

CITRUS HEIGHTS WATER DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
May 10, 2016

The Regular Meeting of the Board of Directors was called to order at 6:37 p.m. by President Dains and roll was called. Present were:

Allen B. Dains, President
Caryl F. Sheehan, Director
Raymond A. Riehle, Director
Robert A. Churchill, General Manager
Hilary M. Straus, Assistant General Manager
Paul A. Dietrich, Project Manager
David M. Gordon, Operations Manager
Susan K. Sohal, Accounting Supervisor
Lisa A. Smoot, Management Services Supervisor / Chief Board Clerk
Mellie D. Deano, Temporary Accounting Staff

VISITORS:

Nicholas L. Spiers, Assistant Water Distribution Supervisor
Rex W. Meurer, Water Efficiency Coordinator
Beth Shockley, Management Services Specialist / Deputy Board Clerk

Students, Teachers and Families of Water Awareness Poster Contest
Jim Crowley, The Crowley Group, Inc.
David Alvey, Maze & Associates

PLEDGE OF ALLEGIANCE:

Director Dains led the Pledge of Allegiance.

PUBLIC COMMENT:

There was no Public Comment.

CONSENT CALENDAR:

President Dains asked for consideration and/or approval of the Consent Calendar consisting of the following action or information items:

Minutes of the Regular Meeting – April 12, 2016.
Minutes of the Special Meeting – April 18, 2016.
Revenue Analysis Report for April 2016.
Assessor/Collector's Roll Adjustment for April 2016.
Treasurer's Report for April 2016.
Treasurer's Report of Fund Balances for April 2016.
Operations Budget Analysis for April 2016.
Capital Improvements Budget Analysis for April 2016.

Payables / Warrants for April 2016.
CAL–Card Purchases for April 2016.
Summary of 2016 Directors, Officers and Employees Training, Seminars and Conference Expenses.

Administration Building Improvements Project

GM Churchill presented an informational report on the status of the Administration Building improvements Project. Upon issuance of a building permit from the City of Citrus Heights on April 15, 2016, construction of the Administration Building office addition by Kaler-Dobler Construction began. Construction is well underway with the following items completed at the time of this report:

- Concrete footing and slab.
- Exterior wall framing and window casings.
- Rough electrical.
- Wall Insulation (note: Ceiling insulation was completed with the prior project).

Preparation and installation of interior drywall and exterior stucco are completed followed thereafter by heating/air conditioning ductwork and T-bar ceiling. Furniture requirements were developed in consultation with Corporate Design Group and orders placed. The target date for completion is June 15, 2016.

Authorization for Accounting Supervisor to Attend Government Finance Officers Association (GFOA) Annual Conference

AGM Straus presented a report requesting approval for the District’s Accounting Supervisor to attend the Annual GFOA Conference. This year’s GFOA conference is located in Toronto, Ontario, Canada. Per District Policy 2060, “Educational and Training Functions,” any conference attendance occurring outside the west coast (California, Nevada, Oregon or Washington) requires Board approval and any “actual and necessary expenses while in attendance at [these] functions” outside the west coast “shall require formal approval of the Board of Directors.” Notwithstanding, there is no policy provision that prohibits the Board from delegating the expense reimbursement authority to the General Manager should the Board wish to do so.

The Board of Directors authorized the Accounting Supervisor’s attendance at GFOA Conference, and authorized the General Manager to approve actual and necessary expense reimbursements related to conference attendance.

Ramirez Claim for Damages

OM Gordon reported on a claim for property damage to a concrete driveway has been submitted by Salvador Ramirez. Citrus Heights Water District repaired the water main at 7850/52 Sampolo Court on Wednesday, April 6, 2016. In investigation the water main leak, it was determined to be caused by excessive force due to the homeowner digging and exposing the water main. Failure on an Asbestos Cement Pipe water main with a pinhole leak, like this leak, has never been observed by District staff. The Board of directors denied the claim and instructed that it be forwarded to ACWA/JPIA, the District’s insurance carrier.

ACTION: Director Riehle moved and Director Sheehan seconded a motion to accept the Consent Calendar. The motion carried 3-0 with all Directors voting yes.

PRESENTATIONS:

Water Awareness Poster Contest

Water Efficiency Coordinator Rex Meurer presented awards to the winners of this year's Water Conservation Poster Contest conducted by Citrus Heights Water District (CHWD) and the San Juan Family of Agencies.

The District's water conservation staff, in conjunction with Orange Vale Water Company, Fair Oaks Water District and San Juan Water District sponsored the twentieth annual Water Awareness Poster Contest. A total of 607 4th, 5th and 6th grade students at six elementary schools within the CHWD service area submitted posters based on this year's theme, "We Are Still In A Drought-How Can You Help Out?".

Each agency awards a first-place prize of \$100.00 and two runner-up prizes of \$50.00. In addition, each winning student's class receives an award of \$100.00 for the winning entry. The winning entries will also be featured in the 2017 Water Conservation Awareness Calendar. The Grand Prize Winner is featured on the cover and in the month of May, which represents Water Awareness Month. The Grand Prize Winner receives an additional \$100.00 check.

The winners for schools within the Citrus Heights Water District are:

First Place Winner: Kevin Vasquez, 6th Grade, Kingswood Elementary School
Teacher: Robin Emmond

Runner-Up: Maya Taff, 5th Grade, Woodside School
Teacher: Michael Cerecedes

Runner-Up: Eden Webb, 5th Grade, Oakview Elementary School
Teacher: Kristie Hanson

The contest entries in the Citrus Heights Water District service area were judged by: Nick Lagura from the City of Citrus Heights staff; Rosa Umbach representing the Citrus Heights Chamber of Commerce; and Virgil Anderson from the Sunrise Recreation and Park District staff.

There was a brief recess at the conclusion of the awards presentation.

Preparation of the 2015 Urban Water Management Plan

The Urban Water Management Act (Act) became part of the California Water Code with the passage of Assembly Bill 797 during the 1983-1984 regular session of the California Legislature. The California Water Code requires every urban water supplier providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually to adopt and submit an Urban Water Management Plan (UWMP) every five years to the California Department of Water Resources (DWR). The specific planning requirements are in the California Water Code Division 6, Part 2.6

Urban Water Management Planning. Every five years since 1990, the District has produced an Urban Water Management Plan.

The UWMP is widely considered to be a water agency's most important public water planning document, and provides comprehensive information on the agency's water supply, reliability planning, use of water by customer types, water demand management and other information. The District's most recent five-year update was adopted by the Board in June 2011. CHWD is required to submit an updated UWMP to the State by July 1, 2016.

Key dates in the project schedule include tonight's Study Session with the Board of Directors. Thereafter, at the June 14, 2016 Board meeting, a revised final UWMP will be presented to the Board at a Public Hearing for consideration and adoption.

Consultant Jim Crowley of The Crowley Group, Inc. and District Project lead Rex Meurer led a presentation and discussion on the elements of the plan and received comments from the Board of Directors.

ACTION: Director Sheehan moved and Director Riehle seconded a motion to: Call for a Public Hearing for consideration of adoption of the 2015 UWMP at the June 14th Board meeting. The motion carried 3-0 with all Directors voting yes.

PUBLIC HEARING:

Adoption of Water Conservation Ordinance 01-2016 (A)

At the Board of Directors meeting on April 12th, 2016 the Board was presented with a review of the history of the District's Water Conservation Ordinance, the District's current Water Conservation Stage Declaration and the proposed adoption of a new Water Conservation Ordinance. After Board discussion and comment on draft Ordinance 01-2016, staff inserted the edits and sent it to Legal Counsel for review and comment. Legal Counsel Albietz has reviewed the draft Ordinance 01-2016 and has vetted the document.

Key Ordinance elements include:

- Updated Water Conservation Stages 1-5
- USBR Health and Safety Condition
- Water Conservation Stage Declaration process
- Progressive Enforcement Measures

On April 29th, a Notice of Public Hearing was published in the Sacramento Gazette newspaper. A certified copy of the full text of the Ordinance (or summary) was posted in the CHWD offices Five (5) days prior to tonight's Public Hearing. 15 days after adoption of the Ordinance, the Board shall publish a summary of the Ordinance with the names of those Directors voting for and against the Ordinance.

President Dains Opened the Public Hearing and asked for Public Comment.

There was no Public Comment.

President Dains closed the Public Hearing.

ACTION: Director Sheehan moved and Director Riehle seconded a motion to: Adopt Ordinance 01-2016 restating and reauthorizing the establishment of a Water Conservation Program, Mandatory Water Conservation Stage Regulations and progressive Enforcement Measures that will supersede and nullify Ordinance 02-91 and any amendments thereto, regarding the District's water conservation program. The motion carried 3-0 with all Directors voting yes.

ORDINANCE NO. 01-2016
AN ORDINANCE ESTABLISHING A WATER CONSERVATION PROGRAM WITHIN
CITRUS HEIGHTS WATER DISTRICT

WHEREAS, this Ordinance restates and reauthorizes the establishment of a Water Conservation Program, Mandatory Water Conservation Stage Regulations and progressive Enforcement Measures to be implemented to reduce water consumption within Citrus Heights Water District ("CHWD" or "District"); and

WHEREAS, the Ordinance is adopted pursuant to the laws of the State of California; and

WHEREAS, this Ordinance supersedes and nullifies Ordinance 02-91 and any amendments thereto, regarding the District's Water Conservation Program; and

WHEREAS, the District recognizes that water is a valuable natural resource, which should not be wasted, and the District has the mission of providing its customers with high quality water for domestic, commercial, irrigation, and fire protection purposes at adequate pressures and equitable rates; and

WHEREAS, the District recognizes that water availability can be adversely affected by weather conditions, environmental commitments, a depleting ground-water basin, and growth; and

WHEREAS, no provisions of the District's Water Conservation Program shall apply to fire hydrants, fire mains, fire sprinkler lines or other equipment used solely for fire protection purposes. No provisions of the District's Water Conservation Program shall apply to any hospital, health care or convalescent facility or any other type of facility where the health and welfare would be affected by restrictions on water used, nor shall it apply to veterinary hospitals. Such facilities are encouraged to conserve water to the extent possible. However, the District's Water Conservation Program does apply to the outdoor grounds, yards and parking areas of these facilities; and

WHEREAS, the adoption and enforcement of a comprehensive Water Conservation Program will allow the District to delay or avoid declaring a water shortage emergency pursuant to Water Code Section 350; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of CHWD adopts this Ordinance 01-2016 regarding the District's Water Conservation Program, Mandatory Water Conservation Stage Regulations, and progressive Enforcement Measures.

SECTION A – WATER CONSERVATION STAGE DEFINITIONS:

STAGE 1 – NORMAL WATER SUPPLY: The District’s water supply or distribution system is able to meet all the water demands of its customers in the immediate future.

STAGE 2 – WATER ALERT: There is a probability that the District’s water supply or distribution system will not be able to meet all the water demands of its customers.

STAGE 3 – WATER WARNING: The District’s water supply or distribution system will not be able to meet all the water demands of its customers.

STAGE 4 – WATER CRISIS: SHORT-TERM (45 days or less): The District’s water supply or distribution system is not able to meet all the water demands of its customers under STAGE 3 – WATER WARNING requirements because of a temporary emergency or other short-term supply or distribution system constraints.

STAGE 4 – WATER CRISIS: LONG-TERM: (more than 45 days): The District’s water supply or distribution system is not able to meet all the water demands of its customers under STAGE 3 – WATER WARNING requirements because of drought or other constraints on water supplies or the water distribution system that are long-term, rather than temporary in nature.

STAGE 5 – WATER EMERGENCY: SHORT-TERM (45 days or less): The District is experiencing a major failure of water supply, storage, or distribution infrastructure because of a temporary emergency or other short-term constraints.

STAGE 5 – WATER EMERGENCY: LONG-TERM (more than 45 days): The District is experiencing a major failure of water supply, water storage, or distribution infrastructure because of drought or other constraints that are long-term, rather than temporary in nature.

SECTION B – WATER CONSERVATION STAGE DECLARATION:

Upon the declaration or ratification by the Board of Directors of a specific Stage, as defined in Section A, the following Mandatory Water Conservation Stage Regulations shall be in effect:

The declaration of Short-Term Stage 4 or Short-Term Stage 5 Mandatory Water Conservation Stage Regulations may be made by the agency’s General Manager or his/her designee, subject to ratification by the agency’s Board of Directors in a regular or special session.

SECTION C – MANDATORY WATER CONSERVATION STAGE REGULATIONS – STAGES 1 – 5:

STAGE 1 – NORMAL WATER SUPPLY

1. Water shall be used for beneficial purposes only; all unnecessary and wasteful uses of water are prohibited.
2. Water shall be confined to the customer’s property and shall not be allowed to run off to adjoining properties or to the roadside ditch or gutter. Care shall be taken not to water past the point of saturation.

3. Free-flowing hoses for all uses are prohibited. Automatic shut-off devices shall be attached on any hose or filling apparatus in use.
4. Leaking customer pipes or faulty sprinklers shall be repaired within five (5) working days or less if warranted by the severity of the problem.
5. All pools, spas, and ornamental fountains/ponds shall be equipped with a recirculation pump and shall be constructed to be leak-proof. Pool draining and refilling shall be allowed only for health, maintenance, or structural considerations.
6. Washing streets, parking lots, driveways, sidewalks, or buildings, is prohibited except as necessary for health, esthetic or sanitary purposes.
7. Customers are encouraged to take advantage of the District's water conservation programs and rebates.

STAGE 2 – WATER ALERT

1. Water shall be used for beneficial purposes only; all unnecessary and wasteful uses of water are prohibited.
2. Water shall be confined to the customer's property and shall not be allowed to run off to adjoining properties or to the roadside ditch or gutter. Care shall be taken not to water past the point of saturation.
3. Free-flowing hoses for all uses are prohibited. Automatic shut-off devices shall be attached on any hose or filling apparatus in use.
4. Leaking customer pipes or faulty sprinklers shall be repaired within five (5) working days or less if warranted by the severity of the problem.
5. All pools, spas, and ornamental fountains/ponds shall be equipped with a recirculation pump and shall be constructed to be leak-proof. Pool draining and refilling shall be allowed only for health, maintenance, or structural considerations.
6. Washing streets, parking lots, driveways, sidewalks, or buildings, is prohibited except as necessary for health, esthetic or sanitary purposes.
7. Customers are encouraged to take advantage of the District's water conservation programs and rebates.
8. Reduce landscape and pasture irrigation by 5 – 10%. Customers with "smart" irrigation timers or controllers are asked to set their controllers to achieve 90 to 95% of the evapotranspiration "ET" rate. Drip irrigation systems are excluded from this requirement.
9. Reduce indoor water use by 5 – 10%. Contact the District for tips and techniques to reduce indoor water use.

10. Users of construction meters and fire hydrant meters will be monitored for efficient water use.

STAGE 3 – WATER WARNING

1. Water shall be used for beneficial purposes only; all unnecessary and wasteful uses of water are prohibited.
2. Water shall be confined to the customer's property and shall not be allowed to run off to adjoining properties or to the roadside ditch or gutter. Care shall be taken not to water past the point of saturation.
3. Free-flowing hoses for all uses are prohibited. Automatic shut-off devices shall be attached on any hose or filling apparatus in use.
4. Leaking customer pipes or faulty sprinklers shall be repaired within two (2) working days or less if warranted by the severity of the problem.
5. All pools, spas, and ornamental fountains/ponds shall be equipped with a recirculation pump and shall be constructed to be leak-proof. Pool draining and refilling shall be allowed only for health, maintenance, or structural considerations.
6. Washing streets, parking lots, driveways, sidewalks, or buildings, is prohibited except as necessary for health, esthetic or sanitary purposes.
7. Customers are encouraged to take advantage of the District's water conservation programs and rebates.
8. Reduce landscape and pasture irrigation by 11 – 25%. Customers with "smart" irrigation timers or controllers are asked to set their controllers to achieve 75 to 89% of the evapotranspiration "ET" rate. Drip irrigation systems are excluded from this requirement.
9. Reduce indoor water use by 11 – 25%. Contact the District for tips and techniques to reduce indoor water use.
10. Users of construction meters and fire hydrant meters will be monitored for efficient water use.
11. Restaurants shall serve water only upon request.
12. Provisions of the Water Shortage Rate Structure may be implemented by the Board of Directors.

STAGE 4 – WATER CRISIS: SHORT-TERM

1. Water shall be used for beneficial purposes only; all unnecessary and wasteful uses of water are prohibited.
2. Water shall be confined to the customer's property and shall not be allowed to run off to adjoining properties or to the roadside ditch or gutter. Care shall be taken not to water past the point of saturation.

3. Free-flowing hoses for all uses are prohibited. Automatic shut-off devices shall be attached on any hose or filling apparatus in use.
4. Leaking customer pipes or faulty sprinklers shall be repaired within 24 hours or less if warranted by the severity of the problem.
5. All pools, spas, and ornamental fountains/ponds shall be equipped with a recirculation pump and shall be constructed to be leak-proof. No potable water from the District's system shall be used to fill or refill swimming pools, artificial lakes, ponds or streams. Water use for ornamental ponds and fountains is prohibited.
6. Washing streets, parking lots, driveways, sidewalks, or buildings, is prohibited except as necessary for health or sanitary purposes.
7. Customers are encouraged to take advantage of the District's water conservation programs and rebates.
8. Reduce landscape and pasture irrigation by 26 – 50%. Customers with “smart” irrigation timers or controllers are asked to set their controllers to achieve 50 to 74% of the evapotranspiration “ET” rate. Drip irrigation systems are NOT excluded from this requirement.
9. Reduce indoor water use by 26 - 50%. Contact the District for tips and techniques to reduce indoor water use.
10. Users of construction meters and fire hydrant meters will be monitored for efficient water use. Use of reclaimed water for construction purposes is encouraged.
11. Restaurants shall serve water only upon request.
12. Flushing of sewers or fire hydrants is prohibited except in case of emergency and for essential operations or unless specifically authorized by the District.
13. Installation of new turf or landscaping is prohibited.
14. Irrigation shall be limited to two days per week. The days of the week when outdoor water will be permitted shall be set based on the last digit of the street address. Odd addresses, streetscapes, and medians shall limit watering to Tuesdays and Saturdays; even addresses shall limit watering to Wednesdays and Sundays. No irrigation is permitted on Mondays, Thursdays and Fridays. Irrigation should be limited to the minimal amount of water necessary to keep plants and trees alive. Application of potable water to outdoor landscapes during and within 48 hours after measurable rainfall is prohibited.

STAGE 4 – WATER CRISIS: LONG-TERM

1. Water shall be used for beneficial purposes only; all unnecessary and wasteful uses of water are prohibited.

2. Water shall be confined to the customer's property and shall not be allowed to run-off to adjoining properties or to the roadside ditch or gutter. Care shall be taken not to water past the point of saturation.
3. Free-flowing hoses for all uses are prohibited. Automatic shut-off devices shall be attached on any hose or filling apparatus in use.
4. Leaking customer pipes or faulty sprinklers shall be repaired within 24 hours or less if warranted by the severity of the problem.
5. All pools, spas, and ornamental fountains/ponds shall be equipped with a recirculation pump and shall be constructed to be leak-proof. No potable water from the District's system shall be used to fill or refill swimming pools, artificial lakes, ponds or streams. Water use for ornamental ponds and fountains is prohibited.
6. Washing streets, parking lots, driveways, sidewalks, or buildings, is prohibited except as necessary for health or sanitary purposes.
7. Customers are encouraged to take advantage of the District's water conservation programs and rebates.
8. Reduce landscape and pasture irrigation by 26 – 50%. Customers with "smart" irrigation timers or controllers are asked to set their controllers to achieve 50 to 74% of the evapotranspiration "ET" rate. Drip irrigation systems are NOT excluded from this requirement.
9. Reduce indoor water use by 26 - 50%. Contact the District for tips and techniques to reduce indoor water use.
10. Users of construction meters and fire hydrant meters will be monitored for efficient water use. Use of reclaimed water for construction purposes is encouraged.
11. Restaurants shall serve water only upon request.
12. Provisions of the Water Shortage Rate Structure may be implemented by the Board of Directors.
13. Flushing of sewers or fire hydrants is prohibited except in case of emergency and for essential operations or unless specifically authorized by the District.
14. Installation of new turf or landscaping is prohibited.
15. Irrigation shall be limited to two days per week. The days of the week when outdoor water will be permitted shall be set based on the last digit of the street address. Odd addresses, streetscapes, and medians shall limit watering to Tuesdays and Saturdays; even addresses shall limit watering to Wednesdays and Sundays. No irrigation is permitted on Mondays, Thursdays and Fridays. Irrigation should be limited to the minimal amount of water necessary

to keep plants and trees alive. Application of potable water to outdoor landscapes during and within 48 hours after measurable rainfall is prohibited.

16. Water for flow testing and construction purposes from water agency fire hydrants and blow-offs is prohibited. Use of reclaimed water for construction purposes is encouraged.
17. No commitments will be made to provide service for new water service connections unless the Department of Water Resources Model Water Efficient Landscape Ordinance, found at: <http://www.water.ca.gov/wateruseefficiency/docs/MWEL09-10-09.pdf>, is followed and the plans have been approved by the county or city building department which has jurisdiction over the property location. Any authorized landscape for new connections is subject to all restrictions set forth in Stage IV.

STAGE 5 – WATER EMERGENCY: SHORT-TERM

The declaration of Short-Term Stage 5 water conservation requirements may be declared by the agency's General Manager or his/her designee and subject to ratification by the agency's Board of Directors in a regular or special session. A short-term declaration is for water shortage conditions expected for a duration of 45 days or less.

1. Water shall be used for beneficial purposes only; all unnecessary and wasteful uses of water are prohibited.
2. Water shall be confined to the customer's property and shall not be allowed to run-off to adjoining properties, roadside, ditch or gutter. Care shall be taken not to water past the point of saturation.
3. Free-flowing hoses for all uses are prohibited. Automatic shut-off devices shall be attached on any hose or filling apparatus in use.
4. Leaking customer pipes or faulty sprinklers shall be repaired immediately. Water service will be suspended until repairs are made.
5. All pools, spas, and ornamental fountains/ponds shall be equipped with a recirculation pump and shall be constructed to be leak-proof. No potable water from the District's system shall be used to fill or refill swimming pools, artificial lakes, ponds or streams. Water use for ornamental ponds and fountains is prohibited.
6. Washing streets, parking lots, driveways, sidewalks, or buildings, is prohibited except as necessary for health or sanitary purposes.
7. Customers are encouraged to take advantage of the District's water conservation programs and rebates.
8. Reduce landscape and pasture irrigation by more than 50%. Customers with "smart" irrigation timers or controllers are asked to set their controller to achieve 75% or more of the evapotranspiration "ET" rate. Drip irrigation systems are not excluded from these requirements.

9. Reduce indoor water use by more than 50%. Contact the District for tips and techniques to reduce indoor water use.
10. Use of construction meters and fire hydrants is prohibited except in case of emergency and for essential operations or unless specifically authorized by the District.
11. Restaurants shall serve water only upon request.
12. Flushing of sewers or fire hydrants is prohibited except in case of emergency and for essential operations or unless specifically authorized by the District.
13. Installation of new turf or landscaping is prohibited.
14. Irrigation shall be limited to two days per week. The days of the week when outdoor watering will be permitted shall be set based on the last digit of the street address. Odd addresses, streetscapes and medians shall limit watering to Tuesdays and Saturdays; Even addresses shall limit watering to Wednesdays and Sundays. No irrigation is permitted on Mondays, Thursdays and Fridays. Irrigation should be limited to a minimal amount necessary to keep plants and trees alive. Application of potable water to outdoor landscapes during and within 48 hours of measurable rainfall is prohibited.
15. Water for flow testing and construction purposes from water agency fire hydrants and blow-offs is prohibited. No potable water from the District's system shall be used for construction purposes including but not limited to dust control, compaction, or trench jetting. Use of reclaimed water for construction purposes is encouraged.
16. No commitments will be made to provide service for new water service connections unless the Department of Water Resources Model Water Efficient Landscape Ordinance, found at: <http://www.water.ca.gov/wateruseefficiency/docs/MWEL09-10-09.pdf>, is followed and the plans have been approved by the county or city building department which has jurisdiction over the property location. Any authorized landscape for new connections is subject to all restrictions set forth in Stage 4.
17. Automobiles or equipment shall be washed only at commercial establishments that use recycled or reclaimed water.
18. Landscape and pasture irrigation is prohibited.

STAGE 5 – WATER EMERGENCY: LONG-TERM

1. Water shall be used for beneficial purposes only; all unnecessary and wasteful uses of water are prohibited.
2. Water shall be confined to a customer's property and shall not be allowed to run-off to adjoining properties, roadsides, ditch or gutter. Care shall be taken not to water past the point of saturation.
3. Free-flowing hoses for all uses are prohibited. Automatic shut-off devices shall be attached on

- any hose or filling apparatus in use.
4. Leaking customer pipes shall be repaired immediately. Water service will be suspended until repairs are made.
 5. All pools, spas, and ornamental fountains/ponds shall be equipped with a recirculation pump and shall be constructed to be leak-proof. No potable water from the District's system shall be used to fill or refill swimming pools, artificial lakes, ponds or streams. Water use for commercial and multi-family residential ornamental ponds and fountains is prohibited.
 6. Washing streets, parking lots, driveways, sidewalks, or buildings, is prohibited except as necessary for health or sanitary purposes.
 7. Customers are encouraged to take advantage of the District's water conservation programs and rebates.
 8. Landscape and pasture irrigation are prohibited except for trees and shrubs.
 9. Reduce indoor water use by more than 50%. Contact the District for tips and techniques to reduce indoor water use.
 10. Use of construction meters and fire hydrants is prohibited except in the case of emergency and for essential operations or unless specifically authorized by the District.
 11. Restaurants shall serve water only upon request.
 12. Provisions of the Water Shortage Rate Structure may be implemented by the Board of Directors.
 13. Flushing of sewers or fire hydrants is prohibited except in case of emergency and for essential operations or unless specifically authorized by the District.
 14. Installation of new turf or landscaping is prohibited.
 15. Outdoor irrigation is prohibited except for trees and shrubs.
 16. Water for flow testing and construction purposes from water agency fire hydrants and blow-offs is prohibited. No potable water from the District's system shall be used for construction purposes including but not limited to dust control, compaction, or trench jetting. Use of reclaimed water for construction purposes is encouraged.
 17. No commitments will be made to provide service for new water connections.
 18. Automobiles or equipment shall be washed only at commercial establishments that use recycled or reclaimed water.

USBR HEALTH AND SAFETY CONDITION – Protection of Public Health and Safety

1. A severely low water supply exists. Water to be used for purposes of interior residential, sanitation, and fire protection.
2. Reduce indoor water use by more than 75%. Outdoor Irrigation is prohibited.

SECTION D – ENFORCEMENT MEASURES:

- A. Upon initial observation by District personnel or authorized designee of a violation of the Mandatory Water Conservation Stage Regulations, as outlined in Section C of the Mandatory Water Conservation Stage Regulations, the violator shall be informed of the District's current Water Conservation Stage Requirements, shall be provided with appropriate water conservation information, and offered a free Water Efficiency Review. If no contact is made, a Courtesy Notice will be left at the premises informing the customer of the observed violation. The customer will be informed of the consequences of further violations.
- B. Upon a second observation by District personnel or authorized designee of a violation of the Mandatory Water Conservation Stage Regulations, as outlined in Section C of the Mandatory Water Conservation Stage Regulations, a Notice of Violation will be issued and left at the premises informing the customer of the violation and the consequences of further violations. A \$50.00 penalty will be applied to the customer's account for noncompliance of the Mandatory Conservation Stage Requirements. The customer's water service will be terminated (at District's discretion) until the violation is corrected. Prior to a scheduled water service termination, the customer may choose to pay the penalty fee and correct the violation as specified in the required time frame designated by the current Stage Declaration.
- C. Upon a third observation by District personnel or authorized designee of a violation of the Mandatory Water Conservation Regulations, as outlined in Section C of the Mandatory Water Conservation Stage Requirements, a Notice of Violation will be issued and left at the premises informing the customer of the violation and the consequences of further violations. A \$100.00 penalty will be applied to the customer's account for noncompliance of the Mandatory Water Conservation Stage Regulations. The customer's water service will be terminated (at District's discretion) until the violation is corrected. Prior to a scheduled water service termination, the customer may choose to pay the penalty fee and correct the violation as specified in the required time frame designated by the current Stage Declaration.
- D. Upon a fourth observation by District personnel or authorized designee of a violation of the Mandatory Water Conservation Regulations, as outlined in Section C of the Mandatory Water Conservation Stage Regulations, a Notice of Violation will be issued and left at the premises informing the customer of the violation and the consequences of further violations. A \$250.00 penalty will be applied to the customer's account for noncompliance of the Mandatory Water Conservation Stage Regulations. The customer's water service will be terminated (at

District's discretion) until the violation is corrected. Prior to a scheduled water service termination, the customer may choose to pay the penalty fee and correct the violation as specified in the required time frame designated by the current Stage Declaration.

- E. Customers for whom these Mandatory Water Conservation Stage Regulations may present an undue hardship may request a variance from the District. Said variance request shall be submitted to the Water Efficiency Coordinator and shall accurately describe the reason for non-compliance with specific requirements in the Mandatory Water Conservation Stage Regulations. A variance request will be approved or denied in writing by the District's General Manger or the Board of Directors.
- F. Violation notices from other than the current calendar year shall be considered null and void when applying the enforcement provisions of the Mandatory Water Conservation Stage Regulations.

SECTION E:

EFFECTIVE MAY10, 2016 THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT UPON THE DATE OF ITS PASSAGE.

PASSED AND ADOPTED by the Board of Directors of Citrus Heights Water District, this 10th day of May 2016, by the following vote, to-wit:

AYES: Directors: Dains, Sheehan, Riehle
NOES: Directors:
ABSENT: Directors:

SEAL

ALLEN B. DAINS, President
Board of Directors
Citrus Heights Water District

ATTEST:

ROBERT A. CHURCHILL, Secretary
Citrus Heights Water District

OLD BUSINESS:

Skycrest Well Equipping Project

OM Gordon presented a report prepared by Water Resources Supervisor Hensley requesting acceptance of the Skycrest Well Equipping Project. At the January 13, 2015 Board Meeting the Board accepted the bid of R.E. Smith Contractor, Inc. in the amount of \$1,822,000.00 and established a change order contingency fund in the amount of \$90,000.00 (4.94%) for equipping the Skycrest Well. An Agreement for Construction Services between the District and R.E. Smith Contractor, Inc. was executed on February 23, 2015. This work included the

pump, motor, building, electrical and mechanical components, water and storm drain piping, fencing and other site improvements.

The amount paid to the contractor is \$1,840,999.38 for material, labor, and equipment. During the course of the project, there were several revisions made resulting in two (2) additive change orders: Gate, Boring and Lights (\$11,651.36), Ornamental Fence (\$8,899.56), and one (1) deductive change order for the AC Unit (-\$1551.54), resulting in additional costs of \$18,999.38.

On February 29, 2016 a check in the amount of \$540,000.00 was received from the California Department of Water Resources' (DWR) Proposition 50 Grant awarded to RWA on behalf of Citrus Heights Water District (CHWD), with 10 percent retention of \$60,000.00 withheld until the project is complete.

ACTION: Director Riehle moved and Director Sheehan seconded a motion to: Adopt Resolution 09-2016 Accepting the Skycrest Well Equipping Project (2013-21) and to authorize the District Secretary to execute and record a Notice of Completion for the Project. The motion carried with all Directors voting yes.

**CITRUS HEIGHTS WATER DISTRICT
RESOLUTION NO. 09-2016**

**RESOLUTION OF THE BOARD OF DIRECTORS
ACCEPTING
SKYCREST WELL EQUIPPING PROJECT**

WHEREAS, on January 13, 2015 the Board of Directors of the Citrus Heights Water District authorized the award of a contract to R. E. Smith Contractor, Inc. for the Skycrest Well Equipping Project; and

WHEREAS, on February 23, 2015 the contract was fully executed between the District and R. E. Smith Contractor, Inc.; and

WHEREAS, R. E. Smith Contractor, Inc. has completed the work for the Skycrest Well Equipping Project in accordance with the plans, specifications and contract documents prepared by the District pursuant to a final inspection on April 13, 2016.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Citrus Heights Water District that Skycrest Well Equipping Project is accepted as complete.

BE IT FURTHER RESOLVED that the District Secretary is authorized to execute a Notice of Completion for the Skycrest Well Equipping Project and to have said Notice recorded with the Office of the Recorder of Sacramento County.

PASSED AND ADOPTED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT this 10th day of May 2016 by the following vote, to wit:

AYES: Directors: Dains, Sheehan, Riehle
NOES: Directors:
ABSTAIN: Directors:
ABSENT: Directors:

SEAL

ALLEN B. DAINS, President
Board of Directors
Citrus Heights Water District

ATTEST:

ROBERT A. CHURCHILL, Secretary
Citrus Heights Water District

San Juan Park 12-Inch Transmission Main and 8-Inch Distribution Main Installation Project

PM Dietrich presented a report on completion of San Juan Park Project. On October 22, 2015, a contract was executed with Cal Sierra Construction, Inc. for installing and connecting approximately 1,102 lineal feet (lf) of 12-inch water main, 123 lf of 8-inch water main and related appurtenances at San Juan Park in the City of Citrus Heights.

The original contract amount was \$165,774.70 with a change order contingency fund in the amount of \$16,500.00 (10.0%). The amount paid to the contractor is \$173,860.95 for material, labor and equipment. The engineering estimate for Hydroseed Restoration was 29,450 square feet. The actual square footage installed was 46,400 square feet. There were also minor variations between the bid item estimates and the actual totals measured. The additional quantities totaled \$8,086.25 (4.9%).

The project was successfully completed with staff approval and support from the Sunrise Recreation and Park District within the allotted contract schedule.

Action: Director Sheehan moved and Director Riehle seconded a motion to: Adopt Resolution 10-2016 Accepting the San Juan Park 12-Inch Transmission Main and 8-Inch Distribution Main Installation Project (2014-36) and to authorize the District Secretary to execute and record a Notice of Completion for the Project. The motion carried 3-0 with all Directors voting yes.

CITRUS HEIGHTS WATER DISTRICT
RESOLUTION NO. 10-2016

RESOLUTION OF THE BOARD OF DIRECTORS
ACCEPTING
SAN JUAN PARK 12-INCH TRANSMISSION MAIN AND 8-INCH DISTRIBUTION MAIN
INSTALLATION PROJECT

WHEREAS, on October 10, 2015 the Board of Directors of the Citrus Heights Water District authorized the award of a contract to Cal Sierra Construction, Inc. for the San Juan Park 12-Inch

Transmission Main and 8-Inch Distribution Main Installation Project; and

WHEREAS, on October 22, 2015 the contract was fully executed between the District and Cal Sierra Construction, Inc.; and

WHEREAS, Cal Sierra Construction, Inc. has completed the work for the San Juan Park 12-Inch Transmission Main and 8-Inch Distribution Main Installation Project in accordance with the plans, specifications and contract documents prepared by the District pursuant to a final inspection on April 13, 2016.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Citrus Heights Water District that the San Juan Park 12-Inch Transmission Main and 8-Inch Distribution Main Installation Project is accepted as complete.

BE IT FURTHER RESOLVED that the District Secretary is authorized to execute a Notice of Completion for the San Juan Park 12-Inch Transmission Main and 8-Inch Distribution Main Installation Project and to have said Notice recorded with the Office of the Recorder of Sacramento County.

PASSED AND ADOPTED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT this 10th day of May 2016 by the following vote, to wit:

AYES: Directors: Dains, Sheehan, Riehle
NOES: Directors:
ABSTAIN: Directors:
ABSENT: Directors:

SEAL

ALLEN B. DAINS, President
Board of Directors
Citrus Heights Water District

ATTEST:

ROBERT A. CHURCHILL, Secretary
Citrus Heights Water District

NEW BUSINESS:

Training/Continued Education/Meetings

GM Churchill presented an item on upcoming training and continued education events.

Auction of Surplus Equipment

Operations Manager David Gordon presented a report recommending the sale of the following equipment that is surplus to the needs of the District by selling it at public auction:

Vehicle No. 28, 2009 Ford SUV Escape, approx. mileage 53,931
Tool Carrier Attachment, JRB 1.00 Yd Multi-Purpose Bucket
Tool Carrier Attachment, Sweepster Broom QCTL

Under District Policy No. 5750, Disposal of Surplus Property, any District property with an estimated value of greater than \$4,000 shall be disposed as surplus with the authorization of the Board of Directors. It is likely that these pieces of equipment will bring more than \$4,000 each at auction. In order to avoid any possible non-compliance with District policy, this matter is being brought to the Board of Directors for consideration and action before sending the equipment items to auction.

ACTION: Director Riehle moved and Director Sheehan seconded a motion to: Authorize the sale of District Vehicle No. 28 and tool carrier attachments Bucket and Broom configured for District Equipment No. 42, previously determined surplus, at public auction. The motion carried 3-0 with all Directors voting yes.

Test Hole Bids

OM Gordon presented a report requesting acceptance of bids to provide construction services of drilling, logging, sampling and abandoning one test hole within the Citrus Heights Water District Service Area. Citrus Heights Water District continues with the goal of development of several new groundwater production wells. That development begins with an analysis of ground water availability and vulnerability within the District. If a property becomes available on the market, within the District service area, and fits the criteria of an ideal groundwater source location, District staff uses the services of a real estate agent to negotiate an agreement to perform test hole drilling of the property. If, after testing the groundwater availability through test hole drilling, the property continues to meet the District's potential well site criteria, the District will move forward to purchase the property from the seller.

The timeline to perform test hole drilling, purchase the property, engineering design, and development of a groundwater production well is a two to three (2-3) year process on paper, but may take much longer. This agreement will allow District staff to mobilize on available property with minimal delay.

The District received three (3) sealed proposals on May 3, 2016, at which time proposals were opened and read publicly. The apparent low bidder is ABC Liovin Drilling. Bids received are as follows:

- | | |
|---------------------------------|---------------|
| 1. ABC Liovin Drilling | \$ 99,350.00 |
| 2. Nor-Cal Pump & Well Drilling | \$ 118,850.00 |
| 3. Cascade Drilling, L.P. | \$ 167,350.00 |

The District would like to enter into contract agreements will all of the bidders in order to mobilize quickly in a time sensitive property market. The agreements state that the low bidder will be given the Notice to Proceed first, followed by the second, then the third.

ACTION: Director Riehle moved and Director Sheehan seconded a motion to: Accept the

bids by ABC Liovin Drilling, Nor-Cal Pump & Well Drilling and Cascade Drilling L.P. and to authorize the General Manager to execute the contract agreements. The motion carried 3-0 with all Directors voting yes.

Financial Audit Report

David Alvey with Maze and Associates, an Accountancy Corporation of Pleasant Hill, California, presented the Audited financial statements of the District for Year ended December 31, 2015 and related reports including a Memorandum on Internal Control and Required Communications. This is the first year of a five-year engagement for financial auditing services with MAZE & Associates.

The Financial Statements summarize the financial activity in the previous year and net position of the District at December 31, 2015 and provides a narrative explanation in the Management Discussion and Analysis of significant policies, events and activities in the past year. As valuable historical information, these documents are used to identify and track revenue and expenditure trends, evaluate past actions and decisions, and to develop budgets and make future plans and decisions.

The audit shows that the District's financial statements present fairly the financial position of the District and that its accounting practices continue to conform with generally accepted accounting principles. The Management's Discussion and Analysis section contained in Pages 3 through 12 of the Audited Financial Statements, prepared by District management, provides a narrative of financial highlights, an overview of the financial statements and a discussion of economic factors and future budget considerations.

As mentioned in the Management and Discussion Analysis, following are the financial highlights of 2015:

- The District's assets exceeded its liabilities at the end of 2015 by \$55,862,679 as compared to \$55,900,825 in 2014;
- District's Assets in 2015 totaled \$66,958,041 and \$63,292,008 in 2014, or an increase of \$3,666,033; due mainly to increased capital improvement;
- Liabilities in 2015 amounted to \$10,265,741 and \$7,360,683 in 2014, an increase of \$2,905,058;
- Unrestricted net position in 2015 was \$4,434,324 and \$9,432,200 in 2014;
- Net Income in 2015 was \$3,690,618 and \$2,841,142.

The increase in liabilities resulted in the decrease in net position due mainly to the implementation of Government Accounting Standards Board (GASB) Statement No. 68, which mandated that pension liability and pension-related deferred inflows and outflows be recorded and presented in the financial statements beginning in the year 2015. The new GASB pronouncement also requires the District to make prior period adjustments, which resulted in a reduction of \$3,728,767 in the beginning net position.

GASB 68 requires the presentation of the pension liability directly on the financial statements. This pension liability is nothing new and has always existed. GASB 68 changes how the pension liability is reported in the financial statements. Prior to 2015, the liability is reported

as a “footnote” to the financial statements. The pension liability is long-term, and will not require the current use of resources. There are several options the District can consider to fund the pension liability over a period of time. Staff has conducted a survey among PERS members and will present the results of the survey in a slide presentation. Maze & Associates will provide the Board with more information about the significance of the GASB 68 reporting requirement during their presentation at the May 10th Board meeting.

ACTION: Director Riehle moved and Director Sheehan seconded a motion to: Approve the Audited Financial Statements for the Year Ended December 31, 2015 and authorize staff to submit the completed Audit Report to the State Controller’s Office. The motion carried 3-0 with all Directors voting yes.

Strategic Planning

AGM Straus provided an overview of the proposed two day Strategic Planning session. Beginning with the 2017 budget process, CHWD is initiating an annual Strategic Planning process. The goal of Strategic Planning is to bring the Board of Directors and key District staff together to identify and prioritize the District’s key policy, program and project issues, and to identify what items, given limited resources (i.e., funding, time and staffing resources) the District should be working on over and above daily operations in the coming year.

Board Members provided input regarding team building component.

ACTION: Director Riehle moved and Director Sheehan seconded a motion to: Schedule two Special Board Meetings for: 1) Tuesday, May 31, 2016, 12:30 PM with an initial meeting location will be 6230 Sylvan Road. This meeting will include a bus tour of the San Juan water District Water Treatment Plant and key CHWD facilities; and 2) Sunday, June 26, 2016, 8:30 AM at Rusch Park in the Sunrise/Patio Room. The motion carried 3-0 with all Directors voting yes.

Election Services MOU with Sacramento County

GM Churchill presented a report requesting approval of a Memorandum of Understanding with Sacramento County for Election Services. In October of 2015 the Sacramento County Board of Supervisors approved an Election Services Memorandum of Understanding (MOU) program which authorizes the Registrar of Voters to execute an MOU with the County’s special districts, school districts and cities. The MOU program provides a single document defining the expectations, rights, and responsibilities of the District and the County Voter Registration and Elections (VRE) department involved in an election.

ACTION: Director Sheehan moved and Director Riehle seconded a motion to: Approve a Memorandum of Understanding with Sacramento County for Election Services and authorize execution by the General Manager. The motion carried 3-0 with all Directors voting yes.

November 2016 General Election

GM Churchill presented a report requesting adoption of Resolutions 11-2016 (Sacramento County) and 12-2016 (Placer County) calling for a November 8, 2016 election of a Director for a regular 4-year term in Division One and election of a Director for a short 2-year term in

Division Two. The nomination period for this election is July 18 through August 12, 2014. The District's Division boundaries were last reviewed and adjusted in May 2002 to provide better equity in population between the three Divisions. The District's service connection count in May 2002 was 19,106. The service connection count is presently 19,785 representing an increase of 679 services (+3.55%). With such a small increase in the number of service connections, a division boundary analysis is not recommended at this time.

ACTION: Director Riehle moved and Director Sheehan seconded a motion to: Adopt Resolutions 11-2016 (Sacramento County) and 12-2016 (Placer County) calling for a November 8, 2016 election for a Director from Division One for a regular 4-year term and for a Director from Division Two for a short 2-year term. The motion carried 3-0 with all Directors voting yes.

**CITRUS HEIGHTS WATER DISTRICT
RESOLUTION NO. 11-2016**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CITRUS HEIGHTS WATER DISTRICT
DECLARING AN ELECTION BE HELD IN ITS JURISDICTION;
REQUESTING THE
SACRAMENTO COUNTY BOARD OF SUPERVISORS
TO CONSOLIDATE THIS ELECTION
WITH ANY OTHER ELECTION CONDUCTED ON SAID DATE;
AND
REQUESTING ELECTION SERVICES BY THE REGISTRAR OF VOTERS**

WHEREAS, an election will be held on November 8, 2016 within the Citrus Heights Water District that will affect Sacramento and Placer Counties for the purpose of electing one member to the District's Board of Directors for a full four-year term and for the purpose of electing one member to the District's Board of Directors for a short two-year term; and

WHEREAS, a statewide general election will be held within the County of Sacramento on the same day; and

WHEREAS, Elections Code §10403 requires jurisdictions to file with the Board of Supervisors, and a copy with the Registrar of Voters, a resolution requesting consolidation with a statewide election; and

WHEREAS, pursuant to Elections Code §10509, the Board of Directors of the Citrus Heights Water District orders an election to be held in its jurisdiction on said date, at which election the issue to be presented to the voters shall be:

ELECTION OF DIRECTORS FOR THE CITRUS HEIGHTS WATER DISTRICT

1. Said election shall be to fill vacancies on the Board of Directors for the following Citrus Heights Water District Division:

Division One: Full 4-Year Term currently held by Caryl F. Sheehan whose term will

expire on the first Friday of December 2016.

Division Two: Short 2-Year Term currently held by Raymond A. Riehle whose term will expire on the first Friday of December 2016.

2. Said Directors for this District are elected in the following manner:

Qualified by Division -- Elected at Large. Directors must qualify to run by living in a specific Division, but all voters within the District may vote on all candidates.

3. The District has determined the following election particulars:

- a. In the case of a tie vote, the election shall be determined by lot by the Registrar of Voters of Sacramento County.
- b. The length of the voluntary Candidate's Statement shall not exceed 200 words. The cost of the voluntary Candidate's Statement will be determined by the Registrar of Voters and paid at the Voter Registration and Elections office by the Candidate.

4. The District hereby certifies that the map and boundary description on file with the Registrar of Voters office is current and that there have not been changes to the District's Division boundary lines since the District's last election.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Citrus Heights Water District requests the Board of Supervisors of Sacramento County to consolidate the regularly scheduled General District Election with the statewide election to be held on November 8, 2016; and

BE IT FURTHER RESOLVED that, pursuant to Elections Code §12112 the Board of Directors of the Citrus Heights Water District hereby requests the Registrar of Voters of Sacramento County to combine the Notice of District Election and Publication of Election Notice with those of other special districts scheduled for election on said date; and

BE IT FURTHER RESOLVED that the Citrus Heights Water District agrees to reimburse the Registrar of Voters of Sacramento County for actual costs accrued to provide election services; such costs to be calculated by the method set forth in the County's current Election Cost Allocation Procedures; and

BE IT FURTHER RESOLVED that the Candidates are to pay at the Voter Registration and Elections office for the publication of the voluntary Candidate's Statement, pursuant to Elections Code §13307. The limitation on the number of words that a Candidate may use in his or her voluntary Candidate's Statement is 200 words; and

BE IT FURTHER RESOLVED that the Board of Directors of Citrus Heights Water District requests Registrar of Voters of Sacramento County to coordinate the reporting of election results with the Placer County Office of Elections.

This Resolution shall be considered a Notice of Election and Specification of Election Order if

applicable.

PASSED AND ADOPTED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT this 10th day of May 2016, by the following vote, to-wit:

AYES: Directors: Dains, Sheehan, Riehle
NOES: Directors: None
ABSTAIN: Directors: None
ABSENT: Directors: None

ALLEN B. DAINS, President, Board of Directors
Citrus Heights Water District

ATTEST:

ROBERT A. CHURCHILL, Secretary
Citrus Heights Water District

SEAL:

CITRUS HEIGHTS WATER DISTRICT
RESOLUTION NO. 12-2016

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CITRUS HEIGHTS WATER DISTRICT
DECLARING AN ELECTION BE HELD IN ITS JURISDICTION;
REQUESTING THE
PLACER COUNTY BOARD OF SUPERVISORS
TO CONSOLIDATE THIS ELECTION
WITH ANY OTHER ELECTION CONDUCTED ON SAID DATE;
AND
REQUESTING ELECTION SERVICES BY THE COUNTY CLERK

WHEREAS, the Board of Directors of the Citrus Heights Water District orders an election to be held in its jurisdiction on November 8, 2016, at which election the issue to be presented to the voters shall be:

ELECTION OF DIRECTORS FOR THE CITRUS HEIGHTS WATER DISTRICT

5. Said election shall be to fill vacancies on the Board of Directors for the following Citrus Heights Water District Divisions:

Division One: Full 4-Year Term currently held by Caryl F. Sheehan whose term will expire on the first Friday of December 2016.

Division Two: Short 2-Year Term currently held by Raymond A. Riehle whose term will expire on the first Friday of December 2016.

Said Directors for this District are elected in the following manner:

Qualified by Division -- Elected at Large. Directors must qualify to run by living in a specific division, but all voters within the District may vote on all candidates.

6. The District has determined the following election particulars:
 - a. In the case of a tie vote, the election shall be determined by lot by the Registrar of Voters of Sacramento County.
 - b. The length of the voluntary Candidate's Statement shall not exceed 200 words. The cost of the voluntary Candidate's Statement will be determined by the Registrar of Voters and prepaid to the Placer County Office of Elections by the Candidate.
 - c. The County Clerk is requested to provide election services. The District agrees to reimburse the Placer County Clerk for all applicable costs for election services.

7. The District hereby certifies that there have not been changes to the District's Division boundary lines since the District's last election, but the District understands that the Placer County Public Works Mapping Division will verify our District and District Division boundary lines prior to qualifying Candidates for the election.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Citrus Heights Water District hereby requests the Board of Supervisors of Placer County to:

8. Consolidate the regularly scheduled General District Election with any other applicable election conducted on the same day;
2. Combine the Notice of District Election and Publication of Election Notice with those of other special districts scheduled for election on said date.
3. Authorize and direct the County Clerk, at the District's expense, to provide all necessary election services.
4. Coordinate the reporting of election results with the Registrar of Voters of Sacramento County.

This Resolution shall be considered a Notice of Election and Specification of Election Order if applicable.

PASSED AND ADOPTED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT this 10th day of May 2016, by the following vote, to-wit:

AYES:	Directors:	Dains, Sheehan, Riehle
NOES:	Directors:	None
ABSTAIN:	Directors:	None
ABSENT:	Directors:	None

S E A L

ALLEN B. DAINS, President
Board of Directors
Citrus Heights Water District

ATTEST:

ROBERT A. CHURCHILL, Secretary
Citrus Heights Water District

“At-Will” Employment—Employment Agreements for Managers and Direct Reports to the General Manager

GM Churchill presented a report requesting adoption of employment agreement template and policy changes that will apply only to employees under employment agreements and to authorize the General Manager to utilize the employment template for employment agreements with direct reports to the General Manager. A review of the “At-Will” versus for “Cause” status of employees is the result of the General Manager’s, Assistant General Manager’s, Management Services Supervisor’s and legal counsel’s assessment of several District Human Resources Policies. Specifically, inconsistent provisions have been identified in several of the Districts’ Human Resources Policies that compromise the “At-Will” status of employees, creating inconsistencies and increasing employment practices liability for the District.

ACTION: Director Riehle moved and Director Sheehan seconded a motion to: Adopt Employment Agreement Template and accompanying policy changes that will apply only to employees under employment agreements and to authorize the General Manager to utilize the employment template for employment agreements with direct reports. The motion carried 3-0 with all Directors voting yes.

President Dains called a recess to the meeting at 9:12 PM.
President Dains reconvened the meeting at 9:21 PM.

PROJECT MANAGER’S REPORT:

PM Dietrich presented a report on the following activities during the month of March 2016 by the Project Management and Engineering Department. *New values or projects noted in bold italics*

ACCEPTED WATER SYSTEMS

Recent additions to the District’s water distribution system that were constructed by independent State Licensed contractors on behalf of private developers / owners, inspected by the District and formally accepted:

<u>Project</u>	<u>Count</u>	<u>Facilities</u>	<u>Value</u>
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None

PROJECTS UNDER CONSTRUCTION BY PRIVATE DEVELOPERS

Water distribution system facilities currently under construction by independent State Licensed contractors on behalf of private developers / owners requiring District inspection:

<u>Project</u>	<u>Location</u>	<u>Status</u>
The Village at Fair Oaks 55 Condominiums	6800 Madison Ave	<i>Ongoing Development. Inspecting Finished Phases as Released. 75% Complete</i>
California American Water Co. San Juan Avenue Tank - Intertie and Water Service Capitol Nursery Plaza	5444 San Juan Ave Sunrise Blvd @ Madison Ave	<i>85% Complete</i>
Sylvan Middle School	7085 Auburn Blvd	<i>Substantially Complete</i>
Citrus Heights City Hall	6350 Fountain Square Dr	<i>80% Complete</i>
Northridge Grove 47 Condominiums	5555 Mariposa Ave	Awaiting System Construction
Memory Care Facility	6825-33 Sunrise Blvd	<i>50% Complete</i>
Applebee's Restaurant	6900 Auburn Blvd	<i>Substantially Complete Awaiting Easement</i>
Dundee Estates	Mariposa Ave @ Highland Ave	80% Complete

CONTRACTOR / DEVELOPER PROJECTS PENDING CONSTRUCTION

<u>Project</u>	<u>Location</u>	<u>Status</u>
<i>McDonalds (2015-60)</i>	<i>5402 Sunrise Blvd</i>	<i>Awaiting System Construction</i>
<i>Bearpaw Expansion Commercial Building (2015-59)</i>	<i>7524 Old Auburn Rd</i>	<i>Awaiting System Construction</i>
<i>Louis-Orlando Bus Transfer Point (2015-66)</i>	<i>Louis Ln @ Orlando Ave</i>	<i>Awaiting System Construction</i>

PROPOSED DISTRICT CAPITAL IMPROVEMENT PROJECTS

Project Plans and Contracts currently under review and development by the Engineering Department:

<u>Project</u>	<u>Location</u>	<u>Status</u>
Mesa Verde High School 14" Water Main Bennett Engineering Services	Northwest Corner of Property West from Poplar Avenue	<i>Preparing 90% Plans and Easement. Coordinating with Tree Service.</i>

<u>Project</u>	<u>Location</u>	<u>Status</u>
Fair Way Intertie with City of Roseville	9955 Fair Way	Agreement – 99% Plans – 95% Cost Estimate – 90%
Blossom Hill Dr Intertie with City of Roseville	Blossom Hill Dr at 1100 Main Sail Cir	Agreement – 99% Plans – 95% Cost Estimate – 90%
Crestmont Ave Intertie with City of Roseville	Crestmont Ave at 8199 Bonnie Oak Way	Agreement – 99% Plans – 95% Cost Estimate – 90%
Mariposa Ave, Limerick Way and Dublin Way Water Mains KASL Consulting Engineers, Inc.	Limerick Way to Farmgate Way and Eastgate Ave to Northeast Circle (south end)	Mariposa Ave Portion - Bid Opening on April 5th. Limerick Way Portion – 90% Plans Delivered to KASL on March 30th.
Baird Way 12” Water Main Area West Engineers, Inc.	Auburn Blvd to Holly Dr	60% Plan Development Continues

PROJECTS CONTRACTED BY CITRUS HEIGHTS WATER DISTRICT

Capital Improvement Projects currently under construction by Citrus Heights Water District contractors requiring coordination and inspection by the District:

<u>Project</u>	<u>Location</u>	<u>Status</u>
San Juan Park 12” Water Main KASL Consulting Engineers, Inc.	5555 Mariposa Ave to U.C. Davis Medical Center	Substantially Complete

CITY OF CITRUS HEIGHTS PROJECTS

City of Citrus Heights Projects requiring coordination and inspection by the District:
None

OPERATIONS MANAGER’S REPORT:

OM Gordon reported as follows:

A total of 189 work orders were performed during the month of April by field operations crews, administration field crews and contractors. The results of recent bacteriological testing, a total of 72 samples, have met all California Department of Public Health requirements.

District-wide water consumption for the calendar year 2016 through the end of April was 677.81 acre-feet, a decrease of 34.2% percent compared with the water consumption during the same period

in 2013.

As of midnight on May 1, 2016, storage in Folsom Lake was at 828,111 acre-feet, 85 percent of the total capacity of 977,000 acre-feet. This is about 113 percent of historical average for this date. This represents an increase in storage of 116,163 acre-feet in the past month.

Director Dains called a recess to the meeting at 9:33 PM.

PM Dietrich and OM Gordon left the meeting.

Director Dains reconvened the meeting at 9:37 PM.

DIRECTOR'S AND REPRESENTATIVES REPORTS:

Regional Water Authority (Dains, Churchill)

Director Dains and GM Churchill reported 11% fee increase; there is \$200,000 in grant money available.

Sacramento Groundwater Authority (Sheehan)

Director Sheehan reported that the budget for 2016-2017 includes a fee increase of 13%, and 2017-2018 will include a 9% increase in fees.

San Juan Water District

No report.

Association of California Water Agencies (Dains)

President Dains reported on the recent ACWA Spring Conference.

ACWA Joint Powers Insurance Authority (Churchill)

No report.

Sacramento Local Agency Formation Commission

Director Riehle attended his first meeting of the Special District Advisory Commission and requested information regarding what they represented.

City of Citrus Heights

It was reported that the City is beginning evaluating a street improvement project on Auburn Blvd. from Rusch Park North to the City limit.

Chamber of Commerce Government Issues Committee (Straus)

No report.

Other Reports:

Director Riehle reported on discussions at the Auburn Dam Council where they discussed looking to Districts in the area to help with monetary donations to help get the Auburn Dam project up and running again.

ASSISTANT GENERAL MANAGER'S REPORT:

AGM Straus reported as follows:

Water Efficiency Program activities during the month of April 2016 included:

- 21 ultra-low-flush toilet rebates for the month of March. A total of \$6,075 in rebates has been provided to customers during 2016 to date.
- For the period of April 2016, 0 High Efficiency Clothes Washer (HECW) rebates were processed by SMUD for District customers.
- 8 water waste calls were received during the month of April. No reports of water waste were received through the CHWD's Drought Resources web page. A total of 6 contacts (mostly visits to customers' homes and phone calls) have been completed based on these reports.
- GM Churchill sent a comment letter on the District's behalf, to the State Water Resource Control Board (SWRCB) concerning the statewide conservation enforcement measures. RWA sent its own letter on behalf of the region. Comment letters were due to the SWRCB by Thursday April 14, 2016. Additionally, there was a SWRCB State Water Board workshop held on April 20th. No additional information or comments regarding the statewide conservation enforcement measures has been made by the SWRCB since the workshop.
- The April 2016 Residential Gallon per Capita per Day (R-GPCD) was Not Available. March 2016 77, February 2016 77. January 2016 80. December 2015 the R-GPCD was 75. November 2015 82. October 2015 the R-GPCD was 140. September R-GPCD was 160. August the R-GPCD was 172. The July R-GPCD was 176. The June R-GPCD 2015 was 163. The May R-GPCD was 129. The April R-GPCD was 117. The March R-GPCD was 108. The February R-GPCD 83. The January R-GPCD was 75. The December 2014 was 84. The November was 98, and October was 153. This information is submitted monthly to the State Water Resources Control Board.
- District staff and the J. Crowley Group, Inc., are in the draft review phase of the Urban Water Management Plan (UWMP) update project. The update includes a comprehensive assessment and description of the District's water distribution system, water demands, water supplies, conservation and demand management, and demand-to-supply contingency planning. A study session with the Board of Directors will be held on May 10th to present the proposed draft 2015 UWMP for discussion and comment. On June 14th the UWMP will be presented to the Board for consideration/adoption at a Public Hearing.

The following is a summary of Drought Response Plan activities in April:

- CHWD's 29% water reduction target remains in effect pending further comment from the SWRCB. Revisions are anticipated to be made by the SWRCB based on its assessment of regional snowpack and rainfall conditions and comments received at the workshop held on the April 20th.

Paladin Night Patrol began conducting night time water waste monitoring on July 29th, 2015. Below is a chart illustrating the number of incidents reported by category for August 2015 through April 2016.

Date	*Incident Report	Wrong Day	Equipment Waste	Theft
AUGUST 2015	108	79	90	1
SEPTEMBER 2015	96	47	80	0
OCTOBER 2015	46	37	42	0
NOVEMBER 2015	69	15	69	0
DECEMBER 2015	56	31	54	0
JANUARY 2016	32	15	32	0
February 2016	29	18	29	0
MARCH 2016	34	20	34	0
APRIL 2016	16	6	16	0
Totals	452	248	412	1

*A single incident report can include one or more violation categories. One incident report can overlap into multiple categories.

ACWA 2016 Spring Conference Update

- AGM Straus will provide an overview of his attendance at the conference. The conference was May 3-6.

GENERAL MANAGER’S REPORT:

1. Sixteen employees received recognition for superior attendance, outstanding customer service and quality of work during the month of April 2016. Directors were provided with a list of the employees and items for which each received recognition.
2. A list of the General Manager’s significant assignments and activities was provided.
3. Long Range Board Agenda.

Meeting Date	Item	Assigned To
May 31, 2016	Strategic Planning Meeting #1 Educational Tour and Issues Briefing	Churchill/Straus/Smoot
June 14, 2016	UWMP Public Hearing/Adoption	Straus/Meurer
	Public Health Goals (PHG) Call for Public Hearing	Gordon/Hensley
	Third Party Deposit Policy	Straus/Sohal

	Roseville Intertie Agreement	Churchill
	Water Supply Agreement	Churchill
	Closed Session—GM Evaluation	Churchill
	Closed Session--GM Succession Plg.	Board
June 26, 2016	Strategic Planning	Board & GM, Dept. Heads, Supervisors, ACE Pieri and WEC Meurer (13)
July 12, 2016	CIP Adoption	All
	Public Health Goals (PHG) Public Hearing	Gordon/Hensley
August 9, 2016	Budget & Rates Study Session	Straus/Sohal
September 13, 2016	Budget and Rates Workshop	Straus/Sohal
October 11, 2016		
November 8, 2016	Operating and Capital Budgets	Straus/Dietrich/Gordon
	Water Rates, Charges & Fees	Straus/Sohal
	Capacity Fees	Straus/Sohal
	Water Shortage Charges	Straus/Sohal
December 13, 2016		

4. With the retirement of Operations Manager John Townsel on September 10, 2015, Associate Civil Engineer David Gordon was promoted to Interim Operations Manager effective September 14, 2015. This interim appointment was contingent upon Mr. Gordon obtaining certification as a Grade D-4 Water Distribution System Operator. I am pleased to report that Mr. Gordon has successfully passed the Grade D-4 examination. As such the title on “Interim” has been removed from his job title. Congratulations David!

CORRESPONDENCE:

None.

CLOSED SESSION:

The Board adjourned into closed session at 10:05 PM to discuss, Public Employee Retirement and Succession - discussion under Personnel Exemption (California Government Code Section 54957) (D). Present for the Closed Session were Directors Dains, Sheehan and Riehle, GM Churchill and AGM Straus. AGM Straus left the Closed Session at 10:20 PM.

OPEN SESSION:

The Board reconvened in Open Session at 10:50 PM. President Dains announced that the Board has selected AGM Hilary Straus to succeed GM Churchill upon his retirement on November 17, 2016 subject to negotiation and execution of an Employment Agreement with Mr. Straus.

FUTURE CHWD BOARD OF DIRECTORS MEETING DATES:

Dates and locations of upcoming Regular Meetings of the Board of Directors were noted for the calendar.

ADJOURNMENT:

There being no other business to come before the Board, the meeting was adjourned at 10:58 PM.

APPROVED:

ROBERT A. CHURCHILL
Secretary
Citrus Heights Water District

ALLEN B. DAINS, President
Board of Directors
Citrus Heights Water District