

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 Sheehan 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

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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

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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

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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
Total			<u>\$223,349.69</u>
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	\$126,502.86
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
Total			<u>\$186,746.37</u>
Grand Total			<u><u>\$410,096.06</u></u>

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
Total			<u>\$45,379.50</u>

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.

REDUCTION BY AGENCY (Data compared to 2013)		
Water Agency	Dec. 2016 Reduction	June 15 - Dec. 16 Reduction
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%

REDUCTION BY AGENCY (Data compared to 2013)		
Water Agency	Dec. 2016 Reduction	June 15 - Dec. 16 Reduction
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%
Citrus Heights Water District	26.0%	30.8%
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 8th, 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 16th, 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 14th 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.

Items of Interest	Department	Point of Contact	Date	Strategic Planning Item
PROJECT 2030 Water Main Replacement Project 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
CAPITAL IMPROVEMENT PROJECT Corporation Yard Improvements Phase 1 Status: Reviewing 60% Plans, Preparing Lot Merger	Engineering	Paul Dietrich	Board Presentation 2/14/16 - 60% Plan	Yes
CAPITAL IMPROVEMENT PROJECT Operations Building Remodel Status: Needs Assessment Questionnaires Underway	Engineering	Paul Dietrich	On-going	Yes
CAPITAL IMPROVEMENT PROJECT Mesa Verde High School 14-Inch Transmission Main Status: Preparing Plans, Specs, and Estimates	Engineering	Paul Dietrich	On-going	No
CAPITAL IMPROVEMENT PROJECT Highland Ave & Rosa Vista Ln 8" Water Mains Status: Potholing Complete	Engineering	Missy Pieri	On-going	No
PRIVATE DEVELOPMENT Northridge Grove - 5555 Mariposa Ave 47 Condominiums Status: 85% Complete	Engineering	Missy Pieri	On-going	No
PRIVATE DEVELOPMENT Commercial Building Remodel - 5414-50 Sunrise Blvd Status: Pre-Con Meeting 12/1/16	Engineering	Missy Pieri	On-going	No

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

HILARY M. STRAUS
Secretary
Citrus Heights Water District

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