

Citrus Heights Water District Operations Briefing

Customer Advisory Committee Meeting
January 16, 2024

Tonight's Agenda

- Agenda Review and Participant Introductions
- More about CHWD- Presentation
- CAC “Get to Know Each Other” Activity
- Chair / Vice Chair Nominations
- Discuss Next Steps
- Public Comment Period
- CAC Member Take-aways
- Meeting Adjournment

Professional Organizations

Network of Professional Organizations

- California Association of Public Information Officials (**CAPIO**)
- California Society of Municipal Finance Officers (**CSMFO**)
- Municipal Management Association of Northern California (**MMANC**)
- California Special Districts Association (**CSDA**)
- American Water Works Association California-Nevada Section (**AWWA CA-NV**)
- Association of California Water Agencies (**ACWA**)
- Sacramento Area Water Works Association (**SAWWA**)
- Association of California Water Agencies Joint Powers Authority (**ACWAJPIA**)
- Public Agency Risk Management Association (**PARMA**)
- American Society of Civil Engineers (**ASCE**)



Intergovernmental Relationships

Intergovernmental Relationships

- City Relationships
 - City of Citrus Heights
 - City of Roseville



- County Relationships
 - Sacramento
 - Placer



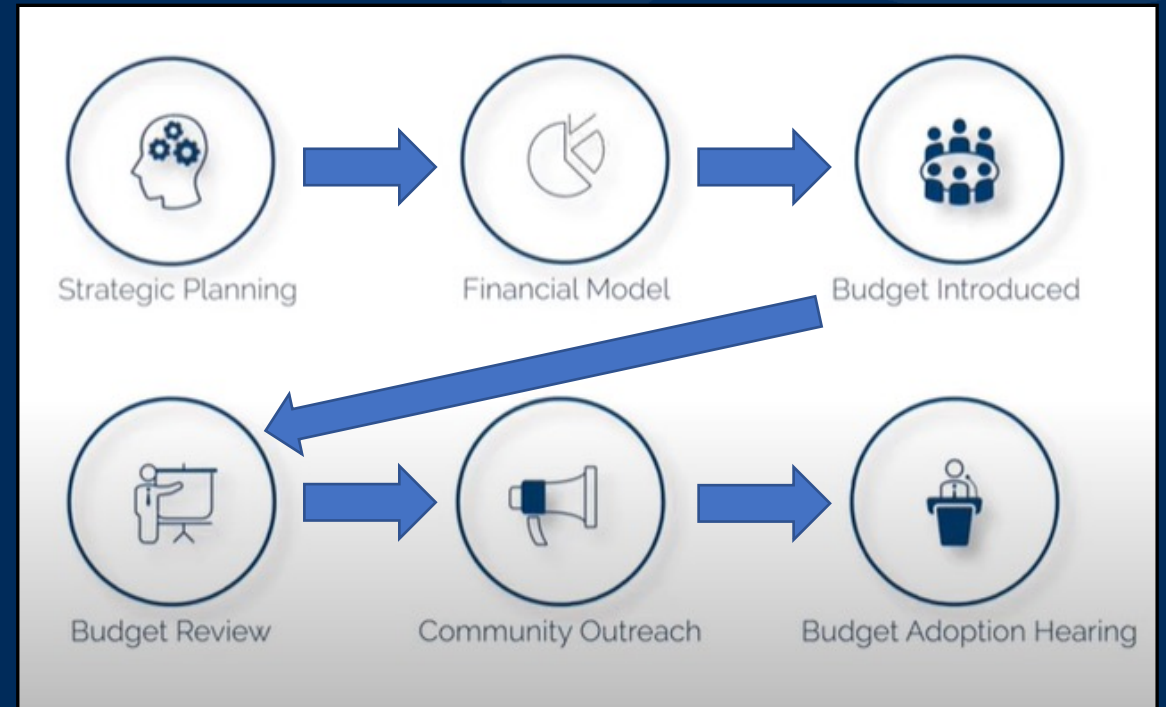
- Regional Water Authority (RWA)
- Sacramento Groundwater Authority (SGA)
- San Juan Water District (SJWD)



District Budget

CHWD Budget Process Overview

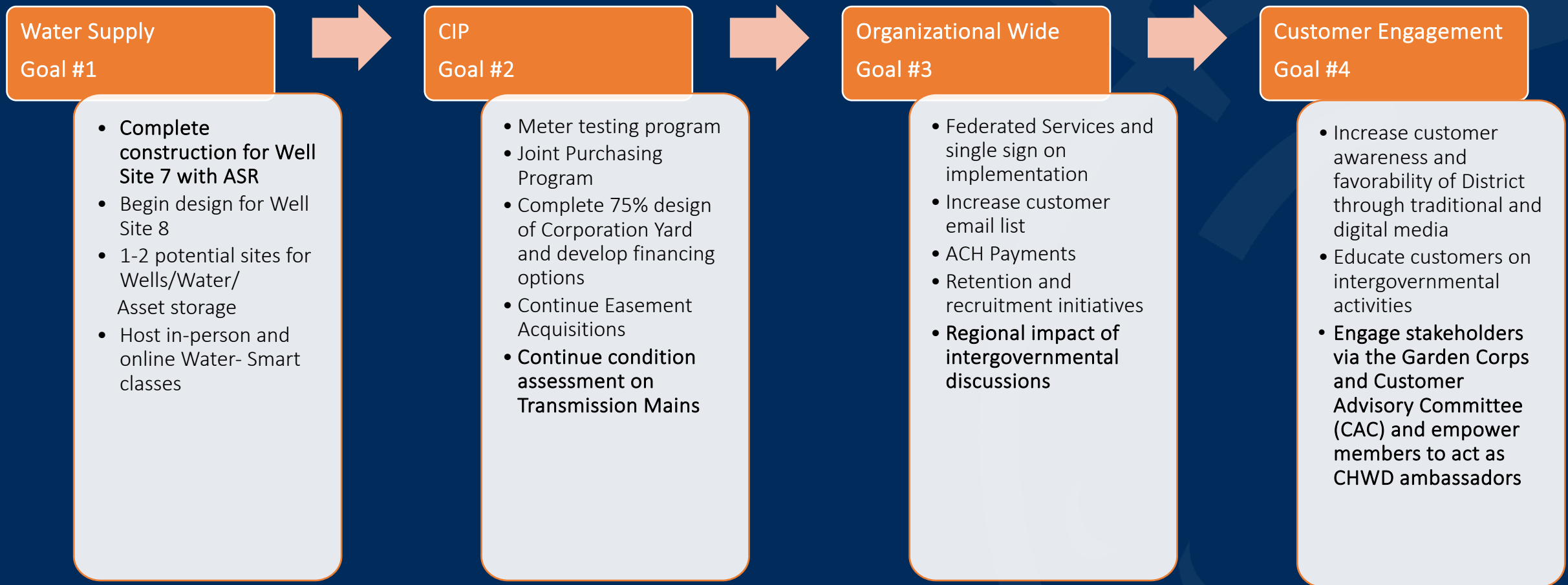
- CHWD operates on a calendar year budget
- Budget preparation begins during the strategic planning process in the preceding calendar year.
- Budget serves as an action plan for implementing CHWD's strategic planning projects and other district operational priorities.



3-Year Strategic Planning Goals Updated for 2024

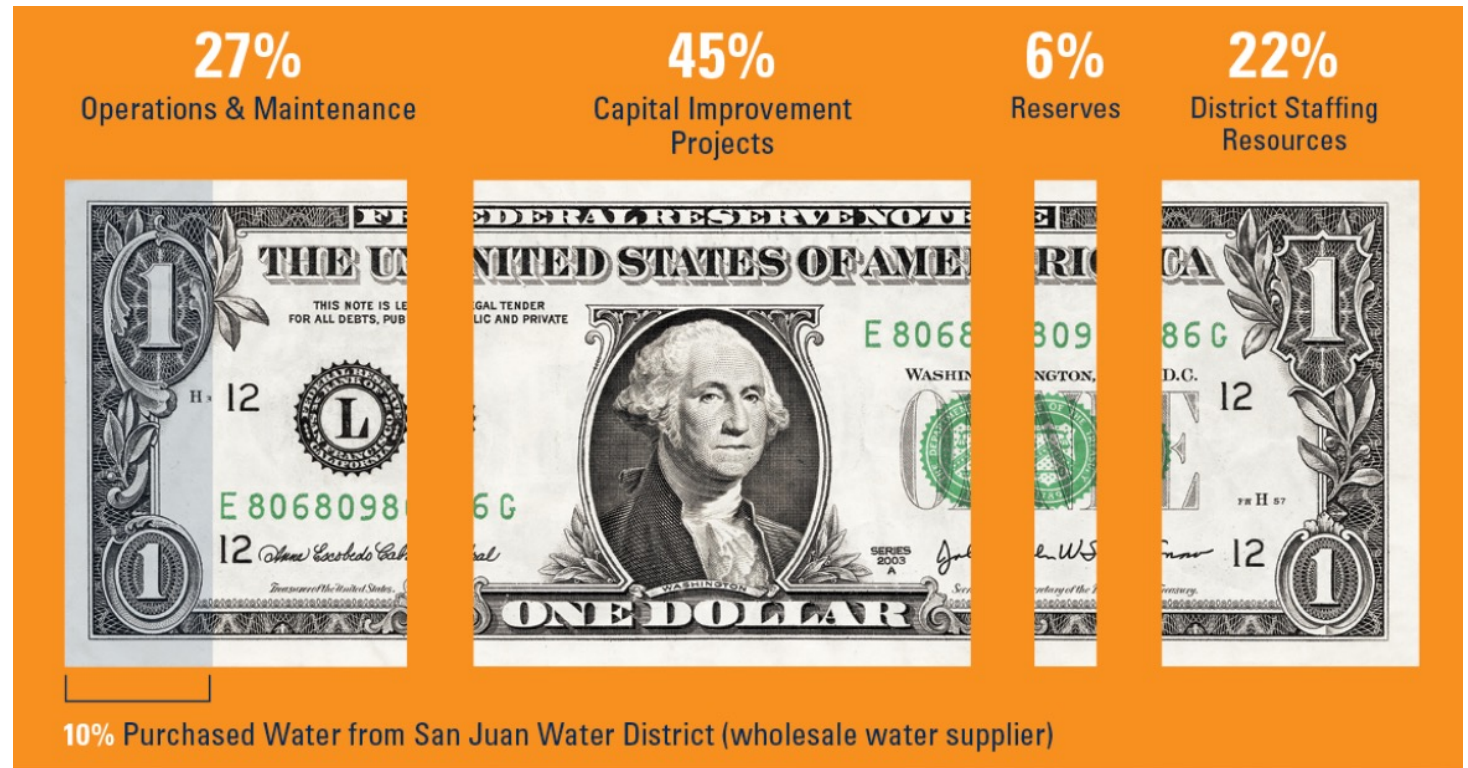
1. Manage and Diversify a **Dependable Water Supply** and Empower Customers to Use Water in an Efficient Manner
2. Manage the Improvement of and Reinvestment in District **Infrastructure and Facilities**
3. Promote **Organizational Effectiveness** and Enhance Customer Service
4. **Engage Customers** and Communicate the District's Priorities and Value-Added Programs

3- Year Strategic Goals Updated for 2024



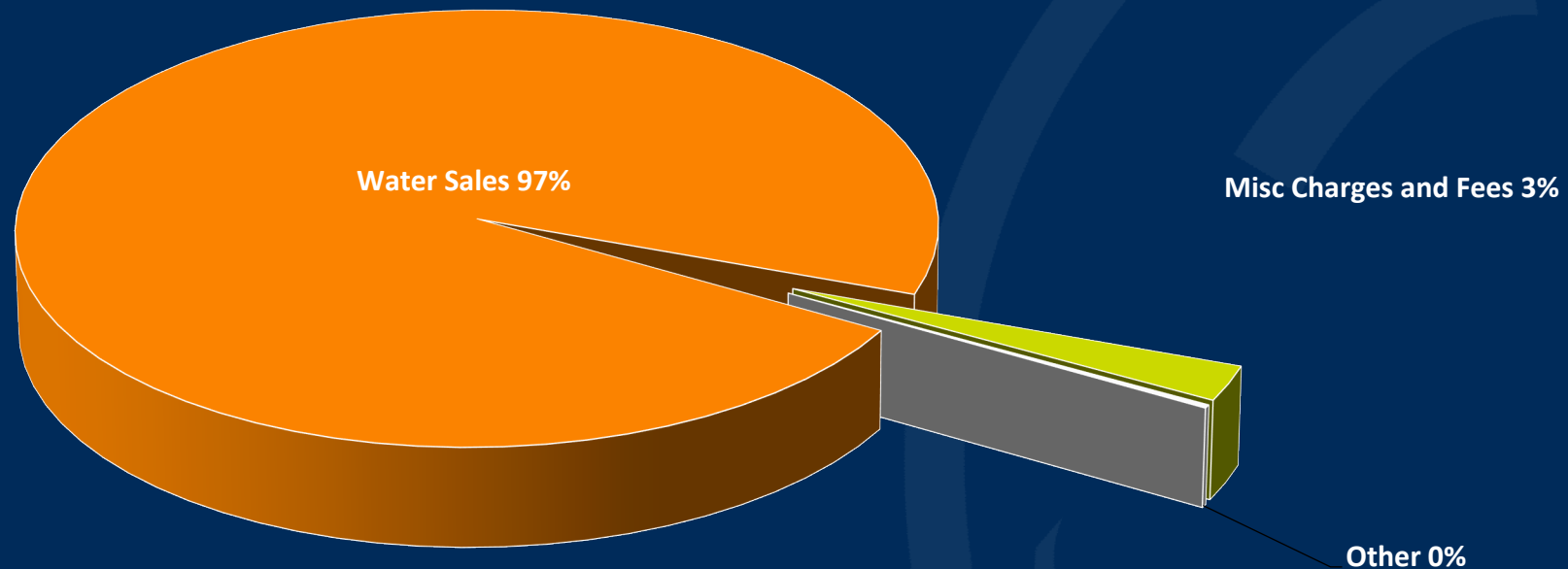
Using Customer Dollars Wisely

- CHWD's 2024 budget focuses on:
 - Completing important long-range infrastructure and asset management planning
 - Expanding CHWD's groundwater program
 - Continuing to provide enhanced public services
 - Maintaining adequate reserves
 - Providing expanded opportunities for customer participation
 - Ongoing commitment to operational and financial efficiency



Revenue Components

2022 Actuals From Annual Financial Report



Water Rates vs. Fees and Charges

Water Rates

- Service and usage charges for providing water to Customers.
- District performs a rate study annually

Fees and Charges

- Construction, Installation, Capacity, and Other Charges/Fees
 - Adjustments to Construction and Capacity Fees are updated annually based on The Engineering News-Record Index
 - Adjustments to Water Service Installation Charges, and Other Charges/Fees are updated annually based on the current year input costs

Water Rates Structure

Components included in the Rate Structure:

- Costs for ongoing operation needs
 - Pass-through for purchasing surface water
 - Staff resources cost
 - Other operational services and maintenances costs
- Costs for Capital Projects
- Costs for future needs
 - Maintaining adequate reserves

Other factors impact the Rate Structure:

- Cash flow
- Water usage
- Federal & State mandates

Investing in the Future



PROJECT 2030
WATER MAIN REPLACEMENT



**METER
REPLACEMENT
PROGRAM**
ACCURACY + EFFICIENCY + TECHNOLOGY



**Groundwater**
Expansion & Reinvestment

PROJECT 2030

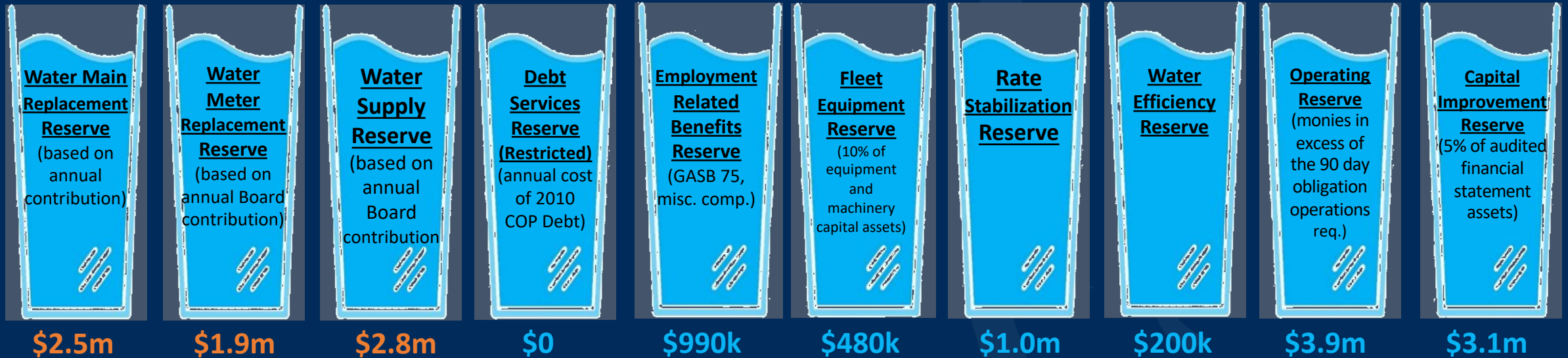
WATER MAIN REPLACEMENT



- CHWD's service area urbanized mostly between 1960 and 1985, and the life span of a water main is about 70 years
- Project 2030 will replace most of the aging water mains
 - Water main replacement will be about \$8 million annually starting in 2030
 - Project 2030 Dedicated Charge
 - About \$1.25M per year dedicated charges started 2022



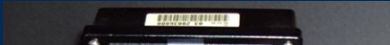
Transfers to Reserves



Based on annual Board contribution
(discretionary)

Based on existing Board policy (non-discretionary)

Water Meter Replacement Reserve

- Established: January 2017
 - Target Balance: to build up for District's future estimated meter replacement
 - To provide funds for use in evaluating, replacing water meters to benefit District customers
- Planning for Meter Replacements
 - 1ST Generation Meters
 - Implemented from 1998-2007
 - 17,500 Connections
 - Actual Cost: \$9.7 million
 - 2ND Generation Meters
 - Begin replacement starting in the next several years
 - Projected Implementation—Meter Study
 - 20,000 Connections
- 



Water Supply Reserve

- Established: August 2016
- Purpose: To provide funds for use in evaluating, designing, and constructing, replacing or rehabilitating capital facilities to benefit District customers
- Proposed to use \$2.8 million of reserves in 2025 for Wells #7 and #8



Q&A Session

CAC Chair and Vice Chair Nominations

CAC Chair & Vice Chair

ROLE OF THE CAC CHAIR

1. Call the CAC meetings to order
2. Lead the Pledge of Allegiance
3. Turn the meetings over to the facilitator for the agenda review and meeting facilitation
4. Manage any voting processes during CAC meetings, as appropriate
5. Manage the public comment portion of the CAC meetings
6. Close the meetings
7. Act as the official spokesperson for the CAC when presenting CAC updates at the CHWD Board meetings

ROLE OF THE CAC VICE CHAIR

Act for the CAC Chair should that person be unable to serve

Next steps for CAC

CAC Program Overview

2024 (Tentative Future Meeting Dates)

Feb 29 – DEADLINE for required training (Brown Act, AB 1825, AB 1234)

Mar 12 - Tour: CHWD headquarters/BBQ
CHWD Corporation Yard: 6230 Sylvan Rd. @ 5:45PM

Apr 30 – CAC Dinner Meeting

July 16 - Tour: Folsom Reservoir treatment plant, dam

Sept 10 - Dinner meeting: budget process

Oct 8 - Dinner meeting: regional collaboration/statewide issues

Dec 9 - Dinner meeting: year-in-review

CAC Required Training Components

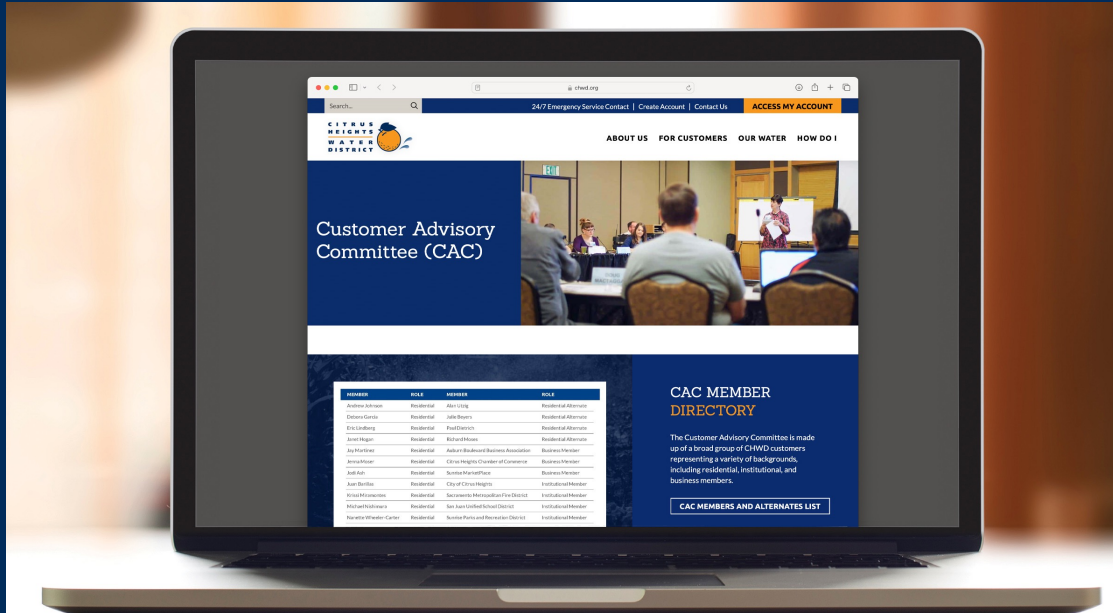
- AB 1825 -Harassment Prevention Training
- AB 1234- Ethics Compliance Training
- Keeping up with the Brown Act: An Overview of the Public Meeting Law
- <https://www.csdanet.net>

**DEADLINE for required trainings (Brown Act, AB 1825, AB 1234) –February
2024**

CSDA Training Tutorial

CAC Webpage

<https://chwd.org/cac>



Questions?

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