

CITRUS HEIGHTS WATER DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING MINUTES  
JANUARY 10, 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  
Hilary M. Straus, General Manager  
Paul A. Dietrich, Project Manager  
David M. Gordon, Operations Manager  
Susan K. Sohal, Accounting Supervisor  
Lisa A. Smoot, Management Services Supervisor/Chief Board Clerk  
Rex W. Meurer, Water Efficiency Supervisor

**VISITORS:**

Ernie Leporini, Engineering Consultant  
Jeanette Joseph, J4 Systems  
Chris Bottini, J4 Systems  
Dennis Dong, CH&D Architects  
Meuy Saechao, CH&D Architects

**PLEDGE OF ALLEGIANCE:**

Board President Caryl Sheehan led the Pledge of Allegiance.

The Board recognized Board Vice President Ray Riehle's birthday.

Board President Sheehan read into the record former General Manager Robert Churchill's thank you note to the Board concerning Mr. Churchill's Retirement and Recognition of Service Event in November 2016.

**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 – December 13, 2016.  
Revenue Analysis Report for December 2016.  
Assessor/Collector's Roll Adjustment for December 2016.

Treasurer's Report for December 2016.

Treasurer's Report of Fund Balances for December 2016.

Operations Budget Analysis for December 2016.

Capital Improvements Budget Analysis for December 2016.

Warrants for December 2016.

CAL-Card Purchases for December 2016.

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

### DECEMBER 2016 WARRANTS

62620	Regional Water Authority	Dues & Subscriptions	\$110.00
62621	Sunrise Knoll Townhomes Assoc	Customer Refund	\$39,267.50
62622	Central Valley Engineering & Asphalt, Inc.	Contract Services-Concrete	\$35,511.00
62623	City of Citrus Heights	Permit Fees	\$18,753.50
62624	Civil Engineering Construction, Inc.	Contract Services-Miscellaneous	\$25,046.83
62625	Cogsdale	Contract Services-Other	\$59,332.10
62626	Domenichelli and Associates, Inc	Contract Services-Engineering	\$15,087.10
62627	Regional Water Authority	Dues & Subscriptions	\$9,600.00
62628	SMUD	Utilities	\$17,213.68
62629	US Bank I.M.P.A.C. Government Services	Continued Education	\$13,395.94
62630	Donald A/Kathleen M Brown	Customer Refund	\$7.31
62631	Ollie M. Foster Estate	Customer Refund	\$74.15
62632	Duane Lyons	Customer Refund	\$10.92
62633	William F/Mattie L Marling	Customer Refund	\$115.85
62634	Citrus Heights Community Church	Customer Refund	\$115.36
62635	Herzing Family Trust	Customer Refund	\$43.16
62636	Lori J Miller	Customer Refund	\$66.03
62637	Mitchell S Brown	Customer Refund	\$89.78
62638	Matthew/Dana Vargo	Customer Refund	\$148.71
62639	Chase A Benson	Customer Refund	\$180.03
62640	Waldner Living Trust	Customer Refund	\$29.36
62641	Qualls Family 2000 Trust	Customer Refund	\$166.32
62642	Karyn G Markus	Customer Refund	\$215.83
62643	Quality Construction by VM	Customer Refund	\$191.08
62644	KB Homes Sacramento Inc	Customer Refund	\$67.47
62645	Adam/Joanna Reed	Customer Refund	\$115.25
62646	Glen Gillum	Customer Refund	\$213.73
62647	Multigroup LLC	Customer Refund	\$38.31
62648	Andrew/Jacob Barker	Customer Refund	\$140.49
62649	Popat Tech Solutions Inc.	Customer Refund	\$184.58

Board of Directors Regular Meeting

Minutes of January 10, 2017

Page 3

62650	Jamal Alfadel	Customer Refund	\$16.68
62651	EJ Ventures LLC	Customer Refund	\$338.26
62652	Siarhei Dzemidovich	Customer Refund	\$19.19
62653	Absolute Secured Shredding Inc	Equipment Rental- Office	\$40.00
62654	AFLAC	Employee Paid Insurance	\$362.66
62655	AIA Services, LLC/NDS	Water Conservation- Material/Supplies	\$702.16
62656	Alexander's Contract Services	Contract Services-Meter Read	\$4,125.62
62657	AREA Restroom Solutions	Equipment Rental- Field	\$114.34
62658	Avalon Custodial Care	Janitorial	\$1,695.00
62659	Bart/Riebes Auto Parts	Repair-Trucks	\$936.21
62660	Bryce Consulting, Inc	Legal & Audit	\$480.00
62661	BSK Associates	Water Analysis	\$644.00
62662	Burketts	Office Expense	\$245.57
62663	C & D Power	Repair-Equipment/Hardware	\$4,290.55
62664	California Landscape Associates Inc	Janitorial	\$200.00
62665	Corix Water Products, Inc	Material	\$5,261.77
62666	Cybex	Equipment Rental- Office	\$139.45
62667	Void	Void	\$0.00
62668	Dawson Oil Company	Gas & Oil	\$1,228.97
62669	Ditch Witch	Fixed Assets	\$279.86
62670	Gaynor Telesystems Incorporated	Fixed Assets	\$233.00
62671	Grainger	Small Tools	\$812.47
62672	J4 Systems	Contract Services-Other	\$3,420.00
62673	KBA Docusys Inc	Equipment Rental- Office	\$343.43
62674	Kei Window Cleaning #12	Janitorial	\$92.00
62675	Liebert Cassidy Whitmore	Legal & Audit	\$1,505.00
62676	Moonlight BPO	Contract Services-Bill Print/Mail	\$3,768.68
62677	One Print Source & Graphics	Printing	\$57.24
62678	Pace Supply Corp	Material	\$495.97
62679	Protection One Alarm Monitoring	Equipment Rental- Office	\$140.00
62680	Republic Services #922	Utilities	\$1,922.57
62681	RH Davis & Co. LTD	Contract Services-Engineering	\$1,500.00
62682	Sac-Val Janitorial Supply	Supplies-Field	\$350.08
62683	Caryl Sheehan	Customer Refund	\$55.00
62684	Sonitrol	Equipment Rental- Office	\$162.27
62685	SureWest Directories	Telephone-Local/Long Distance	\$49.00
62686	Tree Pros, Inc	Contract Services-Miscellaneous	\$6,430.00
62687	Twin Home Services	Janitorial	\$95.00
62688	We-Do Equipment Repair & Supply Inc	Repair-Equipment/Hardware	\$1,755.00
62689	Shelley Campbell	Customer Refund	\$198.10
62690	Mikhail I Kolyadich	Customer Refund	\$114.39

Board of Directors Regular Meeting

Minutes of January 10, 2017

Page 4

62691	BSK Associates	Water Analysis	\$1,528.00
62692	City of Citrus Heights	Permit Fees	\$5,000.00
62693	Corelogic Information Solutions Inc	Dues & Subscriptions	\$224.33
62694	Gaynor Telesystems Incorporated	Fixed Assets	\$50.00
62695	David Gordon	Continued Education	\$105.00
62696	Brian M Hensley	Continued Education	\$388.18
62697	Integrity Administrators Inc	Health Insurance	\$5,000.00
62698	KBA DOCUSYS	Equipment Rental- Office	\$18.84
62699	Moonlight BPO	Contract Services-Bill Print/Mail	\$1,715.62
62700	Lisa Smoot	Continued Education	\$50.67
62701	Titan Workforce LLC	Contract Services-Temporary Labor	\$1,870.25
62702	WaterWise Consulting, Inc	Water Cons-Contract	\$175.00
62703	County of Sacramento	Election Expense	\$1,669.00
62705	City of Citrus Heights	Permit Fees	\$4,800.00
62706	James G. Ferro	Continued Education	\$317.19
62707	Hesse, Daniel	Small Tools	\$292.76
62708	Ryon Ridner	Continued Education	\$760.78
62709	Eula J Lowrey	Customer Refund	\$33.27
62710	Walter A/Emily M Rodriquez	Customer Refund	\$98.52
62711	Downing Family Revocable Trust	Customer Refund	\$33.69
62712	Alicia Y Orchard	Customer Refund	\$15.00
62713	Lloyd W & Cora L Stephenson Family Trust	Customer Refund	\$100.67
62714	Douglas H Kraft	Customer Refund	\$20.99
62715	Wagner Family Trust	Customer Refund	\$9.29
62716	Steven M/Elizabeth S Arnold	Customer Refund	\$39.23
62717	ReMax Gold	Customer Refund	\$175.58
62718	Joseph C/Jennifer H Mazzei	Customer Refund	\$15.23
62719	Austin M Taylor	Customer Refund	\$9.66
62720	Foroughhzaman Tehranisadygorgi	Customer Refund	\$142.89
62721	Kati L Torrence	Customer Refund	\$166.98
62722	Tiara Way Partners LLC	Customer Refund	\$16.41
62723	Carlos/ Mercedes Quant	Customer Refund	\$26.19
62724	Ronald/Maureen Ashley	Customer Refund	\$25.49
62725	Rowan Trust 6011	Customer Refund	\$67.00
62726	Alexander's Contract Services	Contract Services-Meter Read	\$6,900.51
62727	AnswerNet	Telephone-Answering Service	\$539.44
62728	CA-NV AWWA	Dues & Subscriptions	\$55.00
62729	Bart/Riebes Auto Parts	Repair-Trucks	\$66.37
62730	Blueline Rental	Equipment Rental- Field	\$2,330.24
62731	Bryce Consulting, Inc	Legal & Audit	\$3,154.00
62732	Burketts	Office Expense	\$256.97

Board of Directors Regular Meeting

Minutes of January 10, 2017

Page 5

62733	Consolidated	Telephone-Local/Long Distance	\$1,732.41
62734	Ditch Witch	Fixed Assets	\$450.60
62735	David Gordon	Continued Education	\$1,950.00
62736	Ferguson Enterprises Inc #1423	Material	\$4,114.80
62737	Indoor Environmental Services	Maintenance Agreement-Equipment	\$322.00
62738	Irrigation Association - Certification	Dues & Subscriptions	\$100.00
62739	Kaiser Foundation Health Plan, Inc	Health Insurance	\$16,930.82
62740	Liebert Cassidy Whitmore	Legal & Audit	\$245.00
62741	Moonlight BPO	Contract Services-Bill Print/Mail	\$1,357.17
62742	Christopher Nichols	Continued Education	\$291.50
62743	One Print Source & Graphics	Printing	\$949.49
62744	Pacific Gas & Electric	Utilities	\$91.92
62745	Powerplan	Repair-Trucks	\$1,603.04
62746	Quenby Rubin-Sprague	Contract Services-Financial	\$3,045.00
62747	Smoke Busters	Repair-Trucks	\$200.00
62748	State Water Resources Control Board	Dues & Subscriptions	\$105.00
62749	A. Teichert & Son, Inc.	Road Base	\$2,654.20
62750	Voyager Fleet Systems Inc	Gas & Oil	\$1,234.33
62757	Sophos Solutions	Contract Services-Other	\$2,560.00
62758	Vice's Collision Repair	Repair-Trucks	\$490.19
62759	Colantuono, Highsmith & Watley, PC	Legal & Audit	\$6,068.50
62760	Regional Government Services	Contract Services-Other	\$1,677.50
62761	New Look Realty Co	Customer Refund	\$9.18
62762	ABA DABA Rentals & Sales	Supplies-Field	\$96.96
62763	Bennett Engineering Services, Inc	Contract Services-Engineering	\$196.50
62764	BSK Associates	Water Analysis	\$552.00
62765	California Surveying & Drafting Supply	Small Tools	\$10.00
62766	City of Citrus Heights	Permit Fees	\$200.25
62767	Corix Water Products, Inc	Material	\$557.28
62768	Sacramento County Utilities	Utilities	\$183.41
62769	Vicki L Derrick	Toilet Rebate Program	\$150.00
62770	Eric Devine	Toilet Rebate Program	\$75.00
62771	FP Mailing Solutions	Equipment Rental- Office	\$165.24
62772	Graham, Lynne	Toilet Rebate Program	\$150.00
62773	Ferguson Enterprises Inc #1423	Material	\$4,212.00
62774	J4 Systems	Contract Services-Other	\$455.00
62775	Kei Window Cleaning #12	Janitorial	\$92.00
62776	Moonlight BPO	Contract Services-Bill Print/Mail	\$2,944.67
62777	Pace Supply Corp	Material	\$5,010.05
62778	Petty Cash	Petty Cash	\$170.80
62779	Red Wing Shoe Store	Small Tools	\$275.00
62780	Albert E / Colleen H Rowe	Toilet Rebate Program	\$75.00

Board of Directors Regular Meeting

Minutes of January 10, 2017

Page 6

62781	San Juan Water District	Purchased Water	\$3,273.89
62782	Jeff D Showalter	Toilet Rebate Program	\$225.00
62783	Sylvan Supply	Repair-Trucks	\$1,135.41
62784	Carole Taylor	Toilet Rebate Program	\$150.00
62785	The Lincoln National Life Insurance Company	Disability & Life Insurance	\$6,108.77
62786	Kathryn L Tillet	Toilet Rebate Program	\$75.00
62787	Titan Workforce LLC	Contract Services-Temporary Labor	\$1,126.10
62788	Tree Pros, Inc	Contract Services-Miscellaneous	\$5,250.00
62789	Bette R Vance	Toilet Rebate Program	\$150.00
62790	Verizon Wireless	Telephone-Wireless	\$1,321.49
62791	J4 Systems	Contract Services-Other	\$175.00
<b>Total</b>			<b><u>\$401,159.57</u></b>

ACH	GASB 68 DEC 2016	PERS	\$26,741.84
ACH	NOV 2016 WB	Bank Fee	\$4,738.21
ACH	NOV2016 FD	Bank Fee	\$472.47
ACH	PERS 12/1/16 PD	PERS	\$15,436.52
ACH	VALIC 12/1/16 PD	Deferred Compensation	\$3,700.00
ACH	VALIC 12/15/16PD	Deferred Compensation	\$3,700.00
ACH	VALIC 12/29/16PD	Deferred Compensation	\$3,700.00
ACH	VOYA 12/1/16 PD	Deferred Compensation	\$25.00
ACH	VOYA 12/15/16 PD	Deferred Compensation	\$25.00
ACH	VOYA12/19/16PDAY	Deferred Compensation	\$25.00
ACH	00007891841VANCO	Contract Services-Other	\$125.20
ACH	0001585388 WHA	Health Insurance	\$11,854.59
ACH	2016120100 PAYCHEX	Contract Services-Other	\$597.65
ACH	NOV2016GASB68	PERS	\$26,741.84
ACH	NOV 2016 PH	Bank Fee	\$257.92
ACH	NOVEMBER2016 FEE	Water Conservation-Other	\$2,347.58
ACH	PERS12/15/16PDAY	PERS	\$14,881.55
<b>Total</b>			<b><u>\$115,370.37</u></b>

**Grand Total** **\$516,529.94**

**January Checks Approved at January Board Meeting**

62792	ACWA	ACWA	\$13,360.00
62793	Domenichelli and Associates, Inc	Domenichelli and Associates	\$9,930.00
62794	GM Construction & Developers	GM Construction	\$12,484.25

62795	SMUD	SMUD	\$14,730.95
62796	Sonsray Machinery, LLC	Sonsray Machine	\$18,312.57
62797	US Bank I.M.P.A.C. Government Services	See January Agenda Item CC-8	\$19,563.93
			<b>\$88,381.70</b>

Water Efficiency Program Update

WES Meurer provided the following Water Efficiency program update:

**ACTIVITIES AND PROGRESS REPORT**

Water Efficiency Program activities during the month of December 2016 include:

- 19 ultra-low-flush toilet (ULFT) rebates were processed for the month of December. A total of 203 ULFT rebates have been processed for a total of \$15,225.00 year to date.
- For the month of December, 13 High Efficiency Clothes Washer (HECW) rebates were processed. Year-to-date, 24 HECW rebates were processed by SMUD for District customers.
- 28 water waste calls were received during the month of December. 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 2015	R-GPCD 2016	% CHANGE
January	75	80	7%
February	83	77	-7%
March	108	77	-29%
April	117	107	-9%
May	129	155	20%
June	163	213	31%
July	176	237	35%
August	172	242	41%
September	160	189	18%
October	140	123	-12%
November	82	85	4%
December	75	76	1%

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

<b>REDUCTION BY AGENCY (Data compared to 2013)</b>		
<b>Water Agency</b>	<b>Nov. 2016 Reduction</b>	<b>June 15 - Nov. 16 Reduction</b>
San Juan Water District	53.0%	29.3%
Fair Oaks Water District	49.6%	31.9%
Orange Vale Water Company	49.0%	35.2%
Elk Grove Water District	43.9%	30.8%
Carmichael Water District	42.1%	31.0%
Rancho Murieta CSD	40.6%	25.4%
Del Paso Manor Water District	40.2%	30.8%
City of Roseville	39.7%	29.6%
<b>Citrus Heights Water District</b>	<b>38.4%</b>	<b>30.9%</b>
El Dorado Irrigation District	37.6%	26.5%
City of Lincoln	37.1%	27.5%
Rio Linda/Elverta CWD	37.0%	30.0%
California American Water	36.9%	32.8%
Sacramento County Water Agency	35.9%	29.0%
Placer County Water Agency	34.8%	24.5%
City of Sacramento	33.9%	28.1%
City of Davis	33.0%	24.6%
City of West Sacramento	32.8%	28.0%
City of Yuba City	30.2%	26.0%
Golden State Water Company	29.3%	27.3%
City of Folsom	27.9%	21.1%
City of Woodland	27.0%	28.5%
Sacramento Suburban WD	22.8%	27.3%
Average	37.1%	28.5%
Minimum	22.8%	21.1%
Maximum	53.0%	35.2%

2017 Fleet Vehicle Purchase

OM Gordon reported that the fleet vehicles shown below have reached the end of their useful life, as determined by the frequency of maintenance, the type and cost of maintenance required, and the replacement plan for the Citrus Heights Water District's (the District) fleet. The District's fleet replacement plan for vehicles is a 10-year cycle, but can run longer or shorter depending on the condition of the vehicle.



<u>Unit</u>	<u>Description</u>	<u>Purchase Price</u>	<u>Mileage</u>
#10	2007 Chevy 2500 ¾ Ton	\$ 16,200.00	56,963
#14	2007 Ford F150 ½ Ton	\$ 16,854.00	110,000
#19	2008 Ford F150 ½ Ton	\$ 15,440.00	42,645
#21	2008 Ford F150 ½ Ton	\$ 15,440.00	53,600
#24	2007 Ford F650 Dump	\$ 59,447.00	46,948

It is anticipated that Unit #10 will be used as floating vehicle or backup for operational use in subsequent years. Unit Nos. 14, 19, 21, and 24 will be presented to the Board of Directors later this year to deem them as surplus, and authorize staff to send them public auction.

For the purchase of the new vehicles, it is proposed that the District use the California State Bid (Contract Nos. 1-16-23-20B, 1-16-23-20E, 1-16-23-20H) as it has done since 1998. By using the State Bid, the District fulfills its public bidding responsibility and benefits from the State pricing, while avoiding the time and expense involved in the competitive bidding process. The vehicles to be purchased under the California State Bid are as follows:

<u>Qty.</u>	<u>Description</u>	<u>Unit Price</u>	<u>Terms</u>	<u>Vendor</u>
4	2017 Dodge Ram 1500, Reg. Cab Group	\$ 24,390.83	\$500-20 days	Elk Grove Auto
1	2017 Dodge Ram 2500, Service Truck	\$ 34,712.11	\$500-20 days	Swift Superstore
1	2017 Ford F650, Dump Truck Group	\$ 92,307.53	\$500-20 days	Wondries Fleet
TOTAL: \$224,582.96				

The District has one pickup truck scheduled for purchase in 2017 for the new Operations Technician position. The 2017 budgeted amount for the District's Fleet purchase/replacement is \$265,000.

The requested Board action was to authorize staff to proceed with the replacement of four pickup trucks and a dump truck, and the purchase of one new pickup truck as authorized in the 2017 budget. Also, the Board was asked to authorize the General Manager to sign the purchasing checks for the fleet vehicles in order to obtain the purchase discount of \$500 on each vehicle.

2016 Citrus Heights Water District Concrete Restoration—Notice of Completion

OM Gordon reported that on April 11, 2016, a contract was executed between the Citrus Heights Water District (the District) and GM Construction & Developers, Inc. for on-call concrete restoration within the Citrus Heights Water District service area. The on-call concrete restoration is the final surface trench restoration completed after the District performs work involving improvements and repairs to the District's infrastructure. The on-call concrete restoration project provides dependable sidewalk, curb and gutter, facility protection, and trench maintenance above critical water infrastructure within the District's service area and ensures safe travel for vehicular and pedestrian traffic.

The original contract amount was bid at \$9.00 per square-foot for concrete flatwork restoration and \$29.00 per linear-foot of concrete curb and gutter restoration. A total number of four (4) Notices to Proceeds were issued to the contractor for the Project. The total amount invoiced by the contractor to

date, is \$42,099.25 for material, labor and equipment. The final inspection of GM Construction & Developers, Inc.'s concrete restoration work was performed on December 22, 2016. A letter of final approval for the Project was sent to the contractor on December 28, 2016.

The requested action was to adopt Resolution 1-2017, 2016 Citrus Heights Water District Concrete Restoration Project and authorize the District Secretary to execute and record a Notice of Completion for the Project.

CITRUS HEIGHTS WATER DISTRICT  
RESOLUTION NO. 1-2017

RESOLUTION OF THE BOARD OF DIRECTORS  
ACCEPTING  
THE 2016 CITRUS HEIGHTS WATER DISTRICT  
CONCRETE RESTORATION PROJECT

WHEREAS, on April 11, 2016 a contract was fully executed between the Citrus Heights Water District (the District) and GM Construction & Developers, Inc. for on-call concrete restoration services; and

WHEREAS, GM Construction & Developers, Inc. has completed the work for the 2016 Citrus Heights Water District Concrete Restoration Project in accordance with the contract and specifications documents prepared by the District, pursuant to a final inspection on December 22, 2016.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Citrus Heights Water District that the 2016 Citrus Heights Water District Concrete Restoration Project is accepted as complete.

BE IT FURTHER RESOLVED that the District Secretary is authorized to execute a Notice of Completion for the 2016 Citrus Heights Water District Concrete Restoration Project and to have said Notice recorded with the Office of the Recorder of Sacramento County.

PASSED AND ADOPTED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT this 10th day of January, 2017 by the following vote, to wit:

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

SEAL

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

ATTEST:

---

HILARY M. STRAUS, Secretary  
Citrus Heights Water District

On-Call Concrete Restoration Bids

OM Gordon reported that the District Operations work crews are involved in daily maintenance of the District's underground water infrastructure. This includes, but is not limited to, sidewalk, curb and gutter, and driveway excavation for repair to and/or replacement work of the District's underground infrastructure. After the District repairs and/or replaces the underground infrastructure within a concrete area, a contractor hired by the District will follow up with concrete restoration as necessary. The District currently does not have the equipment or the qualified staff to restore concrete on an as-needed basis; therefore, contracting out concrete restoration work is essential.

The quantities of the concrete repairs vary between 500 to 2,500 (SF) during any two (2) month period. The District is located within four (4) municipal jurisdictions, which include the City of Citrus Heights, Sacramento County, Placer County, and the City of Roseville. The scope of work requires the contractor to comply with the requirements set forth by each jurisdictional inspector, as well as a District inspector.

The District issued a Request for Proposal for on-call concrete restoration service on December 15, 2016. In response, three (3) sealed bids were received on January 4, 2017, at which time the proposals were opened and read publicly. The apparent low bidder is Central Valley Engineering & Asphalt, Inc. of Roseville, CA. Bids received are as follows:

Bidder	Flatwork Restoration		Curb and Gutter Restoration		Total
	\$/SF	\$/14,000SF	\$/LF	\$/1,400 LF	
1. Central Valley Engineering & Asphalt, Inc.	\$ 13.35	\$ 186,900	\$ 55.00	\$ 77,000	\$ 263,900.00
2. GM Construction & Developers, Inc.	\$ 16.00	\$ 224,000	\$ 45.00	\$ 63,000	\$ 287,000.00
3. Rawles Engineering, Inc.	\$ 16.00	\$ 224,000	\$ 50.00	\$ 70,000	\$ 294,000.00

The CHWD's previous contract amount for concrete restoration for the same bid quantities was \$9.00 per SF for concrete flatwork restoration and \$29.00 per LF of concrete curb and gutter restoration.

The requested Board action was to accept the proposal by Central Valley Engineering & Asphalt, Inc. for on-call concrete restoration services throughout the District service area. Further, it was to authorize the General Manager to execute an Agreement with Central Valley Engineering & Asphalt, Inc. for the amount of \$13.35 per SF for concrete flatwork restoration and \$55.00 per LF of concrete curb and gutter restoration.

Cost of Living Adjustment Retiree Insurance Benefit

AS Sohal reported that this item was administrative in nature, and had been placed back on the January 10<sup>th</sup> Board agenda for consideration/adoption as there was an error to the approach of the calculation of the Cost of Living Adjustment approved by the Board on December 13, 2016. Specifically, the cost of living calculations were rounded to the nearest whole dollar versus the Policy-specified approach of rounding up to the nearest whole dollar.

The resulting calculation error from the December Board action and the Policy-specified calculations

are highlighted as follows:

<u>Length of Employment</u>	<u>Maximum Monthly District Participation (December)</u>	<u>Maximum Monthly District Participation (Policy)</u>
20.00 years	\$328.00	\$329.00
25.00 years	\$369.00	\$370.00
30.00 years	\$411.00	\$412.00

Per District Policy 4831.50, “amendments shall be rounded up to the nearest whole dollar amount.” Staff is requesting Board consideration to amend the retiree health insurance benefit participation up by one dollar as listed above to remain in compliance within Policy.

The requested action was to amend District Policy 4831, Insurance Benefits for Retirees Retiring After March 19, 1996 (Attachment 1) to include a 2.3 percent Cost-of-Living Adjustment to the monthly insurance benefit amount for retirees, reflecting adjustments in the Consumer Price Index-Urban West (CPI-U), and complying with District policy, rounding up to the nearest whole dollar amount.

#### Health Plan Coverage for District Employees for 2017

MSS/CBC Smoot reported that the Citrus Heights Water District’s (the District) health care insurance coverage for employees will expire after January 31, 2017. The District currently offers Kaiser Permanente (Kaiser) and Western Health Advantage (WHA) as its health care insurance providers for employees. Employees with spouses and employees with families pay an amount each pay period toward their health insurance premium; this amount was most recently increased in 2013. The District continues to combine higher co-payment insurance plans, specified levels of co-payment reimbursement, and employee contributions towards premiums to control health care benefit costs while maintaining a high level of health-care benefit for employees.

While the District continues to see changes to its health care insurance plans as a result of the Patient Protection and Affordable Care Act (PPACA), the plans proposed for 2017 are very similar to those that were offered to the District’s employees in 2016. The plans being offered by Kaiser and WHA provide comparable coverage in benefits and co-payment levels, and continue the trend of having much higher annual out-of-pocket maximums than plans that were offered prior to the PPACA. Premium rates are determined by the individual age of the employee, and the individual ages of all covered family members including spouse or domestic partner, up to three children under the age of 21 (if there are more than three children under 21, they are covered at no additional cost), and all adult children ages 21 to 25. The rates change with each birthday after the age of 18.

The overall change in monthly premium costs for the two plans compared with 2016 rates are as follows:

Kaiser: 5% increase                      WHA: 8% increase

The District continues to offer in-lieu-of health insurance payments for employees who have duplicating health care coverage through a spouse’s employer, and decline to be covered under a District offered health insurance plan. This practice reduces the District’s overall health insurance premium costs while offering an incentive to employees who have the option to be covered under a spouse’s plan. The District has a total of six employees taking advantage of this alternate health

insurance payment. The District realizes a savings of more than \$51,844 annually from providing this in-lieu-of payment rather than paying for duplicating family insurance, and it is recommended that this program be continued.

It is further recommended that no additional contribution be required from employees to share in the cost of premiums for 2017. With the current employee contributions, the recommended plans (Kaiser Gold 80 HMO 0/30 and WHA Gateway 30) will maintain the existing high level of health care benefit and keep costs within the 2017 adopted budget limits.

Employee contribution amounts for health insurance premiums are set by District policy as follows:

Employee Only	No contribution
Employee + Spouse	\$25.00 per pay period (\$650 annually)
Employee + Family	\$50.00 per pay period (\$1,300 annually)

It is most equitable to not require those employees with “Employee Only” coverage to contribute toward the cost of health insurance premiums. This is because the cost of “Employee Only” premiums is significantly lower than those for “Employee + Spouse” or “Employee + Family”. The employee contributions to health care are a pre-tax contribution; therefore, the actual reduction of take-home pay is lower than the amounts shown above, depending upon the individual employee’s income tax bracket.

Staff recommends increasing the dollar “cap” for monthly health care premiums from the current level of \$1,786.00 per month to \$1,800.00 per month. There is currently one employee that has a monthly health insurance premium that exceeds the “cap”.

The District reimburses employees for specified amounts of their co-payments through the use of a Supplemental Medical Reimbursement Account (SMRA). In 2007, the District implemented an SMRA, in conjunction with switching to health plans with higher co-payments for medical services and prescriptions. The District offset the employees’ higher co-pay costs by reimbursing them for their co-payments through the use of a SMRA. This program has been successful in reducing the District’s health care costs while minimally impacting the out-of-pocket costs for the employees. It is recommended that the reimbursement limits set by District policy with (a 75 percent reimbursement limit for office visit co-payments for spouses and dependents) be kept in place. Brand name and non-formulary prescription drugs are reimbursed at 75 percent of the co-payment amount as an incentive for employees to request lower-cost generic drugs when available. As proposed, the District will continue to fully cover co-payments for other, more costly medical services such as emergency room visits, hospitalization and medical equipment. The SMRA co-payment utilization for 2016 was budgeted for \$26,000; the actual amount for 2016 was \$24,973, a total of \$1,027 under the budgeted amount. Co-payments within the two offered plans will remain substantially the same for 2017, so it is estimated that co-payment utilization will remain in the same range as well.

It is noteworthy that the total number of employees covered under District-sponsored health insurance plans is only 24 of the total 30 filled District positions at the beginning of 2017. Six employees are currently electing the option to not enroll in a District-provided health insurance plan by obtaining their health insurance coverage through a spouse’s employer as discussed above. These employees

receive a credit in lieu of District-paid health insurance. Under District policy, employees making this election must provide written documentation to the District verifying their health insurance coverage at least every six months. One position is currently vacant.

The total estimated cost for the 2017 Plan Year is \$397,441, well within the total \$417,375 budgeted for insurance premiums and co-payment reimbursements when employee participation is included. The 2017 budgeted amount for co-payment reimbursements is \$30,000.

The requested actions were to: 1) approve the Kaiser Permanente - Gold 0/30 Plan and the Western Health Advantage – Gateway 30 Plan as the District’s employee health care plans for 2017; 2) Approve amendments to Human Resources Policy 4210, Health Insurance to reflect the increase in the monthly cap.

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

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

### **PRESENTATIONS:**

#### **Capital Improvement Program Model**

Staff provided the Board with an overview of a new model/planning tool developed to assist with the identification of priority capital improvement projects and their sequencing/prioritization. Staff also discussed how the annual and ten-year Capital Improvement Program (CIP) will be folded into the annual rate model update and budget process going forward.

### **OLD BUSINESS:**

#### **Strategic Plan Update**

CHWD’s leadership team provided the Board with its first quarterly update of the Strategic Plan.

Board of Directors Regular Meeting

Minutes of January 10, 2017

Page 15

<b>A THREE-YEAR GOAL: METER REPLACEMENT PROGRAM</b>					
<i>Objectives to be Completed in the 2017 Year</i>					
#	TARGET		WHAT	WHO	COMMENTS
	Start	End			
1	17-Jul		Identify technology platform	Rex M. (Lead), Missy P., Susan S., David G., Hilary S.	• Identification of Technology Platform will occur as part of the consulting firm's scope of work.
2	17-Jul		Identify replacement timeline	Rex M. (Lead), Missy P., Susan S., David G., Hilary S.	• Identification of replacement timeline will occur as part of the consulting firm's scope of work.
3	17-Aug		Prepare cost estimates	Rex M. (Lead), Missy P., Susan S., David G., Hilary S.	• Identification of cost estimates will occur as part of the consulting firm's scope of work.
4	17-Nov		Establish Meter Replacement Fund Reserve and timeline	Rex M. (Lead), Missy P., Susan S., David G., Hilary S.	• Identification of the meter replacement funding requirements will occur as part of the consulting firm's scope of work. • Will be developed as part of CHWD's rate model update and annual budget update.
Notes:			<ul style="list-style-type: none"> <li>• Currently developing Request for Proposals (RFP).</li> <li>• Award of contract for consulting firm is anticipated by June 2017</li> </ul>		

<b>A THREE-YEAR GOAL: PROJECT 2030 – WATER MAIN IMPROVEMENTS</b>					
<i>Objectives to be Completed in the 2017 Year</i>					
#	TARGET		WHAT	WHO	COMMENTS
	Start	End			
1	17-Jan		Prepare Request for Proposal (RFP) for a Data Entry/Engineering/Funding Planning Study	Missy P. (Lead), Susan S., ACE, Paul D., David G., Brian H., & Hilary S.	• Authorization to release RFP planned for 2/14/17 Board Meeting.
2	17-Sep		Complete Asset Inventory into ESRI	Missy P. (Lead), Borey S., Paul D., ACE, Brian H., John S., Nick S.	• Schedule to complete this project will be addressed through the consultant's scope of work and schedule.
3	2018		Gain Board direction based on options from the Engineering/Funding Planning Study	Missy P. (Lead), Susan S., Paul D., David G., ACE, Brian H., & Hilary S.	• Schedule to address this phase of Project 2030 will be addressed through the consultant's scope of work and schedule.

Board of Directors Regular Meeting

Minutes of January 10, 2017

Page 16

<b>A THREE-YEAR GOAL: WELL DEVELOPMENT</b>					
<b>Objectives to be Completed in the 2017 Year</b>					
#	TARGET		WHAT	WHO	COMMENTS
	Start	End			
1	17-July		Acquire the site for Well #7 and successfully test the hole	David G. (Lead), Brian H., Missy P., Susan S., Hilary S. and Real Estate Rep.	<ul style="list-style-type: none"> <li>Actively searching for a suitable property.</li> </ul>
2	17-March		Complete the Peak Demand Assessment (PDA) using current data	Brian H. (Lead), David G., Missy P., Susan S., and Hilary S.	<ul style="list-style-type: none"> <li>Approval to enter into agreement with West Yost to update Hydraulic Model (completed 12/13/16).</li> <li>Working with SJWD Wholesale to develop a water supply data portal.</li> </ul>
3	17-Feb 17-Mar		Complete upgrades to Palm Well Needs Assessment for Sunrise Well	Brian H. (Lead), David G., Missy P., Susan S., and Hilary S.	<ul style="list-style-type: none"> <li>Going out to bid for replacement of pump.</li> <li>Exploring agreement with <u>Luhdorff &amp; Scalmanini</u> to perform needs assessment.</li> </ul>
4	18-Mar		Complete design and grant funding for #7	David G. (Lead), Brian H., Missy P., Susan S., and Hilary S.	<ul style="list-style-type: none"> <li>Grant funding application through RWA ongoing.</li> </ul>
5	18-Jan		Continue other well site acquisition	David G. (Lead), Brian H., Missy P., Susan S., Hilary S. and Real Estate Rep.	<ul style="list-style-type: none"> <li>Actively searching for a suitable property.</li> </ul>



Board of Directors Regular Meeting

Minutes of January 10, 2017

Page 17

<b>A THREE-YEAR GOAL: CAPITAL IMPROVEMENTS PROGRAM</b>					
<b>Objectives to be Completed in the 2017 Year</b>					
#	TARGET		WHAT	WHO	COMMENTS
	Start	End			
1	17-Jan	17-May	Complete Update to the 1999-2030 Capital Improvement Program (CIP). Create New 2017-2029 Capital Improvement Model (CIM).	Paul D. (Lead), Missy P., ACE, Susan S., Alberto P. and Hilary S.	<ul style="list-style-type: none"> <li>Jan 2017: Provided detailed presentation to the Board of Directors.</li> <li>May 2017: Provide updated CIM presentation to BOD.</li> </ul>
2	17-Feb	17-May	Determine one-year CIP options annually in advance of Strategic Planning Session	Paul D. (Lead), Missy P., ACE, Susan S., Alberto P. and Hilary S.	<ul style="list-style-type: none"> <li>May 2017: Study Session will be held with BOD propose 2018 CIP &amp; updates to 2019-2029 CIP.</li> </ul>
3	17-Jan	18-Feb	Complete the Operations Building design	Paul D (Lead), Missy P., Hilary S, TRC	<ul style="list-style-type: none"> <li>Jan 2017: Needs Assessment PSA with CH&amp;D approved.</li> <li>Kick-off Meeting 1/25/17</li> </ul>
4	16-Oct	17-Oct	Complete the Corporation Yard build	Paul D. (Lead), Missy P., and Hilary S.	<ul style="list-style-type: none"> <li>Awaiting 60% Plan Set</li> <li>Discussion and information presentation to BOD 2/14/17</li> </ul>
5	17-Dec		Complete the Pressure Reduction/Power Generation plan	David G. (Lead), Brian H., Missy P., Paul D., Susan S., Alberto P. and Hilary S.	<ul style="list-style-type: none"> <li>Hydraulic Model Update contract approved by the Board in Dec 2016.</li> <li>Additional consideration for this project is on hold pending further discussion with SMUD.</li> </ul>

<b>A THREE-YEAR GOAL: ORGANIZATION-WIDE OBJECTIVES</b>					
<b>Objectives to be Completed in the 2017 Year</b>					
#	TARGET		WHAT	WHO	COMMENTS
	Start	End			
1	Q1 2017		Develop the Finance/Utility/HR/Timekeeping system software replacements Request for Proposal (RFP)	Susan S. (Lead), Alberto P., Lisa S., Beth S. & IT, Kelly D.	<ul style="list-style-type: none"> <li>Finance/Utility Billing software replacement on hold pending further direction from State concerning water budgets.</li> <li>Optimizing current Finance/Utility Billing software to streamline existing process for both staff and customer use.</li> <li>Researching HR/Timekeeping solution through other Payroll providers.</li> </ul>
2	Q1 2017		Complete Performance Evaluation System policy and administrative updates	Hilary S. (Lead), Lisa S., Beth S., Susan S., David G. and Missy P.	<ul style="list-style-type: none"> <li>Policy updates were adopted by the Board 12/13/16.</li> </ul>
3	Q2 2017		Prepare Request For Proposals (RFP) for new General Counsel Services and get recommendations from other agencies	Hilary S., Susan S., David G., Judy and Board	<ul style="list-style-type: none"> <li>RFP was distributed to over 20 firms locally and throughout California on 12/22/16. Proposals are due by 1/30/17. Anticipated award of contract(s) 3/28/17.</li> </ul>
4	Q3 2017		Update Intertie Agreements: <ul style="list-style-type: none"> <li>Conduct needs assessment</li> <li>Meet with other Agencies</li> </ul>	General Counsel, Hilary S., David G., Susan S., Brian H. and Kelly D.	<ul style="list-style-type: none"> <li>Needs assessment and review of existing agreements will begin when new legal counsel is on board.</li> </ul>
5	Q4 2017		Update HR Policies: <ul style="list-style-type: none"> <li>Needs assessment</li> <li>Resource assessment</li> <li>Employee Communication</li> </ul>	Lisa S. (Lead), Beth S., Susan S. and Hilary S.	<ul style="list-style-type: none"> <li>HR Policies will be reviewed and updated when the new Employment Practices Law Firm on board.</li> </ul>
6	Q4 2017		Pursue Community Leadership Development for future Board members	Hilary S. (Lead), Board, Lisa S. and Susan S.	<ul style="list-style-type: none"> <li>Opportunity to work with &amp; educate CHWD Customers will occur with: 1) Project 2030 Citizen Advisory Committee; 2) Chamber of Commerce Leadership Program; 3) the Annual Budget Process; 4) Board Candidate Orientation Session during 2018 Election; 5) Updates to CHWD Website and Facebook/Social Media.</li> </ul>
7	17-Jan		Complete document management/indexing: <ul style="list-style-type: none"> <li>Update retention schedule</li> <li>Enterprise-wide document imaging strategy</li> </ul>	Lisa S. (Lead), Beth S., Susan S. and Hilary S.	<ul style="list-style-type: none"> <li>Executed Professional Services Agreement with Diane Gladwell 1/9/17.</li> </ul>
8	Q4 2017		Address career laddering: <ul style="list-style-type: none"> <li>Create Employee Relations Committee (ERC)</li> <li>Create job descriptions</li> </ul>	Lisa S. (Lead), Hilary S., Beth S., Susan S., David G., Paul D., and Missy P.	<ul style="list-style-type: none"> <li>Career Laddering Structure (job titles &amp; salary ranges) completed with Bryce Consulting and Board Adopted 9/13/16. Updating job descriptions for current and new positions with Bryce Consulting.</li> </ul>

WES Meurer reported that staff attended a regional coordination meeting at the Regional Water Authority (RWA) on December 9<sup>th</sup>, 2016. At the meeting, a regional response to the proposed State regulations pertaining to Executive Order B-37-16 was discussed. There was a consensus among the group to send out both an Agency-specific response letter and a regional response letter from RWA. Staff prepared an Agency-specific response letter that was sent to the Water Boards on December 19<sup>th</sup> 2016. In addition, the Association of California Water Agencies (ACWA) sent a separate statewide response letter. Staff forwarded copies of the 3 letters to the CHWD Board and management staff on December 17<sup>th</sup>, 2016.

Staff will continue to monitor developments and report on any activity regarding the proposed State water efficiency regulations, "Making Conservation A California Way of Life" (Executive Order B-37-16). The District anticipates an announcement from the State Water Resources Control Board (SWRCB) on January 10<sup>th</sup>, 2017. Staff will provide an update to the Board at its February 14<sup>th</sup>, 2017 meeting.

### **NEW BUSINESS:**

#### Approval of Information Technology (IT) Agreement

AS Sohal reported that Citrus Heights Water District (the District) employs a variety of information technology systems to support its operations and service to customers and staff. Employees have access to these systems both through individual workstations in the District's office and via wireless laptop computers in the field. The District also uses a variety of other software for office productivity, internet security, document management, and other computer-based tools. Supporting and upgrading all of these technology tools and troubleshooting and fixing problems when they occur is essential to the successful operation of the District. Further, District staff does not possess the knowledge or expertise to support these systems independently. Therefore the District contracts for the operations and maintenance of the IT program. J4 Systems has been under contract with the District to install, maintain and support the District's information systems continuously since 2012.

As part of the District's review of its IT program from a cost, quality of service and operational efficiency perspective; the District issued Request for Proposal (RFP) on IT services to eight firms and received a response from two firms. It has been the Districts practice to evaluate contracts/services within the market every five years. Based on the proposals received staff is recommending that the District remain with J4 Systems.

The accompanying Professional Services Agreement between the District and J4 Systems will update an existing business relationship that has already been in place for more than five years. The Agreement sets forth the specific technology support services provided by J4 Systems, as well as time and materials-based consulting rates, insurance requirements, and other general terms and conditions. The scope of services includes ongoing support to existing systems, and two significant budgeted technology projects (1) the replacement of the District's network servers; 2) Planning and redesign of the District's existing network system.)

Key differences between the existing agreement and the proposed agreement are: 1) the District's professional services agreement template is used, not J4 Systems' agreement template as is currently the case; 2) a sixty (60) days termination provision is provided versus the restrictive one-time-per-year termination provision that has been in the existing agreement. This updated termination provision provides more flexibility to the District as CHWD will continue to evaluate its IT program and service delivery options in the future; 3) the new agreement provides for a smaller monthly retainer-based

billing approach, relying on a more time and materials-based billing approach. The existing agreement has relied more on a monthly retainer-based approach. This change in billing approach will allow the District to better understand the cost for providing IT services via contract as it continues to evaluate IT service delivery options in the future.

J4 Systems is best qualified to provide support services for the District's information technology business systems because of J4 Systems' involvement in designing the District's IT network, and the firm's years of experience in supporting CHWD's software and networking systems.

Funds to pay for support services for CHWD's IT services are included in the operating budget, and funds for replacing the network servers are included in the capital improvement projects budget. A copy of the proposed professional services agreement with J4 Systems accompanies this staff report.

**ACTION:** Director Riehle moved and Director Dains seconded a motion to:  
Authorize the General Manager to enter into an agreement with Joseph Systems, Inc, (dba J4 Systems) for services relating to information technology business systems support and special projects.

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

#### Award of Contract—Operations Needs Assessment

PM Dietrich reported that on November 17, 2016, Citrus Heights Water District (the District) issued a Request for Proposals (RFP) to eight (8) architectural firms to provide plans, specifications and estimates for the Operations Building Remodel Planning and Design (Project No. C17-103). The project objectives are to work in collaboration with District Staff and the Board of Directors to plan and design the Operations Building Remodel, which includes extending the life of the existing 26-year-old building, increasing operational efficiencies, improving environmental and energy standards, and reduction of future maintenance costs.

The first phase of the design is a Space Needs Assessment to properly determine current and future office space and meeting room requirements. The Scope of Work for the Space Needs Assessment is outlined in Attachment 2, pages 5 and 6, items 1 through 3. The Board of Directors will be provided a presentation of the Space Needs Assessment at the 50% phase, detailing findings of the assessment. A second presentation will occur at the 90% phase, providing a staff recommendation for one of three schematic designs.

The District's Technical Review Committee is comprised of key staff members (Project Manager - Lead, Operations Manager, Accounting Supervisor, Principal Civil Engineer, Water Distribution Supervisor, Water Resources Supervisor, Water Efficiency Supervisor and Senior Management Services Specialist). The Committee reviewed proposals, interviewed two (2) responsive firms, inquired with references, and are recommending the following firm to provide services for a Space Needs Assessment for the Operations Building Remodel Planning and Design (Project No. C17-103):

#### Consulting Architect Recommendation Cost for Space Needs Assessment

CH&D Architects, Inc.	\$21,200.00
-----------------------	-------------

The total 2017 adopted budget amount for the Operations Building Remodel Planning and Design is \$175,000.00.

**ACTION:** Director Riehle moved and Director Sheehan seconded a motion to:  
Authorize the General Manager to execute a Professional Services Agreement with CH&D Architects, Inc. in an amount not to exceed \$21,200.00 for services for a Space Needs Assessment for the Operations Building Remodel Planning and Design (Project No. C17-103).

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

Policy Amendments to Human Resources Policy Number 4401, Educational Assistance Program  
MSS/CBC Smoot reported that the Citrus Heights Water District (the District) encourages its employees to pursue continuing education courses to improve employees' knowledge and skills, which is a benefit to the District in maintaining a highly trained and professional workforce. The District currently has an Education Assistance Program; however, at this time, employees are not eligible to be reimbursed for the courses and associated materials until the course is complete. This limitation has served as a financial barrier (due to monthly cash-flow) to several District employees who wish to further their education and/or certifications. Several employees have indicated that they would pursue further education and/or certification if a cash advance (with stipulations) was provided by the District.

Moving forward, the District would like to offer the option to provide an advance to an employee prior to taking the course, provided the employee enter into the accompanying Tuition Reimbursement Agreement. The agreement provides a mechanism by which the District would be reimbursed by the employee should the employee not complete or pass the course. The option of a "cash advance" to take the course would be available at the discretion of the District subject to review and approval by the General Manager.

- Accompanying this staff report is Human Resources Policy 4401, Education Assistance Program (Attachment 1), with the proposed amendments. Also attached is the proposed new Attachment Policy 4401.A1, Tuition Reimbursement Agreement (Attachment 2).

**ACTION:** Director Dains moved and Director Riehle seconded a motion to:  
Approve proposed amendments to District Human Resources Policy 4401, Education Assistance Program and add Attachment Policy 4401.A1 Tuition Reimbursement Agreement.

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

**PROJECT MANAGER'S REPORT:**

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

*italics*

**PM-1 ACCEPTED WATER SYSTEMS**

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

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

**PM-2 PROJECTS UNDER CONSTRUCTION BY PRIVATE DEVELOPERS**

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

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

**PM-3 CONTRACTOR / DEVELOPER PROJECTS PENDING CONSTRUCTION**

<u>Project</u>	<u>Location</u>	<u>Status</u>
Louis-Orlando Bus Transfer Point (2015-66)	Louis Ln @ Orlando Ave	Plans Signed 2/4/16
Meier Estates 7 Lot Subdivision (2015-68)	North Sims Way	Plans Signed 5/23/16
Dignity Health Building (2015-55)	7115 Greenback Ln	Plans Signed 6/8/16
3 Lot Residential Subdivision (2015-67)	5648-5696 San Juan Ave	Plans Signed 11/14/16

**PM-4 PROPOSED DISTRICT CAPITAL IMPROVEMENT PROJECTS**

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

<u>Project</u>	<u>Location</u>	<u>Status</u>
Corporation Yard Improvements Phase 1 Domenichelli and Associates, Inc. (2015-02)	6230 Sylvan Road	<i>Trees Trimmed and Cleared. City Review Underway. Lots to be Merged into One.</i>
Operations Building Remodel (2017-33)	6230 Sylvan Road	<i>Interviewing Potential Architectural Firms.</i>
Mesa Verde High School 14-Inch Transmission Main Bennett Engineering, Inc. (2015-36)	Northwest Corner of Property	<i>Tree Trimming and Clearing 12/27 and 12/28.</i>
Highland Ave & Rosa Vista Ln 8" Water Mains Warren Consulting Engineers (2015-33)	Highland Ave at Rosa Vista Ln	<i>Awaiting 60% Submittal</i>
Fair Way Intertie with City of Roseville (2011-01)	9955 Fair Way	<i>Awaiting Construction</i>
Blossom Hill Dr Intertie with City of Roseville (2012-09)	Blossom Hill Dr at 1100 Main Sail Cir	<i>Awaiting Construction</i>
Crestmont Ave Intertie with City of Roseville (2012-10)	Crestmont Ave at 8199 Bonnie Oak Way	<i>Awaiting Construction</i>

**PM-5 PROJECTS CONTRACTED BY CITRUS HEIGHTS WATER DISTRICT**

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

None

**PM-6 CITY OF CITRUS HEIGHTS PROJECTS**

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

None

**OPERATIONS MANAGER'S REPORT:**

Operations Manager Gordon reported as follows:

A total of 119 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 72 samples, have met all California Department of Drinking Water (DDW) requirements.

The District's total water use during the month of December 2016 (561.82 acre-feet) was 27.1% below that of October 2013.

As of midnight on January 2, 2017, storage in Folsom Lake was at 397,839 acre-feet, 41 percent of the total capacity of 977,000 acre-feet. This is about 83 percent of historical average for this date. This represents a decrease in storage of 65,955 acre-feet in the past month.

The District's total water use during the month of December 2016 (518.62 acre-feet) was 26.0 percent below that of December 2013 (700.94 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 9:03 PM.

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

President Sheehan reconvened the meeting at 9:12 PM.

**DIRECTOR'S AND REPRESENTATIVES REPORTS:**

Regional Water Authority (Dains, Churchill)

No Report.

Sacramento Groundwater Authority (Sheehan)

Director Sheehan reported that Rob Swartz provided an update that PCE contamination will be available in February. There was also a discussion about the southern portion of Sutter County to set up a GSA. Lastly, there was a discussion about the State-wide conservation regulations.

San Juan Water District

No Report.

ACWA Joint Powers Insurance Authority (Churchill)

No report.

Sacramento Local Agency Formation Commission

No Report.

City of Citrus Heights

GM Churchill gave a report.  
Chamber of Commerce Government Issues Committee (Straus)  
No Report.  
Other Reports:  
No report.

**MANAGEMENT SERVICES REPORT:**

Management Services Supervisor Smoot reported as follows:

- Fourteen employees received recognition for superior attendance, outstanding customer service and quality of work during the month of December 2016. Directors were provided with a list of the employees and items for which each received recognition.
- Long Range Board Agenda was provided showing Directors upcoming items for future scheduled Board Meetings.
- Call for Special Meetings: Citrus Heights Water District (the District) released a Request for Proposals (RFP) to over 20 law firms in the Sacramento Region and throughout the State. Firms can submit proposals for Employee Practice only, General Government and Water only, or a combination of both. At the February 14, 2017 Board Meeting, in Closed Session, the firms that submit proposals will be ranked. After this ranking process, the top firms selected will be invited to the District to be interviewed by Board Members and designated District Staff. Staff is anticipating the interview process to take up to three evenings, three interviews per evening, beginning at 6:00 PM, 7:15 PM and 8:30 PM; February 27<sup>th</sup>, February 28<sup>th</sup> and March 1<sup>st</sup>.

**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 9:53 PM.

APPROVED:

---

HILARY M. STRAUS  
Secretary  
Citrus Heights Water District

---

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