

CITRUS HEIGHTS WATER DISTRICT  
BOARD OF DIRECTORS SPECIAL MEETING MINUTES  
May 15, 2019

The Special Meeting of the Board of Directors was called to order at 6:01 p.m. by Vice President Riehle and roll was called. Present were:

Raymond A. Riehle, Vice President  
David C. Wheaton, Director

Absent:

Caryl F. Sheehan, President

Staff:

David Gordon, Operations Manager  
Missy Pieri, Engineering Manager  
Chris Castruita, Management Services Supervisor/Chief Board Clerk  
Madeline Henry, Management Services Specialist/Deputy Board Clerk  
Alberto Preciado, Accounting Supervisor  
Kelly Drake, Senior Water Efficiency Specialist

**VISITORS:**

Kaylee Sy  
Karen Adicoff  
Adriana Cruz  
Susanne Slayton  
Jewel Semmens  
Michele Horner

**PLEDGE OF ALLEGIANCE:**

Board Vice President Ray Riehle led the Pledge of Allegiance.

**PUBLIC COMMENT:**

None.

**CONSENT CALENDAR:**

President Sheehan asked for consideration and/or approval of the Consent Calendar.

Minutes of the Special Meeting – April 17, 2019 (A)  
Minutes of the Regular Meeting – April 17, 2019 (A)

Recommendation: Approve the minutes of the April 17, 2019, Special and Regular Board of Directors Meetings.

Revenue Analysis Report for April 2019 (I)  
Assessor/Collector's Roll Adjustment for April 2019 (I)  
Treasurer's Report for April 2019 (I)  
Treasurer's Report of Fund Balances for April 2019 (I)  
Operations Budget Analysis for April 2019 (I)  
Capital Projects Summary April 2019 (I)  
Warrants for April 2019 (A)  
CAL-Card Distributions for April 2019 (I)  
Summary of 2019 Employees and Directors Training Courses, Seminars and Conferences  
Employee Recognitions (I)  
Long Range Board Agenda (I)  
Engineering Department Report (I)  
Operations Department Report (I)  
2019 Water Supply – Purchased and Produced (I)  
Water Supply Reliability (I)  
Water Efficiency and Safety Program Update (I)  
2019 Strategic Plan Update (I)  
Discussion and Possible Action to approve a Resolution adopting International City/County Management Association-Retirement Corporation Section 457 Deferred Compensation Plan (A)

Recommendations:

- 1) Approve Resolution 06-2019, authorizing the General Manager to execute an Administrative Services Agreement, Affirmative Statement, and all required documents to complete implementation of International City/County Management Association- Retirement Corporation Section 457 Deferred Compensation Plan.
- 2) Amend Policy 4411: Deferred Compensation.

Discussion and Possible Action to approve an agreement with J.P. Morgan Chase for Credit Card Services (A)

Recommendations:

- 1) Authorize the General Manager to execute agreement with JP Morgan Chase
- 2) Approve amended District Policy No. 6520 Credit Cards.

Discussion and Possible Action to approve the Disposition of Real Property (A)

Recommendation: Approve Resolution 07-2019, approving a Quitclaim Deed within the property of 6920 Auburn Boulevard.

CHECK   PAYEE

APRIL 2019 WARRANTS

<u>CHECK</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
67295	William G/Azell A Shirley	Customer Refund	\$7.44
67296	Keller Family Trust	Customer Refund	\$17.11
67297	Texas Lee Smith	Customer Refund	\$82.73
67298	Stephen M Gower	Customer Refund	\$42.00
67299	Randy/April Burkhalter	Customer Refund	\$64.00
67300	Ann R Bakarich	Customer Refund	\$25.49
67301	Brock J. Daniels	Customer Refund	\$48.72
67302	Jian Ying Chen	Customer Refund	\$206.50
67303	ABA DABA Rentals & Sales	Supplies-Field	\$522.58
67304	AIA Services, LLC/NDS	Water Conservation- Materials/Supplies	\$1,561.61
67305	Alexander's Contract Services	Contract Services-Meter Read	\$1,653.64
67306	Associated Sound	Contract Services-Other	\$3,676.15
67307	Bart/Riebes Auto Parts	Repair-Trucks	\$122.37
67308	Best & Krieger	Legal & Audit	\$7,785.91
67309	Blue Jay Trucking LLC	Contract Services-Other	\$652.50
67310	California Choice Benefit Administrators	Health Insurance	\$41,645.40
67311	California Landscape Associates Inc	Janitorial	\$200.00
67312	City of Citrus Heights	Permit Fees	\$2,213.75
67313	Robin Cope	Health Insurance	\$422.30
67314	Corix Water Products, Inc	Material	\$848.00
67315	Cybex	Equipment Rental-Office	\$166.07
67316	Dawson Oil Company	Gas & Oil	\$1,885.54
67317	Ditch Witch	Equipment Maintenance	\$1,291.71
67318	First Apostolic Church of Citrus Heights	Fixed Assets	\$887.50
67319	Grainger	Small Tools	\$281.71
67320	J4 Systems	Contract Services-Other	\$1,085.00
67321	Kei Window Cleaning #12	Janitorial	\$96.00
67322	Key West Holdings DBA Monster Contractor	Contract Services-Other	\$2,722.25
67323	McCampbell Analytical, Inc	Wells Maintenance	\$3,025.00
67324	One Stop Truck Shop	Repair-Trucks	\$2,882.51
67325	USPS	Postage	\$268.00
67326	Protection One Alarm Monitoring	Equipment Rental-Office	\$206.05
67327	Republic Services #922	Utilities	\$278.35
67328	Regional Government Services	Contract Services-Other	\$150.00

APRIL 2019 WARRANTS

<u>CHECK</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
67329	RW Trucking	Contract Services-Miscellaneous	\$634.74
67330	Sonitrol	Equipment Rental-Office	\$181.91
67331	Walker's Office Supplies	Office Expense	\$204.67
67332	WaterWise Consulting, Inc	Contract Services-Water Conservation	\$187.00
67333	Warren Consulting Engineers Inc	Contract Services-Engineering	\$4,500.00
67334	West Yost Associates	Contract Services-Engineering	\$1,081.00
67335	Wolf Consulting	Contract Services-Other	\$375.00
67336	World Environment & Energy Inc	Contract Services-Miscellaneous	\$403.71
67337	City of Citrus Heights	Permit Fees	\$800.00
67338	City of Citrus Heights	Permit Fees	\$1,500.00
67339	City of Citrus Heights	Permit Fees	\$1,100.00
67340	Ferguson Enterprises Inc #1423	Material	\$26,032.40
67341	Maze & Associates	Legal & Audit	\$12,294.00
67342	SMUD	Utilities	\$8,744.59
67343	Morgan Trust	Customer Refund	\$21.44
67344	Sean P/Elizabeth A Rohan	Customer Refund	\$91.63
67345	Valentin/Mariya Bodnar	Customer Refund	\$17.60
67346	Peter/Phyllis Adams	Customer Refund	\$50.82
67347	Valerie J Mackey	Customer Refund	\$76.41
67348	Louis P & Colleen A Lyon Trust	Customer Refund	\$24.67
67349	Amanda D Davidson	Customer Refund	\$35.68
67350	Guardian Asset Management	Customer Refund	\$227.58
67351	A&A Stepping Stone Manufacturing	Supplies-Field	\$237.05
67352	Best Best & Krieger	Legal & Audit	\$7,899.50
67353	Corelogic Information Solutions Inc	Dues & Subscriptions	\$200.00
67354	Harris Industrial Gases	Supplies-Field	\$1,734.78
67355	J4 Systems	Contract Services-Other	\$3,148.75
67356	Matthew Maxwell	Contract Services-Miscellaneous	\$1,500.00
67357	Moonlight BPO	Contract Services-Bill Print/Mail	\$4,549.14
67358	One Print Source & Graphics	Printing	\$3,199.91
67359	Principal Life Insurance Company	Health Insurance	\$23,609.79
67360	Sutter Medical Foundation-Corporate	Contract Services-Other	\$320.33
67361	Titan Workforce LLC	Contract Services-Temporary Labor	\$4,396.07
67362	Walker's Office Supplies	Office Expense	\$8.88

**APRIL 2019 WARRANTS**

<u>CHECK</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
67363	Norman E Dionne	Customer Refund	\$24.96
67364	Spatzal Revocable Living Trust	Customer Refund	\$92.75
67365	Mechelle A Cook/ Wendell & Carolyn Peart	Customer Refund	\$146.26
67366	Mary Hall	Customer Refund	\$80.29
67367	Adrienne A Wright Souza	Customer Refund	\$6.77
67368	Rosemary B Gorman Trust	Customer Refund	\$119.61
67369	Larry R Buntrock	Customer Refund	\$67.20
67370	M Jessica Rankin	Customer Refund	\$8.32
67371	Chris/Stacy Kilpatrick	Customer Refund	\$15.99
67372	Toya Vogt	Customer Refund	\$18.58
67373	Thomas S/Dixie M Fletcher	Customer Refund	\$55.52
67374	Mary Klaas Schultz	Customer Refund	\$105.33
67375	Inna Abramovich	Customer Refund	\$5.60
67376	Effat Youssef	Customer Refund	\$33.68
67377	Jill M Young	Customer Refund	\$208.34
67378	Mylinh Nguyen	Customer Refund	\$86.33
67379	Irina Motronchik	Customer Refund	\$108.09
67380	Enrique De La Cruz	Customer Refund	\$285.47
67381	Becky Padilla	Customer Refund	\$230.49
67382	Jennifer J Wilkinson	Customer Refund	\$58.68
67383	Jeffrey J Presti	Customer Refund	\$101.95
67384	Lola J Wagner/ Michael T. Wagner	Customer Refund	\$22.31
67385	Erick/Amelia Kutylowski	Customer Refund	\$12.14
67386	ABA DABA Rentals & Sales	Supplies-Field	\$78.65
67387	ADA Compliance Consultants Inc	Contract Services-Miscellaneous	\$1,546.74
67388	Alexander's Contract Services	Contract Services-Meter Read	\$6,880.50
67389	AnswerNet	Telephone-Answering Service	\$277.35
67390	Best Best & Krieger	Legal & Audit	\$6,304.50
67391	BSK Associates	Water Analysis	\$826.00
67392	City of Citrus Heights	Permit Fees	\$750.00
67393	Consolidated	Telephone -Local/Long Distance	\$1,838.96
67394	Robin Cope	Health Insurance	\$16.70
67395	Core & Main LP	Material	\$2,191.56
67396	County of Sacramento	Permit Fees	\$87.00

**APRIL 2019 WARRANTS**

<u>CHECK</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
67397	Dawson Oil Company	Gas & Oil	\$691.79
67398	Tamar Dawson	Continued Education	\$65.92
67399	Ferguson Enterprises Inc #1423	Material	\$689.72
67400	KBA Document Solutions, LLC	Equipment Rental-Office	\$374.43
67401	Kiwanis of Citrus Heights	Continued Education	\$454.00
67402	Lowe's	Supplies-Field	\$1,352.37
67403	Pace Supply Corp	Material	\$4,766.48
67404	Placer County Recorder	Recording Fees	\$250.00
67405	Regional Government Services	Contract Services-Other	\$300.00
67406	River City Fire Equipment	Repair-Equipment/Hardware	\$1,066.82
67407	SureWest Directories	Telephone-Local/Long Distance	\$49.00
67408	Titan Workforce LLC	Contract Services-Temporary Labor	\$3,562.48
67409	United Rentals (North America) Inc	Equipment Rental-Field	\$1,249.97
67410	Walker's Office Supplies	Office Expense	\$52.38
67411	WaterWise Consulting, Inc	Contract Services-Water Conservation	\$700.00
67412	Warren Consulting Engineers Inc	Contract Services-Engineering	\$4,500.00
67413	West Coast Arborists, Inc	Contract Services-Miscellaneous	\$2,848.00
67414	Veronica M Sorgi	Customer Refund	\$43.25
67415	Rebecca E Vassar	Customer Refund	\$58.52
67416	Richard L/Patricia M Filson	Customer Refund	\$221.01
67417	Jaffe Family Trust	Customer Refund	\$17.31
67418	Danny R Sheffield	Customer Refund	\$30.12
67419	Leland P Combs	Customer Refund	\$57.35
67420	Peter Kukharets	Customer Refund	\$127.57
67421	Keefer Family Trust	Customer Refund	\$29.47
67422	Buyng R Lee	Customer Refund	\$19.14
67423	Jessie Baker	Customer Refund	\$8.99
67424	Jeffrey A Danner	Customer Refund	\$62.39
67425	Stonewood Group LLC	Customer Refund	\$31.76
67426	Tresha Investments LLC	Customer Refund	\$37.60
67427	Ann Beetham	Customer Refund	\$206.97
67428	ABA DABA Rentals & Sales	Supplies-Field	\$292.25
67429	Alexander's Contract Services	Contract Services-Meter Read	\$2,013.13
67430	AREA Restroom Solutions	Equipment Rental-Field	\$119.81

**APRIL 2019 WARRANTS**

<u>CHECK</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
67431	Avalon Custodial Care	Janitorial	\$695.00
67432	Axcient Holdings LLC	Maintenance Agreement-Software	\$444.30
67433	Bart/Riebes Auto Parts	Repair-Trucks	\$154.70
67434	Best Best & Krieger	Legal & Audit	\$7,986.80
67435	Corix Water Products, Inc	Material	\$4,438.23
67436	Sacramento County Utilities	Utilities	\$190.10
67437	Fast Action Pest Control	Contract Services-Miscellaneous	\$115.00
67438	First Apostolic Church of Citrus Heights	Fixed Assets	\$887.50
67439	Integrity Administrators Inc	Health Insurance	\$5,000.00
67440	J4 Systems	Contract Services-Other	\$1,260.00
67441	KBA Document Solutions Inc	Equipment Rental-Office	\$1,263.34
67442	Moonlight BPO	Contract Services-Bill Print/Mail	\$5,305.16
67443	Pace Supply Corp	Material	\$477.25
67444	Pacific Gas & Electric	Utilities	\$238.57
67445	Regional Government Services	Contract Services-Other	\$1,857.25
67446	SAWWA	Dues & Subscriptions	\$100.00
67447	Les Schwab Tires	Repair-Trucks	\$610.33
67448	Sierra Safety	Small Tools	\$62.50
67449	Sonsray Machinery, LLC	Fixed Assets	\$25.38
67450	SureWest Directories	Telephone-Local/Long Distance	\$49.00
67451	A. Teichert & Son, Inc.	Road Base	\$1,115.12
67452	Titan Workforce LLC	Contract Services-Temporary Labor	\$4,011.76
67453	Verizon Wireless	Telephone-Wireless	\$1,005.30
67454	Voyager Fleet Systems Inc	Gas & Oil	\$2,526.36
67455	Walker's Office Supplies	Office Expense	\$61.34
<b>Total</b>			<u>\$275,335.85</u>
ACH	INVOICE CLOUD	Bank Fee	\$4,909.30
ACH	HARRIS & ASSOCIATES	Contract Services-Engineering	\$75,261.65
ACH	BANK OF THE WEST	Bank fee	\$1,784.70
ACH	Void	Void	\$0.00
ACH	MARCH 2019 CHASE	Bank Fee	\$2,185.31
ACH	MARCH 2019 FD	Bank Fee	\$219.97
ACH	MARCH S. FEE PAYCHEX	Contract Services-Other	\$425.20

**APRIL 2019 WARRANTS**

<u>CHECK</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
ACH	PRINCIPAL LIFE INSURANCE MAY 2019	Health Insurance	\$8,021.07
ACH	Void	Void	\$0.00
ACH	US BANK I.M.P.A.C. GOVERNMENT SERVICES	See May Agenda Item CC-9	\$5,306.03
ACH	VALIC 4/18/19 PAYDAY	Deferred Compensation	\$2,796.75
ACH	VALIC 4/4/19 PAYDAY	Deferred Compensation	\$2,796.75
ACH	VOYA 4/4/19 PAYDAY	Deferred Compensation	\$25.00
ACH	VOYA 4/18/19 PAYDAY	Deferred Compensation	\$25.00
ACH	US BANK I.M.P.A.C. GOVERNMENT SERVICES	See April Agenda Item CC-9	\$15,539.69
Total			<u>\$119,296.42</u>
<b>Grand Total</b>			<u><u>\$394,632.27</u></u>

**May Checks Approved at May Board Meeting**

ACH	CORIX WATER	Material	\$10,757.78
ACH	GROENIGER	Material	\$13,661.52
ACH	HARRIS & ASSOCIATES	Contract Services-Engineering	\$32,453.56
67506	ACWA/JPIA	Workers Comp Insurance	\$19,748.64
67507	Central Valley Engineering & Asphalt, Inc.	Contract Services-Paving	\$41,997.25
67508	Elk Grove Auto Group Inc	Fixed Assets	\$24,326.85
67509	Raftelis	Contract Services-Miscellaneous	\$12,892.32
67510	San Juan Water District	Purchased Water	\$633,163.46
67511	SMUD	Utilities	\$9,090.08
Total			<u><u>\$798,091.46</u></u>

Employee Recognitions — Fifteen employees received recognition for attendance during March 2019, and Twenty-five were recognized for outstanding customer service and quality of work during the month of April 2019. Directors were provided with a list of the employees and items for which each received recognition.

The Long Range Board Agenda was provided showing Directors upcoming items scheduled for future Board Meetings.

Engineering Department Report

The Engineering and Capital Projects Department staff presented a report on the following activities during the month of April 2019:



Items of Interest	Department	Project Team	Date	To Board? If so, Date	Strategic Planning Item	Item Description	Update from Last Report/ Current Status
<b>PROJECT 2030 Water Main Replacement Project</b>	Engineering	Engineering Manager and Project Manager	On- going	Yes, 10/16/19 (Final Completion Update)	Yes	2017-2018 Masterplan for replacement of mains installed in 1960-1985.	Top Two Alternatives Selected. Market Research in progress.  CAC Workshop #6 occurred on 03/19/19.  CAC Workshop #7 to be held on 06/11/19.
<b>CAPITAL IMPROVEMENT PROJECT Corporation Yard / Facilities Master Plan Buildout</b>	Engineering	Engineering Manager and Project Manager	On- going	Yes, TBD	Yes	2017-18 Masterplan for office space requirements through 2040.	Request for Proposal (RFP) released 04/08/19.  Mandatory pre-proposal meeting held on 04/24/19.  RFPs due 05/23/19.
<b>CAPITAL IMPROVEMENT PROJECT Highland Ave &amp; Rosa Vista Ln 8" Water Mains</b>	Engineering	Senior Construction Inspector and Project Manager	On- going	Yes, 06/20/18 (Notice of Completion)	Yes	2018 design and construction.	Award of Contract occurred at the 01/17/18 Board Meeting.  Notice of Completion approved at 06/20/18 Board Meeting.  Easements being prepared by District.
<b>CAPITAL IMPROVEMENT PROJECT Wind Way and Longwood Way 8" Water Mains</b>	Engineering	Project Manager and Assistant Engineer	On- going	Yes, TBD	Yes	2018 design, 2019 construction.	Plans complete.  Construction to be completed by District Operations staff.  Construction began on April 2019.
<b>CAPITAL IMPROVEMENT PROJECT Pleasantview Dr 8" Water Main</b>	Engineering	Project Manager, Assistant Engineer and Senior Construction Inspector	On- going	Yes, 04/17/19 (Award of Contract)	Yes	2018 design, 2019 construction.	Award of Contract approved on 04/17/19.  Contractor providing necessary insurance documents to the District.  Anticipate start of construction in May 2019.
<b>CAPITAL IMPROVEMENT PROJECT Michigan Dr 8" &amp; 6" Water Mains</b>	Engineering	Project Manager and Assistant Engineer	On- going	Yes, TBD	Yes	2018 design, 2019 construction.	Plans sent to Engineer on 05/02/18.  Potholing completed. Preparing 90% plans.  Right-of-Way agent to begin easement process for the project.
<b>CAPITAL IMPROVEMENT PROJECT Old Auburn Rd - Daffodil to Wooddale 8" Water Main</b>	Engineering	Project Manager and Assistant Engineer	On- going	Yes, TBD	Yes	2018 design, 2019 construction.	Facilities request letters sent to Utilities on 09/20/18.  Potholing complete.  District to provide 90% mark- ups to Consultant.

Items of Interest	Department	Project Team	Date	To Board? If so, Date	Strategic Planning Item	Item Description	Update from Last Report/ Current Status
<b>CAPITAL IMPROVEMENT PROJECT Cologne Way 6" Water Main</b>	Engineering	Project Manager and Assistant Engineer	On- going	Yes, TBD	Yes	2018 design, 2019 construction.	Facilities request letters sent to Utilities on 09/20/18.  Survey completed on 12/24/18.  District to provide 60% mark- ups to Consultant.  Right-of-Way agent to begin easement process for the project.
<b>CAPITAL IMPROVEMENT PROJECT Quiet Oak Ln 8" Water Main</b>	Engineering	Project Manager, Assistant Engineer and Senior Construction Inspector	On- going	Yes, 04/17/19 (Award of Contract)	Yes	2018 design, 2019 construction.	Award of Contract approved on 04/17/19.  Contractor providing necessary insurance documents to the District.  Anticipate start of construction in May 2019.
<b>CAPITAL IMPROVEMENT PROJECT Patton Avenue - Watson Way to North</b>	Engineering	Project Manager and Assistant Engineer	On- going	Yes, TBD	Yes	2019 design, 2020 construction.	Task Order executed with Engineer.  Existing utility information obtained.  District to provide 30% mark- ups to Engineer.
<b>CAPITAL IMPROVEMENT PROJECT Watson Way - Sherlock Way to Well Site</b>	Engineering	Project Manager and Assistant Engineer	On- going	Yes, TBD	Yes	2019 design, 2020 construction.	Task Order executed with Engineer.  Existing utility information obtained.  District to provide 30% mark- ups to Engineer.
<b>CAPITAL IMPROVEMENT PROJECT 6230 Sylvan Rd East Side Wall</b>	Engineering	Project Manager and Assistant Engineer	On- going	Yes, TBD	No	Wall along the east side of District property.	Task Order executed with Engineer.  District to contact SJUSD regarding property.
<b>PRIVATE DEVELOPMENT Dignity Health Building - 7115 Greenback Ln</b>	Engineering	Engineering Manager and Senior Construction Inspector	On- going	Yes, TBD	No	Medical office building by developer.	Project complete.  District received easement on 02/27/19.  District to complete a Certificate of Acceptance for easement.
<b>PRIVATE DEVELOPMENT Mitchell Farms - 7925 Arcadia Dr</b>	Engineering	Engineering Manager and Assistant Engineer	On- going	Yes, TBD	No	200-300 unit development by Watt Communities.	Received initial submittal for the Mitchell Farms Subdivision Improvement Plans on 03/18/19.  District reviewing plans.

Items of Interest	Department	Project Team	Date	To Board? If so, Date	Strategic Planning Item	Item Description	Update from Last Report/ Current Status
<b>PRIVATE DEVELOPMENT Mitchell Farms Land Exchange - 7925 Arcadia Dr</b>	Engineering	Engineering Manager and Assistant Engineer	On-going	Yes, TBD	No	Land Exchange of District's Well Site for development property.	Initial submittal for Well Site Improvement Plans received on 02/07/19.  District provided comments on initial submittal on 02/22/19.  Awaiting submittal from engineer.
<b>PRIVATE DEVELOPMENT Citrus Place Subdivision</b>	Engineering	Engineering Manager and Assistant Engineer	On-going	No	No	7 lot subdivision located near Wachtel Way & Talbot Way.	Received updated plans from engineer on 04/30/18.  District sent back comments on 05/22/18.  Awaiting a resubmittal.
<b>PRIVATE DEVELOPMENT 12057 Fair Oaks Blvd Fair Oaks Senior Apartments</b>	Engineering	Engineering Manager and Assistant Engineer	On-going	No	No	Seniors apartment complex with 42 one bedroom and 68 two bedroom units.	Received Project Referral and proposed site plan on 11/13/18.  District sent Will Serve Letter on 12/04/18.  Awaiting first submittal from engineer.
<b>PRIVATE DEVELOPMENT 7581 Sycamore Dr - Parcel Split 1 - 3</b>	Engineering	Engineering Manager and Assistant Engineer	On-going	No	No	Parcel being split into 3 for 3 home subdivision.	Plans signed on 09/19/18.  Awaiting construction.
<b>PRIVATE DEVELOPMENT 8053 Holly Dr Parcel Split 1 - 3</b>	Engineering	Engineering Manager and Assistant Engineer	On-going	No	No	Parcel being split into 3 for 3 home subdivision.	Final plans signed and fees received on 05/10/18.  District Operations staff began construction on 09/25/18. 98% Complete.  Awaiting final street improvements before completion can occur.
<b>PRIVATE DEVELOPMENT 8043 Holly Dr Parcel Split 1 - 3</b>	Engineering	Engineering Manager and Assistant Engineer	On-going	No	No	Parcel being split into 3 for 3 home subdivision.	Received initial plans on 10/01/18.  District provided comments to the Engineer on 01/02/19.
<b>PRIVATE DEVELOPMENT 8116 Holly Dr Parcel Split 1 - 2</b>	Engineering	Engineering Manager and Assistant Engineer	On-going	No	No	Parcel being split into 2 with 2 existing homes and meters.	Received Project Referral 11/16/18.  Conditions of Approval letter sent 11/28/18.
<b>PRIVATE DEVELOPMENT 7601 Sunrise Blvd The Human Bean</b>	Engineering	Engineering Manager and Senior Construction Inspector	On-going	No	No	Commercial Development.	Construction complete.  Project complete.

Items of Interest	Department	Project Team	Date	To Board? If so, Date	Strategic Planning Item	Item Description	Update from Last Report/ Current Status
<b>PRIVATE DEVELOPMENT</b> 6920 Auburn Blvd Stock Ranch Plaza - Parcel 11	Engineering	Senior Construction Inspector	On-going	No	No	Commercial Development.	Received easements and quitclaims on 04/03/19.  District to complete a Certificate of Acceptance for easement.
<b>PRIVATE DEVELOPMENT</b> 7030 Auburn Blvd Stock Ranch - Traffic Circulation	Engineering	Senior Construction Inspector	On-going	No	No	Commercial Development.	Final Acceptance Letter sent on 09/10/18.  Project Complete.
<b>PRIVATE DEVELOPMENT</b> 7766 Auburn Blvd Quick Slice	Engineering	Engineering Manager and Assistant Engineer	On-going	No	No	Commercial Development.	Sent comments to City on 11/27/17.  Awaiting final plans from developer for District review.
<b>PRIVATE DEVELOPMENT</b> 8501 Auburn Blvd Big Lots	Engineering	Senior Construction Inspector and Engineering Manager	On-going	No	No	Commercial Development.	Plans signed on 08/23/18.  Awaiting easements and the signed Common Area Maintenance Agreement from developer.  100% complete except for punchlist items.  City to provide Temporary Certificate of Occupancy week of 04/01/19.
<b>PRIVATE DEVELOPMENT</b> 8501 Auburn Blvd Parcel Split	Engineering	Engineering Manager and Assistant Engineer	On-going	No	No	Potential parcel split from one parcel to four parcels.	Sent conditions of approval letter on 09/06/18.  Waiting for the developer to prepare easements.
<b>PRIVATE DEVELOPMENT</b> 8501 Auburn Blvd Studio Movie Grill	Engineering	Engineering Manager and Assistant Engineer	On-going	No	No	Commercial Development.	Received second submittal from engineer on 03/25/19.  Sent comments to engineer on 04/16/19.  Awaiting next submittal and easements from developer.
<b>PRIVATE DEVELOPMENT</b> 7424 Sunrise Blvd Sunrise Pointe	Engineering	Engineering Manager and Assistant Engineer	On-going	No	No	Proposed multi-unit housing complex for low-income and homeless.	Received project referral and initial plans on 10/11/18.  Will-Serve letter sent 11/21/18.  Awaiting first plan submittal from engineer.

Items of Interest	Department	Project Team	Date	To Board? If so, Date	Strategic Planning Item	Item Description	Update from Last Report/ Current Status
<b>PRIVATE DEVELOPMENT</b> 7312 Veterans Ln	Engineering	Engineering Manager and Assistant Engineer	On-going	No	No	Single Family Home on a private street.	Sent review comments on 08/03/18.  Engineering sent cost estimate of improvements to owner on 10/30/18.  Awaiting payment from customer.
<b>PRIVATE DEVELOPMENT</b> Livoti Development	Engineering	Engineering Manager and Assistant Engineer	On-going	No	No	Six Parcel Subdivision.	Received initial plans on 12/17/18.  District provided comments to the engineer on 03/12/19.
<b>COMCAST</b>	Engineering	Assistant Engineer and GIS Specialist	On-going	No	No	Various communications boring projects throughout the service area.	District has provided water utility maps for all requested projects.  Awaiting resubmittal from Comcast engineer.  Awaiting as-builts on all completed projects.
<b>CITY OF CITRUS HEIGHTS DRAINAGE PROJECT</b> Highland Ave	Engineering	Engineering Manager and Assistant Engineer	On-going	No	Yes	Highland Ave Drainage Project.	Field preconstruction meeting occurred on 03/28/19.  Storm Drain improvements in progress by City contractor.  District in process of relocating water facilities.
<b>CITY OF CITRUS HEIGHTS DRAINAGE PROJECT</b> Wonder St	Engineering	Engineering Manager and Assistant Engineer	On-going	Yes, TBD	Yes	Wonder St Drainage Project.	Anticipate bid and start of construction in 2019. "B" Plans sent back 08/21/17 with comments. Coordinating utility conflicts and possible easement.
<b>CITY OF CITRUS HEIGHTS PROJECT</b> Bonita, Old Auburn Rd, & Mariposa Ave Storm Drain Improvements	Engineering	Engineering Manager and Assistant Engineer	On-going	No	No	Bonita Way, Old Auburn Rd, & Mariposa Ave Storm Drain Project.	Received 30% plans at the meeting with Dokken Engineering on 05/21/18.  District sent engineer data on 08/03/18.  Mariposa Ave Project - District to meet with the City to discuss project revisions.

Items of Interest	Department	Project Team	Date	To Board? If so, Date	Strategic Planning Item	Item Description	Update from Last Report/ Current Status
<b>CITY OF CITRUS HEIGHTS PROJECT Mariposa Ave - Safe Routes to School Phase III</b>	Engineering	Engineering Manager and Assistant Engineer	On-going	No	Yes	Frontage improvements along west side of Mariposa Ave from Northridge to Eastgate.	Received signed Utility Agreement.  District verified previous plan changes were incorporated on 02/13/19.  District waiting to sign plans. Pre-Construction meeting held on 04/16/19.  District to schedule water facility relocation work.
<b>CITY OF CITRUS HEIGHTS PROJECT Mariposa Ave - Safe Routes to School Phase IV</b>	Engineering	Engineering Manager and Assistant Engineer	On-going	Yes, TBD	Yes	Frontage improvements along east side of Mariposa Ave from Madison Ave to Skycrest School.	Attended kick-off meeting with the City on 01/14/19.  District provided comments to Engineer on 05/02/19.
<b>CALIFORNIA DEPT OF TRANSPORTATION Weigh Station at I-80 &amp; Antelope Rd</b>	Engineering	Engineering Manager and Assistant Engineer	On-going	No	No	Weigh station and off-ramp improvements.	Sent water facility maps and as-builts to engineer on 11/20/17.  Awaiting plans from CalTrans for District review.
<b>Annexations</b>	Engineering	Engineering Manager, Project Manager and Assistant Engineer	2018	Yes, 07/17/19 (Anticipated Award of Contract)	Yes	Annex properties into the District to clarify and revise District boundaries.	Request for Proposal (RFP) released 04/18/19.  Mandatory pre-proposal meeting scheduled for 05/01/19.  RFPs due 05/22/19.
<b>Easements</b>	Engineering	Engineering Manager, Project Manager and Assistant Engineer	2018	Yes, TBD	Yes	Research and review District facility locations and easements for potential additions/revisions.	Staff conducted an initial scoping meeting in April. Staff is now working on a draft RFP for consultant services.

Operations Department Report

Operations Manager Gordon reported as follows:

A total of 86 work orders were performed during the month of April 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.

### 2019 Water Supply – Purchased and Produced

The District's total water use during the month of April 2019 (682.90 acre-feet) was 33.6 percent below that of April 2013 (1,029.73 acre-feet).

### Water Supply Reliability

As of May 1, 2019, storage in Folsom Lake (Lake) was at 886,900 acre-feet, 91 percent of the total capacity of 977,000 acre-feet. This represents an increase in storage of 145,900 acre-feet in the past month.

The District continues to assist with preserving surface water supplies in the Lake by operating its groundwater wells. The District's groundwater production wells: Bonita, Skycrest, Mitchell Farms, and Sylvan, are operational and used on a rotational or as-needed basis. Other District groundwater production wells, Palm and Sunrise, are at various stages of repairs.

### Water Efficiency Program Update

Water Efficiency, Safety and Meter Program activities during the month of April 2019 include:

- 12 High Efficiency Toilet (HET) rebates were processed for the month of April 2019. This compares to 11 HET rebates processed for the month of April 2018. The 5 year monthly average (2014-2018) of April HET rebates is 17. A total of \$3,200.00 in HET rebates have been issued year-to-date.
- A total of 7 High Efficiency Clothes Washer (HECW) rebates were issued during the first quarter of 2019. This compares to 11 HECW rebates issued for the first quarter of 2018. A total of 7 HECW rebates were issued year to date.
- 39 service calls were received during the month of April. There were no reports of water waste received through CHWD's Water Efficiency web page.
- Five WaterSmart classes are planned for 2019. The first class, titled "Getting Your Garden Growing This Spring" was held on Saturday, April 6, 2019. 33 people attended the class. The second class, titled "Irrigation For WaterSmart Yards", was held on Saturday, May 11, 2019. The third class will take place on Saturday, June 22, 2019. Topics for future classes will include: what your landscape likes during the summer sizzle, ways to properly feed and care for your summer garden, and hands-on trouble shooting of common irrigation problems. The first three classes are being held at the Citrus Heights Community Center.
- CHWD has secured three garden plots at the Sylvan Ranch Community Garden. The plots will feature water efficient landscaping. The project will be completed in two phases. Phase I will include a gardening area at the corner of Sylvan Rd. and Stock Ranch Rd. Phase II will be an education area for activities, such as workshops and presentations. Funding for the rental, development and maintenance of the garden plots is included in the 2019 budget.

- In July 2018, staff conducted a meter testing program for all meters 3 inches and larger. The testing is part of the Water Loss Program requirement contained in SB555. The meters were tested for accuracy during high, medium and low flow conditions. A total of 67 meters were identified for testing. A total of fifty-two 3 inch and larger meters were tested. The remaining 15 untested meters are being assessed for needed improvements to allow for future testing. Of the meters tested, 31 are within California standards (reference AWWA M6 Meter Manual), and 6 were very close to standards. 13 of the 15 meters that tested below AWWA standards have been repaired or replaced. The remaining two meters are scheduled for repair on Tuesday, May 7. Follow-up testing of the repaired meters was conducted May 20-23. Follow-up testing for repaired meters is required according to AWWA’s M6 Meter Manual.
- Staff is currently updating the District’s Emergency Operations Plan (EOP). The last update to the EOP was in July 2011. The EOP establishes procedures and provides information necessary to ensure that members of CHWD’s staff are knowledgeable about what to do in the event of an emergency. The District is using a Consultant to assist with the EOP update. Staff met with the Consultant on Wednesday, May 15, to review recommended updates and revisions to the EOP.
- The third group safety presentation in a series of eleven was presented on Thursday, April 11. The topic was “Fire Extinguisher Safety”. The presenters included Brian Hensley, Water Resources Supervisor; Tamar Dawson, Assistant Engineer; and Brittney Moore, Customer Service Technician II. The fourth presentation was given on May 16, with the topic “Dangerous Insects”. The presenters were Mike Mariedth, Water Distribution Lead Worker; Ryon Ridner, Water Distribution Worker; and Madeline Henry, Management Services Specialist.
- On Thursday April 11, the District completed recharging all of the fire extinguishers located at the District facilities. The fire extinguisher recharge is done on an annual basis in order to keep the equipment up to proper working standards.
- The following table summarizes the Residential Gallons Per Capita Per Day (R-GPCD) values for CHWD to date:

Month	R-GPCD		% CHANGE
	2018	2019	
January	77	76	-.01%
February	85	72	-.15%
March	79	75	-.05%
April	100	103	+.03%

2019 Strategic Plan Update (I)

The 2019 Strategic Plan update is summarized below.



## CITRUS HEIGHTS WATER DISTRICT 2019 STRATEGIC OBJECTIVES

**THREE-YEAR GOAL: COMPLETE THE PROJECT 2030 WATER MAIN REPLACEMENT STUDY TO ENSURE A RELIABLE WATER DISTRIBUTION SYSTEM**

<i>Objectives to be Completed in the 2019 Year</i>					
#	START	END	WHAT	WHO	COMMENTS
1	Q3 2018	Q2 2019	Complete the Water Main Assessment and Transmission Main Evaluation	Missy Pieri (Lead) Hilary Straus; Paul Dietrich; David Gordon; Brian Hensley; Tim Cutler	Preliminary Assessment and Evaluation complete.
2	Q3 2018	Q1 2019	Complete creek crossing inspection and develop a program for future assessments	Missy Pieri (Lead) Hilary Straus; Paul Dietrich; David Gordon; Brian Hensley; Tim Cutler	Inventoried all creek crossings. Program for future assessment being developed.
3	Q1 2019	Q2 2019	Perform funding analysis and prepare up to 5 options for the phasing of water main replacements	Missy Pieri (Lead) Hilary Straus; Susan Sohal; Paul Dietrich; David Gordon	21 Alternatives presented; Top 5 Alternatives selected at 02/26/19 CAC Meeting; Top 2 Alternatives selected at 03/19/19 CAC meeting; Top 2 Alternatives being Market Surveyed. Survey Results to be presented at 06/11/19 CAC meeting.
4	Q3 2019	Q4 2019	Develop implementation plan for preferred alternative	Missy Pieri (Lead) Hilary Straus; Paul Dietrich; David Gordon; Brian Hensley; Susan Sohal	
5	Q1 2019	Q4 2019	Complete four steps of the Public Engagement Strategy: <ul style="list-style-type: none"> <li>• Develop top two proposals with the CAC</li> <li>• Conduct market research</li> <li>• Review results and revise approach as needed</li> </ul> Take publicly-supported plan to the Board for approval	Missy Pieri Chris Castruita(Lead); Hilary Straus; Paul Dietrich; David Gordon	Top 2 Alternatives being Market Surveyed. Survey Results to be presented at 06/11/19 CAC meeting.

**THREE-YEAR GOAL: MANAGE WATER EFFICIENCY EFFECTIVELY AND EMPOWER CUSTOMERS TO USE WATER IN AN EFFICIENT MANNER**

<i>Objectives to be Completed in the 2019 Year</i>					
#	START	END	WHAT	WHO	COMMENTS
1	Q1 2019	Q4 2019	Meter Replacement Study 10% complete	David Gordon Rex Meurer (Lead); Hilary Straus; Susan Sohal; Josh Nelson; Brian Hensley; Jeff Ott	11 Participating Agencies are determining their Level of Participation. Once confirmed, CHWD will finalize the Agreements for all Agencies to approve. Once approved, the Project will begin.
2	Q1 2019	Q4 2019	Increase attendance by 10% at CHWD Water Smart Classes (e.g., through increased promotion at Fair Oaks Harvest Festival and other venues)	Hilary Straus Rex Meurer (Lead); Chris Castruita	33 attendees for 1st class. We are on target to meet our attendance target for the year.
3	Q1 2019	Q4 2019	Increase sign-ups for Water Efficiency Reviews by 10%	Hilary Straus Rex Meurer (Lead); Chris Castruita	Nine Water Efficiency Reviews have been completed year to date. This leaves us below our target number year to date. Staff is beginning a new telephone outreach campaign beginning in May 2019.

## CITRUS HEIGHTS WATER DISTRICT 2019 STRATEGIC OBJECTIVES

### THREE-YEAR GOAL:     MANAGE AND DIVERSIFY A DEPENDABLE WATER SUPPLY

<i>Objectives to be Completed in the 2019 Year</i>					
#	START	END	WHAT	WHO	COMMENTS
1	Q1 2019	Q4 2019	Enter into a sale agreement for Well Site #8	David Gordon (Lead) Missy Pieri; Susan; Josh Nelson; Brian Hensley; Hilary Straus	Completed.
2	Q1 2019	Q4 2019	Identify potential Well Sites #9 and #10	David Gordon (Lead) Josh Nelson; Brian Hensley; Hilary Straus; Missy Pieri; Susan Sohal	Ongoing analysis.
3	Q1 2019	Q2 2019	Conduct a retroactive quantitative and qualitative evaluation of our groundwater transfer work with San Juan Water District and other agencies	David Gordon (Lead) Susan Sohal; Steve Anderson; Hilary Straus; Brian Hensley; Alberto Preciado	Completed.

### THREE-YEAR GOAL:     MANAGE THE EFFICIENT IMPROVEMENT OF AND REINVESTMENT IN DISTRICT INFRASTRUCTURE AND FACILITIES

<i>Objectives to be Completed in the 2019 Year</i>					
#	START	END	WHAT	WHO	COMMENTS
1	Q1 2019	Q4 2019	Complete space needs alternatives analysis	Missy Pieri (Lead) Paul Dietrich; Hilary Straus; David Gordon; Susan Sohal	Consultant preparing Staffing Plan. Pre-Architectural Study Request for Proposals (RFP) released on 04/08/19. RFPs due on 05/16/19.
2	Q1 2019	Q4 2019	Dispose of two surplus well sites	David Gordon (Lead) Josh Nelson; Hilary Straus; Missy Pieri; Susan Sohal; Chris Castruita; Alberto Preciado	District staff has developed a Property Disposition Decision Matrix in order to capture the District's actions for the disposition of the surplus well site properties.
3	Q3 2019	Q4 2019	Develop an administrative procedure defining CEQA review of District CIP projects	Missy Pieri (Lead) Paul Dietrich; Josh Nelson; David Gordon; Brian Hensley	
4	Q1 2019	Q4 2019	Select a consultant for the Easement Review Project, complete Phase I Inventory of all current easements, and document all needed easements	Missy Pieri (Lead) Josh Nelson; Paul Dietrich; David Gordon; Brian Hensley; Chris Castruita	Expected to begin after Item #5.
5	Q1 2019	Q4 2019	Complete a work plan and select a consultant for the annexation of the island parcels and boundary revisions	Missy Pieri (Lead) Josh Nelson; Paul Dietrich; David Gordon; Brian Hensley; Chris Castruita	District-wide Annexation Request for Proposals (RFP) released on 04/19/19. RFPs due on 05/22/19.

## CITRUS HEIGHTS WATER DISTRICT 2019 STRATEGIC OBJECTIVES

**THREE-YEAR GOAL: PROMOTE ORGANIZATIONAL EFFECTIVENESS TO  
ENHANCE CUSTOMER SERVICE**

<i>Objectives to be Completed in the 2019 Year</i>					
#	START	END	WHAT	WHO	COMMENTS
1	Q3 2019	Q4 2019	Issue an RFP for an enterprise-wide Document Management System	<b>Susan Sohal</b> Chris Castruita (Lead); Jeff Ott; Missy Pieri	RFP to Board at June 2019 meeting. RFP will be issued 06/28/19. Anticipate starting implementation Q4 2019.
2	Q1 2019	Q4 2019	Complete the rebuild of the Financial Model for the 2020 Budget	<b>Susan Sohal</b> (Lead) Alberto Preciado; Missy Pieri; David Gordon; Hilary Straus	Financial Model 85% complete. Staff is working with Raftelis on the Rate analysis as the final part to the completion of the Model.
3	Q1 2019	Q2 2019	Hire a SMSS/MSS (1 FTE)	<b>Susan Sohal</b> Chris Castruita (Lead); Hilary Straus; Rex Meurer; Missy Pieri; David Gordon	The position closed on 01/14/19. Anticipated start in mid-May 2019.
4	Q1 2019	Q4 2019	Complete Website redesign	<b>Susan Sohal</b> Chris Castruita (Lead); Jeff Ott; Missy Pieri; David Gordon; Rex Meurer; Alberto Preciado	Staff issued an RFP for Communications with the goal of seeking contract approval from the Board by July 2019. Following contract approval, staff will work with the contractor to begin the website redesign project.

### ATTACHMENT A

#### PARKING LOT -- POTENTIAL PROJECTS THAT COULD BE BROUGHT FORWARD INTO 2019 IF TIME AND RESOURCES ALLOW *(not in priority order)*

1. Design Well #7 and pending ASR study
2. District Policy Review, 2000's , 3000's, 6000's, 8000's, and 9000's
3. Develop strategy for amending the Intertie Agreements
4. Select the vendor(s) and system(s) for the Enterprise-wide Document Management System
5. Hire a design consultant to initiate PS&E for the Corp Yard/Facilities Master Plan, including ADA compliance
6. Develop a NIMS/SEMS-compliant Emergency Operations Plan and one Annex
7. Develop a Professional Development Work Plan
8. Complete 40 percent of planning for the District's Centennial Celebration in 2020

Discussion and Possible Action to Approve a Resolution Adopting International City/County Management Association-Retirement Corporation Section 457 Deferred Compensation Plan

District Policy 4411: Deferred Compensation, adopted on June 3, 1992, establishes eligibility for all employees to participate in the District's deferred compensation plan(s). In 2005, the District adopted an Eligible Governmental Employer Section 457(b) Deferred Compensation Plan. This plan establishes the District as an eligible governmental employer and sets guidelines for current and future District deferred compensation programs. In 2011, the plan was amended and reinstated to comply with new federal tax legislation.

The District currently provides deferred compensation plans for its employees through two providers: Variable Annuity Life Insurance Company (VALIC); and Voya (previously ING). There is currently one employee contributing to Voya, with a total of two employees who have accounts, and 13 employees contributing to VALIC, with a total of 19 employees who have accounts.

As part of a comprehensive benefits review, District staff reviewed the District's current deferred compensation plan options and researched additional plans. Staff recommended the addition of International City/County Management Association- Retirement Corporation's (ICMA-RC) Section 457 Deferred Compensation Program to provide employees with additional services and maintain the District's status as an employer of choice. In addition, staff recommended the Board amend Policy 4411 to clean up the policy, removing mention of an outdated position title.

Purpose of Proposed Changes

The District has committed to provide employee compensation and benefits that are competitive, affordable and retain and attract high quality professionals to provide services to our customers. To maintain our status as an employer of choice, staff explored options to expand and update benefits that will appeal to members of the workforce.

At the April 20, 2019 Board Meeting, Retirement Plans Specialist Mark Tomasini and Certified Financial Planner James Collins provided a presentation on the details of the ICMA-RC Section 457 Deferred Compensation Plan.

ICMA-RC has an exclusive focus on the public sector, offers easy online access for employees, and provides retirement and financial planning guidance and technology tools to employees. ICMA-RC is used by over 9,400 public agencies and provides an easy transition for future employees who are hired from within the public sector while also offering additional services to existing staff members.

The ICMA-RC plan provides an additional benefit by allowing employees to make a Roth Contribution, in lieu of or in addition to pre-tax Elective Deferral Contributions. This allows employees greater flexibility with their investments.

Resolution 06-2019

Resolution 06-2019 would authorize the General Manager to execute an Affirmative Statement, Administrative Services Agreement and all required documents to complete implementation of ICMA-RC as a deferred compensation program under the District's current Eligible Governmental

Employer Section 457(b) Deferred Compensation Plan.

Resolution 06-2019 does not change the deferred compensation benefit offered to District employees, it provides them with more options when utilizing the benefit. As with the District's current plans, the ICMA-RC plan would be voluntary and funded entirely by employee contributions. There is no financial impact to the District.

Current employees may elect to keep their current plan through VALIC or Voya, or move their contributions to an ICMA-RC plan. Employees will be able to continue contributing to their existing plans, so as to minimize disruption and the potential for dissatisfaction of current employees who may wish to maintain their current contributions given their proximity to retirement.

ICMA-RC Section 457 Deferred Compensation Plan was proposed be the only deferred compensation plan available to new employees hired after May 1, 2019. If a current employee withdraws from their current Voya or VALIC plan and wishes to establish a new deferred compensation plan after May 1, 2019, they would be required to enroll in the ICMA-RC plan.

These changes will streamline the District's deferred compensation programs, eventually transitioning all employees to the ICMA-RC plan as current employees retire, leave the District, or withdraw their funds from current VALIC and Voya plans.

Update to District Policy 4411: Deferred Compensation

District Policy 4411: Deferred Compensation was adopted on June 3, 1992, and amended on November 19, 2014. Proposed amendments would clean up the policy removing mention of an outdated position title. Staff recommended amending the policy to designate the General Manager as the staff contact. This amendment will avoid future iterations of the policy any time the position title, or staffing level changes.

Next Steps

Staff stated that if Resolution 06-2019 were approved, the General Manager would be authorized to execute an Affirmative Statement and Administrative Services Agreement with ICMA-RC and proceed to employee enrollment in the ICMA-RC Section 457 Deferred Compensation Plan.

Discussion and Possible Action to approve an agreement with J.P. Morgan Chase for Credit Card Services

The District has been enrolled in US Bank's Cal Card Program since 2003. New technologies are now available that provide more options and tools for users of credit card products. Additionally, limitations on available statement closing dates for Cal Card have necessitated rushed reconciliations of card statements on a regular basis. Staff evaluated the current District credit card (Cal Card) as well as other potential card options to explore whether opportunities to streamline the District's monthly purchasing and reconciliation process for credit card statements exist.

Staff evaluated five potential vendors and their procurement card products, including our current vendor, US Bank, where staff met with vendor representatives, and received demonstrations of the

available products. Several features were considered, including: cost, software integration, user tools, such as the availability of a mobile app and efficient reconciliation tools. Many of these options are not available from our current credit card provider. As a result of the evaluation based on the above criteria, Staff recommended that the Board authorize the General Manager to execute an agreement with JP Morgan Bank as the District's credit card provider. The draft agreement was reviewed by District Assistant General Counsel, Josh Nelson.

A primary benefit of moving to JP Morgan Bank Corporate Credit Card (Chase Card) is streamlining the procurement cycle through a more robust user interface available on the Chase Card's website, and the availability of a smartphone application. This will benefit both the employee making the purchase, and District administrative staff. Any reduction in the monthly processing will support efforts to free-up administrative staff time for customer service support and other activities, as well as reduced reconciliation time for all cardholders. There are no fees associated with the JP Morgan Chase Card, such as set-up fees, annual fees, and usage fees.

District Policy No. 6520, Credit Cards sets forth policy requirements regulating the issuance and use of credit cards by District personnel. The policy outlines acceptable uses for the District credit card, authorizations required, reconciliation and reporting requirements. The same policy regarding District purchases of goods and services, District Policy No. 6500, Purchasing and Procurement, applies whether the purchase is made with a District credit card, District check, or cash. The only difference is the mode of payment.

Staff reviewed District Policy No. 6520, Credit Cards with District Assistant General Counsel, Josh Nelson for potential updates, and to ensure compliance with District Policy No. 6500, Purchasing and Procurement. This policy has not been amended since its adoption in 1996.

The Policy has been amended to remove language specific to the Cal Card, which duplicated paragraphs 6520.00 and 6520.10. Assistant General Counsel Nelson also recommended the addition of a provision outlining types of transactions that are specifically prohibited, a provision for reporting requirements for cardholders, provisions detailing responsibilities for lost or stolen cards, and for the surrender of cards, and a provision for penalties arising from violating the policy. These additional provisions were recommended to protect the District from liability caused by potential misuse of the District's purchasing cards.

#### Discussion and Possible Action to approve the Disposition of Real Property

In 2016, the Auburn Boulevard Stock Ranch Commercial Center located at 6920 Auburn Boulevard (Project) completed improvements to the undeveloped portion of the property including installation of water mains, fire hydrants, and water services (for future water connections). Easements were granted to the Citrus Heights Water District (District) by California C&S Properties for the above water facilities at no cost to the District.

The District recently received improvement plans from the developer for a portion of the Project, which were reviewed and approved by the Engineering Department on April 3, 2019. The improvement plans include one water service to the building in a location different than where the easement was previously granted. A Resolution (R07-2019) and Quitclaim Deed was requested to

remove the Grant of Easement for this unused water service.

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

The motion carried 2-0 with all Directors voting yes.

**PRESENTATIONS:**

**Water Awareness Poster Contest**

Senior Water Efficiency Specialist Drake requested that the Board take up the Water Awareness Poster Contest. The District's water efficiency staff, in conjunction with Orange Vale Water Company, Fair Oaks Water District and San Juan Water District, sponsored the twenty-third annual Water Awareness Poster Contest. A total of 387, 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> grade students at six elementary schools within the District's service area submitted posters based on this year's theme, "How I Make Saving Water a Way of Life."

Each agency awards a first-place prize of \$100.00 and two runner-up prizes of \$50.00. In addition, each winning student's class receives an award of \$100.00 for the winning entry. The winning entries will be featured in the 2020 Water Efficiency Calendar. The Grand Prize Winner is featured on the cover of the calendar and featured in the month of May, which represents Water Awareness Month. The Grand Prize Winner receives an additional \$100.00 check.

The winners for schools within the Citrus Heights Water District are:

- First Place Winner: Kaylee Sy, 4<sup>th</sup> Grade, Carriage Elementary School  
Teacher: Karen Adicoff
- Runner-Up: Adriana Cruz, 6<sup>th</sup> Grade, Woodside School  
Teacher: Susanne Slayton
- Runner-Up: Jewel Semmens, 5<sup>th</sup> Grade, Trajan Elementary School  
Teacher: Michele Horner

The contest entries in the Citrus Heights Water District service area were judged by Alison Bermudez from the City of Citrus Heights; Ilene Martzen representing the Citrus Heights Chamber of Commerce; and Virgil Anderson from the Sunrise Recreation and Park District.

The winners and their families, teachers, and friends were in attendance and received their awards and recognition for their efforts.

**STUDY SESSIONS:**

None.

**BUSINESS:**

**Discussion and Possible Action to Accept a Comprehensive Annual Financial Report for Year Ending December 31, 2018**

Accounting Supervisor Preciado requested that the Board take up the Comprehensive Annual Financial Report for Year ended December 31, 2018. In prior years, the District had issued Basic Financial Statements (BFS), which include the Independent Auditors' Report, the Management's Discussion and Analysis, and the District's financial statements. For the second year, District staff, with the assistance of the District's auditors, Maze and Associates, prepared the District's CAFR in accordance with guidelines established by the Government Finance Officers Association (GFOA). A CAFR is dated for two fiscal periods; the main focus is the most recent fiscal year, hence its position as the first year referenced; the immediately preceding year is also included for comparative purposes. David Alvey, CPA, of Maze and Associates, presented the CAFR and answered questions related to the District's financial records and reporting.

The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (CAFR Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare comprehensive annual financial reports in the interest of providing greater transparency and disclosure. Staff submitted its 2017 CAFR for consideration for the Certificate of Achievement and received the award in January 2019. Staff intends to submit the District's 2018 CAFR to the GFOA CAFR Program for consideration for the Certificate of Achievement. The additional effort required to prepare a CAFR helps to raise the District's financial statements to the next level in terms of financial reporting, transparency, and accountability.

A CAFR presentation differs from the previous financial statement reports in that it includes the following sections, in addition to the financial section:

- *Introductory Section* – introduces the basic financial statements, and provides an analytical overview of the District's activities. This expanded analysis is useful in assessing regional economic and social conditions that may impact the District's financial outlook.
- *Statistical Section* – comprises ten years of comparative statistical data that includes information on financial trends, revenue capacity, debt capacity, socioeconomic factors, and water system resources.

Some key highlights from the 2018 CAFR include:

- Unqualified audit opinion – the District's auditors, Maze and Associates issued an unqualified, or clean, opinion on the District's financial statements.
- Ending net position of \$67,288,165 – the District's net position increased by \$2.97 million over 2017.

**ACTION:** Director Wheaton moved and Director Riehle seconded a motion to receive and file the District's Comprehensive Annual Financial Statement and Memorandum of Internal



Controls for the Year Ended December 31, 2018.

The motion carried 2-0 with all Directors voting yes.

**MANAGEMENT SERVICES REPORTS:**

**Meter Replacement Program Update**

Operations Manager Gordon updated the Board on the Meter Replacement Program Planning Study, including efforts to finalize levels of participation among Meter Replacement Consortium agencies.

**DIRECTORS' AND REPRESENTATIVES' REPORTS:**

Regional Water Authority (Riehle)

Board Vice President Riehle discussed the RWA meeting and the RWA Executive Director recruitment. He stated that RWA will hold a final interview with the two remaining candidates this month, with the goal of bringing a recommendation to the RWA Board shortly thereafter.

Sacramento Groundwater Authority (SGA) (Sheehan)

No report.

San Juan Water District (All)

No report.

Association of California Water Agencies (ACWA) (Riehle)

Vice President Riehle requested that the Board save discussion of the ACWA Spring conference until the next month when all Directors will be in attendance.

ACWA Joint Powers Insurance Authority (JPIA) (Wheaton/Castruita)

No report.

City of Citrus Heights (Pieri)

Engineering Manager Pieri gave updates on Studio Movie Grill development and the Dignity Health medical offices.

Chamber of Commerce Update (Straus/Castruita/Meurer)

No report.

RWA Legislative and Regulatory Affairs Update (Castruita/Meurer)

Management Services Supervisor Castruita gave a report on the April 23 meeting with Assembly Member Ken Cooley surrounding Assembly Bill 217, a proposal to create a water tax to fund safe drinking water projects in low-income communities.

Customer Advisory Committee (CAC) (Riehle/Pieri)

Engineering Manager Pieri stated that at the next meeting, scheduled for June 11, 2019 the CAC will review the results of the market research survey on the top two proposals selected at their March meeting.

Other Reports

Management Services Specialist Henry gave a brief report on the proposed agenda for the June 6, 2019 Strategic Planning Session.

Management Services Supervisor Castruita reported that at present there is no business scheduled to occur at the August 2019 Board Meeting. Assuming that nothing is scheduled for that meeting, staff intends to cancel the Board Meeting.

**CLOSED SESSION:**

None.

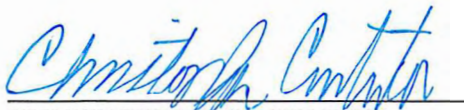
**FUTURE CHWD BOARD OF DIRECTORS MEETING DATES:**

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 7:09 pm.

APPROVED:



CHRISTOPHER CASTRUITA  
Deputy Secretary  
Citrus Heights Water District



RAYMOND A RIEHLE, Vice President  
Board of Directors  
Citrus Heights Water District