

**BOARD MEETING AGENDA
SPECIAL MEETING OF THE BOARD OF DIRECTORS OF
CITRUS HEIGHTS WATER DISTRICT (CHWD)
NOVEMBER 29, 2024 beginning at 8:00 AM**



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

**PHONE CALL IN: (253) 205-0468
PHONE MEETING ID: 841 3700 0278**

COMPUTER AUDIO/LIVE MEETING PRESENTATIONS: <https://us06web.zoom.us/j/84137000278>

TELECONFERENCE LOCATION

**Quality Inn & Suites
1575 S Meridia Road
Meridian ID, 83642**

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.

Members of the public may attend the meeting in person at the District headquarters or remotely through the phone number and link above.

Materials related to an agenda item for an open session of a regular meeting of the Citrus Heights Water District are posted on the Citrus Heights Water District website at www.chwd.org.

CALL TO ORDER:

Upon request, agenda items may be moved to accommodate those in attendance wishing to address that item. Please inform the Chief Board Clerk or Deputy Board Clerk.

ROLL CALL OF DIRECTORS:

PUBLIC COMMENT:

BUSINESS:

- B-1. Discussion and Possible Action to Adopt Resolution 12-2024 Opposing the merger of the San Juan Water District and the Sacramento Suburban Water District Merger (A)

Recommendation:

Adopt Resolution No. 12-2024 opposing the merger of the San Juan Water District and the Sacramento Suburban Water District

CLOSED SESSION:

CL-1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

- a. Pursuant to Section 54956.8:

Property: Parcel Number 233-0440-031-0000

Agency Negotiators: Steve Anderson, Brian Hensley, Rebecca Scott,

Jessica Lomakin, Josh Nelson, Hilary Straus, Annie Liu,

Brittney Moore, Missy Pieri, Carlos Urrutia, Tammy Gordon

Negotiating Parties: DCR 10 CA LLC.

Under Negotiation: Price and Terms of Payment

CL-2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

a. Pursuant to Section 54956.8:

Property: Parcel Number 243-0180-002-0000

Agency Negotiators: Steve Anderson, Brian Hensley, Rebecca Scott,
Josh Nelson, Hilary Straus, Annie Liu, Brittney Moore, Missy Pieri, Carlos
Urrutia, Tammy Gordon

Negotiating Parties: Ashwani Kumar, Teresita Kumar

Under Negotiation: Price and Terms of Payment

CL-3. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

(Paragraph (1) of subdivision (d) of Section 54956.9)

CHWD v. San Juan Water District, Sacramento Superior Court,

Case No. 24WM000064

CL-4. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9:
(1 case)

FUTURE CHWD BOARD OF DIRECTORS MEETING DATES:

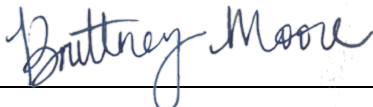
December 10, 2024 6:00 PM Special Meeting

December 16, 2024 6:30 PM Regular Meeting

ADJOURNMENT:

CERTIFICATION:

I do hereby declare and certify that this agenda for this Special 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 24 hours prior to the special meeting in accordance with Government Code Section 54956.



Brittney Moore, Chief Board Clerk

Dated: November 26, 2024

CITRUS HEIGHTS WATER DISTRICT

DISTRICT STAFF REPORT TO BOARD OF DIRECTORS NOVEMBER 29, 2024 SPECIAL MEETING

SUBJECT : RESOLUTION OPPOSING THE PROPOSED MERGER OF THE SAN JUAN WATER DISTRICT AND THE SACRAMENTO SUBURBAN WATER DISTRICT
 STATUS : Action Item
 REPORT DATE : November 25, 2024
 PREPARED BY : Rebecca Scott, Director of Operations
 Hilary Straus, General Manager

OBJECTIVE:

Consider adoption of Resolution No. 12-2024 opposing the merger of the San Juan Water District and the Sacramento Suburban Water District

BACKGROUND AND ANALYSIS:

In 1954 the ratepayers of the Citrus Heights Water District (CHWD) and Fair Oaks Water District (FOWD) helped form the San Juan Water District (SJWD) and purchase the water rights and existing water facilities of the North Fork Ditch Company for the benefit of the SJWD service area.

SJWD and SSWD are currently studying a potential merger. The proposed resolution underscores CHWD and FOWD’s historical and ongoing reliance on the water rights and facilities obtained through SJWD, highlighting concerns about loss of governance and local control. Existing water supply agreements may not sufficiently protect access to SJWD’s Water Right Water for wholesale customer agencies in a merger scenario. As the known impacts of a merger outweigh its potential benefits, the CHWD Board may wish to take a position: 1) that SJWD & SSWD cease further analysis or activities related to such a merger; 2) that CHWD advocates for collaboration among Wholesale Customer Agencies (WCAs) to achieve mutual benefits without compromising long-term water supply security.

A Resolution is presented for the Board’s consideration.

RECOMMENDATION:

Adopt Resolution No. 12-2024 opposing the merger of the San Juan Water District and the Sacramento Suburban Water District

ATTACHMENT:

Resolution No. 12-2024

ACTION:

Moved by Director _____, Seconded by Director _____, Carried _____

CITRUS HEIGHTS WATER DISTRICT

RESOLUTION NO. 12-2024

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CITRUS HEIGHTS WATER DISTRICT**

**OPPOSING THE PROPOSED MERGER OF THE SAN JUAN WATER DISTRICT AND
SACRAMENTO SUBURBAN WATER DISTRICT**

WHEREAS, in 1954 the ratepayers of the Citrus Heights Water District (CHWD) and Fair Oaks Water District (FOWD) helped form the San Juan Water District (SJWD) and purchase the water rights and existing water facilities of the North Fork Ditch Company for the benefit of the SJWD service area; and

WHEREAS, the entire CHWD and FOWD service areas are within the boundaries of the SJWD service area; and

WHEREAS, the CHWD and FOWD represent a majority of SJWD wholesale customers; and

WHEREAS, the combination of the surface water rights obtained from the purchase of North Fork Ditch Company assets and groundwater assets within the SJWD service area are sufficient to meet the ultimate water demands of the existing SJWD service area; and

WHEREAS, the CHWD and FOWD see access and protection of access to SJWD “Water Right Water” (WRW) as a top priority for its ratepayers; and

WHEREAS, multiple studies and reports completed analyzing the merger of the SJWD and Sacramento Suburban Water District (SSWD) have not demonstrated significant benefit to the FOWD and CHWD.

NOW, THEREFORE, the Board of Directors of the Citrus Heights Water District hereby finds, determines, declares, and resolves as follows:

1. A merger between SJWD and SSWD will result in a loss of governance/local control of the wholesale agency, including its water supply and other assets, by communities within the existing SJWD due to SSWD’s service area population being larger than the existing SJWD service area population.
2. Existing water supply agreements between SJWD Wholesale Customer Service Agencies (WCAs) may be insufficient to protect WRW in perpetuity for the WCAs in the event of a merger between SJWD and SSWD.
3. The significant components of a potential merger of the SJWD and SSWD are known, and additional analysis is not necessary; and

4. It will benefit all SJWD customers to immediately stop spending SJWD resources on additional analysis of a merger with SSWD and other merger-related activities; and
5. The potential benefits of a merger between the SJWD and SSWD are not worth the long-term impacts of sharing existing WRW with SSWD; and
6. The potential benefits of a merger between the SJWD and SSWD for all SJWD customers can be obtained through collaborative operations and agreements among WCAs; and
7. The CHWD Board of Directors and FOWD Board of Directors, representing a majority of SJWD wholesale customers, agree with and support the content of this resolution.

I certify that the foregoing Resolution was adopted by the Board of Directors of the Citrus Heights Water District at a special meeting held on the 29th day of November 2024, by the following vote:

AYES: Directors:

NOES:

ABSTAIN:

ABSENT:

CARYL SHEEHAN, President
Board of Directors
Citrus Heights Water District

SEAL

ATTEST:

BRITTNEY MOORE, Chief Board Clerk