



**REGULAR BOARD MEETING  
AGENDA PACKET**

**MAY 21, 2024**

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**Regular Board Meeting - Tuesday, May 21, 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](http://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/](http://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 916-483-2452. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

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**CALL TO ORDER AND STATEMENT REGARDING PUBLIC PARTICIPATION: President Selsky**

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**ROLL CALL**

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**PRESIDENT'S COMMENTS**

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**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.

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**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.

**2. Minutes for the Regular Board Meeting – April 16, 2024**

**3. Minutes for the Special Board Meeting – April 19, 2024**

**4. Paid Expenditure Report – April 2024**

**5. Budget to Actual Report – March 2024**

**6. Treasurer's Report – For the Quarter Ended March 31, 2024**

**7. Amendment No. 3 To The Memorandum of Agreement for Reimbursement of Payments for Federal Legislative Advocacy Services Between San Juan Water District and Carmichael Water District**

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**ANNOUNCE PUBLIC HEARING AND ADJOURN REGULAR MEETING TO PUBLIC HEARING**

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**PUBLIC HEARING:**

**8. Presentation of the Fiscal Year 2024-2025 Draft Budget**

- a. Director's Comments
- b. Public Comments

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**ADJOURN PUBLIC HEARING AND OPEN REGULAR MEETING**

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**ACTION ITEMS**

**9. San Juan Water Line Replacement Project – Notice of Completion and Release of Retention**

Staff recommends that the Board of Directors:

- 1) Accept the San Juan Waterline Replacement Project as complete; and
- 2) Authorize the General Manager to file the Notice of Completion for the project and release \$123,294.85 in retention to the contractor, La Fleur Excavating Inc.

**10. Landscape Maintenance Services Contract Award**

Staff recommends that the Board of Directors authorize the General Manager to execute the Contract for landscape maintenance services with New Image Landscape Company.

**11. Retired Annuitant Contract Renewal**

Staff recommends that the Board of Directors approves the attached Employment Agreement for Temporary Employment as a Retired Annuitant and authorize the General Manager to execute the agreement.

**12. La Vista Storage Tank & Booster Pump Station Project – Professional Services Agreement (PSA) Amendment #1 for Construction Management Services**

Staff recommends that the Board of Directors authorize the General Manager to execute an amendment to the existing agreement between WWE and the District that increases the contract's value from \$999,201 to \$1,059,496.14.

**INFORMATIONAL ITEMS:****13. Directors' Policy 9610 - Reserve Policy Amendment****14. Water Forum 2.0 – Purveyor Agreement, Governance, and Funding****15. ACWA Certificate of Excellence****16. Water Forum – Monthly Runoff and Allocation Report – April 2024****17. Del Paso Manors – Special Board Meeting April 16, 2024****COMMITTEE REPORTS****18. Sacramento Groundwater Authority Board Meeting**

Director Selsky Reports Out.

**19. Regional Water Authority Executive Committee and Regular Meeting**

Director Greenwood Reports Out.

**20. Other Committee Reports**

Directors Report Out

**STAFF REPORTS****21. General Manager and District Activity Report – April 2024****22. Director's Expense Reimbursement Summary – April 2024****GENERAL CORRESPONDENCE/INFORMATION****23. News Articles****24. Director's Written and/or Oral Reports****ANNOUNCE CLOSED SESSIONS AND ADJOURN OPEN SESSION TO CLOSED SESSION****CLOSED SESSION****25. PUBLIC EMPLOYEE PERFORMANCE EVALUATION – INVOLVING THE GENERAL MANAGER (Government Code sections 54957 and 54957.6)****ADJOURN CLOSED SESSION AND OPEN REGULAR SESSION****REPORT OUT OF CLOSED SESSION**

The next meeting of the Board of Directors will be a Regular Board Meeting held on:  
Tuesday, June 18, 2024 at 6:00 p.m.





**Regular Board Meeting  
Tuesday, April 16, 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 16<sup>th</sup> day of March at 6:00 p.m.**

#### **ATTENDANCE:**

**Directors:** Ronald Davis, Jeff Nelson, Paul Selsky  
**Staff:** Cathy Lee, Gaby Padilla  
**Guest:** Brent H. Ives with BHI Management Consulting  
**Public:** Seven (7) Members of the Public

**CALL TO ORDER:** President Selsky called the meeting to order at: **6:00 p.m.**

#### **PRESIDENTS COMMENTS:**

No comment.

#### **PUBLIC COMMENT:**

##### **1. Public Comment**

Mr. Christian commented that he recently found out that the Directors receive \$150 per month per diem.

Directors informed Mr. Christian that it is \$152 per meeting up to ten meetings a month.

Mr. Christian inquired about on average how many meetings the Directors attend per month.

Directors commented that it could be about two to three a month depending on what is going on.

Mr. Christian commented that he realizes what it takes for the Directors to do what they do and tasked with the decision making and the comprehension and understanding of studies in order to make a good decision. He then inquired why the members of the Board are not paid more than \$152 per meeting and he knows that they aren't belabored by forty hour work weeks.

Directors stated that there are a few directors that do have full-time jobs on top of this. They also informed Mr. Christian that the pay is mandated by State law and it does state that there could be a cost of living adjustments but CWD has not done that in years. They also commented that they do this as a public service and is trying to give back to the community and the pay and the amount of work would not be compelling to someone who has a full-time job and a family. They wish there was something they can do to attract more people into wanting to be a director.

Mr. Christian commented that he has been thinking about this a lot and has been wondering what the end game is for the directors because he recognizes that there is not back pocketing and the only other end game would be the joy of doing public service.

Directors also commented that CWD directors also compare their pay to other water districts in the area and we do not want to get too out of line from others. Bigger districts may pay more and some city council members are getting a salary and benefits. In the past CWD Directors received retirement benefits and once that State law passed it was terminated.

Mr. Christian commented that it was interesting that the directors are not compensated except for attending a meeting but everything that they do outside of those meetings are all relevant to doing this job.

Directors also informed Mr. Christian that the State law also limits to one meeting per day.

The General Manager informed Mr. Christian that there is the Directors Compensation in the Board packet every month.

#### **CONSENT CALENDAR:**

##### **2. Minutes for the Regular Board Meeting – March 19, 2024**

##### **3. Minutes for the Special Board Meeting – March 26, 2024**

Directors commented that in the regular Board meeting minutes does a good job in describing what each commenter said. In this minutes, public comments were summarized and they noted the inconsistency there. They also mentioned that they noticed that in most minutes from other Board meetings, public comments are not summarized. They do not believe there is a standard way of doing this, but they feel like there should be consistency.

##### **4. Paid Expenditure Report – March 2024**

##### **5. Budget to Actual Report – February 2024**

##### **6. Resolution 04162024-01 – A Resolution Amending the Districts' Policy 5000 – Authorized Leave and Policy 5041 – Sick Leave – Healthy Workplaces, Healthy Families Act of 2014**

##### **7. Construction Improvement Standards (Standard Specifications and Details) Revision**

M/S Nelson / Selsky to approve the consent calendar with the following changes to the Minutes for the Special Board Meeting – March 26, 2024: 1) Clarify that for item number one the first sentence was a recommendation and 2) Clarify which memo Directors are referencing in item number one in the first comment.

Mark Emmerson	Aye	<input type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input checked="" type="checkbox"/>	Abstain	<input type="checkbox"/>	<input type="checkbox"/>
Jeff Nelson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>	<input type="checkbox"/>
Ronald Davis	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>	<input type="checkbox"/>
Ron Greenwood	Aye	<input type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input checked="" type="checkbox"/>	Abstain	<input type="checkbox"/>	<input type="checkbox"/>
Paul Selsky	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>	<input type="checkbox"/>
Board Totals:	Ayes:	3	Nays:	0	Absent:	2	Abstain:		0
<b>Passed Unanimously:</b>		<input checked="" type="checkbox"/>							

## ACTION ITEMS

### 8. Strategic Plan and Employee Survey

Staff recommends that the Board of Directors discuss the scope of the strategic plan and authorize the General Manager to sign a service agreement with BHI Management Consulting.

Mr. Ives presented BHI Management Consulting's proposal.

Directors commented that they think this is very important and since there is a Special Board Meeting on April 19<sup>th</sup>, they would like to provide the opportunity for feedback and input from directors who are not present today and possibly move this item for that meeting.

Directors noted the step in the proposal where the consultant meet with all the directors to receive their input individually and then in a workshop.

Directors inquired if BHI would make recommendations on what the survey questions should be.

Mr. Ives informed the Board of Directors that he typically formulates employee survey questions after receiving input from boards and general managers based on what they want to know and then he will present them to the Board before the surveys go out to the employees. After receiving the answers, he integrates them into the strategic plan.

Directors agreed to table this item until the Special Board meeting on April 19, 2024.

### 9. La Vista Storage Tank & Booster Pump Station Project – Professional Services Agreement (PSA) Amendment #1 for Construction Management Services

Staff recommends that the Board of Directors approve a contract increase from \$999,201 to \$1,431,874 with Water Works Engineers and authorize the General Manager to execute Professional Services Agreement Amendment 1.

Directors inquired if the cost for the construction management cost increase would be recoverable from the responsible party.

The General Manager informed the Board of Directors that it is not at the moment. But there is a pending claim regarding the PCB issue with the La Vista project contractor who also have a claim against us as well and the issue is being worked on.

Directors inquired as to why this increase would not be the contractor's liability because the contractor extended the contract duration.

The General Manager informed the Board of Directors that the construction extension is part of the contractor's claim towards us. At this time, we are responsible for construction management services because we are asking the construction management consultant to do work during the delay to piece together events that happened and any other questions we had for the consultant. The General Manager also informed the Board of Directors that there is a closed session on this item with our legal counsel at the upcoming special meeting.

Directors agreed to table this item until the Special Board meeting on April 19, 2024 based on the information provided.

### 10. Easement Purchase Agreements with San Juan Unified School District

Staff recommends that the Board of Directors authorize the General Manager to execute District approval of the two Easement Purchase Agreements and pay the agreed upon prices.

Directors inquired what the current arrangement is for La Sierra.

The General Manager informed the Board of Directors that there is a licensing agreement in place where the school district allows us to use the site and would sell us the land if there were no water quality issues.

Directors inquired if this was just an easement and it was not being purchased.

The General Manager informed the Board of Directors that this was for a permanent easement because school districts would need to go through extensive land surplus process to sell their land and it would take more time and effort. Both lawyers from both sides agreed that it was easier, cheaper, and faster to do a permanent easement.

Directors inquired who pays the property taxes.

The General Manager informed the Board of Directors that we do not have to pay property taxes because we are a public agency.

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

Mark Emmerson	Aye	<input type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input checked="" type="checkbox"/>	Abstain	<input type="checkbox"/>
Jeff Nelson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Ronald Davis	Aye	<input checked="" 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 checked="" type="checkbox"/>	Abstain	<input type="checkbox"/>
Paul Selsky	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Board Totals:	Ayes:	3	Nays:	0	Absent:	2	Abstain:	0
<b>Passed Unanimously:</b>		<input checked="" type="checkbox"/>						

# **11. Resolution 04162024-02 - A Resolution of the Board of Directors of the Carmichael Water District Declaring Certain Property Exempt Surplus Land Under the Surplus Land Act Surplus Charleston**

Staff recommends that the Board of Directors:

- 1) declare 4515 Charleston Dr., Carmichael, CA 95608 (APN 247-0010-005) exempt surplus property under Surplus Land Act and adopt Resolution 04162024-02 - A Resolution of the Board of Directors of the Carmichael Water District Declaring Certain Property Exempt Surplus Land Under the Surplus Land Act and
- 2) discuss the real estate commission fees and authorize the General Manager to enter into contract with a realtor with a not-to-exceed 5% of the sale price fees.

Directors inquired if there is insurance on the house.

The General Manager informed the Board of Directors that there is insurance on the house and it is part of the property insurance with ACWA JPIA.

Directors inquired about the real estate commission fees.

The General Manager asked the Board of Directors to table the second recommendation because there is going to be some updates in the real estate commission fees on July 1<sup>st</sup>.

M/S Nelson / Davis to approve staff's first recommendation and not to accept the second recommendation as suggested by the General Manager.

Mark Emmerson	Aye	<input type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input checked="" type="checkbox"/>	Abstain	<input type="checkbox"/>
Jeff Nelson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Ronald Davis	Aye	<input checked="" 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 checked="" type="checkbox"/>	Abstain	<input type="checkbox"/>
Paul Selsky	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Board Totals:	Ayes:	3	Nays:	0	Absent:	2	Abstain:	0
<b>Passed Unanimously:</b>		<input checked="" type="checkbox"/>						

President Selsky tabled the remainder items until Special Board meeting on April 19, 2024 when all directors are present and adjourned the meeting.

**ADJOURNMENT:** President Selsky adjourned the meeting at: **6:41 p.m.**

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**Special Board Meeting  
Tuesday, April 19, 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 19th day of April at 1:00 p.m.**

## **ATTENDANCE:**

**Directors:** Ron Greenwood, Ronald Davis, Mark Emmerson, Jeff Nelson

**Staff:** Cathy Lee, Gaby Padilla, Debbie Martin, Ben Strange

**Public:** Two (2) Members of the Public

**CALL TO ORDER:** Vice President Greenwood called the meeting to order at: 1:02 p.m.

## **PUBLIC COMMENT**

1. **Public Comment**  
No comments.

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

## **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
3. **CONFERENCE WITH LEGAL COUNSEL – REAL PROPERTY NEGOTIATIONS**  
Government Code section 54956.9: Real Property at 4515 Charleston Drive, Carmichael, CA 95608.

**ADJOURNED CLOSED SESSION AND OPENED REGULAR SESSION: 2:36 p.m.**

## **REPORT OUT OF CLOSED SESSION**

Directors discussed and provided directions to staff and legal counsel regarding the pending litigation and the real property negotiations.

## **ACTION CALENDAR**

4. **Strategic Plan and Employee Survey**  
Staff recommends that the Board of Directors discuss the scope of the strategic plan and authorize the General Manager to sign a service agreement with BHI Management Consulting for a not-to-exceed value of \$52,380.

Directors commented that they agree that we need help with building the survey because they have been looking for questions to include since October and it is important to do the additional employee survey with an expert who has done this many times before. Directors mentioned that they are not certain on the scope of the public meetings since that is their job to get public comments from the rate payers.

Directors commented that a strategic plan is to define where we want to be as an organization. They have seen many instances where many strategic plans went on a shelf and never to be seen again. The way to avoid that from happening is to include metrics that could be met and by creating work plans. This is something that they want to see happen with CWD's strategic plan. Directors mentioned that they do not see why the Board and senior management cannot get together and make a plan for CWD to create the strategic plan but they understand that there is no one currently on staff that could do this right now. They also commented that they can help do the survey in house and they have experience in doing employee surveys.

Directors commented that this is a scaled down model of what was originally proposed. This has been something that the Board and staff have been talking about for a long time now. They commented that this has not been done because there was another big project that they were working on; and now that it has ended, they should focus on this and finally start with a professionals help.

Directors commented that by having a third party conduct the surveys it removes the biases and they would be able to gather all the feedback from the Board and employees objectively. They stated that crafting questions that would provide useful feedback/answers is an art and it takes some one with the right skills to be able to create them.

Directors inquired as to how many hours this scope includes is reasonable.

The General Manager informed the Board of Directors that the amount of hours projected in the scope of work is reasonable.

Mr. Hanscom commented that it is his opinion that water districts that are all publically owned and operated are very unique because they are actually producing a product that is sold to the public, which normally is a private sector function. He mentioned that CWD is even more unique because most water districts are more into distribution rather than production like CWD. He commented that he was looking through the consultant's resume which included a lot of management and government experience but is missing water district experience. On the list of agencies they have served, he only saw nine water districts; and he is unaware if they are water districts similar to CWD or if they were more into just distribution. He commented that he thinks that if CWD wants someone to develop a strategic plan that the directors should choose someone with more experience with water districts like CWD.

Directors commented that they believe that based on the water districts listed, the contractor has quite a bit of experience and that there are pretty good sized water districts on the list. They also commented that no two water districts are the same so the consultant has a wide range of expertise.

**M/S Davis / Nelson** to approve contract with BHI Management Consulting including the optional employee survey and withholding, at this time, the optional public meeting task item until further discussion by the Board at a later meeting.

Mark Emmerson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>	<input type="checkbox"/>
Jeff Nelson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>	<input type="checkbox"/>
Ronald Davis	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>	<input type="checkbox"/>
Ron Greenwood	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>	<input type="checkbox"/>
Paul Selsky	Aye	<input type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input checked="" type="checkbox"/>	Abstain	<input type="checkbox"/>	<input type="checkbox"/>
Board Totals:	Ayes:	4	Nays:	<input type="checkbox"/>	Absent:	1	Abstain:	<input type="checkbox"/>	0
<b>Passed Unanimously:</b>		<input checked="" type="checkbox"/>							

5. **La Vista Storage Tank & Booster Pump Station Project – Professional Services Agreement (PSA) Amendment #1 for Construction Management Services**

Staff recommends that the Board of Directors approve a contract increase from \$999,201 to \$1,431,874 with Water Works Engineers and authorize the General Manager to execute Professional Services Agreement Amendment 1.

**M/S Emmerson / Davis** to table this item.

Mark Emmerson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>	<input type="checkbox"/>
Jeff Nelson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>	<input type="checkbox"/>
Ronald Davis	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>	<input type="checkbox"/>
Ron Greenwood	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>	<input type="checkbox"/>
Paul Selsky	Aye	<input type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input checked="" type="checkbox"/>	Abstain	<input type="checkbox"/>	<input type="checkbox"/>
Board Totals:	Ayes:	4	Nays:	<input type="checkbox"/>	Absent:	1	Abstain:	<input type="checkbox"/>	0
<b>Passed Unanimously:</b>		<input checked="" type="checkbox"/>							

**BUDGET WORKSHOP**

6. **Budget Workshop**

The Finance Manager presented the upcoming changes for the FY 24-25 budget.

Directors commented that it seems like the water revenue has gone up significantly.

The Finance Manager informed the Board of Directors that there is an increase in water usage.

Directors inquired how the grants are going with the State of California.

The General Manager informed the Board of Directors that the District has received the money.

Directors commented that the legislators recently began to stop all those checks from being distributed due to the projected state budget shortfall.

The General Manager informed the Board of Directors that the grant the District received was already deposited into the bank in its own account.

Directors commented that budgeting the expenses more accurately is appropriate and fine tuning the budget will make the strategic planning more accurate as well. They also commented that they appreciate staff taking the time to do this.

Directors commented that they notice that the transmission and Distribution repairs/maintenance expenses are going down and they are having a hard time believing and understanding that.

The Finance Manager informed the Board of Directors that this is because the Distribution Superintendent is outsourcing more and is using his staff less for projects like these. By doing this, they are using more of the capital budget. There is also a \$10,000 cut from road restoration while others have a bigger allocation. About 60 percent of Distribution's time is going to be in service line replacements, fire hydrant replacements, mainline replacements and not the big pipeline projects, meaning a bigger portion of their labor and benefits will be in the CIP rather than being in the O&M side.

Directors inquired about the Sacramento County impact project and what it is for.

The Finance Manager informed the Board of Directors that this item is budgeted every year for \$200,000 in preparation for any Sacramento County road projects that are unplanned by the District so there is always money available to manage that. It is not a reserve that accumulates but it is money that is set aside in the budget to prepare for the unknown projects.

Directors commented that when staff updates the reserve policy for the Ranney Collector Rehab/Replacement to make sure it states that the funding could be \$300,000 to \$500,000 every year.

Directors commented that the water use restrictions are still under negotiation with the State but could potentially start as early as 2027 but the District's budget most likely will not get affected until 2035.

Directors inquired about the SCADA upgrades pricing and how much the servers will cost.

The General Manager informed the Board of Directors that the SCADA upgrade is not cheap and they do not have the pricing for the servers yet. The process will start by changing the Programmable Logic Controllers in the field, the treatment plant, and at the well sites. She also mentioned that the software has not been chosen yet.

Directors thanked the Finance Manager for the presentation and all the hard work of the staff.

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**INFORMATIONAL ITEMS:****7. Water Conservation Regulations – "Making Conservation a Way of Life" Update****8. Update on COTP - Transmission Leasing Next Steps**

Directors commented that the insurance cost to operate the transmission line has skyrocketed for the potential of fire hazards and the deductible on the policy is \$25 million.

The General Manager commented that the insurance only covers up to a certain amount and if there is a large fire, the coverage could be minimal.

Directors commented that they were initially worried that the value but it sounds like other irrigation districts or electricity providers may be interested in potentially buying our share.

Directors commented that the most recent transaction was about \$350,000 per megawatt and that was between members.

Directors commented that if SMUD was to credit the District with the 1 megawatt power, then it would be worth keeping it.

**9. Water Agencies File Lawsuit to Protect Water Rates and Local Control**

Directors commented that this lawsuit was an interesting topic of conversation at CAP to CAP.

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**ADJOURNMENT:** Vice President Greenwood adjourned the meeting at: **4:05 p.m.**

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**Paul Selsky, Board President**

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**Cathy Lee, Board Secretary**

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**CARMICHAEL WATER DISTRICT**  
**PAID EXPENDITURES REPORT**  
For the period April 1 to April 30, 2024

**AGENDA ITEM 4**

Check Number	Date Issued	Payee	Description: "Division: Department - Object - detail data"	Amount
75971	4/15/2024	3D Technology Services Inc	Admin svcs: General admin: Facility repair and maintenance	440.00
75972	4/15/2024	ACWA JPIA (Dental vision life et al)	All Depts: May Dental, vision, life, EAP	3,202.51
75973	4/15/2024	American River Flooring	CIP - WTP Building rehab	598.27
75974	4/15/2024	BZ Service Station Maintenance Inc	Distribution: Admin: Fuel tank maintenance/inspections	1,272.57
75975	4/15/2024	Best Cleaning Team LLC	Production: General admin, Admin: General Admin - Janitorial - March	1,500.00
75976	4/15/2024	Brightview Landscape Service DBA Emerald	Admin svcs: General Admin and Production: WTP/Well Operations - Facility maintenance - Landscape services - April	2,080.00
75977	4/15/2024	Brower Mechanical Inc	Admin svcs: General admin - Facility repair and maintenance	579.00
75978	4/15/2024	BSK Associates	Production: WTP/Well Operations - Water quality	3,122.00
75979	4/15/2024	Buckmaster Office Solutions	Admin svcs: Information technology - Equipment repairs and maintenance	304.82
75980	4/15/2024	California Surveying and Drafting Supply	Admin svcs: Engineering - Software and licensing - GIS monthly software fees - April	150.00
75981	4/15/2024	Capital Rubber Co Ltd	Production: WTP Operations - Systems maintenance	384.55
75982	4/15/2024	Carmichael Tire & Auto Repair	Distribution: Admin - Vehicle repairs and maintenance	72.93
75983	4/15/2024	CD & Power (Calif Diesel & Power)	Production: WTP Operations - Systems maintenance	489.92
75984	4/15/2024	City of Sacramento	Production: WTP Operations - Water quality	8,114.21
75985	4/15/2024	Clark Pest Control	Admin svcs: General Admin - Facility maintenance - Pest control services	136.00
75986	4/15/2024	Comcast	Admin svcs: IT - Telecommunications	609.77
75987	4/15/2024	Corrpro Companies Inc	Production: Well Operations - Well repairs and maintenance	1,035.00
75988	4/15/2024	Deluxe checks	Admin svcs: Finance - Bank Charges	157.11
75989	4/15/2024	Domenichelli and Associates Inc	Engineering: Contract services - Fire Flow	1,124.17
75990	4/15/2024	Dugan Management and Engineering Inc	CIP - Claremont mainline replacement project	9,837.38
75991	4/15/2024	East Bay Municipal Utility District	Production: WTP Operations - Chemicals	799.20
75992	4/15/2024	Filmtec Corp (formerly Evoqua)	Production: WTP Operations - Chemicals	1,597.73
75993	4/15/2024	Fire code Safety Equipment Inc	Production: WTP Operations - Facility maintenance	95.00
75994	4/15/2024	Florin Perkins Landscape Materials	Admin svcs: Outreach - Outreach (Mulch)	2,989.25
75995	4/15/2024	Future Ford of Sacramento (Suburban Mort	Production: Admin - Vehicle repairs and maintenance	872.72
75996	4/15/2024	Hach Company	Production: Admin - Lab chemicals and supplies	935.54
75997	4/15/2024	Harris Industrial Gases	Distribution: Admin - Equipment rental	188.05
75998	4/15/2024	Home Depot	Distribution: Admin- Shop supplies, Building maint, Admin svcs: General admin- Facility maint	1,140.06
75999	4/15/2024	Idexx Distribution Inc	Production: Admin - Lab chemicals and supplies	803.67
76000	4/15/2024	JAMS Inc	CIP - La Vista Tank and pump station	5,684.20
76001	4/15/2024	Kimmel Construction Inc	CIP - District wide security upgrade	9,285.00
76002	4/15/2024	Koch & Koch Inc	CIP - La Vista Tank and pump station	173,759.70
76003	4/15/2024	LaFleur Excavating Inc	Hydrant meter deposit refund	4,310.00
76004	4/15/2024	Network Design Associates Inc	Admin svcs: IT - Contract services, Network monitoring/risk	3,090.00
76005	4/15/2024	Olin corp - Chlor Alkali	Production: WTP Operations - Chemicals	13,032.34
76006	4/15/2024	Pace Supply Corp	Inventory	11,200.71
76007	4/15/2024	Patitucci Tree Trimming and Removal Inc	Production: Well operations - Repairs and maintenance	6,000.00
76008	4/15/2024	Patron Trucking Inc	Distribution: Transmission and distribution - Road materials	3,744.22
76009	4/15/2024	PG&E	Production: WTP Operations - Power	47.11
76010	4/15/2024	PG&E Non- Energy Collection Unit	Admin svcs: General admin - COTP - April	10.00
76011	4/15/2024	Quill.com	Admin svcs: General Admin - Office supplies and expense, Production: Admin- Supplies	461.68
76012	4/15/2024	Rawles Engineering Inc	Distribution: Transmission and distribution - Service line replacement	2,680.00
76013	4/15/2024	Sacramento County Recorder	Admin svcs: Finance: Customer service - Lien release fee	20.00
76014	4/15/2024	Sacramento County Utilities	Production: WTP Operations - Utilities	101.25
76015	4/15/2024	Sacramento Metropolitan Air Quality Mgmt.	Production: WTP Operations - License, fees and permits	9,470.00

**CARMICHAEL WATER DISTRICT**  
**PAID EXPENDITURES REPORT**  
For the period April 1 to April 30, 2024

Check Number	Date Issued	Payee	Description: "Division: Department - Object - detail data"	Amount
76016	4/15/2024	SMUD	Production: Well Operations and WTP Operations - Power, Admin svcs: General admin - Power	43,366.54
76017	4/15/2024	SMUD	Production: WTP Operations - Power	28,031.17
76018	4/15/2024	State Water Res Control Brd (NPDES)	Production: WTP Operations - License, fees and permits	704.00
76019	4/15/2024	Stovall Ranch Trucking	Distribution: Admin- Spoils removal	6,000.00
76020	4/15/2024	Univar USA Inc	Production: WTP Operations - Chemicals	9,736.14
76021	4/15/2024	Waste Management of Sacramento	Admin svcs: General admin - Utilities, Production: WTP Operations - Utilities	643.90
76022	4/15/2024	West America Bank - Petty Cash	Admin svcs: Director travel and meetings, GM- Travel and meetings	89.33
76023	4/15/2024	Zim Industries Inc	CIP - La Sierra well	73,644.30
76024	4/16/2024	Kiwanis Club of Carmichael	Admin svcs: Outreach: Outreach	150.00
76025	4/17/2024	ACI formerly Official Payments Corp	Admin svcs: Finance: Customer Service - Payment processing fees - March	60.75
76026	4/17/2024	Adam Moreno	Admin svcs: Outreach - Turf replacement	2,000.00
76027	4/17/2024	Andrew Woodruff	Admin svcs: Outreach - Turf replacement	2,000.00
76028	4/17/2024	Bay Alarm Company	Admin svcs: General Admin - Security, Production: WTP Operations - Security	1,078.02
76029	4/17/2024	BSK Associates	Production: WTP Operations - Water Quality	210.00
76030	4/17/2024	Carbon Health Medical Group of CA	Admin svcs: HR - Exams and screenings	270.00
76031	4/17/2024	Clark Pest Control	Production: WTP Operations - Facility maintenance	160.00
76032	4/17/2024	Comcast	Production: Admin - Telecommunication	667.18
76033	4/17/2024	County of Sacramento - Encroachment Perm	Distrib: Trans and distrib- Contract services, CIP - La Vista Tank and pump station, CIP- San Juan MLP	5,026.32
76034	4/17/2024	Frisch Engineering Inc	CIP - Garfield generator	22,790.00
76035	4/17/2024	GEI Consultants	CIP - La Sierra well	21,245.75
76036	4/17/2024	Glen Zuffelato	Admin svcs: Outreach - Turf replacement	1,452.00
76037	4/17/2024	Grainger	Distribution: Admin- Safety, Transmission and distribution - Main line valve repairs	139.94
76038	4/17/2024	Harrington Industrial Plastics LLC	Production: WTP Operations - System maintenance	2,129.80
76039	4/17/2024	Hunt & Sons Inc	Distribution: Transmission and distribution - Fuel	2,901.69
76040	4/17/2024	Inland Business Systems Inc	Admin svcs: IT - Equipment repairs and maintenance	147.25
76041	4/17/2024	Invoice Cloud Inc	Admin svcs: Customer service - Payment processing fees - March	8,902.45
76042	4/17/2024	JERRY JULIE RHEA	Admin svcs: Customer service: Customer refund (Overpayment on account)	451.94
76043	4/17/2024	John LeMieux	Distribution: Admin - Claims	3,346.20
76044	4/17/2024	Mitch's Certified Classes	**VOIDED AND REISSUED #76072*** Production: Admin - Training	800.00
76045	4/17/2024	Network Design Associates Inc	Admin svcs: IT - Contract services, Network monitoring/Risk assessment, Hardware	1,935.31
76046	4/17/2024	New Answernet Inc	Admin svcs: IT - Telecommunications	200.00
76047	4/17/2024	Pace Supply Corp	Inventory	968.28
76048	4/17/2024	Parcel Quest	Admin svcs: IT - General software license	2,399.00
76049	4/17/2024	Patron Trucking Inc	Distribution: Transmission and distribution - Road materials	2,473.29
76050	4/17/2024	Quill.com	Admin svcs: General Admin - Office supplies and expense, Production: Admin - Supplies	577.29
76051	4/17/2024	Red Wing Business Advantage Account	Distribution: Admin - Safety	281.21
76052	4/17/2024	Richard Newens	Admin svcs: Outreach - Turf replacement	1,008.00
76053	4/17/2024	Sacramento County Recorder	Admin svcs: Finance: Customer service - Lien release fee	160.00
76054	4/17/2024	San Juan Water District	Admin svcs: BOD - Water management	2,250.00
76055	4/17/2024	Technology Unlimited	Admin svcs: Finance: Customer service - Payment processing software	1,780.00
76056	4/17/2024	Telstar Instruments Inc	Production: Pumping plant assets, General admin - Equipment repairs/maintenance	14,890.00
76057	4/17/2024	US Bank	See "Credit card expenses" below	
76058	4/17/2024	Verizon Wireless	Admin svcs: IT - Telecommunications	648.60
76059	4/30/2024	Adobe	Admin svcs: IT - General software and licensing	4,102.20
76060	4/30/2024	American River Flooring	CIP - WTP building rehab	5,384.50
76061	4/30/2024	Bartkiewicz Kronick & Shanahan	CIP - Winding Way Well	197.50

**CARMICHAEL WATER DISTRICT**  
**PAID EXPENDITURES REPORT**  
For the period April 1 to April 30, 2024

Check Number	Date Issued	Payee	Description: "Division: Department - Object - detail data"	Amount
76062	4/30/2024	Best Cleaning Team LLC	Production: General admin, Admin services: General Admin - Janitorial -April	1,500.00
76063	4/30/2024	Brightview Landscape Service DBA Emerald	Production: WTP Ops and Well Ops - Facility maint (WTP, Charleston) - Landscape services - May	1,200.00
76064	4/30/2024	BSK Associates	Production: WTP Operations - Water Quality	568.00
76065	4/30/2024	Carmichael Tire & Auto Repair	Production: Admin - Vehicle repairs and maintenance	462.94
76066	4/30/2024	CD & Power (Calif Diesel & Power)	Production: Well Operations - Maintenance Production: WTP Operations- Systems maintenance	3,375.00
76067	4/30/2024	Concrete Equipment Services Inc	Distribution: Admin - Equipment repairs and maintenance	62.31
76068	4/30/2024	EMA Inc	CIP - SCADA upgrade	22,333.88
76069	4/30/2024	Gavrilov & Brooks Law	Admin svcs: HR - Legal litigation services	715.00
76070	4/30/2024	Harrington Industrial Plastics LLC	Production: WTP Operations - Systems maintenance	298.71
76071	4/30/2024	LaFleur Excavating Inc	CIP - San Juan Mainline Project	699,825.00
76072	4/30/2024	Mitch's Certified Classes Inc	Production: Admin - Training- Reissue	800.00
76073	4/30/2024	Network Design Associates Inc	Admin svcs: IT - General software/licensing, Contract services, Network monitoring, Capital Assets -IT	39,488.52
76074	4/30/2024	Pace Supply Corp	Inventory	713.84
76075	4/30/2024	Patitucci Tree Trimming and Removal Inc	Production: Well Operations - Well site repairs and maintenance	3,500.00
76076	4/30/2024	PG&E	Admin svcs: General admin - Power	134.31
76077	4/30/2024	Quill.com	Admin svcs: General admin - Office supplies, Production: Admin - Office supplies and Supplies	407.05
76078	4/30/2024	Somach Simmons & Dunn	Admin svcs: Board - Legal services, Water rights/management	10,161.90
<b><u>EFT</u></b>				
33773	4/1/2024	CalPERS (Medical)	All Depts: Benefits - April Medical insurance premium	71,113.18
33775	4/1/2024	Mutual of Omaha	All Depts: Benefits - April LTD and life insurance premiums	1,551.29
33776	4/3/2024	CalPERS 457 Plan	457 Payment for the pay period 3/18/24-3/31/24	5,552.45
33777	4/4/2024	CalPERS (Pension contribution)	Pension Contribution (ER and EE) Pay period 3/4/24-3/17/24	18,827.17
33778	4/16/2024	CalPERS 457 Plan	457 Payment for the pay period 4/1/24-4/14/24	5,338.29
33779	4/16/2024	CalPERS (Pension contribution)	Pension Contribution (ER and EE) Pay period 3/18/24-3/31/24	18,827.19

**CARMICHAEL WATER DISTRICT**  
**PAID EXPENDITURES REPORT**  
For the period April 1 to April 30, 2024

Check Number	Date Issued	Payee	Description: "Division: Department - Object - detail data"	Amount
<b><u>Credit Card Expenses</u></b>				
76057	4/17/2024	US Bank		5,218.69
		AWWA	Production: Admin - Training	100.00
		Amazon	Production: WTP Operations: Systems maintenance	35.85
		Ace Hardware	Distribution: Admin - Shop supplies	23.64
		McClatchy (Sac Bee)	Admin svcs: General Admin - Advertising formal bid	705.28
		Quick Quack	Production: Admin, Admin svcs: General admin - Vehicle maintenance and repairs	41.99
		Zoom	Admin svcs: IT - General software license	111.93
		ACWA	Admin svcs: Office of GM - Training, certificates, travel, meetings	840.00
		ACWA	Admin svcs: Board of Directors- Training, certificates, travel, meetings	840.00
		ACWA	Admin svcs: Board of Directors- Training, certificates, travel, meetings	840.00
		ACWA	Admin svcs: Board of Directors- Training, certificates, travel, meetings	840.00
		ACWA	Admin svcs: Board of Directors- Training, certificates, travel, meetings	840.00
<b>Check register total</b>				<b>1,476,902.21</b>
		Payroll	Employee wages, payroll taxes, payroll processing fees (Paydates: 4/3, 4/17, 5/1)	331,987.64
<b>Total paid expenditures</b>				<b>1,808,889.85</b>
<b>*****INFORMATIONAL*****</b>				
<b><u>Bond expenditures to be reimbursed to the General Fund from the Bond Proceeds account</u></b>				
76000	4/15/2024	JAMS Inc	CIP - La Vista Tank and pump station	5,684.20
76002	4/15/2024	Koch & Koch Inc	CIP - La Vista Tank and pump station	173,759.70
76033	4/17/2024	County of Sacramento - Encroachment Perm	CIP - La Vista Tank and pump station	289.00
		Total Bond expenditures		179,732.90

**CARMICHAEL WATER DISTRICT**  
**Budget to Actual**  
**For the nine months ended March 31, 2024**  
**75% of the Budget expired**

	<b>March Actual</b>	<b>Fiscal YTD Actual</b>	<b>Fiscal Year Amended Budget*</b>	<b>Budget Available</b>	<b>% of Budget Used</b>
<b>Revenue</b>					
<b>District revenue</b>					
Water sales	1,110,361	12,133,364	14,530,000	2,396,636	83.51%
Water service fees and charges	7,142	61,326	95,500	34,174	64.22%
Other service fees	8,618	78,609	100,000	21,391	78.61%
Grant revenue	-	462,450	3,430,000	2,967,550	13.48%
Interest income	22,378	270,902	404,365	133,463	66.99%
Miscellaneous	54,973	67,249	709,064	641,815	9.48%
Facility fees	-	31,155	50,000	18,845	62.31%
<b>Total District revenue</b>	<b>1,203,472</b>	<b>13,105,055</b>	<b>19,318,929</b>	<b>6,213,874</b>	<b>67.84%</b>
<b>Outside boundary sales</b>					
Treatment and delivery charges	86,858	671,189	1,324,022	652,833	50.69%
<b>Total Outside boundary sales</b>	<b>86,858</b>	<b>671,189</b>	<b>1,324,022</b>	<b>652,833</b>	<b>50.69%</b>
<b>TOTAL REVENUE</b>	<b>1,290,330</b>	<b>13,776,244</b>	<b>20,642,951</b>	<b>6,866,707</b>	<b>66.74%</b>
<b>Expenditures</b>					
<b>Bond interest expense</b>					
COPS Interest	-	331,774	979,620	647,846	33.87%
<b>Administrative Services</b>					
<b>Board of Directors</b>					
Director's Fees, taxes, insurance	2,618	19,677	29,274	9,597	67.22%
Board expenses	21,853	99,417	102,500	3,083	96.99%
<b>Total Board of Directors Department</b>	<b>24,471</b>	<b>119,094</b>	<b>131,774</b>	<b>12,680</b>	<b>90.38%</b>
<b>Office of the General Manager</b>					
Salaries, benefits, taxes	24,395	243,691	328,841	85,150	74.11%
Studies, contracts	7,992	22,039	50,000	27,961	44.08%
Training/certification/travel/meetings	-	3,187	5,000	1,813	63.74%
<b>Total Office of the General Manager</b>	<b>32,387</b>	<b>268,917</b>	<b>383,841</b>	<b>114,924</b>	<b>70.06%</b>
<b>Engineering/Technical Services</b>					
Salaries, benefits, taxes	51,361	389,502	827,268	437,766	47.08%
Software licensing, supplies, general office	3,047	11,241	21,450	10,209	52.41%
General engineering/contract services	735	7,139	55,000	47,861	12.98%
Training/certification/travel/meetings	-	-	3,000	3,000	0.00%
<b>Total Engineering Department</b>	<b>55,143</b>	<b>407,882</b>	<b>906,718</b>	<b>498,836</b>	<b>44.98%</b>
<b>Finance</b>					
Salaries, benefits, taxes	37,951	347,462	511,872	164,410	67.88%
Professional and contract services	-	44,975	53,700	8,725	83.75%
Fees and charges	1,583	14,915	16,310	1,395	91.45%
Training/certification/travel/meetings	-	595	3,000	2,405	19.83%
<b>Total Finance Department</b>	<b>39,534</b>	<b>407,947</b>	<b>584,882</b>	<b>176,935</b>	<b>69.75%</b>
<b>Customer Service</b>					
Salaries, benefits, taxes	27,140	255,240	364,015	108,775	70.12%
Billing expense	5,823	40,419	77,000	36,581	52.49%
Payment processing and collection fees	8,822	68,332	116,600	48,268	58.60%
Professional and contract services	-	-	4,000	4,000	0.00%
<b>Total Customer Service Department</b>	<b>41,785</b>	<b>363,991</b>	<b>561,615</b>	<b>197,624</b>	<b>64.81%</b>

**CARMICHAEL WATER DISTRICT**  
**Budget to Actual**  
**For the nine months ended March 31, 2024**  
**75% of the Budget expired**

	March Actual	Fiscal YTD Actual	Fiscal Year Amended Budget*	Budget Available	% of Budget Used
<b>Human Resources</b>					
Salaries, benefits, taxes	8,487	81,686	115,475	33,799	70.74%
Recruitment, exams/screenings	135	3,580	4,250	670	84.24%
Legal and litigation expense	1,210	9,172	62,000	52,828	14.79%
Training/certification/travel/meetings	-	12	1,200	1,188	1.00%
Employee recognition	-	788	3,000	2,212	26.27%
<b>Total Human Resources Department</b>	<b>9,832</b>	<b>95,238</b>	<b>185,925</b>	<b>90,687</b>	<b>51.22%</b>
<b>Information Technology</b>					
Contract services	906	36,052	60,700	24,648	59.39%
Software, licensing, website maintenance	6,939	69,501	102,056	32,555	68.10%
Hardware and supplies	-	11,658	15,500	3,842	75.21%
Equipment repairs/maintenance	268	3,115	10,000	6,885	31.15%
Telecommunications	1,450	16,932	30,000	13,068	56.44%
<b>Total Information Technology Department</b>	<b>9,563</b>	<b>137,258</b>	<b>218,256</b>	<b>80,998</b>	<b>62.89%</b>
<b>Public Outreach and Water Efficiency</b>					
Salaries, benefits, taxes	7,864	132,831	144,397	11,786	91.99%
Outreach	13,288	18,543	53,650	35,107	34.56%
Training/certification/travel/meetings	265	390	2,000	1,610	19.50%
Grant/other program expense	-	7,802	125,900	118,098	6.20%
Contract services	-	4,000	4,000	-	100.00%
<b>Total Public Outreach/Water Efficiency Department</b>	<b>21,417</b>	<b>163,566</b>	<b>329,947</b>	<b>166,381</b>	<b>49.57%</b>
<b>General Administration</b>					
Dues and memberships	(1,594)	117,753	160,273	42,520	73.47%
Facility expenses	3,820	51,813	69,884	18,071	74.14%
Fees and permits	155	10,535	11,695	1,160	90.08%
General administration expenses	976	7,560	21,400	13,840	35.33%
Retiree medical	21,420	179,928	245,000	65,072	73.44%
Insurance	16,451	145,690	171,071	25,381	85.16%
<b>Total General Administration Department</b>	<b>41,228</b>	<b>513,279</b>	<b>679,323</b>	<b>166,044</b>	<b>75.56%</b>
<b>Total Administrative Services expenses</b>	<b>275,360</b>	<b>2,477,172</b>	<b>3,982,281</b>	<b>1,505,109</b>	<b>62.20%</b>
<b>Production expenses</b>					
<b>Production Administration</b>					
Salaries, benefits, taxes	80,085	760,235	1,263,935	503,700	60.15%
General administration expenses	407	21,159	41,300	20,141	51.23%
Training/certification/travel/meetings	80	5,230	7,000	1,770	74.71%
<b>Total Production Administration Department</b>	<b>80,572</b>	<b>786,624</b>	<b>1,312,235</b>	<b>525,611</b>	<b>59.95%</b>
<b>Treatment Plant Operations</b>					
Facility expense	4,990	25,748	41,720	15,972	61.72%
Water quality	2,365	36,297	48,700	12,403	74.53%
Chemicals	882	145,760	248,500	102,740	58.66%
Power	62,762	660,492	901,600	241,108	73.26%
Systems maintenance	(26,155)	32,805	211,000	186,687	15.55%
Fees, permits, services	6,549	35,973	108,900	72,927	33.03%
<b>Total Treatment Plant Operations Department</b>	<b>51,393</b>	<b>937,075</b>	<b>1,560,420</b>	<b>623,345</b>	<b>60.05%</b>

**CARMICHAEL WATER DISTRICT**  
**Budget to Actual**  
**For the nine months ended March 31, 2024**  
**75% of the Budget expired**

	<b>March Actual</b>	<b>Fiscal YTD Actual</b>	<b>Fiscal Year Amended Budget*</b>	<b>Budget Available</b>	<b>% of Budget Used</b>
<b>Well Operations</b>					
Power	10,654	175,650	425,600	249,950	41.27%
Well site/Reservoir maintenance	181	20,129	32,750	13,871	61.46%
<b>Total Well Operations Department</b>	<b>10,835</b>	<b>195,779</b>	<b>458,350</b>	<b>262,571</b>	<b>42.71%</b>
<b>Total Production Expenses</b>	<b>142,800</b>	<b>1,919,478</b>	<b>3,331,005</b>	<b>1,411,527</b>	<b>57.62%</b>
<b>Distribution Expenses</b>					
<b>Distribution Administration</b>					
General administration expenses	1,244	20,935	60,300	39,365	34.72%
Fees, permits, services	403	12,585	30,200	17,615	41.67%
Vehicle repairs and maintenance	25	5,319	54,000	48,681	9.85%
Fuel/fuel tank maintenance	2,584	29,855	50,000	20,145	59.71%
Training/certification/travel/meetings	-	3,780	8,000	4,220	47.25%
<b>Total Distribution Administration Department</b>	<b>4,256</b>	<b>72,474</b>	<b>202,500</b>	<b>130,026</b>	<b>35.79%</b>
<b>Transmission and Distribution Maintenance</b>					
Salaries, benefits, taxes	87,033	787,154	1,201,478	414,324	65.52%
Capitalized labor, benefits, taxes	(23,333)	(89,263)	(196,377)	(107,114)	45.46%
Infrastructure repairs	71,624	233,700	502,500	268,800	46.51%
Road restoration	8,777	135,482	446,000	310,518	30.38%
<b>Total Transmission and Distribution Maintenance Department</b>	<b>144,101</b>	<b>1,067,073</b>	<b>1,953,601</b>	<b>886,528</b>	<b>54.62%</b>
<b>Total Distribution Expenses</b>	<b>148,357</b>	<b>1,139,547</b>	<b>2,156,101</b>	<b>1,016,554</b>	<b>52.85%</b>
<b>TOTAL O&amp;M EXPENSES</b>	<b>566,517</b>	<b>5,867,970</b>	<b>10,449,007</b>	<b>4,581,037</b>	<b>56.16%</b>
<b>Capital expenditures</b>					
<b>Capital funded by rates</b>					
Administrative Services- Capital improvements	-	-	208,000	208,000	0.00%
Production - WTP Facility improvements	82,532	1,214,233	1,163,203	(51,030)	104.39%
Production - Wells (Includes grant funded projects)	15,275	697,202	4,761,797	4,064,595	14.64%
Production - Vehicle and equipment	-	2,660	140,000	137,340	1.90%
Distribution - In house constructed assets	42,549	366,491	388,899	22,408	94.24%
Distribution - Mainline projects	12,305	1,753,599	2,500,000	746,401	70.14%
Distribution - Vehicles and equipment	-	120,222	480,000	359,778	25.05%
<b>Total Capital funded by rates</b>	<b>152,661</b>	<b>4,154,407</b>	<b>9,641,899</b>	<b>5,487,492</b>	<b>43.09%</b>
<b>Capital funded by reserves</b>					
Membrane replacement expense	27,453	27,453	200,000	172,547	13.73%
Sacramento County impact projects	-	-	200,000	200,000	0.00%
<b>Total Capital Funded by reserves</b>	<b>27,453</b>	<b>27,453</b>	<b>400,000</b>	<b>372,547</b>	<b>6.86%</b>
<b>Debt Service, Other sources/Uses of funds</b>					
Series B (2010 COP's Refinanced)	-	1,515,000	1,515,000	-	100.00%
PERS unfunded Liability	-	300,000	300,000	-	100.00%
OPEB Liability Funding	200,000	200,000	200,000	-	100.00%
<b>Total Debt Service, Other sources/Uses of funds</b>	<b>200,000</b>	<b>2,015,000</b>	<b>2,015,000</b>	<b>-</b>	<b>100.00%</b>

**CARMICHAEL WATER DISTRICT**  
**Budget to Actual**  
**For the nine months ended March 31, 2024**  
**75% of the Budget expired**

	<b>March Actual</b>	<b>Fiscal YTD Actual</b>	<b>Fiscal Year Amended Budget*</b>	<b>Budget Available</b>	<b>% of Budget Used</b>
<b>Reserve Funding/(Uses)</b>					
Filter skid replacement	-	-	650,000	650,000	0.00%
Use of membrane reserve-CY	(27,453)	(27,453)	(200,000)	(172,547)	13.73%
Facilities fees	-	-	50,000	50,000	0.00%
County impact reserve- One time funding use	-	-	(592,920)	(592,920)	0.00%
<b>Total Reserve Funding/(Uses)</b>	<b>(27,453)</b>	<b>(27,453)</b>	<b>(92,920)</b>	<b>(65,467)</b>	<b>29.54%</b>
<b>Total Expenditure, Debt Service, Fund Sources/(Uses), Reserves</b>	<b>919,178</b>	<b>12,037,377</b>	<b>22,412,986</b>	<b>10,375,609</b>	<b>53.71%</b>
<b>Budget surplus (deficiency)</b>	<b>371,151</b>	<b>1,738,867</b>	<b>(1,770,035)</b>	<b>(3,508,902)</b>	<b>(1)</b>
Undesignated surplus funding source	-	-	1,770,035	1,770,035	-
<b>Final budget surplus (deficiency)</b>	<b>371,151</b>	<b>1,738,867</b>	<b>-</b>	<b>(1,738,867)</b>	
<b>Capital projects funded by Bonds</b>					
CIP- La Vista Tank and Pump Station	15,047	502,819	1,450,000	612,415	34.68%
<b>Total Capital projects funded by Bonds</b>	<b>15,047</b>	<b>502,819</b>	<b>1,450,000</b>	<b>947,181</b>	<b>34.68%</b>

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



**CARMICHAEL WATER DISTRICT**  
**Budget Amendments**  
**As of March 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					
Agenda Item #13					
		Net effect on total appropriations		-	
Amendment # 3	General ledger account	Account description	Adopted		Amended
			Budget	Add (reduce)	Budget
	10-011105-28	Winding Way well replacement	1,161,797.00	(900,000.00)	261,797.00
		Ranney Collector cleaning	500,000.00	900,000.00	1,400,000.00
Board Meeting 1/16/2024					
Agenda Item #12.1					
		Net effect on total appropriations		-	

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# MEMO

**TO:** Board of Directors

**FROM:** Debbie Martin, CPA (Inactive), Finance Manager/Treasurer

**DATE:** May 10, 2024

**RE:** Treasurer's Report – For the quarter ended March 31, 2024

## Discussion:

In accordance with Government Code Section 53646 (b) (1) and Directors' Policy 9600, Investment of District Funds, the Treasurer's Report for the quarter ended March 31, 2024 is hereby submitted. The purpose of the Treasurer's Report is to update the Board and the public on the status of the District's cash balances and investments, highlight material changes from one period to another, and provide sufficient and relevant detail regarding the District's investments and cash balances.

The District's investment objectives are established by the Board approved Directors' Policy 9600 – Investment of District Funds and are guided and constrained by the California Government Code. The Policy is reviewed by the Board on an annual basis each January to ensure ongoing compliance with the government code and to ensure the policy's consistency with the overall objectives of preservation of principal, liquidity, return on investment and relevance to financial and economic trends.

An extensive review and update to the investment policy was completed and approved by the Board on June 20, 2023 and was reviewed again and adopted at the January 16, 2024 Board meeting. The updated Policy maintains the following objectives for the portfolio:

1. Safety
2. Liquidity
3. Return on investments

The activity of the funds during the quarter was as follows:

Bank account - Name	Bank balance as of December 31, 2023	Revenue and transfers in	Expenditures and transfers out	Interest income	Bank balance as of March 31, 2024	Change
Westamerica Bank (WAB):						
Checking	\$ 18,988,371.43	\$ 4,600,589.82	\$ (5,268,758.96)	\$ -	\$ 18,320,202.29	\$ (668,169.14)
Grant fund	0.38	-	-	-	0.38	-
Facilities fees (Restricted)	216,484.08	-	-	37.47	216,521.55	37.47
Local Agency Investment Fund (LAIF)	5,016,933.79	-	-	49,780.12	5,066,713.91	49,780.12
US Bank - Series A Payment fund	1,044.37	356,747.09	-	12.53	357,803.99	356,759.62
US Bank - Series B Payment fund	4,821.91	119,297.14	-	57.89	124,176.94	119,355.03
US Bank- Bond proceeds - restricted	5,940,225.47	-	(271,487.32)	70,686.08	5,739,424.23	(200,801.24)
<b>Total</b>	<b>\$ 30,167,881.43</b>	<b>\$ 5,076,634.05</b>	<b>\$ (5,540,246.28)</b>	<b>\$ 120,574.09</b>	<b>\$ 29,824,843.29</b>	<b>\$ (343,038.14)</b>

At the end of the previous quarter on December 31, 2023, the value of the District's total portfolio, including unspent bond proceeds was \$30,167,881.43. Since that time, the value of the District's portfolio decreased by \$343,038.14 for an ending balance of \$29,824,843.29 as of March 31, 2024. The decrease in cash was due to the ongoing expenditures for the District's CIP projects including the Ranney Collector cleaning, the San Juan Mainline project, and the funding for the grant funded eligible costs for the Well replacements. Drawdown of the unspent bond proceed funds continued with ongoing expenses for the La Vista Tank and pump station project. As allotted in the District's approved budget this year, and planned for in the Board Reserve policy, the District also remitted the additional OPEB voluntary contribution of \$200,000 this quarter.

The District received \$120,574.09 in investment income this quarter, an increase of \$21,787 over last quarter. The increase was largely due to the \$3,000,000 investment in LAIF that was completed last quarter. The District's investments for reserves now represent 17% of the total cash held by the District, including the unspent bond proceeds. LAIF's yield increased .71% over last quarter to yield 4.3% this quarter with US Bank's money market yield dipping down slightly by .06% to arrive at 4.78% this quarter.

The overall portfolio holdings at March 31, 2024 are listed in the following table:

<b>Holdings</b>	<b>Yield %</b>	<b>Current Fair Market Value</b>	<b>Cost</b>	<b>Maturity Date</b>	<b>% of holding</b>
WAB - Demand deposits	N/A	\$ 18,320,202.67	\$ 18,320,202.67	N/A	61.4%
Local Agency Investment Fund (LAIF)	4.300%	5,037,282.72	5,066,713.91	N/A	17.0%
WAB - Demand deposit - Facilities fees - Restricted	0.07%	216,521.55	216,521.55	N/A	0.7%
US Bank - Series A/B U.S. Money Market Funds	4.78%	481,980.93	481,980.93	N/A	1.7%
US Bank - Bond proceeds - U.S. Money Market Funds- Restricted	4.78%	5,739,424.23	5,739,424.23	N/A	19.2%
		<u>\$ 29,795,412.10</u>	<u>\$ 29,824,843.29</u>		<u>100.0%</u>

The holdings are allocated as follows: 1) 61.4% of the District's funds are on deposit with Westamerica Bank for short term operational needs and reserve accumulations, 2) 17.0% are on deposit with LAIF, invested in short-term investments that are considered liquid, holding long term reserves for capital investments, 3) .7% are held in restricted funds from Facility fee collections invested in West America Bank Public Money Market Savings, 4) 19.2%, representing unspent COP bond proceeds, are on deposit with US Bank in First American Funds, Class D Government Obligations Fund, in a restricted account for designated capital projects, and last, 4) 1.7% are on deposit at US Bank, in a U.S. Money Market Fund, holding funds for the upcoming May 1 interest payments due on the Series A and Series B bond debt.

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

#### **Recommended Action:**

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

**AMENDMENT No. 3 TO THE MEMORANDUM OF AGREEMENT  
FOR REIMBURSEMENT OF PAYMENTS FOR  
FEDERAL LEGISLATIVE ADVOCACY SERVICES  
BETWEEN SAN JUAN WATER DISTRICT AND CARMICHAEL WATER DISTRICT**

This is Amendment No. 3 to the Memorandum of Agreement for Reimbursement of Payments for Federal Legislative Advocacy Services (“MOA”) that was made between the San Juan Water District (“District”) and the Carmichael Water District (“CWD”) as of September 1, 2021. The District and the CWD are hereinafter collectively referred to as the “Parties.”

**RECITALS**

**WHEREAS**, the Parties entered into the MOA dated September 1, 2021, for the cost sharing of federal legislative advocacy services, by The Ferguson Group.

**WHEREAS**, this amendment will extend the amended MOA to and through June 30, 2025, at the not to exceed expenditure of \$9,000 (inclusive of regular business expenses), at \$750 per month.

**NOW, THEREFORE**, the Parties hereto agree as follows:

**AGREEMENT**

1. Section 3 of the MOA is amended to read that it “shall remain in full force and effect through June 30, 2025,” instead of June 30, 2023, while retaining all other language in the Section.
2. All other terms and conditions in the MOA shall remain in full force and effect to the extent they are not in conflict with this Amendment.
3. The signatures of the Parties to this Amendment may be executed and acknowledged on separate pages or in counterparts which, when attached to this Amendment, shall constitute one complete Amendment.

IN WITNESS WHEREOF, the Parties execute this Amendment, effective as of July 1, 2024.

SAN JUAN WATER DISTRICT

By: \_\_\_\_\_

Paul Helliker  
General Manager

Date: \_\_\_\_\_

CARMICHAEL WATER DISTRICT

By: \_\_\_\_\_

Cathy Lee  
General Manager

Date: \_\_\_\_\_



**FISCAL YEAR 2024-2025**

**DRAFT BUDGET**



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7837 Fair Oaks Boulevard  
Carmichael, CA 95608  
(916) 483-2452  
[www.carmichaelwd.org](http://www.carmichaelwd.org)

**Elected Board of Directors**

Paul Selsky, President, Division 5  
Ron Greenwood, Vice President, Division 4  
Ronald Davis, Division 1  
Mark Emmerson, Division 2  
Jeff Nelson, Division 3

**General Manager**

Cathy Lee

**Finance Manager**

Debbie Martin

**Senior Accountant**

Ben Strange

**Fiscal Year**

July 1, 2024 – June 30, 20

DRAFT

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**CARMICHAEL WATER DISTRICT**  
**RESOLUTION**

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Carmichael Water District  
California**

For the Fiscal Year Beginning

**July 01, 2023**

*Christopher P. Morill*

Executive Director

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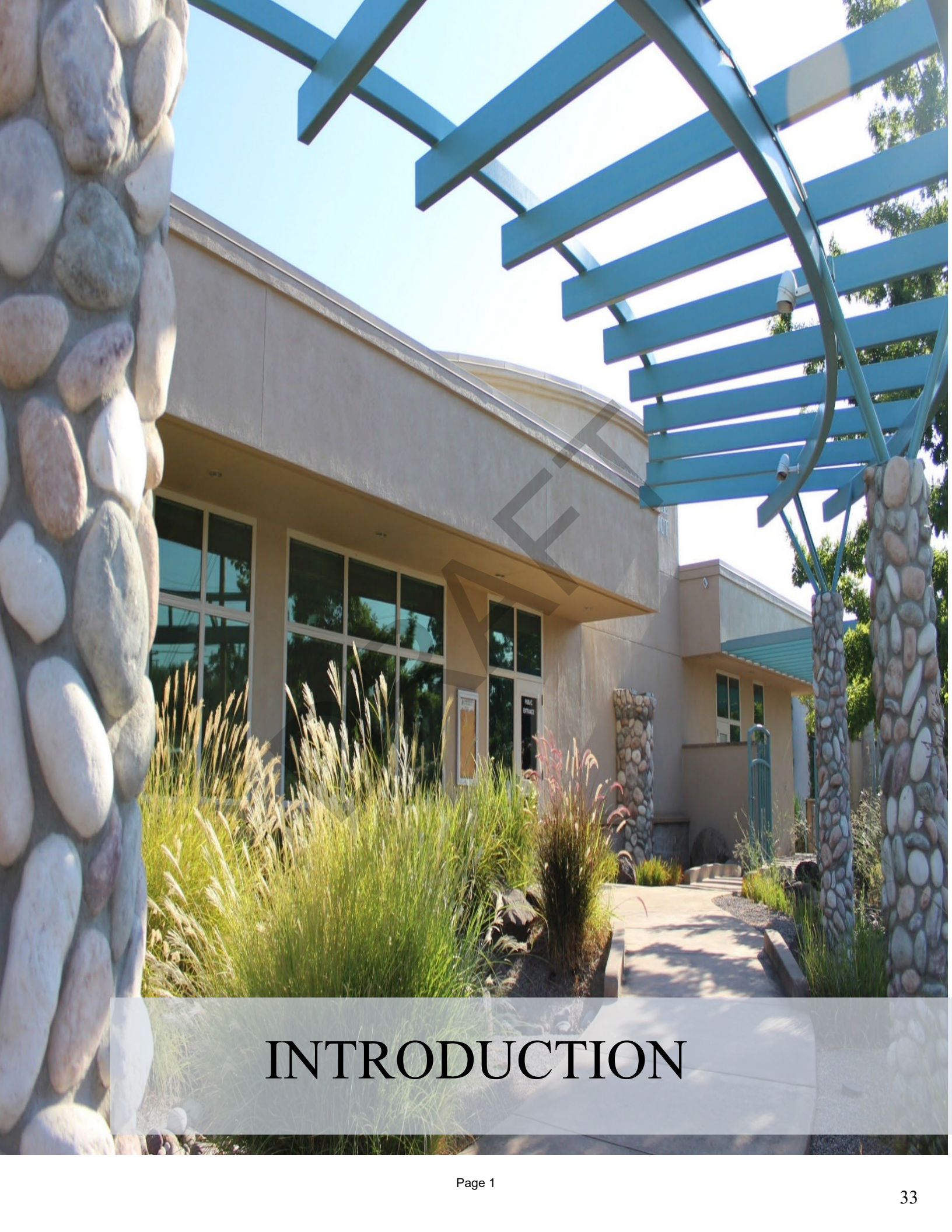
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# INTRODUCTION

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## Letter from the General Manager

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PENDING

DRAFT



### Creation of the District

The origin of the District dates to July 3, 1915 when the Carmichael Colonies Improvement Club appointed a committee to investigate the possible formation of an irrigation district to address the growing water needs of the Carmichael Colony. The committee hired Albert Givan, Sacramento Civil Engineer, to study the engineering feasibility of the projects. The result of that study was the formation of the Carmichael Irrigation District and the filing for a 15 cubic foot per second water right from the American River. The District held its first official meeting on February 8, 1916. At this time, the District was governed by a three-member Board of Directors. Elected to the first Board of Directors were Fred T. Phelps, J.M. Jones, and Arch D. McDonell. The District was the first irrigation district established in Sacramento County under the Wright Irrigation Act of 1887. This led the way for surrounding Colonies to pursue their own irrigation districts.



### Responding to Growing Water Needs

The District changed its name to Carmichael Water District in the 1980's but remains organized under the laws governing irrigation districts. The governance of the District is now through a five-member Board of Directors with each director elected to represent a division of approximately equal population within the service area. Today's District has come a long way from servicing the original ten acre plots to now covering approximately eight square miles. The District currently employs trained staff with the responsibilities of providing water treatment and delivery, administration, financial services, engineering, field operations, maintenance services, water efficiency and public information services to the District's customers.

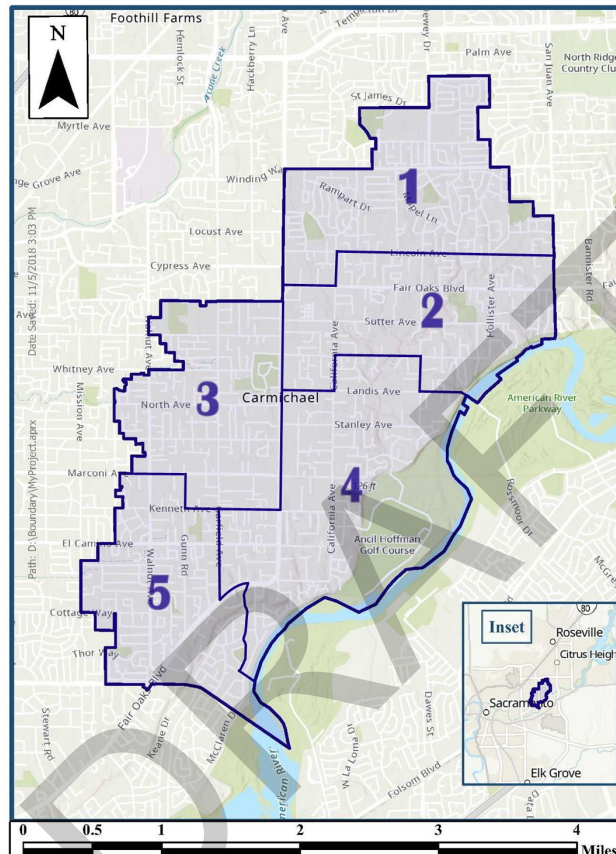
Since its formation, the District has used several water supply diversions off the American River which have been modified and improved to become the current infiltration diversions feeding the Bajamont Water Treatment Plant, which is the main source of water supply for District customers. Groundwater was also developed by the District prior to World War II as part of a balanced conjunctive use portfolio management strategy and continues today with the District maintaining 4 groundwater wells with 3 of those utilized as primary wells.



Without a safe and reliable supply of public water, the Carmichael community could not have developed into the great place to live, work and play as it is today.

## Profile

The District maintains over 160 miles of water lines within its approximately eight square mile service area. The District supplies an average of 2,940 million gallons of water annually to its approximately 40,000 customers located in the Carmichael Community. The governance of the District is through a five member elected Board of Directors with each director representing a division of approximately equal population within the service area.

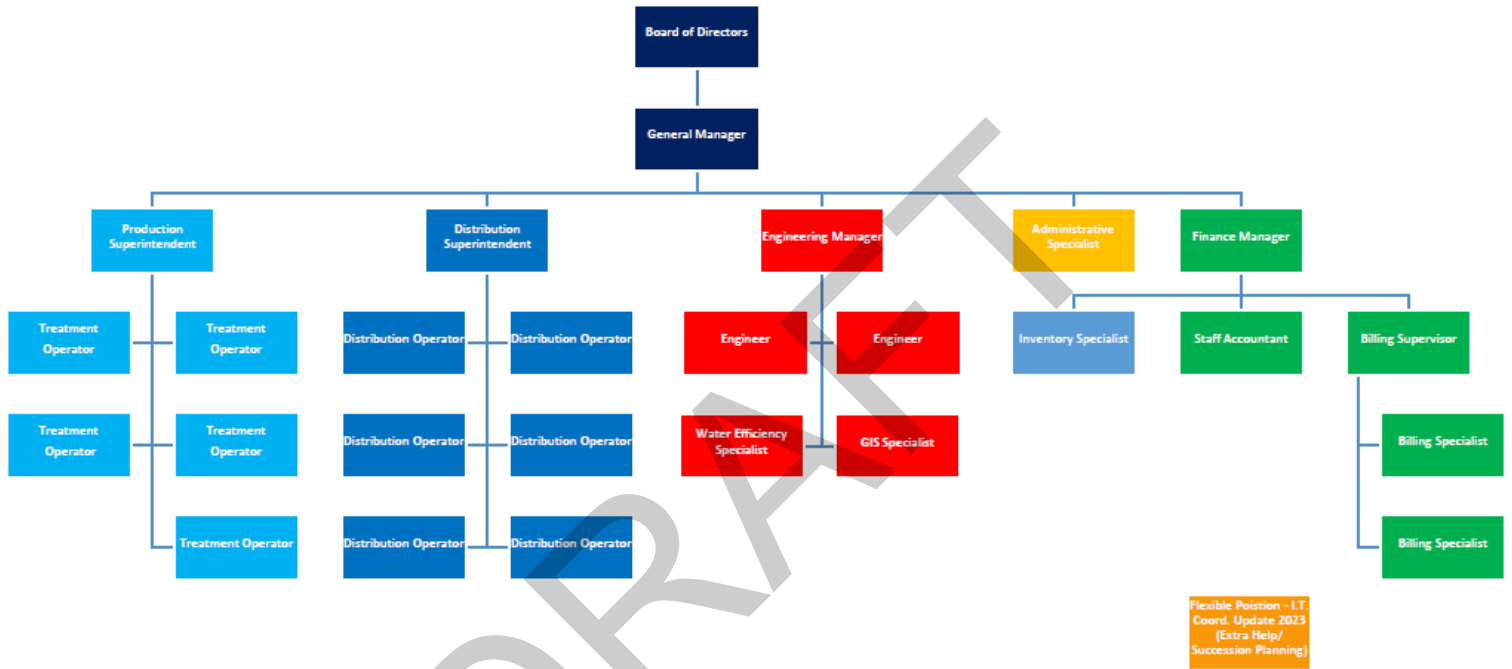


## Water Sources

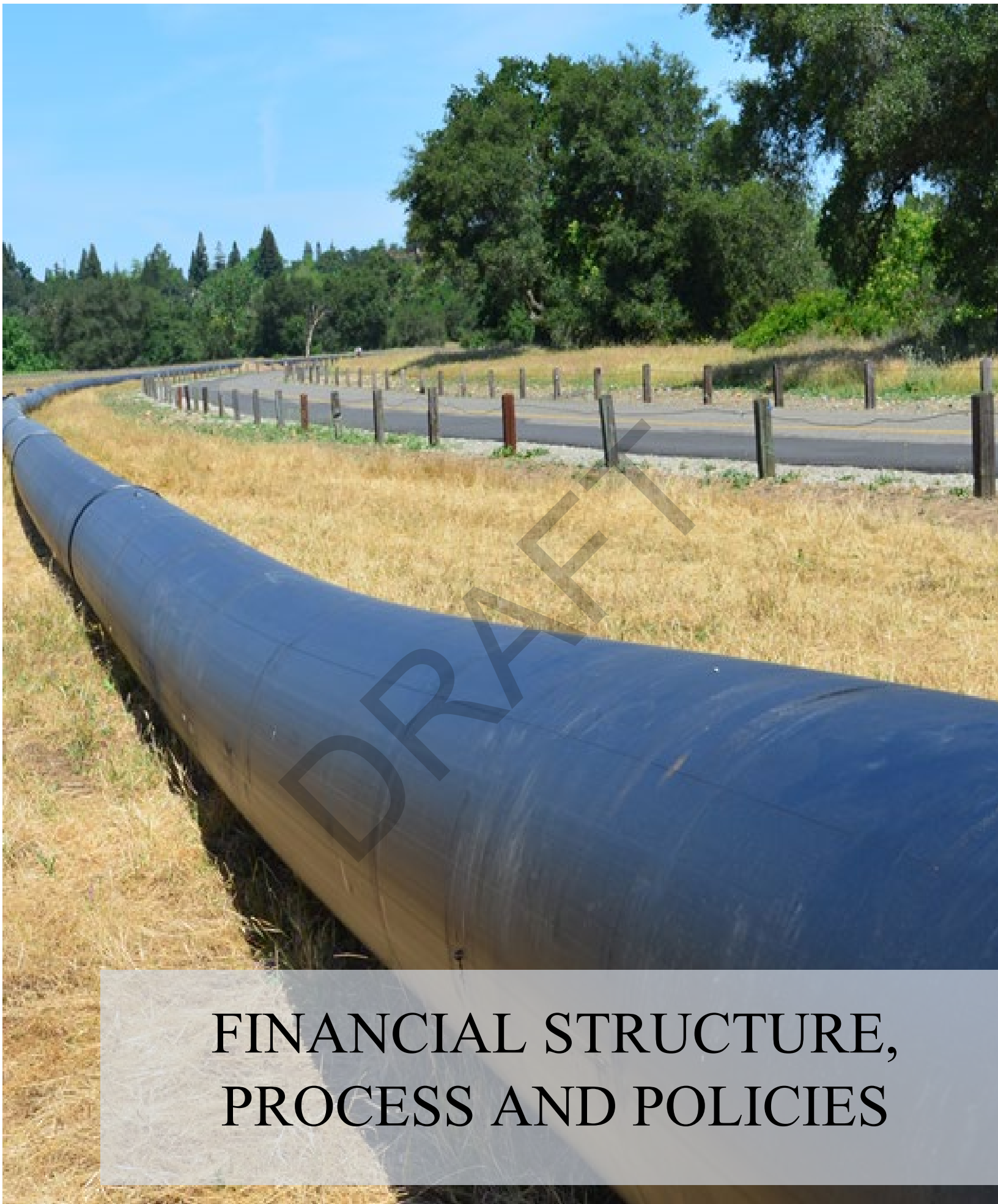
The District utilizes surface water from the American River and groundwater from District wells to meet the demand of District customers. The majority of the District's water is produced at the Bajamont Water Treatment Plant (WTP) which employs micro-filtration membrane technology to produce high quality water. Since the expansion of the WTP in 2008, the District has reduced the number of groundwater sources to 3 primary wells. The wells are operated seasonally, May through September. The District groundwater is of high quality and does not require additional treatment. The District routinely tests for over 140 contaminants to ensure safe and healthy drinking water for District customers. The District continues to meet or exceed all state and EPA regulatory requirements, and continues to deliver high quality water to their customers.



# Organizational Structure



Updated July 2024



# FINANCIAL STRUCTURE, PROCESS AND POLICIES

## Basis of Budgeting

The District's financial records are kept in accordance with Generally Accepted Accounting Principles (GAAP) for governmental funds. The District follows GAAP requirements using the full accrual basis of accounting. Therefore, revenues are recognized in the accounting period in which they are earned and operating expenses are recognized in the accounting period incurred.

The exceptions are as follows:

- a. Compensated absence liabilities are expected to be liquidated with current expendable financial resources, they are accrued as earned by employees (GAAP standard) as opposed to being expended when paid.
- b. Principal payments on Long Term Debt applied to the outstanding liability on a GAAP basis, as opposed to being expended on a budget basis.
- c. Capital outlay are capitalized on a GAAP basis; however, on a budget basis, they are treated as expenses.
- d. Depreciation expense is recorded on a GAAP basis but is not contemplated on the budget basis.
- e. Interest expenses are capitalized during construction on a GAAP basis, but are reported as an expense on a budget basis.
- f. Pension expense is budgeted based on employer contribution rates assigned by CalPERS. For financial statement reporting, pension expense is recorded based on the change in the net pension liability in accordance with the Governmental Accounting Standards Board (GASB).
- g. Other post-employment benefits (OPEB) is budgeted based on the District's anticipated fiscal year contribution. For financial statement reporting, OPEB expense is recorded based on the change in net OPEB liability in accordance with GASB.



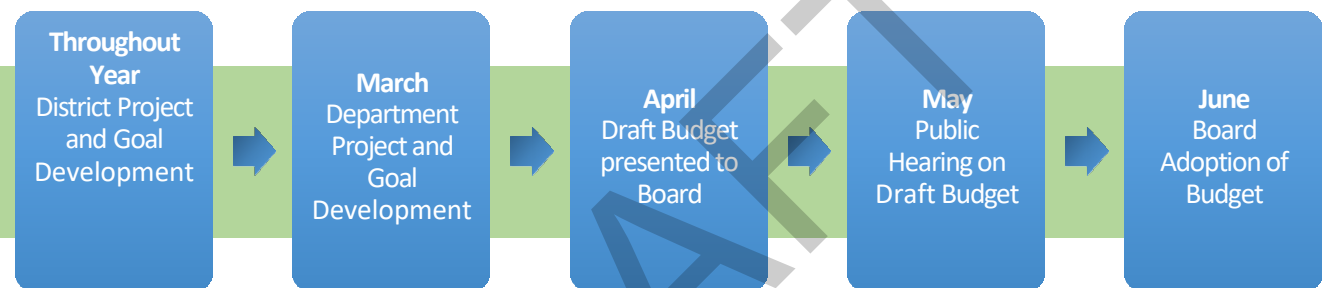
## Budget Process and Control

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### Budget Process

The budget reflects the direction of the District and is the District's communication tool to the public. The budget represents guidelines established to address the District's goals and objectives. This document also demonstrates the District's ability to use financial resources for completing critical capital projects for current and future customers, as well as the District's commitment to meet its financial obligations. Throughout the year management staff plans out the goals of the District that support the District's mission, vision, and values.

The budget process timeline outlined below.



### Budget Control

Throughout the budget period, management staff are responsible for monitoring their department's budget. The Staff Accountant provides tools for managers to review their budgets at any time. In addition to the budget process, staff presents a monthly budget summary to the Board for review and approval. The budget summary updates the Board of all operating revenues and expenses.

There are times when funds may need to be transferred from one account to another, these are quarterly budget adjustments which are a reallocation of expenditures that were already included in the budget and do not affect total appropriation approved by the Board. In the case of an unplanned expenditure, the budget adjustment will be presented to the Board as a reallocation or for approval to increase the budget utilizing reserves.

### **Internal Control Structure**

District management is responsible for the establishment and maintenance of the internal control structure that ensures that the assets of the District are protected from loss, theft or misuse. The internal control structure also ensures that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The District's internal control structure is designed to provide reasonable assurance that these objectives are met.

### **Investment Policy**

The Board annually adopts an investment policy in January that conforms to state law, District ordinances and resolutions, and prudent money management. Investments are made under the terms and conditions of Section 53600-53684 and Sections 16429.1 to 16429.3 of the Government Code of the State of California. The criteria for selecting investments and the order of priority are: safety, liquidity, and return on investment. A monthly transactions report is presented to the Board in accordance with Section 53607 of the Government Code.

### **Risk Management**

The District is a member of the Association of California Water Agencies (ACWA) / Joint Powers Insurance Authority (JPIA). The purpose of ACWA/JPIA is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage. The District participates in General Liability, Property, Automotive, Cyber, Workers' Compensation, Public Officials' and Employees' Errors and Omissions, and Crime Coverage.

### **Asset Capitalization**

The District's Asset Capitalization regulation ensures that the District's capital assets are acquired, safeguarded, controlled, disposed of, and accounted for in accordance with state and federal regulations, GAAP, internal controls, and audit requirements. The District capitalizes assets when the useful life is greater than one year and the acquisition cost meets the capitalization threshold. Assets will be depreciated on the straight-line basis over their estimated useful life.

### **Debt Policy**

The District is committed to long-term financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. It is a policy goal of the District to protect ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The District recognizes that a fiscally prudent debt policy is required in order to:

- a. Maintain the District's sound financial position.
- b. Ensure the District has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- c. Protect the District's creditworthiness.
- d. Ensure that all debt is structured in order to protect both current and future ratepayers and constituents of the District.
- e. Ensure that the District's debt is consistent with the District's planning goals and objectives and capital improvement program or budget, as applicable.

## Purchasing

The District's purchasing regulation defines the practices governing the procurement of supplies, materials, equipment, and services including construction and capital improvement projects. This regulation is the written rule and regulation required by California Government Code Section 54202 and also serves as the District's administrative procedure governing procurement activities. The District has established bid thresholds as follows:

Amount	Bid/Quote Requirement	Document Required	Approving Authority
<b><u>Goods / Supplies / General Services</u></b>			
\$0 - \$2,500.00	None	Record of Purchase (receipt, invoice or other documentation) or Purchase Order	Superintendent
\$0 - \$5,000.00	None	Record of Purchase (receipt, invoice or other documentation) or Purchase Order	Manager
\$5,000.01 - \$15,000.00	Informal (Verbal or Written Quotes)	Purchase Order or Agreement	Finance Manager
\$15,000.01 - \$75,000.00	Informal (Written Quotes)	Purchase Order or Agreement	General Manager
Over \$75,000	Formal (Bid)	Purchase Order or Agreement	District Board
<b><u>Professional Services</u></b>			
\$0 - \$75,000.00	None	Professional Services Agreement	General Manager
Over \$75,000	None	Professional Services Agreement	District Board
<b><u>Public Works (Capital) Projects</u></b>			
\$0 - \$25,000.00	None	Short Form Public Works Construction Contract	Manager/Superintendent

\$25,000.01 - \$75,000.00	Informal (Written Quotes)	Public Works Construction Contract (Shirt or Long Form depending on complexity and risks of work)	General Manager
Over \$75,000	Formal (Bid)	Long Form Public Works Construction Contract	District Board

In the case of an emergency affecting public health and safety or operations of the District, the General Manager has the authority to purchase necessary goods or services in order to resume service or maintain operation of the District. A full accounting of such emergency expenditures by the General Manager will be reported to the Board at the next regular Board meeting.

### **Reserve Policy (Directors Policy 9610) PENDING REVISION**

The key to long-term financial stability is the ability to anticipate and prepare for significant financial obligations, to avoid and/or mitigate financial risk, and be able to respond responsibly and proactively to changing conditions and circumstances. The District has certain contractual, legal and other requirements to reserve cash and/or District capital, including debt covenants to satisfy specific claims on District assets or the District's earning capability.

Managing financial risk and providing stable funding to meet the District's long-term replacement and rehabilitation needs will assist the District in minimizing water rates over the long-term and help ensure continued reliable water service. The District's complete Reserve Policy is provided below:

#### **POLICY NUMBER: 9610**

**9610.10** The key to long-term financial stability is the ability to anticipate and prepare for significant financial obligations, to avoid and/or mitigate financial risk and to be able to respond responsibly and proactively to changing conditions and circumstances.

**9610.11** To achieve these goals, a portion of the Carmichael Water District's (District) net position, available resources, should be held in reserve for specified purposes. The District has certain contractual, legal and other requirements to reserve a portion of its available resources and/or District capital, including debt covenants to satisfy specific claims on District assets or the District's earning capability. Managing financial risk and providing stable funding to meet the District's long-term replacement and rehabilitation needs will assist the District in minimizing extra ordinary water rates adjustments over the long-term and help ensure continued reliable water service.

**9610.12** This policy establishes reserves to minimize adverse annual impacts from anticipated and unanticipated District expenses to mitigate and minimize risk and provide a mechanism to help ensure funding for long-term capital improvement needs.

#### **9610.20 The Reserve Structure**

**9610.21**      Unrestricted Reserves: General Operating Fund – The General Operating Fund is the primary fund within the District. Most of the water system’s revenues, including water rate revenues, flow into the General Operating Fund; all operating and maintenance costs, including debt service payments, are paid out of this fund. Funds are also transferred from the General Operating Fund to the Capital Fund to help pay for capital projects intended for new and replacement facilities.

**9610.22**      Board Designated Reserves: Capital Funds – Established by action of the Board of Directors (Board) and designated for specific purposes. This fund is utilized to fund capital and asset costs, for both new and replacement projects.

**9610.23**      Legally Restricted Reserves: Restricted Funds – Restrictions on the use of these funds are imposed by an outside source such as creditors, grantors, contributors, laws, or regulations governing use.

### **9610.30      Policy**

**9610.31**      Unrestricted Reserves: General Operating Fund – The following reserve is established consistent with the 2015 Business Plan, to be included within the District’s overall General Operating Fund.

**9610.312**      Operating Reserve: The purpose of the Operating Reserve is to provide sufficient funds for working capital and cash flow purposes, as well as funds for continued operation in the event of unplanned operating and maintenance expenditures. The District should maintain water rates and other revenues at such levels to maintain, at the end of each fiscal year, a minimum Operating Reserve balance equal to 50 percent of budgeted operating and maintenance costs, including debt service. This end-of-year balance is intended to ensure adequate working capital is available at the times that debt service payments are due, as well as to meet other ongoing cash flow needs throughout the year.

**9610.313**      This fund contains all operating and non-operating revenues not specifically allocable to other funds which may be used for the general purposes of the District. All operating and non-operating expenses identified and approved in the budget process, are financed from this fund. The use of the Operating Reserve is at staff’s discretion for the purpose of meeting the District’s financial obligations during each year.

**9610.314**      The Board should annually ensure that water rates and other charges are sufficient to meet or exceed the Operating Reserve target minimum balance at the end of each fiscal year.

**9610.315**      If at any time, during the course of normal operations, the Operating Reserve balance falls below 10 percent of budgeted operating and maintenance costs, including debt service, then the District should consider increasing the minimum year-end target amount, as well as prepare cash flow projections to verify that financial obligations will be met in the current year.

## 9610.32 Board Designated Reserves

**9610.321** Capital Fund Reserves: The following reserves are established by action of the Board and designated for specific purposes. These funds are utilized to fund capital and asset costs, for both new and replacement projects consistent with the 2020 Business Plan. The Capital Fund Reserves contain three reserve components.

a. Membrane Replacement Reserve: This is established to provide funds for the periodic replacement of membrane filters at the District's water treatment plant (WTP). Annual funding of this reserve is intended to reduce the financial impacts of large (concentrated) membrane purchases, and smooth rate increases. Moneys in the Membrane Replacement Reserve should be used, at staff's discretion, only for purchase of new membrane filters at the District's WTP. The District will accumulate funds into this reserve balance at the rate of \$200,000 per annum.

b. Filter Skid Replacement Reserve: This reserve is established to meet the needs of future replacement of entire filtration process including all the skids and associated appurtenances, collectively the "filter". Annual funding of this reserve is intended to reduce the burden for future financing and smooth upward rate adjustments. Funds in the Filter Skid Replacement Reserve should be used, at staff's discretion, for implementation, including but not limited to design, construction and purchase, of new filters at the District's WTP. The District will accumulate funds into this reserve balance at the rate of \$650,000 per annum through 2035.

c. Capital Replacement Reserve: This is established to provide funds in support of the District's on-going capital replacement program and to minimize or avoid the need for future long-term debt. This reserve balance is also intended to provide resources for eventual replacement of equipment, facilities, and infrastructure within the District.

- The District should seek to maintain an amount in the Capital Replacement Reserve sufficient to cover annual capital replacement program costs, as scheduled, with consideration of annual contributions to the reserve. Funds in the Capital Replacement Reserves should be used exclusively for capital projects planned and approved by the Board.
- The District should establish an annual transfer of funds from the General Operating Fund at a level sufficient to achieve the required target amount as identified in long-term financial planning analyses.
- Actual annual transfers should be determined based on near-term and long-term capital replacement needs, and not solely on immediate capital improvement project requirements.

d. Capital Facility Fees Reserve: The District collects capital facility fees from new development for capacity in the water system. This money is available to pay for capital facilities/expenditures that expand facilities in water system or otherwise extend the useful life of the existing facilities or assets. Water capital facilities fee revenue can be combined with the Capital Replacement Reserve and used for capital

projects, provided it is only spent on projects as explained above. The District staff will estimate, on a yearly basis, amount to be reserved in this reserve balance which will be based on the budgeted facility fees revenue.

e. Sacramento County (County) Impact Projects: This is established to provide funds for Sacramento County accelerated District requirements. County improvements require any permitted public utility to relocate its encroachment at the utility's expense within the time specified per Section 1463 of the Streets and Highways Code.

- When County funding comes available, the County projects are ready to go out to bid with little or no notice to the community and utilities. The County may receive accelerated federal grant funding money that may move certain projects ahead of their projected and/or scheduled dates. The District has established an annual budget for District required work for County Projects in its annual Capital Budget.
- The District should establish an annual transfer of funds from the General Operating Fund at a level sufficient to achieve the required target amount as identified in long-term financial planning analyses.
- Actual annual transfers will be determined by the staff for Board Approval based on both near-term and long-term County projects.

f. California Pension Retirement System (CalPERS) Unfunded Actuarial Liability (UAL) Pay-Down Reserve: The District recognizes its commitments to employees for retirement benefits and establishes a CalPERS UAL Pay-Down Reserve. The District will annually fund the reserve to pay-down pension amortization bases within the CalPERS until the unfunded liability is fully funded.

### **9610.33      Legally Restricted Reserves**

**9610.331**      *Debt-Related Funds and Reserves*: The District recognizes that borrowing long-term funds for the purpose of enhancing, improving or acquiring infrastructure and facilities may be necessary. When the District determines that borrowing is necessary to fund such asset acquisitions, all funds borrowed should be accounted for in accordance with the covenants, terms and conditions as set forth in the bond agreement, Certificate of Participation Official Statement (COP's), Installment Sales Agreement or other similar documents. The following District reserve and fund categories are established to meet long-term debt covenants and to assist the District in its long-term debt obligations:

a. Rate Stabilization Reserve Fund: A Rate Stabilization Reserve Fund was established and should be maintained at a level of \$500,000 to provide funds for meeting the District's debt service coverage requirement. The District may deposit surplus Net Revenues transferred from the General Operating Fund attributable to a fiscal year, or moneys derived from any other legally available source, into the Rate Stabilization Reserve Fund. The District may, at any time, withdraw moneys from the Rate Stabilization Reserve Fund and deposit such amounts into the General Operating Fund. For purposes of debt service coverage, amount established as the Rate

Stabilization Reserve Fund shall be deducted from Net Revenues and moneys withdrawn from the Rate Stabilization Reserve Fund shall be added to Net Revenues.

- Use of the Rate Stabilization Reserve Fund may concurrently ensure financial and customer rate stability in responding to conditions including but not limited to:
  - Unforeseen operating and/or capital expenditures.
  - Revenue losses due to water shortages, drought or other conditions.
  - Natural or man-made disasters.
  - Major transmission or distribution main failures.
- The District's Business Plan includes a water shortage financial analysis and recommends a multi-prong financial strategy, which includes using a portion of money available in the Rate Stabilization Reserve Fund to help mitigate the financial impacts of a water shortage and reduced water sales that create an unplanned financial deficit.
- As described in the District's Business Plan, under water shortage conditions with mandatory water use restrictions, the Rate Stabilization Reserve Fund could be used in conjunction with water shortage rate surcharges. Conditions for utilization of such reserves and a plan for fund replenishment will be directed by the Board in conjunction with the budget approval.

b. Debt Service Reserve Fund: A Debt Service Reserve Fund has been established and is used to maintain the Reserve Requirement, as required by bond related documents. A Debt Service Reserve Fund is held and maintained by a Trustee for the District. Funding and usage of the Debt Service Reserve Fund must be consistent with debt covenants.

**9610.332**     OPEB Reserve Trust Account: The District recognizes its commitments to employees for post-employment benefits and establishes an OPEB Reserve Trust Account, (held by an outside trustee). The District will annually fund the Trust Account until the unfunded liability is fully funded.

#### **9610.40            Conclusion**

The District's Business Plan outlines the necessary reserves' targets needed to meet current and future obligations. Maintaining, regularly updating, and adhering to an appropriately constructed reserve policy is a good business practice recognized by the Government Finance Officers Association, and is among the factors considered by the credit rating and investment community when assessing the credit-worthiness of the District. Therefore, the adequacy of the target reserves and/or annual contributions will be reviewed annually during the budgeting and rate setting process and may be revised as necessary.

**9610.41**            Any additional revenue sources that become available may enable the District to:

- a. Fund depleted or unfunded reserves; and
- b. Reduce future rate increases when reserve targets are met.





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# RATES AND FEES

## Water Rate Schedule

Current water rate schedule approved on June 20, 2023 – Effective January 1, 2025.

## Water Rates Structure for January 1, 2021 – December 31, 2025

Effective Dates	Jan. 1, 2021	July 1, 2021	Jan. 1, 2022	Jan. 1, 2023	Jan. 1, 2024	Jan. 1, 2025
<b>Water Usage Rates (In CCF)</b>						
All Customer Type Water Use	\$ 1.65	\$ 1.72	\$ 1.88	\$ 2.06	\$ 2.26	\$ 2.47
<b>Monthly Service Charge</b>						
	Bi-Monthly	Monthly				
3/4" meter	\$ 56.07	\$ 29.24	\$ 32.01	\$ 35.05	\$ 38.38	\$ 42.03
1" meter	\$ 87.82	\$ 45.79	\$ 50.14	\$ 54.90	\$ 60.12	\$ 65.83
1 1/2" meter	\$ 167.18	\$ 87.18	\$ 95.46	\$ 104.53	\$ 114.45	\$ 125.33
2" meter	\$ 262.43	\$ 136.84	\$ 149.84	\$ 164.07	\$ 179.66	\$ 196.73
3" meter	\$ 484.67	\$ 252.72	\$ 276.73	\$ 303.02	\$ 331.80	\$ 363.33
4" meter	\$ 802.15	\$ 418.27	\$ 458.00	\$ 501.51	\$ 549.15	\$ 601.32
6" meter	\$ 1,595.87	\$ 832.13	\$ 911.18	\$ 997.74	\$ 1,092.53	\$ 1,196.32
8" meter	\$ 2,548.32	\$ 1,328.77	\$ 1,455.00	\$ 1,593.22	\$ 1,744.58	\$ 1,910.31
Condominium Living Units	\$ 56.07	\$ 29.24	\$ 32.01	\$ 35.05	\$ 38.38	\$ 42.03
MF Living Units w/Separate Meter	\$ 56.07	\$ 29.24	\$ 32.01	\$ 35.05	\$ 38.38	\$ 42.03
<b>Monthly Fire Service Charges</b>						
Per Inch of Diameter	\$ 43.90	\$ 22.89	\$ 25.06	\$ 27.54	\$ 30.05	\$ 32.91

Notes:

- (1) Water Usage = CCF = 100 cubic feet = 748 gallons
- (2) Multi-Family includes duplexes, triplexes, fourplexes, and apartment complexes

## Water Shortage Surcharge Rate Structure

The following water shortage rate surcharges are applied as a percentage increase to the water usage rates in effect if and when a water shortage is declared by the District's Board of Directors. The fixed monthly service charges would be unaffected by the rate surcharges. Any implementation of a water shortage surcharge would be temporary, lasting only during the period of water shortage. Under the water shortage surcharges, customers achieving required water use reduction goals may have lower water bills than they would have with normal water rates and normal water usage. Customers that don't meet water use reduction goals may see higher water bills. The table below presents the proposed water shortage rate surcharge percentages, the same surcharge percentages would apply to any water usage rates as they may be adopted in subsequent years for normal supply conditions.

<b>Water Shortage Surcharge</b>							
	Normal Supply Conditions	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
Use Reduction Goals	None	0% - 10%	10% - 20%	20% - 30%	30% - 40%	40% - 50%	50% - 60%
Water Shortage Usage Rate Surcharge	n/a	n/a	5%	15%	20%	25%	30%



## Fee Schedule

### CARMICHAEL WATER DISTRICT - Fee Schedule

Fiscal Year 2024-2025

Description - (See Definitions at end of document)	Frequency / Conditions	Amount
<b>BILLING &amp; MISCELLANEOUS</b>		
Owner-Tenant/Management Billing Agreement	Per Agreement	\$ 22
Tenant/User-AB2747 Billing Agreement	Per Agreement	\$ 56
Overpayment Refund Request	Per Refund	\$ 45
Customer Payment Processing Error Payment Transfer	Per Occurrence	\$ 20
Meter Re-read/Re-inspection - with no Error	First within 12 month Period	\$ -
Meter Re-read/Re-inspection - with no Error	More than one (1) within 12 month Period	\$ 59
Meter Re-read/Re-inspection - with no Error	Each Additional Meter after First	\$ 13
Meter Final/Closing Read Fee	First Meter	\$ 47
Meter Final/Closing Read Fee	Each Additional Meter after First	\$ 4
Meter Test Fee	Regular Work Hours / Per Employee	\$ 126
Public Information Request	Per Sheet (if mailed + postage rate)	\$ 0.25
<b>COLLECTIONS</b>		
Payment Return Chargeback	Per Occurrence	\$ 47
Past Due	Per Occurrence	\$ 10
Door Hanger	Per Occurrence	\$ 57
Shut Off/Disconnection Non-Payment/Non-Compliance	Per Occurrence	\$ 86
Reconnection	Per Occurrence Normal Work Hours	\$ 59 **
Unauthorized Lock Removal or Unauthorized Restoration	Per Occurrence	\$ 105
Lien	Per Occurrence	\$ 40
Lien Release	Per Occurrence	\$ 82
Monthly Lien Interest	Per Month of Original Liened Amount	0.83%
<b>FIELD SERVICE WORK BY DISTRICT STAFF</b>		
Customer Assistance / Emergency Work / Tamper Fee	Hourly Per Employee Normal Work Hours	\$ 122
	Hourly Per Employee Non-Normal Work Hours	\$ 133 *
	Hourly Per Employee Holiday Work Hours	\$ 162 *
Denial of Access Fee	Per Occurrence	\$ 200
Meter Downsize	Per Occurrence	\$ 116
Meter Upsize	Per Occurrence (minimum \$410)	T&M **
Permanent Disconnection	Per Occurrence (minimum \$3,000)	T&M **
Temporary Maintenance Shutoff/Lockoff	Per Occurrence	\$ 86
<b>NEW CONSTRUCTION SERVICES</b>		
Inspection	Hourly Per Employee Normal Work Hours	\$ 147
	Hourly Per Employee Non-Normal Work Hours	\$ 200
	Hourly Per Employee Holiday	\$ 254
Fire Flow Analysis	Per Analysis	\$ 1,287
Plan Check Fees		
Residential 1 - 6 Lots	Minimum fee regardless of # plus per each addtl lot	\$ 2,216
Residential 7 - > Lots	Minimum fee plus per each addtl lot	\$ 358
Commercial 0 - 5,000 sqft	Minimum	\$ 1,993 ***
Commercial 5001 - 15,000 sqft	Minimum	\$ 4,110 ***
Commercial 15,001 or > sqft	Minimum	\$ 6,400 ***
<b>CAPITAL FACILITIES</b>		
	Per 3/4" Meter	\$ 6,395
	Per 1" Meter	\$ 10,653
	Per 1.5" Meter	\$ 21,307
	Per 2" Meter	\$ 34,096
	Per 3" Meter	\$ 63,921
	Per 4" Meter	\$ 106,535
	Per 6" Meter	\$ 213,070
	Per 8" Meter	\$ 340,913
<b>FIRE HYDRANT PERMIT</b>		
Permit	Per Permit	\$ 124
Equipment Deposit	Per Permit	\$ 4,960
<b>BACKFLOW</b>		
Annual Test	Per Test	\$ 83

\* Total fees will be based on a minimum of two (2) hours compensation.

\*\* Due to regulatory requirements, system requirements, type of Service, etc., service upgrade, connection fees and/or facilities fees may be required to reconnect.

\*\*\* In addition, District may charge on a time & materials basis for efforts that are atypical resulting in excess costs to perform the analysis. Includes multi-family and assisted living facilities.

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# FINANCIAL SUMMARIES

## Budget Summary Projection

	2023-2024 Final Budget	2023-2024 Year to date actuals thru 3-15-24	2024-25 Proposed budget	\$ Budget Increase/ (Decrease)	\$ Budget Increase/ (Decrease)
<b>REVENUE</b>					
<b>District Revenue</b>					
Water Sales	\$ 14,530,000	\$ 11,023,465	\$ 17,820,000	\$ 3,290,000	22.64%
Water service fees and charges	95,500	59,664	80,000	(15,500)	-16.23%
Other service fees	100,000	71,139	107,000	7,000	7.00%
Grant Revenue	3,430,000	462,450	7,650,000	4,220,000	123.03%
Interest income	404,365	270,720	400,000	(4,365)	-1.08%
Miscellaneous	709,064	72,354	50,000	(659,064)	-92.95%
<b>Total District Revenue</b>	<b>19,268,929</b>	<b>11,959,791</b>	<b>26,107,000</b>	<b>6,838,071</b>	<b>35.49%</b>
<b>Outside Boundary Sales</b>					
GSWC Treat and Deliver	1,324,022	584,331	1,452,000	127,978	9.67%
<b>Total Outside Boundary Sales</b>	<b>1,324,022</b>	<b>584,331</b>	<b>1,452,000</b>	<b>127,978</b>	<b>9.67%</b>
<b>Facility fees</b>	<b>50,000</b>	<b>31,155</b>	<b>50,000</b>	<b>-</b>	<b>0.00%</b>
<b>Total Revenue</b>	<b>20,642,951</b>	<b>12,575,277</b>	<b>27,609,000</b>	<b>6,966,049</b>	<b>33.75%</b>
<b>EXPENDITURES</b>					
<b>O &amp; M</b>					
COPs Interest	979,620	331,774	947,131	(32,489)	-3.32%
Administration	3,982,281	1,400,917	4,074,637	92,356	2.32%
Production	3,331,005	1,863,967	3,446,350	115,345	3.46%
Distribution	2,156,101	982,960	2,142,178	(13,923)	-0.65%
<b>Total O&amp;M</b>	<b>10,449,007</b>	<b>4,579,619</b>	<b>10,610,296</b>	<b>161,289</b>	<b>1.54%</b>
<b>Capital</b>					
<i>Capital funded by rates/grants</i>					
Administrative Services	208,000	-	40,000	(168,000)	-80.77%
Production - Wells (Includes grant funded projects)	3,861,797	696,868	7,930,000	4,068,203	105.34%
Production - WTP	2,203,203	1,196,524	1,365,000	(838,203)	-38.04%
Distribution	3,368,899	1,848,260	3,763,319	394,420	11.71%
<b>Total Capital funded by rates</b>	<b>9,641,899</b>	<b>3,741,652</b>	<b>13,098,319</b>	<b>3,456,420</b>	<b>35.85%</b>
<i>Capital funded by reserves</i>					
Membrane replacement expense	200,000	27,453	200,000	-	0.00%
Sacramento County Impact Projects	200,000	-	200,000	-	0.00%
<b>Total Capital funded by reserves</b>	<b>400,000</b>	<b>27,453</b>	<b>400,000</b>	<b>-</b>	<b>0.00%</b>
<b>Debt service, Other sources/uses of funds</b>					
Series B (2010 COPs Refinanced)	1,515,000	1,515,000	1,545,000	30,000	1.98%
PERS Unfunded Actuarial Liability	300,000	300,000	300,000	-	0.00%
OPEB Liability Funding	200,000	200,000	200,000	-	0.00%
<b>Total debt service, other sources/uses of funds</b>	<b>2,015,000</b>	<b>2,015,000</b>	<b>2,045,000</b>	<b>30,000</b>	<b>1.49%</b>
<b>Capital reserve funding/(uses)</b>					
Filter Skid Replacement	650,000	-	650,000	-	0.00%
Membrane Replacement			200,000	200,000	100.00%
Use of membrane reserve funding - CY	(200,000)	(27,453)	-	200,000	-100.00%
Facility fees	50,000	-	50,000	-	0.00%
County impact project reserves	(592,920)	-	-	592,920	-100.00%
Ranney Collector reserve - (Proposed)	-	-	500,000	500,000	100.00%
Undesignated surplus reserves	(1,770,035)	-	-	1,770,035	-100.00%
	<b>(1,862,955)</b>	<b>(27,453)</b>	<b>1,400,000</b>	<b>3,262,955</b>	<b>-175.15%</b>
<b>Total reserve funding/(uses)</b>					
<b>Total expenditures, debt service, sources/(uses) of funds/reserves</b>	<b>20,642,951</b>	<b>10,336,271</b>	<b>27,553,615</b>	<b>6,910,664</b>	<b>33.48%</b>
<b>Change in Working Capital-Excess (Deficiency)</b>	<b>\$ -</b>	<b>\$ 2,239,006</b>	<b>\$ 55,385</b>	<b>55,385</b>	<b>100.00%</b>
<b>Bond funded CIP</b>	<b>\$ 1,450,000.00</b>		<b>\$ -</b>	<b>\$ (1,450,000.00)</b>	<b>-100.00%</b>

**CARMICHAEL WATER DISTRICT  
DRAFT BUDGET  
2024-2025**

Includes Water Rate Adjustments effective January 1, 2025 (9.5%)

<b>Revenue</b>	<b>Draft budget</b>	<b>% of revenue</b>
Water revenue	17,900,000	64.83%
Outside boundary sales	1,452,000	5.26%
Miscellaneous and other income	157,000	0.57%
Grant/VA revenue	7,650,000	27.71%
Investment income	400,000	1.45%
Facilities fees	50,000	0.18%
<b>Total revenue</b>	<b>27,609,000</b>	<b>100.00%</b>
<b>Less: Expenditures</b>		
Labor costs (5% COLA effective 7-1-24)	4,978,263	18.03%
Services and supplies	4,684,902	16.97%
Debt service (Principal and interest)	2,492,131	9.03%
CIP Rate funded	5,498,319	19.91%
CIP Reserve funded	400,000	1.45%
CIP Grant/VA funded	7,600,000	27.53%
<b>Total expenditures</b>	<b>(25,653,615)</b>	<b>92.92%</b>
<b>Less: Reserve funds and liability pre-funding</b>		
Capital reserve funding	1,350,000	4.89%
OPEB/Pension liability pre-funding	500,000	1.81%
Facilities fees	50,000	0.18%
<b>Total reserve and prefunding</b>	<b>(1,900,000)</b>	<b>6.88%</b>
<b>Budget surplus/(deficit)</b>	<b>55,385</b>	<b>0.20%</b>

**Budget Highlights:**

9.5% Water rate increase effective January 1, 2025

Increased grant funding and use of VA funding for construction of wells/transmission pipeline

5.0 % Board authorized COLA wage increase effective July 1, 2024

Inflationary price increases across labor costs, services and supplies ranging from 5% - 20%

Escalation of SCADA upgrade project

Roof replacement for WTP

Combined Garfield-Engle/WTP Pipeline Congressional FY 24 Appropriation Funding of

\$960K will be presented in CWD FY 2025-26 Budget

Temporary funding for Distribution succession planning

Cost allocations of Engineering costs to WTP

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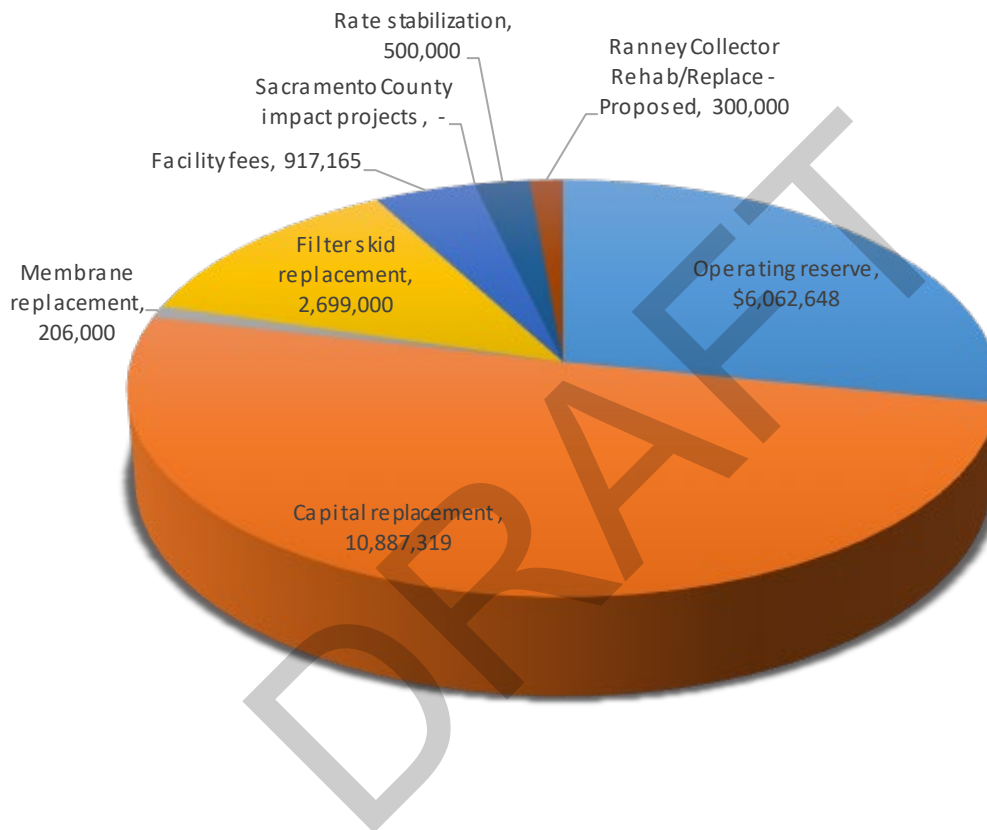
## Fund Balance Held in Reserve

Per District Policy #9610 - Reserve Policy, a portion of the District's net position/available resources should be held in reserve for specified purposes. Establishment of reserve accounts minimizes adverse annual impacts from anticipated and unanticipated expenses, mitigates and minimizes risks and provides a mechanism to help ensure funding for long term capital improvement needs. The chart below demonstrates compliance with policy and annual planning of reserve funding and uses. It can also be utilized as a factor in determining the long-term financial stability of the District.

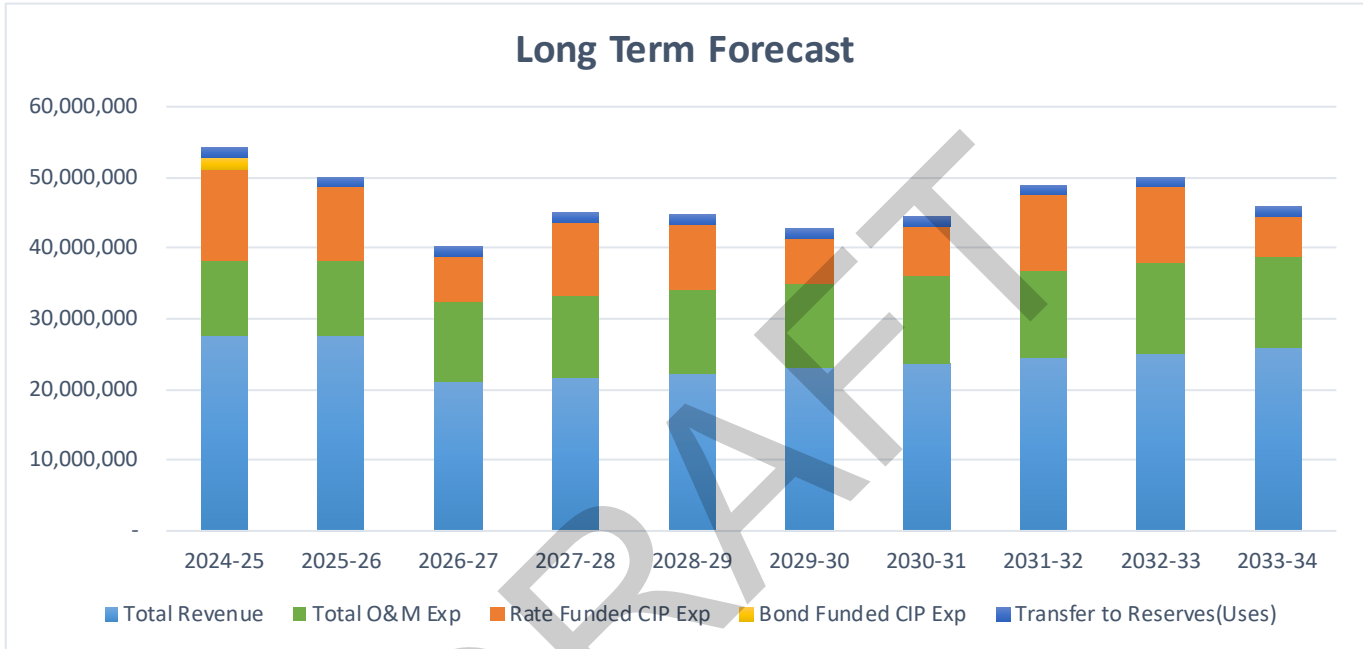
Reserve Category	Projected Year End Balance FY 2023-24	FY 2024-25 Funding of reserves	FY 2024-25 (Use of Reserves)	Interest income/Other adjustments*	Projected Year End Balance FY 2024-25
<b>Minimum unrestricted reserves:</b>					
Operating reserve	\$ 5,982,004	\$ 95,644	\$ -	\$ -	\$ 6,077,648 <sup>1</sup>
<b>Board designated reserves</b>					
Capital replacement	9,641,899	956,420	-	289,000	10,887,319 <sup>2</sup>
Membrane replacement	200,000	200,000	-	6,000	406,000 <sup>3</sup>
Filter skid replacement	1,989,000	650,000	-	60,000	2,699,000 <sup>4</sup>
Facility fees	866,558	50,000	-	607	917,165 <sup>5</sup>
Sacramento County impact projects	-	200,000	(200,000)	-	- <sup>6</sup>
Rate stabilization	500,000	-	-	-	500,000 <sup>7</sup>
Ranney Collector Rehab/Replace - <i>Proposed</i>	-	500,000	-	-	500,000 <sup>8</sup>
<b>TOTAL RESERVES PER POLICY</b>	<b>\$ 19,179,461</b>	<b>\$ 2,652,064</b>	<b>\$ (200,000)</b>	<b>\$ 355,607</b>	<b>\$ 21,987,132</b>
<b>UNDESIGNATED SURPLUS INTENDED FOR CIP</b>	<b>2,978,240</b>	<b>(2,652,064)</b>	<b>200,000</b>	<b>(300,222) *</b>	<b>225,954 <sup>9</sup></b>
<b>TOTAL PROJECTED RESERVES</b>	<b>\$ 22,157,701</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 55,385</b>	<b>\$ 22,213,086</b>
<b>Legally restricted reserves</b>					
Unspent bond proceeds 2019 COP Series A	5,738,738	(5,783,738)	-	45,000	-
Federal grant funds received in advance	2,500,000	-	(2,500,000)	-	- <sup>10</sup>
	8,238,738	(5,783,738)	(2,500,000)	45,000	-
<b>Other legally restricted reserves held in trust:</b>					
OPEB Reserve trust (held by CalPERS as trustee)	3,199,912	200,000	-	189,950	3,589,862 <sup>11</sup>

- 1 - Directors' policy #9610.312: Established at 50% of budgeted O&M, including debt service. Represents an amount set aside for working capital as well as funds for continued operation in the event of unplanned operating and maintenance expenses.
- 2 - Directors' policy #9610.321 c: Established at the annual capital replacement program costs, as scheduled.  
(Reduced by \$2.5M advance grant funding received).
- 3 - Directors' policy 9610.321 a: Balance accumulates and is funded annually at \$200,000 per year to be used for purchase of new membrane filters.
- 4 - Directors' policy #9610.321 b: Established to meet the needs of future replacement of the entire filtration process. Balance accumulates and is to be funded annually at the rate of \$650,000 per year. Funding will occur annually until 2035.
- 5 - Directors' #9610.321 d: This balance accumulates and is funded by the collection of capital facility fees from new development.
- 6 - Directors' policy #9610.321 e: Established to provide funds for Sacramento County accelerated District requirements. Annual transfers are determined based on near-term and long-term County projects. Funds do not accumulate.
- 7 - Directors' policy #3610.331 a: Established and maintained at \$500,000 to provide funds for debt service coverage requirement.
- 8 - *Proposed reserve allocation to accumulate funds for Ranney Collector rehabilitation/replacement*
- 9 - Undesignated surplus: Unspent CIP and/or O&M expenditures from prior years available for repurposing to future CIP projects and/or for coverage of expenses in advance of grant funding.
- 10 - Federal earmarked funds received in advance for Ladera Well
- 11 - Board policy #3610.332: Annual funding until the OPEB (Retiree benefits) liability is fully funded, currently targeted at \$5,089,804 as of 6-30-22 per actuarial valuation. The trust is subject to market changes in value from the underlying investments in the trust pool.
- \* - Other adjustments in Undesignated Surplus is the Projected Budget Surplus/(Deficiency) for the Proposed Budget Year.

## Projected Reserve Balances 2024-25



## Long Term Forecast Available Funds, Use of Funds and Fund Balance



## Fund Balance Financial Forecast 10 Year Summary

	2023-2024	2023-2024	2024-25	2025-26	2026-27	2027-28
	Amended Budget	YTD Actuals 3-15-24	Draft budget	Estimated	Estimated	Estimated
<b>Cash and cash equivalents</b>	<b>\$ 23,927,736</b>	<b>\$ 20,608,135</b>	<b>\$ 22,157,701</b>	<b>\$ 22,213,086</b>	<b>\$ 24,633,605</b>	<b>\$ 24,195,336</b>
<b>District revenue</b>						
Water sales, fees, service charges	14,625,500	11,083,129	17,900,000	18,437,000	18,990,110	19,559,813
Grant revenue	3,430,000	462,450	7,650,000	6,960,000	-	-
Interest income	404,365	270,720	400,000	412,000	424,360	437,091
Other service fees and miscellaneous income	809,064	143,492	157,000	158,570	160,156	161,757
Facility fees	50,000	31,155	50,000	51,500	53,045	54,636
<b>Total District revenue</b>	<b>19,318,929</b>	<b>11,990,946</b>	<b>26,157,000</b>	<b>26,019,070</b>	<b>19,627,671</b>	<b>20,213,298</b>
<b>Outside boundary sales</b>						
GSWC Treatment and delivery	1,324,022	584,331	1,452,000	1,495,560	1,540,427	1,586,640
<b>Total Outside Boundary Sales</b>	<b>1,324,022</b>	<b>584,331</b>	<b>1,452,000</b>	<b>1,495,560</b>	<b>1,540,427</b>	<b>1,586,640</b>
<b>Total Revenue</b>	<b>20,642,951</b>	<b>12,575,277</b>	<b>27,609,000</b>	<b>27,514,630</b>	<b>21,168,098</b>	<b>21,799,937</b>
<b>EXPENDITURES</b>						
<b>O &amp; M</b>						
COP bond interest	979,620	331,774	947,131	911,566	872,786	830,946
Administration	3,982,281	1,400,917	4,074,637	4,196,876	4,322,782	4,452,466
Production	3,331,005	1,863,967	3,446,350	3,549,741	3,656,233	3,765,920
Distribution	2,156,101	982,960	2,142,178	2,206,443	2,272,637	2,340,816
<b>Total O&amp;M</b>	<b>10,449,007</b>	<b>4,579,619</b>	<b>10,610,296</b>	<b>10,864,626</b>	<b>11,124,438</b>	<b>11,390,147</b>
<b>Capital</b>						
<b>Capital funded by rates</b>						
Administrative services	208,000	-	40,000	200,000	530,000	850,000
Production (Includes grant funded projects)	6,065,000	1,893,392	9,295,000	7,350,000	2,600,000	4,250,000
Distribution	3,368,899	1,848,260	3,763,319	2,797,985	3,433,884	5,401,078
<b>Total Capital funded by rates</b>	<b>9,641,899</b>	<b>3,741,652</b>	<b>13,098,319</b>	<b>10,347,985</b>	<b>6,563,884</b>	<b>10,501,078</b>
<b>Capital funded by reserves</b>						
Membrane replacement (Unused goes to reserves)	200,000	27,453	200,000	200,000	200,000	200,000
Sacramento County Impact projects	200,000	-	200,000	200,000	200,000	200,000
<b>Total Capital funded by reserves</b>	<b>400,000</b>	<b>27,453</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>
<b>Debt service, Other sources/uses of funds</b>						
Series B (2010 COPs Refinanced)	1,515,000	1,515,000	1,545,000	1,580,000	1,615,000	1,655,000
PERS Unfunded actuarial liability	300,000	300,000	300,000	300,000	300,000	300,000
OPEB Liability funding	200,000	200,000	200,000	200,000	200,000	200,000
<b>Total debt service, other fund sources/uses</b>	<b>2,015,000</b>	<b>2,015,000</b>	<b>2,045,000</b>	<b>2,080,000</b>	<b>2,115,000</b>	<b>2,155,000</b>
<b>Reserve funding/(Uses)</b>						
Filter skid replacement	650,000	-	650,000	650,000	650,000	650,000
Ranney Collector - <i>Proposed</i>	-	-	500,000	500,000	500,000	500,000
Membrane replacement	(200,000)	(27,453)	200,000	200,000	200,000	200,000
Facility fees	50,000	31,155	50,000	51,500	53,045	54,636
County impact project reserve - One time funding use	(592,920)	-	-	-	-	-
<b>Total reserve funding/(uses)</b>	<b>(92,920)</b>	<b>3,702</b>	<b>1,400,000</b>	<b>1,401,500</b>	<b>1,403,045</b>	<b>1,404,636</b>
<b>Total expenditures, debt service, fund sources/(uses), re</b>	<b>22,412,986</b>	<b>10,367,426</b>	<b>27,553,615</b>	<b>25,094,111</b>	<b>21,606,367</b>	<b>25,850,862</b>
<b>Change in Working Capital-Excess (Deficiency)</b>	<b>\$ (1,770,035)</b>	<b>\$ 2,207,851</b>	<b>\$ 55,385</b>	<b>\$ 2,420,519</b>	<b>\$ (438,269)</b>	<b>\$ (4,050,924)</b>
<b>Operating cash</b>	<b>\$ 22,157,701</b>	<b>\$ 22,815,986</b>	<b>\$ 22,213,086</b>	<b>\$ 24,633,605</b>	<b>\$ 24,195,336</b>	<b>\$ 20,144,411</b>
<b>Add: Cash reserve funding</b>	<b>-</b>	<b>-</b>	<b>1,400,000</b>	<b>1,401,500</b>	<b>1,403,045</b>	<b>1,404,636</b>
<b>Ending cash and cash equivalents</b>	<b>22,157,701</b>	<b>22,815,986</b>	<b>23,613,086</b>	<b>26,035,105</b>	<b>25,598,381</b>	<b>21,549,048</b>
<b>Less: Board designated reserves (Without int inc Yrs 2-10)</b>						
Operating reserve	5,982,004	5,982,004	6,077,648	6,222,313	6,369,719	6,522,574
Capital reserves	9,641,899	9,641,899	10,887,319	3,387,985	6,563,884	5,795,128
Membrane reserves	200,000	200,000	406,000	606,000	606,000	1,006,000
Filter Skid replacement	1,989,000	1,989,000	2,699,000	3,349,000	3,999,000	4,649,000
<i>Ranney Collector Rehab/replacement - Proposed</i>			500,000	1,000,000	1,500,000	2,000,000
Facility fees	866,558	866,558	917,165	968,665	1,021,710	1,076,346
Sacramento County impact projects	-	-	-	-	-	-
Rate stabilization	500,000	500,000	500,000	500,000	500,000	500,000
<b>Total designated reserves (Per reserve Forecast)</b>	<b>19,179,461</b>	<b>19,179,461</b>	<b>21,987,132</b>	<b>16,033,963</b>	<b>20,760,313</b>	<b>21,549,048</b>
<b>Undesignated surplus for future CIP</b>	<b>\$ 2,978,240</b>	<b>\$ 3,636,525</b>	<b>\$ 1,625,954</b>	<b>\$ 10,001,142</b>	<b>\$ 4,838,068</b>	<b>\$ 0</b>

## Fund Balance Financial Forecast 10 Year Summary

2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
Estimated	Estimated	Estimated	Estimated	Estimated	Estimated
\$ 20,144,411	\$ 17,696,975	\$ 18,527,494	\$ 19,107,804	\$ 16,337,875	\$ 13,841,411
20,146,608	20,751,006	21,373,536	22,014,742	22,675,184	23,355,440
-	-	-	-	-	-
450,204	463,710	477,621	491,950	506,708	521,909
163,375	165,009	166,659	168,325	170,009	171,709
56,275	57,964	59,703	61,494	63,339	65,239
20,816,461	21,437,688	22,077,518	22,736,511	23,415,239	24,114,297
1,634,239	1,683,266	1,733,764	1,785,777	1,839,350	1,894,531
1,634,239	1,683,266	1,733,764	1,785,777	1,839,350	1,894,531
22,450,700	23,120,954	23,811,282	24,522,288	25,254,590	26,008,827
786,252	715,600	671,850	582,100	487,850	399,000
4,586,040	4,723,621	4,865,330	5,011,290	5,161,628	5,316,477
3,878,897	3,995,264	4,115,122	4,238,576	4,365,733	4,496,705
2,411,040	2,483,371	2,557,873	2,634,609	2,713,647	2,795,056
11,662,229	11,917,857	12,210,174	12,466,574	12,728,858	13,007,239
1,140,000	-	150,000	-	-	-
2,000,000	560,000	-	5,100,000	6,500,000	-
6,089,632	5,759,614	6,811,095	5,574,149	4,278,857	5,465,300
9,229,632	6,319,614	6,961,095	10,674,149	10,778,857	5,465,300
200,000	200,000	200,000	200,000	200,000	200,000
200,000	200,000	200,000	200,000	200,000	200,000
400,000	400,000	400,000	400,000	400,000	400,000
1,700,000	1,745,000	1,750,000	1,840,000	1,930,000	2,030,000
300,000	300,000	300,000	300,000	300,000	300,000
200,000	200,000	200,000	200,000	200,000	200,000
2,200,000	2,245,000	2,250,000	2,340,000	2,430,000	2,530,000
650,000	650,000	650,000	650,000	650,000	650,000
500,000	500,000	500,000	500,000	500,000	500,000
200,000	200,000	200,000	200,000	200,000	200,000
56,275	57,964	59,703	61,494	63,339	65,239
-	-	-	-	-	-
1,406,275	1,407,964	1,409,703	1,411,494	1,413,339	1,415,239
24,898,137	22,290,434	23,230,972	27,292,217	27,751,054	22,817,777
\$ (2,447,436)	\$ 830,519	\$ 580,310	\$ (2,769,929)	\$ (2,496,464)	\$ 3,191,050
\$ 17,696,975	\$ 18,527,494	\$ 19,107,804	\$ 16,337,875	\$ 13,841,411	\$ 17,032,461
1,406,275	1,407,964	1,409,703	1,411,494	1,413,339	1,415,239
19,103,250	19,935,458	20,517,507	17,749,369	15,254,749	18,447,700
6,681,115	6,831,428	6,980,087	7,153,287	7,329,429.16	7,518,619
1,784,514	1,058,444	82,131	-	-	1,588,521
1,206,000	1,406,000	1,606,000	1,806,000	2,006,000	2,206,000
5,299,000	5,949,000	6,599,000	6,978,300	4,044,200	4,694,200
2,500,000	3,000,000	3,500,000	-	-	500,000
1,132,622	1,190,585	1,250,288	1,311,782	1,375,120	1,440,359
-	-	-	-	-	-
500,000	500,000	500,000	500,000	500,000	500,000
19,103,250	19,935,458	20,517,507	17,749,369	15,254,749	18,447,699
\$ 0	\$ 0	\$ 0	\$ (0)	\$ (0)	\$ 0

## Revenues

The District provides domestic water to an estimated service area population of 38,000 customers via approximately 11,947 water service connections in the Carmichael Water District service area. The majority of the District's revenue comes from the water sales billed monthly to District customers.

		2023-24	2023-24	2024-25		
Account number	Account description	Final amended budget	Year To Date Actuals 3/15/24	Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
REVENUE						
Water sales						
10-040100-01	Water Sales	\$ 14,530,000	\$ 11,023,465	\$ 17,820,000	\$ 3,290,000	22.64%
	Total water sales	14,530,000	11,023,465	17,820,000	3,290,000	22.64%
Water service fees and charges						
10-040100-02	Fees and service charges	95,000	59,664	79,500	(15,500)	-16.32%
10-040100-03	Downsizing fees	500	-	500	-	0.00%
	Total water service fees and charges	95,500	59,664	80,000	(15,500)	-16.23%
Other service fees						
10-040300-05	Backflow Testing Program Fee	45,000	36,649	50,000	5,000	11.11%
10-040100-05	Fire Hydrant Permits	1,000	365	1,000	-	0.00%
10-040300-01	Fire Hydrant Use Fee	8,000	4,679	8,000	-	0.00%
10-040300-03	Plan Check	10,000	4,710	10,000	-	0.00%
10-040300-06	Fines/Penalties/Citations	-	750	-	-	-
10-040300-07	Fire Flow Fees	15,000	17,164	20,000	5,000	33.33%
10-040300-08	Water Sampling	1,000	150	1,000	-	0.00%
10-040300-09	Inspection Fees	20,000	6,672	17,000	(3,000)	-15.00%
	Total other service fees	100,000	71,139	107,000	7,000	7.00%
Grant Revenue						
10-040400-20	Federal Grant Revenue	3,250,000	-	7,600,000	4,350,000	133.85%
10-040400-10	State grant revenue	130,000	451,144	-	(130,000)	-100.00%
10-040400-30	Turf replacement grant - USBR Watersmart	50,000	-	50,000	-	0.00%
10-040400-35	RWA Water Efficiency Grant - Rachio Controllers	-	11,306	-	-	-
	Total grant revenue	3,430,000	462,450	7,650,000	4,220,000	123.03%
Interest Income						
10-040500-01	LAIF Interest/Other investment income	303,000	67,805	298,193	(4,807)	-1.59%
10-040500-05	Facility Fees Interest	165	270	607	442	267.88%
10-040500-07	Lien Interest	1,200	772	1,200	-	0.00%
10-040500-10	COP 2019 Project Fund Interest	100,000	201,873	100,000	-	0.00%
	Total interest income	404,365	270,720	400,000	(4,365)	-1.08%
Miscellaneous revenue						
10-040800-01	Bajamont Lease Revenue - GET L1	1,414	-	1,450	36	2.55%
10-040400-01	Other Revenue Fees	50	87	50	-	0.00%
10-040400-02	Recycling Revenue	10,000	7,535	15,000	5,000	50.00%
10-040400-03	Admin Claim Fees	200	-	100	(100)	-50.00%
10-040400-05	Miscellaneous Income	2,500	662	2,500	-	0.00%
10-040400-08	Lien Fees Revenue	5,000	1,276	5,000	-	0.00%
10-040400-13	Reimbursements/Rebates	500	2,716	500	-	0.00%
10-040450-01	Aerojet Testing Reimbursement	4,400	-	4,400	-	0.00%
10-040600-01	COTP Revenue	15,000	12,257	14,000	(1,000)	-6.67%
10-040700-02	Sales proceeds from sale of capital assets	670,000	47,820	7,000	(663,000)	-98.96%
	Total miscellaneous revenue	709,064	72,354	50,000	(659,064)	-92.95%
Outside boundary sales						
10-040100-06	Treatment and delivery for GSWC	1,324,022	584,331	1,452,000	127,978	9.67%
	Total outside boundary sales	1,324,022	584,331	1,452,000	127,978	9.67%
Facilities fees						
10-040200-01	Facilities Fees	50,000	31,155	50,000	-	0.00%
	Total facilities fees	50,000	31,155	50,000	-	0.00%
TOTAL DISTRICT REVENUE		20,642,951	12,575,277	27,609,000	6,966,049	33.75%

In 2020, the District hired Hildebrand Consulting, LLC to complete a Business Plan, Water Rate, and Impact Fee Study (Study). The Study recommends annual water rate adjustments of 9.5% for each of the five years 2021 through 2025 in order to meet the funding requirements of the District. Capital Facilities, Plan Check, and Fire Flow Analysis Fee adjustments were also included in the Study. The Board approved the Study on December 15, 2020.

Below are the descriptions of each type of revenue:

### **Water Sales**

The water sales revenue is based on the 2020 Business Plan projections and restructured water rates effective January 1, 2021 through December 31, 2025. The FY 2022-2023 water sales revenue incorporates the anticipated increased revenue associated with implementation of a 9.5% rate adjustment, effective January 1, 2023. Conservation efforts are expected to increase during the year resulting in a reduction of water sales.

### **Water Service Fees**

Service fees are collected for additional charges outside of current rates to cover administrative costs, fire hydrant usage, plan check fees / fire flow and construction improvement standards fees. Fire hydrant use charges are the fees associated with construction water drawn from a hydrant and Sacramento County usage of hydrant water for sewer/storm drain clean out. Plan check fees are the fees collected for review of the plans by District staff for any/all construction within the District service area.

### **Interest Income**

The interest income is the interest earned minus the change in market value on the District's various investment accounts: LAIF interest, checking account interest, money market interest, CD's, etc. The COP 2019 Project Fund Interest is anticipated to decrease as the funds are used to pay for projects in construction.

### **Miscellaneous Revenue**

Miscellaneous revenue includes the fees associated with pipeline repair for damage caused by outside contractors and invoiced by the District for associated repair costs as well as any other additional miscellaneous revenue. In response to the pandemic, the state mandated a moratorium on shut offs, caused the imposition of liens in lieu of the shut-off of water services for non-payment.

## **Facilities Fees**

The facility fees are the fees collected per each unit of construction within the District and used for capacity development.

## **Outside Boundary Sales and Revenue**

### **Golden State Water Company**

The District negotiated to sell 4.5 MGD or 5000 AF of capacity rights to Golden State Water Company (GSWC). Aerojet Rocketdyne (AR) is purchasing the capacity for GSWC due to the loss of groundwater supply from contamination. The annual capacity receivable from this agreement is through FY 2023-2024.

The second agreement is with GSWC for operational expense including: (a) the cost to treat the 4.5 MGD that is being delivered to GSWC through the American River Pipeline Project which was funded by AR; and (b) GSWC's portion (based on 20.5% capacity purchased) of the annual capital improvements to the Bajamont Water Treatment Plant, intake structures, and membrane replacements.

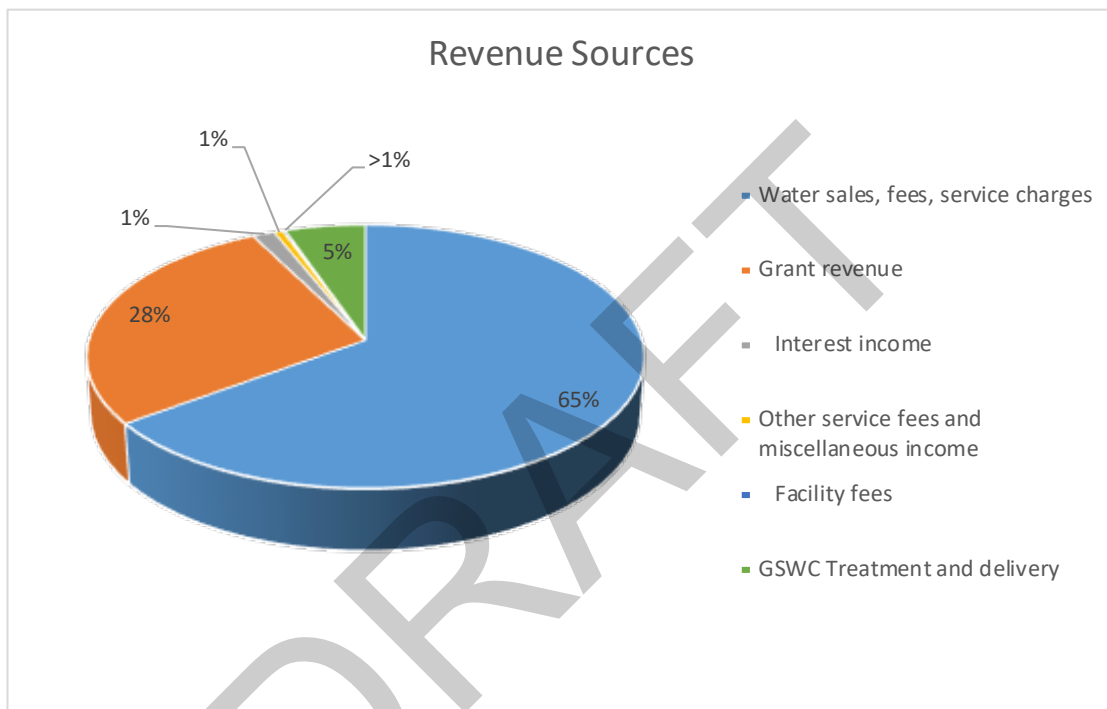
### **Regional Water Transfer**

The District anticipates in participating in a Regional Water Transfer during FY 2022-2023 (months: July, August, September, with possible October and November) selling water outside the boundary. The revenue recognized in FY 2022-2023 is for the District's portion of the sales.

### **Grant Revenue**

The District was awarded the Bureau of Reclamation funding for the WaterSMART Drought Response Program's Drought Resiliency Projects (DRP). This funding opportunity supports the implementation of drought mitigation projects that will build long-term resilience to drought. Additionally, the District was awarded funds from the California Department of Water Resources Drought Relief Grant Program, Turf Replacement Grant and RWA Advancing Water Efficiency Grant.





## Debt and Long-Term Funding

The District is continuing to maintain its long term funding plans this budget year in accordance with Board Policy # 9610 – Reserves. Accordingly, this year’s budget provides for the annual funding of the capital fund reserves that includes funding for the membrane replacement fund, the filter skid replacement reserve and Sacramento County impact projects. Annual reserve contributions for the District’s long-term obligations, also named in the Reserve policy, have been provided for in this budget with scheduled additional contributions to the OPEB liability trust fund and PERS Unfunded Actuarial Liability fund. New for this budget year is the proposal to modify the reserve policy to establish an additional capital reserve fund for the eventual rehabilitation and/or replacement of the Ranney Collectors. For this budget year, the proposed contribution to this new reserve fund is \$500,000. Levels of funding requirements were considered and included in the 2020 Business Plan and Rate Study.

	2023-24	2023-24	2024-25		
<b>Debt and Long Term Funding Liabilities</b>	<b>Final amended budget</b>	<b>Year To Date Actuals 3/15/24</b>	<b>Proposed budget</b>	<b>\$ Budget Increase/ (Decrease)</b>	<b>% Budget Increase/ (Decrease)</b>
Series A ( La Vista)	715,600	238,533	715,600	-	0%
Series B (2010 COPs Refinanced)	1,779,020	93,241	1,776,531	(2,489)	-0.1%
Membrane Replacement	200,000	-	-	(200,000)	-100%
Filter Skid	650,000	-	650,000	-	0%
Ranney Collector - Proposed	-	-	500,000	-	0%
PERS unfunded Actuarial Liability	300,000	300,000	300,000	-	0%
OPEB Liability	200,000	200,000	200,000	-	0%
<b>Total</b>	<b>3,844,620</b>	<b>831,774</b>	<b>4,142,131</b>	<b>(202,489)</b>	<b>-5.3%</b>

## 2019 COP Debt information and Payment Schedule

In November 2019 the Carmichael Water District Financing Corporation issued the 2019 Water Revenue Certificates of Participation Series A (Series A Certificates) to finance the acquisition and construction of certain water storage, pumping, treatment, transmission and appurtenant facilities for the water supply and treatment and distribution system of the District; and to pay certain costs incurred in connection with the execution and delivery of the Series A Certificates, including an original issue premium of \$3,667,968, which is being amortized over the life of the Series A Certificates.

In November 2019, the Carmichael Water District Financing Corporation issued the 2019 Water Revenue Refunding Certificates of Participation Series B (Series B Certificates) to refund and defease the 2010 Water Revenue Refunding Certificates of Participation, and to pay certain costs incurred in connection with the execution and delivery of the Series B Certificates.

S& P Global Ratings assigned a municipal bond rating of “AA” to the certificates.

The payment schedule is as follows:

Installment payment schedule		Series A				Series B			
Month - Due on 1st	Year	Principal	Interest	Fiscal year Total	Principal balance due	Principal	Interest	Fiscal year Total	Principal balance due
November	2024		357,800			1,545,000	124,159		
May	2025		357,800	715,600	16,510,000		107,372	1,776,531	8,295,000
November	2025		357,800			1,580,000	107,372		
May	2026		357,800	715,600	16,510,000		88,594	1,775,966	6,715,000
November	2026		357,800			1,615,000	88,594		
May	2027		357,800	715,600	16,510,000		68,592	1,772,186	5,100,000
November	2027		357,800			1,655,000	68,592		
May	2028		357,800	715,600	16,510,000		46,754	1,770,346	3,445,000
November	2028		357,800			1,700,000	46,754		
May	2029		357,800	715,600	16,510,000		23,898	1,770,652	1,745,000
November	2029		357,800			1,745,000	23,898	1,768,898	-
May	2030		357,800	715,600	16,510,000				
November	2030	1,750,000	357,800						
May	2031		314,050	2,421,850	14,760,000				
November	2031	1,840,000	314,050						
May	2032		268,050	2,422,100	12,920,000				
November	2032	1,930,000	268,050						
May	2033		219,800	2,417,850	10,990,000				
November	2033	2,030,000	219,800						
May	2034		179,200	2,429,000	8,960,000				
November	2034	2,110,000	179,200						
May	2035		137,000	2,426,200	6,850,000				
November	2035	2,195,000	137,000						
May	2036		93,100	2,425,100	4,655,000				
November	2036	2,280,000	93,100						
May	2037		47,500	2,420,600	2,375,000				
November	2037	2,375,000	47,500	2,422,500	-				
<b>TOTAL DUE</b>		<b>16,510,000</b>	<b>7,168,800</b>	<b>23,678,800</b>		<b>9,840,000</b>	<b>794,578</b>	<b>10,634,578</b>	

The Series A Certificates and the Series B Certificates are jointly secured on a parity basis by the pledge of the revenues of the District's water system and certain funds and accounts created under the installment sale agreement and will be paid from said revenues and said funds and accounts without preference or priority with respect to one another. The obligation of the District to make such installment payments is a special obligation of the District payable solely from net revenues of the District's water system and said funds and accounts. The Installment Sale Agreement will require the District to fix, prescribe and collect rates fees and charges and manage the operation of the water system for each fiscal year so as to yield net revenues during such fiscal year equal to at least 120% of the annual debt service in such fiscal year ("Coverage ratio").

The Coverage Ratio for the 2024-25 Budget year is estimated to be 411%, far in excess of the 120% coverage ratio required.

<b>Debt service coverage</b>		
Revenues:		
	Water sales, fees and charges	\$ 17,900,000
	Outside boundary sales	1,452,000
	Miscellaneous, other revenue	557,000
	Total revenue	19,909,000
Less operating expenses:		
	Administration	4,074,637
	Production	3,446,350
	Distribution	2,142,178
	Total expenses	9,663,165
	NET REVENUE	10,245,835
	DEBT SERVICE	2,492,131
	ESTIMATED COVERAGE	411%





# DEPARTMENTAL INFORMATION



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## Position Summary Schedule

The District is a service-oriented organization. The District provides a high quality sustainable water supply. This would not be possible without innovative, self-managed staff that has pride of ownership for their work product which provides exceptional customer service.

The table below identifies the total District headcount for the last five years. There are no new position additions planned for the Fiscal Year 2024-2025 Budget.

				Board authorized positions (See Note 1)	Proposed changes	Proposed Board authorized positions
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2024-25
<b>Administration</b>	<b>15</b>	<b>15</b>	<b>13</b>	<b>13</b>	<b>0</b>	<b>13</b>
Office of the GM			1	1	0	1
Finance/Accounting			3	3	0	3
Engineering/technical services			2	4	0	4
Customer service (Billing)			3	3	0	3
Human resources			1	1	0	1
Information technology (1)			1	0	0	0
General administration			0	0	0	0
Public outreach and water efficiency			2	1	0	1
<b>Distribution</b>	<b>9</b>	<b>9</b>	<b>7</b>	<b>7</b>	<b>1</b>	<b>8</b>
Transmission/distribution R/M			7	7	0	7
Trans/Distrib: Succession planning (2)				0	1	1
Capital infrastructure construction				0	0	0
Administration				0	0	0
<b>Production</b>	<b>6</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>(1)</b>	<b>6</b>
Treatment plant operations			0	0		0
Well operations			0	0		0
Administration			7	7	(1)	6
<b>Floating position(1)</b>			<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>
<b>Temporary Retired Annuitant position</b>				<b>0.5</b>		<b>0.5</b>
<b>TOTAL AUTHORIZED POSITIONS</b>	<b>30</b>	<b>30</b>	<b>28</b>	<b>28.5</b>	<b>0</b>	<b>28.5</b>

Note 1: Board approved changes to Authorized Positions FY 2023-24:

8/15/2023 Board approved employment of Retired Annuitant by contract, not included in the permanent position count

10/17/2023 Board approved Public Information Officer Position reclass to an Engineering position - Engineering Division Position Count increases by 1 to 4 and Water Efficiency decrease to 1 from 2

Note 2: Succession planning for Distribution Superintendent position with floating position. This is a temporary increase.

Note 3: One position in Production was not funded in FY 2023-24 and will be removed from authorized position list

## Pay/Salary Bands

FY 2024-2025

NON-REPRESENTED EMPLOYEES									
Non-Exempt		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
Accountant	Hourly	36.2604	38.0734	39.9771	41.9760	44.0748			
	Monthly	6,285.14	6,599.39	6,929.36	7,275.84	7,639.63			
	Yearly	75,421.63	79,192.67	83,152.37	87,310.08	91,675.58			
Accountant, Senior	Hourly	42.9430	45.0902	47.3447	49.7119	52.1975			
	Monthly	7,443.45	7,815.64	8,206.42	8,616.73	9,047.57			
	Yearly	89,321.44	93,787.62	98,476.98	103,400.75	108,570.80			
Billing Support Trainee	Hourly	Min. Wage	N/A	N/A	N/A	N/A			
Billing Support 1	Hourly	16.1088	16.9142	17.7599	18.6479	19.5803			
	Monthly	2,792.19	2,931.80	3,078.38	3,232.30	3,393.92			
	Yearly	33,506.30	35,181.54	36,940.59	38,787.63	40,727.02			
Billing Support 2	Hourly	18.6925	19.6271	20.6085	21.6389	22.7208			
	Monthly	3,240.03	3,402.03	3,572.14	3,750.74	3,938.27			
	Yearly	38,880.40	40,824.37	42,865.68	45,008.91	47,259.26			
Billing Specialist 1	Hourly	24.0979	25.3028	26.5679	27.8963	29.2911			
	Monthly	4,176.97	4,385.82	4,605.10	4,835.36	5,077.12			
	Yearly	50,123.63	52,629.82	55,261.23	58,024.30	60,925.49			
Billing Specialist 2	Hourly	30.5681	32.0965	33.7013	35.3864	37.1557			
	Monthly	5,298.47	5,563.39	5,841.56	6,133.64	6,440.32			
	Yearly	63,581.65	66,760.72	70,098.70	73,603.71	77,283.86			
Communications Specialist 1	Hourly	30.8226	32.3637	33.9819	35.6810	37.4651			
	Monthly	5,342.58	5,609.71	5,890.20	6,184.71	6,493.95			
	Yearly	64,111.01	67,316.50	70,682.35	74,216.48	77,927.41			
Communications Specialist 2	Hourly	37.4765	39.3503	41.3178	43.3837	45.5529			
	Monthly	6,495.93	6,820.72	7,161.75	7,519.84	7,895.84			
	Yearly	77,951.12	81,848.62	85,941.02	90,238.10	94,750.03			
Engineer in Training	Hourly	33.5062	35.1815	36.9406	38.7876	40.7270			
	Monthly	5,807.74	6,098.13	6,403.04	6,723.18	7,059.35			
	Yearly	69,692.90	73,177.52	76,836.45	80,678.21	84,712.16			
Engineer, Assistant	Hourly	47.2411	49.6032	52.0834	54.6876	57.4220			
	Monthly	8,188.46	8,597.89	9,027.79	9,479.18	9,953.15			
	Yearly	98,261.49	103,174.66	108,333.47	113,750.21	119,437.76			
Engineer, Associate Civil	Hourly	55.9437	58.7409	61.6779	64.7618	67.9999			
	Monthly	9,696.91	10,181.76	10,690.84	11,225.38	11,786.65			
	Yearly	116,362.90	122,181.07	128,290.03	134,704.54	141,439.79			
General Office Clerk	Hourly	Min. Wage	N/A	N/A	N/A	N/A			
GIS Specialist	Hourly	37.2849	39.1491	41.1066	43.1619	45.3200			
	Monthly	6,462.72	6,785.84	7,125.14	7,481.40	7,855.47			
	Yearly	77,552.59	81,430.13	85,501.73	89,776.75	94,265.60			
Inventory Specialist 1	Hourly	23.9401	25.1371	26.3940	27.7137	29.0994			
	Monthly	4,149.62	4,357.10	4,574.96	4,803.71	5,043.90			
	Yearly	49,795.41	52,285.17	54,899.52	57,644.50	60,526.75			
Inventory Specialist 2	Hourly	30.3154	31.8312	33.4228	35.0939	36.8486			
	Monthly	5,254.67	5,517.41	5,793.29	6,082.94	6,387.09			
	Yearly	63,056.03	66,208.90	69,519.42	72,995.31	76,645.09			
Public Information Assistant 1	Hourly	18.8069	19.7472	20.7346	21.7713	22.8599			
	Monthly	3,259.86	3,422.85	3,594.00	3,773.69	3,962.38			
	Yearly	39,118.35	41,074.18	43,127.97	45,284.30	47,548.59			
Public Information Assistant 2	Hourly	24.1002	25.3052	26.5705	27.8990	29.2940			
	Monthly	4,177.37	4,386.24	4,605.55	4,835.83	5,077.63			
	Yearly	50,128.42	52,634.82	55,266.64	58,029.92	60,931.52			
Water Efficiency Specialist 1	Hourly	27.7290	29.1155	30.5713	32.0999	33.7049			
	Monthly	4,806.36	5,046.69	5,299.03	5,563.98	5,842.18			
	Yearly	57,676.32	60,560.24	63,588.30	66,767.79	70,106.19			
Water Efficiency Specialist 2	Hourly	35.0664	36.8197	38.6607	40.5937	42.6234			
	Monthly	6,078.18	6,382.08	6,701.19	7,036.24	7,388.06			
	Yearly	72,938.11	76,584.98	80,414.26	84,434.90	88,656.67			



## Pay/Salary Bands

### FY 2024-2025 (Continued)

NON-REPRESENTED EMPLOYEES									
Exempt		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
Administrative Specialist 1	Hourly	36.3945	38.2142	40.1249	42.1311	44.2377			
	Monthly	6,308.38	6,623.80	6,954.98	7,302.72	7,667.87			
	Yearly	75,700.56	79,485.54	83,459.79	87,632.69	92,014.42			
Administrative Specialist 2	Hourly	44.7762	47.0150	49.3658	51.8341	54.4258			
	Monthly	7,761.21	8,149.27	8,556.74	8,984.58	9,433.81			
	Yearly	93,134.50	97,791.20	102,680.86	107,814.93	113,205.66			
Billing Supervisor	Hourly	37.6440	39.5262	41.5025	43.5776	45.7565	48.0443	50.4465	52.9688
	Monthly	6,524.96	6,851.21	7,193.77	7,553.45	7,931.13	8,327.68	8,744.06	9,181.26
	Yearly	78,299.52	82,214.50	86,325.20	90,641.41	95,173.52	99,932.14	104,928.72	110,175.10
Distribution Superintendent*	Hourly	57.5046	60.3798	63.3988	66.5687	69.8971	73.3920	77.0616	
	Monthly	9,967.46	10,465.83	10,989.13	11,538.58	12,115.50	12,721.28	13,357.34	
	Yearly	119,609.57	125,589.98	131,869.50	138,462.90	145,385.97	152,655.36	160,288.13	
Engineer, Manager	Hourly	83.1076	87.2630	91.6262	96.2075	101.0179			
	Monthly	14,405.32	15,125.59	15,881.88	16,675.97	17,509.77			
	Yearly	172,863.81	181,507.04	190,582.50	200,111.60	210,117.23			
Engineer, Senior	Hourly	64.9913	68.2409	71.6529	75.2355	78.9973			
	Monthly	11,265.16	11,828.42	12,419.84	13,040.82	13,692.87			
	Yearly	135,181.90	141,941.07	149,038.03	156,489.84	164,314.38			
Finance Manager	Hourly	73.2350	76.8968	80.7416	84.7787	89.0176			
	Monthly	12,694.07	13,328.78	13,995.21	14,694.98	15,429.72			
	Yearly	152,328.80	159,945.34	167,942.53	176,339.70	185,156.61			
I.T. Coordinator	Hourly	49.0859	51.5402	54.1172	56.8231	59.6643			
	Monthly	8,508.22	8,933.64	9,380.32	9,849.34	10,341.81			
	Yearly	102,098.67	107,203.62	112,563.78	118,192.05	124,101.74			
Production Superintendent	Hourly	65.0570	68.3099	71.7254	75.3117	79.0773			
	Monthly	11,276.55	11,840.38	12,432.40	13,054.03	13,706.73			
	Yearly	135,318.56	142,084.59	149,188.83	156,648.34	164,480.78			
Public Information Officer	Hourly	50.7710	53.3096	55.9751	58.7739	61.7126			
	Monthly	8,800.31	9,240.33	9,702.35	10,187.48	10,696.85			
	Yearly	105,603.68	110,883.97	116,428.21	122,249.71	128,362.21			
General Manager (Contract)	Hourly	103.8885	N/A	N/A	N/A	N/A			
	Monthly	18,007.34	N/A	N/A	N/A	N/A			
	Yearly	216,088.08	N/A	N/A	N/A	N/A			

REPRESENTED EMPLOYEES									
Distribution		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
Distribution Operator 1	Hourly	24.3704	25.3859	26.4436	27.5454				
	Monthly	4,224.20	4,400.22	4,583.56	4,774.54				
	Yearly	50,690.43	52,802.67	55,002.69	57,294.43				
Distribution Operator 2	Hourly	37.9804	39.5630	41.2113	42.9285				
	Monthly	6,583.27	6,857.59	7,143.29	7,440.94				
	Yearly	78,999.23	82,291.04	85,719.50	89,291.28				
Distribution Operator 3	Hourly	43.0096	44.8017	46.6684	48.6129				
	Monthly	7,455.00	7,765.63	8,089.19	8,426.24				
	Yearly	89,459.97	93,187.54	97,070.27	101,114.83				

Production		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
Treatment Operator 1	Hourly	N/A	N/A	N/A	N/A				
	Monthly	N/A	N/A	N/A	N/A				
	Yearly	N/A	N/A	N/A	N/A				
Treatment Operator 2	Hourly	37.5618	39.1268	40.7571	42.4553				
	Monthly	6,510.71	6,781.98	7,064.56	7,358.92				
	Yearly	78,128.54	81,383.74	84,774.77	88,307.02				
Treatment Operator 3	Hourly	43.5831	45.3991	47.2907	49.2611				
	Monthly	7,554.40	7,869.18	8,197.06	8,538.59				
	Yearly	90,652.85	94,430.13	98,364.66	102,463.09				
Treatment Operator 4	Hourly	50.8202	52.9377	55.1434	57.4411				
	Monthly	8,808.84	9,175.87	9,558.19	9,956.46				
	Yearly	105,706.02	110,110.42	114,698.27	119,477.49				

Note: Monthly and Yearly Salaries are the average based on 2080 hours.  
 Exempt/Management Hourly Range = Yearly Range / 2080 hours.  
 Represented Employees' COLA was applied to each step for FY 24-25.  
 \*Steps 6 & 7 of the Distribution Superintendent expire after FY 24-25  
**NOTE: Minimum wage increased to \$16.00 1/1/2024**

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# OPERATIONS AND MAINTENANCE



## Administrative Services Department

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The Administrative Services Department provides leadership, general administrative direction and policy implementation. This department's staff works across all departments/disciplines of the District as well as senior management providing direction and support.

The major areas of responsibilities include the following functions as listed below:

- Board/Administrative Support
- Engineering
- Finance
- General Administration and Project/Staff Management
- Human Resources
- Information Technology
- Public Outreach and Water Efficiency



## Administrative Services Department Budget Summary

The Administration Department of Carmichael Water District provides the leadership, strategic directives and policy management for the District as well as the administrative services of the District.

The Division is separated into the following Departments with department budgets:

- Board of Directors
- Office of the General Manager
- Engineering/Technical Services
- Finance – Accounting
- Finance - Customer Service
- Human Resources
- Information Technology
- Public Outreach and Water Efficiency
- General administration

The overall budget for the Division is presented below, by department:

	2023-24	2023-24	2024-25		
	Final amended budget	Year To Date Actuals 3/15/24	Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
<b>Administrative Service</b>					
Board of Directors	131,774	176,153	136,386	4,612	3%
General Managers Office	383,841	77,708	524,073	140,232	37%
Engineering/GIS	906,718	158,733	679,072	(227,646)	-25%
Finance- Accounting	584,882	179,728	643,589	58,707	10%
Finance- Customer Service	561,615	136,024	590,681	29,066	5%
Human Resources	185,925	25,000	218,602	32,677	18%
Information Technology	218,256	136,480	226,100	7,844	4%
General Administrative	679,323	480,491	755,821	76,498	11%
Public Outreach and Water Efficiency	329,947	30,600	300,313	(29,634)	-9%
<b>Total</b>	<b>3,982,281</b>	<b>1,400,917</b>	<b>4,074,637</b>	<b>92,356</b>	<b>54%</b>

Each department has specific responsibilities, goals and objectives and is described in the following pages.

## General (Dept 27)

This new department holds the “non-departmental” type of expenses for the District and those that are used to provide for the ongoing operational expenditures of the Main Office. The budget includes the Dues and Memberships for key stakeholder agencies for the District, facility expenses for the Main Office, insurance, retiree medical, and general expenses, fees and permits for general operations. There is no staffing associated with this collection of expenses. Therefore, there are no goals, objectives or performance measures developed for this department, other than the required cost control efforts of the various staff members placed in charge of managing the various budgetary line items.

Account number	Account description	2023-24 Final amended budget	2023-24 Year To Date Actuals 3/15/24	2024-25 Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
<b>General Administration (Dept 27)</b>						
<b>Dues/Memberships</b>						
27-102703-00	ACWA	22,100	16,714	23,205	1,105	5.00%
27-102707-00	AWWA	4,298	4,215	4,512	214	4.98%
27-102725-01	RWA	34,575	36,958	36,304	1,729	5.00%
27-102725-12	RWA Regional Water Bank	35,000	20,000	36,750	1,750	5.00%
27-102735-01	SGA	45,000	34,801	47,250	2,250	5.00%
27-102740-00	Water Education Foundation	1,300	-	1,365	65	5.00%
27-102700-00	General: American River Foundation	1,000	16,530	1,050	50	5.00%
27-102700-02	General: Water Forum, 2.0	17,000	-	17,850	850	5.00%
27-102709-00	Carmichael Chamber of Commerce (Moved from Outreach)	-	-	385	385	-
27-102720-00	Kiwanis Club (Moved from Outreach)	-	-	220	220	-
27-102733-00	SAWWA (Moved from Outreach)	-	-	110	110	-
	<b>Total Dues/memberships</b>	<b>160,273</b>	<b>129,218</b>	<b>169,001</b>	<b>8,728</b>	<b>5.45%</b>
<b>Facility Maintenance</b>						
27-103145-00	Facility maintenance (Landscape, pest control, Build R/M)	69,884	50,788	116,500	46,616	66.70%
	<b>Total facility maintenance</b>	<b>69,884</b>	<b>50,788</b>	<b>116,500</b>	<b>46,616</b>	<b>66.70%</b>
<b>Licenses, fees, and permits</b>						
27-102905-00	Licenses, fees and permits (LAFCO, SWRCB Water rights, etc.)	11,695	10,254	13,570	1,875	16.03%
	<b>Total Licenses, fees, and permits</b>	<b>11,695</b>	<b>10,254</b>	<b>13,570</b>	<b>1,875</b>	<b>16.03%</b>
<b>General expenses</b>						
27-103101-01	Advertising -Formal notices, bids,	2,500	-	-	(2,500)	-100.00%
27-103153-00	Office supplies and expense	8,000	3,873	8,000	-	0.00%
27-103161-00	Postage/Delivery services	5,500	1,900	5,500	-	0.00%
27-103165-00	Printing services	2,500	-	1,500	(1,000)	-40.00%
27-103171-00	Equipment rental expense	600	354	850	250	41.67%
27-103173-00	Safety	1,200	509	1,000	(200)	-16.67%
27-103187-00	Tools	100	-	-	(100)	-100.00%
27-108501-00	Vehicle maintenance expense	1,000	817	1,000	-	0.00%
	<b>Total General expenses</b>	<b>21,400</b>	<b>7,453</b>	<b>17,850</b>	<b>(3,550)</b>	<b>-16.59%</b>
27-061200-03	<b>Retiree medical</b>	<b>245,000</b>	<b>137,088</b>	<b>275,000</b>	<b>30,000</b>	<b>12.24%</b>
<b>Insurance</b>						
27-103301-00	Auto/General liability insurance (50% Alloc to WTP)	100,425	83,209	120,800	20,375	20.29%
27-103302-00	Property insurance (50% Alloc to WTP)	70,646	62,481	43,100	(27,546)	-38.99%
27-103301-00	<b>Total insurance</b>	<b>171,071</b>	<b>145,690</b>	<b>163,900</b>	<b>(7,171)</b>	<b>-4.19%</b>
	<b>Total General administration</b>	<b>679,323</b>	<b>480,491</b>	<b>755,821</b>	<b>76,498</b>	<b>11.26%</b>

## Board of Directors (Dept 20)

Board support includes coordination for a minimum of 12 board meetings (agendas, packets, minutes and correspondence), board workshops, committee meetings, conferences, town hall meetings and public hearings. Staff provides administrative support to all departments and general administration to all projects, department and activities of the District.

		2023-24	2023-24	2024-25		
Account number	Account description	Final amended budget	Year To Date Actuals 3/15/24	Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
<b>Board (Dept 20)</b>						
20-102103-00	Directors Fees	27,000	17,176	35,000	8,000	29.63%
20-101521-00	Payroll taxes	2,066	56,839	2,678	612	29.62%
20-103303-00	Workers' compensation	208	2,777	270	62	29.81%
20-102101-00	Directors travel/meetings	15,000	14,999	27,500	12,500	83.33%
20-102105-00	Advertising, meeting, legal notices	1,500	156	500	(1,000)	-66.67%
20-103503-02	Board legal	10,000	64,543	30,000	20,000	200.00%
20-102109-00	Board room/supplies	1,000	-	500	(500)	-50.00%
20-103121-00	Election Expense	-	-	39,938	39,938	-
20-102110-00	Training	1,000	-	-	(1,000)	-100.00%
20-103510-00	Water rights/management (Moved to GM)	74,000	19,664	-	(74,000)	-100.00%
	<b>Total Board</b>	<b>131,774</b>	<b>176,153</b>	<b>136,386</b>	<b>4,612</b>	<b>3.50%</b>

## Office of the General Manager (Dept 21)

The Office of the General Manager is responsible for supporting the Board of Directors (Board) and implementing the direction and policy of the Board. The General Manager's Office provides leadership and professional management to the District's organizations and adheres to values that emphasize on transparency, public service, and community stewardship. Activities include establishing strategies, goals, objectives, policies, and procedures, directing and coordinating department operations, supporting a productive and healthy workforce, implementing the District's long-term capital improvement program, directing the preparation and implementation of the District's financial program, and representing the District to federal, state, and local public agencies, the media, and private organizations.

		2023-24	2023-24	2024-25		
Account number	Account description	Final amended budget	Year To Date Actuals 3/15/24	Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
<b>Office of the GM (Dept 21)</b>						
21-101103-00	Wages (FY 2024-25 Pending)	216,088	24,933	226,896	10,808	5.00%
21-101501-00	Benefits	96,061	6,284	99,693	3,632	3.78%
21-101521-00	Taxes	16,692	2,088	17,484	792	4.74%
21-102519-05	Studies/Contracts	50,000	22,039	130,000	80,000	160.00%
20-103510-00	Water rights/mgmt (Moved from Board)	-	19,664	50,000	50,000	-
21-103189-00	Training/Certification/Travel/Meetings (Moved to HR)	5,000	2,700	-	(5,000)	-100.00%
<b>Total Office of the GM</b>		<b>383,841</b>	<b>77,708</b>	<b>524,073</b>	<b>140,232</b>	<b>36.53%</b>

## GOAL AND ACCOMPLISHMENTS

### RECENT ACCOMPLISHMENTS

- Worked with the Board to transition from at-large election to division based elections.
- Collaborated with regional agencies to secure \$6.8 million in funding for the Winding Way and Ladera Well replacement projects.
- Secured \$960,000 in congressional funding for pipeline projects.
- Resolved staffing shortfalls with successful recruitments for key positions.
- Completed rehabilitation of raw water intake facilities and developed water supply reliability strategy.

### GOALS FOR UPCOMING YEAR/PERFORMANCE MEASURES

- Work with the board of Directors to create and implement a new Strategic Plan.
- Continue to optimize communications, public outreach, and community engagement.
- Ensure financial stability for the District
- Coordinate with external agencies and other organizations to further the District's interests, goals, and objectives.
- Improve employee retention and employee engagement



- Lead workforce development, retention and hiring practices that enhance professional and leadership development; recognizing the challenging hiring environment, workload and continued resource limitations

#### **PERFORMANCE MEASURES**

- Execution and developing implementation plans for Strategic Plan goals and objectives.
- Recruitment, training, and/or succession planning of staff.
- Secure favorable Water Forum 2.0 commitments.
- Review and develop new rate structure, investment programs, and reserve funding strategies for long term financial funding of District's infrastructure needs.

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## Engineering and Technical Services (Dept 22)

The Engineering Department exists to support the District in carrying out its mission statement of being "Committed to providing the highest quality water for the lowest feasible cost and to serving its customers with diligence, efficiency, and integrity." The Engineering Department contributes to the overall Mission by using an engineered approach that promotes public buy-in and conservation which leads to drought resilience and environmental sustainability. The current Team that makes up the Engineering Department is planned to remain the same for the upcoming year and is as follows:

POSITION	FY 23-24 FTE	FY 24-25 FTE
Engineering Manager	1	1
Senior Engineer	0.5	0.5
Assistant Engineer	2	2
GIS Specialist	1	1
Water Conservationist Specialist	1	1
<b>Total</b>	<b>5.5</b>	<b>5.5</b>

The Engineering Department is charged with carrying out the following responsibilities:

- Executing Capital Improvement Projects
- Facilitating Public Information
- Performing asset Mapping and spatial Data Management
- Managing the District's GIS database
- Maintaining the standards and requirements for new connections
- Advising the District's Safety Committee
- Guiding Water Conservation efforts
- Reporting Water Use/Water Loss data to California State Water Agencies

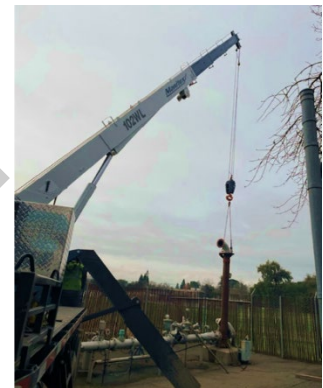
In order for the Team to complete its work, it relies on a staffing budget plus support for software, supplies, training and other professional services. Budget trends have been as follows:

		2023-24	2023-24	2024-25		
		Final amended budget	Year To Date Actuals 3/15/24	Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
Account number	Account description					
<b>GIS/Engineering (Dept 22)</b>						
22-101103-00	Wages	556,878	107,021	582,131	25,253	4.53%
22-101501-00	Benefits	227,409	17,487	132,747	(94,662)	-41.63%
22-101521-00	Taxes	42,981	8,764	45,163	2,182	5.08%
	Departmental allocation to Production	-	-	(154,469)	(154,469)	-
22-102518-06	Equipment Maintenance	250	-	500	250	100.00%
22-102518-01	Professional Services	55,000	7,139	45,000	(10,000)	-18.18%
22-102518-03	Software/Licensing	20,000	18,323	27,000	7,000	35.00%
22-102518-07	Supplies/Tools	1,200	-	1,000	(200)	-16.67%
22-103189-00	Training/Certification/Travel/Meetings (Moved to HR)	3,000	-	-	(3,000)	-100.00%
	<b>Total GIS/Engineering</b>	<b>906,718</b>	<b>158,733</b>	<b>679,072</b>	<b>(227,646)</b>	<b>-25.11%</b>

## GOALS AND ACCOMPLISHMENTS

### RECENT ACCOMPLISHMENTS

- Completed the construction of the La Sierra well in August 2023 for approximately \$1.5M.
- Executed a contract in February 2024 to construct the pump and water treatment portion of the La Sierra ASR well for approximately \$3.8M
- Executed a contract for the District's landscaping service.
- Partnered with home owners in 2023 to replace 4,301 Square Feet of turf within the District through the District's Turf Replacement Program.
- Assisted 20 customers in identifying leaks in their water systems and provided rebates to them for the cost of the water that was lost. These rebates were provided through the District's Leak Exemption program after the cause of the leaks were repaired.
- Distributed approximately 75 cubic yards of mulch to District customers to promote water conservation.
- The District Safety Committee conducted a Continuity of Operations (COOP) exercise to evaluate the District's ability to stay operational during a scenario representing a real emergency.
- Executed a 4-year contract for the ArcGIS License with Environmental Systems Research Institute, Inc. (ESRI), including updates for the ArcGIS Server, ArcGIS Portal, ArcGIS Online, and ArcGIS Pro. During this renewal process, there were no disturbances to the existing geodatabase or any mapping applications used by the distribution operators or the main office staff members.



**Photo** - Removing column pipe and pump from old Ladera well in order to conduct testing and evaluation (February 2024)

### NEAR TERM GOALS

- Explore grant funding opportunities for the design of the District's Main Transmission Pipeline from the BWTP to California Ave.
- Complete construction of the La Sierra, Ladera, and Winding Way ASR wells.
- Finalize purchase of land rights from the San Juan Unified School District for the Ladera and La Sierra ASR well sites.
- Complete destruction of the old Ladera/Winding Way/Barrett Road wells.

- Complete construction of the La Vista Tank and Booster Pump Station.
- Expand the turf replacement program within the District.
- Develop an agreement for the sale or lease of the District's 1MW of transmission capability on the COTP.
- Continue promoting water conservation through mulching.
- Assist the District Safety Committee to conduct a Continuity of Operations (COOP) exercise.
- Increase security of District property and employees.
- Update ArcGIS Enterprise version 10.9 to the latest version 11.2. This will ensure a greater reliability, security, functionality, and performance off all GIS applications utilized by CWD.
- Complete the design of the updated SCADA system.
- Maintain past outreach activities and expand Public interaction by meeting with HOA and community groups.



**Photo** - Developing the new La Sierra ASR well using step pumping at different flow rates. (August 2023)

## PERFORMANCE MEASURES

- Complete grant funding applications to secure a minimum of \$200K in grant funding.
- Replace 5,000 square feet of turf.
- Update Emergency Response Plan (ERP) based on results of the COOP exercise.
- Meet all Water Use/Loss related reporting deadlines required for the District.
- Installing new access door in front lobby at the Corporate Headquarters for security purposes.
- Conduct a mulch give away event for District customers and distribute 75 cubic yards.
- Meet with 2 HOA groups and present current water conservation programs and opportunities.



**Photo-** Grass replaced with artificial turf and drought tolerant shrubs in mulched beds. (September 2023)

The Finance – Accounting department provides financial expertise and has several primary functions that serve and support the monetary activities of the District. The functions include accounting and auditing, budget preparation and monitoring, cash and treasury management, inventory management, cash receipting and cash disbursements, payroll processing, bond management and regulatory and compliance reporting. The budget includes the salaries, benefits, and employment taxes for the Finance Manager, the Staff Accountant and Inventory Specialist, along with professional accounting and auditing services, training, bank charges and payroll processing fees

### GOALS AND ACCOMPLISHMENTS

#### RECENT ACCOMPLISHMENTS:

- Earned the Government Finance Officers Association (GFOA) Distinguished Budget Award for the 2023-24 budget year.
- Completed the submission for the GFOA Certificate of Achievement for Excellence in Financial Reporting for the District's Annual Comprehensive Financial Report (ACFR) for the 2022-2023 fiscal year.
- Revised the investment policy of the District to enhance the investment options for the District and bring the policy up to date with government code.
- 

#### GOALS FOR THE UPCOMING YEAR:

- Prepare the 2024-25 budget in accordance with the criteria for the Government Finance Officers Association (GFOA) Distinguished Budget Award
- Prepare the 2024-25 ACFR in accordance with the criteria for the GFOA Certificate of Achievement for Excellence in Financial Reporting.

#### PERFORMANCE MEASURES:

- By July 1, 2024, develop the new General Ledger and Billing account structures to accommodate recording of transactions under the new revenue classifications for water budgeting and other compliance reporting mandates.
- By September 15, 2024, submit the District's 2024-25 budget to the GFOA for the Distinguished Budget award.
- By December 31, 2024, submit the District's 2023-24 ACFR to the GFOA for the Certificate of Achievement for Excellence in Financial Reporting award.

		2023-24	2023-24	2024-25		
Account number	Account description	Final amended budget	Year To Date Actuals 3/15/24	Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
<b>Finance/Accounting (Dept 23)</b>						
23-101103-00	Wages	339,790	91,198	359,918	20,128	5.92%
23-101501-00	Benefits	145,255	21,807	158,599	13,344	9.19%
23-101521-00	Taxes	26,827	7,236	27,912	1,085	4.04%
23-103105-00	Audit/Accounting Services	53,700	44,975	80,000	26,300	48.98%
23-103106-00	Bank Charges	4,000	4,697	4,000	-	0.00%
23-103120-00	Dues and memberships	310	300	460	150	48.39%
23-103157-00	Payroll Processing Fees	12,000	8,815	12,700	700	5.83%
23-103189-00	Training/Certification/Travel/Meetings (Moved to HR)	3,000	700	-	(3,000)	-100.00%
<b>Total Finance/accounting</b>		<b>584,882</b>	<b>179,728</b>	<b>643,589</b>	<b>58,707</b>	<b>10.04%</b>

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## Finance - Customer Service (Dept 24)

The Customer Service department strives to provide excellent customer service and support to District customers, employees, and contracted vendors. The Department's primary responsibilities include the processing of billing, payments, delinquency collections, and the review and monitoring of meter reading. Customer service also provides support to District customers as the initial point of contact and serves as a liaison in managing requests for:

The establishment of new water service  
Modifications to existing service  
Water Efficiency support

Water Service Calls  
Meter services  
Hydrant Meter Rentals

The Department budget includes the salaries, benefits, and employment taxes for the Billing Supervisor and two Billing Specialists, along with the related service fees for monthly billing services and payment processing.

		2023-24	2023-24	2024-25		
		Final amended budget	Year To Date Actuals 3/15/24	Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
Account number	Account description					
<b>Finance - Customer Service (Dept 24)</b>						
24-101103-00	Wages	235,581	27,147	253,878	18,297	7.77%
24-101501-00	Benefits	109,929	3,995	119,103	9,174	8.35%
24-101521-00	Taxes	18,505	2,073	19,800	1,295	7.00%
24-103107-00	Billing costs	77,000	34,597	76,000	(1,000)	-1.30%
24-103107-02	Payment processing fees	113,000	67,952	116,000	3,000	2.65%
24-103107-05	Lien redemption fees	3,600	260	900	(2,700)	-75.00%
24-103107-07	Contract services	4,000	-	5,000	1,000	25.00%
<b>Total Customer service</b>		<b>561,615</b>	<b>136,024</b>	<b>590,681</b>	<b>29,066</b>	<b>5.18%</b>

## GOALS AND ACCOMPLISHMENTS

### RECENT ACCOMPLISHMENTS:

- Implemented a courtesy verbal and/or emailed customer contact process which resulted in a 65% reduction in the number of collections shutoffs;
- Developed a plan for revising the billing codes in the billing process to differentiate the recording of the water sales according to account type and use;
- Converted all billing and collections activity completely over to paperless processing;
- Created Customer Class Type Identifiers for Schools, Senior Care & Medical Facilities, and investigated and updated all related accounts in order to easily identify those accounts when needed.

## **GOALS FOR UPCOMING YEAR**

- Execute the revision of the billing codes to differentiate the recording of the water sales according to account type and use.
- Investigate and develop a plan for revising the Commercial Location Class types to differentiate their Use Types for reporting purposes.

## **PERFORMANCE MEASURES**

- By September 30, 2024, complete the conversion of the billing codes to differentiate the recording of the water sales according to account type and use.
- By December 31, 2024, implement the plan for revising the Commercial Location Class types by their use.

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## Human Resources (Dept 25)

The Human Resources department manages the processes for employee recruitment and departures, employee relations, benefits management, workers' compensation management, illness/injury assistance, and training and regulatory compliance. The Department is committed to serving the employees by delivering District programs that keep them safe, informed, efficient and compliant. We also promote work place environments that are positive and engaging and where the most valued assets are the employees.

		2023-24	2023-24	2024-25		
		Final amended budget	Year To Date Actuals 3/15/24	Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
Account number	Account description					
Human Resources (Dept 25)						
25-101103-00	Wages	83,460	9,630	92,014	8,554	10.25%
25-101501-00	Benefits	25,469	1,093	28,223	2,754	10.81%
25-101521-00	Taxes	6,546	726	7,165	619	9.46%
25-103101-02	Advertising Employment Ads	2,000	299	1,500	(500)	-25.00%
25-103125-00	Exams/Screenings	2,000	3,041	2,000	-	0.00%
25-103153-03	HR Memberships/Books	200	-	200	-	0.00%
25-103501-01	Contract services	250	240	5,500	5,250	2100.00%
25-103501-00	Personnel Legal Services	12,000	4,222	12,000	-	0.00%
25-103509-00	Legal Litigation	50,000	4,950	50,000	-	0.00%
25-062100-02	Employee Recognition	3,000	788	3,000	-	0.00%
25-103189-00	Training/Certification/Travel/Meetings - All Depts	1,000	12	17,000	16,000	1600.00%
Total Human resources		185,925	25,000	218,602	32,677	17.58%

## GOALS AND ACCOMPLISHMENTS

### RECENT ACCOMPLISHMENTS:

- Successfully completed recruitments for Engineer Manager, GIS Specialist, and two Engineers.
- Launched a new internal portal for employees to give access to employee documents that include benefits information, tax forms, internal employee forms, and policies.
- Reviewed, analyzed, and implemented a new life insurance and long term disability benefit carrier that expanded the benefits while saving the District money.
- Implemented the new Workplace Violence Prevention Program for all employees with the help of the Safety Committee. (in the works but will be completed by June 2024)

### GOALS FOR UPCOMING FISCAL YEAR:

- Launch a new Workplace Wellness Program that promotes the health and well-being of the employees.
- Review IIPP with management and Safety Committee to ensure compliance.
- Negotiate successor Memorandum of Understanding (MOU) with AFSCME.
- Conduct a salary survey to update compensation for all employees for FY 25-26.
- Continue to update District policies as new laws come into effect.

**PERFORMANCE MEASURES:**

- By December 31, 2024 complete the Workplace Wellness Programs first event for employees.
- By June 30, 2025 complete the MOU negotiations.
- By June 30, 2025 complete the salary survey with all the positions updated with the new compensation rates.

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## Information Technology (Dept 26)

The Information Technology department has changed this budget year. The IT services are outsourced to a third party service provider. Ongoing services include remote and onsite Help Desk, cybersecurity and network engineering services, product fulfillment and vendor software licensing management. Other services are provided on a Time and Materials basis, as needed and are contracted separately by project. The Department's budget this year includes only those expenses required to support the District's technology efforts with hardware, software, professional managed services, contract services, and telecommunications. This department does not have employees this budget year.

		2023-24	2023-24	2024-25		
		Final amended budget	Year To Date Actuals 3/15/24	Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
Account number	Account description					
Information Technology (Dept 26)						
26-102301-00	Hardware	15,000	11,501	20,000	5,000	133.33%
26-102305-00	Cybersecurity	-	-	10,000	10,000	-
26-102307-00	Supplies/Tools	500	156	500	-	100.00%
26-102309-00	Contract Services- IT	46,000	24,055	52,400	6,400	113.91%
26-103145-00	Equipment Repairs/Maint	10,000	2,336	10,000	-	0.00%
26-102303-00	Gen Computer Software/Licensing	102,056	69,502	135,000	32,944	32.28%
26-102311-00	Network Monitoring/Risk	7,200	6,300	17,800	10,600	147.22%
26-103185-01	Telecommunications	30,000	16,932	15,000	(15,000)	-50.00%
26-103705-05	Website Maintenance	7,500	5,697	8,500	1,000	13.33%
	Allocation of IT expenses to WTP	-	-	(43,100)	(43,100)	-
	Total Information technology	218,256	136,480	226,100	7,844	3.59%

## Public Outreach and Water Efficiency (Dept 28)

The Public Outreach and Water Efficiency Department is responsible for all outreach of the District and supports the water efficiency efforts as mandated by law and by policy. Outreach efforts include seminars and attendance at schools and shows, responses to media requests, maintenance of the District's website, publication of the District's newsletter ("The Flow"), monitoring of developing legislation/regulations, and compliance reporting. Water efficiency efforts include monitoring and assistance of customer usage, performance of water efficiency surveys, meter reading, enforcement of efficiency standards, and ensuring compliance with regulatory agencies for water conservation. The Department's budget includes the salaries, benefits and employment taxes for the Water Efficiency Specialist, materials and supplies for outreach events, budgetary allocations for grant matches for turf replacement and other grant programs, and agency participation fees for water efficiency.

		2023-24	2023-24	2024-25		
		Final amended budget	Year To Date Actuals 3/15/24	Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
Account number	Account description					
<b>Public Outreach and Water Efficiency (Dept 28)</b>						
<b>Public Outreach</b>						
27-102709-00	Carmichael Chamber of Commerce - Moved to General Admin dues	350	-	-	(350)	-100.00%
27-102720-00	Kiwanis Club - Moved to General Admin dues	200	140	-	(200)	-100.00%
27-102733-00	SAWWA - Moved to General Admin dues	100	-	-	(100)	-100.00%
28-103701-00	Printing/Mailing/Postage	10,000	1,823	15,000	5,000	50.00%
	<b>Total Public Outreach</b>	<b>10,650</b>	<b>1,963</b>	<b>15,000</b>	<b>4,350</b>	<b>40.85%</b>
		2023-24	2023-24	2024-25		
		Final amended budget	Year To Date Actuals 3/15/24	Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
Account number	Account description					
<b>Water Efficiency</b>						
28-101103-00	Wages (Includes Outreach LY budget)	83,810	6,988	68,694	(15,116)	-18.04%
28-101501-00	Benefits (Includes Outreach LY budget)	53,751	1,330	40,218	(13,533)	-25.18%
28-101521-00	Taxes (Includes Outreach LY budget)	6,836	535	5,381	(1,455)	-21.28%
28-102720-00	Dues and memberships (RWA Water efficiency, Irrigation Assoc)	15,300	140	15,500	200	1.31%
28-103145-00	Equipment Repairs/Maint	-	-	1,000	1,000	-
27-103171-00	Equipment rental expense	-	205	250	250	-
28-103705-07	Contract services (Water Loss Audit)	4,000	4,000	4,000	-	0.00%
23-103189-00	Training/Certification/Travel/Meetings (Moved to HR)	2,000	700	-	(2,000)	-100.00%
	<b>Water efficiency outreach</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
28-103701-00	Printing/Mailing/Postage	-	1,823	5,000	5,000	-
28-103705-01	Outreach events	18,700	550	5,000	(13,700)	-73.26%
	<b>Conservation outreach expenses</b>	<b>18,700</b>	<b>2,373</b>	<b>10,000</b>	<b>(8,700)</b>	<b>-46.52%</b>
	<b>Water efficiency program expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
28-103705-03	Conservation supplies	9,000	4,565	8,270	(730)	-8.11%
28-103705-08	DWR Prop 1 Rachio Controller program	12,900	-	12,000	(900)	-6.98%
28-103705-09	Turf Replacement	113,000	7,802	120,000	7,000	6.19%
	<b>Total Conservation Program expenses</b>	<b>134,900</b>	<b>12,367</b>	<b>140,270</b>	<b>6,100</b>	<b>4.52%</b>
	<b>Total Water Efficiency</b>	<b>319,297</b>	<b>28,637</b>	<b>285,313</b>	<b>(29,634)</b>	<b>-8.98%</b>
	<b>Total Outreach and Water efficiency</b>	<b>329,947</b>	<b>30,600</b>	<b>300,313</b>	<b>(29,634)</b>	<b>-8.98%</b>

## GOAL AND ACCOMPLISHMENTS

### RECENT ACCOMPLISHMENTS:

- PENDING

### GOALS FOR UPCOMING YEAR

- PENDING

### PERFORMANCE MEASURES

- PENDING

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## Production Department

The Production Department of Carmichael Water District is responsible for the operation, maintenance, and repair of the Bajamont Water Treatment Plant (BWTP), five CWD groundwater well sites and two reservoirs. Operators in the Production Department are also responsible for monitoring water quality compliance with the California Surface Water Treatment Rule. This includes sampling through the WTP and Distribution system.

The Production Department's Budget is divided into three separate sections to accommodate the activities of the Department, enhance cost allocations for contracts, and grant administration: Administration, Treatment Plant Operations, and Well Operations.

The Production Department is committed to:

- Producing High Quality drinking water while meeting or exceeding state standards
- Sustain a Production team that is highly trained, friendly and knowledgeable. With the ability to effortlessly interact and inform our customers
- Operate and Maintain all assets at optimum efficiency and reliability
- Provide a safe Workplace for Production Staff.

## GOALS AND ACCOMPLISHMENTS

### RECENT ACCOMPLISHMENTS:

- Continued the Raw Water Pump Rehab Project to increase the efficiency of the four 300 HP intake pumps. The third of four pumps was completed in FY 23-24
- Installed dual containment systems for all well site chemical storage to ensure chemical containment and meet all safety standards
- Purchased and installed level monitoring system for the Ranney Collectors to provide real time data on the intake structures
- Completed inspection and cleaning of the Ranney Collectors. Increasing capacity of the intake system
- All staff Backflow certified to meet compliance needs for the cross connection program
- Cleared all properties of overgrown and damaged trees from recent storms

### GOALS FOR THE UPCOMING YEAR:

The Production Department's goals for the upcoming fiscal year are to improve process efficiency, accuracy and safety. The department intends to complete the projects below In FY 24/25.

- Rebuild our four pressure reducing valves and work with Cla-Val Company to install flow and pressure monitoring equipment at each pressure reducing stations.

- Upgrade flow meter at Barrett School Well for a higher level of accuracy and reliability
- Replace two old booster pumps with of three variable frequency drive (VFD) boosters at the La Vista reservoir for greater efficiency and flexibility of stored water use
- Continue Staff training to provide the highest level of service to our customers

#### PERFORMANCE MEASURES:

- Track flow and pressure data through our pressure reducing stations to better evaluate water loss. Allowing equal flow from each of the pressure stations, minimizing low chlorine residuals and poor water quality
- Analyze flow data from the Barrett School Well for more accurate production numbers
- Utilize the VFD Pumps to make better use of stored water with flexible flow rates. Evaluate energy usage from the new booster pumps to measure efficiency
- Encourage and track staff to complete continuing education hours and seek training in relevant subjects

	2023-24	2023-24	2024-25		
	Final amended budget	Year To Date Actuals 3/15/24	Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
<b>Production</b>					
Administration Department (Dept 30)	1,312,235	635,227	1,558,169	245,934	19%
Water Treatment Plant Operations Department (Dept 35)	1,560,420	964,930	1,473,475	(86,945)	-6%
Well Operations Department (Dept 38)	458,350	263,810	414,706	(43,644)	-10%
<b>Total</b>	<b>3,331,005</b>	<b>1,863,967</b>	<b>3,446,350</b>	<b>115,345</b>	<b>4%</b>

## Production – Administration (Dept 30)

The Administration Department of Production includes those general expenses used to manage the daily operations of the Division that are not directly allocable to Treatment Plant and Well Operations. Such expenses include salaries, benefits and employment taxes for the Production Superintendent and five Treatment Operators, office supplies and expense, vehicle repairs and maintenance, Lab Supplies, etc.

Admin budget focused on training this year. All six of the Production staff maintain backflow prevention assembly general tester certification and two hold Cross Connection Specialist Certificates. These positions are imperative to safeguarding the distribution system from possible cross connection hazards.

Acquiring and retaining all allocated positions with qualified staff is a priority. In FY 23-24 the production administration budget maintained a full staff with over 57 years of experience. Production staff continue to advance their State Certifications levels to provide the highest operational standards.

		2023-24	2023-24	2024-25		
Account number	Account description	Final amended budget	Year To Date Actuals 3/15/24	Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
Administration Department (Dept 30)						
Personnel						
30-101103-00	Wages	844,044	430,526	792,209	(51,835)	-6.14%
30-101501-00	Benefits	356,652	144,614	328,155	(28,497)	-7.99%
30-101521-00	Taxes	63,239	32,540	61,486	(1,753)	-2.77%
	Allocation of (1) Engineer to Production	-	-	154,469	154,469	-
	Total personnel	1,263,935	607,679	1,336,319	72,384	5.73%
General						
30-102507-00	Backflow Supplies	1,500	121	500	(1,000)	-66.67%
30-103139-01	Lab Chemicals/Supplies	15,000	10,531	15,000	-	0.00%
30-103171-00	Equipment Rental	1,000	-	1,000	-	0.00%
30-103145-01	Equipment Repairs/Maint	6,500	1,758	6,500	-	0.00%
30-103173-00	Safety Equipment	3,750	1,840	3,750	-	0.00%
30-103147-00	Misc./Office	650	323	2,500	1,850	284.62%
30-103181-00	Supplies	3,700	1,754	2,200	(1,500)	-40.54%
30-103187-00	Tools	1,700	-	1,500	(200)	-11.76%
30-103193-00	Uniforms	3,500	3,834	3,500	-	0.00%
30-108501-00	Vehicle Repairs/maint	4,000	902	4,000	-	0.00%
35-103185-01	Telecommunications	-	1,336	10,500	10,500	-
30-103301-00	Insurance - Property/General liability, Cyber(50% Allocation)	-	-	120,800	120,800	-
30-102303-00	Information Technology expense allocation	-	-	43,100	43,100	-
	Total General expenses	41,300	22,398	214,850	173,550	420.22%
30-103189-00	Training/Certification/Travel/Meetings	7,000	5,150	7,000	-	0.00%
	Total Production Administration Department	1,312,235	635,227	1,558,169	245,934	18.74%



## Production – Water Treatment Plant Operations (Dept 35)

The Treatment Plant Operations budget includes those directly allocable expenses that are specific to operating and managing the facility such as power, systems and facility repairs and maintenance, chemicals and water sampling. The Bajamont Water Treatment Plant is a 22 MGD microfiltration facility that requires specialized, highly trained staff. Operations staff must be able to maintain and troubleshoot a variety of systems including pneumatic valves, electric motors and monitoring sensors. Staff must monitor water quality and filter performance throughout the system. From raw river water to filtered finish water, meeting all compliance goals.

		2023-24	2023-24	2024-25		
Account number	Account description	Final amended budget	Year To Date Actuals 3/15/24	Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
Water Treatment Plant Operations Department (Dept 35)						
Facility expenses						
35-103145-00	Facility maintenance (Janitorial, Pest control, Gen building R/M)	31,520	20,312	36,300	4,780	15.16%
35-103177-00	Security	5,000	3,308	6,500	1,500	30.00%
35-103195-00	Utilities	5,200	4,879	6,500	1,300	25.00%
	Total facility expenses	41,720	28,499	49,300	7,580	18.17%
35-106903-00	Water Quality	48,700	36,147	33,200	(15,500)	-31.83%
35-106301-00	Chemicals	248,500	145,760	257,000	8,500	3.42%
35-206701-00	Power - WTP (SMUD, PG&E)	901,600	660,492	951,600	50,000	5.55%
35-208700-00	WTP Systems Maintenance	213,000	62,146	85,500	(127,500)	-59.86%
35-102505-00	Contract services (Engineering/SCADA)	38,000	9,391	25,000	(13,000)	(0)
35-102901-00	Licenses, fees, and permits (SWRCB, NPDES, Sac County Environmental)	68,900	22,496	71,875	2,975	0
	Total Production Water Treatment Operations Department	1,560,420	964,930	1,473,475	(86,945)	-5.57%

## Production – Well Operations (Dept 38)

The Well Operations budget includes those directly allocable expenses that are specific to operating and managing the District's wells such as power, repairs and maintenance.

Upkeep of the well site properties is an important aspect of operations. Maintaining a hazard free worksite is critical to staff safety and to prevent potential damages to above ground equipment during storm events. Well operations budget is allocated to trimming and removing trees that are deemed an issue.

Sodium Hypochlorite is delivered to and stored at wells for disinfection. Staff have training in proper handling of chemicals and dual containment tanks are in place for the highest level of safety. All staff are HAZWOPER certified. Daily sampling of the distribution system ensures that we comply with state standards.

Knowledge of the distribution system and all assets that deliver water to district customers is an important aspect of well operations. Staff utilize training courses in pressure reducing and flow control valves to ensure they are able to keep system pressures within required range and protect infrastructure.

Account number	Account description	2023-24 Final amended budget	2023-24 Year To Date Actuals 3/15/24	2024-25 Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
<b>Well Operations Department (Dept 38)</b>						
<b>Power</b>						
	<b>SMUD</b>					
38-216701-01	Barrett Rd Well	400	3,180	1,500	1,100	275.00%
38-226701-01	Barrett School Well	80,000	40,662	80,000	-	0.00%
38-236701-01	Garfield Well	80,000	47,453	80,000	-	0.00%
38-246701-01	Ladera Well	300	319	1,500	1,200	400.00%
38-256701-00	Ancil Hoffman	17,000	16,960	17,000	-	0.00%
38-266701-01	Willow Park Well	70,000	17,350	50,000	(20,000)	-28.57%
38-276701-00	Winding Way Well	50,000	5,298	20,000	(30,000)	-60.00%
38-286701-00	Dewey Tank/Pump Station	27,000	16,376	27,000	-	0.00%
38-296701-00	La Vista Tank/Pump Station	100,000	27,711	90,000	(10,000)	-10.00%
38-297701-00	Manzanita Ave	500	339	750	250	50.00%
	<b>PG&amp;E</b>					
38-296701-00	La Vista Tank/Pump Station	250	26,327	-	(250)	-100.00%
38-106703-00	COTP (Moved to Admin Svcs)	150	-	-	(150)	-
	<b>Total power</b>	<b>425,600</b>	<b>201,977</b>	<b>367,750</b>	<b>(57,850)</b>	<b>-13.59%</b>
38-218700-00	Well Site/Reservoir Maintenance	32,750	8,003	29,800	(2,950)	-9.01%
35-106903-00	Water Quality	-	31,834	14,500	14,500	-
35-102901-00	Licenses, fees, and permits (Sac County Environmental)	-	21,996	2,656	2,656	-
	<b>Total Production Well Operations Department</b>	<b>458,350</b>	<b>263,810</b>	<b>414,706</b>	<b>(43,644)</b>	<b>-9.52%</b>

## Distribution Department

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The Distribution Departments function is to deliver water to all customers of the system in sufficient quantity for potable drinking water and fire protection purposes, at the appropriate pressure, with minimal loss, of safe and acceptable quality, and as economically as possible. The Department provides timely 24 hour customer service by means of highly knowledgeable certified operators.

The Department's operation and maintenance (O&M) functions include service line repair, water main repair, water valve repair, fire hydrant repair, small ( $\leq 2$ -inch) meter repair/change out and routine maintenance activities.

The Department's capital budget (CIP) incorporates fixed asset (FA) addition functions, including the following in-house services: large ( $\geq 3$ -inch) meter installation/replacement; service line replacement; water main replacement projects; main line valve replacement; and fire hydrant replacement.



### Regulatory and Compliance Focus:

- Comply with Federal, State and County operation and safety codes.
- Deliver adequate water supply for domestic, commercial and fire protection use.
- Provide 24-hour emergency customer service.
- Respond to Underground Service Alert (USA)
- Maintain optimal staffing levels through succession planning
- Maintain a highly motivated, trained and certified workforce
- Maintain a safe work environment

The Department's budget is separated into three separate sections to accommodate the activities of the Department: Administration, Transmission and Distribution Repairs and Maintenance, and Capital Infrastructure construction management. The Capital Infrastructure portion is an allocation of salaries, benefits, and employment taxes that are incorporated within the Capital Budget.

## GOALS AND ACCOMPLISHMENTS

### RECENT ACCOMPLISHMENTS:

#### O & M

- Customer Assistance - 777
- Mainline Repairs - 23
- Service Line Repairs - 81
- Fire Hydrant Repairs - 26
- Mainline/Meter Valve Box Repairs - 33
- Main Line Valves Exercised - 223
- Fire Hydrant Inspection/Maintenance - 49
- Meter Body Replacements - 782
- Leak Detection - Survey 20 miles of pipeline and 356 appurtenances

#### CIP

- Service Line Replacements - 88
- Main Line Valve Replacements - 4
- Fire Hydrant Replacements - 4
- Inspected and managed the San Juan Avenue Waterline Replacement Project
- Inspected and managed the 42 home Promenade development project

### GOALS FOR UPCOMING YEAR:

- Maintain and record repairs on all vehicles and equipment to extend longevity
- Repair and/or replace water service lines, water mains, fire hydrants, main line valves and assorted appearances as needed or required.
- Deliver water to all customers of the system in sufficient quantity for domestic, commercial and fire protection purposes at the appropriate pressure, with minimal loss.
- Respond to customer service request and assist as needed or required.
- Complete annual Water Leak Detection Survey and Pinpointing Project
- Inspect and manage new construction installation activities and CIP waterline projects.

### PERFORMANCE MEASURES:

- By June 30, 2025, inspect, document and perform maintenance on 100 fire hydrants.
- By June 30, 2025, exercise, GPS and document 500 mainline valves to insure proper function, location and future reliability.
- By June 30, 2025, replace 500 meter bodies to ensure accuracy and revenue.
- By June 30, 2025, complete 20 miles of water leak detection and repair all leaks in a timely manner to reduce unaccounted for water loss.

	2023-24	2023-24	2024-25		
	Final amended budget	Year To Date Actuals 3/15/24	Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
<b>Distribution</b>					
Administration Department (Dept 40)	202,500	94,597	220,200	17,700	9%
Transmission and Distribution Department (Dept 45)	1,953,601	888,363	1,921,978	(31,623)	-2%
<b>Total</b>	<b>2,156,101</b>	<b>982,960</b>	<b>2,142,178</b>	<b>(13,923)</b>	<b>7%</b>

## Distribution- Administration (Dept 40)

The Administration department of Distribution includes those general expenses used to manage the daily operations of the Division that are not directly allocable to Transmission and Distribution repairs and maintenance. Such expenses include tools, uniforms, contract and inspection services and licenses, fees and permits.

Account number	Account description	2023-24 Final amended budget	2023-24 Year To Date Actuals 3/15/24	2024-25 Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
<b>Administration Department (Dept 40)</b>						
<b>General</b>						#DIV/0!
40-103113-00	Claims	1,000	297	1,000	-	0.00%
40-103145-01	Equipment Repairs/Maint	16,000	4,616	17,000	1,000	6.25%
40-103147-00	Shop supplies	5,000	1,605	6,000	1,000	20.00%
40-103153-00	Office supplies and expense	1,300	98	1,300	-	0.00%
40-103165-00	Printing expense (Notifications)	500	54	500	-	0.00%
40-103171-00	Equipment rental	3,000	388	4,000	1,000	33.33%
40-103173-00	Safety	5,000	3,268	5,000	-	0.00%
40-103179-00	Shipping/Freight	1,000	-	1,000	-	0.00%
40-103187-00	Tools	9,000	2,202	10,000	1,000	11.11%
40-103193-00	Uniforms	9,000	3,363	9,200	200	2.22%
40-103102-00	A/P Discounts	-	(1,083)	-	-	-
	<b>Total general</b>	<b>50,800</b>	<b>14,808</b>	<b>55,000</b>	<b>4,200</b>	<b>8.27%</b>
40-103145-00	Facility maintenance (Corp yard, washrack, fuel tank)	9,500	33,332	21,800	12,300	129.47%
40-102505-00	Contract services and inspections (Leak detection, USA, Fuel tank inspect)	27,400	11,491	27,600	200	0.73%
40-102901-00	Licenses, fees and permits (Encroachment permits, Air Quality)	2,800	1,094	2,800	-	0.00%
40-103189-00	Training/Certification/Travel/Meetings	8,000	3,675	12,000	4,000	50.00%
40-108501-00	Vehicle Maint	54,000	5,319	56,000	2,000	3.70%
40-108597-00	Fuel	50,000	24,879	45,000	(5,000)	-10.00%
	<b>Total Distribution Administration Department</b>	<b>202,500</b>	<b>94,597</b>	<b>220,200</b>	<b>17,700</b>	<b>8.74%</b>

## Distribution- Transmission and Distribution Maintenance and Repairs (Dept 45)

The Transmission and Distribution Repairs and Maintenance Budget includes salaries, benefits and employment taxes of the Construction Superintendent and six (6) Distribution operators. It also includes those directly allocable expenses used for repairs composed primarily of parts and then road restoration related expenses.

Account number	Account description	2023-24 Final amended budget	2023-24 Year To Date Actuals 3/15/24	2024-25 Proposed budget	\$ Budget Increase/ (Decrease)	% Budget Increase/ (Decrease)
<b>Transmission and Distribution Department (Dept 45)</b>						
<b>Personnel</b>						
45-101103-00	Wages	765,584	407,112	938,124	172,540	22.54%
45-101103-03	Capitalized Labor	(120,000)	(26,256)	(311,134)	(191,134)	159.28%
45-101501-00	Benefits	378,322	180,319	465,021	86,699	22.92%
45-101111-03	Capitalized benefits	(66,757)	(13,411)	(158,879)	(92,122)	138.00%
45-101521-00	Taxes	57,572	33,709	70,652	13,080	22.72%
45-101523-03	Capitalized payroll taxes	(9,620)	(2,111)	(23,306)	(13,686)	142.27%
	<b>Total Personnel</b>	<b>1,005,101</b>	<b>579,361</b>	<b>980,478</b>	<b>(24,623)</b>	<b>-2.45%</b>
45-108103-00	Infrastructure Repairs	502,500	164,429	505,500	3,000	0.60%
45-108301-00	Road Restoration	446,000	144,573	436,000	(10,000)	-2.24%
	<b>Total Distribution Transmission and Distribution Department</b>	<b>1,953,601</b>	<b>888,363</b>	<b>1,921,978</b>	<b>(31,623)</b>	<b>-1.62%</b>

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# CAPITAL IMPROVEMENTS

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## Capital Expenditures

### FY 2024-25 Capital Budget Summary of Capital Assets by Funding Source

	2023-24	2023-24	2024-25		
	Amended budget	YTD Actuals 3/15/24	Draft budget	\$ Budget increase (decrease)	% Budget increase (decrease)
<b>Funded by Reserves</b>	<b>\$ 400,000</b>	<b>\$ 27,453</b>	<b>\$ 400,000</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Funded by Rates</b>					
Vehicles and equipment	480,000	94,661	360,000	(120,000)	-25.00%
District In-house constructed assets	388,899	41,779	493,319	104,420	26.85%
Multi-Year capital projects	8,633,000	4,509,673	12,245,000	3,612,000	41.84%
<b>Tota Rate Funded Projects</b>	<b>\$ 9,501,899</b>	<b>\$ 4,646,113</b>	<b>\$ 13,098,319</b>	<b>\$ 3,596,420</b>	<b>37.85%</b>
<b>Funded by Certificates of Participation (COP)</b>	<b>\$ 1,450,000</b>	<b>\$ 862,682</b>	<b>\$ -</b>	<b>\$ (1,450,000)</b>	<b>-100.00%</b>

## Funded by Certificates of Participation (COP) Capital Improvement Projects

	2023-24 Amended budget	2023-24 YTD Actuals 3/15/24	2024-25 Draft budget	Budget increase (decrease)	% Budget increase (decrease)
10-011106-01/02/03 La Vista tank and pump station	\$ 1,450,000	\$862,681.66	\$ -	(1,450,000)	-100.00%
<b>Total capital improvement projects funded by bonds</b>	<b>\$ 1,450,000</b>	<b>\$ 862,682</b>	<b>\$ -</b>	<b>\$ (1,450,000)</b>	<b>-100.00%</b>

## Funded by Reserves Capital Improvement Projects

	2023-24 Amended budget	2023-24 YTD Actuals 3/15/24	2024-25 Draft budget	\$ Budget increase (decrease)	% Budget increase (decrease)
35-208714-00 Membrane replacement	\$ 200,000	27,453	\$ 200,000	-	0.00%
10-011112-01 Sacramento County impact projects - annual allocation	200,000	-	200,000	-	0.00%
<b>Total Capital improvement projects funded by reserves</b>	<b>\$ 400,000</b>	<b>\$ 27,453</b>	<b>\$ 400,000</b>	<b>\$ -</b>	<b>0.00%</b>

## Funded by Rates Vehicle Requests

	2023-24 Amended budget	2023-24 YTD Actuals 3/15/24	2024-25 Draft budget	\$ Budget increase (decrease)	% Budget increase (decrease)
<b>Administration</b>					
None	\$ -	-	\$ -	-	0.00%
<b>Total Administration vehicles and equipment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Production</b>					
10-011101-10 Vehicle replacement (2026-27 #38.....)	-	-	90,000	90,000	0
<b>Total Production vehicles and equipment</b>	<b>-</b>	<b>-</b>	<b>90,000</b>	<b>90,000</b>	<b>0.00%</b>
<b>Distribution</b>					
10-011101-10 Service trucks	140,000	86,580	180,000	40,000	28.57%
10-011101-08 Backhoe-Cancelled 2022-23, budget for 2023-24, \$80K est'd auction proceeds	250,000	8,081	-	(250,000)	-100.00%
10-011101-09 Tow behind air compressor, other Distrib equipment	90,000	-	90,000	-	0.00%
<b>Total Distribution vehicles and equipment</b>	<b>480,000</b>	<b>94,661</b>	<b>270,000</b>	<b>(210,000)</b>	<b>-43.75%</b>
<b>Total Vehicle and equipment expenditures</b>	<b>\$ 480,000</b>	<b>\$ 94,661</b>	<b>\$ 360,000</b>	<b>\$ (120,000)</b>	<b>-25.00%</b>

## Funded by Rates

### Capital Improvement Projects

		2023-24	2023-24	2024-25	\$ Budget	% Budget
		Amended	YTD Actuals	Draft budget	increase	increase
		budget	3/15/24		(decrease)	(decrease)
<b>Administration</b>						
10-011113-01	District wide security improvements	\$ 208,000	-	\$ -	\$ (208,000)	-100.00%
TBD	HVAC Replacements (2 Units)	-		40,000	40,000	100.00%
	<b>Total Administration capital improvement projects</b>	<b>208,000</b>	<b>-</b>	<b>40,000</b>	<b>(168,000)</b>	<b>-80.77%</b>
<b>Production</b>						
	<b>WTP Facility Improvements:</b>					
10-011105-31	SCADA Upgrade	250,000	34,626	800,000	550,000	220.00%
10-011105-18	Raw water pumps 300 hp (2 of 3)	100,000	74,297	-	(100,000)	-100.00%
10-011105-24	Raw Water Building/Dewey Pump HVACS	88,203		-	(88,203)	-100.00%
10-011105-29	Breaker replacement	100,000		-	(100,000)	-100.00%
10-011105-30	WTP Building rehab Lab rehab, gutters, roof	125,000		125,000	225,000	180.00%
TBD	WTP Roof replacement			350,000		100.00%
10-011107-00	Ranney collector cleaning	1,400,000	1,087,600	-	(1,400,000)	-100.00%
	<b>Wells:</b>					
	ASR Study (La Sierra, Ladera, Winding Way)			50,000	50,000	100.00%
	Well Valve project			30,000	30,000	100.00%
	Barret Road Well Demo			250,000	250,000	100.00%
10-011105-25/26	La Sierra Well - Grant funded	2,100,000	566,006	3,600,000	1,500,000	71.43%
10-011105-19	Ladera ASR Well # 2 - Grant funded	1,250,000	71,604	2,000,000	750,000	60.00%
10-011106-20	Garfield Generator	250,000	9,618	-	(250,000)	-100.00%
10-011105-28	Winding Way well replacement	261,797	49,641	2,000,000	1,738,203	663.95%
	<b>Total Production capital improvement projects</b>	<b>5,925,000</b>	<b>1,893,392</b>	<b>9,205,000</b>	<b>3,280,000</b>	<b>55.36%</b>
<b>Distribution</b>						
	<b>Mainline Projects</b>					
10-011106-14/15	San Juan Water line	2,500,000	1,753,599	-	(2,500,000)	-100.00%
	Garfield - Engle/WTP Transmission lines (Phases 1&2 of 10)			500,000	500,000	100.00%
	Claremont/Jeffrey/Coda			2,500,000	2,500,000	100.00%
	<b>Total Distribution capital improvement projects</b>	<b>2,500,000</b>	<b>1,753,599</b>	<b>3,000,000</b>	<b>500,000</b>	<b>20.00%</b>
<b>Total multi-year capital improvement projects funded by rates</b>		<b>\$ 8,633,000</b>	<b>\$ 3,646,991</b>	<b>\$ 12,245,000</b>	<b>\$ 3,612,000</b>	<b>41.84%</b>





Appendix A - Capital Improvement  
Projects Plan  
Fiscal Year 2024-25  
Budget



# Overview

Carmichael Water District's (District) Capital Improvement Projects (CIP) Plan is a comprehensive ten-year plan that is approved by the Board of Directors (Board). The CIP identifies current and future fiscal requirements and is the basis for determining annual capital budget expenditures. Capital improvements are major projects undertaken by the District for the procurement, construction, or installation of facilities or related equipment intended to improve, preserve, or enhance District services.

The CIP Plan is a dynamic and fluid document that takes preliminary engineering and construction cost estimates in tandem with the Water Rate Study and Water Rate Adjustments set by the Board of Directors annually to best evaluate and approximate future projects.

The following summarizes major program areas with project funding included in the 2022-2033 CIP. Detailed information on the CIPs receiving funding within the ten-year plan is shown on project detail sheets with projects presented by Division: Administrative services, Production, and Distribution. The projects are categorized and summarized first by rate funded projects and then by grant funded projects.

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# CIP 10 Year Projection

Carmichael Water District CIP 10 year projection					
PROJECT DESCRIPTIONS	CY	PROPOSED			
	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
<b>ADMIN</b>					
Vehicle and equipment replacement	-	-	-	130,000	-
District wide security improvements - Parking lot, patio	208,000	-	-	-	-
Master plan update	-	-	-	-	250,000
Rate Study, Business plan/financial analysis	-	-	200,000	-	-
HVAC Unit Replacement (2 units)	-	40,000	-	-	-
Financial Software Replacement/Asset management	-	-	-	400,000	600,000
Asset Management Software	-	-	-	-	-
<b>ADMIN TOTALS</b>	<b>208,000</b>	<b>40,000</b>	<b>200,000</b>	<b>530,000</b>	<b>850,000</b>
<b>DISTRIBUTION</b>					
Vehicles: Superintendent's truck (#14 FY2023-24)	50,000	-	-	-	-
Service truck (FY 2024-25 #13)	90,000	90,000	90,000	-	90,000
Service truck (FY 2024-25#33 F550)	90,000	90,000	-	-	-
Other Distribution equipment	40,000	90,000	90,000	90,000	90,000
Tow behind Air compressor	50,000	-	-	-	-
Backhoe replacement (Salvage revenue offset: \$80K)	250,000	-	-	-	-
Self constructed infrastructure	388,899	493,319	517,985	543,884	571,078
San Juan Water Line Project Package (~"5000<10")	2,500,000	-	-	-	-
Glenbrook/Mauer/Pinecrest/Wintun & North Ave Package (~"3500<10")	-	-	-	-	-
Homewood/Halsted/Calumet/DelJohn/Vanda/Home (~"4300<10")	-	-	-	-	-
La Vista Project - Angeline Ave Water line *Supplemental funds for bond shortage (~"2500<12")	-	-	200,000	-	-
Garfield-Engle/WTP Transmission lines - Phases 1 through 10 (Pending grant funding)	-	-	-	-	-
WTP Transmission lines (west) phase I- WTP to Marshal Phase 1	-	250,000	-	-	-
WTP Transmission lines (west) phase II, Marshall to California Phase 2	-	250,000	-	2,800,000	-
WTP Transmission lines (west) phase III, Stanley to Duncan Phase 3	-	-	250,000	-	2,900,000
WTP Transmission lines (west) phase IV Stanley to Sutter Phase 4	-	-	250,000	-	-
WTP Transmission lines (west) phase V California FO to Stanley Phase 5	-	-	-	-	-
Garfield/Engle Transmission Pipeline replacement (~"9600 12", ~"3500 8") Phase 6	-	-	-	-	1,750,000
Garfield/Engle Transmission Pipeline replacement (~"9600 12", ~"3500 8") Phase 7	-	-	-	-	-
Garfield/Engle Transmission Pipeline replacement (~"9600 12", ~"3500 8") Phase 8	-	-	-	-	-
Garfield/Engle Transmission Pipeline replacement (~"9600 12", ~"3500 8") Phase 9	-	-	-	-	-
Garfield/Engle Transmission Pipeline replacement (~"9600 12", ~"3500 8") Phase 10	-	-	-	-	-
Continental/Claire Dr/San Juan/Intertie FOWD @ Continental (~"3000<10")	-	-	-	-	-
Claremont/Jeffrey/Coda (~"4300<10")	-	-	-	-	-
Gunn (2200 - 2400) (~"1000<10")	-	2,500,000	-	-	-
Melvin and Boyd Dr (East of Walnut) (~"2000<10")	-	-	-	-	-
Ross Ave/Delaware Ave/Casita/California (~"1900<10")	-	-	-	-	-
Pressure monitoring system	-	-	-	-	-
Maple/Prospect/Lakeview/Marshall (~"5000<10")	-	-	-	-	-
Distribution pipeline - TBD	-	-	-	-	-
<b>DISTRIBUTION TOTALS</b>	<b>3,368,899</b>	<b>3,763,319</b>	<b>1,397,985</b>	<b>3,433,884</b>	<b>5,401,078</b>
<b>PRODUCTION</b>					
Vehicle replacement (2026-27 #38....)	-	90,000	-	-	-
Equipment: Compressor replacement	140,000	-	-	50,000	-
WTP:	-	-	-	-	-
SCADA Improvement w/PLC, instrumentation upgrades and new server	250,000	800,000	650,000	-	-
BWTP Water pump rehab (3 Raw water)	100,000	-	-	100,000	-
BWTP Intake Capacity Assessment and Maintenance (Ranney)	-	-	-	-	150,000
Electrical Switchgear, Generator, Breaker Replacement	100,000	-	-	-	100,000
BWTP Water Pump rehab (4 Treated water)	-	-	100,000	-	-
BWTP Building rehab (Exterior and interior): Lab rehab, then exterior gutters, siding, etc.	125,000	125,000	-	-	-
Ranney collector cleaning (Approved 2-21-23) (Cleaned all three 2023-24)	1,400,000	-	-	-	-
Raw Water Building/Dewey pump station HVAC	88,203	-	-	-	-
6 Block skid replacement Tertiary	-	-	-	200,000	-
BWTP Roof replacement	-	350,000	-	-	-
WELLS:	-	-	-	-	-
ASR Study (La Sierra, Ladera, Winding Way)	-	50,000	250,000	250,000	-
Surge protector/generator for Well sites (Garfield)	250,000	-	-	-	-
2 Chemical Tank replacements (Chlorine 6000 Gal fiberglass)	-	-	-	-	-
Willow Park Well pump replacement and electrical rehab	-	-	-	-	-
Dewey tank and booster pump station rehab (pumps only)	-	-	350,000	-	-
Winding Way Well (4515 Charleston Drive)	-	-	-	-	-
Garfield Well Replacement- ASR Well #4	-	-	-	2,000,000	4,000,000
Well valve project	-	30,000	-	-	-
Barrett Road Well Demolition	-	250,000	-	-	-
Reserve Projects - Placeholder	-	-	-	-	-
Filter Skid Replacement	-	-	-	-	-
<b>PRODUCTION TOTALS</b>	<b>2,453,203</b>	<b>1,695,000</b>	<b>1,350,000</b>	<b>2,600,000</b>	<b>4,250,000</b>
<b>RATE FUNDED FUNDED PROJECTS TOTAL</b>	<b>6,030,102</b>	<b>5,498,319</b>	<b>2,947,985</b>	<b>6,563,884</b>	<b>10,501,078</b>
<b>PRODUCTION GRANT FUNDED PROJECTS</b>					
La Sierra Well- ASR Well #1 (Engle/Garfield) (\$2.0M USBR, \$4.0 DWR)	2,100,000	3,600,000	-	-	-
Ladera Well Replacement- ASR Well #2 (Fed grant \$2.5M + Artesian VA S)	1,250,000	2,000,000	3,000,000	-	-
Winding Way Well Replacement- ASR Well #3 (DWR grant \$2.5M + Artesian VA S)	261,797	2,000,000	3,000,000	-	-
<b>PRODUCTION GRANT FUNDED PROJECTS TOTAL</b>	<b>3,611,797</b>	<b>7,600,000</b>	<b>6,000,000</b>	-	-
<b>DISTRIBUTION GRANT FUNDED PROJECTS</b>					
WTP Transmission lines (west) phase I- WTP to Marshal Phase 1 (\$960K EPA/STAG Funding)	-	-	1,400,000	-	-
<b>DISTRIBUTION GRANT FUNDED PROJECTS TOTAL</b>	-	-	<b>1,400,000</b>	-	-
<b>GRAND TOTAL CIP</b>	<b>9,641,899</b>	<b>13,098,319</b>	<b>10,347,985</b>	<b>6,563,884</b>	<b>10,501,078</b>
<b>RESERVE FUNDING</b>					
County projects (Annual allocation, does not accumulate)	200,000	200,000	200,000	200,000	200,000
Filter skid replacement (Annual allocation per policy, accumulates in reserves)	650,000	650,000	650,000	650,000	650,000
Membrane replacement expense (\$200,000 annual funding, accumulates in reserves)	200,000	200,000	200,000	200,000	200,000
Ranney collector replacement - PROPOSED	-	500,000	-	-	-
<b>TOTAL RESERVE FUNDING</b>	<b>1,050,000</b>	<b>1,550,000</b>	<b>1,050,000</b>	<b>1,050,000</b>	<b>1,050,000</b>
<b>GRAND TOTAL CIP AND RESERVE FUNDING FROM OPERATIONAL INCOME</b>	<b>10,691,899</b>	<b>14,648,319</b>	<b>11,397,985</b>	<b>7,613,884</b>	<b>11,551,078</b>
<b>BOND FUNDING</b>					
La Vista project - Tank and booster pump station	1,200,000	-	-	-	-
La Vista project - Angeline Ave water line	250,000	-	-	-	-
<b>TOTAL BOND FUNDING</b>	<b>1,450,000</b>	-	-	-	-
<b>GRAND TOTAL</b>	<b>12,141,899</b>	<b>14,648,319</b>	<b>11,397,985</b>	<b>7,613,884</b>	<b>11,551,078</b>

## CIP 10 Year Projection

Grand total						
2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034	FYE 2024-2033
140,000	-	150,000	-	-	-	420,000
-	-	-	-	-	-	208,000
-	-	-	-	-	-	250,000
-	-	-	-	-	-	200,000
1,000,000	-	-	-	-	-	40,000
-	-	-	-	-	-	2,000,000
-	-	-	-	-	-	-
1,140,000	-	150,000	-	-	-	3,118,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	90,000	-	60,000	90,000	90,000	110,000
-	-	-	90,000	-	-	720,000
90,000	90,000	90,000	90,000	90,000	90,000	90,000
-	-	-	-	-	-	940,000
-	-	-	-	-	-	50,000
599,632	629,614	661,095	694,149	728,857	765,300	250,000
-	-	-	-	-	-	6,593,812
-	250,000	3,000,000	-	-	-	2,500,000
-	-	-	-	-	-	-
-	-	-	-	-	-	3,250,000
-	-	-	-	-	-	200,000
-	-	-	-	-	-	-
-	-	-	-	-	-	250,000
-	-	-	-	-	-	3,050,000
-	-	-	-	-	-	3,150,000
3,400,000	-	-	-	-	-	3,650,000
250,000	2,800,000	-	-	-	-	3,050,000
-	-	-	-	-	-	1,750,000
1,750,000	1,750,000	-	-	-	-	1,750,000
-	-	1,750,000	-	-	-	1,750,000
-	-	-	1,750,000	-	-	1,750,000
-	-	-	-	260,000	-	1,750,000
-	-	-	-	-	2,020,000	2,280,000
-	-	-	-	-	-	2,500,000
-	150,000	820,000	1,190,000	-	-	970,000
-	-	220,000	1,330,000	-	-	1,410,000
-	-	50,000	370,000	-	-	1,550,000
-	-	-	-	3,110,000	-	50,000
-	-	-	-	-	2,500,000	3,480,000
6,089,632	5,759,614	6,811,095	5,574,149	4,278,857	5,465,300	2,500,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	90,000
-	-	-	-	-	-	190,000
-	-	-	-	-	-	-
-	-	-	-	-	-	1,700,000
-	-	-	-	-	-	200,000
2,000,000	100,000	-	100,000	-	-	2,250,000
-	-	-	-	-	-	400,000
-	-	-	-	-	-	250,000
-	-	-	-	1,500,000	-	2,900,000
-	-	-	-	-	-	88,203
-	-	-	-	-	-	200,000
-	-	-	-	-	-	350,000
-	-	-	-	-	-	-
-	-	-	-	-	-	550,000
-	-	-	-	-	-	250,000
-	100,000	-	-	-	-	100,000
-	360,000	-	-	-	-	360,000
-	-	-	-	-	-	350,000
-	-	-	-	-	-	-
-	-	-	-	-	-	6,000,000
-	-	-	-	-	-	250,000
-	-	-	-	-	-	-
-	-	-	5,000,000	5,000,000	-	10,000,000
2,000,000	560,000	-	5,100,000	6,500,000	-	26,478,203
-	-	-	-	-	-	-
9,229,632	6,319,614	6,961,095	10,674,149	10,778,857	5,465,300	80,940,015
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	5,700,000
-	-	-	-	-	-	6,250,000
-	-	-	-	-	-	5,261,797
-	-	-	-	-	-	17,211,797
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	1,400,000
-	-	-	-	-	-	1,400,000
9,229,632	6,319,614	6,961,095	10,674,149	10,778,857	5,465,300	99,551,812
-	-	-	-	-	-	-
-	-	-	-	-	-	-
200,000	200,000	200,000	200,000	200,000	200,000	2,200,000
650,000	650,000	650,000	650,000	650,000	650,000	7,150,000
200,000	200,000	200,000	200,000	200,000	200,000	2,200,000
-	-	-	-	-	-	500,000
1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	12,050,000
10,279,632	7,369,614	8,011,095	11,724,149	11,828,857	6,515,300	111,601,812
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	1,200,000
-	-	-	-	-	-	250,000
-	-	-	-	-	-	1,450,000
10,279,632	7,369,614	8,011,095	11,724,149	11,828,857	6,515,300	113,051,812

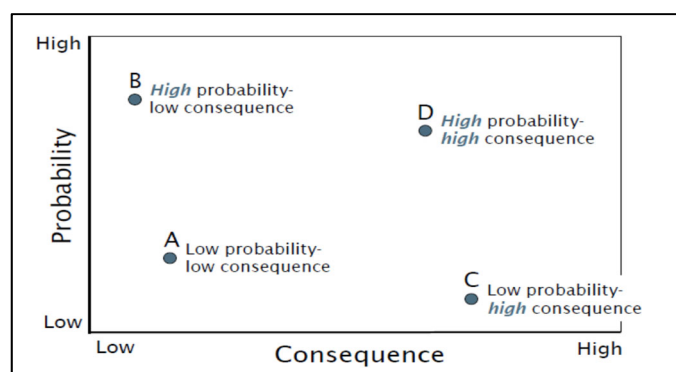
### BACKGROUND

The goal of the Capital Improvement Projects (CIPs) Priority Assessment is to establish a consistent and documented system that can aid the District staff in assessing the risk of the infrastructure and determining the priority of future projects. The risk assessment is a scoring matrix that will provide a ranking system. Having a quantifiable and consistent system in place allows the District to update project priorities to account for changing conditions or new information/observations and to show the reasoning behind these shifting priorities. The foundation of the analysis is based on typical engineering practices, EPA criteria guidelines, and industry standards and approach for asset management and determining asset risk management and criticality. Using these parameters in approaching and designing this system, staff utilized the EPA metrics that factor into a project's priority based on the risk of potential failure and impact to the District in the event of a failure

To do this, staff developed a risk-based approach, with the principles of the approach being built upon the probability of failure and the consequences of such failure for each existing infrastructure asset. The process began with the District's 2015 Master Plan, which included a list of 50-year CIPs reflecting programmatic impacts, and was further refined to a 10-Year Priority list. The 10-Year Priority List is used as a reference to compare the accuracy of the system while continually refining the scoring rubric. This refining process will be an on-going effort in order to maintain a CIP priority list that best aligns with the District's rationale for project priorities and the revenues available for the projects.

### RISK BASED APPROACH

The priority assessment is based on a risk analysis developed from a perspective of Probability of Failure (PoF) of a certain infrastructure and the Consequence of Failure (CoF). The combination of these two elements create a matrix to be used as a strategy for prioritizing projects and as a tool to guide staff to evaluate an infrastructure's replacement, rehabilitation, or additional monitoring. Figure 1 shows an example of the matrix with different risk assessments and illustrates the priorities of the CIPs depending on where they lie in the matrix. The next sections will detail the criteria that CWD staff have developed to define the Probability of Failure and Consequences of Failure.



**Figure 1. Example Risk Matrix**

*Source: Fundamentals of Asset Management  
Session 6-Determine Business Risk  
("Criticality"), EPA (2017)*



## Risk Analysis Approach (Continued)

### PROBABILITY OF FAILURE

CWD staff developed the following criteria based on the industry standards and recommendations for asset management. The criteria defines and describes the CIP's probability of failure. Table 1 details the criteria, definitions, and the scoring and weighting as described in the methodology.

Table 1. Probability of Failure Scoring Approach						
Criteria	Score					Weight (%)
	1 - Very Low	2 - Low	3 - Moderate	4 - High	5 - Very High	
Distress Indicators						25
Corrective Maintenance Performed	None	< once in 10 years	< once in 5 years	Every other year	Annually	20
Material/Product Quality	Excellent	Good	Average	Fair	Poor	15
Industry Service Life Remaining	> 90%	90% - 60%	59% - 46%	45% - 15%	< 15%	15
Environmental Conditions (Location/Security)	Secure and Protected		Partially Secure/Protected		Exposed to Harsh Conditions	10
Current Standard Compliance					Non Compliant	10
Pressure Zone	45-60		61-70		>71	5

## Risk Analysis Approach (Continued)

### CONSEQUENCES OF FAILURE

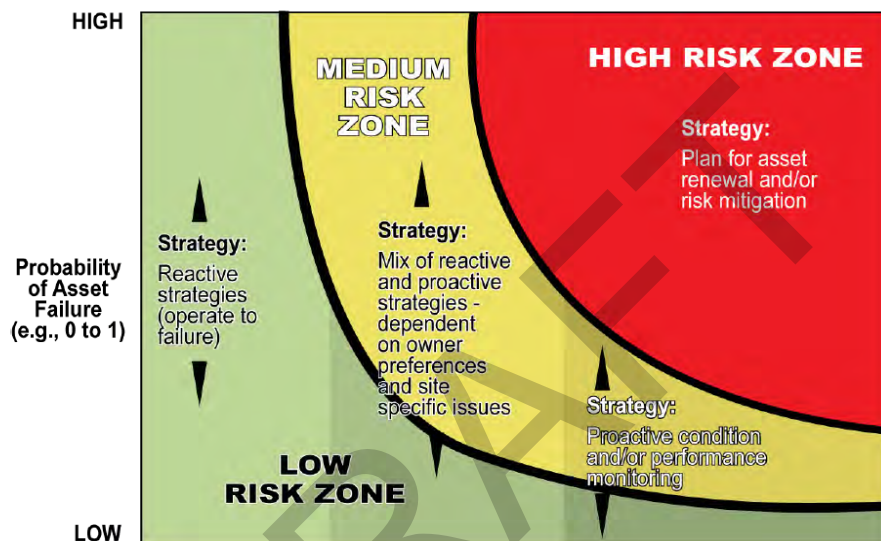
CWD staff developed the following criteria based on the industry standards and recommendations for asset management. The criteria defines and describes the CIP's consequences and impacts of failure. Table 2 details the criteria, definitions, and the scoring and weighting as described in the methodology.

Criteria	Score					Weight (%)
	1 - Very Low	5 - Low	10 - Moderate	50 - High	100 - Very High	
Environmental/Public Health Impact	Low Impact		Moderate Environmental Impact		Sensitive Environmental/Public Health Impacted	25
Magnitude of Service	< 5	5 - 25	>25	Essential	System Wide	20
Difficulty of Repair	Very Low (easy access)	Low (limited access)	Moderate	High (busy roads, more time required)	Very High (private property, major streets/intersections, requires specialty services)	20
Redundancy			Redundant		Single Point of Failure (0%)	20
Transportation/Business Impact	Local Road (residential)	Collector Road (Residential)	Collector Road (Mixed-use)	Arterial Road (Mixed-use)	Arterial Road/Intersection (Commercial)	15

## Risk Analysis Approach (Continued)

### APPLYING THE ASSESSMENT CRITERIA

The result of the assessment and risk analysis is a ranking of the projects that is used for prioritizing more critical assets and projects as part of the CIP planning. The rankings are graphically shown on a risk matrix, which will further inform, guide, and assist in developing risk mitigation strategies for the District. Figure 2 relates the resulting risk matrix to management and mitigation planning.



**Figure 2.** Relating Risk to CIP Planning

*Source: Fundamentals of Asset Management Session 6-Determine Business Risk ("Criticality"), EPA (2017)*

Applying the assessment system to the projects in this CIP Plan, Table 3 and Table 4 (Tables will be updated and presented in yearly CIP update) show the resulting scores for the Engineering, Distribution, and the Production projects.

The main obstacle while utilizing this system is the application of the scoring criteria to non-asset or non-existing asset type projects. The basis of the system is asset management, thus it is an examination of the District's existing asset or infrastructure from a risk management viewpoint. For projects that are engineering studies or construction/procurement of a new asset and not replacement of an existing asset, the scoring system does not fully apply to these types of projects. As such, when scoring these types of projects, staff considered the related asset or infrastructure

## Risk Analysis Approach (Continued)

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that the project is associated with. Thus, the probabilities and consequences of failure of the related asset or infrastructure is scored and not necessarily the project itself.

Plotting the results of the analysis in Figure 3 and Figure 4 (Figures will be updated and presented in yearly CIP update), the resulting risk matrix shows the CIP projects and their relative management zones. A noticeable difference between the figures is the Engineering/Distribution projects use a linear scale for the x-axis, whereas the Production projects use a logarithmic scale. This is due to the fact that the consequences of failure for Production type projects (mainly occurring at the District's Water Treatment Plant) would be more catastrophic as it would have a larger affect on the District than the Engineering/Distribution type projects, where most mainline projects have looped feeds to counteract these types of consequences.

### FINANCIAL CONSIDERATIONS

It is recommended that District Staff regularly reference this plan when making programmatic decisions. Furthermore, it is suggested that staff must annually evaluate the District's financial strategy that starts by considering the latest Business Plan Update and Water Rates and the annual fiscal year budget set by the Board of Directors. The 10-Year Business Plan Update outlines the projected revenue, expenditures, and planned system maintenance along with the water rates (typically in 5-year increments) to support the activities. From there, staff assesses the annual projects and budget available to complete the work. This is a fluid process as other competing needs may arise during the formation of the annual budget such as revenue shortages or increases (i.e.: curtailment, drought conditions, mandatory water use reductions, outside boundary sales, etc.) or unplanned expenditures (i.e.: asset failure, regulatory requirements, Sacramento County impact projects, etc.). Financial considerations may be highly influenced by other factors dictating a necessity to reassess the priority annually. At this time the projected financial cost of the program is approximately \$6M dollars per year, but this financial cost is established by scheduling of the projects which can be accelerated and/or decelerated at the discretion of the Board in consideration of District priorities.

### NEXT STEPS

For the CIP Priority Assessment, staff will continually evaluate and refine the scoring system to best represent the District's project priorities. The current project costs are preliminary estimates, and it is the District's intent to develop, refine, and improve this program and its project estimates to better aid in forecasting future project priorities and other needs to ensure that the District is pursuing projects that are aligned with the District Mission Statement to provide the highest quality water for the lowest feasible cost while serving our customers with diligence, efficiency and integrity.

# LaVista/Angelina Ave

## PROJECT INFORMATION

<b>Department</b>	Distribution
<b>Project Manager</b>	Distribution Superintendent/Engineering
<b>Project Description</b>	This project consists of installing ~2,500 feet of new 12-inch DIP, ~1,500 feet of new 8-inch DIP, new fire hydrants, meter relocations, and upgrading water services and appurtenances, abandonment of backyard water lines, and re-looping the system to existing water lines. This project is a contingency supplement for the La Vista Tank Project - Angelina Pipeline.
<b>Project Objectives and Justification</b>	The installation of the new water main will improve water quality, water volume, water pressure, water reliability, and fire safety by providing water system improvements and upgrading and/or replacing aging infrastructure. The original water main was made of steel and was installed around the 1940s. It is being replaced with new class 52 ductile iron pipe water main which has an estimated life expectancy of 100 years.
<b>Permits Required</b>	<input checked="" type="checkbox"/> CEQA Exemption <input type="checkbox"/> 401 Water Quality Certification <input type="checkbox"/> CEQA Negative Declaration (ND) <input type="checkbox"/> 404 USACE Clean Water Act <input type="checkbox"/> CEQA Mitigated ND <input type="checkbox"/> 408 USACE Consultation <input type="checkbox"/> CEQA Environmental Impact Report <input type="checkbox"/> CDFW LSAA Permit
<b>Notes</b>	

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	Totals
<b>Expenditures</b>							
Construction Costs							\$ -
Engineering				\$ 200K			\$ 200,000
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>				\$ 200K			\$ 200,000
<b>Funding</b>							
Revenues				\$ 200K			\$ 200,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>				\$ 200K			\$ 200,000

# Chemical Tank Replacement

## PROJECT INFORMATION

<b>Department</b>	Production
<b>Project Manager</b>	Production Superintendent
<b>Project Description</b>	This project involves the replacement of the two fiberglass 6000 gallon sodium hypochlorite storage tanks in the Bajamont Water Treatment Plant (BWTP).
<b>Project Objectives and Justification</b>	<p>Move up from 2029 to 2025 based on inspection (Oct 2022)</p> <p>Tanks were re-lined 2016-2018 expected 10 year life.</p> <p>The original chemical tanks were installed in 2000 when the BWTP was commissioned. They were first rehabilitated in 2019 and 2021. This project will provide updated storage tanks for chemical disinfection. Due to the age of the assets, the tanks are approaching their end of service life and require full replacement.</p>
<b>Permits Required</b>	<div> <input checked="" type="checkbox"/> CEQA Exemption             <input type="checkbox"/> CEQA Negative Declaration (ND)             <input type="checkbox"/> CEQA Mitigated ND             <input type="checkbox"/> CEQA Environmental Impact Report             <input type="checkbox"/> 401 Water Quality Certification             <input checked="" type="checkbox"/> 404 USACE Clean Water Act             <input type="checkbox"/> 408 USACE Consultation             <input type="checkbox"/> CDFW LSAA Permit           </div>
<b>Notes</b>	

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2026-2027	FY 2027-2028	FY 2028-2029	FY 2029-2030	FY 2030-2031	Totals
<b>Expenditures</b>							
Construction Costs					\$ 100K		\$ 100,000
Engineering							\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>					\$ 100K		\$ 100,000
<b>Funding</b>							
Revenues					\$ 100K		\$ 100,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>					\$ 100K		\$ 100,000

# Claremont/Coda Neighborhood

## PROJECT INFORMATION

<b>Department</b>	Distribution
<b>Project Manager</b>	Distribution Superintendent/Associate Engineer
<b>Project Description</b>	This project consists of installing ~4,500 feet of new DIP water line, new fire hydrants, meter relocations, and upgrading water services and appurtenances. Potential for environmental impact reports due to proximity to the Corp of Engineer's levee.
<b>Project Objectives and Justification</b>	The installation of the new water main will improve water quality, water volume, water pressure, water reliability, and fire safety by providing water system improvements and upgrading and/or replacing aging infrastructure. The original water main was made of steel and was installed around the 1940s. It is being replaced with new class 52 ductile iron pipe water main which has an estimated life expectancy of 100 years.
<b>Permits Required</b>	<input type="checkbox"/> CEQA Exemption <input type="checkbox"/> 401 Water Quality Certification <input type="checkbox"/> CEQA Negative Declaration (ND) <input type="checkbox"/> 404 USACE Clean Water Act <input checked="" type="checkbox"/> CEQA Mitigated ND <input type="checkbox"/> 408 USACE Consultation <input checked="" type="checkbox"/> CEQA Environmental Impact Report <input type="checkbox"/> CDFW LSAA Permit
<b>Notes</b>	

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029	Totals
<b>Expenditures</b>							
Construction Costs			\$ 2.50M				\$ 2,500,000
Engineering							\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>			\$ 2.50M				\$ 2,500,000
<b>Funding</b>							
Revenues			\$ 2.50M				\$ 2,500,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>			\$ 2.50M				\$ 2,500,000

# Dewey Tank and Booster Pumps

## PROJECT INFORMATION

<b>Department</b>	Production
<b>Project Manager</b>	Production Superintendent/Engineering Manager
<b>Project Description</b>	This project involves the rehabilitation of the Dewey Tank and the replacement of the Booster Pump Station.
<b>Project Objectives and Justification</b>	Dewey Tank was previously rehabilitated in 1997. It is currently showing signs of visible corrosion on the outside of the tank and the pump stations have met their life expectancy. This project will evaluate the Dewey Tank for corrosion and propose options for rehabilitation. In addition, the booster pump stations are due for replacement along with the associated electrical systems and AC system. The project will help ensure that Dewey Tank complying with current industry standards.
<b>Permits Required</b>	<input type="checkbox"/> CEQA Exemption <input type="checkbox"/> 401 Water Quality Certification <input type="checkbox"/> CEQA Negative Declaration (ND) <input type="checkbox"/> 404 USACE Clean Water Act <input checked="" type="checkbox"/> CEQA Mitigated ND <input type="checkbox"/> 408 USACE Consultation <input type="checkbox"/> CEQA Environmental Impact Report <input type="checkbox"/> CDFW LSAA Permit
<b>Project Schedule</b>	

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	Totals
<b>Expenditures</b>							
Construction Costs			\$ 150K	\$ 1.56M			\$ 1,710,000
Engineering							\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>			\$ 150K	\$ 1.56M			\$ 1,710,000
<b>Funding</b>							
Revenues			\$ 150K	\$ 1.56M			\$ 1,710,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>			\$ 150K	\$ 1.56M			\$ 1,710,000



# Enterprise Asset Management System/Resource Tool

## PROJECT INFORMATION

**Department** Engineering

**Project Manager** Engineering Manager/Finance Manager

**Project Description** This project will provide staff with software to more efficiently manage the District's assets, capital improvement projects, liabilities, and financial strategies.

**Project Objectives and Justification** The objective of this project is to provide staff with an asset management tool to better track, evaluate, and plan for capital improvement projects that combines the District's financial strategies and Master Plan all in one software package.

**Permits Required**

<input type="checkbox"/> CEQA Exemption	<input type="checkbox"/> 401 Water Quality Certification
<input type="checkbox"/> CEQA Negative Declaration (ND)	<input type="checkbox"/> 404 USACE Clean Water Act
<input type="checkbox"/> CEQA Mitigated ND	<input type="checkbox"/> 408 USACE Consultation
<input type="checkbox"/> CEQA Environmental Impact Report	<input type="checkbox"/> CDFW LSAA Permit

**Notes**

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029	FY 2029-2030	Totals
<b>Expenditures</b>							
Cost			\$ 400K	\$ 600K	\$ 1.00M		\$ 2,000,000
Engineering							\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>			\$ 400K	\$ 600K	\$ 1.00M		\$ 2,000,000
<b>Funding</b>							
Revenues			\$ 400K	\$ 600K	\$ 1.00M		\$ 2,000,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>			\$ 400K	\$ 600K	\$ 1.00M		\$ 2,000,000

# Electrical Switchgear and Generator/Breaker Maintenance (FY 2024-2028)

## PROJECT INFORMATION

<b>Department</b>	Production
<b>Project Manager</b>	Production Superintendent/Engineering Manager
<b>Project Description</b>	This project consists of performing maintenance on the electrical switchgear and breakers, and replacing the generator at the Bajamont Water Treatment Plant. GL#10-011110-00
<b>Project Objectives and Justification</b>	The maintenance will ensure reliable standby power during a power outage. The generator provides backup power and has been unreliable in power outage scenarios. Maintenance will be required until a full replacement is developed and implemented.
<b>Permits Required</b>	<input checked="" type="checkbox"/> CEQA Exemption <input type="checkbox"/> CEQA Negative Declaration (ND) <input type="checkbox"/> CEQA Mitigated ND <input type="checkbox"/> CEQA Environmental Impact Report <input type="checkbox"/> 401 Water Quality Certification <input type="checkbox"/> 404 USACE Clean Water Act <input type="checkbox"/> 408 USACE Consultation <input type="checkbox"/> CDFW LSAA Permit

### Notes

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	YTD (4/30/23)	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	Totals
<b>Expenditures</b>							
Construction Costs	\$ 54K	\$ 100K				\$ 150K	\$ 250,000
Engineering							\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Totals</b>	\$ 54K	\$ 100K				\$ 150K	\$ 250,000
<b>Funding</b>							
Revenues	\$ 54K	\$ 100K				\$ 150K	\$ 250,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>	\$ 54K	\$ 100K				\$ 150K	\$ 250,000

# Electrical Switchgear and Generator/Breaker Replacement (FY 2029-2033)

## PROJECT INFORMATION

<b>Department</b>	Production
<b>Project Manager</b>	Production Superintendent/Engineering Manager
<b>Project Description</b>	This project consists of performing a replacement of the electrical switchgear and breakers, and replacing the generator at the Bajamont Water Treatment Plant.
<b>Project Objectives and Justification</b>	Since 2015 studies indicated unreliable backup power in power outage scenarios. When repairs began, it was determined that due to the age of the generator, replacement parts requires extensive lead times with some parts being unavailable. The replacement project will ensure reliable standby power during a power outage and enable CWD to treat and deliver water reliably while on standby power.
<b>Permits Required</b>	<input checked="" type="checkbox"/> CEQA Exemption <input type="checkbox"/> 401 Water Quality Certification <input type="checkbox"/> CEQA Negative Declaration (ND) <input type="checkbox"/> 404 USACE Clean Water Act <input type="checkbox"/> CEQA Mitigated ND <input type="checkbox"/> 408 USACE Consultation <input type="checkbox"/> CEQA Environmental Impact Report <input type="checkbox"/> CDFW LSAA Permit
<b>Notes</b>	The estimated project start date is July 2027, however this project may be advanced if system reliability decreases prior to the scheduled replacement.

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Year Actuals	FY 2028-2029	FY 2029-2030	FY 2030-2031	FY 2031-2032	FY 2032-2033	Totals
<b>Expenditures</b>							
Construction Costs		\$ 2.00M					\$ 2,000,000
Engineering							\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Totals</b>		\$ 2.00M					\$ 2,000,000
<b>Funding</b>							
Revenues		\$ 2.00M					\$ 2,000,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>		\$ 2.00M					\$ 2,000,000

# Well- Garfield ASR Well #4 Destruction and new Well

## PROJECT INFORMATION

<b>Department</b>	Engineering/Production
<b>Project Manager</b>	Engineering Manager/Production Superintendent
<b>Project Description</b>	This project is to engineer and construct an Aquifer Storage and Recovery (ASR) well to ensure water supply reliability for the District.
<b>Project Objectives and Justification</b>	The objective of an ASR well is to store excess surface water when available and use the water during a curtailment or dry years. The District's current wells do not have this capability. This project would also provide groundwater supply during "normal" water years as part of regular operations. The project would provide the District additional water supply for reliability and potential savings in costs of water.
<b>Permits Required</b>	<input type="checkbox"/> CEQA Exemption <input type="checkbox"/> 401 Water Quality Certification <input type="checkbox"/> CEQA Negative Declaration (ND) <input type="checkbox"/> 404 USACE Clean Water Act <input checked="" type="checkbox"/> CEQA Mitigated ND <input type="checkbox"/> 408 USACE Consultation <input type="checkbox"/> CEQA Environmental Impact Report <input type="checkbox"/> CDFW LSAA Permit
<b>Notes</b>	

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	Totals
<b>Expenditures</b>							
Construction Costs				\$ 2.00M	\$ 4.00M		\$ 6,000,000
Engineering							\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>				\$ 2.00M	\$ 4.00M		\$ 6,000,000
<b>Funding</b>							
Revenues				\$ 2.00M	\$ 4.00M		\$ 6,000,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>				\$ 2.00M	\$ 4.00M		\$ 6,000,000

# Garfield/Engle WTP Transmission Line Replacement

## PROJECT INFORMATION

<b>Department</b>	Distribution
<b>Project Manager</b>	Distribution Superintendent/Engineering Manager
<b>Project Description</b>	This revised project combines the Garfield and WTP transmission pipeline projects. The total project consists of replacing the main transmission lines that convey water from the Water Treatment Plant to sub-mains and laterals throughout the District's system. The revised project is a long range capital improvement to the District's water main transmission system. The total project includes approximately 25,000 feet of new 24" transmission line, 60,000 feet of 36" transmission line, 20,000 feet of 48" transmission line, and 10,000 feet of 60" transmission line. The installation of the new water pipelines will improve water quality, reduce water loss from leaks and breaks, help maintain water pressure, improve water reliability, and promote fire safety by providing water system improvements and upgrading and/or replacing aging infrastructure. The original water mains were made of steel and were installed circa 1940. They will be replaced with new class 52 ductile iron pipe water
<b>Project Objectives and Justification</b>	
<b>Permits Required</b>	<input type="checkbox"/> CEQA Exemption <input type="checkbox"/> 401 Water Quality Certification <input type="checkbox"/> CEQA Negative Declaration (ND) <input type="checkbox"/> 404 USACE Clean Water Act <input checked="" type="checkbox"/> CEQA Mitigated ND <input type="checkbox"/> 408 USACE Consultation <input type="checkbox"/> CEQA Environmental Impact Report <input type="checkbox"/> CDFW LSAA Permit
<b>Notes</b>	

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029	FY 2029-2030	Totals
<b>Expenditures</b>							
Construction Costs			\$ 2.80M	\$ 4.40M	\$ 5.00M	\$ 4.00M	\$ 16,200,000
Engineering	\$ 400K	\$ 400K		\$ 200K	\$ 300K	\$ 500K	\$ 1,800,000
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA	\$ 100K	\$ 100K		\$ 50K	\$ 100K	\$ 50K	\$ 400,000
Contingency							\$ -
<b>Expenditure Totals</b>	<b>\$ 500K</b>	<b>\$ 500K</b>	<b>\$ 2.80M</b>	<b>\$ 4.65M</b>	<b>\$ 5.40M</b>	<b>\$ 4.55M</b>	<b>\$ 18,400,000</b>
<b>Funding</b>							
Revenues	\$ 500K	\$ 500K	\$ 2.80M	\$ 4.65M	\$ 5.40M	\$ 4.55M	\$ 18,400,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>	<b>\$ 500K</b>	<b>\$ 500K</b>	<b>\$ 2.80M</b>	<b>\$ 4.65M</b>	<b>\$ 5.40M</b>	<b>\$ 4.55M</b>	<b>\$ 18,400,000</b>

# Garfield/Engle WTP Transmission Line Replacement

## PROJECT INFORMATION

<b>Department</b>	Distribution
<b>Project Manager</b>	Distribution Superintendent/Engineering Manager
<b>Project Description</b>	This revised project combines the Garfield and WTP transmission pipeline projects. The total project consists of replacing the main transmission lines that convey water from the Water Treatment Plant to sub-mains and laterals throughout the District's system. The revised project is a long range capital improvement to the District's water main transmission system. The total project includes approximately 25,000 feet of new 24" transmission main, 60" to 66" distribution main, and 12" to 18" service lines. The installation of the new water pipelines will improve water quality, reduce water loss from leaks and breaks, help maintain water pressure, improve water reliability, and promote fire safety by providing water system improvements and upgrading and/or replacing aging infrastructure. The original water mains were made of steel and were installed circa 1940. They will be replaced with new class 52 ductile iron pipe water
<b>Project Objectives and Justification</b>	
<b>Permits Required</b>	<input type="checkbox"/> CEQA Exemption <input type="checkbox"/> 401 Water Quality Certification <input type="checkbox"/> CEQA Negative Declaration (ND) <input type="checkbox"/> 404 USACE Clean Water Act <input checked="" type="checkbox"/> CEQA Mitigated ND <input type="checkbox"/> 408 USACE Consultation <input type="checkbox"/> CEQA Environmental Impact Report <input type="checkbox"/> CDFW LSAA Permit
<b>Notes</b>	

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	FY 2030-2031	FY 2031-2032	FY 2032-2033	FY 2033-2034			Totals
<b>Expenditures</b>							
Construction Costs	\$ 1.75M	\$ 1.75M					\$ 3,500,000
Engineering							\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>	\$ 1.75M	\$ 1.75M					\$ 3,500,000
<b>Funding</b>							
Revenues	\$ 1.75M	\$ 1.75M					\$ 3,500,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>	\$ 1.75M	\$ 1.75M					\$ 3,500,000

# Gunn Road Neighborhood

## PROJECT INFORMATION

**Department** Distribution

**Project Manager** Distribution Superintendent/Engineering

**Project Description** This project consists of installing ~1,000 feet of new 8-inch DIP water line, new fire hydrants, meter relocations, and upgrading water services and appurtenances.

### Project Objectives and Justification

The installation of the new water main will improve water quality, water volume, water pressure, water reliability, and fire safety by providing water system improvements and upgrading and/or replacing aging infrastructure. The original water main was made of steel and was installed around the 1940s. It is being replaced with new class 52 ductile iron pipe water main which has an estimated life expectancy of 100 years.

### Permits Required

- ☒ CEQA Exemption
 ☐ 401 Water Quality Certification  
☐ CEQA Negative Declaration (ND)
 ☐ 404 USACE Clean Water Act  
☐ CEQA Mitigated ND
 ☐ 408 USACE Consultation  
☐ CEQA Environmental Impact Report
 ☐ CDFW LSAA Permit

### Notes

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2028-2029	FY 2029-2030	FY 2030-2031	FY 2031-2032	FY 2032-2033	Totals
<b>Expenditures</b>							
Construction Costs				\$ 820K			\$ 820,000
Engineering			\$ 120K				\$ 120,000
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA			\$ 30K				\$ 30,000
Contingency							\$ -
<b>Expenditure Totals</b>			\$ 150K	\$ 820K			\$ 970,000
<b>Funding</b>							
Revenues			\$ 150K	\$ 820K			\$ 970,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>			\$ 150K	\$ 820K			\$ 970,000

# Homewood Neighborhood

## PROJECT INFORMATION

**Department** Distribution

**Project Manager** Distribution Superintendent/Engineering

**Project Description** This project consists of installing ~4,300 feet of new DIP water line, new fire hydrants, meter relocations, and upgrading water services and appurtenances.

### Project Objectives and Justification

The installation of the new water main will improve water quality, water volume, water pressure, water reliability, and fire safety by providing water system improvements and upgrading and/or replacing aging infrastructure. The original water main was made of steel and was installed around the 1940s. It is being replaced with new class 52 ductile iron pipe water main which has an estimated life expectancy of 100 years.

### Permits Required

- ☒ CEQA Exemption
 ☐ 401 Water Quality Certification  
☐ CEQA Negative Declaration (ND)
 ☐ 404 USACE Clean Water Act  
☐ CEQA Mitigated ND
 ☐ 408 USACE Consultation  
☐ CEQA Environmental Impact Report
 ☐ CDFW LSAA Permit

### Notes

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2027-2028	FY 2028-2029	FY 2029-2030	FY 2030-2031	FY 2031-2032	Totals
<b>Expenditures</b>							
Construction Costs					\$ 3.00M		\$ 3,000,000
Engineering				\$ 250K			\$ 250,000
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>				\$ 250K	\$ 3.00M		\$ 3,250,000
<b>Funding</b>							
Revenues				\$ 250K	\$ 3.00M		\$ 3,250,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>				\$ 250K	\$ 3.00M		\$ 3,250,000



# La Sierra ASR Well #2- New Well

## PROJECT INFORMATION

<b>Department</b>	Engineering/Production
<b>Project Manager</b>	Engineering Manager/Production Superintendent
<b>Project Description</b>	This project is to engineer and construct an Aquifer Storage and Recovery (ASR) well to ensure water supply reliability for the District.
<b>Project Objectives and Justification</b>	The objective of an ASR well is to store excess surface water when available and use the water during a curtailment or dry years. The District's current wells do not have this capability. This project would also provide groundwater supply during "normal" water years as part of regular operations. The project would provide the District additional water supply for reliability and potential savings in costs of water.
<b>Permits Required</b>	<input type="checkbox"/> CEQA Exemption <input type="checkbox"/> 401 Water Quality Certification <input type="checkbox"/> CEQA Negative Declaration (ND) <input type="checkbox"/> 404 USACE Clean Water Act <input checked="" type="checkbox"/> CEQA Mitigated ND <input type="checkbox"/> 408 USACE Consultation <input type="checkbox"/> CEQA Environmental Impact Report <input type="checkbox"/> CDFW LSAA Permit
<b>Notes</b>	The District has received grant award notices \$2M from Reclamation and \$4M from California DWR. The project is in design and environmental permitting.

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	YTD (4/30/23)	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	Totals
<b>Expenditures</b>							
Construction Costs	\$ 1.90M	\$ 2.10M	\$ 2.00M				\$ 6,000,000
Engineering	\$ 72K						\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>	\$ 1.97M	\$ 2.10M	\$ 2.00M				\$ 6,000,000
<b>Funding</b>							
Revenues							\$ -
Grants	\$ 1.97M	\$ 2.10M	\$ 2.00M				\$ 4,100,000
Other							\$ -
<b>Funding Totals</b>	\$ 1.97M	\$ 2.10M	\$ 2.00M				\$ 4,100,000

# Ladera ASR Well #2- Destruction and New Well

## PROJECT INFORMATION

<b>Department</b>	Engineering/Production
<b>Project Manager</b>	Engineering Manager/Production Superintendent
<b>Project Description</b>	This project is to engineer and construct an Aquifer Storage and Recovery (ASR) well to ensure water supply reliability for the District.

### Project Objectives and Justification

The objective of an ASR well is to store excess surface water when available and use the water during a curtailment or dry years. The District's current wells do not have this capability. This project would also provide groundwater supply during "normal" water years as part of regular operations. The project would provide the District additional water supply for reliability and potential savings in costs of water.

### Permits Required

- |   |  |
|---|--|
| <input type="checkbox"/> CEQA Exemption                   | <input type="checkbox"/> 401 Water Quality Certification |
| <input type="checkbox"/> CEQA Negative Declaration (ND)   | <input type="checkbox"/> 404 USACE Clean Water Act       |
| <input checked="" type="checkbox"/> CEQA Mitigated ND     | <input type="checkbox"/> 408 USACE Consultation          |
| <input type="checkbox"/> CEQA Environmental Impact Report | <input type="checkbox"/> CDFW LSAA Permit                |

### Notes

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029	Totals
<b>Expenditures</b>							
Construction Costs	\$ 850K	\$ 2.00M	\$ 3.00M				\$ 5,850,000
Engineering	\$ 400K						\$ 400,000
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>	\$ 1.25M	\$ 2.00M	\$ 3.00M				\$ 6,250,000
<b>Funding</b>							
Revenues	\$ 1.25M						\$ 1,250,000
Grants		\$ 2.00M	\$ 1.25M				\$ 3,250,000
Other							\$ -
<b>Funding Totals</b>	\$ 1.25M	\$ 2.00M	\$ 1.25M				\$ 4,500,000

# Mapel/Prospect Neighborhood

## PROJECT INFORMATION

**Department** Distribution

**Project Manager** Distribution Superintendent/Engineering

**Project Description** This Project consists of installing ~7,000 feet of new 8-inch DIP water line, ~500 feet of new 12-inch DIP water line, new fire hydrants, meter relocations, and upgrading water services and appurtenances.

**Project Objectives and Justification** The installation of the new water main will improve water quality, water volume, water pressure, water reliability, and fire safety by providing water system improvements and upgrading and/or replacing aging infrastructure. The original water main was made of steel and was installed around the 1940s. It is being replaced with new class 52 ductile iron pipe water main which has an estimated life expectancy of 100 years.

**Permits Required**

<input type="checkbox"/> CEQA Exemption	<input type="checkbox"/> 401 Water Quality Certification
<input checked="" type="checkbox"/> CEQA Negative Declaration (ND)	<input type="checkbox"/> 404 USACE Clean Water Act
<input type="checkbox"/> CEQA Mitigated ND	<input type="checkbox"/> 408 USACE Consultation
<input type="checkbox"/> CEQA Environmental Impact Report	<input type="checkbox"/> CDFW LSAA Permit

**Notes**

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2028-2029	FY 2029-2030	FY 2030-2031	FY 2031-2032	FY 2032-2033	Totals
<b>Expenditures</b>							
Construction Costs						\$ 3.11M	\$ 3,110,000
Engineering					\$ 320K		\$ 320,000
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA					\$ 50K		\$ 50,000
Contingency							\$ -
<b>Expenditure Totals</b>					\$ 370K	\$ 3.11M	\$ 3,480,000
<b>Funding</b>							
Revenues					\$ 370K	\$ 3.11M	\$ 3,480,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>					\$ 370K	\$ 3.11M	\$ 3,480,000

# Melvin/Boyd Neighborhood

## PROJECT INFORMATION

**Department** Distribution

**Project Manager** Distribution Superintendent/Associate Engineer

**Project Description** This project consists of installing ~2,000 feet of new 8-inch DIP water line, new fire hydrants, meter relocations, and upgrading water services and appurtenances.

### Project Objectives and Justification

The installation of the new water main will improve water quality, water volume, water pressure, water reliability, and fire safety by providing water system improvements and upgrading and/or replacing aging infrastructure. The original water main was made of steel and was installed around the 1940s. It is being replaced with new class 52 ductile iron pipe water main which has an estimated life expectancy of 100 years.

### Permits Required

- ☒ CEQA Exemption
 ☐ 401 Water Quality Certification  
☐ CEQA Negative Declaration (ND)
 ☐ 404 USACE Clean Water Act  
☐ CEQA Mitigated ND
 ☐ 408 USACE Consultation  
☐ CEQA Environmental Impact Report
 ☐ CDFW LSAA Permit

### Notes

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2028-2029	FY 2029-2030	FY 2030-2031	FY 2031-2032	FY 2032-2033	Totals
<b>Expenditures</b>							
Construction Costs					\$ 1.20M		\$ 1,200,000
Engineering				\$ 170K			\$ 170,000
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA				\$ 50K			\$ 50,000
Contingency							\$ -
<b>Expenditure Totals</b>				\$ 220K	\$ 1.20M		\$ 1,420,000
<b>Funding</b>							
Revenues				\$ 220K	\$ 1.20M		\$ 1,420,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>				\$ 220K	\$ 1.20M		\$ 1,420,000

# Pressure Monitor

## PROJECT INFORMATION

<b>Department</b>	Distribution
<b>Project Manager</b>	Distribution Superintendent/Engineering Manager
<b>Project Description</b>	Construct and install pressure monitoring systems throughout the District.

<b>Project Objectives and Justification</b>	The installation of the pressure monitoring systems will alert staff of low pressure zones due to water line breaks, capacity limitations, and potentially unauthorized water use.
---	--

<b>Permits Required</b>	<input checked="" type="checkbox"/> CEQA Exemption <input type="checkbox"/> 401 Water Quality Certification <input type="checkbox"/> CEQA Negative Declaration (ND) <input type="checkbox"/> 404 USACE Clean Water Act <input type="checkbox"/> CEQA Mitigated ND <input type="checkbox"/> 408 USACE Consultation <input type="checkbox"/> CEQA Environmental Impact Report <input type="checkbox"/> CDFW LSAA Permit
-------------------------	--

**Notes**

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2028-2029	FY 2029-2030	FY 2030-2031	FY 2031-2032	FY 2032-2033	Totals
<b>Expenditures</b>							
Construction Costs				\$ 50K			\$ 50,000
Engineering							\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>				\$ 50K			\$ 50,000
<b>Funding</b>							
Revenues				\$ 50K			\$ 50,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>				\$ 50K			\$ 50,000

# Raw Water Pump Rotation

## PROJECT INFORMATION

<b>Department</b>	Production
<b>Project Manager</b>	Production Superintendent
<b>Project Description</b>	This is a multi-year replacement project to rehab/replace raw water pumps starting in 2021.

### Project Objectives and Justification

The original Water Pumps were installed in 2000 when the water treatment plant was commissioned. Good maintenance practice dictates these pumps should be pulled and rehabilitated to ensure that BWTP water pumps continue operating at a high level and ensure water treatment reliability. This project is consistent with the CWD Master Plan.

### Permits Required

- ☒ CEQA Exemption
 ☐ 401 Water Quality Certification  
☐ CEQA Negative Declaration (ND)
 ☐ 404 USACE Clean Water Act  
☐ CEQA Mitigated ND
 ☐ 408 USACE Consultation  
☐ CEQA Environmental Impact Report
 ☐ CDFW LSAA Permit

### Notes

This project estimates funding requirements for periodic pump rehabilitation from FY2022 through FY2024.

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	YTD (4/30/23)	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	Totals
<b>Expenditures</b>							
Construction Costs	\$ 149K	\$ 100K			\$ 100K		\$ 200,000
Engineering							\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>	\$ 149K	\$ 100K			\$ 100K		\$ 200,000
<b>Funding</b>							
Revenues	\$ 149K	\$ 100K			\$ 100K		\$ 200,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>	\$ 149K	\$ 100K			\$ 100K		\$ 200,000

# Ross/Delaware Neighborhood

## PROJECT INFORMATION

**Department** Distribution

**Project Manager** Distribution Superintendent/Associate Engineer

**Project Description** This project consists of installing ~1,900 feet of new 8-inch DIP water line, new fire hydrants, meter relocations, and upgrading water services and appurtenances.

### Project Objectives and Justification

The installation of the new water main will improve water quality, water volume, water pressure, water reliability, and fire safety by providing water system improvements and upgrading and/or replacing aging infrastructure. The original water main was made of steel and was installed around the 1940s. It is being replaced with new class 52 ductile iron pipe water main which has an estimated life expectancy of 100 years.

### Permits Required

- ☒ CEQA Exemption
 ☐ 401 Water Quality Certification  
☐ CEQA Negative Declaration (ND)
 ☐ 404 USACE Clean Water Act  
☐ CEQA Mitigated ND
 ☐ 408 USACE Consultation  
☐ CEQA Environmental Impact Report
 ☐ CDFW LSAA Permit

### Notes

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2028-2029	FY 2029-2030	FY 2030-2031	FY 2031-2032	FY 2032-2033	Totals
<b>Expenditures</b>							
Construction Costs					\$ 1.50M		\$ 1,500,000
Engineering				\$ 200K			\$ 200,000
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA				\$ 20K			\$ 20,000
Contingency							\$ -
<b>Expenditure Totals</b>				\$ 220K	\$ 1.50M		\$ 1,720,000
<b>Funding</b>							
Revenues				\$ 220K	\$ 1.50M		\$ 1,720,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>				\$ 220K	\$ 1.50M		\$ 1,720,000

# SCADA/PLC Upgrades

## PROJECT INFORMATION

<b>Department</b>	Production
<b>Project Manager</b>	Production Superintendent/Engineering
<b>Project Description</b>	This project consists of upgrading the PLC's and SCADA system at the Bajamont Water Treatment Plant (BWTP). This will include a technical owner's representative to develop a design-build contract. GL #22-102520-00
<b>Project Objectives and Justification</b>	The BWTP automation and system controls are reaching their useful life with the PLC's no longer supported by the manufacturer. Up-to-date automation controls are essential to the safe and effective treatment and delivery of water to Carmichael Water District customers. A study will be performed to determine the improvements and upgrades. The improvement and upgrade will have estimated life expectancy of 20
<b>Permits Required</b>	<input checked="" type="checkbox"/> CEQA Exemption <input type="checkbox"/> 401 Water Quality Certification <input type="checkbox"/> CEQA Negative Declaration (ND) <input checked="" type="checkbox"/> 404 USACE Clean Water Act <input type="checkbox"/> CEQA Mitigated ND <input type="checkbox"/> 408 USACE Consultation <input type="checkbox"/> CEQA Environmental Impact Report <input type="checkbox"/> CDFW LSAA Permit
<b>Notes</b>	The estimated project start date is July 2021 with an estimated completion date of June 2024.

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029	FY 2029-2030	Totals
<b>Expenditures</b>							
Construction Costs							\$ -
Engineering	\$ 800K	\$ 650K					\$ 1,450,000
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>	\$ 800K	\$ 650K					\$ 1,450,000
<b>Funding</b>							
Revenues	\$ 800K	\$ 650K					\$ 1,450,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>	\$ 800K	\$ 650K					\$ 1,450,000



# BWTP Treated Water Pump Replacement Rotation

## PROJECT INFORMATION

**Department** Production

**Project Manager** Production Superintendent

**Project Description** This is a multi-year project to rehab/replace four (4) treated water pumps at the Bajamont Water Treatment Plant (BWTP)

### Project Objectives and Justification

The original treated water pumps were installed in 2000 when the BWTP was commissioned. Good maintenance practice dictates these pumps should be pulled and rehabilitated to ensure the pumps continue operating at a high level. The rehabilitations of the water pumps will help ensure they can run continuously in order to treat water reliably. This project is consistent with the CWD Master Plan.

### Permits Required

- ☒ CEQA Exemption ☐ 401 Water Quality Certification
- ☐ CEQA Negative Declaration (ND) ☐ 404 USACE Clean Water Act
- ☐ CEQA Mitigated ND ☐ 408 USACE Consultation
- ☐ CEQA Environmental Impact Report ☐ CDFW LSAA Permit

### Notes

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	Totals
<b>Expenditures</b>							
Construction Costs				\$ 100K		\$ 100K	\$ 200,000
Engineering							\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>				\$ 100K		\$ 100K	\$ 200,000
<b>Funding</b>							
Revenues				\$ 100K		\$ 100K	\$ 200,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>				\$ 100K		\$ 100K	\$ 200,000

# Treated Water Pumps

## PROJECT INFORMATION

**Department** Production

**Project Manager** Production Superintendent

**Project Description** This is a multi-year project to rehab/replace four (4) treated water pumps at the Bajamont Water Treatment Plant (BWTP)

### Project Objectives and Justification

The original treated water pumps were installed in 2000 when the BWTP was commissioned. Good maintenance practice dictates these pumps should be pulled and rehabilitated to ensure the pumps continue operating at a high level. The rehabilitations of the water pumps will help ensure they can run continuously in order to treat water reliably. This project is consistent with the CWD Master Plan.

### Permits Required

- ☒ CEQA Exemption
 ☐ 401 Water Quality Certification  
☐ CEQA Negative Declaration (ND)
 ☐ 404 USACE Clean Water Act  
☐ CEQA Mitigated ND
 ☐ 408 USACE Consultation  
☐ CEQA Environmental Impact Report
 ☐ CDFW LSAA Permit

### Notes

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2028-2029	FY 2029-2030	FY 2030-2031	FY 2031-2032	FY 2032-2033	Totals
<b>Expenditures</b>							
Construction Costs			\$ 100K		\$ 100K		\$ 200,000
Engineering							\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>			\$ 100K		\$ 100K		\$ 200,000
<b>Funding</b>							
Revenues			\$ 100K		\$ 100K		\$ 200,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>			\$ 100K		\$ 100K		\$ 200,000

# Well-Willow Park replacement

## PROJECT INFORMATION

**Department** Production

**Project Manager** Production Superintendent/Engineering Manager

**Project Description** This project involves the replacement of the pump infrastructure and updating the electronics and VFDs at the Willow Park Well.

**Project Objectives and Justification** This project involves the replacement of the pump asset of the Willow Park Well that will ensure water reliability by replacing aging infrastructure. Willow Park Well was installed in 1993. When replaced or rehabilitated it will have an estimated life expectancy of 30 to 40 years. The replacement or rehabilitation of the Willow Park Well will help ensure water reliability by providing water system improvements, upgrades and/or the replacement of aging equipment.

**Permits Required**

<input type="checkbox"/> CEQA Exemption	<input type="checkbox"/> 401 Water Quality Certification
<input type="checkbox"/> CEQA Negative Declaration (ND)	<input type="checkbox"/> 404 USACE Clean Water Act
<input checked="" type="checkbox"/> CEQA Mitigated ND	<input type="checkbox"/> 408 USACE Consultation
<input type="checkbox"/> CEQA Environmental Impact Report	<input type="checkbox"/> CDFW LSAA Permit

**Project Schedule**

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2026-2027	FY 2027-2028	FY 2028-2029	FY 2029-2030	FY 2030-2031	Totals
<b>Expenditures</b>							
Construction Costs					\$ 360K		\$ 360,000
Engineering							\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>					\$ 360K		\$ 360,000
<b>Funding</b>							
Revenues					\$ 360K		\$ 360,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>					\$ 360K		\$ 360,000

# Winding Way ASR Well #3- Destruction and Drill New Well

## PROJECT INFORMATION

<b>Department</b>	Production
<b>Project Manager</b>	Production Superintendent
<b>Project Description</b>	This project is to engineer and construct an Aquifer Storage and Recovery (ASR) well to ensure water supply reliability for the District. GL #10-011105-28
<b>Project Objectives and Justification</b>	The objective of an ASR well is to store excess surface water when available and use the water during a curtailment or dry years. The District's current wells do not have this capability. This project would also provide groundwater supply during "normal" water years as part of regular operations. The project would provide the District additional water supply for reliability and potential savings in costs of water.
<b>Permits Required</b>	<input type="checkbox"/> CEQA Exemption <input type="checkbox"/> 401 Water Quality Certification <input type="checkbox"/> CEQA Negative Declaration (ND) <input type="checkbox"/> 404 USACE Clean Water Act <input checked="" type="checkbox"/> CEQA Mitigated ND <input type="checkbox"/> 408 USACE Consultation <input type="checkbox"/> CEQA Environmental Impact Report <input type="checkbox"/> CDFW LSAA Permit
<b>Notes</b>	This well project is not currently budgeted in the 10-year CIP. Scheduling and scope will be determined based on funding available.

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029	Totals
<b>Expenditures</b>							
Construction Costs	\$ 1.25M	\$ 2.00M	\$ 3.00M				\$ 6,250,000
Engineering							\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>	\$ 1.25M	\$ 2.00M	\$ 3.00M				\$ 6,250,000
<b>Funding</b>							
Revenues	\$ 1.25M	\$ 2.00M	\$ 3.00M				\$ 6,250,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>	\$ 1.25M	\$ 2.00M	\$ 3.00M				\$ 6,250,000

# WTP Building Repair and Maintenance (includes new Roof)

## PROJECT INFORMATION

**Department** Production

**Project Manager** Production Superintendent

**Project Description** Replacement of the BWTP building roofing and siding on the exterior. Replacement of cabinetry, flooring, lighting, and other building fixtures that are worn out through routine usage.

**Project Objectives and Justification** By 2030, the BWTP building will be about 30-years old. Routine replacement and rehabilitation of the District facilities will extend the useful life of the facility and allow District personnel continued use without major interruptions.

**Permits Required**

<input checked="" type="checkbox"/> CEQA Exemption	<input type="checkbox"/> 401 Water Quality Certification
<input type="checkbox"/> CEQA Negative Declaration (ND)	<input type="checkbox"/> 404 USACE Clean Water Act
<input type="checkbox"/> CEQA Mitigated ND	<input type="checkbox"/> 408 USACE Consultation
<input type="checkbox"/> CEQA Environmental Impact Report	<input type="checkbox"/> CDFW LSAA Permit

**Notes** Condition assessments and project scope needs to be refined and a detailed scope of work is necessary to provide a more accurate cost estimate.

## PROJECT EXPENDITURES & FUNDING

Expenditures & Funding Schedule							
Description	Prior Year Actuals	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	Totals
<b>Expenditures</b>							
Construction Costs		\$ 125K	\$ 350K				\$ 475,000
Engineering							\$ -
County Permits and Inspections							\$ -
Construction Management							\$ -
Land Acquisition and Easements							\$ -
Environmental CEQA							\$ -
Contingency							\$ -
<b>Expenditure Totals</b>		\$ 125K	\$ 350K				\$ 475,000
<b>Funding</b>							
Revenues		\$ 125K	\$ 350K				\$ 475,000
Grants							\$ -
Other							\$ -
<b>Funding Totals</b>		\$ 125K	\$ 350K				\$ 475,000

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# MEMO

**TO:** Board of Directors

**FROM:** Scott Bair, Distribution Superintendent

**DATE:** May 6, 2024

**RE:** San Juan Waterline Replacement Project – Notice of Completion and Release of Retention

## BACKGROUND

San Juan Waterline Replacement Project included water line in four locations:

1. San Juan Avenue, Ash Road to 4125 San Juan Avenue;
2. Oak Knoll Drive and Kenyon Ct;
3. Lincoln Avenue, San Juan to Oak Knoll Drive;
4. And Possibly Joy Lane (Alternate Bid Item)

The work includes:

- Installing 1,729 linear feet of 10-inch Ductile Iron Pipe,
- Installing 2,663 linear feet of 8-inch Ductile Iron Pipe,
- Installing 146 linear feet of 4-inch Ductile Iron Pipe,
- Removing and replacing of six (6) fire hydrants,
- Replacing a total of 61 1-inch and 1 2-inch water services
- Abandoning approximately 2,809 linear feet of existing water line.

LaFluer Excavating Inc. was the contractor and the cost of the above mentioned work was \$2,259,821.

## SUMMARY

Construction of the San Juan Waterline Replacement Project began in October 2023 and was completed on May 6, 2024. Sacramento County issued their approval on the project's encroachment permit in June 2023.

## FISCAL IMPACT

The original approved contract amount was \$2,259,821.00 plus a 10% contingency in the amount of \$225,982.10, for a total not-to-exceed contract value of \$2,485,803.10. The final cost of the construction is \$2,465,896.90 including Change Orders 1-3. The final cost is less than the Board approved not-to-exceed contract value approved in the Fiscal Year 2023-2024 budget of \$2,500,000.

## RECOMMENDATION

Staff recommends that the Board of Directors:

- 1) Accept the San Juan Waterline Replacement Project as complete; and
- 2) Authorize the General Manager to file the Notice of Completion for the project and release \$123,294.85 in retention to the contractor, La Fleur Excavating Inc.

**ATTACHMENT(S):**

- 1) Notice of Completion for the San Juan Waterline Replacement Project
- 2) Encroachment Permit signed and approved by Sacramento County Inspector



No Fee for Recording under Government Code:  
§ 27383 Fees (Political Subdivision)

Recording requested by and when Recorded mail to:

CARMICHAEL WATER DISTRICT  
7837 FAIR OAKS BOULEVARD  
CARMICHAEL, CA 95608

## NOTICE OF COMPLETION

1. That the interest or estate stated in paragraph 3 herein in the real property herein described is owned by;  
**Carmichael Water District located at 7837 Fair Oaks Blvd, Carmichael, CA, 95608.**
2. That the full name and address of the owner of said interest or estate, if there is only one owner, and the full names and addresses of all the co-owners who own said interest or estate as tenants in common, as joint tenants, or otherwise, if there is more than one owner, are set forth in the preceding paragraph.
3. That the nature of the title of stated owner, or if more than one owner, then of the stated owner and co-owners is:  
**San Juan Waterline Replacement Project.**
4. That on the 6 day of May, 2024, a work of improvement on the real property herein described was completed.
5. That the name of the original contractor, if any, for said work of improvement was: **LaFleur Excavating Inc.**
6. That the name and address of the transferor is: N/A.
7. That the real property herein referred to is situated in the City of CARMICHAEL, County of SACRAMENTO, State of California and is described as follows: San Juan Waterline Replacement Project

Date: May 6, 2024

**Carmichael Water District**

Owner

By: **Scott Bair**

Owner's Agent (Print)

By: \_\_\_\_\_

Owner's Agent (Signature)

I, **Cathy Lee**, state: I am the **General Manager**  
("Owner", "President", "Authorized Agent", "Partner", etc.) of the owner identified in the foregoing Notice of Completion.  
I have read said Notice of Completion and know the contents thereof; the same is true of my own knowledge.  
I declare under penalty of perjury under the laws of the State of California that the foregoing to true and correct.

Executed on \_\_\_\_\_, 2024\_\_\_\_ (date), at **Carmichael** (City), **CA** (State).

\_\_\_\_\_  
Signature of Owner or Owner's Authorized Agent



## ENCROACHMENT PERMIT

SACRAMENTO COUNTY MUNICIPAL SERVICES AGENCY  
827 - 7TH STREET, ROOM 105, SACRAMENTO, CA 95814  
PHONE (916) 874-6544

Encroachment  
Inspection  
Area: 02

U.S.A. TICKET NO. \_\_\_\_\_

ENUC2023-00083



Phone (800) 227-2600

1. Permit Type: Utility

2. Application is made for permissions to excavate, construct and/or otherwise encroach on County right-of-way by performing the work described below on:

Ash Road, Oak Knoll Drive, San Juan Avenue, Lincoln Avenue, Joy Lane, Kenyon Court, Walnut Rd

Project Location

3. Scope of Work:

**CARMICHAEL WATER DISTRICT:**

Replacement of water mains, valves, hydrants, and services up to the meter box on San Juan Ave, Ash Rd, Walnut Rd, Oak Knoll Dr, Kenyon Ct, and Joy Lane. Work includes the relocation of approximately twenty-two (22) 1" services from private property, directional bored to public right-of-way on Ash Rd and San Juan Ave. Work also includes approximately forty-nine (49) 1" service reconnections and one (1) 2" service, to be directional bored, that will be reconnected on San Juan Ave, Ash Rd, Walnut Rd, Oak Knoll Dr, Kenyon Ct, and Joy Lane. Construction will include approximately 5,200 linear feet of ductile iron replacement main which include sizes 10-inch, 8-inch, and 4-inch with the exception of approximately 70 linear feet of Horizontal Directional Drill Installation on Joy Lane which will be constructed using Fusion Welded High Density Polyethylene (HDPE) Pipe. Fire hydrant work includes the replacement of six (6) existing hydrants and the installation of one (1) new fire hydrant on Joy Lane. All existing mains being replaced will be abandoned in place.

4. **Except for Annual Permits: Permittee shall schedule a pre-construction meeting to activate this permit by calling CMID at (916) 875-2707.**

5. **Before starting work, the Permittee shall notify Sacramento County Construction Management at (916) 875-2707, 24 hours in advance of the date work is to begin.**

a) For emergency work, notification shall be provided within 1 hour of dispatch as defined in Section 7-8.03 of the County Standard Construction Specifications

b) No notification required for work that does not involve excavation and does not obstruct or modify pedestrian, bicycle or vehicular traffic patterns.

6. **Permittee shall contact the County Survey Section at (916) 874-6546 for potential location of survey monuments.**

7. Applicant must check with all Utility Companies serving the area covered by this permit, for location of existing underground pipes, conduits or cables. Underground Service Alert (U.S.A.) does not locate non-pressurized sewer and drainage facilities.

8. Attention is directed to the General Provisions attached hereto and to any specific conditions made a part of hereof.

In consideration of the granting of this application, it is agreed by the applicant that the County of Sacramento and any officer or employee thereof shall be saved harmless by the applicant from any liability or responsibility for any accident, loss or damage to persons or property, happening or occurring as the proximate result of any of the work undertaken under the terms of this application and the permit or permits which may be granted in response to thereto, and that all of said liabilities are hereby assumed by the applicant. It is further agreed that if any part of this installation interferes with future use of the highway, it must be removed or relocated, as designated by the Director of County Engineering, at the expense of the applicant or their successor in interest.

**FOR USE BY UTILITY COMPANIES**

District:		Division:	
Engineer:		Job No:	

Contact Person: SCOTT BLAIR

Phone: (916) 483-2452

Applicant Signature: [Signature]

Applicant: CARMICHAEL WATER DISTRICT SCOTT BLAIR Phone: (916) 483-2452

Address: 7837 FAIR OAKS BLVD Carmichael CA 95608 - 5608

Invoice #	Fee Item	Fee Due	Fee Paid	Date Paid
1538024	IT Recovery Fee Billable	\$15.75	\$0.00	
1538024	Permit Fee - Utility Company	\$350.00	\$0.00	

Fees Due: \$365.75 Fees Paid: \$0.00

Current Balance \$365.75

DEPARTMENTAL REVIEW	APPROVED	DATE	DEPARTMENTAL REVIEW	APPROVED	DATE
WATER SUPPLY	N/A		WATER QUALITY	YES	2/23/2023
TRANSPORTATION	YES	3/8/2023	TECHNICAL RESOURCES	YES	3/8/2023
WATER RESOURCES	YES	2/14/2023	Sub. Order Number:	90014949	
			Customer Number:	1000001196	

Approved application is subject to payment of fees, pre-construction meeting with CMID, Attachment A, and is revocable at any time. This permit is nontransferable and EXPIRES ONE YEAR from date issued.

**\*ANNUAL Permits expire December 31 of the year permit is issued.**

On Behalf of the Director of County Engineering

By: \_\_\_\_\_

CMID INSPECTOR

Date

10-19-23

Plan Submittal Date:  
2/9/2023

"ASBUILT" Inspector Approval

Name

Date

5-6-24

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# MEMO

**TO:** Board of Directors

**FROM:** Greg Norris, Engineering Manager  
Cathy Lee, General Manager

**RE:** Landscape Maintenance Services Contract Award

**DATE:** May 15, 2024

## BACKGROUND

In the February 20, 2024 Board meeting it was brought to the Board's attention that the District needs to obtain landscaping services for a number of District properties. While Staff reviewed options for a replacement contractor, it became apparent that the District's landscape workload may not automatically attract economical and qualified bids. District Staff prepared a contract that would incentivize landscape contractors to provide bids.

## SUMMARY

Since it takes substantial effort for contractors to provide bid proposals and the District's landscape maintenance workload is relatively small, staff created a contract agreement that includes incentives.

The contract is a multi-year contract with an initial contract term of three years, allowing for an additional two-year extension, if both the District and the Contractor agree, for a total possible term of five years. A contractor must continue to fulfill the contract requirements throughout the term of the contract. The contract provides a hedge to protect contractors from economic cost increases during the extended term of the agreement, offering an annual service price increase based on U.S. Bureau of Labor Statistics Western Region Consumer Price Index (CPI) plus one percent (1%). CWD Staff will apply the appropriate contract price adjustment each year in January during the term of the contract.

District staff posted a request for bids announcement on the District website, and conducted an onsite bid meeting with three landscaping companies. While there was interest from quite a few landscape contractors the District received two bids from New Image Landscape Company and Elite Maintenance and Tree Service on April, 18 2024. The base bid cost for New Image Landscape Company is \$24,960 and \$34,427.16 for Elite Maintenance and Tree Service. New Image Landscape Company was the apparent lowest responsive responsible bidder. Staff have drafted a Notice of Award and Contract to present to New Image Landscape Company.

## FINANCIAL IMPACT

The Contract amount is for \$24,960 per year (\$2,080 per month) for landscaping services which is the same cost as the current contractor. This cost is budgeted annually and approved by the Board in the District budgeting process.

## RECOMMENDATION

Staff recommends that the Board of Directors authorize the General Manager to execute the Contract for landscape maintenance services with New Image Landscape Company for the next three years with an annual price escalation commensurate with the U.S. Bureau of Labor Statistics Western Region CPI plus 1%.

**ATTACHMENT(S)**

Notice of Award to New Image Landscape Co. and Contract for landscape maintenance services.

## **1 CONTRACT FORMS**

### **1.1 CONTRACT**

THIS CONTRACT is made as of \_\_\_\_\_, in Carmichael, California, by and between Carmichael Water District, a public agency, ("District") and New Image Landscape Company, a California corporation ("Contractor"), who agree as follows:

1.1.1 The Contractor agrees to furnish all labor, materials, supplies, tools and equipment and to perform all the work required to construct and complete in a good and workmanlike manner, and in strict accordance with the Contract Documents, those certain improvements entitled:

Landscape Management Services. Provide landscaping maintenance services for three District properties. The properties in Carmichael California include: CWD Main Office located at 7837 Fair Oaks Boulevard, CWD Water Treatment Plant located at 3501 Bajamont Way, District Well Site at 4515 Charleston Drive, and CWD-owned property located at 4515 Charleston Drive.

1.1.2 Contract Documents for this project have been prepared by the District's Engineering Manager, hereinafter called the Engineer. All Contract Documents, and each and every provision thereof, relating to this Contract are hereby made a part of and incorporated by reference into this Contract. The following are the applicable Contract Documents: Invitation to Bid, Bid, Bid Bond, Designation of Subcontractors, Experience Qualifications, Noncollusion Declaration, Acknowledgment of Insurance Requirements, Instructions to Bidders, Contract, Faithful Performance Bond, Payment Bond, Contractor's Certificate Regarding Workers' Compensation, the Insurance Certificates and Endorsements, Abbreviations and Definitions, General Conditions, Technical Specifications and Plans(Drawings), and site maps, applicable to this work, and all Addenda and Change Orders, as well as all written modifications of the Contract Documents agreed to by the parties. Any work called for in one Contract Document and not mentioned in others is to be performed and executed as if mentioned in all Contract Documents.

1.1.3 The District agrees to pay the Contractor for the performance of the Contract, subject to additions and deductions provided therein, in the amount of twenty-four thousand nine hundred sixty dollars (\$24,960.00) per year for three (3) years with annual price modification as detailed in the General Conditions and the Contractor agrees to receive and accept the following prices as full compensation for furnishing all materials, labor, supplies, tools and equipment, and for doing all the work contemplated and embraced in this Contract, and for all risks of every description connected with the work and for all expenses incurred by or in consequence of the suspension or discontinuance of the work, and for well and faithfully completing the work and the whole thereof in the manner and according to the Contract Documents and the requirements of the Engineer under them, namely:

1.1.4 The District shall make payments on the account of the Contract as specified in the General Conditions of the Contract.

1.1.5 The Contractor shall diligently prosecute the work to completion in accordance with the following schedule: See Additions to General Conditions and Attachments for Contract Term and required frequency of services under this Contract.

1.1.6 The Contractor acknowledges that it has examined the prevailing rate of per diem wages as established and published by the California Director of Industrial Relations, copies of which are available for inspection at the office of the District. The Contractor agrees to pay all workers employed on the work not less than the applicable prevailing rate of per diem wages, as the same may be amended from time to time. The Contractor shall post at each job site a copy of the determination of the Director of Industrial Relations of the prevailing rate of per diem wages. The Contractor also shall ensure that all subcontractors on the work are notified of and comply with their obligations in regard to the payment of prevailing wages to all of their workers employed on the Project.

IN WITNESS WHEREOF, the parties execute this Contract as follows:

For District:

\_\_\_\_\_  
Name: Paul Selsky


Title: President, Board of Directors

Attest:

\_\_\_\_\_  
Name: Cathy Lee

Title: Secretary, Board of Directors

For Contractor:

  
\_\_\_\_\_  
Name: Jeffrey Suzuki

Title: General Manager



## **1 CONTRACT FORMS**

### **1.1 CONTRACT**

THIS CONTRACT is made as of \_\_\_\_\_, in Carmichael, California, by and between Carmichael Water District, a public agency, ("District") and New Image Landscape Company, a California corporation ("Contractor"), who agree as follows:

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Landscape Management Services. Provide landscaping maintenance services for three District properties. The properties in Carmichael California include: CWD Main Office located at 7837 Fair Oaks Boulevard, CWD Water Treatment Plant located at 3501 Bajamont Way, District Well Site at 4515 Charleston Drive, and CWD-owned property located at 4515 Charleston Drive.

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1.1.4 The District shall make payments on the account of the Contract as specified in the General Conditions of the Contract.

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IN WITNESS WHEREOF, the parties execute this Contract as follows:

For District:

\_\_\_\_\_  
Name: Paul Selsky

Title: President, Board of Directors

Attest:

\_\_\_\_\_  
Name: Cathy Lee

Title: Secretary, Board of Directors

For Contractor:

  
\_\_\_\_\_  
Name: Jeffrey Suzuki

Title: General Manager

# MEMO

**TO:** Board of Directors

**FROM:** Greg Norris, Engineering Manager

**RE:** Retired Annuitant Contract Renewal

**DATE:** May 14, 2024

## BACKGROUND

CalPERS regulations require its member agencies to approve a contract by its governing body to employee retired annuitants. The District has had success in employing retired annuitant during staffing difficulties and currently employees one retired annuitant under contract since August 2023. The present contract agreement is due to expire on June 30, 2024 and staff is requesting that this contract be renewed for a 1-year term from July 1, 2024 through June 30, 2025.

## SUMMARY

The Engineering Department implements the District's capital improvement plan (CIP) projects and works with the Production and Distribution departments to assist, evaluate, and coordinate with operational and maintenance activities. Ongoing projects the annuitant is leading include: the La Sierra, Ladera, and Winding Way Well construction projects; Garfield Well electrical rehabilitation; Ranney Collectors rehabilitation; and SCADA replacement project.

Staff proposes to renew the annuitant's employment contract as he is experienced in project management and delivery. The advantage of hiring a retired annuitant is to tap into a seasoned professional's knowledge and skill set at a lower cost to the District from benefits savings while moving forward with the CIP projects in a timely manner. CalPERS does have strict restrictions for employing retired annuitants including a retiree's eligibility, types of work and position, duration, and hours and requires a written contract to demonstrate compliance with the restrictions. The District can meet the maximum 960 hours requirement by having the retired annuitant work 2 to 4 days a week to implement the projects listed above and comply with all other CalPERS restrictions. Attached is the draft contract agreement between the District and a retired annuitant. If approved, the retired annuitant is available and eager to continue his project work.

## FINANCIAL IMPACT

The retired annuitant will work slightly less than half time and the budget to fund this position is \$72,800 a year in the 2024-2025 budget.

## RECOMMENDATION

Staff recommends that the Board of Directors approves the attached Employment Agreement for Temporary Employment as a Retired Annuitant and authorize the General Manager to execute the agreement.

## ATTACHMENT

Draft Contract between Retired Annuitant and CWD

**AGREEMENT BETWEEN THE CARMICHAEL WATER DISTRICT AND KENNETH  
J. GLOTZBACH CONCERNING TEMPORARY EMPLOYMENT AS A RETIRED  
ANNUITANT**

THIS AGREEMENT is made effective as of July 1, 2024, between the CARMICHAEL WATER DISTRICT (“District”), and Kenneth J. Glotzbach (“Annuitant”), who agree as follows:

**RECITALS**

- A. The District is a California special district providing water service for beneficial use to approximately eight square miles with a population of over 38,000. The District is an irrigation district established in accordance with the Irrigation District Law, California Water Code section 20500 and following.
- B. The District is currently recruiting for a Senior Engineer and the District is constructing three aquifer storage and recovery groundwater well projects, upgrading its SCADA system, requesting water rights modification, and evaluating and rehabilitating its raw water conveyance system to ensure adequate water supply for present and future needs.
- C. The District requires the assistance of a person with specialized skill and knowledge in the area of capital project management to assist in preparing the environmental, design, and construction documents.
- D. Annuitant is a retired annuitant under the California Public Employees’ Retirement System who has the specialized skills and knowledge of a Senior Engineer to assist the District with the work necessary and outlined above (E).

**AGREEMENT**

**1. Employment.** The District hereby employs Annuitant for the purposes described in the Recitals, subject to the terms and conditions of this Agreement. Annuitant hereby accepts such employment on and subject to the terms and conditions of this Agreement. In accordance with Government Code Section 7522.56 and Section 21224, Annuitant is employed only for the purpose and term specified in this Agreement.

**2. Term.** The term of this Agreement will begin on July 1, 2024 and expire on June 30, 2025, consistent with the parties’ intent that this Agreement will be of a limited duration for the time necessary for Annuitant to perform the specialized services required for preparation of the necessary infrastructure documentation required by law and the District. The District and Annuitant may adjust the term only by a written modification to this Agreement signed by both parties.

**3. Duties.** Annuitant’s duties under this Agreement will be as follows:

- a. Under the general supervision of the General Manager and/or General Manager's designee, assist in completing tasks necessary for design and construction of various infrastructure projects. Expected work will include: providing assistance to manage and retain services that will 1) prepare necessary environmental documents, reports, and permits; 2) prepare engineering design documents; 3) advertise and bid construction ready documents; and 4) complete the necessary project construction.
- b. Other duties related to engineering and project management, as directed by the General Manager.

**4. Work Hours.** Annuitant's work performed under this Agreement generally will be limited to normal business hours. Work will be performed based on an as-needed basis not to exceed 960 hours in a fiscal year for all work performed under this Agreement and for any other CalPERS employer during the same period. Annuitant's work under this Agreement shall not result in Annuitant's total pay in a fiscal year exceeding \$75,837.41. Annuitant will record his work hours each week on a time sheet provided by and promptly turn in his time sheet to the District's General Manager.

**5. Pay and Benefits.**

- a. For each hour of services rendered by Annuitant under this Agreement, the District will provide to Annuitant pay at the hourly rate of \$78.9973 for each hour actually worked. Annuitant's rate of hourly pay is near but not exceeding the top pay range of the Senior Engineer position at the District on a monthly basis divided by 173.333.
- b. For the duration of this Agreement, the District will purchase and maintain workers' compensation insurance coverage for Annuitant as required by California law.
- c. Annuitant is not entitled to receive any health care, sick leave, holiday, CalPERS' contributions, OPEB contributions, or any other benefits provided under the District's personnel policies and procedures, including the Policy Manual, except those benefits specifically provided in this section or as the District may be required to provide Annuitant by law. If required, Annuitant will execute a waiver of health benefits. Annuitant acknowledges that Annuitant will make contributions to Social Security and Medicare under this Agreement.

**6. Other Terms and Conditions of Employment.**

- a. Except as otherwise provided in this Agreement, Annuitant's employment will be governed by the District personnel policies and procedures, including the Policy Manual, as the same may be amended from time to time by the District Board of Directors. The District and Annuitant will comply with all applicable provisions of the District personnel policies and procedures. If any term or condition of this Agreement is inconsistent or in conflict with a term or condition of the personnel policies and procedures of the District, the provisions of this Agreement will govern.

- b. Annuitant's total hours of employment in each fiscal year in which he works for the District shall not exceed of total of 960 hours for the District and all other CalPERS eligible employers. Once Annuitant has worked for 960 hours total in a single fiscal year for the District and any other CalPERS employers, the District will terminate Annuitant's employment for that fiscal year and, at its sole discretion, the District may terminate this Agreement as provided in Section 9 below. **It is Annuitant's responsibility to notify the District of his cumulative hours worked for other CalPERS eligible employers.**
- c. Annuitant agrees to notify the District if he accepts any other part-time employment with a CalPERS eligible employer. Annuitant's failure to do so will cause his immediate dismissal by the District. In addition, Annuitant's failure to report that he has accepted employment with another CalPERS employer while in the District's employ shall impose sole liability on Annuitant for any employer contributions that CalPERS may assess against the District for the time before the District becomes aware of Annuitant's other employment.

**7. Annuitant's Representations and Warranties.**

- a. Annuitant warrants that he has been retired for service from state service, as defined in the Public Employees' Retirement Law, for at least 180 days and that he therefore is eligible to be employed as a retired annuitant by the District.
- b. Annuitant represents that he is currently not employed by any other CalPERS employer.
- c. Annuitant acknowledges that he has received and read the CalPERS publication entitled "A Guide to CalPERS Employment After Retirement."
- d. Annuitant warrants that he has not received any unemployment insurance compensation arising out of prior public employment during the prior 12-month period prior to appointment.

**8. At Will Employment.** Annuitant acknowledges and agrees that his employment by the District under this Agreement is temporary and at will, and that nothing herein, express or implied, creates any right of permanent or regular employment by the District or creates an employment relationship under an express or implied contract providing for termination only for cause.

**9. Termination.** This Agreement may be terminated with or without cause by either party. Upon termination regardless of which party invokes this provision or cause, the District will have no obligation to Annuitant other than to pay Annuitant at her rate of pay for all hours actually worked up to the termination date. Annuitant will be required to return all work papers, work, electronic work, supplies, tools, office equipment, keys, and all other District property upon termination.

**10. CalPERS Reporting.** Consistent with the requirements of Government Code Section

21220(d) and (e), the District will enroll Annuitant in CalPERS solely for administrative recordkeeping purposes (Annuitant will remain in retired status) and will report both the hours worked by Annuitant and pay pursuant to this Agreement.

**11. Entire Agreement.** This writing constitutes the sole, entire, integrated and exclusive agreement between the parties respecting Annuitant's employment by the District, and any other contracts, contract terms, understandings, promises or representations not expressly set forth or referenced in this writing are null and void and of no force and effect.

**12. Notices.** Any notice to be given to Annuitant will be sufficiently served if given to him personally, or if deposited in the United States Mail, regular pre-paid mail, addressed to him at his most recent residence address as shown on the District payroll records. Any notice to be given to the District will be addressed to the District's General Manager and delivered or mailed to the District's offices.

**13. Waiver.** The waiver at any time by either party of its rights with respect to a default or other matter arising in connection with this Agreement will not be deemed a waiver with respect to any subsequent default or matter.

**14. Construction and Interpretation.** The District and Annuitant agree and acknowledge that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party will not apply in construing or interpreting this Agreement.

CARMICHAEL WATER DISTRICT:

By: \_\_\_\_\_  
Cathy Lee, General Manager

Date: \_\_\_\_\_

ANNUITANT:

By: \_\_\_\_\_  
Kenneth J. Glotzbach

Date: \_\_\_\_\_

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# MEMO

**TO:** Board of Directors

**FROM:** Greg Norris, Engineering Manager

**DATE:** May 7, 2024

**RE:** La Vista Storage Tank & Booster Pump Station Project – Professional Services Agreement (PSA) Amendment #1 for Construction Management Services

## BACKGROUND

Construction on the La Vista Storage Tank and Booster Pump Station (BPS) Project started in September 2021 and was expected to be completed in the last quarter of 2024. However, due to a number of different reasons the contract between the District and the Contractor has been terminated, and the Contractor has demobilized from the site. Construction of the project has been shut down since April 23, 2024 and it is unknown when construction will proceed.

Water Works Engineers (WWE) are currently under agreement with CWD to provide construction management (CM) services on the project. As a result of project difficulties and delayed progress throughout the duration of the project schedule, WWE provided more construction management services than what was originally budgeted.

## SUMMARY

The La Vista Storage Tank and BPS Project's unforeseen challenges have led to additional work being done by WWE, utilizing the original CM services budget. As a result, WWE's cost budget for the original PSA approved in 2021 by CWD will be exceeded with the next incoming invoice. Prior to terminating the construction contract with the Contractor, CWD planned to amend the PSA with WWE to extend CM services until project completion, but since it is unclear how long construction will be stopped CWD has advised WWE to provide an invoice for the remainder of their services.

An Amendment #1 to the original agreement for the remaining amount for CM services provided through April 30, 2024 has been drafted and attached to this memo. CWD has requested that WWE keep the subscription for the web-based CM software, Procore, up to date for an additional 3 months until August to continue to record outstanding or completed documents and download data for claim processing purpose. The cost of the CM software is \$300 per month (\$900 total) and has been included in WWE's invoice (Exhibit A of Amendment #1), in addition to the month prior.

## FINANCIAL IMPACT

WWE's invoice amount for CM services through April 30, 2024 is \$60,361.20. There is enough funding within the approved budget and La Vista Bond Fund to cover the cost increase.

## RECOMMENDATION

Staff recommends that the Board of Directors authorize the General Manager to execute an amendment to the existing agreement between WWE and the District that increases the contract's value from \$999,201 to \$1,059,496.14.

**ATTACHMENT(S)**

Draft La Vista Storage Tank & BPS Project - PSA Amendment #1 Signed

**AMENDMENT NO. [1]  
TO AGREEMENT FOR LA VISTA TANK REPLACEMENT PROJECT  
CONSTRUCTION MANAGEMENT SERVICES BETWEEN CARMICHAEL WATER  
DISTRICT  
AND WATER WORKS ENGINEERS**

This Amendment No. [1] to the December 16, 2020 Agreement between CARMICHAEL WATER DISTRICT (“District”) and WATER WORKS ENGINEERS, LLC (“Consultant”) concerning construction management services is made effective as of the date of the District’s signature, in Carmichael, California.

**RECITALS:**

- A. On December 16, 2020, District and Consultant entered into an agreement for construction management services in connection with La Vista Tank Replacement Project (“Agreement”);
- B. Construction Management Services provided by Consultant extended beyond the original Agreement amount of \$999,201.
- C. The Consultant provided web-based Construction Management Software for the La Vista Storage Tank and Booster Pump Station Project through Procore Technologies. The District has asked Consultant to pay the cost and maintain access to the Procore services for three additional months.
- D. The parties desire to amend the Agreement on the terms and conditions set forth below to provide for the additional construction management services by Consultant for the La Vista Storage Tank and Booster Pump Station Project (referred to in the Agreement as the ‘La Vista Tank Replacement Project’).

**AGREEMENT:**

1. **Description of Extended Services.**

(a) Extended construction management services provided by Consultant were as described in scope of work included in Exhibit A of the Agreement, and extended through to April 30, 2024.

(b) Consultant’s invoice dated May 7, 2024, which is attached hereto and incorporated herein as Exhibit A to this Amendment No. [1], is for construction

management services through April 30, 2024 plus the cost of three months of subscription fees for Procore Technologies construction management web-based software. The invoice amount for construction management services extending beyond the balance of \$66.06 remaining on the Agreement is \$60,295.14.

2. Compensation.

(a) The total compensation for the additional construction management services described in this Amendment No. 1 shall not exceed \$60,295.14. Compensation shall be based on Consultant's invoice dated May 7, 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 \$1,059,496.14.

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 February 26, 2025, unless terminated earlier pursuant to Section 15 of the Agreement.

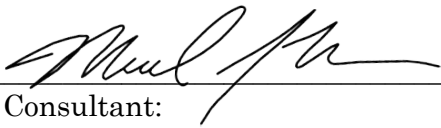
4. Effect on Agreement.

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:  
Cathy Lee

WATER WORKS ENGINEERS, LLC

By:  \_\_\_\_\_ Date: 5/14/2024  
Consultant:  
Michael J. Fisher  
Managing Member / Principal In Charge

# **EXHIBIT A**



# WATERWORKS ENGINEERS

## Water Works Engineers

7500 North Dobson Rd., Suite 200  
Scottsdale, AZ 85256  
480-661-1742

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

Invoice number 15033  
Date 05/07/2024

Project **20-093 Carmichael La Vista Tank  
Replacement**

Professional Services Through April 30,2024

### Invoice Summary

Description	Current Billed	Prior Billed	Total Billed	Contract Amount	Percent Complete
TASK 1: DESIGN REVIEW	0.00	21,408.04	21,408.04	21,412.00	99.98
TASK 2: PRE-CONSTRUCTION MEETING	0.00	2,149.61	2,149.61	2,214.00	97.09
TASK 3: CM AND INSPECTIONS	45,158.65	933,703.65	978,862.30	898,495.00	108.94
TASK 3.1: SPECIAL INSPECTION/MATERIALS TESTING	15,202.55	41,873.64	57,076.19	66,500.00	85.83
TASK 4: PROJECT CLOSEOUT	0.00	0.00	0.00	10,580.00	0.00
Total	60,361.20	999,134.94	1,059,496.14	999,201.00	106.03



Carmichael Water District  
Project **20-093 Carmichael La Vista Tank Replacement**

Invoice number 15033  
Date 05/07/2024

### Task 3: CM and Inspections

#### Professional Fees

	Hours	Rate	Billed Amount
I1 - Field Inspector			
Gregory DeFazio	114.00	158.70	18,091.80
E3 Project Engineer			
Anthony R. Baltazar	43.50	202.59	8,812.67
E4 - Senior Project Engineer/PM			
Steve L. Hooper	72.50	235.23	17,054.18
Professional Fees subtotal	230.00		43,958.65

#### Reimbursables

	Cost Amount	Multiplier	Billed Amount
Software Subscriptions and Fees	1,200.00		1,200.00
Task 3: CM and Inspections subtotal			45,158.65

### Task 3.1: Special Inspection/Materials Testing

#### Consultant

	Cost Amount	Multiplier	Billed Amount
Specialty Consultant			
Mid Pacific Engineering, Inc.	8,152.00	1.10	8,967.20
20240495	2,104.50	1.10	2,314.95
20240747	3,564.00	1.10	3,920.40
20240105			
Consultant subtotal	13,820.50		15,202.55
Phase subtotal			15,202.55

Invoice total **60,361.20**

### Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
14820	03/07/2024	111,065.38			111,065.38		
14935	04/05/2024	54,013.26		54,013.26			
15033	05/07/2024	60,361.20	60,361.20				
Total		225,439.84	60,361.20	54,013.26	111,065.38	0.00	0.00





**WATERWORKS**  
E N G I N E E R S

Carmichael Water District  
Project **20-093 Carmichael La Vista Tank Replacement**

Invoice number 15033  
Date 05/07/2024

---

*Make Check Payable to Water Works Engineers, LLC*  
*Remit to:*

*Water Works Engineers*  
*Attn: Accounting*  
*7500 N Dobson Rd, Suite 200*  
*Scottsdale, AZ 85256*  
*480-661-1742 x528*

# Invoice

## Mid Pacific Engineering, Inc.

P.O. Box 492067  
Redding, California 96049

Phone 530-246-9499  
Fax 530-246-9527

### Bill To:

Waterworks Engineers  
2260 Douglas Boulevard, Suite 105  
Roseville, California 95661  
ap@wwengineers.com  
steveh@wwengineers.com

**Invoice Number:** 20240105  
**Invoice Date:** 1/27/2024  
**Project Number:** 05873-01  
**Project Manager:** BDY - 20  
**Client Number:** W0640

**Project:** 05873-01SP - La Vista Tank & Booster Pump  
**Client Project or PO Number:** 20-093

DATE	DESCRIPTION	HRS/QTY	U/M	RATE	AMOUNT
1/10/2024	Construction Testing Reinforcing Steel Placement Observation - Field Technician	2	hr	115.00	230.00
1/10/2024	Construction Testing Reinforcing Steel Placement Observation - Field Technician	1	hr	115.00	115.00
1/18/2024	Construction Testing Concrete Placement Observation / Cylinders - Field Technician	6	hr	95.00	570.00
1/19/2024	Construction Testing Concrete Mortar Grout Cylinder Pickup - Field Technician	2	hr	95.00	190.00
1/24/2024	Construction Testing Reinforcing Steel Placement Observation - Field Technician	3	hr	115.00	345.00
1/25/2024	Construction Testing Concrete Placement Observation / Cylinders - Field Technician	6	hr	95.00	570.00
1/25/2024	Construction Testing Daily Field Report Review - Senior Field Technician	1	hr	125.00	125.00
1/26/2024	Construction Testing Concrete Mortar Grout Cylinder Pickup - Field Technician	1	hr	95.00	95.00
	Laboratory Compression Test - Concrete 4x8 or 6x12 ASTM C39	8	ea	30.00	240.00
	Laboratory Compression Test - Concrete Sample Holds	4	ea	25.00	100.00
	Laboratory Concrete Shrinkage Measurement	2	ea	420.00	840.00
	Mileage	192	mi	0.75	144.00

**Total** \$3,564.00

**Payments/Credits** \$0.00

**Balance Due** \$3,564.00

A late payment charge of one and one-half percent (1.5%) per month  
will be applied to balances not paid within 30 days of receipt.

# Invoice

## Mid Pacific Engineering, Inc.

P.O. Box 492067  
Redding, California 96049

Phone 530-246-9499  
Fax 530-246-9527

### Bill To:

Waterworks Engineers  
2260 Douglas Boulevard, Suite 105  
Roseville, California 95661  
ap@wwengineers.com  
steveh@wwengineers.com

**Invoice Number:** 20240747  
**Invoice Date:** 4/27/2024  
**Project Number:** 05873-01  
**Project Manager:** BDY - 20  
**Client Number:** W0640

**Project:** 05873-01SP - La Vista Tank & Booster Pump  
**Client Project or PO Number:** 20-093

DATE	DESCRIPTION	HRS/QTY	U/M	RATE	AMOUNT
4/1/2024	Construction Testing Reinforcing Steel Placement Observation - Field Technician	3	hr	115.00	345.00
4/2/2024	Construction Testing Concrete Placement Observation / Cylinders - Field Technician	6	hr	95.00	570.00
4/3/2024	Construction Testing Concrete Mortar Grout Cylinder Pickup - Field Technician	2	hr	95.00	190.00
4/5/2024	Construction Testing Daily Field Report Review - Senior Field Technician	1	hr	125.00	125.00
	Laboratory Concrete Shrinkage Measurement	1	ea	420.00	420.00
	Laboratory Compression Test - Concrete 4x8 or 6x12 ASTM C39	12	ea	30.00	360.00
	Mileage	126	mi	0.75	94.50

**Total** \$2,104.50

**Payments/Credits** \$0.00

**Balance Due** \$2,104.50

A late payment charge of one and one-half percent (1.5%) per month will be applied to balances not paid within 30 days of receipt.

# Invoice

## Mid Pacific Engineering, Inc.

P.O. Box 492067  
Redding, California 96049

Phone 530-246-9499  
Fax 530-246-9527

### Bill To:

Waterworks Engineers  
2260 Douglas Boulevard, Suite 105  
Roseville, California 95661  
ap@wwengineers.com  
steveh@wwengineers.com

**Invoice Number:** 20240495  
**Invoice Date:** 3/30/2024  
**Project Number:** 05873-01  
**Project Manager:** BDY - 20  
**Client Number:** W0640

**Project:** 05873-01SP - La Vista Tank & Booster Pump  
**Client Project or PO Number:** 20-093

DATE	DESCRIPTION	HRS/QTY	U/M	RATE	AMOUNT
2/26/2024	Construction Testing Anchor Bolt / Epoxy Dowel Installation - Field Technician	4	hr	115.00	460.00
2/27/2024	Construction Testing Reinforcing Steel Placement Observation - Field Technician	4	hr	115.00	460.00
2/28/2024	Construction Testing Reinforcing Steel Placement Observation - Field Technician	2	hr	115.00	230.00
3/6/2024	Construction Testing Project Administration - Senior Field Technician	1	hr	125.00	125.00
3/6/2024	Construction Testing Reinforcing Steel Placement Observation - Field Technician	3	hr	115.00	345.00
3/7/2024	Construction Testing Concrete Placement Observation / Cylinders - Field Technician	5	hr	95.00	475.00
3/18/2024	Construction Testing Daily Field Report Review - Senior Field Technician	1	hr	125.00	125.00
3/20/2024	Construction Testing Reinforcing Steel Placement Observation - Field Technician	3	hr	115.00	345.00
3/21/2024	Construction Testing Concrete Placement Observation / Cylinders - Field Technician	6	hr	95.00	570.00
3/22/2024	Construction Testing Concrete Mortar Grout Cylinder Pickup - Field Technician	2	hr	95.00	190.00
3/25/2024	Construction Testing Daily Field Report Review - Senior Field Technician	1	hr	125.00	125.00
3/26/2024	Construction Testing Concrete Placement Observation / Cylinders - Field Technician	6	hr	95.00	570.00
3/27/2024	Construction Testing Concrete Mortar Grout Cylinder Pickup - Field Technician	2	hr	95.00	190.00
3/28/2024	Construction Testing Reinforcing Steel Placement Observation - Field Technician	2	hr	115.00	230.00
3/28/2024	Construction Testing Concrete Placement Observation / Cylinders - Field Technician	6	hr	95.00	570.00
3/29/2024	Construction Testing Concrete Mortar Grout Cylinder Pickup - Field Technician	2	hr	95.00	190.00
	Laboratory Compression Test - Concrete 4x8 or 6x12 ASTM C39	28	ea	30.00	840.00
	Laboratory Concrete Shrinkage Measurement	4	ea	420.00	1,680.00
	Department of Industrial Relations Wage Reporting	1	mo	150.00	150.00
	Mileage	376	mi	0.75	282.00

**Total** \$8,152.00

**Payments/Credits** \$0.00

A late payment charge of one and one-half percent (1.5%) per month  
will be applied to balances not paid within 30 days of receipt.

**Balance Due** \$8,152.00

# MEMO

**TO:** Board of Directors

**FROM:** Debbie Martin CPA (Inactive), Finance Manager  
Cathy Lee, General Manager

**DATE:** May 8, 2024

**RE:** Directors' Policy Manual 9610 – Reserve Policy – Amendment

## BACKGROUND

The key to long-term financial stability is the ability to anticipate and prepare for significant financial obligations, to avoid and/or mitigate financial risk and to be able to respond responsibly and proactively to changing conditions and circumstances. To achieve these goals, the Board of Directors (Board) established a Reserve Policy (#9610) to be used as a guiding tool for designating and accumulating District resources for specific purposes as an aid in the long-term financial planning and to minimize extraordinary water rate increases. The Reserve Policy establishes the types of reserve accounts to be established, the funding of the reserves, and the condition under which the reserves are to be used.

In particular, the Board established a reserve account, Filter Skid Replacement, for the eventual replacement of the entire filter system (type of filtration system [micro, ultra, or nano filtration] with associated infrastructure supports, appurtenances, and design/construction costs) in FY 2020/21 with an annual funding of \$650,000 for 15 years for a total of \$9,750,000 through FY 2035/36 to cash finance the replacement.

In the ongoing analysis of the financial obligations and infrastructure risks of the District, the Board, staff, and subject matter expert consultants have determined that a need exists to address the future replacement or major rehabilitation of the Ranney Collectors based on their age and materials' design useful life since 1959. The exact improvement needs have yet to be determined but it has been identified that the District should be preparing for this eventual infrastructure project.

## SUMMARY

To that end, staff is bringing forth a proposed amendment to the Reserve Policy for the Board's consideration to 1) establish another reserve account so named as "Ranney Collectors Reserve" or combine the funding for the filter skid replacement together with the Ranney Collectors Replacement and 2) determine the annual funding level for each reserve accounts or the combined account.

A separate reserve account for each project would provide clear accounting and transparency for its designated use and the Board may choose to inactivate/abolish one or both accounts when the projects are finished. A combined account for both projects would provide the District the flexibility to expend the funds as the projects will most likely happen at different times, a few years apart. A combined account would also allow for the long term uninterrupted annual funding until the Board decides to change the reserve. The reserve account will initiate the accumulation of funds for this impending project to minimize the amount of debt and/or minimize the amount of future rate increases that may be needed for the projects. Interest income earned on the accumulated funds will be allocated to the reserve fund.

Current policy established the funding for the filter system replacement at \$650,000 annually based on the 2020 Business Plan, Water Rate and Capital Facilities Fee Study Report. The suggested funding for the Ranney Collector reserve is currently \$500,000 per annum. As an alternate consideration, should the

\$500,000 annual minimum appear to be in excess, the reserve account could be established with a set minimum funding level of \$300,000 per year, as an example, with an option for the Board to establish a higher funding level upon the adoption of each annual budget. This would allow the Board the flexibility to opt for higher funding levels upon budget passage should changing conditions in the District's financial scenario allow for a more significant investment, while at the same time, mandating a minimum amount be set aside. Consequently, the Board could also adopt a set funding around \$1,000,000 annually for a combined account.

The three-way contract for water treatment and delivery with Golden State Water Company (GSWC) and Aerojet stipulated that GSWC and Aerojet are required to contribute 20.5% of the total project costs for water treatment plant rehabilitation and upgrades for capacity based infrastructure. As both projects will restore the capacity of the Bajamont Water Treatment Plant, GSWC and Aerojet should be required to provide the funding when the project is underway.

Staff should also point out that the Certificates of Participation (COP) for the La Vista Project will be paid off in June 2038. The current payment is about \$2,495,000 a year with a decreasing annual payment amount to the final payment of \$2,422,000 in 2038. Once paid off, future revenues designated for the annual COP should go towards capital improvement infrastructure reserves.

### **FINANCIAL IMPACT**

If approved by the Board of Directors at the suggested funding level, each annual budget will contain a funding line item of \$950,000 to \$1,150,000 as a contribution to the filter skid system and Ranney Collector projects. Annual interest earnings on the accumulated funds will be designated as further contributions to the fund.

### **RECOMMENDATION**

Staff recommends the Board review and discuss establishing or re-designating the Filter Skid System Replacement Reserve Account to Filter Skid System and Ranney Collectors Replacement Reserve Account and with an annual minimum funding requirements and provide directions to staff to complete the Reserve Policy for adoption as part of the FY 2024/25 budget .

### **ATTACHMENT(S)**

1. Redline version of Board Policy 9610 – Reserve Policy
2. Clean version of Board Policy 9610 – Reserve Policy
3. Resolution – Board Policy 9610 – Reserve Policy

## **CARMICHAEL WATER DISTRICT**

### **Directors' Policy Manual**

**POLICY TITLE:** Reserve Policy

**POLICY NUMBER:** 9610

**9610.10** The key to long-term financial stability is the ability to anticipate and prepare for significant financial obligations, to avoid and/or mitigate financial risk and to be able to respond responsibly and proactively to changing conditions and circumstances.

**9610.11** To achieve these goals, a portion of the Carmichael Water District's (District) net position, available resources, should be held in reserve for specified purposes. The District has certain contractual, legal and other requirements to reserve a portion of its available resources and/or District capital, including debt covenants to satisfy specific claims on District assets or the District's earning capability. Managing financial risk and providing stable funding to meet the District's long-term replacement and rehabilitation needs will assist the District in minimizing extra ordinary water rates adjustments over the long-term and help ensure continued reliable water service.

**9610.12** This policy establishes reserves to minimize adverse annual impacts from anticipated and unanticipated District expenses to mitigate and minimize risk and provide a mechanism to help ensure funding for long-term capital improvement needs.

#### **9610.20 The Reserve Structure**

**9610.21** Unrestricted Reserves: General Operating Fund – The General Operating Fund is the primary fund within the District. Most of the water system's revenues, including water rate revenues, flow into the General Operating Fund; all operating and maintenance costs, including debt service payments, are paid out of this fund. Funds are also transferred from the General Operating Fund to the Capital Fund to help pay for capital projects intended for new and replacement facilities.

**9610.22** Board Designated Reserves: Capital Funds – Established by action of the Board of Directors (Board) and designated for specific purposes. This fund is utilized to fund capital and asset costs, for both new and replacement projects.

**9610.23** Legally Restricted Reserves: Restricted Funds – Restrictions on the use of these funds are imposed by an outside source such as creditors, grantors, contributors, laws, or regulations governing use.

#### **9610.30 Policy**

**9610.31** Unrestricted Reserves: General Operating Fund – The following reserve is established consistent with the 2015 Business Plan, to be included within the District's overall General Operating Fund.

**9610.312** Operating Reserve: The purpose of the Operating Reserve is to provide sufficient funds for working capital and cash flow purposes, as well as funds for continued operation in the event of unplanned operating and maintenance expenditures. The District should maintain water rates and other revenues at such levels to maintain, at the end of each fiscal year, a minimum Operating Reserve balance equal to 50 percent of budgeted operating and maintenance costs, including debt service. This end-of-year balance is intended to ensure adequate working capital is available at the times that debt service payments are due, as well as to meet other ongoing cash flow needs throughout the year.

**9610.313** This fund contains all operating and non-operating revenues not specifically allocable to other funds which may be used for the general purposes of the District. All operating and non-operating expenses identified and approved in the budget process, are financed from this fund. The use of the Operating Reserve is at staff's discretion for the purpose of meeting the District's financial obligations during each year.

**9610.314** The Board should annually ensure that water rates and other charges are sufficient to meet or exceed the Operating Reserve target minimum balance at the end of each fiscal year.

**9610.315** If at any time, during the course of normal operations, the Operating Reserve balance falls below 10 percent of budgeted operating and maintenance costs, including debt service, then the District should consider increasing the minimum year-end target amount, as well as prepare cash flow projections to verify that financial obligations will be met in the current year.

## **9610.32** Board Designated Reserves

**9610.321** Capital Fund Reserves: The following reserves are established by action of the Board and designated for specific purposes. These funds are utilized to fund capital and asset costs, for both new and replacement projects consistent with the 2020 Business Plan. The Capital Fund Reserves contain three reserve components.

a. Membrane Replacement Reserve: This is established to provide funds for the periodic replacement of membrane filters at the District's water treatment plant (WTP). Annual funding of this reserve is intended to reduce the financial impacts of large (concentrated) membrane purchases, and smooth rate increases. Moneys in the Membrane Replacement Reserve should be used, at staff's discretion, only for purchase of new membrane filters at the District's WTP. The District will accumulate funds into this reserve balance at the rate of \$200,000 per annum.

b. Filter Skid System and Ranney Collector Replacement Reserve: This reserve is established to meet the needs of future replacement of 1) entire filtration process including all the skids with filter modules, support structures, and associated appurtenances, collectively the "filter" and 2). the Ranney Collectors (Collectors Numbers 1, 2, and 3). Annual funding of this reserve is intended to reduce the burden for future financing and smooth upward rate adjustments. Annual funding will continue until the funding and the reserve fund are abolished by the Board. Interest income earned on the accumulated funds will be allocated and contributed to the reserve fund.

Funds in the Filter Skid Replacement Reserve ~~shall~~ be used upon Board approval, at staff's discretion, for implementation at staff's discretion, including but not limited to design, construction and purchase, of new filters at the District's WTP. The District will accumulate funds



into this reserve balance at the rate of \$650,000 per annum through 2035 or until the completion of the Filter Skid Replacement Project whichever comes first.

Funds in the Ranney Collector Reserve shall be used, upon Board approval, for the design and construction and/or rehabilitation of the Ranney Collectors. The District will accumulate funds into this reserve at the rate of \$500,000 per annum.

b.c. Capital Replacement Reserve: This is established to provide funds in support of the District's on-going capital replacement program and to minimize or avoid the need for future long-term debt. This reserve balance is also intended to provide resources for eventual replacement of equipment, facilities, and infrastructure within the District.

- The District should seek to maintain an amount in the Capital Replacement Reserve sufficient to cover annual capital replacement program costs, as scheduled, with consideration of annual contributions to the reserve. Funds in the Capital Replacement Reserves should be used exclusively for capital projects planned and approved by the Board.
- The District should establish an annual transfer of funds from the General Operating Fund at a level sufficient to achieve the required target amount as identified in long-term financial planning analyses.
- Actual annual transfers should be determined based on near-term and long-term capital replacement needs, and not solely on immediate capital improvement project requirements.

c.d. Capital Facility Fees Reserve: The District collects capital facility fees from new development for capacity in the water system. This money is available to pay for capital facilities/expenditures that expand facilities in water system or otherwise extend the useful life of the existing facilities or assets. Water capital facilities fee revenue can be combined with the Capital Replacement Reserve and used for capital projects, provided it is only spent on projects as explained above. The District staff will estimate, on a yearly basis, amount to be reserved in this reserve balance which will be based on the budgeted facility fees revenue.

d.e. Sacramento County (County) Impact Projects: This is established to provide funds for Sacramento County accelerated District requirements. County improvements require any permitted public utility to relocate its encroachment at the utility's expense within the time specified per Section 1463 of the Streets and Highways Code.

- When County funding comes available, the County projects are ready to go out to bid with little or no notice to the community and utilities. The County may receive accelerated federal grant funding money that may move certain projects ahead of their projected and/or scheduled dates. The District has established an annual budget for District required work for County Projects in its annual Capital Budget.
- The District should establish an annual transfer of funds from the General Operating Fund at a level sufficient to achieve the required target amount as identified in long-term financial planning analyses.
- Actual annual transfers will be determined by the staff for Board Approval based on both near-term and long-term County projects.

e.f. California Pension Retirement System (CalPERS) Unfunded Actuarial Liability (UAL) Pay-Down Reserve: The District recognizes its commitments to employees for retirement benefits and establishes a CalPERS UAL Pay-Down Reserve. The District will annually fund the

reserve to pay-down pension amortization bases within the CalPERS until the unfunded liability is fully funded.

### **9610.33**      Legally Restricted Reserves

**9610.331**      *Debt-Related Funds and Reserves*: The District recognizes that borrowing long-term funds for the purpose of enhancing, improving or acquiring infrastructure and facilities may be necessary. When the District determines that borrowing is necessary to fund such asset acquisitions, all funds borrowed should be accounted for in accordance with the covenants, terms and conditions as set forth in the bond agreement, Certificate of Participation Official Statement (COP's), Installment Sales Agreement or other similar documents. The following District reserve and fund categories are established to meet long-term debt covenants and to assist the District in its long-term debt obligations:

- a. **Rate Stabilization Reserve Fund**: A Rate Stabilization Reserve Fund was established and should be maintained at a level of \$500,000 to provide funds for meeting the District's debt service coverage requirement. The District may deposit surplus Net Revenues transferred from the General Operating Fund attributable to a fiscal year, or moneys derived from any other legally available source, into the Rate Stabilization Reserve Fund. The District may, at any time, withdraw moneys from the Rate Stabilization Reserve Fund and deposit such amounts into the General Operating Fund. For purposes of debt service coverage, amount established as the Rate Stabilization Reserve Fund shall be deducted from Net Revenues and moneys withdrawn from the Rate Stabilization Reserve Fund shall be added to Net Revenues.
  - Use of the Rate Stabilization Reserve Fund may concurrently ensure financial and customer rate stability in responding to conditions including but not limited to:
    - Unforeseen operating and/or capital expenditures.
    - Revenue losses due to water shortages, drought or other conditions.
    - Natural or man-made disasters.
    - Major transmission or distribution main failures.
  - The District's Business Plan includes a water shortage financial analysis and recommends a multi-prong financial strategy, which includes using a portion of money available in the Rate Stabilization Reserve Fund to help mitigate the financial impacts of a water shortage and reduced water sales that create an unplanned financial deficit.
  - As described in the District's Business Plan, under water shortage conditions with mandatory water use restrictions, the Rate Stabilization Reserve Fund could be used in conjunction with water shortage rate surcharges. Conditions for utilization of such reserves and a plan for fund replenishment will be directed by the Board in conjunction with the budget approval.
- b. **Debt Service Reserve Fund**: A Debt Service Reserve Fund has been established and is used to maintain the Reserve Requirement, as required by bond related documents. A Debt Service Reserve Fund is held and maintained by a Trustee for the District. Funding and usage of the Debt Service Reserve Fund must be consistent with debt covenants.

**9610.332**      *OPEB Reserve Trust Account*: The District recognizes its commitments to employees for post-employment benefits and establishes an OPEB Reserve Trust Account, (held by an outside trustee). The District will annually fund the Trust Account until the unfunded liability is fully funded.

#### **9610.40 Conclusion**

The District's Business Plan outlines the necessary reserves' targets needed to meet current and future obligations. Maintaining, regularly updating, and adhering to an appropriately constructed reserve policy is a good business practice recognized by the Government Finance Officers Association, and is among the factors considered by the credit rating and investment community when assessing the credit-worthiness of the District. Therefore, the adequacy of the target reserves and/or annual contributions will be reviewed annually during the budgeting and rate setting process and may be revised as necessary.

- 9610.41** Any additional revenue sources that become available may enable the District to:
- a. Fund depleted or unfunded reserves; and
  - b. Reduce future rate increases when reserve targets are met.

## **CARMICHAEL WATER DISTRICT**

### **Directors' Policy Manual**

**POLICY TITLE:** Reserve Policy

**POLICY NUMBER:** 9610

**9610.10** The key to long-term financial stability is the ability to anticipate and prepare for significant financial obligations, to avoid and/or mitigate financial risk and to be able to respond responsibly and proactively to changing conditions and circumstances.

**9610.11** To achieve these goals, a portion of the Carmichael Water District's (District) net position, available resources, should be held in reserve for specified purposes. The District has certain contractual, legal and other requirements to reserve a portion of its available resources and/or District capital, including debt covenants to satisfy specific claims on District assets or the District's earning capability. Managing financial risk and providing stable funding to meet the District's long-term replacement and rehabilitation needs will assist the District in minimizing extra ordinary water rates adjustments over the long-term and help ensure continued reliable water service.

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#### **9610.20 The Reserve Structure**

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#### **9610.30 Policy**

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b. Filter Skid System and Ranney Collector Replacement Reserve: This reserve is established to meet the needs of future replacement of 1) entire filtration process including all the skids with filter modules, support structures, and associated appurtenances, collectively the "filter" and 2). the Ranney Collectors (Collectors Numbers 1, 2, and 3). Annual funding of this reserve is intended to reduce the burden for future financing and smooth upward rate adjustments. Annual funding will continue until the funding and the reserve fund are abolished by the Board. Interest income earned on the accumulated funds will be allocated and contributed to the reserve fund.

Funds in the Filter Skid Replacement Reserve shall be used upon Board approval for implementation at staff's discretion, including but not limited to design, construction and purchase, of new filters at the District's WTP. The District will accumulate funds into this reserve

balance at the rate of \$650,000 per annum through 2035 or until the completion of the Filter Skid Replacement Project whichever comes first.

Funds in the Ranney Collector Reserve shall be used, upon Board approval, for the design and construction and/or rehabilitation of the Ranney Collectors. The District will accumulate funds into this reserve at the rate of \$500,000 per annum.

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- The District should establish an annual transfer of funds from the General Operating Fund at a level sufficient to achieve the required target amount as identified in long-term financial planning analyses.
- Actual annual transfers will be determined by the staff for Board Approval based on both near-term and long-term County projects.

f. California Pension Retirement System (CalPERS) Unfunded Actuarial Liability (UAL) Pay-Down Reserve: The District recognizes its commitments to employees for retirement benefits and establishes a CalPERS UAL Pay-Down Reserve. The District will annually fund the reserve to pay-down pension amortization bases within the CalPERS until the unfunded liability is fully funded.

## 9610.33      Legally Restricted Reserves

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- Use of the Rate Stabilization Reserve Fund may concurrently ensure financial and customer rate stability in responding to conditions including but not limited to:
  - Unforeseen operating and/or capital expenditures.
  - Revenue losses due to water shortages, drought or other conditions.
  - Natural or man-made disasters.
  - Major transmission or distribution main failures.
- The District's Business Plan includes a water shortage financial analysis and recommends a multi-prong financial strategy, which includes using a portion of money available in the Rate Stabilization Reserve Fund to help mitigate the financial impacts of a water shortage and reduced water sales that create an unplanned financial deficit.
- As described in the District's Business Plan, under water shortage conditions with mandatory water use restrictions, the Rate Stabilization Reserve Fund could be used in conjunction with water shortage rate surcharges. Conditions for utilization of such reserves and a plan for fund replenishment will be directed by the Board in conjunction with the budget approval.

b. Debt Service Reserve Fund: A Debt Service Reserve Fund has been established and is used to maintain the Reserve Requirement, as required by bond related documents. A Debt Service Reserve Fund is held and maintained by a Trustee for the District. Funding and usage of the Debt Service Reserve Fund must be consistent with debt covenants.

**9610.332**      OPEB Reserve Trust Account: The District recognizes its commitments to employees for post-employment benefits and establishes an OPEB Reserve Trust Account, (held by an outside trustee). The District will annually fund the Trust Account until the unfunded liability is fully funded.

## 9610.40      **Conclusion**

The District's Business Plan outlines the necessary reserves' targets needed to meet current and future obligations. Maintaining, regularly updating, and adhering to an appropriately constructed reserve policy is a good business practice recognized by the Government Finance Officers Association, and is among the factors considered by the credit rating and investment community when assessing the credit-worthiness of the District. Therefore, the adequacy of the target reserves and/or annual contributions will be reviewed annually during the budgeting and rate setting process and may be revised as necessary.

**9610.41** Any additional revenue sources that become available may enable the District to:

- a. Fund depleted or unfunded reserves; and
- b. Reduce future rate increases when reserve targets are met.



**CARMICHAEL WATER DISTRICT**  
**RESOLUTION xxx**  
**A RESOLUTION AMENDING THE DIRECTORS' POLICY MANUAL**  
**SERIES 9610– RESERVE POLICY**

**BE IT RESOLVED** by the Board of Directors of the Carmichael Water District (District) as follows:

Regulations as attached hereto are hereby amended and added to the Directors' Policy Manual effective xxxx xx, 2024.

**Series 9610 – Reserve Policy**

Existing resolutions in conflict with this resolution are hereby repealed.

**PASSED AND ADOPTED** by the Board of Directors by the following vote:

Mark Emmerson	Aye	<input type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Jeff Nelson	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"/>
Ron Greenwood	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"/>

**Board Totals:**      **Ayes:** ☐   **Nays:** ☐   **Absent:** ☐   **Abstain:** ☐

**Passed Unanimously:** ☐  
**Motion Carried:** ☐  
**Motion Not Carried:** ☐

Signed after its passage this xx day of xxx, 2024:

\_\_\_\_\_  
Paul Selsky, President  
Board of Directors

**ATTEST:** \_\_\_\_\_  
Cathy Lee, Secretary

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# MEMO

**TO:** Board of Directors

**FROM:** Cathy Lee, General Manager

**DATE:** May 10, 2024

**RE:** Water Forum 2.0 – Purveyor Specific Agreement, Governance, and Funding

## BACKGROUND

In the early 1990's, the region's water supplies and environmental resources were unsustainable while the region experienced some of the highest population increases in the state. Groundwater levels underlying parts of the basin were in steep decline, a trend that had started more than 40 years earlier. To address these challenges, the City and County of Sacramento launched the Water Forum (WF) negotiations in 1993. Slowly, over the next seven years and thousands of hours of meetings, stakeholders negotiated a plan to bring cohesion to water management and environmental stewardship on the Lower American River. As a result, the Water Forum Agreement (WFA) was signed in 2000 by 40 agencies, including Carmichael Water District (CWD) for the co-equal objectives of “provide a reliable and safe water supply for the region's economic health and planned development through to the year 2030; and preserve the fisher, wildlife, recreational, and aesthetic values of the lower American River”.

The WFA include a few major portions, the Seven Elements of the WFA, Other Important Agreements, and Purveyor Specific Agreements (PSAs). Part of the Seven Elements of the WFA is the administration and continuous funding of the Water Forum which is under/within the structure of the City of Sacramento and funded with contributions from the City, County of Sacramento, City of Folsom, Placer County Water Agency, City of Roseville, San Juan Water District in Placer County, Sacramento Municipal Utility District, and El Dorado County Water Agency, with the County of Sacramento being the main contributor of WF's operations, over 50%, through its “Zone 13” property taxes funding .

## SUMMARY

As the original WFA approaches its term, the review and negotiation process have begun since 2019 to develop a new agreement, Water Forum 2.0. Since the original WFA, the impacts of climate change have intensified with decreased snow pack, increased rain fall, and prolonged droughts and many water supply components have become laws and regulations, such as Sustainable Groundwater Management (SGMA), Water Efficiency – Making Conservation a California Way of Life, and the draft updated Bay Delta Water Plan with related Health Rivers and Landscape Agreements/Voluntary Agreements (VAs) .

The Water Forum 2.0 negotiation process is outside of Water Forum's regular operations and the process requires additional information gathering (modeling exercises) and facilitation services provided by outside consultants. The negotiation process resulted in increased expenditures and the region's water suppliers, including CWD, agreed to support the additional expenditure, with CWD's cost share being \$16,530 per year for this year FY 23/24 and FY 24/25.

As stated previously, majority of the Water Forum's funding is from Sacramento County's Zone 13 property tax funds. The County has notified Water Forum in October 2023 (Attachment 1) that Zone 13 is unable to continue the current level starting with July 1, 2025 (FY 25-26). The funding to operate the Water Forum in

the future is currently being discussed and the proposed funding mechanism befalls to water agencies. Based on an estimated \$2M operating budget, three cost share models were developed (Attachment 2) based on cost share per connection, RWA declining block dues methodology, and equal split methodology. Staff reviewed the cost share models and compared to CWD's dues to RWA as shown in Attachment 3.

Additionally, the main part of the Water Forum 2.0 negotiation is to review Purveyor Specific Agreements (PSAs) which are commitments for surface water management in the WFA. WF staff have provided the attached Purveyor Specific Agreement Template and Guidance (Attachment 4). Staff consider CWD's commitments to be:

- Inject water into CWD's aquifer storage and recovery (ASR) wells in normal and wet years when Unimpaired Inflow to Folsom Reservoir (UIFR) is above 950 TAF,
- 10% water conservation reduction in dry year types (UIFR between 950 TAF and 400 TAF), and
- 20% water conservation, additional groundwater usage up to 100% system demand and curtailments by State Water Resources Control Board in the driest years (UIFR below 400 TAF).

As stated in the current WFA, "...some purveyors ... have long-term surface water entitlements in excess of demands projected for the term of the Water Forum Agreement". The statement is true for many water agencies as growth and development ebb and flow and such excess entitlements are necessary for the future. On the other hand, CWD was built out since the original WFA and water demand is stable without any projected increases. CWD's long term water entitlements were from 1915 and are in excess of demand. In fact, future water conservation rules will decrease water usage and a reduction in demand, as well as CWD's revenue, will most likely to decrease. Staff recommends that the Board of Directors take this into consideration when considering future funding of the WF and commitments in WF 2.0 PSA.

## **FINANCIAL IMPACT**

The financial impact to CWD would be Board of Directors' approval to contribute to WF's annual operational funding, including Habitat Management Element (HME) and a potential reduction in the District's revenue during conservation stages. (CWD has 6 stages of water shortage response with every stage being a 10% reduction through stage 5. Stage 6 is greater than 50% shortage/reduction.) The cost to support Water Forum would be on-going with unpredictable potential increases.

## **RECOMMENDATION**

Staff recommends that the Board of Directors discuss funding for the Water Forum and the District's commitments to the Purveyor Specific Agreement.

## **ATTACHMENT(S)**

1. Sacramento County letter to Water Forum, 10/4, 2023
2. Water Forum 2.0 Cost Share Scenarios
3. RWA dues and Water Forum costs
4. Purveyor Specific Agreement Template and Guidance



October 4<sup>th</sup>, 2023

Jessica Law  
Executive Director  
Water Forum  
1330 21<sup>st</sup> Street Suite 103  
Sacramento, CA 95811  
Submitted via email to [jlaw@waterforum.org](mailto:jlaw@waterforum.org)

Jessica,

As you are aware, Sacramento County has been an active partner in the Water Forum since its inception over twenty years ago. In the Water Forum Agreement (WFA) Sacramento County Water Agency's Zone 13 Fund (Zone 13) is identified as one of the main funding sources, paying 51% of the Water Forum Successor Effort (WFSE) and 66% of the Habitat Management Element (HME) each year. As discussed previously, Zone 13 is unable to continue funding the WFSE and HME at the current level in the years to come based on recent cash flow projections. Attached you will find an analysis from our financial analyst that shows Zone 13 cash flow in the next fiscal years. As you can see, without significant decreases in expenditures, Zone 13 will be over-prescribed in Fiscal Year 2024/25.

Staff informed the Sacramento County Board of Supervisors as early as 2020 that the ongoing use of Zone 13 to meet Water Forum funding commitments long-term is not sustainable given that Water Forum costs continue to increase while Zone 13 revenues remain relatively static. The May 19, 2020, the Sacramento County Board action to Approve Resolution Of Intention To Proceed With Projects And Levy Assessments Within Zone 13 Of The Sacramento County Water Agency For Fiscal Year 2020-21 (Sets Public Hearing For July 14, 2020) states:

"Implementation of the Water Forum Agreement Successor Effort and Habitat Management Element continues to be important to the region, and a significant expense for Zone 13. Since the Water Forum Agreement was signed in 2001, issues surrounding water supplies have dramatically changed. Examples of change are SGMA, State water conservation requirements, and proposed flow regulations on the Sacramento and American Rivers. In response to these changes and the expiration of the Water Forum Agreement in 2030, Water Forum staff have initiated a process to update and extend the Water Forum Agreement. As part of this effort, SCWA staff has informed the participants that Zone 13 cannot continue to support the Water Forum efforts at the same cost share levels as it is currently. The cost share among the region's water interests will be renegotiated as part of the update and extension effort."

Sacramento County remains a committed partner in the Water Forum and in the Water Forum 2.0 effort currently underway. As the largest historic funder of the Water Forum, we want to emphasize the importance of continuing the Water Forum 2.0 effort on behalf of the four caucuses, and we encourage prioritizing the

resolution of the question of long-term governance and funding. Given the somewhat dire projection for cashflow in Zone 13 in Fiscal Year 2024/25, the maximum Zone 13 contribution that year will be \$800,000 to fund WFSE and HME activities. Sacramento County Water Agency will continue to fund the Water Forum 2.0 efforts using rate revenue on behalf of its retail customers.

If the long-term funding for Water Forum is not resolved in FY 2024/25, the Zone 13 contribution will be capped at \$800,000/year beyond that fiscal year.

Thank you for your commitment to identifying new funding sources for the Water Forum moving forward. Again, Sacramento County is a committed partner to the Water Forum and will help in any way we can to ensure long-term success for the benefit of our region.

Sincerely,



MICHAEL L. PETERSON,  
Director of Department of Water Resources,  
Acting as Agency Engineer  
Sacramento County Water Agency

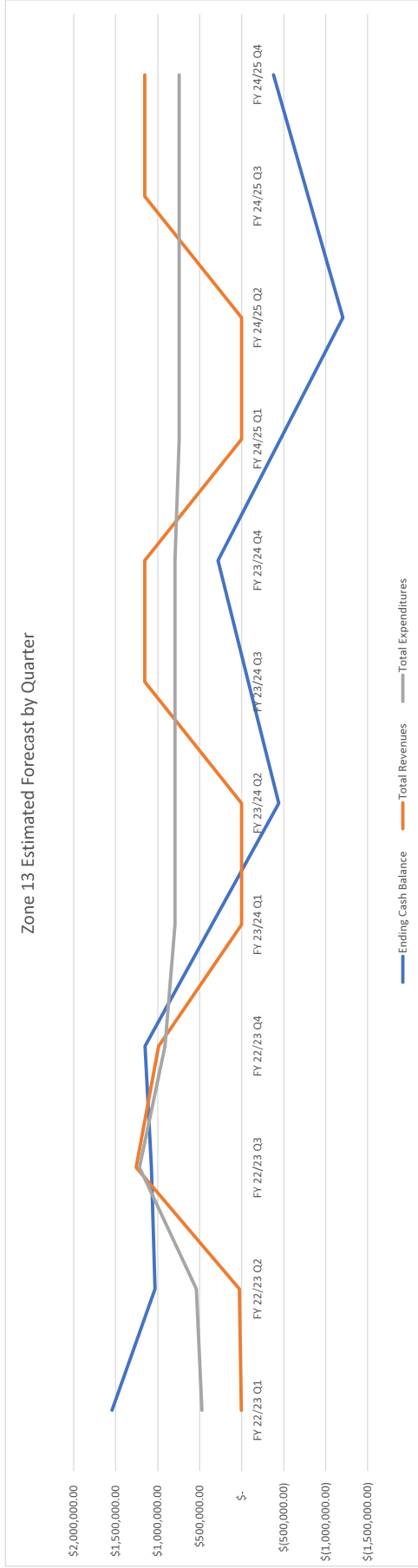
Attachment: Zone 13 Cash Flow Projection

Copies: Sacramento County – Ann Edwards, Dave Defanti, Michael Peterson  
City of Sacramento – Ryan Moore, Pravani Vandeyar, Anne Sanger

# Zone 13 Cash Flow Projection

Attachment 1

	Actuals FY 22/23 Q1	Actuals FY 22/23 Q2	Actuals FY 22/23 Q3	Actuals FY 22/23 Q4	Estimated FY 23/24 Q1	Estimated FY 23/24 Q2	Estimated FY 23/24 Q3	Estimated FY 23/24 Q4	Estimated FY 24/25 Q1	Estimated FY 24/25 Q2	Estimated FY 24/25 Q3	Estimated FY 24/25 Q4
Starting Cash Balance	\$ 2,013,832.52	\$ 1,545,628.65	\$ 1,032,833.54	\$ 1,073,450.14	\$ 1,149,876.73	\$ 354,726.73	\$ (440,423.27)	\$ (79,423.27)	\$ 281,576.73	\$ (461,723.27)	\$ (1,205,023.27)	\$ (792,173.27)
Total Revenues	\$ 4,911.81	\$ 27,183.97	\$ 1,256,294.44	\$ 990,222.22	\$ -	\$ -	\$ 1,156,150.00	\$ 1,156,150.00	\$ -	\$ -	\$ 1,156,150.00	\$ 1,156,150.00
Total Expenditures	\$ 473,115.68	\$ 539,979.08	\$ 1,215,677.84	\$ 913,795.63	\$ 795,150.00	\$ 795,150.00	\$ 795,150.00	\$ 795,150.00	\$ 743,300.00	\$ 743,300.00	\$ 743,300.00	\$ 743,300.00
Ending Cash Balance	\$ 1,545,628.65	\$ 1,032,833.54	\$ 1,073,450.14	\$ 1,149,876.73	\$ 354,726.73	\$ (440,423.27)	\$ (79,423.27)	\$ (79,423.27)	\$ (461,723.27)	\$ (1,205,023.27)	\$ (792,173.27)	\$ (379,323.27)



**WATER FORUM 2.0 COST SHARE SCENARIOS**

Water Forum 2 Annual Costs                      \$2,000,000  
 Number of funding agencies                      20

Cost/Connection		
\$3.73	varies	N/A, Flat rate

Agency	Connections	Percent of Total Connections	Cost Share Per Connection	RWA Dues Methodology	Equal Split Methodology
California-American	64,830	12.1%	\$235,944	\$ 217,534	\$100,000
<b>Carmichael Water District</b>	<b>11,724</b>	<b>2.2%</b>	<b>\$42,669</b>	<b>\$ 61,551</b>	<b>\$100,000</b>
Citrus Heights Water District	20,305	3.8%	\$73,899	\$ 106,601	\$100,000
City of Folsom	23,816	4.4%	\$86,677	\$ 125,034	\$100,000
City of Roseville	48,113	9.0%	\$175,104	\$ 195,472	\$100,000
City of Sacramento	145,601	27.2%	\$529,904	\$ 324,132	\$100,000
Del Paso Manor Water District	1,731	0.3%	\$6,300	\$ 9,088	\$100,000
Elk Grove Water District	0	0.0%	\$0	\$ -	
Fair Oaks Water District	14,390	2.7%	\$52,371	\$ 75,548	\$100,000
Florin County Water District	0	0.0%	\$0	\$ -	
Golden State Water Company	17,176	3.2%	\$62,511	\$ 90,174	\$100,000
Orange Vale Water Company	5,687	1.1%	\$20,697	\$ 22,803	\$100,000
PCWA	11,578	2.2%	\$42,137	\$ 61,120	\$100,000
Rancho Murieta Community Serv.	-	0.0%	\$0	\$ -	
Rio Linda /Elverta Community WD	4,668	0.9%	\$16,989	\$ -	\$100,000
Sacramento County Water Agency	65,491	12.2%	\$238,350	\$ 218,407	\$100,000
Sacramento Suburban Water Dist.	46,670	8.7%	\$169,852	\$ 193,568	\$100,000
San Juan - Placer County	0	0.0%	\$0		
San Juan - Sacramento County	10,813	2.0%	\$39,353	\$ 57,082	\$100,000
<b>Other Potential Funding Partners</b>					
EBMUD			\$ 12,000	\$ 12,000	\$100,000
SMUD			\$ 12,000	\$ 12,000	\$100,000
SAFCA			\$ 20,000	\$ 20,000	\$100,000
EID	43,287	8.1%	\$157,540	\$ 189,103	\$100,000
EDCWA			\$ 5,705	\$ 5,705	\$100,000
NMWD					
OHWD					
Total	535,880	100%	\$ 2,000,000	1,996,922	2,000,000

## Notes:

These are intended to be estimates only - connection counts are likely not 100% accurate  
 Highlighted agencies have historically not participated in Water Forum activities



<b>RWA</b>	Actual FY 22-23	Current FY 23-24	Budgeting FY 24-25	Future (low) FY 25-26	(high) FY 25-26	<b>NOTES</b>
RWA Core	\$ 26,968	\$ 26,763	\$ 28,101	\$ 30,068	\$ 30,068	5% increase for FY 24-25 and 7% increase for FY 25-26
Water Efficiency	\$ 14,842	\$ 15,287	\$ 15,746	\$ 16,375	\$ 16,375	3% increase for FY 24-25 and assume 5% increase for FY 25-26
CIMS/VA	\$ 6,258	\$ 7,227	\$ 26,400	\$ 27,720	\$ 27,720	Attorney & consultant costs \$325k to \$600k in FY 24-25 Assume 4% increase for FY 25-26
Water Bank	\$ 30,000	\$ 20,000	\$ 20,000			Additional costs beyond original commitment Assume WIIN Act Grant Additional attorney costs CEQA EIR - stream depletion factor
TOTAL	\$ 78,068	\$ 69,277	\$ 90,247	\$ 74,164	\$ 74,164	
<b>WATER FORUM</b>	<b>FY 22-23</b>	<b>FY 23-24</b>	<b>FY 24-25</b>	<b>FY 25-26</b>	<b>FY 25-26</b>	
WF 2.0	\$ -	\$ 16,530	\$ 16,530			2-year agreement for WF2.0 development
WF Successor & HME Element	\$ -	\$ -	\$ -	\$ 42,669	\$ 61,511	Based on \$2M operating budget assumption Lowest dues - based on # of connections RWA declining rate block - \$61,511 Equal split method - \$100,000
TOTAL	\$ -	\$ 16,530	\$ 16,530	\$ 42,669	\$ 61,511	
<b>COMBINED:</b>	<b>\$ 78,068</b>	<b>\$ 85,807</b>	<b>\$ 106,777</b>	<b>\$ 116,833</b>	<b>\$ 135,675</b>	

# Purveyor Specific Agreement Template and Guidance

Based on extensive conversations in the Water Supply Sustainability (WSS) working group, this document provides a guide for purveyors in the development of their draft commitments for surface water management in the Water Forum Agreement. Each section includes background information, key guidance for purveyors, and specific requests for information in a workbook format.

Purveyors are asked to prepare initial drafts and/or concepts related to surface water management within two-weeks of receiving this document in order to proceed according to the WF 2.0 schedule. The next steps will likely include scheduling inter-caucus reviews and discussions, and the compilation and review of collective proposals from the purveyors by staff and consultants.

**Please return draft proposals to Water Forum staff by 04/17/2024.**

## Purveyor Background

This initial section should provide a brief overview of the purveyor's system and supplies. Key points of interest include:

- Supply Portfolio
  - Summary of surface water entitlements
  - Groundwater production capacity
  - Alternative supplies (current, planned)
- Distribution System Features of Note
  - Points of diversions, reservoirs, interties, groundwater infrastructure, etc.
- Current and Projected Demands

## Surface Water Management

Purveyor commitments for surface water management will support Water Forum's coequal objectives by aligning with the draft surface water management guiding principles as stated below. It is acknowledged that each purveyor's situation is unique and the individual ability of any one purveyor to align with the principles will vary. In addition, it is acknowledged that there is an inherent tension between the coequal objectives and that when considered in isolation, they can be interpreted to be in conflict. The intention of the Water Forum is to prioritize the objectives equally, recognizing the need to holistically manage our water resources.

The coequal objectives of the Water Forum are:

- Provide a reliable and safe water supply for the region's economic health and planned development.
- Preserve the fishery, wildlife, recreational, and aesthetic values of the lower American River.

The draft guiding principles below are categorized, for reference only, as primarily supporting water supply sustainability (WSS) or river health (RH). It is acknowledged that the same tension that exists between the coequal objectives can exist between the guiding principles.

1. Prioritize alternative supplies to surface water from the American River system in dry conditions to provide flow and water quality<sup>1</sup> benefits for the Lower American River. **(RH)**
  - a. Pursue opportunities for increased groundwater pumping to allow surface water to remain in the Lower American River. **(WSS, RH)**
  - b. Pursue opportunities for increased diversions from the Sacramento River as an alternative to surface water from the American River system. **(WSS, RH)**
2. Ensure surface water commitments are in balance with regional efforts for groundwater sustainability. **(WSS)**
  - a. Prioritize surface water diversions in wet conditions to allow groundwater recharge. **(WSS)**

The draft guiding principle below (#3) will require greater discussion within the working group and within the Water Forum to reach consensus on both the language, and as to where within the agreement the language could be most appropriate. It is possible that the statement may be better categorized as an assurance or caveat rather than a principle. For reference, there are two versions of the language stated below based on the discussion within the working group.

3. Protect regional surface water entitlements to ensure local control of water to benefit the coequal objectives. **(WSS, RH)**
3. Leverage regional surface water entitlements to ensure local control of water to benefit the coequal objectives. **(WSS, RH)**

In addition to the draft guiding principles above, purveyors are also asked to consider the implications for regional advocacy in the broader Central Valley Project (CVP) of commitments in the drier and driest conditions. Water Forum members consistently engage with Reclamation in seeking protections and assurances for Water Forum's coequal objectives through mechanisms such as end-of-year storage (among others). Recognizing that additional protections from the American River region have the potential to impact other CVP users, it is helpful for the Water Forum members to reliably indicate regional commitments supporting the same protections (i.e., end-of-year storage) to strengthen our position with Reclamation and other agencies.

## Current Diversions

Purveyors will report their current level of American River diversions, which should be representative of levels within the last 5 to 10-years. Current diversions will provide context for the future projected diversions and any reductions to those projected diversions.

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<sup>1</sup> Including temperature, dissolved oxygen, and potentially other characteristics.

## Future Projected Diversions

Purveyors will define their projected American River surface water diversions for an agreed-upon time-horizon. The projected diversions would be defined for conditions when the Unimpaired Inflow to Folsom Reservoir (UIFR) is above 950 TAF. This projected level of diversion will serve as the basis for purveyor commitments in drier and/or driest conditions. Projections for surface water demands, as stated in the purveyor Urban Water Management Plans (UWMPs), can be used to establish the projected level of diversions. See **Attachment 1** for guidance specific to the use of UWMPs in PSAs.

## Drier Conditions Management

**Purveyors will develop specific commitments for conditions when the UIFR is between 950 TAF and 400 TAF.** Purveyors should indicate how the commitments are supporting the coequal objectives.

Within the working group, these commitments have been proposed as either reductions in diversions from future projected levels, or as contributions to a hypothetical stewardship fund, and have historically also included the release of replacement water from upstream reservoirs. The commitments in this hydrologic condition should take into consideration the draft guiding principles for surface water management, and the implications for regional advocacy within the CVP.

To the extent possible, purveyors should indicate their strategy to support flows on the lower American River and/or protect the coldwater pool in Folsom Reservoir. Purveyors can describe a range of actions, such as in lieu groundwater pumping, conservation, transfers, alternative supplies, or other tactics. To be noted, groundwater management, demand management, and dry-year actions are topics yet to be fully discussed within the working group. There will be forthcoming guidance on these topics for consideration in the PSAs.

## Driest Conditions Management

**Purveyors will develop specific commitments for conditions when the UIFR is less than 400 TAF. Purveyors should indicate how the commitments are supporting the coequal objectives**

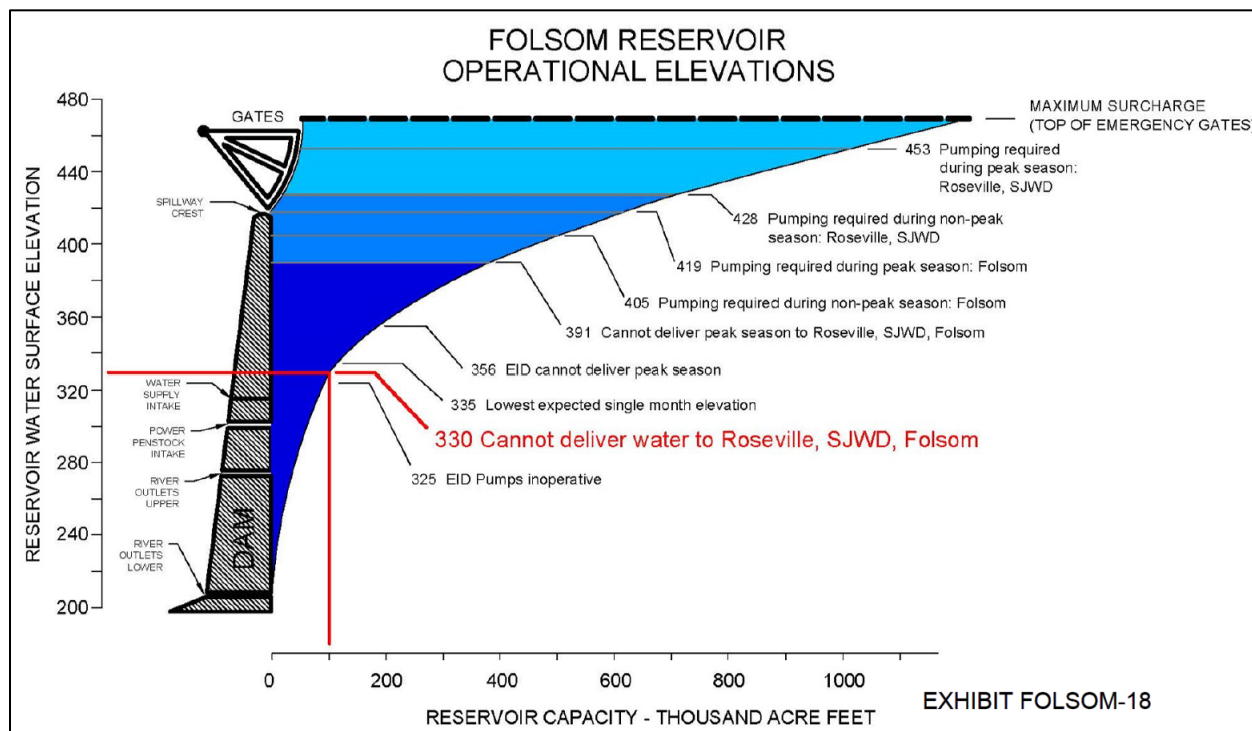
Within the working group, these commitments have been proposed as reductions in diversions from future projected, and have historically also included the release of replacement water from upstream reservoirs. The commitments in this hydrologic condition should take into consideration the draft guiding principles for surface water management, and the implications for regional advocacy within the CVP.

Another potential commitment during these conditions could be to limit total regional American River diversions to a historical level of diversion.

To the extent possible, purveyors should indicate their strategy to support flows on the lower American River and/or protect the coldwater pool in Folsom Reservoir. Purveyors can describe a range of actions, such as in lieu groundwater pumping, conservation, transfers, alternative supplies, or other tactics. To be noted, groundwater management, demand management, and dry-year actions are topics yet to be fully discussed within the working group. There will be forthcoming guidance on these topics for consideration in the PSAs.

## Critically Low Storage Conditions

Climate change is expected to greatly increase the frequency of critically-low storage in Folsom Reservoir. Ensuring the region has contingency plans and redundant supplies available in the event of catastrophically low storage at Folsom Reservoir will be critical to protecting both of Water Forum's coequal objectives. For reference, Figure 1 below indicates the implications of various storage conditions at Folsom Reservoir (storage shown on the x-axis).



**Figure 1. Folsom Reservoir Storage and Operational Elevations**

As part of PSA development, the purveyors are asked to describe their expected plans of action and anticipated supplies (including sources) for the two conditions described below.

1. Potential operations in spring and summer when Folsom Reservoir storage is forecasted to reach 110 TAF at some point in the year.
2. Potential operations in summer and fall when Folsom Reservoir storage is below 110 TAF.

## Project List

It is understood that to support the coequal objectives and mitigate challenges facing the region under future conditions, structural and non-structural projects will be needed. Purveyors are encouraged to provide a list and descriptions of projects they anticipate pursuing in their efforts to implement the proposed commitments outlined in the PSA.

### Structural

List infrastructure projects that will support efforts to implement the proposed purveyor specific agreement, and to support the coequal objectives. Examples include diversions interties, groundwater wells, treatment facilities, etc.

### *Non-Structural*

List non-structural projects that will support efforts to implement the proposed purveyor specific agreement, and to support the coequal objectives. Examples include inter-agency agreements for water transfers, changes to water right permits such as point of diversion, agency programs or initiatives, etc.

## Caveats and Assurances

1. The ability for any individual purveyor to implement the surface water diversions principles will depend on their respective opportunities and constraints.
2. In circumstances where excess water is made available by Reclamation by Article 3(f) of a purveyor's Water Repayment Contract or by a Section 215 Contract between the purveyor and Reclamation due to flood control operations at Folsom Reservoir, for the purposes of groundwater recharge, that water would not be counted as diversion water within their PSA, regardless of year type.
3. Others

# Attachment 1. UWMPs and the Water Forum Agreement

Future projected diversions based on the UWMPs would be updated on an agreed upon interval in alignment with the required reporting cycle of the UWMPs. The regional purveyors are required to develop UWMPs on a 5-year basis (per the requirements of California Water Code §10610-10656 and §10608). UWMPs are intended to support the suppliers' long-term resource planning to ensure that adequate water supplies are available to meet existing and future water needs. The UWMPs include projected demands and assessments of water supply reliability over a 20-year planning horizon (among other data and information). By using the projected demands as developed in the UWMPs for surface water diversion commitments, and including a process to update information as new UWMPs are completed, the Water Forum Agreement avoids duplicating efforts by regional water planners, and ensures the commitments made will more closely represent actual demands over the length of the agreement.

If an UWMP is referenced in the PSA, the following caveats and assurances are suggested:

1. As part of the development of their quinquennial UWMPs, purveyor signatories will provide information to Water Forum staff and signatories related to the data and assumptions to be reported in their UWMPs, including; demand projections, current and planned supplies, and drought planning scenarios. The WF staff will compile regional data and assumptions for presentation to the WF membership for review and discussion.
  - a. This assurance is intended to facilitate improved transparency and understanding related to the data and assumptions within the UWMPs, and to better elucidate any differences in assumptions by purveyors.

## Attachment 2 – Draft WFA Table

	Current Annual American River Diversions (TAF)	Future Projected Annual American River Diversions (TAF)  <i>UIFR &gt; 950 TAF</i>	Drier Year Annual American River Diversions (TAF) <i>950 TAF &gt; UIFR &gt; 400 TAF</i>	Driest Year Annual American River Diversions (TAF)  <i>UIFR &gt; 400 TAF</i>
<b>Purveyor</b>				
Cal AM WC				
Carmichael WD				
City of Folsom				
City of Roseville				
City of Sacramento				
Del Paso Manor				
East Bay MUD				
EDCWA				
EID				
Florin WD				
Golden State WC				
Natomas Central Mutual				
PCWA				
Rio Linda				
SCWA				
SJWD				
SMUD				
South County Ag				
SSWD				



# MEMO

**TO:** Board of Directors

**FROM:** Gaby Padilla, Administrative Specialist

**DATE:** May 13, 2024

**RE:** ACWA Certificate of Excellence

## BACKGROUND

In September of 2023 Director Emmerson volunteered Carmichael Water District to be a part of the pilot program for the ACWA Certificate of Excellence (A.C.E.). By November of 2023, staff received the first step in for the A.C.E. and received the application for the Transparency Certificate of Excellence (T.C.E.).

## SUMMARY

Staff has been gathering information to complete the basic requirements required by the T.C.E. mandates (see attached). Most importantly, the following are the requirements that still need to be completed:

- Current Ethics Training for all Board Members needs to be completed by June 18, 2024 via Vector Solutions,
- Annual disclosure of board member or employee reimbursements for individual charges over \$100 for services or products,
- Reimbursement and Compensation Policy on the Districts website

Once these requirements have been completed, staff will submit the application along with all the supporting documentation. Once this is reviewed and the certificate has been awarded ACWA will send CWD the next steps.

## RECOMMENDATION

None as this is only informational.

## ATTACHMENT

1. District Transparency Certificate of Excellence Application.



SHOWCASE YOUR DISTRICT'S COMMITMENT TO TRANSPARENCY

## District Transparency Certificate of Excellence

### Purpose

To promote transparency in the operations and governance of special districts to the public/constituents and provide special districts with an opportunity to showcase their efforts in transparency.

### Valid

3 Years from date of award

### Application Cost

FREE

### Electronic Filing is preferable

info@sdlf.org

### District Receives

- Certificate for display (covering 3 years)
- Press release template
- Recognition on the SDLF website
- Letter to legislators within the district's boundaries announcing the achievement
- Recognition in social media and the CSDA eNews
- Window cling

### Basic Requirements

#### Current Ethics Training for All Board Members (*Government Code Section 53235*)

- ☐ Provide names of board members and copies of training certificates along with date completed

#### Current Harassment Prevention Training for Supervisory and Non-Supervisory Employees

(*Government Code section 12950.1; 53237.1*)

- ☒ Provide training log or certificates confirming completion along with dates completed

#### Compliance with the Ralph M. Brown Act (*Government Code Section 54950 et. al*)

- ☒ Provide copy of current policy related to Brown Act compliance  
☒ Provide copy of a current meeting agenda (including opportunity for public comment)

#### Adoption of Policy Related to Handling Public Records Act Requests

- ☒ Provide copy of current policy

#### Adoption of Reimbursement Policy, If District Provides Any Reimbursement of Actual and Necessary Expenses

(*Government Code Section 53232.2 (b)*)

- ☒ Provide copy of current policy

#### Annual disclosure of board member or employee reimbursements for individual charges over \$100 for services or products.

This information is to be made available for public inspection. "Individual charge" includes, but is not limited to: one meal, lodging for one day, or transportation. (*Government Code Section 53065.5*)

- ☐ Provide copy of the most recent document and how it is accessible

#### Timely Annual Filing of State Controller's Special Districts Financial Transactions Report and Compensation Report

(*Government Code Section 53891, 53892*)

- ☒ Provide copy of most recent filings

SDLF staff will verify that district is not listed on the State Controller's 'non-compliance list'

#### Conduct Audits As Required By Law (*Government Code Section 26909 and 12410.6*)

- ☒ Provide copy of most recent audit, management letter, and a description of how/where documents were made available to the public

#### Other Policies – Have Current Policies Addressing the Following Areas

Provide copies of each:

- ☒ Conflict of Interest  
☒ Provide copies of Form 700 cover sheet for board members and general manager  
☒ Code of Ethics/Values/Norms or Board Conduct  
☒ Financial Reserves Policy  
☒ Records Retention Policy

### Website Requirements

**Maintain a district website with the following items Required.** (provide direct website links for each item) - Required items available to the public:

- ☒ Names of board members and their full terms of office to include start and end date
- ☒ Name of general manager and key staff along with contact information
- ☒ Election/appointment procedure and deadlines
- ☒ Board meeting schedule  
(Regular meeting agendas must be posted 72 hours in advance pursuant to *Government Code Section 54954.2 (a)(1)* and *Government Code Section 54956 (a)*)
- ☒ District's mission statement
- ☒ Description of district's services/functions and service area
- ☒ Authorizing statute/Enabling Act (Principle Act or Special Act)
- ☒ Current district budget
- ☒ Most recent financial audit
- ☒ Archive of Board meeting minutes for at least the last 6 months
- ☒ Link to State Controller's webpages for district's reported board member and staff compensation (*Government Code Section 53908*)
- ☐ Link to State Controller's webpages for district's reported Financial Transaction Report (*Government Code Section 53891 (a)*)
- ☐ Reimbursement and Compensation Policy
- ☒ Home page link to agendas/board packets (*Government Code Section 54957.5*)
- ☒ SB 272 compliance-enterprise catalogs (*Government Code Section 6270.5*)

**Additional items** – website also must include at least 4 of the following items:

- ☐ Post board member ethics training certificates
- ☐ Picture, biography and e-mail address of board members
- ☒ Last (3) years of audits
- ☐ Financial Reserves Policy
- ☒ Online/downloadable public records act request form
- ☐ Audio or video recordings of board meetings
- ☒ Map of district boundaries/service area
- ☐ Link to California Special Districts Association mapping program
- ☒ Most recent Municipal Service Review (MSR) and Sphere of Influence (SOI) studies (full document or link to document on another site)
- ☐ Link to [www.districtsmakethedifference.org](http://www.districtsmakethedifference.org) site or a general description of what a special district is
- ☐ Link to most recently filed FPPC forms

### Outreach/Best Practices Requirements - (Must complete at least 2 of the following items)

**Regular district newsletter or communication (printed and/or electronic) that keeps the public, constituents and elected officials up-to-date on district activities (at least twice annually)**

- ☒ Provide copy of most recent communication and short description on the frequency of the communication, how it's distributed and to whom

**Community notification through press release to local media outlet announcing upcoming filing deadline for election or Appointment and process for seeking a position on the district board, prior to that election (or prior to the most recent deadline For consideration of new appointments for those districts with board members appointed to fixed-terms)**

- ☒ Provide copy of the press release (and the printed article, if available)

**Complete salary comparison/benchmarking for district staff positions using a reputable salary survey (at least every 5 years)**

- ☐ Provide brief description of the survey and process used as well as the general results

#### Special Community Engagement Project

Designed and completed a special project promoting community engagement with the district (potential projects may be broad in nature or focus on specific issues such as rate-setting, recycled water, identifying community needs, etc.)

- ☒ Submit an overview of the community engagement project reviewing the process undertaken and results achieved

**Hold annual informational public budget hearings that engage the public (outreach, workshops, etc.) prior to adopting the budget**

- ☒ Provide copy of most recent public budget hearing notice and agenda

#### Community Transparency Review

The district would be required to obtain a completed overview checklist from at least 2 of the following individuals (the district may choose to conduct the overview with these individuals simultaneously or separately):

- ☐ Chair of the County Civil Grand Jury
- ☐ Editor of a reputable local print newspaper (only one may count toward requirement)
- ☐ LAFCO Executive Officer
- ☐ County Auditor-Controller
- ☐ Local Legislator (only one may count toward requirement)
- ☐ Executive Director or President of local Chamber of Commerce
- ☐ General Manager of a peer agency (special district, city, county, neighborhood association, community organization or county administrative officer)
  - ☐ Provide proof of completion signed by individuals completing Community Transparency Review
- ☐ President of local Special Districts Chapter or the Chapter designee



SHOWCASE YOUR DISTRICT'S COMMITMENT TO TRANSPARENCY

## District Transparency Certificate of Excellence

### Submit Application

Submit this application along with all required documentation to:

Special District Leadership Foundation  
1112 I Street, Suite 200  
Sacramento, CA 95814  
Phone: 916-231-2909 • Fax: 916-442-7889

**Electronic filing is preferable.**

[info@sdlf.org](mailto:info@sdlf.org)

District: <b>Carmichael Water District</b>		
Mailing Address: <b>7837 Fair Oaks Blvd</b>		
City: <b>Carmichael</b>	State: <b>CA</b>	Zip: <b>95608</b>
Contact Name: <b>Cathy Lee</b>		
Contact Title: <b>General Manager</b>		
Phone: <b>916-483-2452</b>	Fax: <b>916-483-5509</b>	
Email: <b>hr@carmichaelwd.org</b>	Website: <b>carmichaelwd.org</b>	
Assembly Member(s)*:		
Senator*:		
Local Newspaper(s):		
I certify that the information submitted is accurate and complete to the best of my knowledge.		Signature:

*\*include all state legislators representing the district's area of operation*

## Monthly Runoff and Allocation Report -April 2024-



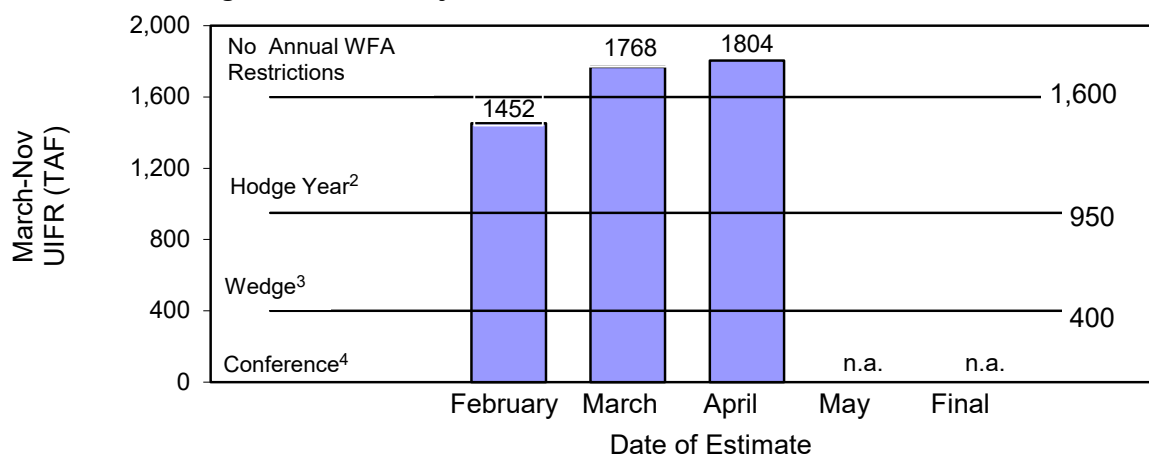
Water Forum  
Successor Effort

Issuance Date: April 15, 2024

**Purpose:** This monthly report is issued for each of four months (i.e., February, March, April, and May) every year by the Water Forum Successor Effort to provide the status of the March through November Unimpaired Inflow into Folsom Reservoir (March-Nov UIFR). Per the Water Forum Agreement of 2000, this hydrologic index is used to determine the type of water year and may be used by American River water purveyors and water right holders to determine the extent of their dry-year procedures. For more information on these topics, visit <http://www.WaterForum.org/Dry Year Procedures>.

**Projected Mar-Nov UIFR for April 2024 is 1804 TAF. For this year type there are no annual restrictions in the Water Forum Agreement.**

**Figure 1. UIFR Projections and American River Water Allocation<sup>1</sup>**



<sup>1</sup>Several factors can affect the allocation of water supply from the American River. When Mar-Nov UIFR is greater than 1,600 TAF then no annual WF restrictions are applied. However, other restrictions could be in effect such as the CVP shortage criteria.

<sup>2</sup>A "Hodge Year" occurs when the Mar-Nov UIFR is less than 1,600 TAF. This affects the allocation of American River water for Sacramento Suburban WD (after 2010) and South County Agriculture (see footnote #9 on page 11 of the 2000 Water Forum Agreement). This is different than the instantaneous "Hodge Flow trigger" which affects diversions at the Fairbairn treatment plant when the LAR flow is less than 3,000 cfs during Mar-Jun; 2) Less than 2,000 cfs from October 16-Feb; and 3) Less than 1,750 cfs from July-Oct15.

<sup>3</sup>A "Wedge" occurs when the Mar-Nov UIFR is less than 950 TAF. This may affect the allocation of American River water for the City of Folsom, Placer County Water Agency, City of Roseville, San Juan Water District, Sacramento Suburban WD (prior to 2010) and SMUD (see footnote #3 on page 11 of the 2000 Water Forum Agreement).

<sup>4</sup>"Conference" years occur when Mar-Nov UIFR is less than 400 TAF. In those years diverters and others are required to meet and confer on how best to meet demands and protect the American River (footnote #2 on page 11 of the 2000 Water Forum Agreement).

# Monthly Runoff and Allocation Report (continued)

## -2024 -

**Table 1. Monthly Runoff Values**

Month	UIFR Monthly and Total Volumes in TAF				
	February Publication	March Publication	April Publication	May Publication	Final Values
March <sup>1</sup>	392	400	457	n.a.	n.a.
April <sup>1</sup>	400	450	445	n.a.	n.a.
May <sup>1</sup>	385	520	520	n.a.	n.a.
June <sup>1</sup>	160	255	245	n.a.	n.a.
July <sup>1</sup>	35	55	50	n.a.	n.a.
August <sup>1</sup>	11	17	16	n.a.	n.a.
September <sup>1</sup>	9	11	11	n.a.	n.a.
October <sup>2</sup>	30	30	30	n.a.	n.a.
November <sup>2</sup>	30	30	30	n.a.	n.a.
<b>Total</b>	<b>1,452</b>	<b>1,768</b>	<b>1,804</b>	n.a.	n.a.

<sup>1</sup> Values are from *Bulletin 120 (50% Exceedance), Water Conditions in California*, California Department of Water Resources (DWR) for the given publication month (<https://cdec.water.ca.gov/reportapp/javareports?name=B120DIST>). DWR publishes Bulletin 120 four times a year (February through May), providing forecasts of unimpaired flow for several watersheds in California for the given water year.

<sup>2</sup> Values are from *Technical Memorandum No. 1, Computing March through November Unimpaired Inflow into Folsom Reservoir*, Water Forum, May 2007.

### USBR American River CVP Municipal and Industrial Contractor Allocation

The CVP announced that Municipal and Industrial (M&I) water service contractors North-of-Delta who are serviced by Folsom Reservoir on the American River are allocated 100 percent for 2024.  
<https://www.usbr.gov/newsroom/news-release/4743>

Please note that the CVP allocations are administered by the USBR and are not part of the Water Forum Agreement. The CVP information is provided for informational purposes only.

**PUBLIC NOTICE**

**THE DAILY RECORDER**  
 barbara\_bennett@dailyjournal.com

**SACRAMENTO LOCAL AGENCY FORMATION COMISSION  
 LEGAL NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that the Sacramento Local Agency Formation Commission on Wednesday May 1, 2024, at 5:30 pm or as soon thereafter as is practicable, shall conduct a public hearing on the following items:

1. The amendment of the Del Paso Manor Water District Municipal Service Review; and
2. The Consideration and adoption of a resolution of intent to initiate dissolution based on one or more of the required findings in Government Code Section 56375.1(a)(1)(A). Del Paso Manor Water District has one or more documented chronic service provision deficiencies that substantially deviate from industry or trade association standards or other government regulations and its board or management is not actively engaged in efforts to remediate the documented service deficiencies. The resolution shall provide a remediation period of not less than 12 months during which the district may take steps to remedy the specified deficiencies and also specify a date upon which the district shall provide the commission a mid-point report on such remediation efforts at a regularly scheduled commission meeting.

The hearings will be held in the Board Chambers, 700 H Street, Room 1450, Sacramento, California.

**PUBLIC MAY ADDRESS THE COMMISSION ON MATTERS  
 NOT ON THE AGENDA**

**VIEW MEETING**

The meeting is videotaped and cablecast live on Metrocable 14 on the Comcast, Consolidated Communications and AT&T U-Verse Systems. It is closed captioned for hearing impaired viewers and webcast live at <http://metro14live.saccounty.gov>.

**MEETING MATERIALS**

The on-line version of the agenda and associated material is available at <https://sacrafc.saccounty.gov/Pages/default.aspx>. Some documents may not be posted on-line because of size or format (maps, site plans, renderings). Contact the Commission office at (916) 874-6458 to obtain copies of documents.

## Options

1. Try to bring our system up to date to meet the goal of being independent and meet the LAFCO requirements before the December 2025 MSR.
  - a. This would not be financially possible with how far the system has progressed.
  - b. Refer to the Analysis attachment. Financially, the District has too much infrastructure that was not replaced over time for the District to afford to remain independent.
2. Allow the LAFCo dissolution.
  - a. I would not advise this, although SSWD is the obvious choice for consolidation if this action is driven by LAFCo there are no guarantees that we wouldn't end up merging into another district or private company.
  - b. There would be no guarantees that staff could transition to the new agency and although LAFCo has our best interest at heart the process if forced would be dramatic.
3. Fight the dissolution and accept that Del Paso Manor Water District will be providing a reduced level of services to its ratepayers and eventually have California State Regional Water Quality Control Board or LAFCo step in later when DPMWD isn't meeting its goals.
  - a. This would be the worst option. DPMWD would be wasting ratepayer's money to provide a reduced level of service for a vital service that could affect health and safety.
  - b. LAFCo, the State of California and Sacramento County are all partners that will support us if we can continue to meet our goals and provide water for health and fire. If we cannot meet those goals and need to rely on another water district consistently then consolidation or dissolution is the obvious choice.
4. Consolidate with SSWD, if they are open to it prior to LAFCo's dissolution date and have control to protect ratepayers and staff by negotiating the best situation possible.
  - a. To make this work the board would need to act swiftly and get a finalized agreement in place with SSWD by July 15 – July 29 with a deadline of August 9, 2024, to add a ballot measure for the November 5, 2024, general election.
  - b. By consolidating the District is eligible for \$60,000 per service connection for grant funding to bring our system up to date. That is access to over \$100,000,000.



## **Considerations**

If the board initiates consolidation there are more things to consider for the 2024/2025 budget:

1. Does the board still want to pursue the prop 218 loan that might not get paid off by the grant funding available from consolidation or dissolution?
  - a. If the District takes a loan for \$9,000,000 the grant funding that becomes available with consolidation or dissolution might not pay this back. I would strongly urge the board not to pursue a loan at this time.
2. Does the board want to allow Forsgren to finish current open task orders and then stop any progress for pipeline replacement?
  - a. Forsgren is currently finishing the hydrological model, pipeline planning for prop 218 and working on Well #9 generator installation.
  - b. If the board does not take a loan, we do not have the money to start the prop 218 projects.
  - c. My recommendation is to consolidate with SSWD and work in unison with Dan York on what SSWD would find most beneficial for pipeline replacement if consolidation happens, then task Forsgren; projects that DPMWD can afford without utilizing prop 218 money to support that goal.
3. Does the board want to remain as members of the different committees?
  - a. Some of these organizations could support a consolidation or dissolution.
  - b. Currently the District has membership with the following organizations:
    - American Water Works Association (AWWA)
    - Association of California Water Agencies (ACWA)
    - California Rural Water Authority (CRWA)
    - California Special Districts Association (CSDA)
    - Regional Water Authority (RWA)
    - Sacramento Groundwater Authority (SGA)
    - Water Forum
4. There has been staff direction for future agenda items, are those still needed?
5. There is staff direction to join California CLASS and open a new bank account, does the board still want us to pursue these?
6. Are there any items that the board would like to see on the fiscal year 2024/2025 budget given this new information?

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## General Manager's Report May 2024

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### 1. Strategic Plan and Employee Survey

Staff held an all hands staff meeting over lunch with the Strategic Plan consultant, Mr. Brent Ives. Mr. Ives provided an overview of the employee survey process and inquired items staff are most interested in. He indicated that he was to meet with all the directors for input to the employee survey and will develop the survey accordingly.

### 2. Surface Water Deliveries to Golden State Water Company (GSWC)

Staff adjusted the water delivery flow to GSWC to balance the District's surface water and groundwater usage. The "normal" flow is a consistent 3,130 gallons per minute (gpm). The "new" flow regime is a reduction to 2,100 gpm from 4 am to 8 am (the District's high demand period) followed by an increase to 3,820 from 9 am to 3 pm to make up the difference. The new schedule began on May 15<sup>th</sup>.

The flow adjustment is based on the District's need to reduce groundwater usage to lower the "baseline" for groundwater pumping in order to facilitate future water transfers and commitments under the Health Habitat and Landscape Agreement (formally known as the Voluntary Agreement (VA)). The groundwater baseline is the amount of groundwater used by a water purveyor in normal operating conditions without water transfers or curtailments and is calculated based on the most recent three year average under normal conditions. A lower baseline provides more capacity for future transfers and allows the District to fulfil the VA commitments in a shorter time span.

### 3. Ancil Hoffman Golf Course Water Usage

Ancil Hoffman is one of the biggest water users with an annual water charge about \$1,000,000 which is a 10 time increase from the previous flat rate provided under a land lease agreement in 2008 between the District, Aerojet, and Sacramento County when Aerojet's GET LA treatment system was operational. In addition, the agreement stipulated that the District operates and maintains a booster pump station to boost the pressure for the golf course. Recently, golf course personnel requested meetings with staff to discuss 1) the possibility of re-starting the GET LA well and 2) an upgrade to the pump station to install different pumps. Staff provided a letter from the Regional Water Quality Control Board specifying the parameters for using the well as an irrigation well without treatment and staff's concerns of being named as a future potential responsible party for spreading unknown contaminants onto the golf course or in the soils vadose zone. Staff also conveyed that the booster pump station's was in agreement by/with the golf course for its irrigation system in 2008 and that the District would change the operation parameters for the pumps and facilitate modification to the pump station with access.

### 4. Sacramento Regional Water Bank

The Program Committee for the Sacramento Regional Water Bank met recently on 5/15 to make decisions on the out-of-basin transfer amount in the CEQA document, leave behind volume for

banked water, and relationship with Groundwater Sustainability Agencies (GSAs). The presentation and decisions are attached in Attachment 1.

5. Consumer Confidence Report/Annual Water Quality Report

The Consumer Confidence Report for 2023 and Annual Water Quality Report are due at the end of June and staff is gathering any comments and feedbacks from the Board of Directors.

6. Upcoming meetings and conferences

May 24 – Taste of Carmichael, Kiwanis Club fundraiser, \$75 per ticket. Staff will host a table to promote water conservation at this event.

June 21 – CWD Summer Bar-B-Que, all directors are invited.

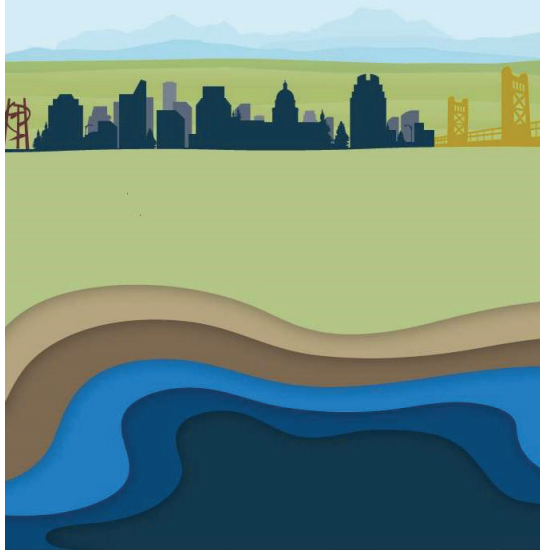
June 22 – Summer Solstice, American River Parkway Foundation fundraiser, \$250 per ticket

December 3 through December 5 – ACWA Fall Conference in Palm Desert

Attachment 1 – Water Bank Program Committee Meeting presentation

SACRAMENTO REGIONAL  
**WATER BANK**

A Sustainable Storage & Recovery Program



# Program Committee Meeting

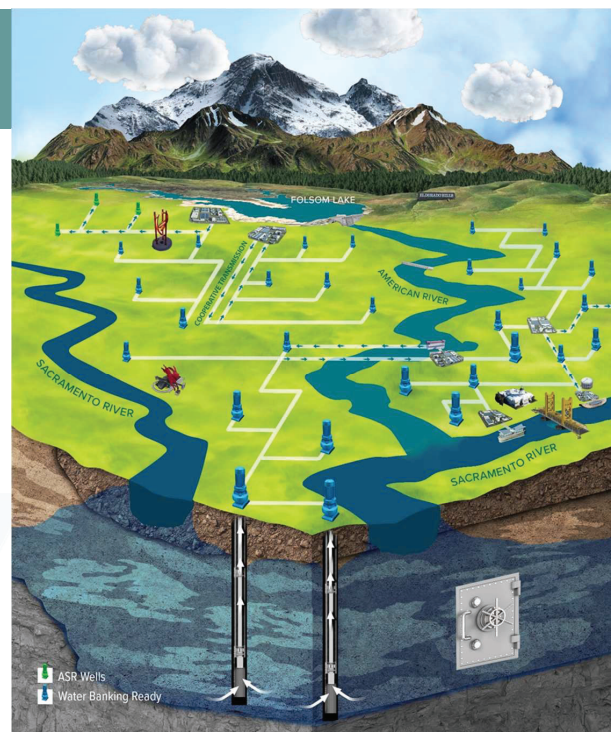
May 15, 2024



## Today's Agenda

1. Today's Meeting
2. Program Committee Decisions—  
CEQA and WAS
3. Brainstorming/Information  
Gathering—Previously Banked  
Water
4. Budget Update
5. Recap, Action Items, and Next  
Steps

PROGRAM COMMITTEE MEETING—May 15, 2024



## CEQA and WAS—What's Next?



PROGRAM COMMITTEE MEETING—May 15, 2024

- Re-issue NOP
- Initiate modeling of Water Bank baseline
- Continue to develop sections of EIR (e.g., existing setting)
- Continue to develop WAS

## Out-of-Basin Transfers

### Decision #1



PROGRAM COMMITTEE MEETING—May 15, 2024

Under the proposed project for CEQA, the maximum annual recharge and recovery quantities would be still be 65 taf/yr and 55 taf/yr, respectively. (Those maximum amounts are based on 2024 discussions with Participating Agencies.)

Voluntary Agreement commitments would range from 0-20 taf/yr.

In years when no recovery actions would be taken to satisfy the VA, up to 55 taf/yr could be transferred out-of-basin (if all other conditions and requirements were met).

**Staff Recommendation: Include program-level analysis of out-of-basin transfers of up to 55 taf/yr. This also includes appropriate revisions to NOP and CEQA Project Description.**

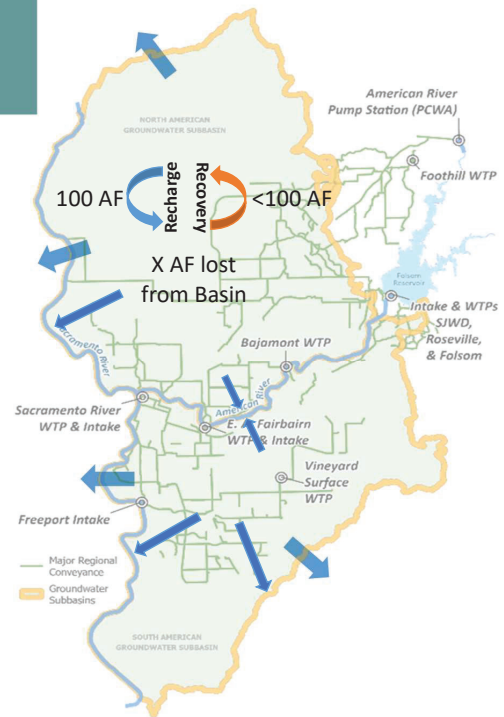
## Leave Behind vs Losses

**Losses** – Portion of banked water that migrates out of the basin to water bodies (accretions to streams) or adjacent basins (subsurface flow).

Losses will be reviewed and revised if appropriate on a 5-year cycle in conjunction with updating GSPs.

### Losses Benefit:

- Losses to streams/ivers results in accretions which lessens or eliminated stream depletion from Recovery



## Leave Behind vs Losses

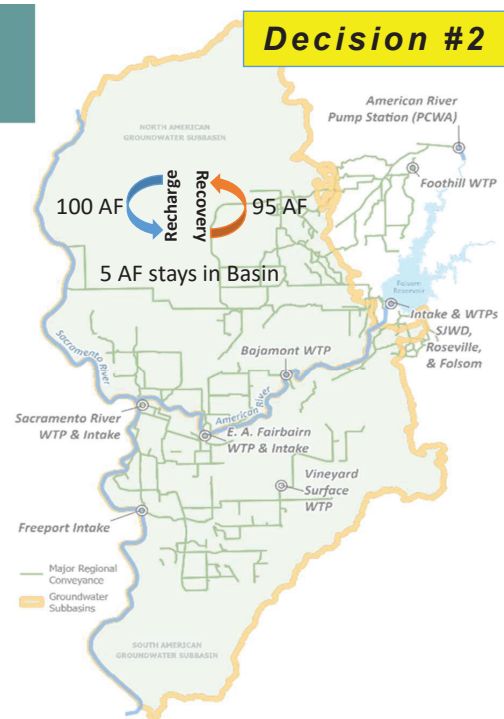
**Leave Behind** - Designated portion of banked groundwater that is set aside to support groundwater basin sustainability and enhance local water supply reliability.

Leave behind volume is never to be recovered as part of water banking operations.

Subject to 5% (or to be informed by modeling analysis) at time of recharge

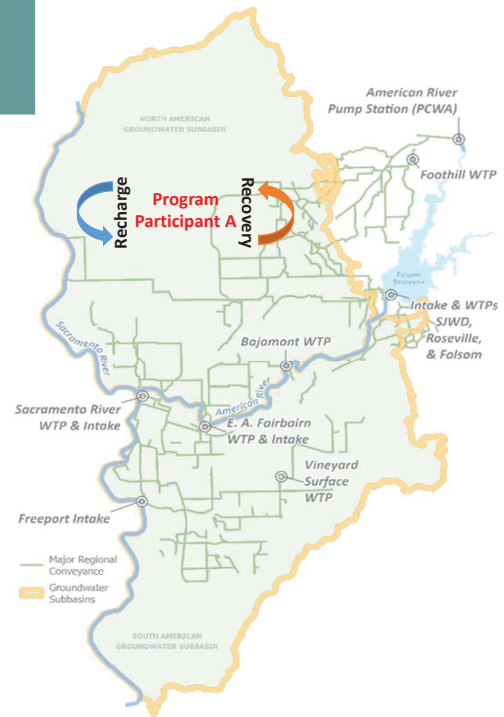
### Leave Behind Benefit:

- Bolsters groundwater in storage
- Percent can be increased by Participating Agency(ies) to augment local groundwater conditions
- Benefits all users of the groundwater basin



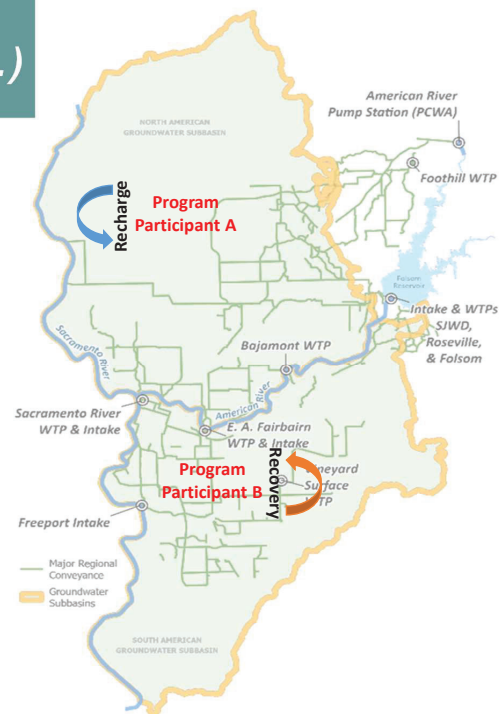
## Water Bank WAS Scenario

	1
Scenario	Within Subbasin (NASb to NASb or SASb to SASb)
Source of Recharged Water	Local Agency Water
Recovered Water Beneficiary	Local Agency within same Subbasin
Leave behind	? %
Losses	Yes



## Water Bank WAS Scenario (cont.)

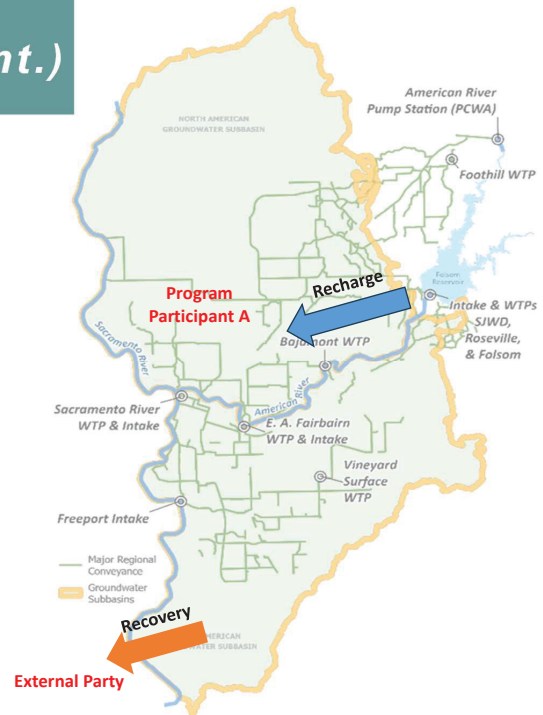
	1	2
Scenario	Within Subbasin (NASb to NASb or SASb to SASb)	Within Water Bank Area (NASb to SASb or SASb to NASb)
Source of Recharged Water	Local Agency Water	Local Agency Water
Recovered Water Beneficiary	Local Agency within same Subbasin	Local Agency in different Subbasin
Leave behind	? %	? %
Losses	Yes	Yes





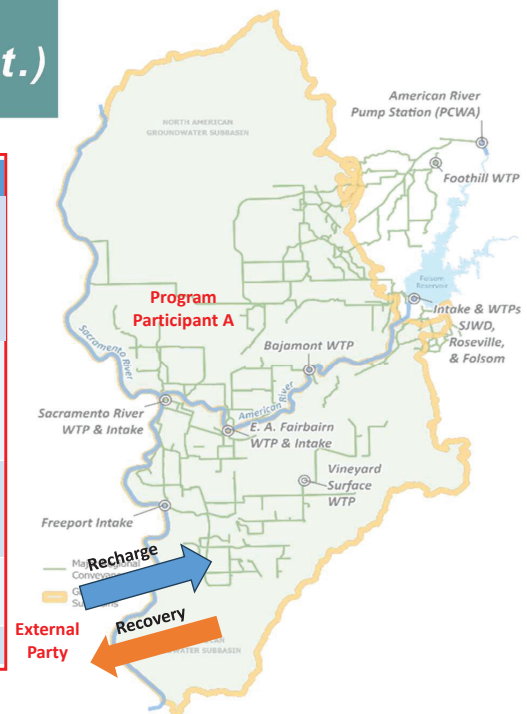
## Water Bank WAS Scenario (cont.)

	1	2	3a
<b>Scenario</b>	Within Subbasin (NASb to NASb or SASb to SASb)	Within Water Bank Area (NASb to SASb or SASb to NASb)	Outside of Water Bank Area
<b>Source of Recharged Water</b>	Local Agency Water	Local Agency Water	Local Agency Water
<b>Recovered Water Beneficiary</b>	Local Agency within same Subbasin	Local Agency in different Subbasin	External Party
<b>Leave behind</b>	? %	? %	? %
<b>Losses</b>	Yes	Yes	Yes



## Water Bank WAS Scenario (cont.)

	1	2	3a	3b
<b>Scenario</b>	Within Subbasin (NASb to NASb or SASb to SASb)	Within Water Bank Area (NASb to SASb or SASb to NASb)	Outside of Water Bank Area	
<b>Source of Recharged Water</b>	Local Agency Water	Local Agency Water	Local Agency Water	External Agency Water
<b>Recovered Water Beneficiary</b>	Local Agency within same Subbasin	Local Agency in different Subbasin	External Party	External Party
<b>Leave behind</b>	? %	? %	? %	5%
<b>Losses</b>	Yes	Yes	Yes	Yes



## Leave Behind

### Decision #2



PROGRAM COMMITTEE MEETING—May 15, 2024

September 7, 2023, Program Committee Meeting Summary

Recommendation #4e: Recharge/Recovery – Leave Behind

Action/Decision: At a minimum, there will be a “leave behind” for out-of-basin water transfers. This leave behind will be no less than 5 percent.

No objections. Vote: passed by unanimous consent.

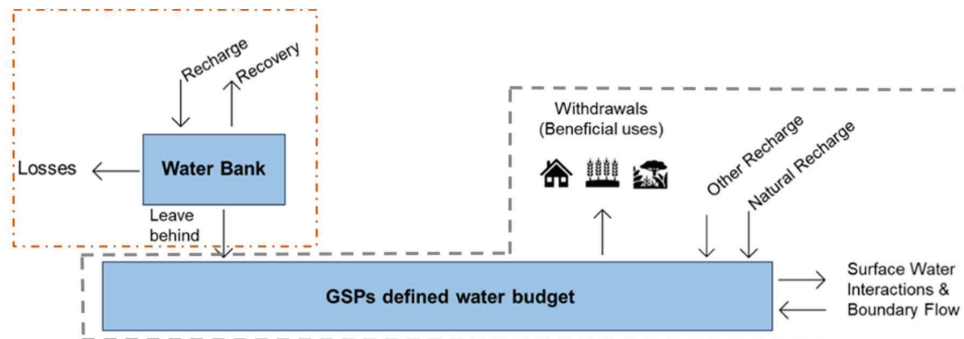
**Staff Recommendation:** ~~Include a leave-behind for all banked water for~~ **banked water made available for out of subbasin and external transfers and apply the leave-behind upfront. Percentage applied will be informed by WB analyses (to be conducted).**

## Water Bank and GSAs

### Decision #3



PROGRAM COMMITTEE MEETING—May 15, 2024



**Staff Recommendation:**

- ~~• RWA coordinates with GSAs throughout the year on Water Bank operations and reports out annual totals to GSAs.~~
- GSAs do not approve Water Bank actions. However, the Water Bank Coordinating Body informs GSAs of water banking actions and provides annual summaries.**

# CARMICHAEL WATER DISTRICT

## May 2024 Engineering Department Report

Engineering Manager, Greg Norris P.E.

### CAPITAL IMPROVEMENT PROJECTS

La Sierra ASR Well Project: Sierra National Construction received a Notice to Proceed from the District in March 2024 to complete the topside infrastructure for the La Sierra Well for \$3,423,333 . With much of the equipment and materials on backorder from their suppliers, they plan to start construction in June or July of this year.

Ladera/Winding Way ASR Well Projects: GEI completed the well drilling specifications and bid package for constructing two new wells at both sites and destroying the existing wells, plus destroying the existing well at Barrett Road. A Bid advertisement for the project was released on April 26, 2024, with bids due back to CWD by May 16, 2024. CWD conducted a site showing to potential bidders on April 30, 2024. Concurrently, the District is moving forward with obtaining land rights to the Ladera property owned by the San Juan Unified School District (SJUSD) and developing a grading plan for the Winding Way property.

La Vista Tank and Pump Station: After the project resumed progress on January 2, 2024, work was suspended on April 23, 2024 due to a contract dispute between the District and the contractor. The District has inventoried equipment and material specific for this project that the contractor left on-site. The District will assume responsibility of the rental of the security fence, and on-going maintenance of the site and equipment. WaterWorks is no longer charging time to the project and Montrose is updating the SWPPP.

SCADA Project: Proposals from vendors were due on May 8, 2024 for the SCADA Human-Machine Interface (HMI) graphic software. Top proposals will be invited to demonstrate their product to the District and EMA. Demonstrations will occur the first half of June, then final ranking and official software package selection will immediately follow.

Garfield Well Backup Generator Project: No progress for this month. 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: Dugan Engineering Management is continuing to move forward with the design for the Claremont Avenue project and a 600-foot section of pipeline along Fair Oaks Ave just north of the Fair Oaks/Claremont intersection

### CUSTOMER DELIVERY PROJECTS/ACTIVITIES:

<u>Project Location</u>	<u>Activity</u>	<u>Project Description</u>	<u>Service/Notes</u>
XXX Angelina Ave	Under Review	Fire Flow Analysis	New Building
XXX Winding Way	Under Review	Fire Flow Analysis	New Multi-home Development
XXX Garfield Ave	Under Review	Fire Flow Analysis	New Building

## **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 for this period:

<b>Address</b>	<b>Water Loss (CCF)</b>	<b>Rebate (\$)</b>	<b>Leak Description</b>
XXX Grant park Dr.	52.0	117.52	Leak in the service line between meter and house.
XXX Marywood Ct.	177.0	400.02	Leak in the service line between meter and house.

Turf Replacement Program: There are three pending turf replacement projects that were installed and ready for inspection and 5 more in the planning stage. 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: The District held Mulch Mayhem day on May 4, 2024. Approximately 25 customers took advantage of the free mulch in the inclement weather. Giving away mulch is one way the District promotes water conservation by encouraging customers to apply mulch in and around their landscape where possible. The mulch promotes infiltration and reduces soil moisture loss from evaporation. This event was a broader regional water efficiency advocacy and six water agencies jointly participated this year.

### Disadvantaged Communities Direct Installation Program (Phase I)

Phase 1 of RWA's \$500,000 DAC Direct Installation Program with Webers Water Conservation is now complete! CWD multi-family customers have received the following benefits through the 100% grant funded program.

- Total value of installations: \$78,172
- Number of toilets installed: 144
- Number of showerheads installed: 143
- Number of bathroom faucet aerators installed: 147
- Number of kitchen faucet aerators installed: 97
- Number of participating customers: 2

## **MISCELLANEOUS**

### COTP

Since last month's report, the TANC brought forward at their April regular meeting to its members that CWD and SJWD were interested in transferring control of their 1 MW each of transmission capability either collectively or individually. Since that meeting, the City of Roseville and Turlock Irrigation District have expressed interest in the District's transmission capability. No meeting has been set as of the date of this report's issue, but will likely occur towards the end of May.

# BILLING DEPARTMENT REPORT

Billing Supervisor, Cecilia D.

BILLING ACTIVITY					FY 23-24		FY 22-23		
Billing Period	Billing Units*	Usage Charge	Service Charge	Flat Rate**	Billing Totals		Billing Totals	Billing Units*	Previous Year Billing Totals % Difference
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%
March	127,799	\$ 288,827	\$ 796,701	\$ 24,833	\$ 1,110,361		\$ 973,685	\$ 108,503	14%
April	163,201	\$ 368,834	\$ 796,667	\$ 25,648	\$ 1,191,150		\$ 1,040,223	\$ 140,572	15%
<b>YTD Totals</b>	<b>2,626,521</b>	<b>\$5,520,625</b>	<b>\$7,551,682</b>	<b>\$258,153</b>	<b>\$13,330,459</b>		<b>\$10,916,154</b>	<b>\$2,378,038</b>	<b>22%</b>
<b>FY Totals</b>	<b>2,626,521</b>	<b>\$5,520,625</b>	<b>\$7,551,682</b>	<b>\$258,153</b>	<b>\$13,330,459</b>		<b>\$14,819,907</b>	<b>\$3,177,008</b>	<b>-10%</b>

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

Billing Units are based on current meter reading period, i.e., Current Billing Period = 2/22/24 – 3/20/24, 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 \$5,029.98 received from the California Arrearage Payment Program in April paid off the lien balances for six accounts, and is reflected in the reduction of Total Liened and Liened balance amounts shown in the worksheet below.

The Total 61-90 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 12% of the amount billed, or approximately 1,100 customers.

Date	Total on APS*	Total Off	Total Liened	Total Liened	Total 61 - 90 Days	Total Outstanding A/R **
June 2023	2	16	18	\$ 13,506	\$ 20,081	\$ 216,858
<b>FY 23-24</b>						
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
March	0	15	14	\$ 14,246	\$ 14,629	\$ 134,395
April	0	13	7	\$ 3,308	\$ 17,355	\$ 138,796

\* APS = Alternative Payment Schedule

\*\* Includes Total Liened and 61-120 Days Amounts

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# CARMICHAEL WATER DISTRICT

Production Superintendent, DAVID BIAGI

## April 2024 Water Production Board Report

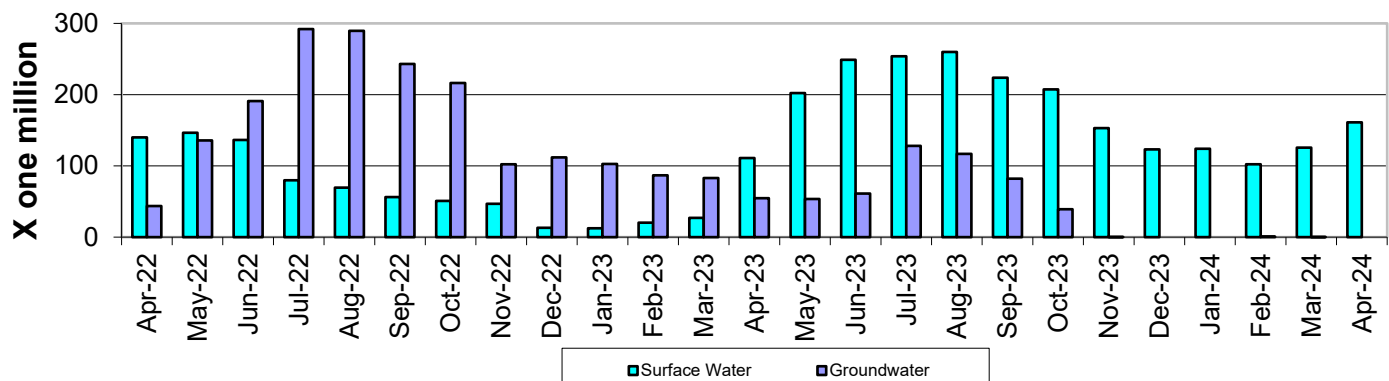


Rainbow Bridge in Folsom

### 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	125.55	160.99			2092	6419
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
<b>Avg.</b>	<b>372.82</b>	<b>359.50</b>	<b>306.55</b>	<b>247.72</b>	<b>155.38</b>	<b>121.72</b>	<b>114.51</b>	<b>111.35</b>	<b>133.37</b>	<b>168.48</b>	<b>259.82</b>	<b>324.30</b>	<b>2675</b>	<b>8211</b>
<b>Daily</b>	<b>12.03</b>	<b>11.60</b>	<b>10.22</b>	<b>7.99</b>	<b>5.18</b>	<b>3.93</b>	<b>3.69</b>	<b>3.98</b>	<b>4.30</b>	<b>5.62</b>	<b>8.38</b>	<b>10.81</b>		

### CWD Combined Surface & Ground Water Usage



April CWD Total Production		MG
Surface Water	100%	160.996
Groundwater	0%	0.000

Production	Up/ Down	Month	Up/ Down	9 Year Running Average
Production from same month last year	Down	3%	Down	4 %
April 2024 Average Daily Production		5.37 MG		
Peak Day – April 30th		7.28 MG		

**GSWC Delivery:** CWD delivered 134.94 MG or 414.12 Acre/Ft to GSWC in April.

There were Two (2) water quality complaint in the month of April. 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: 0

#### Backflow Devices Tested

- ✓ Tested: 45
- ✓ New Devices: 5
- ✓ Failed Tests: 0

#### Maintenance Activity

- ✓ Secondary Cl2 CIP: 4
- ✓ Instrument Calibrations: 8
- ✓ Module Repair: 27
- ✓ Positioning Valve Repair: 1
- ✓ 4" Filtrate "T" Rebuild: 1

**Fifth Unregulated Contaminant Monitoring Rule:** The Safe Drinking Water Act (SDWA) requires that once every five years the EPA issue a list of unregulated contaminants to be monitored by public water systems (PWSs). The fifth Unregulated Contaminant Monitoring Rule (UCMR 5) was published on December 27, 2021. UCMR 5 requires sample collection for 30 chemical contaminants between 2023 and 2025 using analytical methods developed by the EPA and consensus organizations. Consistent with the EPA's PFAS Strategic Roadmap, UCMR 5 will provide new data that will improve the agency's understanding of the frequency that 29 per- and polyfluoroalkyl substances (PFAS) and lithium are found in the nation's drinking water systems, and at what levels. The monitoring data on PFAS and lithium will help the EPA make determinations about future regulations and other actions to protect public health under SDWA. UCMR 5 samples will be collected at entry points to the distribution system for all contaminants. Samples for ground water under the direct influence of surface water must monitor 4 times during a consecutive 12-month monitoring period and sample events must occur 3 months apart. Ground water systems must monitor 2 times during a consecutive 12-month monitoring period. Sample events must occur 5-7 months apart. Carmichael Water District sample locations include all active well sites and the Bajamont Treatment Plant. Production Staff along with BSK Associates took the first set of samples on April 17<sup>th</sup>. BSK returned the sampling results

**Pressure Reducing Station Rebuild Project:** The District utilizes two pressure reducing stations (PRS) to maintain pressure in Zone 3, the lowest part of the District. Each station consists of two Cla-Val pressure reducing valves. The El Camino PRS, located at El Camino Ave and Walnut Ave, has one 3-inch and one 6-inch valve. The California PRS, located on California Ave just south of Van Alstine Ave, has one 4-inch and one 10-inch valve. This creates a border between zone 2 and zone 3 along El Camino Ave. These pressure reducing stations are critical to keep system pressure in Zone 3 in a safe range, taking the system pressure from the higher zone 2 and reducing it to a more desirable range for the lower of Zone 3.

Production staff have partnered with the Cla-Val Company, the valve manufacturer, to rebuild and modernize these pressure stations. Cla-Val has presented a plan to add flow and pressure monitoring equipment to the existing valves to allow the District to monitor the flow of water passing into zone 3 from zone 2 and keep track of each valve as it reacts to pressure changes. This will give the District the ability to track the amount of water sent to zone 3 and more accurately calculate water loss. It will also allow Production staff to maintain proper valve modulation to ensure equal water flow throughout the zone, decreasing water age and keeping chlorine residuals optimal. Cla-Val will rebuild all four valves at a significantly reduced cost to the District. The monitoring equipment will be supplied at no cost and include; 8 pressure transducers (2 for each valve), 4 position transmitters (1 for each valve) and 4 D35 flow modules (1 for each valve) as well as installation assistance, wiring, and commissioning of all assemblies. Once installed data can be viewed in real time via



bluetooth to a cell phone or transmitted through a cellular signal to Cla-Val's Link2Valves program to be downloaded by Production staff.

This will be a pilot program for Cla-Val to collect data and demonstrate the usefulness of its products in water systems while giving the District an opportunity to upgrade an aging asset at a fraction of the cost.

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# CARMICHAEL WATER DISTRICT

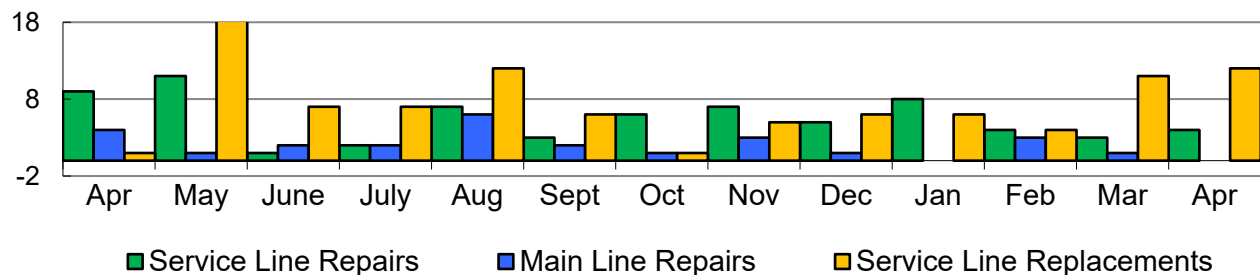
## DISTRIBUTION SUPERINTENDENT, SCOTT BAIR

### April 2024 Water Distribution Board Report



SMUD setting new transformer at the La Vista Tank site

#### Repairs and Replacements



#### Capital Improvements/Replacements

- Service Line: 12
- Fire Hydrant: 0
- Main Line Valve: 2
- New Construction Meters: 4
- Air Relief Valves - 0

#### O and M Repair Work

- Service Line: 4
- Fire Hydrant: 0
- Main Line: 1
- Meter Boxes: 4
- Main Line Valve Boxes: 3
- Meter Change Out: 25
- Registers Change Out: 23
- Hydrant Inspections: 0
- Valves Exercised: 13

#### Customer Assist

- Call Outs: 74
- Private Repairs: 21
- Water Waste: 4
- Lock/Unlock: 12
- High Pressure: 0
- Low Pressure: 0
- USA's: 119

- Sacramento Area Sewer District (SASD) 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 is on hold.
- 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 summer 2024. Impacts to District facilities will be minimal.
- Sacramento County AC Overlay Phase D (Contract No. 4575) “C” 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 the overlay project, there will be a three (3) year utility trench cut moratorium. \*Project is under construction.
- 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 is under construction.
- 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 is in final design
- San Juan Avenue Waterline Replacement Project:  
The final striping has taken place and punch list has been created noting minor clean up items. Staff is submitting a “Notice of Completion” to the Board for approval to release the retention.

# BOARD OF DIRECTORS

APRIL 2024

## MEETING ATTENDANCE

MEETINGS ATTENDED		DIRECTORS				
DATE	DESCRIPTION	DAVIS	EMMERSON	NELSON	GREENWOOD	SELSKY
4/16	CWD - Regular Board Meeting	1		1		1
4/19	CWD - Special Board Meeting	1	1	1	1	
4/11	RWA - Special Board Meeting				1	
4/11	SGA - Regular Board Meeting					1
4/13 4/14 4/15 4/16 4/17	CAP to CAP				5	
TOTAL MEETINGS ATTENDED		2	1	2	7	2

APRIL 2024

## EXPENSE COMPENSATION/REIMBURSEMENT

MEETINGS COMPENSATED						
DATE	DESCRIPTION	DAVIS	EMMERSON	NELSON	GREENWOOD	SELSKY
3/19	CWD - Regular Board Meeting	1	1	1		1
3/26	CWD - Special Board Meeting	1		1	1	1
3/5 3/22 3/25	Public Outreach Events			2	1	
3/20	COTP Management Meeting			1		
TOTAL # COMPENSATED		2	1	5	2	2
TOTAL \$ COMPENSATED		\$304.00	\$152.00	\$760.00	\$304.00	\$304.00
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	29	20	38	38	35
FYTD # MEETINGS COMPENSATED	15	13	36	35	31
FYTD \$ MEETINGS COMPENSATED	\$2,280.00	\$1,976.00	\$5,472.00	\$5,320.00	\$4,712.00
FYTD EXPENSE REIMBURSEMENTS	\$466.30	\$1,480.55	\$1,437.14	\$1,651.19	\$1,313.77

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# How a different type of atmospheric river storm saved California from another drought

State received more “Pineapple Express” storms this winter than last year, but they weren’t as powerful



A rainbow appears in the sky as a family walks the bluffs in Montara, Calif., during a break in the winter storms, Thursday afternoon, Feb. 1, 2024. (Karl Mondon/Bay Area News Group)



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Atmospheric river storms are like punches in a boxing match. A flurry of weak ones are OK. But it's best to avoid the big knockout blows.

That's exactly what happened in California this winter. Scientists say that from Oct. 1 to April 1, the state actually received more atmospheric rivers, the famous moisture-laden meteorological events that are critical to the water supply, than it did last year — 44 this winter compared to 31 last winter.

But the intensity made all the difference. Statewide, California had just 2 strong atmospheric rivers this winter, compared with 7 last year.

Many of the biggest this winter hit Washington and Oregon instead. The result was, for the most part, a remarkably, blissfully average rainy season for California.

"California is usually either extremely wet or dry," said Chad Hecht, a meteorologist with the Center for Western Weather and Water Extremes at UC-San Diego, which compiled the data. "This year was abnormally normal. I'll take it. It's better than not having any storms at all — or what we had last year, which was one really strong storm after another."

Hecht's center developed a scale in 2019 to measure atmospheric river storms from 1 to 5, from weakest to strongest, based on the amount of moisture they carry and the number of hours they are expected to linger over land.

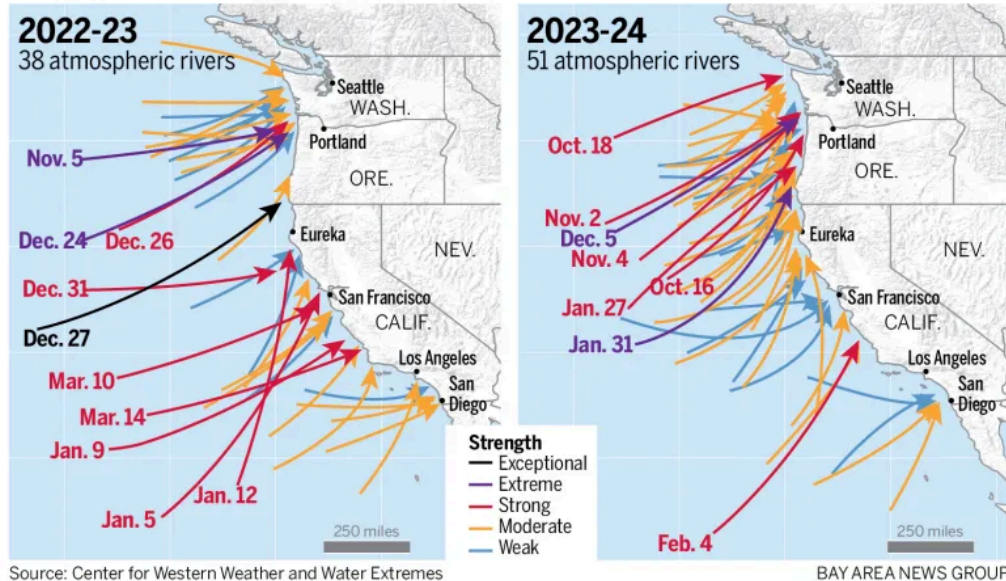
Last winter, 11 of the state's atmospheric river storms were weak, 13 were moderate and 7 were strong. This year, 26 were weak, 16 were moderate and 2 were strong.

The result: Reservoirs are full. And the Sierra Nevada snowpack is currently at 110% of normal, not too big, not too small.



## COMPARING SEASONS OF ATMOSPHERIC RIVERS

More atmospheric river storms hit the West Coast this year than last year, but California had weaker ones than the previous winter.



This time last year, the snowpack was a staggering 247% of its historical average, the biggest in 40 years, prompting widespread fears that one warm late-spring storm could cause catastrophic flooding across the state if it melted too quickly.

Punishing winter storms in March 2023 wrecked levees on the Pajaro River near Watsonville, tore apart the Capitola Wharf, created a huge temporary lake in the San Joaquin Valley, caused widespread Bay Area power outages, and caved in bluffs along the coastline from Santa Cruz to Pacifica, prompting a visit from President Biden to survey the damage. This year in Northern California, that kind of mayhem was largely avoided.

“Atmospheric rivers help refill reservoirs,” said Julie Kalansky, deputy director for the center, which is part of the Scripps Institution of Oceanography. “They increase soil moisture. They build up the snowpack. They often aren’t hazardous. We hear about them more when they are hazardous. But they often can be beneficial.”

Scientists still aren’t sure why many of the strongest storms this year were diverted to the Pacific Northwest. It could be differences in ocean water temperature, changes in the jet stream, or other factors, they said.

But this winter again highlighted how critical such storms are to the West Coast.

Sometimes called “pineapple express” storms, atmospheric rivers are giant conveyor belts of water in the sky. They can be 250 miles wide, 2 miles thick and more than 1,000 miles long, with the largest carrying 25 times the water volume of the Mississippi

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When high-pressure ridges repeatedly block such storms, as they did between 2012 and 2016, California can enter a severe drought. When the storms make landfall, the rain can be substantial.

“They are how California gets a lot, and in some years the vast majority, of its precipitation,” said Andrew Schwartz, lead scientist at the UC Berkeley Central Sierra Snow Laboratory near Lake Tahoe. “Even two or three of them can make or break a water year. Their importance really can’t be overstated.”

The strongest atmospheric river storm this year was on Feb. 4. That storm barreled in from the south and hit the coast south of Big Sur. Downtown Los Angeles received 8.51 inches of rain between Feb. 4 and Feb 6, the second wettest three-day stretch since weather records began there in 1877.

Over that same time, the Sierra Nevada snowpack, which had started the winter well below normal, jumped from 54% on Feb. 1 to 78% a week later.

Scientists have no way to predict with any accuracy how many atmospheric river storms California will receive each year. Since 2012, the average has been 37, Hecht said, with six of them strong.

The science of atmospheric rivers is still emerging. They haven’t been examined in detail for as many years as hurricanes on the East Coast.


Recent studies have suggested that as the Earth’s climate continues to warm, the likely outcome for California is the type of “weather whiplash” that the state has seen over the past 15 years — hotter, drier droughts, followed by wetter, more soaking winters.

When temperatures are warmer, storms can absorb more moisture, Hecht noted, leading to wetter winters when droughts finally are broken.

State water planners have increasingly been working to adjust California’s water system, which was developed largely between the 1940s and the 1970s, to reflect the new reality.

Gov. Gavin Newsom is pushing for construction of a huge new off-stream reservoir, a \$4.5 billion project called [Sites Reservoir](#), to be built across remote ranchlands in Colusa County, 70 miles north of Sacramento, to capture more water in wet years for dry years. That project now has 90% of its funding from a state bond, the Biden administration, and other sources, and is scheduled to break ground in 2026. His administration also has begun to crack down on Central Valley communities that have been slow to develop plans to recharge groundwater during wet years and reduce over

“These extremes are becoming the new reality, and that new reality requires a new approach,” Newsom said April 2 when he joined crews for a manual snow survey near the Sierra-at-Tahoe ski resort in El Dorado County. “The water system in California was designed for a world that no longer exists.”

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