

SAN JUAN WATER DISTRICT

Board of Director's Special Meeting Minutes

May 24, 2018 – 5:00 p.m.

BOARD OF DIRECTORS

Marty Hanneman	President
Dan Rich	Vice President
Ted Costa	Director (arrived late)
Ken Miller	Director
Pam Tobin	Director

SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF

Paul Helliker	General Manager
Donna Silva	Director of Finance
Tony Barela	Operations Manager
Lisa Brown	Customer Service Manager
George Machado	Field Services Manager
Greg Turner	Water Treatment Plant Superintendent
Greg Zlotnick	Water Resources Manager
Andrew Pierson	Associate Engineer
Rachael Paulson	Accountant
Rose Strohmaier	Conservation Technician
Teri Grant	Board Secretary/Administrative Assistant
Joshua Horowitz	Legal Counsel

OTHER ATTENDEES

Richard Brebrick	Customer
Sandy Harris	Customer
Matt McGarty	Customer
Kate McGarty	Customer
Hilary Straus	Citrus Heights Water District
Dan York	Sacramento Suburban Water District

AGENDA ITEMS

- I. Roll Call**
- II. Budget Workshop**
- III. Presentation**
- IV. Public Forum**
- V. Consent Calendar**
- VI. Old Business**
- VII. New Business**
- VIII. Information Items**
- IX. Directors' Reports**
- X. Committee Meetings**
- XI. Closed Session**
- XII. Open Session**
- XIII. Adjourn**

President Hanneman called the meeting to order at 6:00 p.m.

I. ROLL CALL

The Board Secretary took a roll call of the Board. The following directors were present: Marty Hanneman, Ken Miller, Dan Rich and Pam Tobin. Director Ted Costa was not present during roll call; however, he arrived shortly after 5:00 pm.

II. BUDGET WORKSHOP

1. Review FY 2018-19 Draft Wholesale and Retail Budget (W & R)

Ms. Silva conducted a presentation on the FY 2018-19 Draft Wholesale and Retail Budget and a copy of the presentation will be attached to the meeting minutes. She explained that the Finance Committee will review the budget at their June meeting and that the Engineering Committee will receive more information on the capital projects that are proposed for next year at their next meeting. A public hearing will be held at the June 27 Board meeting to review and adopt the budget.

Ms. Silva reviewed the budget summary for the four District funds – Wholesale Operations, Wholesale Capital, Retail Operations, and Retail Capital. She explained that the District, as a whole, had budgeted for \$27 million in revenue and \$29.6 million in expenses. She explained that the operating budgets are at a surplus while the capital budgets will utilize reserves, which is normal to periodically have expenses greater than revenues as larger projects are completed.

Ms. Silva reviewed the Wholesale assumptions, the Wholesale Operating Budget, the Wholesale Water Deliveries and Revenues, Wholesale Salaries and Benefits, and Wholesale Water Supply Costs. She informed the Board that the workers compensation costs are increasing 68% (\$28,500). In response to Director Rich's comment, Ms. Silva will bring back the CalPERS assumed salary increases from last year to the June Board meeting. In response to Director Costa's comment, she explained that the Board adopted a new compensation policy in September which allows for the General Manager to award merit and COLA increases based on the CalPERS assumptions; therefore, the CalPERS assumptions were included in the proposed budget. Mr. Helliker explained that he will inform the Board of the COLA and merit increases, as stated in the Board policy.

Ms. Silva reported that the net income for the Wholesale Operating budget is estimated at \$1.6 million. She explained that the majority of the net income will be transferred to capital reserves. The wholesale operating reserves are estimated to end the fiscal year with a combined total of \$2.18 million. She explained that potential revenue from SSWD, the water transfer and a Bureau refund are not included in the proposed budget at this time, which could potentially be an additional \$2 million. Ms. Silva reviewed the Wholesale

Operating Projects. She also pointed out that actions taken by the Board over the past two years have resulted in annual savings of approximately \$817,700.

Ms. Silva reviewed the Wholesale Capital budget and explained that the net income is estimated at \$26,500. She explained that the wholesale reserves are estimated to end the fiscal year with a combined total of \$8.9 million, similar to the beginning of the fiscal year.

Ms. Silva reviewed some information regarding pay as you go funding and explained that the District could realize significant savings if debt is not issued to pay for projects. She explained that the depreciation method and master planning, which involves identifying short and medium term capital needs in conjunction with reviewing the asset and depreciation schedule, could be used to achieve funding. She explained that depreciation funding does not account for new assets; therefore, master planning needs to be used in connection with the depreciation method.

Ms. Silva explained that this year the District is fully funding wholesale depreciation for this year; however, the District's accumulated wholesale depreciation is not fully funded and would require an additional \$59 million. She informed the Board that the estimated reserves at the end of FY 2018-19 will be in excess of the financial plan by \$4.6 million. She commented that even though there will be excess funds, she does not recommend a wholesale rate reduction due to the fact that the District is still under-funded using the depreciation method. Ms. Silva commented that this is a Board decision and should be discussed for the next financial plan. Mr. Helliker stated that an update to the master plan will be conducted prior to the next financial plan update so that the financial plan is as accurate as possible for the next 20-year planning period.

Ms. Silva reviewed the Retail assumptions, the Retail Operating Budget, the Retail Water Deliveries and Revenues, and Retail Salaries and Benefits. She reported that the net income for the Retail Operating budget is estimated at \$515,000, and approximately \$261,500 will be transferred to capital reserves. The retail reserves are estimated to end the fiscal year with a total of \$2.7 million. Ms. Silva reviewed the Retail Operating Projects and explained that there is an annual \$397,800 savings that will affect next year's budget.

Ms. Silva reviewed the Retail Capital budget and explained that most of the retail expenses are related to mains and pipeline projects. The reserves are estimated to end the fiscal year with a total of just over \$1 million. Ms. Silva explained that this year the District is fully funding retail depreciation for this year; however, the District's accumulated retail depreciation is not fully funded and would require an additional \$56 million. She informed the Board that the estimated retail reserves at the end of FY 2018-19 should be right on track with the financial plan.

Mr. Helliker informed the Board that the capital projects will be reviewed by the Engineering Committee. Ms. Silva commended the Department Managers for their participation in compiling information for the budget.

III. PRESENTATION

1. Poster Contest Winners – President Marty Hanneman

President Hanneman presented the Poster Contest awards to student winners in attendance, Videhi Shelat, Lauren Hempstead and Dean Fieber. The Poster Contest winners for SJWD are as follows:

- 1st Place & Grand Prize - Videhi Shelat – Mrs. Tuttle’s 4th grade class
- 2nd Place - Lauren Hempstead – Mrs. Tuttle’s 4th grade class
- 3rd Place - Dean Fieber – Mrs. Whitlow’s 5th grade class

IV. PUBLIC FORUM

Mr. Hilary Straus, Citrus Heights Water District General Manager, addressed the Board and invited them to attend CHWD’s Corporation Yard Ribbon Cutting Ceremony which is being held on May 31st.

Mr. Dan York, Sacramento Suburban Water District General Manager, addressed the Board and announced that the SSWD deadline for appointing a director to fill former Director Neil Schilds’ position is June 14, 2018. They have received applications from eight well-qualified candidates and will conduct interviews on May 30, 2018, at a special board meeting. Mr. York informed the Board that he met with the 2x2 committee (Directors Locke and Jones) regarding the merger discussions and will discuss a recommendation to their full board at the special board meeting on May 30th. Mr. York informed the Board that Mr. Rob Roscoe’s retirement dinner was attended by 370 people and Mr. Roscoe will be officially retired from the District on January 31, 2019.

Mr. Richard Brebrick, a District customer, addressed the Board and voiced concern regarding increases in rates since 1990 and the installation of meters. In addition, he suggested that more desalination plants to produce water should be built cheaper by using solar power and different filters. He commented that if desalinated water is not treated to a drinkable state then it should be used as grey water for irrigation. He commented that inflation is being manufactured. Additionally, he commented that something needs to be done to control costs such as having developers pay for infrastructure improvements. He also voiced concern regarding the usage fee that customers are charged for water.

V. CONSENT CALENDAR

All items under the consent calendar are considered to be routine and are 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 removed after the motion to approve the Consent Calendar.

1. **Minutes of the Board of Directors Special Meeting, April 26, 2018 (W & R)**
Recommendation: Approve draft minutes
2. **Treasurers Report - Quarter Ending March 31, 2018 (W & R)**
Recommendation: Receive & File
3. **Proposed PUE and Road IOD Abandonment for The Park at Granite Bay Development Project (R)**
Recommendation: Authorize staff to approve and accept a request for abandonment of the Irrevocable Offer of Dedication (IOD) for Roadways and Public Utilities Easements (PUE) on 32 Parcel Map 156

Director Tobin moved to approve the Consent Calendar. Director Costa seconded the motion and it carried unanimously.

VI. OLD BUSINESS

1. Meter Replacement Program Regional MOU (R)

Mr. Helliker informed the Board that Citrus Heights Water District and other agencies have been working on a Meter Replacement Program. A staff report was provided to the Board and will be attached to the meeting minutes. He explained that most of the meters were installed by 2004 and are reaching the end of their useful lives. In an effort to help reduce costs, the region is collaborating their efforts to determine the best replacement program to use.

Director Tobin requested that some background be provided to help the public understand the metering history. Ms. Brown commented that staff has regularly explained the metering process and requirements to Mr. Brebrick. Mr. Helliker explained that there were state and federal mandates that required the District to transition to meters. Mr. Helliker explained that the MOU for a Regional Meter Replacement Program is structured so that agencies can participate at different levels.

Mr. Straus addressed the Board and explained that CHWD metered their district at about the same time as San Juan and will be looking to replace their meters under this program. He informed the Board that other agencies are now looking into joining the metering program – City of Folsom, City of Sacramento, County of Sacramento and Golden State Water Company. He explained that with close to 500,000 meters to replace, the region should receive a larger discount for volume purchasing.

Mr. Helliker explained that the scope of work is to conduct individual agency assessments, review the technology options, review the implementation strategy and look at long term planning. He informed the Board that the Meter Replacement Program was not included in the current financial plan; however, the information obtained from this scope of work will be used to bring forward a plan for future funding of the Meter Replacement Program.

Director Tobin moved to approve the Regional Memorandum of Understanding for a Regional Meter Replacement Program. President Hanneman seconded the motion and it carried unanimously.

2. 2018 Groundwater Substitution Transfer (W)

Mr. Helliker informed the Board that there are two 2018 Groundwater Substitution Transfers which are being worked on in the region. He provided the Board with a staff report which will be attached to the meeting minutes. He explained that with the recent rains, the demand for water decreased and therefore the price for the water decreased to \$400 per acre foot.

Mr. Helliker informed the Board that the pre-1914 water rights water to transfer required a CEQA analysis which included a Negative Declaration. He informed the Board that comments and responses were included in the staff report. He requested that the Board approve the Negative Declaration and approve the project.

Mr. Helliker informed the Board that a submission to the State Water Board for the post-1914 water to transfer was completed. He explained that various contracts will need to be signed to initiate this water transfer and the pre-1914 water rights water transfer; therefore, he is requesting Board authorization to approve and execute the necessary agreements.

Director Costa moved to adopt Resolution 18-07 to approve the Negative Declaration for a 2018 Temporary Water Transfer of Pre-1914 Water Right water and to approve the 2018 Temporary Water Transfer (project). Director Miller seconded the motion and it carried unanimously.

Director Miller moved to authorize the General Manager to approve and execute all necessary agreements for a 2018 Temporary Water Transfer of Pre- and Post-1914 Water Rights water. Director Tobin seconded the motion and it carried unanimously.

3. Douglas Main Replacement Public Outreach and Traffic Planning Update (R)

Mr. Andrew Pierson conducted a brief presentation on the Douglas Main Replacement project. A copy of the presentation will be attached to the meeting minutes. He explained that the Engineering Committee received this information at their last meeting.

He informed the Board that the project will start with Phase 1 mid to late June and is expected to be completed with Phase 4 in December 2018. District staff are conducting public outreach to businesses and residents along the construction zone, notifying all customers via the billing flyer, updating project status which is posted on the District's website, notifying local newspapers and television stations, and obtaining approval from Placer County for on-site traffic control measures. He informed the Board that construction hours are limited to start no earlier than 8:30 a.m. and end no later than 3:30 p.m.

VII. NEW BUSINESS

1. On-Call Engineering Support Contracts (W & R)

Mr. Helliker informed the Board that there will be four on-call engineering support contracts entered into which was reviewed by the Engineering Committee. These contracts will be three-year contracts for engineering support services on various projects.

For information only, no action needed.

2. CSDA Call to Action (W & R)

Mr. Helliker informed the Board that CSDA has notified the District that there is a pending bill, AB 2065, which CSDA is requesting that members take an oppose unless amended position. The bill would apply to leased property, such as the District's cell tower leases, and would require that the District offer the leased property to housing developers.

Director Tobin moved to approve an opposed unless amended position on AB 2065. President Hanneman seconded the motion and it carried unanimously.

VIII. INFORMATION ITEMS

1. GENERAL MANAGER'S REPORT

1.1 General Manager's Monthly Report (W & R)

Mr. Helliker provided the Board with written reports for April which will be attached to the meeting minutes. He informed the Board that SSWD has repaired their pipeline and is now receiving water from the District and it is anticipated that 12,000 af of water will be treated and delivered to SSWD this year.

1.2 **Miscellaneous District Issues and Correspondence**

Mr. Helliker reported that Folsom Reservoir is at 98% of capacity and 120% of historical average. In addition, he reviewed the precipitation, snow water content, and the three-month outlook on temperature and precipitation.

Mr. Helliker informed the Board that the first meeting with the 2x2 committee with SSWD will most likely be a public meeting with other agencies invited to attend. Director Costa would like the District's 2x2 committee members to meet prior to meeting with SSWD. Mr. Helliker will set up a meeting when he returns June 6th.

Mr. Helliker reported that the City of Roseville has expressed interest to terminate the contract with The Ferguson Group for the federal lobbying. The City of Roseville, City of Folsom and the District make up the R3 Group which worked together with the Ferguson Group. The City of Roseville will have to give a 30-day notice to terminate the water portion of their contract with The Ferguson Group. He explained that the District and the City of

Folsom will continue the contract, which ends at the end of the year, on an interim basis.

Mr. Helliker informed the Board that the 2x2 meetings with FOWD were placed on hold until the FOWD representatives could come to a consensus on the cost of FOWD groundwater. He spoke with Mr. Gray and will be putting together a spreadsheet on the potential cost of a take or pay contract. Mr. Helliker will send the Board the information which uses the methodology of taking the District's revenue projection from FOWD that is in the Financial Plan and dividing it by 9,000 af. At this point, the next meeting with FOWD 2x2 committee has not been set.

Director Tobin mentioned that the 2x2 committee meeting with PCWA was held and PCWA had many people in attendance and she would encourage anyone interest in attending the next meeting to do so. Mr. Helliker informed the Board that the attendees included two of their board members then numerous staff who spoke on different items. He reported that PCWA expressed concern regarding the groundwater substitution transfer. PCWA was concerned about mining the groundwater when there is new development proposed in western Placer County which will be provided with surface water from PCWA. Mr. Helliker assured PCWA that the groundwater used in the transfer is consistent with what FOWD and CHWD have done in the past and authorized under state law. In addition, they discussed the interties and the next meeting will be at PCWA and a tour of the Ophir plant will be on the agenda. The committee will meet quarterly.

Mr. Helliker reported that the region is still waiting for a response from the administration to the offer on the water quality control plan. The informal response on conserved water transfers was that they didn't want to pay for them. The region will have to look at alternatives if a voluntary settlement agreement is not reached.

Mr. Helliker reported that Phase 2 testimonies on the California WaterFix are complete and rebuttals are scheduled for the end of June. In addition, since the WaterFix is primarily a State Water Project, a settlement agreement is being negotiated so that there are no impacts to CVP contractors.

Mr. Helliker informed the Board that the water conservation bills passed both houses and are now at the Governor's office for consideration. The region will work with RWA to make sure that any regulatory issues are addressed.

Mr. Helliker informed the Board that the June Board meeting will include the budget and finalize the General Manager contract amendments.

2. DIRECTOR OF FINANCE'S REPORT

2.1 Staff Recognition (W & R)

Mr. Barela shared the accomplishments of a couple employees, based on the examples noted in their performance evaluation. He shared information on Justen Cater and Elishia Sorensen.

2.2 Miscellaneous District Issues and Correspondence

Ms. Brown informed the Board that the second round of customer bills were generated through Tyler and there were approximately 400 extra customers on the 48-hour disconnect notice list. She explained that most of them had not responded to the numerous outreach materials notifying them to re-establish automatic payments, so when they received the disconnect notice they were not upset. She explained that most of the customers who were on auto-pay previously are now set-up in the new system.

Mr. Helliker mentioned that the Customer Satisfaction Survey will be completed prior to the next Board meeting.

3. OPERATION MANAGER'S REPORT

3.1 Miscellaneous District Issues and Correspondence

Mr. Barela informed the Board that the District Top Ops team, which won the Sacramento Region competition in 2017, were pictured on the cover of the AWWA Resource Guide.

Mr. Barela informed the Board that the consumer confidence report is posted on the District's website, emailed, and was mailed to retail and wholesale customers without email addresses in the system.

4. LEGAL COUNSEL'S REPORT

4.1 Legal Matters

Mr. Horowitz reported that there would be a Closed Session.

IX. DIRECTORS' REPORTS

1. SGA

A written report was provided to the Board and will be attached to the meeting minutes.

2. RWA

A written report was provided to the Board and will be attached to the meeting minutes. Director Tobin reported that the RWA Executive Committee meeting was held May 23, 2018. She informed the Board that a committee will be appointed to look at the Executive Director's evaluation and process.

3. ACWA

3.1 Local/Federal Government/Region 4 - Pam Tobin

A written report was provided to the Board and will be attached to the meeting minutes.

3.2 JPIA - Pam Tobin

A written report was provided to the Board and will be attached to the meeting minutes.

3.3 Energy Committee - Ted Costa

Director Costa reported that the Energy Committee met on May 8, 2018, but he was unable to attend. Mr. Zlotnick reported that the committee reviewed their workplan. Mr. Zlotnick commented that there were a couple issues that he tried to push into the workplan which was to get ACWA to oppose mandates involving the reduction of water use as a way to achieve greenhouse gas regulations, and to preserve the financial viability of CVP power as the energy transition continues.

4. CVP WATER USERS ASSOCIATION

No report.

5. OTHER REPORTS, CORRESPONDENCE AND COMMENTS

There were no other matters discussed.

X. COMMITTEE MEETINGS

1. Engineering Committee – May 15, 2018

The committee meeting minutes will be attached to the original board minutes.

2. Finance Committee – May 22, 2018

President Hanneman informed the Board that the Finance Committee meeting was moved to May 25, 2018 at 1:30 pm.

President Hanneman called for Closed Session at 7:30 pm.

XI. CLOSED SESSION

1. Conference to provide District's labor negotiator, Marty Hanneman, with direction concerning changes to General Manager's compensation and benefits; Government Code sections 54954.5(f) and 54957.6.

President Hanneman returned to Open Session at 7:53 pm.

XII. OPEN SESSION

There was no reported action during Closed Session.

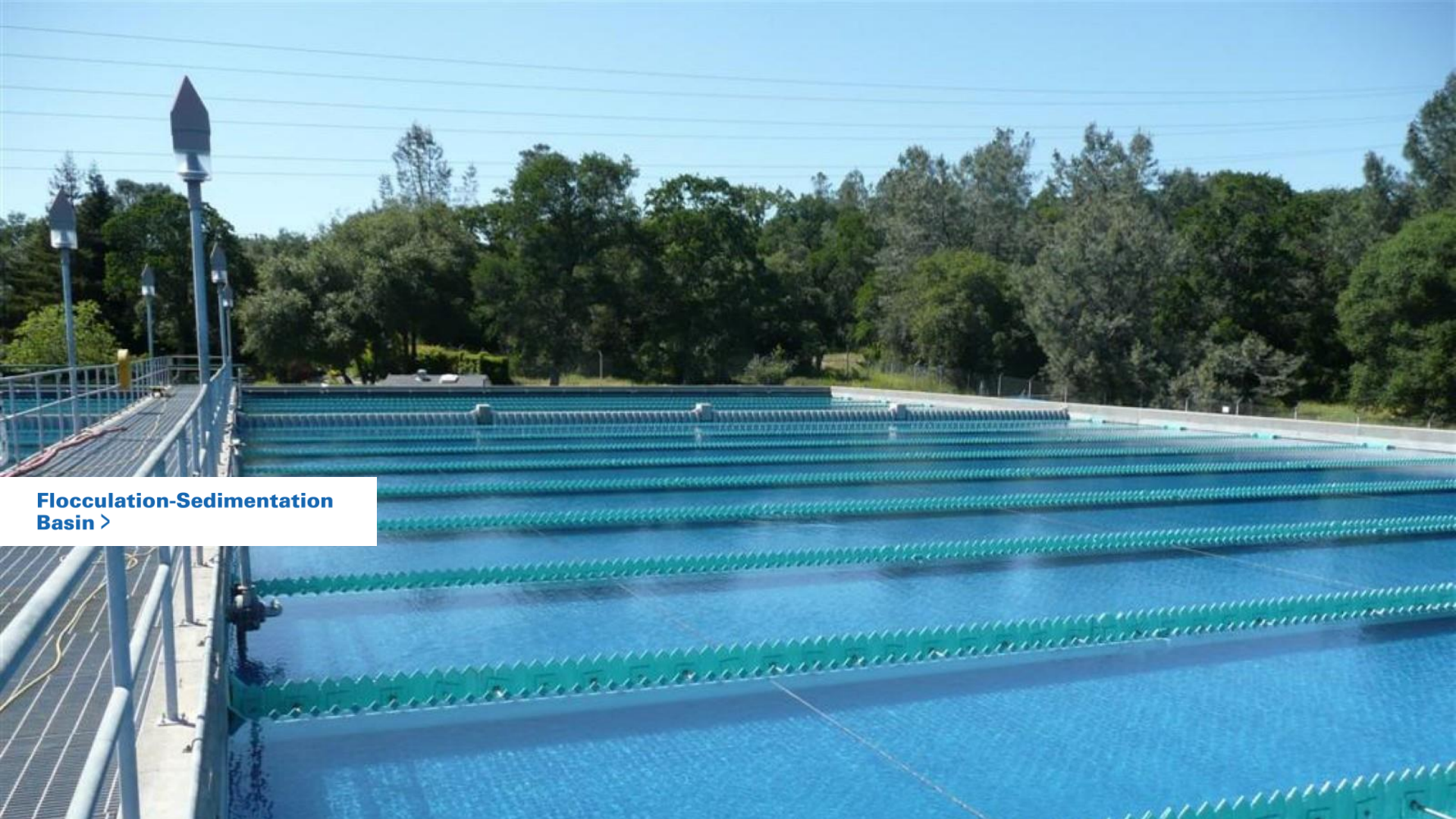
XIII. ADJOURN

The meeting was adjourned at 7:53 p.m.

MARTIN HANNEMAN, President
Board of Directors
San Juan Water District

ATTEST:

TERI GRANT, Board Secretary



**Flocculation-Sedimentation
Basin >**

SAN JUAN WATER DISTRICT
GRANITE BAY, CALIFORNIA

DRAFT BUDGET
FISCAL YEAR 2017 - 18



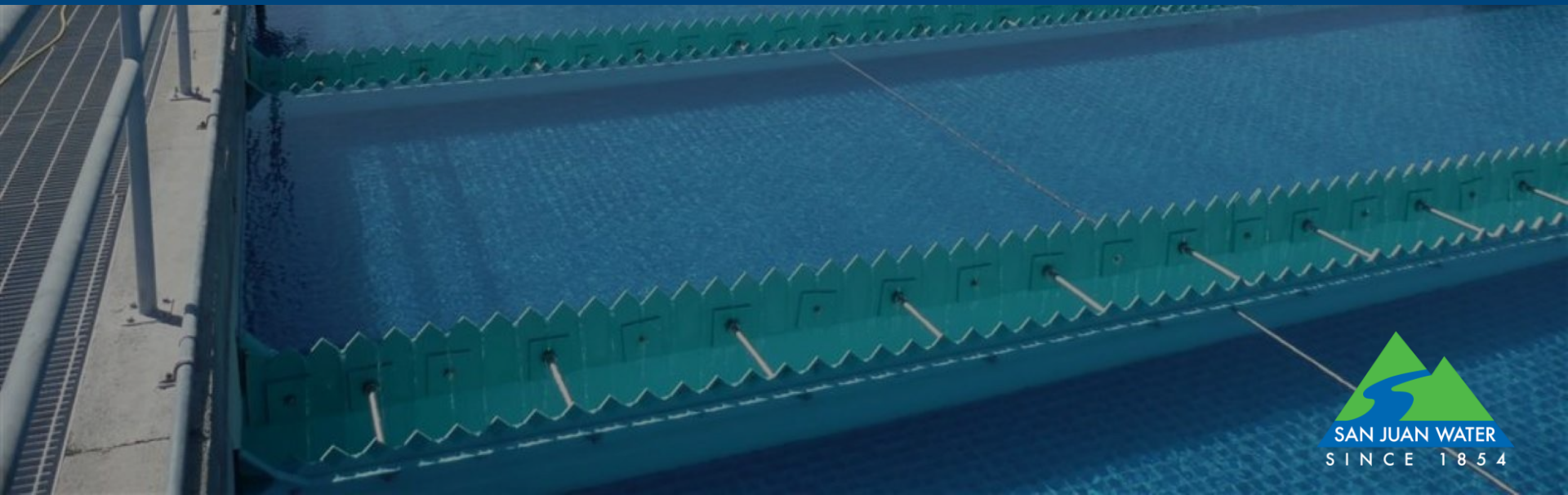


FY 2018-19 Budget Summary

	Wholesale Operations	Wholesale Capital Outlay	Retail Operations	Retail Capital Outlay	Total
Est. Beginning Available Reserves July 1, 2018	\$ 1,936,389	\$ 8,924,754	\$ 2,526,224	\$ 4,237,253	\$17,624,620
Revenues					
Water Sales	10,091,900	-	11,479,700	-	21,571,600
Taxes & Assessments	-	1,094,700	-	1,094,700	2,189,400
Capital Contributions	-	2,285,400	-	-	2,285,400
Connection Fees	-	75,000	-	100,000	175,000
Other Revenues	153,400	65,000	495,800	65,000	779,200
Total Revenues	\$10,245,300	\$ 3,520,100	\$11,975,500	\$ 1,259,700	\$27,000,600
Expenses					
Capital Improvement Projects	-	4,847,600	-	4,699,600	9,547,200
Salaries & Benefits	3,525,300	-	4,717,100	-	8,242,400
Water Supply	1,055,500	-	3,095,300	-	4,150,800
Debt Service - Interest	955,000	-	531,000	-	1,486,000
Debt Service - Principal	675,900	-	374,100	-	1,050,000
Other Expenses	2,449,900	-	2,743,000	-	5,192,900
Total Expenses	\$ 8,661,600	\$ 4,847,600	\$11,460,499	\$ 4,699,600	\$29,669,300
Net Income	\$ 1,583,700	\$ (1,327,500)	\$ 515,001	\$(3,439,900)	\$ (2,668,699)
Transfer In/(Out)	(1,354,000)	1,354,000	(261,500)	261,500	-
Ending Available Reserves Est.	\$ 2,166,089	\$ 8,951,254	\$ 2,779,725	\$ 1,058,853	\$14,955,921

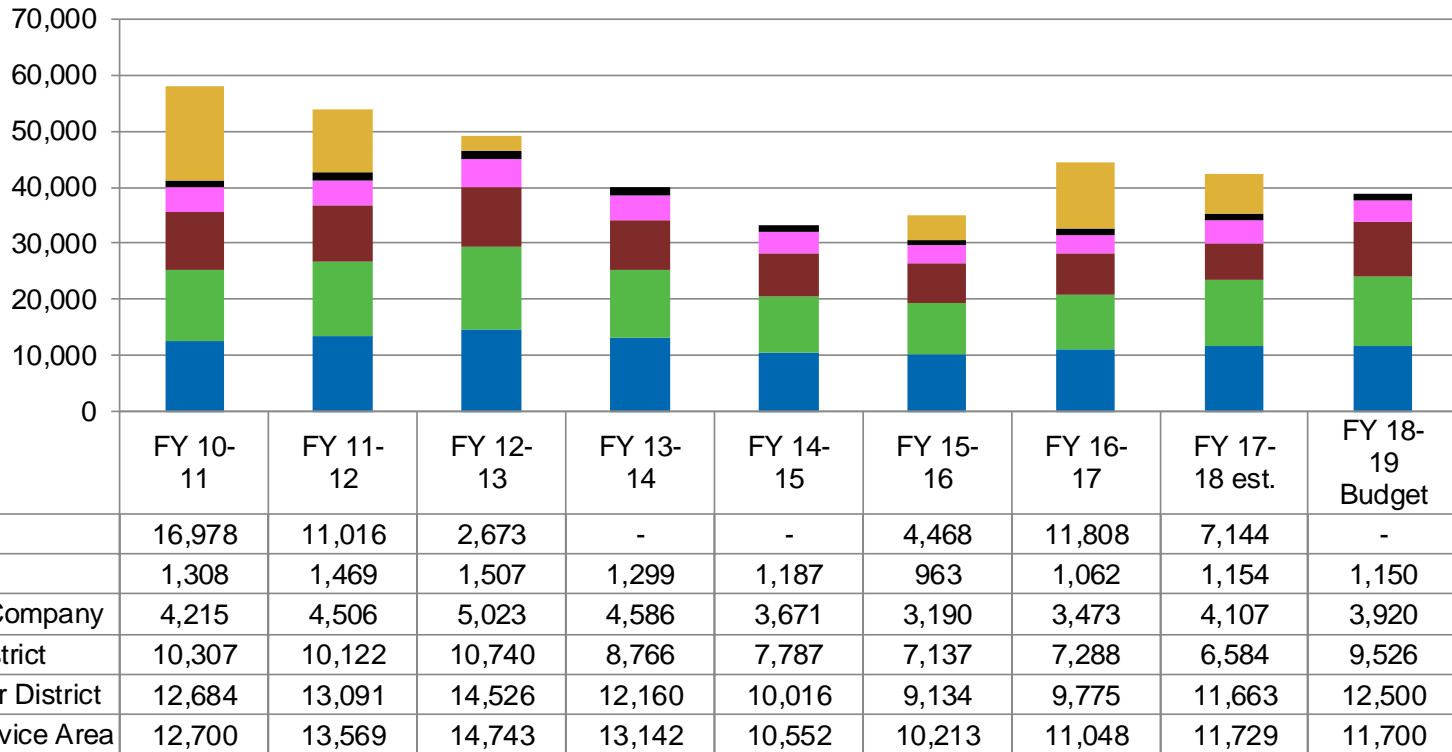


WHOLESALE



Wholesale Assumptions

WHOLESALE WATER DELIVERIES - ACRE FEET



Anticipated Demand =
38,769 AF

10% increase over last
year

(excluding SSWD)

Wholesale Assumptions - Continued

- Rates – existing rates through December 31st. 9% increase effective January 1, 2019
- Fair Oaks 40 Re-Lining project starts and finishes in FY 2018-19, yielding contribution capital revenue.
- Property Taxes increase 4%
- No CVP Water being purchased
- Water Transfer revenue not included
- Salaries and Benefits:
 - 68% increase in Workers Compensation cost
 - 5% increase in Health Care Premiums
 - Potential salary increases capped at CalPERS assumed salary increases, per Board Policy (assumes 4.2% increase)



Proposed Wholesale FY 2018-19 Operating Budget

	2016-17	2017-18 Est.	2018-19 Proposed Budget	Variance from 2017-18 est.	
Beginning Available Reserves	\$ 3,859,912	\$ 2,175,888	\$ 1,936,389		
Revenues					
Water Sales	\$ 9,477,539	\$ 10,142,000	\$ 10,091,900	\$ (50,100)	0%
Other Revenues	98,347	144,800	153,400	8,600	
Total Revenues	\$ 9,575,886	\$ 10,286,800	\$ 10,245,300	\$ (41,500)	0%
Expenses					
Salaries & Benefits	\$ 3,141,592	\$ 3,213,500	\$ 3,514,900	\$ 301,400	9%
Source of Supply	1,205,385	1,115,100	1,055,500	(59,600)	-6%
Professional Services	546,120	505,500	878,700	373,200	42%
Maintenance	335,994	365,000	382,600	17,600	5%
Materials and Supplies	532,926	445,500	478,300	32,800	7%
Public Outreach	136,508	195,100	128,100	(67,000)	-52%
Debt Service - Interest	1,321,229	939,800	955,000	15,200	2%
Debt Service - Principal	607,471	906,200	675,900	(230,300)	-34%
Addl. Pmt. towards Unfunded Pension Liab.	1,768,160	1,175,000	-	(1,175,000)	
Other Expenses - excluding depn	662,325	548,700	582,200	33,500	6%
Total Expenses	\$ 10,257,709	\$ 9,409,400	\$ 8,651,199	\$ (758,200)	-9%
Net Income/(Loss)	(681,823)	877,401	1,594,101	716,700	
Transfers In/(Out):					
Unfunded Pension Liability Payment	\$ 1,311,067	\$ -	\$ -		
Year-End Reserve Balancing	(2,313,268)	(1,116,900)	(1,354,000)	(237,100)	
Ending Available Reserves	\$ 2,175,888	\$ 1,936,389	\$ 2,176,490	\$ 240,101	

Wholesale Water Deliveries & Revenues



9% rate increase (Jan. '19)

10% increase in demand

\$87,900 from City of Roseville

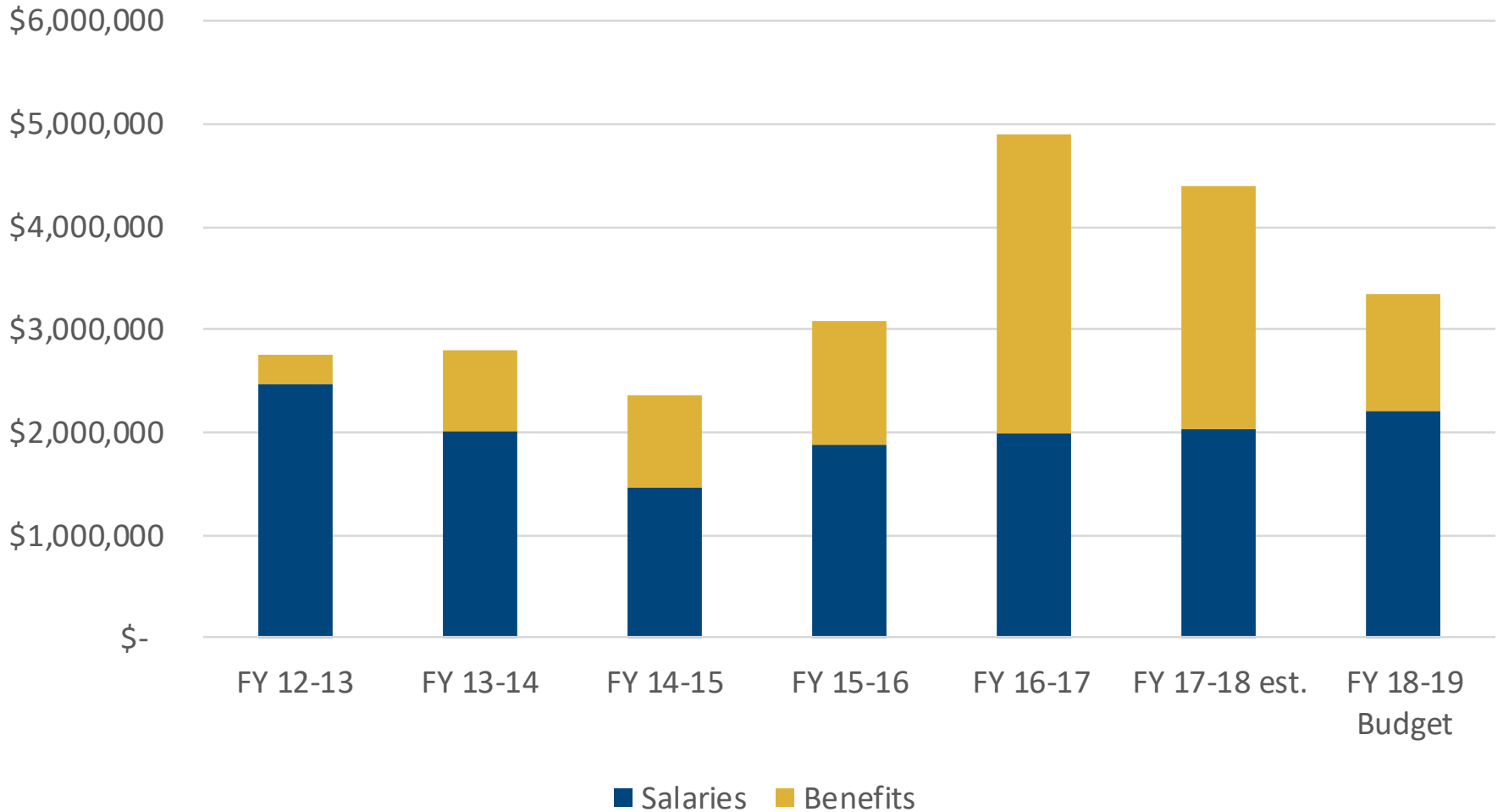


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Total Expenses	\$ 10,257,709	\$ 9,409,400	\$ 8,661,600	\$ (747,799)	-9%
Net Income/(Loss)	(681,823)	877,401	1,583,700	706,299	
Transfers In/(Out):					
Unfunded Pension Liability Payment	\$ 1,311,067	\$ -	\$ -		
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Ending Available Reserves	\$ 2,175,888	\$ 1,936,389	\$ 2,166,089	\$ 229,700	

Wholesale Expenses

Wholesale Salaries and Benefits



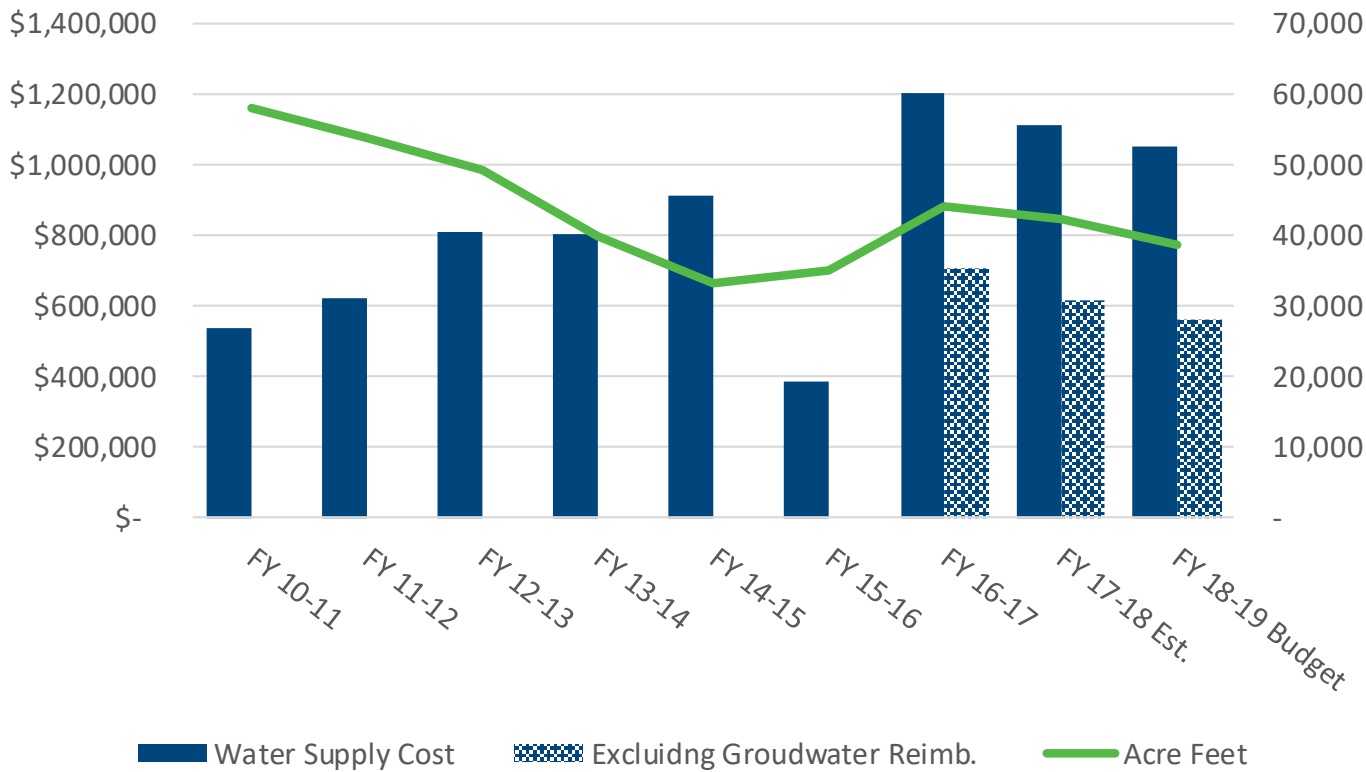


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Materials and Supplies	532,926	445,500	478,300	32,800	7%
Public Outreach	136,508	195,100	128,100	(67,000)	-52%
Debt Service - Interest	1,321,229	939,800	955,000	15,200	2%
Debt Service - Principal	607,471	906,200	675,900	(230,300)	-34%
Addl. Pmt. towards Unfunded Pension Liab.	1,768,160	1,175,000	-	(1,175,000)	
Other Expenses - excluding depn	662,325	548,700	582,200	33,500	6%
Total Expenses	\$ 10,257,709	\$ 9,409,400	\$ 8,651,199	\$ (758,200)	-9%
Net Income/(Loss)	(681,823)	877,401	1,594,101	716,700	
Transfers In/(Out):					
Unfunded Pension Liability Payment	\$ 1,311,067	\$ -	\$ -		
Year-End Reserve Balancing	(2,313,268)	(1,116,900)	(1,354,000)	(237,100)	
Ending Available Reserves	\$ 2,175,888	\$ 1,936,389	\$ 2,176,490	\$ 240,101	

Wholesale Expenses

Wholesale Water Supply Costs



PCWA 12,500 AF vs. 25,000 in prior year

Increased pumping costs due to increased deliveries

Increased wheeling costs



Proposed Wholesale FY 2018-19 Operating Budget

	2016-17	2017-18 Est.	2018-19 Proposed Budget	Variance from 2017-18 est.	
Beginning Available Reserves	\$ 3,859,912	\$ 2,175,888	\$ 1,936,389		
Revenues					
Water Sales	\$ 9,477,539	\$ 10,142,000	\$ 10,091,900	\$ (50,100)	0%
Other Revenues	98,347	144,800	153,400	8,600	
Total Revenues	\$ 9,575,886	\$ 10,286,800	\$ 10,245,300	\$ (41,500)	0%
Expenses					
Salaries & Benefits	\$ 3,141,592	\$ 3,213,500	\$ 3,525,300	\$ 311,800	9%
Source of Supply	1,205,385	1,115,100	1,055,500	(59,600)	-6%
Professional Services	546,120	505,500	878,700	373,200	42%
Maintenance	335,994	365,000	382,600	17,600	5%
Materials and Supplies	532,926	445,500	478,300	32,800	7%
Public Outreach	136,508	195,100	128,100	(67,000)	-52%
Debt Service - Interest	1,321,229	939,800	955,000	15,200	2%
Debt Service - Principal	607,471	906,200	675,900	(230,300)	-34%
Addl. Pmt. towards Unfunded Pension Liab.	1,768,160	1,175,000	-	(1,175,000)	
Other Expenses - excluding depn	662,325	548,700	582,200	33,500	6%
Total Expenses	\$ 10,257,709	\$ 9,409,400	\$ 8,661,600	\$ (747,799)	-9%
Net Income/(Loss)	(681,823)	877,401	1,583,700	706,299	
Transfers In/(Out):					
Unfunded Pension Liability Payment	\$ 1,311,067	\$ -	\$ -		
Year-End Reserve Balancing	(2,313,268)	(1,116,900)	(1,354,000)	(237,100)	
Ending Available Reserves	\$ 2,175,888	\$ 1,936,389	\$ 2,166,089	\$ 229,700	

Professional Services

\$175,000 SCADA Master Plan

\$84,000 Corrosion Protection System Evaluations and
Calibrations

\$74,000 Compliant Solids & Lime Disposal Studies

\$28,000 Evaluate Potential Conversion to Hypochlorite

\$25,000 ADA Compliance Plan

\$25,000 Pre-Design Costs for New Building

\$25,000 Capital Facility Fee & Master Fee Study

\$18,700 CMMS Evaluation

\$10,000 Compensation Study



Proposed Wholesale FY 2018-19 Operating Budget

	2016-17	2017-18 Est.	2018-19 Proposed Budget	Variance from 2017-18 est.	
Beginning Available Reserves	\$ 3,859,912	\$ 2,175,888	\$ 1,936,389		
Revenues					
Water Sales	\$ 9,477,539	\$ 10,142,000	\$ 10,091,900	\$ (50,100)	0%
Other Revenues	98,347	144,800	153,400	8,600	
Total Revenues	\$ 9,575,886	\$ 10,286,800	\$ 10,245,300	\$ (41,500)	0%
Expenses					
Salaries & Benefits	\$ 3,141,592	\$ 3,213,500	\$ 3,525,300	\$ 311,800	9%
Source of Supply	1,205,385	1,115,100	1,055,500	(59,600)	-6%
Professional Services	546,120	505,500	878,700	373,200	42%
Maintenance	335,994	365,000	382,600	17,600	5%
	532,926	445,500	478,300	32,800	7%
	136,508	195,100	128,100	(67,000)	-52%
	1,321,229	939,800	955,000	15,200	2%
	607,471	906,200	675,900	(230,300)	-34%
	1,768,160	1,175,000	-	(1,175,000)	
	662,325	548,700	582,200	33,500	6%
	257,709	\$ 9,409,400	\$ 8,661,600	\$ (747,799)	-9%
	(81,823)	877,401	1,583,700	706,299	
	1,067	\$ -	\$ -		
	(3,268)	(1,116,900)	(1,354,000)	(237,100)	
End	\$ 2,175,888	\$ 1,936,389	\$ 2,166,089	\$ 229,700	

New Maintenance Items

Increases to software upgrades and support costs (GIS & Wonderware) \$6,600

Two electric panel replacements \$4,900

Baffle Wall Repurposing \$3,000



Proposed Wholesale FY 2018-19 Operating Budget

	2016-17	2017-18 Est.	2018-19 Proposed Budget	Variance from 2017-18 est.	
Beginning Available Reserves	\$ 3,859,912	\$ 2,175,888	\$ 1,936,389		
Revenues					
Water Sales	\$ 9,477,539	\$ 10,142,000	\$ 10,091,900	\$ (50,100)	0%
Other Revenues	98,347	144,800	153,400	8,600	
Total Revenues	\$ 9,575,886	\$ 10,286,800	\$ 10,245,300	\$ (41,500)	0%
Expenses					
Salaries & Benefits	\$ 3,141,592	\$ 3,213,500	\$ 3,213,500	\$ 71,908	9%
Source of Supply	1,205,385	1,175,000	1,175,000	(30,385)	-6%
Professional Services	546,120	546,120	546,120	0	42%
Maintenance	335,994	335,994	335,994	0	5%
Materials and Supplies	532,926	440,000	440,000	(92,926)	7%
Public Outreach	136,508	136,508	136,508	0	-52%
Debt Service - Interest	1,321,229	930,000	930,000	(391,229)	2%
Debt Service - Principal	607,471	900,000	900,000	292,529	-34%
Administrative	1,768,160	1,175,000	1,175,000	(593,160)	6%
Other	662,325	548,000	548,000	(114,325)	-9%
Total Expenses	10,257,709	\$ 9,409,400	\$ 9,409,400	\$ 878,309	
RWA Lobbying Subscription	(681,823)	877,400	877,400	1,559,223	
PCWA/Roseville Collaborative	1,311,067	-	-	(1,311,067)	
Year-End Reserves	(2,313,268)	(1,116,900)	(1,354,000)	(237,100)	
End of Year	\$ 2,175,888	\$ 1,936,389	\$ 2,166,089	\$ 229,700	

Potential Additional Revenue

SSWD
Water Transfer
Bureau Refund
Total

\$1,482,500
130,000
430,000
\$2,042,500

Public Outreach Savings

RWA Lobbying Subscription

PCWA/Roseville Collaborative



Proposed Wholesale Operating Budget - Summary

New Projects

- SCADA Master Plan \$175,000
- Corrosion Protection System Evaluations and Calibrations \$84,000
- Compliant Solids & Lime Disposal Studies \$74,000
- Evaluate Potential Conversion to Hypochlorite \$28,000
- ADA Compliance Plan \$25,000
- Pre-Design Costs for New Building \$25,000
- Capital Facility Fee & Master Fee Study \$25,000
- CMMS Evaluation \$18,700
- Compensation Study \$10,000
- Increases to software upgrades and support costs (GIS & Wonderware) \$6,600
- Two electric panel replacements \$4,900
- Baffle Wall Repurposing \$3,000

New Revenues / Cost Savings

- City of Roseville \$87,900 new revenue
- PCWA Contract revision \$275,000 savings
- Debt Refunding \$297,800 savings
- Unfunded Pension Payment \$157,000 savings

\$817,100



Proposed Wholesale FY 2018-19 CAPITAL Budget

	2016-17	2017-18 Est.	2018-19 Proposed Budget	Variance from 2017-18 est.	
Beginning Reserve Balance	\$ 9,162,739	\$ 6,708,354	\$ 8,924,754		
Revenues:					
Capital Contributions - Revenue	\$ 651,202	\$ 380,700	\$ 2,285,400	\$ 1,904,700	
Taxes & Assessments - Revenue	1,018,486	1,052,600	1,094,700	42,100	
Tapping & Connection Fees - Revenue	36,066	150,000	75,000	(75,000)	
Investment/Interest Revenue	32,900	60,000	65,000	5,000	
Rebates	180,878	-	-	-	
Gain/Loss on Sale of Asset	21,677	8,600	-	(8,600)	
Total Revenues	\$ 1,941,208	\$ 1,651,900	\$ 3,520,100	\$ 1,868,200	113.1%
Expenses:					
Maintenance	\$ 172,414	\$ 253,900	\$ 3,101,000	\$ 2,847,100	
Capital Outlay - Buildings & Improvements	8,771	8,800	219,000	210,200	
Capital Outlay - WTP & Improvements	5,897,498	227,000	517,000	290,000	
Capital Outlay - Land Improvements	-	-	665,000	665,000	
Professional Services	-	-	-	-	
Capital Outlay - Reservoirs & Improvements	-	49,500	138,500	89,000	
Capital Outlay - Mains/Pipelines & Improvements	55,853	7,300	-	(7,300)	
Capital Outlay - Equipment and Furniture	8,644	15,100	54,000	38,900	
Capital Outlay - Vehicles	1,070	-	38,000	38,000	
Capital Outlay - Software	5,606	52,600	115,100		
Contributions to Others	(719,985)	(61,800)	-	61,800	
Total Expenses	\$ 5,429,871	\$ 552,400	\$ 4,847,600	\$ 4,232,700	766.2%
Transfers In/(Out):					
Unfunded Pension Liability Payment	\$ (1,311,067)	\$ -	\$ -	\$ -	
Year-End Reserve Balancing	\$ 2,345,345	\$ 1,116,900	\$ 1,354,000	237,100	
Net Capital Fund Income/(Loss)	\$ (2,454,385)	\$ 2,216,400	\$ 26,500	\$ (2,189,900)	
Ending Reserve Balance	\$ 6,708,354	\$ 8,924,754	\$ 8,951,254	\$ 26,500	

Capital Projects

\$2,500,000 Fair Oaks 40 Transmission Pipeline Relining

\$506,000 Clarifier Wall Lining & Leakage Repairs

\$394,000 Design for Filter Floor Repairs & Media/Nozzle
Replacements North & South Basins

\$225,000 WTP Site Paving, Slurry Seal and Re-Stripe

\$225,000 Solar Site Access Culvert Replacement

\$169,000 Security Improvements

\$162,000 Fence Replacement – East Campus (along bike trail)

\$138,500 Hinkle Reservoir Monitoring Wells Level Probes



Proposed Wholesale FY 2018-19 CAPITAL Budget

	2016-17	2017-18 Est.	2018-19 Proposed Budget	Variance from 2017-18 est.	
Beginning Reserve Balance	\$ 9,162,739	\$ 6,708,354	\$ 8,924,754		
Revenues:					
Capital Contributions - Revenue	\$ 651,202	\$ 380,700	\$ 2,285,400	\$ 1,904,700	
Taxes & Assessments - Revenue	1,018,486	1,052,600	1,094,700	42,100	
Tapping & Connection Fees - Revenue	36,066	150,000	75,000	(75,000)	
Investment/Interest Revenue	32,900	60,000	65,000	5,000	
Rebates	180,878	-	-	-	
Gain/Loss on Sale of Asset	21,677	8,600	-	(8,600)	
Total Revenues	\$ 1,941,208	\$ 1,651,900	\$ 3,520,100	\$ 1,868,200	113.1%
Expenses:					
Maintenance	\$ 172,414	\$ 253,900	\$ 3,101,000	\$ 2,847,100	
Capital Outlay - Buildings & Improvements	8,771	8,800	219,000	210,200	
Capital Outlay - WTP & Improvements	5,897,498	227,000	517,000	290,000	
Capital Outlay - Land Improvements	-	-	665,000	665,000	
Professional Services	-	-	-	-	
Capital Outlay - Reservoirs & Improvements	-	49,500	138,500	89,000	
Capital Outlay - Mains/Pipelines & Improvements	55,853	7,300	-	(7,300)	
Capital Outlay - Equipment and Furniture	8,644	15,100	54,000	38,900	
Capital Outlay - Vehicles	1,070	-	38,000	38,000	
Capital Outlay - Software	5,606	52,600	115,100		
Contributions to Others	(719,985)	(61,800)	-	61,800	
Total Expenses	\$ 5,429,871	\$ 552,400	\$ 4,847,600	\$ 4,232,700	766.2%
Transfers In/(Out):					
Unfunded Pension Liability Payment	\$ (1,311,067)	\$ -	\$ -	\$ -	
Year-End Reserve Balancing	\$ 2,345,345	\$ 1,116,900	\$ 1,354,000	\$ 237,100	
Net Capital Fund Income/(Loss)	\$ (2,454,385)	\$ 2,216,400	\$ 26,500	\$ (2,189,900)	
Ending Reserve Balance	\$ 6,708,354	\$ 8,924,754	\$ 8,951,254	\$ 26,500	

Preparing for Pay as You Go



WTP Generator

Acquired June 30, 2011

Original Cost \$628,468

Expected Life 33 years

Annual Depreciation \$15,150

Annual Amount to put in capital reserve
\$15,150

Reserve Balance at end of 33 years = \$628,468
plus interest

Four General Questions:

1. Is the transfer in to capital reserves adequate to cover annual depreciation?
2. Is the reserve balance equal to the Districts accumulated depreciation? Are we on track to have the money needed for replacement as they come due?
3. Was the life estimate correct? Can they go longer? Are there new assets needed?
4. What does the Financial Plan say?

Is the transfer in to capital reserves adequate to cover annual depreciation?

Wholesale's Annual Depreciation		\$2,400,000
FY 18-19 Transfer In	\$1,354,000	
Property Tax Revenue	1,094,700	
Connection Fee Revenue	<u>75,000</u>	
Total		<u>\$2,523,700</u>
Excess Contribution		\$123,700

Is the reserve balance equal to the District's accumulated depreciation? Is the District on track to have the money needed for replacement?

Wholesale's Accumulated Depreciation	\$75,567,900
Less Current Value of Accumulated Depreciation for Hinkle Reservoir	(7,690,300)
Reserves Needed	\$67,877,600
Anticipated Reserve Balance 6/30/2019	8,951,254
Short-fall	\$58,926,346

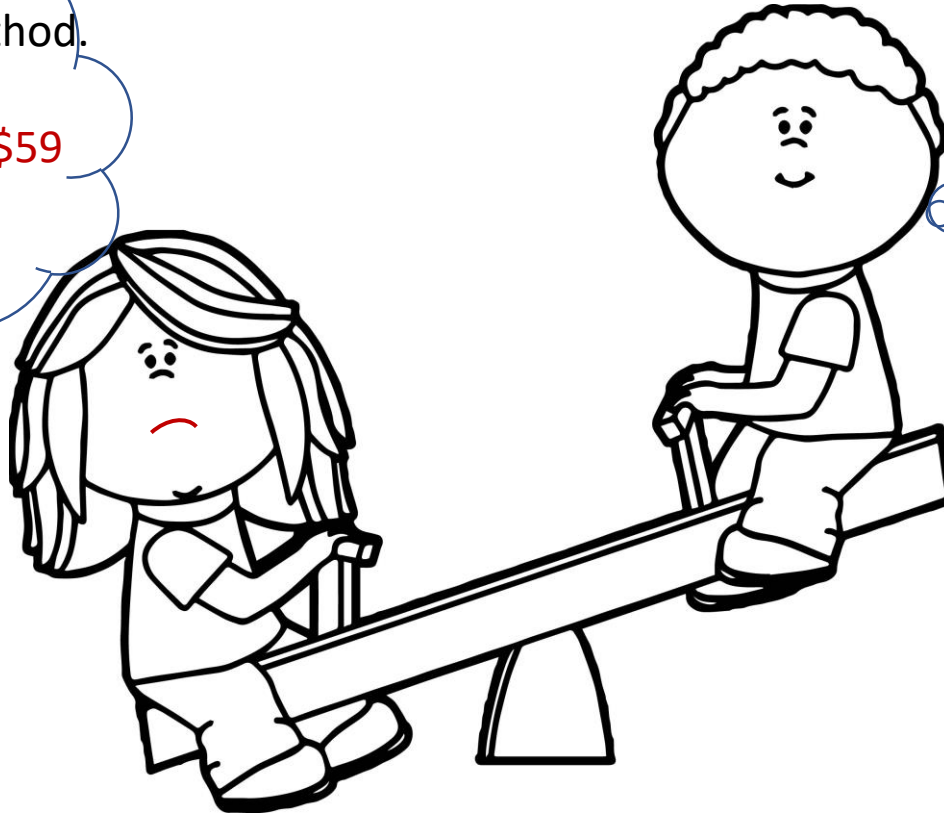
What does the Financial Plan say?

Anticipated Reserves at 6/30/2019 per Plan	\$4,340,100
Anticipated Reserves at 6/30/2019 per Budget	\$8,951,254
Excess	\$4,611,154

Rate Reduction?

Hi! I'm Ms. Depreciation Method. I say you are **Underfunded by \$59 million.**

Hi! I'm Mr. Financial Plan. I say you are **OVER funded by \$4.6 million**

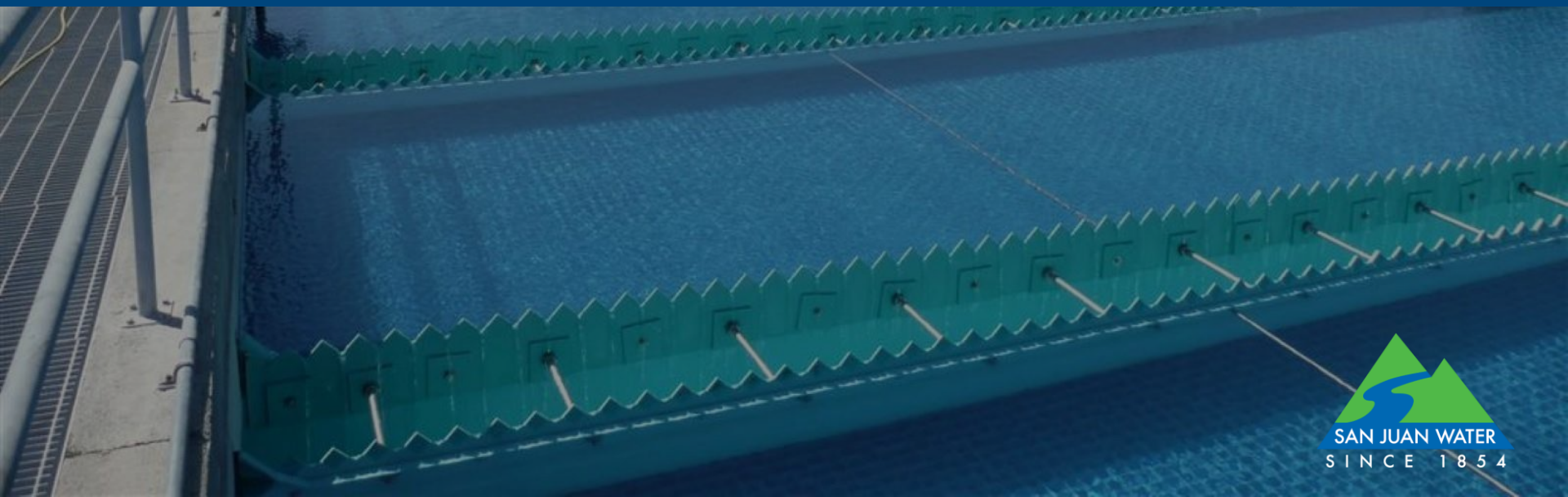


Not Recommended

(if Board wishes to achieve Pay As You Go funding)

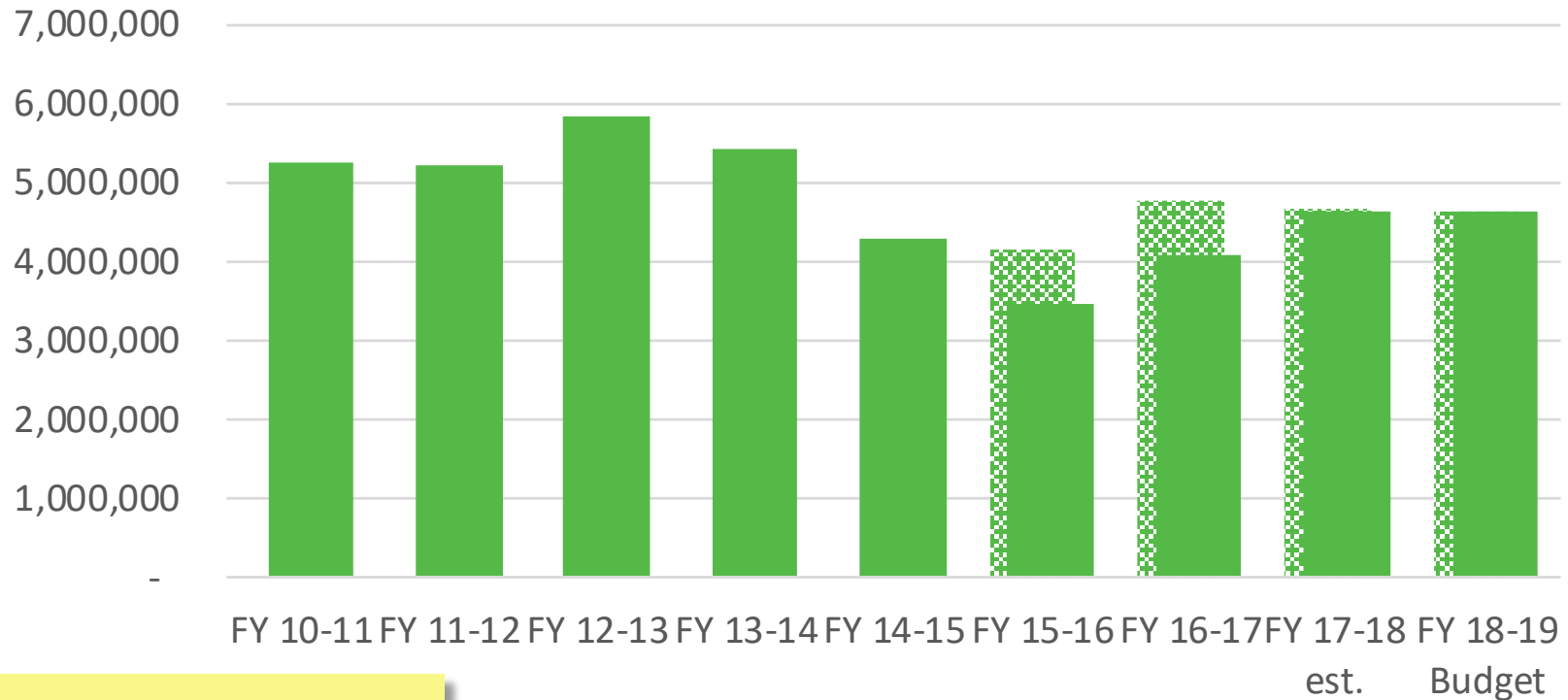


RETAIL



Retail Assumptions

Retail Water Deliveries (in CCF's)



Anticipated Demand =
4,621,450 CCF's

Same as this year

■ Budget ■ Actual

- Rates – existing rates through December 31st. 8% Increase effective January 1, 2019
- Property Taxes increase 4%
- Salaries and Benefits:
 - 68% increase in Workers Compensation cost
 - 5% increase in Health Care Premiums
 - Potential salary increases capped at CalPERS assumed salary increases, per Board Policy (assumes 4.2% increase)

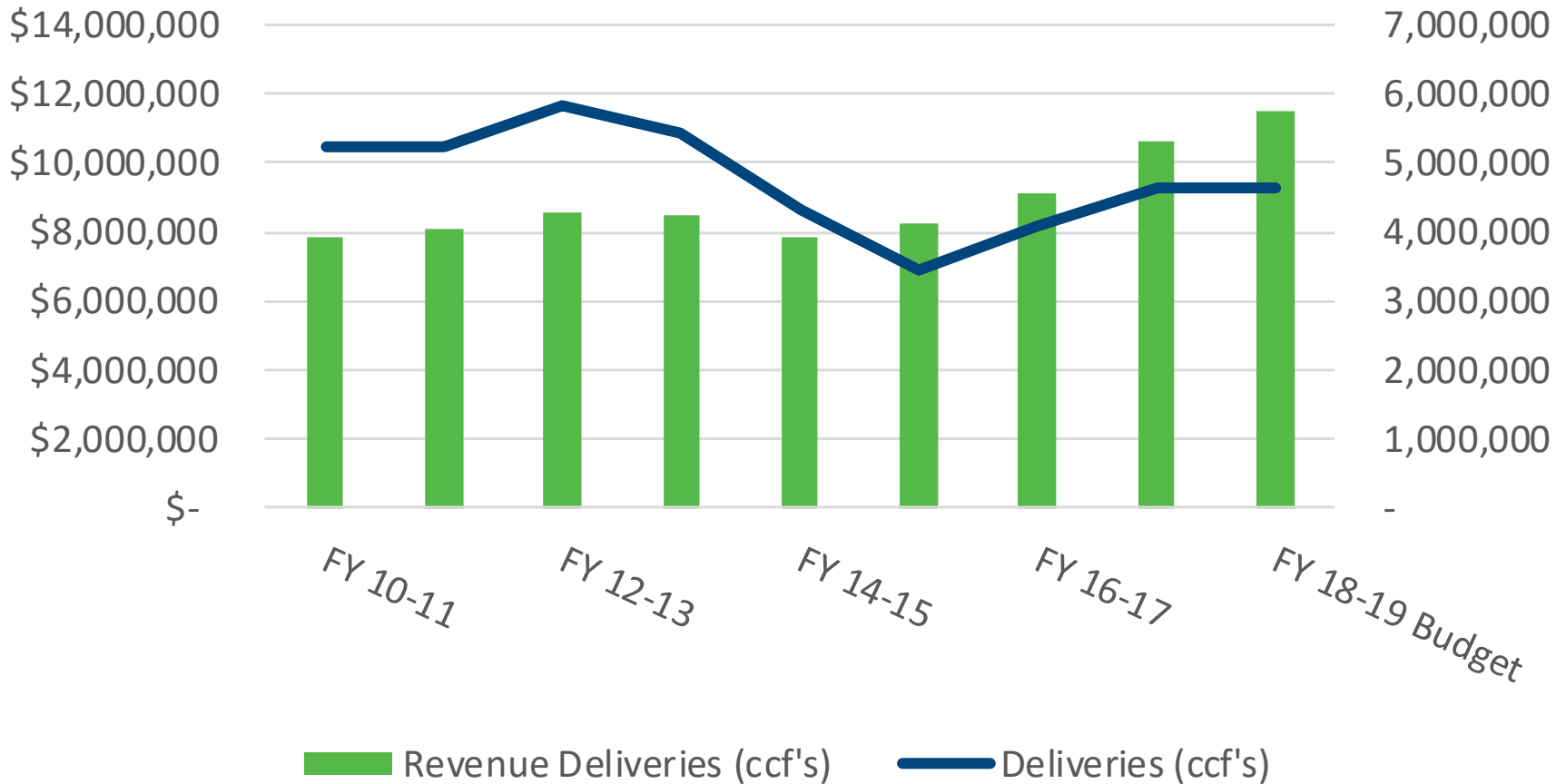


Proposed Retail FY 2018-19 Operating Budget

	2016-17	2017-18 est.	2018-19 Proposed Budget	Variance from 2017- 18 est.	
Beginning Reserve Balance	\$ 2,678,017	\$ 2,610,923	\$ 2,526,224		
Revenues					
Water Sales	\$ 9,114,488	\$ 10,632,800	\$ 11,479,700	\$ 846,900	8%
Other Revenues	510,445	428,400	495,800	67,400	
Total Revenues	9,624,933	\$ 11,061,200	\$ 11,975,500	\$ 914,300	8%
Expenses					
Salaries & Benefits	\$ 4,297,836	\$ 4,272,300	\$ 4,717,100	\$ 444,800	10%
Source of Supply	2,754,619	3,033,200	3,095,300	62,100	2%
Professional Services	638,801	571,100	1,213,400	642,300	112%
Maintenance	267,283	120,200	83,800	(36,400)	-30%
Materials and Supplies	98,743	113,400	116,200	2,800	2%
Public Outreach	55,450	86,900	66,900	(20,000)	-23%
Debt Service - Interest	769,559	522,300	531,000	8,700	2%
Debt Service - Principal	320,355	503,800	374,100	(129,700)	-26%
Addl. Pmt. towards Unfunded Pension Li:	2,343,840	1,612,800	-	(1,612,800)	-100%
Other Expenses - excluding depn	855,999	1,076,600	1,262,700	186,100	17%
Total Expenses	\$ 12,402,484	\$ 11,912,600	\$ 11,460,499	\$ (452,100)	-4%
Net Income/(Loss)	(2,777,551)	(851,399)	515,001	1,366,400	
Transfers In/(Out):					
Unfunded Pension Liability Payment	\$ 1,976,828	\$ 766,700	\$ -		
Year-End Reserve (To)/From	733,629	-	(261,500)		
Ending Available Reserves	\$ 2,610,923	\$ 2,526,224	\$ 2,779,725	\$ 253,501	

Retail Water Deliveries & Revenues

Retail Water Sale Revenue & Deliveries (ccf)



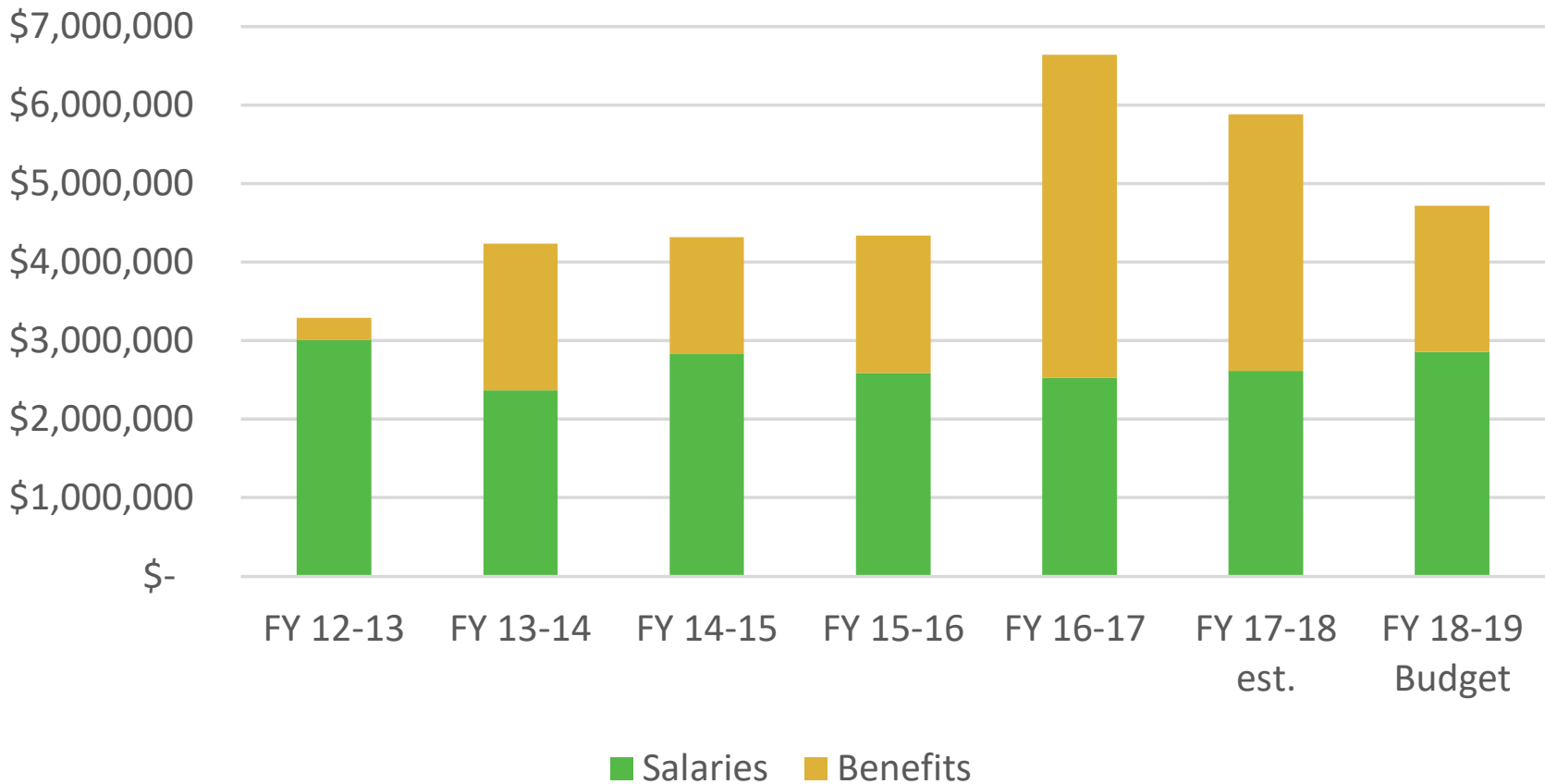


Proposed Retail FY 2018-19 Operating Budget

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Retail Expenses

Retail Salaries and Benefits





Proposed Retail FY 2018-19 Operating Budget

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Professional Services

Oak Ave. between Hazel & Main – County re-paving project
(raise and lower our infrastructure) \$200,000

SCADA Master Plan \$75,000

Booster Pump Station Evaluations \$73,000

AMR Feasibility Study \$66,000

Corrosion Protection System Evaluation \$56,000

CMMS Evaluation \$56,300

Pre-Design Costs New Building \$25,000

ADA Compliance Plan \$25,000

Capital Facility, Master Fee and Compensation Study \$35,000



Proposed Retail FY 2018-19 Operating Budget

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Unfunded Pension Liability Payment	\$ 1,976,828	\$ 766,700	\$ -		
Year-End Reserve (To)/From	733,629	-	(261,500)		
Ending Available Reserves	\$ 2,610,923	\$ 2,526,224	\$ 2,779,725	\$ 253,501	

Proposed Retail Operating Budget - Summary

New Projects

Shared with Wholesale:

SCADA Master Plan \$75,000

Corrosion Protection System Evaluation
\$56,000

CMMS Evaluation \$56,300

Pre-Design Costs New Building \$25,000

ADA Compliance Plan \$25,000

Capital Facility Fee Study \$12,500

Master Fee Study \$12,500

Compensation Study \$10,000

Two electric panel replacements \$4,900

Baffle Wall Repurposing \$3,000

Increases to software upgrades & support
costs (GIS & Wonderware) \$15,500

Retail Specific:

Oak Ave. County Re-Paving \$200,000

\$73,000 Booster Pump Station Evaluations

\$66,000 AMR Feasibility Study

\$5,000 increase in backflow testing

Cost Savings

Debt Refunding \$189,300 savings

Unfunded Pension Payment \$208,500 savings

\$397,800

Proposed Retail FY 2018-19 CAPITAL Budget

	2016-17	2017-18 Est.	2018-19 Proposed Budget	Variance from 2017-18 est.
Beginning Reserve Balance	\$ 8,618,431	\$ 6,444,253	\$ 4,237,253	
Revenues:				
Property Tax Revenue	\$ 1,018,486	\$ 1,052,600	\$ 1,094,700	\$ 42,100
Tapping & Connection Fees	363,637	350,000	100,000	(250,000)
Investment/Interest Income	49,628	62,000	65,000	3,000
Other Income	3,658	12,700	-	(12,700)
Total Revenues	\$ 1,435,408	\$ 1,477,300	\$ 1,259,700	\$ (217,600) -15%
Expenses:				
Mains/Pipelines & Improvements	\$ 148,568	\$ 1,392,000	\$ 3,234,300	\$ 1,842,300
Pump Stations & Improvements	35,065	926,700	566,700	(360,000)
Professional Services	2,399	9,500	358,000	348,500
Buildings & Improvements	-	135,600	49,000	(86,600)
Land Improvements	-	15,000	169,000	154,000
Equipment and Furniture	164,593	58,000	66,000	8,000
Software	8,409	210,200	256,600	46,400
Maintenance	309	128,900	-	(128,900)
Reservoirs & Improvements	443,331	10,000	-	(10,000)
Vehicles	96,455	64,800	-	(64,800)
Total Expenses	\$ 899,129	\$ 2,950,700	\$ 4,699,600	\$ 1,748,900 59%
Net Capital Fund Income/(Loss)	\$ 536,279	\$ (1,473,400)	\$ (3,439,900)	\$ (1,966,500)
Transfers In/(Out):				
For Unfunded Pension Liability Payment	(1,976,828)	(733,600)	-	733,600
Year-end Reserve Balancing	(733,629)	-	261,500	261,500
Total Transfers	\$ (2,710,457)	\$ (733,600)	\$ 261,500	\$ 995,100
Ending Reserve Balance	\$ 6,444,253	\$ 4,237,253	\$ 1,058,853	\$ (971,400)

Capital Projects

\$925,200 Douglas Blvd. (6990 to 7767 steel and associated small mains)

\$580,400 Cavitt Stallman 12" Main between Oak Pine & Sierra Ponds (new line)

\$366,000 Cavitt Stallman 12" Main between Mystery Creek & Oaks Pines (new line)

\$308,000 Retail Master Plan

\$236,000 Kokila SJWD/PCWA Intertie (partially grant funded)

\$215,000 Tanglewood Circle 6" main extension (350 lf, close 2 dead ends and replace all services)

Proposed Retail FY 2018-19 CAPITAL Budget

	2016-17	2017-18 Est.	2018-19 Proposed Budget	Variance from 2017-18 est.
Beginning Reserve Balance	\$ 8,618,431	\$ 6,444,253	\$ 4,237,253	
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Ending Reserve Balance	\$ 6,444,253	\$ 4,237,253	\$ 1,058,853	\$ (971,400)

Is the transfer in to capital reserves adequate to cover annual depreciation?

Retail's Annual Depreciation		\$1,400,000
Property Tax Revenue	1,094,700	
Connection Fee Revenue	100,000	
FY 18-19 Transfer In	<u>261,500</u>	
Total		<u>\$1,456,200</u>
Excess Contribution		\$56,200

Is the reserve balance equal to the District's accumulated depreciation? Is the District on track to have the money needed for replacement?

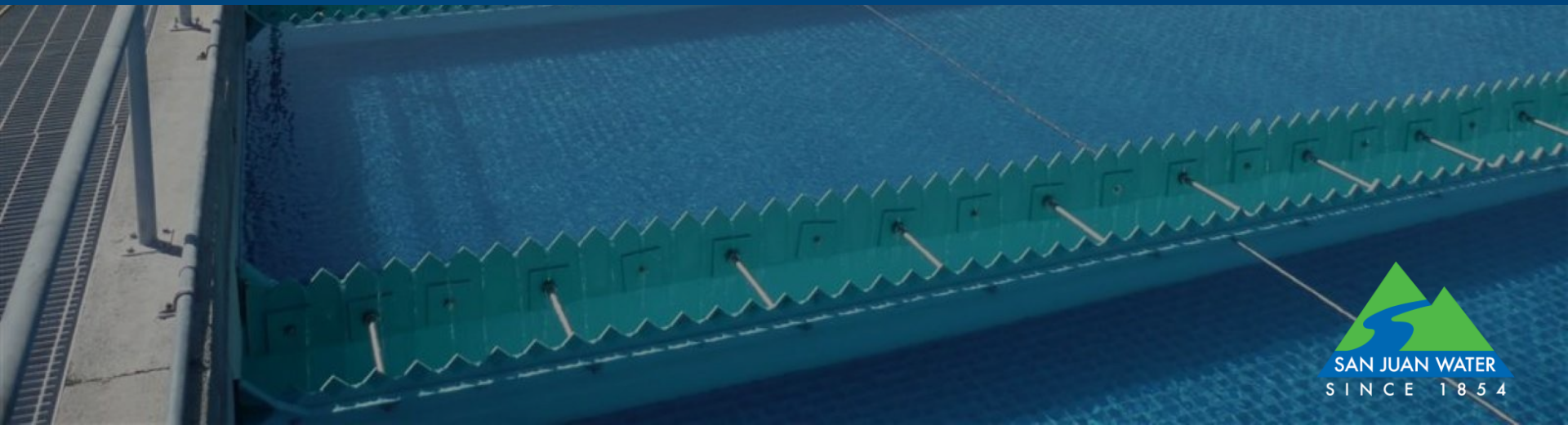
Retail's Accumulated Depreciation (CV)	\$57,671,500
Less Current Value of Accumulated Depreciation for Kokila Reservoir	(2,984,700)
Reserves Needed to be on track	\$54,686,800
Anticipated Reserve Balance 6/30/2019	1,058,853
Short-fall	\$55,745,653

What does the Financial Plan say?

Anticipated Reserves at 6/30/2019 per Plan	\$1,056,873
Anticipated Reserves at 6/30/2019 per Budget	1,058,853
	<hr/>
Excess	\$1,980



Questions?





Flocculation-Sedimentation Basin – see inside cover >



SAN JUAN WATER DISTRICT

GRANITE BAY, CALIFORNIA

DRAFT BUDGET

FISCAL YEAR 2018-19

Cover Photo: San Juan's Water Treatment Plant after completion of the 2016 Flocculation/Sedimentation Improvement Project. The total approved construction budget was \$6.644 million and the final construction cost was \$6.114 million, saving the District over \$500,000. The project included replacement of the original flocculation system and sludge collection system, and construction of a second settled water channel.

San Juan Water District

Fiscal Year 2018-2019 Budget



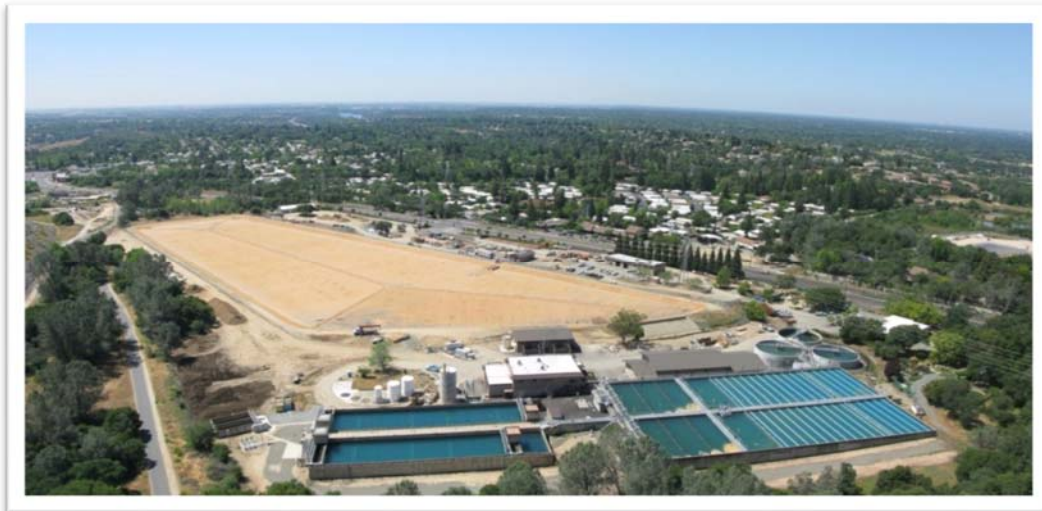
Prepared by the Finance Department under Direction of
the General Manager

Mission Statement:

Ensure the delivery of a reliable water supply of the highest quality at the lowest reasonable price.

Vision Statement:

To be a recognized industry leader in the treatment and distribution of a reliable supply of safe and clean drinking water, while protecting and retaining the District's water rights and supply.





San Juan Water District
9935 Auburn Folsom Road
Granite Bay, California 95746
(916) 791-0115
www.sjwd.org

Elected Officials

Martin Hanneman, President/Director
Dan Rich, Vice President/Director
Edward J. "Ted" Costa, Director
Kenneth H. Miller, Director
Pamela Tobin, Director

Appointed Officials

Paul Helliker, General Manager

Management Team

Donna Silva, Director of Finance
Tony Barela, Operations Manager
Lisa Brown, Customer Services Manager
Rob Watson, Engineering Services Manager
George Machado, Field Services Manager
Greg Turner, Water Treatment Plant Superintendent

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May 23, 2018

Board of Directors

Citizens of the San Juan Water District

Transmittal Letter to be inserted

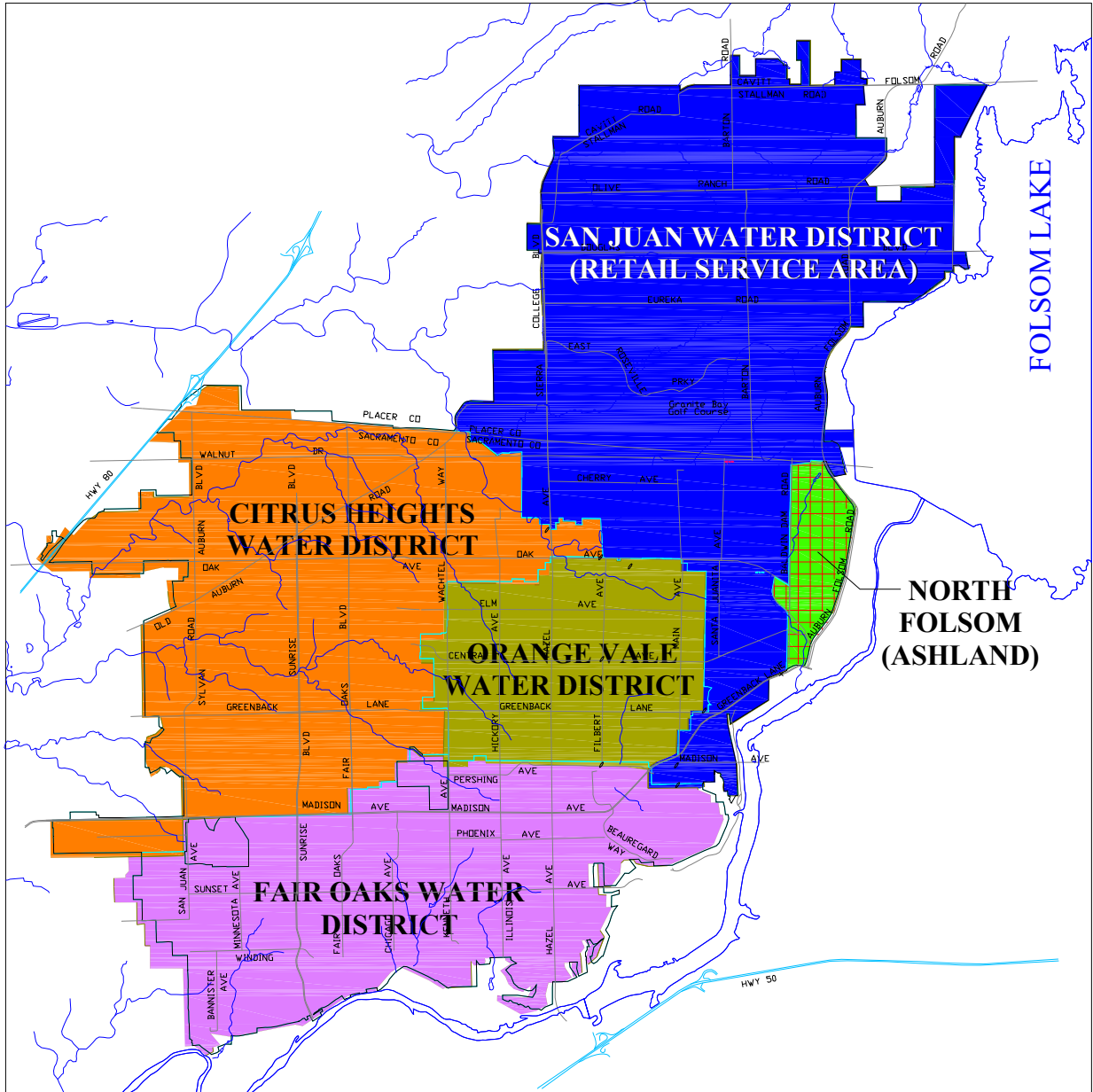
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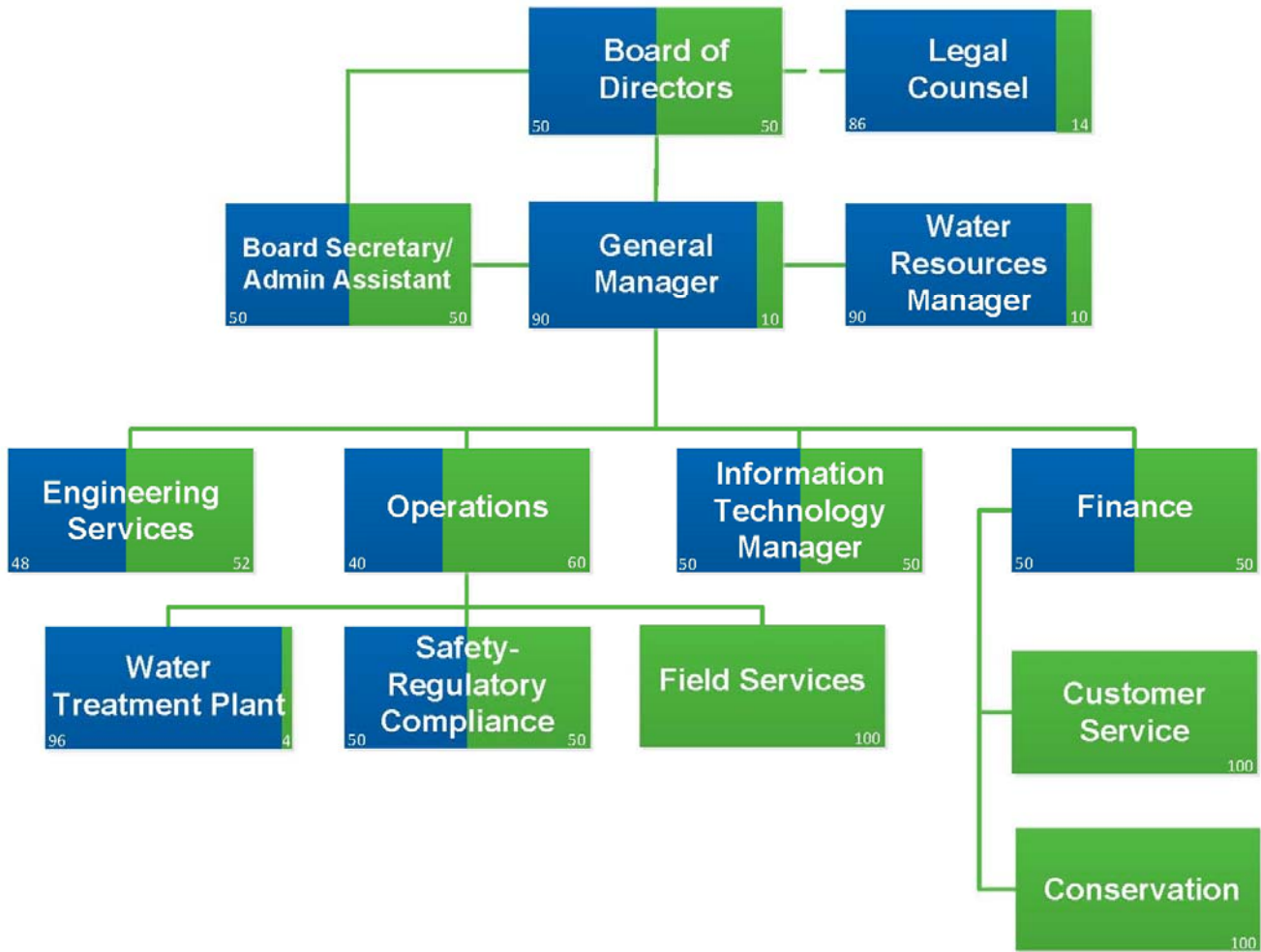
DISTRICT PROFILE

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Wholesale Service Area Map
(SJWD Retail Service Area – in blue)



Organization Chart by Functional Area



Allocation of Costs

Wholesale	%
Retail	%

By The Numbers – Summary of District Information

Water System	
Total Water Supply Available	82,200 acre feet
Treatment Plants	1
Treatment Plant Capacity	150 MGD
Reservoirs	2
Miles of Water Main	222
Storage Tanks	2
Booster Stations	9
Number of Booster Pumps	38
Number of Control Valve Stations	15
Number of Solar Facilities	1
Number of Pressure Zones – Retail Service Area	8
Number of Active Service Connections – Retail Service Area	10,673

Miscellaneous Statistical Information	
Size of Service Area	46 square miles
Size of Retail Service Area Only	17 square miles
Population of Service Area <small>(2017 per CAFR)</small>	153,697
Population of Retail Service Area Only <small>(2017 per CAFR)</small>	29,704
Number of Active Employees	47
Number of Bond Issues Outstanding	2
Wholesale Operating Budget	\$ 8,661,600
Wholesale Capital Budget	\$ 4,847,600
Retail Operating Budget	\$ 11,460,499
Retail Capital Budget	\$ 4,699,600

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ABOUT THE DISTRICT

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ABOUT THE DISTRICT

The San Juan Water District (District) initially began as the North Fork Ditch Company dating back to 1854 providing water to the area. The San Juan Water District as in existence today was formed as the result of petitions being presented to the Board of Supervisors of Sacramento and Placer Counties by Citrus Heights Water District, Fair Oaks Water District, Orange Vale Water Company and a group of homeowners in South Placer County. An election was then held within the boundaries of the sponsoring districts on February 10, 1954. At this election, voters approved the formation of the San Juan Water District by nearly a two-thirds majority and elected five Directors. The District is a community services district formed under Section 60000 et seq., Title 5, Division 3 of the California Government Code.

The District provides water on a wholesale and retail basis to an area of approximately 17 square miles for retail and 46 square miles for wholesale (which includes the retail area) in Sacramento and Placer Counties.

The District's wholesale operations include: protecting access to reliable and sufficient water supplies; operating and maintaining a surface water treatment plant; operating and maintaining treated water storage; pumping and transmission facilities; delivering treated water to five retail agency customers (San Juan Water District retail division, Fair Oaks Water District, Citrus Heights Water District, Orange Vale Water Company and the City of Folsom; and providing the administrative support necessary to successfully carry out those functions.

San Juan's retail operations consist of operating and maintaining storage, pumping, transmission and distribution facilities, which deliver water to approximately 10,600 retail service connections located in a portion of Northeast Sacramento County and the Granite Bay area of South Placer County, and providing the administrative, customer service, conservation and engineering support necessary to successfully carry out those functions.

The District's existing water supply consists of three separate raw water contracts. The first source of water comes from a settlement contract with the U.S. Bureau of Reclamation (Reclamation) whereby it is required to deliver the District's pre-1914 and post-1914 water rights water from the American River, totaling 33,000 acre-feet. The second source is a water service contract with Reclamation for 24,200 acre-feet of Central Valley Project water. The District secured a long-term (40 year) renewal of this contract in 2006. The third water source is a contract with Placer County Water Agency for up to 25,000 acre-feet of water.

All sources of surface water are either stored or flow through Folsom Lake and delivery is taken at Folsom Dam outlets, either by gravity or pumped by the U. S. Bureau of Reclamation Folsom Pumping Plant. Total raw water delivery for the 2016-2017 fiscal year was 38,059.85 acre-feet and is anticipated to be 35,574 acre-fee for the Fiscal Year 2017-2018, and 39,096 for Fiscal Year 2018-2019 excluding pass through deliveries for Sacramento Suburban Water District.

In response to the recent drought and in preparation of future drought conditions, the District recently partnered with two nearby water districts, Placer County Water Agency and the

Sacramento Suburban Water District, to construct inter-ties to allow water supplies to be shared and transferred if normally available supplies are reduced and/or inadequate to meet immediate demands for either district.

The District has long been a proponent and practitioner of cost effective water efficiency programs. The implementation of these programs has been highly successful and the District complies with best management practices that are required by the Sacramento Area Water Forum Agreement, California legislation SBx7-7 (2009), the California Department of Water Resources, and the Central Valley Project Improvement Act.

The District's water efficiency programs include:

- Water Conservation Poster Contest and Calendar – Since 1992, the District and its wholesale agency customers, Citrus Heights and Fair Oaks water districts and Orange Vale Water Company, have promoted water awareness at the elementary school level through an annual water conservation poster contest.
- Rebate Program – The District provides rebates for the purchase of high-efficiency washing machines, and hot water on-demand recirculation systems as well as irrigation efficiency rebates to both residential and non-residential customers.
- Free Programs – District staff provides free indoor and outdoor water audits, leak detection, and recommendations to improve irrigation system performance. Staff also creates landscape water budgets and irrigation schedules to improve efficiency. The District conducts and hosts a variety of workshops on drip systems and proper irrigation techniques, landscape design, soil health, tree maintenance, controller management and other water efficiency topics. A speakers' bureau is available to talk to groups about water efficiency programs and water supply and reliability issues.
- Water Efficient Landscape (WEL) Garden – Located behind the District's administrative office are gardens to inspire visitors to create a water efficient landscape that looks beautiful every season. The garden demonstrates efficient irrigation and non-water using materials to create a beautiful landscape.

The benefits of these programs include more cost-effective and efficient use of water and increased customer awareness of the importance of water efficiency to contribute to future reliability of water supplies.

The District's water treatment facility, the Sidney N. Peterson Water Treatment Plant (WTP), was constructed in three phases beginning in 1975 and completed in 1983. The WTP includes two flocculation-sedimentation basins, two filter basins, an operations building and a covered 62 million gallon storage reservoir. Major upgrades and improvements to the WTP have been made over the years, including increasing its maximum seasonal capacity (May 15th to September 30th) to 150 million gallons a day (mgd) from its original 100 mgd. Those past upgrades, and ongoing efforts to identify and implement projects and process improvement to increase efficiency, cost effectiveness, and productivity, all contribute to the District's success in reliably satisfying customer demands while continuing to meet or exceed all Federal and State regulatory requirements.

The WTP receives delivery of raw water directly from Folsom Dam outlets. The raw water undergoes an extensive water treatment process to ensure the highest quality of water for all customers. From the WTP, the water flows into the District's 62 million gallon Hinkle Reservoir for storage and distribution. The District maintains approximately 222 miles of transmission and distribution pipelines, which transport the high quality treated water to wholesale and retail customers.

Budget Purpose, Process and Control

The District operates on a fiscal year that runs from July 1 through June 30. The District adopts an annual operating budget and an annual capital improvement budget to ensure the adequacy of resources to meet District needs and to accomplish the District's mission. As required by certain debt covenants, the annual operating budget is evaluated, to ensure that net revenues, as defined by the various debt covenants, are equal to or exceed a minimum of 115 percent of the anticipated debt service for the budget year.

The District's official budget process usually begins with a Board Workshop wherein the Board of Directors identifies short and long term strategic goals. Those goals are then communicated with Department Managers who prepare and submit draft budgets to the Finance Department. The Finance Department prepares the revenue budget, and reviews and compiles the various department budgets. A budget workshop is held to present and discuss the draft budget with the Board of Directors and interested members of the public. Feedback from that meeting is used to adjust the draft budget, if necessary. A public hearing is then held after which the Board of Directors votes on budget adoption.

Budget to actual financial data is monitored continuously throughout the year by management and is reported on a monthly and annual basis to the Board of Directors. The General Manager has the authority to move budget between specific lines within a fund, or between funds to correct posting errors. Transfers between funds, for purposes other than error correction, or to maintain required reserve levels, require approval from the Board of Directors.

Budget Format

The budget is prepared on a modified accrual basis wherein revenues and expenses are reported when earned and incurred, respectively. The budget does not include amounts for depreciation, pension expense in accordance with GASB 68, or retiree medical expenses in accordance with GASB 74/75 but does include an expenditure for debt principal. Therefore, the budget is not prepared in the same manner as the Comprehensive Annual Financial Report. The program budget format is used versus a line item detail format to provide the most valuable information to the reader on all of the District's major areas of service (Distribution, Water Treatment Plant, Administration, Conservation, Customer Service and Engineering). Expenditure data is also presented in a functional format (Salaries & Benefits, Materials & Supplies, etc.) to provide readers with an alternate view.

For financial reporting purposes, the District operates a single enterprise fund. However for management of the two divisions, Wholesale and Retail, the District utilizes four distinct funds, one each for operations and one each for Capital Outlay.

In order to ensure funds are available to meet both operating and capital needs, the District (for both Wholesale and Retail Operations) established a financial planning process with development of a Master Plan that contains a review of current infrastructure, and that recommends projects for a twenty to thirty year period. The District then estimates current and future operating needs, and works with a rate consultant to develop a water rate study and financial plan.

The District completed a Financial Plan and Rate Study, resulting in a five year rate schedule. The Wholesale Rate Schedule went into effect on January 1, 2017 and resulted in an effective increase of 16%. Wholesale Rates will increase by 9% per year through January 2020 with a 5% rate increase in January of 2021. The Retail Rate Schedule went into effect on May 1, 2017 and resulted in an effective increase of 8%. Retail rates will increase 9% on January 2018 and 8% on January 1, 2019 and 2020, with a 6% increase approved for January 1, 2021. In an effort to bring rates into alignment with the District's fixed versus variable, expenses, all rate increases are applied to the fixed portion of the rate. This will bring stability to the rate structure and provide the funding to cover fixed operating costs regardless of water demand.

Financial Policies

Key District Financial Policies include the Reserve Policy, the Debt Policy, the Investment Policy and the Procurement Policy.

Reserve Policy

In accordance with Board Resolutions, Board Motions, and/or District Ordinances, certain reserve funds have been established and maintained as follows:

WHOLESALE OPERATING RESERVES:

NAME	PURPOSE	AMOUNT/LEVEL
Operating	Established in 1998 to provide working capital for operations and unexpected needs.	20% of operating expenses
Rate Stabilization	Established in 1998 to help ensure financial and rate stability for wholesale customers.	\$1,000,000 (target) – currently zero as per Board direction to use for paying down unfunded pension liability
PERS Rate Stabilization	To level out the amount budgeted for PERS payments on an annual basis.	When the actual PERS costs are lower than the actuarially determined normal costs, the difference is placed in this fund. When the PERS costs are higher than the normal costs, the difference is withdrawn from this reserve. Entire balance was used to reduce the Unfunded Liability in May 2017.
Compensated Absences	To accumulate funds for accrued employees' vacation and sick leave time.	Dependent upon the dollar value of the accrued vacation and vested sick leave amounts.
Delta/Water Rights	To cover legal expenses, public information, and other costs associated with Delta issues that affect the District's water rights.	Determined annually by Board of Directors.

WHOLESALE CAPITAL RESERVES:

NAME	PURPOSE	AMOUNT/LEVEL
Capital Improvement Program	Established in 1998 to fund capital replacements, rehabilitation, upgrades and improvements.	Determined annually by Board of Directors.
Connection Fee	Established in 2007 to hold and expend connection fees paid by new connections to the distribution system. The fee is designed to recognize the current value of providing capacity necessary to serve additional users.	Fluctuates based on fees received and capital improvements planned and completed.
Hinkle Lining	Established in the 1980's to accumulate monies for the eventual replacement of the lining and cover for Hinkle Reservoir.	There is not a recommended amount for this fund. \$50,000 plus accrued interest on the existing fund balance is added to this fund at the end of each fiscal year.
Vehicle and Equipment	To accumulate sufficient funds to replace vehicles and equipment on an annual basis, and larger equipment on an as-need basis.	Varies depending on the future planned replacements of vehicles and equipment.

RETAIL OPERATING RESERVES:

NAME	PURPOSE	AMOUNT/LEVEL
Operating	To provide working capital for retail operations, as well as readily available capital for unexpected needs and modest variations between expected and actual water demands.	20% of annual operating expenditures.
PERS Rate Stabilization	To provide stability in the amount budgeted for PERS payments on an annual basis.	When the actual PERS costs are lower than the normal costs, the difference is placed in this reserve. When the PERS costs are higher than the normal costs, the difference is withdrawn from this reserve. Entire balance was used to reduce the Unfunded Liability in May 2017.
Compensated Absences	To accumulate funds for accrued employees' vacation and sick leave time.	Dependent on the dollar value of the accrued vacation and vested sick leave amounts.
Customer Deposits	Established to segregate funds contributed as a deposit for work to be completed by the District.	This reserve must be used for funds on deposit for developers or customers. When projects are completed, any remaining funds are returned to the developer or customer.

RETAIL CAPITAL RESERVES:

NAME	PURPOSE	AMOUNT/LEVEL
General CIP	Established “to accumulate sufficient funds for use due to unforeseen and unexpected emergency expenditures for repair, replacement or rehabilitation of the District’s water pipeline systems and pumping stations.” In practice, the Capital Improvement Reserve is used for <i>planned</i> and unplanned capital replacements, rehabilitation, upgrades, and improvements.	Fluctuates based on capital improvements planned and completed.
Kokila Reservoir Replacement	Established to accumulate funds for eventual replacement of the lining and cover of Kokila Reservoir.	Funded annually in the amount of \$10,000 plus accrued interest earned on the existing reserve balance.
Vehicles	Established to accumulate sufficient funds to replace vehicles and equipment on an annual basis and larger equipment on an as need basis.	No designated amount for this reserve; however in practice it is adjusted at the end of each fiscal year to be equal to the next years planned expenditures on vehicles and equipment.

Debt Policy

The Debt Policy, adopted in compliance with Government Code Section 8855(i), governs all debt undertaken or refinanced by the District. It describes the purposes for which Debt may be issued, the types of debt the District may issue, and the relationship of debt to the Capital Improvement Program and the Operating Budget.

Investment Policy

In accordance with District Ordinance No. 3000.05, management responsibility for the investment program is delegated to the General Manager. The Finance Director has been designated as the “Investment Officer” in charge of operational management.

Investments by the Investment Officer are limited to those instruments specifically described in the District’s investment policy. The Investment Officer submits quarterly reports to the Board of Directors detailing all investment holdings. In order of importance, the following five fundamental criteria are followed in the investment program: 1) safety of principal; 2) limiting credit risk liquidity; 3) limiting interest rate risk; 4) liquidity and; 5) return on investment.

Procurement Policy

The District's procurement policy creates uniform procedures for acquiring equipment, and goods and services for its operations. The primary purpose of this policy is to provide for the purchase of materials and trade services with the objective that they will be available at the proper time, in the proper place, in the proper quantity, in the proper quality, and at the best available price, consistent with the needs of the District.

Accounting System and Controls

The District uses the Tyler Technologies financial accounting system to record its financial transactions. Management has established a system of internal controls that provide a reasonable basis for protecting the District's assets from loss, theft, and misuse and compile sufficient reliable information for the preparation of the District's financial statements. At the end of the year, the District prepares a Comprehensive Annual Financial Report (CAFR) consisting of management's representations concerning the District's finances. An independent auditing firm audits this report and examines District internal controls and provides an opinion on the financial reporting and provides suggestions on ways to improve the internal control processes of the District.

Fund Structure and Descriptions

Legally, the San Juan Water District is a single enterprise fund. For purposes of rate setting, reserve segregation and managerial reporting, the District utilizes four distinct funds as follows:

Enterprise Funds:

- Wholesale Operating Fund
- Retail Operating Fund

Capital Outlay Funds:

- Wholesale Capital Outlay Fund
- Retail Capital Outlay Fund

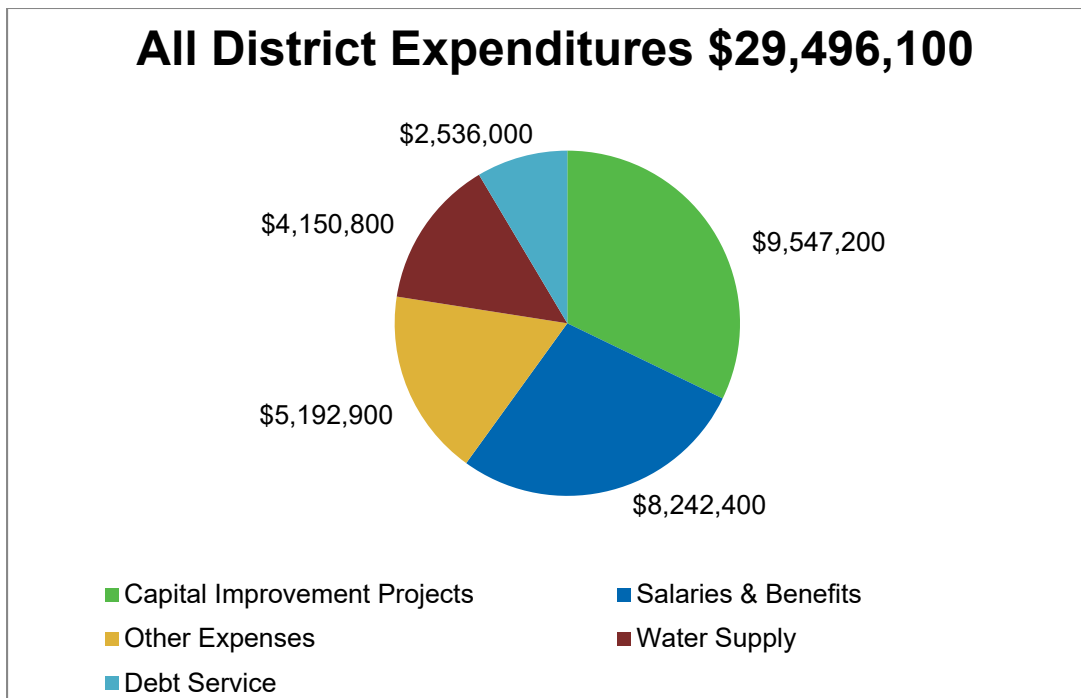
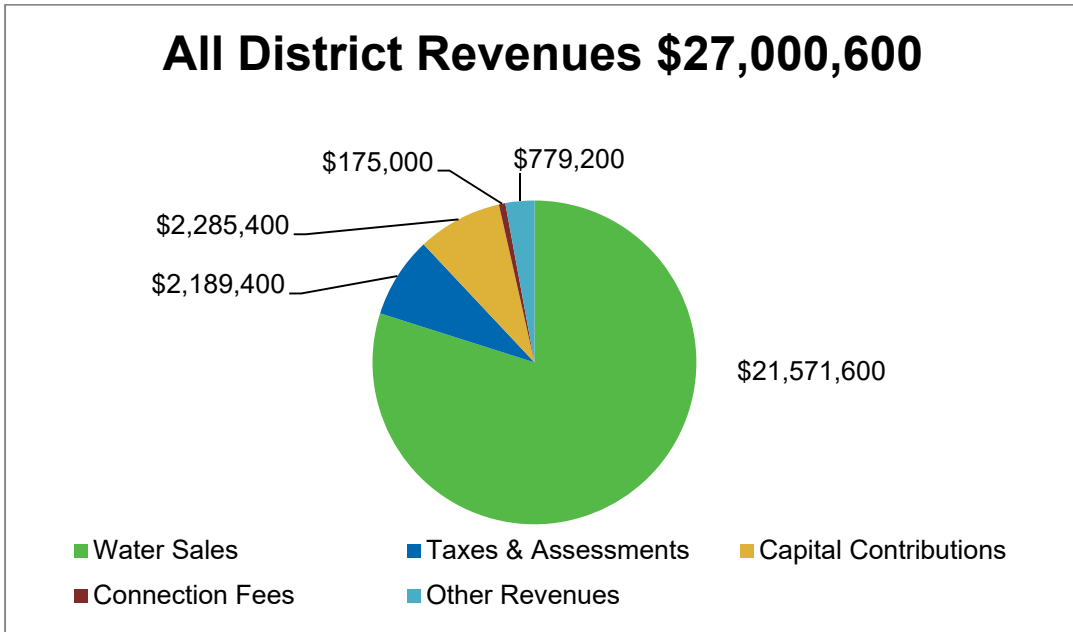
The funds are combined for purposes of formal financial reporting (audited financial statements). Budgets and descriptions for these funds can be found starting on page 39.

Budget Assumptions

A budget is an estimate of revenues and expenditures for a set period of time. The creation of estimate involves a set of assumptions and it is important that the reader of this budget understands the assumptions used in preparing the revenue and expenditures estimates contained herein. The list below shares the primary assumptions used in the creation of this budget:

- Water rates from Board adopted 5-Year Rate Schedule
- 9.9% increase in Wholesale water deliveries, based on estimates provided by wholesale customers.
- No increase in Retail Water Sales
- Property taxes increase 4%
- No Central Valley Project water to be purchased
- 68% increase in Workers Compensation expense – no rate increase but experience modifier increased from .76 to 1.28 due to higher claims.
- 5% increase in Health Care costs
- Salary increases will be from a cost of living adjustment in accordance with the CPI and a potential merit increases based upon specific employee performance. The combined increase in salaries is capped at the CalPERS assumed salary increases for San Juan Water District employees to ensure the District is not exacerbating the existing unfunded pension liability.

Estimated Revenues and Expenditures of Funds – Summary



Estimated Revenues and Expenditures of Funds – Summary

	Wholesale Operations	Wholesale Capital Outlay	Retail Operations	Retail Capital Outlay	Total
Est. Beginning Available Reserves July 1, 2018	\$ 1,936,389	\$ 8,924,754	\$ 2,526,224	\$ 4,237,253	\$ 17,624,620
Revenues					
Water Sales	10,091,900	-	11,479,700	-	21,571,600
Taxes & Assessments	-	1,094,700	-	1,094,700	2,189,400
Capital Contributions	-	2,285,400	-	-	2,285,400
Connection Fees	-	75,000	-	100,000	175,000
Other Revenues	153,400	65,000	495,800	65,000	779,200
Total Revenues	\$ 10,245,300	\$ 3,520,100	\$ 11,975,500	\$ 1,259,700	\$ 27,000,600
Expenses					
Capital Improvement Projects	-	4,847,600	-	4,699,600	9,547,200
Salaries & Benefits	3,525,300	-	4,717,100	-	8,242,400
Water Supply	1,055,500	-	3,095,300	-	4,150,800
Debt Service - Interest	955,000	-	531,000	-	1,486,000
Debt Service - Principal	675,900	-	374,100	-	1,050,000
Other Expenses	2,449,900	-	2,743,000	-	5,192,900
Total Expenses	\$ 8,661,600	\$ 4,847,600	\$ 11,460,499	\$ 4,699,600	\$ 29,669,300
Net Income	\$ 1,583,700	\$ (1,327,500)	\$ 515,001	\$ (3,439,900)	\$ (2,668,699)
Transfer In/(Out)	(1,354,000)	1,354,000	(261,500)	261,500	-
Ending Available Reserves Est.	\$ 2,166,089	\$ 8,951,254	\$ 2,779,725	\$ 1,058,853	\$ 14,955,921

MAJOR REVENUES AND EXPENDITURES



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MAJOR REVENUES AND EXPENDITURES

In order to assist in understanding the fiscal trends facing the San Juan Water District, and the assumptions utilized in preparing this budget, the following discussion and analysis of the District’s major revenues and expenditures are presented.

Water Sales

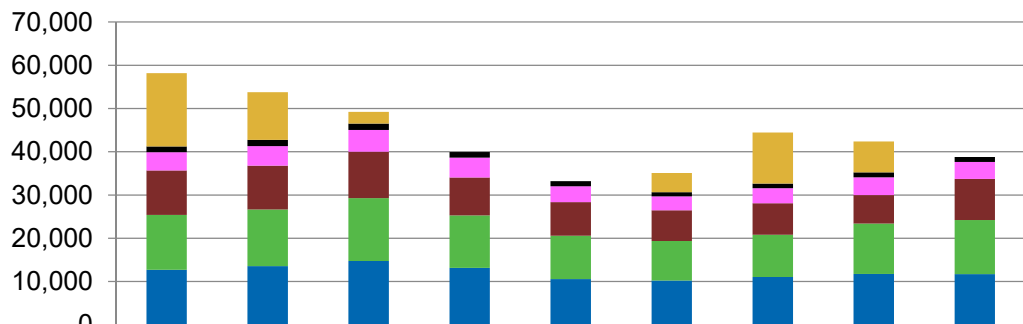
Revenue from the sale of water accounts for 80% of all District revenues. Water revenues are driven by two primary factors, the amount of water sold and the rate per unit. The Board of Directors considers and adopts rates through separate processes for wholesale and retail. Wholesale customers are presented with a rate study and are given 150 days to provide comments to the Board of Directors on proposed rate changes. After the 150 day comment period, the Board of Directors review the comments and make a decision on rates for the upcoming calendar year.

Retail rates are subject to the provision of Proposition 218 wherein customers are provided information on proposed rate changes, and are invited to attend a public hearing on the proposed changes. Proposed rate changes can be denied if a majority of ratepayers submit votes against the proposed change. If a majority of “no” votes is not received, the Board of Directors will vote on the proposed rate increase and set the effective date for any proposed and approved changes.

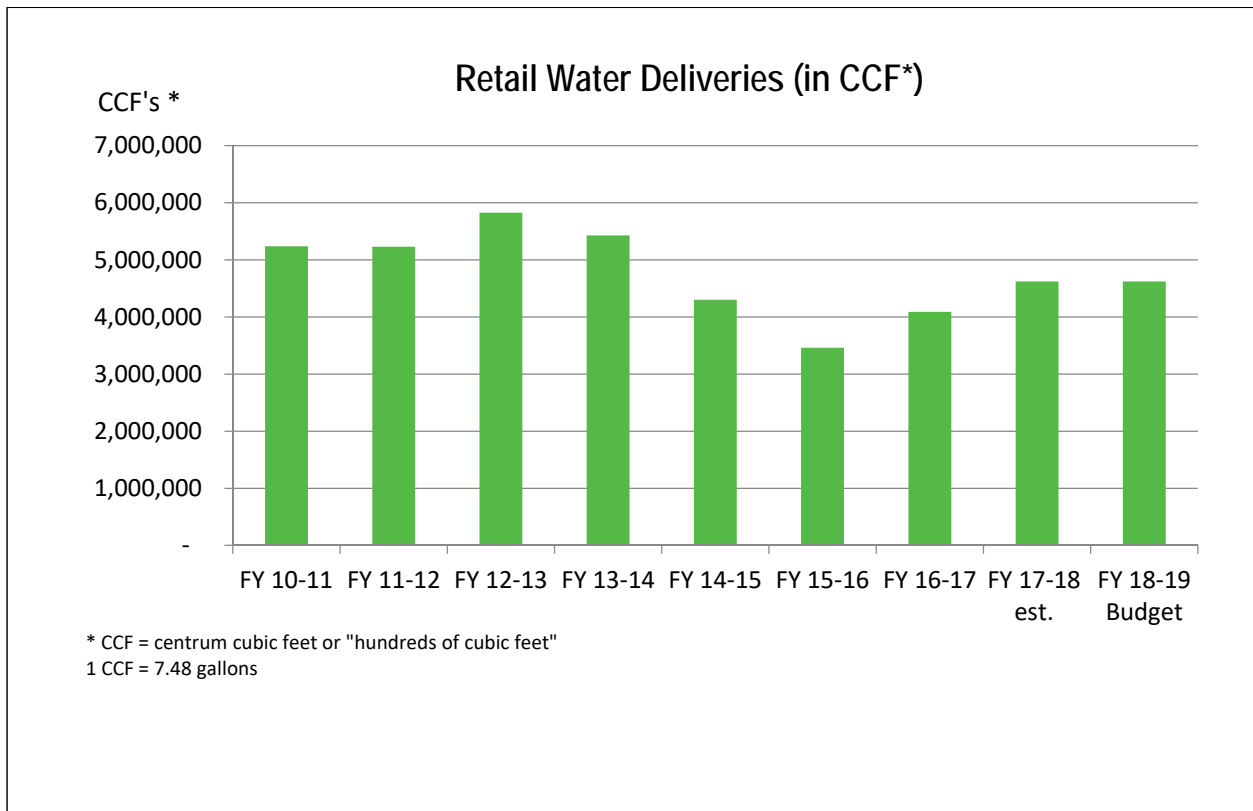
The District completed a Financial Plan and adopted a 5-Year Rate Schedule for both wholesale and retail water rates in early 2017.

The charts below show water deliveries and water revenues from fiscal year 2010-11 to current.

WHOLESALE WATER DELIVERIES - ACRE FEET



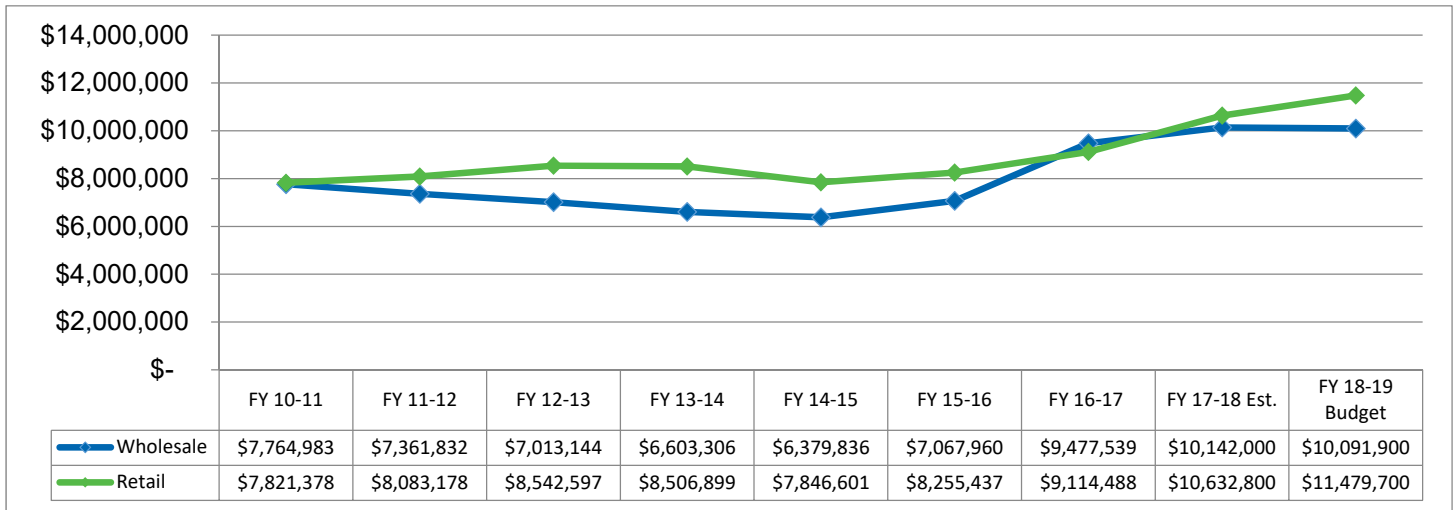
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18 est.	FY 18-19 Budget
SSWD	16,978	11,016	2,673	-	-	4,468	11,808	7,144	-
City of Folsom	1,308	1,469	1,507	1,299	1,187	963	1,062	1,154	1,150
Orangevale Water Company	4,215	4,506	5,023	4,586	3,671	3,190	3,473	4,107	3,920
Fair Oaks Water District	10,307	10,122	10,740	8,766	7,787	7,137	7,288	6,584	9,526
Citrus Heights Water District	12,684	13,091	14,526	12,160	10,016	9,134	9,775	11,663	12,500
San Juan Retail Service Area	12,700	13,569	14,743	13,142	10,552	10,213	11,048	11,729	11,700



The recent drought caused a significant decline in water deliveries. Wholesale water deliveries began a steady decline in FY 2011-12, followed by Retail two years later. Wholesale water deliveries reached their low in FY 2014-15 and retail reached its low in FY 2015-16. With the drought “officially” over, the District experienced increased wholesale water demand in FY 2015-16, at a total of 35,105. However this increase was due to 4,468 acre feet of water treated for the Sacramento Suburban Water District (see orange component in chart). Sacramento Suburban Water District has an agreement to periodically purchase raw water from the Placer County Water Agency (based upon water supply conditions). They have an agreement with the District to treat and deliver the water that they purchase from the Placer County Water Agency. Absent the water treated for Sacramento Suburban Water District, wholesale demand did not begin to increase until Fiscal Year 2016-17. Demand from our regular wholesale customers is steadily increasing, which a total of 38,976 acre feet anticipated to be sold in this budget year. While the District may end up treating and delivering PCWA water to SSWD those revenues have not been included in the Fiscal Year 2018-19 budget.

The end of the drought resulted in increased water demand in the retail service area. Fiscal Year 2016-17 resulted in an 18% increase in Retail Water Deliveries and Fiscal Year 2017-18 is expected to realize a 13% increase. The 2018-19 budget does not anticipate an increase as the District is not experiencing significant growth and it is being assumed that the rebound in demand from the end of the drought has already occurred. As such, this budget assumes retail water deliveries of 4.62 million CCFs, consistent with our expectations for the FY 2017-18.

Water Sale Revenues



Wholesale water sale revenues declined steadily from fiscal year 2010-11 through fiscal year 2014-15. Revenues began to increase in FY 2015-16 due to increased consumption. Wholesale water sale revenues increased significantly in FY 2016-17 due to the treatment and distribution of water for the Sacramento Suburban Water District (SSWD). In FY 2017-18 the District continued to treat and deliver water to SSWD and both rates and overall consumption increased. The Five Year Rate schedule, approved by the Board on January 11, 2017 calls for a 9% effective increase to go into effect on January 1, 2019. The FY 18-19 budget does not include the treatment and delivery of water for SSWD, although it is possible that that this could occur, resulting in increased revenues.

In FY 2011-12, Retail water use was relatively constant from the prior year, but due to a 2% rate increase, effective the prior January, revenues were slightly up.

In FY 2012-13, water use increased 11% and while there was no rate increase in the prior year, there was an inflation adjustment of 2% mid-way through the year, resulting in an increase in revenues.

In FY 2013-14, water use began a multi-year decline, but a mid-year 2% rate increase, combined with the prior year 2% increase resulted in revenues that were just slightly lower than the prior year.

In FY 2014-15, water use dropped significantly as a result of the drought. The District restructured their rates and at the end of the year, in June 2015, implemented a drought surcharge. Revenues for FY 2014-15 fell 7.8% from the prior year.

In FY 2015-16, water use continued its sharp decline but due to the drought surcharge and a 15% rate increase in January 2016, revenues were restored to FY 2013-14 levels. The drought surcharge was removed April 1, 2016.

FY 2016-17 yielded a 10.4% increase in revenues, mostly from increased consumption from the end of the drought.

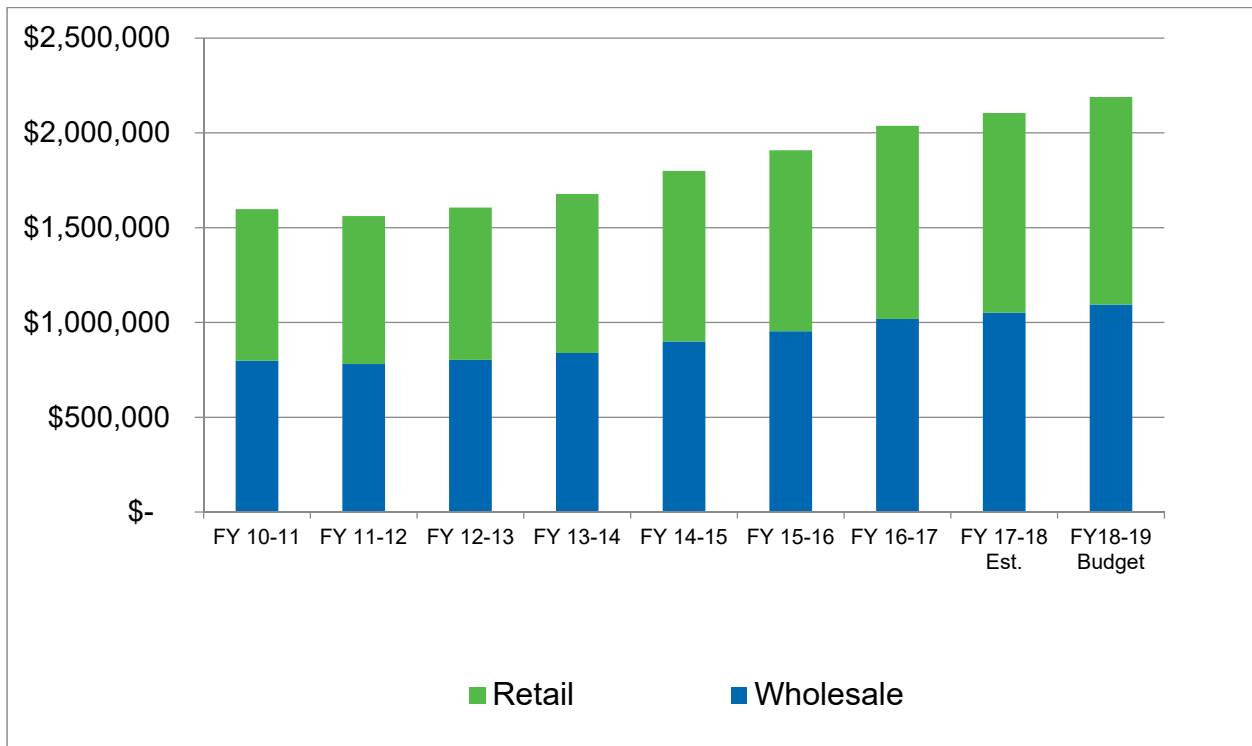
The Board of Directors approved a Five-Year rate schedule that resulted in an effective 8% rate increase on May 1, 2017 and will cause a 9% rate increase on January 1, 2018. Those rate increases, combined with increased consumption are expected to produce 16.7% increase in retail water sale revenues for FY 2017-18.

The District is assuming that the rebound in demand from the end of the drought has mostly been achieved. Given very little growth in the retail service area, the District is assuming that demand will not significantly increase in FY 2018-19. The 8% increase in revenues is from the scheduled rate increase that goes into effect on January 1, 2019.

Property Tax

Representing approximately 8% of total District revenues, the Property Tax is the second largest revenue source. Property Tax revenue is shared evenly between Wholesale and Retail and has been designated by the Board of Directors to be spent on capital projects, not operations.

Property Tax Revenues

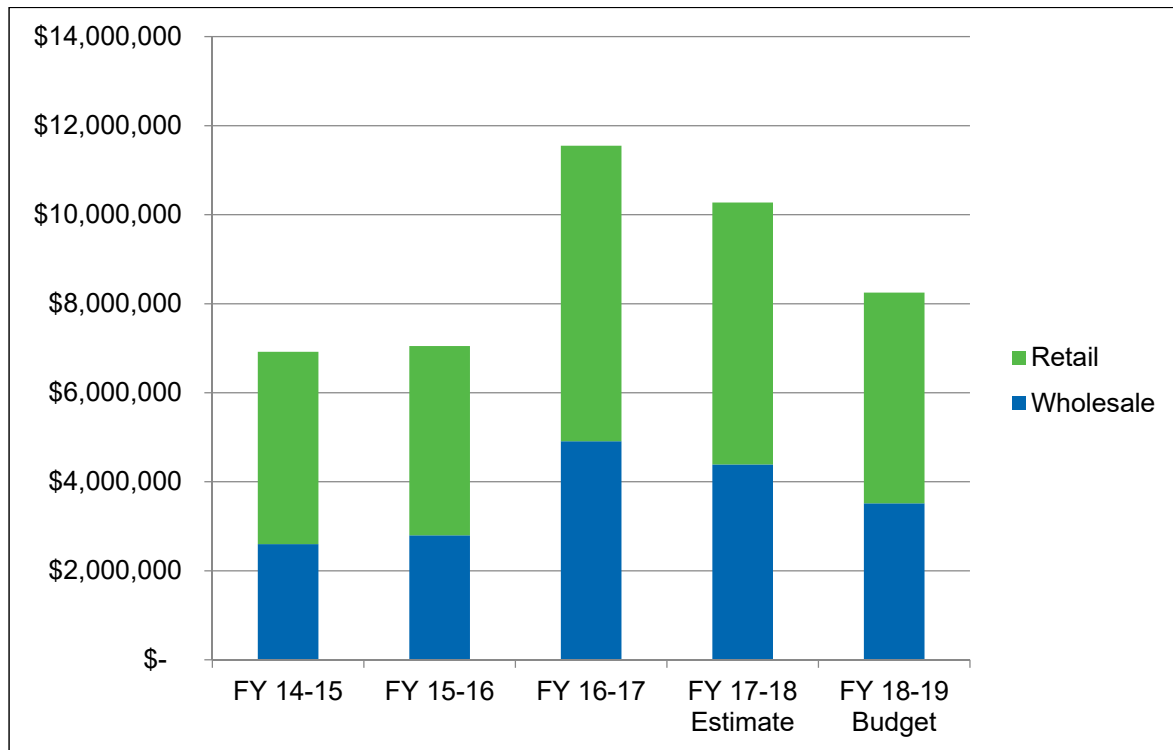


Property Tax revenues have been increasing over the past seven years, a result of the rebound in the housing market after the Great Recession. This budget anticipates a 4% increase in Property Tax revenues.

Salaries and Benefits

Aside from the Capital Improvement Program, Salaries and Benefits represent the largest expense of the District.

Salaries and Benefits



The chart above depicts a declining trend in Salary and Benefit costs. This is due to the Board of Director's decision to pay off the District's unfunded pension liability. The District paid \$4,112,000 towards this liability in Fiscal Year 2016-17 and remitted an additional \$2,787,800 in Fiscal Year 2017-18, which is expected to materially eliminate the liability. Paying down the unfunded liability will save the District approximately \$8.8 million over the next 30 years.

Removing the effect of the additional pension contributions, Salaries and Benefits are expected to increase by 10% or \$762,900 due to the following factors:

1. The Board approved the addition of a Safety-Regulatory Compliance Coordinator. The position was filled in April 2018.
2. Due to a higher than normal workers compensation claims experience, the District is facing a 68% increase in Workers Compensation premiums.
3. Assumed 5% increase in health insurance premiums.

4. The Board of Directors amended its Compensation Policy on September 13, 2017 to ensure that the combination of cost of living adjustments and merit pay increases to not cause an increase in salaries greater than that assumed by CalPERS when calculating the District pension liability. The Compensation Policy requires the annual operating budget to assume the same increase in salaries as that assumed by CalPERS in calculating the District's pension liability. For Fiscal Year 2018-19 that increase is 4.2%.

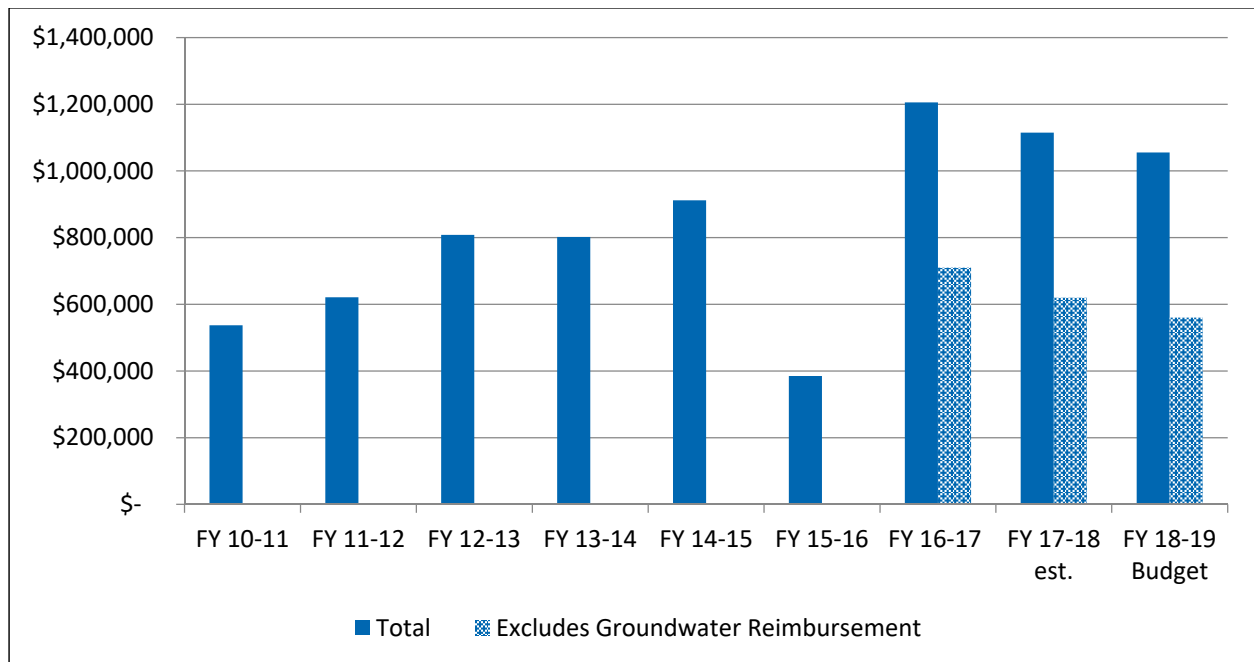
The level of District staffing (number of employees) has remained relatively unchanged for many years. In FY 2016-17 the Board of Directors approved the addition of one Water Treatment Plant Operator and in FY 2017-18 The Board of Directors approved the addition of a Safety-Regulatory Compliance Coordinator.

The Compensation Policy, amended by the Board of Directors in September of 2017, requires a compensation study be performed at least once every four years. The purpose of the study is to ensure the District is offering a fair and competitive compensation package to its employees. The last compensation study was completed in May of 2015, so this budget includes funding for another study in the spring of 2019.

Water Supply Costs

The District's existing water supply consists of three separate raw water contracts. The first source of water is 33,000 acre-feet of pre-1914 water rights on the American River. The second source is a contract with the U.S. Bureau of Reclamation for 24,200 acre-feet of Central Valley Project water (CVP water). The third water source is a contract with Placer County Water Agency (PCWA) for 25,000 acre-feet of water. All sources of surface water are either stored or flow through Folsom Lake and delivery is taken at Folsom Dam outlets, either by gravity or pumped by the U. S. Bureau Folsom Pumping Plant. Total raw water delivery for the Fiscal Year 2016-17 was 33,456 acre-feet and is anticipated to be 35,236 acre-feet for Fiscal Year 2017-18, and 38,796 for Fiscal Year 2018-2019, excluding pass through deliveries for Sacramento Suburban Water District.

Wholesale Water Supply Cost

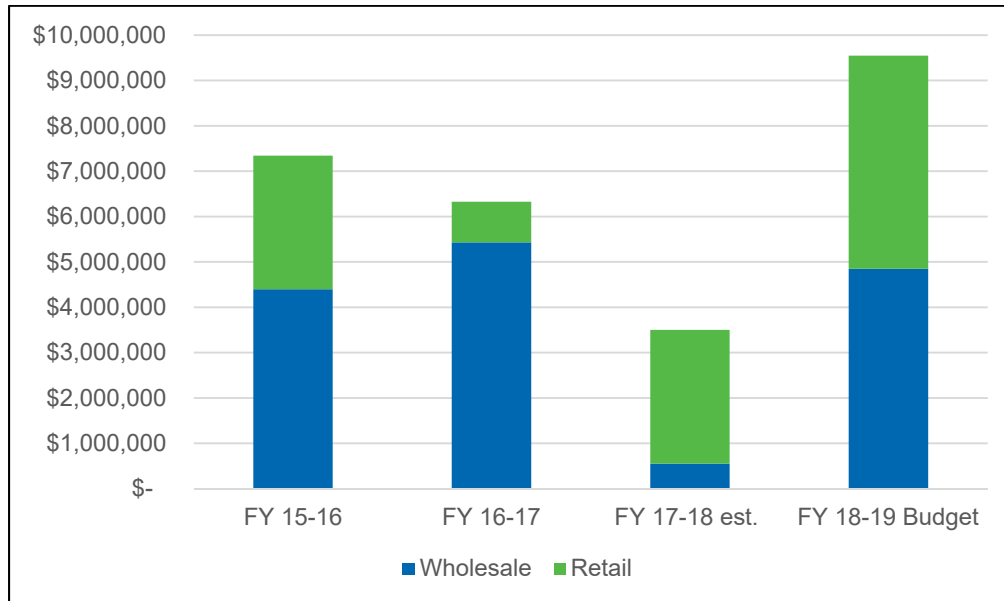


As illustrated in the chart above, water supply costs increased significantly in Fiscal Year 2016-2017. There are two primary reasons for this increase. First, the agreement with PCWA requires the District to pay for 25,000 acre feet of water, regardless of how much water the District actually takes. However, in periods of drought, the District is allowed to pay for the greater of 10,000 acre feet or the actual amount delivered. With the drought officially over in FY 2016-17 the cost of PCWA rose. Second, in 2008 a surface water shortage and reimbursement agreement to provide groundwater supplies during times of surface water shortage was prepared, and referenced in the signed 2008 Wholesale Water Supply Agreements, but was never executed. Nevertheless, the District, in its capacity as the wholesale supplier, determined that there was a potential need for groundwater pumping between 2009 and 2013, and asked both the Citrus Heights Water

District (CHWD) and Fair Oaks Water District (FOWD) to maintain their readiness to supply groundwater. In 2014, due to a shortage in surface water supplies caused by a third year of drought, San Juan Water District requested groundwater to be pumped. Both CHWD and FOWD failed to provide the District with annual bills for both their incremental costs to maintain active wells and for the pumping which occurred in 2014. In 2014, the District was provided with bills in the approximate amount of \$4 million. The District disputed the amount, and the cost was settled in FY 2016-17 at \$1,981,440, to be repaid over a 4 year period ending in FY 2019-20. This budget includes a payment of \$495,400 for this reimbursement. The light blue bar on the graph above shows water supply costs for fiscal years 2016-17 through 2018-19 without the payment towards the groundwater reimbursement.

After removing the effect of the groundwater reimbursement, water supply costs have been decreasing, in spite of increased demand. This is due to the cost of water purchased from PCWA. Per the contract between the District and the PCWA, the cost of PCWA water is calculated as the average of the District's CVP rate and the CVP rate for the City of Roseville and PCWA. The cost of the CVP water is set by the United States Department of the Interior, Bureau of Reclamation (the Bureau). Due to an abundance of water supplies, the Bureau reduced the CVP rate by 35% for 2017, causing a like decrease in PCWA water rate. Additionally, in December of 2017 the District negotiated an amendment to the Contract with PCWA wherein the take or pay amount was reduced from 25,000 acre feet to 12,500 acre feet. The District still has the option to take up to 25,000 acre feet, but is only required to pay for 12,500 acre feet regardless of whether it takes the water or not. This cut the PCWA water supply cost in half.

Capital Spending



Capital spending has fluctuated from \$7.3 million in fiscal year 2015-16 to a low of \$3.5 million estimated for fiscal year 2017-18 then increasing to a four year planned high of \$9.5 million.

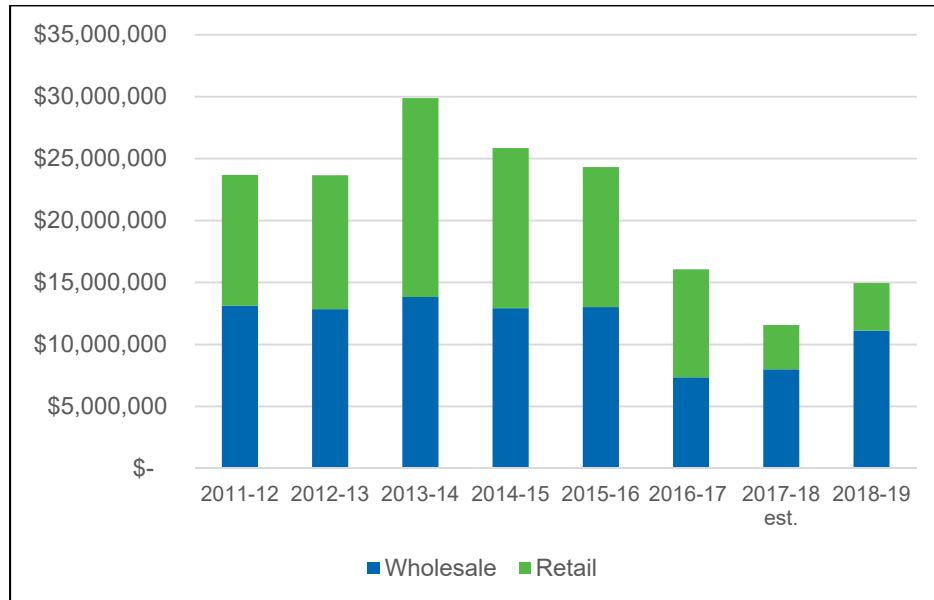
In wholesale, the majority of the spending over this time period has been on the rehabilitation of the flocculation sedimentation basin, featured on the cover of this document. The other large wholesale project in this time period was the construction of a pump station and intertie with the Placer County Water Agency (PCWA).

In retail, the majority of the spending over this time period was on main line replacements at various locations throughout the retail service area, the rehabilitation of the Los Lagos tank and pump station improvements.

A complete list of projects planned for fiscal year 2018-19 can be found on pages 48 and 52 of this document.

Reserve Summary

Wholesale and Retail Operating and Capital Reserves Combined



The combination of the Great Recession, followed by the drought, resulted in the need to defer maintenance and capital projects and utilize reserves to augment operations and critical capital projects. This is illustrated above by the sharp decline in District reserve balances between FY 2013-14 and 2017-18.

The District has taken several actions to improve its financial condition now and into the future, as described below:

- Paid off Unfunded Pension Liability:*** The Board authorized two large payments intended to pay off the District's unfunded pension liability. This District was paying 7.5% interest on this liability, but only earning approximately 1.5% on its reserves. In May 2017 the District remitted \$4,112,000 and in April 2018 the District paid \$2,787,800. By drawing down reserves to pay down this debt, the District will save approximately \$8.8 million over the next 15 to 20 years, with annual savings of approximately \$350,000. These savings can be used to fund critical infrastructure needs or to reduce the need for future rate increases.
- Debt Refinanced:*** In May of 2017 the Board of Directors approved an advance refunding of the Series 2009A Certificates of Participation. This refinancing will save the District approximately \$11.2 million through Fiscal Year 2039.

- *Renegotiated contract with PCWA:* In December of 2017 the District negotiated an amendment to the Contract with PCWA wherein the take or pay amount was reduced from 25,000 acre feet to 12,500 acre feet. The District still has the option to take up to 25,000 acre feet, but is only required to pay for 12,500 acre feet regardless of whether it takes the water or not. This cut the PCWA water supply cost in half, providing savings of approximately \$275,000 for fiscal year 2018-19.
- *Renegotiated contracts with City of Roseville:* under two separate contracts, the District is obligated to provide up to 4,000 acre feet annually to the City from the District's PCWA take or pay contract. The amendments requires the City to compensate the District for maintaining the availability of the 800 acre-feet per year water supply for the City. This will generate revenues of \$87,900 for fiscal year 2018-19.
- *Five Year Rate Schedule:* The District completed a Five Year Financial Plan and implemented a five year rate structure in 2017 that is intended to replenish reserves and ensure that the District can continue in its mission to deliver a reliable water supply of the highest quality at reasonable and equitable costs.

OPERATING FUNDS



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OPERATING FUNDS

The Wholesale and Retail Operating Funds account for the operations of the District. Department operating costs are shared and split between Wholesale and Retail based upon the proportionate benefit received by each, which can differ from person to person, department to department and expense to expense. The major projects for the budget years are discussed in detail in the Operation Plan, which can be found on the District website. The District is comprised of the following functional areas, or departments:

Administration and General

The functional area of Administration and General is a combination of the following departments: Board of Directors, Executive, Finance, Administration, Human Resources, and Information Technology. Overall District costs related to general operations, legal, insurance and office expenses are recorded in this category.

Conservation

The Conservation Department is responsible for creating and implementing programs and services that reduce water use to meet federal, state and local commitments.

Customer Service

The Customer Service Department is responsible for the billing and collection of water service revenue from San Juan Water District Retail customers and is the initial point of contact for customer inquiries. This includes the establishment of new water service, modifications to existing service, payments, delinquency cutoffs, and meter reading.

Engineering Services

This Department is responsible for planning, designing and managing capital improvement projects, assisting with operational improvements, and assisting with maintenance activities which contain an engineering component.

Water Treatment

This Department maintains and operates the Sidney N. Peterson Water Treatment Plant (the Plant). The Plant is staffed and operated continuously, 24 hours per day, 7 days per week and 365 days per year. The Department also maintains the Hinkle Reservoir, a 62 million gallon floating covered reservoir, where treated water is stored prior to distribution. The plant supplies potable water to the Citrus Heights Water District, Fair Oaks Water District, Orange Vale Water Company, City of Folsom's northern area (Ashland), Sacramento Suburban Water District, as well as San Juan Water District's retail service area.

Distribution (Field Services)

This Department operates and maintains Wholesale and Retail water transmission and distribution pipelines ranging in size from 6" to 96" in diameter and totaling over 217 miles in length, including water meters, air release valves and other appurtenances. The Department also maintains and operates six pump stations and three reservoirs ranging

San Juan Water District

Fiscal Year 2018-2019 Budget

from 0.05 to 4.56 million gallons within the Retail system. The Department responds to emergency repairs, works directly with customers, and monitors and maintains water quality standards in the system to meet all federal and state drinking standards.

Wholesale Operating Fund

The Wholesale Operating Fund is used to account for the operating revenues and expenses of the Wholesale division. This includes the acquisition of raw water, the water treatment plant, and the related administrative support to conduct wholesale water activities. This fund holds and is used to report on all wholesale operating reserves. Details on projects funded for the year can be found in the District's Operations Plan, located on the website.

PROPOSED FISCAL YEAR 2018-2019 BUDGET

	<u>Wholesale Operations</u>
Est. Beginning Available Reserves July 1, 2017	\$ 1,936,389
Revenues	
Water Sales	10,091,900
Other Revenues	153,400
Total Revenues	<u>\$ 10,245,300</u>
Expenses	
Salaries & Benefits	3,525,300
Water Supply	1,055,500
Other Expenses	2,449,900
Debt Service - Interest	955,000
Debt Service - Principal	675,900
Total Expenses	<u>\$ 8,661,600</u>
Net Income	<u>\$ 1,583,700</u>
Transfer In/(Out)	(1,354,000)
Est. Ending Available Reserves June 30, 2018	<u><u>\$ 2,166,089</u></u>

WHOLESALE OPERATING FUND SUMMARY

	FY 2015-2016	FY 2016-2017	FY 2017-2018 Estimated	FY 2018-2019 Proposed
Est. Beginning Available Reserves	\$ 14,474,812	\$ 3,859,913	\$ 2,175,888	\$ 1,936,389
Revenues				
Water Sales	7,067,960	9,477,539	10,142,000	10,091,900
Other Revenues	235,743	98,347	144,800	153,400
Total Revenues	\$ 7,303,703	\$ 9,575,886	\$ 10,286,800	\$ 10,245,300
Expenses				
Administration and General				
Salaries & Benefits	\$ 1,143,708	\$ 1,414,760	\$ 1,213,000	\$ 1,337,800
Professional Services	515,070	519,365	393,400	464,200
Maintenance and Repair	67,425	78,370	67,800	81,700
Materials and Supplies	11,157	25,597	12,200	14,900
Public Outreach	166,536	136,508	195,100	128,100
Other Expenses	181,911	325,388	285,600	350,400
Total Administration and General	2,085,806	2,499,986	2,167,100	2,377,100
Water Treatment Plant				
Salaries & Benefits	1,271,105	1,423,323	1,675,500	1,834,400
Professional Services	47,790	16,275	95,200	304,000
Maintenance and Repair	227,093	239,509	330,100	340,300
Materials and Supplies	387,776	497,093	429,800	460,100
Other Expenses	73,661	137,594	170,600	181,900
Total Water Treatment Plant	2,007,425	2,313,794	2,701,200	3,120,700
Water Supply				
Placer County Water Agency	154,566	562,728	450,100	366,500
Purchase of Treated Water (Groundwater)	-	495,400	495,400	495,400
Pumping to Treatment Plant	76,289	104,679	124,900	143,700
Pre - 1914 Water Rights Water	19,420	20,337	21,300	22,000
Central Valley Project Water	59,704	3,477	-	-
Other	74,850	18,763	23,400	27,900
Total Water Supply	384,830	1,205,385	1,115,100	1,055,500
Engineering				
Salaries & Benefits	298,198	297,070	325,000	353,100
Professional Services	3,353	10,280	11,900	60,000
Maintenance and Repair	1,901	2,176	1,000	1,100
Materials and Supplies	6,911	1,257	3,400	3,200
Other Expenses	6,598	5,952	19,000	10,200
Total Engineering	316,961	316,736	360,300	427,600
Conservation				
Salaries & Benefits	83,214	6,439	-	-
Professional Services	-	200	5,000	8,000
Maintenance and Repair	8,899	15,808	23,500	23,500
Materials and Supplies	14,521	8,980	100	100
Other Expenses	3,583	4,439	14,000	15,500
Total Conservation	110,217	35,866	42,600	47,100
Non-Departmental				
Debt Service - Principal	587,700	607,471	906,200	675,900
Debt Service - Interest	1,352,680	1,321,229	939,800	955,001
Addl. Pymt. Towards Unfunded Pension Liability	-	1,768,160	1,175,000	-
Other	2,344	189,083	2,100	2,700
Total Non-Departmental	1,942,724	3,885,942	3,023,100	1,633,600
Total Expenses	\$ 6,847,963	\$ 10,257,709	\$ 9,409,400	\$ 8,661,601
Transfers (To)/From:				
Establish Capital Reserve Fund	(11,203,318)	-	-	-
Capital Outlay Fund for Pension Liability Payment	-	1,311,067	-	-
Year End Transfer (To)/From Capital Outlay Fund	132,679	(2,313,269)	(1,116,900)	(1,354,000)
Est. Ending Available Reserves	\$ 3,859,913	\$ 2,175,888	\$ 1,936,389	\$ 2,166,088

Retail Operating Fund

The Retail Operating Fund is used to account for the operating revenues and expenses of the retail service area. This includes the payment to the Wholesale fund for the cost of treated water, as well as the distribution of the treated water to all customers in the District's retail service area, including related administrative support. This fund holds and is used to report on all retail operating reserves. Details on projects funded for the year can be found in the District's Operations Plan, located on the website.

PROPOSED FISCAL YEAR 2018-2019 BUDGET

	<u>Retail Operations</u>
Est. Beginning Available Reserves July 1, 2018	\$ 2,526,224
Revenues	
Water Sales	11,479,700
Other Revenues	495,800
Total Revenues	<u>\$ 11,975,500</u>
Expenses	
Salaries & Benefits	4,717,100
Treated Water	3,095,300
Other Expenses	2,743,000
Debt Service - Interest	531,000
Debt Service - Principal	374,100
Total Expenses	<u>\$ 11,460,499</u>
Net Income	<u>\$ 515,001</u>
Transfer In/(Out)	(261,500)
Est. Ending Available Reserves June 30, 2019	<u>\$ 2,779,725</u>

RETAIL OPERATING FUND SUMMARY

	FY 2015-2016	FY 2016-2017	FY 2017-2018 Estimated	FY 2018-2019 Proposed
Est. Beginning Available Reserves	\$ 12,926,038	\$ 2,678,017	\$ 2,610,923	\$ 2,526,224
Revenues				
Water Sales	8,255,437	9,114,488	10,632,800	11,479,700
Other Revenues	490,229	510,445	428,400	495,800
Total Revenues	\$ 8,745,666	\$ 9,624,933	\$ 11,061,200	\$ 11,975,500
Expenses				
Administration and General				
Salaries & Benefits	\$ 1,112,490	\$ 1,204,557	\$ 1,014,700	\$ 1,098,400
Professional Services	214,613	141,252	99,400	206,800
Maintenance and Repair	112,558	117,581	71,800	112,300
Materials and Supplies	11,198	16,283	11,400	17,700
Public Outreach	65,173	55,450	86,900	66,900
Other Expenses	177,077	222,347	188,800	251,300
Total Administration and General	1,693,109	1,757,470	1,473,000	1,753,400
Distribution System				
Salaries & Benefits	1,952,605	1,974,364	2,174,400	2,443,800
Professional Services	170,586	343,650	413,900	811,500
Maintenance and Repair	102,904	142,092	162,100	225,900
Materials and Supplies	161,880	199,386	210,200	237,700
Other Expenses	273,510	307,889	376,800	367,300
Total Distribution System	2,661,485	2,967,381	3,337,400	4,086,200
Water Supply				
Purchase Water from Wholesale	2,531,576	2,754,619	3,033,200	3,095,300
Other	20,166	-	-	-
Total Water Supply	2,551,742	2,754,619	3,033,200	3,095,300
Engineering				
Salaries & Benefits	300,069	312,434	332,700	353,100
Professional Services	4,143	2,019	10,000	56,000
Maintenance and Repair	2,028	2,824	1,000	1,100
Materials and Supplies	7,451	3,512	14,700	4,100
Other Expenses	10,649	6,120	29,000	85,200
Total Engineering	324,339	326,910	387,400	499,500
Conservation				
Salaries & Benefits	469,484	401,153	331,000	381,000
Conservation Rebates and Programs	70,137	19,095	22,000	26,400
Professional Services	70,063	64,958	700	3,100
Maintenance and Repair	4,811	3,288	2,500	1,500
Materials and Supplies	3,952	272	8,100	6,700
Other Expenses	36,001	21,236	22,800	27,900
Total Conservation	654,449	510,001	387,100	446,600
Customer Service				
Salaries & Benefits	416,852	405,328	419,500	440,800
Professional Services	109,261	86,922	134,000	136,000
Maintenance and Repair	4,215	1,498	2,200	2,000
Materials and Supplies	29,118	30,882	33,900	31,600
Other Expenses	41,208	52,872	64,300	61,800
Total Customer Service	600,655	577,501	653,900	672,200
Non-Departmental				
Debt Service - Principal	309,636	320,355	503,800	374,100
Debt Service - Interest	786,971	769,559	522,300	531,000
Addl. Pmnt Towards Unfunded Pension				
Liability	-	2,343,840	1,612,800	-
Other	(31,043)	74,848	1,700	2,200
Total Non-Departmental	1,065,564	3,508,602	2,640,600	907,299
Total Expenses	\$ 9,551,343	\$ 12,402,484	\$ 11,912,600	\$ 11,460,499
Transfers (To)/From:				
Establish Capital Reserve Fund	(10,331,775)	-	-	-
Capital Outlay Fund for Pension Liability				
Payment	-	1,976,828	766,700	-
Year End Transfer (To)/From Capital				
Outlay Fund	889,431	733,630	-	(261,500)
Est. Ending Available Reserves	\$ 2,678,017	\$ 2,610,923	\$ 2,526,224	\$ 2,779,725

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CAPITAL FUNDS

Wholesale Capital Outlay Fund

This fund was created in Fiscal Year 2015-2016 to receive and separately account for revenues that are designated by the Board of Directors to be utilized solely for wholesale capital expenditures and to account for the acquisition of wholesale capital assets, including large scale maintenance of capital assets and improvements made to such assets. Capital reserves were transferred out of operating into this new fund upon fund creation. This fund now holds and is used to report on all wholesale capital reserves. Details on the capital projects can be found in the District’s Operations Plan on the website.

PROPOSED FISCAL YEAR 2018-2019 BUDGET

	<u>Wholesale Capital Outlay</u>
Est. Beginning Available Reserves July 1, 2018	\$ 8,924,754
Revenues	
Capital Contributions	2,285,400
Taxes & Assessments	1,094,700
Connection Fees	75,000
Other Revenues	65,000
Total Revenues	\$ 3,520,100
Expenses	
Capital Improvement Projects	2,594,100
Maintenance - Facility	2,253,500
Total Expenses	\$ 4,847,600
Net Income	\$ (1,327,500)
Transfer In/(Out)	1,354,000
Est. Ending Available Reserves June 30, 2019	\$ 8,951,254

WHOLESALE CAPITAL OUTLAY FUND SUMMARY

	FY 2015-2016	FY 2016-2017	FY 2017- 2018 Estimated	FY 2018- 2019 Proposed
Est. Beginning Available Reserves	\$ -	\$ 9,162,739	\$ 6,708,354	\$ 8,924,754
Revenues				
Taxes & Assessments	954,068	1,018,486	1,052,600	1,094,700
Capital Contributions	959,000	651,202	380,700	2,285,400
Rebates	391,436	180,878	-	-
Connection Fees	91,566	36,066	150,000	75,000
Other Revenues	93,969	54,577	68,600	65,000
Total Revenues	\$ 2,490,040	\$ 1,941,208	\$ 1,651,900	\$ 3,520,100
Expenses				
Facility Maintenance	77,731	172,414	253,900	3,101,000
Land Improvements	-	-	-	665,000
Water Treatment Plant & Improvements	1,295,334	5,897,498	227,000	517,000
Buildings & Improvements	7,378	8,771	8,800	219,000
Reservoirs & Improvements	-	-	49,500	138,500
Equipment and Furniture	114,943	8,644	15,100	54,000
Software	4,159	5,606	52,600	115,100
Vehicles	33,745	1,070	-	38,000
Contributions to Others	2,178,540	(719,985)	(61,800)	-
Mains/Pipelines & Improvements	686,109	55,853	7,300	-
Total Expenses	\$ 4,397,940	\$ 5,429,871	\$ 552,400	\$ 4,847,600
Net Income	\$ (1,907,900)	\$ (3,488,663)	\$ 1,099,500	\$ (1,327,500)
Transfer In	11,203,318	2,345,345	1,116,900	1,354,000
Transfer Out	(132,679)	(1,311,067)	-	-
Est. Ending Available Reserves	\$ 9,162,739	\$ 6,708,354	\$ 8,924,754	\$ 8,951,254

San Juan Water District

Fiscal Year 2018-2019 Budget

The **Wholesale Capital Outlay Budget** includes spending on the following projects in Fiscal Year 2018-2019:

<i>Facility Maintenance:</i>	
Fair Oaks 40 Transmission Pipeline Re-Lining ²	\$ 2,500,000
Clarifier Wall Lining & Leakage Repairs ²	506,000
Chlorine Piping Replacement ³	58,000
Resurface North and South Filter Basin Walls ²	37,000
<i>Land Improvements:</i>	
WTP Site Paving, Slurry Seal and Re-Stripe ²	225,000
Solar Site Access Culvert Replacement ³	225,000
Fence Replacement - East Campus (along bike trail) ³	162,000
Security Fence West End of WTP at WEL Garden ¹	34,000
Perimeter Fencing for Barton Road Parcel ¹	19,000
<i>Water Treatment Plant Improvements:</i>	
Filter Floor Repairs & Media/Nozzle Replacement North & South Basins - Design ²	394,000
Lime System Control & Feeder System Improvements ³	34,000
Solids Containment Area and Handling Improvements - Design ¹	33,000
Two Surface Wash Pump Rehabilitations ²	36,000
Three ProMinet c12 Sensor and Sensor Cabinets ³	20,000
<i>Building Improvements:</i>	
Security Improvements ¹	169,000
Administration Building Front Office Remodel ³	7,000
Replace and Relocate downstairs Transformer ³	19,000
Replace and Relocate Electric Panel near sink ³	24,000
<i>Reservoir Improvements:</i>	
Hinkle Reservoir Overflow Channel Lining (East of AFR) ²	29,500
Hinkle Reservoir Monitoring Wells Level Probes ¹	138,500
<i>Equipment and Furniture:</i>	
Three Thickener Access Ladders ³	21,000
SCADA Improvements ²	19,000
Fluke PSI Calibrator ¹	8,000
Welding Ventilator ¹	6,000
GIS Implementation ¹	91,200
Info Water Software for GIS ¹	7,500
Esri ArcGIS Software for GIS ¹	4,400
Intranet Mapping Application Software for GIS ¹	3,000
MC Express - Mobile Maintenance Management ¹	9,000
<i>Vehicles:</i>	
Replacement of Vehicle #29 Dodge Dakota ²	38,000
	\$ 4,877,100

Effect on Future Maintenance Costs:

¹ - Increase

² - Decrease

³ - No Effect

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Retail Capital Outlay Fund

This fund was created in Fiscal Year 2015-2016 to receive and separately account for revenues that are designated by the Board of Directors to be utilized solely for retail capital expenditures and to account for the acquisition of retail capital assets, including large scale maintenance of capital assets and improvements made to such assets. Capital reserves were transferred out of operating into this new fund upon fund creation. This fund now holds and is used to report on all retail capital reserves. Details on the projects can be found in the Districts Operations Plan, which can be found on the website.

PROPOSED FISCAL YEAR 2018-2019 BUDGET

	<u>Retail Capital Outlay</u>
Est. Beginning Available Reserves July 1, 2018	\$ 4,237,253
Revenues	
Taxes & Assessments	1,094,700
Connection Fees	100,000
Other Revenues	65,000
Total Revenues	<u>\$ 1,259,700</u>
Expenses	
Capital Improvement Projects	4,478,600
Facility Maintenance & Professional Services	221,000
Total Expenses	<u>\$ 4,699,600</u>
Net Income	<u>\$ (3,439,900)</u>
Transfer In/(Out)	261,500
Est. Ending Available Reserves June 30, 2019	<u>\$ 1,058,853</u>

RETAIL CAPITAL OUTLAY FUND SUMMARY

	FY 2015-2016	FY 2016-2017	FY 2017- 2018 Estimated	FY 2018- 2019 Proposed
Est. Beginning Available Reserves	\$ -	\$ 8,618,431	\$ 6,444,253	\$ 4,237,253
Revenues				
Taxes & Assessments	954,067	1,018,486	1,052,600	1,094,700
Grant Revenue	705,625	-	-	-
Connection Fees	566,299	363,637	350,000	100,000
Other Revenues	93,511	53,286	74,700	65,000
Total Revenues	\$ 2,319,502	\$ 1,435,408	\$ 1,477,300	\$ 1,259,700
Expenses				
Mains/Pipelines & Improvements	\$ 1,431,486	\$ 148,568	\$ 1,392,000	\$ 3,234,300
Pump Stations & Improvements	1,391,403	35,065	926,700	566,700
Software	4,159	8,409	210,200	256,600
Buildings & Improvements	-	-	135,600	49,000
Equipment and Furniture	18,323	164,593	58,000	66,000
Land Improvements	-	-	15,000	169,000
Reservoirs & Improvements	3,184	443,331	10,000	-
Vehicles	95,283	96,455	64,800	-
Contributions to Others	199,575	-	-	-
Maintenance & Professional Services	-	2,708	138,400	358,000
Total Expenses	\$ 3,143,414	\$ 899,129	\$ 2,950,700	\$ 4,699,600
Net Income	\$ (823,912)	\$ 536,279	\$ (1,473,400)	\$ (3,439,900)
Transfer In	10,331,774	-	-	261,500
Transfer Out	(889,431)	(2,710,457)	(733,600)	-
Est. Ending Available Reserves	\$ 8,618,431	\$ 6,444,253	\$ 4,237,253	\$ 1,058,853

The **Retail Capital Outlay Budget** includes spending on the following projects in Fiscal Year 2018-2019:

<i>Main Distribution Line Replacements:</i>	
Douglas Blvd. (6990 to 7767 - steel and associated small mains) ²	\$ 925,200
Cavitt Stallman Main 12" between Oak Pines and Sierra Ponds (new line) ¹	580,400
Cavitt Stallman Main 12" between Mystery Creek and Oak Pines w/ PRS (new line) ¹	366,000
Kokila SJWD/PCWA Intertie ¹	236,000
Tanglewood Circle 6 inch Main Extension (350lf, Close 2 Dead Ends & Replace all Services) ²	215,000
Redbud/Lupin/Meadowlark Services Replacements (42 Services) ²	189,000
Sandstone & Auberry Ct. to Hill Rd. 8 inch Extension (175 LF) & 17 Service Replacements ²	140,000
Dambacher Drive (7225-7355) ²	134,400
Install 3 Master Meters at Shopping Center on SE Corner of Douglas & Auburn Folsom Rd. ²	128,000
Edward Court Mainline - South of Lou Place ²	99,900
Lou Place 8" Troy Way to Crown Point Vista ²	89,400
Woodminister 18 Service Replacements ²	81,000
Replace 5 Air Release Valves (ARV's) ²	50,000
<i>Pump Station Improvements:</i>	
Bacon Pump Station Security Improvements ³	169,000
Bacon & Upper Granite Bay Pump Station Generator Replacements (2) ²	151,500
Replace Variable Frequency Drives at ARC S (2), Bacon (1), ARC N (2) ²	75,000
Douglas Booster Pump Station Electrical Improvements ²	45,000
SCADA Fiber Optic Communication Cabling - Bacon to Central ²	39,000
Upper and Lower Granite Bay Pump Station Low Flow Pumps ²	38,200
Lower Granite Bay - Crown Point Emergency Intertie ¹	23,000
ARC-South Piping Improvements (Replacing existing piping) ³	10,000
ARC-South new HVAC ²	10,000
Douglas Pump Station Endress & Hauser Magnetic Meter Replacement ³	6,000
<i>Professional Services:</i>	
Retail Master Plan ³	308,000
Abandonment (Cap off) of 6 inch pipeline Walnut Ave. to Madison Ave. ²	50,000
<i>Land Improvements:</i>	
Corporate Site Paving Improvements - Around Field Services Building ³	169,000
<i>Software:</i>	
GIS Implementation ¹	212,800
Info Water Software for GIS ¹	17,500
Esri ArcGIS Software for GIS ¹	10,300
Intranet Mapping Application Software for GIS ¹	7,000
MC Express - Mobil Maintenance Management Software ¹	9,000
<i>Equipment:</i>	
SCADA Radio Replacements North Phase ²	43,000
Thermal Camera and Software ¹	17,000
Welding Ventilator ¹	6,000
<i>Building Improvements:</i>	
Electrical Improvements to Field Services Building (new panel) ³	42,000
Administration Front Office Remodel ³	7,000
Total Capital Improvement Projects	\$ 4,699,600

Effect on Future Maintenance Costs:

¹ - Increase

² - Decrease

³ - No Effect



SUPPLEMENTAL INFORMATION

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Transfers In and Transfers Out

Transfers In and Transfers Out represent accounting methods to move resources (usually cash) from one fund to another. Transfers in represent resources being brought into that fund. Whereas, transfers out represent resources being taken from that fund.

Transfer In To:

Wholesale Capital Fund	\$	1,354,000
Retail Operating Fund	\$	261,500

Total Transfers In

\$ 1,615,500

Transfer Out From:

Wholesale Operating Fund	\$	1,354,000
Retail Capital Fund	\$	261,500

Total Transfers Out

\$ 1,615,500

Debt Service Schedules

Refunding Revenue Bonds, Series 2012A Debt Service Schedule - Fiscal Year Basis

Fiscal Year	Principal		Interest		Total		Combined Debt Service
	Wholesale	Retail	Wholesale	Retail	Wholesale	Retail	
2019	\$ 314,329	\$ 170,672	\$ 311,744	\$ 169,268	\$ 626,073	\$ 339,940	\$ 966,013
2020	324,050	175,950	299,492	162,616	623,542	338,566	962,108
2021	343,493	186,507	282,885	153,598	626,378	340,105	966,483
2022	359,696	195,305	265,373	144,090	625,068	339,394	964,463
2023	375,898	204,102	247,050	134,141	622,948	338,243	961,192
2024	395,341	214,659	231,145	125,505	626,486	340,164	966,650
2025	408,303	221,697	219,123	118,977	627,426	340,674	968,100
2026	421,265	228,735	202,762	110,094	624,027	338,829	962,856
2027	440,708	239,292	180,220	97,855	620,928	337,147	958,075
2028	463,392	251,609	156,587	85,022	619,979	336,631	956,609
2029	489,316	265,685	131,692	71,505	621,007	337,189	958,197
2030	511,999	278,001	105,507	57,287	617,506	335,288	952,794
2031	541,164	293,837	77,989	42,346	619,152	336,182	955,334
2032	570,328	309,672	48,940	26,573	619,268	336,245	955,513
2033	599,493	325,508	18,359	9,969	617,852	335,476	953,328
Outstanding	\$ 6,558,772	\$ 3,561,228	\$ 2,778,868	\$ 1,508,847	\$ 9,337,640	\$ 5,070,075	\$ 14,407,715
Paid 2012-2017	\$ 2,271,591	\$ 1,233,410	\$ 2,129,242	\$ 1,156,118	\$ 4,400,833	\$ 2,389,528	\$ 6,790,360
Total	\$ 8,830,363	\$ 4,794,638	\$ 4,908,110	\$ 2,664,965	\$ 13,738,473	\$ 7,459,602	\$ 21,198,075
	combined	\$ 13,625,000	combined	\$ 7,573,075			

Refunding Revenue Bonds, Series 2017
Debt Service Schedule - Fiscal Year Basis

Fiscal Year	Principal		Interest		Total		Combined Debt Service
	Wholesale	Retail	Wholesale	Retail	Wholesale	Retail	
2019	\$ 361,600	\$ 203,400	\$ 643,197	\$ 361,799	\$ 1,004,797	\$ 565,199	\$ 1,569,996
2020	374,400	210,600	628,520	353,543	1,002,920	564,143	1,567,063
2021	387,200	217,800	613,331	344,998	1,000,531	562,798	1,563,329
2022	403,200	226,800	597,576	336,137	1,000,776	562,937	1,563,713
2023	419,200	235,800	582,055	327,406	1,001,255	563,206	1,564,460
2024	435,200	244,800	564,429	317,492	999,629	562,292	1,561,921
2025	454,400	255,600	542,269	305,027	996,669	560,627	1,557,296
2026	476,800	268,200	519,083	291,984	995,883	560,184	1,556,067
2027	502,400	282,600	494,709	278,274	997,109	560,874	1,557,983
2028	528,000	297,000	469,056	263,844	997,056	560,844	1,557,900
2029	553,600	311,400	442,123	248,694	995,723	560,094	1,555,817
2030	585,600	329,400	413,776	232,749	999,376	562,149	1,561,525
2031	611,200	343,800	383,963	215,979	995,163	559,779	1,554,942
2032	643,200	361,800	352,736	198,414	995,936	560,214	1,556,150
2033	675,200	379,800	325,536	183,114	1,000,736	562,914	1,563,650
2034	1,318,400	741,600	291,747	164,107	1,610,147	905,707	2,515,854
2035	1,369,600	770,400	238,157	133,964	1,607,757	904,364	2,512,121
2036	1,424,000	801,000	182,467	102,637	1,606,467	903,637	2,510,104
2037	1,481,600	833,400	129,177	72,662	1,610,777	906,062	2,516,839
2038	1,529,600	860,400	80,375	45,211	1,609,975	905,611	2,515,585
2039	1,580,800	889,200	29,969	16,858	1,610,769	906,058	2,516,827
Outstanding	\$ 16,115,200	\$ 9,064,800	\$ 8,524,250	\$ 4,794,891	\$ 24,639,450	\$ 13,859,691	\$ 38,499,141
Paid 2017	\$ 604,800	\$ 340,200	\$ 676,492	\$ 380,527	\$ 1,281,292	\$ 720,727	\$ 2,002,019
Total	\$ 16,720,000	\$ 9,405,000	\$ 9,200,742	\$ 5,175,417	\$ 25,920,742	\$ 14,580,417	\$ 40,501,160
	combined	\$ 26,125,000	combined	\$ 14,376,160			

Labor Allocation

As mentioned previously, many employees are shared by Wholesale and Retail to maximize efficiency and eliminate the need for redundant positions. The table on the next page shows all District positions and their respective cost sharing between Wholesale and Retail based on their assigned duties.

Dept.	Position Title	Budgeted in Fiscal Year 2018-19						
		Budgeted in FY16-17	Budgeted in FY17-18	#	Wholesale Allocation	Retail Allocation	Wholesale FTE	Retail FTE
Executive								
	General Manager	1	1	1	90%	10%	0.90	0.10
	Assistant General Manager ¹	1	1	-				
	Water Resources Manager	1	1	1	90%	10%	0.90	0.10
	Board Secretary/Administrative Assistant	1	1	1	50%	50%	0.50	0.50
	Total Executive	4.0	4.0	3.0			2.30	0.70
Finance and Administrative Services								
	Director of Finance	1	1	1	50%	50%	0.50	0.50
	Information Technology Manager	1	1	1	50%	50%	0.50	0.50
	Finance and Administrative Services Analyst	1	1	1	50%	50%	0.50	0.50
	Accountant	1	1	1	50%	50%	0.50	0.50
	Purchasing Agent	1	1	1	50%	50%	0.50	0.50
	Human Resources Specialist ²	0.5	-	-	50%	50%	-	-
	Accounting Technician II	1	1	1	50%	50%	0.50	0.50
	Total Finance and Administrative Services	6.5	6.0	6.0			3.00	3.00
Conservation								
	Customer Service Manager	0.5	0.5	0.5	0%	100%	-	0.50
	Conservation Lead	1	1	1	0%	100%	-	1.00
	Conservation Technician I - II	2	2	2	0%	100%	-	2.00
	Total Conservation	3.5	3.5	3.5			-	3.50
Customer Service								
	Customer Service Manager	0.5	0.5	0.5	0%	100%	-	0.50
	Meter Technician	1	1	1	0%	100%	-	1.00
	Accounting Technician III - through 9/30/2016	0.25	-	-				
	Customer Service Technician III	2	2	2	0%	100%	-	2.00
	Total Customer Service	3.75	3.5	3.5			-	3.50
Engineering Service								
	Engineering Services Manager	1	1	1	50%	50%	0.50	0.50
	Associate/Senior Engineer	1	1	1	50%	50%	0.50	0.50
	Engineering Technician III	1	1	1	40%	60%	0.40	0.60
	Construction Inspector III	1	1	1	50%	50%	0.50	0.50
	Total Engineering Service	4.0	4.0	4.0			1.90	2.10
Field Services (Distribution System)								
	Operations Manager	0.6	0.6	0.6	0%	100%	-	0.60
	Safety-Regulatory Compliance Coordinator ⁴	-	-	0.5	0%	100%	-	0.50
	Field Services Manager	1	1	1	0%	100%	-	1.00
	Pump Station Lead	1	1	1	0%	100%	-	1.00
	Distribution Lead Worker	2	2	2	0%	100%	-	2.00
	Distribution Operator IV	4	4	4	0%	100%	-	4.00
	Distribution Operator III	1	1	1	0%	100%	-	1.00
	Distribution Operator II	3	3	3	0%	100%	-	3.00
	Pump Station Technician/Mechanic	1	1	1	0%	100%	-	1.00
	Utilities Coordinator	1	1	1	0%	100%	-	1.00
	Total Field Services (Distribution System)	14.6	14.6	15.1			-	15.10
Water Treatment Plant								
	Operations Manager	0.4	0.4	0.4	100%	0%	0.40	-
	Safety-Regulatory Compliance Coordinator ⁴	-	-	0.5	100%	0%	0.50	-
	Water Treatment Plant Superintendent	1	1	1	100%	0%	1.00	-
	Maintenance Chief	1	1	1	100%	0%	1.00	-
	Chief Operator	1	1	1	100%	0%	1.00	-
	Water Treatment Plant Operator IV	2	2	2	100%	0%	2.00	-
	Water Treatment Plant Operator III	2	2	2	100%	0%	2.00	-
	Water Treatment Plant Operator II ⁵	0.5	1	1	100%	0%	1.00	-
	Instrumentation Technician	1	1	1	70%	30%	0.70	0.30
	Facilities Maintenance Worker II	1	1	1	100%	0%	1.00	-
	Facilities Maintenance Help	1	1	1	70%	30%	0.70	0.30
	Total Water Treatment Plant	10.9	11.4	11.9			11.30	0.60
Total Funded Full Time Equivalents (FTE)		47.25	47.00	47.00			18.50	28.50

¹ Assistant General Manager position was eliminated during Fiscal Year 2017-2018.

² Human Resources Specialist was a new position proposed in Fiscal Year 2016-2017, but not approved by the Board.

³ Accounting Technician III remained through September 2016 to assist with training the new Customer Service Technician II

⁴ Safety-Regulatory Compliance Coordinator was a new position approved by the Board during Fiscal Year 2017-2018.

⁵ Water Treatment Plant Operator II was an additional position approved by the Board during Fiscal Year 2016-2017.

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INSERT RESOLUTION HERE

STAFF REPORT

To: Board of Directors
 From: Donna Silva, Director of Finance
 Date: May 24, 2018
 Subject: Treasurer’s Report – Quarter Ending March 31, 2018

RECOMMENDED ACTION

This report is for information only and will be filed with the meeting minutes.

BACKGROUND

The purpose of the treasurer’s report is to update the Board and the public on the status of the District’s cash balances and investments, and highlight material changes from one period to another. The scope of this report covers the second quarter of fiscal year 2017-2018, ending March 31, 2018.

The District’s investment objectives are established by the Board approved Investment Policy. The Investment Policy is guided and constrained by the California Government Code. The Board periodically reviews and adjusts the Investment Policy to ensure ongoing compliance with the government code and to maximize investment flexibility as permitted. The current Investment Policy has the following objectives for the portfolio:

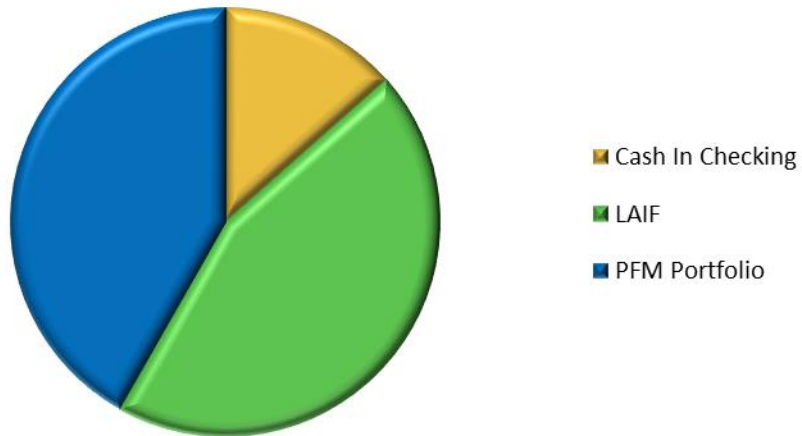
- 1. Safety
- 2. Liquidity
- 3. Yield

Attached is the quarterly Treasurer’s Report for the three months ended March 31, 2018.

At December 31, 2017, the end of the previous quarter, the value of the District’s total portfolio was \$21.37 million. Since that time, the portfolio has been rather stable. The value of the District’s portfolio increased by \$78,000 for an ending balance of \$21.44 million as of March 31, 2018. Cash and short-term investments increased by \$70,000. Medium term investments increased by \$25,000 and long-term investments decreased by \$17,000. The funds are currently held as follows:

Cash at Banking Institutions	\$ 2,890,167
Local Agency Investment Fund (LAIF)	9,590,429
PFM Managed Investment Portfolio	<u>8,965,584</u>
	<u>\$ 21,445,880</u>

Distribution of Investments - San Juan Water District

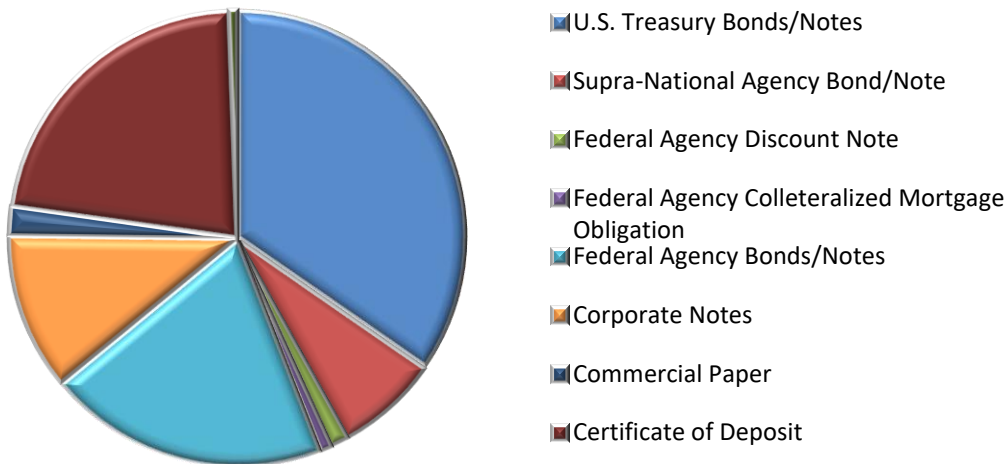


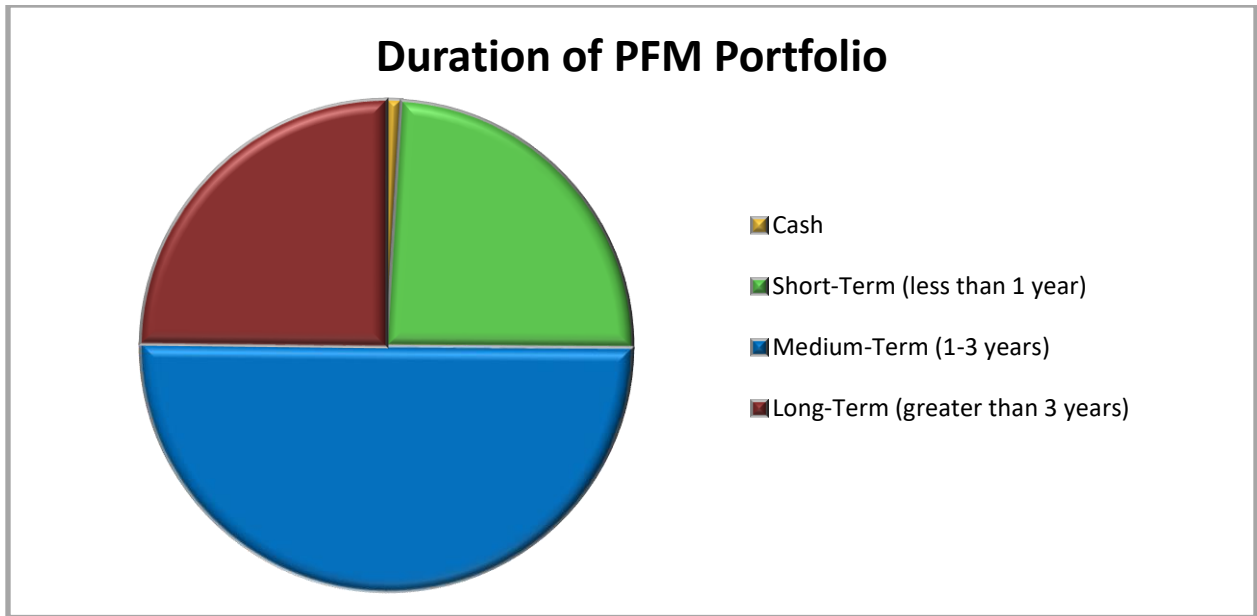
The overall portfolio is diversified with 42% invested in marketable securities (PFM Portfolio), 45% invested in short-term investments that are considered liquid (LAIF) and 13% on deposit with US Bank. Staff, in conjunction with your financial advisors, periodically review the mix of liquid and long-term investments and adjusts the portfolio according to the market conditions and the District’s short term cash needs. The distribution of investments is relatively unchanged from the last quarter.

All securities held are in conformance with those permitted by the District’s Investment Policy. There are sufficient funds to meet the District’s expenditure requirements for the next six months.

The mix and duration of investments are displayed in the following charts:

Mix of Investments - PFM Portfolio





While interest rates continue to rise, they are still at very low levels. The Federal Open Market committee (FOMC) continued its slow but steady rate hike plan by raising the federal funds target range another .25% in March 2018, representing the fourth increase since the beginning of calendar year 2017. As a result, last quarter the District continued to move more investments into the Short-term and Mid-Term categories to capture those increased yields. Since we are in an environment of rising interest rates the District is trying to slowly decrease its lower yielding long term investments and replace them with investments at a higher interest rate.

The portfolio is performing well and continues to outperform the benchmark (Bank of America Merrill Lynch “BAML” 0-5 year Treasury Index) on a current and historical basis.

Total Returns – period ending March 31, 2018

	Duration (years)	Quarter Ending 03/31/2018	Past Year	Since Inception
San Juan Water District	2.01	-.27%	.33%	1.04%
BAML 0-5 Year Treasury Index	2.11	-.23%	.14%	.75%

**San Juan Water District
Treasurer's Report
March 31, 2018**

	Yield %	Par Value	Cost	Current Market Value	Maturity Date
CASH & DEMAND DEPOSITS - US Bank:	na	2,890,166.62	2,890,166.62	2,890,166.62	na
LOCAL AGENCY INVESTMENT FUND (LAIF)	1.111%	9,590,129.24	9,590,129.24	9,590,129.24	na
PFM MONEY MARKET ACCOUNT	na	86,657.97	86,657.97	86,657.97	na
LONG-TERM INVESTMENTS (PFM Investment Portfolio):					
<i>U.S. Treasury Bonds/Notes:</i>					
US Treasury Notes	1.91%	885,000.00	880,747.85	879,503.27	3/31/2019
US Treasury Notes	1.67%	400,000.00	395,671.88	387,156.40	5/31/2021
US Treasury Notes	1.74%	250,000.00	253,095.70	244,658.25	7/31/2022
US Treasury Notes	2.10%	190,000.00	188,226.17	185,450.45	3/31/2022
US Treasury Notes	1.15%	170,000.00	176,189.06	168,107.39	2/28/2021
US Treasury Notes	1.85%	155,000.00	151,918.16	150,247.08	4/30/2021
US Treasury Notes	1.71%	150,000.00	146,642.58	143,677.80	7/31/2021
US Treasury Notes	1.75%	150,000.00	146,947.27	143,759.70	10/31/2021
US Treasury Notes	1.78%	150,000.00	150,591.80	146,601.60	1/31/2022
US Treasury Notes	1.83%	150,000.00	152,044.92	147,615.30	6/30/2022
US Treasury Notes	1.23%	140,000.00	142,324.22	137,752.30	7/31/2020
US Treasury Notes	1.42%	130,000.00	137,261.72	130,817.57	8/15/2020
US Treasury Notes	1.81%	110,000.00	108,225.39	106,468.01	5/31/2021
US Treasury Notes	1.78%	105,000.00	107,231.25	104,339.66	7/31/2021
Subtotal		3,135,000.00	3,137,117.97	3,076,154.78	
<i>Supra-National Agency Bond/Note</i>					
Int'l Bank of Reconstruction & Dev Notes	1.64%	180,000.00	179,568.00	175,549.50	9/12/2020
Inter-American Development Bank	1.81%	175,000.00	176,622.09	173,531.75	11/9/2020
Inter-American Development Bank	1.10%	125,000.00	124,625.00	123,283.38	5/13/2019
Int'l Bank of Reconstruction & Dev Notes	1.60%	100,000.00	100,540.00	99,329.80	10/7/2019
International Finance Corp Note	2.35%	80,000.00	79,764.80	79,347.20	1/25/2021
Subtotal		660,000.00	661,119.89	651,041.63	
<i>Federal Agency Discount Note</i>					
Federal Home Loan Banks Disc Note	1.82%	115,000.00	114,063.33	114,254.99	8/3/2018
Subtotal		115,000.00	114,063.33	114,254.99	
<i>Federal Agency Collateralized Mortgage Obligation</i>					
FHLMC Series KP03 A2	1.10%	39,533.75	39,928.14	39,189.99	7/1/2019
Fannie Mae Series 2015-M13 ASQ2	1.08%	30,706.67	31,014.15	30,516.04	9/1/2019
Subtotal		70,240.42	70,942.29	69,706.03	
<i>Federal Agency Bonds/Notes:</i>					
FNMA Notes	1.69%	470,000.00	471,193.80	467,591.72	6/20/2019
FNMA Benchmark Notes	0.93%	260,000.00	259,563.20	255,324.16	8/2/2019
FHLB Global Note	0.94%	240,000.00	239,539.20	235,686.00	8/5/2019
FNMA Notes	1.60%	170,000.00	169,484.90	166,592.01	7/30/2020
Federal Home Loan Bank Agency Notes	1.40%	150,000.00	149,931.00	148,619.55	5/28/2019
FHLB Notes	1.38%	135,000.00	134,968.95	133,079.76	11/15/2019
FNMA Notes	1.33%	120,000.00	119,514.00	115,108.44	8/17/2021
FNMA Notes	1.05%	100,000.00	99,844.00	98,340.80	8/28/2019
FNMA Notes	1.38%	100,000.00	99,388.00	95,923.70	8/17/2021
FNMA Notes	1.32%	60,000.00	59,794.74	57,554.22	8/17/2021
Subtotal		1,805,000.00	1,803,221.79	1,773,820.36	

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...continued	Yield %	Par Value	Cost	Current Market Value	Maturity Date
<i>Corporate Notes:</i>					
Bank of New Year Mellon Corp	1.99%	175,000.00	178,101.00	171,590.30	4/15/2021
Cisco System Inc Corp Note	2.81%	155,000.00	152,327.80	152,197.45	2/28/2021
Apple Inc Bonds	1.92%	130,000.00	129,936.30	128,508.25	2/7/2020
American Honda Finance Corp Notes	1.84%	130,000.00	129,112.10	124,428.59	9/9/2021
Toyota Motor Credit Corp	1.58%	100,000.00	99,915.00	99,827.50	7/13/2018
Bank of America Corp Note	2.40%	90,000.00	90,674.10	88,654.05	4/19/2021
Citigroup Inc Corp (Callable) Note	2.72%	90,000.00	90,614.70	88,628.85	12/8/2021
Goldman Sachs Group Corp Notes	2.53%	80,000.00	87,671.20	84,730.64	7/27/2021
PEPSICO Inc. Corp (Callable) Note	2.01%	55,000.00	54,989.00	53,633.86	4/15/2021
Subtotal		1,005,000.00	1,013,341.20	992,199.49	
<i>Commercial Paper</i>					
Bank of Tokyo Miitsubishi Ufj LTD CP	1.90%	180,000.00	178,298.60	178,725.24	7/16/2018
Subtotal		180,000.00	178,298.60	178,725.24	
<i>Certificate of Deposit:</i>					
Canadian Imperial Bank NY YCD	1.78%	250,000.00	249,805.00	249,302.50	11/30/2018
Svenska Handelsbanken NY LT CD	1.91%	215,000.00	215,000.00	213,943.06	1/10/2019
Bank of Montreal Chicago Cert Depos	1.90%	215,000.00	215,000.00	214,798.33	2/7/2019
Bank of Nova Scotia Houstand LT CD	1.91%	215,000.00	215,000.00	213,796.86	4/5/2019
Skandinav Enskilda Banken NY CD	1.85%	215,000.00	214,916.15	208,487.52	8/2/2019
Westpac Banking Corp NY CD	2.05%	195,000.00	195,000.00	192,646.74	8/3/2020
Swedbank (New York) Cert Depos	2.30%	180,000.00	180,000.00	177,089.40	11/16/2020
Sumitomo Mitsui Bank NT CD	2.05%	170,000.00	170,000.00	169,439.51	5/3/2019
Nordea Bank AB NY CD	2.72%	135,000.00	135,000.00	134,591.09	2/20/2020
Bank Tokyo Mitsubishi UFJ LTD LT CD	2.07%	100,000.00	100,000.00	99,066.10	9/25/2019
Credit Issue New York Cert Depos	2.67%	100,000.00	100,000.00	100,331.40	2/7/2020
Subtotal		1,990,000.00	1,989,721.15	1,973,492.51	
<i>Asset-Backed Security/Collateralized Mortgage Obligation:</i>					
Harot 2017-4 A3	2.06%	50,000.00	49,992.96	49,531.35	11/21/2021
Subtotal		50,000.00	49,992.96	49,531.35	
TOTAL LONG TERM INVESTMENTS		9,010,240.42	9,017,819.18	8,878,926.38	
TOTAL CASH & INVESTMENTS AT 03/31/2018		21,577,194.25	21,584,773.01	21,445,880.21	

STAFF REPORT

To: Engineering Committee

From: Rob Watson, P.E.
Engineering Services Manager

Date: May 24, 2018

Subject: The Park at Granite Bay Project
Recommendation to Approve IOD Abandonment and Relocation

RECOMMENDATION ACTION

Staff recommends a motion to authorize Staff to approve and accept a request for abandonment of the Irrevocable Offer of Dedication (IOD) for Roadways and Public Utilities Easements on 32 Parcel Map 156. This topic was reviewed by the Engineering Committee and recommended for approval by the Board.

BACKGROUND

The proposed subdivision called The Park at Granite Bay is located on Sierra College Blvd, just to the south of Annabelle Avenue, and north of Haskell Way. This 16.3 acre residential housing project is planned to include a mix of 56 single-family residential one- and two-story homes on lots ranging from 7,150 square feet to 17,196 square feet. The development plans to abandon existing easements (IOD for Road and PUE purposes) and then create new easements with the filing of that subdivisions' Final Map.

A copy of the Request for Abandonment document as received from Placer County on April 27, 2018, is attached for Committee/Board reference. Area K on the Parcel Map filed in Book 32 PM 156 offered the road easement and public utility easement to the public. The road component of Area K was not accepted by Placer County, whereas the PUE was accepted.

The County of Placer has requested either a "pro", "con", or "no objection" response from the District.

STATUS

District Staff have reviewed the Request for Abandonment documents and have found that this abandonment will not impact existing District facilities and is not expected to impact future planned or projected future facilities. District Staff have requested the Developer (Maverick Partners West) to grant the addition of an easement for a waterline on the westerly edge of Lot 17 in the planned development to be added to the final map.

Staff recommends approval of this proposed abandonment, which would essentially be an easement relocation upon improvement plan approval and the filing of the final map, contingent upon the addition of the District's requested waterline easement.

BUDGET IMPACT

There are no costs associated with approval of this Request for Abandonment, and there is no anticipated budget impact associated with a Committee/Board decision to accept this request.

STAFF REPORT

To: Board of Directors
From: Paul Helliker, General Manager
Date: May 27, 2018
Subject: Meter Replacement Program and MOU

RECOMMENDED ACTION

Approve the Memorandum of Understanding for a Regional Meter Replacement Program

BACKGROUND

The Engineering Committee was briefed at its January, 2018 meeting and the Board was briefed at its February, 2018 meeting about the activities being conducted at the District to assess and develop a plan to replace the District's retail meters. Most meters were installed in the District's retail service area starting in 1997 and installation was completed by 2004. There were a few meters installed prior to 1997. In addition, between 2004 and 2017 some meters were replaced with touch read meters. At this time, there are 10,690 meters installed in the retail service area, with 4,180 meters older than 15 years. Typical meter life is between 15-20 years. The current District practice is to replace approximately 1% of the meters per year.

Last year, staff discussed with Citrus Heights Water District the opportunity to collaborate in a meter replacement planning program (Program) and Program Planning Study (Study). These discussions were broadened, and Carmichael, Fair Oaks, Sacramento Suburban Water Districts, the Orange Vale Water Company and the Regional Water Authority all expressed interest in participating at some level in the effort. To formalize the work of the group, a draft Memorandum of Understanding was developed (attached to this report.)

The MOU allows agencies to participate in the Program at one of three different levels: (a) an L1 Party would participate in the Study by providing input and suggestions, but would not be required to pay a share of costs for the Study or related activities, (b) an L2 Party would share in a portion of the cost of the Study, but otherwise would participate as an L1 Party in the balance of the Program, and (c) an L3 Party would participate in the Study fully, including sharing all consultant and related costs. At this point, CHWD and SJWD anticipate participating as L3 Parties, and CWD, FOWD, OVWC, RWA and SSWD will participate as L1 Parties.

Costs of the Study will be shared between the L3 Parties based on their proportional share of total metered water customers for the L3 Parties. All formal decisions will be made by consensus of these parties. CHWD will contract directly with any consultants

and will be reimbursed by SJWD for its share of the costs. If any L1 Party wishes to become an L2 or L3 Party, it may do so under procedures outlined in the MOU.

While the initial focus of the MOU is on the Program Planning Study, it will also allow the parties to collectively accomplish other parts of the Program. To add a Program component to the MOU, any party may notify the other parties. At that point, interested parties can opt-in and specify their level of participation (L1, L2 or L3 Party).

There will be several phases to the Program Planning Study, as follows:

- Phase 1 – Individual Agency Assessment
- Phase 2 – Next Generation Program Options
 - Technology Review (AMI, AMR, Satellite, Cellular, etc.)
 - Purchase Start-Up & Ongoing Maintenance Costs
 - Meter Reading Platform & Data Management/Analytics
 - Customer Service Support
 - Identify Preferred Alternative
- Phase 3 – Implementation Strategy
 - Agency Independently
 - Wholesale Consortium
- Phase 4 – Long Term Planning
 - Operational Plan for Future Replacements
- Phase 5 - Final Report/Plan Adoption

Funding for the Program Planning Study was included in the District's FY 17-18 budget (\$66,000), which will be carried over into the FY 18-19 budget, if the study extends into that fiscal year.

Staff recommends that the Board approve the MOU.

**MEMORANDUM OF UNDERSTANDING
REGARDING WATER METER REPLACEMENT PROGRAM**

THIS MEMORANDUM OF UNDERSTANDING (“**MOU**”) is made and entered into this ____ day of _____, 2018 by and between the Carmichael Water District (“**CWD**”), Citrus Heights Water District (“**CHWD**”), Fair Oaks Water District (“**FOWD**”), Orange Vale Water Company (“**OVWC**”), Regional Water Authority (“**RWA**”), Sacramento Suburban Water District (“**SSWD**”), and San Juan Water District (“**SJWD**”) (individually a “**Party**” and collectively the “**Parties**”).

R E C I T A L S

A. The Parties are in the process of determining how best to replace aging water meters within their respective service areas. This process will likely involve issuing a request for proposals for consultant meter replacement planning services, the preparation of a water meter replacement planning study, the selection of a replacement water meter-type, the development and implementation of a replacement water meter procurement program, and related activities (“**Program**”).

B. CHWD is currently developing a request for proposals (“**RFP**”) for the Program planning study (“**Planning Study**”). The Planning Study is anticipated to include various components, including, but not limited to, an inventory and assessment of meter models currently in use, an evaluation of potential replacement meter technology options and specifications, a summary and assessment of current meter testing programs and options for optimizing performance, an evaluation of potential replacement meter procurement programs and financing models, and a public outreach program for the meter replacement process. The Planning Study is further expected to evaluate the costs and benefits of a single-agency or regional approaches to all applicable portions of the Planning Study. Any component and/or discrete portion of the Planning Study is referred to in this MOU as a “**Component**.”

C. The other Parties wish to collectively participate in this Planning Study (in various capacities and participation levels). The collective sharing of planning costs will result in cost savings by individual agencies and may result in aggregate cost savings due to economies of scale. Moreover, the development of a collaborative regional meter procurement program as part of or due to the Planning Study may result in future operational and maintenance savings and mutual aid service enhancements.

D. The Parties desire to enter into this MOU to outline their respective participation in the Planning Study and to establish a process for potential participation in other aspects of the Program.

T E R M S

NOW, THEREFORE, the Parties in consideration of the mutual promises set forth in this MOU, agree as follows:

1. Purpose of Memorandum of Understanding. The purpose of this MOU is for the Parties to outline their respective levels of participation in the Planning Study and establish a process for potential participation in other aspects of the Program.

2. Participation of the Parties. Each Party shall participate in one of the following three levels of participation:

2.1 L1 Participation. Parties may participate in the development of the Planning Study by attending all planning meetings and sessions coordinated by the L2 and L3 Parties (as defined below), reviewing drafts of the RFP and Planning Study and providing comments and input in the scope and substance of the RFP and Planning Study. Parties participating at this level shall not be required to contribute any funds towards the cost of the Planning Study or the Program. However, L1 Parties may provide input and comments concerning the development of the RFP, selection of consultant for the Planning Study and the development, review and approval of the Planning Study for consideration by the L3 Parties, or L2 and L3 Parties if applicable. The L3 Parties, or L2 and L3 Parties if applicable, may accept, modify, reject or disregard the comments and input of the L1 Parties in their sole discretion. Any Party participating in the Planning Study as set forth in this subsection shall be referred to as an “**L1 Party**.” Subject to the provisions of Subsection 2.4, CWD, FOWD, OVWC, RWA, and SSWD will participate as L1 Parties.

2.2 L2 Participation. Parties may participate in the Planning Study by sharing the costs of any Component or Components of the Planning Study as set forth in this subsection. Any Party participating in the Planning Study as set forth in this subsection shall be referred to as an “**L2 Party**.” L2 Parties shall be responsible for the costs of the applicable Components as set forth in amendment to this MOU executed by all affected L2 Parties and all L3 Parties. Unless otherwise set forth in the amendment, the L2 Party shall be responsible for: (1) a buy-in fee representing the value received by the L2 Party through its participation in the Planning Study as a L1 Party, excluding the Component which shall be determined by the L3 Parties upon execution of the first Consultant Agreement, and (2) the L2 Party’s proportional share of the cost of the Component using the methodology identified in Exhibit A. Such L2 Parties shall participate in the decision-making for that Component(s) of the Planning Study in the same manner as an L3 Party. L2 Parties may participate in the balance of the Planning Study in the same manner as an L1 Party. Although no Party is participating as a L2 Party presently, this option is set forth in this MOU to accommodate any L1 Party that may decide in the future to increase its participation in the Planning Study or to participate as an L2 Party in any Program Project.

2.3 L3 Participation. Parties may participate in the Planning Study by sharing the costs and the decision-making for the entire Planning Study. Any Party participating in the Planning Study as set forth in this subsection shall be referred to as an “**L3 Party**.” L3 Parties shall collaboratively schedule and attend planning meetings and sessions for the development of the RFP and Planning Study, review and evaluate responses to the RFP, determine the selected consultant(s) for the Planning Study, negotiate the Consultant Agreement (as defined below), provide comments and inputs on the development of the Planning Study and approve the final Planning Study. Except as provided in Section 3, all decisions regarding the RFP and Planning Study shall be made by consensus of all L3 Parties and any participating L2 Parties. In the event

of a disagreement between the applicable Parties, the affected Parties shall meet in good faith to resolve the disagreement. If no resolution is reached, a majority vote of the affected Parties on the proposed resolution of the area of disagreement shall control unless there is a tie vote. If there is a tie vote, then the dispute resolution provision in Subsection 2.5 below shall govern. Subject to the provisions of any amendment to this MOU outlining the scope of participation of an L2 Party, L3 Parties shall be responsible for all consultant costs incurred for the Planning Study as set forth in Exhibit A, attached to this MOU and incorporated by this reference. Subject to the provisions of Subsection 2.4, CHWD and SJWD shall participate as L3 Parties.

2.4 Changing Participation Levels. L1 Parties may become L2 Parties upon the execution of an amendment to this MOU signed and approved by all existing L2 and L3 Parties. The amendment shall identify the new L2 Party's responsibility for Planning Study costs, including any costs incurred by the affected L2 and L3 Parties prior to the date of the amendment. L1 and L2 Parties may become L3 Parties upon the execution of an amendment to this MOU signed and approved by all L3 Parties. The amendment shall identify such Party's responsibility for Planning Study costs, including, if agreed to by such Parties, any costs incurred by the L3 Parties prior to the date of the amendment subject to any L2 Party's credit for costs incurred as an L2 Party. L2 and L3 Parties may become an L1 Party at any time prior to the award of the first Consultant Agreement (as defined below) with written notice to the other parties of this Agreement. On such election, the remaining L2 and L3 Parties shall re-allocate the costs of the Planning Study as provided for in Exhibit A. L2 and L3 Parties may become an L1 Party after the award of a Consultant Agreement for the Planning Study only in a written amendment to this MOU approved and signed by all other L2 and L3 Parties. Such amendment shall identify how costs of the Planning Study (those incurred to date and future costs) will be allocated between the Parties.

2.5 Dispute Resolution. If the L3 Parties disagree on a specific issue and a tie vote ensues on a decision on that issue under Subsection 2.3, the L3 Parties shall meet and confer and negotiate in good faith to resolve the issue. If the Parties are unable to resolve the specific issue in dispute after good faith negotiations, they shall either agree to: (1) appoint a panel composed of representatives of the other, non-disputing Parties to hear the disputed issue and render a decision in favor of one side or the other; or (2) engage an outside mediator to attempt to resolve the disputed issue. The L3 Parties may proceed with all other aspects of the Planning Study or Program Project not affected by the dispute. Nothing in this Subsection 2.5, however, prohibits any Party to the dispute from exercising its option to reduce its participation in this MOU to L2 or L1 Party status in accordance with Subsection 2.4.

3. Selection of Consultant and Approval of Planning Study.

3.1 Selection of Planning Study Consultant. Subject to the provisions of Section 2, CHWD shall issue the RFP and award any agreement with consultant(s) for the Planning Study (each a "**Consultant Agreement**"). CHWD shall follow and comply with the laws and regulations applicable to a California irrigation district when doing so. The Planning Study shall be overseen and administered by L2 and L3 Parties as provided in Section 2 of this Agreement.

3.2 Approval of Planning Study. Subject to the provisions of Section 2, each L2 and L3 Party shall approve the Planning Study. The approval shall be by the method preferred by that Party and shall be documented in a writing distributed to all other Parties.

4. Cost Sharing Procedure. CHWD shall pay all costs incurred under the Consultant Agreement(s). CHWD shall then provide all affected L2 and L3 Parties with invoices with sufficient supporting information based on their respective share of the costs. Affected L2 and L3 Parties shall reimburse CHWD for such costs within forty-five (45) days of the date of the invoice.

5. Further Program Activities. Upon completion of the Planning Study, the Parties may wish to collectively accomplish other Program activities (each a “**Program Project**”). Any Party wishing to propose a Program Project may do so with written notice to the other Parties that outlines the scope of the Program Project. Parties wishing to participate in the Program Project shall indicate their desire to do so in writing and whether they wish to participate in the same manner as an L1 Party, L2 Party (if the Program Project may be divided into a discrete component) or L3 Party and such parties shall be deemed L1, L2 or L3 Parties for purposes of the Program Project. Therefore, unless otherwise agreed to by such Parties in an amendment to this MOU, the methodology for sharing Program Project costs, allocation of decision-making authority, award of any consultant and similar agreements, and payment of and reimbursement for invoices shall be the same for the Program Project as set forth in Section 2 and 3 and Exhibit A. Parties may modify their level of participation in the Program Project in the same manner as set forth in Section 2.4.

6. Mutual Indemnification. To the maximum extent allowed by law, each Party hereby agrees to indemnify, defend, assume all liability for and hold harmless the other Parties and their officers, employees, agents and representatives from all actions, claims, suits, penalties, obligations, liabilities, damages to property, costs and expenses (including without limitation any fines, penalties, judgments, actual litigation expenses and attorneys’ fees), and/or personal injuries or death to any persons (collectively, “**Claims**”), arising out of or in any way connected to the negligence or willful misconduct of that Party, its officers, agents or employees in connection with or arising from any of the activities under this MOU.

7. No Waiver. The waiver by any Party of any breach or violation of any requirement of this MOU shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this MOU.

8. Notices. Any notice or other communication (“Notice”) which any Party may desire to give to the other Parties under this MOU must be in writing and may be given by any commercially acceptable means, including via first class certified mail, personal delivery or overnight courier, to the Party to whom the Notice is directed at the address of the Party as set forth below, or at any other address as that Party may later designate by Notice. Any Notice shall be deemed received immediately if delivered by hand, on the third day from the date it is postmarked if delivered by first-class mail, certified and postage prepaid, return receipt requested, and on the next business day if sent via nationally recognized overnight courier.

CWD: Carmichael Water District
7837 Fair Oaks Blvd
Carmichael, CA 95608

CHWD: Citrus Heights Water District
6230 Sylvan Road
Citrus Heights, CA 95610 (physical)

P.O. Box 286
Citrus Heights, CA 95611 (mailing)

FOWD: Fair Oaks Water District
10326 Fair Oaks Blvd.
Fair Oaks, CA 95628

OVWC: Orange Vale Water Company
9031 Central Avenue
Orangevale, CA 95662 (physical)

P.O. Box 620800
Orangevale, CA 95662 (mailing)

RWA: Regional Water Authority
5620 Birdcage Street, Ste. 180
Citrus Heights, CA 95610

SSWD: Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821

SJWD: San Juan Water District
9935 Auburn Folsom Rd.
Granite Bay, CA 95746 (physical)

P.O. Box 2157
Granite Bay CA 95746 (mailing)

9. Interpretation; Venue.

9.1 Interpretation. The headings used herein are for reference only. The terms of the MOU are set out in the text under the headings.

9.2 Venue. This MOU is made in Sacramento County, California. The venue for any legal action in state court filed by any Party to this MOU for the purpose of interpreting or enforcing any provision of this MOU shall be in the Superior Court of California, County of Sacramento.

10. Third-Party Beneficiaries. Nothing contained in this MOU shall be construed to create any rights in third parties and the Parties do not intend to create such rights.

11. Severability. If any provision of this MOU, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this MOU.

12. Amendment of MOU. This MOU may be amended at any time by mutual agreement of the Parties. Unless approval of an amendment is within the authority of less than all Parties as provided in Section 2, any amendment shall be in writing and signed by all Parties. Notwithstanding the foregoing, any public agency or mutual water company located in Placer or Sacramento County not a signatory to this MOU may become an L1 Party upon the execution of a writing indicating its assent to be bound by the terms and conditions of this MOU applicable to L1 Parties. The form of such writing shall be developed by CHWD after consultation with all other Parties. In addition, any L1 Party may withdraw from this MOU with written notice to the other Parties.

13. Entirety of Contract. This MOU constitutes the entire agreement between the Parties relating to the subject of this MOU and supersedes all previous agreements, promises, representations, understandings and negotiations, whether written or oral, among the Parties with respect to the subject matter hereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this MOU was executed by the parties hereto as of the date first above written.

CARMICHAEL WATER DISTRICT

SAN JUAN WATER DISTRICT

By: _____
General Manager

By: _____
General Manager

CITRUS HEIGHTS WATER DISTRICT

By: _____
General Manager

FAIR OAKS WATER DISTRICT

By: _____
General Manager

ORANGE VALE WATER COMPANY

By: _____
General Manager

REGIONAL WATER AUTHORITY

By: _____
Executive Director

SACRAMENTO SUBURBAN WATER DISTRICT

By: _____
General Manager

EXHIBIT A

COST ALLOCATION METHODOLOGY

The costs of the Planning Study shall be allocated between the current L3 Parties based on their proportional share of metered customers or customers that are required to be metered (whether or not they actually are metered). The number of customer accounts and share of costs is set forth below:

	<u># of Meter Connections</u>	<u>% of Total</u>
CHWD	19,937	65.2%
SJWD	10,636	34.7%
TOTAL	30,573	100%

Any Party wishing to participate as an L2 or L3 Party may do so pursuant to the provisions of Section 2.4. In the event that an L2 Party is added to the MOU under Section 2.2, the methodology above shall be utilized when determining the L2 Party's responsibility for the cost of the Component provided that the number of metered customers or customers that are required to be metered (whether or not they actually are metered) shall be used when calculating the L2 Party and the other L3 Parties' responsibility for the cost of the Component.

Any buy-in fees paid by L2 Parties shall be applied to the total amount owed by the L3 Parties with the buy-in prorated among the L3 Parties in the same manner as costs are allocated as set forth above. If the buy-in fees exceed the amount owed for the completion of the Planning Study or any Program Activity, the balance shall be refunded to the L3 Parties prorated among the L3 Parties in the same manner as costs are allocated as set forth above.

STAFF REPORT

To: Board of Directors
From: Paul Helliker, General Manager
Date: May 27, 2018
Subject: 2018 Water Transfer

RECOMMENDED ACTIONS

- 1. Adopt Resolution 18-07 to approve the Negative Declaration for a 2018 Temporary Water Transfer of Pre-1914 Water Right water and to approve the 2018 Temporary Water Transfer (project)***
- 2. Authorize the General Manager to approve and execute all necessary agreements for a 2018 Temporary Water Transfer of Pre- and Post-1914 Water Rights water***

BACKGROUND

District staff has been working for several months on securing the transfer and sale of surface water to water users downstream. In February, after a very dry winter, it looked like there would be a robust market for transfers, at a very attractive price. Then the storms in March and April occurred, bringing reservoir levels above average and precipitation to near-normal levels. Water allocations in both the state and federal water projects were increased commensurately, and the number of agencies interested in purchasing water decreased significantly. However, there are still agencies in the southern part of the San Joaquin Valley that remained interested in purchasing water from north-of-Delta suppliers.

We have been working with a regional coalition of agencies to develop a package of groundwater substitution transfers to meet part of this demand. Fair Oaks Water District and Citrus Heights Water District are planning to increase their groundwater pumping in July, August and September above their recent levels, which will offset surface water supplies the District would have otherwise delivered to them for the use by their customers. The foregone surface water supply will be made available for transfer to other buyers. Similar actions are planned by Carmichael and Sacramento Suburban Water Districts, and the City of Sacramento. The buyers are the Kern County Water Agency and the Dudley Ridge Water District (in Kings County). The following table explains the planned maximum amounts of groundwater and surface water deliveries:

Table 1 – Groundwater Substitution and Surface Water Transfer Quantities by Seller

Groundwater Substitution quantity (acre-feet)							
	FOWD	CHWD	SSWD		City of Sac own serv.	CWD own serv.	Total GW Sub
	own serv.	own serv.	own serv.	into City			
Jul	725	725	800	700	1,300	200	4,450
Aug	725	725	1,000	700	1,300	200	4,650
Sep	725	725	400	700	1,300	200	4,050
	2,175	2,175	2,200	2,100	3,900	600	13,150

Surface water transfer quantity with 8% stream depletion adjustment (acre-feet)						
	SJWD		City of Sacramento		CWD	Total SW to Transfer
	to FOWD	to CHWD	to SSWD	own serv.	own serv.	
Jul	667	667	736	1,840	184	4,094
Aug	667	667	920	1,840	184	4,278
Sep	667	667	368	1,840	184	3,726
	2,001	2,001	2,024	5,520	552	12,098

Note: CHWD will be revised to 2,000 acre-feet of GW Substitution pumping, allowing for 1,840 acre-feet of transfer water.

Transfer of Pre-1914 Water Right Water

The District is proposing to transfer 2,000 AF of pre-1914 water to the buyers, to be offset by the production of 2,175 AF of groundwater by Fair Oaks. Staff has requested that the Bureau of Reclamation release 2,175 AF of pre-1914 water right water, at a rate of 23.9 AF/day, from Folsom Dam for this transfer. This amount is larger than the transfer amount by 8% to compensate for the depletion of the water flowing down the river that migrates into the groundwater basin as a result of the additional pumping (known as the “streamflow depletion factor.”)

To conduct this transfer, the District initiated a process for environmental review, pursuant to the California Environmental Quality Act (CEQA.) On April 12, 2018, District staff completed an “Initial Study/Environmental Checklist”, a “Proposed Negative Declaration,” and a “Notice of Intent to Adopt a CEQA Negative Declaration”. These required CEQA documents were a prerequisite for the District to move forward with the Project to undertake the “2018 Temporary Water Transfer of Pre-1914 Water Rights Water to Dudley Ridge Water District and Kern County Water Agency”.

The documents were posted to the District’s web site, a public notice of availability was published, and the public comment period on the proposed Negative Declaration (ND), which is provided as Attachment 2 to this report, began on April 17, 2018 and ended on May 17, 2018. The “Notice of Intent” (NOI) was published in the Sacramento Bee on April 15, 2018. The NOI was also recorded as having been received by the County Clerks of the Counties of Sacramento (April 18), Placer (April 16), Kings (April 16), Kern (April 17), and Contra Costa (April 18). The proposed ND was also submitted to the

State Clearinghouse on April 12, 2018. In a May 15, 2018 letter to the District, the Clearinghouse reported that no agencies had submitted comments to it regarding the District's proposed ND. On May 10, 2018, the District received comment letters via e-mail from the California Department of Fish and Wildlife and the California Department of Water Resources. A "Response to Comments" document is included as Attachment 3.

To complete the CEQA process, the Board is required to approve the ND and the project, which staff recommends that it do. Attachment 1 to this report is the proposed resolution that would effectuate these decisions.

Transfer of Post-1914 Water Right Water

We are also proposing to transfer 1,840 AF of post-1914 water right water to the buyers, to be offset by the production of 2,000 AF of groundwater by Citrus Heights. We have requested that the Bureau of Reclamation release 2,000 AF of post-1914 water right water, at a rate of 22.0 AF/day, from Folsom Dam for this transfer. This amount is also larger than the transfer amount by 8% to accommodate the streamflow depletion factor.

This transfer is being conducted via a petition to the State Water Resources Control Board for a change in the place of use of our water and a change in the uses to which it can be put (to include agricultural irrigation.) This petition was delivered to the Board on May 10, and the required notices have been issued. Comments on this petition are due to the Board by June 20, 2018. Documents associated with this petition can be found on our website at the "What's New" link: <https://www.sjwd.org/what-s-new>. This portion of the transfer is exempt from CEQA review under Water Code section 1729, but it is subject to State Water Board approval.

Financial Information

The price that has been negotiated for this transfer is \$400/AF of transferred water. This amount would be divided up in the following manner:

- \$250/AF of transferred water to the groundwater provider (Fair Oaks or Citrus Heights)
- \$81/AF to San Juan to offset the foregone revenue from treated surface water that would otherwise be delivered to Fair Oaks or Citrus Heights
- \$34.50/AF each to San Juan and Citrus Heights or Fair Oaks (50/50 division of the remaining proceeds)

The total anticipated gross revenue received by each agency is thus expected to be \$443,520 to San Juan, \$523,480 to Citrus Heights and \$569,000 to Fair Oaks.

Authority to Proceed

To complete this transfer, the District will need to execute a number of documents, including the following:

- Buyer-Seller Agreement between San Juan and the Buyers
- Conveyance Agreement among San Juan, the Department of Water Resources and the Buyers
- Groundwater Supply Agreements between San Juan and both Fair Oaks and Citrus Heights

Staff recommends that the Board authorize the General Manager to execute all such documents associated with this transfer, per the terms and conditions noted in this staff report and the attached documents.

RESOLUTION NO. 18-07

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SAN JUAN WATER DISTRICT
ADOPTING A CEQA NEGATIVE DECLARATION FOR
A TEMPORARY WATER TRANSFER TO THE
DUDLEY RIDGE WATER DISTRICT AND
THE KERN COUNTY WATER AGENCY,
AND RELATED ACTIONS**

WHEREAS, as part of a regional water transfer proposed to be conducted by several American River water agencies, the District proposes to temporarily transfer up to 2,000 acre-feet (AF) of its pre-1914 water rights water to the Dudley Ridge Water District (DRWD) and the Kern County Water Agency (KCWA) for their use during 2018 as described in the *Initial Study 2018 Temporary Water Transfer of Pre-1914 Water Rights Water to Dudley Ridge Water District and Kern County Water Agency*, dated April 12, 2018 (the "Initial Study"), which is available at the District office (the "Project");

WHEREAS, the District provides wholesale water service to customers in northeastern Sacramento County and southern Placer County including using its pre-1914 water rights water supplies with an 1853 priority, which have been quantified and are made available on a perpetual, no-cut basis by the United States Bureau of Reclamation under a 1954 settlement contract;

WHEREAS, the transfer water will be released from Folsom Dam, conveyed to the southern Delta via the American and Sacramento Rivers, pumped into the California Aqueduct through the Department of Water Resources' (DWR) Harvey O. Banks Pumping Plant, and delivered to the Buyers via SWP facilities;

WHEREAS, the Fair Oaks Water District (FOWD), a wholesale customer of the District, will pump groundwater in lieu of receiving surface water from the District that FOWD would normally purchase to serve its customers;

WHEREAS, the increased groundwater pumping by FOWD to serve its customers will occur within existing historical baselines and in accordance with all applicable requirements of an existing groundwater management plan and conjunctive use accounting framework administered by the Sacramento Groundwater Authority (SGA);

WHEREAS, the District has prepared the Initial Study for the Project pursuant to the California Environmental Quality Act and CEQA Guidelines (collectively "CEQA");

WHEREAS, the Initial Study concluded that the Project will not have a significant effect on the environment;

WHEREAS, the District therefore proposed a CEQA Negative Declaration for the Project, and a notice of intent to adopt a negative declaration was circulated for public review and comment in accordance with CEQA requirements;

WHEREAS, the District has considered the comments received in response to the notice of intent; and

WHEREAS, the District General Manager has recommended that the Board of Directors adopt the Negative Declaration, authorize the filing of a CEQA Notice of Determination, and approve the Project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Juan Water District as follows:

1. Negative Declaration. The Board hereby adopts the attached Negative Declaration for the Project pursuant to CEQA. The Board has reviewed the proposed Project, Initial Study, comments received on the proposed negative declaration, and other documents and information from District staff. On the basis of this information and the whole record before the District, the Board hereby finds and determines as follows:

a. The Initial Study and Negative Declaration reflect the District's independent judgment and analysis;

b. There is no substantial evidence, in light of the whole record before the District, that the Project may have a significant effect on the environment.

c. The District received two comments on the proposed negative declaration, from the California Department of Fish and Wildlife (CDFW) and the California Department of Water Resources (DWR), has considered those comments and has concluded that those comments do not present substantial evidence to support a fair argument that the Project may have a significant environmental impact for the following reasons:

i) Concern regarding potential groundwater impacts. The commenters' concerns related to potential impacts of the Project on groundwater conditions are well taken but addressed by the fact that the groundwater to replace the transferred surface water will be pumped from existing FOWD municipal wells that have been constructed to meet all required standards and will be operated within historical baseline pumping amounts in accordance with the Sacramento Groundwater Authority's (SGA) existing groundwater management plan and water accounting framework that accounts for FOWD's conjunctive use efforts by use of surface water supplied by the District. Moreover, the Project will include conditions for certification of groundwater wells, a monitoring, measurement and mitigation plan, and accounting in accordance with the DWR and United States Bureau of Reclamation December 2015 "Water Transfer White Paper", which conditions are intended to address any unreasonable effects on fish, wildlife, or other instream beneficial uses and the overall economy and environment of the county from which the water is being transferred as provided in Water Code section 1810(d). Also, as SGA is the Groundwater Sustainability Agency for the pertinent groundwater subbasin, Sustainable Groundwater Management Act (SGMA) considerations have been integrated into the Project.

2. Location and Custodian of Documents. The Initial Study, documents referred to in the Initial Study, notice of intent to adopt a negative declaration, Negative Declaration,

and other documents concerning the Project are on file and available for public review at the District office at 9935 Auburn Folsom Road, Granite Bay CA 95746. The District General Manager at this address is the custodian of the documents that constitute the record of proceedings upon which the decision in this matter is based.

3. Project Approval. The Board hereby approves the Project and authorizes the District General Manager to proceed with Project implementation, subject to applicable contracts, laws and regulations.

4. Notice of Determination. The Board hereby authorizes and directs the General Manager to prepare, sign and file a CEQA Notice of Determination with the County Clerks in Sacramento, Placer, Kings, Kern, and Contra Costa Counties and with the State Clearinghouse within five days from the date of the adoption of this resolution, and to pay the applicable California Department of Fish and Game CEQA fee.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 24th day of May 2018 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Martin Hanneman
President, Board of Directors

Attest:

Teri Grant
Board Secretary

SAN JUAN WATER DISTRICT NEGATIVE DECLARATION

Pursuant to the California Environmental Quality Act and CEQA Guidelines, the San Juan Water District hereby adopts a Negative Declaration for the following project:

PROJECT TITLE: 2018 Temporary Water Transfer of Pre-1914 Water Rights water to Dudley Ridge Water District and Kern County Water Agency.

**PROJECT PROPONENT
AND LEAD AGENCY:** San Juan Water District
P.O. Box 2157, Granite Bay, CA 95746; Principal Contact:
Greg Zlotnick, Water Resources Manager, 916-791-6933

PROJECT DESCRIPTION AND LOCATION

As part of a regional water transfer proposed to be conducted by several American River water agencies, San Juan Water District (SJWD) is proposing to temporarily transfer up to 2,000 acre-feet (AF) of its pre-1914 water rights water supplies to provide supplemental water supplies to two State Water Project (SWP) contractors; Dudley Ridge Water District (DRWD) and Kern County Water Agency (KCWA), collectively the “Buyers”.

SJWD provides wholesale water service to customers in northeastern Sacramento County and southern Placer County. SJWD’s pre-1914 water rights water supplies have an 1853 priority and been quantified and are made available on a perpetual, no-cut basis by the United States Bureau of Reclamation under a 1954 settlement contract.

Fair Oaks Water District (FOWD), a wholesale customer of SJWD, will pump groundwater in lieu of receiving surface water from SJWD that FOWD would normally purchase to serve its customers. That foregone surface water constitutes the water being transferred (“transfer water”) to the Buyers. The increased groundwater pumping by FOWD to serve its customers will occur within existing historical baselines and in accordance with all applicable requirements of an existing groundwater management plan and conjunctive use accounting framework administered by the Sacramento Groundwater Authority (SGA).

DRWD and KCWA manage and operate facilities for the distribution of SWP water to customers in each of their respective service areas. The DRWD serves only agricultural lands in southern Kings County on the western edge of the San Joaquin Valley, with its primary water source being imported supplies from the SWP. The KCWA is comprised of 13 “Member Units” that depend on imported SWP water for approximately one-third of their normal water supply portfolio.

In July through September of 2018, the transfer water will be released from Folsom Dam, conveyed to the southern Delta via the American and Sacramento Rivers, pumped into the California Aqueduct through the Department of Water Resources’ (DWR) Harvey O. Banks Pumping Plant, and delivered to the Buyers via SWP facilities. The transfer water may be

temporarily stored in San Luis Reservoir for later delivery to an individual Buyer's service area.

For more information concerning the project, see the *Initial Study; 2018 Temporary Water Transfer of Pre-1914 Water Rights water to Dudley Ridge Water District and Kern County Water Agency* (the "Initial Study"), which is available for review and copying during regular business hours at the District office at 9935 Auburn Folsom Road, Granite Bay, CA 95746.

PURPOSE OF AND NEED FOR THE PROPOSED PROJECT

The purpose and need for the proposed water transfer is to facilitate efficient delivery and re-allocation of water between a willing seller and willing buyers under California law, subject to the Buyers' water service contracts with the California Department of Water Resources (DWR) that allows use of SWP facilities for delivery of non-Project water. The Buyers anticipate deficits in their SWP water allocations for municipal, industrial, and irrigation uses in 2018 (traditional uses within their service areas).

SJWD is making up to 2,000 acre-feet of its pre-1914 water rights water available for transfer to the Buyers because the FOWD, one of its wholesale customers, is able to provide groundwater substitution water for use in the FOWD service area when it would otherwise receive the treated surface water that SJWD will be temporarily transferred in 2018. This water transfer will offset the impacts of projected water shortages in the Buyers' service areas. SJWD has the right to transfer a portion of its pre-1914 water right supply under Water Code section 1706, which permits a change in the place of use, purpose of use or point of diversion or rediversion, as long as the transfer would not injure another party that has a legal right to that water and SJWD complies with the requirements of CEQA. DWR is required to facilitate the transfer of water between willing sellers and willing buyers, subject to applicable terms and conditions of its water service contracts with the Buyers and the availability of excess conveyance capacity in SWP facilities. The voluntary transfer of water to help meet California's water supply needs is a favored policy of the State of California. (See, e.g., Water Code sections 109, 475, 1011, 1014, 1017 and 1810.)

BACKGROUND INFORMATION

San Juan Water District

SJWD began as the North Fork Ditch Company in 1854. The District, as it exists today, was formed in 1954 as California's first community services district. SJWD's wholesale area covers approximately 46 square miles and serves a population of approximately 151,000. The District's water supply sources are: (1) a settlement contract with the U.S. Bureau of Reclamation (Reclamation) that provides, in perpetuity without reductions, for the delivery of 33,000 acre-feet of water from the American River based upon the District's water rights, which have priority dates of 1853 and 1928; (2) a long-term contract with Reclamation for 24,200 acre-feet of Central Valley Project water; and, (3) a contract with Placer County Water Agency (PCWA) for up to 25,000 acre-feet of water. All sources of surface water are either stored or flow through Folsom Lake and delivery is taken at Folsom Dam outlets, either by gravity or pumped by Reclamation's Folsom Pumping Plant.

Fair Oaks Water District

The FOWD, a wholesale customer of the SJWD, retails water to approximately 40,000 municipal and industrial customers in eastern Sacramento County. It normally relies on SJWD surface water deliveries to meet approximately 90% of its demands. The other 10% is sourced from local groundwater pumped by wells owned and operated by FOWD.

Dudley Ridge Water District and Kern County Water Agency

The Buyers are SWP contractors that receive annual allocations of water from DWR. DRWD relies heavily on that SWP supply, does not access local groundwater, but does participate in groundwater banking and water exchanges sources from outside of its boundaries. KCWA, in addition to its SWP supplies, also accesses Central Valley Project water supplies, local and regional groundwater, and local surface waters.

FINDINGS

SJWD has directed the preparation of an Initial Study on the proposed project in accordance with the requirements of the California Environmental Quality Act (CEQA). The Initial Study has been prepared to assess the proposed project's potential effects on the environment and the significance of those effects. Based on the Initial Study, and the findings below, SJWD finds that there is no substantial evidence, in light of the whole record before the District, that the Project may have a significant effect on the environment. This conclusion is supported by the following findings:

- As the result of FOWD providing groundwater to its customers in lieu of the surface water it would otherwise receive from SJWD (the transfer water), the proposed project will not affect the ability of SJWD or FOWD to sufficiently serve the water requirements of their customers. FOWD will pump groundwater within its historical baseline pumping and in accordance with applicable requirements of the SGA groundwater management plan and water accounting framework. The surface water that SJWD will transfer otherwise would have been delivered to FOWD and is within the baseline amounts historically delivered to FOWD.
- The groundwater substitution transfer project was carefully planned and carried out by SJWD, in collaboration with FOWD, in furtherance of California law and policy encouraging more efficient use of water resources locally and statewide.
- The proposed 1-year transfer offsets shortages in the Buyers' 2018 imported water deliveries from the SWP. Neither conveyance of the transfer water to the Buyers, nor use of the transfer water within Buyers' respective service areas, results in a change in physical environment different from what would occur through the management of the Buyers' other existing sources of water. The transfer would not result in any impact to streams or habitat for listed species, nor result in any growth-inducing impacts in the Buyers' service areas.
- There will be no significant impact on the environment because DWR's and pumping of the transfer water will be subject to all past and future State Water Board decisions

and orders, and applicable regulations and approvals, including federal biological opinions, court orders and regulatory requirements governing Delta water quality and operation of the SWP export facilities.

- There would be no significant environmental impact on the operation of Folsom Reservoir, which has a capacity of nearly one million AF, resulting from this project. Reclamation has been operating the reservoir since 1954 in part to divert, temporarily store as needed, and deliver water to SJWD under its existing water rights and contractual entitlements. The only change in operations would be delivering water for transfer at the outlet of Folsom Dam as opposed to delivering it to SJWD at the municipal intake in the dam. In fact, there may be incidental benefit to the environment of an additional 2,000 acre-feet of flow down the American River of the transfer water that would normally be diverted to SJWD at Folsom Dam.
- There are no significant direct, indirect, or cumulative impacts from implementation of the proposed project in 2018.
- There are no construction-related activities related to the proposed project.
- The project would not substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, reduce the number or restrict the range of a special-status species, or eliminate important examples of California history or prehistory.
- The project would not achieve short-term environmental goals to the disadvantage of long-term environmental goals.
- The project would not have environmental effects that are individually limited but cumulatively considerable.
- The project would not have environmental effects that would cause substantial adverse effects on human beings, either directly or indirectly.
- The Negative Declaration reflects the independent judgment of the Lead Agency.

In accordance with Section 21082.1 of CEQA, SJWD has independently reviewed and analyzed the Initial Study and Negative Declaration for the proposed project and finds that the Initial Study and Negative Declaration reflect the independent judgment of SJWD. Based on a review of project impacts above, it is anticipated that there will be no significant environmental impacts as a result of this project. Therefore, no mitigation is required, and the project is hereby approved.

May 24, 2018

Paul Helliker, General Manager
San Juan Water District

SAN JUAN WATER DISTRICT – RESPONSE TO COMMENTS RE: PROPOSED NEGATIVE DECLARATION FOR THE
 2018 Temporary Water Transfer of Pre-1914 Water Rights water to
 Dudley Ridge Water District and Kern County Water Agency

COMMENTER	COMMENT	RESPONSE
California Department of Water Resources (DWR)	1. Request for “substantial evidence” to support determination of no significant impact to demonstrate compliance with CEQA 15070(a).	1. The Initial Study/Environmental Checklist and proposed Negative Declaration provide substantial evidence to support of the determination of no significant impact. In addition, the 2,000 AF San Juan is proposing to transfer is part of a larger group effort that has been submitted to DWR and its SWPAO for analysis and approval, as well as described in a petition and environmental information submittal for San Juan’s transfer of up to 2,175 AF of its post-1914 water supply under Water Code sections 1725-1732. The information in those documents provides additional substantial evidence that there will be no significant impacts from the proposed transfer described in the CEQA documents.
	2. Request for the “referenced groundwater monitoring and mitigation plan in the CEQA document.”	2. San Juan’s CEQA documents referenced both the 2014 SGA Groundwater Management Plan and Groundwater Accounting Framework, which may be accessed at: http://www.sgah2o.org/groundwater-management-plan/ and http://www.sgah2o.org/programs/groundwater-management-program/water-accounting-framework/ , respectively. In addition, DWR will require San Juan to adopt and implement a mitigation and monitoring plan under the requirements of the 2015 Water Transfer White Paper, which has been submitted by San Juan to DWR and is currently under DWR review.
California Department of Fish and Wildlife (CDFW)	3. Concern with potential cumulative impacts on groundwater resources associated with the proposed transfer and future transfers related to the Sustainable Groundwater Management Act’s (SGMA) requirements to incorporate protection of Groundwater Dependent Ecosystems in Groundwater Sustainability Plans and the need to coordinate with Groundwater Sustainability Agencies.	3. Groundwater to replace the transferred surface water will be pumped from existing municipal wells that have been constructed to meet all required state and local standards and will be operated within historical baseline pumping amounts and the basin’s established safe yield in accordance with the Sacramento Groundwater Authority’s (SGA) existing AB 3030 groundwater management plan and water accounting framework. Also, SGA is the Groundwater Sustainability Agency for the pertinent groundwater subbasin and SGMA considerations have been integrated into the project. Furthermore, San Juan’s wholesale customer agency providing the groundwater to support this transfer, Fair Oaks Water District (FOWD), has been using surface water in lieu of pumping groundwater for its municipal supply to help sustain basin health. San Juan and FOWD have coordinated this proposed transfer with SGA to ensure that it avoids any impacts on the basin.

SAN JUAN WATER DISTRICT – RESPONSE TO COMMENTS RE: PROPOSED NEGATIVE DECLARATION FOR THE
*2018 Temporary Water Transfer of Pre-1914 Water Rights water to
 Dudley Ridge Water District and Kern County Water Agency*

COMMENTER	COMMENT	RESPONSE
CDFW (cont'd)	4. Request to report any special status species and natural communities detected.	4. Because the Project will rely on existing facilities, not require the construction or alteration of any such facilities, and will be conveyed through existing natural and human-created water conveyancing systems within historical flow amounts and patterns and conducted in compliance with all existing regulatory requirements, no special status species or natural communities will be effected by the transfer. The Project's DWR-required monitoring program will comply with all requirements and, if any special status species or natural communities are detected, they will be reported.
	5. Filing Fees.	5. San Juan is aware of the CEQA requirement for lead agencies to pay fees to defray the costs of CDFW's review of CEQA negative declarations. San Juan will pay the required fee amount if the Board of Directors adopts the proposed negative declaration and approves the Project at the time the notice of determination is filed as required by Fish & Game Code section 711.4 and Public Resources Code section 21089(b).

STAFF REPORT

To: Board of Directors
 From: Paul Helliker, General Manager
 Date: May 24, 2018
 Subject: 2017/18 Water Mains and Services Replacement Project – Douglas Blvd and Auburn Folsom Road Traffic Control and Mitigation Measures

RECOMMENDED ACTION

For Informational purposes only, no action required. This topic was discussed with the Engineering Committee on May 15, 2018.

BACKGROUND

The purpose of this Staff Report is to present the traffic management measures that are being carefully considered and implemented into the design and construction of the Douglas Boulevard (Auburn-Folsom Road to Mooney Drive) Water Main Replacement Project. This Project is one of the two projects included in the District’s recently bid 2017/18 Water Mains and Services Replacement Project, and it has a potential to disrupt traffic flow and public access to businesses at a busy roadway location.

Traffic control and disruption mitigation, and other public relations and informational measures which are employed during the construction phase of this project are recognized as an important factor in the successful outcome of this construction project.

PROJECT DESCRIPTION

The Project involves the installation of approximately 4,035-ft of new 12-inch water main on Douglas Blvd to replace the existing main beginning from approximately 330-ft west of the intersection with Auburn Folsom Road and ending at the intersection with Mooney Drive. The following figure provides the limits of construction and the planned phasing.

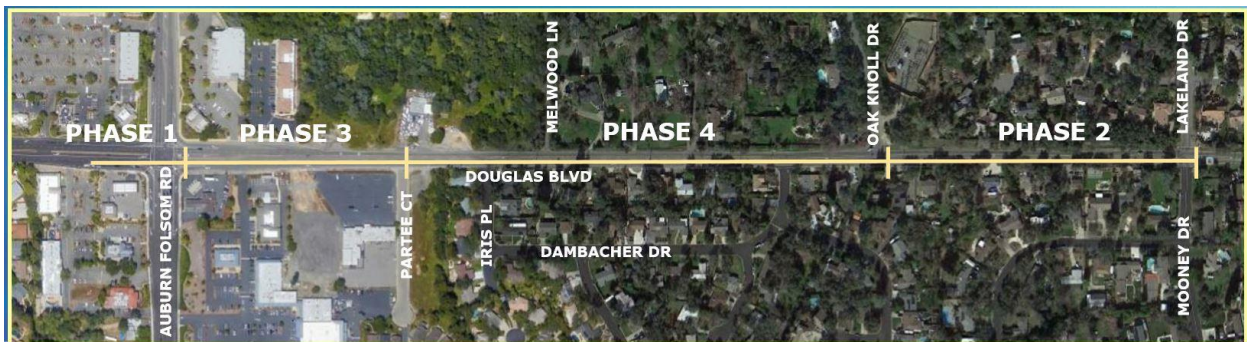


Figure 1 – Project Limits and Planned Construction Phasing

However, the approximately 200-ft of pipe to be installed at the intersection of Douglas Blvd and Auburn Folsom Road (Phase 1 in the figure above) is the area considered to have the greatest potential to impact traffic flow and business access. The remainder of

the water main to be installed east of the Douglas Blvd and Auburn Folsom Road intersection is not expected to have significant impact on traffic considering the width of the road and the relatively low volume of traffic.

PROJECT DESIGN CONSIDERATIONS

There are several traffic control and business access mitigation measures included in the design and construction of this Project. The first measure was to utilize pipe bursting methods at the intersection of Douglas Blvd and Auburn Folsom Rd. Pipe bursting is a trenchless technology where the existing pipe to be replaced becomes the sacrificial “host” pipe, meaning the new pipe is pulled through the same alignment and profile of the existing pipe. Because the existing alignment and profile are utilized, only insertion and receiving pits are required in lieu of the traditional open cut trench installation method where long sections of the roadway would be disturbed thus having a greater impact on traffic flow. By utilizing pipe bursting installation methods in the design at the crossing of the intersection of Douglas Blvd and Auburn Folsom Rd, traffic is expected to continue to steadily move through the intersection without experiencing substantial effect to the flow or speed of traffic.

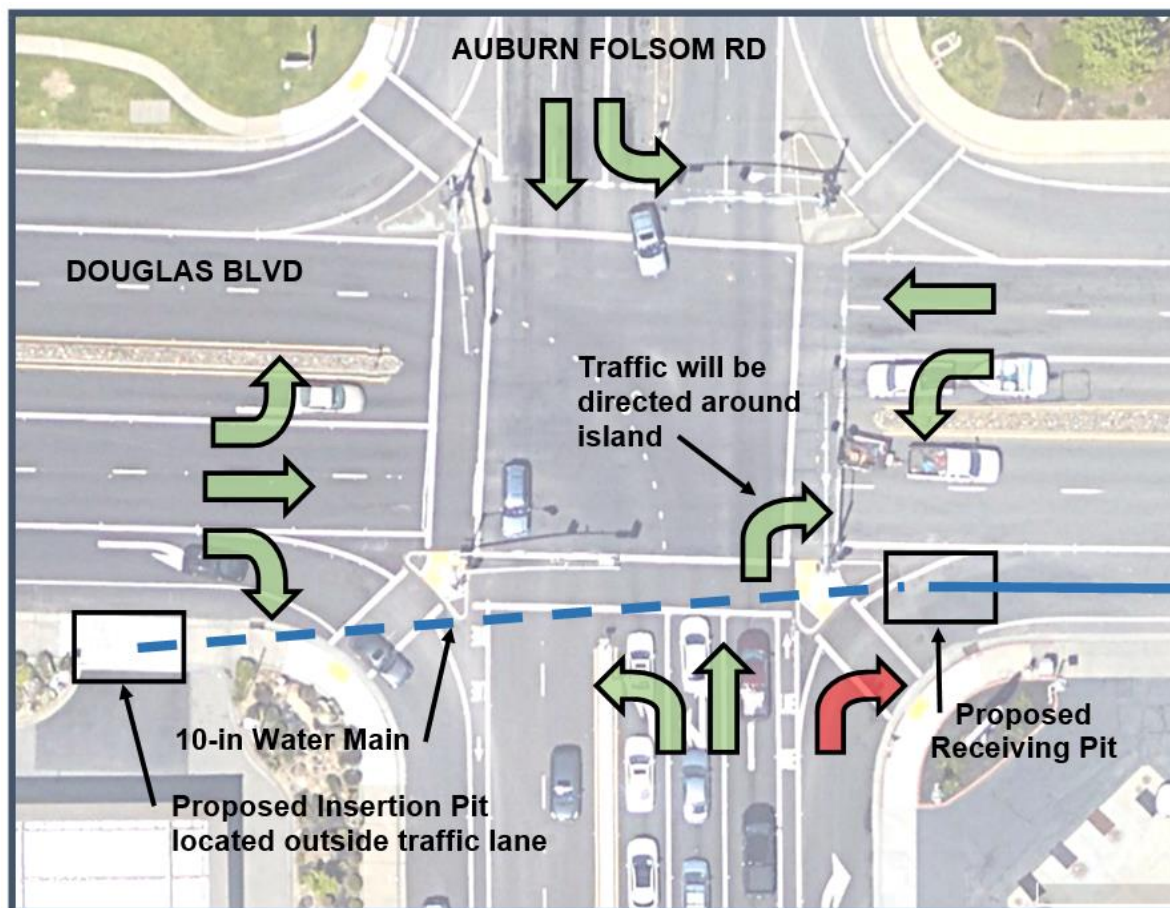


Figure 2 – Estimated traffic flow patterns during construction

The location of the insertion and receiving pits and their respective impacts on traffic were also considered during design. The proposed insertion pit as shown in Figure 2, is located outside the traffic lane and should allow east-bound traffic on Douglas Blvd to

turn south onto Auburn Folsom Rd without significant impact on the typical flow of traffic. However, due to the location of the proposed receiving pit, the Contractor must close the right-turn lane to north-bound traffic on Auburn Folsom Rd turning east onto Douglas Blvd. As shown in Figure 1, traffic will be redirected around the existing island. This is the most probable location where construction will have an impact on the typical traffic flow through the intersection.

It should be noted that during pre-design site visits, traffic patterns at the intersection were closely observed. It was noted approximately 75-percent of north-bound traffic on Auburn Folsom Rd turned west onto Douglas Blvd, approximately 20-percent of the traffic continued north-bound on Auburn Folsom Rd, and approximately 5-percent turned east onto Douglas Blvd. Therefore, the proposed location of the receiving pit should have very limited impact on the majority of the traffic at the intersection.

Another decision made early in the design process was to review the District's hydraulic model to determine the appropriate size for the new water main to be installed across the intersection of Douglas Blvd and Auburn Folsom Rd. Recent improvements to the District's Retail distribution system have improved hydraulics in the surrounding area of the Project, and after careful review, it was concluded a 10-inch diameter pipe was adequate to handle current and future system demands for the portion of the new water main crossing the intersection of Douglas Blvd and Auburn Folsom Rd. By selecting the smaller 10-inch diameter pipe (instead of a 12-inch pipe), it was determined pipe bursting the existing main will be easier for the Contractor and speed up the construction process, thus limiting the impacts to the intersection.

Finally, prior to completing the design and putting the project out for bid, the District submitted the Utility Encroachment Permit to Placer County which allowed the County adequate time to review and comment on the project plans. This also allotted the District time to coordinate with the County and revise the project plans prior to the closing of the bid period, and ensure that all prospective contractors would be aware of the permit requirements during construction. As a result of the County review, one of the requirements that was added to the project plans was lane closures shall be limited to being between the hours of 8:30 am to 3:30 pm, which will limit the impacts of construction to being during the periods of off-peak traffic flows.

However, per the Contract Documents and the Placer County Encroachment Permit, the Contractor is required to submit Traffic Control Plans to Placer County for approval prior to construction. The ultimate decision regarding traffic control including signage, lane closures, etc., will be at the discretion of the County. It will be the responsibility of District staff and the Contractor to work closely with the County to determine the best construction methods to limit the impacts to the public.

PUBLIC OUTREACH AND INFORMATIONAL CONSIDERATIONS

In addition to the design period considerations, there are several public outreach and public information tasks being implemented during the construction phase including:

- Notifying customers using billing notices and other methods.

- Distributing notification flyers at the Granite Bay MAC, the Chambers of Commerce, and other entities prior to beginning construction.
- Talking directly with the business owners within the affected area, and providing them with construction scheduling and mitigations for potential business impacts.
- Placing construction notification signs on Auburn Folsom Road and Douglas Blvd to notify the general public traveling these roadways, ahead of construction start.
- Contacting the newspaper and television stations to request public announcements using the available media outlets, prior and during construction.
- Posting project information on the District's website and providing a project information telephone number (and voice mail) and updating that information as changes and scheduling revisions may occur.

CONCLUSIONS AND RECOMMENDATIONS

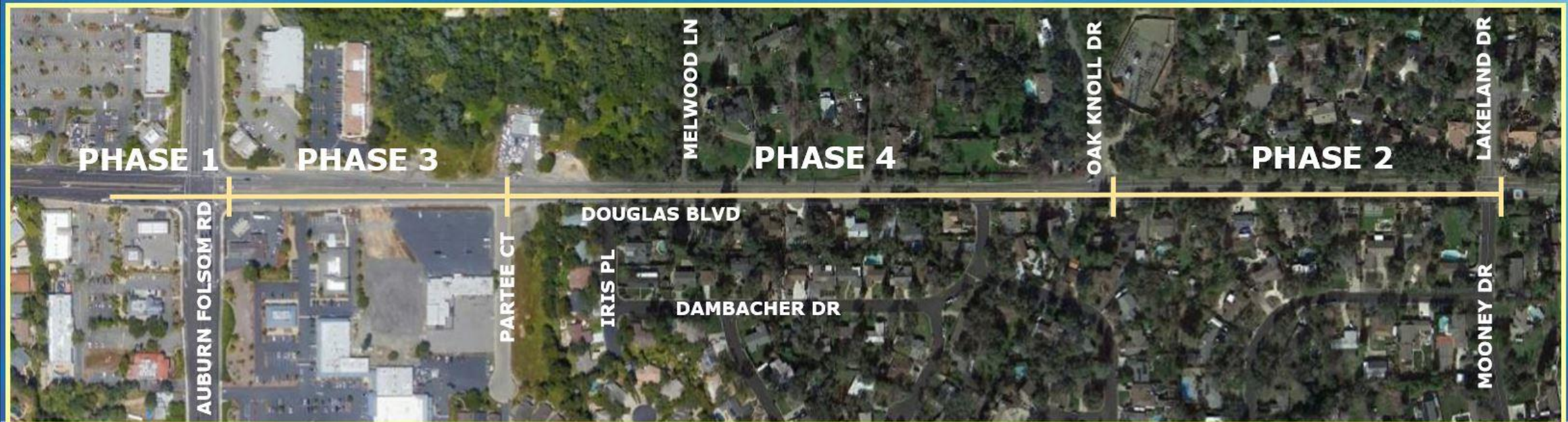
Staff will continue to work closely with the Contractor and with Placer County personnel to identify means and methods to implement sound and safe traffic control, active public outreach, and effective communication with the public and businesses during the construction phase.

2017/18 Mains and Services Replacements Douglas Blvd & Auburn Folsom Road Traffic Control and Mitigation Measures



Project Status

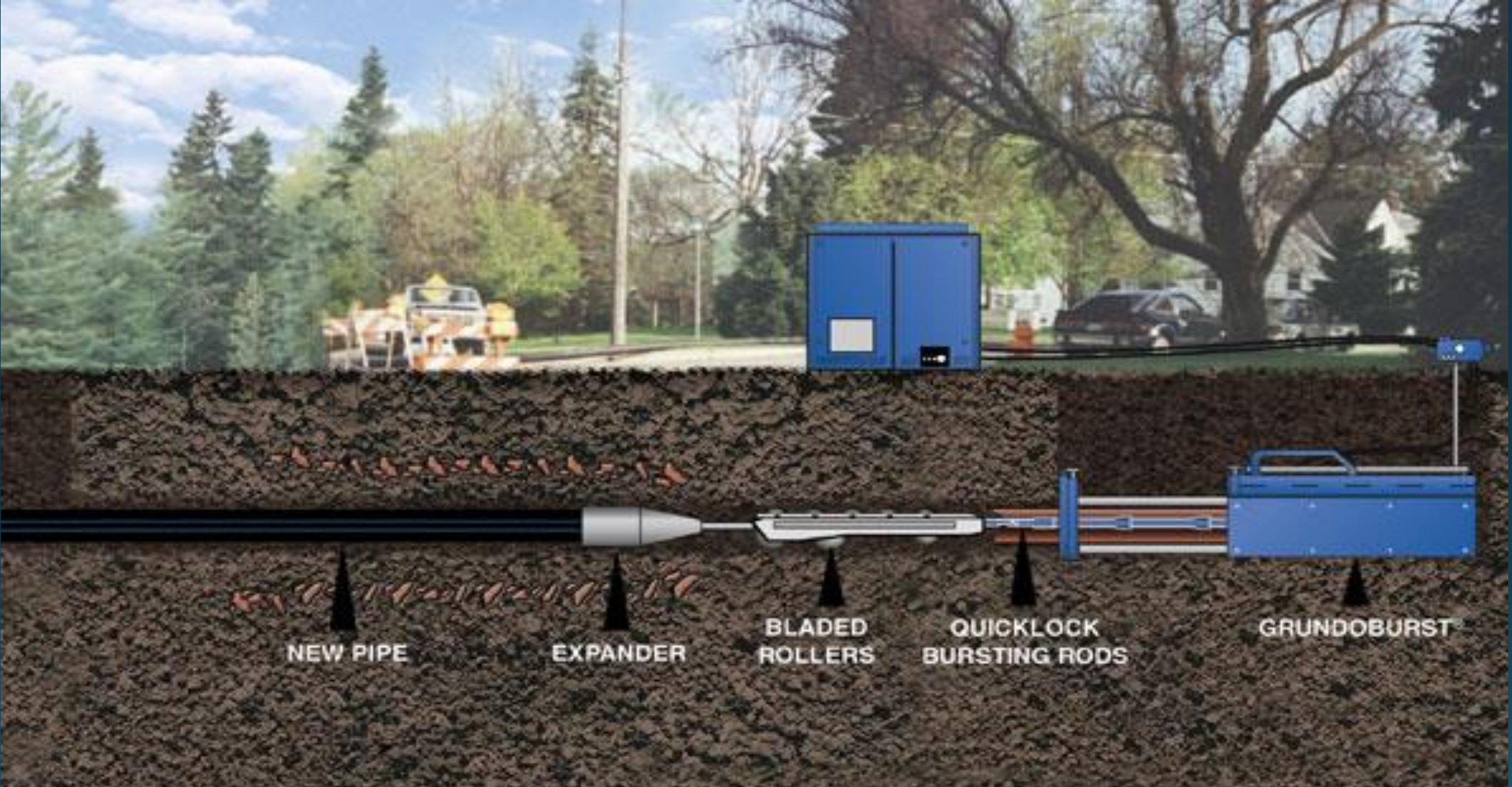
- Contract executed May 11th
- Notice to Proceed issued May 15th
- Preconstruction Meeting with Contractor on May 22nd
 - Construction Schedule to be submitted on Friday, May 25th
 - Contractor stated work on Phase 1 to start mid to late June.



Estimated Construction Schedule

Task	Start Date	End Date
Submittal Approvals	May 15 th	June 1 st
Material Procurement	June 4 th	June 15 th
Phase 1 Construction	June 18 th	July 20 th
Phase 2 Construction	July 23 rd	September 7 th
Phase 3 Construction	September 10 th	October 12 th
Phase 4 Construction	October 15 th	December 7 th

Traffic Mitigation Measures



Public Outreach

- Notified customers using billing flyers.
- Notified Shell Gas Station, ARCO AM/PM Gas Station, and all businesses on the south-west corner of the intersection.
- Project is posted on District website and will be updated as changes and scheduling revisions occur.
- District Staff with contact local newspaper and television stations to request public announcement.
- Contractor will submit a Traffic Control Plan to Placer County for approval prior to start of construction.
 - District Staff will install construction notification signs on Auburn Folsom Road prior to start of construction.



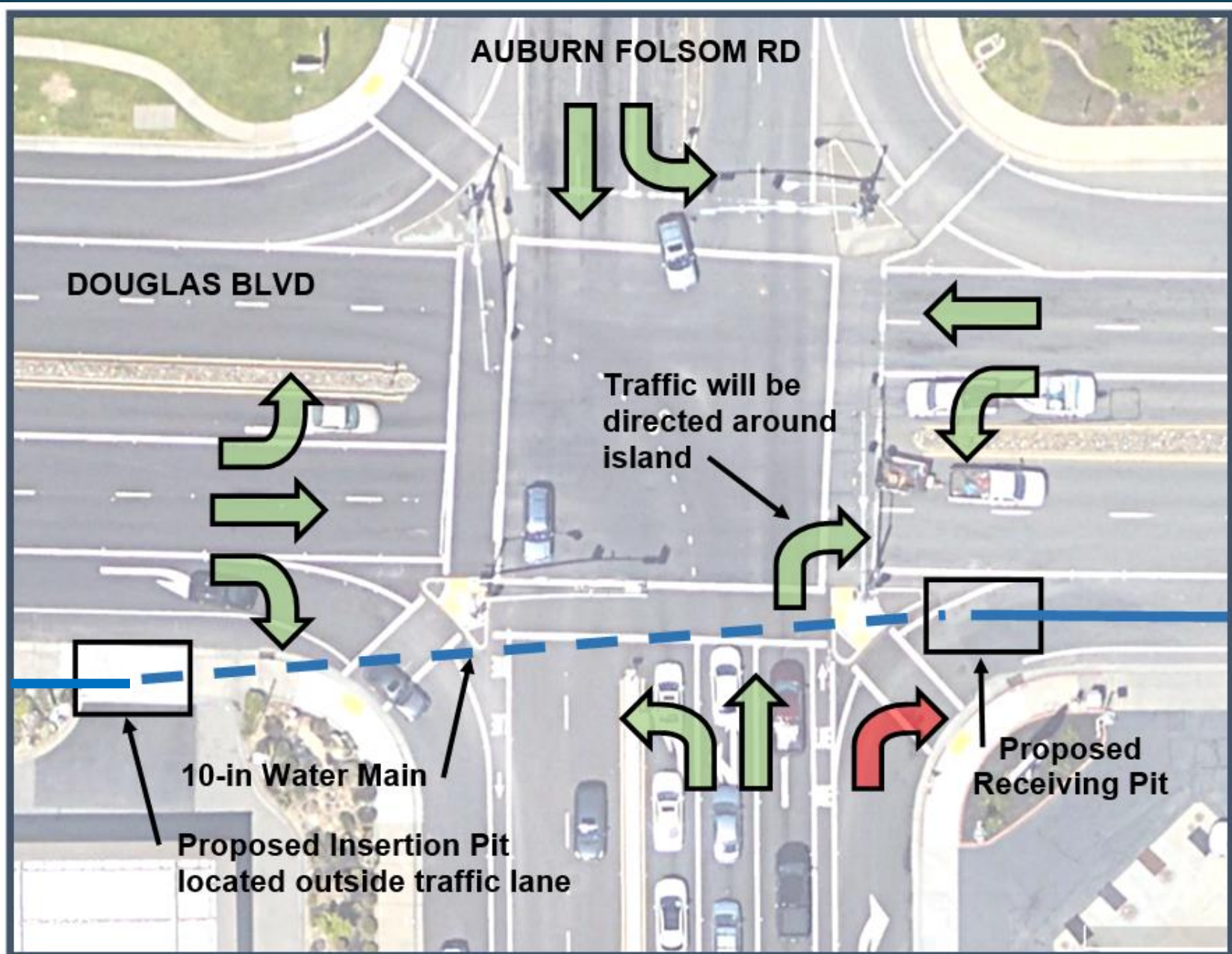


Figure 2 – Estimated traffic flow patterns during construction





Tuesday, May 15th, 7:30 am



Monday, May 14th, 3:30 pm



Questions??



STAFF REPORT

To: Engineering Committee
From: Rob Watson, Engineering Services Manager
Date: May 15, 2018
Subject: On-Call Engineering Services Support Program

RECOMMENDED ACTION

Information item only - Staff plans to approve entering into On-Call Engineering Services Agreements with four consulting engineering firms (GHD Consulting, HDR Engineering, Domenichelli & Associates, and Kennedy Jenks), for the purpose of providing staff support services when workload exceeds in-house resources. Contracts would be on a task-order basis, at a not-to-exceed amount of \$50,000 per each contract, for a combined total authorized amount of \$200,000. This topic was discussed with the Engineering Committee on May 15, 2018.

BACKGROUND

Engineering workload fluctuates depending the degree of construction activity, and economic factors. District engineering staff provide planning, design, construction management, and technical support for new development, Wholesale and Retail Operations, and for the Capital Improvement Program (CIP). When workload is high the completion of CIP and other projects can become delayed. Having the ability to rapidly deploy on-call consulting engineering support during times of high workload volume will benefit the District by ensuring workflow remains on schedule.

Preparing RFP's and selecting professional services support for each project is time consuming and costly, especially for relatively small projects. Therefore staff elected to issue an RFP to solicit on-call professional services support to augment staff time and limited resources during high workload periods.

STATUS

Staff issued an RFP for On-Call Engineering Services Support on April 2, 2018. Eleven (11) proposals were received on April 17th and evaluated by a three member review committee. Out of the eleven proposals received, four (4) stood out above the remainder as very qualified, very responsive to the requirements of the RFP, and as having provided on-call services for other similar water entities.

Initially it was staff's intention to select one firm to provide on-call services however, it was determined that significant benefit could be derived by having a few firms under contract. These benefits include 1) ensuring that at least one consultant will have staff and resources available when needed, especially on short notice, 2) providing the ability to select one consultant over another when a certain specialty task fits one consultant over another, 3) ensuring costs remain reasonable by having consultants know they have competition for work being issued, 4) providing services using in-house resources

rather than relying on subconsultants, and 5) ensuring peak period workload can be completed by having adequate consulting resources available on-call when needed.

The four firms which are recommended to be contracted with, and some of their specific in-house beneficial attributes, include:

GHD Consulting	<ul style="list-style-type: none"> ◆ Can provide R-O-W research, and Surveying, as well as Geotechnical, and Corrosion Control. ◆ Can provide a Water Operator.
HDR Engineering	<ul style="list-style-type: none"> ◆ Can support larger, more complex projects, including for electrical, instrumentation and control. ◆ Can provide Mech/HVAC, Hydraulic Modeling, and Geotechnical.
Domenichelli & Associates	<ul style="list-style-type: none"> ◆ Can produce pipeline design under short timeframe. ◆ Can provide lower cost SWPPP support, and Hydrology.
Kennedy Jenks	<ul style="list-style-type: none"> ◆ Can support larger, more complex projects, including complex treatment processes. ◆ Can provide Surveying, Mapping, and Geotechnical.

Each of these consultant have local offices, and each of these consultants established they have prior on-call support services experience.

Because of their qualifications, responsiveness to the RFP, proposed project manager and supporting personnel, and previous experience working on similar projects of the type involved in the District's development and CIP workloads, these four firms out of the eleven proposals received were selected unanimously by the review committee.

Having a manageable number of on-call engineering services support firms available for staff to issue task orders to will provide significant benefit towards helping to ensure workload remains on schedule.

FINANCIAL CONSIDERATIONS

Funding to apply to this On-Call Engineering Services Support was already budgeted in the FY 17/18 Engineering Department and CIP budgets. Funding for professional services is a portion of the budget for Wholesale and Retail CIP's. Development-related work tasks will continue to be funded by the developer as a pass-through cost. CIP-related work tasks will be charged to the BOD authorized budget for the specific project. Staff is not seeking additional budget, and it is not expected that work performed will exceed the funds that were already allocated in the 17/18 budget.

Leases of Surplus Land

Details

[Assembly Bill 2065 \(Ting\)](#) was referred to the Assembly Appropriations Committee's suspense file. The suspense file provides for simultaneous consideration of hundreds of bills that are estimated to have a significant fiscal impact on the state.

AB 2065 would require special districts and other local agencies to offer the right of first refusal to affordable housing developers, schools, and parks before selling, leasing, or otherwise conveying their land. These requirements would take effect regardless of the appropriateness of reserving the land for housing, schools, or parks, and regardless of the local agency's desire to protect or preserve the land for future use. Under AB 2065, special districts would have to offer their land to these preferred entities even before entering informal negotiations for the disposal of their property.

In addition, AB 2065 would change the Surplus Land Act to:

- Expand the definition of "surplus land" to include any property owned by a local agency
- Expand the definition of "disposal" to include the sale, lease, or other conveyance of surplus land
- Expand the number of local agencies required to comply to include districts, including school, sewer, water, utility, and local and regional park districts of any kind or class; joint powers authorities, successor agencies to a former redevelopment agency, housing authorities, or other political subdivisions of the state and any instrumentality thereof.

Currently, the Surplus Land Act requires local agencies to inventory the land they own every year. If land is no longer needed, a local agency must follow certain procedures prior to disposal of this "surplus" land. The intent behind the disposal procedures is to promote the use of surplus land towards affordable housing, parks and recreation purposes, open-space purposes, and transit-oriented development. The disposal procedures provide a Right of First Refusal to entities agreeing to use the land for, amongst other things, affordable housing.

Prior to disposing of surplus land, local agencies must make a written offer to sell or lease surplus land for the purpose of developing low- or moderate-income housing to "housing sponsors" upon written request, as well as any local public entity within the jurisdiction where the surplus land is located. A local agency wishing to dispose of surplus land must also provide a written offer to additional entities, depending on the type of proposed development, for park and recreational purposes, school facilities construction or use by a school district for open space purposes, enterprise purposes, and infill opportunity zones, or transit village plans.

If one of these entities is interested in buying or leasing the land, it must notify the local agency within 60 days of receipt of the offer. If a notified entity is interested but cannot agree with the agency upon the price or terms, the local agency must enter into good faith negotiations with the entity for at least 90 days. If 90 days have passed without an agreement, then the local agency may sell or lease the land without further regard to the Right of First Refusal requirements under the disposal procedures.

AB 2065 would require public agencies to offer up buffer properties next to wastewater, solid waste facilities, or power plants for affordable housing projects and school construction. These are incompatible land uses for such surplus land and can create environmental justice issues. Also, under AB 2065, local agencies would be required to notice the availability of the property prior to participating in any formal or informal negotiations. This limits local from having informal discussions to determine a sense of potential market value or discussing time sensitive disposition of land.

CSDA has taken an oppose unless amended position on AB 2065, and is working to narrow the bill only to the sale of surplus land that is considered suitable for school facilities or affordable housing, rather than subjecting all land, regardless of its zoning and the appropriateness for school facilities or affordable housing, to the Surplus Land Act.

Take Action

Send a letter to your legislators opposing AB 2065 until it is amended. A sample letter can be found [here](#).

Should you have any questions about AB 2065, please contact CSDA Legislative Representative Rylan Gervase at rylang@csda.net.



May 24, 2018

The Honorable Phil Ting
California State Assembly
State Capitol Building
Sacramento, CA 95814

RE: Assembly Bill 2065 (Ting) – Oppose Unless Amended [As Amended April 16, 2018]

Directors
Edward J. "Ted" Costa
Marty Hanneman
Kenneth H. Miller
Dan Rich
Pamela Tobin
General Manager
Paul Helliker

Dear Assembly Member Ting:

The San Juan Water District is respectfully opposed to AB 2065, which would require special districts to offer their land for development before leasing their property. San Juan Water District provides potable water to approximately 150,000 residents in eastern Sacramento County and Western Placer County.

AB 2065 requires special districts and other local agencies to offer the right of first refusal to affordable housing developers, schools, and parks before selling, leasing, or otherwise conveying their land. The new requirements in the bill would be very problematic for many public agencies that have valid reasons to lease or otherwise protect land they own, such as buffer land surrounding a wastewater plant, or the long-term lease of cemetery district property that will be needed for future internments.

Under AB 2065, attempting to lease land in support of a special district's governmental function would trigger the requirements for the disposal of surplus land. As written, AB 2065 would require special districts to offer up property which may be incompatible for use for housing, schools, or parks. AB 2065 would also make it more difficult to protect a district's land for a future governmental use.

San Juan Water District has multiple properties throughout its service area, parts of which are leased for various purposes, such as cellular telephone antenna towers, rights of way for other utilities, etc. This legislation would prohibit San Juan from leasing this property without offering it first for sale.

We respectfully request AB 2065 be amended to limit the scope of the bill to the sale of surplus land and not include property for lease. Our opposition is not a challenge to the need for affordable housing, but a validation of the need for local flexibility when it comes to proper governmental land use management.

For these reasons, San Juan Water District respectfully opposes AB 2065 unless amended.

Sincerely,

Paul Helliker
General Manager

cc: Allison Lim, Office of Assembly Member Phil Ting [Allison.lim@asm.ca.gov]
Assemblymember Kevin Kiley
Senator Ted Gaines
Rylan Gervase, Legislative Representative, California Special Districts Association [rylang@cstda.net]

STAFF REPORT

To: Board of Directors
 From: Paul Helliker, General Manager
 Date: May 24, 2018
 Subject: General Manager's Monthly Report (April)

RECOMMENDED ACTION

For information only, no action requested.

TREATMENT PLANT OPERATIONS

Water Production for April

Item	2018	2017	Difference
Monthly Production AF	2,240.47	2,314.13	-3.2%
Daily Average MG	23.55	24.32	-3.2%
Annual Production AF	6,196.60	7,998.18	-22.5%

Water Turbidity

Item	April 2018	March 2018	Difference
Raw Water Turbidity NTU	12.75	9.48	34%
Treated Water Turbidity NTU	0.026	0.022	18%
Monthly Turbidity Percentage Reduction	99.79%	99.77%	

*Folsom Lake Reservoir Storage Level AF**

Item	2018	2017	Difference
Lake Volume AF	816,838	723,656	13%

AF – Acre Feet

MG – Million Gallons

NTU – Nephelometric Turbidity Unit

* Total Reservoir Capacity: 977,000 AF

Other Items of Interest:

- Completed Flocculation Drive Disconnects Project
- Stator replacement of sludge feed pump
- Rehab of south filter basin effluent valve actuator
- Performed filter media measurements
- Completed sedimentation basins water line replacements/improvements
- Launderer saddle replacements (4)
- Optimize treatment process working with higher mixing speeds

SYSTEM OPERATIONS

Distribution Operations:

Item	April 2018	March 2018	Difference
Leaks and Repairs	7	6	+1
Mains Flushed	6	11	-5
Valves Exercised	38	4	+34
Back Flows Tested	154	242	-88
Customer Service Calls	47	53	-6

Distribution System Water Quality:

Water Quality Samples Taken	# Failed Samples	Supporting Information
40 Lab	0	No additional information at this time.
10 In-House	0	

Other Items of Interest:

- Performed maintenance on 36 hydrants.
- Performed maintenance on 38 ARV's, found 10 in need of repairs or replacement.

CUSTOMER SERVICE ACTIVITIES

Billing Information for Month of April

Total Number of Bills Issued	Total Number of Reminders Mailed	Total Number of Shut-off Notices Delivered	Total Number of Disconnections
5365	565	224	21

Conservation Activities

Water Waste Complaints Received	Number of Customers Contacted for High Usage (potential leaks)	Number of Rebates Processed	Number of Meters Tested/Repaired (non-reads)
7	31	2	N/A

Other Activities

- The utility billing system conversion and new payment system began on April 4th.
- Staff signed 540 customers up on recurring payments and another 1734 self-enrolled using the District's website.
- 31 people attended the April 21st Landscaping for Wildlife workshop held here at the District.
- Our new Water Conservation Tech 1, Ryan Nassau, started work April 9th. We are happy to have him here.

ENGINEERING - NEW URBAN DEVELOPMENTS (SJWD Retail Service Area)

Project Title	Description	Status	Issues
Ali Minor Subdivision	3-Lot Subdivision	Approved for Construction	
Barton Ranch	10-Lot Subdivision	Approved for Construction	
Chula Acres	4-Lot Minor Subdivision	Approved for Construction	
Colina Estates	10-Lot Subdivision	In Design Review	
Eureka at GB (former Micherra Place Proj.)	28 Condominium Units	In Design Review	
GB Memory Care	Commercial Business	In Design Review	
Granite Rock Estates	16-Lot Subdivision	In Design Review	Annexation process underway
Greyhawk III	44 high-density, and 28 single family Lots	In Design Review	
Ovation Senior Living	Commercial Business (114-Unit 2-story Assisted Living Facility)	In Design Review	
Placer County Retirement Residence	Commercial Business (145-Unit Multi-story Assisted Living Facility)	In Design Review	
Pond View	Commercial Business	Approved for Construction	
SPFD Station 15	Fire Station Bldg Improvements, with water service upgrades	In Design Review	
Quarry Ridge Prof. Office Park	Commercial Business (4 parcels to develop four general/medical office buildings)	In Design Review	
Rancho Del Oro	89 Lot Subdivision	Approved for Construction	On hold pending County Approvals
Rolling Greens	9 Lot Subdivision	Construction is complete	Closing out
Self Parcel Split (3600 & 3630 Allison Ave)	4 Lot Minor Subdivision (on a new street "Laura Lane", off Allison Dr.)	In Construction	Waiting for contract and submittals.
The Park at Granite Bay	56 lot Subdivision	In Design Review, ready for approval	Two west side distribution system tie-ins needed
The Residences at GB	4-Lot Minor Subdivision	In Design Review	
Ventura of GB	33-Lot Subdivision	In Design Review	
Whitehawk I	24-Lot Subdivision	In Design Review	
Whitehawk II	56-Lot Subdivision	In Design Review	

ENGINEERING - CAPITAL PROJECTS

Current Retail Projects

Project Title	Description	Status	Issues
Douglas Blvd Main Replacement	Replacement of ±4,125-LF of old steel main with new 16-in and 12-in pipeline between Auburn Folsom Rd and Hidden Lakes Dr.	Bids received on 4/17/18	None
Dambacher Drive Services Replacement	Replacement of ±19 aged, corroded steel service taps with new bronze saddle taps to reduce potential for failures and leaks	Bids received on 4/17/18	None
Main Ave Main Replacement	Replacement of ±900-LF and on Main Ave between Lake Natoma Dr and Twin Lakes Ave. The new 12-in pipe will be sliplined into the old existing 20-in and 16-in pipe	Construction Complete	Pavement slurry seal to be done in spring when the weather permits
Oak Ave Main Replacement	Replacement of ±1,465-LF of aged steel pipeline with new 12-in C900 pipeline between Filbert Ave and address 9219 Oak Ave. The new 12-in pipe will be sliplined into the old existing 24-in pipe.	Construction Complete	Pavement slurry seal to be done in spring when the weather permits
ARC North/South PRS	Construction of a new Pressure Reducing Station (PRV) located at the intersection of American River Canyon Dr. and Oak Ave.	Construction Complete	None. (In closeout)
Cavitt Stallman PRS	Construction of a new Pressure Reducing Station (PRV) located, on Cavitt Stallman Rd west of Hidden Valley Place	Construction Complete	Bollards to be installed in spring
Olive Ranch PRS	Construction of a new Pressure Reducing Station (PRV) located near the intersection of Ramsgate Dr. and Olive Ranch Rd.	Construction Complete	None. (In closeout)
Lou Place Main Replacement	Replacement of approximately 460-LF of aged main on Lou Place between Troy Way and Crown Point Vista	In Design	
Canyon Falls Village PRS Replacement	Rehabilitation of an existing Pressure Reducing Station (PRV) located near the intersection of Canyon Falls Drive and Santa Juanita Ave.	In Design	
UGB & LGB Low Flow Pumps	Installation of two new low flow pumps, one each at the Lower and Upper Granite Bay pump stations	In Design	

Retail CIP - Project Specifics

- None to Report

Current Wholesale Projects

Project Title	Description	Status (% Complete)	Issues
WTP Improvements	Replacement of aged mechanical flocculators and sludge collection equipment, construction of a new settled water channel and a new overflow weir structure, electrical and piping improvements, and other miscellaneous work	Construction is Complete. NOC was recorded with Placer Co.	None. (In closeout)
FO-40 T-Main Relining	Relining of the existing ±11,000 foot long steel pipeline	In design phase	Project postponed to Bid in FY 18/19.
Hinkle Res. Cleaning & Repairs	Cleaning, maintenance, and repairs of the covers on the Hinkle and Kokila Reservoirs	Work is complete.	None. (In closeout)
Alum Feed Pumps Replacement	Replace the alum feed system pumping equipment and install VFD's on the pumps to enhance control	Work is complete.	None. (In closeout)
Lime System Improvements	Improvements for the WTP's lime system control and feeder system	In Design	None
Hinkle Res. Monitoring Level Probes	Installation of level probes into the monitoring wells to provide consistent monitoring data for DSOD reporting	In Design	None

Wholesale CIP - Project Specifics

- None to Report

SAFETY & REGULATORY TRAINING – APRIL 2018

Training Course	Staff
Spill Prevention, Control and Countermeasures (SPCC)	FS/WTP/Maint/Eng/Purchasing/Cons
Emergency Response Training	Ops Mngr/Dir of Finance/Purchasing

FINANCE/BUDGET

See attached.



San Juan Water District, CA

Wholesale Operating Income Statement

Group Summary

For Fiscal: 2017-2018 Period Ending: 04/30/2018

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 010 - WHOLESALE					
Revenue					
41000 - Water Sales	10,385,100.00	10,385,100.00	1,598,708.00	9,058,645.21	1,326,454.79
43000 - Rebate	1,100.00	1,100.00	0.00	1,178.97	-78.97
45000 - Other Operating Revenue	0.00	0.00	0.00	-13,063.98	13,063.98
49000 - Other Non-Operating Revenue	149,400.00	149,400.00	1,441.54	104,177.25	45,222.75
Revenue Total:	10,535,600.00	10,535,600.00	1,600,149.54	9,150,937.45	1,384,662.55
Expense					
51000 - Salaries and Benefits	4,615,900.00	4,615,900.00	1,400,930.80	3,603,860.74	1,012,039.26
52000 - Debt Service Expense	939,800.00	939,800.00	0.00	578,613.49	361,186.51
53000 - Source of Supply	1,296,300.00	1,296,300.00	201,480.50	1,046,909.97	249,390.03
54000 - Professional Services	638,400.00	638,400.00	11,907.77	447,329.08	191,070.92
55000 - Maintenance	508,500.00	508,500.00	27,533.55	301,085.49	207,414.51
56000 - Utilities	79,400.00	79,400.00	3,863.86	91,374.42	-11,974.42
57000 - Materials and Supplies	569,500.00	569,500.00	24,824.18	323,756.45	245,743.55
58000 - Public Outreach	38,900.00	38,900.00	2,472.60	14,925.17	23,974.83
59000 - Other Operating Expenses	385,000.00	385,000.00	4,207.49	273,107.32	111,892.68
69000 - Other Non-Operating Expenses	2,800.00	2,800.00	0.00	1,903.20	896.80
69900 - Transfers Out	169,300.00	169,300.00	0.00	0.00	169,300.00
Expense Total:	9,243,800.00	9,243,800.00	1,677,220.75	6,682,865.33	2,560,934.67
Fund: 010 - WHOLESALE Surplus (Deficit):	1,291,800.00	1,291,800.00	-77,071.21	2,468,072.12	-1,176,272.12
Total Surplus (Deficit):	1,291,800.00	1,291,800.00	-77,071.21	2,468,072.12	-1,176,272.12

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
010 - WHOLESAL	1,291,800.00	1,291,800.00	-77,071.21	2,468,072.12	-1,176,272.12
Total Surplus (Deficit):	1,291,800.00	1,291,800.00	-77,071.21	2,468,072.12	-1,034,466.31



San Juan Water District, CA

Wholesale Capital Income Statement

Group Summary

For Fiscal: 2017-2018 Period Ending: 04/30/2018

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 011 - Wholesale Capital Outlay					
Revenue					
42000 - Taxes & Assessments	1,090,000.00	1,090,000.00	0.00	600,196.46	489,803.54
44000 - Connection Fees	35,000.00	35,000.00	8,001.00	139,772.33	-104,772.33
44500 - Capital Contributions - Revenue	2,172,400.00	2,172,400.00	10,925.00	380,702.00	1,791,698.00
49000 - Other Non-Operating Revenue	60,000.00	60,000.00	0.00	7,448.97	52,551.03
49990 - Transfer In	169,300.00	169,300.00	0.00	0.00	169,300.00
Revenue Total:	3,526,700.00	3,526,700.00	18,926.00	1,128,119.76	2,398,580.24
Expense					
55000 - Maintenance	2,253,500.00	2,253,500.00	1,361.72	151,341.11	2,102,158.89
61000 - Capital Outlay	1,018,600.00	1,018,600.00	19,812.71	248,216.21	770,383.79
63000 - Contributions to Others	0.00	0.00	0.00	-23,477.00	23,477.00
Expense Total:	3,272,100.00	3,272,100.00	21,174.43	376,080.32	2,896,019.68
Fund: 011 - Wholesale Capital Outlay Surplus (Deficit):	254,600.00	254,600.00	-2,248.43	752,039.44	-497,439.44
Total Surplus (Deficit):	254,600.00	254,600.00	-2,248.43	752,039.44	-497,439.44

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
011 - Wholesale Capital Outlay	254,600.00	254,600.00	-2,248.43	752,039.44	-497,439.44
Total Surplus (Deficit):	254,600.00	254,600.00	-2,248.43	752,039.44	-387,734.73



San Juan Water District, CA

Retail Operating Income Statement

Group Summary

For Fiscal: 2017-2018 Period Ending: 04/30/2018

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 050 - RETAIL					
Revenue					
41000 - Water Sales	10,716,800.00	10,716,800.00	626,886.90	7,195,109.33	3,521,690.67
45000 - Other Operating Revenue	427,100.00	427,100.00	33,513.10	218,720.35	208,379.65
49000 - Other Non-Operating Revenue	112,300.00	112,300.00	27,866.11	99,705.55	12,594.45
49990 - Transfer In	1,394,700.00	1,394,700.00	0.00	0.00	1,394,700.00
Revenue Total:	12,650,900.00	12,650,900.00	688,266.11	7,513,535.23	5,137,364.77
Expense					
51000 - Salaries and Benefits	6,021,200.00	6,021,200.00	1,912,732.42	4,861,605.42	1,159,594.58
52000 - Debt Service Expense	522,300.00	522,300.00	0.00	321,720.26	200,579.74
53000 - Source of Supply	3,080,600.00	3,080,600.00	501,997.00	2,755,874.10	324,725.90
54000 - Professional Services	717,800.00	717,800.00	14,018.07	495,849.81	221,950.19
55000 - Maintenance	255,100.00	255,100.00	17,211.64	173,960.55	81,139.45
56000 - Utilities	254,200.00	254,200.00	3,165.78	211,114.66	43,085.34
57000 - Materials and Supplies	279,300.00	279,300.00	10,702.69	200,723.50	78,576.50
58000 - Public Outreach	163,100.00	163,100.00	7,341.65	47,882.17	115,217.83
59000 - Other Operating Expenses	535,800.00	535,800.00	16,250.24	318,196.10	217,603.90
69000 - Other Non-Operating Expenses	3,400.00	3,400.00	0.00	1,733.80	1,666.20
Expense Total:	11,832,800.00	11,832,800.00	2,483,419.49	9,388,660.37	2,444,139.63
Fund: 050 - RETAIL Surplus (Deficit):	818,100.00	818,100.00	-1,795,153.38	-1,875,125.14	2,693,225.14
Total Surplus (Deficit):	818,100.00	818,100.00	-1,795,153.38	-1,875,125.14	2,693,225.14

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
050 - RETAIL	818,100.00	818,100.00	-1,795,153.38	-1,875,125.14	2,693,225.14
Total Surplus (Deficit):	818,100.00	818,100.00	-1,795,153.38	-1,875,125.14	2,893,345.56



San Juan Water District, CA

Retail Capital Income Statement

Group Summary

For Fiscal: 2017-2018 Period Ending: 04/30/2018

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 055 - Retail Capital Outlay					
Revenue					
42000 - Taxes & Assessments	1,090,000.00	1,090,000.00	0.00	600,196.46	489,803.54
44000 - Connection Fees	450,000.00	450,000.00	182,552.22	320,107.91	129,892.09
44500 - Capital Contributions - Revenue	0.00	0.00	0.00	-3,750.00	3,750.00
49000 - Other Non-Operating Revenue	60,000.00	60,000.00	0.00	22,858.22	37,141.78
Revenue Total:	1,600,000.00	1,600,000.00	182,552.22	939,412.59	660,587.41
Expense					
54000 - Professional Services	66,000.00	66,000.00	585.89	585.89	65,414.11
55000 - Maintenance	155,000.00	155,000.00	0.00	9,903.01	145,096.99
61000 - Capital Outlay	5,428,000.00	5,428,000.00	10,078.79	1,102,154.49	4,325,845.51
69900 - Transfers Out	1,394,700.00	1,394,700.00	0.00	0.00	1,394,700.00
Expense Total:	7,043,700.00	7,043,700.00	10,664.68	1,112,643.39	5,931,056.61
Fund: 055 - Retail Capital Outlay Surplus (Deficit):	-5,443,700.00	-5,443,700.00	171,887.54	-173,230.80	-5,270,469.20
Total Surplus (Deficit):	-5,443,700.00	-5,443,700.00	171,887.54	-173,230.80	-5,270,469.20

Fund Summary

Fund	Original	Current	MTD Activity	YTD Activity	Budget
	Total Budget	Total Budget			Remaining
055 - Retail Capital Outlay	-5,443,700.00	-5,443,700.00	171,887.54	-173,230.80	-5,270,469.20
Total Surplus (Deficit):	-5,443,700.00	-5,443,700.00	171,887.54	-173,230.80	-6,187,435.44

Summary

Project Summary

Project Number	Project Name	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
121965	Oak Avenue - American River Canyon I	0.00	99,985.98	-99,985.98
141043	2014 Drought Response - SSWD Antel	0.00	-23,477.00	23,477.00
161100	Floc-Sed Basins & Settle Water Chann	0.00	421,813.39	-421,813.39
161502	ARC Flash Assessment and Improve	0.00	143.30	-143.30
165508	Los Lagos Tank Recoating	0.00	17,811.40	-17,811.40
171101	In-Plant Pump Station Improvements	0.00	294.15	-294.15
171105	Baldwin Reservoir Raw Water Supply I	0.00	7,305.66	-7,305.66
171107	FO 40 Transmission Pipeline Re-Lining	0.00	122,998.93	-122,998.93
171109	GIS Assessment and Implementation	0.00	14,722.50	-14,722.50
175105	6690-7767 Douglas Boulevard & Assor	0.00	4,765.36	-4,765.36
175107	5700-5708 & 5640-5682 Main Avenue	0.00	292,362.66	-292,362.66
175109	9151-9219 Oak Avenue Main Replacer	0.00	295,155.05	-295,155.05
175111	Orangevale Avenue Bridge	0.00	-45,400.00	45,400.00
175113	7225-7355 Dambacher Drive	0.00	563.70	-563.70
175115	Bacon Pump Station Intrusion Alarm	0.00	249.57	-249.57
175117	Bacon Pressure Zone - Olive Ranch PR	0.00	119,696.29	-119,696.29
175119	Bacon Pressure Zone - Cavitt Stallman	0.00	92,897.97	-92,897.97
181105	Lime System Control & Feeder System	0.00	484.51	-484.51
181110	Alum Feed Pumps Replacement	0.00	46,268.65	-46,268.65
181115	Flocculator Mix Motor Disconnect	0.00	12,533.08	-12,533.08
181120	Lime Grit Containment - Curbing and C	0.00	4,301.18	-4,301.18
181130	Hinkle Reservoir Monitoring Wells Lev	0.00	710.20	-710.20
181135	Baldwin Reservoir Outlet Trashrack	0.00	14,329.42	-14,329.42
185115	Lou Place 8" Tray Way to Crown Point	0.00	1,125.00	-1,125.00
185135	Upper & Lower GB Pump Stn Low Flov	0.00	14,095.71	-14,095.71
185150	Utility Billing Software Replacement	0.00	69,493.14	-69,493.14
185175	Los Lagos Tank Overflow Air Gap and C	0.00	2,557.61	-2,557.61
185180	Cavitt Stallman Main - Mystery Crk to	0.00	4,560.00	-4,560.00
185185	Edward Court Mainline - South of Lou	0.00	1,125.00	-1,125.00
Project Totals:		0.00	1,593,472.41	-1,593,472.41

Group Summary

Group	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
CIP - Asset	0.00	1,486,207.37	-1,486,207.37
CIP - Capital Contribution	0.00	-23,477.00	23,477.00
CIP - Expense	0.00	123,436.38	-123,436.38
Unplanned CIP	0.00	7,305.66	-7,305.66
Group Totals:	0.00	1,593,472.41	-1,593,472.41

Type Summary

Type	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
Administration	0.00	398,336.39	-398,336.39
Engineering	0.00	931,207.15	-931,207.15
Field Services	0.00	249.57	-249.57
Information Technology	0.00	69,493.14	-69,493.14
Water Treatment Plant	0.00	194,186.16	-194,186.16
Type Totals:	0.00	1,593,472.41	-1,593,472.41

GL Account Summary

GL Account Number	GL Account Name	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
011-20030	Retentions Payable	0.00	301,175.75	301,175.75
011-700-57120	Maintenance - Facility	0.00	123,598.95	123,598.95
011-700-61145	Capital Outlay - WTP & Improv...	0.00	184,062.49	184,062.49

GL Account Summary

GL Account Number	GL Account Name	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
011-700-61150	Capital Outlay - Mains/Pipeline...	0.00	7,305.66	7,305.66
011-700-61155	Capital Outlay - Reservoirs & I...	0.00	15,039.62	15,039.62
011-700-61180	Capital Outlay - Software	0.00	5,889.00	5,889.00
011-700-74090	Contributions to Others	0.00	-23,477.00	-23,477.00
050-300-56310	Reg Compliance / Sampling / I...	0.00	12.00	12.00
055-20030	Retentions Payable	0.00	-29,125.73	-29,125.73
055-700-61135	Capital Outlay - Pump Stations...	0.00	343,352.02	343,352.02
055-700-61150	Capital Outlay - Mains/Pipeline...	0.00	584,755.40	584,755.40
055-700-61155	Capital Outlay - Reservoirs & I...	0.00	2,557.61	2,557.61
055-700-61180	Capital Outlay - Software	0.00	78,326.64	78,326.64
	GL Account Totals:	0.00	1,593,472.41	1,593,472.41



San Juan Water District, CA

Balance Sheet

Account Summary

As Of 04/30/2018

Account	010 - WHOLESALE	011 - Wholesale Capital Outlay	050 - RETAIL	055 - Retail Capital Outlay	Total
Asset					
Type: 1000 - Assets					
10010 - Cash and Investments	3,302,609.07	7,484,415.20	1,365,101.94	6,331,185.48	18,483,311.69
10510 - Accounts Receivable	1,207,086.64	2,295.60	273,042.80	0.82	1,482,425.86
11000 - Inventory	0.00	0.00	127,128.13	0.00	127,128.13
12000 - Prepaid Expense	29,920.00	0.00	29,920.00	0.00	59,840.00
14010 - Deferred Outflows	3,807,198.73	0.00	4,338,875.61	0.00	8,146,074.34
17010 - Capital Assets - Work in Progress	7,215,473.32	0.00	180,843.87	0.00	7,396,317.19
17150 - Capital Assets - Land Non-depreciable	98,212.00	0.00	166,272.00	0.00	264,484.00
17160 - Capital Assets - Land Improvements	814,105.59	0.00	75,884.80	0.00	889,990.39
17200 - Capital Assets - Pump Stations & Improvements	7,047,178.00	0.00	5,527,475.04	0.00	12,574,653.04
17300 - Capital Assets - Buildings & Improvements	1,296,460.92	0.00	55,440.68	0.00	1,351,901.60
17350 - Capital Assets - Water Treatment Plant & Imp	28,346,992.84	0.00	16,000.00	0.00	28,362,992.84
17400 - Capital Assets - Mains/Pipelines & Improvements	29,233,857.10	0.00	42,354,004.73	0.00	71,587,861.83
17500 - Capital Assets - Reservoirs & Improvements	2,862,601.82	0.00	2,492,422.47	0.00	5,355,024.29
17700 - Capital Assets - Equipment & Furniture	13,612,154.78	0.00	1,041,601.61	0.00	14,653,756.39
17750 - Capital Assets - Vehicles	331,446.00	0.00	461,103.88	0.00	792,549.88
17800 - Capital Assets - Software	434,195.88	0.00	549,200.37	0.00	983,396.25
17850 - Capital Assets - Intangible	666,196.00	0.00	0.00	0.00	666,196.00
17900 - Less Accumulated Depreciation	-33,510,353.32	0.00	-26,750,260.74	0.00	-60,260,614.06
19015 - 2012 Premiums on Refunding Bonds	-617,056.22	0.00	-335,044.10	0.00	-952,100.32
Total Type 1000 - Assets:	66,178,279.15	7,486,710.80	31,969,013.09	6,331,186.30	111,965,189.34
Total Asset:	66,178,279.15	7,486,710.80	31,969,013.09	6,331,186.30	111,965,189.34
Liability					
Type: 1000 - Assets					
10510 - Accounts Receivable	0.00	0.00	94,112.08	0.00	94,112.08
Total Type 1000 - Assets:	0.00	0.00	94,112.08	0.00	94,112.08
Type: 2000 - Liabilities					
20010 - Accounts Payable	-45,920.00	26,317.29	44,581.80	9,328.83	34,307.92
20100 - Retentions Payable	0.00	0.10	0.00	50,835.24	50,835.34
21200 - Salaries & Benefits Payable	29,302.00	0.00	47,561.92	0.00	76,863.92
21300 - Compensated Absences	261,729.13	0.00	418,831.09	0.00	680,560.22
21500 - Premium on Issuance of Bonds Series 2017	1,450,091.81	0.00	815,676.64	0.00	2,265,768.45
21600 - OPEB Liability	100,396.44	0.00	127,509.04	0.00	227,905.48
21700 - Pension Liability	3,346,571.65	0.00	4,621,457.65	0.00	7,968,029.30

Balance Sheet

As Of 04/30/2018

Account	010 - WHOLESALE	011 - Wholesale Capital Outlay	050 - RETAIL	055 - Retail Capital Outlay	Total
22010 - Deferred Income	0.00	0.00	39,679.76	0.00	39,679.76
22050 - Deferred Inflows	260,874.00	0.00	360,252.00	0.00	621,126.00
24000 - Current Bonds Payables	301,366.50	0.00	163,633.50	0.00	465,000.00
24200 - 2012 Bonds Payable	6,095,921.23	0.00	3,309,913.11	0.00	9,405,834.34
24250 - Bonds Payable 2017 Refunding	16,115,200.00	0.00	9,064,800.00	0.00	25,180,000.00
Total Type 2000 - Liabilities:	27,915,532.76	26,317.39	19,013,896.51	60,164.07	47,015,910.73
Total Liability:	27,915,532.76	26,317.39	19,108,008.59	60,164.07	47,110,022.81
Equity					
Type: 3000 - Equity					
30100 - Investment in Capital Assets	34,085,186.41	0.00	12,608,477.99	0.00	46,693,664.40
30500 - Designated Reserves	1,709,487.86	6,708,353.97	2,127,651.65	6,444,253.03	16,989,746.51
Total Type 3000 - Equity:	35,794,674.27	6,708,353.97	14,736,129.64	6,444,253.03	63,683,410.91
Total Total Beginning Equity:	35,794,674.27	6,708,353.97	14,736,129.64	6,444,253.03	63,683,410.91
Total Revenue	9,150,937.45	1,128,119.76	7,513,535.23	939,412.59	18,732,005.03
Total Expense	6,682,865.33	376,080.32	9,388,660.37	1,112,643.39	17,560,249.41
Revenues Over/Under Expenses	2,468,072.12	752,039.44	-1,875,125.14	-173,230.80	1,171,755.62
Total Equity and Current Surplus (Deficit):	38,262,746.39	7,460,393.41	12,861,004.50	6,271,022.23	64,855,166.53
Total Liabilities, Equity and Current Surplus (Deficit):	66,178,279.15	7,486,710.80	31,969,013.09	6,331,186.30	111,965,189.34



San Juan Water District, CA

Check Report

By Check Number

Date Range: 04/01/2018 - 04/30/2018

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: APBNK-APBNK						
03488	County of Sacramento	04/19/2018	Regular	0.00	-4,252.70	51631
01041	Afman, Todd R	04/02/2018	Regular	0.00	884.06	52547
03370	AT Battery Company Inc.	04/02/2018	Regular	0.00	51.88	52548
01138	AT&T Mobility II LLC	04/02/2018	Regular	0.00	62.01	52549
03632	Baker, Paul OR Fran	04/02/2018	Regular	0.00	4,775.80	52550
01370	Citrus Heights Chamber of Commerce	04/02/2018	Regular	0.00	500.00	52551
01378	Clark Pest Control of Stockton	04/02/2018	Regular	0.00	150.00	52552
03633	Elliott Homes, Inc	04/02/2018	Regular	0.00	13,979.01	52553
03173	Foley, Jacqueline	04/02/2018	Regular	0.00	11.00	52554
01068	Glenn C. Walker	04/02/2018	Regular	0.00	1,010.40	52555
03091	Granite Bay Ace Hardware	04/02/2018	Regular	0.00	112.73	52556
01706	Graymont Western US Inc.	04/02/2018	Regular	0.00	6,074.64	52557
01733	Harris Industrial Gases	04/02/2018	Regular	0.00	56.79	52558
03502	Helliker, Paul	04/02/2018	Regular	0.00	83.02	52559
01796	Insomniac Productions Inc.	04/02/2018	Regular	0.00	160.88	52560
01803	International Mailing Equipment, Inc.	04/02/2018	Regular	0.00	75.02	52561
02131	Office Depot, Inc.	04/02/2018	Regular	0.00	1,369.71	52562
02150	Pace Supply Corp	04/02/2018	Regular	0.00	435.44	52563
03026	PFM Asset Management	04/02/2018	Regular	0.00	839.24	52564
02208	Placer County Environmental Health	04/02/2018	Regular	0.00	13,050.00	52565
03532	Quincy Engineering Inc	04/02/2018	Regular	0.00	12,903.75	52566
02223	Rexel Inc (Platt - Rancho Cordova)	04/02/2018	Regular	0.00	4,494.53	52567
03092	Rich, Dan	04/02/2018	Regular	0.00	21.80	52568
02302	Riebes Auto Parts, LLC	04/02/2018	Regular	0.00	430.88	52569
02328	Rocklin Windustrial Co	04/02/2018	Regular	0.00	326.99	52570
03337	Simon, Marlene	04/02/2018	Regular	0.00	200.00	52571
03309	Sorum, Mark	04/02/2018	Regular	0.00	600.00	52572
02508	State Board of Equalization	04/02/2018	Regular	0.00	2,656.00	52573
	Void	04/02/2018	Regular	0.00	0.00	52574
02638	Tyler Technologies, Inc.	04/02/2018	Regular	0.00	10,693.63	52575
03637	Urban Futures Inc	04/02/2018	Regular	0.00	300.00	52576
01090	American Water Works Association	04/09/2018	Regular	0.00	269.00	52577
03370	AT Battery Company Inc.	04/09/2018	Regular	0.00	41.15	52578
01569	Employee Relations, Inc.	04/09/2018	Regular	0.00	10.00	52579
01659	Gary Webb Trucking	04/09/2018	Regular	0.00	243.75	52580
01681	Golden State Flow Measurements, Inc.	04/09/2018	Regular	0.00	19.31	52581
03091	Granite Bay Ace Hardware	04/09/2018	Regular	0.00	240.10	52582
02567	Grant, Teri	04/09/2018	Regular	0.00	50.69	52583
03533	M&C Bliss Enterprises Inc	04/09/2018	Regular	0.00	83.74	52584
03386	Myers & Sons Construction, LP	04/09/2018	Regular	0.00	305,733.46	52585
02150	Pace Supply Corp	04/09/2018	Regular	0.00	982.41	52586
02206	Placer County Clerk-Recorder-Registrar	04/09/2018	Regular	0.00	2,280.75	52587
03309	Sorum, Mark	04/09/2018	Regular	0.00	1,500.00	52588
01411	SureWest Telephone	04/09/2018	Regular	0.00	1,619.57	52589
02540	Sutter Medical Foundation	04/09/2018	Regular	0.00	322.00	52590
02651	United Parcel Service Inc	04/09/2018	Regular	0.00	121.42	52591
01687	W. W. Grainger, Inc.	04/09/2018	Regular	0.00	228.02	52592
01073	Amarjeet Singh Garcha	04/17/2018	Regular	0.00	1,500.00	52593
01026	American River Ace Hardware, Inc.	04/17/2018	Regular	0.00	22.65	52594
01182	Bartkiewicz, Kronick & Shanahan	04/17/2018	Regular	0.00	55,072.51	52595
03594	Borges & Mahoney, Inc.	04/17/2018	Regular	0.00	246.53	52596
01241	Bureau of Reclamation CCAO	04/23/2018	Regular	0.00	-9,333.14	52597
01241	Bureau of Reclamation CCAO	04/17/2018	Regular	0.00	9,333.14	52597
01372	City of Folsom	04/17/2018	Regular	0.00	29.12	52598

Check Report

Date Range: 04/01/2018 - 04/30/2018

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
02556	Costa, Ted	04/17/2018	Regular	0.00	37.06	52599
01494	Dewey Services Inc.	04/17/2018	Regular	0.00	85.00	52600
03599	East Bay Clarklift, Inc.	04/17/2018	Regular	0.00	142.68	52601
03091	Granite Bay Ace Hardware	04/17/2018	Regular	0.00	108.42	52602
01733	Harris Industrial Gases	04/17/2018	Regular	0.00	61.47	52603
03074	Kirby's Pump & Mechanical Inc	04/17/2018	Regular	0.00	14,000.24	52604
02024	MCI WORLDCOM	04/17/2018	Regular	0.00	121.08	52605
01916	Miller, Ken	04/17/2018	Regular	0.00	21.26	52606
02131	Office Depot, Inc.	04/17/2018	Regular	0.00	303.10	52607
02146	PG&E	04/17/2018	Regular	0.00	2,048.69	52608
	Void	04/17/2018	Regular	0.00	0.00	52609
02210	Placer County Water Agency	04/17/2018	Regular	0.00	64,562.50	52610
02281	Ray A Morgan Company Inc	04/17/2018	Regular	0.00	372.79	52611
02283	Recology Auburn Placer	04/17/2018	Regular	0.00	640.70	52612
02292	Rexel, Inc.	04/17/2018	Regular	0.00	2,283.58	52613
02293	RFI Enterprises, Inc	04/17/2018	Regular	0.00	49.86	52614
02302	Riebes Auto Parts, LLC	04/17/2018	Regular	0.00	185.79	52615
02328	Rocklin Windustrial Co	04/17/2018	Regular	0.00	139.32	52616
02395	SAFETY KLEEN SYSTEMS INC.	04/17/2018	Regular	0.00	837.82	52617
03309	Sorum, Mark	04/17/2018	Regular	0.00	1,000.00	52618
03554	Strategy Driver, Inc.	04/17/2018	Regular	0.00	1,578.75	52619
02580	The Eidam Corporation	04/17/2018	Regular	0.00	3,901.75	52620
02463	The New AnswerNet	04/17/2018	Regular	0.00	265.00	52621
01844	Thorne, Jedediah	04/17/2018	Regular	0.00	105.00	52622
01712	Turner, Greg	04/17/2018	Regular	0.00	90.00	52623
02638	Tyler Technologies, Inc.	04/17/2018	Regular	0.00	3,322.50	52624
02651	United Parcel Service Inc	04/17/2018	Regular	0.00	226.61	52625
02667	US Bank Corporate Payments Sys (CalCard)	04/17/2018	Regular	0.00	17,273.73	52626
	Void	04/17/2018	Regular	0.00	0.00	52627
	Void	04/17/2018	Regular	0.00	0.00	52628
	Void	04/17/2018	Regular	0.00	0.00	52629
	Void	04/17/2018	Regular	0.00	0.00	52630
	Void	04/17/2018	Regular	0.00	0.00	52631
	Void	04/17/2018	Regular	0.00	0.00	52632
	Void	04/17/2018	Regular	0.00	0.00	52633
	Void	04/17/2018	Regular	0.00	0.00	52634
	Void	04/17/2018	Regular	0.00	0.00	52635
	Void	04/17/2018	Regular	0.00	0.00	52636
03284	Vavrinek, Trine, Day & Co, LLP	04/17/2018	Regular	0.00	475.00	52637
02690	Verizon Wireless	04/17/2018	Regular	0.00	3,690.06	52638
01687	W. W. Grainger, Inc.	04/17/2018	Regular	0.00	952.41	52639
03445	Zlotnick, Greg	04/17/2018	Regular	0.00	129.18	52640
03594	Borges & Mahoney, Inc.	04/23/2018	Regular	0.00	1,789.00	52641
03345	Cessna, Chris	04/23/2018	Regular	0.00	415.94	52642
03621	Eletrick Motorsports, Inc.	04/23/2018	Regular	0.00	90.00	52643
03091	Granite Bay Ace Hardware	04/23/2018	Regular	0.00	260.69	52644
01733	Harris Industrial Gases	04/23/2018	Regular	0.00	109.13	52645
03235	HD Supply Construction Supply LTD	04/23/2018	Regular	0.00	240.82	52646
01741	HDR Engineering, Inc.	04/23/2018	Regular	0.00	3,215.37	52647
03308	Hope Industrial Systems, Inc	04/23/2018	Regular	0.00	941.07	52648
01819	Joel Richard Eichman	04/23/2018	Regular	0.00	265.60	52649
03300	Meyers Fozi, LLP	04/23/2018	Regular	0.00	1,250.00	52650
02129	Occu-Med Ltd.	04/23/2018	Regular	0.00	514.00	52651
02150	Pace Supply Corp	04/23/2018	Regular	0.00	3,514.61	52652
02223	Rexel Inc (Platt - Rancho Cordova)	04/23/2018	Regular	0.00	2,159.61	52653
02292	Rexel, Inc.	04/23/2018	Regular	0.00	97.49	52654
02302	Riebes Auto Parts, LLC	04/23/2018	Regular	0.00	4.95	52655
02357	Sacramento Municipal Utility District (SMUD)	04/23/2018	Regular	0.00	8,068.55	52656
03309	Sorum, Mark	04/23/2018	Regular	0.00	2,500.00	52657
02497	SWC Incorporated	04/23/2018	Regular	0.00	615.00	52658
02629	Trench & Traffic Supply Inc.	04/23/2018	Regular	0.00	2,190.05	52659

Check Report

Date Range: 04/01/2018 - 04/30/2018

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
02638	Tyler Technologies, Inc.	04/23/2018	Regular	0.00	7,224.25	52660
02700	Viking Shred LLC	04/23/2018	Regular	0.00	50.00	52661
01372	City of Folsom	04/26/2018	Regular	0.00	763.80	52662
03130	CalPERS Retirement	04/27/2018	Regular	0.00	2,787,800.00	52663
01138	AT&T Mobility II LLC	04/30/2018	Regular	0.00	62.51	52664
03594	Borges & Mahoney, Inc.	04/30/2018	Regular	0.00	427.69	52665
01609	Federal Express Corporation	04/30/2018	Regular	0.00	25.85	52666
03091	Granite Bay Ace Hardware	04/30/2018	Regular	0.00	30.36	52667
03542	Intermountain Drilling Supply Corp. (IDS)	04/30/2018	Regular	0.00	198.30	52668
03640	Land and Habitat Restoration	04/30/2018	Regular	0.00	671.20	52669
02131	Office Depot, Inc.	04/30/2018	Regular	0.00	362.16	52670
03150	Professional Id Cards Inc	04/30/2018	Regular	0.00	18.40	52671
03532	Quincy Engineering Inc	04/30/2018	Regular	0.00	34,147.69	52672
02328	Rocklin Windustrial Co	04/30/2018	Regular	0.00	491.48	52673
01492	State of California, Department of Water Resources	04/30/2018	Regular	0.00	5,071.00	52674
01687	W. W. Grainger, Inc.	04/30/2018	Regular	0.00	425.86	52675
01242	Bureau of Reclamation-MPR	04/02/2018	EFT	0.00	100.00	405334
01330	CDW Government LLC	04/02/2018	EFT	0.00	455.64	405335
03221	Chemtrade Chemicals Corporation	04/02/2018	EFT	0.00	4,135.54	405336
01486	Department of Energy	04/02/2018	EFT	0.00	1,164.88	405337
01589	Eurofins Eaton Analytical, Inc	04/02/2018	EFT	0.00	225.00	405338
03593	Hanneman, Martin W	04/02/2018	EFT	0.00	14.71	405339
02286	Regional Water Authority	04/02/2018	EFT	0.00	9,000.00	405340
02308	River City Staffing, Inc.	04/02/2018	EFT	0.00	1,797.08	405341
01898	Association of California Water Agencies / JPIA	04/09/2018	EFT	0.00	19,847.63	405342
	Void	04/09/2018	EFT	0.00	0.00	405343
03221	Chemtrade Chemicals Corporation	04/09/2018	EFT	0.00	3,971.61	405344
01521	DataProse, LLC	04/09/2018	EFT	0.00	10,977.04	405345
01589	Eurofins Eaton Analytical, Inc	04/09/2018	EFT	0.00	469.00	405346
03628	Lees Automotive Repair Inc.	04/09/2018	EFT	0.00	2,224.55	405347
01472	Mel Dawson, Inc.	04/09/2018	EFT	0.00	4,042.53	405348
02504	Starr Consulting	04/09/2018	EFT	0.00	980.00	405349
02162	Tobin, Pamela	04/09/2018	EFT	0.00	202.58	405350
02710	WageWorks, Inc	04/09/2018	EFT	0.00	86.00	405351
03387	WageWorks, Inc	04/09/2018	EFT	0.00	351.15	405352
01232	Brower Mechanical, Inc.	04/17/2018	EFT	0.00	285.00	405353
01330	CDW Government LLC	04/17/2018	EFT	0.00	547.16	405354
03063	D&T Fiberglass, Inc.	04/17/2018	EFT	0.00	7,325.00	405355
03237	GM Construction & Developers, Inc	04/17/2018	EFT	0.00	5,028.66	405356
01738	Hazardous Disposal Specialists, Inc.	04/17/2018	EFT	0.00	2,720.00	405357
01790	Industrial Safety Supply Corp of California	04/17/2018	EFT	0.00	56.30	405358
01938	Kyle Yates, Inc.	04/17/2018	EFT	0.00	890.00	405359
03628	Lees Automotive Repair Inc.	04/17/2018	EFT	0.00	462.70	405360
02367	McClatchy Newspapers, Inc.	04/17/2018	EFT	0.00	1,222.08	405361
02027	Mcmaster-Carr Supply Company	04/17/2018	EFT	0.00	413.68	405362
02158	Pacific Storage Company	04/17/2018	EFT	0.00	231.96	405363
03377	RDO Construction Equipment Co.	04/17/2018	EFT	0.00	485.61	405364
02308	River City Staffing, Inc.	04/17/2018	EFT	0.00	1,956.00	405365
03220	Solenis LLP	04/17/2018	EFT	0.00	3,745.17	405366
02504	Starr Consulting	04/17/2018	EFT	0.00	2,320.00	405367
01328	Association of California Water Agencies / Joint Po	04/23/2018	EFT	0.00	7,073.43	405368
	Void	04/23/2018	EFT	0.00	0.00	405369
01232	Brower Mechanical, Inc.	04/23/2018	EFT	0.00	590.00	405370
03488	County of Sacramento	04/23/2018	EFT	0.00	4,252.70	405371
01509	Domenichelli & Associates, Inc.	04/23/2018	EFT	0.00	2,670.00	405372
01589	Eurofins Eaton Analytical, Inc	04/23/2018	EFT	0.00	315.00	405373
01604	Fastenal Company	04/23/2018	EFT	0.00	33.24	405374
01721	Hach Company	04/23/2018	EFT	0.00	202.39	405375
01790	Industrial Safety Supply Corp of California	04/23/2018	EFT	0.00	316.39	405376
02027	Mcmaster-Carr Supply Company	04/23/2018	EFT	0.00	445.91	405377
02710	WageWorks, Inc	04/23/2018	EFT	0.00	86.00	405378

Check Report

Date Range: 04/01/2018 - 04/30/2018

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
03387	WageWorks, Inc	04/23/2018	EFT	0.00	351.15	405379
03573	Architectural Nexus, Inc.	04/30/2018	EFT	0.00	2,000.00	405380
03221	Chemtrade Chemicals Corporation	04/30/2018	EFT	0.00	4,071.32	405381
02027	Mcmaster-Carr Supply Company	04/30/2018	EFT	0.00	304.39	405382
02308	River City Staffing, Inc.	04/30/2018	EFT	0.00	1,912.40	405383
03298	United Rentals (North America), Inc.	04/30/2018	EFT	0.00	242.14	405384
02730	Western Area Power Administration	04/30/2018	EFT	0.00	7,432.00	405385
03077	VALIC	04/06/2018	Bank Draft	0.00	4,586.45	0007416412
03077	VALIC	04/20/2018	Bank Draft	0.00	4,588.37	0007428342
01641	Sun Life Assurance Company of Canada	04/13/2018	Bank Draft	0.00	9,335.01	100425945
01641	Sun Life Assurance Company of Canada	04/13/2018	Bank Draft	0.00	8,964.59	100425945
01641	Sun Life Assurance Company of Canada	04/13/2018	Bank Draft	0.00	9,223.19	100425945
03078	CalPERS Health	04/02/2018	Bank Draft	0.00	-0.19	1001047833
03078	CalPERS Health	04/02/2018	Bank Draft	0.00	37,313.46	1001047833
03078	CalPERS Health	04/02/2018	Bank Draft	0.00	126.00	1001047833
03078	CalPERS Health	04/02/2018	Bank Draft	0.00	246.27	1001047833
03078	CalPERS Health	04/02/2018	Bank Draft	0.00	37,313.46	1001047833
03078	CalPERS Health	04/02/2018	Bank Draft	0.00	36,585.48	1001047833
03130	CalPERS Retirement	04/06/2018	Bank Draft	0.00	31,220.57	1001051788
01366	Citistreet/CalPERS 457	04/06/2018	Bank Draft	0.00	2,788.43	1001051794
03130	CalPERS Retirement	04/20/2018	Bank Draft	0.00	31,751.03	1001060085
01366	Citistreet/CalPERS 457	04/20/2018	Bank Draft	0.00	2,789.01	1001060092
03080	California State Disbursement Unit	04/19/2018	Bank Draft	0.00	750.92	2VE2CIX6659
03080	California State Disbursement Unit	04/05/2018	Bank Draft	0.00	750.92	4QZE1CE6658
03163	Economic Development Department	04/20/2018	Bank Draft	0.00	7,420.41	1-450-043-968
03163	Economic Development Department	04/06/2018	Bank Draft	0.00	7,341.18	0-776-2865-784
01039	American Family Life Assurance Company of Colu	04/19/2018	Bank Draft	0.00	567.84	Q3869 04-19-18
01039	American Family Life Assurance Company of Colu	04/19/2018	Bank Draft	0.00	567.84	Q3869 04-19-18
03164	Internal Revenue Service	04/06/2018	Bank Draft	0.00	44,065.74	2708496425541
03164	Internal Revenue Service	04/20/2018	Bank Draft	0.00	44,171.26	2708510619482

Bank Code APBNK Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	178	117	0.00	3,441,282.31
Manual Checks	0	0	0.00	0.00
Voided Checks	0	14	0.00	-13,585.84
Bank Drafts	23	23	0.00	322,467.24
EFT's	76	52	0.00	120,032.72
	277	206	0.00	3,870,196.43

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	178	117	0.00	3,441,282.31
Manual Checks	0	0	0.00	0.00
Voided Checks	0	14	0.00	-13,585.84
Bank Drafts	23	23	0.00	322,467.24
EFT's	76	52	0.00	120,032.72
	277	206	0.00	3,870,196.43

Fund Summary

Fund	Name	Period	Amount
999	INTERCOMPANY	4/2018	3,870,196.43
			3,870,196.43



San Juan Water District, CA

Vendor History Report

By Vendor Name

Posting Date Range 07/01/2017 - 04/30/2018

Payment Date Range -

Payable Number	Description	Post Date	1099	Payment Number	Payment Date	Amount	Shipping	Tax	Discount	Net	Payment
Item Description	Units	Price	Amount	Account Number	Account Name	Dist Amount					
Vendor Set: 01 - Vendor Set 01											
02556 - Costa, Ted											
Exp Reimb 03-2018	Mileage Reimbursement 3-2018-Various Me	3/28/2018		52599	4/17/2018	492.88	0.00	0.00	0.00	492.88	492.88
Mileage Reimbursement	0.00	0.00	37.06	010-010-52110	Training - Meetings, Education & Trai	37.06	0.00	0.00	0.00	37.06	37.06
				050-210-52110	Training - Meetings, Education & Trai	18.53					
					Training - Meetings, Education & Trai	18.53					
Mileage Reimb 11-2017	ACWA Fall Conference-Mileage Reimburse	11/30/2017		52171	12/18/2017	455.82	0.00	0.00	0.00	455.82	455.82
ACWA Fall Conference-M	0.00	0.00	455.82	010-010-52110	Training - Meetings, Education & Trai	455.82					
				050-010-52110	Training - Meetings, Education & Trai	227.91					
					Training - Meetings, Education & Trai	227.91					
01916 - Miller, Ken											
Exp Reimb 03-2018	Mileage Expense Reimb 3-2018-Various Mee	3/31/2018		52606	4/17/2018	489.92	0.00	0.00	0.00	489.92	489.92
Mileage Expense Reimb 3	0.00	0.00	21.26	010-010-52110	Training - Meetings, Education & Trai	21.26	0.00	0.00	0.00	21.26	21.26
				050-010-52110	Training - Meetings, Education & Trai	10.63					
					Training - Meetings, Education & Trai	10.63					
Mileage Reimb 11-2017	Mileage-ACWA Fall Conferemce	11/30/2017		52153	12/12/2017	468.66	0.00	0.00	0.00	468.66	468.66
Mileage-ACWA Fall Confe	0.00	0.00	468.66	010-010-52110	Training - Meetings, Education & Trai	468.66					
				050-010-52110	Training - Meetings, Education & Trai	234.33					
					Training - Meetings, Education & Trai	234.33					
03092 - Rich, Dan											
Exp Reimb 03-2018	Exp Reimb 03-2018-Mileage RWASymposium	3/29/2018		52568	4/2/2018	101.88	0.00	0.00	0.00	101.88	101.88
Exp Reimb 03-2018-Milea	0.00	0.00	21.80	010-010-52110	Training - Meetings, Education & Trai	21.80	0.00	0.00	0.00	21.80	21.80
				050-010-52110	Training - Meetings, Education & Trai	10.90					
					Training - Meetings, Education & Trai	10.90					
Exp Reimb 04-2018	Mileage Expense Reimbursement 04-2018	4/30/2018		52703	5/8/2018	9.81	0.00	0.00	0.00	9.81	9.81
Mileage Expense Reimbu	0.00	0.00	9.81	010-010-52110	Training - Meetings, Education & Trai	9.81	0.00	0.00	0.00	9.81	9.81
				050-010-52110	Training - Meetings, Education & Trai	4.90					
					Training - Meetings, Education & Trai	4.91					
Exp Reimb 11-2017	ACWA Fall Conference-Uber Expense Reimb	12/4/2017		52240	1/5/2018	70.27	0.00	0.00	0.00	70.27	70.27
ACWA Fall Conference-U	0.00	0.00	70.27	010-010-52110	Training - Meetings, Education & Trai	70.27	0.00	0.00	0.00	70.27	70.27
				050-010-52110	Training - Meetings, Education & Trai	35.14					
					Training - Meetings, Education & Trai	35.13					
02162 - Tobin, Pamela											
Exp Reimb 01-2018	ACWA, RWA,Mtng w/M.Hanneman-Mileage	1/31/2018		405275	2/12/2018	1,330.75	0.00	0.00	0.00	1,330.75	1,330.75
ACWA, RWA,Mtng w/M.H	0.00	0.00	83.12	010-010-52110	Training - Meetings, Education & Trai	83.12	0.00	0.00	0.00	83.12	83.12
				050-010-52110	Training - Meetings, Education & Trai	41.56					
					Training - Meetings, Education & Trai	41.56					
Exp Reimb 02-2018	ACWA Conf & Mtngs- Mileage,Meals&Cab	2/28/2018		405314	3/12/2018	330.82	0.00	0.00	0.00	330.82	330.82
ACWA Conf & Mtngs- Mile	0.00	0.00	330.82	010-010-52110	Training - Meetings, Education & Trai	330.82	0.00	0.00	0.00	330.82	330.82
				050-010-52110	Training - Meetings, Education & Trai	165.41					
					Training - Meetings, Education & Trai	165.41					
Exp Reimb 03-2018	Mileage & Exp Reimb 03-2018-Various Meeti	3/31/2018		405350	4/9/2018	202.58	0.00	0.00	0.00	202.58	202.58

Vendor History Report

Posting Date Range 07/01/2017 - 04/30/2018

Payable Number	Description	Post Date	1099	Payment Number	Payment Date	Amount	Shipping	Tax	Discount	Net	Payment	
Item Description	Units	Price	Amount	Account Number	Account Name	Dist Amount						
Mileage & Exp Reimb 03-	0.00	0.00	202.58	010-010-52110	Training - Meetings, Education & Trai	101.29						
				050-010-52110	Training - Meetings, Education & Trai	101.29						
Exp Reimb 04-2018	Mileage Expense 04-2018-Various Meetings	4/30/2018		405398		5/8/2018	40.33	0.00	0.00	0.00	40.33	
Mileage Expense 04-2018	0.00	0.00	40.33	010-010-52110	Training - Meetings, Education & Trai	20.16						
				050-010-52110	Training - Meetings, Education & Trai	20.17						
Exp Reimb 08-2017	Exp Reimb 08-2017-Lunch w/M. Hanneman	8/31/2017		405072		9/14/2017	55.04	0.00	0.00	0.00	55.04	
Exp Reimb 08-2017-Lunch	0.00	0.00	55.04	010-010-52110	Training - Meetings, Education & Trai	27.52						
				050-010-52110	Training - Meetings, Education & Trai	27.52						
Exp Reimb 09-2017	Mileage&Meal Reimbursement 09-2017	9/30/2017		405125		10/20/2017	100.55	0.00	0.00	0.00	100.55	
Mileage&Meal Reimburs	0.00	0.00	100.55	010-010-52110	Training - Meetings, Education & Trai	50.28						
				050-010-52110	Training - Meetings, Education & Trai	50.27						
Exp Reimb 11-2017	Mileage&ExpenseReimb-ACWA Fall Conferen	11/30/2017		405195		12/12/2017	340.26	0.00	0.00	0.00	340.26	
Mileage&ExpenseReimb-	0.00	0.00	340.26	010-010-52110	Training - Meetings, Education & Trai	170.13						
				050-010-52110	Training - Meetings, Education & Trai	170.13						
Exp Reimb 12-2017	ACWA Fall Conf-Mileage & Parking Reimburs	12/29/2017		405240		1/16/2018	91.26	0.00	0.00	0.00	91.26	
ACWA Fall Conf-Mileage	0.00	0.00	91.26	010-010-52110	Training - Meetings, Education & Trai	45.63						
				050-010-52110	Training - Meetings, Education & Trai	45.63						
Mileage & Parking 07-2017	Mileage&Prkng07-2017-CapitolHearingRubio	7/31/2017		405072		9/14/2017	41.31	0.00	0.00	0.00	41.31	
Mileage&Prkng07-2017-C	0.00	0.00	41.31	010-010-52110	Training - Meetings, Education & Trai	20.66						
				050-010-52110	Training - Meetings, Education & Trai	20.65						
Mileage Reimb 10-2017	Mileage Reimbursement 10-2017	10/30/2017		405144		11/6/2017	45.48	0.00	0.00	0.00	45.48	
Mileage-M. Emerson Mtr	0.00	0.00	45.48	010-010-52110	Training - Meetings, Education & Trai	22.74						
				050-010-52110	Training - Meetings, Education & Trai	22.74						
Vendors: (4)						Total 01 - Vendor Set 01:	2,415.43	0.00	0.00	0.00	2,415.43	2,415.43
Vendors: (4)						Report Total:	2,415.43	0.00	0.00	0.00	2,415.43	2,415.43



Payroll Set: 01-San Juan Water District

<u>Employee Number</u>	<u>Employee Name</u>	<u>Pay Code</u>	<u># of Payments</u>	<u>Units</u>	<u>Pay Amount</u>
0690	Costa,Ted	Reg - Regular Hours	7	50.00	6,250.00
			0690 - Costa Total:	50.00	6,250.00
1028	Hanneman,Martin W	Reg - Regular Hours	6	27.00	3,375.00
			1028 - Hanneman Total:	27.00	3,375.00
0670	Miller,Ken	Reg - Regular Hours	10	54.00	6,750.00
			0670 - Miller Total:	54.00	6,750.00
1003	Rich,Daniel T	Reg - Regular Hours	4	34.00	4,250.00
			1003 - Rich Total:	34.00	4,250.00
0650	Tobin,Pamela	Reg - Regular Hours	10	82.00	10,250.00
			0650 - Tobin Total:	82.00	10,250.00
			Report Total:	247.00	30,875.00



Payroll Set: 01-San Juan Water District

<u>Account</u>	<u>Account Description</u>	<u>Units</u>	<u>Pay Amount</u>
010-010-58110	Director - Stipend	123.50	15,437.50
	010 - WHOLESALE Total:	123.50	15,437.50
050-010-58110	Director - Stipend	123.50	15,437.50
	050 - RETAIL Total:	123.50	15,437.50
	Report Total:	247.00	30,875.00



Payroll Set: 01-San Juan Water District

<u>Pay Code</u>	<u>Description</u>	<u># of Payments</u>	<u>Units</u>	<u>Pay Amount</u>
Reg	Regular Hours	37	247.00	30,875.00
		Report Total:	247.00	30,875.00

2017/18 Actual Deliveries and Revenue - By Wholesale Customer Agency

July 2017 - April 2018								
	Budgeted Deliveries	Budgeted Revenue	Actual Deliveries	Actual Revenue	Delivery Variance		Revenue Variance	
San Juan Retail	9,153.37	2,264,724	8,846.73	\$ 2,233,843	(306.64)	-3.4%	\$ (30,881)	-1.4%
Citrus Heights Water District	8,306.09	\$ 2,270,193	8,840.55	\$ 2,313,560	534.46	6.4%	\$ 43,366	1.9%
Fair Oaks Water District	6,931.02	\$ 1,707,805	4,707.46	\$ 1,527,385	(2,223.56)	-32.1%	\$ (180,420)	-10.6%
Orange Vale Water Co.	3,170.12	\$ 774,610	3,060.29	\$ 765,699	(109.83)	-3.5%	\$ (8,912)	-1.2%
City of Folsom	798.52	\$ 214,843	885.25	\$ 221,880	86.73	10.9%	\$ 7,037	3.3%
Granite Bay Golf Course	214.09	\$ 8,424	215.61	\$ 8,484	1.52	0.7%	\$ 60	0.7%
Sac Suburban Water District	7,500.00	\$ 1,354,986	7,377.90	\$ 1,198,039	(122.10)	-1.6%	\$ (156,947)	-11.6%
TOTAL	36,073.21	\$ 8,595,586	33,933.79	\$ 8,268,890	(2,139.42)	-5.9%	\$ (326,696)	-3.8%

Budgeted Deliveries	36,073.21
Actual Deliveries	33,933.79
Difference	(2,139.42)
	-5.9%

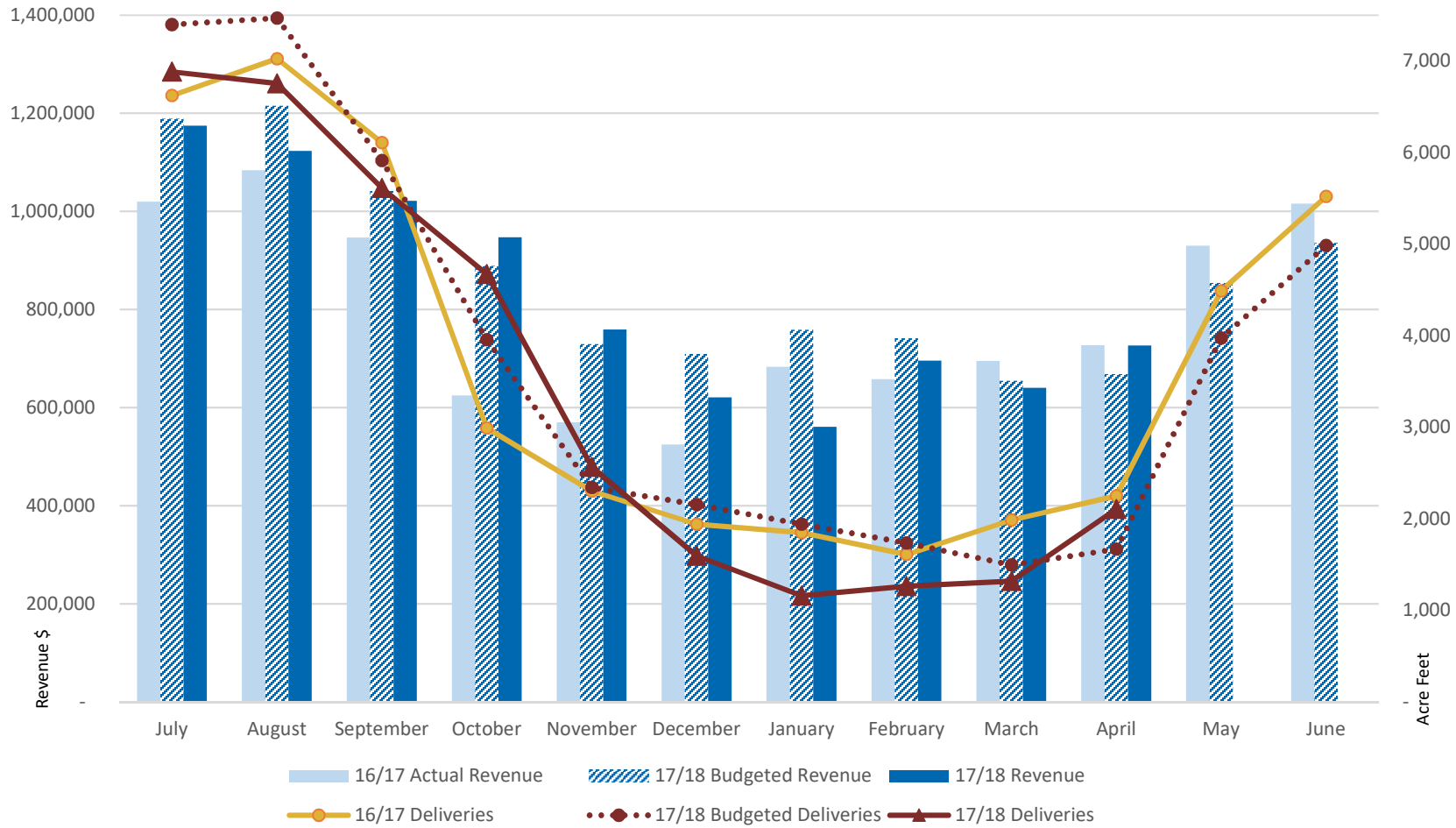
Budgeted Water Sale Revenue	\$8,595,586
Actual Water Sale Revenue	\$8,268,890
Difference	\$ (326,696)
	-3.8%

Conclusion:

April deliveries and revenues were lower than the prior year, but greater than anticipated in the budget. Total deliveries through April improved, but were still below expectations by 2,139 acre feet, or -5.9%, resulting in a revenue shortfall of \$326,696. The variance is due primarily to lower than budgeted deliveries for the Fair Oaks Water District. Due to SSWD's broken pipe, the District did not treat any water for SSWD, which also contributed to less than anticipated revenues. In April, Fair Oaks Water District reverted to their original groundwater vs. surface water schedule and SSWD began taking water again. This should result in continued gains for the remainder of the fiscal year.

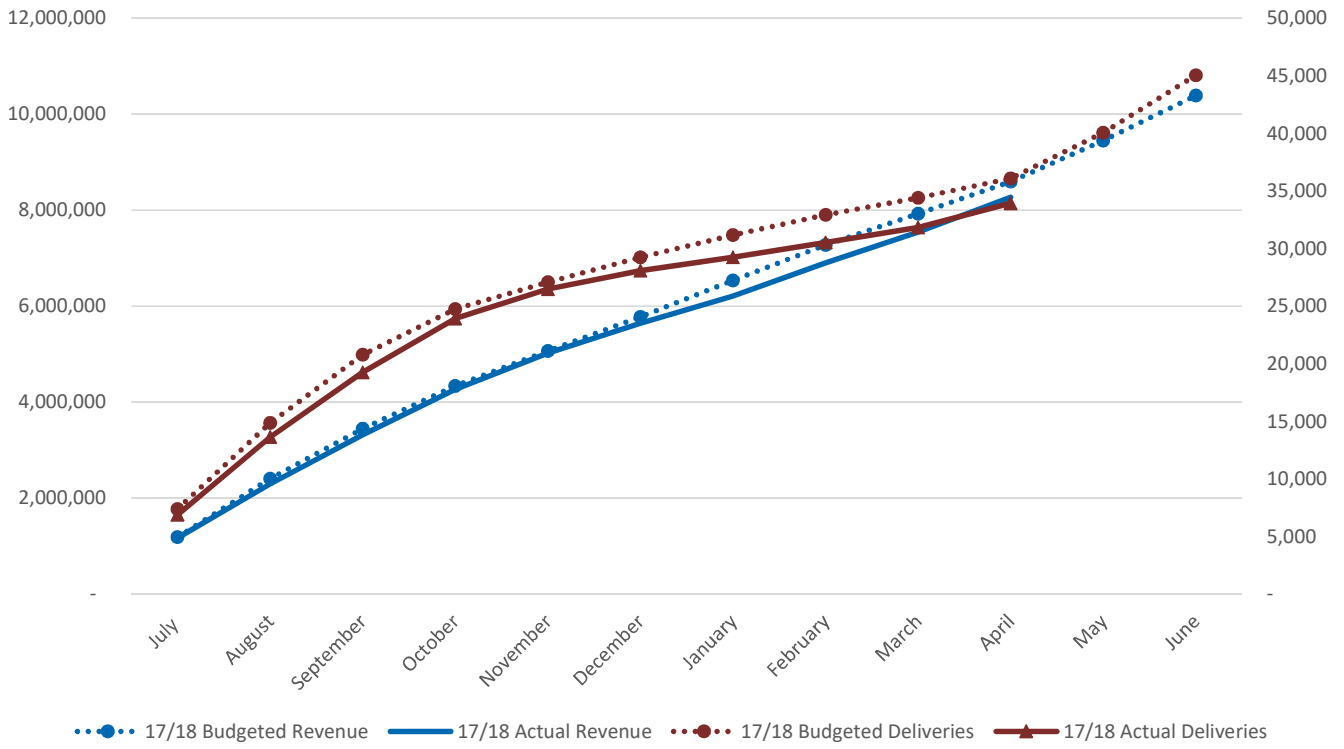
Due to the change in the rate structure, the 5.9% decline in deliveries produces revenues that are 3.8% lower than the budget for the period.

Comparison of Fiscal Year 2016/2017 Actual to 2017/2018 Projections of Deliveries and Revenue



	Deliveries		Revenues	
FY 17-18 Budget	45,030		\$ 10,384,580	
FY 16/17	44,697		\$ 9,477,538	
Difference	333	0.7%	\$ 907,042	10%

Cumulative Water Deliveries and Revenues FY 2017-18



AGENDA ITEM IX-3.1 & 3.2

JPIA MONDAY, MAY 7TH, 2018

Consent calendar for November 2017 approved

Ratify new members October 2017 brought in 10 new members

- 316 liabilities
- 269 property
- 187 workers compensation
- 12 SGA's

South Lake & Chino basin as of July 1st new members.

Tim Quinn policy goals

#1 Promote safe drinking water solutions for DACS

#2 Promote policies on Headwaters/Forest management

#3 leadership on bay delta/flow mgmt. conveyance system

#4 increase GW sustainability & replenishment

#5 Promote water storage investments \$2.7 billion in prop 1 funding

#6 Advance sound energy policy. Greenhouse gas emissions

#7 Promote long term water efficiency

Audit was clean or audit adjustments for year ending sept 30, 2017

Very healthy financial situation with Net \$75,322,674

No unfunded liability

Budget increase to employees 2.5% cost of living

Employee benefits \$1.1M increase of OPEB and medical benefits never budgets for this prior. Due to lowering the CalPERS discount rate.

47% Salaries, 21% benefits, 21% other services (lines 3-18), 3% committee, 8% professional services

The safety award H.R. LaBounty Safety Awards Program 36 award nominations. Revisions to the program to make it better. Focus on occupational and safety program improvements

On line nomination form tiofing@acwaipia.com

Leadership program is a yr old program for employees that are essential for water industry participants. How you manage, communicate, team involvement with strengths and adjustments on how communications happen.

Local Government May 8th, 2018

Adam, Sr Leg Advocate ACWA

SB88 Budget Trailer Bill 2015 and it passed and made the State Water Board the Authority. There weren't policy discussions and passed quickly. Allowed consolidation of smaller water systems to be absorbed by large companies particularly if smaller water systems are failing.

Consolidation is voluntary unless there is disagreement and then the state water board can mandate consolidation. Funding may or may not be rec'd by the state board to accomplish this

2018 5 bills that deal with consolidation in some form:

AB2179 & AB2339 from a city or county transfer their water and city utilities to another entity.

AB2501 adds to state water boards authority to mandate consolidate as well as include wells. This bill removes the ability of a receiving water agency cannot charge ratepayers or anyone else for that consolidation. ACWA is working on a solution. Opposed unless amended

SB1215 similar to AB2501 State to mandate sewer and septic systems. ACWA Watch and a work in progress.

AB 2050 Locally driven by LAFCO on best ways to consolidate (provide safe, clean affordable and accessible water through governance and service delivery solution.

Approx. 329 systems in State of Ca serve contaminated water or cannot provide reliable water service due to unsound infrastructure/operations. Deficiencies include natural and man-made contaminants, failing infrastructure, inefficient use of revenue, inability of system owners to manage and implement complex solution, repair infrastructure or secure external funding and disadvantages communities' ratepayer affordability.

EMWD is co-sponsor of the bill and does 3 things at a county or sub-county entity:

- 1) Establish new type of public water entity "Small System Water Authority" in water code.
 - a. Multiple contiguous/non-contiguous system
 - b. Independent special district
 - c. Appoint elected board
 - d. Enhance internal and external financial capabilities
- 2) Specify process and timeline to equitable dissolve failing systems and form into newly defined public agencies

SB625 Cindy Tuck fill gaps in funding for safe drinking water ACWA wants tax out of the bill and identify alternate funding for the bill. This bill won't be done until the end of the budget bill but this will play out all the way to the end. 1/10th of 1% of general fund funding by the state. Creation of a trust drinking water trust. From budget surplus 725B dollars over 1 or 2 yr will generate 50M in perpetuity to fund this bill.

Heather Engle writing advisory and took kits on outreach Scott Rose from public affairs.
WaterTaxFacts.org it's a resource implementing digital outreach campaign,

Ca water plan financing issue. DWR is doing CA water plan 2018. Current effort focuses on sustainability taking a long view and balanced value of time and money to implement sustainable plan. Less than 100 pages with technical appendices. Issues with pre-drafts to identify to define sustainability. Terms needs to be defined. Near term ramp up using SB623 public goods charge.

SB998 Water shut off issue. Max Gomberg released a two page documents on water service shut off. Umbrella under AB 401 STATE water bd can't do both 401 and 998 together because the public would do the math and figure this cost out. Bill is still moving but it's been heard 3 times and senators want to know how this will work.

Local Gov committee is working on and update to the ACWA policy and guideline Principals on reserves done 2005 with updates on the policy principals on Special District Reserve funds to defend with the Little Hoover

Federal Affairs May 8th

Tim Quinn since January and ACWA had strategic plan updated.

State staff said commission will have 2.7\$ billion on water storage. Still wrestling with big projects support. Overall moving forward on conveyance and storage.

Cindy Tuck talked about the:

- a. State Budget Trailer bill with the proposed tax on water. ACWA is lobby hard to get funding from alternative sources such as some from the state general fund. This issue is moving forward and will be decided by the end of the session August 31st.
- b. The new Agriculture committee had an orientation and will work with the other committees for advocacy.

Austin Ewell, deputy assistant secretary for water and science spoke on behalf of the interior with the intent on:

- a. Improving infrastructure and storage.
- b. Local authority and shareholders & working with the private sector on issues concerning title transfers. The program is proposed to provide for title transfers to non-federal entities, looking at categoric solutions for title transfers.
- c. Strike a regulatory balance. Currently, regulations run from year to year. Zinke wants to streamline the NEPA process as well as EIS to ensure that the time line be 1 yr and with 150 pages with more clarity and certainty. Re-Consultation on the Central Valley Project deliveries on water supplies. Goal is a method to maximize water deliveries.

The Army Corp of Engineers and the Bureau of Reclamation will receive a total of \$1.6 Billion dollars which for the bureau is a \$600 million dollar increase.

They are looking at riders for the EPA too. The EPA is seeking proposal from stakeholders. We want the draft in the ground water recharge left alone because we don't need more EPA regulations. We do a good job of it now.

Positions on the bills for drinking water & energy are S 2634 SRF WIN Act wants money for rural communities. The similar bill is on the house side is HR 4902. These bills puts a whole new process and competes with WIFFIA bill. ACWA is taking an Active Watch position

Water Supply Bill HR 5127 (Napolitano) is water recycling investment and improvement and establishes a grant program for the funding of water recycling and reuse projects. The ACWA has a support position on this bill. S 2563 (Flake) Improves the water supply and drought resilience of the United States. ACWA is a support if amended position.

Bill S 2585 (Donnelly) permanently extends the authority of the Secty of the Army to accept and expend funds from certain entities to process permits. ACWA has a support position. Bill S 2624(Booker) makes

changes to the environmental quality incentives program to prioritize water quality, water quantity, and soil restoration projects in watersheds. ACWA takes a support position.

Bill HR 5487 Modifies the regional conservation partnership program to include groundwater replenishment projects. It also makes it easier for aggregated projects from multiple eligible partners to apply for funding. ACWA has a support position.

Bill HR 4892 (Fudge) Directs the Secty of Agriculture to encourage source water protection projects in the Conservation Reserve Program and Environmental Quality Incentives Program. It promotes collaboration with water utilities and provides increased incentives for projects that result in benefits outside the land where the project is implemented. ACWA has a support position.

The WORDA infrastructure bill is moving along. It's a larger bill doesn't exist. There was a chart in the packet that address money for storage & recycling.

ESA coalition proposed rules for the OMB (Office of Management & Budget).

The farm/forestry/conservation bill will have a management provisions. Should help to solve the fire borrowing problem with the water shed alliance and develop a set of principles and want it to emulate that in the State. Sen Ryan's office in D.C. has been working both sides of the isles in congress working on the headwater management issues.

The Western coalition of Arid states are working on groundwater issues at the June summer Conference in Utah.

ACWA Region 4 Issue Forum

Folsom Dam: The Workhorse of the CVP

Acwa Region 4 hosted a program on Wednesday, May 9th at the Regency A room at the Hyatt Regency from 10:00am-11:30am. The program was very well attended and it focused on the Folsom Dam. The Folsom Dam Project on the American River in CA is a key unit of the CVP. The CVP network includes dams, reservoirs, canals, powerplants and pumping plants. Operations are crucial for management of the Delta, the Sacramento River, and the Lower American River for water quality, fisheries, water supplies, and flood management.

Moderator, Dan York, General Manager, Sacramento Suburban Water District

Panelists:

Jeff Rieker, Ph. D., P.E., Operations Manager, U.S. Dept of the Interior Bureau of Reclamation

Tom Gohring, Executive Director, Sacramento Water Forum

Richard Johnson, Executive Director, Sacramento Area Flood Control Agency.

**Engineering Committee Meeting Minutes
San Juan Water District
May 15, 2018
4:00 p.m.**

Committee Members: Ken Miller, Chair (Alternate Member)
Ted Costa, Director

District Staff: Paul Helliker, General Manager
Tony Barela, Operations Manager
George Machado, Field Services Manager
Rob Watson, Engineering Services Manager
Andrew Pierson, Associate Engineer
Teri Grant, Board Secretary/Administrative Assistant

Topics: Douglas Main Replacement Public Outreach and Traffic Planning Update (R)
GIS Needs Assessment and Implementation Plan Update (W & R)
On-Call Engineering Support Contracts (W & R)
Proposed PUE and Road IOD Abandonment for The Park at Granite Bay
Development Project (R)
Other Engineering Matters
Public Comment

1. Douglas Main Replacement Public Outreach and Traffic Planning Update (R)

Mr. Watson provided the committee with a printout of the draft flyer which will be used for public outreach regarding the Douglas Main Replacement project. He explained that the flyer will be delivered to the Granite Bay MAC, chamber of commerce and businesses in the area. In addition, public outreach messaging will be included in the WaterGram and on the District's website. Staff is working with Placer County regarding the project and there will be traffic signs placed appropriately near the construction area. Mr. Helliker suggested that staff look into lighted display signs. There will be a dedicated phone line for customers to receive weekly updates on the project. A staff report was provided to the committee which will be attached to the meeting minutes.

Mr. Pierson conducted a brief presentation to the committee. He explained that the agreement with the contractor was signed on May 11th and on May 15th the contractor was given the notice to proceed. He anticipates the pre-construction meeting to take place next week where a project schedule should be provided to the District. Mr. Pierson estimates that phase one of the project should take 4-5 weeks to complete with traffic being affected 1-2 weeks during that time. In addition, all four phases of the project should be completed by the end of December.

Director Miller expressed concern regarding the impacts to traffic at the intersection and suggested that all measures be taken to assure the least impact on traffic and provide safety to the workers. In addition, he suggested that staff contact the owners of the businesses in the area and not rely on their staff to pass a message along. In response to Director Costa's comment regarding re-pavement of roadways, Mr.

Watson informed the committee that compaction testing is completed for all projects. Mr. Pierson informed the committee that he will bring up the committee's concerns at the pre-construction meeting next week.

For information only; no action requested.

2. GIS Needs Assessment and Implementation Plan Update (W & R)

Mr. Watson provided an update to the committee regarding the GIS needs assessment and implementation. He explained that the implementation plan was complete and he expects requests for proposals to go out soon. Once the proposals are received then staff's recommendation will be brought back to the committee for review prior to the Board's approval.

Mr. Watson informed the Board that there will be an impact on staff resources in order to complete the GIS implementation. He explained that the project cost is proposed in the FY 2018-19 budget for approximately \$300,000 with an annual maintenance cost of approximately \$50-60,000. In response to Director Costa's question, Mr. Barela informed the committee that the Ersi GIS system that the District is considering will be compatible with the GIS system that Sacramento Suburban Water District currently uses.

For information only; no action requested.

3. On-Call Engineering Support Contracts (W & R)

Mr. Watson provided the committee with a written staff report which will be attached to the meeting minutes. He explained that the engineering workload fluctuates and having the ability to rapidly deploy on-call consulting engineering support during times of high workload volume will benefit the District by ensuring workflow remains on schedule.

Mr. Helliker explained that the \$50,000 per agreement amount is within his spending authority; however, he wanted to make sure that the committee and Board understood the reason for having four separate consulting firms for engineering support. Mr. Watson informed the committee that the four firms will provide expertise in different and overlapping areas and will provide the District with resources when requested. The committee discussed staff's recommendation and agree that this is in the best interest of the District.

For information only; no action requested.

4. Proposed PUE and Road IOD Abandonment for The Park at Granite Bay Development Project (R)

Mr. Watson provided the committee with a written staff report which will be attached to the meeting minutes. Director Costa requested to abstain from the discussion since there may be a potential conflict of interest with the applicant, Wood Rodgers, and himself regarding some work that he may have the applicant perform for him. Mr. Watson explained that the developers for the proposed subdivision called The

Park at Granite Bay is requesting to abandon existing easements and then create new easements with the filing of that subdivisions' Final Map.

Staff recommends approval of this proposed abandonment, which would essentially be an easement relocation upon improvement plan approval and the filing of the final map, contingent upon the addition of the District's requested waterline easement. Director Miller agrees with staff regarding the request and recommends that the Board authorize the request.

The Engineering Committee recommends authorizing Staff to approve and accept a request for abandonment of the Irrevocable Offer of Dedication (IOD) for Roadways and Public Utilities Easements (PUE) on 32 Parcel Map 156.

5. Other Engineering Matters

Director Costa suggested that staff begin some of the safety work that was identified in the facilities assessment report, such as fixing the handrail and relocating the electrical outlet near the sink. In addition, he recommends that the District get a second opinion on some of the items identified in the report. Mr. Barela informed the committee that some of the safety items will be addressed and are planned for in the FY 2018-19 budget. Mr. Helliker commented that the pre-design study to be performed in FY 2018-19 will constitute a second opinion.

Mr. Watson provided a visual demonstration of the rusting straps on the saddle taps which are part of the services replacement project – some of the parts date back to the 1960s.

6. Public Comment

There were no public comments.

The meeting was adjourned at 4:53 p.m.

**Finance Committee Meeting Minutes
San Juan Water District
May 25, 2018
1:30 p.m.**

Committee Members: Ken Miller, Director (Chair)
Marty Hanneman, President

District Staff: Tony Barela, Operation Manager
April Naatz, Finance & Administrative Services Analyst
Teri Grant, Board Secretary/Administrative Assistant

Topics: Review General Manager Reimbursements (W & R)
Review Check Register from April 2018 (W & R)
Other Finance Matters
Public Comment

- 1. Review General Manager Reimbursements (W & R)**
The committee reviewed the General Manager's reimbursements and approved them for payment.
- 2. Review Check Register from April 2018 (W & R)**
The committee reviewed the April 2018 check register from the May 24th Board meeting packet and found it to be in order.
- 3. Other Finance Matters (W & R)**
There were no other matters discussed.
- 4. Public Comment**
There were no public comments.

The meeting was adjourned at 1:40 p.m.