

**BOARD MEETING AGENDA  
REGULAR MEETING OF THE BOARD OF DIRECTORS OF  
CITRUS HEIGHTS WATER DISTRICT (CHWD)  
MARCH 14, 2017 beginning at 6:30 PM**



**DISTRICT ADMINISTRATIVE OFFICE  
6230 SYLVAN ROAD, CITRUS HEIGHTS, CA**

In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the General Manager at (916) 725-6873. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

**CALL TO ORDER:**

Upon request, agenda items may be moved to accommodate those in attendance wishing to address that item. Please inform the General Manager.

**ROLL CALL OF DIRECTORS**

**PLEDGE OF ALLEGIENCE:**

**VISITORS:**

**PUBLIC COMMENT:**

The Public shall have the opportunity to directly address the Board on any item of interest to the public before or during the Board's consideration of that item pursuant to Government Code Section 54954.3. Public comment on items of interest within the jurisdiction of the Board is welcome. The Presiding Officer will limit comments to three (3) minutes per speaker.

(A) Action Item

(D) Discussion Item

(I) Information Item

**CONSENT CALENDAR: (A/I)**

All items under the Consent Calendar are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board, Audience, or Staff request a specific item be removed for separate discussion/action before the motion to approve the Consent Calendar.

- CC-1. Minutes of the Regular Meeting – February, 2017.
- CC-2. Revenue Analysis Report for February 2017.
- CC-3. Assessor/Collector's Roll Adjustment for February 2017.
- CC-4. Treasurer's Report for February 2017.
- CC-5. Treasurer's Report of Fund Balances for January 2017.
- CC-6. Operations Budget Analysis for January 2017.
- CC-7. Capital Projects Summary February 2017.
- CC-8. Warrants for February 2017.
- CC-9. CAL-Card Distributions for February 2017.
- CC-10. Summary of 2017 Employees, Officers and Directors Training Courses, Seminars and Conference.

- CC-11. Water Efficiency Program Update (I).  
Water Efficiency Program updates for February 2017.
- CC-12. Project Management and Engineering Departmental Report.  
Significant assignments and activities for the Project Manager (PM) and District engineering, construction inspection, and geographical information system maintenance staff are summarized in this report.
- CC-13. Operations Departmental Report.  
Monthly report on construction and maintenance activities plus water analysis reports.
- CC-14. 2017 Water Supply – Purchased and Produced.
- CC-15. Surface Water Supply.
- CC-16. Investment of District Funds Policy (A)  
Review and consider one amendment to District Fiscal Management Policy No. 6300, Investment of District Funds.
- CC-17. Consideration of Concurrence for Nominations of Thomas Cuquet (South Sutter Water District) & Kathy Tiegs (Cucamonga Valley Water District) for Association for Water Agencies Joint Powers Insurance Authority (ACWA-JPIA) Executive Committee (A)  
Adopt Resolution No. 02-17 Concurring in Nomination to the Executive Committee of the ACWA JPIA in Support of Thomas Cuquet  
Adopt Resolution No. 03-17 Concurring in Nomination to the Executive Committee of the ACWA JPIA in Support of Kathleen Tiegs
- CC-18. Agreement with Kirby’s Pump and Mechanical, Inc. for Replacement of Groundwater Pump and Motor for Palm Avenue Well  
Consider acceptance of a bid to repair and upgrade the pump and motor at Palm Well. Work to be performed includes: removal, repair, and installation of pump and motor. A down-hole video will also be performed.

#### **PRESENTATIONS:**

- P-1. Resolution 04-2017 Commending Judith K. Albietz for Outstanding Legal Representation (A)  
Present Resolution 04-2017 to Judith K. Albietz, in honor of her retirement as General Counsel.
- P-2. Project 2030—Water Main Replacement Program. (I/D)  
Review proposed scope of work of Planning Study.

#### **OLD BUSINESS:**

- O-1. Board of Directors Compensation Survey. (I/D)  
Review benefit information from Vincent Catalano, Senior Vice President, Arthur J. Gallagher and Company.

- O-2 Discussion and Possible Action—Best Best and Krieger (BB&K) Legal Services Agreement (A)  
Consider approval of a legal services agreement with Best Best and Krieger, LLP for General Counsel services.
- O-3 Discussion and Possible Action—Liebert Cassidy and Whitmore (LCW) Legal Services Agreement (A)  
Consider approval of a legal services agreement with Liebert Cassidy and Whitmore (LCW) for supplemental employment practices services.
- O-4 District Water Conservation Stage Declaration (I/A)  
Declare the District's Water Conservation Stage for 2017.

**NEW BUSINESS:**

- N-1. None.

**CONSULTANTS' AND LEGAL COUNSEL'S REPORTS (I):**

None.

**DIRECTOR'S AND REPRESENTATIVE'S REPORTS (I):**

- D-1. Regional Water Authority (Dains).
- D-2. Sacramento Groundwater Authority (Sheehan).
- D-3. San Juan Water District (All).
- D-4. Association of California Water Agencies (Dains).
- D-5. ACWA Joint Powers Insurance Authority (Straus).
- D-6. Sacramento Local Agency Formation Commission (Riehle).
- D-7. City of Citrus Heights (Pieri).
- D-8. Chamber of Commerce Government Issues Committee (Gordon/Meurer).
- D-9. Other Reports.

**MANAGEMENT SERVICES REPORTS (I):**

- MS-1. Employee Recognition.
- MS-2. Long Range Board Agenda.

**CORRESPONDENCE:**

None.

**CLOSED SESSION:**

None.

**FUTURE CHWD BOARD OF DIRECTORS MEETING DATES:**

March 28, 2017	6:30 PM	Special Meeting
April 11, 2017	6:30 PM	Regular Meeting
May 16, 2016	6:30 PM	Rescheduled Regular Meeting

**ADJOURNMENT:**

**CERTIFICATION:**

I do hereby declare and certify that this agenda for this Regular Meeting of the Board of Directors of the Citrus Heights Water District was posted in a location accessible to the public at the District Administrative Office Building, 6230 Sylvan Road, Citrus Heights, CA 95610 at least 72 hours prior to the regular meeting in accordance with Government Code Section 54954.2.



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Hilary M. Straus, General Manager/Secretary

Dated: March 9, 2017

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CITRUS HEIGHTS WATER DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING MINUTES  
FEBRUARY 14, 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

Management Staff:

Hilary M. Straus, General Manager  
Paul A. Dietrich, Project Manager  
David M. Gordon, Operations Manager  
Susan K. Sohal, Accounting Supervisor  
Rex W. Meurer, Water Efficiency Supervisor

**VISITORS:**

Sara Rogers, P.E., Vice President, Domenicelli and Associates, Inc.  
Daryl Heigher, Domenicelli and Associates, Inc.  
Shellie Anderson, Principal, Bryce Consulting, Inc.  
Adam Robin, Legislative and Regulatory Affairs Manager, Sacramento Regional Water Authority  
Nicholas Spiers  
Lorraine Cassidy

**PLEDGE OF ALLEGIANCE:**

Board President Caryl 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 – January 10, 2017.  
Revenue Analysis Report for January 2017.  
Assessor/Collector's Roll Adjustment for January 2017.  
Treasurer's Report for January 2017.  
Treasurer's Report of Fund Balances for January 2017.  
Operations Budget Analysis for January 2017.  
Capital Improvements Budget Analysis for January 2017.

Warrants for January 2017.  
 CAL-Card Purchases for January 2017.  
 Summary of 2017 Directors, Officers and Employees Training, Seminars and Conference Expenses.

**JANUARY 2017 WARRANTS**

62792	ACWA	Dues & Subscriptions	\$13,360.00
62793	Domenichelli and Associates, Inc	Contract Services-Engineering	\$9,930.00
62794	GM Construction & Developers	Contract Services-Miscellaneous	\$12,484.25
62795	SMUD	Utilities	\$14,730.95
62796	Sonsray Machinery, LLC	Fixed Assets	\$18,312.57
62797	US Bank I.M.P.A.C. Government Services	Continued Education	\$19,563.93
62798	Edward/Suzanne Jensen	Customer Refund	\$44.21
62799	Keller Williams Realty	Customer Refund	\$246.04
62800	Pairlee W Roland	Customer Refund	\$226.75
62801	Marina Malikov	Customer Refund	\$78.69
62802	Kenneth/Bethaney Smith	Customer Refund	\$77.67
62803	ABA DABA Rentals & Sales	Supplies-Field	\$173.81
62804	Albietz Law Firm	Legal & Audit	\$4,440.35
62805	AREA Restroom Solutions	Equipment Rental-Field	\$114.34
62806	Avalon Custodial Care	Janitorial	\$695.00
62807	Axcient Inc	Maintenance Agreement-Software	\$444.30
62808	BSK Associates	Water Analysis	\$252.00
62809	Burketts	Office Expense	\$274.11
62810	California Landscape Associates Inc	Janitorial	\$200.00
62811	Caltronics Business System	Small Office Equipment	\$168.48
62812	Corix Water Products, Inc	Material	\$7,707.42
62813	Cybex	Equipment Rental- Office	\$139.45
62814	Future Ford	Repair-Trucks	\$1,545.84
62815	Holt of California	Equipment Repair-Hardware	\$667.44
62816	Integrity Administrators Inc	Health Insurance	\$277.20
62817	KBA Docusys Inc	Equipment Rental- Office	\$343.43
62818	Ernest L Leporini	Contract Services-Engineering	\$2,640.00
62819	Miles Treaster & Associates	Office Expense	\$2,229.40
62820	Moonlight BPO	Contract Services-Bill Print	\$1,732.85
62821	Pace Supply Corp	Material	\$571.32
62822	Protection One Alarm Monitoring	Equipment Rental- Office	\$140.00
62823	Ramos Environmental Services	Field Miscellaneous	\$75.75
62824	RH Davis & Co. LTD	Contract Services-Engineering	\$250.00
62825	Rotary Club of Citrus Heights	Continued Education	\$210.00
62826	Susan Sohal	Continued Education	\$14.95
62827	Sonitrol	Equipment Rental- Office	\$162.27

Board of Directors Regular Meeting

Minutes of February 14, 2017

Page 3

62828	SWRCB	Dues & Subscriptions	\$6,333.52
62829	Randy E Dunham	Customer Refund	\$142.22
62830	Michael J/Connie L Parshall	Customer Refund	\$17.97
62831	Jeanie/Shane P Molloy	Customer Refund	\$166.05
62832	Herman J Gambino	Customer Refund	\$14.58
62833	Kevin R/Gina L Robinson	Customer Refund	\$57.05
62834	Tim M/Bianca Wheeler	Customer Refund	\$8.69
62835	Jilian P Mathias	Customer Refund	\$102.16
62836	Maricela L Rodriguez	Customer Refund	\$351.50
62837	Laronda R Holder	Customer Refund	\$11.56
62838	Remax Gold	Customer Refund	\$166.19
62839	AFLAC	Employee Paid Insurance	\$238.56
62840	Alexander's Contract Services	Contract Services-Meter Reading	\$2,023.48
62841	Aptos Village c/o Charma Piperisky	Customer Refund	\$17.74
62842	Axcient Inc	Maintenance Agreement-Software	\$444.30
62843	CirclePoint	Contract Services-Conservation	\$4,148.33
62844	Robin Cope	Health Insurance	\$411.00
62845	2014-1 IH Borrower	Customer Refund	\$30.99
62846	Jason E Hartshorn	Customer Refund	\$33.66
62847	J4 Systems	Contract Services-Other	\$3,005.00
62848	KBA DOCUSYS	Equipment Rental- Office	\$641.12
62849	Moonlight BPO	Contract Services-Bill Print	\$5,477.10
62850	Placer County Department of Public Works	Permit Fees	\$75.00
62851	Republic Services #922	Utilities	\$395.60
62852	The Sacramento Gazette	Publication Notices	\$83.05
62853	SureWest Directories	Telephone-Local Long Distance	\$49.00
62854	Colantuono, Highsmith & Watley, PC	Legal & Audit	\$7,976.50
62855	Regional Government Services	Contract Services-Other	\$2,739.06
62856	Mark Tanzi	Customer Refund	\$18.58
62857	Dews 2013 Living Trust	Customer Refund	\$13.25
62858	Rita A Gifford	Customer Refund	\$109.49
62859	Denise S Davis	Customer Refund	\$68.03
62860	Gary/Deanna Ford	Customer Refund	\$177.61
62861	Austin M Taylor	Customer Refund	\$72.24
62862	Eric/Teresa Gravitt	Customer Refund	\$74.72
62863	Mohammad A Pazdel	Customer Refund	\$165.25
62864	Evan C/Kellie D Currie	Customer Refund	\$18.09
62865	Donald T Daves	Customer Refund	\$11.76
62866	ABA DABA Rentals & Sales	Supplies-Field	\$159.48
62867	Alexander's Contract Services	Contract Services-Meter Reading	\$4,504.43
62868	Bart/Riebes Auto Parts	Repair-Trucks	\$83.89
62869	Bryce Consulting, Inc	Legal & Audit	\$560.00
62870	Brady Chambers	Continued Education	\$111.80

## Board of Directors Regular Meeting

Minutes of February 14, 2017

Page 4

62871	Consolidated	Telephone-Local Long Distance	\$1,730.09
62872	Ditch Witch	Fixed Assets	\$729.74
62873	Griffin Electric, Inc.	Wells Maintenance	\$265.00
62874	Dana Mellado	Continued Education	\$111.80
62875	Moonlight BPO	Contract Services-Bill Print	\$545.96
62876	Sharon Pfaff	Office Expense	\$75.00
62877	Pacific Gas & Electric	Utilities	\$158.34
62878	Desiree Smith	Continued Education	\$111.80
62879	TechnoFlo Systems	Equipment Repair-Hardware	\$251.41
62880	Titan Workforce LLC	Contract Services-Temporary Labor	\$1,527.75
62881	United Textile	Supplies-Field	\$245.78
62882	Voyager Fleet Systems Inc	Gas & Oil	\$1,203.14
62887	Richard/Janice M Martinez	Customer Refund	\$8.97
62888	Justin R Williams	Customer Refund	\$180.02
62889	Don/Gloria Goode	Customer Refund	\$171.15
62890	Virginia E Fallert	Customer Refund	\$81.22
62891	Sarah/John Rohrer	Customer Refund	\$55.07
62892	Quantix Real Estate Group LLC	Customer Refund	\$17.78
62893	Kendall/James L Milner	Customer Refund	\$32.59
62894	ACWA/JPIA	Workers Comp Insurance	\$7,771.64
62895	AnswerNet	Telephone-Answering Service	\$231.09
62896	James Buford	Small Tools	\$738.30
62897	Burketts	Office Expense	\$36.72
62898	Corelogic Information Solutions Inc	Dues & Subscriptions	\$184.33
62899	Dawson Oil Company	Gas & Oil	\$2,055.54
62900	Government Finance Officers Association	Dues & Subscriptions	\$150.00
62901	Hansen Software Corporation	Maintenance Agreement-Software	\$400.00
62902	J4 Systems	Contract Services-Other	\$220.00
62903	Kaiser Foundation Health Plan, Inc	Health Insurance	\$17,842.88
62904	Liebert Cassidy Whitmore	Legal & Audit	\$245.00
62905	Moonlight BPO	Contract Services-Bill Print	\$4,380.63
62906	Red Wing Shoe Store	Small Tools	\$275.00
62907	RW Trucking	Contract Services-Miscellaneous	\$783.75
62908	Sophos Solutions	Contract Services-Other	\$2,880.00
62909	A. Teichert & Son, Inc.	Road Base	\$2,068.41
62910	Titan Workforce LLC	Contract Services-Temporary Labor	\$803.25
62911	Verizon Wireless	Telephone-Wireless	\$1,004.71
62912	WaterWise Consulting, Inc	Contract Services-Conservation	\$350.00
62913	World Environment & Energy Inc	Contract Services-Miscellaneous	\$375.00
62914	Zee Medical Company	Supplies-Field	\$151.28
62915	David R / Marily A Baker	Toilet Rebate Program	\$150.00
62916	Daniel S Haviland	Toilet Rebate Program	\$75.00



Board of Directors Regular Meeting

Minutes of February 14, 2017

Page 5

62917	Pace Supply Corp	Material	\$5,027.54
62918	US Bank I.M.P.A.C. Government Services	See February Agenda Item CC:9	\$6,759.83
62921	Pace Supply Corp	Material	\$5,052.81
62922	Void	Void	\$0.00
<b>Total</b>			\$223,349.6 9
ACH	VANCO	Contract Services-Other	\$105.18
ACH	PAYCHEX	Contract Services-Other	\$350.85
ACH	DECEMBER 2016 PH	Bank Service Fee	\$219.05
ACH	FP MAILING SOLUTIONS-POSTAGE	Equipment Rental- Office	\$1,000.00
ACH	PERS 12/29/17 PAYDAY	PERS	\$14,900.09
ACH	WHA	Health Insurance	\$14,858.91
ACH	DECEMBER 2016 FD	Bank Service Fee	\$316.40
ACH	DECEMBER 2016 FEE	Bank Service Fee	\$2,325.38
ACH	DECEMBER 2016 WEB	Bank Service Fee	\$4,651.12
ACH	UNION BANK	COP Debt Service	\$126,502.8 6
ACH	PERS 1/12/17 PAYDAY	PERS	\$15,066.53
ACH	VALIC 1/12/17 PAYDAY	Deferred Compensation	\$3,200.00
ACH	VALIC 1/26/17 PAYDAY	Deferred Compensation	\$3,200.00
ACH	VOYA 1/12/17 PAYDAY	Deferred Compensation	\$25.00
ACH	VOYA 1/26/17 PAYDAY	Deferred Compensation	\$25.00
<b>Total</b>			\$186,746.3 7
<b>Grand Total</b>			\$410,096.0 6

**February Checks Approved at February Board Meeting**

62937	ACWA/JPIA	Workers Comp Ins	\$10,816.91
62938	SMUD	Utilities	\$8,756.45
62939	FERGUSON ENTERPRISES INC	Material	\$25,806.14
<b>Total</b>			\$45,379.50

Water Efficiency Program Update

**ACTIVITIES AND PROGRESS REPORT**

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

- 6 ultra-low-flush toilet (ULFT) rebates were processed for the month of January. A total of 6

ULFT rebates have been processed for a total of \$450.00 year to date.

- For the month of January, 0 High Efficiency Clothes Washer (HECW) rebates were processed. Year-to-date, 0 HECW rebates were processed by SMUD for District customers.
- 32 water waste calls were received during the month of January. 2 reports of water waste were received through the CHWD's Drought Resources web page. An additional 4 service requests were generated in-house by staff. A total of 27 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 CHWD to date:

Month	R-GPCD 2016	R-GPCD 2017	% CHANGE
January	80	75	-.06%
February	77		
March	77		
April	107		
May	155		
June	213		
July	237		
August	242		
September	189		
October	123		
November	85		
December	76		

- Below is a recap of the region's overall water saving in December as compared to 2013.

<b>REDUCTION BY AGENCY (Data compared to 2013)</b>		
<b>Water Agency</b>	<b>Dec. 2016 Reduction</b>	<b>June 15 - Dec. 16 Reduction</b>
San Juan Water District	40.9%	29.6%
Del Paso Manor Water District	39.5%	31.1%
Orange Vale Water Company	38.9%	35.3%
Elk Grove Water District	37.9%	31.0%
Rancho Murieta CSD	37.5%	25.8%
Fair Oaks Water District	32.9%	31.9%
Sacramento Suburban WD	32.0%	27.5%

<b>REDUCTION BY AGENCY (Data compared to 2013)</b>		
<b>Water Agency</b>	<b>Dec. 2016 Reduction</b>	<b>June 15 - Dec. 16 Reduction</b>
California American Water	30.3%	32.7%
El Dorado Irrigation District	29.2%	26.6%
City of Woodland	28.5%	28.5%
Carmichael Water District	28.2%	30.9%
City of Lincoln	27.8%	27.5%
<b>Citrus Heights Water District</b>	<b>26.0%</b>	<b>30.8%</b>
City of Roseville	26.0%	29.6%
City of West Sacramento	23.1%	27.8%
City of Yuba City	22.4%	25.9%
City of Sacramento	21.8%	27.9%
City of Davis	21.5%	24.5%
Placer County Water Agency	20.2%	24.4%
Rio Linda/Elverta CWD	18.5%	29.7%
Sacramento County Water Agency	14.3%	28.6%
Golden State Water Company	11.6%	26.8%
City of Folsom	2.2%	20.5%
Average	26.6%	28.5%
Minimum	2.2%	20.5%
Maximum	40.9%	35.3%

Graham Circle 8” and Circuit Drive 6” Water Main Replacement (A)

PM Dietrich reported that Warren Consulting Engineers, Inc. provided a proposal for drafting and surveying services for the District’s project as shown below. Warren Consulting Engineers, Inc. has provided drafting and surveying services for the District on recent projects and is fully qualified to support the District’s Engineering Department on this project.

Graham Circle 6” and Circuit Drive 8” Water Main Replacement Project:

Engineer’s Preliminary Construction Cost Estimate	\$420,537.00
Warren Consulting Engineers, Inc. Drafting and Surveying Proposal	\$26,000.00
Percentage of Preliminary Construction Cost Estimate	6.18%

The recommended action for this item was for the Board to authorize the General Manager to execute a Professional Services Agreement with Warren Consulting Engineers, Inc. in an amount not to exceed \$26,000 for drafting and surveying services for the Graham Circle 6” and Circuit Drive 8” Water Main Replacement Project.

Approval of Agreement with San Juan Water District for Reimbursement of Citrus Heights Water District's Costs to Pump Groundwater to San Juan Water District (A)

GM Straus reported that consideration and approval of the groundwater reimbursement agreement that accompanies the Agenda Report would bring closure to an outstanding reimbursement for groundwater pumping by Citrus Heights Water District to neighboring San Juan Water District (SJWD) in 2014, and for other groundwater-related operational and maintenance expenses incurred by CHWD to ensure CHWD's readiness to serve San Juan Water Wholesale Customer Agencies (WCAs) during 2009-2013.

The agreement's terms and conditions, including reimbursement costs, were developed through negotiation among the SJWD, CHWD and Fair Oaks Water District (FOWD) General Managers, which concluded in early-to-mid 2016. The reimbursement amount identified and agreed upon owed to CHWD was based on CHWD staff's review of the District's groundwater-related operational and maintenance cost data.

While key terms and conditions were agreed upon nearly a year ago by CHWD, FOWD and SJWD staff, SJWD delayed concluding the agreements with CHWD and FOWD until it could update its financial plan. The silver lining is that while an up-to five year payback schedule was under consideration, SJWD returned to CHWD and FOWD in early 2017, agreeing to a shorter three year payback schedule.

The accompanying agreement calls for a three year payback to CHWD, totaling \$1,058,793. SJWD's reimbursement to CHWD begins with a one-time credit of \$264,698, and provides an additional \$794,095, credited against wholesale water purchases spread over three years in twelve (12) quarterly amounts of \$66,175, beginning in July 2017. The credits will be shown on and deducted from SJWD's invoices for wholesale water service fees and charges issued to CHWD.

General Counsel Judy Albietz reviewed the agreement, and is in concurrence with its terms and conditions. Notwithstanding, General Counsel Albietz sought clarification from SJWD concerning Section 3, adding that future groundwater supplied to SJWD would be "surplus to CHWD's needs and intended to supplement SJWD water supplies." This additional language, taken with Recital C on p.1 of the Agreement, clarifies that CHWD is the owner/controller of its groundwater. SJWD staff and General Counsel have agreed to this language clarification, and the accompanying agreement includes the language update.

The SJWD Board of Directors approved this agreement at its January 25, 2017 meeting.

This agreement is one-time in nature, meaning that any future groundwater pumping and reimbursements would have to be negotiated between/among agencies. Future discussions along these lines open up the possibility to discuss this issue in a larger policy context of water reliability, including surface and groundwater.

The recommended action was to approve the Agreement with San Juan Water District, and to authorize the CHWD Board President to execute the agreement.

Approval to Reschedule the May 9, 2017 Regular Board of Directors Meeting to May 16, 2017 Due to Conflict with Association of California Water Agencies (ACWA) Spring Conference (A)

Staff sought Board approval to reschedule its Regular meeting of May 9, 2017 to May 16, 2017 due to a scheduling conflict with the Association of California Water Agencies (ACWA) Spring Conference in Monterey. The recommended action was to approve rescheduling of the May 9, 2017 Regular Board of Directors meeting to the following Tuesday, May 16, 2017 at 6:30 PM.

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:**

Corporation Yard 60% Design Improvements. (I/D)

PM Dietrich provided the Board with an overview of the sixty percent (60%) design of Corporation Yard Master Plan – Phase 1 Improvements (Project Number C15-102). Sara Rogers, P.E., Vice President, Domenicelli and Associates, Inc. also discussed the details of the design and was available for questions.

The Board indicated its approval of the project approach and progress to date by consensus. Staff reported that the project will be brought back to the Board for review and consideration at the 90% design phase.

**OLD BUSINESS:**

Board of Directors Compensation Survey (I/D)

GM Straus reported that at the December 13, 2017 regular Board meeting, as an outgrowth of item N-4, “Cost of Living Increase,” the Board provided direction to complete an elected officials’ compensation survey of Boards of Directors and City Council Members for agencies that are included in CHWD’s labor market. Those agencies include: Carmichael Water District, the Cities of Citrus Heights, Davis, Folsom, Lincoln, Roseville, Sacramento, Woodland, Del Paso Manor Water District, El Dorado Irrigation District, Elk Grove Water Service, Fair Oaks Water District, Rancho Murieta Community Services District, Regional Water Authority, Rio Linda Elverta Community Water District, Sacramento County, Sacramento Suburban Water District and San Juan Water District.

Shellie Anderson, Principal with Bryce Consulting, had completed the survey accompanying the Agenda Report as Attachment 1, and provided an overview of the survey results at the February 14, 2017 Board meeting.

Additionally as background to this item, the Board of Directors approved Ordinance No. 01-2008 (Attachment 2) on January 8, 2008 setting Directors’ compensation at \$145.00 per day for attending Board meetings and other Board-sanctioned functions. This amount is still in effect today. Under this Ordinance and District Board of Directors and Officers Policy 2040 (Attachment 3), changes in compensation of Directors requires approval of the Board of Directors (adoption of a new ordinance adjusting the compensation) during an Open Session at a Regular Meeting held at least 60 days prior to the effective date of the change.

The Board reviewed the compensation survey data collected and provide direct to staff to cost-out several types of benefits and to return to the Board for further consideration and direction. GM Straus indicated that he and the staff would work with CHWD's benefits broker, Arthur J. Gallagher and Company, to collect the benefit and cost data and to report back to the Board. Additionally, staff will provide to the Board historical cost data of CHWD Board Member compensation.

#### State Water Board—Conservation Regulations Update

WES Meurer reported that on January 18, 2017, the State Water Resources Control Board (State Water Board) held a workshop to receive input on the potential modification and extension of the current conservation regulations. The State Water Board solicited public comments on the proposed framework and received approximately 75 comment letters. In the District letter, CHWD requested that the State Water Board consider the improved water conditions in December 2016 and January 2017, and whether a conservation regulation continued to be necessary.

CHWD recommended that the State Water Board allow the current Emergency Regulations to expire in February 2017. The District urged the State Water Board to consider using the statewide "stress test" which uses the District's supply projection for the next three years based on current supply conditions plus an assumed three-year hydrology. Under the revised Short-Term Water Conservation regulations, the District was required to self-certify the accuracy of CHWD's conclusions and provide analysis and supporting data. By meeting the "stress test" criteria, the District was able to avoid mandatory reduction targets. Additionally, CHWD's letter requested that the State Water Board allow the District to manage its local water supply options.

On February 8<sup>th</sup>, 2017 the State Water Board met to discuss amending and re-adopting drought related emergency regulations for urban water conservation (Executive Order B-37-16). Citing a need to be prudent and prepare for another possible dry year, the State Water Board voted unanimously to extend the state's emergency conservation regulations. The Board voted to keep EO B-37-16 in place until May 2017. State Water Board Chair Felicia Marcus stated during the meeting, "We've had an impressive first half ... (of the water year)." Board Chair Marcus continued, "But we can't predict where we will stand at the end of the season." The Board's action to extend the water conservation regulations was undertaken amid criticism that this year's rains have ended California's state of emergency. At the meeting, there was a lengthy public comment period in which many speakers asked that the Order be allowed to expire since California is experiencing a record wet year.

Because of the extended regulations, the District is required to pass the statewide "stress-test" to demonstrate that CHWD has enough water reserves to withstand an additional three dry years. The District will avoid mandatory water reduction targets by demonstrating the District's ability to meet the "stress test" for 2017.

Based on the extension of the regulations staff recommends that CHWD remain in a Stage 2 Water Alert, requesting that customers maintain a voluntary 5%-10% reduction in water use in comparison to 2013 usage. Staff will revisit the topic in May 2017 to consider options. The extension of EO B-37-16 will present a challenge to the District to maintain credibility with customers as CHWD requests customers to observe the emergency drought order when there is no emergency and many reservoirs

are full.

There was no mention of the long-term regulations, which include water budgets, water loss control and updated Urban Water Management Plans. The last policy report concerning proposed long-term water conservation regulations was a draft document sent by the State Water Board to the Governor's Office.

Currently, the Governor's Office is reviewing the report and providing its input/changes. No date has been provided as to when the final document will be released to the public.

CHWD staff will continue to monitor developments and keep the Board informed.

Based on the report received by staff and the Board's assessment of hydrologic conditions due to the wetter-than-average rainfall, the Board directed staff to bring back an item for Board discussion and possible action to move CHWD to Stage 1 water conditions (Normal Supply). As part of the item, staff should assess if CHWD's moving to Stage 1 would put CHWD at risk of falling out of compliance with the State's water conservation regulations and/or hinder CHWD's ability to pursue future State grant funding.

### **NEW BUSINESS:**

#### Discussion of Regional Water Authority's (RWA) Legislative and Regulatory Program, Upcoming Legislative Meeting & Possible Additional Legislative/Intergovernmental Meetings (I/D)

GM Straus reported that in anticipation of a meeting CHWD Board Vice President Riehle and leadership staff have scheduled with Assembly Member Cooley on February 16<sup>th</sup>, it is timely to have a Board discussion about CHWD's legislative priorities so that the team meeting with Assembly Member Cooley is able to convey the Board's state-level policy priorities and concerns. Moreover, the Board can identify additional legislative and/or regulatory agency meetings it wishes for CHWD to consider pursuing moving forward.

As luck and timing would have it, RWA's new Legislative and Regulatory Affairs Manager Adam Robin was also available to meet with the CHWD Board on February 14<sup>th</sup> as part of this agenda item to provide an overview of RWA's subscription lobbying program and key issues on RWA's legislative agenda. Mr. Robin's presentation will serve as a resource for the Board as the Board identifies key policy priorities.

After receiving a report from RWA staffer Robin and further discussion, the Board provided consensus direction to staff that CHWD should join RWA's subscription lobbying program. The program's cost is \$9,000 per year, and is within the expenditure authority of the General Manager.

Additionally, the Board agreed that it was important to express concerns to Assembly Member Cooley about the inadequate amount of time regulatory agencies, such as the Water Resources Control Board, provide agencies the opportunity to review, comment and provide meaningful input concerning proposed regulations. Additionally, the Board agreed that concerns over the proposed long-term water conservation regulations, currently in draft form in the Governor's office, should be expressed to Assembly Member Cooley.

Discussion of the State Department of Water Resources’ (DWR) Water Available for Replenishment Report (I/D)

GM Straus reported that CHWD received the draft WAFR in early January, and the Report had been agendaized for Board discussion and possible action. The WAFR is a requirement of the Sustainable Groundwater Management Act (SGMA), to be used by Groundwater Sustainability Agencies (GSAs) as a planning tool to help determine specific actions GSAs can take to manage groundwater within their basins.

Accompanying the Agenda Report were: 1) An e-mail transmittal describing the WAFR report and its significance (Attachment 1); 2) the draft WAFR (the WAFR’s key findings were found in the Report’s Executive Summary, pp. 7-9) (Attachment 2) and; 3) an article provided by Board President Sheehan entitled, “Comparing Local Groundwater Withdrawal Permitting Laws in the Southwest and California.” The article was an excerpt of a research paper published in the journal Groundwater in October 2016. The article provided a larger context of how groundwater is regulated throughout the west, compared with the groundwater policy and regulatory framework in California.

GM Straus also reported that comments on the draft WAFR report are due to the State by March 10, 2017. It appears that CHWD’s, GSA, the Sacramento Groundwater Authority (SGA), is planning to submit comments as is CHWD’s wholesale water agency, San Juan Water District. It may be beneficial for CHWD delegates to meet with both agencies to either coordinate comments, or provide input to those agencies as they prepare comments on the draft WAFR report.

The Board discussed CHWD should providing input to its GSA, SGA, and its wholesale water agency, San Juan Water District, as both agencies prepare draft comments concerning the WAFR report.

**PROJECT MANAGER’S REPORT:**

Project Manager Dietrich presented a report on the following activities during the month of January 2017 by the Project Management and Engineering Department.

<b>Items of Interest</b>	<b>Department</b>	<b>Point of Contact</b>	<b>Date</b>	<b>Strategic Planning Item</b>
<b>PROJECT 2030 Water Main Replacement Project</b> Status: Preparing Request for Proposal for Engineering Services	Engineering	Missy Pieri	Board Presentation 3/14/16 - RFP	Yes



Items of Interest	Department	Point of Contact	Date	Strategic Planning Item
<b>CAPITAL IMPROVEMENT PROJECT</b> <b>Corporation Yard Improvements Phase 1</b> Status: Reviewing 60% Plans, Preparing Lot Merger	Engineering	Paul Dietrich	Board Presentation 2/14/16 - 60% Plan	Yes
<b>CAPITAL IMPROVEMENT PROJECT</b> <b>Operations Building Remodel</b> Status: Needs Assessment Questionnaires Underway	Engineering	Paul Dietrich	On-going	Yes
<b>CAPITAL IMPROVEMENT PROJECT</b> <b>Mesa Verde High School 14-Inch Transmission Main</b> Status: Preparing Plans, Specs, and Estimates	Engineering	Paul Dietrich	On-going	No
<b>CAPITAL IMPROVEMENT PROJECT</b> <b>Highland Ave &amp; Rosa Vista Ln 8" Water Mains</b> Status: Potholing Complete	Engineering	Missy Pieri	On-going	No
<b>PRIVATE DEVELOPMENT</b> <b>Northridge Grove - 5555 Mariposa Ave</b> <b>47 Condominiums</b> Status: 85% Complete	Engineering	Missy Pieri	On-going	No
<b>PRIVATE DEVELOPMENT</b> <b>Commercial Building Remodel - 5414-50 Sunrise Blvd</b> Status: Pre-Con Meeting 12/1/16	Engineering	Missy Pieri	On-going	No

<b>Items of Interest</b>	<b>Department</b>	<b>Point of Contact</b>	<b>Date</b>	<b>Strategic Planning Item</b>
<b>PRIVATE DEVELOPMENT Louis-Orlando Bus Transfer Point - Louis Ln at Orlando Ave</b> Status: Plans Signed 2/4/16	Engineering	Missy Pieri	On-going	No
<b>PRIVATE DEVELOPMENT Meier Estates - North Sims Way 7 Lot Subdivision</b> Status: Plans Signed 5/23/16	Engineering	Missy Pieri	On-going	No
<b>PRIVATE DEVELOPMENT Dignity Health Building - 7115 Greenback Ln</b> Status: Plans Signed 6/8/16	Engineering	Missy Pieri	On-going	No
<b>PRIVATE DEVELOPMENT 3 Lot Residential Subdivision - 5648-5696 San Juan Ave</b> Status: Plans Signed 11/14/16	Engineering	Missy Pieri	On-going	No
<b>PRIVATE DEVELOPMENT 7940 Patton Ave - Replace Existing Home</b> Status: Plans Signed 1/11/17	Engineering	Missy Pieri	On-going	No
<b>Annexations:</b> Livoti Tract, Sacramento County, and Verne Tract Territory to SJWD Status: TBD	Engineering	Missy Pieri	On-Going	No

**OPERATIONS MANAGER'S REPORT:**

Operations Manager Gordon reported as follows:

A total of 154 work orders were performed during the month of December by field operations crews, administration field crews and contractors. The results of recent bacteriological testing, a total of 90 samples, have met all California Department of Drinking Water (DDW) requirements.

The District's total water use during the month of January 2017 (561.82 acre-feet) was 15.9% below that of January 2013.

As of midnight on January 31, 2017, storage in Folsom Lake was at 408,425 acre-feet, 42 percent of the total capacity of 977,000 acre-feet. This is about 80 percent of historical average for this date. This represents an increase in storage of 10,586 acre-feet in the past month.

The District's total water use during the month of January 2017 (506.81 acre-feet) was 15.9 percent below that of January 2013 (602.52 acre-feet).

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 9:23 PM.  
Principal Engineer Pieri and Water Efficiency Supervisor Meurer left the meeting.

President Sheehan reconvened the meeting at 9:28 PM.

#### **DIRECTOR'S AND REPRESENTATIVES REPORTS:**

##### Regional Water Authority (Dains, Churchill)

Board Member Dains reported that Jim Pfeiffer with the City of Sacramento was elected Chair and Marcus Yasutake with the City of Folsom was elected Vice Chair for 2017.

##### Sacramento Groundwater Authority (Sheehan)

Director Sheehan reported that the remaining areas of the basin that have failed for form a GSA are finally moving forward to do so. Also, SGA has developed new web pages with a lot of data.

##### San Juan Water District

GM reported that the SJWD Board approved the Groundwater Reimbursement Agreement with CHWD at its 1-25-17 Board meeting. Also, new GM Paul Helliker is scheduled to begin with SJWD on 3-6-17.

##### ACWA Joint Powers Insurance Authority (Churchill)

No report.

##### Sacramento Local Agency Formation Commission

No Report.

##### City of Citrus Heights

No Report.

##### Chamber of Commerce Government Issues Committee (Gordon/Meurer)

No Report.

##### Other Reports:

No report.

#### **MANAGEMENT SERVICES REPORT:**

GM Straus reported as follows:

- Twenty-one employees received recognition for superior attendance, outstanding customer service and quality of work during the month of January 2017. 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 identified May 18, 2017 as the preferred date for the 2017 Strategic Planning Session.
- The Board reviewed the new FYI report and provided positive feedback for the first report and suggested improvements for future reports, including: adding a column to delineate if an item will come before the Board or is being handled at the staff level. Also, the status/updated column will be separated from the item name column.

**CORRESPONDENCE:**

None.

**CLOSED SESSION:**

No closed session was held.

**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 9:54 PM.

APPROVED:

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HILARY M. STRAUS  
Secretary  
Citrus Heights Water District

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

CITRUS HEIGHTS WATER DISTRICT  
2017 REVENUE ANALYSIS

**Outstanding Recievables**

<b>Aged Trial Balance</b>					
Total <sub>1</sub>	Current	31-90	91-150	>150	Unapplied Current
909,883	626,740	84,003	8,370	295,483	(104,713)

<b>General Ledger Balance</b>	<b>Total</b>
Outstanding A/R	1,009,785
Outstanding Liens	0
Outstanding Grants	1,247
Less Unapplied Payments	(100,455)
<b>Total</b>	<b>\$ 910,576</b>

**ASSESSOR/COLLECTOR'S ROLL ADJUSTMENTS FOR  
February 28, 2017**

Board Of Directors  
Citrus Heights Water District

<b>Assessor/Collector Roll Adjustment</b>		
<b>February-17</b>		
	<b>Dollar</b>	<b>Count</b>
<b>DEFAULT</b>		
One Time Courtesy	\$ 35.05	9
<b>DEFAULT Total</b>	<b>\$ 35.05</b>	<b>9</b>
<b>DISCONNECT CHG</b>		
One Time Courtesy	\$ 98.00	1
<b>DISCONNECT CHG Total</b>	<b>\$ 98.00</b>	<b>1</b>
<b>Grand Total</b>	<b>\$ 133.05</b>	<b>10</b>

Pursuant to Policy No. 7315 the following charges have been cancelled.

<b>Reason For Cancellation</b>	<b>Charge Type</b>	<b>Amount</b>
One Time Courtesy	DEFAULT	4.47
One Time Courtesy	DEFAULT	3.38
One Time Courtesy	DEFAULT	4.86
One Time Courtesy	DEFAULT	3.64
One Time Courtesy	DEFAULT	3.85
One Time Courtesy	DEFAULT	3.64
One Time Courtesy	DEFAULT	3.77
One Time Courtesy	DEFAULT	3.15
One Time Courtesy	DEFAULT	4.29
One Time Courtesy	DISCONNECT CHG	98
		<u>\$ 133.05</u>

**TREASURER'S REPORT TO THE BOARD OF DIRECTORS**  
**CITRUS HEIGHTS WATER DISTRICT**  
 Month of February 2017

<b>Bank of the West</b>			
<b>Beginning Balance</b>			\$3,350,987
<b>RECEIPTS:</b>		853,660	
<b>DISBURSEMENTS:</b>			
Checks Issued / ACH Payments	267,029		
Payroll	231,962		
Returned Checks	241		
	499,232		354,428
<b>Bank of the West</b>			
<b>Balance per Bank February 28, 2017</b>			3,705,415
Outstanding Checks			(55,394)
Deposit in Transit			14,485
<b>Balance Per Books February 28, 2017</b>			\$3,664,505

<b>RECONCILEMENT:</b>			
Bank of the West			3,664,505
Local Agency Investment Fund			6,069,412
COP Reserve Account			533,796
Money Mkt Activity Account			530,488
<b>TOTAL BALANCE</b>			\$10,798,201

<b>CASH &amp; INVESTMENT SUMMARY:</b>			
Bank of the West (General Account)			\$3,664,505
Local Agency Investment Fund			6,069,412
COP 2010 Reserve Account			533,796
Money Mkt Activity Account			530,488
<b>Total</b>			\$10,798,201

INSTITUTION	MATURITY DATE	INT RATE	DEPOSIT AMOUNT	DATE OF LAST TRANSACTION
Local Agency Investment Fund	Daily	8.75%	10,338.24	1/14/2017

I certify that this report accurately reflects all pooled investments and is in compliance with applicable State of California Government Codes and is in conformity with Investment of District Funds Policy 6300. As Treasurer of the Citrus Heights Water District, I hereby certify that sufficient investment liquidity and anticipated revenue are available to meet the next six months' estimated expenditures.

  
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**SUSAN K. SOHAL, Treasurer**

  
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**HILARY M. STRAUS, Secretary**

**TREASURER'S REPORT OF FUND BALANCES**  
**February 28, 2017**

		Beginning Balance 1/1/2017	Year to Date Transfers In / Collections	Year to Date Transfers Out	Current Month Transfers In / Collections	Current Month Transfers Out	2/28/2017 Ending Balance	2017 Target Balance per Policy
0-28600-00	<b>Operating Fund</b>	\$ 4,430,805	\$ 851,281	\$ (772,948)	\$ 853,660	\$ (499,232)	\$ 4,863,566	\$1,918,930
0-28100-00	<b>Operating Reserve</b>	\$ 1,912,263					\$ 1,912,263	N/A
0-28200-00	<b>Rate Stabilization Fund</b>	\$ 734,000					\$ 734,000	\$1,000,000
0-28400-00	<b>Capital Improvement Reserve</b>	\$ 1,654,026					\$ 1,654,026	\$2,760,316
0-28510-00	<b>Restricted for Debt Service</b>	\$ 536,963					\$ 536,963	N/A
0-28700-00	<b>Fleet Equipment Reserve</b>	\$ 291,569					\$ 291,569	\$316,968
0-28800-00	<b>Employment-Related Benefits Reserve</b>	\$ 396,310					\$ 396,310	\$864,229
		\$ 9,955,936	\$ 851,281	\$ (772,948)	\$ 853,660	\$ (499,232)	\$ 10,388,697	



Citrus Heights Water District  
Budget Performance Report  
As of 2/28/2017

	February Actual	Year-to-Date Actual	Year-to-Date Budget	YTD Variance Amount	YTD Variance Percent	Annual Budget
<b>Revenues</b>						
Metered Service Charges	\$677,514.59	\$468,964.98	\$1,274,845.13	\$805,880.15	63.21%	\$8,377,902.51
Metered Water Deliveries	214,742.26	148,247.70	473,334.90	325,087.20	68.68%	4,463,092.68
Penalties	10,397.14	28,332.24	25,386.91	(2,945.33)	-11.60%	150,000.00
Interest		(10,338.24)		10,338.24	0.00%	
New Account, Fire & Backflow Fees	16,971.81	25,470.42	23,353.98	(2,116.44)	-9.06%	140,179.96
Water Service Install & S&R		2,956.88	2,900.34	(56.54)	-1.95%	17,409.00
Miscellaneous *	7,204.74	17,658.49	20,076.96	2,418.47	12.05%	120,509.97
Income - Wheeling Water		3,058.71	666.40	(2,392.31)	-358.99%	4,000.00
Income - Connection Fees			4,435.90	4,435.90	100.00%	26,626.05
Total Revenue	926,830.54	684,351.18	1,825,000.52	1,140,649.34	62.50%	13,299,720.17
*includes Assessments, Inclusions, Back Charges, Capacity Fee and other Miscellaneous Revenue Sources						
<b>Operating Expenses</b>						
<b>Water Demand Management</b>						
Water Demand Management - Postage			833.00	833.00	100.00%	5,000.00
Water Demand Management - Printing			3,498.60	3,498.60	100.00%	21,000.00
Water Demand Management - Materials and Supplies			2,415.70	2,415.70	100.00%	14,500.00
Water Demand Management - Contract Services	3,147.31	3,703.50	59,942.68	56,239.18	93.82%	359,800.00
Water Demand Management - Other			2,319.90	2,319.90	100.00%	13,924.97
Water Demand Management - Incentive Programs		450.00	3,278.68	2,828.68	86.27%	19,679.96
	3,147.31	4,153.50	72,288.56	68,135.06	94.25%	433,904.93
<b>Operations</b>						
Purchased Water	615,005.50	453,768.00	475,041.08	21,273.08	4.48%	2,851,387.03
Cooperative Transmission Pipeline Maintenance			833.00	833.00	100.00%	5,000.00
Power to Wells	16,460.74	17,887.35	33,933.76	16,046.41	47.29%	203,684.03
Wells - Repair / Maintenance		516.41	4,115.02	3,598.61	87.45%	24,700.00
Water Quality Analysis	720.00	1,776.00	4,087.04	2,311.04	56.55%	24,532.05
Field Miscellaneous - Dump Fees	193.45	193.45	666.40	472.95	70.97%	4,000.00
Small Tools - Field	930.90	3,548.66	6,664.00	3,115.34	46.75%	40,000.00
Supplies - Field	1,818.42	4,644.79	4,165.00	(479.79)	-11.52%	25,000.00
Materials	27,321.57	29,748.84	3,332.00	(26,416.84)	-792.82%	20,000.00
Materials - CIP Contra	(21,336.72)	(43,815.54)		43,815.54	0.00%	
Roadbase	2,646.90	4,715.31	4,165.00	(550.31)	-13.21%	25,000.00
Maintenance Agreements - Equipment		(35.00)	1,699.32	1,734.32	102.06%	10,200.00
Maintenance Agreements - Software	15,964.41	21,881.73	21,596.62	(285.11)	-1.32%	129,631.57
Repair - Fleet Equipment	3,808.00	4,887.48	9,163.00	4,275.52	46.66%	55,000.00
Repair - Tools and Equipment	230.00	835.04	2,499.00	1,663.96	66.59%	15,000.00
Gas and Oil	2,945.05	4,101.19	8,496.60	4,395.41	51.73%	51,000.00
Equipment Rental - Field			1,666.00	1,666.00	100.00%	10,000.00
Equipment Rental & Maint - Office & Building Equip	844.41	1,927.25	2,356.06	428.81	18.20%	14,142.02

Citrus Heights Water District  
Budget Performance Report  
As of 2/28/2017

Equipment CIP Contra Account	(39,530.66)	(59,279.44)		59,279.44	0.00%	
Permit Fee - Air Quality / Haz Mat	1,633.50	1,633.50	1,032.92	(600.58)	-58.14%	6,200.00
Permit Fee - State Water Resources Control Board		6,333.52	4,664.80	(1,668.72)	-35.77%	28,000.00
Permit Fee - Encroachment Permits	2,343.00	2,418.00	7,330.40	4,912.40	67.01%	44,000.00
	<u>631,998.47</u>	<u>457,686.54</u>	<u>597,507.02</u>	<u>139,820.48</u>	<u>23.40%</u>	<u>3,586,476.70</u>
<b>Professional &amp; Contract Services</b>						
Professional / Contract Services - Engineering			36,652.00	36,652.00	100.00%	220,000.00
Professional / Contract Services - Temporary Labor	236.25	236.25	8,330.00	8,093.75	97.16%	50,000.00
Professional / Contract Services - Wells			3,332.00	3,332.00	100.00%	20,000.00
Professional / Contract Services - Office Labor			2,499.00	2,499.00	100.00%	15,000.00
Professional / Contract Services - Meter Reading	11,654.03	20,163.33	18,712.52	(1,450.81)	-7.75%	112,320.00
Professional / Contract Services - Bill Print / Mail	2,200.25	4,881.85	4,998.00	116.15	2.32%	30,000.00
Professional / Contract Services - Financial			7,497.00	7,497.00	100.00%	45,000.00
Professional / Contract Services - Other	11,821.95	18,325.65	20,285.22	1,959.57	9.66%	121,760.02
Contract Services - Concrete			1,332.80	1,332.80	100.00%	8,000.00
Contract Services - Misc Field / O&M	1,757.50	1,757.50	6,330.80	4,573.30	72.24%	38,000.00
Contract Services - Office Repairs / Maint.			666.40	666.40	100.00%	4,000.00
Contract Services - Paving			1,499.40	1,499.40	100.00%	9,000.00
	<u>27,669.98</u>	<u>45,364.58</u>	<u>112,135.14</u>	<u>66,770.56</u>	<u>59.54%</u>	<u>673,080.06</u>
<b>Administrative &amp; General Services</b>						
Janitorial	1,187.00	2,069.00	2,749.74	680.74	24.76%	16,505.04
Bank Fees	6,227.87	6,227.87	11,662.00	5,434.13	46.60%	70,000.00
Office Expense	1,649.09	2,318.34	2,832.20	513.86	18.14%	17,000.00
Small Office Equipment			1,332.80	1,332.80	100.00%	8,000.00
Dues & Subscriptions	13,081.14	13,231.14	22,013.70	8,782.56	39.90%	132,135.05
Postage	8,561.92	21,086.44	19,825.40	(1,261.04)	-6.36%	119,000.00
Printing			2,332.40	2,332.40	100.00%	14,000.00
Telephone - Wireless	991.81	1,996.52	3,038.78	1,042.26	34.30%	18,239.98
Telephone - Local / Long Distance	1,769.43	1,818.43	3,781.82	1,963.39	51.92%	22,700.00
Telephone - Answering Service	236.09	236.09	416.50	180.41	43.32%	2,500.00
Utilities	1,791.54	3,421.92	3,448.62	26.70	0.77%	20,700.00
Legal & Audit	5,705.00	5,705.00	15,660.40	9,955.40	63.57%	94,000.00
Continued Education	5,320.34	6,930.94	11,898.58	4,967.64	41.75%	71,420.04
Publication Notices			249.90	249.90	100.00%	1,500.00
Office Misc - District Events	122.30	542.19	947.96	405.77	42.80%	5,690.03
Office Misc - Meeting Accomodations	217.83	465.89	1,166.20	700.31	60.05%	7,000.00
Office Misc - Other	168.00	168.00	366.52	198.52	54.16%	2,200.00
Office Misc - Milestone Events			916.30	916.30	100.00%	5,500.00
Computer Software			616.42	616.42	100.00%	3,700.00
	<u>47,029.36</u>	<u>66,217.77</u>	<u>105,256.24</u>	<u>39,038.47</u>	<u>37.09%</u>	<u>631,790.14</u>
<b>Administration Other</b>						
Election Expense	250.00	250.00		(250.00)	0.00%	
Directors Meeting Compensation		1,015.00	3,333.66	2,318.66	69.55%	20,009.97
Retiree Healthcare Benefit	413.00	3,721.42	8,213.44	4,492.02	54.69%	49,300.36
	<u>663.00</u>	<u>4,986.42</u>	<u>11,547.10</u>	<u>6,560.68</u>	<u>56.82%</u>	<u>69,310.33</u>
<b>Salary and Benefits</b>						

Citrus Heights Water District  
Budget Performance Report  
As of 2/28/2017

Salary - Office (6 authorized positions)		38,723.40	94,112.56	55,389.16	58.85%	564,901.32
Salary - Water Demand Management (2 authorized positions)		13,757.60	31,169.38	17,411.78	55.86%	187,091.12
Salary - Field / O&M (15 authorized positions)		94,944.83	214,743.84	119,799.01	55.79%	1,288,978.63
Salary - Proj Mgmt & Engineering		20,206.20	68,096.06	47,889.86	70.33%	408,739.85
Standby Duty		1,065.00	2,988.80	1,923.80	64.37%	17,939.98
Employee Benefit - Vision Insurance	739.51	1,510.40	1,505.40	(5.00)	-0.33%	9,036.01
Employee Benefit - Dental Insurance	3,237.70	6,613.43	6,197.52	(415.91)	-6.71%	37,200.00
Employee Benefit - Health Insurance	32,888.98	63,839.64	64,927.36	1,087.72	1.68%	389,720.04
Employee Benefit - PERS Retirement	53,750.97	48,086.15	98,411.46	50,325.31	51.14%	590,705.04
Employee Benefit - Social Security		11,642.49	30,022.16	18,379.67	61.22%	180,205.04
Employee Benefit - Medicare		2,722.90	7,021.32	4,298.42	61.22%	42,144.77
Employee Benefit - Unemployment Insurance		3,701.52	1,399.44	(2,302.08)	-164.50%	8,400.00
Employee Benefit - Health Insurance Reimbursement	2,533.11	5,513.98	4,998.00	(515.98)	-10.32%	30,000.00
Employee Benefit - COBRA Insurance	3,104.30	7,529.13		(7,529.13)	0.00%	
Employee Benefit - CA Emp Training		154.23		(154.23)	0.00%	
GASB 68 - Pension Expense	26,741.84	26,741.84		(26,741.84)	0.00%	
Employee Salary and Benefits - Allocation to CIP		(29,745.82)	(91,630.00)	(61,884.18)	67.54%	(550,000.00)
	<u>122,996.41</u>	<u>317,006.92</u>	<u>533,963.30</u>	<u>216,956.38</u>	<u>40.63%</u>	<u>3,205,061.80</u>
Insurance						
Insurance - Liability & Comprehensive	6,387.03	6,387.03	12,495.00	6,107.97	48.88%	75,000.00
Insurance - Disability & Life	2,014.40	3,602.71	5,785.42	2,182.71	37.73%	34,726.41
Insurance - Workers Compensation	10,816.91		9,049.48	9,049.48	100.00%	54,318.61
	<u>19,218.34</u>	<u>9,989.74</u>	<u>27,329.90</u>	<u>17,340.16</u>	<u>63.45%</u>	<u>164,045.02</u>
Reserves & Debt Services						
Bad Debt Expense		37.97	833.00	795.03	95.44%	5,000.00
Debt Service - COP Series 2010		(20,600.00)	94,528.84	115,128.84	121.79%	567,400.00
Debt Service - COP Series 2012	34.11	7,778.90		(7,778.90)	0.00%	
CSM Deposit Interest Expense		238.56		(238.56)	0.00%	
	<u>34.11</u>	<u>(12,544.57)</u>	<u>95,361.84</u>	<u>107,906.41</u>	<u>113.15%</u>	<u>572,400.00</u>
Total Operating Expenses	<u>852,756.98</u>	<u>892,860.90</u>	<u>1,555,389.10</u>	<u>662,528.20</u>	<u>42.60%</u>	<u>9,336,068.98</u>
Net Income / (Expense)	<u>74,073.56</u>	<u>(208,509.72)</u>	<u>269,611.42</u>	<u>478,121.14</u>	<u>177.34%</u>	<u>3,963,651.19</u>

Project Number		Project Name		BUDGET				COMMITMENTS	AMOUNTS PAID			PROJECTION
				Project Forecast Budget	Expenditures to 12/2016	Remaining Budget	2017 Budget	Open Commitments	Month to Date	Year to Date	Project to Date	2018 Forecast
C15-102		Corporation Yard Improvements	\$1,385,688	\$83,095	\$1,302,593	\$1,276,188	\$0	\$53,007	\$53,436	\$136,531		
C15-130		Poplar Ave 14 Trans Main	\$112,335	\$25,807	\$86,528	\$86,528	\$0	\$0	\$0	\$25,807		
C15-133		Higland Ave and Rosa Vista	\$396,487	\$8,777	\$387,710	\$364,910	\$0	\$0	\$392	\$9,169		
C15-137		C-Bar-C Pressure Control	\$850,000	\$0	\$850,000	\$300,000	\$0	\$0	\$0	\$0	\$550,000	
C16-131		Wind Way and Longwood Way	\$327,158	\$0	\$327,158	\$22,004	\$0	\$0	\$0	\$0	\$305,154	
C16-134		Auburn Blvd-Rusch Park Placer	\$166,357	\$0	\$166,357	\$8,477	\$0	\$0	\$0	\$0	\$157,880	
C16-142		Sunrise Bl Streetscape Ph 2	\$50,000	\$0	\$50,000	\$50,000	\$0	\$0	\$0	\$0		
<b>Construction in Progress</b>			<b>\$3,288,025</b>	<b>\$117,679</b>	<b>\$3,170,346</b>	<b>\$2,108,107</b>	<b>\$0</b>	<b>\$53,007</b>	<b>\$53,828</b>	<b>\$171,507</b>	<b>\$1,013,034</b>	
C17-010		Water Main Replacements	\$63,000	\$0	\$63,000	\$63,000	\$0	\$0	\$0	\$0		
C17-011		Water Valve Replacements	\$140,000	\$0	\$140,000	\$140,000	\$0	\$7,253	\$12,042	\$12,042		
C17-012		Water Service Replacements	\$550,000	\$0	\$550,000	\$550,000	\$0	\$39,327	\$84,197	\$84,197		
C17-013		Water Meter Replacements	\$100,000	\$0	\$100,000	\$100,000	\$0	\$1,679	\$20,784	\$20,784		
C17-014		Fire Hydrants	\$135,000	\$0	\$135,000	\$135,000	\$0	\$12,609	\$14,996	\$14,996		
<b>Annual Infrastructure</b>			<b>\$988,000</b>	<b>\$0</b>	<b>\$988,000</b>	<b>\$988,000</b>	<b>\$0</b>	<b>\$60,867</b>	<b>\$132,020</b>	<b>\$132,020</b>		
C15-104		Technology HW & SW Improvement	\$0	\$30,590	(\$30,590)		\$0	\$0	\$0	\$30,590		
C15-104A		Billing/Finance Software	\$500,000	\$0	\$500,000	\$450,000	\$0	\$0	\$0	\$0	\$50,000	
C15-104B		Document Management System	\$250,000	\$0	\$250,000	\$0	\$0	\$0	\$0	\$0	\$250,000	
C17-003		Fleet/Field Operations Equip	\$287,500	\$0	\$287,500	\$287,500	\$0	\$6,179	\$6,179	\$6,179		
C17-003A		1/2 Ton Pickup Unit 14	\$0	\$0	\$0		\$0	\$0	\$0	\$0		
C17-004		Technology Hardware/Software	\$0	\$0	\$0		\$0	\$0	\$0	\$0		

Project Number		Project Name		BUDGET			COMMITMENTS	AMOUNTS PAID			PROJECTION
				Project Forecast Budget	Expenditures to 12/2016	Remaining Budget	2017 Budget	Open Commitments	Month to Date	Year to Date	Project to Date
C17-004A	Server Upgrade	\$100,000	\$0	\$100,000	\$100,000	\$0	\$0	\$0	\$0		
C17-004B	Workstation Replacements	\$20,000	\$0	\$20,000	\$20,000	\$0	\$0	\$0	\$0		
C17-004C	Hydraulic Model	\$42,000	\$0	\$42,000	\$42,000	\$0	\$0	\$0	\$0		
<b>Fleet and Equipment</b>		<b>\$1,199,500</b>	<b>\$30,590</b>	<b>\$1,168,910</b>	<b>\$899,500</b>	<b>\$0</b>	<b>\$6,179</b>	<b>\$6,179</b>	<b>\$36,769</b>	<b>\$300,000</b>	
C15-101	Fairway 12" & 8" Intertie	\$19,690	\$0	\$19,690	\$19,690	\$0	\$0	\$0	\$0		
C15-109	Blossom Hill Way 6" & 10" Inte	\$22,015	\$0	\$22,015	\$22,015	\$0	\$0	\$0	\$0		
C15-110	Crestmont Ave 6" Intertie	\$19,980	\$0	\$19,980	\$19,980	\$0	\$0	\$0	\$0		
C15-131	Baird Way 12in Main	\$510,337	\$24,038	\$486,299	\$469,995	\$0	\$0	\$0	\$24,038		
C15-132	Graham Cir and Clrcuit Dr	\$570,984	\$0	\$570,984	\$46,936	\$0	\$0	\$0	\$0	\$524,048	
C17-100	24in Oak at C-Bar-C to Arcade	\$2,100,000	\$0	\$2,100,000	\$100,000	\$0	\$0	\$0	\$0	\$500,000	
C17-101	Pleasant View Dr-Oak to Poppy	\$499,231	\$0	\$499,231	\$39,101	\$0	\$0	\$0	\$0	\$460,130	
C17-102	Michigan Dr - Sunrise to West	\$249,258	\$0	\$249,258	\$18,255	\$0	\$0	\$0	\$0	\$231,005	
<b>Water Mains</b>		<b>\$3,991,495</b>	<b>\$24,038</b>	<b>\$3,967,457</b>	<b>\$735,972</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$24,038</b>	<b>\$1,715,183</b>	
C17-005	Facilities Improvements	\$75,000	\$0	\$75,000	\$75,000	\$0	\$0	\$0	\$0		
C17-040	Other City Partnerships	\$50,000	\$0	\$50,000	\$50,000	\$0	\$0	\$0	\$0		
C17-041	Other Infrastructure Projects	\$50,000	\$0	\$50,000	\$50,000	\$0	\$0	\$0	\$0		
C17-103	Operations Building Remodel	\$1,475,000	\$0	\$1,475,000	\$175,000	\$0	\$0	\$0	\$0	\$1,300,000	
<b>Miscellaneous Projects</b>		<b>\$1,650,000</b>	<b>\$0</b>	<b>\$1,650,000</b>	<b>\$350,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,300,000</b>	
C17-020	Groundwater Well Improvements	\$115,000	\$0	\$115,000	\$115,000	\$0	\$0	\$0	\$0		
C17-104	Groundwater Well Property Acq	\$890,000	\$3,550	\$886,450	\$740,000	\$0	\$0	\$0	\$3,550		
<b>Wells</b>		<b>\$1,005,000</b>	<b>\$3,550</b>	<b>\$1,001,450</b>	<b>\$855,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,550</b>		
<b>Grand Totals:</b>		<b>\$12,122,020</b>	<b>\$175,856</b>	<b>\$11,946,164</b>	<b>\$5,936,579</b>	<b>\$0</b>	<b>\$120,053</b>	<b>\$192,027</b>	<b>\$367,883</b>	<b>\$4,328,217</b>	

## FEBRUARY 2017 WARRANTS

62923	Alexander's Contract Services	Contract Services-Meter Read	\$2,432.65
62924	BSK Associates	Water Analysis	\$768.00
62925	City of Citrus Heights	Permit Fees	\$7,245.00
62926	Cogsdale	Contract Services-Other	\$1,783.70
62927	Holt of California	Repair- Equipment/Hardware	\$6,178.99
62928	Integrity Administrators Inc	Health Insurance	\$303.25
62929	Moonlight BPO	Contract Services- Bill Print	\$3,554.81
62930	Pace Supply Corp	Material	\$5,052.81
62931	SAWWA	Dues & Subscriptions	\$700.00
62932	Sonitrol	Equipment Rental-Office	\$301.72
62933	The Lincoln National Life Insurance Company	Disability & Life Insurance	\$5,826.85
62934	Twin Home Services	Janitorial	\$95.00
62935	US Bank I.M.P.A.C. Government Services	See February Agenda Item CC-9	\$6,759.83
62936	Zee Medical Company	Supplies-Field	\$64.58
62937	ACWA/JPIA	Workers Compensation Insurance	\$10,816.91
62938	SMUD	Utilities	\$8,756.45
62939	Ferguson Enterprises Inc #1423	Material	\$25,806.14
62940	Robert E/Wendy L McFarland	Customer Refund	\$232.53
62941	John R/Debra A Thomas	Customer Refund	\$66.33
62942	James H/Susan C Bush	Customer Refund	\$15.26
62943	Daniel S Glass	Customer Refund	\$24.60
62944	King Yu Lee	Customer Refund	\$52.68
62945	Jeffrey L/Kathy L Carel	Customer Refund	\$64.34
62946	Cheryl L Valk	Customer Refund	\$93.45
62947	Barry R Dixon	Customer Refund	\$8.73
62948	Steven W Hanson	Customer Refund	\$7.96
62949	Terri Lynne Banes	Customer Refund	\$17.79
62950	Alexander M Sheppard	Customer Refund	\$64.85
62951	Michael Hurduc	Customer Refund	\$11.09
62952	Olga Babchanik	Customer Refund	\$95.43
62953	P & SR LIVING TRUST	Customer Refund	\$96.94
62954	Greenleaf Ventures LLC	Customer Refund	\$239.55
62955	Anatolii Burdeinii	Customer Refund	\$25.11
62956	Robert T Jackson	Customer Refund	\$346.20
62957	Midtown Realty Services INC.	Customer Refund	\$9.79
62958	AFLAC	Employee Paid Insurance	\$238.56
62959	Airgas USA, LLC	Supplies-Field	\$217.36
62960	Axcient Inc	MaintenanceAgreement-Software	\$444.30
62961	Bart/Riebes Auto Parts	Repair-Trucks	\$173.28
62962	Bryce Consulting, Inc	Legal & Audit	\$720.00
62963	Burketts	Office Expense	\$105.22
62964	Citrus Heights Chamber of Commerce	Continued Education	\$695.00
62965	City of Citrus Heights	Permit Fees	\$1,443.00
62966	Robin Cope	Health Insurance	\$413.00
62967	Corix Water Products, Inc	Material	\$567.32
62968	Dawson Oil Company	Gas & Oil	\$818.76
62969	Hach Company	Wells Maintenance	\$85.41
62970	J4 Systems	Contract Services-Other	\$1,625.00
62971	KBA DOCUSYS	Equipment Rental-Office	\$20.06
62972	KBA Docusys Inc	Equipment Rental-Office	\$342.63
62973	Kei Window Cleaning #12	Janitorial	\$92.00
62974	Moonlight BPO	Contract Services- Bill Print	\$3,271.72
62975	Pace Supply Corp	Material	\$824.20
62976	SAWWA	Dues & Subscriptions	\$100.00
62977	SureWest Directories	Telephone-Local/Long Distance	\$49.00

62978	State Water Resources Control Board	Dues & Subscriptions	\$60.00
62979	Saathoff Family Living Trust	Customer Refund	\$82.00
62980	Roger/Virginia Reis	Customer Refund	\$6.10
62981	Martin Brothers Construction, Inc.	Customer Refund	\$1,392.85
62982	Kristen Hansen	Customer Refund	\$7.86
62983	Next Generation Capital LLC	Customer Refund	\$78.07
62984	Oleksandr Huzovatyy	Customer Refund	\$34.58
62985	ABA DABA Rentals & Sales	Supplies-Field	\$361.15
62986	Alexander's Contract Services	Contract Services-Meter Read	\$6,178.77
62987	Aqua Sierra Controls	Wells Maintenance	\$250.00
62988	Avalon Custodial Care	Janitorial	\$695.00
62989	Backflow Distributors Inc	Small Tools	\$767.53
62990	BSK Associates	Water Analysis	\$492.00
62991	Burketts	Office Expense	\$137.87
62992	California Landscape Associates Inc	Janitorial	\$200.00
62993	CirclePoint	Contract Services- Conservation	\$3,021.31
62994	Consolidated	Telephone-Local/Long Distance	\$1,720.43
62995	Corelogic Information Solutions Inc	Dues & Subscriptions	\$211.83
62996	County of Sacramento Municipal Services	Field Miscellaneous	\$193.45
62997	Future Ford	Repair-Trucks	\$3,615.43
62998	Gaynor Telesystems Incorporated	Fixed Assets	\$355.50
62999	J4 Systems	Contract Services-Other	\$460.00
63000	Kaiser Foundation Health Plan, Inc	Health Insurance	\$17,842.88
63001	Moonlight BPO	Contract Services- Bill Print	\$5,465.30
63002	Netmotion Wireless Inc	Maint Agree-Software	\$2,200.00
63003	OCT Academy	Continued Education	\$350.00
63004	Office Depot	Office Expense	\$117.18
63005	Pacific Gas & Electric	Utilities	\$138.26
63006	Protection One Alarm Monitoring	Equipment Rental-Office	\$370.00
63007	Red Wing Shoe Store	Small Tools	\$183.16
63008	Republic Services #922	Utilities	\$205.34
63009	Sophos Solutions	Contract Services-Other	\$4,320.00
63010	Thomson Reuters	Dues & Subscriptions	\$81.89
63011	Titan Workforce LLC	Contract Services- Temporary Labor	\$378.00
63012	ULINE	Supplies-Field	\$426.50
63013	Voyager Fleet Systems Inc	Gas & Oil	\$1,277.96
63014	City of Citrus Heights	Permit Fees	\$1,310.00
63015	City of Citrus Heights	Permit Fees	\$1,310.00
63016	City of Citrus Heights	Permit Fees	\$1,078.00
63017	Todd Traylor	Customer Refund	\$100.97
63018	Norman E/Jeannette M Harper	Customer Refund	\$166.24
63019	Bobby Williams	Customer Refund	\$221.55
63020	Robert L/Sharon A Martin	Customer Refund	\$81.25
63021	Eliot J Peters	Customer Refund	\$17.31
63022	Nehemiah Community Reinvestment Ent LLC	Customer Refund	\$21.76
63023	Edward Meyer	Customer Refund	\$187.76
63024	ParaCapital Group	Customer Refund	\$101.36
63025	ABA DABA Rentals & Sales	Supplies-Field	\$28.25
63026	Absolute Secured Shredding Inc	Equipment Rental-Office	\$40.00
63027	Bryce Consulting, Inc	Legal & Audit	\$720.00
63028	BSK Associates	Water Analysis	\$240.00
63029	California Landscape Associates Inc	Janitorial	\$200.00
63030	Cappo	Dues & Subscriptions	\$130.00
63031	City of Citrus Heights	Permit Fees	\$900.00
63032	Gaynor Telesystems Incorporated	Fixed Assets	\$158.00
63033	Integrity Administrators Inc	Health Insurance	\$5,000.00
63034	J4 Systems	Contract Services-Other	\$3,087.95

63035	Maze & Associates	Legal & Audit	\$5,675.00
63036	MSDSonline, Inc.	Small Tools	\$2,062.00
63037	Pace Supply Corp	Material	\$35.88
63038	Placer County Recorder	Recording Fees	\$250.00
63039	A. Teichert & Son, Inc.	Road Base	\$2,646.90
63040	The Lincoln National Life Insurance Company	Disability & Life Insurance	\$5,991.61
63041	Titan Workforce LLC	Contract Services- Temporary Labor	\$236.25
63042	Verizon Wireless	Telephone-Wireless	\$991.81
999999	Void	Void	\$0.00
<b>TOTAL</b>			<u>\$186,833.19</u>

ACH	JAN 2017 FD	Bank Service Fee	\$295.33
ACH	JAN 2017 PH	Bank Service Fee	\$238.20
ACH	JAN 2017 WEB	Bank Service Fee	\$3,832.53
ACH	PERS 1/26/17 PAYDAY	PERS	\$22,128.83
ACH	PERS 2/9/17 PAYDAY	PERS	\$15,946.21
ACH	PERS 2/23/17 PAYDAY	PERS	\$15,675.93
ACH	VALIC 2/23/17 PAYDAY	Deferred Compensation	\$3,592.50
ACH	VALIC 2/9/17 PAYDAY	Deferred Compensation	\$3,200.00
ACH	VOYA 2/23/17 PAYDAY	Deferred Compensation	\$25.00
ACH	VOYA 2/9/17 PAYDAY	Deferred Compensation	\$25.00
ACH	00008005725VANCO	Contract Services-Other	\$103.50
ACH	0001627553WHA	Health Insurance	\$16,598.25
ACH	2017020200 PAYCHEX	Contract Services-Other	\$817.00
ACH	FEB 2017 GASB 68	PERS	\$26,741.84
ACH	BOW JANUARY	Bank Service Fee	\$1,861.81
<b>TOTAL</b>			<u>\$111,081.93</u>

<b>GRAND TOTAL</b>			<u><u>\$297,915.12</u></u>
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**MARCH CHECKS APPROVED AT MARCH BOARD MEETING**

63055	ACWA/JPIA	Workers Compensation Insurance	\$8,516.00
63059	Regional Water Authority	Dues & Subscriptions	\$9,000.00
63057	Ditch Witch	Fixed Assets	\$9,212.63
63062	US Bank I.M.P.A.C. Government Services	See March Agenda Item CC-9	\$9,352.24
63061	SMUD	Utilities	\$17,725.27
63056	Azteca Systems Inc	Maintenance Agreement-Software	\$19,995.00
63058	Domenichelli and Associates, Inc	Contract Services-Engineering	\$49,309.06
63060	San Juan Water District	Purchased Water	\$615,005.50
			<u>\$738,115.70</u>



**US BANK - CAL-Card Distributions**  
 February 2017  
*i/users/ap/CalCard/(current year) -Distribution for monthly payment.xls*

<b>TOTAL</b>
<b>BILL</b>

<b>54210</b>	<b>54211</b>	<b>54231-02</b>	<b>54241-01</b>	<b>56200</b>	<b>56220</b>	<b>56230</b>	<b>56810</b>	<b>56830</b>	<b>56890-01</b>	<b>56890-02</b>	<b>56890-03</b>
Tools	Supplies	Main Agree Software	Repair Truck	Office Exp	Dues & Subs	Postage	Legal & Audit	C.E.	Office Misc, District Event	Mtg Accom	Office Misc, Other

**#REF!**

Cutler	\$ 615.75	103.62	512.13										
Dains	\$ -												
Dietrich	\$ 32.49									32.49			
Evans	\$ 1,103.79		244.83		238.96	620.00							
Gordon	\$ 32.99			32.99									
Hensley	\$ -												
Pieri	\$ -												
Riehle	\$ -												
Sheehan	\$ -												
Shockley	\$ 3,975.46				608.09		79.80		2,979.93	122.30	185.34		
Spiers	\$ -												
Sohal	\$ 3,496.48			1,259.29		72.13		6.65	1,990.41			168.00	
Straus	\$ 95.28							65.28	\$30.00				
	\$ 9,352.24	103.62	756.96	1,259.29	32.99	919.18	620.00	151.73	30.00	4,970.34	122.30	217.83	168.00

2017

**V#:**  
**Date:** 2/28/17



# CITRUS HEIGHTS WATER DISTRICT

## WATER EFFICIENCY SUPERVISOR REPORT TO BOARD OF DIRECTORS MARCH 14, 2017 REGULAR MEETING

SUBJECT : WATER EFFICIENCY PROGRAM UPDATE  
 STATUS : Information Item - Consent Calendar  
 REPORT DATE : March 6, 2017  
 PREPARED BY : Rex W. Meurer, Water Efficiency Supervisor

Water Efficiency program updates are summarized below.

### ACTIVITIES AND PROGRESS REPORT

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

- 2 ultra-low-flush toilet (ULFT) rebates were processed for the month of February. A total of 8 ULFT rebates have been processed for a total of \$600.00 year to date.
- For the month of February, 0 High Efficiency Clothes Washer (HECW) rebates were processed. Year-to-date, 0 HECW rebates were processed by SMUD for District customers.
- 23 water waste calls were received during the month of February. 3 reports of water waste were received through the CHWD’s Drought Resources web page. An additional 4 service requests were generated in-house by staff. A total of 24 contacts (mostly visits to customers’ homes and phone calls) have been completed based on these reports.
- A class assembly was held for 4<sup>th</sup> and 5<sup>th</sup> grade students at Oakview Elementary School. The water cycle, where our water comes from, and the poster contest were topics covered. A clean water experiment was also included in the presentation. Over 120 students participated.
- The following table summarizes the 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		
April	107		
May	155		
June	213		
July	237		
August	242		
September	189		
October	123		
November	85		
December	76		

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

<b>REDUCTION BY AGENCY (Data compared to 2013)</b>		
<b>Water Agency</b>	<b>Jan. 2017 Reduction*</b>	<b>Jun. 2016 - Jan. 2017 Reduction</b>
San Juan Water District	26.5%	20.7%
El Dorado Irrigation District	20.1%	19.3%
Orange Vale Water Company	19.4%	28.5%
California American Water	18.3%	27.6%
Fair Oaks Water District	16.9%	25.5%
<b>Citrus Heights Water District</b>	<b>15.9%</b>	<b>24.7%</b>
Elk Grove Water District	14.8%	24.3%
City of Woodland	14.5%	22.6%
City of Roseville	14.3%	22.2%
Rancho Murieta CSD	14.3%	21.9%
City of West Sacramento	13.7%	22.4%
City of Davis	13.6%	20.1%
City of Yuba City	11.4%	23.4%
City of Sacramento	11.0%	25.0%
Sacramento Suburban WD	10.9%	22.3%
Del Paso Manor Water District	9.5%	24.3%
City of Lincoln	9.4%	20.0%
Rio Linda/Elverta CWD	8.7%	24.0%
Carmichael Water District	7.8%	24.4%
Golden State Water Company	-1.4%	19.4%
Placer County Water Agency	-2.2%	17.5%
City of Folsom	-10.2%	10.2%
Sacramento County Water Agency	-13.4%	19.1%
Average	10.6%	22.1%
Minimum	-13.4%	10.2%
Maximum	26.5%	28.5%

\*(-) denotes increase in production compared to 2013.

# CITRUS HEIGHTS WATER DISTRICT

## PROJECT MANAGEMENT AND ENGINEERING DEPARTMENTAL REPORT MARCH 14, 2017 REGULAR MEETING

SUBJECT : PROJECT MANAGEMENT AND ENGINEERING DEPARTMENTAL REPORT  
 STATUS : Information Item  
 REPORT DATE : March 7, 2017  
 PREPARED BY : Paul A. Dietrich, Project Manager

Significant assignments and activities for the Project Management and Engineering Department are summarized below. I will be available at the meeting to answer questions and/or provide additional details.

Items of Interest	Department	Point of Contact	Date	To Board? If Yes, Date	Strategic Planning Item	Item Description	Update from Last Report
<b>PROJECT 2030 Water Main Replacement Project</b>	Engineering	Missy Pieri	Board Presentation 3/14/17 - RFP	Yes, TBD	Yes	Status: Preparing Request for Proposal for Engineering Services	Board Presentation 3/14/17 - RFP
<b>CAPITAL IMPROVEMENT PROJECT Corporation Yard Improvements Phase 1</b>	Engineering	Paul Dietrich		Yes, TBD	Yes	Status: Reviewing 60% Plans, Preparing Lot Merger	Submitted 60% Plans to the City of Citrus Heights and ACWA/JPIA
<b>CAPITAL IMPROVEMENT PROJECT Operations Building Remodel</b>	Engineering	Paul Dietrich	On-going	Yes, TBD	Yes	Status: Needs Assessment Kick-off Meeting Complete	Workgroup Interviews for Needs Assessment Underway

Items of Interest	Department	Point of Contact	Date	To Board? If Yes, Date	Strategic Planning Item	Item Description	Update from Last Report
<b>CAPITAL IMPROVEMENT PROJECT</b> Mesa Verde High School 14-Inch Transmission Main	Engineering	Paul Dietrich	On-going	Yes, 5/16/17	No	Status: Preparing Plans, Specs, and Estimates	
<b>CAPITAL IMPROVEMENT PROJECT</b> Highland Ave & Rosa Vista Ln 8" Water Mains	Engineering	Paul Dietrich	On-going	Yes, 5/16/17	No	Status: Potholing and 60% Plans	Potholing Complete
<b>CAPITAL IMPROVEMENT PROJECT</b> Graham Cir and Circuit Dr 8" Water Mains	Engineering	Paul Dietrich	On-going	Yes, TBD	No	Status: Surveying and Sent out Utility Letters	New Item
<b>PRIVATE DEVELOPMENT</b> Northridge Grove - 5555 Mariposa Ave 47 Condominiums	Engineering	Paul Dietrich	On-going	Yes, TBD	No	Status: 85% Complete	

Items of Interest	Department	Point of Contact	Date	To Board? If Yes, Date	Strategic Planning Item	Item Description	Update from Last Report
<b>PRIVATE DEVELOPMENT Commercial Building Remodel - 5414-50 Sunrise Blvd</b>	Engineering	Paul Dietrich	On-going	Yes, TBD	No	Status: Pre-Con Meeting 12/1/16	
<b>PRIVATE DEVELOPMENT Louis-Orlando Bus Transfer Point - Louis Ln at Orlando Ave</b>	Engineering	Paul Dietrich	On-going	Yes, TBD	No	Status: Plans Signed 2/4/16	
<b>PRIVATE DEVELOPMENT Meier Estates - North Sims Way 7 Lot Subdivision</b>	Engineering	Paul Dietrich	On-going	Yes, TBD	No	Status: Plans Signed 5/23/16	
<b>PRIVATE DEVELOPMENT Dignity Health Building - 7115 Greenback Ln</b>	Engineering	Paul Dietrich	On-going	Yes, TBD	No	Status: Plans Signed 6/8/16	

Items of Interest	Department	Point of Contact	Date	To Board? If Yes, Date	Strategic Planning Item	Item Description	Update from Last Report
<b>PRIVATE DEVELOPMENT 3 Lot Residential Subdivision - 5648-5696 San Juan Ave</b>	Engineering	Paul Dietrich	On-going	Yes, TBD	No	Status: Plans Signed 11/14/16	
<b>PRIVATE DEVELOPMENT 7940 Patton Ave - Replace Existing Home</b>	Engineering	Paul Dietrich	On-going	Yes, TBD	No	Status: Plans Signed 1/11/17	
<b>Annexations:</b>	Engineering	Missy Pieri	On-Going	Yes, TBD	No	Livoti Tract, Sacramento County, and Verne Tract Territory to SJWD	



# CITRUS HEIGHTS WATER DISTRICT

## DISTRICT STAFF REPORT TO BOARD OF DIRECTORS MARCH 14, 2017 REGULAR MEETING

SUBJECT : OPERATIONS MANAGER’S REPORT  
 STATUS : Information Item  
 REPORT DATE : March 1, 2017  
 PREPARED BY : David M. Gordon, Operations Manager

<b>Facilities Maintenance</b>					
	Completed WO's			Completed WO's	
	Current Mth	Year to Date		Current Mth	Year to Date
Backflow Maintenance			Meter Register Replacement	22	34
Blow Off Maintenance	17	19	Meter Repair/Test/Maintenance		
Hydrant Maintenance	42	74	Pot Hole Work		
Leak Investigation			Water Service repair/locate	1	1
Mainline Repair/Maintenance			Valve, Mainline Maintenance	39	105
Meter Box Maintenance	1	1	Valve Box Maintenance		
<b>CIP Projects</b>					
	Completed WO's				
	Current Mth	Year to Date			
C17-10 Water Mainline					
C17-11 Water Valves	5	6			
C17-12 Water Services	40	64			
C17-13 Water Meters	25	41			
C17-14 Fire Hydrants	2	2			
<b>Water Quality</b>					
<i>Water Analysis Report: Bacteriological testing has met all California Department of Public Health requirements. 72 samples were collected with no positive results.</i>					

**CITRUS HEIGHTS WATER DISTRICT**  
**OPERATIONS MANAGER'S REPORT TO BOARD OF DIRECTORS**  
**MARCH 14, 2017 REGULAR BOARD MEETING**

SUBJECT : 2017 WATER SUPPLY - PURCHASED & PRODUCED  
 STATUS : Information Item  
 REPORT DATE : March 6, 2017  
 PREPARED BY : Brian M. Hensley, Water Resources Supervisor

**OBJECTIVE:**

Report on annual water supply including comparison with prior years and current 5 - 10% voluntary reduction directive.

Month	2013	2014	2015	2016	2017				Year-to-Date Comparison to 2013	
	Total Water Monthly				Surface Water Purchased	Ground Water Produced	Total Water Monthly	Total Water Annual	acre feet	%
	acre feet				acre feet				acre feet	%
Jan	602.52	602.39	570.05	539.60	433.94	72.87	506.81	506.81	-95.71	-15.9%
Feb	606.36	450.96	511.52	484.53	376.41	67.58	443.99	950.80	-258.08	-21.3%
Mar	819.55	612.20	725.95	517.56						
Apr	1,029.73	737.30	761.02	677.81						
May	1,603.43	1,190.07	869.08	979.49						
Jun	1,816.73	1,548.66	1,065.10	1,343.76						
Jul	2,059.21	1,622.10	1,184.95	1,544.57						
Aug	1,924.28	1,477.49	1,188.18	1,579.80						
Sep	1,509.82	1,275.11	1,069.78	1,257.91						
Oct	1,297.42	1,030.74	918.67	840.80						
Nov	911.55	682.48	589.6	561.82						
Dec	700.94	563.15	519.57	518.62						
<b>Total</b>	14,881.54	11,792.65	9,973.47	10,846.27	810.35	140.45	950.80	950.80		
					85.23%	14.77%				

# CITRUS HEIGHTS WATER DISTRICT

## DISTRICT STAFF REPORT TO BOARD OF DIRECTORS MARCH 14, 2017 REGULAR MEETING

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SUBJECT : SURFACE WATER SUPPLY  
STATUS : Information Item  
REPORT DATE : March 1, 2017  
PREPARED BY : David M. Gordon, Operations Manager

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### **OBJECTIVE:**

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

### **BACKGROUND AND ANALYSIS:**

As of midnight on February 28, 2017, storage in Folsom Lake (Lake) was at 404,391 acre-feet, 41 percent of the total capacity of 977,000 acre-feet. This is about 74 percent of historical average for this date. This represents a decrease in storage of 4,034 acre-feet in the past month.

The District's total water use during the month of February 2017 (484.53 acre-feet) was 25.1 percent below that of February 2013 (606.36 acre-feet).

The District 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.

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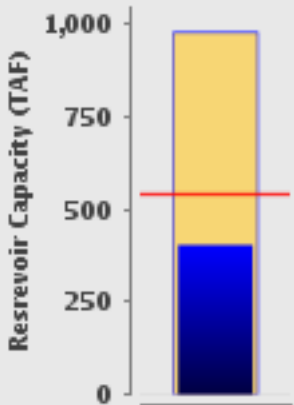


# Reservoir Conditions - Folsom Lake



## Folsom Lake Conditions

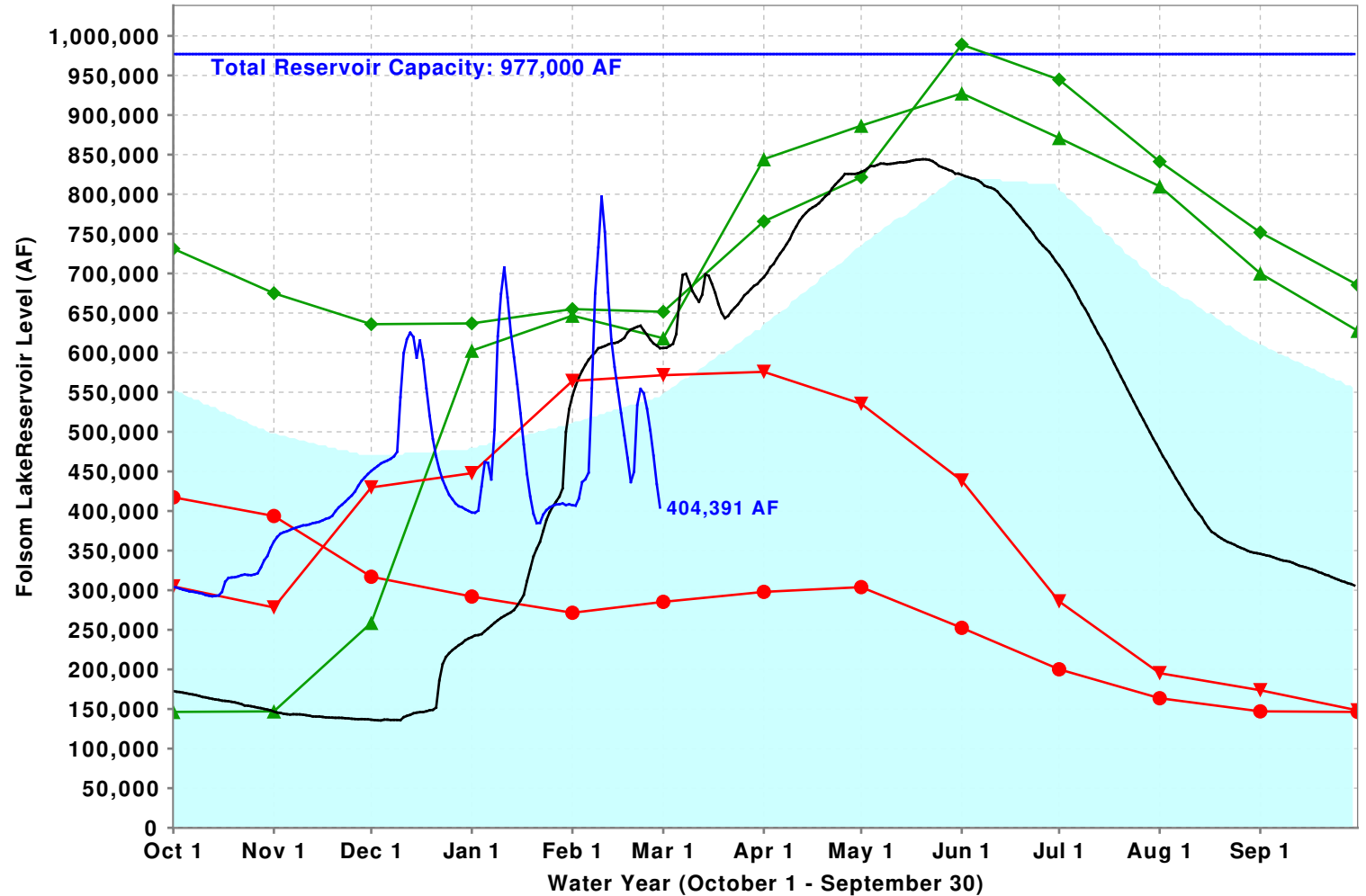
(as of Midnight - February 28, 2017)



Current Level: 404,391 AF

41% (Total Capacity) | 74% (Historical Avg.)

Folsom Lake Levels: Various Past Water Years and Current Water Year, Ending At Midnight February 28, 2017



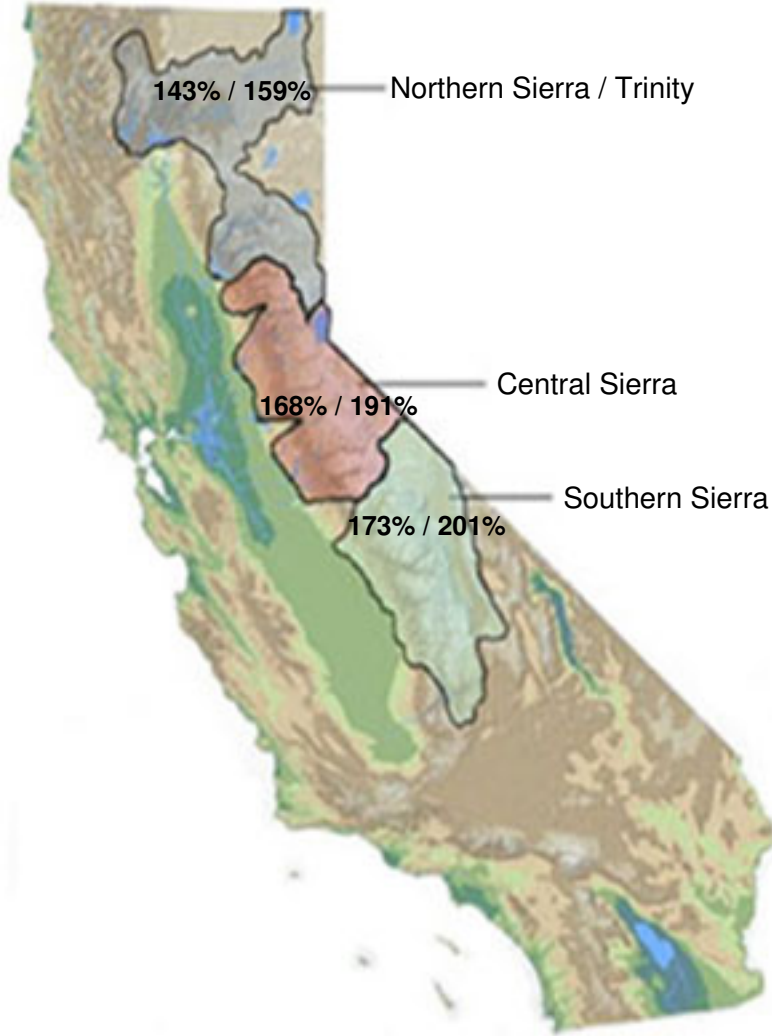
■ Historical Average 
 — Total Reservoir Capacity 
 ● 1976-1977 (Driest) 
 ▲ 1977-1978 
 ◆ 1982-1983 (Wettest) 
 — 2015-2016 
 ▼ 2014-2015 
 — Current: 2016-2017



# Statewide Summary of Snow Water Content

## Current Regional Snowpack from Automated Snow Sensors

% of April 1 Average / % of Normal for This Date



NORTH	
Data as of March 1, 2017	
Number of Stations Reporting	28
Average snow water equivalent (Inches)	39.2
Percent of April 1 Average (%)	143
Percent of normal for this date (%)	159

CENTRAL	
Data as of March 1, 2017	
Number of Stations Reporting	42
Average snow water equivalent (Inches)	49.0
Percent of April 1 Average (%)	168
Percent of normal for this date (%)	191

SOUTH	
Data as of March 1, 2017	
Number of Stations Reporting	28
Average snow water equivalent (Inches)	46.4
Percent of April 1 Average (%)	173
Percent of normal for this date (%)	201

STATE	
Data as of March 1, 2017	
Number of Stations Reporting	98
Average snow water equivalent (Inches)	45.5
Percent of April 1 Average (%)	163
Percent of normal for this date (%)	185

**Statewide Average: 163% / 185%**

Data as of March 1, 2017

# CITRUS HEIGHTS WATER DISTRICT

## DISTRICT STAFF REPORT TO BOARD OF DIRECTORS MARCH 14, 2017 REGULAR MEETING

SUBJECT : INVESTMENT OF DISTRICT FUNDS POLICY  
 STATUS : Action Item  
 REPORT DATE : March 06, 2017  
 PREPARED BY : Judith K. Albietz, General Counsel  
 Susan K. Sohal, Accounting Supervisor

### **OBJECTIVE:**

Review and consider one amendment to District Policy No. 6300, Investment of District Funds.

### **BACKGROUND AND ANALYSIS:**

Section 6300.90 of the District's investment policy specifies that the policy shall be reviewed, modified as necessary and re-adopted or amended at least annually. The policy was last reviewed by the Board on March 08, 2016. A copy of the Policy with a proposed amendment accompanies this staff report for review.

The Policy has been reviewed by District staff and by District General Counsel Judith K. Albietz. General Counsel Albietz's regular review covers the existing Policy and the current California Government Code Sections related to public agency investments.

For this year's review, General Counsel Albietz reports that regulations included in Government Code Section 53601.8 has been extended from Jan 1, 2017 to Jan 1, 2021. As of that date, Government Code Section 53601.8 will be repealed, unless a later enacted California statute that is enacted before January 1, 2021 deletes or extends that time.

Government Code Section 53601.8, entitled, "Investment in Placements Service Assisted Deposits including Certificate of Deposits" is a statutory provision which involves numerous regulations concerning how an agency may invest its surplus funds. Examples include: 1) no greater than 30% of CHWD's surplus funds can be invested in Certificates of Deposit; 2) no greater than 10% of CHWD's surplus funds can be invested with a single private sector entity.

These changes are recommended to keep the language in the District Policy consistent with language contained in the Government Code.

The District's requirement within its Investment Policy to perform an annual review exceeds requirements of the California Government Code. The Code requirement to perform annual review of investment policies was removed in 2006, and the District could choose to remove or amend the annual review requirement set forth in Section 6300.50 of its Investment Policy. District staff is not recommending any change to the annual review requirement.

### **RECOMMENDATION:**

Amend District Policy No. 6300, Investment of District Funds with the amendment as presented.

**ACTION:**

Moved by Director \_\_\_\_\_, Seconded by Director \_\_\_\_\_, Carried \_\_\_\_\_

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CITRUS HEIGHTS WATER DISTRICT  
POLICIES AND PROCEDURES MANUAL

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POLICY TYPE : FISCAL MANAGEMENT  
POLICY TITLE : INVESTMENT OF DISTRICT FUNDS  
POLICY NUMBER : 6300  
DATE ADOPTED : MARCH 5, 1985  
DATE AMENDED : ~~MARCH 8, 2016~~ MARCH 14, 2017  
AMENDMENTS : (1) MARCH 5, 1996; (2) FEBRUARY 4, 1997; (3) MARCH 2, 1999;  
(4\*) JANUARY 18, 2000; (5) JANUARY 16, 2001; (6) FEBRUARY 5, 2002;  
(7) JANUARY 7, 2003; (8) JANUARY 13, 2004; (9) JANUARY 11, 2005;  
(10\*) FEBRUARY 14, 2006; (11) FEBRUARY 13, 2007; (12\*) FEBRUARY 12, 2008;  
(13\*) FEBRUARY 10, 2009; (14\*) FEBRUARY 9, 2010; (15\*) MARCH 8, 2011;  
(16) FEBRUARY 14, 2012; (17) FEBRUARY 12, 2013; (18) FEBRUARY 11, 2014;  
(19\*) MARCH 10, 2015; (20) March 8, 2016

\*re-adopted without change

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6300.00                    PURPOSE

This fiscal management policy is intended to provide a policy and guidelines for the District's Treasurer or his/her designee for the prudent and suitable investment of funds and monies of the District without regard to source. The ultimate goal is to enhance the economic status of the District while protecting its funds.

The District's cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the District to invest operating and reserve funds to the fullest extent possible. The District shall attempt to obtain the highest yield, provided that all investments first meet the criteria established for safety and liquidity.

Funds not included in this policy include deferred compensation funds.

6300.10                    DEFINITION AND PROVISION OF THE GOVERNMENT CODE

The Board of Directors and Officers authorized to make investment decisions on behalf of the District investing public funds pursuant to the California Government Code Sections 53600 et seq. and 53630 et seq. are trustees and therefore fiduciaries subject to the prudent investor standard. As an investment standard, any investment shall be made as if it is one which would be purchased by a prudent person using the same discretion and intelligence that a person would use in managing his/her own affairs and certainly not for speculation.

6300.20                    AUTHORITY

The investment policies and practices of the District are based upon compliance with federal, State and local law and prudent money management. Investments will be in compliance with governing provisions of law (California Government Code Sections 53600 et seq. and 53630 et seq. as amended) and this policy. This policy shall take precedence when more restrictive than the California



Government Code.

6300.21 The Board of Directors delegates for a one-year period the day-to-day management of the District's investments to the Treasurer, subject to the conditions of this policy. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of documentation and reporting pursuant to Section 6300.70.

6300.30 ETHICS AND CONFLICTS OF INTEREST

Directors and Officers involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

6300.35 PRUDENCE

Investments shall be made in the context of the "Prudent Investor" rule, which states that:

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The District Treasurer, involved in the investment process, acting in accordance with this Investment of District Funds Policy and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided that these deviations are reported immediately and that appropriate action is taken to control adverse developments.

6300.40 OBJECTIVES

6300.41 Safety of Principal - Safety of principal is the primary objective of the District. Each investment transaction shall seek to preserve the principal of the portfolio, whether from institutional default, broker-dealer default or erosion of market value of securities. The District shall seek to preserve principal by mitigating the following two types of risk:

A. Credit Risk - Credit risk, defined as the risk of loss due to failure of an issuer of a security, shall be mitigated by investing in only very safe institutions and by diversifying the investment of District funds so that the failure of any one issuer would not unduly harm the District's cash flow.

B. Market Risk - The risk of market value fluctuations due to overall changes in the general level of interest rates shall be mitigated by limiting the weighted average maturity of the District's invested funds to three (3) years. It is explicitly recognized herein, however, that in a diversified portfolio, occasional measured losses are inevitable, and must be considered within the context of the overall investment return.

6300.42 Liquidity - Liquidity is the second most important objective. Investments shall

be made whose maturity dates are compatible with cash flow requirements and which can be easily and rapidly converted into cash without substantial loss of value.

6300.43        Return on Investment - Investments shall be undertaken to produce an acceptable rate of return after first considering safety of principal, liquidity, and without undue risk.

6300.50                    AUTHORIZED INVESTMENTS

District investments are governed by the California Government Code, Sections 53600 et seq. and 53630 et seq. Within the context of these Sections the following investments are authorized.

A.        Local Agency Investment Fund - The District may invest in the Local Agency Investment Fund (LAIF) established by the California State Treasurer and created by Section 16429.1 through 16429.4 of the Government Code for the benefit of local agencies up to the maximum permitted by the LAIF Governing Board.

B.        Securities of the U.S. Government and its Agencies - United States Treasury Bills, Notes, Bonds, or Certificates of Indebtedness, or those for which the faith and credit of the United States are pledged for payment of principal and interest. There is no limitation as to the percentage of the District funds which can be invested in this category as they are all safe and liquid. Purchases may not have a term remaining to maturity in excess of five (5) years. (GC 53601(b) and 53635)

C.        State of California Obligations - Registered State Warrants or Treasury Notes or Bonds of this State or any of the other 49 United States, as defined in Government Code 53601(c), 53651 and pursuant to 53635.2.

D.        Local Agency Obligations - Obligations issued by any local agency, as defined by the Government Code, within the State. Obligations may be bonds, notes, warrants, or other evidences of indebtedness, as defined in Government Code 53601(d), 53651 and pursuant to 53635.2.

E.        U.S. Agencies - Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. (GC 53601(e) and 53635.2).

F.        Banker's Acceptances - Bankers acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of banker's acceptances may not exceed 180 days' maturity or 40 percent of the District's money that may be invested pursuant to this section. However, no more than 30 percent of the District's money may be invested in the banker's acceptances of any one commercial bank pursuant to this section. (GC 53601(f) and 53635.2)

G.        Prime Commercial Paper - Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized

statistical-rating organization. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):

- (1) The entity meets the following criteria:
  - (a) Is organized and operating in the United States as a general corporation.
  - (b) Has total assets in excess of five hundred million dollars (\$500,000,000).
  - (c) Has debt other than commercial paper, if any, that is rated "A" or higher by a nationally recognized statistical rating organization.
- (2) The entity meets the following criteria:
  - (a) Is organized within the United States as a special purpose corporation, trust, or limited liability company.
  - (b) Has program-wide credit enhancements including, but not limited to, over-collateralization, letters of credit, or surety bond.
  - (c) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization.
- (3) Eligible commercial paper shall have a maximum maturity of 270 days or less; and
  - (a) No more than 40 percent of the District's money may be invested in eligible commercial paper.
  - (b) No more than 10 percent of the District's money that may be invested pursuant to this section may be invested in the outstanding commercial paper of any single issuer.

H. Investment of Surplus Funds in Deposits – Notwithstanding Section 53601 or any other provision of California Government Code, the District, at its discretion, may invest a portion of its surplus funds in deposits at a commercial bank, savings bank, savings and loan association, or credit union that uses a private sector entity that assists in the placement of certificates of deposit. The following conditions shall apply:

- (1) The District shall choose a nationally or State chartered commercial bank, savings bank, savings and loan association, or credit union in this State, or (effective January 1, 2012) a federally licensed branch of a foreign bank to invest the funds, which shall be known as the "selected" depository institution.
- (2) The selected depository institution may use a private sector entity to help place District deposits with one or more commercial banks, savings banks, savings and loan associations; or credit unions that are located in the United States, and are within the network used by the private sector entity for this purpose.

- (3) Any private sector entity used by a selected depository institution to help place District deposits shall maintain policies and procedures requiring both of the following:
  - (a) The full amount of each deposit placed pursuant to subdivision (2) and the interest that may accrue on each such deposit shall at all times be insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration.
  - (b) Every depository institution where funds are placed shall be capitalized at a level that is sufficient, and be otherwise eligible, to receive such deposits pursuant to regulations of the Federal Deposit Insurance Corporation or the National Credit Union Administration, as applicable.
- (4) The selected depository institution shall serve as a custodian for each such deposit.
- (5) On the same date that the District's funds are placed pursuant to subdivision (2) by the private sector entity, the selected depository institution shall receive an amount of insured deposits from other financial institutions that, in total, are equal to, or greater than, the full amount of the principal initially deposited through the selected depository institution pursuant to subdivision (2).
- (6) The District may not invest surplus funds with a selected depository institution for placement as certificates of deposit pursuant to Government Code Section 53601.8 on or after January 1, 2012. The District's surplus funds, invested pursuant to this section before January 1, 2012, may remain invested in certificates of deposit issued through a private sector entity for the full term of each certificate of deposit.
- (7) Notwithstanding Government Code Section 53601.8 subdivisions (a) to (e), inclusive, a credit union shall not act as a selected depository institution under Government Code Sections 53601.8 or 53635.8 unless both of the following conditions are satisfied:
  - (a) The credit union offers federal depository insurance through the National Credit Union Administration.
  - (b) The credit union is in possession of written guidance or other written communication from the National Credit Union Administration authorizing participation of federally-insured credit unions in one or more certificate of deposit placement services and affirming that the monies held by those credit unions while participating in a deposit placement service will at all times be insured by the federal government.
- (8) The deposits placed pursuant to Government Code Sections 53601.8 and 53635.8 shall not, in total, exceed thirty (30) percent of the District's funds that may be invested for this purpose:

- (9) Purchases of certificates of deposit pursuant to Government Code Sections 53601.8 and 53635.8 shall not, in total, exceed thirty (30) percent of the District's funds that may be invested for this purpose.
- (10) Excluding purchases of certificates of deposit pursuant to Government Code Sections 53601.8, no more than ten (10) percent of the District's funds that may be invested for this purpose may be submitted, pursuant to subdivision (2), to any one private sector entity that assists in the placement of deposits with one or more commercial banks, savings banks, savings and loan associations, or credit unions that are located in the United States, for the District's account.
- (11) Government Code Section 53601.8 shall remain in effect only until January 1, 2017-2021. As of that date, Government Code Section 53601.8 will be-is repealed, unless a later enacted California statute that is enacted before January 1, 2017 2021 deletes or extends that time.

I. Certificates of Deposits and Time Deposits - The District may invest in non-negotiable time deposits collateralized in accordance with the Uniform Commercial Code, in those banks and State and federal associations which meet the requirements for investment in negotiable certificates of deposit (NCD). When conditions so warrant, the first \$100,000 of collateral security for such deposits can be waived if the financial institution is insured pursuant to federal and State law.

J. Medium-Term Corporate Notes - Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five (5) years or less issued by corporations organized and operating within the United States or by a depository institutions licensed by the United States or any State and operating within the United States. Notes eligible for investment shall be rated "A" or better by a nationally recognized statistical rating organization. No more than 30-percent of the District's invested funds may be invested in medium-term notes. (GC 53601(j) and 53635.2)

K. Mutual Funds/Money Market Mutual Funds - Shares of beneficial interest issued by diversified management companies, otherwise known as mutual funds, investing in the securities and obligations authorized by subdivisions (a) to (j), inclusive, or subdivisions (m) or (n) of Government Code Section 53601 and that comply with the investment restrictions of this article and the Government Code commencing with Section 53630. To be eligible for investment pursuant to this subdivision, these funds shall meet the following conditions in either paragraph 1 or paragraph 2:

1. Shares of beneficial interest issued by diversified management companies (otherwise known as mutual funds) that invest in the securities and obligations as authorized by subdivisions (a) to (j), inclusive, or (m) or (n) of Government Code Section 53601 and that comply with the investment restrictions of Government Code Sections 53600 et seq. and Sections 53630 et seq. To be eligible for investment pursuant to this subdivision (K)(1), the companies must have either:

- (a) Retained an investment adviser registered with the Securities and Exchange Commission with not less than five (5) years' experience investing in securities and obligations and authorized by subdivisions (a) to (j), inclusive, (m) or (n) of Government Code Section 53601 and with assets under management in excess of five hundred million dollars (\$500,000,000); or
  - (b) Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) nationally recognized statistical rating organizations.
2. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.). To be eligible for investment pursuant to this subdivision (K)(2), the companies must either have:
- (a) Retained an investment adviser registered with the Securities Exchange Commission with not less than five (5) years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000); or
  - (b) Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) nationally recognized statistical rating organizations.
3. The purchase price of shares of mutual funds and money market mutual funds purchased pursuant to this subdivision (K) shall not include any commission that the companies may charge and shall not exceed 20 percent of the District's funds that may be invested pursuant to Government Code Section 53601. Further, no more than 10 percent of the District's investment funds may be invested in shares of beneficial interest of any one mutual fund.

L. Mortgage Pass-through Securities - Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum of five (5) years maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by a nationally recognized statistical rating organization and rated in a rating category of "AA" or its equivalent or better by a nationally recognized statistical rating organization. Purchase of securities authorized by this subdivision may not exceed 20 percent of the District's invested funds. (GC 53601 (n) and 53635.2)

M. Joint Powers Authority - Shares of beneficial interest issued by a Joint Powers Authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in Government Code 53601 subdivisions (a) to (n), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the Joint Powers Authority. To be eligible under this section, the Joint Powers Authority issuing the shares shall have retained an investment adviser that meets all

of the following criteria:

1. The adviser is registered or exempt from registration with the Securities and Exchange Commission.
2. The adviser has not less than five years of experience investing in the securities and obligations authorized in Government Code Section 53601 subdivisions (a) to (n), inclusive.
3. The adviser has assets under management in excess of five hundred million dollars (\$500,000,000) (GC 53601 (o)).

N. Passbook Deposits - Savings account(s) shall be maintained for amounts under \$250,000 as a source of funds for immediate use if required for selective commercial accounts. Savings account deposits may exceed the specified amount for periods not to exceed 45 days in anticipation of payment of monthly accounts payable.

O. Supranationals - United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank. The maximum remaining maturity for these obligations must be five (5) years or less, and they must be eligible for purchase and sale within the United States. In addition, these investments must be rated "AA" or better by at least two Nationally Recognized Statistical Ratings Organizations (NRSROs) and not exceed 30 percent of the District's portfolio.

6300.51

#### NON-COMPLIANCE WITH AUTHORIZED INVESTMENTS

Investments which were obtained prior to adoption of this policy which are not now in compliance with said policy may be held until maturity pursuant to Government Code Section 53601.6 (b). Reporting of said non-compliant investments shall be made per Section 6300.70.

6300.55

#### DESIGNATION OF DEPOSITORIES

The Board of Directors shall, by Resolution, and in accordance with Government Code Section 53600 et seq. and 53630 et seq., designate depositories for funds of the District. A State or federal credit union may not be designated as a depository for District funds if a member of the Board of Directors or any person with investment decision making authority for the District serves on the Board of Directors, any committee appointed by the Board of Directors, or the credit committee or supervisory committee of the State or federal credit union.

As far as possible, all money belonging to, or in the custody of the District, including money paid to the Treasurer or other official to pay the principal, interest, or penalties of bonds, shall be deposited for safekeeping in State or national banks, savings associations, federal associations, credit unions, or federally insured industrial loan companies in this State, selected by the Treasurer or other official having legal custody of the money; or may be invested in the investments set forth in Section 53601. To be eligible to receive District money, a bank, savings association, federal association, or federally

insured industrial loan company shall have received an overall rating of not less than "satisfactory" in its most recent evaluation by the appropriate federal financial supervisory agency of its record of meeting the credit needs of California's communities, including low- and moderate-income neighborhoods, pursuant to Section 2906 of Title 12 of the United States Code. Sections 53601.5 and 53601.6 shall apply to all investments that are acquired pursuant to this section (GC 53635.2).

6300.60                      SAFEKEEPING OF SECURITIES

To protect against potential losses caused by collapse of individual securities dealers, all securities may be delivered against payment and shall be kept in safekeeping pursuant to Government Code Section 53608. Depositories having custody of the District's funds, securities, and other investment instruments shall be directed to forward copies of verification of such deposits in accordance with policies consistent with generally accepted reporting procedures of depositories. In no case shall funds be wired or transmitted in any manner to brokers.

6300.70                      REPORTING REQUIREMENTS

Under provisions of California Government Code Section 53646 and 53607, the Treasurer shall render a monthly report to the District's Board of Directors and General Manager. The report shall include the type of investment, issuer, date of maturity, par value and the dollar amount invested in all securities, investments and monies held by the District, and shall additionally include a description of any of the District's funds, investments or programs, that are under the management of contracted parties, including lending programs. With respect to all securities held by the District, and under management of any outside party that is not also a local agency of the State of California Local Agency Investment Fund, the report shall also include a current market value as of the date of the report, and shall include the source of this same valuation.

In the report, a subsidiary ledger of investments may be used in accordance with generally accepted accounting practices.

The Treasurer shall report whatever additional information or data may be required by the District's Board of Directors.

For District investments that have been placed in the Local Agency Investment Fund, created by Government Code Section 16429.1, in National Credit Union Share Insurance Fund-insured accounts in a credit union, in accounts insured or guaranteed pursuant to Section 14858 of the Financial Code, or in Federal Deposit Insurance Corporation-insured accounts in a bank or savings and loan association, in a county investment pool, or any combination of these, the Treasurer may supply to the District's Board of Directors and General Manager the most recent statement or statements received by the District from these institutions in lieu of the information regarding the type of investment, issuer, date of maturity, par value and the dollar amount invested in all securities, investments and monies held by the District as previously cited.

The monthly Treasurer's report shall state compliance of the portfolio with this Investment of District Funds Policy, or manner in which the portfolio is not in compliance. The report shall include a statement denoting the ability of the District to meet its expenditure requirement for the next six months or an explanation as to why sufficient monies will not or may not be available.



6300.90

INVESTMENT POLICY REVIEW

This policy governing Investment of District Funds shall be reviewed, modified as necessary and re-adopted or amended at a public meeting of the Board of Directors annually or more frequently if necessary.

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# CITRUS HEIGHTS WATER DISTRICT

## DISTRICT STAFF REPORT TO BOARD OF DIRECTORS MARCH 14, 2017 REGULAR MEETING

SUBJECT : Consideration of Concurrence for Nominations ACWA-JPIA Executive Committee  
 STATUS : Action Item  
 REPORT DATE : March 14, 2017  
 PREPARED BY : Robyn Evans, Senior Management Services Specialist

### **OBJECTIVE:**

Affirm the nominations of Thomas Cuquet (South Sutter Water District) & Kathy Tieg (Cucamonga Valley Water District) for Association for Water Agencies Joint Powers Insurance Authority (ACWA/JPIA) Executive Committee (A)

### **BACKGROUND AND ANALYSIS:**

The ACWA/JPIA Executive Committee is comprised of eight Board members elected by the Board of Directors from its approximately 360 voting members as outlined in the ACWA-JPIA Bylaws. The ninth position is held by the Vice President of the Association of California Water Agencies as an ex officio member of the Executive Committee.

Candidates must be representative of ACWA/JPIA members that participate in all four of the ACWA/JPIA's programs: Liability, Property, Worker's Compensation, and Employee Benefits. In addition, candidates for the ACWA/JPIA Executive Committee must receive concurring in nominations resolutions from three other ACWA/JPIA member agencies.

This election will fill four Executive Committee member positions, each for a four-year term.

The incumbents are that running for re-election include Tom Cuquet, (South Sutter Water District), David Drake, (Rincon Del Diablo Municipal Water District), and Melody McDonald, (San Bernardino Valley Water Conservation District). There is one vacant position.

The District received two requests for concurrence, one each from Thomas Cuquet and Kathleen Tieg.

### **RECOMMENDATION:**

Adopt Resolution No. 02-2017 Concurring in Nomination to the Executive Committee of the ACWA/JPIA in Support of Thomas Cuquet.

Adopt Resolution No. 03-2017 Concurring in Nomination to the Executive Committee of the ACWA/JPIA in Support of Kathleen Tieg.

### **ACTION:**

Moved by Director \_\_\_\_\_, Seconded by Director \_\_\_\_\_, Carried \_\_\_\_\_

# Attachment 1

ACWA-JPIA Executive Committee Nomination  
Thomas Cuquet, South Sutter Water District  
Request to Conquer Letter

# SOUTH SUTTER WATER DISTRICT

2464 Pacific Avenue • Trowbridge, CA 95659 • Office (530) 656-2242 • FAX (530) 656-2416

Bradley J. Arnold  
General Manager / Secretary  
sswd@hughes.net



February 3, 2017

Board of Directors  
Citrus Heights Water District  
P. O. Box 283  
Citrus Heights, CA 95611

Subject: Request for Concurrence for Nomination of Thomas A. Cuquet for the  
ACWA/JPIA's Board of Directors Executive Committee.

Dear Directors:

The Board of Directors of the South Sutter Water District will be submitting Thomas A. Cuquet as a candidate for a position on the ACWA/JPIA Executive Committee. Mr. Cuquet is presently the South Sutter Water District representative on the ACWA/JPIA Board of Directors and is currently serving as a member of the ACWA/JPIA Executive Committee.

Enclosed is a sample concurring resolution for your consideration in support of Mr. Cuquet's nomination

Please consider supporting Mr. Cuquet by adopting the concurring resolution in his nomination to the ACWA/JPIA Executive Committee. Please send a certified copy of the adopted resolution to:

ACWA/JPIA  
Attention: Sylvia Robinson  
P. O. Box 619082  
Roseville, CA 95661-9082  
and  
South Sutter Water District  
2464 Pacific Avenue  
Trowbridge, CA 95659

The resolution must be received by the ACWA/JPIA prior to March 24, 2017.

Sincerely,

A handwritten signature in blue ink that reads "Brad Arnold".

Bradley J. Arnold  
General Manager/Secretary

encls

BOARD OF DIRECTORS

Thomas A. Cuquet • Matthew R. Conant • Gregory J. Nelson • David Rai • Walter P. Trevethan • James C. Van Dyke • John W. Vertrees

## Attachment 2

ACWA-JPIA Executive Committee Nomination

Thomas Cuquet, South Sutter Water District

Bio

## Leadership Qualifications

# Thomas A. Cuquet

I am currently the Vice-President of ACWA/JPIA and Chairman of the Property Committee.

I am the President of South Sutter Water District and have been a member of its board since 1977.

I was previously a member of the Northern California Water Association board of Directors and am now serving as Alternate.

I am the owner (operator) of a rice and walnut growing operation in Sutter County, California and have been growing crops since 1977. I currently grow conventional white rice along with organic rice for domestic and export sales.

I have served as President of the Pleasant Grove School District and was a long time manager of local youth softball teams.

I live in Pleasant Grove California and I have a Bachelors of Science from California State University Chico, in Agriculture.

Attachment 3

ACWA-JPIA Executive Committee Nomination

Thomas Cuquet, South Sutter Water District

Resolution 02-2017

CITRUS HEIGHTS WATER DISTRICT  
RESOLUTION NO. 02-2017

RESOLUTION OF THE BOARD OF DIRECTORS  
OF CITRUS HEIGHTS WATER DISTRICT  
CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE  
OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES  
JOINT POWERS INSURANCE AUTHORITY ("ACWA JPIA")

WHEREAS, this district is a member district of the ACWA JPIA; and

WHEREAS, the Bylaws of the ACWA JPIA provide that in order for a nomination to be made to ACWA JPIA's Executive Committee, three member districts must concur with the nominating district; and

WHEREAS, another ACWA JPIA member district, the South Sutter Water District, has requested that this district concur in its nomination of its member of the ACWA JPIA Board of Directors to the Executive Committee of the ACWA JPIA;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT that this district concurs with the nomination of Thomas A. Cuquet of the South Sutter Water District to the Executive Committee of the ACWA JPIA.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to the ACWA JPIA at P.O. Box 619082, Roseville, California, 95661-9082, forthwith.

ADOPTED this 14nd day of March, 2017.

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

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CARYL SHEEHAN  
President, Board of Directors  
Citrus Heights Water District

ATTEST

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HILARY M. STRAUS, Secretary  
Citrus Heights Water District



## Attachment 4

ACWA-JPIA Executive Committee Nomination  
Kathleen J Tiegs, Cucamonga Valley Water District  
Request to Conquer Letter

**Martin E. Zvirbulis**  
Secretary/General Manager/CEO

January 25, 2017

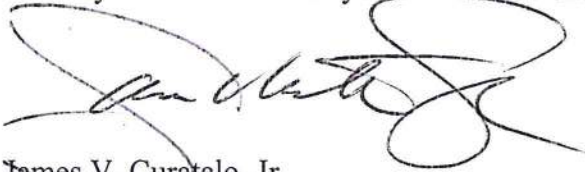
Dear Fellow ACWA/JPIA Member:

On January 24, 2017 the Cucamonga Valley Water District Board of Directors adopted Resolution No. 2017-1-1 nominating Director Kathleen J. Tieg for the position of ACWA/JPIA Executive Committee. We are formally requesting your support of Director Tieg's nomination through the adoption of a concurring resolution from your agency.

Director Tieg has been actively involved in ACWA/JPIA having served the past 10 years on the board, as well as having experience as the ex-officio member on the Executive Committee. Director Tieg is committed to continuing the great work of providing quality insurance and employee benefit services that ensure our agencies and ratepayers are receiving the most cost-effective service possible.

I have attached a sample concurring resolution in support of Director Tieg's nomination, as well as her candidate statement. The elections for ACWA/JPIA Executive Committee will be held May 8, 2017, should you desire to adopt a resolution or if you have questions please contact our Executive Assistant to the Board, Taya Victorino at 909.987.2591 or [tayav@cvwdwater.com](mailto:tayav@cvwdwater.com).

Thank you in advance for your consideration.



James V. Curatalo, Jr.  
President

Attachments:  
Sample Concurring Resolution  
Candidate Statement – Director Tieg

## Attachment 5

ACWA-JPIA Executive Committee Nomination  
Kathleen J Tiegs, Cucamonga Valley Water District

Bio

**Kathleen J. Tiegs**  
**Candidate Statement for**  
**Association of California Water Agencies**  
**Joint Powers Insurance Authority (ACWA/JPIA) Executive Committee**

Dear ACWA/JPIA Board Members:

I am pleased to share with you my interest in serving on the Executive Committee for ACWA/JPIA. I believe I am prepared and ready for the challenge to help lead the organization as we continue to grapple with providing the best and most cost-effective insurance and employee benefit services to our members.

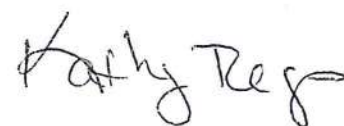
My experience with the ACWA/JPIA began over 10 years ago when I was appointed by the Cucamonga Valley Water District (CVWD) to serve as their ACWA/JPIA representative. I have also served as the ex-officio member of the Executive Committee in 2015-2016. As part of the Executive Committee I was able to provide the leadership and feedback to staff to ensure they were continuing to uphold the mission of the ACWA/JPIA: *“to consistently and cost effectively provide the broadest possible affordable insurance coverage and related services to its member agencies”*.

I have served on the CVWD board of directors for approximately 12 years, and have served in the role as both president and vice-president of the board of directors. I am currently a member of the Legislative/Outreach and the Human Resources/Risk Management committees. The Human Resources/Risk Management Committee is responsible for overseeing employee benefits, risk management and safety programs for the organization. At CVWD, we have taken full advantage of all the programs the ACWA/JPIA has to offer to ensure our employees are working in the safest environment possible. Our board of directors has also adopted the *Commitment to Excellence* Program pledge putting into place best management practices which bolsters our effectiveness for loss prevention and safety.

I currently serve as the President for the Association of California Agencies (ACWA). In my role as president I have focused on increasing my understanding of our members needs so that I may know how to better serve and lead the ACWA organization. I will use this same approach if elected to serve on the ACWA/JPIA Executive Committee.

The election for ACWA/JPIA is scheduled for May 8, 2017 at the conference. Thank you for allowing me to share my experience, leadership and knowledge. I look forward to the opportunity to represent you and your agency. Please feel free to contact me directly at (909) 635-4177 should you have questions or if you would like to support my candidacy.

Thank you in advance for your consideration,



Kathy Tiegs



## Attachment 6

ACWA-JPIA Executive Committee Nomination  
Kathleen J Tiegs, Cucamonga Valley Water District  
Resolution 03-2017

CITRUS HEIGHTS WATER DISTRICT  
RESOLUTION NO. 03-2017

RESOLUTION OF THE BOARD OF DIRECTORS  
OF CITRUS HEIGHTS WATER DISTRICT  
CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE  
OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES  
JOINT POWERS INSURANCE AUTHORITY ("ACWA JPIA")

WHEREAS, this district is a member district of the ACWA JPIA; and

WHEREAS, the Bylaws of the ACWA JPIA provide that in order for a nomination to be made to ACWA JPIA's Executive Committee, three member districts must concur with the nominating district; and

WHEREAS, another ACWA JPIA member district, the Cucamonga Valley Water District, has requested that this district concur in its nomination of its member of the ACWA JPIA Board of Directors to the Executive Committee of the ACWA JPIA;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT that this district concurs with the nomination of Kathleen J. Tiegs of the Cucamonga Valley Water District to the Executive Committee of the ACWA JPIA.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to the ACWA JPIA at P.O. Box 619082, Roseville, California, 95661-9082, forthwith.

ADOPTED this 14nd day of March, 2017.

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

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CARYL SHEEHAN  
President, Board of Directors  
Citrus Heights Water District

ATTEST

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HILARY M. STRAUS, Secretary  
Citrus Heights Water District

# CITRUS HEIGHTS WATER DISTRICT

## DISTRICT STAFF REPORT TO BOARD OF DIRECTORS MARCH 14, 2017 REGULAR MEETING

SUBJECT : AGREEMENT WITH KIRBY’S PUMP AND MECHANICAL, INC. FOR PALM WELL PUMP AND MOTOR REPLACEMENT  
 STATUS : Action Item  
 REPORT DATE : February 27, 2017  
 PREPARED BY : Brian Hensley, Water Resources Supervisor

**OBJECTIVE:**

Consider acceptance of a bid to repair and upgrade the pump and motor at Palm Well. Work to be performed includes: removal, repair, and installation of pump and motor. A down-hole video will also be performed.

**BACKGROUND AND ANALYSIS:**

The well pump for Palm Well (1991) needs to be repaired or replaced. The existing pump is oil lubricated and will be upgraded to water lubrication. The original motor has also failed and will be repaired and upgraded to allow for future installation of a Variable Frequency Drive.

Current pumping levels show a decline in pumping capacity at this site. Down-hole video analysis and testing is needed to determine a course of action for next phase rehabilitation of well. Rehabilitation work to be completed before installation of repaired pump/motor.

The District received three (3) quotes for this work. The lowest responsive bidder is Kirby’s Pump and Mechanical. Bids received are as follows:

- |                                      |              |
|--------------------------------------|--------------|
| 1. Kirby’s Pump and Mechanical, Inc. | \$ 57,536.00 |
| 2. Layne Christensen Co.             | \$ 57,599.55 |
| 3. Eaton Pumps                       | \$ 63,948.50 |

**RECOMMENDATION:**

Accept the bid of Kirby’s Pump and Mechanical, Inc. in the amount of \$56,680.00 and establish a contingency fund in the amount of \$5,700.00 (10%). Authorize the General Manager to execute the contract.

**ACTION:**

Moved by Director \_\_\_\_\_, Seconded by Director \_\_\_\_\_, Carried \_\_\_\_\_

**CITRUS HEIGHTS WATER DISTRICT**  
**Agreement for Construction Services**  
**2017 CITRUS HEIGHTS WATER DISTRICT**  
**Palm Well Repair Project**

This Agreement for construction services is made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_ 2017 by and between Citrus Heights Water District (“the **DISTRICT**”) and Kirby’s Pump and Mechanical, Inc. (“the **CONTRACTOR**”). The **DISTRICT’S** address is 6230 Sylvan Road, P.O. Box 286, Citrus Heights, California, 95611-0286, telephone number (916) 725-6873, facsimile number (916) 725-0345. The **CONTRACTOR’S** address is 3233 Fitzgerald Rd, Rancho Cordova, CA 95742, telephone number (916) 635-2735, and facsimile number (916) 635-6090. The **CONTRACTOR** is a corporation, having Taxpayer’s Identification Number \_\_\_\_\_ and California State Contractor’s License number 538234.

1. The Agreement. The **DISTRICT** and the **CONTRACTOR** agree that the **CONTRACTOR** shall perform construction services for the **DISTRICT** on the terms and conditions set forth herein in connection with the following documents which are attached hereto and incorporated herein as a part of this Agreement:

Exhibit A - Proposal for Construction Services (4 pages)

Exhibit B - General Contract Provisions (18 pages)

This Agreement, including said exhibits, constitutes the entire Agreement between the parties and supersedes any prior oral or written proposals, representations or understandings. This Agreement may be modified only by a written amendment signed by each party.

2. Term. This contract shall commence on the first calendar day of the month succeeding approval of the contract by the Board of Directors, and contingent upon the completion and submittal of all required pre-award documents. The initial contract term shall remain in effect for twelve (12) months, and the contract will remain in effect until completion of the expressed and/or implied warranty period. The contract prices resultant from this solicitation shall prevail for the full duration of the initial contract term unless otherwise indicated elsewhere in this document.

3. Payment. The **CONTRACTOR** shall at convenient intervals not more frequent than monthly submit itemized statements of services performed at the rates and charges in Exhibit B. The **DISTRICT** shall pay for work satisfactorily performed within Thirty (30) days after receipt of a statement. The total amount payable by the **DISTRICT** for the **CONTRACTOR’S** services pursuant to this Agreement shall not exceed \$ 57,536.00 without the prior written approval of the **DISTRICT**.



4. District Obligations. For providing the said 2017 Citrus Heights Water District Palm Well Repair Project as specified in this Agreement, the **DISTRICT** shall pay the **CONTRACTOR** the Unit Prices as set forth in Article 3 above.
5. Contractor's Obligations. For and in consideration of the promises and covenants made by the **DISTRICT** herein, the **CONTRACTOR** agrees to provide the services as described in Exhibit A attached hereto and do everything required by the **DISTRICT'S** Plans and Specifications which are incorporated herein.
6. Prevailing Wage. In accordance with the provisions of California Labor Code Sections 1770, 1773, 1773.1, 1773.6 and 1773.7 as amended, the Director of the Department of Industrial Relations has determined the general prevailing rate of per diem wages in accordance with the standards set forth in Section 1773 for the locality in which the Project is to be performed. A copy of said wage rates is available upon request through the **DISTRICT** or the California Department of Labor and shall be made available to any interested party on request. It shall be mandatory upon the **CONTRACTOR** to whom the Work is awarded and upon any subcontractor under the **CONTRACTOR** to pay not less than said specified rates to all workers employed by them in the execution of the Work.
7. Amendments. Any amendment, modification, change order or variation from the terms of this Agreement shall be in writing, shall be signed by the **CONTRACTOR** and the **DISTRICT**, and shall be effective only upon approval by the **DISTRICT**.
8. Complete Agreement. This written Agreement, including all writings specifically incorporated herein by reference, shall constitute the complete agreement between the parties hereto. No oral agreement, understanding, or representation not reduced to writing and specifically incorporated herein shall be of any force or effect, nor shall any such oral agreement, understanding, or representation be binding upon the parties hereto.
9. Notice. All written notices to the parties hereto shall be sent by United States mail, postage prepaid, and addressed as follows:

DISTRICT:

Hilary M. Straus, General Manager  
Citrus Heights Water District  
P.O. Box 286  
Citrus Heights, CA 95611-0286

CONTRACTOR:

Kirby's Pump and Mechanical, Inc.  
3233 Fitzgerald Rd.  
Rancho Cordova, CA 95742

10. Authority to Execute Agreement. Each person whose signature appears below represents that he/she is duly authorized to enter into this Agreement on behalf of the party indicated below, and that his/her signature legally binds the **DISTRICT** and the **CONTRACTOR** to the terms and conditions of this Agreement.

Dated: \_\_\_\_\_

**CITRUS HEIGHTS WATER DISTRICT**

**Kirby's Pump and Mechanical, Inc.**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**CITRUS HEIGHTS WATER DISTRICT**

**Proposal for Construction Services**

**CHWD Palm Well Repair Project**

Between Citrus Heights Water District (“the **DISTRICT**”) and Kirby’s Pump and Mechanical, Inc. (“the **CONTRACTOR**”).

Dated March \_\_\_\_, 2017

**GENERAL SCOPE OF SERVICES**

The **CONTRACTOR** shall provide:

Qualified personnel to provide repair services for **DISTRICT'S Palm Well Repair Project**, elements of which include but are not limited to:

- Pull existing pump and install repaired/replaced pump
- Modify or replace existing column/shaft for water lubrication
- Rewind/replace existing motor to “Inverter Duty” specification
- Replace existing pump
- Well video

The **CONTRACTOR** shall be qualified to:

Repair of all pumps may include, but not limited to, line shafts, bearings, housing/frame, column pipe, complete rebuild of pump/motor unit, seals, impellers, rotor shaft, power/control cable attachments, thermal/moisture sensors, and all other appurtenant components. Furnish new replacement vertical turbine pumps, submersible well pumps, motors, and mechanical seals as needed. The Contractor shall provide the **DISTRICT** with its evaluation and recommendation, including cost estimates per project. All repair work shall be subject the **DISTRICT 'S** written approval prior to commencing any work by the Contractor.

The Contractor shall pickup/deliver pump and motor for repair.

**CITRUS HEIGHTS WATER DISTRICT**

**Well Services Agreement**

**CHWD Palm Well Repair Project**

In accordance with the Request for Bids, the undersigned, as bidder, declares that he/she has carefully examined the nature and locations of the proposed work, the condition of the sites at which the Project is to be constructed. Bidder proposes and agrees that if this proposal is accepted, he/she will contract with the District to, at his/her own cost and expense, do all the work and furnish all the equipment, materials and labor, necessary to completely perform said contract, in the manner and time prescribed by said Agreement and according to the requirements of the District, and to do all other things provided or called for by said Agreement form. Bidder will execute and/or provide all insurance certificates required by law and/or by said Agreement, all in accordance to and subject to all applicable laws, and that he/she will take in full payment therefor the following unit prices:

**PROPOSAL ITEM PRICING**

General	Qty	Price
Removal of motor, discharge head & pump, bail oil from well	Ea	\$2,750.00
Installation of motor, discharge head & pump	Ea	\$2,900.00
Well Video	Ea	\$650.00

Pump/Motor		
New pump	Ea	\$10,375.00 (8.25%) - \$11,231.00
Convert/replace material for water-lube conversion	Ea	\$26,355.00
Rewind existing motor to "Inverter Duty" specification	Ea	\$13,650.00

<b>Total</b>	<b>\$57,536.00</b>
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**After the Contractor is issued the Notice to Proceed, the Contractor shall commence the work within fourteen (14) calendar days.**

■ PUMP REPAIR

■ INSTALLATION

3233 FITZGERALD ROAD  
RANCHO CORDOVA, CA 95742

TELEPHONE (916) 635-2735

FAX (916) 635-6090

CONTRACTOR LIC. #538234



# KIRBY'S PUMP AND MECHANICAL, INC.

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Brian Hensley  
Water Resources Supervisor  
Citrus Heights Water District  
PO Box 286  
Citrus Heights, CA 95611-0286

March 2, 2017

## Palm Avenue Well

Pull existing pump - \$2750.00  
Well video - \$ 650.00  
Install - \$ 2900.00

Convert pump to water-lube –

Option #1 – Re-use existing column. Furnish new stainless steel water-lube inner column, run-dry bearings to the static water table, rubber bearings below static water table; modify existing head for water lubrication.

\$22,630.00

Option #2 – Provide all new material for water-lube conversion.

\$26,355.00

The above is predicated on a pump setting of 230'

200 Hp Motor – Rewind existing motor; replace bearings; install heaters and thermostats; install grounding rings and provide Belzona coatings on housing surfaces. Winding wire will be inverter duty rated.

\$13,650.00

Option #1 – Furnish new motor

\$14,710.00 plus tax



# KIRBY'S PUMP AND MECHANICAL, INC.

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■ PUMP REPAIR  
■ INSTALLATION  
3233 FITZGERALD ROAD  
RANCHO CORDOVA, CA 95742  
TELEPHONE (916) 635-2735  
FAX (916) 635-6090  
CONTRACTOR LIC. #538234

Furnish new pump – Brian, I looked back the results of efficiency testing prior to rehab in 1998 and assuming that you can get back to 40-45 gpm/ft-dd, at 1,500 gpm the pumping water level would be around 210'. I believe that the original system pressure at Palm was 80-90 psi, so that would put the total head at 420'. At 1,400 gpm the head would be around 415', and at 1,300 gpm, around 410'.

New bowl price - \$10,375.00 plus tax

  
George Collier  
Kirby's Pump & Mechanical, Inc.

**General Contract Provisions**

**Palm Well Repair Project**

Construction Services Agreement by and between  
Citrus Heights Water District (“the **DISTRICT**”) and  
Kirby’s Pump & Mechanical, Inc. (“the **CONTRACTOR**”)  
Dated \_\_\_\_\_

Each of the following provisions are incorporated in and are a part of the above-captioned Agreement.

1. Ability to Perform. The **CONTRACTOR** shall possess, or arrange through subcontractors, all capital and other equipment, labor, materials and licenses necessary to carry out and complete the work under this Agreement in compliance with any and all federal, state, county, city, and special district laws, ordinances and regulations and according to drawings and specifications prepared by the **DISTRICT**.
2. Responsibility of Accuracy. The **CONTRACTOR** shall obtain all necessary measurements from the work to be provided under the Agreement and shall supervise such work for accuracy.
3. Examination by Contractor. The **CONTRACTOR** shall by careful examination ascertain the following: (1) the nature and location of the project; (2) the condition on the ground on which the project is to be constructed; (3) the character, quality, and quantity of the materials, equipment, and facilities necessary to complete the project; (4) the general and local conditions pertaining to the project; and (5) all other matters that in any way can affect the performance of the Agreement by the **CONTRACTOR**. The **CONTRACTOR** enters into this Agreement solely because of the results of that examination and not because of any representations pertaining to the project or the completion of the project made to the **CONTRACTOR** by the **DISTRICT** and not contained in this Agreement.
4. Laws to be Observed. The **CONTRACTOR** shall keep itself fully informed of and shall observe and comply with all applicable federal and state laws and county, city, and special district ordinances, regulations and adopted codes during its performance of the work.
5. Inspection. All work done and all materials furnished under this Agreement shall be subject to the inspection and approval of the **DISTRICT** and the County of Sacramento. The **DISTRICT** shall make recommendations where appropriate to reject any work not conforming to the intended design. The **CONTRACTOR** shall be responsible for coordinating County of Sacramento inspections as necessary. The **CONTRACTOR** shall furnish the **DISTRICT** with every reasonable opportunity for the **DISTRICT** to

## Exhibit B

ascertain that the services of the **CONTRACTOR** are being performed in compliance with the requirements and intentions of this Agreement. The **CONTRACTOR** shall correct immediately any defective or imperfect work which may be discovered before final acceptance of the work. Any unsatisfactory materials shall be rejected, and removed from the project site immediately, notwithstanding that they may have been overlooked by the inspector. The inspection of the work, or any part thereof, shall not relieve the **CONTRACTOR** of any of its obligations to perform satisfactory work as herein prescribed.

6. Records, Documents and Audit Rights. The **CONTRACTOR** shall maintain adequate records, provide periodic status reports to the **DISTRICT**, and deliver to the **DISTRICT** all drawings, records, data and reports prepared or obtained in the performance of the Agreement which shall be and remain the property of the **DISTRICT**. The **CONTRACTOR** shall retain the **CONTRACTOR'S** books, documents, papers, materials, payrolls, records, accounts, computer disks, tapes and all data relevant to the Agreement for a minimum of three (3) years following under this Agreement and shall permit the **DISTRICT** and its authorized representatives to examine, re-examine, make excerpts, transcribe and copy such items at any reasonable time within three (3) years after the date of recordation of the "Notice of Completion" under the Agreement. The **CONTRACTOR** shall also permit the **DISTRICT** and its authorized representatives to audit and verify statements, invoices or bills submitted by the **CONTRACTOR** pursuant to the Agreement. Audit(s) may be performed at any time, provided that the District shall give reasonable prior notice to **CONTRACTOR** and shall conduct audit(s) during **CONTRACTOR'S** normal business hours, unless **CONTRACTOR** otherwise consents the **CONTRACTOR** shall provide such assistance as may be reasonably required in the course of such examination and audit.
7. Confidentiality. The **CONTRACTOR** shall treat any information it may come to have relating to this Agreement with confidence, revealing information to third parties only with the prior written approval of the **DISTRICT**.
8. Charges and Liens. The **CONTRACTOR** must pay all charges incurred by the **CONTRACTOR** for labor and materials used in the construction of the project as they become due. If the **CONTRACTOR** fails to pay any such charge, the **DISTRICT** may pay the charge on the **CONTRACTOR'S** behalf and will be reimbursed by the **CONTRACTOR**, on request, for the payment. The **DISTRICT**, however, will not be entitled to collect from the **CONTRACTOR** any greater amount under this paragraph than the amount actually paid by the **DISTRICT** in settlement or discharge of the charge.
9. Safety - General. The **CONTRACTOR** shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out the work, the **CONTRACTOR** shall at all times, exercise all necessary precautions for the safety of employees and the public appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all federal, state and local statutory and regulatory requirements including State of California, Division of Industrial



## Exhibit B

Safety (Cal/OSHA) regulations, and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act (OTETA) as applicable. Safety precautions as applicable shall include instructions in accident prevention for all employees and the public such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries.

10. Safety - Traffic. The **CONTRACTOR** shall be responsible for the safety of traffic, both vehicular and pedestrian, within the work area limits and on the approaches to the work area. No material or equipment shall be stored where it will interfere with the safe passage of public traffic, and at the end of each work day and at other times when construction operations are suspended for any reason, the **CONTRACTOR** shall remove all equipment and other obstructions from that portion of the roadway open for use by public traffic. Traffic control shall meet the standards and requirements of the California Department of Transportation (CalTrans) and the County of Sacramento.
11. Materials and Equipment Storage. The **CONTRACTOR** must, on completion of the project, remove all debris and surplus materials from the project site and the **DISTRICT** property, if applicable, and sweep all paved or concrete surfaces to leave them free of debris and loose dirt or dust. All storage of materials and equipment within the encroachment of the County of Sacramento shall be coordinated with the **DISTRICT** and the County of Sacramento.
12. Daily Clean Up. The **CONTRACTOR** must, daily, remove all debris from the project site and sweep all paved or concrete surfaces to leave them free of debris and loose dirt or dust. All sheeting, plating, and applicable safety and traffic devices shall be in place at all times.
13. Subcontracting and Assignment. The **CONTRACTOR** shall not, without the written consent of the **DISTRICT**: (a) substitute any party as contractor in place of the subcontractor designated in the original bid; or (b) permit any such subcontract to be assigned or transferred, or allow it to be performed by anyone other than the original subcontractor listed on the bid. Such substitution shall be done in conformance with the Subletting and Subcontracting Fair Practices Act, Section 4100 and following of the Public Contract Code of the State of California. No subcontracting or assignment shall be permitted which would relieve the original **CONTRACTOR** or his surety of their responsibilities under the Agreement.

The Agreement shall not be assignable or transferable in whole or in part by the **CONTRACTOR**, whether voluntarily or by operation of law provided, however, that the **CONTRACTOR** with the prior written consent of the **DISTRICT** may subcontract that portion of the services for which the **CONTRACTOR** does not have the facilities to perform. Any other purported assignment, transfer or subcontracting shall be void. Nothing in the Agreement shall be construed to give any right or benefit to anyone other than the **DISTRICT** and the **CONTRACTOR**.

## Exhibit B

The **CONTRACTOR** may assign monies due or to become due him under the Agreement and such assignment will be recognized by the **DISTRICT** if given proper written notice thereof, to the extent permitted by law, but any assignment of monies shall be subject to all deductions provided for in the Agreement, and all money withheld shall be subject to use by the **DISTRICT** for the completion of the work in the event that the **CONTRACTOR** should be in default therein.

14. Non-Recognition of Subcontractors. No subcontractor will be recognized as such, and all persons engaged in the work under this contract will be considered as employees of the **CONTRACTOR**, and their work shall be subject to all the provisions of the contract. The **DISTRICT** and its representatives will deal only with the **CONTRACTOR** who shall be responsible for the proper execution of the entire work.
15. Interests of Contractor. The **CONTRACTOR** covenants that it presently has no interest, and shall not acquire any interest, direct, indirect or otherwise, which would conflict in any manner or degree with the performance of the work hereunder. The **CONTRACTOR** further covenants that, in the performance of this work, no subcontractor or person having such an interest shall be employed. The **CONTRACTOR** certifies that no one who has or will have any financial interest in performing this work is an officer or employee of the **DISTRICT**. It is hereby expressly agreed that, in the performance of the work hereunder, the **CONTRACTOR** shall at all times be deemed an independent contractor and not an agent or employee of the **DISTRICT**.
16. Payment of Prevailing Wages.
  - 16.1 DIR Registration - Contractor and Subcontractor Compliance. Strict compliance with DIR registration requirements pursuant to Labor Code Section 1725.5 is a material obligation of the **CONTRACTOR** under the Contract Documents. The foregoing includes without limitation, compliance with DIR Registration requirements at all times during performance of the Work by the **CONTRACTOR** and all Subcontractors of any tier. The failure of the **CONTRACTOR** and all Subcontractors of every tier to be DIR registered at all times during the performance of the Work is the **CONTRACTOR**'s default of a material obligation of the **CONTRACTOR** under the Contract Documents.
  - 16.2 No Subcontractor Performance of Work Without DIR Registration. No portion of the Work is permitted to be performed by a Subcontractor of any tier unless the Subcontractor is a DIR Registered contractor.
  - 16.3 Contractor Obligation to Verify Subcontractor DIR Registration Status. An affirmative and on-going obligation of the **CONTRACTOR** under the Contract Documents is the **CONTRACTOR**'s verification that all Subcontractors, of all tiers, are at all times during performance of Work in full and strict compliance with DIR Registration requirements. The **CONTRACTOR** shall not permit or allow any Subcontractor of any tier to perform any Work without the

**CONTRACTOR**'s verification that all such Subcontractors are in full and strict compliance with DIR Registration requirements.

- 16.4 Contractor Obligation to Request Substitution of Non-DIR Registered Subcontractor. If any Subcontractor identified in the **CONTRACTOR**'s Subcontractor List submitted with the **CONTRACTOR**'s proposal for the Work is not DIR Registered at the time of opening of proposals for the Work or if a Subcontractor's DIR registration lapses prior to or during a Subcontractor's performance of Work, the **CONTRACTOR** shall request the District's consent to substitute the non-DIR registered Subcontractor pursuant to Labor Code Section 1771.1(c)(3) and/ or Labor Code Section 1771.1(d).
17. Certified Payroll Records.
  - 17.1 Compliance with Labor Code Section 1771.4 and 1776. A material obligation of the **CONTRACTOR** under the Contract Documents is: (i) the **CONTRACTOR**'s strict compliance with the requirements pursuant to Labor Code Section 1771.4 and 1776 for preparation and submittal of Certified Payroll Records ("CPR"); and (ii) the **CONTRACTOR**'s enforcement of CPR preparation and submittal for all Subcontractors of every tier.
  - 17.2 Express Condition Precedent to Payment of Contact Price. Strict compliance with CPR requirements established pursuant to Labor Code Section 1776 is an express condition precedent to the District's obligation to: (i) process any request for payment of any portion of the Contract Price; or (ii) to disburse any portion of the Contract Price to the **CONTRACTOR**. The **CONTRACTOR** shall demonstrate strict compliance with CPR preparation and submittal requirements by delivery to the District of electronic files or hard copies of all CPR's submitted by the **CONTRACTOR** and/ or Subcontractors for Work pursuant to Labor Code Section 1771.4 and 1776 concurrently with the submittal thereof to the Labor Commissioner. The District: (i) shall not be obligated to process or disburse any portion of the Contract Price; or (ii) shall not be deemed in default of the District's obligations under the Contract Documents unless the **CONTRACTOR**'s demonstrates strict compliance with CPR preparation and submittal requirements.
  - 17.3 PWR Monitoring and Enforcement. During the Work pursuant to Labor Code Section 1771.4(a)(4), the Department of Industrial Relations shall monitor and enforce the obligation of the **CONTRACTOR** and Subcontractors of every tier to pay the laborers performing any portion of the work the PWR established for the classification of work/ labor performed.
18. Record of Wages Paid Inspection. Pursuant to Labor Code section 1776, **CONTRACTOR** stipulates to the following:
  - 18.1 **CONTRACTOR** and each subcontractor shall keep an accurate payroll record, showing the name, address, social security number, work classification, straight

## Exhibit B

time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work under the Facilities lease and Construction Provisions. Such records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information of such forms. The payroll records may consist of payroll data that are maintained as computer records, if printouts contain the same information as the forms provided by the division and the printouts are verified as specified in subdivision (a) of Labor Code section 1776.

- 18.2 The payroll records enumerated under subdivision (a) shall be certified and shall be available for inspection at all reasonable hours at the principal office of **CONTRACTOR** on the following basis:
- A. A certified copy of an employee's payroll record shall be made available for inspection or furnished to such employees or his or her authorized representative on request.
  - B. A certified copy of all payroll records enumerated in subdivision (a) shall be made available for inspection or furnished upon request to a representative of the District, the Division of Labor Standards Enforcement, and Division of Apprenticeship Standards of the Department of Industrial Relations.
  - C. A certified copy of all payroll records enumerated in subdivision (a) shall be made available upon request by the public for inspection or copies thereof. However, a request by the public shall be made through either the District, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement. If the requested payroll records have not been provided pursuant to paragraph (2), the requesting party shall, prior to being provided the records, reimburse the costs of preparation by **CONTRACTOR**, subcontractors, and the entity through which the request was made. The public shall not be given access to such records at the principal office of **CONTRACTOR**.
  - D. **CONTRACTOR** shall file a certified copy of the records enumerated in subdivision (a) with the entity that requested such records within ten (10) days after receipt of the written request.
  - E. Any copy of records made available for inspection as copies and furnished upon request to the public or any public agency, by the District, the Division of Apprenticeship Standards, or the division of Labor Standards Enforcement shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address and social security number.

## Exhibit B

The name and address of **CONTRACTOR** awarded the contract or performing the contract shall not be marked or obliterated.

- F. **CONTRACTOR** shall inform the District of the location of the records enumerated under subdivision (a), including the street address, city, and county, and shall, within (5) working days, provide a notice of a change of location and address.
- G. In the event of noncompliance with the requirements of this Article, **CONTRACTOR** shall have ten (10) days in which to comply subsequent to receipt of written notice specifying in what respects **CONTRACTOR** must comply with this Article. Should noncompliance still be evident after such 10-day period, **CONTRACTOR** shall pay a penalty of One-Hundred Dollars (\$100.00) to the District for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, such penalties shall be withheld from the progress payment then due.
- F. The responsibility for compliance with this Article shall rest upon **CONTRACTOR**.

19. Hours of Work. As provided in Article 3 (commencing at section 1810), Chapter 1, Part 7, Division 2 of the Labor Code, **CONTRACTOR** stipulates that eight (8) hours of labor shall constitute a legal day's work. The time of service of any worker employed at any time by **CONTRACTOR** or by the work or upon any part of the work contemplated by this contract is limited and restricted to eight (8) hours during any one calendar day and forty (40) hours during any one calendar week, except as hereinafter provided. Notwithstanding the provisions hereinabove set forth, work performed by employees of **CONTRACTOR** in excess of eight (8) hours per day and forty (40) hours during any one week upon this public work shall be permitted compensation of all hours worked in excess of eight (8) hours per day at not less than one and one-half times the basic rate of pay.

**CONTRACTOR** shall pay to the District at a penalty of twenty-five dollars (\$25.00) for each worker employed in the execution of these Construction Provision by **CONTRACTOR** or by any subcontractor for each calendar day during which such workman is required or permitted to work more than eight (8) hours in any calendar day and forty (40) hours in any one calendar week in violation of the provisions of Article # (commencing at section 1810), Chapter 1, Part 7, Division 2 of the Labor Code, unless compensation to the worker so employed by **CONTRACTOR** is not less than one and one-half (1-1/2) times the basic rate of pay for all hours worked in excess of eight (8) hours per day.

Any work necessary to be performed after regular working hours, or on Sundays or other holidays shall be performed without additional expense to District, unless otherwise agreed to by the parties.

Construction work under the Construction Provisions shall be accomplished on a schedule consistent with the normal and reasonable practices of **CONTRACTOR** and in compliance with applicable ordinances.

20. Apprentices. All apprentices employed by **CONTRACTOR** to perform services under these Construction Provisions shall be paid the standard wage paid to apprentices under the regulation of the craft or trade at which that apprentice is employed, and shall be employed only at the work of the craft or trade in which that apprentice is registered. Only apprentices, as defined in Labor Code section 3077, who are in training under apprenticeship standards and written apprenticeship agreements under Chapter 4 (commencing at section 3070), Division 3 of the Labor Code, are eligible to be employed under these Construction Provisions. The employment and training of each apprentice shall be in accordance with the provisions of the apprenticeship standards and apprenticeship agreements under which that apprentice is training.

When **CONTRACTOR** to whom the work under Construction Provision is awarded by the District or any subcontractor under **CONTRACTOR**, in performing any of the work under the Construction Provisions, employs workers in any apprenticeable craft or trade, **CONTRACTOR** and subcontractor shall apply to the joint apprenticeship committee administering the apprenticeship standards of the craft or trade in the area of the site of the public work, for a certificate approving **CONTRACTOR** or subcontractor under the apprenticeship standards for the employment and training of apprentices in the area or industry affected. However, approval as established by the joint apprenticeship committee or committees shall be subject to the approval of the Administrator of Apprenticeship. **CONTRACTORS** or subcontractors shall not be required to submit individual applications for approval to local joint apprenticeship committees provided they are already covered by the local apprenticeship standards. The ratio of work performed by apprentices to journeymen, who shall be employed in the craft or trade on the public work, may be the ratio stipulated in the apprenticeship standards under which the joint apprenticeship committee operates, but in no case shall the ratio be less than one hour of apprentice work for each five (5) hours of labor performed by a journeyman, except as otherwise provided in section 1777.5, of the Labor Code. However, the minimum ratio for the land surveyor classification shall not be less than one apprentice for each five journeymen.

“Apprenticeable craft or trade” as used in Labor Code section 1777.5 and this Article, means a craft or trade determined as an apprenticeable occupation in accordance with rules and regulations prescribed by the Apprenticeship Council.

**CONTRACTOR**, or any subcontractor which, in performing any of the work under this Facilities Lease, employs journeymen or apprentices in any apprenticeable craft or trade

and which is not contributing to a fund or funds to administer and conduct the apprenticeship programming of any craft or trade in the area of the site and the public work, to which fund or funds other contractors in the area of the site of the public work are contributing, shall contribute to the fund or funds in each craft or trade in which that **CONTRACTOR** employs journeymen or apprentices on the public work in the same amount or upon the same basis and in the same manner as other contractors do, but where the trust fund administrators are unable to accept the funds, contractors not signatory to the trust agreement shall pay like amount to the California Apprenticeship Council. **CONTRACTOR** or subcontractor may add the amount of such contributions in computing their bid for the contract. The Division of Labor Standards Enforcement is authorized to enforce the payment of the contributions to the fund or funds as set forth in Labor Code section 227.

The responsibility of compliance with Labor Code section 1777.5 and this Article for all apprenticeable occupations is with **CONTRACTOR**.

The interpretation and enforcement of sections 1777.5 and 1777.7 of the Labor Code shall be in accordance with the rules and procedures of the California Apprenticeship Council.

21. Liability Insurance. The **CONTRACTOR** will file with the **DISTRICT**, before beginning professional services, certificates of insurance satisfactory to the **DISTRICT** evidencing satisfactory coverage limits. Coverage is to be placed with a carrier with an A.M. Best rating of no less than A-: VII, or equivalent, or as otherwise approved by the **DISTRICT**. The retroactive date (if any) is to be no later than the effective date of this agreement.

The **CONTRACTOR** shall maintain such coverage continuously for a period of at least three years after the completion of the contract work. The **CONTRACTOR** shall purchase a one-year extended reporting period i) if the retroactive date is advanced past the effective date of this Agreement; ii) if the policy is canceled or not renewed; or iii) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

In the event that the **CONTRACTOR** employs other **CONTRACTORS** (**SUBCONTRACTORS**) as part of the work covered by this agreement, it shall be the **CONTRACTOR'S** responsibility to require and confirm that each **SUBCONTRACTOR** meets the minimum insurance requirements specified above.

- 21.1 Certificates of Insurance. The **CONTRACTOR** will file with the **DISTRICT**, before beginning professional services, certificates of insurance satisfactory to the **DISTRICT** evidencing:

- A. **Coverage.** Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

## Exhibit B

1. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001)
2. Coverage for Professional Liability appropriate to the **CONTRACTOR'S** profession covering the **CONTRACTOR'S** wrongful acts (negligent acts, errors or omissions).
3. Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (any auto)

B. **Limits.** The **CONTRACTOR** shall maintain limits no less than the following:

1. General liability - coverage of not less than one million dollars (\$1,000,000) per occurrence or the full per occurrence limits of the policy, whichever is greater for bodily injury, personal injury and property damage; two million dollars (\$2,000,000) general and products-completed operations aggregate (if used).
2. Professional Liability - coverage of not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) annual aggregate or the limits of the policies available, whichever is greater.
3. Auto liability - One million dollars (\$1,000,000) for bodily injury and property damage each accident limit.
4. Workers' compensation (statutory limits) and employer's liability - one million dollars (\$1,000,000) (if applicable).

21.2. Required Provisions. The coverages specified in Section 7.1.A. are to contain or be endorsed to contain the following provisions:

- A. The general liability coverage shall give the **DISTRICT**, its directors, officers, employees, and authorized volunteers insured status (via ISO endorsement at least as broad as CG 2010 1185 or both CG 20 10 and CG 20 37 forms (if later revisions used).
- B. The general liability coverage is to state or be endorsed (with as broad as ISO endorsement CG 20 01) to state "such insurance shall be primary and any insurance, self-insurance or other coverage maintained by the **DISTRICT**, its directors, officers, employees, or authorized volunteers shall not contribute to it".
- C. Coverage is to be placed with a carrier with an A.M. Best rating of no less



than A- : VII, or equivalent, or as otherwise approved by the **DISTRICT**.

D. The coverage shall contain no special limitations on the scope of protection afforded to the **DISTRICT**, its directors, officers, employees, or authorized volunteers.

21.3 Other Requirements. For any claims arising out of the services to be performed hereunder pursuant to Exhibit A, the **CONTRACTOR'S** insurance shall be primary insurance as respects the **DISTRICT**, its directors, officers, employees, agents and volunteers.

Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the **DISTRICT**, its directors, officers, employees and volunteers.

The **CONTRACTOR'S** insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by regular mail has been given to the **DISTRICT**.

Except for Professional Liability, the **CONTRACTOR'S** insurance shall be a per-occurrence policy such that the **CONTRACTOR** will be insured for all claims filed during or after the termination of the Agreement until all relevant statutes of limitations have expired.

In the event that the **CONTRACTOR** employs other **CONTRACTORS** (**SUBCONTRACTORS**) as part of the work covered by this agreement, it shall be the **CONTRACTOR'S** responsibility to require and confirm that each sub-**CONTRACTOR** meets the minimum insurance requirements specified above.

If any of the required coverages expire during the term of this agreement, the **CONTRACTOR** shall deliver the renewal certificate(s) including the general liability additional insured endorsement to the **DISTRICT** at least ten (10) days prior to the expiration date.

21.4. Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by the **DISTRICT**. At the option of the **DISTRICT**, the insurer shall either reduce or eliminate such deductibles or self-insured retentions. Any insurance, pooled coverage or self-insurance maintained by the **DISTRICT**, its directors, officers, employees and volunteers shall not contribute to it.

22. Workers' Compensation and Employer's Liability Insurance. The **CONTRACTOR** and all subcontractors shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their employees regardless of whether such coverage or insurance is mandatory or merely elective under the law, and the **CONTRACTOR** shall defend, protect and hold harmless the **DISTRICT**, its directors, officers, employees, agents and authorized volunteers from and against all claims, suits, and actions arising from any failure of the **CONTRACTOR** or any subcontractor to maintain such insurance. Before beginning work, the **CONTRACTOR** shall furnish to the **DISTRICT** satisfactory proof that it has taken out for the period covered by the work under this contract, full compensation insurance for all persons employed directly by it or through subcontractor(s) in carrying out the work contemplated under this contract, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any Acts amendatory thereof.

The **CONTRACTOR** shall provide employer's liability insurance in the amount of at least one million dollars (\$1,000,000) per accident for bodily injury and disease.

The **CONTRACTOR** shall provide the **DISTRICT** with a certificate of Workers' Compensation and Employer's liability insurance coverage.

23. Subcontractor Insurance. The **CONTRACTOR** must require each subcontractor employed by the **CONTRACTOR** to perform labor on the project to do the following: (1) to procure and maintain during the performance of the labor, at the subcontractor's own cost and expense, a policy of workers' compensation or employer's liability insurance for the protection of the subcontractor's employees (including executive, managerial, and supervisory employees) engaged in work on the project, and (2) to deposit with the **CONTRACTOR** a certificate satisfactory to the **CONTRACTOR** evidencing that insurance. The **CONTRACTOR** will provide the **DISTRICT** with a copy of that certificate.
24. Evidences and Cancellation of Insurance. Prior to execution of the contract, the **CONTRACTOR** shall file with **DISTRICT** evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. For general liability coverage, such evidence shall include original copies of the additional insured endorsement signed by the insurer's representative and certificate of insurance. All evidence of insurance shall be certified by a properly authorized officer, agent or qualified representative of the insurer and shall certify the names of the insured, any additional primary insurers, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, the expiration date, and that the insurer will give by regular mail, written notice to the **DISTRICT** at least thirty (30) days prior to the effective date of any cancellation, lapse or material change in the policy.

25. Indemnification. **CONTRACTOR** shall indemnify and hold harmless and defend **DISTRICT** to the fullest extent permitted by law, its directors, officers, employees, agents and volunteers, and each of them from and against:

- A. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind and nature whatsoever for, but not limited to, injury to or death of any person including **CONTRACTOR**, or any directors, officers, employees, agents and volunteers of **DISTRICT** or **CONTRACTOR**, and damages to or destruction of property of any person, including but not limited to, **DISTRICT** and/or **CONTRACTOR** and their directors, officers, employees, agents and volunteers, arising out of or in any manner directly or indirectly connected with the work to be performed under this Agreement, caused by the **CONTRACTOR'S** or the **CONTRACTOR'S** agents negligent acts, errors or omissions committed or alleged to have been committed; and
- B. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or in equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of the **CONTRACTOR**; and
- C. In complying with Sections A & B, supra, the **CONTRACTOR** shall retain and compensate legal counsel chosen by the **DISTRICT**.

The **CONTRACTOR** shall defend, at the **CONTRACTOR'S** own cost, expense and risk, any and all such aforesaid suits, actions, or other legal proceedings of every kind that may be brought or instituted against the **DISTRICT** or the **DISTRICT'S** directors, officers, employees, agents and volunteers.

The **CONTRACTOR** shall pay and satisfy any judgment, award or decree that may be rendered against the **DISTRICT** or its directors, officers, employees, agents and volunteers, in any such suit, action or other legal proceeding.

The **CONTRACTOR** shall reimburse the **DISTRICT** and its directors, officers, employees, agents and volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

The **CONTRACTOR** agrees to carry insurance for this purpose as set out in the specifications for the entire duration of this Agreement. The **CONTRACTOR'S** obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the **DISTRICT**, or its directors, officers, employees, agents and volunteers.

26. Guarantee. Excepting only items of routine maintenance, ordinary wear and tear and unusual abuse or neglect, the **CONTRACTOR** guarantees all work executed by him or

her and all supplies, materials and devices of whatsoever nature incorporated in, or attached to the work, or otherwise delivered to the **DISTRICT** as a part of the work pursuant to this Agreement, to be free of all defects of workmanship and materials for a period of one (1) year after the date of recordation of the "Notice of Completion" by the **DISTRICT** of work performed. The **CONTRACTOR** shall repair or replace any or all such work or material, together with all or any other work or material which may be displaced or damaged in so doing, that may prove defective in workmanship or material within said one (1) year guarantee period without expense or charge of any nature whatsoever to the **DISTRICT**.

27. Failure to Comply with Guarantee. In the event that the **CONTRACTOR** shall fail to comply with the conditions of the guarantee as stated above within seven (7) calendar days time, after being notified of the defect in writing, the **DISTRICT** shall have the right, but shall not be obligated to repair, or obtain the repair of the defect and the **CONTRACTOR** shall pay to the **DISTRICT** on demand all costs and expense of such repair. Notwithstanding anything herein to the contrary, in the event that any defect in workmanship or material covered by the foregoing guarantee results in a condition which constitutes an immediate hazard to the health or safety, or any property interest, or any person, the **DISTRICT** shall have the right to immediately repair, or cause to be repaired, such defect, and the **CONTRACTOR** shall pay to the **DISTRICT** on demand all costs and expense of such repair. The foregoing statement relating to hazards to health, safety or property shall be deemed to include either temporary or permanent repairs which may be required as determined in the sole discretion and judgment of the **DISTRICT**.
28. Liquidated Damages. In the event that the **CONTRACTOR** does not meet the work completion date specified in its Proposal for Construction Services, the award amount shall be reduced in the amount of **five hundred dollars (\$500.00) per calendar day** for each and every day which exceeds the completion date specified in said Proposal. As the delay in the completion of the work could seriously affect the public and the efficient operation of the District to an extent incapable of precise calculation, said reduction is established as the nearest measure of damages for such delay that can be fixed at this time, and is not established as a penalty or forfeiture for the breach of agreement to complete the work. Said reductions may be invoked if completion of work exceeds the specified time for any reason.
29. Extra Work. The **CONTRACTOR** shall do no extra work not shown on the present drawings and specifications except upon the authorization of the **DISTRICT**. The **DISTRICT** Water Resources Supervisor or a designated alternate shall be allowed a reasonable opportunity to review the work in question and provide direction. If the **DISTRICT** Water Resources Supervisor authorizes extra work, the costs thereof will be added to the monthly invoice upon the completion of the extra work. Any change in the scope of the work to be done, method of performance, nature of materials or price thereof, to any other matter materially affecting the performance or nature of the work will not be paid for or accepted unless such change, addition or deletion is approved as

## Exhibit B

outlined below by submission and approval of Daily Extra Work Reports to the **DISTRICT** Water Resources Supervisor. The **CONTRACTOR'S** representatives at the work site(s) have the authority to execute such written change for the **CONTRACTOR**.

30. Daily Extra Work Reports. Extra work not shown on the present drawings and specifications shall be tabulated on a suitable Daily Extra Work Report provided by the **CONTRACTOR** at the end of each day. Said report shall include a description of the extra work and all hours expended for the extra work for labor, equipment and materials. Each employee of the **CONTRACTOR** shall be listed by name and job title, and each piece of equipment shall be listed by name. All additional materials which are not part of any Contract bid item shall be listed. All work done by all subcontractors as extra work shall be listed with hours tabulated. All Daily Extra Work Reports shall be reviewed and signed by the District Inspector verifying agreement of hours tabulated by the end of each daily shift. Daily Extra Work Reports presented for Inspector review after five (5) business days from the date of the work will be rejected as not in compliance with these Contract provisions.
31. Potential Change Order Submittals. Daily Extra Work Reports signed by the District Inspector shall be extended to show all costs by the **CONTRACTOR** and submitted to the **DISTRICT** Water Resources Supervisor. All costs shown for subcontractors shall be documented with copies of complete invoices from said subcontractors.
32. Change Orders. The **DISTRICT** Water Resources Supervisor shall review the Daily Extra Work Reports, and upon satisfaction of accuracy and completeness, will issue a Change Order for signature by the **CONTRACTOR**. No Change Orders shall be included on any Monthly Progress Payment until both the **DISTRICT** Water Resources Supervisor and **CONTRACTOR** have approved with signature. Daily Extra Work Reports submitted to the **DISTRICT** Water Resources Supervisor after thirty (30) calendar days from the date of the work will be rejected as not in compliance with these Contract provisions.
33. Retention of Sums Charged Against Contractor. When, under the provisions of this Agreement, the **DISTRICT** shall charge any sum of money against the **CONTRACTOR**, the **DISTRICT** shall deduct and retain the amount of such charge from the amount of the next succeeding progress estimate, or from any other moneys due or that may become due the **CONTRACTOR** from the **DISTRICT**. If, on completion or termination of the Agreement, sums due the **CONTRACTOR** are insufficient to pay the **DISTRICT'S** charges against the **CONTRACTOR**, the **DISTRICT** shall have the right to recover the balance from the **CONTRACTOR**.
34. No Waiver By Payment. Payment to the **CONTRACTOR** of any progress payment or the full contract price or occupation of the project by the **DISTRICT** shall not relieve **CONTRACTOR** of liability for defective materials or workmanship used in the completion of the project or for failure to construct the project according to the drawings and specifications mentioned in this Agreement. Acceptance by the **CONTRACTOR** of

any payment provided for in this Agreement shall be a representation by the **CONTRACTOR** to the **DISTRICT** that all work performed before the payment became due has been completed by the **CONTRACTOR** in accordance with the terms of the Agreement and according to the specifications.

35. Termination. If the **CONTRACTOR** commits any of the acts specified in this paragraph, the **DISTRICT**, without prejudice to any other rights or remedies given the **DISTRICT** by law or by this Agreement, do the following by giving three (3) days written notice by express mail, for delivery by the next business day to the **CONTRACTOR**: terminate the services by the **CONTRACTOR** under this Agreement; take possession of the project and the premises on which it is located; take possession of all materials, tools, and appliances located on the premises; and complete the project by whatever method the **DISTRICT** deems appropriate. The effective termination date shall be three (3) calendar days after delivery of the notice of termination to the **CONTRACTOR**. The **CONTRACTOR** will be deemed to have committed an act covered by this paragraph if the **CONTRACTOR** is adjudged bankrupt or does any of the following:
- A. Makes a general assignment of the **CONTRACTOR'S** rights and obligations under the Agreement for the benefit of the **CONTRACTOR'S** creditors;
  - B. Refuses or fails, except when there are unavoidable delays and defaults, to supply enough properly skilled workers or proper materials to complete the project in the time specified in this Agreement;
  - C. Fails to make prompt payment to the subcontractors, laborers, or material suppliers for labor performed on or materials furnished to the project;
  - D. Persistently disregards any law or ordinance relating to the project or the completion of the project: or
  - E. Otherwise commits a substantial violation of any provision of this Agreement.

If the **DISTRICT** terminates the services of the **CONTRACTOR** under this provision, the **CONTRACTOR** will not be entitled to receive any further payment under this Agreement.

36. Temporary Suspension of Work. The **DISTRICT** shall have the authority to suspend the work wholly or in part, for any time period as the **DISTRICT** deems necessary, due to unsuitable weather, or to such other conditions considered unfavorable for the suitable prosecution of the work, or for any time period as the **DISTRICT** deems necessary due to the failure on the part of the **CONTRACTOR** to carry out orders given, or to perform any provision of the Agreement. The **CONTRACTOR** shall immediately comply with the written order of the **DISTRICT** to suspend work wholly or in part. The suspended work shall be resumed when conditions are favorable and methods are corrected, as

ordered or approved in writing by the **DISTRICT**. The **DISTRICT** shall not be liable for damages which the **CONTRACTOR** could have avoided by any reasonable means, such as judicious handling of forces, equipment, or material type. The determination of what damages the **CONTRACTOR** could have avoided will be made by the **DISTRICT**.

The **CONTRACTOR** shall be compensated for damages incurred due to delays for which the **DISTRICT** is responsible. Such actual costs or calendar days will be determined by the **DISTRICT**.

37. Weather Damage. The **CONTRACTOR** shall be responsible for securing the work area and storage sites to protect against any weather damage. Said protection shall comply with the approved Storm Water Pollution Prevention Plan. The **DISTRICT** shall not be responsible for any additional costs or time delays incurred by the **CONTRACTOR** to restore the work area and storage area to suitable and safe working conditions as determined by the **DISTRICT**.
38. Accidents. The **CONTRACTOR** shall provide and maintain, in accordance with Labor Code Section 6708 and OSHA requirements, adequate emergency first-aid treatment for its employees and anyone else that may be injured in connection with the work.

The **CONTRACTOR** shall promptly report in writing to the **DISTRICT** Water Resources Supervisor all accidents whatsoever arising out of or in connection with, the performance of the work, whether on or adjacent to the site, which caused death, personal injury, or property damage, giving full details and statements of witnesses. In addition, if death or serious injury or serious damage are caused, the accident shall be reported immediately by telephone or messengers to the **DISTRICT** and the Water Resources Supervisor.

If any claim is made by anyone against the **CONTRACTOR** or any subcontractor on account of any accident, the **CONTRACTOR** shall promptly report the facts in writing to the **DISTRICT** and the Water Resources Supervisor, giving full details of the claim.

39. Final Inspection. The **CONTRACTOR** shall request from the **DISTRICT** in writing a Final Inspection upon completion of the project.
40. Notice of Completion. The **DISTRICT** will execute and record a "Notice of Completion" of the project within forty-five (45) calendar days after the final inspection and approval of the project.
41. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.
42. Captions and Headings. Captions and headings in the Agreement are solely for convenience in locating certain provisions and shall not be construed as limiting,

expanding or otherwise affecting the provisions of this Agreement.

43. Notices. Any notice or other communication to either party hereto shall be personally delivered to the party or sent by first class, registered, or certified mail, with postage fully prepaid, or by any recognized overnight delivery service and addressed to the **DISTRICT** or the **CONTRACTOR** at their respective addresses as set forth elsewhere in this Agreement, or to such other address as either party may from time to time designate by notice to the other given in accordance with this paragraph.

-----END OF EXHIBIT B-----



# CITRUS HEIGHTS WATER DISTRICT

## DISTRICT STAFF REPORT TO BOARD OF DIRECTORS MARCH 14, 2017 REGULAR MEETING

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SUBJECT : Resolution 04-2017 Recognizing Legal Counsel Ms. Judith K. Albietz  
 STATUS : Presentation  
 REPORT DATE : March 14, 2017  
 PREPARED BY : Robyn Evans, Senior Management Services Specialist

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**OBJECTIVE:**

Present Resolution 04-2017 to Ms. Judith K. Albietz, in honor of her retirement as General Counsel.

**BACKGROUND AND ANALYSIS:**

Ms. Judith K. Albietz has represented CHWD’s Board of Directors as legal consultant for over twenty years and is retiring in March 2017.

**RECOMMENDATION:**

Adopt Resolution No. 04-2017 Commending Judith K. Albietz for outstanding legal representation.

**ACTION:**

Moved by Director \_\_\_\_\_, Seconded by Director \_\_\_\_\_, Carried \_\_\_\_\_

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CITRUS HEIGHTS WATER DISTRICT  
RESOLUTION NO. 04-2017

RESOLUTION OF THE BOARD OF DIRECTORS  
OF CITRUS HEIGHTS WATER DISTRICT  
COMMENDING JUDITH K. ALBIETZ FOR OUTSTANDING LEGAL REPRESENTATION

WHEREAS, Ms. Judith K. Albietz, of Albietz law Corporation, was appointed to serve the District's Board of Directors as its legal counsel on April 16, 1996; and

WHEREAS, Ms. Judith K. Albietz has provided outstanding legal counsel to the District regarding water rights, water quality, outside bond counsel, contracts, as well as general business and government law; and

WHEREAS, Ms. Judith K. Albietz has provided invaluable and respected legal counsel to the District when advising regarding Human Resources and employment related counsel; and

WHEREAS, Ms. Judith K. Albietz has been an exemplary representative on behalf of the District when working with attorneys representing other Districts of the San Juan Water District family in various projects and issues over her career; and

WHEREAS, Ms. Judith K. Albietz is retiring as legal counsel from Citrus Heights Water District on March 14, 2017 with more than twenty years of dedicated service.

THEREFORE BE IT RESOLVED that the Board of Directors of the Citrus Heights Water District does hereby commend Ms. Judith K. Albietz for her dedication and outstanding service as legal counsel to the Citrus Heights Water District Board and extends best wishes for many years filled with happiness and good health during her retirement.

PASSED AND ADOPTED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT this 14<sup>th</sup> day of March, 2017 by the following vote, to-wit:

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

SEAL

\_\_\_\_\_  
CARYL SHEEHAN, President  
Board of Directors  
Citrus Heights Water District

ATTEST:

\_\_\_\_\_  
Hilary M. Straus, Secretary  
Citrus Heights Water District

## MEMORANDUM



**To:** Board of Directors

**From:** Missy Pieri, Principal Civil Engineer

**Date:** March 6, 2017

**Subject: Request for Proposal – Engineering, Financial Planning, and Public Engagement Services for the Water Main Replacement Study, “Project 2030”**

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The Engineering and Project Management Department has prepared a Draft Request for Proposals (RFP) for Engineering, Financial Planning, and Public Engagement Services for the Water Main Replacement Study (Study), “Project 2030”, for the Board of Directors’ (Board) consideration. The RFP accompanies this memorandum.

Key elements of this Study include: 1) Asset Inventory and Project Polygon Development; 2) Future Water Demand Projections; 3) Water Main Assessment; 4) Project Cost Estimates; 5) Water Main Replacement Phasing Plan; 6) Funding Strategy/Rate Options Analysis; 7) Implementation Plan; 8) Public Engagement/Stakeholder Outreach/Customer Advisory Committee Engagement/Presentations; 9) Schedule; 10) Add/Deduct Item – System-Wide Pressure Control Analysis (with and without Power Generation).

On March 14, 2017, Board review and comment on the proposed RFP is requested. Also, staff will be looking for the Board’s authorization to release the RFP to move forward with the planning study. It is anticipated that an agreement with the consulting team selected to complete the Study will be available for the Board’s discussion and possible action/approval on August 8, 2017. The overall Study is anticipated to be completed by November 1, 2018.



## **Public Notice**

### ***REQUEST FOR PROPOSALS (RFP)***

# **ENGINEERING, FINANCIAL PLANNING & PUBLIC ENGAGEMENT SERVICES PROJECT 2030 WATER MAIN REPLACEMENT STUDY**

**Release Date: April 3, 2017**

**Deadline for Submission: May 26, 2017**

**Contact person: Melissa Pieri, District Engineer**

**Citrus Heights Water District  
6230 Sylvan Road  
Citrus Heights, CA 95610**

**REQUEST FOR PROPOSALS**  
**ENGINEERING, FINANCIAL PLANNING & PUBLIC ENGAGEMENT**  
**SERVICES**  
**PROJECT 2030**  
**WATER MAIN REPLACEMENT STUDY**

**RELEASE DATE:** April 3, 2017

**CLOSING DATE:** Proposals must be received as a PDF document via E-mail by Friday, May 26, 2017 by Midnight PDT.

**CONTACT PERSON:** Melissa Pieri, Principal Civil Engineer  
E-mail: [mpieri@chwd.org](mailto:mpieri@chwd.org)  
Direct: 916-735-7724

Citrus Heights Water District

**Situs:** 6230 Sylvan Road  
Citrus Heights, CA 95610

Counter Hours: M-TH 8 AM-5:30 PM; Closed Fridays

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**PURPOSE**

The purpose of this Request for Proposals (RFP) is to obtain engineering, financial planning, and public engagement services of (a) qualified firm(s) to prepare a Water Main Replacement Study (Study or Project 2030) for Citrus Heights Water District (District or CHWD).

**INTRODUCTION AND BACKGROUND**

In 1998, the District hired a consultant (Carollo) to prepare a 30-year (1999-2030) Capital Improvement Plan (CIP). Over the past 20 years, this Plan has been a key planning tool for the District in determining annual capital improvement projects. The Carollo plan has been used over the years by the District to develop its annual Capital Improvement projects list. The District has refined the list and created an interactive spreadsheet that it uses as a planning tool in developing annual water main capital improvement projects. As the above Plan is nearing the end of its term, the District is focusing on the water main component of the Plan and is soliciting proposals from qualified engineering firms, financial planning firms, and public engagement firms to prepare a new Study that will: 1) build-off of the current Plan; 2) focus on the water main portion of the District's overall CIP program.

While this Study is focused on developing an infrastructure and funding strategy for the replacement of water mains, an evaluation of alternatives will have to consider the larger capital improvement program requirements of the District (e.g. well development, meter replacement, other system infrastructure improvements, human resources (staffing), etc.).

### **Why This Project and Why Now?**

The majority of urban development within the District's service territory occurred between the period of 1960-1985. Water mains were installed by private developers and inspected by District staff. These water mains became donated assets to the District, and it became CHWD's responsibility to operate, maintain, and plan for the replacement of these facilities. As the District looks ahead, a tidal wave of water main replacements may be needed beginning in year 2030 and carrying several years forward, as the water mains installed in the 1960's reach 70 years old. Therefore, CHWD has entitled this water main replacement study, "Project 2030."

Key elements of this Study, which will be described in more detail below, include: 1) Asset Inventory and Project Polygon Development, 2) Future Water Demand Projections, 3) Water Main Assessment, 4) Water Main Replacement Phasing Options and Preferred Option 4) Project Cost Estimates, 5) Funding Strategy, including Water Rate Options and Debt Service Options and 6) Implementation Plan. Also, a Customer Advisory Committee (CAC) will be organized (described in more detail below) and work with the Project Team on all phases of the Study.

### **THE DISTRICT**

The Citrus Heights Water District is located in the northeast portion of Sacramento County and south Placer County, California, about 15 miles northeast of downtown Sacramento. CHWD is an Irrigation District, founded in 1920, operating under the State of California Water Code. The District has 19,837 service connections in a 12 square mile territory serving a population of about 67,000 in five communities within Sacramento County and south Placer County that include approximately two-thirds of the City of Citrus Heights, a small portion of the City of Roseville and portions of the unincorporated communities of Fair Oaks, Orangevale, and Carmichael (see District boundary map in Attachment A). The District's 2017 adopted calendar year Operating Budget is \$9.9 million and its Capital Improvement Budget is \$5.85 million.

The District's primary source of water supply is treated Folsom Lake surface water that is purchased from San Juan Water District and delivered to the District via two large water transmission mains. Citrus Heights Water District also owns and operates six groundwater wells to supplement its surface water supply as necessary. According to its most recent survey of 20 water agencies, Citrus Heights Water District's typical residential water rate is 14.5% below the average for the Sacramento region.

### **WATER MAIN FACILITIES AND SOFTWARE**

The District has approximately 225 miles of water mains ranging in size from 4" to 42" with pipe material consisting of asbestos cement, polyvinyl chloride, mortar lined steel, cast/ductile iron, and coal tar wrapped/coated steel. The majority of the water distribution mains are 6-inch and 8-inch in diameter.

The District utilizes water modeling (Hydraulic Model) software (Infowater) for planning purposes. The Hydraulic Model was created as part of a joint effort among the wholesale agency, San Juan Water District, and retail water agencies including the District in 2008. The District is currently under contract with an engineering firm (West Yost & Associates) to update the water model, which includes model calibration and updating existing water demands. The updated Hydraulic Model will be available for use in this Study.

## **DISTRICT ROLES AND RESPONSIBILITIES**

Various District staff members will coordinate with the consulting team on the various Study scope items. The District staff is available on an as needed basis to assist the Project Manager and the consulting team with the Study. The consulting team will determine and present the best way to utilize the below team members for this Study. The key District team member's titles and duties are listed below.

<i>Name, Title</i>	<i>Project 2030 Study Role</i>	<i>Notes</i>
<i>Caryl Sheehan, Ray Riehle, Al Daines, District Board Members</i>	<i>Policy Makers</i>	<i>Anticipate check-ins with the Board at 30%, 60%, and Final completion points of the Scope of Work, see additional information below.</i>
<i>Missy Pieri, District Engineer</i>	<i>Project Manager</i>	<i>Overall responsibility for Study and primary liaison to consulting team and Customer Advisory Committee.</i>
<i>Hilary Straus, General Manager Paul Dietrich, Engineering Dept. Manager Susan Sohal, Accounting Supervisor/Treasurer Brian Hensley, Water Resources Supervisor</i>	<i>Management Support to the Project Manager</i>	<i>Each staff member will provide support as required to the Project Manager concerning various aspects of the Study.</i>
<i>David Gordon, Operations Manager</i>	<i>Management Support to Project Manager</i>	<i>Mr. Gordon will provide data regarding well development program and associated costs. This information will provide additional CIP context as consulting teams develop its funding options.</i>
<i>Rex Meurer, Water Efficiency Supervisor</i>	<i>Management Support to Project Manager</i>	<i>Mr. Meurer will provide data regarding meter replacement program and associated costs. This information will provide additional CIP context as consulting teams develop its funding options.</i>
<i>Borey Swing, Engineering/GIS Technician</i>	<i>Staff Support to Project</i>	<i>Work with Project Manager</i>

<i>Name, Title</i>	<i>Project 2030 Study Role</i>	<i>Notes</i>
	<i>Manager</i>	<i>and consulting during the asset inventory phase of the project; other duties as assigned by the Project Manager</i>
<i>Management Services Supervisor/Chief Board Clerk (Position is currently vacant; anticipated to be filled by May 2017)</i>	<i>Public Information/Public Engagement</i>	<i>MSS/CBC will provide support to the Project Manager and consulting team in working with the Customer Advisory Committee and other public information/engagement activities associated with the Study</i>

\*Note: All staff members other than the Project Manager can be utilized by the consulting team as a Technical Advisory Committee (TAC).

### **SCOPE OF SERVICES REQUESTED**

The District invites interested consulting teams to submit written proposals to provide Engineering, Financial Planning, and Public Engagement Services for the “Project 2030” Water Main Replacement Study.

The requested scope of services will include the following:

- **Asset Inventory and Project Polygon Development**

***Asset Inventory:***

The consulting team will prepare a complete asset inventory of all water mains within the District. The District has a Geographic Information System (GIS) based mapping system (Esri ArcGIS version 10.1) that has accurate data for water main diameters and lengths, but many records have installation year and pipe material data fields with missing data. The intent of this task is to create an accurate and complete inventory of the District’s water main assets (i.e., to complete all of the records in the database).

A hard copy of the Asset Inventory with the missing data fields will be available at the mandatory pre-proposal meeting (to be discussed later in this RFP).

***Project Polygon Development:***

During the last several years, CHWD staff has developed project polygons as a means of indexing our projects within our GIS mapping system. Each polygon contains four fields (Project Name, Project Number, Project Type, and Facility ID) that describes the capital project. This Study will include the development of polygons for which information is available. As a frame of reference for developing your proposal, there



are approximately 3,000-4,000 project folders for which a polygon will need to be developed.

As part of this scope item, the District anticipates the consulting team will perform the following tasks: 1) assist the District in reviewing archived project files; 2) determine the installation year and pipe material of the water mains; 3) create a project polygon within the GIS mapping system showing the limits of the project, and populate the project data fields.

Scanning of project files is not included in this scope of work.

- **Future Water Demand Projections:** The consultant will verify existing water demands and estimate long term water demands. It is understood that an Implementation Plan term will be developed through this Study process. It is also understood that the population growth projections will coincide with the Implementation Plan term developed. Population growth projections are available from the following sources: Citrus Heights Water District's 2015 Urban Water Management Plan, the General Plans for the City of Citrus Heights, Placer County and Sacramento County and population data is also available through the Sacramento Area Council of Governments (SACOG).

Water demands for all use types will be determined including, but not limited to, residential, commercial, institutional/governmental, landscape, construction and non-revenue water. Since CHWD serves an older, established area, future growth is expected to be slow as the District nears buildout.

- **Water Main Assessment:** The consulting team will complete an assessment of the existing water mains and identify future needs to accommodate future build-out over the planning period. The consultant will evaluate the existing water distribution system using the District's Hydraulic Model and other documentation available (see Attachment B). This work will be coordinated through District staff.

It is understood that the condition of some of the District's large transmission mains needs to be assessed through field inspections (i.e. visual and television inspection, other methods). However, this field inspection work will largely fall outside the scope of this Study except for the various creek crossings. The District has seventeen (17) creek crossings that will require field inspection.

CHWD expects a Field Inspection Program will be one outgrowth of this Study. Moreover, it is understood that cost estimates for the overall replacement program will be conservative as a result of this Study, and will need to be refined in subsequent years as a result of a Field Inspection Program.

Elements of this scope item will include:

1. Review of past studies (see Appendix C for a list of past studies). The studies and data will be available prior to the mandatory Pre-proposal Meeting upon email request to Project Manager Melissa Pieri (mpieri@chwd.org);
2. Review of the existing water distribution system and identification of future

needs, including above ground water main creek crossings, cooperative transmission mains, and interties to the adjoining water districts;

3. Develop a Field Inspection Program (FIP). The FIP will identify the transmission main locations throughout the District for future inspection to refine the estimated work program and cost estimates from this Study;
  4. Identify any infrastructure challenges and any key issues that need to be considered as we develop the FIP;
  5. Identify any upcoming local and regional water supply issues and State and Federal regulatory issues and how they may impact the District; and
  6. Identify any further studies that should be performed.
- **Project Cost Estimates:** The consulting team will prepare preliminary engineering and construction costs for the various programmatic and project elements. Cost estimates will be based on the assessment of distribution system by the Hydraulic Model, documentation review, and limited field assessments as described above. The detailed estimate will be broken out based on specific tasks as identified and recommended by the consulting team (including materials, supplies, and labor). Further, the consulting team should provide detailed assumptions of the cost estimate with inflation factors, etc.
  - **Water Main Replacement Phasing Plan:** The consulting team will develop a Phasing Plan based upon an assessment as described above. It is understood that the Phasing Plan will be refined after the Study based on the FIP. A resource assessment (i.e. an assessment of District staffing/project delivery capability and District's cash flow) should be factored into the Phasing Plan.
  - **Funding Strategy/Rate Options Analysis:** This Study will provide a funding strategy only for the water mains to be replaced. Notwithstanding, the consulting team will need to consider the District's other operations and capital requirements as it prepares a funding strategy to implement the Project 2030 work program.

To that end, the consulting team will work closely with District staff and the Project 2030 Customer Advisory Committee to review the District's operations and all other capital requirements that will impact the District's financial conditions during the term of the Project 2030 plan.

As an outgrowth of the considerations above, the consulting team will prepare several funding options that include on one end of the continuum a Pay as You Go option and a Full Debt Financing option on the other end of the continuum and several "Blended Options" of Pay as You Go and Debt Financing for Customer Advisory Committee and Board of Directors' consideration.

The Funding Strategy identified in this Study will be incorporated into the District's overall Rate Model. The overall Rate Model is a separate and much larger financial plan.

- **Implementation Plan:** It is CHWD’s observation, that many advanced planning studies lack an Implementation Action Plan and end up sitting on the shelf. To address this issue, as a deliverable, CHWD requests an Implementation Action Plan that describes what tasks CHWD policy makers and staff should be completing on an annual basis beginning from the completion year of the Study up to year 2030 and during the term of the Project 2030 planning period.
- **Public Engagement/Stakeholder Outreach/Customer Advisory Committee/Presentations:** The District recognizes the importance of a strong public information and engagement component when developing this Study. To that end, the consulting team will need to develop a Public Engagement Strategy as it formulates its proposal/work plan. It is recommended that the consulting team include (a) professional(s) who specialize in public engagement and working with focus groups in a public agency setting.

CHWD has compiled a list of customers who have expressed interest in participating on a Customer Advisory Committee (CAC), who will work with the consulting team throughout various phases of the Study. The CAC can serve as a focus group for the consulting team as policy options are identified. It will be the CAC’s responsibility to consider the consulting team’s policy alternatives and policy recommendation. Ultimately, it will be the CAC’s responsibility to make a policy recommendation to the CHWD Board of Directors at the conclusion of the Study.

A list of customers has been compiled for the CAC and are customers who are located throughout the District’s service area, in most of the Neighborhood Association Areas within the City of Citrus Heights (which includes approximately two-thirds of CHWD’s service area) and surrounding unincorporated county areas in CHWD’s service area.

For planning and budgeting purposes, the consulting teams’ proposals should anticipate no more than six (6) CAC meetings, each lasting up to three (3) hours. Each meeting will be planned out in advance with the District’s Project Manager and staff project team, and ample hours should be budgeted accordingly for that effort.

Additional public information and public engagement components should include but not be limited to: 1) progress updates to the Board of Directors at the 30%, 60% and 100% completion levels of the Study (The Board of Directors regularly meets once per month, on the second Tuesday of each calendar month. However, special Board Meetings can be scheduled if needed.); 2) creation of a special Project 2030 Study page or pages at CHWD’s website; 3) use of social media as the consulting team proposes; and 4) use of other media and channels of communication as the consulting team proposes.

- **Study Schedule:** Each proposal shall include a schedule that includes the following elements: 1) project tasks by project phase; and 2) all public information and public engagement activities, including the CAC and Board of Directors meetings.

The CHWD requests that the schedule be prepared in the form of a Gantt chart(s) with the overall Study to be completed no later than November 1, 2018.

- **Add/Deduct Item - System-Wide Pressure Control Analysis (with and without Power Generation):** Note, this item will be prepared for staff and Board of Directors review only and will not be reviewed by the CAC. Complete a pressure reduction analysis for the entire District's water system. As background to this request, the District has two pressure reducing stations, and would like to explore the technical and cost issues associated with implementing system-wide pressure control. The most cost effective approach(es) should be identified. In addition to the one time capital costs to implement system-wide pressure control, any operational and maintenance expenses and replacement accrual costs should be identified.

As one additional option, the engineering team should identify the capital costs and any operational and maintenance and replacement costs associated with adding a power generation component to the pressure control system.

As background, CHWD has been in consultation with its electric utility, Sacramento Municipal Utility District (SMUD), concerning the two agencies working together to implement power generation through pressure control. The consulting team will want to further explore this partnership approach between the two agencies as well as a stand-alone approach for the District.

## **KEY DELIVERABLES**

The consulting team shall provide the following key deliverables to the District:

- (a) Complete Asset Inventory: Asset Inventory should be provided to the District at 50% and 100% completion.
- (b) Complete Project Polygon Development as requested in the Scope of Services Requested section above. The Project Polygon ArcGIS layer will be provided to the District at 50% and 100% completion.
- (c) Develop Future Water Demands as described above. The initial submittal will be a Technical Memo with the final work product incorporated into the Final Report as a chapter.
- (d) Develop a phased replacement program of water distribution mains.
  - i) Develop policy/replacement options (2-4 options).
  - ii) Develop cost estimates and funding strategies for each option.
  - iii) Identify a preferred alternative (i.e., replacement strategy, cost estimate and funding strategy).
- (e) Develop an on-going Field Inspection Program (FIP) as described above. This work element may be in a form of a report and may be incorporated into the Final Report as a chapter and/or appendix.
- (f) Develop Technical Memorandum(s) for Items C4-C6 in the Scope of Services Requested section above.
- (g) Prepare an Implementation Plan as described in the Scope of Services Requested section above.
- (h) Prepare a Public Information and Public Engagement strategy as described in the Scope of Services Requested section above.

- (i) Prepare a System-Wide Pressure Control Analysis as described in the Scope of Services Requested section above. Note, as this task is an add/deduct or ancillary item to the Project 2030 Study scope of work, this item will be prepared as a separate report.

## **RFP RESPONSE FORMAT**

The RFP respondent will submit an electronic copy (PDF format with bookmarks) of the RFP response with all of the information requested. In order to simplify the proposal evaluation process, the District is seeking RFP responses in the following format:

**\*Important--Please submit your RFP responses with section breaks/cover pages corresponding to the lettered items in the section below.**

### **PROPOSAL FORM AND CONTENT**

#### **A. Proposal Submittal**

All pages of the proposal must be numbered consecutively. The proposal must be organized in accordance with the list of proposal contents. The proposal must provide specific and succinct responses to all questions and requests for information.

Respondents must include the following items in their proposals addressing the Scope of Services Requested above. Proposals and the fee schedule must be valid and binding for 120 days following the proposal due date, and may become part of the agreement with the District.

#### **B. Letter of Transmittal**

Include a cover letter signed by a duly authorized representative of the lead firm of the consulting team. The cover letter must include names of all firms included on the consulting team, and for the authorized representative for the overall proposal, that contact person's address, telephone number (cell phone number preferred but not required) and e-mail address. In addition, the name, title, address, telephone number, and e-mail address of the person or persons who are authorized to represent the Respondent and to whom correspondence should be directed will be included. An unsigned proposal is grounds for rejection.

#### **C. Table of Contents**

Include a clear identification of the submitted material by section and by page number.

#### **D. Summary**

Introduce the proposal and summarize the key provisions of the proposal. Based on your firm's expertise and qualifications, explain why your firm is best suited to provide the services described herein.

## **E. Statement of Understanding**

Include a detailed statement of understanding of the engineering and financial planning services to be provided. If there are services listed in this RFP that the Respondent will not be able to provide or additional services the Respondent feels is necessary, please be certain to address such in your response.

## **F. Report Tasks**

Include a description of tasks to be undertaken and methodologies to be used, addressing all elements of Scope of Services Requested described above. Please keep all work elements in the same chronological order as addressed in the Scope of Services Requested above.

## **G. Background and Experience**

1. Official name and address of each firm on the consulting team.
2. Describe the firm's background and history, including the number of years in practice. Describe in detail the firm(s) infrastructure and financial planning expertise.
3. List the location of office(s) that would serve the Citrus Heights Water District.
4. Provide an organization chart of the team members who will provide the services described in this RFP.
5. Provide the educational and professional qualifications of each individual to be assigned, including subconsultants. Include a summary of each individual's work experience with related projects, highlighting comprehensive reviews of and/or creation of new Water Main Replacement Projects.
6. Provide a list of 3-5 references from water district and/or City water department clients who have engaged the consultant and subconsultant(s) to complete similar projects. Include the contact person, the agency name, contact person's e-mail address and phone number.

## **H. Project Cost**

Provide a breakdown of project costs by tasks in a manner that allows for easy cross-referencing of task, personnel, timing and costs (add subconsultants as required).

## **I. Schedule**

Proposal will include a schedule for completion of the project broken down by major phases of work. The schedule will be in the form of a Gantt Chart(s).

## **J. Agreement**

At the conclusion of the initial evaluation process, negotiations between the District and the selected Respondent for a contract will proceed. If the District engages a Respondent in negotiations and satisfactory agreement provisions cannot be reached, then negotiations may be terminated and the District may elect to contact another Respondent. This sequence may continue until an agreement is reached.

## **K. Additional Information**

In this section, provide any other information that the Respondent believes is applicable to the evaluation of the proposal or your qualifications for providing the proposed engineering, financial planning, and public engagement services. You may use this section to address those aspects of your services that distinguish your firm from other firms.

## **REVIEW AND SELECTION PROCESS**

### **A. Process**

The District staff will evaluate proposals and conduct interviews with the top Respondent(s). Respondents will be evaluated on the basis of cost, experience, qualifications, and approach to the services requested. The Respondent determined best qualified to perform this service will be identified by the Board of Directors for commencement of contract negotiations.

### **B. Evaluation Criteria**

The following information will be considered during the evaluation process:

1. Experience and qualifications identified in the Proposal (i.e. water master plans, water rate studies, public outreach).
2. Cost of providing services.
3. Complete and clear response to requested matters in the Proposal.
4. Communication skills.
5. Three to five references from other client water agencies and/or local government agencies.

## **SCHEDULE**

The project is to commence after Board approval on August 8, 2017 and is expected to be completed by November 1, 2018.

## **GENERAL TERMS AND CONDITIONS**

Limitation: The Request for Proposals (RFP) for Engineering, Financial Planning, and Public Engagement Services for “Project 2030” Water Main Replacement Study does not commit the Citrus Heights Water District to award a contract, to pay any cost incurred in the preparation of an RFP response or to procure or contract for services or supplies. The District reserves the right to reject any or all proposals for any reason and to amend, modify or terminate the RFP process in any manner at any time.

Award: The firm/entity chosen to conduct the Project 2030 Study may be required to participate in negotiations and to submit such revisions of its proposal as may result from negotiations. The District reserves the right to award a contract without discussion based upon the initial proposals.

Signature: Each proposal must be signed on behalf of the Respondent by an officer authorized to bind it.

### **PROPOSAL QUESTIONS AND SUBMISSION**

A **mandatory pre-proposal meeting** will held on Wednesday, April 26, 2017 at the Administrative Office of Citrus Heights Water District, 6230 Sylvan Road, Citrus Heights, CA 95610 beginning at 10:00 a.m. The goal of this meeting is to provide the proposing consultants an opportunity to meet staff and ask clarifying questions on scope of the RFP.

Proposals should be responsive to the questions set forth in this Request for Proposals. All materials which are submitted may be deemed to be part of the responding proposal, and may be incorporated in any subsequent contract between the District and any selected Respondent.

Proposals shall be submitted electronically to [mpieri@chwd.org](mailto:mpieri@chwd.org) with a Subject title of “Proposal for Engineering, Financial Planning, and Public Engagement Services - Project 2030.”

An electronic copy in PDF format **must be received** via e-mail no later than **midnight PDT, Friday, May 26, 2017.**

Proposals will be addressed to:

Ms. Melissa Pieri  
District Engineer  
Citrus Heights Water District  
6230 Sylvan Road  
Citrus Heights, CA 95610-5610

**Late proposals will not be accepted.**

### **SELECTION PROCESS AND TIME FRAME**

Monday, April 3, 2017                      Release date of RFPs

Wednesday, April 26, 2017              Mandatory Pre-proposal Meeting

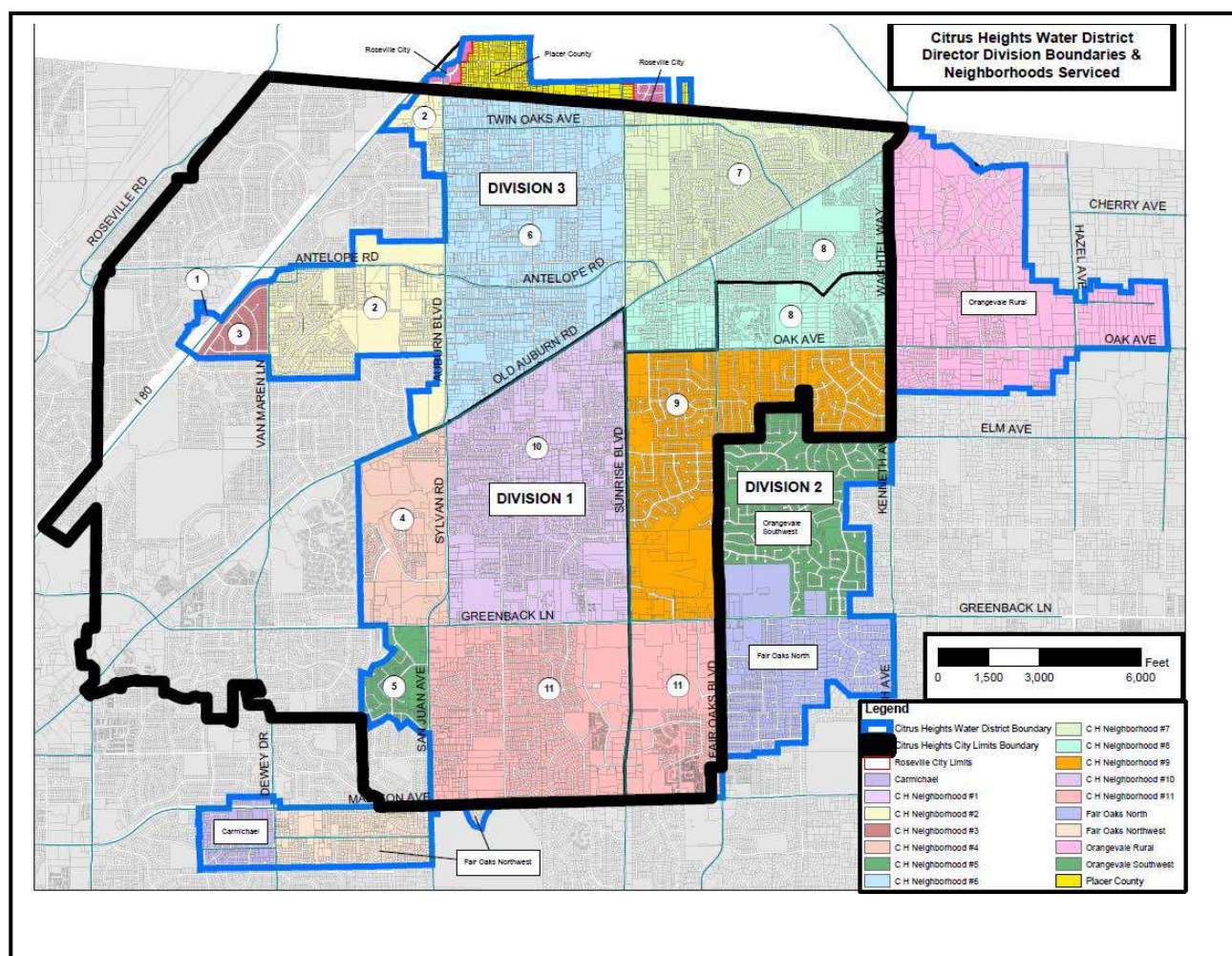


Friday, May 26, 2017	RFP responses due via E-mail no later than Midnight/PDT
Week of June 12, 2017	Top Firms invited for interview with Proposal Review Team.
Week of July 10, 2017	Interviews of Top Firms
Week of July 10, 2017	Top Firm notified of CHWD's intent to negotiate a professional services agreement with firm selected
Week of July 10, 2017 through Week of July 31, 2017	Contract development
Tuesday, August 8 2017	Board approves a contract with RFP respondent selected to provide Engineering, Financial, and Public Engagement Services for "Project 2030" Water Main Replacement Study

- Attachment A - District Boundary Map
- Attachment B – List of Past Studies and Data
- Attachment C – Professional Services Agreement

# Attachment A

## Citrus Heights Water District Boundary Map



## Attachment B

### List of Past Studies and Data (To be Provided to Consultant Upon Request)

1. *Citrus Heights Water District 2015 Urban Water Management Plan, June 2016.* J. Crowley Group Water Resources Planning and Policy.
2. *Citrus Heights Water District Water System Master Plan, April 1998.* Carollo Engineers.
3. *Citrus Heights Water District Capital Improvement Plan, September 15, 1998.* Carollo Engineers.
4. *Citrus Heights Water District Pressure Reducing/Sustaining Station Study, October 1989.* CH2MHill.
5. SMUD report titled “*In-conduit Hydropower Opportunities in SMUD’s Service Territory*”.
6. ArcGIS water main attribute field table.
7. Project Data Inventory
8. Creek Crossing Data
9. District Leak History
10. District Map showing the location of the pressure reducing stations/zones.

Attachment C  
Professional Services Agreement

# CITRUS HEIGHTS WATER DISTRICT

## Professional Services Agreement

This PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between CITRUS HEIGHTS WATER DISTRICT, an Irrigation District operating under the State of California Water Code (the “District”) and \_\_\_\_\_ (the “Consultant”).

### RECITALS

A. WHEREAS, District proposes to utilize the services of Consultant as an independent contractor to render professional services, as more fully described herein; and

B. WHEREAS, Consultant represents to District that Consultant possesses the skill, experience, ability, background, training, competency and knowledge, and further represents that Consultant holds all necessary licenses and certifications, to practice and perform the services herein contemplated; and

C. WHEREAS, District and Consultant desire to contract for the specific services described in Exhibit “A” (“Scope of Services”) and desire to set forth their rights, duties and liabilities in connection with the services to be performed.

NOW THEREFORE, in consideration of the mutual covenants set forth herein for such other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

### 1.0. SERVICES PROVIDED BY CONSULTANT

1.1. Scope of Services. Consultant shall perform the professional services described in the “Scope of Services” attached hereto and made a part hereof and identified as Exhibit “A”. All of the services identified in the Scope of Services shall hereinafter be collectively referred to as “Services”. Consultant shall correct any and all errors and/or omissions in the performance of the Services and any documents resulting therefrom even though District has accepted said Services or documents. Such corrections shall be made by Consultant upon District’s request and at no cost or expense to District.

1.2. Consultant an Independent Contractor. Consultant shall perform the services under the Agreement as an independent contractor. Consultant and all of its employees shall not be considered officers, employees, agents, partners, or a joint venture of District, and are not entitled to benefits of any kind or nature normally provided employees of District and/or to which District’s employees are normally entitled, including, but not limited to, State Unemployment Compensation or Worker's Compensation. Consultant shall assume full responsibility for payment of all federal, State and local taxes or contributions, including unemployment insurance, social security and income taxes with respect to Consultant’s employees. Consultant shall be wholly responsible for the methods of performance, and shall

furnish, at its own expense, all labor, materials, equipment, supplies or other items necessary to complete the Services required by this Agreement. District shall have no right to supervise Consultant's performance, but shall have the right to observe it. Consultant shall work closely with District in performing the services, as reasonably requested by Consultant, without changing Consultant's independent contractor status.

1.3. Professional Practices. All Services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields and circumstances in accordance with sound professional practices. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise District of any changes in any laws that may affect Consultant's performance of this Agreement.

1.4. Familiarity with Services. By execution of this Agreement, Consultant warrants that:

(1) It has thoroughly investigated and considered the Services to be performed, based on all available information; and

(2) It carefully considered how the Services should be performed; and

(3) It fully understands the difficulties and restrictions attending the performance of the Services under this Agreement; and

(4) It has the professional and technical competency to perform the Services and the production capacity to complete the Services in a timely manner with respect to the scope of services.

1.5. Performance to Satisfaction of District. Consultant agrees to perform all the Services to the complete satisfaction of District. Evaluations of the Services will be done by General Manager or his designee. If the quality of Services is not satisfactory, District in its discretion has the right to:

(a) Meet with Consultant to review the quality of the Services and resolve the matters of concern;

(b) Require Consultant to repeat the Services at no additional fee until it is satisfactory; and/or

(c) Terminate the Agreement as hereinafter set forth.

1.6. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by District's representative, regarding any services rendered under this Agreement at no additional cost to District. In the event that an error or omission attributable to

Consultant occurs, then Consultant shall, at no cost to District, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of District and to participate in any meeting required with regard to the correction.

1.7. Time of Performance. The Services of Consultant are to commence upon execution of this Agreement and shall continue until all authorized work is approved by District.

## **2.0. COMPLIANCES**

2.1. Compliance with Law. Consultant shall perform the Services required by this Agreement in compliance with all applicable Federal, State and local laws, ordinances, rules and regulations applicable to the Services required under this Agreement. Consultant shall give all required notices and shall obtain any approvals required by government agencies. Consultant shall be liable for all violations of law in connections with Services furnished by Consultant. Consultant shall indemnify and hold harmless District from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against District for, or on account of any liability under this Section 2, as set forth herein Section 7: "Indemnification."

2.2. Non-discrimination. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of their age, ancestry, color, religious creed, denial of family and medical care leave, disability, marital status, medical condition (cancer and genetic characteristics), genetic information, military and veteran status, national origin, race, sex, gender, gender identity, gender expression, or sexual orientation. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of District's programs or guidelines currently in effect or hereinafter enacted regarding equal opportunity employment.

2.3. Workers' Compensation Insurance. Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and that Consultant will comply with such provisions before commencing the performance of the Services. Consultant certifies that in the performance of the Services, Consultant shall not employ any person in any manner so as to become subject to the workers' compensation laws of California, and agrees that if Consultant should become subject to the workers' compensation provisions of Section 3700 of the Labor Code, Consultant shall forthwith comply with those provisions. Consultant shall comply with the code requirements and all other applicable laws and regulations regarding Workers' Compensation, payroll taxes, FICA and tax withholding and similar employment issues. Consultant further agrees to hold District harmless from loss or liability, which may arise from the failure of Consultant to comply with any such laws or regulations.

2.4. Safety. Consultant shall execute and maintain Services so as to avoid injury or

damage to any person or property. In carrying out the Services, Consultant shall at all times, exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all applicable federal, State and local statutory and regulatory requirements including State of California, Division of Industrial Safety (Cal/OSHA) regulations, and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act (OTETA) as applicable. Safety precautions as applicable shall include instructions in accident prevention for all employees including equipment and wearing apparel as are necessary or lawfully required to prevent accidents and/or injuries.

### **3.0. COMPENSATION**

3.1. Billing. Consultant shall submit a monthly invoice to District within 20 days of the end of the previous month in which Services are performed or expenses are incurred under this Agreement. Consultant's invoices shall include a brief description of the Services performed and the date the Services were performed, the number of hours spent and by whom, and a description of any reimbursable expenses. Reimbursable expenses shall be limited to actual expenditures of Consultant for expenses that are necessary for the proper completion of the Services and shall only be payable if specifically authorized in advance by District. In no case will the total amount paid to Consultant exceed the Maximum Amount as described in Section 3.2.

3.2. Maximum Amount. The maximum amount payable under the terms of this Agreement, including expenses, will not exceed \$ [REDACTED]. Consultant shall promptly notify District, in writing, when fees and expenses incurred under this Agreement have reached \$ [REDACTED] (80% of maximum amount allowable). Consultant shall concurrently inform District of Consultant's estimate of total expenditures required to complete its current assignments before proceeding, when the remaining work would exceed the maximum amount payable.

3.3. Additional Services. Consultant shall not receive compensation for any Services provided outside the Scope of Services unless District approves such additional services in writing prior to Consultant performing the additional services.

3.4. Payment. District shall pay Consultant no later than 45 days after approval of the monthly invoice by District staff.

### **4.0. RECORDS, DOCUMENTS AND DATA, AUDIT AND LICENSE RIGHTS.**

4.1. Records, Documents, Data and Retention. Consultant shall maintain adequate records, provide daily status reports to District and upon request deliver to District all findings, plans, specifications, studies, reports, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, records, data, pictures, reports, appraisals, inventories, studies, analyses, drawings, estimates, computer disks, files or data magnetically or otherwise recorded on computer or internet cloud services which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data") prepared or obtained in the performance of the Agreement, which shall be and remain



the property of District. Consultant shall retain Consultant's books, documents, papers, materials, payrolls, records, accounts, computer disks, tapes and any and all data relevant to the Agreement for a minimum of three (3) years following under this Agreement and shall permit District and its authorized representatives to examine, re-examine, make excerpts, transcribe and copy such items at any reasonable time within three (3) years after final payment under the Agreement.

4.2. Audit. Consultant shall also permit District and its authorized representatives to audit and verify statements, invoices or bills submitted by Consultant pursuant to the Agreement. Audit(s) may be performed at any time, provided that District shall give reasonable prior notice to Consultant and shall conduct audit(s) during Consultant's normal business hours, unless Consultant otherwise consents. Consultant shall provide such assistance as may be reasonably required in the course of such examination and audit.

4.3. Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for District to use, modify, reuse or sublicense any and all copyrights, designs, and other intellectual property embodied in Documents & Data, which are prepared or caused to be prepared by Consultant under this Agreement. Consultant shall require all subcontractors to agree in writing that District is granted non-exclusive and perpetual license for any Documents & Data the subcontractor prepared under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. District shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purpose intended by this Agreement shall be at District's sole risk.

## **5.0. LIABILITY INSURANCE**

Consultant will file with District, before beginning professional services, certificates of insurance satisfactory to District. Coverage is to be placed with a carrier with an A.M. Best rating of no less than A-: VII, or equivalent, or as otherwise approved by District. The retroactive date (if any) is to be no later than the effective date of this Agreement.

5.1. Certificates of Insurance. Consultant will file with District, before beginning Services, certificates of insurance satisfactory to District evidencing:

- A. Coverage. Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:
  - 1. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001)
  - 2. Coverage for Professional Liability appropriate to Consultant's profession covering Consultant's wrongful acts (negligent acts, errors or omissions).
  - 3. Insurance Services Office (ISO) Business Auto Coverage (Form CA

0001), covering Symbol 1 (any auto)

B. Limits. Consultant shall maintain limits no less than the following:

1. General liability - coverage of not less than one million dollars (\$1,000,000) per occurrence or the full per occurrence limits of the policy, whichever is greater for bodily injury, personal injury and property damage; two million dollars (\$2,000,000) general and products-completed operations aggregate (if used)).
2. Professional Liability - coverage of not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) annual aggregate or the limits of the policies available, whichever is greater.
3. Auto liability - One million dollars (\$1,000,000) for bodily injury and property damage each accident limit.
4. Workers' compensation (statutory limits) and employer's liability - one million dollars (\$1,000,000) (if applicable).

5.2. Required Provisions. The coverages specified in Section 5.1.A. are to contain or be endorsed to contain the following provisions:

- A. The general liability coverage shall give District, its directors, officers, employees, and authorized volunteers insured status (via ISO endorsement at least as broad as CG 2010 1185 or both CG 20 10 and CG 20 37 forms (if later revisions used).
- B. The general liability coverage is to state or be endorsed (with as broad as ISO endorsement CG 20 01) to state "such insurance shall be primary and any insurance, self-insurance or other coverage maintained by District, its directors, officers, employees, or authorized volunteers shall not contribute to it".
- C. Coverage is to be placed with a carrier with an A.M. Best rating of no less than A- : VII, or equivalent, or as otherwise approved by District.
- D. The coverage shall contain no special limitations on the scope of protection afforded to District, its directors, officers, employees, or authorized volunteers.

5.3. Other Requirements.

- A. For any claims arising out of the Services to be performed hereunder pursuant to Exhibit A, Consultant's insurance shall be primary insurance as respects District, its directors, officers, employees, agents and

volunteers.

- B. Any failure to comply with reporting or other provisions of the policies shall not affect coverage provided to District, its directors, officers, employees and volunteers.
- C. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by regular mail has been given to District.
- D. Except for Professional Liability, Consultant's insurance shall be a per-occurrence policy such that Consultant will be insured for all claims filed during or after the termination of the Agreement until all relevant statutes of limitations have expired.
- E. For Professional Liability claims made policy, the retroactive date (if any) is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously after the completion of the contract work. Consultant shall purchase an extended reporting period i) if the retroactive date is advanced past the effective date of this Agreement; ii) if the policy is canceled or not renewed; or iii) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement. Consultant shall provide five (5) year tail on Professional Liability Coverage.
- F. In the event that Consultant employs other Consultants (sub-Consultants) as part of the Services covered by this Agreement, it shall be Consultant's responsibility to require and confirm that each sub-Consultant meets the minimum insurance requirements specified above.
- G. If any of the required coverages expire during the term of this Agreement, Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to District at least ten (10) days prior to the expiration date.

5.4. Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by District. At the option of District, the insurer shall either reduce or eliminate such deductibles or self-insured retentions. Any insurance, pooled coverage or self-insurance maintained by District, its directors, officers, employees and volunteers shall not contribute to it.

5.5. Workers' Compensation and Employer's Liability Insurance. Consultant and all subcontractors shall cover or insure all their employees under the applicable laws relating to workers' compensation insurance, regardless of whether such coverage or insurance is mandatory or merely elective under the law. The Workers' Compensation Policy shall be endorsed

with a waiver of subrogation in the favor of the Member Water District for all work performed by the Consultant, its employees, agents and sub-Consultants. Before beginning Services, Consultant shall furnish to District satisfactory proof that he/she has taken out workers' compensation insurance for the period covered by the Services, all in accordance with the Workers' Compensation and Insurance Act, Division IV of the Labor Code of the State of California and any Acts amendatory thereof.

Consultant shall provide employer's liability insurance in the amount of, at least one million dollars (\$1,000,000) per accident for bodily injury and disease. Consultant shall provide District with a certificate of Employer's liability insurance coverage.

5.6. Evidences, Cancellation of Insurance and Continuation of Coverage. Prior to execution of the Agreement, Consultant shall file with District evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. For general liability coverage, such evidence shall include original copies of the additional insured endorsement or policy wording signed by the insurer's representative and certificate of insurance. All evidence of insurance shall be certified by a properly authorized officer, agent or qualified representative of the insurer and shall certify the names of the insured, any additional primary insurers, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, the expiration date, and that the insurer will give by regular mail, written notice to District at least thirty (30) days prior to the effective date of any cancellation of the policy. If any of the required coverages expire during the term of this Agreement, the Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to Member Water District at least ten (10) days prior to the expiration date. The Contractor shall, upon demand of Member Water District deliver evidence of coverage showing continuation of coverage after completion of the project.

## **6.0. TERMINATION:**

This Agreement may be terminated, with or without cause, at any time by District upon        days' written notice. In the event of any such termination, District shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of District's written notice of termination unless the termination is for cause, in which event District may withhold any payments due to Consultant until such time as the exact amount of damages, if any, due District from Consultant is determined. Notwithstanding the foregoing, Consultant shall not be relieved of liability to District for damages sustained by District by virtue of any breach of this Agreement by Consultant. Upon such termination, District shall be entitled to all work, including but not limited to Documents & Data under Section 4.1 hereof. The obligations of Section 7 of this Agreement relating to Consultant's obligations to defend and indemnify District shall survive any termination of this Agreement.

## **7.0. INDEMNIFICATION.**

7.1. Claims. Consultant shall indemnify and hold harmless and defend District to the fullest extent permitted by law, its directors, officers, employees or authorized volunteers, and each of them from and against:

- A. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind and nature whatsoever for, but not limited to, injury to or death of any person including Consultant, or any directors, officers, employees or volunteers of District or Consultant, and damages to or destruction of property of any person, including but not limited to, District and/or Consultant and their directors, officers, employees and volunteers, arising out of or in any manner directly or indirectly connected with the Services to be performed under this Agreement, due to Consultant's negligent acts, errors or omissions committed or alleged to have been committed; and
- B. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or in equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of Consultant.

7.2. Cooperation. In the event any claim or action is brought against District relating to Consultant's performance of Services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation, which District might require.

7.3. Defense of Claims. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions, or other legal proceedings of every kind that may be brought or instituted against District or District's directors, officers, employees or volunteers. In complying with Sections A and B, supra, Consultant may retain and compensate legal counsel selected by or prior approved by the insurance company.

Consultant shall defend itself against any and all liabilities, claims, losses, damages, and costs arising out of or alleged to arise out of Consultant's performance or non-performance of the Services hereunder, and shall not tender such claims to District nor to its directors, officers, employees, or authorized volunteers, for defense or indemnity.

7.4. Satisfaction of Judgment and Reimbursement to District. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against District or its directors, officers, employees and volunteers, in any such suit, action or other legal proceeding.

Consultant shall reimburse District and its directors, officers, employees and volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

7.5. Insurance. Consultant agrees to carry insurance for this purpose as set out in the specifications for the entire duration of this Agreement. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by District, or its directors, officers, employees and volunteers.

## **8.0. GENERAL PROVISIONS**

8.1. Entire Agreement. This Agreement, together with Exhibit "A" supersede any and all other agreements, either oral or in writing, between the parties with respect to the subject

matter herein. This Agreement constitutes the entire Agreement between the parties with respect to any matter referenced herein. This Agreement may not be modified, nor may any of the terms, provisions or conditions be modified or waived or otherwise affected, except by a written amendment signed by all parties. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement. Each party to this Agreement acknowledges that no representation by any party, which is not embodied herein, nor any other agreement; statement or promise not contained in this Agreement shall be valid and binding.

8.2. Non-Exclusive Agreement. District may enter into agreements with others for the Services set forth in this Agreement, or similar to the Services that are subject to this Agreement. Consultant retains the right to perform services for entities other than District.

8.3. Confidentiality. Employees of Consultant in the course of their duties may have access to financial, accounting, statistical, and personnel data of private individuals and employees of District. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by District. Consultant shall treat any information it may come to have relating to the Agreement with confidence, revealing information to third parties only with prior written approval of District. District shall grant such authorization if disclosure is required by law. All District data shall be returned to District upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

8.4. Assignment. The Agreement shall not be assignable or transferable in whole or in part by Consultant, whether voluntarily or by operation of law provided, however, that Consultant with the prior written consent of District may subcontract that portion of the services for which Consultant does not have the facilities to perform. Any other purported assignment, transfer or subcontracting shall be void. Nothing in the Agreement shall be construed to give any right or benefit to anyone other than District and Consultant.

8.5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

8.6. Captions and Headings. Captions and headings in the Agreement are solely for convenience in locating certain provisions and shall not be construed as limiting, expanding or otherwise affecting the provisions of this Agreement.

8.8. Notices. Any notice or other communication to either party hereto shall be personally delivered to the party or sent by first class, registered, or certified mail, with postage fully prepaid, or by any recognized overnight delivery service and addressed to District or Consultant at their respective addresses as set forth elsewhere in this Agreement, or to such other address as either party may from time to time designate by notice to the other given in accordance with this paragraph. Any change in the scope of the professional services to be done, method of performance, nature of materials or price thereof, or to any other matter materially affecting the performance or nature of the professional services will not be paid for or accepted

unless such change, addition or deletion is approved in advance, in writing by a supplemental agreement executed by District.

8.8. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

8.9. Ownership of Documents. All Documents & Data furnished or prepared by Consultant or any of its subcontractors in the course of performance of this Agreement shall be and remain the sole property of District, without restriction or limitation upon its use or dissemination by District; no such Documents & Data shall be the subject of a copyright application by Consultant. Consultant agrees that any such Documents & Data shall not be made available to any individual or organization without the prior consent of District. Consultant shall deliver to District all Documents & Data or any other Project related items as requested by District or its authorized representative, at no additional cost to District.

8.10. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over the document referenced.

8.11. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

8.12. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

8.13. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

8.14. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

8.15. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a

waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

8.16. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

8.18. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one Agreement.

8.18. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

8.19. Taxpayer Identification Number. Consultant shall provide District with a complete Request for Taxpayer Identification Number and Certification, Form W 9, as issued by the Internal Revenue Service.

8.20. Change in Name, Ownership or Control. Consultant shall notify District representative, in writing, of any change in name, ownership or control of Consultant. Change of ownership or control of Consultant may require an amendment to the Agreement.

8.21. Covenants and Conditions. Each term and each provision of this Agreement to be performed by Consultant shall be construed to be both a covenant and a condition.

8.22. Use of District's Name. Consultant shall not publish or use any advertising, sales promotion, or publicity in matters relating to services, equipment, products, reports, and material furnished by Consultant in which District's name is used, or its identity implied without District representative's prior written approval.

8.23. Force Majeure. The respective duties and obligations of the parties hereunder shall be suspended while and so long as performance hereto is prevented or impeded by strikes, disturbances, riots, fire, severe weather, government action, war acts, acts of God, or any other cause similar or dissimilar to the foregoing which are beyond the control of the party from whom the affected performance was due.



8.24. Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or result from the award or making of this Agreement. For breach or violation of this warranty, District shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of District, during the term of his or her service with District, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

8.25. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

8.26. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or mail and shall be addressed as follows:

IF TO CONSULTANT

IF TO DISTRICT

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile or e-mail with confirmation back to sender; and c) 72 hours after deposit in the U.S. mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

Consultant shall notify District of changes in its address. The failure to do so, if such failure prevents District from locating Consultant, shall be deemed a waiver by Consultant of the right subsequently to enforce those provisions of this Agreement that require consultation or approval of Consultant. Notwithstanding this provision, District shall make every reasonable effort to locate Consultant when matters arise relating to Consultant's rights.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

Dated: \_\_\_\_\_

CITRUS HEIGHTS WATER DISTRICT

By: \_\_\_\_\_

Robert A. Churchill, General Manager

Citrus Heights Water District

P.O. Box 286

Citrus Heights, CA 95611-0286

Dated: \_\_\_\_\_

**CONSULTANT NAME**

By: \_\_\_\_\_

**Signer's Name and Title**

**Consultant Name**

**Consultant Address**

Federal ID No. \_\_\_\_\_

Business License Number \_\_\_\_\_ (City of

\_\_\_\_\_ )

# CITRUS HEIGHTS WATER DISTRICT

## DISTRICT STAFF REPORT TO BOARD OF DIRECTORS MARCH 14, 2017 REGULAR MEETING

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SUBJECT : BOARD OF DIRECTORS COMPENSATION STUDY  
STATUS : Information/Discussion Item  
REPORT DATE : March 14, 2017  
PREPARED BY : Robyn Evans, Senior Management Services Specialist

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### **OBJECTIVE:**

Review benefit information from Vincent Catalano, Senior Vice President, Arthur J. Gallagher and Company.

### **BACKGROUND AND ANALYSIS:**

As background, on February 14, 2017, a benefit survey of elected officials' compensation was presented by Shellie Anderson, with Bryce Consulting, that included information from nineteen (19) agencies that are within CHWD's labor market. Of the nineteen agencies surveyed, it is of particular interest to consider the benefit options provided by the City of Citrus Heights and the San Juan Water District to their elected officials as their political boundaries overlap CHWD's political boundaries, creating a competitive pool for CHWD's elected officials.

Also, at the February 14, 2017 regular Board meeting, the Board directed staff to provide benefit and cost information for several types of benefits including health, vision, dental, and life insurance, as an addition to the current compensation.

Currently, the Board of Directors receives monetary compensation, with no other benefit, for attending Board meetings and other Board-sanctioned functions, at the rate of \$145.00 per day, with a monthly maximum of \$1,450. This rate has been in effect since January 2008.

Vincent J. Catalano, Senior Vice President with Arthur J Gallagher & Company, has completed a potential benefits package survey, which the Board may wish to consider. Mr. Catalano was able to gain agreement with Kaiser and Western Health Advantage to extend the same benefits to Board Members that are offered to the CHWD employees.

A copy of the benefits coverages and associated costs accompanies this staff report as Kaiser Limited Purpose Health Insurance Summary (Attachment 1), Western Health Advantage Limited Purpose Health Insurance Summary (Attachment 2), and a presentation prepared by Mr. Catalano (Attachment 3).

In addition, Shellie Anderson's Board of Director's Compensation survey is included for your reference (Attachment 4), as is the Cost-of-living Adjustment for Director's Compensation information (Attachment 5). Both documents were originally presented at the December 13, 2016 regular Board meeting.

Mr. Catalano will present the accompanying information at the March 14, 2017 Board Meeting, and answer any Board Member questions.

Based on current costs of compensation, the following is a recap of Board Member costs to CHWD:

Year	Annual Expense
2012	\$14,645
2013	\$12,905
2014	\$11,455
2015	\$15,950
2016	\$14,790

As the Board considers additional benefit options, the following example provides projected annual costs, including all benefits and compensation, for 3 Board Members:

	Kaiser	WHA
Medical (Kaiser or WHA)	\$30,207	\$31,403
Dental	\$1,377	\$1,377
Vision	\$357	\$357
Life/ADD	\$558	\$558
Annual Benefits	\$32,499	\$33,695
Compensation (2016)	\$14,790	\$14,790
Total Annual Expense to CHWD	<u>\$47,289</u>	<u>\$48,485</u>

**RECOMMENDATION:**

Review the potential benefit options presented and provide direction to staff.

**ACTION:**

Moved by Director \_\_\_\_\_, Seconded by Director \_\_\_\_\_, Carried \_\_\_\_\_

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Attachment 1

Board of Directors Compensation Study  
Kaiser Limited Purpose Health Insurance Summary



# Citrus Heights Water District

## Kaiser Limited Purpose Health FSA & HRA Hybrid

Plan Year: 02/01/2017 - 01/31/2018

	HYBRID PLAN	COMPANY SUPPORTED PORTION	EMPLOYEE NET COST
<b>Carrier Name</b>	<b>Kaiser</b>	<b>Provides up to</b>	
<b>Plan Name</b>	<b>Gold 80 0/30</b>	<b>\$6,750 - Individual</b>	
<b>Plan Type</b>	<b>HMO</b>	<b>\$13,500 - Family</b>	
		<b>of Hybrid-Supported Claims</b>	
<b>Annual Deductible</b>			
Individual	None	\$0	\$0
Family	None	\$0	\$0
<b>Outpatient/Prof Services</b>			
Physician Office Visits	\$30 copay	\$30 employee/\$22.50 dependent	\$0 employee/\$7.50 dependent
Physical/Preventative Care	No Charge	\$0	\$0
Maternity/Prenatal Care	No Charge	\$0	\$0
Well Baby Care	No Charge	\$0	\$0
Lab & X-Ray	\$55/\$35 copay	\$55/\$35 copay	\$0
MRI / CT / PET Imaging	\$275 copay	\$275 copay	\$0
<b>Hospital Services</b>			
Room & Board	\$655/day	\$655/day	\$0
Inpatient Prof Services	Included in Hospital Copay	Included in Hospital Copay	\$0
Outpatient Surgery	\$655 copay	\$655 copay	\$0
Emergency Room	\$325 copay (waived if admitted)	\$325 copay (waived if admitted)	\$0
<b>Mental Health</b>			
Mental-Inpatient	\$655/day	\$655/day	\$0
Mental-Outpatient	\$30 copay	\$30 copay	\$0
Chemical-Inpatient	\$655/day	\$655/day	\$0
Chemical-Outpatient	\$30 copay	\$30 copay	\$0
<b>Other Benefits</b>			
Ambulance	\$250 copay	\$250 copay	\$0
<b>Prescription Drug Benefits</b>			
Generic	\$15 copay (up to 30-day supply)	100% of prescription copays for generic and 75% brand name.	25% of pharmacy copay not to exceed \$12.50 per prescription
Brand	\$55 copay (up to 30-day supply)		
Brand Deductible	None		

	Hybrid Acct. Max	Out of Pocket Max
<b>Individual:</b>	<b>\$6,750</b>	<b>\$6,750</b>
<b>Family:</b>	<b>\$13,500</b>	<b>\$13,500</b>

The above information is a brief summary of the benefits provided, please refer to the plan EOC for full details and limitations.

Attachment 2

Board of Directors Compensation Study  
WHA Limited Purpose Health Insurance Summary



Citrus Heights Water District

Western Health Advantage Limited Purpose Health FSA & HRA Hybrid

Plan Year: 02/01/2017 - 01/31/2018

	HYBRID PLAN	COMPANY SUPPORTED PORTION	EMPLOYEE NET COST
<b>Carrier Name</b>	<b>Western Health Advantage</b>	<b>Provides up to</b>	
<b>Plan Name</b>	<b>Gateway 30</b>	<b>\$4,000 - Individual</b>	
<b>Plan Type</b>	<b>HMO</b>	<b>\$8,000 - Family</b>	
<b>Annual Deductible</b>		<b>of Hybrid-Supported Claims</b>	
Individual	None	\$0	\$0
Family	None	\$0	\$0
<b>Outpatient/Prof Services</b>			
Physician Office Visits	\$30	\$30 employee/\$22.50 dependent	\$0 employee/ \$7.50 dependent
Physical/Preventative Care	No Charge	\$0	\$0
Maternity/Prenatal Care	No Charge	\$0	\$0
Well Baby Care	No Charge	\$0	\$0
Lab, X-Ray, other tests	No Charge	\$0	\$0
MRI/CT/PET Imaging	\$150 per visit	\$150 per visit	\$0
<b>Hospital Services</b>			
Hospital Inpatient	\$300/day (1-3 days)	\$300/day (1-3 days)	\$0
Outpatient Surgery	\$100/Visit (Facility)	\$100 / visit	\$0
Ambulance	No Charge	\$0	\$0
Emergency Room	\$250/visit (Waived if admitted)	\$250/visit (Waived if admitted)	\$0
<b>Mental Health</b>			
Mental-Inpatient	\$300/day (1-3 days)	\$300/day (1-3 days)	\$0
Mental-Outpatient	\$30 per visit	\$30 per visit	\$0
Chemical-Inpatient	\$300/day (1-3 days)	\$300/day (1-3 days)	\$0
Chemical-Outpatient	\$30 per visit	\$30 per visit	\$0
<b>Other Benefits</b>			
Durable Medical Equipment	80%	20%	\$0
<b>Prescription Drug Benefits</b>			
Generic	\$10 copay	100% of prescription copays for generic, 75% for brand name	\$0
Brand	\$30 copay		25% of pharmacy copay, not to exceed \$6.25
Non-Formulary	\$50 copay		25% of pharmacy copay, not to exceed \$11.25
Brand Deductible	\$0	\$0	\$0

	Hybrid Acct. Max	Out of Pocket Max
<b>Individual:</b>	<b>\$4,000</b>	<b>\$4,000</b>
<b>Family:</b>	<b>\$8,000</b>	<b>\$8,000</b>

The above information is a brief summary of the benefits provided, please refer to the plan EOC for full details and limitations.



Attachment 3

Board of Directors Compensation Study  
CHWD Board Member Benefits Options  
Presentation

Vinny Catalano, MBA  
Arthur J. Gallagher & Co.



Arthur J. Gallagher & Co.  
BUSINESS WITHOUT BARRIERS™

# CHWD Board Member Benefits Options

# Objective

- Determine whether current employee benefit structure and plans were able to be offered to Citrus Heights Water District Board Members
- Objective Met: All 3 current insurance carriers have agreed to allow board members to be offered benefits



# 2017 Renewal Analysis For Current Employees

	16-17	17-18
Medical - WHA	15,560	16,829
Medical – Kaiser	15,494	16,291
Dental – Lincoln	2,833	3,127
Vision – Lincoln	298	298
Life (\$100K) - Lincoln	287	287
Total - Monthly	34,427	36,832
Total - Annual	413,124	441,984
		7% increase
Additional Medical Reimbursement		14,107

# Medical Benefits Available to Board Members

	Western Health Gateway 30
Deductible	None
Max OOP	\$4,000 Ind/\$8,000 Fam
Office Copay	\$30 per visit
Lab and X-Ray	No Charge
MRI/CT/Pet Scans	\$150 per visit
Hospital Inpatient	\$300 per day (3 day)
Outpatient Surgery	\$100 per visit
ER Charge	\$250 per visit
Generic RX	\$10 per prescription
Preferred RX	\$30 per prescription
Non Preferred RX	\$50 per prescription
Specialty RX	20% up to \$250
Monthly Premium	\$16,829
	Kaiser Gold 80 0/30
Deductible	None
Max OOP	\$6,750 ind/\$13,500 fam
Office Copay	\$30 per visit
Lab and X-Ray	\$55/\$35 per encounter
MRI/CT/Pet Scans	\$275 per procedure
Hospital Inpatient	\$655 per day (5 day)
Outpatient Surgery	\$655 per procedure
ER Charge	\$325 per visit
Generic RX	\$15 per prescription
Preferred RX	\$55 per prescription
Specialty RX	20% up to \$250

Additional Reimbursement Schedule is an attachment

# Costs for Medical Benefits Available to Board Members (monthly/annually)

## Rates are Age-Rated

Board Member	Kaiser Gold 80 0/30	Western Health Advantage Gateway 30
Allen Dains	954/11448	993/11916
Caryl Sheehan	775/9300	807/9684
Raymond Riehle	709/8508	738/8856
Additional Reimbursement (est)	564/person	564/person
Additional Cost For TPA Monthly Annually	10.74/32.22 387	10.74/32.22 387
Total Annual Cost for all 3 Board Members (est)	\$30,207	\$31,403

# Dental Benefits Available to Board Members

Plan Design	Lincoln
	In Net / Out Net
Calendar Year Deductible	Individual: \$25 / \$25 Family: \$50 / \$50
Annual Benefit Maximum	\$1,500 per member
Preventive Services	100% / 80%
Basic Services	80% / 80%
Major Services	60% / 50%
Orthodontia	60% to \$2,000
Board Member Only	\$38.23/month
<b>Annual Cost per Board member</b>	<b>\$459</b>
<b>Total Annual Cost for All 3 Board Members</b>	<b>\$1377</b>

# Vision Benefits Available to Board Members

Plan Design	Eye Exam: 12 months Lenses: 12 months Frame: 24 months
Copay(s)	\$0 Copay
	<u>In Network</u> <u>Out of Network</u>
Eye Examination	\$0/not covered
Lenses	
	Single Vision 100%/Up to \$40
	Lined Bifocal 100%/Up to \$60
	Lined Trifocal 100%/Up to \$80
Frames	100% up to \$130/Up to \$45
Contact Lenses (necessary)	100%/Up to \$210
	*in lieu of glasses
Board Member Only/month	\$9.93
<b>Annual Cost Per Board Member</b>	<b>\$119</b>
<b>Total Annual Cost for All 3 Board Members</b>	<b>\$357</b>



# Life/ADD Benefits Available to Board Members

BASIC LIFE & AD&D	Lincoln
Basic Life Benefit	Class 1: \$100k
AD&D Benefit	Class 1: \$100k
Guarantee Issue Amount	\$100k
Life Rate (per \$1,000)	\$0.120
AD&D Rate (per \$1,000)	\$0.035
<b>Total Cost Per Board Member Annually</b>	<b>\$186</b>
<b>Total Cost for All 3 Board Members</b>	<b>\$558</b>

Attachment 4

Board of Directors Compensation Study

Bryce Consulting Summary

**ATTACHMENT A**  
Citrus Heights Water District  
Board of Directors' Compensation

Agency	Salary	Retirement	Health	Dental	Vision	Life	Social Security	Other	Comments
Citrus Heights Water District	\$1450/month max. (\$145 per day, limited to 10 meetings per month)	\$0	\$0	\$0	\$0	\$0	Yes		
Carmichael Water District	\$1,447/month max. \$144.70 per day that they do business for the District regardless of the number of meetings or functions they may attend in one day. Maximum of 10 days per month	\$0	\$0	\$0	\$0	\$0	Yes		
Del Paso Manor Water District	\$2,000/month max. \$200/per day of meetings- (limited to 10 per month). The meetings that qualify for the stipend are board meetings, committee meetings, required training (Ethics and Sexual Harassment for Managers), approved association committees, and where they are the "District Representative" for the organization. They are not paid for each day of meetings unless they are the District rep and are required to be there for voting (ex. JPIA or ACWA voting).	\$0	\$12/m	\$0	\$0	\$0	Yes		
El Dorado Irrigation District	\$1,200/month stipend	\$0	\$1,630/month (EE + 2)  \$417/month- medical reimbursement program (legitimate documented medical, dental and vision costs and expense not covered by insurance as well as insurance premiums costs not paid for by District- total amount is \$5,000	\$140/month (EE + 2)	\$20/month (EE + 2)	\$3/month for a \$20,000 policy	Yes		

Agency	Salary	Retirement	Health	Dental	Vision	Life	Social Security	Other	Comments
			per year, listed as monthly amount above)						
Elk Grove Water Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Fair Oaks Water District	\$1,000/month max (\$100 per meeting, not to exceed 10 meetings per month)	\$0	\$0	\$0	\$0	\$0	Yes		
Rancho Murieta Community Services District	\$300/month max (\$100 per day, not to exceed \$300/month)	\$0	\$0	\$0	\$0	\$0	\$0	\$50/month-internet reimbursement	
Regional Water Authority	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Rio Linda Elverta Community Water District	\$600/month max (\$100 per meeting, not to exceed 6 meetings per month)	\$0	\$0	\$0	\$0	\$0	Yes		
Sacramento Suburban Water District	\$1,000/month max (\$100 per meeting, not to exceed 10 meetings per month)	\$0	\$0	\$0	\$0	\$0	Yes		
San Juan Water District	\$1,250/month max (\$125 per meeting, not to exceed 10 meetings per month)	\$0	\$0	\$0	\$0	\$0	Yes		
City of Citrus Heights	\$600/month stipend	If decline health, they can roll into deferred compensation	\$600/month (EE only)	\$49/month (EE only)	\$15/month (EE only)	\$8/month for a \$100,000 policy	Medicare only	\$121.60/month (Post Retiree Health-Unequal Method for PERS)	
City of Davis	\$1,138/month	If decline health, they can opt for a \$500/month contribution to a deferred compensation account (457)	\$1,709/month (EE +2)	\$221/month (EE + 2)	\$0 (It is offered, but not City paid)	\$23.00/month for a \$100,000 policy	Yes	\$65 cell phone stipend  Retiree Health-= to Kaiser Bay Area Supplement Managed Medicare rate for retiree + 1 (\$600.96/mo)	

Agency	Salary	Retirement	Health	Dental	Vision	Life	Social Security	Other	Comments
City of Folsom	Mayor- \$730/month Vice Mayor and Council Member- \$630/month	Have the option to elect CalPERS retirement with Council Member paying their own employee share	\$1,506/month (EE +2)	\$160/month (EE +2)	\$22/month (EE+2)	\$7/month for a \$40,000 policy	Yes	\$50/month- Retiree Health Savings Account (not PERS for medical, so no PEMHCA)	
City of Lincoln	Mayor- \$705/month Council Member- \$655/month	\$0	\$1,105/month (medical, dental, vision, life)	Inc	Inc	Inc \$50,000 policy	Yes	Retiree Health- PEMHCA min- \$128/month	If anything remains in cafeteria plan, they can put it towards AFLAC products or deferred comp
City of Roseville	Mayor- \$650/month Council Member- \$600/month	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Receive 1099
City of Sacramento	Mayor- \$10,018/month Council Member- \$5,273/month	Have the option to elect CalPERS retirement with Council Member paying their own employee share  4% employer contribution to deferred compensation	\$1,243/month (EE +2)	3% of base salary City contribution for dental & vision	3% of base salary City contribution for dental & vision	\$28 - \$42/mo for a \$100,000 policy (Council Member)  \$150,000 policy (Mayor)	Yes	LTD Insurance (\$0.21 per \$100 covered for (60% of salary with a max weekly benefit of \$6,000 and monthly max benefit of \$26,000  Reimbursable Expenses \$417/month (Mayor) \$208/month (Members)  Technology Allowance \$167/month (Mayor) \$100/month (Members)	

Agency	Salary	Retirement	Health	Dental	Vision	Life	Social Security	Other	Comments
City of Woodland	\$250/month	Eligible for CalPERS retirement at no cost	\$2,234/month (EE + 2)  (or \$405/month cash in lieu)	\$153.95 (EE + 2)	\$19.09 (EE + 2)	\$4.05/month for a \$15,000 policy-	Medicare	\$50/month-Retiree Health Savings Account  Retiree Health-PEMHCA min-\$128/month	
Sacramento County	\$8,665/month In addition, they receive a management differential of 3.35%. <b>(Effective 2/2017- \$8785)</b>	Have the option to elect CalPERS retirement with Council Member paying their own employee share  1% employer contribution to deferred compensation	\$1,418/month (EE +2)	\$125/month (EE + 2)	Vision is included under medical	\$4/month for a \$50,000 policy	Yes	\$500/month Auto  \$54/month RHSA	

Attachment 5

Board of Directors Compensation Study  
Cost-of-living Adjustment for Director's  
Compensation

## **Cost-of-Living Adjustment for Directors' Compensation**

The Board of Directors approved Ordinance No. 01-2008 on January 8, 2008 setting Directors' compensation at \$145.00 per day for attending Board meetings and other Board-sanctioned functions. This amount is still in effect today. Under this Ordinance and District Board of Directors and Officers Policy 2040, changes in compensation of Directors requires approval of the Board of Directors (adoption of a new ordinance adjusting the compensation) during an Open Session at a Regular Meeting held at least 60 days prior to the effective date of the change.

A 2.3 percent COLA increase in Directors' compensation would result in an increase of \$3.34 in the daily compensation rate, making the rate \$148.34.

Although not previously approved, the cumulative effect of CPI-U changes since the date of the Board's most recent increase is as follows:

2008 Directors' Compensation Rate	\$145.00
2009 COLA (October 2008 CPI-U), +3.3%	\$149.79
2010 COLA (October 2009 CPI-U), -0.3%	\$149.34
2011 COLA (October 2010 CPI-U), +0.6%	\$150.24
2012 COLA (October 2011 CPI-U), +3.4%	\$155.35
2013 COLA (October 2012 CPI-U), +2.5%	\$159.23
2014 COLA (October 2013 CPI-U), +0.9%	\$160.66
2015 COLA (October 2014 CPI-U), +2.0%	\$163.87
2016 COLA (October 2015 CPI-U), +1.1%	\$165.67
2017 COLA (October 2015 CPI-U), +2.3%	\$169.48

If the Board wishes to consider adopting an increase in Director's compensation, a new ordinance will need to be prepared for consideration at a future Board meeting. If adopted, the ordinance would go into effect 60 days following adoption, pursuant to provisions of the State Water Code.



# CITRUS HEIGHTS WATER DISTRICT

## DISTRICT STAFF REPORT TO BOARD OF DIRECTORS MARCH 14, 2017 REGULAR MEETING

SUBJECT : DISCUSSION AND POSSIBLE ACTION—BEST BEST AND KRIEGER  
(BB&K) LEGAL SERVICES AGREEMENT  
 STATUS : Information/Discussion Item  
 REPORT DATE : March 7, 2017  
 PREPARED BY : Hilary Straus, General Manager

**OBJECTIVE:**

Consider approval of a legal services agreement with Best Best and Krieger, LLP for General Counsel services.

**BACKGROUND AND ANALYSIS:**

With the retirement of General Counsel Judy Albietz, a Strategic Planning goal of the Board of Directors was the recruitment/retention of a new General Counsel to assist the Citrus Heights Water District (CHWD) concerning all legal matters that come before the District.

To that end, CHWD issued a Request for Proposal (RFP) in December 2016, and received twenty-four (24) proposals, covering approximately 1,200 pages of legal services proposal material, to consider. A proposal review team comprised of all three Board Members, the General Manager, the Project Manager, the Operations Manager, the District Engineer and Accounting Supervisor reviewed the proposals and interviewed seven (7) finalist firms.

After discussion and consideration of all of the proposals and receiving the input of all review team members, the Board of Directors provided direction to the General Manager to negotiate a professional services agreement with Best, Best and Krieger (BB&K) to serve as General Counsel and for BB&K to provide the full range of legal services required for CHWD.

The General Counsel that BB&K has designated is Steve Anderson. Mr. Anderson specializes in water rights, groundwater, and other natural resource law matters. Steve is a member of the firm’s Environmental Law & Natural Resources, Special Districts, and Municipal Law practice group. Providing additional legal support is BB&K’s designated Assistant General Counsel Joshua Nelson, who specializes in general governance issues including, Proposition 218/26 compliance, general utilities issues and real property acquisition.

The scope of legal services covers the full array of CHWD’s legal services needs, including water issues, general government and employment practices. The agreement is structured as a billable/hourly agreement with the option of both the District and BB&K to consider a monthly retainer arrangement after eighteen (18) months of under the term of the agreement. That amount of time is provided so that both parties have enough cost data to consider the feasibility of a retainer, and if so, to assist in determining a level of cost that would be appropriate for both parties on a monthly basis. A copy of the legal services agreement accompanies this agenda report.

**RECOMMENDATION:**

Approve the accompanying agreement for legal services with BB&K, and authorize the President of the Board of Directors to execute the agreement.

**ACTION:**

Moved by Director \_\_\_\_\_, Seconded by Director \_\_\_\_\_, Carried \_\_\_\_\_

**AGREEMENT FOR GENERAL COUNSEL LEGAL SERVICES  
CITRUS HEIGHTS WATER DISTRICT  
BEST BEST & KRIEGER LLP**

**1. PARTIES AND DATE.**

This Agreement is made and entered into as of the 14th day of March, 2017, by and between the Citrus Heights Water District, a California irrigation district (“Client”) and Best Best & Krieger LLP, a limited liability partnership engaged in the practice of law (“BB&K”).

**2. RECITALS.**

2.1 Client wishes to engage the services of BB&K as its General Counsel to perform necessary legal services for the Client on the terms set forth below.

**3. TERMS.**

3.1 Term. The term of this Agreement shall commence on March 14, 2017 and shall continue in full force and effect until terminated in accordance with Section 3.12.

3.2 Scope of Services. BB&K shall serve as General Counsel and shall perform legal services (“Services”) as may be required from time to time by the Client as set forth by this Agreement, unless otherwise agreed to by the Client and BB&K. As part of the Services to be performed hereunder, BB&K shall be responsible for the following:

3.2.1 Preparation for and attendance at regular and special board meetings as requested by the Client;

3.2.2 Provision of legal counsel at such other meetings as directed by the Client;

3.2.3 Preparation or review of all Client ordinances and resolutions, together with such staff reports, orders, agreements, forms, notices, declarations, certificates, deeds, leases and other documents as requested by the Client;

3.2.4 Rendering to the officers and employees of the Client legal advice and opinions on legal matters affecting the Client, including new legislation and court decisions, as directed by the Client;

3.2.5 Researching and interpreting laws, court decisions and other legal authorities in order to prepare legal opinions and to advise the Client on legal matters pertaining to Client operations, as directed by the Client;

3.2.6 Performing legal work pertaining to property acquisition, property disposal, public improvements, public rights-of-way and easements, as directed by the Client;

3.2.7 Responding to inquiries and reviewing for legal sufficiency ordinances, resolutions, contracts, and administrative matters, as directed by the Client;

3.2.8 Representing and assisting on litigation matters, as directed by the Client. Such services shall include, but shall not be limited to, the preparation for and making of appearances, including preparing pleadings and petitions, making oral presentations, and preparing answers, briefs or other documents on behalf of the Client, and any officer or employee of the Client, in all federal and state courts of this State, and before any governmental board or commission, including reviewing, defending or assisting any insurer of the Client or its agents or attorneys with respect to any lawsuit filed against the Client or any officer or employee thereof, for money or damages.

3.3 Designated General Counsel. Steven Anderson shall be designated as General Counsel and shall be responsible for the performance of all Services under this Agreement, including the supervision of Services performed by other members of BB&K. Joshua Nelson shall be designated as Assistant General Counsel. No change in these assignments shall be made without the consent of the Client.

3.4 Time of Performance. The Services of BB&K shall be performed expeditiously in the time frames and as directed by the Client.

3.5 Assistance. The Client agrees to provide all information and documents necessary for the attorneys at BB&K to perform their obligations under this Agreement.

3.6 Independent Contractor. BB&K shall perform all legal services required under this Agreement as an independent contractor of the Client and shall remain, at all times as to the Client, a wholly independent contractor with only such obligations as are required under this Agreement. Neither the Client, nor any of its employees, shall have any control over the manner, mode or means by which BB&K, its agents or employees, render the legal services required under this Agreement, except as otherwise set forth. The Client shall have no voice in the selection, discharge, supervision or control of BB&K's employees, representatives or agents, or in fixing their number, compensation, or hours of service.

3.7 Services and Compensation. Except as otherwise provided in this Section, BB&K shall render and bill for legal services in the following categories and at the following rates, in accordance with the BB&K Billing Policies attached hereto as Exhibit "A" and incorporated herein by reference. Moreover, in the event of any inconsistencies between the balance of this Agreement and Exhibit A, the terms of the balance of this Agreement shall control.

3.7.1 Basic Legal Services - Description. Basic legal services ("Basic Legal Services") shall include all services provided to Client which are not otherwise specifically identified below as Special Legal Services.

3.7.2 Basic Legal Services – Rates. The Client shall pay for Basic Legal Services at the following rates:

Attorneys	\$265
Paralegals	\$150

3.7.3 Special Legal Services - Description. Special Legal Services shall include the following types of services:

- A. Litigation and formal administrative or other adjudicatory hearing matters
- B. Labor relations and employment matters
- C. Non-routine real estate matters (e.g. CC&R's, deed or title work)
- D. Land acquisition and disposal matters
- E. Taxes, fees, and charges matters
- F. Public construction disputes
- G. Non-routine contract negotiation matters (including non-BB&K model agreements and franchise agreements)
- H. Non-routine land use and development matters (including annexations and development agreements)
- I. Environmental matters (e.g. CEQA, NEPA, and endangered species)
- J. Water law matters
- K. Tax and ERISA related matters
- L. Toxic substances matters
- M. Complex public utility matters
- N. Renewable energy and energy efficiency project contracts, and power purchase agreements
- O. Other matters mutually agreed upon

3.7.4 Special Legal Services – Rates. The Client shall pay for Special Legal Services at the following rates:

Attorneys	\$295
Paralegals	\$160

3.7.5 Mutual Adjustments. The rates or amounts provided for in Sections 3.7.2 and 3.7.4 are intended to apply to the initial eighteen months of this Agreement. Accordingly, BB&K and Client shall meet on or before September 30, 2018 to adjust such rates and provide for future rate adjustments. Notwithstanding the foregoing, either BB&K or the Client may initiate consideration of a rate increase at any time; provided, however, that such an additional rate increase shall not occur without the express written consent of the Client. Without limiting any provisions of Section 3.7, BB&K and Client understand and agree that the terms of this Section 3.7.5 shall control over any inconsistencies in Exhibit A.

3.7.6 Cost Reimbursement, Exceptions and Billing Practices. BB&K attorneys shall not bill for travel time to and from the Client's office; provided, however, that Mr. Anderson or other attorneys designated by the Client will be permitted to bill for travel time from Sacramento airport to the Client's office or to other applicable meeting location, as requested by the Client. The Client shall reimburse BB&K for reasonable and necessary expenses incurred by it in the performance of the Services under this Agreement, excepting travel time to attend Client regular and special meetings. Authorized reimbursable expenses shall include, but are not limited to, printing and copying expenses, long distance telephone and facsimile tolls, non-standard computerized research (e.g. Lexis or Westlaw) charges incurred by BB&K as more particularly explained below, research services performed by BB&K's library staff, travel (including reasonable hotel and rental car costs), non-excluded travel costs at IRS mileage rates,

extraordinary mail or delivery costs (e.g. courier, overnight and express delivery), court fees and similar costs relating to the Services that are generally chargeable to a client. Non-standard computerized research (e.g. Lexis or Westlaw) charges shall not include any allocation for or proportional share of charges incurred by BB&K for standard research resources that are not imposed on a per search or per matter basis by the resource provider. Moreover, no separate charge shall be made by BB&K for secretarial or word processing services.

3.8 Billing. BB&K shall submit monthly to the Client a detailed statement of account for Services. The Client shall review BB&K's monthly statements and pay BB&K for Services rendered and costs incurred, as provided for in this Agreement, on a monthly basis. Notwithstanding anything to the contrary in Exhibit A, Client shall not be required to provide an advance deposit or retainer for Services.

3.9 Annual Reviews. The Client and BB&K agree that a review of performance and the compensation amounts referenced in this Agreement should occur at least annually.

3.10 Insurance. BB&K carries errors and omissions insurance with Lloyd's of London. After a standard deductible, this insurance provides coverage per occurrence and in aggregate of \$10 million, which is beyond what is required by the State of California. A separate schedule containing BB&K's insurance policies will be available for inspection upon Client's request.

3.11 Attorney-Client Privilege. Confidential communication between the Client and BB&K shall be covered by the attorney-client privilege. As used in this article, "confidential communication" means information transmitted between the Client and BB&K in the course of the relationship covered by this Agreement and in confidence by a means which, so far as the Client is aware, discloses the information to no third persons other than those who are present to further the interests of the Client in the consultation or those to whom disclosure is reasonably necessary for the transmission of the information or the accomplishment of the purpose for which BB&K is consulted, and includes any legal opinion formed and advice given by BB&K in the course of this relationship.

3.12 Termination of Agreement and Legal Services. This Agreement and the Services rendered under it may be terminated at any time upon thirty (30) days' prior written notice from either party, with or without cause. In the event of such termination, BB&K shall be paid for all Services authorized by the Client and performed up through and including the effective date of termination.

3.13 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

3.14 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Sacramento County.

3.15 Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both parties.

3.16 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a party shall give the other party any contractual rights by custom, estoppel, or otherwise.

3.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.18 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.19 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Client: Citrus Heights Water District  
6230 Sylvan Road  
Citrus Heights, CA 95610  
Attention: Hilary Straus, General Manager

BB&K: Best Best & Krieger LLP  
PO Box 1028  
Riverside, CA 92502  
Attention: Steve Anderson, Partner

Such notices shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

IN WITNESS WHEREOF, the Client and BB&K have executed this Agreement for General Counsel Legal Services as of the date first written above.

**CITRUS HEIGHTS WATER DISTRICT**

By: \_\_\_\_\_  
Caryl F. Sheehan  
President

**BEST BEST & KRIEGER LLP**

By: \_\_\_\_\_  
Steven Anderson  
Partner

## EXHIBIT A

### BEST BEST & KRIEGER LLP'S BILLING POLICIES

Our century of experience has shown that the attorney-client relationship works best when there is mutual understanding about fees, expenses, billing and payment terms. Therefore, this statement is intended to explain our billing policies and procedures. Clients are encouraged to discuss with us any questions they have about these policies and procedures. Clients may direct specific questions about a bill to the attorney with whom the client works or to our Accounts Receivable Department. Any specific billing arrangements different from those set forth below will be confirmed in a separate written agreement between the client and the firm.

#### Fees for Professional Services

Unless a flat fee is set forth in our engagement letter with a client, our fees for the legal work we will undertake will be based in substantial part on time spent by personnel in our office on that client's behalf. In special circumstances which will be discussed with the client and agreed upon in writing, fees will be based upon the novelty or difficulty of the matter, or the time or other special limitations imposed by the client.

Hourly rates are set to reflect the skill and experience of the attorney or other legal personnel rendering services on the client's behalf. Time is accrued on an incremental basis for such matters as telephone calls (minimum .1 hour) and letters (minimum .5 hour), and on an actual basis for all other work. These hourly rates are reviewed annually to accommodate rising firm costs and to reflect changes in attorney status as lawyers attain new levels of legal experience. Any increases resulting from such reviews will be instituted automatically and will apply to each affected client, after advance notice.

Non-Attorney Personnel: BBK may employ the services of non-attorney personnel under the supervision of a BBK attorney in order to perform services called for in the legal services agreement. The most common non-attorney personnel utilized are paralegals. Other types of non-attorney personnel include, but are not limited to, case clerks, IT analysts, and specialty consultants. The client agrees that BBK may use such non-attorney personnel to perform its services when it is reasonably necessary in the judgment of the responsible BBK attorney. Hourly fees for non-attorney personnel working at or for BBK will be charged at the rate then in effect for such personnel. A copy of BBK's current rates and titles for non-attorney personnel will be provided upon request. Except for paralegals, BBK will not incur more than \$500 in fees for a non-attorney's work on a client matter without first confirming by email or written correspondence with the client the intended use of the non-attorney and the hourly rate for that person. Outside consultants or experts shall not be retained by BBK for the benefit of CHWD except with the approval of CHWD.

#### Fees For Other Services, Costs and Expenses

We attempt to serve all our clients with the most effective support systems available. Therefore, in addition to fees for professional legal services, we also charge separately for some other services and expenses to the extent of their use by individual clients. These charges include but are not limited to,

mileage at the current IRS approved rate per mile, extraordinary telephone and document delivery charges, copying charges, computerized research, court filing fees and other court-related expenditures including court reporter and transcription fees. No separate charge is made for secretarial or word processing services; those costs are included within the above hourly rates.

ESI: BBK provides Electronically Stored Information (“ESI”) services for matters requiring ESI support – typically litigation or threatened litigation matters. BBK shall receive payment for ESI support, if needed, at BBK’s then current rates. A copy of BBK’s current rates for such services will be provided upon request. BBK shall not incur costs for ESI support on a particular matter without first confirming by email or written correspondence with the client that the client agrees such services are necessary for the matter at hand.

We may need to advance costs and incur expenses on your behalf on an ongoing basis. These items are separate and apart from attorneys' fees and, as they are out-of-pocket charges, we need to have sufficient funds on hand from you to pay them when due. We will advise the client from time to time when we expect items of significant cost to be incurred, and it is required that the client send us advances to cover those costs before they are due.

#### Monthly Invoices and Payment

Best Best & Krieger LLP provides our clients with monthly invoices for legal services performed and expenses incurred. Invoices are due and payable upon receipt.

Each monthly invoice reflects both professional and other fees for services rendered through the end of the prior month, as well as expenses incurred on the client's behalf that have been processed by the end of the prior month. Processing of some expenses is delayed until the next month and billed thereafter.

Our fees are not contingent upon any aspect of the matter and are due upon receipt. All billings are due and payable within ten days of presentation unless the full amount is covered by the balance of an advance held in our trust account. If a bill is not paid within 45 days, a late charge of one percent per month on the unpaid invoice shall be added to the balance owed, commencing with the next statement and continuing until paid.

It is our policy to treat every question about a bill promptly and fairly. It is also our policy that if a client does not pay an invoice within 60 days of mailing, we assume the client is, for whatever reason, refusing to pay. We reserve the right to terminate our engagement and withdraw as attorney of record whenever our invoices are not paid. If an invoice is 60 days late, however, we may advise the client by letter that the client must pay the invoice within 14 days or the firm will take appropriate steps to withdraw as attorney of record. If the delay is caused by a problem in the invoice, we must rely upon the client to raise that with us during the 14-day period. This same policy applies to fee arrangements which require the client to replenish fee deposits or make deposits for anticipated costs.

From time to time clients have questions about the format of the bill or description of work performed. If you have any such questions, please ask them when you receive the bill so we may address them on a current basis.



### Changes in Fee Arrangements and Budgets

It may be necessary under certain circumstances for the firm to increase the size of required advances for fees after the commencement of our engagement and depending upon the scope of the work. For example, prior to a protracted trial or hearing, the firm may require a further advance payment to the firm's trust account sufficient to cover expected fees. Any such changes in fee arrangements will be discussed with the client and mutually agreed in writing.

Because of the uncertainties involved, any estimates of anticipated fees that we provide at the request of a client for budgeting purposes, or otherwise, can only be an approximation of potential fees.

**BEST BEST & KRIEGER LLP**

# CITRUS HEIGHTS WATER DISTRICT

## DISTRICT STAFF REPORT TO BOARD OF DIRECTORS MARCH 14, 2017 REGULAR MEETING

SUBJECT : DISCUSSION AND POSSIBLE ACTION—LIEBERT CASSIDY WHITMORE  
(LCW) LEGAL SERVICES AGREEMENT

STATUS : Action Item

REPORT DATE : March 7, 2017

PREPARED BY : Hilary Straus, General Manager

**OBJECTIVE:**

Consider approval of a legal services agreement with Liebert Cassidy Whitmore (LCW) for supplemental employment practices services.

**BACKGROUND AND ANALYSIS:**

As a companion agreement to the BB&K legal services agreement, the CHWD Board of Directors provided direction to the General Manager to negotiate a legal services agreement with LCW for employment practices services. The focus with LCW will be special projects and issues, HR help desk for small, routine or specialized HR issues for which management staff seeks advice/assistance, trainings (both on-site and off-site) and access to LCW’s extensive library/databank of sample documents, reducing the time needed to prepare policies and procedures or complete a variety of other HR tasks.

LCW was selected by the Board as a finalist to perform the services described above as a result of CHWD’s legal services recruitment process, whereby twenty-four (24) proposals, covering almost 1,200 pages of legal services proposal material, were received and evaluated. The proposal review team comprised of all three Board Members, the General Manager, the Project Manager, the Operations Manager, the District Engineer and Accounting Supervisor, and the team reviewed the proposals of and interviewed seven (7) finalist firms.

The LCW has designated is Oliver Yee and Steve Berliner as the primary points of contact for all services to be provided by LCW.

The agreement is structured as a billable/hourly agreement A copy of the legal services agreement accompanies this agenda report.

**RECOMMENDATION:**

Approve the accompanying agreement for legal services with LCW and authorize the President of the Board of Directors to execute the agreement.

**ACTION:**

Moved by Director \_\_\_\_\_, Seconded by Director \_\_\_\_\_, Carried \_\_\_\_\_

## **AGREEMENT FOR SPECIAL SERVICES**

This Agreement is entered into between the law firm of LIEBERT CASSIDY WHITMORE, A Professional Corporation (“Attorney”), and the CITRUS HEIGHTS WATER DISTRICT (“District”).

### **1. Conditions**

This Agreement will not take effect, and Attorney will have no obligation to provide services, until District returns a properly signed and executed copy of this Agreement.

### **2. Attorney’s Services**

Attorney agrees to provide District with consulting, representational and legal services pertaining to employment relations matters, including representation in negotiations and in administrative and court proceedings, as requested by District or otherwise required by law. Partners Oliver Yee and Steven Berliner will be the primary attorneys designated to perform and/or supervise Attorney’s services to District.

### **3. Fees, Costs, Expenses**

District agrees to pay Attorney the sums billed monthly for time spent by Attorney in providing the services, including reasonable travel time. Attorney will make every reasonable effort to work during travel, and any time spent by Attorney working on another client’s work will be deducted from travel time.

Attorney reviews its hourly rates on an annual basis and, if appropriate, adjusts them effective July 1. Attorney will provide the District with written notification of any adjustment in the range of rates. Attorneys, paraprofessional and litigation support staff bill their time in minimum units of one-tenth of an hour.

District agrees to reimburse Attorney for necessary costs and expenses incurred by Attorney on behalf of District. Attorney bills photocopying charges at Fifteen Cents (\$0.15) per page and facsimile charges at Twenty-Five Cents (\$0.25) per page.

Payment by District against monthly billings is due upon receipt of statements, and is considered delinquent if payment is not received within thirty (30) days of the date of the invoice.

A Fee Schedule is attached as Exhibit "A" to this Agreement.

The California Business & Professions Code requires us to inform you whether we maintain errors and omissions insurance coverage applicable to the services to be rendered to you. We hereby confirm that the firm does maintain such insurance coverage.

#### **4. Mediation of Disputes**

The parties agree that any dispute, controversy or claim arising out of or relating to this Agreement shall be submitted to JAMS or its successors for mediation under the JAMS International Mediation Rules. Pursuant to those rules, all of JAMS administrative fees and expenses, including, without limitation, the fees and expenses of the mediator, will be divided equally between or among the parties to the mediation.

Either party may commence mediation by providing a written request for mediation ("Request for Mediation") to JAMS and the other party, setting forth the subject matter of the dispute and the relief requested. If the dispute has not been settled within 45 days following the filing of a Request for Mediation or within such other time period as the parties may agree in writing, the parties shall have no further obligation under this paragraph.

**5. File Retention**

After our services conclude, Attorney will, upon District's request, deliver the file for the matter to District, along with any funds or property of District's in our possession. If District requests the file for the matter, Attorney will retain a copy of the file at the District's expense. If District does not request the file for this matter, we will retain it for a period of seven (7) years after this matter is closed. If District does not request delivery of the file for this matter before the end of the seven (7) year period, we will have no further obligation to retain the file and may, at our discretion, destroy it without further notice to District. At any point during the seven (7) year period, District may request delivery of the file.

**6. Assignment**

This Agreement is not assignable without the written consent of District.

**7. Independent Contractor**

It is understood and agreed that Attorney, while engaged in performing the terms of this Agreement, is an independent contractor and not an employee of District.

**8. Authority**

The signators to this Agreement represent that they hold the positions set forth below their signatures, and that they are authorized to execute this Agreement on behalf of their respective parties and to bind their respective parties hereto.

**9. Term**

This Agreement is effective March 3, 2017, ongoing and may be modified by mutual agreement of the parties. This agreement shall be terminable by either party upon thirty (30) days written notice.

LIEBERT CASSIDY WHITMORE,  
A Professional Corporation

CITRUS HEIGHTS WATER  
DISTRICT

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**

**FEE SCHEDULE**

Hourly Rates (As of Agreement Effective Date)

Partners	\$350.00
Senior Counsel	\$305.00
Associates	\$200.00 - \$285.00
Labor Relations/HR Consultant	\$195.00 - \$230.00
Paraprofessionals & Litigation Support	\$75.00 - \$160.00

# CITRUS HEIGHTS WATER DISTRICT

## DISTRICT STAFF REPORT TO BOARD OF DIRECTORS MARCH 14, 2017 REGULAR MEETING

SUBJECT : DISTRICT WATER CONSERVATION STAGE DECLARATION  
 STATUS : Action Item  
 REPORT DATE : March 6, 2017  
 PREPARED BY : Rex Meurer, Water Efficiency Supervisor

**OBJECTIVE:**

Provide an informational update to the Board and receive direction on declaring Citrus Heights Water District’s Water Conservation Stage.

**BACKGROUND AND ANALYSIS:**

As a follow-up to the Board’s discussion on February 14, 2017, staff analyzed the implications of moving from a Stage 2 Water Alert to a Stage 1 Normal Water Supply. Specifically, staff reviewed the State Water Resource Control Boards’ (SWRCB) stress test requirements and Executive Order (EO) B-37-16 compliance requirements in regard to moving into a Stage 1 Normal Water Supply. Three issues arose. First, will the District remain in compliance with EO B-37-16? Second, will this lead to any fines or penalties from the SWRCB? Third, will this jeopardize any District grant funding available through the SWRCB, RWA or other State agencies?

Staff has determined that moving to a Stage 1 Normal Water Supply will keep the District in compliance with the State’s stress test requirements and with EO B-37-16. Moreover, declaring a Stage 1 Normal Water Supply will not jeopardize State grant funding nor will it lead to any SWRCB fines or penalties.

There are two Attachments provided for the Board’s review and comment. Attachment 1 contains Ordinance 01-2016, the District’s Water Conservation Stage Requirements and Progressive Enforcement Measures. Attachment 2 includes an info-graphic describing the different Water Conservation Stage Requirements and highlights Stage 1 Normal Water Supply requirements.

**RECOMMENDATION:**

Consider current hydrologic conditions and the information provided by staff above and provide direction concerning whether or not CHWD should move the District from a Stage 2 Water Alert to a Stage 1 Normal Water Supply.

**ACTION:**

Moved by Director \_\_\_\_\_, Seconded by Director \_\_\_\_\_, Carried \_\_\_\_\_

Attachment 1 Water Conservation Stage Requirements

Attachment 2 Info-graphic describing the different Water Conservation Stage Requirements



# **ATTACHMENT 1**

## **Water Conservation Stage Requirements**

**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 adopt 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/MWELO09-10-09.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 MAY 10, 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 10<sup>th</sup> day of May 2016, by the following vote, to-wit:

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

SEAL

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

ATTEST:

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ROBERT A. CHURCHILL  
Secretary

## **ATTACHMENT 2**

**Info-graphic describing the different Water  
Conservation Stage Requirements**

## STAGE 1. NORMAL WATER SUPPLY

**Water shall be confined to the customer's property, not run off to adjoining properties or roadside ditch or gutter, and not watered past the point of saturation.**

**Free-flowing hoses for all uses are prohibited.**  
Automatic shut-off devices must be used.

**Leaking customer pipes or faulty sprinklers shall be repaired**  
within five (5) working days or less if the problem is severe.

**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.

**Washing streets, parking lots, driveways, sidewalks, or buildings**  
is prohibited except as necessary for health,  
esthetic or sanitary purposes.

**Customers are encouraged to take advantage of**  
the District's water conservation programs and  
rebates found at CHWD.org

## STAGE 2. WATER ALERT

Reduce indoor water  
use by 5-10%.

## STAGE 3. WATER WARNING

Reduce landscape and  
pasture irrigation by 11 - 25%.

Reduce indoor water use  
by 11 - 25%.

## STAGE 4. WATER CRISIS

**SHORT TERM:** Reduce landscape and  
pasture irrigation by 26 - 50%.

Reduce indoor water use by 26 - 50%.

**LONG TERM:** Reduce landscape and  
pasture irrigation by 26 - 50%.

Reduce indoor water use by 26 - 50%.

## STAGE 5. WATER EMERGENCY

**SHORT TERM:** Reduce landscape and pasture  
irrigation by more than 50%.

Reduce indoor water use by more than 50%.

**LONG TERM:** Landscape and pasture irrigation are  
prohibited except for trees and shrubs.

Reduce indoor water use  
by more than 50%.

## CirclePoint Newsletter Spring 2017

CHWD customers did a wonderful job of conserving water in 2016, during the District mandated Stage 2 Water Alert. With your continued diligence, we should be able to meet the Stage 1 water conservation goals now mandated by the State. In 2016, our customers saved 27% over water use in 2013. Thank you for helping us meet State water conservation goals and please help us by continuing to save water – let's make water conservation a year-round activity!

# CITRUS HEIGHTS WATER DISTRICT

## MANAGEMENT SERVICES REPORT TO BOARD OF DIRECTORS MARCH 14, 2017 REGULAR MEETING

SUBJECT : Employee Recognition  
 STATUS : Information Item  
 REPORT DATE : March 14, 2017  
 PREPARED BY : Robyn Evans, Senior Management Services Specialist

The following District employees were recognized for attendance during January 2017, and outstanding customer service and quality of work during the month of February 2017.

### Administration & Water Demand Management Department

<u>Name</u>	<u>Attendance</u>	<u>Customer Service</u>	<u>Work Quality</u>
Brady Chambers	No	<p>Customer wanted us to know that Brady was very nice and informative.</p> <p>Customer Email: Thank you for your professionalism and for treating a complete stranger with a delinquent account (who was unaware of it) with respect. I wanted to communicate my appreciation for your calm demeanor and willingness to help without judgment. Also, thank you for your prompt action in sending me the bill and the form. The account balance is paid off. Your colleague Desiree behaved in a similar fashion. Both your employers got lucky with hiring staff like you and Desiree or your department is doing great with their quality service standards (or both). Keep up the good work.</p>	Covering front end while Desiree was out
Kelly Drake	Yes		
Robyn Evans	Yes		Assisting with Board Meeting preparations and time keeping for the General Counsel Interview
Dana Mellado	Yes		Working extra to assist with bank reconciliations and with voiding checks.
Rex Meurer	Yes		

<u>Name</u>	<u>Attendance</u>	<u>Customer Service</u>	<u>Work Quality</u>
Beth Shockley	No	For setting up employee meetings with representatives from Valic.	Helping creating flyer article and Facebook post on the Folsom Dam releases and why USBR releases so much water.  Honorable Mention: Additionally for staying late assist with Board Meeting Preparations.
Desiree Smith	Yes	Customer stated Desiree was very sweet and helpful by helping her remember why her usage went up.  Customer Email: Thank you for your professionalism and for treating a complete stranger with a delinquent account (who was unaware of it) with respect. I wanted to communicate my appreciation for your calm demeanor and willingness to help without judgment. Also, thank you for your prompt action in sending me the bill and the form. The account balance is paid off. Your colleague Desiree behaved in a similar fashion. Either your employers got lucky with hiring staff like you and Desiree or your department is doing great with their quality service standards (or both). Keep up the good work.	Desiree caught an error on our website, contacted CirclePoint and had the applicable edits made  Honorable Mention: Proofing February Board Agenda Packet  Honorable Mention: Helping out Rex with website updates and newsletter updates.
Susan Sohal	Yes		
Alberto Preciado	No	Handled a difficult customer situation and was pleasant and professional.	

## Engineering Department

<u>Name</u>	<u>Attendance</u>	<u>Customer Service</u>	<u>Work Quality</u>
Missy Pieri	Yes		Missy was a member of the interview panel for the Engineering Position.
John Spinella	Yes		John was a member of the interview panel for the Engineering Position.
Borey Swing	Yes		Per Operations Dept: Updating and Producing GIS files for the District's Hydraulic Model Update Project



## Operations Department

<u>Name</u>	<u>Attendance</u>	<u>Customer Service</u>	<u>Work Quality</u>
James Buford	No		2/24/2017 (Fri) Assisted Standby with emergency Fire Hydrant shutdown & cleanup at 6105 Sunrise Vista Dr.
Tim Cutler	Yes		2/24/2017 (Fri) Assisted Standby with emergency Fire Hydrant shutdown & cleanup at 6105 Sunrise Vista Dr.  Tim was a member of the interview panel for the Operations Tech position
Jim Ferro	No	2/28/2017 – Thank you call from customer for a great job on Water Service Replacement and friendly attitudes and professionalism.	
Brian Hensley	Yes		
Dan Hesse	Yes	2/28/2017 – Thank you call from customer for a great job on Water Service Replacement and friendly attitudes and professionalism.	2/24/2017 (Fri) Assisted Standby with emergency Fire Hydrant shutdown & cleanup at 6105 Sunrise Vista Dr.
Ricky Kelley	Yes	2/28/2017 – Thank you call from customer for a great job on Water Service Replacement and friendly attitudes and professionalism.	2/24/2017 (Fri) Assisted Standby with emergency Fire Hydrant shutdown & cleanup at 6105 Sunrise Vista Dr.
Chris Nichols	Yes		
Nick Spiers	No	Thank you for assisting with Board Meeting Preparations in February from Mrs. Shockley	Nick was a member of the interview panel for the Operations Tech position
Jason Tupper	No		2/1-2/6/2017 – Took Standby for a sick coworker

# CITRUS HEIGHTS WATER DISTRICT

## MANAGEMENT SERVICES REPORT TO BOARD OF DIRECTORS MARCH 14, 2017 REGULAR MEETING

SUBJECT : Long Range Agenda  
 STATUS : Information Item  
 REPORT DATE : March 14, 2017  
 PREPARED BY : Robyn Evans, Senior Management Services Specialist

Listed below is the current Long Range Agenda.

CITRUS HEIGHTS WATER DISTRICT LONG RANGE AGENDA					
MEETING DATE	AGENDA	ITEM DESCRIPTION	ASSIGNED	AGENDA TYPE	AGENDA ITEM
<b>UPCOMING</b>					
<b>April 11, 2017</b>					
April 11, 2017		Audit Review	Sohal/Preciado	N	
April 11, 2017		OPEB Study Session	Sohal	S	I/D
April 11, 2017		Update Records Retention Schedule	Straus/Sohal	N	A
April 11, 2017		IIPP Updates - Respirator Program and Confined Space Program	Gordon/Drake	N	A
April 11, 2017		Building(s) Needs Assessment	Dietrich	O	A
<b>May 16, 2017</b>					
May 16, 2017		Study Session--Review District-wide Meter Study Request for Proposals (RFP)	Meurer	S	I/D
May 16, 2017		Asphalt Replacement On-Call Agreement	Gordon	CC	A
May 16, 2017		CIP Presentation: Year One and Years 2-10	Dietrich/Gordon/Straus/Sohal/Pieri	P	I/D
May 16, 2017		Cogsdale BPR Review (Financial Software/Strategic Plan Item); Invoice Cloud	Sohal	S	P
May 16, 2017		Policy 1035.A Conflict of Interest Code Appendix A Update	Evans/Sohal	CC	A
May 16, 2017	Quarterly	Strategic Plan Update--Precursor to Strategic Plg. Session	Straus	O	D
May 16, 2017		Mesa Verde HS Pipeline--Award of Contract	Dietrich	N	A
May 16, 2017		Rosa Vista/Highland Water Main Replacement--Award of Contract	Pieri	N	A
<b>June 1, 2017</b>					
June 1, 2017	Special Board Meeting	Strategic Planning Session	Straus/Evans		A
<b>June 13, 2017</b>					

July 11, 2017

<b>July 11,2017</b>		Finance Corporation, Confirm & Appoint Officers of the Finance Corp., Status of Finance Corp.	<b>Sohal</b>	<b>N</b>	<b>A</b>
<b>FUTURE SCHEDULED REPORTS</b>					
<b>TBD</b>	<b>Biennial</b>	Conflict-of Interest	<b>SMS Specialist</b>		<b>A</b>
<b>TBD</b>		Dress Code Policy Update	<b>MSS/CBC</b>		<b>A</b>
<b>TBD</b>		General On Call Contracting Services	<b>Gordon</b>		<b>A</b>
<b>Jul-17</b>	<b>Annual</b>	Finance Corporation, Confirm & Appoint Officers of the Finance Corp., Status of Finance Corp.	<b>Sohal</b>		<b>A</b>
<b>Aug-17</b>	<b>Annual</b>	Budget Rate Model Options Workshop	<b>Sohal</b>		<b>I/D</b>
<b>Sep-17</b>	<b>Annual</b>	Refined Budget Options/Prop 218 Direction	<b>Sohal/Straus</b>		<b>I/D</b>
<b>Sep-17</b>	<b>Annual</b>	Request For Public Hearings - Budget	<b>Sohal</b>		<b>A</b>
<b>Oct-17</b>	<b>Annual</b>	Misc. Charges and Fees - Proposed	<b>Sohal</b>		<b>P</b>
<b>Nov-17</b>	<b>Annual</b>	Operating and Capital Budgets	<b>Straus/Dietrich/Gordon</b>		<b>P/A</b>
		Water Rates, Charges & Fees	<b>Straus/Sohal/Pieri</b>		
		Capacity Fees	<b>Straus/Sohal/Pieri</b>		
		Water Shortage Charges	<b>Straus/Sohal/Pieri</b>		
		Confined Space Entry Program	<b>Drake/Gordon</b>		
<b>Dec-17</b>	<b>Annual</b>	Committee Assignments	<b>Straus</b>		<b>A</b>
<b>Dec-17</b>	<b>Annual</b>	District Officers	<b>Straus</b>		<b>A</b>
<b>Dec-17</b>	<b>Annual</b>	Selection of President and Vice President	<b>Straus</b>		<b>A</b>
<b>Feb-18</b>	<b>Annual</b>	Investment of District Funds	<b>Sohal/Legal Counsel</b>		<b>A</b>
<b>Mar-18</b>	<b>Annual</b>	Audit Review	<b>Sohal</b>		
<b>Jun-18</b>	<b>Annual</b>	Strategic Planning Session	<b>Straus</b>		<b>D</b>
<b>Nov-18</b>		District Election			
<b>Sep-19</b>	<b>Every 3 Years</b>	Public Health Goals	<b>Hensley</b>		<b>A</b>
<b>Oct-20</b>		100 Year Celebration			
<b>Jun-21</b>		Division Boundary Analysis (2020 Census)			
<b>TBD</b>		General On Call Contracting Services	<b>Gordon</b>		<b>A</b>
<b>March</b>	<b>Every Year</b>	Have Form 700 completed by Directors	<b>Evans</b>		