

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

**September 27, 2023  
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. The District recommends that members of the public participate in Board meetings via videoconference per the instructions below.

To attend via videoconference, please use the following link:

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

<https://meet.goto.com/245724141>

You can also dial in using your phone.

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

Access Code: 245-724-141

Please mute your line.

Whether attending via videoconference or in person, the public is invited to listen, observe, and provide comments during the meeting. The Board President will call for public comment on each agenda item at the appropriate time.

**\*\*\*Important Notice:** For any meetings that include a Closed Session, the videoconference 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.

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 AND COMMENTS**

This is the opportunity for members of the public to comment on any item(s) that do not appear on the agenda. 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 Meeting, August 23, 2023 (W & R)  
**Recommendation:** **Approve draft minutes**
2. Air Release Valve Replacement Program (R)  
**Recommendation:** **To authorize the Director of Engineering Services to approve a construction contract amendment to increase the construction budget by up to \$70,000 with Navajo Pipelines, Inc. (Navajo) for the Air Release Valve Replacement Program 2022/2023**

### IV. OLD BUSINESS

1. Cost Allocation Plan (W & R)  
*Discussion*
2. Conjunctive Use and Groundwater Banking Activities Update (W & R)  
*Discussion*
3. 2023 Hydrology and Operations Update (W & R)  
*Discussion*

### V. NEW BUSINESS

1. Delinquent Account Collection Changes (R)  
**Action:** **Introduce and Waive First Reading of Ordinance No. 23-01 – An Ordinance of the Board of Directors of the San Juan Water District Amending Ordinances 18000.03.5**

### 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 Budget vs Actual Insurance Premiums
  - 2.2 Miscellaneous District Issues and Correspondence
3. Director of Operations' Report
  - 3.1 Miscellaneous District Issues and Correspondence
4. Director of Engineering Services' Report
  - 4.1 Miscellaneous District Issues and Correspondence
5. Legal Counsel's Report
  - 5.1 Legal Matters

### VII. DIRECTORS' REPORTS

1. Sacramento Groundwater Authority (SGA) – T. Costa

2. Regional Water Authority (RWA) – D. Rich
3. Association of California Water Agencies (ACWA)
  - 3.1 ACWA – P. Tobin
  - 3.2 Joint Powers Insurance Authority (JPIA) – P. Tobin
  - 3.3 Energy Committee – T. Costa
4. Central Valley Project (CVP) Water Association – T. Costa
5. Other Reports, Correspondence, Comments, Ideas and Suggestions

**VIII. COMMITTEE MEETINGS**

1. Finance Committee – September 19, 2023  
<https://www.sjwd.org/2023-09-19-committees-meeting-finance>

**IX. UPCOMING EVENTS**

1. 2023 ACWA Fall Conference  
November 28-30, 2023  
Indian Wells, CA

**President Rich to call for Closed Session**

**X. CLOSED SESSION**

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to California Government Code Section 54956.9(d)(2) - one case
2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Section 54956.9)  
Citrus Heights Water District, et al. vs. San Juan Water District, Case Number: 23WM000080, Sacramento County Superior Court

**XI. OPEN SESSION**

Report from closed session

**XII. ADJOURN**

**UPCOMING MEETING DATES**

October 25, 2023  
November 8, 2023

I declare under penalty of perjury that the foregoing agenda for the September 27, 2023, regular meeting of the Board of Directors of San Juan Water District was posted by September 22, 2023, on the outdoor bulletin boards at the District Office Building, 9935 Auburn Folsom Road, Granite Bay, California, and was freely accessible to the public. The agenda and the board packet was also posted on the District's website at sjwd.org.

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Teri Grant, Board Secretary

## SAN JUAN WATER DISTRICT

Board of Director's Board Meeting Minutes  
August 23, 2023 – 6:00 p.m.

### BOARD OF DIRECTORS

Dan Rich	President
Manuel Zamorano	Vice President
Ted Costa	Director
Ken Miller	Director
Pam Tobin	Director

### SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF

Paul Helliker	General Manager
Donna Silva	Director of Finance
Tony Barela	Director of Operations
Andrew Pierson	Director of Engineering
Devon Barrett	Customer Service Manager
Greg Turner	Water Treatment Plant Manager
Greg Zlotnick	Water Resources Manager
Teri Grant	Board Secretary/Administrative Assistant

### OTHER ATTENDEES

Victor Bekhet	
Stacy Helliker	
Heather Engel	ACWA
Jennifer Persike	ACWA Foundation
Richard Brebrick	Customer
Craig Locke	Sacramento Suburban Water District

### AGENDA ITEMS

- I. Roll Call
- II. Public Forum and Comments
- III. Consent Calendar
- IV. Old Business
- V. New Business
- VI. Information Items
- VII. Directors' Reports
- VIII. Committee Meetings
- IX. Upcoming Events
- X. Adjourn

President Rich 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: Ted Costa, Ken Miller, Dan Rich, Pam Tobin and Manuel Zamorano.

#### II. PUBLIC FORUM

There were no public comments.

### III. 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, July 26, 2023 (W & R)**

*Recommendation: Approve draft minutes*

**2. Treasurer's Report – Quarter Ending June 30, 2023 (W & R)**

*Recommendation: Receive and file*

***Vice President Zamorano moved to approve the Consent Calendar. Director Costa seconded the motion and it carried unanimously.***

President Rich moved Agenda Item VI-2 Director of Finance Report in front of New Business. The minutes will remain in the original agenda order.

### IV. NEW BUSINESS

**1. ACWA Foundation (W & R)**

[Due to technical difficulties, this agenda item was delayed until after agenda item IV-2 ACWA QuenchCA.]

Ms. Jennifer Persike, ACWA Foundation Vice Chair, conducted a presentation regarding the recently formed ACWA Foundation. A copy of the presentation will be attached to the meeting minutes. She reviewed the Foundation's vision and mission, formation, governance, development, recent activities, committees and sponsorship opportunities.

Director Tobin promoted the support of the ACWA Foundation and the work that they are doing and would like the Board to consider donating to the Foundation.

***Director Tobin moved to sponsor the ACWA Foundation with a \$10,000 donation. The motion failed with no second.***

**2. ACWA QuenchCA (W & R)**

GM Helliker introduced Heather Engel, ACWA Director of Communications. Ms. Engel conducted a brief presentation regarding ACWA's QuenchCA campaign. A copy of the presentation will be attached to the meeting minutes. She reviewed some of the ads that they generated, analytics on the campaign, and the QuenchCA toolkit.

Director Tobin inquired how the recent Hinkle Reservoir Replacement Project could get great exposure through QuenchCA. Ms. Engel informed the Board that there is a Project Library that highlights various projects throughout California and she will send the District some information on how to get the project on the website. In response to President Rich's question, Ms. Engel informed the Board that the toolkit resources are free for ACWA members to use; however, if the District wants to do an outreach, similar to the City of Roseville, then there would be a cost. GM Helliker informed the Board that the QuenchCA information will be relayed to our public outreach consultant.

**3. Low-Income Rate Assistance (R)**

GM Helliker informed the Board that he placed this item and the next one on the agenda at the request of Mr. Richard Brebrick, a retail customer, who requested to discuss rates and assistance programs, and water supply and infrastructure. Mr. Devon Barrett reviewed his written staff report which will be attached to the meeting minutes. Mr. Barrett informed the board that the District's website contains information on low-income rate assistance.

Mr. Richard Brebrick addressed the Board and stated that changes are needed to Prop. 218 since it locks agencies into not being able to adjust anything. He voiced concern regarding rising utility rates. In addition, he suggested that the District look at other water source alternatives, such as desalination, recycled water for non-drinking water, atmospheric water generators, and primary water. He suggested that the District look for state or federal funds to help obtain alternative water sources.

**4. Additional Water Supplies – Bond Measures and SB 366 (W & R)**

GM Helliker reviewed his written staff report which will be attached to the meeting minutes. He provided a brief summary and status of bills that would issue bonds to provide funding for water projects. In addition, he provided a summary of SB 366 which would set long-term targets for the state to improve its water systems.

**5. ACWA Region 4 Board Elections 2024-25 Term (W & R)**

GM Helliker informed the Board that the elections are open for the ACWA Region 4 Board for the 2024-25 term and the Board needs to consider the candidates for the representative, Director Tobin, to cast the ballot. The Board discussed the nominating committee's recommendation and the list of candidates.

***Director Tobin moved to cast the ballot for the Nominating Committee slate of candidates for ACWA Region 4 Board. President Rich seconded the motion and it carried with 4 Aye votes and 1 abstain (Zamorano).***

**6. Sacramento LAFCo Elections (W & R)**

GM Helliker informed the Board that elections for seat #7 with the Sacramento LAFCo are being held. The Board reviewed the candidate list. In addition, direction was given to the Board Secretary to mark the ballot indicating ballots are preferred to be received via email in the future to the General Manager's email account.

***Director Tobin moved to cast a vote for Robert "Bob" Wichert for Special District Representative to Sacramento LAFCo, seat #7. Director Costa seconded the motion and it carried unanimously.***

**7. Resolution of Appreciation for Staff Actions During the Hinkle Project**

GM Helliker informed the Board that Resolution 23-09 recognizing the Water Treatment Plant staff for their work on January 7, 2023, was included in the Board packet as requested by Director Tobin at the last Board meeting. President Rich voiced concern that the resolution only focuses on one department and excludes other staff who were involved in the Hinkle Reservoir Replacement Project. Director Tobin stated that she requested the resolution be specific to the Water Treatment Plant staff since the

presentation at the last Board meeting was specific to them and their work on January 7<sup>th</sup>.

Director Costa suggested that a letter of recognition be given to each employee separately and placed in their personnel record. GM Helliker informed the Board that employee performance evaluations are conducted each year and, during that time, their contributions to the project will be noted. GM Helliker informed the Board that he prepared an alternate resolution which covers all staff and also highlights the Water Treatment Plant staff. The Board discussed the resolution being focused solely on one department versus all staff who contributed to the project.

***Director Tobin moved to adopt Resolution 23-09 recognizing the successful efforts of District employees during the Hinkle Cover and Liner Replacement Project. Director Miller seconded the motion and it carried unanimously.***

## **V. OLD BUSINESS**

### **1. Conjunctive Use and Groundwater Banking Activities Update (W & R)**

GM Helliker provided some background on discussions that staff has had with various agencies regarding ASR technology, groundwater banking and conjunctive use. He explained that there is an opportunity to do a multiple party permit and move ahead with an ASR program, using wholesale funding provided there is a benefit to the wholesale customer agencies.

GM Helliker informed the Board that the first meeting with Citrus Heights Water District (CHWD) is scheduled for September 5, 2023, to start discussions similar to those with Fair Oaks Water District (FOWD).

### **2. 2023 Hydrology and Operations Update (W & R)**

GM Helliker reviewed data on Folsom Reservoir, which included the current storage level, data on releases, temperature and precipitation outlooks, storage levels and projections, and current reservoir conditions across the state.

GM Helliker reported that the snow pack levels were 384% of average for the state last month. In addition, he reviewed the projected run-off as compared to the amount of remaining storage available in various reservoirs. He also reviewed the drought forecast, which showed this region to be in normal conditions. He informed the Board that Folsom Reservoir is projected to be at 527,000 acre feet by the end of December.

## **VI. 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 July which will be attached to the meeting minutes.

#### **1.2 Miscellaneous District Issues and Correspondence**

GM Helliker reported that both the SSWD and FOWD boards approved the funding agreement with RWA regarding the Voluntary Agreement. He explained that once the funding agreements are in place with RWA, then those

Districts, as well as CHWD and Orangevale will need agreements with the District for surface water in order to fulfill their commitments to provide the outflows in order to meet the VA requirements. He explained that the District may lose revenue as a result of the Voluntary Agreements and staff is projecting that the wholesale budget will need to accommodate the loss which is being estimated at \$700,000 for the three years of groundwater production and transfers. He stated that the sale of water to SSWD should be able to offset the loss.

GM Helliker reported that the Water Forum agreement update is being worked on and discussions are going well. However, there may be some challenges with diversions and conservation. In addition, the environmental caucus is stating that more needs to be done, but they are not defining what more needs to be done. He discussed the modeling that was completed, and explained that the District is not expecting a lot of growth and that our water use is predicted to decrease. GM Helliker informed the Board that the draft conservation regulations were released last Friday and indicate that the District will need to deliver 30% less water overall.

GM Helliker reported that the indoor requirements will be going down to 42 gallons per person per day and the outdoor requirement is being proposed to the newest standard for everyone at 55% of the evapotranspiration that is associated with turf. He commented that the standard is not following the law which states the outdoor standard is supposed to apply to irrigable property and instead the standard is stating irrigated property. He informed the Board that a full briefing will be given to the Board at a future Board meeting.

GM Helliker reported that extensive comments were submitted on the project description for the water bank, as there are some concerns on the rules that they want to impose, and a water tax on the banked water. He stated that the Notice of Intent for the environmental documentation, which was going to be submitted next week, will probably be delayed.

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

### **2.1 Budget vs Actual Insurance Premiums**

Ms. Silva informed the Board that information on all of the District's upcoming insurance premiums had not been received yet and she will provide an update at a future Board meeting.

### **2.2 Miscellaneous District Issues and Correspondence**

In response to Director Tobin's question, Ms. Silva and Mr. Barrett informed the Board that there has been no feedback from the retail customers regarding the \$10 rebate that was credited to each retail customer account. Vice President Zamorano commented that he had received positive feedback.

## **3. DIRECTOR OF OPERATIONS' REPORT**

### **3.1 Miscellaneous District Issues and Correspondence**

No report.



#### **4. DIRECTOR OF ENGINEERING SERVICES' REPORT**

##### **4.1 Miscellaneous District Issues and Correspondence**

Mr. Pierson reported that this is year one of the seventeen year ARV Replacement Program to replace 45 ARVs each year. He informed the Board that, as of August 24<sup>th</sup>, 43 ARVs will have been replaced and one has been postponed until the next fiscal year. In addition, one ARV was found during the Eureka Road Pipeline Replacement Project and that one will be completed prior to Placer County completing their paving on Eureka Road. He expects to complete about 50 ARV replacements this year because there are several that will be replaced with the forthcoming Services Replacement Project. He informed the Board that two complaints were received from customers on Sierra Drive. One ARV is the one being postponed until the next fiscal year and the other one has already been installed. However, staff is working with the customer to potentially relocate the ARV because the customer has a major garage/home addition and the ARV may be in conflict with his plans. Staff has requested the customer provide the County approved plans so they can determine where or if the ARV will have to be moved.

#### **5. LEGAL COUNSEL'S REPORT**

##### **5.1 Legal Matters**

No report.

### **VII. DIRECTORS' REPORTS**

#### **1. SACRAMENTO GROUNDWATER AUTHORITY (SGA)**

Director Costa reported that SGA met last week at their new headquarters in Natomas. He reported that Jim Peifer announced that all water banking will be under the direction of RWA not SGA.

#### **2. REGIONAL WATER AUTHORITY (RWA)**

GM Helliker reported that he and Mr. Greg Zlotnick were unable to attend the RWA Executive Committee meeting yesterday since there was no teleconferencing available. In addition, he reported that there was an agenda item on the Consent Calendar to change their teleconferencing policy which would eliminate the standard teleconferencing capability.

#### **3. ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)**

##### **3.1 ACWA - Pam Tobin**

Director Tobin reviewed her written report which will be attached to the meeting minutes.

##### **3.2 Joint Powers Insurance Authority (JPIA) - Pam Tobin**

Director Tobin reviewed her written report which will be attached to the meeting minutes.

##### **3.3 Energy Committee - Ted Costa**

Director Costa reported that another agency purchased two electric trucks at a cost of approximately \$360,000 each, and he would hope that the District would wait until the costs go down to purchase electric vehicles. GM Helliker

responded that the Board approved the non-electric vehicles purchases at the last Board meeting, so transitioning to electric vehicle will not happen in the near future.

**4. CVP WATER USERS ASSOCIATION**

Director Costa reported that CVP Water Users Association meets August 31, 2023.

**5. OTHER REPORTS, CORRESPONDENCE, COMMENTS, IDEAS AND SUGGESTIONS**

Director Costa reported that he attended the Del Paso Manor Water District meeting because they had a Prop. 218 hearing. He informed the Board that the new director of LAFCo was in attendance at that meeting as well as some of the SSWD/CWD 2x2 meetings.

**VIII. COMMITTEE MEETINGS**

**1. Finance Committee – August 15, 2023**

The committee meeting minutes will be attached to the original board minutes.

**IX. ADJOURN**

**The meeting was adjourned at 8:07 p.m.**

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DAN RICH, President  
Board of Directors  
San Juan Water District

ATTEST: \_\_\_\_\_  
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: Andrew Pierson, Director of Engineering Services  
Date: September 27, 2023  
Subject: Air Release Valve Replacement Program 2022/2023 – Construction Contract Amendment

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### RECOMMENDED ACTION

Staff requests a Board motion to authorize the Director of Engineering Services to approve a construction contract amendment to increase the construction budget by up to \$70,000 with Navajo Pipelines, Inc. (Navajo) for the Air Release Valve Replacement Program 2022/2023 (Project). The staff recommendation was reviewed by the Finance Committee, which recommends approval by the Board of Directors.

### BACKGROUND

The Project consists of replacing 45 air release valves (ARV's) located in the northeast portion of the District's Retail Service Area within the Lower Granite Bay Pressure Zone and Upper Granite Bay Pressure Zone in Granite Bay, Placer County, CA. More specifically, the 45 ARV sites are within the boundaries of Eureka Road and Twin Rocks Road and between Barton Road and Douglas Blvd. The construction contract was awarded to Navajo in May 2023 and construction began on June 9, 2023. During construction, Navajo has encountered the following unforeseen conditions that have caused a change to the original Contract scope of work:

- Additional piping, excavation, backfill, and paving required due to moving approximately ten ARV locations as result of utility and landscape feature conflicts.
- Additional piping, excavation, backfill, and paving required because the distance between the location of the existing water mains for approximately five new ARV locations was greater than what was shown on the improvement plans.
- Additional time and materials required to replace approximately two existing corroded service saddles adjacent to the new ARV locations.
- Additional time and material to assist District staff during a shutdown for an emergency valve repair on Douglas Blvd. Contractor assisted by cleaning out existing valve boxes using their vacuum trailer and provided traffic control.

### FINANCIAL CONSIDERATIONS

The current authorized construction budget approved by the Board is \$711,920. Staff is recommending increasing the total authorized construction budget to \$781,920. District staff is currently re-prioritizing projects to accommodate the additional budget required to complete this project.

## STAFF REPORT

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To: Board of Directors

From: Paul Helliker, General Manager  
Donna Silva, Director of Finance

Date: September 27, 2023

Subject: Cost Allocation Plan

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### RECOMMENDED ACTION

Discussion

### BACKGROUND

San Juan employs a cost allocation methodology to calculate the appropriate split between the retail component and the wholesale component of its operating and capital revenues and expenses. This allocation is used to track and allocate revenues and expenses and is used in the development of San Juan's annual budget. From a financial reporting standpoint, San Juan is not required to segregate revenues and expenses between wholesale and retail, as the District is one legal reporting entity. However, San Juan reasonably allocates costs between wholesale and retail, in order to determine cost of service for rate setting purposes.

In 2022, at the behest of Citrus Heights Water District (CHWD) and Fair Oaks Water District (FOWD), San Juan hired MGT of America to conduct a review of San Juan's cost allocation methodology. Both CHWD and FOWD recommended MGT to San Juan. MGT submitted a proposed workplan and budget in April of 2022, and a contract was signed by San Juan with them on July 26, 2022. The workplan was shared with the Wholesale Customer Agencies (WCAs) prior to initiation of the project, for their review and comment.

As listed below, San Juan and MGT organized three meetings with the Wholesale Customer Agencies, to discuss the work of the consultants and the documents that they had prepared. Also as listed below, CHWD and FOWD sent multiple letters to San Juan during the project, to each of which MGT and San Juan responded. A summary of the major points of the letters and the responses are provided with each listing. Also listed are the documents prepared by MGT during this project.

The Board received summaries of these interactions with the WCAs, certain letters and responses and the final Cost Allocation Plan (Plan) via emails from Paul Helliker and Donna Silva during the project. The Plan was finalized in April of this year and distributed to the WCAs. MGT's analysis concluded that San Juan's methodology for allocating costs was sound, but they recommended a few minor modifications to certain cost allocations. The Plan was used as part of the basis for San Juan's FY 2023-24

budget, which was approved by the Board (including the allocations of costs to wholesale and retail accounts) at the June 28 Board of Directors meeting.

We are presenting this information to the Board at the September 27, 2023 meeting, to provide the Board an opportunity for any further discussion about the Plan and to provide the opportunity for members of the public to share their perspectives.

### **Meetings**

September 16, 2022 – kick-off meeting with WCAs and consultants, to review and receive input on the workplan

December 14, 2022 – meeting with WCAs and consultants, to discuss the “50% draft”

March 23, 2023 – meeting with WCAs and consultants, to discuss the final Cost Allocation Plan

### **Documents Prepared by MGT**

November 22, 2022 – identified the materiality of expenses and current San Juan cost allocations, which would be reviewed and evaluated by MGT

February 2, 2023 – Cost Allocation Plan Draft Report – includes materiality of expenses list, current San Juan cost allocations and recommended changes

March 29, 2023 – Cost Allocation Plan Final Report – includes current San Juan cost allocations and recommended changes

### **Correspondence**

September 20, 2022 letter from CHWD and FOWD – their initial set of comments, which laid out their expectations, and commented on eight categories of expenses, ranging from the cost allocation for the General Manager and other administrative staff to capital assets and property taxes.

October 4, 2022 response – confirmed that MGT would do a detailed review of cost allocations for cost categories such as salaries and benefits; operating expenses, such as electricity, chemicals, supplies and equipment; insurance expenses; legal expenses; other professional services, such as communications; construction contracts and other capital expenses; etc. The response also included the public outreach workplan, which was a specific reference in the September 20 letter, and confirmation that property tax would not be part of the MGT analysis (as it had been addressed separately). The response notes that San Juan is a single legal entity and is thus not legally obligated to apportion its revenues and expenses into wholesale and retail accounts, but that it does so to ensure fair rates.

November 2, 2022 letter from CHWD and FOWD – the letter sought confirmation that the WCAs would be able to review the 50% draft Plan, as well as the final Plan. The

letter also noted that they do not agree with our position on the lack of a legal obligation to adopt a Cost Allocation Plan.

November 11, 2022 response – transmitted the staff reports and minutes on the topic of property taxes (as they had requested in the November 2 letter).

December 14, 2022 letter from CHWD and FOWD (comments on MGT status report #1) – recommended that San Juan adopt a cost allocation methodology defined in federal regulations for recipients of federal funds above a certain threshold. Also recommended time studies for allocation of personnel costs as well as project cost accounting.

January 17, 2023 response – noted that cost accounting pursuant to federal regulations is time-consuming and unnecessary, given the limited federal funding that San Juan receives. Agreed that wholesale and retail rates must be based on the cost of providing water, and that capital costs should (and are) charged directly to wholesale or retail accounts. Noted that San Juan uses project cost accounting, where appropriate and useful. Noted that investment returns are not covered in the Plan, as those are revenues, not costs.

January 25, 2023 CHWD/FOWD response to San Juan January 17, 2023 response – expressed dissatisfaction that status report #1 (e.g., the 50% draft provided in advance of the December 14 meeting) did not provide detailed cost allocation recommendations, and continued to advocate for federal regulatory cost accounting methodology. Acknowledged receiving extensive San Juan data, as requested.

March 8, 2023 letter from CHWD and FOWD (comments on draft Cost Allocation Plan and MGT status report #2) – the document was a 16-page letter, providing comments on a 17-page Cost Allocation Plan. Of the ten pages of comments on specific cost allocations, 2-1/2 pages were dedicated to comments on the cost allocation for the 5-person Finance Department, and five pages were dedicated to comments about the General Manager's cost allocation. CHWD and FOWD recommended different cost allocation methodologies for both of these groups/individuals than those recommended by MGT. CHWD and FOWD misconstrued the actual time expenditure analysis conducted by the General Manager and challenged the results, proposing five other cost allocation methodologies that were based on relative ratios between wholesale and retail of FTE allocations, salaries and benefit expenses, revenues, operating budgets, and capital assets. The letter also included a 3-page table of 25 specific questions.

March 20, 2023 response – San Juan and MGT provided a response to the 25 questions in a 16-page letter, distributed to the WCAs. Accurate details of the General Manager's time expenditure evaluation were provided, to correct the misunderstandings expressed in the March 8 letter, and more detail was provided concerning the reasons that MGT recommended specific cost allocation methodologies for the General Manager, the Finance Department and other particular personnel. Answers were also provided to the questions in the March 8 letter concerning how and why the General Manager spends his time on regional and statewide issues of importance to San Juan's wholesale operations, and the response noted that the time expenditure evaluation of the General Manager was a far more relevant and accurate depiction of the actual cost

allocation than were the five alternative options proposed by CHWD and FOWD – none of which relate directly to time expenditures by the General Manager.

April 5, 2023 letter from CHWD and FOWD – providing their notes from the March 23 meeting

April 25, 2023 letter from CHWD and FOWD – this document, which consisted of a 4-page comment letter with 76 pages of attachments (most of which were copies of the previous comment letters from CHWD and FOWD), focused again on criticisms of the cost allocation methodology recommended by MGT for the Finance Department and the General Manager, and included various alternative methodologies (which are referenced in the description above of the March 8 letter).

April 27, 2023 response – this document provided detailed responses to the specific comments in the April 25 letter, including additional detail about the analysis conducted on the time expenditures of the General Manager and on the cost allocation for the Finance Department. It reiterated the superior accuracy of the General Manager’s time expenditure analysis and the Finance Department cost allocation to any of the alternatives proposed by CHWD and FOWD. Reiterated the recommendations provided by MGT.





3600 American River Drive, Suite 150  
Sacramento, CA 95864

**March 29, 2023**

Donna Silva, Finance Director  
San Juan Water District (SJWD)  
9935 Auburn Folsom Road  
Granite Bay, CA 95746

**Subject: Cost Allocation Project Final Report**

Dear Donna:

Per the project workplan this document serves as the final report for the cost allocation project. This document includes MGT's final recommendations. This report is organized into the following sections:

- Project Scope
- Materiality of Expense
- Summary of Currently Allocations and Direct Charges Methods
- Items of Cost – With Current Allocation and Direct Charge Methods
- Current Labor Allocations
- MGT Recommendations

MGT has defined several key terms that the San Juan Water District (the District) uses so that all parties are clear on what each item is. MGT relies on best practices among similar jurisdictions and federal guidance outlined in 2 CFR Part 200. Although SJWD is not currently required to produce a cost allocation plan in compliance with the federal guidance, that federal code is referred to when defining and consistently handling direct, indirect, or shared costs.

**Central Services** – A department, program, person, or task that cannot be easily assigned to a cost objective. Example: Human Resources or Finance Departments.

**Cost Allocation** – The practice of using reasonable statistics, metrics, or analysis to spread expenses to multiple cost objectives in a reasonable manner. When central services are not easily assigned to a specific cost objective, expenses are allocated based on a reasonable statistic that connects the services and support with the recipients or consumers of the supporting services.

**Direct Charges** – The practice of identifying the benefiting cost objective and charging the expenditure fully to that objective. Example: Purchase Treated Water is charged directly to the Retail Water Fund.

**Allocation of Labor** – Allocates the costs of employees and their benefits to the benefiting cost objective based on the employee's job activities and performance. In ideal circumstances, the employee's allocation is based on job performance, timekeeping, or work order metrics.



## MGT Project Scope

To identify and analyze the District’s central support services. Provide allocation metrics that are reasonable and equitable to allocate central service costs between the Wholesale and Retail cost objectives. Also, examined all material cost items for reasonableness in methodology of direct charge or allocation of expenses.

## Materiality of Expenses

MGT reviewed the FY 2021-22 actual expenses of the District and categorized them by item of cost and then sorted largest to smallest to see where the dollars were being spent and which items of cost were most material AND how those costs were handled/shared. Results of that analysis are as follows:

Item of Cost	FY 2021-22 Actual	% Of Total
Labor & Fringes	\$9,534,581	33.47%
Wholesale Capital Expenditures	\$5,028,752	17.65%
Purchase Treated Water	\$3,267,883	11.47%
Professional Services	\$1,594,914	5.60%
Retail Capital Expenditures	\$1,104,641	3.88%
Utilities	\$531,061	1.86%
Materials and Supplies	\$403,590	1.42%
Operating Chemicals	\$377,573	1.33%
PCWA Water	\$353,052	1.24%
PCWA & CHWD Wheeling Charges	\$327,872	1.15%
Facilities Maintenance	\$293,380	1.03%
Software	\$191,750	0.67%
Memberships	\$187,244	0.66%
Insurance	\$178,845	0.63%
Bank Fees	\$142,237	0.50%
Election Expense	\$132,707	0.47%
Bureau Pumping (WAPA Energy)	\$96,506	0.34%
Public Outreach – Services	\$81,977	0.29%
Reg Compliance	\$71,948	0.25%
Maintenance – Pump Stations, Reservoirs & Pressure Reducing Stations	\$66,559	0.23%
Telephone	\$63,485	0.22%
Fuel	\$52,959	0.19%
Postage and Supplies	\$51,253	0.18%
Depreciation	\$3,915,736	13.74%
Remaining Expenses	\$439,957	<2.00% of total



## Summary of Current Allocations and Direct Charges

Item of Cost	Allocation or Direct Charge Method
Labor & Fringes	Allocated based on allocation of labor
Wholesale Capital Expenditures	Most are direct charged to Wholesale
Purchase Treated Water	Direct charged to Retail
Professional Services	Most are direct charged to either Wholesale or Retail
Retail Capital Expenditures	Most are direct charged to Retail
Utilities	Direct charged based on address
Materials and Supplies	Most are direct charged to Retail
Operating Chemicals	Direct charged to Wholesale
PCWA Water	Direct charged to Wholesale
PCWA & CHWD Wheeling Charges	Direct charged to Wholesale
Facilities Maintenance	Both, depending upon facility being maintained
Software	Mostly allocated based on use of software
Memberships	Both, depending upon nature of membership
Insurance	Allocated equally or based on NBV of assets
Bank Fees	Most direct charged to Retail
Election Expense	Allocated equally
Bureau Pumping (WAPA Energy)	Direct charged to Wholesale
Public Outreach – Services	Direct charged based on scope of work
Reg Compliance	Direct charged based on scope of work
Maintenance – Pump Stations, Reservoirs & Pressure Reducing Stations	Direct charged to Retail
Telephone	Most are allocated equally
Fuel	Unleaded is allocated based on mileage, diesel is direct charged
Postage and Supplies	Most are allocated equally

### Items of Cost – With Current Allocation and Direct Charge Method

**SALARIES AND BENEFITS (aka Labor & Fringes)** – Salaries and benefits have been direct charged or allocated based on the labor allocations set by San Juan Water District, with one exception for “Director Stipends.” Director Stipends have been allocated using equal cost sharing. The labor allocation for the District is shown below. Expenses such as employee uniforms, medical, workers compensations, retirement, etc. are allocated based on the benefitting employee’s labor allocation.

**CAPITAL ASSETS** – Capital Assets are directly charged to the benefiting area, either Retail or Wholesale. Depending on the nature of the asset, some capital assets will be charged equally between Retail and Wholesale. These assets would benefit areas such as finance, human resources, etc.

**DEPRECIATION** – This is not included in the wholesale financial plan, which is used to develop the rates charged to wholesale customers. Therefore, depreciation of capital assets will not be considered in the SJWD Cost Allocation Plan.



**TREATED WATER PURCHASES** – This expense is direct charged to Retail.

#### **PROFESSIONAL SERVICES**

In general, professional services expenses are direct charged to the benefitting area. For services that benefit both Retail and Wholesale, those expenses are allocated using equal cost sharing. Exceptions to the general allocation for professional services would be for expenses related to GIS and CMMS, both of which are currently allocated 25% to 75%, Wholesale to Retail respectively.

**Service Area Maintenance** – These services are direct charged to Retail.

**Legal** – These services are generally allocated using equal cost sharing unless the legal service is directly benefitting either Retail or Wholesale in which case, they are direct charged to the benefitting area.

**Temporary Personnel** – These services are often for a specific project, purpose or activity and will follow the employee's labor cost allocation that the temporary employee will be in place for or direct charged based on the nature of the project or specific activity.

#### **UTILITIES**

**Energy costs** – Direct charged based on service location's address and its location within the District's "Wholesale Service Area Map" which can be found in the annual budget. Service addresses that fall within the "San Juan Water District," shown in blue, are direct charged to Retail while all other service addresses are direct charged to Wholesale.

**Disposal costs** – Allocated based on the service being provided. The District's general trash service is allocated using equal cost sharing. Other services, such as solid waste removal are direct charged to the benefitting area.

**SUPPLIES AND MATERIALS** – Parts pulled from inventory for projects/maintenance for the field services department are charged directly to Retail. This makes up the majority of the costs related to supplies and material. Other supplies such as tools, office supplies, and furniture are charged to the department the supplies are for. Supplies for areas such as finance, admin, etc. are allocated using equal cost sharing.

**OPERATING CHEMICALS** – These expenses are charged directly to Wholesale.

**PCWA WATER & CHWD WHEELING CHARGES** – These expenses are charged directly to Wholesale.

**MAINTENANCE – FACILITY** – Expenses related to the field services are charged directly to Retail. Expenses related to administrative departments are allocated using equal cost sharing. Other expenses are charged directly to Wholesale.

**SOFTWARE SUPPORT** – These expenses are charged directly to Retail, Wholesale, or allocated based on the use of the software or the benefitting area.



**MEMBERSHIP DUES AND CERTIFICATES** – The District’s Memberships are direct charged to Retail, Wholesale, or a combination of the two based on the type of membership. Membership dues and certificates for individuals are allocated based on the employee’s labor allocation.

**INSURANCE**

**Liability** – These expenses are allocated using equal cost sharing.

**Property** – These expenses are allocated based on the percentage of the total net book value of the capital assets between Retail and Wholesale.

**BANK FEES**

**Credit Card Charges** – These expenses are charged directly to Retail.

**Other bank charges** – These expenses are allocated using equal cost sharing.

**ELECTION EXPENSE** – These expenses are allocated using equal cost sharing.

**BUREAU PUMPING (WAPA ENERGY)** – These expenses are charged directly to Wholesale.

**REGULATION COMPLIANCE** – These expenses are allocated based on the scope of work being performed.

**MAINTENANCE – PUMP STATIONS, RESERVOIRS & PRESSURE REDUCING STATIONS** – These expenses are charged directly to Retail.

**TELEPHONE** – Landlines and the answering service are allocated using equal cost sharing. Cell phone expenses are allocated based on the employee’s labor allocation.

**FUEL** – Unleaded is allocated based on the mileage of the vehicles that consume that fuel. Diesel, stored on site is direct charged to Retail as it is used exclusively by the Field Services Department. Diesel used by the Water Treatment Plant is purchased separately and direct charges to wholesale.

**POSTAGE AND SHIPPING** – The expenses related to the postage meter and the PO Box are allocated using equal cost sharing. Outgoing shipping costs are charged directly to the department shipping the package and incoming shipping costs are allocated using equal cost sharing.

Current Allocation of Labor Costs

Dept.	Position Title	Budgeted in FY20-21	Budgeted in FY21-22	# Budgeted	Budgeted in Fiscal Year 2022-2023			
					Wholesale Allocation	Retail Allocation	Wholesale FTE	Retail FTE
Executive	General Manager	1.00	1.00	1.00	90%	10%	0.90	0.10
	Water Resources Manager	1.00	1.00	1.00	90%	10%	0.90	0.10
	Information Technology Manager	1.00	1.00	1.00	50%	50%	0.50	0.50



Dept.	Position Title	Budgeted in FY20-21	Budgeted in FY21-22	# Budgeted	Wholesale Allocation	Retail Allocation	Wholesale FTE	Retail FTE
	Board Secretary/Administrative Assistant	1.00	1.00	1.00	50%	50%	0.50	0.50
	Total Executive	4.00	4.00	4.00			2.80	1.20
	<b>Finance and Administrative Services</b>							
	Director of Finance	1.00	1.00	1.00	50%	50%	0.50	0.50
	Senior Accountant 1	1.00	1.00	1.00	50%	50%	0.50	0.50
	Accountant	1.00	1.00	1.00	50%	50%	0.50	0.50
	Purchasing Agent Accounting Technician II	1.00	1.00	1.00	50%	50%	0.50	0.50
	Total Finance and Administrative Services	5.00	5.00	5.00			2.50	2.50
	<b>Customer Service</b>							
	Customer Service Manager	0.50	0.50	0.50	0%	100%	-	0.50
	Meter Technician	1.00	1.00	1.00	0%	100%	-	1.00
	Customer Service Technician I - III	3.00	3.00	3.00	0%	100%	-	3.00
	Total Customer Service	4.50	4.50	4.50			-	4.50
	<b>Engineering Service</b>							
	Engineering Services Manager	1.00	1.00	1.00	50%	50%	0.50	0.50
	Associate/Senior Engineer	1.00	1.00	1.00	50%	50%	0.50	0.50
	Engineering Technician III	1.00	1.00	1.00	40%	60%	0.40	0.60
	Construction Inspector III	1.00	1.00	1.00	50%	50%	0.50	0.50
	Total Engineering Service	4.00	4.00	4.00			1.90	2.10
	<b>Field Services (Distribution System)</b>							
	Field Services Manager	1.00	1.00	1.00	0%	100%	-	1.00
	Pump Station Lead	1.00	1.00	1.00	0%	100%	-	1.00
	Distribution Lead Worker	2.00	2.00	2.00	0%	100%	-	2.00
	Distribution Operator II - IV <sup>2</sup>	7.00	6.00	6.00	0%	100%	-	6.00
	Pump Station Technician/Mechanic	1.00	1.00	1.00	0%	100%	-	1.00
	Pump Station Operator <sup>2</sup>	-	1.00	1.00	0%	100%	-	1.00
	Utilities Coordinator	1.00	1.00	1.00	0%	100%	-	1.00
	Meter Maintenance Technician <sup>3</sup>	-	1.00	1.00	0%	100%	-	1.00
	Distribution Maint. Helper - PT/Temporary <sup>6</sup>	-	-	0.92	0%	100%	-	0.92
	Total Field Services	13.00	14.00	14.92			-	14.92



Dept.	Position Title	Budgeted in FY20-21	Budgeted in FY21-22	# Budgeted	Wholesale Allocation	Retail Allocation	Wholesale FTE	Retail FTE
<b>Operations</b>								
	Operations Manager	1.00	1.00	1.00	40%	60%	0.40	0.60
	Safety-Regulatory Compliance Coordinator	1.00	1.00	1.00	50%	50%	0.50	0.50
	CMMS/GIS Coordinator	1.00	1.00	1.00	25%	75%	0.25	0.75
	<b>Total Operations</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>			<b>1.15</b>	<b>1.85</b>
<b>Water Efficiency</b>								
	Customer Service Manager	0.50	0.50	0.50	0%	100%	-	0.50
	Water Efficiency Lead	1.00	1.00	1.00	25%	75%	0.25	0.75
	Water Efficiency Technician I - II	2.00	2.00	2.00	0%	100%	-	2.00
	<b>Total Water Efficiency</b>	<b>3.50</b>	<b>3.50</b>	<b>3.50</b>			<b>0.25</b>	<b>3.25</b>
<b>Water Treatment Plant</b>								
	Water Treatment Plant Manager	1.00	1.00	1.00	100%	0%	1.00	-
	Maintenance Chief	1.00	1.00	1.00	80%	20%	0.80	0.20
	Chief Operator	1.00	1.00	1.00	100%	0%	1.00	-
	Water Treatment Plant Operator IV	2.00	2.00	2.00	100%	0%	2.00	-
	Water Treatment Plant Operator III	2.00	2.00	2.00	100%	0%	2.00	-
	Water Treatment Plant Operator II	1.00	1.00	1.00	100%	0%	1.00	-
	Electrical & Instrumentation Technician	1.00	1.00	1.00	60%	40%	0.60	0.40
	Utilities Mechanic I - II <sup>4</sup>	1.00	1.00	1.00	100%	0%	1.00	-
	Utilities Maintenance Worker I - II <sup>5</sup>	1.00	1.00	1.00	80%	20%	0.80	0.20
	<b>Total Water Treatment Plant</b>	<b>11.00</b>	<b>11.00</b>	<b>11.00</b>			<b>10.20</b>	<b>0.80</b>
<b>Total Funded Full Time Equivalent (FTE)</b>		<b>48.00</b>	<b>49.00</b>	<b>49.92</b>			<b>18.80</b>	<b>31.12</b>

### Summary of Current Labor Allocations

SJWD Total FTE*		Budgeted	Wholesale	Retail
FY 2020-21	FY 2021-22	FY 2022-23	FY 2022-23	FY 2022-23
48.00	49.00	49.92	18.80	31.12
			37.66%	62.34%

\*Full Time Equivalent (FTE)



## MGT RECOMMENDATIONS

MGT’s recommendations are based on the information and underlying data that is currently available to SJWD. Should SJWD’s systems or underlying data change in the future, MGT would recommend SJWD evaluate the new information and adjust its cost allocation procedures accordingly.

The advantages of this approach in cost allocation are that it reinforces the District’s priority of treating all customers fairly. It also underscores the importance of a more “District wide” perception of fairness and equity by formalizing its cost allocation procedures. Finally, it acknowledges the practical obstacles that prevent perfect equity. The District recognizes this approach ultimately does not clearly define the terms “fair and equitable” and will still require the District to apply its discretion and judgment (Recommendation 1).

### Acceptable Allocation Bases & Methods

Allocation Bases	Explanation of Method	Applicable Cost Items	Currently Used by SJWD
Allocation of Employee Labor Costs	Allocates an employee’s labor costs and other benefits based on the employees’ actual working activity (derived from work order data and employee schedules), job responsibilities, and service provided.	Salaries and benefits and other personnel related expenditures such as medical, vision, uniforms, etc.	Yes
FTE Count	Expenses that have an employee facing function or benefit are commonly allocated based on the allocation between FTEs per the budget. (for reference: 37.66%/ 62.34%, Wholesale/Retail based on current FY 23 budgeted allocations)	Certain human resources expenses and certain professional fees	Not in FY 21-22 but has started in FY 22-23.



Allocation Bases	Explanation of Method	Applicable Costs Items	Currently Used by SJWD
Proportionate Share of Activity	Expenses that are based on usage, billings, workorders, and other statistical data are commonly allocated based on the proportionate share of the activity.	Software expenditures (such as GIS), legal and other professional services, energy costs, security, landscaping maintenance, custodial services, utilities expense, solar field, and other appropriate services and supplies.	Yes
Proportionate share of net book value (NBV) of capital assets	Expenses related to the capital asset maintenance or insurance are commonly allocated based on the proportionate share of NBV of capital assets.	Capital asset maintenance expense and property insurance	Yes
Proportionate share of total cash or investment balances	Expenses related to general banking and investing activities are commonly allocated based on the proportionate share of the total cash or investment balances.	Investment activity, general banking, and investment fees	Yes – District considers general banking and investment fees costs to be immaterial.
Equal Cost Sharing	There are cases in which the measure of how a service is provided or consumed is indistinguishable between Wholesale and Retail, in these cases an equal allocation to both beneficiaries are appropriate.	General expenses such as general trash service, miscellaneous supplies, non-specialized software expenses, postage, phone answering service, immaterial checking account fees, investment advisor and other appropriate services and supplies	Yes
Prior Year Expenditures Actuals	Expenses that are financial in nature are commonly allocated based on actual split of expenditures from the prior year.	Certain professional services	No



Allocation Bases	Explanation of Method	Applicable Costs Items	Currently Used by SJWD
Direct Charge to Wholesale or Retail	There are activities and costs that only benefit either wholesale or retail, exclusively. These activities and costs are fully direct charged to the program they benefit.	Credit card fees and lock box fees are direct charged to Retail as they relate to retail customers paying their bills. Wheeling charges are direct charged to Wholesale.	Yes

### MGT’s Recommended Use Cases of Allocation Bases (Recommendation 2)

Allocation Bases	Statical Metric	MGT Recommendation
Allocation of Employee Labor	Recommended FY 2023 Budgeted Labor Allocations – Examples: <u>Finance Director</u> Wholesale: 50% Retail: 50% <u>Maintenance Chief</u> Wholesale: 87% Retail: 13%	MGT recommends the District continue to use the Allocation of Employee Labor based on the fiscal year budgeted labor allocation. This allocation should apply to employee salaries, benefits, uniforms, employee specific memberships and certifications, and other employee specific expenses.
Total FTEs	Recommended FY 2023 Budgeted Total FTEs: Wholesale: 18.67 or 37% Retail: 31.25 or 63%	MGT recommends the District utilize this allocation basis for expenses that benefit each employee equally. Examples of such expenses would be district wide trainings, hiring a consultant to perform employee related procedures, the purchase of a human resources system, and other employee centric expenses that is human resource related or dependent on staffing or full-time employees. Only to be utilized in select circumstances when expense benefits each employee equally.



Allocation Bases	Statistical Metric	MGT Recommendation
Prior Year Expenditures Actuals	Prior Year Actual Expenditures: Wholesale: \$13,065,307 or 45% Retail: \$15,856,640 or 55%	MGT does not recommend the District utilize this basis. Actual expenditures each year are inconsistent based on several reasons, such as special projects and timing of expenses. Also, due to the financial reporting cycle, actual expenditure data would lag and not allow for timely accounting entries. The other recommended allocation bases provide more appropriate methods of allocations for the District.
Proportionate Share of Activity	Example: <u>GIS and CMMS Expenses</u> Wholesale: 25% Retail: 75%	MGT recommends the District continue to utilize this allocation basis for when item of cost has an identifiable statistical metric or a reasonable allocation of use. Expenses that have specific billings, workorder data, or usage metrics are applicable to this allocation basis.
Net Book Value of Capital Assets	Fiscal Year 2022 Net Book Value of Capital Assets: Wholesale: \$56,950,202 or 65% Retail: \$30,996,418 or 35%	MGT recommends the District continue to utilize this allocation basis for expenses related to when item of cost is related to capital or equipment such as property insurance and maintenance expenses.
Equal Cost Sharing	Equal cost sharing between Wholesale and Retail	MGT recommends the District continue to utilize this allocation basis for services consumed that are indistinguishable between Wholesale and Retail and for expenses which benefit Wholesale and Retail equally.



## Labor Allocations

Labor Allocations for the District vary from position to position, as well as the metrics and information available to support each individual allocation. While for some positions the District was able to provide work order data to support the allocation, in other cases that information was not available. Each position's allocation is unique based on the position's responsibilities, available metrics, and other available information and should be treated on a case-by-case basis.

SJWD does track time using timesheets for employees, but the practice does not allocate time between Retail or Wholesale activities. Timesheets are used to track worked time, paid time off, and overtime. Time is coded to projects when an external funding source is available. Total costs per pay period are allocated in the accounting system based upon the labor charges for each position. Given the size and the limited resources of the District, implementing a time tracking system to charge employee time between Wholesale and Retail activities would not be a cost-effective endeavor. The level of effort involved in tracking time in small increments between wholesale and retail would add unnecessary complexity and not provide SJWD with enough of a material change or improved accuracy of its labor allocation to justify the increase in effort and expenses that would be passed on to both Retail and Wholesale customers. These costs would be better used to enhance the services provided to Retail and Wholesale customers. Based on the supporting documents MGT received, SJWD current labor allocations are close to actual work loads. (Recommendation 3)

We received from the District time study information for the following positions: General Manager, Maintenance Chief, Electrical and Instrumentation Technician, Utilities Mechanic, and the Utilities Maintenance Worker. Our analysis for each position reviewed is documented below. Our recommendations listed below will only adjust the total FTEs allocated between Wholesale and Retail by one-twelfth of an FTE. MGT does not recommend performing a time study for each position yearly; however, should an employee's job description, responsibilities, or capabilities materially change from its current form, MGT would recommend SJWD perform a time study or other performance-based study to ensure the employee's labor allocation accurately reflects his or hers updated workload. (Recommendations 4 and 5)

Since beginning this project, SJWD has also reviewed its labor allocations of certain positions. After reviewing the new proposed 10-year CIP from the wholesale financial plan, it appears the Engineering Services Construction Inspector III's allocation of 50%/50% needs to be updated. SJWD has reasonably decided to change the labor allocation for this position to 75% Retail and 25% Wholesale due to the larger Wholesale projects being performed by consultants. The "Allocation of Labor Costs – After Recommendations" table below has been updated to reflect the change in this position.



**Summary of Labor Cost Allocations Recommendations**

Position	Current Labor Allocation	Recommended Labor Allocation
General Manager	90% Wholesale/ 10% Retail	85% Wholesale/ 15% Retail
Maintenance Chief	80% Wholesale/ 20% Retail	87% Wholesale/ 13% Retail
Electrical and Instrumentation Technician	60% Wholesale/ 40% Retail	60% Wholesale/ 40% Retail
Utilities Mechanic	100% Wholesale/ 0% Retail	95% Wholesale/ 5% Retail
Utilities Maintenance Worker	80% Wholesale/ 20% Retail	95% Wholesale/ 5% Retail

**General Manager** – We interviewed the General Manager and performed an analysis of his meetings and emails for a six-month period. The analysis of his meetings and emails was comprised of the number of hours and number of emails allocated between Wholesale, Retail, or both based on the topic of discussion for each meeting and email. After our review of the six months, we noted his time was allocated 85% Wholesale and 15% Retail. This allocation considers his direct reports’ labor allocations as well. Meetings and emails with the Water Resources Manager were weighted 90%/10%, Wholesale/Retail, while meetings and emails with the Operations Manager were weighted 40%/60%, Wholesale/Retail. The SJWD has staff to handle the day-to-day operations at the district. Though SJWD does not have a large staff, they are able to perform duties without micromanagement from the General Manager. As seen in the review of his meeting schedule and email log, the General Manager spends much of his time attending to the needs of the wholesale customers. While the previous labor allocation of 90%/10% for the General Manager is close to the analysis, we recommend changing the General Manager’s labor allocation to be in line with the time study analysis which is 85% Wholesale and 15% Retail.

General Manager Current		General Manager Recommended	
Wholesale	Retail	Wholesale	Retail
90%	10%	85%	15%
Basis	Board Budget, Estimated Relative Effort	Basis	An analysis of GM’s daily activities based on meeting and email data.

**Maintenance Chief** – We interviewed the Maintenance Chief and performed an analysis of the work orders he worked on for the fiscal year 2021-2022. We received workorder data from July 2021 through September 2022. After review of this data over the prior 14 months, the work orders were approximately 99% Wholesale. These work orders accounted for approximately 6% of his total working hours over the 14-month period. The Maintenance Chief also oversees the Electrical and Instrumentation Technician, Utilities Mechanic, and the Utilities Maintenance Worker. Using a weighted average, allocating 25% towards the analysis of work order data and 75% towards the average labor allocation for his direct reports, we calculated the labor allocation for the Maintenance Chief to be 87% Wholesale and 13% Retail. We recommend SJWD change the labor cost allocation for the Maintenance Chief position to 87% Whole and 13% Retail, as this allocation considers both his workorder analysis and the responsibilities of the employees his position oversees.



Maintenance Chief Current		Maintenance Chief Recommended	
Wholesale	Retail	Wholesale	Retail
80%	20%	87%	13%
Basis	Board Budget, Estimated Relative Effort	Basis	A weighted average of the MC's activities based on workorder data and the direct reports he oversees.

**Electrical and Instrumentation Technician** – We interviewed the Electrical and Instrumentation Technician and performed an analysis of the work orders he worked on for the fiscal year 2021-2022. We received workorder data from June 2020 through September 2022. After review of these 15 months, the workorders were allocated 61%/39%, Wholesale to Retail. These work orders accounted for approximately 51% of his total working hours over the 15-month period. The Electrical and Instrumentation Technician’s current labor cost allocation is 60%/40%, Wholesale to Retail. We recommend SJWD keep its current labor cost allocation as it matches our analysis performed over the period reviewed.

Electrical and Instrumentation Tech. Current		Electrical and Instrumentation Tech. Recommended	
Wholesale	Retail	Wholesale	Retail
60%	40%	60%	40%
Basis	Board Budget, Estimated Relative Effort	Basis	Work order data analysis revealed 61% Wholesale, 39% retail. Current labor allocation appears reasonable.

**Utility Mechanic** – We interviewed the Utility Mechanics and performed an analysis of the work orders he worked on for fiscal year 2021-2022. We received work order data for approximately 12 months. After review of these 12 months, the work orders were allocated 90%/10%, Wholesale to Retail. These work orders account for approximately 32% of his total working hours over the 12-month period. The Utility Mechanic’s current labor cost allocation is 100% to Wholesale. We recommend San Juan Water District change the Utility Mechanic’s labor cost allocation to 95%/5%. While the Utility Mechanic’s time is not 100% benefiting Wholesale, we believe only a 5% allocation to Retail would be reasonable given employee’s responsibilities.

Utility Mechanic Current		Utility Mechanic Recommended	
Wholesale	Retail	Wholesale	Retail
100%	0%	95%	5%
Basis	Board Budget, Estimated Relative Effort	Basis	Work order data analysis revealed 90% were benefiting Wholesale. However, based on the employees' responsibilities an allocation of 95%/5% is reasonable.

**Utility Maintenance Worker** – We interviewed the Utility Maintenance Worker and performed an analysis of the workorders he worked on for the fiscal year 2021-2022. We received work order data for approximately 17 months of work. After his review of these 17 months, the workorders were allocated 99%/1%, Wholesale to Retail. These work orders account for approximately 53% of his total working hours over the 17-month period. Based on the responsibilities of the Utility Maintenance Worker, an allocation of 99%/1% would not be reasonable; however, like the Utility Mechanic, an allocation of 95% Wholesale and 5% Retail would be reasonable. We recommend that San Juan Water District change the labor cost allocation for the Utility Maintenance Worker position to 95%/5%.

Utility Maint. Worker Current		Utility Maint. Worker Recommended	
Wholesale	Retail	Wholesale	Retail
80%	20%	95%	5%
Basis	Board Budget, Estimated Relative Effort	Basis	Work order data analysis revealed 99% Wholesale, 1% Retail. However, based on the employee's responsibilities an allocation of 95%/5% is reasonable.



## Allocation of Labor Costs – After Recommendations

Dept.	Position Title	Budgeted in FY20-21	Budgeted in FY21-22	# Budgeted	Recommended for Fiscal Year 2022-2023			
					Wholesale Allocation	Retail Allocation	Wholesale FTE	Retail FTE
<b>Executive</b>								
	General Manager	1.00	1.00	1.00	85%	15%	0.85	0.15
	Water Resources Manager	1.00	1.00	1.00	90%	10%	0.90	0.10
	Information Technology Manager	1.00	1.00	1.00	50%	50%	0.50	0.50
	Board Secretary/Administrative Assistant	1.00	1.00	1.00	50%	50%	0.50	0.50
	<b>Total Executive</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>			<b>2.75</b>	<b>1.25</b>
<b>Finance and Administrative Services</b>								
	Director of Finance	1.00	1.00	1.00	50%	50%	0.50	0.50
	Senior Accountant <sup>1</sup>	1.00	1.00	1.00	50%	50%	0.50	0.50
	Accountant	1.00	1.00	1.00	50%	50%	0.50	0.50
	Purchasing Agent Accounting Technician II	1.00	1.00	1.00	50%	50%	0.50	0.50
	<b>Total Finance and Administrative Services</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>			<b>2.50</b>	<b>2.50</b>
<b>Customer Service</b>								
	Customer Service Manager	0.50	0.50	0.50	0%	100%	-	0.50
	Meter Technician Customer Service	1.00	1.00	1.00	0%	100%	-	1.00
	Technician I - III	3.00	3.00	3.00	0%	100%	-	3.00
	<b>Total Customer Service</b>	<b>4.50</b>	<b>4.50</b>	<b>4.50</b>			<b>-</b>	<b>4.50</b>
<b>Engineering Service</b>								
	Engineering Services Manager	1.00	1.00	1.00	50%	50%	0.50	0.50
	Associate/Senior Engineer	1.00	1.00	1.00	50%	50%	0.50	0.50
	Engineering Technician III	1.00	1.00	1.00	40%	60%	0.40	0.60
	Construction Inspector III	1.00	1.00	1.00	25%	75%	0.25	0.75
	<b>Total Engineering Service</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>			<b>1.65</b>	<b>2.35</b>
<b>Field Services (Distribution System)</b>								
	Field Services Manager	1.00	1.00	1.00	0%	100%	-	1.00
	Pump Station Lead	1.00	1.00	1.00	0%	100%	-	1.00
	Distribution Lead Worker	2.00	2.00	2.00	0%	100%	-	2.00
	Distribution Operator II - IV <sup>2</sup>	7.00	6.00	6.00	0%	100%	-	6.00
	Pump Station Technician/Mechanic	1.00	1.00	1.00	0%	100%	-	1.00





Dept.	Position	Budgeted in FY20-21	Budgeted in FY21-22	# Budgeted	Wholesale Allocation	Retail Allocation	Wholesale FTE	Retail FTE
	Pump Station Operator <sup>2</sup>	-	1.00	1.00	0%	100%	-	1.00
	Utilities Coordinator	1.00	1.00	1.00	0%	100%	-	1.00
	Meter Maintenance Technician <sup>3</sup>	-	1.00	1.00	0%	100%	-	1.00
	Distribution Maint. Helper - PT/Temporary <sup>6</sup>	-	-	0.92	0%	100%	-	0.92
	Total Field Services (Distribution System)	13.00	14.00	14.92			-	14.92
<b>Operations</b>								
	Operations Manager	1.00	1.00	1.00	40%	60%	0.40	0.60
	Safety-Regulatory Compliance Coordinator	1.00	1.00	1.00	50%	50%	0.50	0.50
	CMMS/GIS Coordinator	1.00	1.00	1.00	25%	75%	0.25	0.75
	Total Operations	3.00	3.00	3.00			1.15	1.85
<b>Water Efficiency</b>								
	Customer Service Manager	0.50	0.50	0.50	0%	100%	-	0.50
	Water Efficiency Lead	1.00	1.00	1.00	25%	75%	0.25	0.75
	Water Efficiency Technician I - II	2.00	2.00	2.00	0%	100%	-	2.00
	Total Water Efficiency	3.50	3.50	3.50			0.25	3.25
<b>Water Treatment Plant</b>								
	Water Treatment Plant Manager	1.00	1.00	1.00	100%	0%	1.00	-
	Maintenance Chief	1.00	1.00	1.00	87%	13%	0.87	0.13
	Chief Operator	1.00	1.00	1.00	100%	0%	1.00	-
	Water Treatment Plant Operator IV	2.00	2.00	2.00	100%	0%	2.00	-
	Water Treatment Plant Operator III	2.00	2.00	2.00	100%	0%	2.00	-
	Water Treatment Plant Operator II	1.00	1.00	1.00	100%	0%	1.00	-
	Electrical & Instrumentation Technician	1.00	1.00	1.00	60%	40%	0.60	0.40
	Utilities Mechanic I - II <sup>4</sup>	1.00	1.00	1.00	95%	5%	0.95	0.05
	Utilities Maintenance Worker I - II <sup>5</sup>	1.00	1.00	1.00	95%	5%	0.95	0.05
	Total Water Treatment Plant	11.00	11.00	11.00			10.37	0.63
<b>Total Funded Full Time Equivalent (FTE)</b>		<b>48.00</b>	<b>49.00</b>	<b>49.92</b>			<b>18.67</b>	<b>31.25</b>

Budgeted FTEs	Wholesale FTEs based on recommendations	Retail FTEs based on recommendations
2022-23	2022-23	2022-23
49.92	18.67	31.25
	37.40%	62.60%



## Note on 50/50 and 60/40 Labor Allocations

**Labor Allocations 50/50** - SJWD has two main programs/activities, Wholesale and Retail water delivery. In some instances, an employee’s responsibilities are to the benefit of both Wholesale and Retail equally, such as the IT Manager and the Engineering Manager, whose responsibilities ensure systems and operations are maintained to reliably serve Wholesale and Retail customers. In other instances, an employee’s responsibilities serve both Wholesale and Retail but a metric to allocate the employee’s time between Wholesale and Retail is unavailable, the metric available doesn’t reasonably measure the positions relative work effort, or it is unreasonable to calculate due to the time and costs of the endeavor. The time expended and costs incurred would not provide a material change and ultimately would waste the already limited resources of SJWD and increase the costs passed on to both Wholesale and Retail customers. Equal cost sharing or allocating the labor between Retail and Wholesale equally for these positions appear to be reasonable and the most cost effective for both Retail and Wholesale customers. However, should a metric become available that reasonably reflect an employee’s relative work effort, MGT would recommend the District document this and update its labor allocations accordingly. (Recommendation 5 continued)

**Labor Allocations 60/40** – SJWD has three employees with a 60%/40% allocation between either Retail or Wholesale. The Electrical and Instrumentation Technician’s allocation was proven to be reasonable in our review of work order data, see analysis above. The Operations Manager oversees both the field services and water treatment plant employees. Given those responsibilities and the allocated FTEs are 10.35 and 15.57, Wholesale and Retail respectively, the 40%/60% allocation between Wholesale and Retail appears reasonable. The other position with a 40%/60% allocation is the Engineer Technician III. The other employees in the engineering department are equally allocated 50%/50%; however, the Engineer Technician III is responsible for running all GIS reports. Though the GIS system is used for both Wholesale and Retail, the use of the GIS tends to be more for the Retail area thus the Engineer Technician III labor allocation is shifted reasonably more towards Retail.

## Summary of Recommendations

Recommendation	Topic	Summary
1	Cost Allocation Approach	While this cost allocation approach does not provide perfect allocations, this approach does provide SJWD and its customers a fair and equitable process to follow.
2	Recommended Allocation Methods	Allocation of employee labor, total FTEs, proportionate share of activity, net book value of capital assets, and equal cost sharing are all acceptable allocation methods that can be used by SJWD. The District should evaluate each expense and, using management’s best judgement, choose the allocation method that suits the expense.
3	Time Tracking	Time tracking for each position down to the minute, or 15 minutes, does not appear to be an appropriate method for everyday use for the District. The resources required to implement and maintain this practice would be better spent on areas that would improve the District’s services to its customers.



Recommendation	Topic	Summary
4	Labor Metrics Reviewed	After reviewing metrics provided by the District for the five positions, we recommend SJWD update four of the five labor cost allocations. However, our recommendations are not dramatic shifts from the District’s current allocations.
5	Updating Labor Allocations	The District already evaluates labor allocations each year through its budget process; however, SJWD should evaluate labor allocations as responsibilities, capabilities, and personnel change.

## Note on Issues Outside the Scope of the Cost Allocation Project - Capital Assets and Ground Water Projects

MGT does not offer an opinion on any of the topics discussed below, nor do the items below have an impact on our recommendations and overall project objectives. However, over the course of this project, MGT was made aware of and asked to review or comment on other topics outside of the scope of the cost allocation project. These topics are discussed below:

**Capital Assets** - Currently, the District does not capitalize direct labor or indirect costs when constructing or preparing a new asset for its intended use. While this may not have a material effect on the District’s financial statements it does understate the value of the asset, the yearly depreciation expense, and the calculated future replacement costs. However, after reviewing the District’s accounting for capital assets that were constructed for the benefit Wholesale, Retail, or both, we confirmed that the District’s accounting practices are consistently applied across capital assets. No capital assets were being charged direct labor or indirect costs. The three projects MGT reviewed were:

- Admin Building Electrical Improvement;
- Bacon Pump Station Generator Replacements; and
- Hinkle Reservoir Cover.

**Ground Water Projects** - As MGT discussed and concluded its cost allocation project it became clear there was friction between the District and its wholesale stakeholders over groundwater projects. Comments were made and the focus drifted far away from cost allocation. It needs to be clear that this MGT project was not intended to determine the requirement of those projects and cost the corresponding cost sharing. MGT’s scope did not include approving any methodology for new or future capital projects nor determining project responsibility and funding source. MGT recommends that all parties coordinate discussions about those projects openly, agree to cost sharing as directed by past practices, existing written agreements, or newly formed agreements and do so before the projects are started.

## STAFF REPORT

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To: Board of Directors

From: Devon Barrett, Customer Service Manager

Date: September 27, 2023

Subject: Introduce Ordinance No. 23-01 which amends Ordinance 18000.03.5 to facilitate delinquent account collection changes

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### RECOMMENDED ACTION

Staff requests that the Board of Directors introduce and waive the first reading of Ordinance No. 23-01 – An Ordinance of the Board of Directors of the San Juan Water District – amending Ordinance No. 18000.03.5 of the District Code of Ordinances, to introduce tax roll lien processing as a means of collecting delinquencies. A Public Hearing will be conducted at the October Board meeting for consideration of adoption of Ordinance No. 23-01.

### BACKGROUND

The District's Ordinances and Policies are written with the intent of utilizing discontinuance of service as the primary means of collecting delinquent water account balances. Ordinance 18000.03.4 states "Continuation of service to a delinquent account will be permitted only as set forth in the Policy, adopted and amended from time to time by the Board of Directors...". In section 18000.05.5 the ordinance allows the District to place a lien against the property for delinquent service charges, referencing Government Code Section 54354.

Board Policy Fin-5.10 applies to the disconnection of residential water service for nonpayment. It states that the "District shall not disconnect residential water service for nonpayment of a service bill until a customer's payment has been delinquent for 60 days. This policy was created December 11, 2019 in response to Senate Bill 998 (SB998), which went into effect in early 2020. SB998 necessitated modifications to the District's disconnection process. These changes included: extending the period of delinquency prior to disconnection eligibility; requiring strict notice language adherence; requiring District staff to enter into amortization agreements; increased state reporting requirements; significant daily fines levied against the District for failing to comply. These and other changes have made the disconnection process much more time and cost intensive.

At the direction of the Board, Staff began implementing a full cost recovery strategy several years ago to ensure that delinquent customers paid their full share of the time it takes to manage and collect their delinquencies. This resulted in a large increase in the fees passed along to delinquent owners. At the time of this report, the total fees charged to have service reconnected are in excess of \$200. In some circumstances, this means

the fees charged are more than the original bill. While this cost recovery strategy has appropriately prevented timely bill payers from subsidizing delinquent payers, it has also greatly increased the tension between staff and homeowners involved in the disconnect process.

The District has historically used service disconnections as the primary means to collect delinquent balances on retail accounts. Process changes brought about by SB 998 and the escalating impact on Customer Service and Field Services staff have prompted staff to prepare this recommendation for change.

### **CURRENT STATUS**

Due to the referenced changes and the potential for more in the near future, staff began researching alternatives to service disconnections. We became aware that a number of local agencies, including Sacramento Suburban Water District, Citrus Heights Water District, and El Dorado Irrigation District, use a tax roll lien process as a means to collect their delinquent balances.

Some of the benefits for adopting tax roll liens as the primary means of collection are:

- **Safety:** There is an inherent confrontational nature to service disconnections, particularly those prompted by delinquent balances. The passive nature of collection through an annual tax roll lien process would effectively put an end to this tension.
- **Efficiency:** While there would be staff time involved with implementing and carrying out this new process, it would be limited to twice a year whereas service disconnections are currently a monthly process.
- **Owner Impact:** A tax roll lien process would greatly reduce the staff time spent on the collection of delinquent balances. These costs are passed on to property owners so it would ultimately result in cost savings for them. Another consideration is that in 2017, the three credit bureaus decided to remove all tax liens from credit reports.

Some of the drawback include:

- A delay in receipt of the delinquent balances for the properties that have a lien filed.
- The potential for an increase in uncollectable balance resulting from a sale or foreclosure towards the end of the lien process.

The change to Ordinance 18000.03.5 would be the addition of the Tax Roll Lien process as an option for the collection delinquent balances as well as the steps required by Government Code 61115. The change to Policy Fin-5.10 would be the addition of tax roll liens as an option for the collection of delinquent water charges.

These changes would be published prior to the October Board Meeting and Ordinance 23-01 would be brought back to the Board at the October meeting for final adoption.

### **ATTACHMENTS**

Attached to this report is Amending Ordinance 23-01 with an attached redline-strikeout as well as a clean version of Ordinance 18000 Issuance and Payment of Water Bills. The proposed changes to Policy FIN-5.10 Disconnection of Residential Water Service for Nonpayment Policy will be provided at the October Board meeting.

### **FINANCIAL CONSIDERATIONS**

There will be a delay in receipt of the delinquent balances for the properties have a lien filed. Staff estimates this amount to be around \$50,000. All additional costs would be passed along to the property owners responsible for the delinquent balances.

**ORDINANCE NO. 23-01**

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF  
THE SAN JUAN WATER DISTRICT AMENDING  
ORDINANCES NO. 18000**

The Board of Directors of the San Juan Water District ordains as follows:

**Section 1. Purpose and Authority.** The purpose of this ordinance is to amend section 3.5 of Ordinance 18000. This ordinance is adopted pursuant to Government Code section 61060, and other applicable law.

**Section 2. Amendments.** Ordinances No. 18000 (Issuance and Payment of Water Bills) are hereby amended as depicted in the redline versions that are attached to this ordinance as Exhibit 1 and are incorporated into this ordinance by reference.

**Section 3. Effective Date.** These ordinances shall take effect 30 days after its adoption.

**Section 4. Publication.** Within 15 days from the date of adoption of this ordinance, the Board Secretary shall publish it once in a newspaper of general circulation published and circulated within the District.

INTRODUCED by the Board of Directors on the 27th day of September 2023.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District at a regular meeting on the 25<sup>th</sup> day of October 2023 by the following vote:

AYES:

NOES:

ABSENT:

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Dan Rich  
President, Board of Directors

Attest:

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TERI GRANT  
Board Secretary

Ordinance Type	District Operations	Date Adopted	June 28, 2006
Ordinance Number & Title	18000 - Bills for Water Service	Date Amended	<del>February 1, 2020</del> <u>October 25, 2023</u>

## 18000.01 Bills For Water Service

### 18000.01.1 Issuance of Bills

Bills for water service or other charges will be mailed or presented in the month following the water meter reading and/or the applicable charges have been determined. Issuance shall be every other month. Final bills for sale of property are exempt from this billing cycle.

### 18000.01.2 Fixed Base Charge

Billing for water service includes a fixed base charge that primarily funds fixed costs. This typically includes facilities, infrastructure maintenance, debt service, customer service, and other similar needs that have to be paid for regardless of how much water is delivered to customers. The fixed base charge is due regardless of whether any water is actually used. Customers whose service has been discontinued in accordance with section 18000.03 or has requested that their service be discontinued in accordance with District ordinance section 17000.05 will not be assessed the fixed base charge for months subsequent to discontinuance.

### 18000.01.3 Consumption Charge

Billing for water service includes a consumption charge that primarily funds the expenses to the District necessary for the purchase and distribution of water to customers. The consumption charge, as set forth in the District's most current rate study, is assessed for each one-hundred cubic feet (CCF) of water actually consumed.

### 18000.01.4 Billing Periods

Bills for general water service generally will be rendered bi-monthly by the District. Bills for special water services (temporary water service, construction water, fire hydrant use) may be rendered more frequently. Special meter readings will be made for opening or closing billing purposes.



### **18000.01.5 Billing on Non-Owner-Occupied Residences**

California Government Code section 54347 authorizes public agencies to collect charges from property owners for services to tenants on those properties. Therefore, with the property owner's authorization, evidenced by a signed Landlord/Tenant Agreement from the legal owner of the property, and a deposit that meets the requirements of District ordinance section 15000.01, the District shall provide a bill copy to the service address for water service. However, the property owner shall be responsible to pay any charges not paid by the tenant. The District shall not share any account information with the tenant, other than the outstanding balance, in the absence of a completed Landlord/Tenant Agreement application which imposes primary responsibility to pay the water bill on the tenant.

### **18000.01.6 Back Billing**

If a customer uses water for which no bills have been issued for more than one billing cycle, and a beginning meter reading is not available, the customer will be billed the fixed base charge for the period plus a consumption charge calculated from the average water usage over the most recent six billing cycles. This amount, which shall not be less than the base charge if no billing history is available, will be billed to the customer based on the number of billing cycles the customer has been occupying or in possession of the premises without paying bills.

### **18000.01.7 Refunds**

If a customer is erroneously overcharged for service, the District may refund any overage paid by the customer up to two years.

### **18000.01.8 Disputed Charges**

When a customer disputes the amount of a bill for any reason, the customer should contact the District office. If the bill is disputed, to avoid discontinuance of water service, the customer must deposit at the District office, before the disconnect date, the full amount of the disputed bill or proof of previous payment of the disputed bill with a letter setting forth the basis for the dispute and requesting a review by the Finance Director or General Manager. The Finance Director or General Manager's findings and decisions will be final and binding. If the customer's complaint concerns the meter, he or she may request that his or her meter be tested pursuant to Section 17000.07.2 Meter Testing of the District's most current water ordinance. Nothing in this section is intended to affect a customer's rights under Health & Safety Code section 116900 and following and the District's Policy on Discontinuation of Residential Water Service for Nonpayment ("Policy") implementing those rights.

### **18000.01.9 Due Date**

Each statement issued by the District for such charges shall be due and payable on the date of issuance or other presentation to the Customer.

### **18000.01.10 Final Payment Date**

Bills become delinquent and subject to discontinuation of service if not paid within 60 days from the bill issuance date.

## **18000.02 Payment of Charges**

- A. **Payment Responsibility:** The District is required to continue providing water service to each Premises or Parcel connected to the District water system as long as each such Premises or Parcel pays its fair share of the costs of receiving the service and such fair share of costs are chargeable to and run with each Premises or Parcel receiving District water service. Therefore, payment of all water service rates, fees and charges shall be the responsibility of the owner of record of the subject Premises or Parcel and payment of all charges is an obligation of ownership of a Premises or Parcel. As such, any subsequent owner of a Premises or Parcel is responsible for paying any unpaid or delinquent fees, rates and charges due on a Premises or Parcel that are in any way connected to District water service as a condition of service being continued to the Premises or Parcel. A change in ownership does not terminate any outstanding rates, fees and charges due for previous water service to said parcel, whether or not those rates, fees and charges were incurred by the present Premises or Parcel owner or a previous owner or tenant.
- B. **Crediting of Payment:** Payments shall be credited to a Customer's account when cash, an electronic funds transfer, a check drawn on an account with sufficient funds a money order or a Visa or MasterCard payment has been received by the District at the District business office during regular office hours. Deposit of payment in the mail shall be credited to a Customer's account when received at the District's business office.
- C. **Dishonored Payment Charge:** A returned item charge as set forth in the District's current Schedule of Rates, Fees, Charges, and Deposits shall be added to a Customer's account in each instance where payment has been made to the District that has been returned to the District by the bank upon which it is drawn.
- D. The District offers an average monthly or equalized payment plan to balance water bills that can fluctuate seasonally. The equalized amount is based on the customer's average consumption during the current 12-month period. Average monthly or equalized payment plans are reconciled annually and adjusted as needed.
- E. The District offers online bill presentment and payment to Customers who wish to view their bill and/or pay by check or Visa or MasterCard via the internet.
- F. Customers may make payment arrangements with the District. Defaulting on a payment arrangement may lead to disconnection of service.

## **18000.03 Delinquent Accounts**

### **18000.03.1 For Non-Payment of Charges**

Except as otherwise prohibited by law, a delinquent account from a Premises within the District will be applied to a new account opened by the same Customer for a different Premises, and the District may require payment of the delinquent amount (plus penalties and interest) as a condition of opening the new account, or the District may pursue any other remedy for collection of delinquent accounts provided for in this Code or other District rule, regulation or policy, or applicable state and federal law.

### **18000.03.2 Late-Payment Charge**

A late-payment charge shall be added to each delinquent account upon preparation of an Intent to Disconnect Notice. When a late-payment charge is imposed, such charge shall be added to the account as of the date the notice is prepared, and such charge shall become part of the amount due at that time. The current late-payment fee amount is set forth in the District's Schedule of Rates, Fees, Charges, and Deposits. The District may, at its discretion, apply a late-payment charge upon other reasonable notification to Customer for connections where a door hanger cannot be delivered (i.e. connections for irrigation service or for residences or commercial buildings under construction.)

### **18000.03.3 Partial Payment on Delinquent Accounts**

A partial payment on a delinquent account may be accepted and credited to a Customer's account. The partial payment shall not cause removal of the account from an existing delinquent status or preclude assessment of fees and charges for delinquent payment, nor shall the partial payment preclude the meter/service from being turned off for delinquency or cause duly disconnected service to be restored.

### **18000.03.4 Discontinuation of Service to Delinquent Accounts**

- A. Discontinuation of Service: Continuation of service to a delinquent account will be permitted only as set forth in the Policy, adopted and amended from time to time by the Board of Directors, if financial arrangements have been established in accordance with the Policy.
- B. Requirement of Deposit: If a Customer permits his or her account to become delinquent, the General Manager or his/her designee may require the Customer to make a deposit in accordance with the provisions of Section 15000 of this Code.

### 18000.03.5 Lien for Delinquent Charges

1. To the extent permitted by law, the District may file with the Placer or Sacramento County Recorder a Notice of Lien (whichever is the County in which the property is located), setting forth the legal description of the property, the amount of the obligation owed, specifying that the same is owed to the District, and that all delinquent service charges, together with late fees, penalties and interest, are a lien against the Premises to which the service was provided in accordance with Government Code Section 54354 and Government Code Section 61115. Such liens specifically includes collection by the local County Tax Collector on the Property Tax Roll in the same manner as property taxes.-
2. All outstanding account balances, interest and lien release charges (if applicable) must be paid in full prior to re-establishing service in the owner's name at the same, or different property within the boundaries of the District.
3. Current accounts that have incurred a large amount of fines, or the owner that maintains the account has refused to pay any balance owed and the District may be placed in a position of incurring bad debt may have a lien placed against the property being served by the District until the balance associated with those charges is paid in full.
4. Prior to the collection of lien for delinquent accounts, the District will adhere to the procedures set forth in Government Code Section 61115.
  - a. Report Filed: The General Manager, or his or her designee, shall prepare and file with the Board of Directors a report that describes each affected parcel of real property and the amount of charges and delinquencies for each affected parcel for the year.
  - b. Notice of Intent to Record a Lien: The General Manager, or his or her designee, shall give notice of the filing of the report and of the time and place for a public hearing by publishing the notice pursuant to Government Code Section 6066 in a newspaper of general circulation, and by mailing the notice to the owner of each affected parcel.
  - c. Public Hearing: At the public hearing, the Board of Directors shall hear and consider any objections or protests to the report. At the conclusion of the public hearing, the Board may adopt or revise the charges and penalties.

d. Determination: The Board of directors shall make its determination on each affected parcel and its determinations shall be final.

-e. Implementation of the Lien: On or before August 10 of each year following these determinations, the General Manager, or his or her designee, shall file with the county auditor a copy of the final report adopted by the Board of Directors. The County Auditor shall enter the amount of the charges and penalties against each of the affected parcels of real property as they appear on the current assessment roll. The County Tax Collector shall include the amount of the charges and penalties on the tax bills for each affected parcel of real property and collect the charges and penalties in the same manner as property taxes.

### **18000.03.6 Reinstatement of Water Service Under Delinquent Accounts**

Water service accounts terminated for non-payment shall be reinstated as provided in the Policy.

### **18000.04 Termination of Master Meter Accounts**

This Section applies to termination of water service through a master meter, or through individually-metered service in a multi-unit residential structure or mobile home park, where the owner or manager, is listed by the District as the Customer of record of the service. Termination and reinstatement of such accounts will be in accordance with the Policy. A Person subject to a master metered account that was not directly billed by the District, who opens an individual service accounts after the termination of a master metered account, shall be subject to all applicable provisions of this Code and all other applicable District rules, regulations, and policies.

#### **Revision History:**

Revision Date	Description of Changes	Requested By
6/25/08	Ord. 08-001 repealed all prior ordinances	
12/11/19	Ord. 19-01 revisions to comply with SB 998	Lisa Brown, Customer Service Manager
<u>10/25/23</u>	<u>Ord. 23-01 Revision to Lien Processing</u>	<u>Devon Barrett, Customer Service Manager</u>

Ordinance Type	District Operations	Date Adopted	June 28, 2006
Ordinance Number & Title	18000 - Bills for Water Service	Date Amended	October 25, 2023

## 18000.01 Bills For Water Service

### 18000.01.1 Issuance of Bills

Bills for water service or other charges will be mailed or presented in the month following the water meter reading and/or the applicable charges have been determined. Issuance shall be every other month. Final bills for sale of property are exempt from this billing cycle.

### 18000.01.2 Fixed Base Charge

Billing for water service includes a fixed base charge that primarily funds fixed costs. This typically includes facilities, infrastructure maintenance, debt service, customer service, and other similar needs that have to be paid for regardless of how much water is delivered to customers. The fixed base charge is due regardless of whether any water is actually used. Customers whose service has been discontinued in accordance with section 18000.03 or has requested that their service be discontinued in accordance with District ordinance section 17000.05 will not be assessed the fixed base charge for months subsequent to discontinuance.

### 18000.01.3 Consumption Charge

Billing for water service includes a consumption charge that primarily funds the expenses to the District necessary for the purchase and distribution of water to customers. The consumption charge, as set forth in the District's most current rate study, is assessed for each one-hundred cubic feet (CCF) of water actually consumed.

### 18000.01.4 Billing Periods

Bills for general water service generally will be rendered bi-monthly by the District. Bills for special water services (temporary water service, construction water, fire hydrant use) may be rendered more frequently. Special meter readings will be made for opening or closing billing purposes.

### **18000.01.5 Billing on Non-Owner-Occupied Residences**

California Government Code section 54347 authorizes public agencies to collect charges from property owners for services to tenants on those properties. Therefore, with the property owner's authorization, evidenced by a signed Landlord/Tenant Agreement from the legal owner of the property, and a deposit that meets the requirements of District ordinance section 15000.01, the District shall provide a bill copy to the service address for water service. However, the property owner shall be responsible to pay any charges not paid by the tenant. The District shall not share any account information with the tenant, other than the outstanding balance, in the absence of a completed Landlord/Tenant Agreement application which imposes primary responsibility to pay the water bill on the tenant.

### **18000.01.6 Back Billing**

If a customer uses water for which no bills have been issued for more than one billing cycle, and a beginning meter reading is not available, the customer will be billed the fixed base charge for the period plus a consumption charge calculated from the average water usage over the most recent six billing cycles. This amount, which shall not be less than the base charge if no billing history is available, will be billed to the customer based on the number of billing cycles the customer has been occupying or in possession of the premises without paying bills.

### **18000.01.7 Refunds**

If a customer is erroneously overcharged for service, the District may refund any overage paid by the customer up to two years.

### **18000.01.8 Disputed Charges**

When a customer disputes the amount of a bill for any reason, the customer should contact the District office. If the bill is disputed, to avoid discontinuance of water service, the customer must deposit at the District office, before the disconnect date, the full amount of the disputed bill or proof of previous payment of the disputed bill with a letter setting forth the basis for the dispute and requesting a review by the Finance Director or General Manager. The Finance Director or General Manager's findings and decisions will be final and binding. If the customer's complaint concerns the meter, he or she may request that his or her meter be tested pursuant to Section 17000.07.2 Meter Testing of the District's most current water ordinance. Nothing in this section is intended to affect a customer's rights under Health & Safety Code section 116900 and following and the District's Policy on Discontinuance of Residential Water Service for Nonpayment ("Policy") implementing those rights.

### **18000.01.9 Due Date**

Each statement issued by the District for such charges shall be due and payable on the date of issuance or other presentation to the Customer.

### **18000.01.10 Final Payment Date**

Bills become delinquent and subject to discontinuation of service if not paid within 60 days from the bill issuance date.

## **18000.02 Payment of Charges**

- A. **Payment Responsibility:** The District is required to continue providing water service to each Premises or Parcel connected to the District water system as long as each such Premises or Parcel pays its fair share of the costs of receiving the service and such fair share of costs are chargeable to and run with each Premises or Parcel receiving District water service. Therefore, payment of all water service rates, fees and charges shall be the responsibility of the owner of record of the subject Premises or Parcel and payment of all charges is an obligation of ownership of a Premises or Parcel. As such, any subsequent owner of a Premises or Parcel is responsible for paying any unpaid or delinquent fees, rates and charges due on a Premises or Parcel that are in any way connected to District water service as a condition of service being continued to the Premises or Parcel. A change in ownership does not terminate any outstanding rates, fees and charges due for previous water service to said parcel, whether or not those rates, fees and charges were incurred by the present Premises or Parcel owner or a previous owner or tenant.
- B. **Crediting of Payment:** Payments shall be credited to a Customer's account when cash, an electronic funds transfer, a check drawn on an account with sufficient funds a money order or a Visa or MasterCard payment has been received by the District at the District business office during regular office hours. Deposit of payment in the mail shall be credited to a Customer's account when received at the District's business office.
- C. **Dishonored Payment Charge:** A returned item charge as set forth in the District's current Schedule of Rates, Fees, Charges, and Deposits shall be added to a Customer's account in each instance where payment has been made to the District that has been returned to the District by the bank upon which it is drawn.
- D. The District offers an average monthly or equalized payment plan to balance water bills that can fluctuate seasonally. The equalized amount is based on the customer's average consumption during the current 12-month period. Average monthly or equalized payment plans are reconciled annually and adjusted as needed.
- E. The District offers online bill presentment and payment to Customers who wish to view their bill and/or pay by check or Visa or MasterCard via the internet.
- F. Customers may make payment arrangements with the District. Defaulting on a payment arrangement may lead to disconnection of service.



## **18000.03 Delinquent Accounts**

### **18000.03.1 For Non-Payment of Charges**

Except as otherwise prohibited by law, a delinquent account from a Premises within the District will be applied to a new account opened by the same Customer for a different Premises, and the District may require payment of the delinquent amount (plus penalties and interest) as a condition of opening the new account, or the District may pursue any other remedy for collection of delinquent accounts provided for in this Code or other District rule, regulation or policy, or applicable state and federal law.

### **18000.03.2 Late-Payment Charge**

A late-payment charge shall be added to each delinquent account upon preparation of an Intent to Disconnect Notice. When a late-payment charge is imposed, such charge shall be added to the account as of the date the notice is prepared, and such charge shall become part of the amount due at that time. The current late-payment fee amount is set forth in the District's Schedule of Rates, Fees, Charges, and Deposits. The District may, at its discretion, apply a late-payment charge upon other reasonable notification to Customer for connections where a door hanger cannot be delivered (i.e. connections for irrigation service or for residences or commercial buildings under construction).

### **18000.03.3 Partial Payment on Delinquent Accounts**

A partial payment on a delinquent account may be accepted and credited to a Customer's account. The partial payment shall not cause removal of the account from an existing delinquent status or preclude assessment of fees and charges for delinquent payment, nor shall the partial payment preclude the meter/service from being turned off for delinquency or cause duly disconnected service to be restored.

### **18000.03.4 Discontinuation of Service to Delinquent Accounts**

- A. Discontinuation of Service: Continuation of service to a delinquent account will be permitted only as set forth in the Policy, adopted and amended from time to time by the Board of Directors, if financial arrangements have been established in accordance with the Policy.
- B. Requirement of Deposit: If a Customer permits his or her account to become delinquent, the General Manager or his/her designee may require the Customer to make a deposit in accordance with the provisions of Section 15000 of this Code.

### 18000.03.5 Lien for Delinquent Charges

1. To the extent permitted by law, the District may file with the Placer or Sacramento County Recorder a Notice of Lien (whichever is the County in which the property is located), setting forth the legal description of the property, the amount of the obligation owed, specifying that the same is owed to the District, and that all delinquent service charges, together with late fees, penalties and interest, are a lien against the Premises to which the service was provided in accordance with Government Code Section 54354 and Government Code Section 61115. Such liens specifically includes collection by the local County Tax Collector on the Property Tax Roll in the same manner as property taxes.
2. All outstanding account balances, interest and lien release charges (if applicable) must be paid in full prior to re-establishing service in the owner's name at the same, or different property within the boundaries of the District.
3. Current accounts that have incurred a large amount of fines, or the owner that maintains the account has refused to pay any balance owed and the District may be placed in a position of incurring bad debt may have a lien placed against the property being served by the District until the balance associated with those charges is paid in full.
4. Prior to the collection of lien for delinquent accounts, the District will adhere to the procedures set forth in Government Code Section 61115.
  - a. Report Filed: The General Manager, or his or her designee, shall prepare and file with the Board of Directors a report that describes each affected parcel of real property and the amount of charges and delinquencies for each affected parcel for the year.
  - b. Notice of Intent to Record a Lien: The General Manager, or his or her designee, shall give notice of the filing of the report and of the time and place for a public hearing by publishing the notice pursuant to Government Code Section 6066 in a newspaper of general circulation, and by mailing the notice to the owner of each affected parcel.
  - c. Public Hearing: At the public hearing, the Board of Directors shall hear and consider any objections or protests to the report. At the conclusion of the public hearing, the Board may adopt or revise the charges and penalties.

- d. Determination: The Board of directors shall make its determination on each affected parcel and its determinations shall be final.
- e. Implementation of the Lien: On or before August 10 of each year following these determinations, the General Manager, or his or her designee, shall file with the county auditor a copy of the final report adopted by the Board of Directors. The County Auditor shall enter the amount of the charges and penalties against each of the affected parcels of real property as they appear on the current assessment roll. The County Tax Collector shall include the amount of the charges and penalties on the tax bills for each affected parcel of real property and collect the charges and penalties in the same manner as property taxes.

**18000.03.6 Reinstatement of Water Service Under Delinquent Accounts**

Water service accounts terminated for non-payment shall be reinstated as provided in the Policy.

**18000.04 Termination of Master Meter Accounts**

This Section applies to termination of water service through a master meter, or through individually-metered service in a multi-unit residential structure or mobile home park, where the owner or manager, is listed by the District as the Customer of record of the service. Termination and reinstatement of such accounts will be in accordance with the Policy. A Person subject to a master metered account that was not directly billed by the District, who opens an individual service accounts after the termination of a master metered account, shall be subject to all applicable provisions of this Code and all other applicable District rules, regulations, and policies.

**Revision History:**

Revision Date	Description of Changes	Requested By
6/25/08	Ord. 08-001 repealed all prior ordinances	
12/11/19	Ord. 19-01 revisions to comply with SB 998	Lisa Brown, Customer Service Manager
10/25/23	Ord. 23-01 Revision to Lien Processing	Devon Barrett, Customer Service Manager

# STAFF REPORT

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To: Board of Directors  
From: Paul Helliker, General Manager  
Date: September 27, 2023  
Subject: General Manager's Monthly Report (August)

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## RECOMMENDED ACTION

For information only, no action requested.

## TREATMENT PLANT OPERATIONS

### *Water Production*

Item	August 2023	August 2022	Difference
Monthly Production AF	7,065.16	4,827.76	46.3%
Daily Average MG	74.26	50.75	46.3%
Annual Production AF	30,952.29	27,907.71	10.9%

### *Water Turbidity*

Item	August 2023	July 2023	Difference
Raw Water Turbidity NTU	1.48	1.12	32%
Treated Water Turbidity NTU	0.015	0.016	-6%
Monthly Turbidity Percentage Reduction	98.97%	98.55%	

### *Folsom Lake Reservoir Storage Level AF\**

Item	2023	2022	Difference
Lake Volume AF	724,819	437,798	65%

AF – Acre Feet

MG – Million Gallons

NTU – Nephelometric Turbidity Unit

\* Total Reservoir Capacity: 977,000 AF

### *Other Items of Interest:*

- None

**SYSTEM OPERATIONS**

*Distribution Operations:*

Item	August 2023	July 2023	Difference
Leaks and Repairs	15	9	+6
Mains Flushed	0	0	0
Valves Exercised	0	0	0
Hydrants Maintenance	0	0	0
Back Flows Tested	55	6	+49
Customer Service Calls	43	39	+4

*Distribution System Water Quality:*

Water Quality Samples Taken	# Failed Samples	Supporting Information
50 Lab 41 In-House	0	

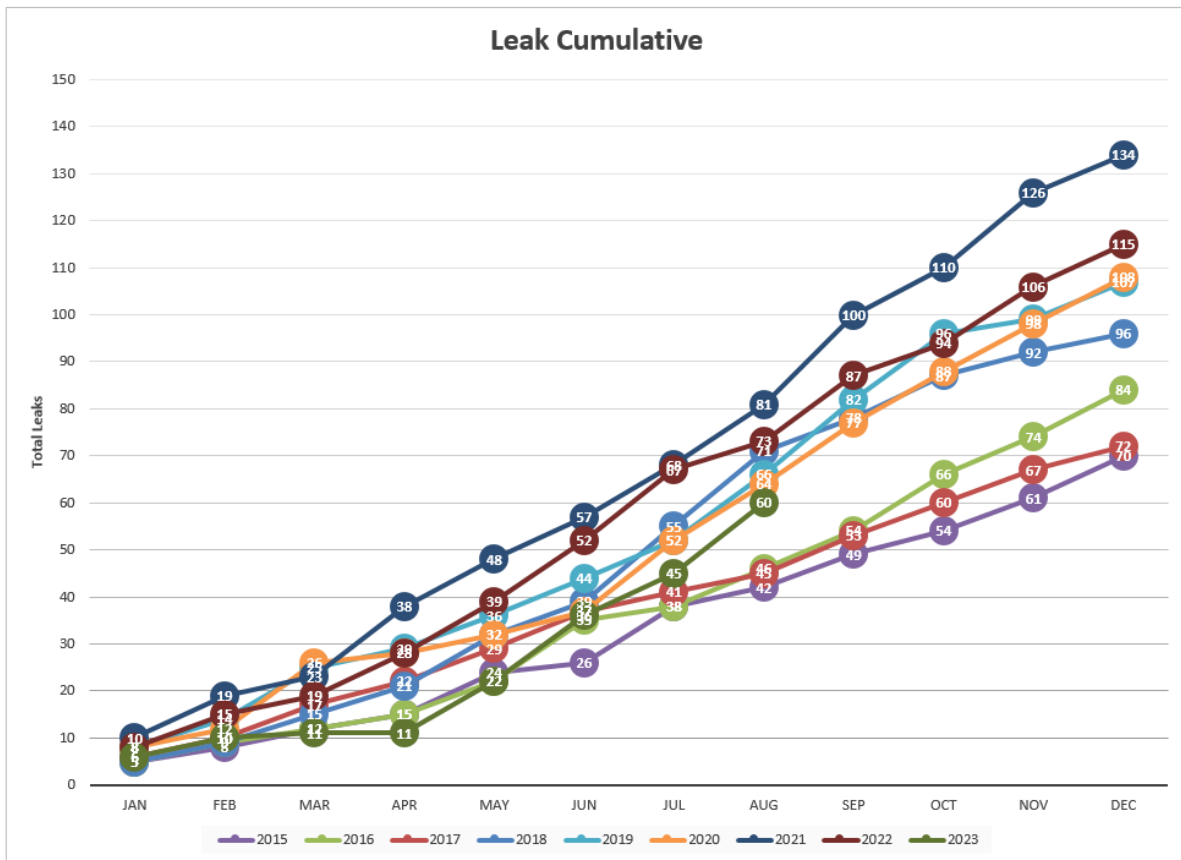


Figure 1: Annual Distribution System Leaks

*Other Items of Interest:*

- None

**CUSTOMER SERVICE ACTIVITIES**

*Billing Information for Month of August*

Total Number of Bills Issued	Total Number of Reminders Mailed	Total Number of Shut-off Notices Delivered	Total Number of Disconnections
4953	611	0	0

*Water Efficiency Activities for August*

Water Waste Complaints Received	Number of Customers Contacted for High Usage (potential leaks)	Number of Rebates Processed	Number of Meters Tested/Repaired (non-reads)
7	162	4	43

*Other Activities*

- None

**ENGINEERING - NEW URBAN DEVELOPMENTS (SJWD Retail Service Area)**

Project Title	Description	Status	Issues / Notes
Chula Acres	4-Lot Minor Subdivision (8149 Excelsior Ave)	In Construction	Water main installed. Construction in process.
Greenside Parcel Split (5640 Macargo)	Minor parcel split of 2.0-Ac parcel into 3 lots	Approved for Construction	Design approved
Placer County Retirement Residence (3905 Old Auburn)	Commercial Business (145-Unit Multi-story Assisted Living Facility; 3865 Old Auburn Rd)	Construction complete	In project close-out
Granite Bay Assisted Living and Memory Care (formerly Pond View)	Assisted Living and Memory Care facility (5620 5630 5640 5650 Douglas Blvd)	In Planning	Developer to submit improvement plans in 2023.
The Park at Granite Bay	56 lot Subdivision (SCB south of Annabelle)	In Construction	Construction started June 2022
The Residences at GB	4-Lot Minor Subdivision (NW Cor. Barton & E Rsvl Pkwy)	In Design Review	Project on hold
Ventura of GB	33-Lot High Density Subdivision (6832 Eureka Rd)	Construction complete	In project close-out
Whitehawk II	56-Lot Subdivision (Douglas, west of Barton)	Construction complete	In project close-out
Rancho Del Oro Estates	89-Lot Subdivision (Olive Ranch Rd, east of Cavitt Stallman)	Construction complete	In project close-out
Canyon Terrace Apartments	Apartment Complex (7 new buildings; 1600 Canyon Terrace Lane)	In Construction	Construction started November 2022
Sierra College Self Storage (8455 Sierra College Blvd)	New 4-building self-storage facility	In Construction	Construction started August 2022

**ENGINEERING - CAPITAL PROJECTS**

*Status Update for Current Retail Projects*

<b>Project Title</b>	<b>Description</b>	<b>Status</b>	<b>Issues / Notes</b>
Eureka Rd Transmission Main Replacement	Replace approximately 3,925 LF of aged steel transmission pipeline	Construction complete	In project close-out
Spahn Ranch Rd. Main Extension	Install new pipeline; provides looped distribution network	In Design	Construction in FY 24/25
Kokila Reservoir Replacement	Replace existing hypalon lined and covered reservoir with a new concrete tank	In Design	Applying for SRF funding. Construction in FY 23/24
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 23/24
Bacon Pump Station Generator Replacement	Replacing generators at Bacon Pump Station	In Construction	Project delayed due to material lead time. Anticipate to start construction in December 2023.
Field Services 3-sided Parts Shelter	Construction of a 3-sided material storage shelter	On hold	Planning to rebid project in FY25/26
Service Line Replacement Projects (85/year)	Yearly program to replace 85 services per year as identified in the 2020 Retail Master Plan	In Design	Hidden Oaks (referred to as Shelborne) identified for replacement in FY22/23
Air Release Valve Replacements (45/year for next 20 years)	Replacement of 45 Air Release Valves per year for the next 20 years as identified in the 2020 Retail Master Plan	Construction completed	In project close-out
Administration Building Electrical Panel Upgrade	Replacement of the electrical service at the Administration Building (50/50 split W/R)	In Design	Construction in FY23/24

**Status Update for Current Wholesale Projects**

<b>Project Title</b>	<b>Description</b>	<b>Status (% Complete)</b>	<b>Issues/ Notes</b>
Hinkle Liner & Cover Repl'mt	Replace both the hypalon cover and liner	In Construction	Applying for SRF funding. Construction in FY 22/23
Lime System Improvements	Improvements for the WTP's lime system control and feeder system	In Design	
Backwash Hood Rehabilitation and Rail Track Improvements	Rehabilitate or replace the two oldest Filter Backwash Hoods in the North and South basins, and replacement of the Rail Track.	In Design	
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	In Construction	Construction of Solar Field Culvert complete. Construction of lining underway.
Wholesale Master Plan	Update of the 2005/07 Wholesale Master Plan	In Design	Consultant preparing final draft
Administration Building Electrical Panel Upgrade	Replacement of the electrical service at the Administration Building (50/50 split W/R)	In Design	Construction in FY23/24

**SAFETY & REGULATORY TRAINING – August 2023**

<b>Training Course</b>	<b>Staff</b>
Drug and Alcohol Policy and Recognition	Managers/Supervisors/HR
Compressed Gas Safety	Field Safety and Treatment
Slips, Trips and Falls	New Staff

**FINANCE/BUDGET**

*See attached*





San Juan Water District, CA

# Wholesale Operating Income Statement Group Summary

For Fiscal: 2023-2024 Period Ending: 08/31/2023

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
<b>Fund: 010 - WHOLESAL</b>					
<b>Revenue</b>					
41000 - Water Sales	10,451,600.00	10,451,600.00	0.00	1,725,244.01	8,726,355.99
43000 - Rebate	1,000.00	1,000.00	0.00	0.00	1,000.00
45000 - Other Operating Revenue	0.00	0.00	2.20	4.40	-4.40
49000 - Other Non-Operating Revenue	132,100.00	132,100.00	605.89	46,543.84	85,556.16
49990 - Transfer In	958,700.00	958,700.00	0.00	0.00	958,700.00
<b>Revenue Total:</b>	<b>11,543,400.00</b>	<b>11,543,400.00</b>	<b>608.09</b>	<b>1,771,792.25</b>	<b>9,771,607.75</b>
<b>Expense</b>					
51000 - Salaries and Benefits	4,305,600.00	4,305,600.00	297,961.96	475,283.61	3,830,316.39
52000 - Debt Service Expense	887,900.00	887,900.00	0.00	44,804.37	843,095.63
53000 - Source of Supply	926,300.00	926,300.00	815.89	59,749.78	866,550.22
54000 - Professional Services	793,400.00	793,400.00	3,292.78	76,512.71	716,887.29
55000 - Maintenance	530,000.00	530,000.00	10,392.96	79,090.36	450,909.64
56000 - Utilities	312,900.00	312,900.00	7,157.96	13,718.14	299,181.86
57000 - Materials and Supplies	843,600.00	843,600.00	157,385.50	252,143.45	591,456.55
58000 - Public Outreach	36,500.00	36,500.00	1,068.75	1,068.75	35,431.25
59000 - Other Operating Expenses	756,800.00	756,800.00	5,737.22	220,435.48	536,364.52
69000 - Other Non-Operating Expenses	1,600.00	1,600.00	0.00	0.00	1,600.00
<b>Expense Total:</b>	<b>9,394,600.00</b>	<b>9,394,600.00</b>	<b>483,813.02</b>	<b>1,222,806.65</b>	<b>8,171,793.35</b>
<b>Fund: 010 - WHOLESAL Surplus (Deficit):</b>	<b>2,148,800.00</b>	<b>2,148,800.00</b>	<b>-483,204.93</b>	<b>548,985.60</b>	<b>1,599,814.40</b>
<b>Total Surplus (Deficit):</b>	<b>2,148,800.00</b>	<b>2,148,800.00</b>	<b>-483,204.93</b>	<b>548,985.60</b>	

**Fund Summary**

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
010 - WHOLESAL	2,148,800.00	2,148,800.00	-483,204.93	548,985.60	1,599,814.40
<b>Total Surplus (Deficit):</b>	<b>2,148,800.00</b>	<b>2,148,800.00</b>	<b>-483,204.93</b>	<b>548,985.60</b>	



San Juan Water District, CA

# Wholesale Capital Income Statement Group Summary

For Fiscal: 2023-2024 Period Ending: 08/31/2023

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	1,403,600.00	1,403,600.00	60,901.30	60,901.30	1,342,698.70
44000 - Connection Fees	100,000.00	100,000.00	5,139.00	92,494.00	7,506.00
49000 - Other Non-Operating Revenue	150,000.00	150,000.00	0.00	10,211.47	139,788.53
49792 - Proceeds from Issuance of Debt	22,274,200.00	22,274,200.00	0.00	0.00	22,274,200.00
<b>Revenue Total:</b>	<b>23,927,800.00</b>	<b>23,927,800.00</b>	<b>66,040.30</b>	<b>163,606.77</b>	<b>23,764,193.23</b>
<b>Expense</b>					
55000 - Maintenance	806,000.00	806,000.00	0.00	0.00	806,000.00
61000 - Capital Outlay	4,237,200.00	4,237,200.00	119,383.56	393,213.39	3,843,986.61
69900 - Transfers Out	958,700.00	958,700.00	0.00	0.00	958,700.00
<b>Expense Total:</b>	<b>6,001,900.00</b>	<b>6,001,900.00</b>	<b>119,383.56</b>	<b>393,213.39</b>	<b>5,608,686.61</b>
<b>Fund: 011 - Wholesale Capital Outlay Surplus (Deficit):</b>	<b>17,925,900.00</b>	<b>17,925,900.00</b>	<b>-53,343.26</b>	<b>-229,606.62</b>	<b>18,155,506.62</b>
<b>Total Surplus (Deficit):</b>	<b>17,925,900.00</b>	<b>17,925,900.00</b>	<b>-53,343.26</b>	<b>-229,606.62</b>	

**Fund Summary**

Fund	Original	Current	MTD Activity	YTD Activity	Budget
	Total Budget	Total Budget			Remaining
011 - Wholesale Capital Outl...	17,925,900.00	17,925,900.00	-53,343.26	-229,606.62	18,155,506.62
<b>Total Surplus (Deficit):</b>	<b>17,925,900.00</b>	<b>17,925,900.00</b>	<b>-53,343.26</b>	<b>-229,606.62</b>	



San Juan Water District, CA

# Retail Operating Income Statement Group Summary

For Fiscal: 2023-2024 Period Ending: 08/31/2023

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
<b>Fund: 050 - RETAIL</b>					
<b>Revenue</b>					
41000 - Water Sales	16,621,400.00	16,621,400.00	293,800.45	299,034.67	16,322,365.33
45000 - Other Operating Revenue	463,700.00	463,700.00	36,172.63	46,716.83	416,983.17
49000 - Other Non-Operating Revenue	172,400.00	172,400.00	605.89	48,587.89	123,812.11
<b>Revenue Total:</b>	<b>17,257,500.00</b>	<b>17,257,500.00</b>	<b>330,578.97</b>	<b>394,339.39</b>	<b>16,863,160.61</b>
<b>Expense</b>					
41000 - Water Sales	0.00	0.00	581.13	926.61	-926.61
51000 - Salaries and Benefits	6,192,100.00	6,192,100.00	438,821.91	713,278.72	5,478,821.28
52000 - Debt Service Expense	454,100.00	454,100.00	0.00	29,869.59	424,230.41
53000 - Source of Supply	3,465,400.00	3,465,400.00	0.00	578,808.35	2,886,591.65
54000 - Professional Services	1,315,900.00	1,315,900.00	13,089.76	-71,800.36	1,387,700.36
55000 - Maintenance	386,100.00	386,100.00	5,335.19	43,061.73	343,038.27
56000 - Utilities	634,700.00	634,700.00	20,248.91	63,893.27	570,806.73
57000 - Materials and Supplies	498,500.00	498,500.00	20,192.27	56,963.34	441,536.66
58000 - Public Outreach	70,000.00	70,000.00	10,787.50	10,787.50	59,212.50
59000 - Other Operating Expenses	904,100.00	904,100.00	30,907.54	162,097.93	742,002.07
69000 - Other Non-Operating Expenses	56,600.00	56,600.00	0.00	0.00	56,600.00
69900 - Transfers Out	2,427,000.00	2,427,000.00	0.00	0.00	2,427,000.00
<b>Expense Total:</b>	<b>16,404,500.00</b>	<b>16,404,500.00</b>	<b>539,964.21</b>	<b>1,587,886.68</b>	<b>14,816,613.32</b>
<b>Fund: 050 - RETAIL Surplus (Deficit):</b>	<b>853,000.00</b>	<b>853,000.00</b>	<b>-209,385.24</b>	<b>-1,193,547.29</b>	<b>2,046,547.29</b>
<b>Total Surplus (Deficit):</b>	<b>853,000.00</b>	<b>853,000.00</b>	<b>-209,385.24</b>	<b>-1,193,547.29</b>	

**Fund Summary**

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
050 - RETAIL	853,000.00	853,000.00	-209,385.24	-1,193,547.29	2,046,547.29
<b>Total Surplus (Deficit):</b>	<b>853,000.00</b>	<b>853,000.00</b>	<b>-209,385.24</b>	<b>-1,193,547.29</b>	



San Juan Water District, CA

# Retail Capital Income Statement Group Summary

For Fiscal: 2023-2024 Period Ending: 08/31/2023

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	1,403,600.00	1,403,600.00	60,901.30	60,901.30	1,342,698.70
44000 - Connection Fees	100,000.00	100,000.00	44,151.00	1,118,294.00	-1,018,294.00
49000 - Other Non-Operating Revenue	255,000.00	255,000.00	0.00	121,053.37	133,946.63
49792 - Proceeds from Issuance of Debt	12,895,000.00	12,895,000.00	0.00	0.00	12,895,000.00
49990 - Transfer In	2,427,000.00	2,427,000.00	0.00	0.00	2,427,000.00
<b>Revenue Total:</b>	<b>17,080,600.00</b>	<b>17,080,600.00</b>	<b>105,052.30</b>	<b>1,300,248.67</b>	<b>15,780,351.33</b>
<b>Expense</b>					
61000 - Capital Outlay	25,107,100.00	25,107,100.00	153,611.85	595,981.12	24,511,118.88
<b>Expense Total:</b>	<b>25,107,100.00</b>	<b>25,107,100.00</b>	<b>153,611.85</b>	<b>595,981.12</b>	<b>24,511,118.88</b>
<b>Fund: 055 - Retail Capital Outlay Surplus (Deficit):</b>	<b>-8,026,500.00</b>	<b>-8,026,500.00</b>	<b>-48,559.55</b>	<b>704,267.55</b>	<b>-8,730,767.55</b>
<b>Total Surplus (Deficit):</b>	<b>-8,026,500.00</b>	<b>-8,026,500.00</b>	<b>-48,559.55</b>	<b>704,267.55</b>	

**Fund Summary**

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
055 - Retail Capital Outlay	-8,026,500.00	-8,026,500.00	-48,559.55	704,267.55	-8,730,767.55
<b>Total Surplus (Deficit):</b>	<b>-8,026,500.00</b>	<b>-8,026,500.00</b>	<b>-48,559.55</b>	<b>704,267.55</b>	



## Summary

## Project Summary

Project Number	Project Name	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
<a href="#">191280</a>	Hinkle Reservoir Cover	0.00	37,746.48	-37,746.48
<a href="#">195265</a>	Douglas Booster Pump Station Electri	0.00	304.90	-304.90
<a href="#">201111</a>	Hinkle Reservoir Overflow Channel L	4,210.95	84,899.88	-80,688.93
<a href="#">201117</a>	Backwash Hood Rehabilitation (Two)	0.00	22,144.20	-22,144.20
<a href="#">201126</a>	Lime Tower Design and Replacemen	0.00	7,259.00	-7,259.00
<a href="#">201153</a>	Thickener Access Ladders (3)	0.00	3,111.00	-3,111.00
<a href="#">211128</a>	Gate for WTP (New)	0.00	1,185.90	-1,185.90
<a href="#">215105</a>	Eureka Road 18" T-main Design	0.00	595.00	-595.00
<a href="#">215114</a>	Bacon Pump Station Generator Rep	3,075.00	83,267.50	-80,192.50
<a href="#">225170</a>	Meter Replacement Program Route	0.00	49.86	-49.86
<a href="#">235104</a>	FY22-23 Air/Vacuum Relief Valve R	0.00	9,072.50	-9,072.50
<a href="#">241102</a>	WTP Outdoor Lighting Replacement	0.00	18,887.51	-18,887.51
<a href="#">245103</a>	Power Monitors for LGB Hinkle & AR	0.00	1,640.00	-1,640.00
<a href="#">245106</a>	FY23-24 Service Laterals Planned Re	0.00	5,024.00	-5,024.00
<a href="#">245107</a>	FY23-24 Meter Replacement Prograr	0.00	68,773.15	-68,773.15
<a href="#">245108</a>	FY23-24 Air/Vacuum Relief Valve R	13,132.00	263,693.55	-250,561.55
<a href="#">245109</a>	FY23-24 Failed Service Lateral Repl	0.00	129,910.28	-129,910.28
<b>Project Totals:</b>		<b>20,417.95</b>	<b>737,564.71</b>	<b>-717,146.76</b>

## Group Summary

Group	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
CIP - Asset	20,417.95	737,564.71	-717,146.76
<b>Group Totals:</b>	<b>20,417.95</b>	<b>737,564.71</b>	<b>-717,146.76</b>

## Type Summary

Type	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
Engineering	20,417.95	501,084.94	-480,666.99
Field Services	0.00	198,733.29	-198,733.29
Water Treatment Plant	0.00	37,746.48	-37,746.48
<b>Type Totals:</b>	<b>20,417.95</b>	<b>737,564.71</b>	<b>-717,146.76</b>

## GL Account Summary

GL Account Number	GL Account Name	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
011-20030	Retentions Payable	-4,210.95	0.00	-4,210.95
011-700-61145	Capital Outlay - WTP & Impro...	0.00	50,034.21	50,034.21
011-700-61155	Capital Outlay - Reservoirs & ...	0.00	122,646.36	122,646.36
011-700-61160	Capital Outlay - Equipment a...	0.00	3,111.00	3,111.00
055-20030	Retentions Payable	-16,207.00	0.00	-16,207.00
055-700-61135	Capital Outlay - Pump Station...	0.00	84,654.80	84,654.80
055-700-61150	Capital Outlay - Mains/Pipeli...	0.00	408,295.33	408,295.33
055-700-61153	Capital Outlay - Meters and E...	0.00	68,823.01	68,823.01
<b>GL Account Totals:</b>		<b>-20,417.95</b>	<b>737,564.71</b>	<b>717,146.76</b>



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	5,793,647.74	701,219.13	4,640,897.66	16,443,272.57	27,579,037.10
10510 - Accounts Receivable	34,618.50	678.76	917,132.14	8,312.17	960,741.57
11000 - Inventory	6,370.75	0.00	396,592.74	184,947.15	587,910.64
12000 - Prepaid Expense	146,870.85	0.00	6,520.94	0.00	153,391.79
12850 - Lease Receivable	212,174.87	0.00	187,108.67	0.00	399,283.54
14010 - Deferred Outflows	2,387,774.87	0.00	2,597,552.99	0.00	4,985,327.86
17010 - Capital Assets - Work in Progress	1,495,895.85	0.00	1,138,191.33	0.00	2,634,087.18
17150 - Capital Assets - Land Non-depreciable	120,712.00	0.00	166,272.00	0.00	286,984.00
17160 - Capital Assets - Improvements Other Than Buildings	1,285,372.52	0.00	100,903.30	0.00	1,386,275.82
17200 - Capital Assets - Pump Stations & Improvements	7,047,178.00	0.00	6,817,987.72	0.00	13,865,165.72
17300 - Capital Assets - Buildings & Improvements	1,284,264.26	0.00	280,354.38	0.00	1,564,618.64
17350 - Capital Assets - Water Treatment Plant & Imp	41,943,155.93	0.00	16,000.00	0.00	41,959,155.93
17400 - Capital Assets - Mains/Pipelines & Improvements	28,130,034.95	0.00	49,102,548.79	0.00	77,232,583.74
17500 - Capital Assets - Reservoirs & Improvements	4,808,912.39	0.00	2,492,421.90	0.00	7,301,334.29
17700 - Capital Assets - Equipment & Furniture	13,757,726.59	0.00	1,183,379.24	0.00	14,941,105.83
17750 - Capital Assets - Vehicles	282,219.34	0.00	1,023,960.05	0.00	1,306,179.39
17800 - Capital Assets - Software	265,814.52	0.00	593,375.80	0.00	859,190.32
17850 - Capital Assets - Intangible	666,196.00	0.00	0.00	0.00	666,196.00
17900 - Less Accumulated Depreciation	-44,164,495.70	0.00	-31,776,682.89	0.00	-75,941,178.59
<b>Total Type 1000 - Assets:</b>	<b>65,504,444.23</b>	<b>701,897.89</b>	<b>39,884,516.76</b>	<b>16,636,531.89</b>	<b>122,727,390.77</b>
<b>Total Asset:</b>	<b>65,504,444.23</b>	<b>701,897.89</b>	<b>39,884,516.76</b>	<b>16,636,531.89</b>	<b>122,727,390.77</b>
<b>Liability</b>					
<b>Type: 1000 - Assets</b>					
10510 - Accounts Receivable	0.00	0.00	107,169.94	0.00	107,169.94
<b>Total Type 1000 - Assets:</b>	<b>0.00</b>	<b>0.00</b>	<b>107,169.94</b>	<b>0.00</b>	<b>107,169.94</b>
<b>Type: 2000 - Liabilities</b>					
20010 - Accounts Payable	125,949.50	212,464.57	123,502.05	481,895.47	943,811.59
20100 - Retentions Payable	0.00	1,032,379.81	0.00	157,636.42	1,190,016.23
20150 - Customer Deposits	1,148.98	0.00	0.00	0.00	1,148.98
21200 - Salaries & Benefits Payable	35,411.01	0.00	64,609.47	0.00	100,020.48
21250 - Payroll Taxes Payable	0.01	0.00	-0.01	0.00	0.00
21300 - Compensated Absences	425,156.74	0.00	514,876.55	0.00	940,033.29
21373 - Deferred Inflows of Resources - Leases	197,375.66	0.00	0.00	0.00	197,375.66

**Balance Sheet**

**As Of 08/31/2023**

<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>
21500 - Premium on Issuance of Bonds Series 2017	977,332.45	0.00	658,553.66	0.00	1,635,886.11
21600 - OPEB Liability	1,473,961.49	0.00	1,875,297.61	0.00	3,349,259.10
21700 - Pension Liability	-1,149,020.76	0.00	-1,462,390.71	0.00	-2,611,411.47
22010 - Deferred Income	0.00	0.00	169,614.87	0.00	169,614.87
22050 - Deferred Inflows	3,188,589.36	0.00	4,072,252.62	0.00	7,260,841.98
23000 - Loans Payable	1,349,194.56	0.00	272,733.42	0.00	1,621,927.98
24000 - Current Bonds Payables	408,000.00	0.00	272,000.00	0.00	680,000.00
24250 - Bonds Payable 2017 Refunding	12,876,000.00	0.00	8,584,000.00	0.00	21,460,000.00
24300 - Loan - Refunding	4,323,016.10	0.00	2,347,275.68	0.00	6,670,291.78
<b>Total Type 2000 - Liabilities:</b>	<b>24,232,115.10</b>	<b>1,244,844.38</b>	<b>17,492,325.21</b>	<b>639,531.89</b>	<b>43,608,816.58</b>
<b>Total Liability:</b>	<b>24,232,115.10</b>	<b>1,244,844.38</b>	<b>17,599,495.15</b>	<b>639,531.89</b>	<b>43,715,986.52</b>
<b>Equity</b>					
<b>Type: 3000 - Equity</b>					
30100 - Investment in Capital Assets	36,581,914.76	0.00	19,647,206.02	0.00	56,229,120.78
30500 - Designated Reserves	4,141,428.77	-313,339.87	3,831,362.88	14,266,482.45	21,925,934.23
30600 - Restricted Fund Balance	0.00	0.00	0.00	1,026,250.00	1,026,250.00
<b>Total Type 3000 - Equity:</b>	<b>40,723,343.53</b>	<b>-313,339.87</b>	<b>23,478,568.90</b>	<b>15,292,732.45</b>	<b>79,181,305.01</b>
<b>Total Total Beginning Equity:</b>	<b>40,723,343.53</b>	<b>-313,339.87</b>	<b>23,478,568.90</b>	<b>15,292,732.45</b>	<b>79,181,305.01</b>
Total Revenue	1,771,792.25	163,606.77	394,339.39	1,300,248.67	3,629,987.08
Total Expense	1,222,806.65	393,213.39	1,587,886.68	595,981.12	3,799,887.84
<b>Revenues Over/Under Expenses</b>	<b>548,985.60</b>	<b>-229,606.62</b>	<b>-1,193,547.29</b>	<b>704,267.55</b>	<b>-169,900.76</b>
<b>Total Equity and Current Surplus (Deficit):</b>	<b>41,272,329.13</b>	<b>-542,946.49</b>	<b>22,285,021.61</b>	<b>15,997,000.00</b>	<b>79,011,404.25</b>
<b>Total Liabilities, Equity and Current Surplus (Deficit):</b>	<b>65,504,444.23</b>	<b>701,897.89</b>	<b>39,884,516.76</b>	<b>16,636,531.89</b>	<b>122,727,390.77</b>



San Juan Water District, CA

# Check Report

By Vendor Name

Date Range: 08/01/2023 - 08/31/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: APBNK-APBNK</b>						
	**Void**	08/22/2023	Regular	0.00	0.00	59270
	**Void**	08/01/2023	EFT	0.00	0.00	408759
	**Void**	08/01/2023	EFT	0.00	0.00	408761
	**Void**	08/08/2023	EFT	0.00	0.00	408777
	**Void**	08/29/2023	EFT	0.00	0.00	408825
01048	Airgas, Inc	08/15/2023	Regular	0.00	340.27	59234
01048	Airgas, Inc	08/08/2023	EFT	0.00	340.27	408774
01048	Airgas, Inc	08/15/2023	EFT	0.00	-340.27	408774
03406	Alpha Analytical Laboratories Inc.	08/01/2023	Regular	0.00	492.00	59199
03406	Alpha Analytical Laboratories Inc.	08/08/2023	Regular	0.00	450.00	59216
03406	Alpha Analytical Laboratories Inc.	08/15/2023	Regular	0.00	1,645.00	59235
03406	Alpha Analytical Laboratories Inc.	08/22/2023	Regular	0.00	96.00	59259
03406	Alpha Analytical Laboratories Inc.	08/29/2023	Regular	0.00	900.00	59274
01039	American Family Life Assurance Company of Co	08/31/2023	Bank Draft	0.00	298.71	Q386908-31-2C
01039	American Family Life Assurance Company of Co	08/31/2023	Bank Draft	0.00	298.71	Q386908-31-2C
01026	American River Ace Hardware, Inc.	08/29/2023	Regular	0.00	29.06	59275
03838	Aria Service Group	08/22/2023	EFT	0.00	3,128.00	408811
01328	Association of California Water Agencies / Joint	08/01/2023	EFT	0.00	7,588.14	408758
01328	Association of California Water Agencies / Joint	08/29/2023	EFT	0.00	7,794.84	408824
01898	Association of California Water Agencies / JPIA	08/01/2023	EFT	0.00	17,409.59	408760
01898	Association of California Water Agencies / JPIA	08/15/2023	EFT	0.00	7,659.00	408797
03739	Azteca Systems Holdings, LLC	08/01/2023	Regular	0.00	19,000.00	59200
01167	Badger Meter, Inc.	08/08/2023	EFT	0.00	127,895.63	408775
01167	Badger Meter, Inc.	08/15/2023	EFT	0.00	5,555.02	408798
03789	Banner Bank	08/22/2023	Regular	0.00	45,880.78	59260
03758	Barry W. Leeder, Inc.	08/01/2023	EFT	0.00	156.20	408762
03853	Brower Mechanical CA LLC	08/15/2023	EFT	0.00	1,116.50	408799
01242	Bureau of Reclamation-MPR	08/08/2023	EFT	0.00	279,406.96	408776
01242	Bureau of Reclamation-MPR	08/15/2023	EFT	0.00	75,600.00	408800
01283	California Municipal Statistics Inc	08/29/2023	Regular	0.00	1,025.00	59276
03925	California Municipal Utilities Association	08/08/2023	EFT	0.00	20,000.00	408778
03080	California State Disbursement Unit	08/04/2023	Bank Draft	0.00	1,741.26	PAY0000000000
03080	California State Disbursement Unit	08/04/2023	Bank Draft	0.00	1.50	PAY0000000000
03080	California State Disbursement Unit	08/21/2023	Bank Draft	0.00	1,741.26	PAY0000000000
03080	California State Disbursement Unit	08/21/2023	Bank Draft	0.00	1.50	PAY0000000000
03078	CalPERS Health	08/04/2023	Bank Draft	0.00	44,899.11	1002426294
03078	CalPERS Health	08/04/2023	Bank Draft	0.00	49,922.80	1002426294
03078	CalPERS Health	08/04/2023	Bank Draft	0.00	50,958.02	1002426294
03130	CalPERS Retirement	08/04/2023	Bank Draft	0.00	45,569.61	1002426966
03130	CalPERS Retirement	08/22/2023	Bank Draft	0.00	45,124.24	1002438506
03130	CalPERS Retirement	08/23/2023	Bank Draft	0.00	1,050.00	1002439678
03861	Calton, John C	08/22/2023	Regular	0.00	1,025.00	59261
03226	Capitol Sand & Gravel Co.	08/08/2023	Regular	0.00	1,499.04	59217
03226	Capitol Sand & Gravel Co.	08/15/2023	Regular	0.00	5,987.96	59236
03706	Capra Environmental Services, Corp.	08/15/2023	Regular	0.00	18,750.00	59237
01330	CDW Government LLC	08/08/2023	EFT	0.00	4,603.91	408779
01330	CDW Government LLC	08/29/2023	EFT	0.00	4,590.89	408826
03221	Chemtrade Chemicals Corporation	08/08/2023	EFT	0.00	18,527.59	408780
03221	Chemtrade Chemicals Corporation	08/15/2023	EFT	0.00	28,166.06	408801
03221	Chemtrade Chemicals Corporation	08/22/2023	EFT	0.00	19,098.53	408812
03221	Chemtrade Chemicals Corporation	08/29/2023	EFT	0.00	17,563.33	408827
01366	Citistreet/CalPERS 457	08/04/2023	Bank Draft	0.00	7,909.50	1002426969
01366	Citistreet/CalPERS 457	08/22/2023	Bank Draft	0.00	150.00	1002438508
01366	Citistreet/CalPERS 457	08/22/2023	Bank Draft	0.00	7,909.50	1002438508

Check Report

Date Range: 08/01/2023 - 08/31/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
01368	Citrus Heights Water District	08/01/2023	Regular	0.00	59,829.74	59201
01372	City of Folsom	08/01/2023	Regular	0.00	45.87	59202
01372	City of Folsom	08/29/2023	Regular	0.00	975.24	59277
01375	City of Sacramento	08/29/2023	Regular	0.00	3,404.00	59278
01378	Clark Pest Control of Stockton	08/08/2023	Regular	0.00	153.00	59218
01378	Clark Pest Control of Stockton	08/15/2023	Regular	0.00	150.00	59238
03235	Construction Supply Holdings II, LLC	08/29/2023	Regular	0.00	1,740.41	59279
02214	County of Placer Engineering & Surveying	08/15/2023	Regular	0.00	8,179.58	59239
02214	County of Placer Engineering & Surveying	08/29/2023	Regular	0.00	1,201.53	59280
02448	Crane & Hoist Services, Ltd	08/22/2023	EFT	0.00	2,159.89	408813
03890	Datalink Networks, Inc.	08/22/2023	EFT	0.00	3,022.00	408814
01521	DataProse, LLC	08/15/2023	EFT	0.00	4,415.01	408802
03891	DC Solar Electric Inc	08/08/2023	EFT	0.00	3,783.25	408781
03163	Economic Development Department	08/04/2023	Bank Draft	0.00	11,373.66	0-019-789-792
03163	Economic Development Department	08/04/2023	Bank Draft	0.00	326.59	0-019-789-792
03163	Economic Development Department	08/21/2023	Bank Draft	0.00	10,510.47	0-940-449-760
03163	Economic Development Department	08/21/2023	Bank Draft	0.00	697.90	0-940-449-760
03775	ECORP Consulting, Inc.	08/15/2023	Regular	0.00	11,769.65	59240
03775	ECORP Consulting, Inc.	08/29/2023	Regular	0.00	8,579.30	59281
03749	Eide Bailly LLP	08/15/2023	EFT	0.00	1,200.00	408803
03688	Evoqua Water Technologies LLC	08/29/2023	EFT	0.00	9,040.00	408828
01611	Ferguson Enterprises, Inc	08/01/2023	EFT	0.00	4,391.73	408763
01611	Ferguson Enterprises, Inc	08/08/2023	EFT	0.00	2,888.18	408782
01611	Ferguson Enterprises, Inc	08/15/2023	EFT	0.00	643.15	408804
01611	Ferguson Enterprises, Inc	08/29/2023	EFT	0.00	1,087.26	408829
03702	Flowline Contractors, Inc.	08/01/2023	EFT	0.00	5,024.00	408764
03702	Flowline Contractors, Inc.	08/08/2023	EFT	0.00	57,715.00	408783
03702	Flowline Contractors, Inc.	08/22/2023	EFT	0.00	38,655.64	408815
03702	Flowline Contractors, Inc.	08/29/2023	EFT	0.00	323,238.77	408830
01630	FM Graphics, Inc.	08/01/2023	Regular	0.00	1,846.53	59203
01644	Franchise Tax Board	08/08/2023	Regular	0.00	75.00	59219
01644	Franchise Tax Board	08/22/2023	Regular	0.00	75.00	59262
01651	Future Ford, Inc.	08/08/2023	EFT	0.00	216,921.82	408784
03870	Genuine Parts Company	08/08/2023	Regular	0.00	19.32	59220
03870	Genuine Parts Company	08/15/2023	Regular	0.00	23.64	59241
03870	Genuine Parts Company	08/29/2023	Regular	0.00	15.07	59282
03790	Global Machinery International West LLC	08/15/2023	EFT	0.00	148.58	408805
03091	Granite Bay Ace Hardware	08/01/2023	Regular	0.00	382.07	59204
03091	Granite Bay Ace Hardware	08/08/2023	Regular	0.00	216.06	59221
03091	Granite Bay Ace Hardware	08/15/2023	Regular	0.00	140.25	59242
03091	Granite Bay Ace Hardware	08/29/2023	Regular	0.00	40.62	59283
01706	Graymont Western US Inc.	08/08/2023	EFT	0.00	8,855.46	408785
01706	Graymont Western US Inc.	08/29/2023	EFT	0.00	8,055.29	408831
01454	Griego, Daniel	08/01/2023	Regular	0.00	118.07	59205
01721	Hach Company	08/15/2023	EFT	0.00	689.13	408806
01741	HDR Engineering, Inc.	08/01/2023	EFT	0.00	6,998.17	408765
03810	Hildebrand Consulting, LLC	08/22/2023	Regular	0.00	1,610.00	59263
01763	Holt of California	08/08/2023	Regular	0.00	4,401.49	59222
01763	Holt of California	08/15/2023	Regular	0.00	4,379.99	59243
01416	ICONIX Waterworks (US) Inc.	08/22/2023	EFT	0.00	337.84	408816
03383	Inferrera Construction Management Group, Inc	08/15/2023	Regular	0.00	85,501.00	59244
03383	Inferrera Construction Management Group, Inc	08/22/2023	Regular	0.00	38,112.50	59264
03383	Inferrera Construction Management Group, Inc	08/29/2023	Regular	0.00	25,632.50	59284
03555	Instrument Technology Corporation	08/15/2023	Regular	0.00	399.29	59245
03555	Instrument Technology Corporation	08/22/2023	Regular	0.00	14,313.59	59265
03164	Internal Revenue Service	08/04/2023	Bank Draft	0.00	62,253.15	270361613071
03164	Internal Revenue Service	08/04/2023	Bank Draft	0.00	1,293.98	270361613071
03164	Internal Revenue Service	08/18/2023	Bank Draft	0.00	3,600.26	270363075151
03164	Internal Revenue Service	08/18/2023	Bank Draft	0.00	58,339.83	270363075151
01917	Kennedy/Jenks Consultants, Inc.	08/22/2023	EFT	0.00	31,954.54	408817
01959	Les Schwab Tire Centers of California Inc	08/29/2023	Regular	0.00	724.62	59285

## Check Report

Date Range: 08/01/2023 - 08/31/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
03964	Level 5 Builders, Inc.	08/29/2023	Regular	0.00	746.95	59286
03553	Mallory Safety and Supply LLC	08/08/2023	EFT	0.00	699.41	408786
02024	MCI WORLDCOM	08/08/2023	Regular	0.00	50.92	59223
02027	Mcmaster-Carr Supply Company	08/08/2023	EFT	0.00	381.16	408787
02027	Mcmaster-Carr Supply Company	08/15/2023	EFT	0.00	77.91	408807
03959	MSLA Landscape Architecture, Inc.	08/01/2023	Regular	0.00	1,000.00	59206
02091	Navajo Pipelines, Inc.	08/15/2023	Regular	0.00	33,060.00	59246
02093	NDS Solutions, Inc	08/08/2023	Regular	0.00	1,165.39	59224
03550	Netwrix Corporation	08/08/2023	EFT	0.00	2,791.50	408788
02131	ODP Business Solutions, LLC	08/01/2023	Regular	0.00	383.07	59207
02131	ODP Business Solutions, LLC	08/08/2023	Regular	0.00	356.63	59225
02131	ODP Business Solutions, LLC	08/15/2023	Regular	0.00	87.34	59247
02131	ODP Business Solutions, LLC	08/22/2023	Regular	0.00	691.94	59266
02131	ODP Business Solutions, LLC	08/29/2023	Regular	0.00	395.05	59287
03466	OW Investors, LLC	08/22/2023	Regular	0.00	16,103.17	59267
02150	Pace Supply Corp	08/01/2023	Regular	0.00	2,514.26	59208
02150	Pace Supply Corp	08/08/2023	Regular	0.00	2,940.13	59226
02150	Pace Supply Corp	08/15/2023	Regular	0.00	5,716.87	59248
02150	Pace Supply Corp	08/22/2023	Regular	0.00	19,500.77	59268
02150	Pace Supply Corp	08/29/2023	Regular	0.00	7,935.25	59288
02158	Pacific Storage Company	08/29/2023	EFT	0.00	94.24	408832
02146	PG&E	08/22/2023	Regular	0.00	16,187.76	59269
02210	Placer County Water Agency	08/15/2023	Regular	0.00	103,031.25	59249
02225	Polydyne, Inc	08/22/2023	EFT	0.00	6,713.51	408818
03834	Preferred Alliance, Inc.	08/15/2023	EFT	0.00	275.00	408808
03543	Quadient Finance USA, Inc. - Postage	08/01/2023	EFT	0.00	100.00	408766
03543	Quadient Finance USA, Inc. - Postage	08/29/2023	EFT	0.00	1,039.00	408833
01736	Quadient Leasing USA, Inc. - Lease	08/29/2023	EFT	0.00	462.81	408834
03377	RDO Construction Equipment Co.	08/01/2023	EFT	0.00	561.35	408767
02283	Recology Auburn Placer	08/01/2023	Regular	0.00	721.59	59209
02283	Recology Auburn Placer	08/15/2023	Regular	0.00	795.61	59250
02286	Regional Water Authority	08/08/2023	EFT	0.00	7,000.00	408789
02286	Regional Water Authority	08/22/2023	EFT	0.00	35,000.00	408819
02223	Rexel Inc (Platt - Rancho Cordova)	08/08/2023	Regular	0.00	8,037.22	59227
02293	RFI Enterprises, Inc.	08/08/2023	EFT	0.00	54.46	408790
02293	RFI Enterprises, Inc.	08/29/2023	EFT	0.00	535.00	408835
03782	RGM Kramer Inc	08/22/2023	Regular	0.00	1,106.00	59271
03782	RGM Kramer Inc	08/29/2023	Regular	0.00	2,635.50	59289
03385	S J Electro Systems Inc	08/01/2023	EFT	0.00	226.00	408768
03385	S J Electro Systems Inc	08/15/2023	EFT	0.00	226.00	408809
02357	Sacramento Municipal Utility District (SMUD)	08/22/2023	Regular	0.00	33,231.17	59272
02392	Safeguard Business Systems, Inc.	08/15/2023	Regular	0.00	102.54	59251
02395	SAFETY KLEEN SYSTEMS INC.	08/15/2023	Regular	0.00	947.58	59252
02459	Sierra Safety Company	08/08/2023	Regular	0.00	144.14	59228
03267	Silva, Donna	08/29/2023	Regular	0.00	42.90	59290
03897	Sloan Security Group, Inc	08/29/2023	EFT	0.00	39,969.76	408836
02517	Steve P Rados, Inc.	08/22/2023	EFT	0.00	871,734.89	408820
03830	Stoel Rives LLP	08/01/2023	EFT	0.00	16,770.00	408769
01641	Sun Life Assurance Company of Canada	08/04/2023	Bank Draft	0.00	11,882.47	1057054
01411	SureWest Telephone	08/29/2023	Regular	0.00	3,247.12	59291
02572	Thatcher Company of California, Inc.	08/08/2023	EFT	0.00	15,480.00	408791
02572	Thatcher Company of California, Inc.	08/22/2023	EFT	0.00	61,416.00	408821
02581	The Ferguson Group, LLC	08/22/2023	EFT	0.00	13,500.00	408822
02581	The Ferguson Group, LLC	08/29/2023	EFT	0.00	6,750.00	408837
03799	Thirkettle Corporation	08/01/2023	Regular	0.00	44,304.98	59210
03799	Thirkettle Corporation	08/08/2023	Regular	0.00	1,262.33	59229
03799	Thirkettle Corporation	08/22/2023	Regular	0.00	2,757.87	59273
03799	Thirkettle Corporation	08/29/2023	Regular	0.00	51,759.38	59292
03763	Trucksmart	08/15/2023	Regular	0.00	470.83	59253
03880	TW Associates LLC	08/01/2023	EFT	0.00	1,073.20	408770
03846	U.S. Bancorp Asset Management, Inc.	08/08/2023	EFT	0.00	984.71	408792

Check Report

Date Range: 08/01/2023 - 08/31/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
03876	Uline Inc	08/01/2023	EFT	0.00	200.45	408771
02643	Underground Service Alert of Northern Californ	08/01/2023	EFT	0.00	5,440.03	408772
02651	United Parcel Service Inc	08/01/2023	Regular	0.00	201.08	59211
02651	United Parcel Service Inc	08/08/2023	Regular	0.00	78.75	59230
02651	United Parcel Service Inc	08/15/2023	Regular	0.00	30.00	59254
02651	United Parcel Service Inc	08/29/2023	Regular	0.00	30.00	59293
03298	United Rentals (North America), Inc.	08/08/2023	EFT	0.00	1,278.31	408793
02667	US Bank Corporate Payments Sys (CalCard)	08/18/2023	Bank Draft	0.00	3,022.95	474-390133-23
02667	US Bank Corporate Payments Sys (CalCard)	08/18/2023	Bank Draft	0.00	27,627.46	474-390133-23
02665	US BANK St. Paul	08/15/2023	EFT	0.00	3,000.00	408810
03077	VALIC	08/04/2023	Bank Draft	0.00	3,572.06	281007
03077	VALIC	08/21/2023	Bank Draft	0.00	3,505.55	283179
02700	Viking Shred LLC	08/01/2023	Regular	0.00	64.00	59212
02700	Viking Shred LLC	08/15/2023	Regular	0.00	64.00	59255
01687	W. W. Grainger, Inc.	08/01/2023	Regular	0.00	1,440.72	59213
01687	W. W. Grainger, Inc.	08/08/2023	Regular	0.00	221.45	59231
01687	W. W. Grainger, Inc.	08/15/2023	Regular	0.00	2,945.96	59256
01687	W. W. Grainger, Inc.	08/29/2023	Regular	0.00	28.85	59294
02710	WageWorks, Inc	08/08/2023	EFT	0.00	116.00	408794
03387	WageWorks, Inc	08/08/2023	EFT	0.00	349.00	408795
03387	WageWorks, Inc	08/22/2023	EFT	0.00	407.50	408823
01068	Walker, Glenn C.	08/08/2023	Regular	0.00	1,382.36	59232
01486	WAPA - Department of Energy	08/08/2023	EFT	0.00	805.89	408796
03831	Water Works Engineers, LLC	08/15/2023	Regular	0.00	9,674.76	59257
02730	Western Area Power Administration	08/01/2023	EFT	0.00	5,364.00	408773
02743	Wienhoff & Associates, Inc.	08/15/2023	Regular	0.00	170.00	59258
02766	Youngdahl Consulting Group, Inc.	08/08/2023	Regular	0.00	4,062.50	59233

Bank Code APBNK Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	174	93	0.00	755,002.98
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	0.00
Bank Drafts	28	28	0.00	455,582.05
EFT's	134	81	0.00	2,477,961.99
	<b>336</b>	<b>203</b>	<b>0.00</b>	<b>3,688,547.02</b>

### All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	174	93	0.00	755,002.98
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	0.00
Bank Drafts	28	28	0.00	455,582.05
EFT's	134	81	0.00	2,477,961.99
	<b>336</b>	<b>203</b>	<b>0.00</b>	<b>3,688,547.02</b>

### Fund Summary

Fund	Name	Period	Amount
999	INTERCOMPANY	8/2023	3,688,547.02
			<b>3,688,547.02</b>





San Juan Water District, CA

# Vendor History Report

**By Vendor Name**

Posting Date Range 07/01/2023 - 08/31/2023

Payment Date Range -



Payroll Set: 01-San Juan Water District

<b>Employee Number</b>	<b>Employee Name</b>	<b>Pay Code</b>	<b># of Payments</b>	<b>Units</b>	<b>Pay Amount</b>
<a href="#">0690</a>	Costa, Ted	Reg - Regular Hours	2	10.00	1,250.00
			<b>0690 - Costa Total:</b>	<b>10.00</b>	<b>1,250.00</b>
<a href="#">0670</a>	Miller, Ken	Reg - Regular Hours	2	7.00	875.00
			<b>0670 - Miller Total:</b>	<b>7.00</b>	<b>875.00</b>
<a href="#">1003</a>	Rich, Daniel	Reg - Regular Hours	2	7.00	875.00
			<b>1003 - Rich Total:</b>	<b>7.00</b>	<b>875.00</b>
<a href="#">0650</a>	Tobin, Pamela	Reg - Regular Hours	2	20.00	2,500.00
			<b>0650 - Tobin Total:</b>	<b>20.00</b>	<b>2,500.00</b>
<a href="#">1039</a>	Zamorano, Manuel	Reg - Regular Hours	2	5.00	625.00
			<b>1039 - Zamorano Total:</b>	<b>5.00</b>	<b>625.00</b>
			<b>Report Total:</b>	<b>49.00</b>	<b>6,125.00</b>



Payroll Set: 01-San Juan Water District

<b>Account</b>	<b>Account Description</b>	<b>Units</b>	<b>Pay Amount</b>
<a href="#">010-010-58110</a>	Director - Stipend	24.50	3,062.50
	<b>010 - WHOLESALE Total:</b>	<b>24.50</b>	<b>3,062.50</b>
<a href="#">050-010-58110</a>	Director - Stipend	24.50	3,062.50
	<b>050 - RETAIL Total:</b>	<b>24.50</b>	<b>3,062.50</b>
	<b>Report Total:</b>	<b>49.00</b>	<b>6,125.00</b>



Payroll Set: 01-San Juan Water District

<b>Pay Code</b>	<b>Description</b>	<b># of Payments</b>	<b>Units</b>	<b>Pay Amount</b>
Reg - Regular Hours	Regular Hours	10	49.00	6,125.00
		<b>Report Total:</b>	<b>49.00</b>	<b>6,125.00</b>

## 2023/24 Actual Deliveries and Revenue - By Wholesale Customer Agency

July - August 2023								
	Budgeted Deliveries	Budgeted Revenue	Actual Deliveries	Actual Revenue	Delivery Variance		Revenue Variance	
San Juan Retail	3,396	\$ 661,458	3,619	\$ 679,549	223	6.6%	\$ 18,091	2.7%
Citrus Heights Water District	2,495	\$ 558,144	2,859	\$ 587,666	364	14.6%	\$ 29,521	5.3%
Fair Oaks Water District	1,773	\$ 388,508	1,841	\$ 394,008	68	3.8%	\$ 5,500	1.4%
Orange Vale Water Co.	1,106	\$ 216,213	1,111	\$ 216,620	5	0.5%	\$ 407	0.2%
City of Folsom	281	\$ 60,267	306	\$ 62,271	25	8.8%	\$ 2,004	3.3%
Granite Bay Golf Course	128	\$ 4,511	143	\$ 5,064	16	12.3%	\$ 554	12.3%
Sac Suburban Water District	2,550	\$ 561,408	4,218	\$ 928,591	1,668	65.4%	\$ 367,183	65.4%
<b>TOTAL</b>	<b>11,729</b>	<b>\$ 2,450,508</b>	<b>14,097</b>	<b>\$ 2,873,768</b>	<b>2,368</b>	<b>20.2%</b>	<b>\$ 423,260</b>	<b>17.3%</b>

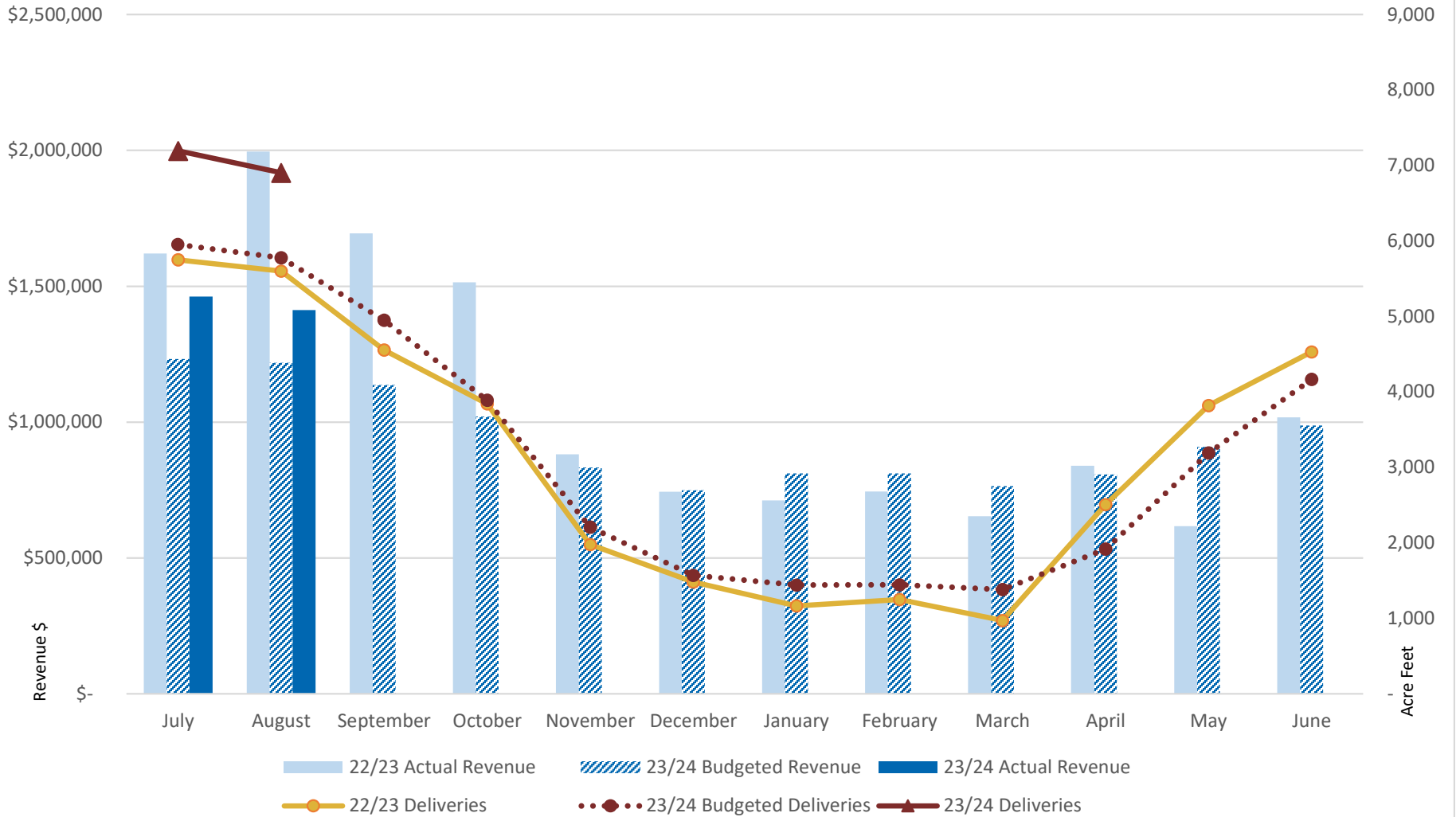
Budgeted Deliveries	11,728.93
Actual Deliveries	14,096.69
Difference	2,367.76
	20.2%

Budgeted Water Sale Revenue	\$ 2,450,508
Actual Water Sale Revenue	\$ 2,873,768
Difference	\$ 423,260
	17.3%

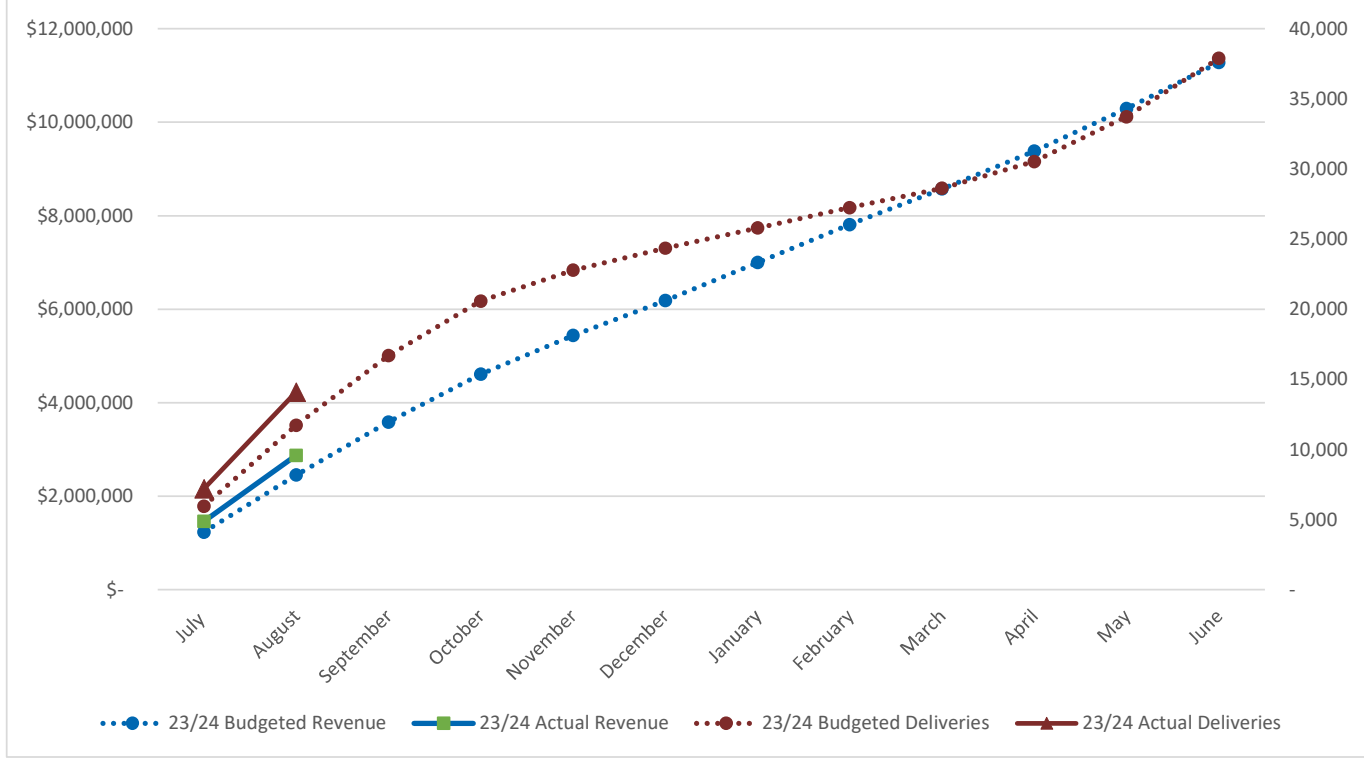
**Conclusion:**

Fiscal Year 2023-24 water sales continue to be off to a good start. Deliveries to all customers have been greater than anticipated for both July and August. Deliveries for the period are 20.2% greater than anticipated for this point in the fiscal year. This is generating revenues that are 17.3% more than expected.

## Comparison of Fiscal Year 2022/2023 Actuals to 2023/2024 Projections and Actuals of Deliveries and Revenue



### Cumulative Water Deliveries and Revenues FY 2023-24



## LEGISLATIVE | END-OF-SESSION SUMMARY

Sept. 15, 2023

The First Year of the 2023-'24 Legislative Session Ends with Wins for ACWA Members

The California legislative year that ended Thursday included many wins for ACWA member agencies, particularly in the areas of water rights and infrastructure permit streamlining.

“With the year starting with both drought and flooding, the Legislature devoted a lot of attention to water policy and funding,” said Deputy Executive Director Cindy Tuck. “ACWA staff rose to the occasion, dedicated countless hours to the work and were highly effective in their advocacy.”

Below is an overview of action on some of the key bills that ACWA staff advocated in support or opposition on behalf of its members this year.

### Water Rights

This year witnessed a significant level of attention from the Legislature on water rights, including bills seeking to fundamentally change the way California’s water rights system is administered and enforced. ACWA staff made the water rights bills a top priority this year and led a large coalition of more than 100 organizations, including the water community and agricultural, business, labor, and other interests in opposing AB 460 (Bauer-Kahan), AB 1337 (Wicks) and SB 389 (Allen). The coalition, including many ACWA member agencies, lobbied extensively throughout the year in opposition to the bills. This included many meetings with legislators, coalition letters, extensive outreach by ACWA members, and impactful testimony in policy committee hearings.

As a result of this advocacy, AB 460 and AB 1337 failed to advance out of the Senate Natural Resources and Water Committee. The bills are now two-year bills and may be brought up next year.

SB 389 was amended after extensive negotiations to significantly improve the bill. The bill would now allow the State Water Resources Control Board (State Water Board) to simply request information from water right holders related to water diversions, as opposed to authorizing the investigation and invalidation of water rights with almost no cause as originally proposed. With these changes, which resulted from ACWA’s advocacy and Senator Allen’s leadership, ACWA removed its opposition to SB 389.

SB 389 passed out of the Legislature and is at Gov. Gavin Newsom’s desk. He will have until Oct. 14 to sign or veto the legislation.

### Climate Resilience Bond

For the last several years, ACWA has been advocating extensively for investments in water infrastructure. A total of four climate resilience bond proposals were introduced in 2023 - each with a focus on water infrastructure. In particular, SB 867 (Allen), would invest in nine out of ACWA’s 10 priority water infrastructure categories. While ACWA appreciates the inclusion of these funding categories, the amount of funding proposed in the legislation for these categories needs to be increased to help address the impacts of climate change on water management.

More recently, the Legislature decided to push the climate resilience bond proposals to next year, making a November 2024 ballot measure most likely. ACWA will now have additional time to continue



to advocate for new investments in the areas of recycled water, desalination, groundwater recharge, water storage, conveyance, dam safety, safe drinking water, PFAS remediation, water conservation, and several other critical water infrastructure categories. The Legislature will reconvene on Jan. 3, 2024, and will have until the end of June to negotiate a final version of a bond to be presented to voters on the November 2024 ballot.

### Infrastructure Streamlining

On July 10, Gov. Newsom signed budget trailer bills intended to streamline infrastructure projects throughout the state. The governor's proposals included changes to the judicial process related to California Environmental Quality Act (CEQA) challenges, the California Endangered Species Act (CESA), and the project contracting authority of the Department of Water Resources and the Department of Transportation.

The governor announced the package of proposals in May, and ACWA quickly adopted supportive positions and helped build a coalition of water agencies and associations, labor organizations, business groups and others that advocated in support of them.

While the proposals were met with significant opposition from environmental groups, the Administration made this issue its top priority for June. ACWA participated in the multiple informational hearings that were convened, the weekly meetings with the governor's top advisors, and meetings with legislators and staff.

Ultimately, as part of a larger budget negotiation, the proposals were narrowed to exclude some types of projects, including the Delta Conveyance Project and ocean desalination projects. The proposals were also narrowed in other ways, including a sunset date for the CESA provisions that allow the California Department of Fish and Wildlife to issue incidental take permits for fully protected species. In addition, the proposed changes for the Delta Stewardship Council programs were dropped entirely.

With the narrowed scope of the proposals, a number of environmental groups removed opposition, and the bills passed out of the Legislature on June 5 and were signed by the governor.

### Groundwater

AB 560 (Bennett) would have required that parties to a groundwater management adjudication action submit a proposed settlement agreement to the State Water Board prior to filing it with the court, for a nonbinding advisory determination regarding its impact on sustainable groundwater management and small and disadvantaged users.

ACWA had multiple concerns with this bill, namely that it would have substantially delayed the process for obtaining a final judgment. ACWA adopted a not-favor position and joined an opposition coalition led by the California Chamber of Commerce.

AB 560 failed to pass out of the Senate Appropriations Committee and became a two-year bill.

### Water Management Planning

AB 1572 (Friedman) would prohibit irrigation of nonfunctional turf with potable water. ACWA originally adopted an oppose-unless-amended position on the bill due to the broad definition of “nonfunctional turf” and the enforcement process that would have been required of public water agencies. ACWA worked extensively with the author’s office to address these concerns and narrow the scope of the bill. After multiple rounds of amendments, ACWA adopted a support position on AB 1572, and the bill passed out of the Legislature on Sept. 12.

AB 1572 passed out of the Legislature and is at the governor’s desk. He will have until Oct. 14 to approve or veto the legislation.

AB 754 (Papan) would have required water agencies to develop a storage curve, projections, and monthly reporting on reservoirs that constitute at least 50% of their total water supply. The bill did not account for the diverse water supplies of water systems and the various ways that water agencies manage reservoirs.

ACWA adopted an oppose position on AB 754 and, along with an ACWA-led coalition of more than 20 member agencies and partner organizations, advocated throughout the year in opposition to AB 754.

The bill failed to pass out of the Senate Appropriations Committee and is now a two-year bill.

#### Dam Safety

ACWA played a leadership role in a very active coalition’s advocacy to create a state program for competitive grants for dam safety and related climate resilience projects (e.g., projects to enable Forecast-Informed Reservoir Operation at reservoirs). SB 122, among other things, created the Dam Safety and Climate Resilience Local Assistance Program. The statutory language for the new program is based in large part on language that the coalition developed with input from ACWA. ACWA is now advocating for funding for this important program in the context of a climate resilience bond.

After extensive advocacy, the Legislature passed the bill and the governor signed it into law on July 10.

#### Delta Conveyance

SB 687 (Eggman) proposed to:

Require the State Water Board to adopt a final update of the San Francisco Bay/Sacramento–San Joaquin Delta Estuary Water Quality Control Plan (Bay-Delta Plan) before the State Water Board could consider a change in point diversion or any other water rights permit or order for the Delta Conveyance Project; and

Prohibit the operation of the Delta Conveyance Project until the updated Bay-Delta Plan is fully implemented.

A Delta conveyance solution is needed to improve water supply reliability statewide and enhance the Delta ecosystem. The State Water Contractors and ACWA opposed SB 687 because it would have created challenges and delays for a Delta conveyance solution by making the Delta Conveyance Project timeline reliant on both the finalization and full implementation of the Bay-Delta Plan.

The Assembly Appropriations Committee held the bill, making it a two-year bill.

## Zero-Emission Vehicles (ZEVs) and Public Water Agencies

ACWA successfully secured amendments to include all water agencies in the provisions of AB 1594. Previously, the bill excluded flood control agencies, reclamation districts, levee districts, and federal contracting agencies.

AB 1594 would require that any state regulation requiring the procurement of medium- and heavy-duty zero-emission vehicles (ZEVs), authorize public agency utilities to purchase replacements for traditional utility-specialized vehicles that are at the end of their useful life without regard to the model year of the vehicle being replaced, when the vehicle is needed to maintain reliable service and respond to major foreseeable events. This would include severe weather, wildfires, natural disasters, and physical attacks.

The bill, sponsored by the California Municipal Utilities Association, is an attempt to give water agencies more flexibility in complying with the California Air Resources Board's Advanced (CARB) Clean Fleets Regulation by requiring CARB to work with water agencies to identify vehicles at the end of their useful life and purchase traditional gas vehicles when no alternative ZEV is available. ACWA lobbied the Newsom Administration and CARB in particular to ensure that the bill was broadened to include all public water agencies.

AB 1594 passed out of the Legislature and is now headed to the governor's desk where he has until Oct. 14 to act on legislation.

## Testing for Lead in Drinking Water in Schools

AB 249 (Holden) would establish a new program for testing for lead in drinking water at public schools, as specified, even though testing has already been conducted under existing law and when future (estimated October 2024) federal regulation, the federal Lead and Copper Rule Improvements, will require new testing.

ACWA collaborated with other associations, including the California Municipal Utilities Association, the California Special Districts Association, and the California Water Association on joint suggested amendments. The author generally accepted the amendments, which added flexibility relative to the 2024 new federal rule and made the proposed testing requirements less onerous. However, the author subsequently added a last-minute amendment that limited the flexibility that had been added. The amendments, which were developed by a working group of ACWA's State Legislative Committee and would make compliance less onerous, are still in the bill.

The bill passed out of the Legislature and is at the governor's desk. ACWA will request a veto because of the likelihood that AB 249 will result in testing requirements that duplicate or conflict with the 2024 federal regulation.

## Ballot Measures - Voter Thresholds

ACA 13 (Ward) would require proposed ballot initiatives that seek to increase voter-approval thresholds on future ballot measures to pass with the same proportional higher vote threshold. For example, an initiative that would impose a two-thirds-vote threshold on future ballot measures would be required to pass with a two-thirds vote. An example of a measure that ACA 13 would affect is the Taxpayer Protection and Government Accountability measure that is set to be on the November 2024 ballot.

ACWA has an oppose position on that measure. If ACA 13 is enacted, that measure would have to pass by a two-thirds vote. ACA 13 passed out of the Legislature and is at the governor's desk. ACWA will request a signature.

#### Discontinuation of Water Service

SB 3 (Dodd) would amend an existing law that restricts discontinuation of water service for nonpayment. Part of that existing law requires water systems, as specified, to have a policy on discontinuation of water service that includes a plan for deferred or reduced payment.

The Attorney General's Office requested, and the author included in the bill, an amendment which would specify that the plan for deferred or reduced payment must be available to all customers, even if they did not meet the existing criteria for the limited prohibition on shutoffs. ACWA negotiated an amendment which would specify that the plan would not be required to reduce the amount owed for water service. That amendment went into the bill. ACWA also negotiated with the Attorney General's Office on changes to a proposed restitution authority in the bill. However, the author's office decided that those agreed-upon restitution-related changes should be made in clean-up legislation next year, as opposed to being made in the two weeks before the Legislature adjourned.

SB 3 passed out of the Legislature and is at the governor's desk. He will have until Oct. 14 to sign or veto the legislation.

**Finance Committee Meeting Minutes  
San Juan Water District  
September 19, 2023  
4:00 p.m.**

**Committee Members:** Ted Costa, Director (Chair)  
Ken Miller, Director (Member)

**District Staff:** Paul Helliker, General Manager  
Donna Silva, Director of Finance  
Andrew Pierson, Director of Engineering Services  
Teri Grant, Board Secretary/Administrative Assistant

**Members of the Public:** Pam Tobin  
Guest

**1. Review General Manager Reimbursements (W & R)**

There were no reimbursement requests from the General Manager.

**2. Review Check Register from August 2023 (W & R)**

The committee reviewed the August 2023 check register and found them to be in order.

**3. Air Release Valve Replacement Program (R)**

Mr. Pierson reviewed a staff report which will be included in the Board packet. He informed the committee that the \$70,000 amendment request in the staff report was negotiated down to approximately \$54,000. Ms. Silva confirmed that the District budget can cover the additional expense with savings from other projects. Mr. Pierson reviewed the reasons for the additional expense which are included in the staff report.

*The Finance Committee recommends consideration of a motion by the Board to authorize and approve a construction contract amendment with Navajo Pipelines, Inc. for the Air Release Valve Replacement Program.*

**4. Other Finance Matters (W & R)**

Ms. Silva reported that she received approval from the State Water Resources Control Board to submit reimbursement requests for the construction costs of the Hinkle Reservoir project. She submitted a request for \$21.6 million and anticipates the funds in 4-6 weeks.

**5. Public Comment**

There were no public comments.

The meeting was adjourned at 4:08 p.m.