SAN JUAN WATER DISTRICT

Board of Director's Meeting Minutes
June 8, 2016 – 6:00 p.m.

BOARD OF DIRECTORS

Pam Tobin	President
Ken Miller	Vice President
Ted Costa	Director
Dan Rich	Director
Bob Walters	Director (Absent)

SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF

Shauna Lorance	General Manager
Donna Silva	Director of Finance
Teri Grant	Board Secretary/Administrative Assistant
Joshua Horowitz	Legal Counsel

OTHER ATTENDEES

Sandy Harris	Customer
Anthony Chacon	Forsgren Associates
Tony Barela	SJWD
Michael Stemple	SJWD
Greg Turner	SJWD
Rob Watson	SJWD

AGENDA ITEMS

I. Public Forum
II. Consent Calendar
III. Presentation
IV. Committee Reports
V. Information and Action Items
VI. Upcoming Events
VII. Closed Session
VIII. Open Session
IX. Adjourn

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

I. PUBLIC FORUM

There were no public comments.

II. 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 Minutes, May 25, 2016**
   Recommendation: Approve draft minutes
2. **2015 Urban Water Management Plan**
   Recommendation: Approval of Resolution No. 16-09, adopting the 2015 Urban Water Management Plan
3. **Lake Trails Ct Road Realignment - Water Pipeline Easement**
   Recommendation: Approve and accept the 20-ft wide waterline easement for an existing water distribution pipeline which supplies the existing residential services on Lake Trails Court
4. **Treasurer's Report – Quarter Ending March 31, 2016**
   Recommendation: Receive and File
5. **Purchase Additional Wholesale Water Treatment Chemicals**
   Recommendation: Authorize the purchase of an additional 98.62 tons (4 truckloads) of Clarion A402P, liquid aluminum sulfate w/cationic polymer blend, a water treatment chemical, at a total cost of $16,667

At the request of Director Costa, President Tobin removed Consent Item 5 from the Consent Calendar for discussion under the *Finance Committee Report*.

Director Costa moved to approve items 1-4 of the Consent Calendar. Director Miller seconded the motion and it carried with 4 Aye votes. (Director Walters absent)

III. PRESENTATION

1. **Water Rights and Contracts – Shauna Lorance**
   Ms. Lorance informed the Board that she will postpone the presentation until June 22, 2016, in order for Director Walters to be present.

ACTION AND INFORMATIONAL ITEMS

IV. COMMITTEE REPORTS

1. **Personnel Committee (5/24/16)**
   Ms. Lorance reported that the committee met on May 24, 2016, and discussed the following:

   - Employee Policy Review (W & R)
   - General Manager Authority (W & R)
   - Staffing Levels (W & R)

- Vision and Dental Plan Update (W & R)
- Employee Contracts (W & R)
- Other Personnel Matters
- Public Comment

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

Employee Policy Review (W & R)
Ms. Lorance informed the Board that the committee is working through the process of reviewing the policies.

For information only; no action requested.

General Manager Authority (W & R)
Ms. Lorance informed the Board that there is reference to the General Manager's authority in the Employee Manual under the Compensation Studies Policy and in District Ordinances. As part of the reformatting of the Employee Manual and policies, this item will be moved to the Board policies.

Ms. Lorance informed the Board that the committee discussed the spending limit of the General Manager, which is currently at $15,000 for construction or other purchases, excluding professional services. The committee agreed that increasing the limit to $50,000, similar to the General Manager's authority for professional services, should be considered. She explained that construction and purchases over $25,000 would still be competitively bid according to state law. She explained that the increase will be incorporated into the changes that are being made to the policies and ordinances which will then be reviewed by committee and then by the Board.

For information only; no action requested.

Staffing Levels (W/R)
Ms. Lorance informed the committee that staffing levels will be discussed at the next Board workshop.

Vision and Dental Plan Update (W & R)
Ms. Lorance informed the Board that the committee reviewed a quote from ACWA JPIA for vision benefits and it looks like the District could save some money. A formal quote will be brought back to the Personnel Committee for their recommendation to the Board. In addition, staff was requested to obtain a quote from ACWA JPIA on dental benefits.

For information only; no action requested.

Employee Contracts (W & R)
Ms. Lorance informed the Board that the committee discussed the letter from the AGM which requested that the AGM contract be terminated and that the Board consider adding 40 hours of AGM leave into the policy manual. The

AGM noted that this contract has caused too much of a distraction with the Board and staff. Ms. Lorance requested that the Board discuss the request to terminate the contract and will act at the pleasure of the Board.

Ms. Lorance explained that the AGM requested that the Board consider revising the policy manual to include 40 hours of AGM leave. This revision would make the contract unnecessary and terminating the agreement would have no negative affect on the AGM or the District since the AGM is receiving the hours under the contract. She informed the Board that the Personnel Committee discussed the request and suggested that staff revise the policy for Board consideration, and have the Finance Committee review for any financial impacts in the budget.

In response to Director Miller's question, Ms. Lorance informed the Board that the other item in the contract was the potential for incentive pay up to 10% if funded in the budget each year, similar to regular non-contracted employees.

The Board discussed the request and those present concurred with the AGM's request to terminate the contract, return the AGM status to a regular employee and consider adding 40 hours of AGM leave to the policy manual. President Tobin stated that Director Walters had informed her of his concurrence to this request previously.

Director Costa requested that all contracts going forward have a termination date and then are reviewed and a new contract entered, if needed. He stated that the cell tower agreements do not have an end date and need to be looked at. Ms. Lorance commented that a contract termination policy can be looked at when the Board policies are reviewed. President Tobin requested that the cell tower agreements be reviewed at the next Finance Committee meeting.

For information only; no action requested.

Other Personnel Matters
Ms. Lorance informed the Board that the Water Resource Specialist position has been posted and the deadline for applications is June 10, 2016.

For information only; no action requested.

2. Engineering Committee (5/26/16)
Director Rich reported that the committee met on May 26, 2016, and discussed the following:

- Hinkle and Kokila Reservoir Condition Assessments Status Report (W & R)
- Capital Improvement Program Update (W & R)
- Other Engineering Matters
- Public Comment

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

Hinkle and Kokila Reservoir Condition Assessments Status Report (W & R)
Director Rich referred the Board to the reports that were included with the meeting minutes. He explained that Hinkle and the Kokila Reservoir Condition Assessments Reports were included in the packet.

Director Rich informed the Board that the report estimates 2-5 more years of life left for each reservoir. Kokila Reservoir will cost approximately $8 million for San Juan Retail, and Hinkle Reservoir will be approximately $20 million for San Juan Wholesale. He commented that the costs have been placed in the CIP about 4-5 years out.

For information only; no action requested.

Capital Improvement Program Update (W & R)
Director Rich informed the Board that the wholesale and retail Capital Improvement Programs (CIPs) spreadsheets were provided in the Board packet. He reviewed the information contained in the CIPs, which include but are not limited to various improvements, the reservoirs, WTP filter system improvements, and an Administrative Building.

Director Rich commented that staff is working with Bob Reed to incorporate the CIP placeholders into the financial plans, and then once that is completed there will be a better understanding of the cost breakdown for each year which the Board can discuss.

For information only; no action requested.

Other Engineering Matters
Director Rich informed the Board that the 2016 Public Health Goal (PHG) report will be presented at the June 22nd Board meeting.

3. Legal Affairs Committee (6/1/16)
Director Costa reported that the committee met on June 1, 2016, and discussed the following:

- FO-40 Agreement on Payment Schedule (W)
- Groundwater Reimbursement Payment Schedule Agreement (W)
- Ordinance Review (W & R)
- Other Legal Affairs Matters
- Public Comment

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

FO-40 Agreement on Payment Schedule (W)
Director Costa reported that the committee discussed the Fair Oaks Water District (FOWD) request for a special payment plan for the FO-40 phase 2 project. He commented that the agreement will be reviewed by the FOWD Board on June 13th. He anticipates that they will approve the agreement then the SJWD Board can review and approve at the June 22nd Board meeting.

Mr. Horowitz commented that he reviewed the agreement and there are no issues with it, so once FOWD approves the agreement, then the Board does not have to send it back to committee. Director Costa complimented Directors Rich and Walters for their work on the 2x2 committee with FOWD.

For information only; no action requested

Groundwater Reimbursement Discussions (W)
Director Costa reported that the groundwater pumping agreement is pending approval of the financial plans in order to incorporate the payment schedule into the agreement.

For information only; no action requested

Ordinance Review (W &R)
Director Costa informed the Board that Ms. Lorance reported that there were no ordinances to review at this time and this will be a standing agenda item until all the ordinances are reviewed.

For information only; no action requested

Other Legal Affairs Matters (W/R)
Director Costa reported that Placer County Water Agency (PCWA) would be interested in selling the Los Lagos Tank, or extend the lease at the request of the District. He commented that more information will be brought back once staff compiles the all the data. Ms. Lorance commented that the District did pay for a portion of the construction of the tank.

Director Costa reported that a meeting was scheduled for June 9th with the Sacramento County Department of Transportation regarding the Sacramento County paving issue. Ms. Lorance reported that a meeting with staff was held and she believes that meeting with the County Supervisors may be the next step.

Ms. Lorance informed the Board that an employee vehicle was struck on the driver's side and the SJWD driver was not at fault.

4. Finance Committee (5/10/16)
Director Costa reported that the committee met on June 7, 2016, and discussed the following:

- Review and Pay Bills (W & R)
- Authorization to Purchase Additional Wholesale Water Treatment Chemicals
- Employee Contracts (W & R)
- Public Information Budget/Contract Amendment
- Other Finance Matters
- Public Comment

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

Review and Pay Bills (W & R)
Director Costa reported that the committee reviewed bills and claims in the amount of $1,164,150.04 and found them to be in order.

Director Costa moved to approve Resolution 16-10. President Tobin seconded the motion and it carried with 4 Aye votes. (Director Walters absent)

Authorization to Purchase Additional Wholesale Water Treatment Chemicals (W)
Director Costa informed the Board that the Finance Committee was informed that more chemicals were needed than indicated in the staff report; therefore, staff recommended an additional $45,000 to cover the cost through June 30, 2016.

Director Costa moved to authorize the purchase of additional Clarion A402P, liquid aluminum sulfate w/cationic polymer blend, a water treatment chemical, at a total cost of $45,000. President Tobin seconded the motion and it carried with 4 Aye votes. (Director Walters absent)

Employee Contracts (W &R)
This item was discussed under the *Personnel Committee Report*.

Public Information Budget/Contract Amendment (W & R)
Director Costa reported that an additional $9,500 (wholesale) and $6,500 (retail) were added to the Crocker & Crocker Professional Services Agreement ("contract").

For information only; no action requested.

V. INFORMATION AND ACTION ITEMS

1. GENERAL MANAGER'S REPORT

1.1 Report Back Item
There were no items discussed.

1.2 Miscellaneous District Issues and Correspondence

Ms. Lorance reported that the Sites Project Joint Power Authority has issued a Request for Proposals from agencies interested in obtaining capacity out of the Sites Reservoir treatment plant. She commented that there is a waiting list for capacity south of the Delta; however, they are offering the capacity to this region first. Ms. Lorance commented that she talked with Andy Fecko with PCWA to see about working with Sites to instead have a seat at the table during their discussions with DWR regarding providing a public benefit to keep the water in Folsom Reservoir.

In response to Director Costa's question, Ms. Lorance explained that they are in the initial phase and discussions regarding power capacity have not been initiated. She will report back on the Sites Reservoir once she has more information.

President Tobin voiced concern that a regulatory drought may occur while customers are repairing their landscaping and there will be many unhappy customers. Ms. Lorance informed the Board that there is a teleconference with DWR, USBR, Fish and Wildlife, NEMS, and the CVP Contractors scheduled for June 9th to discuss the possible outcome of the June 10th meeting regarding operations. Mr. Horowitz commented that the District will again be very active at the State Water Resource Control Board meetings, will need to involve customers, deal with legislative advocate and the RWA, along with the possibility of legal action depending on the outcome of meeting.

2. DIRECTOR OF FINANCE'S REPORT

2.1 Report Back Items

Ms. Silva informed the Board that staff has received the draft financial reports for FY 2014-15 back from the auditors and they are working towards issuing the final reports within the next week. In addition, the auditors will conduct their presentation to the Board at the June 22nd Board meeting.

2.2 Miscellaneous District Issues and Correspondence

There were no other matters discussed.

3. LEGAL COUNSEL'S REPORT

3.1. Legal Matters

Mr. Horowitz informed the Board that there will be no Closed Session. He informed the Board that he will be on vacation June 19th to July 2nd and Katrina Gonzalez will attend the June 22nd Board meeting.

In response to Director Costa's question, Mr. Horowitz informed the Board that it is possible for the District to have its own reservoir using the pre-1914

water rights; however, there are several aspects to be aware of, such as finding a site, at least ten years of entitlements and approvals needed to build it, and funding issues. Mr. Horowitz commented that the District might want to discuss re-operation or raising of dams with existing reservoirs for water storage, which would take less time and be less costly.

Mr. Horowitz reminded the Board that at the workshop it was discussed to have him conduct a presentation on governance issues. The Board requested that he conduct the presentation at the July 13th Board meeting.

4. DIRECTORS' REPORTS

4.1 SGA

President Tobin reported that SGA meeting June 9, 2016.

4.2 RWA

President Tobin reported that RWA met May 12, 2016. She reported that RWA approved the amendment to the pay schedule to include the Executive Director's position, approved the RWA Associate Members Policy 100.3, RWA Journal Entry Approval Policy 500.7 and RWA Purchasing Card Policy 500.8, approved, and approved the Executive Director to execute the CalPERS Reallocation Agreement on behalf of RWA. In addition, she reported that Rob Swartz conducted a *Regional Reliability Plan Update* presentation, and Deven Upadhyay conducted a *Metropolitan Water District* presentation.

4.3 ACWA

4.3.1 Local/Federal Government/Region 4 - Pam Tobin

President Tobin reported that she attended the ACWA Region 4 meeting where they discussed the legislative bills being tracked, and groundwater SGMA proposals.

4.3.2 JPIA - Bob Walters

No report.

4.3.3 Energy Committee - Ted Costa

Director Costa commented that the Energy Committee discussed that there is so much solar power coming in during peak demands that the price for energy during that time is falling.

4.4 CVP Water Users Association

No report.

4.5 Other Reports and Comments

There were no other items discussed.

VI. UPCOMING EVENTS

1. ACWA Region 2&4 Event – SGMA: The View From Above
   June 21, 2016
   Sacramento, CA
2. RWA 15th Anniversary Luncheon
   July 14, 2016
   Sacramento, CA

President Tobin reported that there would be no Closed Session

VII. CLOSED SESSION

1. Conference with legal counsel--anticipated litigation; Government Code sections 54954.5(c) and 54956.9(b); significant exposure to litigation involving state and federal administrative proceedings and programs affecting District water rights

VIII. OPEN SESSION

There was no closed session.

IX. ADJOURN

The meeting was adjourned at 7:26 p.m.

PAMELA TOBIN, President
Board of Directors
San Juan Water District

ATTEST:

TERI GRANT, Board Secretary

San Juan Water District

RESOLUTION 16-09
URBAN WATER MANAGEMENT PLAN UPDATE

WHEREAS, the Board of Directors has reviewed San Juan Water District's Final Draft 2015 Urban Water Management Plan Update; and

WHEREAS, a public hearing was conducted on May 25, 2016, accepting public testimony; and

WHEREAS, the Board of Directors found San Juan Water District's Final Draft 2015 Urban Water Management Plan Update, pursuant to the Urban Water Management Planning Act (Division 6, Part 2.6 of the California Water Code §10610 - 10656) to be in order.

NOW, THEREFORE, BE IT RESOLVED the Board of Directors of the San Juan Water District hereby approves the San Juan Water District 2015 Urban Water Management Plan Update, as required under the Urban Water Management Planning Act.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 8th day of June 2016, by the following vote:

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:

PAMELA TOBIN
President, Board of Directors

TERI GRANT
Secretary, Board of Directors

STAFF REPORT

To: Board of Directors

From: Rob Watson, P.E.
Engineering Services Manager

Date: June 8, 2016

Subject: Lake Trails Court Realignment Project
Recommendation to Accept Waterline Easement

RECOMMENDATION ACTION

Staff recommends a motion to approve and accept a 20-ft wide waterline easement in accordance with District Ordinances for an existing water distribution pipeline which supplies the existing residential services on Lake Trails Court.

BACKGROUND

During the construction of the Auburn Folsom Road Widening Project, Placer County worked with the residents on Lake Trails Court to realign the road to move the intersection of Lake Trails Court and Auburn Folsom Road to the north and thereby be in line with the intersection of Eureka Road and Auburn Folsom Road.

This road realignment improved the traffic safety for Lake Trails Court however; when the old road alignment was abandoned there was then a need to create an easement for the District's existing water distribution pipeline that serves Lake Trails Court.

SJWD Engineering worked with Place County's Public Works and Surveying Departments to establish the necessary dedicated water pipeline easement.

STATUS

The construction of the Auburn Folsom Road Widening Project has been completed, and the Lake Trails Pipeline Easement document has been prepared and has been approved by Placer County. All that remains to complete the process is for the District to approve and accept the water pipeline easement such that it can then be recorded.

District staff have reviewed the easement documents and have determined that the easement is prepared in accordance with the District's engineering Standards, and in accordance with the District's Ordinances. A copy of the easement document is attached for Board reference.

BUDGET IMPACT

There are no costs associated with recordation of the easement documents, and there is no anticipated budget impact associated with a Board decision to accept this easement.

CERTIFICATE OF ACCEPTANCE

This is to certify that San Juan Water District, a political subdivision of the State of California, acting by and through its General Manager, hereby accepts for public purposes the interest in real property conveyed by this instrument, and further consents to the recording of this instrument, pursuant to authority conferred on the General Manager by the Board of Directors of the San Juan Water District on _____, 20___.

Dated: _____, ____

SAN JUAN WATER DISTRICT

By: _____
Shauna Lorance, General Manager

CERTIFICATE OF ACKNOWLEDGMENT BY NOTARY PUBLIC
[California Civil Code § 1189]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of _____)

On _____, 20____ before me, _____, a notary public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

ACCOMODATION ONLY

Recording Requested By, And When Recorded, Please Mail Document To:

free

San Juan Water District
Attn: General Manager
P.O. Box 2157
Granite Bay, CA 95746

Official Document, Exempt from Recording Fees Pursuant to Gov't Code §§ 6103 & 27383

Assessor's Parcel No(s).: -- This Space for Recorder's Use Only --

GRANT OF EASEMENT AND RIGHT OF WAY

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, 4-5-16, Grantor, hereby grants to **San Juan Water District**, a political subdivision of the State of California, Grantee, a permanent easement and right of way, including the perpetual right to enter upon the real property described below at any time that Grantee may deem necessary, to locate, construct, install, operate, maintain, repair, modify, replace and remove underground pipelines, water mains and all necessary below- and above-ground appurtenances for the purpose of conveying water over, across, through, and under the lands hereinafter described, together with the right to excavate and refill ditches or trenches for the location of said pipelines, water mains and appurtenances, and the further right to remove trees, bushes, undergrowth, ground covering, pavement, and any other obstructions interfering with the location, construction, installation, operation, maintenance, repair, modification, replacement and removal of said pipelines, water mains and appurtenances.

The land burdened by this Grant of Easement and Right of Way is located in the County of Placer, State of California, and is more particularly described as follows:

See Exhibit "A" attached to and made a part of this Grant of Easement and Right of Way

The subject easements granted by Grantor to Grantee herein are more particularly described as:

See Exhibits "B" and "C" attached to and made a part of this Grant of Easement and Right of Way

As a condition of this Grant of Easement and Right of Way, Grantor reserves the right to use such land for purposes that will not interfere with Grantee's full enjoyment of the rights hereby granted; provided that Grantor shall not erect or construct any building, wall, fence, or other permanent structure, or drill or operate any well, or construct any reservoir or any other obstruction on said land, or to diminish or substantially add to the plants and vegetation on or lying over the described easement.

The provisions of this Grant of Easement and Right of Way shall run with the land and inure to the benefit of and bind the heirs, successors, and assigns of the Grantor and Grantee.

Executed this 5th day of April, 2016.

By: _____

By: Placer County Board of Supervisors
Robert M. Weygandt

Placer County

5

EXHIBIT "A"

Parcel "A" of Parcel Map No. 71524, as said Parcel is shown on the Official Parcel Map thereof, filed on September 19, 1977, in Book 11 of Parcel Maps, Page 2, Placer County Official Records.

EXHIBIT B

20' WIDE WATERLINE EASEMENT
OVER EXISTING SAN JUAN WATER DISTRICT PIPELINE

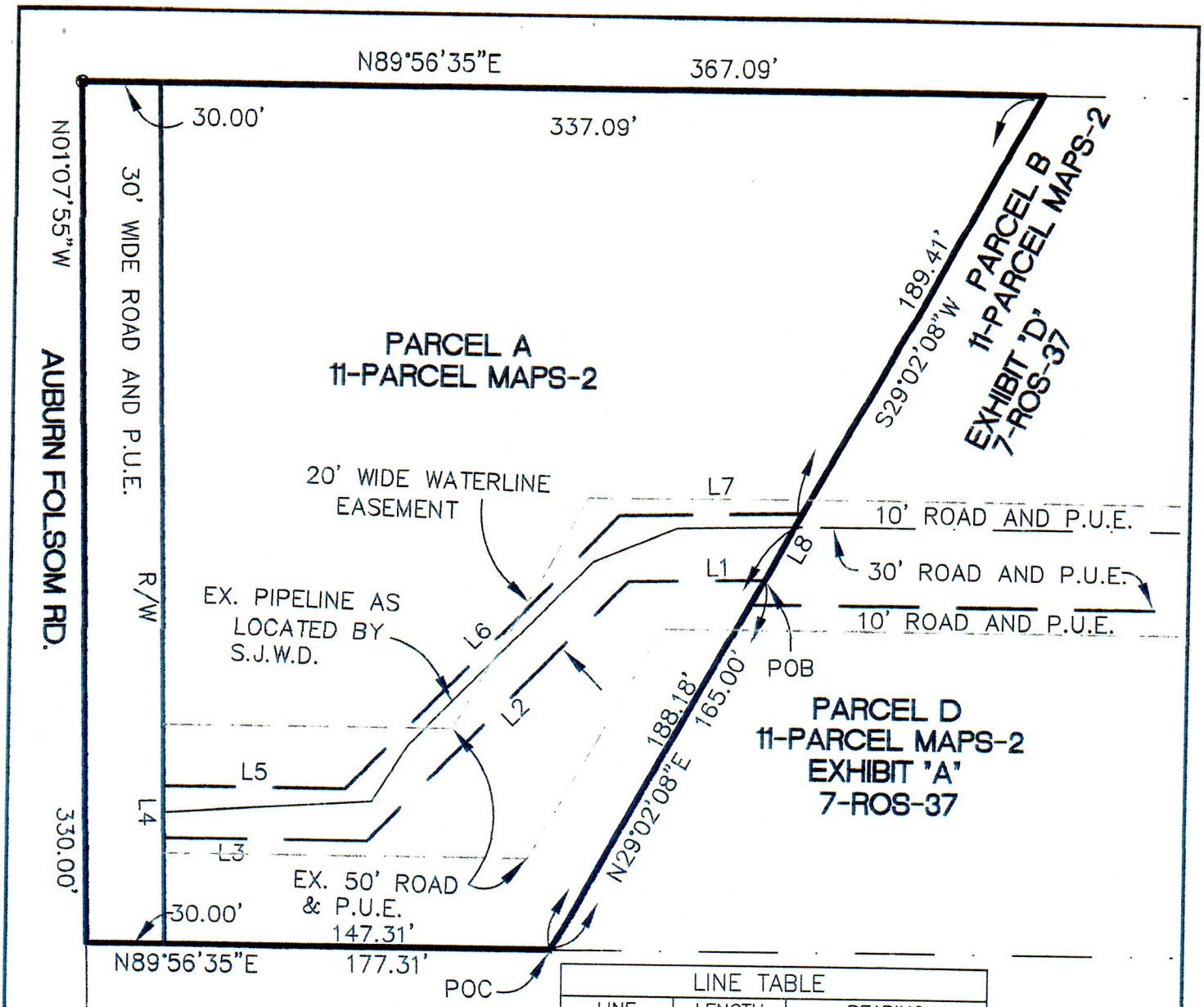
All that portion of Parcel A, as laid out and shown on that certain Parcel Map filed in Book 11 of Parcel Maps, at Page 2, in the office of the Placer County Recorder, being a portion of Section 12, Township 10 North, Range 7 East, M.D.M., lying in the City of Granite Bay, County of Placer, State of California, and more particularly described as follows:

Commencing at the southeastern most corner of said Parcel A; thence along the eastern most boundary of said Parcel A North 29°02'08" East 165.00 feet being the POINT OF BEGINNING; thence South 88°39'13" West 52.20 feet; thence South 44°00'10" West 141.60 feet; thence South 89°56'35" West 77.65 feet to a point on the eastern most Right of Way line of Auburn Folsom Road as laid out and shown on said Parcel A; thence along said Right of Way line North 01°07'55" West 20.00 feet; thence leaving said Right of Way line North 89°56'35" East 69.55 feet; thence North 44°00'10" East 148.45 feet; thence North 88°39'13" East 70.00 feet to a point on said eastern most boundary of Parcel A; thence along said boundary South 29°02'08" West 28.98 feet to the POINT OF BEGINNING.

Containing 5,900 square feet of land more or less.

1-12-15

ALAN R. DIVERS, LS 6013



LINE TABLE		
LINE	LENGTH	BEARING
L1	52.20	S88°39'13"W
L2	141.60	S44°00'10"W
L3	77.65	S89°56'35"W
L4	20.00	N01°07'55"W
L5	69.55	N89°56'35"E
L6	148.45	N44°00'10"E
L7	70.00	N88°39'13"E
L8	28.98	S29°02'08"W

PUE = PUBLIC UTILITY EASEMENT
POB = POINT OF BEGINNING
POC = POINT OF COMMENCEMENT
LOCATED PLACER COUNTY, CA.
BASIS OF BEARINGS IS NAD 83 CCS, ZONE 2.

THIS MAP WAS PREPARED UNDER MY DIRECTION

1-12-15

ALAN R. DIVERS, L-6013

LICENSED LAND SURVEYOR
ALAN R. DIVERS
No. 6013
STATE OF CALIFORNIA

SCALE 1" = 60'

DATE: 12-17-2014
SCALE: 1"=60'
JOB NUMBER: 14-97
DWG NAME: ESMT

Alan R. Divers
Professional Land Surveyor
3430 ROBIN LN. #2 CAMERON PARK
CA. 95682 - (530) 642-1755

EXHIBIT C
WATERLINE EASEMENT

CERTIFICATE OF ACKNOWLEDGMENT BY NOTARY PUBLIC
[California Civil Code § 1189]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Placer)

On April 5, 2016 before me, Eva Koppin, a notary public, personally appeared Robert M Weygandt, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Eva Koppin

EVA KOPPIN
Commission # 2139346
Notary Public - California
Placer County
My Comm. Expires Jan 14, 2020

(Seal)

STAFF REPORT

To: Board of Directors

From: Donna Silva, Director of Finance

Date: June 8, 2016

Subject: Treasurer's Report – Quarter Ending March 31, 2016

RECOMMENDED ACTION
This report is for information only and will be filed with the meeting minutes.

BACKGROUND
The purpose of the treasurer's report is to update the Board and the public on the status of the District's cash balances and investments, and highlight material changes from one period to another. The scope of this report covers the first quarter of calendar year 2016, ending March 31, 2016.

The District's investment objectives are established by the Board approved Investment Policy. The Investment Policy is guided and constrained by the California Government Code. The Board periodically reviews and adjusts the Investment Policy to ensure ongoing compliance with the government code and to maximize investment flexibility as permitted. The current Investment Policy has the following objectives for the portfolio:

1. Safety
2. Liquidity
3. Yield

Attached is the quarterly Treasurer's Report for the three months ended March 31, 2016.

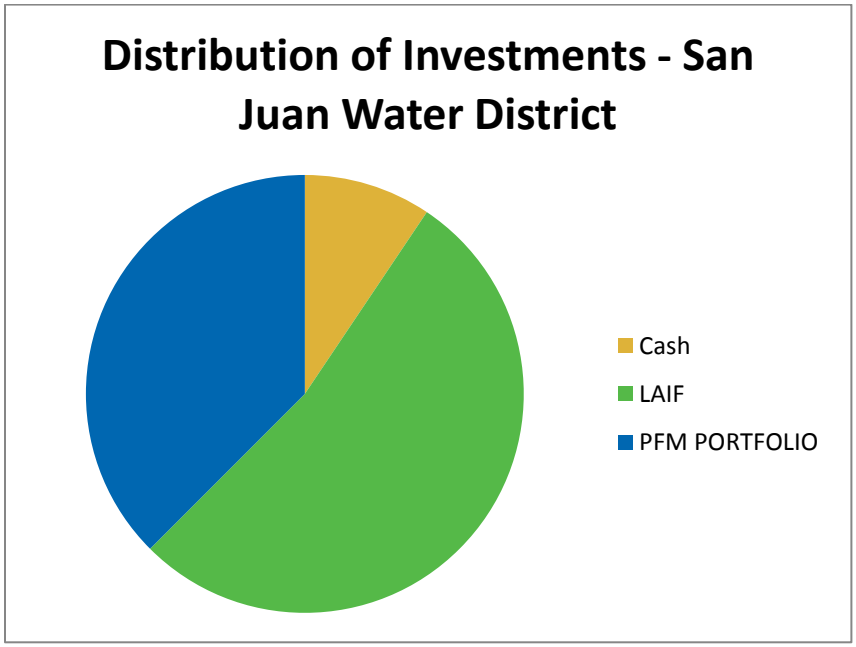
At December 31, 2015, the end of the previous quarter, the value of the District's total portfolio was $28.4 million. Since that time, the value of the District's portfolio decreased by $4.6 million for an ending balance of $23.8 million as of March 31, 2016. Cash and short-term investments decreased by $4.9 million and long-term investments increased by $311,450. The funds are currently held as follows:

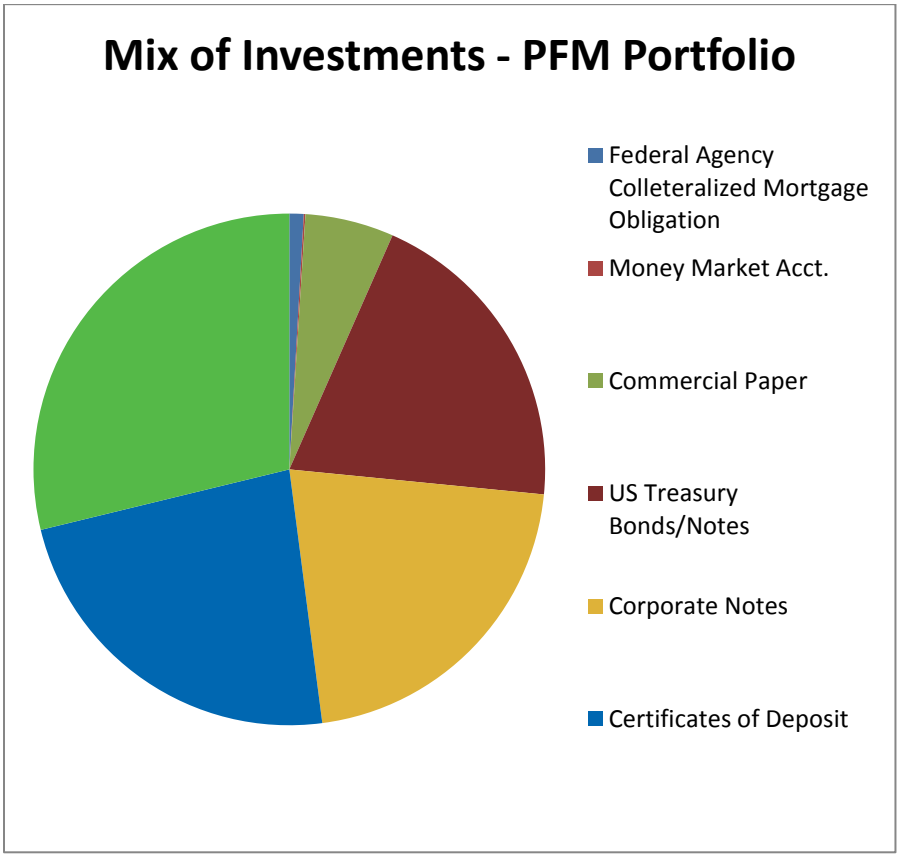
Cash at Banking Institutions	$ 2,237,360
Local Agency Investment Fund (LAIF)	12,626,336
PFM Managed Investment Portfolio	9,168
	$ 14,872,864

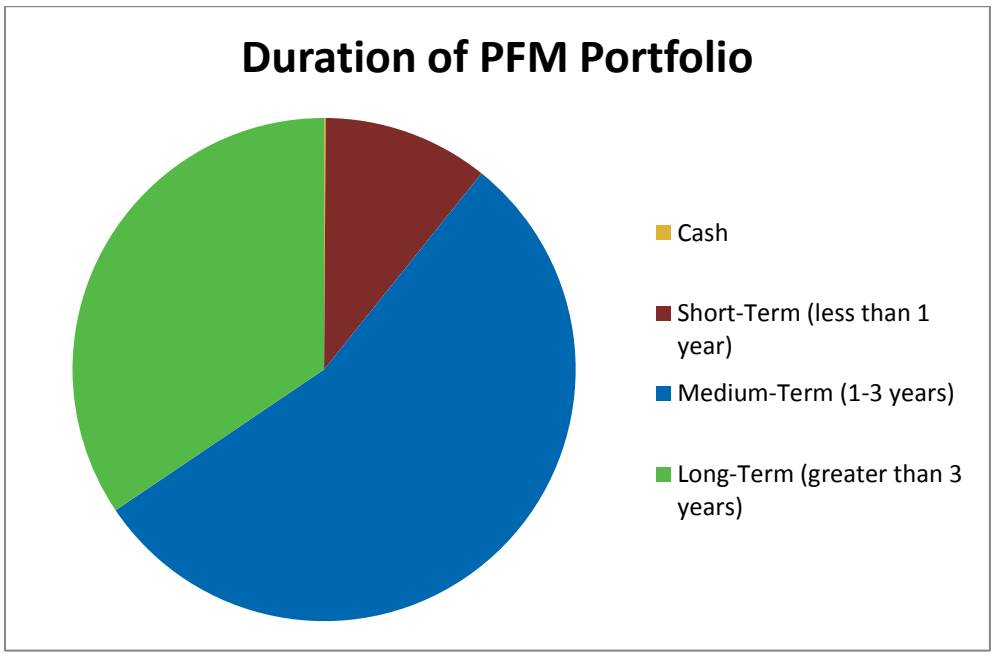
The overall portfolio is diversified with 37% invested in marketable securities, 53% invested in short-term investments that are considered liquid (LAIF) and 10% on deposit with US Bank. Staff, in conjunction with your financial advisors, periodically reviews the mix of liquid and long-term investments and adjusts the portfolio according to the market conditions and the District's short term cash needs.

All securities held are in conformance with those permitted by the District's Investment Policy. There are sufficient funds to meet the District's expenditure requirements for the next six months.

The distribution, mix and duration of investments are displayed in the following charts:







Interest rates have been at historically low levels. Due to the low interest rate environment, the managed portfolio is concentrated in the medium term duration category. This increases our interest earnings while providing an opportunity to secure higher yield investments when interest rates begin to rise.

The portfolio is performing well and continues to outperform the benchmark (Bank of America Merrill Lynch "BAML" 0-50 year Treasury Index) on a current and historical basis.

Total Returns – period ending March 31, 2016

	Duration (years)	Quarter Ending 3/31/2016	Past Year	Since Inception
San Juan Water District	2.12	1.30%	1.68%	1.96%
BAML 0-5 Year Treasury Index	2.15	1.26%	1.33%	1.64%

San Juan Water District
Treasurer's Report
March 31, 2016

	Yield %	Par Value	Cost	Current Market Value	Maturity Date
CASH & DEMAND DEPOSITS - US Bank:	na	$ 2,237,360.64	$ 2,237,360.64	$ 2,237,360.64	na
LOCAL AGENCY INVESTMENT FUND (LAIF)	0.337%	$ 12,626,336.47	$ 12,626,336.47	$ 12,626,336.47	na
PFM MONEY MARKET ACCOUNT	na	$ 9,168.45	$ 9,168.45	$ 9,168.45	na
LONG-TERM INVESTMENTS (PFM Investment Portfolio):					
U.S. Treasury Bonds/Notes:					
US Treasury Notes	1.40%	$ 195,000.00	$ 197,940.23	$ 200,065.52	9/30/2019
US Treasury Notes	1.31%	500,000.00	493,437.50	500,410.00	9/30/2019
US Treasury Notes	1.50%	325,000.00	330,649.41	334,940.45	6/30/2020
US Treasury Notes	1.24%	270,000.00	270,147.66	271,856.25	1/31/2020
US Treasury Notes	1.23%	140,000.00	142,324.22	142,772.70	7/31/2020
US Treasury Notes	1.42%	310,000.00	327,316.41	329,423.36	8/15/2020
Federal Agency Collateralized Mortgage Obligation					
Fannie Mae Series 2015-M13 ASQ2	1.08%	80,000.00	80,801.11	80,538.68	9/1/2019
Federal Agency Bonds/Notes:					
FHLB Notes	0.59%	200,000.00	200,114.00	200,174.40	12/28/2016
FNMA Notes (Ex-Callable)	1.05%	1,000,000.00	1,000,000.00	1,005,348.00	2/27/2018
FNMA Benchmark Note	1.08%	150,000.00	149,646.00	150,331.80	2/26/2019
Freddie Mac Notes	1.05%	95,000.00	95,215.65	95,372.97	4/15/2019
Freddie Mac Notes	1.14%	175,000.00	174,942.25	175,687.05	4/15/2019
FNMA Notes	1.69%	595,000.00	596,511.30	608,281.00	6/20/2019
FNMA Benchmark Notes	1.48%	330,000.00	330,287.10	333,644.19	6/22/2020
Corporate Notes:					
Apple Inc. Corp Note	0.94%	110,000.00	109,924.10	110,170.94	5/12/2017
Chevron Corp Note	1.35%	100,000.00	100,000.00	100,602.40	11/15/2017
Wells Fargo & Company Global Notes	1.52%	1,000,000.00	999,000.00	1,005,872.00	1/16/2018
IBM Corp Notes	1.23%	225,000.00	224,313.75	225,406.13	2/6/2018
Bank of New York Mellon Corp	1.60%	175,000.00	174,984.25	176,317.23	5/22/2018
CISCO Systems Inc Corp Note	1.66%	185,000.00	184,968.55	187,607.02	6/15/2018
Toyota Motor Credit Corp	1.58%	100,000.00	99,915.00	100,891.20	7/13/2018
Commercial Paper:					
Bank of Tokyo Mitsubishi UFJ LTD Comm Paper	0.53%	500,000.00	498,660.28	499,792.00	5/5/2016
Certificate of Deposit:					
General Capital Retail Bank LT CD	1.32%	250,000.00	250,000.00	250,739.75	8/17/2016
Canadian Imperial Bank NY YCD	1.01%	250,000.00	250,000.00	249,597.50	4/6/2017
BMO Harris Bank NA CD	1.01%	215,000.00	215,000.00	215,211.99	4/24/2017
Nordea Bank Finland NY CD	1.15%	250,000.00	250,000.00	249,436.25	5/26/2017
Toronto Dominion Bank NY YCD	1.25%	250,000.00	250,000.00	250,326.25	6/16/2017
Svenska Handelsbanken NY FLT Cert Depos	0.84%	215,000.00	215,000.00	214,677.50	8/24/2017
Bank of Nova Scotia Houston YCD	1.55%	215,000.00	215,000.00	215,668.65	11/6/2017
Skandinaviska Enskilda Banken NY CD	1.48%	215,000.00	215,000.00	213,893.83	11/16/2017
HSBC Bank USA NA Floating Cert Depos	0.97%	215,000.00	215,000.00	215,136.53	11/17/2017
TOTAL LONG TERM INVESTMENTS		$ 8,835,000.00	$ 8,856,098.77	$ 8,910,193.54	
TOTAL CASH & INVESTMENTS AT 3/31/2016		**$23,707,865.56**	**$23,728,964.33**	**$23,783,059.10**	

STAFF REPORT

To: Board of Directors

From: Greg Turner – WTP Plant Manager, Mike Stemple – Purchasing Agent

Date: June 8, 2016

Subject: Authorization to Purchase Additional Wholesale Water Treatment Chemicals

RECOMMENDED ACTION
Staff recommends authorizing the purchase of an additional 98.62 tons (4 truckloads) of Clarion A402P, liquid aluminum sulfate w/cationic polymer blend, a water treatment chemical, at a total cost of $16,667.

BACKGROUND
Clarion A402P is a chemical used to process and settle out contaminants from the water. On June 10, 2015 the Board of Directors approved the purchase of 790 tons of Clarion, in the amount of $133,510 for use during Fiscal Year 2015-2016, and approved on May 11, 2016 the additional purchase of 147.3 tons for $27,500. The amount of this chemical needed is largely dependent upon water quality and the volume of water treated. Due to this year's wet conditions, Folsom Lake's unimpaired flows, un-forecasted water deliveries of 3151 AF (through May) to Sacramento Suburban Water District, and higher than anticipated lake turbidity levels in April and May, compounded by unscheduled sedimentation basin maintenance & repairs the District will need to use more chemicals then initially forecasted. An additional purchase of approximately 98.62 tons is needed for this fiscal year.

In accordance with Ordinance 4000, Appendix B, the purchase of Clarion was publicly bid and the initial purchase of 790 tons from the lowest bidder; Chemtrade Chemicals, was approved by motion of the Board on June 10, 2015. The bid set the price per ton and is good for the entire fiscal year. As such, the District does not need to initiate a separate bidding process for this additional procurement.

Per Ordinance 2000 the General Manager can authorize purchases of goods up to $15,000. Since this increase is in excess of $15,000 Board authorization is required. Staff is requesting authorization for the purchase of an additional 98.62 tons of Clarion A402P in the amount $16,667. This will ensure Clarion A402P needs are met for the District through June 30, 2016. Staff is recommending a 10% contingency for truckload delivery variation with a total authorized value of $18,334. There is room in the budget to accommodate this recommendation.

Personnel Committee Meeting
San Juan Water District
May 24, 2016
3:00 p.m.

Committee Members: Pam Tobin, Chair
Bob Walters, Director

District Staff: Shauna Lorance, General Manager
Keith Durkin, Assistant General Manager
Tony Barela, Operation Manager
Teri Grant, Board Secretary/Administrative Assistant

Topics: Employee Policy Review (W & R)
General Manager Authority (W & R)
Staffing Levels (W & R)
Vision and Dental Plan Update (W & R)
Employee Contracts (W & R)
Other Personnel Matters
Public Comment

1. Employee Policy Review (W & R)

Ms. Lorance provided the committee with a written staff report, which included some employee manual policies to review. A copy will be attached to the meeting minutes. She informed the committee that the staff report outlines some of the recommended changes to the policies. She explained that Policy 4040 Disability was amended to include a 90-day District payment of health and dental premiums as compared to the entire disability period of premium payments. The premium payment over the entire disability period is from the time when the district only offered short term disability.

Ms. Lorance informed the committee that, once changes are made to the employee policies, Legal Counsel will review the manual and work with staff to recommend moving some policies out of the manual and into the Board policies. She commented that the employee manual, Board policies and the District Ordinances are all being reviewed. She explained that after completed, the documents will be reformatted into an employee manual, board policies, and ordinances as appropriate for final review by the Personnel Committee and approval by the Board of Directors.

For information only; no action requested.

2. General Manager Authority (W & R)

Ms. Lorance provided the committee with a written staff report. A copy will be attached to the meeting minutes. She explained that reference to the General Manager's authority is included in the Employee Manual under the Compensation Studies Policy and in District Ordinances. As part of the reformatting of the Employee Manual and policies, this item will be moved to the Board policies.

Ms. Lorance informed the committee that there is reference to two items which should be removed, which are the Board requirement of concurrence with the selection or dismissal of the Assistant General Manager (AGM) and the General Manager's appointment of the Purchasing Agent. In addition, she explained that it is recommended that the spending limit of the General Manager be increased to $50,000 for construction and purchasing contracts, similar to the General Manager's authority for professional services. She explained that the current authorization to execute construction and purchasing contracts is $15,000, with contracts over $25,000 being competitively bid according to state law. In addition, she explained that competitive bidding would still occur for contracts over $25,000.

The committee discussed the spending limit and recommends increasing the amount to $50,000 for construction and purchasing contracts.

The Personnel Committee agreed with removing the reference to the Assistant General Manager and the Purchasing Agent in the policies and ordinances, and increasing the spending limit of the General Manager for construction and purchasing contracts to $50,000.

For information only; no action requested.

3. Staffing Levels (W/R)

Ms. Lorance informed the committee that staffing levels will be discussed at the next Board workshop.

4. Vision and Dental Plan Update (W & R)

Ms. Lorance provided the committee with a written staff report. A copy will be attached to the meeting minutes. She explained the vision benefit quote that she obtained is included in the staff report. The committee reviewed the staff report and requested that staff submit a proposal to the committee to move forward with the ACWA JPIA vision plan.

Ms. Lorance also provided the committee with the current dental benefits provided through Ameritas. The committee discussed the dental benefits and requested that Ms. Lorance provide a quote from ACWA JPIA for dental benefits.

For information only; no action requested.

5. Employee Contracts (W & R)

Ms. Lorance provided the committee with a written staff report. A copy will be attached to the meeting minutes. She explained that she received a letter from the AGM which requested that the AGM contract be terminated. Mr. Durkin informed the committee that he wanted to eliminate the distraction this agreement has caused with the Board and staff.

Ms. Lorance explained that the only additional benefit provided in the employment agreement is 40 hours of AGM leave. She would like the committee to consider revising Policy 5100, Administrative Leave, to include 40 hours of AGM leave. This revision

would make the contract unnecessary and terminating the agreement would have no negative affect on the AGM or the District.

The committee discussed the request and suggested that staff revise the policy for Board consideration. In addition, they would like Finance Committee to review for any financial impacts in the budget.

For information only; no action requested.

6. Other Personnel Matters

Ms. Lorance informed the committee that the Water Resource Specialist position has been posted on Glass Door, in addition to the usual posting locations. She explained that the title was changed from Analyst to Specialist at the recommendation of Bryce Consulting; however, the job description was not changed.

For information only; no action requested.

7. Public Comment (W/R)

There was no public comment.

The meeting was adjourned at 3:46 p.m.

STAFF REPORT

To: Personnel Committee

From: Shauna Lorance, General Manager

Date: May 24, 2016

Subject: Employee Policy Manual

RECOMMENDED ACTION
Staff recommends review of proposed draft revisions to Policies 4010 to 5100.

BACKGROUND
The Board of Directors has requested the Personnel Committee conduct a review of the existing Employee Manual to confirm the manual complies with all regulations and laws. Staff will be submitting recommended revisions to the Employee Manual in smaller groups of policies. Once all policies have been discussed in concept with the Personnel Committee, the recommended revisions/policies will undergo legal review and proposed revisions will be discussed with all staff. After completed, the documents will be reformatted into an Employee Manual, Board policies, and Ordinances as appropriate for final review by the Personnel Committee and approval by the Board of Directors.

CURRENT STATUS
This staff report summarizes the substantive changes to policies 4010 to 5100 that are being recommended for consideration by the Personnel Committee.

Policy 4020 Group Health Insurance – updated to include the cap on health benefits payment to that of the Blue Shield HMO

Policy 4040 Disability – changed policy to payment of health and dental benefit premiums from the entire disability period to 90 days from the start of the disability.

Policy 4080 Vision Insurance – revised coverage of dependents up to age 26, from age 25, to match the health coverage policy.

Policy 5020 Holidays – changed to comply with law that the floating holiday cannot be lost if not used. The floating holiday is allowed to be carried over at the end of the fiscal year, up to a total accumulation of 16 hours

Policy 5030, Sick Leave – updated the policy to revise legal definition of when sick leave can be used. Process is spelled out in the policy.

Policy 5060 Military Time Off – needs to be revised by legal counsel to include all current requirements for military time off.

Policy 5090 Family Care Medical and Pregnancy Leave – Revisions included to meet current law.

Policy 5100 Administrative Leave – added 40 hours of Assistant General Manager Leave.

STAFF REPORT

To: Personnel Committee

From: Shauna Lorance, General Manager

Date: May 12, 2016

Subject: General Manager Authority

RECOMMENDED ACTION
Consideration of policy questions for inclusion in draft policy.

BACKGROUND
At the Board strategic workshop, it became apparent that there were Board policies within the Employee Manual that would be more appropriate within general District policies adopted and reviewed by the Board. One of these policies is the Compensation Studies Policy which includes a discussion of authorities provided to the General Manager. The District Ordinances also include information on the authority of the General Manager.

The Board of Directors would like to include all information related to the authority of the General Manager in one location.

CURRENT STATUS
The Compensation Studies Policy has been reviewed by the Personnel Committee and the draft recommendations for revisions are attached. Ordinance 2000.00, Authority of the General Manager is also attached.

Government code section 61051 provides that the General Manager is responsible for all of the following:

(a) The implementation of the policies established by the Board of Directors for the operation of the District.
(b) The appointment, supervision, discipline, and dismissal of the District's employees, consistent with the employee relations system established by the Board of Directors.
(c) The supervision of the District's facilities and services.
(d) The supervision of the District's finances

The Board currently requires concurrence with the selection or dismissal of the AGM. Legal Counsel has recommended removing this requirement.

Generally, the Board of Directors establishes policy and the General Manager is responsible for implementation of those policies and District operations. I have listed some decision points the committee should consider in determining the authority of the General Manager. The committee should consider any other restrictions or authorizations that they would like to see included.

1. What should the limit be for the GM to execute construction and purchasing contracts? The current authorization is $15,000. Contracts over $25,000 must be competitively bid according to state law, so if the amount is over $25,000, the GM would be responsible for ensuring the law is followed. (staff recommends authorizing the GM up to $50,000, similar as the consulting services authorized limit)
2. What should the limit be for the GM to execute agreements, without Board approval, related to consultant services that is an authorized budget item? It is currently $50,000. (staff recommends remaining at $50,000)
3. The ordinance specifically states the GM appoints the Purchasing Agent. This should be removed as there is no specific reason to call this out.

Once the responses are determined by the committee, staff and Legal Counsel will include in appropriate policy or ordinance for a final review by committee prior to Board consideration.

STAFF REPORT

To: Personnel Committee

From: Shauna Lorance, General Manager

Date: May 12, 2016

Subject: Vision Insurance

RECOMMENDED ACTION
Staff recommends purchasing vision insurance from ACWA/JPIA for the same cost as our current reimbursement plan.

BACKGROUND
The District currently reimburses employees and their dependents up to $200 every other year for vision expenses rather than provide insurance. At a recent board meeting, it was requested for staff to check into the order of magnitude for purchasing vision insurance.

The committee reviewed the costs provided and requested staff to confirm the costs and the approach to calculation. Staff confirmed that the District would use the composite approach to calculate the cost for vision insurance.

CURRENT STATUS
As requested, staff requested current costs for vision insurance from a neighboring water agency and from ACWA/JPIA.

	SJWD budget amount	SJWD fully utilized	Neighboring agency	ACWA/JPIA tiered	ACWA/JPIA composite
employee only		$300	$30	$45	
employee +1		$800	$80	$96	
employee +2		$11,100	$1,184	$1,702	
total per month			$1,294	$1,843	$836
total per year	**$10,000**	**$12,200**	**$15,528**	**$22,116**	**$10,032**

Using the composite approach the cost to the district for vision insurance from ACWA JPIA is almost identical to our existing budget amount.

ACWA/JPIA 2016 Vision Plans

Vision Plan	Plan B					Plan C				
Exam Frequency	**Every 12 months**					**Every 12 months**				
Prescription Glasses **Lenses covered in full** -Single vision, lined bifocal and trifocal lenses -Polycarbonate lenses for kids **Progressive Lens Upgrade** **Transitions Lenses**	**Every 12 months** Co-pay Varies $42 - $62 co-pay					**Every 12 months** Co-pay Varies No Co-pay				
Frame -Frame allowance of $130 -Plus 20% discount	**Every 24 months**					**Every 12 months**				
Contact Lenses up to $120 - Every 12 months	**In Lieu of Glasses**				Glasses & Contacts ($50 co-pay)	**In Lieu of Glasses**				Glasses & Contacts ($50 co-pay)
Divison	**3009**	**3001***	**3043**	**3029***	**3041**	**4005**	**4003***	**4029**	**4017***	**4033**
Exam & Prescription Glasses Co-pay	**$0**		**$10**			**$0**		**$15**		
Monthly	Composite	Tiered	Composite	Tiered	Composite	Composite	Tiered	Composite	Tiered	Composite
Employee Only		$ 14.76		$ 11.70			$ 17.76		$ 13.27	
Employee + 1		$ 23.46		$ 18.40			$ 25.11		$ 21.01	
Employee + Family		$ 45.71		$ 35.54			$ 43.89		$ 40.77	
Composite Rate	$ 23.66		$ 18.56		$ 24.40	$ 28.65		$ 21.18		$ 26.85

Rates are in effect from 1/1/2016 - 12/31/2016. Benefits quoted are for in network services. Out of network benefits are significantly lower. VSP has an extensive network of providers, which can be found at www.vsp.com. This is a brief summary of benefits. More detailed summaries are available at www.acwajpia.com. In the event of any discrepancy, the Evidence of Coverage prevails.

See the Program Policy Manual for contribution and participation requirements. In brief: The ACWA/JPIA vision plan may not be offered along side anther vision plan. All employees must be covered at the employer's expense. Dependents, if 100% employer paid, should also all be enrolled. In that case the Composite rate makes sense. A composite rate applies to member regardless of number of dependents.

* If employees are required to contribute to dependent coverage and dependent enrollment is optional, the Tiered rates would apply.

Sandra Smith, ACWA/JPIA, CA License No. 0I72324

Dental Benefits Through Ameritas

General Plan Information

Benefit Year:

The plan benefit period is a calendar year which begins on January 1 and ends on December 31.

Benefit Type/Plan Benefit:

Preventive : * 70 - 80 - 90 - 100% of Usual and Customary allowances.

Basic : * 70 - 80 - 90 - 100% of Usual and Customary allowances.

Major : 50% of Usual and Customary allowances.

***Plan Benefit:** begins at level 1 and advances each succeeding benefit period provided the claimant visits a dentist once per benefit period. Plan Benefit reverts to level 1 if the claimant fails to visit a dentist during a benefit period.

The member will receive a discounted fee for covered services by utilizing a network provider.

Deductibles:

$50 - Lifetime - Preventive and Basic Procedures.

Family Maximum Deductible: None

Maximum Annual Benefit:

There is a $1500 calendar year maximum per individual. **

Carry-over Annual Maximum: The claimant may qualify for an accumulated carry-over annual maximum by filing a dental claim during each benefit period and not exceeding the benefit threshold amount.

Benefit Threshold per covered person - Each Benefit Period $750

Carry-Over Amount per covered person - Each Benefit Period $250

Maximum Carry-Over Accumulation per covered person $1000

** On this policy, the maximums for dental and eye care are combined.

Frequency Information:

Exams:	2 per benefit period	Cleanings:	2 per benefit period
Fluoride:	1 per benefit period, up to age 19	Crowns:	Once every 60 months
Radiographic images:		Bridges:	Once every 60 months
Bitewings - D0270 D0272 D0273 D0274	Preventive 2 per benefit period	Dentures:	Once every 60 months
		Endodontics:	Basic
Single image - D0220 D0230	Preventive	Periodontics:	Basic

FMX - D0210 D0330	Preventive Once in 36 months	Sealants:	1 in 36 months Under age 17 Occlusal surface of permanent molars only Basic

Extractions:

Simple - D7111 D7140	Basic
Surgical - D7210 D7220 D7230 D7240	Basic

Prior Extractions: No benefits payable for the initial placement of any prosthetic or fixed bridge unless the placement is made necessary by the extraction of one or more natural teeth while insured.

* If covered:

Charting may be required for Periodontal Procedures.

X-rays may be required for Surgical Procedures, Crowns, CoreBuild-ups and Post/Core.

Orthodontics:

Plan Benefit:

Orthodontics: 50% Usual and Customary allowances. There is no elimination period for orthodontics.

There is a $1500 Lifetime maximum per individual. Orthodontics is limited to coverage for the employee and all eligible dependents (if covered). A maximum of 8 quarterly payments made over the length of the treatment program or 24 months whichever is less. Payments are made at the end of the quarter which will begin three months after the banding date.

Vision Benefits Through Ameritas

Service/Material:	Benefit Amount Up to:	Frequency
Vision Exam	Up to the annual maximum	Unlimited
Frames	Up to the annual maximum	Unlimited
* Eyeglass Lenses	One of the following: Single Vision - Up to the annual maximum Bifocal - Up to the annual maximum Tri-Focal - Up to the annual maximum	Unlimited

	Progressive (no line) - Up to the annual maximum	
	Lenticular - Up to the annual maximum	
* Contact Lenses	Up to the annual maximum	Unlimited

Deductibles:

There are no deductibles on this plan.

Maximum:

The most that this plan will pay out during any benefit period toward any one family member is $ 100 toward Vision Exams, Frames, Eyeglass Lenses or Contact Lenses.

The maximum for eye care and dental are combined on this plan. If you have questions, please contact us.

How to maximize your benefits: Your plan allows you to go to ANY eye care provider and your benefits are the same. However, if you select one of the providers from the eyemed network, they provide services at a discounted fee. Plan members must present their identification cards to the EyeMed provider of their choice, to receive the discounted fee.

Services that are not covered:

- Non-prescription lenses
- Medical or surgical treatment of the eyes
- Transition lenses, polished edges, UV-400(a coating which is a clear that protects from UV-rays), anti-reflective coating, scratch resistance coating, and tints
- A separate exam for ensuring proper fit of your contacts and evaluating your vision with the contacts.

STAFF REPORT

To: Personnel Committee

From: Shauna Lorance, General Manager

Date: May 12, 2016

Subject: Assistant General Manager's Contract

RECOMMENDED ACTION
Consider recommending to the Board of Directors to include 40 hours of AGM leave in Policy 5100.

BACKGROUND
The General Manager (GM) entered into an employment agreement with the Assistant General Manager (AGM) in November 2015.

CURRENT STATUS
The AGM has submitted a letter requesting termination of the existing employment agreement to eliminate the distraction this agreement has caused with the Board and staff. Termination of the agreement requires concurrence of the GM.

The only additional benefit provided in the employment agreement is 40 hours of AGM leave. The AGM has requested the District consider revising Policy 5100, Administrative Leave, to include 40 hours of AGM leave. This revision would make the contract unnecessary and terminating the agreement would have no negative affect on the AGM or the District.

Engineering Committee Meeting Minutes
San Juan Water District
May 26, 2016
8:30 a.m.

Committee Members: Dan Rich, Chair
Ken Miller, Director

District Staff: Keith Durkin, Assistant General Manager
Rob Watson, Engineering Services Manager
Teri Grant, Board Secretary/Administrative Assistant

Topics: Hinkle and Kokila Reservoir Condition Assessments Status Report (W & R)
Capital Improvement Program Update (W & R)
Other Engineering Matters
Public Comment

1. Hinkle and Kokila Reservoir Condition Assessments Status Report (W & R)

Mr. Durkin informed the committee that he received the Hinkle and the Kokila Reservoir Condition Assessments Reports. A copy of each report will be attached to the meeting minutes. He explained that the findings and recommendations in each report are essentially the same as his verbal report at the April Board meeting.

Mr. Durkin informed the committee that the report estimates 2-5 more years of life left for each reservoir. The consultant recommends that the District start planning for the replacement of the liners and covers. Therefore, Mr. Durkin will work with Bob Reed to include the replacement costs into the financial plans for the FY 2020-21 timeframe.

In response to Director Miller's question, Mr. Durkin explained that at one time the Department of Public Health (DPH) issued a report stating that floating cover types of reservoirs would no longer be allowed due to their vulnerabilities to contamination from tears and poor inspection and maintenance of the reservoirs by agencies. However, the 2011 update to Title 22 of the California Code of Regulations allow floating cover reservoirs as long as they are designed, constructed, and maintained in conformance with strict, specified standards.

Mr. Durkin informed the committee that Kokila Reservoir will need to be replaced with a steel tank that will sit on-grade which will result in better performance. The cost for the Kokila Reservoir is approximately $8 million for San Juan Retail.

Mr. Durkin informed the committee that the cost estimate for the Hinkle Reservoir is approximately $20 million. He provided the committee with a staff report from June 2011 which estimated the cost between $15-20 million and provides background information that is still relevant. He explained that the conceptual level design approach in the 2001 Master Plan was to bifurcate the reservoir, or split the reservoir into two halves. However, staff has been reviewing this idea, which adds

approximately $5 million to the construction cost, and will be evaluating whether or not this is needed in light of other system reliability improvements that have been completed in the last 15 years. Mr. Durkin will bring a recommendation to the committee once the evaluation is complete.

Mr. Durkin explained that project construction will take approximately 4-6 months to complete and the reservoir will be shut down during most of this time. He explained that staff will work with other agencies to coordinate the water supply to customers.

Mr. Durkin reported that costs for the two projects will go to Finance Committee for review. He anticipates that the District will need debt financing to accomplish the projects. The amount and timing will be discussed at the financial plan workshop and with the Finance Committee.

For information only; no action requested.

2. Capital Improvement Program Update (W & R)

The committee reviewed the wholesale and retail Capital Improvement Programs (CIPs). Mr. Durkin informed the committee that he is working with Bob Reed to incorporate the CIPs into the financial plans. A copy of the wholesale and retail CIP spreadsheets will be attached to the meeting minutes.

Mr. Durkin pointed out several items in the CIPs. He explained that there is approximately $3 million in unidentified annual pipeline replacements in the retail CIP beginning in FY23-24. Specific pipeline projects have not been identified beyond this timeframe, but based on historical spending and anticipated pipeline replacements this is an appropriate budget. He reported that the wholesale CIP includes approximately $4 million for the WTP Filter system improvements in FY 2018-19 and FY 2019-20. This is the largest identified wholesale CIP project.

In addition, he reported that an Administration Building Improvements/Replacement Project was added to the CIP. The timing coincides with the reservoir replacements to take advantage of a debt financing. He explained that the existing storage building improvements project, which is estimated to cost $400,000 and has been delayed over the last several years, could be eliminated and the current Admin Building could be repurposed for storage and other needs. In addition, the current Admin Building will not meet projected staffing needs in the future. The new building would provide appropriate office space, meeting room(s), and board room space. In response to Director Miller's question, Mr. Durkin commented that the allocation of costs to the retail CIP for the Admin Building will need to be determined and added to the retail CIP spreadsheet. Mr. Durkin explained that more information on this project will be provided in order for the Board to review and consider approval.

Mr. Durkin provided the committee with a project description list for the wholesale CIP. He informed the committee that staff's goal is to develop a binder of all CIP projects with a full description of the project, including the need, cost, implementation year, and the resources needed to complete the project.

Mr. Durkin informed the committee that the CIP spreadsheets will be in the financial plans and provided to the accounting department so they will be able to use the CIP annually for budget preparation.

For information only; no action requested.

3. Other Engineering Matters

Mr. Durkin informed the committee that the 2016 Public Health Goal (PHG) report is completed and needs to be scheduled for a public hearing at a Board meeting. He reported that, in order to comply with California Health and Safety Code, a special report was prepared and needs to be submitted to the DDW by July 1, 2016. Mr. Durkin informed the committee that a public hearing will be placed on the agenda for the June 22nd Board meeting for the purpose of presenting the 2016 PHG report.

3.1 Next Meeting Date

The next committee meeting will be scheduled when needed.

4. Public Comment

There were no public comments.

The meeting was adjourned at 9:33 a.m.

R K FROBEL & ASSOCIATES
Consulting Engineers

Mr. Keith B. Durkin, P.E. May 15, 2016
Assistant General Manager
San Juan Water District
9935 Auburn Folsom Road
Granite Bay, CA 95746

RE: San Juan Water District, Granite Bay, CA
Hinkle Reservoir Floating Cover Laboratory Testing
Test Summary and Recommendations

Dear Mr. Durkin:

At the request of the San Juan Water District, a site visitation and floating cover inspection/evaluation of the Hinkle Reservoir was completed by R. K. Frobel on December 29 and 30, 2015. Subsequent to the site inspection, it was recommended that samples of the cover material be extracted for laboratory testing. No samples were taken from the liner or baffle. Samples of the cover were extracted and forwarded to TRI Environmental Laboratories and Burke Rubber Company for physical/mechanical testing. The following is a summary of laboratory testing and observations as well as recommendations related to the current condition of the Hinkle Reservoir Hypalon floating cover.

Introduction and Background

The Hinkle Reservoir floating cover, baffle and bottom lining system has now provided over 35 years of service. An inspection of the cover system in 1999 by R.K. Frobel found it to be in good condition at that time and projected a minimum of 5 to 10 years additional life based on laboratory testing. The cover surpassed that expectation. The cover is composed of 45 mil thick Chlorosulfonated Polyethylene Reinforced (CSPE-R) or Hypalon. It consists of 5 plys, 2 plys of which are scrim reinforcement that are each 8 x 8, 250 denier leno weave polyester. The top surface ply is tan in color and the underside is black. It is understood that the bottom liner system and baffle are both 36 mil thick scrim reinforced Hypalon with a single ply 8 x 8, 250 denier scrim reinforcement. All materials were manufactured by Burke Rubber Company, San Jose, CA and then prefabricated into panels and installed on the reservoir. The original design engineer was Clendenen & Associates, Inc., Auburn, CA. The floating cover design is a tensioned plate Burke cover with defined sumps and rainwater collection by gravity drains from the sumps through the reservoir bottom. A 35 year inspection was requested and completed by R. K. Frobel & Associates in December 2015.

Preliminary Floating Cover Evaluation and Sample Extraction

The Hinkle reservoir was in operation and reservoir level was near capacity during the December 2015 inspection. The overall condition of the 45 mil tan Hypalon cover was visually observed to be very good in consideration of 35 years of service. The upper tan surface exhibited discoloration and surface oxidation as well as surface crazing (minute visual cracking) which are aging characteristics typical of Hypalon. Additionally, the material was noted to be stiffer and the surface harder than when new due to the fact that the Hypalon polymer continues to cross-link and loose elongation/flexibility properties with age. There were no surface areas that were observed to be deteriorating and no evidence of scrim surfacing due to wear or age. No major wrinkled areas within the plates of the cover were noticeable other than minor distortion/wrinkling in areas of ponded water. Areas of ponding water were evident by a darker discoloration of the Hypalon surface due primarily to standing water over time. Figure 1 is a general view of the Hinkle cover in December, 2015 which shows standing water and discoloration due to ponding water. The reader is referred to the report entitled "Hinkle Reservoir Floating Cover / Liner and Baffle Inspection Report" dated January 15, 2016 for details.

In general, accumulated small debris, windblown silt, etc.was noted to be collecting in the seam channels that formed on the reservoir surface. Additionally, discreet areas of the cover were observed to have wind blown silt and debris. Areas that routinely collect standing water were discolored to a dark surface color. These areas will be addressed during the proposed cleaning and detailed inspection.

The original patches and cover strips on the 1999 sample locations A1, B1, C1 and D1 were in excellent condition. It was decided that new samples would be taken further along the same seam and out on to the cover and at approximately the same location and marked A2, B2, C2 and D2. Figures 2 and 3 illustrate sample location extraction and typical new patch with cover strips installed by Colorado Lining International (CLI).

LaboratoryTest Program.

Based on the site visitation and inspection in December 2015, it was decided that new cover material samples be taken approximately 3 ft from the old sample locations and along the same seam. Sampling was discussed with Mr. Greg Turner and CLI and locations were identified. The approximate size of each sample was determined to be 20 inches in width by 36 inches in length with the seam centered along the 36 inch length. CLI extracted samples and labeled them as A2, B2, C2 and D2 to identify the same quadrants from which they were extracted in 1999. Each sample was cut into two pieces approximately 20 inches in width by 18 inches in length. One sample was forwarded to Burke Industries and one to TRI Environmental Laboratory, Anaheim, CA.

The following tests were directed to be carried out on the samples at TRI:

Thickness	ASTM D 1593/5199	5 replicates
Water Absorption	ASTM D 471*	3 replicates

Ply Adhesion	ASTM D 413A	3 replicates MD
Tensile Strength	ASTM D 7004/751**	2 replicates MD & CMD
Tensile Elongation	ASTM D 7004/751**	2 replicates MD & CMD
Seam Shear Strength	ASTM D 751/Grab	2 replicates
Hydrostatic Burst	ASTM D 751/NSF Mod	4 replicates
Surface Cracking	Photomicrograph	1 @ 30X

* Measure water absorption potential due to aging/microcracking
**Method A Procedure 1

Samples were properly identified and packaged flat – protected in heavy plastic for shipment to the laboratories. Samples were packaged immediately after extraction and protected in bags until specimen cutting and testing. Actual specimen layout and instructions for testing at TRI was coordinated by R. K. Frobel.

Laboratory Test Results

Tables 1 and 2 summarize the test results obtained from TRI Environmental for samples A2, B2, C2 and D2. Table 1 represents actual TRI Environmental Laboratory test results and Table 2 provides % change in values from original manufacturer (Burke) typical test values to 2016 average test values for all samples extracted from the Hinkle cover.

In general, the following characteristics are noted as regards the aging of the 45 mil Hypalon cover:

Thickness remains at or near original values with only a slight decrease of – 4.0% which is the same as 2000 data. Tensile Strength has shown a slight decrease of between – 9.0 and – 12.5 % based on original data which is not significant but represents only the scrim reinforcement. Tensile strength was noted to be higher in 2000 data and thus scrim strength may be decreasing with age.

Elongation or strain of a Polymer is a good indication of resistance to aging. However, elongation of the Hypalon polymer on the Hinkle Reservoir has decreased substantially at – 79.0 % for the MD and – 73.0 % for the CMD due primarily to the ageing and degradation of the polymer over the past 35 years. Microcracking of the Hypalon surface and continued stiffening of the polymer are also contributing to the loss in strain properties. 2000 data from TRI was still indicating > 100% strain and between 50 and 60% loss over original 1980 referenced strain. This value will continue to rapidly decrease with continued exposure.

Seam strength and efficiency has not changed substantially since 2000 but again reflects the scrim reinforcement which has not been affected thus far. Hydrostatic burst properties have not changed and in fact have increased + 21.1 % and are nearly the same as 2000 data. However this property reflects the scrim strength which remains relatively stable.

A major change noted is in Water Absorption which reflects porosity or water uptake of the Hypalon polymer and/or cross section. Water Absorption has increased 490% over original values and may reflect the current microcracking observation. Molecularly, water is finding its way into the cross section and the increase may be due to absorption into the scrim as well as the polymer. This will eventually affect the tensile strength of the scrim. Water absorption was not noted in the 2000 test data but now is a significant factor in aging.

Photomicrgraphic examination of the Hypalon surface illustrated a significant change from 2000. The 30X photos of the surface shows significant micro cracking of the Hypalon polymer due primarily to the effects of ozone and continuous exposure to the elements and in particular ultraviolet radiation. The micro cracking indicates that the Hypalon surface is beginning to deteriorate and thus will affect the cover condition and life expectancy. Figure 4 in the photos shows a typical photo micrograph of the Hypalon surface. As the cracking continues, water absorption will no doubt increase and eventually affect the scrim reinforcing layer. The Hypalon polymer will eventually crack, delaminate and expose the scrim.

Although repair patching and cover strips were successfully installed by CLI on sample locations A2, B2, C2 and D2, it should be noted that repair by conventional methods of cleaning and utilizing Burke adhesive is becoming very difficult and may be prohibitive in the near future, similar to that observed on the Kokila Reservoir cover.

Table 1
Summary of TRI Test Results

Property	Test Method	Units	Sample Number Test ID A2	B2	C2	D2
Thickness	ASTM D5199	mil	42	44	43	44
Tensile Strength	ASTM D751/7004	lbf				
MD			173	204	192	159
CMD			160	176	179	184
Tensile Strain	ASTM D751/7004	%				
MD			69	54	53	29
CMD			99	63	59	44
Seam Strength	ASTM D751 Grab	lbf	159	184	198	151
Seam Efficiency		%	62	104	110	82
Hydrostatic Burst	ASTM D 751/A	psi	210	220	210	210
Water Absorption	ASTM D 471	%	29	26	29	34
Surface Cracking	Photomicrograph	30X	yes	yes	yes	yes

Notes:

1. Sample B2 contains a Field Seam. All others are factory thermal seams.
2. Seam Efficiency is a percentage of tensile strength in the CMD
3. MD = Machine Direction; CMD = Cross Machine Direction
4. Water Absorption measures the potential for absorbing moisture
5. Surface Cracking was Extensive as observed in Photos at 30X

Table 2
Summary of Test Results for 1980 vs 2016

Property	Test Method	Units	1980	2016	% Change
Thickness	ASTM D5199	mil	45	43	- 4.0
Tensile Strength	ASTM D751/7004	lbf			
MD			200	182	- 9.0
CMD			200	175	- 12.5
Tensile Strain	ASTM D751/7004	%			
MD			245	51	- 79.0
CMD			245	66	- 73.0
Seam Strength	ASTM D751 Grab	lbf	175	173	- 1.1
Seam Efficiency		%	87.5	90	+ 2.8
Hydrostatic Burst	ASTM D 751/A	psi	175	212	+ 21.1
Water Absorption	ASTM D 471	%	5.0	29.5	+490
Surface Cracking	Photomicrograph	30X	No	Yes	NA

Notes:

1. 1980 Values are Typical Average and 2016 Values are Average all Samples
2. Seam Efficiency is a percentage of tensile strength in the CMD
3. MD = Machine Direction; CMD = Cross Machine Direction
4. Water Absorption measures the potential for absorbing moisture
5. Surface Cracking was Extensive in 2016 as observed in Photos at 30X

Summary and Recommendations

Based on the above test program and significant changes in properties including microcracking, water absorption and Hypalon polymer strain deterioration, the cover material on the Hinkle Reservoir is fast approaching the end of its useful life after over 35 years. However, even with known changes in the polymer and possibly changes in scrim strength, the cover will probably function with no major failure for several more years.

It is recommended that a reduced cleaning and inspection/repair program be implemented with care being exercised in cleaning so as not to damage the Hypalon surface. Additions to the existing cover that were discussed in the previous report such as new hatches, vents, sump reconstruction, etc. can be considered but may not be cost effective if a new cover system (as well as new liner and Baffle) is to be anticipated and budgeted in the next 2 to 5 years.

The San Juan Water District should seriously consider replacement of the Hinkle Reservoir Cover System in the next 2 to 5 years, especially in consideration of the increasing deterioration of the Hypalon polymer and increasing difficulty in repairing the ageing polymer.

This concludes the report on the San Juan Water District Hinkle Reservoir Cover Laboratory Testing and Recommendations. If you have any questions, please give me a call at 720-289-0300 or email geosynthetics@msn.com.

Sincerely Yours,

R K Frobel

Ronald K. Frobel, MSCE, PE

Attachment 1 – Photographs

Attachment 2 – TRI Environmental Test Report

ATTACHMENT 1

PHOTOGRAPHS

Figure 1. General View of the Hinkle Cover showing standing water, some discoloration, windblown silt/debris accumulation.

Figure 2. Photo showing extraction/patching of new sample location.

Figure 3. Photo showing typical completed patch with cover strips at sample extraction location.

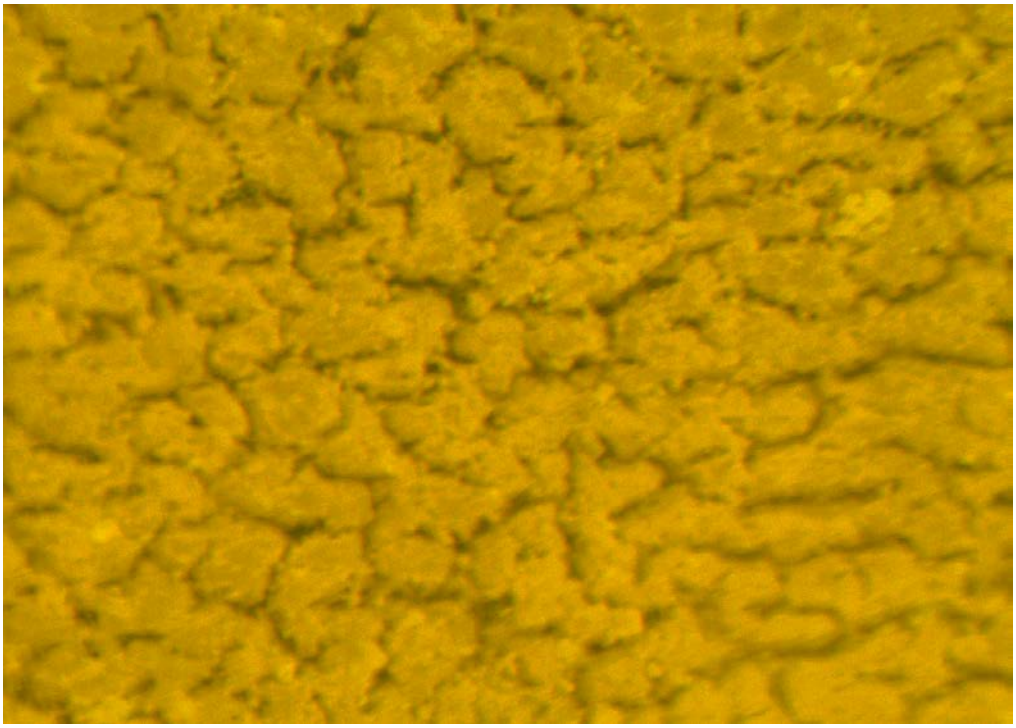


Figure 4. Typical 30X Micrograph Photo of Hypalon Surface Showing Extensive Surface Cracking.

ATTACHMENT 2

TRI ENVIRONMENTAL LABORATORY DATA

TABLE 1.

MATERIAL PROPERTIES

CLIENT: Colorado Lining Company

PROJECT: San Juan Water Dist. Hinkle Reservoir

Date Received : **4/8/2016**
Date Reported: **4/20/2016**
Client Sample ID : **A2**
Material Description: **Hypalon Seam**

QC'd by: Maria Espitia
TRI Job No. : **G160316**
TRI Control No. : **112034**

METHOD	DESCRIPTION	SPECIMENS 1	2	3	4	5	6	7	8	9	10	Avg.	Std. Dev.	MIN	Max	Proj. Specs.
	Sheet Material															
ASTM D5199 Procedure B	Thickness (mils)															
	Apparatus:Dead weight dial Micrometer with 6.35 mm (0.250 in) dia presser foot and a pressure of 43.10 kPA (6.38 psi) provided by a 142 gm dead weight. Loading time: 5 sec Specimen Size: 10pcs.-3 inch diameter.	**41**	**41**	**42**	**42**	**42**	**42**					**42**	**0**	**41**	**42**	
ASTM D751 Procedure A	Grab Tensile															
	Tensile Strength (lbs)															
	MD	**173**										**173**				
	TD	**160**										**160**				
	Elongation at Break (percent)															
	MD	**69**										**69**				
	TD	**99**										**99**				
ASTM D751 Procedure A1	Hydrostatic Resistance (psi)															
	Test method used pressure application by Mullen Type Hydrostatic Tester with screen and glass support.	**210**										**210**				
ASTM D413	Peel Strength (lbs/ in.- width)															
	Can not peel.															
ASTM D471	Effect of Liquids (percent change)															
	Laboratory condition is maintained at 22+/-2^{O} C (71.6+/-3.6^{O} F) and at 60+/-10% Relative Humidity.															
	Exposure Period: 22 hrs. Exposure Temperature: 85oC Immersion Liquid Used: Distilled Water															
	Change in Mass (%)															
		28	**29**	**29**								**29**	**0**	**28**	**29**	
ASTM D7004	Grab Tensile															
	Test was performed as directed in D7004, dry condition. Instron Tensile Testing Machine with hydraulic action grips. Machine is set for 305mm(12 in./min.) constant rate of extension with initial gauge length of three inches.															
	Grab Breaking Load (lbs)															
	MD	**208**										**208**				
	TD	**172**										**172**				
	Apparent Breaking Elongation (percent)															
	MD	**83**										**83**				
	TD	**115**										**115**				

Continued on next page

LEGENDS:
MD - MACHINE DIRECTION
TD - TRANSVERSE DIRECTION

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Precision Geosynthetic Laboratories International dba TRI Environmental, Inc.

TABLE 1.

MATERIAL PROPERTIES

CLIENT: Colorado Lining Company
PROJECT: San Juan Water Dist. Hinkle Reservoir

Date Received : **4/8/2016**
Date Reported: **4/20/2016**
Client Sample ID : **A2**
Material Description: **Hypalon Seam**

QC'd by: Maria Espitia
TRI Job No. : **G160316**
TRI Control No. : **112034**

METHOD	DESCRIPTION	SPECIMENS 1	2	3	4	5	6	7	8	9	10	Avg.	Std. Dev.	MIN	Max	Proj. Specs.
	Thickness of Coating Over Scrim (micron) ***Observed in a diagonal cut.***															
	Equipment used: Stereomicroscope appended with SPOT idea Camera & Software															
	Beige Side															
		475	**476**	**388**								**446**	**51**	**388**	**476**	
	Black Side															
		583	**535**	**540**								**553**	**26**	**535**	**583**	
	Total Thickness															
		1184	**1185**	**1060**								**1143**	**72**	**1060**	**1185**	
									Seam Material							
ASTM D751	Shear Evaluation *4" Wide Specimens*															
	Maximum Strength (lbs)															
		159										**159**				
	Locus of Break															
		BRK														
ASTM D413	Peel Evaluation															
		No tab to pull														

LOCUS OF BREAK

AD	ADHESION FAILURE RESULTING IN THE DELAMINATION IN THE PLANE OF THE BOND.
DEL	DELAMINATION IN THE PLANE OF THE SCRIM.
BRK	BREAK IN THE SHEET THROUGH BOTH THE FABRIC AND THE PLIES OF THE POLYMER.

CLASSIFICATION

FTB	FILM TEAR BOND

(End of Table 1)

LEGENDS:
MD - MACHINE DIRECTION
TD - TRANSVERSE DIRECTION

TABLE 2.

MATERIAL PROPERTIES

CLIENT: o Lining Company
PROJECT: er Dist. Hinkle Reservoir

Date Received : **4/8/2016**
Date Reported: **4/20/2016**
Client Sample ID : **B2**
Material Description: **Hypalon Seam**

QC'd by: Maria Espitia
TRI Job No. : **G160316**
TRI Control No. : **112035**

METHOD	DESCRIPTION	SPECIMENS 1	2	3	4	5	6	7	8	9	10	Avg.	Std. Dev.	MIN	Max	Proj. Specs.
	Sheet Material															
ASTM D5199	Thickness (mils)															
	Apparatus:Dead weight dial Micrometer with 6.35 mm (0.250 in) dia presser foot and a pressure of 43.10 kPA (6.38 psi) provided by a 142 gm dead weight. Loading time: 5 sec Specimen Size: 10pcs.-3 inch diameter.	**45**	**44**	**44**	**44**	**45**						**44**	**0**	**44**	**45**	
ASTM D751 Procedure A	Grab Tensile Tensile Strength (lbs)															
	MD	**204**										**204**				
	TD	**176**										**176**				
	Elongation at Break (percent)															
	MD	**54**										**54**				
	TD	**63**										**63**				
ASTM D751 Procedure A1	Hydrostatic Resistance (psi) *Test method used pressure application by Mullen Type Hydrostatic Tester with screen and glass support.*	**220**										**220**				
ASTM D413	Peel Strength (lbs/ in.- width)	**Can not peel.**														
ASTM D471	Effect of Liquids (percent change) *Laboratory condition is maintained at 22+/-2^{O}C (71.6+/-3.6^{O}F) and at 60+/-10% Relative Humidity. Exposure Period: 22 hrs. Exposure Temperature: 85oC Immersion Liquid Used: Distilled Water*															
	Change in Mass (%)	**26**	**26**	**26**								**26**	**0**	**26**	**26**	
ASTM D7004	Grab Tensile *Test was performed as directed in D7004, dry condition. Instron Tensile Testing Machine with hydraulic action grips. Machine is set for 305mm(12 in./min.) constant rate of extension with initial gauge length of three inches.*															
	Grab Breaking Load (lbs)															
	MD	**220**										**220**				
	TD	**188**										**188**				
	Apparent Breaking Elongation (percent)															
	MD	**51**										**51**				
	TD	**80**										**80**				

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TABLE 2.

MATERIAL PROPERTIES

CLIENT: o Lining Company
PROJECT: er Dist. Hinkle Reservoir

Date Received : **4/8/2016**
Date Reported: **4/20/2016**
Client Sample ID : **B2**
Material Description: **Hypalon Seam**

QC'd by: Maria Espitia
TRI Job No. : **G160316**
TRI Control No. : **112035**

METHOD	DESCRIPTION	SPECIMENS 1	2	3	4	5	6	7	8	9	10	Avg.	Std. Dev.	MIN	Max	Proj. Specs.
	Thickness of Coating Over Scrim (micron) ***Observed in a diagonal cut.***															
	Equipment used: Stereomicroscope appended with SPOT idea Camera & Software															
	Beige Side															
		303	**269**	**331**								**301**	**31**	**269**	**331**	
	Black Side															
		549	**554**	**566**								**556**	**9**	**549**	**566**	
	Total Thickness															
		1014	**1030**	**1001**								**1015**	**15**	**1001**	**1030**	
									Seam Material							
ASTM D751	Shear Evaluation *4" Wide Specimens*															
	Maximum Strength (lbs)															
		184										**184**				
	Locus of Break															
		BRK														
ASTM D413	Peel Evaluation *1" Wide Specimens*															
	Maximum Strength (lb/ in)															
		27										**27**				
	Locus of Break															
		DEL														

LOCUS OF BREAK

AD	ADHESION FAILURE RESULTING IN THE DELAMINATION IN THE PLANE OF THE BOND.
DEL	DELAMINATION IN THE PLANE OF THE SCRIM.
BRK	BREAK IN THE SHEET THROUGH BOTH THE FABRIC AND THE PLIES OF THE POLYMER.

CLASSIFICATION

FTB	FILM TEAR BOND

(End of Table 2)

LEGENDS:
MD - MACHINE DIRECTION
TD - TRANSVERSE DIRECTION

TABLE 3.

MATERIAL PROPERTIES

CLIENT: o Lining Company
PROJECT: er Dist. Hinkle Reservoir

Date Received : **4/8/2016**
Date Reported: **4/20/2016**
Client Sample ID : **C2**
Material Description: **Hypalon Seam**

QC'd by: Maria Espitia
TRI Job No. : **G160316**
TRI Control No. : **112036**

METHOD	DESCRIPTION	SPECIMENS 1	2	3	4	5	6	7	8	9	10	Avg.	Std. Dev.	MIN	Max	Proj. Specs.
	Sheet Material															
ASTM D5199	Thickness (mils)															
	Apparatus:Dead weight dial Micrometer with 6.35 mm (0.250 in) dia presser foot and a pressure of 43.10 kPA (6.38 psi) provided by a 142 gm dead weight. Loading time: 5 sec Specimen Size: 10pcs.-3 inch diameter.	**44**	**43**	**44**	**43**	**44**						**43**	**0**	**43**	**44**	
ASTM D751 Procedure A	Grab Tensile Tensile Strength (lbs)															
	MD	**192**										**192**				
	TD	**179**										**179**				
	Elongation at Break (percent)															
	MD	**53**										**53**				
	TD	**59**										**59**				
ASTM D751 Procedure A1	Hydrostatic Resistance (psi) *Test method used pressure application by Mullen Type Hydrostatic Tester with screen and glass support.*	**210**										**210**				
ASTM D413	Peel Strength (lbs/ in.- width)															
	Can not peel.															
ASTM D471	Effect of Liquids (percent change) *Laboratory condition is maintained at 22+/-2^{O}C (71.6+/-3.6^{O}F) and at 60+/-10% Relative Humidity.* *Exposure Period: 22 hrs. Exposure Temperature: 85oC Immersion Liquid Used: Distilled Water*															
	Change in Mass (%)	**29**	**29**	**29**								**29**	**0**	**29**	**29**	
ASTM D7004	Grab Tensile *Test was performed as directed in D7004, dry condition. Instron Tensile Testing Machine with hydraulic action grips. Machine is set for 305mm(12 in./min.) constant rate of extension with initial gauge length of three inches.*															
	Grab Breaking Load (lbs)															
	MD	**238**										**238**				
	TD	**186**										**186**				
	Apparent Breaking Elongation (percent)															
	MD	**94**										**94**				
	TD	**108**										**108**				

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LEGENDS:
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TABLE 3.

MATERIAL PROPERTIES

CLIENT: o Lining Company
PROJECT: er Dist. Hinkle Reservoir

Date Received : **4/8/2016**
Date Reported: **4/20/2016**
Client Sample ID : **C2**
Material Description: **Hypalon Seam**

QC'd by: Maria Espitia
TRI Job No. : **G160316**
TRI Control No. : **112036**

METHOD	DESCRIPTION	SPECIMENS 1	2	3	4	5	6	7	8	9	10	Avg.	Std. Dev.	MIN	Max	Proj. Specs.
Thickness of Coating Over Scrim (micron)	***Observed in a diagonal cut.***															
	Equipment used: Stereomicroscope appended with SPOT idea Camera & Software															
	Beige Side															
		288	**271**	**274**								**278**	**9**	**271**	**288**	
	Black Side															
		559	**490**	**475**								**508**	**45**	**475**	**559**	
	Total Thickness															
		1052	**964**	**955**								**990**	**54**	**955**	**1052**	
									Seam Material							
ASTM D751	Shear Evaluation *4" Wide Specimens*															
	Maximum Strength (lbs)															
		198										**198**				
	Locus of Break															
		BRK														
ASTM D413	Peel Evaluation *1" Wide Specimens*															
	Maximum Strength (lb/ in)															
		25										**25**				
	Locus of Break															
		DEL														

LOCUS OF BREAK

AD	ADHESION FAILURE RESULTING IN THE DELAMINATION IN THE PLANE OF THE BOND.
DEL	DELAMINATION IN THE PLANE OF THE SCRIM.
BRK	BREAK IN THE SHEET THROUGH BOTH THE FABRIC AND THE PLIES OF THE POLYMER.

CLASSIFICATION

FTB	FILM TEAR BOND

(End of Table 3)

LEGENDS:
MD - MACHINE DIRECTION
TD - TRANSVERSE DIRECTION

TABLE 4.

MATERIAL PROPERTIES

CLIENT: o Lining Company
PROJECT: er Dist. Hinkle Reservoir

Date Received : **4/8/2016**
Date Reported: **4/20/2016**
Client Sample ID : **D2**
Material Description: **Hypalon Seam**

QC'd by: Maria Espitia
TRI Job No. : **G160316**
TRI Control No. : **112037**

METHOD	DESCRIPTION	SPECIMENS 1	2	3	4	5	6	7	8	9	10	Avg.	Std. Dev.	MIN	Max	Proj. Specs.
	Sheet Material															
ASTM D5199	Thickness (mils)															
	Apparatus:Dead weight dial Micrometer with 6.35 mm (0.250 in) dia presser foot and a pressure of 43.10 kPA (6.38 psi) provided by a 142 gm dead weight. Loading time: 5 sec Specimen Size: 10pcs.-3 inch diameter.	**45**	**44**	**44**	**43**	**44**						**44**	**1**	**43**	**45**	
ASTM D751 Procedure A	Grab Tensile															
	Tensile Strength (lbs)															
	MD	**159**										**159**				
	TD	**184**										**184**				
	Elongation at Break (percent)															
	MD	**29**										**29**				
	TD	**44**										**44**				
ASTM D751 Procedure A1	Hydrostatic Resistance (psi)															
	Test method used pressure application by Mullen Type Hydrostatic Tester with screen and glass support.	**210**										**210**				
ASTM D413	Peel Strength (lbs/ in.- width)															
	Can not peel.															
ASTM D471	Effect of Liquids (percent change)															
	Laboratory condition is maintained at 22+/-2^{O} C (71.6+/-3.6^{O} F) and at 60+/-10% Relative Humidity.															
	Exposure Period: 22 hrs. Exposure Temperature: 85oC Immersion Liquid Used: Distilled Water															
	Change in Mass (%)	**34**	**34**	**35**								**34**	**1**	**34**	**35**	
ASTM D7004	Grab Tensile															
	Test was performed as directed in D7004, dry condition. Instron Tensile Testing Machine with hydraulic action grips. Machine is set for 305mm(12 in./min.) constant rate of extension with initial gauge length of three inches.															
	Grab Breaking Load (lbs)															
	MD	**271**										**271**				
	TD	**226**										**226**				
	Apparent Breaking Elongation (percent)															
	MD	**79**										**79**				
	TD	**90**										**90**				

Continued on next page

LEGENDS:
MD - MACHINE DIRECTION
TD - TRANSVERSE DIRECTION

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TABLE 4.

MATERIAL PROPERTIES

CLIENT: o Lining Company
PROJECT: er Dist. Hinkle Reservoir

Date Received : **4/8/2016**
Date Reported: **4/20/2016**
Client Sample ID : **D2**
Material Description: **Hypalon Seam**

QC'd by: Maria Espitia
TRI Job No. : **G160316**
TRI Control No. : **112037**

METHOD	DESCRIPTION	SPECIMENS 1	2	3	4	5	6	7	8	9	10	Avg.	Std. Dev.	MIN	Max	Proj. Specs.
	Thickness of Coating Over Scrim (micron) ***Observed in a diagonal cut.***															
	Equipment used: Stereomicroscope appended with SPOT idea Camera & Software															
	Beige Side	**400**	**336**	**395**								**377**	**36**	**336**	**400**	
	Black Side	**579**	**548**	**570**								**566**	**16**	**548**	**579**	
	Total Thickness	**1115**	**1039**	**1091**								**1082**	**39**	**1039**	**1115**	
									Seam Material							
ASTM D751	Shear Evaluation *4" Wide Specimens*															
	Maximum Strength (lbs)	**151**										**151**				
	Locus of Break	**BRK**														
ASTM D413	Peel Evaluation *1" Wide Specimens*															
	Maximum Strength (lb/ in)	**27**										**27**				
	Locus of Break	**AD**														

LOCUS OF BREAK

AD	ADHESION FAILURE RESULTING IN THE DELAMINATION IN THE PLANE OF THE BOND.
DEL	DELAMINATION IN THE PLANE OF THE SCRIM.
BRK	BREAK IN THE SHEET THROUGH BOTH THE FABRIC AND THE PLIES OF THE POLYMER.

CLASSIFICATION

FTB	FILM TEAR BOND

(End of Table 4)

LEGENDS:
MD - MACHINE DIRECTION
TD - TRANSVERSE DIRECTION

R K FROBEL & ASSOCIATES
Consulting Engineers

Mr. Keith B. Durkin, P.E. May 25, 2016
Assistant General Manager
San Juan Water District
9935 Auburn Folsom Road
Granite Bay, CA 95746

RE: San Juan Water District, Granite Bay, CA
Kokila Reservoir Floating Cover Laboratory Testing
Test Summary and Recommendations

Dear Mr. Durkin:

At the request of the San Juan Water District, a site visitation and floating cover inspection/evaluation of the Kokila Reservoir was completed by R. K. Frobel on December 29, 2015. Subsequent to the site inspection, it was recommended that samples of the cover material be extracted for laboratory testing. No samples were taken from the liner. Samples of the cover were extracted and forwarded to TRI Environmental Laboratories and Burke Rubber Company for physical/mechanical testing. The following is a summary of the laboratory testing and observations as well as recommendations related to the current condition of the Kokila Reservoir Hypalon floating cover.

Introduction and Background

The Kokila Reservoir floating cover and bottom lining system was designed/installed in 1983 and has now provided over 32 years of service. The cover is composed of 45 mil thick Chlorosulfonated Polyethylene Reinforced (CSPE-R) or Hypalon. It consists of 5 plys, 2 plys of which are scrim reinforcement that are each 8 x 8, 250 denier leno weave polyester. The top surface ply is tan in color and the underside is black. It is understood that the bottom liner system is 36 mil thick scrim reinforced Hypalon with a single ply 8 x 8, 250 denier scrim reinforcement. All materials were manufactured by Burke Rubber Company, San Jose, CA and then prefabricated into panels and installed on the reservoir. The original design engineer was Clendenen & Associates, Inc., Auburn, CA. The floating cover design is a tensioned plate Burke cover with defined sumps and rainwater collection by gravity drains from the sumps through the reservoir bottom. A 32 year inspection was requested and completed by R. K. Frobel & Associates in December 2015.

Preliminary Floating Cover Evaluation and Sample Extraction

The Kokila reservoir was in operation and reservoir level was estimated to be 10 ft. below capacity during the December 2015 inspection. The overall condition of the 45 mil tan Hypalon cover was visually observed to be in fair condition in consideration of 32

years of service. The upper tan surface exhibited discoloration and surface oxidation as well as surface crazing (minute visual cracking) which are aging characteristics typical of Hypalon. However, the material was noted to be stiffer and the surface harder than the Hinkle cover. The Hypalon polymer continues to cross-link and increases in polymer strength with age. There were no surface areas that were observed to be deteriorating and no evidence of scrim surfacing due to wear or age. It was noted that repair has been difficult and some patches were observed to be loose. No major wrinkled areas within the plates of the cover were noticeable other than minor distortion/wrinkling as noted in the inspection report. Areas of ponding water were evident by a darker discoloration of the Hypalon surface due primarily to standing water over time. Figure 1 is a general view of the Kokila cover which shows minor areas of standing water and discoloration due to ponding water. The reader is referred to the report entitled "Kokila Reservoir Floating Cover Inspection Report" dated January 15, 2016 for details.

In general, accumulated small debris, windblown silt, etc. was noted to be collecting in the seam channels that formed on the reservoir surface similar to Hinkle. Additionally, discreet areas of the cover water were discolored to a dark surface color due to standing water. These areas will be addressed during any proposed cleaning and detailed inspections.

LaboratoryTest Program.

Based on the site visitation and inspection in December 2015, it was decided that cover material samples be taken at 3 locations. Sampling and locations were discussed with Mr. Andrew Pierson and CLI and locations were identified by CLI as X, Y and Z. The approximate size of each sample was to be similar to Hinkle at approximately 20 inches in width by 36 inches in length with the seam centered along the 36 inch length. CLI extracted samples and labeled them as X, Y and Z to identify the quadrants from which they were extracted. Each sample was cut into two pieces approximately 20 inches in width by 18 inches in length. One sample was forwarded to Burke Industries and one to TRI Environmental Laboratory, Anaheim, CA.

The following tests were directed to be carried out on the samples at TRI:

Thickness	ASTM D 1593/5199	5 replicates
Water Absorption	ASTM D 471*	3 replicates
Ply Adhesion	ASTM D 413A	3 replicates MD
Tensile Strength	ASTM D 7004/751**	2 replicates MD & CMD
Tensile Elongation	ASTM D 7004/751**	2 replicates MD & CMD
Seam Shear Strength	ASTM D 751/Grab	2 replicates
Hydrostatic Burst	ASTM D 751/NSF Mod	4 replicates
Surface Cracking	Photomicrograph	1 @ 30X

* Measure as received moisture content
**Method A Procedure 1

Samples were properly identified and packaged flat – protected in heavy plastic for shipment to the laboratories. Samples were packaged immediately after extraction and protected in bags until specimen cutting and testing. Actual specimen layout and instructions for testing at TRI was coordinated by R. K. Frobel.

Laboratory Test Results

Tables 1 and 2 summarize the test results obtained from TRI Environmental for samples X, Y and Z. Table 1 are actual results and Table 2 provides % change in values from original manufacturer (Burke) values to 2016 average test values.

Table 1
Summary of Test Results

Property	Test Method	Units	Sample Number		
			X	Y	Z
Thickness	ASTM D5199	mil	44	43	43
Tensile Strength	ASTM D751/7004	lbf			
MD			174	175	196
CMD			139	160	177
Tensile Strain	ASTM D751/7004	%			
MD			43	17	30
CMD			31	23	29
Seam Strength	ASTM D751 Grab	lbf	146	157	151
Seam Efficiency		%	105	98	85
Hydrostatic Burst	ASTM D 751/A	psi	220	230	230
Water Absorption	ASTM D 471	%	24	25	21
Surface Cracking	Photomicrograph	30X	Yes	Yes	Yes

Notes:

1. Sample X, Y and Z contain factory thermal seams.
2. Seam Efficiency is a percentage of tensile strength in the CMD
3. MD = Machine Direction; CMD = Cross Machine Direction
4. Water Absorption measures relative porosity and moisture absorption
5. Surface Cracking was Extensive as observed in Photos at 30X

Table 2
Summary of Test Results for 1980 vs 2016

Property	Test Method	Units	1980	2016	% Change
Thickness	ASTM D5199	mil	45	43	- 4.0
Tensile Strength	ASTM D751/7004	lbf			
MD			200	182	- 9.0
CMD			200	159	- 20.0
Tensile Strain	ASTM D751/7004	%			
MD			245	30	- 87.7
CMD			245	28	- 88.5
Seam Strength	ASTM D751 Grab	lbf	175	152	- 13.0
Seam Efficiency		%	87.5	96	+ 13.1
Hydrostatic Burst	ASTM D 751/A	psi	175	226	+ 29.0
Water Absorption	ASTM D 471	%	5.0	23.3	+ 366
Surface Cracking	Photomicrograph	30X	No	Yes	NA

Notes:

1. 1980 Values are Typical Average and 2016 Values are Average all Samples
2. Seam Efficiency is a percentage of tensile strength in the CMD
3. MD = Machine Direction; CMD = Cross Machine Direction
4. Water Absorption measures the potential for absorbing moisture
5. Surface Cracking was Extensive in 2016 as observed in Photos at 30X

In general, the following characteristics are noted as regards the aging of the Kokila Hypalon Cover material:

Thickness remains at or near original values. Tensile Strength has shown a slight decrease of between – 9.0 and – 20.0 % based on original data which is similar to Hinkle and not significant but represents only the scrim reinforcement.

As with Hinkle, elongation or strain of a Polymer is a good indication of resistance to aging. Elongation of the Hypalon polymer on the Kokila Reservoir has decreased substantially at – 87.7 % for the MD and – 88.5 % for the CMD due primarily to the ageing, degradation and microcracking of the polymer. Continued stiffening/hardening of the polymer is also contributing to the loss in strain properties. This value will continue to rapidly decrease with continued exposure.

Seam strength and efficiency have not changed substantially but again reflects the scrim reinforcement which has not been affected thus far. Hydrostatic burst properties have not

changed and in fact have increased + 29 % over original manufacturer data. However this property reflects the scrim strength which remains relatively stable.

Similar to the Hinkle cover, a major change noted is in Water Absorption which reflects porosity or water uptake of the Hypalon polymer and/or cross section. Water Absorption has increased 366% over original values and may reflect the current microcracking observation. Molecularly, water is finding its way into the cross section and the increase may be due to absorption into the scrim as well as the polymer. This will eventually affect the tensile strength of the scrim.

The 30X photo micrographic examination of the surface shows significant micro cracking of the Hypalon polymer due primarily to the effects of ozone and continuous exposure to the elements and in particular ultraviolet radiation. The micro cracking indicates that the Hypalon surface is beginning to deteriorate and thus has affected the cover condition and life expectancy. Figure 4 in the photos shows a typical photo micrograph of the Hypalon surface. As the cracking continues, water absorption will no doubt increase and eventually affect the scrim reinforcing layer. The Hypalon polymer will eventually crack, delaminate and expose the scrim.

Repair patching and cover strips were installed by CLI on sample locations X, Y and Z. It should be noted that repair by conventional methods of cleaning and utilizing Burke adhesive was not possible according to CLI and will be prohibitive in the future. Adhesive cover strips were used by CLI to effect repairs.

Summary and Recommendations

Based on the above test program and site observations, significant changes in properties have been noted. In particular, extensive microcracking, high water absorption and significant loss in polymer strain as well as surface oxidation/hardening resulting in lack of repair by conventional methods all indicated that the Kokila Reservoir cover has approached the end of its useful life. However, as with Hinkle, the reinforcing scrim and seams remain strong and thus no major failure should occur in the immediate future.

Due to the fact that the cover material can not be repaired by conventional methods, it is recommended that a reduced inspection/cleaning and repair program be implemented if at all. In fact, the San Juan Water District should consider replacement of the Kokila Cover System in the next few years, especially in consideration of the deteriorating Hypalon polymer which will eventually lead to reduction in scrim reinforcement strength.

This concludes the report on the San Juan Water District Kokila Reservoir Cover Laboratory Testing and Recommendations. If you have any questions, please give me a call at 720-289-0300 or email geosynthetics@msn.com.

Sincerely Yours,

R K Frobel

Ronald K. Frobel, MSCE, PE

Attachment 1 – Photographs

Attachment 2 – TRI Laboratory Data Sheets

ATTACHMENT 1

SITE PHOTOGRAPHS

Figure 1. General View of the Kokila Cover showing irregular shape and Tensioned membrane design with sumps and floats.

Figure 2. Photo showing typical completed patch with cover strips at sample extraction location. Note that repair and cover strips could not be completed with traditional adhesive methods. Cover strips used by CLI are Adhesive strips.

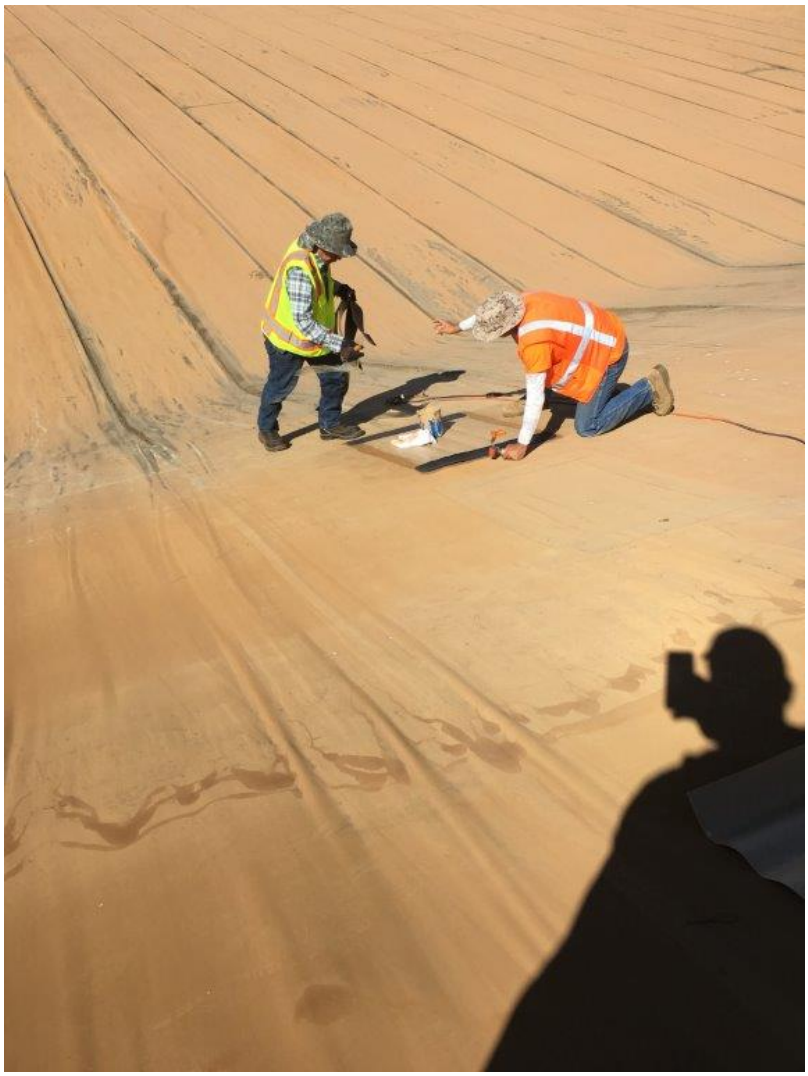

Figure 3. Photo showing extraction of sample on Kokila

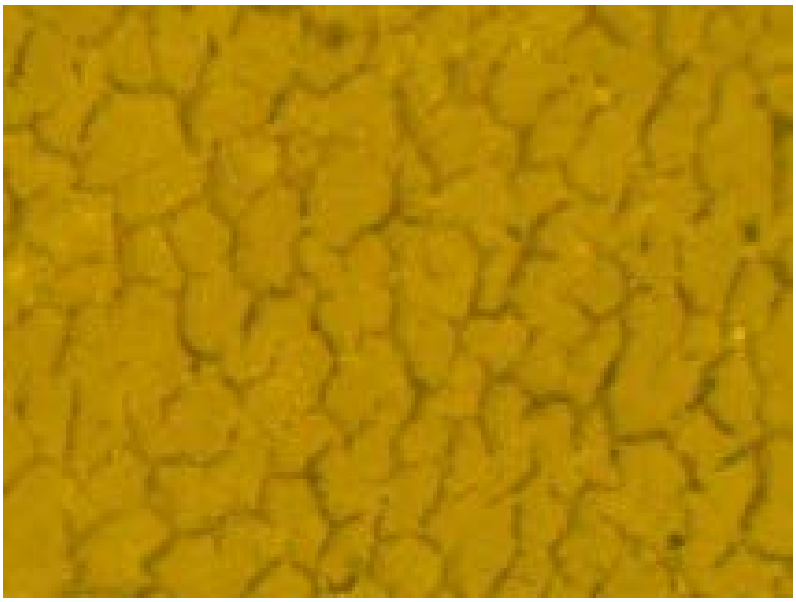

Figure 4. Typical 30X Micrograph Photo of Hypaloon Surface Showing Extensive Surface Cracking

ATTACHMENT 2

TRI LABORATORY TEST DATA

TABLE 1.

MATERIAL PROPERTIES

CLIENT: Colorado Lining Company
PROJECT: San Juan Water Dist. Kokila Reservoir

Date Received : **4/8/2016**
Date Reported: **4/20/2016**
Client Sample ID : **Sample X**
Material Description: **Hypalon Seam**

QC'd by: Maria Espitia
TRI Job No. : **G160317**
TRI Control No. : **112038**

METHOD	DESCRIPTION	SPECIMENS 1	2	3	4	5	6	7	8	9	10	Avg.	Std. Dev.	MIN	Max	Proj. Specs.
	Sheet Material															
ASTM D5199	Thickness (mils)															
Procedure B	*Apparatus:Dead weight dial Micrometer with 6.35 mm (0.250 in) dia presser foot and a pressure of 43.10 kPA (6.38 psi) provided by a 142 gm dead weight. Loading time: 5 sec Specimen Size: 10pcs.-3 inch diameter.*	**44**	**44**	**44**	**44**	**44**						**44**	**0**	**44**	**44**	
ASTM D751	Grab Tensile															
Procedure A	Tensile Strength (lbs)															
	MD	**174**										**174**				
	TD	**139**										**139**				
	Elongation at Break (percent)															
	MD	**43**										**43**				
	TD	**31**										**31**				
ASTM D751	Hydrostatic Resistance (psi)															
Procedure A1	*Test method used pressure application by Mullen Type Hydrostatic Tester with screen and glass support.*	**220**										**220**				
ASTM D413	Peel Strength (lbs/ in.- width)															
	Can not peel.															
ASTM D471	Effect of Liquids (percent change)															
	Laboratory condition is maintained at 22+/-2^{O} C (71.6+/-3.6^{O} F) and at 60+/-10% Relative Humidity.															
	Exposure Period: 22 hrs. Exposure Temperature: 85oC Immersion Liquid Used: Distilled Water															
	Change in Mass (%)															
		24	**24**	**24**								**24**	**0**	**24**	**24**	
ASTM D7004	Grab Tensile															
	Test was performed as directed in D7004, dry condition. Instron Tensile Testing Machine with hydraulic action grips. Machine is set for 305mm(12 in./min.) constant rate of extension with initial gauge length of three inches.															
	Grab Breaking Load (lbs)															
	MD	**193**										**193**				
	TD	**144**										**144**				
	Apparent Breaking Elongation (percent)															
	MD	**55**										**55**				
	TD	**38**										**38**				

Continued on next page

LEGENDS:
MD - MACHINE DIRECTION
TD - TRANSVERSE DIRECTION

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TABLE 1.

MATERIAL PROPERTIES

CLIENT: Colorado Lining Company
PROJECT: San Juan Water Dist. Kokila Reservoir

Date Received : **4/8/2016**
Date Reported: **4/20/2016**
Client Sample ID : **Sample X**
Material Description: **Hypalon Seam**

QC'd by: Maria Espitia
TRI Job No. : **G160317**
TRI Control No. : **112038**

METHOD	DESCRIPTION	SPECIMENS 1	2	3	4	5	6	7	8	9	10	Avg.	Std. Dev.	MIN	Max	Proj. Specs.
	Thickness of Coating Over Scrim (micron) ***Observed in a diagonal cut.***															
	Equipment used: Stereomicroscope appended with SPOT idea Camera & Software															
	Beige Side															
		340	**367**	**366**								**358**	**15**	**340**	**367**	
	Black Side															
		365	**388**	**392**								**382**	**15**	**365**	**392**	
	Total Thickness															
		918	**935**	**942**								**932**	**12**	**918**	**942**	
									Seam Material							
ASTM D751	Shear Evaluation															
	Maximum Strength (lbs)															
		146										**146**				
	Locus of Break															
		BRK														
ASTM D413	Peel Evaluation															
	Maximum Strength (lb/in)															
		29										**29**				
	Locus of Break															
		DEL														

LOCUS OF BREAK

AD	ADHESION FAILURE RESULTING IN THE DELAMINATION IN THE PLANE OF THE BOND.
DEL	DELAMINATION IN THE PLANE OF THE SCRIM.
BRK	BREAK IN THE SHEET THROUGH BOTH THE FABRIC AND THE PLIES OF THE POLYMER.

CLASSIFICATION

FTB	FILM TEAR BOND

(End of Table 1)

LEGENDS:
MD - MACHINE DIRECTION
TD - TRANSVERSE DIRECTION

TABLE 2.

MATERIAL PROPERTIES

CLIENT: o Lining Company
PROJECT: er Dist. Kokila Reservoir

Date Received : **4/8/2016**
Date Reported: **4/20/2016**
Client Sample ID : **Sample Y**
Material Description: **Hypalon Seam**

QC'd by: Maria Espitia
TRI Job No. : **G160317**
TRI Control No. : **112039**

METHOD	DESCRIPTION	SPECIMENS 1	2	3	4	5	6	7	8	9	10	Avg.	Std. Dev.	MIN	Max	Proj. Specs.
	Sheet Material															
ASTM D5199	Thickness (mils)															
	Apparatus:Dead weight dial Micrometer with 6.35 mm (0.250 in) dia presser foot and a pressure of 43.10 kPA (6.38 psi) provided by a 142 gm dead weight. Loading time: 5 sec Specimen Size: 10pcs.-3 inch diameter.															
		43	**44**	**43**	**43**	**43**						**43**	**0**	**43**	**44**	
ASTM D751	Grab Tensile															
Procedure A	Tensile Strength (lbs)															
	MD	**175**										**175**				
	TD	**160**										**160**				
	Elongation at Break (percent)															
	MD	**17**										**17**				
	TD	**23**										**23**				
ASTM D751	Hydrostatic Resistance (psi)															
Procedure A1	*Test method used pressure application by Mullen Type Hydrostatic Tester with screen and glass support.*															
		230										**230**				
ASTM D413	Peel Strength (lbs/ in.- width)															
	Can not peel.															
ASTM D471	Effect of Liquids (percent change)															
	Laboratory condition is maintained at 22+/-2^{O}C (71.6+/-3.6^{O}F) and at 60+/-10% Relative Humidity.															
	Exposure Period: 22 hrs. Exposure Temperature: 85oC Immersion Liquid Used: Distilled Water															
	Change in Mass (%)															
		25	**25**	**25**								**25**	**0**	**25**	**25**	
ASTM D7004	Grab Tensile															
	Test was performed as directed in D7004, dry condition. Instron Tensile Testing Machine with hydraulic action grips. Machine is set for 305mm(12 in./min.) constant rate of extension with initial gauge length of three inches.															
	Grab Breaking Load (lbs)															
	MD	**183**										**183**				
	TD	**172**										**172**				
	Apparent Breaking Elongation (percent)															
	MD	**30**										**30**				
	TD	**26**										**26**				

Continued on next page

LEGENDS:
MD - MACHINE DIRECTION
TD - TRANSVERSE DIRECTION

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TABLE 2.

MATERIAL PROPERTIES

CLIENT: o Lining Company
PROJECT: er Dist. Kokila Reservoir

Date Received : **4/8/2016**
Date Reported: **4/20/2016**
Client Sample ID : **Sample Y**
Material Description: **Hypalon Seam**

QC'd by: Maria Espitia
TRI Job No. : **G160317**
TRI Control No. : **112039**

METHOD	DESCRIPTION	SPECIMENS 1	2	3	4	5	6	7	8	9	10	Avg.	Std. Dev.	MIN	Max	Proj. Specs.
	Thickness of Coating Over Scrim (micron) ***Observed in a diagonal cut.***															
	Equipment used: Stereomicroscope appended with SPOT idea Camera & Software															
	Beige Side	**335**	**275**	**328**								**313**	**33**	**275**	**335**	
	Black Side	**552**	**592**	**509**								**551**	**42**	**509**	**592**	
	Total Thickness	**1030**	**1027**	**980**								**1012**	**28**	**980**	**1030**	
									Seam Material							
ASTM D751	Shear Evaluation															
	Maximum Strength (lbs)	**157**										**157**				
	Locus of Break	**BRK**														
ASTM D413	Peel Evaluation															
	Maximum Strength (lb/in)	**24**										**24**				
	Locus of Break	**DEL**														

LOCUS OF BREAK

AD	ADHESION FAILURE RESULTING IN THE DELAMINATION IN THE PLANE OF THE BOND.
DEL	DELAMINATION IN THE PLANE OF THE SCRIM.
BRK	BREAK IN THE SHEET THROUGH BOTH THE FABRIC AND THE PLIES OF THE POLYMER.

CLASSIFICATION

FTB	FILM TEAR BOND

(End of Table 2)

LEGENDS:
MD - MACHINE DIRECTION
TD - TRANSVERSE DIRECTION

TABLE 3.

MATERIAL PROPERTIES

CLIENT: o Lining Company
PROJECT: er Dist. Kokila Reservoir

Date Received : **4/8/2016**
Date Reported: **4/20/2016**
Client Sample ID : **Sample Z**
Material Description: **Hypalon Seam**

QC'd by: Maria Espitia
TRI Job No. : **G160317**
TRI Control No. : **112040**

METHOD	DESCRIPTION	SPECIMENS 1	2	3	4	5	6	7	8	9	10	Avg.	Std. Dev.	MIN	Max	Proj. Specs.
											Sheet Material					
ASTM D5199	Thickness (mils)															
	Apparatus:Dead weight dial Micrometer with 6.35 mm (0.250 in) dia presser foot and a pressure of 43.10 kPA (6.38 psi)															
	provided by a 142 gm dead weight. Loading time: 5 sec Specimen Size: 10pcs.-3 inch diameter.															
		43	**43**	**43**	**43**	**43**						**43**	**0**	**43**	**43**	
ASTM D751	Grab Tensile															
Procedure A	Tensile Strength (lbs)															
	MD	**196**										**196**				
	TD	**177**										**177**				
	Elongation at Break (percent)															
	MD	**30**										**30**				
	TD	**29**										**29**				
ASTM D751	Hydrostatic Resistance (psi)															
Procedure A1	*Test method used pressure application by Mullen Type Hydrostatic Tester with screen and glass support.*															
		230										**230**				
ASTM D413	Peel Strength (lbs/ in.- width)															
	Can not peel.															
ASTM D471	Effect of Liquids (percent change)															
	Laboratory condition is maintained at 22+/-2^{O} C (71.6+/-3.6^{O} F) and at 60+/-10% Relative Humidity.															
	Exposure Period: 22 hrs. Exposure Temperature: 85oC Immersion Liquid Used: Distilled Water															
	Change in Mass (%)															
		21	**20**	**22**								**21**	**1**	**20**	**22**	
ASTM D7004	Grab Tensile															
	Test was performed as directed in D7004, dry condition. Instron Tensile Testing Machine with hydraulic action grips.															
	Machine is set for 305mm(12 in./min.) constant rate of extension with initial gauge length of three inches.															
	Grab Breaking Load (lbs)															
	MD	**226**										**226**				
	TD	**168**										**168**				
	Apparent Breaking Elongation (percent)															
	MD	**51**										**51**				
	TD	**32**										**32**				

Continued on next page

LEGENDS:
MD - MACHINE DIRECTION
TD - TRANSVERSE DIRECTION

1160 North Gilbert Street, Anaheim, CA 92801, www.precisionlabs.net
Precision Geosynthetic Laboratories International dba TRI Environmental, Inc.

TABLE 3.

MATERIAL PROPERTIES

CLIENT: o Lining Company
PROJECT: er Dist. Kokila Reservoir

Date Received : **4/8/2016**
Date Reported: **4/20/2016**
Client Sample ID : **Sample Z**
Material Description: **Hypalon Seam**

QC'd by: Maria Espitia
TRI Job No. : **G160317**
TRI Control No. : **112040**

METHOD	DESCRIPTION	SPECIMENS 1	2	3	4	5	6	7	8	9	10	Avg.	Std. Dev.	MIN	Max	Proj. Specs.
	Thickness of Coating Over Scrim (micron) ***Observed in a diagonal cut.***															
	Equipment used: Stereomicroscope appended with SPOT idea Camera & Software															
	Beige Side															
		233	**229**	**223**								**228**	**5**	**223**	**233**	
	Black Side															
		550	**537**	**563**								**550**	**13**	**537**	**563**	
	Total Thickness															
		993	**993**	**994**								**993**	**1**	**993**	**994**	
									Seam Material							
ASTM D751	Shear Evaluation															
	Maximum Strength (lbs)															
		151										**151**				
	Locus of Break															
		BRK														
ASTM D413	Peel Evaluation															
		No tab to pull														

LOCUS OF BREAK

AD	ADHESION FAILURE RESULTING IN THE DELAMINATION IN THE PLANE OF THE BOND.
DEL	DELAMINATION IN THE PLANE OF THE SCRIM.
BRK	BREAK IN THE SHEET THROUGH BOTH THE FABRIC AND THE PLIES OF THE POLYMER.

CLASSIFICATION

FTB	FILM TEAR BOND

(End of Table 3)

LEGENDS:
MD - MACHINE DIRECTION
TD - TRANSVERSE DIRECTION

SAN JUAN WATER DISTRICT — **Rev. 5-12-16**

TEN-YEAR WHOLESALE CAPITAL IMPROVEMENT PROGRAM - SUMMARY TABLE

	Construction Inflation Factor			1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34	1.38
Line	Project Name	Cost Estimate[1]	Total Cost [2]	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
	Pre-Treatment													
1	Floc/Sed Basin & Settled Water Channel Improvements	$ 7,500,000	$ 7,470,000	$ 1,098,000	$ 6,372,000									
2	Washdown Piping Improvements	$ 22,000	$ 26,000					$ 26,000						
3	Settling Tube Cleaning System	$ 210,000	$ 243,000					$ 243,000						
4	SWC Resurface, Joint Repair, and Caulk [3]	$ 240,000	$ 278,000					$ 278,000						
	Filters													
5	Filter Floor Repairs and Media/Nozzle Replacement[11]	$ 3,500,000	$ 4,046,000				$ 394,000	$ 3,652,000						
6	Resurface Filter Basin Walls	$ 325,000	$ 376,000				$ 37,000	$ 339,000						
7	Backwash Hood Pumps	$ 50,000	$ 50,000	$ 50,000										
8	Backwash Hood Rehabilitation	$ 500,000	$ 580,000					$ 580,000						
9	Filter Valve Actuators Replacements	$ 180,000	$ 249,000											$ 249,000
10	EIM Electric Actuator Replacement	$ 5,500	$ 6,000	$ 6,000										
	Chemical Feed Systems													
11	CL2 Piping Project - 10yr replacement	$ 50,000	$ 58,000					$ 58,000						
12	Lime System Control & Feeder System Improvements	$ 60,000	$ 64,000		$ 64,000									
13	Lime Grit Containment (Curbing & Cover)	$ 25,000	$ 27,000			$ 27,000								
14	Lime Tower Assmnt/design & Replm't	$ 350,000	$ 406,000					$ 406,000						
15	Alum Feed Pump Replacement & VFD's	$ 94,000	$ 103,000			$ 103,000								
16	Polymer System Improvements (in Control Bldg)	$ 24,000	$ 25,000	$ 25,000										
	Solids Handling Facilities													
17	Clarifier Wall Lining & Leakage Repairs	$ 450,000	$ 506,000				$ 506,000							
18	Solids Containment Area & Handling Imprvmt's	$ 295,000	$ 341,000				$ 33,000	$ 308,000						
	Hinkle Reservoir													
19	Hinkle Res. Monitoring Wells Level Probes	$ 56,000	$ 59,000		$ 59,000									
20	Hinkle Res. Outlet Actuator (Equip & Power)	$ 65,000	$ 73,000				$ 73,000							
21	Hinkle Reservoir Overflow Apron Drains	$ 15,000	$ 15,000	$ 15,000										
22	Hinkle Overflow Channel Lining (East of AFR)	$ 100,000	$ 109,000			$ 109,000								
23	Hinkle Res Cover Assessment Testing/Repairs	$ 100,000	$ 106,000	$ 26,000	$ 80,000									
24	Replace Hinkle cover & liner, Bifurcate Res., Const. 2nd Inlet/Outlet [4]	$ 20,000,000	$ 23,811,400					$ 2,318,500	$21,492,900					
	Plant Piping													
25	Plant Piping and Recoating Program	$ 50,000	$ 47,000		$ 11,000		$ 11,000		$ 12,000		$ 13,000			
26	Hinkle Res. 48" Bypass Pipe Cleaning/Repair	$ 60,000	$ 70,000					$ 70,000						
27	Reline 60" Pipe from Filters to Inlet Structure	$ 1,750,000	$ 2,352,000										$ 2,352,000	
	Transmission Pipeines													
28	FO-40 Transmission Pipeline Re-Lining [5]	$ 2,000,000	$ 2,185,000			$ 2,185,000								
	Water Supply Reliability Projects													
29	SSWD-SJWD Pump Back Project[6]	$ 2,400,000	$ 2,205,000	$ 2,205,000										
30	Control Valve Stations	$ 700,000	$ 700,000	$ 700,000										
	Vehicle Replacement & Reserves													
31	Vehicles	$ 266,500	$ 372,500	$ 46,500	$ 69,000	$ -	$ 34,000	$ 29,000	$ 42,000	$ -	$ -	$ -	$ 87,000	$ 65,000
	Articulating Boom Lift, 40', Service Vehicle	$ 30,000	$ 32,000		$ 32,000									
	Whsl Operations - Vehicle #7 (F150)	$ 35,000	$ 42,000						$ 42,000					
	Whsl Operations - Vehicle #20 (Ram)	$ 35,000	$ 37,000		$ 37,000									
	Whsl Operations - Vehicle #25 (Dump Truck)	$ 65,000	$ 87,000										$ 87,000	
	Whsl Operations - Vehicle #29 (Dakota)	$ 30,000	$ 34,000				$ 34,000							
	Whsl Operations - GEM	$ 25,000	$ 29,000					$ 29,000						
	Whsl Operations - Share of Pool Vehicle #30	$ 15,000	$ 36,000	$ 15,000										$ 21,000
	Vehicle #10 - Whsl Share General Mgr. Assigned Car	$ 31,500	$ 75,500	$ 31,500										$ 44,000
	Miscellaneous CIP Items													
32	Solar Site Access Culvert Replacement	$ 200,000	$ 225,000				$ 225,000							
33	ARC Flash Assessment and Improvements	$ 200,000	$ 200,000	$ 50,000	$ 150,000									
34	In-Plant Pump Station Improvements	$ 65,000	$ 69,000		$ 69,000									
35	Electrical Equip. R&R	$ 100,000	$ 118,000			$ 55,000					$ 63,000			

SAN JUAN WATER DISTRICT — **Rev. 5-12-16**

TEN-YEAR WHOLESALE CAPITAL IMPROVEMENT PROGRAM - SUMMARY TABLE

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Line	Project Name	Cost Estimate[1]	Total Cost [2]	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
36	SBW Pump Station Rehab (& BW EQ Basin)	$ 175,000	$ 228,000									$ 228,000		
37	WTP Generator Replacement	$ 350,000	$ 484,000											$ 484,000
38	Administration Building Imprm't/Repm't	$ 3,750,000	$ 4,465,000					$ 435,000	$ 4,030,000					
39	Storage Building (Old Shop) Replacement [7]	$ 448,000	$ -											
40	SCADA Improvements/Replacements	$ 1,000,000	$ 1,305,000									$ 1,305,000		
41	WTP Streaming Current Detector Upgrade	$ 30,000	$ 39,000									$ 39,000		
42	Security Improvements (WTP)	$ 150,000	$ 184,000	$ 15,000			$ 169,000							
43	Corp Site Perimeter Fencing Replacements	$ 125,000	$ 141,000				$ 141,000							
44	Corp Site Paving, Slurry Seal & Re-stripe	$ 200,000	$ 225,000				$ 225,000							
45	Perimeter Fencing for Barton Rd Parcel	$ 15,000	$ 17,000				$ 17,000							
46	Unspecified Rehab/Upgrade Projects	$ 2,500,000	$ 16,465,810		$ 26,520	$ 27,320	$ 28,140	$ 28,980	$ 29,850	$ 3,075,000	$ 3,167,000	$ 3,262,000	$ 3,360,000	$ 3,461,000
47	Solar Facility Improvements (NEMA)	$ 106,700	$ 106,700	$ 106,700										
48	Truck Mounted Actuator	$ 2,500	$ 2,500	$ 2,500										
	Information Technology													
49	New PC's	$ 6,500	$ 86,000	$ 7,000	$ 7,000	$ 7,000	$ 7,000	$ 8,000	$ 8,000	$ 8,000	$ 8,000	$ 8,000	$ 9,000	$ 9,000
49	New Servers	$ 12,500	$ 30,000				$ 14,000					$ 16,000		
50	New Switches	$ 8,000	$ 9,000					$ 9,000						
51	New Appliances	$ 5,000	$ 13,000				$ 6,000							$ 7,000
52	Whsl Share of Tyler Financial Software System	$ 9,500	$ 9,500	$ 9,500										
53	VMWare Server	$ 5,500	$ 5,500	$ 5,500										
54	Boardroom Projector	$ 2,500	$ 2,500	$ 2,500										
	Large Non-Capital Projects													
55	Solar Power Maintenance (Post Sunpower)	$ 25,000	$ 224,000					$ 29,000	$ 30,000	$ 31,000	$ 32,000	$ 33,000	$ 34,000	$ 35,000
56	GIS Needs Assessment[8]	$ 15,000	$ 16,000		$ 16,000									
57	GIS Implementation[8]	$ 37,500	$ 41,000			$ 41,000								
58	Wholesale Master Plan Update	$ 250,000	$ 299,000						$ 299,000					
	Capital Improvement Program Totals [1]	**$ 51,237,200**	**$ 71,969,410**	**$ 4,370,200**	**$ 6,923,520**	**$ 2,554,320**	**$ 1,920,140**	**$ 8,817,480**	**$25,943,750**	**$ 3,114,000**	**$ 3,283,000**	**$ 4,891,000**	**$ 5,842,000**	**$ 4,310,000**

Notes:

1. All estimated costs are shown in Feb 2014 dollars, ENR Index 9681.
2. Total costs include construction inflation factors applied in year of project implementation.
3. Work on the existing settled water channel cannot be completed until the new settled water channel is constructed which allows the existing settled water channel to be taken off-lin for this service repair project.
4. The scope, cost and implementation year of the Hinkle replacement project is currently unknown and will be identified during the cover assessment project.
5. The cost of this project will be reimbursed to SJWD-W in the percentages approximated in the May 2011 FO-40 Rehabilitation Project Report: FOWD 91%, OVWC 2.6%, and SJWD-R 6.4%.
6. A portion of this project was completed in FY14-15. $2,400,000 is 80% of total project cost (SSWD pays 20%). Cost to SJWD-W $564,000. Cost recovery from other agencies are SJWD-R $1.12M, OVWC $520,000, City of Folsom $175,000.
7. This project not needed if Admin. Bldg. Improvements are completed. If old shop is replaced, 70% of the project cost should be reimbursed to Wholesale by SJWD-R.
8. GIS project will be done concurrently for wholesale and retail. Needs assessment split 50/50, implementation slit 25/75 W/R.

SAN JUAN WATER DISTRICT — Rev. 5-12-16

TEN-YEAR RETAIL CAPITAL IMPROVEMENT PROGRAM - SUMMARY TABLE

	Construction Inflation Factor			1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34	1.38		
Line	Project Name	Cost Estimate [1]	Total Cost [1a]	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Existing	Future
	Engineering Department Equipment															
1	Replace Plotter/Scanner	$ 9,000	$ 21,000		$ 10,000						$ 11,000					
2	Replace Copier	$ 12,000	$ 28,000		$ 13,000						$ 15,000					
3	Replace Survey Equipment	$ 16,000	$ 38,000			$ 17,000						$ 21,000				
	Vehicle Replacements and Reserve															
4	Vehicles	$ 1,002,900	$ 1,720,500	$ 156,500	$ 269,000	$ 112,000	$ 212,000	$ 163,000	$ 78,000	$ 123,000	$ 127,000	$ 130,000	$ 149,000	$ 201,000	84%	16%
	Field Operations - Vehicle #18 Replacement	$ 35,000	$ 41,000					$ 41,000								
	Conservation - Vehicle #1 Replacement	$ 28,000	$ 32,000					$ 32,000								
	Pool - Retail Share of Vehicle #30 (Jeep) Replacement	$ 15,000	$ 36,000	$ 15,000										$ 21,000		
	Field Operations - Vehicle #9 Replacement	$ 45,000	$ 48,000		$ 48,000											
	Field Operations - Vehicle #21 Replacement	$ 60,000	$ 64,000		$ 64,000											
	Field Operations - Ditch Witch (Vactor) Replacement	$ 92,500	$ 95,000	$ 95,000												
	Conservation - Vehicle #27 Replacement	$ 30,000	$ 73,000	$ 31,000										$ 42,000		
	Field Operations - Vehicle E86 (Backhoe) Replacement	$ 110,000	$ 117,000		$ 117,000											
	Field Operations - Transport (Trailer) Replacement	$ 85,000	$ 96,000				$ 96,000									
	Customer Service - Vehicle #2 (GEM) Replacement	$ 11,400	$ 27,000	$ 12,000									$ 15,000			
	Engineering - Vehicle #22 Replacement	$ 31,500	$ 34,000			$ 34,000										
	Engineering - Vehicle #23 Replacement	$ 31,500	$ 35,000				$ 35,000									
	Field Operations - Vehicle #8 Replacement	$ 65,000	$ 71,000			$ 71,000										
	Field Operations - Vehicle #5 Replacement	$ 65,000	$ 73,000				$ 73,000									
	Field Operations - Vehicle #E125 (Mud Trailer) Replacement	$ 6,500	$ 7,000			$ 7,000										
	Field Operations - Vehicle #E30 ~~270~~ (Mud Trailer) Replacement	$ 7,500	$ 8,000		$ 8,000											
	Field Operations - Vehicle #24 Replacement	$ 50,000	$ 58,000					$ 58,000								
	Field Operations - Vehicle #28 Replacement	$ 50,000	$ 60,000						$ 60,000							
	Field Operations - Vehicle #E59 (Compressor) Replacement	$ 30,000	$ 32,000		$ 32,000											
	Customer Service - Vehicle #13 Replacement	$ 28,000	$ 32,000					$ 32,000								
	Safety trailer (Night Work; SWPPP Response)	$ 15,000	$ 18,000						$ 18,000							
	Field Operations - Vehicle #E70 (Mud Trailer) Replacement	$ 7,500	$ 8,000				$ 8,000									
	Vehicle #10 - Retail Share General Mgr. Assigned Car	$ 3,500	$ 3,500	$ 3,500												
	Future Vehicle Replacements	$ 100,000	$ 652,000							$ 123,000	$ 127,000	$ 130,000	$ 134,000	$ 138,000		
	Distribution Mainline Replacements															
5	Erwin Avenue (Entire Alignment; Steel)	$ 78,500	$ 81,000	$ 81,000											100%	0%
6	Peerless Ave 12" - North Main Replacement	$ 44,200	$ 46,000	$ 46,000											50%	50%
7	Telegraph Ave Re-connect (7616-7626, Creek Xing)	$ 92,300	$ 95,000	$ 95,000											100%	0%
8	Oak Ave & Cardwell 12" Main (Santa Juanita to Cardwell)	$ 132,700	$ 137,000	$ 137,000											84%	16%
9	Oak Avenue 12" Main (9151-9219, Casa Robles H.S.)	$ 328,500	$ 328,500	$ 5,500	$ 323,000										100%	0%
10	Douglas Blvd. (Joe Rodgers to Luth. Church; Steel)	$ 30,600	$ 30,600	$ 30,600											100%	0%
11	Dambacher Dr (7225-7355)	$ 178,000	$ 189,000		$ 189,000										100%	0%
12	Douglas Blvd. (6990 to 7767; Steel) and assoc. small mains	$ 1,362,000	$ 1,445,000		$ 1,445,000										100%	0%
13	Main Avenue (5700-5708 & 5640-5682)	$ 334,900	$ 355,000	$ 4,000	$ 351,000										100%	0%
14	Lou Place 8" Troy Way to Crown Point Vista	$ 111,600	$ 122,000			$ 122,000									100%	0%
15	Telegraph Ave. (7406 to 7453; Steel)	$ 151,000	$ 156,000	$ 156,000											100%	0%
16	Sierra College & Douglas 12" (Easterly Crossing)	$ 150,000	$ 164,000			$ 164,000										
17	Spahn Ranch Rd. Main Extension (2,980 LF 8-inch)	$ 900,000	$ 983,000			$ 983,000										
18	Cavitt Stallman 12" (Oak Pines to Sierra Ponds)	$ 520,000	$ 585,000				$ 585,000								50%	50%
19	Cavitt Stallman 12" (Mystery Creek to Oak Pines, w/ PRS)	$ 325,000	$ 366,000				$ 366,000								50%	50%
20	Edward Court 8" (South of Lou Place)	$ 90,000	$ 104,000					$ 104,000							100%	0%
21	Peerless Ave 8" - South Main Replac'mt	$ 252,000	$ 292,000					$ 292,000							84%	16%
22	Excelsior 12" Main Extension	$ 280,000	$ 334,000						$ 334,000						0%	100%
23	Skyway Ln to Mooney Ridge 8"	$ 106,000	$ 127,000						$ 127,000						100%	0%
24	Oak Hill to Barton 8" (CP/Bacon Zone Intertie w/ CV)	$ 67,000	$ 82,000							$ 82,000					100%	0%
25	Orangevale Avenue & Bridge Crossing (Bridge section)	$ 45,000	$ 48,000		$ 48,000											
26	Orangevail Avenue & Bridge Crossing (Main line)	$ 250,000	$ 307,000							$ 307,000						
27	Auburn-Folsom Road (Bentley to Joe Rodgers Rd.)	$ 250,000	$ 317,000								$ 317,000					
28	Bentley Place to Folsom Oaks Ct.	$ 50,000	$ 65,000									$ 65,000				
29	Barton Road Intertie	$ 310,000	$ 319,000	$ 319,000												
30	Future Main Replmt's (TBD w/ Master Plan Update)	$ 3,000,000	$ 15,844,000							$ 1,845,000	$ 1,900,000	$ 3,914,000	$ 4,032,000	$ 4,153,000	100%	0%
	Transmission Pipelines															
31	AFR - North Phase 24" T-main	$ 650,000	$ 670,000	$ 670,000											84%	16%
32	Twin Rocks Road 18" (Vogal Valley to Sierra Ponds)	$ 2,200,000	$ 2,787,000								$ 2,787,000				0%	100%
33	Barton Rd 18" T-main (2710-LF; Eureka to Douglas)	$ 840,000	$ 974,000					$ 974,000							84%	16%
34	Eureka Rd. 18" T-main (3925-LF, Barton to Aub-Fols; Steel)	$ 1,500,000	$ 1,734,000				$ 169,000	$ 1,565,000							84%	16%
35	Gravity Zone CTP to Gravity/Sierra Zone Intertie	$ 500,000	$ 580,000					$ 580,000							84%	16%

SAN JUAN WATER DISTRICT — Rev. 5-12-16

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Line	Project Name	Cost Estimate [1]	Total Cost [1a]	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Existing	Future
	Storage Tanks															
36	Kokila Reservoir testing/cleaning & repairs	$ 60,000	$ 63,000	$ 15,000	$ 48,000										84%	16%
37	4.0 MG Kokila Reservoir (Replace Hypalon w/ Steel)[2]	$ 8,000,000	$ 9,524,000					$ 927,000	$ 8,597,000						84%	16%
38	Los Lagos Tank Recoating (Interior & Exterior)	$ 724,000	$ 767,000	$ 7,000	$ 760,000										84%	16%
39	Los Lagos Tank Mixing System and Residual Test Ports	$ 20,000	$ 21,000		$ 21,000										84%	16%
40	Mooney Ridge Hydro-Tank Recoating (Inside & Outside)	$ 100,000	$ 119,000						$ 119,000						84%	16%
41	Mooney Tank Building New Roof	$ 20,000	$ 22,000			$ 22,000										
	Pressure Reducing Stations															
42	Oak Ave ARC North/South PRS	$ 200,000	$ 212,000		$ 212,000										100%	0%
43	Bacon/B2 PRS's	$ 300,000	$ 318,000		$ 318,000										84%	16%
44	Canyon Falls Village PRS Replacement	$ 150,000	$ 164,000			$ 164,000									84%	16%
45	Bacon/Sierra PRS Improvements (3 Stations identified)	$ 335,000	$ 355,000		$ 355,000										84%	16%
46	LGB/UGB Control Valves (Bronson Valve)	$ 150,000	$ 159,000		$ 159,000										84%	16%
	Pump Stations															
47	Generator Replacements (Bacon & UGB)	$ 425,000	$ 473,000			$ 186,000	$ 287,000									
48	LGB/CP Emergency Intertie (MOV)	$ 40,000	$ 42,000		$ 42,000											
49	Bacon CP Cooling Improvements (HVAC)	$ 20,000	$ 22,000			$ 22,000										
50	Bacon PS - new roof	$ 20,000	$ 22,000			$ 22,000										
51	Update OIT's & PLC Programming	$ 8,500	$ 9,000		$ 9,000										84%	16%
52	Sierra Pump & Motor Rehabs (4 & 1)	$ 5,000	$ 10,000		$ 5,000	$ 5,000										
53	Sierra Motor Softstarts (2 & 3)	$ 4,000	$ 4,000		$ 4,000											
54	Bacon Painting & Repairs	$ 3,000	$ 3,000					$ 3,000								
55	Bacon Manifold Piping Modifications	$ 10,000	$ 12,000					$ 12,000								
56	UGB & LGB Low Flow Pumps	$ 140,000	$ 162,000					$ 162,000								
57	Douglas PS Pump, Motors, HVAC	$ 375,000	$ 448,000						$ 448,000							
58	ARC-S PS Building, Piping, HVAC Improvements	$ 18,000	$ 20,000				$ 20,000									
59	Bacon Intrusion Alarms	$ 30,000	$ 32,000		$ 32,000											
60	Lower Granite Bay PS Construction	$ 245,000	$ 245,000	$ 245,000												
61	Upper Granite Bay PS Construction	$ 1,020,000	$ 1,020,000	$ 1,020,000												
	Miscellaneous CIP Items															
62	Water Quality Sample Stations	$ 75,000	$ 75,000	$ 75,000											100%	0%
63	Utility Locator (Replacement)	$ 6,000	$ 15,000			$ 7,000					$ 8,000				100%	0%
64	Security Improvements (Bacon)	$ 150,000	$ 169,000				$ 169,000								84%	16%
65	Field & Engr Building Roof Replacement (RSA Share)	$ 50,000	$ 55,000			$ 55,000										
66	Field & Engr Building HVAC Replacement	$ 19,000	$ 33,500			$ 21,000						$ 12,500				
67	Portable Generator - Trailer Mounted)	$ 5,000	$ 5,000			$ 5,000										
68	SCADA Radio Replacements (RSA Share)	$ 25,000	$ 29,000					$ 29,000								
69	SCADA System Improvements (RSA Share)	$ 300,000	$ 369,000							$ 369,000						
70	Corp. Site Paving Improvements (RSA Share)	$ 150,000	$ 169,000				$ 169,000									
71	Electrical Equipment R&R	$ 30,000	$ 33,000			$ 33,000										
72	Unidentified or Emergency Projects	$ 15,000	$ 182,000		$ 16,000	$ 16,000	$ 17,000	$ 17,000	$ 18,000	$ 18,000	$ 19,000	$ 20,000	$ 20,000	$ 21,000		
	Information Technology															
73	New PC's	$ 6,500	$ 86,000	$ 7,000	$ 7,000	$ 7,000	$ 7,000	$ 8,000	$ 8,000	$ 8,000	$ 8,000	$ 8,000	$ 9,000	$ 9,000		
74	New Servers	$ 12,500	$ 30,000				$ 14,000					$ 16,000				
75	New Switches	$ 8,000	$ 9,000					$ 9,000								
76	New Appliances	$ 5,000	$ 13,000				$ 6,000							$ 7,000		
76	WaterSmart Program	$ 55,000	$ 131,000	$ 55,000										$ 76,000		
77	Tyler Billing Module	$ 70,000	$ 74,000		$ 74,000											
	Large Non-Capital Projects															
78	Commercial Meter Improvements	$ 60,000	$ 794,000	$ 62,000	$ 64,000	$ 66,000	$ 68,000	$ 70,000	$ 72,000	$ 74,000	$ 76,000	$ 78,000	$ 81,000	$ 83,000	100%	0%
79	Residential Meter Replacements	$ 130,000	$ 1,716,000	$ 134,000	$ 138,000	$ 142,000	$ 146,000	$ 151,000	$ 155,000	$ 160,000	$ 165,000	$ 170,000	$ 175,000	$ 180,000	100%	0%
80	Annual Small Distribution System Improvement Projects (On-call contract	$ 130,000	$ 1,716,000	$ 134,000	$ 138,000	$ 142,000	$ 146,000	$ 151,000	$ 155,000	$ 160,000	$ 165,000	$ 170,000	$ 175,000	$ 180,000	100%	0%
81	Retail Master Plan including Stoneridge Tank Needs Analysis	$ 300,000	$ 338,000				$ 338,000									
82	AMR Feasibility Study	$ 60,000	$ 68,000				$ 68,000									

SAN JUAN WATER DISTRICT — **Rev. 5-12-16**

TEN-YEAR RETAIL CAPITAL IMPROVEMENT PROGRAM - SUMMARY TABLE

	Construction Inflation Factor			1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34	1.38		
Line	Project Name	Cost Estimate [1]	Total Cost [1a]	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	Existing	Future
83	GIS Update (and Needs Assessment)	$ 15,000	$ 16,000		$ 16,000											
84	GIS Improvements	$ 112,500	$ 123,000			$ 123,000										
85	Bacon 33" and Sierra 30" Condition Assessments	$ 140,000	$ 151,000		$ 74,500	$ 76,500										
86	Pump/Motor R&R	$ 50,000	$ 622,000	$ 15,000	$ 53,000	$ 55,000	$ 56,000	$ 58,000	$ 60,000	$ 61,000	$ 63,000	$ 65,000	$ 67,000	$ 69,000		
	RSA Share of Wholesale Projects -- Via Sub-Charges															
87	Wholesale Meter Corrosion System - RSA cost share (Via CTP Agmt)			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			84%	16%
88	ARC Flash Assessment and Improvements		$ 100,600	$ 33,500	$ 33,500	$ 16,800	$ -	$ -	$ -	$ -	$ -	$ -			84%	16%
89	Antelope (Pump Back) BPS (RSA Share)		$ 1,118,400	$ 372,800	$ 372,800	$ 186,400	$ -	$ -	$ -	$ -	$ -	$ -			84%	16%
90	FO40 - 40" T-main Relining (10% of project cost)		$ 140,000	$ 14,000	$ 28,000	$ 28,000	$ 28,000	$ 28,000	$ 14,000	$ -	$ -	$ -			84%	16%
91	Storage Building (RSA share of replacement)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			84%	16%
	Capital Improvement Program Totals [1]	**$ 30,571,200**	**$ 54,103,100**	**$ 3,889,900**	**$ 5,627,800**	**$ 2,798,700**	**$ 2,871,000**	**$ 5,303,000**	**$ 10,185,000**	**$ 3,207,000**	**$ 5,661,000**	**$ 4,669,500**	**$ 4,708,000**	**$ 4,979,000**		

Notes:

1. All estimated costs are shown in Feb 2014 dollars, ENR Index 9681.

1a. Total costs include construction inflation factors applied in year of project implementation.

2. The timing and approach to replacing the Kokila Reservoir will be determine as part of the FY 15-16 condition assessment/replacement evaluation.

Legal Affairs Committee Meeting
June 1, 2016
4:00 p.m.

Committee Members: Bob Walters (Chair)
Ted Costa, Director

District Staff: Shauna Lorance, General Manager
Keith Durkin, Assistant General Manager
Teri Grant, Board Secretary/Administrative Assistant
Josh Horowitz, Legal Counsel

Members of the Public: Tom Gray, Fair Oaks Water District

Topics: FO-40 Agreement on Payment Schedule (W)
Groundwater Reimbursement Payment Schedule Agreement (W)
Ordinance Review (W &R)
Other Legal Affairs Matters
Public Comment

1. FO-40 Agreement on Payment Schedule (W)

Ms. Lorance reminded the committee that Fair Oaks Water District (FOWD) requested a special payment plan for the FO-40 phase 2 project. Rather than paying on the capital facilities fees, they requested to pay as costs were occurred. SJWD provided FOWD with a proposed agreement and payment schedule. FOWD countered with their own proposed agreement that did not include all of the costs of the project. The committee reviewed the revisions at the last committee meeting and directed Legal Counsel to revise the District's initial proposal as discussed. She provided the committee with Legal Counsel's revised agreement and a copy will be attached to the meeting minutes.

Ms. Lorance informed the committee that the FOWD Budget Committee reviewed the agreement, with Legal Counsel's changes, and is recommending accepting the agreement to the FOWD Board on June 13th. Mr. Gray addressed the committee and stated that he will contact Ms. Lorance on June 14th with the FOWD Board's decision.

Ms. Lorance informed the committee that Orange Vale Water Company (OVWC) has no objection to the alternate payment schedule being requested by FOWD. She informed the committee that she will place the item on the consent calendar for approval at the June 22nd Board meeting.

For information only; no action requested

2. Groundwater Reimbursement Discussions (W)

Ms. Lorance informed the committee that the Board reviewed and accepted the total cost for groundwater pumping between 2009 and 2014 by FOWD and Citrus Heights Water District (CHWD). The payment is being incorporated into the financial plan to

determine a feasible payment schedule. The financial plans will be reviewed by the Board at a workshop at the end of June. In the meantime, she has been working with CHWD and FOWD to develop a reimbursement agreement. She informed the committee that Legal Counsel received the changes to the agreement that CHWD and FOWD made and in the document he accepted the changes before making his recommended revisions. A copy of the revised agreement will be attached to the meeting minutes.

Ms. Lorance explained that Legal Counsel's major revision was the removal of the arbitration clause. Mr. Horowitz explained that the clause is not needed and he would expect the agencies to discuss and resolve any issues in advance of any type of legal action. He commented that the agreement is in essence already a settlement of the groundwater reimbursement issue. Ms. Lorance commented that Mr. Horowitz will contact CHWD's attorney regarding the arbitration clause.

Ms. Lorance informed the committee that she expects the agreement, minus the payment information, to be ready for the Board to review at the June 22nd Board meeting. She explained that once the financial plans are approved by the Board then the payment information will be incorporated into the agreement and returned to the Board for approval. Mr. Gray commented that the agreement would be used for both CHWD and FOWD and only the agency name would be changed.

In response to Director Costa's comment, Ms. Lorance explained that the wholesale agencies have agreed that, unless there is a written agreement in place, CHWD and FOWD will not pump groundwater with the expectation of reimbursement. She explained that there is a mutual aid agreement already in place for water supplies needed during emergency situations. Mr. Gray commented that there is renewed collaboration between the agencies.

In response to Director Walters' question, Ms. Lorance informed the committee that OVWC and the City of Folsom are in agreement with the approach of the reimbursement plan being incorporated into the wholesale rates.

The committee agreed that after the attorneys discuss the arbitration clause, the final draft agreement could be brought to the Board at the June 22nd Board meeting for concurrence on the form of the agreement. The Board will not be expected to approve the agreement until the costs and payment schedule are determined.

For information only; no action requested

3. Ordinance Review (W &R)

Ms. Lorance reported that there were no ordinances to review at this time and this will be a standing agenda item until all the ordinances are reviewed.

For information only; no action requested

4. Other Legal Affairs Matters (W/R)

Mr. Durkin reported that, as requested by the Board, he talked to Placer County Water Agency (PCWA) regarding the purchase or continued lease of the Los Lagos Tank. He informed the committee that PCWA is interested in selling the facility to the District, and if the District is not interested in buying then they are willing to extend the lease. Mr. Durkin informed the committee that staff will research the District's investment to date in the facility and work with PCWA to arrive at a fair cost to purchase the facility.

In response to Director Walters' question, Mr. Durkin informed the committee that there is no new information regarding the Sacramento County paving issue and a meeting is scheduled for June 9th with the Sacramento County Department of Transportation.

In response to Director Costa's question, Ms. Lorance informed the committee that an employee vehicle was struck on the driver's side and the SJWD driver was not at fault. The SJWD employee is okay and JPIA is handling the claim.

4.1 Next Meeting Date

The next meeting will be scheduled when needed.

5. Public Comment

There were no public comments.

The meeting was adjourned at 4:32 p.m.

AGREEMENT FOR PAYMENT OF COSTS FOR PHASE II OF THE FAIR OAKS 40-INCH TRANSMISSION PIPELINE REHABILITATION PROJECT

This Agreement for Payment of Costs for Phase II of the Fair Oaks 40-Inch Transmission Pipeline Rehabilitation Project ("Agreement") is entered into by and between the San Juan Water District, a public agency, ("SJWD") and the Fair Oaks Water District, a public agency, ("FOWD"), as of ~~March~~ June __, 2016. SJWD and FOWD are referred to herein individually as a "Party" and collectively as the "Parties."

Recitals:

A. SJWD and FOWD entered into a Wholesale Water Supply Agreement with an effective date of May 14, 2008 ("Wholesale Agreement"). The Wholesale Agreement was amended by the Parties on January 1, 2011. The Wholesale Agreement requires SJWD to operate, maintain, repair, replace and improve San Juan's Water Treatment and Conveyance Facilities as it determines to be prudent, consistent with legal obligations and sound engineering, construction and utility operating practices, for the mutual benefit of FOWD and other Member Agencies.

B. In May of 2011, SJWD published the Fair Oaks 40-Inch Transmission Pipeline Rehabilitation Project – Engineering Report on Recommended Project, Project Costs and Cost Allocation ("FO-40 Project"). As set forth in that report, SJWD determined that FOWD is obligated to pay 91% of the costs related to the FO-40 Project.

C. FOWD agrees that it is liable to pay 91% of the costs of the FO-40 Project and in fact has paid that cost-share for completion of Phase I of the FO-40 Project.

D. The SJWD November 4, 2015 Technical Memorandum provided a Preliminary Report on Project Scope, Costs, and Implementation Plan for the Phase II of the FO-40 Project (the "Technical Memorandum"). The work on Phase II of the FO-40 Project ("Phase II Project") will conform as close as reasonable practicable to the Technical Memorandum in conformance with good engineering and public construction practices permit.

E. The total cost of the Phase II of the FO-40 Project is estimated to be $2,185,000, with FOWD's 91% share of those costs estimated to be $1,988,350. SJWD's rates and charges require that FOWD, Orange Vale Water Company ("OVWC") and SJWD-Retail each pay for their share of project costs through capital facilities fees in twenty equal quarterly installments in 2016 through 2020. SJWD expects to carry out the project in 2017 and 2018.

~~E~~F. FOWD has requested that SJWD permit FOWD to pay for its 91% share of the Phase II ~~of the FO-40~~ Project costs as they are incurred by SJWD, rather than on the five-year schedule under which OVWC and SJWD-Retail will pay for these costs. SJWD is willing to permit FOWD to pay the Phase II ~~p~~Project costs ~~as requested~~on a modified schedule, subject to the terms and conditions of this Agreement.

Agreement:

1. Payment of Project Costs:

(a) FOWD will pay its 91% share of the engineering, construction, construction management, and other project costs for performing and completing the Phase II Project according to the following schedule:

(i) The first invoice will cover planning and design engineering costs and will be submitted by SJWD to FOWD following SJWD's receipt of proposals for engineering services from qualified consultants that identify engineering costs.

(ii) The second invoice will cover fifty-percent of construction costs and construction management costs, as well as any actual additional costs or credits incurred during design, such as design change orders, permitting expenses, easement acquisition, etc. The second invoice will be submitted by SJWD to FOWD following completion of design and SJWD's receipt of construction bids and proposals for construction management and inspection services from qualified contractors and consultants that identify these costs.

(iii) The third invoice will be issued at the mid-point of construction based on the allowable construction duration required by the construction contract. The construction duration is anticipated to be six months. The third invoice will cover the final fifty-percent of construction costs and construction management costs per the construction bid, as well as any actual additional costs or credits incurred during the construction period, such as change orders, County inspection or permit compliance costs, materials supplied to the project, etc.

(iv) The final invoice will be issued after completion of construction. The final invoice will reconcile all costs paid against actual, complete project costs, and will include actual additional costs or credits incurred during the planning, engineering, and construction period.

(v) Each invoice will include the supporting information for the project costs. FOWD will pay the project costs as invoiced by SJWD within 45 days of receipt of SJWD's invoice. SJWD will not charge any markups or administrative fees on the costs described in this paragraph 1.(a). ~~FOWD will pay its 91% share of the costs for performing and completing the Phase II FO-40 Project by paying the estimated costs that SJWD expects to incur for the project in the upcoming calendar quarter. After the project is commenced, SJWD will calculate and invoice FOWD for its share of the upcoming quarter's estimated costs for engineering, construction, construction management, and other project costs. The invoice will include the supporting information for SJWD's calculation of costs for the upcoming quarter's project costs. FOWD will pay the upcoming quarter's project costs as invoiced by SJWD within 45 days of receipt of SJWD's invoice.~~

~~(a)~~(b) FOWD acknowledges that if it does not timely pay each quarterly invoice for the Phase II ~~FO-40~~ Project work that, in accordance with current policy, penalties and interest will accrue on any such unpaid invoice as provided in Section 5.4 of SJWD's Policies adopted by the SJWD Board of Directors on February 23, 2011.

~~(b)~~(c) FOWD will remain liable to pay its annual share of the capital facilities fees billed by SJWD for the estimated cost of Phase II ~~FO-40~~ Project in the annual amount of $397,670 until this Agreement is signed by both agencies.

(d) FOWD acknowledges and agrees that the projected cost of the Phase II ~~FO-40~~ Project of $2,185,000 and FOWD's 91% share of $1,988,350 are estimates only, and that FOWD, OVWC and SJWD-Retail are all liable to pay the full and actual costs incurred by SJWD to complete all work on the project. Upon completion of the Phase II ~~FO-40~~ Project, SJWD will determine the actual final cost of the project. If the actual cost of the project is higher than estimated, SJWD will send a final invoice to FOWD, OVWC and SJWD-Retail for their respective shares of the remaining costs incurred for the project by SJWD. If the actual project costs are lower than estimated, SJWD will credit the difference between the actual amounts paid by each agency. FOWD may request that SJWD issue a check for any credit due FOWD.

2. SJWD will be responsible for selecting the contractor for performing the Phase II Project work. SJWD will provide FOWD with a copy of the bid package of the contractor awarded the work. SJWD will not exceed the scope of the Phase II ~~FO-40~~ Project work, until it has informed FOWD of any possible expansion in project scope and in good faith considers the position of FOWD regarding any proposed changes. SJWD will not require any payment from FOWD for any work which exceeds the scope of the Phase II ~~FO-40~~ Project work until there have been discussions regarding the proposed change in work, the costs associated with such change, and SJWD has in good faith included the information and/or concerns provided by FOWD in its decision to expand the scope of work. SJWD must provide FOWD written notice of any proposed changes to the scope of the Phase II ~~FO-40~~ Project work. FOWD must provide its response to the proposed change to the scope of the project within 10 business days of receiving written notice from SJWD. Any failure by FOWD to respond to SJWD's proposed changes will be deemed to be an acceptance by FOWD of such changes.

3. SJWD will keep FOWD informed regarding the costs of the Phase II ~~FO-40~~ Project and, upon request by FOWD, provide FOWD a copy of all executed contracts and other project-related documents. If FOWD disputes any portion of any invoice issued by SJWD for project costs, FOWD will notify SJWD of such dispute within 10 business days of receipt of such information or invoice. FOWD will include in its notification to SJWD a written explanation of the basis for its dispute and all information and data on which FOWD bases its dispute. Failure of FOWD to notify SJWD of a dispute concerning an invoice or any project work within the 10 day notification period shall be deemed to be a waiver by FOWD of any such dispute.

4. This Agreement shall be construed and interpreted in accordance with the laws of the State of California. The Parties shall bring any litigation that may arise out of

or relate to this Agreement in the Superior Court for Sacramento County.

5. This Agreement constitutes the entire agreement between the Parties hereto with respect to the matters covered by this Agreement. Any further modifications of this Agreement must be in writing and must be signed by all Parties.

6. Each of the Parties has read the Agreement carefully, knows and understands its contents. Each of the Parties has received prior independent advice, or has knowingly waived the right to seek independent advice, with respect to the advisability of executing this Agreement. Moreover, the drafting of this Agreement was a joint effort among the Parties and no ambiguity shall be construed against either party as drafter.

7. The Parties may execute and deliver this Agreement in any number of facsimile counterparts or copies ("counterpart"). When each Party has signed and delivered at least one counterpart to the other Party, each counterpart shall be deemed an original and, taken together, the counterparts shall constitute one and the same Agreement, which shall be binding and effective.

FAIR OAKS WATER DISTRICT

By:_____
~~Michael McRae~~David Underwood,
President, Board of Directors

SAN JUAN WATER DISTRICT

By:_____
Pamela E. Tobin
President, Board of Directors

SAN JUAN WATER DISTRICT AND CITRUS HEIGHTS WATER DISTRICT AGREEMENT FOR REIMBURSEMENT OF COSTS TO PUMP GROUNDWATER

This Agreement for Reimbursement of Costs to Pump Groundwater ("Agreement") is made effective on June _____, 2016, by and ~~among~~ between San Juan Water District, a public agency ~~in its capacity as a wholesale water provider~~ ("SJWD") and Citrus Heights Water District, a public agency ("CHWD"). SJWD and CHWD are collectively referred to herein as the "Parties" and individually as a "Party."

RECITALS:

A. In 2008, a draft surface water shortage agreement among SJWD, CHWD and other wholesale customer agencies ("WCAs") to provide groundwater supplies during times of surface water shortage as defined by the Sacramento Water Forum Agreement was prepared but not completed.

B. Due to changed conditions concerning the water supply situation and other agreements, the draft surface water shortage agreement was not implemented and the Parties therefore agreed that a method was needed for reimbursing agencies such as CHWD that owned, operated and maintained the groundwater facilities for the time period of 2009-2014.

C. CHWD is the owner and operator of groundwater production facilities that provided water supply for the benefit of all ~~wholesale customer agencies ("~~WCAs~~") of SJWD; said WCAs being SJWD in its capacity as a retail water service provide, CHWD Fair Oaks Water District, Orange Vale Water Company and the City of Folsom~~.

D. SJWD in its capacity as the wholesale supplier to the WCAs determined that there was a need for groundwater pumping in 2014 due to a shortage in surface water supplies caused by a third year of drought. The 2014 groundwater pumping benefited all of the WCAs.

E. Because ~~of~~ CHWD made~~king~~ groundwater supplies available in 2014, it is seeking reimbursement from SJWD for the costs of the groundwater pumped.

F. CHWD is also seeking reimbursement for the operation and maintenance of its facilities between 2009 and 2013 to maintain their readiness to supply groundwater in times of a shortage of other water supplies ~~which~~ for the benefit~~ted~~ of all of the WCAs.

G. The Parties have agreed to the terms set forth in this Agreement to fully and finally compensate CHWD for all of its expenses to ~~produce~~ make available groundwater supplies between 2009 and 2014.

AGREEMENT:

1. Reimbursement Terms. SJWD will provide a total credit in the amounts listed below to CHWD:

	2014	2009-2013	Total
CHWD	$264,698	$794,095	$1,058,793

CHWD will receive a one-time credit of _____ for the reimbursement of the 2014 costs in _____, 2016. The 2009-2013 credit will be spread out over ___ years in ___ quarterly amounts. The credits will be shown on and deducted from SJWD's invoices for wholesale water service fees and charges issued to CHWD.

2. Sole Remedy and Release of Claims. ~~All of t~~The Parties acknowledge and agree that this Agreement and the payments hereunder are intended to affect the full and complete release of all claims related to or arising out of all activities associated with the CHWD's operation and maintenance of groundwater pumping facilities and groundwater supplied by ~~them~~ it to the WCAs from 2009 through 2014. Each Party understands and agrees that the release set forth in this Section ~~-~~shall act as a full and final release of all claims, known or unknown, whether or not ascertained, existing as of the date of the execution of this Agreement by either Party. Each Party expressly waives any rights or benefits available under Section 1542 of the Civil Code of the State of California, which provides as follows:

> "*A general release does not extend to claims which the creditor does not know, or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.*"

3. 2016~~5~~ and Future Groundwater Pumping. Parties further acknowledge and agree that any additional groundwater pumping by CHWD in future years will not occur prior to the Parties entering into an agreement that provides the costs and terms for such groundwater pumping.

4. Entire Agreement. This Agreement is freely and voluntarily entered into by the Parties after having the opportunity to consult with their respective attorneys. Any prior agreements, promises, negotiations, or representations specifically related to the subject matter of this Agreement, but not expressly set forth in this Agreement, are of no force and effect. No amendment or other modification of this Agreement shall be effective unless it is in writing and signed by the Parties.

5. Cooperation. Each Party agrees to do all things that may be necessary, including, without limitation, the execution of all documents which may be required hereunder, in order to implement this Agreement.

6. Supporting Resolutions. Each Party represents that it has legal authority to enter into this Agreement and to perform its obligations hereunder, and will provide to the other Party concurrent with execution of this Agreement, a duly-authorized resolution or other document authorizing the person executing this Agreement to do so.

7. Interpretation of Agreement. Each Party has reviewed and actively participated in the negotiation of this Agreement, and agrees that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not apply to this Agreement or to documents executed and delivered by any Party in connection with the transactions contemplated by this Agreement.

8. Waiver of Rights. Any waiver by a Party of its rights with respect to any matter arising in connection with this Agreement shall not be deemed to be a waiver with respect to any other breach, default or matter. ~~Any waiver must be in writing and executed by an individual authorized to waive the right in question.~~

9. Remedies. In the event of a breach of this Agreement, each Party reserves the right to pursue any remedy provided under law or in equity.

~~10. Mediation and Arbitration. Any controversy or dispute between or among SJWD and CHWD concerning implementation, interpretation, application, performance or lack of performance of this Agreement, and any claim arising out of this Agreement or its breach, shall be resolved under this Section. SJWD and/or CHWD shall provide written notice of a demand for arbitration to the other Party within ninety (90) days from the date of the occurrence giving rise to the controversy, dispute or claim that is the basis for the demand. The notice shall state the facts that give rise to the demand for arbitration, the date of the occurrence, the parties to the arbitration and the remedy sought. SJWD shall facilitate an effort to resolve the dispute through informal mediation involving SJWD and CHWD on a voluntary basis during the thirty day period following the demand for arbitration. Thereafter, if SJWD and/or CHWD have not agreed to a resolution of the dispute or an extension of time, the dispute shall be resolved by binding arbitration under the California Arbitration Act (Code of Civil Procedure sections 1280 through 1294.2), except as otherwise provided herein. The Parties in the arbitration shall select a single neutral arbitrator. If they cannot agree on one arbitrator, or an alternative selection process, SJWD shall request the presiding judge of the Sacramento County Superior Court to select an arbitrator, under Section 1281.6 of the Code of Civil Procedure.~~

~~A hearing on the matter to be arbitrated shall take place before the arbitrator in the County of Sacramento at a time and place selected by the arbitrator. However, the hearing shall take place no later than thirty (30) days after selection of the arbitrator, unless the Parties unanimously agree to extend this time. The arbitrator shall select the time and place for the hearing and shall give each Party written notice of the time and place at least twenty (20) days before the date of~~

~~the hearing. At the hearing, any relevant evidence may be presented by any Party and the formal rules of evidence applicable to judicial proceedings shall not apply. Evidence may be admitted or excluded in the sole discretion of the arbitrator. The arbitrator shall hear and determine the matter, and shall resolve in writing the dispute among the Parties. The decision of the arbitrator shall be binding and conclusive.~~

~~The ongoing costs of the arbitration, including the arbitrator's fees, and reasonable costs incurred by SJWD to facilitate the mediation and the arbitration shall be borne equally by the Parties. At the conclusion of the arbitration, the prevailing Party shall be entitled to recover from the losing Party the costs of arbitration (but not mediation costs), in addition to reasonable attorney's fees, expert witness fees and other costs as part of the arbitrator's decision.~~

10. Counterparts. Signatures may be obtained on multiple copies of this Agreement, and together will have the full force of a single executed Agreement. This Agreement will not be effective until signed by all Parties.

SAN JUAN WATER DISTRICT

By: _____
Pamela E. Tobin
President, Board of Directors

CITRUS HEIGHTS WATER DISTRICT

By: _____
Allen B. Dains
President, Board of Directors

DRAFT

Finance Committee Meeting Minutes
San Juan Water District
June 7, 2016
4:00 p.m.

Committee Members: Ted Costa, Director (Chair)
Pam Tobin

District Staff: Shauna Lorance, General Manager
Donna Silva, Director of Finance
Greg Turner, WTP Superintendent
Teri Grant, Board Secretary/Administrative Assistant

Topics: Review and Pay Bills (W & R)
Authorization to Purchase Additional Wholesale Water Treatment Chemicals (W)
Employee Contracts (W & R)
Public Information Budget/Contract Amendment (W & R)
Other Finance Matters
Public Comment

1. Review and Pay Bills (W & R)

The committee reviewed the presented bills and claims. There were no reimbursements to the General Manager for review in this packet of bills and claims. The reviewed bills and claims were found to be in order.

Staff update: the total amount of bills and claims provided for approval for May payables is $1,164,150.04.

The Finance Committee recommends consideration of a motion to adopt Resolution 16-10.

2. Authorization to Purchase Additional Wholesale Water Treatment Chemicals (W)

Ms. Lorance informed the committee that a written staff report was included in the board packet and will be attached to the meeting minutes. Mr. Turner informed the committee that additional Clarion A402P is again needed prior to the end of FY 2015-16; however, the amount indicated in the staff report needs to be amended to total $45,000. Ms. Lorance requested that the item be removed from the Consent Calendar for discussion at the Board meeting on June 8th.

The Finance Committee recommends consideration of a motion to approve the purchase of additional Clarion A402P, liquid aluminum sulfate w/cationic polymer blend, a water treatment chemical, at a total cost of $45,000.

3. Employee Contracts (W &R)

Ms. Lorance informed the committee that the Personnel Committee requested that the Finance Committee review the Assistant General Manager's request to terminate the recently executed contract and add an additional 40 hours of AGM leave into the employee policies. Ms. Lorance informed the Finance Committee

that there was no budget impact for adding the 40 hours of AGM leave since it was already included in the budget. In response to Director Costa's question, Ms. Lorance informed the committee that the only employee contract with the District would then be the General Manager's. Ms. Lorance would like to have a full discussion with the Board under the Finance Committee report.

For information only; no action requested.

4. Public Information Budget/Contract Amendment (W & R)

Ms. Lorance informed the committee that an additional $9,500 (wholesale) and $6,500 (retail) were added to the Crocker & Crocker Professional Services Agreement ("contract"). She explained that the Public Information Committee reviewed the request to increase the contract in order to cover additional drought-related activities that the District requested from Crocker & Crocker. Ms. Lorance commented that the Board had previously authorized the contract increase due to additional drought related activities that were anticipated; therefore, she signed an amendment to the Crocker & Crocker contract.

For information only; no action requested.

5. Other Finance Matters (W & R)

There were no other matters discussed.

6. Public Comment

There were no public comments.

The meeting was adjourned at 4:12 p.m.

San Juan Water District

RESOLUTION 16-10
PAYMENT OF BILLS AND CLAIMS

WHEREAS, the Finance Committee of the Board of Directors has reviewed the bills and claims in the amount of $1,164,150.04; and

WHEREAS, the Finance Committee of the Board of Directors has found the bills and claims to be in order.

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

1. The bills and claims attached hereto totaling $1,164,150.04 are hereby approved.

2. That the depositary be and the same is hereby authorized to pay said bills and claims in the total sum of $1,164,150.04 of the General Fund Account.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 8th day of June 2016, by the following vote:

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:

PAMELA TOBIN
President, Board of Directors
San Juan Water District

ATTEST

TERI GRANT
Secretary, Board of Directors

June 2016 Payment Register

Paid in Advance:

Check Date:	Vendor:			Amount:
04/30/2016	Payroll			471,310.65
05/26/2016	AFLAC - Payroll	CK	50033	1,154.68
05/26/2016	Galic Disbursing Company - Payroll	CK	50036	400.00
05/26/2016	McClure, George Tom - 30yr Retirement	CK	50038	350.00
05/26/2016	Franchise Tax Board - Payroll	CK	50035	295.00
05/26/2016	CalPERS Long Term Care - Payroll	CK	50034	167.39
05/26/2016	von Collenberg, Chris - Reimbursement	CK	50040	135.00
05/26/2016	McClure, George Tom - Reimbursement	CK	50037	43.00
05/26/2016	von Collenberg, Chris - Reimbursement	CK	50039	15.00
	Total Paid in Advance			**473,870.72**

Checks:

** Checks cut from approved Open Payable List and Pending Payables. - **See Attached Check Register**

Regular Checks	302,926.79
EFT's	185,423.72
Total Check Register	**488,350.51**

Pending Payables:

Invoice No.:	Vendor - Description:	Invoice Amount	Vendor Total
0115-01	Myers & Sons - Floc Sed Basin Improvement Project	169,690.74	169,690.74
1602	IMC - CM & Inspection Digester Improvements Project	15,977.50	15,977.50
May Statement	US Bank - CalCards	15,190.57	15,190.57
2001994	Primex - Bacon BPS SCADA Communication troubleshooting	1,070.00	1,070.00
	Total Pending Payables		**201,928.81**

REPORTED TO FINANCE COMMITTEE AS PAID AND PAYABLE	**1,161,436.34**

Adjustments:

Invoice No.:	Vendor - Description:	Invoice Amount	Vendor Total
NNPB000840516	Department of Energy - Wholesale Power Bill May 2016	2,146.31	2,146.31
06/02/16	Galic Disbursing Company - Payroll	400.00	400.00
11200466	CalPERS Long Term Care - Payroll	167.39	167.39
	TOTAL PAID AND PAYABLE		**1,164,150.04**

Signature_____

Signature_____

Check Register

San Juan Water District, CA

Packet: APPKT00962 - 2016-06-08 June Board Approved AP - MS

By Check Number

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: APBNK-APBNK						
	Void	06/08/2016	Regular	0.00	0.00	50041
	Void	06/08/2016	Regular	0.00	0.00	50042
	Void	06/08/2016	Regular	0.00	0.00	50043
	Void	06/08/2016	Regular	0.00	0.00	50044
	Void	06/08/2016	Regular	0.00	0.00	50045
	Void	06/08/2016	Regular	0.00	0.00	50046
	Void	06/08/2016	Regular	0.00	0.00	50047
	Void	06/08/2016	Regular	0.00	0.00	50048
	Void	06/08/2016	Regular	0.00	0.00	50049
	Void	06/08/2016	Regular	0.00	0.00	50050
	Void	06/08/2016	Regular	0.00	0.00	50051
	Void	06/08/2016	Regular	0.00	0.00	50052
	Void	06/08/2016	Regular	0.00	0.00	50053
	Void	06/08/2016	Regular	0.00	0.00	50054
	Void	06/08/2016	Regular	0.00	0.00	50055
	Void	06/08/2016	Regular	0.00	0.00	50056
	Void	06/08/2016	Regular	0.00	0.00	50057
	Void	06/08/2016	Regular	0.00	0.00	50058
	Void	06/08/2016	Regular	0.00	0.00	50059
	Void	06/08/2016	Regular	0.00	0.00	50060
	Void	06/08/2016	Regular	0.00	0.00	50061
	Void	06/08/2016	Regular	0.00	0.00	50062
	Void	06/08/2016	Regular	0.00	0.00	50063
	Void	06/08/2016	Regular	0.00	0.00	50064
	Void	06/08/2016	Regular	0.00	0.00	50065
	Void	06/08/2016	Regular	0.00	0.00	50066
	Void	06/08/2016	Regular	0.00	0.00	50067
	Void	06/08/2016	Regular	0.00	0.00	50068
	Void	06/08/2016	Regular	0.00	0.00	50069
	Void	06/08/2016	Regular	0.00	0.00	50070
	Void	06/08/2016	Regular	0.00	0.00	50071
	Void	06/08/2016	Regular	0.00	0.00	50072
	Void	06/08/2016	Regular	0.00	0.00	50073
	Void	06/08/2016	Regular	0.00	0.00	50074
	Void	06/08/2016	Regular	0.00	0.00	50075
	Void	06/08/2016	Regular	0.00	0.00	50076
	Void	06/08/2016	Regular	0.00	0.00	50077
	Void	06/08/2016	Regular	0.00	0.00	50078
	Void	06/08/2016	Regular	0.00	0.00	50079
	Void	06/08/2016	Regular	0.00	0.00	50080
	Void	06/08/2016	Regular	0.00	0.00	50081
	Void	06/08/2016	Regular	0.00	0.00	50082
	Void	06/08/2016	Regular	0.00	0.00	50083
	Void	06/08/2016	Regular	0.00	0.00	50084
	Void	06/08/2016	Regular	0.00	0.00	50085
	Void	06/08/2016	Regular	0.00	0.00	50086
	Void	06/08/2016	Regular	0.00	0.00	50087
	Void	06/08/2016	Regular	0.00	0.00	50088
	Void	06/08/2016	Regular	0.00	0.00	50089
	Void	06/08/2016	Regular	0.00	0.00	50090
	Void	06/08/2016	Regular	0.00	0.00	50091
	Void	06/08/2016	Regular	0.00	0.00	50092
	Void	06/08/2016	Regular	0.00	0.00	50093
	Void	06/08/2016	Regular	0.00	0.00	50094

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
	Void	06/08/2016	Regular	0.00	0.00	50095
	Void	06/08/2016	Regular	0.00	0.00	50096
	Void	06/08/2016	Regular	0.00	0.00	50097
	Void	06/08/2016	Regular	0.00	0.00	50098
	Void	06/08/2016	Regular	0.00	0.00	50099
	Void	06/08/2016	Regular	0.00	0.00	50100
	Void	06/08/2016	Regular	0.00	0.00	50101
	Void	06/08/2016	Regular	0.00	0.00	50102
	Void	06/08/2016	Regular	0.00	0.00	50103
	Void	06/08/2016	Regular	0.00	0.00	50104
	Void	06/08/2016	Regular	0.00	0.00	50105
	Void	06/08/2016	Regular	0.00	0.00	50106
	Void	06/08/2016	Regular	0.00	0.00	50107
	Void	06/08/2016	Regular	0.00	0.00	50108
	Void	06/08/2016	Regular	0.00	0.00	50109
	Void	06/08/2016	Regular	0.00	0.00	50110
	Void	06/08/2016	Regular	0.00	0.00	50111
	Void	06/08/2016	Regular	0.00	0.00	50112
	Void	06/08/2016	Regular	0.00	0.00	50113
	Void	06/08/2016	Regular	0.00	0.00	50114
	Void	06/08/2016	Regular	0.00	0.00	50115
	Void	06/08/2016	Regular	0.00	0.00	50116
	Void	06/08/2016	Regular	0.00	0.00	50117
	Void	06/08/2016	Regular	0.00	0.00	50118
03380	3TC LLC	06/08/2016	Regular	0.00	100.04	50119
03091	Ace Hardware - Auburn Folsom Act#2(	06/08/2016	Regular	0.00	398.48	50120
01041	Afman, Todd R	06/08/2016	Regular	0.00	1,334.63	50121
01068	Alpha Des Security - Glenn Walker	06/08/2016	Regular	0.00	1,986.00	50122
01073	Amarjeet Singh Garcha	06/08/2016	Regular	0.00	1,500.00	50123
01026	American River Ace Hardware, Inc.	06/08/2016	Regular	0.00	174.03	50124
02463	AnswerNet	06/08/2016	Regular	0.00	209.60	50125
03361	Applied Landscape Materials Inc dba N	06/08/2016	Regular	0.00	1,720.00	50126
01138	AT&T Mobility II LLC	06/08/2016	Regular	0.00	61.51	50127
01152	Automated Valve Services Inc.	06/08/2016	Regular	0.00	2,427.81	50128
01182	Bartkiewicz, Kronick & Shanahan	06/08/2016	Regular	0.00	11,693.10	50129
01234	Bryce Consulting, Inc.	06/08/2016	Regular	0.00	3,000.00	50130
01298	CalPERS Long Term Care	06/08/2016	Regular	0.00	167.39	50131
01267	CalPERS OPEB	06/08/2016	Regular	0.00	109,397.18	50132
03226	Capitol Sand and Gravel Co.	06/08/2016	Regular	0.00	2,940.64	50133
03345	Cessna, Chris	06/08/2016	Regular	0.00	395.00	50134
01372	City of Folsom	06/08/2016	Regular	0.00	30.24	50135
01373	City of Roseville	06/08/2016	Regular	0.00	3,051.63	50136
01378	Clark Pest Control	06/08/2016	Regular	0.00	2,988.00	50137
02556	Costa, Ted	06/08/2016	Regular	0.00	201.09	50138
01266	DeRicco Enterprises, Inc.	06/08/2016	Regular	0.00	530.84	50139
01494	Dewey Services Inc.	06/08/2016	Regular	0.00	82.00	50140
01634	Folsom Lake Ford, Inc.	06/08/2016	Regular	0.00	1,557.17	50141
01644	Franchise Tax Board	06/08/2016	Regular	0.00	295.00	50142
01657	Galic Disbursing Company	06/08/2016	Regular	0.00	400.00	50143
01659	Gary Webb Trucking	06/08/2016	Regular	0.00	1,092.00	50144
01681	Golden State Flow Measurements, Inc	06/08/2016	Regular	0.00	1,870.50	50145
02567	Grant, Teri	06/08/2016	Regular	0.00	86.00	50146
01706	Graymont Western US Inc.	06/08/2016	Regular	0.00	5,929.28	50147
01733	Harris Industrial Gases	06/08/2016	Regular	0.00	33.95	50148
01736	Hasler/MailFinance/Neopost	06/08/2016	Regular	0.00	490.27	50149
03235	HD Supply Construction Supply LTD	06/08/2016	Regular	0.00	2,689.64	50150
01741	HDR Engineering, Inc.	06/08/2016	Regular	0.00	13,366.60	50151
01743	Heitzinger, Keith	06/08/2016	Regular	0.00	2,000.00	50152
01775	International Student Tours, Inc.	06/08/2016	Regular	0.00	250.00	50153
03074	Kirby's Pump & Mechanical Inc	06/08/2016	Regular	0.00	14,672.29	50154
02024	MCI WORLDCOM	06/08/2016	Regular	0.00	77.39	50155

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
01916	Miller, Ken	06/08/2016	Regular	0.00	1,188.80	50156
03381	Mitchelle, Natalie OR Patrick	06/08/2016	Regular	0.00	82.94	50157
02087	N C C Enterprises, Inc.	06/08/2016	Regular	0.00	630.00	50158
03360	Nathaniel Lee Medlar	06/08/2016	Regular	0.00	3,000.00	50159
02093	NDS Solutions, Inc	06/08/2016	Regular	0.00	3,761.89	50160
02131	Office Depot, Inc.	06/08/2016	Regular	0.00	1,685.17	50161
	Void	06/08/2016	Regular	0.00	0.00	50162
	Void	06/08/2016	Regular	0.00	0.00	50163
02150	Pace Supply Corp	06/08/2016	Regular	0.00	1,380.37	50164
02163	Pape' Machinery, Inc.	06/08/2016	Regular	0.00	818.68	50165
03371	PC Furniture Store, LLC	06/08/2016	Regular	0.00	2,831.91	50166
02146	PG&E	06/08/2016	Regular	0.00	1,803.61	50167
03384	Ramsey, William	06/08/2016	Regular	0.00	85.79	50168
02283	Recology Auburn Placer	06/08/2016	Regular	0.00	640.70	50169
02223	Rexel Inc (Platt - Rancho Cordova)	06/08/2016	Regular	0.00	504.06	50170
02292	Rexel, Inc.	06/08/2016	Regular	0.00	6,493.00	50171
02293	RFI Enterprises, Inc	06/08/2016	Regular	0.00	2,211.05	50172
03183	River City Printers LLC	06/08/2016	Regular	0.00	14,513.44	50173
02328	Rocklin Windustrial Co	06/08/2016	Regular	0.00	1,883.91	50174
01154	Roseville Moto Corp	06/08/2016	Regular	0.00	105.00	50175
02366	Sac Val Janitorial Supply Sales & Servic	06/08/2016	Regular	0.00	183.70	50176
02357	Sacramento Municipal Utility District (	06/08/2016	Regular	0.00	9,280.18	50177
02395	SAFETY KLEEN SYSTEMS INC.	06/08/2016	Regular	0.00	730.68	50178
03378	Samuel, Son & Co. Inc.	06/08/2016	Regular	0.00	6,756.16	50179
02446	Sierra Chemical Co	06/08/2016	Regular	0.00	3,664.57	50180
03309	Sorum, Mark	06/08/2016	Regular	0.00	1,000.00	50181
02334	Strohmaier, Rose	06/08/2016	Regular	0.00	23.11	50182
01411	SureWest Telephone	06/08/2016	Regular	0.00	1,600.65	50183
03382	Tate, Tiffany	06/08/2016	Regular	0.00	317.31	50184
02570	Terry, Patrick J.	06/08/2016	Regular	0.00	560.00	50185
02624	Trace Analytics LLC	06/08/2016	Regular	0.00	607.20	50186
02638	Tyler Technologies, Inc.	06/08/2016	Regular	0.00	275.00	50187
02640	U.S. Department of Commerce	06/08/2016	Regular	0.00	30,090.76	50188
02651	United Parcel Service Inc	06/08/2016	Regular	0.00	254.49	50189
03079	Van Dusen, Darren	06/08/2016	Regular	0.00	205.20	50190
03284	Vavrinek, Trine, Day & Co, LLP	06/08/2016	Regular	0.00	2,790.00	50191
02690	Verizon Wireless	06/08/2016	Regular	0.00	420.91	50192
02700	Viking Shred LLC	06/08/2016	Regular	0.00	50.00	50193
01687	W. W. Grainger, Inc.	06/08/2016	Regular	0.00	385.03	50194
01215	Walters, Bob	06/08/2016	Regular	0.00	316.69	50195
03064	Wecall Inc.	06/08/2016	Regular	0.00	10,595.53	50196
01034	Advanced Utility Systems, a Division o	06/08/2016	EFT	0.00	700.00	404522
01048	Airgas, Inc	06/08/2016	EFT	0.00	119.65	404523
03109	Alfa Laval Inc.	06/08/2016	EFT	0.00	122.70	404524
01081	American Messaging Services, LLC	06/08/2016	EFT	0.00	14.06	404525
01232	Brower Mechanical, Inc.	06/08/2016	EFT	0.00	3,045.07	404526
01330	CDW Government LLC	06/08/2016	EFT	0.00	1,877.97	404527
03221	Chemtrade Chemicals Corporation	06/08/2016	EFT	0.00	20,594.43	404528
01416	Corix Water Products (US) Inc.	06/08/2016	EFT	0.00	156.60	404529
03063	D&T Fiberglass Inc	06/08/2016	EFT	0.00	4,650.00	404530
01486	Department of Energy	06/08/2016	EFT	0.00	5,597.09	404531
01504	DLT Solutions LLC	06/08/2016	EFT	0.00	5,787.60	404532
01909	Durkin, Keith	06/08/2016	EFT	0.00	400.00	404533
01909	Durkin, Keith	06/08/2016	EFT	0.00	94.35	404534
01589	Eurofins Eaton Analytical, Inc	06/08/2016	EFT	0.00	1,668.00	404535
03322	Forbel, Ronald K.	06/08/2016	EFT	0.00	4,625.00	404536
03237	GM Construction & Developers, Inc	06/08/2016	EFT	0.00	48,300.00	404537
01721	Hach Company	06/08/2016	EFT	0.00	1,844.99	404538
01819	J. Richard Eichman, CPA	06/08/2016	EFT	0.00	256.40	404539
01917	Kennedy/Jenks Consultants, Inc.	06/08/2016	EFT	0.00	10,727.79	404540
02027	Mcmaster-Carr Supply Company	06/08/2016	EFT	0.00	562.91	404541

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
01472	Mel Dawson, Inc.	06/08/2016	EFT	0.00	5,176.78	404542
03236	Modesto Industrial Electrical Co., Inc.	06/08/2016	EFT	0.00	37,791.00	404543
02069	Motion Industries	06/08/2016	EFT	0.00	318.92	404544
03180	SAC ICE LLC	06/08/2016	EFT	0.00	196.13	404545
03220	Solenis LLP	06/08/2016	EFT	0.00	3,676.50	404546
02592	The Reed Group, Inc.	06/08/2016	EFT	0.00	16,718.76	404547
02162	Tobin, Pamela	06/08/2016	EFT	0.00	466.53	404548
02674	Utility Services Associates, LLC	06/08/2016	EFT	0.00	3,031.00	404549
02706	Vortex Industries, Inc.	06/08/2016	EFT	0.00	324.95	404550
02710	Wageworks, Inc	06/08/2016	EFT	0.00	98.00	404551
02730	Western Area Power Admin	06/08/2016	EFT	0.00	6,480.54	404552

Bank Code APBNK Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	135	76	0.00	302,926.79
Manual Checks	0	0	0.00	0.00
Voided Checks	0	80	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	59	31	0.00	185,423.72
	194	**187**	**0.00**	**488,350.51**

Fund Summary

Fund	Name	Period	Amount
999	INTERCOMPANY	6/2016	488,350.51
			488,350.51

STAFF REPORT

To: Board of Directors

From: Greg Turner – WTP Plant Manager, Mike Stemple – Purchasing Agent

Date: June 8, 2016

Subject: Authorization to Purchase Additional Wholesale Water Treatment Chemicals

RECOMMENDED ACTION
Staff recommends authorizing the purchase of an additional 98.62 tons (4 truckloads) of Clarion A402P, liquid aluminum sulfate w/cationic polymer blend, a water treatment chemical, at a total cost of $16,667.

BACKGROUND
Clarion A402P is a chemical used to process and settle out contaminants from the water. On June 10, 2015 the Board of Directors approved the purchase of 790 tons of Clarion, in the amount of $133,510 for use during Fiscal Year 2015-2016, and approved on May 11, 2016 the additional purchase of 147.3 tons for $27,500. The amount of this chemical needed is largely dependent upon water quality and the volume of water treated. Due to this year's wet conditions, Folsom Lake's unimpaired flows, un-forecasted water deliveries of 3151 AF (through May) to Sacramento Suburban Water District, and higher than anticipated lake turbidity levels in April and May, compounded by unscheduled sedimentation basin maintenance & repairs the District will need to use more chemicals then initially forecasted. An additional purchase of approximately 98.62 tons is needed for this fiscal year.

In accordance with Ordinance 4000, Appendix B, the purchase of Clarion was publicly bid and the initial purchase of 790 tons from the lowest bidder; Chemtrade Chemicals, was approved by motion of the Board on June 10, 2015. The bid set the price per ton and is good for the entire fiscal year. As such, the District does not need to initiate a separate bidding process for this additional procurement.

Per Ordinance 2000 the General Manager can authorize purchases of goods up to $15,000. Since this increase is in excess of $15,000 Board authorization is required. Staff is requesting authorization for the purchase of an additional 98.62 tons of Clarion A402P in the amount $16,667. This will ensure Clarion A402P needs are met for the District through June 30, 2016. Staff is recommending a 10% contingency for truckload delivery variation with a total authorized value of $18,334. There is room in the budget to accommodate this recommendation.