

**SAN JUAN WATER DISTRICT  
BOARD MEETING AGENDA**  
**June 27, 2018**  
**6:00 p.m.**  
**9935 Auburn Folsom Road**  
**Granite Bay, CA 95746**

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.

In compliance with the American's with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the Board Secretary at 916-791-0115. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

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

**I. ROLL CALL**

**II. 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.

**III. 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 Special Meeting, May 24, 2018 (W & R)  
*Recommendation:* *Approve draft minutes*
2. Maintenance Building Roof Replacement Project (W & R)  
*Recommendation:* *Award a construction contract to MCM Roofing Company, Inc. for construction of a new roof for the amount of \$106,142.00 and authorizing a total construction budget of \$116,800.*
3. Maintenance Building HVAC Replacement Project (W & R)  
*Recommendation:* *Award a construction contract to AirCo Mechanical, Inc. for construction of the HVAC system for the amount of \$56,060 and authorizing a total construction budget of \$61,700.*
4. 3rd year Contract Renewal with GM Construction & Development Inc. for Construction Services (R)  
*Recommendation:* *Authorization and approval to exercise the 3rd year contract renewal with GM Construction & Development Inc. (Contract #15-53) for construction services agreement in the amount of \$208,332.*

5. 1st year Extension with Sierra National Asphalt Inc. for Annual Paving Services (R)  
*Recommendation:* *Authorization and approval to exercise the first year contract renewal with Sierra National Asphalt for the annual paving services agreement for the 1st year extension in the amount of \$100,373.*

6. Proposed Update to District Procurement Policy for Federal Funds (W & R)  
*Recommendation:* *Approve a proposed amendment to the Procurement Policy to include requirements specific to the expenditure of Federal Funds.*

#### **IV. PUBLIC HEARING**

1. FY 2018-2019 Budget (W & R)  
*Presentation and discussion*

**Action:** *Consider motion to adopt Resolution No. 18-08 adopting the FY 2018-2019 Budget*

#### **V. OLD BUSINESS**

1. Fair Oaks 40-Inch Pipeline Relining Project (W & R)

**Action:** *Consider a motion to award a construction contract to J. Fletcher Creamer & Son, Inc. for the amount of \$2,598,842.00 and authorizing a total construction budget for the Fair Oaks 40" Pipeline Relining Project of \$2,807,000.00 (includes an 8% contingency).*

2. SJWD/SSWD Water Management/Re-organization Update (W & R)

*Discussion*

3. GM Contract (W & R)

**Action:** *Consider motion to approve amendments to GM Contract*

#### **VI. NEW BUSINESS**

1. Approve Accrual of GM Vacation Time (W & R)

**Action:** *Consider a motion to approve accrual of GM vacation time*

#### **VII. 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. Legal Counsel's Report
  - 4.1 Legal Matters

**VIII. DIRECTORS' REPORTS**

1. SGA
2. RWA
3. ACWA
  - 3.1 Local Government/Federal Affairs/Region 4 - Pam Tobin
  - 3.2 JPIA – Pam Tobin
  - 3.3 Energy Committee - Ted Costa
4. CVP Water Users Association
5. Other Reports, Correspondence, and Comments

**IX. COMMITTEE MEETINGS**

1. Engineering Committee – June 20, 2018
2. Finance Committee – June 26, 2018

**X. UPCOMING EVENTS**

1. Water Education Foundation – 2018 Water Summit  
September 20, 2018  
Sacramento, CA

**President Hanneman to call for Closed Session**

**XI. CLOSED SESSION**

1. Conference with legal counsel--anticipated litigation; Government Code sections 54954.5(c) and 54956.9(b); significant exposure to litigation involving state and federal administrative proceedings and programs affecting District water rights

**XII. OPEN SESSION**

Report from closed session

**XIII. ADJOURN****UPCOMING MEETING DATES**

July 25, 2018

August 22, 2018

I declare under penalty of perjury that the foregoing agenda for the June 27, 2018 regular meeting of the Board of Directors of San Juan Water District was posted by June 22, 2018, on the outdoor bulletin boards at the District Office Building, 9935 Auburn Folsom Road, Granite Bay, California, and was freely accessible to the public.

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Teri Grant, Board Secretary

# AGENDA ITEM III-1

## DRAFT

### SAN JUAN WATER DISTRICT

Board of Director's Special Meeting Minutes  
May 24, 2018 – 5:00 p.m.

#### BOARD OF DIRECTORS

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

#### SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF

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

#### OTHER ATTENDEES

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

#### AGENDA ITEMS

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

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

## I. ROLL CALL

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

## II. BUDGET WORKSHOP

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

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

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

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

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

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

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

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

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

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

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

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

### **III. PRESENTATION**

#### **1. Poster Contest Winners – President Marty Hanneman**

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

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

### **IV. PUBLIC FORUM**

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

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

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

### **V. CONSENT CALENDAR**

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

#### **1. Minutes of the Board of Directors Special Meeting, April 26, 2018 (W & R)**

*Recommendation: Approve draft minutes*

**2. Treasurers Report - Quarter Ending March 31, 2018 (W & R)**

*Recommendation: Receive & File*

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

*Recommendation: Authorize staff to approve and accept a request for abandonment of the Irrevocable Offer of Dedication (IOD) for Roadways and Public Utilities Easements (PUE) on 32 Parcel Map 156*

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

## **VI. OLD BUSINESS**

**1. Meter Replacement Program Regional MOU (R)**

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

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

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

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

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

**2. 2018 Groundwater Substitution Transfer (W)**

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

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

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

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

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

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

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

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

## VII. NEW BUSINESS

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

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

*For information only, no action needed.*

### 2. CSDA Call to Action (W & R)

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

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

## VIII. INFORMATION ITEMS

### 1. GENERAL MANAGER'S REPORT

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

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

#### 1.2 Miscellaneous District Issues and Correspondence

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

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

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

with The Ferguson Group. He explained that the District and the City of Folsom will continue the contract, which ends at the end of the year, on an interim basis.

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

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

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

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

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

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

## **2. DIRECTOR OF FINANCE'S REPORT**

### **2.1 Staff Recognition (W & R)**

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

### **2.2 Miscellaneous District Issues and Correspondence**

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

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

## **3. OPERATION MANAGER'S REPORT**

### **3.1 Miscellaneous District Issues and Correspondence**

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

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

## **4. LEGAL COUNSEL'S REPORT**

### **4.1 Legal Matters**

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

## **IX. DIRECTORS' REPORTS**

### **1. SGA**

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

### **2. RWA**

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

### **3. ACWA**

#### **3.1 Local/Federal Government/Region 4 - Pam Tobin**

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

#### **3.2 JPIA - Pam Tobin**

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

#### **3.3 Energy Committee - Ted Costa**

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

### **4. CVP WATER USERS ASSOCIATION**

No report.

### **5. OTHER REPORTS, CORRESPONDENCE AND COMMENTS**

There were no other matters discussed.

## **X. COMMITTEE MEETINGS**

#### **1. Engineering Committee – May 15, 2018**

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

#### **2. Finance Committee – May 22, 2018**

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

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

## **CLOSED SESSION**

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

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

**OPEN SESSION**

There was no reported action during Closed Session.

**XI. ADJOURN**

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

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MARTIN HANNEMAN, President  
Board of Directors  
San Juan Water District

ATTEST:

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TERI GRANT, Board Secretary

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

## AGENDA ITEM III-2 & 3

# STAFF REPORT

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To: Board of Directors  
From: Tony Barela, Operations Manager  
Date: June 27, 2018  
Subject: Maintenance Building Roof Replacement Project  
Maintenance Building HVAC Replacement Project

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### RECOMMENDED ACTION

#### **Maintenance Building Roof Replacement Project:**

Consider awarding a construction contract to MCM Roofing Company, Inc. for the amount of \$106,142.00 and authorizing a total construction budget of \$116,800.

#### **Maintenance Building HVAC Replacement Project:**

Consider awarding a construction contract to AirCo Mechanical, Inc. for the amount of \$56,060 and authorizing a total construction budget of \$61,700.

These recommendations were reviewed by the Engineering Committee on June 20, 2018, and the Committee recommended both be approved by the Board of Directors.

### BACKGROUND

This is the replacement of the Maintenance Building roof and HVAC systems. The Maintenance Building was built in 1981 and included a standard build-up roofing system of mastic (tar) and gravel. Material testing found that the mastic included an asbestos binder. The 37 year old roof has undergone multiple patches and leak repairs. The new roof will consist of a single ply roofing membrane system. The new "cool" roof will be white to assist in energy efficiency. New skylights and drains will also be installed in conjunction with the new roof.

There are two existing 5-Ton HVAC units located on the roof of the Maintenance Building. Over the last number of years, they have required multiple repairs on an annual basis. The new 5-Ton units will be installed at the same time as the new roof, so that new curbing and ducting penetrations can be incorporated into the new roofing system and prevent modifications in the future. Additionally, the ducting within the building will be modified to provide balanced air throughout the building.

**STAFF REPORT**

Maintenance Building Roof/HVAC Replacement Projects

June 27, 2018

**STATUS**

Bids for the projects were received on May 25<sup>th</sup> and are summarized as follows:

<b>Maintenance Building Roof Replacement Project</b>	
MCM Roofing Company, Inc.	\$106,142
Barth Roofing Company, Inc.	\$127,037
Kings Roofing	\$138,305
<b>Maintenance Building HVAC Replacement Project</b>	
AirCo Mechanical, Inc.	\$56,060
Bower Mechanical, Inc.	\$96,743

MCM Roofing Company, Inc. and AirCo Mechanical, Inc. are the lowest responsive, responsible bidders. Both bid documents were reviewed and found to be complete and in order, including references, license, insurance and bonds.

**FINANCIAL CONSIDERATIONS**

Adequate funds are available in retail capital reserves. Both bids came in over the anticipated budget estimates identified in the 5-year financial plan (see below). Based on discussions with the Contractors, the economy, increased material and labor, labor availability, and mitigation for the asbestos materials are the key factors for the escalated bids.

<b>Project</b>	<b>Budget</b>	<b>Bid Amount</b>	<b>Difference</b>
Maint. Roof Replacement	\$55,000	\$106,142	+\$51,142
Maint. HVAC Replacement	\$44,000	\$56,060	+\$12,060

# STAFF REPORT

# AGENDA ITEM III-4

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To: Board of Directors  
From: George Machado – Field Services Manager  
Date: June 27, 2018  
Subject: Authorization and approval to exercise the 3rd year contract renewal with GM Construction & Development Inc., contract #15-53, for construction services

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## RECOMMENDED ACTION

Authorization and approval to exercise the 3rd year contract renewal with GM Construction & Development Inc. (Contract #15-53). Staff is recommending renewing the construction services agreement in the amount of \$208,332.

## BACKGROUND

On June 30, 2015, the Board approved a contract with GM Construction & Development Inc. for fiscal year 2015-2016 in the amount of \$135,138. The contract contained provisions for three one year extensions. The current contract is valid through June 30, 2018.

The following detail summarizes our changes and proposed amendment:

Contract/ Amendment	Date	Dollar Adjustment	Duration Adjustment	Completion Date
Original Contract	June 30, 2015	\$135,138	357 Calendar Days	June 30, 2016
Amendment 1	July 1, 2016	\$0	15 Calendar Days	July 15, 2016
Amendment 2	July 16, 2016	\$99,555	350 Calendar Days	June 30, 2017
Amendment 3	March 8, 2017	\$120,000	0 Calendar Days	June 30, 2017
Amendment 4	July 1, 2017	\$147,089	365 Calendar Days	June 30, 2018
<b>Proposed Amendment 5</b>	<b>July 1, 2018</b>	<b>\$208,332</b>	<b>365 Calendar Days</b>	<b>June 30, 2019</b>
Proposed Revised Contract		\$710,114		June 30, 2019

GM Construction's work has been excellent this past year and the proposed increase of 5% for FY18-19 appears to be very reasonable. The PPI-index table # PCU332919332919 for Pipe & Pipe Fittings has increased 3% during 2017 and is forecasted to increase 4% during 2018.

Staff is requesting Board authorization and approval to increase the contract by \$208,332 in support of FY18-19 requirements. Any existing contract balances will roll into next FY. The exception being \$30,000 appropriated for the Raw Water Pipeline installation. This will be closed as the project has been completed internally by District staff.

## FINANCIAL CONSIDERATIONS

Staff is recommending the Board approve a third year contract renewal & amendment with a total budget of \$208,332, valid through June 30, 2019.

## ATTACHMENT

Construction contract change order 5

San Juan Water District  
9935 Auburn Folsom Road  
Granite Bay, CA 95746



# Change Order No. 5

**Contractor:**

GM Construction & Development Inc.  
6337 32nd Street  
North Highlands, CA 95660

**Project Name:** Annual T&M Contract #15-53**Date:** July 1, 2018**Project Manager:** George Machado

Upon mutual acceptance and execution of this document by San Juan Water District, hereinafter referred to as "District," and GM Construction Development Inc. hereinafter referred to as "Contractor," Contractor is hereby directed to make the following described changes from the plans and specifications or do the following described work not included in the plans and specifications of this contract. All new work shall be done in accordance with the applicable provisions of the plans and specifications, except as specifically modified by this contract change order.

NOTE: This change will be in effect after approved by the District.

**DESCRIPTION OF THE CHANGES:**

ITEM #	DESCRIPTION	CREDIT/COST
1	Contract change order 5 is as follows :  Authorizes a contract increase of \$208,332, the revised contract total is \$710,114. The contract available balance for FY 2018-2019 is \$220,000.88 (\$11,668.88 + \$208.332) . Revised price schedule below FY18-19	\$208,332.00
<b>GM Construction Service Installation Description</b>		
	<b>Pricing FY 2018-2019/ Install</b>	
Fire Hydrant Installation (FHI)	\$ 12,904.23	
Service Lateral Tap & Connect 1" Long Side	\$ 5,379.00	
Service Lateral Tap & Connect 1" Short Side	\$ 4,652.63	
Additional 1" Service Same Trench	\$ 626.85	
Service Lateral Tap & Connect 1½" Long Side	\$ 6,140.75	
Service Lateral Tap & Connect 1½" Short Side	\$ 5,142.75	
Additional 1½" Service Same Trench	\$ 1,065.48	
Blow-off Valve Replacement	\$ 5,927.98	
<b>NET CHANGE ORDER ADJUSTMENT</b>		\$208,332.00

**CONTRACT TIME SUMMARY:**

	<u>Days</u>	<u>Completion Date</u>
Original Contract:	357	June 30, 2016
Current Contract:	730	June 30, 2018
This Change Order (365 Calendar Days):	365	June 30, 2019
Revised Contract Total Days:	1452	

<b>ORIGINAL CONTRACT AMOUNT</b>	\$	<b>135,138.00</b>
Net change by previous change orders	\$	<b>366,644.00</b>
Contract sum prior to this change order (1-4)	\$	<b>501,782.00</b>
Contract adjustment by this change order (5)	\$	<b>208,332.00</b>
<b>NEW CONTRACT AMOUNT (including all change orders)</b>	<b>\$</b>	<b>710,114.00</b>

Acceptance of this Change Order 5 constitutes acceptance of the Change Order as full and complete satisfaction of any direct or indirect additional costs incurred to you in connection with performance of the changed work. The time for performance of the contract will be extended by **365 calendar days** by reason of the performance of the work required by this Change Order. Except as hereinabove expressly provided, Contractor further agrees that the performance of the work specified in this Change Order or the rescheduling of other project work made necessary by this Change Order, shall not constitute a delay which will extend the time limit for completion of the work as said term is used in the Contract between the District and Contractor for the project.

We, the undersigned contractor, have given careful consideration to the change proposed and hereby agree. If this change order is approved, we will provide all equipment, furnish all materials, except as may otherwise be noted above, and perform all services necessary for the work above specified, and will accept as full payment therefor the prices shown above.

**SJWD:**

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Paul Helliker, General Manager

**Contractor:** GM Construction & Development Inc.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Kathryn Medley /GM Construction & Development Inc.

# STAFF REPORT

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To: Board of Directors  
From: George Machado, Field Services Manager  
Date: June 27, 2018  
Subject: Authorization and approval to exercise the 1<sup>st</sup> year extension, with Sierra National Asphalt Inc. for annual paving services

---

## RECOMMENDED ACTION

Authorization and approval to exercise the first year contract renewal with Sierra National Asphalt (SNA). Staff is recommending renewing the annual paving services agreement for the 1st year extension in the amount of \$100,373.

## BACKGROUND

On June 14, 2017, San Juan Water District Board of Directors adopted a motion to approve a contract award to Sierra National Asphalt for paving services in the amount of \$114,120. The contract included two one-year extension provisions.

The following detail summarizes our proposed activity:

Contract Amount	Date	Dollar Adjustment	Duration Adjustment Days	Completion Date
Original Contract	July 1, 2017	\$ 114,120.00	365	June 30, 2018
<b><i>Proposed Amendment 1</i></b>	<b><i>July 1, 2018</i></b>	<b><i>\$ 100,373.00</i></b>	<b><i>365</i></b>	<b><i>June 30, 2019</i></b>
Proposed Revised Contract		\$ 214,493.00	730	June 30, 2019

Sierra National Asphalt's work this past year has been excellent and their proposed 5% Increase for FY18-19 is acceptable. The PPI-Index table PCU3241103241109 for asphalt is forecasted to increase 11% during 2018.

SNA's original contract price of \$12.68 / SQFT, will increase 5 % and the new contract price will be \$13.31 / SQFT for FY18-19. The amendment will cover paving services across the District for the FY18-19 with an option to renew one additional year. Any existing contract balance will roll into the next FY.

## FINANCIAL CONSIDERATIONS

Staff is recommending the Board to approve the 1<sup>st</sup> year contract extension and amendment to Sierra National Asphalt Inc. in the amount of \$100,373, valid thru June 30, 2019.

## ATTACHMENT

Construction contract change order 1

San Juan Water District  
9935 Auburn Folsom Road  
Granite Bay, CA 95746



# Change Order No. 1

**Contractor:**

Sierra National Asphalt Inc.  
5433 El Camino Ave. Suite 4  
Carmichael. CA 95608

**Project Name:** Annual Paving Services**Date:** July 1, 2018**Project Manager:** George Machado/Tom Clark

Upon mutual acceptance and execution of this document by San Juan Water District, hereinafter referred to as "District," and Sierra National Asphalt Inc. hereinafter referred to as "Contractor," Contractor is hereby directed to make the following described changes from the plans and specifications or do the following described work not included in the plans and specifications of this contract. All new work shall be done in accordance with the applicable provisions of the plans and specifications, except as specifically modified by this contract change order.

**NOTE: This change order is not effective until approved by the District.**

**DESCRIPTION OF THE CHANGES:**

ITEM #	DESCRIPTION	CREDIT/COST
1	Change order #1 will exercise the first extension of two: The first renewal option will authorize an additional \$100,373 to the existing agreement and extends the agreement through June 30, 2019. The revised price for Asphalt is \$13.31/ SQFT a 5% increase (was \$12.68/ SQFT). This extension will cover all work for periods July 1, 2018 through June 30, 2019. There are no other changes.	\$100,373.00
<b>NET CHANGE ORDER ADJUSTMENT</b>		<b>\$100,373.00</b>

**CONTRACT TIME SUMMARY:**

	<u>Days</u>	<u>Completion Date</u>
Original Contract:	365	June 30, 2018
This Change Order (Calendar Days):	365	June 30, 2019
Revised Contract:	730	
<b>ORIGINAL CONTRACT AMOUNT</b>	\$ 114,120.00	
Contract adjustment - 1st Extension Change Order #1	\$ 100,373.00	
<b>NEW CONTRACT AMOUNT (including all change orders)</b>	\$ 214,493.00	

Acceptance of this Change Order 1 constitutes acceptance of the Change Order as full and complete satisfaction of any direct or indirect additional costs incurred to you in connection with performance of the changed work. The time for performance of the contract will be changed by **365 calendar days** by reason of the performance of the work required by this Change Order. Except as hereinabove expressly provided, Contractor further agrees that the performance of the work specified in this Change Order or the rescheduling of other project work made necessary by this Change Order, shall not constitute a delay which will extend the time limit for completion of the work as said term is used in the Contract between the District and Contractor for the project.

We, the undersigned contractor, have given careful consideration to the change proposed and hereby agree. If this change order is approved, we will

**San Juan Water District**

Recommended

By: \_\_\_\_\_ Date: \_\_\_\_\_  
George Machado / Field Services Manager

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Paul Helliker, General Manager

**Contractor:** Sierra National Asphalt Inc.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Jeremy Myers / GM

# AGENDA ITEM III-6

## STAFF REPORT

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To: Board of Directors  
From: Donna Silva, Finance Director  
Date: June 27, 2018  
Subject: Proposed Update to District Procurement Policy for Federal Funds

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### **RECOMMENDED ACTION**

Approve a proposed amendment to the Procurement Policy to include requirements specific to the expenditure of Federal Funds.

### **BACKGROUND**

The Board of Directors approved a new Procurement Policy on August 23, 2017. Subsequent review of the Procurement Policy identified the need for the policy to contain requirements specific to the procurement of goods and services for which Federal Funds will be utilized.

Entities utilizing federal funds are required to comply with the requirements set forth in the Code of Federal Regulations, Title 2, Subtitle A, Chapter II, Part 200. This section of the Code of Federal Regulations is currently approximately 275 pages; too large to reprint in the District's Procurement Policy.

Staff recommends adding the language below to the existing Procurement Policy (as Section 8).

**Section 8. Procurements Using Federal Funds (Grants or Loans).** All procurements which will utilize federal funds must be conducted in compliance with this policy and the requirements contained within the Federal Code of Regulations Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Code of Federal Regulations can be found at [www.ecfr.gov](http://www.ecfr.gov).

The addition of this section to the Procurement Policy will direct staff to the Code of Federal Regulation in the event of the award of a Federal Grant or Loan, without adding extensive text to the District Procurement Policy.

No other sections or clauses of the Procurement Policy have been changed, except for the re-numbering of the prior Sections 8 through 11, which have been renumbered as Sections 9 through 12 respectively.

### **Attachments:**

Proposed Procurement Policy

## **SAN JUAN WATER DISTRICT PROCUREMENT POLICY**

**Section 1. Purpose and Authority.** The purpose of this policy is to establish regulations and procedures governing District purchases of supplies and equipment, approval of contracts, and other expenditures. This policy is adopted pursuant to Government Code sections 54202 and 54204, Public Contract Code sections 20680 to 20683, and other applicable law.

### **Section 2. Definitions.**

- A. “Emergency” means a sudden, unexpected occurrence or incident that poses a clear and imminent danger or threat, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.
- B. “Expenditure” means any District expenditure, payment, purchase, contract or lease relating to a District expense or cost item, including, but not necessarily limited to, the purchase of Supplies; professional, consultant or service contracts; equipment service, maintenance or repair contracts; utility service accounts and contracts; procurement of insurance and bonds; purchase of fuel, oil or other vehicle maintenance supplies; and Public Works contracts.
- C. “Lowest Responsible Bidder” means the bidder that timely submits a complete and fully responsive bid and that bests responds in price, quality, service, fitness and capacity to meet the particular bid requirements. Price alone will not be the determinative factor, but will be considered along with other relevant bidder responsibility factors such as bidder reputation, qualifications and experience, ability of the bidder to deliver, quality of the Supplies, and availability of parts or service.
- D. “Public Works” means the construction, alteration, reconstruction, installation or repair of District improvements, facilities, buildings or structures.
- E. “Supplies” means supplies, materials, equipment, and merchandise, including vehicles, computers, other machines, equipment parts, office supplies, chemicals, tools, and furniture.

**Section 3. Applicability.** This policy applies to District purchases of Supplies, approval of Public Works contracts and other contracts, and approval of other expenditures.

**Section 4. General Manager Duties.** The District General Manager shall have responsibility and authority in connection with purchasing Supplies, approving Public Works and other contracts, and approving other Expenditures in accordance with this policy. The General Manager may delegate to other District officers or employees the authority to make purchases, approve contracts and perform other duties in accordance with this policy. The General Manager may adopt rules and procedures to implement and supplement these regulations so long as they are consistent with this policy.

**Section 5. Expenditures Other Than Public Works Less Than \$50,000; General Manager Approval.**

- A. Comparative Pricing Generally. For an Expenditure of estimated value less than \$50,000 for which there are unappropriated funds available in the current approved District budget for the item, the General Manager may make the Expenditure on the open market or through the Internet by seeking the most favorable terms and price either through negotiation, comparative pricing or informal competitive bidding, whichever method the General Manager deems most appropriate in the circumstances. The General Manager may approve the Expenditure through a written invoice, purchase order, contract, or other appropriate binding method.
- B. Exceptions. Negotiation, comparative pricing or informal competitive bidding is not required for an Expenditure in the following situations:
  - (i) The amount of the Expenditure is less than \$1,000;
  - (ii) The General Manager determines that the Supplies can be obtained reasonably and efficiently only from one vendor or supplier;
  - (iii) The General Manager determines that it is strongly preferred for efficient operations that the Supplies be of a particular model, brand or make in order to match and be compatible with the model, brand or make of existing in-use equipment or facility;
  - (iv) The Supplies are to be purchased through or from the State of California or other federal, state or local government group sale program;
  - (v) Professional service (e.g., architect, engineer, accountant, attorney, or environmental consultant) contracts;
  - (vi) The General Manager determines that the nature of the Expenditure is such that competitive proposals would not produce an advantage and negotiation, comparative pricing or informal competitive bidding therefore would be undesirable, impractical, unattainable, unfeasible or impossible;
  - (vii) An Emergency under section 9.

**Section 6. Expenditures Other than Public Works Over \$50,000; District Board Approval.** For an Expenditure of estimated value over \$50,000 not involving Public Works or an Expenditure of any amount for which there are not unappropriated funds within the current approved District budget, the Expenditure must be authorized by the Board (except for an Emergency under section 8). The General Manager will present an Expenditure recommendation to the Board after seeking the most favorable terms and price either through negotiation, comparative pricing or informal competitive bidding, whichever method the General Manager deems most appropriate in the circumstances; however, negotiation, comparative pricing or informal competitive bidding will not be required in the exception circumstances described in section 5(B) above.

**Section 7. Public Works.**

- A. Public Works Less Than \$25,000. For Public Works of estimated value less than \$25,000 for which there are unappropriated funds available in the current approved District budget, the General Manager may procure the work on the open market by seeking the most favorable terms and price either through negotiation, comparative pricing or informal competitive bidding, whichever the General Manager deems most appropriate in the circumstances. The General Manager may procure the work through a written invoice, purchase order, contract, or other appropriate binding method. In his discretion, the General Manager may use the District's own forces for the work if he determines that performing the work under contract would not be in the District's best interests.
- B. Public Works Over \$25,000. The procurement of a Public Works contract of estimated value over \$25,000 must be made pursuant to the following bidding procedures.
  - (i) *Bid Notice.* The General Manager will prepare a notice inviting bids that includes a description of the Public Work (including, if appropriate, reference to bid plans and specifications), the method to obtain more detailed information about the Public Work, the deadline for receipt of sealed bids, and the time and place of the bid opening. The notice inviting bids will be published at least once in a newspaper of general circulation in the District at least 10 days before the deadline for receipt of sealed bids, be posted on the District website, and be distributed and noticed to responsible prospective suppliers and vendors in such other manner as the General Manager deems appropriate in the circumstances. The General Manager will require bidders to post a bidder's security in a form and amount as determined by the General Manager and include the bid security requirements in the notice inviting bids.
  - (ii) *Bid Opening.* At the time and place for the bid opening, the bids will be opened in public. The General Manager will tabulate all bids received and keep them open for public inspection. Any bids received after the bid receipt deadline will be returned to the bidder unopened.
  - (iii) *Bid Award.* At the next Board meeting following the bid opening, the General Manager will present the bids to the Board and make a recommendation concerning an award to the Lowest Responsible Bidder. In its discretion, the Board may: (i) award the purchase to the Lowest Responsible Bidder; (ii) reject all bids and re-advertise for bids; (iii) reject all bids and not proceed with the purchase; or (iv) reject all bids and direct that an open market or Internet purchase be made by the General Manager if the price to be paid on the open market or Internet is less than the low bid. The Board may waive any irregularity, informality or minor error in any bid that does not affect the bid price. Upon Board award to the Lowest Responsible Bidder, the purchase or award will be confirmed by a written invoice, purchase order or contract. If no responsive bids are received by the bid deadline, the Board may authorize the General Manager to approve the purchase on the open market or through the Internet by seeking the most favorable terms and price through negotiation, comparative pricing or informal competitive bidding or through such other methods as may be specified by the Board.

**Section 8. Procurements Using Federal Funds (Grants or Loans).** All procurements which will utilize federal funds must be conducted in compliance with this policy and the requirements contained within the Federal Code of Regulations Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Code of Federal Regulations can be found at [www.ecfr.gov](http://www.ecfr.gov).

**Section 9. Emergency Purchases.** In case of an Emergency, the General Manager is authorized to make and approve necessary Expenditures in the open market or through the Internet. The General Manager shall use his best efforts to first obtain the consent (which may be verbal or via e-mail) of at least two Board members prior to making the Expenditure. Expenditures approved under this section do not require prior Board approval and may be made without complying with comparative pricing or bidding requirements. The General Manager thereafter must promptly report to the Board concerning the type and amount of the expenditure and the Emergency circumstances warranting the Expenditure. Expenditures that ordinarily would require Board approval pursuant to this policy shall be subject to ratification by the Board at its next meeting.

**Section 10. Contract Approval.** The General Manager or Board President is authorized to sign contracts and agreements on behalf of the District if the contract or agreement has been approved or authorized in accordance with this policy.

**Section 11. Change Orders and Amendments.** The General Manager may authorize change orders or amendments to any contract, up to a cumulative total of the purchasing authority granted in Section 5A. Additionally, the General Manager may authorize change orders or amendments to contracts in excess of the purchasing authority granted in Section 5A, up to a cumulative total of 10% of the original contract amount.

**Section 12. Review of Policy.** This policy shall be reviewed and, if necessary, updated every two years to ensure compliance with all applicable laws.

# AGENDA ITEM IV-1

## STAFF REPORT

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To: Board of Directors  
From: Donna Silva, Finance Director  
Paul Helliker, General Manager  
Date: June 27, 2018  
Subject: Fiscal Year 2018-2019 Budget Adoption

---

### **RECOMMENDED ACTION**

Conduct the legally required public hearing for budget adoption then approve Resolution 18-08 adopting the San Juan Water District Budget, Fiscal Year 2018-2019.

### **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 1<sup>st</sup>), but the District is required by law to adopt a budget prior to September 1<sup>st</sup> of each year.

The Budget was previously discussed at a workshop on May 24, 2018. Since that time changes have been made to the proposed budget as follows:

#### *Wholesale Operations:*

The proposed budget has been modified to include the anticipated gross sales price, \$400 per acre foot for 3,840 acre feet (\$1,536,000), from the proposed groundwater substitution transfer, and the corresponding decrease in surface water sales to Citrus Heights and Fair Oaks Water Districts. The increase in revenues was offset by Citrus Heights and Fair Oaks Water Districts share of the net revenue from the transfer transaction. Water Supply expense increased by \$960,000 reflecting the payments to Citrus Heights and Fair Oaks for the cost of pumping in lieu of purchasing surface water. The net result of the transaction is an increase to the bottom line of \$132,500.

The proposed budget was modified to include revenues for the treatment of Sacramento Suburban Water District's (SSWD) taking of Placer County Water Agency water. Per the schedule provided by SSWD the budget anticipates treating 8,400 acre feet of this water, yielding additional revenues of \$1,482,500.

The proposed budget was also modified to include a \$10,000 contribution for negotiations on changing the split of responsibility for flows into the Delta from the current split, to one less reliant on Folsom and Shasta water, which will benefit the District.

The net result of all the changes in the Wholesale Operating Fund is an increase of \$1,406,300 in the transfer out to the Wholesale Capital Reserves Fund.

*Wholesale Capital:*

The Wholesale Capital fund beginning available reserve increased by \$9,000 due to a decrease in FY 17/18 spending on the GIS project. The current year GIS project only increased by \$300. As a result of increased revenues in the operating fund, the transfer in to the capital fund increased by \$1,406,300 to \$2,760,300.

*Retail Operations:*

The only change in the retail operating fund was a \$3,200 increase in the salaries and benefits budget. This was due to the correction of a linking error between two underlying spreadsheets.

*Retail Capital:*

There are a significant amount of changes in the Retail Capital budget. Most of the changes (\$1,314,200) are due to the need to push projects that were anticipated to be completed in FY 2017-18 into FY 2018-19. In a few cases the total project amount changed, based on bids received or estimates received, causing an increase of \$336,500. In order to accommodate the increased project costs and keep the capital fund balance in line with the Financial plan, two projects have been removed from the proposed FY 2018-19 budget, the Tanglewood Circle 6 inch Main Extension project and the installation of Three Master Meters at the shopping center on the corner of Auburn Folsom and Douglas Roads.

Projects completely or partially moved from FY 2017-18 to FY 2018-19:

- Douglas Blvd.
- Lou Place 8 inch – Troy Way to Crown Point Vista
- Mooney Tank Building Re-Roof
- Canyon Falls Village Pressure Reducing Station Replacement
- Bacon Generator Replacements
- Bacon HVAC
- Bacon Perimeter Fencing
- Containment Area for Vacuum Sludge Drying
- Upper and Lower Granite Bay Low Flow Pumps
- Crown Point Emergency Intertie
- Field Services & Engineering Building HVAC Replacement
- GIS Implementation

Cost Estimate Changes - there were a large number of small cost changes due to rolling over projects into the FY 2018-19 Budget. The list below highlights the larger changes:

- Douglas Blvd. increased by \$143,800
- Spahn Ranch Road Main Extension – project added for design \$107,200
- GIS Implementation increased by \$62,200
- Field and Engineering Services Building Roof Replacement increased by \$61,800
- Dambacher Drive decreased by \$30,500
- Upper and Lower Granite Bay Low Flow Pumps increased by \$19,500

- Field and Engineering Services Building HVAC replacement increased by \$17,300
- Crown Point Emergency Intertie increased by \$10,000

After pushing out the Tanglewood and Master Meter project, the Retail Capital Fund balance remains in line with that projected in the Financial Plan.

The wholesale and retail capital projects were reviewed by the Engineering Committee on June 20, 2018 and the Finance Committee had the opportunity to review the budget on June 26, 2018.

The proposed budget document is attached for review.

**Attachments:**

Exhibit 1 Resolution 18-08 Adopting the Annual Budget for the Fiscal Year 2018-19  
Exhibit 2 San Juan Water District Proposed Budget Fiscal Year 2018-2019

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SAN JUAN WATER DISTRICT  
ADOPTING THE ANNUAL BUDGET  
FOR THE FISCAL YEAR 2018-2019**

WHEREAS, District staff has prepared a budget for the fiscal year 2018-2019 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 2018-2019 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 2018-2019," 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, 2018 and ending on June 30, 2019 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 27th day of June 2018, by the following vote:

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

ATTEST

---

KENNETH MILLER  
President, Board of Directors  
San Juan Water District

---

TERI GRANT  
Secretary, Board of Directors

## EXHIBIT 2



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

**DRAFT BUDGET**  
FISCAL YEAR 2018-19

DRAFT

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

# **San Juan Water District**

**Fiscal Year 2018-19 Budget**



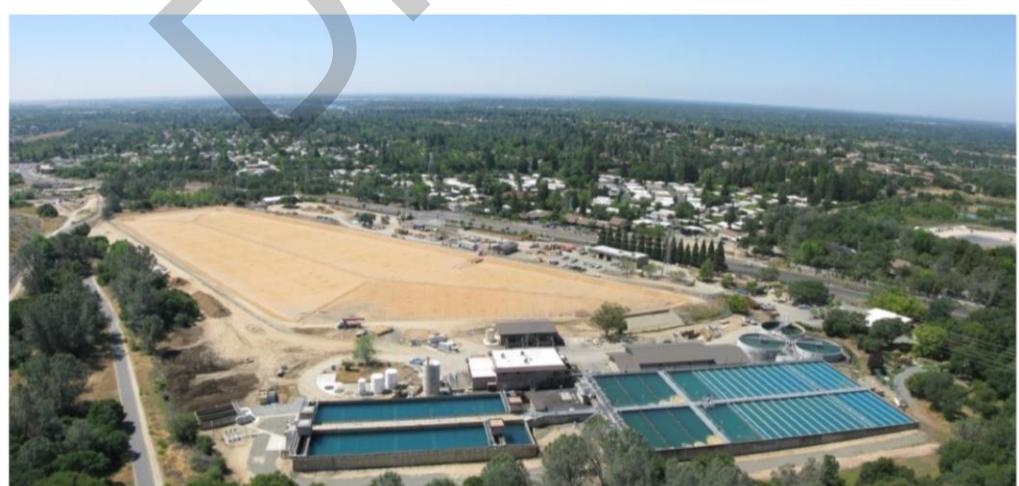
Prepared by the Finance Department under Direction of  
the General Manager

## **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](http://www.sjwd.org)

### **Elected Officials**

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

### **Appointed Officials**

Paul Helliker, General Manager

### **Management Team**

Tony Barela, Operations Manager  
Lisa Brown, Customer Services Manager  
George Machado, Field Services Manager  
Donna Silva, Director of Finance/Treasurer  
Greg Turner, Water Treatment Plant Superintendent  
Chris von Collenberg, Information Technology Manager  
Rob Watson, Engineering Services Manager  
Greg Zlotnick, Water Resources Manager

# San Juan Water District

## Fiscal Year 2018-19 Budget

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# San Juan Water District

Fiscal Year 2018-19 Budget

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June 27, 2018

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 2018-2019. 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 2018-2019, detailed throughout this document.

During the past fiscal year, the District developed a strategic plan to guide its operations over the next 3-5 years. In addition to the mission statement just described, the Board adopted a vision statement, organizational values, strategic goals and objectives and performance metrics. The plan is available at the following location:

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

The 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 2018-19, 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
- Completion 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

# San Juan Water District

## Fiscal Year 2018-19 Budget

- Completion of the hearings on the change petition for water rights associated with the California WaterFix, and potential resolution of the District's protest
- Deliberations on the challenge that the District and other agencies filed concerning the environmental review of California WaterFix, pursuant to the California Environmental Quality Act and the National Environmental Policy Act
- Development by the State of water loss standards for drinking water systems
- Resolution of legal and policy issues to allow the District to transfer surplus water supplies
- Consideration of greater formal collaboration with, and potential merger with the Sacramento Suburban Water District
- Working with our Wholesale Customer Agencies to update our Water Supply Contract
- Updating capital improvement plans for portions of the District's supply, treatment and distribution systems, including developing a plan for replacement of retail service area meters
- Planning and executing significant infrastructure repair and replacement projects
- Evaluating and implementing new enterprise software systems, such as billing and customer service, maintenance management, supervisory control and data acquisition, etc.
- 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. During fiscal year 2017-18, the District completed an extensive financial analysis and rate study and adopted five-year financial plans for both the retail and wholesale operations of the District. 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

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## DISTRICT PROFILE

# San Juan Water District

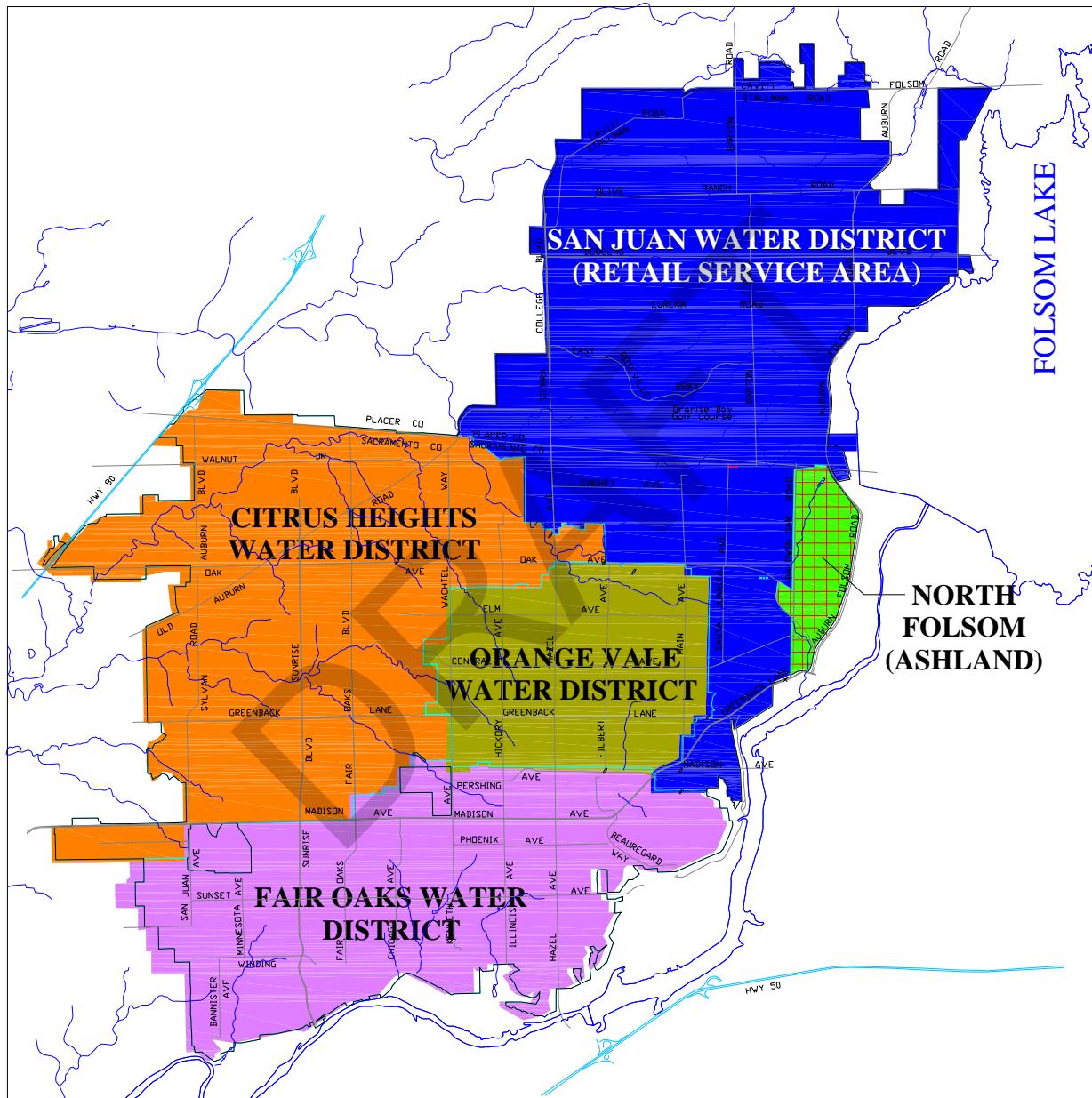
Fiscal Year 2018-19 Budget

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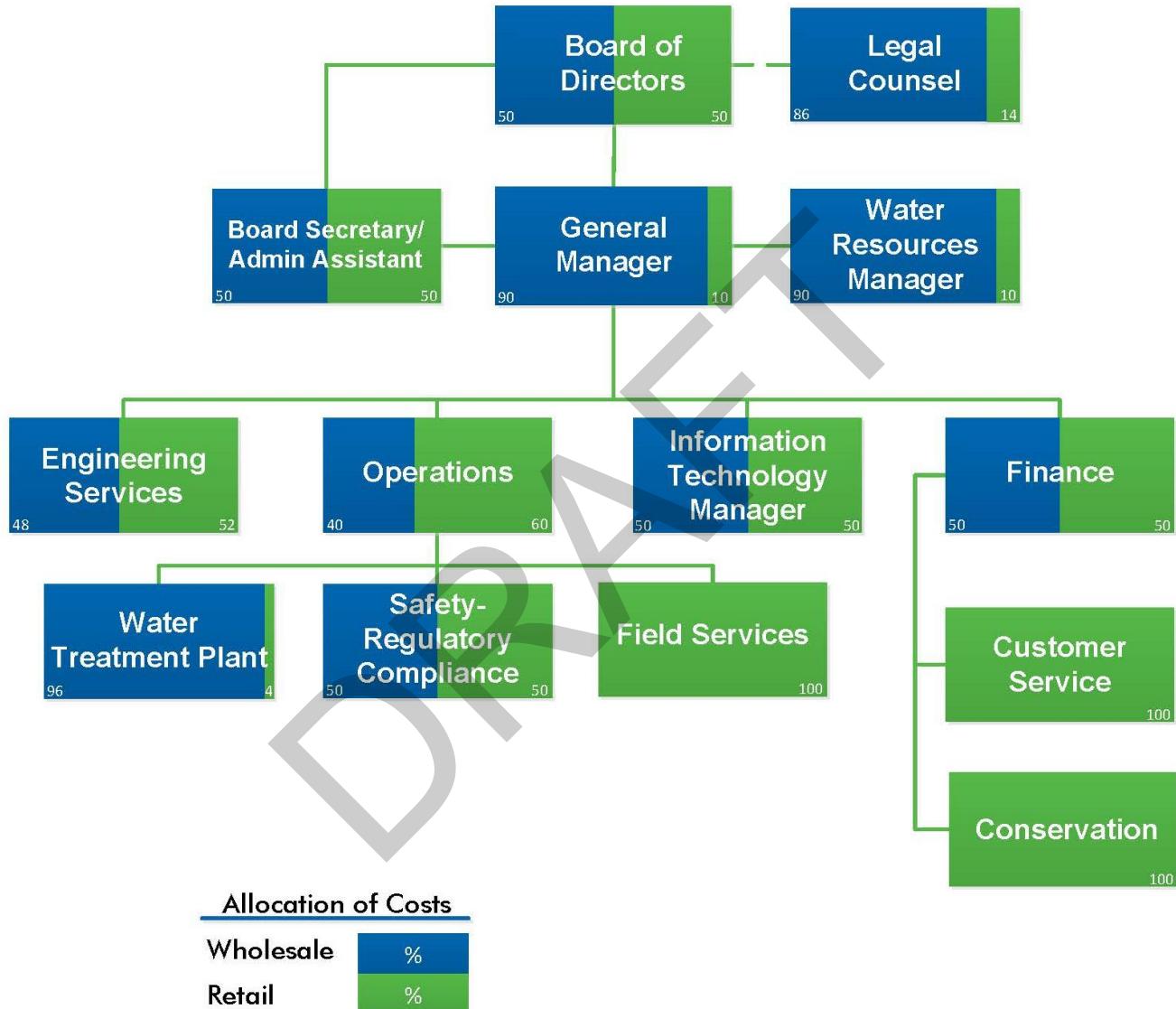
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**Wholesale Service Area Map**  
(SJWD Retail Service Area – in blue)



### Organization Chart by Functional Area



## GFOA Budget Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

### *Distinguished Budget Presentation Award*

PRESENTED TO

**San Juan Water District**  
**California**

For the Fiscal Year Beginning

**July 1, 2017**

*Christopher P. Morill*

Executive Director

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, 2017. 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.

# San Juan Water District

Fiscal Year 2018-19 Budget

## By The Numbers – Summary of District Information

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

Miscellaneous Statistical Information	
Size of Service Area	46 square miles
Size of Retail Service Area Only	17 square miles
Population of Service Area (2017 per CAFR)	153,697
Population of Retail Service Area Only (2017 per CAFR)	29,704
Number of Active Employees	47
Number of Bond Issues Outstanding	2
Wholesale Operating Budget	\$ 9,621,200
Wholesale Capital Budget	\$ 4,856,700
Retail Operating Budget	\$ 11,463,700
Retail Capital Budget	\$ 6,014,100

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## ABOUT THE DISTRICT

# San Juan Water District

Fiscal Year 2018-19 Budget

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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 10,600 retail service connections located in a portion of Northeast Sacramento County and the Granite Bay area of South Placer County, and providing the administrative, customer service, conservation and engineering support necessary to successfully carry out those functions.

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

All sources of surface water are either stored or flow through Folsom Lake and delivery is taken at Folsom Dam outlets, either by gravity or pumped by Reclamation's Folsom Pumping Plant. Total raw water delivery for the 2016-2017 fiscal year was 38,059.85 acre-feet and is anticipated to be 35,574 acre-feet for Fiscal Year (FY) 2017-18, and 39,096 for FY 2018-19 excluding pass through deliveries for Sacramento Suburban Water District.

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

# San Juan Water District

## Fiscal Year 2018-19 Budget

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

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

The District's water efficiency programs include:

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

The benefits of these programs include more cost-effective and efficient use of water and increased customer awareness 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 15<sup>th</sup> to September 30<sup>th</sup>) 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.

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

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

### **Budget Format**

The budget is prepared on a modified accrual basis wherein revenues and expenses are reported when earned and incurred, respectively. The budget does not include amounts for depreciation, pension expense in accordance with GASB 68, or retiree medical expenses in accordance with GASB 74/75 but does include an expenditure for debt principal. Therefore, the budget is not prepared in the same manner as the Comprehensive Annual Financial Report. The program budget format is used versus a line item detail format to provide the most valuable information to the reader on all of the District's major areas of service

# San Juan Water District

## Fiscal Year 2018-19 Budget

(Distribution, Water Treatment Plant, Administration, Conservation, Customer Service and Engineering). Expenditure data is also presented in a functional format (Salaries & Benefits, Materials & Supplies, etc.) to provide readers with an alternate view.

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

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

The District completed a Financial Plan and Rate Study, resulting in a 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 OPERATING RESERVES:**

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

# San Juan Water District

Fiscal Year 2018-19 Budget

## WHOLESALE CAPITAL RESERVES:

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

**RETAIL OPERATING RESERVES:**

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

# San Juan Water District

## Fiscal Year 2018-19 Budget

### RETAIL CAPITAL RESERVES:

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

### Debt Policy

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

### Investment Policy

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

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

## **Procurement Policy**

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

## **Accounting System and Controls**

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

## **Fund Structure and Descriptions**

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

### **Enterprise Funds:**

- Wholesale Operating Fund
- Retail Operating Fund

### **Capital Outlay Funds:**

- Wholesale Capital Outlay Fund
- Retail Capital Outlay Fund

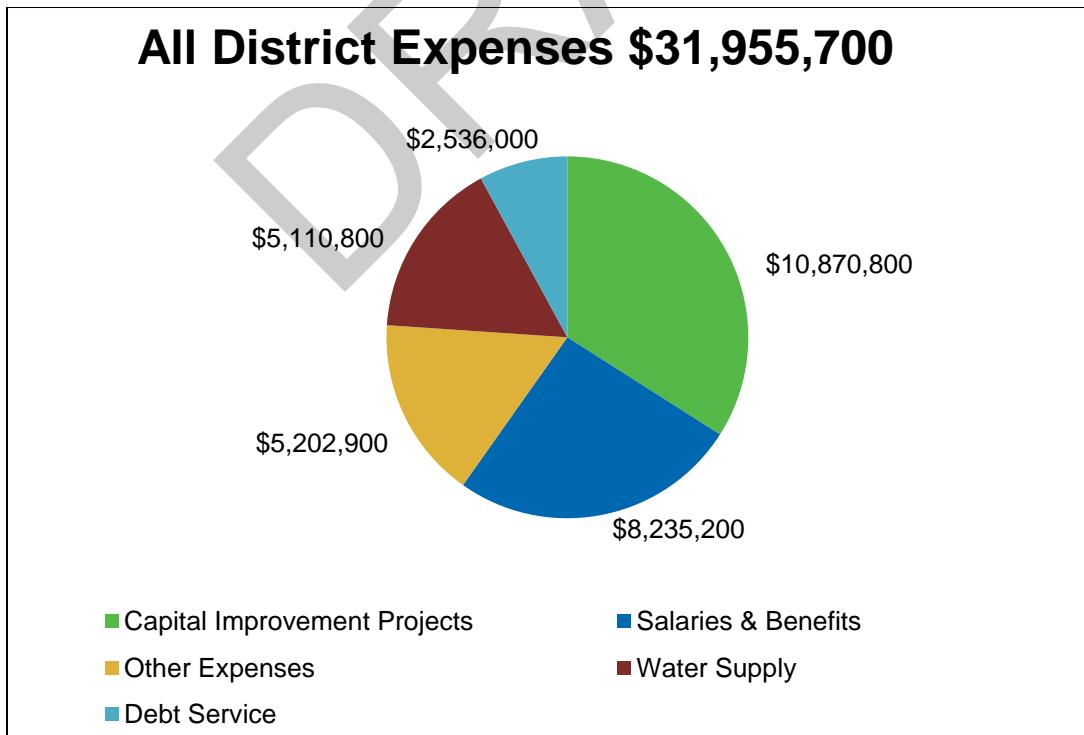
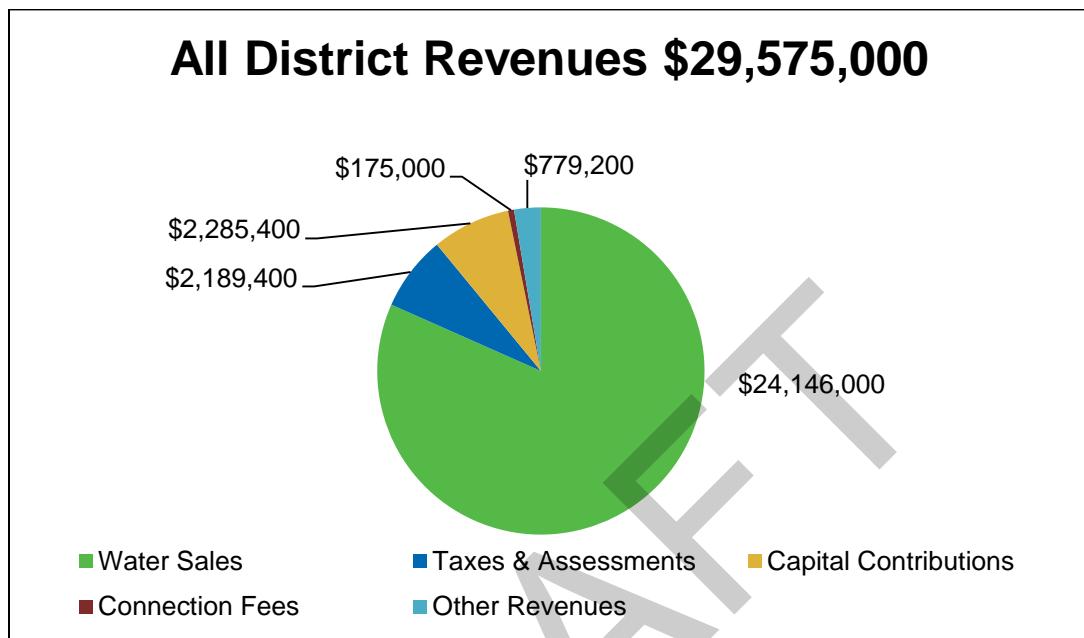
The funds are combined for purposes of formal financial reporting (audited financial statements). Budgets and descriptions for these funds can be found starting on page 39.

### Budget Assumptions

A budget is an estimate of revenues and expenditures for a set period of time. The creation of 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
- 9.9% increase in wholesale water deliveries, based on estimates provided by wholesale customers
- No increase in retail water sales
- Property taxes increase 4%
- No Central Valley Project water to be purchased
- 68% (\$66,500) increase in workers compensation expense – no rate increase but experience modifier increased from .76 to 1.28 due to higher claims
- 5% increase in health care insurance costs
- Salary increases will be from a cost of living adjustment in accordance with the CPI and potential merit increases based upon specific employee performance. The combined increase in salaries is capped at the PERS assumed salary increases for employees to ensure the District is not exacerbating or creating an unfunded pension liability.

## Estimated Revenues and Expenditures of Funds – Summary



# San Juan Water District

Fiscal Year 2018-19 Budget

## Estimated Revenues and Expenditures of Funds – Summary

	Wholesale Operations	Wholesale Capital Outlay	Retail Operations	Retail Capital Outlay	Total
Est. Beginning Available Reserves July 1, 2018	\$ 1,936,389	\$ 8,942,554	\$ 2,526,224	\$ 5,551,453	\$ 18,956,620
<b>Revenues</b>					
Water Sales	12,666,300	-	11,479,700	-	24,146,000
Taxes & Assessments	-	1,094,700	-	1,094,700	2,189,400
Capital Contributions	-	2,285,400	-	-	2,285,400
Connection Fees	-	75,000	-	100,000	175,000
Other Revenues	153,400	65,000	495,800	65,000	779,200
<b>Total Revenues</b>	<b>\$ 12,819,700</b>	<b>\$ 3,520,100</b>	<b>\$ 11,975,500</b>	<b>\$ 1,259,700</b>	<b>\$ 29,575,000</b>
<b>Expenses</b>					
Capital Improvement Projects	-	4,856,700	-	6,014,100	10,870,800
Salaries & Benefits	3,514,900	-	4,720,300	-	8,235,200
Water Supply	2,015,500	-	3,095,300	-	5,110,800
Debt Service - Interest	955,000	-	531,000	-	1,486,000
Debt Service - Principal	675,900	-	374,100	-	1,050,000
Other Expenses	2,459,900	-	2,743,000	-	5,202,900
<b>Total Expenses</b>	<b>\$ 9,621,200</b>	<b>\$ 4,856,700</b>	<b>\$ 11,463,700</b>	<b>\$ 6,014,100</b>	<b>\$ 31,955,700</b>
<b>Net Income</b>	<b>\$ 3,198,500</b>	<b>\$ (1,336,600)</b>	<b>\$ 511,800</b>	<b>\$ (4,754,400)</b>	<b>\$ (2,380,700)</b>
<b>Transfer In/(Out)</b>	<b>(2,776,900)</b>	<b>2,776,900</b>	<b>(275,300)</b>	<b>275,300</b>	<b>-</b>
<b>Ending Available Reserves Est.</b>	<b>\$ 2,357,989</b>	<b>\$ 10,382,854</b>	<b>\$ 2,762,724</b>	<b>\$ 1,072,353</b>	<b>\$ 16,575,920</b>

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## MAJOR REVENUES AND EXPENDITURES

# San Juan Water District

Fiscal Year 2018-19 Budget

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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

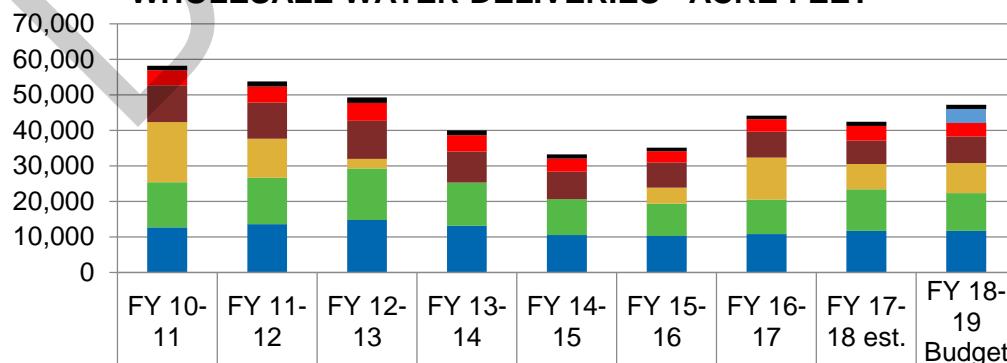
Revenue from the sale of water accounts for 80% of all District revenues. Water revenues are driven by two primary factors, the amount of water sold and the rate per unit. The Board of Directors considers and adopts rates through separate processes for wholesale and retail. Wholesale customers are presented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

Retail 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.

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

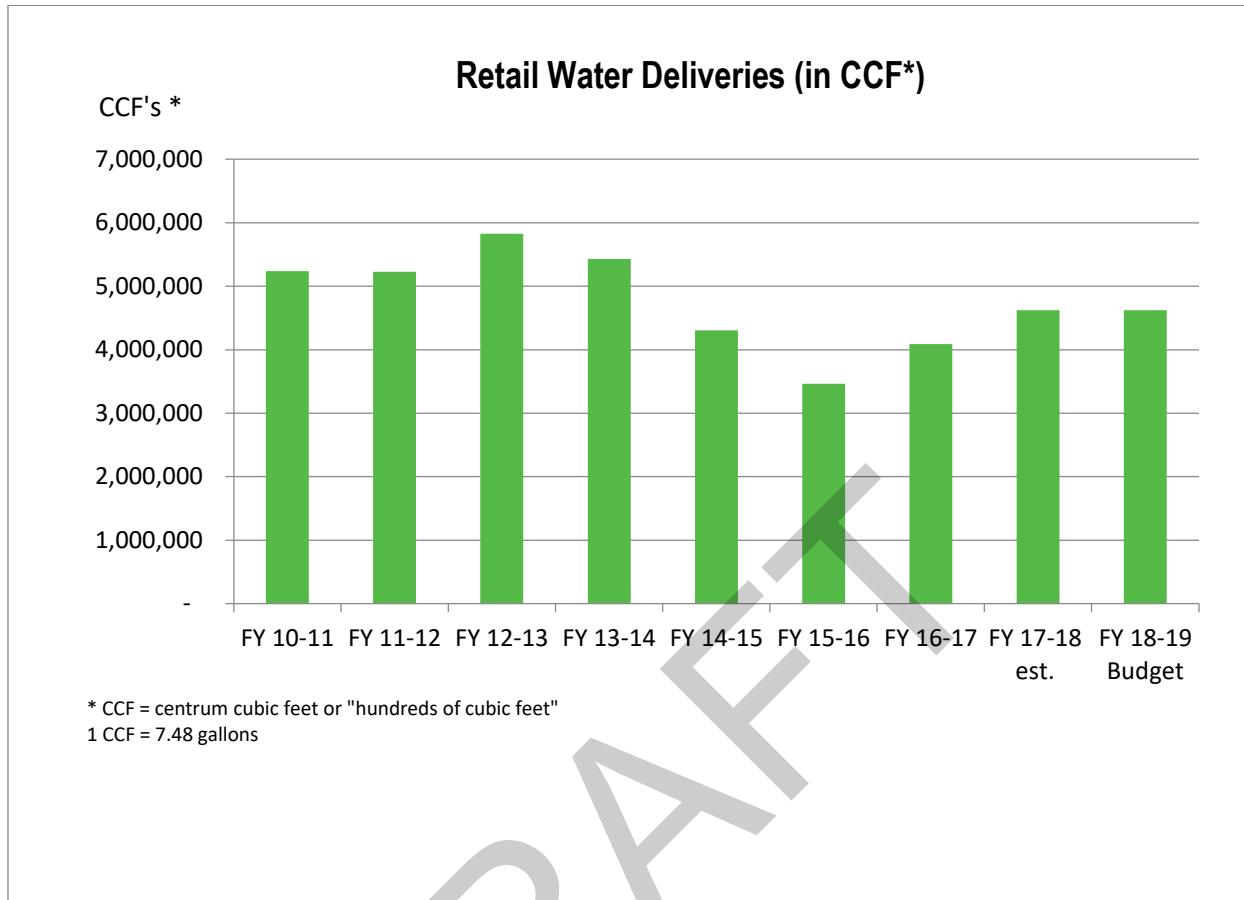
**WHOLESALE WATER DELIVERIES - ACRE FEET**



	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18 est.	FY 18-19 Budget
■ City of Folsom	1,308	1,469	1,507	1,299	1,187	963	1,062	1,154	1,150
■ Other (Transfer Customers)	-	-	-	-	-	-	-	-	3,840
■ Orangevale Water Company	4,215	4,506	5,023	4,586	3,671	3,190	3,473	4,107	3,920
■ Fair Oaks Water District	10,307	10,122	10,740	8,766	7,787	7,137	7,288	6,584	7,526
■ SSWD	16,978	11,016	2,673	-	-	4,468	11,808	7,144	8,400
■ Citrus Heights Water District	12,684	13,091	14,526	12,160	10,016	9,134	9,775	11,663	10,660
■ San Juan Retail Service Area	12,700	13,569	14,743	13,142	10,552	10,213	10,752	11,729	11,700

# San Juan Water District

## Fiscal Year 2018-19 Budget



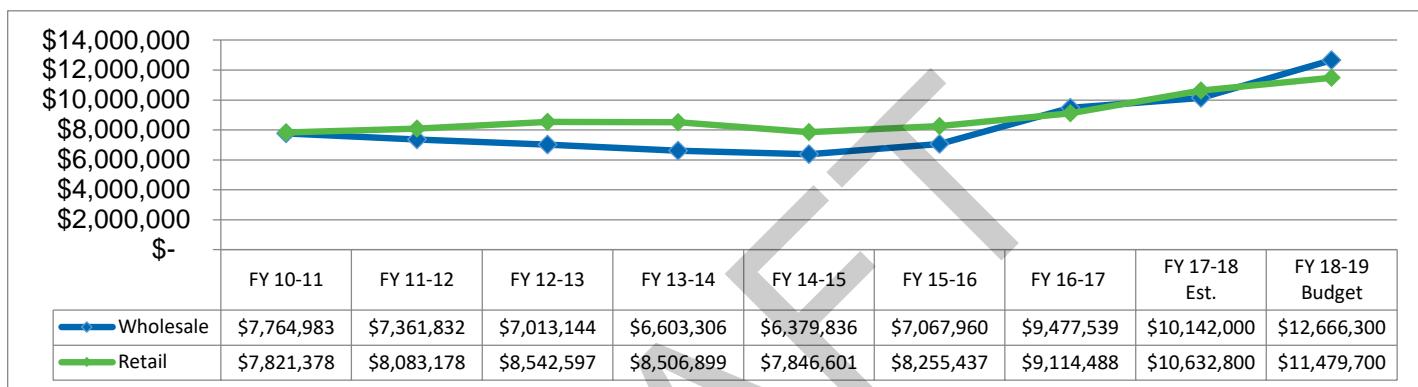
The recent drought resulted in a significant decline in water deliveries. Wholesale water deliveries began a steady decline in FY 2011-12, followed by retail two years later. Wholesale water deliveries reached their low in FY 2014-15 and retail reached its low in FY 2015-16. With the drought “officially” 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 Sacramento Suburban Water District (SSWD) (see yellow component in chart). SSWD has an agreement to periodically purchase raw water from Placer County Water Agency (based upon water supply conditions). They have an agreement with the District to treat and deliver the water that they purchase from Placer County Water Agency.

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 is steadily increasing with a total of 38,976 acre-feet anticipated to be sold in this budget year.

The District is expecting to complete its first ever groundwater substitution transfer in FY 2018-19. As a part of this transfer, the Citrus Heights Water District (CHWD) and the Fair Oaks Water District (FOWD) will each reduce the amount of surface water purchased from the District and will instead supply that water to the customers from their groundwater wells. The water that the District would have sold to CHWD and FOWD will instead be sold to water agencies outside of the service area at a much higher price. The net revenues from the sale will be shared equitably between CHWD, FOWD and the District.

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

### Water Sale Revenues



Wholesale water sale revenues declined steadily from FY 2010-11 through FY 2014-15. Revenues began to increase in FY 2015-16 due to increased consumption. Wholesale water sale revenues increased significantly in FY 2016-17 due to the treatment and distribution of water for the Sacramento Suburban Water District. In FY 2017-18 the District continued to treat and deliver water to Sacramento Suburban Water District and both rates and overall consumption increased. The increased revenues budgeted for FY 2018-19 are due to a combination of factors. First, the 5-Year Rate Schedule, approved by the Board on January 11, 2017, allows for a 9% effective increase to go into effect on January 1, 2019. Second, the FY 2018-19 budget includes revenues anticipated from a groundwater substitution transfer. Lastly, overall demand is expected to increase, including the amount to be treated for and delivered to the Sacramento Suburban Water District.

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.

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.

# San Juan Water District

## Fiscal Year 2018-19 Budget

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.

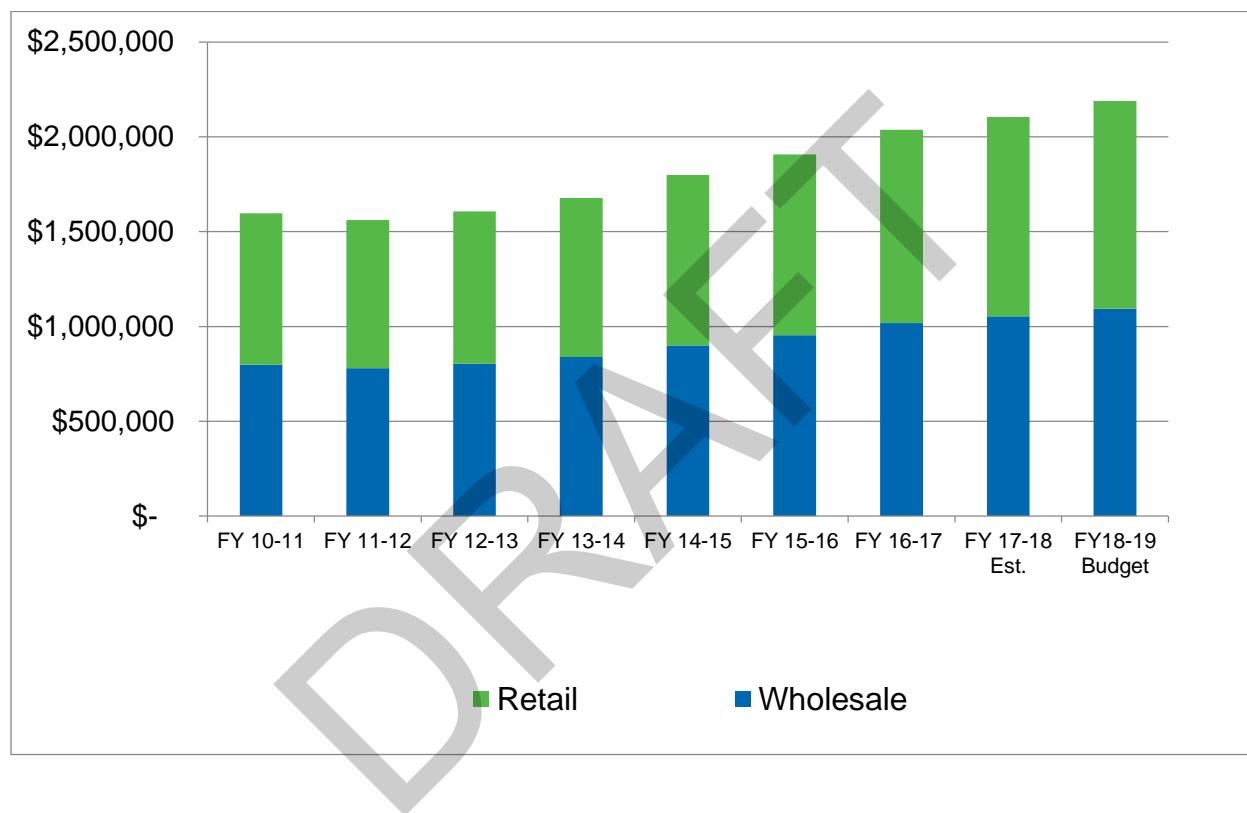
The Board of Directors approved a 5-Year Rate Schedule that resulted in an effective 8% rate increase on May 1, 2017, and a 9% rate increase on January 1, 2018. Those rate increases, combined with increased consumption are expected to produce a 16.7% increase in retail water sale revenues for FY 2017-18.

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

## Property Tax

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

Property Tax Revenues



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

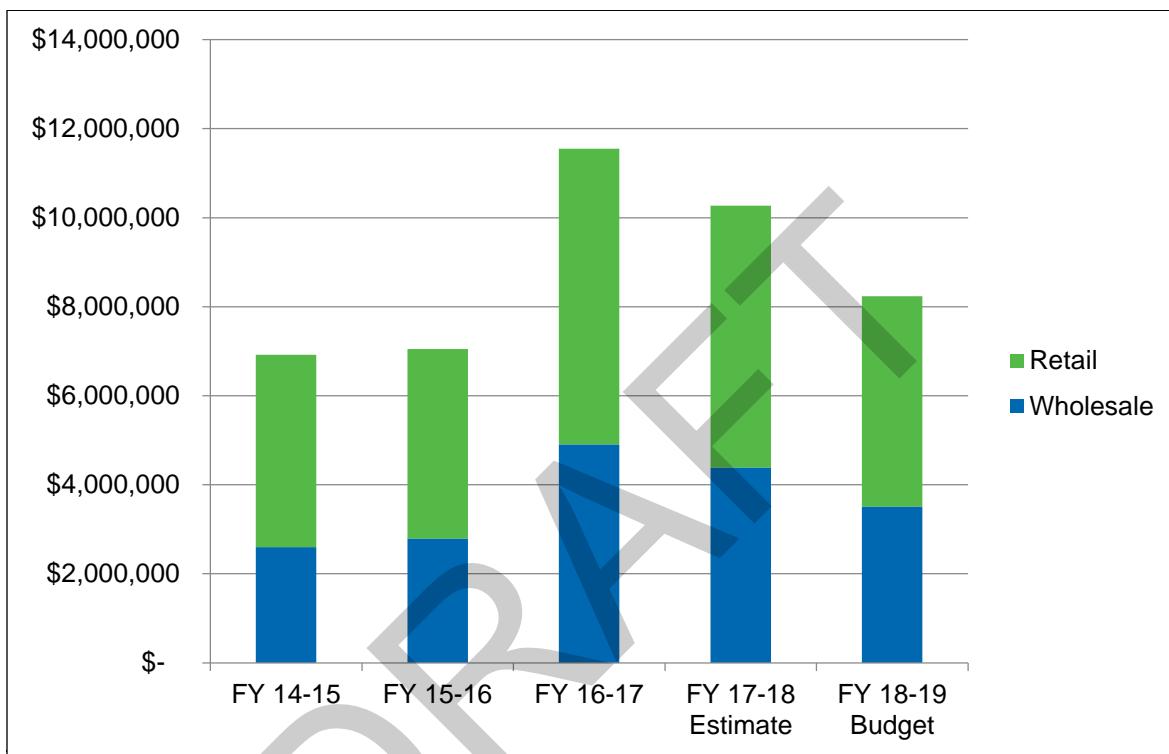
# San Juan Water District

## Fiscal Year 2018-19 Budget

### Salaries and Benefits

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

**Salaries and Benefits**



The chart above depicts a declining trend in Salary and Benefit costs. This is due to the Board of Director's decision to pay off the District's unfunded pension liability. The District paid \$4,112,000 towards this liability in 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.

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

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

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

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

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

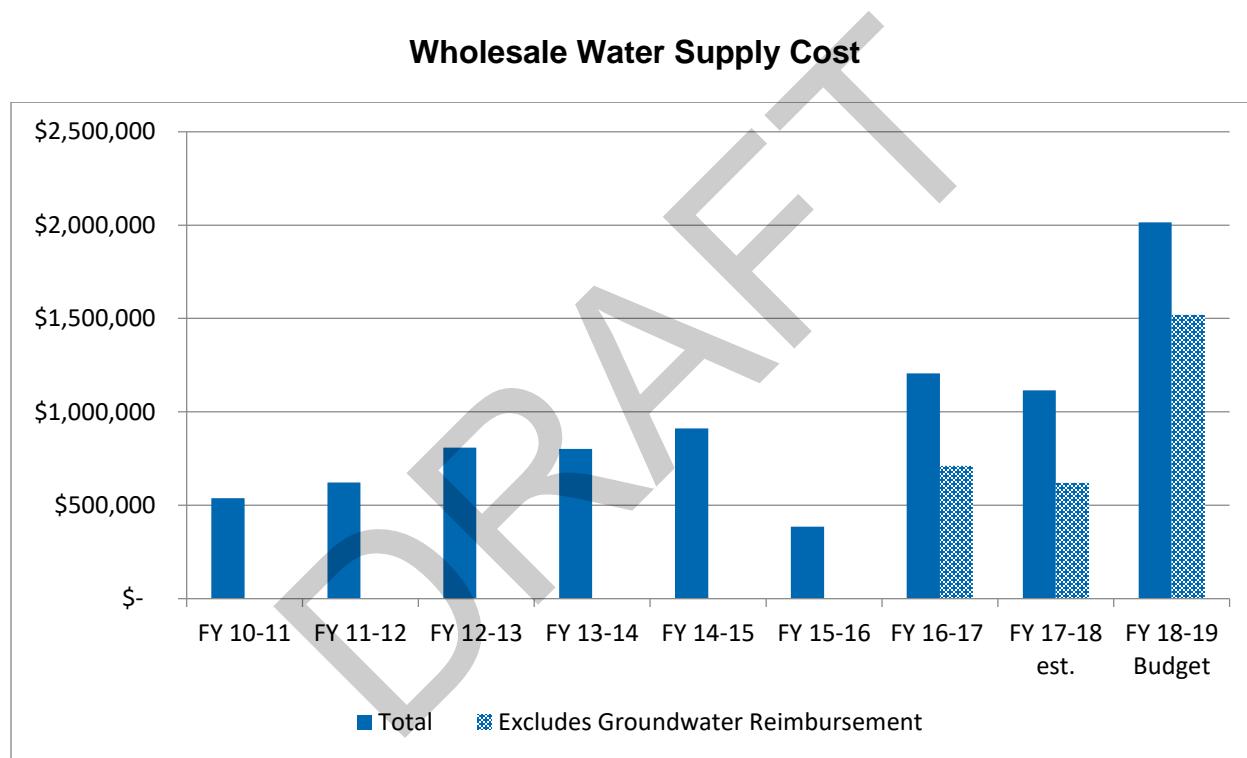
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# San Juan Water District

## Fiscal Year 2018-19 Budget

### 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 Placer County Water Agency for up to 25,000 acre-feet of water. All sources of surface water are either stored or flow through Folsom Lake and delivery is taken at Folsom Dam outlets, either by gravity or pumped by Reclamation's Folsom Pumping Plant. Total raw water delivery for FY 2016-17 was 33,456 acre-feet and is anticipated to be 35,236 acre-feet for FY 2017-18, and 38,796 for FY 2018-19, excluding pass through deliveries for Sacramento Suburban Water District.



As illustrated in the chart above, water supply costs increased significantly in FY 2016-17. There are two primary reasons for this increase. First, the agreement with Placer County Water Agency 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 Placer County Water Agency contract rose accordingly. Second, in 2008 a surface water shortage and reimbursement agreement to provide groundwater supplies during times of surface water shortage was prepared, and referenced in the signed 2008 Wholesale Water Supply Agreements, but was never executed. Nevertheless, the District, in its capacity as the wholesale supplier, determined that there was a potential

need for groundwater pumping between 2009 and 2013, and asked both the Citrus Heights Water District 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. Both Citrus Heights Water District and Fair Oaks Water District failed to provide the District with annual bills for both their incremental costs to maintain active wells and for the pumping which occurred in 2014. In 2014, the District was provided with bills in the approximate amount of \$4 million. The District disputed the amount, and the cost was settled in FY 2016-17 at \$1,981,440, to be repaid over a 4 year period ending in FY 2019-20. This budget includes a payment of \$495,400 for this reimbursement. The light blue bar on the graph above shows water supply costs for fiscal years 2016-17 through 2018-19 without the payment towards the groundwater reimbursement.

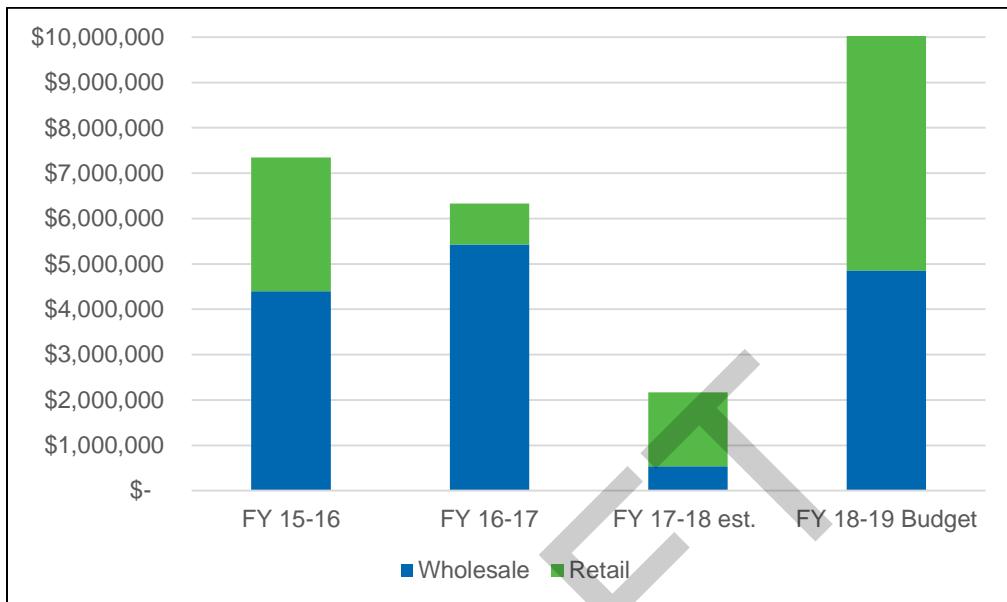
After removing the effect of the groundwater reimbursement, water supply costs decreased in FY 2017-18, in spite of increased demand. This was due to a reduction in the cost of water purchased from Placer County Water Agency. Per the contract between the District and Placer County Water Agency, the cost of Placer County Water Agency 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 Placer County Water Agency. In addition, the District must pay Warren Act contract charges on the Placer County Water Agency 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 Placer County Water Agency water rate. Additionally, in December of 2017 the District negotiated an amendment to the contract with Placer County Water Agency 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 Placer County Water Agency water supply cost to half of what it would have been otherwise.

Water Supply costs seem to be increasing substantially in FY 2018-19. The increase is due to the anticipated groundwater substitution transfer. As a part of the transaction, the District will be compensating both the Citrus Heights Water District and the Fair Oaks Water District for the cost of pumping groundwater instead of purchasing surface water from the District. The District will be reimbursed for this cost out of the proceeds from the sale.

# San Juan Water District

## Fiscal Year 2018-19 Budget

### Capital Spending



Capital spending has fluctuated from \$7.3 million in FY 2015-16 to a low of \$2.2 million estimated for FY 2017-18 then increasing to a four year planned high of \$10.9 million.

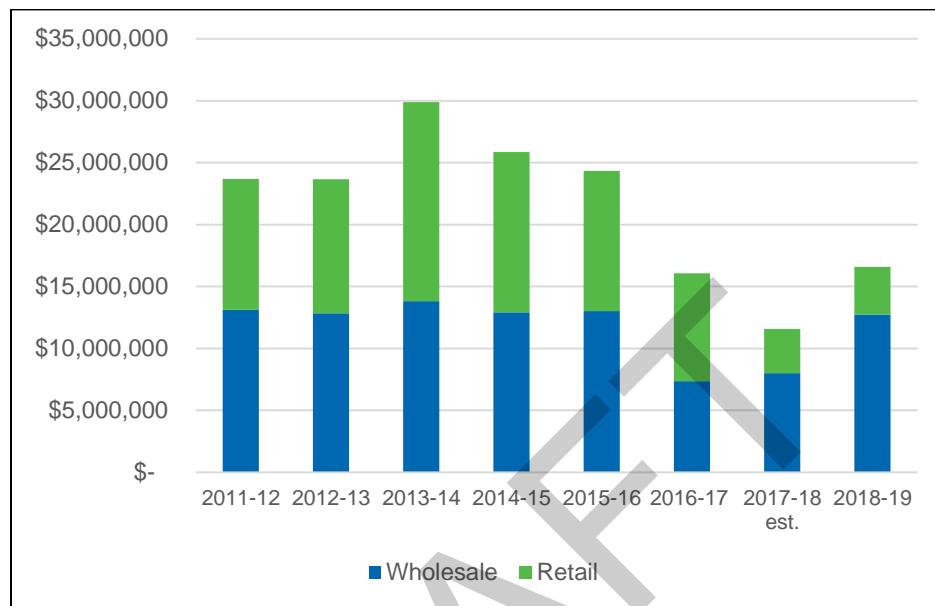
The majority of the wholesale spending over this period has been on the rehabilitation of the flocculation sedimentation basin, featured on the cover of this document. The other large wholesale project in this time period was the construction of a pump station and intertie with Placer County Water Agency.

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

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

## Reserve Summary

### Wholesale and Retail Operating and Capital Reserves Combined



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

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

- *Paid off Unfunded Pension Liability:* The Board authorized two large payments intended to pay off the District's unfunded pension liability. This District was paying 7.5% interest on this liability, but only earning approximately 1.5% on its reserves. In May 2017 the District remitted \$4,112,000 and in April 2018 the District paid \$2,787,800. By drawing down reserves to pay down this debt, the District will save approximately \$8.8 million over the next 15 to 20 years, with annual savings of approximately \$350,000. These savings can be used to fund critical infrastructure needs which will help reduce upward pressure on rates.
- *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 2039.

# San Juan Water District

## Fiscal Year 2018-19 Budget

- *Renegotiated contract with Placer County Water Agency:* In December of 2017, the District negotiated an amendment to its contract with Placer County Water Agency 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 Placer County Water Agency water supply cost in half, providing savings of approximately \$275,000 for FY 2018-19.
- *Renegotiated contracts with City of Roseville:* Under two separate contracts, the District is obligated to provide up to 4,000 acre-feet annually to the City from the District's Placer County Water Agency 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 revenues of \$87,900 for 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 in its mission to deliver a reliable water supply of the highest quality at reasonable and equitable costs.
- *Anticipated 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.

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## OPERATING FUNDS



# San Juan Water District

Fiscal Year 2018-19 Budget

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## **OPERATING FUNDS**

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

### **Administration and General**

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

### **Conservation**

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

### **Customer Service**

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

### **Engineering Services**

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

### **Water Treatment**

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

### **Distribution (Field Services)**

This Department operates and maintains wholesale and retail water transmission and distribution pipelines ranging in size from 6" to 96" in diameter and totaling over 217 miles in length, including water meters, air release values 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.

# San Juan Water District

Fiscal Year 2018-19 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 on the website.

### PROPOSED FISCAL YEAR 2018-19 BUDGET

		Wholesale Operations
<b>Est. Beginning Available Reserves July 1, 2017</b>		\$ 1,936,389
Revenues		
Water Sales		12,666,300
Other Revenues		153,400
<b>Total Revenues</b>		<hr/> \$ 12,819,700 <hr/>
Expenses		
Salaries & Benefits		3,514,900
Water Supply		2,015,500
Other Expenses		2,459,900
Debt Service - Interest		955,000
Debt Service - Principal		675,900
<b>Total Expenses</b>		<hr/> \$ 9,621,200 <hr/>
Net Income		\$ 3,198,500
Transfer In/(Out)		(2,776,900)
<b>Est. Ending Available Reserves June 30, 2018</b>		<hr/> \$ 2,357,989 <hr/>

## WHOLESALE OPERATING FUND SUMMARY

	FY 2015-16	FY 2016-17	FY 2017-18 Estimated	FY 2018-19 Proposed
<b>Est. Beginning Available Reserves</b>	<b>\$ 14,474,812</b>	<b>\$ 3,859,913</b>	<b>\$ 2,175,888</b>	<b>\$ 1,936,389</b>
Revenues				
Water Sales	7,067,960	9,477,539	10,142,000	12,666,300
Other Revenues	235,743	98,347	144,800	153,400
Total Revenues	\$ 7,303,703	\$ 9,575,886	\$ 10,286,800	\$ 12,819,700
Expenses				
Administration and General				
Salaries & Benefits	\$ 1,143,708	\$ 1,414,760	\$ 1,213,000	\$ 1,340,000
Professional Services	515,070	519,365	393,400	464,200
Maintenance and Repair	67,425	78,370	67,800	81,700
Materials and Supplies	11,157	25,597	12,200	14,900
Public Outreach	166,536	136,508	195,100	128,100
Other Expenses	181,911	325,388	285,600	360,400
Total Administration and General	2,085,806	2,499,986	2,167,100	2,389,300
Water Treatment Plant				
Salaries & Benefits	1,271,105	1,423,323	1,675,500	1,834,400
Professional Services	47,790	16,275	95,200	304,000
Maintenance and Repair	227,093	239,509	330,100	340,300
Materials and Supplies	387,776	497,093	429,800	460,100
Other Expenses	73,661	137,594	170,600	181,900
Total Water Treatment Plant	2,007,425	2,313,794	2,701,200	3,120,700
Water Supply				
Placer County Water Agency	154,566	562,728	450,100	366,500
Purchase of Treated Water (Groundwater)	-	495,400	495,400	1,455,400
Pumping to Treatment Plant	76,289	104,679	124,900	143,700
Pre - 1914 Water Rights Water	19,420	20,337	21,300	22,000
Central Valley Project Water	59,704	3,477	-	-
Other	74,850	18,763	23,400	27,900
Total Water Supply	384,830	1,205,385	1,115,100	2,015,500
Engineering				
Salaries & Benefits	298,198	297,070	325,000	340,500
Professional Services	3,353	10,280	11,900	60,000
Maintenance and Repair	1,901	2,176	1,000	1,100
Materials and Supplies	6,911	1,257	3,400	3,200
Other Expenses	6,598	5,952	19,000	10,200
Total Engineering	316,961	316,736	360,300	415,000
Conservation				
Salaries & Benefits	83,214	6,439	-	-
Professional Services	-	200	5,000	8,000
Maintenance and Repair	8,899	15,808	23,500	23,500
Materials and Supplies	14,521	8,980	100	100
Other Expenses	3,583	4,439	14,000	15,500
Total Conservation	110,217	35,866	42,600	47,100
Non-Departmental				
Debt Service - Principal	587,700	607,471	906,200	675,900
Debt Service - Interest	1,352,680	1,321,229	939,800	955,001
Addl. Pymt. Towards Unfunded Pension Liability	-	1,768,160	1,175,000	-
Other	2,344	189,083	2,100	2,700
Total Non-Departmental	1,942,724	3,885,942	3,023,100	1,633,600
Total Expenses	\$ 6,847,963	\$ 10,257,709	\$ 9,409,400	\$ 9,621,201
Transfers (To)/From:				
Establish Capital Reserve Fund	(11,203,318)	-	-	-
Capital Outlay Fund for Pension Liability Payment		1,311,067	-	-
Year End Transfer (To)/From Capital Outlay Fund	132,679	(2,313,269)	(1,116,900)	(2,776,900)
<b>Est. Ending Available Reserves</b>	<b>\$ 3,859,913</b>	<b>\$ 2,175,888</b>	<b>\$ 1,936,389</b>	<b>\$ 2,357,988</b>

# San Juan Water District

## Fiscal Year 2018-19 Budget

### 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, which will be located on the website after the budget is approved.

### PROPOSED FISCAL YEAR 2018-19 BUDGET

		<u>Retail Operations</u>
<b>Est. Beginning Available Reserves July 1, 2018</b>		\$ 2,526,224
Revenues		
Water Sales		11,479,700
Other Revenues		495,800
<b>Total Revenues</b>		<u>\$ 11,975,500</u>
Expenses		
Salaries & Benefits		4,720,300
Treated Water		3,095,300
Other Expenses		2,743,000
Debt Service - Interest		531,000
Debt Service - Principal		374,100
<b>Total Expenses</b>		<u>\$ 11,463,700</u>
Net Income		<u>\$ 511,800</u>
Transfer In/(Out)		(275,300)
<b>Est. Ending Available Reserves June 30, 2019</b>		<u>\$ 2,762,724</u>

## RETAIL OPERATING FUND SUMMARY

	FY 2015-16	FY 2016-17	FY 2017-18 Estimated	FY 2018-19 Proposed
<b>Est. Beginning Available Reserves</b>	<b>\$ 12,926,038</b>	<b>\$ 2,678,017</b>	<b>\$ 2,610,923</b>	<b>\$ 2,526,224</b>
Revenues				
Water Sales	8,255,437	9,114,488	10,632,800	11,479,700
Other Revenues	490,229	510,445	428,400	495,800
Total Revenues	\$ 8,745,666	\$ 9,624,933	\$ 11,061,200	\$ 11,975,500
Expenses				
<b>Administration and General</b>				
Salaries & Benefits	\$ 1,112,490	\$ 1,204,557	\$ 1,014,700	\$ 1,100,400
Professional Services	214,613	141,252	99,400	206,800
Maintenance and Repair	112,558	117,581	71,800	112,300
Materials and Supplies	11,198	16,283	11,400	17,700
Public Outreach	65,173	55,450	86,900	66,900
Other Expenses	177,077	222,347	188,800	251,300
Total Administration and General	1,693,109	1,757,470	1,473,000	1,755,400
<b>Distribution System</b>				
Salaries & Benefits	1,952,605	1,974,364	2,174,400	2,443,800
Professional Services	170,586	343,650	413,900	811,500
Maintenance and Repair	102,904	142,092	162,100	225,900
Materials and Supplies	161,880	199,386	210,200	237,700
Other Expenses	273,510	307,889	376,800	367,300
Total Distribution System	2,661,485	2,967,381	3,337,400	4,086,200
<b>Water Supply</b>				
Purchase Water from Wholesale	2,531,576	2,754,619	3,033,200	3,095,300
Other	20,166	-	-	-
Total Water Supply	2,551,742	2,754,619	3,033,200	3,095,300
<b>Engineering</b>				
Salaries & Benefits	300,069	312,434	332,700	354,300
Professional Services	4,143	2,019	10,000	56,000
Maintenance and Repair	2,028	2,824	1,000	1,100
Materials and Supplies	7,451	3,512	14,700	4,100
Other Expenses	10,649	6,120	29,000	85,200
Total Engineering	324,339	326,910	387,400	500,700
<b>Conservation</b>				
Salaries & Benefits	469,484	401,153	331,000	381,000
Conservation Rebates and Programs	70,137	19,095	22,000	26,400
Professional Services	70,063	64,958	700	3,100
Maintenance and Repair	4,811	3,288	2,500	1,500
Materials and Supplies	3,952	272	8,100	6,700
Other Expenses	36,001	21,236	22,800	27,900
Total Conservation	654,449	510,001	387,100	446,600
<b>Customer Service</b>				
Salaries & Benefits	416,852	405,328	419,500	440,800
Professional Services	109,261	86,922	134,000	136,000
Maintenance and Repair	4,215	1,498	2,200	2,000
Materials and Supplies	29,118	30,882	33,900	31,600
Other Expenses	41,208	52,872	64,300	61,800
Total Customer Service	600,655	577,501	653,900	672,200
<b>Non-Departmental</b>				
Debt Service - Principal	309,636	320,355	503,800	374,100
Debt Service - Interest	786,971	769,559	522,300	531,000
Addl. Pymt. Towards Unfunded Pension Liability	-	2,343,840	1,612,800	-
Other	(31,043)	74,848	1,700	2,200
Total Non-Departmental	1,065,564	3,508,602	2,640,600	907,300
Total Expenses	\$ 9,551,343	\$ 12,402,484	\$ 11,912,600	\$ 11,463,700
Transfers (To)/From:				
Establish Capital Reserve Fund	(10,331,775)	-	-	-
Capital Outlay Fund for Pension Liability Payment	-	1,976,828	766,700	-
Year End Transfer (To)/From Capital Outlay Fund	889,431	733,630	-	(275,300)
<b>Est. Ending Available Reserves</b>	<b>\$ 2,678,017</b>	<b>\$ 2,610,923</b>	<b>\$ 2,526,224</b>	<b>\$ 2,762,724</b>

# San Juan Water District

Fiscal Year 2018-19 Budget

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**CAPITAL FUNDS**

# San Juan Water District

## Fiscal Year 2018-19 Budget

### 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 in the District's Operations Plan on the website.

#### PROPOSED FISCAL YEAR 2018-19 BUDGET

Wholesale Capital Outlay		
Est. Beginning Available Reserves July 1, 2018	\$	8,942,554
Revenues		
Capital Contributions		2,285,400
Taxes & Assessments		1,094,700
Connection Fees		75,000
Other Revenues		65,000
Total Revenues	\$	3,520,100
Expenses		
Capital Improvement Projects		2,603,200
Maintenance - Facility		2,253,500
Total Expenses	\$	4,856,700
Net Income	\$	(1,336,600)
Transfer In/(Out)		2,776,900
Est. Ending Available Reserves June 30, 2019	\$	10,382,854

**WHOLESALE CAPITAL OUTLAY FUND SUMMARY**

	FY 2015-16	FY 2016-17	FY 2017-18 Estimated	FY 2018-19 Proposed
<b>Est. Beginning Available Reserves</b>	\$ -	\$ 9,162,739	\$ 6,708,354	\$ 8,942,554
Revenues				
Taxes & Assessments	954,068	1,018,486	1,052,600	1,094,700
Capital Contributions	959,000	651,202	380,700	2,285,400
Rebates	391,436	180,878	-	-
Connection Fees	91,566	36,066	150,000	75,000
Other Revenues	93,969	54,577	68,600	65,000
<b>Total Revenues</b>	<b>\$ 2,490,040</b>	<b>\$ 1,941,208</b>	<b>\$ 1,651,900</b>	<b>\$ 3,520,100</b>
Expenses				
Facility Maintenance	77,731	172,414	253,900	3,101,000
Land Improvements	-	-	-	665,000
Water Treatment Plant & Improvements	1,295,334	5,897,498	227,000	517,000
Buildings & Improvements	7,378	8,771	-	227,800
Reservoirs & Improvements	-	-	49,500	138,500
Equipment and Furniture	114,943	8,644	15,100	54,000
Software	4,159	5,606	43,600	115,400
Vehicles	33,745	1,070	-	38,000
Contributions to Others	2,178,540	(719,985)	(61,800)	-
Mains/Pipelines & Improvements	686,109	55,853	7,300	-
<b>Total Expenses</b>	<b>\$ 4,397,940</b>	<b>\$ 5,429,871</b>	<b>\$ 534,600</b>	<b>\$ 4,856,700</b>
Net Income				
	<b>\$ (1,907,900)</b>	<b>\$ (3,488,663)</b>	<b>\$ 1,117,300</b>	<b>\$ (1,336,600)</b>
Transfer In	11,203,318	2,345,345	1,116,900	2,776,900
Transfer Out	(132,679)	(1,311,067)	-	-
<b>Est. Ending Available Reserves</b>	<b>\$ 9,162,739</b>	<b>\$ 6,708,354</b>	<b>\$ 8,942,554</b>	<b>\$ 10,382,854</b>

# San Juan Water District

## Fiscal Year 2018-19 Budget

The **Wholesale Capital Outlay Budget** includes spending on the following projects in FY 2018-19:

<b>Facility Maintenance:</b>	
Fair Oaks 40 Transmission Pipeline Re-Lining <sup>2</sup>	\$ 2,500,000
Clarifier Wall Lining & Leakage Repairs <sup>2</sup>	506,000
Chlorine Piping Replacement <sup>3</sup>	58,000
Resurface North and South Filter Basin Walls <sup>2</sup>	37,000
<b>Land Improvements:</b>	
WTP Site Paving, Slurry Seal and Re-Stripe <sup>2</sup>	225,000
Solar Site Access Culvert Replacement <sup>3</sup>	225,000
Fence Replacement - East Campus (along bike trail) <sup>3</sup>	162,000
Security Fence West End of WTP at WEL Garden <sup>1</sup>	34,000
Perimeter Fencing for Barton Road Parcel <sup>1</sup>	19,000
<b>Water Treatment Plant Improvements:</b>	
Filter Floor Repairs & Media/Nozzle Replacement North & South Basins - Design <sup>2</sup>	394,000
Two Surface Wash Pump Rehabilitations <sup>2</sup>	36,000
Lime System Control & Feeder System Improvements <sup>3</sup>	34,000
Solids Containment Area and Handling Improvements - Design <sup>1</sup>	33,000
Three ProMinet c12 Sensor and Sensor Cabinets <sup>3</sup>	20,000
<b>Building Improvements:</b>	
Security Improvements <sup>1</sup>	169,000
Replace and Relocate Electric Panel near sink <sup>3</sup>	24,000
Replace and Relocate downstairs Transformer <sup>3</sup>	19,000
Fire System Upgrades in Administration Building <sup>1</sup>	8,800
Administration Building Front Office Remodel <sup>3</sup>	7,000
<b>Reservoir Improvements:</b>	
Hinkle Reservoir Overflow Channel Lining (East of AFR) <sup>2</sup>	109,000
Hinkle Reservoir Monitoring Wells Level Probes <sup>1</sup>	29,500
<b>Equipment and Furniture:</b>	
Three Thickener Access Ladders <sup>3</sup>	21,000
SCADA Improvements <sup>2</sup>	19,000
Fluke PSI Calibrator <sup>1</sup>	8,000
Welding Ventilator <sup>1</sup>	6,000
<b>Software:</b>	
GIS Implementation <sup>1</sup>	91,500
Info Water Software for GIS <sup>1</sup>	7,500
Esri ArcGIS Software for GIS <sup>1</sup>	4,400
Intranet Mapping Application Software for GIS <sup>1</sup>	3,000
MC Express - Mobile Maintenance Management <sup>1</sup>	9,000
<b>Vehicles:</b>	
Replacement of Vehicle #29 Dodge Dakota <sup>2</sup>	38,000
<b>Total Capital Improvement Projects</b>	<b>\$ 4,856,700</b>

Effect on Future Maintenance Costs

1 - Increase

2 - Decrease

3 - No Effect

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# San Juan Water District

## Fiscal Year 2018-19 Budget

### 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 in the Districts Operations Plan, which can be found on the website.

#### PROPOSED FISCAL YEAR 2018-19 BUDGET

	<u>Retail Capital Outlay</u>
<b>Est. Beginning Available Reserves July 1, 2018</b>	\$ 5,551,453
Revenues	
Taxes & Assessments	1,094,700
Connection Fees	100,000
Other Revenues	65,000
<b>Total Revenues</b>	<hr/> \$ 1,259,700
Expenses	
Capital Improvement Projects	5,793,100
Facility Maintenance & Professional Services	221,000
<b>Total Expenses</b>	<hr/> \$ 6,014,100
Net Income	<hr/> \$ (4,754,400)
Transfer In/(Out)	275,300
<b>Est. Ending Available Reserves June 30, 2019</b>	<hr/> <hr/> \$ 1,072,353

## RETAIL CAPITAL OUTLAY FUND SUMMARY

	FY 2015-16	FY 2016-17	FY 2017-18 Estimated	FY 2018-19 Proposed
<b>Est. Beginning Available Reserves</b>	\$ -	\$ 8,618,431	\$ 6,444,253	\$ 5,551,453
Revenues				
Taxes & Assessments	954,067	1,018,486	1,052,600	1,094,700
Grant Revenue	705,625	-	-	-
Connection Fees	566,299	363,637	350,000	100,000
Other Revenues	93,511	53,286	74,700	65,000
<b>Total Revenues</b>	<b>\$ 2,319,502</b>	<b>\$ 1,435,408</b>	<b>\$ 1,477,300</b>	<b>\$ 1,259,700</b>
Expenses				
Mains/Pipelines & Improvements	\$ 1,431,486	\$ 148,568	\$ 749,900	\$ 3,693,100
Pump Stations & Improvements	1,391,403	35,065	515,100	1,044,700
Software	4,159	8,409	183,100	318,800
Buildings & Improvements	-	-	26,200	175,700
Equipment and Furniture	18,323	164,593	37,000	87,000
Land Improvements	-	-	-	186,000
Reservoirs & Improvements	3,184	443,331	10,000	-
Vehicles	95,283	96,455	64,800	-
Contributions to Others	199,575	-	-	-
Maintenance & Professional Services	-	2,708	50,400	508,800
<b>Total Expenses</b>	<b>\$ 3,143,414</b>	<b>\$ 899,129</b>	<b>\$ 1,636,500</b>	<b>\$ 6,014,100</b>
Net Income	\$ (823,912)	\$ 536,279	\$ (159,200)	\$ (4,754,400)
Transfer In	10,331,774	-	-	275,300
Transfer Out	(889,431)	(2,710,457)	(733,600)	-
<b>Est. Ending Available Reserves</b>	<b>\$ 8,618,431</b>	<b>\$ 6,444,253</b>	<b>\$ 5,551,453</b>	<b>\$ 1,072,353</b>

# San Juan Water District

## Fiscal Year 2018-19 Budget

The **Retail Capital Outlay Budget** includes spending on the following projects in FY 2018-19:

<i>Main Distribution Line Replacements:</i>	
Douglas Blvd. (6990 to 7767 - steel and associated small mains) <sup>2</sup>	\$ 1,531,800
Cavitt Stallman Main 12" between Oak Pines and Sierra Ponds (new line) <sup>1</sup>	580,400
Cavitt Stallman Main 12" between Mystery Creek and Oak Pines w/ PRS (new line) <sup>1</sup>	366,000
Kokila SJWD/PCWA Intertie <sup>1</sup>	236,000
Redbud/Lupin/Meadowlark Services Replacements (42 Services) <sup>2</sup>	189,000
Sandstone & Auberry Ct. to Hill Rd. 8 inch Extension (175 LF) & 17 Service Replacements <sup>2</sup>	140,000
Dambacher Drive (7225-7355) <sup>2</sup>	162,800
Lou Place 8" Troy Way to Crown Point Vista <sup>2</sup>	149,000
Spahn Ranch Rd. Mainline Extension (2,980 LF 8 inch) <sup>1</sup>	107,200
Edward Court Mainline - South of Lou Place <sup>2</sup>	99,900
Woodminister 18 Service Replacements <sup>2</sup>	81,000
Replace 5 Air Release Valves (ARV's) <sup>2</sup>	50,000
<i>Pump Station &amp; Pressure Reducing Station Improvements:</i>	
Bacon & Upper Granite Bay Pump Station Generator Replacements (2) <sup>2</sup>	350,700
Bacon Pump Station Security Improvements <sup>3</sup>	169,000
Upper and Lower Granite Bay Pump Station Low Flow Pumps <sup>2</sup>	117,000
Replace Variable Frequency Drives at ARC S (2), Bacon (1), ARC N (2) <sup>2</sup>	75,000
Douglas Booster Pump Station Electrical Improvements <sup>2</sup>	45,000
SCADA Fiber Optic Communication Cabling - Bacon to Central <sup>2</sup>	39,000
Lower Granite Bay - Crown Point Emergency Intertie <sup>1</sup>	45,000
Bacon Pump Station Cooling Improvements (HVAC) <sup>2</sup>	23,000
ARC-South Piping Improvements (Replacing existing piping) <sup>3</sup>	10,000
ARC-South new HVAC <sup>2</sup>	10,000
Douglas Pump Station Endress & Hauser Magnetic Meter Replacement <sup>3</sup>	6,000
Canyon Falls Village Pressure Reducing Station Replacement <sup>2</sup>	155,000
<i>Professional Services:</i>	
Retail Master Plan <sup>3</sup>	308,000
Abandonment (Cap off) of 6 inch pipeline Walnut Ave. to Madison Ave. <sup>2</sup>	50,000
<i>Facility Maintenance:</i>	
Field & Engineering Building Roof Replacement <sup>2</sup>	116,800
Mooney Tank Building Roof Replacement <sup>2</sup>	34,000
<i>Land Improvements:</i>	
Corporate Site Paving Improvements - Around Field Services Building <sup>3</sup>	169,000
Bacon New Perimeter Fencing	17,000
<i>Software:</i>	
GIS Implementation <sup>1</sup>	275,000
Info Water Software for GIS <sup>1</sup>	17,500
Esri ArcGIS Software for GIS <sup>1</sup>	10,300
MC Express - Mobil Maintenance Management Software <sup>1</sup>	9,000
Intranet Mapping Application Software for GIS <sup>1</sup>	7,000

<i>Equipment:</i>	
SCADA Radio Replacements North Phase <sup>2</sup>	43,000
Transport Trailer Replacement <sup>2</sup>	21,000
Thermal Camera and Software <sup>1</sup>	17,000
Welding Ventilator <sup>1</sup>	6,000
<i>Building Improvements:</i>	
Containment Area for Vacuum Sludge <sup>1</sup>	65,000
Field Services & Engineering Building HVAC Replacement <sup>2</sup>	61,700
Electrical Improvements to Field Services Building (new panel) <sup>3</sup>	42,000
Administration Front Office Remodel <sup>3</sup>	7,000
<b>Total Capital Improvement Projects</b>	<b>\$ 6,014,100</b>

Effect on Future Maintenance Costs

1 - Increase

2 - Decrease

3 - No Effect

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# San Juan Water District

Fiscal Year 2018-19 Budget

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## **SUPPLEMENTAL INFORMATION**

# San Juan Water District

Fiscal Year 2018-19 Budget

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## Transfers In and Transfers Out

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

### Transfer In To:

Wholesale Capital Fund	\$ 2,776,900
Retail Operating Fund	\$ 275,300
<b>Total Transfers In</b>	<b><u>\$ 3,052,200</u></b>

### Transfer Out From:

Wholesale Operating Fund	\$ 2,776,900
Retail Capital Fund	\$ 275,300
<b>Total Transfers Out</b>	<b><u>\$ 3,052,200</u></b>

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# San Juan Water District

Fiscal Year 2018-19 Budget

## Debt Service Schedules

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

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

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

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

### Labor Allocation

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

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# San Juan Water District

Fiscal Year 2018-19 Budget

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

<sup>1</sup> Assistant General Manager position was eliminated during Fiscal Year 2017-2018.

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

<sup>3</sup> Accounting Technician III remained through September 2016 to assist with training the new Customer Service Technician III.

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

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

# San Juan Water District

Fiscal Year 2018-19 Budget

DRAFT

**Board Resolution**

## 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.

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 of 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 conservation 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	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.

# San Juan Water District

## Fiscal Year 2018-19 Budget

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).

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.
GFOA	Government Finance Officers Association
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.

# San Juan Water District

## Fiscal Year 2018-19 Budget

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.

## 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.

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

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To: Board of Directors  
From: Tony Barela, Operations Manager  
Date: June 27, 2018  
Subject: Fair Oaks 40" Pipeline Relining Project

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## RECOMMENDED ACTION

Staff recommends a motion to award construction contract to J. Fletcher Creamer & Son, Inc. for the amount of \$2,598,842.00 and authorizing a total construction budget for the Fair Oaks 40" Pipeline Relining Project of \$2,807,000.00 (includes an 8% contingency). This proposal was reviewed by the Engineering Committee on June 20, 2018 and the Committee recommended that the Board approve the recommended action. The Committee requested that District management discuss the bid with Fair Oaks Water District management in advance of the SJWD Board meeting, and this has happened.

## BACKGROUND

The Fair Oaks 40" Relining Project is considered Phase 2 of the overall rehabilitation of the Fair Oaks 40" Transmission Pipeline. In an effort to extend the service life of the 63-year old pipeline, the following projects have been previously completed:

Project	Description	Year Completed
<b>ARC Crossing Replacement</b>	Replacement of a 70-foot unsupported bridged section of pipeline. Structural abutments and security systems were included in the project	2012
<b>Cathodic Protection Project</b>	Construction of an "active" impressed current cathodic protection system including multiple testing sites and three anode wells and rectifier systems	2012
<b>Pipeline Rehabilitation Project</b>	Welding of the joints, spot repairs of the mortar lining, sealing of abandoned laterals and installation of ARV's and Isolation valves	2013

Upon completion of the rehabilitation project, an evaluation of the pipeline lining was completed and it was determined that the lining was not adhered to the pipeline wall and that it was failing at points or sections along the pipeline alignment. The relining project includes the removal of the existing mortar and tar lining and relining with a new mortar material.

**STAFF REPORT***Fair Oaks 40" Transmission Pipeline Relining Project**Tony Barela, Operations Manager***STATUS**

Bids for the project were received on June 19, 2018 and are summarized as follows:

J. Fletcher Creamer & Son, Inc.	\$2,598,842.00
Spiniello Companies, Inc.	\$6,166,322.00

J. Fletcher Creamer & Son, Inc. is the lowest responsive, responsible bidder. Creamer's bid documents were reviewed and found to be complete and in order, including license, insurance and bonds.

**FINANCIAL CONSIDERATIONS**

\$2,500,000 was budgeted for the project in the Fiscal Year 2018-2019 Budget. This amount includes construction oversight/inspection, and administrative costs. Engineering and Construction Management support is estimated to be approximately \$253,000 (including 10% contingency). Therefore, approximately an additional \$560,000 would be required to complete the project; bringing the total project cost to \$3,060,000. The additional funding would be provided from Wholesale capital reserves.

# AGENDA ITEM V-2

## STAFF REPORT

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To: Board of Directors  
From: Paul Helliker, General Manager  
Date: June 27, 2018  
Subject: SJWD-SSWD Water Supply Reliability/Reorganization Reports

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### RECOMMENDED ACTIONS

Information only

### BACKGROUND

In 2011, San Juan Water District and Sacramento Suburban Water District began discussions of ways to work together to improve water supply reliability. The Districts are connected with the Cooperative Transmission Pipeline and have complementary water supply portfolios. The groundwater basin in the service areas of both Districts has available space in which to store additional water supplies and SJWD has surface water supply rights and contracts that exceed its annual usage and could potentially be available for banking in the basin.

The Districts contracted with Municipal Consulting Group to do a high-level analysis of options available to the Districts for enhanced collaboration. Extracts from this document are included in the attachment to this report. The Boards of Directors of both Districts held a joint meeting on April 28, 2014, to receive a briefing on the results of this analysis (also known as the Phase 1 study). The SJWD Board unanimously approved motions to accept the Phase 1 report and to proceed with preparing the scope and budget for a Phase 2 report and work with the 2x2 Committee in doing so. The SSWD Board voted 4-1 to approve similar motions.

The Districts then contracted with John O'Farrell & Associates to conduct the Phase 2A report, which focused on the structure of a merged organization (Option 3 in the Phase 1 report.) Extracts from this report are also included in the attachment. The Boards of Directors of both Districts held a joint meeting on June 25, 2015, to receive a briefing on the results of this analysis (also known as the Phase 2b study.) The SJWD Board unanimously approved a motion to accept the Phase 2A report. The SSWD Board voted 4-1 to approve a motion to pay the consultant for the Phase 2A work but not accept the Phase 2A report because, as identified, there are numerous errors and omissions, misstatements, misleading statements, and did not achieve consensus amongst the wholesale customer agencies of SJWD and did not take an unbiased approach to evaluating the situation as it went in with the foregone conclusion that the merger was the right move. The SSWD Board also voted 4-1 to approve a motion to suspend all work on the consolidation until SSWD can coordinate with the wholesale

customers to ensure that this would be smooth and SSWD can evaluate the independent research that SSWD commissioned.

In March of this year, I sent a letter to the SSWD General Manager to inquire about the status of their consultations with the wholesale customers. Also in March, the SSWD Board decided to appoint two of their members to a 2x2 committee with the SJWD Board, with those members being Craig Locke and Dave Jones. At the March 28, 2018 SJWD Board meeting, President Hanneman appointed himself and Ted Costa to be the two SJWD Board members on the 2x2 committee.

The SSWD Board has discussed this topic at two recent special meetings, on May 30 and June 4, 2018. The Board agreed that the discussions between SSWD and SJWD should focus not just on merger, but also on other options described in the Phase 1 report. They also agreed that the meetings of the 2x2 committee should be open to the public and that the wholesale customer agencies should be explicitly invited, but that joint meetings of the full SSWD and SJWD boards were not immediately necessary. At the June 4 meeting, the SSWD Board voted 4-1 to approve the staff recommendation to reinitiate merger discussions, securing water supplies, operational system reliability/efficiencies and regional collaboration with the San Juan Water District.

The SJWD ad hoc committee representatives met with the General Manager on June 11, to discuss the two reports and the status of discussions with SSWD.

**Phase 1 Study**  
**Municipal Consulting Group**  
**May, 2014**

Evaluated three options:

1. **Continue Current Practices (“Business as Usual”)** – SJWD would continue to provide SSWD with treated surface water under SSWD’s PCWA contract, and any additional transfers that would be mutually agreeable
2. **Inter-Agency Agreements** – SJWD’s CVP contract would be amended to include SSWD’s service area in the place of use
3. **Combination of SSWD and SJWD** – SJWD’s pre-1914 water would be delivered to SSWD in wet years for banking in the groundwater basin, and SJWD would increase use of its CVP water

Benefits of Option 3 were described as:

1. Economies of scale for district representation on regional, state and federal matters within the Lower American River region;
2. Flexibility to use Pre-1914 water and maximize the use of CVP supplies for SSWD, SJWD and the Wholesale Agencies resulting in increased water supply reliability;
3. Establish a historical record of using CVP supplies; and,
4. Avoid event-driven inter-agency negotiations for exchanges or transfers of water supplies during dry-year reductions or critically dry-year events.

**Interim Phase 2A Study**  
**John O’Farrell and Associates**  
**June, 2015**

Analyzed how a merged organization might be structured. The benefits of merger were defined as:

Water Supplies:

- The ability to utilize available surface water contracts in wet years for conjunctive use benefits. There are surface water contracts not fully being used by SJWD which might be put to beneficial use by expanded conjunctive use. The storage of water in non-drought years for use in drier years provides a more reliable water supply for all customers. This is the option encouraged in the State water plan. This option would both stabilize and better utilize the storage available in the groundwater basin for the benefit of all customers.

- Ability to provide environmental benefits in dry years through the flexibility to reduce use of surface water by using banked groundwater for the benefit of the lower American River as prescribed in the Sacramento Water Forum.
- Ability to assist other agencies in time of shortages, either hydrologic or emergency, through the use of groundwater to free up surface water for use by others, and by maintaining a stronger, more reliable water supply in the event mutual aid is required.

#### Maximize Potential of Existing and Future Infrastructure

- SJWD has available capacity in the existing water treatment plant that is currently not being fully utilized.
- SSWD has available capacity in the Cooperative Transmission Pipeline (CTP) and the ATP that is not being fully utilized.
- SSWD has available pumping capacity in its system of groundwater wells to support an expanded conjunctive use program.
- SSWD overlays a groundwater basin which has potential water storage opportunities with expansion of conjunctive use practices.
- There is an intertie between the districts that could be put to use more often.
- There is potential for an in-conduit hydro power project on the ATP and/or CTP between the two agencies.

#### Economies and Efficiencies:

- Ability to utilize one of the two general manager positions on different tasks.
- Greater ability for succession planning with combined staff.
- Ability to analyze existing positions in SJWD and SSWD to determine if there are efficiencies that could result from realigning positions that already exist within each district.
- Potential surplus positions resolved through attrition or the ability to reassign staff for more effective use of existing staff .
- Ability to combine resources to focus efforts on planning and prevention rather than reaction and response.
- Larger district would provide opportunity to gravitate to the newest and best performing information and computer-based systems as existing systems require replacement.
- Ability to reduce the impact of future rules and regulations and rules on rates with a greater base over which to spread future costs.
- Future rate increases might be reduced through economies of scale.

- Both districts have excellent credit ratings; combining the two districts might provide for even higher credit ratings resulting in savings should future debt issues be required.
- Potential ability to restructure debt for lower cost to customers.
- Potentially reduced cost due to improved purchasing power combination of districts would result in one legal counsel contract, one auditing firm with one annual audit, more efficient use of outside consultants, etc.
- Increase ability of executive staff to focus on external affairs through realignment of staff.
- Improved Regional, Statewide, and Federal advocacy and involvement.

### Synergies

- Standing alone, each district is limited in its ability to put its water supply to its best use; standing alone, each has found it challenging to address the ever changing and evolving complexities in the new age and increasing significance of water in California. There are competing demands regionally and statewide resulting in “external threats” like never before. A combined district could reduce this limited ability to put water supply to use for benefit of the districts, the region, the State and the environment. A combined entity is expected to increase water supply reliability to customers of both districts.
- SSWD is dependent on ground water and an interruptible surface water supply; SJWD is reliant exclusively upon surface water. Working together, these water assets complement one another and work together synergistically creating mutual benefit and a better approach with additional flexibility.
- There are “planned changes” and future needs that both districts must face—regulatory challenges, potential staffing increases, staffing specialization, facility improvements, infrastructure upgrades, internal modernization and sophistication of management information systems all driving future rate increases. If the districts reorganize and unify, not all, but some of these planned future costs may be mitigated. Others will need to happen anyway, but the costs may be less significant if conducted as one agency and spread over a much broader customer base.
- SSWD has invested millions of dollars to upgrade its infrastructure and recharge the ground water basin north of the American River. SJWD has valuable historic water rights and contracts for American River water and has also invested millions to upgrade its water treatment and delivery systems. SJWD needs to perfect its water rights and contract obligations to maximize their beneficial use and protect them for the communities in the region which it serves. The political unification of SSWD and SJWD will allow SSWD to use ground water and share in time of need with SJWD,

and conversely SJWD to share surface water with SSWD when it makes sense to do so.

- The common governance of the combined entity will provide the capability and credibility to secure and enhance the water resources for the region, providing additional supply flexibility will increase reliability for all existing customers.

## STAFF REPORT

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To: Board of Directors  
From: Paul Helliker, General Manager  
Date: June 27, 2018  
Subject: Revisions to General Manager Employment Agreement

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### RECOMMENDED ACTIONS

Approve the proposed revisions to the Employment Agreement

### BACKGROUND

The Employment Agreement between Paul Helliker and San Juan Water District was initially effective on January 11, 2017, with an employment start date of March 6, 2017. Per the terms of the agreement, an annual performance review was conducted of the General Manager on April 26, 2018. On May 24, 2018, the Board of Directors gave direction to its labor negotiator, Marty Hanneman, of the range of terms to negotiate with the General Manager concerning changes to compensation and other provisions of the Employment Agreement. The proposed changes to the agreement mutually agreed upon Mssrs. Hanneman and Helliker are (revisions are noted in more detail in the attached extract from the Agreement):

6(a) – revise compensation to be \$186,735 per annum, effective March 6, 2018

8(b) – change 90 days' to 120 days'

8(d) – change 3 months to 4 months

**SAN JUAN WATER DISTRICT  
EMPLOYMENT AGREEMENT WITH GENERAL MANAGER**

**Proposed Revisions 6-24-18**

**6. Compensation.** For all services to be rendered by Mr. Helliker under this Agreement, the District will provide to Mr. Helliker the following salary and benefits:

a. During the term of this Agreement, Mr. Helliker will be paid a salary in the amount of \$177,000~~186,735~~ per year (“Base Salary”). The District will pay Mr. Helliker his Base Salary in accordance with the pay periods established for all District employees.

**8. Termination.** This Agreement may be terminated in any one of the following ways:

b. By Mr. Helliker, upon giving to the District not less than 90~~120~~ days’ prior written notice of his election to terminate.

d. By the District, without cause, upon giving to Mr. Helliker written notice of immediate termination and payment of severance pay in a maximum amount equal to Mr. Helliker’s then-monthly salary multiplied by 34 months, consistent with, and as may be limited by, the provisions of Government Code sections 53260 through 53264.

Notwithstanding the provisions of any District rule, regulation, policy, procedure or practice to the contrary, upon termination of Mr. Helliker’s employment, whether with or without cause, Mr. Helliker will not be entitled to any compensation, damages or other monetary award except as specifically authorized by this Agreement.

# AGENDA ITEM VI-1

## STAFF REPORT

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To: Board of Directors  
From: Paul Helliker, General Manager  
Date: June 27, 2018  
Subject: Approval of vacation time accrual

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### RECOMMENDED ACTIONS

Approve the accrual of 53.7 hours of vacation time by the General Manager

### BACKGROUND

The Employment Agreement between Paul Helliker and San Juan Water District specifies that annual vacation time may not be accrued without prior approval of the Board of Directors. The General Manager will have a balance of 53.7 hours of vacation time unused as of June 30, 2018. He is requesting approval by the Board to accrue this balance, for use in FY 18-19.

# STAFF REPORT

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To: Board of Directors  
 From: Paul Helliker, General Manager  
 Date: June 27, 2018  
 Subject: General Manager's Monthly Report (May)

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## RECOMMENDED ACTION

For information only, no action requested.

## TREATMENT PLANT OPERATIONS

### *Water Production for May*

Item	2018	2017	Difference
Monthly Production AF	5,070.22	4,573.02	10.9%
Daily Average MG	53.29	48.07	10.9%
Annual Production AF	11,266.82	12,571.20	-10.4%

### *Water Turbidity*

Item	May 2018	April 2018	Difference
Raw Water Turbidity NTU	4.04	12.75	-68%
Treated Water Turbidity NTU	0.027	0.026	4%
Monthly Turbidity Percentage Reduction	99.32%	99.79%	

### *Folsom Lake Reservoir Storage Level AF\**

Item	2018	2017	Difference
Lake Volume AF	873,808	936,872	-7%

AF – Acre Feet

MG – Million Gallons

NTU – Nephelometric Turbidity Unit

\* Total Reservoir Capacity: 977,000 AF

### *Other Items of Interest:*

- Completed cathodic protection survey and recalibration of the active systems for site and Fair Oaks 40 piping
- Perform influent meter verifications with the USBR
- Completed 2017 CCR
- Performed filter media measurements
- Perform module repairs of chlorine leak detection equipment
- Calibrate south filter effluent valves
- Vacuum out EQ basins
- Replace Belt #3 HMI screen

**STAFF REPORT**

General Manager's Monthly Report

Paul Helliker

**SYSTEM OPERATIONS***Distribution Operations:*

Item	May 2018	April 2018	Difference
Leaks and Repairs	13	7	+6
MainsFlushed	15	6	+9
Valves Exercised	64	38	+28
Back Flows Tested	30	154	-124
Customer Service Calls	76	47	+29

*Distribution System Water Quality:*

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

*Other Items of Interest:*

- Staff started the Hydrant Maintenance program. 78 hydrants were operated and routine maintenance performed in April and May.
- Staff started the ARV Maintenance program. Staff inspected 36 ARV's within the District's retail distribution system. 3 were found inoperable, many others needed minor repairs.
- As noted above, leak repairs nearly doubled from last month.
- Backflow testing is nearly completed.

**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
5772	1552	565	27

*Conservation Activities*

Water Waste Complaints Received	Number of Customers Contacted for High Usage (potential leaks)	Number of Rebates Processed	Number of Meters Tested/Repaired (non-reads)
9	25	13	N/A

*Other Activities*

- Staff signed up 356 customers for recurring payment and another 1,135 self-enrolled using the District's website.
- The increase in number of shutoff notices delivered was due to those customers that were unaware they were no longer on recurring payment and did not pay their April bill.
- The 3<sup>rd</sup> annual Mulch Mayhem event was a success. 40 yards was self-loaded and the remaining 130 yards of mulch was loaded by District tractors.
- There were 81 new customer welcome packets mailed in May. Many homes were bought and sold.

**STAFF REPORT**

General Manager's Monthly Report

Paul Helliker

**ENGINEERING - NEW URBAN DEVELOPMENTS (SJWD Retail Service Area)**

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

**ENGINEERING - CAPITAL PROJECTS***Current Retail Projects*

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

*Retail CIP - Project Specifics*

- None to Report

**STAFF REPORT**

General Manager's Monthly Report

Paul Helliker

**Current Wholesale Projects**

<b>Project Title</b>	<b>Description</b>	<b>Status (% Complete)</b>	<b>Issues</b>
WTP Improvements	Replacement of aged mechanical flocculators and sludge collection equipment, construction of a new settled water channel and a new overflow weir structure, electrical and piping improvements, and other miscellaneous work	Construction is Complete. NOC was recorded with Placer Co.	In Closeout
FO-40 T-Main Relining	Relining of the existing ±11,000 foot long steel pipeline	In Bid phase. Bids due 6/19/18	
Lime System Improvements	Improvements for the WTP's lime system control and feeder system	In Construction	
Hinkle Res. Monitoring Level Probes	Installation of level probes into the monitoring wells to provide consistent monitoring data for DSOD reporting	In Design	

**Wholesale CIP - Project Specifics**

- None to Report

**SAFETY & REGULATORY TRAINING – MAY 2018**

<b>Training Course</b>	<b>Staff</b>
SOP - Emergency Procedures for Chlorine Header Evacuation	Treatment
SOP - Extended Partial Normal Shutdown (Beyond 1 Hour)	Treatment
SOP - Normal Operation of Gas Chlorine Feed	Treatment
SOP - Operating Procedures for Chlorine System Startup	Treatment
SOP - Supplied Air Sampling	Treatment
SOP - The Mentoring Model for Training on the Chlorine System	Treatment
Summer Hazards	Treatment, Field Services, Conservation, Customer Service
Annual Water Permit Review	Treatment
Fire Extinguisher Training	All Staff

**FINANCE/BUDGET**

See attached.



San Juan Water District, CA

# Wholesale Operating Income Statement

## Group Summary

For Fiscal: 2017-2018 Period Ending: 05/31/2018

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
<b>Fund: 010 - WHOLESALE</b>					
<b>Revenue</b>					
41000 - Water Sales	10,385,100.00	10,385,100.00	0.00	9,058,645.21	1,326,454.79
43000 - Rebate	1,100.00	1,100.00	463.13	1,642.10	-542.10
45000 - Other Operating Revenue	0.00	0.00	0.00	-13,063.98	13,063.98
49000 - Other Non-Operating Revenue	149,400.00	149,400.00	21,061.88	123,654.08	25,745.92
Revenue Total:	<b>10,535,600.00</b>	<b>10,535,600.00</b>	<b>21,525.01</b>	<b>9,170,877.41</b>	<b>1,364,722.59</b>
<b>Expense</b>					
51000 - Salaries and Benefits	4,615,900.00	4,615,900.00	307,574.95	3,911,435.69	704,464.31
52000 - Debt Service Expense	939,800.00	939,800.00	0.00	578,613.49	361,186.51
53000 - Source of Supply	1,296,300.00	1,296,300.00	29,013.19	1,075,923.16	220,376.84
54000 - Professional Services	638,400.00	638,400.00	7,544.94	486,986.63	151,413.37
55000 - Maintenance	508,500.00	508,500.00	31,104.74	340,865.27	167,634.73
56000 - Utilities	79,400.00	79,400.00	357.07	92,212.45	-12,812.45
57000 - Materials and Supplies	569,500.00	569,500.00	65,519.17	389,430.85	180,069.15
58000 - Public Outreach	38,900.00	38,900.00	3,622.20	18,819.17	20,080.83
59000 - Other Operating Expenses	385,000.00	385,000.00	12,584.25	287,491.51	97,508.49
69000 - Other Non-Operating Expenses	2,800.00	2,800.00	0.00	1,903.20	896.80
69900 - Transfers Out	169,300.00	169,300.00	0.00	0.00	169,300.00
Expense Total:	<b>9,243,800.00</b>	<b>9,243,800.00</b>	<b>457,320.51</b>	<b>7,183,681.42</b>	<b>2,060,118.58</b>
<b>Fund: 010 - WHOLESALE Surplus (Deficit):</b>					
Total Surplus (Deficit):	<b>1,291,800.00</b>	<b>1,291,800.00</b>	<b>-435,795.50</b>	<b>1,987,195.99</b>	<b>-695,395.99</b>

**Wholesale Operating Income Statement**

For Fiscal: 2017-2018 Period Ending: 05/31/2018

**Fund Summary**

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
010 - WHOLESALE	1,291,800.00	1,291,800.00	-435,795.50	1,987,195.99	-695,395.99
<b>Total Surplus (Deficit):</b>	<b>1,291,800.00</b>	<b>1,291,800.00</b>	<b>-435,795.50</b>	<b>1,987,195.99</b>	<b>-695,395.99</b>



San Juan Water District, CA

# Wholesale Capital Income Statement

## Group Summary

For Fiscal: 2017-2018 Period Ending: 05/31/2018

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
<b>Fund: 011 - Wholesale Capital Outlay</b>					
<b>Revenue</b>					
42000 - Taxes & Assessments	1,090,000.00	1,090,000.00	418,564.12	1,018,760.58	71,239.42
44000 - Connection Fees	35,000.00	35,000.00	11,893.00	151,665.33	-116,665.33
44500 - Capital Contributions - Revenue	2,172,400.00	2,172,400.00	0.00	380,702.00	1,791,698.00
49000 - Other Non-Operating Revenue	60,000.00	60,000.00	0.00	3,540.06	56,459.94
49990 - Transfer In	169,300.00	169,300.00	0.00	0.00	169,300.00
Revenue Total:	<b>3,526,700.00</b>	<b>3,526,700.00</b>	<b>430,457.12</b>	<b>1,554,667.97</b>	<b>1,972,032.03</b>
<b>Expense</b>					
55000 - Maintenance	2,253,500.00	2,253,500.00	0.00	151,341.11	2,102,158.89
61000 - Capital Outlay	1,018,600.00	1,018,600.00	18,444.18	271,416.89	747,183.11
63000 - Contributions to Others	0.00	0.00	0.00	-23,477.00	23,477.00
Expense Total:	<b>3,272,100.00</b>	<b>3,272,100.00</b>	<b>18,444.18</b>	<b>399,281.00</b>	<b>2,872,819.00</b>
<b>Fund: 011 - Wholesale Capital Outlay Surplus (Deficit):</b>					
Total Surplus (Deficit):	<b>254,600.00</b>	<b>254,600.00</b>	<b>412,012.94</b>	<b>1,155,386.97</b>	<b>-900,786.97</b>
	<b>254,600.00</b>	<b>254,600.00</b>	<b>412,012.94</b>	<b>1,155,386.97</b>	<b>-900,786.97</b>

**Wholesale Capital Income Statement**

For Fiscal: 2017-2018 Period Ending: 05/31/2018

**Fund Summary**

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
011 - Wholesale Capital Outlay	254,600.00	254,600.00	412,012.94	1,155,386.97	-900,786.97
<b>Total Surplus (Deficit):</b>	<b>254,600.00</b>	<b>254,600.00</b>	<b>412,012.94</b>	<b>1,155,386.97</b>	<b>-900,786.97</b>



San Juan Water District, CA

# Retail Operating Income Statement

## Group Summary

For Fiscal: 2017-2018 Period Ending: 05/31/2018

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
<b>Fund: 050 - RETAIL</b>					
<b>Revenue</b>					
41000 - Water Sales	10,716,800.00	10,716,800.00	735,205.17	7,949,147.99	2,767,652.01
45000 - Other Operating Revenue	427,100.00	427,100.00	16,470.70	235,191.05	191,908.95
49000 - Other Non-Operating Revenue	112,300.00	112,300.00	0.00	98,944.02	13,355.98
49990 - Transfer In	1,394,700.00	1,394,700.00	0.00	0.00	1,394,700.00
Revenue Total:	<b>12,650,900.00</b>	<b>12,650,900.00</b>	<b>751,675.87</b>	<b>8,283,283.06</b>	<b>4,367,616.94</b>
<b>Expense</b>					
51000 - Salaries and Benefits	6,021,200.00	6,021,200.00	411,633.88	5,273,239.30	747,960.70
52000 - Debt Service Expense	522,300.00	522,300.00	0.00	321,720.26	200,579.74
53000 - Source of Supply	3,080,600.00	3,080,600.00	0.00	2,755,874.10	324,725.90
54000 - Professional Services	717,800.00	717,800.00	31,099.58	539,091.11	178,708.89
55000 - Maintenance	255,100.00	255,100.00	12,702.62	190,064.41	65,035.59
56000 - Utilities	254,200.00	254,200.00	2,377.24	221,224.76	32,975.24
57000 - Materials and Supplies	279,300.00	279,300.00	33,292.56	242,211.76	37,088.24
58000 - Public Outreach	163,100.00	163,100.00	9,130.75	57,012.92	106,087.08
59000 - Other Operating Expenses	535,800.00	535,800.00	22,297.38	340,816.01	194,983.99
69000 - Other Non-Operating Expenses	3,400.00	3,400.00	0.00	1,733.80	1,666.20
Expense Total:	<b>11,832,800.00</b>	<b>11,832,800.00</b>	<b>522,534.01</b>	<b>9,942,988.43</b>	<b>1,889,811.57</b>
<b>Fund: 050 - RETAIL Surplus (Deficit):</b>					
Total Surplus (Deficit):	<b>818,100.00</b>	<b>818,100.00</b>	<b>229,141.86</b>	<b>-1,659,705.37</b>	<b>2,477,805.37</b>

**Retail Operating Income Statement**

For Fiscal: 2017-2018 Period Ending: 05/31/2018

**Fund Summary**

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
050 - RETAIL	818,100.00	818,100.00	229,141.86	-1,659,705.37	2,477,805.37
<b>Total Surplus (Deficit):</b>	<b>818,100.00</b>	<b>818,100.00</b>	<b>229,141.86</b>	<b>-1,659,705.37</b>	<b>2,477,805.37</b>



San Juan Water District, CA

# Retail Capital Income Statement

## Group Summary

For Fiscal: 2017-2018 Period Ending: 05/31/2018

Account	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
<b>Fund: 055 - Retail Capital Outlay</b>					
<b>Revenue</b>					
42000 - Taxes & Assessments	1,090,000.00	1,090,000.00	418,564.12	1,018,760.58	71,239.42
44000 - Connection Fees	450,000.00	450,000.00	-80,953.00	239,154.91	210,845.09
44500 - Capital Contributions - Revenue	0.00	0.00	0.00	-3,750.00	3,750.00
49000 - Other Non-Operating Revenue	60,000.00	60,000.00	0.00	19,563.52	40,436.48
Revenue Total:	<b>1,600,000.00</b>	<b>1,600,000.00</b>	<b>337,611.12</b>	<b>1,273,729.01</b>	<b>326,270.99</b>
<b>Expense</b>					
54000 - Professional Services	66,000.00	66,000.00	0.00	896.92	65,103.08
55000 - Maintenance	155,000.00	155,000.00	0.00	9,903.01	145,096.99
61000 - Capital Outlay	5,428,000.00	5,428,000.00	4,194.62	1,115,885.03	4,312,114.97
69900 - Transfers Out	1,394,700.00	1,394,700.00	0.00	0.00	1,394,700.00
Expense Total:	<b>7,043,700.00</b>	<b>7,043,700.00</b>	<b>4,194.62</b>	<b>1,126,684.96</b>	<b>5,917,015.04</b>
<b>Fund: 055 - Retail Capital Outlay Surplus (Deficit):</b>					
Total Surplus (Deficit):	<b>-5,443,700.00</b>	<b>-5,443,700.00</b>	<b>333,416.50</b>	<b>147,044.05</b>	<b>-5,590,744.05</b>

**Retail Capital Income Statement**

For Fiscal: 2017-2018 Period Ending: 05/31/2018

**Fund Summary**

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
055 - Retail Capital Outlay	-5,443,700.00	-5,443,700.00	333,416.50	147,044.05	-5,590,744.05
<b>Total Surplus (Deficit):</b>	<b>-5,443,700.00</b>	<b>-5,443,700.00</b>	<b>333,416.50</b>	<b>147,044.05</b>	<b>-5,590,744.05</b>

**Summary****Project Summary**

<b>Project Number</b>	<b>Project Name</b>	<b>Total Revenue</b>	<b>Total Expense</b>	<b>Revenue Over/ (Under) Expenses</b>
<a href="#"><u>121965</u></a>	Oak Avenue - American River Canyon I	0.00	99,985.98	-99,985.98
<a href="#"><u>141043</u></a>	2014 Drought Response - SSWD Antel	0.00	-23,477.00	23,477.00
<a href="#"><u>161100</u></a>	Floc-Sed Basins & Settle Water Chann	0.00	426,569.89	-426,569.89
<a href="#"><u>161502</u></a>	ARC Flash Assessment and Improveme	0.00	143.30	-143.30
<a href="#"><u>165508</u></a>	Los Lagos Tank Recoating	0.00	17,811.40	-17,811.40
<a href="#"><u>171101</u></a>	In-Plant Pump Station Improvements	0.00	294.15	-294.15
<a href="#"><u>171105</u></a>	Baldwin Reservoir Raw Water Supply I	0.00	7,305.66	-7,305.66
<a href="#"><u>171107</u></a>	FO 40 Transmission Pipeline Re-Lining	0.00	122,998.93	-122,998.93
<a href="#"><u>171109</u></a>	GIS Assessment and Implementation	0.00	15,547.50	-15,547.50
<a href="#"><u>175105</u></a>	6690-7767 Douglas Boulevard & Assoc	0.00	4,791.52	-4,791.52
<a href="#"><u>175107</u></a>	5700-5708 & 5640-5682 Main Avenue	0.00	292,362.66	-292,362.66
<a href="#"><u>175109</u></a>	9151-9219 Oak Avenue Main Replacer	0.00	295,155.05	-295,155.05
<a href="#"><u>175111</u></a>	Orangetown Avenue Bridge	0.00	-45,400.00	45,400.00
<a href="#"><u>175113</u></a>	7225-7355 Dambacher Drive	0.00	589.85	-589.85
<a href="#"><u>175115</u></a>	Bacon Pump Station Intrusion Alarm	0.00	249.57	-249.57
<a href="#"><u>175117</u></a>	Bacon Pressure Zone - Olive Ranch PR:	0.00	119,696.29	-119,696.29
<a href="#"><u>175119</u></a>	Bacon Pressure Zone - Cavitt Stallman	0.00	92,897.97	-92,897.97
<a href="#"><u>181105</u></a>	Lime System Control & Feeder System	0.00	484.51	-484.51
<a href="#"><u>181110</u></a>	Alum Feed Pumps Replacement	0.00	54,919.31	-54,919.31
<a href="#"><u>181115</u></a>	Flocculator Mix Motor Disconnect	0.00	12,533.08	-12,533.08
<a href="#"><u>181120</u></a>	Lime Grit Containment - Curbing and C	0.00	4,301.18	-4,301.18
<a href="#"><u>181130</u></a>	Hinkle Reservoir Monitoring Wells Lev	0.00	10,173.72	-10,173.72
<a href="#"><u>181135</u></a>	Baldwin Reservoir Outlet Trashrack	0.00	14,329.42	-14,329.42
<a href="#"><u>185115</u></a>	Lou Place 8" Tray Way to Crown Point	0.00	1,125.00	-1,125.00
<a href="#"><u>185135</u></a>	Upper & Lower GB Pump Stn Low Flov	0.00	14,095.71	-14,095.71
<a href="#"><u>185150</u></a>	Utility Billing Software Replacement	0.00	75,243.14	-75,243.14
<a href="#"><u>185165</u></a>	Field Services/Engineering Building (Sh	0.00	1,456.03	-1,456.03
<a href="#"><u>185175</u></a>	Los Lagos Tank Overflow Air Gap and C	0.00	2,557.61	-2,557.61
<a href="#"><u>185180</u></a>	Cavitt Stallman Main - Mystery Crk to	0.00	4,560.00	-4,560.00
<a href="#"><u>185185</u></a>	Edward Court Mainline - South of Lou	0.00	1,125.00	-1,125.00
<b>Project Totals:</b>		<b>0.00</b>	<b>1,624,426.43</b>	<b>-1,624,426.43</b>

**Group Summary**

<b>Group</b>	<b>Total Revenue</b>	<b>Total Expense</b>	<b>Revenue Over/ (Under) Expenses</b>
CIP - Asset	0.00	1,517,161.39	-1,517,161.39
CIP - Capital Contribution	0.00	-23,477.00	23,477.00
CIP - Expense	0.00	123,436.38	-123,436.38
Unplanned CIP	0.00	7,305.66	-7,305.66
<b>Group Totals:</b>		<b>0.00</b>	<b>1,624,426.43</b>
			<b>-1,624,426.43</b>

**Type Summary**

<b>Type</b>	<b>Total Revenue</b>	<b>Total Expense</b>	<b>Revenue Over/ (Under) Expenses</b>
Administration	0.00	403,092.89	-403,092.89
Engineering	0.00	943,004.01	-943,004.01
Field Services	0.00	249.57	-249.57
Information Technology	0.00	75,243.14	-75,243.14
Water Treatment Plant	0.00	202,836.82	-202,836.82
<b>Type Totals:</b>		<b>0.00</b>	<b>1,624,426.43</b>
			<b>-1,624,426.43</b>

**GL Account Summary**

<b>GL Account Number</b>	<b>GL Account Name</b>	<b>Total Revenue</b>	<b>Total Expense</b>	<b>Revenue Over/ (Under) Expenses</b>
011-20030	Retentions Payable	0.00	301,175.75	301,175.75
011-700-57120	Maintenance - Facility	0.00	123,598.95	123,598.95

**GL Account Summary**

<b>GL Account Number</b>	<b>GL Account Name</b>	<b>Total Revenue</b>	<b>Total Expense</b>	<b>Revenue Over/ (Under) Expenses</b>
011-700-61145	Capital Outlay - WTP & Improv...	0.00	197,469.65	197,469.65
011-700-61150	Capital Outlay - Mains/Pipeline...	0.00	7,305.66	7,305.66
011-700-61155	Capital Outlay - Reservoirs & I...	0.00	24,503.14	24,503.14
011-700-61180	Capital Outlay - Software	0.00	6,219.00	6,219.00
011-700-74090	Contributions to Others	0.00	-23,477.00	-23,477.00
050-210-57120	Maintenance - Facility	0.00	1,145.00	1,145.00
050-300-56310	Reg Compliance / Sampling / I...	0.00	12.00	12.00
055-20030	Retentions Payable	0.00	-29,125.73	-29,125.73
055-700-61135	Capital Outlay - Pump Stations...	0.00	343,352.02	343,352.02
055-700-61140	Capital Outlay - Buildings & Im...	0.00	311.03	311.03
055-700-61150	Capital Outlay - Mains/Pipeline...	0.00	584,807.71	584,807.71
055-700-61155	Capital Outlay - Reservoirs & I...	0.00	2,557.61	2,557.61
055-700-61180	Capital Outlay - Software	0.00	84,571.64	84,571.64
<b>GL Account Totals:</b>		<b>0.00</b>	<b>1,624,426.43</b>	<b>1,624,426.43</b>



San Juan Water District, CA

**Balance Sheet**  
**Account Summary**  
As Of 05/31/2018

Account	010 - WHOLESALE	011 - Wholesale Capital Outlay	050 - RETAIL	055 - Retail Capital Outlay	Total
<b>Asset</b>					
<b>Type: 1000 - Assets</b>					
10010 - Cash and Investments	4,058,890.10	7,878,188.98	1,635,172.26	6,758,055.07	20,330,306.41
10510 - Accounts Receivable	1,882.47	1.60	263,986.08	0.82	265,870.97
11000 - Inventory	0.00	0.00	128,756.35	0.00	128,756.35
12000 - Prepaid Expense	29,920.00	0.00	29,920.00	0.00	59,840.00
14010 - Deferred Outflows	3,807,198.73	0.00	4,338,875.61	0.00	8,146,074.34
17010 - Capital Assets - Work in Progress	7,215,473.32	0.00	180,843.87	0.00	7,396,317.19
17150 - Capital Assets - Land Non-depreciable	98,212.00	0.00	166,272.00	0.00	264,484.00
17160 - Capital Assets - Land Improvements	814,105.59	0.00	75,884.80	0.00	889,990.39
17200 - Capital Assets - Pump Stations & Improvements	7,047,178.00	0.00	5,527,475.04	0.00	12,574,653.04
17300 - Capital Assets - Buildings & Improvements	1,296,460.92	0.00	55,440.68	0.00	1,351,901.60
17350 - Capital Assets - Water Treatment Plant & Imp	28,346,992.84	0.00	16,000.00	0.00	28,362,992.84
17400 - Capital Assets - Mains/Pipelines & Improvements	29,233,857.10	0.00	42,354,004.73	0.00	71,587,861.83
17500 - Capital Assets - Reservoirs & Improvements	2,862,601.82	0.00	2,492,422.47	0.00	5,355,024.29
17700 - Capital Assets - Equipment & Furniture	13,612,154.78	0.00	1,041,601.61	0.00	14,653,756.39
17750 - Capital Assets - Vehicles	331,446.00	0.00	461,103.88	0.00	792,549.88
17800 - Capital Assets - Software	434,195.88	0.00	549,200.37	0.00	983,396.25
17850 - Capital Assets - Intangible	666,196.00	0.00	0.00	0.00	666,196.00
17900 - Less Accumulated Depreciation	-33,510,353.32	0.00	-26,750,260.74	0.00	-60,260,614.06
19015 - 2012 Premiums on Refunding Bonds	-617,056.22	0.00	-335,044.10	0.00	-952,100.32
<b>Total Type 1000 - Assets:</b>	<b>65,729,356.01</b>	<b>7,878,190.58</b>	<b>32,231,654.91</b>	<b>6,758,055.89</b>	<b>112,597,257.39</b>
<b>Total Asset:</b>	<b>65,729,356.01</b>	<b>7,878,190.58</b>	<b>32,231,654.91</b>	<b>6,758,055.89</b>	<b>112,597,257.39</b>
<b>Liability</b>					
<b>Type: 1000 - Assets</b>					
10510 - Accounts Receivable	0.00	0.00	98,278.68	0.00	98,278.68
<b>Total Type 1000 - Assets:</b>	<b>0.00</b>	<b>0.00</b>	<b>98,278.68</b>	<b>0.00</b>	<b>98,278.68</b>
<b>Type: 2000 - Liabilities</b>					
20010 - Accounts Payable	-14,978.56	14,449.54	70,607.44	115,923.57	186,001.99
20100 - Retentions Payable	0.00	0.10	0.00	50,835.24	50,835.34
21200 - Salaries & Benefits Payable	30,313.55	0.00	49,851.73	0.00	80,165.28
21300 - Compensated Absences	261,729.13	0.00	418,831.09	0.00	680,560.22
21500 - Premium on Issuance of Bonds Series 2017	1,450,091.81	0.00	815,676.64	0.00	2,265,768.45
21600 - OPEB Liability	100,396.44	0.00	127,509.04	0.00	227,905.48
21700 - Pension Liability	3,346,571.65	0.00	4,621,457.65	0.00	7,968,029.30

## Balance Sheet

As Of 05/31/2018

Account	010 - WHOLESALE	011 - Wholesale Capital Outlay	050 - RETAIL	055 - Retail Capital Outlay	Total
22010 - Deferred Income	0.00	0.00	54,419.76	0.00	54,419.76
22050 - Deferred Inflows	260,874.00	0.00	360,252.00	0.00	621,126.00
24000 - Current Bonds Payables	301,366.50	0.00	163,633.50	0.00	465,000.00
24200 - 2012 Bonds Payable	6,095,921.23	0.00	3,309,913.11	0.00	9,405,834.34
24250 - Bonds Payable 2017 Refunding	16,115,200.00	0.00	9,064,800.00	0.00	25,180,000.00
<b>Total Type 2000 - Liabilities:</b>	<b>27,947,485.75</b>	<b>14,449.64</b>	<b>19,056,951.96</b>	<b>166,758.81</b>	<b>47,185,646.16</b>
<b>Total Liability:</b>	<b>27,947,485.75</b>	<b>14,449.64</b>	<b>19,155,230.64</b>	<b>166,758.81</b>	<b>47,283,924.84</b>
<b>Equity</b>					
<b>Type: 3000 - Equity</b>					
30100 - Investment in Capital Assets	34,085,186.41	0.00	12,608,477.99	0.00	46,693,664.40
30500 - Designated Reserves	1,709,487.86	6,708,353.97	2,127,651.65	6,444,253.03	16,989,746.51
<b>Total Type 3000 - Equity:</b>	<b>35,794,674.27</b>	<b>6,708,353.97</b>	<b>14,736,129.64</b>	<b>6,444,253.03</b>	<b>63,683,410.91</b>
<b>Total Total Beginning Equity:</b>	<b>35,794,674.27</b>	<b>6,708,353.97</b>	<b>14,736,129.64</b>	<b>6,444,253.03</b>	<b>63,683,410.91</b>
Total Revenue	9,170,877.41	1,554,667.97	8,283,283.06	1,273,729.01	20,282,557.45
Total Expense	7,183,681.42	399,281.00	9,942,988.43	1,126,684.96	18,652,635.81
Revenues Over/Under Expenses	1,987,195.99	1,155,386.97	-1,659,705.37	147,044.05	1,629,921.64
<b>Total Equity and Current Surplus (Deficit):</b>	<b>37,781,870.26</b>	<b>7,863,740.94</b>	<b>13,076,424.27</b>	<b>6,591,297.08</b>	<b>65,313,332.55</b>
<b>Total Liabilities, Equity and Current Surplus (Deficit):</b>	<b>65,729,356.01</b>	<b>7,878,190.58</b>	<b>32,231,654.91</b>	<b>6,758,055.89</b>	<b>112,597,257.39</b>



San Juan Water District, CA

# Check Report

By Check Number

Date Range: 05/01/2018 - 05/31/2018

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: APBNK-APBNK</b>						
03081	Palmer Family Trust	05/18/2018	Regular	0.00	-88.32	51638
02572	Thatcher Company of California, Inc.	05/03/2018	Regular	0.00	-4,104.42	52319
02210	Placer County Water Agency	05/16/2018	Regular	0.00	-12,737.93	52372
01073	Amarjeet Singh Garcha	05/08/2018	Regular	0.00	4,500.00	52676
01111	Applied Best Practices, LLC	05/08/2018	Regular	0.00	1,500.00	52677
03594	Borges & Mahoney, Inc.	05/08/2018	Regular	0.00	298.52	52678
03226	Capitol Sand and Gravel Co.	05/08/2018	Regular	0.00	2,553.15	52679
01372	City of Folsom	05/08/2018	Regular	0.00	30.24	52680
01373	City of Roseville	05/08/2018	Regular	0.00	6,342.84	52681
01374	City of Sacramento - Department of Utilities	05/08/2018	Regular	0.00	500.00	52682
01378	Clark Pest Control of Stockton	05/08/2018	Regular	0.00	838.00	52683
02214	County of Placer Engineering & Surveying	05/08/2018	Regular	0.00	1,360.00	52684
03548	Digital Deployment, Inc.	05/08/2018	Regular	0.00	400.00	52685
03599	East Bay Clarklift, Inc.	05/08/2018	Regular	0.00	900.68	52686
01630	FM Graphics, Inc.	05/08/2018	Regular	0.00	552.40	52687
01659	Gary Webb Trucking	05/08/2018	Regular	0.00	105.00	52688
01068	Glenn C. Walker	05/08/2018	Regular	0.00	1,010.40	52689
03091	Granite Bay Ace Hardware	05/08/2018	Regular	0.00	33.49	52690
01733	Harris Industrial Gases	05/08/2018	Regular	0.00	56.79	52691
01741	HDR Engineering, Inc.	05/08/2018	Regular	0.00	3,109.44	52692
03574	Johnson and Fanger Painting & Decorating	05/08/2018	Regular	0.00	3,000.00	52693
02093	NDS Solutions, Inc	05/08/2018	Regular	0.00	1,327.15	52694
02131	Office Depot, Inc.	05/08/2018	Regular	0.00	606.50	52695
02150	Pace Supply Corp	05/08/2018	Regular	0.00	3,311.88	52696
	**Void**	05/08/2018	Regular	0.00	0.00	52697
03026	PFM Asset Management	05/08/2018	Regular	0.00	930.32	52698
02146	PG&E	05/08/2018	Regular	0.00	10.00	52699
02207	Placer County Facility Services	05/08/2018	Regular	0.00	2,737.07	52700
02283	Recology Auburn Placer	05/08/2018	Regular	0.00	640.70	52701
02292	Rexel, Inc.	05/08/2018	Regular	0.00	73.84	52702
03092	Rich, Dan	05/08/2018	Regular	0.00	9.81	52703
02514	State Water Resources Control Board - SWRCB	05/08/2018	Regular	0.00	2,597.00	52704
01411	SureWest Telephone	05/08/2018	Regular	0.00	1,617.29	52705
02629	Trench & Traffic Supply Inc.	05/08/2018	Regular	0.00	354.70	52706
02651	United Parcel Service Inc	05/08/2018	Regular	0.00	204.44	52707
01687	W. W. Grainger, Inc.	05/08/2018	Regular	0.00	354.62	52708
03445	Zlotnick, Greg	05/08/2018	Regular	0.00	180.42	52709
02514	State Water Resources Control Board - SWRCB	05/09/2018	Regular	0.00	850.00	52710
01267	CalPERS OPEB	05/14/2018	Regular	0.00	159,660.00	52711
01494	Dewey Services Inc.	05/14/2018	Regular	0.00	85.00	52712
01927	DK Enterprises Inc.	05/14/2018	Regular	0.00	585.89	52713
01659	Gary Webb Trucking	05/14/2018	Regular	0.00	1,660.00	52714
03091	Granite Bay Ace Hardware	05/14/2018	Regular	0.00	51.18	52715
01710	Greenback Equipment Rentals, Inc.	05/14/2018	Regular	0.00	77.42	52716
02024	MCI WORLDCOM	05/14/2018	Regular	0.00	140.84	52717
02150	Pace Supply Corp	05/14/2018	Regular	0.00	1,894.35	52718
02146	PG&E	05/14/2018	Regular	0.00	1,961.63	52719
	**Void**	05/14/2018	Regular	0.00	0.00	52720
02206	Placer County Clerk-Recorder-Registrar	05/14/2018	Regular	0.00	50.00	52721
02223	Rexel Inc (Platt - Rancho Cordova)	05/14/2018	Regular	0.00	535.32	52722
02293	RFI Enterprises, Inc	05/14/2018	Regular	0.00	1,202.43	52723
02328	Rocklin Industrial Co	05/14/2018	Regular	0.00	10.92	52724
01391	Sinnock, Cody	05/14/2018	Regular	0.00	135.00	52725
02580	The Eidam Corporation	05/14/2018	Regular	0.00	7,314.25	52726

## Check Report

Date Range: 05/01/2018 - 05/31/2018

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
02463	The New AnswerNet	05/14/2018	Regular	0.00	275.00	52727
02667	US Bank Corporate Payments Sys (CalCard)	05/14/2018	Regular	0.00	19,396.56	52728
	**Void**	05/14/2018	Regular	0.00	0.00	52729
	**Void**	05/14/2018	Regular	0.00	0.00	52730
	**Void**	05/14/2018	Regular	0.00	0.00	52731
	**Void**	05/14/2018	Regular	0.00	0.00	52732
	**Void**	05/14/2018	Regular	0.00	0.00	52733
	**Void**	05/14/2018	Regular	0.00	0.00	52734
	**Void**	05/14/2018	Regular	0.00	0.00	52735
	**Void**	05/14/2018	Regular	0.00	0.00	52736
	**Void**	05/14/2018	Regular	0.00	0.00	52737
	**Void**	05/14/2018	Regular	0.00	0.00	52738
02690	Verizon Wireless	05/14/2018	Regular	0.00	1,360.00	52739
01687	W. W. Grainger, Inc.	05/14/2018	Regular	0.00	560.68	52740
02514	State Water Resources Control Board - SWRCB	05/16/2018	Regular	0.00	52.50	52741
03638	Airco Mechanical, Inc.	05/21/2018	Regular	0.00	1,145.00	52756
03406	Alpha Analytical Laboratories Inc.	05/21/2018	Regular	0.00	530.00	52757
01026	American River Ace Hardware, Inc.	05/21/2018	Regular	0.00	5.02	52758
03361	Applied Landscape Materials Inc dba NorCal Whol	05/21/2018	Regular	0.00	3,281.85	52759
01433	Crusader Fence Co., Inc.	05/21/2018	Regular	0.00	1,063.79	52760
03091	Granite Bay Ace Hardware	05/21/2018	Regular	0.00	23.50	52761
01706	Graymont Western US Inc.	05/21/2018	Regular	0.00	6,117.12	52762
01710	Greenback Eqipment Rentals, Inc.	05/21/2018	Regular	0.00	108.70	52763
01733	Harris Industrial Gases	05/21/2018	Regular	0.00	56.79	52764
03235	HD Supply Construction Supply LTD	05/21/2018	Regular	0.00	378.92	52765
01778	IDEXX Distribution, Inc.	05/21/2018	Regular	0.00	165.85	52766
01819	Joel Richard Eichman	05/21/2018	Regular	0.00	271.80	52767
02022	Morgan, Daren P.	05/21/2018	Regular	0.00	163.81	52768
03360	Nathaniel Lee Medlar	05/21/2018	Regular	0.00	2,500.00	52769
02093	NDS Solutions, Inc	05/21/2018	Regular	0.00	3,085.02	52770
02150	Pace Supply Corp	05/21/2018	Regular	0.00	351.78	52771
03081	Palmer Family Trust	05/21/2018	Regular	0.00	88.32	52772
02146	PG&E	05/21/2018	Regular	0.00	10.00	52773
02210	Placer County Water Agency	05/21/2018	Regular	0.00	12,737.93	52774
02223	Rexel Inc (Platt - Rancho Cordova)	05/21/2018	Regular	0.00	3,381.49	52775
02357	Sacramento Municipal Utility District (SMUD)	05/21/2018	Regular	0.00	8,213.82	52776
03267	Silva, Donna	05/21/2018	Regular	0.00	142.65	52777
02540	Sutter Medical Foundation	05/21/2018	Regular	0.00	311.00	52778
01844	Thorne, Jedediah	05/21/2018	Regular	0.00	250.00	52779
02651	United Parcel Service Inc	05/21/2018	Regular	0.00	81.27	52780
02700	Viking Shred LLC	05/21/2018	Regular	0.00	50.00	52781
01687	W. W. Grainger, Inc.	05/21/2018	Regular	0.00	555.24	52782
03643	County of Kern	05/29/2018	Regular	0.00	50.00	52783
03406	Alpha Analytical Laboratories Inc.	05/30/2018	Regular	0.00	423.00	52784
01073	Amarjeet Singh Garcha	05/30/2018	Regular	0.00	120.00	52785
03639	B&K Valves & Equipment, Inc.	05/30/2018	Regular	0.00	257.40	52786
01182	Bartkiewicz, Kronick & Shanahan	05/30/2018	Regular	0.00	27,244.21	52787
03594	Borges & Mahoney, Inc.	05/30/2018	Regular	0.00	796.47	52788
01373	City of Roseville	05/30/2018	Regular	0.00	3,508.39	52789
01375	City of Sacramento	05/30/2018	Regular	0.00	3,623.50	52790
03645	Contra Costa County	05/30/2018	Regular	0.00	50.00	52791
03091	Granite Bay Ace Hardware	05/30/2018	Regular	0.00	17.35	52792
02567	Grant, Teri	05/30/2018	Regular	0.00	27.80	52793
03308	Hope Industrial Systems, Inc	05/30/2018	Regular	0.00	941.07	52794
03464	National Water Resources Association Inc (NWRA)	05/30/2018	Regular	0.00	500.00	52795
02131	Office Depot, Inc.	05/30/2018	Regular	0.00	911.71	52796
	**Void**	05/30/2018	Regular	0.00	0.00	52797
03026	PFM Asset Management	05/30/2018	Regular	0.00	901.38	52798
02223	Rexel Inc (Platt - Rancho Cordova)	05/30/2018	Regular	0.00	7,742.01	52799
02293	RFI Enterprises, Inc	05/30/2018	Regular	0.00	335.00	52800
02328	Rocklin Windustrial Co	05/30/2018	Regular	0.00	432.85	52801

## Check Report

Date Range: 05/01/2018 - 05/31/2018

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
02372	Sacramento County Clerk/Recorder	05/30/2018	Regular	0.00	40.00	52802
03416	Smith, Kendall	05/30/2018	Regular	0.00	220.00	52803
03644	Tully & Young, Inc.	05/30/2018	Regular	0.00	2,970.00	52804
01687	W. W. Grainger, Inc.	05/30/2018	Regular	0.00	38.41	52805
01521	DataProse, LLC	05/08/2018	EFT	0.00	5,450.10	405386
01486	Department of Energy	05/08/2018	EFT	0.00	2,446.64	405387
01589	Eurofins Eaton Analytical, Inc	05/08/2018	EFT	0.00	940.00	405388
01611	Ferguson Enterprises, Inc	05/08/2018	EFT	0.00	5,046.73	405389
03593	Hanneman, Martin W	05/08/2018	EFT	0.00	39.78	405390
01790	Industrial Safety Supply Corp of California	05/08/2018	EFT	0.00	316.84	405391
01895	Joseph G Pollard Co, Inc	05/08/2018	EFT	0.00	119.09	405392
01935	Konecranes, Inc	05/08/2018	EFT	0.00	1,188.46	405393
02027	Mcmaster-Carr Supply Company	05/08/2018	EFT	0.00	132.89	405394
02308	River City Staffing, Inc.	05/08/2018	EFT	0.00	710.83	405395
02572	Thatcher Company of California, Inc.	05/08/2018	EFT	0.00	4,104.42	405396
02572	Thatcher Company of California, Inc.	05/08/2018	EFT	0.00	4,104.42	405397
02162	Tobin, Pamela	05/08/2018	EFT	0.00	40.33	405398
03387	WageWorks, Inc	05/08/2018	EFT	0.00	351.15	405399
03631	Wright, Eric	05/08/2018	EFT	0.00	14,329.42	405400
03514	Beckman Coulter, Inc.	05/14/2018	EFT	0.00	1,589.00	405401
03202	CD-Data Inc	05/14/2018	EFT	0.00	1,199.00	405402
03221	Chemtrade Chemicals Corporation	05/14/2018	EFT	0.00	7,926.32	405403
01365	Cisco Air Systems, Inc.	05/14/2018	EFT	0.00	2,280.13	405404
03523	Eckersall, Scott V.	05/14/2018	EFT	0.00	7,122.50	405405
01917	Kennedy/Jenks Consultants, Inc.	05/14/2018	EFT	0.00	6,589.23	405406
03628	Lees Automotive Repair Inc.	05/14/2018	EFT	0.00	67.55	405407
03553	Mallory Safety and Supply LLC	05/14/2018	EFT	0.00	683.64	405408
02027	Mcmaster-Carr Supply Company	05/14/2018	EFT	0.00	19.92	405409
02069	Motion Industries	05/14/2018	EFT	0.00	315.52	405410
02308	River City Staffing, Inc.	05/14/2018	EFT	0.00	934.40	405411
03385	S.J. Electro Systems, Inc	05/14/2018	EFT	0.00	9,090.00	405412
02504	Starr Consulting	05/14/2018	EFT	0.00	2,030.00	405413
01232	Brower Mechanical, Inc.	05/21/2018	EFT	0.00	1,155.00	405414
01589	Eurofins Eaton Analytical, Inc	05/21/2018	EFT	0.00	120.00	405415
01611	Ferguson Enterprises, Inc	05/21/2018	EFT	0.00	217.72	405416
03237	GM Construction & Developers, Inc	05/21/2018	EFT	0.00	21,075.48	405417
01895	Joseph G Pollard Co, Inc	05/21/2018	EFT	0.00	922.07	405418
01917	Kennedy/Jenks Consultants, Inc.	05/21/2018	EFT	0.00	2,484.00	405419
01472	Mel Dawson, Inc.	05/21/2018	EFT	0.00	4,500.36	405420
02308	River City Staffing, Inc.	05/21/2018	EFT	0.00	917.20	405421
03387	WageWorks, Inc	05/21/2018	EFT	0.00	351.15	405422
01328	Association of California Water Agencies / Joint P	05/22/2018	EFT	0.00	7,484.83	405423
	**Void**	05/22/2018	EFT	0.00	0.00	405424
03109	Alfa Laval Inc.	05/30/2018	EFT	0.00	6,753.87	405425
01330	CDW Government LLC	05/30/2018	EFT	0.00	1,735.93	405426
03221	Chemtrade Chemicals Corporation	05/30/2018	EFT	0.00	16,023.33	405427
01504	DLT Solutions LLC	05/30/2018	EFT	0.00	6,664.00	405428
01611	Ferguson Enterprises, Inc	05/30/2018	EFT	0.00	806.99	405429
01674	Global Labs, Inc.	05/30/2018	EFT	0.00	180.00	405430
01790	Industrial Safety Supply Corp of California	05/30/2018	EFT	0.00	332.64	405431
03628	Lees Automotive Repair Inc.	05/30/2018	EFT	0.00	50.85	405432
01736	MailFinance Inc	05/30/2018	EFT	0.00	489.23	405433
02027	Mcmaster-Carr Supply Company	05/30/2018	EFT	0.00	426.38	405434
02158	Pacific Storage Company	05/30/2018	EFT	0.00	57.68	405435
03589	Precision Digital Corporation	05/30/2018	EFT	0.00	1,332.59	405436
02308	River City Staffing, Inc.	05/30/2018	EFT	0.00	917.20	405437
02466	Silvers HR, LLC	05/30/2018	EFT	0.00	2,584.00	405438
02572	Thatcher Company of California, Inc.	05/30/2018	EFT	0.00	4,104.00	405439
02730	Western Area Power Administration	05/30/2018	EFT	0.00	7,578.00	405440
03077	VALIC	05/04/2018	Bank Draft	0.00	4,641.07	0007442826
03077	VALIC	05/18/2018	Bank Draft	0.00	4,637.22	0007455000

## Check Report

Date Range: 05/01/2018 - 05/31/2018

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
01641	Sun Life Assurance Company of Canada	05/02/2018	Bank Draft	0.00	9,976.42	100426045
03078	CalPERS Health	05/01/2018	Bank Draft	0.00	113,024.76	1001065168
03130	CalPERS Retirement	05/04/2018	Bank Draft	0.00	32,400.68	1001069182
01366	Citistreet/CalPERS 457	05/04/2018	Bank Draft	0.00	2,783.37	1001069186
03130	CalPERS Retirement	05/18/2018	Bank Draft	0.00	32,392.02	1001078047
01366	Citistreet/CalPERS 457	05/18/2018	Bank Draft	0.00	2,770.29	1001078052
03080	California State Disbursement Unit	05/17/2018	Bank Draft	0.00	750.92	HYG85P26659
03080	California State Disbursement Unit	05/03/2018	Bank Draft	0.00	750.92	NAM9INR6657
03080	California State Disbursement Unit	05/31/2018	Bank Draft	0.00	750.92	R8KINBR6657
03163	Economic Development Department	05/04/2018	Bank Draft	0.00	7,802.46	0-490-038-848
03163	Economic Development Department	05/18/2018	Bank Draft	0.00	7,961.80	2-100-844-096
01039	American Family Life Assurance Company of Colu	05/18/2018	Bank Draft	0.00	567.84	Q3869 05-18-18
01039	American Family Life Assurance Company of Colu	05/18/2018	Bank Draft	0.00	567.84	Q3869 05-18-18
03164	Internal Revenue Service	05/04/2018	Bank Draft	0.00	45,566.73	270852404457
03164	Internal Revenue Service	05/18/2018	Bank Draft	0.00	53.30	2708538231734
03164	Internal Revenue Service	05/18/2018	Bank Draft	0.00	46,170.01	2708538231734

## Bank Code APBNK Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	143	103	0.00	336,126.88
Manual Checks	0	0	0.00	0.00
Voided Checks	0	16	0.00	-16,930.67
Bank Drafts	24	18	0.00	313,568.57
EFT's	83	55	0.00	168,432.81
	<b>250</b>	<b>192</b>	<b>0.00</b>	<b>801,197.59</b>

## All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	143	103	0.00	336,126.88
Manual Checks	0	0	0.00	0.00
Voided Checks	0	16	0.00	-16,930.67
Bank Drafts	24	18	0.00	313,568.57
EFT's	83	55	0.00	168,432.81
	250	192	0.00	<b>801,197.59</b>

## Fund Summary

Fund	Name	Period	Amount
999	INTERCOMPANY	5/2018	<b>801,197.59</b>



San Juan Water District, CA

**Vendor History Report****By Vendor Name**

Posting Date Range 07/01/2017 - 05/31/2018

Payment Date Range -

Payable Number Item Description	Description Units	Post Date Price	1099 Amount	Payment Number Account Number	Payment Date Account Name	Amount Dist Amount	Shipping	Tax	Discount	Net	Payment
<b>Vendor Set: 01 - Vendor Set 01</b>											
<b>02556 - Costa, Ted</b>											
Exp Reimb 03-2018	Mileage Reimbursement 3-2018-Various Mee	3/28/2018	52599		4/17/2018	<b>492.88</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>492.88</b>	<b>492.88</b>
Mileage Reimbursement	0.00	0.00	37.06	010-010-52110 050-210-52110		37.06	0.00	0.00	0.00	37.06	37.06
Mileage Reimb 11-2017	ACWA Fall Conference-Mileage Reimbursem	11/30/2017	52171		12/18/2017	<b>455.82</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>455.82</b>	<b>455.82</b>
ACWA Fall Conference-M	0.00	0.00	455.82	010-010-52110 050-010-52110		227.91	227.91				
<b>01916 - Miller, Ken</b>											
Exp Reimb 03-2018	Mileage Expense Reimb 3-2018-Various Mee	3/31/2018	52606		4/17/2018	<b>622.76</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>622.76</b>	<b>622.76</b>
Mileage Expense Reimb 3	0.00	0.00	21.26	010-010-52110 050-010-52110		21.26	0.00	0.00	0.00	21.26	21.26
Exp Reimb 05-2018	Mileage & Parking Reimb-Various Mtngs&AC	5/10/2018	52866		6/18/2018	<b>132.84</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>132.84</b>	<b>132.84</b>
Mileage & Parking Reimb	0.00	0.00	132.84	010-010-52110 050-010-52110		66.42	66.42				
Mileage Reimb 11-2017	Mileage-ACWA Fall Conference	11/30/2017	52153		12/12/2017	<b>468.66</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>468.66</b>	<b>468.66</b>
Mileage-ACWA Fall Confe	0.00	0.00	468.66	010-010-52110 050-010-52110		234.33	234.33				
<b>03092 - Rich, Dan</b>											
Exp Reimb 03-2018	Exp Reimb 03-2018-Mileage RWASymposium	3/29/2018	52568		4/2/2018	<b>146.88</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>146.88</b>	<b>146.88</b>
Exp Reimb 03-2018-Mile	0.00	0.00	21.80	010-010-52110 050-010-52110		21.80	0.00	0.00	0.00	21.80	21.80
Exp Reimb 04-2018	Mileage Expense Reimbursement 04-2018	4/30/2018	52703		5/8/2018	<b>9.81</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>9.81</b>	<b>9.81</b>
Mileage Expense Reimbu	0.00	0.00	9.81	010-010-52110 050-010-52110		4.90	4.90				
Exp Reimb 05-2018	Parking Reimbursement-ACWA Spring Confer	5/10/2018	52873		6/18/2018	<b>45.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>45.00</b>	<b>45.00</b>
Parking Reimbursement-	0.00	0.00	45.00	010-010-52110 050-010-52110		22.50	22.50				
Exp Reimb 11-2017	ACWA Fall Conference-Uber Expense Reimb	12/4/2017	52240		1/5/2018	<b>70.27</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>70.27</b>	<b>70.27</b>
ACWA Fall Conference-UL	0.00	0.00	70.27	010-010-52110 050-010-52110		35.14	35.13				

## Vendor History Report

Posting Date Range 07/01/2017 - 05/31/2018

Payable Number Item Description	Description Units	Post Date Price	1099 Amount	Payment Number Account Number	Payment Date Account Name	Amount Dist Amount	Shipping	Tax	Discount	Net	Payment	
02162 - Tobin, Pamela Exp Reimb 01-2018	ACWA, RWA,Mtng w/M.Hanneman-Mileage	1/31/2018		405275	2/12/2018	1,583.73 83.12	0.00 0.00	0.00 0.00	0.00 0.00	1,583.73 83.12	1,583.73 83.12	
	ACWA, RWA,Mtng w/M.t	0.00	0.00	83.12	010-010-52110 050-010-52110	Training - Meetings, Education & Trai Training - Meetings, Education & Trai	41.56 41.56					
Exp Reimb 02-2018	ACWA Conf &Mtngs- Mileage,Meals&Cab	2/28/2018		405314	3/12/2018	330.82	0.00	0.00	0.00	330.82	330.82	
	ACWA Conf &Mtngs- Mile	0.00	0.00	330.82	010-010-52110 050-010-52110	Training - Meetings, Education & Trai Training - Meetings, Education & Trai	165.41 165.41					
Exp Reimb 03-2018	Mileage & Exp Reimb 03-2018-Various Meeti	3/31/2018		405350	4/9/2018	202.58	0.00	0.00	0.00	202.58	202.58	
	Mileage & Exp Reimb 03-	0.00	0.00	202.58	010-010-52110 050-010-52110	Training - Meetings, Education & Trai Training - Meetings, Education & Trai	101.29 101.29					
Exp Reimb 04-2018	Mileage Expense 04-2018-Various Meetings	4/30/2018		405398	5/8/2018	40.33	0.00	0.00	0.00	40.33	40.33	
	Mileage Expense 04-2018	0.00	0.00	40.33	010-010-52110 050-010-52110	Training - Meetings, Education & Trai Training - Meetings, Education & Trai	20.16 20.17					
Exp Reimb 05-2018	Mileage&Parking-Various Meetings & ACWA	5/10/2018		405466	6/18/2018	252.98	0.00	0.00	0.00	252.98	252.98	
	Mileage&Parking-Various	0.00	0.00	252.98	010-010-52110 050-010-52110	Training - Meetings, Education & Trai Training - Meetings, Education & Trai	126.49 126.49					
Exp Reimb 08-2017	Exp Reimb 08-2017-Lunch w/M. Hanneman	8/31/2017		405072	9/14/2017	55.04	0.00	0.00	0.00	55.04	55.04	
	Exp Reimb 08-2017-Lunc	0.00	0.00	55.04	010-010-52110 050-010-52110	Training - Meetings, Education & Trai Training - Meetings, Education & Trai	27.52 27.52					
Exp Reimb 09-2017	Mileage&Meal Reimbursement 09-2017	9/30/2017		405125	10/20/2017	100.55	0.00	0.00	0.00	100.55	100.55	
	Mileage&Meal Reimburs	0.00	0.00	100.55	010-010-52110 050-010-52110	Training - Meetings, Education & Trai Training - Meetings, Education & Trai	50.28 50.27					
Exp Reimb 11-2017	Mileage&ExpenseReimb-ACWA Fall Conferen	11/30/2017		405195	12/12/2017	340.26	0.00	0.00	0.00	340.26	340.26	
	Mileage&ExpenseReimb-	0.00	0.00	340.26	010-010-52110 050-010-52110	Training - Meetings, Education & Trai Training - Meetings, Education & Trai	170.13 170.13					
Exp Reimb 12-2017	ACWA Fall Conf-Mileage & Parking Reimburs	12/29/2017		405240	1/16/2018	91.26	0.00	0.00	0.00	91.26	91.26	
	ACWA Fall Conf-Mileage i	0.00	0.00	91.26	010-010-52110 050-010-52110	Training - Meetings, Education & Trai Training - Meetings, Education & Trai	45.63 45.63					
Mileage & Parking 07-2017	Mileage&Prkng07-2017-CapitolHearingRubio	7/31/2017		405072	9/14/2017	41.31	0.00	0.00	0.00	41.31	41.31	
	Mileage&Prkng07-2017-C	0.00	0.00	41.31	010-010-52110 050-010-52110	Training - Meetings, Education & Trai Training - Meetings, Education & Trai	20.66 20.65					
Mileage Reimb 10-2017	Mileage Reimbursement 10-2017	10/30/2017		405144	11/6/2017	45.48	0.00	0.00	0.00	45.48	45.48	
	Mileage-M. Emerson Mtr	0.00	0.00	45.48	010-010-52110 050-010-52110	Training - Meetings, Education & Trai Training - Meetings, Education & Trai	22.74 22.74					
Vendors: (4)						Total 01 - Vendor Set 01:	2,846.25	0.00	0.00	0.00	2,846.25	2,846.25
Vendors: (4)						Report Total:	2,846.25	0.00	0.00	0.00	2,846.25	2,846.25



Payroll Set: 01-San Juan Water District

<b>Employee Number</b>	<b>Employee Name</b>	<b>Pay Code</b>	<b># of Payments</b>	<b>Units</b>	<b>Pay Amount</b>
<u>0690</u>	Costa, Ted	Reg - Regular Hours	7	100.00	6,250.00
			<b>0690 - Costa Total:</b>	<b>100.00</b>	<b>6,250.00</b>
<u>1028</u>	Hanneman, Martin	Reg - Regular Hours	7	70.00	4,375.00
			<b>1028 - Hanneman Total:</b>	<b>70.00</b>	<b>4,375.00</b>
<u>0670</u>	Miller, Ken	Reg - Regular Hours	10	108.00	6,750.00
			<b>0670 - Miller Total:</b>	<b>108.00</b>	<b>6,750.00</b>
<u>1003</u>	Rich, Daniel	Reg - Regular Hours	5	74.00	4,625.00
			<b>1003 - Rich Total:</b>	<b>74.00</b>	<b>4,625.00</b>
<u>0650</u>	Tobin, Pamela	Reg - Regular Hours	11	178.00	11,125.00
			<b>0650 - Tobin Total:</b>	<b>178.00</b>	<b>11,125.00</b>
			<b>Report Total:</b>	<b>530.00</b>	<b>33,125.00</b>



# Pay Code Report

## Account Summary

7/1/2017 - 5/31/2018

Payroll Set: 01-San Juan Water District

Account	Account Description	Units	Pay Amount
<a href="#"><u>010-010-58110</u></a>	Director - Stipend	265.00	16,562.50
		<b>010 - WHOLESALE Total:</b>	<b>265.00</b>
<a href="#"><u>050-010-58110</u></a>	Director - Stipend	265.00	16,562.50
		<b>050 - RETAIL Total:</b>	<b>265.00</b>
		<b>Report Total:</b>	<b>530.00</b>
			<b>33,125.00</b>

**Pay Code Report**

Pay Code Summary

7/1/2017 - 5/31/2018

Payroll Set: 01-San Juan Water District

Pay Code	Description	# of Payments	Units	Pay Amount
Reg	Regular Hours	40	530.00	33,125.00
		Report Total:	<b>530.00</b>	<b>33,125.00</b>

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

	July 2017 - May 2018						
	Budgeted Deliveries	Budgeted Revenue	Actual Deliveries	Actual Revenue	Delivery Variance	Revenue Variance	
San Juan Retail	10,593.28	\$ 2,546,013	10,004.73	\$ 2,492,258	(588.55)	<b>-5.6%</b>	\$ (53,755) -2.1%
Citrus Heights Water District	9,488.02	\$ 2,538,271	9,867.66	\$ 2,569,075	379.64	4.0%	\$ 30,804 1.2%
Fair Oaks Water District	7,653.30	\$ 1,890,357	5,463.71	\$ 1,712,693	(2,189.59)	<b>-28.6%</b>	\$ (177,663) -9.4%
Orange Vale Water Co.	3,647.42	\$ 869,410	3,438.02	\$ 852,419	(209.40)	<b>-5.7%</b>	\$ (16,991) -2.0%
City of Folsom	911.01	\$ 240,225	995.25	\$ 247,060	84.24	9.2%	\$ 6,835 2.8%
Granite Bay Golf Course	253.83	\$ 9,988	270.51	\$ 10,645	16.68	6.6%	\$ 656 6.6%
Sac Suburban Water District	7,500.00	\$ 1,354,986	8,808.81	\$ 1,450,580	1,308.81	<b>17.5%</b>	\$ 95,594 7.1%
<b>TOTAL</b>	<b>40,046.86</b>	<b>\$ 9,449,250</b>	<b>38,848.69</b>	<b>\$ 9,334,731</b>	<b>(1,198.17)</b>	<b>-3.0%</b>	<b>\$ (114,520) -1.2%</b>

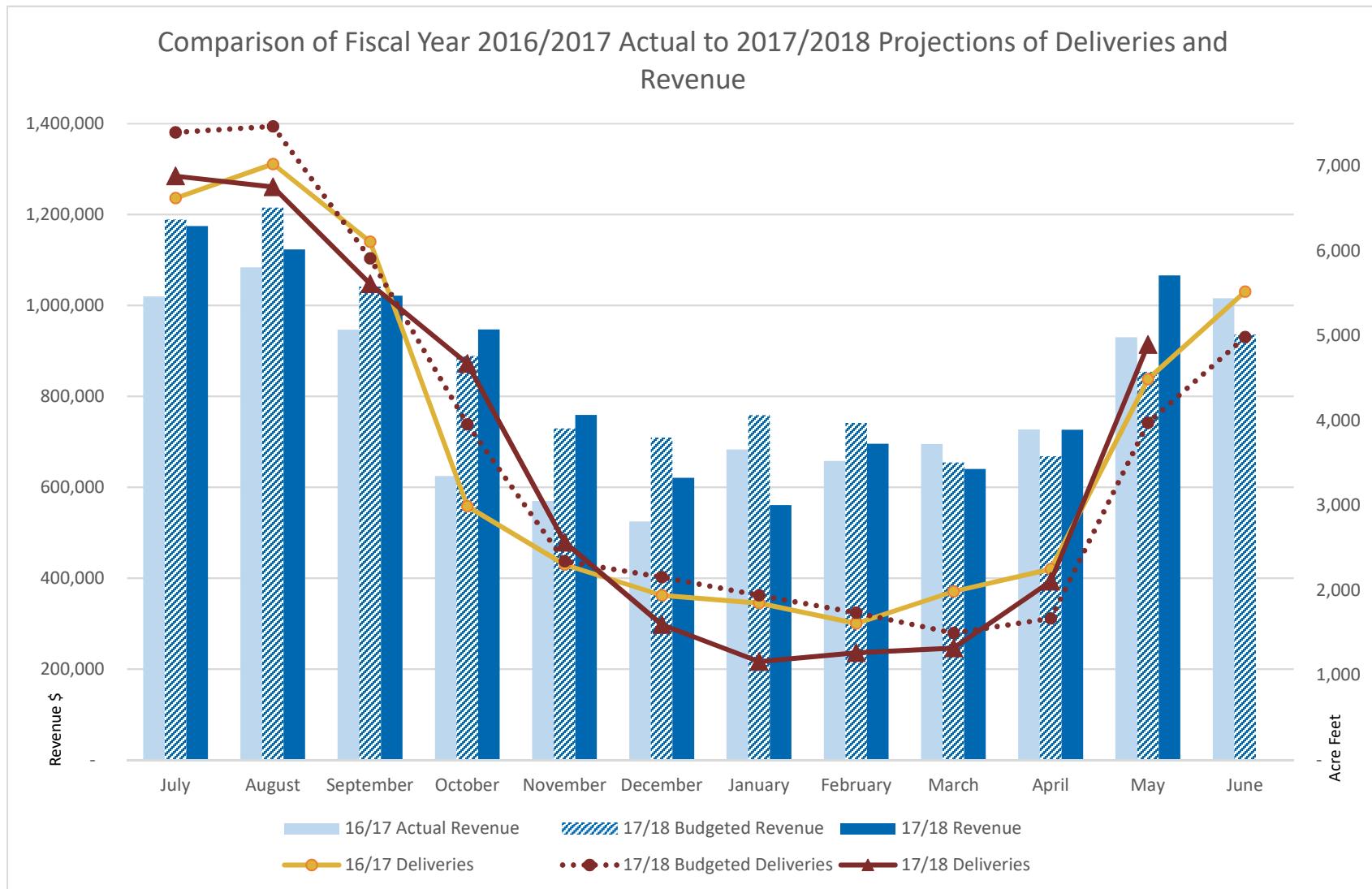
Budgeted Deliveries	40,046.86
Actual Deliveries	<u>38,848.69</u>
Difference	(1,198.17)
	-3.0%

Budgeted Water Sale Revenue	\$ 9,449,250
Actual Water Sale Revenue	\$ 9,334,731
Difference	\$ (114,520)
	-1.2%

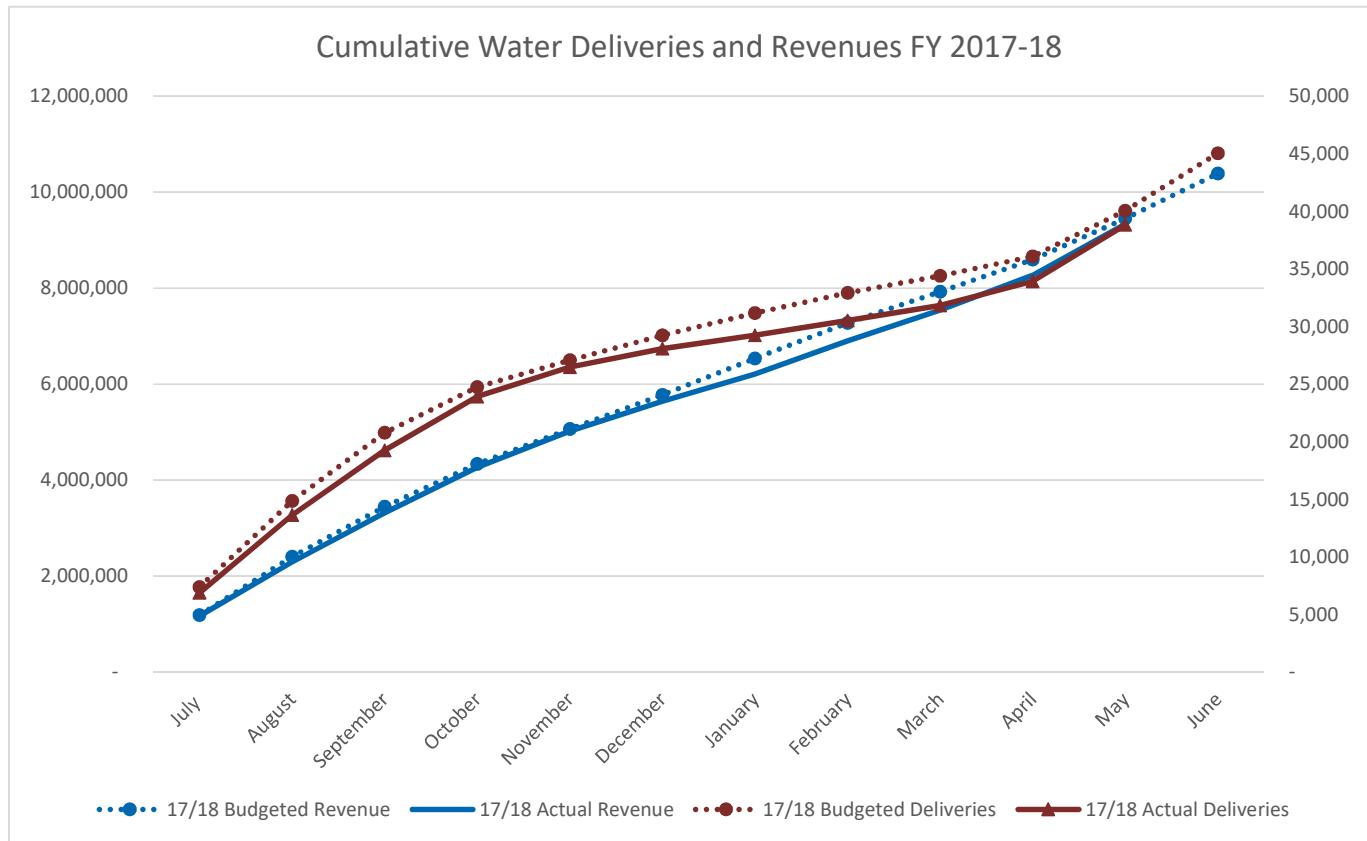
### Conclusion:

May deliveries and revenues were higher than the prior year, and greater than anticipated in the budget. Total deliveries through May improved, but were still below expectations by 1,198 acre feet, or -3%, resulting in a revenue shortfall of \$114,520. The variance is due primarily to lower than budgeted deliveries for the Fair Oaks Water District for most of the year. Due to SSWD's broken pipe, the District did not treat any water for SSWD, which also contributed to less than anticipated revenues. In April, Fair Oaks Water District reverted to their original groundwater vs. surface water schedule and SSWD began taking water again. This contributed to the gains made in May and should result in gains in June as well.

Due to the change in the rate structure, the 3% decline in deliveries produces revenues that are 1.2% lower than the budget for the period.



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



# AGENDA ITEM IX-1

DRAFT

## Engineering Committee Meeting Minutes San Juan Water District June 20, 2018 10:00 a.m.

**Committee Members:** Dan Rich, Chair  
Ted Costa, Director

**District Staff:** Paul Helliker, General Manager  
Tony Barela, Operations Manager  
Rob Watson, Engineering Services Manager  
George Machado, Field Services Manager  
Andrew Pierson, Associate Engineer  
Donna Silva, Finance Director  
April Naatz, Finance & Administrative Services Analyst  
Teri Grant, Board Secretary/Administrative Assistant

**Topics:** Fair Oaks 40-Inch Pipeline Relining Project (W & R)  
Maintenance Building Roof Replacement Project (W & R)  
Maintenance Building HVAC Replacement Project (W & R)  
FY 18/19 CIP Projects Overview (W & R)  
Douglas Main Replacement Project Status Update (R)  
Other Engineering Matters  
Public Comment

### 1. Fair Oaks 40-Inch Pipeline Relining Project (W & R)

Mr. Barela provided the committee with a written staff report which will be attached to the meeting minutes. He reviewed the history of the work that has been completed on the Fair Oaks 40-inch pipeline and the current condition of the pipeline. He informed the committee that two bids were received and explained that there are very few contractors that perform the type of work that needs to be completed on the pipeline.

In response to Director Costa's question, Mr. Barela explained that during the design and bidding phases he has been in contact with Mr. Michael Nisenboym from Fair Oaks Water District to inform them of the project status. He plans to meet with FOWD prior to the June Board meeting to discuss the bids that were just received yesterday. Director Costa voiced concern regarding the amount of the bid as compared to the estimated amount. Ms. Silva commented that the payment agreement with FOWD (dated June 22, 2016) estimated the cost of Phase 2 (this portion of the project) at \$2.185 million.

The committee directed staff to meet with FOWD to inform them of the project cost and obtain any input from them prior to the Board's review and approval.

*The Engineering Committee recommends consideration of a motion to award a construction contract to J. Fletcher Creamer & Son, Inc. for the amount of \$2,598,842.00 and authorizing a total construction budget for the Fair Oaks 40" Pipeline Relining Project of \$2,807,000.00 (includes an 8% contingency).*

**2. Maintenance Building Roof Replacement Project (R)**

Mr. Barela provided a combined staff report for this agenda item and agenda item 3. A copy of the staff report will be attached to the meeting minutes. He explained that the roof on the maintenance building was installed in 1981 when the building was constructed. He explained that the 37 year old roof needs to be replaced and that the cost is more than anticipated partly due to the mastic including an asbestos binder which needs special handling for removal.

*The Engineering Committee recommends consideration of a motion to award a construction contract to MCM Roofing Company, Inc. for construction of a new roof for the amount of \$106,142.00 and authorizing a total construction budget of \$116,800.*

**3. Maintenance Building HVAC Replacement Project (R)**

Mr. Barela explained that the HVAC system would be replaced at the same time as the roof replacement.

*The Engineering Committee recommends consideration of a motion to award a construction contract to AirCo Mechanical, Inc. for construction of the HVAC system for the amount of \$56,060 and authorizing a total construction budget of \$61,700.*

**4. FY 18/19 CIP Projects Overview (W & R)**

Mr. Watson provided the committee with updated wholesale and retail CIP lists. A copy of the lists will be attached to the meeting minutes. Director Costa commented that he will need more time to review the lists before providing any input. Director Rich commented that the CIP information will be used in the budget for FY 2018-19.

*For information only; no action requested.*

**5. Douglas Main Replacement Project Status Update (R)**

Mr. Pierson informed the committee that the contractor has mobilized and is procuring materials, potholing, and preparing the project location for work that will start on June 25th. He explained that the informational signs for the construction are ready and installed at the jobsite, and outreach has been underway with website and Facebook posts, and e-blasts to customers. In addition, he has personally reached out a second time to the businesses that will be affected by the construction.

*For information only; no action requested.*

**6. Other Engineering Matters**

Mr. Machado and Mr. Barela informed the committee that the old shop was demolished on June 19, 2018.

**7. Public Comment**

There were no public comments.

The meeting was adjourned at 11:00 a.m.

## PLANNED CAPITAL IMPROVEMENT PROJECTS

**FY18/19**

### **WHOLESALE PROJECTS**

<b>WTP Improvements:</b>		<b>Budget</b>	<b>Description</b>
Filter Floor Repairs & Media/Nozzle Replmt	\$ 394,000		Design Phase (Construction in FY 19/20). R&R filter media and media support plates, replace nozzles, and clean & repair spalled filter floor area. (Maintenance.)
Resurface North & South Filter Basin Walls	\$ 37,000		Design Phase (Construction in FY 19/20). Clean and remove damaged filter walls, then coat walls with resurfacing compound. (Maintenance.)
Chlorine Piping Replacement	\$ 58,000		R&R the existing chlorine piping, valving and ancillaries. (Regulatory and Chlorine Institute Standards.)
Lime System Control & Feeder Replacements	\$ 34,000		Replace aged equipment and update control system. (Maintenance)
ProMinet Cl2 Sensors and Cabinets (3)	\$ 20,000		Replace 3 chlorine concentration sensors and cabinets. (Maintenance.)
Clarifier Wall Lining & Leakage Repairs	\$ 506,000		Drain clarifiers, clean walls & floor, apply high solids elastomeric coating to seal the walls and floors. (Maintenance, and extends service life.)
Solids Containment Area & Handling Imprvmt's	\$ 33,000		Design budget, construct next year. Construct a sludge solids handling area to better manage solids. (Operations improvement.)
NW and SW Surface Wash Pump Rehab	\$ 36,000		Maintenance. R&R two surface wash system pumps. (Maintenance.)
Security Improvements (WTP)	\$ 169,000		Installation of CCTV and intrusion notification systems. (Safety and Security improvement.)
Thickener Access Ladders	\$ 21,000		Provides safe access to the confined space locations for Operators. (Safety, OSHA Compliance.)
Replace & Relocate Transformer (Downstairs)	\$ 19,000		This CIP was identified in the Facilities Needs Assessment. (Safety, Regulatory Compliance.)
Replace & Relocate Electric Panel (Near Sink)	\$ 24,000		This CIP was identified in the Facilities Needs Assessment. (Safety, Regulatory Compliance.)
<b>Reservoir Improvements:</b>			
Hinkle Res Overflow Channel Lining	\$ 109,000		Gunite lining east of AFR to WTP. (Maintenance savings.)
Hinkle Res Monitoring Well Probes	\$ 29,500		Automate level recordation into SCADA, adds failure monitor. (Regulatory reporting improvement, safety, save labor.)
Solar Site Access Culvert Replacement	\$ 225,000		Replace aged culvert on Baldwin Reservoir ditch. (Maintenance, safety.)
<b>Pipelines:</b>			
Fair Oaks 40 T-Main Relining	\$ 2,500,000		11,000-LF; Repair & replace mortar lining. (Maintenance.)
<b>Misc. CIP Projects:</b>			
WTP Site East Perimeter Fence Replacement	\$ 162,000		Replace damaged and aged perimeter fencing. (Maintenance.)
WTP Site Paving, Slurry Seal & Re-stripe	\$ 225,000		Grind old pavement, regrade to drain, repave & stripe. (Maintenance.)
Perimeter Fencing for Barton Rd Parcel	\$ 19,000		Install new fencing to secure transmission mains. (Maintenance, security.)
Security Fence West End WTP at WEL Garden	\$ 34,000		Install fencing to secure WTP from WEL garden access. (Maintenance, security.)
SCADA Comm Impr - North Phase (Whl Share)	\$ 19,000		Replace non-repairable radios for 8 sites; Whsl share. (Maintenance.)
Fluke Pressure Calibrator	\$ 8,000		Testing and calibration equipment for WTP. (Maintenance.)
Welding Ventillator	\$ 6,000		OSHA compliance for personnel using welding area. (Safety, regulatory compliance.)
<b>Information Technology:</b>			

## PLANNED CAPITAL IMPROVEMENT PROJECTS

**FY18/19**

MCExpress (Mobile CMMS)	\$ 9,000	Software for asset management system. (Improved operations and emergency response, labor savings.)
Info Water Software for GIS (Whsl Share)	\$ 7,500	Software for GIS system update. (Improved operations and emergency response, labor savings.)
Esri ArcGIS Software for GIS (Whsl Share)	\$ 4,400	Software for GIS system update. (Improved operations and emergency response, labor savings.)
Intranet Mapping App for GIS (Whsl Share)	\$ 3,000	Software for GIS system update. (Improved operations and emergency response, labor savings.)
<b>Large Non-Capital Projects:</b>		
GIS Implementation (Whsl Share)	\$ 91,500	Replacement/Update of old GIS; labor savings. (Improved operations and emergency response, labor savings.)
<b>Building Improvements:</b>		
Admin Bldg Office CS Remodel (Whsl Share)	\$ 7,000	Access improvement. (ADA compliance, safety.)
<b>Vehicles:</b>		
Whsl Ops - Vehicle #29 (2000 Dodge Dakota)	\$ 38,000	End of useful life replacement. (Maintenance.)
<b>TOTAL WHOLESALE BUDGET</b>		\$ 4,847,900

## PLANNED CAPITAL IMPROVEMENT PROJECTS

FY18/19

### RETAIL PROJECTS

Main/Distribution Pipelines:	Budget	Description
Douglas Blvd (West of AFR)	\$ 1,531,800	Replace ±4,125-LF (to 4,570-LF) of aged 10" steel main; adds dependability. 6990 to 7767 Douglas, plus 1-1/2" and 2" small diameter mains. (Maintenance)
Dambacher Dr. (Replace Services)	\$ 162,800	Replace ±19 aged steel service taps with bronze taps. (Maintenance)
Lou Place 8" (Troy to Crown Pt Vista)	\$ 149,000	Replace ±460-LF of aged main; add dependability. (Maintenance)
Spahn Ranch Rd. Main Ext (2,980 LF 8-inch)	\$ 107,200	Design only, construction next FY. Install ±2,980-LF of new pipeline; provides looped distribution network. (System buildout.)
Cavitt Stallman 12" (Oak Pines to Sierra Ponds)	\$ 580,400	Install 2,000-LF of new 12-in DIP on Cavitt Stallman between Oak Pines Lane and Sierra Ponds Lane. (Maintenance)
Cavitt Stallman 12" (Mystery Cr to Oak Pines)	\$ 366,000	Install 450-LF of new 12-in DIP and a PRS on Cavitt Stallman between Mystery Creek Ln and Oak Pines Ln. (Maintenance)
Edward Court 8" (South of Lou Place)	\$ 99,900	Install 300-LF of new 8-in C900 pvc pipe and replace three (3) services on Edward Ct, south of Lou Place. (Maintenance)
Woodminister Services Replacements	\$ 81,000	Replacement of 18 aged services. (Maintenance)
Redbud/Lupin/Meadowlark Services Replmts	\$ 189,000	Replacement of 43 aged services. (Maintenance)
6-In Walnut Ave to Madison Abandonment	\$ 50,000	Excavate to, cut off, and install a restrained pipe cap as necessary to properly abandon an old pipeline. (Maintenance)
Sandstone & Auberry to Hill Rd 8" Ext & Serv	\$ 140,000	Replace 175-LF of 8-in pipeline and 17 Services. (Maintenance)
Air/Vacuum Relief Valve Replacements	\$ 50,000	Replacement of old AVRV's at 5 locations. (Maintenance)
<b>Transmission Pipelines:</b>		
Kokila (SJWD/PCWA) 12-Inch Intertie Pipeline	\$ 236,000	Interconnection with PCWA. (Supply dependability.)
<b>Reservoir/Tank Improvements:</b>		
Mooney Tank Building New Roof	\$ 34,000	Replace the existing aged roof before failure. (Regulatory mandate compliance.)
<b>Pump Station &amp; PRV Improvements:</b>		
Canyon Falls PRS	\$ 155,000	Replace aged control valve station. (Maintenance, operational gains.)
Generator Replacements - Bacon BPS	\$ 350,700	2 Gensets. Regulatory compliance, and dependability. (Maintenance)
LGB / CP Emergency Intertie	\$ 45,000	Back-up emergency supply for LGB & CP Zones. (System operational redundancy.)
Bacon BPS HVAC Improvements	\$ 23,000	Add cooling for electrical equip; add life, lower failures. (Adds service life for VFD's and other electrical equipment.)
UGB & LGB BPS Low Flow Pumps	\$ 117,000	Add small pumps for low demand condition. (Operational improvements, energy use savings.)
ARC-S PS Building Piping Improvements	\$ 10,000	Misc. piping and ancillary improvements. (Maintenance)
ARC-S PS Building HVAC Improvements	\$ 10,000	Add cooling for electrical equipment. (Maintenance. add service life, lower failures.)

Douglas BPS Electrical Improvements	\$ 45,000	R&R aged elec. equipment. (Maintenance, adds service life and dependability.)
Douglas BPS Mag Discharge Meter	\$ 6,000	Replace aged flowmeter. (Maintenance)
BPS VFD Replacements	\$ 75,000	Replace 5 aged VFD's. 2 ARC-S, 1 Bacon, 2 ARC-N. (Maintenance)
Security Improvements (Bacon)	\$ 169,000	Installation of CCTV and entry security systems. (Safety and Security improvement.)
<b>Information Technology:</b>		
MCExpress (Mobile CMMS)	\$ 9,000	Software for asset management system. (Improved operations and emergency response, labor savings.)
Info Water Software for GIS (Retl Share)	\$ 17,500	Software for GIS system update. (Improved operations and emergency response, labor savings.)
Esri ArcGIS Software for GIS (Retl Share)	\$ 10,300	Software for GIS system update. (Improved operations and emergency response, labor savings.)
Intranet Mapping App for GIS (Retl Share)	\$ 7,000	Software for GIS system update. (Improved operations and emergency response, labor savings.)
GIS Implementation (Retail Share)	\$ 275,000	Replacement/Update of old GIS; labor savings. (Improved operations and emergency response, labor savings.)
<b>Building Improvements:</b>		
Excavated Materials Containment	\$ 65,000	Excavation materials management. (SWPPP compliance.)
Field/Engr Bldg HVAC Replacement	\$ 61,700	Replace failing equipment. (Maintenance.)
Admin Bldg Front Office Cust Service Remodel	\$ 7,000	New ladders for access - Retail share. (Safety, regulatory compliance).
Welding Ventillator	\$ 6,000	OSHA compliance for personnel using welding area. (Safety, regulatory compliance.)
<b>Equipment:</b>		
SCADA Radio Repl (North Phase, RSA Share)	\$ 43,000	Replace non-repairable radios for 8 sites; Retail share. (Maintenance.)
SCADA Fiber Optic Comm - Bacon to Central	\$ 39,000	SCADA and security comm. (Maintenance, improved SCADA security & control.)
Thermal Camera & Imaging Software	\$ 17,000	Leak detection equipment. (Regulatory compliance, lost water revenues.)
<b>Land Improvements:</b>		
Bacon BPS Perimeter Fencing	\$ 17,000	Addition of perimeter fencing. (Security betterment.)
<b>Facility Maintenance &amp; Prof. Services:</b>		
Field/Engr Bldg Roof Replacement	\$ 116,800	Replace leaking, aged roofing. (Maintenance.)
Field & Engr Building Electrical Improvements	\$ 42,000	Replace elec.l panel & wiring, (Maintenance, regulatory compliance.)
Ops Bldg Site Paving Improvements	\$ 169,000	Grind old pavement, regrade to drain, repave & stripe. (Maintenance.)
<b>Large Non-Capital Projects:</b>		
Retail Master Plan (incl. Storage component)	\$ 308,000	Asset condition assessments, CIP identification. (Planning.)
<b>Vehicles:</b>		
Field Ops - Transport Trailer Replacement	\$ 21,000	End of useful life replacement. (Maintenance.)
<b>TOTAL RETAIL BUDGET</b>		\$ 6,014,100