



**REGULAR BOARD MEETING
AGENDA PACKET**

MARCH 19, 2024

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Regular Board Meeting - Tuesday, March 19, 2024, 6:00 p.m.

Carmichael Water District Board Room
7837 Fair Oaks Boulevard
Carmichael, CA 95608

AGENDA

The Board will discuss all items on its agenda, and may take action on any of those items, including information items and continued items. The Board will not take action on or discuss any item not appearing on the posted agenda, except: (a) upon a determination by a majority vote of the Board that an emergency situation exists; or (b) upon a determination by a two-thirds vote of the Board members present at the meeting, or, if less than two-thirds of the members of the Board are present, a unanimous vote of those members present, that the need to take immediate action became apparent after the agenda was posted. Agenda packets can be found at our website at carmichaelwd.org.

The Board of Directors welcomes and encourages participation in meetings. Public comment may be given on any agenda item as it is called and limited to three minutes per speaker. Matters not on the posted agenda may be addressed under Public Comment. Please follow Public Comment Guidelines found on the District's website at carmichaelwd.org/public-comment-guidelines/.

In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the General Manager at 483-2452. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

CALL TO ORDER AND STATEMENT REGARDING PUBLIC PARTICIPATION: President Selsky

ROLL CALL

PRESIDENTS COMMENTS

PUBLIC COMMENT:

1. Public Comment

Any member of the public may address the Board on any item of interest to the public that is within the subject matter jurisdiction of the Board.

ANNOUNCE CLOSED SESSIONS AND ADJOURN OPEN SESSION TO CLOSED SESSION

CLOSED SESSION

2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION; Government Code sections 54954.5(c) and 54956.9(a) and (d)(1);

Carmichael Water District v. Nugent, et al., Sacramento Superior Court Case No. 34-2021-00299134.

ADJOURN CLOSED SESSION AND OPEN REGULAR SESSION

REPORT OUT OF CLOSED SESSION

CONSENT CALENDAR:

Consent Calendar items are expected to be routine and non-controversial, to be acted on by the Board in one motion. Should any Board member, staff member, or interested person request discussion on an item, the Board will consider the item separate from the Consent Calendar.

3. Minutes for the Regular Board Meeting – February 20, 2024

4. Minutes for the Special Board Meeting – February 27, 2024

5. Paid Expenditure Report – February 2024

6. Budget to Actual Report – January 2024

ACTION CALENDAR:

7. Dugan Management & Engineering (DME) Agreement Amendment for Claremont Road Pipeline Replacement Project

Staff recommends that the Board of Directors authorize the General Manager to execute an amendment to the existing agreement between DME and the District that increases the contract's value from \$198,929 to \$270,488 to include the additional costs of design and management services.

8. November 5, 2024 Election

Staff recommends that the Board of Directors approve Resolution 03192024-01 – A Resolution of the Board of Directors of The Carmichael Water District Calling The November 5, 2024 District Election, Requesting Consolidation of Elections, and Designating Payment for Publication of Candidate Statements.

9. Legal Service Agreement with Banks and Watson Attorneys

Staff recommends that the Board of Directors approve the Legal Service Agreement with Banks and Watson Attorneys and authorize the General Manager to execute the agreement.

INFORMATIONAL ITEMS:

- 10. Sacramento Suburban Water District 2x2 Ad Hoc Committee Meeting**
- 11. Policy 5000 – Authorized Leave & Policy 5041 – Sick Leave – Healthy Workplaces, Healthy Families Act of 2014 Update**
- 12. SWRCB – Notice of Public Availability of Changes to Proposed Regulation Regarding Making Conservation a California Way of Life**

COMMITTEE REPORTS:

- 13. Sacramento Groundwater Authority Board Meeting**
Director Selsky Reports Out.
- 14. Regional Water Authority Executive Committee and Regular Meeting**
Director Greenwood Reports Out.
- 15. Other Committee Reports**
Directors Report Out

STAFF REPORTS:

- 16. General Manager and District Activity Report – February 2024**
- 17. Director's Expense Reimbursement Summary – February 2024**

GENERAL CORRESPONDENCE/INFORMATION:

- 18. Director's Written and/or Oral Reports**

**The next meeting of the Board of Directors will be a Regular Board Meeting held on:
Tuesday, April 16, 2024 at 6:00 p.m.**



Regular Board Meeting
Tuesday, February 20, 2024, 6:00 p.m.

Carmichael Water District
7837 Fair Oaks Boulevard
Carmichael, CA 95608

MINUTES

The Carmichael Water District Board of Directors met in Regular Session this 20th day of February at 6:00 p.m.

ATTENDANCE:

Directors: Ronald Davis, Mark Emmerson, Ron Greenwood, Paul Selsky
Staff: Cathy Lee, Gaby Padilla
Public: Seven (7) Members of the Public
Guest: Lucas DeAngelis - Layne

CALL TO ORDER: President Selsky called the meeting to order at: **6:01 p.m.**

PRESIDENTS COMMENTS:

President Selsky.

PUBLIC COMMENT:

1. Public Comment

Mr. Hanscom commented that he has let it be known for a few years now that his expectations of the Board are to be honest, fiscally responsible, and have oversight of the District. When General Manager Lee came to the District she did what anyone taking over an organization did, which was look to see what was going on within the District and if issues are not fixed now what is it going to look like in five years. Out of everything she did there were two notable ones. The first being the generation system at the water treatment plant. In the past, there have been power outages where the generator did not start and it had to be a manual switch and the Board nor did the past management try and fix the issue; and to him that is an oversight. Second is the issue with previous management, with the misallocation of District funds and the associated clean up. There is attorney fees that were at \$40,000 about a year and a half ago and he assumes that the fees are much higher than that now. There also have been audits with an outside company to find all the damages and he assumes that cost for the District is in the range of \$50,000. There could have been an internal audit be done that would have saved the District all that money. He mentioned that he believes that these numbers do not even come close to the actuals of how much was spent for all the cleanup and he considers all that a lack of oversight as well. He thinks that because there is no diversity within the Board the oversight happened. There is no one on the Board that is from the community that has owned a business or owns a building that has employees, there is no one that is a tax person or has a CPA, or a lawyer, which could have potentially seen what laws have been broken. The Board is monochromatic where everyone has a water background so there is no one that has different skills that the Board can lean on.

Directors responded to Mr. Hansom that the generator at the plant was troubling and has been fixed recently and is now working and switches over when there is a power failure.

The Production Superintendent commented that they did multiple tests that simulated a power outage where it successfully switched over and recently there was a power outage where it did not work as expected. The switchgear portion worked but now the breaker is having issues.

The General Manager informed the Board of Directors that there is a maintenance program in place where the generators are being looked at on a regular basis.

Mr. Hanscom clarified that his comments are for before General Manager's arrival to the District.

Directors also informed Mr. Hanscom that the District is taking legal action and are currently, with the pending legal actions, there is not much that can be reported out about the past financial improprieties. It is also common and required by regulations to hire an outside auditor to come in annually because all districts and municipalities do these audits with outside auditors.

Mr. Field commented that he resides in Division 5 and is here to speak about comments made on the January 24th Special Board Meeting on the proposed merger between Carmichael Water District (CWD) and Sacramento Suburban Water District (SSWD) which indicated that the newly created District would likely receive a new name. He is in favor of the proposed merger plan; however, he thinks the Board should consider retaining Carmichael in the name for the merged districts. CWD is not just an ordinary county water District. CWD was founded in 1916 as the first irrigation

district in Sacramento County and is a long standing community institution of historical significance. He mentioned that this historical legacy and the continuity it represents should be preserved at least in name for future generations. Carmichael residents are rightly proud of the historical role this institution has played in the social and economic development of their community, county, and State. It is only natural for them to be concerned about its absorption into a larger and newer outside organization over which they will have diminished control. Change is always difficult. Preserving the name Carmichael would go a long way toward mitigating community anxiety and making a change such as this more palatable. Keeping the name would cost nothing and better position the process as a merger of equals. Comments made at the Special Meeting indicate that the District's water is well-known throughout the county for its high quality and good taste. Given that favorable reputation the new district could reassure residents and promote continuity by continuing to operate using the trusted and respective Carmichael name. As the Board considers the specifics of the proposed merger plan, the importance of this sort of intangible should not be underestimated.

Ms. Lewin commented that she was invited to attend the rate committee hearings about ten years ago now which was a real honor and an eye opener because she was given these lovely books that were a cure for insomnia. Reading and learning everything was a challenge but it was also enlightening for her. It gave her such an insight of the Board and also the workings of CWD and how the Board listens to the community and how responsive the Board is. One of the things she is really proud of, besides the great water, is the building of the new water tank, La Vista. She watched the new tank go up which was exciting to see. This was a sidelight of who she is and her involvement with CWD. She feels and thinks that historically CWD is not just a business that the Board runs, but what it represents to the community and she feels strongly that CWD should maintain that name. She is also concerned that SSWD wants to tag on to CWD's good name which is a compliment to the District but she is worried that they could unintentionally drag down the quality of CWD and want to change the name. Since they are 2/3 and we are 1/3, are they going to allow us to keep the CWD name? She is also worried that the great quality and customer service CWD has would deteriorate as a result of incorporating with a bigger organization and having the water quality go down, too. She is one of those customers that write thank you on her checks because she appreciates how affordable it is. She also mentioned that she thinks that in light of the District wanting to ask the community what they think, would it be doable to do a survey with the upcoming water bill and ask then what they think about the merge and what their reasoning behind their answers.

CLOSED SESSION:**2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION; Government Code sections 54954.5(c) and 54956.9(a) and (d)(1); Koch & Koch, Inc. v. Carmichael Water District, et al., Sacramento Superior Court Case No. 24CV000659**

President Selsky removed this item from the Agenda.

PRESENTATION**3. Ranney Well Cleaning and Evaluation Update by Layne**

Mr. DeAngelis presented the Ranney well cleaning and evaluation update.

Directors thanked Mr. DeAngelis for a great presentation.

Directors inquired if Mr. DeAngelis had any comment on what he thinks the life of those collectors will be and how quickly they will deteriorate again back down to where they were before the rehab efforts.

Mr. DeAngelis informed the Board of Directors that the accumulation of debris found in the laterals was from 20 years of build up. He would expect the materials to re-accumulate in the same manner so it will be a slow and not very noticeable initially. Within five to ten years is when there will be degradation of performance.

Directors inquired about the jetting that was done of 3,000 to 5,000 PSI and if any damage was done to the collector pipe.

Mr. DeAngelis informed the Board of Directors that the pressure setting would not cause damage because they use these techniques all across the country and they have had to clean older laterals as well. It is always a concern with low carbon steel but this is considered to be the gentlest approach. They slowly ramped up the PSI and it looks like a majority of the time they were just under 3,000 PSI while cleaning the laterals.

Directors inquired if the limitation of the laterals throttle the plant at 17 MGD.

The Production Superintendent informed the Board of Directors that they have not been able to ramp up the plant production to evaluate exactly what the outcomes are of the cleaning due to low water demand. There were isolated tests done on each Ranney collector and we saw very good results. He then mentioned that with favorable river conditions they should be able to get that 15 MGD out of the plant.

Directors inquired if the water in the Ranney collector well was considered surface water or groundwater.

The General Manager informed the Board of Directors that in the water system permit it is called groundwater under the influence of surface water but in the water rights perspective it is considered surface water. She also mentioned the debris encountered during cleaning would indicate that the water is more surface water than groundwater.

CONSENT CALENDAR:

- 4. Minutes for the Regular Board Meeting – January 16, 2024**
- 5. Minutes for the Special Board Meeting – January 24, 2024**
- 6. Minutes for the Special Board Meeting – January 25, 2024**
- 7. Minutes for the Special Board Meeting – January 30, 2024**
- 8. Minutes for the Special Board Meeting – February 3, 2024**
- 9. Paid Expenditure Report – January 2024**
- 10. Budget to Actual Report – December 2023**
- 11. Capital Improvement Project Status Report**
- 12. Resolution 02202024-01 - A Resolution Authorizing Signatories for WestAmerica Bank**

No comments.

M/S Emmerson / Greenwood to approve the consent calendar.

Mark Emmerson	Aye	✓	Nay		Absent		Abstain		
Jeff Nelson	Aye		Nay		Absent	✓	Abstain		
Ronald Davis	Aye	✓	Nay		Absent		Abstain		
Ron Greenwood	Aye	✓	Nay		Absent		Abstain		
Paul Selsky	Aye	✓	Nay		Absent		Abstain		
Board Totals:	Ayes:	4	Nays:	0	Absent:	1	Abstain:		0
Passed Unanimously:									

ACTION ITEMS

- 13. Claremont Road Pipeline Replacement Project, Professional Services Agreement Award**

Staff recommends that the Board of Directors authorize the General Manager to execute a Professional Services Agreement with Dugan Management & Engineering for a not-to-exceed value of \$198,929 for the Claremont Road Pipeline Replacement Project.

Directors inquired if this project was piggybacking on county work.

The General Manager informed the Board of Directors the project is not.

Directors inquired if there was plans for notifying the neighbors of that area.

The General Manager informed the Board of Directors that they are planning to notify everyone that this project will affect.

Directors inquired if this will affect water pressure in this area.

The General Manager informed the Board of Directors that it will hopefully be improving the water pressure.

Directors inquired if this was an eight inch pipe being replaced with another eight inch pipe.

The General Manager informed the Board of Directors that this is a four to six inch pipe being replaced with an eight inch pipe.

Directors commented that they had never heard of Dugan Management before.

The General Manager informed the Board of Directors that Dugan Management is a new firm by an old principle from a consulting firm the District used to work with.

Directors inquired if the CWD Engineering Department could do this work.

The General Manager informed the Board of Directors that the CWD Engineering Department cannot do the surveying components.

M/S Greenwood / Davis to approve staff's recommendation.

Mark Emmerson	Aye	✓	Nay		Absent		Abstain	
Jeff Nelson	Aye		Nay		Absent		Abstain	
Ronald Davis	Aye	✓	Nay		Absent		Abstain	
Ron Greenwood	Aye	✓	Nay		Absent		Abstain	
Paul Selsky	Aye	✓	Nay		Absent		Abstain	
Board Totals:	Ayes:	4	Nays:	0	Absent:	1	Abstain:	0
Passed Unanimously:								

14. La Sierra ASR Well Project – Notice of Completion and Release of Retention

Staff recommends that the Board of Directors:

- 1) Accept the "below-ground" construction of the La Sierra Well as complete; and
- 2) Authorize the General Manager to file the Notice of Completion for the well drilling and installation and release \$73,644.30 in retention to the contractor, Zim Industries, Inc. after such required public review time is complete and when any objections are resolved.

Directors inquired what the timing and plan to get the above ground done.

The General Manager informed the Board of Directors that the Board approved it last month and the current schedule has substantial completion by December of this year but the generator is looking to be received within 52 to 80 weeks. We and the contractor do not think it will take two years but it will definitely be beyond the end of this year. The Notice to Proceed has been issued so the project has officially begun.

M/S Emmerson / Greenwood to approve staff's recommendation.

Mark Emmerson	Aye	✓	Nay		Absent		Abstain	
Jeff Nelson	Aye		Nay		Absent		Abstain	
Ronald Davis	Aye	✓	Nay		Absent		Abstain	
Ron Greenwood	Aye	✓	Nay		Absent		Abstain	
Paul Selsky	Aye	✓	Nay		Absent		Abstain	
Board Totals:	Ayes:	4	Nays:	0	Absent:	1	Abstain:	0
Passed Unanimously:								

15. Consumer Price Index (CPI) for Fiscal Year 2024-2025

Staff recommends that the Board of Directors approve a 4.4% COLA adjustment effective July 1, 2024 for all non-represented and represented employees, and direct the General Manager to develop the FY 2024-2025 budget with a 4.4% COLA salary adjustment.

Directors inquired what would be the difference in the future budget from 4.4% to 5%.

The General Manager informed the Board of Directors that for everyone 1% salary increase, it is about \$40,000 per year and that is not including taxes so it would be about \$20,000 difference to go to 5%.

Directors inquired if this would be for all the employees and not the General Manager.

The General Manager informed the Board of Directors that they were correct.

Directors inquired when this would go into effect.

The General Manager informed the Board of Directors that this would go into effect in July.

Directors inquired if in the future this could go into effect within the next pay period of this being approved.

The General Manager informed the Board of Directors that this would require a policy change and discussion with union and that we should consider reviewing the CPI timely with the actual implementation of the salary adjustment.

M/S Emmerson / Davis to approve a 5% COLA adjustment effective July 1, 2024 for all non-represented employees and represented employees.

Mark Emmerson	Aye	✓	Nay		Absent		Abstain	
Jeff Nelson	Aye		Nay		Absent		Abstain	
Ronald Davis	Aye	✓	Nay		Absent		Abstain	
Ron Greenwood	Aye	✓	Nay		Absent		Abstain	
Paul Selsky	Aye	✓	Nay		Absent		Abstain	
Board Totals:	Ayes:	4	Nays:	0	Absent:	1	Abstain:	0
Passed Unanimously:								

16. Purchase Cancellation and New Authorization to Purchase Replacement of District Vehicle #14

Staff recommends that the Board of Directors authorize the General Manager to purchase the 2024 Dodge Ram 1500 Classic 4X2 Quad Cab for \$38,432.40 from Winner Chevrolet, Inc. under the LPA State Contract ID#1-22-23-20E.

Directors inquired as to what happens to the vehicles when the new one is received.

The General Manager informed the Board of Directors that it goes to surplus and we receive the funds for the amount it is sold for.

M/S Greenwood / Davis to approve staff's recommendation.

Mark Emmerson	Aye	✓	Nay		Absent		Abstain	
Jeff Nelson	Aye		Nay		Absent		Abstain	
Ronald Davis	Aye	✓	Nay		Absent		Abstain	
Ron Greenwood	Aye	✓	Nay		Absent		Abstain	
Paul Selsky	Aye	✓	Nay		Absent		Abstain	
Board Totals:	Ayes:	4	Nays:	0	Absent:	1	Abstain:	0
Passed Unanimously:								

17. Directors' Compensation Review

Staff recommends that the Board of Director review and discuss Policy 9060 and Director Compensation and provide direction to staff as appropriate.

Directors tabled this item and ask for it to be brought back when all Directors are present.

18. Employee Survey and Strategic Plan

Staff recommends that the Board of Directors:

- 1) review the proposal from BHI Management Consulting,
- 2) evaluate the public feedback received and combination efforts with SSWD,
- 3) discuss approach to identify and assess issues to be reviewed,
- 4) authorize the General Manager to negotiate with BHIM Management Consulting for a fix-priced contract, and
- 5) take any action necessary and provide direction to staff

Director Selsky moved this item up after the Public Comment section to accommodate members of the public.

Directors commented that doing a survey and analyzing the results and data is not too hard to do and staff and the Board can do it especially if the questions are developed. They also offered their services to help conduct this survey. Directors mentioned that for the strategic plan, it may be possible to use AI to help come up with solutions with the data from the survey. They feel that this does not need a consultant to complete an employee survey and strategic plan.

Directors commented that this item has been discussed and they believe that the District does need help with coming up with questions. They think it is important to have questions that will provide us with how the staff is doing and how we can help with their future, concerns, and thoughts on the current situations. Directors inquired as to why the design

would take six hours and the survey distribution would take 16 hours if the survey is just going to be electronically on Survey Monkey and if they planning on talking to each individual as well.

The General Manager informed the Board of Directors that the plan is to interview a few people.

Directors commented that they don't know if interviewing the employees is as important.

The General Manager informed the Board of Directors that this proposal can be changed/updated. Directors commented that the Board needs to discuss what they want to see come out of this survey, one portion could be for the potential consolidation and another could be for what we should do as an organization.

Directors commented that seeing what the staff believes we should do as an organization is a main interest to individual directors. They want to get staffs ideas as to what they see is future that they have here at CWD and what CWD's staff has to say. If SSWD's staff wants to, they can do one on their own.

Directors commented that they feel like the Board has been dancing around this subject for two years now and they believe that not only did we hear it from the employees already but we heard it from the public. The majority of them feel the same way about this subject. The directors have had the opportunity to sit with staff, almost one on one, and had conversations about the consolidation and it has helped individual directors formulate how he feels about this topic. To be spending money and time conducting a survey, is looking for a justification to make the decision for the consolidation when we already know how they feel. Directors then mentioned that if it is just to see how CWD is doing as an organization, then, they completely agree with doing the survey.

Directors commented that certain board members already have their mind made up about the potential consolidation and that they think they should put that topic up for a vote at the next Board meeting.

Directors commented that they think the employee survey should be done regardless if it includes the consolidation. Surveys are used by employers in order to gauge how the employees feel about the organization, their supervisors, and is a good business practice. The core of this survey is to measure where the employees are at in their jobs and how they feel working here. Directors think the questions should be formulated by an expert. Directors mentioned that these types of surveys provides metrics so the next surveys will show if the District is improving or deteriorating. Directors then mentioned that they do not feel prepared to make a decision on the potential consolidation just yet and they feel like they need more information.

Mr. Hanscom commented that it might help to de-couple the two topics to help make a decision. He commented that when he was working (before retirement), there was only one supervisor that truly knew what his job entailed and how he performed. The rest of management needed a survey in order to know; and doing a survey feels impersonal. As for the combination, this has been going on for over two years. The combination study was completed a year ago and it took six months to get it out to the public and another six months for the additional review which is a slow process. The District now wants to do another study on the employees. He believes that now is a good time to stop and take a deep breath and decide if you want to proceed or not. Mr. Hanscom then commented that before the Board obligated more money this study, there wasn't a number run or number crunching; no one asked the union if they were interested; there was a lot of things that could have been done upfront to see if CWD even wanted to go ahead with this. He continued to say that a lot of the information from both districts was all contained and readily accessible to each district and of course there would be some things that wasn't but he did not see any compelling reason for CWD to join with SSWD. He thought that because CWD already have good water, rates are only slightly higher, and if we weren't spending money on surveys and consultants it could help the rate payers even more. CWD does not have a big budget so when you spend \$100,000 that is about one percent of the budget, which is not a lot. But when you start adding expenses on top of that, it starts to add up. He then mentioned that this brings him back to the Board not being diverse because now they are relying on consultants. The point of his comment is to say to call this done and move on to running the District and being fiscally responsible please.

Mr. Meyer commented that the January 26th meeting that was conducted was his first involvement with CWD other than paying his water bill. He mentioned that he had moved to Carmichael from other locations and the first thing he noticed was that there was really good water here and that is only thing that he would hate to lose. He recognizes that this has been a long process and he has learned a lot by hearing the Board discussions but it seemed to him at the last meeting it was a forgone conclusion that CWD had decided to go ahead with this already. He believes he was not the only person that had that impression from the tone of some of the other people who were asking the questions at the meeting. He knows there was information sheets out but it looked like it would have been a lot easier to have a pluses and minuses checklist for our District compared with SSWD in order to help the public understand why the Board considered doing this. He stated that he is not 100 percent sure but his impression is because a larger district would

have more economy of scale. He could be mistaken but that is the way he was reading it from the information he was gathering. He mentioned that he is not exactly in favor of the combination but he does understand that with the increasingly tightening of the water regulations and treatment issues that water districts now can be a lot more expensive with the new standards. So if CWD have to do it then you have to do it, but he wasn't in favor of it from the beginning.

Directors responded to Mr. Meyer's comments that they originally thought that CWD should look into this because we would be responsible to explore it whether it's a good option or not. There are about 24 water districts in Sacramento County and there could be potential for economy of scale. It is the responsible thing to at least look into it to see if consolidation makes sense.

Mr. Morrison commented that he has lived in Carmichael for about 50 years, has been retired for three plus years, and view of his age he is hoping to use CWD's water for many more years. He attended both of the previous meetings that was held here in Carmichael. His impression of the meeting is that people are pleased with CWD's water and it was clear from everything that was said that CWD's water is significantly better than SSWD. From discussions he has heard that we have adequate above ground and well water as well as untapped sources and we did well in the drought. CWD does have a mission statement which says to provide the highest quality of water at the lowest feasible price and we clearly have the highest quality of water. If we merge with SSWD and if there is any mixing of the two, our water quality would inherently go down. He then commented that a consultant generated a report, which he has read, suggested possible potential cost savings; yet it defines nothing that can be put into a computer and say that there would be money savings by doing this. Everything is just possible or potential which makes the report, to him, of no value. He mentioned that he has been involved in several mergers and he knows they are expensive, time consuming, and riddled with mistakes and customers do not like mistakes. Just matching up the computer systems and how to keep track of things is a total nightmare if the systems don't match. There are always legal and employees issues, especially if you are going to get rid of employees or if two people are doing the same job; you are going to have to promote one or fire one. Economy of scale is a very difficult to achieve and measure. The way he sees it, CWD is only 20-25 percent the size of SSWD so CWD would be swallowed up. Eventually on the Board level CWD would be a minority and SSWD's Board members would ultimately control their destiny. He stated that at the last public meeting, the Board was asked directly what the facts were to push this merger forward and there was no definitive answer offered by the Board of Directors. One Board member said it was an instinct, which is a non-business way to run a business. He believes that if CWD continue to pursue this merger, there needs to be more than instinct, you need facts. He then commented that the agenda shows the Carmichael Colony Neighborhood Association, the Carmichael Creek Neighborhood Association, and the Union are against this merger. From what he has learned, apparently, if all five members of the Board would vote to merge, the deal is done. If one of the Directors is hesitant or says no, then this is going to go to the public to decide. He then inquired that he wants to know why the Board continues to drive a potential merger when the constituents and the union are opposed.

Directors informed Mr. Morrison that there is no secret agenda driving this.

Mr. Morrison responded that he does not know what the agenda is. Because when the Board was asked in the last meeting where the cost savings were coming from, and that we have better water than SSWD, the only response the public received was that it was instinct, which didn't give him a lot of confidence.

Directors commented that they created a plus and minus list and that was how they came to a decision. They went through each of the items they were looking for when they started talking about consolidation.

Mr. Meier commented that before he retired he was with a state government agency. He commented that he always hated speakers who didn't do their homework. In this instance, he did not do his homework because he hasn't been able to find the report that has been mentioned; and it would be nice if there was a link more highly featured on the website so someone who is looking for it can find it easily. He then mentioned that, for him, the number one most important thing is reliability. His husband spends two to eight hours a day in the yard and he doesn't want to hear him complain about a water shortage. From what he has heard so far, CWD is more reliable than SSWD and it sounds like they would be taking more of CWD's water than we would be getting of theirs.

Directors gave direction to staff to make the survey focus on CWD's employees ideas for strategic planning, likes and dislikes of the District with a sub section for consolidation, send out the survey through Survey Monkey, and come back next month with a new proposal.

INFORMATIONAL ITEMS**19. Landscape Maintenance Service Update**

Directors inquired as to what properties this would cover.

The General Manager informed the Board of Directors that this would cover the treatment plant, the admin building, and the Charleston house.

20. Ranney Well Cleaning and Evaluation Update

Directors discussed this under item 3.

21. Annual Finance Audit Recommendations

Directors commented that he does not understand recommendation number three and wanted clarification on it.

The General Manager informed the Board of Directors that an example of this item would be the Ranney Collectors. The work we just did was a maintenance and it is booked as a capital asset. It was \$1.5 million and it is going to give us a few more years to operate the collectors and then repeat the cleaning every 5 years or so. As such, it is considered a capital expenditure. The Finance Manager does have a system to determine what a capital expenditure based on accounting and regulatory standards. The District continues to follow that system which has been reviewed by the auditors.

Directors commented that how they see it is similar to when you are selling your house. You paint it beforehand and the sell prices is going to include that as an asset, and the buyer is essentially going to be paying for that.

Directors inquired how soon staff wanted to get together with the Finance Committee.

The General Manager informed the Board of Directors that there are dates listed in the General Managers report and scheduling meetings is going to be discussed.

22. Municipal Services Review for Carmichael Water District – Public Review Draft

Directors commented that the report looks good and there are no fatal flaws.

Directors commented that they were amazed as to how precise the data are in the report, and that they do not know if that amount of detail is a benefit to anyone.

Directors inquired who the targeted audience is for this report and what is the intent of this report.

Directors commented that it looks like all this information was pulled out of our Urban Water Management Plan and Master Plan.

Directors discussed that this is used for districts that have problems and that the use of this report is to show what happened and as a health check.

Directors commented that in the MSR determinations section which states that CWD has ample supply of water. This is an independent party concluding this and it's not just our documents stating this.

23. RWA Comment Letter – Sacramento/Delta Draft Staff Report

Directors commented that it is nice to see the list of the professionals who did this.

Directors inquired if this is a benefit of RWA's membership.

The General Manager informed the Board of Directors that it is a benefit of RWA's membership but this is a part of a subscription program which is not included in the core functions of RWA.

Directors commented that author, Jennifer Buckman, is a person who knows water, ACWA, and all the issues backwards and forward, it really shows in this document.

24. California Special Districts Association Priorities – Take Action Brief

No comments.

25. ACWA Spring Conference Flier

No comments.

26. 2023 LAFCo Special District Election Update

No comments.

COMMITTEE REPORTS

27. Sacramento Groundwater Authority Board Meeting

Director Selsky Reports Out.

Director Selsky reported that he discussed the goals for SGA in 2024 with staff. One of the goals is to complete the groundwater report that is due on April 1st. Another is to work on spending the \$ \$3.5-million dollar grant that has a tight timeline in which some of this funding is going towards a groundwater quality study for some of SSWD's service area and CWD's as well. Another portion will be for installing seven new monitoring wells in the region and the contract for this work was awarded to GEI. They are also working on a five year update of the groundwater sustainability plan and the groundwater model improvements. There is also a letter from ECOS asking for a more public process when updating the groundwater management program. There is also an issue with CalPERS and the Executive Director's salary schedule in which a pay scale range needs to be developed. They went over the budget and Director Selsky had to appoint a budget subcommittee.

28. Regional Water Authority Executive Committee and Regular Meeting

Director Greenwood Reports Out.

Director Greenwood stated that he is to submit a written report for the future Board packet.

29. Other Committee Report

Directors Report Out.

Director Emmerson reported attending the ACWA Board of Directors Meeting.

Director Selsky reported attending a meeting with CWD's General Manager and SSWD's Board President and General Manager. In the meeting he told SSWD that CWD's Board decided to pause the process of the potential consolidation and that they believed it was premature to have the joint Board meeting. But CWD Board is willing to do a 2x2 committee meeting instead to review CWD's comments on the LAFCo resolution.

STAFF REPORTS:

30. General Manager and District Activity Report – January 2024

Discussed with the Board.

31. Director's Expense Reimbursement Summary – January 2024

No comments.

GENERAL CORRESPONDENCE/INFORMATION:

32. Director's Written and/or Oral Reports

No reports

ADJOURNMENT: President Selsky adjourned the meeting at: **9:31 p.m.**

Paul Selsky, Board President

Cathy Lee, Board Secretary

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Special Board Meeting
Saturday, February 27, 2024, 1:00 p.m.

Carmichael Water District Board Room
7837 Fair Oaks Boulevard
Carmichael, CA 95608

MINUTES

The Carmichael Water District Board of Directors met in Special Session this 27th day of February at 1:00 p.m.

ATTENDANCE:

Directors: Ron Greenwood, Ronald Davis, Paul Selsky, Mark Emmerson

Staff: Cathy Lee, Aaron Ferguson, Lis Nicolls

Public: Zero (0) Members of the Public

CALL TO ORDER: President Selsky called the meeting to order at: **1:00 p.m.**

PUBLIC COMMENT

1. **Public Comment**

No comments.

CONSENT CALENDAR

2. **Resolution 02272024-01 - A Resolution of the Board of Directors of the Carmichael Water District Authorizing the Carmichael Water District to Enter into an Agreement with the State of California Department of Water Resources to Receive Funds for the ASR Well Project and Authorizing the General Manager to Execute the Agreement on Behalf of the Carmichael Water District**

M/S Emmerson / Davis to approve the consent calendar.

Mark Emmerson	Aye	✓	Nay		Absent		Abstain		
Jeff Nelson	Aye		Nay		Absent	✓	Abstain		
Ronald Davis	Aye	✓	Nay		Absent		Abstain		
Ron Greenwood	Aye	✓	Nay		Absent		Abstain		
Paul Selsky	Aye	✓	Nay		Absent		Abstain		
Board Totals:	Ayes:	4	Nays:	0	Absent:	1	Abstain:		0

Passed Unanimously:

ANNOUNCED CLOSED SESSION AND ADJOURNED OPEN SESSION TO CLOSED SESSION: 1:03 p.m.

CLOSED SESSION:

3. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Significant Exposure to Litigation pursuant to paragraph (2) of Subdivision (d) of Gov. Code Section 54956.9: One Potential Case.

MEETING RECESSED FROM 2:30 p.m. to 2:53 p.m.

4. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION;**

Government Code sections 54954.5(c) and 54956.9(a) and (d) (1); *Koch & Koch, Inc. v. Carmichael Water District, et al.*, Sacramento Superior Court Case No. 24CV000659.

ADJOURNED CLOSED SESSION AND OPENED REGULAR SESSION: 3:29 p.m.

REPORT OUT OF CLOSED SESSION

Discussed items with legal counsel and the General Manager.

ADJOURNMENT: President Selsky adjourned the meeting at: **3:30 p.m.**

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CARMICHAEL WATER DISTRICT

PAID EXPENDITURES REPORT

For the period February 1 to February 29, 2024

Check Number	Date Issued	Payee	Description: "Division: Department - Object - detail data"	Amount
75780	2/9/2024	ACI formerly Official Payments Corp	Admin svcs: Finance: Customer Service - Payment processing fees - December	60.80
75781	2/9/2024	Analytical Environmental Services Corporation	CIP - La Vista Tank and pump station	4,289.81
75782	2/9/2024	Bay Alarm Company	Admin svcs: General Admin - Security	507.00
75783	2/9/2024	Best Cleaning Team LLC	Production: General admin, Admin services: General Admin - Janitorial - January	1,500.00
75784	2/9/2024	Brightview Landscape Service DBA Emerald	Admin services: General Admin and Production: WTP Operations - Facility maintenance - Landscape services - Fe	1,680.00
75785	2/9/2024	Brower Mechanical Inc	CIP - Dewey Pump Station HVACS , Admin svcs: Gen Admin - Facility Maint, Prod - Well Operations - Well repairs,	25,872.10
75786	2/9/2024	BSK Associates	Production: WTP Operations: Water Quality, CIP- San Juan MLP	1,291.25
75787	2/9/2024	Buckmaster Office Solutions	Admin svcs: General Admin - Equipment repairs and maintenance	241.50
75788	2/9/2024	CCDS inc DBA Industrial Door Company	Admin svcs: General Admin - Facility maintenance	1,951.85
75789	2/9/2024	California ISO	Admin svcs: General Admin: Fees and permits - COTP - COI Path operator costs	145.80
75790	2/9/2024	California Surveying and Drafting Supply	Admin svcs: Engineering - Software and licensing - GIS monthly software fees - February	150.00
75791	2/9/2024	CD & Power (Calif Diesel & Power)	Production: WTP Systems Maintenance - Generator system	8,492.44
75792	2/9/2024	Cisco Air Systems Inc	Production: WTP Systems Maintenance - Compressor	2,728.41
75793	2/9/2024	Clark Pest Control	Production: Admin, Admin svcs: General Admin - Facility maintenance - Pest control services	531.00
75794	2/9/2024	Comcast	Admin svcs: IT - Telecommunications	609.77
75795	2/9/2024	David Flores	Admin svcs: Public Information/Water Efficiency - Training and certification	125.00
75796	2/9/2024	Ditch Witch West	Distribution: Admin - Equipment repairs and maintenance	172.30
75797	2/9/2024	EMA Inc	CIP - SCADA upgrade	9,100.00
75798	2/9/2024	Frisch Engineering Inc	CIP - Garfield well generator	6,740.00
75799	2/9/2024	GEI Consultants	CIP - Winding Way Well, CIP - Ladera well, CIP - La Sierra well	180,247.75
75800	2/9/2024	Grainger	Production: WTP Systems Maintenance - CMF Filtrate	665.63
75801	2/9/2024	Hach Company	Production: Admin - Lab supplies	806.09
75802	2/9/2024	International Student Tours inc	Admin svcs: Board of Directors - Directors' travel and meetings	4,595.00
75803	2/9/2024	Jose Perez	Distribution: Admin - Training and certification	80.00
75804	2/9/2024	Koch & Koch Inc	CIP - La Vista Tank and pump station	3,714.41
75805	2/9/2024	Layne Christensen Co	CIP - Ranney collector cleaning	19,760.00
75806	2/9/2024	Network Design Associates Inc	Admin svcs: IT - Computer hardware	1,871.75
75807	2/9/2024	Pace Supply Corp	Inventory	17,392.91
75808	2/9/2024	Patitucci Tree Trimming and Removal Inc	Production: Well operations - Well site repairs/maint, WTP Operations - Landscape	2,500.00
75809	2/9/2024	PG&E	Admin svcs: General admin - Power	497.49
75810	2/9/2024	PG&E Non- Energy Collection Unit	Admin svcs: General admin - COTP - Cost of Ownership - January	10.00
75811	2/9/2024	Placer Electric Inc	Production: Well operations - Well site repairs/maint	2,283.00
75812	2/9/2024	Planet Paving & Grading	Distribution: Transmission and Distribution - Paving	24,485.17
75813	2/9/2024	Pollardwater	Distribution: Admin - Tools	247.29
75814	2/9/2024	Quill.com	Admin svcs: General Admin and Production: General admin - Office supplies and expense	409.24
75815	2/9/2024	Rapid7 LLC	Admin svcs: IT - Software and licensing	3,704.45
75816	2/9/2024	Rawles Engineering Inc	Distribution: Transmission and Distribution - Infrastructure repair - Fire hydrant repair	9,400.00
75817	2/9/2024	Sacramento County Utilities	Production: WTP Operations - Utilities- County services	85.09
75818	2/9/2024	SMUD	Production: Well Operations and Admin svsc: General admin - Power	2,008.09
75819	2/9/2024	US Bank	See "Credit card expenses" below	-
75820	2/9/2024	Verizon Wireless	Admin svcs: IT - Telecommunications	582.20
75821	2/9/2024	Water Works Engineers LLC	CIP - La Vista Tank and pump station	18,934.11
75822	2/9/2024	Wienhoff Drug Testing	Admin Svcs: HR - Exams and screenings	685.00

CARMICHAEL WATER DISTRICT
PAID EXPENDITURES REPORT
For the period February 1 to February 29, 2024

Check Number	Date Issued	Payee	Description: "Division: Department - Object - detail data"	Amount
75823	2/20/2024	ACWA JPIA (WC Insurance)	Admin: Salaries, Benefits, Taxes: Workers' comp insurance FQE 12-31-23	18,380.65
75824	2/20/2024	Analytical Environmental Services Corpor	CIP - La Vista Tank and pump station	2,131.25
75825	2/20/2024	ARC Document Solutions LLC	CIP - La Sierra Well	882.66
75826	2/20/2024	Bare Bones Workwear	Admin svcs: General Admin and Production: Admin - Uniforms	2,118.67
75827	2/20/2024	Bay Alarm Company	Production: WTP Operations, Admin svcs: General Admin - Security	905.53
75828	2/20/2024	Brightview Landscape Service DBA Emerald	Production: Well Operations - Well Repairs and maintenance - Landscape services - February	400.00
75829	2/20/2024	BSK Associates	Production: WTP Operations - Water Quality, CIP- San Juan MLP	783.00
75830	2/20/2024	Clark Pest Control	Admin svcs: General admin - Facility maintenance - Pest control service	128.00
75831	2/20/2024	Comcast	Production: WTP Operations - Telecommunications	667.90
75832	2/20/2024	County of Sacramento - Encroachment Perm	CIP - San Juan MLP, CIP - La Vista Tank and pump station	423.00
75833	2/20/2024	DataProse LLC	Admin svcs: Finance: Customer service - Billing expense- October	5,763.32
75834	2/20/2024	DGS & S	Distribution: Admin - Equipment maintenance and repair	1,630.13
75835	2/20/2024	Grainger	Production: Admin - Safety, Distribution: Admin - Equipment repair and maintenance	132.11
75836	2/20/2024	Harris Industrial Gases	Distribution: Admin - Equipment rental	29.05
75837	2/20/2024	Kennedy Jenks Consultants	CIP - La Vista Tank and pump station	13,252.20
75838	2/20/2024	LaFleur Excavating Inc	CIP - San Juan MLP	270,966.60
75839	2/20/2024	Network Design Associates Inc	Admin svcs: IT - Contract services (January), Network monitoring and risk assessment (January)	3,690.00
75840	2/20/2024	New Answernet Inc	Admin svcs: IT - Telecommunications	200.00
75841	2/20/2024	Pace Supply Corp	Inventory	781.21
75842	2/20/2024	Patitucci Tree Trimming and Removal Inc	Production: Well Operations - Well repairs and maintenance	2,500.00
75843	2/20/2024	PG&E	Production: WTP Operations - Power	166.12
75844	2/20/2024	PG&E Non- Energy Collection Unit	Admin svcs: General admin - COTP - Cost of Ownership - February	10.00
75845	2/20/2024	Quill.com	Admin svcs: General Admin, Production: Admin - Office supplies and expense	729.26
75846	2/20/2024	Red Wing Business Advantage Account	Distribution: Admin - Safety	353.95
75847	2/20/2024	Robert Crichton	Distribution: Admin - Training and certification	90.00
75848	2/20/2024	Sacramento County Recorder	Admin svcs: Finance: Customer service - Lien release fee	20.00
75849	2/20/2024	Sacramento Suburban Water District	Admin svcs: Office of the GM - Studies/contracts - Combination	8,536.63
75850	2/20/2024	SMUD	Production: Well Operations, Production: WTP Operations, Admin svcs: General admin - Power	41,671.28
75851	2/20/2024	SMUD	Production: WTP Operations - Power	36,274.79
75852	2/20/2024	US Bank	See "Credit card expenses" below	-
75853	2/20/2024	USBank (Bond)	Admin svcs: Finance - Bank charges	4,470.00
75854	2/20/2024	Verizon Wireless	Admin svcs: IT - Telecommunications	638.34
75855	2/20/2024	Waste Management of Sacramento	Production: WTP Operations - Utilities- Garbage	404.57
75856	2/20/2024	Wienhoff Drug Testing	Admin svcs: HR - Exams and screenings	35.00
75857	2/20/2024	WorkSmart Automation Inc	Production: WTP Operations - SCADA contract services	1,037.00
75858	2/28/2024	ACI formerly Official Payments Corp	Admin svcs: Finance: Customer service - Payment processing fees - January	61.50
75859	2/28/2024	APS Environmental Inc	Distribution: Admin - Wash rack maintenance	725.00
75860	2/28/2024	Bay Alarm Company	Production: Admin and Admin svcs: Admin - Security	172.49
75861	2/28/2024	Bill McAnally Racing Napa Auto Care Ctr	Distribution: Admin - Vehicle maintenance and repairs	867.66
75862	2/28/2024	BSK Associates	Production: WTP Operations - Water Quality - Bacteriological	955.00
75863	2/28/2024	City of Sacramento	Admin svcs: General admin - Dues and memberships - Water Forum 2.0	16,530.00
75864	2/28/2024	Clark Pest Control	Production: WTP Operations - Facility maintenance - Pest control service	151.00
75865	2/28/2024	Commercial Pump & Mechanical Inc	CIP - WTP Water pump rehab	10,550.00
75866	2/28/2024	Dawson Oil Co	Production: WTP Systems maintenance - Generator system	2,421.76
75867	2/28/2024	EMA Inc	CIP - SCADA upgrade	9,685.29

CARMICHAEL WATER DISTRICT
PAID EXPENDITURES REPORT
For the period February 1 to February 29, 2024

Check Number	Date Issued	Payee	Description: "Division: Department - Object - detail data"	Amount
75868	2/28/2024	Grainger	Distribution: Transmission and Distribution - Equipment maintenance and repairs	141.46
75869	2/28/2024	Hunt & Sons Inc	Distribution: Transmission and Distribution - Fuel	2,179.34
75870	2/28/2024	Inland Business Systems Inc	Admin svcs: IT - Equipment repairs and maintenance	77.14
75871	2/28/2024	Network Design Associates Inc	Admin svcs: IT - Network monitoring and risk assessment (February), General software/licensing	3,919.00
75872	2/28/2024	OCT Water Quality Academy	Production: Admin - Training and certification	1,800.00
75873	2/28/2024	Olin corp - Chlor Alkali	Production: WTP Operations - Chemicals - Sodium hypochlorite	13,066.49
75874	2/28/2024	Pace Supply Corp	Inventory	1,070.84
75875	2/28/2024	Pape Machinery Exchange Inc	Distribution capital expenditures - Backhoe	167,391.23
75876	2/28/2024	Patron Trucking Inc	Distribution: Transmission and Distribution - Road materials	3,082.16
75877	2/28/2024	PG&E	Admin svcs: General Admin - Power	518.88
75878	2/28/2024	Quill.com	Admin svcs: General Admin - Office supplies and expense	85.89
75879	2/28/2024	Rawles Engineering Inc	Distribution: Transmission and Distribution - Concrete, Infrastructure repairs	15,956.40
75880	2/28/2024	Univar USA Inc	Production: WTP Operations - Chemicals - Sodium hydroxide	9,547.99
EFT				
33521	2/2/2024	CalPERS (Pension contribution)	Pension Contribution (ER and EE) Pay period 12/25/23-1/7/24	18,048.94
33522	2/7/2024	CalPERS (Pension contribution)	Pension Contribution (ER and EE) Pay period 1/8/24-1/21/24	18,066.95
33523	2/20/2024	CalPERS (Pension contribution)	Pension Contribution (ER and EE) Pay period 1/22/24-2/4/24	18,125.65
33524	2/9/2024	CalPERS 457 Plan	457 Payment for the pay period 1/22/24-2/4/24	5,717.10
33525	2/21/2024	CalPERS 457 Plan	457 Payment for the pay period 2/5/24-2/18/24	5,563.82
33526	2/12/2024	Pitney Bowes	Postage refill	200.00
Credit Card Expenses				
75819	2/9/2024	US Bank		1,128.73
		BelAir	HR: Employee recognition	36.88
		Metal Mart	Distribution: General admin: Equipment repairs and maintenance	337.52
		Rocket Restrooms	CIP - La Vista tank and pump station	125.78
		Target	Distibution: General admin: Office supplies and expense	30.17
		Nothing Bundt Cakes	HR: Employee recognition	89.97
		Amazon	General admin: Office supplies and expense	16.15
		FMCSA Clearinghouse	HR: Exams and screenings	25.00
		Walmart	HR: Employee recognition	8.71
		California Air Resources Board	Distribution: General admin: Vehicle maintenance and repairs	61.79
		Quick Quack	Production: General admin, General dmin: Vehicle maintenance and repairs	41.99
		DMV	CIP - Air Compressor	32.68
		The UPS Store	CIP - Winding way well replacement	15.00
		Rey Azteca Catering	GM: Meetings (Water Forum host)	307.09
75852	2/20/2024	US Bank		509.94
		Camillia City Chevron	Distribution: Transmission and Distribution - Forklift propane	79.96
		Amazon	Distribution: Transmission and Distribution - Equipment maintenance and repair	52.24
		Ace Hardware	Distribution: Transmission and Distribution - Equipment maintenance and repair	10.18
		Amazon	Distribution: Admin - Tools, Admin svcs: General admin - Office supplies and expense	79.09
		Safeway	Admin svcs: Office of the GM - Meetings	14.22
		Amazon	Admin svcs: IT - Hardware	48.09

CARMICHAEL WATER DISTRICT
PAID EXPENDITURES REPORT
For the period February 1 to February 29, 2024

Check Number	Date Issued	Payee	Description: "Division: Department - Object - detail data"	Amount
		Quick Quack	Production: Admin, Admin svcs: General admin - Vehicle maintenance and repairs	41.99
		Rapid Mobile Notary	CIP - San Juan MLP	46.35
		CWD Direct	Production: WTP Operations - Facility maintenance - Electrical	137.82
Check register total				1,109,673.57
		Payroll	Employee wages, payroll taxes, payroll processing fees	221,138.41
Total paid expenditures				1,330,811.98

*****INFORMATIONAL*****

January Bond expenditures to be reimbursed to the General Fund from the Bond Proceeds account

75781	2/9/2024	Analytical Environmental Services Corporation	CIP - La Vista Tank and pump station	4,289.81
75804	2/9/2024	Koch & Koch Inc	CIP - La Vista Tank and pump station	3,714.41
75821	2/9/2024	Water Works Engineers LLC	CIP - La Vista Tank and pump station	18,934.11
75824	2/20/2024	Analytical Environmental Services Corpor	CIP - La Vista Tank and pump station	2,131.25
75832	2/20/2024	County of Sacramento - Encroachment Perm	CIP - La Vista Tank and pump station	141.00
75837	2/20/2024	Kennedy Jenks Consultants	CIP - La Vista Tank and pump station	13,252.20
75819	2/9/2024	Rocket Restrooms	CIP - La Vista Tank and pump station	125.78
				42,588.56

CARMICHAEL WATER DISTRICT
Budget to Actual
For the seven months ended January 31, 2024
59% of the Budget expired

	<i>January Actual</i>	<i>Fiscal YTD Actual</i>	<i>Fiscal Year Amended Budget*</i>	<i>Budget Available</i>	<i>% of Budget Used</i>
Revenue					
District revenue					
Water sales	1,146,764	9,941,970	14,530,000	4,588,030	68.42%
Water service fees and charges	6,273	46,810	95,500	48,690	49.02%
Other service fees	5,981	62,898	100,000	37,102	62.90%
Grant revenue	18,798	462,450	3,430,000	2,967,550	13.48%
Interest income	74,213	224,068	404,365	180,297	55.41%
Miscellaneous	255	9,844	709,064	699,220	1.39%
Facility fees	-	31,155	50,000	18,845	62.31%
Total District revenue	1,252,284	10,779,195	19,318,929	8,539,734	55.80%
Outside boundary sales					
Treatment and delivery charges	86,858	497,473	1,324,022	826,549	37.57%
Total Outside boundary sales	86,858	497,473	1,324,022	826,549	37.57%
TOTAL REVENUE	1,339,142	11,276,668	20,642,951	9,366,283	54.63%
Expenditures					
Bond interest expense					
COPS Interest	-	331,774	979,620	647,846	33.87%
Administrative Services Division					
Board of Directors					
Director's Fees, taxes, insurance	1,136	14,376	29,274	14,898	49.11%
Board expenses	25,256	72,968	102,500	29,532	71.19%
Total Board of Directors Department	26,392	87,344	131,774	44,430	66.28%
Office of the General Manager					
Salaries, benefits, taxes	24,713	187,381	328,841	141,460	56.98%
Studies, contracts	-	5,510	50,000	44,490	11.02%
Training/certification/travel/meetings	-	2,685	5,000	2,315	53.70%
Total Office of the General Manager	24,713	195,576	383,841	188,265	50.95%
Engineering/Technical Services					
Salaries, benefits, taxes	53,942	285,532	827,268	541,736	34.52%
Software licensing, supplies, general office	983	7,211	21,450	14,239	33.62%
General engineering/contract services	436	6,404	55,000	48,596	11.64%
Training/certification/travel/meetings	-	-	3,000	3,000	0.00%
Total Engineering Department	55,361	299,147	906,718	607,571	32.99%
Finance					
Salaries, benefits, taxes	34,663	277,213	511,872	234,659	54.16%
Professional and contract services	-	44,975	53,700	8,725	83.75%
Fees and charges	1,358	7,629	16,310	8,681	46.77%
Training/certification/travel/meetings	-	595	3,000	2,405	19.83%
Total Finance Department	36,021	330,412	584,882	254,470	56.49%
Customer Service					
Salaries, benefits, taxes	24,861	204,998	364,015	159,017	56.32%
Billing expense	5,789	28,833	77,000	48,167	37.45%
Payment processing and collection fees	8,737	50,594	116,600	66,006	43.39%
Professional and contract services	-	-	4,000	4,000	0.00%
Total Customer Service Department	39,387	284,425	561,615	277,190	50.64%

CARMICHAEL WATER DISTRICT
Budget to Actual
For the seven months ended January 31, 2024
59% of the Budget expired

	January Actual	Fiscal YTD Actual	Fiscal Year Amended Budget*	Budget Available	% of Budget Used
Human Resources					
Salaries, benefits, taxes	8,526	65,274	115,475	50,201	56.53%
Recruitment, exams/screenings	-	2,700	4,250	1,550	63.53%
Legal and litigation expense	-	7,962	62,000	54,038	12.84%
Training/certification/travel/meetings	-	12	1,200	1,188	1.00%
Employee recognition	507	653	3,000	2,347	21.77%
Total Human Resources Department	9,033	76,601	185,925	109,324	41.20%
Information Technology					
Contract services	3,846	24,031	60,700	36,669	39.59%
Software, licensing, website maintenance	6,132	52,380	102,056	49,676	51.32%
Hardware and supplies	-	9,738	15,500	5,762	62.83%
Equipment repairs/maintenance	322	2,264	10,000	7,736	22.64%
Telecommunications	1,487	13,451	30,000	16,549	44.84%
Total Information Technology Department	11,787	101,864	218,256	116,392	46.67%
Public Outreach and Water Efficiency					
Salaries, benefits, taxes	7,855	118,937	144,397	25,460	82.37%
Outreach	-	5,255	53,650	48,395	9.79%
Training/certification/travel/meetings	-	-	2,000	2,000	0.00%
Grant/other program expense	-	8,408	125,900	117,492	6.68%
Contract services	-	4,000	4,000	-	100.00%
Total Public Outreach/Water Efficiency Department	7,855	136,600	329,947	193,347	41.40%
General administration					
Dues and memberships	9,871	92,946	160,273	67,327	57.99%
Facility expenses	3,846	39,262	69,884	30,622	56.18%
Fees and permits	-	10,164	11,695	1,531	86.91%
General administration expenses	1,185	5,505	21,400	15,895	25.72%
Retiree medical	21,420	158,508	245,000	86,492	64.70%
Insurance	16,451	112,786	171,071	58,285	65.93%
Total General Administration Department	52,773	419,171	679,323	260,152	61.70%
Total Administrative Services expenses	263,322	1,931,140	3,982,281	2,051,141	48.49%
Production Division					
Production administration					
Salaries, benefits, taxes	70,184	606,462	1,263,935	657,473	47.98%
General administration expenses	1,635	17,216	41,300	24,084	41.69%
Training/certification/travel/meetings	-	3,350	7,000	3,650	47.86%
Total Production Administration Department	71,819	627,028	1,312,235	685,207	47.78%
Treatment Plant Operations					
Facility expense	2,731	15,170	41,720	26,550	36.36%
Water quality	3,358	28,266	48,700	20,434	58.04%
Chemicals	24,485	125,039	248,500	123,461	50.32%
Power	42,622	529,055	901,600	372,545	58.68%
Systems maintenance	1,686	17,201	211,000	193,799	8.15%
Fees, permits, services	10,399	23,727	108,900	85,173	21.79%
Total Treatment Plant Operations Department	85,281	738,458	1,560,420	821,962	47.32%

CARMICHAEL WATER DISTRICT
Budget to Actual
For the seven months ended January 31, 2024
59% of the Budget expired

	January Actual	Fiscal YTD Actual	Fiscal Year Amended Budget*	Budget Available	% of Budget Used
Well Operations					
Power	9,699	154,601	425,600	270,999	36.33%
Well site/Reservoir maintenance	238	11,783	32,750	20,967	35.98%
Total Well Operations Department	9,937	166,384	458,350	291,966	36.30%
Total Production Division expenses	167,036	1,531,870	3,331,005	1,799,135	45.99%
Distribution Division					
Distribution Administration					
General administration expenses	899	16,301	60,300	43,999	27.03%
Fees, permits, services	-	12,182	30,200	18,018	40.34%
Vehicle repairs and maintenance	41	2,734	54,000	51,266	5.06%
Fuel/fuel tank maintenance	2,392	25,012	50,000	24,988	50.02%
Training/certification/travel/meetings	105	3,610	8,000	4,390	45.13%
Total Distribution Administration Department	3,437	59,839	202,500	142,661	29.55%
Transmission and Distribution Maintenance					
Salaries, benefits, taxes	89,872	674,092	1,201,478	527,386	56.11%
Capitalized labor, benefits, taxes	(8,208)	(60,764)	(196,377)	(135,613)	30.94%
Infrastructure repairs	2,387	129,929	502,500	372,571	25.86%
Road restoration	-	120,927	446,000	325,073	27.11%
Total Transmission/Distribution Maintenance Department	84,051	864,184	1,953,601	1,089,417	44.24%
Total Distribution Division expenses	87,488	924,023	2,156,101	1,232,078	42.86%
TOTAL O&M EXPENSES	517,846	4,718,807	10,449,007	5,730,200	45.16%
Capital expenditures					
Capital funded by rates					
Administrative Services- Capital improvements	-	-	208,000	208,000	0.00%
Production - WTP Facility improvements	632,000	1,100,351	2,063,203	962,852	53.33%
Production - Wells (Includes grant funded projects)	9,002	492,461	3,861,797	3,369,336	12.75%
Production - Vehicle and equipment	-	2,660	140,000	137,340	1.90%
Distribution - In house constructed assets	18,796	315,168	388,899	73,731	81.04%
Distribution - Mainline projects	286,259	1,455,547	2,500,000	1,044,453	58.22%
Distribution - Vehicles and equipment	-	120,222	480,000	359,778	25.05%
Total Capital funded by rates	946,057	3,486,409	9,641,899	6,155,490	36.16%
Capital funded by reserves					
Membrane replacement expense	-	-	200,000	200,000	0.00%
Sacramento County impact projects	-	-	200,000	200,000	0.00%
Total Capital funded by reserves	-	-	400,000	400,000	0.00%
Debt Service, Other sources/Uses of funds					
Series B (2010 COP's Refinanced)	-	1,515,000	1,515,000	-	100.00%
PERS unfunded liability	300,000	300,000	300,000	-	100.00%
OPEB liability funding	-	-	200,000	200,000	0.00%
Total Debt Service, Other sources/Uses of funds	300,000	1,815,000	2,015,000	200,000	90.07%

CARMICHAEL WATER DISTRICT
Budget to Actual
For the seven months ended January 31, 2024
59% of the Budget expired

	January Actual	Fiscal YTD Actual	Fiscal Year Amended Budget*	Budget Available	% of Budget Used
Reserve Funding/(Uses)					
Filter skid replacement	-	-	650,000	650,000	0.00%
Use of membrane reserve-CY	-	-	(200,000)	(200,000)	0.00%
Facilties fees	-	-	50,000	50,000	0.00%
County impact reserve- One time funding use	-	-	(592,920)	(592,920)	0.00%
Total Reserve Funding/(Uses)	-	-	(92,920)	(92,920)	0.00%
Total Expenditure, Debt Service, Fund Sources/(Uses), Reserves	1,763,903	10,020,216	22,412,986	12,392,770	44.71%
Budget surplus (deficiency)	(424,761)	1,256,452	(1,770,035)	(3,026,487)	(1)
Undesignated surplus funding source	-	-	1,770,035	1,770,035	-
Final budget surplus (deficiency)	(424,761)	1,256,452	-	(1,256,452)	
Capital projects funded by Bonds					
CIP- La Vista Tank and Pump Station	224,994	727,813	1,450,000	722,187	50.19%
Total Capital projects funded by Bonds	224,994	727,813	1,450,000	722,187	50.19%

*Includes budget amendments through January 31, 2024 (See attached Budget Amendment listing)

CARMICHAEL WATER DISTRICT
Budget Amendments
As of January 31, 2024

Amendment # 1	General ledger account	Account description	Adopted		Amended
			Budget	Add (reduce)	Budget
	28-101103-01	Payroll- Full time- Public Outreach	185,810.00	(102,000.00)	83,810.00
	28-101521-01	Taxes- Public Outreach	94,751.00	(7,700.00)	87,051.00
	28-105101-00	Medical- Public Outreach	14,536.00	(41,000.00)	(26,464.00)
	22-101103-01	Payroll- Full time- Engineering	454,878.00	102,000.00	556,878.00
	22-101521-01	Taxes- Engineering	186,409.00	7,700.00	194,109.00
	22-105101-22	Medical- Engineering	35,281.00	41,000.00	76,281.00

Board Meeting 10/17/2023

Agenda Item #12

Net effect on total appropriations -

Amendment # 2	General ledger account	Account description	Adopted	Amended	
			Budget	Add (reduce)	Budget
	10-011105-28	Winding Way well replacement	1,250,000.00	(88,203.00)	1,161,797.00
	10-011101-15/16	Raw Water Building/Dewey Pump Station HVACS	-	88,203.00	88,203.00

Board Meeting 10/17/2023

Board Meeting –

Net effect on total appropriations

Amendment # 3	General ledger account	Account description	Adopted		Amended Budget
			Budget	Add (reduce)	
	10-011105-28	Winding Way well replacement	1,161,797.00	(900,000.00)	261,797.00
	10-011107-00	Ranney Collector cleaning	500,000.00	900,000.00	1,400,000.00

10
Board Meeting 1/16/2024

Board Meeting 1/10/2018

Net effect on total appropriations

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MEMO

TO: Board of Directors
FROM: Greg Norris, Engineering Manager
DATE: March 12, 2024
RE: Dugan Management & Engineering (DME) Agreement Amendment for Claremont Road Mainline Replacement Project

BACKGROUND

The District has a Professional Services Agreement with DME to design the replacement of the mainline on Claremont Road south of Fair Oaks Blvd (FOB). This project is in the early stages of the design process, in which surveying information is being gathered for the drawings. The District has received a proposal from DME to add another section of mainline to the current scope of work, while it is still possible to do so. There is about 680 feet of mainline that needs to be replaced at and near the FOB and El Camino Avenue intersection, about a quarter mile north of the Claremont Road Project.

SUMMARY

Recently, the section of the north-south direction of the FOB pipeline had two separate failures close to a welded fabricated tee, in the FOB and El Camino Avenue intersection. The failures lead to a large leak under the intersection that required the distribution team to excavate a large hole and patch the pipe with a full circle repair clamp.

The failures occurred on a very old steel pipe that runs along FOB for about 500 feet. This pipe is almost 90 years old, and will likely continue to leak as more failures occur along the pipe. Furthermore, it is difficult to make repairs on the busy street and intersection, which makes this a high priority for the district's distribution system.



Fair Oaks Blvd and El Camino Ave Water Leak, 02/26/2024

Since the Claremont Road Project is in the early stages of design staff proposes to amend the current agreement with DME. DME has provided a proposal for the additional scope of work, and have signed the District's standard amendment for services contracts (attached). Staff recommends to execute this amendment at this time, so that the work at FOB and El Camino Avenue can easily be added to the overall project.

FINANCIAL IMPACT

DME's cost estimate for design and management services for additional work at FOB and El Camino Avenue is \$71,559.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the General Manager to execute an amendment to the existing agreement between DME and the District that increases the contract's value from \$198,929 to \$270,488 to include the additional costs of design and management services.

ATTACHMENT(S)

1. Draft Amendment.
2. Proposal from DME for additional work dated March 12, 2024.
3. Project Map of Fair Oaks Boulevard and El Camino Avenue.

AMENDMENT NO. [1]
TO AGREEMENT FOR CLAREMONT PIPELINE DESIGN SERVICES BETWEEN
CARMICHAEL WATER DISTRICT
AND DUGAN ENGINEERING AND MANAGEMENT

This Amendment No. [1] to the February 26, 2024 agreement between CARMICHAEL WATER DISTRICT (“District”) and DUGAN ENGINEERING AND MANAGEMENT (“Contractor”) concerning pipeline design services is made effective as of the date of the District’s signature, in Carmichael, California.

RECITALS:

- A. On February 26, 2024, District and Contractor entered into an agreement for pipeline design services in connection with Claremont Pipeline Project (“Agreement”);
- B. District desires to extend the services provided by Contractor;
- C. Contractor is willing to perform the extended services; and
- D. The parties desire to amend the Agreement on the terms and conditions set forth below to provide for the extension of services by Contractor to include: (1) additional pipeline design for a section pipeline on Fair Oaks Boulevard in Carmichael, CA.

AGREEMENT:

1. **Description of Extended Services.**

- (a) Perform a design with equivalent products as specified in the original agreement for a section of pipeline on Fair Oaks Boulevard from the intersection of El Camino Ave extending North approximately 500-feet.

2. **Compensation.**

- (a) The total compensation for the additional pipeline design services described in this Amendment No. 1 shall not exceed \$ 71,559. Compensation shall be based on Contractor’s scope of work dated March 12, 2024, which is attached hereto and incorporated herein as Exhibit A to this Amendment No. [1].

(b) The not-to-exceed amounts of compensation described in subdivision (a) of this Section 2 are in addition to the not-to-exceed amount set forth in Section 2 and Exhibit A of the Agreement. With this Amendment No. 1, Contractor's total not-to-exceed compensation is \$ 270,488.

3. Term of Agreement.

This Amendment shall become effective on the date signed by the District. The Agreement, together with this Amendment No. [1], shall expire on September 30, 2024], unless terminated earlier pursuant to Section 15 of the Agreement.

4. Effect on Agreement.

Except as specifically provided herein, the Agreement, and each of its terms and conditions, shall remain in full force and effect, are incorporated herein by this reference, and apply to the work described in section 1 hereof.

CARMICHAEL WATER DISTRICT

By: _____ Date: _____
General Manager

DUGAN ENGINEERING AND MANAGEMENT

By: _____ Date: March 13, 2024
Owner

Exhibit A

March 12, 2024

Greg Norris
Engineering Manager
7837 Fair Oaks Blvd
Carmichael, CA 95608

Re: Amendment No. 01 - Design Service for Claremont Road Mainline Replacement Project

Dear Mr. Norris,

Dugan Management & Engineering, Inc. (DME) appreciates the opportunity to provide Carmichael Water District (District) with this letter amendment (Amendment No. 01) for the additional pipeline design along Fair Oaks Blvd north of El Camino Ave. DME has estimated the additional design service cost at \$\$\$\$\$, and anticipate an additional 30-days that would be spread out over the course of the design.

DME understands the requested additional scope of work to include the following (based on the email dated March 11, 2024).

- New 10-inch DIP within Fair Oaks Blvd beginning approximately 100-feet south of El Camino Ave and ending approximately 500-feet north of El Camino Ave.
- New 10-inch DIP from the El Camino Ave/ Van Alstine Ave and Fair Oaks Blvd intersection approximately 80-feet east on Van Alstine Ave.
- Four tie-ins to existing water main: 1) new 10-inch DIP to existing 10-inch ACP south of El Camino Ave, 2) new 10-inch DIP to existing 14-inch reinforce cylinder pipe (RCP) on Van Alstine Ave, 3) new 10-inch DIP to existing 10-inch ACP on El Camino Ave, 4) new 10-inch DIP to 10-inch ACP northern end of project boundary. There are no service connections on the proposed pipeline.
- One (1) proposed fire hydrant and lateral that would be located on the westside of Fair Oaks Blvd.

This amendment is based on incorporating this additional pipeline design into the Claremont Road Mainline Replacement plan set. The Contract Documents, including measurement and payment and bid items, will be developed, and assembled to reflect that work will occur at two distinct locations as they both having unique site and working conditions. DME assumes that all pipelines are to be installed within Fair Oaks Blvd and that no additional easements or property acquisition is required.

The original contract tasks will be amended as follows. The cost table below reflects the additional estimated hours to complete the added scope-of-work.

Task 2.a – Design Services, Survey: Psomas will survey the additional project area that will be developed into a second base map. The survey will utilize the same State plane datum but different benchmarks from the original contract work. Survey will be provided for the entire width of Fair Oaks Blvd within the Project area and extend 10 feet beyond the back of walk on both sides.

DME will prepare an additional pothole request map and table specific to the additional project area. Additional surveying effort has also been included to survey the pothole locations.

Task 2.c – Design Services, Design Plans: Cecil & Cecil Enterprises (CCE) will prepare the following sheets. All other plan development aspects will remain consistent with the original contract.

- G1 – Project Cover Page [revisions to the cover page presented at the kickoff meeting]
- C5 – Abandonment Plan [additional sheet to reflect additional project area]

- C13 & C14 – Plan and Profile Sheet (1:40H; 1:4V) [additional sheet to reflect additional project area]
- C21 – Tie-in Details (4 tie-ins)
- C23 – Assumed 1 Extra Sheet

CCE's cost reflects preparing conformed plans and As-built Plans.

Task 2.d & f – Design Services, Technical Specification & Engineer's Estimate: DME will develop the specifications, including measurement and payment and bid items, to reflect that work will occur at two distinct locations as they both having unique site and working conditions.

Task 3.c – Permitting and Enviro Document Support, SWRCB DDW Separation Waiver: DME will develop the additional exhibits, tables, and documentation specific to the additional project area. These will be combined with the original DDW documentation and submitted as one package.

Task 4.a – Bid Support Services, Bidding Support: DME anticipates effort to respond to bidder questions and prepare addendum. Additional costs are anticipated for ARC-Plan Room Services. DME will include ARC's invoice, upon services being performed, with monthly invoices per the original contract.

Task 5 – Engineering Services During Construction: DME will perform additional Engineering Services During Construction for the additional project are based on the ESDC as outlined in the original contract.

Tasks	Labor					Outside Services					Total Fee	
	Tom Dugan	Sara Rogers		Total Hours	Total Labor Costs (1)	Cecil & Cecil Enterprise	Psomas	ARC Planroom	Subtotal	Sub Consultant Total Cost (2)		
	PIC/PM/PE	QA/QC	PROJECT ENG 1			CADD	SURVEY	BID HOUSE				
	\$195	\$195	\$130									
Task 1: Project Administration & Management												
Subtotal Task 1:	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Task 2: Design Services												
Subtotal Task 2:	28	6	90	124	\$18,330	\$14,342	\$18,500	\$0	\$32,842	\$36,126	\$54,456	
Task 3: Permitting, Coordination and Environmental Documentation Support												
Subtotal Task 3:	2	2	20	24	\$3,380	\$0	\$0	\$0	\$0	\$0	\$3,380	
Task 4: Bid Support Services												
Subtotal Task 4:	4	0	16	20	\$2,860	\$2,020	\$0	\$350	\$2,370	\$2,607	\$5,467	
Task 5: Engineering Services During Construction												
Subtotal Task 5:	6	4	28	38	\$5,590	\$2,424	\$0	\$0	\$2,424	\$2,666	\$8,256	
TOTAL	40	12	154	206	\$30,160	\$18,786	\$18,500	\$350	\$37,636	\$41,399	\$71,559	

DME welcomes the opportunity to meet and to discuss this scope and fee. Please feel free to contact me at any time.

Sincerely,



Thomas Dugan, PE
President, Dugan Management & Engineering, Inc.

Exhibit A

March 12, 2024

Greg Norris
Engineering Manager
7837 Fair Oaks Blvd
Carmichael, CA 95608

Re: Amendment No. 01 - Design Service for Claremont Road Mainline Replacement Project

Dear Mr. Norris,

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- C23 – Assumed 1 Extra Sheet

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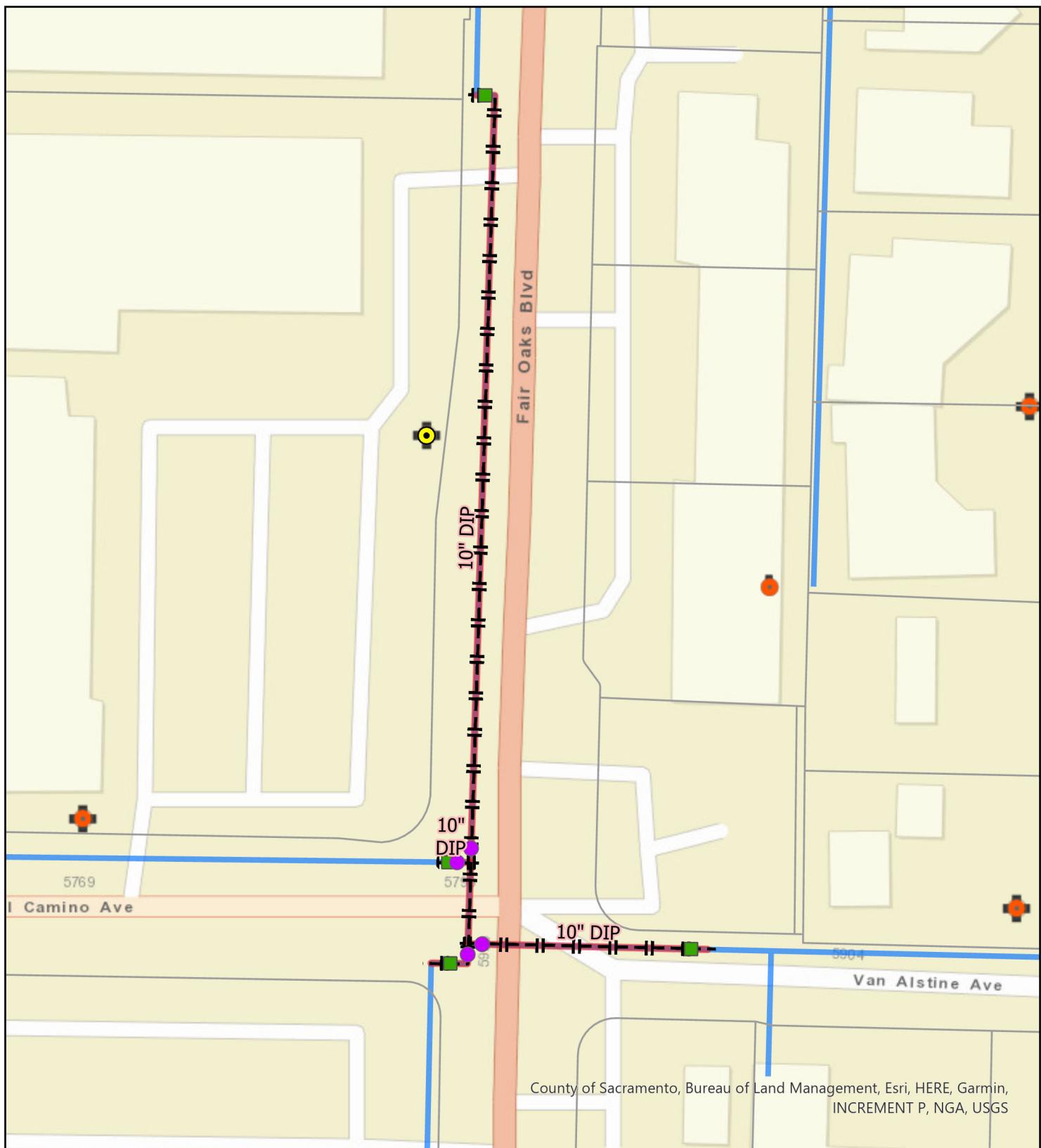
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	PIC/PM/PE	QA/QC	PROJECT ENG 1			CADD	SURVEY	BID HOUSE					
	\$195	\$195	\$130										
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Subtotal Task 2:	28	6	90	124	\$18,330	\$14,342	\$18,500	\$0	\$32,842	\$36,126	\$54,456		
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TOTAL	40	12	154	206	\$30,160	\$18,786	\$18,500	\$350	\$37,636	\$41,399	\$71,559		

DME welcomes the opportunity to meet and to discuss this scope and fee. Please feel free to contact me at any time.

Sincerely,



Thomas Dugan, PE
President, Dugan Management & Engineering, Inc.



El Camino Ave & Fair Oaks Blvd Pipeline Replacement Project Map



0 25 50 100 150 200
US Feet
1 inch = 100 US Feet

Hydrant

- Dry Barrel Steamer
- Steamer
- Wet Barrel Steamer
- Wharf

Parcel

Proposed New Hydrants (Replacement)

Active Main Pipeline

Proposed Main Pipeline

Proposed Single Valve

Proposed Tie Ins

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MEMO

TO: Board of Directors
FROM: Gaby Padilla, Administrative Specialist
DATE: February 27, 2024
RE: November 5, 2024 Election

BACKGROUND

The District must begin preparing for the 2024 election for Directors in Divisions 1 (Davis), 2 (Emmerson), and 4 (Greenwood). The registered voters of the District elect Directors in even-numbered years at the same time as the November statewide general election. In 2024, this election date is November 5, 2024. To be part of the statewide general election process, which is the most cost-effective and administratively convenient way to conduct the election and which has been the approach used by the District in past elections, the Board must consider taking the following actions:

SUMMARY

To proceed with the 2024 General Election with Sacramento County, the District must complete the following:

1. Adopt a Resolution Calling the Election, which includes the following:
 - a. Requests to Sacramento County Voter Registration and Elections to include the District Election with the statewide general election;
 - b. Limits candidate statements to 200 words or authorize an extension to 400 words, and determine whether candidates or the District should pay the costs for publishing each candidate statement that is filed; And
2. Authorize the General Manager/Secretary or her designee to prepare, execute and submit the necessary documents to the Sacramento County Voters Registration and Elections office to call for the election of Directors for Divisions 1, 2, and 4 at the November 5, 2024 general election, including the Notice of District Election and Publication of Notice of Election, and authorize payment of invoices for fees required by Sacramento County Voter Registration and Elections for the District's share of costs for the 2024 District Election.

The deadline for submitting the recommended resolution and other documents to Sacramento County for the November 5, 2024 District Election is July 3, 2024. To reduce the District's costs for the upcoming election as authorized by the California Elections Code, the proposed resolution provides that the notice of the District Election will be published in the combined notice for all other special districts scheduled to hold their elections on November 5, 2024. The District must pay its share of costs for the consolidated election in accordance with the fee schedule provided by the Sacramento County Voter Registration and Elections office.

The Elections Code further requires that a current map and boundary description must be delivered to the Voter Registration and Elections office by June 5, 2024. The existing District voting division map on file with the Voter Registration and Elections is not the most recent map. Therefore, the resolution confirms that the updated maps approved by the Board in November 2022 will be used for the 2024 District Election.

RECOMMENDATION

Staff recommends that the Board of Directors approve Resolution 03192024-01 – A Resolution of the Board of Directors of The Carmichael Water District Calling The November 5, 2024 District Election, Requesting Consolidation of Elections, and Designating Payment for Publication of Candidate Statements.

CARMICHAEL WATER DISTRICT
RESOLUTION 03192024-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CARMICHAEL WATER DISTRICT CALLING THE NOVEMBER 5, 2024 DISTRICT ELECTION, REQUESTING CONSOLIDATION OF ELECTIONS, AND DESIGNATING PAYMENT FOR PUBLICATION OF CANDIDATE STATEMENTS

WHEREAS, a statewide general election will be held within the County of Sacramento on Tuesday, November 5, 2024;

WHEREAS, it is the District's policy to hold its elections for Directors on the same date as the statewide general election, which is the first Tuesday after the first Monday in November in even numbered years (the "District Election"), in order to promote interest in the election and to reduce costs for ratepayers;

WHEREAS, an election is required to be held within the Carmichael Water District on November 5, 2024 for the purpose of electing members of the Board of Directors from Divisions 1, 2, and 4, which will affect Sacramento County;

WHEREAS, the Board of Directors previously adopted a description of the boundaries of and map designating the District's voting divisions ("Map"), a copy of the Map will be certified and filed with the Sacramento County Board of Supervisors and Registrar of Voters;

WHEREAS, it is the District's policy to require candidates for seats on the Board of Directors to pay for the cost of publishing their statements of qualifications; and

WHEREAS, Elections Code section 10403 requires the District to file with the Board of Supervisors, with a copy to the Registrar of Voters, a resolution requesting consolidation of the District Election with a statewide election if such consolidation is desired.

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

1. In accordance with Elections Code section 10403, the District requests that the Board of Supervisors of Sacramento County consolidate the regularly scheduled District Election with the statewide general election to be held on November 5, 2024.
2. The Board hereby submits a new Map to the Registrar of Voters that was adopted by the Board of Directors in November of 2022;
3. In accordance with subdivision (d) of Water Code section 21100, the Board (a) determines that a candidate for election to the Board of Directors of the District shall be a registered voter and resident of the division from which he or she is elected, and (b) authorizes and directs the General Manager to hold an election in Divisions 1, 2, and 4, as such divisions are shown on the Map, at the November 5, 2024 District Election.
4. Each candidate for the office of Director in Divisions 1, 2, and 4 who desires to file a candidate statement shall pay his or her pro rata share of the costs of publication of that candidate's statement as required under Elections Code section 13307 and as determined by the County Registrar of Voters. The limitation on the number of words that each candidate may use in his or her candidate's statement is 200 words. Each candidate shall prepay the costs of his or her candidate's statement to the Registrar of Voters at her office at the time the candidate files his or her nomination papers.

5. In accordance with Elections Code sections 1303, 10509 and 10522 and the Sacramento County Registrar of Voters' administrative regulations, the District Board authorizes and directs the Secretary to execute and seal this resolution, and to deliver the signed and sealed resolution to the Sacramento County Registrar of Voters, who shall, as required by law, submit this Resolution to the Sacramento County Board of Supervisors on the District's behalf by no later than July 3, 2024.
6. The District agrees to reimburse the Registrar of Voters for actual costs incurred to conduct the District Election, such costs to be calculated by the method set forth in the County's current Election Cost Allocation Procedures, and billed to and to be paid by the District after the November 5, 2024 general election.
7. In accordance with the Sacramento County Registrar of Voters' administrative guidelines, the District hereby certifies that it will use the following method of selecting a winning candidate for Director in Divisions 1, 2, and/or 45 in case of a tie vote at the November 5, 2024 District Election:

Upon notification of a tie by the Registrar of Voters, the District Secretary will notify the candidates who have received the tie votes and order those candidates or their designated representatives to appear before the Board of Directors for a determination of the winner at the time and place designated by the Board. At the designated time and place, the Board will determine the tie by a drawing of lots conducted by the Board President, or his or her designee, and the winner of the drawing shall be declared the winner by the Board. (Elections Code Section 10551, subd. (b).)

PASSED AND ADOPTED by the Carmichael Water District Board of Directors on this 19th day of March 2024, by the following vote:

Jeff Nelson	Aye	<input type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Mark Emmerson	Aye	<input type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Paul Selsky	Aye	<input type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Ron Greenwood	Aye	<input type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Ronald Davis	Aye	<input type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Board Totals:	Ayes:	<input type="checkbox"/>	Nays:	<input type="checkbox"/>	Absent:	<input type="checkbox"/>	Abstain:	<input type="checkbox"/>
Passed Unanimously:								
Motion Carried:								
Motion Not Carried:								

ATTEST:

Paul Selsky, President
Board of Directors

Cathy Lee, General Manager

MEMO

TO: Board of Directors

FROM: Cathy Lee, General Manager

DATE: March 12, 2024

RE: Legal Services Agreement with Banks and Watson Attorneys

BACKGROUND

The District is under contract with Golden State Water Company (GSWC) and Aerojet for the District's Bajamont Water Treatment Plant (WTP) capacity and the diversion, treatment, and delivery of Aerojet's treated groundwater discharge for GSWC's use. With changes in the American River flow due to drought and the District's ability to divert water under curtailment conditions, staff recommends a review of the agreement.

SUMMARY

The three way agreements with GSWC and Aerojet were finalized in 2017 with GSWC and Aerojet paying portions of the Production Department's expenses based on volumetric or capacity basis. The District has experienced various challenges including low flows in the American River, curtailment, membrane replacement, and Ranney Collectors rehabilitation. As such, the operation and GSWC/Aerojet's payment may warrant a review. The District's current attorney recommended Mr. Jim Banks of Banks and Watson Attorneys who specializes in complex business transactions and real estate and commercial and public agency litigations. Banks and Watson Attorneys' Legal Services Agreement is attached in Attachment 1. The initial review of the three-way agreements and consultation would be about 20 hours.

RECOMMENDATION

Staff recommends that the Board of Directors approve the Legal Service Agreement with Banks and Watson Attorneys and authorize the General Manager to execute the agreement.

ATTACHMENTS

1. Banks and Watson Attorneys Legal Services Agreement

BANKS & WATSON

ATTORNEYS

JAMES J. BANKS
ROBERTA LINDSEY SCOTT

LAWRENCE R. WATSON (RET.)

1520 EUREKA ROAD, SUITE 100
ROSEVILLE, CA 95661
TEL 916 325.1000 • FAX 916 325.1004
WWW.BW-FIRM.COM

March 6, 2024

VIA ELECTRONIC MAIL ONLY

Ms. Cathy Lee
General Manager
(cathy@carmichaelwd.org)
Carmichael Water District

Re: Carmichael Water District
Renegotiation of Diversion, Treatment and Delivery Agreement

Dear Ms. Lee:

I enclose an Agreement for Legal Services in the captioned matter. Please review the Agreement. If you have questions, please call. Once you have obtained the Carmichael Water District Board's approval, please execute where indicated on page five. The executed Agreement may be emailed to my care at jbanks@bw-firm.com. I will forward a fully executed copy for your records.

Ms. Lee, we look forward to working with you.

Yours very truly,



JAMES J. BANKS

JJB:jdy
Attachment

AGREEMENT FOR LEGAL SERVICES

This Agreement for Legal Services is made by Banks & Watson (“B&W”) and Carmichael Water District (“Client”) as of the date set forth below.

This Agreement for Legal Services (the “Agreement”) will serve to explain our billing policies and procedures. The Agreement serves as the written agreement between the parties. Client should review the Agreement carefully and ask any questions or request any clarifications that may facilitate Client’s understanding of this Agreement.

SCOPE OF AGREEMENT

Client retains B&W to evaluate the efficacy of a renegotiation of that certain Diversion, Treatment and Delivery Agreement by and between Golden State Water Company and Carmichael Water District dated as of August 24, 2016, not to exceed 20 hours without advance approval.

1. DUTIES OF ATTORNEY AND CLIENT

ATTORNEY DUTIES

We shall provide those legal services reasonably required to represent Client in the matter described above. We will keep Client informed of significant developments and respond to Client’s inquiries.

We may delegate work to other attorneys, paralegals, law clerks and office personnel within our office when we determine that such delegation is appropriate in representation of Client’s interests. If Client requests, Client will be notified prior to any delegation and a decision will be made in consultation with Client.

We may, but only with Client’s prior consent, select and hire attorneys, investigators, consultants and experts to assist in the preparation and presentation of Client’s case. While these persons will report exclusively to B&W, they are employed by Client.

We are not obligated to perform any services for Client until our receipt of the executed Agreement for Legal Services together with any advance deposit required by Paragraph 5.

CLIENT’S DUTIES

Client shall be truthful and cooperate with us, keep us informed of developments, perform the obligations Client has agreed to perform under this Agreement, pay statements in a timely manner, and keep us apprised of its address, telephone number and whereabouts.

2. FEES AND HOURLY RATES

Our practice is to charge for legal services, based primarily on the amount of time, including travel time, devoted to a matter at hourly rates for the particular professionals involved. Client agrees to pay for legal services at the rates set forth in the attached Schedule of Rates. These rates are subject to adjustment at the beginning of each calendar year. We will give written notice of rate adjustments at least thirty (30) days prior to the effective date thereof, and the new rates will be instituted only in consultation with Client. Our rates are based principally on experience, specialization and training.

We bill time in increments of .10 per hour and normally charge for all activities undertaken in providing legal services to you under this Agreement, including but not limited to the following: preparing for and participating in conferences; preparation and review of correspondence and other documents; legal research; court and other appearances, including preparation and participation; and telephone calls, including calls with you, other attorneys and/or persons involved with this matter. The legal personnel assigned to your matter may confer amongst themselves about the matter as required. When they do confer, each person may charge for the time expended. Likewise, if more than one of our legal personnel attends a meeting, court hearing or other proceeding, each may charge for the time spent, although we will take steps to minimize multiple participants' attendance at such proceedings unless absolutely necessary. We will charge for travel time, both local and out of town.

3. COSTS AND EXPENSES

Whenever practical, Client shall directly pay for major costs and expenses by either advancing such costs or expenses to B&W, or by paying third parties directly. Upon demand, Client shall advance funds to B&W or directly pay third parties as specified by B&W. B&W will not incur any cost in excess of \$500.00 on Client's behalf without first obtaining Client's consent.

In all other cases, Client shall reimburse B&W for all costs and expenses incurred by B&W including, but not limited to, the following: costs of serving pleadings, filing fees and other charges assessed by courts and other public agencies, court reporters' fees, jury fees, photocopying, parking, mileage, travel expenses, lodging, meals, ground transportation, research, investigation expenses, consultants' fees, expert witness fees, and other costs as those costs are incurred. Those costs will be itemized on Client's invoice after they have been incurred and will thereafter be paid by Client in accordance with this Agreement.

4. INVOICE

We will send Client an invoice for costs incurred every month. Our invoices are due on presentment; they become delinquent after thirty (30) days. We reserve the right to charge, at the rate of ten percent (10%) per year, a monthly late payment charge on the unpaid balance of any invoice not timely paid in full, computed from thirty (30) days after the invoice issuance date until payment.

We specifically reserve the right to withdraw from your representation if we do not receive full payment of any amounts owed to us within thirty (30) days of the invoice.

We do our best to see to it that our clients are satisfied both with our legal representation and services, but also with the reasonableness of our charges. If you have any questions about or objection to a monthly invoice, our services, or our charges, then you should raise it promptly for discussion.

5. ADVANCE DEPOSIT

No advance deposit for payments is required at this time. We reserve the right to require an advance deposit for payment of our charges for services and expenditures in the future due to circumstances such as substantial expenditures, imminence of trial or other hearing, or delayed payment of any prior invoice.

While we will attempt to obtain a favorable out-of-court resolution of your matter, it may proceed to a trial or other hearing. Preparing for and conducting the trial or other hearing of a matter are usually the most time-consuming services in any litigation engagement. We may require that you provide us with an additional separate deposit prior to our commencement of preparation to cover part of our charges for these services and related expenditures. The amount of the deposit will be determined once the trial or other hearing appears inevitable and as soon as possible prior to the date the matter is set for trial or other hearing, based upon an estimate of the magnitude of services and expenditures which may be involved.

Any deposit paid to B&W shall be deposited in our trust account and shall be used to pay the Client's last invoice at the conclusion of the case, or may be applied to Client's bill after a period of more than one year has passed without a late payment.

We may use this deposit to pay for all costs and expenses incurred by us in representing Client, as well as fees for legal services. Client hereby authorizes us to withdraw moneys from the deposit in our trust account should Client's account become delinquent. When used for this purpose, Client shall replenish the deposit within fifteen (15) days after our demand.

Any unused deposit remaining at the conclusion of our services shall be immediately refunded to Client.

6. DISCLAIMER OF GUARANTEE

By signing this Agreement, Client acknowledges that we have made no promises or guarantees to Client about the outcome of Client's matter.

7. DISCHARGE AND WITHDRAWAL

Either party may terminate this Agreement upon written notice to the other party. If we elect to terminate this Agreement, we shall be paid for all fees and costs, which

have accrued up to the time of termination. We and Client each agree to sign any documents reasonably necessary to complete our discharge or withdrawal.

8. LEGAL ACTION UPON DEFAULT

If Client does not pay its attorneys' fees balance when due, or breach any other terms of this Agreement, we may demand that the entire unpaid balance be paid immediately and, as provided by law, commence any legal action for its collection. Client agrees to pay interest at the rate of ten percent (10%) per annum from the date of default. Default under this Agreement occurs only if Client fails to make a payment required under this Agreement. If there is any dispute under this Agreement, the prevailing party shall be entitled to a reasonable attorney's fee.

9. ARBITRATION OF FEE DISPUTE

If a dispute arises between B&W and Client regarding B&W's fees or costs under this Agreement, and B&W files suit in any court, or begins an arbitration proceeding other than through the State Bar or a local bar association, Client will have the right to stay that suit or arbitration proceeding by timely electing to arbitrate through the State Bar or a local bar association under Business and Professions Code sections 6200-6206, in which event B&W must submit the matter to that arbitrator, subject to sections 6200-6206.

10. DOCUMENT STORAGE POLICY

After our services conclude, we will, upon your request, deliver your file(s) to you, along with any of your funds or property in our possession. The case file includes Client papers and property as defined in Rule 1.16(e)(1)&(2) of the California Rules of Professional Conduct. Please note that your file will be destroyed without further notice one (1) year after conclusion of services unless you make other arrangements with us.

11. CONSENT TO ELECTRONIC COMMUNICATIONS

In order to maximize efficiency in this matter, we intend to use advanced communications devices to the fullest extent possible (e.g., email, document transfer by computer, cellular telephones, and facsimile transfers). The use of such devices under current technology may place your confidences and privileges at risk. However, we believe the effectiveness involved in use of these devices outweighs the risk of accidental disclosure. By signing this Agreement, you acknowledge your consent to the use of these devices.

12. INSURANCE

Client is hereby informed that B&W maintains errors and omissions insurance.

13. CLIENT

Our client for the purpose of our representation is only the person or entity identified in this Agreement. Unless expressly agreed, we are not undertaking the representation of any related or affiliated person or entity, nor any parent, brother-sister, their officers, directors, agents, or employees.

14. ENTIRE AGREEMENT

This Agreement contains all terms of the agreement between us applicable to our representation of you, and may not be modified except by a written agreement signed by both of us.

I understand and accept the foregoing terms.

CARMICHAEL WATER DISTRICT

DATE: _____

By: CATHY LEE
Its: General Manager

BANKS & WATSON

DATE: _____

JAMES J. BANKS

SCHEDULE OF RATES

As March 2024

Clients of Banks & Watson ordinarily are billed according to the following hourly rates:

Partners	\$600
Associate Attorneys	\$400
Paralegal / Law Clerk	\$165

BANKS & WATSON

APPENDIX A EXPLANATION OF COST BILLING

Please review your invoice: Our invoices are our best explanation of our services and costs incurred in your matter during each billing period. Please review your invoice to insure that each time entry and cost entry is accurate. If you have any questions, please contact us. As part of our fee agreement with you, costs are billed as follows:

Messenger Runs: Our Firm utilizes in-house personnel to provide messenger services, when necessary, for court filings, recording documents and related tasks. Clients are charged a flat fee of \$12.00 per delivery, plus mileage, if applicable.

Mileage: The Firm charges only for actual travel costs to destinations outside of Sacramento County. Out-of-county automobile travel is charged at 67¢ per mile, or the current IRS mileage rate for automobile travel.

Lexis: Lexis is an electronic legal research database. Clients are charged for our actual online costs.

Telephone: The Firm charges clients actual telephone usage by toll unit cost per a telephone call accounting system. As a result, the charges approximate but may not be identical to the actual cost paid by Banks & Watson.

Facsimiles: The Firm charges 50¢ per page for received and outgoing transmissions.

Copies: The Firm charges 22¢ per page for copies made in-house. We record those charges through the use of internal copy codes input directly into the copy machines.

Outside vendors: The Firm bills clients for actual costs paid on their behalf to outside vendors. Under the fee agreement, vendor invoices may be submitted directly to the client for payment, or at the Firm's option, paid by the Firm and included on the client's invoice.

Late payment: Invoices are due on presentment. A service charge is billed to clients at the rate of 10% per annum on any unpaid balance after 60 days.

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MEMO

TO: Board of Directors
FROM: Cathy Lee, General Manager
DATE: March 13, 2024
RE: Combination with Sacramento Suburban Water District – 2x2 Ad Hoc Committee

BACKGROUND

The 2x2 Ad Hoc Committee (2x2 Committee) for the Combination between Carmichael Water District (CWD) with Sacramento Suburban Water District (SSWD) met on 3/4/2024 with two items for discussion or action. The items are 1) Public Information Workshop and Outreach Report and 2) Draft LAFCO Resolution Review.

SUMMARY

As part of the combination discussion outreach, both CWD and SSWD hosted a second public workshop on January 24, 2024 and January 31, 2024, respectively. CWD and SSWD's communication's consultant, IN Communications, developed the attached Summary Report, Public Outreach and Engagement (Summary Report), which describes the questions and comments received at the Workshops and outlined the public engagement efforts to date. The 2x2 Committee reviewed the Summary Report, accepted the report, and recommended both Boards to accept the report with one minor change as shown in Attachment 1.

One of the steps necessary in the combination discussion process is to finalize a substantially similar resolution approved by both CWD and SSWD Boards if a decision is made to continue the subject efforts in order to submit a consolidation application to LAFCo. CWD Board has provided an updated draft resolution to the 2x2 Committee for review and discussion. The CWD Committee members explained the intent of the amended sections of the draft LAFCo Resolution and, following the discussion, provided direction to staff to revise the draft Resolution and present it to the SSWD Board at its 3/18/2024 regular Board meeting. Specifically the updated sections are Item 4 (c) (3) and (4) as follows:

- (3) the territory and customers within CWD as of the effective date of the consolidation shall have the **the exclusive right first priority** to the surface water supply made available by and diverted pursuant to the following appropriative water rights: License 1387 (A000138), License 8731 (A004743), and **the consolidated district shall not petition to change these rights permit 7356 (A012367)**; and
- (4) **the territory and customers within CWD as of the effective date of the consolidation shall have the first priority to the surface water supply made available by and diverted pursuant to the following appropriative water right: Permit 7356 (A012367)**, and **The consolidated district shall prevent surface water made available by License 1387, License 8731, and Permit 7356 from flowing out of the territory within CWD and into the territory within SSWD, unless and until the State Water Resources Control Board approves changes in the place of use of any of these rights, and all demands of the customers within CWD that can be met with this surface water have been met**; and

The revised draft LAFCo Resolution is attached as Attachment 2.

RECOMMENDATION

Staff recommends that the Board of Directors accepts the Summary Report, Public Outreach and Engagement as recommended by the 2x2 Ad Hoc Committee and discuss the changes to the draft LAFCo Resolution as requested by the 2x2 Ad Hoc Committee.

ATTACHMENT(S)

1. Summary Report, Public Outreach and Engagement,
2. Draft LAFCo Resolution



SUMMARY REPORT

Public Outreach and Engagement

Carmichael Water District and Sacramento Suburban Water District Combination Workshops January 2024

DRAFT—March 6, 2024



Public Outreach
Community Involvement
Strategic Communication

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SECTION ONE:

**Major Themes from the
CWD and SSWD Workshops:
January 2024**

Major Themes from CWD and SSWD Public Information Workshops: January 2024

The following section highlights the major themes identified during public workshops hosted in January 2024.

COMMON THEMES RAISED AT BOTH WORKSHOPS

Potential Benefits to Combination

Attendees from CWD expressed concerns and sought clarity regarding the specific benefits identified in the combination studies. Their emphasis was on understanding the tangible advantages and requested demonstrable evidence to support the perceived benefits of the combination. In contrast, several attendees from SSWD demonstrated favorable perceptions towards the combination. They highlighted potential benefits, such as the combination of groundwater and surface water resources for greater reliability, increased negotiation power, and enhanced opportunities for employees.

Representation, Local Control and Governance

Attendees from CWD expressed concerns about fair representation, highlighting the significant size disparity between SSWD and CWD. Worries were voiced about the potential loss of local control through a combination. Concerns were expressed about losing the Carmichael Water District name and its significance to the community identity. Attendees at the SSWD meeting asked about the number of directors in a combined district and how divisions would be identified.

Rates and Costs in Combination

Attendees from CWD raised questions about the suggestion that rates would increase more slowly over time ~~proposed reduction in water rates~~ as a justification for the combination.

Participants from SSWD raised concerns about the short-term costs associated with the combination. Questions were also raised about potential cost savings from the combination, particularly related to capital improvement projects.

Financial Risks, Debt, and Infrastructure

Attendees from CWD raised questions about the combination process concerning debts. Specifically, they inquired whether the combination could only take place after each district's debts are paid off.

Attendees also expressed concerns about potential financial risks for CWD. Participants from the SSWD workshop inquired about the condition of infrastructure and the equitable distribution of costs. They indicated a concern for the long-term sustainability of the combined systems and a desire for fairness and transparency in the financial aspects of the combination.

Public Input and Approval Processes

Attendees from CWD expressed a desire for public input through a survey of Carmichael Water District customers. Desire was expressed for the combination to be brought to a public vote. Participants from SSWD also raised questions about whether the combination process would require ratepayer approval. Attendees also sought clarification on the decision-making process through LAFCo (Local Agency Formation Commission).

THEMES UNIQUE TO THE CWD WORKSHOP

Reason for Combination: Inquiries were made about external drivers prompting combination and the role of the State Water Board.

Water Sharing: Questions were raised about how the sharing of surface water rights would work after combination while also ensuring Carmichael Water District customers continue to receive surface water.

Water Quality: Emphasis was placed on the excellent water quality in Carmichael, with concerns raised about potential impacts of combination on water quality.

Bureaucracy: Concerns were raised that combination might lead to a larger bureaucracy, potentially resulting in higher long-term costs.

Water Rights: Questions were asked about CWD's historical water rights and how they would be protected, transferred, diluted, or enhanced by combination.

Union/Employees: Attendees sought information on the position of the union and other employees regarding the combination.

Other:

- Questions were raised about the growth factor in SSWD and whether costs for growth were factored into the combination analysis.
- A request was made for a study comparing the projected benefits of the proposed CWD-SSWD merger with the outcomes of the Arcade-Northridge merger.
- Inquiries were made about the sale of CWD surface water to downstream users and the percentage of water rights for the water sold.
- Concerns were expressed about external entities posing a threat to the Sacramento region's water supplies, suggesting that an analysis of these risks should be added to the Further Analysis Report.

THEMES UNIQUE TO THE SSWD WORKSHOP

Status of Discussions: Attendees sought information on the current status of the decision process and whether joint meetings of CWD and SSWD Boards of Directors had occurred.

CWD Perceptions on Combination: An attendee shared perceptions from a CWD workshop, suggesting resistance to combination among attendees and the CWD Board. Questions were raised about the rationale for discussing combination if there is uncertainty about CWD's interest.

DRAFT

SECTION TWO:

**Summary: Key Themes and
Discussion Points**
**Carmichael Water District Public
Information Workshop**

Summary: Key Themes and Discussion Points

Carmichael Water District Public Information Workshop

Wednesday, January 24, 2024, 6:30 p.m.

56 people attended the meeting in person with 11 online.

Carmichael Water District Meeting: Major Themes Expressed by Attendees

The following summary captures the main themes and viewpoints expressed by the public during the Public Information Session hosted by Carmichael Water District on January 24, 2024. It aims to condense the information while maintaining the essence of the discussions.

Benefits: Attendees sought clarity on the specific benefits identified in the combination studies. Attendees asked for demonstrable evidence regarding the perceived benefits of combination, considering potential associated expenses.

Reason for Combination: Inquiries were made about external drivers prompting combination and the role of the State Water Board.

Representation and Local Control: Attendees expressed concerns about fair representation, particularly when SSWD is significantly larger than CWD. Worries were voiced about losing local control through a merger, and questions were raised about achieving economies of scale through cooperative agreements instead of combination. Concerns were expressed about losing the Carmichael Water District name and its significance to the community identity.

Water Sharing: Questions were raised about how the sharing of surface water rights would work after combination while also ensuring Carmichael Water District customers continue to receive surface water.

Water Quality: Emphasis was placed on the excellent water quality in Carmichael, with concerns raised about potential impacts of combination on water quality.

Rates and Costs: Attendees questioned the premise that rates would increase more slowly over time ~~proposed reduction in water rates~~ as a reason for combination, expressing historical evidence ~~that rates may not decrease~~.

Financial Risks/Debt: Questions were asked about the combination process in relation to debts, specifically whether combination can only occur after each district's debts are paid off. Concerns were raised about potential financial risks for CWD.

Bureaucracy: Concerns were raised that combination might lead to a larger bureaucracy, potentially resulting in higher long-term costs.

Water Rights: Questions were asked about CWD's historical water rights and how they would be protected, transferred, diluted, or enhanced by combination.

Public Survey/Vote: Suggestions were made for a survey of Carmichael Water District customers to gather valuable insights into their opinions about combination. Desire was expressed for the combination to be brought to a public vote.

Union/Employees: Attendees sought information on the position of the union and other employees regarding the combination.

Other:

- Questions were raised about the growth factor in SSWD and whether costs for growth were factored into the combination analysis.
- A request was made for a study comparing the projected benefits of the proposed CWD-SSWD merger with the outcomes of the Arcade-Northridge merger.
- Inquiries were made about the sale of CWD surface water to downstream users and the percentage of water rights for the water sold.
- Concerns were expressed about external entities posing a threat to the Sacramento region's water supplies, suggesting that an analysis of these risks should be added to the Further Analysis Report.

Detailed Discussion Points

One attendee commented on the pros and cons outlined in the Initial Study as follows:

- Scale Efficiency: He expressed concerns about the ability to maintain greater scale efficiency after combination, emphasizing the need for proper management.
- Water Resource Sharing: He highlighted the potential for increased access to water through resource sharing, suggesting it could be a positive aspect.
- Political Advocacy: He dismissed the idea of political advocacy as a pro, stating that all water providers in the region are already engaged in political activities.
- Customer Service: He expressed concerns that larger entities could lead to more bureaucracy, potentially affecting the quality of customer service.
- Rate Stability: While acknowledging the desire for rate stability, he pointed out that achieving it might come at a higher cost. He also mentioned potential expenses associated with addressing water rights through a state process.
- Upward Mobility for Staff: He noted that if combination hindered upward mobility opportunities for staff it would be considered a drawback.
- Bureaucracy and Long-term Costs: He concluded by expressing the fear that combination could result in a larger bureaucracy, ultimately costing more in the long run.

One attendee raised concerns about a potential Prop 218 protest vote, indicating that a vote of all customers from CWD and SSWD would dilute Carmichael's vote. He suggested that a survey

of CWD customers would provide valuable insights into their opinions about the combination. He also expressed concerns about fair representation. He pointed out the difficulty of ensuring fair representation when one entity is significantly larger than the others.

One attendee questioned the underlying reason for the combination, expressing skepticism that such a significant endeavor would be undertaken solely for cost savings or financial reasons. She sought clarity on the primary motivation. She also questioned the specific benefits identified in the collaboration study that prompted the consideration of working together. Additionally, she expressed the desire to put the process on hold for a year, suggesting to observe other mergers before making a decision and stating the preference for Carmichael to remain as it is.

- Director Nelson and General Manager York clarified that the combination discussions originated from a broader regional initiative. Seven water districts commissioned a collaboration study to explore the potential benefits of working together. The study identified synergistic resources between SSWD and CWD, prompting both districts to jointly explore the combination.

One attendee sought information on the position of the union and other employees regarding the combination. Specifically, she was interested in understanding how both the union and the employees perceive or stand on the combination proposal.

- Director Nelson explained that an internal survey of staff is being conducted, with the results expected to be available in the later part of February. The survey aims to gather feedback from employees, providing insights into their perspectives on the potential combination.
- Director Selsky mentioned that he was not aware of a specific union position at this time.

One attendee expressed concerns about representation and the quality of service. She emphasized the excellent service she has received from CWD and expressed reluctance towards change. Her major concern was related to surface water rights. She questioned how the sharing of surface water rights would work, particularly after combination. She noted the government's preference for district consolidation and voiced her observation that combining districts seems to be encouraged.

- Director Selsky responded to the concern about surface water rights, mentioning that there are options being considered that would add assurances to any combination agreement. Currently, the use of surface water is limited to CWD boundaries, requiring a petition to the state for any changes.

One attendee expressed the following:

- Water Supplies: With wide-ranging comments, she expressed skepticism that a combination is needed to increase water reliability, raising concerns between building the Bajamont Water Treatment Plant and reducing the number of groundwater wells. Questions included: whether it is more cost effective to rehabilitate an older well or build a new one; whether there are the limitations on using American River water, especially during droughts, and if it is related to the number of wells; whether more

frequent curtailments are expected with climate change and if CWD has factored these considerations into its plans; whether groundwater supplies are sufficient for CWD, and if Sacramento County agrees with the district's plans for building.

- Water Quality: She emphasized that the water quality in Carmichael is excellent. She raised concerns that changes due to combination might impact this. She also asked about groundwater contamination at McClellan Park and whether it affects the surrounding neighborhoods.
- Rates: She raised concerns that CWD water rates have increased, questioned expenditures such as those to increase lobby security, and expressed skepticism about rates increasing more slowly over time getting lower with combination.
- Consolidation Costs and Decision: She inquired about the amount of money spent so far on exploring the combination and sought clarification on whether a decision had been made regarding combination.
- Meeting Access: She recommended better utilization of online platforms, such as YouTube, for public information and meeting accessibility.

Directors and General Manager Lee provided responses, addressing questions about well optimization, water quality, American River water limitations, climate change planning, and coordination with the county. They emphasized efforts to ensure water supply reliability, including groundwater wells and the Sacramento Regional Water Bank, and noted ongoing considerations regarding climate change impacts.

One attendee expressed skepticism about the benefits of combination. Especially in the context of a severe drought, he wondered if surface water would be shared with SSWD if groundwater supplies are depleted. He raised concerns about the potential financial risks for CWD, particularly if SSWD defaults on its debt service. He shared his concerns about the quality of water and sought a comparison with SSWD's water quality. He expressed the sentiment that if the current system is not broken, there might not be a need to fix it.

One attendee expressed skepticism about the perceived benefits of combination. He sought demonstrable evidence that supports the idea of the change being beneficial, especially considering the potential expenses associated with such a large-scale change.

- Directors Selsky and Nelson acknowledged the need for demonstrable evidence to support the idea of combination. They highlighted ongoing efforts to assess the benefits, including an exploration of the economy of scale demonstrated by larger water agencies with comparable rates. Director Nelson mentioned a two-year-long process of evaluating benefits, protecting water rights, and considering various aspects to ensure that the potential advantages outweigh the costs.

One attendee inquired about the possibility of receiving water from other areas and questioned whether other water providers test for PFAS (Per- and Polyfluoroalkyl Substances) in the water. She also asked if there are plans to conduct PFAS testing if it's not currently done.

- Director Emmerson, drawing from his experience as a former employee of the State Water Resources Control Board, assured that all water systems regularly test for 142 contaminants. These tests are reported to the state and are available online. He mentioned that CWD customers have received water from other districts like FOWD and SJWD via the river, and reciprocal arrangements exist.
- Regarding PFAS, Director Emmerson explained that there is an ongoing aggressive testing program to identify impacted water systems. While PFAS testing is not currently a contaminant for CWD, he anticipates that there might be a Maximum Contaminant Level (MCL) defined for PFAS in the future.

One attendee sought information on the current state of water supplies and the costs associated with different sources so that she could more fully understand the motivation for considering combination. She expressed concerns about the potential merging of water sources and the impacts on water quality and sought assurances about the commitment to continue providing surface water to CWD customers. She also raised questions about the growth factor in SSWD and whether the costs for growth have been factored into the combination analysis. She also emphasized exploring conservation measures within the district before considering a change.

- General Manager Lee explained that historically, there hasn't been a situation where they ran out of water but sometimes had to curtail usage from the river. During those times, groundwater was used, which is not significantly more expensive. Surface water is a bit pricier, but CWD also purchased surface water from SJWD as a backup supply. She noted that CWD has received \$20 million in state grants to help offset costs.
- Director Selsky acknowledged the need to drive down demand, and Director Nelson explained increased conservation often results in decreased water use (and, consequently, revenue), leading to the need for rate increases. They discussed emerging state regulations on urban water use, which would require decreased demand irrespective of combination discussions.

One attendee expressed pride in the quality of water in her area and questioned the premise that rates would increase more slowly over time proposed reduction in water rates as a reason for combination, stating that historical evidence suggests rates won't go down. She requested a study comparing the projected benefits of the proposed merger with the actual outcomes of the 2002 merger of Arden Arcade and Northridge Water District as a way to understand whether the promises of cost savings and employee benefits materialized. She also mentioned that the combination could be brought to a public vote and expressed her desire for the community to have a say through a public vote.

- General Manager York shared his experience with the Arcade-Northridge merger. He explained that although rates remained similar for three years, the consolidation eventually led to improved infrastructure, conjunctive use water management (shifting between surface water and groundwater according to availability), and better services. General Manager York noted that combining the rate base was a significant factor in the overall benefits.

- General Manager York clarified that the decision to consolidate would go through a LAFCo process, including a potential public vote.
- Director Nelson added that the expectation is not a decrease in rates but a more equitable distribution of rate increases and the potential for economies of scale with SSWD. He emphasized the consideration of cost per ratepayer.

One attendee sought clarification about SSWD's access to surface water at Folsom Lake and whether the water CWD sources from the American River could potentially be sent to SSWD in the future. He also expressed concern about losing local control through a combination and questioned whether economies of scale could be achieved through cooperative agreements rather than combination.

- Director Selsky mentioned that stipulations about water resource sharing could be built into combination agreements.

One attendee asked about the combination process in relation to debts; specifically, whether combination can only occur after each district's debts are paid off. He also asked whether ongoing rate increases would finish prior to combination. He asked whether CWD surface water is sold to downstream users and the percentage of water rights for the water sold. He also expressed concern about inheriting liabilities related to groundwater contamination at McClellan Park.

General Manager Lee explained that rates and financial accounting can't be merged until the debt is retired. She mentioned that the completion of rate increases would depend on how the board proceeds with the combination.

She also provided information on the temporary transfer of surface water, the evaluation of available groundwater during curtailment, and the financial and water-related aspects of selling surface water.

- General Manager York addressed the questions related to the handling of groundwater contamination at McClellan Park, explaining that groundwater pollution is contained to the area and that the Park is served by surrounding wells.

One attendee asked whether increased future costs for filtration would be reflected in the rates. Specifically, whether the cost distribution would be equal across all areas or vary by region.

- General Manager Lee responded that the specifics about how increased filtration costs would be reflected in the rates, and whether they would be distributed equally or vary by area, are not known at the moment. She mentioned that this information would be part of a future rate analysis.

One attendee asked a question about CWD's historical water rights and how they would be protected, transferred, diluted, or enhanced by combination.

- CWD Legal Counsel Ferguson explained that the district holds three surface water rights with varying levels of seniority, allowing the diversion of water from the Lower American River. The rights have conditions specifying diversion rate and place of use. Currently, these rights only allow water use within the CWD service area. Any

modification, such as serving water beyond the area, would require a petition to the State Water Board. Even with a combined district, the water could only be served within the specific area.

- There were discussions about potential assurances that could be incorporated into the LAFCo (Local Agency Formation Commission) process to address Carmichael's concerns. General Manager York also mentioned the possibility of Carmichael remaining its own service area even in the context of combination.

One attendee raised concerns about the potential impact of combination on water quality and expressed skepticism about potential assurances regarding water quality.

One attendee expressed concern about external entities (larger water providers and users) who may pose a threat to the Sacramento region's water supplies. The attendee emphasized the need for larger, collective agreements and legal strength to protect water rights against those attempting to acquire or influence Sacramento's water resources.

One attendee expressed concern about losing the Carmichael Water District name, emphasizing the significance of the name to the identity of the Carmichael community. He also inquired about the role of the State Water Board in the combination process and if there are external drivers prompting combination. He sought clarification on whether rates will remain the same until both districts retire their debt.

- Directors mentioned that the State Water Board is not directly involved in their efforts but does encourage combinations of smaller disadvantaged water districts.
- The response clarified that each district cannot transfer its debt to the other, so rates will remain separate until debt retirement.

One attendee asked about the status of SSWD combination discussions with Del Paso Manor Water District (DPMWD).

- General Manager York mentioned that the discussions with DPMWD have ended, adding that the SSWD Board made it clear that SSWD would not assume responsibility for improving the DPMWD water system should combination ever occur in the future.

SECTION THREE:

**Summary: Key Themes and
Discussion Points**

**Sacramento Suburban Water District
Public Information Workshop**

Summary: Key Themes and Discussion Points

Sacramento Suburban Water District Public Information Workshop

Wednesday, January 31, 2024, 6:30 p.m.

Approximately 30 people attended the meeting in person with 13 online.

Sacramento Suburban Water District Workshop: Major Themes Expressed by Attendees

The following summary captures the main themes and viewpoints expressed by the public during the Public Information Session hosted by Sacramento Suburban Water District on January 31, 2024. It aims to condense the information while maintaining the essence of the discussions.

Condition of Infrastructure: Participants inquired about the condition of CWD and SSWD systems and whether they are comparable, the rate of return on infrastructure projects and whether SSWD's infrastructure is aging faster than improvements are made.

Equitable Distribution of Infrastructure Costs: Attendees questioned potential subsidization of infrastructure costs in one area by residents of another. Clarification was sought on how the combination evaluation would achieve a fair split in costs among residents.

Rates and Costs: Questions were raised about the short-term costs of combination and whether these costs would be passed on to ratepayers. Participants questioned potential cost savings from combination related to capital improvement projects. Questions were raised about the rate difference between CWD and SSWD.

Favorable to Combination: Several attendees shared favorable perceptions on combination, including potential benefits of combining groundwater and surface water resources for greater reliability, increased negotiation power and enhanced opportunities for employees.

CWD Perceptions on Combination: An attendee shared perceptions from a CWD workshop, suggesting resistance to combination among attendees and the CWD Board. Questions were raised about the rationale for discussing combination if there is uncertainty about CWD's interest.

Status of Discussions: Attendees sought information on the current status of the decision process and whether joint meetings of CWD and SSWD Boards of Directors had occurred.

Governance: Questions were asked about the number of directors in a combined district and how divisions would be identified.

Approval Process and Public Vote: Questions were raised about whether the combination process would require ratepayer approval and a public vote. Attendees also sought clarification on the decision-making process through LAFCo.

Detailed Discussion Points

One attendee who resides in Arden/Alta Arcade questioned whether everyone in every water district or division pays the same maintenance rate for infrastructure, regardless of their location. Additionally, he asked about potential subsidization of infrastructure costs in one area by residents of another. He sought clarification on how the combination evaluation would be conducted, with a focus on achieving an even or fair split in the combined district's costs among the residents.

- General Manager York explained that all ratepayers within a specific division pay the same fixed rate. He mentioned a "pay as you go" program as part of Capital Improvements (CIP) and emphasized that the rates are designed to cover the costs of infrastructure maintenance and improvements. He also highlighted asset management plans to determine the allocation of funding based on priority projects.
- Director Locke added that, during the combination study, it was found that CWD and SSWD generally invest in infrastructure at a similar rate and budget percentage. He emphasized that decisions about funding CIP projects are made based on the district as a whole, prioritizing projects with the biggest return on investment and the greatest need, without considering which specific area the projects are located in.

One attendee asked about the rate of return on infrastructure projects, asking whether SSWD's infrastructure is aging faster than the District is able to improve it. He also asked about the age of the water mains.

- Director Locke responded that SSWD does a better job at replacing infrastructure than most districts, but the issue of infrastructure aging faster than can be replaced is prevalent statewide. He mentioned that the oldest mains are around 60 to 70 years old.
- General Manager York emphasized the prioritization of addressing leaky mains.
- Director Locke explained that the state has mandated a focus on non-revenue water, prompting the examination of leaks within the water system. The changing regulatory environment necessitated an effort to stay ahead of increasing regulatory costs.
- Director Wichert added that SSWD has a condition assessment program that looks at the District as a whole, identifying areas that need work regardless of age. He expressed the belief that, in the combined districts, a similar program would be established to address infrastructure needs effectively.

One attendee, a CWD customer, shared her perceptions and thoughts on combination, noting that she attended the January 24, 2024, CWD Public Information Workshop. One perception was that the CWD Workshop attendees were against the potential combination and that the CWD Board of Directors mentioned that there are no compelling reasons to move forward with combination. She questioned whether combination would produce cost savings in the area of capital improvements. She also expressed her opinion that one of the top benefits of combination would be greater power to negotiate and increased opportunities for employees.

- Director Wichert suggested that the CWD Board might have been reacting to their constituents, listening to the room, and avoiding conflict.

- Director Thomas clarified that there are compelling reasons to combine related to the region's resources and their management.
- As an example of a compelling reason, Director Locke emphasized the importance of using all the region's surface water rights. He highlighted the need to protect water rights by putting more water to beneficial use, thus safeguarding those rights for use in the Sacramento region.
- Regarding power of negotiations, Director Wichert noted how SSWD, as a larger entity, was able to address a consistent contractor shortage that has been prevalent over the past several years. As a larger entity, SSWD was able to negotiate an exclusive contract with a groundwater pump company at a cost-effective rate to ensure reliable service.
- Director Locke provided an example for how employees could benefit from combination, highlighting the advantage of having a larger department, such as IT, which ensures more institutional knowledge and resilience to individual departures.

One attendee raised several questions, including the current status of the decision process and whether there have been joint meetings of the CWD and SSWD Boards of Directors. She also asked how the SSWD and CWD system boundaries were determined, noting that she lives in Carmichael but is a SSWD customer, whether the condition of the CWD and SSWD systems are similar and if short-term combination costs would be passed on to ratepayers. Later, she expressed her opinion that the water quality in SSWD is better than in CWD.

- Director Wichert provided information about the joint Board meeting held October 24, 2023, mentioning the voting outcomes on matters like the number of board members and the decision to become a County Water District. He clarified that there will eventually be a vote by both CWD and SSWD Boards on whether to proceed with the combination.
- Director Locke addressed the question about the water systems, stating that they are fairly similar.
- Director Wichert responded by mentioning that he lives in Citrus Heights and receives SSWD water. SSWD legal counsel Horowitz added that the boundaries were drawn in a somewhat arbitrary manner during the development of suburban areas, leading to the establishment of separate water districts.
- Regarding start-up costs, it was explained that such costs would likely come from reserves and not from rates.

One attendee, a SSWD customer, observed that there hasn't been significant backlash from her community (Fulton-Marconi) regarding the potential combination. She mentioned that one individual who attends SSWD meetings was fairly okay with the idea of combination, which had an impact on her perspective. She also expressed appreciation for the detailed information provided at the SSWD meeting and mentioned her intention to submit a request for a speaker to attend her Neighborhood Watch group or community group to discuss the potential combination.

One attendee raised a question about the expected lifetime of new pipes, presuming that modern replacements last longer than those installed 50 years ago. He inquired about how the expected lifespan of pipes impacts the average cost for capital projects. He also asked whether the fact that the CWD and SSWD service areas are more fully developed makes it easier to plan for capital improvements compared to those experiencing growth or contraction.

- Assistant General Manager Underwood responded that SSWD is currently installing iron-type pipes with a lifetime expectancy of 100 years. Additionally, when the audience asked about water meters, he mentioned that water meters have a different track with a lifespan of 20 to 25 years due to the technology involved.
- Another response indicated agreement with the attendee's observation that the areas served by the districts are built out, meaning there is little room for additional development.
- Director Locke noted that when a district is growing, developers typically contribute to new infrastructure, and that increasing costs for projects and materials, such as fire hydrants, make planning more challenging.

One attendee, a SSWD customer, asked about the rate comparison information in the presentation, noting that CWD's average monthly payments are slightly higher than SSWD's. He wondered whether the rate difference would persist in the event of a combination.

- Director Locke responded that predicting future rates after combination is challenging. He mentioned that the data showed SSWD's slightly lower costs because it is a larger district, which brings about efficiency.
- General Manager York added that differences in meter sizes also contribute to rate variations, and he provided an example of a customer in CWD downsizing their meter to reduce monthly rates.

One attendee, a renter in the SSWD area, questioned where her voice could be heard in the discussions. She expressed uncertainty about the base rate for water and that her water bill underwent a significant increase, from \$55 to \$75. She suggested that SSWD should mandate that renters be told how much they are paying for water.

- Director Thomas emphasized that Leis's-the customer's opinion should be considered and suggested that she contact her rental agency to obtain information about rates.

One attendee asked whether the combination process would require the approval of ratepayers and a public vote.

- Director Locke explained that the process depends on the LAFCo (Local Agency Formation Commission) regulations.
- SSWD Legal Counsel Horowitz further clarified that the districts would file an application with LAFCo, and if they agree to move forward, there would be a public comment period during which ratepayers and property owners could voice their opinions. If 25 to 50 percent of the affected individuals protest, it could trigger a vote. He mentioned the possibility of a special election in the county with mailed ballots in such a scenario.

One attendee questioned whether the Board's favorable stance on combination aligns with the sentiments of ratepayers and if there is hope of bringing CWD along in the process.

- Director Wichert emphasized the importance of closely monitoring the next CWD-SSWD joint board meeting, scheduled for March 4, 2024.

One attendee sought clarification on the voting process and whether constituents could express dissatisfaction with the combination through voting. They also asked about the number of directors in a combined district and how divisions would be identified.

- Director Wichert explained that they would draw up seven divisions within the combined district and that the process requires public input and oversight by the Sacramento County Registrar of Voters.

One attendee asked what would happen if CWD doesn't want combination, but SSWD does. She sought clarification on how the decision-making process would unfold through LAFCO in such a scenario.

- SSWD legal counsel Horowitz clarified that nothing would happen unless both districts apply for combination. Both boards would need to adopt similar resolutions in favor of combination. LAFCO's role would come into play when they file the application. LAFCO processes the application, reviews maps and other information provided.

An attendee from CWD expressed concern about the lack of notice for the Public Information Workshops and suggested that a notice be sent to everyone to increase awareness. The attendee mentioned that people might not know about the meetings and, in her case, didn't know to attend.

- It was mentioned that postcards were mailed to all SSWD and CWD customers, and the meetings were also noticed on KCRA 3, Inside Arden, the Carmichael Times, and other platforms.

Other Questions and Comments

- One attendee expressed that the most compelling reason for consolidation would be the combination of groundwater and surface water resources, emphasizing the potential for conjunctive use as a significant benefit.
- A question was raised was about the current interest rate for debt. The response provided was that the interest rate for debt is approximately 2.2 percent.
- One attendee questioned the rationale behind discussing combination if there is no assurance that the CWD Board is interested in pursuing it.
- An attendee raised a question, suggesting that a count should be taken among the people present to determine how many are in favor and how many are against the combination.

APPENDIX:

**Outreach Activities to Date and
Planned**

As of February 26, 2024

Outreach Activities to Date and Planned

As of February 26, 2024

Both Carmichael Water District and Sacramento Suburban Water District

Board of Directors and 2x2 Meetings

- Public updates at Board meetings and through the CWD-SSWD 2x2 committee since July 2021
- Draft PowerPoint/summary of initial study delivered to SSWD and CWD on September 14, 2022
- Full draft study provided to SSWD and CWD on September 23, 2022
- Draft study delivered to the public via the 2x2 meeting on October 13, 2022
- Study accepted with amendments at the 2x2 meeting on February 8, 2023
- Vote to move forward with discussions and host public information workshops at a joint CWD-SSWD board meeting on April 10, 2023

Foundational Materials

- Created comprehensive CWD-SSWD stakeholder list for outreach to elected officials, business groups, neighboring and partnering water providers, homeowners associations and others.
- Created fact sheets, messages and materials to communicate with the public about combination discussions, including:
 - **Postcard for the public information sessions:** Invites the public to an information session to learn about combination discussions and the findings of the initial study, ask questions and provide input.
 - **Road map/milestones for the outreach process:** Outlines the steps and overall approach for the public outreach/engagement process.
 - **Summary: Exploring the Combination of CWD and SSWD:** Provides a one-page document highlighting the opportunities, process, and ways to learn more.
 - **Fact Sheet: Perceived Advantages and Disadvantages to Combination:** Highlights perceived advantages and disadvantages to combination.
 - **Overview: About the Combination Study and Process:** Provides an overview of why the districts are discussing combination, activities to date and how the public can learn more.
 - **Fact Sheet: Study: A Business Case for a Potential Combination:** Provides an overview of the initial study findings and seeks to anticipate/answer likely questions.
 - **Map of voting divisions:** Shows the CWD and SSWD service areas and divisions for the Boards of Directors.
 - **Comment Sheet:** Invites the public to provide written comments on combination discussions.

- **Key messages (external/internal audiences and on special topics):** Provides a concise means for communicating the status of combination discussions; addresses frequently asked questions about fluoride.
- **PowerPoint presentation** for the Public Information Workshops.

Additional Outreach: Sacramento Suburban Water District

External Communications

- Website updated/link added to home page—central location for all audiences to find information.
- September 15, 2022: Included in fall 2022 newsletter.
- October 6, 2022: Slide included at the monitor during Open House.
- October 7, 2022: Direct mail postcard with QR code mailed to 45,000 SSWD customers (property owners).
- October 10-November 10, 2022: Advertising on Facebook and the Google Display Network.
- October and November 2022: Included in bill inserts.
- October 2022: Slide included on the Customer Service monitor PowerPoint.
- October 13, 2022: SSWD posted to Facebook page.
- October 20, 2022: Outreach to SSWD stakeholders with postcard distributed electronically.
- July 2023: Bill insert article.
- January 2024: Bill insert article.

SSWD Internal Outreach:

- 2022 (July, August, September, October, November December: Employee Meeting/staff update.
- September 15, 2022: Internal information hub for information and questions created.
- October 19, 2022: Email from the GM to SSWD team, inviting questions and providing link to key messages and FAQs.
- Ongoing: Internal key messages and Frequently Asked Questions provided to SSWD staff and Board members.
- Ongoing: Update at Managers Meetings.
- 2023 (January, February, March, April, May, June, July, August, September October, November, December): Employee Meeting/staff update

Additional Outreach: Carmichael Water District

External Communications

- Website updated/link added to home page—central location for all audiences to find information.
- May 2023: Bill insert article.
- May 19, 2023: Carmichael Times article.

CWD Staff Outreach

- October 14, 2022: Employee Meeting/staff update on study and Q&A with GM.
- October 31, 2022: The SSWD General Manager attended a Carmichael Water District staff meeting to discuss his experience with consolidations.
- April 21, 2023: Employee Meeting/staff update and Q&A with two CWD Directors.
- Internal information hub created for staff members to submit questions.
- June 23, 2023: Employee Meeting and Q&A opportunity with two CWD Directors.

Promotion for Public Information Workshops (June 2023)

Outreach Activities:

- May 11 (early deadlines) and June 5, 2023: Press release distributed to media outlets.
- May 17, 2023: CWD postcard received in mailboxes.
- May 18, 2023: Letter to HOAs/Neighborhood Associations into the mail.
- Outreach to elected officials and other influencers on the stakeholder list starting May 22 (ongoing).
- May 24, 2023: SSWD postcard received in mailboxes.
- May and June 2023: Outreach via existing CWD and SSWD communication channels, including websites, bill inserts bill messages, etc.
- May 18, 2023: Social media post and monitoring (ongoing) and outreach.
- May 27-June 21, 2023: Digital Advertising (Facebook and news/weather sites via the Google Display Network).
- June 9, 2023: Print ads in Carmichael Times and Arden-Carmichael News (both workshops).
- June 16, 2023: Print ad in Carmichael Times on (SSWD only).

Note: Mailing List for Postcard

- *SSWD's list included 80,785 landlords, tenants, and apartment/mobile home residents by individual unit.*
- *CWD's list included 10,887 owners, landlords, tenants, multi-family and commercial accounts.*

Public Information Workshops:

- Thursday, June 15, 2023, at 6:30 p.m. Carmichael Water District
- Wednesday, June 21, 2023, at 6:30 p.m.: Sacramento Suburban Water District

Media and Public Exposure Secured:

- May 18, 2023: Carmichael Times story on upcoming information sessions.
- May 19 and June 21, 2023: Carmichael Creek Neighborhood Association email to members.
- May 23, 2023: Advocates for Arden-Arcade email to members.
- June 13, 2023: Email from Supervisor Rich Desmond to constituents.

- June 15, 2023: KCRA (interview with CWD Director Jeff Nelson).
- June 13 and 21, 2023: NextDoor: Customer post promoting information session.
- June 21, 2023: Carmichael Times coverage of CWD information session.
- July 2023 Issue: Inside Arden mention of workshops.

Stakeholder Briefings:

- April 30, 2023: Carmichael Colony Neighborhood Association Annual Meeting: CWD invited the public to upcoming workshops.
- May 30, 2023: LAFCO Special Districts Advisory Committee: SSWD provided an overview and current status of the CWD-SSWD Combination discussions.
- June 13, 2023: SSWD presentation to the Women's Group at the St. Mark's United Methodist Church in Sacramento).
- July 13, 2023: SSWD briefing for Sacramento City Councilmember Lisa Kaplan.
- July 14, 2023: CWD-SSWD briefing for Assemblymember Josh Hoover.
- July 18, 2023: CWD-SSWD briefing with McClellan Park.
- July 19, 2023: Presentation to the Carmichael Kiwanis Club.
- July 26, 2023: CWD-SSWD briefing for Assemblymember Kevin McCarty.
- July 26, 2023: CWD-SSWD briefing for Supervisor Sacramento Supervisor Sue Frost.
- August 8, 2023: CWD-SSWD briefing for Assemblymember Roger Niello.

Promotion for Joint Board Meetings (October 2023)

- Digital Advertising (Facebook and news/weather sites via the Google Display Network) October 17-24, 2023.

Materials for Public Information Workshops (January 2024):

- NEW: Extended Frequently Asked Questions (FAQ) document: addresses questions raised by customers during June 2023 Public Information Workshops and over the course of combination discussions. The FAQ also incorporates responses suggested by CWD and SSWD Board members.
- NEW: Key Benefits document: outlines benefits to combination uncovered during combination discussions and with the Further Analysis Report.
- NEW: PowerPoint presentation for the Public Information Workshops: consistent for both districts with some minor customization.
- UPDATED: Summary: Exploring the Combination of CWD and SSWD.
- NO UPDATES: Map of voting divisions.
- NO UPDATES: Comment sheet.

Held:

- NEW: Fact Sheet: Highlights of the Further Analysis Report: provides a content snapshot to make it easy for the public to understand the report's content and findings.
- NEW: LAFCo process graphic.

Promotion for Public Information Workshops:

- December 1, 2023: Press release distributed to media outlets December 1 (early deadlines).
- December, 2023: CWD and SSWD website updated with information about the Public Information Workshops and final Further Analysis Report.
- Outreach via existing CWD and SSWD communication channels, including websites, bill inserts bill messages, etc. in December and January.
- Social media post and monitoring (ongoing) and outreach in December 2023 and January 2024.
- December 30, 2023: CWD postcard received in mailboxes.
- January 2024: SSWD bill insert.
- January 2, 2024: Letter to HOAs/Neighborhood Associations into the mail.
- January 3, 2024: Outreach/tool kit distributed to electeds and other stakeholders with a request to distribute to constituents.
- January 3, 2024: Second distribution of press release to local and regional media.
- January 3, 2024: SSWD postcard received in mailboxes.
- January 10, 2024: Digital Advertising (Facebook and news/weather sites via the Google Display Network) began.
- January 19, 2024: Print ad in the Carmichael Times (both workshops).
- January 22, 2024: Third distribution of press release to local and regional media.
- January 23, 2024: Second distribution of tool kit for electeds and other stakeholders with a request to distribute to constituents.
- January 26, 2024: Print ad in Carmichael Times (SSWD only).

Public Information Workshops

- Wednesday, January 24, 2024, at 6:30 p.m.: Carmichael Water District
- Wednesday, January 31, 2024, at 6:30 p.m.: Sacramento Suburban Water District

Media and Public Exposure Secured:

- January 2024: Calendar story in [Inside Arden](#) (page 13)
- January 23, 2024: Advocates for Arden-Arcade email to members.
- January 23, 2024: Email from Supervisor Rich Desmond to constituents.
- January 24, 2024: Story on KCRA3 (afternoon news).
- February 16, 2024: Carmichael Times story.

Stakeholder Briefings:

- February 6, 2024: Rotary Club of Arden Arcade
- February 21, 2024: Rotary Club of East Sacramento
- March 5, 2024: Rotary Club of Carmichael
- March 22, 2024: Rotary Club, Point West
- April 22, 2024: Rotary Club, Foothills

APPENDIX:
Samples of Outreach Materials
Developed and Secured for the
January 2024 Workshops



7837 Fair Oaks Blvd.
Carmichael, CA 95608

PUBLIC INFORMATION WORKSHOP

WEDNESDAY, JANUARY 24, 2024, AT 6:30 P.M.
Carmichael Water District Boardroom
7837 Fair Oaks Blvd.
Carmichael, CA 95608

A virtual option for the presentation only will also be available.

Visit carmichaelwd.org to find:

- A copy of the Further Analysis Report
- Fact sheet and Frequently Asked Questions
- Details about the upcoming Public Information Workshop, including access for a virtual option



(916) 483-2452
mail@carmichaelwd.org
carmichaelwd.org

Scan the QR code with the camera app on your phone.

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YOU'RE INVITED!

Public Information
Workshop and Open
House on Potential
Combination with
Sacramento Suburban
Water District

Wednesday, January 24,
2024, at 6:30 p.m.



Carmichael Water District (CWD) and Sacramento Suburban Water District (SSWD) are exploring combination opportunities between the two neighboring water utilities to improve efficiencies, reduce costs, increase water supply reliability, and enhance customer service.

Join us for an update on combination discussions and the results of a new Further Analysis Report, which provides a detailed look at combination opportunities and in-depth responses to questions posed through the process.

The Public Information Workshop will include a brief presentation and the opportunity for you to ask questions and share your thoughts with our team of CWD technical experts, managers, and Board members.



3701 Marconi Ave.
Sacramento, CA 95821

PUBLIC INFORMATION WORKSHOP

WEDNESDAY, JANUARY 31, 2024, AT 6:30 P.M.
Sacramento Suburban Water District Boardroom
3701 Marconi Ave.
Sacramento, CA 95821

A virtual option for the presentation only will also be available.

Visit sswd.org to find:

- A copy of the Further Analysis Report
- Fact sheet and Frequently Asked Questions
- Details about the upcoming Public Information Workshop, including access for a virtual option



(916) 972-7171
feedback@sswd.org
sswd.org

Scan the QR code with the camera app on your phone.

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YOU'RE INVITED!

Public Information
Workshop and Open
House on Potential
Combination with
Carmichael Water
District

Wednesday, January 31,
2024, at 6:30 p.m.



Sacramento Suburban Water District (SSWD) and Carmichael Water District (CWD) are exploring combination opportunities between the two neighboring water utilities to improve efficiencies, reduce costs, increase water supply reliability, and enhance customer service.

Join us for an update on combination discussions and the results of a new Further Analysis Report, which provides a detailed look at combination opportunities and in-depth responses to questions posed through the process.

The Public Information Workshop will include a brief presentation and the opportunity for you to ask questions and share your thoughts with our team of SSWD technical experts, managers, and Board members.



Sacramento Suburban Water District

Sponsored •

Please join us to learn the lat... See more

PUBLIC INFORMATION WORKSHOPS ON COMBINATION EXPLORATION

WEDNESDAY, JANUARY 24, AT 6:30 P.M.

Carmichael Water District Boardroom
7837 Fair Oaks Blvd., Carmichael, CA 95608

carmichaelwd.org

WEDNESDAY, JANUARY 31, AT 6:30 P.M.

Sacramento Suburban Water District Boardroom
3701 Marconi Ave., Sacramento, CA 95821

sswd.org



sswd.org

January Workshops on Combination Exploration

[Learn more](#)

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JANUARY 18, 2024

Carmichael Times • 3

SAFE Accepting Grant Applications for Financial Literacy Programs



SAFE Credit Union Vice President of Community Relations and Financial Education Rebecca DeMello

SAFE Credit Unit

SAFE

<

I ❤️ Arden Arcade

Water District Merger Meetings 1/24 and 1/31 - January 23, 2024

The Sacramento Suburban Water District and the Carmichael Water District are moving along with their [talks about a possible merger](#). On January 24th, and again on January 31st, they will be holding public workshops to update people on the status of their discussions and to provide results of a "Further Analysis Report" - a detailed assessment of combination opportunities and responses to questions posed during the process. The public is invited to the meetings, which will be held in Carmichael and Arden Arcade as follows:

- January 24, 2024, Carmichael Water District Board Room, 7837 Fair Oaks Blvd., 6:30pm
- January 31, 2024, Sacramento Suburban Water District Board Room, 3701 Marconi Ave., 6:30pm

DRK

DRAFT

SACRAMENTO SUBURBAN WATER DISTRICT

RESOLUTION NO. 24-XX

A RESOLUTION MAKING APPLICATION TO THE SACRAMENTO LOCAL AGENCY FORMATION COMMISSION FOR CONSOLIDATION WITH CARMICHAEL WATER DISTRICT

WHEREAS, the Sacramento Suburban Water District (SSWD) was formed and is operating under the County Water District Law (Water Code sections 30000 and following), and supports the consideration of consolidation with another water district, provided that both districts consent to the consolidation, and the consolidation would be in the best interest of the customers of each district;

WHEREAS, SSWD has negotiated and reached a decision with the Carmichael Water District (CWD), which was formed and is operating under the Irrigation District Law (Water Code sections 20500 and following), to consolidate the two districts as provided in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code sections 56000 and following; the “LAFCo Law”);

WHEREAS, SSWD and CWD have conducted an evaluation of the feasibility of consolidating SSWD and CWD through a process that has involved (1) formation of a joint 2x2 Committee, (2) nineteen meetings of the joint 2x2 Committee that have been open to the public, and conducted over the course of two years, (3) retention of a consulting firm to conduct an evaluation of the practices, policies, procedures, rates, financial situation and other factors that would be important to policymakers as they consider the benefits and risks of a consolidation of SSWD and CWD, (4) mailing of information on the proposed consolidation to each customer of SSWD and CWD, (5) holding three joint meetings of the Boards of Directors of SSWD and CWD to present information on the consolidation proposal and receive public comment on it, (6) SSWD and CWD holding two separate public information workshop meetings to present information on the consolidation proposal and to receive their respective ratepayers’ input on the proposal, (7) regular discussion of the consolidation proposal during meetings of the Boards of Directors of SSWD and CWD, (8) responding in writing to written questions received from the public concerning the consolidation proposal, (9) briefings on the proposed consolidation for elected officials, other public agencies, and interested parties, and (10) meetings with the respective employees of SSWD and CWD to discuss the consolidation proposal;

WHEREAS, the SSWD and CWD General Managers jointly prepared a report, Further Analysis of Combining Carmichael Water District and Sacramento Suburban Water District (Further Analysis Report), that details major aspects of both districts regarding governance, policies and regulations, finance, water rates, employee benefits, water supplies, and that both districts provide the same core service with similar operating criteria and principles which verified that the consolidation would be feasible and provide beneficial opportunities to would be in the best interests of the customers of SSWD and CWD; and

WHEREAS, the Board of Directors of SSWD and CWD have reviewed the Further Analysis Report and other information that has been developed during the consolidation investigation process that is referred to above, and approved the Further Analysis Report at the October 24, 2023 Joint Board meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of SSWD as follows:

1. The foregoing recitals are true, represent the findings and independent judgment of the SSWD Board of Directors, and are hereby incorporated by reference.
2. Application is hereby made under the LAFCo Law to the Sacramento Local Agency Formation Commission for the consolidation of SSWD and CWD into a single successor district that shall include the territory presently included within the boundaries of each existing district.
3. The President of the SSWD Board of Directors and the General Manager of SSWD are hereby authorized and directed to complete and execute all documents required in connection with this application, and to do and perform every action necessary to carry out the purposes of this resolution.
4. This application is expressly made subject to the following special terms and conditions, which SSWD requests that LAFCO include within the order approving this consolidation application, the terms and conditions specified in subsections (c) and (d) being made under subdivisions (c), (h), (i), (j), (k), (l), (m), (p), (t), and (v) of Government Code section 56886:
 - a. The effective date of the consolidation shall be following official certification by LAFCo, or as soon as possible thereafter.
 - b. The name of the consolidated district shall be determined by the effective date of the consolidation following official certification by LAFCo and shall be deemed to be formed and to operate under the County Water District Law.
 - c. Upon and after the consolidation, the following conditions shall apply to and bind the Board of Directors of the consolidated district:
 - (1) the following contracts, debts and contingent liabilities of the respective districts, although to be assigned to the consolidated district shall, nonetheless, continue to be the exclusive responsibility of the ratepayers within the respective service areas of SSWD and CWD until paid in full:
 - (i) all bonds, certificates of participation and similar indebtedness, including any refunding thereof,
 - (ii) any other debt respecting real estate (including office buildings and other structures, pump stations and well sites), exclusive of such other debt respecting transmission and distribution system facilities, easements and

rights-of-way,
(iii) liability respecting any claims that have not been asserted in writing as of the effective date of the consolidation, and
(iv) any contracts, debts or liabilities, contingent or otherwise, specified in essentially parallel resolutions adopted by the Boards of Directors of both districts prior to the effective date of the consolidation; and

(2) the following assets of the respective districts, although to be assigned to the consolidated district shall, nonetheless, permanently inure to the exclusive benefit of the ratepayers within the respective service areas of SSWD and CWD, ~~water right Licenses 1387 (A000138) and 8731 (A004743)~~, the equity in real estate (including office buildings and other structures, pump stations and well sites), exclusive of transmission and distribution system facilities, easements and rights-of-way held by the respective districts as of the effective date of the consolidation except for all cash and investments, water sales receivable, and accrued interest receivable attributes to each respective district; and

(3) the territory and customers within CWD as of the effective date of the consolidation shall have ~~first priority the exclusive right~~ to the surface water supply made available by and diverted pursuant to the following appropriative water rights: License 1387 (A000138), License 8731 (A004743), and permit 7356 (A012367); ~~and the consolidated district shall not petition to change these rights prevent surface water made available by~~ License 1387, License 8731, and Permit 7356 from flowing out of the territory within CWD and into the territory within SSWD, unless and until the State Water Resources Control Board approves changes in the place of use of any of these rights, and demands of the customers within CWD that can be met with surface water provided by these rights have been met; and

~~the territory and customers within CWD as of the effective date of the consolidation shall have the first priority to the surface water supply made available by and diverted pursuant to the following appropriative water rights: Permit 7356 (A012367) and the consolidated district shall prevent surface water made available by Permit 7356 from flowing out of the territory within CWD and into the territory within SSWD, unless and until all demands of the customers within CWD that can be met with this surface water have been met; and~~

(4) the water production and distribution facilities shall be operated to maximize the use of surface water made available by License 1387, License 8731, and Permit 7356 within the territory in CWD.

d. Upon the consolidation and for a period of three years following the effective date of the consolidation, and for so long thereafter as the Board of Directors of the consolidated district shall determine, ~~the following conditions shall apply to and bind the Board of Directors of the consolidated district:~~

- (1) all contracts, debts, and liabilities of the respective districts, including contingent liabilities, other than those identified in or pursuant to section 4(c), although to be assigned to the consolidated district shall, nonetheless, continue to be the exclusive responsibility of the ratepayers within the respective service areas of SSWD and CWD as of the effective date of the consolidation, rather than the consolidated district,
- (2) ~~previously authorized charges, fees, assessments and taxes of SSWD and CWD, which have been determined by the Boards of Directors of each respective district to properly allocate the costs incurred among its ratepayers, shall continue to be applied within the affected territory of each district, and any changes made to such charges, fees, assessments and taxes shall be governed by the same principles determined by the Board of Directors of each respective district, unless the Board of Directors of the consolidated district specifically determines that different principles shall apply.~~
- (3)(2) the funds derived from the~~s~~ respective water systems of SSWD and CWD, respectively, be accounted for separately, so that the ratepayers benefitting from a water system bear the cost of operation, maintenance, repair, replacement, improvement, ~~and bond debt service of that water system~~

Commented [AF1]: Consider whether these conditions are ones that CWD wants, and if so, whether the three year time horizon for these conditions is appropriate.

Commented [AF2]: Deleted to provide consolidated board flexibility to adjust rates consistent with current law.

Commented [AF3]: I suggest deleting this phrase so that there is no conflict with 4c(1)(i), which states that bond debt remain each service area's obligation until paid.

(4)(3) the territory within CWD as of the effective date of the consolidation shall be designated the "Carmichael Service Area" following the consolidation;

(5)(4) the territory within SSWD as of the effective date of the consolidation shall be designated the "Sacramento Suburban Service Area" following the consolidation; and

(6)(5) the Board of Directors of the consolidated district shall determine from time to time which funds derived from the operation of the Carmichael Service Area water system and the Sacramento Suburban Service Area water system shall be used to pay the cost of administration of the consolidated district, and other costs of activities of the consolidated district that benefit the consolidated district as a whole.

- e. Subject to the foregoing, all assets, revenues, funds on deposit, rights and liabilities under contracts, liabilities for payment of principal and interest on contractual obligations for real property, furnishings and equipment, operating expenses, supplies, licenses and permits, and any contingent liabilities for existing civil litigation shall accrue to the consolidated district.
- f. The Board of Directors of the consolidated district shall appoint a permanent General Manager under an employment agreement approved by the Board of Directors of the consolidated district as promptly as possible after LAFCo records the Certificate of Completion finalizing the consolidation.
- g. As of the effective date of the consolidation, all of the respective employees of SSWD and CWD shall become employees of the consolidated district. To the extent practical, every attempt will be made to maintain such employees in the same or similar positions of authority and responsibility with the consolidated district. The compensation, benefits and other terms and conditions of employment of all of the respective employees of SSWD and CWD shall not be reduced by virtue of their becoming employees of the consolidated district. These provisions shall not limit the authority of the General Manager of the consolidated district to exercise his/her discretion with respect to rights of assignment, transfer, discipline, and discharge of employees in accordance with the County Water District Law and other provisions of law. Notwithstanding the foregoing, SSWD and CWD agree that the consolidated district will honor any remaining term in the union contract for the existing unionized employees of CWD. Once any remaining term expires, the existing unionized employees of CWD are not guaranteed to remain unionized, and any determination as to whether the consolidated district will have union employees will be subject to a post-consolidation vote of all rank and file employees who might potentially be part of a represented class of employees.

- h. As of the effective date of the consolidation, the current employees of SSWD shall continue to be covered by the SSWD CalPERS retirement program and the current employees of CWD shall continue to be covered by the CWD CalPERS retirement program unless CalPERS requires otherwise. The Board of Directors of the consolidated district may propose a unified retirement plan to all employees, subject to compliance with all applicable legal requirements governing any change in public employee retirement plans.
- i. In accordance with the provisions of Water Code sections 21552.1 and 30500.1 and subsection (n) of Government Code 56886, the composition and election of the Board of Directors of the consolidated district shall be as follows:
 - (1) The initial Board of Directors of the consolidated district shall consist of eleven members, composed of the existing five members of the Board of Directors of SSWD and the existing five members of the Board of Directors of CWD, each of whom shall serve the same term of office that they were serving as of the effective date of the consolidation. The eleventh seat on the Board of Directors of the consolidated district will be vacant. The Board of Directors of SSWD and CWD recommends that the Board of Directors of the consolidated district vote to eliminate the eleventh seat on the Board as provided in subdivision (c) of both Water Code sections 21552.1 and 30500.1. Board of Directors of the consolidated district shall be elected by and from divisions, as set forth below.
 - (2) Consistent with Water Code section 30500.1, subdivision (b), ~~T~~he number of seats on the Board of Directors shall be reduced to the permanent size of seven in the general district election of the consolidated district to be held in November 2026.
 - (3) The Board of Directors of the consolidated district shall be elected by and from divisions within the consolidated district ~~without an incumbent~~ at the general district election in 2026 provided that, if in the event that there is a delay in the effective date of the consolidation that prevents the Board of Directors of the consolidated district from establishing the boundaries of divisions in time to provide the notice required by Elections Code section 10522 (125 days prior to the general district election), ~~then and by and from divisions at the general district election~~ in 2028.

jk. Adoption of this resolution of application shall be subject to the adoption of a resolution in substantially the same form by the Board of Directors of CWD.

5. This Resolution shall take effect as of TBD.

5.6. This resolution stands as part of the application package for consolidation made under LAFCo law. SSWD and CWD will prepare an application for consolidation that is

consistent with the terms of this resolution. The Board of Directors of SSWD and CWD will separately consider approval of this application package prior to submittal to LAFCo.

PASSED AND ADOPTED by the Board of Directors of the Sacramento Suburban Water District on the XXth day of MONTH, 2024, by the following vote:

AYES:

NOES:

ABSENT:

By: _____
Kevin Thomas
President, Board of Directors
Sacramento Suburban Water District

I hereby certify that the foregoing resolution was duly and regularly adopted and passed by the Board of Directors of Sacramento Suburban Water District at a regular meeting hereof held on the XXth day of MONTH, 2024.

By: _____
(SEAL) Dan York
General Manager/Secretary
Sacramento Suburban Water District

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MEMO

TO: Board of Directors

FROM: Gaby Padilla, Administrative Specialist

DATE: February 26, 2024

RE: Policy 5000 – Authorized Leave and Policy 5041 – Sick Leave – Healthy Workplaces, Healthy Families Act of 2014 Update

BACKGROUND

Staff reviews the District's regulations, policies, and Directors' policies periodically to revise them for clarity and updates. With new laws coming in to effect in 2024 staff reviewed the District Policies to be in compliance with the latest requirements.

SUMMARY

Senate Bill (SB) 848 created a new leave titled Reproductive Leave Loss. Pursuant to this section, all District employees who have been employed for at least 30 days, are entitled up to a maximum of five days of leave for a reproductive loss event, which includes a failed adoption, failed surrogacy, miscarriage, stillbirth, and unsuccessful assisted reproduction as defined by the law. Therefore, the District needs to update Policy 5000 – Authorized Leave to include this new leave to be compliant with the law.

SB 616 updated the States labor laws to provide employees with a minimum of five (5) days of paid sick leave. The District currently provides twelve (12) paid sick leave for all regular full-time employees under Policy 5040 – Sick Leave and six (6) days for employees who are not regular fulltime employees under Policy 5041 – Sick Leave – Healthy Workplaces, Healthy Families Act of 2014. The District is in compliance with paid sick leave but limited the use of the leave to three (3) days per calendar which is not consistent with updated leave laws. Therefore, Policy 5041 – Sick Leave – Healthy Workplaces, Healthy Families Act of 2014 needs to be updated.

FISCAL IMPACT

The updates to Policy 5000 – Authorized Leave and Policy 5041 – Sick Leave – Healthy Workplaces, Healthy Families Act of 2014 have no impact or change to the approved budget.

RECOMMENDATION

This item is for review. In April's Board meeting, staff will recommend that the Board of Directors review and discuss the updated Policy 5000 and Policy 5041 and required resolution.

ATTACHMENT(S)

1. Redlined: District Policy 5000 – Authorized Leave
2. Updated: District Policy 5000 – Authorized Leave
3. Redlined: District Policy 5041 – Sick Leave – Healthy Workplaces, Healthy Families Act of 2014
4. Updated: District Policy 5041 – Sick Leave – Healthy Workplaces, Healthy Families Act of 2014

**CARMICHAEL WATER DISTRICT
POLICY MANUAL**

POLICY 5000: Authorized Leave

5000.10 Unpaid Leave of Absence

5000.10.1 An employee may request and, at their sole discretion, the General Manager may approve unpaid leave between the employee and Carmichael Water District (District).

5000.10.2 An unpaid leave of absence may be taken when an employee has exhausted all accrued sick leave, vacation, and any other qualified accrued or available leave.

5000.10.3 Once the employee who has been authorized leave of absence without pay has used all available vacation and any other qualified accrued leave time, then the continuation of the approved leave will be without any accrual of pay and/or other benefits available to regular employees of the District.

5000.10.3.1 No vacation, holiday, sick leave, or any other type of accrued leave will accrue during an authorized unpaid leave, i.e., during any period an employee is absent from work and not receiving pay from the District.

5000.10.3.2 Health Benefits During An Unpaid Leave: Except where provided otherwise by law, an employee on any unpaid leave under this policy may continue participating in any health and welfare benefit plans in which they were enrolled before the first day of the unpaid leave at the employee's own expense at the level and under the condition of coverage as if the employee had continued in employment as per District's contractual agreement with provider.

5000.10.4 Due to the District's limited work force, maintenance of job classifications for the term of an authorized unpaid leave of absence cannot be guaranteed unless otherwise required by law. Employees returning from an unpaid leave of absence will be reinstated to the first available job classification for which they are qualified.

5000.20 Military Leave

5000.20.1 District employees are entitled to military leaves of absence as required by state and federal law. Military leaves shall be without pay or benefits except as required by law or provided in this policy.

5000.20.2 An employee shall notify the District as soon as practicable of the employee's pending need for a military leave of absence. Any employee who goes out on a military leave of absence will also be eligible for re-employment to their previous job classification with the District to the extent required under state and federal law.

5000.20.3 In addition to any obligation under California's Military and Veterans Code to provide paid leave for active duty military leave, the District will provide up to ten (10) work days of paid leave for verified, scheduled inactive duty "Reserve Duty." Any period of temporary leave of absence for inactive duty "Reserve Duty" that exceeds ten (10) work days shall be unpaid, unless otherwise required by law.

5000.20.4 The District will not discriminate against any individual because of military service.

CARMICHAEL WATER DISTRICT POLICY MANUAL

5000.20.5 Employees who work more than twenty (20) hours per week and have a spouse in the Armed Forces, National Guard or Reserves who have been deployed during a period of military conflict are eligible for up to ten (10) unpaid days off when their spouse is on leave from (not returning from) military deployment. Employees must request this leave in writing to the General Manager within two (2) business days of receiving official notice that their spouse will be on leave. Employees requesting this leave are required to submit written documentation certifying the spouse will be on leave from deployment.

5000.30 Jury Duty Leave

5000.30.1 Jury Duty Leave shall apply to all full time regular employees.

5000.30.2 An employee summoned for jury duty will immediately notify their supervisor.

5000.30.3 While serving on a jury, the employee will be given a paid leave of absence for the duration of said jury duty. Said paid leave of absence is conditional upon the employee returning to work upon dismissal each day to complete their remaining normal workday. Employees must furnish a copy of the official summons/attendance slip to the District before leave will be granted.

5000.40 Bereavement Leave

5000.40.1 Bereavement Leave shall apply to all full time regular employees.

5000.40.2 In the event of a death in the immediate family, an employee may be granted a leave of absence not to exceed five (5) days. Of those five (5) days, the District provides a paid leave of absence not to exceed three (3) days. Certification may be required by the General Manager or designee.

5000.40.3 If additional leave beyond the three (3) paid leave of absence days is requested for bereavement leave for the death of an immediate family member, the employee must use their sick and/or vacation accrual with approval by the General Manager or designee.

5000.40.4 Immediate Family: "Immediate family" is defined for bereavement leave as being spouse, registered domestic partner, parents, children, siblings, grandparents, grandchildren, father-in-law, mother-in-law, sister-in-law, brother-in-law, or any other person who is a legal dependent of the employee.

5000.40.5 In the event of a death to a person outside of the employee's "immediate family" the employee may opt to use their vacation accrual during the approved absence.

5000.50 Management Leave

5000.50.1 At the discretion of the General Manager, the Engineering Manager and Finance Manager positions may receive up to 80 hours of Management Leave on an annual basis. Management Leave is not accruable or compensable.

**CARMICHAEL WATER DISTRICT
POLICY MANUAL**

5000.60 Family Medical Leave Act (FMLA) / California Family Rights Act (CFRA) Leave

5000.60.1 The District is a covered employer under the federal Family Medical Leave Act of 1993 (FMLA) and the California Family Rights Act of 1993 (CFRA). As a covered employer, the District is required to post notices of employees' FMLA and CFRA rights.

5000.60.1.2 Although the District is a covered employer under the FMLA, District employees are not eligible for FMLA leave benefits because no District employee can meet the eligibility requirement of employment at a worksite where the District employs at least fifty (50) employees within seventy-five (75) miles of that worksite.

5000.60.1.3 If the number of District employees increases sufficiently so that District employees are eligible for FMLA leaves, the District will provide and administer the leaves as required by law, will run the leaves concurrently with any other leaves for which an employee is entitled for the same reason, and will use the 12 month rolling back method.

5000.60.2 District Employees are eligible for CFRA leave benefits which provides eligible employees the right to an unpaid leave of absence after exhausting all of their sick and vacation leaves. The District will 1) provide and administer any CFRA leaves as required by law, 2) administer the CFRA leaves concurrently with any other leaves for which an employee is entitled for the same reason, and 3) use the 12 month rolling back method.

5000.70 New Parent Leave Act (NPLA) Leave

5000.70.1 Effective January 1, 2018, a District employee who has more than twelve (12) months of service with the District and has 1,250 hours of service with the District during the previous twelve (12) month period is eligible to take up to twelve (12) weeks of unpaid parental leave to bond with a new child within one (1) year of the child's birth, adoption, or foster care placement.

5000.70.2 The employee must notify the District at least thirty (30) days before leave is to begin. If the employee cannot provide thirty (30) days' notice, the District must be informed as soon as is practical. Any leave taken for the birth, adoption, or foster care placement of a child does not have to be taken in one continuous period of time, but will be granted in minimum amounts of two (2) weeks, with the exception that an employee may request a leave of less than two (2) weeks' duration on any two (2) occasions. Any leave taken must be concluded within one (1) year of the birth or placement of the child with the employee.

5000.70.3 An employee will be required to substitute accrued vacation for any time period during the leave that is otherwise unpaid. If an employee is receiving PFL benefits, the District and employee can agree to coordinate the use of vacation leave up to the employee's regular salary.

5000.70.4 The District will maintain its contribution toward medical insurance at the same level and under the same conditions as if the employee had continued in employment continuously during the duration of the leave to the extent required by law.

5000.70.5 Upon return from NPLA leave, an employee will be reinstated to their original job or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions to the extent required by law.

CARMICHAEL WATER DISTRICT POLICY MANUAL

5000.70.6 If the number of District employees increases sufficiently so that District employees are otherwise eligible for FMLA and CFRA leaves, the District will provide and administer such leaves as required by law and will no longer provide NPLA leave as District employees will no longer be eligible for it at that time. Otherwise, the District will administer this leave in compliance with state law and regulations concerning NPLA.

5000.80 California Paid Family Leave (PFL)

5000.80.1 Employees may be eligible for PFL benefits to care for 1) a seriously ill child, spouse, parent, or registered domestic partner, grandparent, grandchild, sibling, and parent-in-law, and 2) bond with a new child; to bond with a child in connection with the adoption or foster care placement of that child. PFL is administered by the state Employment Development Department (EDD). Employees should contact EDD at www.edd.ca.gov for information and benefit claim forms.

5000.80.2 District employees are required to use two (2) weeks of vacation leave, if accrued, before receiving PFL benefits. Subsequently, employees may use any remaining accrued vacation leave and accrued sick leave to add to PFL benefits in order to receive a full day's pay at the employee's regular rate of pay while on PFL.

5000.90 Pregnancy Disability Leave (PDL)

5000.90.1 Employees are eligible for up to four (4) months (2 CCR § 11042) of unpaid leave per pregnancy, as needed, for the period(s) of time an employee is actually disabled because of pregnancy. An employee may use any accrued sick leave and accrued vacation leave during the otherwise unpaid pregnancy disability leave.

5000.90.2 The District will maintain its contribution toward medical insurance at the same level and under the same conditions as if the employee had continued in employment continuously during the duration of the leave.

5000.90.3 Upon return from pregnancy disability leave, an employee will be reinstated to their original job or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions to the extent required by law.

5000.90.4 The District will administer this leave in compliance with state law and regulations concerning pregnancy disability leave.

5000.95 Leave Administration

5000.95.1 Drug and Alcohol Testing: Any safety-sensitive employee returning to work after an absence of thirty (30) or more calendar days will be subject to drug and alcohol testing.

5000.95.2 Leave Program Process: Human Resources will be responsible for administering this policy including maintaining a Leave Program process that is available to be reviewed by all employees.

**CARMICHAEL WATER DISTRICT
POLICY MANUAL**

5000.96 Reproductive Leave Loss

5000.96.1 Effective January 1, 2024, Senate Bill 848 (Chapter 724, Statutes 2023) added section 12945.6 to the Government Code. Pursuant to this section, all District employees who have been employed for at least 30 days, are entitled up to a maximum of five days of reproductive loss leave for a reproductive loss event, which includes a failed adoption, failed surrogacy, miscarriage, stillbirth, and unsuccessful assisted reproduction as defined by the law.

5000.96.2 Leave under this statute is unpaid but an employee may use accrued and available vacation and sick leave. Reproductive loss leave does not need to be taken on consecutive days but must be completed within three months of the date of the event. If prior to or immediately following a reproductive loss event, an employee takes Pregnancy Disability Leave or California Family Rights Act/Family Medical Leave Act leave, or any other leave entitlement under state or federal law, the employee shall complete their reproductive loss leave within three months after the end of their other leave. If an employee experiences more than one reproductive loss event within a 12-month period, reproductive loss leave time is limited to a total of 20 days within a 12-month period.

**CARMICHAEL WATER DISTRICT
POLICY MANUAL**

POLICY 5000: Authorized Leave

5000.10 Unpaid Leave of Absence

5000.10.1 An employee may request and, at their sole discretion, the General Manager may approve unpaid leave between the employee and Carmichael Water District (District).

5000.10.2 An unpaid leave of absence may be taken when an employee has exhausted all accrued sick leave, vacation, and any other qualified accrued or available leave.

5000.10.3 Once the employee who has been authorized leave of absence without pay has used all available vacation and any other qualified accrued leave time, then the continuation of the approved leave will be without any accrual of pay and/or other benefits available to regular employees of the District.

5000.10.3.1 No vacation, holiday, sick leave, or any other type of accrued leave will accrue during an authorized unpaid leave, i.e., during any period an employee is absent from work and not receiving pay from the District.

5000.10.3.2 Health Benefits During An Unpaid Leave: Except where provided otherwise by law, an employee on any unpaid leave under this policy may continue participating in any health and welfare benefit plans in which they were enrolled before the first day of the unpaid leave at the employee's own expense at the level and under the condition of coverage as if the employee had continued in employment as per District's contractual agreement with provider.

5000.10.4 Due to the District's limited work force, maintenance of job classifications for the term of an authorized unpaid leave of absence cannot be guaranteed unless otherwise required by law. Employees returning from an unpaid leave of absence will be reinstated to the first available job classification for which they are qualified.

5000.20 Military Leave

5000.20.1 District employees are entitled to military leaves of absence as required by state and federal law. Military leaves shall be without pay or benefits except as required by law or provided in this policy.

5000.20.2 An employee shall notify the District as soon as practicable of the employee's pending need for a military leave of absence. Any employee who goes out on a military leave of absence will also be eligible for re-employment to their previous job classification with the District to the extent required under state and federal law.

5000.20.3 In addition to any obligation under California's Military and Veterans Code to provide paid leave for active duty military leave, the District will provide up to ten (10) work days of paid leave for verified, scheduled inactive duty "Reserve Duty." Any period of temporary leave of absence for inactive duty "Reserve Duty" that exceeds ten (10) work days shall be unpaid, unless otherwise required by law.

5000.20.4 The District will not discriminate against any individual because of military service.

CARMICHAEL WATER DISTRICT POLICY MANUAL

5000.20.5 Employees who work more than twenty (20) hours per week and have a spouse in the Armed Forces, National Guard or Reserves who have been deployed during a period of military conflict are eligible for up to ten (10) unpaid days off when their spouse is on leave from (not returning from) military deployment. Employees must request this leave in writing to the General Manager within two (2) business days of receiving official notice that their spouse will be on leave. Employees requesting this leave are required to submit written documentation certifying the spouse will be on leave from deployment.

5000.30 Jury Duty Leave

5000.30.1 Jury Duty Leave shall apply to all full time regular employees.

5000.30.2 An employee summoned for jury duty will immediately notify their supervisor.

5000.30.3 While serving on a jury, the employee will be given a paid leave of absence for the duration of said jury duty. Said paid leave of absence is conditional upon the employee returning to work upon dismissal each day to complete their remaining normal workday. Employees must furnish a copy of the official summons/attendance slip to the District before leave will be granted.

5000.40 Bereavement Leave

5000.40.1 Bereavement Leave shall apply to all full time regular employees.

5000.40.2 In the event of a death in the immediate family, an employee may be granted a leave of absence not to exceed five (5) days. Of those five (5) days, the District provides a paid leave of absence not to exceed three (3) days. Certification may be required by the General Manager or designee.

5000.40.3 If additional leave beyond the three (3) paid leave of absence days is requested for bereavement leave for the death of an immediate family member, the employee must use their sick and/or vacation accrual with approval by the General Manager or designee.

5000.40.4 Immediate Family: "Immediate family" is defined for bereavement leave as being spouse, registered domestic partner, parents, children, siblings, grandparents, grandchildren, father-in-law, mother-in-law, sister-in-law, brother-in-law, or any other person who is a legal dependent of the employee.

5000.40.5 In the event of a death to a person outside of the employee's "immediate family" the employee may opt to use their vacation accrual during the approved absence.

5000.50 Management Leave

5000.50.1 At the discretion of the General Manager, the Engineering Manager and Finance Manager positions may receive up to 80 hours of Management Leave on an annual basis. Management Leave is not accrueable or compensable.

**CARMICHAEL WATER DISTRICT
POLICY MANUAL**

5000.60 Family Medical Leave Act (FMLA) / California Family Rights Act (CFRA) Leave

5000.60.1 The District is a covered employer under the federal Family Medical Leave Act of 1993 (FMLA) and the California Family Rights Act of 1993 (CFRA). As a covered employer, the District is required to post notices of employees' FMLA and CFRA rights.

5000.60.1.2 Although the District is a covered employer under the FMLA, District employees are not eligible for FMLA leave benefits because no District employee can meet the eligibility requirement of employment at a worksite where the District employs at least fifty (50) employees within seventy-five (75) miles of that worksite.

5000.60.1.3 If the number of District employees increases sufficiently so that District employees are eligible for FMLA leaves, the District will provide and administer the leaves as required by law, will run the leaves concurrently with any other leaves for which an employee is entitled for the same reason, and will use the 12 month rolling back method.

5000.60.2 District Employees are eligible for CFRA leave benefits which provides eligible employees the right to an unpaid leave of absence after exhausting all of their sick and vacation leaves. The District will 1) provide and administer any CFRA leaves as required by law, 2) administer the CFRA leaves concurrently with any other leaves for which an employee is entitled for the same reason, and 3) use the 12 month rolling back method.

5000.70 New Parent Leave Act (NPLA) Leave

5000.70.1 Effective January 1, 2018, a District employee who has more than twelve (12) months of service with the District and has 1,250 hours of service with the District during the previous twelve (12) month period is eligible to take up to twelve (12) weeks of unpaid parental leave to bond with a new child within one (1) year of the child's birth, adoption, or foster care placement.

5000.70.2 The employee must notify the District at least thirty (30) days before leave is to begin. If the employee cannot provide thirty (30) days' notice, the District must be informed as soon as is practical. Any leave taken for the birth, adoption, or foster care placement of a child does not have to be taken in one continuous period of time, but will be granted in minimum amounts of two (2) weeks, with the exception that an employee may request a leave of less than two (2) weeks' duration on any two (2) occasions. Any leave taken must be concluded within one (1) year of the birth or placement of the child with the employee.

5000.70.3 An employee will be required to substitute accrued vacation for any time period during the leave that is otherwise unpaid. If an employee is receiving PFL benefits, the District and employee can agree to coordinate the use of vacation leave up to the employee's regular salary.

5000.70.4 The District will maintain its contribution toward medical insurance at the same level and under the same conditions as if the employee had continued in employment continuously during the duration of the leave to the extent required by law.

5000.70.5 Upon return from NPLA leave, an employee will be reinstated to their original job or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions to the extent required by law.

CARMICHAEL WATER DISTRICT POLICY MANUAL

5000.70.6 If the number of District employees increases sufficiently so that District employees are otherwise eligible for FMLA and CFRA leaves, the District will provide and administer such leaves as required by law and will no longer provide NPLA leave as District employees will no longer be eligible for it at that time. Otherwise, the District will administer this leave in compliance with state law and regulations concerning NPLA.

5000.80 California Paid Family Leave (PFL)

5000.80.1 Employees may be eligible for PFL benefits to care for 1) a seriously ill child, spouse, parent, or registered domestic partner, grandparent, grandchild, sibling, and parent-in-law, and 2) bond with a new child; to bond with a child in connection with the adoption or foster care placement of that child. PFL is administered by the state Employment Development Department (EDD). Employees should contact EDD at www.edd.ca.gov for information and benefit claim forms.

5000.80.2 District employees are required to use two (2) weeks of vacation leave, if accrued, before receiving PFL benefits. Subsequently, employees may use any remaining accrued vacation leave and accrued sick leave to add to PFL benefits in order to receive a full day's pay at the employee's regular rate of pay while on PFL.

5000.90 Pregnancy Disability Leave (PDL)

5000.90.1 Employees are eligible for up to four (4) months (2 CCR § 11042) of unpaid leave per pregnancy, as needed, for the period(s) of time an employee is actually disabled because of pregnancy. An employee may use any accrued sick leave and accrued vacation leave during the otherwise unpaid pregnancy disability leave.

5000.90.2 The District will maintain its contribution toward medical insurance at the same level and under the same conditions as if the employee had continued in employment continuously during the duration of the leave.

5000.90.3 Upon return from pregnancy disability leave, an employee will be reinstated to their original job or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions to the extent required by law.

5000.90.4 The District will administer this leave in compliance with state law and regulations concerning pregnancy disability leave.

5000.95 Leave Administration

5000.95.1 Drug and Alcohol Testing: Any safety-sensitive employee returning to work after an absence of thirty (30) or more calendar days will be subject to drug and alcohol testing.

5000.95.2 Leave Program Process: Human Resources will be responsible for administering this policy including maintaining a Leave Program process that is available to be reviewed by all employees.

**CARMICHAEL WATER DISTRICT
POLICY MANUAL**

5000.96 Reproductive Leave Loss

5000.96.1 Effective January 1, 2024, Senate Bill 848 (Chapter 724, Statutes 2023) added section 12945.6 to the Government Code. Pursuant to this section, all District employees who have been employed for at least 30 days, are entitled up to a maximum of five days of reproductive loss leave for a reproductive loss event, which includes a failed adoption, failed surrogacy, miscarriage, stillbirth, and unsuccessful assisted reproduction as defined by the law.

5000.96.2 Leave under this statute is unpaid but an employee may use accrued and available vacation and sick leave. Reproductive loss leave does not need to be taken on consecutive days but must be completed within three months of the date of the event. If prior to or immediately following a reproductive loss event, an employee takes Pregnancy Disability Leave or California Family Rights Act/Family Medical Leave Act leave, or any other leave entitlement under state or federal law, the employee shall complete their reproductive loss leave within three months after the end of their other leave. If an employee experiences more than one reproductive loss event within a 12-month period, reproductive loss leave time is limited to a total of 20 days within a 12-month period.

**CARMICHAEL WATER DISTRICT
POLICY MANUAL**

POLICY 5041: Sick Leave – Healthy Workplaces, Healthy Families Act of 2014

5041.10 This policy shall apply to all employees who are not eligible for sick leave under Policy 5040 – Sick Leave and who are not excluded as employees in the Healthy Workplaces, Healthy Families Act of 2014 and amendments.

5041.20 To comply with California's Healthy Workplaces, Health Families Act of 2014 (California Labor Code Section 245-249), beginning July 1, 2015 Carmichael Water District (District) will provide paid sick leave to employees who work 30 or more days for the District in California within a year from the commencement of their employment with the District.

5041.30 Eligible employees will accrue one (1) hour of sick time for every thirty (30) hours worked up to a maximum accrual of forty-eight (48) hours or six (6) days, whichever is greater, per calendar year.

5041.40 An eligible employee will be able to use accrued paid sick time under this policy beginning on the ninetieth (90th) day of employment, after which day the employee may use paid sick time as it is accrued.

5041.40.1 The District requires employees to use paid sick leave under this policy in minimum increments of thirty (30) minutes.

5041.40.2 Leave under this policy will not be granted for periods in excess of accrued sick leave, and not to exceed twenty-four (24) hours, or three (3) days, whichever is greater, per calendar year.

5041.40.3 Sick leave occurring on scheduled work days is charged at a rate not to exceed the number of hours scheduled for that workday.

5041.50 Leave under this policy may be used for the one of the following reasons:

- a. Diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee or an employee's child (biological, adopted, foster child; stepchild, legal ward, or a child to whom the employee stands in loco parentis regardless of age), parents (biological, adoptive, foster parent, stepparent, legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child), spouse, registered domestic partner, grandparents, grandchild, and siblings.
- b. For an employee who is a victim of domestic violence, sexual assault, or stalking, the purposes described in subdivision (c) of Section 230 and subdivision (a) of Section 230.1.

5041.60 Employees requesting unscheduled time off under this policy shall personally notify their supervisor as soon as practicable, no later than thirty (30) minutes prior to the beginning of their regular work day is preferable.

5041.70 Accrued, unused time under this policy will carry over each year up to a maximum accrual of forty-eight (48) hours or six (6) days, whichever is greater.

**CARMICHAEL WATER DISTRICT
POLICY MANUAL**

5041.80 Accrued, unused time under this policy is not paid out at the time of separation from employment.

5041.80.1 Employees who are re-employed with the District within one (1) year of termination will have up to forty-eight (48) hours or six (6) days of their previously accrued and unused sick leave bank restored at the time of rehire.

**CARMICHAEL WATER DISTRICT
POLICY MANUAL**

POLICY 5000: Authorized Leave

5000.10 Unpaid Leave of Absence

5000.10.1 An employee may request and, at their sole discretion, the General Manager may approve unpaid leave between the employee and Carmichael Water District (District).

5000.10.2 An unpaid leave of absence may be taken when an employee has exhausted all accrued sick leave, vacation, and any other qualified accrued or available leave.

5000.10.3 Once the employee who has been authorized leave of absence without pay has used all available vacation and any other qualified accrued leave time, then the continuation of the approved leave will be without any accrual of pay and/or other benefits available to regular employees of the District.

5000.10.3.1 No vacation, holiday, sick leave, or any other type of accrued leave will accrue during an authorized unpaid leave, i.e., during any period an employee is absent from work and not receiving pay from the District.

5000.10.3.2 Health Benefits During An Unpaid Leave: Except where provided otherwise by law, an employee on any unpaid leave under this policy may continue participating in any health and welfare benefit plans in which they were enrolled before the first day of the unpaid leave at the employee's own expense at the level and under the condition of coverage as if the employee had continued in employment as per District's contractual agreement with provider.

5000.10.4 Due to the District's limited work force, maintenance of job classifications for the term of an authorized unpaid leave of absence cannot be guaranteed unless otherwise required by law. Employees returning from an unpaid leave of absence will be reinstated to the first available job classification for which they are qualified.

5000.20 Military Leave

5000.20.1 District employees are entitled to military leaves of absence as required by state and federal law. Military leaves shall be without pay or benefits except as required by law or provided in this policy.

5000.20.2 An employee shall notify the District as soon as practicable of the employee's pending need for a military leave of absence. Any employee who goes out on a military leave of absence will also be eligible for re-employment to their previous job classification with the District to the extent required under state and federal law.

5000.20.3 In addition to any obligation under California's Military and Veterans Code to provide paid leave for active duty military leave, the District will provide up to ten (10) work days of paid leave for verified, scheduled inactive duty "Reserve Duty." Any period of temporary leave of absence for inactive duty "Reserve Duty" that exceeds ten (10) work days shall be unpaid, unless otherwise required by law.

5000.20.4 The District will not discriminate against any individual because of military service.

CARMICHAEL WATER DISTRICT POLICY MANUAL

5000.20.5 Employees who work more than twenty (20) hours per week and have a spouse in the Armed Forces, National Guard or Reserves who have been deployed during a period of military conflict are eligible for up to ten (10) unpaid days off when their spouse is on leave from (not returning from) military deployment. Employees must request this leave in writing to the General Manager within two (2) business days of receiving official notice that their spouse will be on leave. Employees requesting this leave are required to submit written documentation certifying the spouse will be on leave from deployment.

5000.30 Jury Duty Leave

5000.30.1 Jury Duty Leave shall apply to all full time regular employees.

5000.30.2 An employee summoned for jury duty will immediately notify their supervisor.

5000.30.3 While serving on a jury, the employee will be given a paid leave of absence for the duration of said jury duty. Said paid leave of absence is conditional upon the employee returning to work upon dismissal each day to complete their remaining normal workday. Employees must furnish a copy of the official summons/attendance slip to the District before leave will be granted.

5000.40 Bereavement Leave

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5000.50.1 At the discretion of the General Manager, the Engineering Manager and Finance Manager positions may receive up to 80 hours of Management Leave on an annual basis. Management Leave is not accruable or compensable.

**CARMICHAEL WATER DISTRICT
POLICY MANUAL**

5000.60 Family Medical Leave Act (FMLA) / California Family Rights Act (CFRA) Leave

5000.60.1 The District is a covered employer under the federal Family Medical Leave Act of 1993 (FMLA) and the California Family Rights Act of 1993 (CFRA). As a covered employer, the District is required to post notices of employees' FMLA and CFRA rights.

5000.60.1.2 Although the District is a covered employer under the FMLA, District employees are not eligible for FMLA leave benefits because no District employee can meet the eligibility requirement of employment at a worksite where the District employs at least fifty (50) employees within seventy-five (75) miles of that worksite.

5000.60.1.3 If the number of District employees increases sufficiently so that District employees are eligible for FMLA leaves, the District will provide and administer the leaves as required by law, will run the leaves concurrently with any other leaves for which an employee is entitled for the same reason, and will use the 12 month rolling back method.

5000.60.2 District Employees are eligible for CFRA leave benefits which provides eligible employees the right to an unpaid leave of absence after exhausting all of their sick and vacation leaves. The District will 1) provide and administer any CFRA leaves as required by law, 2) administer the CFRA leaves concurrently with any other leaves for which an employee is entitled for the same reason, and 3) use the 12 month rolling back method.

5000.70 New Parent Leave Act (NPLA) Leave

5000.70.1 Effective January 1, 2018, a District employee who has more than twelve (12) months of service with the District and has 1,250 hours of service with the District during the previous twelve (12) month period is eligible to take up to twelve (12) weeks of unpaid parental leave to bond with a new child within one (1) year of the child's birth, adoption, or foster care placement.

5000.70.2 The employee must notify the District at least thirty (30) days before leave is to begin. If the employee cannot provide thirty (30) days' notice, the District must be informed as soon as is practical. Any leave taken for the birth, adoption, or foster care placement of a child does not have to be taken in one continuous period of time, but will be granted in minimum amounts of two (2) weeks, with the exception that an employee may request a leave of less than two (2) weeks' duration on any two (2) occasions. Any leave taken must be concluded within one (1) year of the birth or placement of the child with the employee.

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5000.70.4 The District will maintain its contribution toward medical insurance at the same level and under the same conditions as if the employee had continued in employment continuously during the duration of the leave to the extent required by law.

5000.70.5 Upon return from NPLA leave, an employee will be reinstated to their original job or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions to the extent required by law.

CARMICHAEL WATER DISTRICT POLICY MANUAL

5000.70.6 If the number of District employees increases sufficiently so that District employees are otherwise eligible for FMLA and CFRA leaves, the District will provide and administer such leaves as required by law and will no longer provide NPLA leave as District employees will no longer be eligible for it at that time. Otherwise, the District will administer this leave in compliance with state law and regulations concerning NPLA.

5000.80 California Paid Family Leave (PFL)

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5000.80.2 District employees are required to use two (2) weeks of vacation leave, if accrued, before receiving PFL benefits. Subsequently, employees may use any remaining accrued vacation leave and accrued sick leave to add to PFL benefits in order to receive a full day's pay at the employee's regular rate of pay while on PFL.

5000.90 Pregnancy Disability Leave (PDL)

5000.90.1 Employees are eligible for up to four (4) months (2 CCR § 11042) of unpaid leave per pregnancy, as needed, for the period(s) of time an employee is actually disabled because of pregnancy. An employee may use any accrued sick leave and accrued vacation leave during the otherwise unpaid pregnancy disability leave.

5000.90.2 The District will maintain its contribution toward medical insurance at the same level and under the same conditions as if the employee had continued in employment continuously during the duration of the leave.

5000.90.3 Upon return from pregnancy disability leave, an employee will be reinstated to their original job or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions to the extent required by law.

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5000.95 Leave Administration

5000.95.1 Drug and Alcohol Testing: Any safety-sensitive employee returning to work after an absence of thirty (30) or more calendar days will be subject to drug and alcohol testing.

5000.95.2 Leave Program Process: Human Resources will be responsible for administering this policy including maintaining a Leave Program process that is available to be reviewed by all employees.

**CARMICHAEL WATER DISTRICT
POLICY MANUAL**

5000.96 Reproductive Leave Loss

5000.96.1 Effective January 1, 2024, Senate Bill 848 (Chapter 724, Statutes 2023) added section 12945.6 to the Government Code. Pursuant to this section, all District employees who have been employed for at least 30 days, are entitled up to a maximum of five days of reproductive loss leave for a reproductive loss event, which includes a failed adoption, failed surrogacy, miscarriage, stillbirth, and unsuccessful assisted reproduction as defined by the law.

5000.96.2 Leave under this statute is unpaid but an employee may use accrued and available vacation and sick leave. Reproductive loss leave does not need to be taken on consecutive days but must be completed within three months of the date of the event. If prior to or immediately following a reproductive loss event, an employee takes Pregnancy Disability Leave or California Family Rights Act/Family Medical Leave Act leave, or any other leave entitlement under state or federal law, the employee shall complete their reproductive loss leave within three months after the end of their other leave. If an employee experiences more than one reproductive loss event within a 12-month period, reproductive loss leave time is limited to a total of 20 days within a 12-month period.



State Water Resources Control Board

NOTICE OF PUBLIC AVAILABILITY OF CHANGES TO PROPOSED REGULATION REGARDING MAKING CONSERVATION A CALIFORNIA WAY OF LIFE TITLE 23. Waters

DIVISION 3. State Water Resources Control Board and Regional Water Quality Control Boards

CHAPTER 3.5 – Urban Water Use Efficiency and Conservation ARTICLE 1

SUBJECT: MAKING CONSERVATION A CALIFORNIA WAY OF LIFE

NOTICE IS HEREBY GIVEN that the State Water Resources Control Board (State Water Board or Board) has updated the text of the proposed Making Conservation a California Way of Life Regulation and is making the changed text available for public comment prior to the Board's future consideration of adoption of the resulting regulation.

The following is a link to the rulemaking file for this regulation:

https://www.waterboards.ca.gov/water_issues/programs/conservation_portal/regs/water_efficiency_legislation.html#reg-docs

The updated regulation text is labelled “Updated Text of Proposed Regulation” dated March 12, 2024. The proposed text indicates added proposed regulation text with a single underline and deleted proposed regulation text with a strikethrough.

WRITTEN COMMENT PERIOD AND SUBMITTAL OF COMMENTS

[Gov. Code, § 11346.4(a), § 11346.5(a)(15)]

Any interested person may submit written comments on the changes to the proposed regulation to the Clerk to the State Water Board. Any written comments pertaining to the changes to the proposed regulation, regardless of the method of transmittal, must be received by the Clerk by **March 27, 2024**, which is hereby designated as the close of the written comment period. Comments received after this date will not be considered timely. Written comments may be submitted via any of the following methods:

1. By email to: commentletters@waterboards.ca.gov. The State Water Board requests but does not require that email transmission of comments, particularly those with attachments, contain the regulation package identifier “Comment Letter—Proposed Making Conservation a California Way of Life Regulation” in the subject line to facilitate timely identification and review of the comment.

E. JOAQUIN ESQUIVEL, CHAIR | ERIC OPPENHEIMER, EXECUTIVE DIRECTOR

2. By fax transmission to: (916) 341-5620. The State Water Board requests but does not require that faxed comments contain the subject line "Comment Letter—Proposed Making Conservation a California Way of Life Regulation."
3. By mail to: Clerk to the Board, Courtney Tyler, State Water Resources Control Board, P.O. Box 100, Sacramento, CA 95812-0100.
4. Hand-delivered to: Clerk to the Board, Courtney Tyler, State Water Resources Control Board, 1001 I Street, 24th Floor, Sacramento, CA 95814.

For comments not sent by email, the State Water Board requests, but does not require that written comments be sent by mail, and that hand-delivered written comments be submitted in triplicate.

The State Water Board requests, but does not require, that, if reports or articles in excess of 25 pages are submitted in conjunction with the comments, the commenter provide a summary of the report or article and describe the reason for which the report or article is being submitted or its relevance to the proposed regulation.

All comments, including email or fax transmissions, should include the commenter's name and U.S. Postal Service mailing address in order for the State Water Board to provide the commenter with copies of any future notices regarding this matter. Alternatively, you may sign up for the mailing list for this rulemaking.

To be added to the mailing list for this rulemaking and to receive notification of updates for this rulemaking, you may subscribe to the [GovDelivery list](#) for "Water Conservation Regulations" by selecting "General Interests," then selecting "Water Conservation Regulations."

Due to the limitations of the Board's email system, emails larger than 15 megabytes (MB) may be rejected and will not be delivered and received by the State Water Board. Therefore, emails larger than 15 MB should be submitted under separate emails or via another form of delivery.

Please note that under the California Public Records Act (Gov. Code, § 7920.000 et seq.), written and oral comments, attachments, and associated contact information (e.g., address, phone, email, etc.) become part of the public record and can be released to the public upon request.

If you would like to request a copy of the public comment letters received by the Board for this item, send an email to commentletters@waterboards.ca.gov and identify that you are requesting copies of public comments for the proposed Making Conservation a California Way of Life Regulation.

PUBLIC WORKSHOP

The State Water Board will conduct a public workshop on March 20, 2024, starting at 9:00am. At the workshop, any person may present oral or written comments relevant to the changes to the proposed regulation text, in addition to the written comment opportunity described above. Board staff will provide an overview of the changes to the proposed regulation and updates to key provisions, followed by an opportunity for the public to comment. While a quorum of the State Water Board may be present, the Board will not take formal action at the public workshop.

The meeting will be held at the Joe Serna Jr. CalEPA Building, 1001 I Street, Sacramento, CA 95814, with the option to participate remotely.

Notices related to this proposed regulation will be sent to those who subscribe to the "Water Conservation Regulations" GovDelivery topic list. Information about the public hearing will be posted on the webpage:

https://www.waterboards.ca.gov/water_issues/programs/conservation_portal/regs/water_efficiency_legislation.html

STATE WATER BOARD CONTACT PERSONS

[Gov. Code, § 11346.5(a)(14)]

Requests for copies of the updated proposed regulatory text, or other inquiries concerning the proposed action may be directed to:

Conservation inbox

ORPP-WaterConservation@waterboards.ca.gov

Please identify the regulation by using the State Water Board regulation package identifier "Proposed Making Conservation a California Way of Life Regulation" in any inquiries or written comments.

March 12, 2024

Date

Courtney Tyler
Courtney Tyler
Clerk to the Board

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General Manager's Report
March 2024

1. Municipal Services Review (MSR) by Local Agency Formation Commission (LAFCo)

The District's MSR was presented to LAFCo at its March 6, 2024 meeting with a public commenting period through the next LAFCo meeting on April 3, 2024. LAFCo would consider the adoption of the District's MSR at the April meeting.

2. Water Forum

The Water Forum adopted its FY 24 – 25 budget at the 02/29/2024 Water Forum Plenary meeting. The overall budget was reduced by 9.45% from FY 23 – 24 due to a reduction of funding from Sacramento County Zone 13 funds.

3. FY 24-25 Budget

Staff met with the Finance Committee on 02/27/2024 to go over the 10-year CIP budget. Staff will present the draft budget as an informational item in the next Board packet materials. A tentative meeting for the budget workshop was set for 4/25/2024 but not all directors will be available. Based on schedule availability, staff proposes 4/18 or 4/19 for a new meeting date.

4. Bay Delta Water Quality Control Plan (Plan) – Voluntary Agreement (VA)

State Water Resources Control Board (Water Board) will hold a workshop on 4/24 – 4/26 to discuss whether and how proposed VAs could be incorporated as part of the update to the Bay Delta Plan. Locally, the Regional Water Authority is leading the effort to negotiate the American River VA with the State Water Board, Department of Water Resources, CA Department of Fish and Wildlife, and U.S. Bureau of Reclamation. Within the American River VA, there will be an Intra-tributary Agreement with specifics on monetary and water contributions by each American River agency. The Intra-tributary Agreement is forth coming and staff will hold a discussion with the Board when the draft agreement is ready for review.

5. La Vista Tank and Pump Station

Staff attended a mediation for the La Vista Tank and Pump Station and will report to the Board at a later date.

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CAPITAL IMPROVEMENT PROJECTS

La Sierra ASR Well Project: Sierra National, with the winning bid at \$3,423,000, has received a Notice to Proceed from the District. With much of the equipment and materials on backorder from their suppliers, they plan to start construction in June or July of this year. The Notice of Completion for the well drilling was filed with the County Clerk on February 28, 2024. Once the 30-day waiting period is complete, the District will issue the retainer amount to Zim Industries. The San Juan Unified School District has sent draft purchase and easement documents to the district for review. If construction is ready to commence prior to the final ingress/egress purchase documents are signed, the SJUSD will issue the District a Temporary Construction Easement for construction.

Ladera/Winding Way ASR Well Projects: Using cameras, GEI has evaluated the existing casing at the Ladera Well Site and will be recommending in a report to destroy the well and re-drill a new well at the site. The existing well casing was corroded and was in a state of condition that did not justify using with all new top-side equipment. Concurrently, the District is reviewing the draft purchase agreement for the Ladera property owned by the San Juan Unified School District (SJUSD).

For the Winding Way Well, the Stewart Title Company has finalized the deed for the Lot Line Adjustment on Charleston Way. The final property information was sent to the County Assessor's Office by the Title Company. The Assessor's office will issue new APN numbers.

La Vista Tank and Pump Station: Performance time for the contract re-started on January 2, 2024. The contractor has mobilized and is actively performing work. Water Works is on-site under contract with the District as the Engineer providing inspection and construction management. The focus of recent work has been to set in place the pump cans and the generator/power bank.

SCADA Project: EMA is currently drafting requirements for a Request for Proposal (RFP) that will be sent to HMI vendors. The HMI (Human Machine Interface) is the software that provides the visible interactive portion of the SCADA system. It's used by operators for WTP process monitoring and for control inputs and adjustments. It also provides a limited historian database for process data storage. The requirements are expected to be ready for CWD review in the next two weeks. EMA will schedule a workshop for CWD Staff to review and discuss the requirements prior to finalizing and issuing the RFP to vendors. This project is still planned for completion in late spring of 2026.

Garfield Well Backup Generator Project: The district has amended its agreement with Frisch Engineering to upgrade the electrical components at the well site. This work will be additional to, but compliment the generator work already planned and under contract with Frisch engineering.

Claremont Pipeline Engineering Design

The agreement with Dugan Engineering Management to complete the design for the project was executed February 26, 2024. Dugan Engineering plans to begin their design work right away.

CUSTOMER DELIVERY PROJECTS/ACTIVITIES:

<u>Project Location</u>	<u>Activity</u>	<u>Project Description</u>	<u>Service/Notes</u>
XXX Scandia Wy	Under Review	Fire Flow Analysis	New Building
XXX Casita Ave	Under Review	Plan Check for Lot Split.	New service connection and meter needed. Reviewing plans.
XXX Hunter Ln	Under Review	Plan Check for Lot Split	New service connection and meter needed. Reviewing plans.

WATER USE AND CONSERVATION

Water Leak Exemptions: Water leak exemptions provide rebates to customers who have had water loss due to leakage that meets specific criteria outlined in District Regulations Manual No. 2000, Water Leak Exemption. Maximum amount eligible for rebate is 500 CCF and the current water rate is \$2.06/CCF. The following customers received rebates:

<u>Address</u>	<u>Water Loss (CCF)</u>	<u>Rebate (\$)</u>	<u>Leak Description</u>
XXX Arboreta	226.0	492	Leak at the meter connection.
XXX Jan Dr.	54.5	119	Leak in the service line between meter and house.
XXX Lequel	49.0	106.96	Leak at the meter connection.
XXX Fair Oaks Blvd	12.2	27.57	Leak at the meter connection.
XXX Jayanne	81.4	307.36	Leak at the meter connection.

Turf Replacement Program: No new application for this month. To date, the district has paid through the grant \$7,802. The replacement rate is \$2/SF up to 1,000 SF. Total area replaced to date is 4,301 Square Feet.

Mulch Mayhem Day: RWA has scheduled May 4, 2024 as the Mulch Mayhem day. The District is planning to participate in this multi District event.

MISCELLANEOUS

Continuity of Operations (COOP) Exercise

On March 5, the District's Safety Committee sponsored a COOP Exercise. The exercise evaluated the ability of the District to operate during an event that causes a significant power outage. The exercise was mostly a tabletop exercise and finished with a Hot-Wash made up of COOP participants. Key findings were as follows:

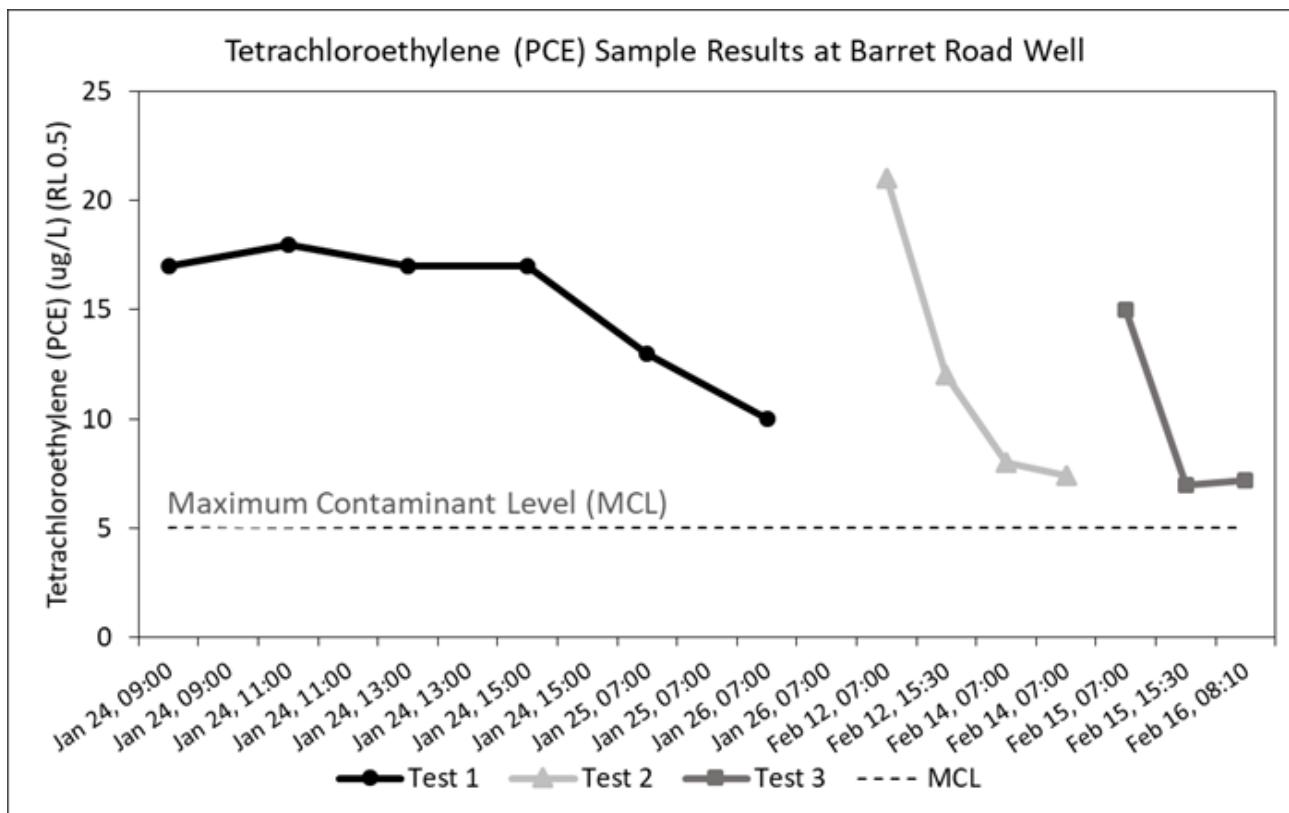
- The Emergency Action Plan was last updated in 2022 and needs to be updated with current contacts and phone numbers.
- A Standard Operating Procedure for activating the Citrus Heights Water District Intertie should be developed and documented.
- The District needs to confirm with SMUD that the WTP is prioritized in re-establishing power after an outage.
- Communication between front office, WTP, and distribution is excellent.

California-Oregon Transmission Project (COTP)

SMUD notified the District that it is NOT interested in moving forward with a lease renewal or a purchase option for the 1 MW of transmission capability from the District after the current lease expires at the end of 2024. SMUD went on to recommend that the District should work with TANC to market our 1 MW of transmission capability.

Barrett Road Well Investigation

The Barrett Road Well was constructed circa 1990. It has not been used for production with the District since its construction. To help determine its potential, the well was operated for three different pumping durations and tested at different intervals for PCE. Results of the testing are as follows:



The District is under contract with GEI to further evaluate the condition of the well casing and to provide a final report with data.

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BILLING DEPARTMENT REPORT

Billing Supervisor, Cecilia D.

Billing Period	Billing Units*	Usage Charge	Service Charge	Flat Rate**	Billing Totals	FY 23-24		FY 22-23		Previous Year Billing Totals % Difference
						Billing Totals	Billing Units*	Billing Totals	Billing Units*	
July	449,410	\$ 925,785	\$ 727,399	\$ 27,821	\$ 1,681,005			\$ 1,523,144	443,523	10%
August	523,315	\$ 1,078,029	\$ 727,579	\$ 28,430	\$ 1,834,038			\$ 1,628,764	499,625	13%
September	397,982	\$ 819,843	\$ 727,470	\$ 26,469	\$ 1,573,781			\$ 1,397,294	377,172	13%
October	337,834	\$ 695,938	\$ 727,524	\$ 25,715	\$ 1,449,177			\$ 1,279,603	314,590	13%
November	216,445	\$ 445,877	\$ 727,470	\$ 24,812	\$ 1,198,159			\$ 1,082,481	210,513	11%
December	151,575	\$ 312,245	\$ 727,524	\$ 23,717	\$ 1,063,486			\$ 991,463	162,639	7%
January	143,529	\$ 324,376	\$ 796,673	\$ 25,714	\$ 1,146,764			\$ 1,041,048	140,963	10%
February	115,430	\$ 260,872	\$ 796,673	\$ 24,993	\$ 1,082,539			\$ 998,672	120,510	8%
YTD Totals	2,335,520	\$ 4,862,964	\$5,958,313	\$207,671	\$11,028,949			\$ 8,943,797	2,149,025	23%
FY Totals	2,335,520	\$ 4,862,964	\$5,958,313	\$207,671	\$11,028,949			\$14,819,907	3,177,008	-26%

* 1 Unit = 100 CCF (Centum Cubic Feet) = 748 Gallons.

Billing Units are based on current meter reading period, i.e., Current Billing Period = 1/23/24 – 2/22/24, and may differ from Production reported numbers due to the meter read billing cutoff dates.

** Condominium's-Uniform Rates, Fire-Dedicated Service Lines.

COLLECTIONS: Processed & Total Outstanding A/R Amounts

The Total 61-120 Days column displays the delinquent amounts that will be targeted on next month's final notice and collections processes. The Outstanding A/R amounts reflect what was still owing at month end, this is 13% of what was billed, or approximately 1,400 customers.

Date	Total on APS*	Total Off	Total Liened	Total Liened	Total 61 - 120 Days	Total Outstanding A/R **
June 2023	2	16	18	\$ 13,506	\$ 20,081	\$ 216,858
FY 23-24						
July	1	15	14	\$ 11,121	\$ 19,406	\$ 167,841
August	1	17	14	\$ 10,142	\$ 18,260	\$ 278,965
September	1	15	15	\$ 10,459	\$ 18,057	\$ 246,033
October	1	17	15	\$ 10,538	\$ 23,574	\$ 204,383
November	1	18	13	\$ 10,156	\$ 28,365	\$ 228,146
December	2	21	14	\$ 10,778	\$ 24,762	\$ 202,789
January	1	17	15	\$ 14,269	\$ 20,144	\$ 149,341
February	0	20	16	\$ 15,232	\$ 16,536	\$ 154,376

* APS = Alternative Payment Schedule

** Includes Total Liened and 61-120 Days Amounts

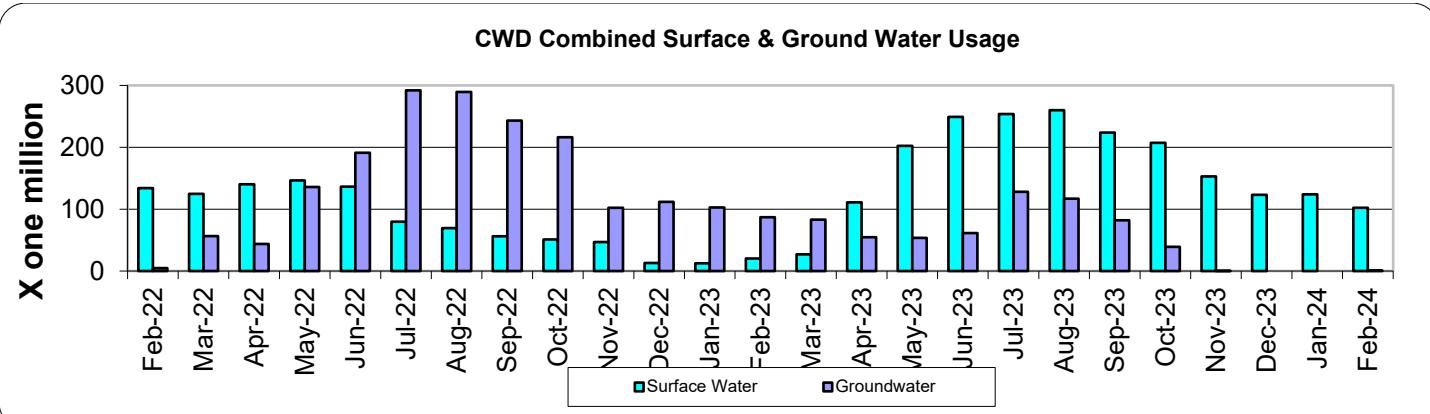
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CARMICHAEL WATER DISTRICT
Production Superintendent, DAVID BIAGI
February 2024 Water Production Board Report



Sierra Snow Survey 2-29-24

CWD Monthly Water Production 2014-2024														
FY	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	MGD Totals	Acre/Ft
2023-24	381.87	376.96	305.79	246.50	153.18	123.06	114.25	102.90					1805	5539
2022-23	371.77	358.96	299.37	267.16	149.16	124.91	115.19	107.14	109.89	165.79	255.81	310.23	2635	8088
2021-22	381.78	354.31	318.00	232.62	127.07	114.90	116.95	138.86	181.17	183.76	282.17	327.46	2759	8467
2020-21	408.04	402.05	335.66	294.53	188.58	140.24	125.19	110.64	145.91	237.20	332.59	371.58	3092	9490
2019-20	378.84	381.60	314.85	259.58	201.55	122.39	113.09	135.71	153.23	181.81	281.40	360.18	2884	8851
2018-19	387.57	361.56	314.04	259.22	187.67	121.80	111.84	96.07	109.20	158.03	226.19	317.21	2650	8134
2017-18	399.61	383.76	323.74	270.59	140.87	129.07	113.92	117.16	115.88	148.80	258.57	335.23	2737	8400
2016-17	357.82	353.35	299.41	193.38	123.16	115.61	113.47	96.26	116.84	123.76	268.14	332.52	2494	7653
2015-16	287.66	283.68	259.99	213.09	128.89	107.92	100.49	97.72	107.12	148.87	219.44	308.84	2264	6947
2014-15	373.21	338.74	294.65	240.50	153.63	116.73	120.74	110.98	168.88	175.83	214.05	255.44	2563	7867
Avg.	372.82	359.50	306.55	247.72	155.38	121.72	114.51	111.35	134.24	169.32	259.82	324.30	2675	8211
Daily	12.03	11.60	10.22	7.99	5.18	3.93	3.69	3.98	4.33	5.64	8.38	10.81		



January CWD Total Production			MG
Surface Water		99%	102.18
Groundwater		1%	0.715

Production	Up/ Down	Month	Up/ Down	9 Year Running Average
Production from same month last year	Down	4%	Down	7 %
Feb. 2024 Average Daily Production		3.55 MG		
Peak Day – Feb. 4th		4.11 MG		

GSWC Delivery: CWD delivered 129.15 MG or 396.35 Acre/Ft to GSWC in February.

There were three (3) water quality complaint in the month of February. The areas where the complaints occurred were investigated and flushed when needed.

Water Quality Activity

- ✓ Taste & Odor: 1
- ✓ Color: 1
- ✓ Turbidity (Air): 0
- ✓ Suspended Solids: 0
- ✓ Low Pressure: 1

Backflow Devices Tested

- ✓ Tested: 54
- ✓ New Devices: 0
- ✓ Failed Tests: 0

Maintenance Activity

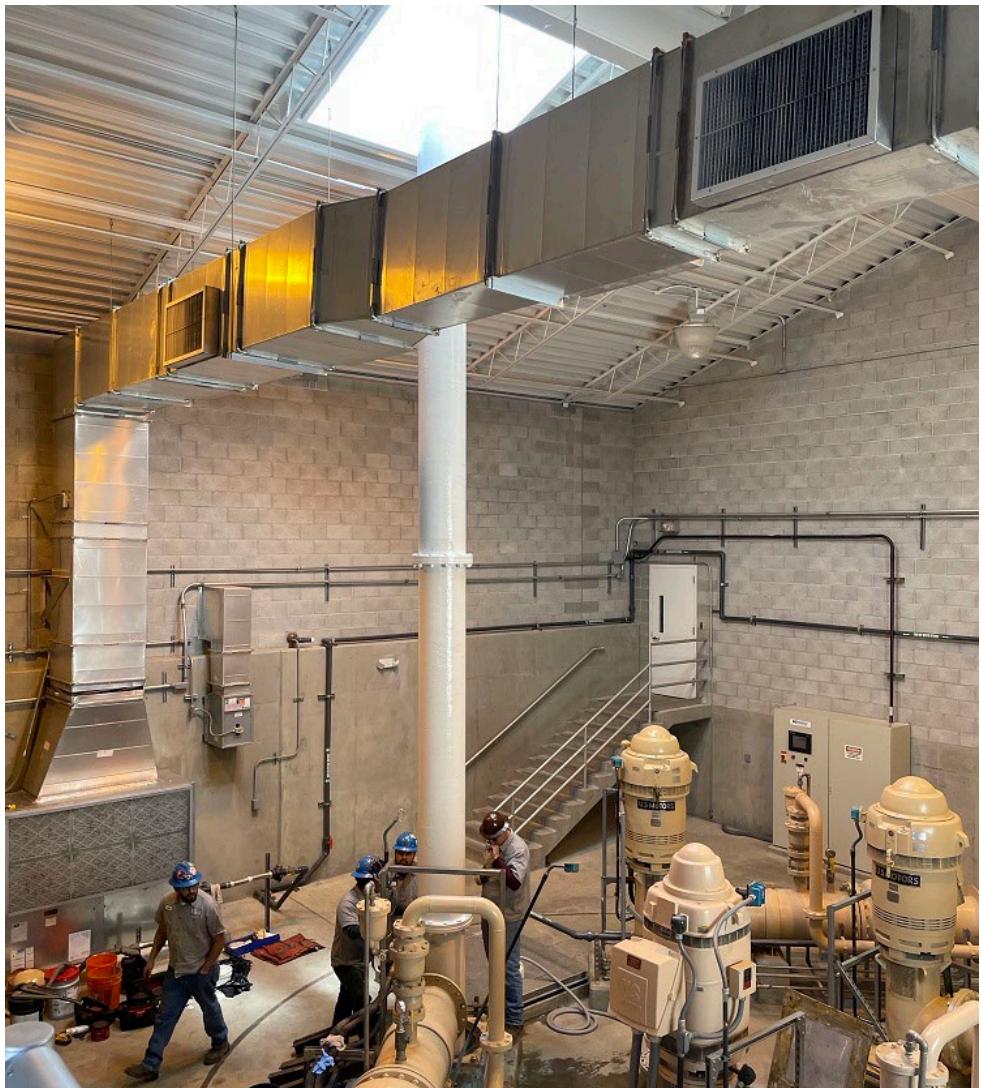
- ✓ Primary NaOH CIP: 8
- ✓ Secondary Cl2 CIP: 2
- ✓ Instrument Calibrations: 9
- ✓ Module Repair: 13
- ✓ Valve Repair: 5

Staff Training: Three members of the Production Department took part in a two-day Cla-Val Valve training. Developed specifically for waterworks system operations and maintenance personnel of various experience levels, the class provided hands-on training related to valves that perform more than one function in a single valve and where installation, set-up, and operation require more in-depth technical understanding and direction. The operation and maintenance of various pump control valves was also covered.

The District utilizes four pressure reducing valves to maintain pressure in Zone 3, the lowest part of the district. These pressure reducing valves are critical to keep system pressure in Zone 3 in a safe range, protecting infrastructure and customer plumbing. Pump control valves are used on many of the District's wells to allow the well to discharge to waste at start-up and slowly supply pressure to the distribution system. The ability to control the speed at which well pressure is introduced into the distribution system reduces pressure spikes that could damage water mains. Production Staff are now much better equipped to set up, maintain and troubleshoot our pressure reducing and control valves throughout the district.



Raw Water Pump Rehab: Bajamont Water Treatment Plant (BWTP) has four 300 HP variable speed pumps used to pump water out of the raw water caisson and into the primary filtration units at 40 psi. Three of these pumps were original to the plant and have been in service for 21 years. Starting last year, we began the rehabilitation project to address these aging pumps. Commercial Pump & Mechanical (CPM) pulled the third pump of the four, Raw Water Pump (RWP) 111, in January of 2024. On February 28th CPM reinstalled RWP 111 and returned the pump to service.

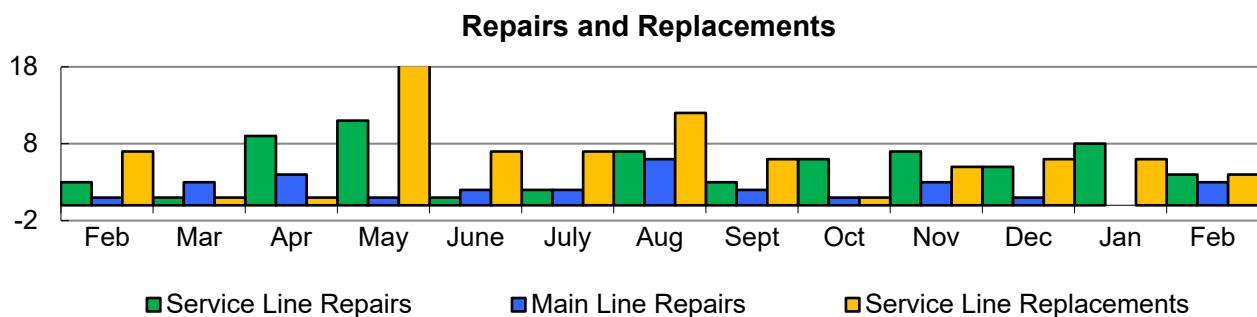


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CARMICHAEL WATER DISTRICT
DISTRIBUTION SUPERINTENDENT, SCOTT BAIR
February 2024 Water Distribution Board Report



75 year old, 24-inch, steel transmission water main repair in the intersection of Landis Ave. and California Ave.



Capital Improvements/Replacements

- Service Line: 4
- Fire Hydrant: 0
- Main Line Valve: 0
- New Construction Meters: 0
- Air Relief Valves - 0

O and M Repair Work

- Service Line: 2
- Fire Hydrant: 1
- Main Line: 3
- Meter Boxes: 4
- Main Line Valve Boxes: 1
- Meter Change Out: 59
- Registers Change Out: 1
- Hydrant Inspections: 4
- Valves Exercised: 64

Customer Assist

- Call Outs: 34
- Private Repairs: 10
- Water Waste: 1
- Lock/Unlock: 19
- High Pressure: 0
- Low Pressure: 0
- USA's: 72

- Sacramento Area Sewer District FY 22-23 Pipe Bursting Project 1: SASD has identified fifteen sewer improvement locations within the unincorporated areas of Sacramento County. Construction will involve replacing sewer pipelines by the pipe bursting method. A small section of pipeline on Queenston Ct has been identified for replacement in this project. It is unknown at this time if District facilities are in conflict. *Project on hold for winter
- Sacramento County ADA Project: This project will construct pedestrian improvements which include: curb and gutter, pedestrian accessible curb ramps at Thor Way, Olive Oak Way and Park Place Dr. Construction of this project is scheduled for late summer 2023. Impacts to District facilities will be minimal. *Project on hold for winter
- Sacramento County AC Overlay Phase D (Contract No. 4575) “B” Plans requires District facilities within grind areas be lowered prior to overlay and grinding operations. Generally, wedge grinding will be six and a half feet (6.5’) wide along curb, gutter, and sidewalk on residential streets and thirteen (13’) feet wide on collectors and arterial roadways. Conform grinding will be thirty five feet (35’) at non-signalized cross streets and one hundred feet (100’) at signalized cross streets. The County will also require that all District facilities within the project limits be adjusted to grade (approximately 2 inches) after the overlay using quality materials and workmanship. Upon completion of this overlay projects, there will be a three (3) year utility trench cut moratorium. *Scheduled to start March 2024
- Arden – Arcade & Carmichael Sidewalk & Street Lights: This Sacramento County project will install curb, gutter, sidewalk infill, ADA curb ramps, and street lighting at the intersection of El Camino Ave and Fair Oaks Blvd. District staff will need to relocate some of the facilities within the project limits after construction has taken place. *Project on hold
- Fair Oaks Blvd at Kenneth Ave Traffic Signal: This project will construct a traffic signal at the intersection of Fair Oaks Blvd. and Kenneth Ave. The District received “A” plans for this project on May 5, 2022 and has responded with comments. As this project moves forward to the “B” plan stage, Sac County will identify potential conflicts. Once identified CWD will or may need to relocate existing facilities. *Project on hold
- San Juan Water Line Replacement Project: **PROJECT UPDATED**

District staff met with the Department of Transportation and Sacramento County CMID at the work site to address the asphalt paving restoration requirements. The Department of Transportation is requiring additional paving, grind and overlay to meet current specifications. This additional restoration will require an extra 125 tons of asphalt that was not included in the original bid. The cost for additional restoration is estimated to be \$126,370.93 above the original schedule of bid values. The estimated cost for this restoration is within project budget including the approved 10% contingency (not to exceed Board approved contract amount of \$2,485,803.10) and will require a change order.

- Employee Recognition: The District received a phone call from Ms. Sarah Avila on Fall Water Lane commending Cody Brown for his stellar customer service. In her opinion, the great customer service is rare and she appreciated the time he took to educate a group of surrounding residents on the types of leaks, where their main valves are located, how to shut them off, and other value information.

FEBRUARY 2024
MEETING ATTENDANCE

MEETINGS ATTENDED		DIRECTORS				
DATE	DESCRIPTION	DAVIS	EMMERSON	NELSON	GREENWOOD	SELSKY
2/2	ACWA Region 4 Committee	1				
2/9	ACWA Committee Meetings	1				
2/20	CWD - Regular Board Meeting	1	1		1	1
2/3 2/27	CWD - Special Board Meeting	2	2	1	2	2
2/23	RWA - Special Board Meeting				1	
TOTAL MEETINGS ATTENDED		5	3	1	4	3

FEBRUARY 2024
EXPENSE COMPENSATION/REIMBURSEMENT

MEETINGS COMPENSATED						
DATE	DESCRIPTION	DAVIS	EMMERSON	NELSON	GREENWOOD	SELSKY
1/27	CWD 2x2 Adhoc Committee			1		
1/24 1/25 1/30 2/3	CWD - Special Board Meeting	2		4	4	4
1/18	RWA - Regular Board Meeting				1	
TOTAL # COMPENSATED		2		5	5	4
TOTAL \$ COMPENSATED		\$304.00	\$0.00	\$760.00	\$760.00	\$608.00
TOTAL REIMBURSEMENTS*		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

FISCAL YEAR 2023-2024
SUMMARY

	DAVIS	EMMERSON	NELSON	GREENWOOD	SELSKY
FYTD # MEETINGS ATTENDED	23	16	30	29	27
FYTD # MEETINGS COMPENSATED	12	7	30	30	23
FYTD \$ MEETINGS COMPENSATED	\$1,824.00	\$1,064.00	\$4,560.00	\$4,560.00	\$3,496.00
FYTD EXPENSE REIMBURSEMENTS	\$466.30	\$1,480.55	\$1,437.14	\$1,651.19	\$1,313.77