

CITRUS HEIGHTS WATER DISTRICT
BOARD OF DIRECTORS REGULAR MEETING MINUTES
SEPTEMBER 13, 2017

The Regular Meeting of the Board of Directors was called to order at 6:30 p.m. by President Sheehan and roll was called. Present were:

Caryl F. Sheehan, President
Raymond A. Riehle, Vice President
Allen B. Dains, Director

Absent:

None.

Staff:

Hilary Straus, General Manager
Susan Sohal, Administrative Services Manager
Chris Castruita, Management Services Supervisor/Chief Board Clerk
David Gordon, Operations Manager
Missy Pieri, Engineering Manager/District Engineer
Kelly Drake, Senior Water Efficiency Specialist

VISITORS:

Stuart Hodgkins, Principle Engineer, City of Citrus Heights
Mersadez Hogan

PLEDGE OF ALLEGIANCE:

Board President Caryl Sheehan led the Pledge of Allegiance.

PUBLIC COMMENT:

None.

CONSENT CALENDAR:

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

Minutes of the Regular Meeting – August 11, 2017.
Revenue Analysis Report for August 2017.
Assessor/Collector's Roll Adjustment for August 2017.
Treasurer's Report for August 2017.
Treasurer's Report of Fund Balances for August 2017.

Operations Budget Analysis for August 2017.
 Capital Projects Summary August 2017.
 Warrants for August 2017.
 CAL-Card Distributions for August 2017.
 Summary of 2017 Employees, Officers and Directors Training Courses, Seminars and Conference.
 Employee Recognitions.

Long Range Board Agenda (I)

Board Agenda Items Planned for Upcoming Meetings.

Engineering and Capital Projects Departmental Report (I)

Significant assignments and activities for the Engineering and Capital Projects Department are summarized.

Operations Departmental Report (I)

Monthly report on construction and maintenance activities.

2017 Water Supply – Purchased and Produced (I)

Report on annual water supply including comparison with prior years.

Water Supply Reliability (I)

Receive status report on surface water supplies available to the Citrus Heights Water District (District).

AUGUST 2017 WARRANTS			
<u>CHECK</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
63816	SWRCB	Dues & Subscriptions	\$527.00
63817	ACWA/JPIA	Workers Comp Insurance	\$17,956.76
63818	CH&D Architects Inc	Contract Services- Engineering	\$8,510.00
63819	CirclePoint	Contract Services- Conservation	\$15,636.58
63820	Domenichelli and Associates, Inc	Contract Services- Engineering	\$9,022.91
63821	Regional Water Authority	Dues & Subscriptions	\$67,944.00
63822	San Juan Water District	Purchased Water	\$624,331.13
63823	Sacramento Groundwater Authority	Dues & Subscriptions	\$34,263.00
63824	SMUD	Utilities	\$8,410.73
63825	US Bank I.M.P.A.C. Government Services	See August Agenda Item CC-9	\$14,799.04
63826	West Yost Associates	Contract Services- Engineering	\$10,382.07
63827	Debra/Joe L Baldes	Customer Refund	\$29.12
63828	Judith Anne Smoot	Customer Refund	\$54.94
63829	Brett T Lee	Customer Refund	\$6.15
63830	Alejandro D Guimoye	Customer Refund	\$11.21
63831	Gillum Family	Customer Refund	\$119.11
63832	Asmat Sami Siddiqui	Customer Refund	\$86.18
63833	Derik/Michelle Harris	Customer Refund	\$54.34

63834	Steven R/Lindsay A Trop	Customer Refund	\$10.00
63835	Ted/Jeana Thompson	Customer Refund	\$53.18
63836	David Mojzis	Customer Refund	\$232.41
63837	AIA Services, LLC/NDS	Water Conservation- Materials/Supplies	\$744.20
63838	Alexander's Contract Services	Contract Services-Meter Reads	\$5,070.92
63839	Area West Engineers Inc	Contract Services- Engineering	\$5,968.25
63840	Axcient Inc	Maintenance Agreement-Software	\$444.30
63841	Betty Ann Bertoglio	Contract Services-Miscellaneous	\$3,677.39
63842	City of Citrus Heights	Permit Fees	\$1,130.55
63843	County of Sacramento	Permit Fees	\$709.00
63844	Cybex	Equipment Rental-Office	\$149.21
63845	Gaynor Telesystems Incorporated	Contract Services-Other	\$50.00
63846	Government Finance Officers Association	Dues & Subscriptions	\$333.00
63847	Mersadez Hogan	Contract Services-Office Labor	\$157.44
63848	J4 Systems	Contract Services-Other	\$1,567.50
63849	Kei Window Cleaning #12	Janitorial	\$94.00
63850	Labor Max	Contract Services-Temporary Labor	\$947.38
63851	Moonlight BPO	Contract Services-Bill Print	\$5,619.63
63852	Pace Supply Corp	Material	\$78.23
63853	Pacific Staffing	Contract Services-Office Labor	\$600.00
63854	Protection One Alarm Monitoring	Equipment Rental-Office	\$140.00
63855	Red Wing Shoe Store	Small Tools	\$985.80
63856	Sonitrol	Equipment Rental-Office	\$168.56
63857	A. Teichert & Son, Inc.	Road Base	\$5,165.69
63858	Underground Service Alert	Dues & Subscriptions	\$4,907.07
63859	Verizon Wireless	Telephone-Wireless	\$1,191.51
63860	Vice's Collision Repair	Repair-Trucks	\$5,443.73
63861	Charles E/Patricia J Meltzer	Customer Refund	\$99.63
63862	Jeanne M Collier	Customer Refund	\$18.00
63863	Patricia A Hampton	Customer Refund	\$11.29
63864	Thomas M/Jeanne A Pooley	Customer Refund	\$165.97
63865	Judith Anne Smoot	Customer Refund	\$53.44
63866	Mark W/Christine Eddy	Customer Refund	\$167.44
63867	Tamara Weyhe	Customer Refund	\$243.69
63868	KB Homes Sacramento Inc	Customer Refund	\$2,660.35
63869	Whitney Escoto	Customer Refund	\$119.82
63870	ABA DABA Rentals & Sales	Supplies-Field	\$553.08
63871	AFLAC	Employee Paid Insurance	\$238.56
63872	Afman Supply	Small Tools	\$97.04

63873	Alexander's Contract Services	Contract Services-Meter Reads	\$1,664.68
63874	Bryce Consulting, Inc	Legal & Audit	\$720.00
63875	State of CA Dept. of Consumer Affairs	Dues & Subscriptions	\$115.00
63876	California Landscape Associates Inc	Janitorial	\$200.00
63877	California Surveying & Drafting Supply	Small Tools	\$227.23
63878	Caltronics Business System	Small Office Equip	\$171.32
63879	Robin Cope	Health Insurance	\$412.00
63880	Corelogic Information Solutions Inc	Dues & Subscriptions	\$196.83
63881	Corix Water Products, Inc	Material	\$2,691.63
63882	CSDA	Dues & Subscriptions	\$200.00
63883	Domenichelli and Associates, Inc	Contract Services- Engineering	\$6,990.00
63884	Employee Relations Inc	Contract Services-Other	\$55.50
63885	Express Office Products Inc	Office Expense	\$77.29
63886	Gaynor Telesystems Incorporated	Contract Services-Other	\$168.83
63887	Gladwell Governmental Services Inc	Contract Services- Financial	\$4,380.79
63888	Ferguson Enterprises Inc #1423	Material	\$3,763.15
63889	Innovyze	Maintenance Agreement-Software	\$1,500.00
63890	Integrity Administrators Inc	Health Insurance	\$873.36
63891	J4 Systems	Contract Services-Other	\$2,372.50
63892	Safa E Kaddis	Customer Refund	\$92.78
63893	Kaiser Foundation Health Plan, Inc	Health Insurance	\$18,686.21
63894	KBA DOCUSYS	Equipment Rental-Office	\$20.06
63895	KBA Docusys Inc	Equipment Rental-Office	\$342.63
63896	San Gabriel Temporary Staffing Svs LLC dba LaborMax	Contract Services-Temporary Labor	\$1,222.07
63897	Moonlight BPO	Contract Services-Bill Print	\$3,534.13
63898	Occu-Med	Office Miscellaneous	\$126.00
63899	Pace Supply Corp	Material	\$103.69
63900	Pacific Staffing	Contract Services-Office Labor	\$287.50
63901	Evangelina Rangel	Customer Refund	\$130.03
63902	Republic Services #922	Utilities	\$209.04
63903	Regional Government Services	Contract Services-Other	\$2,645.00
63904	RW Trucking	Contract Services-Miscellaneous	\$7,600.00
63905	Sacramento Bee	Publication Notices	\$431.16
63906	Les Schwab Tires	Repair-Trucks	\$206.07
63907	Spot on Signs & Graphics	Contract Services-Office Repair/Maintenance	\$820.04
63908	SureWest Directories	Telephone-Local/Long Distance	\$49.00
63909	A. Teichert & Son, Inc.	Road Base	\$2,329.36
63910	The Lincoln National Life Insurance	Disability & Life Insurance	\$6,121.68

	Company		
63911	United States Treasury	Health Insurance	\$72.46
63912	West Yost Associates	Contract Services- Engineering	\$2,527.04
63913	Ferguson Enterprises Inc #1423	Material	\$2,773.33
63914	Wondries Fleet Group	Fixed Assets	\$91,595.72
63915	Harold D Newberry	Customer Refund	\$117.63
63916	Timothy R/Tamara J Kuka	Customer Refund	\$107.20
63917	Rachelle Hall	Customer Refund	\$7.27
63918	Peter Lowell Prince Trust	Customer Refund	\$22.40
63919	Marion G/Lina C Panlilio	Customer Refund	\$95.06
63920	Magill Family Trust	Customer Refund	\$51.57
63921	Justin C/Tammy J Nixon	Customer Refund	\$18.47
63922	Pacifica Properties	Customer Refund	\$31.05
63923	Bobe Living Trust	Customer Refund	\$31.38
63924	Lawrence/Jody L Presto	Customer Refund	\$113.66
63925	Aaron D/Amanda M Lott	Customer Refund	\$104.08
63926	Ion Necula	Customer Refund	\$201.07
63927	Jaime C Walkley	Customer Refund	\$9.82
63928	Rebecca M Bogner	Customer Refund	\$21.06
63929	Jason Clark	Customer Refund	\$6.57
63930	Lazim Hanna	Customer Refund	\$112.91
63931	Nathan/Michelle Waddell	Customer Refund	\$13.96
63932	ABA DABA Rentals & Sales	Supplies-Field	\$169.05
63933	Afman Supply	Small Tools	\$373.68
63934	Alexander's Contract Services	Contract Services-Meter Reads	\$4,511.33
63935	Bryce Consulting, Inc	Legal & Audit	\$1,040.00
63936	Consolidated	Telephone-Local/Long Distance	\$1,747.76
63937	Corix Water Products, Inc	Material	\$107.75
63938	Heather L Corkery	Toilet Rebate Program	\$150.00
63939	Tamar Dawson	Continued Education	\$320.27
63940	Ferguson Enterprises Inc #1423	Material	\$1,259.85
63941	Bahareh Haghighi	Toilet Rebate Program	\$225.00
63942	Herc Rentals	Equipment Rental-Field	\$2,325.91
63943	J4 Systems	Contract Services-Other	\$2,285.00
63944	San Gabriel Temp Staffing LLC dba LaborMax	Contract Services-Temporary Labor	\$1,199.68
63945	Marjorie Lacaillade	Toilet Rebate Program	\$75.00
63946	Ljiljana Miljkovic	Toilet Rebate Program	\$139.64
63947	Moonlight BPO	Contract Services-Bill Print	\$2,907.05

63948	Natalie Morris	Toilet Rebate Program	\$150.00
63949	Pace Supply Corp	Material	\$1,129.87
63950	Borey Swing	Continued Education	\$40.70
63951	Paul T White III	Toilet Rebate Program	\$75.00
63952	Janet J Thornhill Trust	Customer Refund	\$55.45
63953	Marissa L Miller	Customer Refund	\$20.09
63954	Craig C/Elizabeth Cook	Customer Refund	\$126.62
63955	Robert R Gostage	Customer Refund	\$27.99
63956	Goree & Thompson Real Estate Inc	Customer Refund	\$111.79
63957	Michael J Maher	Customer Refund	\$175.42
63958	Robert E Nyblom III	Customer Refund	\$8.94
63959	Eric/Bridget Stahl	Customer Refund	\$311.87
63960	Crystal Ward	Customer Refund	\$77.40
63961	All Cal Disinfectant	Field Miscellaneous	\$850.00
63962	AnswerNet	Telephone-Answering Service	\$272.35
63963	AREA Restroom Solutions	Equipment Rental-Field	\$118.76
63964	Avalon Custodial Care	Janitorial	\$695.00
63965	Axcient Inc	Maintenance Agreement-Software	\$444.30
63966	Bart/Riebes Auto Parts	Repair-Trucks	\$19.38
63967	Best Best & Krieger	Legal & Audit	\$7,415.34
63968	BSK Associates	Water Analysis	\$508.00
63969	Burketts	Office Expense	\$350.19
63970	Capital Rubber Co Ltd	Material	\$113.84
63971	Terri L Clemons	Toilet Rebate Program	\$150.00
63972	County of Sacramento	Permit Fees	\$131.00
63973	Kristen or Michael Durkee	Toilet Rebate Program	\$150.00
63974	Edgewood Homeowners Association	Water Conservation-Other	\$225.00
63975	Ferguson Enterprises Inc #1423	Material	\$3,077.29
63976	Harris Computer Systems	Continued Education	\$875.00
63977	Integrity Administrators Inc	Health Insurance	\$5,000.00
63978	J4 Systems	Contract Services-Other	\$880.00
63979	Johnson Controls	Wells Maintenance	\$1,325.00
63980	Kaiser Foundation Health Plan, Inc	Health Insurance	\$18,254.37
63981	San Gabriel Temp Staffing LLC dba LaborMax	Contract Services-Temporary Labor	\$930.58
63982	Liebert Cassidy Whitmore	Legal & Audit	\$1,411.00
63983	Joel Lobato	Toilet Rebate Program	\$150.00
63984	Moonlight BPO	Contract Services-Bill Print	\$3,432.88
63985	Pacific Gas & Electric	Utilities	\$8.79

63986	Regional Government Services	Contract Services-Other	\$7,273.75
63987	River City Staffing Group	Contract Services- Conservation	\$7,985.10
63988	Russian American Media	Water Conservation-Other	\$400.00
63989	SAWWA	Dues & Subscriptions	\$1,600.00
63990	Sophos Solutions	Contract Services-Other	\$6,640.00
63991	Verizon Wireless	Telephone-Wireless	\$1,220.83
63992	Voyager Fleet Systems Inc	Gas & Oil	\$2,075.08
63993	WaterWise Consulting, Inc	Contract Services- Conservation	\$350.00
63994	Joseph R/Florence E Redding	Customer Refund	\$11.98
63995	Harold Dirks	Customer Refund	\$79.85
63996	Bruce C/Anne M Cantrell	Customer Refund	\$124.95
63997	Athena A Estes	Customer Refund	\$24.94
63998	Deanna A Dorsett	Customer Refund	\$23.68
63999	Michael D/Shantel L Hampton	Customer Refund	\$151.52
64000	Laura K Shandil	Customer Refund	\$7.73
64001	Kennedy Family Living Trust	Customer Refund	\$146.42
64002	Patricia A Moratto	Customer Refund	\$53.69
64003	LPortal, LLC	Customer Refund	\$154.53
64004	Arpi Mikayelyan	Customer Refund	\$201.18
64005	Brandon Rein	Customer Refund	\$95.88
64006	Dan Nalley	Customer Refund	\$48.76
64007	Benjamin D/Kellie O Faubion	Customer Refund	\$20.22
64008	Sac Quality Investments Inc	Customer Refund	\$6.66
64009	David J Hillyer	Customer Refund	\$17.49
64010	Donald J/Jodie E Roberts	Customer Refund	\$36.83
64011	Kar B Chua	Customer Refund	\$154.29
64012	Capital Nursery Land Investors, L.P.	Customer Refund	\$1,589.90
64013	Newland Entities, Inc.	Customer Refund	\$1,322.48
64014	Cheng F Wang	Customer Refund	\$9.02
64015	Daleo Inc	Customer Refund	\$1,485.92
64016	Remax Gold	Customer Refund	\$158.51
64017	ABA DABA Rentals & Sales	Supplies-Field	\$141.14
64018	Ben or Bonnie Bellotti	Toilet Rebate Program	\$3,000.00
64019	Cappo	Dues & Subscriptions	\$295.00
64020	City of Citrus Heights	Permit Fees	\$2,497.50
64021	Sacramento County Utilities	Utilities	\$186.26
64022	Cybex	Equipment Rental-Office	\$149.21
64023	Stan Frank	Customer Refund	\$300.00
64024	J4 Systems	Contract Services-Other	\$2,121.25

64025	Liebert Cassidy Whitmore	Legal & Audit	\$6,771.70
64026	Moonlight BPO	Contract Services-Bill Print	\$2,302.40
64027	OCT Academy	Continued Education	\$1,050.00
64028	Pace Supply Corp	Material	\$11,928.65
64029	Alberto Preciado	Continued Education	\$27.94
64030	Regional Government Services	Contract Services-Other	\$1,069.33
64031	Sonitrol	Equipment Rental-Office	\$168.56
64032	A. Teichert & Son, Inc.	Road Base	\$3,693.17
Total			\$1,169,091.28
ACH	7/1-7/31/17	Bank Fee	\$1,263.25
ACH	8/10/17 PAYDAY	PERS	\$16,147.02
ACH	AUG 2017 GASB	PERS	\$30,046.58
ACH	GASB68 REPORTING FEE	PERS	\$1,050.00
ACH	JULY 2017	Bank Fee	\$1,542.75
ACH	JULY 2017 FD	Bank Fee	\$226.13
ACH	JULY 2017 PH	Bank Fee	\$132.90
ACH	JULY 2017 S FEE	CS-Other	\$386.30
ACH	JULY 2017 WB	Bank Fee	\$2,517.08
ACH	PERS 8/24/17 P DAY	PERS	\$16,345.68
ACH	VALIC 8/10/17 PDAY	Deferred Compensation	\$3,692.50
ACH	VALIC 8/24/17 P DAY	Deferred Compensation	\$3,692.50
ACH	VANCO JULY 2017	CS-Other	\$92.02
ACH	VOYA 8/10/17 PDAY	Deferred Compensation	\$25.00
ACH	VOYA 8/24/17 P DAY	Deferred Compensation	\$25.00
ACH	WHA SEPT 2017	Health Insurance	\$13,684.34
Total			\$90,869.05
Grand Total			\$1,259,960.33
September Checks Approved at September Board Meeting			
64033	CirclePoint	Contract Services- Conservation	\$9,251.25
64034	Miles Treaster & Associates	Office Expense	\$16,954.00
64035	Pace Supply Corp	Material	\$11,928.65
64036	RW Trucking	Contract Services-Miscellaneous	\$10,837.50
64037	SMUD	Utilities	\$9,232.02
			\$58,203.42

Employee Recognitions—Seventeen employees received recognition for attendance during August 2017, and twenty-one were recognized for outstanding customer service and quality of work during the month of August 2017. Directors were provided with a list of the employees and items for which each received recognition.

The Long Rage Board Agenda was provided showing Directors upcoming items for future scheduled Board Meetings.

Engineering Department Report

The Engineering and Capital Projects Department staff presented a report on the following activities during the month of September 2017.

Items of Interest	Department	Point of Contact	Date	To Board? If so, Date	Strategic Planning Item	Item Description	Update from Last Report
PROJECT 2030 Water Main Replacement Project	Engineering	Missy Pieri	On-going	Yes, 10/18/17 (Anticipated Award of Contract)	Yes	2017-2018 Masterplan for replacement of mains installed in 1960-1985.	Award of contract anticipated for October 18th Board Meeting.
CAPITAL IMPROVEMENT PROJECT Corporation Yard Safety Improvements Project	Engineering	Paul Dietrich	On-going	TBD	Yes	2017 design and construction of Vacuum Spoils Disposal, Wash Station, Materials Storage, and Safety and Efficiency Upgrades.	Notice to Proceed started calendar 08/10/17. Grading underway.
CAPITAL IMPROVEMENT PROJECT Corporation Yard / Facilities Master Plan Buildout	Engineering	Paul Dietrich	On-going	TBD	Yes	2017-2018 Masterplan for facilities requirements through 2040.	Project is currently on hold due to other priorities. Current plan is to start work again in early summer 2018.
CAPITAL IMPROVEMENT PROJECT Highland Ave & Rosa Vista Ln 8" Water Mains	Engineering	Missy Pieri/ Tamar Dawson	On-going	Yes, 10/18/17, PS&E for approval to bid	Yes	2017 design and construction. Potholing complete.	Notice of Exemption posted on 05/31/17. Easement drafts complete. Coordinating 90% plans with City of CH storm drain plans and preparing contract.
CAPITAL IMPROVEMENT PROJECT Wind Way and Longwood Way 8"	Engineering	Tamar Dawson/ Paul Dietrich	On-going	Yes, TBD	Yes	2017 design, 2018 construction	Locator tracing to be done 09/07/17. Waiting for on-call pothole contract creation.

Water Mains							
Items of Interest	Department	Point of Contact	Date	To Board? If so, Date	Strategic Planning Item	Item Description	Update from Last Report
PRIVATE DEVELOPMENT Northridge Grove - 5555 Mariposa Ave 47 Condominiums	Engineering	Neil Tamagni	On-going	Yes, TBD	No	95% Complete	Valve boxes will be completed during pavement placement.
PRIVATE DEVELOPMENT Commercial Building Remodel - 5414-50 Sunrise Blvd	Engineering	Neil Tamagni	On-going	Yes, TBD	No	Pre-Con Meeting 12/01/16	12" water main installed on 08/25/17. Water main testing pending. Easements pending.
PRIVATE DEVELOPMENT Louis-Orlando Bus Transfer Point - Louis Ln at Orlando Ave	Engineering	Neil Tamagni	On-going	Yes, TBD	No	Plans Signed 02/04/16	Water construction began 05/24/17. District crews replaced section of main. Waiting for pavement and valve box installation.
PRIVATE DEVELOPMENT Meier Estates - North Sims Way 7 Lot Subdivision	Engineering	Missy Pieri/Neil Tamagni	On-going	Yes, TBD	No	7 Lot Subdivision by developer. Water main contractor is Blackrock.	Water mains installed and hydrostatic pressure test complete. Bacteriological testing and water meter setters pending.
PRIVATE DEVELOPMENT Dignity Health Building - 7115 Greenback Ln	Engineering	Missy Pieri/Neil Tamagni	On-going	Yes, TBD	No	Medical Office Building by developer. Plans Signed 06/08/16	Submittals pending. Building under construction. Utilities to begin in 09/2017 after building is erected.
PRIVATE DEVELOPMENT 3 Lot Residential Subdivision - 5648-5696 San Juan Ave	Engineering	Missy Pieri	On-going	No	No	Plans Signed 11/14/16	
PRIVATE DEVELOPMENT 7940 Patton Ave - Replace Existing Home	Engineering	Missy Pieri	On-going	No	No	Plans Signed 01/11/17. Single Family Dwelling - Replace 1" water service to new home.	All fees paid. Project being completed by Operations.

Items of Interest	Department	Point of Contact	Date	To Board? If so, Date	Strategic Planning Item	Item Description	Update from Last Report
PRIVATE DEVELOPMENT 7311 Hickory Ave	Engineering	Missy Pieri	On-going	No	No	Single Family Dwelling - Install 1" water service with backflow to new home.	All fees paid. Project given to Operations for them to complete the water service/backflow installation. Inclusion/Exclusion Map updated with annexation date for parcel on 08/29/2017.
PRIVATE DEVELOPMENT Mitchell Farms - 7925 Arcadia Drive	Engineering	Missy Pieri/Tamar Dawson	On-going	Yes, TBD	No	200-300 unit development by Watt Communities.	2nd plan submittal received and reviewed on 05/31/17. Received draft agreement for Exchange of Real Property from BBK on 06/19/17 for review. Anticipate bringing to the Board in the coming months. Project under Environmental Review.
PRIVATE DEVELOPMENT Mariposa Creek Subdivision - Antelope Road	Engineering	Tamar Dawson/ Missy Pieri	On-going	No	No	15 lot subdivision located on Antelope Road.	Plans received 06/29/17, staff reviewing plans. Reviewed plans sent back with CHWD comments on 08/24/2017.
PRIVATE DEVELOPMENT Citrus Place Subdivision	Engineering	Tamar Dawson/ Missy Pieri	On-going	No	No	7 lot subdivision located near Wachtel Way & Talbot Way	Plans received 06/06/17. Staff researched old plans from 2007. Staff preparing a Will Serve Letter. Will Serve letter written, determining recipient list 08/29/2017.
PRIVATE DEVELOPMENT 8405 Sunrise Blvd - New SFD (Twin Oaks & Sunrise)	Engineering	Missy Pieri/Tamar Dawson	On-going	No	No	New home proposed on lot. New meter requested.	Customer brought in rough plans for new home requiring new water service on 08/09/2017. Plans reviewed. Fees paid. Service request sent to Ops.
PRIVATE DEVELOPMENT 7312 Veteran Ln - New SFD	Engineering	Missy Pieri/Tamar Dawson	On-going	No	No	New home proposed on lot. New meter requested.	Customer brought in plans for new home requiring new water service on 08/14/2017. Plans reviewed. Customer needs flow test for fire.

Items of Interest	Department	Point of Contact	Date	To Board? If so, Date	Strategic Planning Item	Item Description	Update from Last Report
PRIVATE DEVELOPMENT 7581 Sycamore Dr - Parcel Split 1 - 3	Engineering	Missy Pieri/Tamar Dawson	On-going	No	No	Parcel being split into 3 for 3 home subdivision .	Plans received for tentative parcel split 08/22/2017. Under review. This is a re-submittal of a previous plan in 2016.
PRIVATE DEVELOPMENT 8027 Holly Dr - Parcel Split 1 - 3	Engineering	Missy Pieri/Tamar Dawson	On-going	No	No	Parcel being split into 3 for 3 home subdivision.	Tentative Parcel Map received 08/21/2017. Will Serve letter sent 08/29/2017.
PRIVATE DEVELOPMENT Sunrise Blvd_5437-5439 - Sunrise Village Retail Center - parcel split	Engineering	Missy Pieri/Tamar Dawson	On-going	TBD	No	Parcel being split into 3 for individual sales that previously occurred	Tentative Parcel Map received 08/16/2017. Reviewing District facilities and easements.
CITY OF CITRUS HEIGHTS PROJECT City Drainage Project	Engineering	Tamar Dawson/Borey Swing	On-going	Yes, TBD	Yes	Highland Ave, Wonder St, Dana Butte Way, and Sunhill Dr Storm Drain Project.	"B" Plans sent back 08/21/2017 with comments. Coordinating utility conflicts.
CITY OF CITRUS HEIGHTS PROJECT Sunrise Blvd Complete Streets Phase 2A (C16-142)	Engineering	Missy Pieri/Tamar Dawson	On-going	Yes, TBD	Yes	Frontage Improvements along West Side of Sunrise from Sayonara to North and Storm Drain Improvements	Received updated plans on 06/27/17. Anticipate bid and start of construction in Spring 2018. Coordinating utility conflicts.
CITY OF CITRUS HEIGHTS PROJECT Mariposa Ave - Safe Routes to School Phase III	Engineering	Missy Pieri/Tamar Dawson	On-going	Yes, TBD	Yes	Frontage Improvements along West side of Mariposa Ave from Northridge to Eastgate	Received utility conflict maps.
CITY OF ROSEVILLE PROJECT Fair Way Intertie (C15-101)	Engineering	Missy Pieri/Neil Tamagni	On-going	Yes, TBD	Yes	Intertie with City of Roseville on Fair Way.	Preconstruction Mtg with City of Roseville & Operations on 08/30/17. Site Visit scheduled 09/06/17. Anticipate Start Construction in 2 weeks.
Annexations	Engineering	-	2018	Yes, TBD	Yes	Strategic Planning Item	
Easements	Engineering	-	2018	Yes, TBD	Yes	Strategic Planning Item	

Operations Department Report.

Operations Manager Gordon reported as follows:

A total of 86 work orders were performed during the month of August 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.

2017 Water Supply – Purchased and Produced.

The District's total water use during the month of August 2017 (1,570.80 acre-feet) was 18.4% below that of August 2013 (1,924.28 acre-feet).

Surface Water Supply Reliability

As of September 1, 2017, storage in Folsom Lake (Lake) was at 773,707 acre-feet, 79 percent of the total capacity of 977,000 acre-feet. This represents a decrease in storage of 105,845 acre-feet in the past month.

The District's total water use during the month of August 2017 (1570.80 acre-feet) was 18.4 percent below that of August 2013 (1924.28 acre-feet).

The District continues to assist with preserving surface water supplies in the Lake by operating its groundwater wells. The District's groundwater production wells, Bonita, Mitchell Farms, Skycrest, and Sylvan, are operational and used on a rotational or as-needed basis.

Water Efficiency Program Update

Senior Water Efficiency Specialist Drake provided the Water Efficiency program updates below.

ACTIVITIES AND PROGRESS REPORT

Water Efficiency Program activities during the month of August 2017 include:

- 33 ultra-low-flush toilet (ULFT) rebates were processed for the month of August. A total of 111 ULFT rebates have been processed for a total of \$8,305.00 year to date.
- For the period of January-August, 11 High Efficiency Clothes Washer (HECW) rebates were processed. Year-to-date, 11 HECW rebates were processed by the Sacramento Municipal Utility District (SMUD) for District customers.
- 47 water waste calls were received during the month of August. 0 reports of water waste were received through CHWD's Drought Resources web page. An additional 8 service requests were generated by staff. A total of 35 contacts (mostly visits to customers' homes and phone calls) have been completed based on these reports.

- Staff completed and submitted the District’s Wave 4 Water Loss documentation required by SB 555. The Department of Water Resources (DWR) is proceeding to finalize and validate all Wave 4 documents submitted. DWR will issue instructions to the District on how to upload the documents by mid-September. Once the documents are uploaded to DWR, the District will complete the required validation process for 2016.
- An Ecolandscape class was held on Saturday, August 12 from 9:00 am-12:00 pm. The class title was “Keeping Your Eco-Friendly Landscape Looking Great With Less Water, Less Work and Fewer Chemicals”. Nearly 40 customers attended the class. Staff is in the process of setting up the Districts first weeknight Ecolandscape class in the fall. The class will cover fall gardening topics.
- The following table summarizes the Residential Gallons Per Capita Per Day (R-GPCD) values for CHWD to date:

Month	R-GPCD 2016	R-GPCD 2017	% CHANGE
January	80	75	-06%
February	77	72	-06%
March	77	80	04%
April	107	87	-19%
May	155	166	07%
June	213	213	0%
July	237	241	02%
August	242		
September	189		
October	123		
November	85		
December	76		

Below is a recap of the region’s overall water saving in July 2017 as compared to 2013.

REDUCTION BY AGENCY (Data compared to 2013)		
Water Agency	July 2017 Reduction	June 2016 - July 2017 Reduction
City of Woodland	29.2%	26.8%
Del Paso Manor Water District	22.9%	26.5%
California American Water	19.8%	28.1%
Citrus Heights Water District	19.8%	25.8%
City of Sacramento	19.7%	25.9%
Orange Vale Water Company	19.4%	30.3%
City of West Sacramento	19.3%	24.2%

REDUCTION BY AGENCY (Data compared to 2013)		
Rio Linda/Elverta CWD	19.3%	24.2%
Sacramento Suburban WD	19.0%	22.7%
Golden State Water Company	17.5%	21.4%
City of Yuba City	17.0%	23.1%
Elk Grove Water District	17.0%	24.9%
City of Davis	16.2%	22.6%
San Juan Water District	15.6%	25.2%
Fair Oaks Water District	15.3%	26.2%
Carmichael Water District	15.2%	25.0%
Placer County Water Agency	14.5%	18.0%
El Dorado Irrigation District	12.3%	21.4%
City of Roseville	11.2%	22.4%
Sacramento County Water Agency	10.8%	19.9%
Rancho Murieta CSD	9.7%	22.2%
City of Lincoln	8.7%	20.3%
City of Folsom	6.2%	12.1%
Average	16.3%	23.4%
Minimum	6.2%	12.1%
Maximum	29.2%	30.3%

ACTION: Director Dains moved and Director Riehle seconded a motion to accept the Consent Calendar.

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

PRESENTATIONS:

None.

BUSINESS:

Discussion and Possible Action to Approve Utility Agreement No. 20-14-003-01 with the City of Citrus Heights

Engineering Manager/ District Engineer Pieri and Stuart Hodgkins, Principle Engineer for the City of Citrus Heights, asked the Board to consider approval of a Utility Agreement between the City of Citrus Heights and Citrus Heights Water District for the Mariposa Avenue Safe Routes to School Phase III

water mains and workload of Engineering staff. To resolve this issue the recommended budget would include transfers of \$1,150,000 annually into Water Supply Reserve to develop adequate reserve levels for use during the years that well development projects are scheduled.

Preliminary 2018 spending proposed for operations and capital improvements were summarized below.

Operating Budget: \$12.18 million, increase of 20.64%, or \$2.08 million from the 2017 budget.

- \$228,919 or 8.03% aggregate increase in cost of treated water cost from San Juan Water District. The projected quantity of water estimated to be purchased is 12,000 AF.
- \$1.61 million increase in Professional Services, including many Strategic Planning items, for the planning of Project 2030 Study, Water Meter Replacement Program, ASR Study, organizational development, District policy review/update, rebuild of the rate model, review of the CEQA process for CIP's, review of easements, LAFCo and annexations, website redesign, Water Supply Agreement, Intertie Agreements.
- \$46,615 increase in annual permit fees by the State Water Control Resources Board.
- \$185,840 increase in Employee Benefit – Retirement for the OPEB Unfunded Actuarial Liability (UAL) payment and CalPERS UAL payment.
- An aggregate salary adjustment of 4.5% which includes both a merit and Cost of Living Adjustment increase.
- \$35,000 increase in Election Expense for the 2018 elections for placing a District election on the Sacramento and Placer County ballots.

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About \$550,000 in salary and benefit costs are allocated to the Capital Improvement Budget to account for time spent in the planning, design, construction and inspection of capital projects by District employees.

Capital Improvement Budget: A 2018 Capital Improvement Budget of \$5.07 million in 2018 projects, with another \$1.62 million in projects carried over from prior years. The total 2018 Capital Improvement Budget is \$6.69 million.

Project highlights include:

- Replacement of aging customer water services budgeted at \$850,000.
- Replacement, upgrades and new fire hydrants for \$154,500.
- Operations Building Remodel/Reinvestment project scheduled design started in 2017 with construction targeted for 2019.
- Five water main replacement or installation projects scheduled to start design in 2018 with construction targeted for 2019.

- Operations equipment replacements and new equipment totaling \$140,000 for 2018.
- Carryover of Upgrades/Replacements of \$250,000 for the Document Management system in 2018.
- Groundwater Well property acquisition carryover of \$740,000.
- Groundwater Well No. 8, with design scheduled to start in 2018 at a total cost of \$257,500.

Designated Reserves Transfers:

- Reflects a transfer of \$100,000 to replenish the Rate Stabilization Reserve in 2018.
- Replenishment of the Water Efficiency Reserve of \$50,000.
- Accrual of the Water Supply Reserve of \$1,150,000.
- Maintain transfer of \$300,000 Water Meter Replacement Reserves for accrual of funds toward Meter Replacements at the end of their useful life, projected to start in 2025.

Total Operating and Capital Budgets for 2018:

Total Funding Requirements for 2018 Budgets: \$19.02 million
(Operating Budget + CIP Budget + transfers to Designated Reserves)
(\$12.19 million + \$5.07 million + \$1.76 million = \$19.02 million)

Water Rates and Charges Overview

The Board of Directors is considering a 3% rate adjustment for 2018 to support operation of the District and continued reinvestment in the District's infrastructure.

Proposition 218 Notification

The District must provide written notification of proposed water rate adjustments to all property owners within the District in accordance with the requirements of Proposition 218. The notification must be received a minimum of 45 days in advance of the public hearing where the rate adjustments are to be considered. If the Board of Directors elects to consider an increase in water service charges or usage charges for 2018, the District must prepare and mail a Proposition 218 notification not later than September 25, 2017 in order to meet the notification requirement for a public hearing at the Board's November 08, 2017 Special Meeting.

Miscellaneous charges and fees that apply to specific services provided by the District, such as plan check and inspection charges, service installation charges and capacity fees, are not subject to Proposition 218 notification requirements. The proposed fee schedule will be presented in the October Board of Directors meeting for review, discussion and possible action in November.

Public Information and Public Engagement Program for the 2018 Budget

At the August 30th Budget Study Session, staff indicated it would continue with the *Public Information and Public Engagement Plan* to help inform customers concerning key issues facing the District (e.g., increasing costs from San Juan Water District, aging infrastructure that is in need of replacement, and the importance for the District to continue its groundwater well development program), and would be developed in conjunction with the budget and rate adoption process this year.

The information and engagement strategy is divided into three parts: 1) Identifying key “Audiences”; 2) Articulating key “messages”; and 3) Identifying the “channels” for communicating and engaging with customers.

Key messages and themes will be developed: 1) With the proposed rate increase, Citrus Heights Water District will continue to maintain relatively low water rates in comparison to the Sacramento region; 2) the rate increase is important to ensure that the District is able to replace aging infrastructure; 3) The ability to replace aging infrastructure, and to expand the District’s access to groundwater by developing wells is vital to ensuring long term reliability of supply at relatively low cost to the customer; 4) The District maintains a low cost structure in terms of on-going operational expenses, and the rate increase will enable the District to replace infrastructure and expand its groundwater supply at lower cost in “today’s” versus “tomorrow’s” dollars; 5) The proposed rate increase, based on average consumption for a family of four in a single family home with a one-inch water meter, is about \$1.68 per month; 6) The District prides itself in operating in an open and transparent manner and will continue to do so; and 7) The rate increase will enable the District to continue to plan for the future, and prevent sliding into a “reactive mode” of operating and providing service to customers.

Key channels for educating and engaging customers include: the Proposition 218 Notice; a Hand-out/Mailer; new informational web page (similar to the District’s new Drought Resources web page); in-person meetings with stakeholder audiences; “road show” PowerPoint provided by key staff (General Manager, Engineering Manager, Operations Manager and Administrative Services Manager) to the City’s neighborhood associations and the Orangevale CPAC; and use of the District’ Facebook wall.

These activities will take place in the time leading up to the Board’s consideration of adopting the 2018 budget and rate increase on November 08, 2017.

The Board discussed the information presented. Director Dains requested research in regards to why State Water Resource Control Board fees have increased by such a significant margin.

CONSULTANTS’ AND LEGAL COUNSEL’S REPORTS:

None.

DIRECTOR'S AND REPRESENTATIVES REPORTS:

Regional Water Authority (Dains, Straus)

No report.

Sacramento Groundwater Authority (Sheehan)

No report.

San Juan Water District (All)

Director Riehle reported that the San Juan Water District received 16 applicants for their open board position.

Association of California Water Agencies (Dains)

No report.

ACWA Joint Powers Insurance Authority (Dains/Castruita)

No report.

Sacramento Local Agency Formation Commission (Riehle)

No report.

City of Citrus Heights (Pieri)

No report.

Chamber of Commerce Government Issues Committee (Gordon/Meurer)

General Manager, Straus, Management Services Specialist/Clerk of the Board, Castruita and Operations Manager Gordon attended a Citrus Heights Chamber of Commerce luncheon on September 12, 2017. The keynote speaker of the luncheon was County Supervisor, Sue Frost.

RWA Lobbying Program Update (Gordon/Meurer)

No report.

Other Reports

No report.

MANAGEMENT SERVICES REPORT:

Corporation Yard Safety Improvements Update

Engineering Manager/District Engineer Pieri provided an update on the status of the Corporation Yard Safety Improvements Construction Project currently under construction by PnP Construction, Inc. Construction support throughout the project is being provided by CHWD's construction manager, Domenichelli and Associates. Pieri discussed the timeline of completion of the Corporation Yard. The project is expected to be substantially complete by December 2017, weather permitting. Light fixtures, building color and roof color options were presented to the Board. The Board provided consensus direction to move forward with the recommended light fixtures, building color and roof color option.

Meter Replacement Study Update

Staff provided an update to the Board on the status of the Meter Replacement Program Request for Proposals (RFP). Staff updated the Board on CHWD's progress in working with several surrounding water districts to develop a multi-agency Water Meter Replacement and Operations program.

CORRESPONDENCE:

None.

CLOSED SESSION:

None.


FUTURE CHWD BOARD OF DIRECTORS MEETING DATES:

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

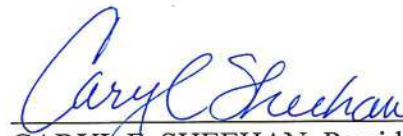
ADJOURNMENT:

There being no other business to come before the Board, the meeting was adjourned at 8:36 p.m.

APPROVED:



CHRISTOPHER CASTRUITA
Chief Board Clerk
Citrus Heights Water District



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