

Agenda
Sacramento Suburban Water District
Regular Board Meeting

3701 Marconi Avenue, Suite 100
Sacramento, California 95821

Monday, September 21, 2020
6:00 p.m.

In accordance with the California Department of Public Health’s and the Governor’s Executive Orders N-29-20 and N-33-20, the District’s boardroom is closed and this meeting will take place solely by videoconference and teleconference. The public is invited to listen, observe, and provide comments during the meeting by either method provided below. The Chairperson will call for public comment on each agenda item at the appropriate time and all votes will be taken by roll call.

For members of the public interested in viewing and having the ability to comment at the public meeting via Zoom, an internet enabled computer equipped with a microphone and speaker or a mobile device with a data plan is required. Use of a webcam is optional. You also may call in to the meeting using teleconference without video. Please use the following login information for videoconferencing or teleconferencing:

Join the meeting from a computer, tablet or smartphone:

<https://us02web.zoom.us/j/85294421281?pwd=ZWZqYUtiNnZ2dDhpcW5GSjdGRzJIUT09>

Meeting ID: 852 9442 1281

Password: 081062

You can also dial in using your phone: 1 (669) 900-6833

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Zoom uses encryption of data during Zoom meetings. The District uses a secure password to restrict access to scheduled meetings. The meeting host has control of content sharing, recording, and chat.

Please mute your line.

Where appropriate or deemed necessary, the Board may take action on any item listed on the agenda, including items listed as information items. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the District’s Administrative Office at the address listed above.

The public may address the Board concerning an agenda item either before or during the Board’s consideration of that agenda item. Persons who wish to comment on either agenda or non-agenda items should fill out a Comment Card and give it to the General Manager. The President will call for comments at the appropriate time. Comments will be subject to reasonable time limits (3 minutes).

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Sacramento Suburban Water District Human Resources at 916.679.3972. Requests must be made as early as possible and at least one full business day before the start of the meeting.

Call to Order

Pledge of Allegiance

Roll Call

Announcements

Public Comment

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

Consent Items

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

1. Minutes of the August 17, 2020, Regular Board Meeting
Recommendation: Approve subject minutes.
2. Resolution No. 20-10 Amending District Conflict of Interest Code
Recommendation: Approve subject resolution.
3. Driver Record and Insurance Review Policy (PL - HR 006)
Recommendation: Approve subject policy with changes.
4. Procurement Policy (PL - Fin 005)
Recommendation: Approve subject policy with changes.
5. Public Works Contracting Policy (PL - Eng 002)
Recommendation: Approve subject policy with changes.
6. Transmission Main Asset Management Plan
Recommendation: Approve the Updated Transmission Main Asset Management Plan.

Items for Discussion and/or Action

7. Sacramento Groundwater Authority/Sacramento County Groundwater Authority Presentation
Recommendation: Presentation by Jim Peifer, Executive Director of the Regional Water Authority.
8. Regional Water Authority – Major Projects Management Subscription Program
Recommendation: Approve the Regional Water Authority’s Major Projects Management Subscription Program and authorize the General Manager to sign the program agreements, subject to legal review.
9. Skip’s Music Rent Relief Request
Recommendation: Approve Skip’s Music request for rent relief due to COVID-19 effects on business.
10. CalPERS Pension – Employer Paid Member Contribution
Recommendation: Continue paying the Employer Paid Member Contribution for employees in the 3% at age 60 and the 2% at age 55 pension plan.
11. New Auditing Firm
Recommendation: Approve selection of Maze & Associates as the District’s independent auditor as recommended by the Finance and Audit Committee. Authorize the Finance and Audit Committee to execute a contract and engagement letter with Maze & Associates for the 2020 year-end audit.
12. Exchange Inactive Well 12 for Property at Seely Park Adjacent to Well 7
Recommendation: Authorize the General Manager to execute necessary documents, including recording the deed with a certificate of acceptance and quitclaim deed, to exchange the SSWD’s inactive Well 12 and approximately 0.05 acres of land for approximately 0.2 acres of land owned by the Fulton El Camino Recreation Park District at Seely Park, subject to legal review.
13. Fleet Asset Management Plan
Recommendation: Adopt the Fleet Asset Management Plan.

General Manager’s Report

14. General Manager’s Report
 - a. Health Resolution No. 20-08 Update
 - b. City of Sacramento Update

- c. Arden Park Vista Service Area
- d. Sacramento Area Council of Governments – Green Means Go Initiative Program
- e. Walnut Property Acquisition Update
- f. SSWD – County Change of Ownership

Department/Staff Reports

- 15. Financial Report
 - a. Financial Highlights – August 2020
 - b. Financial Statements – August 2020
 - c. Investments Outstanding and Activity – August 2020
 - d. Cash Expenditures – August 2020
 - e. Credit Card Expenditures – August 2020
 - f. District Reserve Balances – August 2020
 - g. Information Required by Bond Agreement
 - h. Financial Markets Report – August 2020
- 16. District Activity Report
- 17. 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)

- 18. a. Regional Water Authority (Director Jones)
Agenda for the September 10, 2020 meeting and September 16, 2020 Special Board Meeting.

Regional Water Authority Executive Committee (General Manager York)
Agenda for the August 26, 2020 meeting.

- b. Sacramento Groundwater Authority (Director Wichert)
None.
- c. Director Reports – AB 1234

Committee Reports

- 19. a. Facilities and Operations Committee (Director Jones)
Draft minutes from the September 2, 2020 meeting.

Information Items

- 20. Correspondence received by the District
- 21. 2021 Budget Preparation Status Update
- 22. Legislative and Regulatory Update
- 23. Upcoming Water Industry Events
- 24. Upcoming Policy Review
 - a. Employment Rules and Procedures Policy (PL - HR 001)
 - b. Employee Performance Evaluation, Merit and COLA Policy (PL - HR 003)

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.

Adjournment

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Upcoming Meetings

- Monday, Sept. 28, 2020, at 5:00 p.m., Ad Hoc Water Banking and Transfer Committee Meeting
- Monday, October 12, 2020, at 6:00 p.m., Special Board Workshop
- Monday, October 19, 2020, at 6:00 p.m., Regular Board Meeting

* * * * *

I certify that the foregoing agenda for the September 21, 2020, meeting of the Sacramento Suburban Water District Board of Directors was posted by September 18, 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, August 17, 2020

Location:

Video and Audio Conference Only at 1-669-900-6833, or Zoom at Meeting Id #844 6253 9777

Call to Order – Videoconference/Audioconference Meeting

President Thomas called the meeting to order at 6:01 p.m.

Pledge of Allegiance

President Thomas led the Pledge of Allegiance.

Roll Call

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

Directors Absent: None.

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

Public Present: District Legal Counsel Josh Horowitz, William Eubanks, Paul Olmstead, Alan Driscoll, Adam Coyan, Marissa Burt, John Lenahan, Katie Huddleston, Terri Ezaki, and Paul Helliker.

Announcements

General Manager Dan York (GM York) announced:

- Congratulations to Directors Jones and McPherson on running unopposed and being reelected to another 4 year term.
- There was a state of emergency declared due to the extreme temperatures and he had modified work hours from 7:00 a.m. to 3:30 p.m. for three days to accommodate it.

Public Comment

William Eubanks (Mr. Eubanks) expressed he felt it was strange to hold a closed session item prior to the regular Board meeting.

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

The Board convened in Closed Session at 6:08 p.m. to discuss the following:

1. Conference with legal counsel--anticipated litigation; Government Code sections 54954.5(c) and 54956.9(a) and (d)(4); significant exposure to litigation involving one case.

Return to Open Session

The Board convened in Open Session at 7:05 p.m. The Board had a discussion with staff but there was no reportable action.

Mr. Eubanks inquired if there was a vote taken.

President Thomas expressed there was no vote taken.

Consent Items

- 2. **Minutes of the July 20, 2020, Regular Board Meeting**
- 3. **Budget Policy (PL – Fin 012)**
- 4. **Investment Policy (PL – Fin 003)**
- 5. **Employee Standards of Conduct and Discipline Policy (PL - HR 011)**
- 6. **Water Service Rates, Fees, and Charges Setting Policy (PL - Fin 009)**

Director Wichert moved to approve the Consent Items; Director Locke seconded. The motion passed by 4/1 vote. Director McPherson opposed expressing she did not have an opportunity to discuss the items.

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

Items for Discussion and/or Action

- 7. **Resolution No. 20-08 Fixing the Employer Contribution at an Equal Amount for Employees and Annuitants Under the Public Employees’ Medical and Hospital Care Act**

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

Director McPherson inquired why there were not different rates for annuitants and current employees.

Ms. Crittenden expressed the Board decided to provide equal benefits for both groups.

GM York expressed the Employee Benefits Ad Hoc Committee could review that going forward.

District Legal Counsel Josh Horowitz (Mr. Horowitz) stated he believed it was a requirement under Public Employees Medical and Hospital Care Act (PEMHCA).

Director Wichert inquired if there were other “non-comparable” rates to consider.

Director McPherson answered that she believed we were limited based on the size of our organization as well as employee type.

Terri Ezaki (Ms. Ezaki) answered that Director McPherson was correct stating if you had less than 100 employees you are considered a small group so your options are more limited.

Director Wichert inquired if staff has looked at options to lower the costs to the District, such as increasing employee copays.

GM York answered that was an option for the Employee Benefits Ad Hoc Committee to explore.

Ms. Ezaki expressed that the CalPERS Board makes all the decisions on those benefit designs.

Director McPherson noted that the “opt-out” cash in lieu payment amount for employees that decide to opt-out of the medical benefits offered by the District was something the Board could look at adjusting.

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

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

8. **Contract Services Agreement Amendment Between Sacramento Suburban Water District and Del Paso Manor Water District**

GM York presented the staff report.

Director Wichert expressed he did not feel comfortable charging overtime rates unless staff actually worked the overtime. He further suggested for staff to work the equivalent amount of time spent at Del Paso Manor Water District (DPMWD) during overtime, which would allow the billing for DPMWD to be at the overtime rate.

Director Locke expressed he agreed with Director Wichert’s suggestion and further stated he was ok with supporting DPMWD for the first couple months, but was not in favor of continuing the agreement with DPMWD for as long as it has been going on, noting the District was staffed to support the needs of our District only.

Director McPherson inquired how often the District has paid overtime in the past 15 months.

Jeff Ott (Mr. Ott) answered there were 21 overtime hours for just last month.

Director Wichert expressed he was in favor of extending the contract through September 2020, but that he was not in favor of extending past that, unless it was to discuss a long term contract.

Director Wichert moved to continue the current plan of only billing DPMWD overtime rates when its worked, and making it clear we are not doing another month unless it's a long term contract; Director Jones seconded.

Mr. Eubanks inquired what Director Wichert meant by a long term contract.

Director Wichert explained that he would be willing to discuss a longer term contract with DPMWD, which would include adding additional District staff to support the needs of DPMWD.

Mr. Eubanks stated he wasn't sure what was taking DPMWD so long to be fully staffed and that he did not support continuing to assist them, other than with emergency services.

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

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

9. **Resolution No. 20-09 CalPERS Pension – Employer Paid Member Contribution**

Mr. Ott presented the staff report.

Director McPherson moved to approve the staff recommendation; Director Wichert seconded. The motion passed by 3/2 vote. Directors Locke and Jones opposed.

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

10. **2021 Budget Assumptions**

Mr. Ott presented the staff report and answered clarifying questions.

Discussion ensued over the price of water from the City of Sacramento.

GM York expressed he was still negotiating with the City of Sacramento on the rate, and that there was a chance they would do another pilot program at \$120 per acre foot, noting he would keep the Board apprised of the status.

Director Wichert expressed that staff should take advantage of it and raise the assumed amount in the budget.

Mr. Eubanks inquired how often the assumptions for water purchasing in the budget have been accurate.

GM York expressed that the majority of assumptions for the PCWA water has been accurate; however, the assumptions for the City of Sacramento water has been determined by the price of the water; therefore, it varied.

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

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

11. Sacramento Region Water Utility Collaboration Study Update

GM York presented the staff report and stated he would provide the draft study to the Board for their review and comments.

Director McPherson was worried there was not much time to review and provide comments.

Mr. Eubanks inquired what was going to be done with all of the data collected.

President Thomas expressed they would review the information and evaluate how the Districts could be more efficient.

12. Water Fluoridation Discussion

GM York presented the staff report and answered clarifying questions, noting the contract with the First 5 required that the District continue fluoridating at optimal levels.

Director Wichert stated that he believed a lot of the fluoride was being wasted by going to outside irrigation, and that he was not in favor of the customers of the North Service Area having to pay for fluoride when they do not receive it, which he believed was a big operational problem as it splits the service territory.

President Thomas noted that the District received a lot in grant funding to begin the program.

Director Wichert stated that a possible way to get out of the fluoride contract would be to review how much the District was paying for fluoride, and if it required rate increases to continue fluoridating, he noted that was a fiscal impact to the District. He inquired what Mr. Horowitz’s opinion was.

Mr. Horowitz expressed that by doing what Director Wichert suggested, the District would be in breach of contract, as the contract required that once the District accepted

the grant funding for the initial facilities and equipment it would continue to fluoridate until 2027, unless the District could demonstrate a financial hardship.

Director Wichert noted that the first step would be to request for staff to create a list of all of the reasons why having fluoride would be a financial burden on the District.

Mr. Horowitz expressed the reasons would have to be consistent with what the law and the regulations provide.

Discussion ensued on how the fluoride was funded.

GM York recommended staff contact the Department of Drinking Water as well as First 5 and District legal counsel to discuss all options and bring a report back to the Board explaining more details.

Director Wichert requested a financial analysis of why the District should not continue to fluoridate the water.

Mr. Eubanks noted that Director Wichert stated that it was not fair for customers in the North Service Area to pay for a benefit that only the customer in the South Service Area was receiving, further noting that it would equally be unfair for customers in the South Service Area to pay for a benefit that only the customer in the North Service Area were receiving.

General Manager's Report

13. **General Manager's Report**

GM York presented the staff report.

- a. *Grant of Easement and Right of Way*
GM York presented the staff report.
- b. *Materials Purchasing Program – Regional Water Authority*
GM York presented the staff report.
- c. *San Juan Water District Water Transfer Update*
GM York presented the staff report.
- d. *City of Sacramento Update*
GM York presented the staff report.

Assistant General Manager's Report

14. **Assistant General Manager's Report**

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

- a. *Placer County Water Agency Agreement Amendment*
AGM Huot presented the staff report.

Mr. Eubanks commented that it was good progress.

Department/Staff Reports

15. Financial Report

A written report was provided.

- a. *Financial Highlights – July 2020*
A written report was provided.
- b. *Financial Statements – July 2020*
A written report was provided.
- c. *Investments Outstanding and Activity – July 2020*
A written report was provided.
- d. *Cash Expenditures – July 2020*
A written report was provided.
- e. *Credit Card Expenditures – July 2020*
A written report was provided.
- f. *District Reserve Balances – July 2020*
A written report was provided.
- g. *Information Required by Bond Agreement*
A written report was provided.
- h. *Financial Markets Report – July 2020*
A written report was provided.

16. District Activity Report

A written report was provided.

17. 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)

18. a. Regional Water Authority (Director Jones)

The agendas for the August 7 and 11, 2020, Special Board meetings were provided.

Regional Water Authority Executive Committee (General Manager York)

The agenda for the July 22, 2020, meeting was provided.

Sacramento Groundwater Authority (Director Wichert)

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

b. Director Reports – AB 1234

Director Locke provided an oral report on the DPMWD Board meeting he attended on July 7, 2020; the RWA Board meeting he attended on July 9, 2020; the Water Forum Steering Committee he attended on July 10, 2020; the AeroJet CAG meeting he attended on July 15, 2020; the Water Forum Steering Committee meeting he attended on July 16, 2020; the SJWD Special Board meeting he attended on July 8, 2020; the RWA Executive Committee meeting he attended on July 22, 2020; the Collaboration Study meeting he attended on July 28, 2020; and the AWWA Cross Connection Control webinar he attended on July 29, 2020.

President Thomas provided an oral report on the DPMWD Board meeting he attended on July 7, 2020; the meeting with the General Manager he had on July 8 and 24, 2020; the RWA Board meeting he attended on July 9, 2020; the Water Forum Steering Committee he attended on July 10, 2020; the AeroJet CAG meeting he attended on July 15, 2020; the Water Forum Steering Committee meeting he attended on July 16, 2020; and the SJWD Board meeting he attended on July 22, 2020.

Committee Reports

19. a. Facilities and Operations Committee (Director Jones)

The draft notes from the July 15, 2020, meeting were provided.

b. Finance and Audit Committee (Director Thomas)

The draft notes from the August 10, 2020, meeting were provided.

c. DPMWD/SSWD 2x2 Ad Hoc Committee (Director Locke)

The draft notes from the August 3, 2020, meeting were provided.

d. Employee Benefits Ad Hoc Committee (Director Thomas)

The draft notes from the August 11, 2020, meeting were provided.

Information Items

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. Driver Record and Insurance Review Policy (PL - HR 006)
 - b. Procurement Policy (PL - Fin 005)
 - c. Public Works Contracting Policy (PL - Eng 002)

Director's Comments/Staff Statements and Requests

Director McPherson expressed she had some non-substantive comments for the Budget policy and stated she would reach out to Mr. Ott to discuss.

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

The Board convened in Closed Session at 8:30 p.m. to discuss the following:

23. Conference with real property negotiator involving the purchase, sale, lease or exchange of 5334 Walnut Avenue, Sacramento, CA. Dan York, District negotiator, will negotiate with Robert Jacobs. Instructions to the negotiator(s) may include price, terms of payment, or both. (See Government Code sections 54954.5(b) and 54956.8.)

Return to Open Session

The Board convened in Open Session at 8:40 p.m. There was no reportable action.

Adjournment

President Thomas adjourned the meeting at 8:41 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District



Agenda Item: 2

Date: September 21, 2020

Subject: Resolution No. 20-10 Amending District Conflict of Interest Code

Staff Contact: Dan York, General Manager

Recommended Board Action:

Approve Resolution No. 20-10 Amending District Conflict of Interest Code.

Discussion:

The California Political Reform Act requires all local government agencies to review their conflict of interest codes biennially. Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's Code includes disclosure by those agency officials who make or participate in making governmental decisions. The District's review is scheduled in even-numbered years and must be submitted to Form 700 Coordinator for the Sacramento County Board of Supervisors by October 1, 2020.

Once the proposed amendments to the Conflict of Interest Code is received, it is then placed on the Sacramento County Board of Supervisors agenda for approval.

District legal counsel has reviewed the proposed changes and has confirmed that there is a need to amend the District's Code to amend a staff position that will be required to file Form 700 forms based on their involvement in making, or participating in making, agency decisions. It has been determined the Administrative Services Manager title has been changed to the Customer Service Manager. Also, the Finance Director title has been changed to Director of Finance and Administration. The Code has been formatted so it consists of a cover page and appendix with reporting position designations and related explanatory text, with the FPPC regulation incorporated by reference.

Staff has provided Resolution 20-10 (Attachment 1) and the amended Conflict of Interest Code, in redline, attached as Attachment 2. The Resolution is now a stand-alone document that has the sole purpose of adopting the revised Conflict of Interest Code and directing its submission to the Sacramento County Board of Supervisors for final approval.

Fiscal Impact:

None.

Strategic Plan Alignment:

Goal B. – Optimize Operational and Organizational Efficiencies.

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

RESOLUTION NO. 20-10

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SACRAMENTO SUBURBAN WATER DISTRICT ADOPTING AMENDED DISTRICT CONFLICT OF INTEREST CODE

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

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

WHEREAS, the District's existing Conflict of Interest Code, as last amended by the District's Board of Directors on November 19, 2018, requires updating the titles and reporting categories of certain designated staff positions subject to the code's reporting requirements, and make other minor changes.

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

1. The Board of Directors hereby adopts the revised District Conflict of Interest Code attached hereto, which is intended to supersede the amended conflict of interest code adopted by the Board on November 19, 2018, and all other prior inconsistent codes or resolutions.
2. Designated employees and consultants shall file statements of economic interest on FPPC Form 700 with the District's designated code filing officer, the Executive Assistant to the General Manager or her or his designee, who will make the statements available for public inspection and copying and, if required, file such statements with Sacramento County.
3. This Conflict of Interest Code shall not take effect until the Sacramento County Board of Supervisors approves it in its capacity as code reviewing body under the Political Reform Act. The General Manager is hereby authorized and directed to submit a certified copy of this resolution with the amended District Conflict of Interest Code to the Board of Supervisors and request approval of that code.
4. After approval by the Sacramento County Board of Supervisors, the amended code attached hereto shall constitute the Conflict of Interest Code of the Sacramento Suburban Water District in accordance with subdivision (a) of Section 18730.

PASSED AND ADOPTED by the Board of Directors of the Sacramento Suburban Water District on this 21st day of September 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 regular meeting thereof held on the 21st day of September 2020.

(SEAL)

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

Sacramento Suburban Water District

Conflict of Interest Code

Adopted: February 20, 2002

Revised: ~~November 19, 2018~~September 21, 2020

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

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

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

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

APPENDIX OF DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES

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

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

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

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

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

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

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

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

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

² A consultant serves in a staff capacity only if he or she has an on-going relationship with the District. A consultant who works on one project or a limited range of projects for the District is not deemed a consultant subject to the reporting requirements of this code unless the project or projects extend over a

Attachment 2

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

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

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

substantial period of time, generally more than one year. (See *Smith* Advice Letter, FPPC No. I-99-316; *Travis* Advice Letter, FPPC No. A-96-053; *Randolph* Advice Letter, FPPC No. A-95-045.)



Agenda Item: 3

Date: September 21, 2020

Subject: Driver Record and Insurance Review Policy (PL – HR 006)

Staff Contact: Cassie Crittenden, Human Resources Coordinator

Recommended Board Action:

Approve the updated Driver Record and Insurance Review Policy (PL – HR 006) with changes.

Background:

On August 17, 2020, the Driver Record and Insurance Review Policy (PL – HR 006) was brought to the Board for review. To date, no comments from the Board have been received.

Discussion:

Staff recommends approving the updated Driver Record and Insurance Review Policy (PL – HR 006). Both, a redlined version (Attachment 1) and clean version (Attachment 2) are included for your reference. In summary, edits were made to the following section:

Section 200.00

- Included an explanation of what the requirements are under the California Compulsory Financial Responsibility Law for clarification.

Fiscal Impact:

Adopting the policy updates has no fiscal impact.

Strategic Plan Alignment:

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

District customers benefit from obtaining driver record and insurance information in an effort to reduce District liability and financial responsibility.

Attachments:

- 1 – Driver Record and Insurance Review Policy (PL – HR 006) – redlined
- 2 – Driver Record and Insurance Review Policy (PL – HR 006) – clean

Sacramento Suburban Water District

Driver Record and Insurance Review Policy

Adopted: August 21, 2006

~~Ratified without~~ Approved with changes on: ~~July 16, 2018~~ September 21, 2020

100.00 Purpose of the Policy

The purpose of this policy is to establish and apply uniform criteria when accessing and evaluating driver record, class and financial responsibility/insurance information for Directors, staff, prospective staff and volunteers who drive a District or personal vehicle while on District business.

200.00 Policy

It is the policy of the District to require every Director, staff member, prospective staff member and volunteer who drive a District or personal vehicle while on District business to hold a valid State of California driver's license. Additionally, any personal vehicle driven for District business purposes must meet the requirements of the California Compulsory Financial Responsibility Law, California Vehicle Code Sections 16000 through 16078.

Prospective staff members and volunteers will be required to authorize the District to obtain a current Department of Motor Vehicles ("DMV") driving record report after a conditional offer of employment has been made or volunteer opportunity has been presented.

Every Director, staff member, and volunteer will be responsible for reporting to the General Manager or designee (Directors), or their immediate supervisor (staff members and volunteers), any moving violation or accident that occurs while they are driving a District or personal vehicle on District business, and shall do so immediately (within one business day) ~~24 hours~~ following the violation or accident.

Every Director, staff member and volunteer will be enrolled in the DMV Employer Pull Notice Program ("Pull Program") and ~~will be~~ is required to sign an Authorization for Release of Driver Record Information for enrollment into the Pull Program. The information received from the Pull Program will be used to validate any moving violations or accidents ~~reported by a Director, staff member, or volunteer of an enrollee.~~ Upon termination of employment, ~~the Director, staff member or volunteer enrollees~~ will be removed from the Pull Program.

Under the requirements of the California Compulsory Financial Responsibility Law, every driver and every owner of a motor vehicle is to maintain financial responsibility (liability coverage) at all times. The most commonly used form is a motor vehicle liability insurance policy. Every Director, staff member, and volunteer shall ~~also~~ sign a “Proof of Insurance” form to assure ~~confirm~~ financial responsibility ~~(most commonly established by maintaining automobile insurance coverage)~~ for any personal vehicle used on District business. This form shall be signed at the time of hire, taking office, or the start of the volunteer assignment, and shall be resubmitted on an annual basis. ~~and shall be resubmitted on an annual basis.~~

If a ~~Director’s, staff member’s or volunteer’s~~ license is revoked or suspended by the DMV or a court of law, or in the event of any loss of financial responsibility/insurance, the Director, staff member, or volunteer must immediately inform the General Manager or designee (Directors) or his/her immediate supervisor (staff members and volunteers) by the next business day. If a Director violates this policy, the General Manager will report the violation and any recommended action to the Board of Directors. If a staff member or volunteer fails to notify his/her immediate supervisor or continues to drive a District or personal vehicle on District business after the loss of a license, license class, or financial responsibility/insurance, appropriate disciplinary action may be taken up to and including termination of employment.

300.00 Authority and Responsibility

The General Manager is responsible for administering this policy and has established a process for reviewing and evaluating driver record and financial responsibility information as set forth in the Driver Record and Insurance Review Procedure (PR-HR 003) in an effort to reduce the District’s exposure to liability as well as ensure the safety of Directors, staff members, volunteers, customers, and members of the general public.

400.00 Policy Review

This Policy shall be reviewed at least biennially.

Sacramento Suburban Water District

Driver Record and Insurance Review Policy

Adopted: August 21, 2006
Approved with changes on: September 21, 2020

100.00 Purpose of the Policy

The purpose of this policy is to establish and apply uniform criteria when accessing and evaluating driver record, class and financial responsibility/insurance information for Directors, staff, prospective staff and volunteers who drive a District or personal vehicle while on District business.

200.00 Policy

It is the policy of the District to require every Director, staff member, prospective staff member and volunteer who drive a District or personal vehicle while on District business to hold a valid State of California driver's license. Additionally, any personal vehicle driven for District business purposes must meet the requirements of the California Compulsory Financial Responsibility Law, California Vehicle Code Sections 16000 through 16078.

Prospective staff members and volunteers will be required to authorize the District to obtain a current Department of Motor Vehicles ("DMV") driving record report after a conditional offer of employment has been made or volunteer opportunity has been presented.

Every Director, staff member, and volunteer will be responsible for reporting to the General Manager or designee (Directors), or their immediate supervisor (staff members and volunteers), any moving violation or accident that occurs while they are driving a District or personal vehicle on District business, and shall do so immediately (within one business day) following the violation or accident.

Every Director, staff member and volunteer will be enrolled in the DMV Employer Pull Notice Program ("Pull Program") and is required to sign an Authorization for Release of Driver Record Information for enrollment into the Pull Program. The information received from the Pull Program will be used to validate any moving violations or accidents of an enrollee. Upon termination of employment, enrollees will be removed from the Pull Program.

Under the requirements of the California Compulsory Financial Responsibility Law, every driver and every owner of a motor vehicle is to maintain financial responsibility (liability coverage) at all times. The most commonly used form is a motor vehicle liability insurance policy. Every Director, staff member, and volunteer shall sign a “Proof of Insurance” form to confirm financial responsibility for any personal vehicle used on District business. This form shall be signed at the time of hire, taking office, or the start of the volunteer assignment, and shall be resubmitted on an annual basis.

If a license is revoked or suspended by the DMV or a court of law, or in the event of any loss of financial responsibility/insurance, the Director, staff member, or volunteer must immediately inform the General Manager or designee (Directors) or his/her immediate supervisor (staff members and volunteers) by the next business day. If a Director violates this policy, the General Manager will report the violation and any recommended action to the Board of Directors. If a staff member or volunteer fails to notify his/her immediate supervisor or continues to drive a District or personal vehicle on District business after the loss of a license, license class, or financial responsibility/insurance, appropriate disciplinary action may be taken up to and including termination of employment.

300.00 Authority and Responsibility

The General Manager is responsible for administering this policy and has established a process for reviewing and evaluating driver record and financial responsibility information as set forth in the Driver Record and Insurance Review Procedure (PR-HR 003) in an effort to reduce the District’s exposure to liability as well as ensure the safety of Directors, staff members, volunteers, customers, and members of the general public.

400.00 Policy Review

This Policy shall be reviewed at least biennially.



Agenda Item: 4

Date: September 21, 2020

Subject: Procurement Policy (PL – Fin 005)

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

Recommended Board Action:

Approve the updated Procurement Policy (PL – Fin 005), with changes.

Background:

The Procurement Policy PL – Fin 005 (Policy) was last reviewed by the Board in October 2018.

On August 17, 2020, the Policy update was brought to the Board for review. No comments have been received from the Board.

Discussion:

The attached updated Policy has been reviewed by staff and legal counsel. Recommended substantive changes include:

Section 200.20 Purchases of Materials and Trade Services up to \$100,000 – Removed sentence requiring disclosure and economic impact of purchase on budget to the Board.

Section 200.30 Purchases of Materials and Trade Services in Excess of \$100,000 –

1. Clarified language describing purchases over \$100,000 individually and cumulatively per vendor.
2. Added language requiring three bids and memorandum describing situations where less than three bids are received.
3. Clarified language for selection of bidder of trade services contracts.
4. Added language for selection of bidder for material purchases.

Section 200.40 General Purchase Guidelines

1. Clarified language on pre-authorizing purchases.
2. Minor clarifications to guidelines.

Section 200.50 Emergency Purchases

1. Added condition on the requirement for two board members for emergency purchases that one should be the Board President unless unavailable.

Section 200.60 Direct Award Approval

1. This entire section was added. It allows an award of contract for purchases greater than \$100,000 by Direct Award in certain situations.

Section 200.70 Acquisition of Real Property Interests

1. This entire section was added. It describes the requirements to purchase real property interests.

A redline version (Attachment 1) and a clean version (Attachment 2) of the policy are included.

Attachments:

- 1) Procurement Policy (PL – Fin 005) – redlined
- 2) Procurement Policy (PL – Fin 005) – clean

Sacramento Suburban Water District

Procurement Policy

Adopted: September 20, 2004

Approved with changes on ~~October 15, 2018; April 6~~September 21, 2020

100.00 Purpose of the Policy

This document sets forth the policy of the Sacramento Suburban Water District concerning its purchases or procurement of materials (including supplies, inventory and equipment) and trade services. This Policy is adopted in accordance with the provisions of Article 7, Chapter 5, Part 1, Division 2 of Title 5 of the California Government Code (commencing with Section 54201).

The primary purpose of this Policy is to provide guidance for the purchase of materials and trade services with the objective that they will be available at the proper time, in the proper place, in the proper quantity, in the proper quality, and at a competitive price, consistent with the anticipated needs of the District.

When used in this Policy, the term “procurement,” “purchase,” or “purchases” includes the purchase, lease or rental of materials and/or trade services.

When used in this Policy, the term “trade services” means services provided to the District other than those provided by licensed contractors performing construction of public works. Public works construction services are covered under District Policy PL – Eng. 002, “Public Works Contracting Policy.”

200.00 Policy

200.10 Authority

The General Manager of the District has the authority to make purchases, sign contracts and otherwise encumber the District for the acquisition of materials (including supplies, inventory and equipment) or trade services, within the ~~The purchasing authority and limitations of the General Manager are determined upon adoption of the adopted~~ annual Budget ~~and~~ in accordance with ~~section 400.00 of~~ the District’s Budget Policy (PL – Fin 012). Board approval of expenditures is required when amounts exceed the purchasing authority of the General Manager. The General Manager has the authority to appoint one or more designees to act as the District’s purchasing agent and may delegate his/her authority to District staff within established procedures and controls.

All District material or trade ~~contract services~~ purchases, excepting those made under District Policy PL – Eng. 002, “Public Works Contracting Policy,” will be made in accordance with this Policy.

Purchases from ~~contract~~ loan and/or grant funds will be approved in accordance with the sponsoring agency's contract or grant procedures, in addition to the requirements of this Policy to the extent they do not conflict with the loaning or granting agency's requirements.

**200.20 Purchases of Materials and Trade Services
Up To \$100,000**

For non-emergency purchases or other encumbrances up to \$100,000 per annum per vendor the General Manager or designee will have the authority to make the purchase without the prior authorization of the Board of Directors and without following the procedures described in Section 200.30 of this Policy. ~~However, disclosure of the purchase and its impact on the District's estimated total annual operating expenses or capital budget costs will be made to the Board of Directors at its next regularly scheduled meeting.~~ Purchases under this section may be made by negotiation, requests for proposal/qualifications or competitive bid at the General Manager's discretion, provided that the method chosen is reasonable and ensures that the goods or services are procured ~~by~~ from a respectable responsible vendor at a price that is fair to the District and its ratepayers. The General Manager has the authority to determine which purchasing process is appropriate.

For emergency purchasing guidance, see Section 200.50.

Irrespective of monetary or other limitations specified in this section, the Board of Directors may, at its discretion, direct the manner in which a specific purchase will be made.

200.30 Purchases of Materials and Trade Services in Excess of \$100,000 ~~by a Request for Qualifications (RFQ) or a Request for Proposal (RFP)~~

Except as otherwise specified herein, all purchases of materials and trade services where the estimated ~~expenditure contractual amount~~ is in excess of \$100,000, or the estimated cumulative amount per annum per vendor per bidder vendor will exceed \$100,000, -will be made by a competitive process in the following manner.

An RFQ or RFP inviting bids for such purchases or trade services will be sent to at least three (3) qualified bidders as determined by the District, at least 10 days prior to the date designated for receipt of responses to the RFQ or RFP. If there are not three (3) qualified bidders, then staff shall prepare a memorandum to the General Manager (and retained in the project file) describing the nature of the work and reason for that fewer than three (3) qualified bidders were solicited to provide the materials or services will be prepared and retained.

For trade services, selection criteria will be established by the District, which may be based solely on qualifications of the candidate(s). The bidder with the highest score in accordance with the scoring criteria stated in the RFRP/RFQ shall will be selected.

For material purchases, the lowest cost responsible and responsive bidder providing the lowest cost bid shall will be selected.

A written contract will be executed for all such purchases, preferably a contract prepared by the District.

The General Manager may determine and declare a bidder not to be a responsible bidder upon consideration of the following factors:

- (a) The bidder's record of performance on previous contract(s) or service(s), including the number and dollar amount of change orders;
- ~~(a)~~(b) The bidder's previous and existing compliance with laws and ordinances relating to the contract or service;
- ~~(b)~~(c) The bidder's ability, capacity, and skill to perform the work or provide the service required;
- ~~(c)~~(d) Whether the bidder has the facilities to perform the work or provide the service promptly, or within the time specified, without delay or interference;
- ~~(d)~~(e) The sufficiency of the financial resources of the bidder to perform the work or provide the service;
- ~~(e)~~(f) The ability of the bidder to provide future maintenance and service (if required) of the commodity purchased; and
- ~~(f)~~(g) The character, integrity, reputation, judgment, experience, and efficiency of the bidder.

Upon determination that a bidder is not a responsible bidder, the General Manger will transmit to the bidder a statement of the basis for such determination, and the bidder will be given a reasonable opportunity to refute the basis for such determination, prior to awarding the contract to a responsible bidder.

Once notified, a non-responsible bidder may appeal the District's proposed determination of disqualification. The District will provide a two-tiered appeal process, consisting of an initial appeal to (1) the General Manager, and (2) if dissatisfied with the General Manager's decision, to the Board of Directors or a committee of Directors assigned by the Board President. The Board of Directors' ruling on a disqualification appeal is final.

200.40 General Purchasing Guidelines

- (a) Purchases made with the District's Purchasing Card (Cal Card) shall conform to this Policy and Policy PL Fin 006 "Purchasing Card Policy."

- (b) ~~Employees not designated under a signed authorization issued by the General Manager or his/her designee shall not encumber the District for materials or trade services without prior, written authorization from the General Manager or his/her designee.~~
- ~~(e) Purchases made under this Policy Transactions greater than \$500 may shall will be pre-authorized with a valid Purchase Order or trade service contract in accordance with District Procedures.~~
- (c) Employees not designated under a signed authorization issued by the General Manager or his/her designee shall not encumber the District for materials or trade services without prior, written authorization from the General Manager or his/her designee.
- (d) Sales, Use, and other excise taxes shall be paid when required by State or Federal law.
- (e) Once materials or trade services received by the District have been confirmed to be acceptable and an appropriate invoice has been received, the District shall process the invoice, obtain the necessary approvals and pay for the materials or trade services within 30 days of receipt of invoice. If the invoice received is not approved, the District will provide notification of the deficiencies to the vendor within two weeks of receipt of invoice.
- (f) All ~~receiving~~ orders and invoices received by the District must be approved within the terms and conditions set forth by the General Manager in appropriately established purchasing procedures and controls before payment is made.
- (g) The General Manager may establish ~~an~~ one or more imprest (cash) account(s) for the purposes of paying vendors or reimbursing employees for District expenditures of materials or trade services costing less than \$500 ~~or less~~. Appropriate controls and procedures will be established by the General Manager or his/her designee.
- (h) All District purchases shall be made for District purposes only. Commingling of Staff are prohibited from using District resources of any kind for purchases with personal purchases is prohibited.

200.50 Emergency Purchases

In case of emergency, where a purchase has not been authorized by the Board of Directors or this Policy requires such purchase to be made by competitive process or RFQ or RFP, and the General Manager has determined that the best interests of the District require that such purchase be made before the Board of Directors can meet to authorize such purchase, the General Manager or designee is authorized to make such

purchase by negotiation after first obtaining the written or verbal consent of **two members** of the Board of Directors, one of who should be the Board President unless he or she is unavailable. The General Manager will thereafter promptly report in writing to the Board of Directors at the next regularly scheduled meeting of the Board of Directors the nature and amount of the purchase and the emergency circumstances justifying such purchase.

200.60 Direct Award Approval

Competitive bidding in accordance with section 200.30 generally is required for purchases of materials or trade services greater than \$100,000. However, in certain situations, the District may benefit from waiving required competitive bidding and negotiating a materials or trade services agreement directly with a single service provider or vendor. Examples of such situations include:

- a) Selecting a consultant or service provider based on unique experience, ability and/or knowledge.
- b) Purchasing replacement equipment parts where doing so from other than the original equipment manufacturer or other select manufacturer could adversely impact a warranty or ongoing maintenance.
- c) Purchasing new or replacement equipment or work which must integrate with existing assets and where it is not reasonably available from a source other than the service provider or vendor who supplied the existing asset or where equipment or operations compatibility concerns compel a purchase from a particular manufacturer.

In these situations, and before a contract is issued by the District, the General Manager must approve the waiver. To make a waiver request, a justification shall be prepared by the employee with authority to make the purchase or enter into the contract to explain the reasons for waiving competitive bidding and sent to the General Manager. At minimum, the justification shall address the economics, operating efficiencies, and any legal considerations of using a Direct Award approach.

The General Manager shall review the justification and prepare a written reply to the requesting employee indicating approval or disapproval of the request.

The employee responsible for issuing a contract under an approved Direct Award request should ensure that a copy of the request/justification and General Manager's reply is retained in the respective project file.

200.70 Acquisitions of Real Property Interests Purchases

When the acquisition of a real property interest is being considered, the General Manager must adhere to comply with the following process:

- (a) The Board of Directors must be informed in writing in advance of the intended acquisition, of its estimated cost (including purchase price, transaction costs, and required or prudent site assessments and studies), known or suspected

environmental concerns, and the acquisitions intended purpose District purpose and public necessity for purchasing the real property interest, and the need for any budget augmentation for the purchase. This may be done at annual Budget time or at any point throughout the year.

- (b) After Board approval in principle of the proposed purchase of the real property interest, staff is authorized to expend District resources on site studies, professional assistance and other studies/consultation may begin in earnest.
- (c) If staff decidesproposes to move forward with a purchase of an interest in real property after performing appropriate due diligence, the Board of Directors must first provide final approval of the acquisitionis required.
- (d) After such BoardIf approval is granted., the General Manager may proceed to close on the purchase offer is then executed.
- (e) Nothing in this section is intended to limit the General Manager's authority to accept easements and other interests in real property that are necessary for a District public works project and that are donated or granted as a condition of accepting the work or project.

300.00 Policy Review

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

Sacramento Suburban Water District

Procurement Policy

Adopted: September 20, 2004
Approved with changes on September 21, 2020

100.00 Purpose of the Policy

This document sets forth the policy of the Sacramento Suburban Water District concerning its purchases or procurement of materials (including supplies, inventory and equipment) and trade services. This Policy is adopted in accordance with the provisions of Article 7, Chapter 5, Part 1, Division 2 of Title 5 of the California Government Code (commencing with Section 54201).

The primary purpose of this Policy is to provide guidance for the purchase of materials and trade services with the objective that they will be available at the proper time, in the proper place, in the proper quantity, in the proper quality, and at a competitive price, consistent with the anticipated needs of the District.

When used in this Policy, the term “procurement,” “purchase,” or “purchases” includes the purchase, lease or rental of materials and/or trade services.

When used in this Policy, the term “trade services” means services provided to the District other than those provided by licensed contractors performing construction of public works. Public works construction services are covered under District Policy PL – Eng. 002, “Public Works Contracting Policy.”

200.00 Policy

200.10 Authority

The General Manager of the District has the authority to make purchases, sign contracts and otherwise encumber the District for the acquisition of materials (including supplies, inventory and equipment) or trade services, within the limitations of the adopted annual Budget in accordance with the District’s Budget Policy (PL – Fin 012). Board approval of expenditures is required when amounts exceed the purchasing authority of the General Manager. The General Manager has the authority to appoint one or more designees to act as the District’s purchasing agent and may delegate his/her authority to District staff within established procedures and controls.

All District material or trade services purchases, excepting those made under District Policy PL – Eng. 002, “Public Works Contracting Policy,” will be made in accordance with this Policy.

Purchases from loan and/or grant funds will be approved in accordance with the sponsoring agency's contract or grant procedures, in addition to the requirements of this Policy to the extent they do not conflict with the loaning or granting agency's requirements.

200.20 Purchases of Materials and Trade Services Up To \$100,000

For non-emergency purchases or other encumbrances up to \$100,000 per annum per vendor the General Manager or designee will have the authority to make the purchase without the prior authorization of the Board of Directors and without following the procedures described in Section 200.30 of this Policy. Purchases under this section may be made by negotiation, requests for proposal/qualifications or competitive bid at the General Manager's discretion, provided that the method chosen is reasonable and ensures that the goods or services are procured from a responsible vendor at a price that is fair to the District and its ratepayers. The General Manager has the authority to determine which purchasing process is appropriate.

For emergency purchasing guidance, see Section 200.50.

Irrespective of monetary or other limitations specified in this section, the Board of Directors may, at its discretion, direct the manner in which a specific purchase will be made.

200.30 Purchases of Materials and Trade Services in Excess of \$100,000

Except as otherwise specified herein, all purchases of materials and trade services where the estimated contractual amount is in excess of \$100,000, or the estimated cumulative amount per annum per vendor will exceed \$100,000, will be made by a competitive process in the following manner.

An RFQ or RFP inviting bids for such purchases or trade services will be sent to at least three qualified bidders as determined by the District, at least 10 days prior to the date designated for receipt of responses to the RFQ or RFP. If there are not three qualified bidders, then staff shall prepare a memorandum to the General Manager (and retained in the project file) describing the nature of the work and reason that fewer than three qualified bidders were solicited to provide the materials or services.

For trade services, selection criteria will be established by the District, which may be based solely on qualifications of the candidate(s). The bidder with the highest score in accordance with the scoring criteria stated in the RFP/RFQ shall be selected.

For material purchases, the responsible and responsive bidder providing the lowest cost bid shall be selected.

A written contract will be executed for all such purchases, preferably a contract prepared by the District.

The General Manager may determine and declare a bidder not to be a responsible bidder upon consideration of the following factors:

- (a) The bidder's record of performance on previous contract(s) or service(s), including the number and dollar amount of change orders;
- (b) The bidder's previous and existing compliance with laws and ordinances relating to the contract or service;
- (c) The bidder's ability, capacity, and skill to perform the work or provide the service required;
- (d) Whether the bidder has the facilities to perform the work or provide the service promptly, or within the time specified, without delay or interference;
- (e) The sufficiency of the financial resources of the bidder to perform the work or provide the service;
- (f) The ability of the bidder to provide future maintenance and service (if required) of the commodity purchased; and
- (g) The character, integrity, reputation, judgment, experience, and efficiency of the bidder.

Upon determination that a bidder is not a responsible bidder, the General Manager will transmit to the bidder a statement of the basis for such determination, and the bidder will be given a reasonable opportunity to refute the basis for such determination, prior to awarding the contract to a responsible bidder.

Once notified, a non-responsible bidder may appeal the District's proposed determination of disqualification. The District will provide a two-tiered appeal process, consisting of an initial appeal to (1) the General Manager, and (2) if dissatisfied with the General Manager's decision, to the Board of Directors or a committee of Directors assigned by the Board President. The Board of Directors' ruling on a disqualification appeal is final.

200.40 General Purchasing Guidelines

- (a) Purchases made with the District's Purchasing Card (Cal Card) shall conform to this Policy and Policy PL Fin 006 "Purchasing Card Policy."
- (b) Purchases made under this Policy shall be pre-authorized in accordance with District Procedures.
- (c) Employees not designated under a signed authorization issued by the General Manager or his/her designee shall not encumber the District for materials or

trade services without prior, written authorization from the General Manager or his/her designee.

- (d) Sales, Use, and other excise taxes shall be paid when required by State or Federal law.
- (e) Once materials or trade services received by the District have been confirmed to be acceptable and an appropriate invoice has been received, the District shall process the invoice, obtain the necessary approvals and pay for the materials or trade services within 30 days of receipt of invoice. If the invoice received is not approved, the District will provide notification of the deficiencies to the vendor within two weeks of receipt of invoice.
- (f) All orders and invoices received by the District must be approved within the terms and conditions set forth by the General Manager in appropriately established purchasing procedures and controls before payment is made.
- (g) The General Manager may establish one or more imprest (cash) accounts for the purposes of paying vendors or reimbursing employees for District expenditures of materials or trade services costing less than \$500. Appropriate controls and procedures will be established by the General Manager or his/her designee.
- (h) All District purchases shall be made for District purposes only. Staff are prohibited from using District resources of any kind for personal purchases.

200.50 Emergency Purchases

In case of emergency, where a purchase has not been authorized by the Board of Directors or this Policy requires such purchase to be made by competitive process or RFQ or RFP, and the General Manager has determined that the best interests of the District require that such purchase be made before the Board of Directors can meet to authorize such purchase, the General Manager or designee is authorized to make such purchase by negotiation after first obtaining the written or verbal consent of **two members** of the Board of Directors, one of who should be the Board President unless he or she is unavailable. The General Manager will thereafter promptly report in writing to the Board of Directors at the next regularly scheduled meeting of the Board of Directors the nature and amount of the purchase and the emergency circumstances justifying such purchase.

200.60 Direct Award Approval

Competitive bidding in accordance with section 200.30 generally is required for purchases of materials or trade services greater than \$100,000. However, in certain situations, the District may benefit from waiving required competitive bidding and negotiating a materials or trade services agreement directly with a single service provider or vendor. Examples of such situations include:

- a) Selecting a consultant or service provider based on unique experience, ability and/or knowledge.
- b) Purchasing replacement equipment parts where doing so from other than the original equipment manufacturer or other select manufacturer could adversely impact a warranty or ongoing maintenance.
- c) Purchasing new or replacement equipment or work which must integrate with existing assets and where it is not reasonably available from a source other than the service provider or vendor who supplied the existing asset or where equipment or operations compatibility concerns compel a purchase from a particular manufacturer.

In these situations, and before a contract is issued by the District, the General Manager must approve the waiver. To make a waiver request, a justification shall be prepared by the employee with authority to make the purchase or enter into the contract to explain the reasons for waiving competitive bidding and sent to the General Manager. At minimum, the justification shall address the economics, operating efficiencies, and any legal considerations of using a Direct Award approach.

The General Manager shall review the justification and prepare a written reply to the requesting employee indicating approval or disapproval of the request.

The employee responsible for issuing a contract under an approved Direct Award request should ensure that a copy of the request/justification and General Manager's reply is retained in the respective project file.

200.70 Acquisitions of Real Property Interests

When the acquisition of a real property interest is being considered, the General Manager must comply with the following process:

- (a) The Board of Directors must be informed in writing, in advance of the intended acquisition, of its estimated cost (including purchase price, transaction costs, and required or prudent site assessments and studies), known or suspected environmental concerns, the District purpose and public necessity for purchasing the real property interest, and the need for any budget augmentation for the purchase. This may be done at annual Budget time or at any point throughout the year.
- (b) After Board approval in principle of the proposed purchase of the real property interest, staff is authorized to expend District resources on site studies, professional assistance and other studies/consultation.
- (c) If staff proposes to move forward with a purchase of an interest in real property after performing appropriate due diligence, the Board of Directors must first provide final approval of the acquisition.
- (d) After such Board approval, the General Manager may proceed to close on the purchase.
- (e) Nothing in this section is intended to limit the General Manager's authority to accept easements and other interests in real property that are necessary for a District

public works project and that are donated or granted as a condition of accepting the work or project.

300.00 Policy Review

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



Agenda Item: 5

Date: September 21, 2020

Subject: Public Works Contracting Policy (PL – Eng 002)

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

Recommended Board Action:

Approve the updated Public Works Contracting Policy (PL – Eng 002) with changes.

Background:

On August 17, 2020, the Public Works Contracting Policy (PL – Eng 002) was brought to the Board for review. To date, no comments from the Board have been received.

Discussion:

Staff recommends approving the updated Public Works Contracting Policy (PL – Eng 002). Both, a redlined version (Attachment 1) and clean version (Attachment 2) are included for your reference. In summary, there are several minor edits, not considered to be substantive; and one edit that adds Multi-Year (“Master Services”) Contracting, which is considered to be substantive.

Multi-year contracting has been in use by the District for about 10 years, most notably with the Main Replacement Program. This contracting approach is credited with helping to keep the Capital Program’s costs in control and has received broad support from the Board historically.

This policy update was not reviewed by legal counsel.

Fiscal Impact:

Adopting the policy updates has no fiscal impact.

Strategic Plan Alignment:

Goal E: Ensure Fiscal Responsibility and Affordable Rates.

District customers benefit from having a Public Works Contracting Policy to provide guidance to District staff on Public Works Contracting practices so that the District’s ratepayers receive the best value from public works contracts awarded by the District.

Attachments:

1. Public Works Contracting Policy (PL – Eng 002) – redline
2. Public Works Contracting Policy (PL – Eng 002) – clean

Sacramento Suburban Water District

Public Works Contracting Policy

Adopted: December 20, 2004

Approved with Changes: ~~October 15, 2018~~September 21, 2020

Introduction

Under sections 31005 and 31049 of the California Water Code, County Water Districts may contract for the construction of public works projects. Under these provisions, the Sacramento Suburban Water District has broad discretion to contract for the construction of public works. The Board of Directors desires to provide District ratepayers the best value for the revenues spent on District public works projects ~~within the District~~. In determining best value, District will develop procedures that will include the following, as appropriate:

- Contractor Qualifications
- Quality of Service
- Quality of Product
- Schedule
- Acceptable Contract Terms, Including Cost
- Contractor's Reputation, History, and/or Performance on Similar Projects
- District Costs of Contract Management including District staff costs

The Board of Directors desires to maintain flexibility for staff to contract District public works projects. Also, the Board desires to treat contractors working for the District in a fair and equitable manner, to help ensure that the ratepayers procure the highest quality projects for the lowest reasonable cost with a low the least likelihood of contractor claims ~~or~~ and bid protests. Methods of awarding contracts for public works projects shall be selected to produce the greatest economic advantage to District ratepayers, and shall be transparent and consistent with the method selected. Public works contracting processes also will avoid providing any favoritism or unfair advantage to individual contractors. Procedures developed for this policy will ensure proper District/contractor relationships.

Depending on the circumstances driving the need for a public works project, District staff may use a variety of methods to contract for that project. These methods may include, but are not limited to, the following:

- Design/Build Contracting
- Emergency Contracting
- Force Account Contracting
- Open Bid Contracting

- [Multi-Year \(“Master Services”\) Contracting](#)
- ~~Open Bid Contracting~~
- Pre-Qualification Bid Contracting
- Request for Qualifications / Request for Proposal
- Sole Source Negotiations
- Solicitation of Price Quotes

The General Manager has the discretion to authorize staff to choose the appropriate contracting method, taking into consideration the project’s requirements, available funds, effects on ratepayers, impacts on District operations, applicable legal and regulatory requirements, and any applicable grant or loan funding requirements. Staff will document the reasons for choosing a particular contracting method and, when appropriate, report them to the Board.

100.00 Purpose

The primary purpose of this policy is to provide [guidance to District staff on Public Works Contracting practices so that](#) the District’s ratepayers [receive](#) the best value ~~from~~ public works contracts awarded by the District.

~~101.00~~ 200.00 Authority

The General Manager is designated as the District’s contracting officer with the authority to award and execute contracts binding the District to construction of public works projects. The purchasing authority and limitations of the General Manager are determined upon adoption of the annual Budget and in accordance with ~~section 400.00 of the~~ District’s Budget Policy (PL - Fin 012). Board approval of contracts is required when contract amounts exceed the purchasing authority of the General Manager. The General Manager has the authority to appoint designees, ~~namely such as~~ the Assistant General Manager and/or the Engineering Manager, to act on his/her behalf, subject to this Policy and to the establishment of procedures and controls governing such designees’ authority.

Requirements for separate purchases of [non-Public Works services, such as](#) materials (including supplies, inventory, and equipment) and trade services, are set forth in the District’s Procurement Policy (PL - Fin 005).

The Board, at its discretion, may direct the manner in which a particular public works contractor is selected and/or [how the contract is](#) awarded. The Board may delegate actions under this policy to a Board committee.

~~102.00~~ 300.00 Procedure

The General Manager will maintain procedures for each method of contracting in conformance with this policy. Staff will utilize the method of contracting that best meets District needs. When time allows and it best suits the needs of the District, the District will utilize generally accepted methods to acquire competitive pricing to achieve this objective. Specific procedures for obtaining competitive pricing from competing contractors will follow District Policies.

~~103.00~~ 400.00 Incorporation of Sustainability Policy

Whenever prudent, staff will incorporate applicable principles of the District's [Environmental Sustainability Policy \(PL - Adm 005\)](#) into the ~~bid procedures and the~~ projects constructed ~~in accordance with this Policy~~.

~~104.00~~ 500.00 Policy Review

This Policy ~~will~~ shall be reviewed at least biennially.

Sacramento Suburban Water District

Public Works Contracting Policy

Adopted: December 20, 2004
Approved with Changes: September 21, 2020

Introduction

Under sections 31005 and 31049 of the California Water Code, County Water Districts may contract for the construction of public works projects. Under these provisions, the Sacramento Suburban Water District has broad discretion to contract for the construction of public works. The Board of Directors desires to provide District ratepayers the best value for the revenues spent on District public works projects. In determining best value, District will develop procedures that will include the following, as appropriate:

- Contractor Qualifications
- Quality of Service
- Quality of Product
- Schedule
- Acceptable Contract Terms, Including Cost
- Contractor's Reputation, History, and/or Performance on Similar Projects
- District Costs of Contract Management including District staff time

The Board of Directors desires to maintain flexibility for staff to contract District public works projects. Also, the Board desires to treat contractors working for the District in a fair and equitable manner to help ensure that the ratepayers procure the highest quality projects for the lowest reasonable cost with a low likelihood of contractor claims and bid protests. Methods of awarding contracts for public works projects shall be selected to produce the greatest economic advantage to District ratepayers, and shall be transparent and consistent with the method selected. Public works contracting processes also will avoid providing any favoritism or unfair advantage to individual contractors. Procedures developed for this policy will ensure proper District/contractor relationships.

Depending on the circumstances driving the need for a public works project, District staff may use a variety of methods to contract for that project. These methods may include, but are not limited to, the following:

- Design/Build Contracting
- Emergency Contracting
- Force Account Contracting
- Open Bid Contracting

- Multi-Year (“Master Services”) Contracting
- Pre-Qualification Bid Contracting
- Request for Qualifications / Request for Proposal
- Sole Source Negotiations
- Solicitation of Price Quotes

The General Manager has the discretion to authorize staff to choose the appropriate contracting method, taking into consideration the project’s requirements, available funds, effects on ratepayers, impacts on District operations, applicable legal and regulatory requirements, and any applicable grant or loan funding requirements. Staff will document the reasons for choosing a particular contracting method and, when appropriate, report them to the Board.

100.00 Purpose

The primary purpose of this policy is to provide guidance to District staff on Public Works Contracting practices so that the District’s ratepayers receive the best value from public works contracts awarded by the District.

200.00 Authority

The General Manager is designated as the District’s contracting officer with the authority to award and execute contracts binding the District to construction of public works projects. The purchasing authority and limitations of the General Manager are determined upon adoption of the annual Budget and in accordance with the District’s Budget Policy (PL - Fin 012). Board approval of contracts is required when contract amounts exceed the purchasing authority of the General Manager. The General Manager has the authority to appoint designees, such as the Assistant General Manager and/or the Engineering Manager, to act on his/her behalf, subject to this Policy and to the establishment of procedures and controls governing such designees’ authority.

Requirements for separate purchases of non-Public Works services, such as materials (including supplies, inventory, and equipment) and trade services, are set forth in the District’s Procurement Policy (PL - Fin 005).

The Board, at its discretion, may direct the manner in which a particular public works contractor is selected and/or how the contract is awarded. The Board may delegate actions under this policy to a Board committee.

300.00 Procedure

The General Manager will maintain procedures for each method of contracting in conformance with this policy. Staff will utilize the method of contracting that best meets District needs. When time allows and it best suits the needs of the District, the District will utilize generally accepted methods to acquire competitive pricing to achieve this objective. Specific procedures for obtaining competitive pricing from competing contractors will follow District Policies.

400.00 Incorporation of Sustainability Policy

Whenever prudent, staff will incorporate applicable principles of the District's Environmental Sustainability Policy (PL - Adm 005) into the projects constructed.

500.00 Policy Review

This Policy shall be reviewed at least biennially.



Agenda Item: 6

Date: September 21, 2020

Subject: Transmission Main Asset Management Plan

Staff Contact: David Espinoza, Senior Engineer

Recommended Board Action:

Approve the updated Transmission Main Asset Management Plan. The Transmission Main Asset Management Plan was presented to the Facilities and Operations Committee on September 2, 2020. The Facilities and Operations Committee supported the updated Transmission Main Asset Management Plan and recommended it to be a Consent Item at the September 21, 2020, regular Board meeting.

Background:

On July 18, 2011, the District's Board of Directors adopted the Transmission Main Asset Management Plan (Plan).

On July 15, 2020, staff presented the Plan to the Facilities and Operations Committee (Committee). The Committee provided comments in four general areas:

1. Document changes from the 2011 Plan to the 2020 Plan.
2. Update the transmission main replacement costs by including data from additional sources.
3. Include discussion on District capacity in transmission mains owned by others that are used by the District to receive or supply water.
4. Discuss direct method Condition Assessment (CA) activities and expenses anticipated in the next several years.

At the September 2, 2020, Committee meeting, staff addressed the Committee's comments and presented the draft Plan. Following discussion of the item, the Committee recommended the item be brought to the Board of Director's as a Consent Item.

Discussion:

The District has a responsibility to provide its customers with a reliable and safe water transmission system. The Plan sets forth a strategy to assess transmission mains by evaluating certain system characteristics (e.g., age, leaks, material type, and size). The strategy is based on a ranking matrix derived from the indirect method of CA, which identifies areas with the greatest need for direct

method CA. Evaluation by the direct method may result in reprioritization of segments – higher or lower; and identification of segments for rehabilitation or replacement.

The Plan is adaptive and perpetual in that all transmission main segments are ranked in order of priority for evaluation and potential rehabilitation or replacement. As such, the Plan is expected to be updated every 4 to 6 years and incorporate advances in technology, improved analysis techniques, and new information found when performing CAs. Updates are anticipated to change the ranking of segments (a reprioritization of focus).

The Plan does not represent a financial commitment by the Board. Rather, the Plan is a tool for communication between the Board and staff to prioritize transmission main segments in need of rehabilitation or replacement.

The purpose and goals of the Plan are to:

- Continue providing a reliable and safe water transmission system.
- Ensure sufficient return on capital investment in transmission mains.
- Prioritize the need for rehabilitation or replacement of transmission mains based on CA.
- Provide a perpetual assessment and monitoring tool that is adaptable to new and evolving technologies, management practices, and District needs.
- Inform the District's long term CIP.

The Plan predicts needing approximately \$1 million to replace aging pipeline in the next 10 years based on age alone. However, due to the very low leak rate and the age of transmission mains, staff does not anticipate CA, rehabilitation, or replacement of transmission mains being required in the next 5-10 years.

Due to the size of the Transmission Main Asset Management Plan document, a link is provided below to review it.

Fiscal Impact:

No fiscal impact anticipated in the next 5-10 years.

Strategic Plan Alignment:

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

Goal B: Optimize Operational and Organizational Efficiencies

The updated Plan benefits District customers as it is an additional tool to be used by staff to prioritize allocating funds to continue delivering a high quality, reliable supply of water at the lowest responsible water rate.

Attachment:

1. LINK: Transmission Main Asset Management Plan

Attachment:

1. LINK: Transmission Main Asset Management Plan



Agenda Item: 7

Date: September 21, 2020

Subject: Sacramento Groundwater Authority/Sacramento County Groundwater Authority Presentation

Staff Contact: Dan York, General Manager

Recommended Board Action:

No action. Receive presentation by Jim Peifer, Executive Director of the Regional Water Authority/Sacramento Groundwater Authority.

Discussion:

At the July 20, 2020 regular Board meeting, staff inquired if the Board would be interested in a presentation by Mr. Peifer to present the status of the Sacramento Groundwater Authority/Sacramento County Groundwater Authority.

Fiscal Impact:

None.



Agenda Item: 8

Date: September 21, 2020

Subject: Regional Water Authority – Major Projects Management Subscription Program

Staff Contact: Dan York, General Manager

Recommended Board Action:

Approve the Regional Water Authority's Major Projects Management Subscription Program and authorize the General Manager to sign the program agreements, subject to legal review.

Discussion:

Multiple Regional Water Authority (RWA) member agencies have requested that RWA provide support for important regional initiatives and have approached RWA to establish a subscription based staff position to provide this support. RWA staff proposed that a new position, Water Resiliency Manager, be created to coordinate the region's response to the Water Quality Control Plan Update process and other regulatory matters affecting the region's water supplies, and to engage on matters for the purpose of maintaining and improving the Sacramento region's access to water supplies. These responsibilities include coordinating the region's work engagement on regulatory matters that affect water management, increasing the opportunities for RWA's member agencies in obtaining funding for their programs and projects, and other related additional responsibilities discussed below.

The proposal is for two subscription programs to be established that will collectively fund a new RWA staff position. Half of the employee's time will be spent coordinating and managing the region's response to regulatory initiatives such as the Water Quality Control Plan, drought response measures that the State Water Resources Control Board (SWRCB), Department of Water Resources or Bureau of Reclamation (Reclamation) may undertake (such as temporary urgency change petitions that affect the Region's water supplies). The other half will be on water resilience activities that have been emerging and have largely been incorporated into the updates to the RWA Strategic Plan (e.g, climate change, expanding Integrated Regional Water Management planning, Federal affairs support, etc.). Each of the programs is described briefly below and draft program agreements are enclosed:

Major Projects Management Services Program

The SWRCB is engaged in a protracted process to update the Bay-Delta Water Quality Control Plan (Plan). This plan establishes water quality control measures and flow requirements needed to provide reasonable protection of beneficial uses in the watershed and could dramatically alter

the water resources that are available on the American River and in Folsom Reservoir by increasing the amount of “unimpaired” flow from Folsom Reservoir to between 45% and 65% in order to meet Delta environmental needs. This process has the potential to require considerable resources over the next two to three years. The Plan will also likely require implementation, which will take course over several years. In order to prepare for the SWRCB’s process to update the Plan, some RWA agency members have for several years now collectively entered into in a Joint Defense Agreement (JDA). Under the JDA, participating agencies have worked together to coordinate their legal and advocacy activities and to fund technical studies. These activities have been staffed by representatives from participating agencies, with significant involvement from several lead agencies. Centralizing this work through the RWA will provide better organization and more consistent representation. This position includes engagement with federal and state agencies, local and statewide environmental Non-Government Organizations, among others. In order to successfully protect the region’s water supplies, the Water Resiliency Manager would work closely with the Water Forum and its stakeholders to provide coordination of technical studies and modeling. Coordinating advocacy and communications would also be part of the Water Resiliency Manager’s role. This individual would be subject to the direction of the RWA Executive Director and water agencies that participate in the JDA. The District has been participating in the JDA since its inception due to the surface water contract rights with PCWA and City of Sacramento. The District’s share of the JDA is approximately \$20,000 per year.

Water Resources Resilience Program

The RWA participates in numerous efforts that help plan for and sustain a healthy and vibrant water resources future for the American River watershed. These efforts include, but are not limited to:

- Working with Reclamation to promote mitigation measures need to adapt to the projected impacts of climate change to the American River basin and to ensure the Region’s interests are being taken into account by Reclamation.
- Providing support for grant applications and other funding requests that provide for reliability and resilient water supplies.
- Providing support to the Federal Affairs Standing Committee such as local implementation of project appropriations and grant processes, coordination with Reclamation’s Great Basin Office, Army Corp of Engineers locally and in Washington, DC (in a support role).
- Leading an evaluation and making recommendations for better integration of lower and upper watershed planning.
- Providing support in the completion of Federal recognition and implementation of the Sacramento Regional Water Bank.

The following is a list of potential agencies as program participants:

Carmichael Water District
City of Folsom

City of Roseville
City of Sacramento
Golden State Water Company
El Dorado Irrigation District
Placer County Water Agency
Sacramento County Water Agency
Sacramento Suburban Water District
San Juan Water District

The District's share to participate in this program is approximately \$22,000 per year.

The RWA Executive Committee was presented this item at its August 26th meeting and recommended advancing the Program and Program Agreements (see Attachments 1 & 2) to the RWA Board for consideration. The subject program was presented and approved, by a unanimous vote, at the September 10th RWA Board meeting.

Fiscal Impact:

The Major Projects Management Subscription Program cost for the District to participate is approximately \$42,000 per year.

Attachment 1

REGIONAL WATER AUTHORITY PROGRAM AGREEMENT

MAJOR PROJECTS MANAGEMENT SERVICES PROGRAM

This Agreement is made and entered into as of the ____ day of _____, 2020, by and between the Regional Water Authority (“RWA”), a joint exercise of powers authority formed under California Government Code section 6500, and following, and the Members and Contracting Entities of RWA listed in Exhibit 1 to this Agreement, upon their execution of this Agreement (who are collectively referred to in this Agreement as “Participants”), to provide for carrying out a project or program that is within the authorized purposes of RWA, and sharing in the cost and benefits by the Participants.

RECITALS

A. RWA is a joint powers authority, formed to serve and represent regional water supply interests and to assist its members in protecting and enhancing the reliability, availability, affordability and quality of water resources.

B. The joint powers agreement (“RWA JPA”) pursuant to which RWA was formed and operates, and as was amended on October 8, 2013, authorizes RWA to enter into a “Project or Program Agreement,” which is defined in the RWA JPA as an agreement between RWA and two or more of its Members or Contracting Entities to provide for carrying out a project or program that is within the authorized purposes of RWA, and sharing in the cost and benefits by the parties to the Project or Program Agreement.

C. Article 21 of the RWA JPA states: “The Regional Authority’s projects are intended to facilitate and coordinate the development, design, construction, rehabilitation, acquisition or financing of water-related facilities (including sharing in the cost of federal, State or local projects) on behalf of Members and/or Contracting Entities. The Regional Authority may undertake the development, design, construction, rehabilitation, acquisition or funding of all or any portion of such projects on behalf of Members and/or Contracting Entities in the manner and to the extent authorized by such Members and/or Contracting Entities as provided in this Agreement, but shall not accomplish these functions, nor acquire or own water-related facilities in its own name.”

D. Article 22 of the RWA JPA states: “Prior to undertaking a project or program, the Members and/or Contracting Entities who elect to participate in a project or program shall enter into a Project or Program Agreement. Thereafter, all assets, benefits and obligations attributable to the project shall be assets, benefits and obligations of those Members and/or Contracting Entities that have entered into the Project or Program Agreement. Any debts, liabilities, obligations or indebtedness incurred by the Regional Authority in regard to a particular project or program,

including startup costs advanced by the Regional Authority, shall be obligations of the participating Members and/or Contracting Entities, and shall not be the debts, liabilities, obligations and indebtedness of those Members and/or Contracting Entities who have not executed the Project or Program Agreement.”

E. RWA and the Participants desire to carry out a program as more fully described below and share in the costs and benefits of the program, as a Project or Program Agreement as provided for in Articles 21 and 22 of the RWA JPA.

In consideration of the promises, terms, conditions and covenants contained herein, the parties to this Agreement hereby agree as follows:

- 1. Recitals Incorporated.** The foregoing recitals are hereby incorporated by reference.
- 2. Defined Terms.** Terms defined in the RWA JPA will have the same meaning in this Agreement.
- 3. Description of the Program.** The RWA and the Participants desire to create and carry out a Major Projects Management Services Program (Program). The Program will pay for one half of a full-time equivalent employee and expenses. The other half of the costs for the employee and expenses will be paid for a Water Resilience Program subscription program. The Program will help support member agency efforts to jointly and cooperatively participate in various regulatory and administrative processes, including processes like the Bay Delta Water Quality Control Plan and other environmental and regulatory matters that affect the surface water supplies in the region. Through the Program, Participants can access RWA’s availability to manage, on behalf of the Participants, large-scale regional efforts to participate in regulatory or administrative processes. Specific work activities will be identified in an annual Work Plan to be approved by the Program Committee as described in Article 4 below.
- 4. Program Committee.** The Participants hereby form a Program Committee consisting of one representative (and alternates) designated by each Participant. The Program Committee will meet as necessary from time to time to administer and implement this Agreement on behalf of the Participants. The Program Committee will appoint a Chair and Vice-Chair from among its members. A majority of the total members of the Program Committee will constitute a quorum. Each member of the Program Committee will have one vote, either by its representative or an alternate. To proceed with a vote to take action, a quorum must be present at a meeting, with a two thirds majority of the number present required for an affirmative vote.
- 5. Program Staffing and Resources.** The program will involve the hiring of an employee by RWA and cover the costs of expenses.
- 6. Work Products.** Participants shall have full access to the work products of the Program. To the extent the Program is being utilized to support any work that is otherwise

confidential, that information will remain confidential to the Participants and to RWA. In order to protect confidentiality, for any management services provided to the Participants for confidential work as part of the program, RWA will be party to any confidentiality agreement among the parties for that work. In such circumstances, the confidential information shall be held in confidence by RWA and shall not be available to any RWA member that is not party to the agreement establishing confidentiality.

7. Sharing in Program Costs and Benefits. The assessments for each Participant are further described and attached hereto as Exhibit 2 (“Financing Plan”). Each of the Participants will make one or more payments to RWA for completion of the Program. In accordance with the provisions of Articles 21 and 22 of the RWA JPA, any debts, liabilities, obligations or indebtedness incurred by RWA in regard to the Program will be the obligations of the Participants, and will not be the debts, liabilities, obligations and indebtedness of those Members and/or Contracting Entities who have not executed this Agreement. The initial total annual cost for the program is estimated to be \$168,000. Notwithstanding article 4, future annual costs and allocations will be determined through an annual Work Plan approved by a two thirds majority vote of the entire Program Committee.

8. Role of RWA. The RWA will (a) ensure that the interests of Members and Contracting Entities of RWA who do not participate in this Program are not adversely affected in performing this Agreement, (b) provide information to the Participants on the status of implementation of the Program, (c) assist the Program Committee in carrying out its activities under this Agreement, d) secure consultant support services as approved by the Program Committee; and e) manage consultant support services in completion of the Program. Notwithstanding article 4, initial consultant services will be approved by a two thirds majority vote of the entire program committee.

9. Authorization to Proceed with the Program. The Program is authorized to proceed upon the commitment of \$200,000 from Program Participants to fund initial costs of the Resilience Program and the Program collectively. Upon execution of this Agreement, the Participants agree to fund their portion of the Program costs in an amount and manner as described in Exhibit 2 (“Financing Plan”) to this Agreement.

10. Term. This Agreement will remain in effect for so long as any obligations under this Agreement and/or obligations from other sources of funding secured remain outstanding.

11. Withdrawal. A Participant may withdraw from this Agreement without requiring termination of this Agreement, effective upon ninety days’ notice to RWA and the other Participants, provided that, the withdrawing Participant will remain responsible for any indebtedness incurred by the Participant under this Agreement prior to the effective date of withdrawal. If any surplus funds remain after the withdrawing Participant has met all of its financial obligations under this Agreement, then such funds will be returned to the withdrawing Participant in proportion to the total contribution made by each Participant.

12. Amendments. Notwithstanding article 4, this Agreement may be amended from time

to time with the approval of a two thirds majority vote of the entire program committee and RWA.

13. Privileges and Immunities. All of the privileges and immunities from liability; exemptions from laws, ordinances and rules; and all pension, relief, disability, worker's compensation and other benefits that apply to the activity of officers, agents or employees of RWA or the Participants when performing their respective functions for those agencies will, to the extent permitted by law, apply to them to the same degree and extent while engaged in the performance of any of the functions and other duties under this Agreement. It is further understood and agreed by RWA and the Participants that, notwithstanding anything contained herein, the employees of RWA and of each Participant shall continue to be entirely and exclusively under the direction, supervision and control of the employing party.

14. No Third Party Beneficiary. RWA and the Participants understand and agree that this Agreement creates rights and obligations solely between RWA and the Participants and is not intended to benefit any other party. No provision of this Agreement shall in any way inure to the benefit of any third person so as to constitute any such third person as a third-party beneficiary of this Agreement or any of its items of conditions, or otherwise give rise to any cause of action in any person not a party hereto.

15. Liabilities. With respect to this Agreement, RWA and the Participants expressly agree that the debts, liabilities and obligations of RWA and of each Participant shall remain the debts, liabilities and obligations of that party alone and shall not be the debts, liabilities and obligations of any other party to this Agreement, except as may be otherwise set forth herein or in an amendment to this Agreement.

16. Audits and Accounting. All funds provided and expenses incurred under this Agreement shall be separately accounted for and maintained, with books and records of such funding and expenses open to inspection by the Participants. Funding under this Agreement shall be subject to and consistent with the audit and accounting procedures set forth in Articles 27 and 28 of the RWA JPA.

17. General Provisions. Any notice to be given under this Agreement shall be made by: (a) depositing in any United States Post Office, postage prepaid, and shall be deemed received at the expiration of 72 hours after its deposit; (b) transmission by facsimile copy; (c) transmission by electronic mail; or (d) personal delivery. This Agreement shall be governed by the laws of the State of California. The contact information for each Participant with respect to this section of the Agreement is set forth in Exhibit 3 ("Notice Information"). This Agreement may be executed by the parties in counterpart and by facsimile or PDF signatures, each of which when executed and delivered shall be an original and all of which together will constitute one and the same document.

18. Signatories' Authority. The signatories to this Agreement represent that they have authority to execute this Agreement and to bind the Participant on whose behalf they execute it.

The foregoing Program Agreement is hereby agreed to by RWA and the Participants.

Dated: _____, 2020

_____, 2020

James Peifer
Executive Director
Regional Water Authority

Signature

Name

Agency

List of Agreement Exhibits

Exhibit 1 – Program Participants

Exhibit 2 – Financing Plan

Exhibit 3 – Notice Information

EXHIBIT 1

PROGRAM PARTICIPANTS

REGIONAL WATER AUTHORITY

MAJOR PROJECTS MANAGEMENT SERVICES PROGRAM

Agency (Proposed)

Carmichael Water District
City of Folsom
City of Roseville
City of Sacramento
Golden State Water Company
El Dorado Irrigation District
Placer County Water Agency
Sacramento County Water Agency
Sacramento Suburban Water District
San Juan Water District

EXHIBIT 2

FINANCING PLAN

REGIONAL WATER AUTHORITY

MAJOR PROJECTS MANAGEMENT SERVICES PROGRAM

The fee for each Participant is shown in the table below. A Participant's fee will not be increased without the approval of that Participant.

Proposed Fee Table

Agency	Not-to-Exceed Fee
Carmichael Water District	\$ 6,500.00
City of Folsom	\$ 18,812.50
City of Roseville	\$ 18,812.50
City of Sacramento	\$ 18,812.50
El Dorado Irrigation District	\$ 18,812.50
Golden State Water Company	\$ 11,000.00
Placer County Water Agency	\$ 18,812.50
Sacramento County Water Agency	\$ 18,812.50
Sacramento Suburban Water District	\$ 18,812.50
San Juan Water District	\$ 18,812.50
Total	\$ 168,000.00

EXHIBIT 3

NOTICE INFORMATION

REGIONAL WATER AUTHORITY

MAJOR PROJECTS MANAGEMENT SERVICES PROGRAM

Carmichael Water District
Attn: Cathy Lee
7837 Fair Oaks Blvd
Carmichael, CA 95608
Phone: (916) 483-2452
Email: cathy@carmichaelwd.org

City of Folsom
Attn: Marcus Yasutake
50 Natoma Street
Folsom, CA 95630
Phone: (916) 461-6161
Email: myasutake@folsom.ca.us

Golden State Water Company
Attn: Paul Schubert
3005 Gold Canal Drive
Rancho Cordova, CA, 95670
Phone: (916) 420-6879
Email: PSCHUBERT@gswater.com

City of Roseville
Attn: Sean Bigley
2005 Hilltop Circle
Roseville, CA 95747
Phone: (916) 774-5513
Email: sbigley@roseville.ca.us

City of Sacramento
Attn: Anne Sanger
1395 35th Avenue
Sacramento, CA 95822
Phone: (916) 808-1725
Email: asanger@cityofsacramento.org
El Dorado Irrigation District

Attn: Jim Abercrombie
2890 Mosquito Road
Placerville, CA, 95667
Phone: (530) 642-4041
Email: jmabercrombie@eid.org

Placer County Water Agency
Attn: Andy Fecko
144 Ferguson Road
Auburn, CA 95603
Phone: (530) 823-4965
Email: afecko@pcwa.net

Sacramento County Water Agency
Attn: Kerry Schmitz
827 7th Street, Room 301
Sacramento, CA 95814
Phone: (916) 874-4681
Fax: (916) 874-8693
Email: schmitzk@SacCounty.NET

Sacramento Suburban Water District
Attn: Dan York
3701 Marconi #100
Sacramento, CA 95821
Phone: (916) 679-3973
Fax: 916-972-7639
Email: dyork@sswd.org

San Juan Water District

Attn: Paul Helliker
P.O. Box 2157
Granite Bay, CA 95746
Phone: (916) 791-6933
Fax: (916) 791-6983
Email: phelliker@sjwd.org

Regional Water Authority
Attn: James Peifer
5620 Birdcage Street, Suite 180
Citrus Heights, CA 95610
Phone: (916-967-7692
Fax: (916) 967-7322
Email: jpeifer@rwah2o.or

ATTACHMENT 2

REGIONAL WATER AUTHORITY PROGRAM AGREEMENT

WATER RESILIENCE PROGRAM

This Agreement is made and entered into as of the ____ day of _____, 2020, by and between the Regional Water Authority (“RWA”), a joint exercise of powers authority formed under California Government Code section 6500, and following, and the Members and Contracting Entities of RWA listed in Exhibit 1 to this Agreement, upon their execution of this Agreement (who are collectively referred to in this Agreement as “Participants”), to provide for carrying out a project or program that is within the authorized purposes of RWA, and sharing in the cost and benefits by the Participants.

RECITALS

A. RWA is a joint powers authority, formed to serve and represent regional water supply interests and to assist its members in protecting and enhancing the reliability, availability, affordability and quality of water resources.

B. The joint powers agreement (“RWA JPA”) pursuant to which RWA was formed and operates, and as was amended on October 8, 2013, authorizes RWA to enter into a “Project or Program Agreement,” which is defined in the RWA JPA as an agreement between RWA and two or more of its Members or Contracting Entities to provide for carrying out a project or program that is within the authorized purposes of RWA, and sharing in the cost and benefits by the parties to the Project or Program Agreement.

C. Article 21 of the RWA JPA states: “The Regional Authority’s projects are intended to facilitate and coordinate the development, design, construction, rehabilitation, acquisition or financing of water-related facilities (including sharing in the cost of federal, State or local projects) on behalf of Members and/or Contracting Entities. The Regional Authority may undertake the development, design, construction, rehabilitation, acquisition or funding of all or any portion of such projects on behalf of Members and/or Contracting Entities in the manner and to the extent authorized by such Members and/or Contracting Entities as provided in this Agreement, but shall not accomplish these functions, nor acquire or own water-related facilities in its own name.”

D. Article 22 of the RWA JPA states: “Prior to undertaking a project or program, the Members and/or Contracting Entities who elect to participate in a project or program shall enter into a Project or Program Agreement. Thereafter, all assets, benefits and obligations attributable to the project shall be assets, benefits and obligations of those Members and/or Contracting Entities that have entered into the Project or Program Agreement. Any debts, liabilities, obligations or indebtedness incurred by the Regional Authority in regard to a particular project or program,

including startup costs advanced by the Regional Authority, shall be obligations of the participating Members and/or Contracting Entities, and shall not be the debts, liabilities, obligations and indebtedness of those Members and/or Contracting Entities who have not executed the Project or Program Agreement.”

E. RWA and the Participants desire to carry out a program as more fully described below and share in the costs and benefits of the program, as a Project or Program Agreement as provided for in Articles 21 and 22 of the RWA JPA.

In consideration of the promises, terms, conditions and covenants contained herein, the parties to this Agreement hereby agree as follows:

- 1. Recitals Incorporated.** The foregoing recitals are hereby incorporated by reference.
- 2. Defined Terms.** Terms defined in the RWA JPA will have the same meaning in this Agreement.
- 3. Description of the Program.** The RWA and the Participants desire to carry create and carry out a Water Resilience Program. The RWA Water Resilience Program will help support member agency efforts to improve water resilience in the greater Sacramento region and will include, but are not limited to, the tasks listed below:

- To work with the Bureau of Reclamation to promote mitigation measures need to adapt to the projected impacts of climate change to the American River basin and to ensure the Region’s interests are being taken into account by Reclamation.
- To provide support for grant applications and other funding requests that provide for reliability and resilient water supplies.
- To provide support to the Federal Affairs Standing Committee such as local implementation of project appropriations and grant processes, coordination with the Bureau of Reclamation Great Basin Office, Army Corp of Engineers locally and in Washington, DC (in a support role).
- To lead an evaluation and make recommendations for better integration of lower and upper watershed planning.
- To provide support in the completion of Federal recognition and implementation of the Sacramento Regional Water Bank.

Specific work activities will be identified in an annual Work Plan to be approved by the Program Committee as described in Article 5 below.

- 4. Program Committee.** The Participants hereby form a Program Committee consisting of one representative (and alternates) designated by each Participant. The Program Committee will meet as necessary from time to time to administer and implement this Agreement on behalf of the Participants. The Program Committee will appoint a Chair and Vice-Chair from among its members. A majority of the total members of the Program Committee will constitute a quorum.

Each member of the Program Committee will have one vote, either by its representative or an alternate. To proceed with a vote to take action, a quorum must be present at a meeting, with a majority of the number present required for an affirmative vote.

5. Program Staffing and Resources. RWA will hire an employee to staff the program.

6. Work Products. Participants shall have full access to the work products of the Program.

7. Sharing in Program Costs and Benefits. The assessments for each Participant are further described and attached hereto as Exhibit 2 (“Financing Plan”). Each of the Participants will make one or more payments to RWA for completion of the Program. In accordance with the provisions of Articles 21 and 22 of the RWA JPA, any debts, liabilities, obligations or indebtedness incurred by RWA in regard to the Program will be the obligations of the Participants, and will not be the debts, liabilities, obligations and indebtedness of those Members and/or Contracting Entities who have not executed this Agreement. The initial total annual cost for the program is estimated to be \$168,000. Future annual costs and allocations will be determined through an annual Work Plan approved by the Program Committee.

This program will pay for one half of a full-time equivalent RWA employee and expenses. The other half of the costs for the employee and expenses will be paid for through the Major Projects Management Services Program subscription program.

8. Role of RWA. The RWA will (a) ensure that the interests of Members and Contracting Entities of RWA who do not participate in this Program are not adversely affected in performing this Agreement, (b) provide information to the Participants on the status of implementation of the Program, (c) assist the Program Committee in carrying out its activities under this Agreement, d) secure consultant support services through a competitive selection process as identified in RWA Policy 300.2, where applicable; and e) manage consultant support services in completion of the Program.

9. Authorization to Proceed with the Program. The Water Resilience Program is authorized to proceed upon the commitment of \$200,000 collectively through the Water Resilience Program and Major Projects Management Services Program from Participants to fund initial costs. Upon execution of this Agreement, the Participants agree to fund their portion of the Water Resilience Program costs in an amount and manner as described in Exhibit 3 (“Financing Plan”) to this Agreement.

10. Term. This Agreement will remain in effect for so long as any obligations under this Agreement and/or obligations from other sources of funding secured remain outstanding.

11. Withdrawal. A Participant may withdraw from this Agreement without requiring termination of this Agreement, effective upon ninety days’ notice to RWA and the other Participants, provided that, the withdrawing Participant will remain responsible for any

indebtedness incurred by the Participant under this Agreement prior to the effective date of withdrawal. If any surplus funds remain after the withdrawing Participant has met all of its financial obligations under this Agreement, then such funds will be returned to the withdrawing Participant in proportion to the total contribution made by each Participant.

12. Amendments. This Agreement may be amended from time to time with the approval of a simple majority vote of the Participants and RWA.

13. Privileges and Immunities. All of the privileges and immunities from liability; exemptions from laws, ordinances and rules; and all pension, relief, disability, worker's compensation and other benefits that apply to the activity of officers, agents or employees of RWA or the Participants when performing their respective functions for those agencies will, to the extent permitted by law, apply to them to the same degree and extent while engaged in the performance of any of the functions and other duties under this Agreement. It is further understood and agreed by RWA and the Participants that, notwithstanding anything contained herein, the employees of RWA and of each Participant shall continue to be entirely and exclusively under the direction, supervision and control of the employing party.

14. No Third Party Beneficiary. RWA and the Participants understand and agree that this Agreement creates rights and obligations solely between RWA and the Participants and is not intended to benefit any other party. No provision of this Agreement shall in any way inure to the benefit of any third person so as to constitute any such third person as a third-party beneficiary of this Agreement or any of its items of conditions, or otherwise give rise to any cause of action in any person not a party hereto.

15. Liabilities. With respect to this Agreement, RWA and the Participants expressly agree that the debts, liabilities and obligations of RWA and of each Participant shall remain the debts, liabilities and obligations of that party alone and shall not be the debts, liabilities and obligations of any other party to this Agreement, except as may be otherwise set forth herein or in an amendment to this Agreement.

16. Audits and Accounting. All funds provided under this Agreement shall be separately accounted for and maintained, with books and records of such funding open to inspection by the Participants. Funding under this Agreement shall be subject to and consistent with the audit and accounting procedures set forth in Articles 27 and 28 of the RWA JPA.

17. General Provisions. Any notice to be given under this Agreement shall be made by: (a) depositing in any United States Post Office, postage prepaid, and shall be deemed received at the expiration of 72 hours after its deposit; (b) transmission by facsimile copy; (c) transmission by electronic mail; or (d) personal delivery. This Agreement shall be governed by the laws of the State of California. The contact information for each Participant with respect to this section of the Agreement is set forth in Exhibit 3 ("Notice Information"). This Agreement may be executed by the parties in counterpart and by facsimile or PDF signatures, each of which when executed and delivered shall be an original and all of which together will constitute one and the same document.

18. Signatories' Authority. The signatories to this Agreement represent that they have authority to execute this Agreement and to bind the Participant on whose behalf they execute it.

The foregoing Water Resilience Program Agreement is hereby agreed to by RWA and the Participants.

Dated: _____, 2020

_____, 2020

James Peifer
Executive Director
Regional Water Authority

Signature

Name

Agency

List of Agreement Exhibits

Exhibit 1 – Program Participants

Exhibit 2 – Financing Plan

Exhibit 3 – Notice Information

EXHIBIT 1

PROGRAM PARTICIPANTS

REGIONAL WATER AUTHORITY

WATER RESILIENCE PROGRAM

Agency (Proposed)

City of Folsom

City of Roseville

Golden State Water Company

El Dorado Irrigation District

Placer County Water Agency

Sacramento County Water Agency

El Dorado Water Agency

EXHIBIT 2

FINANCING PLAN

REGIONAL WATER AUTHORITY

WATER RESILIENCE PROGRAM

The fee for each Participant is shown in the table below. A Participant's fee will not be increased without the approval of that Participant.

Proposed Fee Table

Agency	Not-to-Exceed Fee
City of Roseville	\$ 24,000
City of Sacramento	\$ 24,000
El Dorado Irrigation District	\$ 24,000
Golden State Water Company	\$ 24,000
Placer County Water Agency	\$ 24,000
Sacramento County Water Agency	\$ 24,000
El Dorado Water Agency	\$ 24,000
Total	\$ 168,000

EXHIBIT 3

NOTICE INFORMATION

REGIONAL WATER AUTHORITY

WATER RESILIENCE PROGRAM

Golden State Water Company
Attn: Paul Schubert
3005 Gold Canal Drive
Rancho Cordova, CA, 95670
Phone: (916) 420-6879
Email: PSCHUBERT@gswater.com

City of Roseville
Attn: Sean Bigley
2005 Hilltop Circle
Roseville, CA 95747
Phone: (916) 774-5513
Email: sbigley@roseville.ca.us

City of Sacramento
Attn: Anne Sanger
1395 35th Avenue
Sacramento, CA 95822
Phone: (916) 808-1725
Email: asanger@cityofsacramento.org

El Dorado Irrigation District
Attn: Jim Abercrombie
2890 Mosquito Road
Placerville, CA, 95667
Phone: (530) 642-4041
Email: jmabercrombie@eid.org

Placer County Water Agency
Attn: Andy Fecko
144 Ferguson Road
Auburn, CA 95603
Phone: (530) 823-4965
Email: afecko@pcwa.net

Sacramento County Water Agency
Attn: Kerry Schmitz
827 7th Street, Room 301
Sacramento, CA 95814
Phone: (916) 874-4681
Fax: (916) 874-8693
Email: schmitzk@SacCounty.NET

El Dorado Water Agency

Attn: Ken Payne

4330 Golden Center Drive, Suite C

Placerville, CA 95667

Phone: (530) 621-5392

Fax: (530) 672-6721

Email: ken.payne@edcgov.us

San Juan Water District
Attn: Paul Helliker
P.O. Box 2157
Granite Bay, CA 95746
Phone: (916) 791-6933
Fax: (916) 791-6983
Email: phelliker@sjwd.org

Regional Water Authority
Attn: James Peifer
5620 Birdcage Street, Suite 180
Citrus Heights, CA 95610
Phone: (916-967-7692
Email: jpeifer@rwah2o



Agenda Item: 9

Date: September 21, 2020

Subject: Skip's Music Rent Relief Request

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

Recommended Board Action:

Approve the request by Skip's Music for relief of the March, April, and May 2020 rent, in the amount of \$17,505, and defer the scheduled 2020 rent increase of \$175 per month, effective in August 2020.

Background:

Skip's Music has been a tenant of the District since 1994. They occupy three buildings at the District's property located at 2736 Auburn Boulevard. During this time, they have been a responsible tenant. With the onset of the COVID-19 pandemic and being categorized as a "non-essential business" they were forced to virtually eliminate all operations from mid-March to the beginning of June 2020. The District deferred rent payments for March, April, and May of 2020. The District received a letter from Skip Maggiora, Skip's Music President and CEO, dated July 22, 2020, where Mr. Maggiora addresses their history with the District and presents an argument for now requesting full relief of the March, April, and May back rent, as well as deferment of the scheduled 2020 rent increase. A copy of the letter is attached for reference.

Discussion:

Due to COVID 19, and the hardship it placed on Skip's Music, the deferral of the March, April and May rent payment was to be paid over a period of time once they were able to return to normal operations. Skip's Music has not been able to return to normal operations, therefore, Mr. Maggiora has requested full relief of the March, April and May rent. To allow such relief, staff would need approval from the Board. The amount of back rent in question is \$17,505 and the proposed rent increase is from \$5,835 to \$6,010 or \$175 per month. Mr. Maggiora will be virtually present at the Board meeting to answer any questions from the Directors.

If the Board approves deferring the 2020 rent increase, staff will bring back an amended Lease Agreement between the District and Skip's Music.

Skip's Music Rent Relief Request

September 21, 2020

Page 2 of 2

Fiscal Impact:

If the full amount of relief requested were granted, the District would lose \$18,205 in rental income, \$17,505 in back rent and \$700 in deferred rent increase for calendar year 2020.

Strategic Plan Alignment:

Goal C: Ensure Fiscal Responsibility and Affordable Rates

Attachment:

1 – Letter from Skip's Music dated July 22, 2020.



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

July 22, 2020

Dear Dan,

As per your request, I'm writing in follow up to our phone conversation a few weeks back. Consistent with so many small businesses this year, the effects of the COVID-19 pandemic have left SKIP'S MUSIC fighting harder than ever to survive. Being categorized as a "non-essential business", we were forced to virtually eliminate all operations from mid March to the beginning of June. Since re-opening our doors to the public, we're now operating on a scaled back level with reduced schedules and limited staff members resulting from a lighter customer and student demand.

In addition to the reduction of retail sales and music lessons revenue, our live music production business has been completely brought to its knees. As you may be aware, a very significant portion of our business has been supported for years by live concert and event productions. This division of our company consisting of professional audio, lighting, staging, backline and our talented crews that supported it have been put on an indefinite "Hold". With the closure of venues, cancellation of countless events and festivals, and public gathering restrictions, it remains unlikely that any portion of this business will return before mid to late 2021 (at the earliest..)

We truly appreciated S.S.W.D.'s offer and willingness to defer rent for March, April and May 2020. We may very well have not made it this far without your support. Like most, when this all began it was our hope that, **a)**, the COVID-19 virus would pass swiftly and, **b)**, business in general would return to relatively similar trends. Unfortunately, as we all now know, this simply is not how it's playing out... The current financial situation of Skip's Music makes it extremely challenging to not only pay the current monthly rent and expenses, but nearly impossible to process the re-payment of deferred expenses anytime soon. In addition to these circumstances, we're also now faced with a pending \$175 rent increase scheduled to go into effect next month if we are to maintain our tenancy.

Skip's Music has been a tenant in good standing now for nearly 3 decades and a reliable trustworthy neighbor of S.S.W.D dating back to 1979.

Throughout this time, we have cordially shared property access and have worked together both as good neighbors as well as within our lessor / lessee relationship. It's worth noting that our rent has been uninterrupted throughout this time other than the covid-19 shelter-in-place period. With the increase that is now proposed and pending, our rent will have increased by over 140% during our tenancy. While a modest increase in rent would certainly be expected over time, there has never been any internal improvements made at the cost of S.S.W.D. to show for the increases. On the contrary, we, as the tenant, have been both physically and financially responsible for nearly all improvements or repairs that have been needed inside the building(s). The carpet and paint in the administrative office is nearly 30 years old and the bathroom and kitchen fixtures in that building even precede that. We've repaired plumbing, electrical issues, replaced carpet, painted walls, replaced ceiling and flooring tiles and more... We even replaced at our expense, water damaged floor-boards on the 2nd floor of the warehouse building that resulted from faulty exterior weather protection and drainage.

In addition, we've paid for and installed surveillance cameras to help monitor security of the property in which we both share. We've done our best over the years to continually coordinate and manage interactions with sub-contractors and mobile/cell tower contractors who've been granted limited time access to the lot. As you know, these contractor arrangements have often been met with mis-communications related to access times, parking or placement of equipment and proper procedures related to locking of the gates and securing the lot. Through time and experience, I've come to understand that these inconveniences can be somewhat expected, and I'm not suggesting that any procedural changes be made per se, although, again, I simply think it's worth noting that the time and energy it takes to address or resolve these issues often fall on members of my management team.

Dan, I remain committed and have the confidence that I, along with the leaders of my company will identify ways to put our business back on-track to succeed. Please know that It's my hope to continue tenancy for years to come, however, with the continued public restrictions as well as the consumer recession that is almost certain to follow shortly, the financial burden of the deferred rent and continued increases make it more difficult than ever to either afford and/or justify.

I'm asking that you accept this letter as an official request of S.S.W.D to please consider our long-time partnership and low cost / limited maintenance tenancy, and approve full relief of the back rent due, as well as maintain our current monthly rental rate until further notice. Being afforded this request will allow Skip's Music to continue its tenancy in good standing.

Thanks very much for your time and consideration.

Sincerely,

A handwritten signature in black ink that reads "Skip Maggiora". The signature is written in a cursive, flowing style.

Skip Maggiora
President / CEO
Skip's Music Inc.



Agenda Item: 10

Date: September 21, 2020

Subject: CalPERS Pension – Employer Paid Member Contribution

Staff Contact: Dan York, General Manager

Recommended Board Action:

Continue paying the Employer Paid Member Contribution for employees in the 3% at age 60 and the 2% at age 55 pension plans.

Discussion:

At the June 15, 2020 regular Board meeting, the Board discussed various options for modifying current District policy regarding Employer Paid Member Contribution (EPMC). One of the options was for the District to discontinue paying the EPMC for pre-PEPRA (“classic”) employees in the 3% at 60 and 2% at 55 pension plans. An additional option was to prospectively require all new employees eligible to participate in a classic retirement plan to begin paying their normal member contribution. Staff was instructed to prepare a resolution for Board approval that would require all new employees to begin to pay their normal member contribution.

At the August 17, 2020 regular Board meeting, Resolution No. 20-09 was presented by staff and approved by the Board. The Resolution rescinds Resolution No. 02-30 that established the District policy of paying EPMC for all employees. In addition, Resolution No. 20-09 states that all new employees will begin paying their normal member contribution beginning as of the effective date of the Resolution and that current member EPMC rates of 8% and 7% for Tier 1 (3% @ 60) and Tier 2 (2% @ 55), respectively, retirement plans will continue to be paid by the District. The Resolution then provides authority to the General Manager to make all necessary changes to District policies and procedures to make such policies and procedures consistent with Resolution No. 20-09.

At the August 17th regular Board meeting, the Board also directed staff to place an item on the agenda for the September 2020 regular Board meeting to take a vote on whether to continue or discontinue paying the EPMC for classic employees in the 3% at 60 and 2% at 55 pension plans. A majority of the Board has indicated an interest in continuing to pay the EPMC for existing classic employees based on the fact Resolution No. 20-09 was approved to only prospectively discontinue paying the EPMC for new employees eligible for a classic pension plan.

Fiscal Impact:

No fiscal impact at this time.



Agenda Item: 11

Date: September 21, 2020

Subject: New Auditing Firm

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

Recommended Board Action:

Approve selection of Maze & Associates as the District's independent auditor as recommended by the Finance and Audit Committee. Authorize the Finance and Audit Committee to execute a contract and engagement letter with Maze & Associates for the 2020 year-end audit.

Background:

Richardson & Company¹ has served as the District's auditors the past six years. Per the District's "Engagement of Auditor Policy" PL – Fin 001 (Policy), the District is required to "seek proposals from potential auditors no greater than every six years." Accordingly, at the Finance and Audit Committee (Committee) meeting on May 21, 2020, the Committee approved distribution of a Request for Proposal (RFP) to interested auditing firms for audit services in the years 2020 through 2024. Subsequent to the meeting, the RFP was released and distributed to ten firms with five responding.

The Policy further directs, "the Committee is responsible for recommending the District's independent auditor to the full Board for appointment and compensation, and administering the relationship between the District and independent auditor during the course of the audit..." Pursuant to this direction, the Committee is tasked with selecting an audit firm and recommending the selected firm to the full Board for approval.

While the selection of an external auditor is the responsibility of the Committee, staff also reviewed the five proposals and provided an assessment of the firms based on the evaluation elements provided in the RFP, ranking the firms in 13 different categories as enumerated in the RFP.

After a thorough review, the Committee and staff determined that two firms stood-out in terms of the quality, experience, and expertise of staff, time, and attention devoted to the audit and price. The firms of Richardson & Company¹ and Maze & Associates separate themselves from the other firms in these areas (see Attachment 1).

As stated above, with the "Technical Quality" of the firm accounting for up to 60% of the eligible points to be awarded, the RFP was divided into 13 important technical areas for this

section with each having a weighting factor. More weighting was applied to the firm and staff with relevant water experience. Price accounted for the remaining 40% of eligible points. Based on a review of the Technical Qualities and Price, the firm of Richardson & Company¹ ranked highest, with Maze & Associates coming in second.

Discussion:

Based on staff's analysis and the Committee's review of the proposals, both of these firms would provide a professional level of service at a reasonable price to the District. Richardson & Company could be retained as the District's auditor, but they would be required to change engagement partners. However, the Committee decided that it would be in the best interest of the District to have a different audit firm to provide a fresh perspective. As such, the Committee moved to recommend the selection of Maze & Associates to the full Board as a discussion item with the Committee's full recommendation of approval.

¹ District's auditor from 2002 through 2006 and from 2014 through 2019.

Fiscal Impact:

Proposed audit fee of \$44,430 for fiscal year 2020 and \$231,226 for the 5 year period.

Strategic Plan Alignment:

Goal C: Ensure Fiscal Responsibility and Affordable Rates

To select an independent auditor to provide the District with an audit opinion. The annual financial report is a benefit to District customers as it demonstrates the District's commitment to financial integrity and transparency.

Attachments:

1 – New Audit Firm RFP Scoring - Staff

**STAFF'S AUDIT FIRM EVALUATION
July 2020**

Audit Firm	RFP compliance	Independence	Govt Audit Experience	Firm Water Audit Experience	Reviewing Audit Partner Water Experience	Assigned Audit Manager Water Experience	Assigned Audit staff Water Experience	Audit Approach	Anticipated Hours on Audit (Total)	Expanded Testing	Single Audit	Interim Consultation	References	Requirements Total	Price	Total
Gilbert CPAs (Sacramento)	5	5	5	5	4	3	3	5	5	5	5	5	3		3	
Weighting Factor (1 to 5, 5=highest)	3	2	3	4	4	5	4	3	2	2	1	1	4		25	
Weighted Value	15	10	15	20	16	15	12	15	10	10	5	5	12	160	75	235
James Marta & Company LLP	4	5	5	4	5	3	3	5	3	5	5	5	4		4	
Weighting Factor (1 to 5, 5=highest)	3	2	3	4	4	5	4	3	2	2	1	1	4		25	
Weighted Value	12	10	15	16	20	15	12	15	6	10	5	5	16	157	100	257
Lance, Scoll & Lunghard, LLP (San Jose)	4	5	4	4	4	3	3	4	3	4	5	1	4		5	
Weighting Factor (1 to 5, 5=highest)	3	2	3	4	4	5	4	3	2	2	1	1	4		25	
Weighted Value	12	10	12	16	16	15	12	12	6	8	5	1	16	141	125	266
Maze & Associates (Pleasant Hill)	5	5	5	5	5	4	4	4	4	5	5	3	5		4	
Weighting Factor (1 to 5, 5=highest)	3	2	3	4	4	5	4	3	2	2	1	1	4		25	
Weighted Value	15	10	15	20	20	20	16	12	8	10	5	3	20	174	100	274
Richardson & Company (Sacramento)	5	5	5	5	5	5	5	5	4	5	5	5	5		5	
Weighting Factor (1 to 5, 5=highest)	3	2	3	4	4	5	4	3	2	2	1	1	4		25	
Weighted Value	15	10	15	20	20	25	20	15	8	10	5	5	20	188	125	313

Technical quality accounts for approximately 60 percent and price accounts for approximately 40 percent of the total score. Populate blue cells with scoring value

Audit Hours and Price

Gilbert CPAs					32	70	311		413	47	34		494		\$ 50,000	\$ 4,695
James Marta & Company LLP					42	52	170		264	40	36		340		\$ 46,885	\$ 1,580
Lance, Scoll & Lunghard, LLP					13	19	234		266	45	29		340		\$ 42,310	\$ (2,995)
Maze & Associates					23	77	213		313	56	42		411		\$ 44,430	\$ (875)
Richardson & Company					45	135	180		360	45	47		452		\$ 42,900	\$ (2,405)

\$ 45,305

	2020	20201	2022	2023	2024	Total 5-Year Cost
\$50,000		\$50,750	\$51,500	\$52,350	\$53,200	\$257,800
\$46,885		\$48,100	\$49,300	\$50,500	\$51,800	\$246,585
\$42,310		\$43,658	\$44,960	\$46,284	\$47,608	\$224,820
\$44,430		\$45,320	\$46,228	\$47,153	\$48,095	\$231,226
\$42,900		\$43,700	\$44,600	\$45,500	\$46,425	\$223,125

**STAFF'S AUDIT FIRM EVALUATION
July 2020**

Audit Firm	RFP compliance	Independence	Govt Audit Experience	Firm Water Audit Experience	Reviewing Audit Partner Water Experience	Assigned Audit Manager Water Experience	Assigned Audit staff Water Experience	Audit Approach	Anticipated Hours on Audit (Total)	Expanded Testing	Single Audit	Interim Consultation	References	Requirements Total	Price	Total
Gilbert CPAs (Sacramento)	5	5	4	4	4	2	1	4	5	4	4	4	3		3	
Weighting Factor (1 to 5, 5=highest)	3	2	3	4	4	5	4	3	2	2	1	1	4		25	
Weighted Value	15	10	12	16	16	10	4	12	10	8	4	4	12	133	75	208
James Marta & Company LLP	5	4	3	2	3	3	3	3	2	4	4	4	4		3	
Weighting Factor (1 to 5, 5=highest)	3	2	3	4	4	5	4	3	2	2	1	1	4		25	
Weighted Value	15	8	9	8	12	15	12	9	4	8	4	4	16	124	75	199
Lance, Scoll & Lunghard, LLP (San Jose)	3	5	4	3	2	2	1	2	2	4	4	4	4		5	
Weighting Factor (1 to 5, 5=highest)	3	2	3	4	4	5	4	3	2	2	1	1	4		25	
Weighted Value	9	10	12	12	8	10	4	6	4	8	4	4	16	107	125	232
Maze & Associates (Pleasant Hill)	5	5	5	5	5	4	1	4	3	4	4	4	5		4	
Weighting Factor (1 to 5, 5=highest)	3	2	3	4	4	5	4	3	2	2	1	1	4		25	
Weighted Value	15	10	15	20	20	20	4	12	6	8	4	4	20	158	100	258
Richardson & Company (Sacramento)	5	3	5	5	5	5	2	4	4	4	4	4	5		5	
Weighting Factor (1 to 5, 5=highest)	3	2	3	4	4	5	4	3	2	2	1	1	4		25	
Weighted Value	15	6	15	20	20	25	8	12	8	8	4	4	20	165	125	290

Technical quality accounts for approximately 60 percent and price accounts for approximately 40 percent. Populate blue cells with scoring value

Audit Hours and Price

Gilbert CPAs					32	70	311		413	47	34		494		\$ 50,000	\$ 4,695
James Marta & Company LLP					42	52	170		264	40	36		340		\$ 46,885	\$ 1,580
Lance, Scoll & Lunghard, LLP					13	19	234		266	45	29		340		\$ 42,310	\$ (2,995)
Maze & Associates					23	77	213		313	56	42		411		\$ 44,430	\$ (875)
Richardson & Company					45	135	180		360	45	47		452		\$ 42,900	\$ (2,405)

\$ 45,305

	2020	20201	2022	2023	2024	Total 5-Year Cost
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\$42,900		\$43,700	\$44,600	\$45,500	\$46,425	\$223,125

	Jeff		Lynn		Combined			
	Tech	Total	Tech	Total	Tech	rank	Total	rank
Gilbert	133	208	160	235	293	3	443	5
James Marta & Co	124	199	157	257	281	4	456	4
Lance, Scoll & Lunghard	107	232	141	266	248	5	498	3
Maze & Associates	158	258	174	274	332	2	532	2
Richardson & Company	165	290	188	313	353	1	603	1



Agenda Item: 12

Date: September 21, 2020

Subject: Exchange Inactive Well 12 for Property at Seely Park Adjacent to Well 7

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

Recommended Board Action:

Authorize the General Manager to execute necessary documents, including recording the deed with a certificate of acceptance and quitclaim deed, to exchange the Sacramento Suburban Water District's inactive Well 12 and approximately 0.05 acres of land for approximately 0.2 acres of land owned by the Fulton El Camino Recreation Park District at Seely Park, subject to legal review.

Background:

Fulton El Camino Recreation Park District (FECRPD) and District staff have discussed, over several years, completing a property exchange to allow the District to acquire land from FECRPD for a new well in the future. Many FECRPD sites were evaluated and Seely Park was selected as the best candidate.

Seely Park is adjacent to the District's Well 7, which is currently inactive, and the park land would be combined with the existing Well 7 property to construct a replacement well in the future. In exchange for receiving the land at Seely Park, the District recommends transferring ownership of Well 12 (Santa Anita Park), which is inactive, to FECRPD. The District has slated Well 12 for destruction, but FECRPD can use it to provide non-potable water to irrigate their park. For reference, the well locations are shown on Attachment 1.

On August 15, 2019, the FECRPD Board met and approved the exchange concept and authorized its staff to discuss acquiring Well 12 from the District for park irrigation.

On September 16, 2019, staff presented the exchange concept at the regular District Board meeting. The Board directed staff to bring the item back with more information, including:

- Costs for tree removal if needed by site development and overhead power line obstructions.
- More information about the infrastructure on site.
- Review whether it would be less expensive to refurbish the existing Well 7.
- A map with aerial imagery to be included when the item returns.

Discussion:

Board comments received on September 16, 2019, are addressed as follows:

- Tree removal cost is estimated at \$1,500.
- Overhead power lines on the site exist solely to power the facility and are not a hindrance to the proposed enlarged site.
- Infrastructure on the existing Well 7 site consists of piping connecting the site to the distribution system.
- Refurbishment of Well 7 is not feasible due to its advanced age-related deterioration, cost to add fluoridation, and very low production.
- Aerial imagery is now included for Well 12 (Attachment 2) and Well 7 (Attachment 3).

Replacing groundwater wells is not always possible on an existing well site for a variety of potential reasons, often due to the size of the parcel. Therefore, new properties will likely need to be acquired for new wells. Both Well 7 and Well 12 have outlived their useful life and each property is not large enough to accommodate a new well without acquiring additional property adjacent to those well sites. The following are highlights of each well:

Well 7 (Seely Park): This is a 80-year-old, inactive well, that last produced 190 gallons per minute (gpm).

- 2007 – Classified as emergency use only and is not fluoridated.
- 2013 – Inactivated due to the excessive cost necessary to repair the well and add fluoridation, which is estimated to be between \$200,000 to \$250,000.
- The site is about 0.25 acres and is too small for a new well.
- By adding the adjacent property owned by FECRPD, this well site would expand by about 0.2 acres for a total of about 0.45 acres, which would be large enough to construct a replacement well. A small portion of the existing property is fenced.

Well 12 (Santa Anita Park): This is a 65-year-old, inactive well, that last produced 560 gpm.

- 2007 – Classified as emergency use only and is not fluoridated.
- 2018 – Inactivated due to the excessive cost necessary to modernize the well, add fluoridation, and replace failing outside diameter steel piping connecting the well to the distribution system, which is estimated to cost between \$300,000 to \$350,000.
- The site is about 0.05 acres and is too small for a new well. About half of the property is fenced.
- Ownership of this well and its property (about 0.05 acres) would be transferred to FECRPD who owns the adjacent Santa Anita Park.

It is forecasted that the District will need additional well sites for new wells. This is based on planning analysis factoring the well age and declining production capacity. There are many variables that can change this projection. As regulatory requirements pertaining to water quality become more stringent, additional wells could be lost as a result. As an example, the North Service Area lost two groundwater wells in January 2018 due to new state regulations related to the contaminant 1,2,3-TCP. In addition, Well 7 is located in an area of the South Service Area that contains five wells that have been inactivated in the last 10 years. Therefore, to ensure a reliable

groundwater supply, it is prudent to lay the groundwork for new wells by ensuring land is available for their construction. A map of active wells within a 1-mile radius of Well 7 can be seen on Attachment 4. Furthermore, additional well sites that are being evaluated for purchase in the District’s service area are shown in Attachment 5.

The proposed exchange is intended to achieve two primary objectives:

- 1) Avoid expense of abandoning a well (Well 12), which includes demolition of above ground appurtenances and costs about \$90,000; and
- 2) Avoid expense of securing property needed to construct a new well in the future when needed, that could cost approximately \$300,000.

Site Selection Process

The Seely Park property was not identified in the GIS site selection tool since the whole park is larger than the ideal well site size of about 1/2 acre. The GIS siting tool will include parks and schools larger than 1/2 acre in future GIS site selection runs. A new well at the Well 7 property site will meet all operational needs if there is enough additional land to accommodate a replacement well and will be about 0.45 acres, which is nearly ideal for a well site size.

To confirm this site is a good option, staff scored the Seely Park property using the New Assessment Scoring Criteria as follows:

Each property is graded on the criteria below and receives an overall **Assessment Score** as follows:

- “Poor” (less than 8)
- “Good” (8 through 15)
- “Very Good” (greater than 15)

Property Improvements

<u>Score</u>	<u>Criteria</u>	<u>This Parcel</u>
1	Significant Improvements: County drainage/sewer/street, wetland mitigation	
3	Moderate improvements: Sidewalk/curb/gutter	
5	Minimal or no improvements: Tree mitigation, service relocation	X

Constraints/Limitations of Use

<u>Score</u>	<u>Criteria</u>	<u>This Parcel</u>
1	Access, right of way, or landlocked	
3	Sound or height restrictions	X
5	None	

Distribution/Transmission System

<u>Score</u>	<u>Criteria</u>	<u>This Parcel</u>
1	Requires more than 750 feet of new main to tie into the distribution system	
3	Requires 350 to 750 feet of new main to tie into the distribution system	
5	Requires less than 350 feet of new main to tie into the distribution system	X

Lot Size

<u>Score</u>	<u>Criteria</u>	<u>This Parcel</u>
1	From 0.25 to 0.5 acres (small)	X
3	Greater than 1.0 to 2.0 acres (large)	
5	Greater than 0.5 to 1.0 acres (preferred)	

Average Age of Area Wells (1-Mile Radius)

<u>Score</u>	<u>Criteria</u>	<u>This Parcel</u>
1	Less than 30 years	
3	From 30 years to 50 years	X
5	Greater than 50 years	

Assessment Score for this parcel: **17** (“Very Good”)

Summary

In summary, with an Assessment Score of 17, the Well 7 property site is a favorable piece of property for the District due to its suitable location including consideration of existing nearby infrastructure. The combined property has the potential to be equipped with a groundwater well, and has adequate space for a treatment facility if needed. Prior to transferring title to the District, necessary due diligence (e.g., title search, environmental site assessment) will be completed. Additionally, when it comes time to construct the well, the typical geophysical investigation and analysis will be completed.

Fiscal Impact:

The District will forego receiving about \$8,500 in annual revenue from terminating water sales at Santa Anita Park. However, by exchanging the property, the District will save about \$400,000 by foregoing a new property purchase and costs to destroy Well 12.

Strategic Plan Alignment:

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

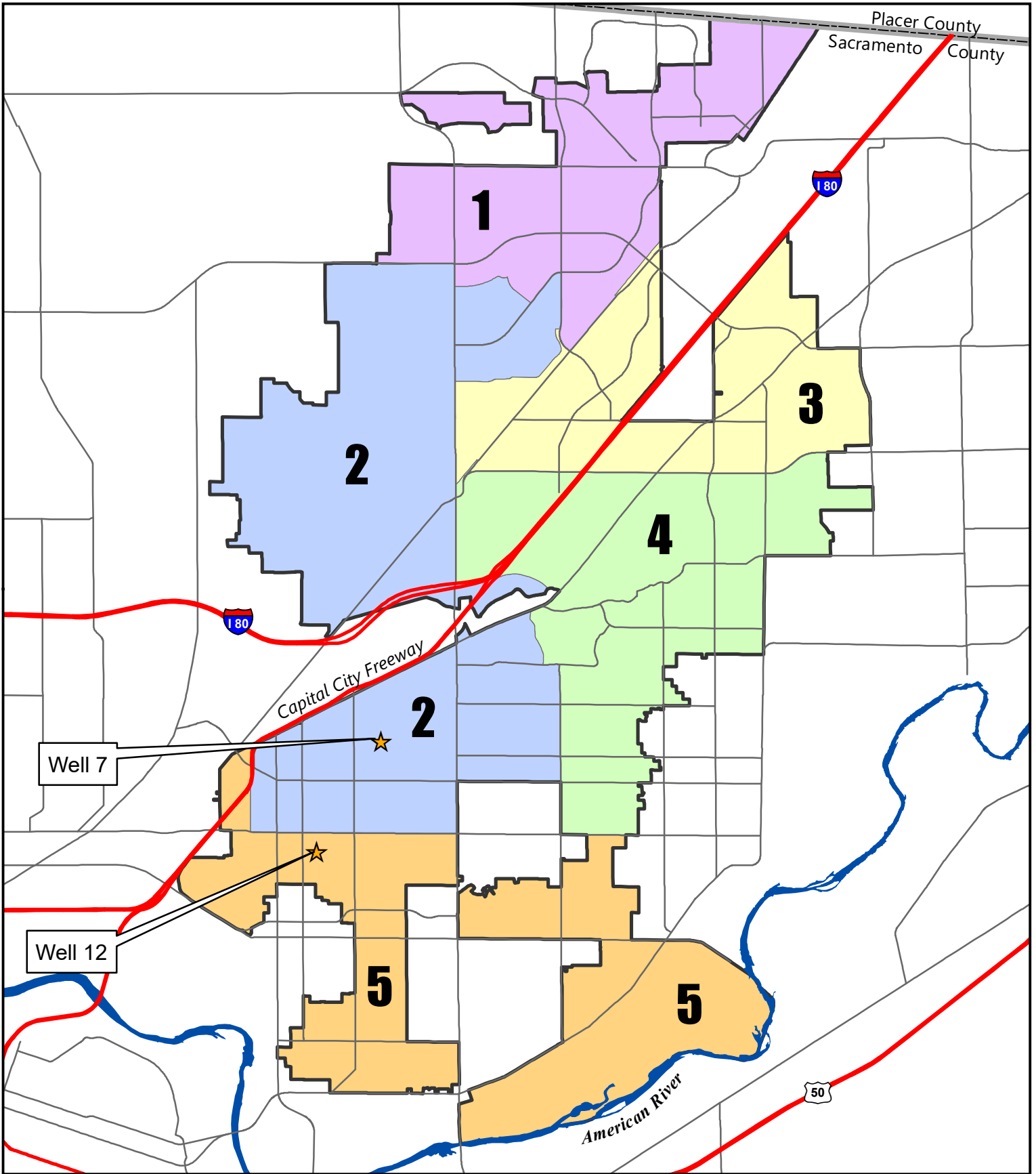
Goal C – Ensure Fiscal Responsibility and Affordable Rates.

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

Attachments:

1. Location Map
2. Well 12 Santa Anita Park
3. Well 7 Seely Park
4. Area Well Map
5. Potential Well Sites

Placer County
Sacramento County



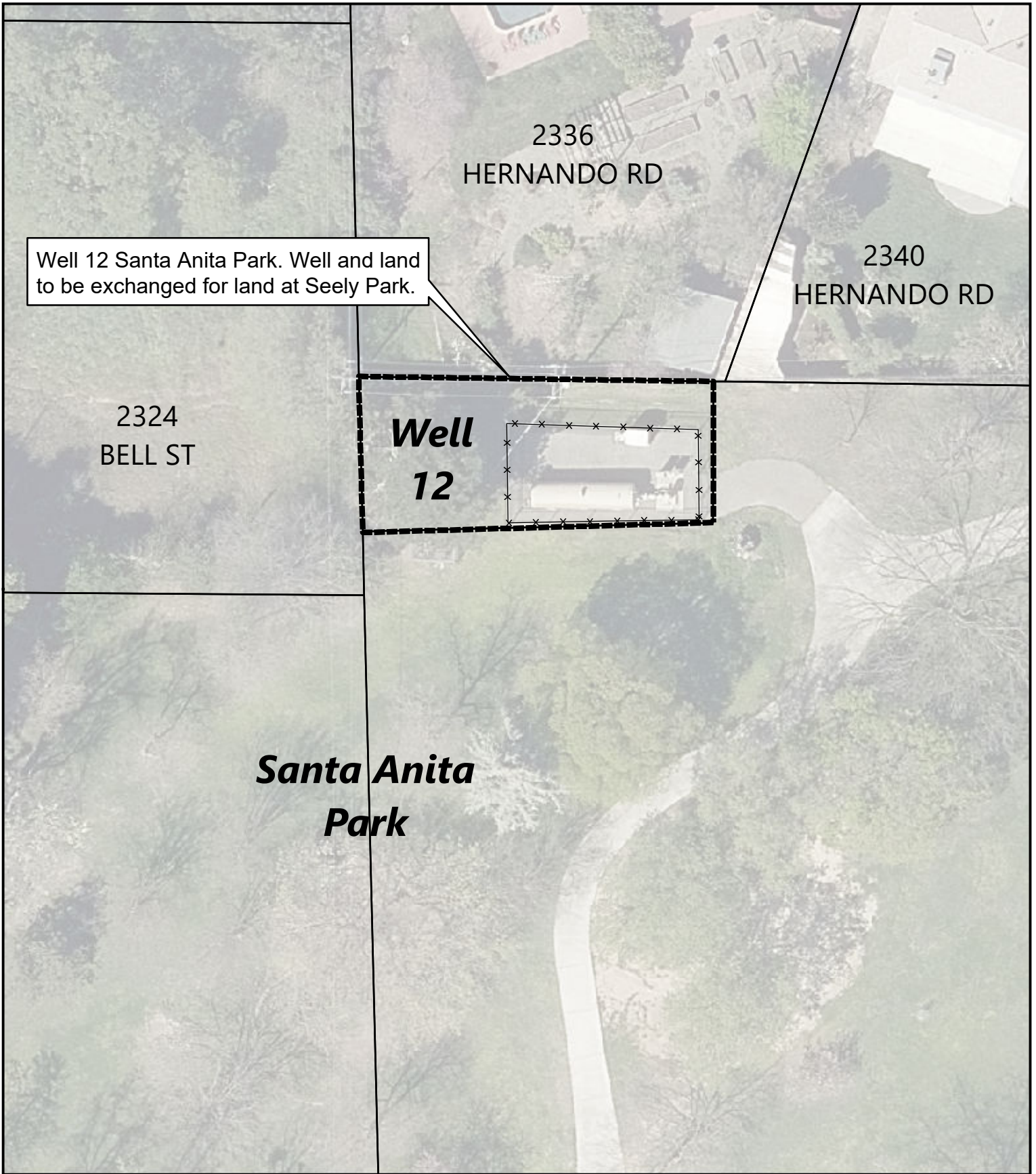
Legend

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



Location Map





Well 12 Santa Anita Park. Well and land to be exchanged for land at Seely Park.

2336
HERNANDO RD

2340
HERNANDO RD

2324
BELL ST

**Well
12**

**Santa Anita
Park**

Legend

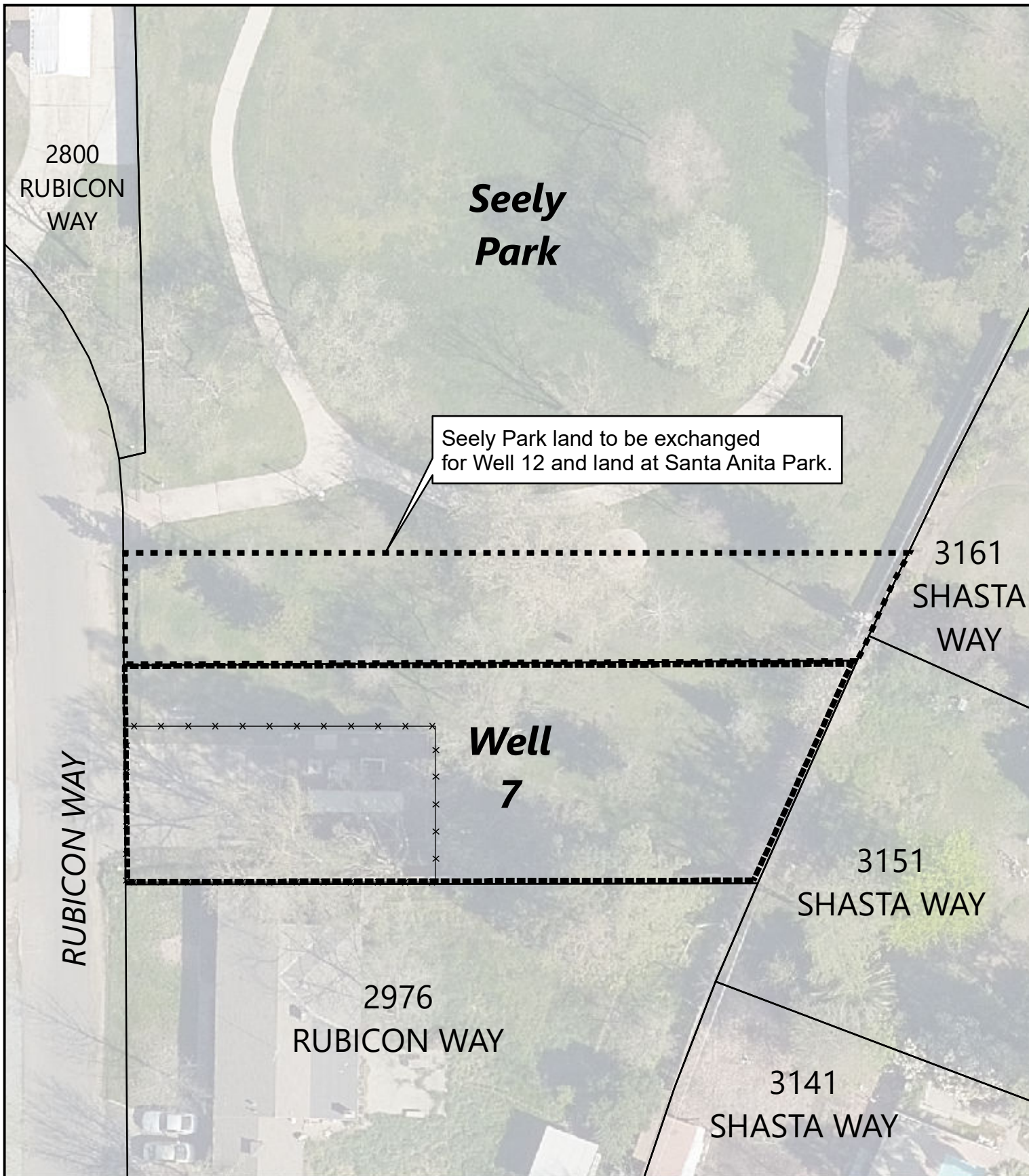
-  Parcels
-  Well and Land to be Exchanged
-  Fence






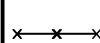
Not To Scale

Well 12 Santa Anita Park





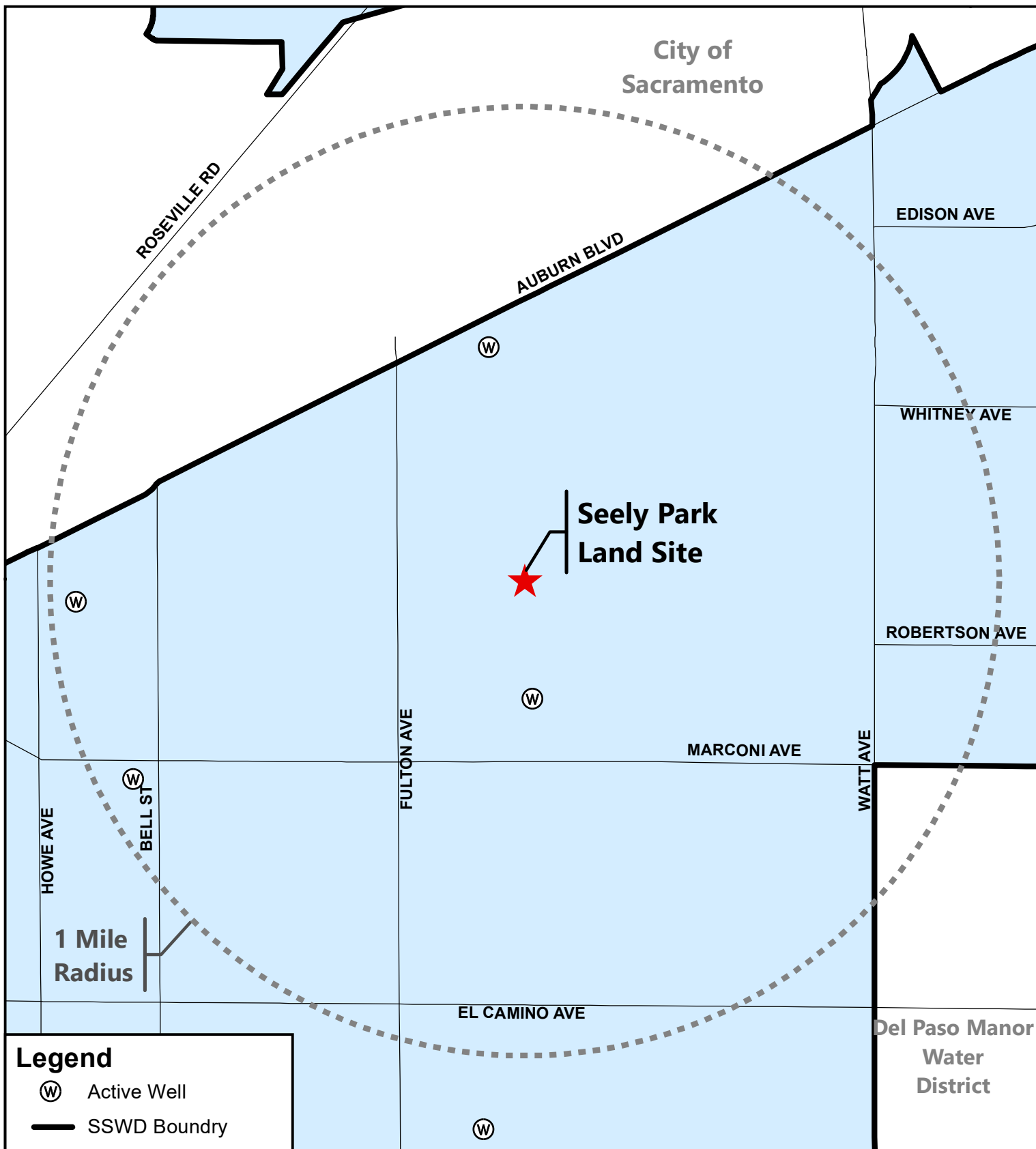
Legend

-  Land to be exchanged
-  Parcel
-  Well 7 Seely Park
-  Fence



Well 7 Seely Park





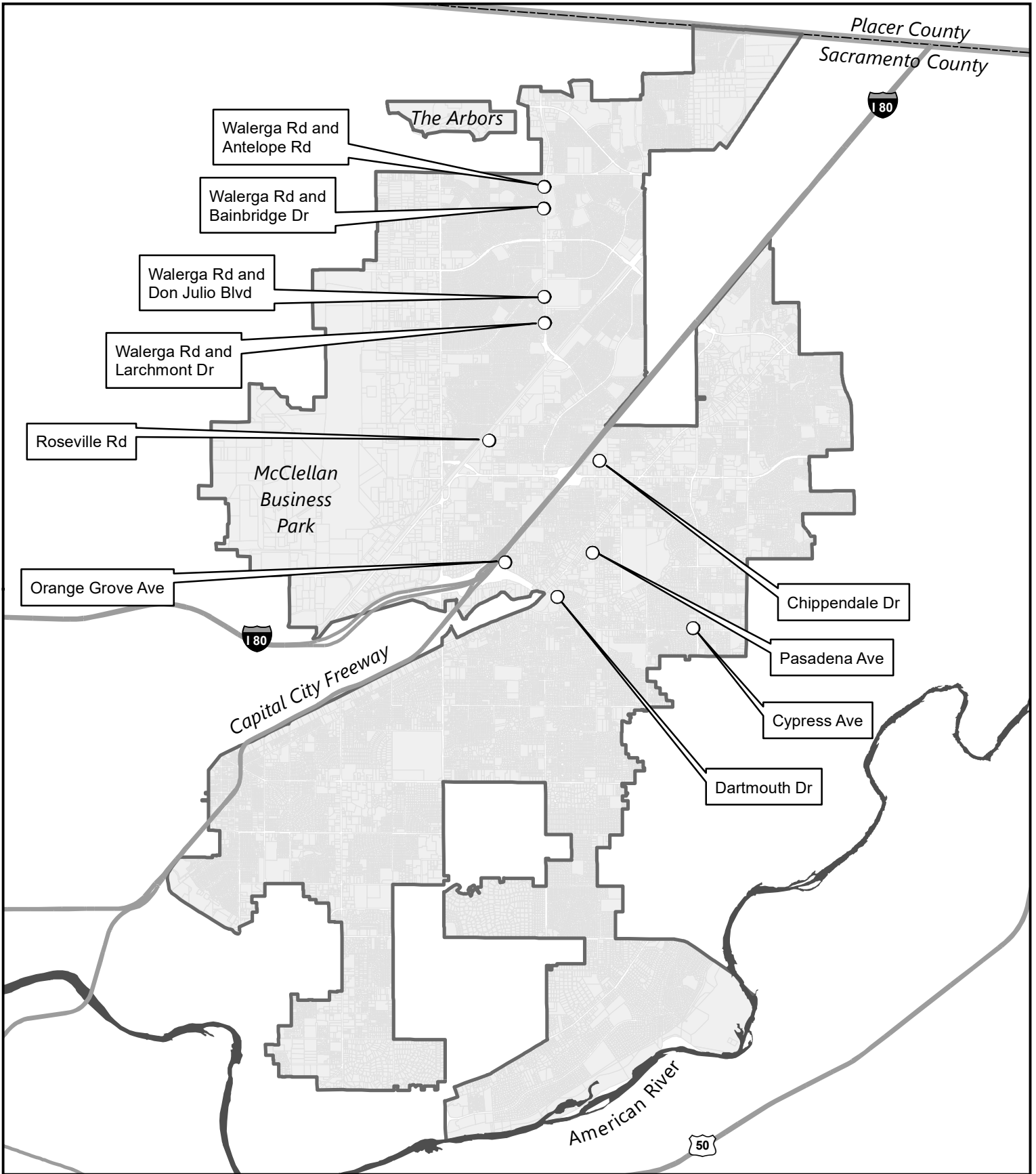
Legend

- Ⓜ Active Well
- SSWD Boundary

Area Well Map

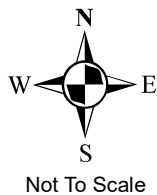
SACRAMENTO SUBURBAN WATER DISTRICT

0 0.25 0.5 Miles



Legend

○ Potential Well Sites



Potential Well Sites





Agenda Item: 13

Date: September 21, 2020

Subject: Fleet Asset Management Plan

Staff Contact: James Arenz, Senior Project Manager

Recommended Board Action:

Adopt the Fleet Asset Management Plan. The Fleet Asset Management Plan was presented to the Facilities and Operations Committee on July 15, 2020. The Facilities and Operations Committee supported the Fleet Asset Management Plan and recommended it to be a Discussion and/or Action Item at the regular Board meeting.

Background:

On July 27, 2017, an initial version of the Fleet Asset Management Plan (Plan) was presented to the Facilities and Operation Committee (Committee). After some discussion, the Committee Chair recommended the item not be taken to the full Board for consideration; therefore, the Plan was never adopted. The initial version presented to the Committee did not address the management of District equipment, only the management of the District’s fleet of vehicles.

On July 15, 2020, staff presented a revised Plan to the Committee. The Plan now includes equipment and a different process for identifying when to replace vehicles. After some discussion, the Committee requested staff change the word “should” to “will” in three locations within the Plan, and then recommended the item be taken to the full Board for consideration. The Plan being presented addresses both vehicles and portable equipment (e.g., trailers, generators, specialty tools, etc.).

Discussion:

The Plan provides for a modern, high quality, and cost effective fleet maintained to industry standards, as an in-house resource and integral part of the District’s operations. It sets forth a strategy to assist in funding vehicle and equipment replacement costs year after year to avoid under-funding of fleet replacement, which can cause large replacement backlogs to develop. The Plan also provides the District with a more modern and reliable fleet of vehicles and inventory of equipment that should reduce repair costs and lost productivity as a result of downtime.

Vehicle Asset Management

The vehicle asset management portion of the Plan is adaptive and perpetual in that it uses a Vehicle Replacement Plan (VRP) methodology. The VRP methodology uses vehicle age and mileage, for vehicles with a Gross Vehicle Weight Rating (GVWR) of 1 ton and less, to determine when a vehicle should be replaced. The VRP methodology is consistent with vehicle replacement methodologies of three other local jurisdictions that staff researched: Sacramento Municipal Utilities District, City of Sacramento, and the County of Sacramento. Vehicles with a GVWR greater than 1 ton, such as leak trucks and dump trucks, have modified beds and equipment, do not accumulate mileage as quickly, and are costlier to replace. As such, the replacement cycle for these vehicles will likely be longer than 10 years and will be assessed on a case-by-case basis. The purpose of the VRP is to identify long-term replacement spending needs, associated budgetary requirements, and to communicate these to the Board during the budget approval process.

Using the VRP, the Operations Department will annually update a Fleet Replacement Plan to project annual vehicle acquisition and Maintenance and Repair (M&R) costs, as well as an estimated replacement year for each vehicle for the next ten years. A vehicle that meets VRP replacement criteria, but is in usable condition, may be retained provided that an assessment indicates that the vehicle can be operated safely and excessive M&R costs or substantial reduction in resale value is not expected.

The current Plan includes a 10-year cost projection of the annual vehicle acquisition and M&R costs based on an estimated replacement year for all District vehicles with a GVWR rating of 1 ton and less. Since there is a current backlog of vehicles that exceed the VRP replacement criteria, the estimated vehicle replacement year for vehicles exceeding 10 years in age was prioritized by determining the vehicle's current M&R costs. No more than four vehicles are projected for replacement each year to reduce expense peaks.

Equipment Management

In order to achieve an appropriate return on investment for District equipment, staff developed the Condition Assessment (CA) Criteria, and the Equipment Repair Cost Criteria (ERCC). The CA Criteria helps determine whether a piece of equipment meets current operational standards, and the ERCC helps determine whether a piece of equipment should be repaired or replaced.

Summary

The Plan is a tool to establish processes to assess fleet efficiency and assist staff in selecting a suitable time to replace particular vehicles and equipment items and to identify long-term replacement and budget needs for the District's vehicles and equipment. The Plan does not represent a financial commitment by the Board, but provides a prioritization for the replacement of vehicles and equipment for future planning.

The operational objectives with this Plan are:

- Achieving an economically advantageous life cycle cost for vehicles and equipment.
- Providing and seeking emerging safety features in the acquisition of new items, while ensuring the fleet is maintained at a safe and functional standard.

Fleet Asset Management Plan

September 21, 2020

Page 3 of 3

- Seeking reductions in the emissions from fuels.
- Meeting functional requirements of District operations.
- Limiting exposure to fuel availability and price risks.

Fiscal Impact:

The Plan projects a capital need of approximately \$1.4 million over the next 10 years.

Strategic Plan Alignment:

Goal B: Optimize Operational and Organizational Efficiencies

District customers benefit from staff using the Plan as a tool to manage the District's fleet, while taking into account costs, safety, and reliability.

Attachment:

1. Fleet Asset Management Plan



FLEET ASSET MANAGEMENT PLAN



Sacramento Suburban Water District

3701 Marconi Avenue, Suite 100, Sacramento, California 95821
(916) 972-7171
sswd.org

FLEET ASSET MANAGEMENT PLAN

Adopted by the Board of Directors: [Month] 2020

Approved by:

General Manager:

Dan York

Prepared / Reviewed by:

Assistant General Manager:

Mike Huot, P.E.

Operations Manager:

Matt Underwood

Engineering Manager:

Dana Dean, P.E.

Senior Project Manager:

Jim Arenz

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LIST OF DEFINITIONS

Fleet	Includes the entire inventory of District owned vehicles and equipment.
Vehicle	Fleet items that are registered with the California Department of Motor Vehicles to legally operate on public roadways.
Equipment	All other Fleet items with a value greater than the minimum capitalized asset value of \$5,000 (e.g., vacuum trailers, backhoes, excavators, large equipment trailers, etc.) and items that generally require maintenance and can be repaired.

EXECUTIVE SUMMARY

Sacramento Suburban Water District (SSWD) exists to provide services to its community. Some of these services are provided with the use of Vehicles and Equipment (Fleet) acquired through direct purchase. SSWD's goal in managing its Fleet is to provide service in a cost effective manner for present and future customers.

This Fleet Asset Management Plan (Plan) provides for a modern, high quality, and cost effective Fleet that is an integral part of SSWD's operations to be maintained to industry standards, and managed in-house. The main purpose of this Plan is to establish processes to assess Fleet efficiency and assist staff in selecting a suitable time to replace particular vehicles, groups of vehicles, and equipment items. The Plan does not represent a financial commitment by the District's Board of Directors (Board). Rather, the Plan is a tool for communication between the Board and staff to prioritize the replacement of its Fleet in a manner that controls life cycle costs while maintaining a high level of service for our customers.

SSWD plans to operate and maintain the Fleet to achieve the following operational objectives.

- Economically advantageous life cycle cost
- Provide and actively seek emerging safety features in the acquisition of new items, while ensuring the Fleet is maintained at a safe and functional standard
- Seek reductions in the emissions from fuels
- Meet the functional requirements of District operations
- Limit exposure to fuel availability and price risks

These objectives are in alignment with the Strategic Objectives found in SSWD's 2019 Strategic Plan, Goal B: Optimize Operational and Organizational Efficiencies

- Develop an annual Capital Improvement Program that is prioritized based on risk, condition assessment, capital assets, and aligned with approved budget

- Update Operations & Maintenance Programs and enhance technology that focuses on Prioritized, Predictive, and Preventive Maintenance
- Optimize Equipment and Assets (e.g., create collective purchasing agreements and annual asset purchasing plans)

The actions resulting from this Plan are:

- The development of a Vehicle Replacement Plan to determine the appropriate time to replace vehicles; and
- A Condition Assessment and Equipment Repair Cost criteria to determine the appropriate time to replace equipment.

INTRODUCTION

This Fleet Asset Management Plan (Plan) consists of planning, organizing, and controlling the utilization of the District's fleet to help the District meet its goals. The Operations Manager is charged with making decisions to develop short- and long-term goals; evaluate fleet efficiency; identify positive and negative trends that affect fleet operations; manage the fleet acquisition, replacement, and disposal processes; manage day to day fleet operations; budget funds assigned to the fleet; oversee day to day repair, preventive maintenance, and warranty processes; and assure that fleet operations comply with local, state, and federal regulations.

The main purpose of this Plan is to establish processes to assess fleet efficiency. Using these processes, the Operations Manager decides when particular vehicles, groups of vehicles, or pieces of equipment are in need of replacement.

A decision on when to repair or replace a vehicle or equipment should be based on adequate knowledge of both costs to maintain and repair the existing vehicle and equipment and costs to replace it with a new item. Staff developed the decision points in this Plan to reflect best practices at the District, as well as those of local agencies including City, County, water purveyors, and an energy provider, to serve as guidelines for management of the Fleet. It is anticipated that this plan will be updated every 4 to 6 years.

VEHICLE ASSET MANAGEMENT

2.1 Fleet Vehicle Composition and Needs Assessment

Fleet Vehicle Composition and Needs Assessment — The Operations Manager will assess the current fleet to determine the vehicle needs of the District. An electronic inventory must be maintained with sufficient facts about each vehicle. The data will include, at a minimum, the following key factors:

- Number of vehicles, type, age, and condition
- Monthly mileage for each vehicle
- Fleet's average cost per mile for each fiscal year
- Fleet's average fuel economy for each fiscal year

In determining the District's vehicle needs, the Operations Manager will consider the following, at a minimum:

- The number of each vehicle type needed to meet the District's needs
- The fuel economy rating for all planned vehicle acquisitions
- The number of each vehicle type required to meet environmental goals – a key factor is the number of Alternative Fuel Vehicles desired

2.1.1 Alternative Fuel Vehicles

The District has adopted policy PL – Adm 005, *Environmental Sustainability Policy*, which established sustainability as a guiding principle for daily operations and a framework for business decisions. Included in this policy is the Board's acceptance of responsibility to support a sustainable community by reducing energy consumption and air pollution and the use of alternative energy sources. In accordance with this policy, the District will consider options to reduce petroleum-based fuel usage when possible.

The District's petroleum-based fuel usage reduction strategy will include the following components:

- Increase fuel economy by selecting more fuel-efficient vehicles
- Increase the number of Alternative Fuel Vehicles where practical
- Perform preventive maintenance at regular intervals so vehicles operate at greater efficiency
- Maintain vehicle tire inflation at proper pressures for fuel economy
- Right-size each vehicle to meet the specific District need
- Assess vehicle weight to ensure they are not overloaded
- Provide driver training to promote safety and reduce fuel-wasting behaviors

When choosing Alternative Fuel Vehicles, the District will consider:

- Fuel Characteristics — The unique qualities of the fuel type the vehicle utilizes
- Cost — Operating costs in terms of fuel and maintenance expenses and long-term fuel availability and cost
- Performance — Miles per gallon or Kilowatt per hour/100 miles, ability to start in cold temperatures, and acceleration and braking
- Refueling Availability — Location of refueling or recharging facilities, time required to fill a vehicle's tank or recharge its batteries, and method of refueling

2.2 Vehicle Justification

Requests for new vehicles will be submitted by Department managers with justification identifying the specific need with sufficient detail to assess the need. The District will analyze the following information for each proposed vehicle:

- Vehicle Type
- Vehicle Size
- Vehicle “Right Sizing”
- Special Equipment
- Vehicle Use: number of hours per day
- Vehicle Use: number of calendar days per year

2.3 Vehicle Acquisition

The District has applied standards for the acquisition process for new or replacement vehicles, which are intended to:

- Simplify the procurement process
- Improve acquisition cost and availability
- Provide a practical degree of standardization within the District's fleet

Once the need for a new or replacement vehicle has been determined and funding has been approved by the Board, the District’s Facilities & Fleet Specialist begins the acquisition process by developing specifications that define the technical attributes, configuration, and functional capabilities of the vehicle to be acquired.

The methods set forth to acquire vehicles can affect cost, availability, and vendor responsiveness to the District's needs. Acquisition of a vehicle is generally conducted through the State of California Purchasing Program (Program) unless the same vehicle can be obtained

at better pricing outside of the Program. Acquisition through the Program generally provides leveraged buying power to obtain better cost and availability.

Upon delivery of a vehicle, the District's Facilities & Fleet Specialist is required to thoroughly inspect the vehicle to ensure that it complies with the order specifications. Critical parts lists, service manuals, and user and mechanic training services will be included in the purchase specifications for specialized vehicles and equipment for which operating and maintenance requirements are not self-evident.

The District must never install accessory equipment on vehicles merely for the personal convenience or comfort of a vehicle operator; however, improvements to operator ergonomics and safety will be considered. The purpose of accessory equipment added to vehicles shall be to increase the utility so the vehicle can better serve the intended purpose. Factors for basing selection of accessory equipment will include overall safety, efficiency, economy, and suitability of the vehicle for its purpose.

2.4 Vehicle Replacement

In order to achieve a reasonable return on investment in the District's vehicle fleet, a Vehicle Replacement Plan (VRP) was developed that utilizes a methodology of replacing vehicles, with a Gross Vehicle Weight Rating (GVWR) of 1 ton and less, when they are in operation for 10 years or 100k miles have been travelled. However, vehicles with a GVWR greater than 1 ton, such as leak trucks and dump trucks, have highly specialized beds and equipment, do not accumulate mileage as quickly, and are more costly to replace. As such, the replacement cycle for these vehicles will likely be longer than 10 years, and will be assessed on a case-by-case basis.

This methodology is based on research into vehicle replacement methodologies of three other local jurisdictions that we consider a proxy for the region: Sacramento Municipal Utility District (SMUD), City of Sacramento, and County of Sacramento. SMUD relies on the American Public Works Association point system; the City of Sacramento uses an internally-developed point

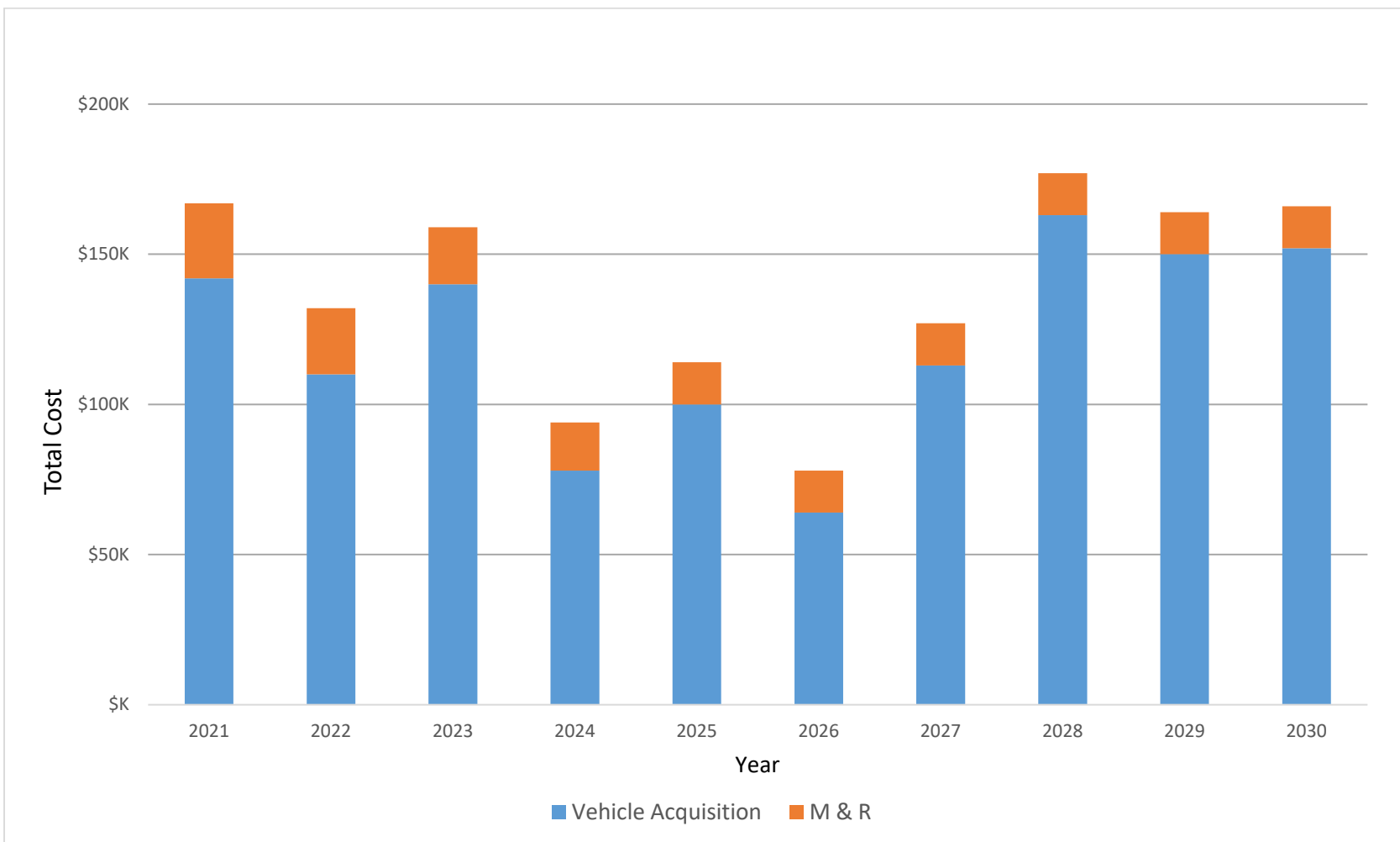


Chart 1.
Projected Annual Vehicle Acquisition and M&R Costs

Table 2 shows the estimated year of replacement for all District vehicles with a GVWR rating of 1 ton and less. Chart 2 on the following page shows the estimated number of vehicles scheduled for replacement annually from 2021 through 2030.

Table 2. Estimated Vehicle Replacement Year						
Vehicle No.	Fuel Type	Vehicle Year	Vehicle Model	Mileage (Dec. 2019)	Replacement Year	Age* (Years)
9	Gas	2001	Tundra	110,930	2021	20
42	Gas	2002	Tundra	108,845	2021	19
50	Gas	2007	F-250	76,567	2021	14
57	Gas	2008	F-250	66,575	2021	13
52	Gas	2008	F-150	80,388	2022	14
53	Gas	2008	F-150	73,240	2022	14
60	Gas	2010	F-250	77,552	2022	12
58	Hyb.	2009	Escape	83,412	2023	14
62	Gas	2012	F-350	69,640	2023	11
63	Gas	2011	E-350	52,723	2023	12
59	Gas	2010	F-150	41,334	2024	14
61	Gas	2011	F-250	41,589	2024	13
64	Diesel	2014	F-350	34,694	2025	11
65	Gas	2014	F-250	58,876	2025	11
67	Gas	2016	F-150	52,327	2026	10
68	Gas	2016	F-150	24,829	2026	10
69	Gas	2017	F-250	19,854	2027	10
70	Gas	2017	Transit	16,578	2027	10
72	Gas	2017	Silverado	8,754	2027	10
75	Gas	2018	F-250	13,313	2028	10
76	Gas	2018	F-250	12,498	2028	10
77	Gas	2018	F-250	9,885	2028	10
79	Gas	2018	Colorado	4,800	2028	10
80	Gas	2019	F-150	2,605	2029	10
81	Gas	2019	F-150	2,148	2029	10
83	Hyb.	2019	RAV4	374	2029	10
87	Gas	2019	F-350	1,091	2029	10
82	Elect.	2019	Bolt	0	2030	11
84	Hyb.	2019	RAV4	66	2030	11
85	Gas	2019	F-250	0	2030	11
86	Gas	2019	F-250	0	2030	11

*Age of vehicle at estimated year of replacement.

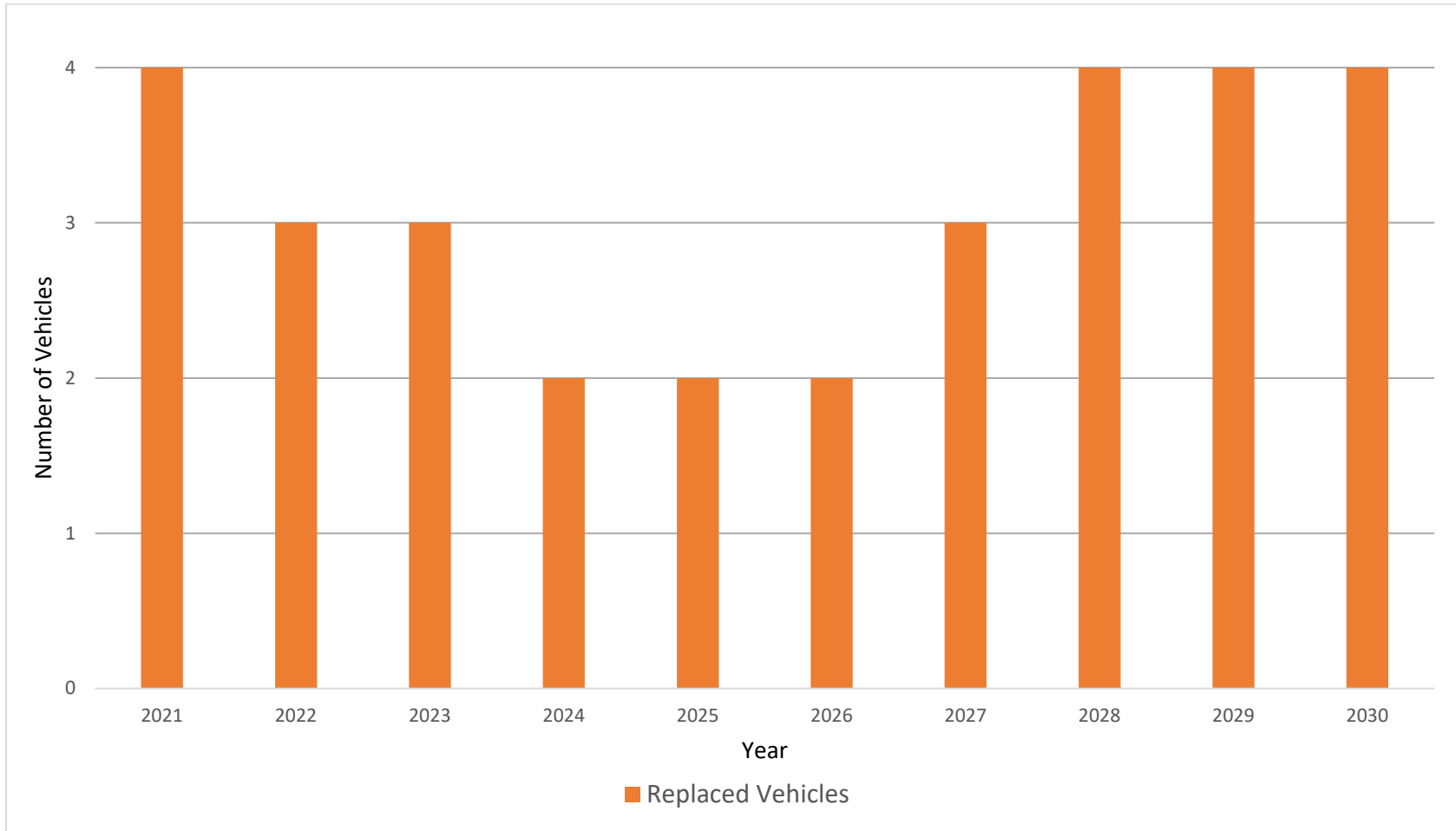


Chart 2.
Estimated Number of Vehicles Replaced by Year

EQUIPMENT ASSET MANAGEMENT

3.1 Fleet Equipment Composition and Needs Assessment

In determining the District's equipment needs, staff will consider the following, at a minimum:

- The type and size of equipment needed to safely and efficiently perform specific tasks
- The number of each equipment type needed to meet the District's operational needs
- If powered, the fuel or energy source required to operate the equipment safely throughout a normal work shift

In addition, staff will assess the current fleet to determine the equipment needs of the District. An electronic inventory must be maintained with sufficient descriptive facts about each piece of equipment. The data will include, at a minimum, the following key factors:

- Number of each equipment type, age, and condition
- Total hours of operation, if applicable
- Average cost of operation and maintenance for each fiscal year

3.2 Equipment Justification

Requests for new equipment will be submitted to the Operations Manager. Requests will include justification identifying the specific need in sufficient detail to determine the need for the equipment.

3.3 Equipment Acquisition

Once the need for new or replacement equipment has been determined and funding has been approved by the Board, the District's Facilities & Fleet Specialist begins the acquisition process with developing equipment specifications defining the technical attributes, configuration, and functional capabilities of the equipment to be acquired.

Proper management of equipment acquisitions ensures procedures are in place for equipment review upon delivery to ensure that the equipment received complies with the order specifications. Critical parts lists, service manuals, and user or mechanic training services will be included in the purchase specifications for specialized equipment for which operating and maintenance requirements are not self-evident.

3.4 Equipment Replacement

In order to achieve an appropriate return on investment for District equipment, staff developed the Condition Assessment (CA) Criteria, described in Section 3.5, and the Equipment Repair Cost Criteria (ERCC), described in Section 3.6. The CA Criteria helps determine whether a piece of equipment meets current operational standards, and the ERCC helps determine whether a piece of equipment should be repaired or replaced based on a comparison of the estimated repair cost and the actual replacement cost.

3.5 Condition Assessment Criteria

A condition assessment (CA) will be performed after every service cycle or before any necessary repair. The CA will utilize the following criteria to determine if the equipment meets current standards:

- Safety
 - Does the equipment meet current safety standards?
 - No – If equipment cannot be economically brought up to current safety standards, then replace
 - Yes – Continue with CA
 - Are current models safer to operate than the existing model?
 - Yes – Evaluate further and consider replacement
 - No – Continue with CA
- Age:
 - Is the equipment compatible with current technology?
 - No – Evaluate further and consider replacement

- Yes – Continue with CA
- Are current models more efficient to operate?
 - Yes – Evaluate further and consider replacement
 - No – Continue with CA
- Serviceability & Repair:
 - Can the equipment be serviced and repaired by local distributors or repair shops?
 - No – Evaluate further and consider replacement
 - Yes – Continue with CA
- Condition:
 - Does the condition make it significantly less efficient to operate?
 - Yes – Evaluate further and consider replacement
 - No – Complete CA

3.6 Equipment Repair Cost Criteria

The Equipment Repair Cost Criteria (ERCC), outlined below in Table 3, will be utilized to assist in determining whether a piece of equipment is either repaired or replaced. This methodology is based on District best practices over nearly two decades. Research into equipment repair/replacement methodologies of three other local jurisdictions that we consider a proxy for the region (SMUD, City of Sacramento, and County of Sacramento) revealed that none has a methodology in place, but all practice a similar approach to that presented here. In all cases the Operations Manager has overall discretion in decisions of repair versus replacement.

Repair Cost Relative to Replacement Cost	Anticipated Action
< 50%	Repair
50% - 70%	Case-by-Case Assessment
> 70%	Replace

OPERATIONS AND RISK MANAGEMENT

The Operations Manager will maintain a procedure(s) to ensure the District's fleet is maintained and serviced at regular intervals, per the manufacturer's recommendations, and operated safely and efficiently by staff who have received appropriate training.

4.1 Fleet Maintenance

A sound Preventive Maintenance Program is essential to reducing total fleet expenditures. Vehicles and equipment will be properly maintained to ensure the District is better able to control maintenance expenses. A sound maintenance program positively affects District cost performance through:

- Reduced downtime
- Reduced operational costs
- Reduced frequency of accidents
- Increased probability of fulfilling mission and work assignments
- Increased resale value

4.2 Fleet Disposal

The District has adopted policy PL – Adm 003, *Disposing of District Real Property, Vehicles and Large Equipment and Other Personal Property Policy*, which defines the guidelines for disposing of District real property, vehicles, and large equipment and other personal property. Once it has been determined that a vehicle or piece of equipment requires replacement, it will be classified as surplus and disposed of in accordance with PL – Adm 003.



Agenda Item: 14

Date: September 21, 2020

Subject: General Manager’s Report

Staff Contact: Dan York, General Manager

a. Health Resolution No. 20-08 Update

At the August 17, 2020, Board Meeting, staff presented the 2021 CalPERS Health Plan Rates and the 2021 100/90 rate for Annuitants, as approved at the CalPERS Board Meeting on July 14, 2020. On August 18, 2020, staff conducted a final search of the CalPERS website and found that the 100/90 rates published on the CalPERS website were different from the rates presented at the CalPERS Board Meeting on July 14, 2020. The rates published on their website were a few dollars higher. When staff completed the health analysis and subsequent staff report, CalPERS had not published the rates on their website. Staff located the approved rates by reviewing the July 14, 2020 Board Meeting. Staff immediately contacted legal counsel to determine the best approach to modify the resolution that was adopted on August 17th. Due to the very small increase, the deadline for submittal to CalPERS, and not scheduling a Special Board meeting, it was determined the best approach was for the General Manager to modify the amounts in the resolution and notify the Board of the change at the September regular Board meeting. The specific changes made to the resolution are as follows:

		1-Party Cap	2-Party Cap	Family Cap
Original Resolution	Health	\$798	\$1519	\$1,968.25
Updated Resolution	Health	\$799	\$1,521	\$1,968.25
Difference		\$1	\$2	No Change

The changes made to the original health resolution was an increase of \$1 to the 1-Party Cap, and an increase of \$2 to the 2-Party Cap. The Family Cap had no change.

b. City of Sacramento Update

In preparation for the current Water Forum Agreement 2.0 negotiations, the City of Sacramento (City) and the District would like the assistance of the facilitation team to prepare for the amended language in the Agreement that the two agencies would like to pursue. Below is a very brief description of a relevant Agreement provision that the agencies would like to see amended that refers to the request to have “Operational Flexibility”. Both agencies acknowledge and anticipate there could be additional changes.

- Make changes in the City and District's Purveyor Specific Agreements.
- Remove language that precludes the City from being able to sell water to the District during Hodge Flows.

The City previously met with the environmental groups to negotiate the removal of the wholesale language, but were unsuccessful.

City and District staff recently met to determine the need and process going forward as partners. The process will include discussions with the following agencies:

- Bureau of Reclamation (conducted on August 14th)
- State Water Resources Control Board
- Department of Water Resources
- Water Forum
- Environmental Caucus

In addition, staff met with the City to discuss the wholesale water rate analysis they are conducting. The City informed staff that they have internally determined the cost of surface water, however, there is a process that needs to be conducted in order to change their wholesale water rates. Staff and the City discussed an opportunity to receive surface water at a reduced rate, similar to the \$120 per acre feet delivered in 2018. On September 1, 2020, the City informed staff that they are recommending to their City Council members to extend to the District \$120 per acre feet of surface water for calendar year 2021.

c. Arden Park Vista Service Area

The County of Sacramento (County) contacted staff in June 2020 to discuss an option of the County participating in the Sacramento Region Water Utility Collaboration Study. The discussion revolved around the County's Arden Park Vista (APV) service area. The County is interested in exploring options that would allow them to no longer provide water service to the APV service area, which is their only water system north of the American River. The County would prefer to focus on their water systems south of the American River. The County opted out of participating in the Study as they didn't have the staffing resources to get up to date on the progress already made in the Study.

On September 1, 2020, staff spoke with County staff to continue discussions on the APV service area. The County is in the process of exploring any and all options to potentially consolidate the APV service area with another water purveyor. The County contacted the District as it is adjacent to the APV service area and has two interconnections between the agencies. Ironically, the County and former Arcade Water District discussed a similar proposal in 1989 and 1998.

This particular discussion is currently only at the County staff level. There is a substantial amount of analysis that needs to be conducted in order to present this item to their County Council. The analysis revolves around finance, debt, rates, operations, etc. It is anticipated that this would be at least a two year process, at a minimum. If the

District's Board wishes to continue this discussion, staff will place this topic on the agenda at a future regular Board meeting.

d. Sacramento Area Council of Governments – Green Means Go Initiative Program

District staff and Sacramento Area Council of Governments (SACOG) staff met on August 14th to discuss opportunities for the two agencies to work together, in particular their Green Means Go initiative. Green Means Go is a multi-year pilot program to lower greenhouse gas emissions in the six county Sacramento region using three strategies within target areas called Green Zones: 1) accelerating infill housing and commercial development; 2) reducing the number and length of passenger vehicle driving trips; 3) promoting other clean mobility options (like transit, bike/scooter share, telework). Although the Green Means Go program includes all three strategies, the first, accelerate infill development, is a critical foundation for the other two strategies and public infrastructure, including water and sewer, that plays a major role. SACOG is in the process of working with its city and county member jurisdictions to identify these Green Zones. These are areas where significant new growth is planned and cities and counties will promote infill, reduce regulatory and economic barriers to infill, and support new transportation options. In many areas throughout the region, these are old commercial corridors, such as Watt Avenue in the District's North Service Area.

To help fund the Green Means Go initiative, SACOG and its regional partners, are advocating for state and federal investments for public works infrastructure projects that could unlock and accelerate infill development throughout the region. SACOG initially identified a need of \$100 million per year for four years, at a minimum, to successfully jumpstart the types of projects needed to implement Green Means Go. While this need has not disappeared, SACOG is cognizant of the current budget realities. Given this reality, Green Means Go did not receive a direct allocation in this year's state budget. However, SACOG continues their conversations with the Governor's Administration and funding for the Green Means Go initiative remains under consideration by the Governor's Task Force on Business.

e. Walnut Property Acquisition Update

At the August 17, 2020 regular Board meeting, the General Manager was given the authority to negotiate, and if successful, purchase the Walnut property for a future well site. Initially, staff was informed that the anticipated appraisal of the property would be between \$300,000 and \$400,000. The property actually appraised at \$430,000. After several exchanges of offers/counter offers, staff was able to negotiate a final price of \$335,000. Staff will proceed with acquiring the property upon legal counsel review and approval of the appropriate documents related to the purchase of the subject property.

f. SSWD - County Change of Ownership

There has been a consistent issue at the District regarding notification of change of ownership for customer accounts. Unless notified by one of the involved parties in the sale of the ownership change, the District remains unaware of the transaction until such time that the new or previous owner contacts the District (sometimes several months after

the ownership change has occurred). This often results in large refunds to the previous customer and sometimes a large back bill to the new customer.

Customer Services Manager, Julie Nemitz, noticed this issue, investigated the root cause, developed a mitigation plan and executed the plan. Ms. Nemitz contacted County of Sacramento (County) and worked out a process where the County would provide staff a weekly list of the District's parcel changes for the previous week. Customer Service then crosschecks this list with the ownership change applications received. Where the District is not in possession of a change of ownership application, the new customer is contacted and the process is initiated. Customer Service has already discovered a few ownership changes that would have otherwise gone unnoticed and corrected the situation. This is an excellent example of how two public agencies can work together to accomplish a beneficial use of resources.



Agenda Item: 15

Date: September 21, 2020

Subject: Financial Report

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

COVID-19 Financial Update:

The following information is provided as of August 31, 2020. The District has lost an estimated \$412,000 in collection and late fees and has incurred an additional \$33,000 in COVID-19 related expenses. It is estimated that the District will not incur \$156,000 in budgeted expenditures mostly related to canceled conferences, discontinuance of mailing collection notices, and a premium refund from Cigna. Approximately \$524,000 is estimated as the deferred payments related to suspending disconnections per Governor of California's Executive Order 20-42.

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

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

Financial Highlights

Highlights from the Statements of Net Position and Statements of Revenues, Expenses, and Changes in Net Position are presented in this report. They are gleaned from the financial statements presented on subsequent pages. Key information from this report indicates the District's cash balance is \$1.1 million less, while investments are \$2.2 million more than on August 31, 2019; long term debt has decreased by \$5.2 million; and net position has increased by \$11 million in the last 12 months as the District continues to invest in capital infrastructure replacements while decreasing its outstanding debt. With the Governor of California's Executive Order 20-42, suspending the disconnection of water service for non-payment for residential and certain commercial customers, the District is closely monitoring payment activity and accounts receivable balances. Accounts receivable have increased \$1.5 million year to date compared to the same

period last year. Operating revenues increased \$2.4 million while operating expenses decreased \$0.9 million year to date compared to the same period a year ago.

Financial Statements:

Statements of Net Position:

District cash and cash equivalents increased to \$10.1 million as of August 31, 2020, up \$2.1 million from \$8 million at December 31, 2019, subsequent to the January 2020 settlement payment of \$2.6 million to McClellan Business Park (MCBP) cash balances have been increasing. Cash held in the District's bank accounts (\$3.7 million as of August 31) is held in accordance with state and federal regulations, which state that cash held in the District's bank accounts above the FDIC insured limits must be fully collateralized with government securities that are equal to or greater than 110% of the District's cash balance in the bank at any time.

Investments increased since December 31, 2019, by \$1.9 million to a total of \$40.9 million, reflecting the reinvestment of interest received and unrealized market value gains. Investment portfolio balances and activity are reported on subsequent pages.

Gross capital assets increased by \$9.6 million to \$503.3 million as of August 31, 2020, since December 31, 2019, resulting from expenditures on CIP, which includes distribution main replacement projects, well improvement projects, and meter retrofits costs. Capital assets are primarily funded by monthly remuneration from customers through rates, facility development fees, developer contributions, as well as grant funds, when available, and District reserves when necessary.

Net position stands at \$269.6 million as of August 31, 2020, compared to \$259.5 million at December 31, 2019, for an increase of \$10.2 million. This increase is primarily due to \$9.7 million in operating income, \$0.1 million in net non-operating income, and \$0.4 million in capital contributions as of August 31, 2020.

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

The net position increase of \$10.2 million as of August 31, 2020, is \$2.8 million more than the first eight months of 2019. Net changes are mainly comprised of:

1. Water consumption sales increased by \$2.2 million compared to the same period of 2019 due to increased water deliveries as 22,498 acre-feet of water was delivered in 2020 compared to 20,327 acre-feet in 2019. In addition to the increase in water consumption, a 5.0% rate increase also occurred on January 1, 2020.
2. Water Service Charges increasing by \$1.0 million in line with the 5.0% rate increase referred to above.
3. Wheeling water charge decreased by \$0.4 million due to unavailability of Placer County Water Agency (PCWA) water to sell to Cal-American Water Company.

4. Other Charges for Services decreased by \$0.3 million as Collection Charges and Penalty Charges have not been levied since March 2020 to comply with the Governor's Executive Order relating to the COVID-19 pandemic.
5. Operating expenses decreased by \$0.9 million from the same period in 2019 due primarily to: 1) the decrease of surface water costs as less surface water was taken from both PCWA and the City of Sacramento due to suspension of surface water availability (\$1.7 million), 2) the increase in groundwater pumping costs (\$0.4 million) as more groundwater was pumped to offset the decrease in surface water usage, 3) the decrease in operating inventory costs as endpoint replacing costs are now budgeted and accounted for in the CIP program (\$0.3 million), and 4) an increase in administrative and general expenses (\$0.8 million).
6. Investment income decreased by \$0.1 million compared to the same period a year ago, primarily due to a decrease in the Fair Market Value of the investment portfolio in August 2020.
7. Facility Development Charges increased by \$0.3 million compared to the same period a year ago, primarily due to the increase in number of developer projects submitted.

Budgets:

The District's operating and maintenance expenditures through August 2020 came in less than the approved budget by \$3.3 million. Most of this positive variance is due to: 1) water cost savings from not purchasing surface water due to surface water unavailability (\$2.6 million) and 2) expenditure timing differences (\$0.7million).

Operating capital project expenditures through August was \$0.49 million. The total budget for the year is \$1.2 million.

The District's Capital Improvement Program (CIP) budget for 2020 is \$19.6 million. For 2020, \$9.1 million has been spent while an additional \$5.9 million is under commitment. Expenditures continue to be primarily in distribution system replacements, new well construction, well improvements, and meter retrofit projects.

Debt - August 2020

This report 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 August 31, 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 six months of 2020, the District has incurred interest expense of \$1,643,170 versus a forecast of \$1,757,196, or a \$114,026 positive variance. Since the initial spike in rates during week of March 16, 2020, 5.75%, rates have decreased significantly reducing interest expense on the naked portion of the District's variable rate debt. The last reset for the week of August 26 saw

rates at 0.08% compared to 1.23%, the pre-pandemic level in the municipal Variable Rate Debt Obligation (VRDO) market.

Investments Outstanding and Activity – August 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 1.83% per annum, while LAIF is earning 0.78%. District staff monitors investment assets quarterly and reviews/approves the effective duration of the District's portfolio against its benchmark index on a quarterly basis as well.

During the month of August 2020, the District purchased one Certificate of Deposit for \$0.3 million (par), one U.S. Treasury Note for \$0.6 million (par), three Corporate Notes for \$0.8 million (par), one Municipal Bond for \$0.1 million (par), and two Federal Agency Notes for \$1.7 million (par). Two Certificates of Deposit were matured at \$1.3 million (par). The District received principal pay downs on three Federal Agency Collateralized Mortgage Obligations for \$18,971, (par) and three Asset-Backed Security Obligations for \$59,023 (par). See "Investment Activity" section in the attached report for further details.

The District's investment manager has been instructed to continue with the pre-COVID-19 investment strategy. The financial impact of COVID-19 pandemic on cash flow at this time has been minimal. Staff will continue to monitor cash flow and adjust investment strategy as conditions warrant.

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

Cash Expenditures – August 2020

During the month of August, the District made cash payments totaling \$3.7 million. The primary expenditures were – \$1.9 million for 2020 capital improvement projects, \$0.7 million for payroll, pension and health benefits, \$0.3 million for water costs including pumping and chemical costs, \$0.2 million for construction and contract services, \$0.1 million for operating materials and supplies, \$0.1 million for debt service, and \$0.4 million for all other O&M expenses.

Purchasing Card Expenditures – August 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 \$7,674 for various purchases on the six District purchasing cards. Details by vendor and purpose are included in this report.

District Reserve Balances

The District's Reserve Policy, PL – Fin 004, requires the District to maintain a certain level of cash and investments on hand at any one time, as determined by the Board annually. Balances as of August 31, 2020, are \$51,211,773 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.

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

STATEMENTS OF NET POSITION

	Year-To-Date	Year-To-Date
	8/31/2020	8/31/2019
LIQUIDITY		
Cash and cash equivalents	\$10,107,128.26	\$11,186,701.81
INVESTMENT		
Investments	40,934,341.72	38,686,483.23
ACCOUNTS RECEIVABLE		
	4,020,541.37	2,508,602.66
CAPITAL ASSETS		
Property, plant and equipment	503,254,456.09	486,645,022.69
Accumulated depreciation	(199,473,904.42)	(188,888,484.39)
	303,780,551.67	297,756,538.30
LIABILITIES		
Long Term Debt	(75,827,306.00)	(81,040,786.80)
NET POSITION		
Net Position	269,632,994.18	258,665,594.59

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Month	Year-To-Date	Month	Year-To-Date
	8/31/2020	8/31/2020	8/31/2019	8/31/2019
NET INCOME				
Operating Revenue	4,331,781.57	31,324,979.83	4,378,070.65	28,949,161.06
Operating Expense	(2,095,117.76)	(12,504,632.04)	(1,857,237.24)	(13,382,122.76)
Other, Net	(1,310,091.97)	(8,643,335.84)	(744,551.21)	(8,175,454.40)
Change in Net Position	\$926,571.84	\$10,177,011.95	\$1,776,282.20	\$7,391,583.90

**Financial Statements
August 31, 2020**

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

	As Of		
		<u>Month End</u>	<u>Year End</u>
		<u>8/31/2020</u>	<u>12/31/2019</u>
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		\$10,107,047.82	\$8,011,078.56
Restricted Cash and cash equivalents		80.44	1,687.83
Accounts receivable, net of allowance for uncollectible accounts		3,835,982.70	2,901,672.06
Interest receivable		170,302.99	215,053.00
Grants receivables		7,296.94	351,969.29
Other receivables		32,453.12	97,320.57
Inventory		667,568.10	553,991.25
Prepaid expenses and other assets		1,474,199.20	1,249,069.53
TOTAL CURRENT ASSETS		<u>16,294,931.31</u>	<u>13,381,842.09</u>
NONCURRENT ASSETS			
Investments		40,934,341.72	39,040,578.27
Fair value of interest rate swaps		56,545.00	56,545.00
TOTAL NONCURRENT ASSETS		<u>40,990,886.72</u>	<u>39,097,123.27</u>
Property, plant and equipment		503,254,456.09	493,653,393.30
Accumulated depreciation		(199,473,904.42)	(190,327,387.33)
TOTAL CAPITAL ASSETS		<u>303,780,551.67</u>	<u>303,326,005.97</u>
TOTAL ASSETS		<u>361,066,369.70</u>	<u>355,804,971.33</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on long-term debt refunding		4,922,983.52	5,363,479.76
Pension contribution subsequent to measurement date		2,054,016.00	2,054,016.00
Other post-employment benefits		343,227.00	343,227.00
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		<u>368,386,596.22</u>	<u>363,565,694.09</u>
LIABILITIES			
CURRENT LIABILITIES			
Current portion of long-term debt and capital leases		4,790,000.00	4,790,000.00
Accounts payable		1,185,790.79	3,769,360.97
Accrued interest		367,266.14	297,075.42
Deferred revenue and other liabilities		3,489,709.20	1,867,586.59
Accrued expenses		18,177.05	4,194,921.54
TOTAL CURRENT LIABILITIES		<u>9,850,943.18</u>	<u>14,918,944.52</u>
NONCURRENT LIABILITIES			
Long-term debt		71,037,306.00	71,430,427.20
Compensated absences		1,234,429.13	1,121,671.14
Net pension liability		9,698,403.00	9,698,403.00
Net other post-employment benefits liability		6,101,412.00	6,101,412.00
TOTAL NONCURRENT LIABILITIES		<u>88,071,550.13</u>	<u>88,351,913.34</u>
TOTAL LIABILITIES		<u>97,922,493.31</u>	<u>103,270,857.86</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow of effective swaps		56,545.00	56,545.00
Employee pensions		769,919.00	769,919.00
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		37,162,247.82	26,985,235.87
TOTAL NET POSITION		<u>269,632,994.18</u>	<u>259,455,982.23</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION		<u>368,394,341.49</u>	<u>363,565,694.09</u>

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

	Month	Year-To-Date	Month	Year-To-Date
	8/31/2020	8/31/2020	8/31/2019	8/31/2019
OPERATING REVENUES				
Water consumption sales	\$1,794,123.44	\$9,863,937.28	\$1,672,643.99	\$7,679,954.93
Water service charge	2,497,567.38	21,026,389.59	2,562,235.81	20,093,959.14
Wheeling water charge	2,011.14	27,349.10	54,777.76	481,460.90
Other charges for services	38,079.61	407,303.86	88,413.09	693,786.09
TOTAL OPERATING REVENUES	4,331,781.57	31,324,979.83	4,378,070.65	28,949,161.06
OPERATING EXPENSES				
Source of supply	6,672.58	269,972.84	272,055.79	1,979,898.13
Pumping	476,019.85	2,917,292.67	350,789.32	2,482,153.14
Transmission and distribution	433,885.51	2,825,920.70	378,989.08	3,138,256.89
Water conservation	37,966.13	256,533.51	40,366.68	281,065.67
Customer accounts	88,932.92	822,813.07	138,255.92	893,153.78
Administrative and general	1,051,640.78	5,413,998.21	676,734.75	4,609,841.66
TOTAL OPERATING EXPENSES	2,095,117.77	12,506,531.00	1,857,191.54	13,384,369.27
Operating income before	2,236,663.80	18,818,448.83	2,520,879.11	15,564,791.79
Depreciation and amortization	(1,142,902.26)	(9,146,517.09)	(1,082,892.43)	(8,666,047.77)
OPERATING INCOME	1,093,761.54	9,671,931.74	1,437,986.68	6,898,744.02
NON-OPERATING REV. (EXP.)				
Rental income	5,589.20	179,884.10	99,141.75	269,557.75
Interest and investment income	(3,075.08)	1,490,473.61	392,901.38	1,574,043.99
Interest expense and debt related costs	(175,713.82)	(1,690,545.30)	(201,145.34)	(1,768,983.05)
Other non-operating revenues	10.00	93,758.50	47,417.73	129,657.33
Other non-operating expenses		7.67	(20.00)	(243.96)
Gain(loss) on disposal of capital assets		9,255.00		30,820.00
NON-OPERATING REV. (EXP.)	(173,189.70)	82,833.58	338,295.52	234,852.06
NET INCOME (LOSS) BEFORE CAPITAL	920,571.84	9,754,765.32	1,776,282.20	7,133,596.08
CAPITAL CONTRIBUTIONS				
Facility development charges		385,887.00		100,134.00
Developer contributions	6,000.00	6,000.00		144,664.30
Federal, state and local capital grants		30,359.63		13,189.52
TOTAL CAPITAL CONTRIBUTIONS	6,000.00	422,246.63		257,987.82
CHANGE IN NET POSITION	926,571.84	10,177,011.95	1,776,282.20	7,391,583.90
Net position at beginning of period	268,706,422.34	259,455,982.23	256,889,312.39	251,274,010.69
NET POSITION AT END OF PERIOD	269,632,994.18	269,632,994.18	258,665,594.59	258,665,594.59

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

	Month Of August			2020 YTD		
	Actual	Budget	Variance	Actual	Budget	Variance
BUDGETED OPERATING EXPENSES						
Board of Directors	\$2,485.98	\$6,186.34	\$3,700.36	\$23,640.72	\$40,490.72	\$16,850.00
Administrative	294,710.35	208,700.71	(86,009.64)	1,683,238.31	1,670,130.68	(13,107.63)
Finance	86,513.00	89,956.85	3,443.85	748,014.96	857,558.56	109,543.60
Customer Services	81,900.06	93,284.24	11,384.18	697,839.02	748,853.92	51,014.90
Field Operations	79,052.36	45,289.62	(33,762.74)	360,860.45	370,266.96	9,406.51
Production	445,092.66	686,129.74	241,037.08	2,836,669.78	5,475,246.92	2,638,577.14
Environmental Compliance	37,599.77	47,926.35	10,326.58	350,595.73	431,518.80	80,923.07
Distribution	242,385.14	210,210.20	(32,174.94)	1,741,924.40	1,706,930.60	(34,993.80)
Field Services	106,065.87	128,628.26	22,562.39	981,433.86	1,066,994.08	85,560.22
Maintenance	61,281.47	57,745.02	(3,536.45)	420,724.14	473,959.96	53,235.82
Water Conservation	37,966.13	41,635.34	3,669.21	256,533.51	355,487.72	98,954.21
Engineering	296,371.40	424,475.89	128,104.49	1,165,853.26	1,331,807.12	165,953.86
GIS/CAD	25,153.52	29,277.20	4,123.68	207,400.58	245,417.60	38,017.02
Human Resources	22,049.17	18,620.32	(3,428.85)	136,148.49	160,972.56	24,824.07
Information Technology	269,458.03	91,893.59	(177,564.44)	770,679.74	735,148.68	(35,531.06)
Community Outreach	7,032.86	19,426.00	12,393.14	124,974.05	170,408.00	45,433.95
TOTAL OPERATING EXPENSES	2,095,117.77	2,199,385.67	104,267.90	12,506,531.00	15,841,192.88	3,334,661.88

**SACRAMENTO SUBURBAN WATER DISTRICT
OPERATING CAPITAL BUDGET
8/31/2020**

Project Number	Project Name	Original Budget	Changes	Amended Budget	Current Month Expenditures	Expenditures Year-To-Date	Committed Year-To-Date	Remaining Balance
SF20-482	UPDATING ASSET MGMT PLANS	\$ 565,000.00		\$ 565,000.00	\$ 57,152.25	\$ 400,122.20	\$ 147,661.63	\$ 17,216.17
SF20-483	FENCE REPLACE - 2 WELL SITES	14,000.00	12,025.00 ²	26,025.00 ²		3,150.00	250.00	\$ 22,625.00
SF20-484	MARCONI CUST SERV AREA IMPRV	75,000.00	(63,025.00) ^{1,2}	11,975.00 ²		-	-	\$ 11,975.00
SF20-485	OFF FURNITURE/WORKSTATIONS	5,000.00		5,000.00		-	-	\$ 5,000.00
SF20-486	HVA/ROOF/BUILD REPAIRS	30,000.00		30,000.00		8,247.00	-	\$ 21,753.00
SF20-487	VEHICLE REPL - TRUCK# 46	32,000.00		32,000.00		-	27,617.00	\$ 4,383.00
SF20-488	VEHICLE REPL - TRUCK# 49	47,000.00		47,000.00		-	41,812.00	\$ 5,188.00
SF20-489	VEHICLE REPL - TRUCK# 54	47,000.00		47,000.00		-	41,812.00	\$ 5,188.00
SF20-490	VEHICLE REPL - TRUCK# 56	47,000.00		47,000.00		-	41,812.00	\$ 5,188.00
SF20-491	VEHICLE REPL - TRUCK# 4	31,000.00		31,000.00		-	31,000.00	\$ -
SF20-492	VEHICLE REPL - TRUCK# 16	31,000.00		31,000.00		-	31,000.00	\$ -
SF20-493	BOARD ROOM WALL MAP	4,000.00		4,000.00		-	-	\$ 4,000.00
SF20-494	HARDWARE REFRESH PROGRAM	167,000.00		167,000.00		4,858.87	47,576.57	\$ 114,564.56
SF20-495	SOFTWARE ENHANCEMENTS/MODULES	110,000.00		110,000.00		-	-	\$ 110,000.00
SF20-496	BOARD PACKAGE SOFTWARE	25,000.00	(23,000.00) ³	2,000.00 ³		-	-	\$ 2,000.00
SF20-497	SKYLIGHT GUARDS INSTALLATION	-	51,000.00 ¹	51,000.00 ¹	35,732.00	50,675.00	-	\$ 325.00
SF20-498	LED-HALO AIR PURIFICATION SYSTEM	-	23,000.00 ³	23,000.00	22,173.00	22,173.00	652.00	\$ 175.00
TOTAL		\$ 1,230,000.00	\$ -	\$ 1,230,000.00	# \$ 115,057.25	\$ 489,226.07	\$ 411,193.20	# \$ 329,580.73

**Sacramento Suburban Water District
Capital Improvement Project Budget
8/31/2020**

Project No.	Project Name	Original Budget	Changes	Amended 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		\$1,953,000.00	\$ 130,480.75	\$ 590,553.32	\$ 641,279.95	\$ 721,166.73
SC20-010	SCADA RTU/COMMUN IMPROVEMENT	615,000.00		615,000.00	-	41,339.88	391,774.12	\$ 181,886.00
SC20-011	WELL DESTRUCTION/SITE DEMOLITI	300,000.00		300,000.00	8,085.00	10,033.00	128,356.00	\$ 161,611.00
SC20-012	WELL NEW CONST/REPLACEMENTS	3,300,000.00		3,300,000.00	86,847.34	202,224.69	730,975.89	\$ 2,366,799.42
SC20-018	DISTRIBUTION MAIN REPL/IMPRV	9,414,000.00	(200,000) ¹	9,214,000.00	1,271,714.67	5,436,108.91	3,340,105.88	\$ 437,785.21
SC20-022	WTR RELATED STREET IMPRV	200,000.00		200,000.00	27,227.00	140,008.00	2,954.00	\$ 57,038.00
SC20-024	METER RETROFIT PROGRAM	1,888,000.00	(40,000) ^{2,3}	1,848,000.00	11,364.00	1,725,046.44	99,670.89	\$ 23,282.67
SC20-034	RESERVIOR/TANK IMPROVMENT	210,000.00		210,000.00	-	1,166.00	185,648.00	\$ 23,186.00
SC20-035	CORROSION CONTROL-TRAN MAINS	50,000.00	5,000 ²	55,000.00	-	21,000.00	32,135.00	\$ 1,865.00
SC20-038	LARGE WTR METER >3" REPL	80,000.00		80,000.00	-	2,743.93	50.49	\$ 77,205.58
SC20-039	PM METER REPLACEMENT	250,000.00		250,000.00	-	-	-	\$ 250,000.00
SC20-040	AMI ENDPOINTS REPL	1,300,000.00		1,300,000.00	123,115.62	885,360.03	182,256.34	\$ 232,383.63
SC20-048	RIGHT OF WAY/EASEMENT ACQUISIT	5,000.00	235,000 ^{1,3}	240,000.00	-	37,397.07	184,837.93	\$ 17,765.00
		\$ 19,565,000.00	-	\$ 19,565,000.00	\$ 1,658,834.38	\$ 9,092,981.27	\$ 5,920,044.49	\$ 4,551,974.24

**Sacramento Suburban Water District
Debt
8/31/2020**

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>\$ 169,968</u>	<u>\$ 1,643,170</u>	<u>\$ 1,757,196</u>	<u>\$ 114,026</u>

**Investments Outstanding and Activity
August 2020**



Managed Account Detail of Securities Held

For the Month Ending **August 31, 2020**

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	S&P Par 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 05/31/2014 2.000% 05/31/2021		912828WN6	300,000.00 AA+	Aaa	09/01/16	09/02/16	310,781.25	1.22	1,524.59	301,693.13	304,171.86
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	20.72	375,546.60	381,914.06
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	2,000.68	471,844.64	481,085.94
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021		912828T67	570,000.00 AA+	Aaa	08/30/17	08/31/17	561,004.69	1.64	2,400.81	567,488.17	577,303.12
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	852.92	134,341.40	138,881.25
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	6,002.04	937,348.41	977,312.50
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	6,633.83	1,036,520.28	1,080,187.50
US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022		912828TJ9	500,000.00 AA+	Aaa	09/05/18	09/07/18	479,023.44	2.76	375.34	489,599.24	514,453.10
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	454.74	123,943.28	130,742.19
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	5,002.12	1,362,022.76	1,438,164.06
US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023		912828R69	450,000.00 AA+	Aaa	05/01/19	05/03/19	439,171.88	2.25	1,858.09	442,713.38	468,210.96
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	2,890.37	696,212.46	728,328.16
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	3,559.10	646,865.19	679,859.38
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	11,224.87	2,059,137.14	2,144,171.87



Managed Account Detail of Securities Held

For the Month Ending **August 31, 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 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	1,283.97	383,867.64	400,664.06
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024		912828XX3	475,000.00	AA+	Aaa	03/02/20	03/06/20	498,137.70	0.85	1,626.36	495,511.42	507,507.81
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024		912828XX3	650,000.00	AA+	Aaa	11/01/19	11/06/19	663,152.34	1.55	2,225.54	660,828.61	694,484.38
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	3,167.12	936,640.38	988,304.69
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	6,591.03	1,949,186.49	2,056,742.19
US TREASURY N/B DTD 12/31/2019 1.750% 12/31/2024		912828YY0	550,000.00	AA+	Aaa	08/05/20	08/07/20	587,855.47	0.18	1,647.76	587,266.55	585,835.91
US TREASURY N/B DTD 12/31/2019 1.750% 12/31/2024		912828YY0	975,000.00	AA+	Aaa	06/03/20	06/05/20	1,036,356.45	0.36	2,921.03	1,033,123.30	1,038,527.30
US TREASURY N/B DTD 12/31/2019 1.750% 12/31/2024		912828YY0	1,000,000.00	AA+	Aaa	07/01/20	07/06/20	1,065,312.50	0.28	2,995.92	1,063,041.11	1,065,156.20
Security Type Sub-Total			16,580,000.00					16,710,039.85	1.66	67,258.95	16,754,741.58	17,382,008.49
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	899,978.18	900,234.00
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	700,397.60	702,417.80
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	224,896.12	228,347.55



Managed Account Detail of Securities Held

For the Month Ending **August 31, 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	749,478.63	766,744.50

Security Type Sub-Total		2,575,000.00					2,577,078.37	2.13	15,565.72	2,574,750.53	2,597,743.85
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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	105,451.00
UNIV OF CAL TXBL REV BONDS DTD 07/16/2020 0.883% 05/15/2025	91412HGE7	100,000.00	AA	Aa2	07/10/20	07/16/20	100,000.00	0.88	110.38	100,000.00	102,617.00
MN ST TXBL GO BONDS DTD 08/25/2020 0.630% 08/01/2025	60412AVJ9	130,000.00	AAA	Aa1	08/11/20	08/25/20	130,000.00	0.63	13.65	130,000.00	130,926.90

Security Type Sub-Total		330,000.00					330,000.00	1.16	299.11	330,000.00	338,994.90
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Federal Agency Collateralized Mortgage Obligation											
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	111,190.40	AA+	Aaa	04/11/18	04/30/18	113,402.10	2.93	329.86	111,852.10	112,066.95
FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	200,000.00	AA+	Aaa	04/04/18	04/09/18	201,703.13	2.88	515.00	200,755.87	206,245.48
FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	99,660.34	AA+	Aaa	12/07/18	12/17/18	99,660.04	3.20	266.01	99,660.15	102,555.47
FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FO3V3	111,552.18	AA+	Aaa	11/20/19	11/26/19	111,549.50	2.09	194.47	111,549.95	115,258.66
FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	275,000.00	AA+	Aaa	03/19/20	03/25/20	288,621.09	1.95	701.71	287,348.09	301,713.33

Security Type Sub-Total		797,402.92					814,935.86	2.48	2,007.05	811,166.16	837,839.89
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Federal Agency Bond / Note											
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Managed Account Detail of Securities Held

For the Month Ending **August 31, 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
Federal Agency Bond / Note											
FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8QS5	975,000.00	AA+	Aaa	07/14/16	07/15/16	969,071.03	1.25	1,432.03	973,973.39	983,211.45
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	129,914.66	131,366.30
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	419,673.60	424,414.20
FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023	3137EAEV7	1,200,000.00	AA+	Aaa	08/19/20	08/21/20	1,198,776.00	0.28	83.33	1,198,788.26	1,200,658.80
FEDERAL HOME LOAN BANK NOTES DTD 04/16/2020 0.500% 04/14/2025	3130AJHU6	450,000.00	AA+	Aaa	04/15/20	04/16/20	447,768.00	0.60	843.75	447,936.87	451,602.90
FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	450,000.00	AA+	Aaa	04/22/20	04/24/20	449,073.00	0.67	992.19	449,139.07	454,193.10
FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025	3137EAEU9	500,000.00	AA+	Aaa	07/21/20	07/23/20	497,510.00	0.48	197.92	497,564.61	498,380.00
FANNIE MAE NOTES DTD 08/27/2020 0.375% 08/25/2025	3135G05X7	450,000.00	AA+	Aaa	08/25/20	08/27/20	447,894.00	0.47	18.75	447,899.77	448,514.55
Security Type Sub-Total		4,575,000.00					4,557,946.30	0.73	3,835.33	4,564,890.23	4,592,341.30

Corporate Note											
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	399,977.62	401,433.60
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	374,950.44	376,827.00
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	350,104.14	352,392.25
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	399,971.90	404,046.40
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	374,955.29	380,162.63



Managed Account Detail of Securities Held

For the Month Ending **August 31, 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											
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	149,970.83	152,060.70
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	224,825.08	228,091.05
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	225,572.54	227,731.50
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	224,992.07	227,099.93
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	224,928.66	227,533.05
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	149,975.93	153,035.25
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	109,933.25	111,232.33
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	249,998.21	254,662.00
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	149,934.24	155,440.05
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	703,937.93
CATERPILLAR FINL SERVICE CORPORATE NOTES DTD 07/08/2020 0.650% 07/07/2023	14913R2D8	300,000.00	A	A3	07/06/20	07/08/20	299,832.00	0.67	287.08	299,840.45	301,597.50
TOYOTA MOTOR CREDIT CORP CORPORATE NOTES DTD 08/14/2020 0.500% 08/14/2023	89236THF5	250,000.00	A+	A1	08/11/20	08/14/20	249,807.50	0.53	59.03	249,810.66	250,150.25



Managed Account Detail of Securities Held

For the Month Ending **August 31, 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											
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	381,859.26	415,099.46
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDQ6	375,000.00	BBB+	A3	07/19/19	07/23/19	396,483.75	2.59	4,924.48	391,476.63	416,374.50
AMERICAN HONDA FINANCE CORP NOTE DTD 06/27/2019 2.400% 06/27/2024	02665WCZ2	375,000.00	A-	A3	07/11/19	07/15/19	373,140.00	2.51	1,600.00	373,565.67	396,862.50
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	388,464.53	414,195.38
BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024	05531FBH5	400,000.00	A-	A3	08/01/19	08/05/19	400,664.00	2.46	833.33	400,520.86	427,300.00
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	19.44	398,691.71	415,722.40
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	150,577.26	159,815.40
CITIGROUP INC CORP NOTES DTD 04/27/2015 3.300% 04/27/2025	172967JP7	275,000.00	BBB+	A3	08/28/20	09/01/20	305,236.25	0.88	3,125.83	305,236.25	305,250.00
BANK OF AMERICA CORP NOTES DTD 07/30/2015 3.875% 08/01/2025	06051GFS3	275,000.00	A-	A2	08/18/20	08/20/20	314,011.50	0.93	888.02	313,752.43	313,145.80
Security Type Sub-Total		7,840,000.00					7,950,803.60	2.33	52,701.79	7,938,885.91	8,171,198.86
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	798,600.00	799,830.40
Security Type Sub-Total		800,000.00					789,320.00	1.82	0.00	798,600.00	799,830.40
Certificate of Deposit											
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	2.27	4,678.73	700,000.00	702,874.20



Managed Account Detail of Securities Held

For the Month Ending **August 31, 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												
ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021		78012UEE1	650,000.00	A-1+	P-1	06/07/18	06/08/18	650,000.00	3.24	4,914.00	650,000.00	665,319.85
CREDIT SUISSE NEW YORK CERT DEPOS DTD 08/07/2020 0.520% 02/01/2022		22549L6F7	300,000.00	A+	A1	08/05/20	08/07/20	300,000.00	0.52	108.33	300,000.00	300,055.50
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	340.00	400,000.00	404,888.00
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	2.96	5,835.83	375,000.00	389,901.38
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 07/14/2020 0.700% 07/08/2022		86565CKU2	380,000.00	A	A1	07/10/20	07/14/20	380,000.00	0.70	362.06	380,000.00	380,074.10
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	1.84	123.33	400,000.00	412,011.20
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	1.85	124.00	400,000.00	412,090.00
DNB BANK ASA/NY LT CD DTD 12/06/2019 2.040% 12/02/2022		23341VZT1	400,000.00	AA-	Aa2	12/04/19	12/06/19	400,000.00	2.03	2,062.67	400,000.00	414,940.00
Security Type Sub-Total			4,005,000.00					4,005,000.00	2.06	18,548.95	4,005,000.00	4,082,154.23
Asset-Backed Security												
TAOT 2018-B A3 DTD 05/16/2018 2.960% 09/15/2022		89238TAD5	229,849.56	AAA	Aaa	05/09/18	05/16/18	229,846.14	2.96	302.38	229,847.95	232,915.09
ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023		02007JAC1	238,308.64	AAA	Aaa	06/19/18	06/27/18	238,292.33	3.00	317.74	238,300.15	241,197.46
HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023		43815AAC6	310,026.28	AAA	Aaa	11/20/18	11/28/18	309,979.93	3.16	435.41	309,999.68	316,108.69
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	2.49	2,126.88	749,950.19	756,437.03
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	3.22	500.89	349,958.57	358,505.35



Managed Account Detail of Securities Held

For the Month Ending **August 31, 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											
VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	200,000.00	AAA	Aaa	01/21/20	01/29/20	199,976.58	1.85	113.06	199,979.67	205,409.38
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	799,838.94	821,487.20
Security Type Sub-Total		2,878,184.48					2,877,722.68	2.47	4,407.92	2,877,875.15	2,932,060.20
Managed Account Sub-Total		40,380,587.40					40,612,846.66	1.83	164,624.82	40,655,909.56	41,734,172.12
Securities Sub-Total		\$40,380,587.40					\$40,612,846.66	1.83%	\$164,624.82	\$40,655,909.56	\$41,734,172.12
Accrued Interest											\$164,624.82
Total Investments											\$41,898,796.94

Bolded items are forward settling trades.

**Investment Activity
August 2020**



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 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											
	08/05/20	08/07/20	CREDIT SUISSE NEW YORK CERT DEPOS DTD 08/07/2020 0.520% 02/01/2022	22549L6F7	300,000.00	(300,000.00)	0.00	(300,000.00)			
	08/05/20	08/07/20	US TREASURY N/B DTD 12/31/2019 1.750% 12/31/2024	912828YY0	550,000.00	(587,855.47)	(993.89)	(588,849.36)			
	08/11/20	08/14/20	TOYOTA MOTOR CREDIT CORP CORPORATE NOTES DTD 08/14/2020 0.500% 08/14/2023	89236THF5	250,000.00	(249,807.50)	0.00	(249,807.50)			
	08/11/20	08/25/20	MN ST TXBL GO BONDS DTD 08/25/2020 0.630% 08/01/2025	60412AVJ9	130,000.00	(130,000.00)	0.00	(130,000.00)			
	08/18/20	08/20/20	BANK OF AMERICA CORP NOTES DTD 07/30/2015 3.875% 08/01/2025	06051GFS3	275,000.00	(314,011.50)	(562.41)	(314,573.91)			
	08/19/20	08/21/20	FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023	3137EAEV7	1,200,000.00	(1,198,776.00)	0.00	(1,198,776.00)			
	08/25/20	08/27/20	FANNIE MAE NOTES DTD 08/27/2020 0.375% 08/25/2025	3135G05X7	450,000.00	(447,894.00)	0.00	(447,894.00)			
	08/28/20	09/01/20	CITIGROUP INC CORP NOTES DTD 04/27/2015 3.300% 04/27/2025	172967JP7	275,000.00	(305,236.25)	(3,125.83)	(308,362.08)			
Transaction Type Sub-Total					3,430,000.00	(3,533,580.72)	(4,682.13)	(3,538,262.85)			

INTEREST											
	08/01/20	08/01/20	BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024	05531FBH5	400,000.00	0.00	5,000.00	5,000.00			
	08/01/20	08/01/20	CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024	157411TK5	100,000.00	0.00	1,050.50	1,050.50			
	08/01/20	08/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	126,928.31	0.00	380.33	380.33			
	08/01/20	08/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	99,835.05	0.00	266.48	266.48			
	08/01/20	08/25/20	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	200,000.00	0.00	515.00	515.00			
	08/01/20	08/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	114,610.94	0.00	269.91	269.91			



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2020**

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
INTEREST										
08/01/20	08/25/20	FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	275,000.00	0.00	701.71	701.71			
08/03/20	08/03/20	MONEY MARKET FUND	MONEY0002	0.00	0.00	1.67	1.67			
08/05/20	08/05/20	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			
08/14/20	08/14/20	SOCIETE GENERALE NY CERT DEPOS DTD 02/19/2020 1.800% 02/14/2022	83369XDL9	400,000.00	0.00	3,500.00	3,500.00			
08/15/20	08/15/20	ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023	02007JAC1	260,101.44	0.00	650.25	650.25			
08/15/20	08/15/20	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	350,000.00	0.00	939.17	939.17			
08/15/20	08/15/20	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			
08/15/20	08/15/20	US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	500,000.00	0.00	4,062.50	4,062.50			
08/15/20	08/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	325,000.00	0.00	855.83	855.83			
08/15/20	08/15/20	TAOT 2018-B A3 DTD 05/16/2018 2.960% 09/15/2022	89238TAD5	252,106.10	0.00	621.86	621.86			
08/17/20	08/17/20	FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	550,000.00	0.00	3,437.50	3,437.50			
08/20/20	08/20/20	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	200,000.00	0.00	308.33	308.33			
08/26/20	08/26/20	NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	400,000.00	0.00	3,741.11	3,741.11			
08/26/20	08/26/20	SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	400,000.00	0.00	3,761.33	3,761.33			
08/30/20	08/30/20	WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	400,000.00	0.00	3,538.89	3,538.89			
08/31/20	08/31/20	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				6,928,581.84	0.00	43,799.04	43,799.04			



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2020**

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
MATURITY										
08/03/20	08/03/20	BANK OF MONTREAL CHICAGO CERT DEPOS DTD 08/03/2018 3.190% 08/03/2020	06370REU9	670,000.00	670,000.00	21,610.48	691,610.48	0.00	0.00	
08/03/20	08/03/20	WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	625,000.00	625,000.00	6,263.89	631,263.89	0.00	0.00	
Transaction Type Sub-Total				1,295,000.00	1,295,000.00	27,874.37	1,322,874.37	0.00	0.00	
PAYDOWNS										
08/01/20	08/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	3,058.76	3,058.76	0.00	3,058.76	0.07	0.00	
08/01/20	08/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	174.71	174.71	0.00	174.71	0.00	0.00	
08/01/20	08/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	15,737.91	15,737.91	0.00	15,737.91	(313.04)	0.00	
08/15/20	08/15/20	ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023	02007JAC1	21,792.80	21,792.80	0.00	21,792.80	1.49	0.00	
08/15/20	08/15/20	TAOT 2018-B A3 DTD 05/16/2018 2.960% 09/15/2022	89238TAD5	22,256.54	22,256.54	0.00	22,256.54	0.33	0.00	
08/15/20	08/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	14,973.72	14,973.72	0.00	14,973.72	2.24	0.00	
Transaction Type Sub-Total				77,994.44	77,994.44	0.00	77,994.44	(308.91)	0.00	
SELL										
08/18/20	08/20/20	BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021	06051GGS2	240,000.00	240,530.40	2,157.28	242,687.68	530.40	530.40	FIFO
08/18/20	08/20/20	BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	35,000.00	35,530.60	308.80	35,839.40	259.00	478.56	FIFO
08/18/20	08/20/20	BANK OF AMERICA CORP NOTES DTD 05/17/2018 3.499% 05/17/2022	06051GHH5	90,000.00	91,954.80	813.52	92,768.32	1,954.80	1,954.80	FIFO
08/19/20	08/21/20	US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	275,000.00	286,171.87	1,001.19	287,173.06	17,789.07	15,673.70	FIFO
08/19/20	08/21/20	US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	525,000.00	546,328.13	1,911.37	548,239.50	40,379.89	33,803.52	FIFO



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2020**

SACRAMENTO SUBURBAN WATER DISTRICT - 76850100

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
SELL										
08/19/20	08/21/20	US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	400,000.00	416,250.00	1,456.28	417,706.28	27,140.62	23,522.38	FIFO
08/28/20	09/01/20	US TREASURY NOTES DTD 05/02/2016 1.375% 04/30/2021	912828Q78	175,000.00	176,476.56	810.80	177,287.36	4,949.22	2,007.59	FIFO
Transaction Type Sub-Total				1,740,000.00	1,793,242.36	8,459.24	1,801,701.60	93,003.00	77,970.95	
Managed Account Sub-Total					(367,343.92)	75,450.52	(291,893.40)	92,694.09	77,970.95	
Total Security Transactions					(\$367,343.92)	\$75,450.52	(\$291,893.40)	\$92,694.09	\$77,970.95	

Bolded items are forward settling trades.

**Cash Expenditures
August 2020**

APWarrantList from 8/1/2020 to 8/31/2020

Group	Vendor Name	Amount	Description
Benefits			
	ACWA JPIA INSURANCE/EAP - Invoices:1	\$ 174.76	Miscellaneous Employee Benefits
	AFLAC - Invoices:2	\$ 1,492.68	Miscellaneous Employee Benefits
	AMERITAS (VISION) - Invoices:1	\$ 2,034.24	Employee Benefit - Vision Insurance
	BASIC PACIFIC - Invoices:2	\$ 77.00	Miscellaneous Employee Benefits
	CIGNA GROUP INS LIFE/LTD - Invoices:1	\$ 4,833.64	Employee Benefit - LTD Insurance
	CIGNA-DENTAL INS - Invoices:1	\$ 13,769.15	Employee Benefit - Dental Insurance
	EMPLOYMENT DEVELOPMENT - Invoices:1	\$ 8,623.00	Miscellaneous Employee Benefits
	PAYROLL - 2	\$ 507,904.13	Payroll
	PERS HEALTH - Invoices:2	\$ 112,325.11	Employee Benefit - Medical Insurance
	PERS LONG TERM CARE PROGRAM -	\$ 2,657.04	Miscellaneous Employee Benefits
	PERS PENSION - Invoices:6	\$ 86,177.18	Employee Benefit - PERS Retirement--ER
CIP & OCB			
	AECOM TECHNICAL SERVICES INC -	\$ 37,988.50	Construction In Progress
	BENNETT ENGINEERING SERVICES -	\$ 6,590.57	Construction In Progress
	BROWN & CALDWELL - Invoices:12	\$ 259,649.85	Construction In Progress
	BSK ASSOCIATES - Invoices:1	\$ 3,808.50	Construction In Progress
	BUD'S TRI COUNTY TREE SERVICE -	\$ 390.00	Construction In Progress
	COUNTY OF SAC ENVIRO MGT DEPT -	\$ 5,169.00	Construction In Progress
	COUNTY OF SAC PUBLIC WORKS -	\$ 4,028.50	Construction In Progress
	DOMENICHELLI & ASSOCIATES -	\$ 35,737.56	Construction In Progress
	DOUG VEERKAMP GENERAL ENGR -	\$ 798,623.85	Construction In Progress
	ERC CONTRACTING - Invoices:1	\$ 16,875.00	Construction In Progress
	FLOWLINE CONTRACTORS INC -	\$ 416,318.89	Construction In Progress
	GM CONSTRUCTION & DEVELOPERS -	\$ 3,011.01	Construction In Progress
	INDUSTRIAL ELECTRICAL CO - Invoices:1	\$ 10,873.77	Construction In Progress
	LEONARD RICE ENGINEERS INC -	\$ 5,652.00	Construction In Progress
	LOEWEN PUMP MAINTENANCE -	\$ 106,253.75	Construction In Progress
	LUHDORFF & SCALMANINI - Invoices:1	\$ 1,662.50	Construction In Progress
	NATION ROOF LLC - Invoices:1	\$ 35,732.00	Construction In Progress
	PACE SUPPLY CORP - Invoices:15	\$ 26,536.70	Construction In Progress
	POWERLOGICS - Invoices:1	\$ 4,472.77	Construction In Progress
	PSOMAS - Invoices:1	\$ 12,922.50	Construction In Progress
	S E AHLSTROM INSPECTION - Invoices:1	\$ 17,460.00	Construction In Progress
	SENSUS USA INC - Invoices:1	\$ 102,581.25	Construction In Progress
	WEST YOST & ASSOCIATES - Invoices:3	\$ 8,947.25	Construction In Progress
	WOOD RODGERS ENGINEERING -	\$ 13,962.50	Construction In Progress
Debt Service			
	SUMITOMO MITSUI BANKING	\$ 6,274.59	2009A COP Interest Expense
	WELLS FARGO SWAP - Invoices:1	\$ 94,021.53	2009A COP Interest Expense

Financial Services			
	ADP, INC - Invoices:2	\$ 2,247.56	Financial Services
	MUFG UNION BANK NA-DEBT SERVICES -	\$ 4,590.00	Financial Services
	PFM ASSET MANAGEMENT LLC -	\$ 3,748.15	Financial Services
	STANDARD AND POORS - Invoices:1	\$ 3,500.00	Financial Services
	WESTAMERICA BANK ANALYSIS FEES -	\$ 6,893.99	Financial Services
	WESTAMERICA CARD PROCESSING STMT	\$ 9,259.84	Financial Services
	WORLDPAY INTEGRATED PAYMENTS -	\$ 650.44	Financial Services
Other			
	A.I. ELECTRIC - Invoices:3	\$ 975.00	Contract Services
	AFFORDA-TEST - Invoices:1	\$ 351.00	Inspection & Testing
	AIRGAS USA LLC - Invoices:1	\$ 108.74	Operating Supplies
	ALL PRO BACKFLOW - Invoices:2	\$ 3,723.00	Backflow Testing Services
	ALLIED UNIVERSAL - Invoices:1	\$ 674.16	Building Service Expense - Office & Yard
	ANSWERNET - Invoices:1	\$ 763.50	Communication
	ANTHONY E NUNEZ JR - Invoices:1	\$ 75.00	BMP Rebates
	ARMSTRONG REMEDIATION - Invoices:1	\$ 824.05	Contract Services
	AT&T - Invoices:4	\$ 4,102.99	Communication
	ATLAS DISPOSAL - Invoices:2	\$ 380.70	Building Service Expense - Office & Yard
	BADGER METER INC - Invoices:3	\$ 89,888.52	Operating Materials & Supplies
	BAY ALARM COMPANY - Invoices:1	\$ 115.55	Building Service Expense - Office & Yard
	BRETT LAWSON - Invoices:1	\$ 150.00	BMP Rebates
	BARTKIEWICZ KRONICK & SHANAHAN -	\$ 26,278.57	Legal Services
	BROADRIDGE MAIL LLC - Invoices:16	\$ 29,117.91	Contract Services
	BROWER MECHANICAL - Invoices:5	\$ 23,827.00	Building Maintenance - Office & Yard
	BURKETTS OFFICE PRODUCTS -	\$ 736.88	Operating Supplies
	BURTON ROBB /BURT'S LAWN & GARDEN	\$ 14,400.00	Contract Services
	CALIFORNIA LABORATORY SERVICES -	\$ 5,462.00	Inspection & Testing
	CAPITAL SWEEPER SERVICE - Invoices:1	\$ 170.00	Building Service Expense - Office & Yard
	CDWG - Invoices:2	\$ 24,763.86	Computers & Equipment
	CENTRAL VALLEY ENG & ASPHALT -	\$ 49,100.00	Misc. Repairs
	CINTAS - Invoices:13	\$ 3,761.34	Building Maintenance - Office & Yard
	CITRUS HEIGHTS SAW & MOWER -	\$ 86.16	Operating Supplies
	CITY OF SACRAMENTO DEPT OF	\$ 34.27	Utilities
	CLAUDIA PONCE CORTEZ - Invoices:1	\$ 118.54	BMP Rebates
	CLEAR VISION WINDOW CLEANING -	\$ 225.00	Building Service Expense - Office & Yard
	COMCAST - Invoices:1	\$ 45.69	Communication
	CONSOLIDATED COMMUNICATIONS -	\$ 433.39	Communication
	COTTON SHOPPE - Invoices:1	\$ 1,182.11	Uniforms
	COUNTY OF SAC UTILITIES - Invoices:3	\$ 499.74	Utilities
	COUNTY OF SACRAMENTO WEB -	\$ 4,522.50	Licenses, Permits & Fees
	CULLIGAN - Invoices:1	\$ 42.00	Building Maintenance - Office & Yard
	Customer Refunds: 42	\$ 6,524.05	Refund Clearing Account
	DANNY VALENZUELA - Invoices:1	\$ 150.00	BMP Rebates
	DOUG CATER - Invoices:1	\$ 285.00	Required Training
	ELEVATOR TECHNOLOGY INC - Invoices:2	\$ 200.00	Building Service Expense - Office & Yard
	EMCOR SERVICES - Invoices:1	\$ 905.06	Contract Services
	EMIGH ACE HARDWARE - Invoices:7	\$ 157.87	Equipment Maintenance Supplies

Other, continued		
EUROFINS EATON ANALYTICAL -	\$ 5,701.00	Inspection & Testing
FASTENAL COMPANY - Invoices:3	\$ 1,297.21	Operating Supplies
FLEETWASH INC - Invoices:3	\$ 919.02	Vehicle Maintenance Services
G P DEVELOPMENT - Invoices:1	\$ 2,297.34	Hydrant Permit Refund
GREG BUNDESEN - Invoices:1	\$ 306.50	Local Travel Cost
GW DEMOLITION - Invoices:2	\$ 80,207.69	Construction Services
H2H PROPERTIES - Invoices:1	\$ 1,296.00	H&D Walnut Parking Lot Lease
HACH COMPANY - Invoices:5	\$ 4,558.24	Operating Supplies
HARRIS INDUSTRIAL GASES - Invoices:1	\$ 90.00	Operating Supplies
HARROLD FORD - Invoices:9	\$ 2,935.78	Building Maintenance - Office & Yard
IB CONSULTING LLC - Invoices:1	\$ 3,900.00	Consulting Services
ICONIX WATERWORKS (US) INC -	\$ 762.89	Operating Supplies
IN COMMUNICATIONS - Invoices:1	\$ 4,347.50	Public Relations
INTERWEST CONSULTING GROUP -	\$ 2,636.25	Consulting Services
IRA WHARRY - Invoices:1	\$ 326.57	BMP Rebates
IRON MOUNTAIN OFF SITE DATA	\$ 423.27	Equipment Maintenance Services
JAMES D BRANDT - Invoices:1	\$ 150.00	BMP Rebates
JULIE NEMITZ - Invoices:1	\$ 1,502.00	Education Assistance
LES SCHWAB TIRE CENTER/MADISON -	\$ 9,199.82	Equipment Maintenance Services
MARQUES PIPELINE INC - Invoices:1	\$ 2,079.24	Hydrant Permit Refund
MEHDI PARVINI - Invoices:1	\$ 100.00	BMP Rebates
MICHAEL PHILLIPS LANDSCAPE CORP -	\$ 3,580.00	Building Service Expense - Office & Yard
NEMESIO NANEZ - Invoices:1	\$ 100.00	BMP Rebates
NEW RESOURCES GROUP INC - Invoices:1	\$ 372.59	Public Relations
NICHOLAS TULLENERS - Invoices:1	\$ 150.00	BMP Rebates
NORMAC - Invoices:2	\$ 11.69	Operating Supplies
OFFICE DEPOT INC - Invoices:2	\$ 652.50	Office Supplies
ONE STOP TRUCK SHOP - Invoices:7	\$ 1,627.17	Vehicle Maintenance Services
PAIGE HADLEY - Invoices:1	\$ 111.62	BMP Rebates
PEST PROS - Invoices:5	\$ 434.20	Building Service Expense - Office & Yard
PLACER COUNTY WATER AGENCY -	\$ 2,278.55	Consulting Services
PLACER WATERWORKS INC - Invoices:1	\$ 3,032.09	Operating Supplies
RAFTELIS - Invoices:1	\$ 21,343.75	Consulting Services
RAY MORGAN CO - Invoices:2	\$ 568.35	Equipment Maintenance Services
REGIONALSAN - Invoices:1	\$ 27,089.26	NE Treatment Plant Lease
RON TURLEY ASSOCIATES INC -	\$ 2,500.00	Licenses, Permits & Fees
RUE EQUIPMENT INC - Invoices:6	\$ 795.00	Equipment Maintenance Services
SAC ICE LLC - Invoices:1	\$ 394.90	Building Maintenance - Office & Yard
SHRED-IT - Invoices:2	\$ 157.68	Contract Services
SONITROL - Invoices:2	\$ 2,857.58	Building Service Expense - Office & Yard
TEE JANITORIAL & MAINTENANCE -	\$ 4,108.00	Building Service Expense - Office & Yard
TEICHERT CONSTRUCTION - Invoices:1	\$ 1,317.67	Hydrant Permit Refund
TESCO - Invoices:1	\$ 743.48	Contract Services
TINA LYNN DESIGN - Invoices:1	\$ 224.00	Public Relations

Other, continued			
	TSOILAND ARDEN PROPERTIES INC -	\$ 2,300.00	Hydrant Permit Refund
	TULLY & YOUNG - Invoices:3	\$ 13,840.00	Consulting Services
	ULINE SHIPPING SUPPLY SPECIALISTS -	\$ 133.47	Operating Supplies
	UNDERGROUND SERVICE ALERT -	\$ 18,647.94	Membership & Dues
	US BANK CORPORATE PAYMENT SYSTEM -	\$ 7,674.49	Vehicle Maintenance Supplies
	VERIZON WIRELESS/DALLAS TX -	\$ 6,276.69	Communication
	VOYAGER FLEET SYSTEMS - Invoices:1	\$ 9,905.52	Operating Supplies
	W.L. BUTLER - Invoices:1	\$ 2,113.55	Hydrant Permit Refund
	WASTE MANAGEMENT - Invoices:3	\$ 718.43	Building Service Expense - Office & Yard
	WATER SYSTEMS OPTIMIZATION INC -	\$ 2,500.00	Consulting Services
	WATERWISE CONSULTING, INC. -	\$ 3,675.00	Consulting Services
	WILLIAM BARRON - Invoices:1	\$ 150.00	BMP Rebates
	YOLANDA FLETES-VILLALBA - Invoices:1	\$ 75.00	BMP Rebates
Water Costs			
	CITY OF SACRAMENTO WATER -	\$ 1,526.27	Purchased Water-City of Sacramento
	PG&E - Invoices:3	\$ 296.81	Utilities
	SMUD - Invoices:3	\$ 272,353.17	Electricity
	SIERRA CHEMICAL COMPANY - Invoices:1	\$ 19,938.60	Hypo, Chemical & Delivery
		<u>\$ 3,663,274.74</u>	

**Credit Card Expenditures
August 2020**

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

Vendor Name	Description	Amount	Proj/GLAcct
PAYPAL GROUP GREETINGS	DIGITAL CONGRATS CARD FOR KYLE JIVIDEN BABY	\$ 4.99	17-52108
THE HOME DEPOT	REPLACEMENT LOCKSET FOR DOOR UNDER STAIRS AT WALNUT	\$ 32.30	12-54008
AMRE SUPPY (CANADA)	REPLACEMENT EXHAUST FAN FOR MEN'S RESTROOM AT ANTELOPE	\$ 309.12	12-54008
DANNER	ANNUAL WORK BOOTS - MICHELLE HIRT	\$ 226.28	12-51408
AMAZON.COM	AS REQUESTED BY DANA DEAN COUNTERTOP MULTIFOLD PAPERTOWEL DISPENSER - MARCONI MEN'S RR	\$ 74.35	12-54008
PEP BOYS	COOLANT AND WINDSHIELD FLUID FOR VEHICLES/EQUIPMENT	\$ 63.03	12-54006
AMAZON.COM	JAMPER CABLES FOR VEHICLES	\$ 371.60	12-52101
FACTORYOUTLETSTORE.COM	RAM MOUNT LAPTOP TRAY SIDE KEEPERS	\$ 200.85	12-54006
AMAZON.COM	RETRACTABLE ID BADGE/KEY HOLDERS	\$ 28.00	12-52101
ALLIED 100	REPLACE SOON TO EXPIRE BATTERY PACKS IN AED AT MARCONI/WALNUT	\$ 364.20	12-54007
RAM MOUNTS	RAM MOUNT COMPUTER DESK FOR VEHICLE #82 AND #84	\$ 567.78	12-54005
UPS	SHIP FREEZE MACHINE IN FOR REPAIR	\$ 153.79	12-53003
AMAZON MARKETPLACE	COVID - TEST USB JACK TO ALLOW FOR HEADPHONES FOR ZOOM MEETINGS	\$ 10.76	18-52101
AMAZON MARKETPLACE	COVID - MICROPHONES FOR DESKTOPS FOR ZOOM MEETINGS	\$ 118.45	18-52101
TERAMIND	COVID - MONTHLY FEE FOR 5 USER LICENSES ON MONITORING SOFTWARE	\$ 60.00	18-54509
AMAZON MARKETPLACE	COVID - CAMERAS FOR ENGINEERING DESKTOPS FOR ZOOM MEETINGS	\$ 407.20	18-52101
AMAZON MARKETPLACE	COVID - ADDITIONAL JACKS FOR MOBILE EARPHONES/MICS FOR DESKTOPS	\$ 140.00	18-52101
ZOHO CORPORATION	50 ADDITIONAL LICENSES FOR DESKTOP SUPPORT SOFTWARE	\$ 404.00	18-54509
AMAZON MARKET PLACE	BLUETOOTH HEADSET FOR CONSERVATION (VICKI) FOR USE IN THE FIELD	\$ 104.44	18-52101
AMAZON MARKET PLACE	CHARGING CASE FOR HEADSET FOR CONSERVATION	\$ 42.01	18-52101
TERAMIND	COVID - 3 ADDITIONAL MONITORING LICENSES	\$ 19.53	18-54509
ZOOM	COVID - ADDING WEBINAR CAPABILITIES TO ZOOM ACCOUNT	\$ 281.64	18-54509
CALIFORNIA CPA EDUCATION	TRAINING FOR JEFF OTT	\$ 587.00	03-51406
COSTCO	COVID 19 SUPPLIES, CLOROX WIPES/SPRAY	\$ 34.46	05-52101
COSTCO	COVID 19 SUPPLIES, CLOROX WIPES	\$ 21.54	05-52101
COSTCO	COVID 19 SUPPLIES, CLOROX WIPES	\$ 21.54	05-52101
AMAZON	COVID 19 SUPPLIES, THERMOMETERS (CREDIT)	\$ (871.49)	05-52101
B2B PRIME	PRIME MEMBERSHIP FEE	\$ 192.87	03-52501
AIRGAS	COVID 19 SUPPLIES, NECK GAITORS	\$ 610.75	05-52101
COSTCO	ENVIROMENTAL COMPLIANCE SUPPLIES	\$ 94.23	14-52101
AMAZON	COVID 19 SUPPLIES, CONTACTLESS DOOR OPENERS	\$ 282.72	05-52101
AMAZON	COVID 19 SUPPLIES, THERMOMETERS	\$ 1,616.25	05-52101
AMAZON	WAREHOUSE SUPPLIES	\$ 41.75	05-52101
AMAZON	COVID 19 SUPPLIES, MASKS (SAMPLES)	\$ 17.23	05-52101
HOME DEPOT	WAREHOUSE SUPPLIES	\$ 112.49	05-52101

AMAZON	COVID 19 SUPPLIES, MASKS, SAMPLES	\$ 12.93	05-52101
HOME DEPOT	WAREHOUSE SUPPLIES	\$ 85.55	05-52101
AMAZON	WAREHOUSE SUPPLIES	\$ 94.22	05-52101
TAQUERIA LOS CANTARITOS	BREAKFAST BURRITO DRIVE THRU	\$ 720.00	02-51403
HOME DEPOT	OFFICE SUPPLIES	\$ 16.13	03-52108
	Totals:	\$ 7,674.49	

**District Reserve Balances
August 31, 2020**

**Sacramento Suburban Water District
Reserve Fund Balance**

	<u>August 31, 2020</u>	<u>December 31, 2019</u>
Debt Service Reserve	\$ -	\$ -
Facilities Reimbursement	-	-
Emergency/Contingency	12,275,211	11,194,277
Operating	16,304,234	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>\$ 51,211,773</u>	<u>\$ 47,268,398</u>

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

	<u>August 31, 2020</u>	<u>December 31, 2019</u>
Cash and Cash Equivalents	\$ 10,107,048	\$ 8,011,079
Investments	40,934,342	39,040,578
Interest Receivable	170,303	215,053
Restricted Cash	80	1,688
TOTAL	<u>\$ 51,211,773</u>	<u>\$ 47,268,398</u>

Information Required by Bond Agreement

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

	Actual Year-To-Date 8/31/2020	Budget Year-To-Date 8/31/2020
REVENUES		
Water sales charges	\$31,324,979.83	\$30,417,000.00
Facility development charges	385,887.00	200,000.00
Interest and investment income	758,661.84	646,664.00
Rental & other income	282,897.60	300,000.00
TOTAL REVENUES	32,752,426.27	31,563,664.00
EXPENSES		
Source of supply	269,972.84	2,878,204.00
Pumping	2,566,696.94	2,597,042.92
Transmission and distribution	2,808,792.76	2,867,260.68
Water conservation	256,533.51	355,487.72
Customer accounts	822,813.07	919,261.92
Administrative and general	5,906,688.26	6,394,343.64
TOTAL EXPENSES	12,631,497.38	16,011,600.88
NET REVENUE	20,120,928.89	15,552,063.12

Sacramento Suburban Water District
6 - Months Debt Service Schedule
8/31/2020

Total SSWD Debt Service					
Month	Principal	Interest Adjustable/Fixed/Swap	Facility Fee	Remarketing	Debt Service
Sept-20	\$ -	\$ 86,249.52	\$ 50,400.00	\$ 13,125.00	\$ 149,774.52
Oct-20	4,790,000.00	617,149.52	-	-	5,407,149.52
Nov-20	-	86,249.52	-	-	86,249.52
Dec-20	-	86,249.52	50,400.00	13,125.00	149,774.52
Jan-21	-	86,249.52	-	-	86,249.52
Feb-21					

Series 2012A Fixed Rate Bonds (\$23,440,000.00)					
Month	Principal	Interest - Fixed 4.25%			Debt Service
Sept-20		\$ -	\$ -	\$ -	\$ -
Oct-20	2,235,000.00	306,613.00	-	-	2,541,613.00
Nov-20	-	-	-	-	-
Dec-20	-	-	-	-	-
Jan-21	-	-	-	-	-
Feb-21	-	-	-	-	-

Series 2009A Adjustable Rate COPs (\$42,000,000.00)					
Month	Principal	Interest, Adjustable 0.08%	Facility Fee 0.480%	Remarketing 0.125%	Debt Service
Sept-20		\$ 2,800.00	\$ 50,400.00	\$ 13,125.00	\$ 66,325.00
Oct-20		2,800.00	-	-	2,800.00
Nov-20		2,800.00	-	-	2,800.00
Dec-20		2,800.00	50,400.00	13,125.00	66,325.00
Jan-21		2,800.00	-	-	2,800.00
Feb-21		2,800.00	-	-	2,800.00

Series 2018A Fixed Rate COPs (\$27,915,000)					
Month	Principal	Interest - Fixed 3.17%			Debt Service
Sept-20		\$ -	\$ -	\$ -	\$ -
Oct-20	2,555,000.00	224,287.00	-	-	2,779,287.00
Nov-20	-	-	-	-	-
Dec-20	-	-	-	-	-
Jan-21	-	-	-	-	-
Feb-21	-	-	-	-	-

2012 SWAP Interest, Net (\$33,000,000.00)					
Month	Principal	Interest, Swap Net 3.283%-(0.09581 +.18)%			Debt Service
Sept-20		\$ 83,449.52	-	-	83,449.52
Oct-20		\$ 83,449.52	-	-	83,449.52
Nov-20		\$ 83,449.52	-	-	83,449.52
Dec-20		\$ 83,449.52	-	-	83,449.52
Jan-21		\$ 83,449.52	-	-	83,449.52
Feb-21		\$ 83,449.52	-	-	83,449.52

**Financial Markets Report
August 31, 2020**

Financial Markets Report August 31, 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	<u>\$ 19,615,000</u>	<u>\$ 14,830,000</u>	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	0.69%
	Notional Amount	Counterparty	FMV	Receive Rate	Fixed Rate
Swap	\$33,300,000	Wells Fargo Bank, N.A.	(\$9,302,889)	0.2758%	3.283%

Current Status of District's Investment Portfolio (August 31, 2020):

Fair Market Value	Security Type	Yield
\$ 332,385.33	Money Market	0.01%
5,858,387.51	LAIF	0.78%
799,830.40	Commercial Paper	1.82%
2,932,060.20	Asset-Backed Securities	2.47%
4,082,154.23	Certificates of Deposit	2.06%
8,171,198.86	Corporate Notes	2.33%
4,592,341.30	Federal Agency Securities Bonds/Notes	0.73%
837,839.89	Federal Agency Collateralized Mortgage Obligation	2.48%
338,994.90	Municipal Obligations	1.16%
2,597,743.85	Supra-National Agency Bond	2.13%
17,382,008.49	Treasury Bonds/Notes	1.66%
\$ 47,924,944.96		1.69%

Market:

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

Current Bond Markets

- Treasury yields fell during the month, with longer-term yields leading the retreat, resulting in a flatter yield curve. The yield on maturities between two and 10 years settled at new lows as bond market volatility waned.
- Falling Treasury yields led to positive performance, especially in longer maturities. For the month, the 3-month Treasury index returned 0.02%, the 5-year index returned 0.40% and the 10-year index returned 1.16%.
- New supply shrank in the investment-grade (IG) corporate bond markets as IG companies raised \$68 billion of debt, less than half of the \$180 billion raised in June. Meanwhile, 1- to 5-year IG corporates generated excess returns relative to Treasuries of 35 to 65 basis points (bps) in August, while longer corporate maturities offered upwards of 300 bps of excess return.

PFM Strategy Recap

- With few catalysts on the horizon that could pressure yields meaningfully higher, our strategy remains to maintain a neutral duration position relative to benchmarks.
- The federal agency sector offered elevated yield spreads, especially in maturities three years and longer. We continued to add these securities to portfolios focusing on value in new issues.
- In the corporate sector, compelling spread levels have dissipated, and the sector is now nearly back to pre-COVID-19 levels. With balance sheets more leveraged and a flatter spread curve, PFM adopted a modestly defensive and more selective bias in the sector. At the same time, we continue to view corporates as an important core holding in portfolios. We have reduced exposure to those issuers that have experienced relatively significant spread tightening or are in industries that face headwinds as a result of current global economic conditions.
- AAA-rated asset-backed securities (ABS) are also back near pre-COVID-19 levels. We have maintained core allocations in the sector as the incremental income they offer is expected to help buoy portfolio returns in the low rate environment.
- Mortgage-backed securities (MBS) continue to benefit from Fed support. While spreads are modestly attractive versus other alternatives, the primary risk is elevated prepayments, which have surged as mortgage rates declined. We have maintained allocations in the sector, focusing on coupons and structures with less prepayment risk.
- High-quality taxable municipal debt remains a significant opportunity and alternative to the expensive corporate sector. Supply has increased, and new issue yields continue to provide good value.

(Source: PFM August 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: 16

Date: September 21, 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) Water Operations Activity Report, (2) District Claims Update Report, (3) Customer Service Monthly Activity Report, and (4) Community Outreach Report.

1. 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

	August 2020	Monthly Avg CY 2020	Total CY 2020	Total # in System	Goal CY 2020	% of Goal Completed in CY 2020
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Production Department

Water Quality

Complaints	1	1	5	—	—	—
Taste & Odor Complaints	0	0	0	—	—	—

Distribution Department

Service Orders

Main Leaks	3	4	32	—	—	—
Service Line Leaks	9	5	42	—	—	—

Water Main Shutdown

-- Emergency	4	3	23	—	—	—
-- Scheduled	3	5	41	—	—	—

Preventive Maintenance Program

Fire Hydrants Inspected	144	53	423	6,173	1,235	34.3%
Fire Hydrant Valves Inspected	134	49	394	5,869	1,174	33.6%
Fire Hydrant Valves Exercised	129	46	366	5,869	1,174	31.2%
Mainline Valves Inspected	225	95	757	11,023	2,205	34.3%
Mainline Valves Exercised	167	69	553	11,023	2,205	25.1%
Blow Off Valves Inspected	21	10	82	1,049	210	39.1%
ARV/CARV Inspected	0	3	21	283	57	37.1%

Field Services Department

Meters

PM - Meters Tested (3 - 10 inch)	12	10	76	450	120	63.3%
PM - Meters Replaced (⁵ / ₈ - 1 inch)	0	7	52	41,167	1,000	5.2%
PM - Meter Re-Builds (1 ¹ / ₂ - 2 inch)	47	32	253	2,449	245	103.3%
Customer Pressure Inquiries	18	12	95	—	—	—

Field Operations Department

After Hours Activity (On-Call Technician)

Calls Received Distribution	62	46	367	—	—	—
Calls Responded Distribution	27	27	218	—	—	—
Calls Received Production	38	26	209	—	—	—
Calls Responded Production	11	7	59	—	—	—

2. District Claims Update Report

This summarizes claims received by the District. Under the District's Claims Processing 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. 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 presenting claims. All claims will be presented as information to the Board of Directors at a regularly scheduled Board Meeting.

Claims Status: No claims under investigation or approved by the General Manager in August 2020.

3. Customer Service Monthly Activity Report

Customer Service Activity Report for the month of August 2020.

Total Calls	Calls Abandoned	% of Calls Abandoned	Average Wait on Queue	Max Wait on Queue	Average Talk Time
2,446	45	1.8%	23s	6m, 39s	2m,55s

4. Community Outreach Report

October Bill Insert

The October bill insert will begin on September 22, 2020, and will continue until, October 26, 2020. A sample of the bill insert is shown below.

October Bill Insert

00239821



H₂O on the Go

October 2020



Let Your Sprinklers Fall Back

The leaves are turning colors, and the days are getting shorter and cooler, which means your yard won't need as much water as it did during the hot days of summer. Start dialing back your sprinkler run times by a few minutes each zone and make sure to turn off your sprinklers when rain is in the forecast.

If you're not sure if your yard needs water, check the soil moisture first with a moisture meter or a six-inch screwdriver. If you can push the screwdriver easily into the ground three inches beneath the surface, you don't need to water.

You can also install a weather-based irrigation controller and let it handle the watering for you. SSWD has rebates available to help with the cost and for other sprinkler system upgrades. <http://www.sswd.org/departments/conservation/rebates>.

International Coffee Day – October 1st, 2020

One of the best ways to start the day is with a freshly brewed mug of coffee. There are a huge variety of coffee drinks available from cappuccino or macchiato, to café au lait and double espresso, but the basic ingredients remain the same – roasted coffee beans and hot water. Here are some facts you might not know about coffee.



International Coffee Day | page 2

Tap Talk

Tap Talk | Keeping the Water Flowing Depends On a Deep Well of Talent

One of the keys to SSWD's success is the experience and knowledge base of our dedicated staff. SSWD employees collectively have over 700 years of experience working in the water industry. For example, SSWD General Manager Dan York has 41 years of water utility experience with 25 years at SSWD. He began his career working at Rio Linda Water District as a distribution operator and has advanced through different positions over the years.

Many of SSWD's employees have followed similar career paths, rising through the ranks and adding to their knowledge and skill set through special certification and training courses.

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.



October Bill Insert



Tap Talk | from page 1

In California, over 60,000 people are employed in the water industry and each year there are more than 6,000 job openings. A career in the water industry offers employees a chance for advancement, job security, and the knowledge that you are making a contribution every day to improve people's lives. The industry also provides many different opportunities and focuses, including operations, engineering, finance, chemistry, conservation, and customer service.

SSWD is working to recruit and train the next generation of leaders through updating its training program, exploring the development of a youth outreach program, and increasing participation in industry conferences and professional organizations.

If you or someone you know may be interested in working at SSWD, please visit sswd.org and click on Employment to see current opportunities.

International Coffee Day | from page 1

- Americans consume 400 million cups of coffee per day and worldwide more than 2.25 billion cups of coffee are consumed every day.
- Coffee is the third most popular drink in America. Only soft drinks and tap water are more popular.
- Drinking coffee became popular in America after the Boston Tea Party in 1773.
- It takes nearly 37 gallons of water to grow the beans needed to produce one cup of coffee.
- It's estimated that the average American spends around \$1,100 a year on coffee.
- Coffee is the second most valuable legally traded commodity in the world after oil.
- Teddy Roosevelt is rumored to have consumed a gallon of coffee a day and said to have coined the slogan "Good To The Last Drop."

So whether you are brewing a pot at home or headed out to your favorite local coffee shop, remember water is what makes it possible.

Riding To The Rescue

SSWD Field Operations team member Cody kept the Sacramento Equestrian Center cantering this summer after a camper accidentally broke a hose bib, causing the camp to lose their water service and threatening their operations.

Cody was able to cap off the broken piece, make repairs with parts the camp had on site, and save summer fun for the riders.

They created some wonderful artwork for him in appreciation.





Agenda Item: 17

Date: September 21, 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	Approximate Completion		Change in Completion Status Since Last Report
	Design	Construction	
78 Butano / Cottage	Complete	Summer 2021	N/A
79 Verner / Panorama ¹	Summer 2020	Winter 2021	N/A

¹ Funding is being pursued with Regional Water Authority via the 2019 Proposition 1 Integrated Regional Water Management Implementation Grant.

2) Distribution

Main Replacement Program

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

Project	Approximate Completion		Change in Completion Status Since Last Report
	Design	Construction	
Thor (3.6 miles of main)	Complete	Fall 2020 ²	N/A

² Paving to be completed in spring 2021.

Meter Retrofit Program

The Meter Retrofit Program is on track to be complete in 2022 before the State deadline of January 2025. The 2020 project shown in the table below is on schedule.

Project	Approximate Completion		Change in Completion Status Since Last Report
	Design	Construction	
2020 Project (796 meters)	Complete	Fall 2020	N/A

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.

Below are the approximate completion time frames.

Plan	Approximate Completion	Change in Completion Status Since Last Report
Fleet AMP	Draft – June 2020 Final – Sept 2020	Presented to the F&O Committee on July 15, 2020. The Committee supported the Plan and recommended it to be a Discussion Item at the regular Board meeting, which is on the agenda for September 21, 2020.
Transmission Main AMP	Draft – June 2020 Final – Sept 2020	Presented to the Facilities and Operations Committee on July 15, 2020, and September 2, 2020. The Committee supported the Plan and recommended it to be a Consent Item at the September 21, 2020 regular Board meeting.
Buildings and Structures AMP	Draft – Q3 2020 Final – Q4 2020	N/A
Groundwater Well AMP	Draft – Q3 2020 Final – Q4 2020	N/A
SCADA AMP	2021	N/A
Reservoir and Booster Pump Station AMP	2021	This AMP is being moved up one year since the Meter AMP is being moved back, which will help balance the workload for 2021 and 2022.
2020 Urban Water Management Plan ³	2021	N/A
Meter AMP	2022	Moved to 2022 to follow completion of the Regional Meter Replacement Program effort, which is planned to be completed in 2021.

³ Schedule is set by the California Department of Water Resources.

c. Other

Major Activities Related to Active Wells

The table below shows current Condition Assessment (CA) work. A CA is the initial step in determining whether: 1) a well requires rehabilitation or repair; and 2) a pump requires repair or replacement.

Well	Approximate Completion	Change in Completion Status Since Last Report
N20 Cypress	Summer 2020	N/A
N33 Walerga	Summer 2020	N/A

The table below shows the current work for well casing repair or rehabilitation, pump repair or replacement, and other well facility activities.

Well	Activity	Status	Approximate Completion	Change in Completion Status Since Last Report
N10 Walnut	Well Casing Repair; Pump Repair	Construction	September 2020	N/A
N32B Poker	Well Casing Repair; Pump Replacement	Construction	October 2020	N/A
41 Albatross/Iris	Electrical Repair	Design	June 2021	N/A
52 Weddigen/Gothberg	Electrical Repair	Design	June 2021	N/A
N8 Field	Electrical Repair	Design	June 2021	N/A
N6A Palm	Water Quality Assessment	Investigation	TBD	N/A
N34 Cottage	Electrical Investigation	Planning	TBD	N/A

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 design and construction schedule is to complete the design in Winter 2020 and complete construction by Summer 2021. Design is close to complete by consultant and their estimate for completion of construction is Summer of 2021. Staff initially anticipated that this project was to be complete by the end of 2020; however, during the preliminary design process, it was determined that the design-construction process will not be complete until Summer of 2021.

**REGIONAL WATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, September 10, 2020, 9:00 a.m.**

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) 847-7589. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Note: Pursuant to the Governor's Executive Order N-29-20, and given the state of emergency regarding the threat of COVID-19, the meeting will be held via teleconference.

We encourage Board members and participants to join the meeting 10 minutes early. Note that we will use GoToMeeting to share slides and other information during the meeting. Use the link below to join GoToMeeting. If you have a microphone that you can use with your computer, it should be possible to both listen to, and participate in, the meeting through GoTo Meeting. If you do not have a microphone, or a headset with a microphone, that plugs into your computer via USB port, you will need to call into the toll-free telephone conference line to listen and comment, although you still should be able to view the meeting materials on GoToMeeting. Please do not simultaneously use a microphone through GoToMeeting and the telephone conference line. That combination results in audio problems for all participants.

Meeting Information:

Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/583192429>

You can also dial in using your phone.

United States: [+1 \(872\) 240-3212](tel:+18722403212)

Access Code: **583-192-429**

1. **CALL TO ORDER AND ROLL CALL**
2. **PUBLIC COMMENT**

3. **EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS**
 - a. Information: Minutes from the July 9, 2020 Regular Board meeting
 - b. Information: Final minutes of the June 24, 2020 and July 22, 2020 Executive Committee meetings
 - c. Information: Executive Committee report on the Executive Director's performance review
 - d. Amend RWA Personnel rules (Policy 400.1) effective January 1, 2021**Action: Approve the July 9, 2020 Regular Board meeting minutes**
Action: Approve Amendments to RWA Personnel Rules (Policy 400.1) effective January 1, 2021

4. **MAJOR PROJECTS AND RESILIENCE MANAGER SUBSCRIPTION PROGRAMS**

Discussion: Jim Peifer, Executive Director

Action: Recommend Approval of the Program Agreements

5. **PUBLIC OUTREACH AND COMMUNICATIONS CONSULTANT**

Discussion: Amy Talbot, Senior Project Manager

Action: Approve the Executive Director entering into a Master Services Agreement with IN Communications

6. **FEDERAL AFFAIRS STANDING COMMITTEE UPDATE**

Information Update and Discussion: Sean Bigley, Committee Chair

7. **LEGISLATIVE AND REGULATORY UPDATE**

Information Update: Ryan Ojakian, Legislative and Regulatory Affairs Manager

8. **EXECUTIVE DIRECTOR'S REPORT**

9. **DIRECTORS' COMMENTS**

ADJOURNMENT

Upcoming meetings:

Executive Committee Meetings: Wednesday, September 23, 8:30 a.m. and October 28, 2020 at the RWA Office, the location is subject to change depending on the COVID-19 emergency

Regular Board Meeting: Thursday, November 12, 2020, 9:00 a.m., at the RWA Office, the location is subject to change depending on the COVID-19 emergency

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.

**REGIONAL WATER AUTHORITY
SPECIAL MEETING OF THE BOARD OF DIRECTORS
WEDNESDAY, September 16, 2020, 2:00 p.m.**

AGENDA

The purpose of this meeting is to convene the Regional Water Bank, Phase 1 Project Committee. Since a quorum of the RWA Board of Directors may be present at the meeting, it is being conducted as an RWA Special Board meeting.

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) 847-7589. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Note: Pursuant to the Governor's Executive Order N-29-20, and given the state of emergency regarding the threat of COVID-19, the meeting will be held via teleconference.

We encourage participants to join the meeting 10 minutes early. Note that we will use GoToMeeting to share slides and other information during the meeting. Use the link below to join GoToMeeting. If you have a microphone that you can use with your computer, it should be possible to both listen to, and participate in, the meeting through GoToMeeting. If you do not have a microphone, or a headset with a microphone, that plugs into your computer via USB port, you will need to call into the toll-free telephone conference line to listen and comment, although you still should be able to view the meeting materials on GoToMeeting. Please do not simultaneously use a microphone through GoToMeeting and the telephone conference line. That combination results in audio problems for all participants.

Meeting Information:

Please join the meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/983889589>

You can also dial in using your phone.

United States: [+1 \(312\) 757-3121](tel:+13127573121)

Access Code: 983-889-589

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT: Members of the public who wish to address the Board may do so at this time. Please keep your comments to less than three minutes

3. Regional Water Bank Development

Action: Authorize additional work items from approved Phase 1 project scope of work, subject to no project budget adjustment.

4. ADJOURNMENT

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

**REGIONAL WATER AUTHORITY
EXECUTIVE COMMITTEE AGENDA
August 26, 2020; 8:00 a.m.**

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) 847-7589. Requests must be made as early as possible, and at least one full business day before the start of the meeting. The Executive Committee may consider any agenda item at any time during the meeting.

Note: Pursuant to the Governor's Executive Order N-29-20, and given the state of emergency regarding the threat of COVID-19, the meeting will be held via teleconference.

We encourage Committee members and participants to join the meeting 10 minutes early. Note that we will use GoToMeeting to share slides and other information during the meeting. Use the link below to join GoToMeeting. If you have a microphone that you can use with your computer, it should be possible to both listen to, and participate in, the meeting through GoToMeeting. If you do not have a microphone, or a headset with a microphone, that plugs into your computer via USB port, you will need to call into the conference line to listen and comment, although you still should be able to view the meeting materials on GoToMeeting. Please do not simultaneously use a microphone through GoToMeeting and the telephone conference line. That combination results in audio problems for all participants.

Meeting Information:

Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/284336309>

You can also dial in using your phone.

United States: [+1 \(646\) 749-3122](tel:+16467493122)

Access Code: 284-336-309

- 1. CALL TO ORDER AND ROLL CALL**
- 2. PUBLIC COMMENT:** Members of the public who wish to address the committee may do so at this time. Please keep your comments to less than three minutes.

3. **CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS 54954.5(E) AND 54957 – PUBLIC EMPLOYEE PERFORMANCE EVALUATION**
Title: Executive Director
4. **REPORT FROM CLOSED SESSION – EXECUTIVE DIRECTOR’S PERFORMANCE**
5. **CONSENT CALENDAR**
 - a. Minutes of the July 22, 2020 Executive Committee meetings
Action: Approve the July 22, 2020 Executive Committee meeting minutes.
6. **RESILIENCE MANAGER SUBSCRIPTION PROGRAM**
Discussion: Jim Peifer, Executive Director
Action: Recommend Approval of the Program Agreements
7. **PUBLIC OUTREACH AND COMMUNICATIONS CONSULTANT**
Discussion: Amy Talbot, Senior Project Manager
Action: Recommend approval to the Board for the Executive Director entering into a Master Services Agreement with IN Communications
8. **SACRAMENTO CENTRAL GROUNDWATER AUTHORITY**
Discussion: Jim Peifer, Executive Director
9. **LEGISLATIVE/REGULATORY UPDATE**
Information Presentation: Ryan Ojakian, Legislative and Regulatory Affairs Manager
Action: Adopt Positions on Legislation
10. **FEDERAL AFFAIRS STANDING COMMITTEE POSITIONS ON LEGISLATION AND UPDATE**
Information and Discussion: Sean Bigley, Federal Affairs Standing Committee Chair
Action: Adopt positions on Legislation
11. **PRESENTATION ON EL DORADO WATER AGENCY**
Information Presentation: Ken Payne, General Manager, El Dorado Water Agency
12. **SEPTEMBER 10, 2020 RWA BOARD MEETING AGENDA**
Action: Approve September 10, 2020 proposed RWA Board meeting agenda.
13. **EXECUTIVE DIRECTOR’S REPORT**
14. **DIRECTORS’ COMMENTS**

ADJOURNMENT

Upcoming meetings:

Executive Committee Meetings: Wednesday, September 23, 2020 at 8:30 a.m. and October 28, 2020 at 8:30 a.m. at the RWA Office, the location is subject to change depending on the COVID-19 emergency.

Regular Board Meeting: Thursday, September 10, 2020, 9:00 a.m., at the RWA Office, the location is subject to change depending on the COVID-19 emergency.

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: 18 c.

Date: September 21, 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 19

Minutes

Sacramento Suburban Water District
Facilities and Operations Committee
Wednesday, September 2, 2020

Location:

Video and Audio Conference Only at 1-669-900-6833, or Zoom at Meeting Id #876 2976 8843

Call to Order – Videoconference/Audioconference Meeting

Chair Jones called the meeting to order at 5:08 p.m.

Roll Call

Directors Present: Dave Jones.

Directors Absent: Kathleen McPherson.

Staff Present: General Manager Dan York, Assistant General Manager Mike Huot, Amy Bullock, Matt Underwood, Dana Dean, David Espinoza, Mitchell McCarthy, and Tommy Moulton.

Public Present: Kevin Thomas.

Announcements

None.

Public Comment

None.

Consent Items

1. Minutes of the July 15, 2020, Facilities and Operations Committee Meeting

Chair Jones approved Item 1.

AYES:	Jones	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:	McPherson		

Items for Discussion and/or Action

2. Transmission Main Asset Management Plan

Chair Jones inquired about the two transmission mains identified in the plan on El Camino Avenue and Marconi Avenue, which are 16-inch mains, and installed as oversized distribution mains. Chair Jones further inquired if staff needs to make the correction since it is the only 16-inch pipe with a connection to a 12-inch pipe for the inflow of water. Chair Jones further noted if staff could call them transmission mains based on that, in addition, they have services on them, which is not common for transmission mains.

Assistant General Manager, Mike Huot (AGM Huot) stated that staff discussed Chair Jones' concern and one of the differentiating factors between the D-Main Plan and T-Main Plan is the T-Mains are 16 inches or larger and so the 16-inch pipe is included in the T-Main AMP, which is managed similarly to the D-Main AMP.

Dana Dean (Mr. Dean) stated that the District has many short transmission main segments with services because it was the District's standard at the time. Additionally, some were installed by developers to meet the Districts' Standards for the type of development. So, the 16-inch pipes with services are identified as transmission mains based on size and staff can look into adjusting it in 5 years for the next plan.

Senior Engineer, David Espinoza (Mr. Espinoza) presented the staff report and went through a PowerPoint presentation.

Chair Jones praised staff, the document, and the tool that staff will be able to use. Chair Jones inquired on the language of the direct method. Recommending changing language to read, direct method is important, but only under the direction if the General Manager approves.

Mr. Espinoza stated that there is language in the report on page 4-32 and it reads the direct method shall be utilized as recommended by the Engineering Manager as approved through the General Manager.

Chair Jones inquired between C-Bar-C and the Antelope Transmission Pipeline and said there are very few gate valves and is wondering if more gate valves should be installed and be put into the Transmission Main Asset Management Plan.

Mr. Espinoza stated as staff assesses the need for further transmission mains or additional infrastructure to the existing mains, staff will analyze or determine the need for additional valves in the future as staff coordinates with the Operations Department.

General Manager, Dan York (GM York) stated this might be an opportunity for staff to look for some locations to install the valves; however, staff will need to budget for them ahead of time.

Chair Jones mentioned staff's efforts on the report and appreciated the detail that went into the report and recommends taking the item to the full Board as a Consent Item.

Adjournment

Chair Jones adjourned the meeting at 5:26 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District

August 29, 2020

Mr. Daniel York, Manager
Sacramento Suburban Water District
3701 Marconi Ave., Sacramento, CA 95864

Mr. York,

I am writing to you on behalf of myself and my husband who have from time to time experienced the work of your crews where we live at Pluto Way, Sacramento. This has been a very big project in our area on many fronts, that include both sewer work and water meter installation and other improvements in this neighborhood.

In short, I want to let you know that we have been very impressed with the work and demeanor of your workers which has been especially impressive from our point of view. I wish to address two individuals that we came in frequent contact with as they worked to install new meters on our street and the other streets surrounding us. All of the men working on this project have been impressive for their respect for the homeowners on our street but also for making sure that when a job was finished, the street was ready to be used safely as they packed up their tools.

In particular we were afforded exceptional service from two men who seem to work in an advisory capacity to the workers and the residents. When I asked if there were options about the placement choice of our meter, I was given a phone number of Mr. Rick Ingraham. When I called him he said he would look at the situation and placement I was hoping for. Within a few days he arrived at our home, agreed to the alternative placement and marked it for us. He was again on site when his workers came out to dig the initial hole for this meter and finally on the day that placement was completed. We appreciate his willingness to listen to our concerns and flexibility in coming to a placement compromise.

Similarly, we were impressed with Mr. Scott Ahlstrom who told us he was a private inspector on these jobs. Scott was on our street several times during these operations and spoke frequently with my husband and myself regarding the timing and procedures that would be used to complete the project on our property. He was exceptionally informative about the project and how we would be affected by the changes coming.

I felt you should know that the whole crew was efficient, friendly and respectful and that these two individuals seemed to go out of their way to keep us informed and work with our concerns.

Thank you so much,

From: Jim
Sent: Wednesday, September 9, 2020 12:36 PM
To: David Espinoza <despinoza@sswd.org>
Subject: Water meter install in Garden of the Gods

David,

Good day to you.

Per our conversation, I wanted to take a moment and say "thank you" to SSWD and to Scott Ahlstrom/Richard Ingraham.

Considering the size of the project, the amount of heavy equipment/personnel/and moving pieces - Scott and Richard did a great job orchestrating.

Like most people - I don't normally take the time - tho I should - to say thank you when it absolutely needs to be said.....and shared.

Net: the whole neighborhood was lucky to have Scott and Richard on the job.

Thank you, Jim



Agenda Item: 21

Date: September 21, 2020

Subject: 2021 Budget Preparation Status Update

Staff Contact: Jeff Ott, Director of Finance and Administration

The 2021 Budget preparation is proceeding in line with the schedule approved by the Board on July 20, 2020.

As the Board will recall, the major steps necessary to complete the Budget are:

<u>Meeting</u>	<u>Purpose</u>	<u>Date</u>	<u>Status</u>
Board Meeting	Approve Schedule	July 20	Complete
F&A Meeting	Review Assumptions	August 10	Complete
Board Meeting	Review Assumptions	August 17	Complete
Kick-Off Meeting	All Staff Training (O&M)	August 19	Complete
CIP Budget Meeting	CIP Budget Training	August 25	Complete
1st Draft Due	Send to Finance Dept	September 11	Complete
Ex Comm/FA	Review 1 st Draft	September 18	9/16/2020
Board Meeting	Status Report	September 21	
Budget Preparers	Informed of Changes	September 22	
2 nd Draft Due	Send to Finance Dept	September 25	
Ex Comm/FA	Review 2 nd Draft	October 2	
Board Workshop	Budget Presentation	October 12	
Board Meeting	Budget Presentation	October 19	
Board Workshop*	Board Presentation	October 27	
Ex Comm/FA	Review Final Draft	November 9	
Board Meeting	Approve Final Budget	November 16	
Budget Preparers	Final Budgets Provided	December 4	

* If needed

Ex Comm – General Manager, Assistant General Manager, and Director of Finance and Administration
 FA – Financial Analyst



Agenda Item: 22

Date: September 21, 2020
Subject: Legislative and Regulatory Update
Staff Contact: Greg Bundesen, Water Conservation Supervisor

1. RWA Government Affairs Committee

Table 1 on the next page shows the Assembly Bills (AB) and Senate Bills (SB) staff is tracking throughout the year. Table 1 shows the bill number, name, District's recommended position regarding the bill (favor, not favor, watch), the Regional Water Authority's (RWA) position, and the Association of California Water Agency's (ACWA) position. Staff works with RWA and ACWA to follow each bill. 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 affect District operations.

2. Notable Updates

- a. 2020 Legislative Session – The Legislative Session ended on August 31, 2020. Several bills did not make it to the Governor's desk before the deadline.
 - i. The following are notable bills staff tracked that did not make it to the Governor:
 1. SB 414: Small Systems Water Authority Act
 2. AB 196: Workers Compensation: COVID-19: Essential
 3. AB 3030: Resource Conservation: Land and Ocean Conservation Goals
 4. AB 3279: California Environmental Quality Act (CEQA) Act Administrative and Judicial Procedures
 5. AB 2182: Emergency Backup Generators: Water and Wastewater Facilities: Exemption
 - ii. The following is a list of bills that staff is tracking that will be considered by the Governor:
 1. SB 865: Excavations: Subsurface Installations
 2. SB 1159: Workers' Compensation: COVID-19: Critical Workers
 3. SB 1386: Assessments, Fees, and Charges: Water: Hydrants
 4. AB 2560: Water Quality: Notification Levels and Response Level: Procedures

3. Correspondence

The District did not submit any comment letters in August 2020.

Bill Number	Name	District Position	RWA Position	ACWA Position
AB 685	Occupational Safety: COVID-19 Exposure: Notification	TBD	TBD	Not Favor
AB 2296	State Water Resources Control Board: Local Primacy Delegation: Funding Stabilization Program	TBD	Neutral	TBD
AB 2560	Water Quality: Notification Levels and Response Levels: Procedures	TBD	Support	TBD
AB 2968	County Emergency Plans: Best Practices	TBD	TBD	Favor if Amended
SB 865	Excavations: Subsurface Installations	Watch	Neutral	Watch
SB 974	CEQA: Small Community Water System: Exemption	TBD	Support	Watch
SB 1044	Firefighting Equipment and Foam: Perfluorooctanoic Acid (PFAS) Chemicals	TBD	Support	TBD
SB 1159	Workers' Compensation: COVID-19: Critical Workers	TBD	Neutral	TBD
SB 1320	Climate Change: California Climate Change Assessment	TBD	Neutral	TBD
SB 1386	Local Government: Assessments, Fees, and Charges: Water	TBD	Support	Support



Agenda Item: 23

Date: September 21, 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.

***Due to the current pandemic, until further notice, all meetings listed will be virtual.**

Below is a list of upcoming water industry events:

Upcoming Events

1. ACWA Bay-Delta Virtual Tour 2020
October 8, 2020
Online
<https://www.acwa.com/events/>
2. SGA Board Meeting
October 8, 2020
SGA Office, Sacramento
<https://www.sgah2o.org>
3. Water Forum Virtual Climate Symposium and Reception
October 18, 2020
Virtual
https://us02web.zoom.us/webinar/register/WN_m6P3TyeYR_-OdFo_rEJ-zQ
4. American Water Works Association Annual Fall Conference & Exposition
October 26-29, 2020
Virtual
https://www.ca-nv-awwa.org/canv/CNS/Events_Classes/Future_Events/CNS/EventsandClasses/Copy_of_events.aspx?hkey=40976128-710b-4097-b27b-e35fe6133849

Upcoming Water Industry Events

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5. ACWA Northern CA Virtual Tour 2020
November 12, 2020
Online
<https://www.acwa.com/events/>
6. RWA Board Meeting
November 12, 2020
RWA Office, Sacramento
<http://rwah2o.org/>
7. ACWA Fall Conference
December 1-4, 2020
Indial Wells, CA
<https://www.acwa.com/events/2020-fall-conference-exhibition/>
8. SGA Board Meeting
December 10, 2020
SGA Office, Sacramento
<https://www.sgah2o.org>

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

- Carmichael Water District: <http://carmichaelwd.org/> - Every 3rd Tuesday 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.

Upcoming Water Industry Events

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- 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: 24 a.

Date: September 21, 2020

Subject: Upcoming Policy Review – Employment Rules and Procedures Policy (PL – HR 001)

Staff Contact: Cassie Crittenden, Human Resources Coordinator

The Employment Rules and Procedures Policy (PL – HR 001) is scheduled for its biennial review. The subject policy was originally adopted by the Board on October 18, 2010, and last reviewed on July 16, 2018.

Staff has no recommended changes. This policy update was not reviewed by legal counsel.

The policy is scheduled for Board review and approval at the October 19, 2020, regular Board meeting. If a Director wishes to comment on the policy, please provide those comments to staff by October 5, 2020. If no comments are received by any Director, this policy will be placed as a Consent Item on the October 2020 agenda.

Attachments:

1 – Employment Rules and Procedures Policy (PL – HR 001) – Policy Redline

Sacramento Suburban Water District

Employment Rules and Procedures Policy

Adopted: October 18, 2010

Ratified without changes on: October 19, 2020~~July 16, 2018~~

100.00 Purpose of the Policy

The purpose of this policy is to direct the General Manager to establish and maintain fair and consistent rules and procedures relating to District employment.

200.00 Policy

Pursuant to California Water Code Section 30580, the General Manager has full power and authority to employ, discharge and prescribe the duties of all District employees. The General Manager will insure that all rules and procedures relating to District employment comply with state and federal labor laws and regulations governing public agency employment.

300.00 Authority and Responsibility

The General Manager will be responsible for administering this policy. The Assistant General Manager and Human Resources Coordinator will assist the General Manager in developing and maintaining an Employee Handbook that will be provided to all current and new employees.

400.00 Policy Review

This Policy shall be reviewed at least biennially.



Agenda Item: 24 b.

Date: September 21, 2020

Subject: Upcoming Policy Review – Employee Performance Evaluation, Merit, and COLA Policy (PL – HR 003)

Staff Contact: Cassie Crittenden, Human Resources Coordinator

The Employee Performance Evaluation, Merit, and COLA Policy (PL – HR 003) is scheduled for its biennial review. The subject policy was originally adopted by the Board on October 20, 2003, and last reviewed on October 16, 2017.

Staff recommends grammatical changes and renumbering the policy sections and the following substantive changes:

- *Section 100.00* – Renamed this section “Policy”. Separated the policy content for clarity, creating the following subsections:
- *Section 101.00 - Employee Performance Evaluation* – Removed redundant language. Removed language stating that the COLA is tied to performance evaluations. Added that identifying training needs was a reason for having performance evaluations.
- *Section 102.00 – Merit Increases* – Added the General Manager approves the merit increases.
- *Section 103.00 – COLA* – Removed language stating introductory employees are only eligible to receive an annual COLA in the absence of performance issues. Added that all introductory and regular, full time employees are eligible to receive an annual COLA if a COLA is approved by the Board of Directors. Added the standard used for determining the annual COLA, which will be based on the August published “West – Size Class B/C (CPI-U)” year ending percentage as published by the U.S. Bureau of Labor Statistics prior to finalizing the District’s annual Budget, as approved at the November 18, 2019, Board Meeting. In the case when the Western Cities B/C Index is a negative value, the COLA amount will be zero. Added the annual COLA will be effective beginning the first pay period in January of each Budget year.

The policy is scheduled for Board review and approval at the October 19, 2020, regular Board meeting. If a Director wishes to comment on the policy, please provide those comments to staff by October 5, 2020. If no comments are received by any Director, this policy will be placed on the consent agenda. Legal counsel did not review these changes.

Attachments:

1 – Employee Performance Evaluation, Merit, and COLA Policy (PL – HR 003) - redline

Sacramento Suburban Water District

Employee Performance Evaluation, Merit and COLA Policy

Adopted: October 20, 2003

~~Revised: October 17, 2011; December 16, 2013; November 16, 2015; October 16, 2017~~
Approved with changes on: October 19, 2020**100.00 Purpose of the Policy**

The purpose of this policy is to establish guidelines ~~a process~~ to evaluate and assess employee job performance ~~to~~; assist ~~employees~~ them in improving their job performance; ~~to provide historical documentation of their job performance; to provide the basis for annual merit increases; and to provide a standard for annual cost-of-living adjustments (COLA); and provide historical documentation of employee performance.~~

101200.00 Policy Employee Performance Evaluation

It is the District's policy to provide a program for advancement of its employees within the pay/salary bands for their positions classification using a merit-based system based on performance and goal achievement documented through an evaluation process.

Performance evaluations are intended to help the employee better understand his/her job responsibilities; improve job performance in relation to the District's mission statement, values, goals, and principles; measure and enhance individual performance; recognize and reward employee contributions; and foster professional development and career growth.

~~The process is also intended to increase productivity, correct issues before they become serious problems for the individual or the District, and meet internal and external needs for documentation of individual performance.~~ Performance evaluations are an essential part of an individual's employment experience with the District and serve as the basis for several employment-related actions including, but not limited to, completion of introductory periods, determination of merit increases, ~~and COLA~~, promotions and transfers, and identifying training needs. ~~In addition, they serve as tools for placing employees on notice of performance deficiencies that, if uncorrected, may lead to corrective actions up to and including termination.~~

102.00 Merit Increases

The ~~total~~ merit increase ~~budget pool~~ must be approved by the Board of Directors within the annual labor budget. ~~Individual~~ merit increases are calculated based on approved performance evaluation scores and determined approved by the General Manager. ~~using a merit-based system based on satisfactory performance reviews.~~

103.00 COLA

Introductory employees are eligible to receive an annual COLA, if any, in the absence of any documented performance issues. The District will provide all introductory and regular, full-time employees an annual COLA if a COLA is approved by the Board of Directors. The annual COLA will be based on the August published "West – Size Class B/C (CPI-U)" year ending percentage as published by the U.S. Bureau of Labor Statistics. In the case when the Western Cities B/C Index is a negative value, the COLA amount will be zero. The annual COLA will be effective the beginning of the first pay period in January of each Budget year.

2300.00 Authority and Responsibility

The General Manager is responsible for administering this policy and has established a process for evaluating and assessing job performance and compensation guidelines as set forth in the Employee Performance Evaluation, Merit and COLA Procedure (PR-HR 001).

3400.00 Policy Review

This policy will be reviewed at least biennially.