

CITRUS HEIGHTS WATER DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
December 13, 2016

The Regular Meeting of the Board of Directors was called to order at 6:33 p.m. by President Dains and roll was called. Present were:

Allen B. Dains, President
Caryl F. Sheehan, Vice President
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
Rex W. Meurer, Water Efficiency Supervisor
Missy A. Pieri, Principal Civil Engineer/District Engineer
Brian M. Hensley, Water Resources Supervisor/Chief Operator

VISITORS:

Charles Duncan, West Yost Associates
Greg Chung, West Yost Associates
Isabella Bangs, Student from Bella Vista High School
Zachary Johnson, Student from Bella Vista High School
Jessica Collins, Community Member

PLEDGE OF ALLEGIANCE:

Director Dains led the Pledge of Allegiance.

PUBLIC COMMENT:

None.

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 – November 8, 2016.
Revenue Analysis Report for November 2016.
Assessor/Collector's Roll Adjustment for November 2016.
Treasurer's Report for November 2016.
Treasurer's Report of Fund Balances for November 2016.
Operations Budget Analysis for November 2016.
Capital Improvements Budget Analysis for November 2016.
Payables for November 2016.
CAL–Card Purchases for November 2016.

Summary of 2016 Directors, Officers and Employees Training, Seminars and Conference Expenses.

Water Efficiency Program Update

Water Efficiency Program updates for November 2016:

- 15 ultra-low-flush toilet (ULFT) rebates were processed for the month of November. A total of 184 ULFT rebates have been processed for a total of \$13,800.00 year-to-date.
- For the month of November, 0 High Efficiency Clothes Washer (HECW) rebates were processed. Year-to-date, 11 HECW rebates were processed by SMUD for District customers.
- 37 water-waste calls were received during the month of November. 1 report of water-waste was received through the CHWD’s Drought Resources web page. An additional 7 service requests were generated in-house by staff. A total of 32 contacts (mostly visits to customers’ homes and phone calls) have been completed based on these reports.
- The following table summarizes the R-GPCD values for the CHWD to date:

Month	R-GPCD 2015	R-GPCD 2016
January	75	80
February	83	77
March	108	77
April	117	107
May	129	155
June	163	213
July	176	237
August	172	242
September	160	189
October	140	123
November	82	85
December	75	

Policy Amendments.

MSS Smoot requested that the Board approve amendments to the policies listed below. Revisions have been made to some of the policies to clarify policy language or revise the policy to reflect previously enacted or recommended policy updates. The Board was requested to amend the following District Human Resources Policies:

- Policy 4211 – Dental Insurance
- Policy 4212 – Vision Insurance
- Policy 4220 – Life Insurance and Accidental Death and Dismemberment Insurance
- Policy 4610 – Performance Evaluation

Dental Insurance Policy Renewal

MSS Smoot requested the Board consider approving the renewal of the District’s dental insurance for employees. The District provides dental, vision, life, and short/long term disability insurance to all employees. Beginning January 1, 2016, the policies have been provided through Lincoln Financial. These policies are set to renew on January 1, 2017. All policies were guaranteed at the same rate for two years with the exception of the dental insurance. Dental insurance coverage is renewed on an annual basis. The 2017 renewal rates for dental coverage have a minimal increase of 10%. This increase is below the Board-approved budgeted amount of 12%.

Moving forward, it is also recommended that the future renewal of the Dental, Vision, Life, and Short/Long Term Disability insurance, be handled administratively and only brought forward to the Board if there are any recommended policy or carrier changes, or if the rates come in above the approved budgeted amount.

Government Accounting Standards Board (GASB) 45, Other Post-Employment Benefits (OPEB) Actuarial Analysis

AS Sohal presented the Board with the actuarial analysis of retiree health benefits that was performed for Citrus Heights Water District by Demsey Filliger & Associates, a consulting actuary. This analysis complies with Statement No. 45 of the Governmental Accounting Standards Board related to liability for other post-employment benefits. The results of the analysis were included in the District’s FY2015 financial statements. The Board requested that a study session be conducted to review and discuss this item further.

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:

None

OLD BUSINESS:

Sunrise Streetscape Valve Box Raising Acceptance (A)

OM Gordon requested that the Board consider acceptance of the Sunrise Boulevard Complete Street Improvement Project Phase III – Antelope Road to City of Citrus Heights City Limits/Placer County Line Valve Box Raising and Setting Project (Project No. 2015-35), and Adopt Resolution 34-2016, Sunrise Boulevard Complete Street Improvement Project Phase III – Antelope Road to City of Citrus Heights City Limits/Placer County Line Valve Box Raising and Setting (Project No. 2015-35), and authorize the District Secretary to execute and record a Notice of Completion for the Project.

CITRUS HEIGHTS WATER DISTRICT
RESOLUTION NO. 34-2016

RESOLUTION OF THE BOARD OF DIRECTORS
ACCEPTING

THE SUNRISE BOULEVARD COMPLETE STREET IMPROVEMENT PROJECT PHASE III -
ANTELOPE ROAD TO CITY OF CITRUS HEIGHTS CITY LIMITS/PLACER COUNTY LINE
VALVE BOX RAISING AND SETTING PROJECT

WHEREAS, on June 13, 2016 the contract was fully executed between the District and Martin Brothers Construction, Inc.; and

WHEREAS, Martin Brothers Construction, Inc. has completed the work for the Sunrise Boulevard Complete Street Improvement Project Phase III – Antelope Road to City of Citrus Heights City Limits/Placer County Line Valve Box Raising and Setting Project in accordance with the plans, specifications and contract documents prepared by the District pursuant to a final inspection on December 7, 2016.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Citrus Heights Water District that the Sunrise Boulevard Complete Street Improvement Project Phase III – Antelope Road to City of Citrus Heights City Limits/Placer County Line Valve Box Raising and Setting Project is accepted as complete.

BE IT FURTHER RESOLVED that the District Secretary is authorized to execute a Notice of Completion for the Sunrise Boulevard Complete Street Improvement Project Phase III – Antelope Road to City of Citrus Heights City Limits/Placer County Line Valve Box Raising and Setting 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 13th day of December 2016 by the following vote, to wit:

AYES: Directors:
NOES: Directors:
ABSTAIN: Directors:
ABSENT: Directors:

SEAL

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

ATTEST:

HILARY M. STRAUS, Secretary
Citrus Heights Water District

ACTION: Director Sheehan moved and Director Riehle seconded a motion to:
Adopt Resolution 34-2016, Sunrise Boulevard Complete Street Improvement Project Phase III – Antelope Road to City of Citrus Heights City Limits/Placer County Line Valve Box Raising and Setting (Project No. 2015-35), and 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.

Limerick Acceptance (A)

OM Gordon requested the Board consider Adoption of Resolution 35-2016, Limerick Way, Dublin Way, Tipperary Way and Galway Court Pavement Restoration Project (Project No. 2016-33), and authorize the District Secretary to execute and record a Notice of Completion for the Project.

On September 9, 2016, a contract was executed between Citrus Heights Water District and Central Valley Engineering & Asphalt, Inc. for pavement restoration along portions of Limerick Way, Dublin Way, Tipperary Way, and Galway Court in Citrus Heights. The pavement restoration was the final trench restoration of Citrus Heights Water District's water main improvements along said streets. The pavement restoration project provides dependable road and trench maintenance above critical water infrastructure along Limerick Way, Dublin Way, Tipperary Way, and Galway Court and ensures safe travel for vehicular traffic and pedestrians.

CITRUS HEIGHTS WATER DISTRICT
RESOLUTION NO. 35-2016

RESOLUTION OF THE BOARD OF DIRECTORS
ACCEPTING
THE LIMERICK WAY, DUBLIN WAY, TIPPERARY WAY AND GALWAY COURT
PAVEMENT RESTORATION PROJECT

WHEREAS, on August 9, 2016 the Board of Directors of the Citrus Heights Water District authorized the award of a contract to Central Valley Engineering & Asphalt, Inc. for the Limerick Way, Dublin Way, Tipperary Way and Galway Court Pavement Restoration Project; and

WHEREAS, on September 9, 2016 the contract was fully executed between the District and Central Valley Engineering & Asphalt, Inc.; and

WHEREAS, Central Valley Engineering & Asphalt, Inc. has completed the work for the Limerick Way, Dublin Way, Tipperary Way and Galway Court Pavement Restoration Project in accordance with the plans, specifications and contract documents prepared by the District pursuant to a final inspection on November 16, 2016.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Citrus Heights Water District that the Limerick Way, Dublin Way, Tipperary Way and Galway Court Pavement Restoration Project is accepted as complete.

BE IT FURTHER RESOLVED that the District Secretary is authorized to execute a Notice of Completion for the Limerick Way, Dublin Way, Tipperary Way and Galway Court Pavement Restoration 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 13th day of December 2016 by the following vote, to wit:

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

SEAL

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

ATTEST:

HILARY M. STRAUS, Secretary
Citrus Heights Water District

ACTION: Director Riehle moved and Director Sheehan seconded a motion to: Adopt Resolution 35-2016, Limerick Way, Dublin Way, Tipperary Way and Galway Court Pavement Restoration Project (Project No. 2016-33), and 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.

NEW BUSINESS:

Selection of President and Vice President

MSS Smoot requested that the Board consider selection of President and Vice President of the Board of Directors. Pursuant to District Board of Director and Officers Policy No. 2010, a President and Vice President of the Board of Directors are to be elected by a majority vote of the Board in December of each year. Director Dains nominated Director Sheehan for President of the Board of Directors. Director Sheehan nominated Director Riehle for Vice President of the Board of Directors.

ACTION: Director Dains moved and Director Riehle seconded a motion to: Appoint Director Sheehan as the President of the Board of Directors. In a separate action Director Dains moved and director Sheehan seconded a motion to: Appoint Director Riehle for the Vice President of the Board of Directors.

The motion carried 3-0 with all Directors voting yes.

Hydraulic Model Update and Calibration

WRS Hensley requested the Board consider authorization of a Professional Services Agreement (PSA) with West Yost Associates to provide engineering services for the Hydraulic Model Update Project. Charles Duncan with West Yost Associates gave a presentation regarding the scope of work to be performed and information regarding the updated Hydraulic Model, which will serve as an important planning tool as CHWD undertakes advanced planning for the Project 2030 water main replacements, and as CHWD analyzes options for system-wide pressure reduction, both strategic planning items.

In a study completed in 2009, Brown and Caldwell Engineers completed the “San Juan Water District Wholesale Service Area Water System Hydraulic Model” for the family of agencies to use as a comprehensive planning tool for hydraulic analysis, dry year, and emergency condition water supply planning. With changing system demands and customer use patterns, District staff has determined that a model update and recalibration is required to maintain accurate distribution system analysis. The District solicited proposals from three (3) engineering firms to provide engineering services for the Hydraulic Model Update Project. The project’s objectives are for the consultant to work in collaboration with District Staff to: (1) update the District Hydraulic Model, (2) complete the Hydraulic Model Calibration and Validation, and (3) Prepare a Model Update Technical Memorandum. Therefore, WRS Hensley recommends that the Board authorize the General Manager to execute a Professional Services Agreement with West Yost Associates in an amount not to exceed \$42,350.00 (\$38,500.00 with 10% contingency) for engineering services Hydraulic Model Update Project.

ACTION: Director Dains moved and Director Riehle seconded a motion to:
Authorize the General Manager to execute a Professional Services Agreement with West Yost Associates in an amount not to exceed \$42,350.00 (\$38,500.00 with 10% contingency) for engineering services for the Hydraulic Model Update Project.

The motion carried 3-0 with all Directors voting yes.

State Water Board – Conservation Regulation Updates

WES Meurer provided an update on the proposed State water efficiency regulations pertaining to Executive Order B-37-16, which is the proposed State regulation, entitled “Making Conservation A California Way of Life.” Comments are due on the proposed State regulations to the Water Board by December 19, 2016.

Staff attended an information and regional coordination meeting at the Sacramento Regional Water Authority (RWA) on December 9th. At that meeting, a regional response to the proposed State regulations was be discussed. Further, staff anticipates presenting an agency-specific response letter to the State Water Board at the December 13th meeting for Board discussion and possible action; however, no letters were available for presentation at the time of the meeting. The Board was asked to grant authority to GM Straus to review and sign the response letter on behalf of the District.

ACTION: Director Dains moved and Director Riehle seconded a motion to:
Grant authority to the General Manager to review and sign the response letter to the Water Boards on behalf of the District.

The motion carried 3-0 with all Directors voting yes.

Cost of Living Increase (COLA)

AS Sohal requested the Board amend District Policy No. 4101.A1 to include a Cost-of-Living Adjustment to the District's Salary Schedule effective January 09, 2017; amending District Policy No. 4831, Insurance Benefits for Retirees Retiring After March 19, 1996 for consistency with the amended Salary Schedule and other proposed revisions; and provide direction to staff regarding a Cost-of-Living Adjustment for Compensation of the Board of Directors as their compensation has not been increased since January 8, 2008. The Board requested a salary survey of other agencies be completed comparing the District's Directors compensation to comparable Districts, this will be brought back to the Board at a later date for further review.

ACTION 1: Director Riehle moved and Director Dains seconded a motion to:
Amend District Policy No. 4101.A1 Salary Schedule (Attachment 1) as presented to include a +2.3 percent Cost-of-Living Adjustment to the District's Salary Schedule effective January 09, 2016.

The motion carried 3-0 with all Directors voting yes.

ACTION 2: Director Riehle moved and Director Dains seconded a motion to:
Amend District Policy 4831 Insurance Benefits for Retirees Retiring After March 19, 1996 as presented to include a +2.3 percent Cost-of-Living Adjustment to the monthly insurance benefit amount for retirees to reflect said adjustments in the CPI-U.

The motion carried 3-0 with all Directors voting yes.

Other Compensation Policy Amendments

AS Sohal requested that the Board consider approving an amendment to Human Resources Policy, 4101.A2.01 – Other Compensation. Pursuant to District Policy 4101.A2.01, Non-Exempt Regular Employees are authorized to receive other compensation when qualified as a certified Water System Operator and Water Treatment Operator by the State Water Resources Control Board.

The District's FLSA (Fair Labor Standards Act) Exempt status has been historically assigned to Department Heads (Senior Management). District Policy 4101.A2.01 Other Compensation authorizes non-exempt employee compensation to receive certification pay when qualified as a Certified California State Water Distribution System Operator and/or Certified California State Water Treatment Operators. Recently, non-department heads (Senior Management) employees have entered into an Employment Agreements with the District and have been converted to FLSA Exempt status. Currently, policy does not authorize the other compensation, provided by the District, to FLSA exempt employees. Certification Pay is compensation reportable for the purposes of calculating the CalPERS (California Public Employee's Retirement System) pension benefit for Tier 1 and Tier 2 (Classic) Employees.

ACTION: Director Riehle moved and Director Dains seconded a motion to:
 Approve the proposed amendment to District Human Resources
 Policy, 4101.A2.01 – Other Compensation

The motion carried 3-0 with all Directors voting yes.

PROJECT MANAGER’S REPORT:

Project Manager Dietrich presented a report on the following activities during the month of November 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>
<i>Citrus Heights City Hall</i>	<i>1,187 l.f.</i>	<i>8-Inch DIP Water Main</i>	<i>\$155,300.00</i>
<i>6350 Fountain Square Dr</i>	<i>37 l.f.</i>	<i>8-Inch PVC Water Main</i>	
<i>(2015-54)</i>	<i>177 l.f.</i>	<i>6-Inch DIP Water Main</i>	
	<i>3</i>	<i>8-Inch Gate Valve</i>	
	<i>4</i>	<i>6-Inch Gate Valve</i>	
	<i>2</i>	<i>6-Inch Post Indicator Valve</i>	
	<i>5</i>	<i>Steamer Fire Hydrant</i>	
	<i>1</i>	<i>2-Inch Metered Water Service</i>	
	<i>1</i>	<i>1 ½-Inch Metered Water Service</i>	
	<i>1</i>	<i>2-Inch Blow-off</i>	
	<i>1</i>	<i>1-Inch Air Vacuum Valve</i>	
<i>Bearpaw Expansion</i>	<i>12</i>	<i>8-Inch DIP Water Main</i>	<i>\$10,000.00</i>
<i>Commercial Building</i>	<i>l.f.</i>	<i>8-Inch Gate Valve</i>	
<i>7524 Old Auburn Rd</i>	<i>1</i>	<i>6-Inch Post Indicator Valve</i>	
<i>(2015-59)</i>	<i>3</i>		
	<i>1</i>		
	<i>1</i>		
<i>Sunrise Mall Parking</i>	<i>1</i>	<i>2-Inch Metered Irrigation Service</i>	<i>\$6,000.00</i>
<i>Lot</i>			
<i>6198 Sunrise Blvd</i>			
<i>(2016-50)</i>			

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>
Northridge Grove 47 Condominiums (2013-59)	5555 Mariposa Ave	85% Complete
Commercial Building Remodel (2016-51)	5414-50 Sunrise Blvd	Pre-Construction Meeting 12/1/16

CONTRACTOR / DEVELOPER PROJECTS PENDING CONSTRUCTION

<u>Project</u>	<u>Location</u>	<u>Status</u>
Louis-Orlando Bus Transfer Point (2015-66)	Louis Ln @ Orlando Ave	Plans Signed 2/4/16
Meier Estates 7 Lot Subdivision (2015-68)	North Sims Way	Plans Signed 5/23/16
Dignity Health Building (2015-55)	7115 Greenback Ln	Plans Signed 6/8/16
3 Lot Residential (2015-67)	5648-96 San Juan Ave	Plans Signed 11/14/16

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>
Fair Way Intertie with City of Roseville (2011-01)	9955 Fair Way	Agreement – 99% Plans – 100% Cost Estimate – 100%
Blossom Hill Dr Intertie with City of Roseville (2012-09)	Blossom Hill Dr at 1100 Main Sail Cir	Agreement – 99% Plans – 100% Cost Estimate – 100%
Crestmont Ave Intertie with City of Roseville (2012-10)	Crestmont Ave at 8199 Bonnie Oak Way	Agreement – 99% Plans – 100% Cost Estimate – 100%

<u>Project</u>	<u>Location</u>	<u>Status</u>
Corporation Yard Improvements Phase 1 Domenichelli and Associates, Inc. (2015-02)	6230 Sylvan Road	<i>Trees Trimmed and Cleared. City Review Underway.</i>
<i>Operations Building Remodel (2017-33)</i>	<i>6230 Sylvan Road</i>	<i>Recommendation for Architectural Services at 1/10/16 Meeting.</i>
<i>Mesa Verde High School 14-Inch Transmission Main Bennett Engineering, Inc. (2015-36)</i>	<i>Northwest Corner of Property</i>	<i>Easement Complete. Tree Trimming and Clearing 12/27 and 12/28.</i>
Highland Ave & Rosa Vista Ln 8" Water Mains Warren Consulting Engineers (2015-33)	Highland Ave at Rosa Vista Ln	Reviewing 30% Submittal

PROJECTS CONTRACTED BY THE CITRUS HEIGHTS WATER DISTRICT

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

None

CITY OF CITRUS HEIGHTS PROJECTS

City of Citrus Heights Projects requiring coordination and inspection by the District:

None

OPERATIONS MANAGER'S REPORT:

Operations Manager Gordon reported as follows:

A total of 117 work orders were performed during the month of November 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 Drinking Water (DDW) requirements.

The District's total water use during the month of November 2016 (561.82 acre-feet) was 38.4% below that of November 2013 (911.55 acre-feet).

As of midnight on December 6, 2016, storage in Folsom Lake was at 463,794 acre-feet, 47 percent of the total capacity of 977,000 acre-feet. This is about 99 percent of historical average for this date. This represents an increase in storage of 102,363 acre-feet in the past month.

CHWD continues to assist with preserving surface water supplies in the Lake by operating its groundwater wells. All District wells (Bonita, Mitchell Farms, Palm, Skycrest, Sylvan and Sunrise)

remain operational and are being operated on a rotational, or as-needed, basis.

Director Sheehan called for a short recess at 8:42 PM.

Project Manager Dietrich, Operations Manager Gordon and Principal Engineer Pieri left the meeting.

Director Dains reconvened the meeting at 8:46 PM.

DIRECTOR'S AND REPRESENTATIVES REPORTS:

Regional Water Authority (Dains, Churchill)

Director Dains gave a Report.

Sacramento Groundwater Authority (Sheehan)

Director Sheehan gave a report.

San Juan Water District

GM Straus gave a Report.

ACWA Joint Powers Insurance Authority (Churchill)

No report.

Sacramento Local Agency Formation Commission

No Report.

City of Citrus Heights

PCE Pieri gave a Report.

Chamber of Commerce Government Issues Committee (Straus)

No Report.

Other Reports:

No report.

MANAGEMENT SERVICES REPORT:

MSS Smoot reported as follows:

- Twenty four employees received recognition for superior attendance, outstanding customer service, and quality of work during the month of November 2016. Directors were provided with a list of the employees and items for which each received recognition.
- Long Range Board Agenda was provided showing Directors upcoming items for future scheduled Board Meetings.
- The District was presented with the JPIA President's Special Recognition Award. The District was recognized for having a loss ratio of 20% or less in the Property and Workers Compensation program.
- GM Straus, OM Gordon and AS Sohal presented the board with an update of the ACWA 2016 Fall Conference.

CORRESPONDENCE:

None

CLOSED SESSION:

The Board adjourned into Closed Session at 9:31 PM. The Board adjourned back into Regular Session at 10:08 PM.

Regarding Item CL-1, the reportable action is that the Board authorized staff to follow-up as recommended. Regarding Item CL-2, the reportable action is that the Board provided staff direction to issue a Request for Proposals (RFP) for legal services.

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 10:24 PM.

APPROVED:

HILARY M. STRAUS
Secretary
Citrus Heights Water District

CARYL F. SHEEHAN, President
Board of Directors
Citrus Heights Water District