

SAN JUAN WATER DISTRICT

Board of Director's Meeting Minutes

June 27, 2018 – 6:00 p.m.

BOARD OF DIRECTORS

| | |
|----------------|-------------------------------|
| Marty Hanneman | President |
| Dan Rich | Vice President (absent) |
| Ted Costa | Director (arrived at 6:40 pm) |
| 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 |
| Teri Grant | Board Secretary/Administrative Assistant |
| Joshua Horowitz | Legal Counsel |

OTHER ATTENDEES

| | |
|---------------|----------|
| Dennis Lowery | Customer |
|---------------|----------|

AGENDA ITEMS

- I. **Roll Call**
- II. **Public Forum**
- III. **Consent Calendar**
- IV. **Public Hearing**
- V. **Old Business**
- VI. **New Business**
- VII. **Information Items**
- VIII. **Directors' Reports**
- IX. **Committee Meetings**
- X. **Closed Session**
- XI. **Open Session**
- XII. **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 and Pam Tobin. Director Ted Costa arrived at 6:40 pm, and Director Dan Rich was not present.

II. PUBLIC FORUM

There were no public comments.

III. CONSENT CALENDAR

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

1. Minutes of the Board of Directors Meeting, 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.

Director Miller moved to approve the Consent Calendar. Director Tobin seconded the motion and it carried with 3 Aye votes (Directors Costa and Rich absent).

IV. PUBLIC HEARING

1. FY 2018-2019 Budget (W & R)

President Hanneman opened the Public Hearing at 6:03 pm.

The Public Hearing was duly posted and published as required by law. There were no written comments received.

Ms. Silva conducted a brief presentation and referenced her written staff report which will both be attached to the meeting minutes. She explained that the budget was first reviewed by the Board at the May 24th budget workshop. In addition, the Engineering Committee reviewed the CIP list at their meeting last week, and the Finance Committee reviewed the budget yesterday.

Ms. Silva reviewed the changes to the budget, which are listed in the staff report, for Wholesale Operations, Wholesale Capital, Retail Operations, and Retail Capital. She explained that, for Wholesale Operations, the revenue and expenses from the water transfer was added to the budget as well as the revenue from water sales to Sacramento Suburban Water District. In addition, there is 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. Therefore, the transfer from Wholesale Operations to Wholesale Capital increased from \$1,354,000 to \$2,776,900 as a result (\$1,422,900 net increase). Furthermore, the beginning Wholesale Capital reserves and expenses were adjusted due to two projects not being completed fully this year so the remaining funding to complete the projects needed to be moved to the FY 2018-19 budget.

Ms. Silva explained that that Retail Operations had a small change to reflect a \$3,200 increase in the salaries and benefits budget due to the correction of a linking error between two underlying spreadsheets. She explained that there were significant changes in Retail Capital with \$1,314,200 in projects pushed from FY 2017-18 into FY 2018-19 (see staff report for details). 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 and will be placed in the FY 2019-20 budget. In addition, she informed the Board that, based on bids and estimates received since the workshop, total project costs increased by \$336,500.

In response to Mr. Lowery's question, Ms. Silva explained that the major driver for the project cost increases are due to the increased cost of construction, and many bids are coming in higher than expected.

President Hanneman closed the Public Hearing at 6:13 pm.

Director Miller moved to adopt Resolution No. 18-08 adopting the FY 2018-2019 Budget. Director Tobin seconded the motion and it carried with 3 Aye votes (Directors Costa and Rich absent).

V. OLD BUSINESS

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

Mr. Barela informed the Board that staff reviewed the two bids for the Fair Oaks 40-Inch Pipeline Relining Project and are recommending the contract be awarded to J. Fletcher Creamer & Son. A written staff report was provided in the board packet and will be attached to the meeting minutes. Mr. Helliker reported that the Engineering Committee directed staff to reach out to Fair Oaks Water District regarding the project. Therefore, Mr. Helliker communicated with Mr. Tom Gray, General Manager at FOWD, and discussed the project and there were no issues.

Director Tobin moved 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). President Hanneman seconded the motion and it carried with 3 Aye votes (Directors Costa and Rich absent).

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

Mr. Helliker provided a staff report and summary to the Board which will be attached to the meeting minutes. He explained that two reports were provided to the Board – Phase 1 and Phase 2A. The SJWD Board accepted both reports and voted unanimously to move to Phase 2B of the study; however, the SSWD board only accepted the Phase 1 report and not the Phase 2A report. In addition, SSWD wanted to suspend all work on the consolidation until they could address the questions and concerns raised by the wholesale customer agencies.

Mr. Helliker sent a letter in March to SSWD, at the request of the Board, regarding the status and outcome of their communications with the wholesale customer agencies. SSWD appointed a two-member committee (Directors Locke and Jones) to participate in a 2x2 committee with SJWD. President Hanneman appointed Director Costa and himself to serve on the committee. SSWD's committee members met a couple of times and presented information to their board and SSWD would like to resume discussions with SJWD that are not just focused on a merger, but other options that are available.

Mr. Helliker reported that the 2x2 committee has not met but they are working on a date to meet, most likely the end of July. In response to President Hanneman's question, Ms. Silva will have to research the cost of the Phase 1 and Phase 2A studies and provide that information to the Board at a later date.

3. GM Contract (W & R)

Mr. Helliker informed the Board that the employment agreement was created in January 2017 and there are three changes to the agreement that are being requested:

- Revise compensation to be \$186,735 per annum, effective March 6, 2018 (consisting of a 2.5% COLA and a 3% merit increase)

- Change 90 days' termination clause to 120 days' termination clause for the GM to terminate the contract
- Change 3 months to 4 months for the severance pay clause

Director Miller moved to approve amendments to the GM Contract. President Hanneman seconded the motion and it carried with 3 Aye votes (Directors Costa and Rich absent).

VI. NEW BUSINESS

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

Mr. Helliker informed the Board that his contract requires him to use his accrued vacation time prior to the end of the fiscal year and he is requesting that the unused time be carried over to FY 2018-19.

Director Tobin moved to approve accrual of GM vacation time. President Hanneman seconded the motion and it carried with 3 Aye votes (Directors Costa and Rich absent).

VII. INFORMATION ITEMS

1. GENERAL MANAGER'S REPORT

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

Mr. Helliker provided the Board with a written report for May which will be attached to the meeting minutes. He noted that production increased 10% due to delivering water to SSWD and FOWD. Mr. Machado reported that the air relief valve maintenance program started and there were only three inoperable valves.

1.2 Miscellaneous District Issues and Correspondence

Mr. Helliker reported that Folsom Reservoir storage is still above average, and temperatures are projected to be above normal for the next three months.

Mr. Helliker informed the Board that he received notice from the State Water Board that they are finishing the approval of the petition and should be signed by early next week. He explained that the environmental review was completed for the pre-1914 water transfer and this is the final approval needed in order to complete the transfer.

For the post-1914 water transfer, the conveyance agreement is still being worked on with DWR. In addition, the well information is being inputted into the DWR data system by Rob Swartz and should be completed early next week.

The last part will be for the Bureau of Reclamation to give a written mutual agreement that they will deliver the water to the bottom of the dam. Mr.

Helliker expects to receive the letter by July 1st; however, the transfer may not start on July 1st because all the documents must be received first. He informed the Board that he requested FOWD and CHWD to increase their pumping above what was projected for the remainder of July.

Mr. Helliker reported that Mr. Zlotnick has been working on obtaining a refund from the Bureau of Reclamation and a check for \$423,000 was received, and another \$6,000 is expected. Mr. Zlotnick explained that the formula for the allocated construction cost of the CVP was changed between 2013 and 2014 which resulted in the over-payment. There is still an amount being held by Reclamation which should cover the allocation through 2030. After 2030, the District's account with Reclamation will be trued up and at that time there will either be an amount due or a credit amount with Reclamation. Mr. Zlotnick reported that in addition to receiving the refund, about \$70,000 was paid in deficit balances in a restoration account, O & M account and other accounts. Ms. Silva informed the Board that the funds will be reflected in FY 2017-18 reserve balances.

Mr. Helliker reported that he has provided FOWD with the take or pay contract information that they requested. He reminded the Board that once FOWD can agree on their groundwater pumping costs then another 2x2 committee meeting will be scheduled.

Mr. Helliker reported that the District will receive a WaterSmart grant from Reclamation for \$300,000 for interties and will split the allocation with Sacramento County Water Agency. Mr. Helliker will forward the Board the email that he received.

2. DIRECTOR OF FINANCE'S REPORT

2.1 Miscellaneous District Issues and Correspondence

Ms. Silva reported that staff has started to prepare the letter of interest for funding options for the Hinkle and Kokila reservoir projects. The letter of interest for the WIFIA (Water Infrastructure Finance and Innovation Act) funding is due by July 31, 2018. The project cost is estimated at just over \$20 million. Director Miller suggested that the District communicate with the wholesale customer agencies to see if there are any large items that they are looking to complete and may want to join the District in debt funding to help reduce the interest rates. Mr. Zlotnick commented that there may be some constraints under WIFIA for funding multiple projects. Ms. Silva commented that for a bond issuance there would be a benefit since CHWD has a higher credit rating than the District. Director Costa suggested that the District only fund items that need to be funded and not include any extra amount in the funding.

Ms. Silva shared the accomplishments of a few employees, based on the examples noted in their performance evaluation. She shared information on Ken Kirkland, Darren Van Dusen and Andrew Pierson.

Ms. Silva reported that she contacted the District's bank and reviewed the bank fees with them. The bank is conducting a review and will inform her if a reduction in ongoing bank fees can be received.

3. OPERATION MANAGER'S REPORT

3.1 Miscellaneous District Issues and Correspondence

Mr. Barela reported that the electronic annual report to the Division of Drinking Water was submitted and accepted as complete. He commended staff for the extra work to prepare the information for the report.

Mr. Barela reported that the field services team responded to a leak on Winding Canyon Lane and had to shut down the system in order to replace saddles. He informed the Board that he received an email from a customer commending the employees for their efficiency, communication and outstanding service during the repair.

4. LEGAL COUNSEL'S REPORT

4.1 Legal Matters

Mr. Horowitz reported that there would not be a Closed Session and directed the Board to the email that Mr. Helliker sent.

VIII. DIRECTORS' REPORTS

1. SGA

No report

2. RWA

Director Tobin reported that the Legislative Advocate position has not been filled yet. She reported that the Executive Committee met this morning and they approved a Master Service Agreement for Human Resources Services with Regional Government Services Authority, recommends changes to the Other Post-Employment Benefits (OPEB) Funding Policy, recommends approval of the OPEB Actuarial Report and provided input on how to present the information to the board, discussed conferences and committees, and received an Integrated Regional Water Management Plan Update.

3. ACWA

3.1 Local/Federal Government/Region 4 - Pam Tobin

No report.

3.2 JPIA - Pam Tobin

No report.

3.3 Energy Committee - Ted Costa

No report.

4. CVP WATER USERS ASSOCIATION

No report.

5. OTHER REPORTS, CORRESPONDENCE AND COMMENTS

Mr. Helliker announced that the Water Education Foundation's 2018 Water Summit (formerly known as the Executive Briefing) will be held Thursday, September 20, 2018. Ms. Grant informed the Board that there are complimentary tickets available.

In response to Director Tobin's question, Ms. Grant informed the Board that the 2018 Open House is scheduled for October 6th from 11am to 3pm and there was a kick-off meeting held on June 11th and all wholesale customer agencies will be participating in the event.

IX. COMMITTEE MEETINGS

1. ENGINEERING COMMITTEE – JUNE 20, 2018

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

2. FINANCE COMMITTEE – JUNE 26, 2018

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

President Hanneman reported that there would be no Closed Session.

X. 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.

XI. OPEN SESSION

There was no Closed Session.

XII. ADJOURN

The meeting was adjourned at 6:49 p.m.

ATTEST:

MARTIN HANNEMAN, President
Board of Directors
San Juan Water District

TERI GRANT, Board Secretary

AGENDA ITEM III-2 & 3

STAFF REPORT

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

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 25th and are summarized as follows:

| Maintenance Building Roof Replacement Project | |
|--|-----------|
| MCM Roofing Company, Inc. | \$106,142 |
| Barth Roofing Company, Inc. | \$127,037 |
| Kings Roofing | \$138,305 |
| Maintenance Building HVAC Replacement Project | |
| 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.

| Project | Budget | Bid Amount | Difference |
|-------------------------|---------------|-------------------|-------------------|
| Maint. Roof Replacement | \$55,000 | \$106,142 | +\$51,142 |
| Maint. HVAC Replacement | \$44,000 | \$56,060 | +\$12,060 |

STAFF REPORT

AGENDA ITEM III-4

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

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 |
| Proposed Amendment 5 | July 1, 2018 | \$208,332 | 365 Calendar Days | June 30, 2019 |
| 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 |
| GM Construction Service Installation Description | | |
| | Pricing FY 2018-2019/ Install | |
| 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 | |
| NET CHANGE ORDER ADJUSTMENT | | \$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 | |

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

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

To: Board of Directors
From: George Machado, Field Services Manager
Date: June 27, 2018
Subject: Authorization and approval to exercise the 1st 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 |
| <i>Proposed Amendment 1</i> | <i>July 1, 2018</i> | <i>\$ 100,373.00</i> | <i>365</i> | <i>June 30, 2019</i> |
| 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 1st 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 |
| NET CHANGE ORDER ADJUSTMENT | | \$100,373.00 |

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 | |
| ORIGINAL CONTRACT AMOUNT | \$ 114,120.00 | |
| Contract adjustment - 1st Extension Change Order #1 | \$ 100,373.00 | |
| NEW CONTRACT AMOUNT (including all change orders) | \$ 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

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

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.

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.

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

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 1st), but the District is required by law to adopt a budget prior to September 1st of each year.

The Budget was previously discussed at a workshop on May 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

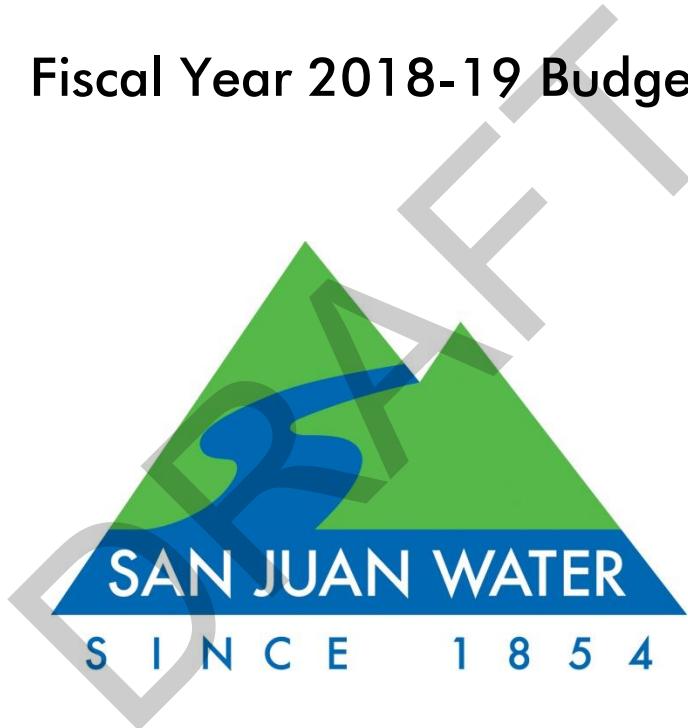
DRAFT BUDGET
FISCAL YEAR 2018-19

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



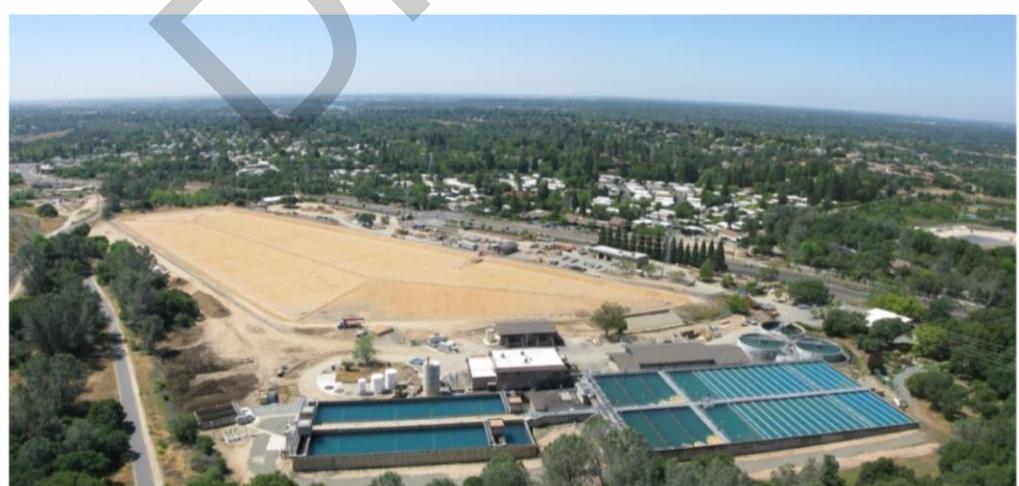
Prepared by the Finance Department under Direction of
the General Manager

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

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

Table of Contents

| | |
|---|-----------|
| Letter of Transmittal | 1 |
| DISTRICT PROFILE | 3 |
| Wholesale Service Area Map | 5 |
| Organization Chart by Functional Area | 6 |
| GFOA Budget Award..... | 7 |
| By The Numbers – Summary of District Information | 8 |
| ABOUT THE DISTRICT..... | 11 |
| Budget Purpose, Process and Control..... | 13 |
| Budget Format..... | 13 |
| Financial Policies | 14 |
| Reserve Policy | 14 |
| Debt Policy..... | 18 |
| Investment Policy | 18 |
| Procurement Policy | 19 |
| Accounting System and Controls..... | 19 |
| Fund Structure and Descriptions | 19 |
| Enterprise Funds..... | 19 |
| Capital Outlay Funds..... | 19 |
| Budget Assumptions..... | 20 |
| Estimated Revenues and Expenditures of Funds – Summary..... | 21 |
| MAJOR REVENUES AND EXPENDITURES | 25 |
| Water Sales | 25 |
| Wholesale Water Deliveries – Acre-Feet | 25 |
| Retail Water Deliveries (in CCF*) | 26 |
| Water Sale Revenues | 27 |
| Property Tax | 29 |
| Salaries and Benefits..... | 30 |
| Water Supply Costs | 32 |
| Capital Spending | 34 |
| Reserve Summary | 35 |

Table of Contents (con't)

| | |
|--------------------------------------|-----------|
| OPERATING FUNDS..... | 39 |
| Administration and General | 39 |
| Conservation | 39 |
| Customer Service | 39 |
| Engineering Services..... | 39 |
| Water Treatment..... | 39 |
| Distribution (Field Services)..... | 39 |
| Wholesale Operating Fund | 40 |
| Retail Operating Fund..... | 42 |
| CAPITAL FUNDS | 45 |
| Wholesale Capital Outlay Fund | 46 |
| Retail Capital Outlay Fund..... | 50 |
| SUPPLEMENTAL INFORMATION..... | 55 |
| Transfers In and Transfers Out..... | 57 |
| Debt Service Schedules | 58 |
| Labor Allocation..... | 60 |
| Board Resolution | 62 |
| Glossary of Terms | 63 |
| Acronyms..... | 67 |

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

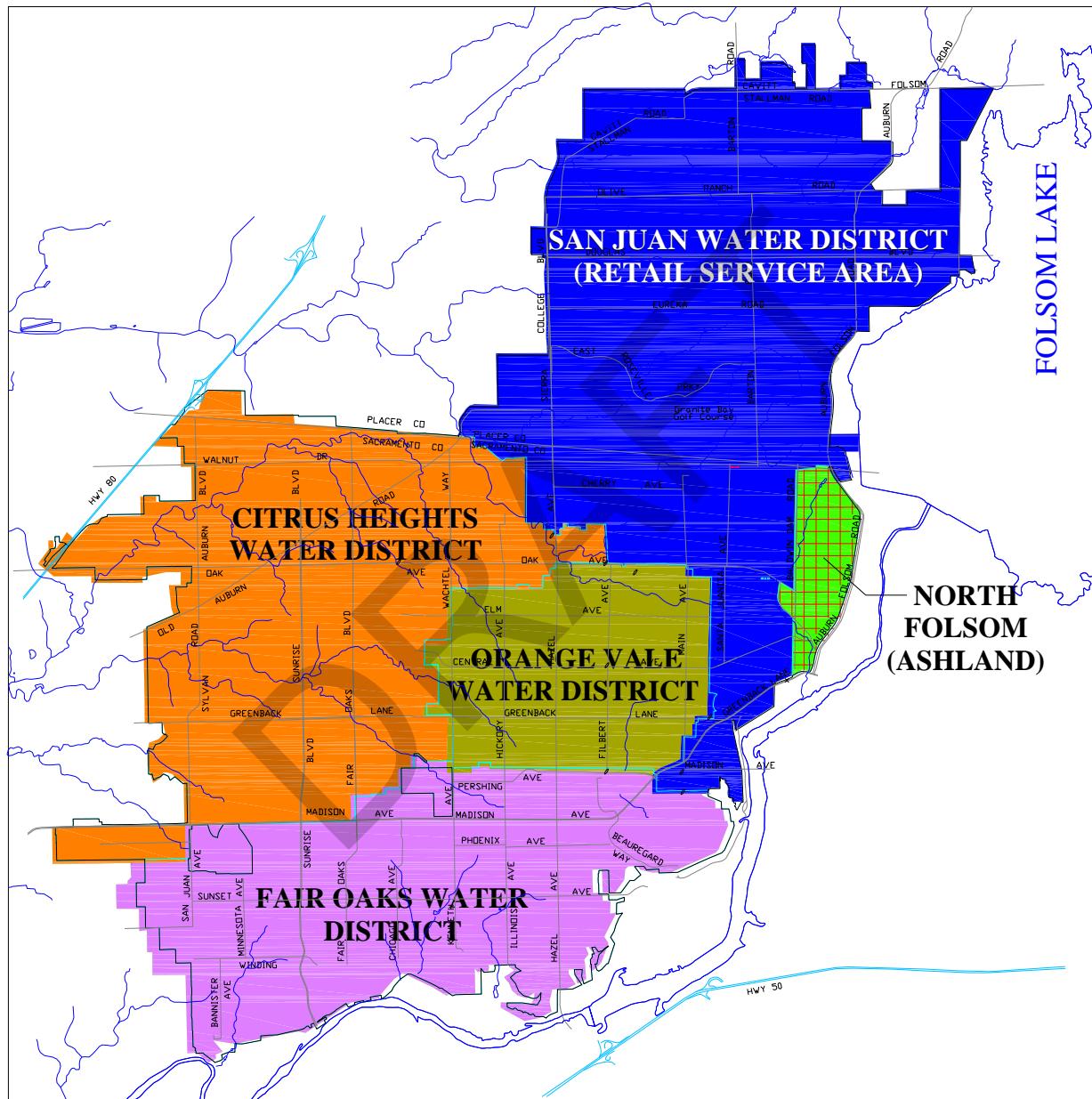
Fiscal Year 2018-19 Budget

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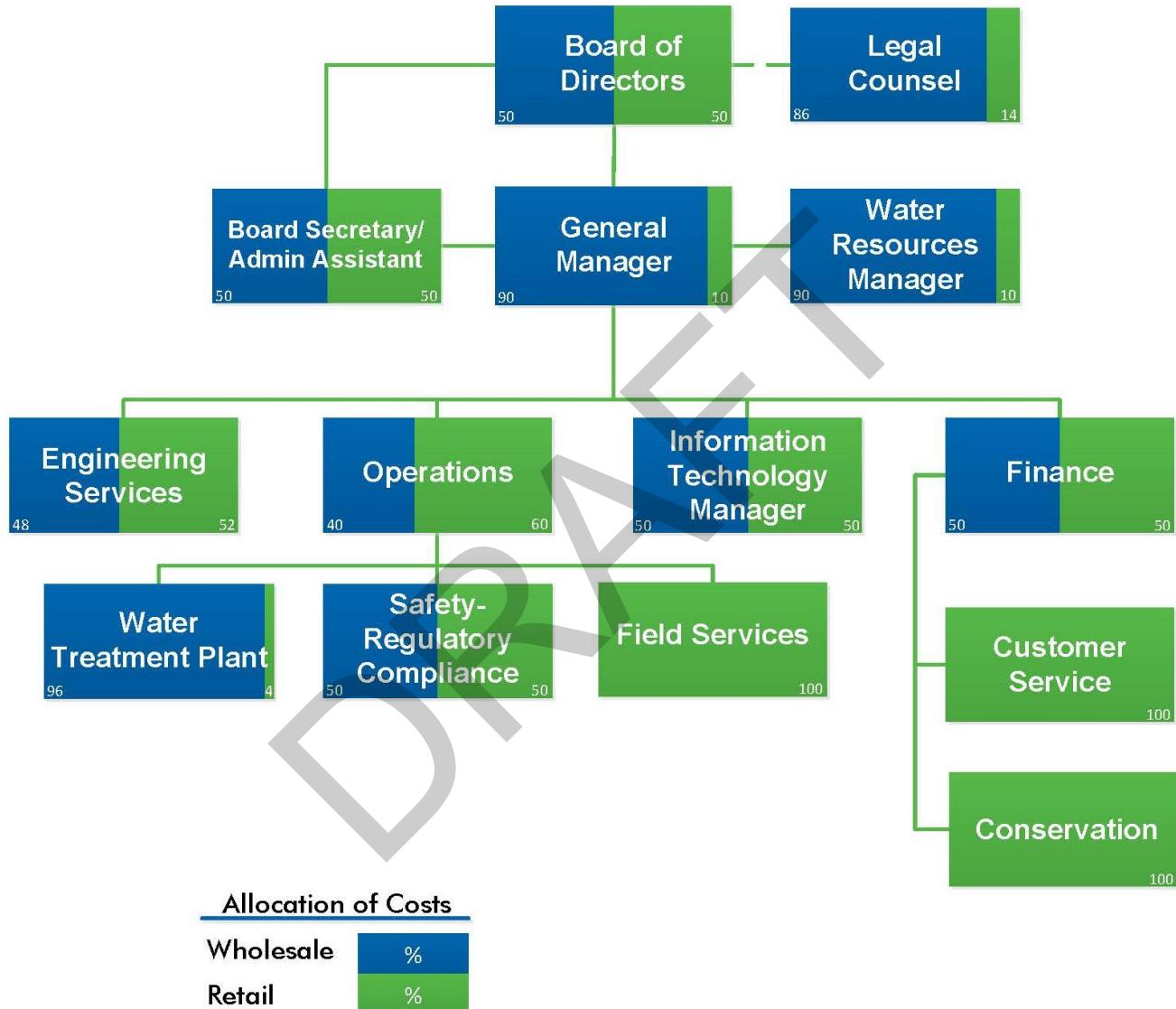
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Wholesale Service Area Map

(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 15th to September 30th) to 150 million gallons a day (mgd) from its original 100 mgd. Those past upgrades, and ongoing efforts to identify and implement projects and process improvements to increase efficiency, cost effectiveness, and productivity, all contribute to the

District's success in reliably satisfying customer demands while continuing to meet or exceed all Federal and State regulatory requirements.

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

Budget Purpose, Process and Control

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

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

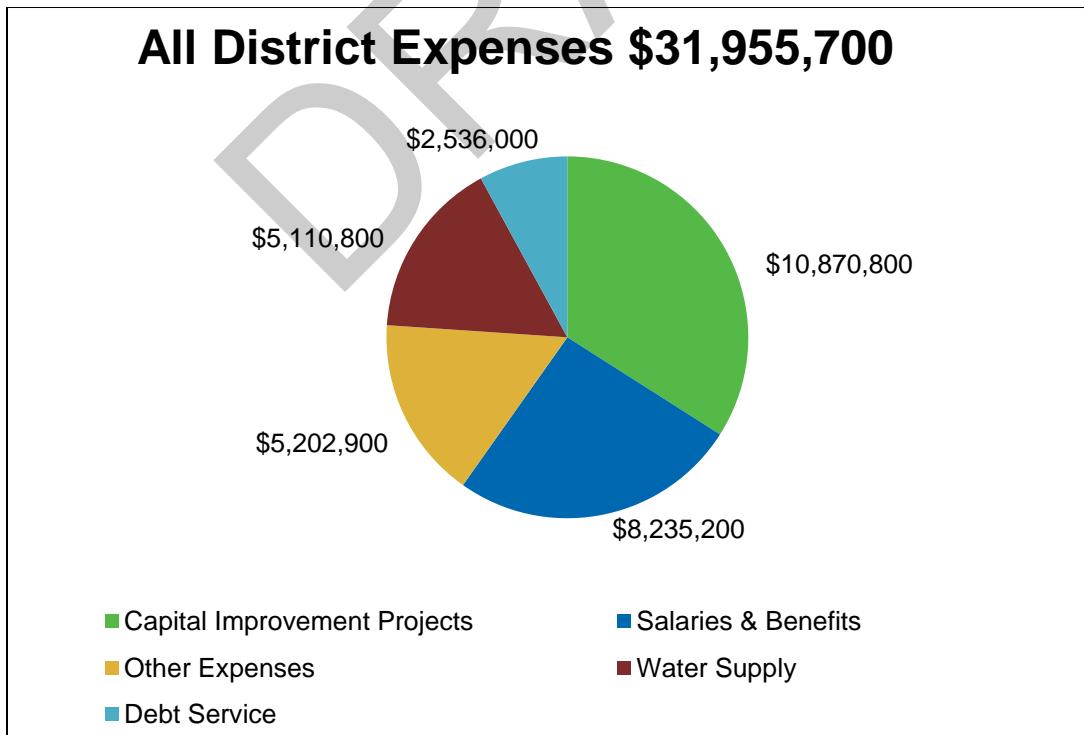
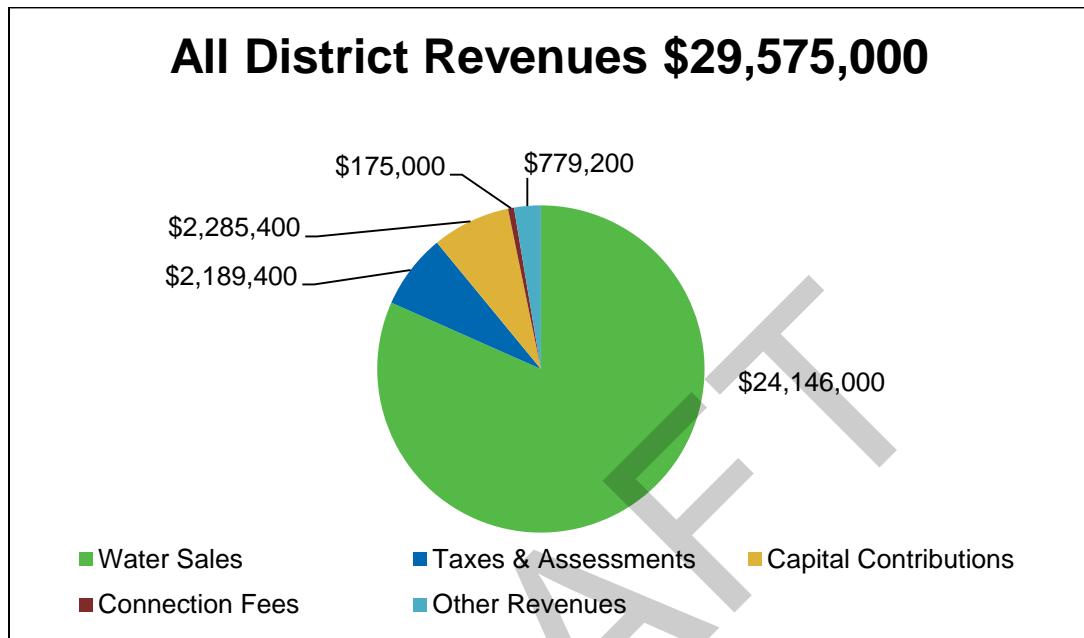
The funds are combined for purposes of formal financial reporting (audited financial statements). Budgets and descriptions for these funds can be found starting on page 39.

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 |
| Revenues | | | | | |
| 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 |
| Total Revenues | \$ 12,819,700 | \$ 3,520,100 | \$ 11,975,500 | \$ 1,259,700 | \$ 29,575,000 |
| Expenses | | | | | |
| 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 |
| Total Expenses | \$ 9,621,200 | \$ 4,856,700 | \$ 11,463,700 | \$ 6,014,100 | \$ 31,955,700 |
| Net Income | \$ 3,198,500 | \$ (1,336,600) | \$ 511,800 | \$ (4,754,400) | \$ (2,380,700) |
| Transfer In/(Out) | (2,776,900) | 2,776,900 | (275,300) | 275,300 | - |
| Ending Available Reserves Est. | \$ 2,357,989 | \$ 10,382,854 | \$ 2,762,724 | \$ 1,072,353 | \$ 16,575,920 |

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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

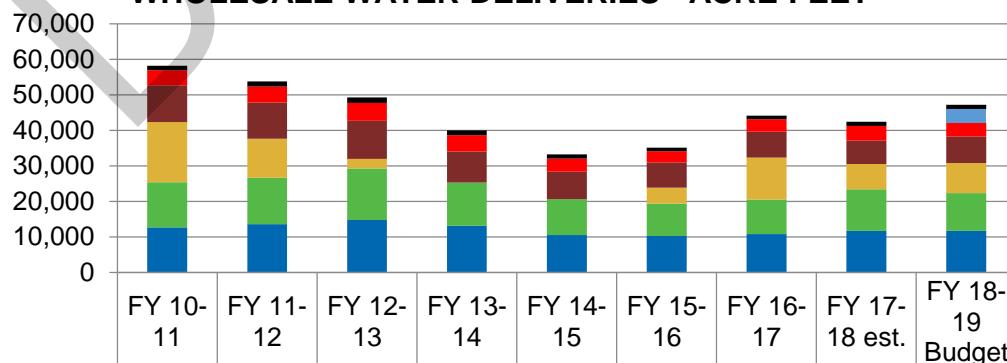
Revenue from the sale of water accounts for 80% of all District revenues. Water revenues are driven by two primary factors, the amount of water sold and the rate per unit. The Board of Directors considers and adopts rates through separate processes for wholesale and retail. Wholesale customers are presented 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.

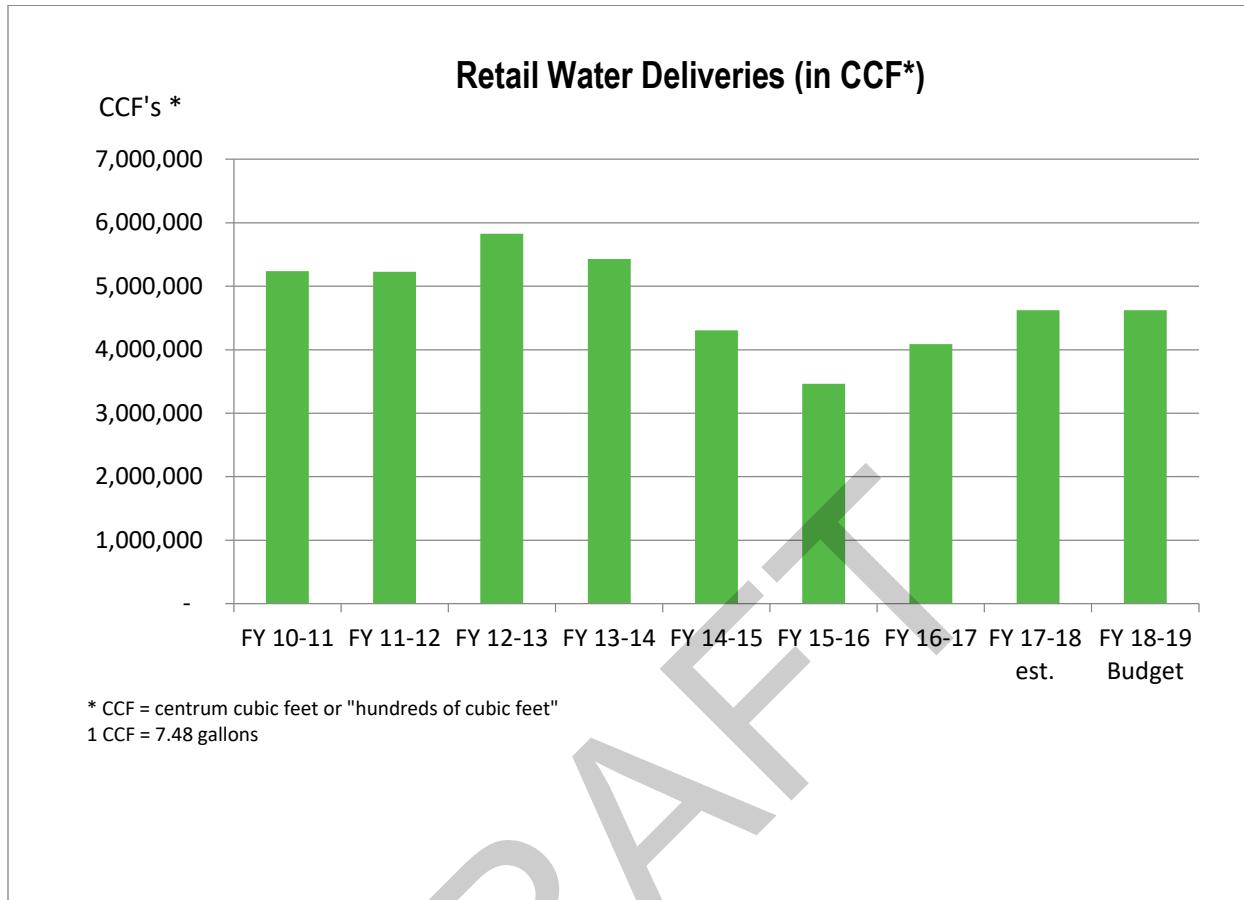
WHOLESALE WATER DELIVERIES - ACRE FEET



| | 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



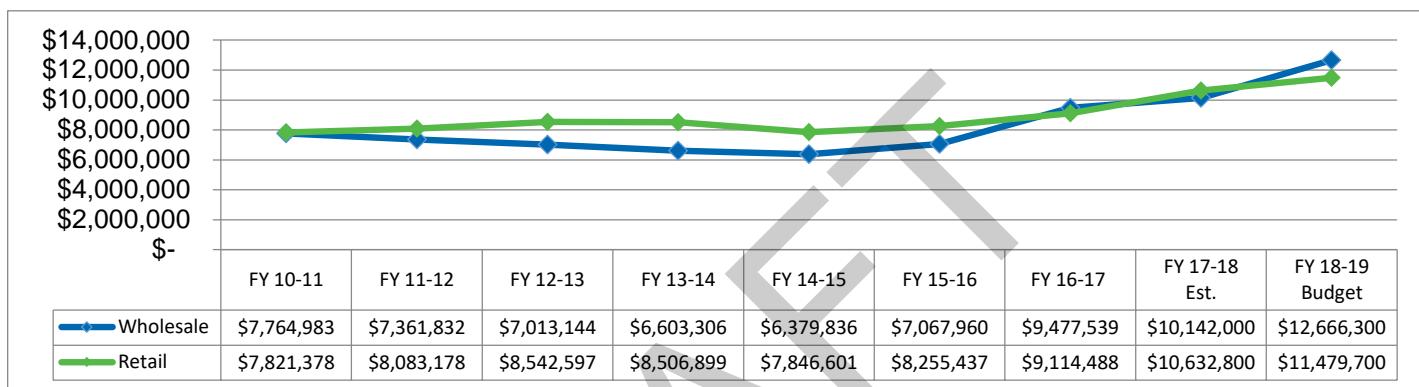
The recent drought resulted in a significant decline in water deliveries. Wholesale water deliveries began a steady decline in FY 2011-12, followed by retail two years later. Wholesale water deliveries reached their low in FY 2014-15 and retail reached its low in FY 2015-16. With the drought “officially” 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.

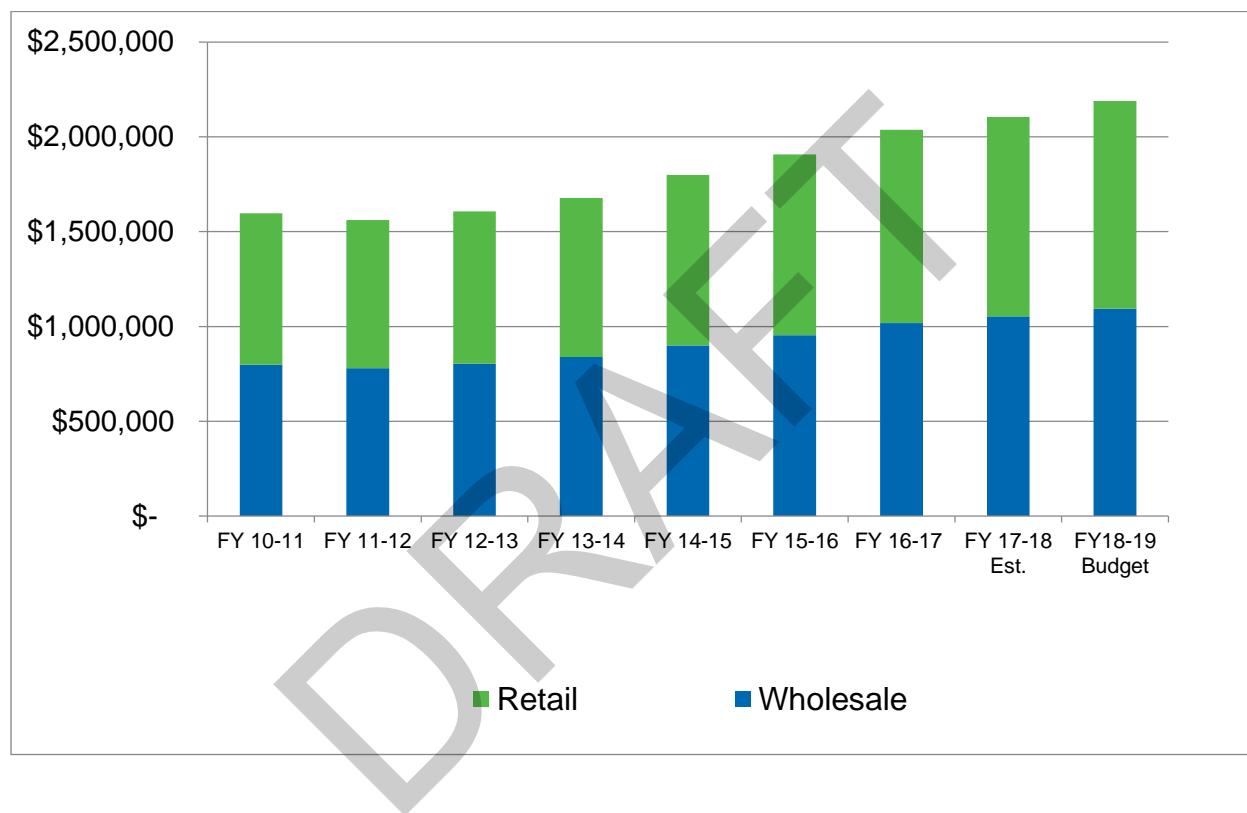
The Board of Directors approved a 5-Year Rate Schedule that resulted in an effective 8% rate increase on May 1, 2017, and a 9% rate increase on January 1, 2018. Those rate increases, combined with increased consumption are expected to produce a 16.7% increase in retail water sale revenues for FY 2017-18.

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.

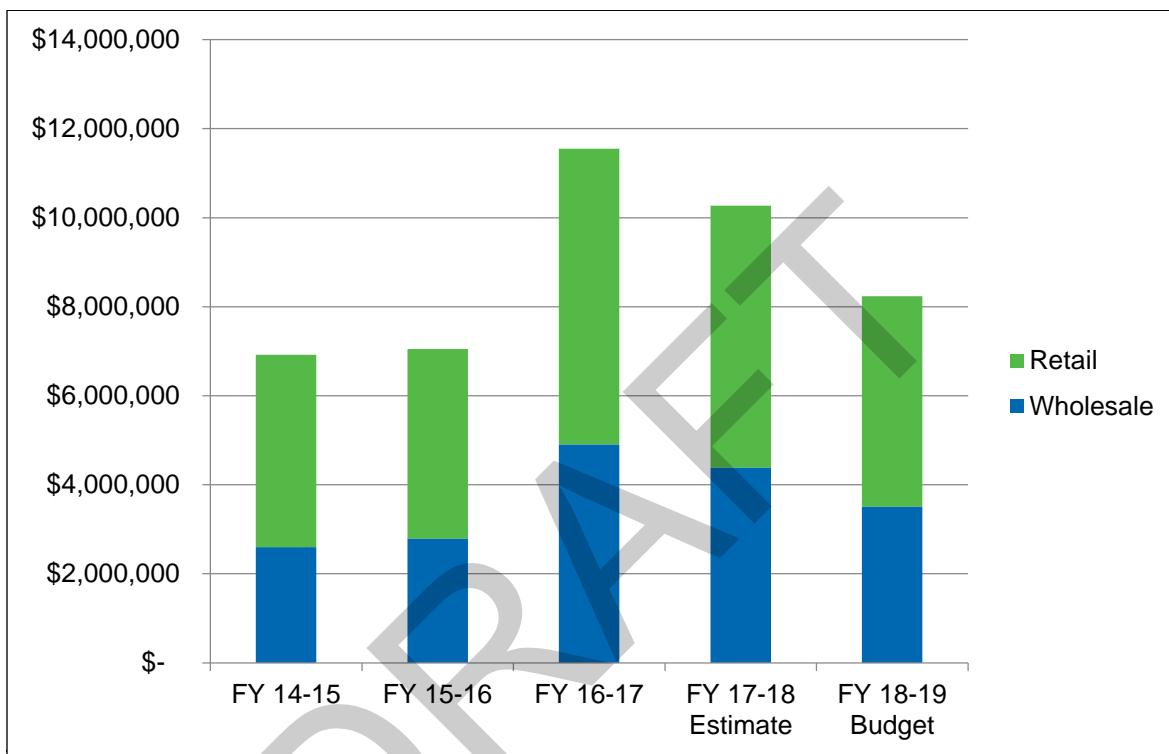
San Juan Water District

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.

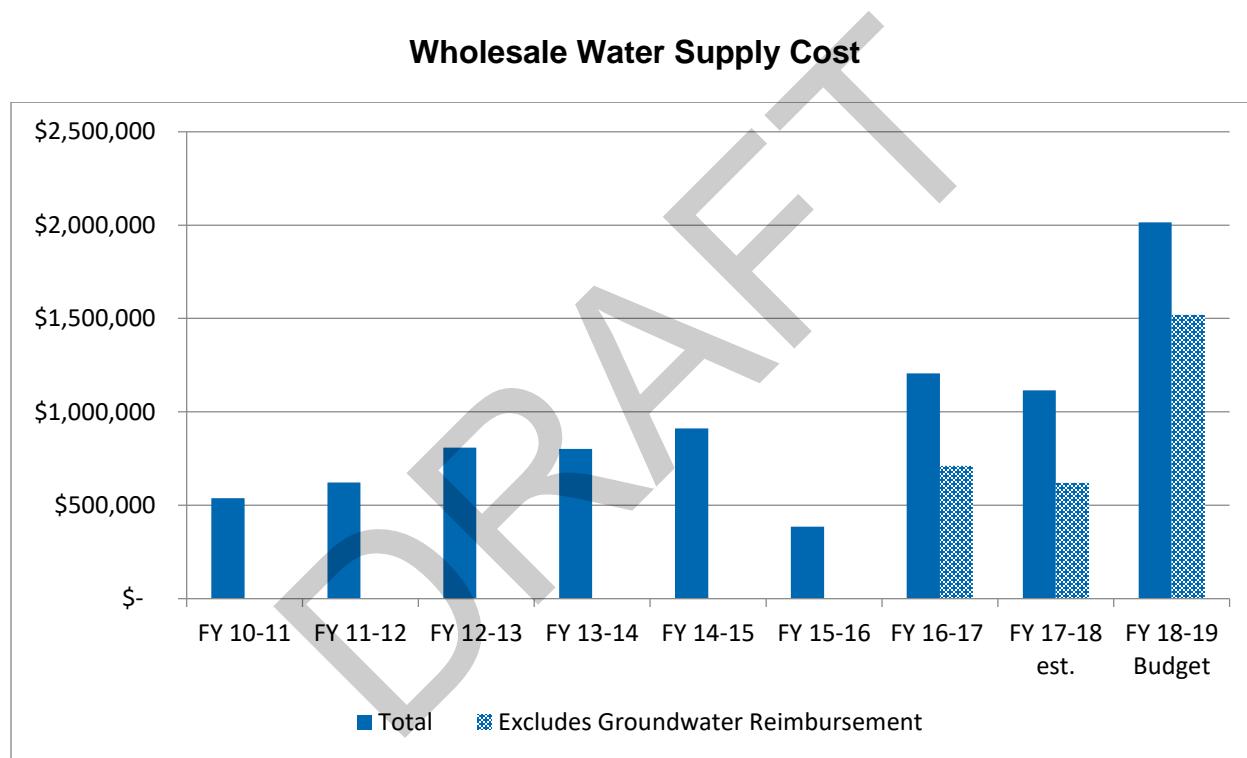
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San Juan Water District

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.

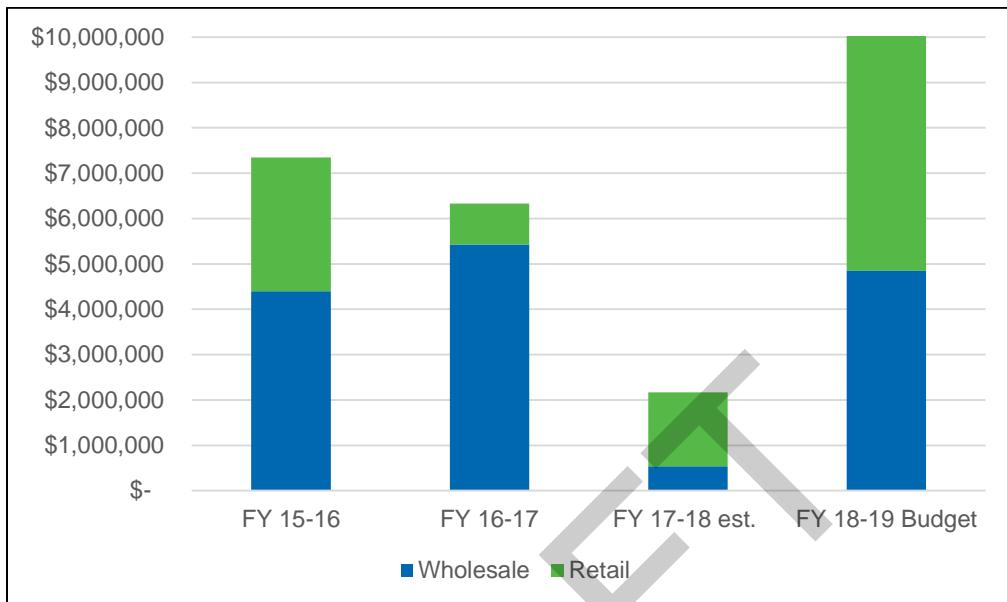
After removing the effect of the groundwater reimbursement, water supply costs decreased in FY 2017-18, in spite of increased demand. This was due to a reduction in the cost of water purchased from Placer County Water Agency. Per the contract between the District and Placer County Water Agency, the cost 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.

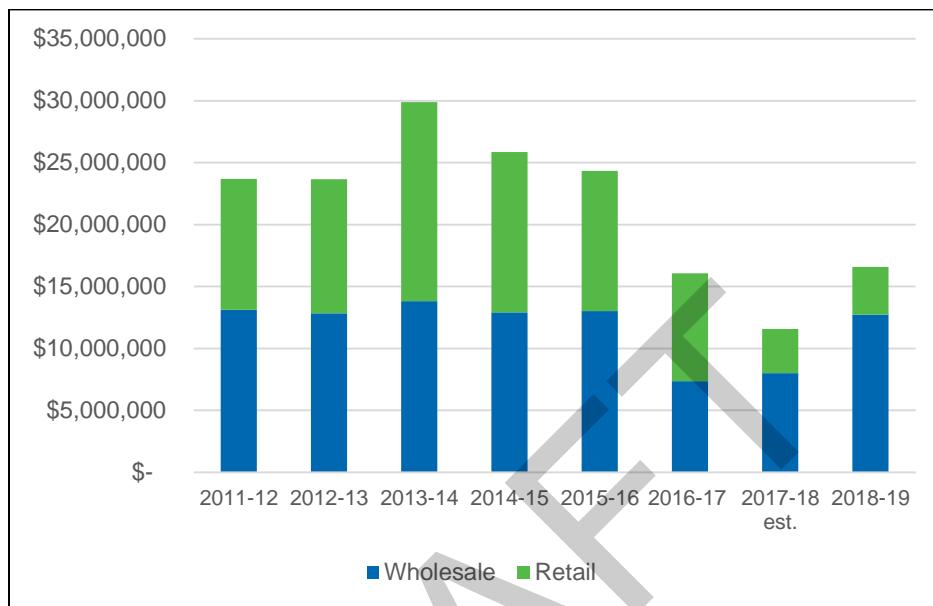
The majority of the wholesale spending over this period has been on the rehabilitation of the flocculation sedimentation basin, featured on the cover of this document. The other large wholesale project in this time period was the construction of a pump station and intertie with Placer County Water Agency.

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 |
|---|--|---------------------------|
| Est. Beginning Available Reserves July 1, 2017 | | \$ 1,936,389 |
| Revenues | | |
| Water Sales | | 12,666,300 |
| Other Revenues | | 153,400 |
| Total Revenues | | <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 |
| Total Expenses | | <hr/> \$ 9,621,200 <hr/> |
| Net Income | | \$ 3,198,500 |
| Transfer In/(Out) | | (2,776,900) |
| Est. Ending Available Reserves June 30, 2018 | | <hr/> \$ 2,357,989 <hr/> |

WHOLESALE OPERATING FUND SUMMARY

| | FY 2015-16 | FY 2016-17 | FY 2017-18 Estimated | FY 2018-19 Proposed |
|---|----------------------|---------------------|-------------------------|------------------------|
| Est. Beginning Available Reserves | \$ 14,474,812 | \$ 3,859,913 | \$ 2,175,888 | \$ 1,936,389 |
| Revenues | | | | |
| Water Sales | 7,067,960 | 9,477,539 | 10,142,000 | 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) |
| Est. Ending Available Reserves | \$ 3,859,913 | \$ 2,175,888 | \$ 1,936,389 | \$ 2,357,988 |

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> |
|---|--|----------------------------|
| Est. Beginning Available Reserves July 1, 2018 | | \$ 2,526,224 |
| Revenues | | |
| Water Sales | | 11,479,700 |
| Other Revenues | | 495,800 |
| Total Revenues | | <hr/> <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 |
| Total Expenses | | <hr/> <u>\$ 11,463,700</u> |
| Net Income | | <hr/> <u>\$ 511,800</u> |
| Transfer In/(Out) | | (275,300) |
| Est. Ending Available Reserves June 30, 2019 | | <hr/> <u>\$ 2,762,724</u> |

RETAIL OPERATING FUND SUMMARY

| | FY 2015-16 | FY 2016-17 | FY 2017-18 Estimated | FY 2018-19 Proposed |
|---|----------------------|---------------------|----------------------|---------------------|
| Est. Beginning Available Reserves | \$ 12,926,038 | \$ 2,678,017 | \$ 2,610,923 | \$ 2,526,224 |
| Revenues | | | | |
| Water Sales | 8,255,437 | 9,114,488 | 10,632,800 | 11,479,700 |
| Other Revenues | 490,229 | 510,445 | 428,400 | 495,800 |
| Total Revenues | \$ 8,745,666 | \$ 9,624,933 | \$ 11,061,200 | \$ 11,975,500 |
| Expenses | | | | |
| Administration and General | | | | |
| Salaries & Benefits | \$ 1,112,490 | \$ 1,204,557 | \$ 1,014,700 | \$ 1,100,400 |
| 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 |
| Distribution System | | | | |
| Salaries & Benefits | 1,952,605 | 1,974,364 | 2,174,400 | 2,443,800 |
| Professional Services | 170,586 | 343,650 | 413,900 | 811,500 |
| Maintenance and Repair | 102,904 | 142,092 | 162,100 | 225,900 |
| Materials and Supplies | 161,880 | 199,386 | 210,200 | 237,700 |
| Other Expenses | 273,510 | 307,889 | 376,800 | 367,300 |
| Total Distribution System | 2,661,485 | 2,967,381 | 3,337,400 | 4,086,200 |
| Water Supply | | | | |
| Purchase Water from Wholesale | 2,531,576 | 2,754,619 | 3,033,200 | 3,095,300 |
| Other | 20,166 | - | - | - |
| Total Water Supply | 2,551,742 | 2,754,619 | 3,033,200 | 3,095,300 |
| Engineering | | | | |
| Salaries & Benefits | 300,069 | 312,434 | 332,700 | 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 |
| Conservation | | | | |
| Salaries & Benefits | 469,484 | 401,153 | 331,000 | 381,000 |
| Conservation Rebates and Programs | 70,137 | 19,095 | 22,000 | 26,400 |
| Professional Services | 70,063 | 64,958 | 700 | 3,100 |
| Maintenance and Repair | 4,811 | 3,288 | 2,500 | 1,500 |
| Materials and Supplies | 3,952 | 272 | 8,100 | 6,700 |
| Other Expenses | 36,001 | 21,236 | 22,800 | 27,900 |
| Total Conservation | 654,449 | 510,001 | 387,100 | 446,600 |
| Customer Service | | | | |
| Salaries & Benefits | 416,852 | 405,328 | 419,500 | 440,800 |
| Professional Services | 109,261 | 86,922 | 134,000 | 136,000 |
| Maintenance and Repair | 4,215 | 1,498 | 2,200 | 2,000 |
| Materials and Supplies | 29,118 | 30,882 | 33,900 | 31,600 |
| Other Expenses | 41,208 | 52,872 | 64,300 | 61,800 |
| Total Customer Service | 600,655 | 577,501 | 653,900 | 672,200 |
| Non-Departmental | | | | |
| Debt Service - Principal | 309,636 | 320,355 | 503,800 | 374,100 |
| Debt Service - Interest | 786,971 | 769,559 | 522,300 | 531,000 |
| Addl. 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) |
| Est. Ending Available Reserves | \$ 2,678,017 | \$ 2,610,923 | \$ 2,526,224 | \$ 2,762,724 |

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 | <hr/> \$ 3,520,100 |
| Expenses | |
| Capital Improvement Projects | 2,603,200 |
| Maintenance - Facility | <hr/> 2,253,500 |
| Total Expenses | <hr/> \$ 4,856,700 |
| Net Income | \$ (1,336,600) |
| Transfer In/(Out) | 2,776,900 |
| Est. Ending Available Reserves June 30, 2019 | <hr/> <hr/> \$ 10,382,854 |

WHOLESALE CAPITAL OUTLAY FUND SUMMARY

| | FY 2015-16 | FY 2016-17 | FY 2017-18 Estimated | FY 2018-19 Proposed |
|--|-----------------------|-----------------------|-------------------------|------------------------|
| Est. Beginning Available Reserves | \$ - | \$ 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 |
| Total Revenues | \$ 2,490,040 | \$ 1,941,208 | \$ 1,651,900 | \$ 3,520,100 |
| Expenses | | | | |
| Facility Maintenance | 77,731 | 172,414 | 253,900 | 3,101,000 |
| Land Improvements | - | - | - | 665,000 |
| Water Treatment Plant & Improvements | 1,295,334 | 5,897,498 | 227,000 | 517,000 |
| Buildings & Improvements | 7,378 | 8,771 | - | 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 | - |
| Total Expenses | \$ 4,397,940 | \$ 5,429,871 | \$ 534,600 | \$ 4,856,700 |
| Net Income | | | | |
| | \$ (1,907,900) | \$ (3,488,663) | \$ 1,117,300 | \$ (1,336,600) |
| Transfer In | 11,203,318 | 2,345,345 | 1,116,900 | 2,776,900 |
| Transfer Out | (132,679) | (1,311,067) | - | - |
| Est. Ending Available Reserves | \$ 9,162,739 | \$ 6,708,354 | \$ 8,942,554 | \$ 10,382,854 |

San Juan Water District

Fiscal Year 2018-19 Budget

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

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

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

RETAIL CAPITAL OUTLAY FUND SUMMARY

| | FY 2015-16 | FY 2016-17 | FY 2017-18 Estimated | FY 2018-19 Proposed |
|--|---------------------|---------------------|-------------------------|------------------------|
| Est. Beginning Available Reserves | \$ - | \$ 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 |
| Total Revenues | \$ 2,319,502 | \$ 1,435,408 | \$ 1,477,300 | \$ 1,259,700 |
| 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 |
| Total Expenses | \$ 3,143,414 | \$ 899,129 | \$ 1,636,500 | \$ 6,014,100 |
| 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) | - |
| Est. Ending Available Reserves | \$ 8,618,431 | \$ 6,444,253 | \$ 5,551,453 | \$ 1,072,353 |

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

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

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 |
| Total Transfers In | <u>\$ 3,052,200</u> |

Transfer Out From:

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

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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 |
| Executive | | | | | | | | |
| General Manager | 1 | 1 | 1 | 1 | 90% | 10% | 0.90 | 0.10 |
| Assistant General Manager ¹ | 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 |
| Finance and Administrative Services | | | | | | | | |
| 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 ² | 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 |
| Conservation | | | | | | | | |
| 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 |
| Customer Service | | | | | | | | |
| 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 |
| Engineering Service | | | | | | | | |
| 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 |
| Field Services (Distribution System) | | | | | | | | |
| Operations Manager | 0.6 | 0.6 | 0.6 | 0.6 | 0% | 100% | - | 0.60 |
| Safety-Regulatory Compliance Coordinator ⁴ | - | - | 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 |
| Water Treatment Plant | | | | | | | | |
| Operations Manager | 0.4 | 0.4 | 0.4 | 0.4 | 100% | 0% | 0.40 | - |
| Safety-Regulatory Compliance Coordinator ⁴ | - | - | 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 ⁵ | 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 |
| Total Funded Full Time Equivalents (FTE) | 47.25 | 47.00 | 47.00 | | | | 18.50 | 28.50 |

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

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

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

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

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

San Juan Water District

Fiscal Year 2018-19 Budget

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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 |



**Flocculation-Sedimentation
Basin >**



SAN JUAN WATER DISTRICT
GRANITE BAY, CALIFORNIA

DRAFT BUDGET
FISCAL YEAR 2018 - 19



FY 2018-19 Budget Summary

| | Wholesale Operations | Wholesale Capital Outlay | Retail Operations | Retail Capital Outlay | Total |
|---|----------------------|--------------------------|-------------------|-----------------------|----------------|
| Est. Beginning Available Reserves July 1, 2018 | \$ 1,936,389 | \$ 8,942,554 | \$ 2,526,224 | \$ 5,551,453 | \$18,956,620 |
| Revenues | | | | | |
| 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 |
| Total Revenues | \$12,819,700 | \$ 3,520,100 | \$11,975,500 | \$ 1,259,700 | \$29,575,000 |
| Expenses | | | | | |
| 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 |
| Total Expenses | \$ 9,621,200 | \$ 4,856,700 | \$11,463,700 | \$ 6,014,100 | \$31,955,700 |
| Net Income | \$ 3,198,500 | \$ (1,336,600) | \$ 511,800 | \$ (4,754,400) | \$ (2,380,700) |
| Transfer In/(Out) | (2,776,900) | 2,776,900 | (275,300) | 275,300 | - |
| Ending Available Reserves Est. | \$ 2,357,989 | \$ 10,382,854 | \$ 2,762,724 | \$ 1,072,353 | \$16,575,920 |



Proposed Wholesale FY 2018-19 Operating Budget

Retail capital changes

Increased rollover from FY 2017-18 by \$1,314,200

Based on bids and estimates received since workshop, total project costs increased by \$336,500.

Two projects pushed out to FY 2019-20

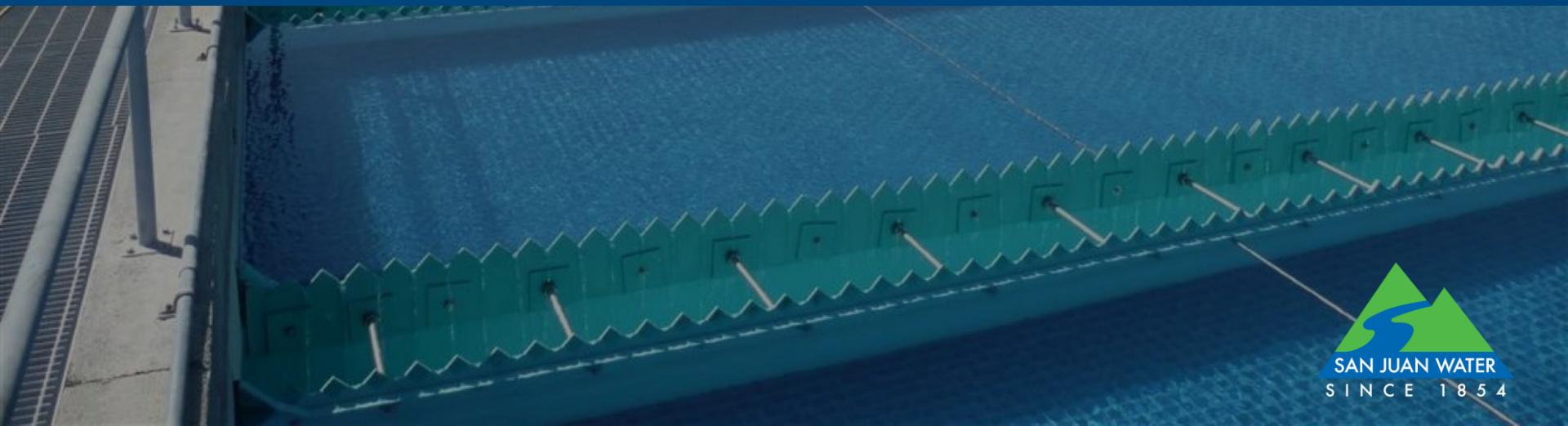


FY 2018-19 Budget Summary

| | Wholesale Operations | Wholesale Capital Outlay | Retail Operations | Retail Capital Outlay | Total |
|---|----------------------|--------------------------|-------------------|-----------------------|----------------|
| Est. Beginning Available Reserves July 1, 2018 | \$ 1,936,389 | \$ 8,942,554 | \$ 2,526,224 | \$ 5,551,453 | \$18,956,620 |
| Revenues | | | | | |
| 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 |
| Total Revenues | \$12,819,700 | \$ 3,520,100 | \$11,975,500 | \$ 1,259,700 | \$29,575,000 |
| Expenses | | | | | |
| 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 |
| Total Expenses | \$ 9,621,200 | \$ 4,856,700 | \$11,463,700 | \$ 6,014,100 | \$31,955,700 |
| Net Income | \$ 3,198,500 | \$ (1,336,600) | \$ 511,800 | \$ (4,754,400) | \$ (2,380,700) |
| Transfer In/(Out) | (2,776,900) | 2,776,900 | (275,300) | 275,300 | - |
| Ending Available Reserves Est. | \$ 2,357,989 | \$ 10,382,854 | \$ 2,762,724 | \$ 1,072,353 | \$16,575,920 |



Questions?



STAFF REPORT

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

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 |
|--|---|----------------|
| ARC Crossing Replacement | Replacement of a 70-foot unsupported bridged section of pipeline. Structural abutments and security systems were included in the project | 2012 |
| Cathodic Protection Project | Construction of an "active" impressed current cathodic protection system including multiple testing sites and three anode wells and rectifier systems | 2012 |
| Pipeline Rehabilitation Project | 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

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

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 2A 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.

AGENDA ITEM V-3

STAFF REPORT

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

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

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

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

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

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 3rd 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)

| Project Title | Description | Status | Issues |
|---|--|--------------------------------------|--|
| Ali Minor Subdivision | 3-Lot Subdivision | Approved for Construction | |
| Barton Ranch | 10-Lot Subdivision | Approved for Construction | |
| Chula Acres | 4-Lot Minor Subdivision | Approved for Construction | |
| Colina Estates | 10-Lot Subdivision | In Design Review | |
| Eureka at GB (former Micherra Place Proj.) | 28 Condominium Units | In Design Review | |
| GB Memory Care | Commercial Business | In Design Review | |
| Granite Rock Estates | 16-Lot Subdivision | In Design Review | Annexation process 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*

| Project Title | Description | Status | Issues |
|--------------------------------------|---|-----------------------|---|
| Douglas Blvd Main Replacement | Replacement of ±4,125-LF of old steel main with new 16-in and 12-in pipeline between Auburn Folsom Rd and Hidden Lakes Dr. | 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

| Project Title | Description | Status (% Complete) | Issues |
|-------------------------------------|--|---|---------------|
| WTP Improvements | Replacement of aged mechanical flocculators and sludge collection equipment, construction of a new settled water channel and a new overflow weir structure, electrical and piping improvements, and other miscellaneous work | Construction is Complete. NOC was recorded with Placer Co. | 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

| Training Course | Staff |
|---|---|
| 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 |
|---|-----------------------|----------------------|--------------------|---------------------|---------------------|
| Fund: 010 - WHOLESALE | | | | | |
| Revenue | | | | | |
| 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: | 10,535,600.00 | 10,535,600.00 | 21,525.01 | 9,170,877.41 | 1,364,722.59 |
| Expense | | | | | |
| 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: | 9,243,800.00 | 9,243,800.00 | 457,320.51 | 7,183,681.42 | 2,060,118.58 |
| Fund: 010 - WHOLESALE Surplus (Deficit): | | | | | |
| Total Surplus (Deficit): | 1,291,800.00 | 1,291,800.00 | -435,795.50 | 1,987,195.99 | -695,395.99 |

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 |
| Total Surplus (Deficit): | 1,291,800.00 | 1,291,800.00 | -435,795.50 | 1,987,195.99 | -695,395.99 |



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 |
|--|-----------------------|----------------------|-------------------|---------------------|---------------------|
| Fund: 011 - Wholesale Capital Outlay | | | | | |
| Revenue | | | | | |
| 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: | 3,526,700.00 | 3,526,700.00 | 430,457.12 | 1,554,667.97 | 1,972,032.03 |
| Expense | | | | | |
| 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: | 3,272,100.00 | 3,272,100.00 | 18,444.18 | 399,281.00 | 2,872,819.00 |
| Fund: 011 - Wholesale Capital Outlay Surplus (Deficit): | | | | | |
| Total Surplus (Deficit): | 254,600.00 | 254,600.00 | 412,012.94 | 1,155,386.97 | -900,786.97 |
| | 254,600.00 | 254,600.00 | 412,012.94 | 1,155,386.97 | -900,786.97 |

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 |
| Total Surplus (Deficit): | 254,600.00 | 254,600.00 | 412,012.94 | 1,155,386.97 | -900,786.97 |



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 |
|--|-----------------------|----------------------|-------------------|----------------------|---------------------|
| Fund: 050 - RETAIL | | | | | |
| Revenue | | | | | |
| 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: | 12,650,900.00 | 12,650,900.00 | 751,675.87 | 8,283,283.06 | 4,367,616.94 |
| Expense | | | | | |
| 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: | 11,832,800.00 | 11,832,800.00 | 522,534.01 | 9,942,988.43 | 1,889,811.57 |
| Fund: 050 - RETAIL Surplus (Deficit): | | | | | |
| Total Surplus (Deficit): | 818,100.00 | 818,100.00 | 229,141.86 | -1,659,705.37 | 2,477,805.37 |

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 |
| Total Surplus (Deficit): | 818,100.00 | 818,100.00 | 229,141.86 | -1,659,705.37 | 2,477,805.37 |



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 |
|---|-----------------------|----------------------|-------------------|---------------------|----------------------|
| Fund: 055 - Retail Capital Outlay | | | | | |
| Revenue | | | | | |
| 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: | 1,600,000.00 | 1,600,000.00 | 337,611.12 | 1,273,729.01 | 326,270.99 |
| Expense | | | | | |
| 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: | 7,043,700.00 | 7,043,700.00 | 4,194.62 | 1,126,684.96 | 5,917,015.04 |
| Fund: 055 - Retail Capital Outlay Surplus (Deficit): | | | | | |
| Total Surplus (Deficit): | -5,443,700.00 | -5,443,700.00 | 333,416.50 | 147,044.05 | -5,590,744.05 |

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 |
| Total Surplus (Deficit): | -5,443,700.00 | -5,443,700.00 | 333,416.50 | 147,044.05 | -5,590,744.05 |

Summary**Project Summary**

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

Group Summary

| Group | Total Revenue | Total Expense | Revenue Over/ (Under) Expenses |
|----------------------------|----------------------|----------------------|---|
| 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 |
| Group Totals: | 0.00 | 1,624,426.43 | -1,624,426.43 |

Type Summary

| Type | Total Revenue | Total Expense | Revenue Over/ (Under) Expenses |
|------------------------|----------------------|----------------------|---|
| 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 |
| Type Totals: | 0.00 | 1,624,426.43 | -1,624,426.43 |

GL Account Summary

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

GL Account Summary

| GL Account Number | GL Account Name | Total Revenue | Total Expense | Revenue Over/ (Under) Expenses |
|---------------------------|------------------------------------|----------------------|----------------------|---|
| 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 |
| GL Account Totals: | | 0.00 | 1,624,426.43 | 1,624,426.43 |



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 |
|---|----------------------|--------------------------------|----------------------|-----------------------------|-----------------------|
| Asset | | | | | |
| Type: 1000 - Assets | | | | | |
| 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 |
| Total Type 1000 - Assets: | 65,729,356.01 | 7,878,190.58 | 32,231,654.91 | 6,758,055.89 | 112,597,257.39 |
| Total Asset: | 65,729,356.01 | 7,878,190.58 | 32,231,654.91 | 6,758,055.89 | 112,597,257.39 |
| Liability | | | | | |
| Type: 1000 - Assets | | | | | |
| 10510 - Accounts Receivable | 0.00 | 0.00 | 98,278.68 | 0.00 | 98,278.68 |
| Total Type 1000 - Assets: | 0.00 | 0.00 | 98,278.68 | 0.00 | 98,278.68 |
| Type: 2000 - Liabilities | | | | | |
| 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 |
| Total Type 2000 - Liabilities: | 27,947,485.75 | 14,449.64 | 19,056,951.96 | 166,758.81 | 47,185,646.16 |
| Total Liability: | 27,947,485.75 | 14,449.64 | 19,155,230.64 | 166,758.81 | 47,283,924.84 |
| Equity | | | | | |
| Type: 3000 - Equity | | | | | |
| 30100 - Investment in Capital Assets | 34,085,186.41 | 0.00 | 12,608,477.99 | 0.00 | 46,693,664.40 |
| 30500 - Designated Reserves | 1,709,487.86 | 6,708,353.97 | 2,127,651.65 | 6,444,253.03 | 16,989,746.51 |
| Total Type 3000 - Equity: | 35,794,674.27 | 6,708,353.97 | 14,736,129.64 | 6,444,253.03 | 63,683,410.91 |
| Total Total Beginning Equity: | 35,794,674.27 | 6,708,353.97 | 14,736,129.64 | 6,444,253.03 | 63,683,410.91 |
| Total Revenue | 9,170,877.41 | 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 |
| Total Equity and Current Surplus (Deficit): | 37,781,870.26 | 7,863,740.94 | 13,076,424.27 | 6,591,297.08 | 65,313,332.55 |
| Total Liabilities, Equity and Current Surplus (Deficit): | 65,729,356.01 | 7,878,190.58 | 32,231,654.91 | 6,758,055.89 | 112,597,257.39 |



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 |
|-------------------------------|--|--------------|--------------|-----------------|----------------|--------|
| Bank Code: APBNK-APBNK | | | | | | |
| 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 | 2708524044457 |
| 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 |
| | 250 | 192 | 0.00 | 801,197.59 |

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 | 801,197.59 |

Fund Summary

| Fund | Name | Period | Amount |
|------|--------------|--------|-------------------|
| 999 | INTERCOMPANY | 5/2018 | 801,197.59 |



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 |
|---------------------------------------|--|--------------------|----------------|----------------------------------|------------------------------|-----------------------|-------------|-------------|-------------|---------------|---------------|
| Vendor Set: 01 - Vendor Set 01 | | | | | | | | | | | |
| 02556 - Costa, Ted | | | | | | | | | | | |
| Exp Reimb 03-2018 | Mileage Reimbursement 3-2018-Various Mee | 3/28/2018 | 52599 | | 4/17/2018 | 492.88 | 0.00 | 0.00 | 0.00 | 492.88 | 492.88 |
| Mileage Reimbursement | 0.00 | 0.00 | 37.06 | 010-010-52110 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 | 455.82 | 0.00 | 0.00 | 0.00 | 455.82 | 455.82 |
| ACWA Fall Conference-M | 0.00 | 0.00 | 455.82 | 010-010-52110 050-010-52110 | | 227.91 | 227.91 | | | | |
| 01916 - Miller, Ken | | | | | | | | | | | |
| Exp Reimb 03-2018 | Mileage Expense Reimb 3-2018-Various Mee | 3/31/2018 | 52606 | | 4/17/2018 | 622.76 | 0.00 | 0.00 | 0.00 | 622.76 | 622.76 |
| 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 | 132.84 | 0.00 | 0.00 | 0.00 | 132.84 | 132.84 |
| 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 | 468.66 | 0.00 | 0.00 | 0.00 | 468.66 | 468.66 |
| Mileage-ACWA Fall Confe | 0.00 | 0.00 | 468.66 | 010-010-52110 050-010-52110 | | 234.33 | 234.33 | | | | |
| 03092 - Rich, Dan | | | | | | | | | | | |
| Exp Reimb 03-2018 | Exp Reimb 03-2018-Mileage RWASymposium | 3/29/2018 | 52568 | | 4/2/2018 | 146.88 | 0.00 | 0.00 | 0.00 | 146.88 | 146.88 |
| 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 | 9.81 | 0.00 | 0.00 | 0.00 | 9.81 | 9.81 |
| 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 | 45.00 | 0.00 | 0.00 | 0.00 | 45.00 | 45.00 |
| 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 | 70.27 | 0.00 | 0.00 | 0.00 | 70.27 | 70.27 |
| 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

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



Pay Code Report

Account Summary

7/1/2017 - 5/31/2018

Payroll Set: 01-San Juan Water District

| Account | Account Description | Units | Pay Amount |
|--------------------------------------|---------------------|-------------------------------|------------------|
| <u>010-010-58110</u> | Director - Stipend | 265.00 | 16,562.50 |
| | | 010 - WHOLESALE Total: | 265.00 |
| <u>050-010-58110</u> | Director - Stipend | 265.00 | 16,562.50 |
| | | 050 - RETAIL Total: | 265.00 |
| | | Report Total: | 530.00 |
| | | | 33,125.00 |

**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: | 530.00 | 33,125.00 |

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) | -5.6% | \$ (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) | -28.6% | \$ (177,663) -9.4% |
| Orange Vale Water Co. | 3,647.42 | \$ 869,410 | 3,438.02 | \$ 852,419 | (209.40) | -5.7% | \$ (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 | 17.5% | \$ 95,594 7.1% |
| TOTAL | 40,046.86 | \$ 9,449,250 | 38,848.69 | \$ 9,334,731 | (1,198.17) | -3.0% | \$ (114,520) -1.2% |

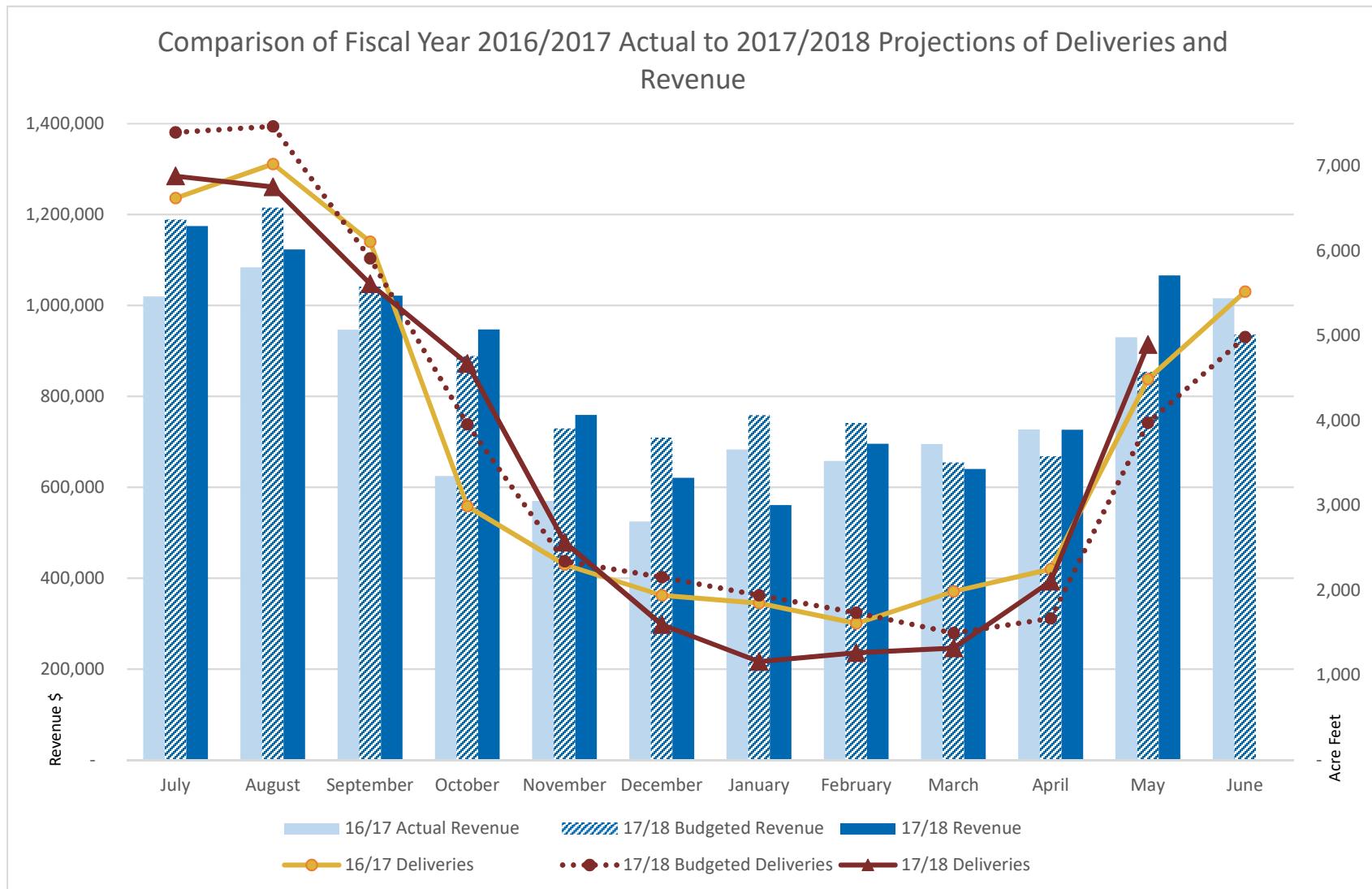
| | |
|---------------------|------------------|
| Budgeted Deliveries | 40,046.86 |
| Actual Deliveries | <u>38,848.69</u> |
| Difference | (1,198.17) |
| | -3.0% |

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

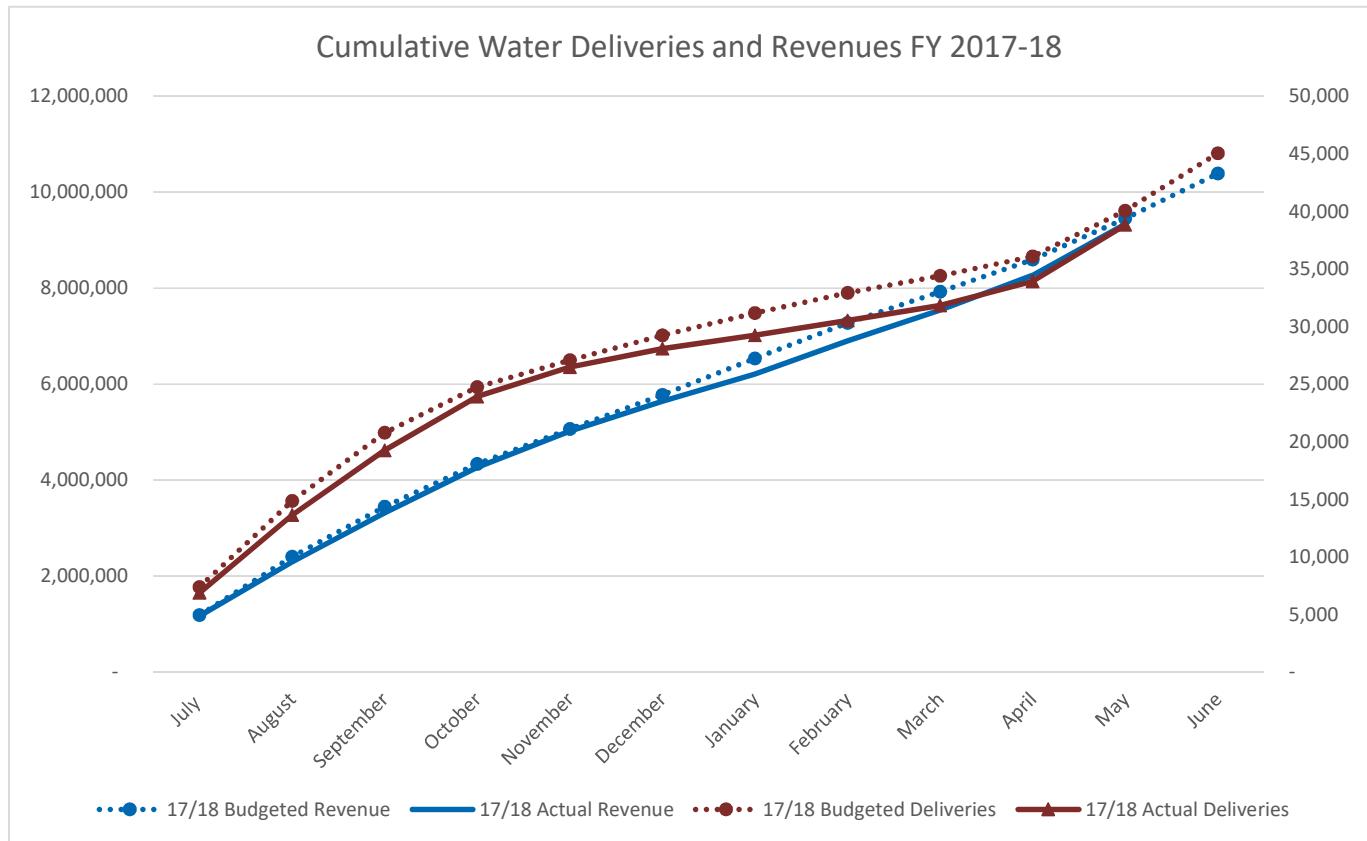
Conclusion:

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

| WTP Improvements: | | Budget | Description |
|---|--------------|---------------|---|
| 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.) |
| Reservoir Improvements: | | | |
| 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.) |
| Pipelines: | | | |
| Fair Oaks 40 T-Main Relining | \$ 2,500,000 | | 11,000-LF; Repair & replace mortar lining. (Maintenance.) |
| Misc. CIP Projects: | | | |
| 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.) |
| Information Technology: | | | |

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.) |
| Large Non-Capital Projects: | | |
| GIS Implementation (Whsl Share) | \$ 91,500 | Replacement/Update of old GIS; labor savings. (Improved operations and emergency response, labor savings.) |
| Building Improvements: | | |
| Admin Bldg Office CS Remodel (Whsl Share) | \$ 7,000 | Access improvement. (ADA compliance, safety.) |
| Vehicles: | | |
| Whsl Ops - Vehicle #29 (2000 Dodge Dakota) | \$ 38,000 | End of useful life replacement. (Maintenance.) |
| TOTAL WHOLESALE BUDGET | | \$ 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) |
| Transmission Pipelines: | | |
| Kokila (SJWD/PCWA) 12-Inch Intertie Pipeline | \$ 236,000 | Interconnection with PCWA. (Supply dependability.) |
| Reservoir/Tank Improvements: | | |
| Mooney Tank Building New Roof | \$ 34,000 | Replace the existing aged roof before failure. (Regulatory mandate compliance.) |
| Pump Station & PRV Improvements: | | |
| 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.) |
| Information Technology: | | |
| 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.) |
| Building Improvements: | | |
| 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.) |
| Equipment: | | |
| 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.) |
| Land Improvements: | | |
| Bacon BPS Perimeter Fencing | \$ 17,000 | Addition of perimeter fencing. (Security betterment.) |
| Facility Maintenance & Prof. Services: | | |
| 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.) |
| Large Non-Capital Projects: | | |
| Retail Master Plan (incl. Storage component) | \$ 308,000 | Asset condition assessments, CIP identification. (Planning.) |
| Vehicles: | | |
| Field Ops - Transport Trailer Replacement | \$ 21,000 | End of useful life replacement. (Maintenance.) |
| TOTAL RETAIL BUDGET | | \$ 6,014,100 |

**Finance Committee Meeting Minutes
San Juan Water District
June 26, 2018
11:00 a.m.**

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

District Staff: Paul Helliker, General Manager
Donna Silva, Director of Finance
Tony Barela, Operation Manager
George Machado, Field Services Manager
Rob Watson, Engineering Services Manager
Greg Turner, Water Treatment Plant Superintendent
Teri Grant, Board Secretary/Administrative Assistant

Topics: Review General Manager Reimbursements (W & R)
Review Check Register from May 2018 (W & R)
3rd year Contract Renewal with GM Construction & Development Inc. for
Construction Services (R)
1st year Extension with Sierra National Asphalt Inc. for Annual Paving
Services (R)
Proposed Update to District Procurement Policy for Federal Funds (W & R)
FY 2018-19 Budget Review (W & R)
Other Finance Matters
Public Comment

1. Review General Manager Reimbursements (W & R)

The committee reviewed the General Manager's reimbursements and approved them for payment.

2. Review Check Register from May 2018 (W & R)

The committee reviewed the May 2018 check register from the June 27th Board meeting packet and found it to be in order.

**3. 3rd year Contract Renewal with GM Construction & Development Inc. for
Construction Services (R)**

Mr. Machado informed the committee that staff is proposing to renew the contract with GM Construction & Development, Inc. for construction services. A staff report was provided in the Board packet. He explained that the contract has a 3-year renewal option and this will be the 3rd and final year to renew the contract prior to going to competitive bidding next year.

The Finance Committee recommends 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.

- 4. 1st year Extension with Sierra National Asphalt Inc. for Annual Paving Services (R)**
Mr. Machado informed the committee that staff is proposing to renew the contract with Sierra National Asphalt, Inc. for paving services. A staff report was provided in the Board packet. He explained that the contract has a 3-year renewal option and this will be the 1st renewal of the contract.

The Finance Committee recommends 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.

- 5. Proposed Update to District Procurement Policy for Federal Funds (W & R)**

Ms. Silva informed the committee that entities utilizing federal funds are required to include the requirements set forth in the Code of Federal Regulations in their procurement policies. Staff recommends adding language to the existing Procurement Policy as Section 8. 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. A staff report was provided in the Board packet.

The Finance Committee recommends approval of a proposed amendment to the Procurement Policy to include requirements specific to the expenditure of Federal Funds.

- 6. FY 2018-19 Budget Review (W & R)**

Ms. Silva informed the committee that there were some changes to the budget and provided a staff report which will be attached to the meeting minutes. She explained that some retail projects slated for completion in FY 2017-18 will be pushed into the FY 2018-19 budget along with other changes. Mr. Helliker commented that the Engineering Committee briefly reviewed the CIP for wholesale and retail and there may still be some questions at the Board meeting on Wednesday since the committee meeting time was limited.

The Finance Committee discussed some of the projects and Ms. Silva explained that she will provide a brief overview at the Board meeting on Wednesday since the details of the budget were reviewed at the May budget workshop.

- 7. Other Finance Matters (W & R)**

Mr. Helliker informed the committee that the Bureau of Reclamation awarded \$300,000 for the District's use in the Drought Resiliency Projects grant. He explained that the District's allocation will be used for the inter-tie project with Placer County Water Agency.

- 8. Public Comment**

There were no public comments.

The meeting was adjourned at 11:20 a.m.