, Daniel A. Bills (Mr. Bills) completed over 16 years of service with the Sacramento Suburban Water District, having been hired on June 30, 2003; and

Whereas, Mr. Bills accepted the position at a time of intense public scrutiny of the District's finances, and rose to the challenge by instituting new financial controls and procedures which resolved previous issues and which became industry standards for open and transparent public financial reporting; and

Whereas, as District Treasurer, Mr. Bills completely transformed the District's treasury function saving hundreds of thousands of dollars of public monies annually; and

Whereas, Mr. Bills' acumen in public finance served the District well through original public debt offerings and refinancings, including remarkable improvements in the District's credit rating over his tenure; and

Whereas, Mr. Bills earned the admiration and respect of his fellow employees, District management staff, the Board of Directors and the public for his dedication, collegiality, enthusiasm, hard work and consummate professionalism; and

Whereas, Mr. Bills can now spend more well-earned time with his family; and

Whereas, Mr. Bills last day of work will be April 17, 2020, and his retirement from the Sacramento Suburban Water District will be effective April 18, 2020.

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

The Board of Directors expresses its deep and sincere appreciation to Daniel A. Bills for his years of dedicated public service to the District.

The Board of Directors wishes Mr. Bills 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 16th day of March 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: 8

Date: March 2, 2020

Subject: Resolution No. 20-06 Amending Regulation No. 7 of the Regulations Governing Water Service

Staff Contact: Jeffery S. Ott, Director of Finance and Administration

Recommended Board Action:

Adopt Resolution No. 20-06 Amending Regulation No. 7, part H.5 of the Regulations Governing Water Service as shown in Attachment 1, effective April 1, 2020.

Discussion:

The District updates its Facility Development Charges (FDCs) annually on April 1 in accordance with Regulation 7, Part H.5, to reflect cost changes in materials, labor, or real property applied to projects or project capacity. In addition, Regulation 7, Part H.5 states that a comprehensive review and update of the FDC methodology shall occur at least every five years.

At the June 17, 2019, board meeting, the Board of Directors accepted the draft final report on Water Facilities Development Charges (FDCs) from the District’s water rate study consultant, Raftelis. Acceptance of this report and updating the study to include 2019 end-of-year assets and use of the Engineering News Report cost index of the assets as of December 31, 2019, will serve as the basis for public disclosure and discussion at the March 16, 2020, Board Meeting. If adopted by the Board, these FDCs will be effective April 1, 2020.

As described in District Policy PL – Fin 010 Facility Development Charge Setting Policy section 300.00, California Government Code sections 66013 and 66016 require that new or updated FDCs or similar charges be properly noticed. Under section 66016, the District must place consideration of the proposed new or increased fees on the agenda of at least one regular Board meeting and permit the public to present oral or written comments on the proposal. In addition, the District must mail written notice of the meeting at which the matter will be heard, including a “general explanation of the matter to be considered, and a statement that the data required by this section is available”, at least 14 days before the meeting to all parties that have filed a written request with the District for mailed notice of meetings at which new or increased fees and charges will be considered. Also, the District must make publicly available the FDC fee study and any related data at least 10 days before the meeting at which the fee proposal will be considered. If the Board proposes to adopt the new or increased FDCs, with or without change, the Board may take that action only by ordinance or resolution. A formal public hearing on the issue is not required.

The District has no current record of any party requesting to be notified of meetings at which new or increased fees and charges will be considered. The FDC fee study and staff report recommending approval of the new FDC amounts have been posted on the District’s web site and are available at the customer service counter.

The primary purpose for FDC’s is to recoup from new customers the capital outlay necessary to buy-in to the District’s existing system capacity at an equitable cost with current customers. Based on information provided in the Water Facilities Development Charge Study and updated by staff to include 2019 asset data and use of Engineering News – Record’s (ENR’s) 20-Cities Cost Index, the same Index used since 2015, the proposed 2020 FDC charges for new development are as follows:

Exhibit 1

Meter Size	2019 Facilities Development Charge	Proposed 2020 Facilities Development Charge	Change
5/8”	\$3,524	\$4,056	\$532
3/4”	\$5,260	\$6,085	\$825
1”	\$8,785	\$10,141	\$1,356
1 ½”	\$17,518	\$20,282	\$2,764
2”	\$28,039	\$32,452	\$4,413
3”	\$52,605	\$64,903	\$12,298
4”	\$87,692	\$101,411	\$13,719
6”	\$175,332	\$202,823	\$27,491
8”	\$280,541	\$365,081	\$84,540
10”	\$403,320	\$486,775	\$83,455
12”	\$591,803	\$684,527	\$92,724

Fiscal Impact:

Increases in FDC’s will potentially increase District revenue. However, as the District is substantially built-out, increases are expected to be minimal. For example, in 2019 and 2018, FDC revenue totaled \$287,209 and \$158,001, respectively.

Strategic Plan Alignment:

Goal C: Ensure Fiscal Responsibility and Affordable Rates

Provide rates and connection fees that are fair, simple to understand, logical, and meet the revenue requirements, including bond rate covenants of the District.

Approval of this amendment to the Regulations Governing Water Service will improve staff's ability to operate efficiently and allow District customers to better understand the regulations upon which staff bases decisions while implementing Board policy.

Attachment:

1 – Resolution No. 20-06, A Resolution of the Board of Directors of the Sacramento Suburban Water District amending Regulation No. 7 of the Regulations Governing Water Service.

RESOLUTION NO. 20-06

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SACRAMENTO SUBURBAN WATER DISTRICT
AMENDING REGULATION NO. 7 OF THE
REGULATIONS GOVERNING WATER SERVICE**

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, the Board now desires to amend Regulation No. 7 of the Regulations Governing Water Service as described in this Resolution; and

WHEREAS, none of the described amendments to Regulation No. 7 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 No. 7 are hereby amended as shown in Attachment 1, which is attached to and made a part of this Resolution.
2. The Board authorizes and directs the General Manager and staff to take all actions necessary to amend Regulation No. 7 and to enforce such amended regulations in accordance with the authority granted by this Resolution.
3. 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.
4. This Resolution shall take effect as of April 1, 2020.

PASSED AND ADOPTED by the Board of Directors of the Sacramento Suburban Water District on the 16th day of March 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 16th day of March 2020.

(SEAL)

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

Regulation No. 7 New or Additional Service Connections

Adopted: July 19, 2004

Amended: ~~March 27, 2017; March 19, 2018; March 18, 2019~~ March 16, 2020

Water Service from Sacramento Suburban Water District is not transferable or assignable and is subject to full compliance with the District's Regulations Governing Water Service, including the following terms and conditions:

A. New or Additional Service Connections Generally

No New Service shall be connected to the District Water System unless there exists a District water main in a street or right-of-way fronting an Applicant's property accessible to the proposed location of the Applicant's service. A New Service will be located only in the front of a Parcel if an existing water main fronts a Customer's property. A New Service shall only be permitted in a backyard when no other viable option is available. A District water main available to serve a New Service shall have Adequate and Reserve Capacity and pressure to provide safe and reliable water service for domestic and fire protection use as solely and conclusively determined by the District. The District, in determining the adequacy of the existing facilities, will take into consideration all factors such as the water requirements of the project to be served by a New Service, the flows required for fire protection, and whether the use of the water will significantly impair service to existing Customers. If the District determines that the New Service will not be connected into the District Water System unless the Applicant provides such adequate extensions or additions as may be necessary in accordance with District Standards, regulations, and Master Plan, then the District shall determine the location, capacity, and design of such extensions or additions and provide its determination to the Applicant. In making this determination, the District may consider all factors, including but not limited to, anticipated future land uses, water requirements, the desirability of looping water mains to increase reliability and adequacy of service, required flows needed for fire protection, and the long range plans for capital improvements of the District Water System. The District's determination will be conclusive on the Applicant.

B. No Prior Service

1. Adequate Main Abuts Applicant's Parcel

A New Service will be connected provided the following conditions are fulfilled:

- (a) The Parcel to be served is within the District's geographical boundaries or is annexed to the District in accordance with an order of LAFCO;
- (b) The Applicant's Parcel is or has been made subject to applicable bonded indebtedness of the District, if any;

- (c) The District possesses adequate water supply to serve the Applicant's requested needs;
- (d) A District water main of Adequate and Reserve Capacity exists in a public right-of-way fronting the Principal Boundary or Principal Boundaries of the Applicant's Parcel, where the public right-of-way is less than 80 feet wide. For public rights-of-way 80 feet or wider, a water main of Adequate and Reserve Capacity shall exist fronting the Applicant's Principal Boundary from within the area measured from the centerline of the public right-of-way to the Applicant's property line contiguous to the public right-of-way; and
- (e) An Application for Water Service has been filed with the District in compliance with Section D, hereof.

2. No Adequate Main Abuts Applicant's Parcel

Service will be connected provided the following conditions are fulfilled:

- (a) The Parcel to be served is within the District's geographical boundaries or is annexed to the District in accordance with an order of LAFCO;
- (b) The Applicant's Parcel is or has been made subject to applicable bonded indebtedness of the District, if any;
- (c) The District possesses adequate water supply to serve the Applicant's requested needs;
- (d) The Applicant will provide a main of Adequate and Reserve Capacity at his/her own cost and expense, which main shall be constructed in a public right-of-way fronting the entire frontage of the Applicant's Parcel or an approved easement. Should the Applicant's Parcel front two or more rights-of-way, the Applicant shall be required to install the main along the Parcel's Principal Boundary as designated in the District's Master Plan as the right-of-way necessary to provide for future extension of the District Water System. Should the Applicant be required to service the Parcel from a right-of-way other than the principal right-of-way (service shall also mean fire service if required by the applicable fire agency), then the Applicant shall be required to install water mains of Adequate and Reserve Capacity along both the principal and the service frontage. All provisions for main extensions shall be in accordance with all applicable District Standards, Regulations, Master Plans; and
- (e) An Application for Water Service has been filed with the District in compliance with Section D, hereof.

C. Prior Service

1. A Parcel to which service has been discontinued will be re-connected upon the filing of a new application together with the payment of all fees and the upgrade of all District facilities affected by the re-connection as required by District Regulations.
2. If any one of the following, but not limited to, conditions exists on an Applicant's Parcel, the District will require an upgrade of the existing service before reconnection to the District Water System will be permitted:
 - (a) An improvement on the Parcel requires an increase in water pressure or quantity. The District's increase of water pressure or quantity determination shall be based on the quantity of added water use facilities to be installed as a result of the improvement. The Applicant's engineer shall submit to the District a record of all the plumbing fixtures and flows required to serve all existing and proposed improvements on the Applicant's Parcel. Based on this information, the District shall determine if the existing service is adequate to serve the Premises. The District shall use AWWA Standards to determine the adequacy of all services and the consequent need for upgrades.
 - (b) An improvement on the Parcel requires increased water pressure or quantity in order to meet fire demand as computed under the fire suppression rating schedule, published by the California Fire Code (Edition 2013, or latest edition).
 - (c) An improvement changes a multiple unit Premises from master-metered to individually-metered units.
3. In those cases when service has not been interrupted but the Parcel has been improved, the provisions and requirements of Regulations Nos. 7 and 9 hereof shall apply if any one of the conditions described above in subparagraph 2 exists.

D. Application for Service

1. The District will not provide or continue service to any Parcel unless the present Landowner has filed an Application for Water Service with the District.
2. Application for service shall be made in writing on forms provided by the District and signed by the Landowner.
3. Applications shall be supported by plat maps and a legal description of the Parcel, and a project description that includes construction type and number of living units, plan of water distribution, project approval by the appropriate fire service district, the planned service date, the name and billing address of the Landowner, the domestic water requirements in gallons per minute, and the total fire-flow

requirements, as well as the location of existing and/or proposed fire hydrants to meet applicable fire-flow requirements.

4. The failure of an Applicant to request the connection of his or her Parcel to the District Water System within one year of the District's Plan Approval shall automatically terminate the application and entitle the Applicant to the return of all fees paid except the plan check fee, any annexation fee, and other fees as described in Subsection G hereof. A request for refunding of fees shall be made in writing to the District.
5. The Applicant must deposit with the District, on or before the Plan Approval date, an amount equal to the cost of all Extension Facilities proposed to be constructed by the District, together with all service charges, fees, and Facilities Development Charges in effect on the date of the Final Approval.
6. Any decision by the District's staff concerning an application for service is appealable to the District Board of Directors or the Board's Facilities and Operations Committee. An Applicant's appeal must comply with the applicable requirements provided in Regulation 17, Procedures for Variance Application.
7. In situations where a retail municipal water supplier must allocate service connections due to supply limitations, Government Code section 65889.7 requires the District to provide a service priority to proposed residential developments that include units affordable to lower income households, as such are defined in Health & Safety Code sections 50052.5, 50053 and 50079.5. The District currently has sufficient supplies to serve all anticipated new demands and given its largely built-out condition, expects to have sufficient supplies to meet all future new demands. If, however, an allocation of new services becomes necessary, the following states the District's low income housing priority policy. An application for service to a proposed development that includes housing units affordable to lower income households, as defined by Government Code section 65589.7(d)(1), shall not be denied, conditionally approved, or the amount of service applied for reduced without specific written findings that the denial, condition, or reduction is necessary due to one or more of the following:
 - a. The District does not have "sufficient water supply," as defined in paragraph (2) of subdivision (a) of Section 66473.7, or is operating under a water shortage emergency or distribution capacity to serve the needs of the proposed development, as demonstrated by a written engineering analysis and report;
 - b. The District is subject to a compliance order issued by the State Department of Public Health that prohibits new water connections;
 - c. The Applicant has failed to agree to reasonable terms and conditions relating to the provisions of service generally applicable to development projects seeking service from the District, including, but not limited, the requirements of local, state, or federal laws and regulations or payment

of a connection fee or capacity charge imposed pursuant to Government Code section 66013.

In accordance with Water Code section 10631.1, the District will include in its Urban Water Management Plans projections of water use by single- and multiple-family housing needed for low income families.

E. Water Main Sizes

1. The size of water mains to be installed in accordance with this Regulation 7 shall be in compliance with District Standards, Section D - Design Standards.
2. Whenever Extension Facilities are required to be installed in accordance with this Regulation 7, the District may require, in accordance with its approved Master Plan and for the purposes of public convenience, necessity, and safety, the installation of an Up-Sized Line. Whenever the District requires the installation of an Up-Sized Line, the line shall be designed in accordance with one of the following procedures at the District's option:
 - (a) An Applicant, with approval from the District, shall have his or her engineer design the Up-Sized Line. The Applicant shall competitively bid and in accordance with the lowest responsive and responsible bid, construct the extension facility in accordance with the following conditions:
 - (1) The Applicant's engineer will prepare a spreadsheet detailing the Applicant's cost of installation of the line size required in accordance with provisions of District Standards, Section D - Design Standards.
 - (2) The Applicant's engineer will prepare a spreadsheet detailing the cost of the installation of the Up-Sized Line.
 - (3) The Applicant's engineer shall design plans and specifications for both the main size required in accordance with District Standards and Regulations and the Up-Sized Line. The design of the water mains shall be according to District Standards with plan review, revisions, and Plan Approval by District staff.
 - (4) The District shall pay to the Applicant, when the job is completed and accepted by the District, the difference in cost between the cost of the Up-Sized Line based on the lowest responsive and responsible bid and the cost of the installation of the line of the size required to adequately serve his or her Parcel, based on the average of the three lowest responsive and responsible bids. The District shall pay for the Up-Sized Line in accordance with Regulation 9, Section L.
 - (5) The Applicant shall pay to the contractor the full cost of the main installed.

- (6) The Applicant shall pay all of the District's fees, charges and costs required for the installation of the water main.
 - (7) The Applicant shall comply with all applicable regulations of the District and any amendments adopted from time to time by the Board of Directors.
- (b) The District shall design plans and call for separate bidding to construct the Extension Facilities as follows:
- (1) District staff will prepare spreadsheets detailing the cost of installing the line size required in accordance with District Standards, Section D - Design Standards.
 - (2) District staff will prepare spreadsheets detailing the cost of installing the Up-Sized Line.
 - (3) The Applicant shall pay to the District the full cost of the installation of the line of the size required to adequately serve his or her Parcel, based on the average of the three lowest responsive and responsible bids, and the District will pay the difference for the cost of the Up-Sized Line as contained in those bids. Applicant's payment to the District shall be no later than 30 calendar days after the District has awarded the project.
 - (4) The Applicant shall comply with all District Standards and Regulations and any amendments adopted from time to time by the Board of Directors.

F. District Final Plan Approval

The date of the District's final Plan Approval is defined as that date when the District shall, after receipt of all applicable fees, charges, applications and grants of easements, date and sign the Applicant's plans as approved for construction, or where no Extension Facilities are required, on that date when the District shall, after receipt of all applicable fees, charges, application and grants of easements, approve and date the said application. Should Applicant not obtain District's approval of his or her plans, the Applicant shall not be allowed to connect to the District Water System until he or she has obtained final Plan Approval. The District's Final Plan Approval is subject to all time limits and other restrictions provided in this Regulation 7 and such approval does not create any vested right in an Applicant except to the extent provided herein.

G. Expired Plans/Un-Built Projects

If construction of the required extension has not begun on the one-year anniversary date of Plan Approval or the District receives a written statement from an Applicant that the project will not be built, the District shall deem the plans void. The District will refund collected fees upon the Applicant's written request, except for plan review, hydrant permit, construction water, annexation, and fire hydrant flow test fees. Should an Applicant resubmit plans for approval, the District will review the plans in accordance with District Standards, this Regulation 7 and Regulation 9. New and/or additional fees will be calculated and assessed for review of resubmitted plans. New Plan Approval shall be per Section F hereof.

H. Charges for New or Improved Service Connections

1. Plan Check Fee

A charge shall be assessed by the District for the review of the Applicant's construction plans for new or improved water service. The charge will be assessed at the rate of \$90.00 per hour for each District employee assigned to the review. In addition, the District may charge staff time or consultant fees at cost for any additional services required as part of the review, including but not limited to, hydraulic analyses, site verification, and research. The District shall estimate the cost of reviewing such plans and notify the Applicant of the estimated costs for the services required. The Applicant shall deposit with the District the estimated plan check costs as a condition precedent to plan review. In the event that the actual cost for plan checking incurred by the District exceeds the amount deposited, the Applicant shall pay the excess fees due to the District before final Plan Approval. The charge for Plan Review shall be in accordance with Regulation 3, Section R.

2. Service Line Charge

The District charge for the installation of a new metered water service line from the existing water main to an Applicant's Parcel shall equal the District's actual cost of materials, installation, labor, equipment, and normal overhead charges. The charge for the installation of a new service line shall be in accordance with Regulation 3, Section U.

3. Service Line Relocation

The District charge for the relocation of a service line from the existing water main to an Applicant's Parcel (which will be relocated according to District Standards) shall equal the District's actual cost of materials, installation, labor, equipment, and normal overhead charges. The charge for relocation of a service line shall be in accordance with Regulation 3, Section V.

4. Water Meters

District charges for installing and setting water meters will consist of the District’s actual cost of materials, labor, equipment, installation, and overhead. The installation of a metered New Service shall be charged according to Section H.2 of this Regulation 7, provided that all applicable conditions of the District’s Regulations have been satisfied. When the only service rendered is restoring water service by reinstalling a Meter, a charge will be assessed in accordance to Regulation 3, Section I for each reinstallation.

5. Facilities Development Charge

To cover a portion of the District’s costs incurred for the installation of wells, pumps, and storage and treatment facilities, and to provide a fund for reimbursement of a portion of Customers’ costs of Extension Facilities pursuant to Regulation No. 9, Section A, a Facilities Development Charge will be imposed in accordance with the following schedule for each new or improved service:

Meter Size	Facilities Development Charge*
5/8"	\$3,524,004,056.00
3/4"	\$5,260,085.00
1"	\$8,785,10,141.00
1 ½"	\$17,518,20,282.00
2"	\$28,039,32,452.00
3"	\$52,605,64,903.00
4"	\$87,692,101,411.00
6"	\$175,332,202,823.00
8"	\$280,541,365,081.00
10"	\$403,320,486,775.00
12"	\$591,803,684,527.00

* Each year the Facilities Development Charges will be adjusted to reflect cost changes in materials, labor or real property applied to projects or project capacity. This adjustment in cost is not considered a change in the Facilities Development Charge methodology. The cost adjustment shall be made by applying one or more specific cost indexes or other periodic data sources. A specific cost index or periodic data source must be:

1. A relevant measure of the average change in prices or cost over an identified time period for materials, labor, real property or a combination of the three;

2. Published by a recognized organization or agency that produces the index or data source for reasons that are independent of the Facilities Development Charges methodology;
3. Publicly-available and generally recognized in the utility industry as an authoritative resource for calculating periodic cost adjustments; and
4. Shall be adopted from time to time by Resolution of the Board

The effective date of the recalculated Facilities Development Charges will be April 1st. A comprehensive review and update of Facility Development Charge methodology shall occur at least every five years.

- (a) In the event that the Facilities Development Charge assessed to the Applicant impose a financial burden on his or her project, the Applicant may request that the District enter into a deferred payment plan on the all of following terms:
 - (1) The written application includes a request for deferment of the payment of all or part of the Facilities Development Charge.
 - (2) The District Board of Directors must approve the request.
 - (3) The request is accompanied by a surety bond or an irrevocable letter of credit in an amount equal to the Facilities Development Charge imposed on the Applicant as specified above, and the specified security is issued by a surety or financial institution authorized to do business and in good standing with the appropriate agency of the State of California.
 - (4) The deferment request is accompanied by an executed Contract on a form provided by the District, which Contract includes the provisions of this subsection and provides for the payment of such Facilities Development Charge as may be in effect on the date of payment, together with interest at the legal rate. The Contract also will provide that the Applicant will pay the Facilities Development Charge in full no later than a date that is no more than 12 months from the date of the filing of the Service Application with the District.
 - (5) The written application and accompanying plans must comply with all applicable District Standards, Ordinances, and Regulations.
 - (6) The deferment rights granted to an Applicant, if any, are not assignable except upon the District's written consent.

6. Supervision and Inspection Charges

A charge shall be assessed for District supervision and inspection of water system improvements based upon hourly rate of \$75.00 per hour. At the time of service application, the District will estimate the minimum cost for District supervision and inspection of the proposed water system improvements, which the Applicant shall deposit with the District in advance of Plan Approval, in addition to all other charges owing under the District's regulations. In the event that actual supervision and inspection costs for supervision and inspection incurred by the District exceed the amount deposited, the Applicant will pay the excess fees due to the District as a condition precedent to final District acceptance of the water system improvements and connection of service. Should any additional costs be required due to damage to District facilities by Applicant's contractor during construction, the cost shall be billed separately to the contractor. The contractor's payment of billed damages shall be due as a condition of commencing water service and final District acceptance of the improvements. The charge for Supervision and Inspection shall be in accordance with Regulation 3, Section S.

Should the need for an inspection occur weekdays between 4:30 p.m. and 8:00 a.m. the following day, or on weekends or holidays, the requested inspection shall be scheduled through the District to ensure the availability of personnel for the time requested. Overtime costs for inspections outside of normal business hours by District personnel shall be calculated and paid by the Applicant in advance of scheduling the after-hours work. The overtime charge shall be at least one and one-half (1½) times the standard hourly rate for inspection.

7. Fire Hydrant Flow Test

When requested by the local fire agency having jurisdiction over a project within the District, a fire hydrant flow test will be performed to determine the flow available at the test date. The flow test will only demonstrate the pressure and distribution capabilities at the time and under the conditions existing when the test is performed. The District will not guarantee that the flow test results obtained will be consistent with flows available at all times and under all conditions.

Flow tests will be performed either in the field or using the District's water model. Tests will be performed by District staff as time allows but not to exceed 4 weeks after a request is made. For design purposes, fire flow tests using the water model will be run with the most conservative assumptions reasonable in order to establish the projected worst case conditions prevailing in the District's water system.

A charge will be assessed for the District to supervise and perform the test and to provide written results. The charge shall be in accordance with Regulation 3, Section T.

8. Bacteriological Testing

After installation and disinfection, the District will sample all new Extension Facilities and have the sample tested by a certified laboratory for bacteria. The Extension Facilities will be super-chlorinated and flushed using at least three times the volume of water in the facilities before bacteria testing is to begin. After flushing is complete, the first set of bacteria testing will be collected from the Extension Facilities. Twenty-four (24) hours after the first collection, a second set of bacteria testing will be collected. If the new Extension Facilities fail to meet applicable federal, state and local bacteriological standards, the Applicant will be responsible for re-disinfecting and re-testing those facilities until they pass. A charge for this test and any required retests will be assessed in accordance to Regulation 3, Section J.

9. Backflow Prevention Assembly Test Charge

A charge will be assessed for the District to test all Backflow Prevention Assemblies as part of a new development to verify the operating status of each such device. If a Backflow Prevention Assembly does not pass the first inspection, the Applicant will be required to repair the Backflow Prevention Assembly and re-test it at the Applicant's expense. Each backflow test charge shall be in accordance with Regulation 3, Section D.

10. Environmental Document Charge

Whenever the District determines that an environmental impact report or other environmental document is required for a proposed Extension Facility necessary to serve an Applicant's Parcel, the District will estimate the cost of preparing such a document, including overhead expenses, preparation, and hearings. In addition to all other costs that may be due to the District for provision of service, the Applicant shall deposit with the District the estimated Environmental Document Charge as a condition precedent to the District's approval of an environmental document. In the event that the actual cost to prepare an environmental document exceeds the amount deposited, the Applicant will pay the excess amount before Final Approval. If the deposit exceeds the cost, the District will refund the balance.

In the event that the Applicant delivers to the District a certified copy of an environmental document duly approved and filed by the County of Sacramento relevant to the Applicant's Parcel, the District may determine, in its sole discretion, that the provisions of this paragraph do not apply.

11. Furnish-Only Fees

Meters, as shown on the standard detail drawing of the District Standards, are required on all new or improved Service Connections and shall be Furnish-Only Materials by the District. The District will charge fees for Furnish-Only Materials to an Applicant in accordance with the number, the cost, and the District's inventory and overhead cost for furnishing the required Meter(s).

I. Water Service

The District shall make water service available to an Applicant's new or improved Service Connection subject to the following terms and conditions:

1. No service shall be granted or continued unless an Applicant has filed an application for service on a District-furnished form.
 - (a) All new construction, improved Parcels, and replacement mains shall have a Meter installed on the Principal Boundary no more than one foot behind a sidewalk or curb.
 - (b) Monthly water billing shall be computed on actual consumption based on the Metered Rates in Regulation No. 3.
 - (c) A separate Service Connection and Meter shall be installed on each Parcel. A separate Service Connection may include multiple meters except as otherwise limited by this Regulation 7.
 - (d) If a Parcel is found to be served by more than one Service Connection, it will be at the sole discretion of the District, in consultation with the Customer, to determine how the parcel will receive water through a metered connection(s). The owner of the parcel will be responsible for the cost of any changes to the service configuration, including the abandonment of any existing unused Service Connection or the upgrade to District current standards of additional Service Connections as determined necessary by the District.
 - (e) The minimum water service size for a new residential Service Connection shall be one inch in diameter.
 - (f) No more than one Service Connection per Single Family Residential Parcel will be permitted unless otherwise determined by the District.
 - (g) Each residential unit is required to have its own District-approved Service Connection.
 - (h) A separate metered irrigation service shall be required for all non-residential units.
 - (i) No credit will be allowed for vacancies in multiple family residential units.
 - (j) All non-residential services and multi-family residential structures containing 5 or more units fed from a single connection services shall have water meters with an approved Backflow Prevention Assembly.
2. Use of a 5/8" meter shall be limited to multi-family residential units fed by a single water service such as, but not limited to, duplexes, triplexes, fourplexes, apartment buildings with five or more residential units, and condominiums.

3. Voluntary Meter Installation on an Existing Residential Service
 - (a) At a Customer's request, the District will install a permanent Meter on an existing un-metered Service Connection for a residential Parcel at no direct charge. However, should the Parcel be within a current main replacement project area that is scheduled for a new water service installation a new meter will be installed only after the installation of the new water main.
 - (b) Upon installation of a Meter, the District will compute and charge the Parcel's water bill based on actual consumption at the Metered Rates stated in Regulation No. 3.

J. Connection to Facilities Extended by District

1. If an Applicant for water service to a Parcel fronting Extension Facilities built with District funds desires to connect to such facilities, he or she shall deposit with the District, together with a New Service application, a portion of the total cost of designing and installing the Extension Facilities. The Applicant's cost share shall be determined by comparing the length of the Applicant's frontage along the right-of-way in which the water service facilities will or have been located to the total combined frontage along said right-of-way of all Parcels served by the Extension Facilities. The District also will calculate and charge all other applicable fees and charges established by District Regulations.
2. If an Applicant chooses, payment of the costs and charges to connect to District-constructed Extension Facilities as defined in Regulation 9, Section A may be deferred for a period not to exceed 12 months from the date on which the District approves the Application for Water Service, provided:
 - (a) The Applicant requests the District defer the charges in writing before the date the application is approved, and
 - (b) The full amount of such fees and charges together with interest thereon at the legal rate is guaranteed by a surety bond issued by a surety company acceptable to the District, and the Applicant executes an agreement to make such payment together with interest at the legal rate within the 12-month deferment period, and
 - (c) The deferment is not transferable.
3. Reimbursement for eligible costs of Extension Facilities as defined by Regulation 9, Section A will not be made until all connection charges have been paid by the Applicant.

K. Abandonment of Service Line

The District charge for the abandonment of an existing water service from the existing water main to the Applicant's Parcel shall equal the District's actual cost of materials, labor, equipment and normal overhead charges. The charge for service abandonment shall be in accordance with Regulation 3, Section W.

L. Existing Services

All Service Connections that are not directly affected by an improvement, but which exist on a Parcel to be improved, shall be upgraded to current District Standards if the Landowner intends to use such service(s) in the future. If the unaffected Service Connection(s) will not be used, the Landowner shall be required to abandon such service(s) in accordance with District Standards. This requirement applies to all services that serve other buildings or appurtenances on the Parcel being improved.

District-required upgrades of existing Service Connection(s) shall include, but are not limited to, repair, upgrade and/or replacement of existing facilities to current District Standards.

Credit will be given for existing unused services on improvement projects affecting the Parcel. Credit will be given in the amount of the existing Facilities Development Charge on the Plan Approval date, subject to abandonment of the unused Service Connection(s) as required herein. Credit will only apply to new Facilities Development Charges and will not exceed the total for the project.

M. Existing Services on Split Parcels

After a parcel split, the existing service will serve only the Parcel on which it is installed. If any unserved portion of a split Parcel will be developed, the Landowner shall be required to install a New Service on such Parcel in accordance with all applicable District Standards, Ordinances, and Regulations.



Agenda Item: 9

Date: March 9, 2020

Subject: General Manager's Report

Staff Contact: Dan York, General Manager

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

As previously reported, Raftelis Tully/Young (RTY) was selected to conduct the subject Study. To date, the Board of Directors of the following agencies have approved participating in this study:

- Carmichael Water District
- Citrus Heights Water District
- City of Folsom
- Rio Linda/Elverta Community Water District
- Sacramento Suburban Water District
- San Juan Water District

Del Paso Manor WD is in the process of obtaining approval to participate in the Study at their April regular Board meeting.

The Study will be overseen by a Management Committee, composed of at least one executive from each of the Agencies. RTY will meet with the Management Committee as necessary, but at least once to initiate the project, and then at the end of each Activity phase. In addition, during the analysis phase of the work, RTY will need to communicate with each Agency's subject matter expert staff as required.

RTY will present the results of each Activity phase to an Ad Hoc Committee of members of each Board of Directors/City Council of each of the participating agencies (3 meetings total). RTY will present the final results of the Study to a facilitated joint meeting of the Boards of Directors/City Councils of the Agencies.

The group is in the process of scheduling a kick-off meeting in late March and early April with the Management Committee, Ad Hoc Committee Agency, and RTY.



Agenda Item: 10

Date: March 10, 2020

Subject: Financial Report

Staff Contact: Jeffery S. Ott, Director of Finance and Administration

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

- Draft Financial Statements – February 2020
- Draft Financial Highlights – February 2020
- Investments Outstanding and Activity – February 2020
- Cash Expenditures – February 2020
- Credit Card Expenditures – February 2020
- Draft District Reserve Balances – February 2020
- Information Required by Bond Agreement
- Financial Markets Report – February 2020

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. It is gleaned from the financial statements presented on subsequent pages. Key information from this report indicates the District's cash balance is \$4.7 million less than February 28, 2019, while investments are \$3.0 million more than on February 28, 2019; long term debt has decreased by \$5.2 million; and net position has increased by \$10.3 million in the last 12 months as the District continues to replace capital infrastructure without incurring additional debt financing. Operating revenues increased \$0.4 million year to date compared to the same period a year ago. In addition, a five percent rate increase became effective February 1, 2020.

DRAFT - Statements of Net Position:

District cash and cash equivalents decreased to \$4.7 million as of February 29, 2020, down \$3.3 million from \$8.0 million at December 31, 2019, due primarily to settlement payment of \$2.6 million to McClellan Business Park (MCBP) to satisfy an agreement between MCBP and SSWD. Cash held in the District's bank accounts (\$2.9 million as of February 29) is held in accordance with state and federal regulations, which state that cash held in the District's bank accounts above the Federal Deposit Insurance Corporation 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, 2019, by \$0.4 million to a total of \$39.5 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 \$1.3 million to \$494.9 million as of February 29, 2020, since December 31, 2019, resulting from expenditures on distribution main replacement projects, well improvement projects, or meter retrofits 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 \$262.95 million as of February 29, 2020, compared to \$260.54 million at December 31, 2019, for an increase of \$2.41 million.

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

The net position increase of \$2.41 million in 2020 is \$1.1 million more than the first two months of 2019. Net changes are mainly comprised of:

1. Operating revenues increased by \$0.4 million compared to the same period of 2019, due primarily to a 5.0 percent rate increase that occurred on January 1, 2020.
2. Operating expenses decreased by \$0.2 million from the same period in 2019, due primarily to the decrease of surface water costs as less surface water was taken in North Service Area and South Service Area due the suspension of PCWA water availability.
3. Investment income increased by \$0.4 million compared to the same period a year ago, primarily due to unrealized holding gains in the first two months of 2020.

DRAFT - Budgets:

The District's operating and maintenance expenditures through February 2020 came in less than the approved budget by \$0.8 million. Most of this positive variance is due to 1) water cost savings from not purchasing surface water in North Service Area due to PCWA water availability and South Service Area due to City of Sacramento water availability and 2) expenditure timing differences.

Operating capital project expenditures in February 2020 were \$11,117. The total budget for the year is \$1.2 million.

The District's Capital Improvement Project (CIP) budget for 2020 is \$19.6 million. For 2020, \$1.4 million has been spent while \$4.4 million has been committed. Expenditures continue to be primarily in distribution system replacements, new well construction, well improvements, and meter retrofit projects.

Debt – February 2020

This report also shows District activity in repaying its long-term debt obligations. Scheduled 2020 principal payments of \$4.8 million are not due until the end of October 2020. Total principal outstanding as of February 29, 2020, remains at \$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 first two month of 2020, the District has incurred interest expense of \$335,547 versus a forecast of \$439,300, or a \$103,753 positive variance.

Investments Outstanding and Activity – February 2020

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 Local Agency Investment Fund (LAIF). The District's investments are under the day-to-day management of PFM Asset Management, LLC (PFM). PFM manages the portfolio in compliance with the District's Investment Policy and provides monthly and quarterly reporting, analytics, and proposes strategies for the District. The market portfolio is currently earning a rate of 2.21% per annum, while LAIF is earning 1.97% 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 February 2020, the District purchased one US Treasury Note for \$0.4 million (par) and one Certificate of Deposit for \$0.4 million (par). The District received principal pay downs on three Federal Agency Collateralized Mortgage Obligations of \$30,866 (par) and five Asset-Backed Security Obligations of \$80,577 (par). One Certificate of Deposit was matured for \$0.4 million (par) and one Corporate Bond was matured for \$0.2 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 – February 2020

During the month of February, the District made cash payments totaling \$3.4 million. The primary expenditures were – \$1.2 million for 2020 capital improvement projects, \$0.6 million for payroll,

pension and health benefits, \$1.1 million for water costs including pumping and chemical costs, \$0.1 million for debt service, and \$0.4 million for all other O&M expenses.

Purchasing Card Expenditures – February 2020

Per the District's Purchasing Card Policy (PL – FIN 006), a monthly report detailing each purchasing card transaction by cardholder is provided.

During the month, the District spent \$9,826 for various purchases on the six District purchasing cards. Details by vendor and purpose are included in this report.

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 February 29, 2020, are \$44,325,407 compared to \$47,268,398 at December 31, 2019.

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.

DRAFT - Financial Statements
February 29, 2020

**Sacramento Suburban Water District
Financial Highlights
Period Ended**

STATEMENTS OF NET POSITION

	<u>Year-To-Date</u> <u>2/29/2020</u>	<u>Year-To-Date</u> <u>2/28/2019</u>
LIQUIDITY		
Cash and cash equivalents	\$4,666,054.31	\$9,398,701.64
INVESTMENT		
Investments	39,464,447.77	36,510,145.83
CAPITAL ASSETS		
Property, plant and equipment	494,940,033.12	477,552,005.91
Accumulated depreciation	(192,494,657.53)	(182,389,629.24)
	302,445,375.59	295,162,376.67
LIABILITIES		
Long Term Debt	(76,122,447.90)	(81,332,341.70)
NET POSITION		
Net Position	262,954,403.88	252,604,810.88

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	<u>Month</u> <u>2/29/2020</u>	<u>Year-To-Date</u> <u>2/29/2020</u>	<u>Month</u> <u>2/28/2019</u>	<u>Year-To-Date</u> <u>2/28/2019</u>
NET INCOME				
Operating Revenue	3,568,285.85	6,744,004.67	3,360,831.19	6,320,002.74
Operating Expense	(1,403,528.29)	(2,520,477.77)	(1,411,422.41)	(2,725,134.64)
Other, Net	(834,172.81)	(1,808,885.25)	(1,201,784.00)	(2,264,067.91)
Change in Net Position	\$1,330,584.75	\$2,414,641.65	\$747,624.78	\$1,330,800.19

**Sacramento Suburban Water District
Balance Sheet
As Of**

	<u>Month End</u>	<u>Year End</u>
	<u>2/29/2020</u>	<u>12/31/2019</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$4,664,366.48	\$8,011,078.56
Restricted Cash and cash equivalents	1,687.83	1,687.83
Accounts receivable, net of allowance for uncollectible accounts	2,745,265.59	2,901,672.06
Interest receivable	194,904.72	215,053.00
Grants receivables	7,296.94	351,969.29
Other receivables		97,320.57
Inventory	550,404.24	553,991.25
Prepaid expenses and other assets	1,535,997.43	1,249,069.53
TOTAL CURRENT ASSETS	9,699,923.23	13,381,842.09
NONCURRENT ASSETS		
Investments	39,464,447.77	39,040,578.27
Fair value of interest rate swaps	56,545.00	56,545.00
TOTAL NONCURRENT ASSETS	39,520,992.77	39,097,123.27
Property, plant and equipment	494,940,033.12	493,653,393.30
Accumulated depreciation	(192,494,657.53)	(190,327,387.33)
TOTAL CAPITAL ASSETS	302,445,375.59	303,326,005.97
TOTAL ASSETS	351,666,291.59	355,804,971.33
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount on long-term debt refunding	5,253,355.70	5,363,479.76
Pension contribution subsequent to measurement date	2,223,442.00	2,223,442.00
Other post-employment benefits	343,227.00	343,227.00
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	359,486,316.29	363,735,120.09
LIABILITIES		
CURRENT LIABILITIES		
Current portion of long-term debt and capital leases	4,790,000.00	4,790,000.00
Accounts payable	970,400.61	3,769,360.97
Accrued interest	367,266.13	297,075.42
Deferred revenue and other liabilities	1,927,478.54	1,867,586.59
Accrued expenses	182,337.26	4,194,921.54
TOTAL CURRENT LIABILITIES	8,237,482.54	14,918,944.52
NONCURRENT LIABILITIES		
Long-term debt	71,332,447.90	71,430,427.20
Compensated absences	1,237,666.97	1,121,671.14
Net pension liability	8,812,373.00	8,812,373.00
Net other post-employment benefits liability	6,101,412.00	6,101,412.00
TOTAL NONCURRENT LIABILITIES	87,483,899.87	87,465,883.34
TOTAL LIABILITIES	95,721,382.41	102,384,827.86
DEFERRED INFLOWS OF RESOURCES		
Deferred intflow of effective swaps	56,545.00	56,545.00
Employee pensions	741,595.00	741,595.00
Other post-employment benefits	12,390.00	12,390.00
NET POSITION		
Invested in capital assets, net of related debt	232,469,058.53	232,469,058.53
Restricted	1,687.83	1,687.83
Unrestricted	30,483,657.52	28,069,015.87
TOTAL NET POSITION	262,954,403.88	260,539,762.23
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	359,486,316.29	363,735,120.09

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

	Month 2/29/2020	Year-To-Date 2/29/2020	Month 2/28/2019	Year-To-Date 2/28/2019
OPERATING REVENUES				
Water consumption sales	\$815,672.76	\$1,425,675.32	\$693,207.10	\$1,154,419.51
Water service charge	2,683,082.03	4,927,378.51	2,558,180.53	4,729,782.53
Wheeling water charge	15.00	236,554.00	42,685.40	272,627.96
Other charges for services	69,516.06	154,396.84	66,758.16	163,172.74
TOTAL OPERATING REVENUES	3,568,285.85	6,744,004.67	3,360,831.19	6,320,002.74
OPERATING EXPENSES				
Source of supply	54,535.08	205,521.04	187,533.99	372,506.35
Pumping	298,524.75	391,072.95	237,978.06	470,929.31
Transmission and distribution	310,509.99	634,745.74	369,539.29	699,846.97
Water conservation	30,376.71	58,536.66	22,522.59	48,767.49
Customer accounts	83,251.26	182,365.96	92,053.95	139,995.63
Administrative and general	626,330.95	1,048,235.87	503,233.06	994,527.42
TOTAL OPERATING EXPENSES	1,403,528.74	2,520,478.22	1,412,860.94	2,726,573.17
Operating income before depreciation	2,164,757.11	4,223,526.45	1,947,970.25	3,593,429.57
Depreciation and amortization	(1,083,635.10)	(2,167,270.20)	(1,083,557.52)	(2,167,192.62)
OPERATING INCOME	1,081,122.01	2,056,256.25	864,412.73	1,426,236.95
NON-OPERATING REV. (EXP.)				
Rental income	24,503.86	47,144.43	15,121.57	49,402.15
Interest and investment income	335,844.35	624,274.06	68,602.77	245,604.54
Interest expense and debt related costs	(123,036.28)	(347,692.05)	(204,420.88)	(437,972.32)
Other non-operating revenues	1,315.20	15,578.35	3,909.77	16,689.42
Other non-operating expenses	9,825.61	9,825.61	(1.18)	19.45
Gain(loss) on disposal of capital assets	1,010.00	9,255.00		30,820.00
NON-OPERATING REV. (EXP.)	249,462.74	358,385.40	(116,787.95)	(95,436.76)
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	1,330,584.75	2,414,641.65	747,624.78	1,330,800.19
CAPITAL CONTRIBUTIONS				
CHANGE IN NET POSITION	1,330,584.75	2,414,641.65	747,624.78	1,330,800.19
Net position at beginning of period	261,623,819.13	260,539,762.23	251,857,186.10	251,274,010.69
NET POSITION AT END OF PERIOD	262,954,403.88	262,954,403.88	252,604,810.88	252,604,810.88

Sacramento Suburban Water District
Operations and Maintenance Budget
Period Ended

	Month Of February			2020 YTD		
	Actual	Budget	Variance	Actual	Budget	Variance
BUDGETED OPERATING EXPENSES						
Board of Directors	\$6,182.90	\$6,186.34	\$3.44	\$8,560.96	\$12,372.68	\$3,811.72
Administrative	200,957.64	216,040.71	15,083.07	337,788.88	432,256.42	94,467.54
Finance	73,622.78	120,515.79	46,893.01	145,917.92	241,031.58	95,113.66
Customer Services	83,251.26	111,586.24	28,334.98	182,365.96	223,172.48	40,806.52
Field Operations	36,932.31	46,264.62	9,332.31	81,975.41	92,529.24	10,553.83
Production	353,059.83	404,742.74	51,682.91	596,593.99	780,378.48	183,784.49
Distribution	219,103.43	220,543.20	1,439.77	386,948.66	431,086.40	44,137.74
Field Services	88,238.08	116,461.26	28,223.18	241,914.44	275,440.52	33,526.08
Maintenance	43,494.26	59,244.97	15,750.71	79,780.48	118,489.94	38,709.46
Water Conservation	30,376.74	44,302.34	13,925.63	58,536.66	88,604.68	30,068.02
Engineering	165,762.97	171,437.24	5,674.27	205,383.38	344,874.48	139,491.10
GIS/CAD	22,458.63	29,277.20	6,818.57	47,497.44	58,554.40	11,056.96
Human Resources	20,761.01	28,620.32	7,859.31	35,103.52	48,240.64	13,137.12
Information Technology	59,326.93	91,893.59	32,566.66	112,110.52	183,787.18	71,676.66
TOTAL OPERATING EXPENSES	1,403,528.74	1,667,116.56	263,587.82	2,520,478.22	3,330,819.12	810,340.90

SACRAMENTO SUBURBAN WATER DISTRICT
 OPERATING CAPITAL BUDGET
 2/29/2020

Project Number	Project Name	Orginal Budget	Current Month Expenditures	Expenditures Year-To-Date	Committed Year-To-Date	Remaining Balance
SF20-482	UPDATING ASSET MGMT PLANS	\$ 565,000.00	\$ 11,116.50	\$ 11,116.50		\$ 553,883.50
SF20-483	FENCE REPLACE - 2 WELL SITES	14,000.00		-	3,400.00	\$ 10,600.00
SF20-484	MARCONI CUST SERV AREA IMPRV	75,000.00		-		\$ 75,000.00
SF20-485	OFF FURNITURE/WORKSTATIONS	5,000.00		-		\$ 5,000.00
SF20-486	HVA/ROOF/BUILD REPAIRS	30,000.00		-		\$ 30,000.00
9 SF20-487	VEHICLE REPL - TRUCK# 46	32,000.00		-		\$ 32,000.00
SF20-488	VEHICLE REPL - TRUCK# 49	47,000.00		-		\$ 47,000.00
SF20-489	VEHICLE REPL - TRUCK# 54	47,000.00		-		\$ 47,000.00
SF20-490	VEHICLE REPL - TRUCK# 56	47,000.00		-		\$ 47,000.00
SF20-491	VEHICLE REPL - TRUCK# 4	31,000.00		-		\$ 31,000.00
SF20-492	VEHICLE REPL - TRUCK# 16	31,000.00		-		\$ 31,000.00
SF20-493	BOARD ROOM WALL MAP	4,000.00		-		\$ 4,000.00
SF20-494	HARDWARE REFRESH PROGRAM	167,000.00		-		\$ 167,000.00
SF20-495	SOFTWARE ENHANCEMENTS/MODULES	110,000.00		-		\$ 110,000.00
SF20-496	BOARD PACKAGE SOFTWARE	25,000.00		-		\$ 25,000.00
	TOTAL	\$ 1,230,000.00	\$ 11,116.50	\$ 11,116.50	\$ 3,400.00	\$ 1,215,483.50

**Sacramento Suburban Water District
Capital Improvement Project Budget
2/29/2020**

Project No.	Project Name	Original Budget	Current Month Expenditures	Expenditures Year-To-Date	Committed Year-To-Date	Remaining Balance
SC20-009	WELL REHAB/PUMP ST IMPROVEMENT	\$ 1,953,000.00	\$ 1,330.00	\$ 1,330.00	\$ 669,892.00	\$ 1,281,778.00
SC20-010	SCADA RTU/COMMUN IMPROVEMENT	615,000.00		-	-	\$ 615,000.00
SC20-011	WELL DESTRUCTION/SITE DEMOLITI	300,000.00		-	-	\$ 300,000.00
SC20-012	WELL NEW CONST/REPLACEMENTS	3,300,000.00	24,443.75	24,443.75	1,022,929.00	\$ 2,252,627.25
SC20-018	DISTRIBUTION MAIN REPL/IMPRV	9,414,000.00	635,840.19	635,840.19	760,121.00	\$ 8,018,038.81
SC20-022	WTR RELATED STREET IMPRV	200,000.00	2,885.00	2,885.00	70,680.00	\$ 126,435.00
✓SC20-024	METER RETROFIT PROGRAM	1,888,000.00	530,855.53	530,855.53	1,176,983.00	\$ 180,161.47
SC20-034	RESERVIOR/TANK IMPROVMENT	210,000.00	664.00	664.00	98,222.00	\$ 111,114.00
SC20-035	CORROSION CONTROL-TRAN MAINS	50,000.00		-	2,482.00	\$ 47,518.00
SC20-038	LARGE WTR METER >3" REPL	80,000.00		-	-	\$ 80,000.00
SC20-039	PM METER REPLACEMENT	250,000.00		-	-	\$ 250,000.00
SC20-040	AMI ENDPOINTS REPL	1,300,000.00	189,174.19	189,174.19	620,001.00	\$ 490,824.81
SC20-048	RIGHT OF WAY/EASEMENT ACQUISIT	5,000.00		-	-	\$ 5,000.00
		\$ 19,565,000.00	\$ 1,385,192.66	\$ 1,385,192.66	\$ 4,421,310.00	\$ 13,758,497.34

**Sacramento Suburban Water District
Debt
2/29/2020**

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	\$ 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>

Interest Expense

	Current Month Actual	Year-To-Date Actual	Budget	Variance
Interest Expense	<u>\$ 116,989</u>	<u>\$ 335,547</u>	<u>\$ 439,300</u>	<u>\$ 103,753</u>

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**Investments Outstanding and Activity
February 2020**



Managed Account Detail of Securities Held

For the Month Ending February 29, 2020

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 05/02/2016 1.375% 04/30/2021	912828Q78	175,000.00	AA+	Aaa	01/03/17	01/05/17	171,527.34	1.86	806.49	174,036.47	175,628.92
US TREASURY NOTES DTD 06/02/2014 2.000% 05/31/2021	912828WN6	300,000.00	AA+	Aaa	09/01/16	09/02/16	310,781.25	1.22	1,508.20	302,898.37	303,562.50
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	20.38	375,842.73	380,683.58
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	1,047.39	248,077.66	251,210.95
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	1,990.04	470,387.46	477,300.81
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	5,027.47	1,192,281.30	1,205,812.56
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	848.39	134,122.18	137,784.38
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	5,970.12	933,094.42	969,593.75
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	6,598.56	1,032,044.93	1,071,656.25
US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828T39	500,000.00	AA+	Aaa	09/05/18	09/07/18	479,023.44	2.76	334.82	486,640.49	508,984.40
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	125,000.00	AA+	Aaa	01/07/19	01/10/19	123,198.24	2.51	445.14	123,697.79	129,316.40
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	4,896.55	1,359,019.38	1,422,480.40
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	1,633.88	391,399.70	409,312.48
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	2,348.70	558,810.92	588,386.69



Managed Account Detail of Securities Held

For the Month Ending February 29, 2020

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY 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	2,859.29	695,486.72	716,296.84
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	2,961.41	710,977.92	741,878.87
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	3,540.18	646,348.72	666,960.97
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	11,165.18	2,060,628.29	2,103,492.29
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	375,000.00	AA+	Aaa	02/03/20	02/07/20	385,180.66	1.36	1,256.87	385,038.56	392,226.56
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	925,000.00	AA+	Aaa	01/02/20	01/07/20	938,622.07	1.66	3,100.27	938,186.20	967,492.19
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	3,854.40	1,171,741.83	1,202,828.13
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	6,451.92	1,952,429.54	2,013,429.69
Security Type Sub-Total		16,385,000.00					16,280,911.13	1.96	68,665.65	16,343,191.58	16,836,319.61
Supra-National Agency Bond / Note											
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 09/19/2017 1.561% 09/12/2020	45905UP32	900,000.00	AAA	Aaa	09/12/17	09/19/17	897,840.00	1.64	6,595.23	899,607.65	901,080.00
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	4,627.78	701,482.36	704,127.20
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	2,165.63	224,808.41	228,700.13



Managed Account Detail of Securities Held

For the Month Ending February 29, 2020

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
Supra-National Agency Bond / Note											
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	2,177.08	749,164.31	766,824.00
Security Type Sub-Total		2,575,000.00					2,577,078.37	2.13	15,565.72	2,575,062.73	2,600,731.33
Municipal Bond / Note											
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	175.08	100,000.00	104,035.00
Security Type Sub-Total		100,000.00					100,000.00	2.10	175.08	100,000.00	104,035.00
Federal Agency Collateralized Mortgage Obligation											
FNMA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	157,392.50	AA+	Aaa	04/11/18	04/30/18	160,523.21	2.27	466.93	158,755.41	158,780.00
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	200,832.97	206,747.36
FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	120,716.74	AA+	Aaa	12/07/18	12/17/18	120,716.37	3.11	322.21	120,716.38	123,757.59
FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137FQ3V3	118,161.24	AA+	Aaa	11/20/19	11/26/19	118,158.40	2.03	205.99	118,158.40	120,816.77
Security Type Sub-Total		596,270.48					601,101.11	2.51	1,510.13	598,463.16	610,101.72
Federal Agency Bond / Note											
FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8Q55	975,000.00	AA+	Aaa	07/14/16	07/15/16	969,071.03	1.25	1,432.03	973,338.69	977,078.70
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	63.19	129,866.86	130,549.51
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	204.17	419,490.65	421,775.34



Managed Account Detail of Securities Held

For the Month Ending February 29, 2020

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
Security Type Sub-Total		1,525,000.00					1,516,925.30	1.28	1,699.39	1,522,696.20	1,529,403.55
Corporate Note											
TOYOTA MOTOR CORP NOTES DTD 03/12/2015 2.150% 03/12/2020	89236TCF0	250,000.00	AA-	Aa3	03/23/15	03/27/15	252,220.00	1.96	2,523.26	250,014.29	250,016.00
TOYOTA MOTOR CREDIT CORP DTD 04/17/2017 1.950% 04/17/2020	89236TDU6	275,000.00	AA-	Aa3	04/11/17	04/17/17	274,873.50	1.97	1,996.04	274,994.48	275,015.95
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	752.50	174,990.96	175,118.83
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	1,056.25	375,178.43	375,929.63
CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020	14913O2A6	275,000.00	A	A3	09/05/17	09/07/17	274,769.00	1.88	2,501.35	274,959.80	275,530.48
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	2,400.00	399,919.84	402,341.60
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	1,504.17	374,859.98	376,241.63
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	731.11	350,276.94	352,326.10
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	765.56	399,937.62	404,519.20
JOHN DEERE CAPITAL CORP NOTES DTD 03/13/2018 2.875% 03/12/2021	24422EUD9	375,000.00	A	A2	03/08/18	03/13/18	374,745.00	2.90	5,061.20	374,909.77	381,207.00
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	2,005.83	149,941.16	152,619.90
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	3,008.75	224,651.52	228,929.85
BANK OF NEW YORK MELLON CORP (CALLABLE) DTD 02/19/2016 2.500% 04/15/2021	06406FAA1	225,000.00	A	A1	05/16/16	05/19/16	230,170.50	2.00	2,125.00	226,157.67	227,523.60



Managed Account Detail of Securities Held

For the Month Ending February 29, 2020

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
PEPSICO INC CORP (CALLABLE) NOTE DTD 10/10/2017 2.000% 04/15/2021	713448DX3	225,000.00	A+	A1	10/05/17	10/10/17	224,955.00	2.01	1,700.00	224,985.19	226,527.30
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	336.88	35,091.42	35,437.61
AMERICAN EXPRESS CREDIT (CALLABLE) NOTES DTD 05/05/2016 2.250% 05/05/2021	0258M0EB1	225,000.00	A-	A2	05/25/16	05/31/16	224,478.00	2.30	1,631.25	224,870.35	226,635.53
HERSHEY COMPANY CORP NOTES DTD 05/10/2018 3.100% 05/15/2021	427866BA5	150,000.00	A	A1	05/03/18	05/10/18	149,896.50	3.12	1,369.17	149,957.27	153,123.00
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	607.75	109,881.62	110,464.53
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	2,256.94	249,996.78	255,360.25
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	2,328.00	240,000.00	241,092.24
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	2,137.50	149,910.75	155,066.70
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	909.74	90,000.00	92,082.51
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	9,019.69	675,000.00	697,177.13
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	1,403.89	382,174.14	404,486.82
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	617468DO6	375,000.00	BBB+	A3	07/19/19	07/23/19	396,483.75	2.59	4,924.48	393,905.50	407,553.00
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	1,600.00	373,365.86	387,083.25
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	2,125.52	390,365.02	403,816.13



Managed Account Detail of Securities Held

For the Month Ending February 29, 2020

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
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	833.33	400,593.02	413,258.00
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	58.33	398,520.15	404,763.20
BANK OF NY MELLON CORP DTD 10/24/2019 2.100% 10/24/2024	06406RAL1	150,000.00	A	A1	01/21/20	01/28/20	150,660.00	2.00	1,111.25	150,648.51	153,602.55
Security Type Sub-Total		8,455,000.00					8,501,052.70	2.51	60,784.74	8,490,058.04	8,644,849.52
Commercial Paper											
MUFG BANK LTD/NY COMM PAPER DTD 01/13/2020 0.000% 10/06/2020	62479LK61	800,000.00	A-1	P-1	01/10/20	01/13/20	789,320.00	1.82	0.00	791,240.00	792,168.80
Security Type Sub-Total		800,000.00					789,320.00	1.82	0.00	791,240.00	792,168.80
Certificate of Deposit											
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	5,800.00	400,000.00	399,983.20
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	2,759.17	374,980.85	376,531.13
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	854.17	625,000.00	626,306.88
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	12,408.21	670,000.00	674,803.90
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	4,902.32	379,806.06	384,287.54
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	4,590.44	700,000.00	703,232.60
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	4,914.00	650,000.00	662,315.55



Managed Account Detail of Securities Held

For the Month Ending February 29, 2020

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Certificate of Deposit											
SOCIETE GENERALE NY CERT DEPOS DTD 02/19/2020 1.800% 02/14/2022	83369XDL9	400,000.00	A	A1	02/14/20	02/19/20	400,000.00	1.80	240.00	400,000.00	399,772.00
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	124.17	375,000.00	384,116.63
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	82.22	400,000.00	400,835.60
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	82.67	400,000.00	400,932.80
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	1,972.00	400,000.00	402,788.40
Security Type Sub-Total		5,775,000.00					5,774,340.70	2.60	38,729.37	5,774,786.91	5,815,906.23
Asset-Backed Security											
HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	3,142.80	AAA	Aaa	09/14/16	09/21/16	3,142.38	1.30	1.80	3,142.72	3,142.32
ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	13,358.27	NR	Aaa	01/24/17	01/31/17	13,357.11	1.70	10.09	13,357.97	13,357.92
FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	60,787.81	NR	Aaa	01/18/17	01/25/17	60,787.58	1.67	45.12	60,787.76	60,792.21
ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	78,753.43	NR	Aaa	03/21/17	03/29/17	78,744.14	1.79	62.30	78,750.68	78,776.99
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	324,997.11	328,897.82
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	324,965.61	331,640.17
ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023	02007JAC1	375,510.59	AAA	Aaa	06/19/18	06/27/18	375,484.91	3.09	500.68	375,494.14	379,232.91
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	2,126.88	749,936.92	757,101.98



Managed Account Detail of Securities Held

For the Month Ending February 29, 2020

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security											
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	349,950.59	358,080.56
VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/20/2024	92348TAA2	200,000.00	AAA	Aaa	01/21/20	01/29/20	199,976.58	1.86	328.89	199,977.23	202,435.52
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	799,819.01	809,542.40
Security Type Sub-Total		3,281,552.90					3,281,066.97	2.54	5,072.21	3,281,179.74	3,323,100.80
Managed Account Sub-Total		39,492,823.38					39,421,796.28	2.21	192,202.29	39,476,678.36	40,256,616.56
Securities Sub-Total		\$39,492,823.38					\$39,421,796.28	2.21%	\$192,202.29	\$39,476,678.36	\$40,256,616.56
Accrued Interest											\$192,202.29
Total Investments											\$40,448,818.85

**Investment Activity
February 2020**



Managed Account Security Transactions & Interest

For the Month Ending February 29, 2020

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
BUY											
	02/03/20	02/07/20	US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	375,000.00	(385,180.66)	(782.97)	(385,963.63)			
	02/14/20	02/19/20	SOCIETE GENERALE NY CERT DEPOS DTD 02/19/2020 1.800% 02/14/2022	83369XDL9	400,000.00	(400,000.00)	0.00	(400,000.00)			
Transaction Type Sub-Total					775,000.00	(785,180.66)	(782.97)	(785,963.63)			
INTEREST											
	02/01/20	02/01/20	CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024	157411TK5	100,000.00	0.00	326.82	326.82			
	02/01/20	02/01/20	BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024	05531FBH5	400,000.00	0.00	5,055.56	5,055.56			
	02/01/20	02/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	158,730.07	0.00	471.85	471.85			
	02/01/20	02/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137F03V3	147,490.53	0.00	520.43	520.43			
	02/01/20	02/25/20	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	200,000.00	0.00	515.00	515.00			
	02/01/20	02/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	120,915.90	0.00	322.74	322.74			
	02/03/20	02/03/20	AMER EXP CREDIT NT (CALLED OMD 03/03/20) DTD 03/03/2017 2.200% 02/03/2020	0258M0EES	215,000.00	0.00	1,944.56	1,944.56			
	02/03/20	02/03/20	MONEY MARKET FUND	MONEY0002	0.00	0.00	158.54	158.54			
	02/05/20	02/05/20	IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	400,000.00	0.00	5,300.00	5,300.00			
	02/07/20	02/07/20	CREDIT SUISSE NEW YORK CERT DEPOS DTD 02/08/2018 2.670% 02/07/2020	22549LFR1	375,000.00	0.00	20,275.31	20,275.31			
	02/07/20	02/07/20	WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	625,000.00	0.00	6,406.25	6,406.25			
	02/15/20	02/15/20	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	18,828.98	0.00	26.67	26.67			
	02/15/20	02/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	325,000.00	0.00	855.83	855.83			



Managed Account Security Transactions & Interest

For the Month Ending February 29, 2020

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST											
	02/15/20	02/15/20	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			
	02/15/20	02/15/20	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	12,290.31	0.00	13.21	13.21			
	02/15/20	02/15/20	TAOT 2018-B A3 DTD 05/16/2018 2.960% 09/15/2022	89238TAD5	325,000.00	0.00	801.67	801.67			
	02/15/20	02/15/20	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			
	02/15/20	02/15/20	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	350,000.00	0.00	939.17	939.17			
	02/15/20	02/15/20	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	98,411.72	0.00	145.98	145.98			
	02/15/20	02/15/20	US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	500,000.00	0.00	4,062.50	4,062.50			
	02/15/20	02/15/20	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	82,598.86	0.00	114.95	114.95			
	02/17/20	02/17/20	FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	130,000.00	0.00	812.50	812.50			
	02/17/20	02/17/20	FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	420,000.00	0.00	2,625.00	2,625.00			
	02/26/20	02/26/20	NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	400,000.00	0.00	3,720.56	3,720.56			
	02/26/20	02/26/20	SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	400,000.00	0.00	3,637.33	3,637.33			
	02/26/20	02/26/20	MUFG BANK LTD/NY CERT DEPOS DTD 02/28/2019 2.980% 02/25/2022	55379WZU3	375,000.00	0.00	11,268.13	11,268.13			
	02/28/20	02/28/20	WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	400,000.00	0.00	3,344.44	3,344.44			
	02/29/20	02/29/20	US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	375,000.00	0.00	3,750.00	3,750.00			
Transaction Type Sub-Total					8,154,266.37	0.00	79,561.67	79,561.67			

MATURITY



Managed Account Security Transactions & Interest

For the Month Ending February 29, 2020

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
MATURITY											
	02/03/20	02/03/20	AMER EXP CREDIT NT (CALLED OMD 03/03/20) DTD 03/03/2017 2.200% 02/03/2020	0258M0EE5	215,000.00	215,000.00	0.00	215,000.00	223.60	0.00	
	02/07/20	02/07/20	CREDIT SUISSE NEW YORK CERT DEPOS DTD 02/08/2018 2.670% 02/07/2020	22549LFR1	375,000.00	375,000.00	0.00	375,000.00	0.00	0.00	
Transaction Type Sub-Total					590,000.00	590,000.00	0.00	590,000.00	223.60	0.00	
PAYDOWNS											
	02/01/20	02/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	199.16	199.16	0.00	199.16	0.00	0.00	
	02/01/20	02/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	1,337.57	1,337.57	0.00	1,337.57	(26.61)	0.00	
	02/01/20	02/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137FO3V3	29,329.29	29,329.29	0.00	29,329.29	0.70	0.00	
	02/15/20	02/15/20	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	21,811.05	21,811.05	0.00	21,811.05	0.08	0.00	
	02/15/20	02/15/20	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	9,147.51	9,147.51	0.00	9,147.51	1.23	0.00	
	02/15/20	02/15/20	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	19,658.29	19,658.29	0.00	19,658.29	2.32	0.00	
	02/15/20	02/15/20	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	5,470.71	5,470.71	0.00	5,470.71	0.48	0.00	
	02/15/20	02/15/20	ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023	02007JAC1	24,489.41	24,489.41	0.00	24,489.41	1.68	0.00	
Transaction Type Sub-Total					111,442.99	111,442.99	0.00	111,442.99	(20.12)	0.00	
Managed Account Sub-Total						(83,737.67)	78,778.70	(4,958.97)	203.48	0.00	
Total Security Transactions						(\$83,737.67)	\$78,778.70	(\$4,958.97)	\$203.48	\$0.00	

**Cash Expenditures
February 2020**

AP Warrant List from 2/1/2020 to 2/28/2020

Group	Vendor Name	Amount	Description
	ACWA JPIA INSURANCE/EAP - Invoices:2	\$352.09	Miscellaneous Employee Benefits
	AFLAC - Invoices:1	\$746.34	Supplemental Insurance
	AMERITAS (VISION) - Invoices:1	\$2,034.24	Employee Benefit - Life Insurance
	CIGNA GROUP INS LIFE/LTD - Invoices:1	\$4,592.93	Employee Benefit - LTD Insurance
	EMPLOYEE RELATIONS NETWORK - PAYROLL - 2	\$404.70	Miscellaneous Employee Benefits
	PERS PENSION - Invoices:3	\$455,908.85	Payroll
	PERS HEALTH - Invoices:2	\$39,839.30	Employee Benefit - PERS
	SUTTER MEDICAL FOUNDATION -	\$104,440.55	OPEB - Retiree Benefits Premium
	CIGNA-DENTAL INS - Invoices:2	\$844.00	Miscellaneous Employee Benefits
		\$27,950.50	Employee Benefit - Dental
	ARMORCAST PRODUCTS COMPANY -	\$108,436.34	Construction In Progress
	BADGER METER INC - Invoices:6	\$640,351.57	Construction In Progress
	BENNETT ENGINEERING SERVICES -	\$6,696.00	Construction In Progress
	BROWN & CALDWELL - Invoices:1	\$21,700.00	Construction In Progress
	CITY OF SACRAMENTO/ ENCROACHMENT -	\$5,597.01	Construction In Progress
	COUNTY OF SAC PUBLIC WORKS -	\$1,702.50	Construction In Progress
	COVER-ALL PROTECTIVE COVERS -	\$6,192.94	Construction In Progress
	DOUG VEERKAMP GENERAL ENGR -	\$149,430.72	Construction In Progress
	ERC CONTRACTING - Invoices:2	\$20,550.00	Construction In Progress
	FERGUSON WATERWORKS - Invoices:5	\$3,875.13	Construction In Progress
	FLOWLINE CONTRACTORS INC - Invoices:1	\$75,696.00	Construction In Progress
	GM CONSTRUCTION & DEVELOPERS -	\$67,296.40	Construction In Progress
	ICONIX WATERWORKS (US) INC -	\$82,606.57	Construction In Progress
	KLEINFELDER - Invoices:1	\$1,000.00	Construction In Progress
	LEONARD RICE ENGINEERS INC -	\$11,116.50	Construction In Progress
	LUHDORFF & SCALMANINI - Invoices:2	\$1,086.25	Construction In Progress
	RAWLES ENGINEERING - Invoices:3	\$11,911.00	Construction In Progress
	S E AHLSTROM INSPECTION - Invoices:2	\$14,940.00	Construction In Progress
	WEST YOST & ASSOCIATES - Invoices:3	\$2,920.00	Construction In Progress
	WOOD RODGERS ENGINEERING -	\$8,650.00	Construction In Progress
	SUMITOMO MITSUI BANKING	\$30,327.04	2009A COP Interest Expense
	WELLS FARGO SWAP - Invoices:1	\$64,737.37	2009A COP Interest Expense
	ADP, INC - Invoices:2	\$2,213.69	Financial Services
	BARTEL ASSOCIATES LLC - Invoices:1	\$2,500.00	Audit Services
	BARTKIEWICZ KRONICK & SHANAHAN -	\$13,113.27	Legal Services
	WESTAMERICA - 2	\$16,069.22	Banking Services
	WORLDPAY INTEGRATED PAYMENTS -	\$645.94	Financial Services
	A.I. ELECTRIC - Invoices:3	\$7,784.00	Contract Services
	A1 FABRICATION & WELDING - Invoices:1	\$1,000.00	Operating Supplies

ADVANCED ROOF DESIGN INC - Invoices:2	\$867.00 Building Maintenance - Office &
AIRGAS USA LLC - Invoices:1	\$28.64 Operating Supplies
ALL PRO BACKFLOW - Invoices:4	\$357.00 Backflow Testing Services
AMERICAN RIVER PARKWAY FOUNDATION -	\$500.00 Public Relations
ANACONDA NETWORKS INC - Invoices:1	\$22.00 Operating Supplies
ANDREGG PSOMAS - Invoices:1	\$3,589.50 Consulting Services
ANSWERNET - Invoices:1	\$596.25 Communication
AT&T - Invoices:5	\$5,234.74 Communication
ATLAS DISPOSAL - Invoices:2	\$380.70 Building Service Expense - Office &
BARBARA PUGLIESE - Invoices:1	\$265.00 BMP Rebates
BASIC PACIFIC - Invoices:2	\$1,118.40 OPEB - Retiree Benefits Premium
BAY ALARM COMPANY - Invoices:1	\$115.55 Building Service Expense - Office &
BENDER ROSENTHAL INC - Invoices:12	\$33,160.00 Consulting Services
BROADRIDGE MAIL LLC - Invoices:16	\$41,210.82 Contract Services
BROWER MECHANICAL - Invoices:2	\$614.00 Building Maintenance - Office &
BURTON ROBB /BURT'S LAWN & GARDEN	\$14,830.00 Contract Services
CALIFORNIA LABORATORY SERVICES -	\$5,906.00 Inspection & Testing
CALIFORNIA WATER EFFICIENCY	\$5,948.35 Membership & Dues
CAPITAL RUBBER CO LTD - Invoices:1	\$322.99 Operating Supplies
CENTRAL VALLEY ENG & ASPHALT -	\$25,050.00 Misc. Repairs
CINTAS - Invoices:8	\$3,297.25 Building Maintenance - Office &
CITRUS HEIGHTS SAW & MOWER -	\$156.09 Equipment Maintenance Services
CITRUS HEIGHTS WATER DISTRICT -	\$20,000.00 Consulting Services
CITY OF SACRAMENTO DEPT OF UTILITIES -	\$43.37 Utilities
CLEAR VISION WINDOW CLEANING -	\$225.00 Building Service Expense - Office &
COMCAST - Invoices:1	\$45.68 Communication
CONSOLIDATED COMMUNICATIONS -	\$428.43 Communication
CONTINENTAL PRODUCTS - Invoices:1	\$1,508.50 Printing
COUGHRAN MECHANICAL SERVICE -	\$909.34 Contract Services
COUNTY OF SAC MUNICIPAL SERVICES -	\$55.20 Building Service Expense - Office &
COUNTY OF SAC UTILITIES - Invoices:1	\$275.16 Utilities
CRAIG LOCKE - Invoices:1	\$4,399.43 Travel Conferences
Customer Refunds: 81	\$13,031.53 Refund Clearing Account
DAN YORK - Invoices:1	\$15.75 Local Travel Cost
DIG SMART LLC - Invoices:1	\$9,000.00 Licenses, Permits & Fees
DIRECT TV - Invoices:1	\$5.00 Communication
DOMCO PLUMBING - Invoices:2	\$850.00 Construction Services
DOUG CATER - Invoices:1	\$27.59 Miscellaneous
ELEVATOR TECHNOLOGY INC - Invoices:2	\$200.00 Building Service Expense - Office &
EMIGH ACE HARDWARE - Invoices:14	\$312.03 Building Maintenance - Office &
EMMA AHART - Invoices:1	\$469.00 BMP Rebates
FASTENAL COMPANY - Invoices:3	\$1,364.59 Operating Supplies
FIRST SECURITY SERVICES - Invoices:1	\$674.16 Building Service Expense - Office &
FLEETWASH INC - Invoices:2	\$402.60 Vehicle Maintenance Services
GOLDEN STATE TOWING LLC - Invoices:1	\$207.00 Vehicle Maintenance Services

GOVERNMENT FINANCE OFFICERS	\$150.00 Membership & Dues
GRAINGER - Invoices:8	\$1,196.36 Operating Supplies
H2H PROPERTIES - Invoices:1	\$1,270.00 H&D WALNUT PARKING LOT LEASE
HACH COMPANY - Invoices:2	\$2,002.07 Purchase Price Variance
HARROLD FORD - Invoices:8	\$2,149.90 Vehicle Maintenance Services
HD Supply/WHITE CAP - Invoices:1	\$166.66 Operating Supplies
IRON MOUNTAIN OFF SITE DATA	\$490.05 Equipment Maintenance Services
J&J LOCKSMITH - Invoices:1	\$237.05 Building Maintenance - Office &
JENNIFER SIMMONS - Invoices:1	\$150.00 BMP Rebates
JOSEPH LOVE - Invoices:1	\$150.00 BMP Rebates
KIRBY PUMP AND MECHANICAL - Invoices:1	\$4,479.12 Consulting Services
LAKE VUE ELECTRIC INC - Invoices:1	\$140.00 Building Maintenance - Office &
LES SCHWAB TIRE CENTER/MADISON -	\$3,520.22 Vehicle Maintenance Services
LIFEGUARD FIRST AID - Invoices:1	\$101.77 Building Service Expense - Office &
LOEWEN PUMP MAINTENANCE - Invoices:3	\$2,800.00 Construction Services
MANAGEMENT PARTNERS - Invoices:1	\$10,700.00 Consulting Services
MATT UNDERWOOD - Invoices:1	\$215.95 Uniforms
MICHAEL PHILLIPS LANDSCAPE CORP -	\$3,080.00 Building Service Expense - Office &
MIKE JENNER - Invoices:1	\$122.20 Reimb. Aflac
NINJIO LLC - Invoices:1	\$132.75 Equipment Maintenance Services
OFFICE DEPOT INC - Invoices:4	\$726.46 Office Supplies
ONE STOP TRUCK SHOP - Invoices:1	\$301.65 Vehicle Maintenance Services
PACE SUPPLY CORP - Invoices:2	\$7,989.26 Operating Supplies
PEOPLEREADY - Invoices:3	\$3,168.48 Temporary Help
PEST PROS - Invoices:1	\$107.35 Building Service Expense - Office &
PFM ASSET MANAGEMENT LLC - Invoices:4	\$14,413.61 Consulting Services
PG& E / BELL AVE - Invoices:1	\$2,077.58 Hydrant Permit Refund
RAMOS ENVIRONMENTAL - Invoices:11	\$6,624.60 Hazardous Waste Disposal
RAY MORGAN CO - Invoices:2	\$746.51 Equipment Maintenance Services
REBECCA DEAN - Invoices:1	\$150.00 BMP Rebates
ROBERT GREGOREK - Invoices:1	\$150.00 BMP Rebates
RUE EQUIPMENT INC - Invoices:7	\$1,703.87 Building Maintenance - Office &
SAC ICE LLC - Invoices:1	\$707.26 Building Maintenance - Office &
SACRAMENTO BEE - Invoices:1	\$547.23 Public Relations
SACRAMENTO SUBURBAN WATER	\$209.35 Other Training
SARAH DAINS - Invoices:1	\$180.00 Uniforms
SEAN DAVID ZUCKERMAN - Invoices:1	\$250.00 BMP Rebates
SERVPRO - Invoices:2	\$3,666.38 Contract Services
SHARON WORKMAN - Invoices:1	\$150.00 BMP Rebates
SHAWN SHEDENHELM - Invoices:2	\$178.00 Required Training
SHRED-IT - Invoices:1	\$78.84 Contract Services
SIGNS IN 1 DAY - Invoices:7	\$1,837.17 Building Maintenance - Office &
SONITROL - Invoices:2	\$1,505.35 Building Maintenance - Office &
SUSAN GOWER - Invoices:1	\$145.00 BMP Rebates
TEICHERT CONSTRUCTION - Invoices:1	\$877.44 Hydrant Permit Refund

TINA LYNN DESIGN - Invoices:3	\$743.00 Public Relations
TULLY & YOUNG - Invoices:1	\$5,337.50 Consulting Services
ULINE SHIPPING SUPPLY SPECIALISTS -	\$97.35 Office Supplies
US BANK CORPORATE PAYMENT SYSTEM -	\$9,825.61 Vehicle Maintenance Supplies
USA REPLACEMENT AUTO GLASS CO -	\$213.14 Vehicle Maintenance Services
VERIZON WIRELESS/DALLAS TX -	\$8,432.22 Communication
VOCANTAS - Invoices:1	\$8,789.35 Licenses, Permits & Fees
VOYAGER FLEET SYSTEMS - Invoices:1	\$8,118.84 Operating Supplies
WALKERS EXPRESS OFFICE PRODUCTS -	\$907.33 Office Supplies
WASTE MANAGEMENT - Invoices:3	\$356.02 Building Service Expense - Office &
WATERWISE CONSULTING, INC. -	\$1,000.00 Consulting Services
WOLF CONSULTING - Invoices:1	\$500.00 Consulting Services
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CITY OF SACRAMENTO WATER - Invoices:3	\$316,252.04 Purchased Water-City of
PG&E - Invoices:4	\$4,893.74 Utilities
SAN JUAN WATER DISTRICT - Invoices:1	\$663,670.73 Purchased Water-City of
SIERRA CHEMICAL COMPANY - Invoices:2	\$5,168.84 HFA, Chemical & Delivery
SMUD - Invoices:2	\$98,026.54 Electrical Charges
	<hr/>
	<u>\$3,429,356.34</u>

**Credit Card Expenditures
February 2020**

Sacramento Suburban Water District
 US Bank Purchasing Card Program
 CalCard Expenditures
 February 2020

Vendor Name	Description	Amount	Proj/GLAcct
WILSONS	NAME PLATE FOR JEFF OTT	\$ 32.63	03-52108
ESRI	MIGRATE TO ARCGIS PRO CLASSES - DARYL VINAVONG	\$ 1,236.00	16-51407
PAYPAL	2020 CALIFORNIA IRRIGATION INSTITUTE CONFERENCE _ GREG BUNDESEN	\$ 275.00	13-51406
COSTCO.COM	GENERAL OFFICE SUPPLIES	\$ 79.92	03-52108
JOINT POWERS INSURANCE AUTHORITY	HR GROUP MEETING AT JPJA FOR CASSIE CRITTENDEN	\$ 35.00	17-51407
SAMSCLUB.COM	GENERAL OFFICE SUPPLIES	\$ 203.08	03-52108
CALIFORNIA CPA EDUCATION	WEBINAR-FEDERAL AND STATE TAXES SOCIAL SECURITY AND TRUSTS DAN BILLS	\$ 663.75	03-51407
MYCOMMERCE	KUTOOLS FOR EXCEL FOR LYNN AND GRAYSON	\$ 83.30	18-52101
COSTCO	12 EACH 72" ROUND TABLES FOR MARCONI AS PER HEATHER/AMY	\$ 2,585.99	12-52108
AMAZON.COM	12 VOLT 921 REPLACEMENT LAMPS	\$ 30.06	12-54006
THE HOME DEPOT	REPLACEMENT TOILET FOR MEN'S RR AT WALNUT	\$ 279.70	12-54008
THE HOME DEPOT	CAULKING FOR TOILET	\$ 5.01	12-52101
AMAZON.COM	NEW KEY BOX FOR MARCONI	\$ 26.88	12-54008
AMAZON	WAREHOUSE SUPPLIES	\$ 30.36	05-52101
SAFETY CENTER	TRAINING- BEN HARRIS	\$ 85.00	05-51407
AMAZON	WAREHOUSE SUPPLIES	\$ 62.88	05-52101
AMAZON	WAREHOUSE SUPPLIES	\$ 74.16	05-52101
AMAZON	KITCHEN(03-52108)= \$78.24 WAREHOUSE (05- 52101)=\$5.58	\$ 83.82	03-52108
AWWA	TRAINING-TODD ARTRIP	\$ 499.00	08-55001
AWWA	TRAINING-HECTOR SEGOVIANO	\$ 499.00	05-55001
AWWA	TRAINING-TOM FOX	\$ 499.00	05-55001
DLR RESORT	TRAINING-TODD ARTRIP, HOTEL (FIRST NIGHT CHARGE)	\$ 291.33	08-55001
DLR RESORT	TRAINING-HECTOR SEGOVIANO, HOTEL (FIRST NIGHT CHARGE)	\$ 291.33	05-55001
DLR RESORT	TRAINING-TOM FOX, HOTEL (FIRST NIGHT CHARGE)	\$ 291.33	05-55001
SOUTHWEST	TRAINING-TOM FOX, AIRFARE	\$ 373.96	05-55001
SOUTHWEST	TRAINING-HECTOR SEGOVIANO, AIRFARE	\$ 401.97	05-55001
SOUTHWEST	TRAINING-TODD ARTRIP, AIRFARE	\$ 401.97	08-55001
LOWES	TOOLS- DISTRIBUTION TRUCK	\$ 48.44	08-52101
AMAZON	WAREHOUSE SUPPLIES	\$ 25.35	05-52101
MARK & MONICAS	LUNCH-INVENTORY COUNTERS	\$ 84.74	03-56000
AMAZON	WAREHOUSE SAFETY SUPPLIES	\$ 64.20	05-52101
GLOBAL INDUSTRIAL	EYEWASH SAFETY SIGNS	\$ 94.65	06-52101
AMAZON	WAREHOUSE SAFETY SUPPLIES	\$ 23.69	05-52101
ZORO	WAREHOUSE SAFETY SUPPLIES	\$ 63.11	05-52101
Totals:		\$ 9,825.61	

**DRAFT - District Reserve Balances
February 29, 2020**

**Sacramento Suburban Water District
Reserve Fund Balance**

	<u>February 29, 2020</u>	<u>December 31, 2019</u>
Debt Service Reserve	\$ -	\$ -
Facilities Reimbursement	-	-
Emergency/Contingency	12,275,211	11,194,277
Operating	9,417,868	13,907,193
Rate Stabilization	4,759,300	4,656,400
Interest Rate Risk	-	-
Grant	500,000	137,500
Capital Asset	17,373,028	17,373,028
TOTAL	<u><u>\$ 44,325,407</u></u>	<u><u>\$ 47,268,398</u></u>

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

	<u>February 29, 2020</u>	<u>December 31, 2019</u>
Cash and Cash Equivalents	\$ 4,664,366	\$ 8,011,079
Investments	39,464,448	39,040,578
Interest Receivable	194,905	215,053
Restricted Cash	1,688	1,688
TOTAL	<u><u>\$ 44,325,407</u></u>	<u><u>\$ 47,268,398</u></u>

Information Required by Bond Agreement

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

	Actual Year-To-Date <u>2/29/2020</u>	Budget Year-To-Date <u>2/29/2020</u>
REVENUES		
Water sales charges	\$6,744,004.67	\$6,473,000.00
Interest and investment income	178,967.47	161,666.00
Rental & other income	71,977.78	75,000.00
TOTAL REVENUES	<u>6,994,949.92</u>	<u>6,709,666.00</u>
EXPENSES		
Source of supply	205,521.04	357,124.00
Pumping	391,072.95	423,254.48
Transmission and distribution	628,863.10	707,360.92
Water conservation	58,536.66	88,604.68
Customer accounts	182,365.96	223,172.48
Administrative and general & Others	1,044,292.90	1,531,302.56
TOTAL EXPENSES	<u>2,510,652.61</u>	<u>3,330,819.12</u>
NET REVENUE	<u><u>4,484,297.31</u></u>	<u><u>3,378,846.88</u></u>

Sacramento Suburban Water District
 6 - Months Debt Service Schedule
 2/29/2020

Month	Total SSWD Debt Service					Debt Service
	Principal	Interest Adjustable/Fixed/Swap	Facility Fee	Remarketing		
Mar-20	\$ -	\$ 94,491.71	\$ 50,400.00	\$ 13,125.00	\$ 158,016.71	
April-20	-	625,391.71	-	-	625,391.71	
May-20	-	94,491.71	-	-	94,491.71	
June-20	-	94,491.71	50,400.00	13,125.00	158,016.71	
July-20	-	94,491.71	-	-	94,491.71	
August-20	-	94,491.71	-	-	94,491.71	

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

Month	Series 2009A Adjustable Rate COPs (\$42,000,000.00)					Debt Service
	Principal	Interest, Adjustable 1.02%	Facility Fee 0.480%	Remarketing 0.125%		
Mar-20		\$ 35,700.00	\$ 50,400.00	\$ 13,125.00	\$ 99,225.00	
April-20		35,700.00	-	-	35,700.00	
May-20		35,700.00	-	-	35,700.00	
June-20		35,700.00	50,400.00	13,125.00	99,225.00	
July-20		35,700.00	-	-	35,700.00	
August-20		35,700.00	-	-	35,700.00	

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

Month	2012 SWAP Interest, Net (\$33,000,000.00)				Debt Service
	Principal	Interest, Swap Net (3.283-0.98438 - .18)%	Facility Fee	Remarketing	
Mar-20	\$ -	\$ 58,791.71	-	-	\$ 58,791.71
April-20	\$ -	58,791.71	-	-	58,791.71
May-20	\$ -	58,791.71	-	-	58,791.71
June-20	\$ -	58,791.71	-	-	58,791.71
July-20	\$ -	58,791.71	-	-	58,791.71
August-20	\$ -	58,791.71	-	-	58,791.71

Financial Markets Report February 29, 2020

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	1.63%
Swap	Notional Amount \$33,300,000	Counterparty Wells Fargo Bank, N.A.	FMV (\$8,613,425)	Receive Rate 1.164%	Fixed Rate 3.283%

Current Status of District's Investment Portfolio (February 29, 2020):

Fair Market Value	Security Type	Yield
\$ 800,977.31	Money Market	1.24%
842,548.36	LAIF	1.97%
792,168.80	commercial paper	1.82%
3,323,100.80	Asset-Backed Securities/CMOs	2.54%
5,815,906.23	Certificates of Deposit	2.60%
8,644,849.52	Corporate Notes	2.51%
1,529,403.55	Federal Agency Securities Bonds/Notes	1.28%
610,101.72	Federal Agency Collateralized Mortgage Obligation	2.51%
104,035.00	Municipal Obligations	2.10%
2,600,731.33	Supra-National Agency Bond	2.13%
16,836,319.61	Treasury Bonds/Notes	1.96%
<u>\$ 41,900,142.23</u>		<u>2.19%</u>

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 flattened over the month and has inverted once again (between three months and 10 years). The significant rally in Treasury prices was largely due to a “flight to quality” over emerging economic concerns (e.g. China). The yield on two-, five-, and 10-year Treasury notes fell 26, 38, and 41 bps, respectively. The 30-year Treasury yield settled at 2%, near a five-month low.
- As a result, performance of longer-term Treasuries dominated shorter tenors. For example, three-month and two-year Treasury indices returned 0.13% and 0.54%, while five-year and 10-year indices generated returns of 1.83% and 3.71%.

PFM Outlook

- Given the uncertainty regarding the potential impact of the coronavirus outbreak on global growth and interest rates, we will maintain durations in line with benchmarks.
- Yield spreads remain narrow across all sectors. Investment-grade corporates offer some incremental yield, but narrow spreads warrant greater selectivity, with the most value residing in the new-issue market. We also view the uptick in taxable municipal issuance as an opportunity, but short-maturity supply is limited.
- We currently favor asset-backed securities, which performed well in January and appear to offer better spreads than some corporates and better risk-adjusted return opportunities.
- After a very strong fourth quarter, mortgage-backed securities took a beating in January as rates fell. With no imminent catalyst to support near-term outperformance expectations, we plan to exercise caution in the sector.

(Source: PFMAM February 2020 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: 11

Date: March 6, 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 the (1) Monthly Water Production, (2) Water Operations Activity Report, (3) District Claims Update Report, (4) Water Quality Report, (5) Customer Service Monthly Activity Report, and (6) Community Outreach Report.

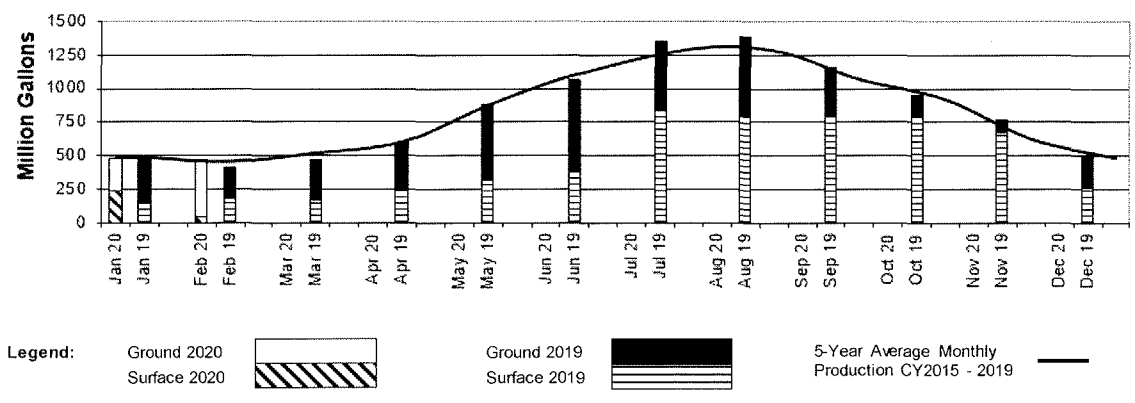
1. Monthly Water Production - Surface Water and Groundwater

Figure 1 shows tabulated data for 2020 and Figure 2 shows total water production graphically for 2019 and 2020.

Figure 1. Monthly Water Production – 2020

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	109.996	169.868	279.864	125.345	71.593	196.938	476.802	15.381
Feb	46.039	211.062	257.101	1.264	208.152	209.416	466.517	16.087
Mar								
Apr								
May								
Jun								
July								
Aug								
Sep								
Oct								
Nov								
Dec								
MG	156.035	380.930	536.965	126.609	279.745	406.354	943.319	15.722
AF	478.854	1,169.031	1,647.885	388.549	858.506	1,247.055	2,894.940	48.249

Figure 2. Monthly Water Production (2019-2020)



* North Service Area (North Highlands, Antelope, McClellan Park and The Arbors)
 ** South Service Area (Town and Country and Arden-Arcade)
 ***The surface water delivery quantities are reported from SJWD's monthly records. Notes: Reported production values do not include water wheeled/sold to other purveyors. The reporting periods for groundwater production may differ from the calendar month beginning/end dates and will vary year-to-year.

2. Water Operations Activity Report

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

Water Operations Activity

February 2020	Monthly Avg CY 2020	Total CY 2020	Total # in System	Goal CY 2020	% of Goal Completed in CY 2020
---------------	---------------------	---------------	-------------------	--------------	--------------------------------

Production Department

Water Quality

Complaints	0	0	0	—	—	—
Taste & Odor Complaints	0	0	0	—	—	—

Distribution Department

Service Orders

Main Leaks	2	2	2	—	—	—
Service Line Leaks	9	9	9	—	—	—

Water Main Shutdown

-- Emergency	1	1	1	—	—	—
-- Scheduled	7	7	7	—	—	—

Preventive Maintenance Program

Fire Hydrants Inspected	39	39	39	6,173	1,235	3.2%
Fire Hydrant Valves Inspected	36	36	36	5,869	1,174	3.1%
Fire Hydrant Valves Exercised	34	34	34	5,869	1,174	2.9%
Mainline Valves Inspected	86	86	86	11,023	2,205	3.9%
Mainline Valves Exercised	68	68	68	11,023	2,205	3.1%
Blow Off Valves Inspected	10	10	10	1,049	210	4.8%
ARV/CARV Inspected	2	2	2	283	57	3.5%

Field Services Department

Meters

PM - Meters Tested (3 - 10 inch)	16	16	16	450	120	13.3%
PM - Meters Replaced (⁵ / ₈ - 1 inch)	1	1	1	41,167	1,000	0.1%
PM - Meter Re-Builds (1 ¹ / ₂ - 2 inch)	40	40	40	2,449	245	16.3%
Customer Pressure Inquiries	13	13	13	—	—	—

Field Operations Department

After Hours Activity (On-Call Technician)

Calls Received Distribution	34	34	34	—	—	—
Calls Responded Distribution	15	15	15	—	—	—
Calls Received Production	26	26	26	—	—	—
Calls Responded Production	5	5	5	—	—	—

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 UNDER REVIEW/INVESTIGATION BY JPIA – UPDATE - CASE DISMISSED

7800 Antelope North Road

Claim - On February 27, 2020, staff received a District Claim Form from Mr. Blaisdell with Travelers Property Casualty Company of America (Travelers) asserting that a Sonitrol employee was at 7800 North Antelope Road installing cameras and fell through an unprotected skylight to the ground 12-20 feet below. Travelers is the workers' compensation carrier for Sonitrol.

Upon receipt of the claim, District staff contacted ACWA/JPIA and was advised to reject the claim. District staff provided a report and recommendation to the General Manager that this claim be rejected.

Claim Amount – Unlimited
Date of loss – December 19, 2019

4. Water Quality Report

Nothing to report on water quality for the month of February 2020.

5. Customer Service Monthly Activity Report

Customer Service Activity Report for the month of February 2020.

Total Calls	Calls Abandoned	% of Calls Abandoned	Average Wait on Queue	Max Wait on Queue	Average Talk Time
2,616	62	2.4%	43s	11m, 11s	2m, 57s

6. Community Outreach Report

April Bill Insert

The April bill insert will begin on March 24, 2020, and will continue until April 27, 2020. A sample of the bill insert is shown on the next page.

April Bill Insert

00239915



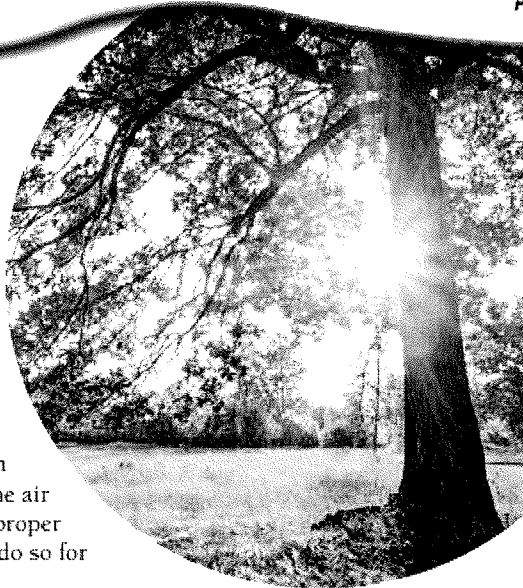
H₂O on the Go

April 2020

Arbor Day

Friday, April 24th is Arbor Day, and it's a perfect time to take a moment to reflect upon the roles trees play in our lives.

They provide shade for our homes and streets, absorb carbon dioxide, help clean the air and water, and with proper care can continue to do so for generations.



The Sacramento Tree Foundation has a great list of tips on how to care for your trees, a directory of volunteer opportunities, and information on how you can get free trees for your home. It's all at SacTree.com.

FREE Weather-Based Sprinkler Timers Installation Included

SSWD is partnering with WaterWise Consulting and HydroRain to provide complimentary B-hyve Wi-Fi weather-based sprinkler timers to our customers.

Weather-based sprinkler timers use local weather conditions to control when and how long sprinklers run. It's estimated they can help the average homeowner save close to 10,000 gallons per year and have a healthier, happier yard.

With the B-hyve phone app you can check how long your sprinklers ran, when they will run next and make adjustments as needed, all from your phone.

These "smart" sprinkler timers are available at no charge to SSWD customers who have a standard sprinkler timer and a Wi-Fi connection at home. Installation is also included at no charge.

This offer is available on a first-come, first-served basis while supplies last. To review the terms and conditions and to apply for the program, please visit our website, sswd.org.

Tap Talk

Tap Talk | Using Technology to Enhance Efficiency

Just like new technology lets people remotely control their home's lights and heating or even see who is at the door when they are away, SSWD is using technological advances to make our operations more efficient and streamlined.

Some of the systems we have incorporated, include:

Geographic Information Systems (GIS)

SSWD has a vast distribution and transmission system that is nearly 700 miles in length, and comprised of 12,416 mainline valves, 6,210 fire hydrants, 72 groundwater wells and over 46,000 service connections. We keep track of this entire

Tap Talk | page 2

sswd.org

Phone: 916.972.7171

Fax: 916.972.7639

3701 Marconi Avenue, Suite 100

Sacramento, CA 95821-5346

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



April Bill Insert



Mulch Mayhem | Get ready for Mulch Mayhem 2020!

On Saturday, May 2nd from 9:00 a.m. to 12:00 p.m. SSWD will be providing complimentary mulch to our customers at 7800 Antelope North Road, Antelope, CA 95843. Please bring a shovel, a container, and a means to haul it away. One yard per customer, first-come, first-served, while supplies last.



May Tap Talk Live | Leaks Are More Common Than You Think

Friday, May 15th from 12:00 p.m. to 1:00 p.m.

Please join us for our May Tap Talk Live on how to find and fix leaks in your home. The average

American home loses nearly 10,000 gallons of water a year to leaks. That's more than enough water for almost 300 loads of laundry. Not only do leaks waste water; but in some cases they can also cause serious damage to a home or business.

Last year, SSWD sent out 10,428 Leak Detection postcards to customers and performed over 180 leak investigations. The investigations discovered household leaks that were wasting on average 20 gallons an hour. In one of our leak investigations, we discovered leaks in two toilets and a leak in a hot water line underneath the house that could have caused structural damage if left undetected.

SSWD Water Conservation Supervisor Greg Bundesen and Water Conservation Technician Vicki Sprague will cover everything you need to know on how to read your meter to determine if you have a leak in your home or sprinkler system, the most common types of household leaks and how to fix them.

2019 Year in Review

You will soon be receiving a copy of SSWD's 2019 Year In Review. It highlights all of our accomplishments last year. The Year In Review can also be read online at sswd.org.

Tap Talk | (from page 1)

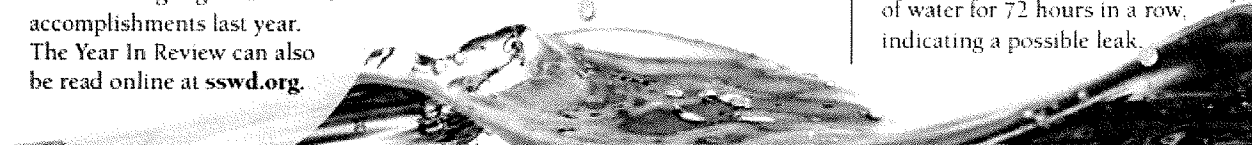
system by using Geographic Information Systems (GIS) maps. GIS maps allow SSWD staff to see many different types of data on one map and easily make updates and adjustments to locations. SSWD staff also use GIS maps for information that assists in rapidly locating valves if there is a leak in the water system and the flow of water needs to be stopped. The GIS maps are transmitted through a secure network to laptops in each of our service trucks so field staff can access the information at any time.

Supervisory Control and Data Acquisition

Supervisory Control and Data Acquisition (SCADA) is used to monitor and control groundwater wells, treatment plants, and other water production facilities. With a quick glance, SSWD staff members are able to monitor and manage every aspect of water production and operations. We can identify areas where there is a problem and determine what part of the water system needs maintenance, eliminating unnecessary trips or actions.

Advanced Metering Infrastructure

Another technological innovation is Advanced Metering Infrastructure (AMI). AMI allows SSWD to remotely read water meters and provides more frequent water use data. It is also able to detect when a water service has a continuous flow of water for 72 hours in a row, indicating a possible leak.





Agenda Item: 12

Date: February 27, 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 ¹	Summer 2020	Fall 2021

¹Funding 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 ¹ (4.6 miles of main)	Complete	Complete
Thor (3.6 miles of main)	Early 2020	Fall 2020

¹Final 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. The 2020 project shown in the table below is on schedule.

Project	Completion Target	
	Design	Construction
2020 Project (796 meters)	Complete	Summer/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 – April 2020 Final – May 2020
Transmission Main AMP	Draft – June 2020 Final – August 2020
Buildings and Structures AMP	Draft – Q2 2020 Final – Q2 2020
Groundwater Wells AMP	Draft – Q2 2020 Final – Q2 2020
SCADA AMP	Q3 2020
2020 Urban Water Management Plan ¹	2021
Meter AMP	

¹ 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
40A Auburn/Yard	Electrical System Study & Motor Repair	Spring 2020
41 Albatross/Iris	Electrical & Motor Control Upgrade	Spring 2020
52 Weddigen/Gothberg	Electrical & Motor Control Upgrade	Spring 2020
59A Bainbridge/ Holmes School	Condition Assessment & Pump Repair	Spring 2020
70 Sierra/Blackmer	Condition Assessment & Pump Repair	Spring 2020
N10 Walnut	Condition Assessment & Pump Repair	Spring 2020
N32B Poker	Condition Assessment & Pump Repair	Spring 2020
N34 Cottage	Condition Assessment & Pump Repair	Spring 2020
N8 Field	Electrical & Motor Control Upgrade	Summer 2020
69 Hillsdale / Cooper	Condition Assessment & Pump Repair	Summer 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 summer 2020 and construction completed by early spring 2021.

AGENDA ITEM: 13. a.

REGIONAL WATER AUTHORITY REGULAR MEETING OF THE BOARD OF DIRECTORS

Thursday, March 12, 2010, 9:00 a.m.

5620 Birdcage Street, Suite 110
Citrus Heights, CA 95610
(916) 967-7692

AGENDA

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

1. **CALL TO ORDER AND ROLL CALL**
2. **PUBLIC COMMENT**
3. **CONSENT CALENDAR**
 - a. Minutes from the November 14, 2019 Regular Board meeting and the January 9, 2020 Regular Board meeting
Action: Approve the November 14, 2019 Regular Board meeting minutes and the January 9, 2020 Regular Board meeting minutes
4. **FISCAL YEAR 2020 – 2021 BUDGET DEVELOPMENT OVERVIEW**
Presentation: Josette Reina-Luken, Financial and Administrative Services Manager
5. **VOLUNTARY AGREEMENT AD HOC COMMITTEE UPDATE**
Information Update and Discussion: Kerry Schmitz, Ad Hoc Committee Chair
6. **FEDERAL AFFAIRS AD HOC COMMITTEE UPDATE**
Information Update and Discussion: Sean Bigley, Ad Hoc Committee Chair
7. **FEDERAL AFFAIRS PLATFORM**
Presentation: Jim Peifer, Executive Director
Action: Approve Federal Affairs Platform
8. **STRATEGIC PLAN DEVELOPMENT UPDATE**
Information and Discussion: Jim Peifer, Executive Director
9. **LEGISLATIVE AND REGULATORY UPDATE**
Presentation: Ryan Ojakian, Legislative and Regulatory Affairs Manager
10. **STATE REGULATION UPDATE**
Presentation: Amy Talbot, Senior Project Manager

11. SACRAMENTO REGION WATER UTILITY COLLABORATION/INTEGRATION STUDY

Presentation: Paul Helliker, General Manager, San Juan Water District

12. EXECUTIVE DIRECTOR'S REPORT

13. DIRECTORS' COMMENTS

ADJOURNMENT

Upcoming meetings:

Executive Committee Meeting: Wednesday, March 25, 2020, 8:30 a.m. at the RWA Office.

Strategic Planning Workshop: Friday, March 27, 2020, 9:00 a.m., at the Regional San Administrative Offices, 10060 Goethe Road, Sacramento, CA 95827

Executive Committee Meeting: Wednesday, April 22, 2020, 8:30 a.m. at the RWA Office.

Regular Board Meeting: Thursday, May 14, 2020, 9:00 a.m., at the RWA Office.

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



Agenda Item: 13. e.

Date: March 11, 2020

Subject: Director's Reports – AB 1234

Staff Contact: Dan York, General Manager

In accordance with Directors' Compensation and Expense Reimbursement Policy (PL – BOD 003) section 300.50, "To comply with reporting requirements of Government Code section 53232.3, the District will prepare a list of the meetings attended by each Director for which the District provided compensation, and a list of the amount and purpose of each expense reimbursement paid by the District to each Director. This information will be included with the agenda materials for each regular monthly Board of Directors meeting. At the next regular Board meeting, Directors also must provide either an oral or written report of meetings and other authorized events attended for which they were compensated by the District. If multiple officials attended the same event, a joint report may be made."

AGENDA ITEM: 14. a.

Minutes

Sacramento Suburban Water District
Finance and Audit Committee
Tuesday, February 18, 2020

Call to Order – Conference Call Meeting

Chair Thomas called the meeting to order at 4:05 p.m.

Roll Call

Directors Present: Kevin Thomas.

Directors Absent: Robert Wichert.

Staff Present: General Manager, Dan York, Director of Finance and Administration, Jeff Ott and Dan Bills.

Public Present: Ingrid Shepline and Heidi McLucas of Richardson & Company, CPAs.

Announcements

None.

Public Comment

None.

Item for Discussion

1. Pre-Field Work Discussion with Independent Auditor

Discuss Scope and Timing of 2019 Audit with Richardson & Company, LLP.

Former Director of Finance and Administration, Dan Bills (Mr. Bills) introduced the independent auditors and discussed the purpose of the meeting, which was for the Committee to hear from the auditors regarding the scope of work they would be engaging in for the 2019 audit, to ask questions of the auditors, to direct the auditors in certain areas where the Board may have concerns and for the Committee and Auditors to discuss any known or suspected fraudulent concerns within the District.

Chair Thomas inquired as to how many years Richardson & Company had performed the audit under the current contract.

Mr. Bills responded they were in their sixth and final year and the Committee will be asked to bid the audit services later this Spring for 2020 and beyond.

Discussion ensued between Ms. Shepline and Chair Thomas over the scope of the audit.

Ms. McLucas asked a series of questions of Chair Thomas regarding the Board's knowing or suspecting fraudulent activities within the District.

Chair Thomas stated they did not know of or suspect of any fraudulent activities within the District and added there were no concerns on the part of the Board in this area.

Mr. Bills concluded the meeting by informing the Committee of the Auditors schedule for completing the 2019 audit, stating that they will be at the District the first two weeks in March 2020 for fieldwork, after which staff would finalize the 2019 CAFR and the Committee would be asked to meet again in late March or early April to hear the audit results and to review the CAFR prior to such reports going to the full Board in April 2020 for acceptance.

Adjournment

Chair Thomas adjourned the meeting at 4:20 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District

AGENDA ITEM: 14. b.

Notes

Sacramento Suburban Water District/Del Paso Manor Water District 2x2 Ad Hoc Committee

Monday, March 2, 2020 at 5:00 P.M.

Location:

Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821

Call to Order

Chair Locke called the meeting to order at 5:00 p.m.

Pledge of Allegiance

Chair Locke led the Pledge of Allegiance.

Roll Call

Committee Members: Craig Locke, Robert Wichert, Marissa Burt, and John Lenahan.

SSWD Staff:

General Manager Dan York, Assistant General Manager Mike Huot, Jeff Ott, Heather Hernandez-Fort, Dana Dean, Jim Arenz, Todd Artrip, Shawn Shedenhelm, and Matt Underwood.

Public Present:

Shelly Artrip, Paul Olmstead, Roger Nelson, Natalie Clohossey, Diane Graves, Kathy Laur, Penny Soderlund, Mary Harris, and Greg Schneider.

Items for Discussion and/or Action

1. Introduction

Sacramento Suburban Water District (SSWD) General Manager Dan York (Mr. York) noted that a Director from the Del Paso Manor Water District (DPMWD) was present in the audience, and reminded him to not provide any comments in order to comply with the Brown Act.

Each Committee member introduced themselves.

2. History of the two agencies

Mr. York presented a PowerPoint presentation of the history of both districts.

3. Goal of the 2x2 Committee

Chair Locke inquired what the goal of each Committee Member was for the Committee.

John Lenahan (Mr. Lenahan) expressed that he was interested in having formal discussions with SSWD regarding future plans of DPMWD. He stated that he was interested in discussing opportunities to combine forces with electronic meter reading,

and noted that DPMWD didn't have the staffing that SSWD has, and was interested in exploring all options of integrating systems, up to, potential consolidation discussions.

Marissa Burt (Ms. Burt) expressed that her main goal was the health and safety of DPMWD, and that she was interested in DPMWD becoming more proactive rather than reactive. She stated she was looking at things from all sides, and was interested in gathering all of the information she could to allow the DPMWD ratepayers to decide what would be best for the future of DPMWD.

Robert Wichert (Mr. Wichert) echoed Ms. Burt, noting that the community as a whole deserve the best. He expressed that he was interested in assisting DPMWD as long as it was not financially compromising SSWD ratepayers. He expressed that he supported keeping both districts independent, while exploring ways to join forces.

Chair Locke echoed Mr. Wichert with supporting DPMWD when possible, but also expressed concern for the liability of SSWD ratepayers.

The Committee agreed on the following goals:

1. Explore options for collaborative meter reading of DPMWD commercial meters.
2. Consider continuing support services beyond the end date of the current Operational Services Agreement (OSA) and explore ways to share knowledge, experience, hardware and instillation, including options for using the advantages of the economies of scale.
3. Explore cost saving options by jointly purchasing materials.

For clarification, Mr. Wichert defined the purpose of a 2x2 Committee.

Mr. York encouraged the Committee members to inquire if there were any other goal suggestions for the Committee with each of the Boards.

4. Operational Service Agreement Update

Mr. York provided an overview of the OSA between SSWD and DPMWD.

Mr. Wichert noted that if the OSA was extended, SSWD could possibly increase staffing to reduce the workload impact to SSWD staff.

Chair Locke pointed out that SSWD staff was providing services to operate DPMWD water system, but not doing any preventive maintenance tasks. He expressed that the OSA would need to be amended if the Boards agreed to do those types of additional services.

Mr. Wichert pointed out that the additional services could also include having access to all of SSWD's different staff expertise, at all levels and areas, which DPMWD didn't currently have.

5. Water System Condition Assessment

Ms. Burt voiced concern for the condition of DPMWD wells.

Mr. York expressed safety concerns and agreed that DPMWD wells needed several improvements. He noted that a safety condition assessment should be administered.

Ms. Burt requested SSWD to administer a safety condition assessment.

Mr. Lenahan requested if SSWD staff could generate a list of critical items to be addressed to improve the well sites.

Mr. York expressed that SSWD staff could provide an informal list of critical items to be addressed immediately.

Mr. Wichert inquired what DPMWD rate history was.

Ms. Burt explained that in 2010, DPMWD had a 100% rate increase, in 2016 there was a proposed 83% rate increase which was protested against, and in 2017 there was a 38% rate increase. She additionally commended SSWD for instituting small incremental rate increases over several years to prevent large increases all at once.

Further discussion ensued regarding the condition of DPMWD facilities.

Chair Locke requested Mr. York review the current OSA to ensure SSWD staff could provide an informal safety condition assessment under the agreement.

Chair Locke suggested combining the first two goals; Explore options for collaborative meter reading of DPMWD commercial meters, and; Consider continuing support services beyond the end date of the current agreement and explore ways to share knowledge, experience, hardware and instillation including options for using the advantages of the economies of scale into one goal. That goal would be reanalyzing the possibilities of the OSA, focusing efforts on duration, order of magnitude, cost, and what kind of additional services to include. He suggested those items be the talking points for the next meeting of the Committee. He further suggested for each District to discuss their priorities and goals with their Boards.

Mr. Wichert requested SSWD to try to put together the informal list of critical items before DPMWD's next Board meeting.

Ms. Burt requested information on how to prioritize infrastructure replacement.

Mr. Wichert suggested SSWD staff provide DPMWD with their Distribution Main Asset Plan and Condition Assessment presentation at a future DPMWD Board meeting.

Ms. Burt additionally requested SSWD assist her with identifying the different water agency affiliations, and what benefit they provide to water purveyors, such as RWA and SGA.

Chair Locke requested Ms. Burt provide SSWD staff with a list to include for discussion at the next Committee meeting.

6. Next Meeting Date and Time

The Committee agreed to hold the next DPMWD/SSWD 2x2 Committee meeting on April 6, 2020, at 5:00 p.m.

7. Public Comment

Paul Olmstead encouraged the Committee to have further discussions about consolidation.

The Committee expressed that it was still new and they were interested in vetting out all options before considering consolidation.

Natalie Clohossey, a DPMWD customer, expressed that she was not interested in a merger however, she supported whatever was necessary to provide clean and safe water. She additionally expressed concern for DPMWD hiring a new General Manager, if there was a potential for consolidation discussions.

Adjournment

Chair Locke adjourned the meeting at 6:30p.m.

Agenda Item: 15

Date: March 6, 2020

Subject: Legislative and Regulatory Update

Staff Contact: Greg Bundesen, Water Conservation Supervisor

1. RWA Government Affairs Committee

The 2019/20 legislative session reconvened on January 6, 2020. Table 1 on the next page shows the Assembly Bills (AB) and Senate Bills (SB) staff will track throughout the year. Table 1 is organized to show the bill number, name, voting results, District's recommended position regarding the bill (favor, not favor, watch), the Regional Water Authority's (RWA) position, and the Association of California Water Agencies' (ACWA) position. Staff works 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 only tracks the bills tracked by RWA's Advocacy Committee, ACWA's Legislative Committee, and other bills that could impact SSWD.

2. Notable Updates

- a. Additional Bills - Many bills were added to Table 1. Staff will continue vetting these bills with RWA and ACWA to determine a recommended District position.
- b. AB 60 – Water Conservation: Accuracy Standards for Water Meters – Died in committee and will not be considered for CY2020.
- c. AB 510 – Local Government Records: Destruction of Records – Died in committee and will not be considered for CY2020.
- d. AB 1204 – Public Water Systems: Primary Drinking Water Standards: Implementation Date – Died in committee and will not be considered for CY2020.

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. Outdoor standards are planned to be calculated by taking landscape measurements via satellite. DWR has created several workgroups to help develop the water conservation framework regulations over the next several years. Staff will report back to the Board on progress or significant updates.

Table 1: Assembly and Senate Bill Tracking				
Bill Number	Name	District Position	RWA Position	ACWA Position
AB 291	Local Emergency Preparedness and Hazard Mitigation Fund	TBD	TBD	Favor
AB 464	California Global Warming Solutions Act of 2006	TBD	TBD	Favor
AB 933	Ecosystem Resilience Program	Favor	Favor	Favor
AB 1071	Climate Change: Ag adaption tools program: grants	Watch	Watch	Favor
AB 1936	Price Gouging: Public Safety Power Shutoffs	TBD	TBD	Favor if Amended
AB 2076	Public Lands: Dept. of Parks and Rec.: Wildfire Management Plan: Fire Hazard Severity Zones	TBD	TBD	Favor
AB 2093	Public Records: Writing Transmitted by Electronic Mail: Retention	TBD	TBD	Not Favor
AB 2182	Emergency Backup Generators: Water and Wastewater Facilities: Exemption	Favor	Favor	Bill Sponsor
AB 2060	Drinking Water: Pipes and Fittings: Lead Content	TBD	TBD	Watch
AB 2178	Emergency Services	TBD	TBD	Favor
SB 414	Failing Public Water System Requirements	Watch	Watch	Watch
SB 931	Local Government Meetings: Agenda and Documents	TBD	TBD	Watch
SB 952	Sales and Use Taxes: Exemption: Backup Electrical resources: De-energization Events	TBD	TBD	Favor
SB 971	Small Water Supplier and Countywide Water Shortage Contingency Planning	TBD	TBD	Watch
SB 996	State Water Resources Control Board: Constituents of Emerging Concern program	TBD	TBD	Watch
SB 1052	Water Quality: Municipal Water Agencies	TBD	TBD	Favor
Bond Measure	Safe Drinking Water, Wildfire Prevention, and Natural Resources Protection Bond Act of 2020	TBD	TBD	Support If Amended



Agenda Item: 16

Date: March 2, 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. ACWA Region 2 and 4 Shasta Dam Tour
March 26, 2020
Shasta Lake, CA
<https://www.acwa.com/events/acwa-region-2-4-program-and-tour/>
2. SSWD Tap Talk Live – A 2020 Look Ahead
March 27, 2020
SSWD Boardroom
www.sswd.org
3. 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
4. Creek Week
April 18, 2020
Carmichael Park
www.sswd.org

Upcoming Water Industry Events

February 6, 2020

Page 2 of 3

5. Sacramento Metro Chamber of Commerce Capitol to Capitol – Board Approved
Conference
April 25 – 29, 2020
Washington DC
<https://metrochamber.org/>
6. RWA Board Meeting
May 2, 2020
RWA Office
<http://rwah2o.org/>
7. ACWA Spring Conference
May 5-8, 2020
Monterey, CA
<https://www.acwa.com/events/2020-spring-conference-exhibition/>
8. 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 3rd Monday of the month at 6:00 p.m.
- Citrus Heights Water District: <http://chwd.org/> - Every 3rd Wednesday of the month at 6:30 p.m.
- Del Paso Manor Water District: <https://www.delpasomanorwd.org/> (916)487-0419 - Every 1st Tuesday of the month at 6:30 p.m.
- El Dorado County Water Agency - <http://www.edlafco.us/> - Every 2nd Wednesday of the month at 10:00 a.m.
- El Dorado Irrigation District - <http://www.eid.org/> - Every 2nd and 4th Monday's of the month at 9:00 a.m.
- Fair Oaks Water District: <http://www.fowd.com/> - Every 2nd Monday of the month at 6:30 p.m.
- Natomas Mutual Water Company - <http://natomaswater.com/> - Every 2nd Tuesday of the month at 9:00 a.m.
- Orangevale Water Company - <https://orangevalewater.com/> - Every 1st Tuesday of the month at 4:00 p.m.
- Placer County Water Agency: <https://pcwa.net/> - Every 1st and 3rd Thursdays of the month at 2:00 p.m.
- Rio Linda/Elverta Community WD: <http://www.rlecwd.com/> - Every 3rd Monday of the month at 6:30 p.m.
- San Juan Water District: <http://www.sjwd.org/> - Every 4th Wednesday of the month at 6:00 p.m.



Agenda Item: 17

Date: February 27, 2020

Subject: CEQA Notice of Exemption for Miscellaneous Water Facility Projects

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

Discussion:

To comply with the California Environmental Quality Act (CEQA), the District has submitted a “Notice of Exemption” for each of the following projects:

- Thor Main Replacement Project
- 2020 Meter Retrofit Project

Article 15301 of CEQA allows a “Class 1” Categorical Exemption for “Existing facilities of both investor and publicly-owned utilities used to provide electric power, natural gas, sewerage, or other public utility services.” For the listed projects no significant additional system capacity will be provided. Therefore, they meet the criteria of “Statutory Exemption”, which qualifies them as exempt under CEQA.

As required, a “Notice of Exemption” for each project was recorded with the Sacramento County Clerk/Recorder’s office.

Fiscal Impact:

Unless challenged, there is no significant cost in making these determinations and filing costs are nominal fees.

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

Goal D – Maintain Excellent Customer Service

This item aligns with these goals because CEQA compliance is required for some capital projects necessary to maintain a reliable and cost-effective distribution system that ensures the District can provide superior customer service.



Agenda Item: 18. a.

Date: March 2, 2020

Subject: Upcoming Policy Review – Information Technology/Disaster Recovery Policy (PL – IT 004)

Staff Contact: Jeffery S. Ott, Director of Finance and Administration

Discussion:

Included with this report is the updated Information Technology/Disaster Recovery Policy (PL – IT 004) for the Board’s review and comment. The Information Technology/Disaster Recovery Policy (PL – IT 004) was last reviewed in May 2018.

Staff is recommending various changes to the Policy that reflect enhancements to appropriate management and use of District electronic facilities and data. The proposed changes are as follows:

Section 100.00 – Changes to Purpose of Policy

- Changed wording to be more consistent with other District IT policies defining District electronic facilities and data.
- Moved second paragraph into section 200.00 as the policy statements begin with this paragraph.
- Renumbered policy section to be consistent with other District policies numbering separate policy items.
- Updated wording to be more clear.

Section 100.10 – Changes to District Property

- Renumbered policy section to be consistent with other District policies numbering separate policy items.

Section 100.20 – Changes to Authorized Usage

- Renumbered policy section to be consistent with other District policies numbering separate policy items.
- Updated wording to be more clear.
- Removed phrase “are to be used solely for District related business purposes and not for personal use” and replaced with “is to be conducted solely in accordance with District Procedures” to be consistent with other District IT policies.

Section 100.30 – Changes to Unauthorized Usage

- Renumbered policy section to be consistent with other District policies numbering separate policy items.
- Updated wording to be more clear.

Section 100.40 – Changes to Technology Procurement

- Renumbered policy section to be consistent with other District policies numbering separate policy items.
- Updated wording to be more clear.

Section 100.50 – Changes to Information Security

- Renumbered policy section to be consistent with other District policies numbering separate policy items.
- Renamed section to Electronic Facilities and Data Security
- Updated wording to be more clear.

Section 200.00 – Disaster Recovery

- Renumbered policy section to be consistent with other District policies numbering separate policy items.
- Updated wording to be more clear.

This Policy will come before the Board for consideration and adoption at the April 2020, regular Board meeting. If a Director wishes to comment on the policy, please provide those comments by the end of business on Monday, March 30, 2020. If no comments are received by any Director, this policy will be placed on the Consent agenda.

Fiscal Impact:

Adoption of the Information Technology/Disaster Recovery Policy (PL – IT 004) will have no change on the District's financial position.

Strategic Plan Alignment:

Goal B – Optimize Operational and Organizational Efficiencies

The policy changes recommended will increase clarity on the roles and responsibilities of staff regarding District Electronic Facilities and data.

Attachment:

1 – Information Technology/Disaster Recovery Policy (PL – IT 004) - redlined

Sacramento Suburban Water District

Information Technology/Disaster Recovery Policy

Adopted: April 21, 2008
Approved with Changes on: ~~May 21, 2018~~ April 20, 2020

100.00 Purpose of the Policy

The purpose of this policy is to establish and ensure appropriate guidance for the usage, responsibilities, support, security, and protection of District electronic facilities e.g., including computers, servers, printers, scanners, software, Internet, Intranet, phones, copier/fax machines and all other technology-related devices and data~~computers, laptops, servers, telephones, voice mail, fax machines, software, cell phones, smart phones, internet, email, tablets, printers, and copiers.~~

200.00 Electronic Facilities Maintenance and Support

~~Resource constraints~~ Prudent management practices dictate that the District will facilitate its support of District electronic facilities through such means as the following:

1. Maximizing system uniformity with standard configurations.
2. Sustaining ~~the District electronic facilities program~~ by periodically upgrading and replacing ~~District electronic facilities~~ on a regular cycle.
3. Ensuring that District electronic facilities and their support resources are allocated to meet the needs of the District's Strategic Plans.

~~100.10~~ **200.10 District Property**

All District electronic facilities are the sole property of the District. All messages sent and received, including any personal messages, and all data and information stored on District electronic facilities are the District's property regardless of content.

All software acquired for or on behalf of the District or developed by District employees or contract personnel on behalf of the District is and shall be deemed District property.

~~100.20~~ **200.20 Authorized Usage**

Only authorized District staff or contract personnel, pre-approved by the General Manager (GM) or the Information Technology Manager (IT Manager), are to use District electronic facilities. All ~~electronic communications using~~ usage of District electronic facilities is to be conducted solely in accordance with District Procedures ~~are to be used solely for District-related business purposes and not for personal use.~~

~~100.30~~ **200.30 Unauthorized Usage**

Unless pre-approved by the IT Manager or the ~~General Manager~~GM, the use of personal software and/or peripheral equipment devices installed on or connected to the District electronic facilities is not authorized, including, but not limited to:

1. A piece of software ~~purchased~~acquired for one's home computer
2. A ~~downloaded~~Downloaded title-software from the internet
3. Any proprietary ~~title~~ software or data not licensed to the District

(See "PL - IT 005 Electronic Mail, Internet and Computer Use Policy")

100.40200.40 Technology Procurement

All District hardware and software purchased or developed shall be coordinated with the IT Department to ensure that all ~~applications~~hardware and software conform to District standards and are purchased or developed at the best possible price.

100.50200.50 ~~Information~~Electronic Facilities and Data Security

Appropriate hardware, software and monitoring shall be in place to ensure the protection of District data as well as District electronic facilities.

It is the responsibility of each employee to protect District electronic facilities and data belonging to the District. The following guidelines are for all employees:

- All District electronic facilities and data must be secured at all times by District staff and contract personnel.
- Any loss, theft, or suspicious activity of District electronic facilities or data must be reported to the IT Manager or designee immediately.
- For security and network maintenance purposes, authorized individuals, with District ~~Executive Management or IT Manager, Director of Finance and Administration Services, Assistant General Manager or GM~~approval, may monitor equipment, systems and network traffic at any time.

200.0060 Disaster Recovery

In the event of a critical disaster to District electronic facilities or data at one of the District's primary facility locations (Marconi or Walnut office), the District will have in place the necessary District electronic facilities at both facility locations such that critical functions can be operational as soon as possible. Specific steps for how and when the District's critical functions will be back online will be kept as part of the ~~IT Procedure~~PR – IT 003s and updated as necessary. For critical disasters at both District primary facilities simultaneously, the District will keep an off-site backup-system of District data such that recovery can occur as expeditiously as possible.

300.00 Policy Review

This Policy shall be reviewed by the Board of Directors at least biennially.



Agenda Item: 18. b.

Date: March 3, 2020

Subject: Upcoming Policy Review – Reasonable Accommodation and Interactive Policy (PL – HR 014)

Staff Contact: Cassie Crittenden, Human Resources Coordinator

The Reasonable Accommodation and Interactive Policy (PL – HR 014) is scheduled for its biennial review. The subject policy was originally adopted by the Board on April 21, 2014, and last reviewed on February 26, 2018.

Staff recommends the following minor changes:

Section 100.00 – Revised to remove language already captured in Section 200.00.

Section 200.00 – Revised to include examples of reasonable accommodations and to remove information that is either not needed or redundant.

The policy is scheduled for Board review and approval at the March 16, 2020, regular Board meeting. If a Director wishes to comment on the policy, please provide comments to staff by March 30, 2020. If no comments are received by any Director, this policy will be placed on the consent agenda.

Attachments:

1 – Reasonable Accommodation and Interactive Policy (PL – HR 014) - redlined

Sacramento Suburban Water District

Reasonable Accommodation and Interactive Process Policy

Adopted: April 21, 2014
Revised: February 26, 2018
Approved with changes on: XX

100.00 Purpose of the Policy

The purpose of this policy is to confirm the District's commitment to comply with state and federal laws to ~~insure~~ensure equal employment opportunities for qualified individuals with a physical or mental disability by ~~making~~providing reasonable accommodations for known physical or mental limitations of applicants or employees unless undue hardship on the employer would result. accommodation(s).

200.00 Policy

~~An interactive good faith communication process between the District and a disabled applicant or employee is required to select appropriate~~The District will provide reasonable accommodation(s), if any exist. This is a timely individual process where management and the individual discuss the request and possible effective reasonable accommodation(s) that would be required in order) for the employee or applicant individuals with a physical or mental disability to apply for employment and to perform the essential functions of the position.

~~An applicant or employee who wishes to request an accommodation should initiate the interactive process by contacting the District's Human Resources Coordinator. The District will engage in an interactive process with the employee or applicant to identify possible their job. Reasonable accommodations, if any, that will help him/her perform the job. Both the District and the applicant or employee must actively participate in the interactive process in good faith. If the applicant or employee refuses to participate in the process, the District is not obligated to continue it.~~ include, but are not limited to, the following:

- Changing job duties
- Providing leave for medical care
- Changing work schedules
- Relocating the work area
- Providing mechanical or electrical aids

The District will initiate an interactive process when: 1) an applicant or employee individual with a known disability requests a reasonable accommodation; 2) or when the District becomes aware of the need for an reasonable accommodation through a third party or, by observation; or 3) the District becomes aware of the possible need for an accommodation, or because an employee individual has a disability and has exhausted leave under the Workers' Compensation Act, the California Family Rights Act (CFRA), the Family Medical Leave Act (FMLA), benefits that would otherwise have been sufficient to provide the necessary accommodation.

An individual who wishes to request reasonable accommodation should initiate an interactive process by first contacting the District's Human Resources Coordinator. The District will engage with the individual to identify possible reasonable accommodation(s). Both the District and the individual must actively participate in an interactive process in good faith. If the individual declines to participate in the interactive process and/or other federal, state or employer leave provisions, as applicable demonstrate good faith effort, the District is not obligated to continue it.

Whether the applicant, employee individual or District initiates the interactive process, the following is a non-exclusive list of management considerations when reviewing a request for accommodation:

- a. Confirm Review the essential functions of the job.
- b. Determine how the disability limits performance of the employee's ability to perform the essential functions.
- e. Identify reasonable accommodation options that overcome limitations and determine the reasonableness of the proposed accommodation(s).
- d. Select the most appropriate reasonable accommodation(s), if any exist.

If an accommodation request is made by an applicant, employee or the District, the District will initiate the interactive process and confer with the individual applicant or employee until the interactive process is complete. The process will be deemed complete when one of the following occurs: the District and the applicant or employee individual agree on and implements a reasonable accommodation(s); the District determines there are no reasonable accommodations that would permit the applicant or employee individual to perform the essential functions of the job; or the applicant or employee individual declines to engage in the interactive process; the District determines that the individual is not engaging in the interactive process in good faith; or the accommodation would place an undue hardship on the District.

300.00 Policy Review

This Policy shall be reviewed at least biennially.



Agenda Item: 18. c.

Date: February 28, 2020

Subject: Upcoming Policy Review – Director Sexual Harassment Prevention Training Policy (PL – BOD 005)

Staff Contact: Mike Huot, Assistant General Manager

The Director Sexual Harassment Prevention Policy (PL – BOD 005) was originally adopted by the Board in January 2008 and last revised in May 2018. This policy is to be reviewed biannually.

Attachment 1 is a redline version of the Director Sexual Harassment Prevention Policy. Legal Counsel reviewed and updated references to Government Codes sections. There are no substantial changes.

The Director Sexual Harassment Prevention Policy is scheduled for the Board to consider and adopt at the next Board meeting in April 2020. If a Director wishes to comment on Attachment 1, please provide them to staff by close of business on March 31, 2020.

Fiscal Impact:

Adopting the policy updates does not have a fiscal impact.

Strategic Plan Alignment:

Aligns with core values of the District – Professionalism, Ethics, and Respect.

Attachments:

1 – Director Sexual Harassment Prevention Policy (PL – BOD 005) - redlined

Sacramento Suburban Water District

Director Sexual Harassment Prevention Training Policy

Adopted: June 16, 2008

Approved with changes on ~~May 21~~ April 20, 2020+8

100.00 Purpose of the Policy

Under California law and regulations established by the California Fair Employment and Housing Commission (“FEHC”), Directors are required to receive at least two hours of effective interactive training and education regarding sexual harassment prevention upon taking office and then at least once every two years. The sexual harassment prevention training and education required by this policy is intended to establish a minimum threshold and a Director may participate in additional training as he or she deems appropriate. (Gov’t Code sections 53237.1 & ~~12926(t).~~)

200.00 Harassment Prevention Training Requirement

Within six months after a Director assumes office, he or she must attend at least two hours of classroom or other effective interactive training and education regarding sexual harassment prevention in the workplace. After meeting the initial training requirement, each Director must attend sexual harassment prevention training and education at least once every two years for as long as the Director remains in office. (Gov’t Code sections 53237.1(b) & 12950.1(a); 2 C.C.R, section 11024, subs. (b)(1) & (b)(4).)

The education and training must identify behaviors that create or contribute to “sexual harassment” as that term is defined in California and federal law, and help instill values in Directors that will assist them in preventing and effectively responding to incidents of sexual harassment. The training shall include, but is not limited to, all subjects described in Government Code sections 53237.1(d) and 12950.1(a), and 2 C.C.R. section 11024, subd. (c)(2).

A Director is not required to receive the training in two consecutive hours so long as all of the first required training is completed within the six-month period and all of each subsequent training is completed within the same calendar year. (Gov’t Code section 53237.1(e); 2 C.C.R, section 11024, subd. (b)(6).)

Training may be received by any of the following methods: (1) attendance in a classroom setting; (2) participation in an internet-based interactive seminar conducted in real time (“webinar”); or (3) by interactive computer-based training (“e-learning”). (Gov’t Code section 53237.1(e);- 2 C.C.R, section 11024, subdivision (a)(2).) The required training and education must be presented by trainers or educators with knowledge and expertise in the prevention of harassment, discrimination, and

retaliation. (Gov't Code sections 53237.1(d) & ~~12950.1~~; 2 C.C.R, section 11024, subd. (a)(910).)

A Director who receives supervisor sexual harassment prevention training as a result of his/her service with an employer or another agency is not required to receive separate training because of his or her service with the District. However, such Director must: (1) receive, read, and acknowledge receipt in writing of the District's anti-harassment policy; and (2) submit to the Executive Assistant to the General Manager a duplicate copy of the proof of his/her participation in the mandated training that was obtained on behalf of the Director's employer or other agency. (Gov't Code sections 53237.1(f) and (h) & 53237.2; 2 C.C.R, section 11024, subd. (b)(5).)

300.00 Reporting

The Executive Assistant to the General Manager will inform Directors of available harassment prevention training opportunities, including any training opportunities offered at District facilities for staff supervisors subject to the training requirement. Each Director must obtain proof of his or her participation after he or she completed the mandated periodic training and submit proof of completion of such training to the Executive Assistant to the General Manager within thirty days of completing any training component. Each Director's personnel file shall include records of the dates of participation in sexual harassment prevention training and the person or entity providing the training. (Gov't Code sections 53237.1(f) and (g) & 53237.2; 2 C.C.R, section 11024, subd. (b)(2).) All sexual harassment prevention policies and attendance records are public records subject to disclosure under the California Public Records Act and must be retained by the District for a minimum of five years after a Director receives the training. (Gov't Code section 53237.2(b).)

400.00 Penalties for Policy Violation

It is the responsibility of each Director to ensure his or her compliance with this policy, including choosing the sexual harassment prevention training courses and securing and submitting the training completion documentation to the Executive Assistant to the General Manager as required in Article 300.00. While failure to comply with this policy does not impose strict liability on the District or a non-complying Director in any legal action involving a sexual harassment claim, such non-compliance can be used as evidence against the District and any non-complying Director in the prosecution of such claims. (Gov't Code sections 53237.5 & 12950.1(c).)

A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of a Director who has violated this policy, (b) injunctive relief, or (c) referral of the violation to the FEHC, which has the legal authority to issue an order compelling any Director violating this policy to

comply with the sexual harassment prevention training requirements within sixty days of the issuance of such an order. (Gov't Code section 12950.1~~(de)~~; 2 C.C.R, section 11024, subd. (d).)

500.00 Policy Review

This Policy shall be reviewed at least biennially.



Agenda Item: 18. d.

Date: March 10, 2020

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

Staff Contact: Jeffery S. Ott, Director of Finance and Administration

Discussion:

The Water Service Charges and Rate Setting Policy (PL - Fin 009) 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. At the January 2020 Board meeting Director McPherson indicated she wanted to include some additional edits to the policy. Staff have received the proposed edits and are included in this draft of the policy. The policy was again up for review at the February 2020 Board meeting when a constituent raised concerns over some of the language in the Policy. He indicated that he would be willing to review his concerns with staff, which was supported by the Board.

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 (PL - Fin 009) was last reviewed in July 2017. There are the two previously recommended staff changes:

Section 200.00 - Policy

1. It is recommended that water service charges and rates be assessed by staff annually instead of biennially.
2. 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.

The proposed changes from Director McPherson are as follows:

Section 200.00 - Policy

1. Remove the proposed change in item 2 above as Part A. 8.
2. Add the following language "If it is determined by the District that revenue generated has exceeded the amount needed for the year prior, rates can be adjusted downward the following year." as Part C. 7. Staff proposes some minor edits to this language as follows: "If it is determined by the Board of Directors that revenue generated exceeds planned expenditures, rates can be adjusted downward by the Board of Directors."

Additional staff changes to the structure and content of the policy are as follows:

General

1. The policy title has been updated to more align with AWWA terminology.

Section 100.00 – Purpose of Policy

1. Several language and grammatical changes have been made to increase readability and apply terms consistently.

Section 200.00 – Policy

1. Some unnecessary language has been removed. Other language and grammatical changes have been made to increase readability and apply terms consistently.
2. The required projections have been reduced from five years to three years.
3. Item A.4 has been removed. This item is already covered by item A.5.
4. Item A.6 has been removed. This item is already covered by item A.7.
5. Item B.3 has been removed. This item is already covered in Section 400.00 item B.
6. Item C.2 has been removed. This item is already covered by item C.5.
7. Added Item D. Fees and Charges Analysis. This item will cover the specifics of fees and charges as items B and C relate specifically to rates.

Section 400.00 – Reviews and Updates

1. Some unnecessary language has been removed. Other language and grammatical changes have been made to increase readability and apply terms consistently.

Section 500.00 – Authority

1. Language changes have been made to increase readability and apply terms consistently.

Fiscal Impact:

Adoption of the Water Service Charges and Rate Setting Policy (PL - Fin 009) will have no significant effect on the District's financial position.

Strategic Plan Alignment:

Goal C – Ensure Fiscal Responsibility and Affordable Rates.

Attachment:

- 1 – Water Service Charges and Rate Setting Policy (PL - Fin 009) redlined.
- 2 – Water Service Charges and Rate Setting Policy (PL - Fin 009) draft with proposed changes.

Sacramento Suburban Water District

Water Service Rates, Fees, and Charges and Rate-Setting Policy

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

100.00 Purpose of the Policy

~~It is important for the District~~ The Sacramento Suburban Water District ~~to shall~~ have cost-based water service rates, fees, and charges that are fair, equitable, and defensible. The basis for establishing water service rates, fees, and charges that are fair, equitable, and defensible has traditionally been cost of service principles and methodologies.¹ At the same time, the courts have historically recognized that ~~municipal~~ public entities can take into account ~~policy items~~ factors other than ~~strictly the~~ 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 also established certain legal constraints on setting water service rates, fees, and charges pursuant to Proposition 218 (Article XIII C and D of the California State Constitution). Therefore, this policy has been developed to provide guidance and ~~consistency~~ infor District financial planning and the rate setting decision-making process for the Board of Directors and staff. ~~Also, this~~ This ~~policy also~~ provides a foundation for the long-term financial sustainability of the District, while providing the ratepayers and 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 rates, fees, and charges ~~and rates~~ will be ~~assessed~~ reviewed ~~biennially~~ annually ~~by staff~~, to confirm sufficient funding, and to assess ~~needed~~ the need for 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 service rates, fees, and charges using "generally accepted" rate setting and costing methodologies, including establishing appropriate cost bases for any existing or future water rates, fees, and charges structure imposed or proposed to be imposed on District ratepayers, and in compliance with ~~all appropriate~~ California law. 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~~ methodologies include the following analyses:

¹ 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.

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

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~~ annually, at a minimum, for a ~~five~~-three year period (the proposed budget year plus ~~four~~-two 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.~~
- 5.4. ~~On an annual basis~~Annually, the District will fund, through its water service rates, fees, and charges 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.~~
5. 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. ~~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~~The District will utilize methodologies that are “generally accepted” by the industry (e.g. American Water Works Association) ~~including conservation-based methodologies. The cost of service for the District and will also 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 required level of revenue that reflects the rate design goals, objectives and policies of the District, including water conservation policies established by the District Board taking into consideration the following:-

1. Rate designs will be reflective of ~~system~~ District needs, and also reflect the greater public purpose and policy goals of the District Board of Directors.
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~~ to recover all 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) (e.g. single family, multi-family, commercial, etc).
4. Rates will be designed to be equitable, and detailed to a level to reflect for 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 be set that are easy to understand and administer is beneficial to both the customer and the District.
6. ~~It shall~~ will be the a policy of the District to set rates at the lowest responsible rate.
7. If it is determined by the Board of Directors that revenue generated exceeds planned expenditures, rates can be adjusted downward by the Board of Directors.

D. Fees and Charges Analysis – The District will set fees and charges that reflect the goals, objectives and policies of the Board of Directors.

6:

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~~ will be closely monitored to help maintain adequate rates, and fees, and charges through:

A. Annual Reviews - District water service rates, fees, and charges will be reviewed annually as part of the budget process, to determine the adequacy of revenues to

~~cover the planned expenditures and, and, as necessary, adjustments made to reflect inflation, construction needs, maintain bond covenants, and avoid major increases to meet the policies set forth herein.~~

- B. ~~Comprehensive Rate Studies - District~~ water service rates, fees, and charges 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~~District.

500.00 Authority

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

600.00 Policy Review

This Policy will be reviewed by the Board of Directors at least biennially.

Sacramento Suburban Water District

Water Service Rates, Fees, and Charges Setting Policy

Adopted: September 15, 2014
Approved with Changes: April XX, 2020

100.00 Purpose of the Policy

The Sacramento Suburban Water District shall have cost-based water service rates, fees, and charges that are fair, equitable, and defensible. The basis for establishing water service rates, fees, and charges has traditionally been cost of service principles and methodologies.¹ At the same time, the courts have historically recognized that public entities can take into account factors other than the 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 also established certain legal constraints on setting water service rates, fees, and charges pursuant to Proposition 218 (Article XIII C and D of the California State Constitution). Therefore, this policy has been developed to provide guidance for District financial planning and the rate setting decision-making process for the Board of Directors and staff. This policy also provides a foundation for the long-term financial sustainability of the District, while providing the rate payers and 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 rates, fees, and charges will be reviewed annually to confirm sufficient funding and to assess the need for adjustments to reflect inflation, construction needs, maintain bond covenants, and/or to avoid immediate or major rate adjustments.

The District will establish water service rates, fees, and charges using "generally accepted" rate setting and costing methodologies, including establishing appropriate cost bases for any existing or future water service rates, fees, and charges structure imposed or proposed to be imposed on District ratepayers, and in compliance with California law. The analyses associated with "generally accepted" rate-setting methodologies include the following:

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

¹ 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, applicable taxes/transfer payments, debt service (P&I), and capital improvements funded from rates.
2. Revenues and costs will be projected annually, at a minimum, for a three year period (the proposed budget year plus two 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. Annually, the District will fund, through its water service rates, fees, and charges, an amount to adequately maintain the existing infrastructure of the District. The District will fund selected capital projects based on the District’s Capital Asset Replacement Management Plans and the Water System Master Plan.
5. The level of any proposed adjustment(s) will reflect all costs (direct, indirect and costs of administration), such that rates, fees, and charges will be cost-based and provide for full cost recovery of providing water services to customers and to other local water retailers.

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 District will utilize methodologies that are “generally accepted” by the industry (e.g. American Water Works Association) and will also consider the specific circumstances and unique characteristics of the District.

C. Rate Design Analysis – The District will design rates to collect the required level of revenue taking into consideration the following:

1. Rate designs will be reflective of District needs, and also reflect the policy goals of the Board of Directors.
2. Rates will be set to recover all costs, by customer classification (e.g. single family, multi-family, commercial, etc).
3. Rates will be designed to be equitable for the service provided (e.g., private fire protection, multi-family services, etc).
4. Rates will be set that are easy to understand and administer.
5. It will be the policy of the District to set rates at the lowest responsible rate.
6. If it is determined by the Board of Directors that revenue generated exceeds planned expenditures, rates can be adjusted downward by the Board of Directors.

D. Fees and Charges Analysis – The District will set fees and charges that reflect the goals, objectives and policies of the Board of Directors.

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 financial/rate performance of the District will be closely monitored to maintain adequate rates, fees, and charges through:

- A. Annual Reviews - District water service rates, fees, and charges will be reviewed annually as part of the budget process to determine the adequacy of revenues to cover the planned expenditures and to meet the policies set forth herein.
- B. Comprehensive Studies - District water service rates, fees, and charges 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.

500.00 Authority

The General Manager and Director of Finance and Administration are responsible for adherence to this policy and to the regular reporting of the District's financial status. Oversight by the Board of Directors will be accomplished through regular reporting of financial status and review of this Policy.

600.00 Policy Review

This Policy will be reviewed by the Board of Directors at least biennially.