

**SAN JUAN WATER DISTRICT
BOARD MEETING AGENDA
June 24, 2020
6:00 p.m.
9935 Auburn Folsom Road
Granite Bay, CA 95746**

This Board meeting will be conducted both in-person at the District's Boardroom at the address above, and via videoconference. Due to State guidelines on physical distancing in public gatherings, the Boardroom can accommodate a maximum of 10 members of the public. The District recommends that members of the public participate in Board meetings via videoconference per the instructions below. Persons who do plan to attend the meeting in person are urged to contact the Board Secretary prior to the meeting, to ensure that there will be adequate space available in the Boardroom for them to attend. The contact information for the Board Secretary is:

**Teri Grant
(916) 791-6905
tgrant@sjwd.org**

For members of the public interested in viewing and having the ability to comment at the public meeting via GoToMeeting, an internet enabled computer equipped with a microphone and speaker or a mobile device with a data plan is required. Use of a webcam is optional. You also may call in to the meeting using teleconference without video. Please use the following login information for videoconferencing or teleconferencing:

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*****Important Notice: The public conference lines will be terminated when the Board adjourns into closed session. Members of the public who would like to receive the report out from closed session and time of adjournment from closed session into open session and adjournment of the meeting should provide their name and an email address to the District's Board Secretary, Teri Grant, at: tgrant@sjwd.org, before or during the meeting. No other business will be conducted after the Board adjourns from closed session into open session. The Secretary will email the written report to all persons timely requesting this information promptly after the meeting.**

The public is invited to listen, observe, and provide comments during the meeting by any of the methods described above. The Board President will call for public comment on each agenda at the appropriate time and all votes will be taken by roll call.

The Board may take action on any item on the agenda, including items listed on the agenda as information items. The Board may add an item to the agenda (1) upon a determination by at least three Board members that an emergency situation exists, or (2) upon a determination by at least four Board members (or by three Board members if there are only three Board members present) that the need to take action became apparent after the agenda was posted.

The public may address the Board concerning an agenda item either before or during the Board's consideration of that agenda item. Public comment on items within the jurisdiction of the Board is welcome, subject to reasonable time limitations for each speaker. Upon request, agenda items may be moved up to accommodate those in attendance wishing to address that item. Please inform the General Manager.

Documents and materials that are related to an open session agenda item that are provided to the District Board less than 72 hours prior to a regular meeting will be made available for public inspection and copying at the District office during normal District business hours.

If you are an individual with a disability and need assistance or accommodation to participate in this Board meeting, please call Teri Grant, Board Secretary, at 916-791-0115, or email Ms. Grant at tgrant@sjwd.org.

Please silence cell phones and refrain from side conversations during the meeting.

I. ROLL CALL

II. PRESENTATION

Poster Contest Winners – President Ted Costa

III. PUBLIC FORUM

During the Public Forum, the Board may briefly respond to statements made or questions posed by the public, or ask District staff for clarification, refer the matter to District staff or ask District staff to report back at a future meeting. The Board will not take action on any matter raised during the Public Forum, unless the Board first makes the determinations to add the matter to the agenda.

IV. CONSENT CALENDAR

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

1. Minutes of the Board of Directors Meeting, May 27, 2020 (W & R)
Recommendation: Approve draft minutes
2. Minutes of the Board of Directors Special Meeting, June 10, 2020 (W & R)
Recommendation: Approve draft minutes
3. Water Treatment Plant On-Site Residual Management Improvements Project (W)
Recommendation: Approval of Amendment No. 2 to HydroScience Engineers, Inc. for engineering services during construction related to the Water Treatment Plant On-Site Residual Management Improvements (aka WTP Residual Area Stormwater Lift Station Project)
4. Annual Paving Services Contract (R)
Recommendation: Authorization and approval to award the Annual Paving Services agreement for FY 2020/2021 to Sierra National Asphalt
5. Annual Installation Services Contract (R)
Recommendation: Authorization and approval to award the Annual Installation Services agreement for FY 2020/2021 to Flowline Contractors Inc.

V. PUBLIC HEARING

1. FY 2020-21 Wholesale and Retail Budget (W & R)
Action: Consider motion to adopt Resolution No. 20-07 adopting the FY 2020-2021 Budget

VI. OLD BUSINESS

1. Revised Schedule of Rate, Fees, Charges and Deposits (W & R)

Action: **Consider a motion to modify the disconnection fees, create a reconnection fee, add vehicle and equipment use fees, a general late fee and incorporate the Penalties and Interest for Delinquent Water Charges under San Juan Water District's Wholesale Water Supply Agreements into SJWD's Schedule of Rates, Fees, Charges and Deposits**

2. RWA Board Representatives (W & R)
Discussion and potential Board action

VII. NEW BUSINESS

1. State of the System – Retail (R)

Presentation

2. Water Loss Control Regulations (R)

Discussion

3. One year extension of Agreement for Federal Lobbying Services with The Ferguson Group (W & R)

Action: **Authorize the General Manager to sign Amendment No. 3 to the District's General Services Agreement with The Ferguson Group (TFG) for federal lobbying services**

Action: **Authorize the General Manager to sign Amendment No. 3 to the District's Agreement with the City of Folsom (City) whereby Folsom pays 50% of the District's costs of the Agreement with TFG**

VIII. INFORMATION ITEMS

1. General Manager's Report
 - 1.1 General Manager's Monthly Report (W & R)
Staff Report on District Operations
 - 1.2 Miscellaneous District Issues and Correspondence
2. Director of Finance's Report
 - 2.1 Miscellaneous District Issues and Correspondence
3. Operation Manager's Report
 - 3.1 Miscellaneous District Issues and Correspondence
4. Engineering Services Manager's Report
 - 4.1 Miscellaneous District Issues and Correspondence
5. Legal Counsel's Report
 - 5.1 Legal Matters

IX. DIRECTORS' REPORTS

1. SGA
2. RWA

3. ACWA
 - 3.1 ACWA – Pam Tobin
 - 3.2 JPIA – Pam Tobin
 - 3.3 Energy Committee – Ted Costa
4. CVP Water Association
5. Other Reports, Correspondence, Comments, Ideas and Suggestions

X. COMMITTEE MEETINGS

1. Personnel Committee – June 12, 2020
2. Engineering Committee – June 16, 2020
3. Finance Committee – June 23, 2020

XI. UPCOMING EVENTS

1. 2020 ACWA Summer Conference (virtual)
July 28-31, 2020
Monterey, CA
2. 2020 Cap To Cap – Metro Chamber
September 8-12, 2020
Washington DC

President Costa to call for Closed Session

XII. CLOSED SESSION

1. Public employee performance evaluation involving the General Manager; Government Code sections 54954.5(e) and 54957.

XIII. OPEN SESSION

1. Report from Closed Session

XIV. ADJOURN

UPCOMING MEETING DATES

July 8, 2020
July 22, 2020

I declare under penalty of perjury that the foregoing agenda for the June 24, 2020 regular meeting of the Board of Directors of San Juan Water District was posted by June 19, 2020, on the outdoor bulletin boards at the District Office Building, 9935 Auburn Folsom Road, Granite Bay, California, and was freely accessible to the public.

Teri Grant, Board Secretary

SAN JUAN WATER DISTRICT

Board of Director's Board Meeting Minutes
May 27, 2020 – 6:00 p.m.

Conducted via Teleconference

BOARD OF DIRECTORS

Ted Costa	President
Pam Tobin	Vice President
Marty Hanneman	Director
Ken Miller	Director
Dan Rich	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
Adam Larsen	Field Services Manager
Andrew Pierson	Engineering Services Manager
Greg Zlotnick	Water Resources Manager
Teri Grant	Board Secretary/Administrative Assistant

OTHER ATTENDEES

Alan Driscoll	Forsgren Associates Inc.
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AGENDA ITEMS

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

President Costa 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 via teleconference: Ted Costa, Marty Hanneman, Ken Miller, Dan Rich and Pam Tobin.

II. PUBLIC FORUM

There were no public comments.

III. 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 Meeting, April 22, 2020 (W & R)**
Recommendation: Approve draft minutes
2. **Minutes of the Board of Directors Special Meeting, May 13, 2020 (W & R)**
Recommendation: Approve draft minutes
3. **Treasurers Report - Quarter Ending March 31, 2019 (W & R)**
Recommendation: Receive & File
4. **Hinkle Reservoir Outage Temporary Tank Project (W)**
Recommendation: Award a construction contract to CST Industries, Inc., for the construction of the Hinkle Reservoir Outage Temporary Tank Project
5. **Hinkle Reservoir Outage Temporary Tank Civil Site Improvements Project (W)**
Recommendation: Award a construction contract to A-1 Construction General Engineering, Inc, for the construction of the Hinkle Reservoir Outage Temporary Tank Civil Site Improvements Project

Director Hanneman moved to approve Consent Calendar. Vice President Tobin seconded the motion and it carried with the following roll call vote:

Ayes: Directors Costa, Hanneman, Miller, Rich, and Tobin
Noes: None
Absent: None

IV. OLD BUSINESS

1. **Collaboration/Integration Project (W & R)**
GM Helliker conducted a brief presentation on the Collaboration/Integration Project and a copy of the presentation will be attached to the meeting minutes. He reviewed the study timeline, project purpose, work activity schedule, and cost allocation. He informed the Board that the representatives for Citrus Heights Water District submitted a list of questions and a meeting to discuss those questions is scheduled for May 29, 2020.

The Board discussed the study and timeline, and would like the consultant to attend the June meeting.

V. NEW BUSINESS

1. Calling for General District Election on November 3, 2020 (W & R)

GM Helliker informed the Board that the District's elections occur in Sacramento and Placer counties.

Director Hanneman moved to adopt Resolution No. 20-05 Calling for General District Election (Sacramento County). Vice President Tobin seconded the motion and it carried with the following roll call vote:

Ayes: Directors Costa, Hanneman, Miller, Rich, and Tobin

Noes: None

Absent: None

Director Miller moved to adopt Resolution No. 20-06 Notice of Governing Board Member Election (Placer County). Director Hanneman seconded the motion and it carried with the following roll call vote:

Ayes: Directors Costa, Hanneman, Miller, Rich, and Tobin

Noes: None

Absent: None

VI. BUDGET WORKSHOP

1. Review FY 2020-21 Draft Wholesale and Retail Budget (W & R)

Ms. Silva conducted a presentation on the FY 2020-21 Draft Wholesale and Retail Budget and a copy of the presentation will be attached to the meeting minutes.

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, has \$25.6 million budgeted in revenue and \$32.8 million in expenses.

Ms. Silva reviewed the Wholesale revenue and expense assumptions, and the Wholesale Operating Budget based on those assumptions. In addition, she reviewed the Wholesale Water Deliveries and Revenues, the Wholesale Salaries and Benefits, and the Wholesale Operating Projects. She reported that the Wholesale Operating budget allows for a transfer out to Wholesale Capital of \$641,500.

Ms. Silva reviewed the Wholesale Capital budget and explained that the Wholesale Capital revenue is budgeted at \$1.5 million and planned projects are estimated in the budget at \$6.4 million. She explained that a new section was

added to the budget which provides more information on the Wholesale Capital projects for next year.

Ms. Silva reported that the Wholesale reserves are estimated to be \$13.4 million at the end of the budget year.

Ms. Silva explained that the Retail assumptions are the same as Wholesale with Retail Water Deliveries expecting a 10% decline due to Covid-19. In addition, she noted that late fees will resume in August but that is a minimal impact on the budget. In response to questions from the May 26th Finance Committee meeting, she explained that there are 230 customer accounts that are delinquent for a total of \$33,540.

Ms. Silva reviewed the Retail Operating Budget, and reported that approximately \$594,800 will be transferred to Retail Capital reserves. The Retail Operating reserves are estimated to end the fiscal year in accordance with the reserve policy.

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 \$3.1 million.

Ms. Silva reported that the Retail reserves are estimated to be \$5.7 million at the end of the budget year.

Ms. Silva informed the Board that she will modify the budget based on any feedback that she receives from this workshop. In addition, the Operations Plan information will be inserted into the budget document along with CalPERS required compensation schedules. She informed the Board that the public hearing on the budget is scheduled for June 24th and the Board will consider adoption of the budget at that time.

VII. INFORMATION ITEMS

1. GENERAL MANAGER'S REPORT

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

GM Helliker provided the Board with a written report for April which will be attached to the meeting minutes.

1.2 Miscellaneous District Issues and Correspondence

GM Helliker reported that Folsom Reservoir storage is about 75% full and 96% of average. Folsom storage level is just about at its peak. He reported that precipitation is 31 inches and snowpack is at 13% of average for the year. In addition, he reported that there is still a below normal probability for precipitation for the next three months, with the temperature forecast above normal.

GM Helliker reported that he and Mr. Zlotnick have been communicating with Sacramento Suburban Water District regarding providing water to them at a lower price than what they are paying currently.

GM Helliker reported that the region is still working on the biological opinions. In addition, he stated that he is concerned with the water loss regulations being developed by the State Water Board since the proposed reduction for the District will be approximately 80% by 2028.

GM Helliker reported that the RWA strategic planning workshops are scheduled for June 19th and 26th. He also informed the Board that the first hearing on the division-based elections for the District is scheduled for June 10th. The Board discussed the feasibility of in person meetings at this time. GM Helliker explained that staff is working on obtaining cameras for the boardroom and he will figure out the best option for the public hearings at this time.

Mr. Greg Zlotnick provided an update on federal legislation regarding a section 219 environmental infrastructure account through the Corps of Engineers in our area. He explained that the region has been lobbying to get that changed to have its authority expanded to all of Sacramento County, instead of just our service area and Folsom service area, and to get an additional \$10 million of authorization for that account. He informed the Board that those modifications have been included in the Corps of Engineers' annual report to Congress which provides a list of accounts and projects that meet their guidelines for authority modification.

2. DIRECTOR OF FINANCE'S REPORT

2.1 Miscellaneous District Issues and Correspondence

No report.

3. OPERATION MANAGER'S REPORT

3.1 Miscellaneous District Issues and Correspondence

No report.

4. ENGINEERING SERVICES MANAGER'S REPORT

4.1 Miscellaneous District Issues and Correspondence

No report.

5. LEGAL COUNSEL'S REPORT

5.1 Legal Matters

No report.

VIII. DIRECTORS' REPORTS

1. SGA

No report.

2. RWA

Director Hanneman provided a written report which will be attached to the meeting minutes.

3. ACWA

3.1 ACWA - Pam Tobin

Vice President Tobin provided a written report which will be attached to the meeting minutes.

3.2 JPIA - Pam Tobin

Vice President Tobin reported that JPIA will meet May 28, 2020, for the Workers Compensation Program, and the JPIA Board will meet in early June.

3.3 Energy Committee - Ted Costa

No report.

4. CVP WATER ASSOCIATION

No report.

5. OTHER REPORTS, CORRESPONDENCE, COMMENTS, IDEAS AND SUGGESTIONS

Director Miller asked about the size of the Kokila Reservoir and suggest that the temporary tanks be considered for use there, if feasible. Mr. Barela informed the Board that the Kokila Reservoir holds approximately 4.56 million gallons of water.

President Costa suggested that the Board consider matching funds on the candidate statements for elections.

IX. COMMITTEE MEETINGS

1. Engineering Committee – May 20, 2020

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

2. Finance Committee – April 21, 2020

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

X. UPCOMING EVENTS

1. **2020 ACWA Summer Conference (Virtual)**
July 28-31, 2020
2. **2020 Cap To Cap – Metro Chamber**
September 8-12, 2020
Washington DC

XI. ADJOURN

The meeting was adjourned at 7:32 p.m.

ATTEST:

EDWARD J. "TED" COSTA, President
Board of Directors
San Juan Water District

TERI GRANT, Board Secretary

SAN JUAN WATER DISTRICT

Board of Director's Special Board Meeting Minutes

June 10, 2020 – 6:00 p.m.

Conducted via Teleconference

BOARD OF DIRECTORS

Ted Costa	President
Pam Tobin	Vice President
Marty Hanneman	Director
Ken Miller	Director
Dan Rich	Director

SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF

Paul Helliker	General Manager
Donna Silva	Director of Finance
Tony Barela	Operations Manager
Adam Larsen	Field Services Manager
Greg Zlotnick	Water Resources Manager
Teri Grant	Board Secretary/Administrative Assistant
Jennifer Buckman	Legal Counsel

OTHER ATTENDEES

Ray Riehle	Citrus Heights Water District
Mike McRae	Fair Oaks Water District
Michael Nisenboym	Fair Oaks Water District
Nadine Reid	Fair Oaks Water District
Kendall Flint	
Suzanne Jones	
Dana McCargo	
Evan McLaughlin	

AGENDA ITEMS

- I. Roll Call**
- II. Public Hearing**
- III. Adjourn**

President Costa 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 via teleconference: Ted Costa, Marty Hanneman, Ken Miller, Dan Rich and Pam Tobin.

II. PUBLIC HEARING

1. Transition to Division-Based Elections (W & R)

GM Helliker and General Counsel Buckman conducted a presentation on the Transition to Division-Based Elections. A copy of the presentation will be attached to the meeting minutes.

GM Helliker reviewed the SJWD service area and the process to date. Ms. Buckman reviewed the electoral process and information on mapping the divisions. She reviewed the rules and other factors to take into consideration in drawing the divisions. GM Helliker reviewed the demographic summary and maps based on the 2010 Census figures. He informed the Board that the maps will be placed on the website and reviewed the next steps.

President Costa opened the Public Hearing at 6:12 pm. The Board Secretary confirmed that this item was duly posted and published with no written or oral comments received prior to the public hearing.

Nadine Reid, Fair Oaks Water District, addressed the Board provided support of the process. Mike McRae, Fair Oaks Water District, addressed the Board and voiced concern regarding conflict of interest of four Board members in the retail service area. Suzanne Jones addressed the Board and suggested that the Board be made into a 7-member board if legally possible.

President Costa closed the Public Hearing at 6:23 p.m.

Director Miller voiced concern regarding transitioning to by-division elections as he feels that at-large elections are more equitable than by-division and does not believe there is conflict of interest since they govern as a board over the entire area.

III. ADJOURN

Director Hanneman moved to adjourn the meeting. Vice President Tobin seconded the motion and it carried with the following roll call vote:

Ayes: Directors Costa, Hanneman, Miller, Rich and Tobin
Noes: None
Absent: None

The meeting was adjourned at 6:27 p.m.

ATTEST:

EDWARD J. "TED" COSTA, President
Board of Directors
San Juan Water District

TERI GRANT, Board Secretary

The meeting minute attachments are located under Meeting Minutes – *Draft* on the webpage.

STAFF REPORT

To: Board of Directors
 From: Tony Barela, Operations Manager
 Date: June 24, 2020
 Subject: WTP On-Site Residuals Management Improvement Project - Amendment No. 2

RECOMMENDED ACTION

Staff requests a recommendation from the Committee for a Board motion to approve Amendment No. 2 to HydroScience Engineers, Inc. for engineering services during construction related to the Water Treatment Plant On-Site Residual Management Improvements (AKA WTP Residual Area Stormwater Lift Station Project) in the amount of \$47,370 and authorizing a total contract budget of \$150,420 (includes 5% contingency). The staff recommendation was reviewed by the Engineering Committee, which recommends approval by the Board of Directors.

BACKGROUND

In August, 2018 the District advertised for engineering services to evaluate the District WTP solids handling practices compared to current regulatory compliance requirements. Two proposals were received during the competitive RFP process and HydroScience Engineers, Inc. was selected to complete the study and then, through Amendment #1, to provide the design services for a stormwater lift station and civil site improvements. The design was completed in March, 2020. The proposed project will collect runoff from the site and direct the water to a lift station which will discharge to the Backwash EQ Basin which returns water back the treatment process.

Amendment No. 2 is for engineering service during bidding and construction which will include the following:

- Submittal Review
- Change Order and RFI Review
- Specialty Inspection
- Record Drawings

FINANCIAL CONSIDERATIONS

This project is included in the FY20/21 Budget. Project costs are 100% Wholesale.

STAFF REPORT

To: Board of Directors

From: Adam Larsen, Field Services Manager

Date: June 24, 2020

Subject: Authorization and approval of the Annual Paving Services contract FY2020/21

RECOMMENDED ACTION

Authorization and approval to award the Annual Paving Services Contract for FY2020/21 to Sierra National Asphalt (SNA) in the amount of \$128,250.

BACKGROUND

The District distributed an invitation to bid for Annual Paving Services work for FY2020/21. The District received five responsive bids and Sierra National Asphalt was the lowest bidder.

Bidder Name	Cost per SQFT	Total SQFT 9,000	%
Sierra National Asphalt Inc.	\$14.25	\$128,250	-
Simpson & Simpson Inc.	\$18.00	\$162,000	26%
Biondi Paving	\$20.30	\$182,700	42%
Central Valley Engineering Asphalt	\$20.50	\$184,500	44%
Martin Brothers Construction	\$40.50	\$364,500	184%

The initial contract duration is for FY2020/21, with two optional one-year renewals. Sierra National Asphalt’s contract performance and work will be evaluated for renewal, each year, any increases proposed will be reviewed for SNA’s quality of work and PPI–Index table PCU3241103241109 (Asphalt).

SNA’s contract price of \$14.25 / SQFT will remain in place for FY2020/21.

FINANCIAL CONSIDERATIONS

Staff is recommending the Board to approve the Paving Services contract with Sierra National Asphalt Inc. the lowest responsive, responsible bidder in the amount of \$128,250, valid thru June 30, 2021.

STAFF REPORT

To: Board of Directors
 From: Adam Larsen, Field Services Manager
 Date: June 24, 2020
 Subject: Authorization and approval of the Annual Installation Services contract for FY 2020/21

RECOMMENDED ACTION

Authorization and approval to award the Annual Installation Services agreement for FY 2020/21 to Flowline Contractors Inc. in the amount of \$297,538.

BACKGROUND

The District distributed an Invitation to bid for installation services supporting FY 2020/21. The bid includes various installation efforts that supplement the work performed by the District's field services staff and other work as needed. The District received 5 responsive bids and Flowline Contractors Inc. was the lowest bidder.

Bidder	Bid Total	Difference
Flowline Contractors	\$ 297,538	-
Rawles Engineering	\$ 323,046	8.6%
GM Construction	\$ 407,645	37.0%
Teichert Construction	\$ 457,500	53.8%
Soracco Incorporated	\$ 785,816	164.1%

The initial Contract duration is for FY 2020/21, with three optional one-year renewals. Vendor will be evaluated to the contract requirements and quality of work for annual renewals; at that time the District will assess any vendor price increases. Flowline Contractors Inc. work experience includes mainline and service line replacements for San Juan Water District, Carmichael Water District, Foresthill Public Utility District, and Sacramento Suburban Water District; much of this work included service replacements. Flowline Contractors Inc. has been proven responsive and responsible vendor for these Districts.

FINANCIAL CONSIDERATIONS

Staff is recommending the Board to approve the installation Services agreement to Flowline Contractors Inc., the lowest bidder in the amount of \$297,538. Flowline Contractors bid is 8.6% lower than the next closest bidder, and the new pricing will represent a cost savings of 2.8% over the current pricing.

STAFF REPORT

To: Board of Directors

From: Donna Silva, Finance Director
Paul Helliker, General Manager

Date: June 24, 2020

Subject: Fiscal Year 2020-2021 Budget Adoption

RECOMMENDED ACTION

Conduct the legally required public hearing for budget adoption then approve Resolution 20-07 adopting the San Juan Water District Budget, Fiscal Year 2020-2021.

BACKGROUND

The San Juan Water District prepares and adopts annual budgets for its Wholesale and Retail operations and capital programs. Best practices require budget adoption prior to the start of the fiscal year (July 1st), but the District is required by law to adopt a budget prior to September 1st of each year.

The Budget was previously discussed at a workshop on May 27, 2020. Since that time changes have been made to the proposed budget as follows:

Wholesale Operations:

Subsequent to the budget workshop, the Executive office decided to restart work on conserved water transfers. The General Manager is requesting \$20,000 be added to the budget for professional services in connection with preparing for future conserved water transfers.

Wholesale Capital:

Delivery of the replacement Sludge Feed Pump has been delayed past June 30th due to an incorrect part noted by the vendor. Total cost of \$13,000 has been removed from the FY 2019-20 estimate and added to the FY 2020-21 proposed budget.

The FY 2019-20 budget included \$11,500 for two Chicken Switch Actuators and 1 remote operator for the switches. A chicken switch and remote operator allows a staff member to turn electricity off to an electric panel from a remote location, reducing the risk of life threatening electric shock. The vendor has advised that one of the chicken switches will not be able to be delivered by June 30th. Staff requests moving \$4,000 from the FY 2019-20 estimate to the FY 2020-21 proposed budget.

Retail Operations:

State law requires the District to test all meters over 3 inches in diameter on a one to three year rotation, depending upon meter usage. The budget presented at the workshop included \$4,000 in Materials and Supplies. Due to the specific needs for FY 2020-21 this amount needs to be \$6,000 and should be in the Service Area

Maintenance category, not Materials and Supplies. The adjusted proposed budget includes a negative adjustment of \$4,000 in materials and supplies and an increase of \$6,000 in Service Area Maintenance.

Retail Capital:

The proposed budget assumed \$22,500 would be spent in FY 2019-20 on parts and design for the Douglas Booster Pump Station Electrical Improvements project. Due to pandemic related delays, the parts will not be received until next year. The revised proposed budget reflects \$2,600 of costs in FY 2019-20 and \$40,200 carried over to next year.

The proposed budget document is attached for review.

Attachments:

Exhibit 1 Resolution 20-07 Adopting the Annual Budget for the Fiscal Year 2020-2021

Exhibit 2 San Juan Water District Proposed Budget Fiscal Year 2020-2021

RESOLUTION NO. 20-07

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SAN JUAN WATER DISTRICT
ADOPTING THE ANNUAL BUDGET
FOR THE FISCAL YEAR 2020-2021**

WHEREAS, District staff has prepared a budget for the fiscal year 2020-2021 that estimates operating and maintenance, capital improvement program, debt service, prudent reserve requirements, and other expenses of the District and that estimates revenues from all sources to pay the expenses of the District;

WHEREAS, District staff has determined that the fiscal year 2020-2021 budget is reasonably accurate and if implemented will ensure that the District's revenues will be sufficient to pay all of the District's expenses, including contributions to reserves sufficient to return them to prudent levels; and

WHEREAS, after conducting a workshop and a public hearing on the proposed budget the Board of Directors has approved the same.

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

1. That certain document referred to as "The San Juan Water District Proposed Budget Fiscal Year 2020-2021," and all schedules, exhibits and policies contained therein, is hereby adopted and the appropriations for the annual budget of the San Juan Water District for the fiscal year beginning on July 1, 2020 and ending on June 30, 2021 are hereby adopted; and
2. That the amounts stated in the proposed budget shall become and thereafter be appropriated to the offices, departments, activities, objects and purposes stated therein and said monies are hereby authorized to be expended for the purposes and objects specified in said budget; and
3. The General Manager is authorized to approve expenditure adjustments within individual accounts and line items so long as the total appropriated is not exceeded.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 24th day of June 2020, by the following vote:

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:

EDWARD J. "TED" COSTA
President, Board of Directors
San Juan Water District

ATTEST

TERI GRANT
Secretary, Board of Directors

**SAN JUAN
WATER DISTRICT**
GRANITE BAY, CALIFORNIA



PROPOSED BUDGET

FISCAL YEAR 2020-21

Cover Photo: Middle Fork American River – this is your water! The District has pre and post 1914 water rights for 33,000 acre feet of water from the American River. The water flows from the Sierra Nevada Mountain Range through the American River in to Folsom Lake where the water is diverted to the Sidney N. Peterson Water Treatment Plant.

San Juan Water District

Fiscal Year 2020-21 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

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

Appointed Officials

Paul Helliker, General Manager

Management Team

Tony Barela, Operations Manager
Lisa Brown, Customer Services Manager
Adam Larsen, Field Services Manager
Andrew Pierson, Engineering Services Manager
Donna Silva, Director of Finance/Treasurer
Greg Turner, Water Treatment Plant Manager
Chris von Collenberg, Information Technology Manager
Greg Zlotnick, Water Resources Manager

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San Juan Water District

Fiscal Year 2020-21 Budget

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June 24, 2020

Board of Directors
Citizens of the San Juan Water District

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

On behalf of the San Juan Water District and its staff, I am pleased to present the Budget for Fiscal Year 2020-21. The Budget has been developed to be fiscally responsible in support of the District's Mission Statement:

Our mission is to ensure the delivery of a reliable water supply of the highest quality at the lowest reasonable price.

Adoption and implementation of this budget will allow the District to accomplish major priorities in Fiscal Year 2020-21, detailed throughout this document.

The District continues to focus on implementing the Strategic Plan that it adopted in March of 2018. The plan can be found at the following link on the District's website:

<https://www.sjwd.org/files/eceb7dd84/Strategic+Plan+Adopted+032818.pdf>

The District's strategic goals are:

- Ensure Water Supply Reliability
- Optimize Operations and Delivery for High Quality and Reliable Water
- Ensure Customer Service through Consistent Access and Timely Responsiveness
- Operate the District Sustainably and in a Financially Sound Manner while Maintaining a Fair Rate Structure
- Provide a Capable High Quality Work Force and Ensure a Safe Work Environment

These strategic goals will guide our actions to respond to the following significant issues and priorities that we will face during fiscal year 2020-21, including, but not limited to the following:

- Development and adoption by the State of a new regulatory structure to implement water efficiency targets, pursuant to SB 606 and AB 1668
- Development of an update to the Water Quality Control Plan for the Sacramento/San Joaquin Delta, and a possible voluntary settlement agreement by the District and neighboring agencies in the American River Basin
- Further deliberations on a Delta Conveyance project

San Juan Water District

Fiscal Year 2020-21 Budget

- Development and implementation of the Sacramento regional groundwater bank
- Development by the State of water loss standards for drinking water systems
- Consideration of greater collaboration with and potential integration of San Juan's programs with those of neighboring water agencies, to improve services to our customers and save them money
- Working with our Wholesale Customer Agencies to update our Water Supply Contract
- Updating the District's master plans for retail and wholesale facilities and updating capital improvement plans for portions of the District's supply, treatment and distribution systems
- Planning and executing significant infrastructure repair and replacement projects, including preparation for the replacement of the cover and liner of Hinkle Reservoir and developing a plan for replacement of retail service area meters
- Successfully achieving distribution system maintenance goals, identifying and prioritizing repairs and replacements, and implementing the top priority projects
- Continuing to refine and develop enterprise software systems, such a billing and customer service, maintenance management, supervisory control and data acquisition, etc., to improve service and efficiency
- Meeting current and evolving regulatory requirements for water quality, system operations, health and safety, human resources management, etc.

The District works hard to ensure that ratepayer dollars are used in the most cost-effective manner to provide reliable, clean water supplies to its customers. The District continues to implement the wholesale and retail financial plans it adopted in 2017. In preparing this budget, staff have reviewed the projections in the financial plans and have proposed a budget that is consistent with those plans.

I would like to thank District staff for their conscientious efforts in prudent management of District resources, enabling the District to reduce expenses whenever possible without reducing the levels of service necessary to meet the demands of good customer service and responsible facilities maintenance.

I want to thank the Board of Directors for their leadership and continued interest in prudent fiscal management.

Respectfully submitted,



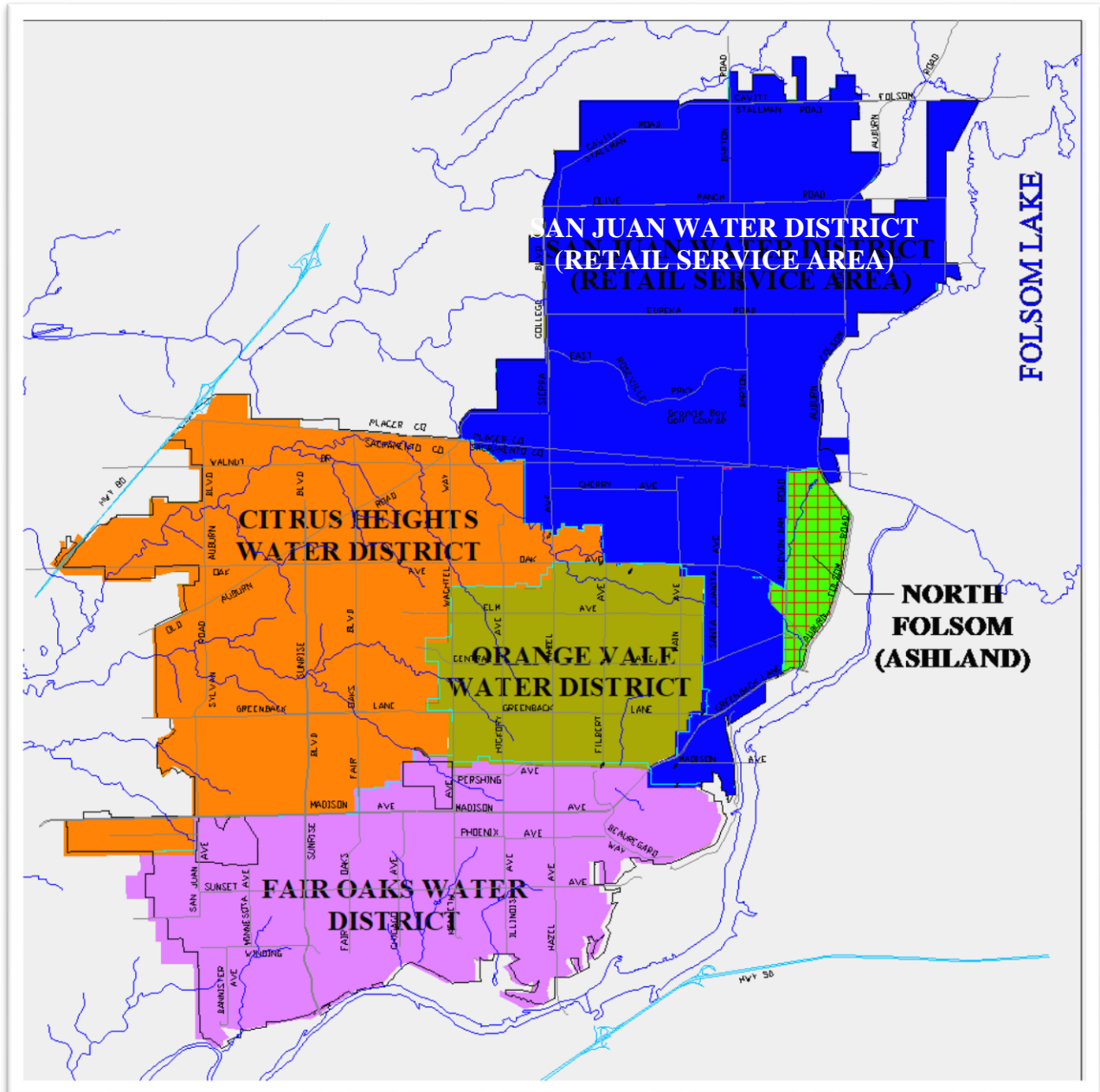
Paul Helliker
General Manager

DISTRICT PROFILE

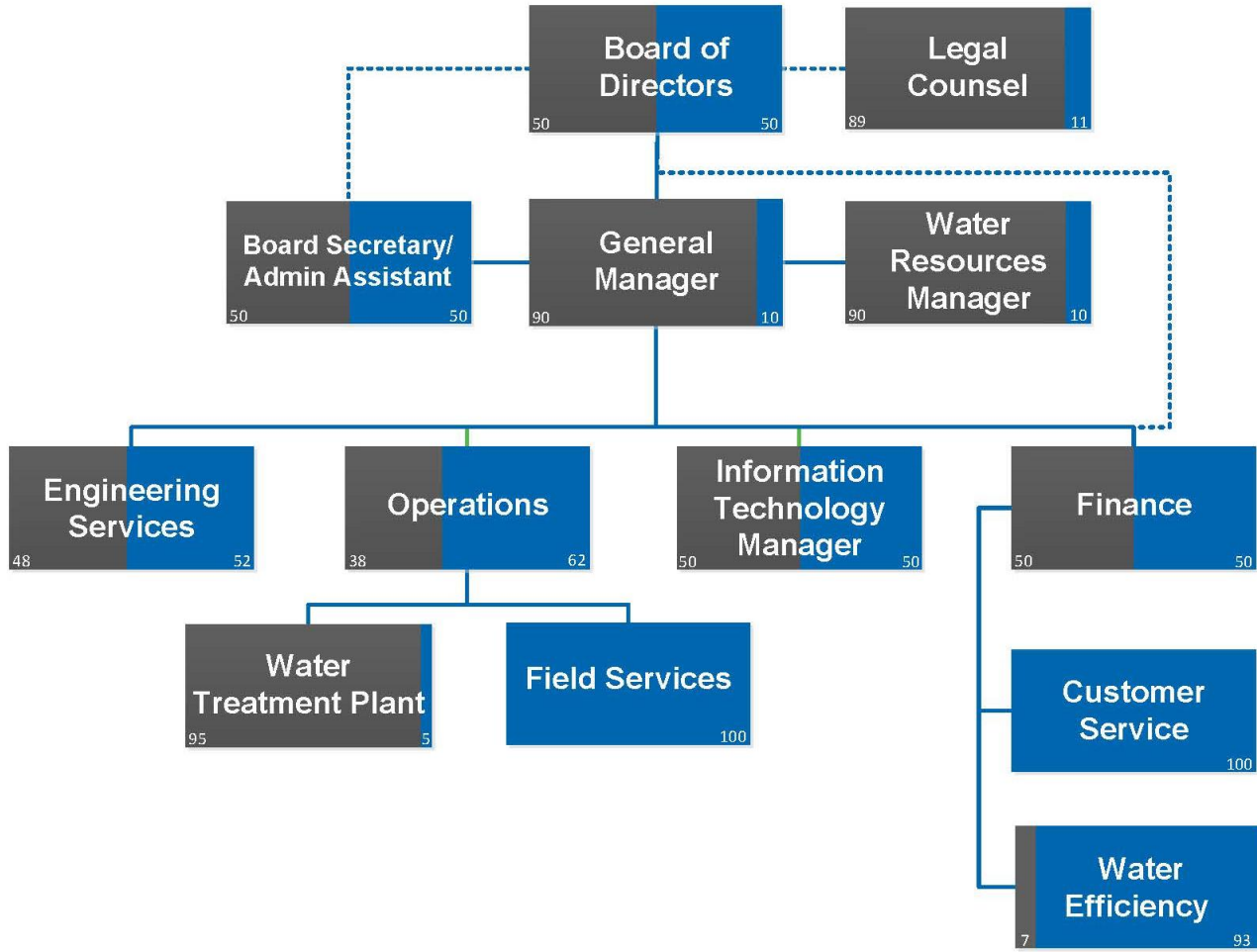


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Wholesale Service Area Map
(SJWD Retail Service Area – in blue)



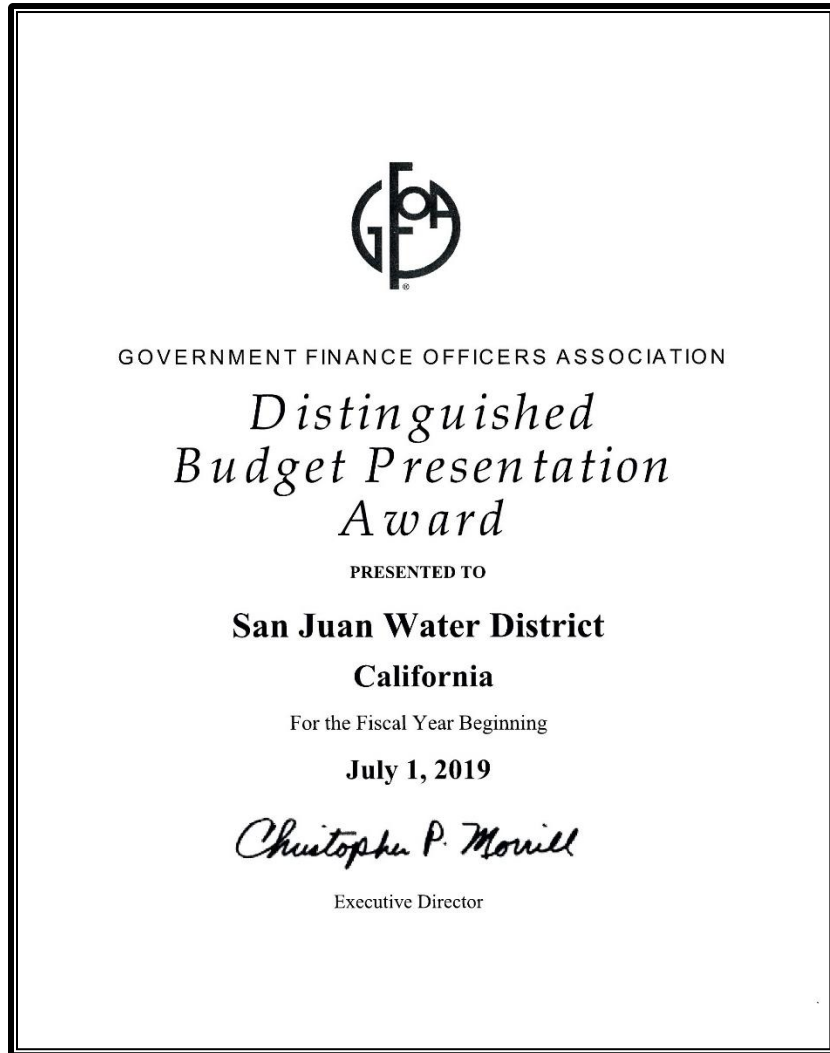
Organization Chart by Functional Area



Allocation of Costs

Wholesale	Grey	%
Retail	Blue	%

GFOA Budget Award



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to San Juan Water District for its annual budget for the fiscal year beginning July 1, 2019. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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	10,700

Miscellaneous Statistical Information	
Size of Service Area	46 square miles
Size of Retail Service Area Only	17 square miles
Population of Service Area (per FY 2018-19 CAFR)	155,865
Population of Retail Service Area Only (per FY 2018-19 CAFR)	29,957
Number of Active Employees	47
Number of Bond Issues Outstanding	2
Wholesale Operating Budget	\$ 8,754,800
Wholesale Capital Budget	\$ 6,079,000
Retail Operating Budget	\$ 12,626,700
Retail Capital Budget	\$ 5,467,300



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 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 including the District's current Placer County service area 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 (the District's retail division, Fair Oaks Water District, Citrus Heights Water District, Orange Vale Water Company and the City of Folsom (Ashland); and providing the administrative support necessary to successfully carry out those functions.

The District's retail operations consist of operating and maintaining storage, pumping, transmission and distribution facilities, which deliver water to approximately 10,700 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, water efficiency, 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, in perpetuity. The second source is a water repayment contract with Reclamation for 24,200 acre-feet of Central Valley Project water, also in perpetuity, subject to standard shortage policies. The third water source is 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. Total raw water delivery for the 2018-2019 fiscal year was 34,109.73 acre-feet and is anticipated to be 37,280 acre-feet for Fiscal Year (FY) 2019-20, and 33,550 for FY 2020-21 excluding pass through deliveries for SSWD.

In response to the recent drought and in preparation of future drought conditions, the District recently partnered with two nearby water districts, PCWA and SSWD, 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 Awareness Poster Contest and Calendar – Since 1992, the District and its wholesale agency customers, Citrus Heights Water District, Fair Oaks Water District and Orange Vale Water Company, have promoted water awareness at the elementary school level through an annual water awareness 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 weather based irrigation timer 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 on 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 (Plant), was constructed in three phases beginning in 1975 and completed in 1983. The Plant 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 Plant 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 improvements 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 Plant 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 Plant, 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.

In March of 2018, the Board of Directors adopted a Strategic Plan which staff now uses as the guiding light in preparing an operations plan and annual budget. Using the goals in the Strategic Plan, as well as direction received throughout the year from the Board of Directors, the Department Managers 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 in May of each year 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 in June 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 (CAFR). 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 (Administration, Customer Service, Distribution, Engineering, Water Efficiency, and

San Juan Water District

Fiscal Year 2020-21 Budget

Water Treatment Plant). 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 5-Year Rate Schedule. The Wholesale Rate Schedule went into effect on January 1, 2017, and resulted in an effective increase of 16%. Wholesale rates are authorized to increase by 9% per year through January 2020 and by 5% 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 are authorized to increase by 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 with the volumetric portion of the rate unchanged. This will bring stability to the rate structure and provide reliable 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 RESERVES:

NAME	PURPOSE	AMOUNT/LEVEL
Operating	Established in 1998 to provide working capital for operations and unexpected needs.	20% of operating expenses
Capital Improvement Program	Established in 1998 to fund capital replacements, rehabilitation, upgrades and improvements.	Determined annually by Board of Directors. Budget includes revenues and transfers in at least equal to annual depreciation.

RETAIL 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
Capital Improvement Program	To fund capital replacements, rehabilitation, upgrades and improvements.	Determined annually by Board of Directors. Budget includes revenues and transfers in at least equal to annual depreciation.

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 Director of Finance 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 provides a reasonable basis for protecting the District's assets from loss, theft, and misuse, and that compiles sufficient reliable information for the preparation of the District's financial statements. At the end of the year, the District prepares a 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, 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

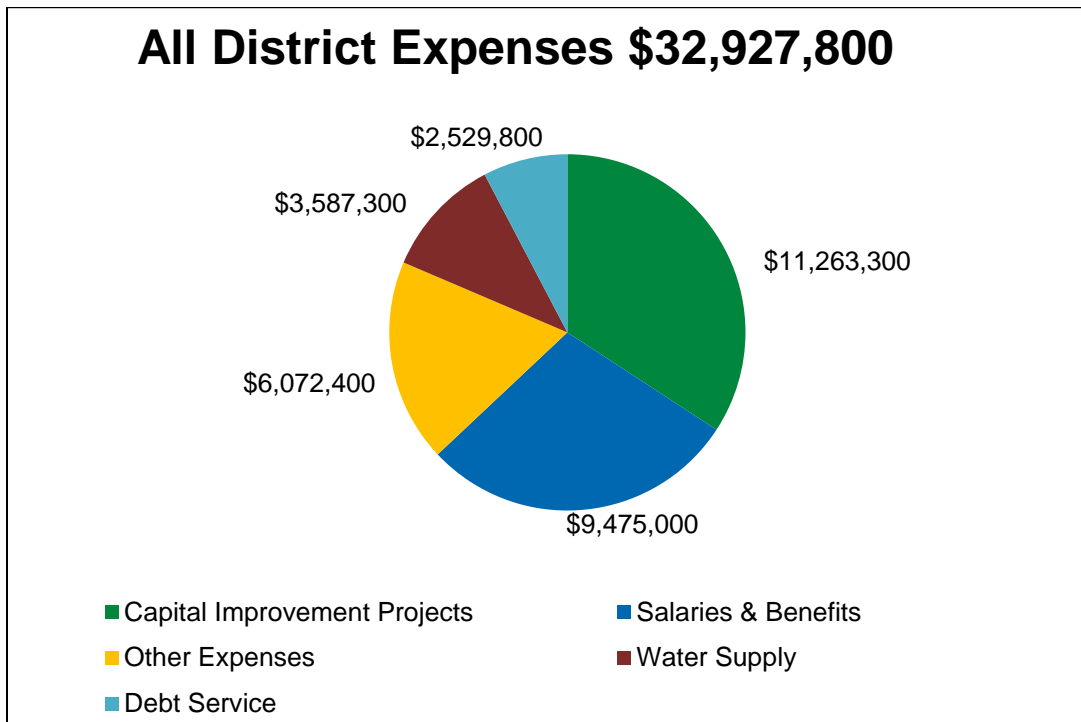
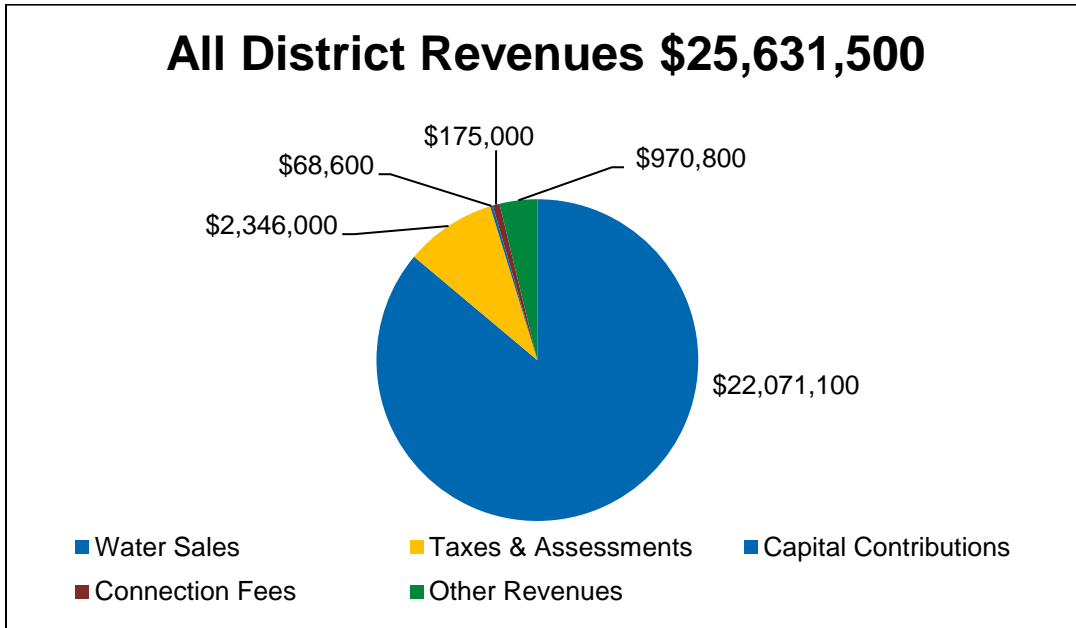
The funds are combined for purposes of formal financial reporting (audited financial statements). Budgets and descriptions for these funds can be found starting on page 37.

Budget Assumptions

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

- Water rates from Board adopted 5-Year Rate Schedule.
- 2019 Debt Service Charge – per rate schedule to be charged effective January 2020. However, amount and timing of future debt issuance has changed so this rate will not be assessed in FY 2020-21.
- 10% decline in wholesale and retail water deliveries, to account for possible ramifications from the COVID-19 pandemic.
- No water being treated for the Sacramento Suburban Water District (SSWD).
- Property taxes increase 2% (potential effects from COVID-19 will not be seen until FY 2021-22).
- 40% decline in investment income due to the COVID-19 pandemic.
- Late Fee charges resume in August 2020.
- No market based groundwater substitution water transfers.
- No Central Valley Project water to be purchased.
- Final payment of \$495,400 per year to Citrus Heights and Fair Oaks Water Districts for prior year groundwater purchase made in FY 2019-20.
- Cost of elections for District Board of Directors \$126,500.
- 15% increase in health care insurance costs.
- \$35,000 added to Wholesale budget for temporary office trailer or other equipment or building modifications needed to provide adequate spacing for staff in relation to the COVID-19 pandemic. \$10,000 added to Retail budget for same.
- Salary budget was prepared in accordance with the Board of Directors Compensation Policy which requires the District utilize the CalPERS assumed salary increases. Any COLA's, adjustments from the Compensation Study or merit increases will be constrained by the Salary budget.
- Incentive Award Program funded.
- Budget includes additional payment to CalPERS of \$200,000 to reduce 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, 2020	\$ 1,743,261	\$ 15,838,810	\$ 2,313,281	\$ 6,728,940	\$ 26,624,292
Revenues					
Water Sales	9,264,600	-	12,806,500	-	22,071,100
Taxes & Assessments	-	1,173,000	-	1,173,000	2,346,000
Capital Contributions	-	68,600	-	-	68,600
Connection Fees	-	75,000	-	100,000	175,000
Other Revenues	115,500	178,000	624,700	52,600	970,800
Total Revenues	\$ 9,380,100	\$ 1,494,600	\$ 13,431,200	\$ 1,325,600	\$ 25,631,500
Expenses					
Capital Improvement Projects	\$ -	\$ 5,829,000	\$ -	\$ 5,434,300	\$ 11,263,300
Salaries & Benefits	4,071,700	-	5,403,300	-	9,475,000
Water Supply	552,600	-	3,034,700	-	3,587,300
Debt Service - Interest	896,200	-	498,600	-	1,394,800
Debt Service - Principal	730,700	-	404,300	-	1,135,000
Other Expenses	2,503,600	250,000	3,285,800	33,000	6,072,400
Total Expenses	\$ 8,754,800	\$ 6,079,000	\$ 12,626,700	\$ 5,467,300	\$ 32,927,800
Net Income	\$ 625,300	\$ (4,584,400)	\$ 804,501	\$ (4,141,700)	\$ (7,296,298)
Transfer In/(Out)	(617,500)	617,500	(592,400)	592,400	-
Ending Available Reserves Est.	\$ 1,751,062	\$ 11,871,910	\$ 2,525,383	\$ 3,179,640	\$ 19,327,993

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MAJOR REVENUES AND EXPENDITURES

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MAJOR REVENUES AND EXPENDITURES

In order to assist in understanding the fiscal trends facing the 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 86% 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 rate setting is 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 opposing them. If a majority of rate payers do not vote “no”, the Board of Directors 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.

Chart 1 and 2 show water deliveries and water revenues from FY 2010-11 to current.

WHOLESALE WATER DELIVERIES - ACRE FEET

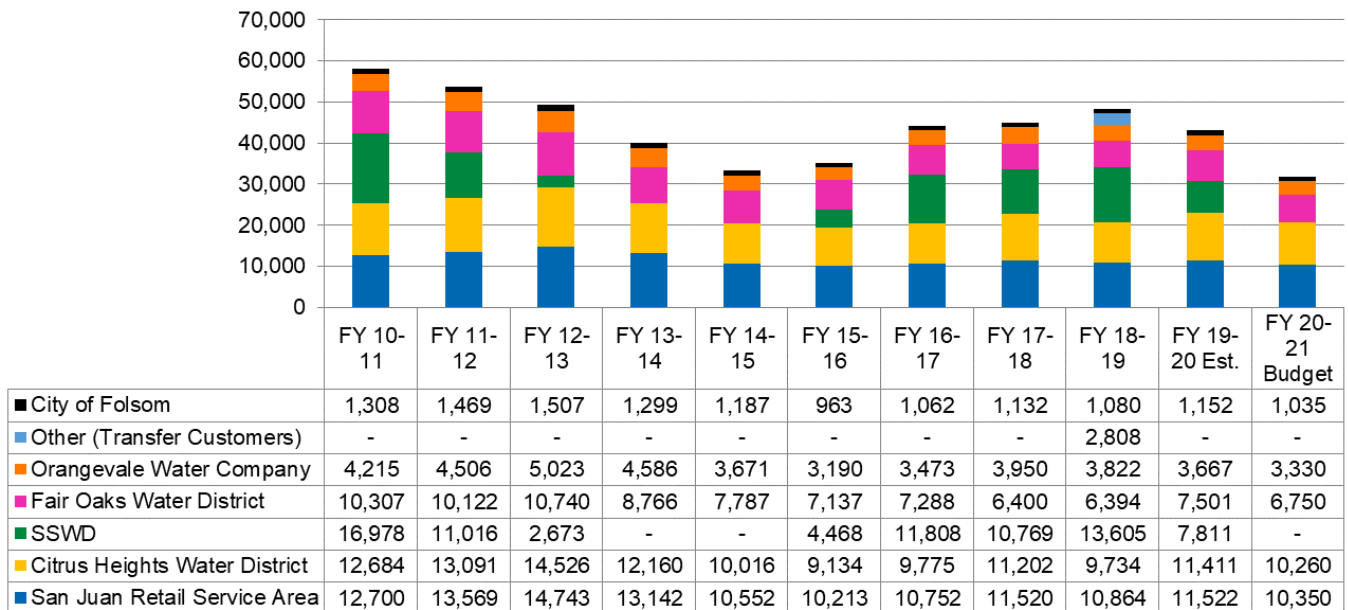
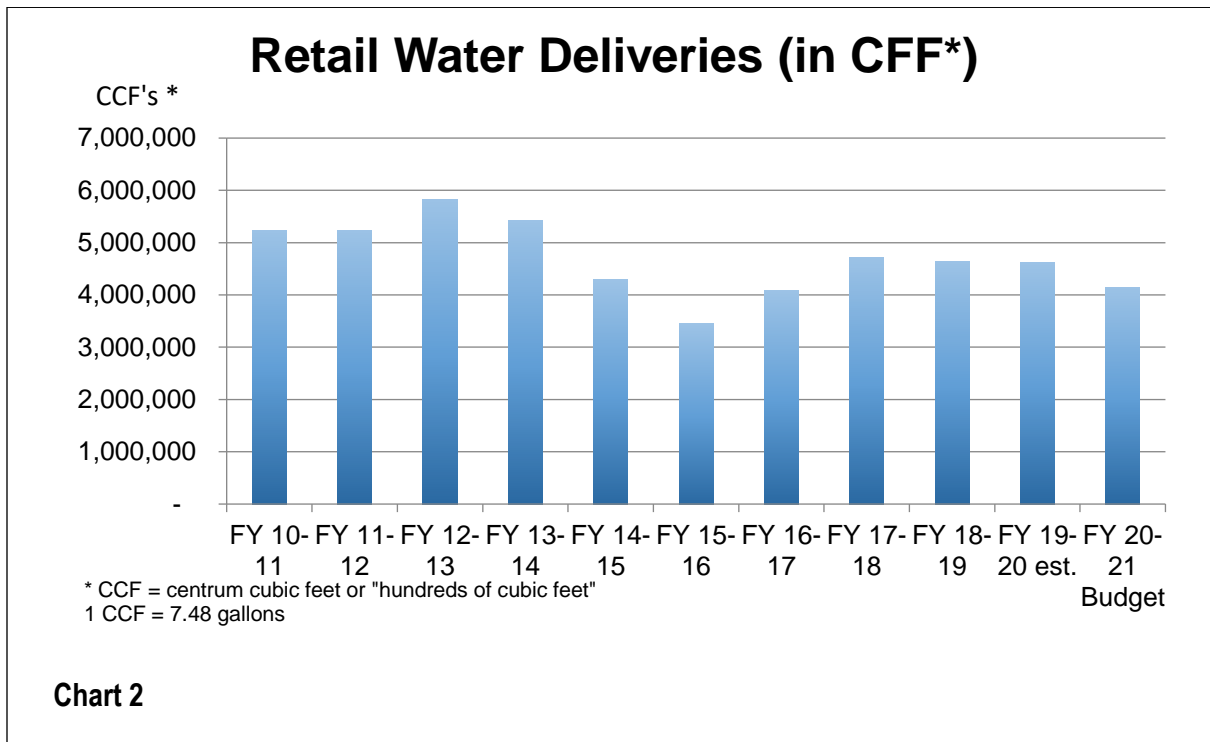


Chart 1

San Juan Water District

Fiscal Year 2020-21 Budget



The most recent drought resulted in 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 an uptick in wholesale water demand in FY 2015-16 totaling 35,105 acre-feet. However, this increase was primarily attributed to 4,468 acre-feet of water treated for SSWD. SSWD has an agreement to periodically purchase raw water from PCWA (based upon water supply conditions). They have an agreement with the District to treat and deliver the water that they purchase from PCWA.

Absent the water treated for SSWD, wholesale demand did not begin to increase until FY 2016-17. Demand from the District’s regular wholesale customers slowly increased through FY 2019-20 but is expected to decrease by approximately 10% in FY 2020-21 with a total of 31,725 acre-feet anticipated to be sold in this budget year to the regular wholesale customers. It is uncertain how water use will be affected through the COVID-19 pandemic. To be conservative, the District is anticipating a 10% decline in water demand.

The end of the drought resulted in increased water demand in the retail service area. There was an 18% increase in FY 2016-17 retail water deliveries and a 15% increase in FY 2017-18. Water demand stabilized in FY 18-19 with a minor 2% decline. The District expects to see a 1% decline in water use in the current year. Given so many people are out of work due to the COVID-19 pandemic and the timing of re-opening the economy is uncertain, the District is anticipating increased conservation to reduce water bills. The FY 2020-21 Budget anticipates a 10% decline in water use.

Water Sale Revenues (in millions\$)

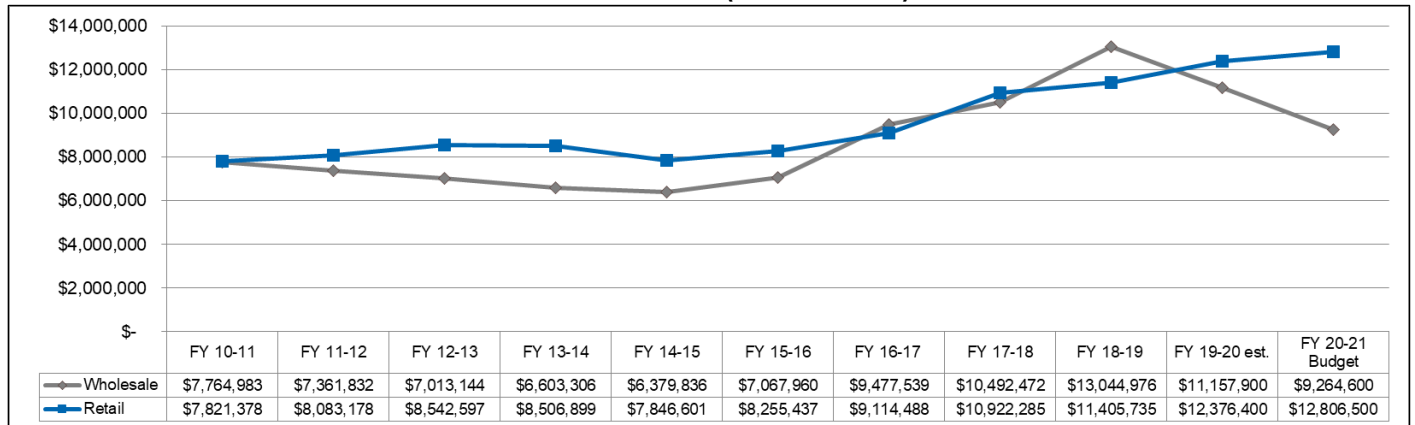


Chart 3

Wholesale water sale revenues declined steadily from FY 2010-11 through FY 2014-15. Revenues increased steadily from FY 2015-16 through FY 2018-19 for a number of reasons:

- Increased demand from wholesale customers. Demand from the wholesale customers was a low 33,213 acre-feet in FY 2014-15 and is estimated to peak at 35,173 acre-feet in FY 2018-19.
- Treatment of SSWD water. When certain hydrology conditions are met, SSWD is able to purchase surface water from PCWA to augment their groundwater supplies. SSWD pays the District to treat this surface water on their behalf. After not taking surface water for two years, SSWD began taking this supply in FY 2015-16, causing a spike in District revenues. The budget includes treating 7,786 acre-feet of water for SSWD in FY 2019-20.
- Increased rates. On January 11, 2017, the Board of Directors approved a 5-Year Rate Schedule, which allows for a 9% effective increase to go into effect on January 1, 2020. However, this budget includes a reduction to the Debt Service Charge, reflecting the savings from a refunding of the 2009A COP's in 2017.

Wholesale water sale revenue is expected to decline in FY 2019-20, in spite of the rate increase due to SSWD taking less surface water. In addition, wholesale water rates were reduced on July 1, 2019 to reflect savings incurred by refinancing a debt issuance in 2017. Wholesale water sale revenues are also expected to decline in FY 2020-21, in spite of a planned 5% effective rate increase on January 1, 2021. Two factors contribute to the expected decline. First, due to the relatively dry rainy season, SSWD will not be taking their PCWA water this year so the District will not have revenues associated with treating their PCWA water. Second, the District is anticipating a 10% decline in water demand due to the effects of the COVID-19 pandemic.

On the retail side, 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.

San Juan Water District

Fiscal Year 2020-21 Budget

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 and conservation mandates. The District restructured their rates and at the end of the fiscal year, in June 2015, implemented a retail 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 5-Year Rate Schedule that resulted in an effective 8% rate increase on May 1, 2017, and a 9% rate increase on January 1, 2018. Those rate increases, combined with increased consumption produced a 19.9% increase in retail water sale revenues for FY 2017-18.

In FY 2018-19, there was an 8% effective rate increase on January 1, 2019, but consumption was down 8.46%, resulting in a revenue increase of 4.43%.

The District expects to see an 8.51% increase in FY 2019-20 revenues, due to the 8% effective rate increase on January 1, 2020 and relatively stable consumption (0.56% decline expected).

The last rate increase from the 5-year rate plan goes into effect on January 1, 2021. This 6% effective increase is expected to be partially offset by a 10% decline in consumption, as a result of the COVID-19 pandemic, resulting in a revenue increase of 3.48%.

Property Tax

Representing approximately 9% 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

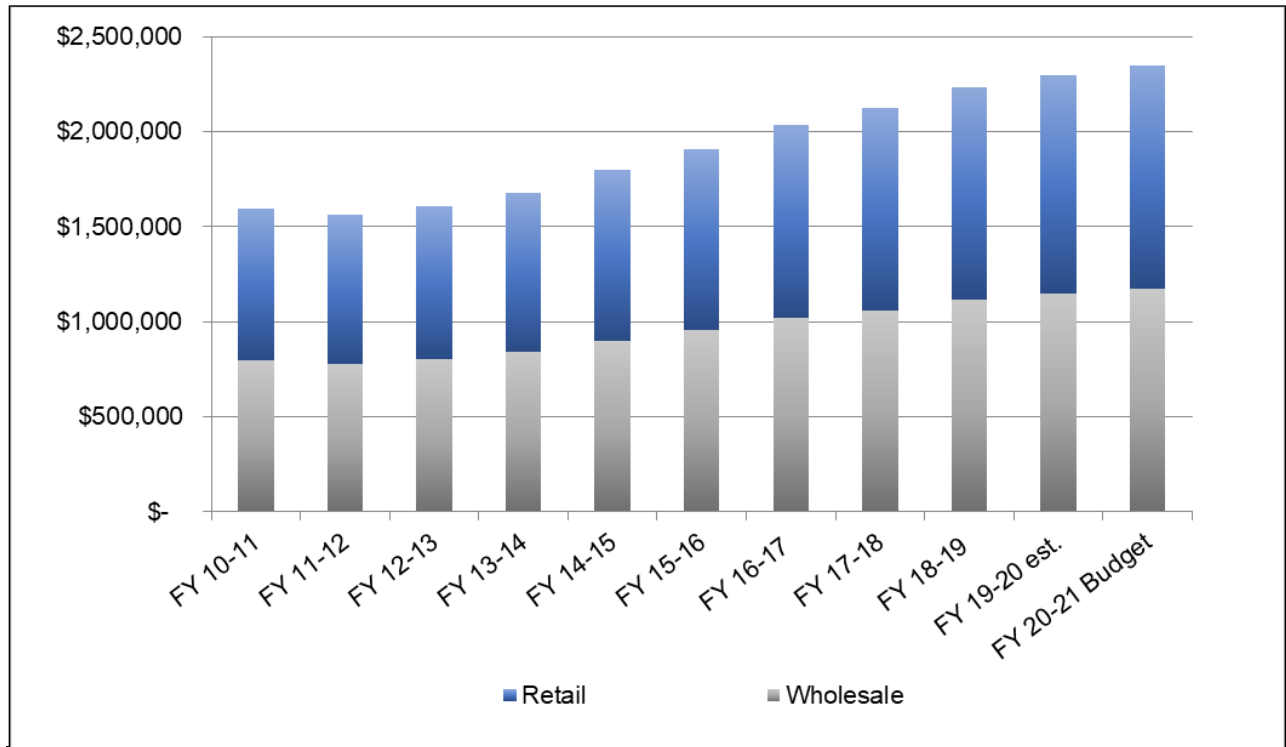


Chart 4

Property Tax revenues have been steadily increasing over the past eight years, a result of the rebound in the housing market after the Great Recession (see Chart 4). This budget anticipates a 2% increase in Property Tax revenues. Property taxes are set in January for the upcoming fiscal year, based on January property values. As such, any effects to property values from the COVID-19 pandemic will not be seen until the FY 2021-22 year.

Salaries and Benefits

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

Salaries and Benefits

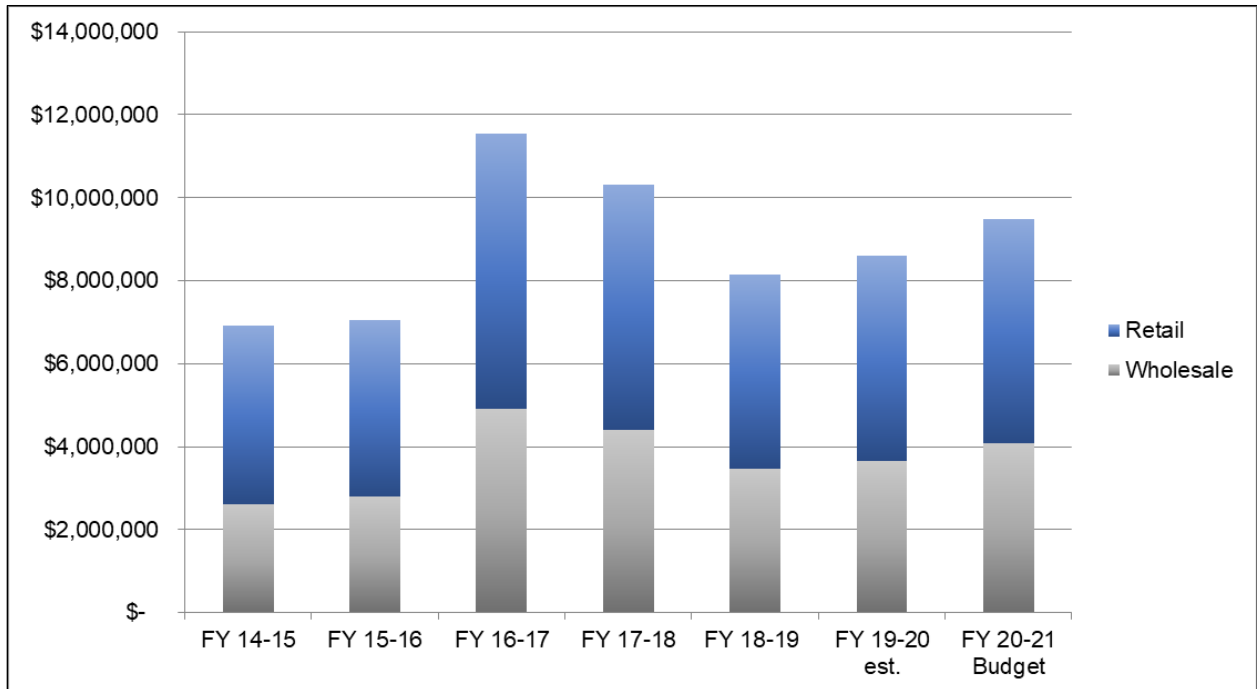


Chart 5

Chart 5 depicts a spike in Salary and Benefit costs in FY 2016-17 then a decline through FY 2018-19 with increases in FY 2019-20 and FY 2020-21. The spike is due to the Board of Director’s decision to pay down the District’s unfunded pension liability. The District paid \$4,112,000 towards this liability in FY 2016-17 and remitted an additional \$2,787,800 in FY 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.

Salaries and Benefits are expected to increase by 10% or \$875,300 due to the following factors:

- A 4.4% increase in salaries. Per the Board of Directors Compensation Policy the salary budget is calculated using the California Public Employees Retirement System (CalPERS) assumptions for salary increases, so that salaries increases are constrained and do not increase more than the CalPERS assumed increase. This methodology controls future pension costs by ensuring a reasonable cap on the combination of cost of living adjustments and merit pay increases.

- The addition of incentive awards, which were not included in the prior year's budget. With more than half of the District's salaries frozen, due to the Board's decision to adjust total compensation to market median, down from 10% above market average, the Incentive Award Program provides a way for exceptional performance to be rewarded. The one-time bonus provides employees incentive and reward, without affecting future pay or pension costs. A total of \$60,000, plus taxes, has been included in the budget for this purpose.
- Decrease of 18% to Workers Compensation costs due to a decrease in claims.
- Increase of 15% in health benefits based on current estimates stemming from impacts to the health care industry from the COVID-19 pandemic.
- Inclusion of \$200,000 to be paid to CalPERS to further reduce the District's unfunded pension liability.

The level of District staffing (number of employees) had remained relatively unchanged for many years, in spite of significant increases in regulatory compliance work and an aging infrastructure. In FY 2016-17, the Board of Directors approved the addition of one Water Treatment Plant Operator, in FY 2017-18, the Board of Directors approved the addition of a Safety/Regulatory Compliance Coordinator, and in FY 2018-19, the Board of Directors approved the additional of a Customer Service Technician to improve internal controls and better serve our customers. The District now has 48 Full Time Equivalent (FTE) positions.

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 District completed its most recent Compensation Study in the Spring of 2019. The Board of Directors changed their target market position for total compensation from "10% above market average", to "market median". As a result, the District has two compensation schedules. Compensation Schedule A reflects the salary ranges in effect prior to the change. Compensation Schedule B reflects the salary ranges in accordance with market median. Compensation Schedule A is frozen. Employees remain in Schedule A until Schedule B is greater than Schedule A. The result is that employees on Schedule A have a reduced ability to get merit pay increases and cost of living adjustments.

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 water rights on the American River. The second source is a contract with Reclamation for 24,200 acre-feet of Central Valley Project water. The third water source is a contract with 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. Total water deliveries for FY 2018-19 were 34,942 acre-feet and are anticipated to be 35,509 acre-feet for FY 2019-20, and 31,950 for FY 2020-21, excluding pass through deliveries for SSWD.

Wholesale Water Supply Cost

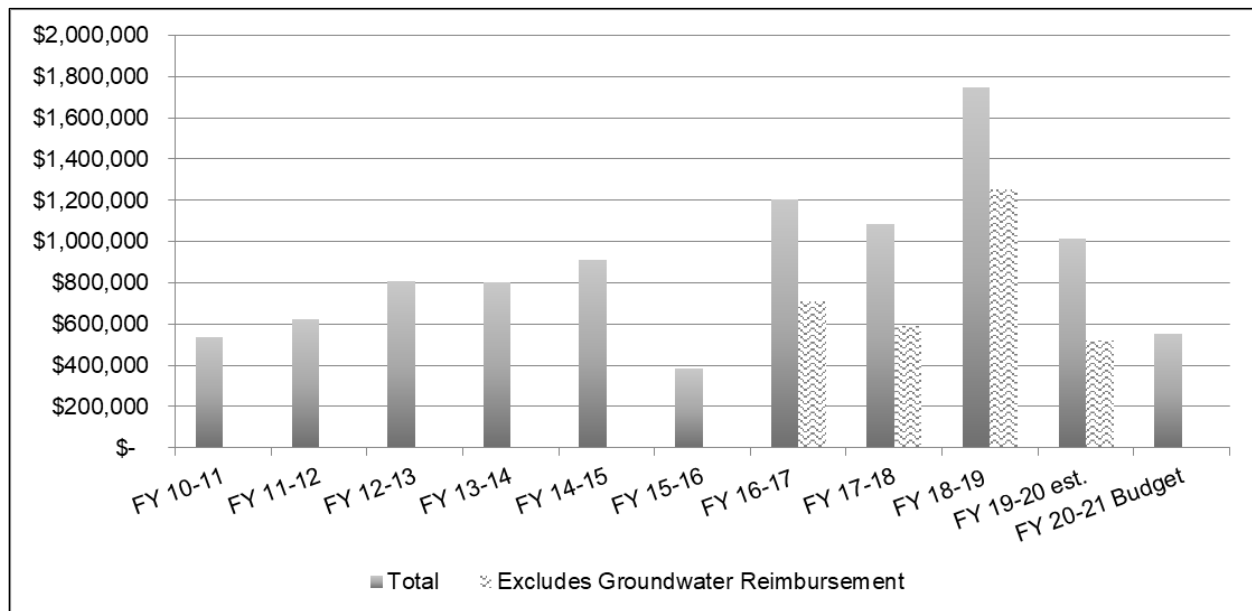


Chart 6

As illustrated in Chart 6, water supply costs increased significantly in FY 2016-17 and again in FY 2018-19.

The FY 2016-17 costs increased for two primary reasons. First, 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. 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 and Fair Oaks Water District to maintain their readiness to supply groundwater. In 2014, due to a potential shortage in surface water supplies caused by a third year of drought, the District requested groundwater to be pumped. From 2009 to 2014, both districts maintained their readiness to supply groundwater, as requested, but did not submit invoices for the incremental cost

until the District asked them to actually pump groundwater in 2014. At that time, the District was provided with a bill 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. The light grey bar on Chart 6 shows water supply costs for fiscal years 2016-17 through 2019-20 without the payment towards the groundwater reimbursement.

After removing the effect of the groundwater reimbursement, FY 2016-17 water supply cost still show an increase over the prior year. The agreement with PCWA required the District to pay for 25,000 acre-feet of water, regardless of how much water the District actually took. 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 reduced demand allowance ended and the cost of the PCWA contract rose accordingly.

Water supply costs decreased in FY 2017-18, in spite of increased demand. This was due to a reduction in the cost of water purchased from PCWA. Per the contract between the District and PCWA, the cost of PCWA water is calculated as the average of the District's Central Valley Project rate and the Central Valley Project rate for the City of Roseville and PCWA. In addition, the District must pay Warren Act contract charges on the PCWA water it receives. Central Valley Project water rates and Warren Act charges are set annually by Reclamation. Due to an abundance of water supplies, Reclamation reduced the Central Valley Project rate by 35% for 2017, causing a like decrease in the District's 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 to half of what it would have been otherwise.

The spike in costs in FY 2018-19 is a result of a groundwater substitution transfer. In FY 2018-19 the District sold 2,808 acre-feet of surface water to the Dudley Ridge Water District and the Kern County Water Agency. Both the Citrus Heights Water District and the Fair Oaks Water District used their groundwater instead of purchasing the District's surface water. The District compensated them for the cost of the groundwater out of the transfer proceeds. The transaction yielded net revenues but increased the water supply cost in the process.

Water supply costs for FY 2019-20 are expected to be in line with FY 2017-18 with no groundwater substitution transfer and no substantial change in water demand.

Water Supply costs for FY 2020-21 are lower than the prior four years for two reasons:

- The groundwater reimbursement payments to Citrus Heights and Fair Oaks Water Districts were completed in FY 2019-20, reducing annual costs by \$495,400.
- No groundwater substitution transfers planned.

Capital Spending

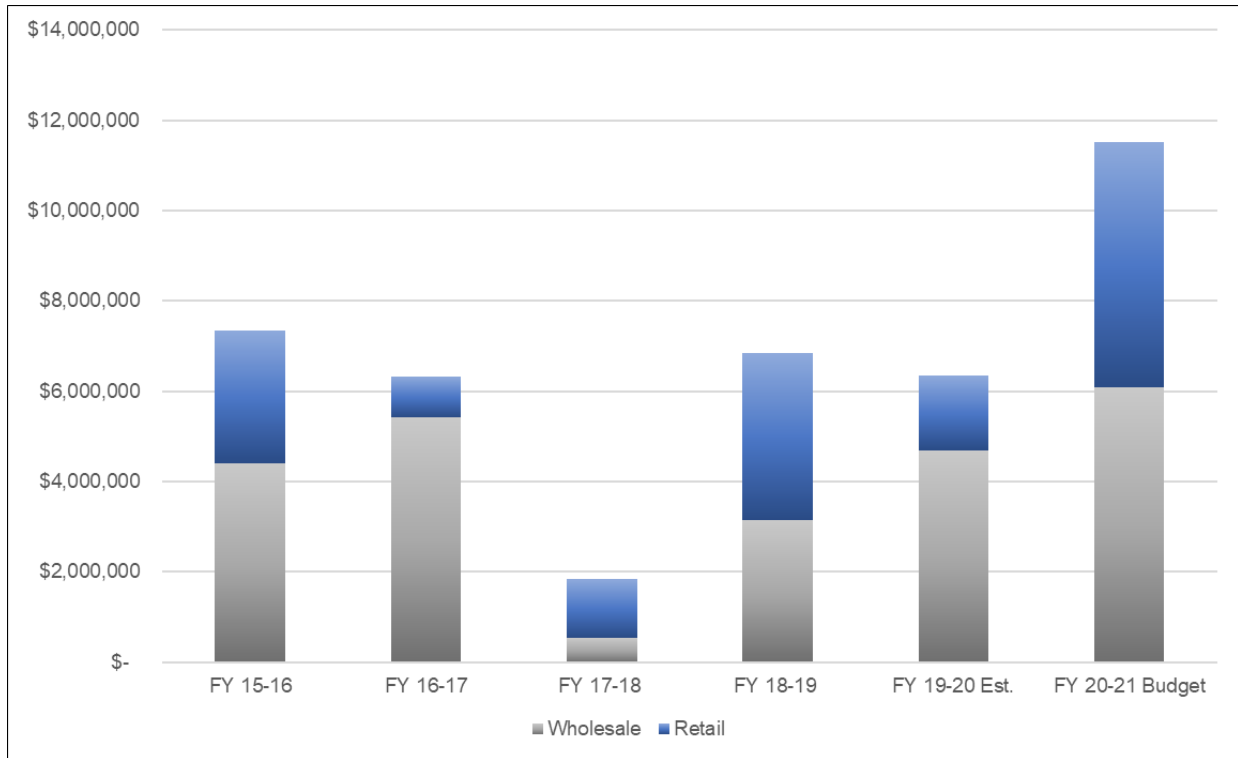


Chart 7

Capital spending has fluctuated from \$7.3 million in FY 2015-16 to a low of \$1.8 million in FY 2017-18 then increasing to a five year planned high of \$11.5 million.

On the wholesale side the District is planning to spend \$6.079 million in FY 2020-21 on capital projects, mostly on Water Treatment Plant and Reservoir improvements.

The retail division plans to spend \$5.467 million on capital projects in FY 2020-21, mostly on pipeline replacements and pump stations improvements.

A complete list of projects planned for FY 2020-21 can be found on pages 46 and 53 of this document.

Reserve Summary

Wholesale and Retail Operating and Capital Reserves Combined

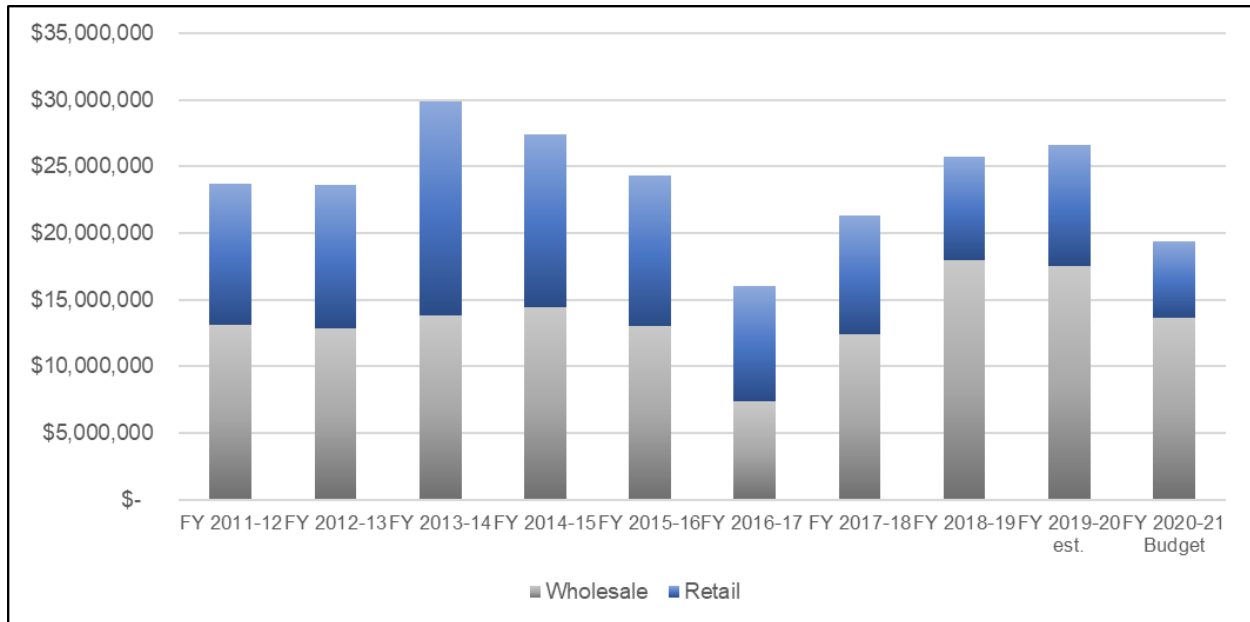


Chart 8

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 in Chart 8 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. The 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 through FY 2036-37, with annual savings of approximately \$350,000. These savings can be used to fund critical infrastructure needs which will help reduce upward pressure on rates. Through these efforts the District has been able to achieve a funded rate of approximately 95%, one of the highest funded rates in the State of California. While this status is fluid, changing annually based on the performance of the CalPERS portfolio and subject to changing assumptions about future interest and mortality rates, it still signifies strong financial stewardship by the Board of Directors. This budget includes an additional \$200,000 to be paid towards the remaining unfunded liability, which will likely be increasing due to the volatility of the stock market in response to the COVID-19 pandemic.

San Juan Water District

Fiscal Year 2020-21 Budget

- *Debt Refinanced:* In May of 2017, the Board of Directors approved an advance refunding of the District's Series 2009A Certificates of Participation. This refinancing will save the District approximately \$11.2 million through FY 2038-39.
- *Renegotiated contract with PCWA:* In December of 2017, the District negotiated an amendment to its 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 per year, starting in FY 2018-19.
- *Renegotiated contracts with City of Roseville (City):* 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 require the City to compensate the District for maintaining the availability of 4,000 acre-feet per year water supply for the City. This will generate annual revenues of approximately \$90,000 beginning in FY 2018-19.
- *5-Year Rate Schedule:* The District completed a Five Year Financial Plan and implemented a five year rate structure in 2017 that was designed to replenish reserves while ensuring that the District can continue its mission to deliver a reliable water supply of the highest quality at reasonable and equitable costs.
- *Completion of the first groundwater substitution transfer:* The District has been working for many years to create a legal path for the sale of excess water supplies. Selling excess water supplies benefits all customers of the District as it generates additional revenues that can be used to maintain and/or improve infrastructure, reduce or eliminate the need for future debt which will reduce future upward pressure on water rates. The first groundwater transfer was completed in FY 2018-19 paving the way for more transfers in the future.
- *Salary Schedule Reduction:* The District has historically chosen to maintain salaries schedules that, when combined with benefits, put the District's total compensation at 10% above average amongst the selected comparator agencies. In FY 2019-20 the Board of Directors reduced this target down to market median. Current employees were not subject to pay decreases, but their ability to receive future pay increases is substantially reduced. All new hires will be hired into the new Compensation Schedule, which can be found on the District's website. Existing employees remain on their original pay scale until such time as the new schedule is greater than their existing scale. The old pay scale is not able to receive cost of living adjustments, as it is frozen until all employees migrate to the new pay scale, at which time it will obsolete.

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 Operations Plan, which can be found on page 62.

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.

Customer Service

The Customer Service Department is responsible for the billing and collection of water service revenue from the District's 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.

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 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.

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 Efficiency

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

Water Treatment

This Department maintains and operates 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 cover 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, Ashland, Sacramento Suburban Water District, and the District's retail service area.

San Juan Water District

Fiscal Year 2020-21 Budget

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, operation and maintenance of the 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 at page 62.

PROPOSED FISCAL YEAR 2020-21 BUDGET

	<u>Wholesale Operations</u>	
Est. Beginning Available Reserves July 1, 2020	\$	1,743,261
Revenues		
Water Sales		9,264,600
Other Revenues		115,500
Total Revenues	<u>\$</u>	<u>9,380,100</u>
Expenses		
Salaries & Benefits		4,071,700
Water Supply		552,600
Other Expenses		2,503,600
Debt Service - Interest		896,200
Debt Service - Principal		730,700
Total Expenses	<u>\$</u>	<u>8,754,800</u>
Net Income	<u>\$</u>	<u>625,300</u>
Transfer In/(Out)		(617,500)
Est. Ending Available Reserves June 30, 2021	\$	<u>1,751,062</u>

WHOLESALE OPERATING FUND SUMMARY

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20 Estimated	FY 2020-21 Budget
Est. Beginning Available Reserves	\$ 3,859,913	\$ 2,175,888	\$ 2,390,365	\$ 1,784,360	\$ 1,743,261
Revenues					
Water Sales	9,477,539	10,492,472	13,044,976	11,157,900	9,264,600
Other Revenues	98,347	561,569	356,641	154,800	115,500
Total Revenues	\$ 9,575,886	\$ 11,054,041	\$ 13,401,617	\$ 11,312,700	\$ 9,380,100
Expenses					
Administration and General					
Salaries & Benefits	\$ 1,414,760	\$ 1,226,834	\$ 1,297,958	\$ 1,355,000	\$ 1,501,800
Professional Services	653,816	523,750	544,709	415,300	406,500
Maintenance and Repair	78,370	95,217	10,268	23,200	13,400
Materials and Supplies	25,597	11,189	28,136	52,300	27,900
Other Expenses	327,444	248,887	335,696	438,500	489,000
Total Administration and General	2,499,986	2,105,877	2,216,767	2,284,300	2,438,600
Water Treatment Plant					
Salaries & Benefits	1,423,323	1,670,157	1,827,697	1,920,200	2,047,400
Professional Services	16,275	47,374	69,133	105,400	86,800
Maintenance and Repair	239,509	308,050	251,209	351,600	247,600
Materials and Supplies	497,093	467,194	499,656	576,700	587,200
Other Expenses	137,594	159,648	219,673	253,500	287,600
Total Water Treatment Plant	2,313,794	2,652,424	2,867,367	3,207,400	3,256,600
Water Supply					
Placer County Water Agency	562,728	451,198	403,495	377,200	368,400
Purchase of Treated Water (Groundwater)	495,360	495,360	1,197,360	495,400	-
Pumping to Treatment Plant	104,679	92,267	95,556	95,000	83,000
Pre - 1914 Water Rights Water	20,337	21,252	22,527	26,300	30,000
Central Valley Project Water	3,477	-	2,661	-	-
Other	18,803	23,756	27,977	20,900	71,200
Total Water Supply	1,205,385	1,083,833	1,749,576	1,014,800	552,600
Engineering					
Salaries & Benefits	297,070	323,952	340,166	370,100	401,700
Professional Services	10,280	4,091	48,489	167,000	314,000
Maintenance and Repair	2,176	907	2,317	900	1,600
Materials and Supplies	1,257	2,375	1,083	2,900	5,300
Other Expenses	5,952	15,688	4,893	8,500	10,600
Total Engineering	316,736	347,013	396,948	549,400	733,200
Water Efficiency					
Salaries & Benefits	6,439	-	-	-	35,800
Professional Services	700	600	250	4,000	7,000
Maintenance and Repair	15,808	11,548	15,179	20,000	17,000
Materials and Supplies	9,504	32	-	-	600
Other Expenses	3,415	3,376	3,829	8,000	-
Total Water Efficiency	35,866	15,556	19,259	32,000	60,400
Non-Departmental					
Debt Service - Principal	607,471	906,167	675,929	698,500	730,700
Debt Service - Interest	1,321,229	917,950	893,979	928,000	896,200
Addl. Pymt. Towards Unfunded Pension Liability	1,768,160	1,175,000	-	-	85,000
Other	189,083	1,903	1,474	1,400	1,500
Total Non-Departmental	3,885,942	3,001,020	1,571,381	1,627,900	1,713,400
Total Expenses	\$ 10,257,709	\$ 9,205,723	\$ 8,821,298	\$ 8,715,800	\$ 8,754,800
Transfers (To)/From:					
Capital Outlay Fund for Pension Liability Payment	1,311,067	-	-	-	-
Year End Transfer (To)/From Capital Outlay Fund	(2,313,269)	(1,633,841)	(5,186,325)	(2,638,000)	(617,500)
Est. Ending Available Reserves	\$ 2,175,888	\$ 2,390,365	\$ 1,784,360	\$ 1,743,261	\$ 1,751,062

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 page 62.

PROPOSED FISCAL YEAR 2020-21 BUDGET

	Retail Operations
Est. Beginning Available Reserves July 1, 2019	\$ 2,313,281
Revenues	
Water Sales	12,806,500
Other Revenues	624,700
Total Revenues	\$ 13,431,200
Expenses	
Salaries & Benefits	5,403,300
Treated Water	3,034,700
Other Expenses	3,285,800
Debt Service - Interest	498,600
Debt Service - Principal	404,300
Total Expenses	\$ 12,626,700
Net Income	\$ 804,501
Transfer In/(Out)	(592,400)
Est. Ending Available Reserves June 30, 2020	\$ 2,525,383

RETAIL OPERATING FUND SUMMARY

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20 Estimated	FY 2020-21 Budget
Est. Beginning Available Reserves	\$ 3,228,016	\$ 3,160,923	\$ 1,973,484	\$ 2,358,680	\$ 2,313,282
Revenues					
Water Sales	9,114,488	10,922,285	11,405,735	12,376,400	12,806,500
Other Revenues	510,445	420,874	521,986	500,600	624,700
Total Revenues	\$ 9,624,933	\$ 11,343,159	\$ 11,927,721	\$ 12,877,000	\$ 13,431,200
Expenses					
Administration and General					
Salaries & Benefits	\$ 1,204,557	\$ 988,595	\$ 1,039,897	\$ 1,126,100	\$ 1,263,500
Professional Services	193,849	162,958	278,762	188,000	235,100
Maintenance and Repair	117,581	99,790	10,624	21,300	13,600
Materials and Supplies	18,269	11,193	30,943	54,500	17,300
Other Expenses	223,214	165,222	223,311	278,300	395,200
Total Administration and General	1,757,470	1,427,757	1,583,536	1,668,200	1,924,700
Distribution System					
Salaries & Benefits	1,974,364	2,191,941	2,423,557	2,467,300	2,597,400
Professional Services	57,868	49,471	88,195	180,300	225,000
Maintenance and Repair	427,874	432,393	391,218	565,300	778,500
Materials and Supplies	199,386	199,884	350,814	394,700	404,800
Other Expenses	307,889	367,126	397,977	435,000	480,200
Total Distribution System	2,967,381	3,240,815	3,651,761	4,042,600	4,485,900
Water Supply					
Purchase Water from Wholesale	2,754,619	3,336,366	3,027,505	3,128,000	3,034,700
Total Water Supply	2,754,619	3,336,366	3,027,505	3,128,000	3,034,700
Engineering					
Salaries & Benefits	312,434	332,954	378,133	407,900	433,400
Professional Services	2,019	11,253	75,246	50,000	312,600
Maintenance and Repair	2,824	907	2,402	1,500	2,000
Materials and Supplies	3,512	9,212	1,455	3,800	5,600
Other Expenses	6,120	5,773	6,358	84,200	86,900
Total Engineering	326,910	360,099	463,594	547,400	840,500
Water Efficiency					
Salaries & Benefits	401,153	331,014	373,540	391,100	441,500
Professional Services	64,958	458	7,981	2,600	3,000
Maintenance and Repair	3,288	139	1,779	1,500	1,500
Materials and Supplies	272	6,773	1,570	2,900	7,100
Other Expenses	40,331	41,169	37,637	54,000	53,600
Total Water Efficiency	510,001	379,554	422,506	452,100	506,700
Customer Service					
Salaries & Benefits	405,328	416,338	464,958	562,000	552,500
Professional Services	86,922	153,176	105,723	100,000	93,000
Maintenance and Repair	1,498	4,751	4,178	3,000	4,500
Materials and Supplies	30,882	34,384	30,214	37,200	36,500
Other Expenses	52,872	68,142	90,057	121,400	128,300
Total Customer Service	577,501	676,790	695,131	823,600	814,800
Non-Departmental					
Debt Service - Principal	320,355	503,834	374,072	386,600	404,300
Debt Service - Interest	769,559	545,299	531,093	516,200	498,600
Addl. Pymt. Towards Unfunded Pension Liability	2,343,840	1,670,064	-	-	115,000
Other	74,848	(32,608)	(31,949)	1,500	1,500
Total Non-Departmental	3,508,602	2,686,588	873,215	904,300	1,019,400
Total Expenses	\$ 12,402,484	\$ 12,107,970	\$ 10,717,248	\$ 11,566,200	\$ 12,626,700
Transfers (To)/From:					
Establish Capital Reserve Fund	-	-	-	-	-
Capital Outlay Fund for Pension Liability Payment	1,976,828	-	-	-	-
Year End Transfer (To)/From Capital Outlay Fund	733,630	(422,628)	(825,277)	(1,356,200)	(592,400)
Est. Ending Available Reserves	\$ 3,160,923	\$ 1,973,484	\$ 2,358,680	\$ 2,313,282	\$ 2,525,383

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CAPITAL FUNDS



Wholesale Capital Outlay Fund

This fund was created in FY 2015-16 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 on page 46.

PROPOSED FISCAL YEAR 2020-21 BUDGET

	<u>Wholesale Capital Outlay</u>	
Est. Beginning Available Reserves July 1, 2020	\$	15,838,810
Revenues		
Capital Contributions		68,600
Taxes & Assessments		1,173,000
Connection Fees		75,000
Other Revenues		178,000
Total Revenues	\$	1,494,600
Expenses		
Capital Improvement Projects		5,829,000
Professional Services		250,000
Total Expenses	\$	6,079,000
Net Income	\$	(4,584,400)
Transfer In/(Out)		617,500
Est. Ending Available Reserves June 30, 2021	\$	11,871,910

WHOLESALE CAPITAL OUTLAY FUND SUMMARY

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20 Estimated	FY 2020-21 Budget
Est. Beginning Available Reserves	\$ 9,162,739	\$ 6,708,354	\$ 10,012,861	\$ 16,168,310	\$ 15,838,810
Revenues					
Taxes & Assessments	1,018,486	1,061,598	1,118,187	1,150,000	1,173,000
Capital Contributions	651,202	950,048	2,601,290	210,200	68,600
Rebates	180,878	-	-	-	-
Connection Fees	36,066	152,351	124,971	67,000	75,000
Other Revenues	54,577	46,021	272,000	290,900	178,000
Total Revenues	\$ 1,941,208	\$ 2,210,018	\$ 4,116,448	\$ 1,718,100	\$ 1,494,600
Expenses					
Water Treatment Plant Improvements	5,897,498	228,980	49,872	2,723,900	3,058,000
Reservoirs & Improvements	-	35,932	67,719	1,232,900	2,005,000
Land Improvements	-	-	10,674	6,100	320,000
Equipment and Furniture	8,644	25,802	38,229	81,900	270,000
Professional Services	-	-	-	-	250,000
Vehicles	1,070	-	-	-	113,000
Land Acquisition	-	-	-	-	50,000
Buildings & Improvements	8,771	-	10,734	7,900	-
Mains/Pipelines & Improvements	55,853	7,306	2,922,588	104,300	-
Software	5,606	19,677	53,125	77,200	13,000
Maintenance	172,414	245,132	32,701	451,400	-
Contributions to Others	(719,985)	(23,477)	(38,318)	-	-
Total Expenses	\$ 5,429,871	\$ 539,352	\$ 3,147,324	\$ 4,685,600	\$ 6,079,000
Net Income	\$ (3,488,663)	\$ 1,670,666	\$ 969,124	\$ (2,967,500)	\$ (4,584,400)
Transfer In	2,345,345	1,633,841	5,186,325	2,638,000	617,500
Transfer Out	(1,311,067)	-	-	-	-
Est. Ending Available Reserves	\$ 6,708,354	\$ 10,012,861	\$ 16,168,310	\$ 15,838,810	\$ 11,871,910

WHOLESALE CAPITAL PROJECTS FY 2020-21

Water Treatment Plant Improvements

Design & Construction of Filter Floor Repairs & Media/Nozzle Replacement in North and South Basins

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 2,500,000
Start Date:	FY 2019-20	Budgeted Spending FY 2020-21:	\$ 2,328,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 4,828,000

This project will significantly rehabilitate the North and South basins at the Water Treatment Plant. It includes cleaning, repair and resurfacing of the basin walls and spalled floors, replacement of the filter media, media support plates, and nozzles. Maintaining this asset in good condition extends its useful life and reduces future maintenance and operating costs.

Design and Construction of Residual Area Stormwater Lift Station

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 97,040
Start Date:	FY 2018-19	Budgeted Spending FY 2020-21:	\$ 500,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 597,040

The water treatment process results in the accumulation of sludge that is removed from the water. This project designs and constructs both a collection area and a lift station which will capture the water from the removed sludge and direct it back into the treatment plant for re-processing.

Rehabilitation of Two Backwash Hoods

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 100,000
Estimated Completion:	FY 2023-24	Projected Future Spending:	\$ 480,000
		Total Project Cost:	\$ 580,000

This project will completely rehabilitate two original backwash hood assemblies including removal by crane rewiring, structural rehab, painting, etc. The project was originally intended to be completed in Fiscal Year 2019-20 but has now been delayed. The District intends to further evaluate the existing condition of the two hoods in FY 2020-21, design the rehabilitation of both hoods in FY 2021-22 and begin the work in FY 2022-23 and complete it in FY 2023-24. This project will reduce near term repair costs related to the backwash hoods.

Lab Particle Counter Replacement

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 30,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 30,000

The particle counter is a lab instrument that measures particle sizes in water. The District's existing lab particle counter is used at least twice daily to test water during the treatment process. It is obsolete and no longer serviceable if it breaks. The District intends to purchase a new particle counter in FY 2020-21 to ensure continuous availability of this important lab instrument. There will be no effect on future operation costs.

Replace and Relocate Panel C Transformer

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 17,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 17,000

The Panel C Transformer supplies all 208/110v power to the Water Treatment Plant operations building and flocculation/sedimentation systems. The project will consist of replacing the existing transformer that is at the end of its life cycle and installing the new transformer in a new safety compliant location.

Backwash Hoods Electric Breaker Replacements (4)

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 25,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 25,000

The District is completely rehabilitating two backwash hoods this year. This project will replace 4 electrical breakers on the hoods that are not being completely rehabilitated. This will increase safety as it will give staff the ability to disconnect the power to the hoods for maintenance.

Filter Gallery Electric Panel and Wiring Replacements

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 20,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 20,000

The filter gallery houses various electrical and mechanical instrumentation necessary for the operation of the filter basins. This project, part of a multi-year effort, will replace electric panels and related wiring in the filter gallery. It will improve safety and operations and reduce future maintenance and repair costs.

Replace Water Treatment Plant Main Gate

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 25,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 25,000

Because it is a critical asset, the Water Treatment Plant is secured with perimeter fencing and a security gate at the main entrance. The existing gate is old and frequently in need of repair. Replacing the gate will reduce maintenance and repair costs and will continue to ensure the security of the treatment plant.

Sludge Feed Pump Procurement

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2019-20	Budgeted Spending FY 2020-21:	\$ 13,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 13,000

The sludge pump is an integral piece of equipment in the sludge removal process. The sludge pump, pushes sludge out of the clarifiers into the sludge press where the liquids are removed from the sludge. The removed water is sent back into the treatment plant and the solids are disposed. Procurement of this pump will ensure consistent operations of the sludge removal process.

Reservoirs and Improvements

Hinkle Reservoir Cover & Lining Replacement

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 1,275,705
Start Date:	FY 2019-20	Budgeted Spending FY 2020-21:	\$ 80,000
Estimated Completion:	FY 2021-22	Projected Future Spending FY 2021-22:	\$17,069,295
		Total Project Cost:	\$18,425,000

Hinkle Reservoir is a 62 million gallon earthen reservoir which is Hypaon lined and covered. The water treatment plant is operated at a constant flowrate and the Hinkle Reservoir is used to store excess treated water, with the water level rising and falling with changes in demand production. The cover and liner are past their estimated life. Regular maintenance has extended its life however it is now in need of replacement. This project will rehabilitate the inlet and outlet structures, repair ancillaries as needed, and replace the approximate 11 acres of cover, liner and interior baffle wall material. The project is still in the design phase. Construction is expected to commence and complete in FY 2021-22.

Hinkle Reservoir: Temporary Purchase and Installation of Water Storage Tanks, Piping, & Electrical Improvements

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 1,625,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 1,625,000

The District is preparing for the replacement of the liner and cover of the Hinkle Reservoir in FY 2021-22. In order to take the reservoir out of use for the replacement, the District needs alternative clean water storage capacity. The District will attempt to sell them when the project is complete.

Hinkle Reservoir Overflow Channel Lining (East of Auburn Folsom Road)

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 2,500,000
Start Date:	FY 2019-20	Budgeted Spending FY 2020-21:	\$ 300,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 2,800,000

The Hinkle Reservoir will be removed from service in FY 2021-22 in order to replace the cover and liner. The District is installing temporary storage tanks to buffer the difference between plant production and customer demand. The tanks will hold much less water than the reservoir. As such there will be an increased need to handle overflow of the tanks. Because the existing channel is unlined, the force of the overflow would likely cause disruptive erosion to the overflow channel. This project will line the channel to minimize environmental disruption.

Land Improvements

Solar Site Access Culvert Replacement

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 3,300
Start Date:	FY 2019-20	Budgeted Spending FY 2020-21:	\$ 320,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 323,300

Replace aged culvert on Baldwin Reservoir ditch for solar site access road. This project will reduce maintenance efforts and increase safety.

Professional Services - Capital Related

Wholesale Master Plan Update

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 250,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 250,000

The Wholesale Master Plan seeks to assess the District's storage and transmission needs based upon analysis of foreseeable water demand, normal operations, and any additional required facilities. The District last completed a Master Plan in 2007.

Equipment and Furniture

SCADA System Improvements/Replacement

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 100,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 100,000

The District is working to complete a SCADA Master Plan this year. The plan will be recommending specific improvements to the SCADA system. Those projects will not be identified until the study is complete. The improvements will likely be conducted over a two year period. This funding will be for the first year of improvements.

Thickener Access Ladders (3)

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 90,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 90,000

The District is in the process of re-coating the interior of the Clarifier Tanks. Once done, the Clarifier Tank's access ladders will be replaced. This project funds the replacement of the 3 ladders.

SCADA Radio Replacements- South Phase

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 1,000
Start Date:	FY 2019-20	Budgeted Spending FY 2020-21:	\$ 56,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 57,000

Replacement of obsolete SCADA radios with new current and supported radios.

Solar Facility Inverter Replacement

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 3,000
Start Date:	FY 2019-20	Budgeted Spending FY 2020-21:	\$ 20,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 23,000

Replacement of aged inverter equipment at the end of its expected useful life.

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Chicken Switch Actuator

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 7,500
Start Date:	FY 2019-20	Budgeted Spending FY 2020-21:	\$ 4,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 11,500

A chicken switch is a piece of equipment that allows a person to turn electricity off to an electric panel from a remote location, reducing the risk of life threatening electric shock. The District ordered two chicken switches and remote operator unit in FY 2019-20. One of the chicken switches will not be received until FY 2020-21.

Vehicles

Vehicle #8 (2005 Ford F-450)

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 80,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 80,000

The District generally replaces vehicles every 10 years or 100,000 miles. This vehicle is 15 years old with approximately 92,000 miles. The District plans to replace this vehicle with a new model to contain future maintenance and repair costs. The existing vehicle will be sold at auction.

Vehicle #29 Dodge Dakota Replacement

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2019-20	Budgeted Spending FY 2020-21:	\$ 33,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 33,000

The Water Treatment Plant (WTP) has a GEM electric car used at the facility to transport people and supplies. The GEM is nearing the end of its useful life. While currently operational, future repairs are not cost efficient. The WTP also has a Dodge Dakota that it uses for general transportation both at the plant and throughout the District service area as needed. The Dodge Dakota has approximately 60,000 miles on it. The District is purchasing a 2020 Dodge Ram Promaster 2500, a commercial cargo van, primarily for the Electrical & Instrumentation Technician. The van is on order but delivery has been delayed due to COVID-19. The Dodge Dakota will be used to replace the GEM when it next is in need of repair.

Land

Land Acquisition - Property Boundary adjustment south of Hinkle Reservoir

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 50,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 50,000

A small strip of land bordering the south side of Hinkle Reservoir is currently owned by US Bureau of Reclamation. The District is working with the Bureau to either purchase or enter into a long term lease for the land.

Software

Tyler Content Management and Output Director

Project Status:	Under Consideration	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 10,000
Estimated Completion:	FY 2020-21	Total Project Cost:	<u>\$ 10,000</u>

The District uses a software called Tyler Technologies for its financial and utility billing processes. The purchase of this module would enhance reporting capabilities and functionality of the system. The specific benefits are currently under analysis and will determine the decision to purchase or not. While it ultimately may not be purchased it is being included in the budget to provide funding in case it is deemed advantageous to operations.

GIS Imagery Data Implementation

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 3,000
Estimated Completion:	FY 2020-21	Total Project Cost:	<u>\$ 3,000</u>

The District has been working on creating and implementing a Graphic Information System (GIS). This element of the project will create geometrically correct images, allowing the images to be used to measure true distances of features within the photograph.

Retail Capital Outlay Fund

This fund was created in FY 2015-16 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 on page 53.

PROPOSED FISCAL YEAR 2020-21 BUDGET

	<u>Retail Capital Outlay</u>
Est. Beginning Available Reserves July 1, 2020	\$ 6,728,940
Revenues	
Taxes & Assessments	1,173,000
Connection Fees	100,000
Other Revenues	52,600
Total Revenues	<u>\$ 1,325,600</u>
Expenses	
Capital Improvement Projects	5,434,300
Professional Services	33,000
Total Expenses	<u>\$ 5,467,300</u>
Net Income	<u>\$ (4,141,700)</u>
Transfer In/(Out)	592,400
Est. Ending Available Reserves June 30, 2021	<u><u>\$ 3,179,640</u></u>

RETAIL CAPITAL OUTLAY FUND SUMMARY

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20 Estimate	FY 2020-21 Budget
Est. Beginning Available Reserves	\$ 8,618,431	\$ 6,444,253	\$ 6,921,927	\$ 5,419,940	\$ 6,728,940
Revenues					
Taxes & Assessments	1,018,486	1,061,598	1,118,187	1,150,000	1,173,000
Connection Fees	363,637	245,318	82,549	300,000	100,000
Other Revenues	53,286	50,650	161,996	153,000	52,600
Total Revenues	\$ 1,435,408	\$ 1,357,565	\$ 1,362,732	\$ 1,603,000	\$ 1,325,600
Expenses					
Mains/Pipelines & Improvements	\$ 148,568	\$ 705,085	\$ 3,004,752	\$ 526,900	\$ 2,325,000
Professional Services	2,399	897	-	275,000	33,000
Pump Stations & Improvements	35,065	346,549	194,811	436,800	1,814,100
Software	8,409	107,995	159,375	243,200	18,000
Buildings & Improvements	-	933	271,185	7,600	-
Equipment and Furniture	164,593	24,684	59,872	73,400	215,200
Land Improvements	-	8,086	-	2,800	20,000
Reservoirs & Improvements	443,331	-	-	-	795,000
Vehicles	96,455	64,789	-	84,500	247,000
Maintenance	309	43,502	0	0	-
Total Expenses	\$ 899,129	\$ 1,302,520	\$ 3,689,996	\$ 1,650,200	\$ 5,467,300
Net Income	\$ 536,279	\$ 55,045	\$ (2,327,264)	\$ (47,200)	\$ (4,141,700)
Transfer In	-	422,628	825,277	1,356,200	592,400
Transfer Out	(2,710,457)	-	-	-	-
Est. Ending Available Reserves	\$ 6,444,253	\$ 6,921,926	\$ 5,419,940	\$ 6,728,940	\$ 3,179,640

RETAIL CAPITAL PROJECTS FY 2020-21

Mains/Pipelines and Improvements

Water Main Installation - Spahn Ranch Road

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 27,415
Start Date:	FY 2018-19	Budgeted Spending FY 2020-21:	\$ 598,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 625,415

Currently the water services for the customers on Spahn Ranch Road come through the properties back yards, from the street behind. This project will install approximately 2,980 linear feet of water main in Spahn Ranch Road as well as new service lines, connection saddles, and water meters to 10 customers. The new water main will also eliminate two existing dead-ends in the District's distribution system. Dead-end pipes require regular flushing to maintain water quality. The elimination of these two dead-ends will reduce operating costs as they will no longer require regular flushing. The design was started in FY 2019-20, and construction is scheduled to be completed in FY 2020-21.

Install 12" Distribution Line in Cavitt Stallman between Mystery Creek and Oak Pines with a Pressure Reducing Station

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 29,956
Start Date:	FY 2017-18	Budgeted Spending FY 2020-21:	\$ 441,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 470,956

This project includes the installation of approximately 360 linear feet of water main in Cavitt Stallman Road between Mystery Creek and Oak Pines, and includes the installation of a pressure reducing station. This project will eliminate two dead ends in the distribution system that require regular flushing to maintain water quality. The elimination of the two dead-ends will reduce operating costs as they will no longer require regular flushing. This installation of the pressure reducing station will provide system redundancy between the Bacon and Lower Granite Bay pressure zones. The design was started in FY 2019-20, and construction is scheduled to be completed in FY 2020-21.

Service Replacements on Woodminster Circle

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 266,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 266,000

This project involves replacing 18 residential services and 2 commercial services on Woodminster Circle. A "service" is a pipeline, typically 1-inch to 1.5 inch, that runs from the distribution main to each residence or business. Replacing a service includes replacement of the 1-inch or 1.5-inch service line from the water main to the meter, as well as replacement of the brass saddle and other ancillaries that connect the service line to the water main. The District has repaired many leaks in this area and concluded that they are due to aged service connections.

Kokila SJWD-PCWA Intertie

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 5,000
Start Date:	FY 2019-20	Budgeted Spending FY 2020-21:	\$ 231,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 236,000

This project will construct an intertie between the District's water distribution system and the Placer County Water Agency. The intertie will provide the District with ability to receive up to 2 million gallons per day from the Placer County Water Agency, when and if needed. Major components of the project include approximately 800 linear feet of 12-inch diameter ductile iron pipe, a pressure reducing control valve station, a 12-inch magnetic-type flowmeter, 2 12-inch turnouts and related electrical and SCADA communication improvements. The project is partially funded with federal grant.

6-Inch Main Extension Replacement 7975 - 8005 Auburn Folsom Road

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 25,000
Start Date:	FY 2019-20	Budgeted Spending FY 2020-21:	\$ 193,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 218,000

During a service line replacement project, it was discovered that material of the main is failing and in need of replacement. This project replaces approximately 250 linear feet of 6-inch water main on Auburn Folsom Road approximately between addresses 7975 to 8005 and includes replacement of all services coming off the line. Replacing a service includes replacement of the 1 or 1.5 inch pipe from the water main to the customers meter, and replacement of the brass saddled and other ancillaries that connect the service line to the water main.

Replace Steel Transmission Line in Eureka Road from Barton to Auburn Folsom Road

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 174,000
Estimated Completion:	Unknown	Projected Future Spending:	\$ 2,951,000
		Total Project Cost:	\$ 3,125,000

This project will replace 3,925 linear feet of aged steel transmission pipeline in Eureka Road from Barton Road to Auburn Folsom Road. This aged pipeline replacement will ensure system redundancy by improving the backbone intertie between the Bacon and Lower Granite Bay Zones, allowing either zone to supply the other in the event of a pump station loss. The design will be completed in FY 20-21. In order to reduce paving costs, and cause the least disruption to traffic, the project will be completed in conjunction with a road widening and resurfacing project being undertaken at the same location by Placer County. Therefore, the timing of the construction will be driven by Placer County.

Fire Hydrant Replacements

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 115,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 115,000

This project will replace ten aged fire hydrants, at various locations, throughout the District.

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Replace 8 Services on Margo Drive

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 112,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 112,000

This project involves replacing 8 residential services on Margo Drive. A "service" is a pipeline, typically 1-inch to 1.5 inch, that runs from the distribution main to each residence or business. Replacing a service includes replacement of the 1-inch or 1.5-inch service line from the water main to the meter, as well as the brass saddle and other ancillaries that connect the service line to the water main. The District has repaired many leaks in this area and concluded that they are due to aged service connections.

Water Main Installation Underneath the North Glenn Bridge

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 75,000
Estimated Completion:	Unknown	Total Project Cost:	\$ 75,000

This project involves the replacement of approximately 100-LF of previously existing 6-inch pipe with new 8-inch pipe. In June of 2015 Placer County requested that the District remove the old water main running under the existing storm drainage channel to facilitate removal of the old Northglenn Pedestrian Bridge. When the bridge washed out in 2015 the 6-inch pipeline was damaged. The District's only option at that time was to cut and remove the damaged section of pipe and then cap the water main on opposite sides of the drainage channel at this location. The County has plans to replace the bridge, and at that time the District can replace the currently disconnected pipeline. This project will involve designing the replacement water main that will be installed under the new bridge on the downstream side. Construction timing is dependent upon the County's project schedule, but the District needs to be ready to move forward concurrently with the County's project. This will be a joint project with Placer County, and the County has agreed to allow the District to install the replacement pipeline on or under the County's bridge which will result in a lower cost than replacing the pipeline under the drainage channel.

Air Release Valve Replacements

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ 51,000
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 70,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 121,000

Air release valves (ARV's) function to release air pockets that collect at high points in a pressured pipeline. In FY 2019-20 the District replaced 5 identified failing ARV's and anticipates finding and replacing 5 more in FY 2020-21, for a total of 10 aged ARV replacements. New regulations require the ARV's to be upgraded when they fail. Historically ARV's vented into a vault under the road. The new regulations require that they vent above ground. This change increases the cost of ARV replacements.

Eckerman 8 inch tie-in to "The Park" Subdivision

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 50,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 50,000

This project involves the installation of approximately 50 to 100 linear feet of 8-inch pipe to extend the existing southerly section of the Eckerman pipeline into the new piping that will be installed with the construction of "The Park" Subdivision. The costs are to be reimbursed by the developer of The Park subdivision project. This connection into The Park subdivision is needed to provide adequate supply for fire flow, and to facilitate source of supply redundancy.

Pump Stations and Improvements

Bacon Pump Station Generator Replacement(s)

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2021-22	Budgeted Spending FY 2020-21:	\$ 900,000
Estimated Completion:	FY 2021-22	Total Project Cost:	\$ 900,000

The generators at the Bacon Pump Station have reached then end of their life cycle. With PG&E power outages increasing to reduce fire risk, it is critical that the District maintain generators in good working order. The District is currently evaluating the generator needs at the Bacon Pump Station. This project will replace the existing configuration with either one or two new generators.

Upper Granite Bay Pump Station Generator Replacement

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 420,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 420,000

The Upper Granite Bay Pump Station generator is old and needs to be replaced. With PG&E power outages increasing to reduce fire risk, it is critical that the District maintain generators in good working order.

Upper and Lower Granite Bay Pump Station Low Flow Pumps Replacement

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 94,000
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 200,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 294,000

These pump stations were originally sized based on actual and projected demands during the District's last master plan, which was done in 2006. Due to ongoing droughts and conservation efforts, water demand has fallen significantly and during the winter months the pumps are oversized for the demand and do not operate efficiently, resulting in added mechanical wear and higher energy use. This project will add low flow pumps to the pump stations, which will reduce operating costs.

American River Canyon Pump Station South - Variable Frequency Drive Replacements

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 120,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 120,000

Variable Frequency Drives (VFD's) are used in an electro-mechanical system to adjust the speed and torque output of an electric motor. The VFD drives an electric motor, in this case the pump motor, by varying the frequency and voltage supplied to the electric motor. In the case of the District's booster pump stations VFD's are used to drive pump motors at the appropriate speed to match the water demand. Use of VFD's in the District's pump stations reduces electricity costs and reduces wear and tear on the pumps, which increases their reliability and life. This project will replace the aged VFD's at this pump station along with the necessary ancillary wiring and components.

Lower Granite Bay - Crown Point Emergency Intertie

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 69,200
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 69,200

This project will create an intertie, or connection between the Lower Granite Bay Pump Station and the Crown Point Pump Station allowing for back-up distribution capabilities to each pressure zone in the event of an emergency in either zone.

San Juan Water District

Fiscal Year 2020-21 Budget

Douglas Booster Pump Station Electrical Improvements

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 12,400
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 54,900
Estimated Completion:	FY 2019-20	Total Project Cost:	<u>\$ 67,300</u>

The Douglas Booster Pump Station provides back-up to the Upper and Lower Granite Bay Pump Stations. This project will upgrade the aged electrical and mechanical systems for the Douglas Booster Pump Station to bring it up to current code, add safety, and provide improved operational efficiency. It will include either one or two variable frequency drives, depending upon the configuration of the pump(s). Variable frequency drives reduce electricity costs and reduce wear and tear on the pumps, which increases their reliability and life.

American River Canyon - North Pump Station - Main Breaker Replacement

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 25,000
Estimated Completion:	FY 2020-21	Total Project Cost:	<u>\$ 25,000</u>

This project will replace the main electrical breaker at the American River Canyon - North Pump Station, bringing it up to safety standards.

American River Canyon - South Pump Station - Main Breaker Replacement

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 25,000
Estimated Completion:	FY 2020-21	Total Project Cost:	<u>\$ 25,000</u>

This project will replace the main electrical breaker at the American River Canyon - South Pump Station, bringing it up to safety standards.

Reservoirs and Improvements

Kokila Reservoir Replacement

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 795,000
Estimated Completion:	FY 2022-23	Projected Future Spending FY 2022-23:	\$ 7,055,000
		Total Project Cost:	<u>\$ 7,850,000</u>

Kokila Reservoir is a 4.56 million gallon earthen reservoir which is lined and covered with Hypalon, a flexible membrane material used to protect the water from contamination. The reservoir serves as an operational and emergency storage facility at a high elevation point within the distribution system. The cover and liner were installed in 1984 and were expected to last 25 years. Proper maintenance has extended its life an additional 10 years. The reservoir is now in need of replacement. The District intends to replace the Hypalon cover and liner with either a pre-stressed fixed-wall or steel plate wall type tank depending on the outcome of the Retail Master Plan. This project will be financed with a low interest rate loan from the State of California's Drinking Water Revolving Loan Fund. The District intends to commence the design phase in FY 2020-21 and complete construction in FY 2022-23.

Vehicles

Purchase Mini-Excavator

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 100,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 100,000

The District intends to purchase a new Mini-Excavator to replace the 2006 Caterpillar 420D Backhoe used in Field Operations. The backhoe, one of two owned by the District, is in excellent condition but isn't being used very often. Instead the District relies heavily on the vacuum truck as it is smaller and can be used in more locations than the backhoe. The District intends to sell the backhoe and purchase a Mini-Excavator which will be able to be used in more situations than the backhoe and will reduce the hours and wear and tear on the Vacuum.

Replace Vehicle #24 2008 F-450 Service Truck

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 90,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 90,000

The District intends to replace the existing 2008 F-450 Service Truck with a new F-450. Both the existing and the new truck have a crane mounted in the truck bed. The crane is needed to service the Cooperative Transmission Pipeline. The District generally replaces vehicles every 10 years or 100,000 miles. The existing truck is 12 years old with 90,000 miles. Purchasing the new truck will increase vehicle reliability and decrease repair costs. The existing truck and crane will be sold at auction.

Replace Vehicle #28 2008 F-450 Service Truck

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 57,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 57,000

The District intends to replace the existing 2008 F-450 Service Truck with a 2020 or 2021 F-450, minus the new truck bed. The District is saving money by transferring the truck bed from the existing truck, to the chassis of the new truck. The District generally replaces vehicles every 10 years or 100,000 miles. This truck is 12 years old with 87,000 miles. Purchasing the new truck will increase vehicles reliability and decrease repair costs. The existing truck will be sold at auction.

Equipment and Furniture

SCADA Radio Replacements- South Phase

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 1,800
Start Date:	FY 2019-20	Budgeted Spending FY 2020-21:	\$ 107,200
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 109,000

Replacement of obsolete SCADA radios with new current and supported radios.

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SCADA System Improvements/Replacement

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 100,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 100,000

The District is working to complete a SCADA Master Plan this year. The plan will be recommending specific improvements to the SCADA system. Those projects will not be identified until the study is complete. The improvements will likely be conducted over a two year period. This funding will be for the first year of improvements.

Boring Machine Replacement

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 8,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 8,000

A boring machine tunnels underground, allowing staff to replace a service line without having to cut into the existing curb and gutter, or other surface pavement. Curb and gutter replacement costs \$1,500 at a minimum. The existing boring machine broke last year and it is not cost effective to repair.

Professional Services - Capital Related

Retail Master Plan

Project Status:	In progress	Estimated Spending FY 2019-20 & Prior:	\$ 275,000
Start Date:	FY 2019-20	Budgeted Spending FY 2020-21:	\$ 33,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 308,000

The Retail Master Plan Update is being done to assess the District's storage, distribution, and transmission needs based upon analysis of the existing facilities, foreseeable water demand, normal operations and other operational needs, anticipated regulatory actions. The District last completed a Master Plan in 2006. This Retail Master Plan Update Project will provide a roadmap of recommendations, and estimated costs and a sequenced schedule, for Capital Improvement Projects and operational improvements going into the next five to ten years ahead.

Land Improvements

Bacon Pump Station Perimeter Fencing

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 20,000
Estimated Completion:	FY 2020-21	Total Project Cost:	\$ 20,000

This project consists of the purchase and installation of perimeter fencing for the Bacon Pump Station for security fencing.

Software

Tyler Content Management and Output Director

Project Status:	Under Consideration	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 10,000
Estimated Completion:	FY 2020-21	Total Project Cost:	<u>\$ 10,000</u>

The District uses a software called Tyler Technologies for its financial and utility billing processes. The purchase of this module would enhance reporting capabilities and functionality of the system. The specific benefits are currently under analysis and will determine the decision to purchase or not. While it ultimately may not be purchased it is being included in the budget to provide funding in case it is deemed advantageous to operations.

GIS Imagery Data Implementation

Project Status:	Planned	Estimated Spending FY 2019-20 & Prior:	\$ -
Start Date:	FY 2020-21	Budgeted Spending FY 2020-21:	\$ 8,000
Estimated Completion:	FY 2020-21	Total Project Cost:	<u>\$ 8,000</u>

The District has been working on creating and implementing a Graphic Information System (GIS). This element of the project will create geometrically correct images, allowing the images to be used to measure true distances of features within the photograph.

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OPERATIONS PLAN



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FOREWORD

The following tables compose the Operations Plan for the San Juan Water District for Fiscal Year 2020-21. It defines the major actions that we plan to undertake during this coming fiscal year, to achieve the goals and strategic objectives laid out in the District's Strategic Plan. The Strategic Plan encompasses our mission, vision and values, and outlines the goals and objectives that we will pursue to meet our mission and achieve our vision. The Strategic Plan incorporates the principles of fiscal responsibility, customer service and operational excellence.

The Operations Plan is organized in sections that correspond to the District's different functional groups. The actions are not in priority order, but the Goals and Strategic Objectives in the Strategic Plan that are related to these actions are noted. A target date for accomplishing the action is also listed, and District staff will be reporting regularly on the status of completing each action.

ADMINISTRATION/WATER RESOURCES/IT

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Water Quality Control Plan – represent District interests and collaborate with regional and statewide partners to ensure the WQCP is reasonable and achievable.	A	5	Ongoing
Delta conveyance – engage as necessary to protect District interests as new project developed, permits sought.	A	5	Ongoing
Organize and conduct joint project with neighboring water agencies on collaboration and integration of projects and programs	A	3	1/2021
Monitor and respond to regulatory proposals from the SWRCB and DWR in the “Making Conservation a Way of Life” program (water loss regulations, indoor and outdoor efficiency standards, reporting, etc.); collaborate with ACWA, RWA and others around the state to ensure regulations are reasonable	A C D	1,5 2 5	Ongoing
Develop an agreement with PCWA to provide treatment and conveyance capacity for their West County water supply needs.	A	5	6/2021
Prepare 2020 Urban Water Management Plan, including collaboration with WCAs	A	5	6/2021
If conditions warrant and allow, complete actions necessary to implement a groundwater substitution and/or conserved water transfer	A	5	6/2021
Prepare annual water rights reports to SWRCB and submit estimated schedule of deliveries of PCWA and CVP supplies to Reclamation	A	All	Post-14 > 4/2021 Pre-14 > 6/2021 Reclamation > 3/2021
Provide Monthly summary reports to Reclamation showing usage of water rights, PCWA, and CVP supplies, as well as treatment of SSWD’s PCWA deliveries	A	All	The 10 th of the following month
Complete State SRF application for low interest financing for Hinkle & Kokila project	A	7	Work in Progress
2 nd Annual SJWD Employee Kids Day	E	3	8/2021
Complete Board Policy Updates	C	1	6/2021
Facilitate Records Inventory Process	C	1	6/2021

CUSTOMER SERVICE

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Cross train customer service staff to be proficient in customer service related functions to build redundancy to accommodate vacations, illnesses and staff turnover	C	3	6/2021
Work with Field Service and Water Efficiency staff to diagnose customer meter problems and repair promptly	C	2,3	6/2021

DISTRIBUTION (Field Services)

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Complete the 2020 CO-OP Maintenance Program <ul style="list-style-type: none"> Inspect and maintain all of the appurtenances on the Cooperative Transmission Mainlines Exercise all mainline valves on the Cooperative Transmission Mainlines 	B	2	6/2021
Complete the 2020 Cross Connection Control Program <ul style="list-style-type: none"> Test 100% of the District Backflows Re-Test 100% of the failed backflows Repair or replace all failed backflows 	B	2	12/2020
Complete the 2020 Leak Detection Program <ul style="list-style-type: none"> Complete the next phase of the Districts Leak Detection Program Repair all leaks found during the inspection in a timely manner 	B	2	6/2021
Complete the 2020 Air/Vacuum Relief Valve Program <ul style="list-style-type: none"> Inspect and maintain 160 ARVs Upgrade 20-failed ARVs to the Districts standards 	B	2	6/2021
Complete the 2020 Dead End Flushing Program <ul style="list-style-type: none"> Inspect, maintain, and flush all of the Districts 501 dead end sites Repair or replace all broken blow off valves 	B	2	6/2021
Complete the 2020 Valve Exercise Program <ul style="list-style-type: none"> Inspect, maintain, and exercise 1,000 mainline valves Repair or replace all broken mainline valves 	B	2	6/2021
Complete the 2020 Hydrant Maintenance Program <ul style="list-style-type: none"> Inspect, maintain, and exercise 300 fire hydrants. Repair or upgrade all broken fire hydrants 	B	2	6/2021
Complete the 2020 Commercial Meter Program <ul style="list-style-type: none"> Test all large commercial meters. Replace or repair all failed large commercial meters 	B	2	6/2021
Complete the 2020 Residential Meter Program <ul style="list-style-type: none"> Upgrade a minimum of 120 meters Test a minimum of 120 meters 	B	2	12/2020

San Juan Water District

Fiscal Year 2020-21 Budget

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Implement the new GIS/Cityworks Programs for District Operations <ul style="list-style-type: none"> Train all staff on use of the new programs Transfer all current documentation and workflow to the new programs 	B	2	12/2020
Complete a meter replacement study in conjunction with the Citrus Heights Water District, with participation of other regional partners	B	1,6	12/2021

ENGINEERING SERVICES

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Complete the construction of the WTP South Filter Basin Rehabilitation Project	B	3	5/2021
Complete construction of the Hinkle Reservoir Outage Temporary Tanks and Civil Site Improvements	B	4	12/2020
Complete the SJWD/PCWA Intertie	B	3	12/2020
Complete the 2020 Arc Flash Hazard Assessment Project	E	1	6/2021
Complete an update of the Wholesale Master Plan	B	1	6/2021
Complete construction of the WTP Residual Area Storm Water Lift Station	B	3	6/2021
Complete installation of “Low Flow” pumps in Castellanos Pump Station and Upper Granite Bay	B E	2	12/2020

FINANCE and HUMAN RESOURCES

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Complete funding agreement for State Revolving Loan Funds for Hinkle Reservoir Project	D	3 a.	6/2021
Complete funding application for Kokila Reservoir Project	D	3 a.	6/2021
Implement GASB Statement 87 on Accounting for Leases	D	n/a	6/2021
Complete review of District’s Compliance with FLSA	E	1	9/2020
Commence 5-Year Financial Plan and Rate Study	D	1	1/2021

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Complete Disaster Preparedness Planning and Documentation for Business Continuity	B	8	12/2020
Complete an overhaul of the Employee Manual, updating District ordinances and policies as necessary	E	3	9/2020
Complete revisions to Treatment Plant Shift Operators MOU	E	1	9/2020

WATER EFFICIENCY

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Rehabilitate outdated sections of the demonstration WEL (Water Efficient Landscape) Garden (wholesale)	C	2,7	6/2021
Provide 4 educational customer workshops (wholesale)	C	2,7	6/2021
Implement rebate incentive programs and provide on-site assistance to 100 customers to support State mandated water use reductions requirements	C	1,2,5	6/2021
Conduct a student art calendar contest to be distributed to all wholesale agencies	C	2,7	6/2021
Test and replace inoperable radio read units upon failure and send failed meter information to Field Services for replacement	C	3,5	6/2021

WATER TREATMENT

Task	Strategic Plan Goal	Strategic Plan Objective	Target Date
Complete Breaker Replacements in Backwash Hoods	B	2	3/2021
Complete 1 Year Phosphorus Study and Effects on Raw Water	B	2	11/2020
Purchase New Lab Top Particle Counter	B	1	8/2020
Install New Operator Work Stations	B	1	4/2021
Develop/Implement Valve Identification System	D	5	6/2021
Evaluate/Study Backwash Water Strategy for Power Optimization	D	5	6/2021
Upgrade Chlorine Building Security Monitoring	B	2	5/2021

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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:		Transfer Out From:	
Wholesale Capital Fund	\$ 617,500	Wholesale Operating Fund	\$ 617,500
Retail Capital Fund	\$ 592,400	Retail Operating Fund	\$ 592,400
Total Transfers In	\$ 1,209,900	Total Transfers Out	\$ 1,209,900

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	
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	\$ 5,920,394	\$ 3,214,607	\$ 2,167,631	\$ 1,176,963	\$ 8,088,025	\$ 4,391,569	\$ 12,479,594
Paid 2012-2020	\$ 2,909,969	\$ 1,580,031	\$ 2,740,478	\$ 1,488,002	\$ 5,650,447	\$ 3,068,033	\$ 8,718,481
Total	\$ 8,830,363	\$ 4,794,638	\$ 4,908,110	\$ 2,664,965	\$ 13,738,472	\$ 7,459,603	\$ 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	
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	\$ 15,379,200	\$ 8,650,800	\$ 7,252,533	\$ 4,079,550	\$ 22,631,733	\$ 12,730,350	\$ 35,362,082
Paid 2017-2020	\$ 1,340,800	\$ 754,200	\$ 1,948,210	\$ 1,095,868	\$ 3,289,010	\$ 1,850,068	\$ 5,139,078
Total	\$ 16,720,000	\$ 9,405,000	\$ 9,200,742	\$ 5,175,418	\$ 25,920,742	\$ 14,580,418	\$ 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.

San Juan Water District

Fiscal Year 2020-21 Budget

Dept.	Position Title	Budgeted in FY18-19	Budgeted in FY19-20	# Budgeted	Budgeted in Fiscal Year 2020-2021			
					Wholesale Allocation	Retail Allocation	Wholesale FTE	Retail FTE
Executive								
	General Manager	1.00	1.00	1.00	90%	10%	0.90	0.10
	Water Resources Manager	1.00	1.00	1.00	90%	10%	0.90	0.10
	Information Technology Manager	1.00	1.00	1.00	50%	50%	0.50	0.50
	Board Secretary/Administrative Assistant	1.00	1.00	1.00	50%	50%	0.50	0.50
	Total Executive	4.00	4.00	4.00			2.80	1.20
Finance and Administrative Services								
	Director of Finance	1.00	1.00	1.00	50%	50%	0.50	0.50
	Finance and Administrative Services Analyst	1.00	1.00	1.00	50%	50%	0.50	0.50
	Accountant	1.00	1.00	1.00	50%	50%	0.50	0.50
	Purchasing Agent	1.00	1.00	1.00	50%	50%	0.50	0.50
	Accounting Technician II	1.00	1.00	1.00	50%	50%	0.50	0.50
	Total Finance and Administrative Services	5.00	5.00	5.00			2.50	2.50
Customer Service								
	Customer Service Manager	0.50	0.50	0.50	0%	100%	-	0.50
	Meter Technician	1.00	1.00	1.00	0%	100%	-	1.00
	Customer Service Technician I - III ¹	2.00	3.00	3.00	0%	100%	-	3.00
	Total Customer Service	3.50	4.50	4.50			-	4.50
Engineering Service								
	Engineering Services Manager	1.00	1.00	1.00	50%	50%	0.50	0.50
	Associate/Senior Engineer	1.00	1.00	1.00	50%	50%	0.50	0.50
	Engineering Technician III	1.00	1.00	1.00	40%	60%	0.40	0.60
	Construction Inspector III	1.00	1.00	1.00	50%	50%	0.50	0.50
	Total Engineering Service	4.00	4.00	4.00			1.90	2.10
Field Services (Distribution System)								
	Operations Manager ²	0.60	0.60	-	0%	100%	-	-
	Safety-Regulatory Compliance Coordinator ²	0.50	0.50	-	0%	100%	-	-
	Field Services Manager	1.00	1.00	1.00	0%	100%	-	1.00
	Pump Station Lead	1.00	1.00	1.00	0%	100%	-	1.00
	Distribution Lead Worker	2.00	2.00	2.00	0%	100%	-	2.00
	Distribution Operator II - IV ³	8.00	7.00	7.00	0%	100%	-	7.00
	Pump Station Technician/Mechanic	1.00	1.00	1.00	0%	100%	-	1.00
	CMMS/GIS Coordinator ^{2,4}	-	0.75	-	0%	100%	-	-
	Utilities Coordinator	1.00	1.00	1.00	0%	100%	-	1.00
	Total Field Services (Distribution System)	15.10	14.85	13.00			-	13.00
Operations								
	Operations Manager ²	-	-	1.00	40%	60%	0.40	0.60
	Safety-Regulatory Compliance Coordinator ²	-	-	1.00	50%	50%	0.50	0.50
	CMMS/GIS Coordinator ^{2,4}	-	-	1.00	25%	75%	0.25	0.75
	Total Water Efficiency	-	-	3.00			1	1.85
Water Efficiency								
	Customer Service Manager	0.50	0.50	0.50	0%	100%	-	0.50
	Water Efficiency Lead	1.00	1.00	1.00	25%	75%	0.25	0.75
	Water Efficiency Technician I - II	2.00	2.00	2.00	0%	100%	-	2.00
	Total Water Efficiency	3.50	3.50	3.50			0.25	3.25
Water Treatment Plant								
	Operations Manager ²	0.40	0.40	-	100%	0%	-	-
	Safety-Regulatory Compliance Coordinator ²	0.50	0.50	-	100%	0%	-	-
	Water Treatment Plant Manager	1.00	1.00	1.00	100%	0%	1.00	-
	Maintenance Chief	1.00	1.00	1.00	100%	0%	1.00	-
	Chief Operator	1.00	1.00	1.00	100%	0%	1.00	-
	Water Treatment Plant Operator IV	2.00	2.00	2.00	100%	0%	2.00	-
	Water Treatment Plant Operator III	2.00	2.00	2.00	100%	0%	2.00	-
	Water Treatment Plant Operator II	1.00	1.00	1.00	100%	0%	1.00	-
	Electrical & Instrumentation Technician	1.00	1.00	1.00	70%	30%	0.70	0.30
	CMMS/GIS Coordinator ^{2,4}	-	0.25	-	100%	0%	-	-
	Facilities Maintenance Worker II	1.00	1.00	1.00	100%	0%	1.00	-
	Facilities Maintenance Help	1.00	1.00	1.00	70%	30%	0.70	0.30
	Total Water Treatment Plant	11.90	12.15	11.00			10.40	0.60
Total Funded Full Time Equivalents (FTE)		47.00	48.00	48.00			19.00	29.00

¹ Customer Service Technician I - III was approved by the Board for Fiscal Year 2018-2019.

² Safety-Regulatory Compliance Coordinator, and CMMS/GIS Coordinator were moved from Field Services and Water Treatment to Operations Department.

³ Distribution Operator position was replaced by the CMMS/GIS Coordinator during Fiscal Year 2018-2019.

⁴ CMMS/GIS Coordinator is a new position approved by the Board during Fiscal Year 2018-2019.

San Juan Water District

Fiscal Year 2020-21 Budget



SAN JUAN WATER DISTRICT COMPENSATION SCHEDULE - B

EFFECTIVE: August 28, 2019 for all employees hired after August 28, 2019 and those hired prior if maximum pay on this schedule is greater than maximum pay on Schedule A

Non-Exempt Positions	Hourly Rate Range	
	Minimum	Maximum
Accountant	\$ 34.02	\$ 40.82
Accounting Technician I	\$ 24.01	\$ 28.81
Accounting Technician II	\$ 26.52	\$ 31.83
Accounting Technician III	\$ 29.30	\$ 35.16
Admin. Assistant - Board Secretary	\$ 36.47	\$ 43.76
CMMS/GIS Coordinator	\$ 34.70	\$ 41.64
Chief Operator	\$ 45.85	\$ 55.02
Construction Inspector I	\$ 29.30	\$ 35.16
Construction Inspector II	\$ 32.36	\$ 38.84
Construction Inspector III	\$ 35.75	\$ 42.90
Customer Service Technician I	\$ 21.96	\$ 26.35
Customer Service Technician II	\$ 24.25	\$ 29.10
Customer Service Technician III	\$ 26.79	\$ 32.15
Distribution Lead Worker	\$ 38.33	\$ 46.00
Distribution Operator I	\$ 25.74	\$ 30.89
Distribution Operator II	\$ 28.44	\$ 34.13
Distribution Operator III	\$ 31.41	\$ 37.70
Distribution Operator IV	\$ 34.70	\$ 41.64
Electrical & Instrumentation Technician	\$ 42.34	\$ 50.81
Engineering Technician I	\$ 27.33	\$ 32.79
Engineering Technician II	\$ 30.19	\$ 36.22
Engineering Technician III	\$ 33.35	\$ 40.01
Facilities Maintenance Helper	\$ 22.17	\$ 26.61
Facilities Maintenance Worker I	\$ 27.06	\$ 32.47
Facilities Maintenance Worker II	\$ 29.89	\$ 35.87
Finance & Administrative Services Analyst	\$ 41.09	\$ 49.31
Information Technology Technician I	\$ 26.52	\$ 31.83
Information Technology Technician II	\$ 29.30	\$ 35.16
Maintenance Chief	\$ 44.72	\$ 53.67
Meter Technician	\$ 25.24	\$ 30.28
Pump Station Lead	\$ 42.34	\$ 50.81
Pump Station Technician	\$ 38.33	\$ 46.00
Purchasing Agent	\$ 29.59	\$ 35.51
Utilities Coordinator	\$ 34.70	\$ 41.64
Water Efficiency Helper	\$ 21.10	\$ 25.32
Water Efficiency Lead Worker	\$ 31.41	\$ 37.70
Water Efficiency Technician I	\$ 25.74	\$ 30.89
Water Efficiency Technician II	\$ 28.44	\$ 34.13
Water Treatment Plant Operator I	\$ 25.74	\$ 30.89
Water Treatment Plant Operator II	\$ 28.44	\$ 34.13
Water Treatment Plant Operator III	\$ 31.41	\$ 37.70
Water Treatment Plant Operator IV	\$ 34.70	\$ 41.64

Exempt Positions (Annual Salaries based on 2080 Hours)	Annual Rate Range	
	Minimum	Maximum
Associate Engineer	\$ 98,259.20	\$ 114,894.40
Customer Service Manager	\$ 105,331.20	\$ 126,401.60
Director of Finance	\$ 144,830.40	\$ 173,804.80
Engineering Services Manager	\$ 136,448.00	\$ 163,737.60
Field Services Manager	\$ 107,993.60	\$ 129,584.00
General Manager (Contract)	\$ 191,588.80	\$ 191,588.80
Information Technology Manager	\$ 105,331.20	\$ 126,401.60
Operations Manager	\$ 144,830.40	\$ 173,804.80
Safety/Regulatory Compliance Specialist	\$ 90,729.60	\$ 108,888.00
Senior Engineer	\$ 108,534.40	\$ 130,228.80
Water Resources Manager	\$ 105,331.20	\$ 126,401.60
Water Treatment Plant Manager	\$ 110,718.40	\$ 132,849.60

In accordance with Board Compensation Policy HR6.5 the General Manager is authorized to apply a COLA to this Compensation Schedule in an amount not to exceed 2.5% which is the increase in the March 2020 Consumer Price Index for West Cities B.

RESOLUTION NO. 20-07

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SAN JUAN WATER DISTRICT
ADOPTING THE ANNUAL BUDGET
FOR THE FISCAL YEAR 2020-2021**

WHEREAS, District staff has prepared a budget for the fiscal year 2020-2021 that estimates operating and maintenance, capital improvement program, debt service, prudent reserve requirements, and other expenses of the District and that estimates revenues from all sources to pay the expenses of the District;

WHEREAS, District staff has determined that the fiscal year 2020-2021 budget is reasonably accurate and if implemented will ensure that the District's revenues will be sufficient to pay all of the District's expenses, including contributions to reserves sufficient to return them to prudent levels; and

WHEREAS, after conducting a workshop and a public hearing on the proposed budget the Board of Directors has approved the same.

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

1. That certain document referred to as "The San Juan Water District Proposed Budget Fiscal Year 2020-2021," and all schedules, exhibits and policies contained therein, is hereby adopted and the appropriations for the annual budget of the San Juan Water District for the fiscal year beginning on July 1, 2020 and ending on June 30, 2021 are hereby adopted; and
2. That the amounts stated in the proposed budget shall become and thereafter be appropriated to the offices, departments, activities, objects and purposes stated therein and said monies are hereby authorized to be expended for the purposes and objects specified in said budget; and
3. The General Manager is authorized to approve expenditure adjustments within individual accounts and line items so long as the total appropriated is not exceeded.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 24th day of June 2020, by the following vote:

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:

EDWARD J. "TED" COSTA
President, Board of Directors
San Juan Water District

ATTEST

TERI GRANT
Secretary, Board of Directors

Glossary of Terms

The budget contains specialized and technical terminology and acronyms that are unique to public finance and budgeting. To assist the reader in understanding these terms and acronyms, a budget glossary has been included herein.

Term	Definition
Acre-Foot	The volume of water that will cover one acre to a depth of one foot. One acre-foot of water equates to 325,828.8 gallons.
Allocation	A distribution of funds or costs from one account or appropriation to one or more accounts or appropriations.
Ashland	City of Folsom, north of the American River.
Assets	Resources owned or held by SJWD which have monetary value.
Audit	An investigation, done by an independent certified public accounting firm to provide an opinion on whether or not the financial statements of the SJWD are prepared in conformance with generally accepted accounting principles for government entities within the United States of America, and are free of material errors or misstatements.
Authorized	Given the force of law (e.g., by statute). For some action or quantity to be authorized, it must be possible to identify the enabling source and date of authorization.
Beginning/Ending Fund Balance	Appropriated resources available in a fund from the prior/current year after payment of the prior/current year's expenses. This is not necessarily cash on hand.
Best Management Practices (BMPs)	Proven and reliable water efficiency technologies and programs that address residential, commercial, industrial, and landscape water uses.
Bond	A written promise to pay a sum of money with a specific interest rate, at a specific time. In the budget document, these payments are identified as a debt service.
Budget	A plan of financial operation embodying an estimate of proposed expenditures for a given period of time and the proposed means of financing them.
Transmittal Letter	A general discussion of the proposed budget as presented in writing by the General Manager to the Board of Directors and Rate payers. The message contains an explanation of principal budget items and summaries found in the prepared budget relative to the current year adopted budget.
Capital Budget	The portion of the annual budget that appropriates funds for the purchase of capital equipment items and capital improvements.
Capital Improvements Program (CIP)	A long-range plan of the District for the construction, rehabilitation and replacement of the District-owned infrastructure.
Capital Outlay	A character of expenditure of funds to acquire land, plan and construct new buildings, expand or modify existing buildings, and/or purchase equipment related to such construction.

Term	Definition
Central Valley Project (CVP)	California water project owned by the United States and managed by the Bureau of Reclamation for diversion, storage, carriage, distribution and beneficial use of waters of the Sacramento River, the American River, the Trinity River, and the San Joaquin River and their tributaries. The CVP is composed of some 20 reservoirs with a combined capacity of more than 11 million acre-feet, 11 power plants, and more than 500 miles of major canals and aqueducts. The CVP delivers about 7 million acre-feet of water annually for agricultural, urban, and wildlife use.
COLA	Cost of Living Adjustment – an increase to base wages designed to keep an employee’s pay even with inflation.
Debt Service	The District’s obligation to pay the principal and interest of bonds and other debt instruments according to a predetermined payment schedule.
Delta	The Delta is the largest estuary on the west coast and the hub of California’s water system. It is formed by California’s two largest rivers, the Sacramento and San Joaquin. The Delta has increasingly become a center of controversy as federal, state, and local governments and private entities have sought to make use of its resources.
Department	An operational and budgetary unit designated by the General Manager to define and organize District operations.
Depreciation	The process of matching the cost of a fixed asset (property, equipment, software, etc.) to the time periods over which it is used. As an example, if a piece of equipment has an estimated useful life of ten years and a purchase price of \$5,000; each year is charged \$500 of depreciation over the equipment’s ten year life, and the value of the asset is reduced accordingly.
Division	A major administrative unit of the District which has overall management responsibility for an operation of a group of related operations within a functional area.
Estimated Revenues	The budgeted, projected revenues expected to be realized during the budget (fiscal) year to finance all or part of the planned expenditures.
Expenditure	The actual payment for goods and services.
Expenses	The incurrence of liabilities or the consumption of assets arising from the delivery or production of goods, rendering services or carrying out other activities that constitute the entity’s ongoing major or central operation.
Fiscal Year (FY)	The time period designated by the District signifying the beginning and ending period for recording financial transactions. The District has specified July 1 to June 30 as its fiscal year.
Full Time Equivalent (FTE)	The amount of time a position has been budgeted for in terms of the amount of time a regular, full-time employee normally works in a year (2,080 hours).

San Juan Water District

Fiscal Year 2020-21 Budget

Term	Definition
Fund	A set of accounting books with a self-balancing group of accounts in which cash and other financial resources, all related liabilities and residual equities, or balances and changes therein are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions or limitations.
Fund Balance	For accounting purposes, the excess of a fund's assets over its liabilities. For budgeting purposes, the accumulated excesses of a fund's resources over its expenditures.
Generally Accepted Accounting Principles (GAAP)	The accounting principles, rules, conventions, and procedures that are used for accounting and financial reporting. GAAP for governments are set by the Governmental Accounting Standards Board (GASB), the accounting and financial reporting standards setting body for state and local governments.
Grants	Contributions of gifts or cash or other assets from another government to be used or expended for a specific purpose, activity or facility, with no obligation to repay (in contrast to a loan, although the award may stipulate repayment of funds under certain circumstances).
Great Recession	A term that represents the sharp decline in economic activity during the late 2000's, which is considered to most significant downturn since the Great Depression. The term "Great Recession" applies to both the U.S. recession, officially lasting from December 2007 to June 2009, and the ensuing global recession in 2009. The economic slump began when the U.S. housing market went from boom to bust, and large amounts of mortgage-backed securities and derivatives lost significant value.
Infrastructure	Facilities that support the continuance and growth of a community. Examples include roads, water lines, sewers, public buildings, parks and airports.
Line Item	The description of an object of expenditure, i.e. salaries, supplies, professional services and other operational costs.
Operating Budget	The normal, ongoing costs incurred to operate the District, specifically excluding the capital program budget.
Operating Expenses	Expenditures for materials, supplies and services which are ordinarily consumed within a fiscal year and which are not included in the program inventories or capital budget.
Ordinance	A formal legislative enactment by the Board of Directors. It is the full force and effect of law within the District boundaries unless pre-empted by a higher form of law.
Program	A group of related activities performed by one or more organizational units for the purpose of accomplishing a District responsibility.
Reclamation	United States Bureau of Reclamation
Resolution	A special order of the Board of Directors, which has a lower legal standing than an ordinance.

Term	Definition
Resources	Total amounts available for appropriation including estimated revenues, fund transfers and beginning fund balances.
Reserve	An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriations.
Reimbursements	An amount received as a payment for the cost of services performed/to be performed, or of other expenditures made for, or on behalf of, another entity. Reimbursements represent the recovery of an expenditure.
Revenue	Moneys that the District receives as income. It includes such items as water sales, fees for services, contributions, interest income and other miscellaneous receipts. Estimated revenues are those expected to be collected during the fiscal year.
Transfer In/(Out)	Movement of resources between two funds. Example: An inter-fund transfer would include the transfer of money from the operations fund to the capital fund to set money aside for future capital infrastructure replacements or improvements.
WEL Garden	A demonstration Water Efficient Landscape Garden located behind the Administration Building of the San Juan Water District.
WTP	The Sidney N. Peterson Water Treatment Plant of the San Juan Water District.

San Juan Water District

Fiscal Year 2020-21 Budget

Acronyms

Acronyms, as may be used in this document, are familiar terms to those in government but not to those who do not work in that setting. While we tried to avoid their use, they do appear occasionally throughout the budget document. The list below explains acronyms that may appear in this document.

Acronym	Definition
AF	Acre-feet or Acre-foot
AFR	Auburn Folsom Road
BMPs	Best Management Practices
CCF	100 cubic feet (centum cubic feet), equivalent to 748 gallons
CIP	Capital Improvements Program
CSD	Community Services District
CVP	Central Valley Project
CAFR	Comprehensive Annual Financial Report
CalPERS	California Public Employees Retirement System
CHWD	Citrus Heights Water District
COLA	Cost of Living Adjustment
FOWD	Fair Oaks Water District
GIS	Geographic Information Services
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers Association
HVAC	Heating, Ventilation, and Air Conditioning
IT	Information Technology
LF	Linear Foot/Feet
MGD	Million gallons a day
OVWC	Orange Vale Water Company
PCWA	Placer County Water Agency
PERS	Public Employees Retirement System
SCADA	Supervisory Control and Data Acquisition
SSWD	Sacramento Suburban Water District
WEL	Water Efficient Landscape
WTP	Water Treatment Plant

STAFF REPORT

To: Board of Directors

From: Donna Silva, Director of Finance
Lisa Brown, Customer Service Manager

Date: June 24, 2020

Subject: Revised Schedule of Rates, Fees, Charges and Deposits

RECOMMENDED ACTION

Adopt the revised Schedule of Rates, Fees, Charges and Deposits.

BACKGROUND

At the December 2019 Board meeting, the Board approved the 2020 Schedule of Rates, Fees, Charges and Deposits based on the results of the User Fee Study and adopted a full cost recovery methodology. It has since been determined that revisions are needed, as further described below.

Disconnection Fee

The current Disconnection Fee needs refinement as it was too general for staff's needs. It only applied to disconnection for non-payment and did not include the cost of reconnecting service. Staff recommends the elimination of a single Disconnection Fee and replacing it with the following fees:

Disconnection for Non-Payment Fee

This fee would be charged to customers whose service was disconnected due to non-payment of service. This fee captures the cost of two distribution operators to disconnect service and some administrative time. It is common when disconnecting service to be stopped by the customer whose service is being disconnected and asked to hold off for a moment while they pay their bill by phone. In these instances, customers would not incur a physical disconnection of service, but would still incur the disconnection charge as staff had invested the same amount of time as they would have if the service was actually disconnected. The Fee Study included an estimate of 26 minutes of administrative time per disconnection. Subsequent analysis of the process yielded a lower estimate of 15 minutes. As such, staff recommends lowering this fee from \$113 to \$93.

Voluntary Disconnection Fee

This fee would be charged to customers who electively want to disconnect their service for a period of time. Some disconnect their dedicated irrigation accounts over the winter and reactivate late spring. Some are remodeling. Some are vacant. This fee captures the cost of one distribution operator to

disconnect service and some administrative time. The cost recovery for this service is \$60.

Reconnection Fee

This fee would be charged when a customer calls to have their service reconnected after their service had been disconnected, either due to non-payment or for an elective disconnection. This service captures the cost of one distribution operator to reconnect the service and one Customer Service Technician for administrative processing. The cost recovery for this service is \$60.

Vehicle and Equipment Fees

The Fee Study did not incorporate equipment depreciation into the rates. In order to achieve full cost recovery, the District needs fees for equipment use. These fees would predominately be charged when a development project requires the use of District vehicles or equipment. It can also be used for insurance claims where the District can bill the other party's insurance company for cost recovery. A common example is when a car runs into a fire hydrant. Hydrants are not covered by the District's insurance policy. Staff typically files a claim with the driver's insurance company. Having an adopted fee schedule for vehicle and equipment use would aid staff greatly in recovering these costs from insurance companies.

Penalties and Interest for Delinquent Water Charges under San Juan Water District's Wholesale Water Supply Agreements

Section 11 of the current wholesale water supply agreements state that "San Juan's wholesale water rates and charges will include interest and penalties for delinquent payments, as appropriate."

Policy 5300, adopted February 23, 2011 states that a 10% penalty and 1% interest per month will be charged on delinquent wholesale water bills. It defines delinquent as 45 days after receipt of invoice, or 2 weeks after the next scheduled wholesale customer agency board meeting after receipt of the invoice from San Juan, whichever is later.

San Juan Water District staff have no definitive way of knowing when an invoice is "received" by a customer. Additionally, it is inefficient to track the various board meetings of each customer agency to determine and track when each invoice is due.

Furthermore, having a fee set by a stand-alone policy increases the likelihood of finance staff not being aware of its existence and failing to administer the policy.

STAFF REPORT

*Revised Schedule of Rates, Fees, Charges and Deposits
Lisa Brown and Donna Silva*

Staff analyzed the invoice and payments dates for each of the wholesale customer agencies for the past two years. The average days outstanding for each customer are as follows:

Wholesale Customer Agency	Average Days Outstanding (from invoice date)	Number of Invoices Paid after 45 days from Invoice Date
Citrus Heights Water District	41	0
Fair Oaks Water District	37	2
Orange Vale Water Company	30	3
City of Folsom	32	1

Based on the data, and in the interest of increased efficiencies, staff recommends changing the due date to “45 days from invoice date” and adding the delinquency fee and interest rate to the Schedule of Proposed Fees, Charges and Deposits. . Staff will be proposing the elimination of policy 5300 at a subsequent Board Meeting. Future changes to the delinquency fee and interest rate would be subject to Board approval.

General Late Fee:

The District has late fees specific to both retail and wholesale water bills but lacks a defined late fee for miscellaneous billings such as damages to District Property or development projects. Staff recommends Board approval of a 1.5% per month late fee on all non-water related delinquent bills.

Attachments:

Revised Schedule of Proposed Fees, Charges and Deposits



San Juan Water District
 Schedule of Rates, Fees, Charges and Deposits
 Calendar Year 2020

Description - (See "Definitions" at end of document)	Type	Frequency/Unit	Amount	Adjusts Annually with CPI	Authority	Date Last Approved or Adjusted
Wholesale Water Rates:						
Wholesale Water Usage (Volumetric Rate)	Fee	Per Acre Foot	\$81.14	No	C	12/11/2019
San Juan Water District - Retail Division Fixed Charge	Fee	Per Quarter	\$512,350	No	C	12/11/2019
San Juan Water District - Retail Division - 2019 Debt Charge	Fee	Per Quarter	\$135,142	No	C	12/11/2019
San Juan Water District - Retail Division - Capital Facilities Fee	Fee	Per Quarter	\$8,631	No	C	12/11/2019
Citrus Heights Water District - Fixed Charge	Fee	Per Quarter	\$487,767	No	C	12/11/2019
Citrus Heights Water District - 2019 Debt Charge ⁽¹⁾	Fee	Per Quarter	\$128,658	No	C	12/11/2019
Fair Oaks Water District - Fixed Charge	Fee	Per Quarter	\$347,911	No	C	12/11/2019
Fair Oaks Water District - 2019 Debt Charge ⁽¹⁾	Fee	Per Quarter	\$91,768	No	C	12/11/2019
Orange Vale Water Company - Fixed Charge	Fee	Per Quarter	\$172,102	No	C	12/11/2019
Orange Vale Water Company - 2019 Debt Charge ⁽¹⁾	Fee	Per Quarter	\$45,395	No	C	12/11/2019
Orange Vale Water Company - Capital Facilities Fee	Fee	Per Quarter	\$2,294	No	C	12/11/2019
City of Folsom - Hinkle Pump Station Surcharge	Fee	Per Acre Foot	\$96.32	No	C	12/11/2019
City of Folsom - Fixed Charge	Fee	Per Quarter	\$51,564	No	C	12/11/2019
City of Folsom - 2019 Debt Charge ⁽¹⁾	Fee	Per Quarter	\$13,601	No	C	12/11/2019
City of Folsom - Direct Portion of 2012 Debt	Fee	Per Quarter	\$21,450	No	C	12/11/2019
Sacramento Suburban Water District - Treat and Wheel	Fee	Per Acre Foot	\$209.68	No	C	12/11/2019
Granite Bay Golf Course	Fee	Per Acre Foot	\$35.35	No	D	1/1/2020
Wholesale Late Payment Fee	Penalty	Per Invoice	10% of past due balance plus 1% per month on delinquent balance until paid in full.	No	C	2/23/2011
Retail Water Rates and Charges:						
Base Charges:						
Up to 1" Meter (Typical Residential Meter Size)	Fee	Per Day - Billed Bimonthly	\$2.05	No	C	4/12/2017
1 1/2" Meter	Fee	Per Day - Billed Bimonthly	\$5.32	No	C	4/12/2017
2" Meter	Fee	Per Day - Billed Bimonthly	\$8.47	No	C	4/12/2017
3" Meter	Fee	Per Day - Billed Bimonthly	\$15.76	No	C	4/12/2017
4" Meter	Fee	Per Day - Billed Bimonthly	\$26.21	No	C	4/12/2017
6" Meter	Fee	Per Day - Billed Bimonthly	\$52.34	No	C	4/12/2017
8" Meter	Fee	Per Day - Billed Bimonthly	\$83.68	No	C	4/12/2017
Fire District	Fee	Per Day - Billed Bimonthly	\$10.53	No	C	4/12/2017
Water Usage Charge (Volumetric Rate)	Fee	Per CCF (Centum cubic feet, which is one hundred cubic feet of water) - Billed Bimonthly	\$0.92	No	C	4/12/2017
Private Fire Line Rates:						
Up to 4" Fire Line	Fee	Per Day - Billed Bimonthly	\$0.74	No	C	4/12/2017
6" Fire Line	Fee	Per Day - Billed Bimonthly	\$1.09	No	C	4/12/2017
8" Fire Line	Fee	Per Day - Billed Bimonthly	\$1.47	No	C	4/12/2017
10" Fire Line	Fee	Per Day - Billed Bimonthly	\$1.75	No	C	4/12/2017
Water Account Deposit	Deposit	Per Occurrence	\$215	No	D	12/11/2019
Late Payment Fee	Penalty	Per Occurrence	\$23	Yes	B	12/11/2019
Returned Payment Fee	Fee	Per Occurrence	\$35	No	A	12/11/2019



San Juan Water District
 Schedule of Rates, Fees, Charges and Deposits
 Calendar Year 2020

Description - (See "Definitions" at end of document)	Type	Frequency/Unit	Amount	Adjusts Annually with CPI	Authority	Date Last Approved or Adjusted
Disconnection Fee for Non-Payment	Fee	Per Occurrence	\$93	Yes	B	12/11/2019
Voluntary Disconnection Fee	Fee	Per Occurrence	\$60	Yes	B	
Reconnection Fee	Fee	Per Occurrence	\$60	Yes	B	
After-Hours Reconnection Fee	Fee	Per Occurrence	\$266	Yes	B	12/11/2019
Unauthorized Connection Fee	Penalty	Per Occurrence	\$500	Yes	B	12/11/2019
Damages Pertaining to Unauthorized Connections	Fee	Hourly	Time and Materials	Yes	D	12/11/2019
Meter Lock Replacement (Due to Damage or Unauthorized Removal)	Fee	Per Lock	\$52	Yes	B	12/11/2019
Meter Service Box Clearing Fee (Minimum)	Fee	Per Hour (Minimum 1 Hour)	\$179	No	C	12/11/2019
Meter Testing Fee	Fee	Per Test	\$351 - Returned if Meter Shows Error >3%	Yes	B	12/11/2019
Water Efficiency Violation - Progressive Reconnect Fees:						12/11/2019
1st Reconnect	Penalty	Per Occurrence	\$187	Yes	B	12/11/2019
2nd Reconnect	Penalty	Per Occurrence	\$337	Yes	B	12/11/2019
3rd Reconnect	Penalty	Per Occurrence	\$487	Yes	B	12/11/2019
4th Reconnect	Penalty	Per Occurrence	\$787	Yes	B	12/11/2019
Property Lien Fee	Fee	Per Lien	\$58	Yes	B	12/11/2019
Document Copying Fee	Fee	Per Page	\$0.25	No	A	12/11/2019
Authorized Hydrant Use:						
Hydrant Meter Deposit - Standard Size	Deposit ⁽²⁾	Per Hydrant Rental	\$2,121	Yes	D	12/11/2019
Hydrant Meter Deposit - < 2-inch Hydrant Meter	Deposit ⁽²⁾	Per Hydrant Rental	\$1,296	Yes	D	12/11/2019
Hydrant Use Permit	Fee	Per Hydrant Rental	\$269	Yes	B	12/11/2019
Rental Fee	Fee	Per Day	\$4	Yes	B	12/11/2019
Hydrant Water Use	Fee	Per CCF	Commercial Volumetric Rate	No	C	12/11/2019
Unauthorized Hydrant Connection Fee	Penalty	Per Discovery	\$2,300	Yes	B	12/11/2019
Backflow Device Test (SJWD Personnel)	Fee	Per Test - Annual and Re-test if Needed	\$162	Yes	B	12/11/2019
Backflow Device Test (SJWD Personnel, After Hours)	Fee	Per Test - Annual and Re-test if Needed	\$358	Yes	B	12/11/2019
Backflow Device Test (SJWD Contractor)	Fee	Per Test - Annual and Re-test if Needed	\$44	Yes	B	12/11/2019
New Service/Construction/Development Related Fees:						
Development Project Plan Review:						
Single Unit Plan Review Deposit	Deposit ⁽²⁾	Upon Submittal	\$630	Yes	D	12/11/2019
Minor Subdivision (2-4 Units, No Meter) Deposit	Deposit ⁽²⁾	Upon Submittal	\$3,085	Yes	D	12/11/2019
Major Subdivision (5+ Units, No Meter) Deposit	Deposit ⁽²⁾	Upon Submittal	\$5,816	Yes	D	12/11/2019
Construction Inspection:						
Single Unit Construction Inspection Minimum Fee	Fee	Per Inspection	\$899	Yes	B	12/11/2019
Development Project Construction Inspection Deposit	Deposit ⁽²⁾	Per Project	Varies		D	
New Service Connection (Tapping) Deposit	Deposit ⁽²⁾	Per Project	Varies		D	
Wholesale Capital Facilities Fee:						
Up to 1-inch Meter	Fee	Per Meter Connection	\$1,216	Yes	B	1/1/2020
1 1/2-inch Meter	Fee	Per Meter Connection	\$2,430	Yes	B	1/1/2020
2-inch Meter	Fee	Per Meter Connection	\$3,889	Yes	B	1/1/2020



San Juan Water District
 Schedule of Rates, Fees, Charges and Deposits
 Calendar Year 2020

Description - (See "Definitions" at end of document)	Type	Frequency/Unit	Amount	Adjusts Annually with CPI	Authority	Date Last Approved or Adjusted
3-inch Meter	Fee	Per Meter Connection	\$7,779	Yes	B	1/1/2020
4-inch Meter	Fee	Per Meter Connection	\$12,153	Yes	B	1/1/2020
6-inch Meter	Fee	Per Meter Connection	\$30,384	Yes	B	1/1/2020
8-inch Meter	Fee	Per Meter Connection	\$43,753	Yes	B	1/1/2020
10-inch Meter	Fee	Per Meter Connection	\$70,491	Yes	B	1/1/2020
12-inch Meter	Fee	Per Meter Connection	\$104,522	Yes	B	1/1/2020
Retail Capital Facilities Fee:						
Up to 1-inch Meter	Fee	Per Meter Connection	\$15,726	No	C	1/1/2018
1 1/2-inch Meter	Fee	Per Meter Connection	\$31,452	No	C	1/1/2018
2-inch Meter	Fee	Per Meter Connection	\$50,323	No	C	1/1/2018
3-inch Meter	Fee	Per Meter Connection	\$100,648	No	C	1/1/2018
4-inch Meter	Fee	Per Meter Connection	\$156,191	No	C	1/1/2018
6-inch Meter	Fee	Per Meter Connection	\$314,525	No	C	1/1/2018
8-inch Meter	Fee	Per Meter Connection	\$566,157	No	C	1/1/2018
10-inch Meter	Fee	Per Meter Connection	\$912,141	No	C	1/1/2018
12-inch Meter	Fee	Per Meter Connection	\$1,352,485	No	C	1/1/2018
New Service Inspection & Activation Fee (includes 1-inch Meter)	Fee	Per New Connection	\$1,048	Yes	B	12/11/2019
New Service Inspection Fee - > 1-inch meter (Meter not included)	Fee	Per Connection	\$603	Yes	B	12/11/2019
New Service Re-Inspection Fee	Fee	Per 2nd & Each Subsequent Inspection	\$206	Yes	B	12/11/2019
Custom Flow/Pressure Analysis and Letter Fee	Fee	Per Request	\$238	Yes	B	12/11/2019
Standard Flow/Pressure Analysis and Letter Fee	Fee	Per Request	\$108	Yes	B	12/11/2019
Fire System Design Review Fee (Per Hour)	Fee	Per Request	\$192	Yes	B	12/11/2019
Hydrant Flow Test Fee	Fee	Per Request	\$562	Yes	B	12/11/2019
Hydrostatic Testing Minimum Fee	Fee	Per Test	\$404	Yes	B	12/11/2019
Bacteriological Testing Minimum Fee	Fee	Per Test	\$460	Yes	B	12/11/2019
Change of Service Grade Deposit	Deposit ⁽²⁾	Per Request	Varies		D	12/11/2019
Change of Service Size Deposit	Deposit ⁽²⁾	Per Request	Varies		D	12/11/2019
Service Relocation Deposit	Deposit ⁽²⁾	Per Request	Varies		D	12/11/2019
Vehicle and Equipment Use:						
District Vehicles	Fee	Per Mile	\$1.22	No	D	
Dump Trucks/Beds	Fee	Per Mile	\$23.70	No	D	
Vacuum Trailer	Fee	Per Mile	\$10.47	No	D	
Backhoe	Fee	Per Hour	\$40.79	No	D	
Loader	Fee	Per Hour	\$240.63	No	D	
Dump Trailers	Fee	Per Incident/Use	\$28.57	No	D	
Wacker Plate Compactor	Fee	Per Incident/Use	\$7.53	No	D	
Other:						
Internal Indirect Cost Rate	Fee	Applied to Staff Hourly Rate	131.9%	No	C	12/11/2019
External Overhead Rate	Fee	Applied to External Contracts	20%	No	C	12/11/2019
Miscellaneous Late Fee ⁽⁴⁾	Penalty	Per Month Outstanding	1.5% of amount delinquent	No	C	



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Fee Setting Authority:

- A California Government Code
- B San Juan Water District Board of Directors, General Manager to apply annual CPI Adjustments based on each November's CPI West Class B/C
- C San Juan Water District Board of Directors
- D General Manager, or his/her delegate

Notes:

- ⁽¹⁾ Anticipated debt for the Hinkle Reservoir Rehabilitation Project. Charge will not be assessed until debt is issued and repayment schedule is finalized. The 2019 Debt charge will be removed and the Quarterly Fixed Charge will increase accordingly.
- ⁽²⁾ Direct costs of outside labor, materials, supplies (plus the external overhead rate) and District Staff time (at fully burdened rates) will be charged against all deposits received. Unused deposit balances will be returned at project completion. Additional deposits will be requested if balance deemed insufficient for work remaining. Where deposit amount is not specified on fee schedule, it will be determined on a case by case basis by the General Manager or his/her delegate.
- ⁽³⁾ These penalties apply to any charges due to San Juan by a wholesale customer agency that are delinquent as of 45 days after invoice date. or 2 weeks after the next scheduled wholesale customer agency board meeting after receipt of the invoice from San Juan, whichever is later.
- ⁽⁴⁾ Applies to any delinquent amount owed to the District, excluding wholesale and retail water billings.

Definitions:

Water Usage Charge (Volumetric Rate):

Retail water customers are charged \$.92 per CCF of water used. CCF means Centum Cubic Feet. Bills are presented in unit of water. 1 unit = 1 CFF which = 100 cubic feet which = 748 gallons of water.

Private Fire Line:

Daily fire line charges only apply to customers with private fire lines required by California building code. Charges are calculated based on the number of days in the billing cycle. No volumetric water use rate applies.

Capital Facility Fees:

Capital Facility Fees are assessed to ensure that new development pays its fair share of the investment in the infrastructure made by existing customers. The fees are determined by an independent consultant via a fee study. Fee studies are conducted every 3 to 5 years, with annual cost of living adjustments applied to the fees in between studies. Developers of parcels located within the retail service area of the San Juan Water District pay both the Wholesale and Retail Capital Facilities Fees. Developers of parcels not located in the San Juan Water District retail service area pay only the Wholesale Capital Facilities Fees. Capital Facilities Fees from the retail water provider for their location will apply.

New Service Inspection & Activation Fee:

Due for each new residential or commercial connection requiring a 1-inch meter. The fee covers the cost of inspection of the connection and the meter.

New Service Re-Inspection Fee:

This fee applies to each new residential or commercial connection that requires more than two standard inspections.

Late Payment Fee:

The late fee is assessed to accounts upon creation of a 48-hour door hanger notification of impending shut-off for non-payment of water bill or other unpaid charges or fees associated with customer's property. When a door hanger cannot be delivered, a late fee will be added to accounts upon contact with the customer by phone or mail.



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Disconnection Fee:

A disconnection fee is assessed when personnel have been dispatched to disconnect service or when service has been shut-off, whether for non-payment of water bill or on customer request that service be disconnected.

Reconnection Fee:

This fee is assessed when service has been disconnected, either for non-payment of water bill, or upon customer request, and staff is dispatched to property to reconnect water service.

After Hours Reconnection Fee:

This fee is assessed when service has been disconnected, either for non-payment of water bill, or upon customer request, and staff is dispatched to property to reconnect water service outside of normal business hours.

Unauthorized Connection Fee:

Penalty charged for each unauthorized connection to a private or District pipeline or water system ancillary. If water facilities are damaged, the violator and/or property owner will be charged time and materials for the cost of repair.

Lock Replacement Fee:

Assessed if an installed meter or service lock is damaged or removed.

Meter Service Box Clearing Fee:

Fee is assessed to a customer's water account when the District must clear a customer's water meter service box of landscape material and/or debris if work had not been completed by the customer within a specified time period. Customer will be charged the greater of one hour or the actual time to clear the meter service box.

Change of Service Grade Deposit:

A change of service grade fee is on a time and materials basis. The District will provide the customer with an estimate of the total costs. The customer must provide a deposit in the amount of the estimate prior to the work being performed.

Change of Service Size Deposit:

In addition to capital facilities fees and other fees that may be due, a change of service size, if approved, will be on a time and material basis. The District will provide the customer with an estimate of the total costs. The customer must pay any additional capital facility fees plus provide a deposit in the amount of the estimate prior to the work being performed.

Service Relocation Deposit:

The fee to relocate a service is on a time and materials basis. The District will provide the customer with an estimate of the total costs. The customer must provide a deposit in the amount of the estimate prior to the work being performed.

New Service Connection (Tapping) Deposit:

The fee for a new tap is on a time and materials basis. The District will provide the customer with an estimate of the total costs. The customer must provide a deposit in the amount of the estimate for the work prior to the work being performed.

Meter Testing Fee:

Upon customer request to test their meter, the customer must pay the fee to cover the cost of testing the meter. The fee will be refunded if the meter is found to register more than 3% error.

Water Efficiency Violation - Progressive Reconnect Fee:

Assessed by violation (failure to correct or eliminate water waste conditions).

Backflow Device Test:



San Juan Water District
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Customers with a backflow prevention device installed at their service are required to have the device tested annually. The District will utilize the services of an outside contractor for most annual tests, and customers will be charged the "SJWD Contractor" rate. Certain devices will need to be tested by District personnel. In those cases, the customer will be assessed the "SJWD Personnel" rate or the "SJWD Personnel, After Hours" rate, if the test must be done outside of normal District working hours. If the test determines that the device is not working properly, customer is required to have device repaired and re-tested.

Standard Flow/Pressure Analysis and Letter Fee:

This fee is assessed when an individual requests the standard pressure range for a general location within the service area. The letter, with the requested information, will be provided after payment has been received.

Custom Flow/Pressure Analysis and Letter Fee:

Fee is assessed when a request from a customer, developer, designer, engineering firm or other interested party, is received asking for the available flow and/or pressure at a given location within the District's retail service area distribution system. This fee recovers the cost of labor and materials associated with performing task, such as system operational and as-built document and facilities research, hydraulic calculations, hydraulic modeling, and preparing summary letters and reports.

Hydrant Flow Test Fee:

Fee is assessed when receiving a request from a customer, developer, designer, engineering firm, or other interested party, asking for the available flow at a given existing hydrant location within the District's distribution system. Hydrant flow testing may be performed as an option when modeling or another analysis methods are not available. This fee includes the preparation of a summary report to be provided to the requestor or a third party.

Single Unit Plan Review Deposit:

Applies to a relatively simple set of plans for conformance with the District's Design and Construction Standards and Specifications. Examples are single residential construction, plumbing or landscaping plans. Other relatively simple types of documents that can qualify for this minimum fee will be established by the Engineering Services Manager on a case-by-case basis.

Hydrostatic Testing Fee:

Fee is assessed for services associated with the District's Construction Inspector, Field Operations personnel, or other qualified District representative traveling to the project location to observe pressure gauges and other pumping and filling equipment, gauges, testing equipment or other materials or labor. This fee only includes the District's staff time associated with observation of a singular hydrostatic test and preparation of a test observation report for the project file and as needed for project approval.

Bacteriological Testing Fee:

Fee is assessed for services associated with the District's Construction Inspector, Field Operations personnel, or other qualified District representative traveling to the project location to gather/collect a representative sample of the water contained within a pipeline or service line for the project and transport that sample to the laboratory for testing. This fee does not include provision of any sampling port/tap, testing equipment or other materials or labor; only the provision of the sample bottle, and the District's staff time associated with travel and sample collection, sample transport, laboratory analysis, and preparation of a test results report for the project file and as needed for project approval. Bacteriological testing is required under State of California Water Code.

New Service Inspection Fee for > 1-inch Meter:

Applies to each new residential or commercial connection requiring a meter larger than one-inch. Customers provide their own meter per District specifications.

STAFF REPORT

To: Board of Directors
 From: Tony Barela, Operations Manager
 Date: June 24, 2020
 Subject: State of the Distribution System for 2019 – Field Services Department

RECOMMENDED ACTION

Information Only

BACKGROUND

The Field Services Department has defined maintenance goals for the distribution system and tracked time allocation on a daily basis related to these goals. Goals for regular maintenance items, such as valve exercising and hydrant, air release valves (ARV), and pump stations control panel maintenance were established and are evaluated on an annual basis. The following is a synopsis of the accomplishments and discoveries during calendar year (CY) 2019.

Prior to 2019, maintenance goals for valves, hydrants, and ARVs were based on a 10-year recurrence cycle; meaning that these appurtenances would be operated/maintained once every 10-years. American Water Works Association’s (AWWA) recommended best practice is to exercise valves every five years and maintenance hydrants and ARVs annually. Working to balance maintenance of the system with staffing levels and retail finances, operations set a 5-year goal for valve, hydrant and ARV maintenance. See Table 1 for District vs AWWA maintenance goals.

Table 1 – Maintenance Goals Recurrence Cycle

Program	2018 Maint. Recurrence Cycle	AWWA Best Practices Maint. Recur. Cycle	2019 Maint. Recurrence Cycle
Valve Exercising	10-Year	5-Years	5-Years
Hydrant Testing/Maintenance	10-Year	Annually	5-Years
Air Release Valve Testing/Maint.	10-Year	Annually	5-Years
Backflow Testing	Annually	Annually	Annually
Flushing	Monthly/Annually	As Needed	Monthly/Annually
Meter Replacement/Testing	100-years (1%)		20-Years

Prior to 2019, the identified maintenance goals were not achieved due to District staffing levels. Therefore, to accomplish the defined goals for maintenance of the distribution system, funding was added in the budget for contractor assistance to complete backflow testing, valve exercising, and hydrant maintenance to meet the 5-year occurrence

standard. Additionally, the On-Call Contractor Services budget was increased to address leak repairs throughout the year. This contractor assistance allowed staff to reallocate their time to complete flushing, backflow testing, and deficiency list repairs in the system. Tracking goals and staff time allocation continued through 2019. In concert with contractor assistance, refinements were made to operations to achieve the desired 5-year maintenance goals identified above.

DISTRIBUTION SYSTEM MAINTENANCE

Figure 1 displays the 2019 Program goals vs accomplishments. This figure shows that all goals set for 2019 were met, if not exceeded, this past year. This success is due to operational efficiencies of staff and the additional contractor assistance.

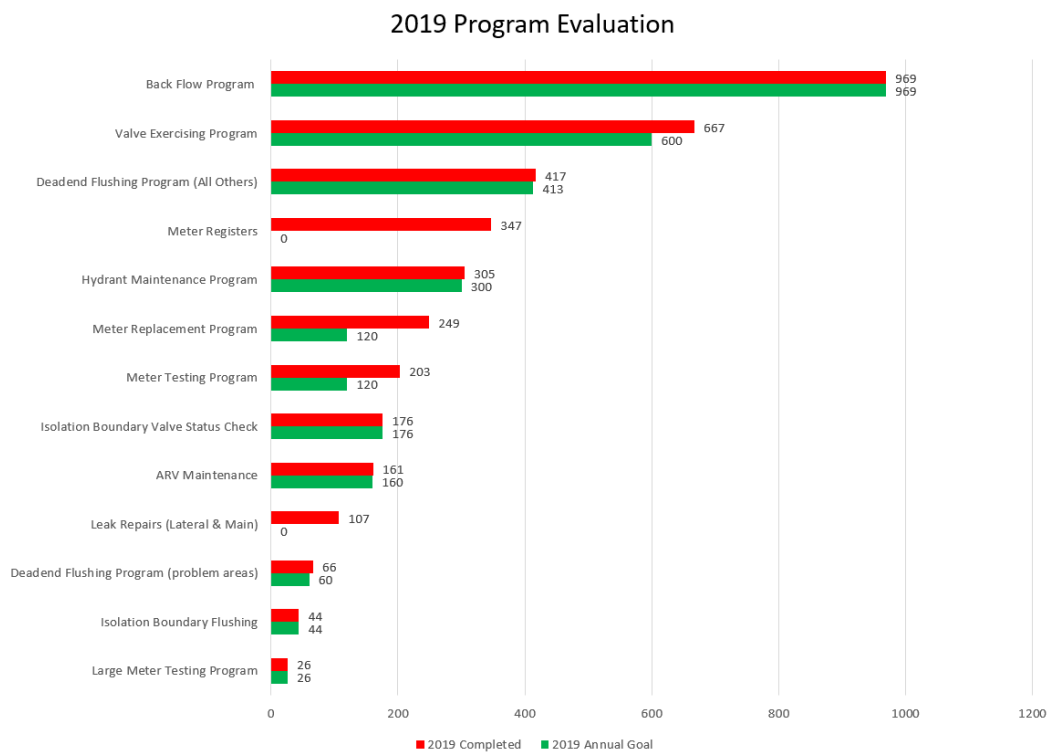


Figure 1 – Maintenance Goal vs Completions

Valve and hydrant maintenance was contracted to Wachs Water (Xylem). Xylem performed maintenance on approximately 300 hydrants and lead valves. Although the valve maintenance goal for contracted services was estimated at 600 valves, savings were realized this past year as the field team exercised valves related to their flushing operations; therefore, contracted service were not requiring for these valves. This will not be the case moving forward in 2020.

Meter replacements also increased this last year as the aging meter infrastructure requires replacement in the system. This determination is based on meters with an age greater than 20-years old in the system.

The number of leak repairs by the District’s On-Call Contractor was also increased this past year. When a leak occurs in the system, District staff respond to the initial incident. If the leak can wait and is not causing a problem or is not potentially dangerous, the leak will be passed to the On-Call Contractor for repair. There were 107 system leaks in CY 2019, the On-Call Contractor repaired 44 of them. The other 63 leaks were repaired by District field staff.

This is the second year in a row with record high leaks in the distribution system. There were only two main line leaks in 2019, the rest were service lateral, saddle, or ARV leaks; with the majority being service lateral leaks. Typical service lateral leaks are due to aging piping material from the main to the meter, deteriorating/rusting service saddles, or poor bedding around poly service lines. The 2020 Retail Master Plan, currently being developed, will include a replacement plan for areas of concern which have a higher service lateral leak history.

As issues or deficiencies are identified in the system through the maintenance program, they are logged on the “Deficiency List” as items needing attention. As of December 31, 2019, there were 143 items identified as still needing attention. 44 deficiency items were identified and repaired in 2019. Figure 2 shows the breakdown of the identified deficiency items.

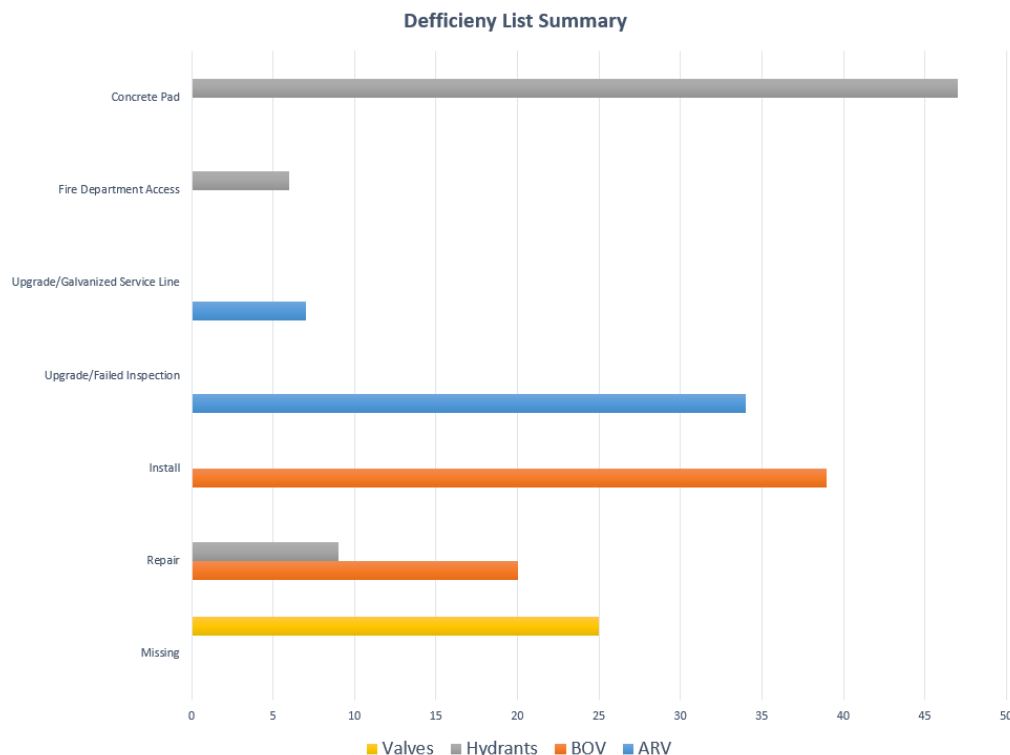


Figure 2 – Deficiency List Summary

PUMP STATION/ELECTRICAL

There are seven pump stations located in the Retail Service Area (RSA). Staff has worked to increase electrical safety at these stations, specifically related to the control panels and switchgears, to reduce the arc flash potential when entering a panel.

Each station has electrical control panels that require annual maintenance. Annual maintenance was completed on panels and variable frequency drives (VFD) at all seven stations. Additionally, in-house staff replaced VFDs and breakers that had reached end of life and installed new disconnects at pump motors.

Communication improvements were evaluated in 2019 due to radio communication problems between the stations and the Water Treatment Plant. Communication issues have been a regular problem over the years. Multiple times per year, communications go down leaving staff blind to the operation of the pump stations and reservoirs. To address this issue, staff worked with a consultant to perform a radio survey to determine if a 173 MHz radio frequency would be better suited for the District. Additionally, staff is evaluating cellular as a communication option. This evaluation will be completed and implemented in 2020.

HYDRAULIC MAINTENANCE/IMPROVEMENTS

The District has 34 control valve stations located throughout the District. These control stations allow water to pass from one pressure zone to another in cases where emergency supply is needed. These valves are maintained annually.

Some of the control valve installations are located within a vault below grade. These vaults commonly fill with water, creating a cross-connection potential. Additionally, due to confined space entry requirements, the maintenance of these stations requires multiple personnel. To eliminate this cross-connection potential and the confined space safety concern, staff is working to raise the valves. The preferred configuration is to have the valve completely above grade in an enclosure. However, this year, working to alleviate customer concerns, one valve was raised within the vault to a point where cross connection and confined space was eliminated.

FINANCIAL CONSIDERATIONS

Table 2 displays the contractor assistance costs in CY 2019 compared to the anticipated costs for CY 2020.

Table 2 – Contractor Maintenance Costs

Type	2019 # Completed	2020 # Estimated
Backflow Testing	58 Backflows	950 Backflows*
Valve & Hydrant Maintenance	273 Valves 298 Hydrants	700 Valves 300 Hydrants & Lead Valves
On-Call Contractor	44 Leaks 1 Hydrant 6 ARVs	55 Leaks 10 Hydrants 10 ARVs
Budget CY 2019:	\$549,000	
Total Spent CY 2019:	\$347,800	Est. Budget: \$630,950

* Cost recovery through Ordinance change

The number of valves requiring maintenance has significantly increased due to more accurate information from the District’s new GIS. Information provided to operations in 2019 showed approximately 3,000 system valves. The new information from GIS, including hydrant valves show that the total is closer to 5,000 valves. Therefore, the total number of valves to be maintained annually has increased from 600 to 1,000 valves.

Staff anticipated 55 leaks would be addressed by the On-Call Contractor in CY 2019. Ultimately 44 leak repairs were completed. Staff will continue to budget for 55 leaks requiring assistance in CY 2020. Additionally, staff anticipates including 10 hydrants and ARVs to be repaired/replaced by the On-Call Contractor this coming year.

Staff has recently updating the District’s ordinance that addresses backflow testing. The new ordinance requires the customer to reimburse the District for testing their backflow devices. This change will allow District to remain in control of the program while minimizing the financial impacts.

CONCLUSIONS

2019 was a success related to system maintenance. The combination of staff efficiencies and contracted assistance allowed all defined goals to be achieved in 2019. However, as staff continues to perform maintenance on system appurtenances, more deficiencies will be identified. For CY 2020, funding will be allocated to address some of the issues identified. Additionally, contractor assistance will continue for valve, hydrant, backflow and leak repair services. Contracting these services allows staff to complete other maintenance items and to address items on the deficiency list where possible.



Directors

Edward J. "Ted" Costa

Marty Hanneman

Kenneth H. Miller

Dan Rich

Pamela Tobin

General Manager

Paul Helliker

June 12, 2020

E. Joaquin Esquivel, Esq., Chair
 State Water Resources Control Board
 1100 I street
 Sacramento, CA 95814

via email: commentletters@waterboards.ca.gov

Subject: Comment Letter - Proposed Water Loss Standards and Economic Model

Dear Chair Esquivel,

Thank you for the opportunity to comment on the proposed water loss performance standards (Standards), along with the updated economic model, released on April 24, 2020 and as presented by State Water Resources Control Board (Board) staff at the May 13, 2020 public webinar. We appreciate the effort that Board staff has made over the past two years in developing the Standards and economic model, and would like to acknowledge the numerous improvements from the September 2019 version. These improvements include a shift from using retail unit cost to using the higher of avoided cost of water or variable production cost to value water loss volumes, use of a more realistic discount rate of 3.5%, and inclusion of the concept of an off-ramp.

We also appreciate the fact that this proposed regulation does not include meter testing requirements or asset management provisions, as had been discussed in previous workshops. Neither of these are appropriate requirements to include in a water loss performance standard, as defined by the provisions of SB 555.

Even in light of these improvements, we still have some fundamental concerns with the approach proposed in the April 13 package. Our comments are as follows.

Need for an Independent Review

The economic model is incredibly complicated, and built on many assumptions and default factors. The primary equation that drives the 2028 water loss standard, housed in Cell C9 on the Outputs page, itself takes six pages of text to write out (see attachment). Not many water suppliers have the expertise in economics to be able to understand the components of this model and how it works, yet the proposed 2028 standards that it produces are quite onerous. The model needs a full and impartial review by an independent economist, so that water suppliers and other stakeholders can feel confident that the model produces viable results.

Of the 405 urban retail water suppliers that are affected by this proposed regulatory program, 266 face real loss reduction requirements by 2028 ranging from 8.6% to 97.6%, with an average real loss reduction requirement of 49.6%. The median performance standard for these 266 agencies in 2028 is 17 gallons/connection/day, which is not significantly above the “off-ramp” level of 10 gallons/connection/day, which itself is considered by water loss professional to be at the very bottom end of the range of achievability.

The Economic Model Has Bias Built In and Produces Counterintuitive Results

One of the problems with the model that we were able to identify is that it applies an inflation factor to the higher of the values of either variable cost of water or avoided cost of water, for the purpose of estimating the increase in the value of the water saved. However, the model does not apply similar inflation factors either to the cost of leak detection or the cost of leak repair. This discrepancy drives a biased cost-benefit analysis that does not fairly compare costs and benefits over the 30 years of analysis.

There are other results from sensitivity analyses that also indicate some potential biases in the model, further warranting the need for an independent review. For example, as the percent of the water distribution system surveyed per year declines from the standard range of 25-50%, the loss reduction requirement for 2028 declines. In fact, using the values in the template model provided on the loss control webpage, the reduction requirement drops to 0% in 2028 if the amount of the system surveyed every year is 10% or less. Another example is the flow rate of reported leaks – as it goes up, the water loss reduction requirement goes down. These results are counterintuitive, and indicate a need for a closer look at the model by an independent reviewer.

Other anomalies in the model include a “step function” result associated with varying either the avoided cost/variable production cost of water (the model uses in its calculations whichever value is higher) or the cost of leak repair. As the cost of water is varied over a range of values, the model output changes suddenly from no loss reduction requirement at values below \$220/AF (using the template values) to 100% of the proposed 2028 loss reduction requirement at values above that cost. A similar anomaly occurs for the cost of leak repair – no water loss reduction is required by the model above a value of \$100,300/mile, while 100% of the loss reduction is required below that cost level. This level of precision is not representative of actual field conditions – decisions about investments in water loss reduction actions, such as repair or replacement of pipelines don’t hinge on a single cost factor – nor is such precision warranted by the model itself, which includes numerous default values and loss increase estimates that are likely not reflective of every water supplier’s circumstances. We recommend that these aspects of the model also be evaluated by the independent reviewer.

San Juan Water District (SJWD) Cannot Comply with the SWRCB's Proposed Performance Standard, Which Lacks Technical Merit

The economic model has yet to be validated by industry experts, and has the problems noted. Nevertheless, the Board proposes that SJWD reduce its real losses from 77.1 gallons per connection per day (gpcd), as an average of 2016-17 audit data to 18.8 gpcd, a reduction of 75.6%. Even if an average of 2017 and 2018 audit data are used, which would generate an average baseline real loss of 48.1 gpcd, the percent reduction by 2028 would be 60%. Neither are realistic. Based on our estimates of best-case and average performance scenarios using data from utilities with an average data validity score of 71 or higher, SJWD would not be able to comply with the proposed 2028 performance standard (Water Research Foundation Project No. 4695, Guidance on Implementing an Effective Water Loss Control Plan).

Attempting to comply with an unrealistic goal would cause a significant financial impact on SJWD, and would not only compromise our ability to meet other regulatory and operational needs, but would also adversely affect our ability to continue to deliver water to our customers at an affordable price. For these reasons, SJWD does not find the proposed performance standard to be acceptable and requests its recalculation following the SWRCB's revision of the economic model based on recommendations from third-party industry experts.

The Proposed Supplemental Questionnaires Go Beyond the Scope of SB 555

The questionnaires covering asset management and pressure management address topics that are operational in nature, and which relate to a variety of other programs and activities for which water suppliers have responsibility, and which are not related to water loss. For example, system pressures are relevant to firefighting needs and to the adequacy of flows in various parts of water distribution networks. We recommend that the Board eliminate these questionnaires (and the topics they cover) from its proposed program.

Water Loss Control is Only One of Many Priorities

Our mission is to provide reliable water supplies to our customers that meet or exceed water quality requirements at the lowest cost possible. This mission comports with the goals espoused by the Board – implementation of water quality regulations that protect the health of Californians, promoting access to reliable water supplies and helping to ensure that these supplies are affordable. These goals are the basis on which water system managers and governing bodies make choices in building, maintaining, repairing and operating their systems. Water loss control is one element of this equation, and the actions that we take to reduce water loss affect our ability to achieve all of these goals. It truly is a cost-benefit approach that we employ as we assess not just water loss control, but all of our other priorities. The results of these proposed water loss regulations will need to be evaluated and considered in the context of all of our

regulatory, operational and financial needs. It would not be reasonable to allow this economic model, which focuses on one component of our operations, to drive decisions that adversely impact other priorities that may be of greater significance to our overall operations and goals.

Thank you for again for considering our comments on the draft Standards and economic model. We look forward to continuing to work with the State Water Board towards practical and balanced water loss regulations.

Sincerely,



Paul Helliker
General Manager

Attachment to SJWD Comment Letter

Disintegration into its Component Parts of the Formula Defining the Real Loss Standard in Cell C9 of the Outputs Sheet of the State Water Board's April 13, 2020 Draft Cost-Benefit Analysis Model: Water Loss Performance Standards

Formula for Real Loss Standard (AF/yr) =

IF((Calculations!\$B\$10*(1-Calculations!\$B\$27) +SUM(Calculations!E107:E118))>C8,
C8,
IF(SUM(Calculations!T59:T418)<0,
Output!\$C\$8,
Calculations!\$B\$10*(1-Calculations!\$B\$27)+SUM(Calculations!E107:E118)))

Breakdown of the Elements of the Formula

Calculations!\$B\$10 = Three-year average real loss for supplier (AF/yr)

Calculations!\$B\$27 = Unreported leakage / (Unreported+Background+Reported) (AF/yr)
= B24/SUM(B24,B19,B23) (leakages from UARL)

B24 = Unreported leakage (AF/yr) =

IF(Inputs!B28="",
IF(Inputs!B31="",
IF((B10-B19-B23)<0,
0,
B10-B19-B23),
Inputs!B30*60*24*365*B11*Inputs!B31/325851),
Inputs!B28)

Inputs!B28 = Unreported leakage, if known (AF/yr)

Inputs!B31 = Estimated average number of unreported leaks (leaks/mi/yr)

B19 = Background leakage (AF/yr) =

IF(Inputs!B21="",
B18*((0.2*B11+0.008*B14)*(B13/70)^1.5)*1000*365/325851,
Inputs!B21)

Inputs!B21 = Background leakage, if known (AF/yr) (the cell here is blank for possible supplier input. By default, the 'Calculations' tab calculates the background leakage

volume, using Equation (7-5), AWWA M36 Manual, 20162 – this equation assumes leakage is 200 gal/mile/day for mains + 8 gal/connection per day, both multiplied by the quotient of system pressure divided by 70 psi, taken to the 1.5 power)

B18 = Infrastructure Condition Factor (ICF) (Default=1, Adapted from Water Research Foundation 4372a Leakage Component Analysis Model3)

B11 = Total length of mains (miles)

B14 = Number of service connections

B13 = Average operating pressure (from audit) (psi)

B23 = Reported leakage (AF/yr) = $B20 * B11 * B22 * (B13/70) * B21 * 60 * 24 / 325851$

B20 = Estimated number of reported leaks (default is 0.2 leaks/mile/year)

B22 = Estimated average flow rate for reported leaks (default is 50 GPM per leak) (GPM)

B21 = Average time between reporting and repair of reported leaks (default is 3 days) (Days)

Inputs!B30 = Estimated average flow rate for unreported leaks (GPM/leak) (From AWWA M36 Manual, Fourth Edition (2016)2 (Table 3-22), AWWA Water Loss Control Committee Report: Applying worldwide BMPs in water loss control, 20036 (Table 4), and Lambert, 19994 (Table 3))

SUM(Calculations!E107:E118) = Sum of the total water loss occurring in time step with intervention for months 49-60 (5th year of 30)

Total water loss occurring in time step with intervention = Sum of water loss due to backlog of leakage from unsurveyed parts in each time step + Water loss due to natural rise in leakage in never surveyed parts in each time step + Water loss due to natural rise in leakage in previously surveyed parts in each time step

Water loss due to backlog of leakage from unsurveyed parts in each time step =
IF(A59<=\$B\$48,
(\$B\$48-A59+1)*\$B\$49*\$B\$46,

0)

A59 = Time step (month) (row 59 = 1)

B48 = Number of parts of system to be surveyed in a full survey = B11/B47

B47 = Average number of miles surveyed in each month = B11/B43

B43 = Estimate time taken to survey full distribution system =

**IF(Inputs!B33="",
IF(Calculations!B11>6000,
B11/130,
IF(Calculations!B11>4000,
B11/114,
IF(B11>1000,
36,
IF(B11>500,
30,
24))))),**

Calculations!B11/Inputs!B33)

Inputs!B33 = Average leak detection survey frequency (miles/month) (Average survey rate based on communications with vendors, and water suppliers. The cell here is blank for possible supplier input. By default, the 'Calculations' tab calculates the average survey frequency for the following system sizes based on the following survey frequencies: 6000 miles and above - 130 miles per month; 4000 miles and above - 114 miles per month (Based on EBMUD's current practices, this is determined as a reasonable and achievable survey frequency for the two largest systems, EBMUD and LADWP); 1000 miles and above: Once in three years; 500 miles and above: Once in 2.5 years; Below 500 miles: Once every 2 years. Refer to the 'CollectedData_References' for data establishing these survey rates.)

B49 = Leakage per part of system (AF/yr) = B\$24/B\$48

B46 = Time step (default = 1/12) (Time step of one month to allow for incremental and partial surveys)

Water loss due to natural rise in leakage in never surveyed parts in each time step =

**IF(A59<=B\$48,
(\$B\$48-A59+1)*B\$50*(A59-0.5)*B\$46^2,
0)**

B50 = Annual average rise in leakage per part of system (AF/yr/part of system) = B12/B48

B12 = Rate of rise of leakage (AF/yr) =
IF(Inputs!B19="",
4*B14*365/325851,
Inputs!B19*B14*365/325851)

Inputs!B19 = Rate of rise of leakage, if known (Gal/Connection/day) (The cell here is blank for possible supplier input. A default rise of 4 gallons per connection per day per year, adapted from the EU Reference document: Good Practices on Leakage Management (Main Report)⁵ is used. To check applicability to North American water systems, references of a California and a Tennessee system are used from the Water Research Foundation Report 4372a, 2015³, which had rates of rise of leakage of 3 and 3.9 gallons per connection per day per year. As per the EU Report, this value is very low as compared to water systems in the U.K., and is selected as a representative rate for California systems, based on field experience of technical experts. The low rate of rise of leakage means that the model relies more on the backlog of leakage (represented by the real loss reported by suppliers) than the default value for rate of rise in leakage.)

Water loss due to natural rise in leakage in previously surveyed parts in each time step
=
IF(A59<=\$B\$48,
\$B\$50*(\$B\$46^2)*((A59-1)^2)/2,
\$B\$50*(\$B\$46^2)*((\$B\$48)^2)/2)

SUM(Calculations!T59:T418) = Sum of the 360 months of present value of net benefit (Benefit - Cost) corresponding to each time step with intervention (red indicates negative)

T59 = Present value of net benefit (Benefit - Cost) corresponding to each time step with intervention (red indicates negative) (\$ in 2020) = S59/((1+\$B\$33*\$B\$46)^((24)))

S59 = Net benefit for each time step with intervention (\$) = Q59-N59

Q59 = Value of water loss reduced in each time step with intervention (\$) = (G59-E59)*P59

$G59 = \text{Water loss occurring without intervention in each time step (AF)} =$
 $\$B\$48 * (\$B\$49 + \$B\$50 * (A59 - 0.5) * \$B\$46) * \$B\46
 $G60 = G59, G61 = G60 \dots$

$E59 = \text{Total water loss occurring in time step with intervention (AF)} = \text{SUM}(B59:D59)$

$B59 = \text{Water loss due to backlog of leakage from unsurveyed parts in each time step (AF)} =$
 $\text{IF}(A59 \leq \$B\$48,$
 $(\$B\$48 - A59 + 1) * \$B\$49 * \$B\$46,$
 $0)$

$C59 = \text{Water loss due to natural rise in leakage in never surveyed parts in each time step (AF)} =$
 $\text{IF}(A59 \leq \$B\$48,$
 $(\$B\$48 - A59 + 1) * \$B\$50 * (A59 - 0.5) * \$B\$46^2,$
 $0)$

$D59 = \text{Water loss due to natural rise in leakage in previously surveyed parts in each time step (AF)} =$
 $\text{IF}(A59 \leq \$B\$48,$
 $\$B\$50 * (\$B\$46^2) * ((A59 - 1)^2) / 2,$
 $\$B\$50 * (\$B\$46^2) * ((\$B\$48)^2) / 2)$

$P59 = \text{Marginal cost of water including rise in cost of water and avoided cost of alternative supplies in each time step (begins in year 2022)} =$
 $\text{IF}(\$B\$34 < \$B\$35,$
 $\$B\$35 * (1 + \$B\$36 * A59^{24} * \$B\$46),$
 $\$B\$34 * (1 + \$B\$36 * A59^{24} * \$B\$46))$
 $P60 = \$P\$59 * (1 + \$B\$36 * (A60 - 1) * \$B\$46) - \text{Cost of water inflated}$

$B34 = \text{Variable production cost of water (\$/AF)}$

$B35 = \text{Avoided cost of alternative supplies (\$/AF)}$

$B36 = \text{Average annual rise in price of water (percent)} = \text{Inputs!B44}$

$\text{Inputs!B44} = \text{Average annual rise in price of water (percent)} \text{ (Based on Historical data from Metropolitan Water District: 2008 - 2018 - Converted to real prices in 2019\$) - input set by the Water Board at 5.6\%}$

$N59 = \text{Total cost of leak detection and repair in each time step with intervention (\$)} =$
 $J59 + M59$

$J59 = \text{Cost associated with leak detection in each time step with intervention (\$)} = B51$

$B51 = \text{Cost for leak detection in each time step (\$)} = (\$B\$40 * \$B\$11 / \$B\$48)$

$B40 = \text{Leak surveying and pinpointing costs per mile (\$ per mile of mains surveyed)} = \text{Inputs!B34}$

$\text{Inputs!B34} = \text{Surveying costs per mile (including upfront and maintenance costs) (\$ per mile)}$

$M59 = \text{Incremental cost associated with leak repair in each time step with intervention (\$)} = L59 * \$B\$42 / \$B\41

$L59 = \text{Leaks found per part of the system with intervention (\#)} = K59 / \$B\$29$

$K59 = \text{Initial leakage level for part surveyed during time step (to calculate number of leaks) with intervention (AF)} =$

$\text{IF}(A59 \leq \$B\$48, \\ \$B\$24 / \$B\$48 + A59 * \$B\$46 * \$B\$50, \\ \$B\$50 * \$B\$46 * \$B\$48)$

$B29 = \text{Average annual flow rate per unreported leak (AF/yr/leak)} = B28 / 325851 * 60 * 24 * 365$

$B28 = \text{Estimated average flow rate for unreported leaks (GPM/leak)} = \text{Inputs!B30}$
(Adapted from AWWA M36 Manual, Fourth Edition (2016)2 (Table 3-22); 0.01 breaks per mile per year at 25 gallons per minute)

$B41 = \text{Efficiency of leak detection equipment (percent)} = \text{Inputs!B35}$ (Represents the average percentage of actual leaks found on excavation v/s the total detected leaks including false positives expected to be pinpointed by leak detection equipment over the time horizon. As per vendor and water supplier knowledge based on field implementation, this efficiency increases with higher training and experience. This parameter adds the cost of additional excavation associated with locating leaks pinpointed by false positives, without the benefits of water loss reduction, to the overall costs of leak detection and repair.)

$\text{Inputs!B35} = \text{Efficiency of leak detection equipment (percent)}$

$B42 = \text{Repair costs per mile (\$/mile)} = \text{Inputs!B36}$

$\text{Inputs!B36} = \text{Average leak repair costs (\$/mile)}$ (Based on data from Irvine Ranch Water District and PGE Report ET13PGE1451: Water System Leak Identification and Control Field Evaluation7)

$B33 = \text{Nominal discount rate (percent)} = \text{Inputs!B43}$

Inputs!B43 = Nominal discount rate (percent) (State Water Board staff proposal based on stakeholder input – input set by State Water Board at 3.5%)

Public Comments regarding Water Loss Regs

- [Second Revised Notice](#)
- Deadline to receive comments by: June 12, 2020 by 12 noon

Commenter(s)	Submitted by:
Alameda County Water District	Robert Shaver
American Water Works Association-California-Nevada Section	Sue Mosburg
California Water Association	Jennifer Capitolo
Regional Water Authority	Jim Peifer
Association of California Water Agencies	Chelsea Haines
California Municipal Utilities Association	Jonathan Young
Arcadis	Gary Trachtman
Bella Vista Water District	Wayne Ohlin
California American Water	Evan Jacobs
California Urban Water Agencies	Cindy Paulson Tiffany Tran
Camrosa Water District	Ian Prichard
Carlsbad Municipal Water District	Vicki Quiram
Carmichael Water District	Cathy Lee
Citrus Heights Water District	Hilary Straus
City of Anaheim Public Utilities	Michael Moore
City of Banning	Doug Schulze
City of Big Bear Lake Department of Water	Reginald Lamson
City of Fairfield	Felix Riesenber
City of Folsom	Marcus Yasutake
City of Sacramento Department of Utilities	Bill Busath
City of Santa Rosa	Jennifer Burke
City of Ventura Water	Susan Rungren
City of Yuba City	Diana Langley
Coachella Valley Water District	Dan Charlton
Contra Costa Water District	Jeff Quimby
Cucamonga Valley Water District	John Bosler
Desert Water	Mark Krause
Diablo Water District	Dan Muelrath
Dublin San Ramon Services District	Irene Suroso
East Bay Municipal Utility District	Clifford Chan Casey LeBlanc
East Orange County Water District	Lisa Ohlund
Eastern Municipal Water District	Paul D. Jones II
El Dorado Irrigation District	Jim Abercrombie
Elsinore Valley Municipal Water District	Greg Thomas
General Public	Alan Wyatt
Golden State Water Company	Paul Rowley
Great Oaks Water Company	Timothy Guster
Helix Water District	Carlos Lugo

Commenter(s)	Submitted by:
Irvine Ranch Water District	Paul Cook
Los Angeles Department of Water and Power	Richard Harasick
Marin Municipal Water District	Ben Horenstein
Municipal Water District of Orange County	Joseph Berg
Olivehain Municipal Water District	Kimberly Thorner
Olivehain Municipal Water District	Kimberly Thorner
Padre Dam Municipal Water District	Allen Carlisle
Palmdale Water District	Peter Thompson II
Placer County Water Agency	Anthony Firenzi
Regional Water Authority	James Peifer
Sacramento County Water Agency	Michael Peterson
Sacramento Suburban Water District	Dan York
San Diego County Water Authority City of Oceanside Otay Water District City of Escondido City of Poway Padre Dam Municipal Water District Rainbow Municipal Water District Santa Fe Irrigation District Valley Center Municipal Water District Rincon del Diablo Municipal Water District Vallecitos Water District	Kelley Gage Cari Dale Jose Martinez Christopher McKinney Eric Heidemann Allen Carlisle Tom Kennedy Al Lau Gary Arant Clint Baze Glenn Pruum
San Francisco Public Utilities Commission	Steven Ritchie
San Jose Water	Bill Tuttle
San Juan Water District	Paul Helliker
Santa Clarita Valley Water Agency	Matthew Stone
Santa Margarita Water District	Daniel Ferons
South Tahoe Public Utility District	Stephen Caswell
Suburban Water Systems	Craig Gott
Sweetwater Authority	Jennifer Sabine
Three Valleys MWD	Matthew Litchfield
Truckee Donner Public Utility District	Brian Wright
Tuolumne Utilities District	Edwin Pattison
Tuolumne Utilities District	Edwin Pattison
Vista Irrigation District	Brett Hodgkiss
Walnut Valley Water District	Erik Hitchman
Western Municipal Water District	Ryan Shaw
Yorba Linda Water District	Phil Hawkins

For further information on this topic, please contact:

Kartiki Naik at (916) 319-9468 or kartiki.naik@waterboards.ca.gov

STAFF REPORT

To: Board of Directors

From: Paul Helliker, General Manager

Date: June 24, 2020

Subject: One year extension of Agreement for Federal Lobbying Services with The Ferguson Group

RECOMMENDED ACTIONS

- (1) Authorize the General Manager to sign Amendment No. 3 to the District's General Services Agreement with The Ferguson Group (TFG) for federal lobbying services (attached).

- (2) Authorize the General Manager to sign Amendment No. 3 to the District's Agreement with the City of Folsom (City) whereby Folsom pays 50% of the District's costs of the Agreement with TFG (attached).

BACKGROUND

The District has a long relationship with The Ferguson Group (TFG) for federal lobbying services. The proposed Amendment No. 3 before the Board will extend the relationship for another year at the same monthly retainer of \$6,000. Notably, this proposed Amendment does not include charges for regular business expenses of up to \$6,000 that had been included in the original Agreement and the first two Amendments. TFG has decided to simply consider its regular expenses to be covered within the retainer.

The City will be considering Amendment No. 3 to its Agreement with the District whereby it pays 50% of the costs of TFG's retainer at its July Council meeting. It is expected to be approved without controversy.

Staff is pleased with TFG's efforts and representation on behalf of the District, as is our partner, the City. Over the course of the last year, TFG has improved its reporting of its activities on behalf of the District and the City in response to a request from staff. In addition, with the Regional Water Authority's recent increase in activities associated with federal lobbying, TFG has stepped up to support that effort in concert with District staff.

CURRENT STATUS

Amendment No. 2 to the District's Agreement with TFG and Amendment 2 to the District's Agreement with the City both expire on June 30.

**AMENDMENT NO. 3 TO THE
SAN JUAN WATER DISTRICT GENERAL SERVICES
AGREEMENT WITH THE FERGUSON GROUP**

This Amendment No. 3 to that certain Agreement, effective as of September 1, 2018, between San Juan Water District ("District") and The Ferguson Group ("Vendor") concerning the performance of services for federal advocacy and associated activities is made effective as of July 1, 2020.

RECITALS:

- A. Effective September 1, 2018, District and Vendor entered into an agreement for federal advocacy services and associated activities in a San Juan Water District General Services Agreement and an included "Scope of Work and Business Services ("Agreement" - attached);
- B. District desires to extend the services provided by Contractor;
- C. Vendor is willing to perform the extended services; and
- D. The parties desire to amend the Agreement on the terms and conditions set forth below to provide for the continuation of Vendor's services.

AGREEMENT:

1. **Description of Extended Work.**

The extended work will be performed in accordance with the attached original Agreement and its included "Scope of Work and Business Services".

2. **Compensation.**

The total compensation for the extension of services described in this Amendment No. 3 shall not exceed \$72,000, based on a monthly fee of \$6,000 for twelve months. The monthly fee is inclusive of all expenses, including travel, telephone, and regular business costs, accrued by the Vendor during the period of the extension.

3. Term of Agreement.

This Amendment shall become effective on the date first above written. The Agreement, together with this Amendment No. 3, shall expire on June 30, 2021, unless terminated earlier pursuant to Section 3(b) of the Agreement.

4. Effect on Agreement.

Except as specifically provided herein, the Agreement and its included "Scope of Work and Business Services", and each of their terms and conditions, shall remain in full force and effect, are incorporated herein by this reference, and apply to the work described in Section 1 hereof.

SAN JUAN WATER DISTRICT

By: _____
Paul Helliker
General Manager

Date: _____

THE FERGUSON GROUP, LLC

By:  _____
W. Roger Gwinn
Chief Executive Officer

Date: 6/3/2020

**THIRD AMENDMENT TO THE MEMORANDUM OF AGREEMENT
REGARDING SHARING OF COSTS FOR LEGISLATIVE ADVOCACY SERVICES
BETWEEN THE SAN JUAN WATER DISTRICT AND THE CITY OF FOLSOM**

This is the third Amendment to the Memorandum of Agreement Regarding Sharing of Costs for Legislative Advocacy Services (“MOA”) that is made between the San Juan Water District (“District”) and the City of Folsom (“Party”) as of July 1, 2020. The District and the City of Folsom are hereinafter collectively referred to as the “Parties.”

RECITALS

WHEREAS, the Parties entered into the MOA dated September 1, 2018, for the cost sharing of federal legislative advocacy services, by The Ferguson Group.

WHEREAS, this amendment will extend the amended MOA to and through June 30, 2021, at the not to exceed expenditure of \$72,000 (inclusive of regular business expenses).

NOW, THEREFORE, the Parties hereto agree as follows:

AGREEMENT

1. Section 3 of the MOA is amended to read that it “shall remain in full force and effect through June 30, 2021,” instead of June 30, 2019, while retaining all other language in the Section.
2. The previously amended Section 4 of the MOA is amended again, retaining all language except the following, to read:
 4. Ceiling Price: In no event shall the total cost of lobbying and support services procured pursuant to this MOA over the fiscal year beginning July 1, 2020 and ending June 30, 2021, exceed seventy-two thousand dollars to be paid by the Parties....”
3. All other terms and conditions in the MOA shall remain in full force and effect to the extent they are not in conflict with this Amendment.
4. The signatures of the Parties to this Amendment may be executed and acknowledged on separate pages or in counterparts which, when attached to this Amendment, shall constitute one complete Amendment.

IN WITNESS WHEREOF, the Parties execute this Amendment, effective as of July 1, 2020.

SAN JUAN WATER DISTRICT
A Community Services District

CITY OF FOLSOM
a Municipal Corporation

BY: _____
Paul Helliker, General Manager

BY: _____
Elaine Andersen, City Manager

Funding Available:

BY: _____
James W. Francis, CFO Finance Director

ORIGINAL APPROVED AS TO CONTENT:

BY: _____
Marcus Yasutake, Environmental &
Water Resources Director

ORIGINAL APPROVED AS TO FORM:

BY: _____
Steven Wang, City Attorney

ATTEST:

BY: _____
Christa Freemantle, City Clerk

SYSTEM OPERATIONS

Distribution Operations:

Item	May 2020	April 2020	Difference
Leaks and Repairs	4	2	+2
Mains Flushed	69	22	+47
Valves Exercised	0	0	0
Back Flows Tested	306	120	+186
Customer Service Calls	25	22	+3

Distribution System Water Quality:

Water Quality Samples Taken	# Failed Samples	Supporting Information
40 Lab	0	
9 In-House	0	

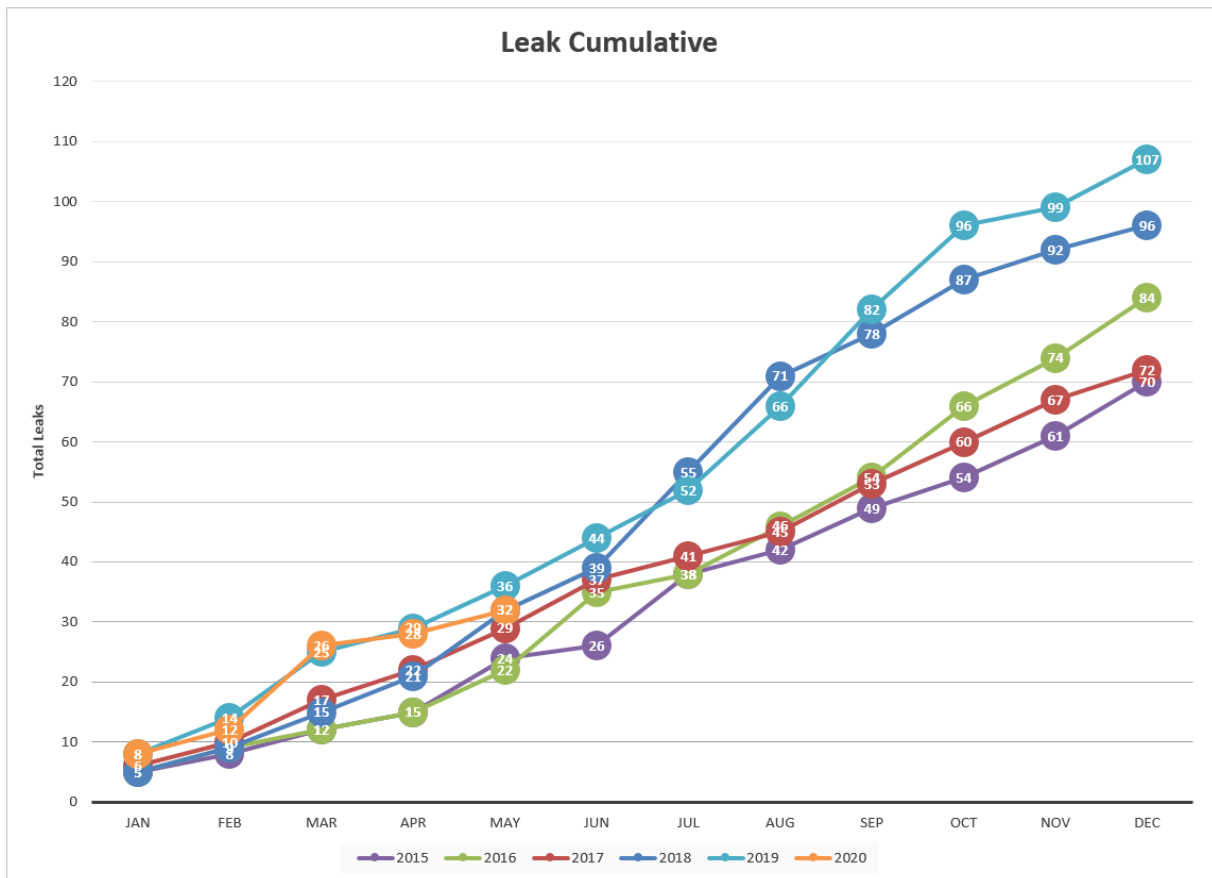


Figure 1: Annual Distribution System Leaks

Other Items of Interest:

- None

CUSTOMER SERVICE ACTIVITIES

Billing Information for Month of May

Total Number of Bills Issued	Total Number of Reminders Mailed	Total Number of Shut-off Notices Delivered	Total Number of Disconnections
5398	412	0	0

Water Efficiency 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)
12	2	8	50

Other Activities

- Mulch Mayhem took place on May 2nd. 135 participants received mulch.

ENGINEERING - NEW URBAN DEVELOPMENTS (SJWD Retail Service Area)

Project Title	Description	Status	Issues / Notes
Canyon Terrace Apts Expansion	Addition of several new Apt buildings at the existing complex	In Design Review	Close proximity to the FO-40 T-main.
Catuna Residential Care Facility (6505 Arabian Circle)	10,400-SF 15-client dementia care facility on 1.9-Ac parcel	In Design Review	
Chula Acres	4-Lot Minor Subdivision (8149 Excelsior Ave)	Approved for Construction	Grading completed, restart in 2020.
Eureka at GB (former Micherra Place Proj.)	28 Condominium Units, High Density (SW Cor. Eureka & AFR)	Approved for Construction	Water main installed, pressure tested, and disinfected.
GB Memory Care	Commercial Business (6400 Douglas Blvd)	In Design Review	Planning for 2020 const. start
Eureka Grove (former Greyhawk III Proj.)	44 high-density & 28 SFR lots (NE Cor. Eureka & SCB)	In Design Review	Planning for 2020 const. start
Premier Soleil (formerly Granite Bay Townhomes)	52-Lot Subdivision (Douglas, east of Auburn Folsom)	In Design Review	Design submitted, under review now
Greenside Parcel Split (5652 Macargo)	Minor parcel split of 2.07-Ac parcel into 3 lots	In Design Review	Design submitted, under review now
Placer County Retirement Residence	Commercial Business (145-Unit Multi-story Assisted Living Facility; 3865 Old Auburn Rd)	In Design Review	Planning for 2020 const. start
Pond View	Commercial Business (5620 5630 5640 Douglas Blvd)	Approved for Construction	Planning to begin const in 2020
Quarry Ridge Prof. Office Park	Comm Business (4 parcels to develop 4 gen/med office Bldgs; NE Corner of Douglas and Berg)	In Construction	Ph II piping was approved and now under construction.
Rancho Del Oro	89 Lot Subdivision (Olive Ranch & Cavitt Stallman)	Will need re-approval for Construction	On hold pending County and Envr Approvals.
Self Parcel Split (3600 & 3630 Allison Ave)	4 Lot Minor Subdivision (on a new street "Laura Lane", off Allison Dr.)	In Construction	Construction nearing completion, finish in 2020.
The Park at Granite Bay	56 lot Subdivision (SCB south of Annabelle)	Approved for Construction	Mass grading done. Re-start in 2020.
The Residences at GB	4-Lot Minor Subdivision (NW Cor. Barton & E Rsvl Pkwy)	In Design Review	
Ventura of GB	33-Lot High Density Subdivision (6832 Eureka Rd)	In Design Review	Initially will only have one source of supply connection, planning for a future 2 nd connection.
7420 Vogle Valley Rd (Wilson Parcel Map)	Minor parcel split of 3.28-Ac parcel into 3 ±1-Ac lots	In Design Review	
Wellquest Senior Living (prior Ovation)	Commercial Business (114-Unit 2-story Assisted Living Facility; 9747 Sierra College Blvd.)	In Construction	Water is done. Offsite PRS const is nearing completion.
Whitehawk I	24-Lot Subdivision (Douglas, west of Barton)	In Design Review	Planning Dept review underway
Whitehawk II	56-Lot Subdivision (Douglas, west of Barton)	In Design Review	Design submitted, under review now

ENGINEERING - CAPITAL PROJECTS

Status Update for Current Retail Projects

Project Title	Description	Status	Issues / Notes
Retail Master Plan Update	Update the 2005/7 Retail Master Plan	Underway	
SCADA Radio Replacements – North Phase	Replace outdated 900 MHz radios with 173 MHz equipment	Under Construction	Radio router issues have now been resolved
GIS Implementation	Update the aged GIS with new software and integrate with the CMMS and FIS/CIS systems	In project close-out	Testing and training sessions completed.
Spahn Ranch Rd. Main Extension	Install new pipeline; provides looped distribution network	In Design	Construction in FY 20/21
Cavitt Stallman 12" (Mystery Cr to Oak Pines)	Install new pipeline on Cavitt Stallman between Mystery Creek Ln and Oak Pines Ln.	In Design	Construction in FY 20/21
Woodminister Services Replacements	Replace 18 aged services	In Design	Construction in FY 20/21
Kokila (SJWD/PCWA) 12-Inch Intertie Pipeline	Interconnection with PCWA	In Design	Partial funding with RWA grant. Construction in FY 20/21
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.	East PRS is now completed, doing design for West PRS	Construction in FY 20/21
Eastridge Dr CV Station	Design and construct CV station between Sierra and Gravity Zones. Needed to supply 3,125-gpm fire flow for the Wellquest project on SCB	In construction	Construction complete. In Project close-out.
UGB & LGB Low Flow Pumps and LGB/CP MOV	Installation of two new low flow pumps, one each at the Lower and Upper Granite Bay pump stations	In Design. Pumps pre-purchased and onsite.	Installation and commission in FY 20/21

Status Update for Current Wholesale Projects

Project Title	Description	Status (% Complete)	Issues/ Notes
WTP Thickeners Lining	Clean, repair and line the interior walls and floor of the three thickeners to eliminate leakage and protect the concrete and reinforcing from damage	In Construction.	Construction complete. In Project close-out.
WTP 48-inch Hinkle Bypass Pipeline Cleaning	Clean the interior of the 48-inch Hinkle Bypass Pipeline by removing deposited filter media and disinfection.	In Construction.	Construction complete. In Project close-out.
WTP Filters Improvements	R&R Filter Materials, nozzles, and resurface spalled filter floor and wall areas	In Construction.	North Basin completion in FY 19/20 with South Basin in FY 20/21
Hinkle Liner & Cover Repl'mt	Replace both the hypalon cover and liner.	In Design Phase. 75% Design Plans & Specs submitted and under review. (Also - Operations required Temp Storage Tanks are under design.)	Applying for SRF funding. Planning to operate WTP without Hinkle.
Temporary Storage Tanks	Installation of two temporary ±1.0-MG finished water storage tanks to operate when Hinkle Reservoir is out of service	Contracts Approved by BOD	
Lime System Improvements	Improvements for the WTP's lime system control and feeder system	In Design	
WTP On-Site Residuals Management Improvement Project	Management of the WTP residuals disposal area and improvements needed to meet regulatory requirements.	Out for Bid	
Bacon and Upper Granite Bay Pump Station Generator Replacements	Replacing generators at both the Bacon Pump Station Facility and at Upper Granite Bay Pump Station	Design RFP Issued	
Baldwin Chnl Lining and Solar Field Culvert Replacement Project	Lining the Baldwin Ditch on the main campus to minimize costs for maintenance within the ditch and the replacement of the Solar Field Culvert to provide emergency discharge capacity to Baldwin Reservoir	Design and Environmental Underway	

SAFETY & REGULATORY TRAINING – May 2020

Training Course	Staff
Coronavirus Prevention	All Staff
Care and use of cloth face coverings	All Staff
Respirator Cleaning and Disinfection	Operations Staff
Heat Related illness Prevention	Operations and Water Efficiency Staff
Building Evacuations and Emergencies	All Staff

FINANCE/BUDGET

See attached



San Juan Water District, CA

Wholesale Operating Income Statement

Group Summary

For Fiscal: 2019-2020 Period Ending: 05/31/2020

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 010 - WHOLESALE					
Revenue					
41000 - Water Sales	11,157,700.00	11,157,700.00	0.00	10,320,799.28	836,900.72
43000 - Rebate	1,500.00	1,500.00	0.00	1,226.41	273.59
45000 - Other Operating Revenue	0.00	0.00	18,066.09	104,754.67	-104,754.67
49000 - Other Non-Operating Revenue	144,600.00	144,600.00	11,610.36	166,302.46	-21,702.46
Revenue Total:	11,303,800.00	11,303,800.00	29,676.45	10,593,082.82	710,717.18
Expense					
51000 - Salaries and Benefits	3,712,900.00	3,712,900.00	355,162.71	3,190,063.96	522,836.04
52000 - Debt Service Expense	928,000.00	928,000.00	0.00	548,400.58	379,599.42
53000 - Source of Supply	1,045,900.00	1,045,900.00	29,562.30	1,013,056.11	32,843.89
54000 - Professional Services	735,800.00	735,800.00	3,873.99	418,648.34	317,151.66
55000 - Maintenance	547,300.00	547,300.00	20,995.46	425,946.99	121,353.01
56000 - Utilities	179,600.00	179,600.00	2,237.74	117,475.87	62,124.13
57000 - Materials and Supplies	604,600.00	604,600.00	48,561.71	427,632.99	176,967.01
58000 - Public Outreach	36,100.00	36,100.00	0.00	27,345.10	8,754.90
59000 - Other Operating Expenses	427,500.00	427,500.00	7,478.57	388,878.27	38,621.73
69000 - Other Non-Operating Expenses	1,600.00	1,600.00	0.00	1,440.50	159.50
69900 - Transfers Out	2,498,300.00	2,498,300.00	0.00	0.00	2,498,300.00
Expense Total:	10,717,600.00	10,717,600.00	467,872.48	6,558,888.71	4,158,711.29
Fund: 010 - WHOLESALE Surplus (Deficit):	586,200.00	586,200.00	-438,196.03	4,034,194.11	-3,447,994.11
Total Surplus (Deficit):	586,200.00	586,200.00	-438,196.03	4,034,194.11	

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
010 - WHOLESALE	586,200.00	586,200.00	-438,196.03	4,034,194.11	-3,447,994.11
Total Surplus (Deficit):	586,200.00	586,200.00	-438,196.03	4,034,194.11	



San Juan Water District, CA

Wholesale Capital Income Statement

Group Summary

For Fiscal: 2019-2020 Period Ending: 05/31/2020

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 011 - Wholesale Capital Outlay					
Revenue					
42000 - Taxes & Assessments	1,123,000.00	1,123,000.00	474,213.40	1,117,359.88	5,640.12
44000 - Connection Fees	100,000.00	100,000.00	6,080.00	56,352.00	43,648.00
44500 - Capital Contributions - Revenue	43,700.00	43,700.00	0.00	232,052.48	-188,352.48
49000 - Other Non-Operating Revenue	145,000.00	145,000.00	0.00	362,278.74	-217,278.74
49990 - Transfer In	2,498,300.00	2,498,300.00	0.00	0.00	2,498,300.00
Revenue Total:	3,910,000.00	3,910,000.00	480,293.40	1,768,043.10	2,141,956.90
Expense					
55000 - Maintenance	934,000.00	934,000.00	5,064.40	266,889.36	667,110.64
61000 - Capital Outlay	8,446,400.00	8,446,400.00	14,869.29	3,520,630.77	4,925,769.23
Expense Total:	9,380,400.00	9,380,400.00	19,933.69	3,787,520.13	5,592,879.87
Fund: 011 - Wholesale Capital Outlay Surplus (Deficit):	-5,470,400.00	-5,470,400.00	460,359.71	-2,019,477.03	-3,450,922.97
Total Surplus (Deficit):	-5,470,400.00	-5,470,400.00	460,359.71	-2,019,477.03	

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
011 - Wholesale Capital Outlay	-5,470,400.00	-5,470,400.00	460,359.71	-2,019,477.03	-3,450,922.97
Total Surplus (Deficit):	-5,470,400.00	-5,470,400.00	460,359.71	-2,019,477.03	



San Juan Water District, CA

Retail Operating Income Statement

Group Summary

For Fiscal: 2019-2020 Period Ending: 05/31/2020

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 050 - RETAIL					
Revenue					
41000 - Water Sales	12,399,400.00	12,399,400.00	976,457.90	9,164,803.41	3,234,596.59
45000 - Other Operating Revenue	363,200.00	363,200.00	26,080.35	247,572.94	115,627.06
49000 - Other Non-Operating Revenue	154,400.00	154,400.00	11,610.36	184,927.72	-30,527.72
Revenue Total:	12,917,000.00	12,917,000.00	1,014,148.61	9,597,304.07	3,319,695.93
Expense					
51000 - Salaries and Benefits	5,040,100.00	5,040,100.00	480,061.13	4,345,320.28	694,779.72
52000 - Debt Service Expense	516,200.00	516,200.00	0.00	304,989.83	211,210.17
53000 - Source of Supply	3,075,500.00	3,075,500.00	0.00	2,823,859.44	251,640.56
54000 - Professional Services	1,267,100.00	1,267,100.00	26,174.03	462,814.96	804,285.04
55000 - Maintenance	213,800.00	213,800.00	16,717.29	326,350.30	-112,550.30
56000 - Utilities	293,700.00	293,700.00	433.94	264,201.36	29,498.64
57000 - Materials and Supplies	334,200.00	334,200.00	13,157.51	337,718.20	-3,518.20
58000 - Public Outreach	80,500.00	80,500.00	0.00	67,248.23	13,251.77
59000 - Other Operating Expenses	584,200.00	584,200.00	15,910.05	445,721.15	138,478.85
69000 - Other Non-Operating Expenses	1,500.00	1,500.00	0.00	1,440.50	59.50
69900 - Transfers Out	974,500.00	974,500.00	0.00	0.00	974,500.00
Expense Total:	12,381,300.00	12,381,300.00	552,453.95	9,379,664.25	3,001,635.75
Fund: 050 - RETAIL Surplus (Deficit):	535,700.00	535,700.00	461,694.66	217,639.82	318,060.18
Total Surplus (Deficit):	535,700.00	535,700.00	461,694.66	217,639.82	

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
050 - RETAIL	535,700.00	535,700.00	461,694.66	217,639.82	318,060.18
Total Surplus (Deficit):	535,700.00	535,700.00	461,694.66	217,639.82	



San Juan Water District, CA

Retail Capital Income Statement

Group Summary

For Fiscal: 2019-2020 Period Ending: 05/31/2020

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 055 - Retail Capital Outlay					
Revenue					
42000 - Taxes & Assessments	1,123,000.00	1,123,000.00	474,213.40	1,117,359.87	5,640.13
44000 - Connection Fees	100,000.00	100,000.00	-1,186.00	303,851.25	-203,851.25
49000 - Other Non-Operating Revenue	150,000.00	150,000.00	0.00	133,731.81	16,268.19
49990 - Transfer In	974,500.00	974,500.00	0.00	0.00	974,500.00
Revenue Total:	2,347,500.00	2,347,500.00	473,027.40	1,554,942.93	792,557.07
Expense					
54000 - Professional Services	308,000.00	308,000.00	0.00	175,520.82	132,479.18
61000 - Capital Outlay	3,686,300.00	3,686,300.00	15,392.10	793,561.57	2,892,738.43
Expense Total:	3,994,300.00	3,994,300.00	15,392.10	969,082.39	3,025,217.61
Fund: 055 - Retail Capital Outlay Surplus (Deficit):	-1,646,800.00	-1,646,800.00	457,635.30	585,860.54	-2,232,660.54
Total Surplus (Deficit):	-1,646,800.00	-1,646,800.00	457,635.30	585,860.54	

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
055 - Retail Capital Outlay	-1,646,800.00	-1,646,800.00	457,635.30	585,860.54	-2,232,660.54
Total Surplus (Deficit):	-1,646,800.00	-1,646,800.00	457,635.30	585,860.54	

Summary

Project Summary

Project Number	Project Name	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
171107	FO 40 Transmission Pipeline Re-Lining	0.00	236,586.60	-236,586.60
171109	GIS Assessment and Implementation	0.00	91,881.56	-91,881.56
175105	6690-7767 Douglas Boulevard & Assoc	0.00	79,115.86	-79,115.86
175113	7225-7355 Dambacher Drive	0.00	7,235.16	-7,235.16
181105	Lime System Control & Feeder System	0.00	42.92	-42.92
185115	Lou Place-Tray Wy to Crown Point Vist	0.00	22,466.30	-22,466.30
185135	Upper & Lower GB Pump Stn Low Flov	0.00	111,126.59	-111,126.59
185140	Canyon Falls Village Pressure Reducing	0.00	391.95	-391.95
185155	Bacon Pump Station HVAC Improve	0.00	80,100.00	-80,100.00
191210	Administration Building Front Office R	0.00	9,221.83	-9,221.83
191225	SCADA Improvements - Radio North Pl	0.00	4,576.19	-4,576.19
191235	Solar Site Access Culvert Replacement	0.00	4,599.84	-4,599.84
191255	WTP Filter Basins Rehab Project	0.00	2,412,556.89	-2,412,556.89
191260	WTP Residual Area Storm Water Lift S	0.00	72,753.65	-72,753.65
191270	Three ProMinet c12 Sensor and Senso	0.00	21,757.44	-21,757.44
191275	Clarifier Wall Lining & Leakage Repairs	0.00	197,619.92	-197,619.92
191280	Hinkle Reservoir Cover	0.00	643,990.09	-643,990.09
195210	SCADA Radio Replacments North Phas	0.00	7,433.43	-7,433.43
195225	Kokila SJWD/PCWA Intertie	0.00	9,446.54	-9,446.54
195230	Redbud/Lupin/Meadowlark Svc Repla	0.00	23,019.18	-23,019.18
195235	Sandstone & Auberry Court to Hill Roa	0.00	10,560.21	-10,560.21
195265	Douglas Booster Pump Station Electric	0.00	0.00	0.00
195295	Douglas (Grosvenor) PRS Improvemen	0.00	1,155.00	-1,155.00
201108	Admin Building Integrated Life Safety I	0.00	297.14	-297.14
201111	Hinkle Reservoir Overflow Channel Lin	0.00	1,349.84	-1,349.84
201120	Tag Line Replacement for BW Hoods	0.00	20,814.77	-20,814.77
201126	Lime Tower Assessment, Design and R	0.00	24,107.76	-24,107.76
201129	Solids Handling Building VFD Replacen	0.00	40,864.20	-40,864.20
201159	2 Chicken Switch Actuators and 1 Rem	0.00	8,437.36	-8,437.36
201162	SCADA Radio Replacements- South Ph	0.00	3,851.98	-3,851.98
201171	CMMS Implementation	0.00	130,844.30	-130,844.30
201505	Hinkle Reservoir 48" Bypass Pipe Clear	0.00	56,795.82	-56,795.82
205114	AFR 6 inch Main Extension Replaceme	0.00	23,685.00	-23,685.00
205129	Bacon #1 VFD Replacement	0.00	30,776.45	-30,776.45
205132	Sierra #2 and #3 VFD Replacement in I	0.00	24,668.27	-24,668.27
205144	Bacon BPS (Bacon, ARC-N, Sierra) Elec	0.00	0.00	0.00
Project Totals:		0.00	4,414,130.04	-4,414,130.04

Group Summary

Group	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
CIP - Asset	0.00	4,159,714.30	-4,159,714.30
CIP - Expense	0.00	254,415.74	-254,415.74
Group Totals:	0.00	4,414,130.04	-4,414,130.04

Type Summary

Type	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
Administration	0.00	140,066.13	-140,066.13
Engineering	0.00	671,143.01	-671,143.01
Water Treatment Plant	0.00	3,602,920.90	-3,602,920.90
Type Totals:	0.00	4,414,130.04	-4,414,130.04

GL Account Summary

GL Account Number	GL Account Name	Total Revenue	Total Expense	Revenue Over/ (Under) Expenses
		0.00	321.20	321.20
011-20030	Retentions Payable	0.00	46,018.23	46,018.23
011-700-57120	Maintenance - Facility	0.00	266,889.36	266,889.36
011-700-61120	Capital Outlay - Land Improve...	0.00	4,599.84	4,599.84
011-700-61140	Capital Outlay - Buildings & Im...	0.00	148.57	148.57
011-700-61145	Capital Outlay - WTP & Improv...	0.00	2,666,746.77	2,666,746.77
011-700-61150	Capital Outlay - Mains/Pipeline...	0.00	104,245.61	104,245.61
011-700-61155	Capital Outlay - Reservoirs & I...	0.00	645,339.93	645,339.93
011-700-61160	Capital Outlay - Equipment and..	0.00	19,401.53	19,401.53
011-700-61180	Capital Outlay - Software	0.00	56,655.83	56,655.83
050-020-50010	Salaries and Wages	0.00	122.34	122.34
050-300-56310	Reg Compliance / Sampling / I...	0.00	2,224.01	2,224.01
055-20030	Retentions Payable	0.00	141,719.65	141,719.65
055-700-61135	Capital Outlay - Pump Stations...	0.00	246,671.31	246,671.31
055-700-61140	Capital Outlay - Buildings & Im...	0.00	148.57	148.57
055-700-61150	Capital Outlay - Mains/Pipeline...	0.00	32,688.00	32,688.00
055-700-61160	Capital Outlay - Equipment and..	0.00	14,119.26	14,119.26
055-700-61180	Capital Outlay - Software	0.00	166,070.03	166,070.03
	GL Account Totals:	0.00	4,414,130.04	4,414,130.04



San Juan Water District, CA

Balance Sheet

Account Summary

As Of 05/31/2020

Account	010 - WHOLESALE	011 - Wholesale Capital Outlay	050 - RETAIL	055 - Retail Capital Outlay	Total
Asset					
Type: 1000 - Assets					
10010 - Cash and Investments	5,772,628.09	14,321,868.06	2,963,322.65	6,094,222.63	29,152,041.43
10510 - Accounts Receivable	214,011.83	14,801.96	263,857.63	0.06	492,671.48
11000 - Inventory	0.00	0.00	178,588.72	0.00	178,588.72
12000 - Prepaid Expense	101,767.26	0.00	45,298.16	0.00	147,065.42
14010 - Deferred Outflows	3,200,491.70	0.00	3,309,974.23	0.00	6,510,465.93
17010 - Capital Assets - Work in Progress	3,299,353.34	0.00	404,708.24	0.00	3,704,061.58
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	83,970.80	0.00	898,076.39
17200 - Capital Assets - Pump Stations & Improvements	7,047,178.00	0.00	5,946,955.73	0.00	12,994,133.73
17300 - Capital Assets - Buildings & Improvements	1,267,245.92	0.00	263,336.06	0.00	1,530,581.98
17350 - Capital Assets - Water Treatment Plant & Imp	35,573,069.88	0.00	16,000.00	0.00	35,589,069.88
17400 - Capital Assets - Mains/Pipelines & Improvements	29,272,109.94	0.00	46,068,531.54	0.00	75,340,641.48
17500 - Capital Assets - Reservoirs & Improvements	2,923,447.50	0.00	2,492,421.90	0.00	5,415,869.40
17700 - Capital Assets - Equipment & Furniture	13,655,052.49	0.00	1,106,546.03	0.00	14,761,598.52
17750 - Capital Assets - Vehicles	304,780.00	0.00	499,226.87	0.00	804,006.87
17800 - Capital Assets - Software	447,653.38	0.00	403,200.40	0.00	850,853.78
17850 - Capital Assets - Intangible	666,196.00	0.00	0.00	0.00	666,196.00
17900 - Less Accumulated Depreciation	-37,924,426.75	0.00	-28,701,186.70	0.00	-66,625,613.45
Total Type 1000 - Assets:	66,732,876.17	14,336,670.02	35,511,024.26	6,094,222.69	122,674,793.14
Total Asset:	66,732,876.17	14,336,670.02	35,511,024.26	6,094,222.69	122,674,793.14
Liability					
Type: 1000 - Assets					
10510 - Accounts Receivable	0.00	0.00	119,046.93	0.00	119,046.93
Total Type 1000 - Assets:	0.00	0.00	119,046.93	0.00	119,046.93
Type: 2000 - Liabilities					
20010 - Accounts Payable	101,915.67	101,514.43	98,870.31	88,423.27	390,723.68
20100 - Retentions Payable	0.00	86,322.76	0.00	0.01	86,322.77
21200 - Salaries & Benefits Payable	34,587.44	0.00	59,684.06	0.00	94,271.50
21250 - Payroll Taxes Payable	0.01	0.00	-0.01	0.00	0.00
21300 - Compensated Absences	363,585.16	0.00	483,191.25	0.00	846,776.41
21500 - Premium on Issuance of Bonds Series 2017	1,806,328.11	0.00	1,006,478.78	0.00	2,812,806.89
21600 - OPEB Liability	1,766,453.29	0.00	2,297,045.78	0.00	4,063,499.07
21700 - Pension Liability	680,652.08	0.00	884,065.34	0.00	1,564,717.42

Balance Sheet

As Of 05/31/2020

Account	010 - WHOLESALE	011 - Wholesale Capital Outlay	050 - RETAIL	055 - Retail Capital Outlay	Total
22010 - Deferred Income	0.00	0.00	154,424.05	0.00	154,424.05
22050 - Deferred Inflows	1,154,523.27	0.00	1,499,553.20	0.00	2,654,076.47
24200 - 2012 Bonds Payable	5,920,393.50	0.00	3,214,606.50	0.00	9,135,000.00
24250 - Bonds Payable 2017 Refunding	15,379,200.00	0.00	8,650,800.00	0.00	24,030,000.00
Total Type 2000 - Liabilities:	27,207,638.53	187,837.19	18,348,719.26	88,423.28	45,832,618.26
Total Liability:	27,207,638.53	187,837.19	18,467,766.19	88,423.28	45,951,665.19
Equity					
Type: 3000 - Equity					
30100 - Investment in Capital Assets	34,786,452.14	0.00	16,134,143.55	0.00	50,920,595.69
30500 - Designated Reserves	704,591.39	16,168,309.86	691,474.70	5,419,938.87	22,984,314.82
Total Type 3000 - Equity:	35,491,043.53	16,168,309.86	16,825,618.25	5,419,938.87	73,904,910.51
Total Total Beginning Equity:	35,491,043.53	16,168,309.86	16,825,618.25	5,419,938.87	73,904,910.51
Total Revenue	10,593,082.82	1,768,043.10	9,597,304.07	1,554,942.93	23,513,372.92
Total Expense	6,558,888.71	3,787,520.13	9,379,664.25	969,082.39	20,695,155.48
Revenues Over/Under Expenses	4,034,194.11	-2,019,477.03	217,639.82	585,860.54	2,818,217.44
Total Equity and Current Surplus (Deficit):	39,525,237.64	14,148,832.83	17,043,258.07	6,005,799.41	76,723,127.95
Total Liabilities, Equity and Current Surplus (Deficit):	66,732,876.17	14,336,670.02	35,511,024.26	6,094,222.69	122,674,793.14



San Juan Water District, CA

Check Report

By Check Number

Date Range: 05/01/2020 - 05/31/2020

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: APBNK-APBNK						
01138	AT&T Mobility II LLC	05/04/2020	Regular	0.00	63.24	55488
01182	Bartkiewicz, Kronick & Shanahan	05/04/2020	Regular	0.00	11,382.34	55489
01189	Bay Area Coating Consultants, Inc.	05/04/2020	Regular	0.00	8,004.40	55490
01437	California Utilities Emergency Association	05/04/2020	Regular	0.00	500.00	55491
01368	Citrus Heights Water District	05/04/2020	Regular	0.00	20,000.00	55492
01372	City of Folsom	05/04/2020	Regular	0.00	31.55	55493
03091	Granite Bay Ace Hardware	05/04/2020	Regular	0.00	86.84	55494
01733	Harris Industrial Gases	05/04/2020	Regular	0.00	87.89	55495
01041	Afman, Todd R	05/12/2020	Regular	0.00	119.41	55496
03406	Alpha Analytical Laboratories Inc.	05/12/2020	Regular	0.00	846.00	55497
01073	Amarjeet Singh Garcha	05/12/2020	Regular	0.00	1,500.00	55498
01026	American River Ace Hardware, Inc.	05/12/2020	Regular	0.00	45.54	55499
03361	Applied Landscape Materials Inc dba NorCal Whol	05/12/2020	Regular	0.00	3,464.18	55500
03202	CD-Data Inc	05/12/2020	Regular	0.00	1,199.00	55501
03345	Cessna, Chris	05/12/2020	Regular	0.00	192.00	55502
01375	City of Sacramento	05/12/2020	Regular	0.00	3,527.00	55503
01378	Clark Pest Control of Stockton	05/12/2020	Regular	0.00	688.00	55504
01554	Electrical Equipment Co	05/12/2020	Regular	0.00	6,169.64	55505
01601	Fair Oaks Water District	05/12/2020	Regular	0.00	350.00	55506
01634	Folsom Lake Ford, Inc.	05/12/2020	Regular	0.00	2,425.52	55507
01659	Gary Webb Trucking	05/12/2020	Regular	0.00	630.00	55508
01068	Glenn C. Walker	05/12/2020	Regular	0.00	1,050.40	55509
03091	Granite Bay Ace Hardware	05/12/2020	Regular	0.00	22.89	55510
01763	Holt of California	05/12/2020	Regular	0.00	334.42	55511
01768	Hopkins Technical Products, Inc.	05/12/2020	Regular	0.00	360.33	55512
03772	Larsson, Thomas	05/12/2020	Regular	0.00	4,140.00	55513
02022	Morgan, Daren P.	05/12/2020	Regular	0.00	390.25	55514
02131	Office Depot, Inc.	05/12/2020	Regular	0.00	625.81	55515
02223	Rexel Inc (Platt - Rancho Cordova)	05/12/2020	Regular	0.00	2,818.89	55516
02302	Riebels Auto Parts, LLC	05/12/2020	Regular	0.00	15.61	55517
03183	River City Printers LLC	05/12/2020	Regular	0.00	10,508.71	55518
02452	Sierra National Construction, Inc.	05/12/2020	Regular	0.00	20,370.95	55519
02464	Signs in 1 Day, Inc	05/12/2020	Regular	0.00	277.92	55520
01411	SureWest Telephone	05/12/2020	Regular	0.00	1,837.09	55521
03353	Teichert Construction	05/12/2020	Regular	0.00	1,791.44	55522
03763	Trucksmart	05/12/2020	Regular	0.00	690.50	55523
03644	Tully & Young, Inc.	05/12/2020	Regular	0.00	4,552.50	55524
02667	US Bank Corporate Payments Sys (CalCard)	05/12/2020	Regular	0.00	15,662.18	55525
	Void	05/12/2020	Regular	0.00	0.00	55526
	Void	05/12/2020	Regular	0.00	0.00	55527
	Void	05/12/2020	Regular	0.00	0.00	55528
	Void	05/12/2020	Regular	0.00	0.00	55529
	Void	05/12/2020	Regular	0.00	0.00	55530
	Void	05/12/2020	Regular	0.00	0.00	55531
	Void	05/12/2020	Regular	0.00	0.00	55532
	Void	05/12/2020	Regular	0.00	0.00	55533
01687	W. W. Grainger, Inc.	05/12/2020	Regular	0.00	1.91	55534
01378	Clark Pest Control of Stockton	05/18/2020	Regular	0.00	150.00	55535
03376	Del Paso Pipe & Steel Inc.	05/18/2020	Regular	0.00	146.03	55536
01494	Dewey Services Inc.	05/18/2020	Regular	0.00	86.00	55537
03072	HUNT & SONS INC.	05/18/2020	Regular	0.00	706.65	55538
02024	MCI WORLDCOM	05/18/2020	Regular	0.00	147.53	55539
02150	Pace Supply Corp	05/18/2020	Regular	0.00	445.13	55540
02146	PG&E	05/18/2020	Regular	0.00	3,070.21	55541

Check Report

Date Range: 05/01/2020 - 05/31/2020

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
	Void	05/18/2020	Regular	0.00	0.00	55542
02223	Rexel Inc (Platt - Rancho Cordova)	05/18/2020	Regular	0.00	1,355.05	55543
02293	RFI Enterprises, Inc	05/18/2020	Regular	0.00	1,203.91	55544
02328	Rocklin Windustrial Co	05/18/2020	Regular	0.00	192.48	55545
02357	Sacramento Municipal Utility District (SMUD)	05/18/2020	Regular	0.00	10,787.57	55546
02540	Sutter Medical Foundation	05/18/2020	Regular	0.00	142.00	55547
02690	Verizon Wireless	05/18/2020	Regular	0.00	1,996.73	55548
02700	Viking Shred LLC	05/18/2020	Regular	0.00	50.00	55549
03406	Alpha Analytical Laboratories Inc.	05/26/2020	Regular	0.00	1,956.00	55553
03149	Burlingame Engineers	05/26/2020	Regular	0.00	10,530.79	55554
01372	City of Folsom	05/26/2020	Regular	0.00	31.55	55555
03775	ECORP Consulting, Inc.	05/26/2020	Regular	0.00	2,699.68	55556
01659	Gary Webb Trucking	05/26/2020	Regular	0.00	2,953.80	55557
03091	Granite Bay Ace Hardware	05/26/2020	Regular	0.00	84.03	55558
01733	Harris Industrial Gases	05/26/2020	Regular	0.00	105.33	55559
03679	L and D Landfill Limited Partnership	05/26/2020	Regular	0.00	2,510.22	55560
02131	Office Depot, Inc.	05/26/2020	Regular	0.00	421.60	55561
02283	Recology Auburn Placer	05/26/2020	Regular	0.00	657.88	55562
02223	Rexel Inc (Platt - Rancho Cordova)	05/26/2020	Regular	0.00	2,623.26	55563
02302	Riebes Auto Parts, LLC	05/26/2020	Regular	0.00	211.35	55564
02328	Rocklin Windustrial Co	05/26/2020	Regular	0.00	111.60	55565
02361	Sac City Blue Inc	05/26/2020	Regular	0.00	10.88	55566
02651	United Parcel Service Inc	05/26/2020	Regular	0.00	124.00	55567
02675	VWR Funding, Inc	05/26/2020	Regular	0.00	1,891.59	55568
01687	W. W. Grainger, Inc.	05/26/2020	Regular	0.00	66.58	55569
03077	VALIC	05/01/2020	Bank Draft	0.00	4,055.62	150681
03077	VALIC	05/14/2020	Bank Draft	0.00	4,055.62	151846
03077	VALIC	05/29/2020	Bank Draft	0.00	4,055.62	153191
01641	Sun Life Assurance Company of Canada	05/01/2020	Bank Draft	0.00	9,866.98	371187
03202	CD-Data Inc	05/11/2020	EFT	0.00	-1,199.00	406612
01242	Bureau of Reclamation-MPR	05/04/2020	EFT	0.00	12,870.00	406620
01521	DataProse, LLC	05/04/2020	EFT	0.00	925.00	406621
01574	Endress + Hauser, Inc.	05/04/2020	EFT	0.00	2,566.39	406622
01741	HDR Engineering, Inc.	05/04/2020	EFT	0.00	44,605.86	406623
03769	Jeffco Painting & Coating, Inc.	05/04/2020	EFT	0.00	106,111.20	406624
01917	Kennedy/Jenks Consultants, Inc.	05/04/2020	EFT	0.00	73,993.05	406625
03026	PFM Asset Management	05/04/2020	EFT	0.00	967.86	406626
02581	The Ferguson Group, LLC	05/04/2020	EFT	0.00	148.33	406627
03387	WageWorks, Inc	05/04/2020	EFT	0.00	234.04	406628
01486	WAPA - Department of Energy	05/04/2020	EFT	0.00	2,123.43	406629
01330	CDW Government LLC	05/12/2020	EFT	0.00	1,005.55	406630
03221	Chemtrade Chemicals Corporation	05/12/2020	EFT	0.00	9,967.49	406631
01521	DataProse, LLC	05/12/2020	EFT	0.00	459.31	406632
01721	Hach Company	05/12/2020	EFT	0.00	1,151.14	406633
01741	HDR Engineering, Inc.	05/12/2020	EFT	0.00	44,201.80	406634
03628	Lees Automotive Repair Inc.	05/12/2020	EFT	0.00	680.69	406635
02027	McMaster-Carr Supply Company	05/12/2020	EFT	0.00	85.86	406636
02504	Starr Consulting	05/12/2020	EFT	0.00	870.00	406637
02572	Thatcher Company of California, Inc.	05/12/2020	EFT	0.00	4,594.80	406638
02581	The Ferguson Group, LLC	05/12/2020	EFT	0.00	6,000.00	406639
03298	United Rentals (North America), Inc.	05/12/2020	EFT	0.00	360.68	406640
03681	Allied Electronics Inc.	05/18/2020	EFT	0.00	232.86	406641
01242	Bureau of Reclamation-MPR	05/18/2020	EFT	0.00	25,740.00	406642
03749	Eide Bailly LLP	05/18/2020	EFT	0.00	722.50	406643
01741	HDR Engineering, Inc.	05/18/2020	EFT	0.00	14,924.91	406644
02027	McMaster-Carr Supply Company	05/18/2020	EFT	0.00	1,001.73	406645
02158	Pacific Storage Company	05/18/2020	EFT	0.00	54.08	406646
02275	Ramos Oil Recyclers Inc	05/18/2020	EFT	0.00	95.00	406647
03387	WageWorks, Inc	05/18/2020	EFT	0.00	234.04	406648
01486	WAPA - Department of Energy	05/18/2020	EFT	0.00	824.71	406649
03681	Allied Electronics Inc.	05/26/2020	EFT	0.00	284.17	406650

Check Report

Date Range: 05/01/2020 - 05/31/2020

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
01328	Association of California Water Agencies / Joint P	05/26/2020	EFT	0.00	7,396.16	406651
03739	Azteca Systems Holdings, LLC	05/26/2020	EFT	0.00	19,200.00	406652
03221	Chemtrade Chemicals Corporation	05/26/2020	EFT	0.00	10,003.05	406653
03753	Gannett Fleming, Inc.	05/26/2020	EFT	0.00	13,595.83	406654
01706	Graymont Western US Inc.	05/26/2020	EFT	0.00	6,642.05	406655
03628	Lees Automotive Repair Inc.	05/26/2020	EFT	0.00	979.62	406656
02367	McClatchy Newspapers Inc	05/26/2020	EFT	0.00	1,913.44	406657
02027	Mcmaster-Carr Supply Company	05/26/2020	EFT	0.00	1,307.76	406658
02581	The Ferguson Group, LLC	05/26/2020	EFT	0.00	124.00	406659
02710	WageWorks, Inc	05/26/2020	EFT	0.00	98.00	406660
02730	Western Area Power Administration	05/26/2020	EFT	0.00	7,302.00	406661
03711	Western Electrical Services, Inc.	05/26/2020	EFT	0.00	8,437.36	406662
03700	Westin Technology Solutions, LLC	05/26/2020	EFT	0.00	856.00	406663
03078	CalPERS Health	05/05/2020	Bank Draft	0.00	46,557.63	100155186
03130	CalPERS Retirement	05/01/2020	Bank Draft	0.00	34,723.43	100155296
03078	CalPERS Health	05/05/2020	Bank Draft	0.00	46,557.63	1001555186
03078	CalPERS Health	05/05/2020	Bank Draft	0.00	39,143.53	1001555186
01366	Citistreet/CalPERS 457	05/01/2020	Bank Draft	0.00	3,990.76	1001555294
03130	CalPERS Retirement	05/15/2020	Bank Draft	0.00	34,872.88	1001564727
01366	Citistreet/CalPERS 457	05/15/2020	Bank Draft	0.00	3,990.76	1001564740
03130	CalPERS Retirement	05/29/2020	Bank Draft	0.00	34,796.51	1001572969
01366	Citistreet/CalPERS 457	05/29/2020	Bank Draft	0.00	4,019.04	1001572985
03163	Economic Development Department	05/29/2020	Bank Draft	0.00	305.97	0-022-534-688
03163	Economic Development Department	05/29/2020	Bank Draft	0.00	8,166.13	0-022-534-688
03163	Economic Development Department	05/01/2020	Bank Draft	0.00	8,029.65	0-112-718-368
03163	Economic Development Department	05/15/2020	Bank Draft	0.00	8,876.54	0-201-411-104
01039	American Family Life Assurance Company of Colu	05/20/2020	Bank Draft	0.00	603.55	Q3869 05-20-20
01039	American Family Life Assurance Company of Colu	05/20/2020	Bank Draft	0.00	603.55	Q3869 05-20-20
03164	Internal Revenue Service	05/01/2020	Bank Draft	0.00	48,490.00	2700522458470
03164	Internal Revenue Service	05/15/2020	Bank Draft	0.00	51,954.47	2700536353563
03164	Internal Revenue Service	05/29/2020	Bank Draft	0.00	48,591.84	2700550650242
03164	Internal Revenue Service	05/29/2020	Bank Draft	0.00	1,551.03	2700550650242
03080	California State Disbursement Unit	05/04/2020	Bank Draft	0.00	370.61	PAY0000000003
03080	California State Disbursement Unit	05/15/2020	Bank Draft	0.00	832.14	PAY0000000003
03080	California State Disbursement Unit	05/29/2020	Bank Draft	0.00	832.14	PAY0000000003

Bank Code APBNK Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	98	70	0.00	174,233.78
Manual Checks	0	0	0.00	0.00
Voided Checks	0	9	0.00	0.00
Bank Drafts	26	26	0.00	449,893.63
EFT's	64	45	0.00	434,692.75
	188	150	0.00	1,058,820.16

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	98	70	0.00	174,233.78
Manual Checks	0	0	0.00	0.00
Voided Checks	0	9	0.00	0.00
Bank Drafts	26	26	0.00	449,893.63
EFT's	64	45	0.00	434,692.75
	188	150	0.00	1,058,820.16

Fund Summary

Fund	Name	Period	Amount
999	INTERCOMPANY	5/2020	1,058,820.16
			1,058,820.16



San Juan Water District, CA

Vendor History Report

By Vendor Name

Posting Date Range 07/01/2019 - 05/31/2020

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 12-2019	Expense&Mileage-ACWA Fall- Room & Mileage	12/31/2019		55098	1/13/2020	801.84	0.00	0.00	0.00	801.84	801.84
Expense&Mileage-ACWA	0.00	0.00	801.84	010-010-52110	Training - Meetings, Education & Trai	400.92					
				050-010-52110	Training - Meetings, Education & Trai	400.92					
01916 - Miller, Ken											
Exp Reimb	Mileage Reimbursement-Variou	8/31/2019		54641	9/9/2019	31.32	0.00	0.00	0.00	31.32	31.32
Mileage Reimbursement-	0.00	0.00	31.32	010-010-52110	Training - Meetings, Education & Trai	15.66					
				050-010-52110	Training - Meetings, Education & Trai	15.66					
Exp Reimb 07-2018	Mileage & Parking-Variou	7/31/2019		54581	8/20/2019	48.80	0.00	0.00	0.00	48.80	48.80
Mileage & Parking-Variou	0.00	0.00	48.80	010-010-52110	Training - Meetings, Education & Trai	24.40					
				050-010-52110	Training - Meetings, Education & Trai	24.40					
Exp Reimb 12-2019	Expense&Mileage-ACWA Fall Conf&Variou	12/31/2019		55106	1/13/2020	1,801.06	0.00	0.00	0.00	1,801.06	1,801.06
Expense&Mileage-ACWA	0.00	0.00	1,801.06	010-010-52110	Training - Meetings, Education & Trai	900.53					
				050-010-52110	Training - Meetings, Education & Trai	900.53					
03092 - Rich, Dan											
Exp Reimb 08-2019	Mileage Reimb 08-2019 - CH Chamber Recep	8/31/2019		54706	9/23/2019	8.70	0.00	0.00	0.00	8.70	8.70
Mileage Reimb 08-2019 -	0.00	0.00	8.70	010-010-52110	Training - Meetings, Education & Trai	4.35					
				050-010-52110	Training - Meetings, Education & Trai	4.35					
02162 - Tobin, Pamela											
Exp Reimb 01-2020	Mileage Reimbursement-Variou	1/31/2020		406485	2/10/2020	10.35	0.00	0.00	0.00	10.35	10.35
Mileage Reimbursement-	0.00	0.00	10.35	010-010-52110	Training - Meetings, Education & Trai	5.18					
				050-010-52110	Training - Meetings, Education & Trai	5.17					
Exp Reimb 02-2020	Mileage Expense Reimbursement-Variou	2/28/2020		406532	3/9/2020	39.10	0.00	0.00	0.00	39.10	39.10
Mileage Expense Reimbu	0.00	0.00	39.10	010-010-52110	Training - Meetings, Education & Trai	19.55					
				050-010-52110	Training - Meetings, Education & Trai	19.55					
Exp Reimb 07-2019	Expense Reimb-Mileage Variou	7/31/2019		406194	8/14/2019	46.50	0.00	0.00	0.00	46.50	46.50
Expense Reimb-Mileage \	0.00	0.00	46.50	010-010-52110	Training - Meetings, Education & Trai	23.25					
				050-010-52110	Training - Meetings, Education & Trai	23.25					
Exp Reimb 08-2019	Mileage Expense-Variou	8/31/2019		406236	9/9/2019	81.78	0.00	0.00	0.00	81.78	81.78
Mileage-Variou Meeting	0.00	0.00	81.78	010-010-52110	Training - Meetings, Education & Trai	40.89					
				050-010-52110	Training - Meetings, Education & Trai	40.89					
Exp Reimb 10-2019	Expense Reimb-ACWA Expenses & Mileage	9/30/2019		406309	10/22/2019	232.80	0.00	0.00	0.00	232.80	232.80

Vendor History Report

Posting Date Range 07/01/2019 - 05/31/2020

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						
Expense Reimb-ACWA Ex	0.00	0.00	232.80	010-010-52110	Training - Meetings, Education & Trai	116.40						
				050-010-52110	Training - Meetings, Education & Trai	116.40						
Exp Reimb 10-2019 #2	Expense Reimb-Region 9 & Various Meetings 10/31/2019			406339	11/12/2019	213.21	0.00	0.00	0.00	213.21	213.21	
Expense Reimb-Region 9	0.00	0.00	213.21	010-010-52110	Training - Meetings, Education & Trai	106.60						
				050-010-52110	Training - Meetings, Education & Trai	106.61						
Exp Reimb 11-2019	Exp Reimb ACWA Conf, Mileage, & Meals 11/30/2019			406403	12/16/2019	954.24	0.00	0.00	0.00	954.24	954.24	
Exp Reimb ACWA Conf, M	0.00	0.00	954.24	010-010-52110	Training - Meetings, Education & Trai	477.12						
				050-010-52110	Training - Meetings, Education & Trai	477.12						
Exp Reimb 12-2019	Expense & Mileage-ACWA Fall & Various Me 12/31/2019			406434	1/13/2020	220.97	0.00	0.00	0.00	220.97	220.97	
Expense & Mileage-ACW/	0.00	0.00	220.97	010-010-52110	Training - Meetings, Education & Trai	110.48						
				050-010-52110	Training - Meetings, Education & Trai	110.49						
Vendors: (4)						Total 01 - Vendor Set 01:	4,490.67	0.00	0.00	0.00	4,490.67	4,490.67
Vendors: (4)						Report Total:	4,490.67	0.00	0.00	0.00	4,490.67	4,490.67



Payroll Set: 01-San Juan Water District

Employee Number	Employee Name	Pay Code	# of Payments	Units	Pay Amount
0690	Costa, Ted	Reg - Regular Hours	11	62.00	7,750.00
			0690 - Costa Total:	62.00	7,750.00
1028	Hanneman, Martin	Reg - Regular Hours	11	54.00	6,750.00
			1028 - Hanneman Total:	54.00	6,750.00
0670	Miller, Ken	Reg - Regular Hours	11	45.00	5,625.00
			0670 - Miller Total:	45.00	5,625.00
1003	Rich, Daniel	Reg - Regular Hours	10	34.00	4,250.00
			1003 - Rich Total:	34.00	4,250.00
0650	Tobin, Pamela	Reg - Regular Hours	11	99.00	12,375.00
			0650 - Tobin Total:	99.00	12,375.00
			Report Total:	294.00	36,750.00



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	147.00	18,375.00
	010 - WHOLESALE Total:	147.00	18,375.00
050-010-58110	Director - Stipend	147.00	18,375.00
	050 - RETAIL Total:	147.00	18,375.00
	Report Total:	294.00	36,750.00



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	Regular Hours	54	294.00	36,750.00
		Report Total:	294.00	36,750.00

2019/20 Actual Deliveries and Revenue - By Wholesale Customer Agency

July 2019 - May 2020								
	Budgeted Deliveries	Budgeted Revenue	Actual Deliveries	Actual Revenue	Delivery Variance		Revenue Variance	
San Juan Retail	10,146	\$ 2,747,588	10,294	\$ 2,759,595	148	1.5%	\$ 12,007	0.4%
Citrus Heights Water District	9,316	\$ 2,685,406	10,057	\$ 2,745,605	742	8.0%	\$ 60,199	2.2%
Fair Oaks Water District	6,537	\$ 1,923,886	6,902	\$ 1,953,514	365	5.6%	\$ 29,628	1.5%
Orange Vale Water Co.	3,429	\$ 932,120	3,288	\$ 920,655	(141)	-4.1%	\$ (11,465)	-1.2%
City of Folsom	1,012	\$ 273,980	1,052	\$ 277,231	40	4.0%	\$ 3,252	1.2%
Granite Bay Golf Course	245	\$ 9,806	267	\$ 10,263	23	9.3%	\$ 458	4.7%
Sac Suburban Water District	8,196	\$ 1,461,894	7,815	\$ 1,514,723	(381)	-4.7%	\$ 52,828	3.6%
TOTAL	38,880	\$ 10,034,679	39,675	\$ 10,181,585	795	2.0%	\$ 146,906	1.5%

Budgeted Deliveries	38,880.46
Actual Deliveries	39,675.44
Difference	794.98
	2%

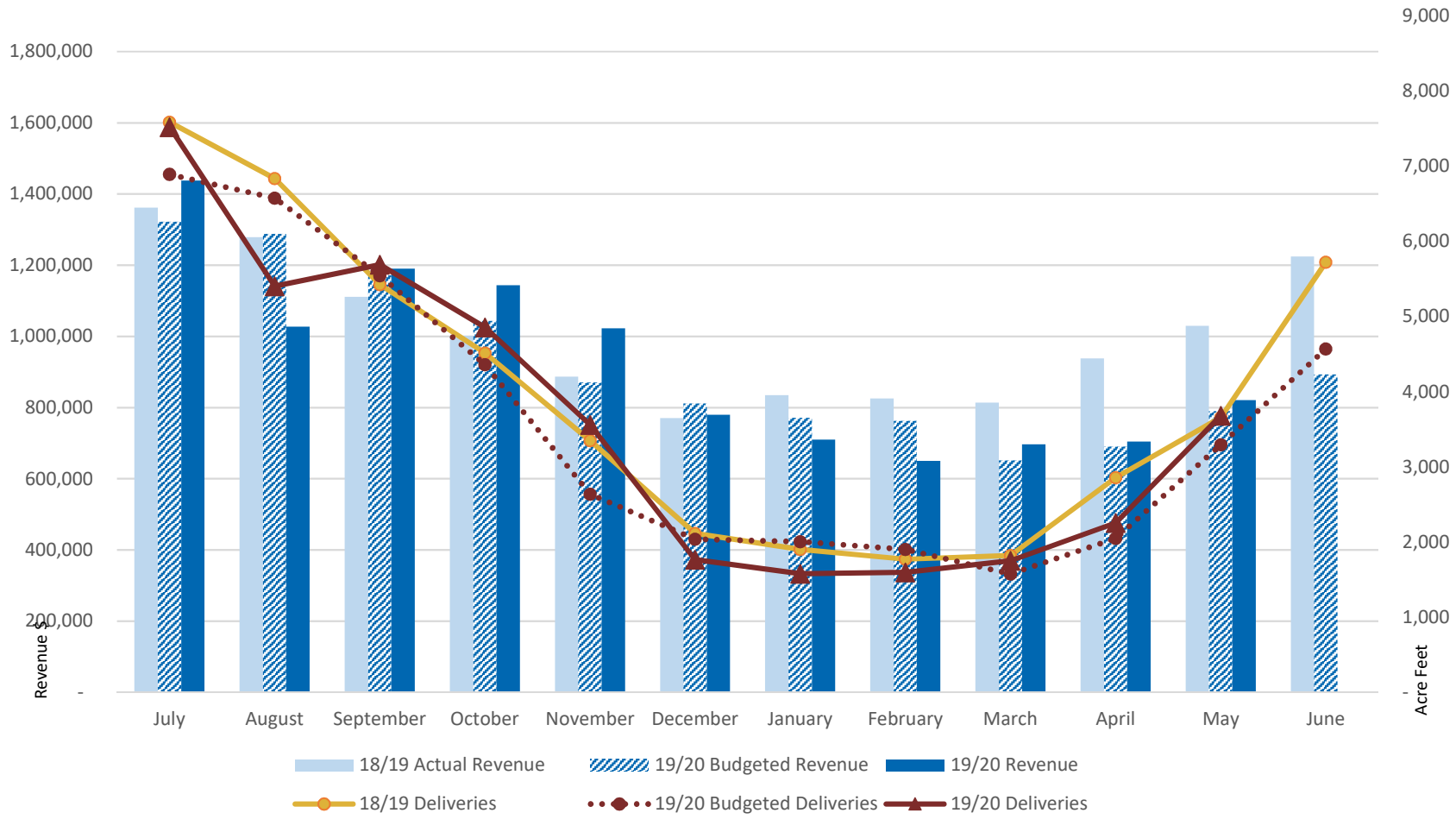
Budgeted Water Sale Revenue	\$ 10,034,679
Actual Water Sale Revenue	\$ 10,181,585
Difference	\$ 146,906
	1.5%

Conclusion:

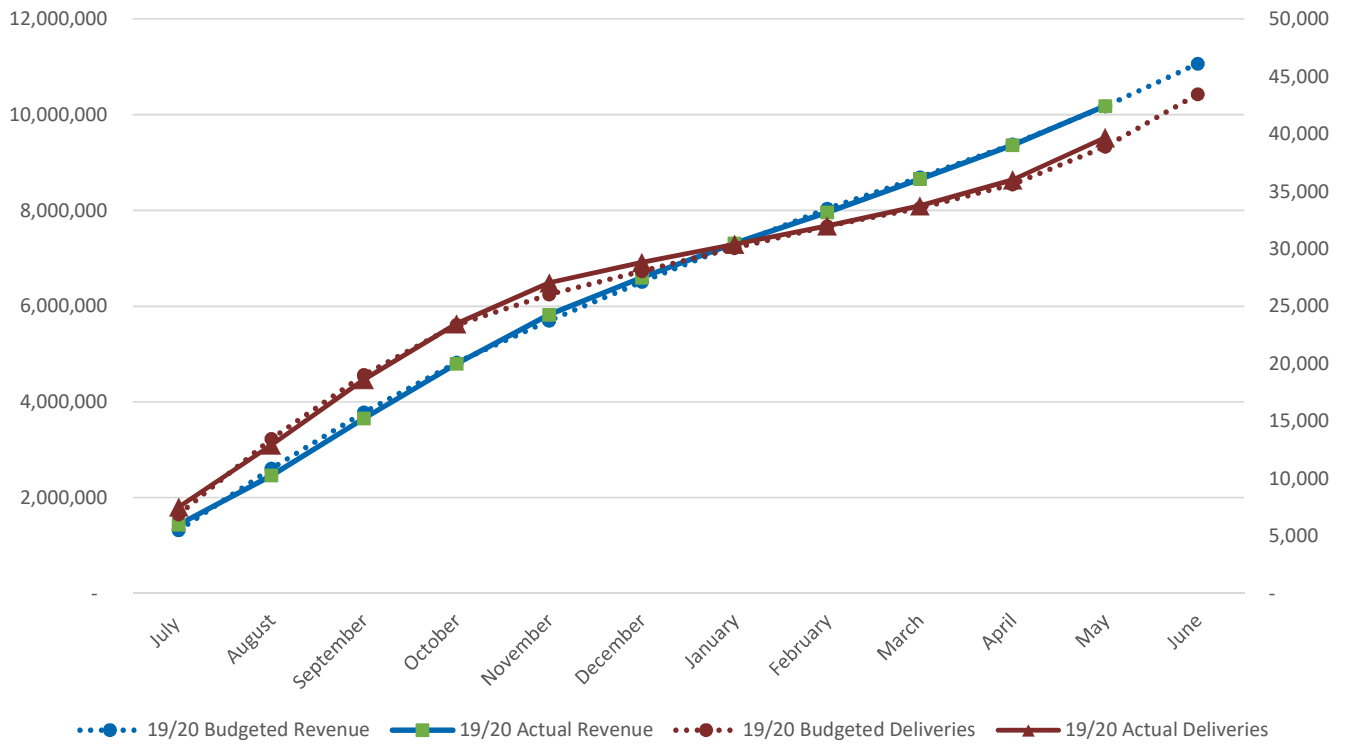
With the exception of the month of August, water deliveries in July through November were greater than anticipated. Water deliveries in the months of December through February were slightly lower than anticipated, but deliveries in March, April and May exceeded expectations. The COVID-19 pandemic and resulting stay-at-home orders have not yet had an adverse impact on water demand, in fact April's deliveries were 10% above expectations and May water deliveries were 11.75% greater than expected.

Year to date water deliveries are slightly higher than budget expectations, varying by 795 acre feet to the positive. Resulting revenues are also tracking favorably, with a positive budget to actual variance of 1.5%.

Comparison of Fiscal Year 2018/2019 Actual to 2019/2020 Projections of Deliveries and Revenue



Cumulative Water Deliveries and Revenues FY 2019-20



RWA Exec Comm notes

6/24/20

SCGA

2x3 ad hoc committee of chairs, vice-chairs of RWA, SGA, SCGA was formed – met recently to discuss path forward. Potential MOU among SGA, RWA and SCGA to define parameters of discussion. Want to expand to 3 entities from each - at least one member from each authority that is not part of the other 2. Need to address the question of the benefit to RWA/SGA of taking on a support role for SCGA.

Legislation

About ¼ of the number of bills that would typically be happening – RWA currently tracking 18 bills.

Bond – not likely. July 26 is deadline to pass a measure to be on the ballot.

What happens to Safe Drinking Water funding? Funding was dedicated from GHG reduction fund – latest auction generated \$25 million, as opposed to previous auctions of \$600 million.

Resources trailer bill – GHG funds will be most controversial. We hope that the Safe Drinking Water fund gets fully funded.

Federal Affairs

SACOG list – not the one we will use. First conversation with McClintock’s office this week. House Democrats have proposed an infrastructure bill (HR 2).

Monthly meetings of committee – regular review of federal legislation.

HR 7073 – 5% of funding to special districts (out of state’s share); allows special districts would be allowed to take advantage of bond issuances; also defines special districts in federal law.

Greg Z recognized for his work in the committee.

Exec Comm agreed to support HR 7073.

Joint Purchase Program

State and federal contracting list provides cost-effective and easy-to-use purchasing schedules.

RWA group to be formed.

Strategic Plan

June 19 workshop and one coming up June 26. Making good progress.

RWA Office Operations

Proposing an “opt-in” approach – staff can come in and work in the office as appropriate.

Executive Director Report

Director Tobin's report 6/23/2020

JPIA

June 1, 2020 Executive Committee Meeting

Programs: Wildfire Resiliency & Mitigation Amendment to Commitment to Excellence

- Over the past 3 yrs the pool has experienced a spike in fire losses, due specifically to wildfires. In the past the most frequent and costly losses have been fro auto, infrastructure, construction, employment practices, ergonomics and fall related losses.
- JPIA encourages and for new inductees requires, wildfire mitigation plans.

Dam Failure Liability Program:

- The Dam Failure Liability Program (DFLP) was operational in 1979 with the Auto and General Liability Program. As a pass through program, members pay the cost plus a small administration fee. There are 15 members in this program. Members in the program will be contacted to discuss continued participation in the program given that limits may be capped at \$5M and the member's self-insured retentions would be \$1M. Staff is still exploring other carriers and markets but, indications are that there is no other coverage available at a reasonable price and over the years limits have been reduced to the point that only two of the 25 dams covered have more than \$5M in limits and the self-insured retention went from \$50 thousand to \$1M.

Workers' Compensation Program:

- Executive Committee accepted and approved the Safety National's excess renewal terms as well **as approved a 10% reduction in pricing for the Workers' Compensation Program, Policy year 7/1/20-21.**

Finance:

- Executive Committee approved the JPIA's Comprehensive Annual Financial Report for year ending Sept 30, 2019 and approved the proposed Operating Budget for Fiscal Year 2020-21.

Membership:

- New Members for 2018-2019 into the Property Program were:
 1. Fresno Slough Water District
 2. South Tahoe Public Utility District
 3. Chino Basin Desalter Authority
 4. Monte Vista Water District
 5. Sites Project Authority
 6. Sierr County Waterworks
 7. El Dorado Irrigation District
- New Members for 2019-2020 into the Property Program were:
 1. Alameda County Water District (July 2020)
 2. Zone 7 Water Agency (March 2020)
 3. Sierra Highlands Community Services District (July 2020)
- New Members for 2019-2020 into the Liability Program were:
 1. Westside Water Authority (July 2020)
 2. Eastside Water District's (July 2020) (EWD is a member of the East Turlock Subbasin Groundwater Sustainability Agency)

State of Property Market:

- Mr. Cole of Alliant Insurance Services reported unprecedented large losses in the US, particularly CA and its impact to the insurance market and to the JPIA's Property Program renewal efforts.
- Total loss for the Camp Fire and Woolsey Fire Totaled between \$15B-\$19B. Those accounts that have losses with catastrophic exposures are looking at 30% or more increase in rates as well as possibly wildfire deductibles.
- Included in the Property Program as of July 1, 2019 includes the Cyber Liability coverage with exposure to a maximum of \$40K per occurrence.
- JPIA Property Program claims history over the past few years have been favorable with the last few years suffering higher than historical losses. In 2016-17 losses in excess of \$6M included 2 large flood losses. In 2017-18 and 2018-2019 combined losses exceeded \$14 M as a result of wildfires in both Northern and Southern CA. The program has \$100,000 retention and insures approx. \$8B in property value.

- Renewal Pricing for the Property Program for 7.1.20-21 policy year is a 10% increase to the pricing with the rates as follows:
 1. Real & Personal Property \$.089
 2. Mobile Equipment \$.134
 3. Automobiles \$.757
- Renewal Pricing for the Property Program for 2020-2021 approved insurance renewal with pricing “not to exceed” a rate of \$.0811 per \$100 of payroll (30% increase).

Energy Program: Property Program Enhancement

- 2018 JPIA talked with its members that own large scale hydroelectric facilities. Alliant Ins. Serv. And Lloyd’s of London built a JPIA Energy Program as of 7/1/2019.
- In 2019 El Dorado Irrigation District & Placer County Water Agency joined the program.
- Program has a limit of \$500 M and includes boilers and machinery. Flood coverage is included with a sublimit of \$100M.
- Program is a pass through program. The appeal of this group purchase program is that its less expensive than if a members buys this coverage on their own.

Covid 19

- Each dept heads reported on how their depts. Have been keeping up with the workload with staff working from home or minimal office time and while different, claims are being processed, payments are being made and overall the adaptation is working.
- 43 employees were surveyed and all employees were asked to measure their work from home moral, and effectiveness. Questions were solicited about communication approaches from managers to peers, peers to peers, and manager to supervisors...flexible working arrangements, travel and quarantine and all of the adaptations.
- A Infectious Disease Return to Work Policy was discussed when return to work changes are made and will look like.
- Plans to open the office 7/6/2020 for employees who want to come back into the office and this is based on current situations.

LAIF:

- Exec Comm. Passed a resolution for the JPIA to use LAIF for overnight placement of Funds and meets the government requirement for the placement of those funds and allows JPIA to have adequate liquidity to meet the needs of JPIA.

ACWA

- ACWA wrote a letter to Gov. Newsom and Secty Bernhardt asking all parties to come back to the table and finish the voluntary agreements. The letter included the polling results showing a 62% concurrence that Ca. voters support the voluntary agreements which result in fish habitat in the Delta and other watersheds. Through the VA workgroup of the Communication Committee, there is a powerful message supporting collaboration over litigation and a pathway to invest in the future of the Delta and its ecosystem.
- Comment Letters:
 1. May 18, 2020 Proposed decision adopting additional and modified de-energization guidelines
 2. June 3, 2020 Coalition letter: Regulation of PFOS, PFOA and other PFAS in drinking water
 3. June 10, 2020 Geohazard mitigation for California drinking water. (webinar)
 4. June 12, 2020 Water Loss Regulations (comments to the State Water Board)
 5. June 16, 2020 Comment letter to State Water Control Board – Draft fund expenditure plan for safe and affordable drinking water fund.

➤ CA Budget Update

1. Gov Newsom released his May Revision to the budget Fiscal Yr 2020-21. The Gov.'s budget's reduction include:

- \$60M less for SGMA implementation
- \$250M less to climate catalyst fund
- \$80M less for LiDar program
- \$35M less for Tijuana River project

The Legislature will consider the Gov.'s proposal and identify priorities and direct where funding should be cut. ACWA will continue to advocate issues related to ACWA's member priorities.

➤ ACWA's POLICY PRINCIPLES on Property Tax and Reserve Funds

○ Special district reserve funds, throughout the past years have been a topic of discussion by the Little Hoover Commission, stakeholders and the Legislators. In ACWA's 2020 Revision's, the ACWA BOD has approved policy principals on property tax revenue and reserve funds.

- Special districts generate their revenue from property taxes, assessments, and fees and provide benefits to customers and charge fees for these services. Some districts receive a portion of local property tax revenue that helps agencies provide their services and keep their rates low.
- Not all water agencies receive property tax revenue. In 1979 Assembly Bill 8. This bill locked in a tax system in which special districts that levied their own general property taxes in the mid-1970's could receive a similar share of their county's 1% property tax rate today. If a district did not levy property taxes in the 1970's they do not receive shares of their county's property taxes.

There have been many attempts to redirect local revenues to the State and it could cause serious challenges to many water districts.

➤ Reserve Funds

- Reserves for agency operations ensure ratepayers to stable rates and security to short-term emergencies. Reserve funds mitigate rate increases and strengthen overall financial wellbeing, which affect an agency's bonding rating, access to debt markets and better interest rates as well as ability to construct infrastructure to their systems and expand services for the future.
- There are different types of reserve funds for specific purposes.
 1. *Restricted funds* to satisfy creditors, grantors, contributors or the law. (i.e. bond agreements that fund capital improvements, pension plans and service deposits.
 2. *Obligated funds* to meet contractual financial commitments for services and purchases that are intended.
 3. *Designated funds* for agreements and contractual provisions, for new capital facility construction, replacement or refurbishment, rate stabilization.
 4. *Operational reserves* provide for financial flexibility to respond quickly to emergency repairs, water quality emergencies and catastrophic events.

These funds have been mischaracterized and seen as funds held in excess of agencies actual need. These are not surplus funds and are needed by the descriptions above. As a result ACWA advocates that every special district should have a published policy on their reserve levels and uses and should post the policy on their website and that the State Controller's Office should standardize definitions of special district financial reserves for state reporting purposes.

ACWA's will develop messaging for use and adaptation to educate the general public, local and regional and state officials and members of the State Legislature in order to establish a greater understanding regarding the critical relationship between adequate reserves and successful short and long-term operation of water and wastewater agencies.

For Special Districts, in order to ensure that the public and Legislature understand the importance of property tax revenue and reasonable reserve levels, ACWA's members must continue to do education and advocacy efforts at the State and local levels and to work with the media on key messages regarding property taxes and reserves that are consistent and clear.

- Governor's Proposed Climate Resilience Bond is one of the highest priorities for ACWA. Our amendments would be to include significant funding in areas of dam safety and reservoir operations, local regional conveyance, recycled water, desalination, and water quality and groundwater projects. ACWA is advocating to push the \$100B (Sen. Feinstein supported) bond through and next week there will be a discussion with John Watts (from Sen. Feinstein's office).
- Summer Conference Update: There are over 900 registrations for the live-event. Procure American is the provider of the conference. Staff has been working very hard to bring a quality product to its members. Keynote speakers will be California Lt. Gov. Eleni Kounalakis, U.S. Bureau of Reclamation Commissioner Brenda Burman, California Natural Resources Secretary Wade Crowfoot, Department of Water Resources Director Karla Nemeth and State Water Resources Control Board Chair E. Joaquin Esquivel. Themed "Resilience Rising," the informative programs will feature topics such as resilience in the Bay-Delta, groundwater sustainability plans, funding for safe drinking water, preparing for fire season and other critical issues. In addition, ACWA will honor the winners of its spring awards, the Clair A. Hill Agency Award for Excellence, the Excellence in Water Leadership and the new John P. Fraser Water Leaders Fellowship.
- Safe and Affordable Drinking Water Fund. ACWA has been working with the State Water Board and providing input on SB 200 (Monning, 2019). This new law created the Safe and Affordable Drinking Water Fund (Fund) and, together with the state budget for fiscal year 2019-'20, generally secured \$130 million per year over 11 fiscal years, without the use of a water tax, for drinking water solutions across the state.

- **Incidental Take Permit would restrict how much water is available from the long-term operation of the State Water Project. The ITP is required under the California Endangered Species Act (CESA) and relates to protection of four fish species found in Sacramento-San Joaquin Bay-Delta. State Water Contractors, Kern County Water Agency and San Gabriel Valley Municipal Water District have all filed a lawsuit against the State for California because this results in water supply reductions and increased operating costs.**

With strong direction from ACWA's Board of Directors and active member involvement through ACWA's policy committees, task forces and regions, ACWA is engaged in numerous arenas to advance priority issues. Here is a high-level look at recent activity and initiatives:

State Water Board Safe and Affordable Drinking Water Fund (SB 200, Monning, 2019) Implementation

The State Water Resources Control Board (State Water Board) recently released the Safe and Affordable Drinking Water Fund *Draft FY 2020-21 Fund Expenditure Plan*. SB 200 requires this annual plan that presents the planned expenditures for the fiscal year. The State Water Board's Safe and Affordable Funding for Equity and Resilience (SAFER) advisory group held a virtual meeting June 12 to discuss the draft plan. Also on June 12, the State Water Board staff held a webinar to answer questions and gather public input. ACWA staff provided verbal comments at both sessions and submitted joint written comments with the California Municipal Utilities Association on June 16. The comment letter is available at www.acwa.com/resources. More information on the fund expenditure plan is available at www.waterboards.ca.gov.

Last month, the State Water Board also adopted the "Policy for Developing the Fund Expenditure Plan for the Safe and Affordable Drinking Water Fund." This policy serves as the overall guidance for how the State Water Board will identify water systems and administer the SB 200 funding over the next decade to fund safe drinking water solutions.

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Governor Proposes Revised State Budget

The Legislature passed a state budget for Fiscal Year 2020-'21 on June 15, and Gov. Gavin Newsom has until the end of the month to approve it. The spending plan could potentially contain significant funding reductions for California's water industry. While the Legislature met its deadline to advance its version of the budget to Newsom, negotiations are continuing between the Legislature and the Newsom Administration, which has identified federal funding assistance as essential to avoid major cuts to multiple state programs.

Last month, Newsom's May Revise projected a \$54.3 billion budget shortfall and proposed large funding cuts to the originally proposed January budget. Most significantly, the budget no longer proposes a Climate Resilience Bond. However, while Newsom has dropped the bond from in his revised budget, it is unclear if he will support one of the proposals currently being considered by the Legislature. ACWA staff continue to advocate to the Legislature for state funding for water infrastructure and on other budget matters related to ACWA's priority issues. The Legislature may pass budget trailer bills up until the last day of the Legislative Session.

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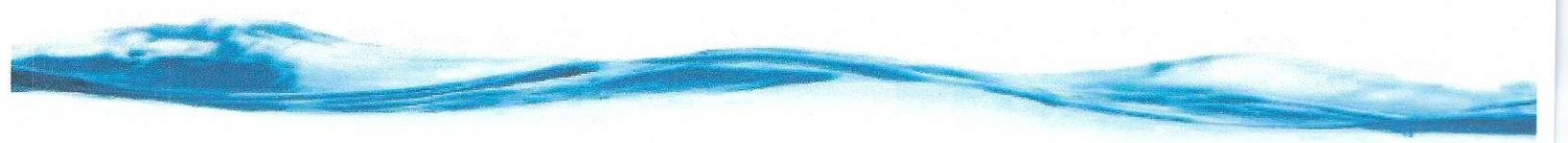
State Water Board Water Loss Updates

On May 13, the State Water Board held a virtual public workshop to support the development of water loss performance standards. The webinar focused on the revised proposed regulatory framework and economic model that the Board released on April 13. ACWA staff participated in the State Water Board's workshop and prepared written comments in coordination with ACWA Water Management Committee's Water Loss Subcommittee and a coalition including the California Municipal Utilities Association, American Water Works Association and California Water Association. The revised framework and economic model address some of the concerns that ACWA and the coalition raised, but there are other policy and technical concerns with the revised materials, including data submission requirements, the feasibility of the off-ramps, and the need for more time to collect better data. ACWA submitted comments to the State Water Board on June 12. The comment letter is available at www.acwa.com/resources.

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Sustainable Groundwater Management Act Updates

The public comment period on Groundwater Sustainability Plans (GSPs) and comments ended on June 3. SGMA required Groundwater Sustainability Agencies in critically overdrafted basins to submit their GSPs to DWR by Jan. 31. The plans and comment are available at www.sgma.water.ca.gov/portal.

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State Water Board Adopts Definition of "Microplastics in Drinking Water"

On June 16, the State Water Board adopted its definition of "microplastics in drinking water" in response to Senate Bill 1422 (Portantion, 2018), which required a definition to be adopted by July 1 of this year. The adopted definition is significantly different from what the State Water Board originally proposed in March. The originally proposed definition would have encompassed particles of "at least two dimensions" and "greater than 1 and less than 5,000 micrometers." The adopted language instead encompasses "...particles which have at least three dimensions that are greater than 1 nm [nanometer] and less than 5,000 micrometers."

SB 1422 also requires the State Water Board to establish by July 1, 2021 a standard methodology for testing for microplastics in drinking water and requirements for four years of testing and reporting, including public disclosure of those results.

ACWA submitted a comment letter to the State Water Board on April 23 on the proposed definition and continues to coordinate with the Water Quality Committee's Microplastics Working Group to engage on this issue. The comment letter is available at www.acwa.com/resources.

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Regulatory Determination for PFAS

ACWA is among nine leading water associations urging the U.S. Environmental Protection Agency to use "sound science and robust analyses" as it evaluates drinking water standards for two per- and polyfluorinated substances (PFAS). In addition to ACWA, the June 3 letter addressed to EPA Administrator Andrew Wheeler was signed by representatives from the Association of Metropolitan Water Agencies, American Water Works Association, Ground Water Protection Council, Irrigation Association, National Association of Water Companies, National Ground Water Association, National Rural Water Association and National Water Resources Association. It urges the EPA to employ a holistic regulatory approach that protects source water from PFAS contamination, addresses public health concerns and ensures public confidence. A copy of the letter is available at www.acwa.com/resources.

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Public Safety Power Shutoff (PSPS) Updates

On April 27, the California Public Utilities Commission released the "Decision Adopting Phase 2 Updated and Additional Guidelines for De-Energization of Electric Facilities to Mitigate Wildfire Risk." ACWA submitted a joint comment letter on the proposed guidelines May 18. If approved, this decision would provide additional guidance to the electric investor-owned utilities for de-energization. ACWA is a party to this rulemaking and will continue to engage on this issue. The comment letter is available at www.acwa.com/resources.

Due to opposition, Assembly Member Rubio's office and ACWA jointly decided to hold AB 2182 (Rubio), ACWA's sponsored effort to address PSPS this year. In the meantime, ACWA continues to coordinate with investor-owned utilities and other stakeholders regarding this year's wildfire season.

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Federal Funding Assistance for Public Water Agencies

ACWA's Federal Affairs Committee continues to work with the Infrastructure Workgroup to develop input for ACWA's advocacy for federal infrastructure funding and fiscal relief for water agencies. ACWA sent a comment letter in April and was part of a coalition letter sent May 12 to urge congressional leaders to fund critical water needs that are impacting Californians amid the COVID-19 pandemic. Both letters are available at www.acwa.com/resources.

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**Personnel Committee Meeting
San Juan Water District
June 12, 2020
10:00 a.m.**

Committee Members: Ken Miller, Chair
Marty Hanneman

District Staff: Paul Helliker, General Manager
Teri Grant, Board Secretary/Administrative Assistant

Members of the Public: Pam Tobin, Board Member and Rate Payer

Topics: Public Comment (W & R)
Closed Session
Open Session

1. Public Comment (W & R)

There was no public comment.

Director Miller called for closed session at 10:01 am. Ms. Grant excused herself from the Closed Session.

2. Closed Session

Public employee performance evaluation involving the General Manager; Government Code sections 54954.5(e) and 54957.

3. Open Session

There was no reportable action from the closed session.

The meeting was adjourned at 10:12 a.m.

**Engineering Committee Meeting Minutes
San Juan Water District
June 16, 2020
2:00 p.m.**

Committee Members: Dan Rich, Chair
Ted Costa, Member

District Staff: Paul Helliker, General Manager
Tony Barela, Operations Manager
Andrew Pierson, Engineering Services Manager
Adam Larson, Field Services Manager
Teri Grant, Board Secretary/Administrative Assistant

Members of the Public: Rob Watson

Topics: Water Treatment Plant On-Site Residual Management Improvements Project (W)
Hinkle Reservoir Replacement Project Update (W)
Other Engineering Matters
Public Comment

1. Hinkle Reservoir Outage Temporary Tank Project (W)

Mr. Barela provided the committee with a staff report which will be attached to the meeting minutes. He explained that HydroScience Engineers was hired in 2018 to manage the solid residuals at the water treatment plant. They performed an analysis with recommendation to install a stormwater lift station which will collect and recycle stormwater runoff from the site. Amendment No. 2 is for engineering service during bidding and construction. In addition, he explained that Mr. Jon Fulton, SJWD Construction Inspector, will be the project manager during construction.

The Engineering Committee recommends approval of Amendment No. 2 to HydroScience Engineers, Inc. for engineering services during construction related to the Water Treatment Plant On-Site Residual Management Improvements (aka WTP Residual Area Stormwater Lift Station Project) in the amount of \$47,370 and authorizing a total contract budget of \$150,420 (includes 5% contingency).

2. Hinkle Reservoir Replacement Project Update (W)

Mr. Pierson reported that the 95% design on the Hinkle Reservoir Replacement Project should be received soon and will be submitted as part of the SRF funding. He informed the committee that the project is on schedule. Mr. Barela informed the committee that the contracts for the tanks and civil improvements will be completed this week. In addition, staff is working closely with SSWD regarding operations of the project.

3. Other Engineering Matters

Mr. Pierson reported that applications were received for the Associate/Senior Engineer position and five applicants who met the qualifications will be interviewed.

4. Public Comment

There were no public comments.

The meeting was adjourned at 2:13 p.m.

**Finance Committee Meeting Minutes
San Juan Water District
June 23, 2020
4:00 p.m.**

Committee Members: Ken Miller, Director (Chair)
Dan Rich, Director

District Staff: Paul Helliker, General Manager
Donna Silva, Finance Director
Adam Larsen, Field Services Manager
Teri Grant, Board Secretary/Administrative Assistant

1. Review General Manager Reimbursements (W & R)

There was no reimbursement request from the General Manager.

2. Review Check Register from May 2020 (W & R)

The committee reviewed the May 2020 check register and found it to be in order.

3. Annual Paving Services Contract (R)

Mr. Adam Larsen provided a staff report which will be attached to the meeting minutes. He explained that this is the first year of this contract with the option to renew the contract annually, in up to three additional years. In response to Director Rich's question, Mr. Larsen informed the committee that this company provided the last three year's services at the District's satisfaction and was the lowest bidder.

The Finance Committee recommends authorization and approval to award the Annual Paving Services agreement for FY 2020/2021 to Sierra National Asphalt in the amount of \$128,250

4. Annual Installation Services Contract (R)

Mr. Larsen provided a staff report which will be attached to the meeting minutes. He explained that this contract is for a variety of items that will assist the field team throughout the year and in emergency situations.

The Finance Committee recommends authorization and approval to award the Annual Installation Services agreement for FY 2020/2021 to Flowline Contractors Inc. in the amount of \$297,538

5. Other Finance Matters (W & R)

Ms. Silva informed the committee that the auditing firm completed the interim audit for FY 2019-20 which was completed remotely. She stated that there were no findings and no issues noted during their interim field work. She stated that they had some employees fill out a Fraud Interview form and are asking that the Chair of the Finance Committee complete the form as well; therefore, Ms. Grant will forward the form to Director Miller for him to complete.

6. Public Comment

There was no public comment.

The meeting was adjourned at 4:10 p.m.