

**SAN JUAN WATER DISTRICT  
BOARD MEETING AGENDA  
9935 Auburn Folsom Road  
Granite Bay, CA 95746**

**July 22, 2020  
6:00 p.m.**

**This Board meeting will be conducted both in-person at the District's Boardroom at the address above, and via videoconference. Due to State guidelines on physical distancing in public gatherings, the Boardroom can accommodate a maximum of 10 members of the public at one time. The District recommends that members of the public participate in Board meetings via videoconference per the instructions below. Persons who do plan to attend the meeting in person are urged to contact the Board Secretary prior to the meeting. The contact information for the Board Secretary is:**

**Teri Grant  
(916) 791-6905  
tgrant@sjwd.org**

**For members of the public interested in viewing and having the ability to comment at the public meeting via GoToWebinar, an internet enabled computer equipped with a microphone and speaker or a mobile device with a data plan is required. There will be no call in line to the meeting so please make sure that your device provides audio for you, or plan to attend in person. To register to attend via videoconference, please use the following link:**

<https://attendee.gotowebinar.com/register/3794524986855344395>

[After registering, you will receive a confirmation email containing information about joining the webinar.](#)

**Your line will be muted. If you wish to make a public comment, you may use the "raise your hand" or "question" function to address the Board.**

**\*\*\*Important Notice: For any meetings that include a closed session, the webinar will be terminated when the Board adjourns into closed session. Members of the public who would like to receive the report out from closed session and time of adjournment from closed session into open session and adjournment of the meeting should provide a valid email address to the District's Board Secretary, Teri Grant, at: [tgrant@sjwd.org](mailto:tgrant@sjwd.org), before or during the meeting. No other business will be conducted after the Board adjourns from closed session into open session. Promptly after the meeting, the Secretary will email the written report to all persons timely requesting this information.**

**Whether attending via videoconference or in person, the public is invited to listen, observe, and provide comments during the meeting by any of the methods described above. The Board President will call for public comment on each agenda item at the appropriate time and all votes will be taken by roll call.**

The Board may take action on any item on the agenda, including items listed on the agenda as information items. The Board may add an item to the agenda (1) upon a determination by at least three Board members that an emergency situation exists, or (2) upon a determination by at least four Board members (or by three Board members if there are only three Board members present) that the need to take action became apparent after the agenda was posted.

The public may address the Board concerning an agenda item either before or during the Board's consideration of that agenda item. Public comment on items within the jurisdiction of the Board is welcome, subject to reasonable time limitations for each speaker. Upon request, agenda items may be moved up to accommodate those in attendance wishing to address that item. Please inform the General Manager if you have such a request to expedite an agenda item.

Documents and materials that are related to an open session agenda item that are provided to the District Board less than 72 hours prior to a regular meeting will be made available for public inspection and copying at the District office during normal District business hours.

If you are an individual with a disability and need assistance or accommodation to participate in this Board meeting, please call Teri Grant, Board Secretary, at 916-791-0115, or email Ms. Grant at [tgrant@sjwd.org](mailto:tgrant@sjwd.org).

***Please silence cell phones and refrain from side conversations during the meeting.***

## **I. ROLL CALL**

## **II. PUBLIC FORUM**

During the Public Forum, the Board may ask District staff for clarification, refer the matter to District staff or ask District staff to report back at a future meeting. The Board will not take action on any matter raised during the Public Forum, unless the Board first makes the determination to add the matter to the agenda.

## **III. CONSENT CALENDAR**

All items under the Consent Calendar are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board, Audience, or Staff request a specific item removed after the motion to approve the Consent Calendar.

1. Minutes of the Board of Directors Special Meeting, June 24, 2020 (W & R)  
*Recommendation: Approve draft minutes*
2. Minutes of the Board of Directors Meeting, June 24, 2020 (W & R)  
*Recommendation: Approve draft minutes*
3. Minutes of the Board of Directors Special Meeting, July 8, 2020 (W & R)  
*Recommendation: Approve draft minutes*
4. Public Outreach Contract (W & R)  
*Recommendation: Review and recommend approval of Public Outreach contract with Lucy & Company for FY 2020-21*
5. Reservoir Outage Temporary Tanks Project – Construction Management/Inspection Services (W)  
*Recommendation: For authorization and approval of a professional services contract to Inferrera Construction Management Group, Inc. for Construction Management & Inspection Services during Construction of the Hinkle Reservoir Outage Temporary Tank Project*
6. Bacon & Upper Granite Bay Pump Station Generator Replacement Project (W)  
*Recommendation: For authorization and approval of a professional services contract to EETS, Inc., for Engineering design services for the Bacon & Upper Granite Bay Pump Station Generator Replacement Project*
7. WTP Residual Area Stormwater Lift Station Project (W)  
*Recommendation: Award a construction contract to McGuire & Hester, Inc. for the construction of the WTP Residual Area Stormwater Lift Station Project*
8. 25-Year Demand Forecast and Capacity Analysis (Study) (W)  
*Recommendation: To receive and accept the study*

#### IV. OLD BUSINESS

1. Collaboration/Integration Project  
*Information*

2. SJWD-SSWD 2x2 Committee  
*Potential Board Action to Re-Initiate Committee Meetings*

3. SJWD Board Policy Updates (W & R)

*Board policies to be repealed:*

**Action: Consider a motion to repeal the following Board Policies:**

**3300 Emergency Response Plan**

**3400 Mutual Aid Plan**

**5000 Water Shortage Policy**

**5100 Capital Projects – Benefit and Financial Responsibility**

**5200 Wells Constructed with District Funds within Retail Agencies Boundaries**

**5300 Penalties and Interest for Delinquent Water Charges under San Juan Water District's Wholesale Water Supply Agreements**

*Board policies to be revised:*

**Action: Consider a motion to approve revisions to the following Board Policies:**

**ADM-3.6 Records Management Policy**

**FIN-5.2 Capital Asset Policy**

**FIN-5.6 Investment Policy**

4. FY 2019-20 Operations Plan Report Card (W & R)

*Review 4<sup>th</sup> Quarter Progress*

#### V. NEW BUSINESS

1. FY 2020-21 Operations Plan (W & R)

*Information*

2. Customer Request for Adjustment (R)

*Request and possible action for adjustment of base charge for service from TRICKS Gymnastics, Inc.*

3. H.R. LaBounty Safety Awards (W & R)

*Presentation of awards to Chris Cessna, Aaron Davis and Cody Sinnock*

4. Water Transfer with Sacramento Suburban Water District (W & R)

**Action: Consider a motion to make a finding that the water proposed to be sold to Sacramento Suburban Water District is excess to that necessary to meet the Wholesale Customer Agencies' demands**

**Action: Consider a motion to adopt the CEQA Notice of Exemption**

**Action: Consider a motion to authorize the General Manager to sign the Proposed Pilot Agreement Between San Juan Water District and Sacramento Suburban Water District to Provide Surface Water Supplies to Enhance Groundwater Stabilization.**

## **VI. INFORMATION ITEMS**

1. General Manager's Report
  - 1.1 General Manager's Monthly Report (W & R)  
*Staff Report on District Operations*
  - 1.2 Miscellaneous District Issues and Correspondence
2. Director of Finance's Report
  - 2.1 Miscellaneous District Issues and Correspondence
3. Operation Manager's Report
  - 3.1 Miscellaneous District Issues and Correspondence
4. Engineering Services Manager's Report
  - 4.1 Miscellaneous District Issues and Correspondence
5. Legal Counsel's Report
  - 5.1 Legal Matters

## **VII. DIRECTORS' REPORTS**

1. SGA
2. RWA
3. ACWA
  - 3.1 ACWA – Pam Tobin
  - 3.2 JPIA – Pam Tobin
  - 3.3 Energy Committee – Ted Costa
4. CVP Water Association
5. Other Reports, Correspondence, Comments, Ideas and Suggestions

## **VIII. COMMITTEE MEETINGS**

1. Public Information Committee – July 13, 2020
2. Engineering Committee – July 15, 2020
3. Finance Committee – July 21, 2020

## **IX. UPCOMING EVENTS**

1. 2020 ACWA Summer Conference  
July 29-30, 2020  
Virtual

## **President Costa to call for Closed Session**

## **X. CLOSED SESSION**

1. Conference to provide District's labor negotiators, Marty Hanneman and Dan Rich, with direction concerning changes to General Manager's compensation and benefits; Government Code sections 54954.5(f) and 54957.6.

**XI. OPEN SESSION**

1. Report from Closed Session

**XII. ADJOURN**

**UPCOMING MEETING DATES**

- August 3, 2020 – Public Hearing #1
- August 5, 2020 – Public Hearing #2
- August 26, 2020 – Regular Board Meeting
- September 9, 2020 – Public Hearing #3
- September 23, 2020 – Regular Board Meeting
- October 14, 2020 – Public Hearing #4

I declare under penalty of perjury that the foregoing agenda for the July 22, 2020 regular meeting of the Board of Directors of San Juan Water District was posted by July 17, 2020, on the outdoor bulletin boards at the District Office Building, 9935 Auburn Folsom Road, Granite Bay, California, and on the District's website at sjwd.org, and was freely accessible to the public.

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Teri Grant, Board Secretary

**SAN JUAN WATER DISTRICT**

Board of Director's Special Board Meeting Minutes

June 24, 2020 – 4:30 p.m.

Conducted via Teleconference and In-Person

**BOARD OF DIRECTORS**

Ted Costa	President
Pam Tobin	Vice President
Marty Hanneman	Director
Ken Miller	Director
Dan Rich	Director

**SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF**

Paul Helliker	General Manager
Teri Grant	Board Secretary/Administrative Assistant

**OTHER ATTENDEES**

Janice Thompson	JD Thompson & Associates
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**AGENDA ITEMS**

- I. Closed Session
- II. Adjourn

President Costa called the meeting to order at 4:30 p.m.

**I. CLOSED SESSION**

- 1. Public employee performance evaluation involving the General Manager; Government Code sections 54954.5(e) and 54957.

The meeting was adjourned at 6:00 p.m. and resumed at 7:10 p.m. after the regular Board meeting.

**II. ADJOURN**

**The meeting was adjourned at 7:55 p.m.**

ATTEST:

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EDWARD J. "TED" COSTA, President  
Board of Directors  
San Juan Water District

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TERI GRANT, Board Secretary

## **SAN JUAN WATER DISTRICT**

Board of Director's Board Meeting Minutes

June 24, 2020 – 6:00 p.m.

Conducted via Teleconference & In-Person

### **BOARD OF DIRECTORS**

Ted Costa	President
Pam Tobin	Vice President via teleconference
Marty Hanneman	Director via teleconference
Ken Miller	Director
Dan Rich	Director

### **SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF**

Paul Helliker	General Manager
Donna Silva	Director of Finance
Tony Barela	Operations Manager
Adam Larsen	Field Services Manager
Andrew Pierson	Engineering Services Manager
Greg Turner	Water Treatment Manager
Greg Zlotnick	Water Resources Manager
Teri Grant	Board Secretary/Administrative Assistant

### **OTHER ATTENDEES**

Alan Driscoll	Forsgren Associates Inc.
Craig Locke	Sacramento Suburban Water District
James Peifer	Regional Water Authority
Rob Watson	

### **AGENDA ITEMS**

- I. Roll Call**
- II. Presentation**
- III. Public Forum**
- IV. Consent Calendar**
- V. Public Hearing**
- VI. Old Business**
- VII. New Business**
- VIII. Information Items**
- IX. Directors' Reports**
- X. Committee Meetings**
- XI. Upcoming Events**
- XII. Closed Session**
- XIII. Open Session**
- XIV. Adjourn**

President Costa called the meeting to order at 6:03 p.m.

## I. ROLL CALL

The Board Secretary took a roll call of the Board. The following directors were present in-person: Ted Costa, Ken Miller and Dan Rich. The following directors were present via teleconference: Marty Hanneman and Pam Tobin.

## II. PRESENTATION

### 1. Poster Contest Winners – President Ted Costa

President Costa presented the Poster Contest awards to student winners in attendance, Noah Fang, Veronica Richard and Rebecca Gehlmann. The Poster Contest winners for SJWD are as follows:

- 1st Place & Grand Prize - Noah Fang – Mr. Peterson’s 6th grade class
- 2nd Place - Veronica Richard – Mrs. Harper’s 5th grade class
- 3rd Place - Rebecca Gehlmann – Mr. Peterson’s 6th grade class

## III. PUBLIC FORUM

There were no public comments.

## IV. CONSENT CALENDAR

All items under the consent calendar are considered to be routine and are approved by one motion. There will be no separate discussion of these items unless a member of the Board, audience, or staff request a specific item removed after the motion to approve the Consent Calendar.

### 1. Minutes of the Board of Directors Meeting, May 27, 2020 (W & R)

*Recommendation: Approve draft minutes*

### 2. Minutes of the Board of Directors Special Meeting, June 10, 2020 (W & R)

*Recommendation: Approve draft minutes*

### 3. Water Treatment Plant On-Site Residual Management Improvements Project (W)

*Recommendation: Approval of Amendment No. 2 to HydroScience Engineers, Inc. for engineering services during construction related to the Water Treatment Plant On-Site Residual Management Improvements (aka WTP Residual Area Stormwater Lift Station Project)*

### 4. Annual Paving Services Contract (R)

*Recommendation: Authorization and approval to award the Annual Paving Services agreement for FY 2020/2021 to Sierra National Asphalt*

### 5. Annual Installation Services Contract (R)

*Recommendation: Authorization and approval to award the Annual Installation Services agreement for FY 2020/2021 to Flowline Contractors Inc.*



***Director Hanneman moved to approve the Consent Calendar. Director Rich seconded the motion and it carried with the following roll call vote:***

***Ayes: Directors Costa, Hanneman, Miller, Rich, and Tobin***

***Noes: None***

***Absent: None***

## **V. PUBLIC HEARING**

### **1. FY 2020-21 Wholesale and Retail Budget (W & R)**

President Costa opened the Public Hearing at 6:16 pm. The Board Secretary confirmed that this item was duly posted and published with no written or oral comments received prior to the public hearing.

GM Helliker reviewed the changes made to the proposed FY 2020-21 wholesale and retail budget since the Board last reviewed it at the May 27th workshop. These changes were provided in a staff report from Ms. Donna Silva and will be attached to the meeting minutes.

In response to Director Rich's question, Ms. Silva explained that the salary and benefits budget is prepared by using the assumptions that CalPERS uses for our specific employees which is a board approved policy. She explained that there are two compensation schedules – Schedule A and Schedule B. Schedule A is frozen and COLA increases are not applied to it; however, COLA increases are applied to Schedule B which is 2.5% for FY 2020-21. In addition, COLAs can be given to all employees on Schedule B and only to those on Schedule A who are not at the top of their salary range, as long as those increases fall within the salary budget.

President Costa closed the Public Hearing at 6:24 p.m.

***Director Hanneman moved to adopt Resolution No. 20-07 adopting the FY 2020-2021 Budget. Director Vice President Tobin seconded the motion and it carried with the following roll call vote:***

***Ayes: Directors Costa, Hanneman, Miller, Rich, and Tobin***

***Noes: None***

***Absent: None***

## **VI. OLD BUSINESS**

### **1. Revised Schedule of Rate, Fees, Charges and Deposits (W & R)**

Ms. Silva provided the Board with a staff report which will be attached to the meeting minutes. She reviewed staff recommendations which includes modifying the disconnection fees, creating a reconnection fee, adding vehicle and equipment use fees, a general late fee and incorporating the Penalties and Interest for Delinquent Water Charges under San Juan Water District's

Wholesale Water Supply Agreements into SJWD's Schedule of Rates, Fees, Charges and Deposits.

***Director Hanneman moved to modify the disconnection fees, create a reconnection fee, add vehicle and equipment use fees, a general late fee and incorporate the Penalties and Interest for Delinquent Water Charges under San Juan Water District's Wholesale Water Supply Agreements into SJWD's Schedule of Rates, Fees, Charges and Deposits. Director Miller seconded the motion and it carried with the following roll call vote:***

***Ayes: Directors Costa, Hanneman, Miller, Rich, and Tobin***

***Noes: None***

***Absent: None***

## **2. RWA Board Representatives (W & R)**

GM Helliker reminded the Board that he was appointed as the management representative to the Regional Water Authority (RWA) board in 2017 and Director Hanneman was appointed as the elected official in January 2020. He informed the Board that his responsibilities with regional activities are increasing and the Board may want to consider appointing Mr. Greg Zlotnick as the management representative to RWA. The Board had a heated discussion regarding the representation and governance at RWA.

***Director Hanneman moved to appoint Greg Zlotnick, in place of Paul Helliker, as the Regional Water Authority (RWA) management representative. Vice President Tobin seconded the motion.***

***President Costa made a substitute motion to appoint Greg Zlotnick as the Regional Water Authority (RWA) management representative and to appoint Dan Rich as the RWA Board representative. Director Miller seconded the motion and it carried with the following roll call vote:***

***Ayes: Directors Costa, Miller and Rich***

***Noes: Hanneman and Tobin***

***Absent: None***

## **VII. NEW BUSINESS**

### **1. State of the System – Retail (R)**

Mr. Barela conducted a presentation on the State of the Distribution System. A copy of the presentation will be attached to the meeting minutes. He reviewed the overall distribution system appurtenances, the program preventative maintenance goals, the 2019 achievements, the changes made, and the deficiencies in the system. In addition, he reviewed water leaks in the system and explained the impact to staffing, and the pump station electrical improvements. Mr. Barela reviewed the 2020 program goals, the budget and costs from 2019, and the 2020 budget.

**2. Water Loss Control Regulations (R)**

GM Helliker referred to the comment letter and calculations that were included in the Board packet. He explained that comments were sent to the State Water Resources Control Board by the June 12<sup>th</sup> deadline. The District is looking for some revisions to the model as explained in the letter with one of the main concerns being the requirement to reduce the District's real losses by 76%.

GM Helliker informed the Board that the State Board is amenable to conducting an independent review as requested in the comment letters that various agencies submitted. He explained that a joint effort will be put forth to work with the State Board regarding the review.

**3. One year extension of Agreement for Federal Lobbying Services with The Ferguson Group (W & R)**

GM Helliker informed the Board that the current contract with The Ferguson Group for federal lobbying, and the MOU with the City of Folsom for their cost reimbursement of that contract, are expiring and need to be extended another year.

*Vice President Tobin moved to authorize the General Manager to sign Amendment No. 3 to the District's General Services Agreement with The Ferguson Group (TFG) for federal lobbying services, and to authorize the General Manager to sign Amendment No. 3 to the District's Agreement with the City of Folsom (City) whereby Folsom pays 50% of the District's costs of the Agreement with TFG. Director Miller seconded the motion and it carried with the following roll call vote:*

**Ayes:** Directors Costa, Hanneman, Miller, Rich, and Tobin

**Noes:** None

**Absent:** None

**VIII. INFORMATION ITEMS**

**1. GENERAL MANAGER'S REPORT**

**1.1 General Manager's Monthly Report (W & R)**

GM Helliker provided the Board with a written report for May which will be attached to the meeting minutes.

**1.2 Miscellaneous District Issues and Correspondence**

GM Helliker reported that the water transfer with Sacramento Suburban Water District will be discussed at the July 22 Board meeting. He reported that, on the biological opinions, the Folsom, Roseville, San Juan group intervened in the State case per mutual agreement with the parties to the suit, but was not able to reach agreement with the NGO case (the Pacific Coast Federation of Fisherman's Association); therefore, the attorneys may file a motion in August.

GM Helliker reported that there may be a decision by the judge on the request for preliminary injunction, which could affect operations at Shasta that might actually have a spillover effect at Folsom. In addition, he reported that the manager's group will be discussing the Water Quality Control Plan at a meeting next week.

GM Helliker informed the Board that the Cap-to-Cap event was cancelled, the ACWA Summer Conference will be held virtually and there seems to be a good turnout for that, and the 2<sup>nd</sup> hearing on division-based elections will be held July 8<sup>th</sup>.

**2. DIRECTOR OF FINANCE'S REPORT**

**2.1 Miscellaneous District Issues and Correspondence**

No report.

**3. OPERATION MANAGER'S REPORT**

**3.1 Miscellaneous District Issues and Correspondence**

No report.

**4. ENGINEERING SERVICES MANAGER'S REPORT**

**4.1 Miscellaneous District Issues and Correspondence**

No report.

**5. LEGAL COUNSEL'S REPORT**

**5.1 Legal Matters**

No report.

**IX. DIRECTORS' REPORTS**

**1. SGA**

GM Helliker reported that the SGA met this month and the main item was consideration of the MOU to consider RWA support of the Sacramento Central Groundwater Authority, similar to its arrangement with SGA.

**2. RWA**

Director Hanneman reported that he attended the Executive Committee meeting and provided a written report which will be attached to the meeting minutes.

**3. ACWA**

**3.1 ACWA - Pam Tobin**

Vice President Tobin provided a written report which will be attached to the meeting minutes. She encouraged the Board to attend the Summer Virtual Conference.

**3.2 JPIA - Pam Tobin**  
No report.

**3.3 Energy Committee - Ted Costa**  
No report.

**4. CVP WATER ASSOCIATION**  
No report.

**5. OTHER REPORTS, CORRESPONDENCE, COMMENTS, IDEAS AND SUGGESTIONS**  
There were no other items discussed.

## **X. COMMITTEE MEETINGS**

- 1. Personnel Committee – June 12, 2020**  
The committee meeting minutes will be attached to the original board minutes.
- 2. Engineering Committee – June 16, 2020**  
The committee meeting minutes will be attached to the original board minutes.
- 3. Finance Committee – June 23, 2020**  
The committee meeting minutes will be attached to the original board minutes.

## **XI. UPCOMING EVENTS**

- 1. 2020 ACWA Summer Conference (Virtual)**  
July 29-30, 2020
- 2. ~~2020 Cap To Cap – Metro Chamber (Cancelled)~~**  
~~September 8-12, 2020~~  
~~Washington DC~~

President Costa announced that there will be no Closed Session during this regular Board meeting, but will resume immediately after this meeting under a special Board meeting.

## **XII. CLOSED SESSION**

1. Public employee performance evaluation involving the General Manager; Government Code sections 54954.5(e) and 54957.

## **XIII. OPEN SESSION**

There was no closed session during this regular meeting.

#### **XIV. ADJOURN**

**The meeting was adjourned at 7:10 p.m.**

ATTEST:

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EDWARD J. "TED" COSTA, President  
Board of Directors  
San Juan Water District

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TERI GRANT, Board Secretary

## **SAN JUAN WATER DISTRICT**

Board of Director's Special Board Meeting Minutes

July 8, 2020 – 6:00 p.m.

Conducted via Teleconference and In-Person

### **BOARD OF DIRECTORS**

Ted Costa	President
Pam Tobin	Vice President via teleconference
Marty Hanneman	Director via teleconference
Ken Miller	Director
Dan Rich	Director via teleconference

### **SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF**

Paul Helliker	General Manager
Donna Silva	Director of Finance
Lisa Brown	Customer Service Manager
Greg Zlotnick	Water Resources Manager
Teri Grant	Board Secretary/Administrative Assistant
Jennifer Buckman	Legal Counsel

### **OTHER ATTENDEES**

Steve Anderson	
Shaunna Boyd	
Randy Dodd	
Sandy Harris	
D. Wasserman	
Ray Riehle	Citrus Heights Water District
Nadine Reid	Fair Oaks Water District
Craig Locke	Sacramento Suburban Water District

### **AGENDA ITEMS**

- I. Roll Call**
- II. Public Hearing**
- III. Adjourn**

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

#### **I. ROLL CALL**

The Board Secretary took a roll call of the Board. The following directors were present in-person: Ted Costa and Ken Miller. The following directors were present via teleconference: Marty Hanneman, Dan Rich and Pam Tobin.

## II. PUBLIC HEARING

### 1. Transition to Division-Based Elections (W & R)

President Costa opened the Public Hearing at 6:02 pm. The Board Secretary confirmed that this item was duly posted. She confirmed that one comment letter was received from Citrus Heights Water District and Fair Oaks Water District jointly. A copy of that comment letter will be attached to the meeting minutes.

Ray Riehle, Citrus Heights Water District, addressed the Board and thanked the Board for accepting the letter from his district and Fair Oaks Water District. President Costa confirmed that their comment letter and map will be added for review at a future public hearing when the comments and maps will be addressed on the agenda.

GM Helliker and Legal Counsel Jennifer Buckman conducted a presentation which will be attached to the meeting minutes and posted to the District webpage. The presentation began with GM Helliker reviewing the service area map and the process taken to date. Legal Counsel Buckman reviewed the electoral process, mapping the divisions and legal considerations in drawing electoral divisions.

GM Helliker continued the presentation with a review of the demographic summary which used the 2010 Census figures and explained that each division would contain approximately 30,100 residents, +/- 10%. In addition, he reviewed the maps with concentrations of African Americans, Asian Americans, and Latino residents, and the map with the Census block groups population numbers. In addition, he reviewed the next steps, which include the release of the draft maps and future public meetings.

At approximately 6:17 p.m. the meeting was disrupted with obscene language and images from hackers. Members of the public were unable to provide input during the remainder of the hearing, so the President was forced to adjourn the meeting. The Board decided to continue the meeting on July 14, 2020, at 6:00 p.m.

## III. ADJOURN

President Costa announced that the public hearing would be continued to Tuesday, July 14, 2020, at 6:00 p.m.

**The meeting was adjourned at 6:36 p.m.**

ATTEST:

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EDWARD J. "TED" COSTA, President  
Board of Directors  
San Juan Water District

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TERI GRANT, Board Secretary



The meeting minute attachments are located under Meeting Minutes – *Draft* on the webpage.

# STAFF REPORT

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To: Board of Directors  
From: Lisa Brown, Customer Service Manager  
Date: July 22, 2020  
Subject: Lucy & Company FY 2020-21 Public Information Agreement

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## **RECOMMENDED ACTION**

Review the FY 2020-21 public information and marketing scope of work from Lucy & Company and recommend approval at the July 22, 2020, Board meeting. Services shall not exceed \$98,080. The staff recommendation was reviewed by the Public Information Committee, which recommends approval by the Board of Directors.

## **BACKGROUND**

The scope of work entails activities for both retail and wholesale. Retail work shall include assistance with the WaterGram, development and posting of electronic media, assistance with outreach materials, team meeting participation and project management. Services shall not exceed \$68,835. Wholesale work shall include assistance with the consumer confidence report production, development and posting of electronic media, assistance with media relations, and project management. Services shall not exceed \$29,245.

## **FINANCIAL CONSIDERATIONS**

Funding for recommended services are included in the FY 2020-21 public information operations budget.

## **ATTACHMENT**

Lucy & Co 2020-21 Public Outreach Scope of Work



Exhibit A



# 2020-21 Public Outreach Scope



## Introduction

Lucy & Company developed the following scope and estimated budget for the 2020/21 fiscal year to continue to assist San Juan Water District with their public outreach communications.

For fiscal year 2020/21, San Juan staff will continue to manage activities in-house like updating and uploading information to the website, working with regional partners and managing the majority of the public affairs activities.

Lucy & Company will help:

- **Position San Juan Water District as a leading, customer service-oriented water provider**, delivering high-quality water supplies at fair rates.
- **Provide information in a transparent manner** to sustain and/or build trust among customers and stakeholders.
- **Educate and inform customers** about their water supply and water quality.
- **Raise awareness about capital improvement projects**, why they are necessary and why it is important to invest in them.
- **Promote customer service and events** in a timely manner to extend these opportunities to customers and encourage their participation.

## San Juan Retail

Task	Activities	Frequency
Newsletter/WaterGram <ul style="list-style-type: none"> <li>• Three trifold, full-length newsletter inserts</li> <li>• Three, 1/3-page inserts</li> </ul>	<ul style="list-style-type: none"> <li>• Create and maintain annual and ongoing production calendars</li> <li>• Develop content outlines</li> <li>• Write and edit content</li> <li>• Facilitate design and design edits</li> <li>• Provide final delivery of files for production (assumes client pays for direct costs for delivery)</li> <li>• Design one additional bill insert, if needed</li> </ul>	Year-round with monthly activities
Electronic Media (social media and e-blasts)	<ul style="list-style-type: none"> <li>• Provide annual topic list for e-blasts, social media and WaterGram</li> <li>• Provide daily (weekday) editorial content for Facebook and Twitter (26 versions for two weeks of posts)</li> <li>• Develop recommendations for paid Facebook advertisements to help amplify events and calls to action and announce timely news</li> <li>• Develop content outlines for monthly e-blasts</li> <li>• Provide content for e-blasts to share retail news (includes one to two topics; one major news announcement and/or event updates, up to 12 e-blasts)</li> <li>• Track metrics and provide report and recommendations in annual analytics report (end of contract)</li> </ul>	Ongoing social media and monthly e-blasts
Outreach Materials	<ul style="list-style-type: none"> <li>• Provide ongoing assistance with outreach materials development as needed including flyers, infographics (includes up to two additional materials)</li> <li>• Includes content, design and design edits</li> </ul>	Ongoing
Team Meetings	<ul style="list-style-type: none"> <li>• Prepare for and participate in planning meetings with the PI committee, San Juan staff and/or board of directors</li> <li>• For team meetings, provide recaps with summary of next steps, as applicable</li> </ul>	Assumes up to six meetings
Project Management	<ul style="list-style-type: none"> <li>• Project forecasting and reporting</li> </ul>	Monthly



## Budget Estimates

Retail: \$68,835

Wholesale: \$29,245

Total: \$98,080

### San Juan Retail

2020 Rates		\$185	\$150	\$120	\$90			
Tasks	Total Hours	President	Project Manager	Project Coordinator	Biz Admin	Total Fees	Direct Costs	Project TOTAL
Newsletter	115.00	25	65	25		\$ 17,375	\$ 4,370	\$ 21,745
Electronic Media	160.00	24	64	72		\$ 22,680	\$ -	\$ 22,680
Outreach Materials	83.00	12	46	25		\$ 12,120	\$ -	\$ 12,120
Team Meetings	36.00	24	12			\$ 6,240	\$ -	\$ 6,240
Project Management	36.00	12	12		12	\$ 5,100	\$ 950	\$ 6,050
<b>SUBTOTAL</b>	<b>430.00</b>	<b>97.00</b>	<b>199.00</b>	<b>122.00</b>	<b>12.00</b>	<b>\$ 63,515</b>	<b>\$ 5,320</b>	<b>\$ 68,835</b>
<b>GRAND TOTAL</b>	<b>430.00</b>	<b>97.00</b>	<b>199.00</b>	<b>122.00</b>	<b>12.00</b>	<b>\$ 63,515</b>	<b>\$ 5,320</b>	<b>\$ 68,835</b>

### San Juan Wholesale

2020 Rates		\$185	\$150	\$120	\$90			
Tasks	Total Hours	President	Project Manager	Project Coordinator	Biz Admin	Total Fees	Direct Costs	Project TOTAL
CCR	20.00	6	8	6		\$ 3,030	\$ 600	\$ 3,630
Electronic Media	53.00	10	28	15		\$ 7,850	\$ -	\$ 7,850
Outreach Materials	61.00	13	28	20		\$ 9,005	\$ 800	\$ 9,805
Project Management	48.00	24	12		12	\$ 7,320	\$ 640	\$ 7,960
<b>SUBTOTAL</b>	<b>182.00</b>	<b>53.00</b>	<b>76.00</b>	<b>41.00</b>	<b>12.00</b>	<b>\$ 27,205</b>	<b>\$ 2,040</b>	<b>\$ 29,245</b>
<b>GRAND TOTAL</b>	<b>182.00</b>	<b>53.00</b>	<b>76.00</b>	<b>41.00</b>	<b>12.00</b>	<b>\$ 27,205</b>	<b>\$ 2,040</b>	<b>\$ 29,245</b>

## Terms

- Cost estimate does not include services outside the scope of work as described.
- This scope is based on a time and materials basis and tasks will be billed at an hourly rate and will not exceed the budget without advance notice and approval from client.
- Any new tasks will be estimated and approved by the client prior to proceeding.
- Budget and hourly rates are based on a 12-month project as outlined. Activities extending past that period will be subject to new cost estimates, if applicable.
- Copy and design fees based on two rounds of revisions after presentation of first draft.

# STAFF REPORT

---

To: Board of Directors  
From: Tony Barela, Operations Manager  
Date: July 22, 2020  
Subject: Hinkle Reservoir Outage Temporary Tanks Project – Construction Management/Inspection Services

---

## RECOMMENDED ACTION

Staff requests a recommendation from the committee to the Board of Directors for a motion to award a professional services contract to Inferrera Construction Management Group, Inc. (ICM) for the amount of \$71,200 with a construction contingency of \$7,000 (10%) for an authorized total construction budget of \$78,200. The staff recommendation was reviewed by the Engineering Committee, which recommends approval by the Board of Directors.

## BACKGROUND

This project involves the construction of two (2) bolted steel potable water storage tanks and appurtenances that will be used for operational storage while the Hinkle Reservoir liner and cover are being replaced. This project is needed to maintain Wholesale water delivery operations while Hinkle Reservoir is off-line. ICM will provide Construction Management and Inspection services during the construction of the tanks.

## STATUS

The Pre-Construction Meeting was held on July 2, 2020 for the temporary tanks project. Beyond submittals & requests for information (RFIs), most of the work associated with management of the project will take place once the tank sections are delivered to the District site sometime in late summer/early fall. ICM has worked with the District on past projects and is highly qualified to provide the services as laid out in the proposed scope of work.

## FINANCIAL CONSIDERATIONS

ICM is on our on-call consultant list. Since this project exceeds the \$50,000 authorization of the General Manager, it will require Board approval prior to executing the contract. This service is included in the approved FY20/21 Wholesale budget for the Hinkle Reservoir Outage Temporary Tanks Project.



# STAFF REPORT

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To: Board of Directors

From: Tony Barela, PE  
Operations Manager

Date: July 22, 2020

Subject: Bacon & Upper Granite Bay Pump Station Generator Replacement Project

---

## Recommended Action

Staff requests a recommendation from the Committee for a Board motion to award a professional services contract to EETS, Inc. for engineering services related to the Bacon & Upper Granite Bay Pump Station Generator Replacement Project in the amount of \$75,275 and authorizing a total budget of \$82,800 (includes 10% contingency). The staff recommendation was reviewed by the Engineering Committee, which recommends approval by the Board of Directors.

## Background

On May 28, 2020, the District requested proposals for professional engineering services to complete the Bacon & Upper Granite Bay Pump Station Generator Replacement Project. There are two (2) generators located at the Bacon Pump Facility and a single (1) generator at the Upper Granite Bay Pump Station (UGBPS) that have reached the end of their service life. This project includes design & bidding services for the replacement of the emergency standby generators at the two pump stations. Construction Management and inspection services are also included in the proposal as an optional task to be considered upon completion of the design project.

A pre-proposal conference was held on June 11, 2020. The project was presented to the Consultants, questions were received and answered, and a site visit to both stations followed the meeting. Nine (9) consultants attended the pre-proposal conference.

Proposals were received on July 2, 2020 from the following four (4) firms:

- EETS, Inc.
- A T.E.E.M. Electrical Engineering, Inc.
- Frisch Engineering, Inc.
- HDR Engineering, Inc.

Each proposal was submitted in two separate files consisting of a Technical Proposal and a Cost Proposal. A review panel reviewed and ranked each Technical Proposal on the basis of project understanding, work plan, experience and qualifications, project schedule, innovation, and other project-specific criteria. The reviewers ranked EETS, Inc. as the top technical proposal.

Subsequent to the technical ranking, the cost proposals were opened and reviewed. The following table summarizes the proposed costs from each firm.

**STAFF REPORT**

*Bacon & Upper Granite Bay Pump Station Generator Replacement Project  
Tony Barela, Operations Manager*

---

<b>Consultant</b>	<b>Engineering Services</b>
<b>EETS, Inc.</b>	\$75,275
<b>A T.E.E.M. Electrical Engineering, Inc.</b>	\$97,920
<b>Frisch Engineering, Inc.</b>	\$126,075
<b>HDR Engineering, Inc.</b>	\$142,151

Based on the reviewer’s evaluation, it was determined that interviews would not be necessary and that EETS, Inc. is the recommended consultant to complete the project.

**Budget Impact**

This project is within the budget allocation as defined in the FY20/21 Financial Plan.



## STAFF REPORT

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To: Board of Directors  
From: Greg Zlotnick – Water Resources Manager  
Date: July 22, 2020  
Subject: 25 Year Demand Forecast and Capacity Analysis Report

---

### RECOMMENDED ACTION

Receive and Accept the Report – Recommend Board do the same. The staff recommendation was reviewed by the Engineering Committee, which recommends that the Board of Directors receive and accept the report.

### BACKGROUND

Placer County Water Agency (PCWA) inquired of the District at a 2 X 2 meeting last year as to the potential for the District to utilize existing excess capacity to treat and wheel PCWA water supplies to western Placer County to serve planned and expected new development. If the District were able to provide such service, PCWA would not have to construct its own treatment plant or at least could postpone having to do so for years if not decades.

The District issued an RFP for a future demand study, which would also serve as a necessary component of the District's 2020 Urban Water Management Plan (UWMP -- due to the Department of Water Resources in mid-2021), and an assessment of capacity at the water treatment plant (WTP) to accommodate additional throughput. We originally thought we would also have to assess the availability of capacity in the Cooperative Transmission Pipeline (CTP), but PCWA and Sacramento Suburban Water District (SSWD) are discussing PCWA "sub-letting" 15 mgd of SSWD's 59 mgd capacity in the CTP to provide for wheeling capacity from the District to western Placer County.

Tully & Young were selected to undertake the study and the report provided today is the result of that effort, which was completed under budget.

The results of the analysis, which included collaboration with the District's Wholesale Customer Agencies (WCAs), indicate that the District's long-term wholesale demand profile is unlikely to grow much from current levels. Although there will be some development and population growth, it is assumed that new construction will incorporate water efficiency improvements, and outdoor water use

will reduce over time as efficiency increases, landscapes are modified, and the recent water conservation laws, including agency water budgets, are implemented.

With regard to capacity and the ability to provide PCWA with reliable access to the District's WTP, the results show that generally there is available capacity, although in certain months there may be operational constraints that will require flexibility and alternative approaches to meeting PCWA's needs. However, as these potential limitations become better defined, we expect to collaborate with the involved agencies, to develop approaches and protocols to address them, and ensure that they are incorporated in any future agreements.

### **CURRENT STATUS**

The study is now complete, and came in under budget.

Assuming the Committee and the Board accept the study, staff will share it with PCWA and use it to inform further discussions that will include refinement of their timeline and needs etc.

As noted above, the results will also be used as part of the District's and WCA's UWMP 2020 updates.



**Tully & Young**  
Comprehensive Water Planning

965 University Avenue, Suite 222  
Sacramento, California 95825  
(916) 669-9357



June 2020

## 25-Year Demand Forecast and Capacity Analysis

Prepared for:  
**San Juan Water District**



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DRAFT

## CHAPTER 1. INTRODUCTION

The San Juan Water District's ("District") mission is to "*ensure the delivery of a reliable water supply of the highest quality at the lowest reasonable price.*" To accomplish this mission requires continuous assessments of all the factors associated with securing, diverting, treating, and delivering water to customers 365 days a year. This study focuses on a few of these factors:

- ◆ Forecasting annual water demands for the next 25 years for the District's retail and wholesale customer agencies ("WCAs"),
- ◆ Translating these demands to estimated monthly quantities and assessing the effect on the District's water treatment and wholesale transmission system capacities, and
- ◆ Quantifying potential unused water treatment and/or wholesale transmission capacity that could be offered to serve potential treatment, transfer and/or delivery opportunities beyond the District's wholesale customer needs.

In addition to these study objectives, the demand forecasts herein, have been prepared in a manner to allow them to be readily incorporated into the relevant analysis in the District's upcoming 2020 Urban Water Management Plan (UWMP), due by July 1, 2021.

This remainder of this report is organized as follows:

- ◆ Chapter 2 – Water Demand Forecast
- ◆ Chapter 3 – Water Treatment Plant and Conveyance System
- ◆ Chapter 4 – Available Capacity Analysis

## CHAPTER 2. WATER DEMAND FORECAST

This section presents the water demand forecasts for the San Juan Water District’s (“District”) retail service area and wholesale customer agencies (“WCAs”). To assess the treatment and conveyance infrastructure needed to continue to serve these customers, the District must credibly forecast the future monthly and annual demands over the next few decades. Furthermore, by understanding the demands of these customers on existing treatment and conveyance infrastructure, the District can assess whether and to what extent opportunities to utilize unused capacity in the future may exist.

Forecasting future water demands begins with an understanding and assessment of existing customer demands and their trends, evaluating the potential for additional customers through growth, and consideration of the factors that will influence both existing and new customer use well into the future. The basis for and results of this forecast are presented in the following sections, organized as follows:

- ◆ Current Water Demands – This subsection presents data reflecting the current monthly and annual water demand conditions for the District’s retail customers and WCAs.
- ◆ Water Demand Forecasting Factors – Forecasting future demand requires assessing several factors: future water use habits of existing customers that will alter their existing use (usually downward); land use plans demonstrating types of anticipated growth or redevelopment; the effects of a changing climate, particularly on landscape water demands; and, various laws and regulations governing future water use demand factors such as water-efficient fixtures, appliances, and landscaping. This subsection discusses these various factors and how they influence demand projections.
- ◆ Forecast Water Demands – This subsection presents the derivation of future annual water demands, reflecting both the continued evolution of existing customer demands and the potential incremental addition of new customers associated with growth. This subsection also discusses trends in monthly demand patterns that can affect treatment and delivery infrastructure and operations, which in turn impact the availability of potential excess capacity on a monthly and annualized basis.
- ◆ Summary of Water Demands – This subsection presents a summary of the projected current and future retail and WCA water demands in five-year increments. These estimated regional demands will ultimately have to be met with a combination of District wholesale and individual WCA water supply assets such as groundwater.

## 2.1 Current Water Demands

The District serves as a retail and wholesale water service provider to the area shown in Figure 2-1 – providing potable water to 30,000 customers in its retail area, and an additional 120,000 WCA customers. Utilizing water purchased through contracts with the District, WCAs provide retail service to customers within their own boundaries and include: Citrus Heights Water District (CHWD), the City of Folsom north of the American River (Folsom), Fair Oaks Water District (FOWD), and Orange Vale Water Company (OVWC).<sup>1</sup> Under normal operations, all of the water supplied by the District to its retail customers and the WCAs is drawn from Folsom Lake, treated at the District’s water treatment plant, and delivered through an array of pipelines and turnouts (detailed in Section 3). FOWD and CHWD have also routinely met part of their own customer water demand with their own groundwater wells.

Data used to approximate current water demands was obtained from annual reports submitted to the State Water Resources Control Board, Division of Drinking Water by the District for its RSA and each WCA. These reports are referred to as the ‘electronic Annual Report’ or eAR, formerly referred to as the Public Water System Statistics (PWSS) reports.

### 2.1.1 Current Retail Demands

Figure 2-1 displays the District’s retail service area. According to the District’s eAR reports for 2016, 2017 and 2018, the District served water to more than 10,600 metered customers, with 94% or over 10,000 of these customers being individual single-family homes (see Table 2-1). The volume of water deliveries to these customers is presented in Table 2-2.

From this information, an estimate of the ‘current water demand’ of existing retail customers has been developed. Knowing that actual demand for existing customers varies slightly year-to-year based on a variety of factors (e.g. total rainfall and the timing of spring rain events), the recent data provides a basis for estimating current retail demands. For purposes of estimating the current water demand, an average of the 2017 and 2018 metered volume was set as a target annual demand used to derive a ‘current water demand’ using unit demand factors discussed below. The target ‘current water demand’ was then estimated using customer-type demand factors and total connection data to generate a comparable estimate.

---

<sup>1</sup> The District also contracts with Sacramento Suburban Water District (SSWD) to provide water treatment and conveyance on an as-available basis, and therefore, is not considered a wholesale customer agency for the purposes of this study.

Figure 2-1: San Juan Water District Wholesale Service Area

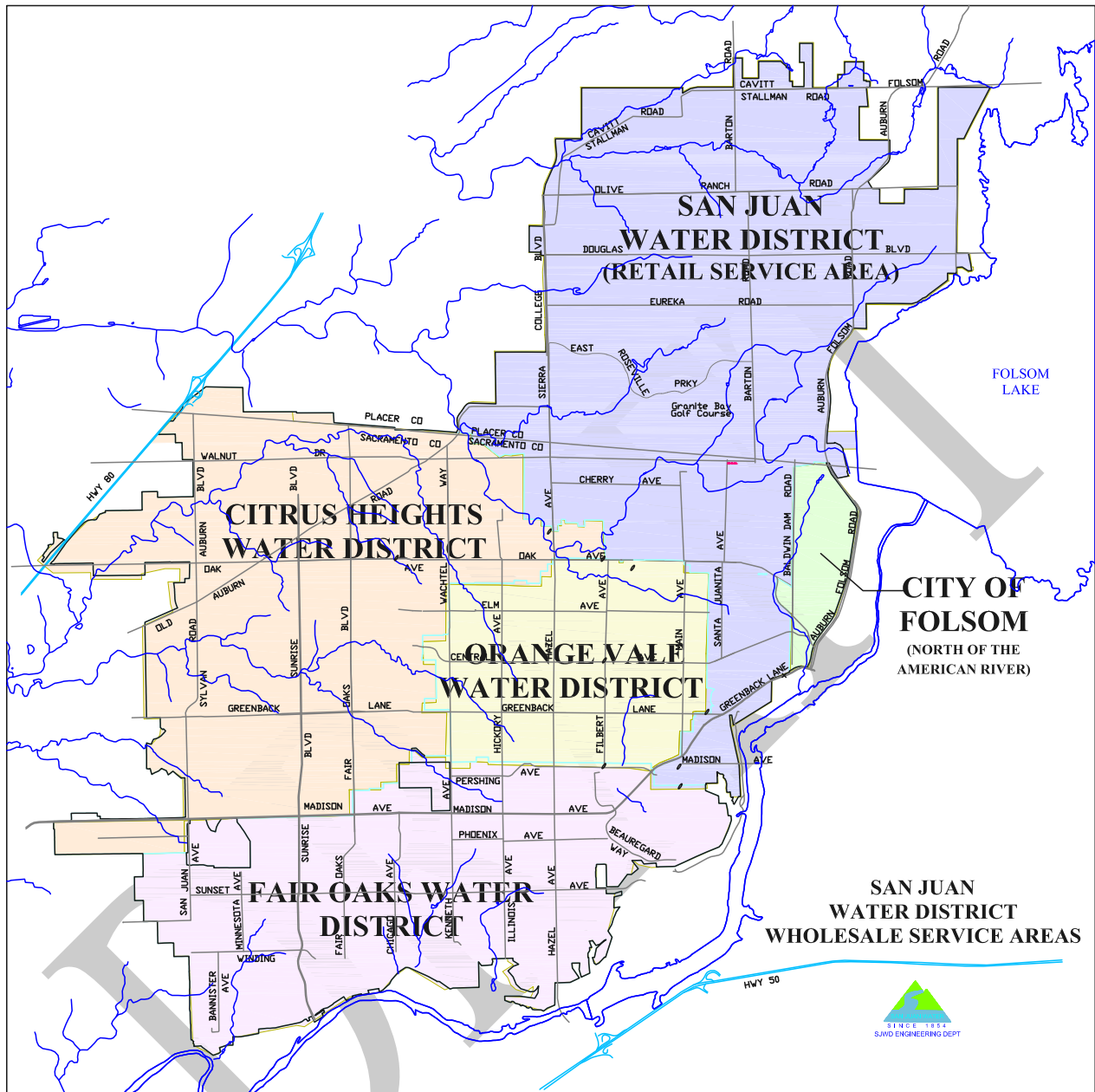


Table 2-1: SJWD Retail Connections by Type

User Type	Metered Connections			
	2016	2017	2018	avg '17-'18
Single Family	10,009	10,031	10,046	10,039
Multi-Family	119	119	119	119
Comm./Inst.	256	262	263	263
Industrial	0	0	0	0
Landscape	211	213	213	213
Agriculture	5	7	8	8
<b>Total</b>	<b>10,600</b>	<b>10,632</b>	<b>10,649</b>	<b>10,641</b>

Table 2-2: SWJD Retail Delivery by Type

User Type	Metered Delivery Volume (af)			
	2016	2017	2018	avg '17-'18
Single Family	8,061	8,914	9,135	9,025
Multi-Family	136	136	149	143
Comm./Inst.	497	405	570	488
Industrial	0	0	0	0
Landscape	679	184	798	491
Agriculture	23	790	64	427
<b>Total</b>	<b>9,396</b>	<b>10,429</b>	<b>10,716</b>	<b>10,573</b>

Customer-type demand factors for existing customers can be estimated using the monthly data reported in the eAR reports. For instance:

- Per-connection single-family indoor water use can be estimated using January and February data where most water use is presumed to be for indoor purposes as outdoor irrigation is usually halted or minimized during those months. According to the District's eAR, January and February data for 2017 was 211 acre-feet and 190 acre-feet respectively, with 2018 use reported as 270 acre-feet and 257 acre-feet respectively. Averaging these values results in 232 acre-feet per month, which would be approximately 2,784 acre-feet for all 12 months of the year. For these years, the District averaged 10,039 active single-family accounts. Dividing the estimated annual amount by the number of connections provides an estimated per-connection indoor use estimate of 0.28 acre-feet/year.
- Per-connection single-family outdoor use can be estimated by subtracting the indoor use from the annual total and dividing by the same number of connections. As shown in Table 2-2, total annual use for single-family customers averaged 9,025 acre-feet. The

calculation, subtracting the average indoor use, results in an outdoor per-connection demand factor of 0.62 acre-feet per year.<sup>2</sup>

- ◆ Per-connection estimates for the other customer types can similarly be estimated by dividing the number of connections into the annual use.

The resulting estimated current water demand for existing retail customers is shown in Table 2-3. While the single-family residential classification in Table 2-3 presents separate estimates for indoor and outdoor uses, water use for the multiple family and commercial classifications is classified as “indoor” only. This study acknowledges that each of these classifications also have outdoor uses. However, because the number of actual customers per connection for multi-family locations can vary, outdoor use at a commercial location may separately be included under the landscape classification, and increased demand for commercial customers in the summer may be due to factors such as increased HVAC use or increases in other indoor demands (e.g. seasonal services, outdoor misters), separating the indoor and outdoor cannot easily be accomplished.<sup>3</sup> This simplified approach of only separating indoor from outdoor use for residential use was consistently applied for the District’s retail service area as well as the WCA service areas discussed in later subsections.

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<sup>2</sup> Single-family demands within the District’s retail service area are generally higher than most communities as a high percentage of the District’s retail customers reside on larger lots of over an acre in size, with some including small agricultural operations and others being luxury estates.

<sup>3</sup> In contrast to the challenges separating indoor and outdoor use for multiple family and commercial classification, indoor use in single family residences generally is consistent throughout the year, thus can more readily be separated from total water use.

Table 2-3: Estimated Current Retail Customer Water Demand (acre-feet/year)

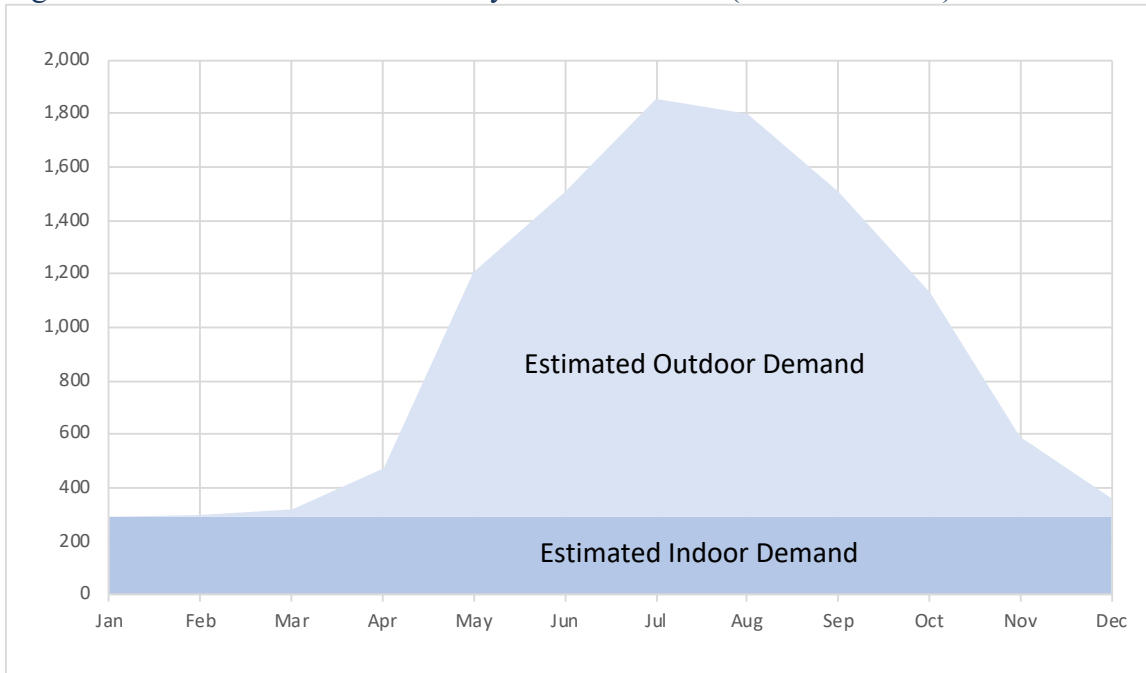
Metered Connections		Demand Factor (af/connection)		Demand
<b>Residential</b>				
Single Family	10,039	0.28	(indoor)	2,811
		0.62	(outdoor)	6,224
Multi-Family	119	1.15	(indoor)	137
			(outdoor)	0
Res. Indoor Subtotal				2,948
Res. Outdoor Subtotal				6,224
Residential Total				9,172
<b>Non-Residential</b>				
Comm/Inst	263	1.50	(indoor)	395
Landscape	213	4.00	(outdoor)	852
Agriculture	8	5.00	(outdoor)	40
Non-Res. Indoor Subtotal				395
Non-Res. Outdoor Subtotal				892
Non-Res. Total				1,287
Indoor Estimated Total				3,342
Outdoor Estimated Total				7,116
Total Estimated Customer Demand				10,458
Estimated Non-Revenue Water			8%	868
Total Estimated Supply Demand				11,300

Annual demand is useful for understanding the magnitude of supplies needed and is useful in projecting into the future. But, understanding the monthly distribution of this demand is also informative. Figure 2-2 presents the estimated retail customer annual demand in a monthly pattern, as discerned by the monthly reporting in the District’s eAR reporting. The figure further approximates the distribution between indoor and outdoor demands – where indoor reflects residential indoor as well as the steady commercial and institutional demands that occur throughout the year. While not exact, this separation illustrates the significant effect on total demand and the timing of that demand that accompanies irrigated landscapes (residential and public). As reflected in Table 2-3, 55% of the District’s annual retail demand is estimated to meet residential outdoor needs. However, during summer months, outdoor use represents over 80% of the monthly demand. Over time, and as explained later in this section, this outdoor residential demand likely will be the focus of future demand reduction efforts, whether through voluntary and passive measures, or through District programs or ordinances in order to comply with and meet future State-mandated water budget constraints.<sup>4</sup>

<sup>4</sup> Recently enacted Water Code Section 10609 et seq will establish ‘urban water use objectives’ for each urban retail water supplier that will be enforceable as soon as 2025.



Figure 2-2: Retail Customer’s Monthly Demand Pattern (acre-feet/month)



### 2.1.3 Current Wholesale Customer Agency Demands

Using the same methodology described for the District’s retail service area, the current water demands for the existing customers within each WCAs’ service area can be estimated. Estimates for each WCA are presented in the following tables.

#### 2.1.3.1 Citrus Heights Water District

As shown in Figure 2-1, CHWD serves a sizeable suburban area within Sacramento County and a small portion of Placer County. With over 20,000 connections, CHWD has nearly twice the number of connections as the District’s retail service area and is the District’s largest wholesale customer (see Table 2-4). Similar to the District’s retail area, about 93% of CHWD’s customers are residential users, though there is a much higher number of multi-family connections. The water delivered to CHWD customers is presented in Table 2-5.

Table 2-4: CHWD Connections by Type

User Type	Metered Connections			
	2016	2017	2018	avg '17-'18
Single Family	16,407	16,508	16,518	16,513
Multi-Family	2,191	2,186	2,187	2,187
Comm./Inst.	741	753	699	726
Industrial	56	56	56	56
Landscape	388	393	395	394
Other		209	213	211
<b>Total</b>	<b>19,783</b>	<b>20,105</b>	<b>20,068</b>	<b>20,087</b>

Table 2-5: CHWD Deliveries by Type

User Type	Metered Delivery Volume (af)			
	2016	2017	2018	avg '17-'18
Single Family	6,384	6,966	6,946	6,956
Multi-Family	1,920	1,976	1,967	1,971
Comm./Inst.	828	861	887	874
Industrial	281	323	321	322
Landscape	684	858	849	853
Other	12	12	12	12
<b>Total</b>	<b>10,108</b>	<b>10,996</b>	<b>10,982</b>	<b>10,989</b>

As with the District’s retail customers, an estimate of ‘current water demand’ of existing customers can be developed from this information. As explained for the District’s retail customers in the prior subsection, data from the CHWD eAR reports was used to develop an estimate of existing customer water demand.<sup>5</sup> The resulting estimated current water demand for existing CHWD customers is shown in Table 2-6.

Table 2-6: Estimated Current CHWD Customer Water Demand (acre-feet/year)

Metered Connections		Demand Factor (af/connection)		Demand
<b>Residential</b>				
Single Family	16,513	0.20	(indoor)	3,303
		0.23	(outdoor)	3,798
Multi-Family	2,187	0.89	(indoor)	1,946
			(outdoor)	0
Res. Indoor Subtotal				5,249
Res. Outdoor Subtotal				3,798
Residential Total				9,047
<b>Non-Residential</b>				
Comm/Inst	726	1.20	(indoor)	871
Industrial	56	5.75	(indoor)	322
Landscape	394	2.15	(outdoor)	847
Other	211	0.10	(outdoor)	21
Non-Res. Indoor Subtotal				1,193
Non-Res. Outdoor Subtotal				868
Non-Res. Total				2,061
Indoor Estimated Total				6,442
Outdoor Estimated Total				4,666
Total Estimated Customer Demand				11,108
Estimated Non-Revenue Water			5%	555
Total Estimated Supply Demand				11,700

<sup>5</sup> Multiple family, commercial and industrial classifications are listed as “indoor” for reasons described for the Retail customers in Section 2.1.1.

### 2.1.3.2 City of Folsom

As shown in Figure 2-1, the City of Folsom (City) serves a small suburban area within its City limits just north of the American River, with District wholesale supplies. This area is referred to by the City as the Ashland service area. In contrast, a neighboring area, referred to as American River Canyon, is also within the City limits, but is serviced by the District and is part of the District’s retail customer base. With an estimated population of about 5,500, the Ashland area has less than 1,000 connections compared to the connections in the District’s retail service area. This area of the City is 93% residences (see Table 2-7). The water delivered to these customers is presented in Table 2-8.

Table 2-7: Folsom Ashland Service Area Connections by Type

User Type	Metered Connections			
	2016	2017	2018	avg '17-'18
Single Family	965	967	967	967
Multi-Family	29	30	30	30
Comm./Inst.	41	44	43	44
Landscape	30	31	31	31
Total	1,065	1,072	1,071	1,072

Table 2-8: Folsom Ashland Deliveries by Type

User Type	Metered Delivery Volume (af)			
	2016	2017	2018	avg '17-'18
Single Family	538	588	600	594
Multi-Family	150	224	245	235
Comm./Inst.	75	74	84	79
Landscape	52	55	84	70
Total	815	941	1,013	977

As with the District’s retail customers, an estimate of ‘current water demand’ of existing customers can be developed from this information. As explained for the District’s retail customers in the prior subsection, data from the City’s eAR reports for the Ashland area were used to develop an estimate of existing customer water demand.<sup>6</sup> The resulting estimated current water demand for existing Ashland customers is shown in Table 2-9.

<sup>6</sup> Multiple family, commercial and industrial classifications are listed as “indoor” for reasons described for the Retail customers in Section 2.1.1.

Table 2-9: Estimated Current Folsom (Ashland) Customer Water Demand  
(acre-feet/year)

Metered Connections		Demand Factor (af/connection)		Demand
<b>Residential</b>				
Single Family	967	0.21	(indoor)	203
Family		0.40	(outdoor)	387
Multi-Family	30	7.80	(indoor)	234
Family			(outdoor)	0
Res. Indoor Subtotal				437
Res. Outdoor Subtotal				387
Residential Total				824
<b>Non-Residential</b>				
Comm/Inst	44	1.80	(indoor)	78
Landscape	31	2.25	(outdoor)	70
Non-Res. Indoor Subtotal				78
Non-Res. Outdoor Subtotal				70
Non-Res. Total				148
Indoor Estimated Total				515
Outdoor Estimated Total				457
Total Estimated Customer Demand				972
Estimated Non-Revenue Water			15%	146
Total Estimated Supply Demand				1,100

### 2.1.3.3 Fair Oaks Water District

As shown in Figure 2-1, FOWD also serves a sizeable suburban area within Sacramento County, similar to CHWD. With an estimated population of about 35,000, FOWD has only slightly more connections compared to the District’s retail service area (see Table 2-10). Similar to the District’s retail area, about 95% of FOWD’s customers are residential users, mostly single-family homes. The water delivered to these customers is presented in Table 2-11.

Following the same process, an estimate of ‘current water demand’ of existing customers can be developed from this information. Data from the FOWD eAR reports was used to develop an estimate of existing customer water demand.<sup>7</sup> The resulting estimated current water demand for existing FOWD customers is shown in Table 2-12.

<sup>7</sup> Multiple family, commercial and industrial classifications are listed as “indoor” for reasons described for the Retail customers in Section 2.1.1.

Table 2-10: FOWD Connections by Type

User Type	Metered Connections			
	2016	2017	2018	avg '17-'18
Single Family	12,650	12,631	12,666	12,649
Multi-Family	616	618	618	618
Comm./Inst.	394	395	396	396
Landscape	245	248	251	250
Other		94	96	95
<b>Total</b>	<b>13,905</b>	<b>13,986</b>	<b>14,027</b>	<b>14,007</b>

Table 2-11: FOWD Deliveries by Type

User Type	Metered Delivery Volume (af)			
	2016	2017	2018	avg '17-'18
Single Family	6,546	7,225	7,366	7,296
Multi-Family	639	637	660	649
Comm./Inst.	473	524	529	527
Landscape	514	549	573	561
Other				0
<b>Total</b>	<b>8,172</b>	<b>8,935</b>	<b>9,128</b>	<b>9,032</b>

Table 2-12: Estimated Current FOWD Customer Water Demand (acre-feet/year)

Metered Connections		Demand Factor (af/connection)		Demand
<b>Residential</b>				
Single Family	12,649	0.24	(indoor)	3,036
		0.33	(outdoor)	4,174
Multi-Family	618	1.05	(indoor)	649
			(outdoor)	0
Res. Indoor Subtotal				3,685
Res. Outdoor Subtotal				4,174
Residential Total				7,859
<b>Non-Residential</b>				
Comm/Inst	396	1.35	(indoor)	534
Landscape	250	2.25	(outdoor)	561
Other	95	0.00	(outdoor)	0
Non-Res. Indoor Subtotal				534
Non-Res. Outdoor Subtotal				561
Non-Res. Total				1,095
Indoor Estimated Total				4,218
Outdoor Estimated Total				4,735
Total Estimated Customer Demand				8,954
Estimated Non-Revenue Water			7%	627
Total Estimated Supply Demand				9,600

### 2.1.3.4 Orange Vale Water Company

As shown in Figure 2-1, OVWC serves a smaller suburban and rural area within Sacramento County than either CHWD or FOWD. With an estimated population of about 16,700, OVWC has only about half of the connections compared to the District’s retail service area (see Table 2-13). Similar to the District’s retail area, about 95% of OVWD’s customers are residential users, mostly single-family homes. The water delivered to these customers is presented in Table 2-14.

Table 2-13: OVWC Connections by Type

User Type	Metered Connections			
	2016	2017	2018	avg '17-'18
Single Family	5,228	5,223		5,223
Multi-Family	162	32		32
Comm./Inst.	167	179		179
Industrial	55	55		55
Landscape	47	39		39
Agriculture	6	3		3
Total	5,665	5,531	0	5,531

Table 2-14: OVWC Deliveries by Type

User Type	Metered Delivery Volume (af)			
	2016	2017	2018	avg '17-'18
Single Family	2,520	2,757		2,757
Multi-Family	289	294		294
Comm./Inst.	153	165		165
Industrial	159	180		180
Landscape	30	34		34
Agriculture	96	101		101
Total	3,247	3,530	0	3,530

Following the same process, an estimate of ‘current water demand’ of existing customers can be developed from this information. Data from the OVWC eAR reports was used to develop an estimate of existing customer water demand.<sup>8</sup> The resulting estimated current water demand for existing OVWC customers is shown in Table 2-15.

<sup>8</sup> Multiple family, commercial and industrial classifications are listed as “indoor” for reasons described for the Retail customers in Section 2.1.1.

Table 2-15: Estimated Current OVWC Customer Water Demand (acre-feet/year)

Metered Connections		Demand Factor (af/connection)		Demand
<b>Residential</b>				
Single Family	5,223	0.22	(indoor)	1,149
		0.30	(outdoor)	1,588
Multi-Family	32	9.20	(indoor)	294
			(outdoor)	0
Res. Indoor Subtotal				1,443
Res. Outdoor Subtotal				1,588
Residential Total				3,031
<b>Non-Residential</b>				
Comm/Inst	179	0.92	(indoor)	165
Industrial	55	3.28	(indoor)	180
Landscape	39	0.88	(outdoor)	34
Agriculture	3	33.50	(outdoor)	101
Non-Res. Indoor Subtotal				345
Non-Res. Outdoor Subtotal				135
Non-Res. Total				480
Indoor Estimated Total				1,789
Outdoor Estimated Total				1,723
Total Estimated Customer Demand				3,511
Estimated Non-Revenue Water		5%		176
Total Estimated Supply Demand				3,700

### 2.1.3.5 Summary of Current Wholesale Demands

Together, the current water demands for the existing customers in the WCA service areas, as represented in the prior tables, is about 26,400 acre-feet annually (see Table 2-16).

Table 2-16: Summary of Estimated Current SJWD Wholesale Customer Demands  
(acre-feet/year)

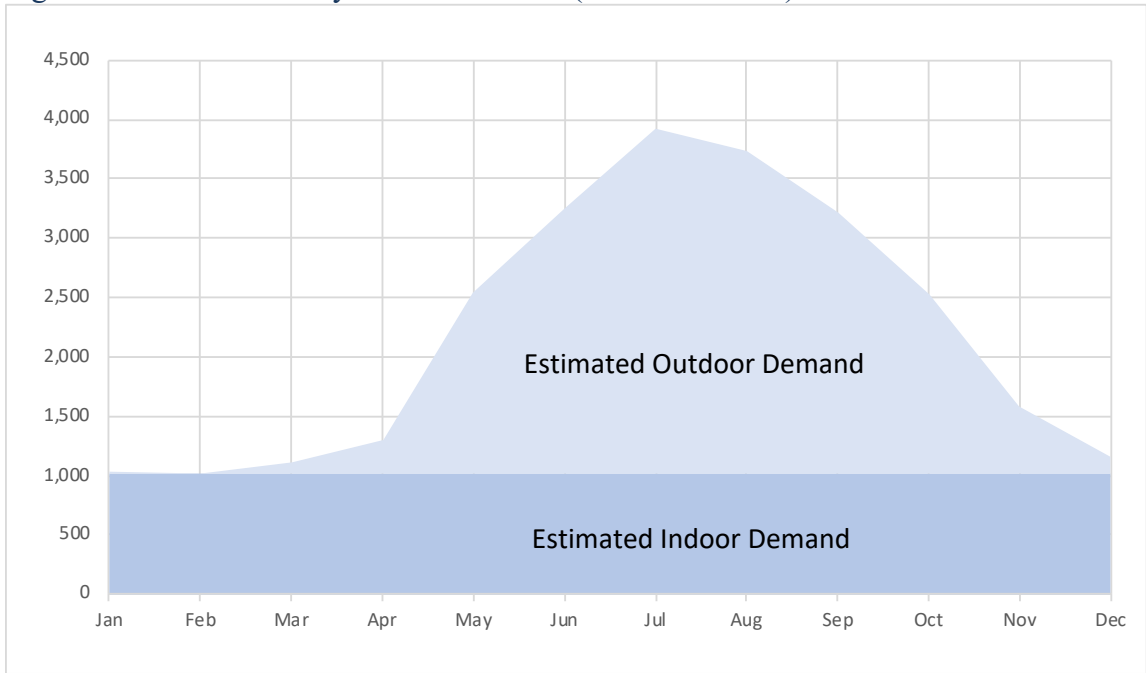
Metered Connections		Demand Factor (af/connection)		Demand
<b>Residential</b>				
Single Family	35,352	varies	(indoor)	7,690
		varies	(outdoor)	9,947
Multi-Family	2,867	varies	(indoor)	3,124
				(outdoor)
Res. Indoor Subtotal				10,814
Res. Outdoor Subtotal				9,947
Residential Total				20,761
<b>Non-Residential</b>				
Comm/Inst	1,344	varies	(indoor)	1,648
Industrial	111	varies	(indoor)	502
Landscape	714	varies	(outdoor)	1,513
Ag/Other	214	varies	(outdoor)	122
Non-Res. Indoor Subtotal				2,151
Non-Res. Outdoor Subtotal				1,634
Non-Res. Total				3,785
Indoor Estimated Total				12,965
Outdoor Estimated Total				11,581
Total Estimated Customer Demand				24,545
Estimated Non-Revenue Water				1,504
Total Estimated Supply Demand				26,000

As with the District’s retail demands, estimating annual WCA demands is a critical component in understanding the magnitude of supplies and treatment needed to meet total projected demands into the future. Understanding the monthly distribution of this demand is important to assess potential treatment and transmission capacity that might be available for use by non-wholesale customers on an annualized basis.

Figure 2-3 presents the cumulative estimated WCA annual demand in a monthly pattern. This figure was derived from a combination of monthly District delivery records to each WCA, combined with CHWD’s and FOWD’s groundwater pumping records for 2017 and 2018.



Figure 2-3: WCA Monthly Demand Pattern (acre-feet/month)



The figure further approximates the distribution between indoor and outdoor WCA customer demands – where indoor reflects residential indoor as well as the steady commercial and institutional demands that occur throughout the year.<sup>9</sup> While not exact, this separation illustrates the significant effect on total demand and the timing of that demand that accompanies irrigated landscapes (residential and public). As reflected in Table 2-16, 38% of the annual WCA demand is estimated to serve residential outdoor needs. However, during summer months, outdoor use represents about 70% of WCA monthly demand.

#### 2.1.4 Demand Trends

The current surface and groundwater supplies needed to meet the District’s retail and WCAs’ existing customer demands totals about 37,300 acre-feet annually (11,300 acre-feet (SJWD retail) plus 26,000 acre-feet (WCAs)). This is significantly less than the amount of water the District delivered a decade ago, and prior to the significant 2013-2016 drought which resulted in reduced water use that has not recovered – and is not expected to recover fully – from those pre-drought levels. Based upon District metered delivery data to its retail and wholesale service areas, along with groundwater pumped by CHWD and FOWD, the average demand for 2011 through 2013 was over 45,000 acre-feet per year, ranging from about 42,300 acre-feet in 2011 (a

<sup>9</sup> Multiple family, commercial and industrial classifications are listed as “indoor” for reasons described for the Retail customers in Section 2.1.1.

very wet year) to 48,700 acre-feet in 2013 (a dry year and the beginning of an extended drought).<sup>10</sup>

In 2015, the State mandated emergency reductions in municipal water use, based on per-capita allowance calculations, which had a significant effect on the District's demand. The District's wholesale deliveries dropped to slightly more than 31,000 acre-feet. The estimated current demand presented above – 37,300 acre-feet – represents a post-drought return to a higher use, but also reflects a conservation “shadow” that appears to indicate current customers have permanently adopted water use habits that will likely result in deliveries not returning to pre-drought levels. In fact, the District's 2019 retail and wholesale deliveries, combined with WCA groundwater deliveries, totaled only about 37,500 acre-feet in what was an “average” water year.<sup>11</sup>

## **2.2 Demand Forecast Factors**

Estimating future demands is subdivided into two categories: (1) changes to the per-connection water demand factors of existing customers expected over the next 25 years, and (2) the per-connection water demand factors for estimated new construction (e.g. new customers).

There are several factors that affect the development of unit water demand use, ranging from the types of replacement and new water-using fixtures and appliances, to State and local landscape restrictions, to State regulations (see below), to water-waste ordinances, to changes in the types of housing products being offered. These factors are incorporated into calculations used to determine adjustments to existing and new customer unit water demand factors discussed in this section. Characteristics of the factors relevant to projecting the District's retail and the WCA demands are described below.

### **2.2.1 State Imposed Water Conservation Objectives**

In 2009, Governor Arnold Schwarzenegger signed Senate Bill No. 7 (SBX7-7), which established a statewide goal of achieving a 20 percent reduction in urban per capita water use by 2020 for urban retail water suppliers.<sup>12</sup> As reflected under the ‘compliance per-capita use’ reporting in the 2015 UWMPs, the District and each WCA are actively reducing current customer use through conservation efforts in order to demonstrate compliance with the 20 percent reduction target by the end of this year (2020) to be documented in the urban supplier's 2020 UWMP.

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<sup>10</sup> During 2011-2013, water treated and delivered by San Juan to its retail customers and WCAs was all but about 1,000 acre-feet of groundwater. From 2001 through 2008, San Juan's deliveries averaged over 53,000 acre-feet.

<sup>11</sup> The District's WTP delivered about 34,000 acre-feet to retail and WCA customers. FOWD and CHWD pumped approximately 3,500 acre-feet.

<sup>12</sup> California Water Code § 10608.20.

Efforts undertaken by urban retail suppliers to comply with this statute, and their customers' resulting change in water use behaviors, have affected existing customer purchases of replacement appliances and fixtures, caused landscapes to alter, and generally created a continuing "conservation ethic."

In response to multi-year drought conditions starting in 2013, Governor Brown issued Executive Order B-37-16 in May 2016 entitled "*Making Water Conservation a California Way of Life.*" In May 2018, Governor Brown signed into law SB 606 and AB 1668, which imposed additional statutory requirements above and beyond the 20 percent by 2020 target and resulted in ongoing requirements to establish retail water budgets based on standards for residential indoor and outdoor use and landscape use, along with loss control standards. The residential indoor use standard will decrease in 2030. These State mandates, in addition to setting standards for increasing water use efficiency, may serve to further reduce water demands of existing and future customers.

### **2.2.2 CALGreen Requirements**

Beginning in January 2010, the California Building Standards Commission adopted the statewide mandatory Green Building Standards Code (hereafter the "CALGreen Code") requiring the installation of water-efficient indoor and outdoor infrastructure for all new projects after January 1, 2011. The CALGreen Code was incorporated as Part 11 into Title 24 of the California Code of Regulations and was revised in 2013 and in 2016 to address changes to the State's Model Water Efficient Landscape Ordinance ("MWELO") adopted during the drought. Revisions to CALGreen Code in 2019 modified sections to direct users to MWELO regulations already included elsewhere in the Code of Regulations.

The CAL Green Code applies to the planning, design, operation, construction, use and occupancy of every newly constructed or remodeled building or structure. All new residential and non-residential customers added to the District's and WCA's retail service areas since 2016 must meet the CALGreen Code as well as the outdoor requirements described by MWELO. Generally, remodels and new construction will satisfy these indoor requirements through the use of appliances and fixtures such as high-efficiency toilets, faucet aerators, on-demand water heaters, or other fixtures, as well as Energy Star and California Energy Commission-approved appliances. Outdoor requirements are discussed in the following subsection.

### **2.2.3 California Model Water Efficient Landscape Ordinance and County Ordinances**

The Water Conservation in Landscaping Act was enacted in 2006, and has since been revised and expanded multiple times by the Department of Water Resources (DWR) resulting in today's Model Water Efficient Landscape Ordinance (MWELO).<sup>13</sup> In response to Governor Brown's executive order dated April 1, 2015, (EO B-29-15), DWR updated the MWELO and the

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<sup>13</sup>Gov. Code §§ 65591-65599

California Water Commission approved the adoption and incorporation of the updated State standards for MWELo on July 15, 2015. MWELo requires a retail water supplier or a county to adopt the provisions of the MWELo or to enact its own provisions equal to or more restrictive than the MWELo provisions.<sup>14</sup> The changes included a reduction from 70 percent to 55 percent of the reference evapotranspiration (ET<sub>o</sub>) for the maximum amount of water that may be applied to a landscape for residential projects, and non-residential projects to 45 percent, which effectively reduces the landscape area that can be planted with high water use plants, such as a turf. For residential projects, the allowable maximum coverage of high-water use plants is reduced to 25% of the landscaped area (down from 33%). The newly updated MWELo also now applies to new construction with a landscape area greater than 500 square feet (the prior MWELo only applied to landscapes greater than 2,500 square feet).<sup>15</sup>

#### **2.2.4 Metering, Volumetric Pricing, and Water Budgets**

California Water Code Section 525 required water purveyors to install meters on all new service connections after January 1, 1992. California Water Code Section 527 required water purveyors to charge for water based upon the actual volume of water delivered if a meter has been installed. Retail customers served by the District and WCAs are fully metered and billed in part based upon volume, which has had a substantial effect on water use and is reflected in the current water demand of existing customers.

#### **2.2.5 Adjustment to Future Demands of Existing Customers**

Existing customers' future unit demand factors are assumed to change mostly from drivers such as general homeowner fixture replacements and upgrades, increased awareness and management by homeowners of landscape irrigation scheduling, the District's and WCAs' water efficiency awareness and incentive programs, and other factors contributing to an increased awareness and ethic of water conservation.

For purposes of this analysis, the future demand of only the existing customers is estimated by applying a reduction to the outdoor residential demand factor for existing customers, though the reductions may actually occur within the existing residences and by other existing users such as commercial landscaping, commercial indoor use and public landscapes. This conservative reduction is estimated by applying a one-time, 5 percent reduction from the baseline per-connection residential outdoor factor in year 15, then maintaining the revised outdoor factor for the remaining years in this study. The following formulas present this conservative assumption:

- ◆ 5+ and 10+ years = 100% of baseline outdoor demand factor

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<sup>14</sup> Placer County has a water efficient landscape ordinance under County Code Chapter 15, Article 15.75, and is consistent with the State's requirements. Sacramento County defers to the State's MWELo requirements.

<sup>15</sup> CCR Tit. 23, Div. 2, Ch. 27, Sec. 490.1.

- ◆ 15+ through 25+ years = 95% of baseline outdoor demand factor

Resulting values for the effect of these projected reductions on existing customer use in the retail service area and each WCA's service area are provided later in this section.

## 2.2.6 New Customer Demand Factors

Using the same factors previously described that effect per-connection water use, demand factors can be developed to apply to all new construction anticipated over the 25-year planning period.

### 2.2.6.1 Future Residential Per-Connection Demand Factors

Estimating the future demands of new residential customers requires a per-connection (per-dwelling) estimate of indoor and outdoor annual use. These factors can be determined using guidance in the State statutes and mandates discussed previously.

#### Residential Indoor Demand Factors for New Construction

For purposes of this analysis, the new residential indoor demand factors are:

- ◆ 0.18 acre-feet per year for all single-family houses on standard lots (e.g. RD-6; 6,500 sq. ft.; 0.15 ac). This is based upon an assumed occupancy of 3 people per unit and an assumed value of 55 gallons per person per day (gpcd).<sup>16</sup>
- ◆ 0.22 acre-feet per year for all single-family lots on residential estate lots (e.g. large lots). This assumes a slightly higher per-capita use of 65 gpcd, reflecting the generally higher indoor uses already occurring in rural estate housing in the District and OVWC. While not necessarily having more people per house, this higher value can reflect additional appliances, modified fixtures, and other water use factors that may not be in standard single-family homes.
- ◆ 0.12 acre-feet per year for multi-family dwellings, which assumes an average occupancy of 2 people per unit and an assumed value of 55 gallons per person per day (gpcd).

#### Residential Outdoor Demand Factors for New Construction

Outdoor demands for new construction are calculated based on regulations defined under the MWEL. The MWEL provides for determining the Maximum Applied Water Allowance (MAWA) where the maximum is determined as 55 percent of the reference evapotranspiration rate for the specific geographic area for every square foot of landscaped area, resulting in the following equation:

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<sup>16</sup> The assumed per-person rate of 55 gallons per day is derived from California Water Code Section 10608.20(b)(2)(A), which states a value of 55 gallons per capita (i.e., per person) per day (gpcd) be used for estimating indoor residential use targets. In 2019, additional statutory language under CWC Section 10609.4(a) was adopted that establishes the indoor residential water use 'standard' to be 52.5 gpcd beginning in 2025 and as low as 50 gpcd by 2030. For purposes of this analysis, the higher value of 55 gpcd is assumed. If lower standards result, the demand would be expected to be lower than estimated in this study.

*MAWA = (ETo)(0.62)(0.55 x LA), where ETo is the reference evapotranspiration in inches per year, and LA is the landscape area. 0.62 is a conversion factor to gallons. The resulting value is in “gallons per year.”*

A primary factor in this calculation is evapotranspiration (ET). The methodology directs the use of ET from a reference crop, such as maintained grass – a value referred to as ETo. The ETo value for the District’s wholesale area is assumed to be 51 inches of water per year based on weather parameters recorded from the Fair Oaks CIMIS Weather Station.

The landscape area is the other primary factor. To be consistent with the residential indoor factors, three new construction lot-types are assumed with associated landscape areas as follows:

- A standard single-family lot, assumed as 6,500 square-feet (0.15 acres net), is estimated to have about 3,400 square-feet of landscape area.<sup>17</sup> This is derived by subtracting 2,100 square-feet for the home footprint and 1,000 square-feet for hardscape areas (e.g. driveway, walkways, patio). Using the MAWA equation, the landscape area would have an annual demand of 0.18 acre-feet per new home.
- For a rural estate lot, assumed at 40,000 square-feet (approximately 1 acre), a more significant portion is assumed to be landscaped. For this analysis, approximately 15,000 square-feet is assumed to be landscaped, reflecting about 1/3 of a lot, with the rest covered by the home and hardscape or non-irrigated areas. Using the MAWA equation, the landscape area would have an annual demand of 0.80 acre-feet per new home.
- For multi-family dwelling units, landscape areas typically are common, enjoyed by all the residents. However, a very conservative assumption is 500 square-feet of landscape area per unit. Using the MAWA equation, the landscape area would have an annual demand of 0.03 acre-feet per new unit.

As an example of the sensitivity of the outdoor demand factor in response to the single-family lot size, consider that a residential lot that has 3,400 square-feet of landscape at the maximum allowable use has a factor of 0.18 acre-feet per year, or about 180 acre-feet per 1,000 new houses. If the landscape area increases by 1,000 square-feet, the outdoor factor increases to 0.22 acre-feet per year – or about 230 acre-feet per 1,000 new houses. This is an increase in demand of approximately 50 acre-feet for every 1,000 new houses. Considering the limited growth expected in the District’s retail and WCA areas – likely fewer than 5,000 new units combined – these assumptions could vary demand estimates by 200 to 300 acre-feet. With current demands

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<sup>17</sup> A 6,500 square-foot lot equates to a lot density of about 6 units per acre. This is a conservative assumption given that many new developments are using higher densities with more of the lot being the home’s footprint and other hardscape.

of over 35,000 acre-feet, estimated new development will likely not be a significant factor in future demand scenarios and estimates.

Note that each of these factors represents an estimated average for all new construction collectively – individual constructed units may vary higher or lower.

### Non-Residential Demand Factors

The non-residential factors described below are based upon recent water use trends for similar types of land classifications found in other documents such as the District's and WCAs' 2015 UWMP, 2016 and 2017 eARs, or from analyzed meter data for other water agencies in the region.

- Commercial/Institutional use is estimated on a per-acre basis. For this analysis a conservative value of 1.25 acre-feet per gross acre per year is assumed.<sup>18</sup> Given the additional MWELo limits on non-residential landscaping (e.g. limits demand to only 45% of ETo), continued efforts to implement water efficient best management practices in commercial, retail and office installations, and a general expanding conservation ethic, this estimate can apply to the average new acreage established during the time horizon in this analysis.
- Public landscaping water use is also estimated on a per acre basis. Similar to the residential outdoor demand factor, this demand is based primarily on the MWELo's MAWA. However, for public park spaces, the MWELo allows for 100 percent of ETo, rather than limiting to 55 percent as required for residential landscapes or 45 percent for non-residential landscapes. As presented earlier, the ETo for the District's wholesale service area is estimated at 51 inches of water per year, resulting in an annual demand factor of 4.25 acre-feet per gross acre of park. This likely is conservatively high, given that new parks likely will have less turf and more hardscaped areas such as sport courts, non-irrigated play areas, pathways and rest areas.

### Summary of Demand Factors for New Construction

Table 2-17 summarizes the demand factors for the various land-use types that are anticipated under the forecast of future new customers for the District and the WCAs.

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<sup>18</sup> Tully & Young reviewed a number of water systems individual customer meter data from throughout northern California, including adjacent water systems, and has developed demand factors for a number of customer classes on both a per acre and per connection basis as is most appropriate. The water demand numbers used in this and other sections were derived by Tully & Young using largely non-public data. Sample work includes meter analysis for El Dorado Irrigation District, the City of Lincoln and the City of Folsom. The results of these analyses show annual commercial demand ranging from greater than 2 af/ac for restaurants, etc., and less than 1 af/ac for shops and stores with only an employee/customer restroom. These values are based on gross acres, including landscape, parking and delivery areas typically associated with commercial establishments.

Table 2-17: Future Growth Demand Factors

Category	Demand Factor (af/du or af/ac)	
<b>Residential</b>		
Future Single-family	0.18	(indoor)
	0.18	(outdoor)
Future Rural Estate	0.22	(indoor)
	0.80	(outdoor)
Future Multi-family	0.12	(indoor)
	0.03	(outdoor)
<b>Non-residential</b>		
Future Commercial	1.25	(indoor)
Future Public Landscape	4.25	(outdoor)

## 2.3 Forecast Water Demands

With ‘current water demands’ for the retail area as well as each of the WCAs as a baseline, future demands for both the existing customers and anticipated new customers can be estimated and added to the current demands to estimate the overall future needs for the District.

### 2.3.1 Future Retail Demands

Future water demand in the District’s retail service area will be a combination of the continued water demand of existing customers plus the addition of new customers resulting from ongoing growth.

#### 2.3.1.1 Existing Retail Customers

As discussed previously, the District’s existing retail customers’ overall demands are anticipated to slightly reduce from the current baseline. Using the reduction formula presented previously, the per-connection outdoor water demand factors for existing single-family customers are adjusted 5 percent lower than the baseline starting at year +15, as shown in Table 2-18 (note the single-family residential indoor factor is not modified).

Table 2-18: Per-connection Outdoor Demand Factor for District Retail Customers

User Type	Demand Factor (af/connection)				
	Current	+5 yrs	+10 yrs	+15 yrs	
Single Family	0.28	0.28	0.28	0.28	(indoor)
	0.62	0.62	0.62	0.59	(outdoor)

Because the District’s retail service area already has a fairly high per-connection single-family outdoor demand factor as a baseline, the phased conservation and reduction in this value over the next fifteen years has a fairly modest impact on the future demand estimates for the District’s existing retail customers. Table 2-19 presents the forecast demand for the District’s existing retail customers over the next 25 years.



Table 2-19: Existing Retail Customer Future Water Demand

Metered Connections			Existing Customer Estimated Demand (af/yr)					
			Current	2025	2030	2035	2040	2045
<b>Residential</b>								
Single Family	10,039	(indoor)	2,811	2,811	2,811	2,811	2,811	2,811
		(outdoor)	6,224	6,224	6,224	5,913	5,913	5,913
Multi-Family	119	(indoor)	137	137	137	137	137	137
		(outdoor)	0	0	0	0	0	0
Res. Indoor Subtotal			2,948	2,948	2,948	2,948	2,948	2,948
Res. Outdoor Subtotal			6,224	6,224	6,224	5,913	5,913	5,913
Residential Total			9,172	9,172	9,172	8,861	8,861	8,861
<b>Non-Residential</b>								
Comm/Inst	263	(indoor)	395	395	395	395	395	395
Landscape	213	(outdoor)	852	852	852	852	852	852
Agriculture	8	(outdoor)	40	40	40	40	40	40
Non-Res. Indoor Subtotal			395	395	395	395	395	395
Non-Res. Outdoor Subtotal			892	892	892	892	892	892
Non-Res. Total			1,287	1,287	1,287	1,287	1,287	1,287
Indoor Estimated Total			3,342	3,342	3,342	3,342	3,342	3,342
Outdoor Estimated Total			7,116	7,116	7,116	6,805	6,805	6,805
Total Estimated Customer Demand			10,458	10,458	10,458	10,147	10,147	10,147
Est. Non-Revenue Water		8%	868	868	868	842	842	842
Total Estimated Supply Demand			11,300	11,300	11,300	11,000	11,000	11,000

### 2.3.1.2 New Customers

Covering a large area adjacent to Folsom Reservoir including parts of Granite Bay, known for large lots with extensive landscaping, the District’s retail service area demands still have room for limited growth. In addition, using projections from the Sacramento Area Council of Governments (SACOG) among other sources, the District’s 2015 UWMP projected approximately 3,300 additional residents would be added to the District’s retail service area by 2040.<sup>19</sup> Estimates are continually being refined as SACOG introduces updates to various plans and documents. The latest growth projections are included in modeling results associated with the SACOG 2016 and 2020 MTP/SCS.<sup>20</sup> The modeling broke down the area into small multi-block sections, referred to as Traffic Analysis Zones (TAZs), to increase the accuracy of projections.<sup>21</sup> The 2016 MTP/SCS included modeled population and dwelling unit projections that have been used to develop approximate growth baselines and trends.

<sup>19</sup> Table 3-1a, p. 3-5. *Final, 2015 Urban Water Management Plan*, San Juan Water District, June 2016.

<sup>20</sup> Metropolitan Transportation Plan (MTP) and Sustainable Community Strategy (SCS). The 2020 MTP/SCS was adopted in November of 2019 and provides more recent analysis however the data was not broken down to the same detail as the 2016 Model. As such, the 2020 data is considered and used to modify the more detailed 2016 data.

<sup>21</sup> The Traffic Analysis Zones (TAZs) are the most detailed sections, at approximately 400-acre for each TAZ. Regional Analysis Districts (RADs), Census Designated Places (CDPs), and Zip Code Tabulation Areas (ZCTAs) are all larger.

For TAZs that approximately cover the District’s retail service area, the 2016 MTP/SCS projects a growth rate of approximately 0.4 % and approximately 600 new residential units by 2036.<sup>22</sup> Extending this to 2045 would add another 500 units for a total of approximately 1,100 new units by 2045. This estimated additional number of residential customers is reasonable and is consistent with the previous analysis completed as part of the 2015 UWMP.<sup>23</sup>

For this analysis new residential connections are conservatively allocated as 950 new single-family homes, 25 new rural estate homes, and 125 new multi-family homes. Nominal additional commercial and public landscaping are assumed to also be in place by 2045 to support the additional housing, represented as 30 acres of new commercial development and 15 acres of new public landscaped areas. Table 2-20 details these assumptions, phased over the 25-year period.

**Table 2-20: Estimated Future New Retail Customer Demand (acre-feet/year)**

Land-class	Total New Units or Acres					Demand Factor (af/du or af/ac)		Approximate Year				
	2025	2030	2035	2040	2045			2025	2030	2035	2040	2045
<b>Residential</b>												
Future Single-family	50	210	425	650	950	0.18	(indoor)	9	38	77	117	171
						0.18	(outdoor)	9	38	77	117	171
Future Rural Estate	5	10	15	20	25	0.22	(indoor)	1	2	3	4	6
						0.80	(outdoor)	4	8	12	16	20
Future Multi-family	0	20	50	75	125	0.12	(indoor)	0	2	6	9	15
						0.03	(outdoor)	0	1	2	2	4
Residential Indoor Subtotal								10	42	86	130	192
Residential Outdoor Subtotal								13	46	90	135	195
Residential Total								23	89	176	266	386
<b>Non-Residential</b>												
Future Commercial	5	10	15	25	30	1.25	(indoor)	6	13	19	31	38
Future Public Landscape	0	5	10	15	15	4.25	(outdoor)	0	21	43	64	64
Non-residential Total								6	34	61	95	101
Indoor Estimated Total								16	55	105	162	229
Outdoor Estimated Total								13	68	133	199	259
Total Estimated Future Customer Demand								29	123	237	361	488
Estimated Non-Revenue Water							7%	2	9	17	25	34
Total Estimated Future Supply Demand								31	131	254	386	522

### 2.3.1.3 Summary of Future Retail Demand

While new customers will be added to the retail service area, increased water use efficiency and some additional conservation efforts expected of existing customers will offset a portion of this growth by 300 acre-feet and result in a nominal gain of about 200 acre-feet per year by 2045. Table 2-21 presents the overall expected change in the District’s retail service area demands from current to 2045; combining the forecasts for existing and new customers. Additionally, it is

<sup>22</sup> Note that the 2016 Model starts with a population and housing count that exceeds the actual District population by about 10% so these estimates are already high without consideration of actual growth area.

<sup>23</sup> The 2015 UWMP projected about 3,300 new people by 2040. The District’s eAR reports a current population of about 29,500, equivalent to the 2015 population presented in the 2015 UWMP. The District’s eAR also indicates an occupancy rate of 2.9 people per dwelling unit thus 3,300 additional people would need approximately 1,100 new dwelling units.

likely that conservation savings will mostly be through reduced summer irrigation of landscaping as a result of reduced landscape acreage, which will also result in a slight flattening of the monthly demand pattern that the District currently experiences.<sup>24</sup> This is discussed further in a separate section of this analysis.

Table 2-21: Total Forecast Future Retail Water Demands

Land Class		Forecast Demand (acre-feet/year)					
		Current	2025	2030	2035	2040	2045
Existing Customers	Single Family	9,035	9,035	9,035	8,724	8,724	8,724
	Multi-family	137	137	137	137	137	137
	Commercial	395	395	395	395	395	395
	Landscape	852	852	852	852	852	852
	Agriculture	40	40	40	40	40	40
	Subtotal	10,458	10,458	10,458	10,147	10,147	10,147
	Non-revenue water	868	868	868	842	842	842
	Total Existing Customers	11,300	11,300	11,300	11,000	11,000	11,000
New Customers	Single Family	--	18	76	154	234	342
	Rural Estate	--	5	10	15	20	26
	Multi-family	--	0	3	8	11	19
	Commercial/Inst.	--	6	13	19	31	38
	Public Landscape	--	0	21	43	64	64
	Agriculture	--	--	--	--	--	--
	Subtotal	--	29	123	239	360	489
	Non-revenue water	--	2	9	17	25	34
	Total Future Customers	--	31	132	256	385	523
<b>Total Water Demand</b>		<b>11,300</b>	<b>11,300</b>	<b>11,400</b>	<b>11,300</b>	<b>11,400</b>	<b>11,500</b>

### 2.3.2 Future Wholesale Customer Agency Demands

Similar to the District’s retail service area, the WCAs future water demands will be affected by a combination of changes to existing customer demands as well as the addition of new customers as regional growth and in-fill continues. This section details the expected future conditions of both these customers – existing and new – for each of the WCAs.

#### 2.3.2.1 CHWD Future Demands

Future water demand in CHWD’s service area will be a combination of the continued water demand of existing customers plus the addition of new customers resulting from ongoing growth, including the unique potential for a large-scale, mixed use redevelopment at the current Sunrise Mall property. An estimate for this future demand is provided as an addition to other expected growth in the CHWD service area.

<sup>24</sup> Reduced summer irrigation is a predicted outcome resulting from the District’s efforts to satisfy ‘water use objectives’ set forth in California Water Code Section 10609.20 et seq. Even if changing climatic conditions result in higher average summer temperatures, potentially increasing the ET needs of landscaping during summer months, the management of overall water use for landscaping may be the most appropriate method for the District to comply with these new statutory provisions. However, the District will assess this more thoroughly as the State process for determining each supplier’s ‘water use objective’ is further developed.

### Existing CHWD Customers

As discussed previously, existing customers are anticipated to slightly reduce overall demand from the current baseline. Using the reduction formula presented previously, the per-connection outdoor water demand factors for existing single-family customers are adjusted 5 percent lower than the baseline at year +15, as shown in Table 2-22 (note the single-family residential indoor factor is not modified).

Table 2-22: Per-connection Outdoor Demand Factor for CHWD Customers

User Type	Demand Factor (af/connection)				
	Current	+5 yrs	+10 yrs	+15 yrs	
Single Family	0.20	0.20	0.20	0.20	(indoor)
	0.23	0.23	0.23	0.22	(outdoor)

Because the CHWD service area already has a fairly low per-connection single-family outdoor demand factor as a baseline, the phased conservation and reduction in this value over the next fifteen years has a fairly minor impact on the future demands of CHWD’s existing retail customers. Table 2-23 presents the forecast demand for CHWD’s existing retail customers over the next 25 years.

Table 2-23: Existing CHWD Customer Future Water Demand

Metered Connections			Existing Customer Estimated Demand (af/yr)					
			Current	2025	2030	2035	2040	2045
<b>Residential</b>								
Single Family	16,513	(indoor)	3,303	3,303	3,303	3,303	3,303	3,303
		(outdoor)	3,798	3,798	3,798	3,608	3,608	3,608
Multi-Family	2,187	(indoor)	1,946	1,946	1,946	1,946	1,946	1,946
		(outdoor)	0	0	0	0	0	0
Res. Indoor Subtotal			5,249	5,249	5,249	5,249	5,249	5,249
Res. Outdoor Subtotal			3,798	3,798	3,798	3,608	3,608	3,608
Residential Total			9,047	9,047	9,047	8,857	8,857	8,857
<b>Non-Residential</b>								
Comm/Inst	726	(indoor)	871	871	871	871	871	871
Industrial	56	(indoor)	322	322	322	322	322	322
Landscape	394	(outdoor)	847	847	847	847	847	847
Other	211	(outdoor)	21	21	21	21	21	21
Non-Res. Indoor Subtotal			1,193	1,193	1,193	1,193	1,193	1,193
Non-Res. Outdoor Subtotal			868	868	868	868	868	868
Non-Res. Total			2,061	2,061	2,061	2,061	2,061	2,061
Indoor Estimated Total			6,442	6,442	6,442	6,442	6,442	6,442
Outdoor Estimated Total			4,666	4,666	4,666	4,476	4,476	4,476
Total Estimated Customer Demand			11,108	11,108	11,108	10,919	10,919	10,919
Est. Non-Revenue Water	5%		555	555	555	546	546	546
Total Estimated Supply Demand			11,700	11,700	11,700	11,500	11,500	11,500

## New CHWD Customers

The City of Citrus Heights and CHWD do not share boundaries, however a significant portion of the City is served by CHWD. Like the other WCAs, new customers will reflect only a scattering of infill projects, including some corridor developments. The 2016 MTP/SCS projects a growth rate of approximately 0.4% from current conditions to 2036 which translates to approximately 2,500 new residential units by 2036.<sup>25</sup> When compared to the previous 2015 UWMP, this growth is consistent.<sup>26</sup> The SACOG projections were revised for the 2020 MTP/SCS update and maintain the previous projections but add approximately 100 units per year after 2036 – or approximately another 1,000 new units for a total of 3,500 new units. This range of development was discussed with CHWD staff and was accepted as a reasonable assumption for planning purposes.<sup>27</sup> For this analysis, the new residential connections are split as 2,000 new single-family homes and 1,500 new multi-family homes. Nominal additional commercial and public landscaping are assumed to be in place by 2045 to support the additional housing, represented as 50 acres of new commercial development and 30 acres of new public landscaped areas. Table 2-23 details these assumptions, phased over the 25-year period.

In addition to anticipated growth, the large Sunrise Mall property is likely going to be redeveloped during the time horizon of this analysis. This has not been factored into the SACOG projections and therefore a separate potential suite of associated new customers as part of such a large redevelopment project has been incorporated into the projections discussed herein. The parcel totals about 100 acres. Large, mixed-use redevelopments that include single-family and multi-family homes, supporting retail and commercial space, and public spaces can include 500 to 1,000 new homes, depending on densities. Because this project is in the early stages, estimating water demand and phasing is difficult.<sup>28</sup> For purposes of this analysis, a future water demand equivalent to 800 new single-family homes and 10 acres of commercial and 5 acres of public landscaping is assumed. Using the prior demand factors for each, such a mixed-use project could demand approximately 300 to 350 acre-feet annually. The higher value is assumed and phased between 2030 and 2045 and is included as a line-item in Table 2-24.

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<sup>25</sup> Note that the 2016 Model starts with a population and housing count that exceeds the actual District population by about 10% so these estimates are already high without consideration of actual growth area.

<sup>26</sup> The CHWD 2015 UWMP projected approximately 6,500 more people by 2035 which is less than the SACOG projection of 9,415.

<sup>27</sup> Meeting with CHWD staff on 9/17/2019.

<sup>28</sup> In July 2019, the City of Citrus Heights approved actions that allow the planning process for a mixed-use redevelopment of Sunrise Mall to move forward. Because the difference between the water use demands for a new development and that of the existing Sunrise Mall cannot be determined at this time, the new development's demand is assumed to be additive to any existing demand reflected in the CHWD eAR reports used to establish 'current customer demands.'

Table 2-24: Estimated Future New CHWD Customer Demand (acre-feet/year)

Land-class	Total New Units or Acres					Demand Factor (af/du or af/ac)		Approximate Year				
	2025	2030	2035	2040	2045			2025	2030	2035	2040	2045
<b>Residential</b>												
Future Single-family	400	800	1,200	1,600	2,000	0.18	(indoor)	72	144	216	288	360
						0.18	(outdoor)	72	144	216	288	360
Future Multi-family	100	300	700	1,100	1,500	0.12	(indoor)	12	36	84	132	180
						0.03	(outdoor)	3	9	21	33	45
Residential Indoor Subtotal								84	180	300	420	540
Residential Outdoor Subtotal								75	153	237	321	405
Residential Total								159	333	537	741	945
<b>Non-Residential</b>												
Future Commercial	5	15	30	40	50	1.25	(indoor)	6	19	38	50	63
Future Public Landscape	2	8	15	25	30	4.25	(outdoor)	9	34	64	106	128
Non-residential Total								15	53	101	156	190
Indoor Estimated Total								90	199	338	470	603
Outdoor Estimated Total								84	187	301	427	533
Sunrise Mall Mixed Use Redevelopment Project (placeholder)								--	50	150	250	350
Total Estimated Future Customer Demand								174	436	788	1,147	1,485
Estimated Non-Revenue Water							7%	12	31	55	80	104
Total Estimated Future Supply Demand								186	466	843	1,228	1,589

**Summary of Future CHWD Demands**

CHWD will likely see the greatest increase in demand of any WCA, with a forecasted increase of about 1,400 acre-feet annually by 2045. While existing customers are projected to decrease their annual demand, likely as a result of continued water use efficiency and conservation efforts, CHWD’s service area is expected to see modest growth, primarily as a consequence of the expected redevelopment of the Sunrise Mall parcel. Though the overall demand will increase, the monthly pattern may likely flatten due to lower peak demands for summer irrigation as existing customers reduce this need, and new customers irrigate reduced landscape areas consistent with updated MWELo requirements. Table 2-25 presents the forecast of future CHWD water demands through 2045.

Table 2-25: Total Forecast Future CHWD Water Demands

Land Class		Forecast Demand (acre-feet/year)					
		Current	2025	2030	2035	2040	2045
Existing Customers	Single Family	7,101	7,101	7,101	6,911	6,911	6,911
	Multi-family	1,946	1,946	1,946	1,946	1,946	1,946
	Commercial	871	871	871	871	871	871
	Industrial	322	322	322	322	322	322
	Landscape	847	847	847	847	847	847
	Other	21	21	21	21	21	21
	Subtotal	11,108	11,108	11,108	10,919	10,919	10,919
	Non-revenue water	555	555	555	546	546	546
Total Existing Customers	11,700	11,700	11,700	11,500	11,500	11,500	
New Customers	Single Family	--	144	288	432	576	720
	Multi-family	--	15	45	105	165	225
	Commercial/Inst.	--	6	19	38	50	63
	Public Landscape	--	9	34	64	106	128
	Sunrise Mall Redev.	--	--	50	150	250	350
	Subtotal	--	174	436	788	1,147	1,485
	Non-revenue water	--	12	31	55	80	104
	Total Future Customers	--	186	466	843	1,228	1,589
Total Water Demand		11,700	11,900	12,200	12,300	12,700	13,100

**2.3.2.2 City of Folsom Future Demands**

Future water demand within the City’s Ashland service area will be a combination of the continued water demand of existing customers plus the addition of new customers resulting from ongoing growth. Because this area is nearly built-out, the overall change from current conditions is minor.

**Existing City of Folsom Customers**

As discussed previously, existing customers’ future demands are anticipated to be slightly reduced from the current baseline. Using the reduction formula presented previously, the per-connection outdoor water demand factors for existing single-family customers are adjusted 5 percent lower than the baseline at year +15, as shown in Table 2-26 (note the single-family residential indoor factor is not modified).

Table 2-26: Per-connection Outdoor Demand Factor for Folsom Customers

User Type	Demand Factor (af/connection)				
	Current	+5 yrs	+10 yrs	+15 yrs	
Single Family	0.21	0.21	0.21	0.21	(indoor)
	0.40	0.40	0.40	0.38	(outdoor)

Because there are relatively few single-family residential units in the City’s Ashland service area, a reduction in the per-connection single-family outdoor demand factor over the next fifteen years has a barely notable impact on future demands for the City’s existing Ashland retail customers. Table 2-27 presents the forecast demand for the City’s existing Ashland retail

customers over the next 25 years, which essentially stands unchanged (due to rounding of the last row's values to reflect the approximation of the estimates).

Table 2-27: Existing Folsom Ashland Customer Future Water Demand

Metered Connections			Existing Customer Estimated Demand (af/yr)					
			Current	2025	2030	2035	2040	2045
Residential								
Single Family	967	(indoor)	203	203	203	203	203	203
		(outdoor)	387	387	387	367	367	367
Multi-Family	30	(indoor)	234	234	234	234	234	234
		(outdoor)	0	0	0	0	0	0
Res. Indoor Subtotal			437	437	437	437	437	437
Res. Outdoor Subtotal			387	387	387	367	367	367
Residential Total			824	824	824	805	805	805
Non-Residential								
Comm/Inst	44	(indoor)	78	78	78	78	78	78
Landscape	31	(outdoor)	70	70	70	70	70	70
Non-Res. Indoor Subtotal			78	78	78	78	78	78
Non-Res. Outdoor Subtotal			70	70	70	70	70	70
Non-Res. Total			148	148	148	148	148	148
Indoor Estimated Total			515	515	515	515	515	515
Outdoor Estimated Total			457	457	457	437	437	437
Total Estimated Customer Demand			972	972	972	953	953	953
Est. Non-Revenue Water	15%		146	146	146	143	143	143
Total Estimated Supply Demand			1,100	1,100	1,100	1,100	1,100	1,100

### New City of Folsom Customers

City's water service area that receives wholesale water from the District – i.e. the Ashland service area – is predominantly built-out. A few remaining buildable lots do exist, however, and are expected to be constructed upon during the 25-year period of this analysis. Specifically, there are less than 10 acres of commercially zoned properties and 9 acres of residentially zoned land still vacant.<sup>29</sup> No new parks are expected as the developments are mostly on small lot-splits that likely will rely on existing public park space. The residentially zoned land includes both single-family and multi-family zoning. For purposes of this analysis, 5 acres is assumed single-family, with a density of 6 house per acre. The remaining 4 acres are assumed to house multi-family dwellings at 15 units per acre. This results in 30 single family homes and 60 multi-family units. Table 2-28 details these assumptions, phased over the 25-year period.

<sup>29</sup> Based on a City of Folsom Vacant Land shapefile received 9/18/2019 from Information Systems GIS Specialist Kate Cassera at the City.



Table 2-28: Estimated Future New Folsom Customer Demand (acre-feet/year)

Land-class	Total New Units or Acres					Demand Factor (af/du or af/ac)		Approximate Year				
	2025	2030	2035	2040	2045			2025	2030	2035	2040	2045
<b>Residential</b>												
Future Single-family	5	10	15	20	30	0.18	(indoor)	1	2	3	4	5
						0.18	(outdoor)	1	2	3	4	5
Future Multi-family	15	30	45	60	60	0.12	(indoor)	2	4	5	7	7
						0.03	(outdoor)	0	1	1	2	2
Residential Indoor Subtotal								3	5	8	11	13
Residential Outdoor Subtotal								1	3	4	5	7
Residential Total								4	8	12	16	20
<b>Non-Residential</b>												
Future Commercial	0	0	0	0	0	1.25	(indoor)	0	0	0	0	0
Future Public Landscape	0	0	0	0	0	4.25	(outdoor)	0	0	0	0	0
Non-residential Total								0	0	0	0	0
Indoor Estimated Total								3	5	8	11	13
Outdoor Estimated Total								1	3	4	5	7
Total Estimated Future Customer Demand								4	8	12	16	20
Estimated Non-Revenue Water							7%	0	1	1	1	1
Total Estimated Future Supply Demand								4	9	13	17	21

**Summary of Future City of Folsom Ashland Area Demands**

The City’s Ashland service area will likely experience minimal change in future customer demands. Even with some conservation from existing customers and some new customers, the overall demand is minor and the additions negligible. Table 2-29 presents the summary of forecasted existing and new customer demands through 2045.

Table 2-29: Total Forecast Future City of Folsom (Ashland) Water Demands

Land Class		Forecast Demand (acre-feet/year)					
		Current	2025	2030	2035	2040	2045
Existing Customers	Single Family	590	590	590	571	571	571
	Multi-family	234	234	234	234	234	234
	Commercial	78	78	78	78	78	78
	Landscape	70	70	70	70	70	70
	Subtotal	972	972	972	953	953	953
	Non-revenue water	146	146	146	143	143	143
	Total Existing Customers	1,100	1,100	1,100	1,100	1,100	1,100
New Customers	Single Family	--	2	4	5	7	11
	Multi-family	--	2	5	7	9	9
	Subtotal	--	4	8	12	16	20
	Non-revenue water	--	1	1	1	1	1
	Total Future Customers	--	5	9	13	17	21
<b>Total Water Demand</b>		<b>1,100</b>	<b>1,100</b>	<b>1,100</b>	<b>1,100</b>	<b>1,100</b>	<b>1,100</b>

**2.3.2.3 FOWD Future Demands**

Future water demand within the FOWD service area will be a combination of the continued water demand of existing customers plus the addition of new customers resulting from ongoing growth.

### Existing FOWD Customers

As discussed previously, existing customers' future demands are anticipated to be slightly reduced from the current baseline. Using the reduction formula presented previously, the per-connection outdoor water demand factors for existing single-family customers are adjusted 5 percent lower than the baseline at year +15, as shown in Table 2-30 (note the single-family residential indoor factor is not modified).

Table 2-30: Per-connection Outdoor Demand Factor for FOWD Customers

User Type	Demand Factor (af/connection)				
	Current	+5 yrs	+10 yrs	+15 yrs	
Single Family	0.24	0.24	0.24	0.24	(indoor)
	0.33	0.33	0.33	0.31	(outdoor)

Although the FOWD service area has a fairly modest per-connection single-family outdoor demand factor as a baseline, the phased conservation and reduction in this value over the next fifteen years has only a minor impact on future demand for FOWD's existing retail customers – reducing demand by approximately 200 acre-feet annually. Table 2-31 presents the forecast demand for the FOWD existing retail customers over the next 25 years.

Table 2-31: Existing FOWD Customer Future Water Demand

Metered Connections			Existing Customer Estimated Demand (af/yr)					
			Current	2025	2030	2035	2040	2045
<b>Residential</b>								
Single Family	12,649	(indoor)	3,036	3,036	3,036	3,036	3,036	3,036
		(outdoor)	4,174	4,174	4,174	3,965	3,965	3,965
Multi-Family	618	(indoor)	649	649	649	649	649	649
		(outdoor)	0	0	0	0	0	0
Res. Indoor Subtotal			3,685	3,685	3,685	3,685	3,685	3,685
Res. Outdoor Subtotal			4,174	4,174	4,174	3,965	3,965	3,965
Residential Total			7,859	7,859	7,859	7,650	7,650	7,650
<b>Non-Residential</b>								
Comm/Inst	396	(indoor)	534	534	534	534	534	534
Landscape	250	(outdoor)	561	561	561	561	561	561
Non-Res. Indoor Subtotal			534	534	534	534	534	534
Non-Res. Outdoor Subtotal			561	561	561	561	561	561
Non-Res. Total			1,095	1,095	1,095	1,095	1,095	1,095
Indoor Estimated Total			4,218	4,218	4,218	4,218	4,218	4,218
Outdoor Estimated Total			4,735	4,735	4,735	4,527	4,527	4,527
Total Estimated Customer Demand			8,954	8,954	8,954	8,745	8,745	8,745
Est. Non-Revenue Water		7%	627	627	627	612	612	612
Total Estimated Supply Demand			9,600	9,600	9,600	9,400	9,400	9,400

## New FOWD Customers

The FOWD service area covers a portion of Sacramento County which consists of mostly moderate and large-lot single family homes. The community covers a range of housing ages but is largely considered to be built-out. Infill developments have occurred and are expected to continue (e.g. larger legacy properties are subdivided, and multiple single-family homes are constructed). Based on the 2016 MTP/SCS, the FOWD area was projected to experience a growth rate of approximately 0.4% from current conditions until 2036, which translates to approximately 75 new residences per year. If extending this rate for 25 years, this would result in 1,875 new housing units (single-family and multi-family). When compared to the current 13,200 residential connections (see Table 2-8), and actual vacant developable land, this projection appears excessive. Following discussions with FOWD staff, a more reasonable growth estimate was determined to be approximately 500 new dwelling units within the 25-year planning horizon.<sup>30</sup> The primary growth in FOWD is from the Gum Ranch Subdivisions, approximately 100 units in other identified smaller subdivisions, and 5-10 smaller lot split projects per year. For this analysis the new residential connections are split as 400 new single-family homes and 100 new multi-family homes. Nominal additional commercial and public landscaping are assumed to be in place by 2035 to support the additional housing, represented as 10 acres of new commercial development and 6 acres of new public landscaped areas. Table 2-32 details these assumptions, phased over the 25-year period.

Table 2-32: Estimated Future New FOWD Customer Demand (acre-feet/year)

Land-class	Total New Units or Acres					Demand Factor (af/du or af/ac)		Approximate Year				
	2025	2030	2035	2040	2045			2025	2030	2035	2040	2045
<b>Residential</b>												
Future Single-family	50	100	200	400	400	0.18	(indoor)	9	18	36	72	72
						0.18	(outdoor)	9	18	36	72	72
Future Multi-family	12	25	50	100	100	0.12	(indoor)	1	3	6	12	12
						0.03	(outdoor)	0	1	2	3	3
Residential Indoor Subtotal								10	21	42	84	84
Residential Outdoor Subtotal								9	19	38	75	75
Residential Total								20	40	80	159	159
<b>Non-Residential</b>												
Future Commercial	2	5	10	10	10	1.25	(indoor)	3	6	13	13	13
Future Public Landscape	2	4	6	6	6	4.25	(outdoor)	9	17	26	26	26
Non-residential Total								11	23	38	38	38
Indoor Estimated Total								13	27	55	97	97
Outdoor Estimated Total								18	36	63	101	101
Total Estimated Future Customer Demand								31	63	118	197	197
Estimated Non-Revenue Water							7%	2	4	8	14	14
Total Estimated Future Supply Demand								33	67	126	211	211

## Summary of Future FOWD Demands

FOWD will unlikely see continued reduction in overall water demand, even with the addition of some new customers. This is primarily driven by only minor expected savings from ongoing

<sup>30</sup> Meeting with FOWD staff on 10/31/2019.

existing customer conservation efforts. In addition to overall demand decreasing, the monthly use pattern may likely flatten due to lower peak demands for summer irrigation as existing customers reduce this need, and the few new customers begin with landscapes consistent with updated MWELo requirements. Table 2-33 presents the summary of forecast existing and new customer demands through 2045.

Table 2-33: Total Forecast Future FOWD Water Demands

Land Class		Forecast Demand (acre-feet/year)					
		Current	2025	2030	2035	2040	2045
Existing Customers	Single Family	7,210	7,210	7,210	7,001	7,001	7,001
	Multi-family	649	649	649	649	649	649
	Commercial	535	535	535	535	535	535
	Landscape	563	563	563	563	563	563
	Subtotal	8,956	8,956	8,956	8,747	8,747	8,747
	Non-revenue water	627	627	627	612	612	612
	Total Existing Customers	9,600	9,600	9,600	9,400	9,400	9,400
New Customers	Single Family	--	18	36	72	144	144
	Multi-family	--	2	4	8	15	15
	Commercial/Inst.	--	3	6	13	13	13
	Public Landscape	--	9	17	26	26	26
	Subtotal	--	31	63	118	197	197
	Non-revenue water	--	2	4	8	14	14
	Total Future Customers	--	33	67	126	211	211
<b>Total Water Demand</b>		<b>9,600</b>	<b>9,600</b>	<b>9,700</b>	<b>9,500</b>	<b>9,600</b>	<b>9,600</b>

### 2.3.2.4 OVWC Future Demands

Future water demand within the OVWC service area will be a combination of the continued water demand of existing customers plus the addition of new customers resulting from ongoing growth.

#### Existing OVWC Customers

As discussed previously, existing customers' future demands are anticipated to be slightly reduced from the current baseline. Using the reduction formula presented previously, the per-connection outdoor water demand factors for existing single-family customers are adjusted 5 percent lower than the baseline at year +15, as shown in Table 2-34 (note the single-family residential indoor factor is not modified).

Table 2-34: Per-connection Outdoor Demand Factor for OVWC Customers

User Type	Demand Factor (af/connection)				
	Current	+5 yrs	+10 yrs	+15 yrs	
Single Family	0.22	0.22	0.22	0.22	(indoor)
	0.30	0.30	0.30	0.29	(outdoor)

Although the OVWC service area has a fairly modest per-connection single-family outdoor demand factor as a baseline, the phased conservation and reduction in this value over the next

fifteen years has little effect on future demand for OVWC’s existing retail customers – reducing demand by only about 100 acre-feet annually. Table 2-35 presents the forecast demand for the District’s existing retail customers over the next 25 years.

Table 2-35: Existing OVWC Customer Future Water Demand

Metered Connections			Existing Customer Estimated Demand (af/yr)					
			Current	2025	2030	2035	2040	2045
<b>Residential</b>								
Single Family	5,223	(indoor)	1,149	1,149	1,149	1,149	1,149	1,149
		(outdoor)	1,588	1,588	1,588	1,508	1,508	1,508
Multi-Family	32	(indoor)	294	294	294	294	294	294
		(outdoor)	0	0	0	0	0	0
Res. Indoor Subtotal			1,443	1,443	1,443	1,443	1,443	1,443
Res. Outdoor Subtotal			1,588	1,588	1,588	1,508	1,508	1,508
Residential Total			3,031	3,031	3,031	2,952	2,952	2,952
<b>Non-Residential</b>								
Comm/Inst	179	(indoor)	165	165	165	165	165	165
Industrial	55	(indoor)	180	180	180	180	180	180
Landscape	39	(outdoor)	34	34	34	34	34	34
Agriculture	3	(outdoor)	101	101	101	101	101	101
Non-Res. Indoor Subtotal			345	345	345	345	345	345
Non-Res. Outdoor Subtotal			135	135	135	135	135	135
Non-Res. Total			480	480	480	480	480	480
Indoor Estimated Total			1,789	1,789	1,789	1,789	1,789	1,789
Outdoor Estimated Total			1,723	1,723	1,723	1,643	1,643	1,643
Total Estimated Customer Demand			3,511	3,511	3,511	3,432	3,432	3,432
Est. Non-Revenue Water	5%		176	176	176	172	172	172
Total Estimated Supply Demand			3,700	3,700	3,700	3,600	3,600	3,600

### New OVWC Customers

The OVWC service area covers a portion of Sacramento County which consists of mostly moderate and large-lot single family homes. Similar to parts of FOWD and the District’s retail area, the community covers a range of housing ages but is largely considered to be built-out. Infill developments have occurred and are expected to continue (e.g. larger legacy properties are subdivided, and multiple single-family homes are constructed on the lots), with very few of these larger parcels expected to remain vacant.

Based on the 2016 MTP/SCS, the OVWC area was projected to experience a growth rate of approximately 0.6% from current conditions until 2036, which translates to approximately 35 new housing units per year. If extending this rate for 25 years, this would result in 875 new housing units (single-family and multi-family) by 2045. Following discussions with OVWC staff, the assumptions seem appropriate for this analysis.<sup>31</sup> For this analysis the new residential connections are split as 650 new single-family homes and 225 new multi-family homes.

<sup>31</sup> Meeting with OVWC staff on 11/26/2019.

Nominal additional commercial and public landscaping are assumed to be in place by 2035 to support the additional housing, represented as 10 acres of new commercial development and 6 acres of new public landscaped areas. Table 2-36 details these assumptions, phased over the 25-year period.

Table 2-36: Estimated Future New OVWC Customer Demand (acre-feet/year)

Land-class	Total New Units or Acres					Demand Factor (af/du or af/ac)		Approximate Year				
	2025	2030	2035	2040	2045			2025	2030	2035	2040	2045
<b>Residential</b>												
Future Single-family	50	150	275	475	650	0.18	(indoor)	9	27	50	86	117
						0.18	(outdoor)	9	27	50	86	117
Future Multi-family	25	50	125	150	225	0.12	(indoor)	3	6	15	18	27
						0.03	(outdoor)	1	2	4	5	7
Residential Indoor Subtotal								12	33	65	104	144
Residential Outdoor Subtotal								10	29	53	90	124
Residential Total								22	62	118	194	268
<b>Non-Residential</b>												
Future Commercial	2	5	10	10	10	1.25	(indoor)	3	6	13	13	13
Future Public Landscape	2	4	6	6	6	4.25	(outdoor)	9	17	26	26	26
Non-residential Total								11	23	38	38	38
Indoor Estimated Total								15	39	77	116	157
Outdoor Estimated Total								18	46	79	116	149
Total Estimated Future Customer Demand								33	85	156	232	306
Estimated Non-Revenue Water 7%								2	6	11	16	21
Total Estimated Future Supply Demand								35	91	167	248	327

### Summary of Future OVWC Demands

Combining the projected demands of existing customers and the additional needs of new customers, future OVWC water demands are anticipated to grow slightly. This is primarily driven by expected savings from ongoing existing customer conservation efforts of 100 acre-feet that will offset some of the new customer demands. In addition to overall demand decreasing, the monthly use pattern may likely flatten due to lower peak demands for summer irrigation as existing customers reduce this need, and the few new customers begin with landscapes consistent with updated MWELo requirements. Table 2-37 presents the summary of forecast existing and new customer demands through 2045.

Table 2-37: Forecast Water Demands for OVWC (acre-feet/year)

Land Class		Forecast Demand (acre-feet/year)					
		Current	2025	2030	2035	2040	2045
Existing Customers	Single Family	2,737	2,737	2,737	2,657	2,657	2,657
	Multi-family	294	294	294	294	294	294
	Commercial	165	165	165	165	165	165
	Industrial	180	180	180	180	180	180
	Landscape	34	34	34	34	34	34
	Agriculture	101	101	101	101	101	101
	Subtotal	3,511	3,511	3,511	3,432	3,432	3,432
	Non-revenue water	176	176	176	172	172	172
Total Existing Customers		3,700	3,700	3,700	3,600	3,600	3,600
New Customers	Single Family	--	18	54	99	171	234
	Multi-family	--	4	8	19	23	34
	Commercial/Inst.	--	3	6	13	13	13
	Public Landscape	--	9	17	26	26	26
	Subtotal	--	33	85	156	232	306
	Non-revenue water	--	2	6	11	16	21
	Total Future Customers		--	35	91	167	248
Total Water Demand		3,700	3,700	3,800	3,800	3,800	3,900

**2.3.2.5 Summary of Wholesale Agency Customer Water Demands**

While the individual forecasts for each WCA are useful for the WCAs, the District is interested in the total WCA demand anticipated over the next few decades. Table 2-38 combines each WCA’s summary table into a total projected existing and new customer WCA demand profile over the next 25 years. It is notable that the various increases and decreases specific to each WCA offset themselves, resulting in a forecast total future demand only about 5% greater than current conditions – and, still less than the District served to the WCAs as recently as 2012 and 2013 where deliveries were approximately 29,750 acre-feet and 31,950 acre-feet, respectively.

**2.3.3. Summary of Future Water Demands**

Adding the District’s forecast retail demands to the roll-up of WCA demands generates a forecast for total District wholesale demands. Currently, and assumed to continue in the future, a portion of these demands are and will be met with local groundwater pumped by CHWD and FOWD. Recent efforts by OVWC may also result in a return to groundwater production capability to serve a portion of their own customer needs.

Table 2-39 provides the overall summary for total forecast water demand in the District’s wholesale service area, which is expected to increase only slightly from current conditions and, again, less than total demands met as recently as 2012 and 2013 which were approximately 44,200 acre-feet and 47,800 acre-feet, respectively.

Table 2-38: Summary of WCA Forecast Future Demand

Land Class		Forecast Demand (acre-feet/year)					
		Current	2025	2030	2035	2040	2045
Existing Customers	Single Family	17,637	17,637	17,637	17,140	17,140	17,140
	Multi-family	3,124	3,124	3,124	3,124	3,124	3,124
	Commercial	1,649	1,649	1,649	1,649	1,649	1,649
	Industrial	502	502	502	502	502	502
	Landscape	1,514	1,514	1,514	1,514	1,514	1,514
	Agriculture/Other	122	122	122	122	122	122
	Subtotal	24,547	24,547	24,547	24,050	24,050	24,050
	Non-revenue water	1,504	1,504	1,504	1,473	1,473	1,473
Total Existing Customers	26,100	26,100	26,100	25,500	25,500	25,500	
New Customers	Single Family	--	182	382	608	898	1,109
	Multi-family	--	23	61	138	212	283
	Commercial/Inst.	--	11	31	63	75	88
	Public Landscape	--	26	68	115	157	179
	Sunrise Mall Redev.	--	--	50	150	250	350
	Subtotal	--	241	592	1,074	1,592	2,008
	Non-revenue water	--	18	42	75	111	140
	Total Future Customers	--	259	633	1,149	1,703	2,148
Total Water Demand		26,100	26,400	26,700	26,600	27,200	27,600

Table 2-39: Total Forecast Demand within the District's Wholesale Service Area

Land Class		Forecast Demand (acre-feet/year)					
		Current	2025	2030	2035	2040	2045
Existing Customers	Single Family	26,672	26,672	26,672	25,864	25,864	25,864
	Multi-family	3,261	3,261	3,261	3,261	3,261	3,261
	Commercial	2,043	2,043	2,043	2,043	2,043	2,043
	Industrial	502	502	502	502	502	502
	Landscape	2,366	2,366	2,366	2,366	2,366	2,366
	Agriculture/Other	162	162	162	162	162	162
	Subtotal	35,006	35,006	35,006	34,197	34,197	34,197
	Non-revenue water	2,372	2,372	2,372	2,315	2,315	2,315
Total Existing Customers	37,400	37,400	37,400	36,500	36,500	36,500	
New Customers	Single Family	--	200	458	762	1,132	1,451
	Rural Estate	--	5	10	15	20	26
	Multi-family	--	23	64	146	223	302
	Commercial/Inst.	--	17	44	82	106	126
	Public Landscape	--	26	89	157	221	243
	Sunrise Mall Redev.	--	--	50	150	250	350
	Subtotal	--	270	715	1,312	1,952	2,496
	Non-revenue water	--	20	50	92	136	174
Total Future Customers	--	290	765	1,405	2,088	2,670	
Total Water Demand		37,400	37,700	38,200	37,900	38,600	39,200



### 2.3.3.1 Water Demands during Single- and Multiple-Dry Year Conditions

To credibly forecast potential maximum future demands, the forecasted normal-year water demands shown in Table 2-39 must be modified to reflect anticipated increases in demand during drier conditions. Conservative modifications to the forecasted normal year water demands to more likely reflect demand conditions during drier and dry years are discussed below and shown in Table 2-40:

*Single dry year:* Landscape irrigation demands would increase to reflect the generalized earlier start of the landscape irrigation season due to limited rainfall in the single driest year. Since this increase only applies to the outdoor portion of a customer’s demand, an adjustment factor of 5 percent is applied to the total normal-year water demand values to conservatively reflect the expected increase in demand for water.<sup>32</sup>

*Multiple dry years:* During multiple dry years, demands are also expected to increase during the first in a series of dry years – as discussed above for the single dry year condition. However, during the second, third or more consecutive dry years, demands also are expected to reflect water shortage contingency plans implemented by the District and the WCAs.<sup>33</sup> Because this Study is assessing the maximum demand to understand plausible capacity in the District’s treatment and distribution systems, the impact of shortage programs to reduce demand is not further described in this document as it would result in demands less than those anticipated during the single dry year scenario, and under such conditions, treatment and distribution capacity would not be expected to be constrained.

Table 2-40: Estimated Future Total Demand in Single-Dry Year

Hydrologic Condition	Forecast Demand (acre-feet/year)					
	Current	2025	2030	2035	2040	2045
Normal Year (see Table 2-38)	37,400	37,700	38,200	37,900	38,600	39,200
Dry Year (5% increase)	39,270	39,585	40,110	39,795	40,530	41,160

<sup>32</sup> Based on meter studies and work with DWR on “weather normalization” of per capita water use values, Tully & Young has demonstrated that urban water use increases during low rainfall months. Based on conversations with urban water purveyors, DWR and landscape water professionals, it appears common for landscape irrigation timers to be turned on “early” when February and March are unusually dry.

<sup>33</sup> The District and each WCA’s water shortage contingency plans are described in each agency’s respective UWMP.

## CHAPTER 3. TREATMENT PLANT AND CONVEYANCE SYSTEM

Using future District retail and WCA demand forecasts from Section 2, we turn to evaluating whether sufficient treatment and conveyance capacity exists to meet those future demands within the District’s water treatment and primary distribution system components. Anticipating ample capacity, we will also assess the potential excess capacity that may exist for use to meet other potential opportunities.

The evaluation will (1) characterize the physical attributes of the District’s treatment and primary wholesale distribution system, (2) present the historical and current use of these facilities, (3) evaluate the potential changes in use when accommodating future demands, and (4) identify the current and estimated future unused capacity. This section is organized to separately present each of these analyses for both the District’s water treatment facility and its primary wholesale distribution system.

### 3.1 Sidney N. Peterson Water Treatment Plant

The District operates the Sidney N. Peterson Water Treatment Plant (“WTP”), a modern multi-step water treatment facility that treats water diverted from Folsom Reservoir and discharges into Hinkle Reservoir for distribution to the District’s retail and wholesale customers. Located next to Folsom Reservoir, this plant was designed in the 1970s and built in three phases – culminating in its present 150 million gallon per day (mgd) maximum capacity (see Figure 3-1).<sup>34</sup>

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<sup>34</sup> Although the water treatment plant has a maximum capacity of 150 mgd, the average operating capacity during the summer months is 120 mgd. The difference provides instantaneous or diurnal capacity to handle periodic peak conditions.

Figure 3-1: Sidney N. Peterson WTP

The original WTP was completed in 1983. It was subsequently expanded to incorporate process improvements to continue to cost-effectively meet water quality standards and increasing real-time demands. In the late 1990's and early 2000's the District initiated several studies to forecast demands and perform advance-planning to assure the WTP could adequately meet expected future needs. The District's 2007 Phase II Master Plan anticipated a future demand of nearly 70,000 acre-feet annually with a necessary peak WTP capacity of about 190 mgd.

Figure 3-2 includes two tables from that 2007 Master Plan showing the anticipated growth in demands. As forecast in the prior section, future demand for the District retail and WCA customers is now anticipated to be approximately 37,300 acre-feet per year, significantly less than the projected 2020 demand of about 67,000 acre-feet included in the 2007 Master Plan.



Figure 3-2: 2007 Phase II Wholesale Master Plan Estimated Annual Demand

In

**Table ES-3**  
**Summary of Projected Flows (mgd)**

Family Agency	Max Day Factor	Peak Hour Factor	Average Demand	Max Day Flow	Peak Hour Flow
Citrus Heights	2.1	2.9	21.0	44.0	61.1
Fair Oaks	2.0	3.0	14.7	29.4	44.0
Folsom	2.0	3.6	1.3	2.5	4.5
Orange Vale	2.0	3.6	5.0	10.1	18.1
SJWD Retail	1.8	3.1	19.6	35.3	60.8
<b>Total Flow</b>			<b>61.6</b>	<b>121.3</b>	<b>188.5</b>

**Table ES-2**  
**Summary of Projected Average Demand (acre-ft / year)**

Year	Citrus Heights	Fair Oaks	Folsom	Orange Vale	SJWD Retail	Total Demand
2005	20,036	14,611	1,382	4,982	18,691	59,702
2010	23,108	15,525	1,413	5,205	19,196	64,447
2015	23,258	16,438	1,413	5,381	19,700	66,190
2020	23,527	16,438	1,413	5,511	20,204	67,093
2025	23,577	16,438	1,413	5,592	20,708	67,728
2030	23,577	16,438	1,413	5,624	21,970	69,022

addition to treating water to meet the District’s retail and WCA customers, the WTP also treats water for Sacramento Suburban Water District (SSWD) when SSWD is able to access contracted for wetter and wet year supplies from Placer County Water Agency.<sup>35</sup> This service to SSWD began in the early 1990’s. Treatment quantities have ranged from a high of 16,900 in 2002 to zero in years when SSWD is unable to access the PCWA water. SSWD’s “take-or-pay” obligation to PCWA in water accessible years has recently been reduced to 12,000 acre-feet, and this amount could be reduced further in the near future. **Figure 3-3** presents the historic WTP annual production from 1983 to present. **Figure 3-4** presents peak WTP production during this same period. Notably, the WTP operated near its capacity during much of the 2000’s,<sup>36</sup> dropping significantly during the extended drought period of 2013 through 2015, and more recently plateauing at a new normal. This recent average peak production reflects the trend of reduced customer demand described in prior sections of this report.

<sup>35</sup> SSWD can only receive water from Placer County Water Agency when the calculated unimpaired inflow into Folsom Reservoir is determined to meet or exceed 1.6 million acre-feet.

<sup>36</sup> The WTP instantaneous capacity is 150 mgd, while the monthly average operating capacity is 120 mgd.

Figure 3-3: Historic Annual WTP Production

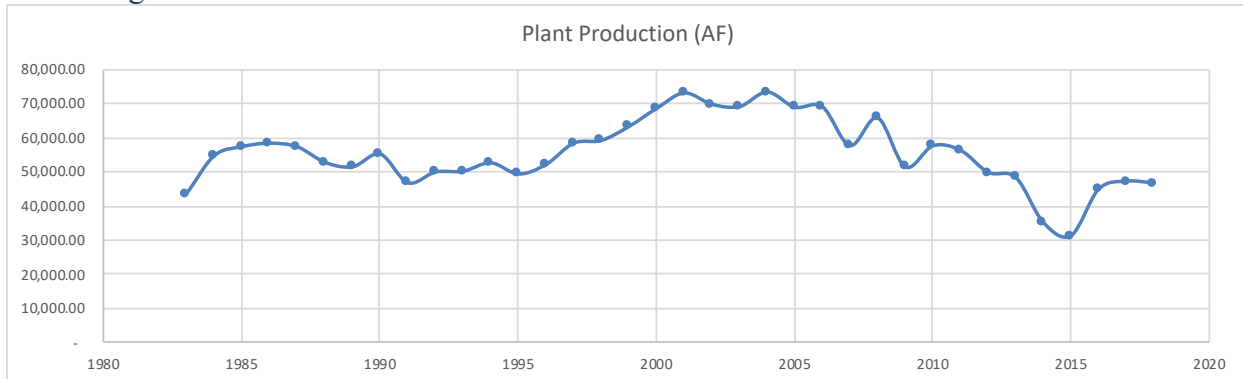
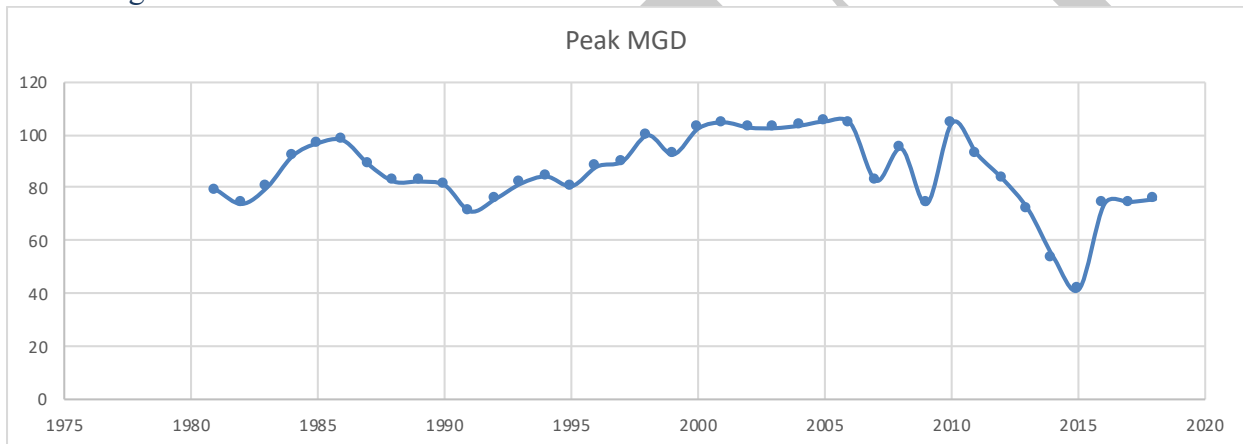


Figure 3-4: Historic Peak WTP Production



### 3.1.1 Sydney N. Peterson WTP Use vs. Capacity

Analyzing production data provided by the District demonstrates the highest WTP production occurred in the early 2000’s with maximum values around 2004 and 2005 for the retail and WCA customers. **Figure 3-5** presents a comparison of the monthly average production – averaging each of the days in the month - for 2004 and current monthly demands by customer class.<sup>37</sup> The figure also presents the practical and theoretical WTP capacity limits for differing times of the year (driven by various operational considerations and constraints).

**Figure 3-5** illustrates the significant reduction in current monthly average production compared to the 2004 peak period. With the exception of November, all months see a lower demand, with summer months reflecting a greater reduction compared to winter months. This variation reflects the increase in indoor demand that accompanies increased population, and dominates production

<sup>37</sup> 2004 was chosen over 2005 due to wholesale customer demands being closer to the average for the period than 2005.

needs in winter months, while summer month reductions likely reflect ongoing reductions to outdoor use, especially after the recent prolonged drought.

Compared to average monthly demands in 2004, which often approached the WTP's peak capacity, with daily peak demand in the middle of summer often requiring it, current monthly demands are well below the WTP's capabilities. Based on recent operations, the District is treating approximately 48,000 acre-feet of water annually (when SSWD has access to PCWA supplies), using about 75 mgd of WTP capacity in mid-summer months and as low as 12 mgd during the winter (**Figure 3-6**).

Figure 3-5: Historic v Current WTP Production Comparison by Month

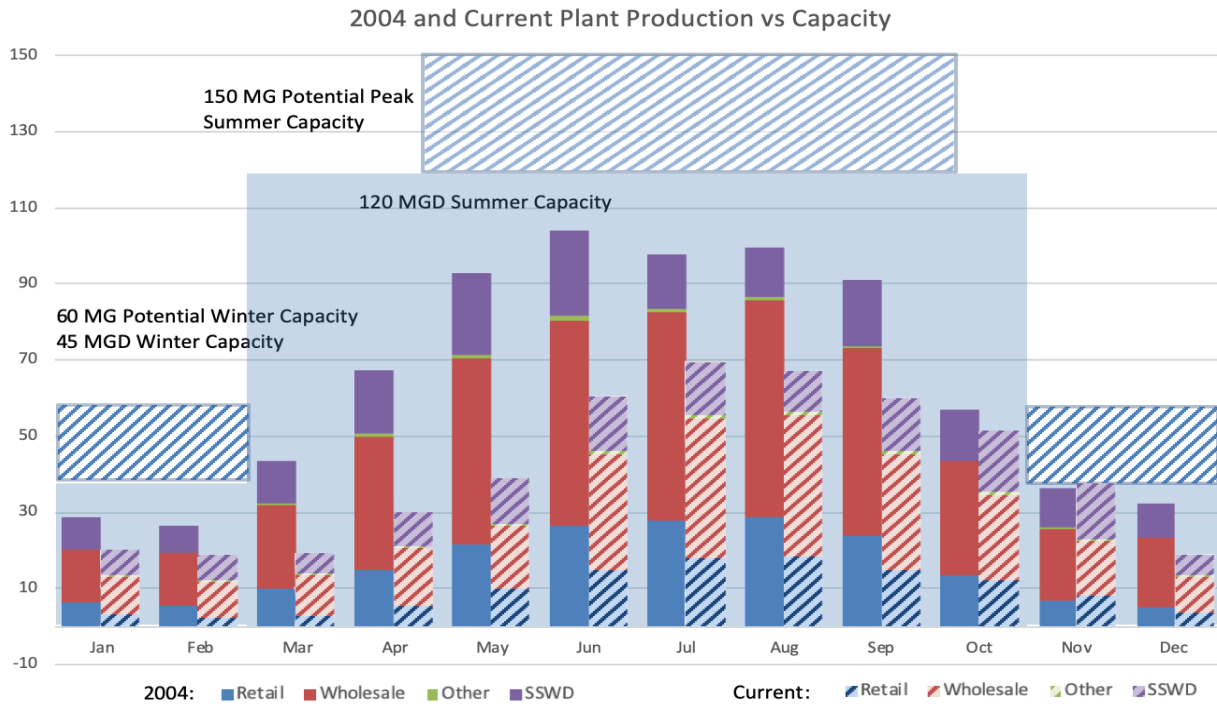
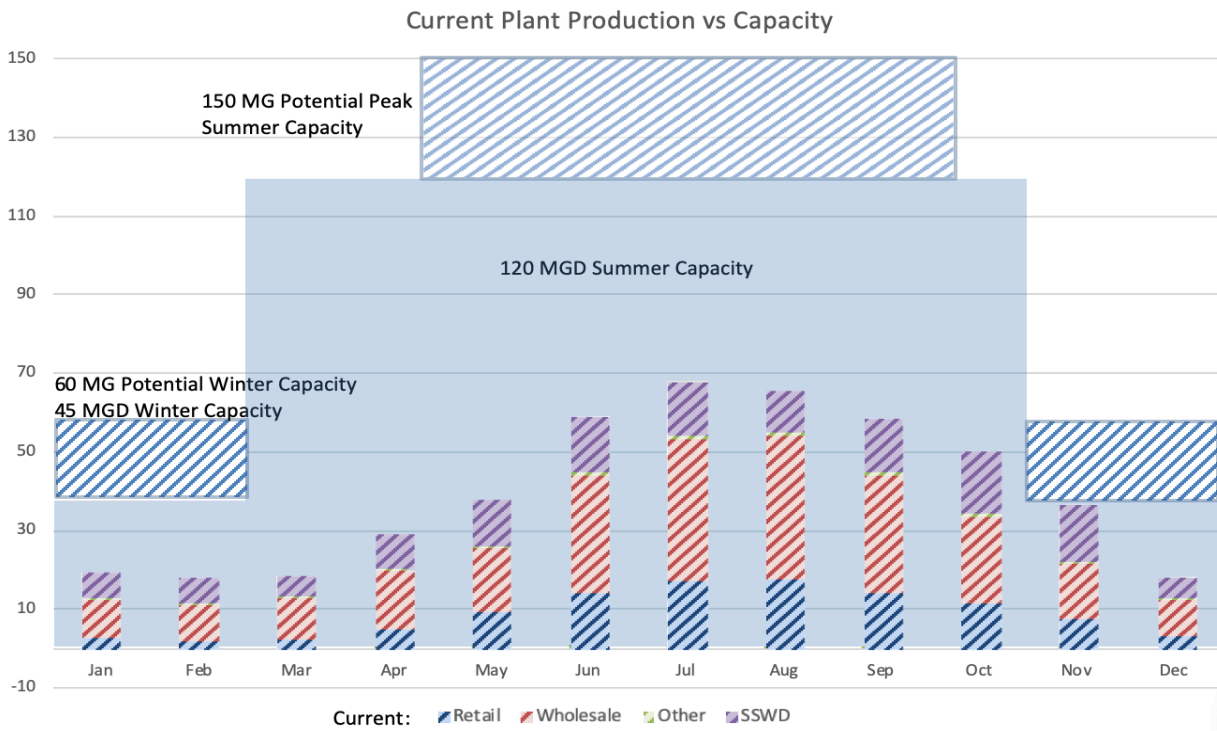


Figure 3-6: Current WTP Production by Month



## 3.2 Primary Conveyance System

The District's conveyance system consists of several large transmission pipelines to serve various retail and WCA customer pressure zones. Treated water is delivered from Hinkle Reservoir, located adjacent to the WTP, to the transmission mains through a 72" pipeline which connects to twin 54" pipelines at the Bacon Pump Station. These 54" pipelines then connect to a penstock manifold where the pipeline is split to serve retail and wholesale service areas. The WCAs receive treated District water via the 72" Cooperative Transmission Pipeline (CTP) and from other primary distribution pipelines such as the Fair Oaks 40" through a variety of metered connections.<sup>38</sup> FOWD and CHWD also operate groundwater wells to supplement their deliveries of District surface water and to provide groundwater as backup supply during drought periods or when the treatment plant or transmission system is not available (e.g. during temporary maintenance).

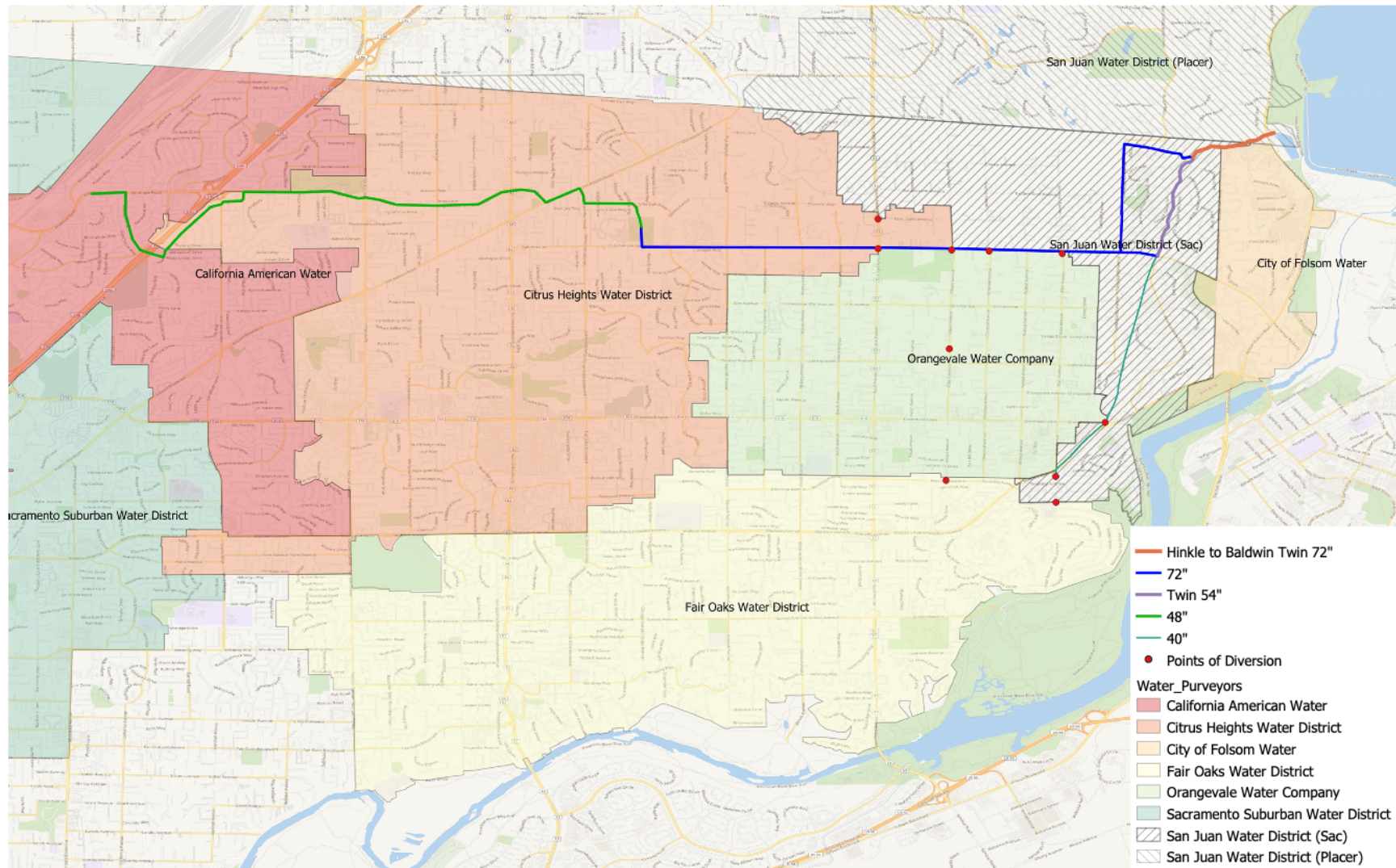
The District's primary distribution system is illustrated in **Figure 3-7: Physical Representation of Primary Distribution Pipelines**. This figure displays the physical location of several of the primary transmission pipelines in relation to the District's retail service area, the WCA's service area, and the CTP's relation to other water suppliers in the region, including California American Water and Sacramento Suburban Water District.

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<sup>38</sup> SSWD also receives its Placer County Water Agency supplies treated by the District via the CTP.



Figure 3-7: Physical Representation of Primary Pipelines



### 3.2.1 CTP Capacity

In 1998, the District signed a contract with FOWD, CHWD, OVWC, and SSWD (Northridge Water District at the time) for the construction, operation, and maintenance of the Cooperative Transmission Pipeline Project (“CTP”). The capacity design of the CTP was modeled as part of the development of that agreement, defining the capacity assigned to each signatory. These capacity assignments were provided in agreement appendices and are summarized in **Table 3-1**. While the agreement has since been amended to address funding changes, the contract revisions have not modified the capacities modeled as part of the 1998 contract.

As shown in **Table 3-1**, capacities are shown for the District and each signatory, starting from CTP pipeline segment #3, which is downstream of the Bacon pump station. From Bacon, the CTP is aligned south before turning west and ultimately terminating at C-Bar-C Park where it connects with a SSWD-owned pipeline (see **Figure 3-7**). Notably, the SSWD capacity of 59.04 mgd is maintained through the entirety of the CTP, which is important to the District’s considerations of available capacity. As documented in the discussion about WTP capacity, the District, the WCAs and likely even SSWD have lower customer demands than existed or were forecast when the CTP was constructed, though each party’s contracted capacity may not be available to others without subsequent agreements.

Table 3-1: CTP Capacity Summary Table (mgd)

Pipe Segment	CHWD	FOWD	SSWD	OVWC	SJWD
3	14.02	10.1	59.04	10.92	1.03
4	14.02	10.1	59.04	10.92	1.03
5	14.02	10.1	59.04	10.92	1.03
6	14.02	10.1	59.04	10.92	1.03
8	14.02	10.1	59.04	10.92	0
11	27.9	20.1	59.04	21.75	0
14	27.9	20.1	59.04	9.79	0
15	27.9	0	59.04	0	0
17	27.88	0	59.04	0	0
18	27.88	0	59.04	0	0
19	27.88	0	59.04	0	0
21	25.51	0	59.04	0	0
22	25.51	0	59.04	0	0
23	25.51	0	59.04	0	0
24	0	0	59.04	0	0

## CHAPTER 4. AVAILABLE CAPACITY ANALYSIS

NOTE: The analysis of available capacity in the District's Sidney N. Peterson water treatment plant and in the District's and regional primary transmission pipelines provided in this report is based upon the graphical representation and numerical comparisons. Before offering specific potential transfers and/or delivery opportunities to others, the District should undertake hydraulic system modeling.

### 4.1 Potential Available WTP Capacity to Offer

The District recognizes that water quantities treated and delivered in 2017 through 2019 are well below the capacity of the WTP (see **Figure 3-6**). With forecasted 2045 water demands estimated to be similar to current conditions (see **Table 2-38**), future capacity demands on the WTP would be expected to be similar. While diurnal peaking factors may also be changing, the general shape of monthly water demands should still mimic the current monthly pattern seen in **Figure 3-6** and in **Figure 2-2** and **Figure 2-3**. A slight flattening of monthly summer outdoor demands is anticipated as residential customers modify existing landscapes and respond to water supplier programs (e.g. incentive programs, public outreach). A slightly growing population will add to baseline indoor demands year-round. The upward shift in percentage of the total of each month's demand necessary to serve indoor uses is unlikely to change the total demand pattern presented in **Figure 2-2** and **Figure 2-3** as it is expected to be offset by the forecasted drop in outdoor use monthly totals.

Within this context of the 2045 future demands being similar in quantity and annual/ monthly distribution to the current demands served by the District, **Figure 3-6** can be used to graphically represent potential WTP capacity the District could confidently offer to others. This figure includes continued treatment of SSWD supplies in addition to the forecast 2045 District retail and WCA demands detailed in Chapter 2. **Figure 4-1** provides this representation. Most notable is the 20 to 40 mgd of treatment capacity readily available during the summer months while providing additional buffer within the practical operation capacity of 120 mgd.<sup>39</sup>

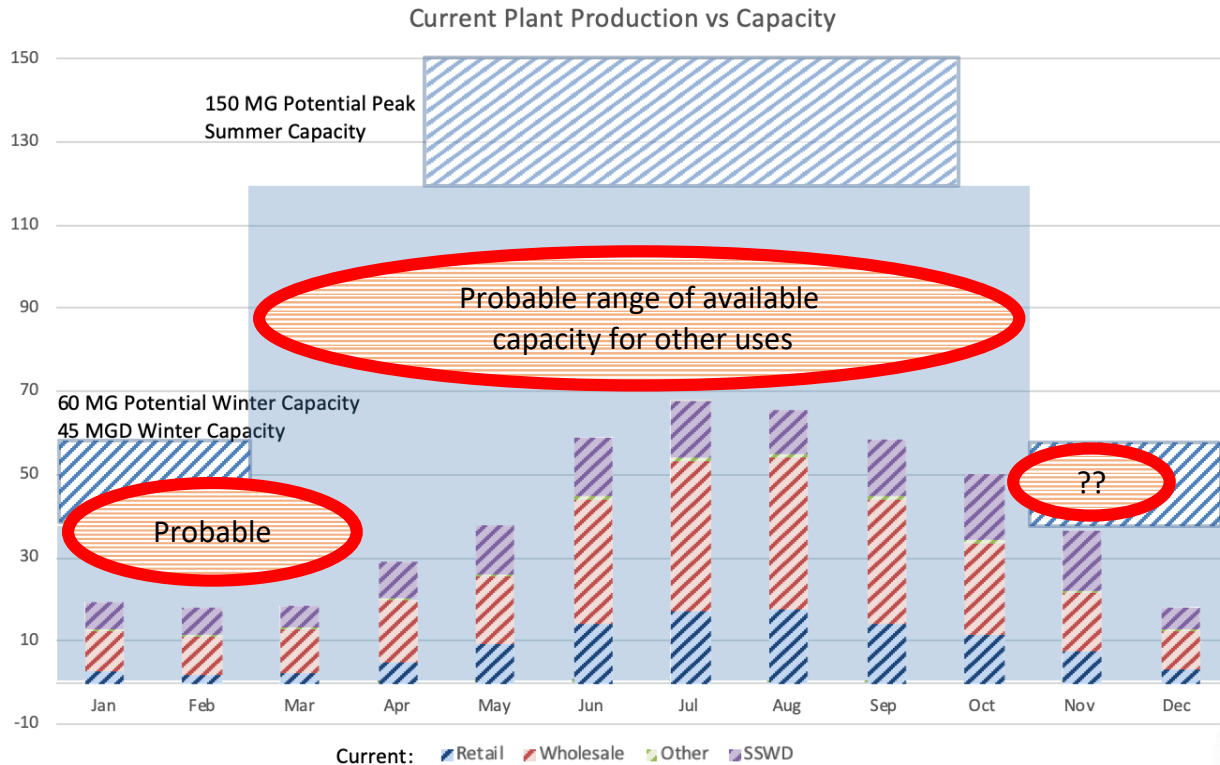
One potential concern could occur in the fall months, when the WTP transitions from a capacity of 120 mgd to a practical operational capacity of 45 mgd during the winter months. Currently, depending on the timing of when rains begin in the fall and trigger customers to reduce landscape irrigation, the District will shift from 120 mgd operational capacity to 45 mgd operational capacity. If additional demands on WTP capacity are included, the timing of this step may vary but could be accommodated. Additionally, as shown in the figure, the WTP has a theoretical capacity during winter operations of up to 60 mgd. Although current operators generally run the WTP within its 45 mgd capacity, there is physical capacity that can be utilized

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<sup>39</sup> The WTP instantaneous capacity is 150 mgd, while the monthly average operating capacity is 120 mgd.

to help manage the timing of any transition between summer-to-winter and winter-to-summer operations. The physical and operational thresholds relate to whether particular treatment pathways and related equipment are operating, which is subject to a variety of operational factors managed by the District’s WTP operators.

Figure 4-1: Representative Range of WTP Capacity Available



As current average monthly treatment has been around 70 mgd, the WTP has significant excess capacity within its practical operating range of 120 mgd. Daily and hourly peak demands may be different, however, and will need to be assessed in more detail prior to making any future commitment of treatment capacity.

Using a maximum average month peaking factor of about 2.25,<sup>40</sup> the availability of 20 to 40 mgd during summer operations would translate to about 9 to 18 mgd throughout the year, or about 10,000 to 20,000 acre-feet, if demands followed typical monthly patterns currently processed by the WTP.

<sup>40</sup> The peaking factor represents the approximate multiplier between an annual average capacity and likely peak capacity needs during the traditional summer, high-demand period. In other words, having 40 mgd available in the summer translates to an average capacity need of about 18 mgd. If the delivery pattern follows similar patterns experienced by the WTP (e.g. low winter demand and high summer demand), the average capacity can translate to an annual volume of water that could be treated.

## 4.2 Potential Available Conveyance System Capacity

As displayed in **Figure 3-4** and **Figure 3-6**, several primary transmission pipelines within the District’s retail service area deliver water from Hinkle Reservoir to the main 72” CTP transmission pipeline shown in **Figure 3-5**. Because of the various flow paths, these primary pipelines are assumed to have adequate capacity to deliver the design capacities shared by the signatories to the 1998 CTP agreement – especially the 59 mgd owned by SSWD that provides for capacity from Hinkle Reservoir to C-Bar-C Park. Therefore, the potential transmission capacity constraint, if any, would be within the CTP itself.

### 4.2.1 CTP Capacity

In November 2019, SSWD’s Board of Directors received an informational item from SSWD management that stated SSWD and Placer County Water Agency (“PCWA”) were considering proposed amendments to an existing agreement between SSWD and PCWA. One provision being considered was for PCWA to enter into a long-term lease or purchase of approximately 15 mgd of the 59 mgd capacity SSWD owns in the CTP. SSWD’s current take-or-pay commitment to PCWA is 12,000 acre-feet in years when unimpaired inflows to Folsom Reservoir are 1.6 MAF or more. During those years, historically, SSWD demands have peaked at about 2,200 acre-feet in any given month, or about 24 mgd. **In Figure 4-1**, SSWD deliveries are reflected at the top of each monthly stacked bar. The figure shows SSWD currently uses less than 50 percent of the 59 mgd capacity it owns in the CTP. Assuming the transmission system was designed to deliver the full 59 mgd reserved, the addition of 15 mgd for PCWA on top of continued use by SSWD of 24 mgd would still be short of SSWD’s 59 mgd share of CTP capacity. Further, assuming the District’s retail and WCA customer demands remain similar to current demands (as is forecast in Chapter 2), adding 15 mgd to current flows in the CTP should not adversely affect the District’s or the WCAs’ operations.<sup>41</sup>

## 4.3 Summary of Analysis

The following summarizes the determinations of this study:

- 2045 forecast water demand: As reflected in the detailed demand forecast presented in Chapter 2, the District can anticipate its retail and WCA demands to remain relatively steady over the next twenty-five years as those currently being treated and delivered. The forecast demand at 2045 is 37,300 acre-feet annually. This value may vary over time, depending on growth patterns, conservation measures implemented, and year-to-year hydrologic conditions.
- The Sidney N. Peterson WTP has a practical winter capacity of 45 mgd and summer capacity of 120 mgd. The current and forecast water demands will continue to be well

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<sup>41</sup> This would need to be confirmed with hydraulic modeling of various operational scenarios.

under these practical capacity limits. Furthermore, winter operations can theoretically be pushed to 60 mgd, and summer operations can expand capacity to 150 mgd, providing additional flexibility for peak demands and operational transition periods.

The resulting available capacity per month can be estimated by subtracting the monthly treatment quantities (represented as the maximum average for each month from 2017 through 2019, expressed as mgd) from the operational and theoretic WTP capacities. Table 4-1 provides the resulting values that are illustrated in Figure 4-1. Because of the operational flexibility, several months show an available capacity value under 45 mgd, 60 mgd and 120 mgd operational scenarios (150 mgd is not shown as it is reserved for handling peak daily demands as may be warranted). The table also indicates typical current WTP operations at either winter or summer capacities, though operators can expand to the summer operation capacities during any month.

Table 4-1: Estimated Available Treatment Capacity per Month  
(values are expressed as the average mgd in each month)

	Max WTP Use for Current Demands (2017-2019)	Available Capacity during Winter WTP Operations		Available Capacity during Summer WTP Operations	
		at 45 mgd	at 60 mgd	at 120 mgd	at 150 mgd
Jan	21	24	39	[WTP normally operating at winter capacity]	
Feb	21	24	39		
Mar	22	23	38		
Apr	33	12	27	87	117
May	53	[WTP normally operating at summer capacity]		67	97
Jun	73			47	77
Jul	76			44	74
Aug	74			46	76
Sep	65			55	85
Oct	54	0	6	66	96
Nov	40	5	20	80	110
Dec	23	22	37	[winter capacity]	

- The District and Regional primary distribution pipelines have significant available capacity. With consideration that delivery of treated water to an outside party would likely utilize SSWD’s capacity of 59 mgd in the CTP to deliver water to C-Bar-C Park, and that SSWD currently uses less than 50 percent of CTP capacity, ample capacity exists in the CTP. And, because the transmission pipelines within the District’s retail service area that feed water from Hinkle Reservoir to the CTP were designed to handle delivery of up to 59 mgd to SSWD all the way to C-Bar-C Park, there would be adequate capacity in the existing District transmission pipelines also.

DRAFT

## STAFF REPORT

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To: Board of Directors  
From: Paul Helliker, General Manager  
Date: July 22, 2020  
Subject: Collaboration/Integration Project

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### RECOMMENDED ACTION

Information

### BACKGROUND

In late April of this year, the Collaboration/Integration project consulting team (Raftelis and Tully and Young) kicked off the project with an initial meeting of the Management Committee. Subsequent to that meeting, Raftelis conducted at least two interviews with management teams from each of the seven participating agencies – focused on communications and operations. They also collected from each agency a variety of documents and information, including budgets, master plans, CIP documents, staffing information, regional organizations and collaborations, and so on. The Raftelis team has completed a draft of the Activity 1 report (3 months early!), and will be distributing it for review by the Management Committee on July 17.

The Management Committee will meet on July 22, to review and comment on the report. Raftelis will then update the report and distribute it to the participating agencies. Raftelis will then brief the Ad Hoc Board/Council Member Advisory Committee at its first meeting for the project, currently planned for July 28, 2020.

The current project schedule is on the following page.



## Appendix E: Revised Schedule

### Work Activity 1: Describe the Current Environment

TASK 1.1: PROJECT INITIATION

TASK 1.2: DESCRIBE THE UTILITIES AND INVENTORY SERVICES OFFERED BY EACH

TASK 1.3: UNDERSTAND CURRENT COLLABORATIONS

TASK 1.4: DOCUMENT EXISTING FINANCIAL INFORMATION AND APPROACHES

TASK 1.5: IDENTIFY STAKEHOLDERS AND DEVELOP COMMUNICATIONS PLAN

TASK 1.6: REVIEW AND REVISE PROJECT CHARTER (PROBLEM STATEMENT)

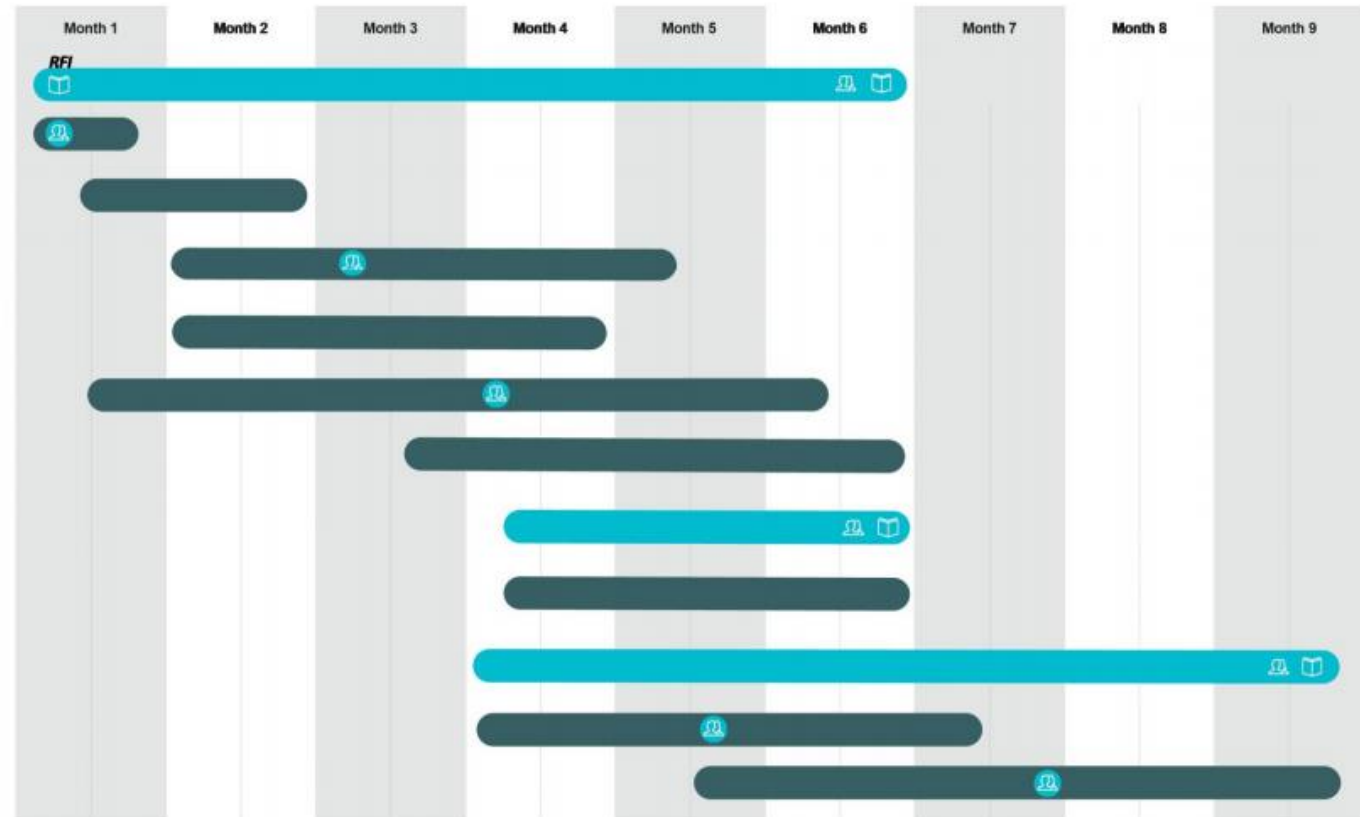
### Work Activity 2: Conduct Benchmarking

TASK 2.1: IDENTIFY PERFORMANCE MEASURES AND CONDUCT PEER BENCHMARKING

### Work Activity 3: Identify Opportunities for Collaboration

TASK 3.1: TASK 3.1: REVIEW ORGANIZATIONAL AND GOVERNANCE STRUCTURES, IMPACTS, AND POLICIES

TASK 3.2: EVALUATE THE BUSINESS CASE FOR COST SAVINGS THROUGH SHARED SERVICES



 In-Person Meetings / Workshops

 Web Meetings

 Deliverables

## STAFF REPORT

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To: Board of Directors  
From: Paul Helliker, General Manager  
Date: July 22, 2020  
Subject: Ad Hoc Water Management Committee (SSWD-SJWD 2x2 Committee)

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### RECOMMENDED ACTION

Potential Board Action to Re-Initiate Committee meetings.

### BACKGROUND

As shown in the attached timeline, the Ad Hoc Advisory Committee met four times between October, 2018 and August, 2019. During those meetings, the Committee reviewed the work conducted in 2014 and 2015, as well as the discussions that took place after the Phase 2A report was completed. The Committee heard input from various neighboring agencies concerning a more comprehensive and inclusive approach, and directed the General Managers of SSWD and SJWD to develop an RFP for a Collaboration/Integration Project, and solicit participation among neighboring agencies. The Committee then decided at its meeting in August, 2019 to go dormant, so that the two Districts could focus on the Collaboration/Integration Project.

As noted in the discussion about the Collaboration/Integration Project at the July 22, 2020 Board meeting, the Ad Hoc Board/Council Member Advisory Committee will be holding its first meeting in the near future (tentatively planned for July 27 or 28, 2020). The Board may want to consider whether or not to reinstate the SSWD-SJWD Ad Hoc Water Management Committee meetings.

## Collaboration/Integration Timeline

October/December 2018 SJWD/SSWD 2x2 Meetings	Directed GMs to proceed with Collaboration project
January-September 2019	Development and Issuance of RFP
June/August 2019 SJWD/SSWD 2x2 Meetings	Updates, Committee Goes Dormant
November 2019 – January 2020	Review, Interview and Selection of Consultant
February – April 2020	Approval of Agreement with Consultant and Cost Sharing Agreement Among Seven Participating Agencies
April 29, 2020	Collaboration Project Kickoff Meeting
July 27/28, 2020	Presentation by Raftelis of Activity 1 draft report to Ad-Hoc Board/Council Member Committee

## STAFF REPORT

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To: Board of Directors  
From: Paul Helliker, General Manager  
Date: July 22, 2020  
Subject: SJWD Board Policy Updates (*Policies to be repealed*)

---

### RECOMMENDED ACTION

Staff recommends a motion to repeal the following Board Policies:

- 3300 Emergency Response Plan
- 3400 Mutual Aid Plan
- 5000 Water Shortage Policy
- 5100 Capital Projects – Benefit and Financial Responsibility
- 5200 Wells Constructed with District Funds within Retail Agencies Boundaries
- 5300 Penalties and Interest for Delinquent Water Charges under San Juan Water District's Wholesale Water Supply Agreements

Staff further recommends adding the penalties and interest from policy 5300 to the Schedule of Rates, Fees, Deposits and Charges.

### BACKGROUND

The SJWD Board Policies are designed to record policies adopted by the Board of Directors of San Juan Water District. The policies are periodically reviewed and amended as needed.

### CURRENT STATUS

In 2019, staff reformatted the Board Policies and is working to make sure that the Board Policies reflect the policies which the Board of Directors have adopted. During this process, several policies were discovered that should not be contained in the Board Policy Manual.

*Policy 3300 Emergency Response Plan and Policy 3400.00 Mutual Aid Plan* should be removed from Board Policies as they are both Operations procedures.

*Policy 5000 Water Shortage Policy* is included in the Wholesale Water Supply Agreements and need not be included under Board Policies.

*Policy 5100 Capital Projects – Benefit and Financial Responsibility* is not a Board Policy and the policy document states it is a separate item not included in the existing document.

*Policy 5200 Wells Constructed with District Funds within Retail Agencies Boundaries* documents a past action that is covered under a Memorandum of Understanding and is not a Board policy.

*Policy 5300 Penalties and Interest for Delinquent Water Charges under San Juan Water District's Wholesale Water Supply Agreements* should be rescinded. The wholesale water supply agreements state that “water rates and charges will include interest and penalties for delinquent payments, as appropriate”, but do not state the amount. At the June 24, 2020 meeting of the Board of Directors the addition of interest and penalties for wholesale customers was added to the Schedule of Rates, Fees, Charges and Deposits. This policy is no longer needed.

Attachments:

- 3300 Emergency Response Plan
- 3400 Mutual Aid Plan
- 5000 Water Shortage Policy
- 5100 Capital Projects – Benefit and Financial Responsibility
- 5200 Wells Constructed with District Funds within Retail Agencies Boundaries
- 5300 Penalties and Interest for Delinquent Water Charges under San Juan Water District's Wholesale Water Supply Agreements

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SAN JUAN WATER DISTRICT  
POLICIES

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POLICY TYPE: General Policies  
POLICY TITLE: Emergency Response Plan  
POLICY NUMBER: 3300  
DATE ADOPTED: October 23, 2003  
DATES AMENDED:

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3300.00     Emergency Response Plan

An emergency Response Plan to ensure the continuity of services and operations in the event of actual or potential emergency situations will be implemented and maintained. The District will prepare and adopt an Emergency Response Plan and review and update as needed to ensure that the Plan remains current and consistent with District operations. The Plan will set forth the District's emergency response organization, outline the circumstances under which the Emergency Operation Center (EOC) is activated, and provide a strategy and method for emergency management activities. Primary responsibility for implementing and maintaining the Plan is the responsibility of the General Manager.

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SAN JUAN WATER DISTRICT  
POLICIES

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POLICY TYPE: General Policies  
POLICY TITLE: Records Retention  
POLICY NUMBER: 3400  
DATE ADOPTED: October 23, 2003  
DATES AMENDED:

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3400.00     Mutual Aid Plan

The District supports the sharing of resources with other public agencies during emergencies. The District will provide mutual assistance in accordance with the California Emergency Services Act and any mutual aid agreements to which the District may be a signatory.

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SAN JUAN WATER DISTRICT  
POLICIES

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POLICY TYPE: Wholesale Policies  
POLICY TITLE: Water Shortage Policy  
POLICY NUMBER: 5000  
DATE ADOPTED: October 23, 2003  
DATES AMENDED:

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5000.00     Water Shortage Policy

Included as an attachment to wholesale customer agency water supply agreements.



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SAN JUAN WATER DISTRICT  
POLICIES

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POLICY TYPE: Wholesale Policies  
POLICY TITLE: Capital Projects – Benefit and Financial Responsibility  
POLICY NUMBER: 5100  
DATE ADOPTED: October 23, 2003  
DATES AMENDED:

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5100.00     Capital Projects – Benefit and Financial Responsibility

(supplied under separate cover for board action)

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SAN JUAN WATER DISTRICT  
POLICIES

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POLICY TYPE: Wholesale Policies  
POLICY TITLE: Wells Constructed with District Funds within Retail Agencies  
Boundaries  
POLICY NUMBER: 5200  
DATE ADOPTED: October 23, 2003  
DATES AMENDED:

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5200.00 Wells Constructed with District Funds within Retail Agencies Boundaries

*[from 1990 Memorandum of Understanding]* – In 1990, the District utilized \$1,060,000 in funding from the 1979 Water Bonds (“Bond”) for the purpose of constructing groundwater wells in Citrus Heights Water District’s, Fair Oaks Water District’s and Orange Vale Water Company’s retail service areas. Each agency was responsible for purchasing or obtaining well sites. The funds from the bond proceeds were used for any and all other related costs of well development.

5200.01 Normal Operating Conditions

All wells developed as a result of Bond fund expenditures are solely owned, operated and maintained by the respective agency responsible for the distribution system to which the well is attached. The respective agency is able to use the wells during normal operating conditions.

5200.02 Emergency Water Conditions

It was mutually agreed that under emergency water conditions, the benefits of additional supply as a result of the new wells developed and paid for by the Bond funds will be shared. There were two wells installed each in Fair Oaks Water District and Citrus Heights Water District retail service areas, and one well installed in Orange Vale Water Company retail service area.

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SAN JUAN WATER DISTRICT  
POLICIES

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POLICY TYPE: Wholesale Policies  
POLICY TITLE: Penalties and Interest for Delinquent Water Charges under San Juan Water District's Wholesale Water Supply Agreements  
POLICY NUMBER: 5300  
DATE ADOPTED: February 23, 2011  
DATES AMENDED:

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5300.00 Penalties and Interest for Delinquent Water Charges under San Juan Water District's Wholesale Water Supply Agreements

5300.01 Penalties and Interest for Delinquent Water Charges

The following penalties and interest will apply to any charges due to San Juan by a wholesale customer agency under a wholesale water supply agreement that are delinquent as of 45 days after receipt (as identified in Section F of the agreement) of the invoice from San Juan, or 2 weeks after the next scheduled wholesale customer agency board meeting after receipt of the invoice from San Juan, whichever is later: (1) a 10% penalty; and (2) 1% per month in interest on the delinquent balance until paid in full. These penalties and interest will not apply to delinquencies that are outstanding prior to the effective date of this change in San Juan's wholesale water rates and charges.

## STAFF REPORT

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To: Board of Directors  
From: Paul Helliker, General Manager  
Date: July 22, 2020  
Subject: SJWD Board Policy Updates (*Records Management Policy Revisions*)

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### RECOMMENDED ACTION

Staff recommends a motion to approve revisions to the ADM-3.6 Records Management Policy.

### BACKGROUND

The SJWD Records Management Policy was created to establish and describe the Records Management Policy ("Policy") of the San Juan Water District ("District"). The Policy establishes the guidelines and procedures, under which District staff will retain, organize, purge, and destroy District records maintained by all departments. In addition, this Policy contains the Appendix A - Records Retention Schedule and provides references to the applicable state and federal statutes that regulate public records retention. The SJWD Records Management Policy Appendix A was last updated on January 13, 2010.

### CURRENT STATUS

The SJWD Records Management Policy was significantly revised and Appendix A - Records Retention Schedule was directly incorporated into the policy. The redline version of the SJWD Records Management Policy will be attached to this staff report along with the clean version.

#### Attachments:

ADM-3.6 Records Management Policy & Appendix A (current version)  
ADM-3.6 Records Management Policy (redlined and clean versions)

Section	<b>ADM-3 Administration</b>	Approval Date	<b>10/23/03</b>
Policy	<b>ADM-3.6 Records Management Policy</b>	Latest Revision	

## ADM-3.6 Records Management Policy

### 3.6.1 Records Retention

The District will establish and implement a Records Management Program to support its operations, to ensure the preservation of vital records, and to ensure compliance with applicable statutes regarding public agency records. A Records Retention and Disposal schedule, included as Appendix A will be established and implemented to ensure that records are retained for the period prescribed by law, and that records no longer required by the District for legal or operational purposes are destroyed.

### 3.6.2 Copying Public Documents

Members of the public requesting copies of public documents, in excess of ten sheets in a calendar year, may be charged ten cents per sheet copied to defray expenses associated with the copying process.

Copies of agendas and other writings (except for privileged documents) distributed to a majority of the Board of Directors at open Board meetings will be made available to the public. A limited quantity of such documents (based on normal audience attendance) will be copied in advance of each meeting and made available to the media representatives and public in attendance at no charge.

#### Revision History:

Revision Date	Description of Changes	Requested By

Section	<b>ADM-3 Administration</b>	Approval Date	<b>10/23/03</b>
Policy	<b>ADM-3.6 Records Management Policy, Appendix A</b>	Latest Revision	<b>1/13/10</b>

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## ADM-3.6 Record Management Policy

### 3.6.1 Policy

#### 3.6.1.1 Purpose

The purpose of this document is to establish and describe the Record Management Policy (“Policy”) of the San Juan Water District (“District”). The Policy establishes the guidelines and procedures under which District staff will retain, organize, purge, and destroy District records maintained by all departments. In addition, this Policy contains record retention schedules and provides references to the applicable state and federal statutes that regulate public records retention.

#### 3.6.1.2 Preparation and Amendment

The Policy shall be prepared under the direction of the General Manager and reviewed by District Legal Counsel to ensure compliance with applicable statutes. This Policy will be updated bi-annually in order to maintain currency with legal and District requirements.

### 3.6.2 Definitions

The following definitions apply to terms used in this Policy and in the attached Record Retention Schedule:

#### 3.6.2.1 Records

Records includes any documents, pictures, video recordings, audio recordings, books, paper, microfilm, computer printouts, computer disks or tapes, and any other fixed or permanent medium, which contain information relating to the conduct of the public’s business prepared, owned, used, or retained by the District regardless of physical form or characteristics. A record is not a compilation of existing records created outside the normal course of business.

#### 3.6.2.2 Functional Area

This refers to the area or department that generates, maintains or is responsible for a Record.

#### 3.6.2.3 Office

Defines on the Record Retention Schedule the length of time for which a Record in its original form must be maintained in the department where the document originated or is kept.

#### 3.6.2.4 Archive

Defines on the Record Retention Schedule the length of time for which the original or approved permanent copy of a Record must be transferred from the retaining department to storage for the archival retention period prescribed in the Record Retention Schedule.

#### 3.6.2.5 Total Retention

Defines on the Record Retention Schedule the total length of time for which a Record must be retained by the District before it can be destroyed.

### 3.6.3 Implementation and Management

This Policy will be implemented and managed under the direction of the General Manager. Administrating and updating of this Policy is delegated to the District's Director of Finance.

#### 3.6.3.1 Record Retention

The criteria used to determine the length of time to retain records includes: statutory requirements; purpose, function and use; information content; and uniqueness (whether the information exists elsewhere). Records must be retained in accordance with Government Code sections 60200 through 60204 governing retention and destruction of the records of special districts. However, specific state and federal statutes may require longer, or shorter, retention periods.

The District maintains permanent Records indefinitely in accordance with Government Code section 60201. The permanent records of the District are listed in the Record Retention Schedule attached to this Policy. The District Board of Directors has adopted the Record Retention Schedule by Resolution 07-15 in accordance with Government Code section 12236 and 60201, subdivision (b)(2).

#### 3.6.3.2 Public Record Requests

A person may obtain a copy of an identifiable public record of the District, preferably via written request, though verbal requests may be acceptable. The District reserves the right to require a written request. Public records of the District are open to inspection during regular business hours and every person has a right to inspect these records. A public record is any Record that is not otherwise exempt from disclosure in accordance with applicable laws. Records kept by District consultants are not public records of the District because they are not held by the District in the normal course of business. Officers, agents and employees of the District are not required to request records in compliance with this section when acting within the course and scope of employment or office holding.

Copies of requested Records will be provided by the District within ten days or the District will notify the requestor within ten days when the requested Records will be provided.

The District will provide the requestor with exact copies of all requested Records unless a record is in electronic form or in a specialized format, in which case the District will provide the most accurate copy possible within the limits of available technology and the requestor's instructions and willingness to pay the legally-chargeable costs to retrieve and reproduce copies of such non-standard records.

Certain Records are exempt from disclosure under the California Public Records Act (Government Codes sections 6250-6276.48). The District will justify withholding a Record by demonstrating the Record is exempt under the express provisions of Government Code section 6254 or by demonstrating in accordance with Government Code section 6255 that the public interest served by not making the Record available clearly outweighs the public interest served by disclosing the Record. The District will provide a requestor with written notice of an intent to withhold a Record stating the



reasons for the withholding within ten days of the request for inspection as required by Government Code sections 6253, subdivision (c) and 6255, subdivision (b).

**3.6.3.2.1** *Copy Charge*

The District may charge \$.25 per page of a copied Record. The copy cost may be changed by resolution of the Board of Directors. No charge will be imposed for research. The District reserves the right to have copies of specialized, oversized and color Records printed by an outside copy service and to charge the requestor the actual costs for such outside copy services. The District also reserves the right to require a requestor to deposit the estimated amount of copying fees before copying and delivering requested Records.

**3.6.3.2.2** *Request List*

The District will maintain a log of requests for inspection that are denied and the reasons for the denial.

**3.6.3.3** **Destruction and Disposal of Records**

Destruction of Records will be in accordance with this Policy and the attached Record Retention Schedule, as authorized by the General Manager or his/her designee. Records must be destroyed after the expiration of the applicable retention period in accordance with this Policy and generally accepted records information management guidelines and procedures. The acceptable method(s) of destruction are listed on the Record Retention Schedule. Generally, Records not containing information of a confidential or proprietary nature may be destroyed by means of recycling or other waste removal service. Records containing confidential or proprietary information must be shredded or otherwise permanently destroyed. Records recorded on electronic or magnetic media may be erased and the media re-used or discarded.

District Records may be destroyed by District staff or a licensed, bonded and insured document destruction service. If District staff destroys Records, the staff member destroying the Records will prepare and sign a "Certificate of Destruction." If the District uses a document destruction service, it shall obtain a Certificate of Destruction from the document destruction service following destruction of District records. All Certificates of Destruction shall be filed with the District Records Disposal Log.

**3.6.4** **Retention of Other Records**

**4.1** The District must retain the following records, regardless of any different destruction policy or schedule as to any identified record or records specified in the Records Retention Schedule:

- (1) Any record of the District that is the subject of a pending request made under the California Public Records Act, Government Code sections 6250 through 6276.48, until the District has either (a) complied with the request or (b) withheld the record and provided written notice to the requestor denying the request;

- (2) Documents related to public works not accepted by the District or to which a stop notice claim may be legally presented;
- (3) Documents related to any non-discharged District debt; and
- (4) Any document that has not yet fulfilled the administrative, fiscal, or legal purpose for which it was created or received by the District.

**4.2** The District may dispose of the following records at any time, without maintenance of a copy:

- (1) Duplicates, the original or a permanent photographic record of which is on file;
- (2) Rough drafts, notes, working papers and audio recordings prepared or kept by any employee or accumulated in the preparation of a communication, study or other document, unless of a formal nature contributing significantly to the preparation of the document, including but not limited to meter books after the contents thereof have been transferred to other records;
- (3) Cards, listings, non-permanent indices, other papers used for controlling work and transitory files including letters of transmittal, suspense letters, and tracer letters;
- (4) Canceled coupon sheets from registered bonds; and
- (5) Telephone messages and inter-departmental notes.

**Revision History:**

Revision Date	Description of Changes	Requested By

## Record Retention Schedule by Functional Area

Functional Area Category Record	Retention			Destruction Method	Legal Authority <sup>1</sup>
	Office	Archive <sup>2</sup>	Total		
<b>Administration</b>					
<i>Board of Directors</i>					
District Authorizing Documents	Permanent	Permanent	Permanent		G.C. §60201(d)(1)
Agendas	3 Yrs	Permanent	Permanent		
Board and Committee Meeting Minutes	Permanent	Permanent	Permanent		G.C. §60201(d)(3)
Meeting Audio Recordings	30 days or until minutes approved	None	30 days or until minutes approved		
Board Policies and Procedures	Current + 3 Yrs	Permanent	Permanent		
Conflict of Interest Code	Current + 3 Yrs	Permanent	Permanent		G.C. §87300
Ethics Code	Current + 3 Yrs	Permanent	Permanent		
Meeting Notices	3 Yrs	Permanent	Permanent		
Effective Ordinances and Resolutions <sup>3</sup>	Permanent	Permanent	Permanent		G.C. §60201(d)(2)
Proofs of Completion of Ethics Training	5 Yrs	None	5 Yrs	Destroy	G.C. §53235.2(a)
Form 700 Statements of Economic Interests	7 Yrs from Filing	None	7 Yrs from Filing	Shred	G.C. §81009(e)
<i>Committees</i>					
Agendas	3 Yrs	Permanent	Permanent		
Meeting Notices	3 Yrs	Permanent	Permanent		
Minutes	3 Yrs	Permanent	Permanent		G.C. §60201(d)(3)
Meeting Audio Recordings (if recorded)	Until first draft completed	None	Until first draft completed		
Reports	3 Yrs	Permanent	Permanent		
<i>Elections</i>					
General	3 Yrs	Permanent	Permanent		G.C. §81009(c)&(e)
Special	3 Yrs	Permanent	Permanent		G.C. §81009(c)&(e)

<sup>1</sup> For all Record categories where no legal authority is cited, the District has discretion to set the retention period in accordance with Government Code section 60201, subdivision (b)(2)

<sup>2</sup> Archived Records may be retained in original form or the original may be copied in a permanent medium and the original destroyed.

<sup>3</sup> Ordinances and Resolutions that are superseded, repealed, unenforceable or otherwise invalid may be disposed of five years after being rendered invalid.

## Record Retention Schedule by Functional Area

Functional Area Category Record	Retention			Destruction Method	Legal Authority <sup>1</sup>
	Office	Archive <sup>2</sup>	Total		
<b>Legal</b>					
Real Property Interests (Title, Acquisition, Disposition)	Permanent	Permanent	Permanent		G.C. §60201(d)(8)
Attorney Correspondence	1 Yr	Permanent	Permanent		
General Correspondence	1 Yr	Permanent	Permanent		
Lawsuits/Claims	1 Yr	Permanent	Permanent		G.C. §60201(d)(4)
<b>Customer Service</b>					
<b>Utility Billing</b>					
Connection Records/Will Serves	1 Yr	Permanent	Permanent		
Credit Bureau Assignments	1 Yr	3 Yrs	Audit + 3 Yrs	Shred	
Deposit Slips	1 Yr	3 Yrs	Audit + 3 Yrs	Shred	
Meter Reads	1 Yr	3 Yrs	Audit + 3 Yrs	Shred	
Payment Stubs & Tapes	1 Yr	3 Yrs	Audit + 3 Yrs	Shred	
Purge Tapes	1 Yr	3 Yrs	Audit + 3 Yrs	Shred	
Refunds	1 Yr	3 Yrs	Audit + 3 Yrs	Shred	
Service Requests	1 Yr	3 Yrs	Audit + 3 Yrs	Shred	
Utility Billing Register	1 Yr	3 Yrs	Audit + 3 Yrs	Shred	
<b>Finance</b>					
<b>Accounts Payable (A/P)</b>					
1099 Tax Information	Audit + 1 Yr	6 Yrs	Audit + 7 Yrs	Disposal	G.C. §60201(d)(12)
A/P Account Distribution Report (monthly)	Audit + 1 Yr	6 Yrs	Audit + 7 Yrs	Disposal	G.C. §60201(d)(12)
A/P supporting documentation (voucher, invoice, purchase order, receiving documents)	Audit + 1 Yr	6 Yrs	Audit + 7 Yrs	Disposal	G.C. §60201(d)(12)
Aged A/P Summary Report (monthly)	1 Yr	3 Yrs	Audit + 3 Yrs	Disposal	
Audit Report-last file-Electronic Funds Transfer	30 Days	None	None	Shred	
Audit Report-last file-Positive Pay	30 Days	None	None	Shred	
Check Preview Reports (monthly)	1 Yr	3 Yrs	Audit + 3 Yrs	Disposal	

## Record Retention Schedule by Functional Area

Functional Area Category Record	Retention			Destruction Method	Legal Authority <sup>1</sup>
	Office	Archive <sup>2</sup>	Total		
Open Payables Report (monthly)	30 Days	3 Yrs	Audit + 3 Yrs	Disposal	
Purchase Order File	Audit + 1 Yr	6 Yrs	Audit + 7 Yrs	Disposal	G.C. §60201(d)(12)
US Bank ACH File Confirmation	30 Days	None	None	Shred	
Vendor Detail (annual)	Audit + 1 Yr	6 Yrs	Audit + 7 Yrs	Disposal	G.C. §60201(d)(12)
Void Check Entry-Batch Control Report	30 Days	None	None	Disposal	
Voucher & Adjustment Entry-Batch Control Report	30 Days	None	None	Disposal	
<b>Accounts Receivable (A/R)</b>					
Cash Receipts	1 Yr	20 Yrs	Audit + 20 Yrs		
Cash Receipts for Connection fees	1 Yr	Permanent	Permanent		
Credit Bureau Assignments	1 Yr	3 Yrs	Audit + 3 Yrs	Shred	
Invoices	1 Yr	3 Yrs	Audit + 3 Yrs	Shred	
Journal Entries	1 Yr	3 Yrs	Audit + 3 Yrs	Disposal	
Refunds	1 Yr	3 Yrs	Audit + 3 Yrs	Disposal	
<b>Debt Administration/Tax Collection</b>					
Bonds Payable and Other Long-Term Indebtedness	1 Yr	5 Yrs	Audit + 5 Yrs	Disposal	
Tax Records	1 Yr	5 Yrs	Audit + 5 Yrs	Disposal	
<b>General Ledger</b>					
Audited Financial Statements	1 Yr	5 Yrs	Audit + 5 Yrs	Disposal	
Budget Reports	1 Yr	5 Yrs	Audit + 5 Yrs	Disposal	
Cancelled Checks	1 Yr	5 Yrs	Audit + 5 Yrs	Disposal	
Chart of Accounts	1 Yr	5 Yrs	Audit + 5 Yrs	Disposal	
Fixed Asset Reports	1 Yr	5 Yrs	Audit + 5 Yrs	Disposal	
Monthly Account Reconciliations (Prepaid, etc.)	1 Yr	5 Yrs	Audit + 5 Yrs	Disposal	
Monthly Bank Reconciliations and Statements	1 Yr	5 Yrs	Audit + 5 Yrs	Disposal	

## Record Retention Schedule by Functional Area

Functional Area <i>Category</i> Record	Retention			Destruction Method	Legal Authority <sup>1</sup>
	Office	Archive <sup>2</sup>	Total		
Monthly Financial Reports (Balance Sheet, Income Statement, General Ledger, etc.)	1 Yr	5 Yrs	Audit + 5 Yrs	Disposal	
Monthly Journal Entries	1 Yr	5 Yrs	Audit + 5 Yrs	Disposal	
Project Expenditure Reports	1 Yr	5 Yrs	Audit + 5 Yrs	Disposal	
<b>Grants</b>					
Federal Grants	1 Yr	3 Yrs	Audit + 3 Yrs	Disposal	
State Grants	1 Yr	3 Yrs	Audit + 3 Yrs	Disposal	
<b>Inventory</b>					
Annual Physical Count Documentation	1 Yr	5 Yrs	Audit + 5 Yrs	Disposal	
Inventory Issue Batch Reports	1 Yr	5 Yrs	Audit + 5 Yrs	Disposal	
Property Disposal Records	1 Yr	5 Yrs	Audit + 5 Yrs	Disposal	
<b>Investments</b>					
Acquisition of securities	1 Yr	5 Yrs	Audit + 5 Yrs	Shred	
Broker/Bank Receipts	1 Yr	5 Yrs	Audit + 5 Yrs	Shred	
Periodic Statements	1 Yr	5 Yrs	Audit + 5 Yrs	Shred	
<b>Human Resources</b>					
<b>Payroll</b>					
Employee Master File Record	1 Yr	4 Yrs	Audit + 4 Yrs	Shred	
Employee Programs	Until revised	4 Yrs	Audit + 4 Yrs	Shred	
Journal Entries	1 Yr	4 Yrs	Audit + 4 Yrs	Disposal	
Medical/Other Leave	1 Yr	4 Yrs	Audit + 4 Yrs	Shred	
Motor Vehicle Records	90 Days	4 Yrs	Audit + 4 Yrs	Shred	
Payroll Register (hours, earnings, deductions)	Audit + 1 Yr	6 Yrs	Audit + 7 Yrs	Shred	G.C. §60201(d)(12)
Payroll Changes	Audit + 1 Yr	6 Yrs	Audit + 7 Yrs	Shred	G.C. §60201(d)(12)

## Record Retention Schedule by Functional Area

Functional Area Category Record	Retention			Destruction Method	Legal Authority <sup>1</sup>
	Office	Archive <sup>2</sup>	Total		
Social Security, SSI, Federal, State, Health, Other Payments	Audit + 1 Yr	6 Yrs	Audit + 7 Yrs	Shred	G.C. §60201(d)(12)
PERS Report	2 Yrs	Permanent	Permanent		
Safety Records	1 Yr	4 Yrs	Audit + 4 Yrs	Shred	
Sick Leave	90 Days	4 Yrs	Audit + 4 Yrs	Shred	
Taxable Wages	Audit +1 Yr	6 Yrs	Audit + 7 Yrs	Shred	G.C. §60201(d)(12)
Timesheets	Audit + 1 Yr	6 Yrs	Audit +7 Yrs	Disposal	G.C. §60201(d)(12)
Vacation	90 Days	4 Yrs	Audit + 4 Yrs	Disposal	
Vehicle Mileage Reimbursement Rates	1 Yr	4 Yrs	Audit + 4 Yrs	Disposal	
W-2's	Audit + 1 Yr	6 Yrs	Audit + 7 Yrs	Shred	G.C. §60201(d)(12)
Workweek/Flex Time MOU	1 Yr	4 Yrs	Audit+ 4 Yrs	Shred	
Year-end Payroll Tape/Data Backup	1 Yr	4 Yrs	Audit + 4 Yrs	Shred	
<b>Personnel</b>					
Employee Files	Until Termination	Permanent	Permanent		
General Information	Until Termination	Permanent	Permanent		
Benefits	Until Termination	Permanent	Permanent		
Performance Management (Evaluations, etc.)	Until Termination	0	Until Termination	Disposal	
Payroll	Until Termination	Permanent	Permanent		
Training	Until Termination	0	Until Termination	Disposal	
Confidential	Until Termination	0	Until Termination	Shred	
Medical	Until Termination	0	Until Termination	Shred	
Employee Contracts	2 Yrs	0	2 Yrs	Shred	
Employee Handbook	Until revised	4 Yrs	Audit + 4 Yrs	Disposal	
<b>Recruitment/Promotion</b>					
Job applications	2 Yrs	0	2 Yrs	Shred	Title VII, FEHA, ADA, ADEA
Resumes	2 Yrs	0	2 Yrs	Shred	
Position Advertisements	2 Yrs	0	2 Yrs	Disposal	
Employment testing results	2 Yrs	0	2 Yrs	Shred	

## Record Retention Schedule by Functional Area

Functional Area <i>Category</i> Record	Retention			Destruction Method	Legal Authority <sup>1</sup>
	Office	Archive <sup>2</sup>	Total		
<b>Risk Management</b>					
<b><i>Insurance</i></b>					
Certificates of Insurance	3 Yrs	Permanent	Permanent		
Coverage Opinions	3 Yrs	Permanent	Permanent		
Endorsements	3 Yrs	Permanent	Permanent		
Insurance Policies	3 Yrs	Permanent	Permanent		
Memoranda of Coverage	3 Yrs	Permanent	Permanent		
Surety/Fidelity Bonds Required to be maintained by insurer	3 Yrs	Permanent	Permanent		
<b>Water System</b>					
<b><i>Capital Improvements</i></b>					
Accepted bid documents	5 Yrs	Permanent	Permanent		
As-built plans/documents	7 Yrs	Permanent	Permanent		
Contracts	7 Yrs	Permanent	Permanent		G.C. §60201(d)(12)
Unaccepted construction bids & proposals	2 Yrs	None	None	Disposal	G.C. §60201(d)(11)
<b><i>Source, Treatment, and Distribution</i></b>					
Maps	2 Yrs	10 Yrs	10 Yrs	Shred	
Master Plans	2 Yrs	10 Yrs	10 Yrs	Shred	
Meter Operations	2 Yrs	10 Yrs	10 Yrs	Disposal	
Permits	2 Yrs	10 Yrs	10 Yrs	Disposal	
Policies & Procedures	2 Yrs	10 Yrs	10 Yrs	Disposal	
Rates	2 Yrs	10 Yrs	10 Yrs	Disposal	
Reclamation	2 Yrs	10 Yrs	10 Yrs	Disposal	
Reports	2 Yrs	10 Yrs	10 Yrs	Shred	
Sources	2 Yrs	10 Yrs	10 Yrs	Shred	
Surveyor Field Notes	2 Yrs	10 Yrs	10 Yrs	Shred	



**Record Retention Schedule by Functional Area**

Functional Area Category Record	Retention			Destruction Method	Legal Authority <sup>1</sup>
	Office	Archive <sup>2</sup>	Total		
Surveys, Water System Sanitary	2 Yrs	10 Yrs	10 Yrs	Shred	
Test	2 Yrs	10 Yrs	10 Yrs	Shred	
Valve Main Records	2 Yrs	10 Yrs	10 Yrs	Shred	
Violations, Drinking Water	2 Yrs	10 Yrs	10 Yrs	Shred	

Section	ADM-3 Administration	Approval Date	10/23/03
Policy	ADM-3.6 Records Management Policy, Appendix A	Latest Revision	1/13/10

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## ADM-3.6 Records Management Policy

### 3.6.1 Policy

#### 3.6.1.1 Purpose

The purpose of this document is to establish and describe the Records Management Policy (“Policy”) of the San Juan Water District (“District”). The Policy establishes the guidelines and procedures under which District staff will retain, organize, purge, and destroy District records maintained by all departments. In addition, this Policy contains the Records Retention Schedules (Appendix A) and provides references to the applicable state and federal statutes that regulate public records retention.

### **3.6.1.2 Principles**

When records no longer fulfill the value for which they were created, they should be destroyed unless they also have some historic or research significance. If that is the case, the records should be preserved by an appropriate historical agency. Staff members should realize that an effective records management program is not only cost effective, it will also make their jobs easier. They should also know that records retained beyond their value “just in case” only extend the District’s legal liability in the event of adverse litigation. Effective Records Management ensures that records are kept only as long as they have some administrative, fiscal, or legal value.

### **3.6.1.23 Preparation and Amendment**

The Policy shall be prepared under the direction of the General Manager and reviewed by District Legal Counsel to ensure compliance with applicable statutes. This Policy will be ~~updated~~ reviewed bi-annually in order to maintain currency with legal and District requirements.

## **3.6.2 Definitions**

The following definitions apply to terms used in this Policy and ~~in the attached~~ Appendix A - Records Retention Schedule:

### **3.6.2.1 Records**

Records includes any documents, pictures, video recordings, audio recordings, books, paper, microfilm, computer printouts, computer disks or tapes, and any other fixed or permanent medium, which contain information relating to the conduct of the public’s business prepared, owned, used, or retained by the District regardless of physical form or characteristics. A record is not a compilation of existing records created outside the normal course of business.

**Active Records** – Records that are referred to at least once a month per cubic foot of records. Also, a retention period for a Perpetual Record that remains “active” until some event occurs to change its status, at which time it has fulfilled its function. (See also Perpetual Record)

**Administrative Records** – Records commonly found in all offices and typically retained only for short time periods – less than five years. Examples include subject, chronological, budget, and policy files.

**Archival Records** - Records with enduring value because they reflect significant historical events, document the history and development of the District, or provide valuable research data.

**Non-Records** - Material not usually included within the definition of records, such as unofficial copies of documents kept only for convenience or reference, working papers, appointment logs, stocks of publications and processed documents, and library or museum material intended solely for reference or exhibition. Also, documents such as rough notes, calculations or drafts assembled or created and used in the preparation or analysis of other documents. (See also Discovery)

**Permanent Records** – Records that are required in perpetuity, usually identified by statute or other written guidance. Examples include District formation documents, Board minutes, real property interest, etc.

**Perpetual Records** – Records retained for an indefinite period of time and then stored or destroyed after some event takes place. Examples include office personnel files which are kept until a person leaves the office, policy files kept until the policy is changed, contract files kept until the contract terminates, etc.

**Public Records** - Any information relating to the conduct of the public's business prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics.

#### **3.6.2.2 Functional Area**

This refers to the area or department that generates, maintains or is responsible for a Record.

#### **3.6.2.3 Office**

Defines on the Records Retention Schedule the length of time for which a Record in its original form must be maintained in the department where the document originated or is kept.

#### **3.6.2.4 Archive**

Defines on the Records Retention Schedule the length of time for which the original or approved permanent copy of a Record must be transferred from the retaining department to storage for the archival retention period prescribed in the Records Retention Schedule.

#### **3.6.2.5 Total Retention**

Defines on the Records Retention Schedule the total length of time for which a Record must be retained by the District before it can be destroyed.

#### **3.6.2.6 Discovery**

The pretrial disclosure of pertinent facts or documents by one or both parties to a civil action or proceeding. Anything requested during discovery must be disclosed if it exists – even non-records and records that should have been destroyed earlier. Discovery effectively freezes selected holdings until released by opposing attorney or the court.

#### **3.6.2.7 Records Retention Schedule**

A list of all records produced or maintained by the District and the actions taken with regards to those records. A retention schedule is the District's legal authority to receive, create, retain, and dispose of official public records. It assists the District by documenting which records require office or temporary storage, which records have historic or research value, and which records should be destroyed because they no longer have any administrative, fiscal, or legal value. In the event of litigation, courts accept a retention schedule as establishing an agency's "normal course of doing business".

#### **3.6.2.8 Retention Period**

The length of time a record must be retained to fulfill its administrative, fiscal and/or legal function. Then a record should be disposed of as soon as possible in accordance with an approved Records Retention Schedule.

### **~~3.6.3 Implementation and Management~~**

~~This Policy will be implemented and managed under the direction of the General Manager. Administrating and updating of this Policy is delegated to the District's Director of Finance.~~

### **3.6.3 Records Retention**

The criteria used to determine the length of time to retain records includes: statutory requirements; purpose, function and use; information content; and uniqueness (whether the information exists elsewhere). As defined in Water Code 21403, records must be retained in accordance with Government Code sections 60200 through 60204 governing retention and destruction of the records of special districts. However, specific state and federal statutes may require longer, or shorter, retention periods.

The District maintains permanent Records indefinitely in accordance with Government Code section 60201. The permanent records of the District are listed in the Records Retention Schedule attached to within this Policy. ~~The District Board of Directors has adopted the Record Retention Schedule by Resolution 07-15 in accordance with Government Code section 12236 and 60201, subdivision (b)(2).~~

#### **~~3.6.3.2 Public Record Requests~~**

~~A person may obtain a copy of an identifiable public record of the District, preferably via written request, though verbal requests may be acceptable. The District reserves the right to require a written request. Public records of the District are open to inspection during regular business hours and every person has a right to inspect these records. A public record is any Record that is not otherwise exempt from disclosure in accordance with applicable laws. Records kept by District consultants are not public records of the District because they are not held by the District in the normal course of business. Officers, agents and employees of the District are not required to request records in compliance with this section when acting within the course and scope of employment or office holding.~~

~~Copies of requested Records will be provided by the District within ten days or the District will notify the requestor within ten days when the requested Records will be provided.~~

~~The District will provide the requestor with exact copies of all requested Records unless a record is in electronic form or in a specialized format, in which case the District will provide the most accurate copy possible within the limits of available technology and the requestor's instructions and willingness to pay the legally chargeable costs to retrieve and reproduce copies of such non-standard records.~~

~~Certain Records are exempt from disclosure under the California Public Records Act (Government Codes sections 6250-6276.48). The District will justify withholding a Record by demonstrating the Record is exempt under the express provisions of Government Code section 6254 or by demonstrating in accordance with Government Code section 6255 that the public interest served by not making the Record available clearly outweighs the public interest served by disclosing the Record. The District will provide a requestor with written notice of an intent to withhold a Record stating the reasons for the withholding within ten days of the request for inspection as required by Government Code sections 6253, subdivision (c) and 6255, subdivision (b).~~

#### ~~3.6.3.2.1~~ ~~Copy Charge~~

~~The District may charge \$.25 per page of a copied Record. The copy cost may be changed by resolution of the Board of Directors. No charge will be imposed for research. The District reserves the right to have copies of specialized, oversized and color Records printed by an outside copy service and to charge the requestor the actual costs for such outside copy services. The District also reserves the right to require a requestor to deposit the estimated amount of copying fees before copying and delivering requested Records.~~

#### ~~3.6.3.2.2~~ ~~Request List~~

~~The District will maintain a log of requests for inspection that are denied and the reasons for the denial.~~

#### 3.6.3.34 Destruction and Disposal of Records

Destruction of Records will be in accordance with this Policy and the attached Records Retention Schedule, as authorized by the General Manager or his/her designee. Records must be destroyed after the expiration of the applicable retention period in accordance with this Policy and generally accepted records information management guidelines and procedures. The acceptable method(s) of destruction are listed on the Records Retention Schedule. Generally, Records not containing information of a confidential or proprietary nature may be destroyed by means of recycling or other waste removal service. Records containing confidential or proprietary information must be shredded or otherwise permanently destroyed. Records recorded on electronic or magnetic media may be erased and the media re-used or discarded.

District Records may be destroyed by District staff or a licensed, bonded and insured document destruction service. If District staff destroys Records, the staff member destroying the Records will prepare and sign a "Certificate of Destruction." If the District uses a document destruction service, it shall obtain a Certificate of Destruction from the document destruction service following destruction of District records. All Certificates of Destruction shall be filed with the District Records Disposal Log.

#### 3.6.45 Retention of Other Records

**3.6.45.1** The District must retain the following records, regardless of any different destruction policy or schedule as to any identified record or records specified in the Records Retention Schedule:

- ~~(2)~~(1) Any record of the District that is the subject of a pending request made under the California Public Records Act, Government Code sections 6250 through 6276.48, until the District has either (a) complied with the request or (b) withheld the record and provided written notice to the requestor denying the request;
- ~~(3)~~(2) Documents related to public works not accepted by the District or to which a stop notice claim may be legally presented;
- ~~(4)~~(3) Documents related to any non-discharged District debt; and
- ~~(4)~~ Any document that has not yet fulfilled the administrative, fiscal, or legal purpose for which it was created or received by the District.
- (5) Documents related to a Natural Disaster or Federal Emergency Management Agency (FEMA) claim.

**3.6.45.2** The District may dispose of the following records at any time, without maintenance of a copy:

- ~~(2)~~(1) Duplicates, the original or a permanent photographic record of which is on file;
- ~~(3)~~(2) Rough drafts, notes, working papers and audio recordings prepared or kept by any employee or accumulated in the preparation of a communication, study or other document, unless of a formal nature contributing significantly to the preparation of the document, including but not limited to meter books after the contents thereof have been transferred to other records;
- ~~(4)~~(3) Cards, listings, non-permanent indices, other papers used for controlling work and transitory files including letters of transmittal, suspense letters, and tracer letters;
- ~~(5)~~(4) Canceled coupon sheets from registered bonds; and
- ~~(6)~~(5) Telephone messages and inter-departmental notes.

### **3.6.6 Public Record Requests**

A person may obtain a copy of an identifiable public record of the District, preferably via written request, though verbal requests may be acceptable. The District reserves the right to require a written request. Public records of the District are open to inspection during regular business hours and every person has a right to inspect these records. A public record is any Record that is not otherwise exempt from disclosure in accordance with applicable laws. Records kept by District consultants are not public records of the District because they are not held by the District in the normal course of business. Officers, agents and employees of the District are not required to request records in compliance with this section when acting within the course and scope of employment or office holding.

Copies of requested Records will be provided by the District within ten days or the District will notify the requestor within ten days when the requested Records will be provided.

The District will provide the requestor with exact copies of all requested Records unless a record is in electronic form or in a specialized format, in which case the District will provide the most accurate copy possible within the limits of available technology and the requestor’s instructions and willingness to pay the legally-chargeable costs to retrieve and reproduce copies of such non-standard records.

Certain Records are exempt from disclosure under the California Public Records Act (Government Codes sections 6250-6276.48). The District will justify withholding a Record by demonstrating the Record is exempt under the express provisions of Government Code section 6254 or by demonstrating in accordance with Government Code section 6255 that the public interest served by not making the Record available clearly outweighs the public interest served by disclosing the Record. The District will provide a requestor with written notice of an intent to withhold a Record stating the reasons for the withholding within ten days of the request for inspection as required by Government Code sections 6253, subdivision (c) and 6255, subdivision (b).

**3.6.6.1 Copy Charge**

The District may charge a per page fee to copy a record, in an amount specified on the District’s current Schedule of Rates, Fees, Charges and Deposits. No charge will be imposed for research. The District reserves the right to have copies of specialized, oversized and color Records printed by an outside copy service and to charge the requestor the actual costs for such outside copy services. The District also reserves the right to require a requestor to deposit the estimated amount of copying fees before copying and delivering requested Records.

**3.6.6.2 Request List**

The District will maintain a log of requests for inspection that are denied and the reasons for the denial.

**Revision History:**

Revision Date	Description of Changes	Requested By



## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
<b>Administration</b>					
<b><i>Board of Directors and Committees</i></b>					
Authorizing Documents	Permanent	Permanent	Permanent		G.C. §60201(d)(1)
Board Policies and Procedures	Current + 3 years	Permanent	Permanent		
Conflict of Interest Code	Current + 3 years	Permanent	Permanent		G.C. §87300
Ethics Code	Current + 3 years	Permanent	Permanent		
<del>Proofs of Completion of</del> Ethics Training - <u>Proofs of Completion</u>	5 years	None	5 years	Destroy	G.C. §53235.2(a)
Form 700 Statements of Economic Interests	7 years from Filing	None	7 years from Filing	Shred	G.C. §81009(e)
<u>Meeting</u> Agendas	3 years	Permanent	Permanent		
Meeting Audio Recordings	30 days or until minutes approved	None	30 days or until minutes approved	<u>Deletion</u>	
<del>Board and Committee</del> Meeting Minutes	Permanent	Permanent	Permanent		G.C. §60201(d)(3)
Meeting Notices	3 years	Permanent	Permanent		
Ordinances and Resolutions - current <sup>3</sup>	Permanent	Permanent	Permanent		G.C. §60201(d)(2)
<u>Ordinances and Resolutions - Repealed/Invalid</u>	<u>5 years from Repeal</u>	<u>None</u>	<u>5 years from Repeal</u>	<u>Disposal</u>	<u>G.C. §60201(d)(2)</u>
Reports <del>—staff, studies,</del> (including all attachments)	3 years	Permanent	Permanent		
<b><i>Election Materials</i></b>					
General	3 years	Permanent	Permanent		G.C. §81009( <del>ea</del> )&(e)
Special	3 years	Permanent	Permanent		G.C. §81009( <del>ea</del> )&(e)
<b><i>Legal</i></b>					
Attorney Correspondence	1 year	<u>Permanent 2 years</u>	<u>Permanent 3 years</u>	<u>Shred</u>	

<sup>1</sup> Archived Records may be retained in original form or the original may be copied in a permanent medium and the original destroyed.

<sup>2</sup> For all Record categories where no legal authority is cited, the District has discretion to set the retention period in accordance with Government Code section 60201, subdivision (b)(2)

<sup>3</sup> Ordinances and Resolutions that are superseded, repealed, unenforceable or otherwise invalid may be disposed of five years after being rendered invalid.

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
General Correspondence	1 year	<del>Permanent</del> <u>2 years</u>	<del>Permanent</del> <u>3 years</u>	<del>Shred</del>	
Lawsuits/Claims	<del>Until Closed + 2 years</del>	<del>Permanent</del> <u>one</u>	<del>Permanent</del> <u>Until Close + 2 years</u>	<del>Shred</del>	G.C. §60201(d)(4)
<u>Opinions</u>	<u>1 year</u>	<u>7 years</u>	<u>7 years</u>	<del>Shred</del>	
Real Property Interests (Title, Acquisition, Disposition)	Permanent	Permanent	Permanent		G.C. §60201(d)(8)
<b>Customer Service</b>					
<b><u>Utility Billing</u></b>					
Connection Records/Will Serves	1 year	Permanent	Permanent		
Credit Bureau Assignments	1 year	3 years	Audit + 3 years	Shred	
Deposit Slips	1 year	3 years	Audit + 3 years	Shred	
Meter Reads <u>in Billing System</u>	<del>1 year</del> <u>Permanent</u>	<del>3 years</del> <u>None</u>	<del>Audit + 3 years</del> <u>Permanent</u>	<del>Shred</del>	
Payment Stubs & Tapes	1 year	3 years	Audit + 3 Years	Shred	
Refunds	<u>Audit + 1 year</u>	<u>6 years</u>	Audit + <del>3-7</del> Yrs	<del>Disposal</del> <u>Shred</u>	<u>G.C. §60201(d)(12)</u>
Service Requests	1 year	3 years	Audit + 3 years	Shred	
Utility Billing Register	1 year	3 years	Audit + 3 years	Shred	
<b><u>Water Efficiency</u></b>					
<u>Landscape irrigation reports</u>	<u>1 year</u>	<u>3 years</u>	<u>4 years</u>	<u>Shred</u>	
<u>Rebate Applications</u>	<u>1 year</u>	<u>5 years</u>	<u>6 years</u>	<u>Shred</u>	
<u>Water Loss Audit &amp; Validation</u>	<u>3 years</u>	<u>Permanent</u>	<u>Permanent</u>		
<b>Finance</b>					
<b><u>Accounts Payable (A/P)</u></b>					
1099's <u>Issued Tax Information</u>	Audit + 1 year	6 years	Audit +7 years	Disposal	<u>26 CFR Sec, 31.6001-1(e)(2)G.C. §60201(d)(12)</u>

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
<del>A/P Account Distribution Report (monthly)</del>	<del>Audit + 1 Yr</del>	<del>6 Yrs</del>	<del>Audit + 7 Yrs</del>	<del>Disposal</del>	<del>G.C. §60201(d)(12)</del>
A/P supporting documentation (voucher, invoice, purchase order, receiving documents)	Audit + 1 year	6 years	Audit + 7 years	Disposal	G.C. §60201(d)(12)
<del>Check Register Packet</del>	<del>Audit + 1 year</del>	<del>6 years</del>	<del>Audit + 7 years</del>	<del>Disposal</del>	<del>G.C. §60201(d)(12)</del>
<del>Payable/Receipt Registers, Adjustment, Void and Check Registers</del>	<del>Audit + 1 year</del>	<del>6 years</del>	<del>Audit + 7 years</del>	<del>Disposal</del>	<del>G.C. §60201(d)(12)</del>
<del>Aged A/P Summary Report (monthly)</del>	<del>1 Yr</del>	<del>3 Yrs</del>	<del>Audit + 3 Yrs</del>	<del>Disposal</del>	
<del>Audit Report last file Electronic Funds Transfer</del>	<del>30 Days</del>	<del>None</del>	<del>None</del>	<del>Shred</del>	
<del>Audit Report last file Positive Pay</del>	<del>30 Days</del>	<del>None</del>	<del>None</del>	<del>Shred</del>	
<del>Check Preview Reports (monthly)</del>	<del>1 Yr</del>	<del>3 Yrs</del>	<del>Audit + 3 Yrs</del>	<del>Disposal</del>	
<del>Open Payables Report (monthly)</del>	<del>30 Days</del>	<del>3 Yrs</del>	<del>Audit + 3 Yrs</del>	<del>Disposal</del>	
<del>Purchase Order File (quote comparisons, email communication, documentation of receipt, requisitions and PO itself)</del>	<del>Audit + 1-2 years</del>	<del>6 years None</del>	<del>Audit + 7-2 years</del>	<del>Disposal</del>	<del>G.C. §60201(d)(12)</del>
<del>US Bank ACH File Confirmation</del>	<del>30 Days</del>	<del>None</del>	<del>None</del>	<del>Shred</del>	
<del>Vendor Information Packet (including W-9, Form 590, etc. Detail (annual))</del>	<del>Audit + 1 year Until no longer active + 7 years</del>	<del>6 years None</del>	<del>Audit Until no longer active + 7 years</del>	<del>Disposal</del>	<del>G.C. §60201(d)(12)</del>
<del>Voided Checks Void Check Entry Batch Control Report</del>	<del>Audit + 1 year 30 Days</del>	<del>None 6 years</del>	<del>Audit + 7 years</del>	<del>Disposal</del>	
<del>Voucher &amp; Adjustment Entry Batch Control Report</del>	<del>30 Days</del>	<del>None</del>	<del>None</del>	<del>Disposal</del>	
<b>Accounts Receivable (A/R)</b>					
Cash Receipts	Audit + 1 year	20-6 years	Audit + 20-7 years	Disposal	
Cash Receipts for Connection fees	Audit + 5-1 years	Permanent	Permanent		
Credit Bureau Assignments	Audit + 1 year	3 years	Audit + 4 years	Shred	
Invoices	Audit + 1 year	3 years	Audit + 3-4 years	Shred	
<del>Journal Entries</del>	<del>1 year</del>	<del>3 years</del>	<del>Audit + 3-4 years</del>	<del>Disposal</del>	
<del>Refunds</del>	<del>1 year</del>	<del>3 years</del>	<del>Audit + 3-4 years</del>	<del>Disposal</del>	

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
<b>Debt Administration/Tax Collection</b>					
<u>Bond Transcripts (issuing documents)</u>	<u>Cancellation of Debt, Redemption or Maturity</u>	<u>10 years</u>	<u>Cancellation of Debt, Redemption or Maturity + 10 years</u>	<u>Disposal</u>	<u>G.C. §60201(d)(7) CCP 336a and 337.5</u>
<u>Tax Records</u>	<u>1 Yr</u>	<u>5 Yr</u>	<u>Audit + 5 Yr</u>	<u>Disposal</u>	
<u>CalPERs Actuarial Valuation Reports (Pension)</u>	<u>10 years</u>	<u>None</u>	<u>10 years</u>	<u>Disposal</u>	
<u>Bonds Payable and Financing Agreement for Other Long-Term Indebtedness</u>	<u>1 yr Cancellation of Debt, Redemption or Maturity</u>	<u>5 Yrs 10 years</u>	<u>Audit + 5 Yr Cancellation of Debt, Redemption or Maturity + 10 years</u>	<u>Disposal</u>	<u>CCP 336a G.C. §60201(d)(7)</u>
<u>OPEB Valuation Report</u>	<u>10 years</u>	<u>None</u>	<u>10 years</u>	<u>Disposal</u>	
<b>General Ledger</b>					
<u>Audited Financial Statements</u>	<u>1 Yr Audit + 10 years</u>	<u>Permanent 5 Yr</u>	<u>Permanent Audit + 5 Yr</u>	<u>Disposal</u>	
<u>Budgets – adopted/final Budget Reports</u>	<u>Audit + 10 years 1 Yr</u>	<u>Permanent 5 Yr</u>	<u>Permanent Audit + 5 Yr</u>	<u>Disposal</u>	
<u>Detailed General Ledger (electronic)</u>	<u>7 years</u>	<u>None</u>	<u>7 years</u>	<u>Delete</u>	
<u>Cancelled Checks</u>	<u>Audit + 1 Yr</u>	<u>5 Yr</u>	<u>Audit + 5 Yr</u>	<u>Disposal</u>	
<u>Chart of Accounts</u>	<u>1 year</u>	<u>5 years</u>	<u>Audit + 5 years</u>	<u>Disposal</u>	
<u>Fixed Asset Reports Listing (in year-end binder, if not, retain separately as shown)</u>	<u>Audit + 2 years 1 Yr</u>	<u>5 years</u>	<u>Audit + 7 5 years</u>	<u>Disposal</u>	
<u>Monthly Account Reconciliations (Prepaid, etc.)</u>	<u>Audit + 1 Yr</u>	<u>5 Yr</u>	<u>Audit + 5 Yr</u>	<u>Disposal</u>	
<u>Monthly Journal Entries</u>	<u>Audit + 1 year</u>	<u>5 7 years</u>	<u>Audit + 5 7 years</u>	<u>Disposal</u>	
<u>Monthly Bank Reconciliations and Statements</u>	<u>Audit + 1 year</u>	<u>5 6 years</u>	<u>Audit + 5 Yrs 7 years</u>	<u>Disposal</u>	
<u>Monthly Financial Reports (Balance Sheet, Income Statement, General Ledger, etc.)</u>	<u>1 Yr</u>	<u>5 Yr</u>	<u>Audit + 5 Yr</u>	<u>Disposal</u>	
<u>Project Expenditure Reports</u>	<u>1 year</u>	<u>5 years</u>	<u>Audit + 5 years</u>	<u>Disposal</u>	

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
<a href="#">Year End Audit Binder ( contains reconciliation and supporting documentation for each account with a material year-end balance – balance sheet and income statement accounts)</a>	<a href="#">Audit + 5 years</a>	<a href="#">Permanent</a>	<a href="#">Permanent</a>		
<b>Grants</b>					
<a href="#">Federal Grants Records including procurement documents, expenditures, grant reports, program income receipts and records, etc.</a>	<a href="#">1-Yr Expiration of Grant + 3 years</a>	<a href="#">3-Yr Expiration of Grant + 4 years</a>	<a href="#">Audit + 3 Expiration of Grant + 7 years</a>	Disposal	<a href="#">21 CFR 1403.36 &amp; 1403.42(b); 24 CFR 85.42, 91.105(h), &amp; 570.502; 29 CFR 97.42</a>
<a href="#">State Grants</a>	<a href="#">1-Yr</a>	<a href="#">3-Yr</a>	<a href="#">Audit + 3-Yr</a>	<a href="#">Disposal</a>	
<b>Inventory</b>					
Annual Physical Count Documentation	<a href="#">Audit + 1 year</a>	<a href="#">5-6 years</a>	<a href="#">Audit + 5-7 years</a>	Disposal	
Inventory Issue Batch Reports	<a href="#">Audit + 1 year</a>	<a href="#">5-6 years</a>	<a href="#">Audit + 5-7 years</a>	Disposal	
Property Disposal Records	<a href="#">Audit + 1 year</a>	<a href="#">5-6 years</a>	<a href="#">Audit + 5-7 years</a>	Disposal	
<b>Investments</b>					
<a href="#">Acquisition of securities Investment receipts, Advisor Reports and Statements, Investment Confirmations &amp; Trade Tickets and Investment Account Statements</a>	<a href="#">Audit + 1 year</a>	<a href="#">5-6 years</a>	<a href="#">Audit + 5-7 years</a>	Shred	
<b><i>Natural Disasters Losses / Claims (including supporting documents pertaining thereto)</i></b>					
<a href="#">Federal Emergency Management Agency (FEMA)<sup>4</sup></a>	<a href="#">Until Closed by FEMA + 3 years</a>	<a href="#">None</a>	<a href="#">Until Closed FEMA + 3 years</a>	<a href="#">Delete/Shred/Disposal</a>	

<sup>4</sup> [Superseding the retention schedules listed above and below; all documents related to any FEMA claim must be kept for the duration of the open claim plus 3 years after the case is closed.](#)

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
Broker/Bank Receipts	1 Yr	5 Yr	Audit + 5 Yr	Shred	
Periodic Statements	1 Yr	5 Yr	Audit + 5 Yr	Shred	
<b>Human Resources</b>					
<i>Pre-Employment Records</i>					
Job Announcements	2 years	None	2 Years	Disposal	
Job Applications and Resumes	Duration of employment (if hired) + 2 years	None	Duration of employment + 2 years	Shred	
<i>Payroll Files</i>					
Employee Master File Record	1 Yr	4 Yr	Audit + 4 Yr	Shred	
Employee Programs	Until revised	4 Yr	Audit + 4 Yr	Shred	
Journal Entries	Audit + 1 Yr	4 Yr	Audit + 4 Yr	Disposal	
Medical/Other Leave	1 Yr	4 Yr	Audit + 4 Yr	Shred	
Motor Vehicle Records	90 Days	4 Yr	Audit + 4 Yr	Shred	
Social Security, SSI, Federal, State, Health, Other Payments	Audit + 1 Yr	6 Yr	Audit + 7 Yr	Shred	G.C. §60201(d)(12)
CalPERS Contribution Reports (electronic)	2-years Permanent	Permanent N one	Permanent		SJWD Board Policy
Safety Records	1 Yr	4 Yr	Audit + 4 Yr	Shred	
Sick Leave	90 Days	4 Yr	Audit + 4 Yr	Shred	
Taxable Wages	Audit + 1 Yr	6 Yr	Audit + 7 Yr	Shred	G.C. §60201(d)(12)
Timesheets	Audit + 1 Yr	6 Yr	Audit + 7 Yr	Disposal	G.C. §60201(d)(12)
Vacation	90 Days	4 Yr	Audit + 4 Yr	Disposal	
Vehicle Mileage Reimbursement Rates	Audit + 1 Yr	4-7 Yr	Audit + 4-7 Yr	Disposal	G.C. §60201(d)(12)
W-2's	Audit + 1 Yr	6-7 Yr	Audit + 7 Yr	Shred	G.C. §60201(d)(12)
Workweek/Flex Time MOU	1 Yr	4 Yr	Audit + 4 Yr	Shred	
Payroll Changes	Audit + 1 year	6 years	Audit + 7 years	Shred	G.C. §60201(d)(12)
Quarterly tax filings and reconciliations of the Federal 941 and the California DE9	Audit + 1 year	6 years	Audit + 7 years	Shred	G.C. §60201(d)(12) and IRS

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
<u>Timesheets and Payroll Register (taxable wages, hours, earnings, deductions)</u>	Audit + 1 year	6 years	Audit + 7 years	Shred	G.C. §60201(d)(12)
<u>Unlawful Employment Practices, Claims, Investigations and Legal Proceedings including Personnel and Payroll records of complaining parties and all those holding or applying for similar positions</u>	<u>Until Disposition of Case</u>	<u>Appeals Periods</u>	<u>Until Disposition of Case and all appeals periods have expired</u>	<u>Shred</u>	
<u>W-2s</u>	<u>Until updated or termination + 1 year</u>	<u>6 years</u>	<u>Audit + 7 years</u>	<u>Shred</u>	<u>G.C. §60201(d)(12) and 4 yrs per IRS</u>
<u>Wage Garnishment Order</u>	<u>Until Revoked + 7 years</u>	<u>None</u>	<u>7 years after revocation</u>	<u>Shred</u>	
<u>Year-end Payroll Tape/Data Backup</u>	<u>1 Yr</u>	<u>4 Yr</u>	<u>Audit + 4 years</u>	<u>Shred</u>	
<b><u>Employee Personnel Files</u></b>					
<u>Employee Files</u>	<u>Until Termination</u>	<u>Permanent</u>	<u>Permanent</u>		
<u>I-9 Forms</u>	<u>Termination + 7 years</u>	<u>None</u>	<u>Termination + 7 years</u>	<u>Shred</u>	
<u>Accommodation Letters (regarding FMLA leave and ability of District to accommodate restrictions)</u>	<u>Termination + 7 years</u>	<u>None</u>	<u>Termination + 7 years</u>	<u>Shred</u>	
<u>Benefits: Enrollment Forms, Deduction Agreements, etc.</u>	<u>Until Termination + Audit</u>	<u>Permanent</u>	<u>Permanent Termination + 7 years</u>	<u>Shred</u>	
<u>COBRA Notices</u>	<u>Termination + 7 years</u>	<u>None</u>	<u>Termination + 7 years</u>	<u>Disposal</u>	
<u>Discharge, layoff, transfer and recall records</u>	<u>Termination + 7 years</u>	<u>None</u>	<u>Termination + 7 years</u>	<u>Shred</u>	
<u>Disciplinary Notices</u>	<u>Termination + 7 years</u>	<u>None</u>	<u>Termination + 7 years</u>	<u>Shred</u>	
<u>Education Reimbursement Agreement</u>	<u>Termination + 7 years</u>	<u>None</u>	<u>Termination + 7 years</u>	<u>Shred</u>	

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
<del>Medical</del> <u>Employee Health Records</u>	<del>Until Termination + 7 years</del>	<del>92 years</del>	<del>Until Termination + 99 years</del>	Shred	<u>8CCR 3204</u>
<u>Employment Verifications</u>	<u>Termination + 7 years</u>	<u>None</u>	<u>Termination + 7 years</u>	<u>Shred</u>	
<u>Fitness for Duty Evaluation Results</u>	<u>Termination + 7 years</u>	<u>None</u>	<u>Termination + 7 years</u>	<u>Shred</u>	
General Information: <u>Legal Name, Social Security Number, Birth/Marriage/Death Certificates, Address and Contact Information, etc.</u>	<del>Until Termination + 7 years</del>	<del>Permanent/None</del>	<del>Permanent/Termination + 7 years</del>	<u>Shred</u>	
<del>Payroll</del> <u>Offer Letter (including workweek) Workweek/Flex Time MOU, Salary, etc.</u>	<u>Until Termination + 7 years</u>	<del>Permanent/None</del>	<del>Permanent/Audit + 5 years</del>	<u>Shred</u>	
Performance Management (Evaluations, etc.)	<del>Until Termination + 7 years</del>	<u>None</u>	<del>Until Termination + 7 years</del>	<del>Disposal</del> <u>Shred</u>	
<u>Personnel Action Notices (PAN)</u>	<u>Termination + 7 years</u>	<u>None</u>	<u>Termination + 7 years</u>	<u>Shred</u>	
Training: <u>Certificates, etc. (if provided for file)</u>	<del>Until Termination + 7 years</del>	<u>None</u>	<del>Until Termination + 7 years</del>	<del>Disposal</del> <u>Shred</u>	
<u>Workweek/Flex Time MOU (as it pertains to employee file. Board Secretary should maintain MOU's as permanent documents)</u>	<u>Termination + 7 years</u>	<u>None</u>	<u>Termination + 7 years</u>	<u>Disposal</u>	
<u>Confidential</u>	<del>Until Termination + Audit</del>	<u>0</u>	<del>Until Termination</del>	<u>Shred</u>	
<u>Records of negative and cancelled controlled substances test results and alcohol test results with a concentration of less than .02</u>	<u>1 year</u>	<u>None</u>	<u>1 year</u>	<u>Shred</u>	<u>Drug and Alcohol Program Procedure in Personnel Manual</u>
<u>Records relating to the alcohol and controlled substances collection process.</u>	<u>2 years</u>	<u>None</u>	<u>2 years</u>	<u>Shred</u>	<u>Drug and Alcohol Program Procedure in Personnel Manual</u>



## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
<u>Alcohol test results indicating an alcohol concentration of .02 or greater</u>	<u>5 years</u>	<u>None</u>	<u>5 years</u>	<u>Shred</u>	<u>Drug and Alcohol Program Procedure in Personnel Manual</u>
<u>Records of verified positive controlled substances test results</u>	<u>5 years</u>	<u>None</u>	<u>5 years</u>	<u>Shred</u>	<u>Drug and Alcohol Program Procedure in Personnel Manual</u>
<u>Documentation of refusals to take required alcohol and/or controlled substances tests</u>	<u>5 years</u>	<u>None</u>	<u>5 years</u>	<u>Shred</u>	<u>Drug and Alcohol Program Procedure in Personnel Manual</u>
<u>Driver evaluation and referrals (including DMV pull program notices)</u>	<u>5 years</u>	<u>None</u>	<u>5 years</u>	<u>Shred</u>	<u>Drug and Alcohol Program Procedure in Personnel Manual</u>
<u>Annual calendar year summary</u>	<u>5 years</u>	<u>None</u>	<u>5 years</u>	<u>Shred</u>	<u>Drug and Alcohol Program Procedure in Personnel Manual</u>
<u>Chemicals Safety and Exposure Records</u>	<u>Until Termination + Audit</u>	<u>30 years</u>	<u>Audit + 30 years</u>	<u>Shred/Disposal</u>	<u>8CCR 3204</u>
<u>Union and Employee Contracts</u>	<del>2-Yr</del> <u>Until Termination + Audit</u>	<del>0</del> <u>Permanent</u>	<del>2-Yr</del> <u>Permanent</u>	<u>Shred</u>	
<u>Employee Handbook</u>	<u>Until revised</u>	<u>4-Yr</u>	<u>Audit + 4-Yr</u>	<u>Disposal</u>	
<b><u>Recruitment/Promotion</u></b>					
<u>Job applications</u>	<u>2-Yr</u>	<u>0</u>	<u>2-Yr</u>	<u>Shred</u>	<u>Title VII, FEHA, ADA, ADEA</u>
<u>Resumes</u>	<u>2-Yr</u>	<u>0</u>	<u>2-Yr</u>	<u>Shred</u>	
<u>Position Advertisements</u>	<u>2-Yr</u>	<u>0</u>	<u>2-Yr</u>	<u>Disposal</u>	
<u>Employment testing results</u>	<u>2-Yr</u>	<u>0</u>	<u>2-Yr</u>	<u>Shred</u>	
<b><u>Other</u></b>					
<u>Membership records</u>	<u>7-Yr</u>	<u>None</u>	<u>7-Yr</u>	<u>Shred</u>	

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
<u>OSHA Logs and Records</u>	<u>5 years</u>	<u>None</u>	<u>5 years</u>	<u>Shred</u>	
<u>Picture of Posted Labor Posters (electronic)</u>	<u>3 years</u>	<u>None</u>	<u>3 years</u>	<u>Disposal/ Delete</u>	
<u>Salary Survey</u>	<u>Current</u>	<u>2 years after completion of new study</u>	<u>2 years after completion of new study</u>	<u>Shred</u>	
<b>Risk Management</b>					
<b>Insurance</b>					
Certificates of Insurance ( <u>District Insurance Policies</u> )	<del>3 Yrs</del> <u>Current + Audit</u>	Permanent	Permanent		<u>For protection from litigation</u>
<u>Coverage Opinions</u>	<del>3 Yrs</del>	<del>Permanent</del>	<del>Permanent</del>		
<u>Endorsements</u>	<del>3 Yrs</del>	<del>Permanent</del>	<del>Permanent</del>		
<u>Claims against the District (Injury, Property, General Liability)</u>	<u>Settlement + 1 year</u>	<u>None</u>	<u>Settlement + 1 year</u>	<u>Disposal</u>	
Insurance Policies	<del>3 Yrs</del> <u>Current + Audit</u>	Permanent	Permanent		<u>For protection from litigation</u>
Memoranda of Coverage	<del>3 Yrs</del> <u>Current + Audit</u>	Permanent	Permanent		<u>For protection from litigation</u>
Surety/Fidelity Bonds <del>Required to be maintained by insurer</del>	<del>3 Yrs</del> <u>Current + Audit</u>	<del>Permanent</del> <u>Expiration + 5 years</u>	<del>Permanent</del> <u>Expiration + 5 years</u>	<u>Disposal</u>	
<u>Vendor Certificates of Insurance and Endorsements (District as Additional Insured)</u>	<u>Completion of Work + 7 years</u>	<u>None</u>	<u>Completion of Work + 7 years</u>	<u>Disposal</u>	
<b>Water System</b>					
<b>Capital Improvements</b>					
Accepted bid documents	5 years	Permanent	Permanent		
As-built plans/documents ( <u>includes submittals, fabrication drawings, cutsheets, etc.</u> )	7 years	Permanent	Permanent		

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
Contracts ( <a href="#">including insurance endorsements naming District as additional insured</a> )	7 years	Permanent	Permanent		G.C. §60201(d)(12)
Unaccepted construction <a href="#">or installation</a> bids & proposals	2 years	None	None	Disposal	G.C. §60201(d)(11)
<b>Source, Treatment, and Distribution</b>					
Maps	<del>7</del> years	<del>Permanent</del> 10 years	<del>Permanent</del> 10 years	<del>Shred</del>	
Master Plans	<del>10</del> years	<del>Permanent</del> 10 years	<del>Permanent</del> 10 years	<del>Shred</del>	
Meter Operations	2 years	10 years	10 years	Disposal	
Permits	<del>7</del> years	10 years	10 years	Disposal	
Policies & Procedures	2 years	10 years	10 years	Disposal	
Rates	2 years	10 years	10 years	Disposal	
Reclamation	2 years	10 years	10 years	Disposal	
Reports	<del>7</del> years	<del>Permanent</del> 10 years	<del>Permanent</del> 10 years	<del>Shred</del>	
Sources of Supply	2 years	10 years	10 years	Shred	
Surveyor Field Notes	<del>7</del> years	<del>Permanent</del> 10 years	<del>Permanent</del> 10 years	<del>Shred</del>	
Surveys, Water System Sanitary	<del>7</del> years	<del>Permanent</del> 10 years	<del>Permanent</del> 10 years	<del>Shred</del>	
Test	2 years	10 years	10 years	Shred	
Valve Main Records	2 years	10 years	10 years	Shred	
Violations, Drinking Water	2 years	10 years	10 years	Shred	
<b>Development</b>					
<a href="#">Acreage Agreements</a>	<a href="#">Permanent</a>	<a href="#">Permanent</a>	<a href="#">Permanent</a>		
<a href="#">Conveyance Agreements</a>	<a href="#">Permanent</a>	<a href="#">Permanent</a>	<a href="#">Permanent</a>		
<a href="#">Connection Related Deposits and Payments</a>	<a href="#">Permanent</a>	<a href="#">Permanent</a>	<a href="#">Permanent</a>		

# Records Retention Schedule by Functional Area

Functional Area <i>Category</i> Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
<b><i>Property</i></b>					
<u>Deeds</u>	<u>Permanent</u>	<u>Permanent</u>	<u>Permanent</u>		
<u>Easements</u>	<u>Permanent</u>	<u>Permanent</u>	<u>Permanent</u>		
<u>Encroachment Agreements</u>	<u>Permanent</u>	<u>Permanent</u>	<u>Permanent</u>		

Section	ADM-3 Administration	Approval Date	10/23/03
Policy	ADM-3.6 Records Management Policy	Latest Revision	1/13/10

## ADM-3.6 Records Management Policy

### 3.6.1 Policy

#### 3.6.1.1 Purpose

The purpose of this document is to establish and describe the Records Management Policy (“Policy”) of the San Juan Water District (“District”). The Policy establishes the guidelines and procedures under which District staff will retain, organize, purge, and destroy District records maintained by all departments. In addition, this Policy contains the Records Retention Schedule (Appendix A) and provides references to the applicable state and federal statutes that regulate public records retention.

#### 3.6.1.2 Principles

When records no longer fulfill the value for which they were created, they should be destroyed unless they also have some historic or research significance. If that is the case, the records should be preserved by an appropriate historical agency. Staff members should realize that an effective records management program is not only cost effective, it will also make their jobs easier. They should also know that records retained beyond their value “just in case” only extend the District’s legal liability in the event of adverse litigation. Effective Records Management ensures that records are kept only as long as they have some administrative, fiscal, or legal value.

#### 3.6.1.3 Preparation and Amendment

The Policy shall be prepared under the direction of the General Manager and reviewed by District Legal Counsel to ensure compliance with applicable statutes. This Policy will be reviewed bi-annually in order to maintain currency with legal and District requirements.

### 3.6.2 Definitions

The following definitions apply to terms used in this Policy and Appendix A - Records Retention Schedule:

#### 3.6.2.1 Records

Records includes any documents, pictures, video recordings, audio recordings, books, paper, microfilm, computer printouts, computer disks or tapes, and any other fixed or permanent medium, which contain information relating to the conduct of the public’s business prepared, owned, used, or retained by the District regardless of physical form or characteristics. A record is not a compilation of existing records created outside the normal course of business.

**Active Records** – Records that are referred to at least once a month per cubic foot of records. Also, a retention period for a Perpetual Record that remains “active” until

some event occurs to change its status, at which time it has fulfilled its function. (See also Perpetual Record)

**Administrative Records** – Records commonly found in all offices and typically retained only for short time periods – less than five years. Examples include subject, chronological, budget, and policy files.

**Archival Records** - Records with enduring value because they reflect significant historical events, document the history and development of the District, or provide valuable research data.

**Non-Records** - Material not usually included within the definition of records, such as unofficial copies of documents kept only for convenience or reference, working papers, appointment logs, stocks of publications and processed documents, and library or museum material intended solely for reference or exhibition. Also, documents such as rough notes, calculations or drafts assembled or created and used in the preparation or analysis of other documents. (See also Discovery)

**Permanent Records** – Records that are required in perpetuity, usually identified by statute or other written guidance. Examples include District formation documents, Board minutes, real property interest, etc.

**Perpetual Records** – Records retained for an indefinite period of time and then stored or destroyed after some event takes place. Examples include office personnel files which are kept until a person leaves the office, policy files kept until the policy is changed, contract files kept until the contract terminates, etc.

**Public Records** - Any information relating to the conduct of the public's business prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics.

#### **3.6.2.2 Functional Area**

This refers to the area or department that generates, maintains or is responsible for a Record.

#### **3.6.2.3 Office**

Defines on the Records Retention Schedule the length of time for which a Record in its original form must be maintained in the department where the document originated or is kept.

#### **3.6.2.4 Archive**

Defines on the Records Retention Schedule the length of time for which the original or approved permanent copy of a Record must be transferred from the retaining department to storage for the archival retention period prescribed in the Records Retention Schedule.

#### **3.6.2.5 Total Retention**

Defines on the Records Retention Schedule the total length of time for which a Record must be retained by the District before it can be destroyed.

#### **3.6.2.6 Discovery**

The pretrial disclosure of pertinent facts or documents by one or both parties to a civil action or proceeding. Anything requested during discovery must be disclosed if it exists – even non-records and records that should have been destroyed earlier. Discovery effectively freezes selected holdings until released by opposing attorney or the court.

#### **3.6.2.7 Records Retention Schedule**

A list of all records produced or maintained by the District and the actions taken with regards to those records. A retention schedule is the District’s legal authority to receive, create, retain, and dispose of official public records. It assists the District by documenting which records require office or temporary storage, which records have historic or research value, and which records should be destroyed because they no longer have any administrative, fiscal, or legal value. In the event of litigation, courts accept a retention schedule as establishing an agency’s “normal course of doing business”.

#### **3.6.2.8 Retention Period**

The length of time a record must be retained to fulfill its administrative, fiscal and/or legal function. Then a record should be disposed of as soon as possible in accordance with an approved Records Retention Schedule.

### **3.6.3 Records Retention**

The criteria used to determine the length of time to retain records includes: statutory requirements; purpose, function and use; information content; and uniqueness (whether the information exists elsewhere). As defined in Water Code 21403, records must be retained in accordance with Government Code sections 60200 through 60204 governing retention and destruction of the records of special districts. However, specific state and federal statutes may require longer, or shorter, retention periods.

The District maintains permanent Records indefinitely in accordance with Government Code section 60201. The permanent records of the District are listed in the Records Retention Schedule within this Policy.

### **3.6.4 Destruction and Disposal of Records**

Destruction of Records will be in accordance with this Policy and the attached Records Retention Schedule, as authorized by the General Manager or his/her designee. Records must be destroyed after the expiration of the applicable retention period in accordance with this Policy and generally accepted records information management guidelines and procedures. The acceptable method(s) of destruction are listed on the Records Retention Schedule. Generally, Records not containing information of a confidential or proprietary nature may be destroyed by means of recycling or other waste removal service. Records containing confidential or proprietary information must be shredded or otherwise permanently destroyed. Records recorded on electronic or magnetic media may be erased and the media re-used or discarded.

District Records may be destroyed by District staff or a licensed, bonded and insured document destruction service. If District staff destroys Records, the staff member destroying the Records will prepare and sign a “Certificate of Destruction.” If the District uses a document destruction

service, it shall obtain a Certificate of Destruction from the document destruction service following destruction of District records. All Certificates of Destruction shall be filed with the District Records Disposal Log.

### 3.6.5 Retention of Other Records

**3.6.5.1** The District must retain the following records, regardless of any different destruction policy or schedule as to any identified record or records specified in the Records Retention Schedule:

- (1) Any record of the District that is the subject of a pending request made under the California Public Records Act, Government Code sections 6250 through 6276.48, until the District has either (a) complied with the request or (b) withheld the record and provided written notice to the requestor denying the request;
- (2) Documents related to public works not accepted by the District or to which a stop notice claim may be legally presented;
- (3) Documents related to any non-discharged District debt; and
- (4) Any document that has not yet fulfilled the administrative, fiscal, or legal purpose for which it was created or received by the District.
- (5) Documents related to a Natural Disaster or Federal Emergency Management Agency (FEMA) claim.

**3.6.5.2** The District may dispose of the following records at any time, without maintenance of a copy:

- (1) Duplicates, the original or a permanent photographic record of which is on file;
- (2) Rough drafts, notes, working papers and audio recordings prepared or kept by any employee or accumulated in the preparation of a communication, study or other document, unless of a formal nature contributing significantly to the preparation of the document, including but not limited to meter books after the contents thereof have been transferred to other records;
- (3) Cards, listings, non-permanent indices, other papers used for controlling work and transitory files including letters of transmittal, suspense letters, and tracer letters;
- (4) Canceled coupon sheets from registered bonds; and
- (5) Telephone messages and inter-departmental notes.

### 3.6.6 Public Record Requests

A person may obtain a copy of an identifiable public record of the District, preferably via written request, though verbal requests may be acceptable. The District reserves the right to require a written request. Public records of the District are open to inspection during regular business hours and every person has a right to inspect these records. A public record is any Record that is not otherwise exempt from disclosure in accordance with applicable laws. Records kept by District consultants are not public records of the District because they are not held by the District in the normal course of business. Officers, agents and employees of the District are not required to request records in compliance with this section when acting within the course and scope of employment or office holding.

Copies of requested Records will be provided by the District within ten days or the District will notify the requestor within ten days when the requested Records will be provided.



The District will provide the requestor with exact copies of all requested Records unless a record is in electronic form or in a specialized format, in which case the District will provide the most accurate copy possible within the limits of available technology and the requestor’s instructions and willingness to pay the legally-chargeable costs to retrieve and reproduce copies of such non-standard records.

Certain Records are exempt from disclosure under the California Public Records Act (Government Codes sections 6250-6276.48). The District will justify withholding a Record by demonstrating the Record is exempt under the express provisions of Government Code section 6254 or by demonstrating in accordance with Government Code section 6255 that the public interest served by not making the Record available clearly outweighs the public interest served by disclosing the Record. The District will provide a requestor with written notice of an intent to withhold a Record stating the reasons for the withholding within ten days of the request for inspection as required by Government Code sections 6253, subdivision (c) and 6255, subdivision (b).

**3.6.6.1 Copy Charge**

The District may charge a per page fee to copy a record, in an amount specified on the District’s current Schedule of Rates, Fees, Charges and Deposits. No charge will be imposed for research. The District reserves the right to have copies of specialized, oversized and color Records printed by an outside copy service and to charge the requestor the actual costs for such outside copy services. The District also reserves the right to require a requestor to deposit the estimated amount of copying fees before copying and delivering requested Records.

**3.6.6.2 Request List**

The District will maintain a log of requests for inspection that are denied and the reasons for the denial.

**Revision History:**

Revision Date	Description of Changes	Requested By

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
<b>Administration</b>					
<i><b>Board of Directors and Committees</b></i>					
Authorizing Documents	Permanent	Permanent	Permanent		G.C. §60201(d)(1)
Board Policies and Procedures	Current + 3 years	Permanent	Permanent		
Conflict of Interest Code	Current + 3 years	Permanent	Permanent		G.C. §87300
Ethics Code	Current + 3 years	Permanent	Permanent		
Ethics Training - Proofs of Completion	5 years	None	5 years	Destroy	G.C. §53235.2(a)
Form 700 Statements of Economic Interests	7 years from Filing	None	7 years from Filing	Shred	G.C. §81009(e)
Meeting Agendas	3 years	Permanent	Permanent		
Meeting Audio Recordings	30 days or until minutes approved	None	30 days or until minutes approved	Deletion	
Meeting Minutes	Permanent	Permanent	Permanent		G.C. §60201(d)(3)
Meeting Notices	3 years	Permanent	Permanent		
Ordinances and Resolutions - current <sup>3</sup>	Permanent	Permanent	Permanent		G.C. §60201(d)(2)
Ordinances and Resolutions - Repealed/Invalid	5 years from Repeal	None	5 years from Repeal	Disposal	G.C. §60201(d)(2)
Reports (including all attachments)	3 years	Permanent	Permanent		
<i><b>Election Materials</b></i>					
General	3 years	Permanent	Permanent		G.C. §81009(a)
Special	3 years	Permanent	Permanent		G.C. §81009(a)
<i><b>Legal</b></i>					
Attorney Correspondence	1 year	2 years	3 years	Shred	
General Correspondence	1 year	2 years	3 years	Shred	

<sup>1</sup> Archived Records may be retained in original form or the original may be copied in a permanent medium and the original destroyed.

<sup>2</sup> For all Record categories where no legal authority is cited, the District has discretion to set the retention period in accordance with Government Code section 60201, subdivision (b)(2)

<sup>3</sup> Ordinances and Resolutions that are superseded, repealed, unenforceable or otherwise invalid may be disposed of five years after being rendered invalid.

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
Lawsuits/Claims	Until Closed + 2 years	None	Until Close + 2 years	Shred	G.C. §60201(d)(4)
Opinions	1 year	7 years	7 years	Shred	
Real Property Interests (Title, Acquisition, Disposition)	Permanent	Permanent	Permanent		G.C. §60201(d)(8)
<b>Customer Service</b>					
<b>Utility Billing</b>					
Connection Records/Will Serves	1 year	Permanent	Permanent		
Credit Bureau Assignments	1 year	3 years	Audit + 3 years	Shred	
Deposit Slips	1 year	3 years	Audit + 3 years	Shred	
Meter Reads in Billing System	Permanent	None	Permanent		
Payment Stubs & Tapes	1 year	3 years	Audit + 3 Years	Shred	
Refunds	Audit + 1 year	6 years	Audit + 7 Yrs	Disposal	G.C. §60201(d)(12)
Service Requests	1 year	3 years	Audit + 3 years	Shred	
Utility Billing Register	1 year	3 years	Audit + 3 years	Shred	
<b>Water Efficiency</b>					
Landscape irrigation reports	1 year	3 years	4 years	Shred	
Rebate Applications	1 year	5 years	6 years	Shred	
Water Loss Audit & Validation	3 years	Permanent	Permanent		
<b>Finance</b>					
<b>Accounts Payable (A/P)</b>					
1099's Issued	Audit + 1 year	6 years	Audit +7 years	Disposal	26 CFR Sec, 31.6001-1(e)(2)
A/P supporting documentation (voucher, invoice, purchase order, receiving documents)	Audit + 1 year	6 years	Audit + 7 years	Disposal	G.C. §60201(d)(12)
Check Register Packet	Audit + 1 year	6 years	Audit + 7 years	Disposal	G.C. §60201(d)(12)
Payable/Receipt Registers, Adjustment, Void and Check Registers	Audit + 1 year	6 years	Audit + 7 years	Disposal	G.C. §60201(d)(12)

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
Purchase Order File (quote comparisons, email communication, documentation of receipt, requisitions and PO itself)	Audit + 2 years	None	Audit + 2 years	Disposal	
Vendor Information Packet (including W-9, Form 590, etc.)	Until no longer active + 7 years	None	Until no longer active + 7 years	Disposal	G.C. §60201(d)(12)
Voided Checks	Audit + 1 year	6 years	Audit + 7 years	Disposal	
<b>Accounts Receivable (A/R)</b>					
Cash Receipts	Audit + 1 year	6 years	Audit + 7 years	Disposal	
Cash Receipts for Connection fees	Audit + 5 years	Permanent	Permanent		
Credit Bureau Assignments	Audit + 1 year	3 years	Audit + 4 years	Shred	
Invoices	Audit + 1 year	3 years	Audit + 4 years	Shred	
<b>Debt Administration</b>					
Bond Transcripts (issuing documents)	Cancellation of Debt, Redemption or Maturity	10 years	Cancellation of Debt, Redemption or Maturity + 10 years	Disposal	G.C. §60201(d)(7) CCP 336a and 337.5
CalPERs Actuarial Valuation Reports (Pension)	10 years	None	10 years	Disposal	
Financing Agreement for Other Long-Term Indebtedness	Cancellation of Debt, Redemption or Maturity	10 years	Cancellation of Debt, Redemption or Maturity + 10 years	Disposal	G.C. §60201(d)(7)
OPEB Valuation Report	10 years	None	10 years	Disposal	
<b>General Ledger</b>					
Audited Financial Statements	Audit + 10 years	Permanent	Permanent		
Budgets – adopted/final	Audit + 10 years	Permanent	Permanent		
Detailed General Ledger (electronic)	7 years	None	7 years	Delete	

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
Fixed Asset Listing (in year-end binder, if not, retain separately as shown)	Audit + 2 years	5 years	Audit + 7 years	Disposal	
Journal Entries	Audit + 1 year	7 years	Audit + 7 years	Disposal	
Monthly Bank Reconciliations and Statements	Audit + 1 year	6 years	Audit + 7 years	Disposal	
Year End Audit Binder ( contains reconciliation and supporting documentation for each account with a material year-end balance – balance sheet and income statement accounts)	Audit + 5 years	Permanent	Permanent		
<b>Grants</b>					
Grants Records including procurement documents, expenditures, grant reports, program income receipts and records, etc.	Expiration of Grant + 3 years	Expiration of Grant + 4 years	Expiration of Grant + 7 years	Disposal	21 CFR 1403.36 & 1403.42(b); 24 CFR 85.42, 91.105(h), & 570.502; 29 CFR 97.42
<b>Inventory</b>					
Annual Physical Count Documentation	Audit + 1 year	6 years	Audit + 7 years	Disposal	
Inventory Issue Batch Reports	Audit + 1 year	6 years	Audit + 7 years	Disposal	
Property Disposal Records	Audit + 1 year	6 years	Audit + 7 years	Disposal	
<b>Investments</b>					
Investment receipts, Advisor Reports and Statements, Investment Confirmations & Trade Tickets and Investment Account Statements	Audit + 1 year	6 years	Audit + 7 years	Shred	

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
<b>Natural Disasters Losses / Claims (including supporting documents pertaining thereto)</b>					
Federal Emergency Management Agency (FEMA) <sup>4</sup>	Until Closed by FEMA + 3 years	None	Until Closed FEMA + 3 years	Delete/Shred/Disposal	
<b>Human Resources</b>					
<b>Pre-Employment Records</b>					
Job Announcements	2 years	None	2 Years	Disposal	
Job Applications and Resumes	Duration of employment (if hired) + 2 years	None	Duration of employment + 2 years	Shred	
<b>Payroll Files</b>					
CalPERS Contribution Reports (electronic)	Permanent	None	Permanent		SJWD Board Policy
Quarterly tax filings and reconciliations of the Federal 941 and the California DE9	Audit + 1 year	6 years	Audit + 7 years	Shred	G.C. §60201(d)(12) and IRS
Timesheets and Payroll Register (taxable wages, hours, earnings, deductions)	Audit + 1 year	6 years	Audit + 7 years	Shred	G.C. §60201(d)(12)
Unlawful Employment Practices, Claims, Investigations and Legal Proceedings including Personnel and Payroll records of complaining parties and all those holding or applying for similar positions	Until Disposition of Case	Appeals Periods	Until Disposition of Case and all appeals periods have expired	Shred	
W-2s	Until updated or termination + 1 year	6 years	Audit + 7 years	Shred	G.C. §60201(d)(12) and 4 yrs per IRS
Wage Garnishment Order	Until Revoked + 7 years	None	7 years after revocation	Shred	

<sup>4</sup> Superseding the retention schedules listed above and below; all documents related to any FEMA claim must be kept for the duration of the open claim plus 3 years after the case is closed.

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
<b>Employee Personnel Files</b>					
I-9 Forms	Termination + 7 years	None	Termination + 7 years	Shred	
Accommodation Letters (regarding FMLA leave and ability of District to accommodate restrictions)	Termination + 7 years	None	Termination + 7 years	Shred	
Benefits: Enrollment Forms, Deduction Agreements, etc.	Until Termination + Audit	None	Termination + 7 years	Shred	
COBRA Notices	Termination + 7 years	None	Termination + 7 years	Disposal	
Discharge, layoff, transfer and recall records	Termination + 7 years	None	Termination + 7 years	Shred	
Disciplinary Notices	Termination + 7 years	None	Termination + 7 years	Shred	
Education Reimbursement Agreement	Termination + 7 years	None	Termination + 7 years	Shred	
Employee Health Records	Termination + 7 years	92 years	Termination + 99 years	Shred	8CCR 3204
Employment Verifications	Termination + 7 years	None	Termination + 7 years	Shred	
Fitness for Duty Evaluation Results	Termination + 7 years	None	Termination + 7 years	Shred	
General Information: Legal Name, Social Security Number, Birth/Marriage/Death Certificates, Address and Contact Information, etc.	Termination + 7 years	None	Termination + 7 years	Shred	
Offer Letter (including workweek) Workweek/Flex Time MOU, Salary, etc.	Until Termination + 7 years	None	Audit + 5 years	Shred	
Performance Management (Evaluations, etc.)	Termination + 7 years	None	Termination + 7 years	Shred	
Personnel Action Notices (PAN)	Termination + 7 years	None	Termination + 7 years	Shred	

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
Training: Certificates, etc. (if provided for file)	Termination + 7 years	None	Termination + 7 years	Shred	
Workweek/Flex Time MOU (as it pertains to employee file. Board Secretary should maintain MOU's as permanent documents)	Termination + 7 years	None	Termination + 7 years	Disposal	
Records of negative and cancelled controlled substances test results and alcohol test results with a concentration of less than .02	1 year	None	1 year	Shred	Drug and Alcohol Program Procedure in Personnel Manual
Records relating to the alcohol and controlled substances collection process.	2 years	None	2 years	Shred	Drug and Alcohol Program Procedure in Personnel Manual
Alcohol test results indicating an alcohol concentration of .02 or greater	5 years	None	5 years	Shred	Drug and Alcohol Program Procedure in Personnel Manual
Records of verified positive controlled substances test results	5 years	None	5 years	Shred	Drug and Alcohol Program Procedure in Personnel Manual
Documentation of refusals to take required alcohol and/or controlled substances tests	5 years	None	5 years	Shred	Drug and Alcohol Program Procedure in Personnel Manual
Driver evaluation and referrals (including DMV pull program notices)	5 years	None	5 years	Shred	Drug and Alcohol Program Procedure in Personnel Manual
Annual calendar year summary	5 years	None	5 years	Shred	Drug and Alcohol Program Procedure in Personnel Manual
Chemicals Safety and Exposure Records	Until Termination + Audit	30 years	Audit + 30 years	Shred/Disposal	8CCR 3204
Union and Employee Contracts	Until Termination + Audit	Permanent	Permanent		



## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
<b>Other</b>					
OSHA Logs and Records	5 years	None	5 years	Shred	
Picture of Posted Labor Posters (electronic)	3 years	None	3 years	Disposal/ Delete	
Salary Survey	Current	2 years after completion of new study	2 years after completion of new study	Shred	
<b>Risk Management</b>					
<b>Insurance</b>					
Certificates of Insurance (District Insurance Policies)	Current + Audit	Permanent	Permanent		For protection from litigation
Claims against the District (Injury, Property, General Liability)	Settlement + 1 year	None	Settlement + 1 year	Disposal	
Insurance Policies	Current + Audit	Permanent	Permanent		For protection from litigation
Memoranda of Coverage	Current + Audit	Permanent	Permanent		For protection from litigation
Surety/Fidelity Bonds	Current + Audit	Expiration + 5 years	Expiration + 5 years	Disposal	
Vendor Certificates of Insurance and Endorsements (District as Additional Insured)	Completion of Work + 7 years	None	Completion of Work + 7 years	Disposal	
<b>Water System</b>					
<b>Capital Improvements</b>					
Accepted bid documents	5 years	Permanent	Permanent		
As-built plans/documents (includes submittals, fabrication drawings, cutsheets, etc.)	7 years	Permanent	Permanent		
Contracts (including insurance endorsements naming District as additional insured)	7 years	Permanent	Permanent		G.C. §60201(d)(12)

## Records Retention Schedule by Functional Area

Functional Area Category Record Series	Retention			Destruction Method	Legal Authority <sup>2</sup>
	Office	Archive <sup>1</sup>	Total		
Unaccepted construction or installation bids & proposals	2 years	None	None	Disposal	G.C. §60201(d)(11)
<b>Source, Treatment, and Distribution</b>					
Maps	7 years	Permanent	Permanent		
Master Plans	10 years	Permanent	Permanent		
Meter Operations	2 years	10 years	10 years	Disposal	
Permits	7 years	10 years	10 years	Disposal	
Policies & Procedures	2 years	10 years	10 years	Disposal	
Rates	2 years	10 years	10 years	Disposal	
Reclamation	2 years	10 years	10 years	Disposal	
Reports	7 years	Permanent	Permanent		
Source of Supply	2 years	10 years	10 years	Shred	
Surveyor Field Notes	7 years	Permanent	Permanent		
Surveys, Water System Sanitary	7 years	Permanent	Permanent		
Test	2 years	10 years	10 years	Shred	
Valve Main Records	2 years	10 years	10 years	Shred	
Violations, Drinking Water	2 years	10 years	10 years	Shred	
<b>Development</b>					
Acreage Agreements	Permanent	Permanent	Permanent		
Conveyance Agreements	Permanent	Permanent	Permanent		
Connection Related Deposits and Payments	Permanent	Permanent	Permanent		
<b>Property</b>					
Deeds	Permanent	Permanent	Permanent		
Easements	Permanent	Permanent	Permanent		
Encroachment Agreements	Permanent	Permanent	Permanent		

## STAFF REPORT

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To: Board of Directors  
From: Donna Silva, Finance Director  
Date: July 22, 2020  
Subject: SJWD Board Policy Updates (*Capital Asset Policy Revisions*)

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### RECOMMENDED ACTION

Consider a motion to approve amendments to the Capital Asset Policy for the San Juan Water District.

### BACKGROUND

Capital Assets is a term used to describe assets that are used in operations, above a certain value threshold, and that have initial lives extending beyond a single reporting period (fiscal year). Capitalization is primarily a financial reporting issue. What this means is that the District's primary concern in setting capitalization policy should be the anticipated information needs of the users of the District's external financial reports. Generally Accepted Accounting Principles (GAAP) require the matching of expenses to the period of benefit. Since capital assets provide benefits over their entire life, GAAP require that they be expensed or "depreciated" over the same time period.

There are many policy decisions that should be made and periodically reviewed by the Board of Directors to adequately guide staff in the identification, capitalization and depreciation of capital assets, such as capitalization thresholds, estimated useful lives of asset categories, how to determine the value of donated assets, etc.

The Board first adopted a Capital Asset Policy in October, 2017. This analysis is the first review of the policy since its initial adoption in 2017. In preparing both the original policy and this revision, staff reviewed best practices from the Government Finance Officers Association (GFOA), policies from other Water Districts, and received input from fellow staff members.

The draft Capital Asset Policy is attached for the Board's review and consideration.

Proposed revisions include:

- Renumbering references to other policies and sections within this policy based on the new numbering system for District policies.
- Removing reference to Retail and Wholesale Capital Improvement Program Policies (4000 and 5100, respectively), because they are proposed to be deleted.
- Correcting capitalization eligibility item a) for a useful life from two years to one, to conform to the GFOA definition of a capital asset.
- Changes to the useful life of various assets – based on historical experience and input received from applicable Department Managers. Also recommending the use of ranges as there are factors that can significantly impact the estimated useful life of an asset. For example, a pump used in conjunction with a variable frequency drive will last longer than a pump used without one.

Both a clean and a red-lined version of the existing policy are attached for review.

Section	FIN-5 Finance	Approval Date	10/11/17
Policy	FIN-5.2 Capital Asset Policy	Latest Revision	

## FIN-5.2 Capital Asset Policy

### 5.2.1 Purpose

The purpose of this policy is to establish guidance in identifying, capitalizing, depreciating, and accounting for District capital assets.

### 5.2.2 Definitions

A capital asset is defined under this Policy as an asset owned by the District that is: 1) acquired for use in District operations, and 2) long-term in nature.

### 5.2.3 Capital Improvement Program

District infrastructure will be maintained at a level that ensures the delivery of a reliable water supply of the highest quality at reasonable and equitable costs. [Long-term capital improvement plans are created with each Master Plan. The capital improvement plan is a planning tool which assists the District in the construction and replacement of capital facilities required to provide water service to current and future customers. The Long Term Capital Improvement Plan is updated each year based on a number of factors including new projects not identified in Master Plan, funding availability, and available staff resources. The planning, funding, and budgeting policy are outlined in Retail Capital Improvement Program \(Policy Number 4000\) and Wholesale Capital Improvement Program \(Policy Number 5100\).](#)

### 5.2.4 Categories

Capital assets shall be segregated into the following categories:

- a) Land (non-depreciable)
- b) Land Improvements with a limited life, such as driveways, walks, fences, landscaping, and parking areas.
- c) Pump Stations and Improvements
- d) Buildings and Improvements (excluding Water Treatment Plant)
- e) Water Treatment Plant and Improvements
- f) Mains/Pipelines and Improvements
- g) Reservoirs and Improvements
- h) Equipment and Furniture, such as large tools, vehicle trailers, tractors, meters, hydrants, computer equipment, furniture, and fixtures
- i) Vehicles, such as cars and trucks
- j) Software
- k) Other Intangibles

### 5.2.5 Capitalization Thresholds

Capital assets eligible for capitalization, must have:

- a) An estimated useful life of greater than 21 years from the date of acquisition; and

- b) A minimum individual asset value of \$5,000. If the asset is shared between Wholesale and Retail, the combined total must be at least \$5,000 to qualify for capitalization.
- c) Assets cannot be grouped together to meet the minimum value.

### 5.2.6 Valuation of Capital Assets

The value assigned to capital assets shall be determined as follows:

- a) Purchased or Constructed Capital Assets  
The value is determined using the original cost of the asset, including all reasonably identifiable costs incurred to acquire, construct, and place an asset into service. Studies are not capitalized, unless it can be related to a specific asset.
- b) Donated Capital Assets  
The capitalized value of donated assets shall be determined using the fair market value at the time of donation. If the fair market value of the asset is not available or cannot be reasonably determined, an estimated cost may be determined using the best available information. The value of donated intangible assets shall be accounted for separate from donated tangible capital assets.

Fair Market or Appraised Value at date of donation includes;

- Installation costs;
- Professional fees of engineers, inspectors, attorneys, consultants, etc.;
- Other normal or necessary costs required to place the asset in its intended location and condition for use.

### 5.2.7 Capitalization of Costs Subsequent to Acquisition

Additional costs incurred after a capital asset is placed in use shall be accounted for as follows:

- a) Additions:  
An “Addition” is defined as an expenditure that either significantly extends the useful life or productivity of the existing capital asset or creates a new capital asset. All “Additions” to existing capital assets should be capitalized as long as the asset meets the criteria of section 3550.045.2.5 above.
- b) Improvements and Replacements:  
“Improvements and Replacements” are defined as expenditures that involve substituting a similar capital asset, or portion thereof, for an existing one. All “Improvements and Replacements” to existing capital assets should be capitalized as long as the asset meets the criteria of section 3550.045.2.5 above. If the existing asset’s book value is determinable, then the existing asset should be removed from the books at the time the replacement is recorded. If the existing asset is not separately identifiable, then the replacement may be capitalized as the existing asset’s book value is assumed to be negligible. The Director of Finance is granted the authority to make a determination when this policy does not provide clear direction.
- c) Rearrangement or Reinstallation:  
“Rearrangement or Reinstallation” costs are defined as expenditures that involve moving an existing asset to a new location or reinstalling a similar asset in place of an existing asset. All “Rearrangement or Reinstallation” costs should be expensed in the period incurred.
- d) Repairs and Maintenance:  
“Repairs and Maintenance” costs are defined as expenditures that involve maintaining the asset in good or ordinary repair. All “Repairs and Maintenance” costs should be expensed in the period incurred.

### 5.2.8 Depreciation or Amortization of Capital Assets

Capital assets shall be depreciated or amortized on a straight-line basis beginning the first day of the month following acquisition in accordance with the following schedule:

Category	Useful Life in Years
<b>Pump Stations/Pressure Control Stations &amp; Improvements</b>	
<u>Variable Frequency Drives (VFD)</u>	<u>12 to 35</u>
Pumps	<u>15 to 20</u>
Motor Control Centers (MCC)	20
Generators	<u>20 to 25</u>
Pressure/Control Valve Stations	20 to <del>30</del> <u>35</u>
Pump Station Building	<u>30 to 40</u>
<b>Land Improvements</b>	
<u>Paving/Resurfacing</u>	<u>7 to 30</u>
Landscaping	10
Fencing	10 to <del>20</del> <u>35</u>
Cement Work	20
Decking	20 to <del>30</del> <u>35</u>
<b>Equipment &amp; Furniture</b>	
Computer Equipment	5 to 10
Furniture	5 to 10
Other Small Equipment (survey equipment, leak detectors, etc.)	5 to 10
Copy Machines, <u>and</u> Plotters	<u>8</u> 5 to 10
<u>Shop Equipment (welders, pipe threaders, presses, etc.)</u>	<u>5 to 15</u>
<u>SCADA</u>	<u>7 to 10</u>
Trailers, including Vacuum Trailers	10
Tractors, Backhoes, Forklifts	<del>8</del> <u>15</u> to 25
Dump Trucks	20
Meters - <u>Water</u>	20 to 25
<del>Fire</del> Hydrants	25 to <u>70</u>
<u>Sewer Lift Station</u>	<u>25 to 50</u>
Fuel tanks	<del>3</del> <u>25</u> to 50

Category	Useful Life in Years
<b>Building and improvements</b>	
<a href="#">Hot Water Heater</a>	<a href="#">10 to 15</a>
HVAC	<a href="#">10 to 20</a>
<a href="#">Lighting</a>	<a href="#">20</a>
Solar Facility	20 to <del>30</del> <a href="#">35</a>
Network Cabling	25
Roof	25 to <del>30</del> <a href="#">33</a>
Office Buildings	<a href="#">30 to 50</a>
<b>Treatment Plant &amp; improvements</b>	
Filtrate Pumps	10
Chlorine Feed System	<a href="#">10 to 15</a>
ERS Filter Media	<del>10</del> <a href="#">15</a>
Alum Feed Pump <a href="#">and Feed System</a>	10 to 20
Backwash Hoods and Pumps	<del>15</del> <a href="#">20 to 35</a>
Polymer System	<a href="#">25 to 35</a>
<a href="#">Solids Handling</a>	<a href="#">25 to 35</a>
Alum Tank	25
<a href="#">Sedimentation Basin Sludge Vacuum System</a>	<a href="#">25</a>
<a href="#">Chemical Feed Pump</a>	<a href="#">25</a>
Treatment Plant Building	30 to 50
Flocculation & Sedimentation Basins	35
Filter Basins	35
Treatment Plant Building Improvements (see Building and Improvements)	See Building and Improvements above
<b>Mains/Pipelines</b>	
Wholesale Meters	<del>15</del> <a href="#">10 to 20</a>
Cathodic Protection	25
Air Release Valve	25
Pipelines	<del>30</del> <a href="#">50 to 75</a>
Mains	<a href="#">30 to 80</a>
<a href="#">Services (HDPE)</a>	<a href="#">40</a>
<a href="#">Valves</a>	<a href="#">50</a>
<b>Reservoirs &amp; improvements</b>	
Reservoir	<a href="#">25 to 50</a>
Tanks	<a href="#">25 to 50</a>
<b>Vehicles</b> <a href="#">(see Equipment for tractors, backhoes, and trailers)</a>	10
<b>Software</b> <a href="#">(including SCADA)</a>	10
<b>Intangible</b>	Varies based on life of asset

Where the useful life is listed by a range, factors such as material type, physical environment of the asset, intensity of expected use and others as may be provided by Project and/or Department Managers will be used to determine placement within the range.

The depreciation period of an asset financed by debt shall not be less than the length of time for the debt.

### 5.2.9 Physical Inventory of Capital Assets

A physical inventory of the following categories of capital assets shall be performed at least annually:

- a) Machinery and Equipment
- b) Fleet Equipment
- c) Office Furniture and Fixtures
- d) Computer Equipment, Purchases Software and Telephones

The results of the physical inventory shall be reconciled with the District's fixed asset system.

### 5.2.10 Disposal of Capital Assets

Capital assets that have become obsolete shall be disposed of in a manner that returns the maximum value to the District and its ratepayers.

In most cases the assets are sent to auction; however, the Finance Director determines the best method of disposal.

State law prohibits public employees from purchasing District property from their employer (Government Code Section 1090),

#### Revision History:

Revision Date	Description of Changes	Requested By



Section	<b>FIN-5 Finance</b>	Approval Date	<b>10/11/17</b>
Policy	<b>FIN-5.2 Capital Asset Policy</b>	Latest Revision	

## FIN-5.2 Capital Asset Policy

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- d) Buildings and Improvements (excluding Water Treatment Plant)
- e) Water Treatment Plant and Improvements
- f) Mains/Pipelines and Improvements
- g) Reservoirs and Improvements
- h) Equipment and Furniture, such as large tools, vehicle trailers, tractors, meters, hydrants, computer equipment, furniture, and fixtures
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Fair Market or Appraised Value at date of donation includes;

- 1) Installation costs;
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- b) Improvements and Replacements:  
"Improvements and Replacements" are defined as expenditures that involve substituting a similar capital asset, or portion thereof, for an existing one. All "Improvements and Replacements" to existing capital assets should be capitalized as long as the asset meets the criteria of section 5.2.5 above. If the existing asset's book value is determinable, then the existing asset should be removed from the books at the time the replacement is recorded. If the existing asset is not separately identifiable, then the replacement may be capitalized as the

existing asset's book value is assumed to be negligible. The Director of Finance is granted the authority to make a determination when this policy does not provide clear direction.

c) **Rearrangement or Reinstallation:**

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Pumps	15 to 20
Motor Control Centers (MCC)	20
Generators	20 to 25
Pressure/Control Valve Stations	20 to 35
Pump Station Building	30 to 40
<b>Land Improvements</b>	
Paving/Resurfacing	7 to 30
Landscaping	10
Fencing	10 to 35
Cement Work	20
Decking	20 to 35
<b>Equipment &amp; Furniture</b>	
Computer Equipment	5 to 10
Furniture	5 to 10
Other Small Equipment (survey equipment, leak detectors, etc.)	5 to 10
Copy Machines and Plotters	5 to 10
Shop Equipment (welders, pipe threaders, presses, etc.)	5 to 15
SCADA	7 to 10
Trailers, including Vacuum Trailers	10
Tractors, Backhoes, Forklifts	8 to 25
Dump Trucks	20

Category	Useful Life in Years
Meters - Water	20 to 25
Hydrants	25 to 70
Sewer Lift Station	25 to 50
Fuel tanks	25 to 50
<b>Building and improvements</b>	
Hot Water Heater	10 to 15
HVAC	10 to 20
Lighting	20
Solar Facility	20 to 35
Network Cabling	25
Roof	25 to 33
Office Buildings	30 to 50
<b>Treatment Plant &amp; improvements</b>	
Filtrate Pumps	10
Chlorine Feed System	10 to 15
ERS Filter Media	15
Alum Feed Pump and Feed System	10 to 20
Backwash Hoods and Pumps	15 to 35
Polymer System	25 to 30
Solids Handling	25 to 35
Alum Tank	25
Sedimentation Basin Sludge Vacuum System	25
Chemical Feed Pump	25
Treatment Plant Building	30 to 50
Flocculation & Sedimentation Basins	35
Filter Basins	35
Treatment Plant Building Improvements (see Building and Improvements)	See Building and Improvements above
<b>Mains/Pipelines</b>	
Wholesale Meters	10 to 20
Cathodic Protection	25
Air Release Valve	25
Pipelines	30 to 75
Mains	30 to 80
Services (HDPE)	40
Valves	50
<b>Reservoirs &amp; improvements</b>	
Reservoir	25 to 50
Tanks	25 to 50

Category	Useful Life in Years
<b>Vehicles</b> (see Equipment for tractors, backhoes, and trailers)	10
<b>Software</b> (including SCADA)	10
<b>Intangible</b>	Varies based on life of asset

Where the useful life is listed by a range, factors such as material type, physical environment of the asset, intensity of expected use and others as may be provided by Project and/or Department Managers will be used to determine placement within the range.

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State law prohibits public employees from purchasing District property from their employer (Government Code Section 1090),

#### Revision History:

Revision Date	Description of Changes	Requested By

## STAFF REPORT

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To: Board of Directors  
From: Donna Silva, Director of Finance  
Date: July 22, 2020  
Subject: Review and Update the Investment Policy of the San Juan Water District

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### **RECOMMENDED ACTION**

Recommend Board approval of proposed updates to the San Juan Water District Investment Policy. The staff recommendation will be reviewed by the Finance Committee for recommendation of approval by the Board of Directors.

### **BACKGROUND**

The San Juan Water District's Investment Policy communicates the Board's investment objectives, delegation of authority, investment procedures and defines authorized and suitable investments for the District. While no longer required by state law, best practices require a periodic review with updates as needed or desired. This policy was last reviewed and updated on February 28, 2018.

Staff and your Investment Advisors at PFM Asset Management, Inc. have reviewed the Investment Policy and are recommending the following changes to the policy:

#### **Removal of Requirement for Annual Review:**

The California Government Code used to require an annual review of the Investment Policy. The policy currently states that even though no longer required by law, it will still be reviewed annually. Given that the District has a number of policies that need periodic review, staff recommends removing the requirement that this policy be reviewed annually and adding language requiring a periodic review to ensure consistency with the California Government Code.

#### **Remove Reference to Association of Public Treasurer's Excellence Award**

In 2006, 14 years ago, the District submitted its Investment Policy to the Association of Public Treasurer's of the United States and Canada's (APT-US&C) Investment Policy Certification Committee. The District was awarded the APT-US&C Investment Policy Certificate of Excellence Award in August 2007. The District no longer has a membership with the APT-US&C and hasn't submitted for this award since 2006. The Investment Policy still references this award and requires certification every three years. Staff recommends removing mention of this award and certification requirement from the policy.

#### **Address Change in Government Code Section 53601(o)**

Assembly Bill No. 1770 (AB 1770), effective January 1, 2009, revised California Government Code section 53601(o) to clarify requirements for the purchase of asset-backed securities (ABS) or non-agency mortgage-backed securities (MBS) in two respects.

1. First, the maturity limit language was clarified to reflect how many investors already interpret this section; that they can purchase securities with a maximum remaining maturity of five years or less.
2. Second, the bill eliminates the requirement that the issuer of these securities be rated “A” (or its equivalent) or better, as provided by a nationally recognized statistical rating organization (NRSRO). The Code still requires that the specific security be rated “AA” (or its equivalent) or better, as provided by an NRSRO.

PFM, the District’s Investment Advisors, see these revisions as a matter of clarification for ABS or MBS investors. They believe the removal of the issuer rating criteria makes sense, since this requirement generally has no relevance to the issuers of ABS or MBS, which are organized as trusts and do not have standalone ratings. The minimum AA issue rating remains, which is an important risk management criteria. PFM has edited the relevant language in the District’s Investment Policy to incorporate this change in the Government Code.

**Attachments**

Proposed Investment Policy – Red-lined

Proposed Investment Policy – Clean

Section	<b>FIN-5 Finance</b>	Approval Date	<b>10/23/03</b>
Policy	<b>FIN-5.6 Investment Policy</b>	Latest Revision	<b>2/28/18</b>

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## FIN-5.6 Investment Policy

### 5.6.1 Policy

The purpose of this document is to convey the Investment Policy of the San Juan Water District ("District"). ~~Though no longer required by the California Government Code, this policy will be updated annually in order to maintain currency with legal and District requirements. This policy should be reviewed periodically to ensure consistency with legal and District requirements.~~ It is the District's policy to invest all funds in such a way as to achieve the highest investment return possible consistent with maximum security of District funds while meeting the daily cash flow demands of the District. All investments must conform to pertinent state and local statutes governing the investment of public funds.

~~In 2006, the District submitted this Investment Policy for the first time to the Association of Public Treasurer's of the United States and Canada ("APT-US&C") Investment Policy Certification Committee. This certification program is comprised of a committee that reviews submitted investment policies to ensure that all components of a model investment policy are met. The District was awarded the APT-US&C Investment Policy Certificate of Excellence Award in August 2007.~~

~~The most significant benefit to receipt of this award is the trust and confidence of the Board of Directors and customers that the District is abiding by professional standards which have been established to ensure prudent management of public funds. In addition, certifications and awards such as these can enhance the District's underlying credit rating (an important consideration factor when issuing debt). It is recommended that the District have the Investment Policy certified every three years.~~

### 5.6.2 Scope

The District currently has one fund type, an enterprise fund, in which all transactions are accounted and reported in. Activities for both Wholesale and Retail include: Non-Operating, Operations, and Capital Improvements. This investment policy applies to all fund and activity types. In addition, this policy will apply to any new fund created, unless that fund is specifically exempted.

#### 5.6.2.1 Exceptions

Two exceptions exist regarding the investment of bond reserve funds and grant funds. Acceptable investments for bond reserve funds are specified in the bond documents, and may not necessarily be the same as those listed later in this document (e.g. Guaranteed Investment Contract).

Bond funds will be invested in accordance with the statutory provisions governing the issuance of the bonds or the bond documents, as applicable.

Grant funds will be invested according to the statutory provisions applicable to the investment of the grant funds or the grant itself, as applicable.

#### 5.6.2.2 Pooling of Funds

With the exception of cash in restricted and special funds, the District will consolidate cash balances from all funds to the extent practicable in order to maximize investment earnings and minimize fees.

## 5.6.3 Prudence

### 5.6.3.1 Standard of Prudence

The standard of prudence will be the “prudent investor” standard.

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the District, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

The District’s Investment Officer and other individuals assigned to managing the investment portfolio acting in accordance with written procedures and the investment policy and exercising due diligence will be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided that such deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

## 5.6.4 Objectives

The primary objectives, listed in order of priority, of the District’s investment activities are:

### 5.6.4.1 Safety

Safety of principal is the foremost objective of the District’s investment program. Investments will be executed in a manner that seeks to ensure preservation of capital in the overall portfolio, whether from institutional default, broker/dealer default or erosion of market value of securities. In attaining this objective, the District will strive to mitigate credit risk and interest rate risk.

#### 5.6.4.1.1 Credit Risk

The District will minimize credit risk, the risk of loss due to the failure of the security issuer/backer, by:

- Limiting investments to the safest types of securities;
- Pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the District will do business; and
- Diversifying the investment portfolio by sector and issuer.

#### 5.6.4.1.2 Interest Rate Risk

The District will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- Structuring the investment portfolio so that securities meet the cash flow requirements, thereby avoiding, to the extent possible, the need to sell securities on the open market prior to maturity; and
- Investing operating funds in shorter-term securities.

#### **5.6.4.2 Liquidity**

The District's investment portfolio will remain sufficiently liquid to meet all cash flow requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash flow requirements (static liquidity). Since all possible cash flow requirements cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). As mentioned earlier, a portion of the portfolio should also be invested in short-term securities, which offer same-day liquidity.

#### **5.6.4.3 Return on Investment**

The District's investment portfolio will be designed to attain an acceptable rate of return, taking into account the investment risk constraints and cash flow requirements.

### **5.6.5 Standards of Care**

#### **5.6.5.1 Delegation of Authority**

Authority to manage the District's investment program is derived from the District's Code of Ordinances 06-002, Ordinance No. 3000.05. Under that ordinance, management responsibility for the investment program is delegated to the General Manager. The Finance Director is hereby designated as the "Investment Officer" in charge of operational management. The Investment Officer may delegate the day-to-day placement of investments to a registered investment advisor. The investment advisor shall make all investment decisions and transactions in strict accordance with State law and this Policy. The Investment Officer shall establish a system of written internal controls to regulate the District's investment activities, including the activities of the investment advisor and any subordinate officials acting on behalf of the District.

#### **5.6.5.2 Investment Procedures**

The Investment Officer will establish written investment procedures for the operation of the investment program consistent with this policy. The procedures should include reference to: safekeeping, wire transfer agreements, banking service contracts and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the established procedures.

#### **5.6.5.3 Ethics and Conflicts of Interest**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment officials and employees will disclose to the General Manager any material financial interests in financial institutions that conduct business within their jurisdiction, and they will further disclose any large personal financial/investment positions that could be related to the performance of the District.

### **5.6.6 Safekeeping and Custody**

#### **5.6.6.1 Authorized Financial Dealers and Institutions**

The District will conduct investment transactions with authorized financial dealers and institutions. All financial institutions and broker/dealers who desire to become

qualified bidders for investment transactions must supply the Investment Officer with the following: proof of National Association of Security Dealers certification, completed broker/dealer questionnaire, certification of having read the District's investment policy and depository contracts.

An annual review of the registrations of qualified bidders will be conducted by the Investment Officer. A current broker dealer questionnaire is required to be on file for each financial institution and broker/dealer in which the District invests. The Investment Officer will maintain a list of authorized financial dealers and institutions.

If the District utilizes an investment advisor to conduct investment transactions on the District's behalf, the investment advisor may use its own list of approved broker/dealers and financial institutions for investment purposes. The investment advisor's approved list must be made available to District upon request.

As an additional source for investing, the District may utilize services designed for government agencies seeking competitive investment rates (e.g. GFOA Yield Advantage).

#### **5.6.6.2 Internal Control**

The Investment Officer will facilitate an annual process of independent review by the District's external audit firm as part of the annual audit. This review will provide internal control by assuring compliance with policies and procedures.

#### **5.6.6.3 Delivery vs. Payment**

All investment transactions, including collateral for repurchase agreements, entered into by the District shall be conducted on a delivery-versus payment (DVP) basis. Investments will be held in safekeeping by a third party custodian and evidenced by safekeeping receipts. The custodian will be competitively selected by the Investment Officer and will act under the terms of a custody agreement.

### **5.6.7 Authorized and Suitable Investments**

#### **5.6.7.1 Investment Types**

Investment of District funds is governed by the California Government Code Sections 53600, *et seq.* Within the context of these limitations, the following investments are authorized:

- United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- U.S. Instrumentalities, United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining

maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a category of "AA," its equivalent, or better by a nationally recognized statistical rating organization (NRSRO) and shall not exceed 30 percent of the District's moneys that may be invested pursuant to this section.

- Registered state warrants or Treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state. Securities eligible for investment under this subdivision shall be rated in a category of "A," its equivalent, or better by a NRSRO.
- Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California. Securities eligible for investment under this subdivision shall be rated in a rating category of "A," its equivalent, or better by a NRSRO.
- Bonds, notes, warrants, or other evidences of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency. Securities eligible for investment under this subdivision shall be rated in a rating category of "A," its equivalent, or better by a NRSRO.
- Bankers' acceptances, otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank.
  - The maximum maturity may not exceed 180 days;
  - No more than 40 percent of the District's portfolio may be invested in bankers' acceptances; and
  - Rated in a rating category of "A-1," its equivalent, or better by at NRSRO.
- Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or (2):
  - (1) is organized and operating in the United States as a general corporation with total assets >\$500 million with other debt rated in a rating category of "A," its equivalent, or better by a NRSRO, or
  - (2) is organized within the U.S. as a special purpose corporation, trust or limited liability company with program-wide credit enhancements and its commercial paper is rated in a rating category of "A-1," its equivalent, or higher by a NRSRO.

The maximum maturity will be 270 days or less. No more than 25 percent of the District's funds will be invested in eligible commercial paper. The District may purchase no more than 10 percent of the outstanding commercial paper of any single corporate issue.

- Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a state-licensed branch of a foreign bank. Negotiable certificates of deposit eligible for investment under this subdivision shall be rated in a rating category of “A,” its equivalent, or better for long term certificates, or rated in a rating category of “A-1,” its equivalent, or better for short term certificates by a NRSRO. Purchases of negotiable certificates of deposit may not exceed 30 percent of the District's portfolio, which may be invested pursuant to this section.
- Local Agency Investment Fund (LAIF), the State of California managed investment pool may be used up to the maximum permitted by California law.
- Time deposits, non-negotiable and collateralized in accordance with the California Government Code, may be purchased through banks or savings and loan associations. No more than 5% of the investment portfolio may be invested in this investment type. A maturity limitation of two years is applicable.
- Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in a rating category of “A,” its equivalent, or better by a NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this section and may not exceed 30 percent of the District's money that may be invested pursuant to this section.
- Money Market Funds invested in U.S. Government securities are permitted under this policy and under the California Government Code Section 53601. In order to be eligible for investment under this section, an investment objective of such a fund must be the maintenance of a price per share of \$1.00. The following criteria must also be met:
  - The fund shall have a minimum of \$500 million in total portfolio value.
  - The fund shall be registered with the Securities and Exchange Commission, and shall have achieved a rating of Aaa by Moody's and AAA by S&P.
  - The fund shall have retained an advisor which is registered with the SEC, or which is exempt from such registration.
  - Investment in such funds shall not exceed 20% of the District's total portfolio.
  - No more than 10% of the District's total portfolio may be invested in any one mutual fund.
- Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to

the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

- Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond ~~of a maximum of five years' maturity~~. Securities eligible for investment under this subdivision shall be ~~issued by an issuer in a rating category of "A," its equivalent, or better for the issuer's debt as provided by a NRSRO and~~ rated in a rating category of "AA," its equivalent, or better by a NRSRO ~~and have a maximum remaining maturity of five years or less~~. Purchase of securities authorized by this subdivision may not exceed 20 percent of the District's surplus money that may be invested pursuant to this section.
- Local Government Investment Pools (LGIPs), shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in Section 56301 subdivisions (a) to (q), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:
  - (1) The adviser is registered or exempt from registration with the Securities and Exchange Commission.
  - (2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive.
  - (3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

#### **5.6.7.2 Ineligible Investments**

Ineligible investments are those that are not described herein, including but not limited to, common stocks, reverse repurchase agreements, inverse floaters, range notes, mortgage derived interest only strips, derivatives securities, or any security that could result in zero interest accrual.

### **5.6.8 Investment Parameters**

#### **5.6.8.1 Diversification**

The District will diversify its investments by security type and institution. With the exception of U. S. Treasury securities, U. S. Agency Obligations and authorized pools (e.g. LAIF), no more than 5% of the District's total investment portfolio will be invested in a single issuer. The diversification requirements of the portfolio apply at time of purchase.

#### **5.6.8.2 Maximum Maturities**

To the extent possible, the District will strive to match its investments with anticipated cash flow requirements. Where this Policy does not specify a limitation on the term or remaining maturity at the time of the investment, no investment shall be made in any security that—at the time of the investment—has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make

that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment.

#### **5.6.8.3 Investment Earnings**

Investment earnings that are collected from investments authorized in this policy will be allocated monthly to the various program areas based upon their respective participation and in accordance with generally accepted accounting principles.

#### **5.6.8.4 Investment Pools**

A thorough investigation of the pool/fund is required prior to investing. At a minimum that review should consist of the following:

- a determination of the eligible investment securities;
- a determination of the allowable size of deposits and withdrawals;
- the frequency with which deposits and withdrawals can be made;
- the process and timeline for withdrawals;
- a review of the fee schedule.

The Finance Director shall monitor the pool to ensure he/she is aware of any changes made to the pool in the above categories.

#### **5.6.8.5 Review of Investment Portfolio**

The securities held by the District must be in compliance with Section 7.0 Authorized and Suitable Investments at the time of purchase. Because some securities may not comply with Section 7.0 Authorized and Suitable Investments subsequent to the date of purchase, the Investment Officer shall at least quarterly review the portfolio to identify those securities that do not comply. The Investment Officer shall establish procedures to report to the Board, should one exist, major and critical incidences of noncompliance identified through the review of the portfolio.

### **5.6.9 Policy Considerations**

#### **5.6.9.1 Legislative Changes**

Further restrictions on allowable maturities, investment type or percentage allocations imposed by any State of California legislative action, will be incorporated into the District's Investment Policy and supersede any and all previous applicable language.

#### **5.6.9.2 Investment Policy Adoption**

The District's Investment Policy will be adopted by resolution of the District's Board of Directors. The policy will be reviewed and updated annually for approval by the Board.

### **5.6.10 Reporting**

#### **5.6.10.1 Methods**

The Investment Officer will provide investment reports to the Board. Such reports will provide a status of the current portfolio, along with economic conditions, potential future changes and investment strategies. The reports will include:

- A listing of the securities held by category;
- Maturity date of all investments;



- Coupon, discount or earnings rate;
- Par Value, Amortized Book Value and Market Value; and
- Percentage of the portfolio by category.

#### **5.6.10.2 Performance Standards**

The investment portfolio will be developed with the objective of attaining a rate of return commensurate with the District's investment risk constraints, cash flow requirements and the economic environment. An appropriate benchmark will be established against which portfolio performance can be compared on a regular basis.

#### **5.6.10.3 Marking to Market**

The market value of the portfolio will be calculated monthly, with a statement of market value issued. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the GFOA Recommended Practice on "Mark-To-Market Practices for State and Local Government Investment Portfolios and Investment Pools."

## Glossary of Cash Management Terms

**Accrued Interest:** Interest earned but not yet received.

**Agencies:** Federal agency securities and/or Government-sponsored enterprises.

**Amortization:** An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its depreciation (accretion) over a period of time.

**Arbitrage:** Transactions by which securities are bought and sold in different markets at the same time for the sake of the profit arising from a yield difference in the two markets.

**Asked:** The price at which securities are offered.

**Banker's Acceptance (BA):** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

**Basis Point:** One basis point is one hundredth of one percent (.01).

**Bid:** The price offered by a buyer of securities.

**Bond:** A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

**Book Value:** The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

**Broker:** A person who brings buyers and sellers together for a commission.

**California Local Agency Obligations:** Bonds that are issued by a California county, city, city and county, including a chartered city or county, school district, community college district, public district, county board of education, county superintendent of schools, or any public or municipal corporation.

**Certificate of Deposit (CD):** A time deposit with a specific maturity evidenced by a certificate. Large-denomination CDs are typically negotiable.

**Collateral:** Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposit of public monies.

**Commercial Paper:** Short-term, negotiable unsecured promissory notes of corporations.

**Comprehensive Annual Financial Report (CAFR):** The official annual financial report for the San Juan Water District. It includes five combined statements and basic financial statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principals (GAAP). It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

**Coupon:** The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.

## ***Glossary (con't)***

**Credit Analysis:** A critical review and appraisal of the economic and financial conditions or of the ability to meet debt obligations.

**Current Yield:** The interest paid on an investment expressed as a percentage of the current price of the security.

**Custodian:** A bank or other financial institution that keeps custody of stock certificates and other assets.

**Defeased Bond Issues:** Issues that have sufficient money to retire outstanding debt when due so that the agency is released from the contracts and covenants in the bond document.

**Delivery vs. Payment (DVP):** Delivery of securities with a simultaneous exchange of money for the securities.

**Derivative:** Securities that are based on, or derived from, some underlying asset, reference date, or index.

**Discount:** The difference between the cost of a security and its value at maturity when quoted at lower than face value.

**Diversification:** Dividing investment funds among a variety of securities offering independent returns and risk profiles.

**Duration:** A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

**Fannie Mae:** Trade name for the Federal National Mortgage Association (FNMA), a U.S. sponsored corporation.

**Federal Reserve System:** The central bank of the U.S. which consists of a seven member Board of Governors, 12 regional banks, and 5,700 commercial banks that are members.

**Federal Deposit Insurance Corporation (FDIC):** Insurance provided to customers of a subscribing bank, which guarantees deposits to a set limit (currently \$100,000) per account.

**Fed Wire:** A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.

**Freddie Mac:** Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a U.S. sponsored corporation.

**Ginnie Mae:** Trade name for the Government National Mortgage Association (GNMA), a direct obligation bearing the full faith and credit of the U.S. Government.

**Government Accounting Standards Board (GASB):** A standard-setting body, associated with the Financial Accounting Foundation, which prescribes standard accounting practices for governmental units.

## ***Glossary (con't)***

**Government Finance Officers' Association (GFOA):** GFOA is the professional association of state/provincial and local finance officers in the United States and Canada, and has served the public finance profession since 1906.

**Guaranteed Investment Contracts (GICS):** An agreement acknowledging receipt of funds, for deposit, specifying terms for withdrawal, and guaranteeing a rate of interest to be paid.

**Inactive Deposits:** Funds not immediately needed for disbursement.

**Interest Rate:** The annual yield earned on an investment, expressed as a percentage.

**Investment Agreements:** An agreement with a financial institution to borrow public funds subject to certain negotiated terms and conditions concerning collateral, liquidity and interest rates.

**Liquidity:** An asset that can easily and rapidly be converted into cash without significant loss of value.

**Local Agency Bonds:** These bonds are issued by a county, city, city and county, including a chartered city or county, school district, community college district, public district, county board of education, county superintendent of schools, or any public or municipal corporation.

**Local Agency Investment Fund (LAIF):** A pooled investment vehicle for local agencies in California sponsored by the State of California and administered by the State Treasurer.

**Market Value:** The price at which a security is trading and could presumably be purchased or sold.

**Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.

**Modified Duration:** A measure of exposure to market risk of a security or a portfolio. It is the percent change in the price of a security (portfolio) or a 100 basis point change in the security's (portfolio's) yield.

**Mutual Funds:** An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments.

**Negotiable Certificate of Deposit:** A large denomination certificate of deposit, which can be sold in the open market prior to maturity.

**New Issue:** Term used when a security is originally "brought" to market.

**Note:** A written promise to pay a specified amount to a certain entity on demand or on a specified date.

**Par Value:** The amount of principal, which must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in \$1,000 increments per bond.

**Perfected Delivery:** Refers to an investment where the actual security or collateral is held by an independent third party representing the purchasing entity.

**Portfolio:** Combined holding of more than one stock, bond, commodity, real estate investment, cash equivalent, or other asset. The purpose of a portfolio is to reduce risk by diversification.

## ***Glossary (con't)***

**Primary Dealer:** A group of government securities dealers that submit daily reports of market activity and security positions held to the Federal Reserve Bank of New York and are subject to its informal oversight.

**Principal:** The face value or par value of a debt instrument, or the amount of capital invested in a given security.

**Prudent Investor Standard:** A person empowered to invest for the District is a fiduciary. He or she will act as a trustee with the care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the district, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

**Prospectus:** A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC that typically includes information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements (also known as an "official statement").

**Prudent Investor Standard:** A standard of conduct where a person acts with care, skill, prudence, and diligence when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing funds. The test of whether the standard is being met is if a prudent person acting in a similar situation would engage in similar conduct to ensure that investments safeguard principal and maintain liquidity.

**Purchase Date:** The date in which a security is purchased for settlement on that or a later date.

**Rate of Return:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

**Repurchase Agreement (REPO):** A transaction where the seller agrees to buy back from the buyer (District) the securities at an agreed upon price on demand or at a specified date.

**Risk:** Degree of uncertainty of return on an asset.

**Rule G-37 of the Securities Rulemaking Board:** Federal regulations to sever any connection between the making of political contributions and the awarding of municipal securities business.

**Safekeeping Service:** Offers storage and protection of assets provided by an institution serving as an agent.

**Sallie Mae:** Trade name for the Student Loan Marketing Association (SLMA), a U.S. sponsored corporation.

**Secondary Market:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**Securities and Exchange Commission (SEC):** The federal agency responsible for supervising and regulating the securities industry.

**Settlement Date:** The date on which a trade is cleared by delivery of securities against funds.

## ***Glossary (con't)***

**State Obligations:** Registered Treasury notes or bonds of the 50 United States, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the 50 United States.

**Tax and Revenue Anticipation Notes (TRANS):** Notes issued in anticipation of receiving tax proceeds or other revenues at a future date.

**Time Certificate of Deposit:** A non-negotiable certificate of deposit, which cannot be sold prior to maturity.

**Treasury Bills:** U.S. Treasury Bills which are short-term, direct obligations of the U.S. Government issued with original maturities of 13 weeks, 26 weeks and 52 weeks; sold in minimum amounts of \$10,000 in multiples of \$5,000 above the minimum. Issued in book entry form only. T-bills are sold on a discount basis.

**Trustee or trust company or trust department of a bank:** A financial institution with trust powers, which acts in a fiduciary capacity for the benefit of the bondholders in enforcing the terms of the bond contract.

**Underwriter:** A dealer, which purchases a new issue of municipal securities for resale.

**U.S. Government Agencies:** Instruments issued by various US Government Agencies most of which are secured only by the credit worthiness of the particular agency.

**U.S. Treasury Obligations:** Debt obligations of the United States Government sold by the Treasury Department in the forms of Bills, Notes, and Bonds. Bills are short-term obligations that mature in 1 year or less and are sold on the basis of a rate of discount. Notes are obligations, which mature between 1 year and 10 years. Bonds are long-term obligations, which generally mature in 10 years or more.

**U.S. Instrumentality:** An organization that serves a public purpose and is closely tied to the U.S. government, but is not a government agency. Many instrumentalities are private companies, and some are chartered directly by state or federal government. Instrumentalities are subject to a unique set of laws that shape their activities.

**Weighted Average Maturity (WAM):** The average maturity of all the securities that comprise a portfolio that is typically expressed in days or years.

**Yield:** The rate of annual income return on an investment, expressed as a percentage. It is obtained by dividing the current dollar income by the current market price of the security.

**Yield to Maturity:** The rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.

**Yield Curve:** A graphic representation that shows the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity.

**Revision History:**

Revision Date	Description of Changes	Requested By
1/13/16	Numerous changes – see Board staff report dated 1/13/16	Finance Committee
2/8/17	Numerous changes – see Board staff report dated 2/8/17	Finance Committee
2/28/18	Numerous changes – see Board staff report dated 2/8/18	Finance Committee

Section	<b>FIN-5 Finance</b>	Approval Date	<b>10/23/03</b>
Policy	<b>FIN-5.6 Investment Policy</b>	Latest Revision	<b>2/28/18</b>

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## FIN-5.6 Investment Policy

### 5.6.1 Policy

The purpose of this document is to convey the Investment Policy of the San Juan Water District (“District”). This policy should be reviewed periodically to ensure consistency with legal and District requirements. It is the District’s policy to invest all funds in such a way as to achieve the highest investment return possible consistent with maximum security of District funds while meeting the daily cash flow demands of the District. All investments must conform to pertinent state and local statutes governing the investment of public funds.

### 5.6.2 Scope

The District currently has one fund type, an enterprise fund, in which all transactions are accounted and reported in. Activities for both Wholesale and Retail include: Non-Operating, Operations, and Capital Improvements. This investment policy applies to all fund and activity types. In addition, this policy will apply to any new fund created, unless that fund is specifically exempted.

#### 5.6.2.1 Exceptions

Two exceptions exist regarding the investment of bond reserve funds and grant funds. Acceptable investments for bond reserve funds are specified in the bond documents, and may not necessarily be the same as those listed later in this document (e.g. Guaranteed Investment Contract).

Bond funds will be invested in accordance with the statutory provisions governing the issuance of the bonds or the bond documents, as applicable.

Grant funds will be invested according to the statutory provisions applicable to the investment of the grant funds or the grant itself, as applicable.

#### 5.6.2.2 Pooling of Funds

With the exception of cash in restricted and special funds, the District will consolidate cash balances from all funds to the extent practicable in order to maximize investment earnings and minimize fees.

### 5.6.3 Prudence

#### 5.6.3.1 Standard of Prudence

The standard of prudence will be the “prudent investor” standard.

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the District, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

The District's Investment Officer and other individuals assigned to managing the investment portfolio acting in accordance with written procedures and the investment policy and exercising due diligence will be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that such deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

#### 5.6.4 Objectives

The primary objectives, listed in order of priority, of the District's investment activities are:

##### 5.6.4.1 Safety

Safety of principal is the foremost objective of the District's investment program. Investments will be executed in a manner that seeks to ensure preservation of capital in the overall portfolio, whether from institutional default, broker/dealer default or erosion of market value of securities. In attaining this objective, the District will strive to mitigate credit risk and interest rate risk.

###### 5.6.4.1.1 Credit Risk

The District will minimize credit risk, the risk of loss due to the failure of the security issuer/backer, by:

- Limiting investments to the safest types of securities;
- Pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the District will do business; and
- Diversifying the investment portfolio by sector and issuer.

###### 5.6.4.1.2 Interest Rate Risk

The District will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- Structuring the investment portfolio so that securities meet the cash flow requirements, thereby avoiding, to the extent possible, the need to sell securities on the open market prior to maturity; and
- Investing operating funds in shorter-term securities.

##### 5.6.4.2 Liquidity

The District's investment portfolio will remain sufficiently liquid to meet all cash flow requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash flow requirements (static liquidity). Since all possible cash flow requirements cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). As mentioned earlier, a portion of the portfolio should also be invested in short-term securities, which offer same-day liquidity.

##### 5.6.4.3 Return on Investment

The District's investment portfolio will be designed to attain an acceptable rate of return, taking into account the investment risk constraints and cash flow requirements.

## 5.6.5 Standards of Care

### 5.6.5.1 Delegation of Authority

Authority to manage the District's investment program is derived from the District's Code of Ordinances 06-002, Ordinance No. 3000.05. Under that ordinance, management responsibility for the investment program is delegated to the General Manager. The Finance Director is hereby designated as the "Investment Officer" in charge of operational management. The Investment Officer may delegate the day-to-day placement of investments to a registered investment advisor. The investment advisor shall make all investment decisions and transactions in strict accordance with State law and this Policy. The Investment Officer shall establish a system of written internal controls to regulate the District's investment activities, including the activities of the investment advisor and any subordinate officials acting on behalf of the District.

### 5.6.5.2 Investment Procedures

The Investment Officer will establish written investment procedures for the operation of the investment program consistent with this policy. The procedures should include reference to: safekeeping, wire transfer agreements, banking service contracts and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the established procedures.

### 5.6.5.3 Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment officials and employees will disclose to the General Manager any material financial interests in financial institutions that conduct business within their jurisdiction, and they will further disclose any large personal financial/investment positions that could be related to the performance of the District.

## 5.6.6 Safekeeping and Custody

### 5.6.6.1 Authorized Financial Dealers and Institutions

The District will conduct investment transactions with authorized financial dealers and institutions. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Investment Officer with the following: proof of National Association of Security Dealers certification, completed broker/dealer questionnaire, certification of having read the District's investment policy and depository contracts.

An annual review of the registrations of qualified bidders will be conducted by the Investment Officer. A current broker dealer questionnaire is required to be on file for each financial institution and broker/dealer in which the District invests. The Investment Officer will maintain a list of authorized financial dealers and institutions.

If the District utilizes an investment advisor to conduct investment transactions on the District's behalf, the investment advisor may use its own list of approved broker/dealers and financial institutions for investment purposes. The investment advisor's approved list must be made available to District upon request.

As an additional source for investing, the District may utilize services designed for government agencies seeking competitive investment rates (e.g. GFOA Yield Advantage).

#### **5.6.6.2 Internal Control**

The Investment Officer will facilitate an annual process of independent review by the District's external audit firm as part of the annual audit. This review will provide internal control by assuring compliance with policies and procedures.

#### **5.6.6.3 Delivery vs. Payment**

All investment transactions, including collateral for repurchase agreements, entered into by the District shall be conducted on a delivery-versus payment (DVP) basis. Investments will be held in safekeeping by a third party custodian and evidenced by safekeeping receipts. The custodian will be competitively selected by the Investment Officer and will act under the terms of a custody agreement.

### **5.6.7 Authorized and Suitable Investments**

#### **5.6.7.1 Investment Types**

Investment of District funds is governed by the California Government Code Sections 53600, *et seq.* Within the context of these limitations, the following investments are authorized:

- United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- U.S. Instrumentalities, United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a category of "AA," its equivalent, or better by a nationally recognized statistical rating organization (NRSRO) and shall not exceed 30 percent of the District's moneys that may be invested pursuant to this section.
- Registered state warrants or Treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state. Securities eligible for investment under this subdivision shall be rated in a category of "A," its equivalent, or better by a NRSRO.
- Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in

addition to California. Securities eligible for investment under this subdivision shall be rated in a rating category of “A,” its equivalent, or better by a NRSRO.

- Bonds, notes, warrants, or other evidences of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency. Securities eligible for investment under this subdivision shall be rated in a rating category of “A,” its equivalent, or better by a NRSRO.
- Bankers’ acceptances, otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank.
  - The maximum maturity may not exceed 180 days;
  - No more than 40 percent of the District’s portfolio may be invested in bankers’ acceptances; and
  - Rated in a rating category of “A-1,” its equivalent, or better by at NRSRO.
- Commercial paper of “prime” quality of the highest ranking or of the highest letter and number rating as provided by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or (2):
  - (1) is organized and operating in the United States as a general corporation with total assets >\$500 million with other debt rated in a rating category of “A,” its equivalent, or better by a NRSRO, or
  - (2) is organized within the U.S. as a special purpose corporation, trust or limited liability company with program-wide credit enhancements and its commercial paper is rated in a rating category of “A-1,” its equivalent, or higher by a NRSRO.

The maximum maturity will be 270 days or less. No more than 25 percent of the District’s funds will be invested in eligible commercial paper. The District may purchase no more than 10 percent of the outstanding commercial paper of any single corporate issue.

- Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a state-licensed branch of a foreign bank. Negotiable certificates of deposit eligible for investment under this subdivision shall be rated in a rating category of “A,” its equivalent, or better for long term certificates, or rated in a rating category of “A-1,” its equivalent, or better for short term certificates by a NRSRO. Purchases of negotiable certificates of deposit may not exceed 30 percent of the District’s portfolio, which may be invested pursuant to this section.
- Local Agency Investment Fund (LAIF), the State of California managed investment pool may be used up to the maximum permitted by California law.
- Time deposits, non-negotiable and collateralized in accordance with the California Government Code, may be purchased through banks or savings and

loan associations. No more than 5% of the investment portfolio may be invested in this investment type. A maturity limitation of two years is applicable.

- Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in a rating category of “A,” its equivalent, or better by a NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this section and may not exceed 30 percent of the District's money that may be invested pursuant to this section.
- Money Market Funds invested in U.S. Government securities are permitted under this policy and under the California Government Code Section 53601. In order to be eligible for investment under this section, an investment objective of such a fund must be the maintenance of a price per share of \$1.00. The following criteria must also be met:
  - The fund shall have a minimum of \$500 million in total portfolio value.
  - The fund shall be registered with the Securities and Exchange Commission, and shall have achieved a rating of Aaa by Moody's and AAA by S&P.
  - The fund shall have retained an advisor which is registered with the SEC, or which is exempt from such registration.
  - Investment in such funds shall not exceed 20% of the District's total portfolio.
  - No more than 10% of the District's total portfolio may be invested in any one mutual fund.
- Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.
- Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond. Securities eligible for investment under this subdivision shall be rated in a rating category of “AA,” its equivalent, or better by a NRSRO and have a maximum remaining maturity of five years or less. Purchase of securities authorized by this subdivision may not exceed 20 percent of the District's surplus money that may be invested pursuant to this section.
- Local Government Investment Pools (LGIPs), shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in

the securities and obligations authorized in Section 56301 subdivisions (a) to (q), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

- (1) The adviser is registered or exempt from registration with the Securities and Exchange Commission.
- (2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive.
- (3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

#### **5.6.7.2 Ineligible Investments**

Ineligible investments are those that are not described herein, including but not limited to, common stocks, reverse repurchase agreements, inverse floaters, range notes, mortgage derived interest only strips, derivatives securities, or any security that could result in zero interest accrual.

### **5.6.8 Investment Parameters**

#### **5.6.8.1 Diversification**

The District will diversify its investments by security type and institution. With the exception of U. S. Treasury securities, U. S. Agency Obligations and authorized pools (e.g. LAIF), no more than 5% of the District's total investment portfolio will be invested in a single issuer. The diversification requirements of the portfolio apply at time of purchase.

#### **5.6.8.2 Maximum Maturities**

To the extent possible, the District will strive to match its investments with anticipated cash flow requirements. Where this Policy does not specify a limitation on the term or remaining maturity at the time of the investment, no investment shall be made in any security that—at the time of the investment—has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment.

#### **5.6.8.3 Investment Earnings**

Investment earnings that are collected from investments authorized in this policy will be allocated monthly to the various program areas based upon their respective participation and in accordance with generally accepted accounting principles.

#### **5.6.8.4 Investment Pools**

A thorough investigation of the pool/fund is required prior to investing. At a minimum that review should consist of the following:

- a determination of the eligible investment securities;
- a determination of the allowable size of deposits and withdrawals;
- the frequency with which deposits and withdrawals can be made;
- the process and timeline for withdrawals;

- a review of the fee schedule.

The Finance Director shall monitor the pool to ensure he/she is aware of any changes made to the pool in the above categories.

#### **5.6.8.5 Review of Investment Portfolio**

The securities held by the District must be in compliance with Section 7.0 Authorized and Suitable Investments at the time of purchase. Because some securities may not comply with Section 7.0 Authorized and Suitable Investments subsequent to the date of purchase, the Investment Officer shall at least quarterly review the portfolio to identify those securities that do not comply. The Investment Officer shall establish procedures to report to the Board, should one exist, major and critical incidences of noncompliance identified through the review of the portfolio.

### **5.6.9 Policy Considerations**

#### **5.6.9.1 Legislative Changes**

Further restrictions on allowable maturities, investment type or percentage allocations imposed by any State of California legislative action, will be incorporated into the District's Investment Policy and supersede any and all previous applicable language.

#### **5.6.9.2 Investment Policy Adoption**

The District's Investment Policy will be adopted by resolution of the District's Board of Directors. The policy will be reviewed and updated annually for approval by the Board.

### **5.6.10 Reporting**

#### **5.6.10.1 Methods**

The Investment Officer will provide investment reports to the Board. Such reports will provide a status of the current portfolio, along with economic conditions, potential future changes and investment strategies. The reports will include:

- A listing of the securities held by category;
- Maturity date of all investments;
- Coupon, discount or earnings rate;
- Par Value, Amortized Book Value and Market Value; and
- Percentage of the portfolio by category.

#### **5.6.10.2 Performance Standards**

The investment portfolio will be developed with the objective of attaining a rate of return commensurate with the District's investment risk constraints, cash flow requirements and the economic environment. An appropriate benchmark will be established against which portfolio performance can be compared on a regular basis.

#### **5.6.10.3 Marking to Market**

The market value of the portfolio will be calculated monthly, with a statement of market value issued. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the GFOA Recommended Practice on "Mark-To-Market Practices for State and Local Government Investment Portfolios and Investment Pools."



## Glossary of Cash Management Terms

**Accrued Interest:** Interest earned but not yet received.

**Agencies:** Federal agency securities and/or Government-sponsored enterprises.

**Amortization:** An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its depreciation (accretion) over a period of time.

**Arbitrage:** Transactions by which securities are bought and sold in different markets at the same time for the sake of the profit arising from a yield difference in the two markets.

**Asked:** The price at which securities are offered.

**Banker's Acceptance (BA):** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

**Basis Point:** One basis point is one hundredth of one percent (.01).

**Bid:** The price offered by a buyer of securities.

**Bond:** A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

**Book Value:** The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

**Broker:** A person who brings buyers and sellers together for a commission.

**California Local Agency Obligations:** Bonds that are issued by a California county, city, city and county, including a chartered city or county, school district, community college district, public district, county board of education, county superintendent of schools, or any public or municipal corporation.

**Certificate of Deposit (CD):** A time deposit with a specific maturity evidenced by a certificate. Large-denomination CDs are typically negotiable.

**Collateral:** Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposit of public monies.

**Commercial Paper:** Short-term, negotiable unsecured promissory notes of corporations.

**Comprehensive Annual Financial Report (CAFR):** The official annual financial report for the San Juan Water District. It includes five combined statements and basic financial statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principals (GAAP). It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

**Coupon:** The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.

## ***Glossary (con't)***

**Credit Analysis:** A critical review and appraisal of the economic and financial conditions or of the ability to meet debt obligations.

**Current Yield:** The interest paid on an investment expressed as a percentage of the current price of the security.

**Custodian:** A bank or other financial institution that keeps custody of stock certificates and other assets.

**Defeased Bond Issues:** Issues that have sufficient money to retire outstanding debt when due so that the agency is released from the contracts and covenants in the bond document.

**Delivery vs. Payment (DVP):** Delivery of securities with a simultaneous exchange of money for the securities.

**Derivative:** Securities that are based on, or derived from, some underlying asset, reference date, or index.

**Discount:** The difference between the cost of a security and its value at maturity when quoted at lower than face value.

**Diversification:** Dividing investment funds among a variety of securities offering independent returns and risk profiles.

**Duration:** A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

**Fannie Mae:** Trade name for the Federal National Mortgage Association (FNMA), a U.S. sponsored corporation.

**Federal Reserve System:** The central bank of the U.S. which consists of a seven member Board of Governors, 12 regional banks, and 5,700 commercial banks that are members.

**Federal Deposit Insurance Corporation (FDIC):** Insurance provided to customers of a subscribing bank, which guarantees deposits to a set limit (currently \$100,000) per account.

**Fed Wire:** A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.

**Freddie Mac:** Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a U.S. sponsored corporation.

**Ginnie Mae:** Trade name for the Government National Mortgage Association (GNMA), a direct obligation bearing the full faith and credit of the U.S. Government.

**Government Accounting Standards Board (GASB):** A standard-setting body, associated with the Financial Accounting Foundation, which prescribes standard accounting practices for governmental units.

## ***Glossary (con't)***

**Government Finance Officers' Association (GFOA):** GFOA is the professional association of state/provincial and local finance officers in the United States and Canada, and has served the public finance profession since 1906.

**Guaranteed Investment Contracts (GICS):** An agreement acknowledging receipt of funds, for deposit, specifying terms for withdrawal, and guaranteeing a rate of interest to be paid.

**Inactive Deposits:** Funds not immediately needed for disbursement.

**Interest Rate:** The annual yield earned on an investment, expressed as a percentage.

**Investment Agreements:** An agreement with a financial institution to borrow public funds subject to certain negotiated terms and conditions concerning collateral, liquidity and interest rates.

**Liquidity:** An asset that can easily and rapidly be converted into cash without significant loss of value.

**Local Agency Bonds:** These bonds are issued by a county, city, city and county, including a chartered city or county, school district, community college district, public district, county board of education, county superintendent of schools, or any public or municipal corporation.

**Local Agency Investment Fund (LAIF):** A pooled investment vehicle for local agencies in California sponsored by the State of California and administered by the State Treasurer.

**Market Value:** The price at which a security is trading and could presumably be purchased or sold.

**Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.

**Modified Duration:** A measure of exposure to market risk of a security or a portfolio. It is the percent change in the price of a security (portfolio) or a 100 basis point change in the security's (portfolio's) yield.

**Mutual Funds:** An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments.

**Negotiable Certificate of Deposit:** A large denomination certificate of deposit, which can be sold in the open market prior to maturity.

**New Issue:** Term used when a security is originally "brought" to market.

**Note:** A written promise to pay a specified amount to a certain entity on demand or on a specified date.

**Par Value:** The amount of principal, which must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in \$1,000 increments per bond.

**Perfected Delivery:** Refers to an investment where the actual security or collateral is held by an independent third party representing the purchasing entity.

**Portfolio:** Combined holding of more than one stock, bond, commodity, real estate investment, cash equivalent, or other asset. The purpose of a portfolio is to reduce risk by diversification.

## ***Glossary (con't)***

**Primary Dealer:** A group of government securities dealers that submit daily reports of market activity and security positions held to the Federal Reserve Bank of New York and are subject to its informal oversight.

**Principal:** The face value or par value of a debt instrument, or the amount of capital invested in a given security.

**Prudent Investor Standard:** A person empowered to invest for the District is a fiduciary. He or she will act as a trustee with the care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the district, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

**Prospectus:** A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC that typically includes information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements (also known as an "official statement").

**Prudent Investor Standard:** A standard of conduct where a person acts with care, skill, prudence, and diligence when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing funds. The test of whether the standard is being met is if a prudent person acting in a similar situation would engage in similar conduct to ensure that investments safeguard principal and maintain liquidity.

**Purchase Date:** The date in which a security is purchased for settlement on that or a later date.

**Rate of Return:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

**Repurchase Agreement (REPO):** A transaction where the seller agrees to buy back from the buyer (District) the securities at an agreed upon price on demand or at a specified date.

**Risk:** Degree of uncertainty of return on an asset.

**Rule G-37 of the Securities Rulemaking Board:** Federal regulations to sever any connection between the making of political contributions and the awarding of municipal securities business.

**Safekeeping Service:** Offers storage and protection of assets provided by an institution serving as an agent.

**Sallie Mae:** Trade name for the Student Loan Marketing Association (SLMA), a U.S. sponsored corporation.

**Secondary Market:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**Securities and Exchange Commission (SEC):** The federal agency responsible for supervising and regulating the securities industry.

**Settlement Date:** The date on which a trade is cleared by delivery of securities against funds.

## ***Glossary (con't)***

**State Obligations:** Registered Treasury notes or bonds of the 50 United States, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the 50 United States.

**Tax and Revenue Anticipation Notes (TRANS):** Notes issued in anticipation of receiving tax proceeds or other revenues at a future date.

**Time Certificate of Deposit:** A non-negotiable certificate of deposit, which cannot be sold prior to maturity.

**Treasury Bills:** U.S. Treasury Bills which are short-term, direct obligations of the U.S. Government issued with original maturities of 13 weeks, 26 weeks and 52 weeks; sold in minimum amounts of \$10,000 in multiples of \$5,000 above the minimum. Issued in book entry form only. T-bills are sold on a discount basis.

**Trustee or trust company or trust department of a bank:** A financial institution with trust powers, which acts in a fiduciary capacity for the benefit of the bondholders in enforcing the terms of the bond contract.

**Underwriter:** A dealer, which purchases a new issue of municipal securities for resale.

**U.S. Government Agencies:** Instruments issued by various US Government Agencies most of which are secured only by the credit worthiness of the particular agency.

**U.S. Treasury Obligations:** Debt obligations of the United States Government sold by the Treasury Department in the forms of Bills, Notes, and Bonds. Bills are short-term obligations that mature in 1 year or less and are sold on the basis of a rate of discount. Notes are obligations, which mature between 1 year and 10 years. Bonds are long-term obligations, which generally mature in 10 years or more.

**U.S. Instrumentality:** An organization that serves a public purpose and is closely tied to the U.S. government, but is not a government agency. Many instrumentalities are private companies, and some are chartered directly by state or federal government. Instrumentalities are subject to a unique set of laws that shape their activities.

**Weighted Average Maturity (WAM):** The average maturity of all the securities that comprise a portfolio that is typically expressed in days or years.

**Yield:** The rate of annual income return on an investment, expressed as a percentage. It is obtained by dividing the current dollar income by the current market price of the security.

**Yield to Maturity:** The rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.

**Yield Curve:** A graphic representation that shows the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity.

**Revision History:**

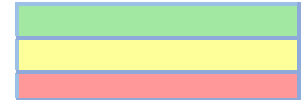
Revision Date	Description of Changes	Requested By
1/13/16	Numerous changes – see Board staff report dated 1/13/16	Finance Committee
2/8/17	Numerous changes – see Board staff report dated 2/8/17	Finance Committee
2/28/18	Numerous changes – see Board staff report dated 2/8/18	Finance Committee

# Operations Plan Report Card FY 2019-20

On Track

Delayed

Issues



## ADMINISTRATION/WATER RESOURCES/IT

Task	Original Target Date	Updated Target Date	Completion Date	Comments
Water Quality Control Plan – Voluntary Agreement: participate in American River agency negotiations with the Administration to achieve adoption by the SWRCB of acceptable 15-year agreement	Ongoing			Regular updates provided to Board
Water Fix – engage as necessary to protect District interests as new project developed, permits sought	Ongoing			Regular updates provided to Board
Organize and conduct joint project with neighboring water agencies on collaboration and integration of projects and programs	2/28/2020	11/1/2020		Securing agreement on the RFP from partners took longer than anticipated
Manage completion of demand, treatment and conveyance capacity (DTCC) assessment study	12/31/2019	3/1/2020	7/15/2020	Delayed by Covid operations.
Initiate discussions with PCWA regarding potentially available treatment and conveyance capacity for their West County needs based on information developed in DTCC assessment study	6/30/2020		6/30/2020	
Initiate collaborative efforts and RFP development with WCAs for 2020 UWMP Update [due mid-2021]	6/30/2020		6/30/2020	
If conditions warrant and allow, complete actions necessary to implement a groundwater substitution and/or conserved water transfer	6/30/2020			SJWD will not participate in the 2020 transfer
Prepare annual water rights reports to SWRCB and submit estimated schedule of deliveries of PCWA and CVP supplies to Reclamation	Post-14 > 4/1/20 Pre-14 > 6/30/20 Reclamation > 3/31/20		6/30/2020	
Provide Monthly summary reports to Reclamation showing usage of water rights, PCWA, and CVP supplies, as well as treatment of SSWD's PCWA deliveries	10 <sup>th</sup> of the following month			
Complete State SRF application for low interest financing for Hinkle & Kokila project	Work in Progress			
Assist with the implementation of the Geographic Information System (GIS)	6/30/2019	1/30/2020	1/30/2020	
Complete a Supervisory Control and Data Acquisition (SCADA) Master Plan	8/30/2019	6/30/2020	6/30/2020	
Implement improvements to the Wonderware Software System	5/1/2019		11/15/2019	Redundant Historian
1 <sup>st</sup> Annual SJWD Employee Kids Day	8/9/2019		8/9/2019	August 2020 event cancelled
Propose updates to District's Record Retention Policy	6/30/2020		7/22/2020	
Re-apply for SDLF District Transparency Certificate of Excellence	9/30/2019		10/10/2019	

# Operations Plan Report Card FY 2019-20

On Track

Delayed

Issues

On Track	
Delayed	
Issues	

## CUSTOMER SERVICE

Task	Target Date	Updated Target Date	Completion Date	Comments
Cross train customer service staff to be proficient in all customer service related functions to build redundancy to accommodate vacations, illnesses and staff turnover	6/30/2019		6/30/2020	Ongoing
Work with Field Service staff to update manually read meters with radio or touch read meters to improve reading efficiency	6/30/2020		6/30/2020	Ongoing
Work with Field Service staff to diagnose customer meter problems and repair promptly	6/30/2020		6/30/2020	Ongoing. Roughly 22 registers replaced per week for Field
Incorporate any recommendations from 2018 Customer Satisfaction Survey results into Customer Service processes to improve customer interaction	9/28/2018		9/28/2018	
Modify Customer Service billing and notification practices to meet the new SB998 legislation requirements	2/1/2020		2/1/2020	

## DISTRIBUTION (Field Services)

Task	Target Date	Updated Target Date	Completion Date	Comments
Replace failed large commercial meters	12/31/2019		12/10/2019	
Complete the backflow testing program for 2019 (100% Tested) and define and implement plan for 2020 testing operations	12/31/2019		12/12/2019	
Achieve Air/Vacuum relief valve maintenance goal for 2019	12/31/2019		11/6/2019	
Implement New CMMS for District Operations	6/30/2020		6/30/2020	
Complete electrical upgrade of Douglas Pump Station including a new mag meter	12/31/2019		N/A	This project is being reevaluated.
Complete Valve Exercising Program. 580+ valves	12/31/2019		9/17/2019	
Complete the Hydrant Maintenance program for 2019. 300+ hydrants	12/31/2019		9/17/2019	
Complete a meter replacement study in conjunction with the Citrus Heights Water District, with participation of other regional partners	12/31/2020			

## ENGINEERING SERVICES

Task	Target Date	Updated Target Date	Completion Date	Comments
Complete the design and construction of the WTP Filters Basin Resurfacing, Nozzle, Media, and BW Hood Improvements Project	6/30/2020	4/30/2021		In process, completion date change
Complete funding, planning, and design of the Hinkle Reservoir Lining and Cover Replacement Project (for Const. in 20/21)	6/30/2020	12/30/2020		In process, completion date change. Planning and Design to be completed by 8/30/2020. Funding to be completed by 12/30/2020
Integration of record documents with the recently implemented Geographic Information System (GIS)	6/30/2020		4/30/2020	
Complete an update of the Construction and Development Standard Details and the Construction Notes	6/30/2020		6/30/2020	
Complete an update of the Retail Master Plan	6/30/2020	9/30/2020		In process, schedule change
Update and calibrate the RSA Hydraulic Model	6/30/2020		4/30/2020	



# Operations Plan Report Card FY 2019-20

On Track

Delayed

Issues


## ENGINEERING SERVICES - con't

Task	Target Date	Updated Target Date	Completion Date	Comments
Complete installation of "Low Flow" pumps in the Lower ("Castellanos") and Upper Granite Bay Pump Stations	12/31/2019	12/31/2020		In process, schedule change
Complete the Electrical Improvements at the Bacon Pump Station	5/31/2020		10/30/2020	In process, schedule change
Install HVAC Units at the Bacon Pump Station	10/30/2019		10/2/2019	
Complete the SJWD/PCWA Kokila Intertie	6/30/2020	12/31/2020		In process, schedule change

## FINANCE

Task	Target Date	Updated Target Date	Completion Date	Comments
Complete Applications for State Revolving Loan Funds for Hinkle and Kokila Reservoir Projects	12/31/2019		11/15/2019	SRF has completed their review of the Hinkle financial package. Funding approval now hinges on completion of the technical and environmental packages. Cannot submit financial package for Kokila until Engineering submits environmental package.
Complete a Master Fee Study and recommend fee changes as identified in the study	8/30/2019	11/13/2019	12/11/2019	
Propose amendment to Compensation Policy to bring into alignment with target market position	8/30/2019		8/28/2019	
Propose and implement new allocation methodology and rate schedule for Wholesale Water Rates	12/31/2019		12/11/2019	
Complete Disaster Preparedness Planning and Documentation for Business Continuity	6/30/2020	9/30/2020		Delayed by Covid operations
Review Investment Policy and Propose Updates if needed	6/30/2020	7/22/2020		Work completed, pulled from June Agenda and pushed to July due to June agenda size.
Complete an overhaul of the Employee Manual, updating District ordinances and policies as necessary	6/30/2020	9/30/2020		Delayed by Covid operations

**WATER EFFICIENCY**

Task	Target Date	Updated Target Date	Completion Date	Comments
Rehabilitate outdated sections of the demonstration WEL (Water Efficient Landscape) Garden (wholesale)	6/30/2020		6/30/2020	Ongoing
Provide 4 educational customer workshops and an annual mulch give-a-way event (wholesale)	6/30/2020	6/30/2021		Unable to complete-COVID
Implement rebate incentive programs and provide on-site assistance to 100 customers to support State mandated water use reductions requirements	6/30/2020	6/30/2021		Unable to complete-COVID
Conduct a student art calendar contest to be distributed to all wholesale agencies	6/30/2020		6/30/2020	

**WATER TREATMENT**

Task	Target Date	Updated Target Date	Completion Date	Comments
Hinkle Reservoir 48' bypass pipe cleaning and repair	3/31/2020		3/18/2020	
Complete the corrosion protection system evaluation and calibration	9/30/2019	11/30/19	11/21/2019	
Replace the Lime Feed system electric panel	9/30/2019		9/1/2019	
Solids Handling Building VFD replacements	12/31/2019		12/12/2019	
Tag line replacement for NW & SW hoods	6/30/2020	7/24/20		Delayed by Covid operations
WS meter vault float and level switches	6/30/2020	11/1/20		Delayed by Covid operations
Install window in office at the Water Treatment Plant	8/31/2019	10/25/19	10/25/2019	
SC200 instrument replacement (6)	11/30/2020		10/1/2019	
Purchase lab top turbidimeter (new)	10/31/2019		8/1/2019	

# OPERATIONS PLAN

FY 2020-21



**SAN JUAN WATER DISTRICT**  
Granite Bay, California

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# FOREWORD

This document composes the Operations Plan for the San Juan Water District for Fiscal Year 2020-21. It defines the major actions that we plan to undertake during this coming fiscal year, to achieve the goals and strategic objectives laid out in the District's Strategic Plan. The Strategic Plan encompasses our mission, vision and values, and outlines the goals and objectives that we will pursue to meet our mission and achieve our vision. The Strategic Plan incorporates the principles of fiscal responsibility, customer service and operational excellence.

This Operations Plan is organized in sections that correspond to the District's different functional groups. The actions are not in priority order, but the Goals and Strategic Objectives in the Strategic Plan that are related to these actions are noted. A target date for accomplishing the action is also listed, and District staff will be reporting regularly on the status of completing each action.

# ADMINISTRATION/WATER RESOURCES/IT

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Water Quality Control Plan – represent District interests and collaborate with regional and statewide partners to ensure the WQCP is reasonable and achievable.	A	5	Ongoing
Delta conveyance – engage as necessary to protect District interests as new project developed, permits sought.	A	5	Ongoing
Organize and conduct joint project with neighboring water agencies on collaboration and integration of projects and programs	A	3	11/2020
Monitor and respond to regulatory proposals from the SWRCB and DWR in the “Making Conservation a Way of Life” program (water loss regulations, indoor and outdoor efficiency standards, reporting, etc.); collaborate with ACWA, RWA and others around the state to ensure regulations are reasonable	A C D	1,5 2 5	Ongoing
Develop an agreement with PCWA to provide treatment and conveyance capacity for their West County water supply needs.	A	5	6/2021
Prepare 2020 Urban Water Management Plan, including collaboration with WCAs	A	5	6/2021
If conditions warrant and allow, complete actions necessary to implement a groundwater substitution and/or conserved water transfer	A	5	6/2021
Prepare annual water rights reports to SWRCB and submit estimated schedule of deliveries of PCWA and CVP supplies to Reclamation	A	All	Post-14 > 4/2021 Pre-14 > 6/2021 Reclamation > 3/2021



## ADMINISTRATION/WATER RESOURCES/IT (con't)

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Provide Monthly summary reports to Reclamation showing usage of water rights, PCWA, and CVP supplies, as well as treatment of SSWD's PCWA deliveries	A	All	The 10 <sup>th</sup> of the following month
2 <sup>nd</sup> Annual SJWD Employee Kids Day	E	3	8/2021
Complete Board Policy Updates	C	1	6/2021
Facilitate Records Inventory Process	C	1	6/2021

## CUSTOMER SERVICE

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Cross train customer service staff to be proficient in customer service related functions to build redundancy to accommodate vacations, illnesses and staff turnover	C	3	6/2021
Work with Field Service and Water Efficiency staff to diagnose customer meter problems and repair promptly	C	2,3	6/2021

# DISTRIBUTION (Field Services)

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Complete the 2020 CO-OP Maintenance Program <ul style="list-style-type: none"> <li>Inspect and maintain all of the appurtenances on the Cooperative Transmission Mainlines</li> <li>Exercise all mainline valves on the Cooperative Transmission Mainlines</li> </ul>	B	2	6/2021
Complete the 2020 Cross Connection Control Program <ul style="list-style-type: none"> <li>Test 100% of the District Backflows</li> <li>Re-Test 100% of the failed backflows</li> <li>Repair or replace all failed backflows</li> </ul>	B	2	12/2020
Complete the 2020 Leak Detection Program <ul style="list-style-type: none"> <li>Complete the next phase of the Districts Leak Detection Program</li> <li>Repair all leaks found during the inspection in a timely manner</li> </ul>	B	2	6/2021
Complete the 2020 Air/Vacuum Relief Valve Program <ul style="list-style-type: none"> <li>Inspect and maintain 160 ARVs</li> <li>Upgrade 20-failed ARVs to the Districts standards</li> </ul>	B	2	6/2021
Complete the 2020 Dead End Flushing Program <ul style="list-style-type: none"> <li>Inspect, maintain, and flush all of the Districts 501 dead end sites</li> <li>Repair or replace all broken blow off valves</li> </ul>	B	2	6/2021
Complete the 2020 Valve Exercise Program <ul style="list-style-type: none"> <li>Inspect, maintain, and exercise 1,000 mainline valves</li> <li>Repair or replace all broken mainline valves</li> </ul>	B	2	6/2021
Complete the 2020 Hydrant Maintenance Program <ul style="list-style-type: none"> <li>Inspect, maintain, and exercise 300 fire hydrants.</li> <li>Repair or upgrade all broken fire hydrants</li> </ul>	B	2	6/2021
Complete the 2020 Commercial Meter Program <ul style="list-style-type: none"> <li>Test all large commercial meters.</li> <li>Replace or repair all failed large commercial meters</li> </ul>	B	2	6/2021

## DISTRIBUTION (Field Services) (con't)

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Complete the 2020 Residential Meter Program <ul style="list-style-type: none"> <li>Upgrade a minimum of 120 meters</li> <li>Test a minimum of 120 meters</li> </ul>	B	2	12/2020
Implement the new GIS/Cityworks Programs for District Operations <ul style="list-style-type: none"> <li>Train all staff on use of the new programs</li> <li>Transfer all current documentation and workflow to the new programs</li> </ul>	B	2	12/2020
Complete a meter replacement study in conjunction with the Citrus Heights Water District, with participation of other regional partners	B	1,6	12/2021

## ENGINEERING SERVICES

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Complete the construction of the WTP South Filter Basin Rehabilitation Project	B	3	5/2021
Complete construction of the Hinkle Reservoir Outage Temporary Tanks and Civil Site Improvements	B	4	12/2020
Complete the SJWD/PCWA Intertie	B	3	12/2020
Complete the 2020 Arc Flash Hazard Assessment Project	E	1	6/2021
Complete an update of the Wholesale Master Plan	B	1	6/2021
Complete construction of the WTP Residual Area Storm Water Lift Station	B	3	6/2021
Complete installation of "Low Flow" pumps in Castellanos Pump Station and Upper Granite Bay	B E	2	12/2020

# FINANCE and HUMAN RESOURCES

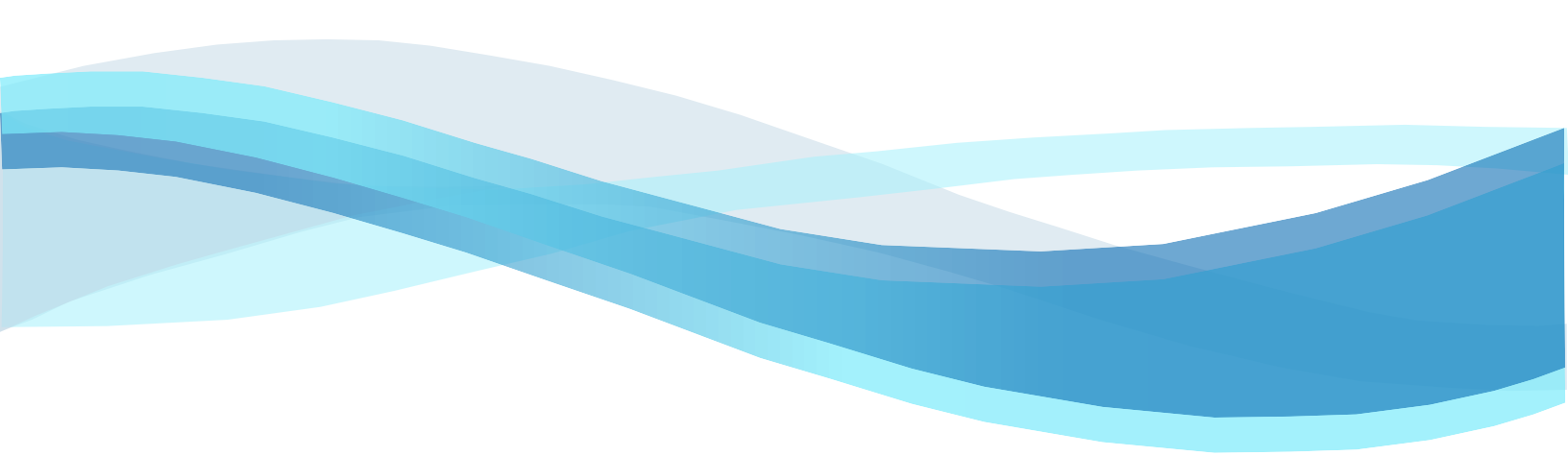
Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Complete funding agreement for State Revolving Loan Funds for Hinkle Reservoir Project	D	3 a.	6/2021
Complete funding application for Kokila Reservoir Project	D	3 a.	6/2021
Implement GASB Statement 87 on Accounting for Leases	D	n/a	6/2021
Complete review of District's Compliance with FLSA	E	1	9/2020
Complete Disaster Preparedness Planning and Documentation for Business Continuity	B	8	12/2020
Commence 5-Year Financial Plan and Rate Study	D	1	1/2021
Complete an overhaul of the Employee Manual, updating District ordinances and policies as necessary	E	3	9/2020
Complete revisions to Treatment Plant Shift Operators MOU	E	1	9/2020

## WATER EFFICIENCY

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Rehabilitate outdated sections of the demonstration WEL (Water Efficient Landscape) Garden (wholesale)	C	2,7	6/2021
Provide 4 educational customer workshops (wholesale)	C	2,7	6/2021
Implement rebate incentive programs and provide on-site assistance to 100 customers to support State mandated water use reductions requirements	C	1,2,5	6/2021
Conduct a student art calendar contest to be distributed to all wholesale agencies	C	2,7	6/2021
Test and replace inoperable radio read units upon failure and send failed meter information to Field Services for replacement.	C	3,5	6/2021

## WATER TREATMENT

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Complete Breaker Replacements in Backwash Hoods	B	2	3/2021
Complete 1 Year Phosphorus Study and Effects on Raw Water	B	2	11/2020
Purchase New Lab Top Particle Counter	B	1	8/2020
Install New Operator Work Stations	B	1	4/2021
Develop/Implement Valve Identification System	D	5	6/2021
Evaluate/Study Backwash Water Strategy for Power Optimization	D	5	6/2021
Upgrade Chlorine Building Security Monitoring	B	2	5/2021



9935 Auburn Folsom Road | Granite Bay, CA 95746

916-791-0115

[www.sjwd.org](http://www.sjwd.org)

# AGENDA ITEM V-2

**Teri Grant**

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**From:** TRICKS GYMNASTICS <tricksgym@gmail.com>  
**Sent:** Wednesday, July 8, 2020 11:43 AM  
**To:** Teri Grant  
**Subject:** Plea for COVID Help - TRICKS Gymnastics, Inc.

Dear Teri,

My name is Vern Taylor. My wife and I own TRICKS Gymnastics and Dance at 4070 Cavitt Stallman Rd in Granite Bay.

We were given your contact info by Lisa Brown after a conversation we had with her, concerning the Base Charge for Service Period 1 on our bill.

We are (were) in the business of teaching gymnastics, dance, swim and agility classes to children. Our business has been completely closed and our building shut down for 4 months, due to the COVID-19 global pandemic. We have NO activity going on at the facility.

We are contacting *San Juan Water District* concerning the **Base Charge for Service Period 1** that appears on our bill. I asked Lisa if SJWD had any kind of policy to help small businesses, who have been so negatively affected by COVID-19.

She said I needed to write an official request (appeal) to the Board of Directors to ask that this fee be waived for the period that we are closed, due to the pandemic. We now make that request.

We have already been granted an adjustment by the Board of Directors at SMUD for our building in Folsom. They have a similar charge for power to be available at our building there, even if no power is used. They are waiving their "Site Infrastructure Fee" while we are closed.

**Likewise, the City of Folsom has granted a "COVID-19 Crisis Adjustment" for a similar charge for water at that location.**

As Board Secretary, please present our request to the SJWD Board of Directors as soon as possible. We do not know when children's sports will be allowed to continue in the Granite Bay area.

We have been good customers for the past 30 years and hope that SJWD can see that we need help at this juncture.

Thank you for your attention and consideration in this matter,

Respectfully,

Vern M. Taylor  
Director of Operations/Owner  
TRICKS Gymnastics, Inc.  
916-849-6400



**The JPIA Proudly Presents the  
H.R. LaBounty Safety Award  
to**

**Chris Cessna  
San Juan Water District**

**May 2020**





**The JPIA Proudly Presents the  
H.R. LaBounty Safety Award  
to**

**Aaron Davis  
San Juan Water District**

**July 2020**



**The JPIA Proudly Presents the  
H.R. LaBounty Safety Award  
to**

**Cody Sinnock  
San Juan Water District**

**July 2020**

## STAFF REPORT

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**To:** Board of Directors

**From:** Greg Zlotnick, Water Resources Manager

**Date:** July 22, 2020

**Subject:** Proposed Pilot Agreement Between San Juan Water District and Sacramento Suburban Water District to Provide Surface Water Supplies to Enhance Groundwater Stabilization

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### RECOMMENDED ACTION

(1) Make a finding that the water proposed to be sold to Sacramento Suburban Water District is excess to that necessary to meet the Wholesale Customer Agencies' demands; (2) Adopt the CEQA Notice of Exemption; and (3) Authorize the General Manager to sign the Proposed Pilot Agreement Between San Juan Water District and Sacramento Suburban Water District to Provide Surface Water Supplies to Enhance Groundwater Stabilization.

### BACKGROUND

To optimize the utilization of San Juan Water District's (District) surface water supplies; generate revenue for the District's wholesale enterprise; increase regional conjunctive use; enhance groundwater stabilization in Sacramento Suburban Water District's (SSWD) northern service area; and, contribute toward a favorable baseline for future District/SSWD groundwater substitution transfer opportunities, the District and SSWD seek to enter into a pilot agreement whereby the District will sell up to 4,000 acre-feet (AF) of surface water to SSWD between August 1, 2020 and February 28, 2021.

If the entire 4,000 AF of water is transferred to SSWD, the District will receive over \$800,000 in payments as compensation for treatment of that water. The charge per AF for treatment is the same as the District charges SSWD for treating Placer County Water Agency (PCWA) water it receives in wetter years when the unimpaired inflow to Folsom Reservoir is 1.6 million AF or more.

The price SSWD is paying the District for the surface water supplies provided (exclusive of treatment) is significantly less than the rate it pays PCWA for water in years when it can access it. But this rate reflects a net revenue amount to the District of over \$7.50/AF, which should result in net revenue to the District's wholesale enterprise of over \$30,000. In the event that the District either does not deliver the

full 4,000 AF or has to adjust its operations to meet that “up to” amount, net revenue may be reduced somewhat.

Over the past few years the District’s overall demand levels have resulted in the use of water right water in the District’s Placer County retail service area because it is less expensive than using the PCWA water, even though “take-or-pay” water is paid for but unused. Because the Bureau of Reclamation’s wheeling charge for that unused water is not paid on water right water, it is cheaper for the District to use it and leave a portion of its PCWA “take-or-pay” entitlement water unused.

Notably, another benefit of the proposed transfer is that it would rectify this situation because the District will use more (potentially all) of its “take-or-pay” water to meet demands in its Placer County service area, which will eliminate PCWA entitlement water being left “on the table”. Assuming a similar total from last year, this will result in the District not having approximately \$85,000+ in “sunk” costs attributable to paying for unused PCWA “take-or-pay” water.

In total, then, it is expected that this pilot agreement to transfer up to 4,000 AF will result in over \$1,000,000 in positive revenue impact to the District’s wholesale enterprise; including eliminating as much as \$85,000+ in sunk costs and generating over \$30,000 in net revenue.

## **CEQA NOTICE OF EXEMPTION**

Adopting and implementing this agreement is exempt from the California Environmental Quality Act (CEQA) because it does not involve the construction of any new facilities or modification or expansion of capacity of existing facilities, and involves water supplies that have historically been consumptively used by the District prior to undertaking conservation actions. This project therefore qualifies for the Class 1 categorical exemption for existing facilities. In addition, the “common sense” exception applies because it can be seen with certainty that the project will not have a significant effect on the environment.

## **CURRENT STATUS**

At its June 15, 2020 meeting, the SSWD Board of Directors authorized their General Manager to sign this pilot agreement upon review of SSWD’s General Counsel.

On June 8<sup>th</sup>, in accordance with the requirement of the Wholesale Water Supply Agreements with the Wholesale Customer Agencies (WCAs), an e-mail was sent to all WCAs notifying each WCA of staff’s determination that the water being proposed for sale to SSWD was in excess of that necessary to meet WCA demands. Prior to this e-mail being sent, General Manager Helliker had called and spoken with each WCA to inform them of the District’s intent to make this sale to SSWD as well.

The City of Folsom responded to the June 8<sup>th</sup> e-mail on June 9<sup>th</sup> confirming staff's determination relative to Folsom's potential demands.

The e-mail notifying the WCAs was resent on June 18<sup>th</sup> to all WCAs, except Folsom, again asking for confirmation of our assessment of potential WCA demands and staff's determination that the sale would be of water surplus to them. No other responses were forthcoming.

## NOTICE OF EXEMPTION

**To:** County Clerk  
County of Sacramento  
600 8th Street  
Sacramento, CA 95814

**From:** San Juan Water District  
9935 Auburn Folsom Road  
Granite Bay, CA 95746

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**Project Title:** Sale of conserved water to Sacramento Suburban Water District

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**Project Location:** San Juan Water District facilities in Sacramento and Placer Counties will be used to receive, treat and convey water to Sacramento Suburban Water District in Sacramento County. See attached map.

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**Description of Nature, Purpose and Beneficiaries of Project:** San Juan Water District (San Juan) will sell up to 4,000 AF of water to Sacramento Suburban Water District (SSWD), which San Juan has previously conserved through various conservation efforts, including primarily the improved water use efficiency of its customers. The proposed transfer is a one-time pilot to test the feasibility and operational procedures for wheeling a portion of San Juan's conserved water to SSWD. The project does not involve the construction of any new facilities or the modification or expansion of capacity of existing facilities. San Juan will benefit from the project as a result of being better able to utilize the surface water supplies it has available to it for public benefit, as well as receiving revenue that will improve its wholesale enterprise's financial position. SSWD will benefit from the receipt of surface water to improve the conjunctive management and health of its north groundwater basin.

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**Name of Public Agency Approving Project:** San Juan Water District

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**Name of Person or Agency Carrying Out Project:** San Juan Water District

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**Exempt Status: (Check One)**

- Ministerial  
 Declared Emergency (Sec. 15071(a))  
 Emergency Project (Sec. 15071(a) and (c))  
 Statutory Exemption: Class 1 Exemption, CEQA Guidelines section 15301  
 Other: Common Sense Exception, CEQA Guidelines section 15061(b)(3)
- 

**Reasons why project is exempt:**

This project does not involve the construction of any new facilities or modification or expansion of capacity of existing facilities, and involves water supplies that have historically been consumptively used by San Juan prior to conservation. It therefore can be seen with certainty that the project will not have a significant effect on the environment.

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**Contact Person**  
Paul Helliker, General Manager

**Area Code/Telephone/Extension**  
(916) 791-0115

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**Date Received by Clerk for Filing**

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Paul Helliker, General Manager

**AGREEMENT BETWEEN SAN JUAN WATER DISTRICT  
AND SACRAMENTO SUBURBAN WATER DISTRICT  
TO PROVIDE SURFACE WATER SUPPLIES  
TO ENHANCE GROUNDWATER STABILIZATION**

This Agreement is entered into as of the 1st day of August, 2020, by and between San Juan Water District (“San Juan”), a public entity, and Sacramento Suburban Water District, a public entity (“SSWD”)(together, the “Parties”), to govern SSWD’s purchase of up to 4,000 acre-feet of San Juan surface water supplies, surplus to the needs of San Juan’s Wholesale Customer Agencies (“WCAs”), from August, 2020 through February, 2021.

**RECITALS**

- A.** San Juan owns and operates facilities for (a) diversion of water from Folsom Reservoir, (b) treatment of water to meet health and safety standards for potable use, and (c) conveyance and delivery of treated water to its customers. San Juan's customers include: (a) its own retail water service customers in Placer and Sacramento Counties; and, (b) its WCAs, namely, the City of Folsom (Ashland area), Citrus Heights Water District, Fair Oaks Water District, and Orange Vale Water Company, in Sacramento County.
- B.** San Juan’s surface water supplies include Pre-1914 and Post-1914 water rights, a contract entitlement to water supplied by Placer County Water Agency (PCWA) for diversion from Folsom Reservoir, and a Central Valley Project Repayment Water Service Contract.
- C.** San Juan and the U.S. Bureau of Reclamation (“Reclamation”) entered into a Warren Act contract on February 29, 1996 providing for payment to Reclamation for delivery of San Juan’s PCWA water entitlement supplies to San Juan via Reclamation facilities at Folsom Reservoir.

**D.** SSWD is a public agency located in northern Sacramento County, authorized to acquire water entitlements to provide water service within its service area. SSWD currently provides water for potable use within its service area primarily from groundwater pumped from its South and North Service Areas, overlying separate groundwater sub-basins, which SSWD conjunctively manages to ensure water supply reliability and groundwater sustainability.

**E.** On September 20, 2017, San Juan and SSWD entered into an **AMENDED AND RESTATED AGREEMENT BETWEEN SAN JUAN WATER DISTRICT AND SACRAMENTO SUBURBAN WATER DISTRICT CONCERNING DIVERSION, TREATMENT AND CONVEYANCE OF WATER**. That 2017 Agreement will govern the measurement, treatment and conveyance (via the Cooperative Transmission Pipeline (CTP) owned by San Juan and in which SSWD owns a portion of the capacity), and payment by SSWD to San Juan for treatment and conveyance, of the water San Juan will provide to SSWD pursuant to this Agreement.

**F.** All of SSWD's payments for the water provided by San Juan to SSWD pursuant to this Agreement will be made by SSWD to San Juan under the same schedule as that paid for treatment and conveyance in accordance with the 2017 Agreement identified in Recital E above.

**G.** SSWD has installed a pipeline to convey treated surface water from the terminus of the CTP to its North Service Area to enable SSWD to better conjunctively manage, conserve and utilize its groundwater resources.

**H.** San Juan has determined, subject to the terms and conditions set forth in this Agreement, it will be able to deliver up to 4,000 acre-feet of its water right water, surplus to the needs of its WCAs, to SSWD for the purpose of enhancing conjunctive management of the groundwater basin underlying its North Service Area, during the period of August 1, 2020 through February 28, 2021, as provided for in this Agreement.



**I.** San Juan is willing to deliver to SSWD, and SSWD is willing to pay San Juan for, water delivered by San Juan under the terms and conditions set forth in this Agreement.

**J.** San Juan has made a formal determination that the approval of this Agreement, and implementation of the activities to be undertaken as a result, are categorically exempt from environmental documentation requirements of the California Environmental Quality Act.

Now, therefore, in consideration of the mutual covenants contained, herein, the parties agree as follows:

- 1. Recitals Incorporated.** The foregoing recitals are incorporated by reference.
- 2. Term of Agreement.** This Agreement shall be effective as of August 1, 2020, and shall remain in effect through February 28, 2021, unless terminated earlier under the provisions of this Agreement.
- 3. Limitation on Location of Use.** SSWD may only distribute the water purchased from San Juan pursuant to this Agreement to retail customers within its authorized service area, and under no circumstance may SSWD deliver or sell this water outside of its authorized service area.
- 4. Water Shortage Provisions.**
  - (a)** Deliveries to SSWD shall be subject to temporary reduction or elimination should San Juan notify SSWD that San Juan has determined that it must take such action to ensure the availability of sufficient water supplies to meet the needs of its WCAs. Such notification shall be provided at the earliest date feasible.

(b) San Juan may temporarily discontinue or reduce the amount of water delivered to SSWD for the purpose of maintaining, repairing, replacing, investigating or inspecting any of the facilities necessary for the storage or furnishing of water to SSWD. In so far as it is feasible, San Juan will give SSWD due notice in advance of such temporary discontinuances or reductions except in cases of emergency, in which case notice will be provided at the earliest date feasible. In the event of any such discontinuance or reduction, San Juan will, upon the resumption of service, attempt, in coordination with SSWD, to deliver the quantity of water to SSWD that would have been furnished to SSWD in the absence of such event.

(c) In the event of a water shortage as described in subparagraphs (a) or (b) of this article, SSWD shall be solely responsible for supplying water to meet its customers' needs, and no liability shall accrue against San Juan or any of its directors, officers, agents or employees for any damage, direct or indirect, arising from such shortages.

## **5. Rate and Payment for Water.**

(a) SSWD shall pay San Juan for each acre-foot of water treated and conveyed to SSWD the charges set forth in the 2017 Agreement for such treatment and conveyance with San Juan, identified in Recital E above, and on the same schedule as contained therein. Appendix A attached to this Agreement lists that rate.

(b) SSWD shall also pay San Juan for each acre-foot of water treated and conveyed to SSWD the equivalent of the following: the acre-foot price PCWA charges San Juan for water made available to San Juan in Folsom Reservoir for use within Placer County pursuant to the agreement between San Juan and PCWA identified in Recital B above, plus one-half of the difference between that price and the price SJWD pays PCWA for water made available in Folsom Reservoir for use within Sacramento County pursuant to that same agreement. Appendix A lists that rate equivalent.

(i) Should San Juan be required to deliver any portion of its PCWA entitlement to its retail or wholesale customers in Sacramento County to maintain deliveries to SSWD without triggering the shortage provisions set forth in Article 4 above, SSWD shall pay San Juan for each acre-foot of water treated and conveyed to SSWD the equivalent of the charge San Juan pays PCWA for that water made available in Folsom Reservoir for use within Sacramento County pursuant to the agreement between San Juan and PCWA identified in Recital B above. Appendix A lists that rate equivalent.

(ii) San Juan shall inform SSWD as soon as feasible if the Article 5(b)(i) rate equivalent will be applied to any deliveries and in what quantity, and SSWD may choose to direct San Juan to halt deliveries – at which direction SJWD will halt deliveries as soon as practicable. SSWD will compensate SJWD for water actually delivered prior to any delivery stoppage.

(c) In addition, SSWD shall pay San Juan for each acre-foot of water treated and conveyed to SSWD the equivalent of the charge San Juan pays Reclamation pursuant to the Warren Act contract identified in Article C in the recitals above. Appendix A lists that rate equivalent.

(d) Charges to SSWD described in Articles 5(a) and 5(b) above will change in January of 2021. SSWD acknowledges such rate adjustments will be made and agrees to pay those new charges in accordance with this Agreement.

**6. Responsibilities for Delivery and Distribution of Water.** Neither San Juan or its directors, officers, agents or employees shall be liable for the control, carriage, handling, use, disposal or distribution of water furnished to SSWD hereunder outside of facilities then being operated or maintained by San Juan, nor for claims of damages of any nature whatsoever, including but not limited to property damage, personal injury or death, arising

out of or connected with the control, carriage, handling, use, disposal or distribution of such water beyond such facilities, and SSWD shall indemnify and hold harmless San Juan and its directors, officers, agents and employees from any such damages or claims of damages.

**7. Obligation of SSWD to Make Payments.** The obligations of SSWD arising out of or pursuant to this Agreement shall constitute general obligations of SSWD, and SSWD shall use all the powers and resources available to it under the law to collect the funds necessary for and to pay its obligations to San Juan under this Agreement. SSWD as a whole is obligated to pay San Juan the payments coming due under this Agreement, notwithstanding any individual default by its water users, constituents or others in the payment to SSWD of assessments, taxes, tolls or other charges levied by SSWD.

**8. Remedies Not Exclusive.** The use by either party of any remedy specified for the enforcement of this Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

**9. Waiver of Rights.** Any waiver at any time by either party of its rights with respect to a breach or default, or any other matter arising in connection with this Agreement, shall not be deemed to be a waiver with respect to any other breach, default or matter.

**10. Assignment.** The provisions of this Agreement shall apply to and bind the successors and assigns of the respective parties, but no assignment or transfer of this Agreement, or any part hereof or interest herein, shall be valid until and unless approved by San Juan.

**11. Opinions and Determinations.** Where the terms of this Agreement provide for action to be based upon judgment, approval, review or determination of either party, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review or determination to be arbitrary, capricious or unreasonable.

**12. Notices.** All notices that are required either expressly or by implication to be given by any party to the other under this Agreement shall be signed for San Juan and for SSWD by such officers as they may from time to time authorize to so act. Any notices to parties required by this Agreement shall be delivered or mailed, U.S. first-class postage prepaid, addressed as follows:

**To San Juan:**

General Manager  
San Juan Water District  
P.O. Box 2157  
Granite Bay, California 95746

**To SSWD:**

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

Either party may change its address for notice by sending notice of such change to the other party.

**13. Inspection of Books and Records.** Authorized officers or agents of SSWD shall have full and free access at all reasonable times to the account books and official records of San Juan in so far as the same pertain to the matters and things provided for in this Agreement, with the right at any time during office hours to make copies thereof at SSWD's expense, and the proper representative of San Juan shall have similar rights with respect to the account books and records of SSWD.

**14. Integration.** This is an integrated agreement and contains all of the terms, considerations, understanding and promises of the parties. It shall be read as a whole.

**15. Construction and Interpretation.** It is agreed and acknowledged by the parties that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

**16. Amendment.** This Agreement may be modified or amended only by a subsequent written agreement approved by both parties.

**17. Attorney's Fees.** In any action brought by either party to enforce or construe this Agreement, the prevailing parties shall be entitled to an award of reasonable attorney's fees, expert witness and consulting fees, litigation costs and costs of suit.

**18. Counterparts.** This Agreement may be executed in counterparts. SSWD shall deliver its counterpart to San Juan, which shall deliver a fully-conformed counterpart to SSWD.

**19. Termination.** This Agreement may be terminated by either party with notice to the other party provided 10 business days prior to the termination date.

**20. Obligations Prior to Termination.** The obligations of the parties incurred pursuant to this Agreement prior to the termination of this Agreement shall survive the termination.

**21. Supporting Resolutions.** Each party represents that it has legal authority to enter into this Agreement and to perform its obligations hereunder, and shall submit to the other party concurrent with execution of this Agreement a duly-authorized resolution or other document evidencing the authority and authorizing the person executing this Agreement to do so.

**22. General Indemnity.** Each party agrees to protect, defend, indemnify and hold harmless the other party, its directors, officers, agents, employees and consultants from and against any and all losses, claims, liens, demands and causes of action of every kind and character, without limitation by enumeration, occurring or in any wise incident to, connected with, or arising directly or indirectly out of the negligence or willful misconduct of the indemnifying party hereunder.

**23. Severability.** The invalidity, illegality or unenforceability of any provision of this Agreement shall not render the other provisions unenforceable, invalid or illegal.

**24. No Third Party Beneficiaries.** This Agreement shall not be construed to create any third party beneficiaries. This Agreement is for the sole benefit of the parties, their respective successors and permitted transferees and assigns, and no other person or entity shall be entitled to rely upon or receive any benefit from this Agreement or any of its terms.

**25. Relationship of Parties.** Nothing in this Agreement shall be construed to create an association, joint venture, trust or partnership, or to impose a trust or partnership covenant, obligation or liability on or with regard to anyone or more of the parties.

**26. Additional Documents.** Each party agrees to make, execute, acknowledge and deliver any and all documents reasonably required to implement this Agreement.

The foregoing is hereby agreed to by the parties.

SAN JUAN WATER DISTRICT:

By: \_\_\_\_\_  
Paul Helliker, General Manager

SACRAMENTO SUBURBAN WATER DISTRICT:

By: \_\_\_\_\_  
Daniel R. York, General Manager

# APPENDIX A

## RATE EQUIVALENTS TO BE PAID BY SSWD TO SJWD PER ACRE-FOOT (AF)

### Article 5(a):

Treatment and Conveyance Cost/AF per Existing SJWD/SSWD Agreement = \$209.68.

*[Note: This rate will increase to \$220.16/AF in January, 2021.]*

### Article 5(b):

Charge/AF SJWD pays PCWA for entitlement water delivered to Placer County plus one-half of the difference between that price and the price San Juan pays PCWA for water made available in Folsom Reservoir for use within Sacramento County = \$29.03

*[Note: The underlying rate SJWD pays PCWA will change in January, 2021, but to what amount is unknown at this time.]*

### Article 5(b)(i):

Charge/AF SJWD pays PCWA for entitlement water delivered to Sacramento County = \$36.94

*[Note: The underlying rate SJWD pays PCWA will change in January, 2021, but to what amount is unknown at this time.]*

### Article 5(c):

SJWD Warren Act Charge/AF = \$21.45

*[Note: This rate will not change in January and February, 2021.]*



## STAFF REPORT

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To: Board of Directors  
 From: Paul Helliker, General Manager  
 Date: July 22, 2020  
 Subject: General Manager's Monthly Report (June)

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### RECOMMENDED ACTION

For information only, no action requested.

### TREATMENT PLANT OPERATIONS

#### *Water Production for June*

Item	2020	2019	Difference
Monthly Production AF	4,695.79	5,975.62	-21.4%
Daily Average MG	51.00	64.91	-21.4%
Annual Production AF	16,180.52	18,663.45	-13.3%

#### *Water Turbidity*

Item	June 2020	May 2020	Difference
Raw Water Turbidity NTU	1.38	1.54	-10%
Treated Water Turbidity NTU	0.022	0.025	-12%
Monthly Turbidity Percentage Reduction	98.42%	98.35%	

#### *Folsom Lake Reservoir Storage Level AF\**

Item	2020	2019	Difference
Lake Volume AF	711,178	939,726	-24%

AF – Acre Feet

MG – Million Gallons

NTU – Nephelometric Turbidity Unit

\* Total Reservoir Capacity: 977,000 AF

#### *Other Items of Interest:*

- Completed and distributed 2019 Consumer Confidence Report
- Completed CalARP (California Accidental Release Program audit with Placer County Environmental Health. No deficiencies noted, clean program audit
- Performed Influent Meter Flow Verifications with USBR
- Completed repair of Solar Panel A inverter

**SYSTEM OPERATIONS**

*Distribution Operations:*

Item	June 2020	May 2020	Difference
Leaks and Repairs	5	4	+1
Mains Flushed	60	69	-9
Valves Exercised	0	0	0
Back Flows Tested	134	306	-172
Customer Service Calls	42	25	+17

*Distribution System Water Quality:*

Water Quality Samples Taken	# Failed Samples	Supporting Information
50 Lab	0	
22 In-House	0	

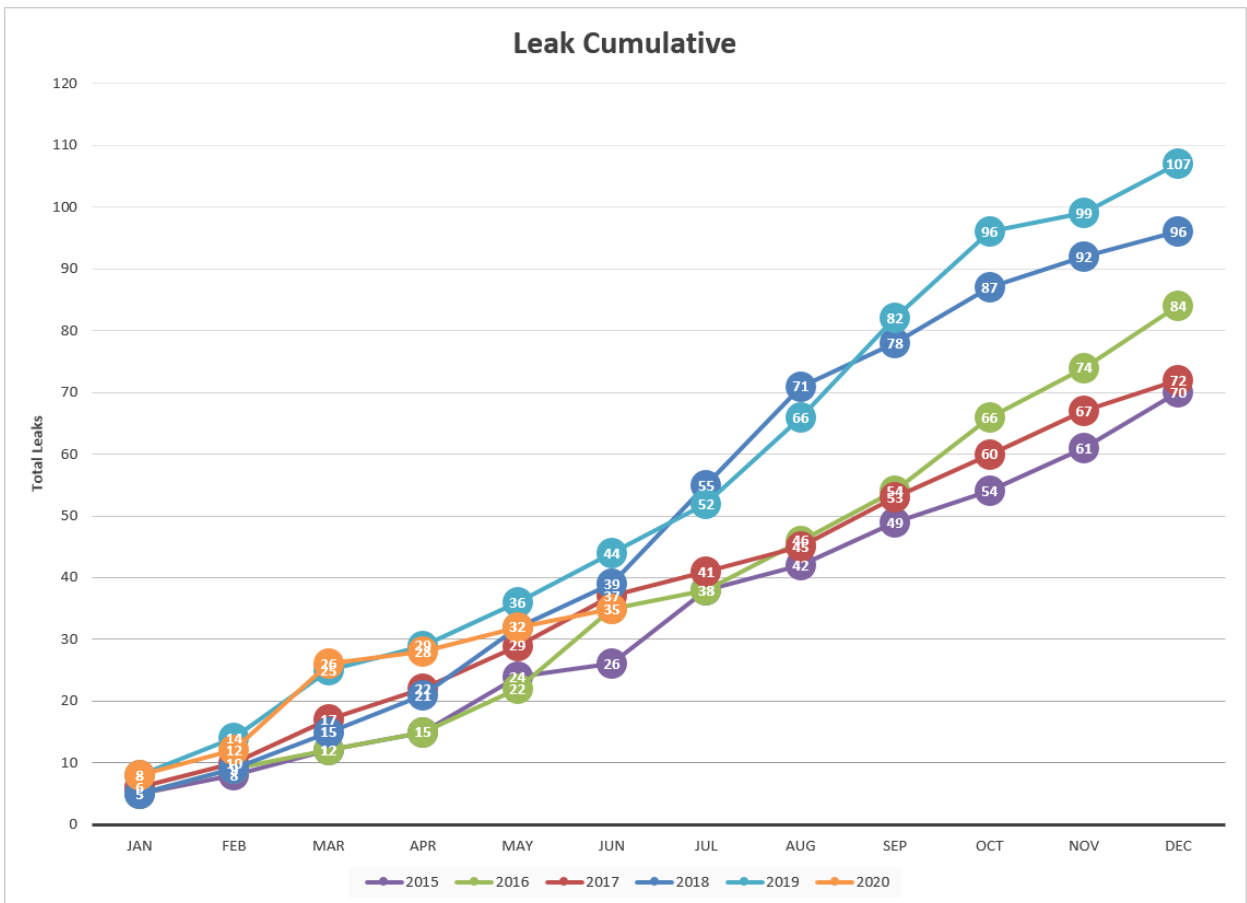


Figure 1: Annual Distribution System Leaks

*Other Items of Interest:*

- None

**CUSTOMER SERVICE ACTIVITIES**

*Billing Information for Month of June*

<b>Total Number of Bills Issued</b>	<b>Total Number of Reminders Mailed</b>	<b>Total Number of Shut-off Notices Delivered</b>	<b>Total Number of Disconnections</b>
5107	491	0	0

*Water Efficiency Activities*

<b>Water Waste Complaints Received</b>	<b>Number of Customers Contacted for High Usage (potential leaks)</b>	<b>Number of Rebates Processed</b>	<b>Number of Meters Tested/Repaired (non-reads)</b>
17	175	10	59

*Other Activities*

- None

**ENGINEERING - NEW URBAN DEVELOPMENTS (SJWD Retail Service Area)**

<b>Project Title</b>	<b>Description</b>	<b>Status</b>	<b>Issues / Notes</b>
Canyon Terrace Apts Expansion	Addition of several new Apt buildings at the existing complex	In Design Review	Close proximity to the FO-40 T-main.
Catuna Residential Care Facility (6505 Arabian Circle)	10,400-SF 15-client dementia care facility on 1.9-Ac parcel	In Design Review	
Chula Acres	4-Lot Minor Subdivision (8149 Excelsior Ave)	Approved for Construction	Grading completed, restart in 2020.
Eureka at GB (former Micherra Place Proj.)	28 Condominium Units, High Density (SW Cor. Eureka & AFR)	Approved for Construction	Water main installed, pressure tested, and disinfected.
GB Memory Care	Commercial Business (6400 Douglas Blvd)	In Design Review	Planning for 2020 const. start
Eureka Grove (former Greyhawk III Proj.)	44 high-density & 28 SFR lots (NE Cor. Eureka & SCB)	In Design Review	Planning for 2020 const. start
Premier Soleil (formerly Granite Bay Townhomes)	52-Lot Subdivision (Douglas, east of Auburn Folsom)	In Design Review	Design submitted, under review now
Greenside Parcel Split (5652 Macargo)	Minor parcel split of 2.07-Ac parcel into 3 lots	In Design Review	Design submitted, under review now
Placer County Retirement Residence	Commercial Business (145-Unit Multi-story Assisted Living Facility; 3865 Old Auburn Rd)	In Design Review	Planning for 2020 const. start
Pond View	Commercial Business (5620 5630 5640 Douglas Blvd)	Approved for Construction	Planning to begin const in 2020
Quarry Ridge Prof. Office Park	Comm Business (4 parcels to develop 4 gen/med office Bldgs; NE Corner of Douglas and Berg)	In Construction	Ph II piping was approved and now under construction.
Rancho Del Oro	89 Lot Subdivision (Olive Ranch & Cavitt Stallman)	Will need re-approval for Construction	On hold pending County and Envr Approvals.
Self Parcel Split (3600 & 3630 Allison Ave)	4 Lot Minor Subdivision (on a new street "Laura Lane", off Allison Dr.)	In Construction	Construction nearing completion, finish in 2020.
The Park at Granite Bay	56 lot Subdivision (SCB south of Annabelle)	Approved for Construction	Mass grading done. Re-start in 2020.
The Residences at GB	4-Lot Minor Subdivision (NW Cor. Barton & E Rsvl Pkwy)	In Design Review	
Ventura of GB	33-Lot High Density Subdivision (6832 Eureka Rd)	In Design Review	Initially will only have one source of supply connection, planning for a future 2 <sup>nd</sup> connection.
7420 Vogle Valley Rd (Wilson Parcel Map)	Minor parcel split of 3.28-Ac parcel into 3 ±1-Ac lots	In Design Review	
Wellquest Senior Living (prior Ovation)	Commercial Business (114-Unit 2-story Assisted Living Facility; 9747 Sierra College Blvd.)	In Construction	Water is done. Offsite PRS const is nearing completion.
Whitehawk I	24-Lot Subdivision (Douglas, west of Barton)	In Design Review	Planning Dept review underway
Whitehawk II	56-Lot Subdivision (Douglas, west of Barton)	In Design Review	Design submitted, under review now

**ENGINEERING - CAPITAL PROJECTS**

*Status Update for Current Retail Projects*

<b>Project Title</b>	<b>Description</b>	<b>Status</b>	<b>Issues / Notes</b>
Retail Master Plan Update	Update the 2005/7 Retail Master Plan	Underway	
SCADA Radio Replacements – North Phase	Replace outdated 900 MHz radios with 173 MHz equipment	Under Construction	Radio router issues have now been resolved
GIS Implementation	Update the aged GIS with new software and integrate with the CMMS and FIS/CIS systems	In project close-out	Testing and training sessions completed.
Spahn Ranch Rd. Main Extension	Install new pipeline; provides looped distribution network	In Design	Construction in FY 20/21
Cavitt Stallman 12" (Mystery Cr to Oak Pines)	Install new pipeline on Cavitt Stallman between Mystery Creek Ln and Oak Pines Ln.	In Design	Construction in FY 20/21
Woodminister Services Replacements	Replace 18 aged services	In Design	Construction in FY 20/21
Kokila (SJWD/PCWA) 12-Inch Intertie Pipeline	Interconnection with PCWA	In Design	Partial funding with RWA grant. Construction in FY 20/21
Canyon Falls Village PRS Replacement	Rehabilitation of an existing Pressure Reducing Station (PRV) located near the intersection of Canyon Falls Drive and Santa Juanita Ave.	East PRS is now completed, doing design for West PRS	Construction in FY 20/21
Eastridge Dr CV Station	Design and construct CV station between Sierra and Gravity Zones. Needed to supply 3,125-gpm fire flow for the Wellquest project on SCB	In construction	Construction complete. In Project close-out.
UGB & LGB Low Flow Pumps and LGB/CP MOV	Installation of two new low flow pumps, one each at the Lower and Upper Granite Bay pump stations	In Design. Pumps pre-purchased and onsite.	Installation and commission in FY 20/21

**Status Update for Current Wholesale Projects**

<b>Project Title</b>	<b>Description</b>	<b>Status (% Complete)</b>	<b>Issues/ Notes</b>
WTP Thickeners Lining	Clean, repair and line the interior walls and floor of the three thickeners to eliminate leakage and protect the concrete and reinforcing from damage	In Construction.	Construction complete. In Project close-out.
WTP 48-inch Hinkle Bypass Pipeline Cleaning	Clean the interior of the 48-inch Hinkle Bypass Pipeline by removing deposited filter media and disinfection.	In Construction.	Construction complete. In Project close-out.
WTP Filters Improvements	R&R Filter Materials, nozzles, and resurface spalled filter floor and wall areas	In Construction.	North Basin completion in FY 19/20 with South Basin in FY 20/21
Hinkle Liner & Cover Repl'mt	Replace both the hypalon cover and liner.	In Design Phase. 75% Design Plans & Specs submitted and under review. (Also - Operations required Temp Storage Tanks are under design.)	Applying for SRF funding. Planning to operate WTP without Hinkle.
Temporary Storage Tanks	Installation of two temporary ±1.0-MG finished water storage tanks to operate when Hinkle Reservoir is out of service	In Construction.	
Lime System Improvements	Improvements for the WTP's lime system control and feeder system	In Design	
WTP On-Site Residuals Management Improvement Project	Management of the WTP residuals disposal area and improvements needed to meet regulatory requirements.	In Bid Phase.	Bids received and evaluated. Contract pending BOD approval.
Bacon and Upper Granite Bay Pump Station Generator Replacements	Replacing generators at both the Bacon Pump Station Facility and at Upper Granite Bay Pump Station	Design RFP Issued	Proposals received and evaluated. Contract pending BOD approval.
Baldwin Chnl Lining and Solar Field Culvert Replacement Project	Lining the Baldwin Ditch on the main campus to minimize costs for maintenance within the ditch and the replacement of the Solar Field Culvert to provide emergency discharge capacity to Baldwin Reservoir	Design and Environmental Underway	

**SAFETY & REGULATORY TRAINING – June 2020**

<b>Training Course</b>	<b>Staff</b>
AED Awareness	Operations CPR Trained Staff
Electrical Testing Equipment Safety	Pump Station Operation & Maintenance Staff

**FINANCE/BUDGET**

*See attached*



San Juan Water District, CA

# Wholesale Operating Income Statement

## Group Summary

For Fiscal: 2019-2020 Period Ending: 06/30/2020

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
<b>Fund: 010 - WHOLESALE</b>					
<b>Revenue</b>					
41000 - Water Sales	11,157,700.00	11,157,700.00	0.00	10,320,799.28	836,900.72
43000 - Rebate	1,500.00	1,500.00	474.39	1,700.80	-200.80
45000 - Other Operating Revenue	0.00	0.00	0.00	104,754.67	-104,754.67
49000 - Other Non-Operating Revenue	144,600.00	144,600.00	0.00	166,842.68	-22,242.68
<b>Revenue Total:</b>	<b>11,303,800.00</b>	<b>11,303,800.00</b>	<b>474.39</b>	<b>10,594,097.43</b>	<b>709,702.57</b>
<b>Expense</b>					
51000 - Salaries and Benefits	3,712,900.00	3,712,900.00	255,595.46	3,445,659.42	267,240.58
52000 - Debt Service Expense	928,000.00	928,000.00	0.00	548,966.58	379,033.42
53000 - Source of Supply	1,045,900.00	1,045,900.00	9,436.43	1,022,492.54	23,407.46
54000 - Professional Services	735,800.00	735,800.00	8,735.05	458,756.02	277,043.98
55000 - Maintenance	547,300.00	547,300.00	49,157.41	475,255.64	72,044.36
56000 - Utilities	179,600.00	179,600.00	187.50	124,904.94	54,695.06
57000 - Materials and Supplies	604,600.00	604,600.00	70,810.65	504,857.32	99,742.68
58000 - Public Outreach	36,100.00	36,100.00	0.00	34,762.60	1,337.40
59000 - Other Operating Expenses	427,500.00	427,500.00	4,139.15	392,987.27	34,512.73
69000 - Other Non-Operating Expenses	1,600.00	1,600.00	0.00	1,440.50	159.50
69900 - Transfers Out	2,498,300.00	2,498,300.00	0.00	0.00	2,498,300.00
<b>Expense Total:</b>	<b>10,717,600.00</b>	<b>10,717,600.00</b>	<b>398,061.65</b>	<b>7,010,082.83</b>	<b>3,707,517.17</b>
<b>Fund: 010 - WHOLESALE Surplus (Deficit):</b>	<b>586,200.00</b>	<b>586,200.00</b>	<b>-397,587.26</b>	<b>3,584,014.60</b>	<b>-2,997,814.60</b>
<b>Total Surplus (Deficit):</b>	<b>586,200.00</b>	<b>586,200.00</b>	<b>-397,587.26</b>	<b>3,584,014.60</b>	



**Fund Summary**

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
010 - WHOLESAL	586,200.00	586,200.00	-397,587.26	3,584,014.60	-2,997,814.60
<b>Total Surplus (Deficit):</b>	<b>586,200.00</b>	<b>586,200.00</b>	<b>-397,587.26</b>	<b>3,584,014.60</b>	



San Juan Water District, CA

# Wholesale Capital Income Statement

## Group Summary

For Fiscal: 2019-2020 Period Ending: 06/30/2020

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
<b>Fund: 011 - Wholesale Capital Outlay</b>					
<b>Revenue</b>					
42000 - Taxes & Assessments	1,123,000.00	1,123,000.00	778.49	1,118,138.37	4,861.63
44000 - Connection Fees	100,000.00	100,000.00	4,864.00	61,216.00	38,784.00
44500 - Capital Contributions - Revenue	43,700.00	43,700.00	0.00	232,052.48	-188,352.48
49000 - Other Non-Operating Revenue	145,000.00	145,000.00	0.00	362,278.74	-217,278.74
49990 - Transfer In	2,498,300.00	2,498,300.00	0.00	0.00	2,498,300.00
<b>Revenue Total:</b>	<b>3,910,000.00</b>	<b>3,910,000.00</b>	<b>5,642.49</b>	<b>1,773,685.59</b>	<b>2,136,314.41</b>
<b>Expense</b>					
55000 - Maintenance	934,000.00	934,000.00	4,719.10	369,228.46	564,771.54
61000 - Capital Outlay	8,446,400.00	8,446,400.00	53,870.05	3,947,825.08	4,498,574.92
<b>Expense Total:</b>	<b>9,380,400.00</b>	<b>9,380,400.00</b>	<b>58,589.15</b>	<b>4,317,053.54</b>	<b>5,063,346.46</b>
<b>Fund: 011 - Wholesale Capital Outlay Surplus (Deficit):</b>	<b>-5,470,400.00</b>	<b>-5,470,400.00</b>	<b>-52,946.66</b>	<b>-2,543,367.95</b>	<b>-2,927,032.05</b>
<b>Total Surplus (Deficit):</b>	<b>-5,470,400.00</b>	<b>-5,470,400.00</b>	<b>-52,946.66</b>	<b>-2,543,367.95</b>	

**Fund Summary**

<b>Fund</b>	<b>Original Total Budget</b>	<b>Current Total Budget</b>	<b>MTD Activity</b>	<b>YTD Activity</b>	<b>Budget Remaining</b>
011 - Wholesale Capital Outlay	-5,470,400.00	-5,470,400.00	-52,946.66	-2,543,367.95	-2,927,032.05
<b>Total Surplus (Deficit):</b>	<b>-5,470,400.00</b>	<b>-5,470,400.00</b>	<b>-52,946.66</b>	<b>-2,543,367.95</b>	



San Juan Water District, CA

# Retail Operating Income Statement

## Group Summary

For Fiscal: 2019-2020 Period Ending: 06/30/2020

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
<b>Fund: 050 - RETAIL</b>					
<b>Revenue</b>					
41000 - Water Sales	12,399,400.00	12,399,400.00	898,806.46	10,063,792.95	2,335,607.05
45000 - Other Operating Revenue	363,200.00	363,200.00	11,445.72	266,682.13	96,517.87
49000 - Other Non-Operating Revenue	154,400.00	154,400.00	0.00	185,228.82	-30,828.82
<b>Revenue Total:</b>	<b>12,917,000.00</b>	<b>12,917,000.00</b>	<b>910,252.18</b>	<b>10,515,703.90</b>	<b>2,401,296.10</b>
<b>Expense</b>					
51000 - Salaries and Benefits	5,040,100.00	5,040,100.00	352,958.13	4,698,278.41	341,821.59
52000 - Debt Service Expense	516,200.00	516,200.00	0.00	305,303.88	210,896.12
53000 - Source of Supply	3,075,500.00	3,075,500.00	0.00	2,823,859.44	251,640.56
54000 - Professional Services	1,267,100.00	1,267,100.00	24,161.71	502,252.74	764,847.26
55000 - Maintenance	213,800.00	213,800.00	-88,415.45	240,169.88	-26,369.88
56000 - Utilities	293,700.00	293,700.00	3,885.00	286,612.55	7,087.45
57000 - Materials and Supplies	334,200.00	334,200.00	30,106.48	388,868.77	-54,668.77
58000 - Public Outreach	80,500.00	80,500.00	0.00	69,853.23	10,646.77
59000 - Other Operating Expenses	584,200.00	584,200.00	8,801.01	455,964.47	128,235.53
69000 - Other Non-Operating Expenses	1,500.00	1,500.00	0.00	1,440.50	59.50
69900 - Transfers Out	974,500.00	974,500.00	0.00	0.00	974,500.00
<b>Expense Total:</b>	<b>12,381,300.00</b>	<b>12,381,300.00</b>	<b>331,496.88</b>	<b>9,772,603.87</b>	<b>2,608,696.13</b>
<b>Fund: 050 - RETAIL Surplus (Deficit):</b>	<b>535,700.00</b>	<b>535,700.00</b>	<b>578,755.30</b>	<b>743,100.03</b>	<b>-207,400.03</b>
<b>Total Surplus (Deficit):</b>	<b>535,700.00</b>	<b>535,700.00</b>	<b>578,755.30</b>	<b>743,100.03</b>	

**Fund Summary**

<b>Fund</b>	<b>Original Total Budget</b>	<b>Current Total Budget</b>	<b>MTD Activity</b>	<b>YTD Activity</b>	<b>Budget Remaining</b>
050 - RETAIL	535,700.00	535,700.00	578,755.30	743,100.03	-207,400.03
<b>Total Surplus (Deficit):</b>	<b>535,700.00</b>	<b>535,700.00</b>	<b>578,755.30</b>	<b>743,100.03</b>	



San Juan Water District, CA

# Retail Capital Income Statement

## Group Summary

For Fiscal: 2019-2020 Period Ending: 06/30/2020

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
<b>Fund: 055 - Retail Capital Outlay</b>					
<b>Revenue</b>					
42000 - Taxes & Assessments	1,123,000.00	1,123,000.00	778.49	1,118,138.36	4,861.64
44000 - Connection Fees	100,000.00	100,000.00	15,726.00	319,577.25	-219,577.25
49000 - Other Non-Operating Revenue	150,000.00	150,000.00	0.00	133,731.81	16,268.19
49990 - Transfer In	974,500.00	974,500.00	0.00	0.00	974,500.00
<b>Revenue Total:</b>	<b>2,347,500.00</b>	<b>2,347,500.00</b>	<b>16,504.49</b>	<b>1,571,447.42</b>	<b>776,052.58</b>
<b>Expense</b>					
54000 - Professional Services	308,000.00	308,000.00	0.00	228,321.80	79,678.20
61000 - Capital Outlay	3,686,300.00	3,686,300.00	203,229.62	1,026,306.04	2,659,993.96
<b>Expense Total:</b>	<b>3,994,300.00</b>	<b>3,994,300.00</b>	<b>203,229.62</b>	<b>1,254,627.84</b>	<b>2,739,672.16</b>
<b>Fund: 055 - Retail Capital Outlay Surplus (Deficit):</b>	<b>-1,646,800.00</b>	<b>-1,646,800.00</b>	<b>-186,725.13</b>	<b>316,819.58</b>	<b>-1,963,619.58</b>
<b>Total Surplus (Deficit):</b>	<b>-1,646,800.00</b>	<b>-1,646,800.00</b>	<b>-186,725.13</b>	<b>316,819.58</b>	

**Fund Summary**

<b>Fund</b>	<b>Original Total Budget</b>	<b>Current Total Budget</b>	<b>MTD Activity</b>	<b>YTD Activity</b>	<b>Budget Remaining</b>
055 - Retail Capital Outlay	-1,646,800.00	-1,646,800.00	-186,725.13	316,819.58	-1,963,619.58
<b>Total Surplus (Deficit):</b>	<b>-1,646,800.00</b>	<b>-1,646,800.00</b>	<b>-186,725.13</b>	<b>316,819.58</b>	

Summary

Project Summary

Project Number	Project Name	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
<a href="#">171107</a>	FO 40 Transmission Pipeline Re-Lining	0.00	236,586.60	-236,586.60
<a href="#">171109</a>	GIS Assessment and Implementation	0.00	94,433.34	-94,433.34
<a href="#">175105</a>	6690-7767 Douglas Boulevard & Assoc	0.00	79,115.86	-79,115.86
<a href="#">175113</a>	7225-7355 Dambacher Drive	0.00	7,235.16	-7,235.16
<a href="#">181105</a>	Lime System Control & Feeder System	0.00	37,981.92	-37,981.92
<a href="#">185115</a>	Lou Place-Tray Wy to Crown Point Vist	0.00	22,466.30	-22,466.30
<a href="#">185135</a>	Upper & Lower GB Pump Stn Low Flov	0.00	112,989.94	-112,989.94
<a href="#">185140</a>	Canyon Falls Village Pressure Reducing	0.00	391.95	-391.95
<a href="#">185155</a>	Bacon Pump Station HVAC Improve	0.00	80,100.00	-80,100.00
<a href="#">185180</a>	Cavitt Stallman Main - Mystery Crk & (	0.00	11,312.19	-11,312.19
<a href="#">191210</a>	Administration Building Front Office R	0.00	9,221.83	-9,221.83
<a href="#">191225</a>	SCADA Improvements - Radio North Pl	0.00	4,576.19	-4,576.19
<a href="#">191235</a>	Solar Site Access Culvert Replacement	0.00	6,039.84	-6,039.84
<a href="#">191255</a>	WTP Filter Basins Rehab Project	0.00	2,747,731.67	-2,747,731.67
<a href="#">191260</a>	WTP Residual Area Storm Water Lift S	0.00	72,753.65	-72,753.65
<a href="#">191270</a>	Three ProMinet c12 Sensor and Senso	0.00	21,757.44	-21,757.44
<a href="#">191275</a>	Clarifier Wall Lining & Leakage Repairs	0.00	295,078.02	-295,078.02
<a href="#">191280</a>	Hinkle Reservoir Cover	0.00	652,560.53	-652,560.53
<a href="#">195210</a>	SCADA Radio Replacments North Phas	0.00	7,433.43	-7,433.43
<a href="#">195225</a>	Kokila SJWD/PCWA Intertie	0.00	9,858.62	-9,858.62
<a href="#">195230</a>	Redbud/Lupin/Meadowlark Svc Replai	0.00	23,019.18	-23,019.18
<a href="#">195235</a>	Sandstone & Auberry Court to Hill Roa	0.00	10,560.21	-10,560.21
<a href="#">195250</a>	Spahn Ranch Road Main Extension (2,1	0.00	12,235.00	-12,235.00
<a href="#">195265</a>	Douglas Booster Pump Station Electric	0.00	14,649.14	-14,649.14
<a href="#">195295</a>	Douglas (Grosvenor) PRS Improvemen	0.00	1,155.00	-1,155.00
<a href="#">201108</a>	Admin Building Integrated Life Safety I	0.00	297.14	-297.14
<a href="#">201111</a>	Hinkle Reservoir Overflow Channel Lin	0.00	9,826.71	-9,826.71
<a href="#">201120</a>	Tag Line Replacement for BW Hoods	0.00	32,844.97	-32,844.97
<a href="#">201126</a>	Lime Tower Assessment, Design and R	0.00	24,107.76	-24,107.76
<a href="#">201129</a>	Solids Handling Building VFD Replacen	0.00	40,864.20	-40,864.20
<a href="#">201159</a>	Chicken Switch Actuators (2) & Remot	0.00	12,171.66	-12,171.66
<a href="#">201162</a>	SCADA Radio Replacements- South Ph	0.00	3,851.98	-3,851.98
<a href="#">201171</a>	CMMS Implementation	0.00	137,044.30	-137,044.30
<a href="#">201505</a>	Hinkle Reservoir 48" Bypass Pipe Clear	0.00	56,795.82	-56,795.82
<a href="#">205114</a>	AFR 6 inch Main Extension Replaceme	0.00	31,174.69	-31,174.69
<a href="#">205120</a>	Air/Vacuum Relief Valve Replacement	0.00	4,231.01	-4,231.01
<a href="#">205129</a>	Bacon #1 VFD Replacement	0.00	31,829.60	-31,829.60
<a href="#">205132</a>	Sierra #2 and #3 VFD Replacement in I	0.00	24,668.27	-24,668.27
<a href="#">205144</a>	Bacon BPS (Bacon, ARC-N, Sierra) Elec	0.00	0.00	0.00
<b>Project Totals:</b>		<b>0.00</b>	<b>4,980,951.12</b>	<b>-4,980,951.12</b>

Group Summary

Group	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
CIP - Asset	0.00	4,629,077.28	-4,629,077.28
CIP - Expense	0.00	351,873.84	-351,873.84
<b>Group Totals:</b>	<b>0.00</b>	<b>4,980,951.12</b>	<b>-4,980,951.12</b>

Type Summary

Type	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
Administration	0.00	146,266.13	-146,266.13
Engineering	0.00	747,447.47	-747,447.47
Water Treatment Plant	0.00	4,087,237.52	-4,087,237.52
<b>Type Totals:</b>	<b>0.00</b>	<b>4,980,951.12</b>	<b>-4,980,951.12</b>



## GL Account Summary

GL Account Number	GL Account Name	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
		0.00	586.04	586.04
011-20030	Retentions Payable	0.00	23,496.45	23,496.45
011-700-57120	Maintenance - Facility	0.00	369,228.46	369,228.46
011-700-61120	Capital Outlay - Land Improve...	0.00	6,039.84	6,039.84
011-700-61140	Capital Outlay - Buildings & Im...	0.00	148.57	148.57
011-700-61145	Capital Outlay - WTP & Improv...	0.00	3,069,531.53	3,069,531.53
011-700-61150	Capital Outlay - Mains/Pipeline...	0.00	104,245.61	104,245.61
011-700-61155	Capital Outlay - Reservoirs & I...	0.00	662,387.24	662,387.24
011-700-61160	Capital Outlay - Equipment and..	0.00	23,135.83	23,135.83
011-700-61180	Capital Outlay - Software	0.00	58,843.77	58,843.77
050-020-50010	Salaries and Wages	0.00	122.34	122.34
050-300-50010	Salaries and Wages	0.00	147.24	147.24
050-300-56310	Reg Compliance / Sampling / I...	0.00	2,224.01	2,224.01
055-20030	Retentions Payable	0.00	141,719.65	141,719.65
055-700-61135	Capital Outlay - Pump Stations...	0.00	264,236.95	264,236.95
055-700-61140	Capital Outlay - Buildings & Im...	0.00	148.57	148.57
055-700-61150	Capital Outlay - Mains/Pipeline...	0.00	67,955.89	67,955.89
055-700-61160	Capital Outlay - Equipment and..	0.00	14,119.26	14,119.26
055-700-61180	Capital Outlay - Software	0.00	172,633.87	172,633.87
	<b>GL Account Totals:</b>	<b>0.00</b>	<b>4,980,951.12</b>	<b>4,980,951.12</b>



San Juan Water District, CA

# Balance Sheet

## Account Summary

As Of 06/30/2020

Account	010 - WHOLESALE	011 - Wholesale Capital Outlay	050 - RETAIL	055 - Retail Capital Outlay	Total
<b>Asset</b>					
<b>Type: 1000 - Assets</b>					
10010 - Cash and Investments	5,495,218.40	14,179,477.15	3,496,291.23	5,911,840.37	29,082,827.15
10510 - Accounts Receivable	1,285.00	0.84	225,084.71	0.06	226,370.61
11000 - Inventory	0.00	0.00	143,799.69	0.00	143,799.69
12000 - Prepaid Expense	104,467.54	0.00	47,458.45	0.00	151,925.99
14010 - Deferred Outflows	3,200,491.70	0.00	3,309,974.23	0.00	6,510,465.93
17010 - Capital Assets - Work in Progress	3,299,353.34	0.00	404,708.24	0.00	3,704,061.58
17150 - Capital Assets - Land Non-depreciable	98,212.00	0.00	166,272.00	0.00	264,484.00
17160 - Capital Assets - Land Improvements	814,105.59	0.00	83,970.80	0.00	898,076.39
17200 - Capital Assets - Pump Stations & Improvements	7,047,178.00	0.00	5,946,955.73	0.00	12,994,133.73
17300 - Capital Assets - Buildings & Improvements	1,267,245.92	0.00	263,336.06	0.00	1,530,581.98
17350 - Capital Assets - Water Treatment Plant & Imp	35,573,069.88	0.00	16,000.00	0.00	35,589,069.88
17400 - Capital Assets - Mains/Pipelines & Improvements	29,272,109.94	0.00	46,068,531.54	0.00	75,340,641.48
17500 - Capital Assets - Reservoirs & Improvements	2,923,447.50	0.00	2,492,421.90	0.00	5,415,869.40
17700 - Capital Assets - Equipment & Furniture	13,655,052.49	0.00	1,106,546.03	0.00	14,761,598.52
17750 - Capital Assets - Vehicles	304,780.00	0.00	499,226.87	0.00	804,006.87
17800 - Capital Assets - Software	447,653.38	0.00	403,200.40	0.00	850,853.78
17850 - Capital Assets - Intangible	666,196.00	0.00	0.00	0.00	666,196.00
17900 - Less Accumulated Depreciation	-37,924,426.75	0.00	-28,701,186.70	0.00	-66,625,613.45
<b>Total Type 1000 - Assets:</b>	<b>66,245,439.93</b>	<b>14,179,477.99</b>	<b>35,972,591.18</b>	<b>5,911,840.43</b>	<b>122,309,349.53</b>
<b>Total Asset:</b>	<b>66,245,439.93</b>	<b>14,179,477.99</b>	<b>35,972,591.18</b>	<b>5,911,840.43</b>	<b>122,309,349.53</b>
<b>Liability</b>					
<b>Type: 1000 - Assets</b>					
10510 - Accounts Receivable	0.00	0.00	108,767.24	0.00	108,767.24
<b>Total Type 1000 - Assets:</b>	<b>0.00</b>	<b>0.00</b>	<b>108,767.24</b>	<b>0.00</b>	<b>108,767.24</b>
<b>Type: 2000 - Liabilities</b>					
20010 - Accounts Payable	65,301.50	445,691.54	43,741.50	170,845.47	725,580.01
20100 - Retentions Payable	0.00	108,844.54	0.00	4,236.51	113,081.05
21200 - Salaries & Benefits Payable	33,936.60	0.00	59,639.76	0.00	93,576.36
21250 - Payroll Taxes Payable	8.29	0.00	-14.36	0.00	-6.07
21300 - Compensated Absences	363,585.16	0.00	483,191.25	0.00	846,776.41
21500 - Premium on Issuance of Bonds Series 2017	1,806,328.11	0.00	1,006,478.78	0.00	2,812,806.89
21600 - OPEB Liability	1,766,453.29	0.00	2,297,045.78	0.00	4,063,499.07
21700 - Pension Liability	680,652.08	0.00	884,065.34	0.00	1,564,717.42

**Balance Sheet**

**As Of 06/30/2020**

<b>Account</b>	<b>010 - WHOLESALE</b>	<b>011 - Wholesale Capital Outlay</b>	<b>050 - RETAIL</b>	<b>055 - Retail Capital Outlay</b>	<b>Total</b>
22010 - Deferred Income	0.00	0.00	155,997.91	0.00	155,997.91
22050 - Deferred Inflows	1,154,523.27	0.00	1,499,553.20	0.00	2,654,076.47
24200 - 2012 Bonds Payable	5,920,393.50	0.00	3,214,606.50	0.00	9,135,000.00
24250 - Bonds Payable 2017 Refunding	15,379,200.00	0.00	8,650,800.00	0.00	24,030,000.00
<b>Total Type 2000 - Liabilities:</b>	<b>27,170,381.80</b>	<b>554,536.08</b>	<b>18,295,105.66</b>	<b>175,081.98</b>	<b>46,195,105.52</b>
<b>Total Liability:</b>	<b>27,170,381.80</b>	<b>554,536.08</b>	<b>18,403,872.90</b>	<b>175,081.98</b>	<b>46,303,872.76</b>
<b>Equity</b>					
<b>Type: 3000 - Equity</b>					
30100 - Investment in Capital Assets	34,786,452.14	0.00	16,134,143.55	0.00	50,920,595.69
30500 - Designated Reserves	704,591.39	16,168,309.86	691,474.70	5,419,938.87	22,984,314.82
<b>Total Type 3000 - Equity:</b>	<b>35,491,043.53</b>	<b>16,168,309.86</b>	<b>16,825,618.25</b>	<b>5,419,938.87</b>	<b>73,904,910.51</b>
<b>Total Total Beginning Equity:</b>	<b>35,491,043.53</b>	<b>16,168,309.86</b>	<b>16,825,618.25</b>	<b>5,419,938.87</b>	<b>73,904,910.51</b>
Total Revenue	10,594,097.43	1,773,685.59	10,515,703.90	1,571,447.42	24,454,934.34
Total Expense	7,010,082.83	4,317,053.54	9,772,603.87	1,254,627.84	22,354,368.08
<b>Revenues Over/Under Expenses</b>	<b>3,584,014.60</b>	<b>-2,543,367.95</b>	<b>743,100.03</b>	<b>316,819.58</b>	<b>2,100,566.26</b>
<b>Total Equity and Current Surplus (Deficit):</b>	<b>39,075,058.13</b>	<b>13,624,941.91</b>	<b>17,568,718.28</b>	<b>5,736,758.45</b>	<b>76,005,476.77</b>
<b>Total Liabilities, Equity and Current Surplus (Deficit):</b>	<b>66,245,439.93</b>	<b>14,179,477.99</b>	<b>35,972,591.18</b>	<b>5,911,840.43</b>	<b>122,309,349.53</b>



San Juan Water District, CA

# Check Report

By Check Number

Date Range: 06/01/2020 - 06/30/2020

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: APBNK-APBNK</b>						
03757	Black Iris Properties LLC	06/23/2020	Regular	0.00	-3,117.54	55096
01041	Afman, Todd R	06/01/2020	Regular	0.00	334.62	55570
	**Void**	06/01/2020	Regular	0.00	0.00	55571
01182	Bartkiewicz, Kronick & Shanahan	06/01/2020	Regular	0.00	21,234.10	55572
03104	Capital Datacorp	06/01/2020	Regular	0.00	399.17	55573
02616	Darr, Toni	06/01/2020	Regular	0.00	4.60	55574
01041	Afman, Todd R	06/09/2020	Regular	0.00	403.80	55575
03406	Alpha Analytical Laboratories Inc.	06/09/2020	Regular	0.00	976.00	55576
01073	Amarjeet Singh Garcha	06/09/2020	Regular	0.00	1,500.00	55577
01026	American River Ace Hardware, Inc.	06/09/2020	Regular	0.00	6.16	55578
01165	Backflow Technologies	06/09/2020	Regular	0.00	13,801.00	55579
01189	Bay Area Coating Consultants, Inc.	06/09/2020	Regular	0.00	5,064.40	55580
03594	Borges & Mahoney, Inc.	06/09/2020	Regular	0.00	1,815.15	55581
01554	Electrical Equipment Co	06/09/2020	Regular	0.00	7,600.14	55582
01681	Golden State Flow Measurements, Inc.	06/09/2020	Regular	0.00	23,245.79	55583
03091	Granite Bay Ace Hardware	06/09/2020	Regular	0.00	132.68	55584
03716	Janice D. Thompson & Associates, LLC	06/09/2020	Regular	0.00	2,217.00	55585
02131	Office Depot, Inc.	06/09/2020	Regular	0.00	643.72	55586
02150	Pace Supply Corp	06/09/2020	Regular	0.00	6,099.80	55587
02280	Rawles Engineering, Inc	06/09/2020	Regular	0.00	7,710.00	55588
02223	Rexel Inc (Platt - Rancho Cordova)	06/09/2020	Regular	0.00	965.03	55589
01411	SureWest Telephone	06/09/2020	Regular	0.00	1,945.25	55590
02580	The Eidam Corporation	06/09/2020	Regular	0.00	12,757.55	55591
03644	Tully & Young, Inc.	06/09/2020	Regular	0.00	1,237.50	55592
02638	Tyler Technologies, Inc.	06/09/2020	Regular	0.00	68.75	55593
03777	VSS International	06/09/2020	Regular	0.00	1,631.64	55594
01687	W. W. Grainger, Inc.	06/09/2020	Regular	0.00	221.55	55595
01041	Afman, Todd R	06/15/2020	Regular	0.00	527.93	55599
03406	Alpha Analytical Laboratories Inc.	06/15/2020	Regular	0.00	2,251.00	55600
01026	American River Ace Hardware, Inc.	06/15/2020	Regular	0.00	52.29	55601
01372	City of Folsom	06/15/2020	Regular	0.00	32.95	55602
01378	Clark Pest Control of Stockton	06/15/2020	Regular	0.00	1,267.00	55603
03779	DeVito, Erika	06/15/2020	Regular	0.00	120.00	55604
01494	Dewey Services Inc.	06/15/2020	Regular	0.00	86.00	55605
03548	Digital Deployment, Inc.	06/15/2020	Regular	0.00	400.00	55606
01554	Electrical Equipment Co	06/15/2020	Regular	0.00	563.15	55607
01566	Empire Safety & Supply	06/15/2020	Regular	0.00	380.70	55608
01659	Gary Webb Trucking	06/15/2020	Regular	0.00	725.00	55609
01068	Glenn C. Walker	06/15/2020	Regular	0.00	1,050.40	55610
03091	Granite Bay Ace Hardware	06/15/2020	Regular	0.00	475.21	55611
01733	Harris Industrial Gases	06/15/2020	Regular	0.00	27.74	55612
03716	Janice D. Thompson & Associates, LLC	06/15/2020	Regular	0.00	2,415.00	55613
03533	M&C Bliss Enterprises Inc	06/15/2020	Regular	0.00	46.01	55614
03402	Normac, Inc	06/15/2020	Regular	0.00	697.47	55615
02131	Office Depot, Inc.	06/15/2020	Regular	0.00	299.02	55616
02150	Pace Supply Corp	06/15/2020	Regular	0.00	239.74	55617
02146	PG&E	06/15/2020	Regular	0.00	10.00	55618
02283	Recology Auburn Placer	06/15/2020	Regular	0.00	657.88	55619
02223	Rexel Inc (Platt - Rancho Cordova)	06/15/2020	Regular	0.00	10,498.14	55620
02302	Riebess Auto Parts, LLC	06/15/2020	Regular	0.00	8.07	55621
03183	River City Printers LLC	06/15/2020	Regular	0.00	10,508.71	55622
02328	Rocklin Windustrial Co	06/15/2020	Regular	0.00	365.25	55623
02463	New AnswerNet Inc.	06/15/2020	Regular	0.00	561.44	55624
02651	United Parcel Service Inc	06/15/2020	Regular	0.00	93.00	55625

## Check Report

Date Range: 06/01/2020 - 06/30/2020

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
02667	US Bank Corporate Payments Sys (CalCard)	06/15/2020	Regular	0.00	15,445.31	55626
	**Void**	06/15/2020	Regular	0.00	0.00	55627
	**Void**	06/15/2020	Regular	0.00	0.00	55628
	**Void**	06/15/2020	Regular	0.00	0.00	55629
	**Void**	06/15/2020	Regular	0.00	0.00	55630
	**Void**	06/15/2020	Regular	0.00	0.00	55631
	**Void**	06/15/2020	Regular	0.00	0.00	55632
02700	Viking Shred LLC	06/15/2020	Regular	0.00	50.00	55633
01687	W. W. Grainger, Inc.	06/15/2020	Regular	0.00	307.77	55634
03406	Alpha Analytical Laboratories Inc.	06/23/2020	Regular	0.00	423.00	55636
01138	AT&T Mobility II LLC	06/23/2020	Regular	0.00	63.24	55637
03757	Black Iris Properties LLC	06/23/2020	Regular	0.00	3,117.54	55638
01352	Chemco Systems, L.P.	06/23/2020	Regular	0.00	37,939.00	55639
03376	Del Paso Pipe & Steel Inc.	06/23/2020	Regular	0.00	77.10	55640
01554	Electrical Equipment Co	06/23/2020	Regular	0.00	210.45	55641
03091	Granite Bay Ace Hardware	06/23/2020	Regular	0.00	80.91	55642
01733	Harris Industrial Gases	06/23/2020	Regular	0.00	102.71	55643
03072	HUNT & SONS INC.	06/23/2020	Regular	0.00	153.99	55644
03679	L and D Landfill Limited Partnership	06/23/2020	Regular	0.00	5,014.32	55645
02024	MCI WORLDCOM	06/23/2020	Regular	0.00	135.11	55646
02150	Pace Supply Corp	06/23/2020	Regular	0.00	9,059.54	55647
03303	Paulson, Rachael	06/23/2020	Regular	0.00	128.18	55648
02146	PG&E	06/23/2020	Regular	0.00	4,386.49	55649
	**Void**	06/23/2020	Regular	0.00	0.00	55650
02280	Rawles Engineering, Inc	06/23/2020	Regular	0.00	46,180.00	55651
02223	Rexel Inc (Platt - Rancho Cordova)	06/23/2020	Regular	0.00	7,037.41	55652
02293	RFI Enterprises, Inc	06/23/2020	Regular	0.00	51.34	55653
02302	Riebes Auto Parts, LLC	06/23/2020	Regular	0.00	21.53	55654
02357	Sacramento Municipal Utility District (SMUD)	06/23/2020	Regular	0.00	16,366.95	55655
02580	The Eidam Corporation	06/23/2020	Regular	0.00	410.00	55656
02690	Verizon Wireless	06/23/2020	Regular	0.00	1,888.81	55657
01687	W. W. Grainger, Inc.	06/23/2020	Regular	0.00	1,049.09	55658
02766	Youngdahl Consulting Group, Inc.	06/23/2020	Regular	0.00	534.00	55659
01041	Afman, Todd R	06/30/2020	Regular	0.00	150.15	55661
03406	Alpha Analytical Laboratories Inc.	06/30/2020	Regular	0.00	423.00	55662
01182	Bartkiewicz, Kronick & Shanahan	06/30/2020	Regular	0.00	18,565.40	55663
03775	ECORP Consulting, Inc.	06/30/2020	Regular	0.00	8,476.87	55664
01554	Electrical Equipment Co	06/30/2020	Regular	0.00	1,284.19	55665
03350	Firecode Safety Equipment, Inc.	06/30/2020	Regular	0.00	1,691.38	55666
03091	Granite Bay Ace Hardware	06/30/2020	Regular	0.00	32.76	55667
01959	Les Schwab Tire Centers of California Inc	06/30/2020	Regular	0.00	20.00	55668
03754	Liebert Cassidy Whitmore	06/30/2020	Regular	0.00	2,379.00	55669
02131	Office Depot, Inc.	06/30/2020	Regular	0.00	643.56	55670
02150	Pace Supply Corp	06/30/2020	Regular	0.00	458.84	55671
02223	Rexel Inc (Platt - Rancho Cordova)	06/30/2020	Regular	0.00	4,577.72	55672
03183	River City Printers LLC	06/30/2020	Regular	0.00	5,719.00	55673
02334	Strohmaier, Rose	06/30/2020	Regular	0.00	128.88	55674
02580	The Eidam Corporation	06/30/2020	Regular	0.00	2,605.00	55675
01687	W. W. Grainger, Inc.	06/30/2020	Regular	0.00	195.30	55676
02580	The Eidam Corporation	06/30/2020	Regular	0.00	7,417.50	55677
03077	VALIC	06/12/2020	Bank Draft	0.00	4,105.62	154440
01641	Sun Life Assurance Company of Canada	06/01/2020	Bank Draft	0.00	9,910.22	382417
03628	Lees Automotive Repair Inc.	06/01/2020	EFT	0.00	410.94	406664
03387	WageWorks, Inc	06/01/2020	EFT	0.00	234.04	406665
01048	Airgas, Inc	06/09/2020	EFT	0.00	1,129.51	406666
03768	Brax Company, Inc.	06/09/2020	EFT	0.00	2,811.14	406667
01290	California Surveying & Drafting Supply Inc	06/09/2020	EFT	0.00	619.00	406668
01330	CDW Government LLC	06/09/2020	EFT	0.00	1,085.43	406669
03530	Certex USA, Inc.	06/09/2020	EFT	0.00	2,099.87	406670
03221	Chemtrade Chemicals Corporation	06/09/2020	EFT	0.00	5,165.70	406671
01521	DataProse, LLC	06/09/2020	EFT	0.00	3,453.78	406672

## Check Report

Date Range: 06/01/2020 - 06/30/2020

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
01504	DLT Solutions LLC	06/09/2020	EFT	0.00	5,228.01	406673
01574	Endress + Hauser, Inc.	06/09/2020	EFT	0.00	2,565.22	406674
03237	GM Construction & Developers, Inc	06/09/2020	EFT	0.00	1,958.00	406675
01721	Hach Company	06/09/2020	EFT	0.00	352.02	406676
01741	HDR Engineering, Inc.	06/09/2020	EFT	0.00	106,994.31	406677
01917	Kennedy/Jenks Consultants, Inc.	06/09/2020	EFT	0.00	55,563.58	406678
03628	Lees Automotive Repair Inc.	06/09/2020	EFT	0.00	3,758.38	406679
03026	PFM Asset Management	06/09/2020	EFT	0.00	939.03	406680
02361	Sac City Blue Inc	06/09/2020	EFT	0.00	125.73	406681
01486	WAPA - Department of Energy	06/09/2020	EFT	0.00	2,123.43	406682
03681	Allied Electronics Inc.	06/15/2020	EFT	0.00	675.10	406683
01234	Bryce HR Consulting, Inc.	06/15/2020	EFT	0.00	1,729.00	406684
01242	Bureau of Reclamation-MPR	06/15/2020	EFT	0.00	36,465.00	406685
01330	CDW Government LLC	06/15/2020	EFT	0.00	740.89	406686
03530	Certex USA, Inc.	06/15/2020	EFT	0.00	1,515.55	406687
03221	Chemtrade Chemicals Corporation	06/15/2020	EFT	0.00	5,021.39	406688
01611	Ferguson Enterprises, Inc	06/15/2020	EFT	0.00	850.97	406689
01741	HDR Engineering, Inc.	06/15/2020	EFT	0.00	2,746.00	406690
03628	Lees Automotive Repair Inc.	06/15/2020	EFT	0.00	721.56	406691
01976	Lubrication Engineers, Inc.	06/15/2020	EFT	0.00	262.97	406692
02027	McMaster-Carr Supply Company	06/15/2020	EFT	0.00	243.75	406693
01472	Mel Dawson, Inc.	06/15/2020	EFT	0.00	4,841.79	406694
02158	Pacific Storage Company	06/15/2020	EFT	0.00	174.28	406695
01736	Quadient Leasing USA, Inc. - Lease	06/15/2020	EFT	0.00	489.23	406696
03377	RDO Construction Equipment Co.	06/15/2020	EFT	0.00	873.34	406697
03385	S J Electro Systems Inc	06/15/2020	EFT	0.00	541.75	406698
03774	Skwentex International Company	06/15/2020	EFT	0.00	1,930.00	406699
02572	Thatcher Company of California, Inc.	06/15/2020	EFT	0.00	4,594.80	406700
03387	WageWorks, Inc	06/15/2020	EFT	0.00	234.04	406701
01486	WAPA - Department of Energy	06/15/2020	EFT	0.00	821.87	406702
03681	Allied Electronics Inc.	06/23/2020	EFT	0.00	4,984.92	406703
01290	California Surveying & Drafting Supply Inc	06/23/2020	EFT	0.00	619.00	406704
01509	Domenichelli & Associates, Inc.	06/23/2020	EFT	0.00	8,042.50	406705
01721	Hach Company	06/23/2020	EFT	0.00	1,072.95	406706
01741	HDR Engineering, Inc.	06/23/2020	EFT	0.00	4,415.13	406707
03553	Mallory Safety and Supply LLC	06/23/2020	EFT	0.00	357.39	406708
02027	McMaster-Carr Supply Company	06/23/2020	EFT	0.00	3,089.16	406709
03724	Norcal Parts, LLC	06/23/2020	EFT	0.00	2,730.76	406710
02225	Polydyne, Inc	06/23/2020	EFT	0.00	3,816.21	406711
02275	Ramos Oil Recyclers Inc	06/23/2020	EFT	0.00	277.00	406712
02581	The Ferguson Group, LLC	06/23/2020	EFT	0.00	125.14	406713
03298	United Rentals (North America), Inc.	06/23/2020	EFT	0.00	1,563.00	406714
02710	WageWorks, Inc	06/23/2020	EFT	0.00	98.00	406715
03700	Westin Technology Solutions, LLC	06/23/2020	EFT	0.00	2,996.00	406716
01048	Airgas, Inc	06/30/2020	EFT	0.00	183.39	406717
01328	Association of California Water Agencies / Joint P	06/30/2020	EFT	0.00	7,314.88	406718
03739	Azteca Systems Holdings, LLC	06/30/2020	EFT	0.00	250.00	406719
03530	Certex USA, Inc.	06/30/2020	EFT	0.00	211.51	406720
03221	Chemtrade Chemicals Corporation	06/30/2020	EFT	0.00	10,021.87	406721
03749	Eide Bailly LLP	06/30/2020	EFT	0.00	425.00	406722
01741	HDR Engineering, Inc.	06/30/2020	EFT	0.00	60,814.67	406723
02027	McMaster-Carr Supply Company	06/30/2020	EFT	0.00	1,164.10	406724
03026	PFM Asset Management	06/30/2020	EFT	0.00	972.32	406725
02504	Starr Consulting	06/30/2020	EFT	0.00	290.00	406726
02531	SunPower Corporation, Systems	06/30/2020	EFT	0.00	20,680.65	406727
02572	Thatcher Company of California, Inc.	06/30/2020	EFT	0.00	4,594.80	406728
03387	WageWorks, Inc	06/30/2020	EFT	0.00	234.04	406729
02730	Western Area Power Administration	06/30/2020	EFT	0.00	7,303.00	406730
01509	Domenichelli & Associates, Inc.	06/30/2020	EFT	0.00	1,440.00	406731
03077	VALIC	06/26/2020	Bank Draft	0.00	4,106.47	0003665260
03078	CalPERS Health	06/05/2020	Bank Draft	0.00	46,788.18	1001571251

Check Report

Date Range: 06/01/2020 - 06/30/2020

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
03078	CalPERS Health	06/05/2020	Bank Draft	0.00	47,249.28	1001571251
03078	CalPERS Health	06/05/2020	Bank Draft	0.00	37,856.63	1001571251
03130	CalPERS Retirement	06/11/2020	Bank Draft	0.00	34,889.01	1001583287
01366	Citistreet/CalPERS 457	06/12/2020	Bank Draft	0.00	3,990.76	1001583359
03130	CalPERS Retirement	06/26/2020	Bank Draft	0.00	34,725.07	1001592586
01366	Citistreet/CalPERS 457	06/26/2020	Bank Draft	0.00	4,046.01	1001592594
03163	Economic Development Department	06/26/2020	Bank Draft	0.00	8,655.89	0-957-601-312
03163	Economic Development Department	06/12/2020	Bank Draft	0.00	87.81	1-057-932-832
03163	Economic Development Department	06/12/2020	Bank Draft	0.00	8,296.55	1-057-932-832
01039	American Family Life Assurance Company of Colu	06/26/2020	Bank Draft	0.00	603.55	Q3869 06-26-20
01039	American Family Life Assurance Company of Colu	06/26/2020	Bank Draft	0.00	603.55	Q3869 06-26-20
03164	Internal Revenue Service	06/12/2020	Bank Draft	0.00	728.67	2700564952677
03164	Internal Revenue Service	06/12/2020	Bank Draft	0.00	49,769.80	2700564952677
03164	Internal Revenue Service	06/26/2020	Bank Draft	0.00	50,519.19	2700578553588
03080	California State Disbursement Unit	06/12/2020	Bank Draft	0.00	832.14	PAY0000000003
03080	California State Disbursement Unit	06/26/2020	Bank Draft	0.00	832.14	PAY0000000003

Bank Code APBNK Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	174	95	0.00	351,376.84
Manual Checks	0	0	0.00	0.00
Voided Checks	0	9	0.00	-3,117.54
Bank Drafts	20	20	0.00	348,596.54
EFT's	108	68	0.00	412,177.79
	<b>302</b>	<b>192</b>	<b>0.00</b>	<b>1,109,033.63</b>

### All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	174	95	0.00	351,376.84
Manual Checks	0	0	0.00	0.00
Voided Checks	0	9	0.00	-3,117.54
Bank Drafts	20	20	0.00	348,596.54
EFT's	108	68	0.00	412,177.79
	<b>302</b>	<b>192</b>	<b>0.00</b>	<b>1,109,033.63</b>

### Fund Summary

Fund	Name	Period	Amount
999	INTERCOMPANY	6/2020	1,109,033.63
			<b>1,109,033.63</b>





San Juan Water District, CA

# Vendor History Report

By Vendor Name

Posting Date Range 07/01/2019 - 06/30/2020

Payment Date Range -

Payable Number	Description	Post Date	1099	Payment Number	Payment Date	Amount	Shipping	Tax	Discount	Net	Payment
Item Description	Units	Price	Amount	Account Number	Account Name	Dist Amount					
<b>Vendor Set: 01 - Vendor Set 01</b>											
<b>02556 - Costa, Ted</b>											
Exp Reimb 12-2019	Expense&Mileage-ACWA Fall- Room & Mileage	12/31/2019		55098	1/13/2020	801.84	0.00	0.00	0.00	801.84	801.84
Expense&Mileage-ACWA	0.00	0.00	801.84	010-010-52110	Training - Meetings, Education & Trai	400.92					
				050-010-52110	Training - Meetings, Education & Trai	400.92					
<b>01916 - Miller, Ken</b>											
Exp Reimb	Mileage Reimbursement-Variou	8/31/2019		54641	9/9/2019	31.32	0.00	0.00	0.00	31.32	31.32
Mileage Reimbursement-	0.00	0.00	31.32	010-010-52110	Training - Meetings, Education & Trai	15.66					
				050-010-52110	Training - Meetings, Education & Trai	15.66					
Exp Reimb 07-2018	Mileage & Parking-Variou	7/31/2019		54581	8/20/2019	48.80	0.00	0.00	0.00	48.80	48.80
Mileage & Parking-Variou	0.00	0.00	48.80	010-010-52110	Training - Meetings, Education & Trai	24.40					
				050-010-52110	Training - Meetings, Education & Trai	24.40					
Exp Reimb 12-2019	Expense&Mileage-ACWA Fall Conf&Variou	12/31/2019		55106	1/13/2020	1,801.06	0.00	0.00	0.00	1,801.06	1,801.06
Expense&Mileage-ACWA	0.00	0.00	1,801.06	010-010-52110	Training - Meetings, Education & Trai	900.53					
				050-010-52110	Training - Meetings, Education & Trai	900.53					
<b>03092 - Rich, Dan</b>											
Exp Reimb 08-2019	Mileage Reimb 08-2019 - CH Chamber Recep	8/31/2019		54706	9/23/2019	8.70	0.00	0.00	0.00	8.70	8.70
Mileage Reimb 08-2019 -	0.00	0.00	8.70	010-010-52110	Training - Meetings, Education & Trai	4.35					
				050-010-52110	Training - Meetings, Education & Trai	4.35					
<b>02162 - Tobin, Pamela</b>											
Exp Reimb 01-2020	Mileage Reimbursement-Variou	1/31/2020		406485	2/10/2020	10.35	0.00	0.00	0.00	10.35	10.35
Mileage Reimbursement-	0.00	0.00	10.35	010-010-52110	Training - Meetings, Education & Trai	5.18					
				050-010-52110	Training - Meetings, Education & Trai	5.17					
Exp Reimb 02-2020	Mileage Expense Reimbursement-Variou	2/28/2020		406532	3/9/2020	39.10	0.00	0.00	0.00	39.10	39.10
Mileage Expense Reimbu	0.00	0.00	39.10	010-010-52110	Training - Meetings, Education & Trai	19.55					
				050-010-52110	Training - Meetings, Education & Trai	19.55					
Exp Reimb 07-2019	Expense Reimb-Mileage Variou	7/31/2019		406194	8/14/2019	46.50	0.00	0.00	0.00	46.50	46.50
Expense Reimb-Mileage \	0.00	0.00	46.50	010-010-52110	Training - Meetings, Education & Trai	23.25					
				050-010-52110	Training - Meetings, Education & Trai	23.25					
Exp Reimb 08-2019	Mileage Expense-Variou	8/31/2019		406236	9/9/2019	81.78	0.00	0.00	0.00	81.78	81.78
Mileage-Variou Meeting	0.00	0.00	81.78	010-010-52110	Training - Meetings, Education & Trai	40.89					
				050-010-52110	Training - Meetings, Education & Trai	40.89					
Exp Reimb 10-2019	Expense Reimb-ACWA Expenses & Mileage	9/30/2019		406309	10/22/2019	232.80	0.00	0.00	0.00	232.80	232.80

**Vendor History Report**

**Posting Date Range 07/01/2019 - 06/30/2020**

Payable Number	Description	Post Date	1099	Payment Number	Payment Date	Amount	Shipping	Tax	Discount	Net	Payment	
Item Description	Units	Price	Amount	Account Number	Account Name	Dist Amount						
Expense Reimb-ACWA Ex	0.00	0.00	232.80	010-010-52110	Training - Meetings, Education & Trai	116.40						
				050-010-52110	Training - Meetings, Education & Trai	116.40						
Exp Reimb 10-2019 #2	Expense Reimb-Region 9 & Various Meetings	10/31/2019		406339		213.21	0.00	0.00	0.00	213.21	213.21	
Expense Reimb-Region 9	0.00	0.00	213.21	010-010-52110	Training - Meetings, Education & Trai	106.60						
				050-010-52110	Training - Meetings, Education & Trai	106.61						
Exp Reimb 11-2019	Exp Reimb ACWA Conf, Mileage, & Meals	11/30/2019		406403		954.24	0.00	0.00	0.00	954.24	954.24	
Exp Reimb ACWA Conf, M	0.00	0.00	954.24	010-010-52110	Training - Meetings, Education & Trai	477.12						
				050-010-52110	Training - Meetings, Education & Trai	477.12						
Exp Reimb 12-2019	Expense & Mileage-ACWA Fall & Various Me	12/31/2019		406434		220.97	0.00	0.00	0.00	220.97	220.97	
Expense & Mileage-ACW/	0.00	0.00	220.97	010-010-52110	Training - Meetings, Education & Trai	110.48						
				050-010-52110	Training - Meetings, Education & Trai	110.49						
<b>Vendors: (4)</b>						<b>Total 01 - Vendor Set 01:</b>	<b>4,490.67</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,490.67</b>	<b>4,490.67</b>
<b>Vendors: (4)</b>						<b>Report Total:</b>	<b>4,490.67</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,490.67</b>	<b>4,490.67</b>



Payroll Set: 01-San Juan Water District

<u>Employee Number</u>	<u>Employee Name</u>	<u>Pay Code</u>	<u># of Payments</u>	<u>Units</u>	<u>Pay Amount</u>
<a href="#">0690</a>	Costa, Ted	Reg - Regular Hours	12	68.00	8,500.00
			<b>0690 - Costa Total:</b>	<b>68.00</b>	<b>8,500.00</b>
<a href="#">1028</a>	Hanneman, Martin	Reg - Regular Hours	12	58.00	7,250.00
			<b>1028 - Hanneman Total:</b>	<b>58.00</b>	<b>7,250.00</b>
<a href="#">0670</a>	Miller, Ken	Reg - Regular Hours	12	48.00	6,000.00
			<b>0670 - Miller Total:</b>	<b>48.00</b>	<b>6,000.00</b>
<a href="#">1003</a>	Rich, Daniel	Reg - Regular Hours	11	38.00	4,750.00
			<b>1003 - Rich Total:</b>	<b>38.00</b>	<b>4,750.00</b>
<a href="#">0650</a>	Tobin, Pamela	Reg - Regular Hours	12	109.00	13,625.00
			<b>0650 - Tobin Total:</b>	<b>109.00</b>	<b>13,625.00</b>
			<b>Report Total:</b>	<b>321.00</b>	<b>40,125.00</b>



Payroll Set: 01-San Juan Water District

<u>Account</u>	<u>Account Description</u>	<u>Units</u>	<u>Pay Amount</u>
<a href="#">010-010-58110</a>	Director - Stipend	160.50	20,062.50
	<b>010 - WHOLESALE Total:</b>	<b>160.50</b>	<b>20,062.50</b>
<a href="#">050-010-58110</a>	Director - Stipend	160.50	20,062.50
	<b>050 - RETAIL Total:</b>	<b>160.50</b>	<b>20,062.50</b>
	<b>Report Total:</b>	<b>321.00</b>	<b>40,125.00</b>



Payroll Set: 01-San Juan Water District

<u>Pay Code</u>	<u>Description</u>	<u># of Payments</u>	<u>Units</u>	<u>Pay Amount</u>
Reg - Regular Hours	Regular Hours	59	321.00	40,125.00
		<b>Report Total:</b>	<b>321.00</b>	<b>40,125.00</b>

## 2019/20 Actual Deliveries and Revenue - By Wholesale Customer Agency

July 2019 - June 2020								
	Budgeted Deliveries	Budgeted Revenue	Actual Deliveries	Actual Revenue	Delivery Variance		Revenue Variance	
San Juan Retail	11,700	\$ 3,044,428	11,829	\$ 3,054,894	128.99	1.1%	\$ 10,466	0.3%
Citrus Heights Water District	10,660	\$ 2,957,082	11,407	\$ 3,017,709	747.19	7.0%	\$ 60,627	2.1%
Fair Oaks Water District	7,526	\$ 2,120,084	7,780	\$ 2,140,687	253.93	3.4%	\$ 20,604	1.0%
Orange Vale Water Co.	3,920	\$ 1,029,335	3,790	\$ 1,018,766	(130.25)	-3.3%	\$ (10,568)	-1.0%
City of Folsom	1,150	\$ 302,397	1,194	\$ 305,971	44.05	3.8%	\$ 3,574	1.2%
Granite Bay Golf Course	300	\$ 12,021	292	\$ 9,060	(8.19)	-2.7%	\$ (2,961)	-24.6%
Sac Suburban Water District	8,196	\$ 1,461,894	7,815	\$ 1,514,723	(381.49)	-4.7%	\$ 52,828	3.6%
<b>TOTAL</b>	<b>43,452</b>	<b>\$ 10,927,241</b>	<b>44,106</b>	<b>\$ 11,061,811</b>	<b>654.23</b>	<b>1.5%</b>	<b>\$ 134,570</b>	<b>1.2%</b>

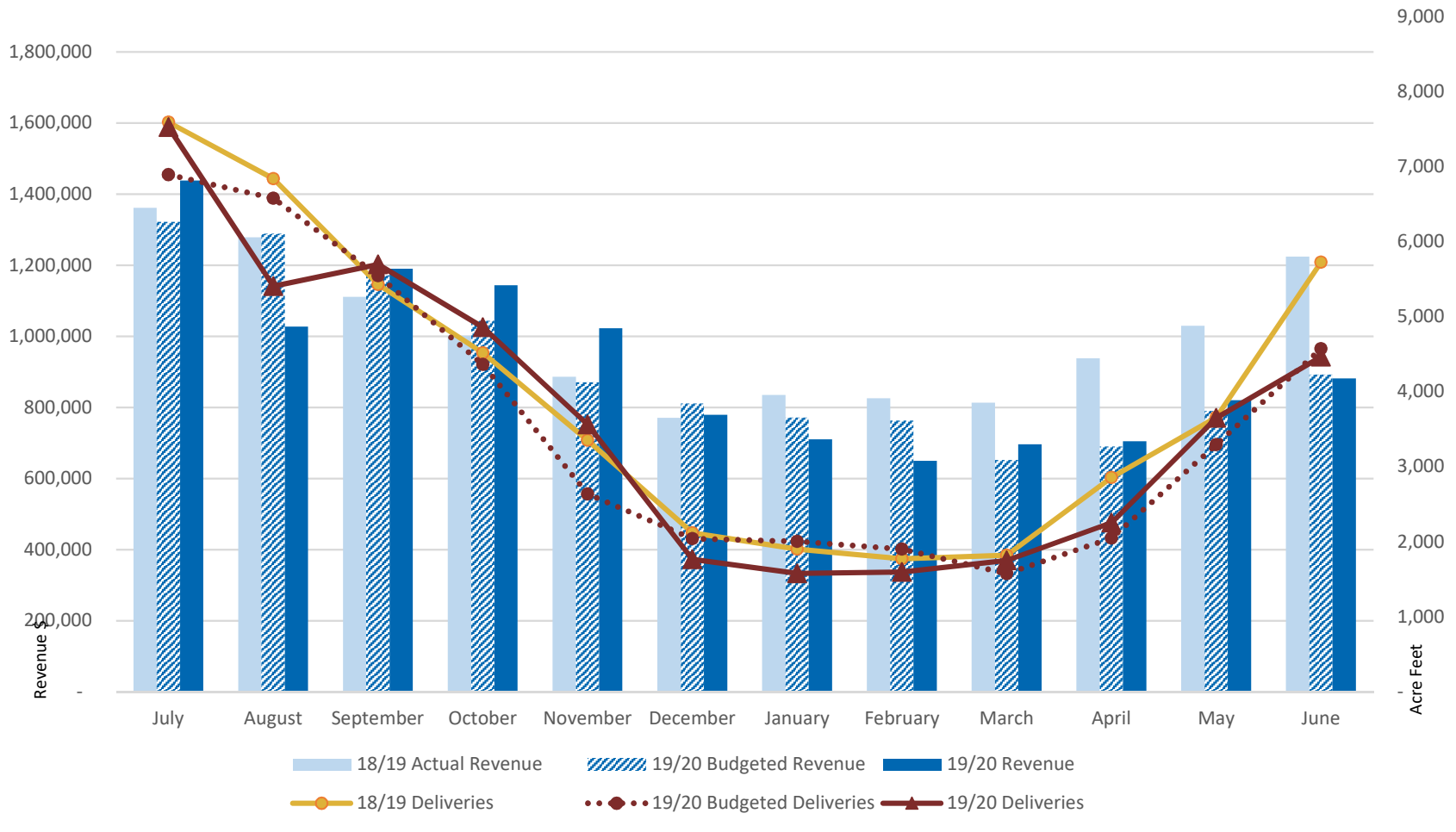
Budgeted Deliveries	43,452.00
Actual Deliveries	44,106.23
Difference	654.23
	1.5%

Budgeted Water Sale Revenue	\$ 10,927,241
Actual Water Sale Revenue	\$ 11,061,811
Difference	\$ 134,570
	1.2%

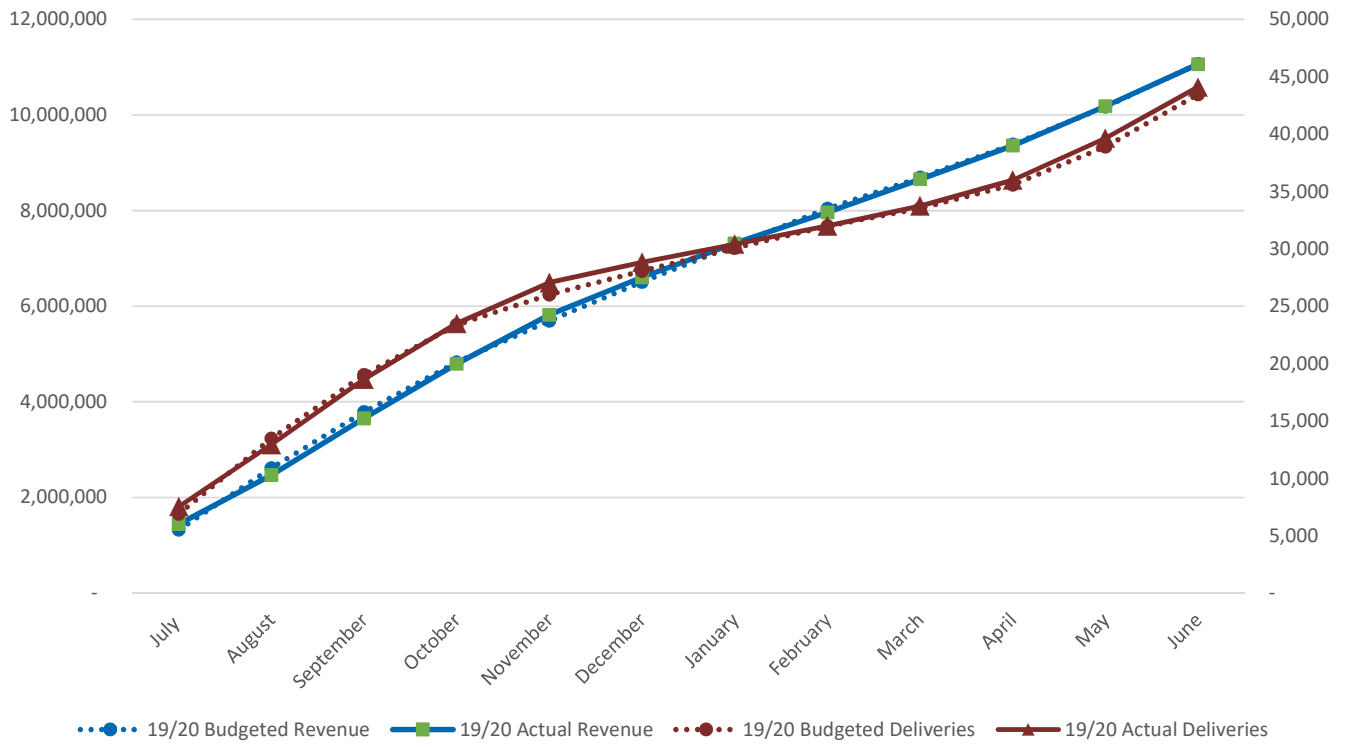
**Conclusion:**

Wholesale water deliveries for FY 2019-20 ended the fiscal year 1.5% greater than budgeted, in spite of SSWD not taking their full allocation of PCWA water. Revenues exceeded the budget by 1.2%.

### Comparison of Fiscal Year 2018/2019 Actual to 2019/2020 Projections of Deliveries and Revenue



Cumulative Water Deliveries and Revenues FY 2019-20





## AGENDA ITEM VII-2

**TO: BOARD OF DIRECTORS**  
**FROM: GREG ZLOTNICK AND DIRECTOR RICH**  
**RE: NOTES FROM JULY 9, 2020 RWA BOARD MEETING**

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The July 9, RWA Board meeting was pretty uneventful, except for the District's nomination of Dan for the Executive Committee being affirmed.

The Board approved moving forward with RWA/SGA entering into a MOU guiding a discussion with SCGA regarding the relationship going forward, including potentially having RWA house/or provide SCGA with staffing support etc. The SGA Board approved doing so at its last meeting, and at its last meeting the RWA Executive Committee approved recommending to the RWA Board that it do so.

While we (San Juan) are skeptical of benefits to RWA/SGA in pursuing this, there is a key criterion guiding the conversation that I highlighted in the Board discussion:

"Any potential operational or governance agreement among the AUTHORITIES shall strive to be beneficial, or be at least neutral, to each AUTHORITY, both financially and in terms of the level and quality of services provided."

This will be the test of whatever is proposed, and it will need to be more than "striving" to be beneficial. Neutral will be difficult because there will be opportunity costs with respect to staff resources presumably. During the Executive Committee discussion, Jim said that part of the desire to pursue the conversation was the hope that if it resulting in increasing staffing at RWA/SGA that could potentially help with succession planning with respect to some current staff (Jim and Rob) potentially looking at retirement in a decade or less.

Sean Bigley discussed the activities of the Federal Affairs Committee, including showing a PowerPoint presentation that has recently been used in meetings with staff from the region's Congressional delegation. He also showed off a GIS-like tool that Roseville IT folks developed to show the Region's reliability projects that have been identified for potential federal stimulus or other financial support.

Ryan Ojakian's State legislative and regulatory update could be summed up by saying things are in flux and that the only certainty is uncertainty. The Legislature had planned to come back into session relatively soon, but because of positive COVID diagnoses of a couple of legislators and more staff, reconvening is up in the air now. Ryan did remind everyone that the regulators are not taking such a hiatus though.

There was a report about the current regional water transfer activities.

Amy Talbot provided a Water Loss process update. I raised the need to have RWA collaborate more with its members as Amy participating in a statewide coalition effort that includes ACWA and CMUA. It was agreed that anyone who wanted to would let Amy know of their interest in such a group and she would send them current materials being developed and engage in the future with them.

Dan York gave a presentation on the Collaboration/Integration Study.

During Jim's Executive Officer report, he touted recent successes, like bond funding received for a number of local projects, Reclamation recommending Water Bank studies for Congressional funding, and the successful congressional staff meetings. He also said he was going to try to get out more and make presentations to member agencies who would like them to remind folks of the benefits RWA provides and to hear directly about issues and concerns in general and with regard to RWA management in particular.

I raised the question of getting a timeline for the RWA Board regarding development of the Groundwater Sustainability Plan (GSP) since we are now 18 months out from when it will be due. Rob explained what technical work was being done and I said I was not concerned about that, but rather the governance conversations we needed to have, especially since there are 5 GSAs that are to be covered by the GSP. Jim and Rob appreciated flagging the issue and agreed we needed to get busy on those discussions. No doubt this will be on the agenda for the SGA Board meeting next month.

During Board member comments, Kerry Schmitz indicated that she was concerned about RWA's relationship with smaller agencies, and asked if any would like to have some focused discussions. A number said yes, including Orange Vale WC.

# AGENDA ITEM VII-2

## **RWA Exec Comm notes**

7/22/20

### **SCGA**

2x3 ad hoc committee of chairs, vice-chairs of RWA, SGA, SCGA was formed will be meeting in early August.

### **Legislation**

Several bills for consideration

SB 1044 – phase out the use of PFAS in firefighting foam – recommend support

SB 1099 – allows the use of backup generators during public safety power shutoffs – recommend support

SB 974 – exempts water supply projects for disadvantaged communities from CEQA – recommend support

AB 609 – requires electronic reporting of specified CEQA documents – recommend support if amended (notice of exemption issue)

AB 3226 – aligns state law with federal law to allow state funds to flow to flood control in West Sac – SAFCA OK with support, so recommend support

Executive Committee approved the recommended positions.

Safe drinking water plan – potential issue with underfunding (via GHG emission permit auction). California considering economic stimulus through advancing tax receipts.

July 7 Water Board meeting – Covid 19 economic impact survey – said there were no economic impacts on large systems (over 2300 connections). Should RWA compile its own information? Agreed to move forward with a story from RWA agencies.

### **Federal Affairs Committee**

Fact sheet and mapping tool are posted on Roseville's website.

August meeting – focus on various bills that relate to infrastructure.

Start discussing transition resulting from 2020 election.

RWA to write a letter requesting WIIN Act funding be included in any continuing resolution or other FY21 federal budget vehicle.

### **RWA Personnel Manual**

Propose to change holiday from Columbus Day to Martin Luther King Jr. birthday holiday, effective January 1, 2021 – approved by Executive Committee.

### **Small Agency Support**

Comments from Kerry Schmitz and Dan York – small RWA agencies don't feel supported.

Paul Schubert – suggests that RWA convene a discussion among small/medium agencies, to ask what their interests are.

Marcus Yasutake – Rio Linda's exit did not seem purely financial – lack of transparency at RWA, Brown Act violation concerns. Are the issues more than the return on investment from dues?

Kerry Schmitz – RWA attempted to take action to address the Brown Act issues.

Jim Peifer – Tim Shaw proposed a joint program to do water loss audit validations – opportunity to reduce costs among agencies.

### **Strategic Plan**

Jim Peifer proposes a special RWA Board meeting to adopt strategic plan objectives – August 7  
Paul Schubert – wants some time to consider the proposed document from the workshops

### **Executive Director Report**

Water transfers – Jim Peifer reports problems with DWR – plans to provide constructive suggestions to DWR

Water Forum – general education sessions on climate change, SGMA and conservation on August 4

Water loss – Amy Talbot working on it

Ad hoc joint purchasing committee – Dan York chairing it – putting together a survey among agencies

**Director reports** – Marcus Yasutake thanked us and others for a letter of support; Sean Bigley reported on their ASR program; Ron Greenwood reported on customer outreach, Paul Schubert reported on their new rate case; Brent Smith said that PCWA invited Jim Peifer to their August Board meeting (to discuss water caucus discussions in Water Forum); Kerry Schmitz reported on a good meeting with Supervisor Kennedy and Jim Peifer and Ryan Ojakian (new Sac County rep to RWA), Cathy Lee from Carmichael has been invited to be the 3<sup>rd</sup> rep from RWA to the SGA/RWA/SCGA discussions, potential support from RWA to Joint Defense Agreement work on the Water Quality Control Plan; Dan York reported on collaboration study and July 28 ad hoc Board member committee meeting, Covid issues (potential additional discussions about mutual aid)

Jim Peifer – noted that he will be moderating a panel on flood, fire and other climate change adaptation on July 30, 9 a.m. at the ACWA conference

# AGENDA ITEM VII-3

Director Tobin's Report for 7/22/2020

## ACWA

### **Special Districts Provide Essential Services Act Update - California Special Districts Stakeholders**

Expect this week, Senators Kyrsten Sinema, D-Ariz., and John Cornyn, R-Texas, to introduce the bill. The language uses H.R. 7073 as base language with a few additions. In summary, the text would:

- Require states to distribute 5 percent of future Coronavirus Relief Fund allocations to special districts within their states within 60 days of receiving funds from the U.S. Treasury.
- Require districts applying for funding to demonstrate how they have experienced or anticipate COVID-19-related revenue loss, grant/inter-governmental revenue loss and increased expenditures.
- Caps an eligible special districts funding matching any quarter in 2019. Districts providing services the federal [Cybersecurity and Infrastructure Security Agency](#) (sub-agency of the Department of Homeland Security) deems to be within a "critical infrastructure sector" would be exempt from limitations.
- Allow states with excess funds reserved for special districts to file a waiver with U.S. Treasury demonstrating how the state distributed its special districts funding. If approved, the state may use the balance of the funds for other purposes.
- "Special district" would be defined as a "political subdivision of a State, formed pursuant to general law or special act of the State, for the purpose of performing one or more governmental or proprietary functions."
- Require the U.S. Department of Treasury to consider special districts as eligible issuers to take advantage of the Municipal Liquidity Facility, as established in the [CARES Act](#), for access to capital during the current financial downturn.

Senators Feinstein and Harris have been engaged throughout this process and are supportive of special districts' efforts.

**ACWA Support for S. 3811, Restoration of Essential Conveyance Act  
(see attached letter)**

**Ongoing impacts of Covid-19 on the 2020 wildfire season.**

- A hearing scheduled in the Senate Committee on Energy and Natural Resources to examine the impacts of Covid-19 on public lands, forests, and National Parks. The hearing is scheduled for Wednesday (today) at 10am EST. More details can be found here:  
<https://www.energy.senate.gov/public/index.cfm/hearings-and-business-meetings?ID=CA7B5008-E4B0-44CA-8EDA-0F0EA7EAB851>

**ACWA's 2020 Virtual Conference & Exhibition takes place next week - July 29-30, 2020!**

- Over 800 attendees have signed up and over 40 vendors will be participating in the Virtual Conference.
- Keynote speakers include California Lt. Gov. Eleni Kounalakis, U.S. Bureau of Reclamation Commissioner Brenda Burman, California Natural Resources Secretary Wade Crowfoot, Department of Water Resources Director Karla Nemeth and State Water Resources Control Board Chair E. Joaquin Esquivel.
- "Resilience Rising," the programs will feature topics such as resilience in the Bay-Delta, groundwater sustainability plans, funding for safe drinking water, preparing for fire season and other critical issues.

**Webinar Recording Available on Looking at Post Pandemic Future**

- June 23 ACWA hosted a Webinar to provide member agencies with advice related to legal, human resources and employee safety issues during the COVID-19 shutdown and as agencies begin to reopen.
- ACWA associate member and consultancy firm MRG, along with the law firm of Atkinson, Andelson, Loya, Ruud & Romo, provided expert speakers, a recording of the 90-minute webinar
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- U.S. House Passes H.R. 2 – Moving Forward Act
- H.R. 2 – Moving Forward Act (DeFazio) passed the House of Representatives July 1. The final vote was 233 – 188. The \$1.5 trillion infrastructure package, which includes over \$70 billion for water infrastructure, will be conveyed to the Senate for consideration after the July recess. Water highlights of H.R. 2 include \$40 billion for wastewater, \$25 billion for drinking water, and \$3.5 billion for western water, as well as several new grant programs to treat PFAS.

#### ACWA-JPIA Executive Meeting Thursday, July 23, 2020

#### JPIA Employee Benefits Program Committee Meeting – July 22, 2020

The following were items taken up at today's meeting and will be voted on by the Executive Committee at tomorrow's meeting.

- Pricing and plan options for Anthem PPO medical plans.
- Review and make recommendation on 2021 pricing for Anthem HMO medical plans.
- Review and make recommendation on 2021 pricing for Kaiser medical plans.
- Review and make recommendation on 2021 pricing for the ancillary plans.
- Review and possibly make recommendation on 2021 Employee Assistance Program.
- Review and possibly make recommendation on Participation Requirements.



Bringing  
Water  
Together

July 17, 2020

The Honorable Lisa Murkowski  
Chairwoman – Senate Committee on  
Energy & Natural Resources  
522 Hart Senate Building  
Washington, D.C. 20510

The Honorable Joe Manchin  
Ranking Member – Senate Committee on  
Energy & Natural Resources  
306 Hart Senate Building  
Washington, D.C. 20510

RE: ACWA Support for S. 3811, Restoration of Essential Conveyance Act

Dear Chairwoman Murkowski and Ranking Member Manchin,

The Association of California Water Agencies (ACWA) is pleased to support S. 3811, the Restoration of Essential Conveyance Act. ACWA's 455 public water agency members supply over 90 percent of the water delivered in California for residential, agricultural, and municipal uses.

S. 3811 raises the critical issue of deteriorating canal infrastructure across the American west. Subsidence, in addition to the age of canal infrastructure, continues to put California water users at a risk of supply shortages due to an inability to transfer water across the state. The Restoration of Essential Conveyance Act will help ensure water resiliency for Californians by providing funding for subsidence mitigation projects.

ACWA appreciates Senator Feinstein's efforts and specific actions this legislation takes to address these issues. We look forward to working with you to advance S. 3811 during this Congress and if you have any questions, feel free to contact ACWA's DC office at (202) 434 – 4760.

Sincerely,

David Reynolds  
Director of Federal Relations

CC:

U.S. Senator Dianne Feinstein



**Public Information Committee Meeting Minutes**  
**San Juan Water District**  
**July 13, 2020**  
**2:00 p.m.**

**Committee Members:** Marty Hanneman (Chair)  
Pam Tobin, Member

**District Staff & Consultants:** Paul Helliker, General Manager  
Lisa Brown, Customer Service Manager  
Teri Grant, Board Secretary/Administrative Assistant  
Lucy Eidam Crocker, Lucy & Company  
Meredith Williams, Lucy & Company

**Topics:** Public Outreach Contract (W & R)  
Other Public Information Matters  
Public Comment

**1. Public Outreach Contract (W & R)**

Ms. Lisa Brown provided a written staff report to the committee, which will be attached to the meeting minutes. Ms. Brown reviewed the scope of work with the committee. In response to Director Hanneman's question, GM Helliker informed the committee that should Lucy & Company's assistance be needed with the transition to division-based elections, then there might be a need to increase the scope of work, if the current scope can't cover the work required.

*The Public Information Committee recommends approval of Public Outreach contract with Lucy & Company for FY 2020-21*

**2. Other Public Information Matters**

There were no other matters discussed

**3. Public Comment**

There were no public comments.

The meeting adjourned at 2:10 pm.

**Engineering Committee Meeting Minutes  
San Juan Water District  
July 15, 2020  
4:00 p.m.**

**Committee Members:** Ted Costa, Chair  
Marty Hanneman, Alternate Member

**District Staff:** Paul Helliker, General Manager  
Tony Barela, Operations Manager  
Andrew Pierson, Engineering Services Manager  
Adam Larson, Field Services Manager  
Greg Zlotnick, Water Resources Manager  
Teri Grant, Board Secretary/Administrative Assistant

**Members of the Public:** Rob Watson

**Topics:** Reservoir Outage Temporary Tanks Project – Construction Management/Inspection Services (W)  
Bacon & Upper Granite Bay Pump Station Generator Replacement Project (W)  
WTP Residual Area Stormwater Lift Station Project (W)  
Hinkle Reservoir Replacement Project Update (W)  
25-Year Demand Forecast and Capacity Analysis (Study) (W)  
Other Engineering Matters  
Public Comment

**1. Reservoir Outage Temporary Tanks Project – Construction Management/Inspection Services (W)**

Mr. Barela provided the committee with a staff report which will be attached to the meeting minutes. He explained that construction management and inspection services during construction of the temporary tanks for the Hinkle Reservoir Project will be needed. The committee discussed the on-call consultants list that is used for these services.

*The Engineering Committee recommends authorization and approval of a professional services contract to Inferrera Construction Management Group, Inc. for Construction Management & Inspection Services during Construction of the Hinkle Reservoir Outage Temporary Tank Project for the amount of \$71,200 with a construction contingency of \$7,000 (10%) for an authorized total construction budget of \$78,200*

**2. Bacon & Upper Granite Bay Pump Station Generator Replacement Project (W)**

Mr. Barela provided the committee with a staff report which will be attached to the meeting minutes. He explained that this project includes design & bidding services for the replacement of the emergency standby generators at the two pump stations. He reported that based on the reviewers' evaluation, it was determined that interviews would not be necessary and that EETS, Inc. is the recommended consultant to complete the project.

The committee discussed the generators being diesel versus natural gas. Mr. Barela and GM Helliker commented that the consultant could evaluate non-diesel options.

*The Engineering Committee recommends authorization and approval of a professional services contract for Engineering design services for the Bacon & Upper Granite Bay Pump Station Generator Replacement Project in the amount of \$75,275 and authorizing a total budget of \$82,800 (includes 10% contingency)*

**3. WTP Residual Area Stormwater Lift Station Project (W)**

Mr. Barela provided the committee with a staff report which will be attached to the meeting minutes. He explained that HydroScience Engineers performed an analysis with recommendation to install a stormwater lift station at the water treatment plant which will collect and recycle stormwater runoff from the site. The District received four proposals and staff recommends McGuire & Hester, Inc., which was the lowest responsive, responsible bidder.

*The Engineering Committee recommends award of a construction contract to McGuire & Hester, Inc. for the construction of the WTP Residual Area Stormwater Lift Station Project in the amount of \$437,800 with a construction contingency of \$44,000 (10%) for an authorized total construction budget of \$481,800*

**4. Hinkle Reservoir Replacement Project Update (W)**

Mr. Pierson reported that the 75% design was returned to the consultant in June and the 95% design on the Hinkle Reservoir Replacement Project should be received in the next few weeks. He explained that the 95% design will be submitted as part of the SRF funding. He reported that the contractor for the civil site improvements has started the grading and is preparing the site for the tanks. The fabrication of the tanks will start once the submittals are reviewed.

Mr. Barela reported that staff is exercising the valves to test the operations for the project in cooperation with Sacramento Suburban Water District. GM Helliker informed the committee that some outreach will begin with customers in the vicinity of the project.

**5. 25-Year Demand Forecast and Capacity Analysis (Study) (W)**

Mr. Greg Zlotnick provided the committee with a staff report which will be attached to the meeting minutes. He explained that Placer County Water Agency (PCWA) approached the District regarding the potential for the District to utilize existing excess capacity to treat and wheel PCWA water supplies to western Placer County to serve planned and expected new development. The study shows that the District will have the capacity to work with PCWA in the future, and he will be working with PCWA on further scoping of its future needs. In addition, he explained that the Urban Water Management Plan will incorporate the demand assessment study, which is a major component of that document and is now basically completed for the District and all of the wholesale customer agencies.

*The Engineering Committee recommends that the Board receive and accept the study.*

**6. Other Engineering Matters**

There were no other matters discussed.

**7. Public Comment**

There were no public comments.

The meeting was adjourned at 4:24 p.m.

**Finance Committee Meeting Minutes  
San Juan Water District  
July 21, 2020  
4:00 p.m.**

**Committee Members:** Ken Miller, Director (Chair)  
Ted Costa, Director (Alternate)

**District Staff:** Paul Helliker, General Manager  
Donna Silva, Finance Director  
Teri Grant, Board Secretary/Administrative Assistant

- 1. Review General Manager Reimbursements (W & R)**  
There was no reimbursement request from the General Manager.
- 2. Review Check Register from June 2020 (W & R)**  
The committee reviewed the June 2020 check register and found it to be in order.
- 3. Review and Update the Investment Policy of the San Juan Water District (W & R)**  
Ms. Silva provided a staff report which will be attached to the minutes. She explained that staff and the Investment Advisors at PFM Asset Management, Inc. reviewed the Investment Policy and are recommending changes to the policy. Those changes are for Removal of Requirement for Annual Review, Removal of Reference to Association of Public Treasurer's Excellence Award, and Addressing the Changes in Government Code Section 53601(o), which are explained in detail in the staff report.  
  
*The Finance Committee recommends that the Board approve the proposed updates to the San Juan Water District Investment Policy.*
- 4. Presentation of the Fitch Bond Rating Review (W & R)**  
Ms. Silva informed the committee that the District's Fitch Bond Rating was increased from AA to AA+. She reported that she is working with Lucy & Company on a press release and the information will be published and placed on the District's website. Director Miller and Costa congratulated staff on obtaining the AA+ rating.
- 5. Other Finance Matters (W & R)**  
There were no other matters discussed.
- 6. Public Comment**  
There was no public comment.

The meeting was adjourned at 4:13 p.m.