

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

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

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

CALL TO ORDER:

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

ROLL CALL OF DIRECTORS:

PLEDGE OF ALLEGIENCE:

VISITORS:

PUBLIC COMMENT:

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

(A) Action Item

(D) Discussion Item

(I) Information Item

CONSENT CALENDAR: (A/I)

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

CC-1. Minutes of the Regular Meeting – January 13, 2017.

CC-2. Revenue Analysis Report for January 2017.

CC-3. Assessor/Collector's Roll Adjustment for January 2017.

CC-4. Treasurer's Report for January 2017.

CC-5. Treasurer's Report of Fund Balances for January 2017.

CC-6. Operations Budget Analysis for January 2017.

CC-7. Capital Projects Summary January 2017.

CC-8. Warrants for January 2017.

CC-9. CAL-Card Distributions for January 2017.

CC-10. Summary of 2017 Employees, Officers and Directors Training Courses, Seminars and Conference.

CC-11. Water Efficiency Program Update (I).

Water Efficiency Program updates for January 2017.

- CC-12. Graham Circle 8” and Circuit Drive 6” Water Main Replacement (A).
Authorization for Engineering Services
- CC-13. 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).
Approval of Agreement and Authorization for Board President to Execute.
- CC-14. 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).
Approve change of Regular Board meeting date.

PRESENTATIONS:

- P-1. Corporation Yard 60% Design Improvements. (I/D)
Overview of Design Corporation Yard Improvements.

OLD BUSINESS:

- O-1. Board of Directors Compensation Survey. (I/D)
Receive a report from Shellie Anderson, Principal with Bryce Consulting, concerning a survey of compensation.
- O-2 State Water Board – Conservation Regulations Update. (I/D)
Update on State Conservation Regulations.

NEW BUSINESS:

- N-1 Discussion of Regional Water Authority’s (RWA) Legislative and Regulatory Program, Upcoming Legislative Meeting & Possible Additional Legislative/Intergovernmental Meetings. (I/D)
Receive a report from RWA’s Legislative and Regulatory Affairs staff and discuss next steps.
- N-2. Discussion of the State Department of Water Resources’ (DWR) Water Available for Replenishment Report. (I/D)
Discuss Report’s findings and Citrus Heights Water District Comments.

CONSULTANTS’ AND LEGAL COUNSEL’S REPORTS (I):

None.

PROJECT MANAGER’S REPORTS (I):

- PM-1. Significant assignments and activities for the Project Manager (PM) and District engineering, construction inspection, and geographical information system maintenance staff are summarized in this report.

OPERATIONS MANAGER’S REPORTS (I):

- OM-1. Monthly report on construction and maintenance activities plus water analysis reports.
- OM-2. 2017 Water Supply – Purchased and Produced.
- OM-3. Surface Water Supply.

RECESS: The Meeting will have a brief recess.

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

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

MANAGEMENT SERVICES REPORTS (I):

- MS-1. Employee Recognition.
- MS-2. Long Range Board Agenda.
- MS-3. FYI Report—Input from Board Members.

CORRESPONDENCE:

None.

CLOSED SESSION:

None.

FUTURE CHWD BOARD OF DIRECTORS MEETING DATES:

| | | |
|-------------------|---------|------------------|
| February 15, 2017 | 6:00 PM | Special Meeting |
| February 27- | | |
| March 1, 2017 | 6:00 PM | Special Meetings |
| March 14, 2017 | 6:30 PM | Regular Meeting |
| March 28, 2017 | 6:30 PM | Special Meeting |
| April 11, 2017 | 6:30 PM | Regular Meeting |

ADJOURNMENT:

CERTIFICATION:

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



Hilary M. Straus, General Manager/Secretary

Dated: February 10, 2017

CITRUS HEIGHTS WATER DISTRICT
BOARD OF DIRECTORS REGULAR MEETING MINUTES
JANUARY 13, 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 Dains 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 |

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|-------|-------------------------------------|--|------------|
| 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 |

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|-------|--|-----------------------------------|------------|
| 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 |

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|-------|--|-----------------------------------|-------------|
| 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 |

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|--------------|---|-----------------------------------|----------------------------|
| 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 |
| Total | | | <u>\$401,159.57</u> |

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|--------------|--------------------|--------------------------|----------------------------|
| 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 |
| Total | | | <u>\$115,370.37</u> |

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 |
| | | | \$88,381.70 |

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.

| REDUCTION BY AGENCY (Data compared to 2013) | | |
|--|----------------------------|------------------------------------|
| Water Agency | Nov. 2016 Reduction | June 15 - Nov. 16 Reduction |
| 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% |
| Citrus Heights Water District | 38.4% | 30.9% |
| 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 10th 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

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| A THREE-YEAR GOAL: METER REPLACEMENT PROGRAM | | | | | |
|---|--------|-----|--|--|--|
| <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"> • Currently developing Request for Proposals (RFP). • Award of contract for consulting firm is anticipated by June 2017 | | |

| A THREE-YEAR GOAL: PROJECT 2030 – WATER MAIN IMPROVEMENTS | | | | | |
|--|--------|-----|--|--|---|
| <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. |

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| A THREE-YEAR GOAL: WELL DEVELOPMENT | | | | | |
|--|------------------|-----|--|---|---|
| Objectives to be Completed in the 2017 Year | | | | | |
| # | 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"> Actively searching for a suitable property. |
| 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"> Approval to enter into agreement with West Yost to update Hydraulic Model (completed 12/13/16). Working with SJWD Wholesale to develop a water supply data portal. |
| 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"> Going out to bid for replacement of pump. Exploring agreement with <u>Luhdorff & Scalmanini</u> to perform needs assessment. |
| 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"> Grant funding application through RWA ongoing. |
| 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"> Actively searching for a suitable property. |

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| A THREE-YEAR GOAL: CAPITAL IMPROVEMENTS PROGRAM | | | | | |
|--|--------|--------|---|--|--|
| Objectives to be Completed in the 2017 Year | | | | | |
| # | 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"> Jan 2017: Provided detailed presentation to the Board of Directors. May 2017: Provide updated CIM presentation to BOD. |
| 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"> May 2017: Study Session will be held with BOD propose 2018 CIP & updates to 2019-2029 CIP. |
| 3 | 17-Jan | 18-Feb | Complete the Operations Building design | Paul D (Lead), Missy P., Hilary S, TRC | <ul style="list-style-type: none"> Jan 2017: Needs Assessment PSA with CH&D approved. Kick-off Meeting 1/25/17 |
| 4 | 16-Oct | 17-Oct | Complete the Corporation Yard build | Paul D. (Lead), Missy P., and Hilary S. | <ul style="list-style-type: none"> Awaiting 60% Plan Set Discussion and information presentation to BOD 2/14/17 |
| 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"> Hydraulic Model Update contract approved by the Board in Dec 2016. Additional consideration for this project is on hold pending further discussion with SMUD. |

| A THREE-YEAR GOAL: ORGANIZATION-WIDE OBJECTIVES | | | | | |
|--|---------|-----|---|---|--|
| Objectives to be Completed in the 2017 Year | | | | | |
| # | 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"> Finance/Utility Billing software replacement on hold pending further direction from State concerning water budgets. Optimizing current Finance/Utility Billing software to streamline existing process for both staff and customer use. Researching HR/Timekeeping solution through other Payroll providers. |
| 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"> Policy updates were adopted by the Board 12/13/16. |
| 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"> 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. |
| 4 | Q3 2017 | | Update Intertie Agreements: <ul style="list-style-type: none"> Conduct needs assessment Meet with other Agencies | General Counsel, Hilary S., David G., Susan S., Brian H. and Kelly D. | <ul style="list-style-type: none"> Needs assessment and review of existing agreements will begin when new legal counsel is on board. |
| 5 | Q4 2017 | | Update HR Policies: <ul style="list-style-type: none"> Needs assessment Resource assessment Employee Communication | Lisa S. (Lead), Beth S., Susan S. and Hilary S. | <ul style="list-style-type: none"> HR Policies will be reviewed and updated when the new Employment Practices Law Firm on board. |
| 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"> Opportunity to work with & 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. |
| 7 | 17-Jan | | Complete document management/indexing: <ul style="list-style-type: none"> Update retention schedule Enterprise-wide document imaging strategy | Lisa S. (Lead), Beth S., Susan S. and Hilary S. | <ul style="list-style-type: none"> Executed Professional Services Agreement with Diane Gladwell 1/9/17. |
| 8 | Q4 2017 | | Address career laddering: <ul style="list-style-type: none"> Create Employee Relations Committee (ERC) Create job descriptions | Lisa S. (Lead), Hilary S., Beth S., Susan S., David G., Paul D., and Missy P. | <ul style="list-style-type: none"> Career Laddering Structure (job titles & salary ranges) completed with Bryce Consulting and Board Adopted 9/13/16. Updating job descriptions for current and new positions with Bryce Consulting. |

WES Meurer reported that staff attended a regional coordination meeting at the Regional Water Authority (RWA) on December 9th, 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 19th 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 17th, 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 10th, 2017. Staff will provide an update to the Board at its February 14th, 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 District's 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 27th, February 28th and March 1st.

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

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

CITRUS HEIGHTS WATER DISTRICT
2017 REVENUE ANALYSIS

Outstanding Recievables

| Aged Trial Balance | | | | | |
|---------------------------|---------|--------|--------|---------|----------------------|
| Total ₁ | Current | 31-90 | 91-150 | >150 | Unapplied Current |
| 837,027 | 571,115 | 62,400 | 7,807 | 294,860 | (99,155) |

| General Ledger Balance | Total |
|-------------------------------|-------------------|
| Outstanding A/R | 935,311 |
| Outstanding Liens | 0 |
| Outstanding Grants | 1,247 |
| Less Unapplied Payments | (100,169) |
| Total | \$ 836,390 |

**ASSESSOR/COLLECTOR'S ROLL ADJUSTMENTS FOR
January 31, 2017**

Board Of Directors
Citrus Heights Water District

| Assessor/Collector Roll Adjustment | | |
|---|------------------|--------------|
| January-00 | | |
| | Dollar | Count |
| 3-DAY DOOR HANG | | |
| One Time Courtesy | \$ 46.00 | 2 |
| 3-DAY DOOR HANG Total | \$ 46.00 | 2 |
| DEFAULT | | |
| One Time Courtesy | \$ 122.22 | 27 |
| DEFAULT Total | \$ 122.22 | 27 |
| Grand Total | \$ 168.22 | 29 |

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

| Reason For Cancellation | Charge Type | Amount |
|--------------------------------|--------------------|---------------|
| One Time Courtesy | 3-DAY DOOR HANG | 23 |
| One Time Courtesy | 3-DAY DOOR HANG | 23 |
| One Time Courtesy | DEFAULT | 5.16 |
| One Time Courtesy | DEFAULT | 5.47 |
| One Time Courtesy | DEFAULT | 6.43 |
| One Time Courtesy | DEFAULT | 6.43 |
| One Time Courtesy | DEFAULT | 4.55 |
| One Time Courtesy | DEFAULT | 6.26 |
| One Time Courtesy | DEFAULT | 5.43 |
| One Time Courtesy | DEFAULT | 4.68 |
| One Time Courtesy | DEFAULT | 4.47 |
| One Time Courtesy | DEFAULT | 4.07 |
| One Time Courtesy | DEFAULT | 3.82 |
| One Time Courtesy | DEFAULT | 4.25 |
| One Time Courtesy | DEFAULT | 4.16 |
| One Time Courtesy | DEFAULT | 2.76 |
| One Time Courtesy | DEFAULT | 3.55 |
| One Time Courtesy | DEFAULT | 3.55 |
| One Time Courtesy | DEFAULT | 3.64 |
| One Time Courtesy | DEFAULT | 4.77 |
| One Time Courtesy | DEFAULT | 4.47 |
| One Time Courtesy | DEFAULT | 4 |
| One Time Courtesy | DEFAULT | 4.54 |
| One Time Courtesy | DEFAULT | 3.55 |
| One Time Courtesy | DEFAULT | 3.97 |
| One Time Courtesy | DEFAULT | 7.35 |
| One Time Courtesy | DEFAULT | 3.93 |
| One Time Courtesy | DEFAULT | 3.46 |
| One Time Courtesy | DEFAULT | 3.5 |
| | \$ | 168.22 |

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

| | | | |
|--|---------|---------|-------------|
| Bank of the West | | | |
| Beginning Balance | | | \$3,272,654 |
| RECEIPTS: | | 851,281 | |
| DISBURSEMENTS: | | | |
| Checks Issued / ACH Payments | 521,294 | | |
| Payroll | 250,988 | | |
| Returned Checks | 666 | | |
| | 772,948 | | 78,333 |
| Bank of the West | | | |
| Balance per Bank January 31, 2017 | | | 3,350,987 |
| Outstanding Checks | | | (21,531) |
| Deposit in Transit | | | 14,877 |
| Balance Per Books December 31, 2016 | | | \$3,344,332 |

| | | | |
|------------------------------|--|--|--------------|
| RECONCILEMENT: | | | |
| Bank of the West | | | 3,344,332 |
| Local Agency Investment Fund | | | 6,069,412 |
| COP Reserve Account | | | 533,770 |
| Money Mkt Activity Account | | | 530,484 |
| TOTAL BALANCE | | | \$10,477,998 |

| | | | |
|---------------------------------------|--|--|--------------|
| CASH & INVESTMENT SUMMARY: | | | |
| Bank of the West (General Account) | | | \$3,344,332 |
| Local Agency Investment Fund | | | 6,069,412 |
| COP 2010 Reserve Account | | | 533,770 |
| Money Mkt Activity Account | | | 530,484 |
| Total | | | \$10,477,998 |

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

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



SUSAN K. SOHAL, Treasurer



HILARY M. STRAUS, Secretary

TREASURER'S REPORT OF FUND BALANCES
January 31, 2017

| | | Beginning Balance 1/1/2017 | Year to Date Transfers In / Collections | Year to Date Transfers Out | Current Month Transfers In / Collections | Current Month Transfers Out | 1/31/2017 Ending Balance | 2017 Target Balance per Policy |
|------------|-------------------------------------|-------------------------------|---|-------------------------------|--|--------------------------------|-----------------------------|--------------------------------------|
| 0-28600-00 | Operating Fund | \$ 4,430,805 | | | \$ 851,281 | \$ (772,948) | \$ 4,509,138 | \$1,918,930 |
| 0-28100-00 | Operating Reserve | \$ 1,912,263 | | | | | \$ 1,912,263 | N/A |
| 0-28200-00 | Rate Stabilization Fund | \$ 734,000 | | | | | \$ 734,000 | \$1,000,000 |
| 0-28400-00 | Capital Improvement Reserve | \$ 1,654,026 | | | | | \$ 1,654,026 | \$2,760,316 |
| 0-28510-00 | Restricted for Debt Service | \$ 536,963 | | | | | \$ 536,963 | N/A |
| 0-28700-00 | Fleet Equipment Reserve | \$ 291,569 | | | | | \$ 291,569 | \$316,968 |
| 0-28800-00 | Employment-Related Benefits Reserve | \$ 396,310 | | | | | \$ 396,310 | \$864,229 |
| | | \$ 9,955,936 | \$ - | \$ - | \$ 851,281 | \$ (772,948) | \$ 10,034,269 | |

Citrus Heights Water District
Budget Performance Report
As of 1/31/2017

| | January Actual | Year-to-Date Actual | Year-to-Date Budget | YTD Variance | | Annual Budget |
|--|-------------------|------------------------|------------------------|------------------|--------------|----------------------|
| | | | | Amount | Percent | |
| Revenues | | | | | | |
| Metered Service Charges | \$660,028.19 | \$660,028.19 | \$647,076.14 | (\$12,952.05) | -2.00% | \$8,377,902.51 |
| Metered Water Deliveries | 184,374.30 | 184,374.30 | 236,769.91 | 52,395.61 | 22.13% | 4,463,092.68 |
| Penalties | 17,935.10 | 17,935.10 | 15,044.01 | (2,891.09) | -19.22% | 150,000.00 |
| Interest | (10,338.24) | (10,338.24) | | 10,338.24 | 0.00% | |
| New Account, Fire & Backflow Fees | 8,498.61 | 8,498.61 | 11,676.99 | 3,178.38 | 27.22% | 140,179.96 |
| Water Service Install & S&R | 2,956.88 | 2,956.88 | 1,450.17 | (1,506.71) | -103.90% | 17,409.00 |
| Miscellaneous * | 10,453.75 | 10,453.75 | 10,038.48 | (415.27) | -4.14% | 120,509.97 |
| Income - Wheeling Water | 3,058.71 | 3,058.71 | 333.20 | (2,725.51) | -817.98% | 4,000.00 |
| Income - Connection Fees | | | 2,217.95 | 2,217.95 | 100.00% | 26,626.05 |
| Total Revenue | 876,967.30 | 876,967.30 | 924,606.85 | 47,639.55 | 5.15% | 13,299,720.17 |
| *includes Assessments, Inclusions, Back Charges, Capacity Fee and other Miscellaneous Revenue Sources | | | | | | |
| Operating Expenses | | | | | | |
| Water Demand Management - Postage | | | 416.50 | 416.50 | 100.00% | 5,000.00 |
| Water Demand Management - Printing | | | 1,749.30 | 1,749.30 | 100.00% | 21,000.00 |
| Water Demand Management - Materials and Supplies | | | 1,207.85 | 1,207.85 | 100.00% | 14,500.00 |
| Water Demand Management - Contract Services | 5,227.57 | 5,227.57 | 29,971.34 | 24,743.77 | 82.56% | 359,800.00 |
| Water Demand Management - Other | | | 1,159.95 | 1,159.95 | 100.00% | 13,924.97 |
| Water Demand Management - Incentive Programs | 450.00 | 450.00 | 1,639.34 | 1,189.34 | 72.55% | 19,679.96 |
| Purchased Water | | | 237,520.54 | 237,520.54 | 100.00% | 2,851,387.03 |
| Cooperative Transmission Pipeline Maintenance | | | 416.50 | 416.50 | 100.00% | 5,000.00 |
| Power to Wells | 7,521.67 | 7,521.67 | 16,966.88 | 9,445.21 | 55.67% | 203,684.03 |
| Wells - Repair / Maintenance | 516.41 | 516.41 | 2,057.51 | 1,541.10 | 74.90% | 24,700.00 |
| Water Quality Analysis | 1,056.00 | 1,056.00 | 2,043.52 | 987.52 | 48.32% | 24,532.05 |
| Directors Meeting Compensation | 1,015.00 | 1,015.00 | 1,666.83 | 651.83 | 39.11% | 20,009.97 |
| Retiree Healthcare Benefit | 3,308.42 | 3,308.42 | 4,106.72 | 798.30 | 19.44% | 49,300.36 |
| Salary - Office (6 authorized positions) | 38,723.40 | 38,723.40 | 47,056.28 | 8,332.88 | 17.71% | 564,901.32 |
| Salary - Water Demand Management (2 authorized positions) | 13,757.60 | 13,757.60 | 15,584.69 | 1,827.09 | 11.72% | 187,091.12 |
| Salary - Field / O&M (15 authorized positions) | 94,944.83 | 94,944.83 | 107,371.92 | 12,427.09 | 11.57% | 1,288,978.63 |
| Salary - Proj Mgmt & Engineering | 20,206.20 | 20,206.20 | 34,048.03 | 13,841.83 | 40.65% | 408,739.85 |
| Standby Duty | 1,065.00 | 1,065.00 | 1,494.40 | 429.40 | 28.73% | 17,939.98 |
| Field Miscellaneous - Dump Fees | | | 333.20 | 333.20 | 100.00% | 4,000.00 |
| Small Tools - Field | 2,617.76 | 2,617.76 | 3,332.00 | 714.24 | 21.44% | 40,000.00 |
| Supplies - Field | 2,985.85 | 2,985.85 | 2,082.50 | (903.35) | -43.38% | 25,000.00 |
| Materials | 5,027.54 | 5,027.54 | 1,666.00 | (3,361.54) | -201.77% | 20,000.00 |
| Materials - CIP Contra | (22,478.82) | (22,478.82) | | 22,478.82 | 0.00% | |
| Roadbase | 2,068.41 | 2,068.41 | 2,082.50 | 14.09 | 0.68% | 25,000.00 |
| Contract Services - Concrete | | | 666.40 | 666.40 | 100.00% | 8,000.00 |

Citrus Heights Water District
Budget Performance Report
As of 1/31/2017

| | January | Year-to-Date | Year-to-Date | YTD Variance | | Annual |
|--|-------------|--------------|--------------|--------------|----------|--------------|
| | Actual | Actual | Budget | Amount | Percent | Budget |
| Contract Services - Misc Field / O&M | 375.00 | 375.00 | 3,165.40 | 2,790.40 | 88.15% | 38,000.00 |
| Contract Services - Office Repairs / Maint. | | | 333.20 | 333.20 | 100.00% | 4,000.00 |
| Contract Services - Paving | | | 749.70 | 749.70 | 100.00% | 9,000.00 |
| Maintenance Agreements - Equipment | (35.00) | (35.00) | 849.66 | 884.66 | 104.12% | 10,200.00 |
| Maintenance Agreements - Software | 5,917.32 | 5,917.32 | 10,798.31 | 4,880.99 | 45.20% | 129,631.57 |
| Repair - Fleet Equipment | 1,079.48 | 1,079.48 | 4,581.50 | 3,502.02 | 76.44% | 55,000.00 |
| Repair - Tools and Equipment | 605.04 | 605.04 | 1,249.50 | 644.46 | 51.58% | 15,000.00 |
| Gas and Oil | 3,143.59 | 3,143.59 | 4,248.30 | 1,104.71 | 26.00% | 51,000.00 |
| Equipment Rental - Field | | | 833.00 | 833.00 | 100.00% | 10,000.00 |
| Equipment Rental & Maint - Office & Building Equip | 1,082.84 | 1,082.84 | 1,178.03 | 95.19 | 8.08% | 14,142.02 |
| Equipment CIP Contra Account | (19,748.78) | (19,748.78) | | 19,748.78 | 0.00% | |
| Permit Fee - Air Quality / Haz Mat | | | 516.46 | 516.46 | 100.00% | 6,200.00 |
| Permit Fee - State Water Resources Control Board | 6,333.52 | 6,333.52 | 2,332.40 | (4,001.12) | -171.55% | 28,000.00 |
| Permit Fee - Encroachment Permits | 7,320.00 | 7,320.00 | 3,665.20 | (3,654.80) | -99.72% | 44,000.00 |
| Janitorial | 882.00 | 882.00 | 1,374.87 | 492.87 | 35.85% | 16,505.04 |
| Bank Fees | 7,511.95 | 7,511.95 | 5,831.00 | (1,680.95) | -28.83% | 70,000.00 |
| Office Expense | 669.25 | 669.25 | 1,416.10 | 746.85 | 52.74% | 17,000.00 |
| Small Office Equipment | | | 666.40 | 666.40 | 100.00% | 8,000.00 |
| Dues & Subscriptions | 334.33 | 334.33 | 11,006.85 | 10,672.52 | 96.96% | 132,135.05 |
| Postage | 12,524.52 | 12,524.52 | 9,912.70 | (2,611.82) | -26.35% | 119,000.00 |
| Printing | | | 1,166.20 | 1,166.20 | 100.00% | 14,000.00 |
| Telephone - Wireless | 1,004.71 | 1,004.71 | 1,519.39 | 514.68 | 33.87% | 18,239.98 |
| Telephone - Local / Long Distance | 1,779.09 | 1,779.09 | 1,890.91 | 111.82 | 5.91% | 22,700.00 |
| Telephone - Answering Service | 231.09 | 231.09 | 208.25 | (22.84) | -10.97% | 2,500.00 |
| Utilities | 1,788.72 | 1,788.72 | 1,724.31 | (64.41) | -3.74% | 20,700.00 |
| Insurance - Liability & Comprehensive | | | 6,247.50 | 6,247.50 | 100.00% | 75,000.00 |
| Insurance - Disability & Life | 1,588.31 | 1,588.31 | 2,892.71 | 1,304.40 | 45.09% | 34,726.41 |
| Insurance - Workers Compensation | 7,771.64 | 7,771.64 | 4,524.74 | (3,246.90) | -71.76% | 54,318.61 |
| Employee Benefit - Vision Insurance | 770.89 | 770.89 | 752.70 | (18.19) | -2.42% | 9,036.01 |
| Employee Benefit - Dental Insurance | 3,375.73 | 3,375.73 | 3,098.76 | (276.97) | -8.94% | 37,200.00 |
| Employee Benefit - Health Insurance | 30,950.66 | 30,950.66 | 32,463.68 | 1,513.02 | 4.66% | 389,720.04 |
| Employee Benefit - PERS Retirement | 9,235.27 | 9,235.27 | 49,205.73 | 39,970.46 | 81.23% | 590,705.04 |
| Employee Benefit - Social Security | 11,706.69 | 11,706.69 | 15,011.08 | 3,304.39 | 22.01% | 180,205.04 |
| Employee Benefit - Medicare | 2,737.92 | 2,737.92 | 3,510.66 | 772.74 | 22.01% | 42,144.77 |
| Employee Benefit - Unemployment Insurance | 3,701.52 | 3,701.52 | 699.72 | (3,001.80) | -429.00% | 8,400.00 |
| Employee Benefit - Health Insurance Reimbursement | 2,980.87 | 2,980.87 | 2,499.00 | (481.87) | -19.28% | 30,000.00 |
| Employee Benefit - COBRA Insurance | 4,424.83 | 4,424.83 | | (4,424.83) | 0.00% | |
| Employee Benefit - CA Emp Training | 154.23 | 154.23 | | (154.23) | 0.00% | |
| Employee Salary and Benefits - Allocation to CIP | (29,745.82) | (29,745.82) | (45,815.00) | (16,069.18) | 35.07% | (550,000.00) |
| Legal & Audit | 245.00 | 245.00 | 7,830.20 | 7,585.20 | 96.87% | 94,000.00 |
| Continued Education | 1,610.60 | 1,610.60 | 5,949.29 | 4,338.69 | 72.93% | 71,420.04 |
| Professional / Contract Services - Engineering | | | 18,326.00 | 18,326.00 | 100.00% | 220,000.00 |

Citrus Heights Water District
Budget Performance Report
As of 1/31/2017

| | January | Year-to-Date | Year-to-Date | YTD Variance | | Annual |
|--|-------------|--------------|--------------|--------------|---------|--------------|
| | Actual | Actual | Budget | Amount | Percent | Budget |
| Professional / Contract Services - Temporary Labor | | | 4,165.00 | 4,165.00 | 100.00% | 50,000.00 |
| Professional / Contract Services - Wells | | | 1,666.00 | 1,666.00 | 100.00% | 20,000.00 |
| Professional / Contract Services - Office Labor | | | 1,249.50 | 1,249.50 | 100.00% | 15,000.00 |
| Professional / Contract Services - Meter Reading | 8,509.30 | 8,509.30 | 9,356.26 | 846.96 | 9.05% | 112,320.04 |
| Professional / Contract Services - Bill Print / Mail | 2,681.60 | 2,681.60 | 2,499.00 | (182.60) | -7.31% | 30,000.00 |
| Professional / Contract Services - Financial | | | 3,748.50 | 3,748.50 | 100.00% | 45,000.00 |
| Professional / Contract Services - Other | 7,619.73 | 7,619.73 | 10,142.61 | 2,522.88 | 24.87% | 121,760.02 |
| Publication Notices | 83.05 | 83.05 | 124.95 | 41.90 | 33.53% | 1,500.00 |
| Office Misc - District Events | 419.89 | 419.89 | 473.98 | 54.09 | 11.41% | 5,690.03 |
| Office Misc - Meeting Accomodations | 248.06 | 248.06 | 583.10 | 335.04 | 57.46% | 7,000.00 |
| Office Misc - Other | | | 183.26 | 183.26 | 100.00% | 2,200.00 |
| Office Misc - Milestone Events | | | 458.15 | 458.15 | 100.00% | 5,500.00 |
| Computer Software | | | 308.21 | 308.21 | 100.00% | 3,700.00 |
| Bad Debt Expense | 37.97 | 37.97 | 416.50 | 378.53 | 90.88% | 5,000.00 |
| Debt Service - COP Series 2010 | (20,600.00) | (20,600.00) | 47,264.42 | 67,864.42 | 143.58% | 567,400.00 |
| Debt Service - COP Series 2012 | 7,744.79 | 7,744.79 | | (7,744.79) | 0.00% | |
| CSM Deposit Interest Expense | 238.56 | 238.56 | | (238.56) | 0.00% | |
| Total Operating Expenses | 269,302.80 | 269,302.80 | 777,694.55 | 508,391.75 | 65.37% | 9,336,068.98 |
| Net Income / (Expense) | 607,664.50 | 607,664.50 | 146,912.30 | (460,752.20) | (3.14) | 3,963,651.19 |

| Project Number | Project Name | BUDGET | | | | COMMITMENTS | AMOUNTS PAID | | | PROJECTION |
|---------------------------------|--------------------------------|-------------------------|-------------------------|--------------------|--------------------|------------------|-----------------|-----------------|-----------------|--------------------|
| | | Project Forecast Budget | Expenditures to 12/2016 | Remaining Budget | 2017 Budget | Open Commitments | Month to Date | Year to Date | Project to Date | 2018 Forecast |
| C15-102 | Corporation Yard Improvements | \$1,385,688 | \$83,094 | \$1,302,594 | \$1,276,188 | \$0 | \$429 | \$429 | \$83,523 | |
| C15-133 | Higland Ave and Rosa Vista | \$396,487 | \$8,777 | \$387,710 | \$364,910 | \$0 | \$392 | \$392 | \$9,169 | |
| C15-137 | C-Bar-C Pressure Control | \$850,000 | \$0 | \$850,000 | \$300,000 | \$0 | \$0 | \$0 | \$0 | \$550,000 |
| C16-131 | Wind Way and Longwood Way | \$327,158 | \$0 | \$327,158 | \$22,004 | \$0 | \$0 | \$0 | \$0 | \$305,154 |
| C16-134 | Auburn Blvd-Rusch Park Placer | \$166,357 | \$0 | \$166,357 | \$8,477 | \$0 | \$0 | \$0 | \$0 | \$157,880 |
| C16-142 | Sunrise Bl Streetscape Ph 2 | \$50,000 | \$0 | \$50,000 | \$50,000 | \$0 | \$0 | \$0 | \$0 | |
| Construction in Progress | | \$3,175,690 | \$91,871 | \$3,083,819 | \$2,021,579 | \$0 | \$821 | \$821 | \$92,692 | \$1,013,034 |
| C17-010 | Water Main Replacements | \$63,000 | \$0 | \$63,000 | \$63,000 | \$0 | \$0 | \$0 | \$0 | |
| C17-011 | Water Valve Replacements | \$140,000 | \$0 | \$140,000 | \$140,000 | \$0 | \$4,789 | \$4,789 | \$4,789 | |
| C17-012 | Water Service Replacements | \$550,000 | \$0 | \$550,000 | \$550,000 | \$0 | \$44,870 | \$44,870 | \$44,870 | |
| C17-013 | Water Meter Replacements | \$100,000 | \$0 | \$100,000 | \$100,000 | \$0 | \$19,105 | \$19,105 | \$19,105 | |
| C17-014 | Fire Hydrants | \$135,000 | \$0 | \$135,000 | \$135,000 | \$0 | \$2,388 | \$2,388 | \$2,388 | |
| Annual Infrastructure | | \$988,000 | \$0 | \$988,000 | \$988,000 | \$0 | \$71,152 | \$71,152 | \$71,152 | |
| C15-104 | Technology HW & SW Improvement | \$0 | \$30,590 | (\$30,590) | | \$0 | \$0 | \$0 | \$30,590 | |
| C15-104A | Billing/Finance Software | \$500,000 | \$0 | \$500,000 | \$450,000 | \$0 | \$0 | \$0 | \$0 | \$50,000 |
| C15-104B | Document Management System | \$250,000 | \$0 | \$250,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$250,000 |
| C17-003 | Fleet/Field Operations Equip | \$287,500 | \$0 | \$287,500 | \$287,500 | \$0 | \$0 | \$0 | \$0 | |
| C17-003A | 1/2 Ton Pickup Unit 14 | \$0 | \$0 | \$0 | | \$0 | \$0 | \$0 | \$0 | |
| C17-004 | Technology Hardware/Software | \$0 | \$0 | \$0 | | \$0 | \$0 | \$0 | \$0 | |
| C17-004A | Server Upgrade | \$100,000 | \$0 | \$100,000 | \$100,000 | \$0 | \$0 | \$0 | \$0 | |

| Project Number | Project Name | BUDGET | | | | COMMITMENTS | AMOUNTS PAID | | | PROJECTION |
|-------------------------------|--------------------------------|-------------------------|-------------------------|---------------------|--------------------|------------------|-----------------|-----------------|------------------|--------------------|
| | | Project Forecast Budget | Expenditures to 12/2016 | Remaining Budget | 2017 Budget | Open Commitments | Month to Date | Year to Date | Project to Date | 2018 Forecast |
| C17-004B | Workstation Replacements | \$20,000 | \$0 | \$20,000 | \$20,000 | \$0 | \$0 | \$0 | \$0 | |
| C17-004C | Hydraulic Model | \$42,000 | \$0 | \$42,000 | \$42,000 | \$0 | \$0 | \$0 | \$0 | |
| Fleet and Equipment | | \$1,199,500 | \$30,590 | \$1,168,910 | \$899,500 | \$0 | \$0 | \$0 | \$30,590 | \$300,000 |
| C15-101 | Fairway 12" & 8" Intertie | \$19,690 | \$0 | \$19,690 | \$19,690 | \$0 | \$0 | \$0 | \$0 | |
| C15-109 | Blossom Hill Way 6" & 10" Inte | \$22,015 | \$0 | \$22,015 | \$22,015 | \$0 | \$0 | \$0 | \$0 | |
| C15-110 | Crestmont Ave 6" Intertie | \$19,980 | \$0 | \$19,980 | \$19,980 | \$0 | \$0 | \$0 | \$0 | |
| C15-131 | Baird Way 12in Main | \$510,337 | \$24,038 | \$486,299 | \$469,995 | \$0 | \$0 | \$0 | \$24,038 | |
| C15-132 | Graham Cir and Circuit Dr | \$570,984 | \$0 | \$570,984 | \$46,936 | \$0 | \$0 | \$0 | \$0 | \$524,048 |
| C17-100 | 24in Oak at C-Bar-C to Arcade | \$2,100,000 | \$0 | \$2,100,000 | \$100,000 | \$0 | \$0 | \$0 | \$0 | \$500,000 |
| C17-101 | Pleasant View Dr-Oak to Poppy | \$499,231 | \$0 | \$499,231 | \$39,101 | \$0 | \$0 | \$0 | \$0 | \$460,130 |
| C17-102 | Michigan Dr - Sunrise to West | \$249,258 | \$0 | \$249,258 | \$18,255 | \$0 | \$0 | \$0 | \$0 | \$231,005 |
| Water Mains | | \$3,991,495 | \$24,038 | \$3,967,457 | \$735,972 | \$0 | \$0 | \$0 | \$24,038 | \$1,715,183 |
| C17-005 | Facilities Improvements | \$75,000 | \$0 | \$75,000 | \$75,000 | \$0 | \$0 | \$0 | \$0 | |
| C17-040 | Other City Partnerships | \$50,000 | \$0 | \$50,000 | \$50,000 | \$0 | \$0 | \$0 | \$0 | |
| C17-041 | Other Infrastructure Projects | \$50,000 | \$0 | \$50,000 | \$50,000 | \$0 | \$0 | \$0 | \$0 | |
| C17-103 | Operations Building Remodel | \$1,475,000 | \$0 | \$1,475,000 | \$175,000 | \$0 | \$0 | \$0 | \$0 | \$1,300,000 |
| Miscellaneous Projects | | \$1,650,000 | \$0 | \$1,650,000 | \$350,000 | \$0 | \$0 | \$0 | \$0 | \$1,300,000 |
| C17-020 | Groundwater Well Improvements | \$115,000 | \$0 | \$115,000 | \$115,000 | \$0 | \$0 | \$0 | \$0 | |
| C17-104 | Groundwater Well Property Acq | \$890,000 | \$0 | \$890,000 | \$740,000 | \$0 | \$0 | \$0 | \$0 | |
| Wells | | \$1,005,000 | \$0 | \$1,005,000 | \$855,000 | \$0 | \$0 | \$0 | \$0 | |
| Grand Totals: | | \$12,009,685 | \$146,499 | \$11,863,186 | \$5,850,051 | \$0 | \$71,973 | \$71,973 | \$218,472 | \$4,328,217 |

US BANK - CAL-Card Distributions

January 2017

i:/users/ap/CalCard/2010 -Distribution for monthly payment.xls

**TOTAL
BILL**

| | 51000-04 | 54200-03 | 54210 | 54211 | 54231-02 | 54241-01 | 54241-02 | 54250-01 | 56200 | 56210 | 56220 | 56230 | 56830 | 56890-01 | 56890-02 | |
|-------------|----------------------------|------------------|-------|----------|------------------------|-----------------|----------------------------|-------------|------------|---------------------------|-------------|---------|--------|--------------------------------|-----------|--------|
| | Water Conser/ Cont Serv | Field Misc-Other | Tools | Supplies | Main Agree Software | Repair Truck | Repair - Equip/Hardware | Permit Fees | Office Exp | Small Office Equipment | Dues & Subs | Postage | C.E. | Office Misc, District Event | Mtg Accom | |
| Cutler | \$ 74.24 | | 74.24 | | | | | | | | | | | | | |
| Dains | \$ - | | | | | | | | | | | | | | | |
| Dietrich | \$ 120.06 | | 18.55 | | | | | | | | | | | | 101.51 | |
| Evans | \$ 4,533.20 | 23.99 | | 1,021.15 | 2,740.96 | | 6.33 | | 510.44 | | | | | 188.72 | 41.61 | |
| Gordon | \$ 179.78 | | | | | | 44.90 | | 45.23 | | | | | | 89.65 | |
| Hensley | \$ - | | | | | | | | | | | | | | | |
| Pieri | \$ - | | | | | | | | | | | | | | | |
| Riehle | \$ - | | | | | | | | | | | | | | | |
| Sheehan | \$ - | | | | | | | | | | | | | | | |
| Shockley | \$ 586.27 | | | | | | | | | | | 103.20 | 326.90 | 156.17 | | |
| Smoot | \$ 15.29 | | | | | | | | | | | | | | 15.29 | |
| Sohal | \$ 968.00 | | | | 948.00 | | | | 20.00 | | | | | | | |
| Straus | \$ 282.99 | | | | | 32.99 | 250.00 | | | | | | | | | |
| | \$ 6,759.83 | 23.99 | 18.55 | 1,095.39 | 2,740.96 | 948.00 | 84.22 | 250.00 | - | 575.67 | - | - | 103.20 | 326.90 | 344.89 | 248.06 |
| 2017 | | | | | | | | | | | | | | | | |
| V#: | 1/31/2017 | Dec-16 | 18.55 | | 247.70 | 948.00 | | | | 514.75 | | | | 156.23 | 191.25 | |
| | | | | | | | | 2016 | 2017 | | | | | | | |
| | | | | | | | | 2076.48 | 4683.35 | | | | | | | |

CITRUS HEIGHTS WATER DISTRICT

WATER EFFICIENCY COORDINATOR REPORT TO BOARD OF DIRECTORS FEBRUARY 14, 2017 REGULAR MEETING

SUBJECT : WATER EFFICIENCY PROGRAM UPDATE
 STATUS : Information Item - Consent Calendar
 REPORT DATE : February 8, 2017
 PREPARED BY : Rex W. Meurer, Water Efficiency Supervisor

Water Efficiency program updates are summarized below.

ACTIVITIES AND PROGRESS REPORT

Water Efficiency Program activities during the month of 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% |
| 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% |

CITRUS HEIGHTS WATER DISTRICT

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

SUBJECT : DRAFTING AND SURVEYING SERVICES FOR THE GRAHAM CIRCLE 6”
AND CIRCUIT DRIVE 8” WATER MAIN REPLACEMENT PROJECT

STATUS : Action Item

REPORT DATE : February 7, 2017

PREPARED BY : Paul A. Dietrich, Project Manager

OBJECTIVE:

Consider authorization of a Professional Services Agreement with Warren Consulting Engineers, Inc. to provide drafting and surveying services for the Graham Circle 6” and Circuit Drive 8” Water Main Replacement Project.

BACKGROUND AND ANALYSIS:

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% |

RECOMMENDATION:

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.

ACTION:

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

CITRUS HEIGHTS WATER DISTRICT

Professional Services Agreement

This PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is made and entered into this ___ day of February, 2017 by and between CITRUS HEIGHTS WATER DISTRICT, an Irrigation District operating under the State of California Water Code (the “District”) and Warren Consulting Engineers, Inc. (the “Consultant”).

RECITALS

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

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

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

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

1.0. SERVICES PROVIDED BY CONSULTANT

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

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

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

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

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

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

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

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

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

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

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

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

(c) Terminate the Agreement as hereinafter set forth.

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

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

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

2.0. COMPLIANCES

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

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

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

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

3.0. COMPENSATION

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

3.2. Maximum Amount. The maximum amount payable under the terms of this Agreement, including expenses, will not exceed \$26,000.00. Consultant shall promptly notify District, in writing, when fees and expenses incurred under this Agreement have reached \$20,800.00 (80% of maximum amount allowable). Consultant shall concurrently inform District of Consultant's estimate of total expenditures required to complete its current assignments before proceeding, when the remaining work would exceed the maximum amount payable.

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

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

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

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

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

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

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

5.0. LIABILITY INSURANCE

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

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

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

3. Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (any auto)
- B. Limits. Consultant shall maintain limits no less than the following:
1. General liability - coverage of not less than one million dollars (\$1,000,000) per occurrence or the full per occurrence limits of the policy, whichever is greater for bodily injury, personal injury and property damage; two million dollars (\$2,000,000) general and products-completed operations aggregate (if used)).
 2. Professional Liability - coverage of not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) annual aggregate or the limits of the policies available, whichever is greater.
 3. Auto liability - One million dollars (\$1,000,000) for bodily injury and property damage each accident limit.
 4. Workers' compensation (statutory limits) and employer's liability - one million dollars (\$1,000,000) (if applicable).

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

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

5.3. Other Requirements.

- A. For any claims arising out of the Services to be performed hereunder pursuant to Exhibit A, Consultant's insurance shall be primary insurance

as respects District, its directors, officers, employees, agents and volunteers.

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

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

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

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

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

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

6.0. TERMINATION:

This Agreement may be terminated, with or without cause, at any time by District upon thirty (30) days written notice. In the event of any such termination, District shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of District's written notice of termination unless the termination is for cause, in which event District may withhold any payments due to Consultant until such time as the exact amount of damages, if any, due District from Consultant is determined. Notwithstanding the foregoing, Consultant shall not be relieved of liability to District for damages sustained by District by virtue of any breach of this Agreement by Consultant. Upon such termination, District shall be entitled to all work, including but not limited to Documents & Data under Section 4.1 hereof. The obligations of Section 7 of this Agreement relating to Consultant's obligations to defend and indemnify District shall survive any termination of this Agreement.

7.0. INDEMNIFICATION.

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

each of them from and against:

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

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

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

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

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

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

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

8.0. GENERAL PROVISIONS

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

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

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

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

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

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

8.7. Notices. Any notice or other communication to either party hereto shall be personally delivered to the party or sent by first class, registered, or certified mail, with postage fully prepaid, or by any recognized overnight delivery service and addressed to District or Consultant at their respective addresses as set forth elsewhere in this Agreement, or to such other

address as either party may from time to time designate by notice to the other given in accordance with this paragraph. Any change in the scope of the professional services to be done, method of performance, nature of materials or price thereof, or to any other matter materially affecting the performance or nature of the professional services will not be paid for or accepted unless such change, addition or deletion is approved in advance, in writing by a supplemental agreement executed by District.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

IF TO CONSULTANT

Name: Anthony Tassano
Title: Principle
Address: Warren Consulting Engineers, Inc.
1117 Windfield Way, Suite 110
El Dorado Hills, CA 95762

IF TO DISTRICT

Name: Paul A. Dietrich
Title: Project Manager
Address: Citrus Heights Water District
P.O. Box 286
Citrus Heights, CA 95611-0286

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

Consultant shall notify District of changes in its address. The failure to do so, if such failure prevents District from locating Consultant, shall be deemed a waiver by Consultant of the right subsequently to enforce those provisions of this Agreement that require consultation or approval

of Consultant. Notwithstanding this provision, District shall make every reasonable effort to locate Consultant when matters arise relating to Consultant's rights.

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

Dated: _____

CITRUS HEIGHTS WATER DISTRICT

By: _____

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

Dated: _____

WARREN CONSULTING ENGINEERS, INC.

By: _____

Anthony Tassano, Principle
Warren Consulting Engineers, Inc.
1117 Windfield Drive, Suite 110
El Dorado Hills, CA 95762

Exhibit A
Scope of Services





Warren Consulting Engineers, Inc.

January 10, 2017

email: pauld@chwd.org

Paul Dietrich
Project Manager
Citrus Heights Water District
6230 Sylvan Road
Citrus Heights, CA 95611

RE: PROPOSAL FOR ENGINEERING SERVICES FOR CITRUS HEIGHTS WATER DISTRICT CAPITAL IMPROVEMENT PLAN – CIRCUIT DRIVE AND GRAHAM CIRCLE WATER MAIN REPLACEMENT

Dear Paul:

We are pleased to submit for your review and consideration our proposal for the above referenced project. The scope of work consists of:

1. **Topographic Survey**
 - A. Prepare topographic survey of project area, including property lines.
 - B. CAD Data reduction to produce finished drawing.

2. **Schematic Design Phase**
 - A. Review existing conditions and survey for conformance.
 - B. Meet with CHWD to finalize route.

3. **Design Development Phase**
 - A. Prepare design development drawings for 6" water line replacement on Graham Circle and 8" water line replacement on Circuit Drive.
 - B. Submit plans to CHWD for review and comments prior to beginning construction documents.

4. **Construction Document Phase**
 - A. Prepare construction documents for the 6" water line replacement on Graham Circle and 8" water line replacement on Circuit Drive.. The plans will contain:
 1. Topographic survey.
 2. Horizontal control plan.
 3. Water line plans and profiles per CHWD standards. CHWD will provide design for drafting.
 4. Details and sections.
 - B. Revise drawings as needed to obtain approval from City of Citrus Heights, Sacramento Metro Fire Department and CHWD. CHWD to route plans for signatures.

January 10, 2016

PROPOSAL FOR ENGINEERING SERVICES FOR CITRUS HEIGHTS WATER DISTRICT CAPITAL IMPROVEMENT PLAN – CIRCUIT DRIVE AND GRAHAM CIRCLE WATER MAIN REPLACEMENT

Page 2

5. Construction Staking

- A. Provide construction staking (one set) for water line at 50 foot spacing, angle points, valves, Hydrants, blowoffs and air release valves.
- B. Provide contractor with cut sheet.

Proposed fee for above scope of work:

| | |
|-------------------------|--------------------|
| Topographic Survey: | \$9,000.00 |
| Schematic Design: | \$1,500.00 |
| Design Development: | \$2,500.00 |
| Construction Documents: | \$7,500.00 |
| Construction Staking: | <u>\$5,500.00</u> |
| Total Fee: | \$26,000.00 |

Items not included in this proposal are:

1. Agency fees.
2. Arborist Report.
3. Construction Management services.
4. Construction Inspection.
5. Environmental Process Applications, Permits, Hearings, etc.
6. Soils investigation and testing.
7. Storm Water Pollution Prevention Plan (not required).
8. Title Reports, if required to plot boundary of survey.

Billing will be on a monthly basis for work completed within that calendar month. Payment shall be made within 30 days of receiving the billing statement.

If this proposal is acceptable, please sign and return one copy.

Sincerely,



Anthony J. Tassano, P.E.
AJT/tlb
17P.011

Accepted: _____

Date: _____

TOPOGRAPHIC SURVEY CHECKLIST

DATE: 01/10/17

TO: Phil Dietrich
PROJECT: Graham Circle and Circuit Drive Water Main Replacement
LOCATION: _____
APN: _____
OWNER: Citrus Heights Water District
ADDRESS: _____

ITEMS NEEDED FROM OWNER

- 1. Title Report – **IF REQUIRED, NEEDED WITH NOTICE TO PROCEED.**
- 2. Permission to Enter Site
- 3. Contact Person and Phone Number
- 4. CHWD to provide as built or design drawings of existing facilities on-site if available. **NEEDED WITH NOTICE TO PROCEED**

DRAWINGS

- 5. Scale of finished drawing shall be 1" = 20'.
- 6. Finish drawing shall be a signed bond paper plot.
- 7. CD AutoCAD disk, 2014 Release.

ELEVATION BASIS

- 8. Based on County/City benchmark.
- 9. Based on previous survey.
- 10. Assumed elevation.

BOUNDARY

- 11. Property line bearings, dimensions, reference points, and other pertinent data.
- 12. Locate and identify monuments and markers found.
- 13. Set a monument at each change in boundary course when no monument is existing, and file record survey with the County.
- 14. Indicate easements, rights of way, and encroachments on and immediately adjacent to the right of way.

- 15. Boundary will be as shown from record information.
- 16. Establish a minimum of two temporary benchmarks within the area surveyed.

TOPOGRAPHY

- 17. Contour interval shall be 1 foot, in nonpervious areas.
- 18. Point elevation grid interval shall be 50 feet, approximate.
- 19. Indicate special point elevations as may be required to provide complete land surface picture (i.e., high points, swales, etc.).
- 20. Indicate surface water conditions including ditches, drainage channels, ponds, and natural courses.
- 21. Other: _____

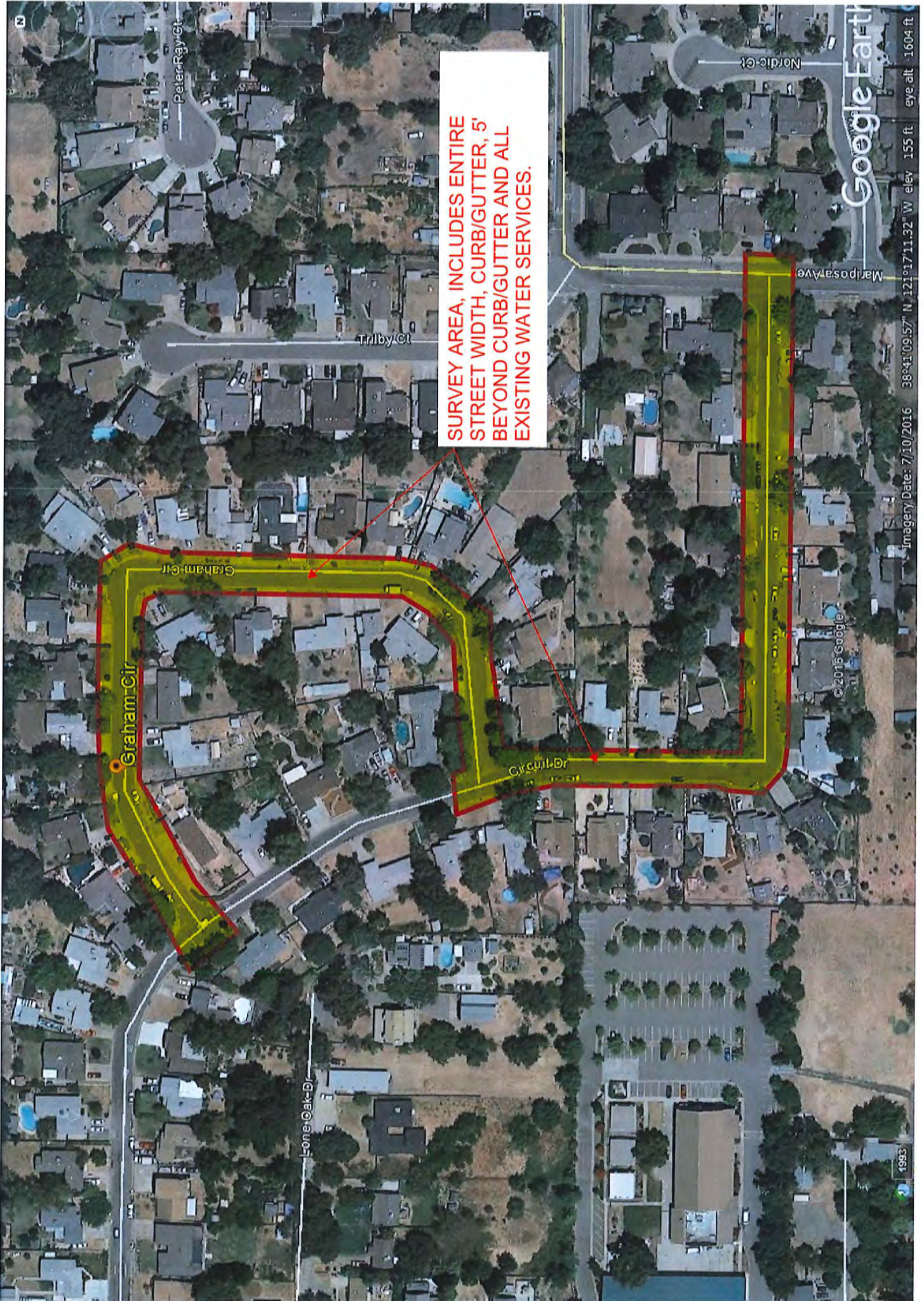
PLANIMETRIC

- 22. Location and floor elevation of all permanent structures, at all exterior doors.
- 23. Location and floor elevation of all permanent structures, at all exterior doors at building elevation.
- 24. Indicate miscellaneous walks, roads, structures, paving, fences, etc.
- 25. Show individual trees with diameters larger than 4 inches. If trees are numerous, indicate perimeter of dripline.
- 26. Ground elevation at tree trunk.
- 27. Indicate tree dripline, ground elevation at four quadrants of tree dripline.
- 28. Indicate tree dripline, no ground elevation.
- 29. Show location and elevation of all right of way improvements, such as curbs, gutters, edge of paving, and centerline. Survey to extend 5' behind back of curb along all streets being surveyed.
- 30. Show above ground utilities and elevation of top of subsurface utility structures.

UNDERGROUND

- 31. Indicate size, location and invert elevation of accessible subsurface piping and conduit including abandoned lines.
- 32. Indicate size, location and invert elevation of subsurface piping and conduit available in existing records and pothole information provided by CHWD including abandoned lines.
- 33. Indicate size, location and type of construction of visible wells, septic tanks, pumps, basements and similar subsurface improvements, active or abandoned.
- 34. Indicate areas of irrigation utilizing subsurface systems, showing system layout where available.
- 35. Information on subsurface improvements within street right of way as outlined in Item 29.
- 36. Information on subsurface improvements within street right of way as outlined in Item 30.
- 37. Owner to provide as built or design drawings of existing facilities on-site, if available.
- 38. Other:
- 39. See attached sketch.
- 40. See attached material.
- 41. Direct proposal to Architect.
- 42. Direct proposal to Citrus Heights Water District.

Comments: _____



SURVEY AREA, INCLUDES ENTIRE STREET WIDTH, CURB/GUTTER, 5' BEYOND CURB/GUTTER AND ALL EXISTING WATER SERVICES.

Google Earth

Imagery Date: 7/10/2016 38°41'09.57" N 121°17'11.32" W elev 155 ft eye alt 1604 ft

Graham Cir

Lone Oak Dr

Circuit Dr

Trlby Ct

Mariposa Ave

Nordic Ct

Peter Ray Ct

1993

CITRUS HEIGHTS WATER DISTRICT

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

SUBJECT : APPROVAL OF AGREEMENT WITH SAN JUAN WATER DISTRICT FOR REIMBURSEMENT OF CITRUS HEIGHTS WATER DISTRICT'S COST TO PUMP GROUNDWATER TO SAN JUAN WATER DISTRICT

STATUS : Action Item

REPORT DATE : February 10, 2017

PREPARED BY : Hilary Straus, General Manager

OBJECTIVE:

Approval of agreement and authorization for Board President to Execute.

BACKGROUND AND ANALYSIS:

Consideration and approval of the groundwater reimbursement agreement that accompanies this Agenda Report will 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 has 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.

RECOMMENDATION:

Approve Agreement with San Juan Water District, and authorize the CHWD Board President to execute the agreement.

ACTION:

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

**SAN JUAN WATER DISTRICT AND CITRUS HEIGHTS WATER DISTRICT
AGREEMENT FOR REIMBURSEMENT OF COSTS TO PUMP GROUNDWATER**

This Agreement for Reimbursement of Costs to Pump Groundwater (“Agreement”) is made effective on February 1, 2017, by and between San Juan Water District, a public agency (“SJWD”) and Citrus Heights Water District, a public agency (“CHWD”). SJWD and CHWD are collectively referred to herein as the “Parties” and individually as a “Party.”

RECITALS:

A. In 2008, a draft surface water shortage agreement among SJWD, CHWD and other wholesale customer agencies of SJWD (“WCAs”) to provide groundwater supplies during times of surface water shortage as defined by the Sacramento Water Forum Agreement was prepared but not completed.

B. Due to changed conditions concerning the water supply situation and other agreements, the draft surface water shortage agreement was not implemented and the Parties therefore agreed that a method was needed for reimbursing agencies such as CHWD that owned, operated and maintained the groundwater facilities for the time period of 2009-2014.

C. CHWD is the owner and operator of groundwater production facilities that provided water supply for the benefit of all WCAs.

D. SJWD in its capacity as the wholesale supplier to the WCAs determined that there was a need for groundwater pumping in 2014 due to a shortage in surface water supplies caused by a third year of drought. The 2014 groundwater pumping benefited all of the WCAs.

E. Because CHWD made groundwater supplies available in 2014, it is seeking reimbursement from SJWD for the costs of the groundwater pumped.

F. CHWD is also seeking reimbursement for the operation and maintenance of its facilities between 2009 and 2013 to maintain their readiness to supply groundwater in times of a shortage of other water supplies for the benefit of all of the WCAs.

G. The Parties have agreed to the terms set forth in this Agreement to fully and finally compensate CHWD for all of its expenses to make available groundwater supplies between 2009 and 2014.

AGREEMENT:

1. Reimbursement Terms. SJWD will provide a total credit in the amounts listed below to CHWD:

| | 2014 | 2009-2013 | Total |
|------|-----------|-----------|-------------|
| CHWD | \$264,698 | \$794,095 | \$1,058,793 |

CHWD will receive a one-time credit of \$264,698 for the reimbursement of the 2014 costs in April, 2017. The 2009-2013 credit will be spread out over three years in 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.

2. Sole Remedy and Release of Claims. The Parties acknowledge and agree that this Agreement and the payments hereunder are intended to affect the full and complete release of all claims related to or arising out of all activities associated with the CHWD's operation and maintenance of groundwater pumping facilities and groundwater supplied by it to the WCAs from 2009 through 2014. Each Party understands and agrees that the release set forth in this Section shall act as a full and final release of all claims, known or unknown, whether or not ascertained, existing as of the date of the execution of this Agreement by either Party. Each Party expressly waives any rights or benefits available under Section 1542 of the Civil Code of the State of California, which provides as follows:

"A general release does not extend to claims which the creditor does not know, or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

3. 2015 and Future Groundwater Pumping. Parties further acknowledge and agree that any groundwater pumping by CHWD in future years that is surplus to CHWD's needs and intended to supplement SJWD water supplies will not occur prior to the Parties entering into a written agreement that provides the costs and terms for such groundwater pumping. Furthermore, agencies agree that groundwater pumping was not requested during 2015.

Furthermore, agencies agree that groundwater pumping was not requested during 2015.

4. Entire Agreement. This Agreement is freely and voluntarily entered into by the Parties after having the opportunity to consult with their respective attorneys. Any prior agreements, promises, negotiations, or representations specifically related to the subject matter of this Agreement, but not expressly set forth in this Agreement, are of no force and effect. No amendment or other modification of this Agreement shall be effective unless it is in writing and signed by the Parties.

5. Cooperation. Each Party agrees to do all things that may be necessary, including, without limitation, the execution of all documents which may be required hereunder, in order to implement this Agreement.

6. Supporting Resolutions. Each Party represents that it has legal authority to enter into this Agreement and to perform its obligations hereunder, and will provide to the other Party concurrent with execution of this Agreement, a duly-authorized resolution or other document authorizing the person executing this Agreement to do so.

7. Interpretation of Agreement. Each Party has reviewed and actively participated in the negotiation of this Agreement, and agrees that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not apply to this Agreement or to documents executed and delivered by any Party in connection with the transactions contemplated by this Agreement.

8. Waiver of Rights. Any waiver by a Party of its rights with respect to any matter arising in connection with this Agreement shall not be deemed to be a waiver with respect to any other breach, default or matter.

9. Remedies. In the event of a breach of this Agreement, each Party reserves the right to pursue any remedy provided under law or in equity.

10. Counterparts. Signatures may be obtained on multiple copies of this Agreement, and together will have the full force of a single executed Agreement. This Agreement will not be effective until signed by all Parties.

SAN JUAN WATER DISTRICT

By: _____
Ken Miller
President, Board of Directors

CITRUS HEIGHTS WATER DISTRICT

By: _____
Caryl Sheehan
President, Board of Directors



MEMORANDUM

To: Board of Directors
From: Hilary Straus, General Manager
Date: February 14, 2017
Subject: **Approval to Reschedule the May 9, 2017 Regular Board of Directors Meeting to May 16, 2017**

Staff seeks 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.

Recommendation Action: Approve rescheduling of the May 9, 2017 Regular Board of Directors meeting to the following Tuesday, May 16, 2017 at 6:30 PM.



MEMORANDUM

To: Board of Directors
From: Paul Dietrich, Project Manager
Date: February 14, 2017
Subject: Corporation Yard 60% Design Presentation

Staff will provide 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. will discuss details of the design and be available for questions.

CITRUS HEIGHTS WATER DISTRICT

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

SUBJECT : BOARD OF DIRECTORS COMPENSATION STUDY
 STATUS : Information/Discussion Item
 REPORT DATE : February 10, 2017
 PREPARED BY : Hilary Straus, General Manager

OBJECTIVE:

Receive a report from Shellie Anderson, Principal with Bryce Consulting, concerning a survey of compensation.

BACKGROUND AND ANALYSIS:

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, has completed the survey accompanying this staff report as Attachment 1, and will provide an overview of the survey results at the February 14, 2017 Board meeting.

Additionally, 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.

RECOMMENDATION:

Review the compensation survey data collected and provide direct to staff.

ACTION:

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

Attachment 1
Board Member Compensation Survey

**Board Member Compensation and Benefits
1/2017**

| Agency | Compensation | Benefits |
|---|---|---|
| <i>Citrus Heights Water District</i> | <i>\$145/day when they are active (no max)</i> | <i>None</i> |
| Carmichael Water District | \$1,447/month max. \$144.70 per day that they do business for the District regardless of the number of meetings or functions they may attend in one day. Maximum of 10 days per month | Social Security- Yes (7.65%) No other District paid benefits. |
| City of Citrus Heights | \$600/month stipend | <p>How Salary and Benefits determined: The salary is set by government code section 36516. The benefits were determined by the Citizens Advisory Board. They are not reviewed annually. The Council benefits will be the same as management employee benefits. Have same access to benefits as City Mngt. employees, except City only covers the cost of the Council Member (not spouse or dependents)</p> <p>Have the option to elect CalPERS retirement with Council Member paying their own employee share.</p> <p>\$600/month (EE only)- Health (if decline, can roll into deferred compensation) \$49/month- Dental (EE only) \$15/month- Vision (EE only) \$8/month- Life Insurance (\$100,000 policy) No LTD Coverage. Medi-Care- Yes (1.45%) \$0-RHSA \$121.60/month (Post Retiree Health- Unequal Method for PERS)</p> |

**Board Member Compensation and Benefits
1/2017**

| Agency | Compensation | Benefits |
|----------------|---|--|
| City of Davis | \$1138/month | <p>Council member's benefits are tied to management MOU.</p> <p>\$1709 (EE +2) \$221- Dental (EE + 2) 100%- life insurance- \$23.00/month for \$100,000 policy. \$0-LTD \$0- vision. (It is offered, but not City paid) In lieu of health coverage, they can opt for \$500/month contributed to a deferred compensation account (457). They are also offered a \$65 cell phone stipend. \$0-RHSA Retiree Health- = to Kaiser Bay Area Supplement Managed Medicare rate for retiree + 1 (\$600.96/month)</p> |
| City of Folsom | <p>Mayor- \$730/month Vice Mayor and Council Member- \$630/month</p> | <p>Have same access to benefits as City employees.</p> <p>Have the option to elect CalPERS retirement with Council Member paying their own employee share.</p> <p>\$1506/month (EE +2)- Medical \$160/month (EE +2)- Dental \$22/month (EE+2)- Vision \$7/month- Life Insurance (\$40,000 policy)</p> <p>I previously reported they did receive LTD</p> |

**Board Member Compensation and Benefits
1/2017**

| Agency | Compensation | Benefits |
|--------------------|--|---|
| | | <p>Insurance. Actually, they don't receive employer paid LTD. I have an email that said they did. Kris Haile sent email and said-Stacy, there was some confusion. They are not receiving LTD.</p> <p>Social Security- Yes (7.65%) \$50/month- Retiree Health Savings Account (not PERS for medical, so no PEMHCA)</p> |
| City of Lincoln | <p>Mayor- \$705/month Council Member- \$655/month</p> | <p>Council Members receives cafeteria amount of \$1,105/month (medical, dental, vision, life (these would be included.)). Their overall cafeteria plan amount is based 80% of the least expensive HMO for employee plus one which is United Healthcare.</p> <p>Life- included in cafeteria (\$50,000 policy). \$0-LTD</p> <p>If anything remains, then they can put it towards AFLAC products or deferred comp. \$0-RHSA</p> <p>Retiree Health- PEMHCA min- yes \$128/month</p> <p>Social Security- Yes (7.65%)</p> |
| City of Roseville | <p>Mayor- \$650/month Council Member- \$600/month</p> | <p>They do not receive any benefits from the City. (Receives a 1099)</p> |
| City of Sacramento | <p>Mayor- \$10,018/month Council Member- \$5,273/month</p> | <p>Have same access to benefits as City employees.</p> <p>Have the option to elect CalPERS retirement with Council Member paying their own employee share. (no pick up)</p> |

**Board Member Compensation and Benefits
1/2017**

| Agency | Compensation | Benefits |
|------------------|--------------|--|
| | | <p>4%- Employer contribution towards deferred compensation \$1243/month (EE +2)- Medical 3% of base salary- City contribution to be used towards benefits (dental/vision) \$28 - \$42/month- Life Insurance (\$100,000 policy- Council Member) (\$150,000 policy- Mayor) LTD Insurance- Yes (\$.21 per \$100 covered)(60% of salary- they have monthly salary so LTD would be normal)(Max WEEKLY benefit is \$6000- (monthly max benefit would be \$26,000- so really not a cap for calculation purposes) Social Security- Yes (7.65%) No Retiree Health Benefits- Not CalPERS for Medical</p> <p align="center">Expenses \$417/month (Mayor) \$208/month (Members)</p> <p align="center">Technology \$167/month (Mayor) \$100/month (Members)</p> |
| City of Woodland | \$250/month | <p>Council Members are eligible for CalPERS retirement at no cost.</p> <p>100% of 3rd highest plan-\$2234/month (EE + 2) Medical (or cash in lieu of \$405/month per month \$153.95 (EE + 2)-100%- Dental \$19.09 (EE + 2)-100%- Vision</p> |

**Board Member Compensation and Benefits
1/2017**

| Agency | Compensation | Benefits |
|-------------------------------|--|--|
| | | 100% - Life Insurance (\$15,000 policy- \$4.05/month) \$50/month- Retiree Health Savings Account \$128- PEMHCA Min. for Retiree Health Medi-Care- Yes (1.45%) |
| Del Paso Manor Water District | \$2,000/month max. \$200/per day of meetings- (limited to 10 per month). The meetings that qualify for the stipend are board meetings, committee meetings, required training (Ethics and Sexual Harassment for Managers), approved association committees, and where they are the "District Representative" for the organization. They are not paid for each day of meetings unless they are the District rep and are required to be there for voting (ex. JPIA or ACWA voting). | \$12/month- Health (none of the Board Members currently take this benefit) No other benefits offered. Social Security- Yes (7.65%) |
| El Dorado Irrigation District | \$1,200/month stipend | How are salary/benefits set- sent email.- her response- Our elected Board Members salaries do NOT change. They are paid \$15,000.00, which is the maximum allowed by statute. They are not reviewed each year. Our Board Members may enroll in CalPERS Health Insurance; however, they have NO retirement rights at all. They are not members of PERS and they have no right to retirement or retiree medical coverage. They aren't even eligible for opt-out payments should they not enroll in CalPERS |

**Board Member Compensation and Benefits
1/2017**

| Agency | Compensation | Benefits |
|--------------------------|---|---|
| | | <p>health. PERS requires agencies to provide the same (or get to same) retiree health benefits as they do to their employees, but Board Members are NOT employees. They are elected officials.</p> <p>\$1630/month- Medical (EE + 2) \$140/month- Dental (EE + 2) \$20/month- Vision (EE + 2)</p> <p>\$0- LTD Insurance (not offered to regular staff either)</p> <p>\$417/month- medical reimbursement program (legitimate documented medical, dental and vision costs and expense not covered by insurance as well as insurance premiums costs not paid for by District- total amount is \$5,000 per year, listed as monthly amount above)</p> <p>\$3/month- Life Insurance (\$20,000 policy) Social Security- Yes (7.65%)</p> <p>Board Members are not eligible for Pension or Post-Retirement Healthcare Insurance (See her response above.)</p> |
| Elk Grove Water Service | None | None |
| Fair Oaks Water District | \$1,000/month max (\$100 per meeting, not to exceed 10 meetings per month) | None Sent email- are they 1099? How did they |

**Board Member Compensation and Benefits
1/2017**

| Agency | Compensation | Benefits |
|--|---|---|
| | | determine to not offer benefits? |
| Rancho Murieta Community Services District | \$300/month max (\$100 per day, not to exceed \$300/month) | \$50/month- internet reimbursement No other benefits. |
| Regional Water Authority | None | None |
| Rio Linda Elverta Community Water District | \$600/month max (\$100 per meeting, not to exceed 6 meetings per month) | Social Security- Yes (7.65%) No other benefits. |
| Sacramento County | \$8,665/month In addition, they receive a management differential of 3.35%. (Effective 2/2017- \$8785) | Eligible for Retirement at their cost (no pick up) 1%- deferred compensation \$1418/month (EE +2)- medical \$125/month (EE + 2)- dental Vision is included under medical \$4/month- Life Insurance (\$50,000 policy) \$500/month- Auto \$54/month- RHSA (Not PERS for medical so no PEMHCA) Social Security- Yes (7.65%) |
| Sacramento Suburban Water District | \$1,000/month max (\$100 per meeting, not to exceed 10 meetings per month) | Social Security- Yes (7.65%) No other benefits. Sent email- how was it determined to NOT offer benefits?(Lynn sent to GM to respond.) |
| San Juan Water District | \$1,250/month max (\$125 per meeting, not to exceed 10 meetings per month) | Social Security- Yes (7.65%) No other benefits. |

Attachment 2

Ordinance No. 01-2008 – Director's Compensation

CITRUS HEIGHTS WATER DISTRICT
ORDINANCE NO. 01-2008
FIXING THE COMPENSATION OF THE BOARD OF DIRECTORS

BE IT ORDAINED by the Board of Directors of CITRUS HEIGHTS WATER DISTRICT as follows:

SECTION 1

Pursuant to the provisions of the State of California Water Code Section 20200 et seq., each Director of the District shall receive the sum of One Hundred Forty Dollars (\$145.00) per day, not exceeding ten days in any calendar month, for sitting on the Board or acting under its orders.

SECTION 2

In addition to the compensation provided for in Section 1 hereof, each Director shall be entitled to receive actual and necessary expenses when acting under the orders of the Board, subject to those policies and procedures for expenses adopted by Board of Directors.

SECTION 3

Changes in the compensation of Directors shall require the approval of the Board of Directors during an Open Session at a Regular Meeting of the Board of Directors held at least 60 days prior to the effective date of the change in compensation. Review of this Ordinance shall be performed annually during an Open Session at a Regular Meeting of the Board of Directors, concurrent with the annual review of the Salary Schedule for District employees.

SECTION 4


Pursuant to the provisions of State of California Water Code Section 20204 et seq., this ordinance shall become effective sixty (60) days from the date of its adoption.

PASSED AND ADOPTED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT this 8th day of January 2008 by the following vote:

| | | |
|---------|------------|-------------------|
| AYES: | Directors: | Dains, Dion, Rose |
| AYES: | Directors: | None |
| NOES: | Directors: | None |
| ABSENT: | Directors: | None |

SEAL




JOSEPH M. DION, President
Board of Directors
Citrus Heights Water District

ATTEST:


ROBERT A. CHURCHILL, Secretary
Citrus Heights Water District

Attachment 3

Policy 2040 District Board of Directors and Officers

CITRUS HEIGHTS WATER DISTRICT
POLICIES AND PROCEDURES MANUAL

POLICY TYPE : BOARD OF DIRECTORS AND OFFICERS
POLICY TITLE : COMPENSATION AND REIMBURSEMENT FOR DIRECTORS
AND OFFICERS
POLICY NUMBER : 2040
DATE ADOPTED : MARCH 7, 1995
DATE AMENDED : SEPTEMBER 14, 2004
AMENDMENTS :

2040.00 DIRECTOR'S COMPENSATION

Each member of the Board of Directors, upon submittal of a monthly "Statement of Meetings Attended & Claim for Director's Compensation" (See attachment 2040.A2) to the District Secretary, shall be entitled to receive compensation, in a dollar amount as specified by Citrus Heights Water District Ordinance Fixing the Compensation of the Board of Directors, per day or partial day for attendance at meetings of the Board and District related functions. Compensation will be limited to a total of ten (10) days in any calendar month.

Changes in the compensation of Board members shall require the approval of the Board during an Open Session at a Regular Meeting of the Board of Directors held at least 60 days prior to the effective date of the change in compensation (see Water Code Section 20204 et seq. and Policy No. 2100).

Review of the Ordinance Fixing the Compensation of the Board of Directors shall be performed annually during an Open Session at a Regular Meeting of the Board of Directors, concurrent with the annual review of the Salary Schedule for District employees.

2040.10 Officer's Compensation

The Board appointed District Secretary, District Treasurer, and District Assessor/Collector shall not be compensated for their duties as District Officers.

2040.20 Reimbursement

District Officers and each member of the Board of Directors shall be entitled to reimbursement for actual and necessary expenses incurred in performance of their duties required or authorized by the Board. Reimbursements shall be subject to written documentation and shall be limited to imposed maximums (i.e.: meal expenses, travel expenses, etc.).

2040.30 Approval

Reimbursement pursuant to Section 2040.20 for actual and necessary expenses to the Directors and Officers shall be reviewed and approved monthly by the Board of Directors as part of their review of the Treasurer's report and accounts payable.

2040.90 Reporting

An annual report shall be prepared by the Treasurer quantifying meeting attendance, compensation, and expenses for members of the Board of Directors and District Officers.



MEMORANDUM

To: Board of Directors
From: Rex Meurer, Water Efficiency Supervisor
Date: February 9, 2017
Subject: State Water Board—Conservation Regulation Update (I/D)

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.

**Memo to CHWD Board of Directors
State Water Board—Conservation Regulation Update (I/D)
Board Meeting of February 14, 2017
Page 2**

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.

CITRUS HEIGHTS WATER DISTRICT

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

SUBJECT : DISCUSSION OF REGIONAL WATER AUTHORITY'S (RWA) LEGISLATIVE AND PUBLIC AFFAIRS PROGRAM, UPCOMING LEGISLATIVE MEETING AND POSSIBLE ADDITIONAL LEGISLATIVE MEETINGS

STATUS : Information/Discussion Item

REPORT DATE : February 10, 2017

PREPARED BY : Hilary Straus, General Manager

OBJECTIVE:

Receive a report from RWA's Legislative and Regulatory Affairs staff and discuss next steps.

BACKGROUND AND ANALYSIS:

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 is 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.

RECOMMENDATION:

Provide direction concerning CHWD's upcoming legislative meeting, participation by CHWD in RWA's subscription lobbying program and other legislative affairs issues.

ACTION:

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

CITRUS HEIGHTS WATER DISTRICT

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

SUBJECT : DISCUSSION OF STATE DEPARTMENT OF WATER RESOURCES’ (DWR)
DRAFT WATER AVAILABLE FOR REPLENISHMENT REPORT (WAFR)
STATUS : Information/Discussion Item
REPORT DATE : February 10, 2017
PREPARED BY : Hilary Straus, General Manager

OBJECTIVE:
Discuss Report’s findings and Citrus Heights Water District Comments.

BACKGROUND AND ANALYSIS:
CHWD received the draft WAFR in early January, and the Report has been agendized 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 this staff report are: 1) An e-mail transmittal describing the WAFR report and its significance (Attachment 1); 2) the draft WAFR (the WAFR’s key findings can be 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 is an excerpt of a research paper published in the journal Groundwater in October 2016. This article provides a larger context of how groundwater is regulated throughout the west, compared with the groundwater policy and regulatory framework in California.

Comments on the draft WAFR 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.

RECOMMENDATION:
Discuss the CHWD’s comments concerning the draft WAFR, and determine if CHWD should submit agency-level comments and/or coordinate comments with key local agencies, such as SGA and the San Juan Water District.

ACTION:
Moved by Director _____, Seconded by Director _____, Carried _____

Attachment 1

E-mail Transmittal Describing the WAFR
Report and its significance

From: Hersh, Lauren@DWR
To: DWR_SGMP@LISTSERV.STATE.CA.GOV
Subject: Water Scarce to Recharge Groundwater Basins, New Report Shows; Recent storms underscore the need for more innovation and investment
Date: Thursday, January 12, 2017 4:58:15 PM
Attachments: [image001.png](#)



Water Scarce to Recharge Groundwater Basins, New Report Shows

Recent storms underscore the need for more innovation and investment

January 12, 2017

SACRAMENTO, Calif. – A first-of-its-kind analysis of California’s water resources shows that bringing local groundwater basins into sustainable balance -- as state law demands – will require investments and innovations in integrated water management including conservation, storm water capture, recycling, desalination, water transfers, diversion, conveyance and storage.

These actions, all pursued by the Brown administration under its five-year Water Action Plan, will help minimize potential urban and agricultural water shortages as local agencies implement historic legislation enacted by Governor Edmund G. Brown Jr. in 2014. The [Sustainable Groundwater Management Act](#) requires groundwater-dependent regions to halt overdraft and bring basins into sustainable levels of pumping and recharge by 2040. Groundwater supplies between 30 percent and 60 percent of the water Californians use in any year. Bringing basins into balance will eliminate the worst effects of overpumping, including the dewatering of streams and sinking of land that damages bridges, roads, canals, and other infrastructure.

Developed with extensive stakeholder involvement, the new draft report by the California Department of Water Resources separates the state into 10 regions and analyzes water supply and demand in each region in order to estimate how much surface water could be available to replenish groundwater basins. The “[Water Available for Replenishment](#)” report is required by the Sustainable Groundwater Management Act and will be used by the leaders of newly-formed local sustainable groundwater management agencies as they draft sustainability plans that are due in 2020 for critically overdrafted basins and two years later for all remaining high-and medium-priority basins. Development of new water resources needs to consider practicality and the financial feasibility of capturing rare flood events and evolving technologies. The new report shows that limited water is

available for aquifer recharge in many regions, except in years of high precipitation. To capture more peak storm flow for the sake of groundwater recharge will require infrastructure, including diversion, storage, and conveyance. Recharge will need to be integrated with potential sources and can be accomplished using percolation, injection or in-lieu management, where current groundwater users effectively switch to a new source of supply.

The draft “Water Available for Replenishment” report, available [here](#), provides a visual depiction of supply and demand in each region. It shows, for example, that demand for water, conveyed imports of water from other regions and groundwater pumping is highest in the Tulare Basin of the southern San Joaquin Valley. Runoff, natural recharge, and outflow are highest in the North Coast. The estimated water available for replenishing groundwater basins is highest in the Sacramento River Region, approximately 640,000 acre-feet a year. (An acre-foot is roughly enough water to supply the needs of two average households for a year or to irrigate a third of an acre of cropland.) By comparison, the amount of water estimated available for recharge annually in the Tulare Basin is 50,000 acre-feet.

The report takes into account the existing flow requirements for streams and considers potential new infrastructure to divert water based upon the capacity of existing facilities. An uncertain future is acknowledged using a range of potential instream flow required and project capacity, as the report analysis includes scenarios in which both flow requirements and diversion capacity are doubled in each region. The primary factors for these estimates are instream flow requirement and potential project capacity.

The report also examines the reliability of the statewide water projects that supply one-third of the state’s irrigated farmland and two-thirds of the state’s population. The State Water Project and the federal Central Valley Project both capture water from northern rivers, including the Sacramento River and Feather River watersheds, and move water from major reservoirs to the San Francisco Bay Area, the San Joaquin Valley, and Southern California. Water deliveries from these projects has reduced groundwater overdraft in many basins in the state; however, the average deliveries of water has declined in recent years due to drought and as state and federal agencies address the challenges of balancing water supply and competing needs. Project operators restrict pumping and provide flows to protect water quality and species listed under the state and federal endangered species acts in the Sacramento-San Joaquin Delta and tributaries. Climate change is expected to further exacerbate these challenges.

The DWR analysis shows that by providing more flexibility to capture additional storm runoff, construction of additional storage north and south of the Delta plus improvements in Delta pumping infrastructure as proposed with [California WaterFix](#) would limit the decline of water project deliveries and would provide a more efficient system for environmental protection compared to the existing 50-year-old infrastructure.

The report also recognizes that water may be available through conservation, recycling, desalination, water transfers, and other water management strategies. Guidance associated with these methods is included in appendices to the report. These tools can help regions diversify their water supply portfolio in ways that will ease any water shortages tied to bringing groundwater pumping and recharge into balance. These measures also are the foundation of the Brown administration’s five-year [Water Action Plan](#), which aims to build regional resiliency against drought, flood, population

growth, and climate change. Together, the Water Action Plan and the Water Available for Replenishment report show that to achieve sustainable water resources, California must embrace conservation as a way of life and continue to invest in integrated water diversion, storage and conveyance projects including a wide array of local, regional, and statewide projects that safeguard existing supplies, capture high flows when available, restore important habitats, and expand efficiency and recycling.

DWR seeks public comment on the draft Water Available for Replenishment report through March 10, 2017. Comments may be submitted at sgmps@water.ca.gov with the subject line heading, "Public Comments on WAFR."

For more information on the development of the report and stakeholder involvement, go to <http://www.water.ca.gov/groundwater/sgm/wafr.cfm>.

To unsubscribe from the DWR_SGMP list, click the following link:
https://LISTSERV.STATE.CA.GOV/wa.exe?SUBED1=DWR_SGMP&A=1

Attachment 2

Draft Water Available for Replenishment Report (WAFR)

Water Available for Replenishment

Draft Report

January 2017



Sustainable Groundwater Management Program
California Department of Water Resources

State of California
Edmund G. Brown Jr., Governor

California Natural Resources Agency
John Laird, Secretary for Natural Resources

Department of Water Resources
William Croyle, Acting Director

Integrated Water Management
Gary Bardini, Deputy Director

Office of the Chief Counsel
Spencer Kenner

Public Affairs Office
Ed Wilson

Government and Community Liaison
Anecita S. Agustinez

Office of Workforce Equality
Stephanie Varrelman

Policy Advisor
Waiman Yip

Legislative Affairs Office
Kasey Schimke, Ass't Dir

Deputy Directors

Mark E. Andersen (Acting)
Christy Jones
Jim Spence (Acting)
Kathie Kishaba
Taryn Ravazzini

State Water Project
Statewide Emergency Preparedness and Security
California Energy Resources Scheduling
Business Operations
Special Initiatives

Division of Integrated Regional Water Management
Art Hinojosa Jr., Chief

Division of Statewide Integrated Water Management
Kamyar Guivetchi, Chief

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Director's Letter

In September of 2014, Governor Edmund G. Brown Jr. enacted a package of three hard-fought groundwater management bills, steering California water policy in a new direction. For the first time in the state's history, cities, counties, and water districts must work together to prevent long-term overpumping of groundwater basins.

Unseen and ignored by most Californians, these groundwater basins support hundreds of billions of dollars of economic activity each year, providing at least one-third of the water used by nearly 39 million people and sustaining the nation's most robust farm industry.

Getting groundwater basins into a sustainable regime of pumping and recharge will not be easy or painless. Regions that have, for years, pumped more groundwater than is replenished — in some cases to the point of causing land subsidence — must either find other sources of supply or do with less. This report, required by the historic Sustainable Groundwater Management Act of 2014, will aid newly formed groundwater sustainability agencies as they determine how much water may be available for replenishment of their local groundwater basin.

But the central takeaway of this first-of-its kind report goes beyond a regional accounting of water availability and use. It goes beyond even the Sustainable Groundwater Management Act. This report makes clear that a diversified water resources portfolio is needed at the local, regional, and State levels. Effective investments will be required in many locations. Conservation, recycling, desalination, additional storage and conveyance, stormwater capture, and water transfers — all are needed; no longer will a single method or project secure future regional water supply or quality. If California is to simultaneously bring sustainability to its groundwater basins, cope with climate change, and meet the growing demand for water, water managers must embrace an "all of the above" approach. Since 2014, State agencies have been moving forward together under that approach, guided by the California Water Action Plan, Governor Brown's five-year roadmap for more resilient, reliable water supplies.

Our progress since enactment of the Sustainable Groundwater Management Act is remarkable. It includes the adoption of regulations; technical assistance for local agencies; publication of best management practices; and an Interim Update of Bulletin 118, *California's Groundwater*; and grants from the State to assist with planning.

Now comes the truly hard part: developing efficiencies and supplies to bring groundwater basins into balance. As this report makes clear, we need to work at the watershed scale across jurisdictions, efficiently integrating all uses and sources of water, from environmental, agricultural, industrial and domestic water supply to runoff, wastewater, and of course, groundwater.

William Croyle



Acting Director, California Department of Water Resources



Department of Water Resources is releasing this draft *Water Available For Replenishment* report. Public comments received by March 10, 2017, will be considered for publication of a final report later in 2017. Please email comments to sgmps@water.ca.gov with the following subject line: Public Comments on WAFR Report.

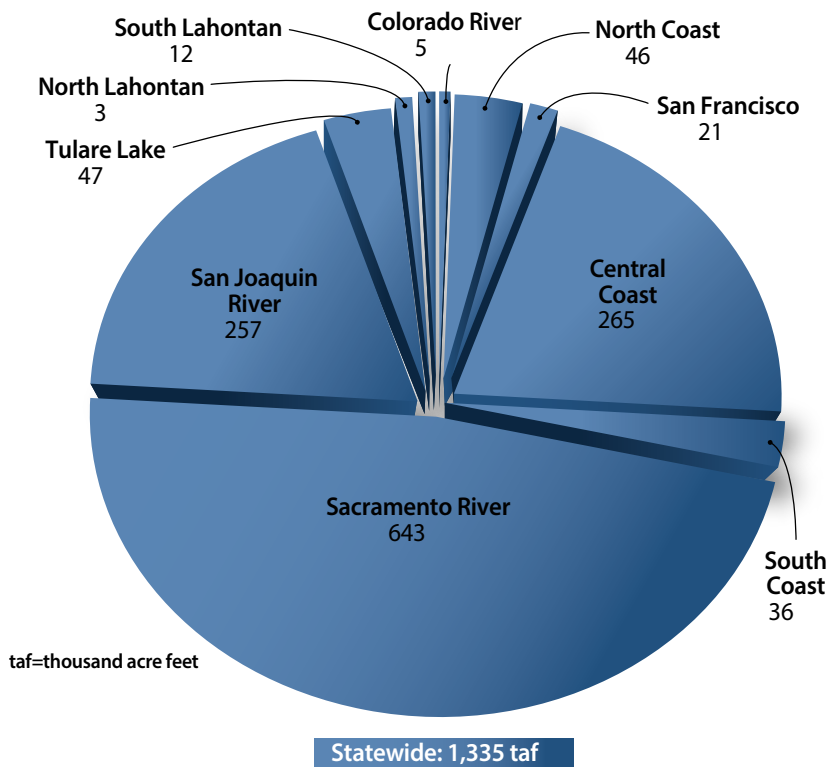
Executive Summary

In 2014, California enacted three laws, collectively referred to as the Sustainable Groundwater Management Act (SGMA), to provide a framework for statewide sustainable groundwater management. The SGMA framework authorizes local water managers, and provides them the tools they need, to implement sustainable groundwater management practices through the creation of groundwater sustainability agencies (GSAs) and groundwater sustainability plans (GSPs).

SGMA directed the California Department of Water Resources (DWR) to provide assistance to local agencies, including the preparation of a report "...that presents the department's best estimate, based on available information, of water available for replenishment of groundwater in the state" (California Water Code section 10729(c)). This report satisfies that statutory requirement.

In this report, DWR's estimate of water available for replenishment is shown for each of the state's 10 hydrologic regions and 56 planning areas. The information and models used to estimate the amount of water available for replenishment were developed at a planning estimate level.

Figure ES-1. DWR's Best Estimate of Average Annual WAFR, by Hydrologic Region (taf)



These estimates indicate a potential range of opportunities, investments, and innovations that may provide a foundation or starting point for local planning. As local planning progresses, analyses will become location- and project-specific, more comprehensive, and refined as entities move toward water available analysis, as required for water right applications, permits, and changes to an existing right. In addition, DWR acknowledges that the water associated with the WAFR estimates may be developed for other uses rather than being dedicated to replenishment, depending on the priorities and needs of water managers and users, including GSAs.

DWR has also developed guidance for GSA water available for replenishment planning processes. Guidance to assess and plan for water available projects (or management actions) from each *water available* method, including surface water (including stormwater), recycled water, desalination, water transfers, and water conservation is found in Appendix C. Guidance supporting replenishment methods can be found in Appendix D, which is presented in two categories — active recharge, which includes injection wells or spreading, and in-lieu recharge, which has an indirect recharge effect.

Findings

- Getting groundwater basins into a sustainable regime of pumping and recharge will not be easy or painless. Regions that have, for years, pumped more groundwater than is replenished — in some cases to the point of causing subsidence — must either find other sources of supply or do without.
- Effective investments will be required in many locations. Conservation, recycling, desalination, additional storage and conveyance, stormwater capture, and transfers — all are needed; no longer will a single method or project secure future regional water supply or quality.
- Understanding the relationships between water supply and water use is foundational to estimating the amount of surface water available for groundwater replenishment. California's water supplies vary spatially, seasonally, and year to year, while the state's water uses (urban, agricultural, and environmental) have variable water-use needs associated with the quantity, quality, timing, and place of use. Two important factors or planning considerations that influence the quantity of surface water available are (1) project capacity (e.g., diversion capacity) and (2) instream flow requirements.
- To underscore the uncertainty associated with the estimates in this report, DWR is showing a range of values, including a "best estimate," an "uncertainty range," as well as "maximum" and "no project" estimates, that illustrate the sensitivity associated with conceptual project assumptions for project capacity and instream flow requirement.
- The analytical approach used for this report will not satisfy the State Water Resources Control Board (SWRCB) requirements of a water availability analysis for a water right application, permit, or changes to an existing right. Additional study and data refinement would likely be necessary for such a determination; this information should be developed for specific proposed projects. More detailed analysis at a local level will need to be conducted by the GSAs as part of their groundwater sustainability plans (GSPs).
- These estimates of water available for replenishment need to be refined to provide ongoing support and technical assistance to GSAs, and assist in the review of the WAFR analysis included in GSPs.
- Achieving reliability and sustainability solutions for the Bay-Delta watershed requires local, State, and federal agencies to work toward identifying and facilitating appropriate investments in restoration, storage, and conveyance.

Using this Report

- GSAs should use the information in this report and the guidance included in Appendices C and D for direction in developing their description and analysis of the surface water supply used, or available for use, for active groundwater recharge or in-lieu use, as required by California Water Code Section 10727.2 (d)(5).
- Estimates presented in this report can be used to support planning decisions by GSAs, as they consider potential improvements to their water portfolio and water sustainability within their management area. The estimates indicate that some surface water may be available for replenishment in each of the state's hydrologic regions and many of the planning areas, especially during relatively high flow events.
- The estimates in this report indicate a potential range of opportunities, investments, and innovations that may provide a foundation or starting point for local planning. Local planning for water available for groundwater replenishment will require location- and project-specific, more comprehensive, and refined planning and analysis as needed to support selection, implementation, and permitting decisions. GSAs will need to make substantial investments to develop and implement actions that will make water available, convey available water to recharge areas, and replenish groundwater.

Introduction: Water Available for Replenishment

Background

In recent years, severe drought has resulted in a lack of adequate surface water supplies. Consequently, water users have increased groundwater pumping. Between 2010 and 2014, numerous wells throughout California experienced declines in groundwater levels in excess of 10 feet. In parts of the state, long-term groundwater use over many decades has had serious effects, including:

- Alarming declines in groundwater levels and storage.
- Degradation in water quality.
- Irreversible land subsidence.
- Ecosystem effects associated with streamflow depletion and reduced connectivity between groundwater and surface water systems.

In response, California enacted three laws, collectively referred to as the Sustainable Groundwater Management Act (SGMA) of 2014, to provide a framework for statewide sustainable groundwater management. The SGMA framework authorizes local water managers, and provides them the tools they need, to implement sustainable groundwater management practices through the creation of groundwater sustainability agencies (GSAs) and groundwater sustainability plans (GSPs).

SGMA directed the California Department of Water Resources (DWR) to provide assistance to local agencies, including the preparation of a report "...that presents the department's best estimate, based on available information, of water available for replenishment of groundwater in the state" (California Water Code section 10729(c)). This report satisfies that statutory requirement.

Purpose of this Report

This report includes DWR's estimates of surface water available for replenishment in the state, by region, based on available information. This report will also help GSAs prepare their GSPs, since GSPs are required to include "a description of surface water supply used or available for use for groundwater recharge or in-lieu use" (California Water Code Section 10727.2 (d)(5)). The estimates of water available for replenishment provided, and the methodologies described, in this report will help inform this description and analysis to be completed by GSAs.

Moreover, DWR intends the information in this report to serve as a resource and as guidance for GSAs as they plan for sustainability. Achieving groundwater sustainability will depend on implementing sustainable and balanced water budgets, which may require the development of both water and replenishment projects and management actions. A diversified portfolio of solutions, which considers local, regional, and statewide options, will support implementation of SGMA and many of the key actions identified in the California Water Action Plan. Updated in January of 2016, the Governor's California Water Action Plan identifies ten key actions that focus on sustainable water resource management for California's people, environment, industry, and agriculture, with the overarching goals of improving reliability, restoring key ecosystem functions, and establishing resilient resources that can be relied upon for future generations. This report supports Action 6 of the California Water Action Plan to "Expand water storage capacity and improve groundwater management."

Text Box 1. DWR's Role in SGMA

GSA water managers will need to understand their local water budgets (i.e., a comprehensive accounting of all surface water and groundwater inflows and outflows) and then increase supply, reduce use, or perform both of these actions to improve sustainability. GSAs are responsible for achieving local sustainability, and this report is intended to support GSAs by providing the following:

- **Framework development.** This report provides a framework for estimating water available for groundwater replenishment. The framework includes a discussion about the relationship of water available for replenishment and SGMA, estimates for surface water available for replenishment, specific planning guidance for developing the water available methods as well as the for replenishment methods, and a set of recommendations for improving related planning. This framework also supports GSA development of GSPs, including the development of water budgets and projects and management actions to achieve sustainability. (Definitions of **water available** and **for replenishment** can be found in the "Key Definitions" box in the "Understanding Water Available for Replenishment" section.)
- **Technical assistance.** DWR has developed planning tools to estimate water available from potential surface water projects at the hydrologic region and planning area scales. These tools can be refined for use at the GSA level and could be used by GSAs to estimate water available from surface water for their agency, as required in each GSP. In addition, DWR staff will be available to provide technical guidance related to the use of these tools and methods.
- **Statewide planning assistance.** An important element of GSA planning will be to develop a water budget that includes each GSA's uses and supplies of water, along with all water inflows and outflows. GSAs that receive water supplies from the statewide projects (i.e., Central Valley Project [CVP] and State Water Project [SWP]) will need to present and understand the reliability of these supplies for their water budgets. This report includes a discussion of the water supply reliability of the CVP and SWP, as well as potential water available from specific statewide projects. A discussion about CVP and SWP uncertainties and vulnerabilities related to reliability is also included.
- **Agency alignment and financial assistance guidance.** Coordination among GSAs, DWR, and the State Water Resources Control Board (SWRCB) is essential for the successful implementation of SGMA. DWR will continue to coordinate with SWRCB to ensure that guidance is consistent with SWRCB's policies and the needs of the State's water rights program. DWR will also coordinate with State financial assistance programs that may provide assistance for water available and for replenishment projects or management actions.
- **Interregional assistance.** The framework development above acknowledges that GSAs may also consider adding multi-regional planning projects and management actions into their sustainability planning.

Understanding Water Available for Replenishment

Understanding DWR's conceptual approach to "water available for replenishment" (WAFR) is fundamental to using this report. The concept is separated into two parts: (1) **water available** and (2) **for replenishment** of groundwater. An implementing entity (such as a GSA) will need to develop projects or management actions in two parts. First, GSAs will identify and describe the method(s) of making water available, including the timing and amount of water available.

Second, GSAs will determine and describe the location and method(s) for groundwater replenishment, including replenishment timing and limitations. Consequently, in many cases, GSAs will need to develop and implement two projects or management actions to achieve replenishment. In this report, we refer to water available methods and for replenishment methods to describe the options available for GSAs.

Water Available

Methods of making water available include a portfolio of water management actions: surface water development (including stormwater), water conservation, recycled water, desalination, and water transfers. All of these methods can help make water available for groundwater replenishment by either increasing water supply directly or reducing demand from existing water supplies.

Developing available water can be challenging because of a number of societal and technical factors. Societal factors include laws, regulations, and environmental needs, as well as the characteristics of water demand and use. Technical factors include the capacity to develop, convey, store, and deliver water. Timing and location are additional key technical factors when evaluating water availability. Water developed by a water available method has many potential uses, including traditional uses in such areas as agricultural, urban, and environmental, and may not be dedicated to groundwater replenishment. Nevertheless, this report makes a simplifying assumption for our WAFR estimates that available water can be dedicated to groundwater replenishment, and that replenishment would not be a limiting factor.

Methods of making water available are described in greater detail in Appendix C. GSAs are only required to provide a description of the surface water supply used or available for use in replenishment (i.e., active or in-lieu recharge). That being said, the planning approach used in this report includes consideration of a portfolio of methods consistent with integrated regional water management plans and the California Water Plan updates developed over the past 20 years.

Replenishment of Groundwater

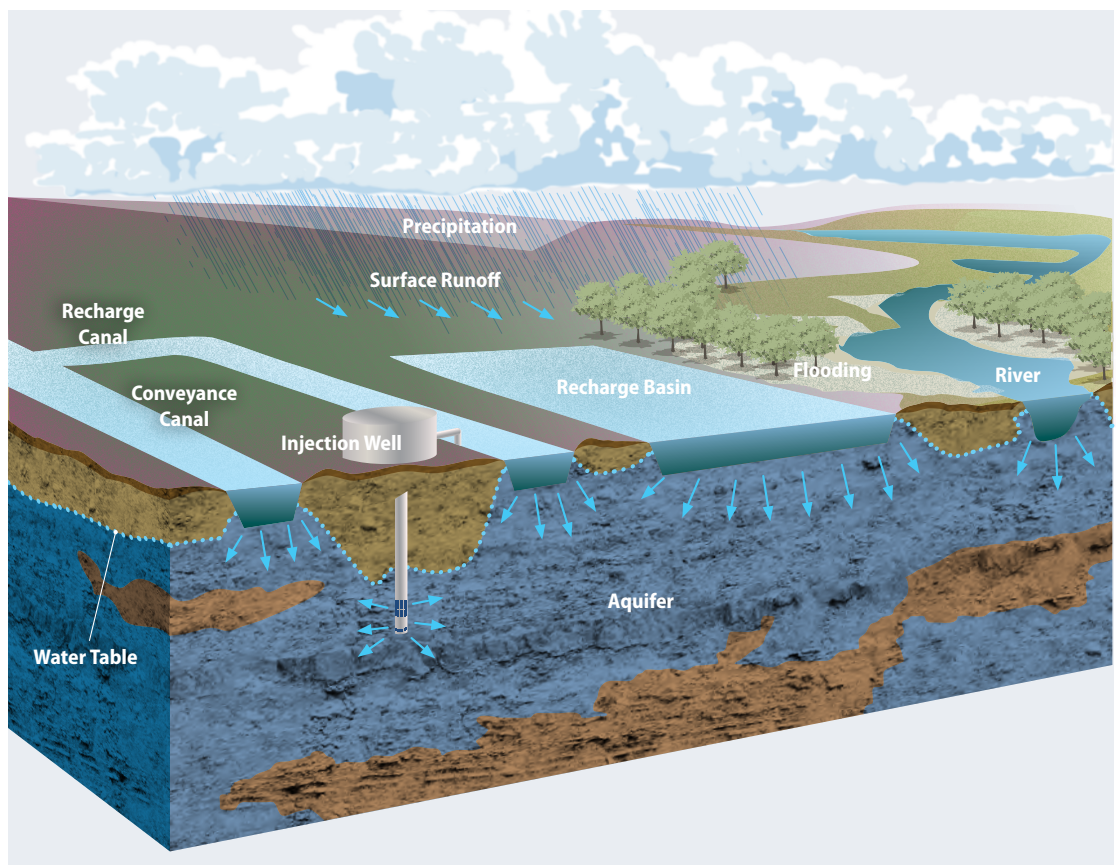
Replenishment of groundwater can be accomplished using two methods: direct recharge and in-lieu recharge. Groundwater recharge occurs naturally as part of the hydrologic cycle, in which precipitation, runoff, and surface water flow infiltrates into the aquifer system. In addition, recharge occurs as a result of agricultural and landscape irrigation.

For the purposes of this report, replenishment occurs when a groundwater basin is managed so that recharge is increased when compared with existing or baseline conditions, and ultimately groundwater levels are either maintained or improved. Active recharge includes direct spreading and aquifer injection. Recharge may also be accomplished by providing an alternative source to users who would normally use groundwater, thereby leaving groundwater in place for later use and increasing the potential to improve groundwater levels. This indirect method of managed recharge is known as in-lieu recharge. Both active and in-lieu recharge are described in more detail in Appendix D.

Groundwater replenishment depends on many physical, legal, and institutional factors, including water use, recharge rate, land area available for recharge, surface soil characteristics, hydrogeological and geochemical properties, availability of water for recharge, water rights, and the infrastructure to deliver water to users or into the aquifer system.

Methods for active recharge of groundwater are illustrated in Figure 1 and described in more detail in Appendix D.

Figure 1. Example Methods of Replenishing Groundwater



Challenges and Uncertainties

Complex technical, legal, and institutional challenges and future uncertainties will affect the planning and estimation of water available for replenishment. The current challenges include institutional and regulatory issues, spatial and temporal connectivity of the water system, data availability, water quality, system operations and capacity, financial feasibility, and environmental sustainability. There is also uncertainty about how water availability may be affected by future institutional and regulatory changes, new infrastructure, climate change, population growth, and land use changes. These factors are described in the next section.

Current Challenges

Institutional and Regulatory

Water infrastructure in California is owned and operated by many federal, State, and local agencies. In addition, private entities, including hydropower operators, manage water throughout the state. These facilities and their operations are subject to numerous regulatory requirements. Flexibility of the system has been reduced over the years as a result of the increasing institutional and regulatory complexity of water management in California. For instance, recent legal decisions and endangered species protections have restricted pumping from the Sacramento-San Joaquin Delta (Delta). Deliveries from the SWP and CVP have become increasingly less reliable as a result of the recent drought and the deterioration of environmental conditions in the Delta, leading to more stringent water quality and environmental requirements. The increasing uncertainties associated with surface water supplies from the SWP and CVP consequently increases uncertainties for local water users as their total water supply reliability is diminished. In many places, less reliable surface water has led to an increase in the use of other water supplies, including groundwater. In addition, crop shifts and land use changes that have responded to changes in farm economics have increased water use in some areas.

Spatial and Temporal Connectivity

The spatial and temporal connectivity between potential water sources and groundwater are important considerations when evaluating or implementing water available and for replenishment projects. Incomplete understanding can lead to an inaccurate assessment of either the water available from a particular method or the potential response of a groundwater basin to replenishment.

Groundwater and surface water bodies are connected physically and interact directly with each other. At some locations or at certain times of the year, groundwater will be recharged through infiltration from, for instance, a streambed. At other locations or at other times of the year, groundwater may discharge to the stream, contributing to its base flow. In spite of this interconnection, the water rights system treats surface water and groundwater separately — complicating the **water available** evaluation and implementation of **for replenishment** projects.

Data Availability

Lack of data is a significant barrier to accurately quantifying water availability and its potential use for groundwater replenishment, as well as other management actions that will be addressed in GSPs. DWR, SWRCB, U.S. Geological Survey (USGS), National Oceanic and Atmospheric Administration (NOAA), and other federal, State, and local entities collect a significant amount of water resources information. Nevertheless, in some locations climatic, hydrological, and hydro-geological data are either not collected or the collection is inadequate for meaningful analysis. For example, some streams are not gaged, leading to considerable uncertainties in the water budget analysis, especially when evaluating extreme events like droughts and floods.

Accurate information on water use is helpful for quantifying water availability. California Water Plan Update 2013 separates water use into urban (municipal, commercial, and industrial), agricultural, and environmental (refuge and instream flow) sectors. Water use can be difficult to quantify since it can depend on climatic conditions at a specific location. For example, agricultural water use depends on land use (crop type), soil moisture, precipitation, temperature, water delivery and application methods, and other factors.

Water rights are one of the principal pieces of information required for evaluating water availability; however, water rights, diversions, and return flows are often challenging to quantify because water rights often do not correlate with water use.

Water Quality

Depending on the water source and the intended use of the water, water developed for replenishment will be subject to specific water quality standards, which may limit its use. For example, the SWRCB requires that all recycled water used for groundwater recharge projects or public use be reviewed and permitted on a site-specific basis following the California Department of Public Health's water quality standards.

For aquifer injection, water treatment is again very important. The water for injection must be free of turbidity, organic material, bacteria, and viruses, and the water chemistry of the injected water must be compatible with the water quality in the aquifer system. Concerns with water quality, clogging of well screens, or clogging of the pore space within the aquifer system surrounding the injection well may also present challenges.

System Operations and Capacity

The operations and capacities of water management facilities are important factors when analyzing water availability and potential groundwater replenishment. For example, the conveyance of water will have specific physical characteristics (e.g., conveyance capacity) and system operations that may limit the amount, or affect the timing, of water available at a specific site.

Additionally, for groundwater recharge, capacity constraints can limit the conveyance of water to a groundwater recharge location, the infiltration or injection of water into the basin, and the aquifer's ability to store the water.

Environmental Sustainability

Environmental sustainability concerns related to groundwater replenishment include potential effects on habitat, water quality, and wildlife caused by shifting or increasing patterns of groundwater and surface water use. For example, floodwaters can serve an important ecosystem function; removing or reducing flood flows for groundwater replenishment may cause undesirable ecosystem effects. A key challenge is to balance beneficial uses, including the instream flow and other environmental needs, with water available for groundwater replenishment.

There may also be environmental effects from construction and operation of groundwater recharge basins and new conveyance facilities. Conversely, reconnecting groundwater to streams (or maintaining such connections over the long term) could have significant environmental benefits, and groundwater recharge facilities in some locations may provide important habitat for a variety of wildlife. Consequently, addressing short-term and long-term effects on, and benefits to, the environment may be accomplished in collaboration with environmental resource agencies.

Financial Feasibility

Financial feasibility plays an important role in effectively managing water resources. Although State funds may provide some financial assistance, local entities must have sufficient authority and flexibility to raise the funds needed to carry out sustainable water management programs. Costs will need to be considered for the construction of facilities, environmental mitigation, and operation and maintenance.

Future Uncertainties

Institutional and Regulatory

Institutional and regulatory challenges are likely to continue to change over time. Water managers need to consider how endangered species and associated regulatory requirements may change in the future, including the sustainability of habitat and species, as well as uncertainties associated with a changing climate. As an example, implementation of GSPs may result in reducing reliance on groundwater in areas experiencing extensive overdraft. Relying more on other water sources may further stress water supply reliability, water quality, ecosystems, or water rights.

Infrastructure

Infrastructure improvements may increase system flexibility with better conveyance, storage, or management of water. These changes could have either positive or negative effects on water availability for groundwater replenishment for specific locations and times. Water managers, including GSAs, will need a fuller understanding of potential infrastructure implementation and its effects on broader water management. GSAs will need to consider potential participation in local, regional, or statewide projects and management actions.

Climate Change

Climate change is already altering the water cycle, with increases in extreme events and shifts in seasonal patterns, requiring adaptive water management solutions. These changes are expected to continue into the future, and a greater percentage of precipitation will likely fall as rain instead of snow. The timing and magnitude of a wide range of potential climate change effects may lead water managers to different conclusions and decisions, highlighting the need to consider the effect of climate change on both water budgets and water availability estimates.

Population and Land Use Change

Future water demand will be affected by a number of evolving factors, including land use changes and population growth. Land use changes include agricultural practices and management (e.g., planting decisions by farmers), and the size and type of urban landscapes. A significant factor in recent years has been expansion of permanent crops, as well as changes in irrigation practices for such crops. Also, when estimating future urban water demands, water managers will need to account for future population growth, including planning for when changes occur, as well as uncertainty in population changes and development density. Population and development density will also influence potential land-use changes, such as urban encroachment of agricultural lands.

Text Box 2. Technical Uncertainty Example

DWR has been following an observed technical uncertainty related to precipitation and streamflow in the Sacramento River watershed for several decades. Specifically, an analysis of the relationship between precipitation and streamflow for the Sacramento River indicates that the relationship has changed since 1950. A fuller description and graphic depiction of this analysis is included in Appendix A.

The analysis focuses on the relationship between the Northern Sierra Precipitation 8-Station Index and the streamflow of the Sacramento River from April to September.

Two observations have been made.

- Streamflow associated with precipitation has decreased, based on a comparison of the 1950s trend and the 1990–2015 trend.
- During multi-year droughts (e.g., water years, 1976–1977, 1987–1992, 2007–2009, and 2012–2015), streamflow as a result of precipitation is negative, indicating that water use exceeds runoff within the watershed.

The change in trend and decrease in streamflow associated with precipitation indicates a fundamental change for the streamflow of the watershed. Several complex, and sometimes interdependent, factors may contribute to this observed effect.

- Increased diversion from the tributaries and Sacramento River for water uses.
- Increased groundwater withdrawal, including effects on the hydraulic connection between surface water and groundwater.
- Climate change effects to stream hydrologies, including more rain and less snow, as well as increased evaporation effects.
- Increase in frequency and severity of drought periods.

While there is uncertainty regarding the relative importance of these factors associated with the observed changes in the Sacramento River, changes have occurred. A fundamental challenge associated with sustainable groundwater management and water available for replenishment is to better understand how physical or natural changes can influence the hydraulic connection between groundwater and surface water. In particular, understanding the inter-dependent functionality between groundwater and surface water will assist the development of best management practices at local, regional, and statewide levels, and will also affect opportunities to develop water available for replenishment.

How to use WAFR Estimates and Guidance

This report has been developed to support GSAs, as these new agencies consider potential opportunities to improve the sustainability of their groundwater basins. DWR has included two pieces of technical support and guidance to assist GSAs in potential project planning: (1) estimates of surface water available for replenishment and (2) general guidance to support potential development of water available and for replenishment. These estimates provide an initial scale and location of where, and how much, surface water may be available in relative proximity to GSA boundaries. In addition, a simplified methodology for estimating available surface water is described and can provide a basis for GSAs, as they develop their own analyses of surface water available for replenishment. Also, DWR is including available planning estimates from urban water portfolio actions (i.e., Recycled Water, Desalination, Conservation).

Text Box 3. Water Resources Planning

The following general water-resources planning process may be helpful for GSAs, as they consider WAFR solutions.

1. Context

Defining the context or setting will identify the nature of the problems and needs, as well as the range of potential projects and management actions to consider.

2. Performance Metrics

Identifying performance metrics allows planners to measure current or future conditions and the ability of projects or management actions to meet specific objectives.

3. Assessment

Analysis and assessment provides insights regarding the ability of projects and actions to meet objectives.

4. Investment Priorities

Determining investment needs and priorities will facilitate selection of specific projects and actions for implementation.

5. Financial Plan

Laying out a financial plan, with specific funding strategies, assures the financial feasibility of proposed projects or management actions.

6. Implementation

Setting up a clear path for implementation enables water managers and decision-makers to complete work on time and on budget.

This water resources planning process may be completed in a step-by-step manner, but often requires iterations at various steps.

As directed in SGMA, GSAs should complete their own water available for replenishment planning, in which action- and project-specific concepts that make water available for replenishment in their basin can be considered and compared. DWR staff will be available to assist GSAs and their water available for replenishment planning by providing technical guidance related to the use of the tools and methods developed under this report.

In addition to the estimates, detailed guidance for developing water available methods and for replenishment methods that can be used by GSAs as their planning progresses is provided in Appendices C and D. This guidance describes how to quantify “water available,” as well as the potential effectiveness of replenishment, by method. This guidance is intended for general planning considerations, as well as for addressing the potential issues and challenges associated with implementing projects and/or management actions that (1) make water available and (2) manage that water for the purpose of groundwater replenishment. Guidance is included for the following water available methods: surface water, recycling, conservation, desalination, and water transfers. Guidance is also included for the following for replenishment methods: active recharge and in-lieu recharge.

Water Available Estimates and Information

California's water supplies vary spatially, seasonally, and yearly, while the State's water users (urban, agricultural, and environmental) have variable water-use needs associated with the quantity, quality, timing, and place of use. Understanding the relationships between water supply and water use is foundational to estimating the amount of water available for groundwater replenishment.

Recognizing this complexity, a simplified analytical approach to estimating water available for replenishment from surface water was developed, acknowledging the requirement of GSAs in their GSPs. Figure 2 illustrates many of the considerations used in developing WAFR estimates in this report.

Text Box 4. Water Available and California Water Rights

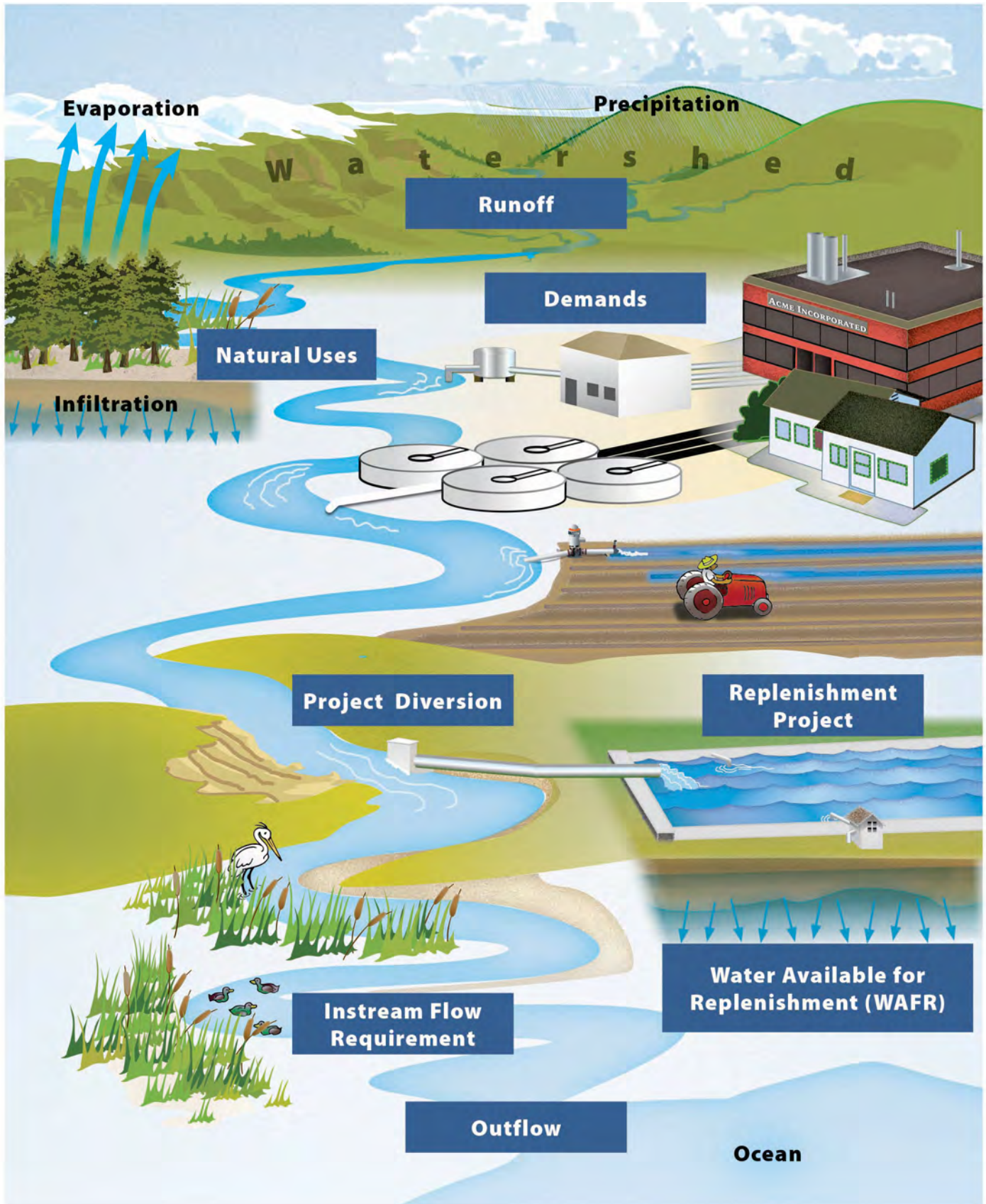
In California, the Water Code and State Water Resources Control Board use the term "water available" to support water right application review and permitting. Specifically, every water right application submitted to the SWRCB must include "sufficient information to demonstrate a reasonable likelihood that unappropriated water is available for appropriation (Water Code section 1260(k))." Additionally, for a permit, the SWRCB must find that there is, "unappropriated water available to supply the applicant (Water Code section 1375(d))." A discussion of water rights as they apply to surface water is presented in Appendix C.

For purposes of this report and water available for replenishment estimates, DWR is employing a simplified estimation methodology. Recognizing this simplification, **the methodology used here will not meet requirements of a Water Availability Analysis (WAA), as required for a water right application, permit, or change to an existing right.** For a more detailed description of WAA and water rights, see Appendix C, "Surface Water Method Guidance."

GSAs can and should consider the water available from other methods. Estimates of potential water development by urban retailers using other methods (recycled water, desalination, and water conservation) are also shown in this report. These estimates are provided to indicate the scale of planned water development by urban retailers for each region during this decade. Guidance for planning considerations associated with both surface water and the other methods is provided in Appendix C.

Figure 2 illustrates the methodology and considerations used to determine surface water available for replenishment.

Figure 2. WAFR Estimate Methodology and Considerations



Methodology for Surface Water Available for Replenishment Estimates

Surface water available for replenishment has been estimated at two scales: hydrologic regions and planning areas, as identified in *California Water Plan Update 2013*. This report summarizes the estimates for each of the state's 10 hydrologic regions and 56 planning areas. Additional information about these estimates is provided in Appendix A. For the purposes of these estimates, water available is assumed to be dedicated to replenishment, and replenishment capacity is assumed to not be a limiting factor.

Surface water available for replenishment estimates were determined using a synthesis of information from monthly simulated Water Evaluation and Planning (WEAP) model outflows and historical daily gage data. The following discussion refers to the two tools that use WEAP and gage data.

- The WEAP model simulates historical surface runoff by using 1967 through 2012 precipitation data, existing urban and agricultural demands, and operations information. After meeting demands, the remaining runoff is outflow. Consequently, the WEAP-simulated outflow represents historical hydrologic conditions and a fixed, existing level of demand and operations.
- Historical gage data at a river mouth represents actual outflow conditions that result from changing levels of demand, regulations, and operations over the period when gage data are available.

A combined application of the WEAP model and historical gage data was used because each method has specific benefits and limitations. Gage data provides daily information but is based on the historical record, which has been affected by changing demands and operations. The WEAP model can provide a better estimate of current conditions by using current demands and operations, and it can be modified to estimate future conditions resulting from changes in climate, demands, or operations. That being said, the WEAP simulation produces only monthly outflow information. Monthly outflow information provides limited runoff detail for determining water available for replenishment because it does not capture precipitation, runoff, and outflow events in adequate detail. The WAFR estimate uses a synthesis of WEAP simulation and historic daily gage data by using monthly outflow from WEAP and then scaling the estimate with a historic daily outflow WAFR estimate. The scaling, or WAFR Fraction, is a simple ratio of the diversion amount from the conceptual project with gage data and the gage data outflow. The term conceptual project is used in this report to identify a potential local project with a conceptual formulation for diversion of surface water for the purpose of groundwater replenishment.

Surface water available for replenishment was estimated using the following equation:

Surface Water Available for Replenishment

$$\text{WAFR Estimate} = \text{WEAP Outflow} \times \frac{\text{Diversion using Conceptual Project and Gage Data}}{\text{Gage Data Outflow}}$$

For the purposes of our WAFR estimate, a portion of outflow remains in the stream for aquatic and riparian species protection and is not available for diversion and replenishment (see Figure 3). The remaining outflow could be diverted for replenishment up to the new conceptual project diversion capacity. The assumed instream flow required to maintain aquatic and riparian species is based on existing federal, State, or local requirements or studies. If existing federal, state or local requirements do not exist, the instream flow requirement was based on the water right, the SWRCB’s policy for Maintaining Instream Flows in Northern California Coastal Streams, or the Tennant Method. For further details, please see Appendix A, Section 2. A new conceptual project diversion capacity was based on water rights information from the SWRCB’s Electronic Water Rights Information Management System (eWRIMS). Using this concept, DWR developed its estimates of WAFR, acknowledging that the primary factors affecting the estimates are (1) project capacity and (2) instream flow requirements to maintain ecosystems.

Figure 3. Best Estimate Conceptual Project Application of Water Available for Replenishment for Multiple Streams

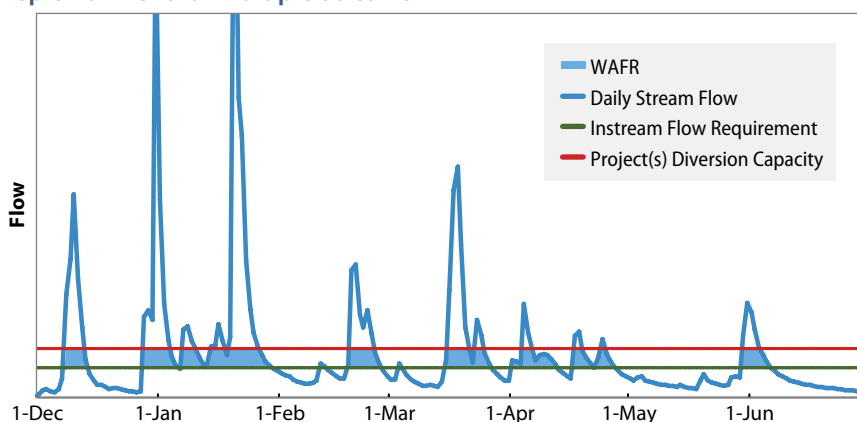


Table 1. Best Estimate Conceptual Project Application of Water Available for Replenishment for Multiple Streams

| River/Stream | Best Estimate. Conceptual Project | | |
|--------------|-----------------------------------|------------|---------------|
| | Average Annual Outflow (taf) | WAFR (taf) | WAFR Fraction |
| Stream 1 | 400 | 10 | 2.5% |
| Stream 2 | 230 | 8 | 3.6% |
| Total | 630 | 18 | 2.9% |

Note: taf = thousand acre feet, WAFR = Water Available for Replenishment

To underscore the uncertainty associated with these evaluations, DWR is showing an array of estimates that illustrate the sensitivity associated with conceptual project assumptions for project capacity and instream flow requirement. The array of estimates shown for each stream is based on the conceptual project characteristics shown in Table 2. The “Best Estimate” of WAFR row includes a conceptual project with the maximum existing project capacity and the existing instream flow requirement for each stream. The “Uncertainty Range” information is based on conceptual projects with capacities of one half to two times the maximum existing project, and instream requirements from the existing requirement to two times the existing requirement. The “Uncertainty Range” demonstrates the sensitivity of the WAFR result to variations in the conceptual project capacity and instream flow requirement. The “Maximum Project Estimate” illustrates a maximum potential diversion, assuming unlimited project diversion capacity while maintaining existing instream flow requirements. This unlimited diversion capacity assumes technical and/or water management innovation associated with diversions. The “No Project Estimate” reflects that surface water projects must be implemented to develop water that could be used for replenishment. No projects mean no water available and no new water available for replenishment.

Table 2. Array of Estimates and Conceptual Project Characteristics

| Estimate Name | Conceptual Project Capacity | Conceptual Project Instream Flow Requirement |
|----------------------------------|---|--|
| Best Estimate | Maximum existing project capacity | Existing instream flow requirement |
| Lower Uncertainty Range Estimate | One half maximum existing project capacity | Two times existing instream flow requirement |
| Upper Uncertainty Range Estimate | Two times maximum existing project capacity | Existing instream flow requirement |
| Maximum Project Estimate | Unlimited capacity | Existing instream flow requirement |
| No Project Estimate | No Project | No Project |

These cursory estimates of water available for replenishment should not be considered refined values. Project- and location-specific analyses by GSAs will likely yield different results for the same streams as a result of project sizing, as well as updated and location-specific determinations of instream flow needs.

Figure 4. Lower Uncertainty Range Estimate (left) Upper Uncertainty Range Estimate (right) Conceptual Projects, with WAFR for Multiple Streams

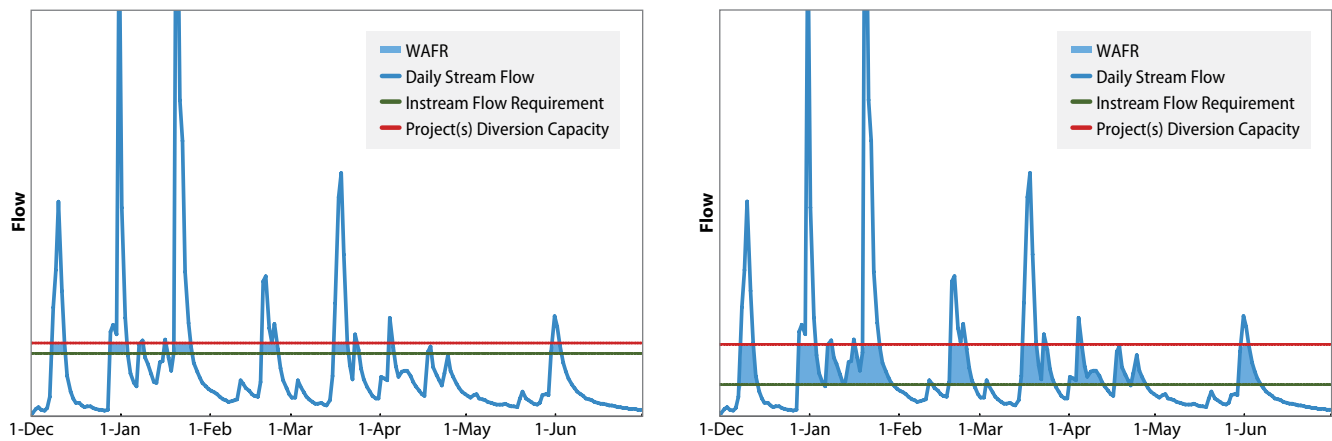


Table 3. Lower and Upper Uncertainty Range Estimate Conceptual Projects for Multiple Streams

| River/Stream | Lower Uncertainty Range Estimate. Conceptual Project | | | Upper Uncertainty Range Estimate. Conceptual Project | | |
|--------------|--|------------|---------------|--|------------|---------------|
| | Average Annual Outflow (taf) | WAFR (taf) | WAFR Fraction | Average Annual Outflow (taf) | WAFR (taf) | WAFR Fraction |
| Stream 1 | 400 | 5 | 1.2% | 400 | 18 | 4.4% |
| Stream 2 | 230 | 3 | 1.3% | 230 | 12 | 5.1% |
| Total | 630 | 8 | 1.2% | 630 | 29 | 4.6% |

Note: taf = thousand acre feet

WAFR = Water Available for Replenishment

Figure 5. Maximum Project Estimate of Water Available for Replenishment

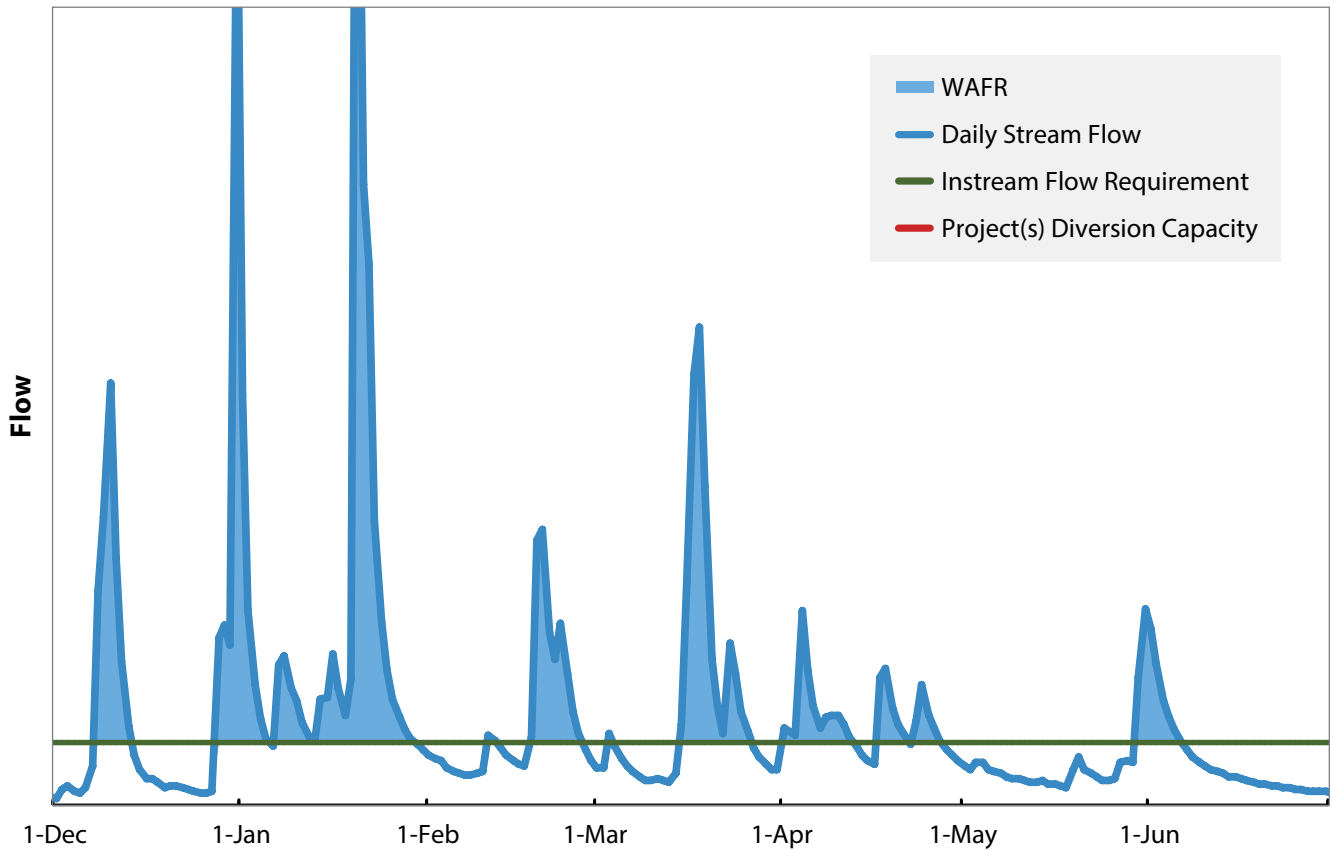


Table 4. Example of Water Available for Replenishment Concept for No Project and Maximum Project and Multiple Streams

| River/Stream | No Project Estimate | | | Maximum Project Estimate | | |
|--------------|------------------------------|------------|---------------|------------------------------|------------|---------------|
| | Average Annual Outflow (taf) | WAFR (taf) | WAFR Fraction | Average Annual Outflow (taf) | WAFR (taf) | WAFR Fraction |
| Stream 1 | 400 | 0 | 0.0% | 400 | 292 | 73.0% |
| Stream 2 | 230 | 0 | 0.0% | 230 | 189 | 82.2% |
| Total | 630 | 0 | 0.0% | 630 | 482 | 76.4% |

Note: taf = thousand acre feet

WAFR = Water Available for Replenishment

The outflow estimate simulated using the WEAP model was then multiplied by the range of water available for replenishment fractions defined by the historical gage data to determine the estimated range of surface water available for replenishment within the hydrologic region. An example is shown in Table 5, using the water available for replenishment fractions from Tables 1, 3, and 4 above.

Table 5. Summary Surface Water Available for Replenishment Example

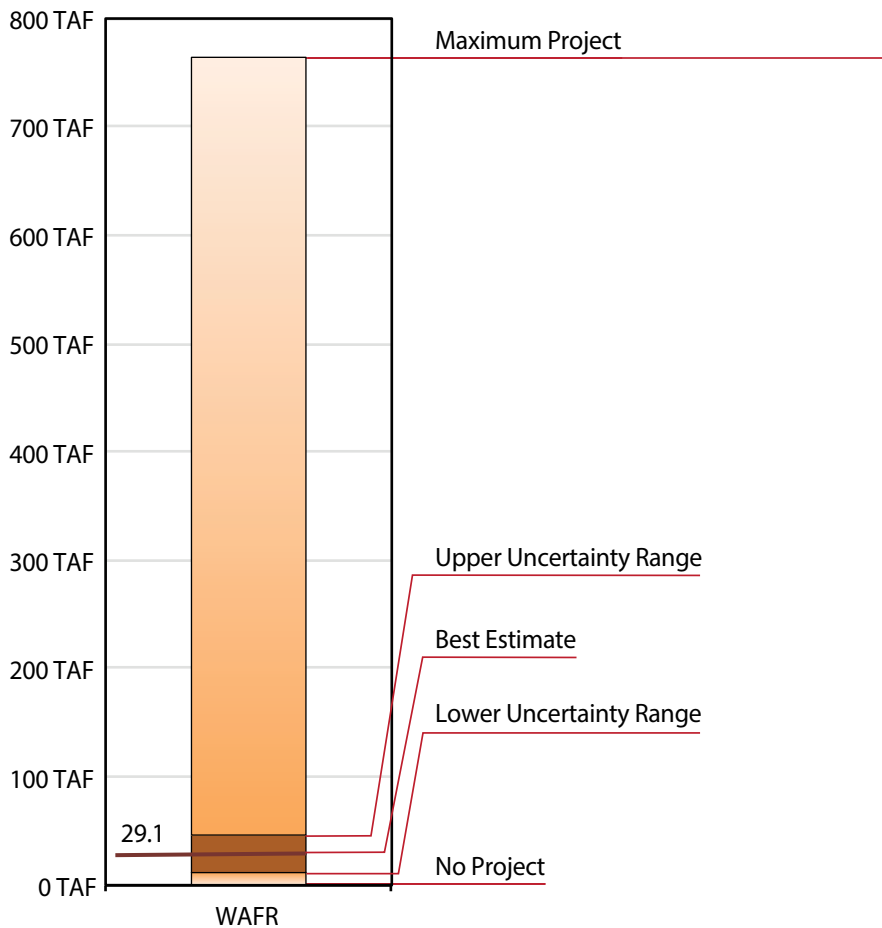
| WEAP Outflow (taf) | No Project Estimate (taf, WAFR Fraction 0.0%) | Lower Uncertainty Range Estimate (taf, WAFR Fraction 1.2%) | Best Estimate (taf, WAFR Fraction 2.9%) | Upper Uncertainty Range Estimate (taf, WAFR Fraction 4.6%) | Maximum Project Estimate (taf, WAFR Fraction 76.4%) |
|---------------------------|--|---|--|---|--|
| 1,000 | 0 | 12 | 29 | 46 | 764 |

Note: taf = thousand acre feet

WAFR = Water Available for Replenishment

Figure 6 presents the “Best Estimate,” the “Uncertainty Range,” the “Maximum Project,” and “No Project” WAFR estimates for the example described above.

Figure 6. Schematic Example of Water Available for Replenishment Array of Estimates



This array of estimates is made for each hydrologic region of the state featured in this report, and for each planning area discussed in Appendix A.

Results: Water Available for Replenishment Estimates and Information

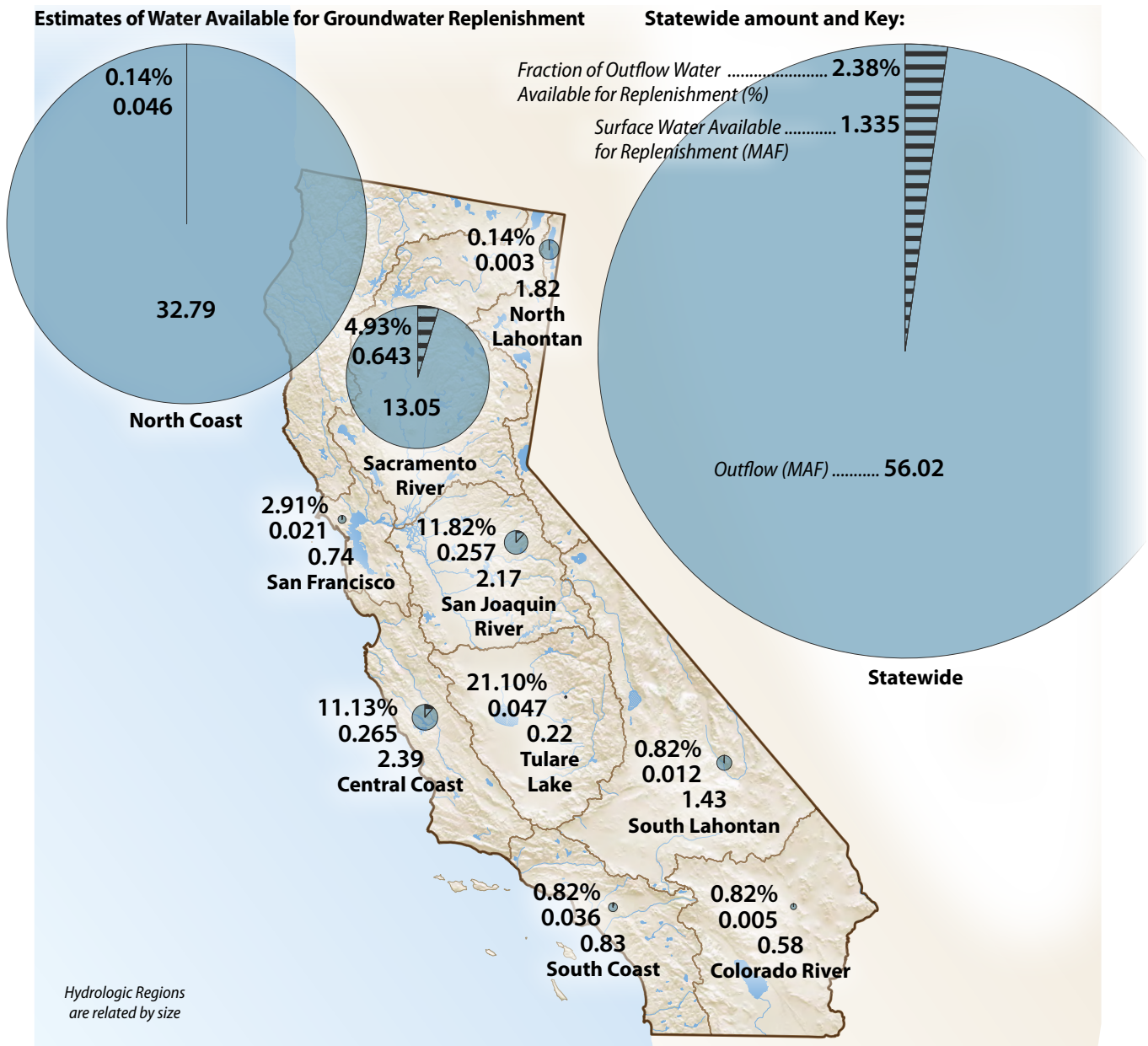
DWR is providing both WAFR estimates and additional water resources information that may be helpful for GSAs as they begin and progress groundwater sustainability planning. Estimate results and information are found on two page summaries for each region in the following section. The analytical approach used here provides DWR's best estimate, based on available information, of water available for replenishment of groundwater in California. DWR's estimate of water available for replenishment is shown for each of the state's 10 hydrologic regions and 56 planning areas. The information and models used to estimate the amount of water available for replenishment were developed at a planning estimate level. This analytical approach may not satisfy the SWRCB requirements of a water availability analysis for a water right application, permit, or change to an existing right. Additional study and data refinement would likely be necessary for such a determination. More detailed, location- and project-specific analysis will need to be conducted by the GSAs as part of their GSPs.

These estimates indicate a potential range of opportunities, investments, and innovations that may provide a foundation or starting point for local planning. As local planning progresses, analyses will become location- and project-specific, and more comprehensive as entities refine their water available analysis, as required for water right applications, permits, and changes to an existing right. The methodology used here may not fully capture, for example, competing needs, including needs associated with instream flows to support habitat, species (including endangered or threatened), water quality, and recreation. The State and GSAs will need to balance the needs of water users, consistent with State law and the need for replenishing groundwater basins.

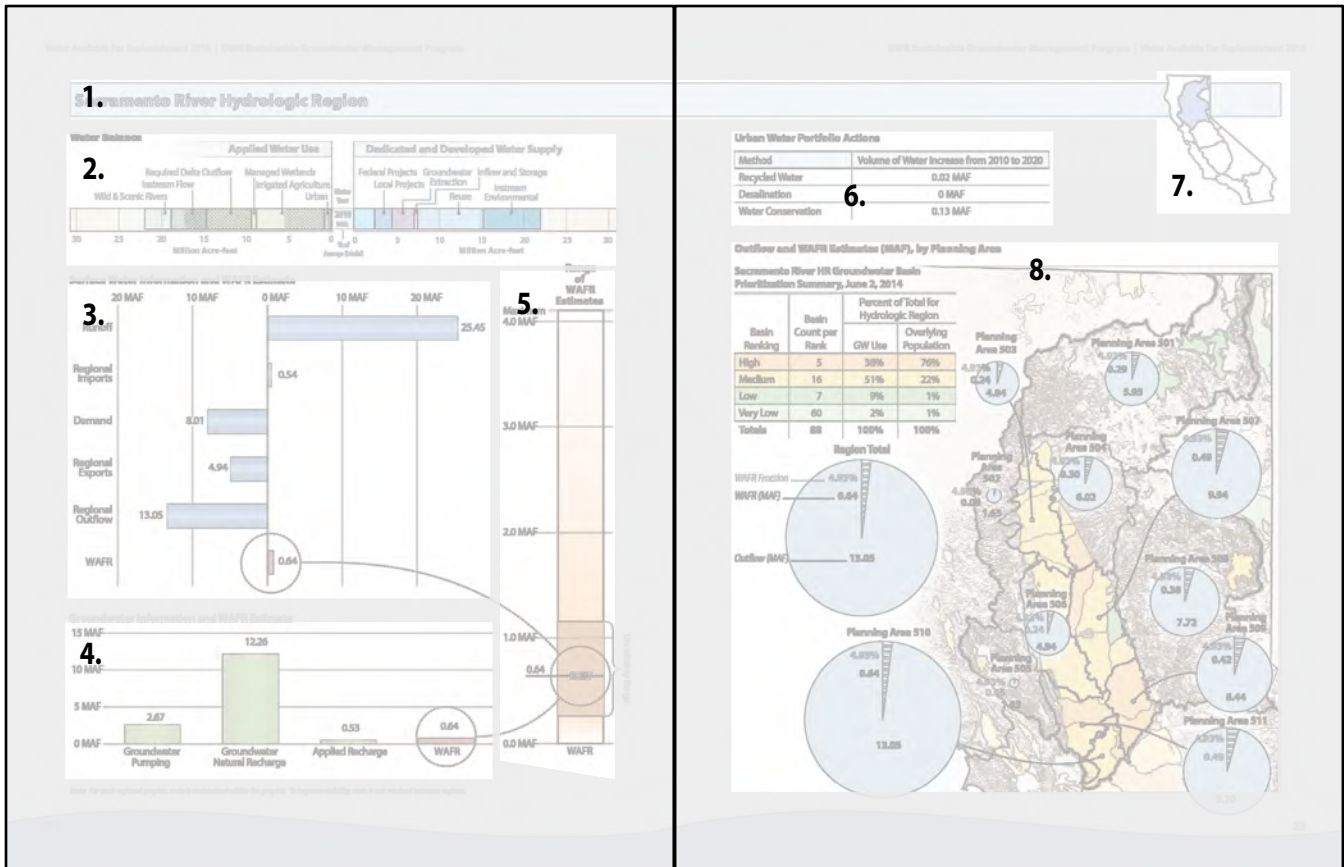
Text Box 5. State Water Board and the Bay-Delta Water Quality Control Plan

The State Water Board is in the process of developing and implementing updates to the Bay-Delta Water Quality Control Plan and flow objectives for priority tributaries to the Delta to protect beneficial uses in the Bay-Delta watershed. This multi-phased plan will identify the beneficial uses of the Bay-Delta, water quality objectives for the reasonable protection of those beneficial uses, and a program of implementation for achieving the objectives. The State Water Board's balancing of the competing uses of water is consistent with the Water Code's coequal goals of providing a more reliable water supply for California, and protecting, restoring and enhancing the Delta ecosystem. The intended use of the WAFR estimates in this report is to provide a planning estimate of water available for replenishment based upon best available information as a starting point in WAFR planning for GSAs. Consideration of balancing competing uses, for example, was not included in the WAFR estimations. Consequently, comparison of the results from these efforts should be made with caution and understanding of the differences between the respective evaluations.

Figure 7. Statewide Outflow and WAFR by Hydrologic Region (MAF)



Key to Hydrologic Region Results Summary Pages



1. Hydrologic Region

California is divided into 10 Hydrologic Regions, as described in the California Water Plan Update.

2. Water Balance

The hydrologic region water balance is presented here for the water year 2010. For further details, refer to the California Water Plan Update 2013 Volume 5, Technical Guide, and Volume 4, the article “California’s Groundwater Update 2013.”

Terminology:

Water Balance: Analyses of the total developed/dedicated supplies, uses, and operational characteristics for a region; the analyses show what water was applied to actual uses so that use equals supply.

3. WAFR Estimate and Information Used to Develop the Estimate

The figure presents the data used to determine DWR’s estimate of WAFR for the hydrologic region.

Terminology:

Runoff: Rainfall, snowmelt, or irrigation water, in excess of what can infiltrate the soil surface and be stored in small surface depressions.

Regional exports: Water conveyed from this hydrologic region to another region.

Regional imports: Water conveyed to this hydrologic region from another region.

Demand: Total demand, including urban indoor, urban outdoor, agricultural, and refuge.

Regional Outflow: The amount of water that flows out of a hydrologic region.

WAFR: Water available for replenishment estimate.

4. Groundwater Information and WAFR Estimate

The figure presents several groundwater data components in comparison to WAFR for the hydrologic region.

Terminology:

Groundwater pumping: The amount of groundwater that is withdrawn from the groundwater basin (Source: California Water Plan Update 2013).

Groundwater natural recharge: The percolation to groundwater basins from precipitation falling on the land and from flows in rivers and streams (Source: USGS, California Basin Characterization Model 2014).

Applied and Artificial Recharge: The sum of the applied and artificial recharge. Applied recharge is the amount of applied agricultural, urban, and wetlands water that percolates through the ground and beyond the root zone into the groundwater. Applied recharge is also referred to as deep percolation of applied water (Source: California Water Plan Update 2013). Artificial recharge is the (intentional) addition of water to a groundwater reservoir by human activity, such as putting surface water into dug or constructed spreading basins or injecting water through wells. Also referred to as intentional recharge or managed recharge (Source: California Water Plan Update 2013).

WAFR: Water available for replenishment estimate.

5. Range of WAFR Estimates

The bar represents the array of estimates for the hydrologic region. The range includes five estimates, that are called best estimate, uncertainty range (upper and lower), no project, and maximum project. A more detailed description of these estimates can be found under the methodology for surface water available for replenishment estimates section on page 17.

6. Urban Water Portfolio Actions

Estimates of potential water development by other methods, including recycled water, desalination and water conservation, between 2010 and 2020. This information is provided to give some context of the type and quantity of actions recently planned by urban water agencies in each of the State's hydrologic regions. Further description of the estimates is presented in Appendix A.

7. Geolocation of the hydrologic region in the State of California.

8. Hydrologic Region Map, Outflow and WAFR Estimates, by Planning Area and groundwater basin prioritization

The map illustrates the planning area outflows and WAFR estimates for each Planning Area in the Hydrologic Region. The CASGEM groundwater basin prioritizations are shown on the map and indicate the comparative locations of Planning Areas and groundwater basins. The map also includes a table summarizing the number of basins with high, medium, low and very low priorities, percentage use of groundwater in those basins, and the percentage of population in each basin for the region.

Terminology:

WAFR Fraction: Ratio of the diversion amount from the conceptual project with gage data and the gage data outflow.

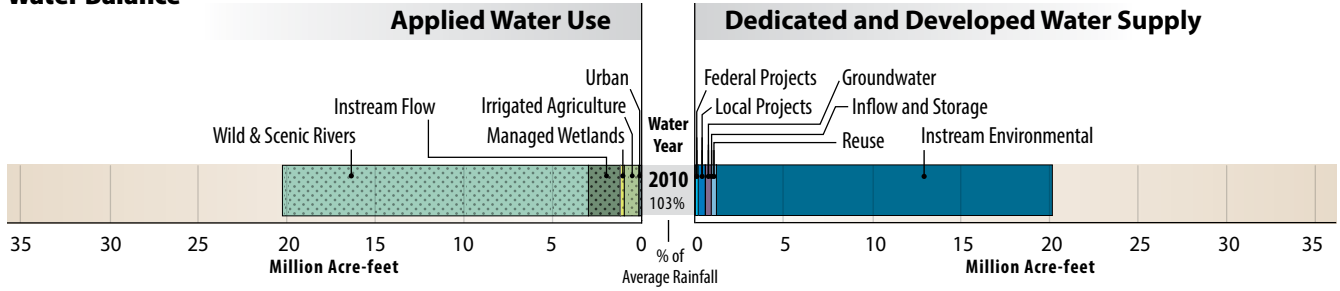
WAFR: Best estimate of water available for replenishment.

Planning Area Outflow: The amount of water that flows out of the Planning Area.

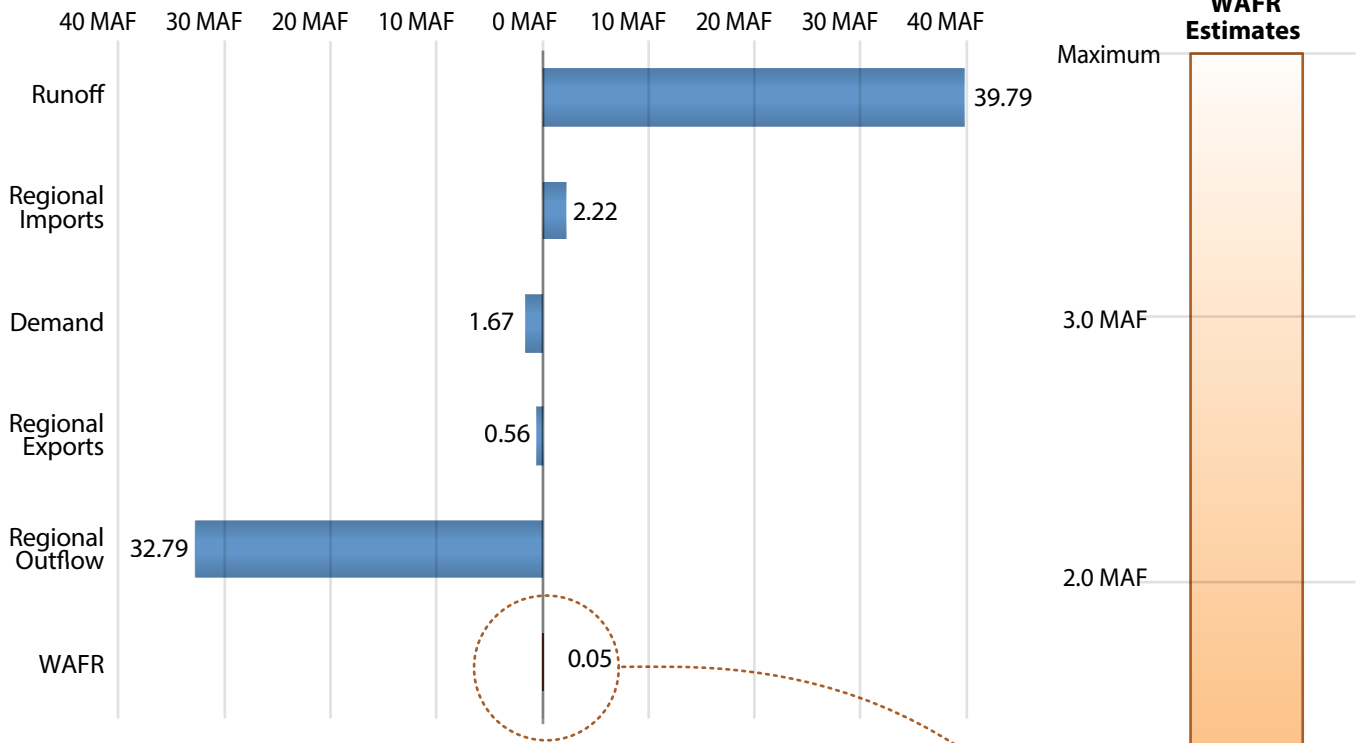
CASGEM Groundwater basin prioritization: CASGEM Groundwater basin prioritization is a statewide ranking of groundwater basin importance that incorporates groundwater reliance and focuses on basins producing greater than 90% of California's annual groundwater.

North Coast Hydrologic Region

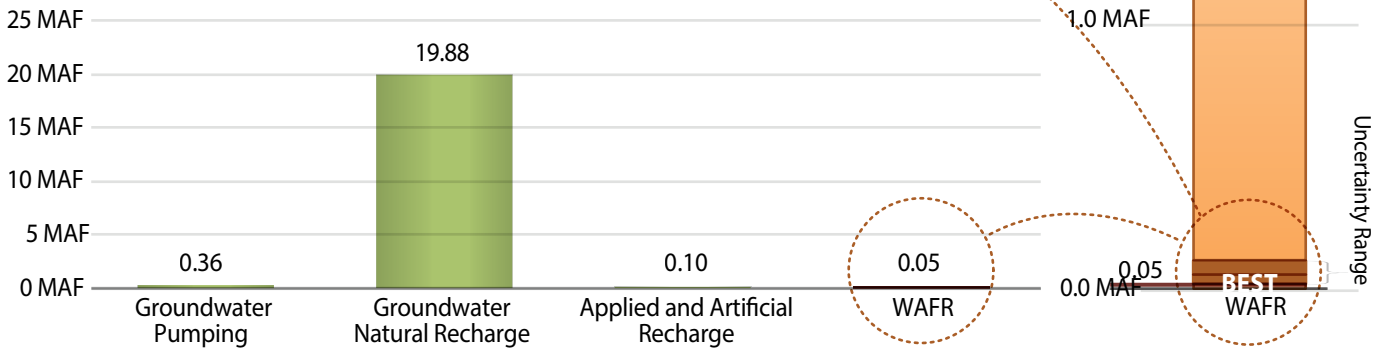
Water Balance



Surface Water Information and WAFR Estimate



Groundwater Information and WAFR Estimate



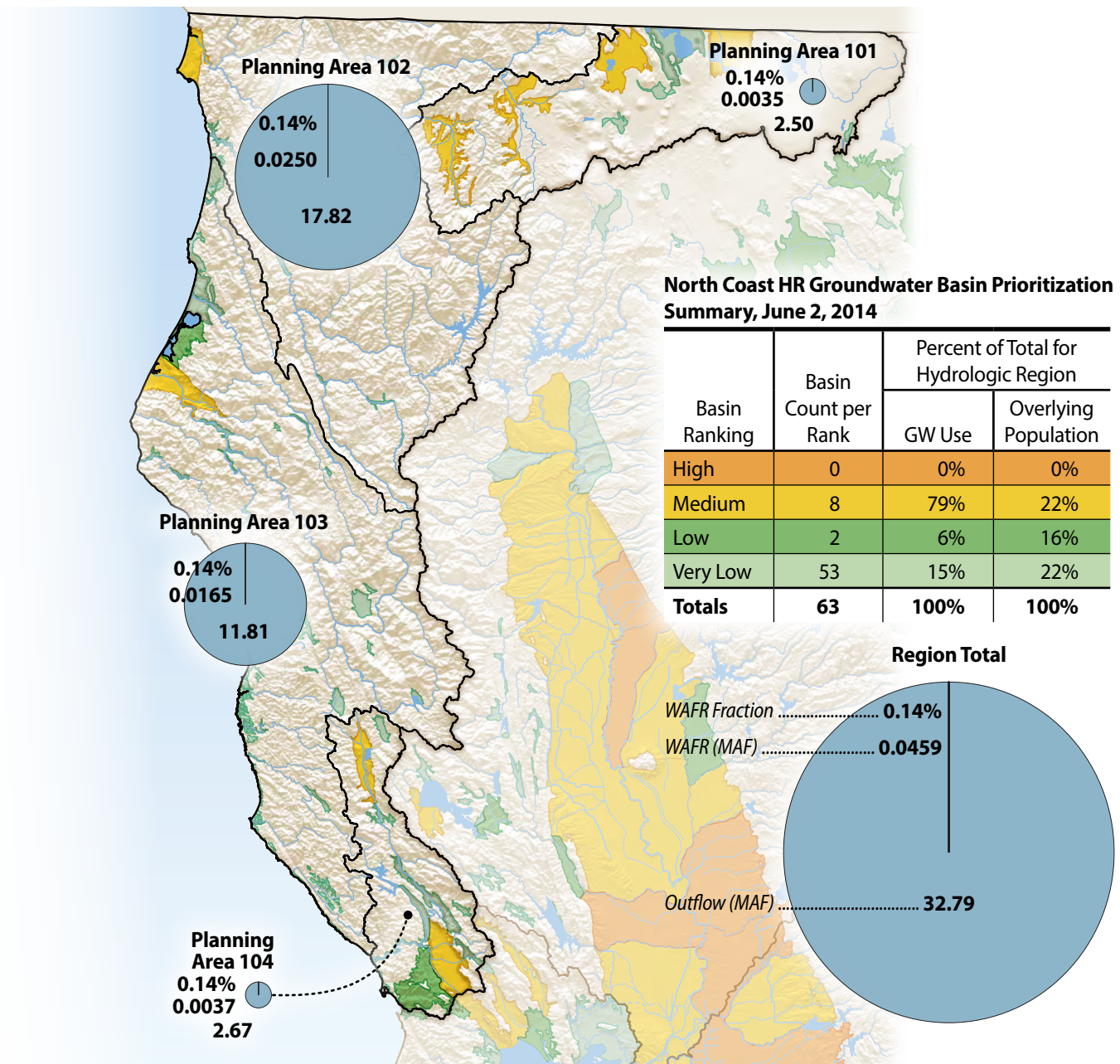
Note: For each regional graphic, scale is maintained within the graphic. To improve visibility, scale is not retained between regions.



Urban Water Portfolio Actions

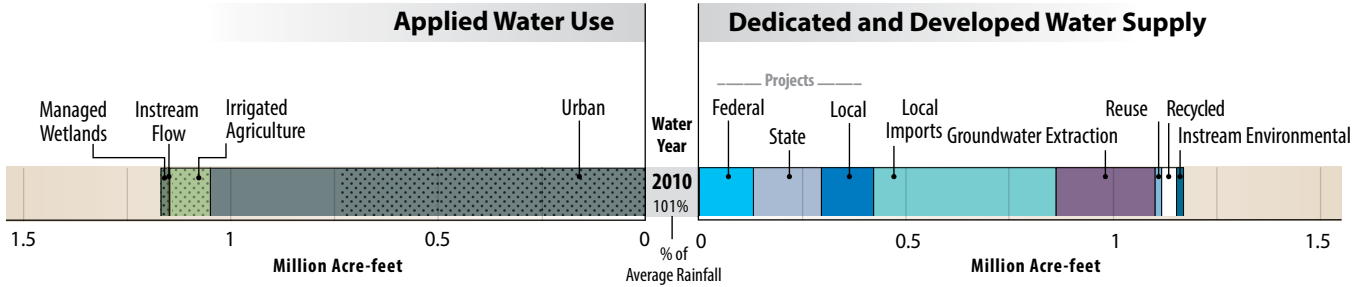
| Method | Volume of Water Increase from 2010 to 2020 |
|--------------------|--|
| Recycled Water | 0.01 MAF |
| Desalination | 0 MAF |
| Water Conservation | 0.01 MAF |

Outflow and WAFR Estimates (MAF), by Planning Area

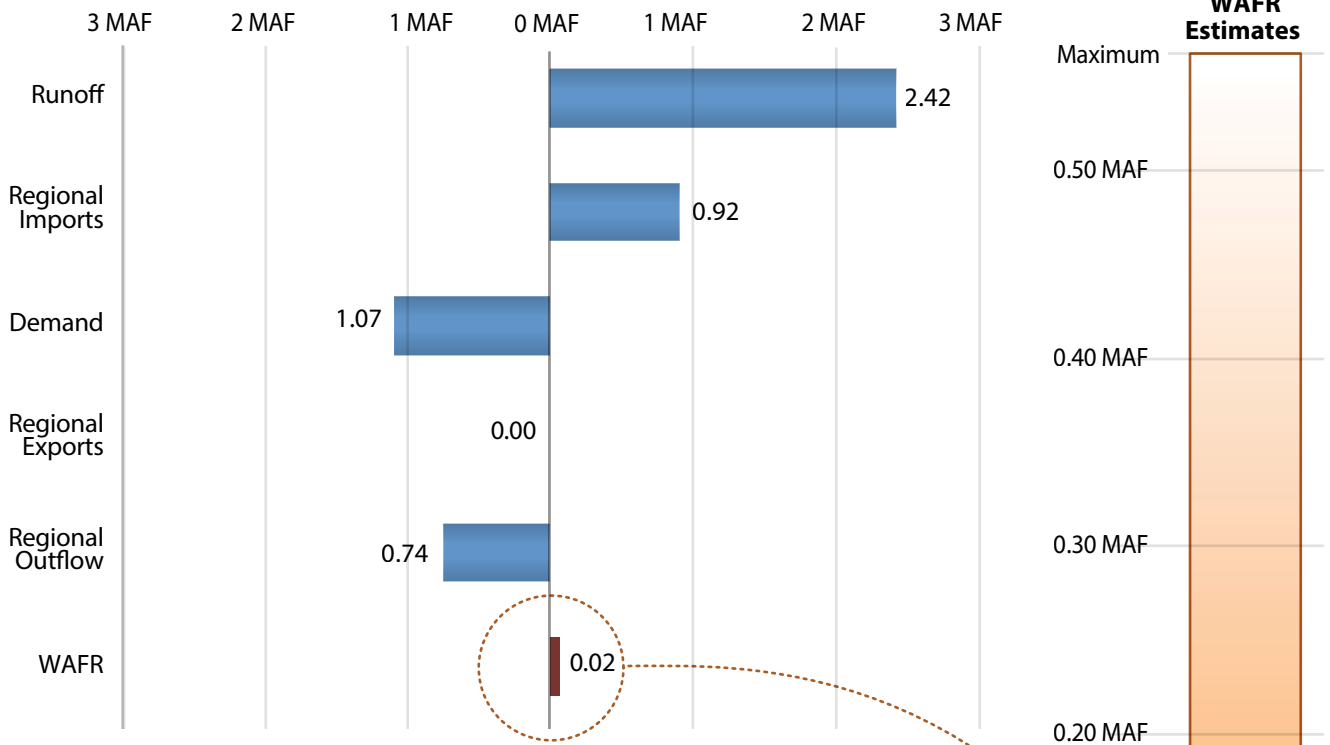


San Francisco Hydrologic Region

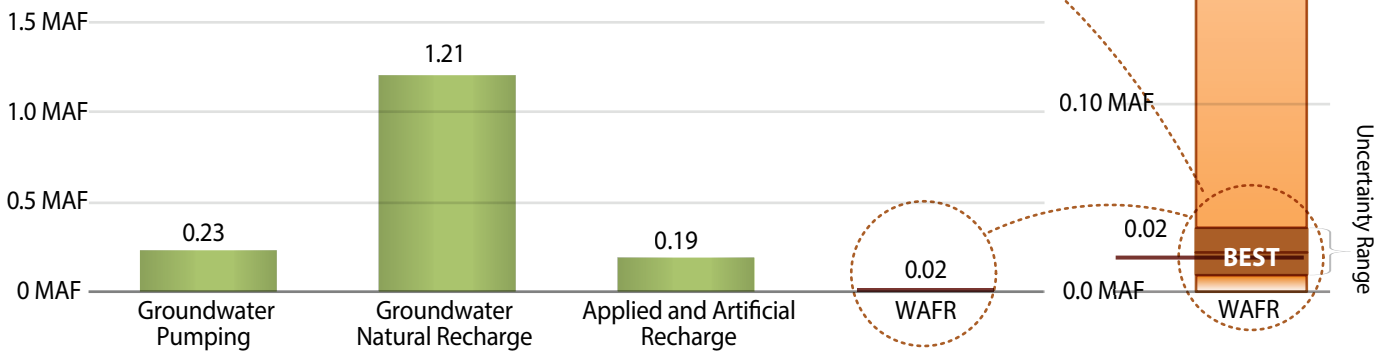
Water Balance



Surface Water Information and WAFR Estimate



Groundwater Information and WAFR Estimate



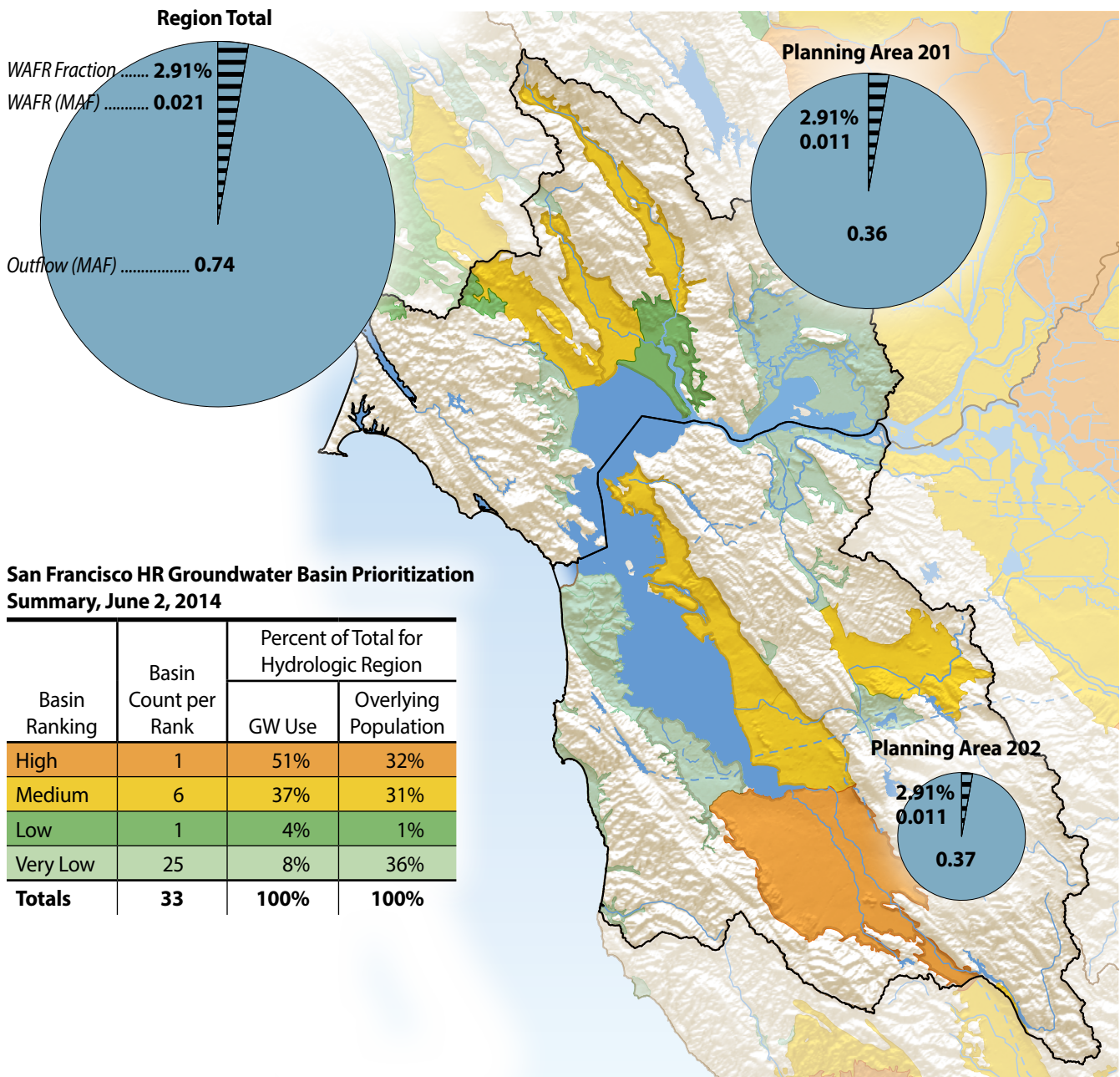
Note: For each regional graphic, scale is maintained within the graphic. To improve visibility, scale is not retained between regions.



Urban Water Portfolio Actions

| Method | Volume of Water Increase from 2010 to 2020 |
|--------------------|--|
| Recycled Water | 0.02 MAF |
| Desalination | 0 MAF |
| Water Conservation | 0.02 MAF |

Outflow and WAFR Estimates (MAF), by Planning Area

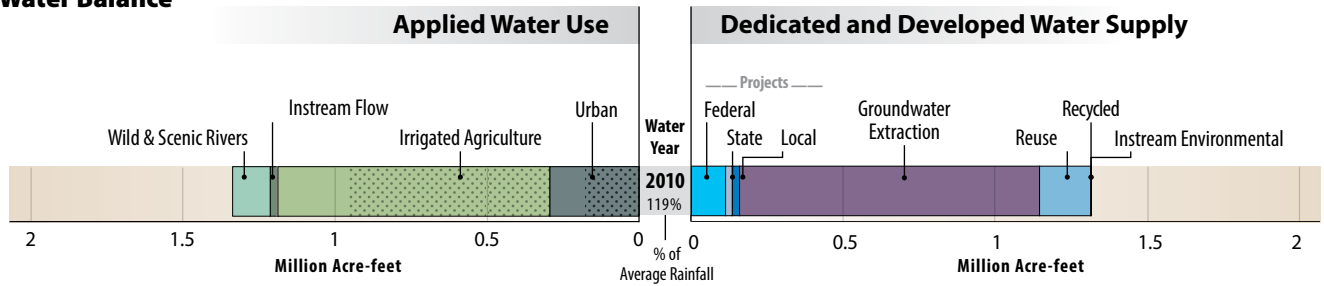


San Francisco HR Groundwater Basin Prioritization Summary, June 2, 2014

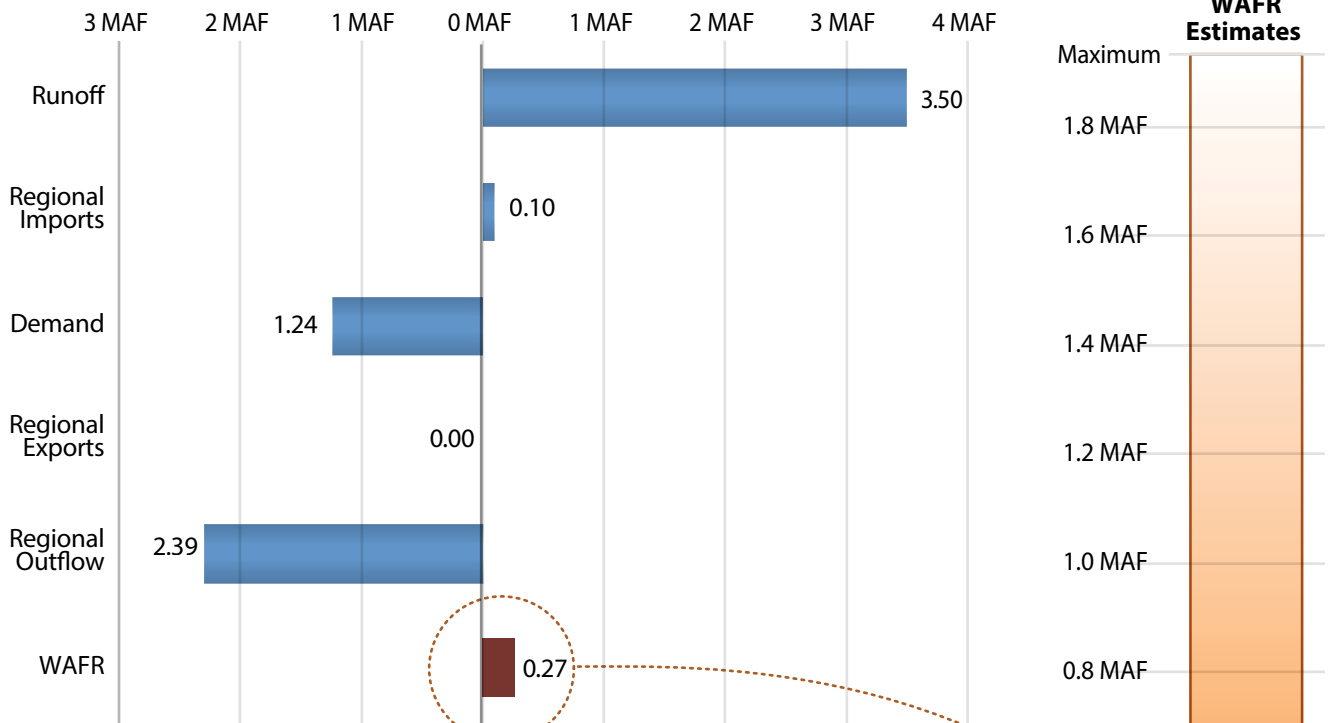
| Basin Ranking | Basin Count per Rank | Percent of Total for Hydrologic Region | |
|---------------|----------------------|--|----------------------|
| | | GW Use | Overlying Population |
| High | 1 | 51% | 32% |
| Medium | 6 | 37% | 31% |
| Low | 1 | 4% | 1% |
| Very Low | 25 | 8% | 36% |
| Totals | 33 | 100% | 100% |

Central Coast Hydrologic Region

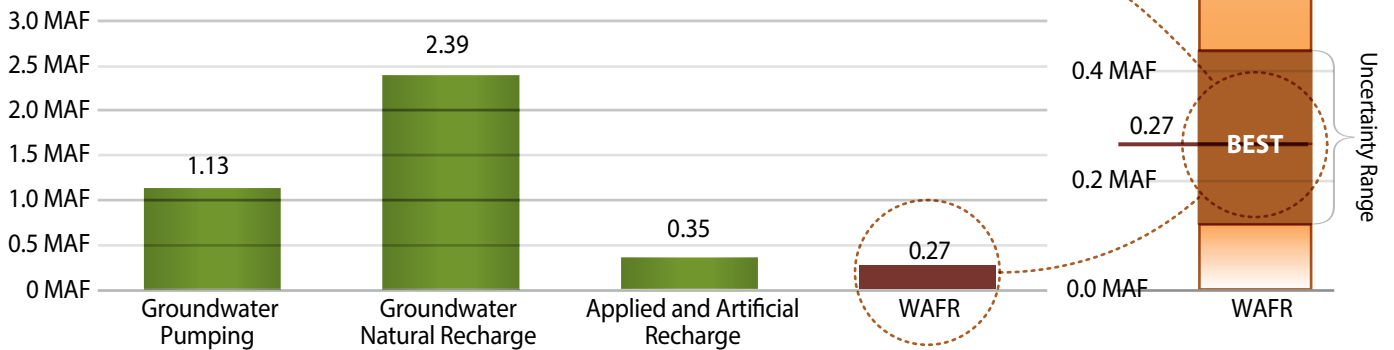
Water Balance



Surface Water Information and WAFR Estimate



Groundwater Information and WAFR Estimate



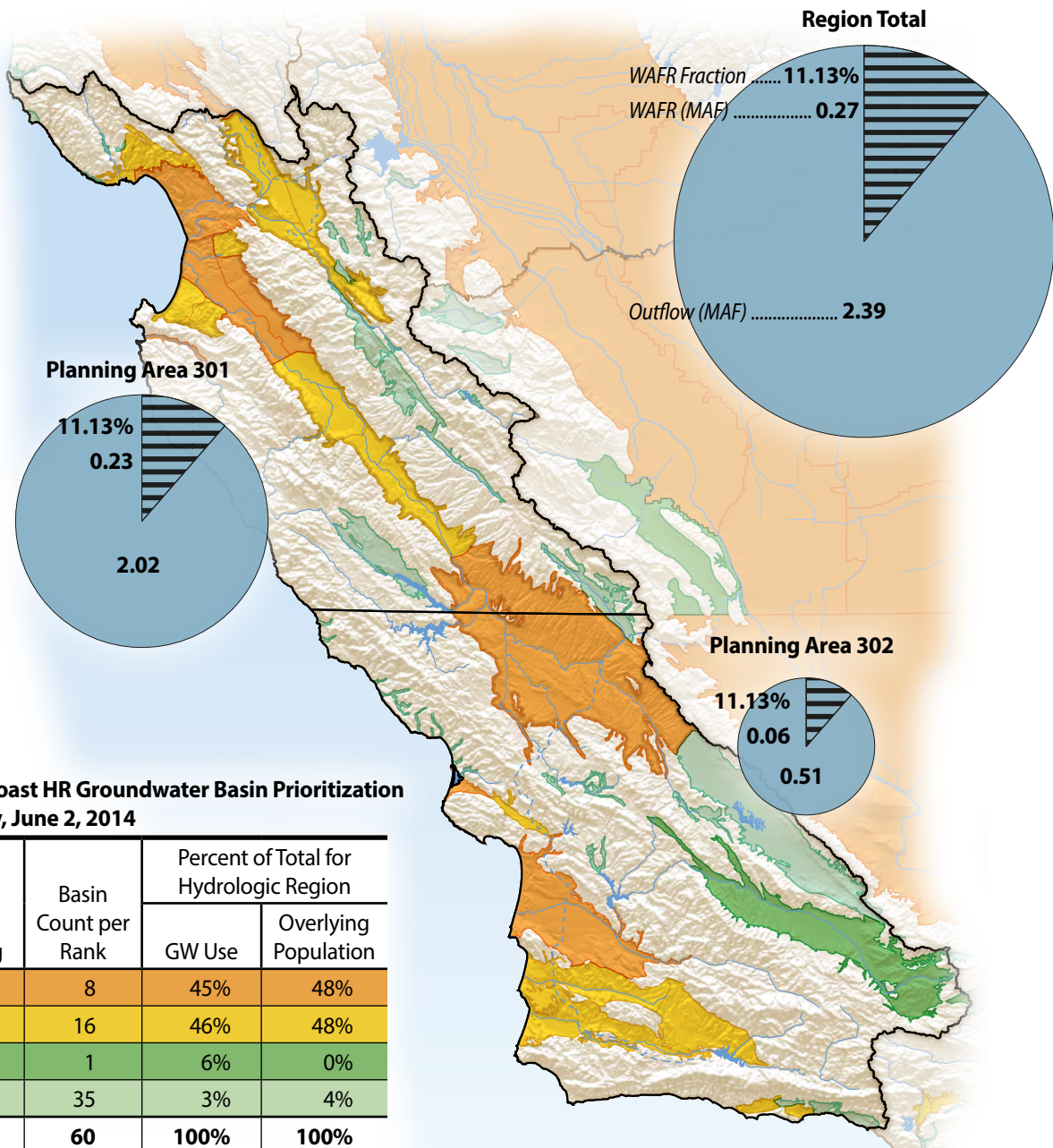
Note: For each regional graphic, scale is maintained within the graphic. To improve visibility, scale is not retained between regions.



Urban Water Portfolio Actions

| Method | Volume of Water Increase from 2010 to 2020 |
|--------------------|--|
| Recycled Water | 0 MAF |
| Desalination | 0.02 MAF |
| Water Conservation | 0.01 MAF |

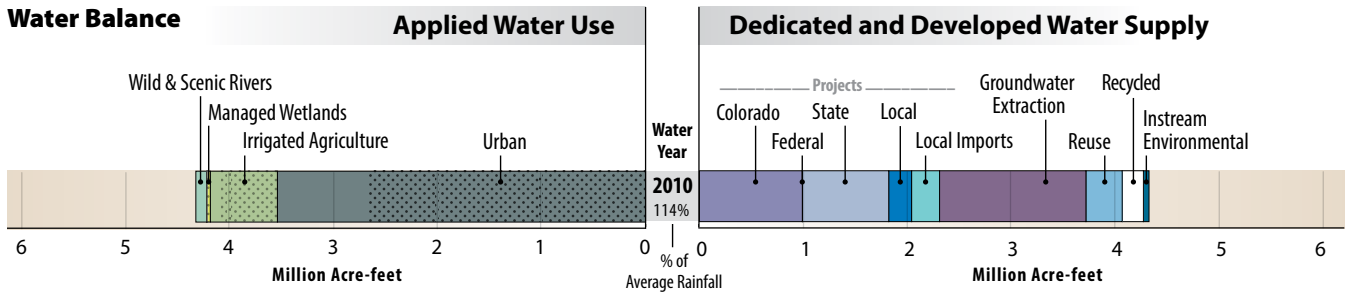
Outflow and WAFR Estimates (MAF), by Planning Area



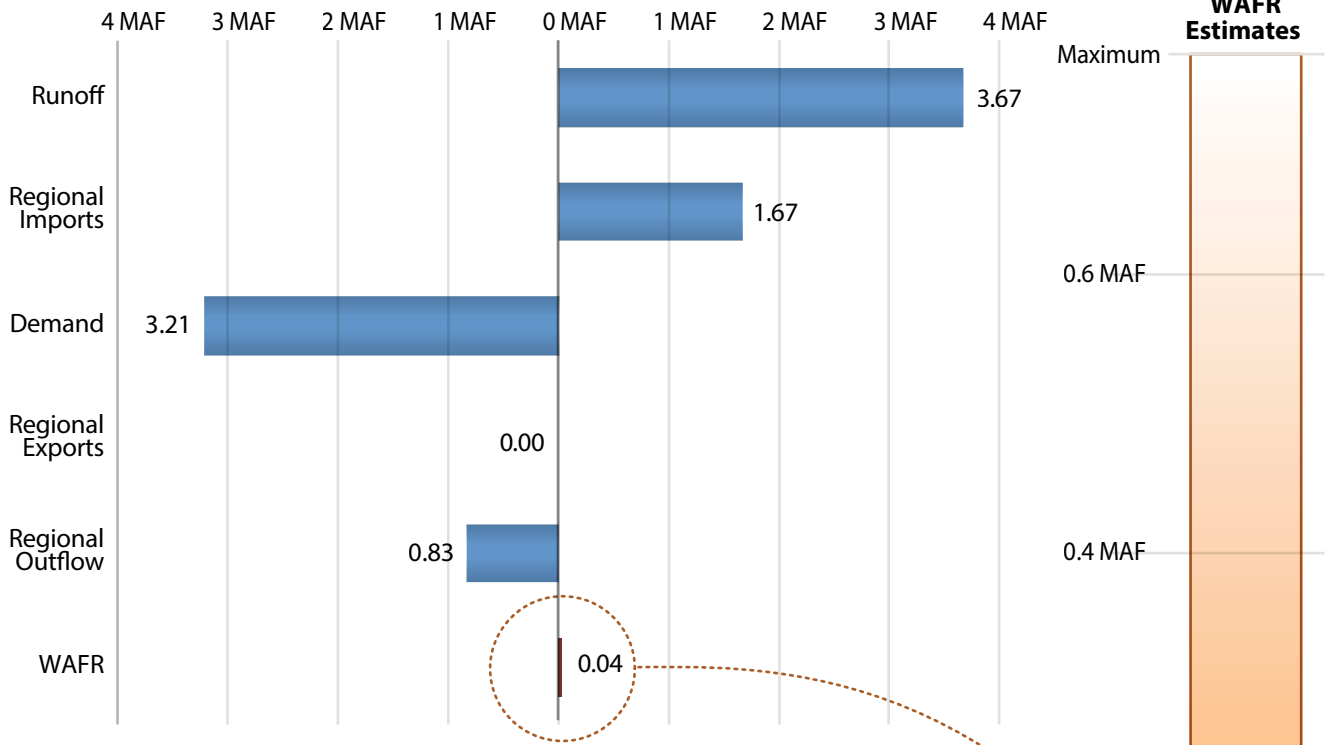
Central Coast HR Groundwater Basin Prioritization Summary, June 2, 2014

| Basin Ranking | Basin Count per Rank | Percent of Total for Hydrologic Region | |
|---------------|----------------------|--|----------------------|
| | | GW Use | Overlying Population |
| High | 8 | 45% | 48% |
| Medium | 16 | 46% | 48% |
| Low | 1 | 6% | 0% |
| Very Low | 35 | 3% | 4% |
| Totals | 60 | 100% | 100% |

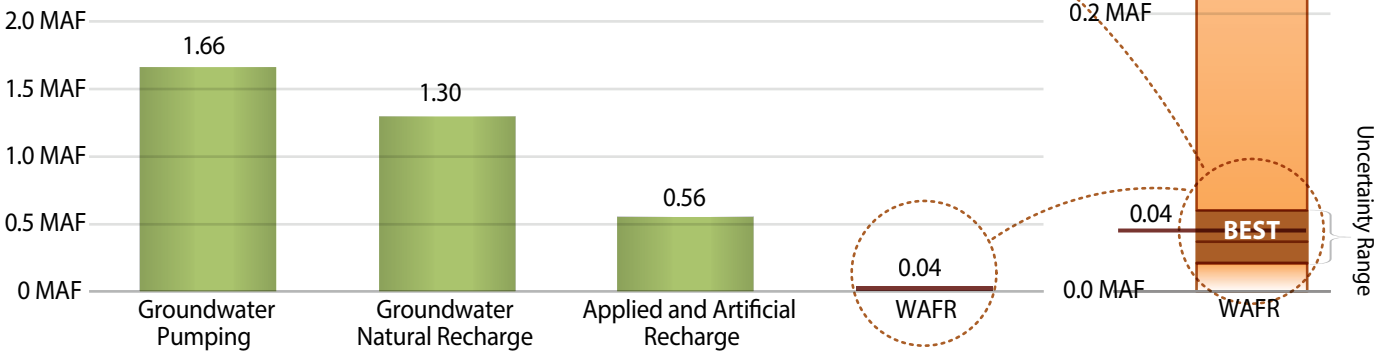
South Coast Hydrologic Region



Surface Water Information and WAFR Estimate



Groundwater Information and WAFR Estimate



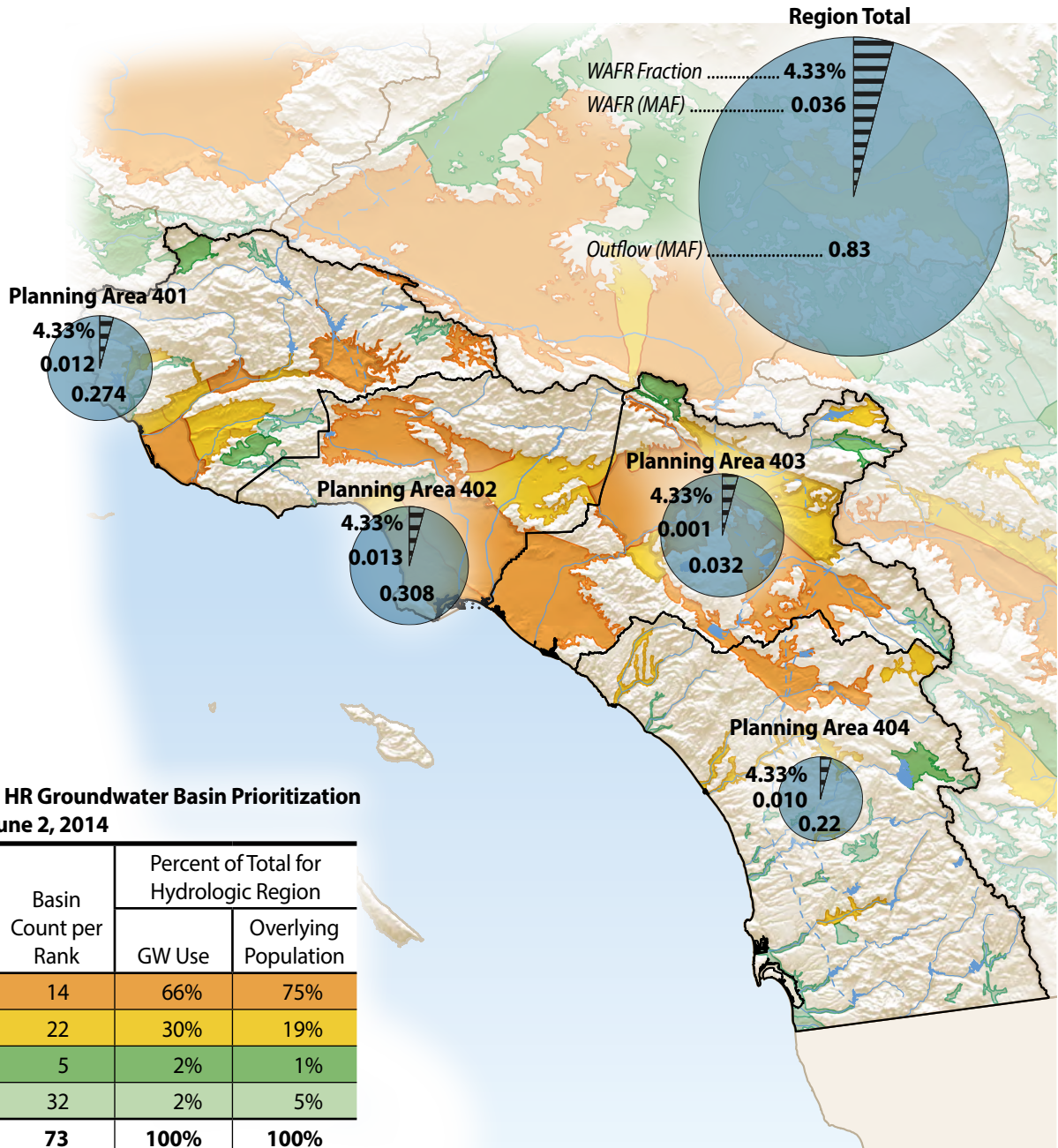
Note: For each regional graphic, scale is maintained within the graphic. To improve visibility, scale is not retained between regions.



Urban Water Portfolio Actions

| Method | Volume of Water Increase from 2010 to 2020 |
|--------------------|--|
| Recycled Water | 0.10 MAF |
| Desalination | 0.31 MAF |
| Water Conservation | 0.24 MAF |

Outflow and WAFR Estimates (MAF), by Planning Area

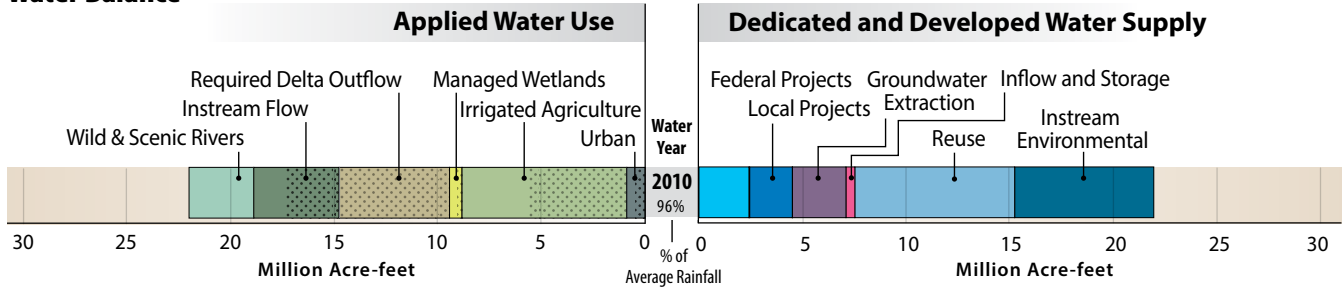


South Coast HR Groundwater Basin Prioritization Summary, June 2, 2014

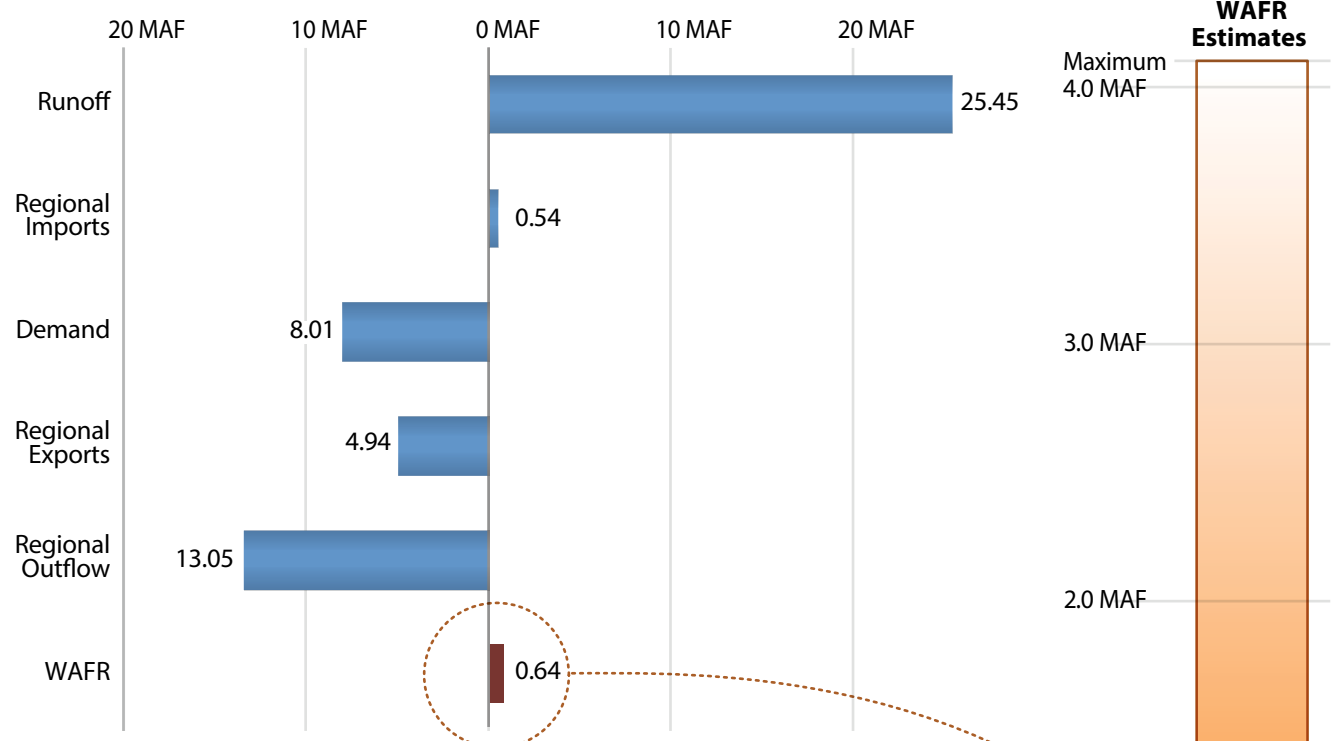
| Basin Ranking | Basin Count per Rank | Percent of Total for Hydrologic Region | |
|---------------|----------------------|--|----------------------|
| | | GW Use | Overlying Population |
| High | 14 | 66% | 75% |
| Medium | 22 | 30% | 19% |
| Low | 5 | 2% | 1% |
| Very Low | 32 | 2% | 5% |
| Totals | 73 | 100% | 100% |

Sacramento River Hydrologic Region

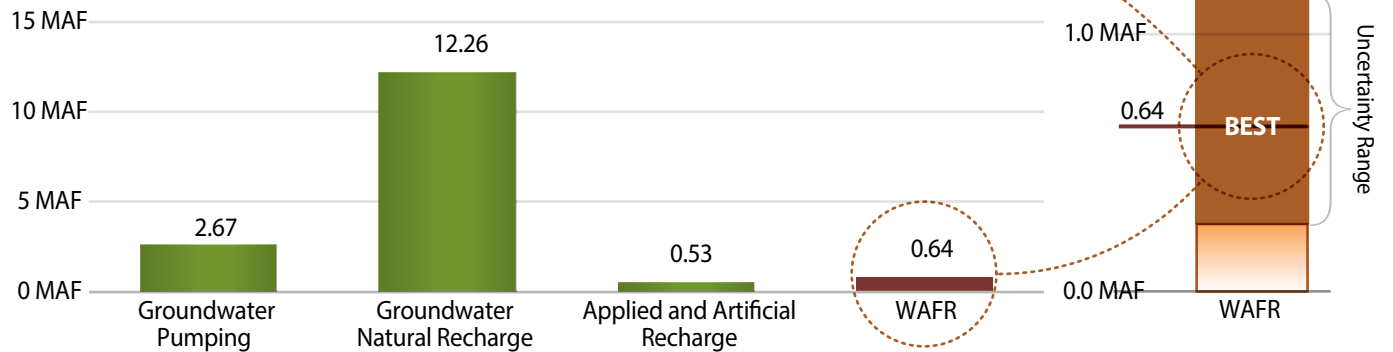
Water Balance



Surface Water Information and WAFR Estimate



Groundwater Information and WAFR Estimate



Note: For each regional graphic, scale is maintained within the graphic. To improve visibility, scale is not retained between regions.



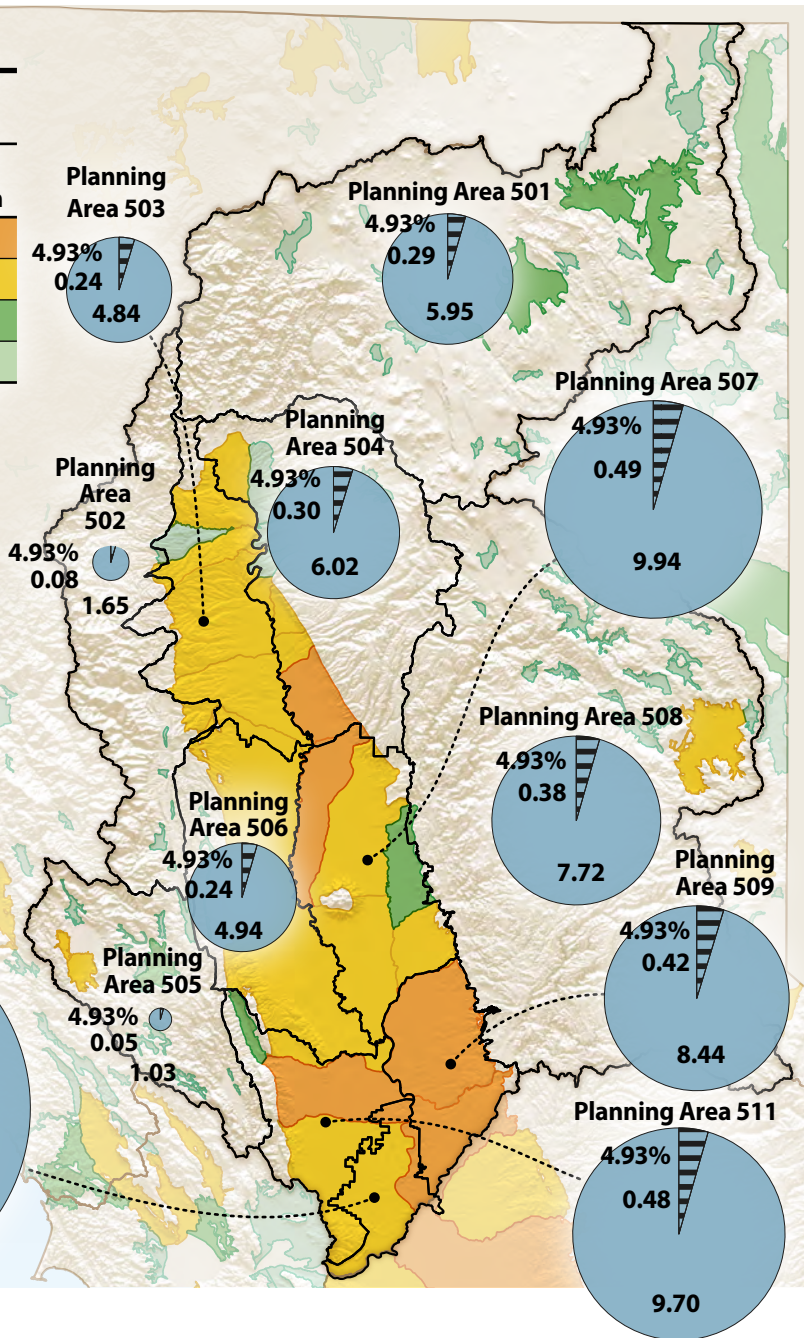
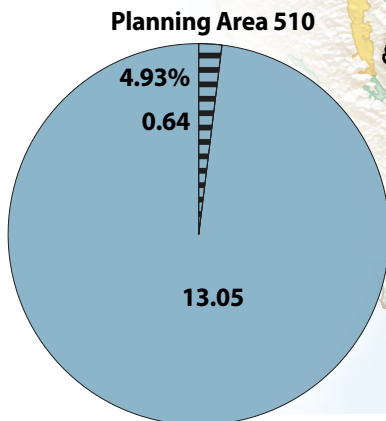
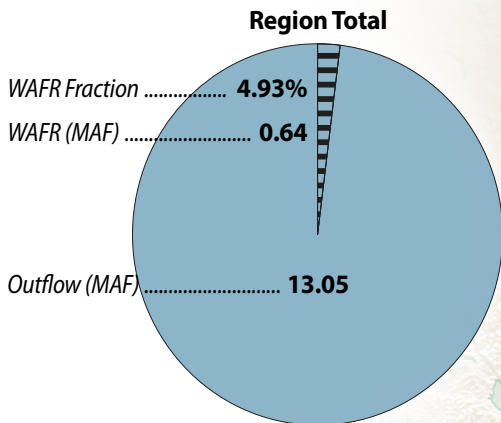
Urban Water Portfolio Actions

| Method | Volume of Water Increase from 2010 to 2020 |
|--------------------|--|
| Recycled Water | 0.02 MAF |
| Desalination | 0 MAF |
| Water Conservation | 0.13 MAF |

Outflow and WAFR Estimates (MAF), by Planning Area

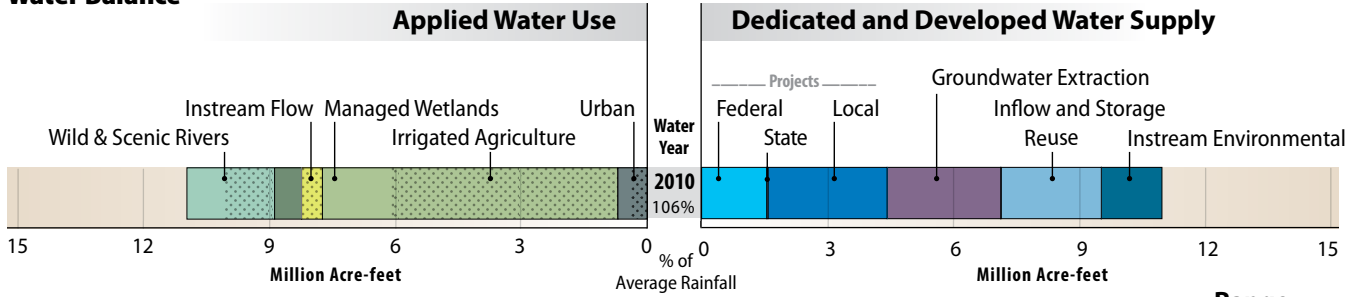
**Sacramento River HR Groundwater Basin
Prioritization Summary, June 2, 2014**

| Basin Ranking | Basin Count per Rank | Percent of Total for Hydrologic Region | |
|---------------|----------------------|--|----------------------|
| | | GW Use | Overlying Population |
| High | 5 | 38% | 76% |
| Medium | 16 | 51% | 22% |
| Low | 7 | 9% | 1% |
| Very Low | 60 | 2% | 1% |
| Totals | 88 | 100% | 100% |

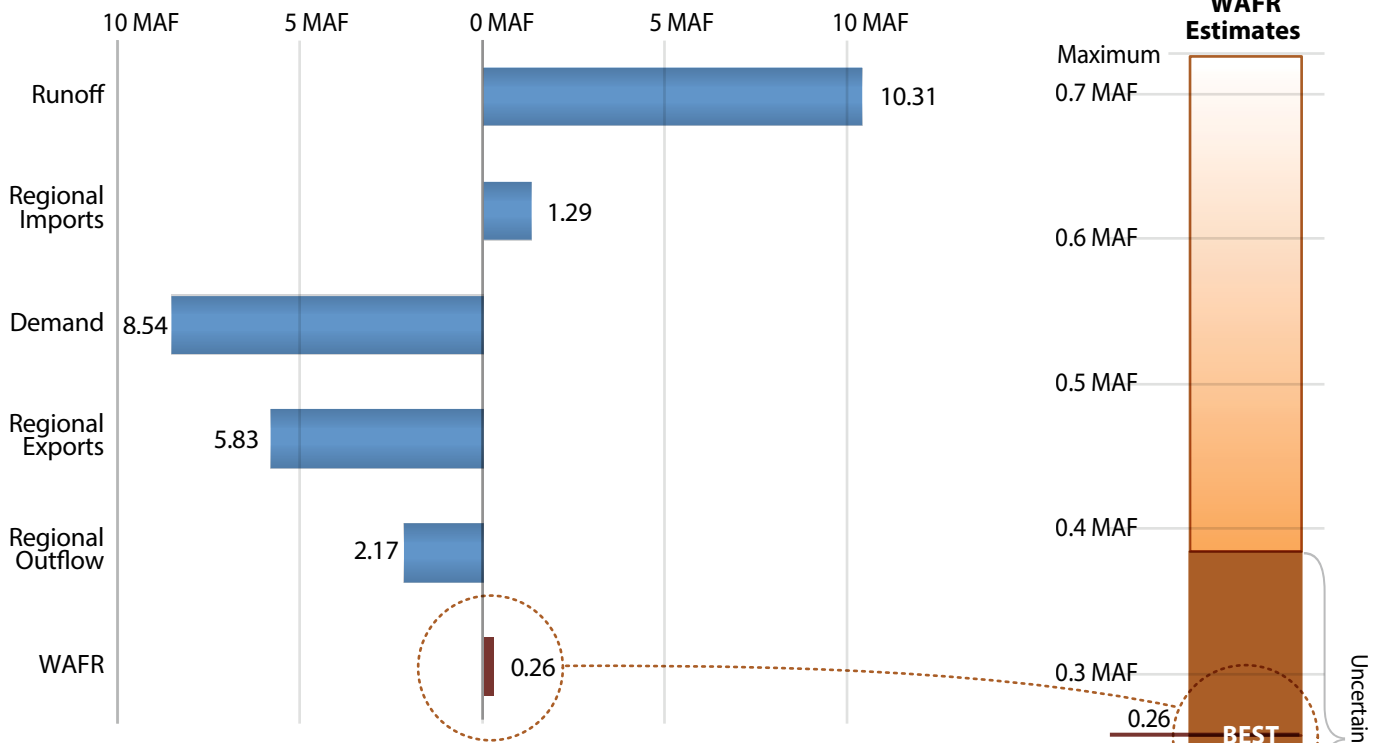


San Joaquin River Hydrologic Region

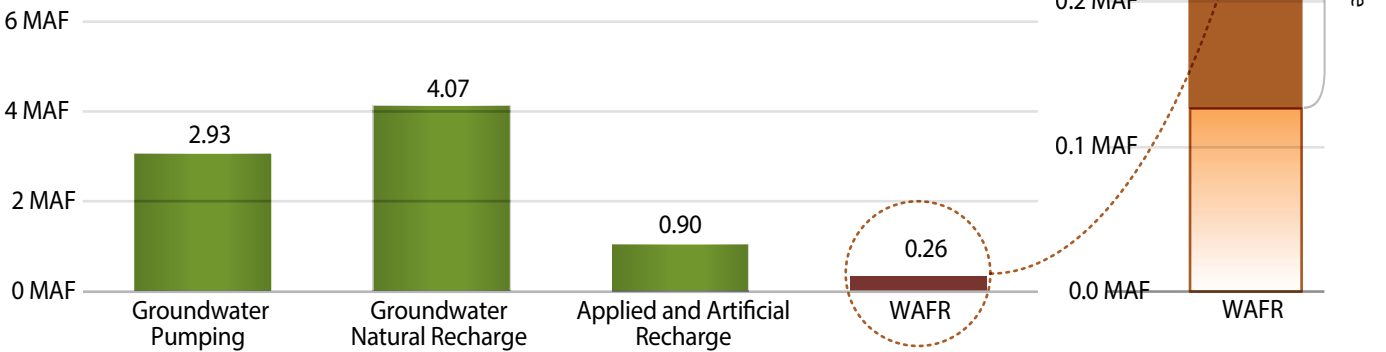
Water Balance



Surface Water Information and WAFR Estimate



Groundwater Information and WAFR Estimate



Note: For each regional graphic, scale is maintained within the graphic. To improve visibility, scale is not retained between regions.



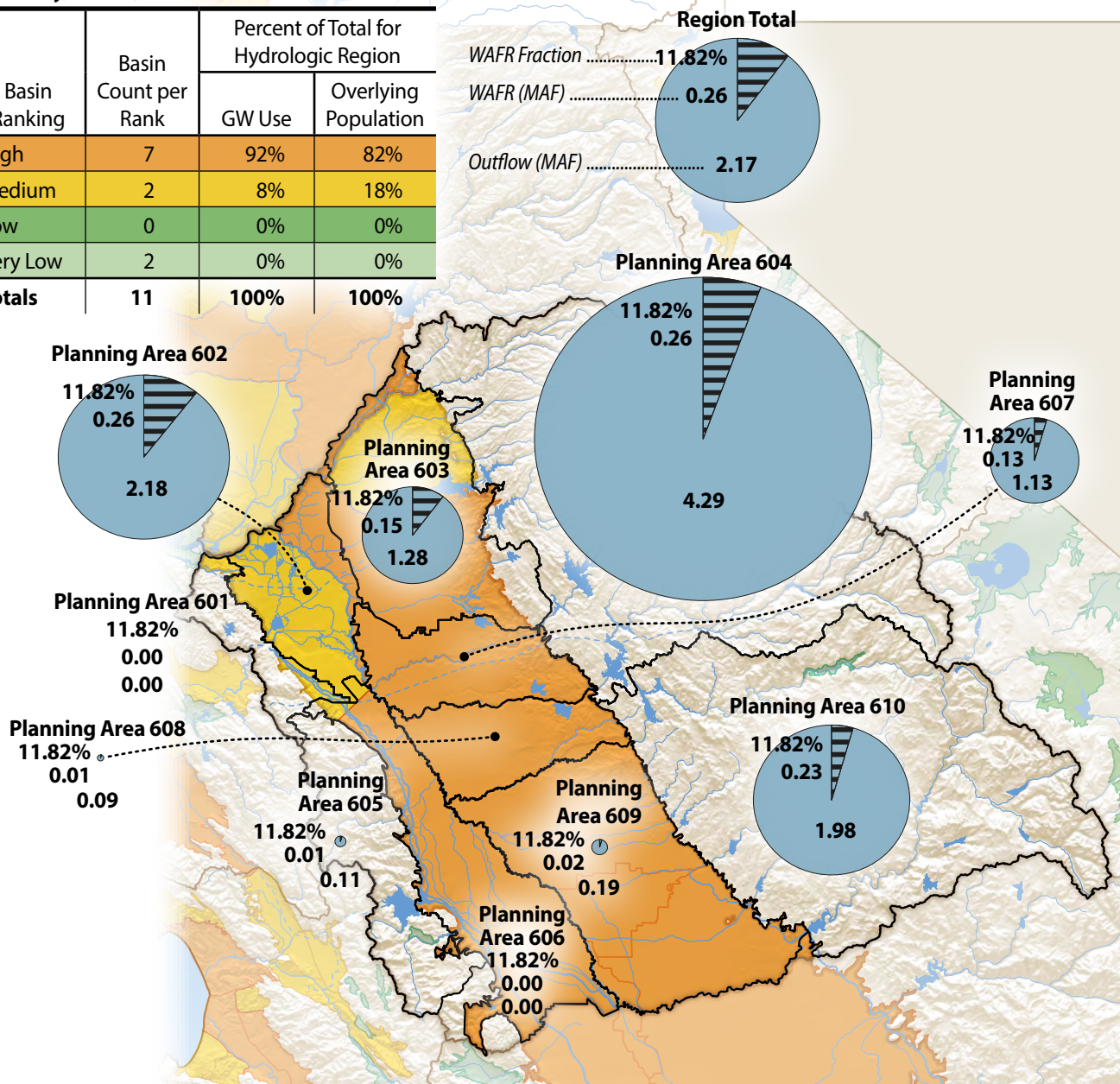
Urban Water Portfolio Actions

| Method | Volume of Water Increase from 2010 to 2020 |
|--------------------|--|
| Recycled Water | 0.03 MAF |
| Desalination | 0 MAF |
| Water Conservation | 0.11 MAF |

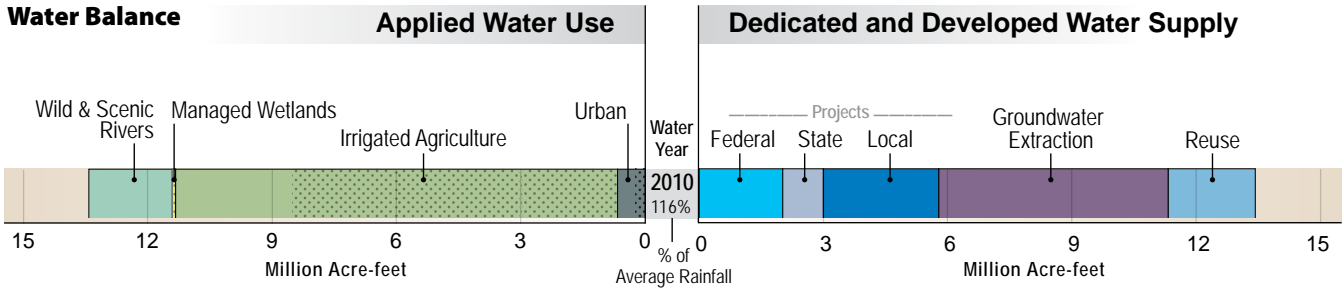
Outflow and WAFR Estimates (MAF), by Planning Area

San Joaquin HR Groundwater Basin Prioritization Summary, June 2, 2014

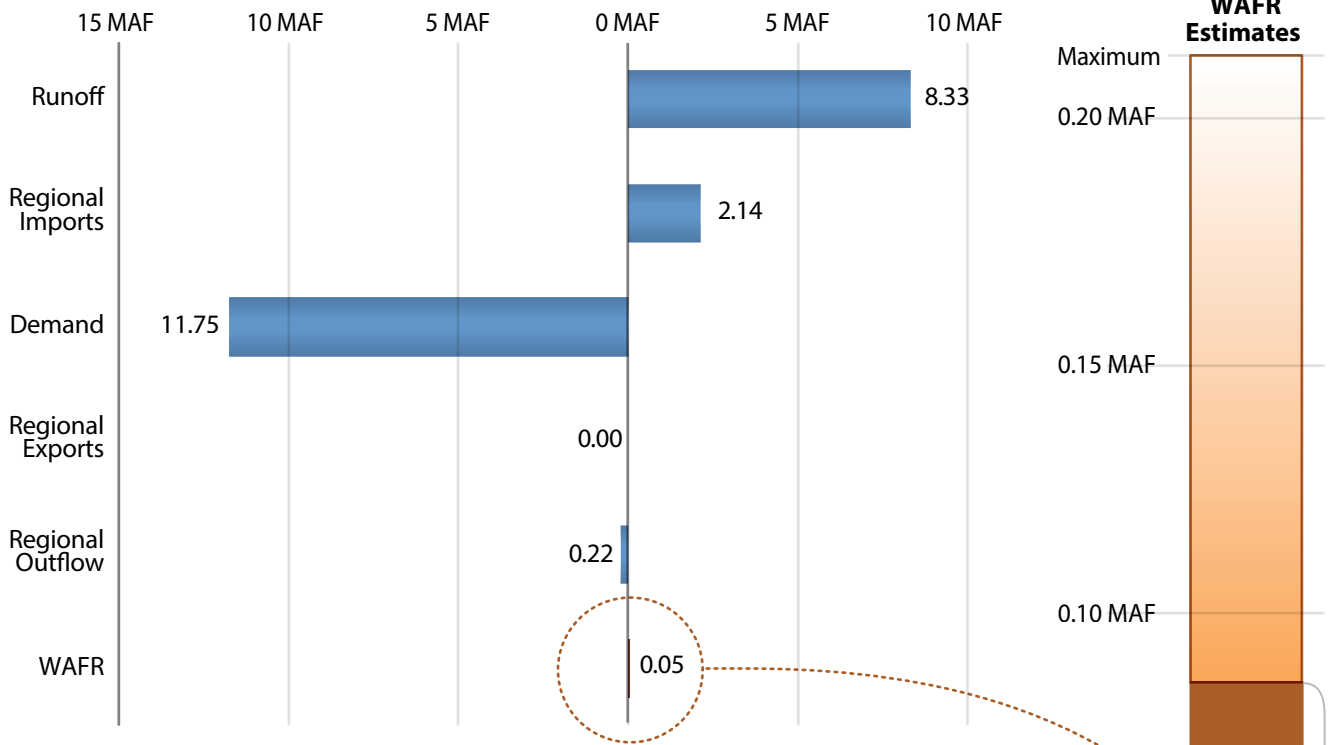
| Basin Ranking | Basin Count per Rank | Percent of Total for Hydrologic Region | |
|---------------|----------------------|--|----------------------|
| | | GW Use | Overlying Population |
| High | 7 | 92% | 82% |
| Medium | 2 | 8% | 18% |
| Low | 0 | 0% | 0% |
| Very Low | 2 | 0% | 0% |
| Totals | 11 | 100% | 100% |



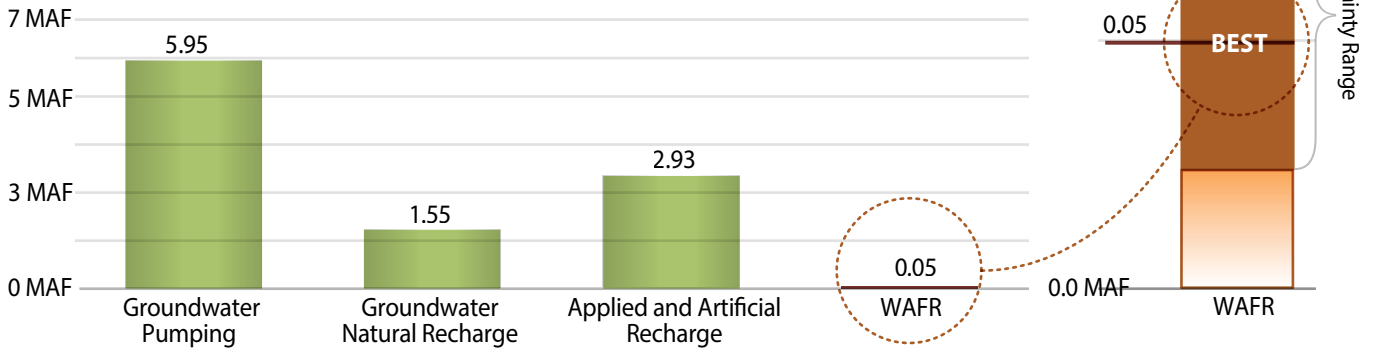
Tulare Lake Hydrologic Region



Surface Water Information and WAFR Estimate



Groundwater Information and WAFR Estimate



Note: For each regional graphic, scale is maintained within the graphic. To improve visibility, scale is not retained between regions.



Urban Water Portfolio Actions

| Method | Volume of Water Increase from 2010 to 2020 |
|--------------------|--|
| Recycled Water | 0.01 MAF |
| Desalination | 0 MAF |
| Water Conservation | 0.05 MAF |

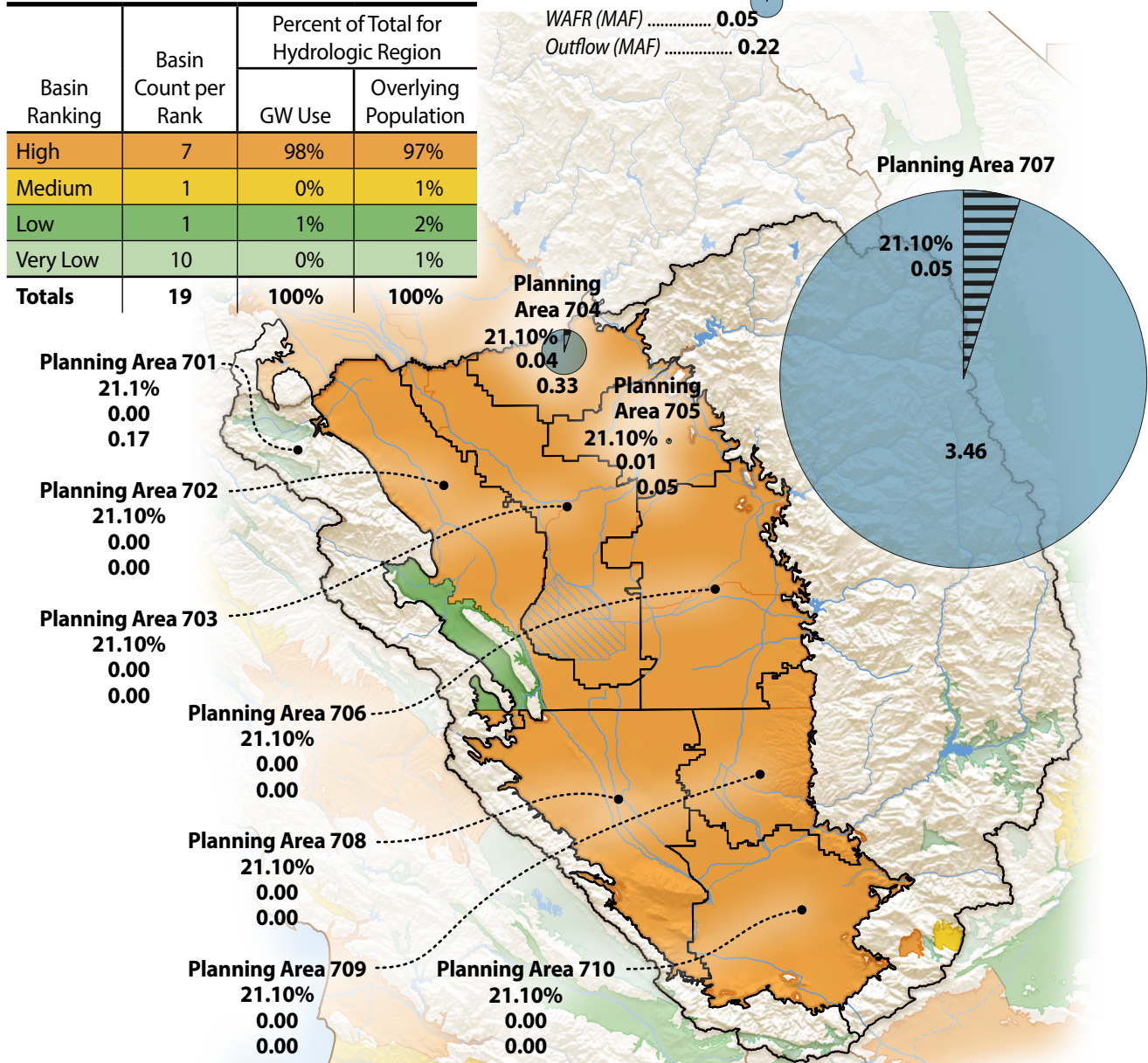
Outflow and WAFR Estimates (MAF), by Planning Area

Tulare Lake HR Groundwater Basin Prioritization Summary, June 2, 2014

| Basin Ranking | Basin Count per Rank | Percent of Total for Hydrologic Region | |
|---------------|----------------------|--|----------------------|
| | | GW Use | Overlying Population |
| High | 7 | 98% | 97% |
| Medium | 1 | 0% | 1% |
| Low | 1 | 1% | 2% |
| Very Low | 10 | 0% | 1% |
| Totals | 19 | 100% | 100% |

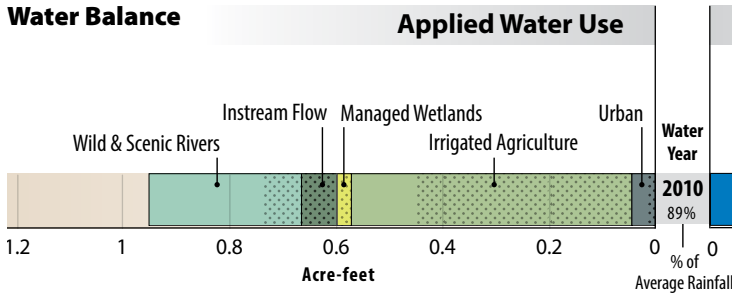
Region Total

WAFR Fraction **21.10%**
 WAFR (MAF) **0.05**
 Outflow (MAF) **0.22**

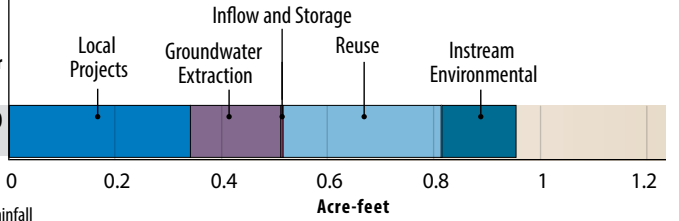


North Lahontan Hydrologic Region

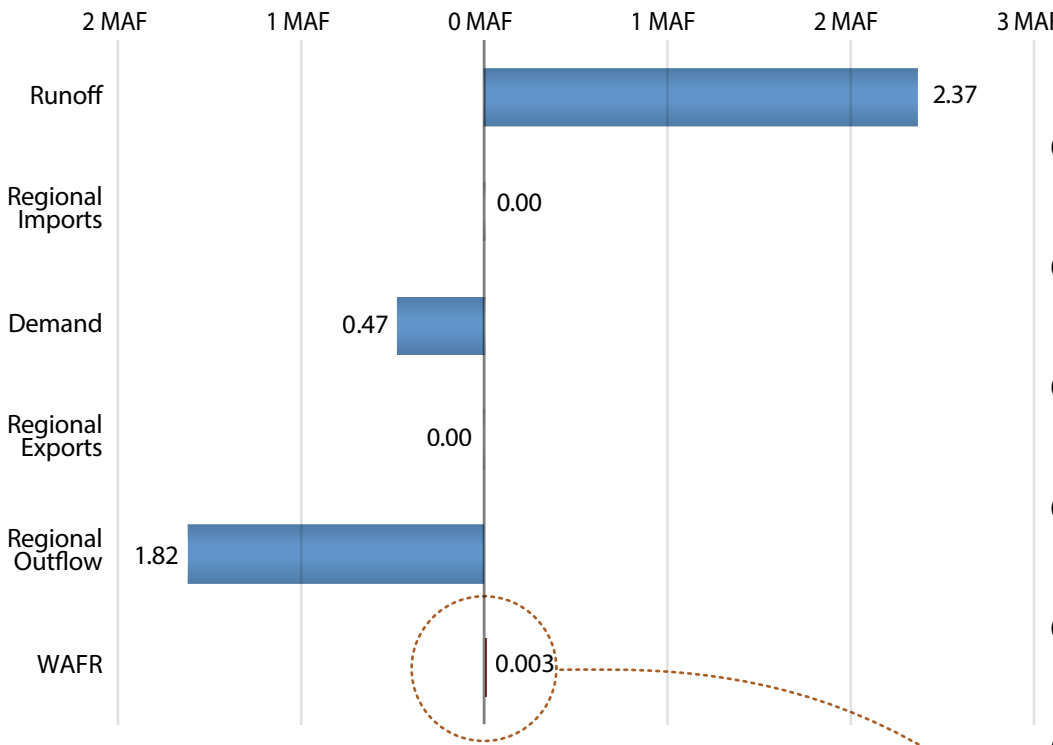
Water Balance



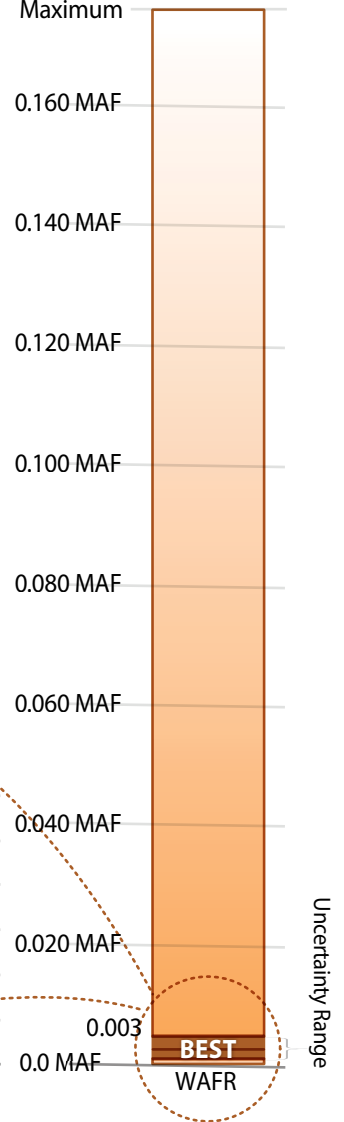
Dedicated and Developed Water Supply



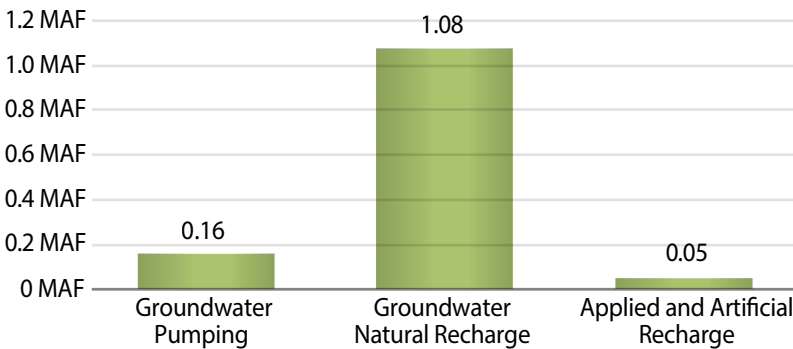
Surface Water Information and WAFR Estimate



Range of WAFR Estimates



Groundwater Information and WAFR Estimate



Note: For each regional graphic, scale is maintained within the graphic. To improve visibility, scale is not retained between regions.



Urban Water Portfolio Actions

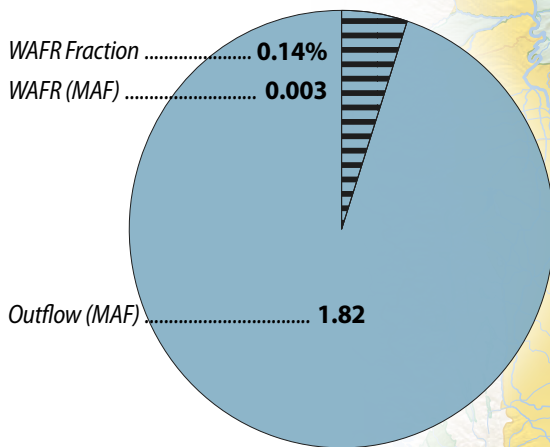
| Method | Volume of Water Increase from 2010 to 2020 |
|--------------------|--|
| Recycled Water | 0.0 MAF |
| Desalination | 0 MAF |
| Water Conservation | 0.0 MAF |

Outflow and WAFR Estimates (MAF), by Planning Area

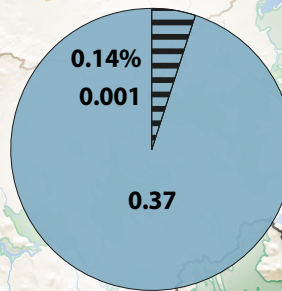
North Lahontan HR Groundwater Basin Prioritization Summary, June 2, 2014

| Basin Ranking | Basin Count per Rank | Percent of Total for Hydrologic Region | |
|---------------|----------------------|--|----------------------|
| | | GW Use | Overlying Population |
| High | 0 | 0% | 0% |
| Medium | 2 | 9% | 55% |
| Low | 2 | 72% | 33% |
| Very Low | 23 | 19% | 12% |
| Totals | 27 | 100% | 100% |

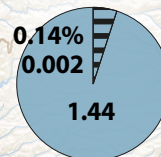
Region Total



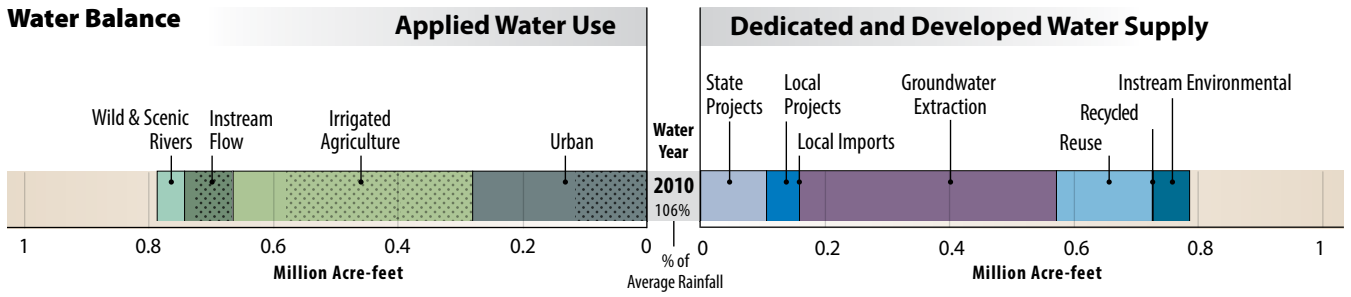
Planning Area 801



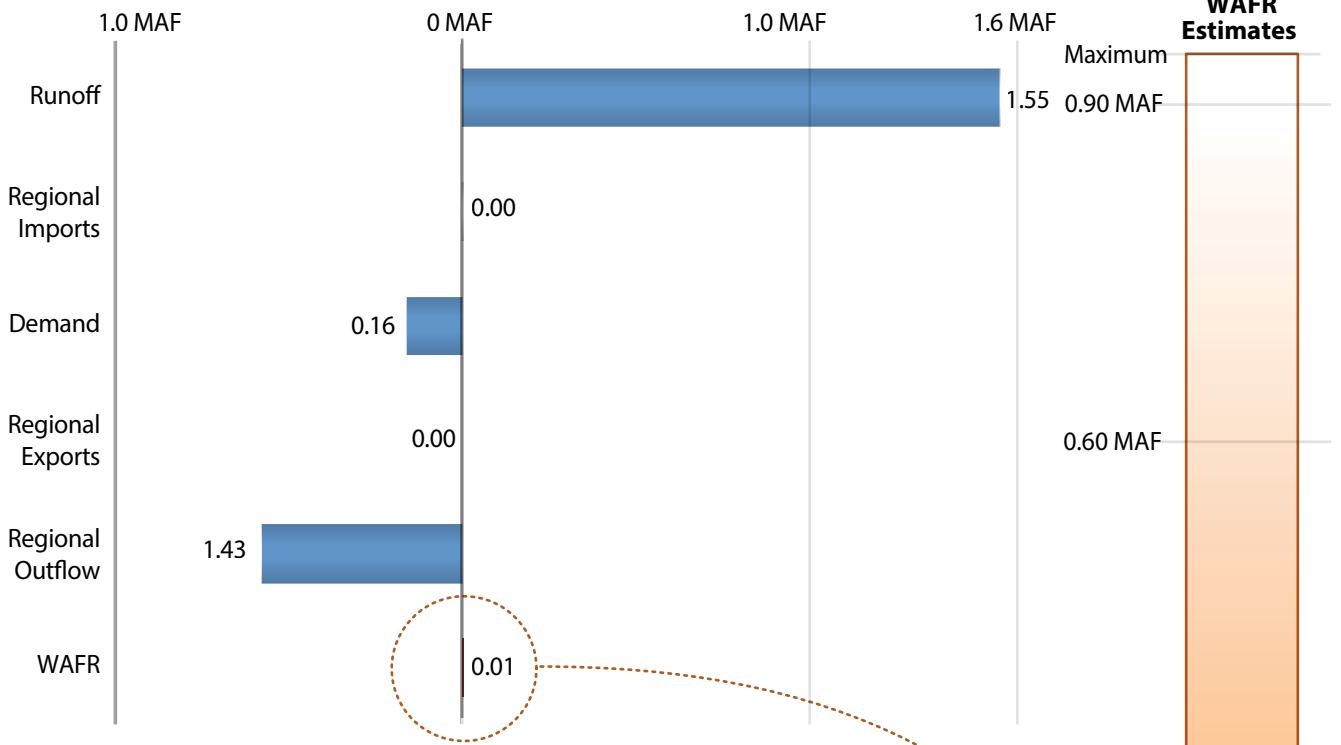
Planning Area 802



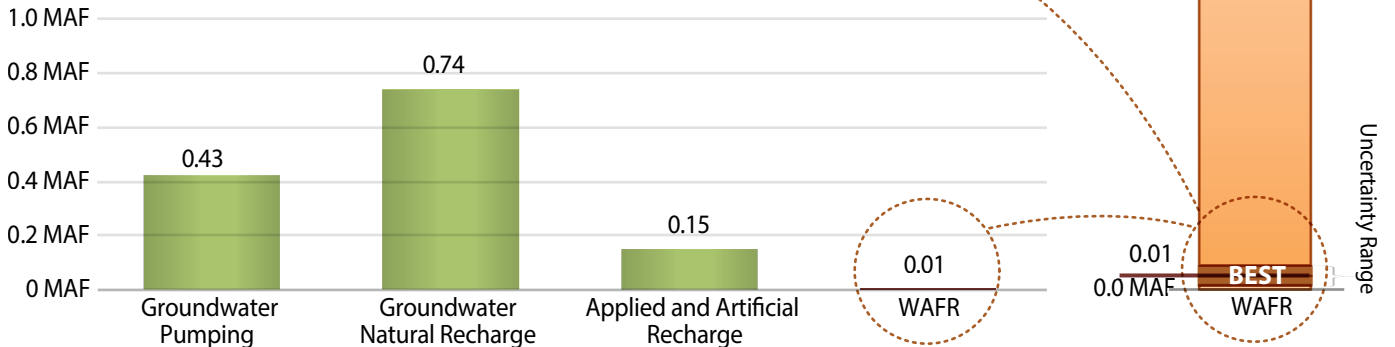
South Lahontan Hydrologic Region



Surface Water Information and WAFR Estimate



Groundwater Information and WAFR Estimate



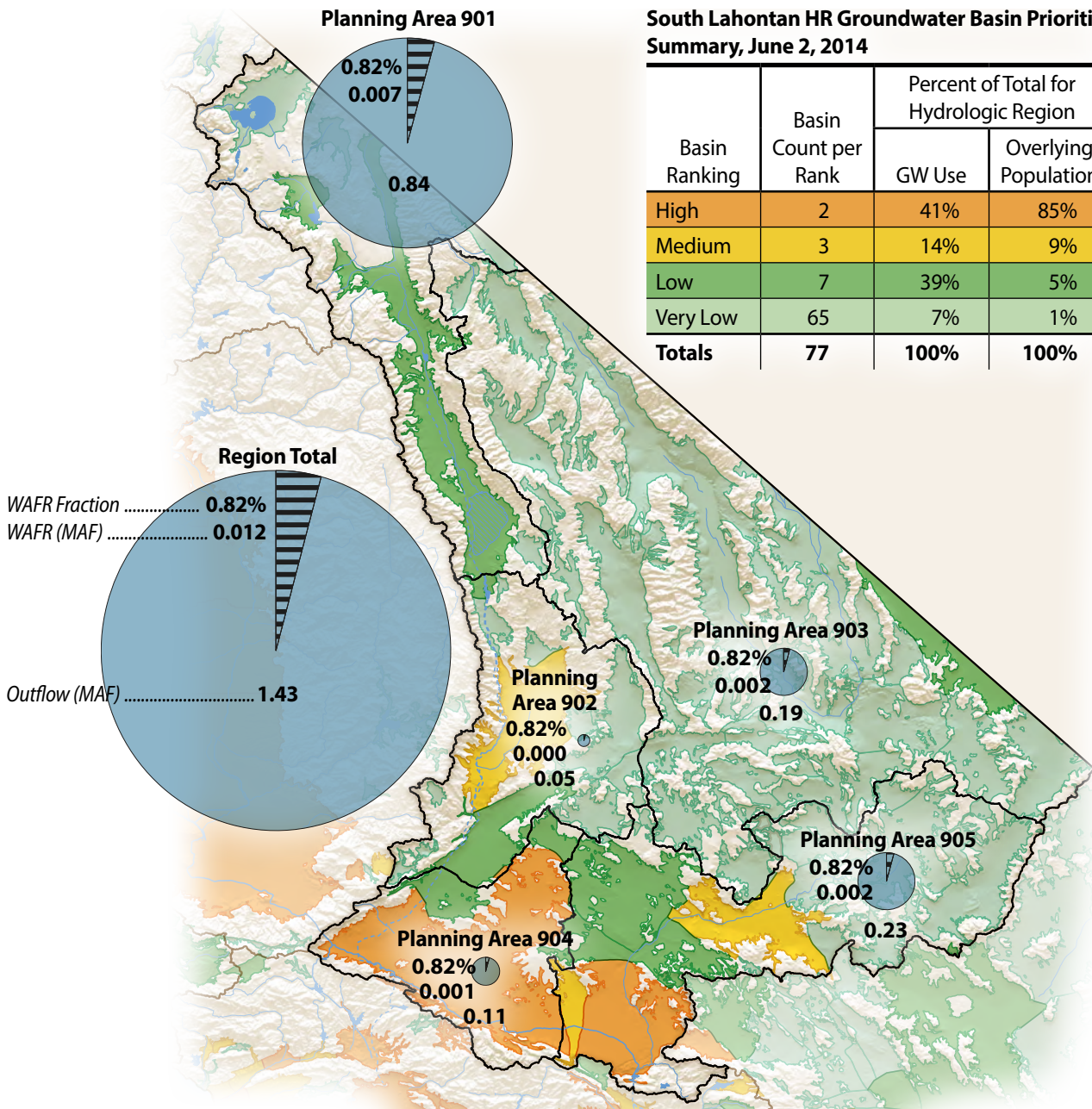
Note: For each regional graphic, scale is maintained within the graphic. To improve visibility, scale is not retained between regions.



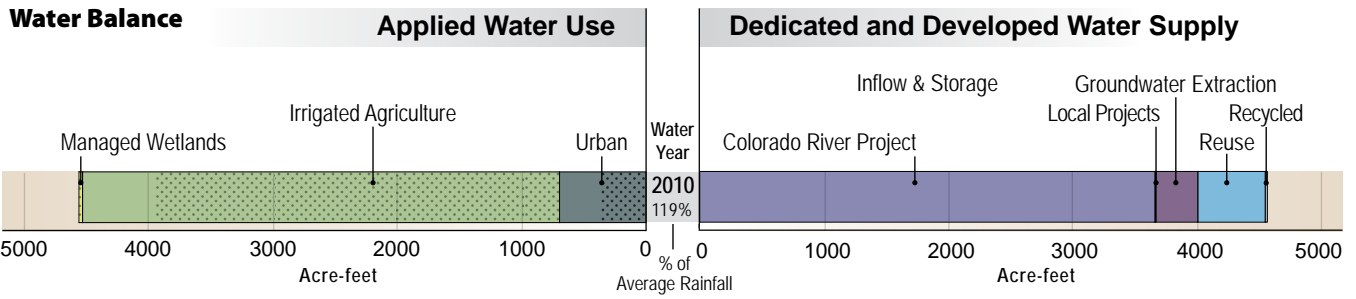
Urban Water Portfolio Actions

| Method | Volume of Water Increase from 2010 to 2020 |
|--------------------|--|
| Recycled Water | 0.01 MAF |
| Desalination | 0 MAF |
| Water Conservation | 0.01 MAF |

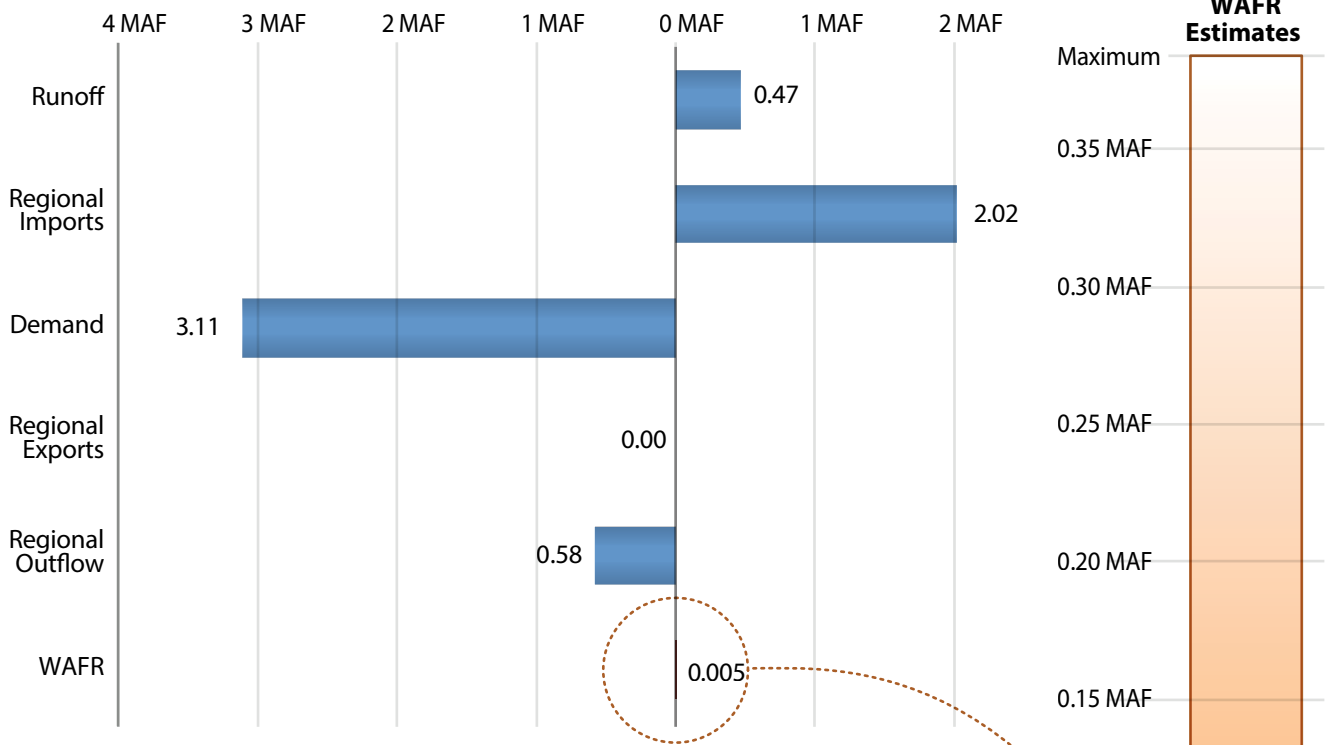
Outflow and WAFR Estimates (MAF), by Planning Area



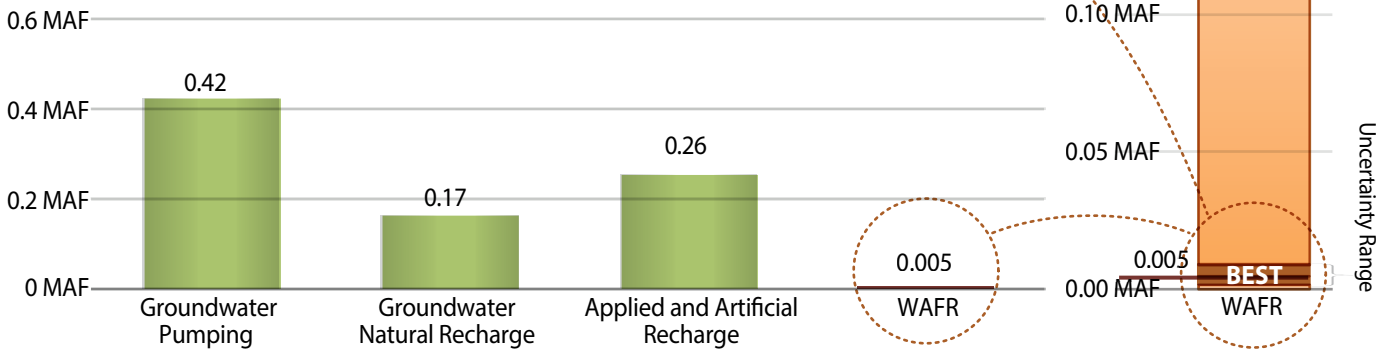
Colorado River Hydrologic Region



Surface Water Information and WAFR Estimate



Groundwater Information and WAFR Estimate



Note: For each regional graphic, scale is maintained within the graphic. To improve visibility, scale is not retained between regions.



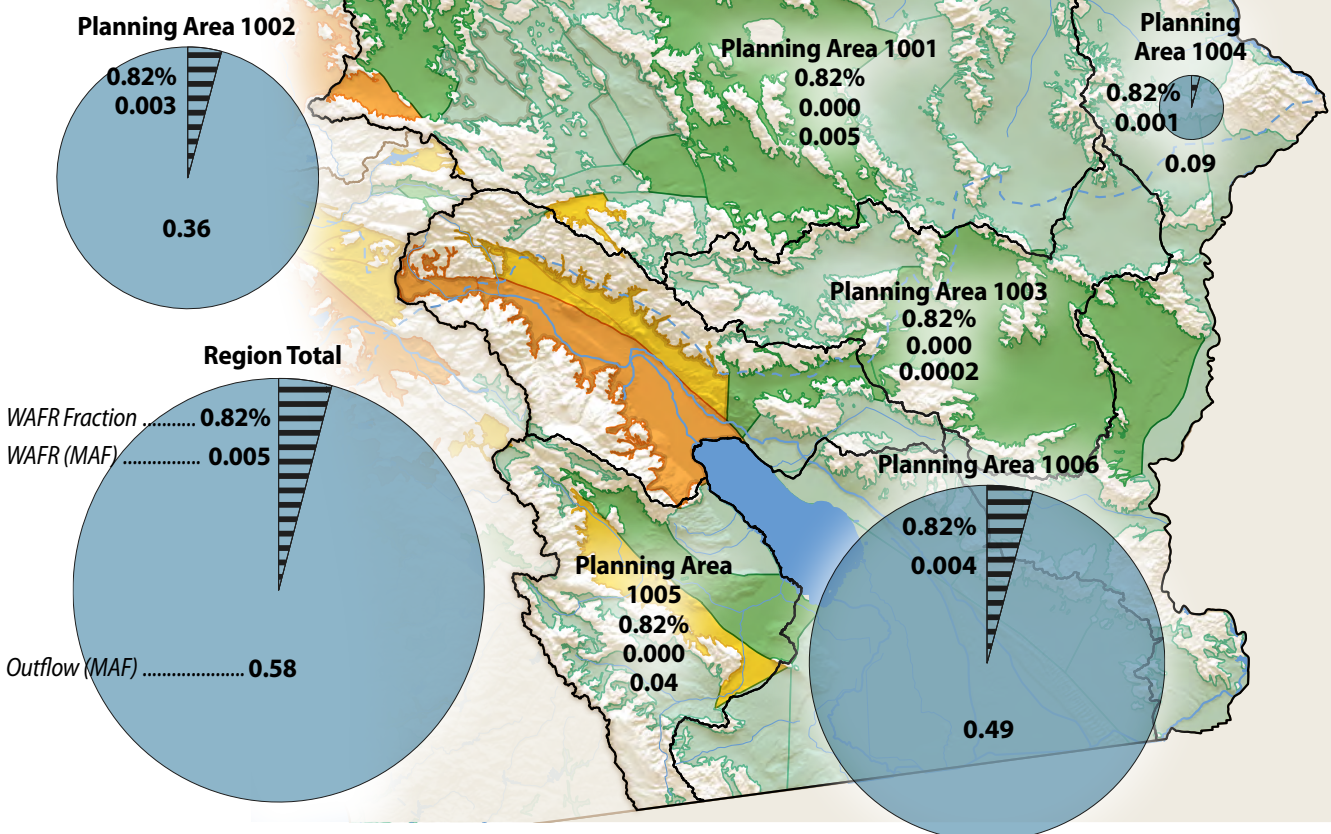
Urban Water Portfolio Actions

| Method | Volume of Water Increase from 2010 to 2020 |
|--------------------|--|
| Recycled Water | 0.01 MAF |
| Desalination | 0 MAF |
| Water Conservation | 0 MAF |

Outflow and WAFR Estimates (MAF), by Planning Area

Colorado River HR Groundwater Basin Prioritization Summary, June 2, 2014

| Basin Ranking | Basin Count per Rank | Percent of Total for Hydrologic Region | |
|---------------|----------------------|--|----------------------|
| | | GW Use | Overlying Population |
| High | 2 | 52% | 55% |
| Medium | 4 | 24% | 9% |
| Low | 9 | 18% | 7% |
| Very Low | 49 | 5% | 28% |
| Totals | 64 | 100% | 100% |

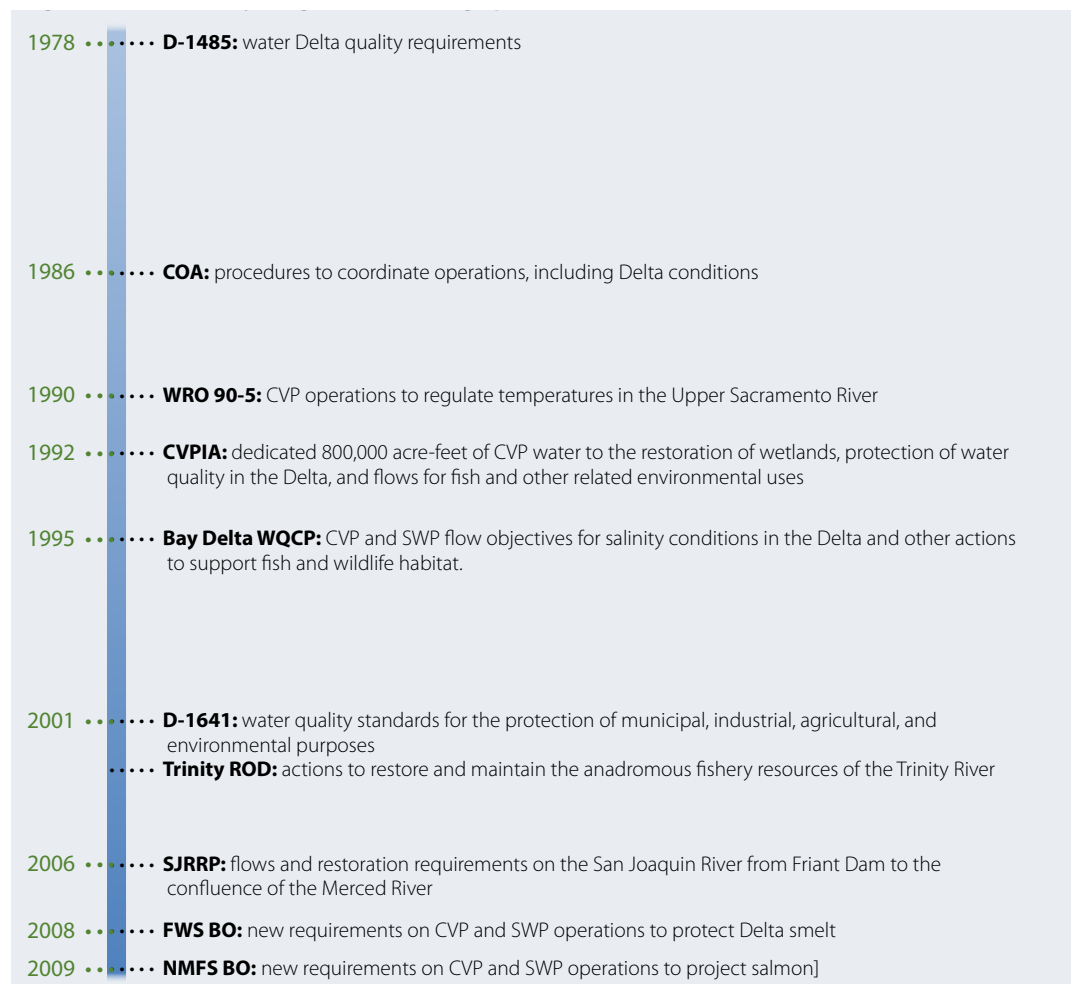


State Water Project and Central Valley Project: Reliability and Availability

Many regions in California receive part of their supply from the SWP or CVP. As GSAs in these regions plan for the future, there is a need to understand the reliability of SWP and CVP deliveries — how reliability has changed through time and how reliability may change in the future. Additional detail is provided in Appendix B. This report provides historical information and context for the SWP and the CVP as a background for estimates of the current reliability of surface water deliveries for both projects. GSAs in regions that receive deliveries from either project may find this information useful for developing water budgets. This report also includes a summary of statewide surface water project investigation results that quantify the additional surface water supplies (i.e., water available) that may be developed by enhancing California’s statewide infrastructure. In addition, this report includes discussion of how statewide water supplies may be affected by climate change, including such topics as inflow to major reservoirs and sea level rise.

The SWP and CVP were constructed over many decades. The demand for water, recognition of ecosystem needs and the need to balance beneficial uses, and the resulting regulations governing SWP and CVP operations have all steadily increased through time. Figure 8, below, shows a timeline of the almost 40 years of key regulations that have governed or affected the operation of the SWP/CVP system.

Figure 8. Timeline of Major Regulations Affecting Operations of the SWP and CVP



An analysis was conducted to demonstrate how regulatory changes have affected the water supply reliability of contract supplies of the CVP and SWP. This analysis simulated the operation of the SWP/CVP system with the same hydrology, facilities, and demands, but under three different regulatory conditions, as described in Figure 8: D-1485, D-1641, and the 2008 and 2009 Biological Opinions for Delta smelt and salmon. This analysis is provided as context for GSAs and others to understand how SWP and CVP reliability has changed through time in association with changing regulations. For illustrative purposes, analytical results for SWP and CVP deliveries are provided in the next section.

Example Analysis of the Effect of Past and Current Regulations on SWP Deliveries

SWP deliveries are reported for contract water supplies (Table A amounts) to its long-term water contractors (Table A contractors) located south of the Delta and shown in Figure 9. Within the SWP, most Table A contractors receive the same allocation each year, and there are no differences in allocation of water between agricultural and municipal and industrial (M&I) contractors. CVP deliveries are reported for agricultural and M&I water service contractors (excluding the Eastside and Friant diversions) and shown in Figure 10.

Figures 9 and 10 illustrate how annual SWP and CVP deliveries were affected by changes in regulatory conditions. Annual deliveries for a single wet year, a period of six wet years, an average across all years (82 years), a single dry year, and a 6-year drought are presented in Figures 9 and 10. The single years illustrated represent the most extreme single wet (1983) and single dry (1977) years in the period of analysis (1922–2003).

Figure 9. Annual SWP Table A Deliveries

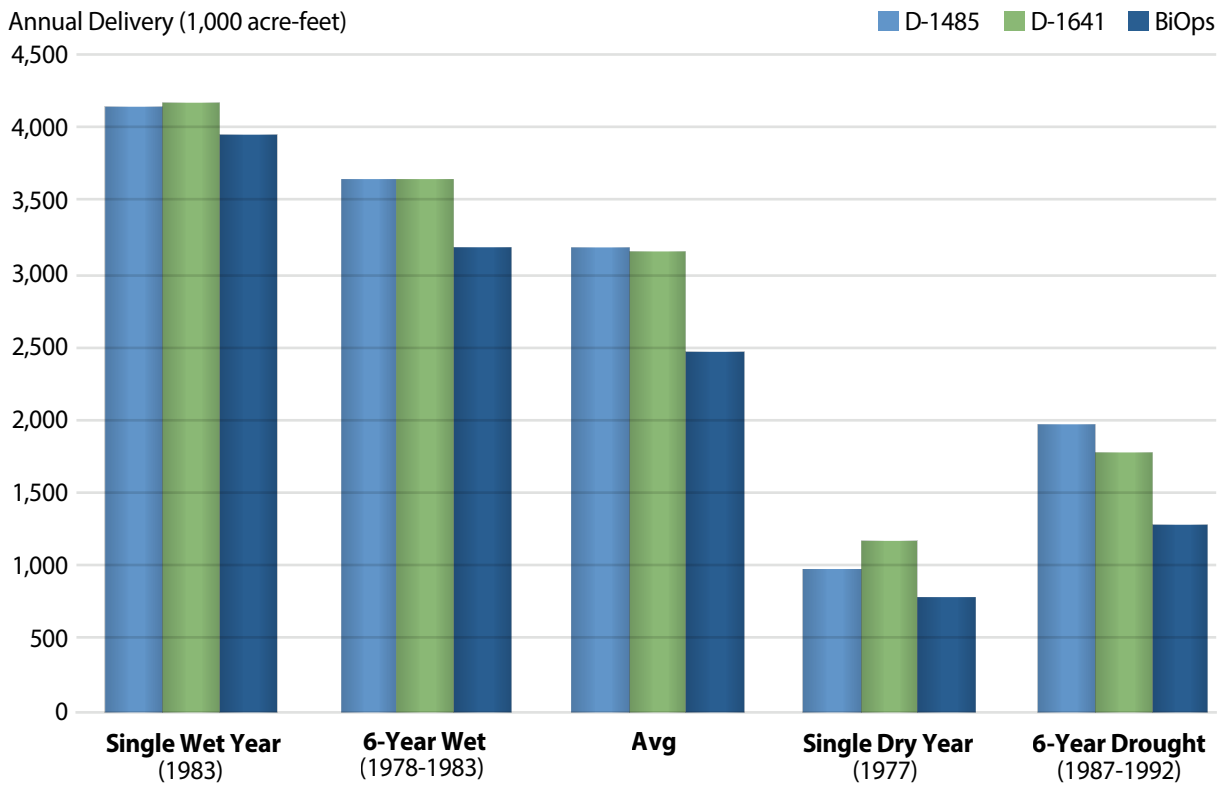
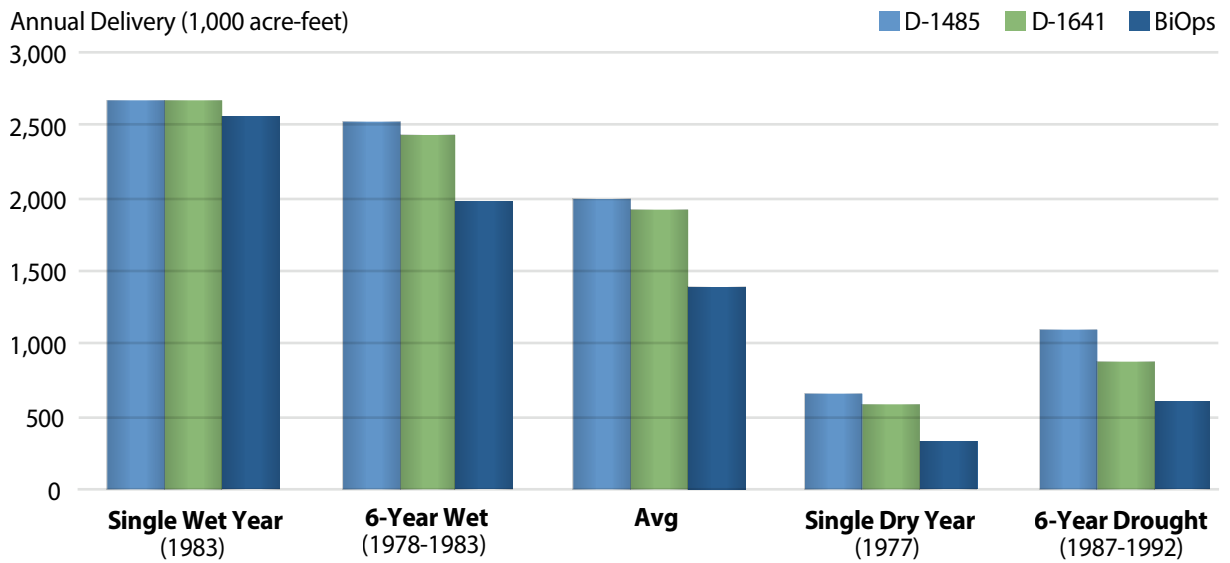


Figure 10. Annual CVP Water Service Contract Deliveries



The results presented in Figure 10 show similar annual deliveries between the D-1485 and D-1641 simulations, and reductions in annual deliveries in all years and periods under the Biological Opinions (BiOps) simulation. But changing from D-1641 to the BiOps regulatory condition shows a more dramatic regulatory effect. Results indicate that average annual SWP Table A deliveries under the Biological Opinions regulatory condition are approximately 600,000 acre-feet less than under D-1641 conditions; average CVP deliveries are similarly reduced by approximately 500,000 acre-feet. More detail for Figures 9 and 10 is provided in Appendix B.

Future Uncertainty of SWP and CVP Reliability and Availability

California is close to making several important water resources investment decisions significantly related to the performance of the CVP and SWP. For example, California EcoRestore proposes to make major capital investments in the long-term health of the Delta ecosystem, including the development of more than 30,000 acres of habitat restoration. California WaterFix proposes new Delta conveyance investments to protect water supplies and fish. Also, as part of Proposition 1 (2014), California voters approved investment in water quality, water supply, and infrastructure improvement, including ecosystem benefits for the Bay-Delta and associated watersheds. The California Water Commission has established the Water Storage Investment Program to identify and fund storage projects that would maximize return on public investment. Many of these studies and others (e.g., the Bay-Delta Water Quality Control Plan) have considered a new regulatory future that would affect the reliability of the SWP and CVP. In addition, WaterFix conveyance studies and CALFED surface storage investigations have proposed new infrastructure to improve the state’s water system, specifically the SWP and CVP. These proposed projects may, under certain conditions, improve the reliability of the CVP and SWP. Improved reliability may result in water available for replenishment in areas of the state that receive increased water supplies.

For the following discussion, average South of Delta (SOD) exports and SWP and CVP reliability are used interchangeably. The current average reliability of combined (SWP and CVP) SOD exports is about 4.94 million acre feet (maf), as shown in Table 6. The average future reliability associated with combined SOD exports, with climate change, is about 4.63 maf (about a 6 percent reduction), indicating that the reliability of the projects are expected to be diminished solely by climate change, assuming no other system changes.

Table 6. Baseline Operations and Combined SWP and CVP Delta Exports

| Scenario Description | Operations | Climate | Reliability, Combined Delta Exports, maf |
|------------------------------|---|--|---|
| Current Conditions | Existing Infrastructure Current Regulatory | Historical Hydrology | 4.94 |
| Future Without Action | Existing Infrastructure Current Regulatory | Climate-changed hydrology and Sea Level Rise | 4.63 |

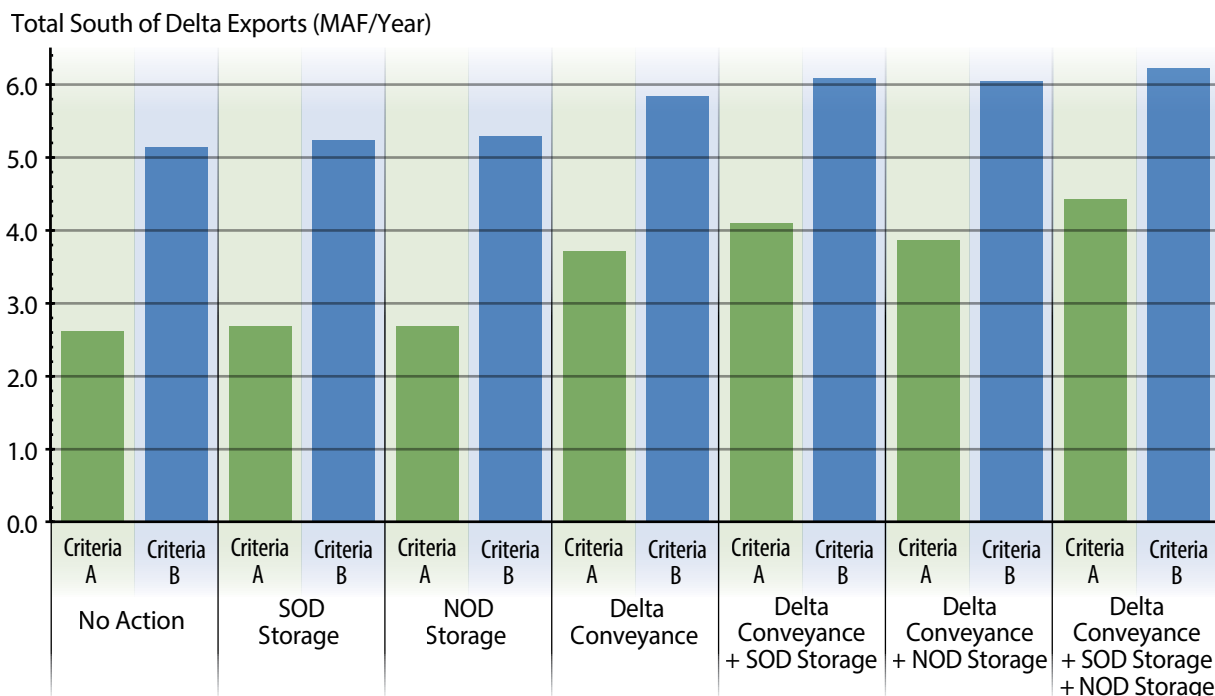
Note: maf = million acre feet.

In addition, various statewide projects might have water available that could be used by GSAs, in some locations, for replenishment. Meanwhile, many of these proposed statewide projects are currently developing more refined analyses of project performance than are reflected in the preliminary results shown in Figure 11.

Figure 11 shows the combined South of Delta exports under various future conditions, including two Delta water management regulation criteria (A and B), as well as the possible effects from various potential statewide projects. Criteria A and B are most easily understood by comparing the assumptions to our existing assumptions, which reflects current regulations, including the Biological Opinions and D-1641. Criteria A (see Boundary 2, Final Environmental Impact Report/Environmental Impact Statement for the Bay Delta Conservation Plan/California WaterFix, Appendix 5E, pages 5E-2 ff., DWR and Reclamation, December 2016) includes D-1641, the BiOps (does not include San Joaquin River inflow to export ratio actions), increased Delta outflow (in all months), additional Old and Middle River requirements, and additional closure of the Head of Old River Barrier/Gate. Criteria B (see Boundary 1, same citation as above) includes D-1641 and the BiOps, but does not include the Fall X2 and the San Joaquin River inflow to export ratio actions. These analyses also include the effects of climate change and so can be compared against the Future Without Action scenario's reliability of 4.63 maf.

Changes in future reliability are depicted in the various bar values of Figure 11, and are either associated with changes in Delta water management regulations or proposed statewide projects, or both. No Action — Criteria A assumes the existing infrastructure and a more restrictive Delta regulatory future, resulting in average reliability of 2.61 maf (about a 44 percent reduction) for the combined SOD exports, indicated by the first green bar. No Action — Criteria B assumes the existing infrastructure and a less restrictive Delta regulatory future, resulting in average reliability of 5.13 maf (about a 11 percent increase) for the combined SOD exports, indicated by the first blue bar.

Figure 11. Average Annual South of Delta Exports under Alternative Regulatory and Management Scenarios



The remaining green and blue bars show the combined South of Delta exports, again assuming Criteria A or B, with various new statewide infrastructure projects, including SOD storage, North Of Delta (NOD) storage, Delta Conveyance, Delta Conveyance and SOD storage, Delta Conveyance and NOD storage, and Delta Conveyance with both NOD and SOD storage. With Criteria A, combined exports range from 2.61 to 4.41 maf (a 44-percent to 5-percent reduction, respectively, when compared to the Future Without Action scenario). With project investments in all new infrastructure options considered, plus Criteria A, exports and reliability are still less than the Future Without Action scenario. With Criteria B, exports range from 5.13 to 6.28 maf (a 11-percent to 36-percent increase, respectively, when compared to the Future Without Action scenario). With project investments in all new infrastructure options considered, plus Criteria B, exports and reliability are increased in all possible infrastructure scenarios, including No Action — Criteria B.

The range of uncertainty in the results presented in Figure 11 shows how environmental requirements and new project capacity (i.e., diversion capacity and storage) influence the water reliability and associated availability to SOD SWP and CVP contractors. This uncertainty is especially important for affected GSAs to understand when developing and planning water portfolio options and groundwater replenishment. Consistent with previously stated assumptions in this report, improvements in reliability of the CVP and SWP may be considered as water available for replenishment, depending on how water managers use the new water.

As noted previously, many statewide projects are being evaluated by project-specific analysis. For project-specific results and statuses, please examine the more refined and detailed project information from the various websites shown in Text Box 6.

Text Box 6. Websites for Statewide Projects

<http://www.water.ca.gov/storage/index.cfm>

<http://www.usbr.gov/mp/slwri/>

<https://www.usbr.gov/mp/nodos/index.html>

<https://www.sitesproject.org/>

<https://www.californiawaterfix.com/>

<https://www.usbr.gov/mp/vaqueros/index.html>

<http://www.lvstudies.com/>

<http://www.usbr.gov/mp/sccao/storage/>

Guidance for GSAs

DWR has developed guidance for GSAs to use in their water available for replenishment planning processes. The guidance to assess and plan water available projects or management actions from each water available method can be found in Appendix C. These water available methods include:

- Surface water, including stormwater.
- Recycled water.
- Desalination.
- Water transfers.
- Water conservation.

The guidance dedicated to the *for replenishment* methods can be found in Appendix D. The *for replenishment* methods are separated into two categories.

- Direct recharge, which includes injection wells or spreading.
- In-lieu recharge, which has an indirect recharge effect.

The guidance for each method is presented in three sections. First, the method is defined. Then, information specific to the planning and implementation of the method is described. These descriptions will provide an overview of the planning considerations and references that a GSA may need to think about, or should refer to, when developing projects or management actions. Finally, descriptions of successful projects or management actions that, together, have developed water available for replenishment are provided.

While this report focuses on major method categories, DWR also notes specific management actions listed in [California Water Plan Update 2013](#) that could supplement the surface water method, such as precipitation enhancement; watershed management (including meadow restoration); and other innovative actions. With these types of enhancements, *water available* may be increased.

Findings and Using this Report

The following lists contain findings and an overview of using this report for GSAs and the State.

Findings

- Getting groundwater basins into a sustainable regime of pumping and recharge will not be easy or painless. Regions that have, for years, pumped more groundwater than is replenished — in some cases to the point of causing subsidence — must either find other sources of supply or do without.
- Effective investments will be required in many locations. Conservation, recycling, desalination, additional storage and conveyance, stormwater capture, and transfers all are needed; no longer will a single method or project secure future regional water supply or quality.
- Understanding the relationships between water supply and water use is foundational to estimating the amount of surface water available for groundwater replenishment. California's water supplies vary spatially, seasonally, and year to year, while the State's water uses (urban, agricultural, and environmental) have variable water-use needs associated with the quantity, quality, timing, and place of use. Two important factors or planning considerations that influence the quantity of surface water available are (1) project capacity (e.g., diversion capacity) and (2) instream flow requirements.
- To underscore the uncertainty associated with the estimates in this report, DWR is showing a range of values, including a "best estimate," an "uncertainty range," as well as "maximum" and "no project" estimates, that illustrate the sensitivity associated with conceptual project assumptions for project capacity and instream flow requirement.
- The analytical approach used for this report will not satisfy the State Water Resources Control Board (SWRCB) requirements of a water availability analysis for a water right application, permit, or changes to an existing right. Additional study and data refinement would likely be necessary for such a determination; this information should be developed for specific proposed projects. More detailed analysis at a local level will need to be conducted by the GSAs as part of their groundwater sustainability plans (GSPs).
- These estimates of water available for replenishment need to be refined to provide ongoing support and technical assistance to GSAs, and assist in the review of the WAFR analysis included in GSPs.
- Achieving reliability and sustainability solutions for the Bay-Delta watershed requires local, State, and federal agencies to work toward identifying and facilitating appropriate investments in restoration, storage, and conveyance.

Using this Report

- GSAs should use the information in this report and the guidance included in Appendices C and D for direction in developing their description and analysis of the surface water supply used, or available for use, for direct groundwater recharge or in-lieu use, as required by California Water Code Section 10727.2 (d)(5).
- Estimates presented in this report can be used to support planning decisions by GSAs, as they consider potential improvements to their water portfolio and water sustainability within their management area. The estimates indicate that some surface water may be available for replenishment in each of the State's hydrologic regions and many of the planning areas, especially during relatively high flow events.
- The estimates in this report indicate a potential range of opportunities, investments, and innovations that may provide a foundation or starting point for local planning. Local planning for water available for groundwater replenishment will require location- and project-specific, more comprehensive, and refined analysis as needed to support selection, implementation, and permitting decisions. GSAs will need to make substantial investments to develop and implement actions that will make water available, convey available water to recharge areas, and replenish groundwater.

State of California
Edmund G. Brown Jr., Governor

California Natural Resources Agency
John Laird, Secretary for Natural Resources

Department of Water Resources
William Croyle, Acting Director



Attachment 3

Article Entitled, “Comparing Local Groundwater
Withdrawal Permitting Laws in the
Southwest and California.”

Research Brief

NOVEMBER 2016

Comparing Local Groundwater Withdrawal Permitting Laws in the Southwest and California

Background

For the first time in California's history, the Sustainable Groundwater Management Act of 2014 (SGMA) aims to empower local agencies to sustainably manage the pumping of groundwater. A notable, but often unremarked, aspect of SGMA is that it provides Groundwater Sustainability Agencies (GSAs) with the power to adopt rules and regulations to establish "groundwater extraction allocations" (i.e., a permitting regime). California is the last of the seven southwest states — Arizona, California, Colorado, Nevada, New Mexico, Texas, and Utah — to introduce a permitting power, suggesting that the other southwestern states can inform GSAs looking to promote sustainability through the use of their new power to establish extraction allocations.

Although the SGMA implementation process is still in an early phase, it is not too soon for GSAs to consider permitting models. GSAs have a number of models they can look to in the southwest. In many states, permitting authority can be exercised across the state (i.e., "default" state permitting regime), as well as in more locally focused areas much like GSAs. We use the term Special Permitting Areas (SPAs) to represent geographically delineated areas within a state aimed at regulating groundwater extraction in a way that

differs from the "default" state permitting regime (or lack thereof). SPAs are usually created because the areas are recognized to be in need of more intensive groundwater management than elsewhere in the state.

Key Findings

We identify and characterize one type of SPA in each of the southwestern states (Figure 1)¹ in an effort to inform GSAs about how they might use their permitting power. Overall, we find that:

1. permitting regimes in the selected southwestern SPAs share several almost universal elements: criteria that must be met to enable a pumping permit to be granted, metering requirements, penalties for violating a permit and exemptions from permit requirements;
2. the policy settings that apply to these elements vary widely across our sample of southwestern SPAs; and
3. by not detailing many of these elements, SGMA grants GSAs a degree of discretion in how to carry out permitting that is unprecedented in the southwest.

GSAs should consider the wide variation of permitting policies in the southwest in exercising their significant discretion to tailor permitting policies to local needs.

¹ Many states have more than one type of SPA, and we select the type that corresponds most closely to California's GSAs under SGMA.

About the Researchers

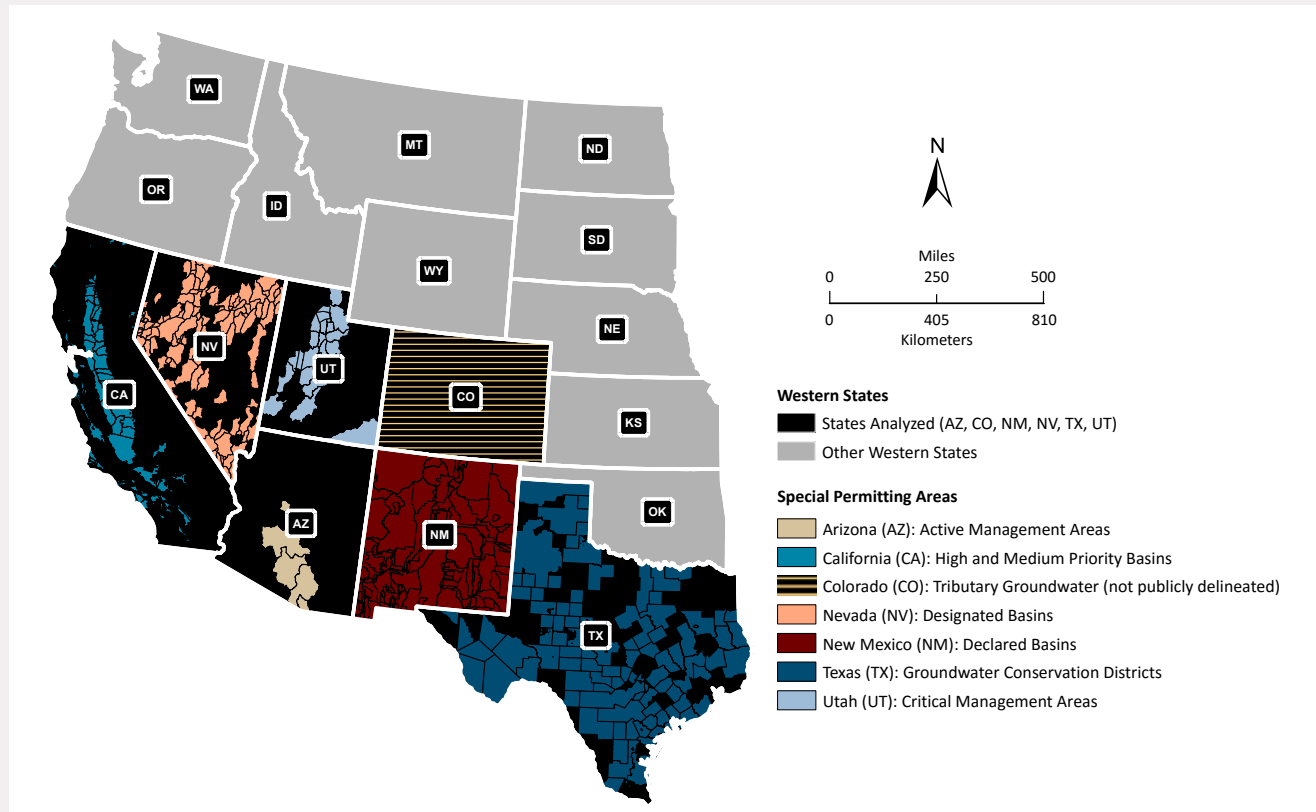
Rebecca Nelson is a Senior Lecturer, Melbourne Law School, University of Melbourne, and Fellow (Non-Resident) of the Woods Institute for the Environment at Stanford University. (rebecca.nelson@unimelb.edu.au)

Debra Perrone is a postdoctoral scholar for Water in the West and the Department of Civil & Environmental Engineering at Stanford University. (dperrone@stanford.edu)

Research Brief

FIGURE 1

Map of selected special permitting areas used in comparative legal analysis. Figure adapted from Nelson, R. and D. Perrone (2016). "Local Groundwater Withdrawal Permitting Laws in the South-West US: California in Comparative Context." *Groundwater*. doi: 10.1111/gwat.12469.



California in a Comparative Context

The established permitting regimes in Arizona, California, Colorado, Nevada, New Mexico, Texas, and Utah (Figure 1) may provide guidance to Californian agencies interested in using their new permitting power. GSAs have a significant degree of discretion in how to carry out a permitting regime, and the goal of our work is to identify key elements of permitting that GSAs should consider.

We reach several specific conclusions based on our research that are relevant to SGMA implementation and to GSAs.

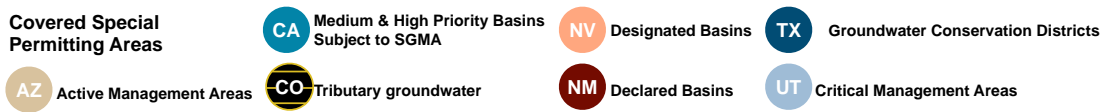
Special permitting areas in California and Texas appear at the more locally-focused end of the

spectrum, and this lies in contrast to the other southwestern SPAs (Figure 2a). Texas law is most parallel to SGMA with respect to the latitude the state law gives to localities as to whether to use permitting and the parameters of any permitting program. Locally centric regimes can formulate and administer permitting rules that meet local needs socially, politically, economically, and physically. Some local GSAs may opt not to use permitting, or design permitting systems that are not up to bringing the basin to sustainable management. The state oversight agencies (Department of Water Resources and the State Water Resources Control Board) will need to pay attention to this issue as GSAs craft and implement their groundwater sustainability plans.

Research Brief

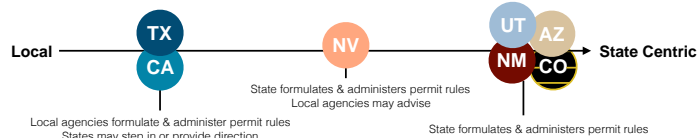
FIGURE 2

Regulatory spectra demonstrated by permitting regimes for groundwater extraction in special permitting areas in south-western US states (colors match the corresponding SPA map, Figure 1). Figure adapted from Nelson, R. and D. Perrone (2016). "Local Groundwater Withdrawal Permitting Laws in the South-West US: California in Comparative Context ." *Groundwater*. doi: 10.1111/gwat.12469.



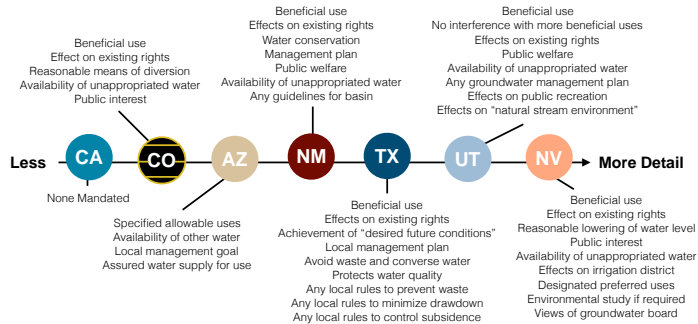
a) Power Balance

Ariz Rev Stat Ann s 45-419 (West, Westlaw through Feb 17, 2016 of the 2nd Reg Sess of the 2016 52nd Legis); Colo Rev Stat ss 37-92-102, 37-92-305(9)(b) (LEXIS through 1st Reg Sess of the 2015 70th Gen Assem); Bar 70 Enterprises Inc v Tosco Corp, 703 P2d 1297, 1304 (Colo 1983); Buffalo Park Dev Co v Mountain Mut Reservoir Co, 195 P3d 674, 683 (Colo 2008); Nev Rev Stat ss 534.110(4), 534.120, 533.368, 533.370 (2014); NM Stat Ann ss 72-12-3(a), 72-12-20 (West, Westlaw through Ch 2 of the 2nd Reg Sess of the 2015 52nd Legis); Tex Water Code Ann ss 36.101, 36.1072 (West, Westlaw through the end of the 2015 Reg Sess of 84th Legis); Utah Code Ann s 73-5-15 (West, Westlaw through 2015 1st Spec Sess).



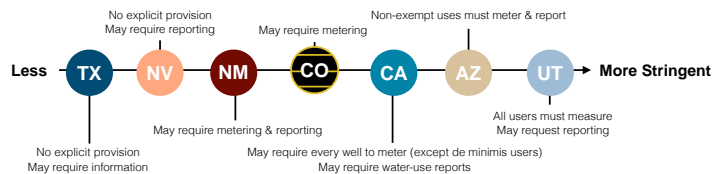
b) Permitting Criteria

Ariz Rev Stat Ann ss 45-513 to -516 (West, Westlaw through Feb 17, 2016 of the 2nd Reg Sess of the 2016 52nd Legis); Colo Rev Stat ss 37-92-102, 37-92-305(9)(b) (LEXIS through 1st Reg Sess of the 2015 70th Gen Assem); Bar 70 Enterprises Inc v Tosco Corp, 703 P2d 1297, 1304 (Colo 1983); Buffalo Park Dev Co v Mountain Mut Reservoir Co, 195 P3d 674, 683 (Colo 2008); Nev Rev Stat ss 534.110(4), 534.120, 533.368, 533.370 (2014); NM Stat Ann ss 72-12-2, 72-12-3 (West, Westlaw through Ch 2 of the 2nd Reg Sess of the 2015 52nd Legis); Guidelines for certain basins available at New Mexico Office of the State Engineer/Interstate Stream Commission, "Water Rights Rules, Regulations and Guidelines" <http://www.ose.state.nm.us/WRRules.php> accessed 7 March 2016; Tex Water Code Ann ss 36.113, 36.1132 (West, Westlaw through the end of the 2015 Reg Sess of 84th Legis); Utah Code Ann s 73-3-8 (West, Westlaw through 2015 1st Spec Sess).



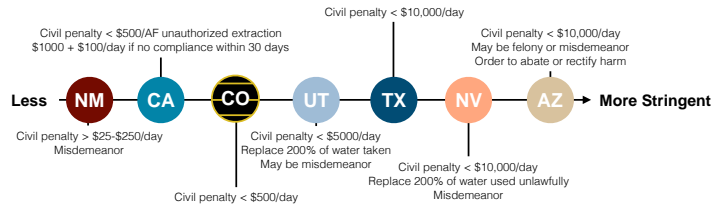
c) Metering Withdrawals

Ariz Rev Stat Ann ss 45-604, 45-632 to -633 (West, Westlaw through Feb 17, 2016 of the 2nd Reg Sess of the 2016 52nd Legis); CWC s 10725.8; Colo Rev Stat ss 37-92-502(a)-(b), (6) (LEXIS through 1st Reg Sess of the 2015 70th Gen Assem); Nev Rev Stat s 534.110 (2014); NM Stat Ann s 72-12-27 (West, Westlaw through Ch 2 of the 2nd Reg Sess of the 2015 52nd Legis); NM Code R s 19.27.5(C)(1); Tex Water Code Ann s 36.111 (West, Westlaw through the end of the 2015 Reg Sess of 84th Legis); Utah Code Ann s 73-5-4, 73-5-8 (West, Westlaw through 2015 1st Spec Sess).



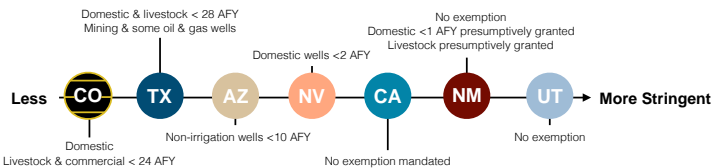
d) Penalties for Violations

Ariz Rev Stat Ann ss 45-634 to -636 (West, Westlaw through Feb 17, 2016 of the 2nd Reg Sess of the 2016 52nd Legis); CWC s 10732; Colo Rev Stat ss 37-92-503 (LEXIS through 1st Reg Sess of the 2015 70th Gen Assem); Nev Rev Stat ss 534.190, 534.193, 534.195 (2014); NM Stat Ann ss 72-12-11, 72-12-15 (West, Westlaw through Ch 2 of the 2nd Reg Sess of the 2015 52nd Legis); Tex Water Code Ann ss 36.102(a)-(b), 36.119(b) (West, Westlaw through the end of the 2015 Reg Sess of 84th Legis); Utah Code Ann s 73-2-25 to -27, 76-10-202 (West, Westlaw through 2015 1st Spec Sess).



e) Permit Exemptions

Ariz Rev Stat Ann s 45-454 (West, Westlaw through Feb 17, 2016 of the 2nd Reg Sess of the 2016 52nd Legis); Colo Rev Stat ss 37-92-602 (LEXIS through 1st Reg Sess of the 2015 70th Gen Assem); Nev Rev Stat s 534.180 (2014); NM Stat Ann ss 72-12-1.1 to -1.3 (West, Westlaw through Ch 2 of the 2nd Reg Sess of the 2015 52nd Legis); Tex Water Code Ann ss 36.117(a)-(b) (West, Westlaw through the end of the 2015 Reg Sess of 84th Legis).



Research Brief

In southwest SPAs there is a spectrum of criteria used to evaluate an application for a permit (Figure 2b). Permitting criteria allow agencies to scrutinize extractions to ensure they meet sustainability requirements by broadening the concept of sustainability beyond the relatively narrow focus of what is defined through legal challenges and judicial precedent. Most SPAs consider “beneficial use” and “reasonable use” concepts, many permitting regimes in SPAs consider impacts on other water users and public interest, and relatively few consider impacts on ecosystems.

Although metering and penalties for noncompliance have been controversial in California, our analysis indicates that powers to require metering and enforce noncompliance are universal across the southwest (Figures 2c-d). Metering is the most obvious way to ensure that pumpers comply with their permit and to track whether levels of pumping are within the overall goals of the SPA. Although there is still resistance to metering in California, it is an important tool for GSAs to consider.

Permitting exemptions are common across the southwest SPAs, but the volume of withdrawals allowed to proceed without a permit under these exemptions varies by more than ten times

(Figure 2e). Exemptions from permitting requirements represent uncontrolled “leaks” from the pool of carefully managed groundwater. As land-use continues to evolve, exemptions for housing developments, mining, or commercial uses could add up to cumulatively significant, uncontrolled extractions that jeopardize sustainability goals. Each GSA that uses permitting should carefully evaluate exemptions to ensure they do not make up a significant portion of pumping now or in the foreseeable future.

Compared to the other southwest SPAs, SGMA allows for enormous discretion about the requirement for permitting. Although California’s new permitting power does not change or undermine underlying groundwater rights, the power could be used to restrict the way these rights are exercised. SGMA offers GSAs no guidance and imposes few constraints on permitting regimes, allowing GSAs to design a regime that best fits local conditions. In most other southwestern SPAs, groundwater permitting regimes are either established and administered by the state, or at least heavily influenced by state requirements. The ability to introduce localized controls on groundwater withdrawals gives GSAs opportunity to ensure that their local vision for sustainability translates into results.

This brief is based on the paper “Local Groundwater Withdrawal Permitting Laws in the South-West US: California in Comparative Context” by Rebecca L. Nelson and Debra Perrone, published in the journal *Groundwater*, October 2016.

About Water in the West

Water in the West, a joint program of the Stanford Woods Institute for the Environment and the Bill Lane Center for the American West, marshals the resources of one of the world’s preeminent research universities to answer one of the most urgent questions about the American West’s future—how can the region continue to thrive despite growing water scarcity? Through Water in the West, Stanford University’s world-class faculty, researchers and students are working to address the West’s growing water crisis and to create new solutions that move the region toward a more sustainable water future. Learn more: waterinthewest.stanford.edu

Stanford | Water in the West



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CITRUS HEIGHTS WATER DISTRICT

PROJECT MANAGER'S REPORT TO BOARD OF DIRECTORS FEBRUARY 14, 2017 REGULAR MEETING

SUBJECT : PROJECT MANAGER'S REPORT
 STATUS : Information Item
 REPORT DATE : February 7, 2017
 PREPARED BY : Paul A. Dietrich, Project Manager

Significant assignments and activities for the Project Manager (PM) and District engineering, construction inspection, and geographical information system maintenance staff are summarized below. I will be available at the meeting to answer questions and/or provide additional details.

| Items of Interest | Department | Point of Contact | Date | 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 |
| 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 |
| 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 |

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

SUBJECT : Operations Manager's Report
 STATUS : Information Item
 REPORT DATE : February 9, 2017

| Facilities Maintenance | Completed WO's | | | Completed WO's | |
|-----------------------------|----------------|--------------|-------------------------------|----------------|--------------|
| | Current Mth | Year to Date | | Current Mth | Year to Date |
| Backflow Maintenance | | | Meter Register Replacement | 12 | 12 |
| Blow Off Maintenance | 2 | 2 | Meter Repair/Test/Maintenance | | |
| Hydrant Maintenance | 32 | 32 | Pot Hole Work | | |
| Leak Investigation | | | Water Service repair/locate | 1 | 1 |
| Mainline Repair/Maintenance | | | Valve, Mainline Maintenance | 66 | 66 |
| Meter Box Maintenance | | | Valve Box Maintenance | | |

| CIP Projects | Completed WO's | |
|--------------|----------------|--------------|
| | Current Mth | Year to Date |
| C17-10 | | |
| C17-11 | 1 | 1 |
| C17-12 | 24 | 24 |
| C17-13 | 16 | 16 |
| C17-14 | | |

Water Quality

Water Analysis Report: Bacteriological testing has met all California Department of Public Health requirements. 90 samples were collected with no positive results.

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

SUBJECT : 2017 WATER SUPPLY - PURCHASED & PRODUCED
 STATUS : Information Item
 REPORT DATE : February 8, 2017
 PREPARED BY : Brian M. Hensley, Water Resources Supervisor

OBJECTIVE:

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

| Month | 2013 | 2014 | 2015 | 2016 | 2017 | | | | Year-to-Date Comparison to 2013 | |
|--------------|-----------|-----------|----------|-----------|-------------------------|-----------------------|---------------------|--------------------|---------------------------------|--------|
| | acre feet | | | | Surface Water Purchased | Ground Water Produced | Total Water Monthly | Total Water Annual | acre feet | % |
| | Jan | 602.52 | 602.39 | 570.05 | 539.60 | 433.94 | 72.87 | 506.81 | 506.81 | -95.71 |
| Feb | 606.36 | 450.96 | 511.52 | 484.53 | | | | | | |
| Mar | 819.55 | 612.20 | 725.95 | 517.56 | | | | | | |
| Apr | 1,029.73 | 737.30 | 761.02 | 677.81 | | | | | | |
| May | 1,603.43 | 1,190.07 | 869.08 | 979.49 | | | | | | |
| Jun | 1,816.73 | 1,548.66 | 1,065.10 | 1,343.76 | | | | | | |
| Jul | 2,059.21 | 1,622.10 | 1,184.95 | 1,544.57 | | | | | | |
| Aug | 1,924.28 | 1,477.49 | 1,188.18 | 1,579.80 | | | | | | |
| Sep | 1,509.82 | 1,275.11 | 1,069.78 | 1,257.91 | | | | | | |
| Oct | 1,297.42 | 1,030.74 | 918.67 | 840.80 | | | | | | |
| Nov | 911.55 | 682.48 | 589.6 | 561.82 | | | | | | |
| Dec | 700.94 | 563.15 | 519.57 | 518.62 | | | | | | |
| Total | 14,881.54 | 11,792.65 | 9,973.47 | 10,846.27 | 433.94 85.62% | 72.87 14.38% | 506.81 | 506.81 | | |

CITRUS HEIGHTS WATER DISTRICT

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

SUBJECT : SURFACE WATER SUPPLY
STATUS : Information Item
REPORT DATE : February 8, 2017
PREPARED BY : David M. Gordon, Operations Manager

OBJECTIVE:

Receive status report on surface water supplies available to the District.

BACKGROUND AND ANALYSIS:

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.

CITRUS HEIGHTS WATER DISTRICT

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

SUBJECT : EMPLOYEE RECOGNITION
 STATUS : Information Item
 REPORT DATE : February 8, 2017
 PREPARED BY : Susan K. Sohal, Accounting Supervisor

The following District employees were recognized for attendance during December 2016, and outstanding customer service and quality of work during the month of January 2017.

Administration & Water Demand Management Department

| <u>Name</u> | <u>Attendance</u> | <u>Customer Service</u> | <u>Work Quality</u> |
|------------------|-------------------|--|--|
| Brady Chambers | | Outstanding work helping customers on 2 consecutive shut off days | |
| Kelly Drake | Yes | | |
| Dana Mellado | | 8047 Greenback Ln. Shut off day, customer called to thank Dana and the shut off crew. "Thank you" for their patience while they were trying to pay to restore their water. | For her help with writing staff evaluations. |
| Rex Meurer | Yes | | Timely and complete follow-up on the State water conservation regulations issue. |
| Desiree Smith | Yes | Outstanding work helping customers on 2 consecutive shut off days | |
| Alberto Preciado | Yes | | |

Engineering Department

| <u>Name</u> | <u>Attendance</u> | <u>Customer Service</u> | <u>Work Quality</u> |
|---------------|-------------------|-------------------------|---|
| John Spinella | Yes | | |
| Borey Swing | | | Borey completed a 2-year term on the Safety Committee in January. |

Operations Department

| <u>Name</u> | <u>Attendance</u> | <u>Customer Service</u> | <u>Work Quality</u> |
|---------------|-------------------|---|--|
| James Buford | Yes | | |
| Robyn Evans | Yes | | Assisting with the selection and setup of installation of new carpet for the operations building |
| Jim Ferro | | | 1/10/2017 (Tue) Assisted Standby with a water service repair. |
| Gil Garcia | Yes | 1/24/2017 (Tue) was very appreciative of Mike's patience in not shutting his water off. He demonstrated a lot of cultural humility towards the customer who had a language barrier and payment issues. | |
| Brian Hensley | Yes | | |
| Dan Hesse | Yes | | 1/24/2017 (Tue) Took Standby for a sick coworker. |
| Rick Jimenez | Yes | | |
| Ricky Kelley | Yes | | |
| Mike Mariedth | | 1/24/2017 (Tue) Customer was very appreciative of Mike's patience in not shutting his water off. He demonstrated a lot of cultural humility towards the customer who had a language barrier and payment issues. | |
| Chris Nichols | Yes | | |
| Ryon Ridner | | | 1/31/2017 (Tue) Took Standby for a sick coworker |
| Nick Spiers | | | For painting all of the Operations building offices |

| <u>Name</u> | <u>Attendance</u> | <u>Customer Service</u> | <u>Work Quality</u> |
|-----------------|-------------------|--|---------------------|
| Jason Tupper | | 1/17/2017 (Tue) Assisted a customer, Ralph Tucker with water pressure concerns. He said that Jason provided the technical assistance that helped him save \$350 by not having to install a pressure regulator. | |

| CITRUS HEIGHTS WATER DISTRICT LONG RANGE AGENDA | | | | |
|---|------------------------|--|--|----------------|
| MEETING DATE | AGENDA | ITEM DESCRIPTION | ASSIGNED | AGENDA ITEM |
| UPCOMING | | | | |
| February 15, 2017 | | | | |
| February 15, 2017 | Special Board Meeting | Review and Rank Legal Services Proposals | Legal Services Review Team (Board & Management Staff) | Closed Session |
| February 27-March 1, 2017 | | | | |
| February 27-March 1, 2017 | Special Board Meetings | Interviews--General Counsel/Employment Practices Firms | Legal Services Review Team (Board & Management Staff) | Closed Session |
| March 14, 2017 | | | | |
| March 14, 2017 | | State Water Board - Conservation Regulations Update | Meurer | P |
| March 14, 2017 | | Study Session - Project 2030 Water Main Replacement Program Request for Proposals (RFP) | Pieri | I/D |
| March 14, 2017 | | Investment of District Funds | Sohal/Legal Counsel | A |
| March 14, 2017 | | IIPP Updates - Respirator Program and Confined Space Program | Gordon/Drake | A |
| March 14, 2017 | | Consideration of Concurrence for Nominations of Thomas Cuquet (S. Sutter WD) & Kathy Tiegs (Cucamonga Valley WD) for ACWA-JPIA Executive Committee | Evans | A |
| March 28, 2017 | | | | |
| March 28, 2017 | Special Board Meeting | Award of Contract - General Counsel/Employment Practices Counsel | Straus | A |
| April 11, 2017 | | | | |
| April 11, 2017 | | Audit Review | Sohal/Preciado | |
| April 11, 2017 | | OPEB Study Session | Sohal | I/D |
| April 11, 2017 | | Cogsdale BPR Review (Financial Software/Strategic Plan Item) | Sohal | P |
| April 11, 2017 | | Update Records Retention Schedule | Straus/Sohal | A |
| April 11, 2017 | Quarterly | Strategic Plan Update | Straus | D |
| May 9, 2017 | | | | |
| TBD--May 2017 | | Resolution Recognizing Judith Albietz for Service as General Counsel to CHWD | Straus | A |
| TBD--May 2017 | | CIP Study Session : Year One and Years 2-10 | Dietrich/Gordon/ Straus/Sohal/Pieri | A |
| TBD--May 2017 | | Study Session--Review District-wide Meter Study Request for Proposals (RFP) | Meurer | I/D |
| TBD--May 2017 | | Rosa Vista/Highland Water Main Replacement-- Award of Contract | Pieri | A |
| June 13, 2017 | | | | |
| June 13, 2017 | | Strategic Planning Issues Briefing | Straus | I/D |
| June 15, 2017 | | | | |
| TBD--Late May/Early June 2017 | Special Board Meeting | Strategic Planning Session | Straus | A |
| FUTURE SCHEDULED REPORTS | | | | |
| TBD | Biennial | Conflit-of Interest | Straus | A |
| TBD | | Dress Code Policy Update | Straus | A |
| TBD | | General On Call Contracting Services | Gordon | A |
| Jul-17 | Annual | Finance Corporation, Confirm & Appoint Officers of the Finance Corp., Status of Finance Corp. | Sohal | A |
| Aug-17 | Annual | Budget Rate Model Options Workshop | Sohal | I/D |
| Sep-17 | Annual | Refined Budget Options/Prop 218 Direction | Sohal/Straus | I/D |
| Sep-17 | Annual | Request For Public Hearings - Budget | Sohal | A |
| Oct-17 | Annual | Misc. Charges and Fees - Proposed | Sohal | P |
| Nov-17 | Annual | Operating and Capital Budgets | Straus/Dietrich/Gordon | P/A |
| | | Water Rates, Charges & Fees | Straus/Sohal/Pieri | |
| | | Capacity Fees | Straus/Sohal/Pieri | |
| | | Water Shortage Charges | Straus/Sohal/Pieri | |
| | | Confined Space Entry Program | Drake/Gordon | |
| Dec-17 | Annual | Committee Assignments | Straus | A |
| Dec-17 | Annual | District Officers | Straus | A |
| Dec-17 | Annual | Selection of President and Vice President | Straus | A |
| Feb-18 | Annual | Investment of District Funds | Sohal/Legal Counsel | A |
| Mar-18 | Annual | Audit Review | Sohal | |
| Jun-18 | Annual | Strategic Planning Session | Straus | D |
| Nov-18 | | District Election | | |
| Sep-19 | Every 3 Years | Public Health Goals | Hensley | A |
| Oct-20 | | 100 Year Celebration | | |
| Jun-21 | | Division Boundary Analysis (2020 Census) | | |
| TBD | | General On Call Contracting Services | Gordon | A |
| March | Every Year | Have Form 700 completed by Directors | Evans | |



MEMORANDUM

To: Board of Directors
From: Hilary Straus, General Manager
Date: February 10, 2017
Subject: FYI Report

Accompanying this memorandum is CHWD's first edition of the "Monthly FYI Report," distributed to the Board on January 31, 2017. Typically, this report will be distributed via e-mail at approximately the halfway point between Board meetings.

The report is intended to provide brief updates on issues and projects across the CHWD organization. Should Board Members have questions or comments about a specific item in the Report, please let me or the staff point person for the issue or project know.

The FYI Report has been agendaized for the February 14, 2017 Board meeting to provide Board Members the opportunity to offer feedback on the new Report as staff will continue to refine and improve it moving forward.



CITRUS HEIGHTS WATER DISTRICT MONTHLY FYI REPORT

| Contact Name | Contact Information | Contact Name | Contact Information |
|---------------|-----------------------------------|--------------|---------------------------------|
| Hilary Straus | hstraus@chwd.org (916) 872-7353 | Missy Pieri | mpieri@chwd.org (916) 735-7724 |
| Paul Dietrich | pdietrich@chwd.org (916) 207-5432 | Susan Sohal | ssohal@chwd.org (916) 735-7716 |
| David Gordon | dgordon@chwd.org (916) 730-8452 | Rex Meurer | rmeurer@chwd.org (916) 735-7727 |

GENERAL MANAGER'S OFFICE REPORT

| Items of Interest | Department | Point of Contact | Date | Strategic Planning Item |
|--|------------|--|--|-------------------------|
| Legal Services—RFP issued 12/22. Proposals due: 1/30/17. 24 proposals received. Will be distributed week of 1/30 to Review Team of Board Members and Leadership Staff. | GM Office | Hilary Straus | Milestone Date: Projected Award of contract(s)—3/28/17 | Yes |
| Board Member Compensation Survey | GM Office | Hilary Straus/Bryce Consulting | Study Session Item on 2/14/17 | No |
| Additional 457b Deferred Compensation Provider Options—PERS & ICMA-RC | GM Office | Mgt. Svs. Supervisor & Susan Sohal | Board Item anticipated for 6/13/17 | No |
| Proposed County Trench Cut Restoration Policy Amendment— Working with utility community to oppose | GM Office | Hilary Straus (Lead), David Gordon & Missy Pieri | Bd of Sup Item for 2/7/17; Meeting with County Supervisor Sue Frost on 2/1/17. Sue met with County Executive & DOT Director to | No |

| Items of Interest | Department | Point of Contact | Date | Strategic Planning Item |
|--|------------|---|---|-------------------------|
| | | | express opposition. | |
| Employee Training (includes Emerging Leaders) --Next training is "Conflict Resolution," scheduled for 2/23/17 | GM Office | Hilary Straus (Lead) and Mgt. Svs. Supervisor | On-going | No |
| Ground Water Reimbursement Agreement | GM Office | Hilary Straus (Lead), David Gordon, Brian Hensley | Agreement adopted by SJWD Board on 1/25/17. Scheduled for CHWD Board for consideration/approval on 2/14/17. | No |
| SJWD Wholesale Water Supply Agreement | GM Office | Hilary Straus, General Counsel | On hold pending new SJWD GM and CHWD General Counsel. Anticipated revisit of issue, early April 2017. | No |
| Records Retention Policy | GM Office | Mgt. Services Supervisor & Hilary Straus | Agreement with Gladwell Governmental Services approved. Meetings scheduled with staff on 3/15/17. | No |
| Enterprise-wide Document Scanning & Imaging | GM Office | Mgt. Services Supervisor | Will be undertaken when Records Retention Policy has been updated. | No |
| 2 Position Recruitments-- Associate/Assistant Civil | GM Office | Mgt. Services Supervisor | New ACE, once selected, | No |

| Items of Interest | Department | Point of Contact | Date | Strategic Planning Item |
|--|------------------------|------------------------------|--|-------------------------|
| Engineer--ACE-- Currently conducting interviews. Operations Technician--Internal Recruitment; Recruitment Currently Open. | | | anticipated to start approx. April 1, 2017. OT, once selected, anticipated to start approx. April 1, 2017. | |
| 2 Injury Illness & Prevention (IIPP) Amendments: Confined Space Program & Respirator Program | GM Office & Operations | Kelly Drake and David Gordon | Scheduled for Board consideration/ adoption at its March 14, 2017 meeting. | No |

OPERATIONS DEPARTMENT REPORT

| Items of Interest | Department | Point of Contact | Date | Strategic Planning Item |
|--|------------|------------------------------------|--|-------------------------|
| Interconnection with Roseville— Agreement to be considered/approved by Roseville CC on 3/1. Construction anticipated for 2018. | Operations | David Gordon | Contract approval by Roseville CC, 3/1; Construction 2018. | No |
| Cross Connection Ordinance Update | Operations | Brian Hensley (Lead), David Gordon | 2017, Q2 | No |
| Pressure Reduction/Power Generation Plan— Awaiting additional information from SMUD; Project 2030 Planning Study will also provide key information. | Operations | David Gordon (Lead), Brian Hensley | SMUD—Unknown (staff is monitoring); In conjunction with Project 2030 Study | Yes |
| Well Development: Site Acquisition | Operations | David Gordon | On-going | Yes |

| Items of Interest | Department | Point of Contact | Date | Strategic Planning Item |
|---|------------|-------------------------------------|--|-------------------------|
| Palm Avenue Well Site Rehabilitation Receiving construction quotes. | Operations | Brian Hensley (Lead), David Gordon | Construction anticipated in Q2 of 2017 | Yes |
| Sunrise Blvd. Well Site Rehabilitation Obtaining Needs Assessment | Operations | Brian Hensley (Lead), David Gordon | Needs Assessment to be completed in Q1 of 2017. | Yes |
| Updated Intertie Agreement Updates with Surrounding Agencies (Carmichael, Fair Oaks, Orangevale and Sacramento Suburban) | Operations | David Gordon (lead) & Brian Hensley | Will review existing agreements & develop plan to update them shortly after new General Counsel is on board. | No |
| Private Well Policy | Operations | David Gordon (Lead), Brian Hensley | 2017, Q3 | No |
| Patton Ave Well Property Disposal | Operations | David Gordon, Council | Awaiting new General Counsel. Est. Q1, 2018. | No |
| Watson Way Well Property Disposal | Operations | David Gordon, Council | Awaiting new General Counsel. Est. Q1, 2018. | No |
| Public Health Goal Report & Public Hearing | Operations | Brian Hensley (Lead), David Gordon | 2016 - Complete Every 3 years | No |
| 2017 On-Call Concrete | Operations | David Gordon | Contract Awarded; will be utilized as needed. | No |

| Items of Interest | Department | Point of Contact | Date | Strategic Planning Item |
|---|------------|--|---|-------------------------|
| Requirements for Lead Sampling at K-12 Schools SWRCB – Requirement issued as a CHWD Permit Amendment; District will sample for school facility lead/copper concentrations upon request a school. District is in full compliance with Permit Amendment. | Operations | Brian Hensley (Lead), David Gordon | Deadline for School Request by Nov. 1, 2019 | No |
| Regional Water Transfer RWA lead water transfer for the Region | Operations | Hilary Straus, David Gordon, Brian Hensley | RWA preparing required documentation. Documentation must be submitted by Q1 for 2017. | No |
| CHWD Shop Reorganization Internal Project to dispose of obsolete construction materials, create a safer environment and more efficient workflow | Operations | Nick Spiers, Dan Hesse, James Buford | 80% complete | No |
| Fleet Purchases 1 Dump Truck 1 Service Truck 3 Pickup Trucks | Operations | David Gordon | Vehicle Deliveries by April 2017 | No |

ENGINEERING AND PROJECT MANAGEMENT DEPARTMENT REPORT

| Items of Interest | Department | Point of Contact | Date | Strategic Planning Item |
|--|-------------|------------------|----------------------------------|-------------------------|
| PROJECT 2030 Water Main Replacement Project | Engineering | Missy Pieri | Board Presentation 2/14/16 - RFP | Yes |

| Items of Interest | Department | Point of Contact | Date | Strategic Planning Item |
|--|-------------|------------------|---------------------------------------|-------------------------|
| Status: Preparing Request for Proposal for Engineering and Financial Services | | | | |
| 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 Kick-off Meeting Complete | 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 and 60% Plans | Engineering | Paul Dietrich | On-going | No |
| PRIVATE DEVELOPMENT Northridge Grove - 5555 Mariposa Ave 47 Condominiums Status: 85% Complete | Engineering | Paul Dietrich | On-going | No |
| PRIVATE DEVELOPMENT Commercial Building Remodel - 5414-50 Sunrise Blvd Status: Pre-Con Meeting 12/1/16 | Engineering | Paul Dietrich | On-going | No |
| PRIVATE DEVELOPMENT Louis-Orlando Bus Transfer Point - Louis Ln at Orlando Ave Status: Plans Signed 2/4/16 | Engineering | Paul Dietrich | On-going | No |

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

FINANCE AND CUSTOMER SERVICE DEPARTMENT REPORT

| Items of Interest | Department | Point of Contact | Date | Strategic Planning Item |
|--|-------------------------------|------------------|---|-------------------------|
| Customer Web Portal Working with InvoiceCloud on updated web portal to enhance the customer service experience | Finance, Customer Service, IT | Susan Sohal | 03/15/2017 anticipated implementation phase 1 (test) | No |
| Utility Billing and Finance Software Business Process Review (BPR) of current software. This will allow us to further utilize the capabilities of our system. Once | Finance, Customer Service, IT | Susan Sohal | 02/27/2017 Scheduled Business Process Review 03/03/2017 Training | Yes |

| Items of Interest | Department | Point of Contact | Date | Strategic Planning Item |
|---|-------------------------------|------------------|--|-------------------------|
| completed, training will be conducted by Cogsdale. | | | | |
| Time and Entry/Payroll Streamline the Time and Entry/Payroll functions to enhance the internal customer service experience creating an Employee portal. | Finance, Customer Service, IT | Susan Sohal | 04/01/2017 Anticipated implementation | No |
| Rate Model--Zero Based Review --Update Rate Model, incorporating budget, capital and operational changes since 2013. | Finance, Customer Service, IT | Susan Sohal | 03/01/2017 Issue RFP | No |

WATER EFFICIENCY DIVISION REPORT

| Items of Interest | Department | Point of Contact | Date | Strategic Planning Item |
|--|------------------|------------------|----------|-------------------------|
| HIGH EFFICIENCY TOILET (HET) REBATE PROGRAM January 2017 Status: Ultra-Low-Flush-Toilet (ULFT) rebates are currently being processed for the month of January | Water Efficiency | Rex Meurer | On-going | No |
| HIGH EFFICIENCY CLOTHS WASHER REBATE PROGRAM January 2017 Status: High Efficiency Clothes Washer (HECW) rebates are currently being processed for the month of January | Water Efficiency | Rex Meurer | On-going | No |
| WATER WASTE CALLS Calls, website and staff reports Status: Staff has been responding to concerns of | Water Efficiency | Rex Meurer | On-going | No |

| Items of Interest | Department | Point of Contact | Date | Strategic Planning Item |
|--|---|------------------|----------|-------------------------|
| water waste and broken pipes during the month of January | | | | |
| RESIDENTIAL-GALLONS PER CAPITA PER DAY (R-GPCD) December 2016 Status: R-GPCD 76 for Dec 2016 | Water Efficiency | Rex Meurer | On-going | No |
| MONTHLY WATER SAVINGS December 2016 Saving compared to December 2013 Status: 26% reduction District-wide | Water Efficiency | Paul Dietrich | On-going | No |
| STATE WATER RESOURCES CONTROL BOARD (SWRCB) LONG-TERM REGULATIONS Recent Announcements and Information Status: The SWRCB Final report "Making Conservation a California Way of Life" was submitted to the Governor's Office by the "EO Agencies" on Friday January 20, and is now under review | Water Efficiency | Rex Meurer | On-going | No |
| STATE WATER RESOURCES CONTROL BOARD (SWRCB) SHORT-TERM REGULATIONS Recent Announcements and Information Status: The SWRCB is considering moving the re-adoption hearing for EO B-37-16 from Feb 7 th (as had been previously announced) to the afternoon of Feb 8 th | Water Efficiency | Rex Meurer | On-going | No |
| METER REPLACEMENT PROJECT Recent Progress and Activity | Water Efficiency, Administrative, Operations, | Rex Meurer | On-going | Yes |

| Items of Interest | Department | Point of Contact | Date | Strategic Planning Item |
|--|-------------------------|------------------|----------|-------------------------|
| <p>Status: Staff is currently collecting and reviewing sample RFP's, feasibility studies and related reports from other Agencies. The Meter Replacement Team will meet in mid-February to discuss comments and input. A Board Study Session to review the scope of work in the RFP for the Meter Replacement Program Study is planned for the May 9th Board meeting.</p> | Finance and Engineering | | | |
| <p>PUBLIC OUTREACH-CIRCLEPOINT Recent Updates and Activity Status: The spring newsletter will be mailed to customers in March. Articles to include CIP, water regulations, new employees and meter box easement responsibilities for customers. The District is posting timely information on Facebook during the month of January</p> | Water Efficiency | Rex Meurer | On-going | No |

