REGULAR BOARD MEETING
AGENDA PACKET

JULY 20, 2021
CARMICHAEL WATER DISTRICT

Regular Board Meeting
Tuesday, July 20, 2021, 7:00 p.m.
Carmichael Water District Board Room
7837 Fair Oaks Boulevard
Carmichael, CA 95608

AGENDA
Carmichael Water District requires members of the public to wear face coverings when in the District office and boardroom consistent with federal and state guidelines. Seating in the boardroom is limited to ensure proper social distancing between members of the public attending board meetings.

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

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

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

CALL TO ORDER AND STATEMENT REGARDING PUBLIC PARTICIPATION: President Emmerson

PUBLIC COMMENT:
1. Public Comment
Any member of the public may address the Board on any item of interest to the public that is within the subject matter jurisdiction of the Board.

ANNOUNCE CLOSED SESSION AND ADJOURN OPEN SESSION TO CLOSED SESSION

CLOSED SESSION:
2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION; Government Code sections 54954.5(c) and 54956.9(a) and (d)(1); Carmichael Water District v. Nugent, et al., Sacramento Superior Court Case No. 34-2021-00299134.

ADJOURN CLOSED SESSION AND OPEN REGULAR SESSION

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

3. Minutes for the Special Board Meeting/Public Hearings – June 24, 2021
4. Minutes for the Regular Board Meeting – June 15, 2021

ACTION CALENDAR:
   Staff recommends the Board approve awarding the GIS, Hydraulic Modeling and Fire flow Analysis Professional Services Agreement to Domenichelli and Associates, Inc.
7. Award Professional Services Agreement for Corp Yard Well to GEI Consultants Inc.
   Staff recommends the Board approve awarding the Professional Services agreement for Corp Yard Well to GEI Consultants Inc.
8. Additional Remediated Groundwater Transfer Agreement with Aerojet Rocketdyne Inc. (Aerojet)
   Staff recommends the Board approve the recommendations for the Additional Remediated Groundwater Transfer Agreement with Aerojet.
9. Resolution 07202021-1 – A Resolution Amending District Regulation Series 3000 - Administrative Operations
   Staff recommends that the Board approve Resolution 075202021-1 – A Resolution Amending the District’s Regulation Series 3000 - Administrative Operations.
10. Resolution 07202021-2 – A Resolution Amending Directors’ Policies 9050 Membership Association List – Advisory Body Meetings, and 9060 Directors’ Compensation and Expense Reimbursement
    Staff recommends that the Board approve Resolution 07202021-2 – A Resolution Amending Directors’ Policies 9050 Membership Association List – Advisory Body Meetings, and 9060 Directors’ Compensation and Expense Reimbursement.
11. Resolution 07202021-3 – A Resolution Amending District Policy 3000 – Conflict of Interest Code
    Staff recommends that the Board approve Resolution 07202021-3 – A Resolution Amending District Policy 3000 – Conflict of Interest Code.

STAFF REPORTS:
12. Water Loss Report
13. Water Transfer Agreements
15. Annual Unfunded Accrued Liability (UAL) Lump Sum Prepayment for FY 2021-22
16. General Manager and District Activity Report – June 2021
17. Director’s Expense Reimbursement Summary – June 2021

GENERAL CORRESPONDENCE/INFORMATION:
18. Carmichael Times – CWD Implements Drought Stage 2 Contingency Plan
19. Regional Water Authority American Rescue Plan Act of 2021 Presentation Information
20. News Articles
21. Director’s Written and/or Oral Reports

The next meeting of the Board of Directors will be a Regular Board Meeting held on:
Tuesday, August 17, 2021 at 7:00 p.m.
MINUTES

The Carmichael Water District Board of Directors met in Special Session this 24th day of June at 7:00 p.m. at the District Office located at 7837 Fair Oaks Boulevard, Carmichael.

ATTENDANCE:

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

Staff: Cathy Lee, Cecilia Dodge

Guest: Gwyn-Mohr Tully & Greg Young / Tully & Young

Public: One (1) Member of the Public

CALL TO ORDER: President Emmerson called the meeting to order at: 7:02 p.m., and led the Pledge of Allegiance.

PUBLIC COMMENT:

1. Public Comment
   No Comment

PUBLIC HEARINGS:

President Emmerson Closed the Regular Board Meeting and Opened Public Hearings at: 7:04 p.m.

   a. Public Comments
      Paul Helliker commented
   b. Directors’ Comments
      Director Greenwood commented
      Director Emmerson commented
      Director Nelson commented

President Emmerson Closed the Public Hearings and Reopened Regular Board Meeting at: 7:10 p.m.

President Emmerson brought Action Item #4 forward

4. Resolution 06242021-1 – A Resolution Adopting, Directing, Filing and Implementing the Carmichael Water District 2020 Urban Water Management Plan, and Resolution 06242021-2 – A Resolution Adopting the Carmichael Water District Water Shortage Contingency Plan 2020 Update
   Staff recommends that the Board approve Resolution 06242021-1 - A Resolution Adopting, Directing, Filing and Implementing the Carmichael Water District 2021 Urban Water Management Plan, and Resolution 06242021-2 – A Resolution Adopting the Carmichael Water District Water Shortage Contingency Plan 2020 Update.
M/S Nelson / Greenwood to approve Resolution 06242021-1 as recommended.

Discussed with Board
Director Emmerson commented
Greg Young commented
Director Greenwood commented
Director Davis commented
Gwyn-Mohr Tully commented

M/S Nelson / Greenwood to approve Resolution 06242021-1 as recommended with Director Davis’ recommended revisions.

Mark Emmerson  Aye ✓  Nay  Absent  Absent  Abstain
Jeff Nelson  Aye ✓  Nay  Absent  Absent  Abstain
Ron Davis  Aye ✓  Nay  Absent  Absent  Abstain
Ron Greenwood  Aye ✓  Nay  Absent  Absent  Abstain
Paul Selsky  Aye ✓  Nay  Absent  ✓  Abstain

Board Totals:  Ayes: 4  Nays: 0  Absent: 1  Abstain: 0

Motion Carried: ✓

M/S Nelson / Davis to approve Resolution 06242021-2 as recommended.

Discussed with Board
Director Greenwood commented
Cathy Lee commented

Mark Emmerson  Aye ✓  Nay  Absent  Absent  Abstain
Jeff Nelson  Aye ✓  Nay  Absent  Absent  Abstain
Ron Davis  Aye ✓  Nay  Absent  Absent  Abstain
Ron Greenwood  Aye ✓  Nay  Absent  Absent  Abstain
Paul Selsky  Aye ✓  Nay  Absent  ✓  Abstain

Board Totals:  Ayes: 4  Nays: 0  Absent: 1  Abstain: 0

Motion Carried: ✓

President Emmerson Closed the Regular Board Meeting and Opened Public Hearings at: 7:35 p.m.

3. Proposed Declaration of a Water Shortage Emergency
   a. Public Comments
      No Comments
   b. Directors’ Comments
      No Comments

President Emmerson Closed the Public Hearings and Reopened the Regular Board Meeting at: 7:35 p.m.

ACTION CALENDAR:

5. Resolution 06242021-3 – A Resolution Declaring Water Shortage Emergency Condition
   Staff recommends that the Board approve Resolution 06242021-3 – A Resolution Declaring Water Shortage Emergency Condition.
M/S Emmerson / Greenwood to approve Resolution 06242021-3 as recommended.
Discussed with Board
Paul Helliker commented
Director Greenwood commented
Director Nelson commented

M/S Emmerson / Greenwood to approve Resolution 06242021-3 with Item #4 replaced with; the declaration of Stage 2, without surcharge or Capital Spending reduction.

<table>
<thead>
<tr>
<th>Name</th>
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<td>Paul Selsky</td>
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Board Totals: Ayes: 4 Nays: 0 Absent: 1 Abstain: 0

Motion Carried: ✔

ADJOURNMENT: The regular meeting was adjourned at: 8:02 p.m.
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Regular Board Meeting  
Tuesday, June 15, 2021, 7:00 pm

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

MINUTES

The Carmichael Water District Board of Directors met in Regular Session this 15th day of June at 7:00 p.m. at the District Office located at 7837 Fair Oaks Boulevard, Carmichael.

ATTENDANCE:

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

Staff: Cathy Lee, Cecilia Dodge, Kathryn Kitchell, Waqas Hassan

Guest: Zero (0)

Public: Two (2) Members of the Public

CALL TO ORDER: President Emmerson called the meeting to order at: 7:00 p.m., led the Pledge of Allegiance, and introduced the Directors and District staff.

President Emmerson brought forward:

ACTION ITEM:

4. Resolution 06152021-1 – A Resolution Declaring a Vacancy in the Division 1 Director Position and Appointing Ronald Davis

Staff recommends that the Board of Directors approve Resolution 06152021-01 to declare a vacancy in Division 1 and approve Mr. Ronald Davis to fill the Division 1 vacancy.

Discussed with Board

Chris Nelson Commented

M/S Nelson / Greenwood to approve Resolution 06152021-1 – A Resolution declaring a vacancy in the Division 1 Director position and appointing Ronald Davis as recommended.

Discussed with Board

Mark Emmerson Aye  
Ron Greenwood Aye  
Jeff Nelson Aye  
Paul Selsky Aye  
Vacancy Aye  

M/S Greenwood  

Board Totals: Ayes: 3 Nays: 0 Absent: 1 Abstain: 0

Motion Carried:

Cathy Lee, Board Secretary administered the Oath of Office with Ronald Davis.

PUBLIC COMMENT:

1. Public Comment

   David Hanscom commented

   Director Greenwood commented
CONSENT CALENDAR:

2. Minutes for the Regular Board Meeting/Public Hearing – May 18, 2021

M/S Greenwood / Nelson to approve the Consent Calendar.

Discussed with Board
Director Greenwood commented
Director Nelson commented

Mark Emmerson Aye ✔ Nay Absent Absent Abstain
Ron Greenwood Aye ✔ Nay Absent Absent Abstain
Jeff Nelson Aye ✔ Nay Absent Absent Abstain
Paul Selsky Aye ✔ Nay Absent ✔ Abstain
Ron Davis Aye ✔ Nay Absent Absent Abstain

Board Totals: Ayes: 4 Nays: 0 Absent: 1 Abstain: 0

Motion Carried: ✔

ACTION CALENDAR:

5. Resolution 06152021-2 – A Resolution Adopting the Carmichael Water District (District) Fiscal Year 2021-2022 Annual Budget, Continuation of the Five-Year Water Rate Schedule (Including Water Shortage Surcharges), Fee Schedule, and Reserve Policy

Staff recommends that the Board approve Resolution 06152021-2 – A Resolution Adopting the Carmichael Water District Fiscal Year 2021-2022 Annual Budget, Continuation of the Five-Year Water Rate Schedule (Including Water Shortage Surcharges), Fee Schedule, and Reserve Policy.

M/S Emmerson / Greenwood to approve Resolution 06152021-2 – A Resolution Adopting the Carmichael Water District (District) Fiscal Year 2021-2022 Annual Budget, Continuation of the Five-Year Water Rate Schedule (Including Water Shortage Surcharges), Fee Schedule, and Reserve Policy as recommended, along with Budget Summary Projection, Scenario 1, a 4.3% Water Rate Adjustment on July 1, 2021.

Presentation by Cathy Lee and Kathryn Kitchell
Discussed with Board
Waqas Hassan commented
David Hanscom commented

Mark Emmerson Aye ✔ Nay Absent Absent Abstain
Ron Greenwood Aye ✔ Nay Absent Absent Abstain
Jeff Nelson Aye ✔ Nay Absent Absent Abstain
Paul Selsky Aye ✔ Nay Absent ✔ Abstain
Ron Davis Aye ✔ Nay Absent Absent Abstain

Board Totals: Ayes: 4 Nays: 0 Absent: 1 Abstain: 0

Motion Carried: ✔
6. **Association of California Water Agencies (ACWA) Region 4 Request for Nominees – Resolution 06152021-3, A Resolution Placing in Nomination for a Member of the ACWA Region 4 open Board position**

Staff recommends that the Board select a nominee for the ACWA Region 4 Board position, and approve the submission of Resolution 06152021-3, a resolution placing in nomination for a member of the ACWA Region 4 open board position.

M/S Nelson / Greenwood to approve Resolution 06152021-3 – A Resolution Placing in Nomination of Director Ron Davis for a Member of the ACWA Region 4 open Board position.

Discussed with Board
Waqas Hassan commented
David Hanscom commented

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Board Totals: Ayes: 4 Nays: 0 Absent: 1 Abstain: 0

**Motion Carried:**

7. **Authorization to Execute Contract Change Order to On-Call Hydraulic Modeling Support for Fire Flow Evaluations Fiscal Year 2020-2021**

Staff recommends the Board authorize the General Manager to execute a Contract Change Order for up to $10,000 to extend the On-Call Hydraulic Modeling Support for Fire Flow Evaluations Fiscal Year 20-21 contract until the new contract is executed if necessary.

M/S Greenwood / Davis to approve the authorization to Execute Contract Change Order to On-Call Hydraulic Modeling Support for Fire Flow Evaluations Fiscal Year 2020-2021 as recommended

Discussed with Board

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Board Totals: Ayes: 4 Nays: 0 Absent: 1 Abstain: 0

**Motion Carried:**
8. **Authorization to Execute the Minute No 1 to Diversion, Treatment, and Delivery Agreement with Golden State Water Company and Approval of notice of Exemption for using remediated groundwater**

Staff recommends the Board authorize the General Manager to execute the Minute No 1 to Diversion, Treatment, and Delivery Agreement with Golden State Water Company and approve the Notice of Exemption for using groundwater.

M/S Greenwood / Emmerson to approve the authorization to Execute the Minute No 1 to Diversion, Treatment, and Delivery Agreement with Golden State Water Company and Approval of notice of Exemption for using remediated groundwater as recommended.

Discussed with Board

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Board Totals: Ayes: 4 Nays: 0 Absent: 1 Abstain: 0

**Motion Carried:** ✓

9. **Authorization for General Manager to Schedule Special Session/Public Hearing for June 24, 2021 for Purpose of Declaring Water Shortage Emergency Conditions**

Staff recommends the Board approve and authorize the General Manager to publish notice of Public Hearing for June 24, 2021 for purpose of presenting Resolution 06242021-2 – A resolution declaring water shortage emergency conditions.

Discussed with Board

President Emmerson authorized the scheduling of the meeting as recommended.

10. **Finance Department Staffing, Recruitment and Retention**

Staff recommends that the Board authorize the General Manager to 1) update the salary range for the Billing Supervisor to $62,508.15 to $87,955.25, and 2) reclassify the Staff Accountant Position to a flexibly staffed broad banded job description of Accountant / Senior Accountant, and 3) establish the salary range of the Accountant / Senior Accountant to $67,130.88 to $91,000.

M/S Nelson / Greenwood to approve the Finance Department Staffing, Recruitment and Retention as recommended.

Discussed with Board

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Board Totals: Ayes: 4 Nays: 0 Absent: 1 Abstain: 0

**Motion Carried:** ✓
STAFF REPORTS:
11. General Manager and District Activity Report – May 2021
   Discussed with Board
12. Director's Expense Reimbursement Summary for May 2021
   No Discussion / Comments

GENERAL CORRESPONDENCE/INFORMATION:
   No Discussion / Comments
14. News Articles
   No Discussion / Comments
15. Director's Written and/or Oral Reports

   Director Greenwood
   a. Regional Water Authority Board Meeting
   b. Association of California Water Agencies Local Government Meeting
   c. Association of California Water Agencies Energy Committee Meeting
   d. Regional Water Authority/Sacramento Groundwater Authority/Sacramento County Groundwater
      Authority Consolidation Meeting

   Director Nelson:
   a. San Juan Water District Regular Board Meeting
   b. Meeting with Fair Oaks Water District Board Member Randy Marks
   c. Meeting with Sacramento Suburban Water District Board Member Craig Locke

   Director Davis:
   a. San Juan Water District Regular Board Meeting

   Director Emmerson:
   a. Joint Powers Insurance Authority Board of Directors Meeting
   b. Association of California Water Agencies Conference
   c. Association of California Water Agencies Board Meeting

ADJOURNMENT: The regular meeting was adjourned at: 8:48 p.m.

Mark Emmerson, Board President                     Cathy Lee, Board Secretary
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## CARMICHAEL WATER DISTRICT
### PAID EXPENDITURES REPORT
#### June 2021

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<td>Equipment Repairs/Maintenance</td>
<td>50.95</td>
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<tr>
<td>Invoice Cloud Inc.</td>
<td>Payment Processing</td>
<td>4,974.60</td>
</tr>
<tr>
<td>John Erickson</td>
<td>Claim Reimbursement</td>
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<tr>
<td>Jose Perez</td>
<td>Uniform-Safety</td>
<td>296.30</td>
</tr>
<tr>
<td>Med 7 Urgent Care Centers</td>
<td>Exams &amp; Screenings</td>
<td>140.00</td>
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<tr>
<td>Metro Mailing Service, Inc.</td>
<td>Outreach-Printing, Mailing &amp; Postage</td>
<td>4,423.51</td>
</tr>
</tbody>
</table>
## CARMICHAEL WATER DISTRICT
### PAID EXPENDITURES REPORT
#### June 2021

<table>
<thead>
<tr>
<th>Payee</th>
<th>Description</th>
<th>Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Network Design Associates, Inc.</td>
<td>Network Monitoring &amp; Risk Assessment</td>
<td>1,278.00</td>
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<tr>
<td>Occu-Med, Ltd.</td>
<td>Exams &amp; Screenings</td>
<td>1,051.52</td>
</tr>
<tr>
<td>Olin corp - Chlor Alkali</td>
<td>WTP Chemicals/Supplies</td>
<td>3,604.84</td>
</tr>
<tr>
<td>Pace Supply Corp.</td>
<td>Tools &amp; Supplies</td>
<td>13,931.73</td>
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<tr>
<td>Patron Trucking Inc.</td>
<td>Road Materials</td>
<td>4,823.60</td>
</tr>
<tr>
<td>PG&amp;E</td>
<td>Power</td>
<td>54.68</td>
</tr>
<tr>
<td>PG&amp;E Non- Energy Collection Unit</td>
<td>COTP Service Costs</td>
<td>10.00</td>
</tr>
<tr>
<td>Pitney Bowes</td>
<td>Postage Equipment Supplies</td>
<td>173.99</td>
</tr>
<tr>
<td>Placer Electric Inc.</td>
<td>Ladera Well Pump Maintenance</td>
<td>452.00</td>
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<tr>
<td>Planet Paving &amp; Grading</td>
<td>Paving</td>
<td>57,380.00</td>
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<tr>
<td>Quest UCCS/Synectic Technologies</td>
<td>Equipment Repairs/Maintenance</td>
<td>183.30</td>
</tr>
<tr>
<td>Rawles Engineering, Inc</td>
<td>Service Lines/Valves Maintenance</td>
<td>18,110.00</td>
</tr>
<tr>
<td>Richardson &amp; Company, LLP</td>
<td>Special Audit</td>
<td>495.00</td>
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<tr>
<td>Sacramento Bee - Ads</td>
<td>Advertising-Meeting Notices</td>
<td>820.34</td>
</tr>
<tr>
<td>Sacramento County Recorder</td>
<td>Lien Redemption Fees</td>
<td>600.00</td>
</tr>
<tr>
<td>Sacramento County Utilities</td>
<td>Utilities</td>
<td>436.64</td>
</tr>
<tr>
<td>Sacramento Suburban Water District</td>
<td>Collaboration Studies</td>
<td>1,131.21</td>
</tr>
<tr>
<td>SAK Construction LLC</td>
<td>Hydrant Meter Deposit Refund</td>
<td>3,500.00</td>
</tr>
<tr>
<td>Sierra Office Supplies</td>
<td>Office Supplies</td>
<td>652.52</td>
</tr>
<tr>
<td>SMUD</td>
<td>Power</td>
<td>99,414.93</td>
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<tr>
<td>Somach Simmons &amp; Dunn</td>
<td>Legal Services-Water Rights</td>
<td>19,953.22</td>
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<tr>
<td>Specialty Answering Service, Inc.</td>
<td>Telecommunications</td>
<td>463.00</td>
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<td>Staples</td>
<td>Office Supplies</td>
<td>395.77</td>
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<tr>
<td>Stovall Ranch Trucking</td>
<td>Spoils Removal</td>
<td>3,080.00</td>
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<tr>
<td>Technology Unlimited</td>
<td>IT Equipment</td>
<td>12,812.18</td>
</tr>
<tr>
<td>Tully &amp; Young, Inc.</td>
<td>Water Mgmnt Consultants-UWMP</td>
<td>28,546.00</td>
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<tr>
<td>U.S. Bank</td>
<td>Credit Card-Supplies/General Office Expenditures</td>
<td>2,546.89</td>
</tr>
<tr>
<td>Univar USA Inc.</td>
<td>WTP Chemicals/Supplies</td>
<td>4,997.84</td>
</tr>
<tr>
<td>USA BlueBook</td>
<td>WTP Chemical Supplies</td>
<td>252.92</td>
</tr>
<tr>
<td>Verizon Wireless</td>
<td>Telecommunications</td>
<td>3,194.93</td>
</tr>
<tr>
<td>Waqas Hassan</td>
<td>Training &amp; Certification</td>
<td>359.00</td>
</tr>
<tr>
<td>West Yost Associates</td>
<td>GIS Modeling &amp; Fireflow</td>
<td>15,049.50</td>
</tr>
<tr>
<td><strong>Check Register Total</strong></td>
<td></td>
<td><strong>538,123.55</strong></td>
</tr>
<tr>
<td><strong>Payroll</strong></td>
<td>Employee Wages</td>
<td>277,484.30</td>
</tr>
<tr>
<td><strong>Total Paid Expenditures</strong></td>
<td></td>
<td><strong>815,607.85</strong></td>
</tr>
</tbody>
</table>
TO: Board of Directors

FROM: Justin Chen, Associate Engineer
Matthew Medill, Engineering Manager

DATE: July 16, 2021


Summary:
The District currently contracts with consultant engineers to perform professional services utilizing the District’s Geographic Information System (GIS) and Hydraulic Model (HM). Currently, the consultant engineer’s three primary tasks include:

a) On-call support to model fire flow analyses for customer/developer-driven projects;
b) Updates to the District’s GIS and HM with information on new and existing infrastructure within the District;
c) Hydraulic model simulations for different conditions and scenarios to support and design future Capital Improvement Projects (CIPs).
d) An optional task to calibrate the District’s hydraulic model to confirm the computer simulation model with the most recent District’s water distribution system and usage.

At the Board’s direction, the District advertised a Request for Proposal (RFP) in order to retain professional consultant services for the above scope of services. This RFP will provide services for 3-years, with two optional 1-year renewals.

The District received seven (7) proposals from engineering firms to perform the scope of services. In no particular order, the firms who submitted proposals are:

<table>
<thead>
<tr>
<th>Firm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Akel Engineering</td>
</tr>
<tr>
<td>Domenichelli &amp; Associates</td>
</tr>
<tr>
<td>Hydrosience Engineers</td>
</tr>
<tr>
<td>Peterson Brustad, Inc.</td>
</tr>
<tr>
<td>Water Resources Engineers</td>
</tr>
<tr>
<td>West Yost Associates</td>
</tr>
<tr>
<td>Wood Rodgers</td>
</tr>
</tbody>
</table>
Staff reviewed the seven (7) proposals and found six (6) proposals to be responsive. One (1) proposal was non-responsive as it did not contain a cost proposal. Staff utilized the evaluation criteria established in the RFP to rank the six (6) responsive proposals. Staff determined that Domenichelli & Associates’ proposal was the most responsive proposal to the RFP and received the top score.

**Fiscal Impact:**
The below table displays the cost for the scope of services for Domenichelli and Associates in accordance to their RFP and the related budget the District has approved for this upcoming Fiscal Year (2021-2022):

<table>
<thead>
<tr>
<th>Scope of Services</th>
<th>Carmichael Water District Budget Item</th>
<th>Carmichael Water District Approved Budget (FY 21-22)</th>
<th>Domenichelli &amp; Associates</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. On-call Fire Flow Analyses</td>
<td>Fire Flow Analyses</td>
<td>$ 25,000</td>
<td>$ 10,360</td>
</tr>
<tr>
<td>b. Updates to the GIS and HM</td>
<td>GIS/Engineering Professional Services</td>
<td>$ 80,000</td>
<td>$ 21,830</td>
</tr>
<tr>
<td>c. HM evaluations and simulations</td>
<td>Studies/Contracts</td>
<td>$ 75,000</td>
<td>Cost estimate TBD based on scope</td>
</tr>
<tr>
<td>d. Optional: HM Calibration</td>
<td>GIS/Engineering Professional Services</td>
<td>$ 80,000</td>
<td>$ 35,710</td>
</tr>
</tbody>
</table>

The contract cost is within the District’s approved budget for this coming Fiscal Year (21-22).

The contract has a built-in 2.5% maximum annual cost increase limit. As this is a 3-year contract with the option of two one-year extensions the total contract value is estimated in the table below:

<table>
<thead>
<tr>
<th>Scope of Services</th>
<th>FY 2021-2022</th>
<th>FY 2022-2023</th>
<th>FY 2023-2024</th>
<th>FY 2024-2025</th>
<th>FY 2025-2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. On-call Fire Flow Analyses</td>
<td>$ 10,360</td>
<td>$10,619</td>
<td>$10,884.48</td>
<td>$11,156.59</td>
<td>$11,435.50</td>
</tr>
<tr>
<td>b. Updates to the GIS and HM</td>
<td>$ 21,830</td>
<td>$22,375.75</td>
<td>$22,935.14</td>
<td>$23,508.52</td>
<td>$24,096.24</td>
</tr>
<tr>
<td>c. HM evaluations and simulations</td>
<td>Cost estimate TBD based on scope</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>d. Optional: HM Calibration</td>
<td></td>
<td>$ 35,710 (one time contract cost)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Total contract costs for the five-year term are expected to total approximately $205,000 without additional Hydraulic Model simulations and/or Hydraulic Model Calibrations which will be brought separately to the board for approval.

**Recommendation:**
Staff recommends that the Board authorize the General Manager to:

1) Execute the professional services agreement with Domenichelli and Associates for a total not-to-exceed contract limit of $205,000 for a five-year term and with a subtotal authorization limit of $67,900 for fiscal year 2021-2022; and

2) Authorize the General Manager to execute a contract change order with Domenichelli and Associates each year for up to an additional 10% of the annual contract cost not to exceed $30,000 per year.
This Consultant and Professional Services Agreement ("Agreement") is made as set forth below, by and between CARMICHAEL WATER DISTRICT, ("District"), and (DOMENICHELLI & ASSOCIATES), ("Consultant"), who agree as follows:

1. Services. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide professional services to District as specified in Exhibit A, entitled “Consultant’s Scope of Work” (“Services”) including schedule, personnel, and payment.

2. Payment. District shall pay Consultant for Services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit A, for a not to exceed amount of $134,714.

Invoices. Consultant will submit monthly invoices for services rendered and District will make prompt payments in response to Consultant's invoices. Items shall be separated into Services and Reimbursable Expenses. Consultant shall submit one monthly invoice for its services. Such invoices shall be delineated by task, the person performing the services, and the hourly rate, which shall be stated in time increments of no less than one quarter (1/4) hours. District shall pay invoices within thirty (30) calendar days after receipt, if the services specified in the invoice have been satisfactorily completed. Reimbursable Expenses shall be limited to actual expenditures of Consultant for expenses that are necessary for the proper completion of the Services and shall only be payable if specifically authorized in advance by District. Billings that do not conform to the format outlined above shall be returned to Consultant for correction. District shall not be responsible for delays in payment to Consultant resulting from Consultant’s failure to comply with the invoice format described above.

Consultant will retain receipts for reimbursable expenses in general accordance with Internal Revenue Service rules pertaining to the support of expenditures for income tax purposes. Receipts will be available for inspection by District's auditors upon request.

If District disputes any items in Consultant's invoice for any reason, including the lack of supporting documentation, District may temporarily delete the disputed item and pay the remaining amount of the invoice. District will promptly notify Consultant of the dispute and request clarification and/or correction. After any dispute has been settled, Consultant will include the disputed item on a subsequent, regularly scheduled invoice or on a special invoice for the disputed item only.

Taxpayer Identification Number. Consultant shall provide District with an IRS Form W-9, Request for Taxpayer Identification Number and Certification, containing an original signature and any other State or local tax identification number requested by District.

3. Facilities and Equipment. Consultant shall, at its sole cost and expense, furnish all facilities and equipment which may be required for furnishing Services pursuant to this Agreement.
4. **Indemnification.** To the extent permitted by law, Consultant shall hold harmless, defend at its own expense, and indemnify Carmichael Water District ("District"), its directors, officers, employees, and authorized volunteers, against any and all liability, claims, losses, damages, or expenses, including reasonable attorney’s fees and costs, arising from all acts or omissions of Consultant or its officers, agents, or employees in rendering services under this contract; excluding, however, such liability, claims, losses, damages or expenses arising from District’s sole negligence or willful acts.

5. **Insurance Requirements.** Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries or death to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Consultant, his agents, representatives, employees or sub-contractors.

**Liability Insurance** - The Consultant shall provide and maintain at all times during the performance of the work under this agreement, the following commercial general liability, professional liability and automobile liability insurance:

**Coverage** - Coverage shall be at least as broad as the following:

Coverage for Professional Liability appropriate to Consultant’s profession covering Consultant’s wrongful acts, negligent actions, errors or omissions. The retroactive date (if any) is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least five (5) years after the completion of the contract work. Consultant shall purchase a five-year extended reporting period i) if the retroactive date is advanced past the effective date of this Agreement; ii) if the policy is canceled or not renewed; or iii) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001)

Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (any auto)

**Limits** - Consultant shall maintain limits no less than the following:

**Professional Liability** - Two million dollars ($2,000,000) per claim and annual aggregate.

**General Liability** - Two million dollars ($2,000,000) per occurrence or the full per occurrence limits of the policies available, whichever is greater for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to Carmichael Water District) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.
Automobile Liability - One million dollars ($1,000,000) for bodily injury and property damage each accident limit.

Excess Liability (if necessary) - The limits of Insurance required in this agreement may be satisfied by a combination of primary and umbrella or excess Insurance. Any umbrella or excess Insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the District (if agreed to in a written contract or agreement) before District’s own primary or self-insurance shall be called upon to protect it as a named insured

**Required Provisions** - The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

District, its directors, officers, employees, and authorized volunteers are to be given insured status at least as broad as ISO endorsement CG 2010 11 85; or both CG 20 10 10 01 and CG 20 37 04 13 (or the CG 20 10 04 13 (or earlier edition date) specifically naming all of the District parties required in this agreement, or using language that states “as required by contract”). All Sub-Consultants hired by Consultant must also have the same forms or coverage at least as broad; as respects (via CG 20 38 04 13): liability arising out of activities performed by or on behalf of Consultant; and premises owned, occupied or used by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to District, its directors, officers, employees, or authorized volunteers.

For any claims related to this project, Consultant's insurance shall be primary insurance as respects District, its directors, officers, employees, or authorized volunteers. Any insurance, self-insurance, or other coverage maintained by District, its directors, officers, employees, or authorized volunteers shall not contribute to it using the ISO endorsement CG 20 01 04 13 or coverage at least as broad.

Any failure to comply with the reporting or other provisions of the policies including breaches and warranties shall not affect coverage provided to District, its directors, officers, employees, or authorized volunteers.

Consultant’s insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer’s liability.

Such liability insurance shall indemnify Consultant and his/her sub-consultants against loss from liability imposed by law upon, or assumed under contract by, the Consultant or his/her sub-consultants for damages on account of such bodily injury (including death), property damage, personal injury, completed operations, and products liability.

The general liability policy shall cover bodily injury and property damage liability, owned and non-owned equipment, blanket contractual liability, and completed operations liability.

The automobile liability policy shall cover all owned, non-owned, and hired automobiles.
Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to District. All of the insurance shall be provided on policy forms and through companies satisfactory to District.

**Workers' Compensation and Employer's Liability Insurance** - Consultant and all sub-consultants shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their employees employed directly by them or through sub-consultants in carrying out the work contemplated under this contract, all in accordance with the "Workers' Compensation and Insurance Act”, Division IV of the Labor Code of the State of California and any Acts amendatory thereof. The Consultant shall provide employer's liability insurance with limits of no less than $1,000,000 each accident, $1,000,000 disease policy limit, and $1,000,000 disease each employee. The Workers' Compensation Policy shall be endorsed with a waiver of subrogation in the favor of District for all work performed by Consultant, its employees, agents and sub-Consultants.

**Deductibles and Self-Insured Retentions** - Insurance deductibles or self-insured retentions must be declared by Consultant, and such deductibles and retentions shall have the prior written consent from District. At the election of District, Consultant shall either 1) reduce or eliminate such deductibles or self-insured retentions, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses. Policies containing any self-insured retention (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named or additional insureds, co-insurers, and/or insureds other than the First Named Insured.

**Acceptability of Insurers** - Insurance is to be placed with insurers having a current A.M. Best rating of no less than A-:VII or equivalent or as otherwise approved by District.

**Evidences of Insurance** - Prior to execution of the agreement, Consultant shall file with District a certificate of insurance (Acord Form 25 or equivalent) signed by the insurer’s representative evidencing the coverage required by this agreement. Such evidence shall include an additional insured endorsement signed by the insurer's representative and evidence of waiver of rights of subrogation against District (if builder’s risk insurance is applicable). Such evidence shall also include (1) attached additional insured endorsements with primary & non-contributory wording, (2) Workers' Compensation waiver of subrogation, and (3) a copy of the CGL declarations or endorsement page listing all policy endorsements, and confirmation that coverage includes or has been modified to include Required Provisions above. The District reserves the right to obtain complete, certified copies of all required insurance policies, at any time. Failure to continually satisfy the Insurance requirements is a material breach of contract.

Consultant shall, upon demand of District, deliver to District such policy or policies of insurance and the receipts for payment of premiums thereon.

**Continuation of Coverage** - If any of the required coverages expire during the term of this agreement, the Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to District at least ten (10) days prior to the expiration date.
Consultant shall provide five (5) year tail on Professional Liability Coverage.

**Sub-Consultants** - In the event that the Consultant employs other consultants (sub-consultants) as part of the services covered by this agreement, it shall be the Consultant’s responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.

**Payment Withhold** - In addition to all other rights and remedies available to District, including terminating this Agreement, District may withhold payments to Consultant if the certificates of insurance and endorsements required above are canceled or Consultant otherwise ceases to be insured as required herein.

6. **Safety.** Consultant shall at all times exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all applicable federal, state and local statutory and regulatory requirements. Consultant shall immediately report (as soon as feasible) to District any accident or other occurrence causing injury to persons or property during the performance of this Agreement.

7. **Conflict of Interest.** Consultant warrants and represents that to the best of its knowledge, there exists no actual or potential conflict between Consultant’s family, business, real property or financial interests and the Services to be provided under this Agreement. If District has adopted a Conflict of Interest Policy, Consultant agrees to comply with such Policy, and agrees not to enter into any contract or agreement during the performance of this Agreement which will create a material conflict of interest with its duties to District under this Agreement. In the event of a change in Consultant’s family, business, real property or financial interests occurs during the term of this Agreement that creates an actual or potential conflict of interest, Consultant shall promptly disclose such conflict in writing to District.

8. **Independent Contractor.** Consultant is an independent contractor. Neither Consultant nor any of Consultant’s officers, employees, agents or subcontractors, if any, is an employee of District by virtue of this Agreement or performance of any Services pursuant to this Agreement. District shall have the right to control Consultant only insofar as the results of Consultant’s services rendered pursuant to this Agreement; however, District shall not have the right to control the means by which Consultant accomplishes services pursuant to this Agreement.

9. **Licenses.** Consultant represents and warrants to District that all consultant services shall be provided by a person or persons duly licensed by the State of California to provide the type of services to be performed under this Agreement and that Consultant has all the permits, qualifications and approvals of whatsoever nature which are legally required for Consultant to practice its profession. Consultant represents and warrants to District that it shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals which are legally required for Consultant to practice its profession.

10. **Standard of Performance.** Consultant shall provide products and perform all services required pursuant to this Agreement in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised under
simply conditions by a member of Consultant’s profession currently practicing in California.

Consultant is responsible for making an independent evaluation and judgment of all conditions affecting performance of the work, including without limitation applicable federal, state, and local laws and regulations, and all other contingencies or considerations.

Consultant’s responsibilities under this section shall not be delegated. Consultant shall be responsible to District for acts, errors, or omissions of Consultant’s subcontractors.

Whenever the scope of work requires or permits review, approval, conditional approval or disapproval by District, it is understood that such review, approval, conditional approval or disapproval is solely for the purposes of administering this Agreement and determining whether Consultant is entitled to payment for such work, and not be construed as a waiver of any breach or acceptance by the District of any responsibility, professional or otherwise, for the work, and shall not relieve Consultant of responsibility for complying with the standard of performance or laws, regulations, industry standards, or from liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of Consultant.

11. **Force Majeure.** Neither party shall be considered in default of this Agreement to the extent performances are prevented or delayed by any cause by circumstances beyond either party’s reasonable control, such as war, riots, strikes, lockouts, work slowdown or stoppage, acts of God, such as floods or earthquakes, and electrical blackouts or brownouts.

In the event that Consultant is unable to meet the completion date or schedule of services, Consultant shall inform the District Representative of the additional time required to perform the work and the District Representative may adjust the schedule in his or her reasonable discretion.

12. **Time is of the Essence.** Time is of the essence in this Agreement. Any reference to days means calendar days, unless otherwise specifically stated.

13. **Personnel.** Consultant agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services under this Agreement. Failure to assign such competent personnel shall constitute grounds for termination of this Agreement.

Consultant will identify in writing the individuals who will be providing the Services as specified in Exhibit A due to their unique expertise and depth and breadth of experience. In such case, there shall be no change in the personnel so identified by Consultant without the prior written approval of the District Representative. Any substitutes shall be persons of comparable or superior expertise and experience.

14. **Consultant Not Agent.** Except as authorized under this Agreement or as District may authorize in a letter of authorization signed by the General Manager or their designee, Consultant shall have no authority, express or implied to act on behalf of District in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, under this Agreement, to bind District to any obligation whatsoever.
15. **Term.** The term of this Agreement shall commence on the Effective Date and shall continue in full force and effect until the Expiration Date unless terminated earlier or extended pursuant to the terms of this Agreement.

16. **Termination or Abandonment by District.** District has the right, at any time and in its sole discretion, to immediately terminate or abandon any portion or all of the services to be provided under this Agreement by giving notice to Consultant. Upon receipt of a notice of termination, Consultant shall perform no further work except as specified in the notice. Before the date of termination, Consultant shall deliver to District all work product, whether completed or not, as of the date of termination and not otherwise previously delivered.

District shall pay Consultant for services performed in accordance with this Agreement before the date of termination. If this Agreement provides for payment of a lump sum for all services or by task and termination occurs before completion of the work or any defined task which according to the performance schedule was commenced before the notice of termination, the fee for services performed shall be based on an amount mutually agreed to by District and Consultant for the portion of work completed in conformance with this Agreement before the date of termination. In addition, District will reimburse Consultant for authorized expenses incurred and not previously reimbursed. District shall not be liable for any fees or costs associated for the termination or abandonment except for the fees, and reimbursement of authorized expenses, payable pursuant to this section.

17. **Products of Consulting Services.** The work product, including without limitation, all writings, work sheets, reports, recordings, drawings, files, detailed calculations and other work products, whether complete or incomplete, of Consultant resulting from Services rendered pursuant to this Agreement, shall become the property of District. Consultant agrees that all copyrights which arise from creation of the work under this Agreement shall be vested in District and waives and relinquishes all claims to copyright or other intellectual property rights in favor of District. District acknowledges that its use of the work product is limited to the purposes contemplated by the scope of work and that the Consultant makes no representation of the suitability of the work product for use in or application to circumstances not contemplated by the scope of work.

Documents submitted to District in electronic format shall be formatted according to specifications provided by District, or if not otherwise specified, in Microsoft Word, Excel, PowerPoint or other Microsoft Office Suite format as appropriate for the particular work product, or, if directed by District Representative in Adobe Acrobat PDF format.

18. **Successors and Assigns.** All terms, conditions, and provisions of this Agreement shall apply to and bind the respective heirs, executors, administrators, successors, and assigns of the parties. Nothing in this section is intended to affect the limitation on assignment.

19. **Notices.** All notices or instruments required to be given or delivered by law or this Agreement shall be in writing and shall be by personal service or delivered by depositing the same in any United States Post Office, registered or certified mail, postage prepaid, addressed to
representatives:

District: Cathy Lee  
General Manager  
Carmichael Water District  
7837 Fair Oaks Boulevard  
Carmichael, CA 95608

Consultant: Sara Rogers  
Vice President  
Domenichelli & Associates, Inc.  
5180 Golden Foothill Parkway, Suite 220  
El Dorado Hills, CA 95762

Notices served as specified above shall be effective upon receipt thereof, provided that, in the case of mailed notice, notices shall be effective on the third (3rd) business day after proper mailing if delivery is refused or rejected. Any party may change its address for receiving notices by giving written notice of such change to the other party in accordance with this section.

20. Integration Clause. This Agreement, including all Exhibits, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. This Agreement shall not be amended or modified except by a written agreement executed by each of the parties hereto.

21. Severability Clause. Should any provision of this Agreement ever be deemed to be legally void or unenforceable, all remaining provisions shall survive and be enforceable.

22. Law Governing. This Agreement shall in all respects be governed by the law of the State of California without regard to its conflicts of law rules. Litigation arising out of or connected with this Agreement shall be instituted and maintained in the courts of Sacramento County in the State of California or in the United States District Court, Eastern District of California, Sacramento, California, and the parties consent to jurisdiction over their person and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

23. Waiver. Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent or any other right hereunder.

24. Ambiguity. The parties acknowledge that this is a negotiated agreement, that they have had the opportunity to have this Agreement reviewed by their respective legal counsel, and that the terms and conditions of this Agreement are not to be construed against any party on the basis of such party's draftsmanship thereof.

25. Gender. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identifications of the person or persons, firm
or firms, corporation or corporations may require.

26. **Headings.** The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

27. **Compliance with Laws.** Consultant will comply with all applicable federal, state and local statutory and regulatory requirements in performance of all services under this Agreement.

28. **Confidentiality of District Information.** During the performance of services under this Agreement, Consultant may gain access to and use District information regarding, but not limited to, procedures, policies, training, operational practices, and other vital information (hereafter collectively referred to as "District Information") which are valuable, special and unique assets of the District. Consultant agrees that it will not use any information obtained as a consequence of the performance of services under this Agreement for any purpose other than fulfillment of Consultant’s scope of work, to protect all District Information and treat it as strictly confidential and proprietary to District, and that it will not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any District Information to any third party, other than its own employees, agents or subcontractors who have a need for the District Information for the performance of services under this Agreement, without the prior written consent of District, or as required by law.

Consultant shall treat all records and work product prepared or maintained by Consultant in the performance of this Agreement as confidential.

A violation by Consultant of this section shall be a material violation of this Agreement and will justify legal and/or equitable relief.

Consultant’s obligations under this section shall survive the completion of services, expiration or termination of this Agreement.

29. **News and Information Release.** Consultant agrees that it will not issue any news releases in connection with either the award of this Agreement, or any subsequent amendment of or efforts under this Agreement, without first obtaining review and approval of said news releases from District through the District Representative.

30. **Counterparts.** The parties may execute this Agreement in one or more counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same instrument.

31. **Facsimile Signature; Electronic Signature.** This Agreement shall be binding upon the receipt of facsimile signatures or e-mailed by PDF or otherwise. Any person transmitting his or her signature by facsimile or electronically shall promptly send an original signature to the other party pursuant to the notice provision of this Agreement. The failure to send an original shall not affect the binding nature of this Agreement.

32. **Authority.** The person signing this Agreement for Consultant hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of Consultant.
33. **Exhibits.** The following exhibits are attached hereto and incorporated herein by reference:

   Exhibit A, entitled “Consultant’s Scope of Work,” including any attachments.

**IN WITNESS WHEREOF,** the parties have executed this Agreement on the day and year shown below the name of each of the parties.

Domenichelli & Associates, Inc.  
CARMICHAELWATER DISTRICT, a special district duly formed and existing under the laws of the State of California

By:________________________  
By:________________________

Name: Sara Rogers  
Name: Cathy Lee

Title: Vice President  
Title: General Manager

DATE:______________________  
DATE:______________________
MEMO

TO: Board of Directors

FROM: Matthew Medill, Engineering Manager
Cathy Lee, General Manager

DATE: July 14, 2021

RE: Professional Services Agreement with GEI Consultants Inc. for Engineering Design and Construction Management Services of a New Well.

Background:
With this year being one of the driest on record, the State Water Resources Control Board (SWRCB) curtailed the District water rights licenses and permit. Staff have been working on multiple prospects to secure water reliability and availability.

Summary:
With the intensification of drought conditions, increased frequencies for water rights curtailment by the SWRCB, and dwindling surface water availabilities, staff anticipates the need for additional reliable groundwater supplies. Based on the water demands, conservation efforts, and existing well production levels, a minimum of 2,000 gallons per minute (GPM) groundwater supply is needed when the District is curtailed. Staff evaluated the distribution system and selected two potential well sites, one at the back of the Administration Building location, the Corporation Yard, and another at the intersection of Garfield Avenue and Engle Road where San Juan Unified School is located. The potential well sites are selected based on the size of existing water lines in the vicinity, their ease of access, distance from existing wells, and current land use.

The District requested GEI Consultants, Inc. (GEI) to provide a proposal to assist the District in permitting, designing, and construction of a new well. The scope of services include:

1. Permitting and Applications – The Consultant will provide the necessary permit applications, including CEQA, and submissions that are required to construct and operate a new well.
2. Well Design and Construction – The Consultant will provide the design plans and specifications for the well and associated appurtenances. In addition, the Consultant will provide construction and testing oversight during the pilot hole drilling, well construction, well development, test pumping, final well inspection, and disinfection.
3. Facilities Design and Bidding – The Consultant will provide surveying, design of the civil, architectural, mechanical, electrical, and instrumentation of the facilities. The Consultant will provide assistance during the bidding period and contractor selection.
Due to the unknown nature of the capacity of the well and the detail of pumping facility design, the cost proposal does not include construction management services for the top side construction of the well. The proposed cost for the scope of work is $352,305, without construction management assistance for the pumping facilities.

**Fiscal Impact:**
The Annual Budget for Fiscal Year 2021-2022 budget includes a line item for Groundwater Study – Additional Wells and Treatment for $150,000 and a New Aquifer Storage and Recovery Well partnering with Sacramento Suburban Water District for $50,000. With the construction of District’s own wells, both projects are not necessary and funding can be re-allocated to new well construction. The additional cost for this agreement can be re-allocated from the Bajamont Water Treatment Plant (BWTP) Switchgear Upgrade Project as the project may not be as extensive as originally planned pending on additional testing in November. A detailed project cost re-allocation is in the table below. There is also funding available in the unrestricted reserves for this project. Staff will provide a detailed project costs and schedule progress during mid-year budget review in December.

<table>
<thead>
<tr>
<th>Projects</th>
<th>FY 21-2022 Budget Allocation</th>
<th>Budget Adjustment</th>
<th>New Budget Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Groundwater Study – Additional Wells and Treatment</td>
<td>$150,000</td>
<td>($150,000)</td>
<td>$0</td>
</tr>
<tr>
<td>New ASR Well Injection (partner w/SSWD)</td>
<td>$50,000</td>
<td>($50,000)</td>
<td>$0</td>
</tr>
<tr>
<td>BWTP Switchgear Upgrade</td>
<td>$1,270,000</td>
<td>($200,000)</td>
<td>$1,070,000</td>
</tr>
<tr>
<td>Corporation Yard Well</td>
<td>$0</td>
<td>$400,000</td>
<td>$400,000</td>
</tr>
</tbody>
</table>

As establishing additional ground water supplies is imperative this fiscal year, the pre-mentioned projects will be deferred this budget year. Total fiscal impact is estimated at $400,000.

**Recommendation:**
Staff recommends that the Board authorize the General Manager to execute a Professional Services Agreement with GEI Consultants, Inc. for the amount of $352,305 and approve a 10% contingency in the amount of $35,230 for a total not-to-exceed contract amount of $387,535.

**Attachment(s):**
1. Professional Services Agreement
CARMICHAEL WATER DISTRICT
PROFESSIONAL SERVICES AGREEMENT

This Consultant and Professional Services Agreement ("Agreement") is made as set forth below, by and between Carmichael Water District, ("District"), and GEI Consultants Inc., ("Consultant"), who agree as follows:

1. Services. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide professional services to District as specified in Exhibit A, entitled “Consultant’s Scope of Work” (“Services”) including schedule, personnel, and payment.

2. Payment. District shall pay Consultant for Services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit A, for a not to exceed amount of $352,305.

Invoices. Consultant will submit monthly invoices for services rendered and District will make prompt payments in response to Consultant's invoices. Items shall be separated into Services and Reimbursable Expenses. Consultant shall submit one monthly invoice for its services. Such invoices shall be delineated by task, the person performing the services, and the hourly rate, which shall be stated in time increments of no less than one quarter (1/4) hours. District shall pay invoices within thirty (30) calendar days after receipt, if the services specified in the invoice have been satisfactorily completed. Reimbursable Expenses shall be limited to actual expenditures of Consultant for expenses that are necessary for the proper completion of the Services and shall only be payable if specifically authorized in advance by District. Billings that do not conform to the format outlined above shall be returned to Consultant for correction. District shall not be responsible for delays in payment to Consultant resulting from Consultant’s failure to comply with the invoice format described above.

Consultant will retain receipts for reimbursable expenses in general accordance with Internal Revenue Service rules pertaining to the support of expenditures for income tax purposes. Receipts will be available for inspection by District's auditors upon request.

If District disputes any items in Consultant's invoice for any reason, including the lack of supporting documentation, District may temporarily delete the disputed item and pay the remaining amount of the invoice. District will promptly notify Consultant of the dispute and request clarification and/or correction. After any dispute has been settled, Consultant will include the disputed item on a subsequent, regularly scheduled invoice or on a special invoice for the disputed item only.

Taxpayer Identification Number. Consultant shall provide District with an IRS Form W-9, Request for Taxpayer Identification Number and Certification, containing an original signature and any other State or local tax identification number requested by District.

3. Facilities and Equipment. Consultant shall, at its sole cost and expense, furnish all facilities and equipment which may be required for furnishing Services pursuant to this Agreement.
4. **Indemnification.** To the extent permitted by law, Consultant shall hold harmless, defend at its own expense, and indemnify Carmichael Water District (“District”), its directors, officers, employees, and authorized volunteers, against any and all liability, claims, losses, damages, or expenses, including reasonable attorney’s fees and costs, arising from all acts or omissions of Consultant or its officers, agents, or employees in rendering services under this contract; excluding, however, such liability, claims, losses, damages or expenses arising from District’s sole negligence or willful acts.

5. **Insurance Requirements.** Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries or death to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Consultant, his agents, representatives, employees or sub-contractors.

**Liability Insurance** - The Consultant shall provide and maintain at all times during the performance of the work under this agreement, the following commercial general liability, professional liability and automobile liability insurance:

**Coverage** - Coverage shall be at least as broad as the following:

Coverage for Professional Liability appropriate to Consultant’s profession covering Consultant’s wrongful acts, negligent actions, errors or omissions. The retroactive date (if any) is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least five (5) years after the completion of the contract work. Consultant shall purchase a five-year extended reporting period i) if the retroactive date is advanced past the effective date of this Agreement; ii) if the policy is canceled or not renewed; or iii) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001)

Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (any auto)

**Limits** - Consultant shall maintain limits no less than the following:

**Professional Liability** - Two million dollars ($2,000,000) per claim and annual aggregate.

**General Liability** - Two million dollars ($2,000,000) per occurrence or the full per occurrence limits of the policies available, whichever is greater for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to Carmichael Water District) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.
Automobile Liability - One million dollars ($1,000,000) for bodily injury and property damage each accident limit.

Excess Liability (if necessary) - The limits of Insurance required in this agreement may be satisfied by a combination of primary and umbrella or excess Insurance. Any umbrella or excess Insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the District (if agreed to in a written contract or agreement) before District’s own primary or self-insurance shall be called upon to protect it as a named insured

Required Provisions - The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

District, its directors, officers, employees, and authorized volunteers are to be given insured status at least as broad as ISO endorsement CG 2010 11 85; or both CG 20 10 10 01 and CG 20 37 04 13 (or the CG 20 10 04 13 (or earlier edition date) specifically naming all of the District parties required in this agreement, or using language that states “as required by contract”). All Sub-Consultants hired by Consultant must also have the same forms or coverage at least as broad; as respects (via CG 20 38 04 13): liability arising out of activities performed by or on behalf of Consultant; and premises owned, occupied or used by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to District, its directors, officers, employees, or authorized volunteers.

For any claims related to this project, Consultant's insurance shall be primary insurance as respects District, its directors, officers, employees, or authorized volunteers. Any insurance, self-insurance, or other coverage maintained by District, its directors, officers, employees, or authorized volunteers shall not contribute to it using the ISO endorsement CG 20 01 04 13 or coverage at least as broad.

Any failure to comply with the reporting or other provisions of the policies including breaches and warranties shall not affect coverage provided to District, its directors, officers, employees, or authorized volunteers.

Consultant’s insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer’s liability.

Such liability insurance shall indemnify Consultant and his/her sub-consultants against loss from liability imposed by law upon, or assumed under contract by, the Consultant or his/her sub-consultants for damages on account of such bodily injury (including death), property damage, personal injury, completed operations, and products liability.

The general liability policy shall cover bodily injury and property damage liability, owned and non-owned equipment, blanket contractual liability, and completed operations liability.

The automobile liability policy shall cover all owned, non-owned, and hired automobiles.
Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to District. All of the insurance shall be provided on policy forms and through companies satisfactory to District.

**Workers' Compensation and Employer's Liability Insurance** - Consultant and all sub-consultants shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their employees employed directly by them or through sub-consultants in carrying out the work contemplated under this contract, all in accordance with the "Workers' Compensation and Insurance Act", Division IV of the Labor Code of the State of California and any Acts amendatory thereof. The Consultant shall provide employer's liability insurance with limits of no less than $1,000,000 each accident, $1,000,000 disease policy limit, and $1,000,000 disease each employee. The Workers' Compensation Policy shall be endorsed with a waiver of subrogation in the favor of District for all work performed by Consultant, its employees, agents and sub-Consultants.

**Deductibles and Self-Insured Retentions** - Insurance deductibles or self-insured retentions must be declared by Consultant, and such deductibles and retentions shall have the prior written consent from District. At the election of District, Consultant shall either 1) reduce or eliminate such deductibles or self-insured retentions, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses. Policies containing any self-insured retention (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named or additional insureds, co-insurers, and/or insureds other than the First Named Insured.

**Acceptability of Insurers** - Insurance is to be placed with insurers having a current A.M. Best rating of no less than A-:VII or equivalent or as otherwise approved by District.

**Evidences of Insurance** - Prior to execution of the agreement, Consultant shall file with District a certificate of insurance (Acord Form 25 or equivalent) signed by the insurer's representative evidencing the coverage required by this agreement. Such evidence shall include an additional insured endorsement signed by the insurer's representative and evidence of waiver of rights of subrogation against District (if builder's risk insurance is applicable). Such evidence shall also include (1) attached additional insured endorsements with primary & non-contributory wording, (2) Workers' Compensation waiver of subrogation, and (3) a copy of the CGL declarations or endorsement page listing all policy endorsements, and confirmation that coverage includes or has been modified to include Required Provisions above. The District reserves the right to obtain complete, certified copies of all required insurance policies, at any time. Failure to continually satisfy the Insurance requirements is a material breach of contract.

Consultant shall, upon demand of District, deliver to District such policy or policies of insurance and the receipts for payment of premiums thereon.

**Continuation of Coverage** - If any of the required coverages expire during the term of this agreement, the Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to District at least ten (10) days prior to the expiration date.
Consultant shall provide five (5) year tail on Professional Liability Coverage.

**Sub-Consultants** - In the event that the Consultant employs other consultants (sub-consultants) as part of the services covered by this agreement, it shall be the Consultant’s responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.

**Payment Withhold** - In addition to all other rights and remedies available to District, including terminating this Agreement, District may withhold payments to Consultant if the certificates of insurance and endorsements required above are canceled or Consultant otherwise ceases to be insured as required herein.

6. **Safety.** Consultant shall at all times exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all applicable federal, state and local statutory and regulatory requirements. Consultant shall immediately report (as soon as feasible) to District any accident or other occurrence causing injury to persons or property during the performance of this Agreement.

7. **Conflict of Interest.** Consultant warrants and represents that to the best of its knowledge, there exists no actual or potential conflict between Consultant’s family, business, real property or financial interests and the Services to be provided under this Agreement. If District has adopted a Conflict of Interest Policy, Consultant agrees to comply with such Policy, and agrees not to enter into any contract or agreement during the performance of this Agreement which will create a material conflict of interest with its duties to District under this Agreement. In the event of a change in Consultant’s family, business, real property or financial interests occurs during the term of this Agreement that creates an actual or potential conflict of interest, Consultant shall promptly disclose such conflict in writing to District.

8. **Independent Contractor.** Consultant is an independent contractor. Neither Consultant nor any of Consultant’s officers, employees, agents or subcontractors, if any, is an employee of District by virtue of this Agreement or performance of any Services pursuant to this Agreement. District shall have the right to control Consultant only insofar as the results of Consultant’s services rendered pursuant to this Agreement; however, District shall not have the right to control the means by which Consultant accomplishes services pursuant to this Agreement.

9. **Licenses.** Consultant represents and warrants to District that all consultant services shall be provided by a person or persons duly licensed by the State of California to provide the type of services to be performed under this Agreement and that Consultant has all the permits, qualifications and approvals of whatsoever nature which are legally required for Consultant to practice its profession. Consultant represents and warrants to District that it shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals which are legally required for Consultant to practice its profession.

10. **Standard of Performance.** Consultant shall provide products and perform all services required pursuant to this Agreement in accordance with generally accepted professional practices.
and principles and in a manner consistent with the level of care and skill ordinarily exercised under similar conditions by a member of Consultant’s profession currently practicing in California.

Consultant is responsible for making an independent evaluation and judgment of all conditions affecting performance of the work, including without limitation applicable federal, state, and local laws and regulations, and all other contingencies or considerations.

Consultant’s responsibilities under this section shall not be delegated. Consultant shall be responsible to District for acts, errors, or omissions of Consultant’s subcontractors.

Whenever the scope of work requires or permits review, approval, conditional approval or disapproval by District, it is understood that such review, approval, conditional approval or disapproval is solely for the purposes of administering this Agreement and determining whether Consultant is entitled to payment for such work, and not be construed as a waiver of any breach or acceptance by the District of any responsibility, professional or otherwise, for the work, and shall not relieve Consultant of responsibility for complying with the standard of performance or laws, regulations, industry standards, or from liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of Consultant.

11. **Force Majeure.** Neither party shall be considered in default of this Agreement to the extent performances are prevented or delayed by any cause by circumstances beyond either party’s reasonable control, such as war, riots, strikes, lockouts, work slowdown or stoppage, acts of God, such as floods or earthquakes, and electrical blackouts or brownouts.

In the event that Consultant is unable to meet the completion date or schedule of services, Consultant shall inform the District Representative of the additional time required to perform the work and the District Representative may adjust the schedule in his or her reasonable discretion.

12. **Time is of the Essence.** Time is of the essence in this Agreement. Any reference to days means calendar days, unless otherwise specifically stated.

13. **Personnel.** Consultant agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services under this Agreement. Failure to assign such competent personnel shall constitute grounds for termination of this Agreement.

Consultant will identify in writing the individuals who will be providing the Services as specified in Exhibit A due to their unique expertise and depth and breadth of experience. In such case, there shall be no change in the personnel so identified by Consultant without the prior written approval of the District Representative. Any substitutes shall be persons of comparable or superior expertise and experience.

14. **Consultant Not Agent.** Except as authorized under this Agreement or as District may authorize in a letter of authorization signed by the General Manager or their designee, Consultant shall have no authority, express or implied to act on behalf of District in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, under this Agreement, to bind
District to any obligation whatsoever.

15. **Term.** The term of this Agreement shall commence on the Effective Date and shall continue in full force and effect until the Expiration Date unless terminated earlier or extended pursuant to the terms of this Agreement.

16. **Termination or Abandonment by District.** District has the right, at any time and in its sole discretion, to immediately terminate or abandon any portion or all of the services to be provided under this Agreement by giving notice to Consultant. Upon receipt of a notice of termination, Consultant shall perform no further work except as specified in the notice. Before the date of termination, Consultant shall deliver to District all work product, whether completed or not, as of the date of termination and not otherwise previously delivered.

District shall pay Consultant for services performed in accordance with this Agreement before the date of termination. If this Agreement provides for payment of a lump sum for all services or by task and termination occurs before completion of the work or any defined task which according to the performance schedule was commenced before the notice of termination, the fee for services performed shall be based on an amount mutually agreed to by District and Consultant for the portion of work completed in conformance with this Agreement before the date of termination. In addition, District will reimburse Consultant for authorized expenses incurred and not previously reimbursed. District shall not be liable for any fees or costs associated for the termination or abandonment except for the fees, and reimbursement of authorized expenses, payable pursuant to this section.

17. **Products of Consulting Services.** The work product, including without limitation, all writings, work sheets, reports, recordings, drawings, files, detailed calculations and other work products, whether complete or incomplete, of Consultant resulting from Services rendered pursuant to this Agreement, shall become the property of District. Consultant agrees that all copyrights which arise from creation of the work under this Agreement shall be vested in District and waives and relinquishes all claims to copyright or other intellectual property rights in favor of District. District acknowledges that its use of the work product is limited to the purposes contemplated by the scope of work and that the Consultant makes no representation of the suitability of the work product for use in or application to circumstances not contemplated by the scope of work.

Documents submitted to District in electronic format shall be formatted according to specifications provided by District, or if not otherwise specified, in Microsoft Word, Excel, PowerPoint or other Microsoft Office Suite format as appropriate for the particular work product, or, if directed by District Representative in Adobe Acrobat PDF format.

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**District:** Cathy Lee  
General Manager  
Carmichael Water District  
7837 Fair Oaks Boulevard  
Carmichael, CA 95608

**Consultant:** Richard Shatz  
Senior Hydrogeologist  
GEI Consultants, Inc.  
2868 Prospect park Drive, Suite 400  
Rancho Cordova, CA 95670

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31. **Facsimile Signature; Electronic Signature.** This Agreement shall be binding upon the receipt of facsimile signatures or e-mailed by PDF or otherwise. Any person transmitting his or her signature by facsimile or electronically shall promptly send an original signature to the other party pursuant to the notice provision of this Agreement. The failure to send an original shall not affect the binding nature of this Agreement.

32. **Authority.** The person signing this Agreement for Consultant hereby represents and
warrants that he/she is fully authorized to sign this Agreement on behalf of Consultant.

33. **Exhibits.** The following exhibits are attached hereto and incorporated herein by reference:

   Exhibit A, entitled “Consultant’s Scope of Work,” including any attachments.

**IN WITNESS WHEREOF,** the parties have executed this Agreement on the day and year shown below the name of each of the parties.

GEI CONSULTANTS, INC.  CARMICHAELWATER DISTRICT, a special district duly formed and existing under the laws of the State of California

By:____________________        By:____________________

Name:____________________       Name: Cathy Lee

Title:____________________      Title: General Manager

DATE:____________________      DATE:____________________
EXHIBIT A

Scope of Work
June 21, 2021

Ms. Cathy Lee, PE  
General Manager  
Carmichael Water District  
7837 Fair Oaks Blvd  
Carmichael, CA 95608

Subject: Proposal: Corporate Yard Well

Dear Ms. Lee:

GEI Consultants, Inc. (GEI) has prepared this proposal to provide well and facilities engineering design and construction management services to assist the Carmichael Water District (District) with permitting, design and construction of the Corporate Yard well.

The GEI team is familiar with the District and the hydrogeologic conditions, having worked for surrounding water districts for years designing and constructing wells, providing CEQA, permitting and facilities design services.

GEI brings to the District two hydrogeologists with decades of experience designing and constructing wells for water supply and for aquifer storage and recovery. GEI also has an inhouse team of California Environmental Quality Act (CEQA) experts along with a civil engineers experienced with design of pumping plants and facilities. Our experience can conserve the District’s funding by selection and use of appropriate permits including both the CEQA assessment and National Pollutant Discharge Elimination System permits. We are committed to meeting your aggressive schedule to having the well construction and operational by mid-2022.

We appreciate the opportunity to assist the District and continue to provide our site-specific knowledge and experience to fulfill all your needs on this important project. Please contact our proposed Project Manager, Richard Shatz at 916.631.4566 or rshatz@geiconsultants.com if you have questions about our proposal.

Sincerely,

GEI Consultants, Inc.

Richard W. Shatz, CHG 84  
Senior Hydrogeologist

Chris Petersen, CHG 463  
Senior Hydrogeologist
Contents

Cover Letter

General Approach ................................................................. 1

Project Cost Estimate ......................................................... 1

Project Schedule ................................................................. 1
This proposal outlines services to assist the Carmichael Water District (District) with construction of a new well at the Corporate Yard well site. We understand that the District would like the well to be completed and ready for use by June 2022. The District would like a well that can produce 1,500 gpm and be equipped to be used for Aquifer Storage and Recovery (ASR) purposes. The District would like the well to produce water that meets all Title 22 water quality standards. Groundwater in the area if the well is drilled too deep can encounter the Valley Springs Formation which is known to contain dissolved gases (hydrogen sulfide) and can also have water with higher salts. The well will be located within the District’s fenced corporate yard so it is anticipated that a building to house and secure the well and motor controls is not required. The motor controls will include a variable frequency drive unit. A small structure, consistent with other current CWD well sites will be built to house any chlorination equipment.

The project will be performed in three phases. The first phase of work is for permitting of the well and facilities. Phase 2 will be to prepare specifications and bidding documents along with construction oversight for drilling, construction, and testing of the well. The drilling will combine pilot hole drilling with final well design to expedite the work. Phase 3 work will use the results of the well testing, to prepare drawings and specifications for bidding the equipping of the well, assisting the District during the bidding process and for construction oversight of the equipping of the well.

Project Team

Our team will be managed by Richard Shatz and Chris Petersen. Mr. Shatz has over four decades of well construction experience and Mr. Petersen has over two decades of ASR well permitting and design experience. Staff support will be provided by Trevor Kent, Sean Storey, Julian Consoli, and Pauline Espinoza, all geologists and located in our Rancho Cordova office, and Michelle Harb located in our Bakersfield office. This team is currently involved in or has recently completed well design and ASR work for the following clients:

a. Regional Water Authority: ASR Information Study for a group of 11 water agencies in the region  
b. City of Davis: ASR Feasibility Study and Pilot Test  
c. Citrus Heights Water District: ASR Feasibility Study  
d. Sacramento Suburban Water District: Evaluation of existing wells for potential use in ASR pilot testing  
e. City of Woodland: ASR Implementation Work Plan including injection testing  
f. City of Roseville: ASR Support Services including well testing to improve injection performance  
g. In addition to local knowledge, GEI Consultants, Inc. (GEI) has contacted all ASR operators in the State, as shown by the adjacent figure, and conducted a survey to obtain an understanding of their current ASR operational status. We believe this information and our relationship with key staff at these agencies will benefit the District.
GEI’s design team will be led by Mr. Ron Berry who is a senior engineer and project manager at GEI with 26 years of civil engineering experience. He specializes in sizing, planning, and designing water and wastewater treatment facilities, and various hydraulic conveyance and drainage facilities.

We have also included Frisch Electrical Engineering, Inc. on the GEI Team. Their project experience includes treatment plants, power plants, hydroelectric facilities, substations, pump stations, reservoirs, wells, and sewage lift stations, and telemetry systems.

GEI Firm Qualifications

GEI is a national consulting firm of 900 professionals and 44 offices in North America, providing expertise in groundwater and surface water resources, geotechnical, environmental/ecological, and engineering for 50 years. GEI is a leader in providing multi-disciplined consulting services to a range of private and public sector clients. Statewide, GEI has 5 offices with nearly 200 staff, combined. Each office has specific specialties; however, the common thread is that they all focus on water resources projects. The GEI Sacramento office (located in Rancho Cordova) is the largest office in California and will provide the professionals to manage and staff this project. The Sacramento staff is grouped into four primary service areas:

- Water resources planning – groundwater and surface water
- Environmental resources management – permitting, California Environmental Quality Act (CEQA), archeological and biological resources, environmental restoration.
- Engineering – geotechnical, structural, and civil engineering design and construction management
- Information management - Internet-based data management and visualization; GIS mapping, decision support systems

We have more than 120 professionals available in Sacramento that can address any technical aspect of the ASR Well design, construction, and testing for the District.

Scope of Work

**Phase 1. Permitting and Applications**

Several permits, applications and approvals are needed prior to starting construction of the well. The permits and approvals anticipated at this time are:

- CEQA, Negative Declaration
- Drinking Water Source Assessment (DWSA) – draft and final
- Well Permit
- SWRCB Statewide National Pollutant Discharge Elimination System (NPDES) for Drinking Water Systems
- Sacramento Regional County Sanitation District Temporary Discharge Permit
- Sacramento County Storm Water Permit and Under-an-Acre Stormwater Pollution Prevention Plan

Permits required for the construction of the facilities include:
Corporate Yard Well

- Building Permit (can be administered by the District)
- Sacramento Municipal Utilities District (power)
- Sacramento County Storm Water Permit and Under-an-Acre Stormwater Pollution Prevention Plan

Permits and amendments for use of the well for both domestic water supply and for ASR purposes include.

- Domestic Water Supply Permit Amendment
- Statewide ASR General Order
- Class V Injection Well Permit

We anticipate that the permit application for use of the well for ASR purposes will be developed under a separate contract. The work does not include preparing applications for the permits identified other than those listed below.

1.1 CEQA

The proposed well and facilities construction meets the definition of a “project” as defined by Section 15378 of the CEQA Guidelines, which states that a: “Project means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment…” Therefore, the project is subject to CEQA review.

GEI will prepare an Initial Study (IS) meeting the content and process requirements outlined in Sections 15060 through 15065 of the CEQA Guidelines. The purpose of the Initial Study is to determine if the project may have a significant impact on the environment and identify ways to reduce these impacts early in the planning process. This initial screening analysis will be based on the use of threshold questions contained in the Environmental Checklist Form found in Appendix G of the CEQA Guidelines. If any potentially significant impacts are found, we will recommend mitigation measures to reduce the impact to a level considered to be less than significant, where feasible.

GEI will begin the process by developing a draft project description for use in the IS. The project description will include maps and drawings showing the proposed location of the well and facilities, describe pipeline construction activity, construction laydown areas, and identify the length of construction activity. This scope of work assumes one round of revision to the project description.

Once the project description has been reviewed and accepted by the client, GEI will conduct the environmental evaluation. GEI will prepare responses to each IS checklist question using information obtained from readily available sources including review of existing planning documents, database search, and limited field investigation covering cultural and biological resources.

Before field investigations are conducted, GEI will review existing documentation pertinent to cultural and biological resources within the Project area. For cultural resources, a Registered Professional Archeologist will identify previously recorded archaeological or historic sites within the study area by contacting the Native American Heritage Commission (NAHC), requesting a review of their Sacred Lands Files for the project site and a list of Native American organizations and individuals that may have religious or cultural affiliation with the Project area. GEI will prepare a letter for each organization and individual on the NAHC list to provide them with information about the Project and how to comment.
on the IS. It is assumed for purposes of this work scope that tribal consultation will be conducted by the client with support of GEI staff.

A GEI staff biologist will review online databases to develop a list of special-status species with potential to occur in the Project area or may be affected by the Project prior to visiting the site. This list will inform the biologists on the types of resources they should be seeking when visiting the site.

GEI planning staff will conduct a desktop review of the property using aerial photography and existing datasets available online along with general plan maps and other relevant planning documents to develop the environmental setting. Areas of focus include identification of sensitive land uses on and adjacent to the project site, determining the presence of geologic hazards or paleontological resources, and identification of utility and services that may be affected by project construction. Information on hazardous material releases into the environment near the yard gathered during Task 1.2 will be incorporated into the responses to checklist questions involving hazardous materials.

An administrative draft Initial Study/Negative Declaration (or Mitigated Negative Declaration) will be prepared for District review. The administrative draft will be revised one time in response to District comments, and the final prepared for submission to the State Clearinghouse. GEI will also prepare the Notice of Completion and Summary Form and create the 15 CDs for submittal to the State Clearinghouse.

Following the 30-day public comment period, we will assist the District with responses to comments, and the preparation of a Mitigation Monitoring Reporting Program, if appropriate. If the District approves the project, we will prepare the Notice of Determination for submission to the County and the State Clearinghouse within five days of the decision.

Assumptions: There will be no significant biological, paleontological, and cultural resources impacted by the project. Client to provide information required to prepare a preliminary project description and map(s). A detailed hydrogeologic analysis of the pumping depression will not be required to assess whether the well will affect TCE or NDMA contamination plumes. GEI will provide and pay for public notification and will submit copies of documents to the State Clearinghouse.

Deliverables: Project Description, Draft and Final Initial Study, Negative Declaration Form, Public Notices, and assistance with document distribution.

1.2 DWSA

Drinking Water Source Assessments (DWSAs) are required by the DDW for permitting a well as a source of drinking water supply. DDW recommends that a DWSA be prepared and submitted prior to the construction of the well. GEI developed Excel-based spreadsheets that in all functions and appearances are identical to the DDW required forms and automatically provides the rankings of the PCAs. We will use these spreadsheets to develop the Draft DWSA.

The DWSA consists of five components: 1) a Well Data Sheet; 2) a Protection Zone Delineation map showing the area that the well will draw water from after 2, 5, and 10 years; 3) a Physical Barriers evaluation; 4) an identification of potentially contaminating activities (PCAs) within each protection zone; and 5) a vulnerability assessment and summary.

GEI will initially develop the Well Data Sheet, which contains the pertinent information to develop the Physical Barriers and Protection Zone Delineation zones. We will rely on the test hole well log and preliminary well design for this initial work. GEI will use Sacramento Groundwater Authority’s most recent Basin Management Report to obtain a groundwater gradient allowing the use of the Modified

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GEI will initially develop the Well Data Sheet, which contains the pertinent information to develop the Physical Barriers and Protection Zone Delineation zones. We will rely on the test hole well log and preliminary well design for this initial work. GEI will use Sacramento Groundwater Authority’s most recent Basin Management Report to obtain a groundwater gradient allowing the use of the Modified
Radius Method for projecting the Protection Zones that will likely shift the protection zones so that the NDMA contamination plume will not occur in any of the zones. Once completed, GEI will perform a drive-by canvas of the streets within each Protection Zone to perform a complete inventory PCAs.

GEI will prepare and deliver a Draft DWSA to the District for review and upon incorporation of the District’s comments and approval, we will provide a copy to the District for release to DDW.

After the well is constructed, GEI will prepare the Final DWSA in word documents supplied by DDW. The Final DWSA will be include an updated the Well Data Sheet including actual tested well yield, facilities construction components, and as-built construction details. GEI will provide the District with a hard copy of the Final DWSA. After incorporation of the District’s comments, we will provide the District with the Final DWSA for transmittal to DDW.

In addition to preparation of the DWSA, DDW will require a drawing showing a detailed drawing of the location of storm drains, sanitary sewers, and security fencing to illustrate that the location of the new well is in accordance with required setbacks. GEI will prepare this drawing.

**Assumptions:** GEI will need the following information or assistance from District to prepare the DWSA

- As-built drawing of the existing underground utilities at the District’s corporate yard.
- Water quality results from your nearby existing water supply wells including a complete listing of volatile and semi-volatile organic chemicals, radiological, inorganic and metals.
- The District will request DDW to open a DWSA file and provide official documents.
- The Final DWSA will be provided within two months after the well is completed.

**Deliverables:** Electronic copies of the Draft and Final DWSA. Electronic copies of the Draft and Final DWSA along with the entire DWSA and the individual DWSA files (Word), Protection Zone map (pdf) and the Well Data Sheet (Excel).

### 1.3 Well Permit Application

A permit to drill the well is required from the Sacramento County Environmental Management Division (SCEMD). The permit can be applied for by the District but will have to be signed by the Contractor once selected. The permit process includes SCEMD requesting consultations with the Regional Water Quality Control Board and other agencies for contamination issues and to obtain their approval to provide a permit. SGA will also be consulted to verify that even with this new well the subbasin will remain within its sustainable yield. CEQA needs to be demonstrated to be completed or in progress. GEI will prepare the permit application and provide a draft for the District to review and then sign and submit to SCEMD.

**Assumptions:** The District will submit the application and pay for any permit and inspection fees.

**Deliverables:** Draft and Final Well Permit.

### 1.4 Discharge Permitting

There are two options that the District can use to allow discharge of water during development and testing of the new well. One is to obtain a new NPDES Low Threat permit or the second is to use the District’s existing NPDES permit for Drinking Water Systems. We understand the District plans to use their Drinking Water Permit to discharge water during development and testing of the well.
NPDES monitoring will be performed jointly by District staff and GEI will assist in since our staff will be on-site as described in Task 2.3.

Assumptions: The District will include the discharge monitoring in their annual reporting.

Deliverables: GEI will provide monitoring data to supplement the District’s reporting.

1.5 Sanitary Sewer Discharge Application

Water generated during the drilling, construction and development of the well will typically be too turbid to be able to be disposed of to surface water. Therefore, obtaining a permit to discharge water to the sanitary sewer reduces costs to transport and dispose of the water. GEI will prepare an application for a temporary Discharge Permit to the Sacramento Regional County Sanitation District to discharge turbid thin-down and air-lift water to the sanitary sewer.

Assumptions: The District will arrange to pay for Sacramento Regional County Sanitation District permit fees and water disposal costs directly.

Deliverables: Draft and Final temporary Discharge Permit.

1.6 Storm Water Pollution Prevention

Because the drilling and construction of any facilities could lead to storm water pollution a permit will need to be acquired and a storm water pollution plan will need to be developed. GEI will require the drilling contractor and the facilities contractor to obtain these permits.

Assumptions: The contractor prior to start of construction will obtain this permit and develop a storm water pollution plan.

Deliverables: None.

1.7 Building Permit

Construction of the pumping plant facilities would require a building permit. Because the District is a public agency and the facilities are on their property the District can avoid applying for the permit and self-administer. The District will need to confirm this aspect with Sacramento County prior to the initiation of facility construction.

Assumptions: District to verify with Sacramento County.

Deliverables: None.

1.8 Electrical Power Application

Electricity will be needed to power the motor and appurtenances. An application will need to be submitted to SMUD for them to confirm there is adequate power and to design and install power cables and transformers.

Assumptions: District to prepare application.

Deliverables: None.

1.9 System Operating Permit
The District has a permit from DDW to operate the system and supply water from approved sources. The permit will need to be amended to allow use of the new Corporate Yard Well. The amendment will require the submittal of well construction and facility as-built drawings, Title 22 water quality analysis, and CEQA. GEI will prepare the amendment along with the supporting information for the District to submit to DDW to amend their existing permit.

**Assumptions:** District to submit the amendment to DDW.

**Deliverables:** Draft and Final Domestic Water Supply Permit Amendment.

### Phase 2 – Well Design and Construction

GEI’s approach to well design and construction is to combine exploration drilling (pilot hole) with final well construction. This approach expedites the construction, requiring only one contractor and a single mobilization to the site. It will require, after the pilot hole is drilled and site-specific information is acquired, to prepare a final design based on actual conditions. This is a common practice in the industry and one that contractors can accommodate. It will require the District to provide rapid (1 day) approval of the final design to avoid construction delays.

#### 2.1 Preliminary Well Design

GEI will develop a preliminary design of the well using information contained within the District’s records for existing wells in the vicinity along with other wells constructed near the District. The purpose of this work is to identify the top of the Valley Springs Formation, potential aquifers, well yield and water quality and to use this information during the preparation of Tasks 1.1 through 1.3 and for preparation of the plans and specifications in Task 2.2. The design of the well will be developed using the most recent methodologies for ASR well construction including the use of a manufactured filter pack (Silica Beads).

**Assumptions:** District will provide information for wells constructed within the District and will obtain well construction information from adjacent water districts.

**Deliverables:** Draft and Final Domestic Preliminary Well Design Technical Memorandum.

#### 2.2 Well Construction and Testing Plans and Specifications

GEI will develop drawings, specifications and a bid schedule for construction of the new well using information detailed in Task 2.1. The specifications will include detailed descriptions of the following:

- Operating hours
- Acceptable drilling methods and procedures
- Water available for drilling purposes
- Handling and characteristics of the drilling fluid
- Drilling program loss of circulation plan and approach
- Sanitary seal requirements
- Pilot and reamed borehole diameters and depths
- Sediment sampling
- Geophysical logging
- Isolation zone testing
The specifications will also require the contractor to:

- Provide sanitary facilities
- Provide sound barriers
- Comply with NPDES discharge permit conditions
- Provide the necessary permits to drill and construct the well
- Submit copies of the well logs to Sacramento County Environmental Management Division and California Department of Water Resources in compliance with the well drilling permit

We will submit a copy of the plans and specifications at 50 and 90 percent completion for the District’s review and comment. We will combine the technical specifications along with the District’s standard Invitation to Bid, General Conditions and Specific Conditions to complete the bidding documents at the 90 percent level of completion. We will incorporate District comments and the 100 percent completed bidding documents for the District’s use. We will also provide an engineer’s cost estimate for the construction of the new well.

GEI will prepare a list of qualified bidders for the District’s consideration in selecting a contractor for ASR well drilling, construction, and testing. These will be firms that GEI has worked successfully in the past that have the equipment and experience using reverse rotary drilling methods to the depth chosen.

GEI will provide assistance during bidding of the well construction. The District will solicit bids for the work and contract directly with the contractor. GEI will attend the pre-bid meeting, respond to bidder’s questions, and prepare any required addenda. All responses will be provided to the District for approval prior to GEI distributing them to the bidders. We anticipate the District will receive the bids and distribute a copy to GEI for review. We will provide a letter to the District recommending award of the contract.

**Assumptions:** District will review and provide comments within 5 days of receipt of the submittals. The District will release the bid document and pay for any associated costs for advertising the solicitation. The District will administer the contract with support from GEI to review and approve all contractor invoices.

**Deliverables:**

- 50% Design drawing
- 90% Design drawings, specifications, opinion of cost
- Two copies of the 100% design drawings, specifications, opinion of cost
- Draft and final responses to bidder’s questions or addenda
- Letter of recommendation to award
2.3 Well Construction and Testing Oversight

GEI will provide construction oversight during the drilling of the borehole, well construction, testing, disinfection and final acceptance of the well. The following tasks are based on the assumption that the pilot borehole and the well being constructed to a depth of about 700 feet.

Pre-Construction Meeting: After the drilling contractor has been selected, our project manager will attend a pre-construction meeting with the District staff and the contractor to clarify the intent of the drilling, to determine what information the project manager will need, and to establish clear lines of communication. At this meeting, the contractor will also provide submittals that GEI will review, approve, and accumulate for inclusion into the final report. The District will arrange the meeting and location.

Construction Progress Meetings: We will be available to meet with the District personnel during construction and testing of the well. Because the well construction and testing will last about six weeks, we anticipate there will be about six 30-minute meetings.

Submittal Review: GEI will review Contractor submittals and provide the District with recommendations to approve, accept with conditions, or reject.

Pilot Hole Logging: During the drilling of the pilot borehole GEI staff will be on-site to coordinate contractor activities, log the drill cuttings and collect samples of the sediments, confirm the contractor is maintaining drilling fluid properties and observe and interpret the geophysical logging.

Isolation Zone Testing: Select based on the pilot hole and geophysical logging aquifers for isolation zone testing to test the water for water quality parameters including NDMA, iron, manganese, total dissolved solids and the presence or absence of dissolved gases.

Final Well Design: Upon completion of the pilot hole drilling, geophysical logging and sediment sampling GEI will analyze the information and create a final well design. We will provide a copy to the District for review and approval prior to releasing the final design to the contractor.

Pilot Hole Reaming: Prior to starting to ream the pilot hole the contractor will order the well construction materials and will coordinate delivery of the materials with completion of the pilot hole drilling. During reaming of borehole, GEI staff will visit the site daily to monitor the contractor’s progress and drilling fluid maintenance.

Well Construction: GEI staff will confirm that the materials used to construct the well comply with the specifications. GEI staff will be on-site continuously for the installation of the well casing and screens, gravel packing of the annular space and placement of concrete sanitary and annular seals. We will prepare the as-built well construction details.

Well Development: The development of the well is a very important task because it removes drilling fluid and remnants from the annular space between the water-bearing sediments and the well screen. GEI personnel will be on-site during the preliminary development to approve the methods used and to monitor the discharge water quality for discharge of water to the sanitary sewer. Based on the results of the preliminary development, we will recommend whether to install the test pump and continue the development process.

Test Pumping: After the test pump has been installed, GEI staff will be on-site to approve the methods used and near the end of the pump development process to witness the results at the start-up. GEI
personnel will also evaluate the water conditions and approve whether it can be discharged to surface water and to monitor the discharge water quality for NPDES permit compliance.

We will review the results of the pump development and based on these results recommend the pumping rate for the step-drawdown test. Our staff will be present continuously during the step-drawdown testing.

Our project manager will analyze the results of the step-drawdown test and recommend the pumping rate for the long-term pumping test, establishing the production capacity of the well.

During the long-term pumping test (24 hours), GEI will visit the site to start the test and observe the work procedures. At the completion of the long-term test, we will return to the site to make recovery measurements (a period of about two hours) and then after 24 hours to confirm the aquifer has fully recovered.

Near the end of the long-term pumping test, water quality samples will be obtained for Title 22 analyses, per DDW District Engineer. GEI will collect the samples and submit the samples deliver the samples to the District’s contract laboratory.

NPDES Monitoring and Reporting: During both the development and test pumping, effluent discharge monitoring will occur. Based on our experience, it is likely the discharge will occur over a two-month period. During our on-site activities we will monitor for volume of water discharged and turbidity as the groundwater will not be chlorinated. Total residual chlorine content will be monitored after pilot hole drilling and well construction as water from the distribution system will be used during these periods, although it is unlikely to be present in the discharge. Monitoring will be performed at the on-site discharge point after any treatment (settling tanks). When GEI staff are not present District personnel will perform the monitoring. The District will report the discharge monitoring as part of annual report.

Final Well Inspection: After the completion of aquifer testing and the removal of all equipment from the well, GEI will be on-site to observe the alignment testing and the disinfecting of the well and to document the results. We will analyze the plumbness test for conformance with the specifications and calculate the effective diameter at the pump setting. Upon completion of this work, GEI will witness the video log survey and assess if there has been any damage caused by the contractor’s activities.

Well Disinfection: After the completion of final well inspections the contractor will be required to disinfect the well with chlorine. GEI will be on-site to observe the disinfection procedures. The chlorinated solution will be allowed to remain in the well.

Contractor Invoice Review: GEI will review contractor invoicing for accuracy and actual units used and provide the District with a recommendation to pay or reject the invoice (with instructions to resolve).

Well Completion Report: We will summarize the results of the well construction and testing in a Well Completion Report. This report will present the lithologic log of the pilot hole; the geophysical logs; the as-built well construction details; the results of the production, plumbness, and alignment tests; and recommendations for the long-term pumping rate of the well. GEI personnel will then use the report to make any adjustments to the final engineering design for the pumping plant.

Assumptions:

- Pilot hole drilling will take no more than 4 days to complete.
- Includes two additional project meetings at the District’s office for each design phase
- A maximum of four zone tests will be performed.
- The District will pay for Title 22 water quality sampling.
The District shall provide notification to the RWQCB three days prior to or 24 hours post discharge of the planned discharge of water.

**Deliverables:**

- Final well design
- Well Completion Report with as-builts, permits, and other information

**Phase 3. Facilities Design and Bidding**

The facilities will be designed concurrent with design and construction of the well. The specification will be based on the well being able to produce 1,500 gpm, with final adjustments to pump and motor selection after completion of the test pumping and once the flow rate and drawdown is verified. The design includes above and below ground piping and connection to the existing distribution system. The pumping plant will include variable frequency drive motor controls with the motor controls. The motor controls will be housed in a separate outdoor cabinet that is equipped with air-conditioning to keep the controls cool similar to other facilities in the District. A shade structure will be included in the design. The chemical feed and storage hut will be housed in a small building consistent with other CWD well sites.

### 3.1 Preliminary Facilities Design

We will survey within the District’s parcel and extending 25’ ± beyond the District parcel boundary. Field survey will field locate visible improvements such as edge of pavement, edge of concrete or asphalt, luminaires, fencing, gates, buildings, well and plumbing, visible evidence of any utilities, water valves, utility vaults, visible USA markings, power poles and guy anchors, culverts including pipe size and inverts and any other features that may affect design. For purposes of this proposal, we estimate one mobilization to complete the requested work.

We will produce a composite archival base map with the topographic information. All base mapping will be prepared in AutoCAD 2018 Civil 3D dwg or newer format. A surface will be generated using AutoCAD Terrain Model Explorer. Contours will be generated at an interval of 1-foot with a mapping scale of 1 inch = 20 feet. The mapping information will be on individual layers within the electronic drawing files. Frozen layers will contain the remainder of the survey information (information not required to be viewed on the based map). Information shown on frozen and unfrozen layers will be free of conflicts.

Using this information GEI will prepare a preliminary site plan for all existing and projected facilities and projected facilities. GEI will develop a preliminary design report summarizing the proposed improvements for equipping the well; pump and motor sizing, mechanical improvements, points of connection to the distribution system, chemical feed system, pump control strategy, and electrical improvements. The preliminary design report will summarize all design criteria. The preliminary design will assess the feasibility of maximizing the use of the existing on-site building and facilities as described in the approach.

**Assumptions:** The following services are excluded from the scope of this proposal:

- Boundary Survey, Boundary Dispute Resolution or Monumentation
- Ground Penetrating Radar (GPR) or subsurface exploration
Corporate Yard Well

- Preparation of Easements
- Easement resolution or Staking Easements
- USA Notifications
- Review of Title Reports

**Deliverables:**

- AutoCAD Civil 3D 2018 or newer .dwg file containing the base map and legend
- Land XML file
- One printed copy of the survey
- ASCII point file in PNEZD comma delimited format
- Preliminary design report along with preliminary site plan

### 3.2 Facility Plans and Specifications

This task includes the development of a set of improvement plans for equipping the newly constructed well and includes providing a complete set of written construction specifications for equipping the well. The well equipping design will include the following:

**Improvement Plans for Equipping Well and Site Design** – This task includes the following items:

- Cover Sheet
- Grading and Drainage (including existing and proposed elevations extending 25 feet beyond the property lines)
- Site Development
- Civil – Plans and Details
- Mechanical – Plans and Details
- Chemical Feed System – Plans and Details, utilizing the district’s current make and model of chemical feed pump for maintenance consistency
- SMUD Application and Submittal Package (Task 1.8)
- Electrical – Plans and Details
- Instrumentation and Controls (SCADA), Integration, and radio telemetry
- Generator Plan and Connection Details
- Operation Memorandum and Schematic Diagram

**Assumptions:**

- A prefabricated building will be supplied by the District to house the chemical feed system. The well and the motor control panel will not be enclosed in a building. Radio telemetry will be included in the design.
- The District will make program modifications to their SCADA system to incorporate the new well using their existing vendor.
The District has a hydraulic flow model and will simulate the well in an extraction mode and in an injection mode to confirm that no low pressures occur.

- Chemical feed systems are required only for chlorine.
- Variable frequency drive motor controls are required.
- Architectural and structural plans and details will not be required.
- The District has remodeling plans that will be provided in AutoCAD

**Deliverables:**

- 50% Design will include: civil, architectural, mechanical, electrical, and instrumentation designs; specifications outline; SMUD application and submittal; and a permit status report. Plans – one full-size and three half-size along with electronic copy. Specification outline – three copies along with an electronic copy.
- 90% Design will incorporate comments and design modifications from the District. Plans – one full-size and three half-size along with electronic copy. Specification outline – three copies along with an electronic copy.
- Bid Set will include: all drawings, all technical and construction specifications, and engineering opinion of probable construction cost. Plans – one each original full-size and half-size signed along with electronic copy, Specifications – one signed unbound original along with an electronic copy.

**3.3 Bidding Services**

GEI will assist the District in construction bidding and contractor selection including the preparation of addenda to the bidding documents.

**Bidding Assistance** – GEI will provide the following professional engineering services to assist the District during the bidding process:

- Provide the District with a list of qualified contractors for equipping the newly constructed well
- Respond to all bidder’s inquiries
- Prepare addenda to the bidding documents as necessary
- Assist District staff with pre-bid meeting and bid opening

**Bid Review** – GEI will conduct a review and evaluation and provide the District with recommendations for awarding the construction contract.

**Assumptions:**

**Deliverables:**

- List of qualified contractors
- Responses to Request for Information
- Bid addenda
- Letter of recommendation for award
3.4 Construction Management

GEI and its team will provide a separate quote for construction management for oversight of the contractor after the design plans are completed, to provide an accurate estimate of the services required.
Project Cost Estimate

We have developed a detailed cost estimate for the services to complete the project. It is provided on the following page (Table 1). A cost estimate for Task 3.4 (Construction Management) will be provided as a separate quote once the Task 3.1 (Preliminary Facilities Design) is completed so that we have a firm idea of the actual work to be inspected. Additional details can be provided itemizing each task upon request.
## TABLE 1. SUMMARY OF COSTS FOR CORPORATE YARD WELL

<table>
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<tr>
<th>Task No.</th>
<th>Description</th>
<th>Grade 8 (G. Gillin, C. Petersen, R. Sanchez)</th>
<th>Grade 7 (R. Shatz, C. Petersen, R. Berry, R. Fill)</th>
<th>Grade 6 (K. Koch, R. Fricka)</th>
<th>Grade 5 (M. Well)</th>
<th>Grade 4 (C. Trueblood, A. Behar-ward)</th>
<th>Grade 3 (J. Consoli, S. Storey, T. Kent, M. Harb)</th>
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<th>Other Expenses</th>
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Project Schedule

We understand the District would like the well to be operational by June 2022, which is an aggressive schedule. A preliminary schedule (Figure 1) was developed to illustrate the timing and when tasks will be accomplished. The unknown to this projected schedule is the availability of pumps and motors which may have long lead times if not a common pump.
### FIGURE 1. PRELIMINARY PROJECT SCHEDULE

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TO: Board of Directors
FROM: Cathy Lee, General Manager
DATE: July 14, 2021
RE: Additional Remediated Groundwater Transfer Agreement with Aerojet Rocketdyne Inc. (Aerojet)

Background:
The District is currently under a curtailment order for all its three water rights due to the existing severe drought conditions. The Board declared a Stage 2 Water Shortage Emergency Condition on June 24, 2021 for a 10 – 20% water conservation level to ensure there is sufficient water supply for all customers.

Summary:
State Water Resources Control Board (SWRCB) curtailed the District’s water rights beginning June 21, 2021 and it is unknown when District’s water rights to the American River will be available. The District is receiving pre-1914 senior water rights water from San Juan Water District and remediated groundwater produced from Aerojet’s GET-LB facility. To ensure water supply reliability, the District needs to secure additional supplies.

Aerojet operates a number of GET facilities to treat and discharge remediated groundwater in American River upstream of the District’s water treatment plant (WTP) intake point. The remediated groundwater production volume is not consistent and can vary from 100 acre-foot (ac-ft) a month to 220 ac-ft a month. As such, there is no cost, other than $1 to ensure contract enforceability, for the District to use this water. The water, although inconsistent, helps with the District’s current need for water supply reliability.

To use the remediated groundwater, the District must consider California Environmental Quality Act (CEQA) required analyses. As this is water already remediated by Aerojet and discharged in American River for use, the proposed action qualifies for a Class 1 Categorical Exemption under CEQA.

Fiscal Impact:
There is no Fiscal Impact to the District for using Aerojet’s remediated groundwater.

Recommendation:
Staff recommends that the Board 1) find that the Additional Remediated Groundwater Agreement is exempt from the California Environmental Quality Act (CEQA) and authorize the General Manager to submit a Notice of Exemption to the Office of Planning and Research, and 2) authorize the General Manager to execute the attached “Additional Remediated Groundwater Transfer Agreement between Aerojet Rocketdyne, Inc. and Carmichael Water District”.

AGENDA ITEM 8
ADDITIONAL REMEDIATED GROUNDWATER TRANSFER AGREEMENT
BETWEEN AEROJET ROCKETDYNE, INC. AND CARMICHAEL WATER DISTRICT

This Additional Remediated Groundwater Transfer Agreement (Agreement) is effective June 21, 2021 (Effective Date), by and between Aerojet Rocketdyne, Inc. (AR) and Carmichael Water District (CWD). AR and CWD are referred to herein individually as “Party” and collectively as “Parties.”

RECITALS

A. On May 10, 2021, the Governor of the State of California found that conditions of extreme peril to the safety of persons and property exist in the Klamath River, Sacramento-San Joaquin Delta, and Tulare Lake Watersheds due to water shortage and drought conditions, and proclaimed a state of emergency to exist throughout these Watersheds due to these drought conditions.

B. AR is required by certain governmental regulatory agencies to remediate groundwater in Sacramento County, California, including groundwater located within CWD’s service area boundaries.

C. AR is willing to deliver Additional Remediated Groundwater to CWD during the Transfer Period to the full amount of water produced by the Groundwater Extraction and Treatment (GET) Facilities that is directly or indirectly discharged to the American River, other than such water which AR is supplying Golden State Water Company and Sacramento County prior to the Effective Date.

D. CWD is an irrigation district formed and operating pursuant to Division 11 of the California Water Code (Cal. Water Code§§ 20500, et seq.), and is empowered to purchase groundwater as provided for in this Agreement.

E. The State Water Resources Control Board announced that due to the dry conditions all Post-1914 water rights holders will not have water available under their water rights. CWD’s American River water rights are Post-1914 and CWD will not be able to divert water, hereafter “Curtailment.”

F. Under this Agreement, AR will transfer Additional Remediated Groundwater to CWD under the terms and conditions set forth herein.

AGREEMENT

Now, therefore, in consideration of the foregoing Recitals, the mutual covenants and conditions contained herein, and for good and valuable consideration that is hereby acknowledged, the Parties agree as follows:

1. Recitals. The foregoing recitals shall be incorporated as material provisions in this Agreement and made a part thereof for all purposes.
2. **Definitions.** The following definitions shall govern this Agreement:

   a. “Additional Remediated Groundwater” is water that AR makes available to CWD through this Agreement as a result of AR’s groundwater extraction and treatment efforts from GET Facilities, and water other than such water which AR was supplying to Golden State Water Company and Sacramento County prior to the Effective Date. This water is listed in the column entitled “Available River Water” in the monthly report produced by AR for the GET Facilities with the title “Acre Feet (Water Allocation Summary),” an example of which is included in Exhibit A to this Agreement. Additional Remediated Groundwater does not include treated groundwater that the State Board Letter describes as having been extracted from an aquifer tributary to the American River.

   b. “County Agreement” means the Agreement between Sacramento County, Sacramento County Water Agency (collectively, “SCWA”) and Aerojet-General Corporation With Respect to Transfer of GET Water approved by the Board of Supervisors on May 18, 2010.

   c. “GET Facilities” means those certain GET Facilities that have been identified in the current NPDES Permit issued to AR as ARGET, GET E/F, GET J, GET KA, GET LA, and GET LB.

   d. “GSWC Agreement” means the Master Settlement Agreement and Release entered into between American States Water Company and Southern California Water Company and Aerojet General Corporation and Cordova Chemical Company dated October 12, 2004, as modified by that Water Transfer Agreement by and between Golden State Water Company (GSWC) and AR dated August 24, 2016.

   e. “Remediated Groundwater” means the water that AR was supplying to GSWC and SCWA prior to the Effective Date.

   f. “State Board Letter” means the letter from Ms. Kathy Mrowka to Ms. Joyce Horizumi, included as Exhibit B to this Agreement.

3. **Term.** This Agreement is effective as of June 21, 2021, and AR is obligated to deliver Additional Remediated Groundwater only until December 31, 2021, unless otherwise agreed upon by the Parties.

4. **CWD Water Transfer.** AR agrees to provide Additional Remediated Groundwater for delivery between June 21, 2021, and December 31, 2021, during Curtailment, and CWD agrees to pay AR $1.00 and beneficially use all Additional Remediated Groundwater that AR makes available for CWD’s use within CWD’s service area, subject to the terms and conditions set forth in this Agreement.

5. **Water Rights.** AR warrants that the Additional Remediated Groundwater originates as percolating groundwater, which would not reach or recharge the American River or its tributaries, and is therefore foreign and developed water. In this regard, AR warrants that its actions under this Agreement are consistent with the determinations of the State Water Resources Control Board staff. (See State Board Letter included in Exhibit B to this Agreement.) AR has not abandoned, assigned, or transferred to third parties the Additional Remediated Groundwater that it will transfer to CWD under this Agreement.
6. **Indemnifications.** Should any claim arise, AR and CWD shall work cooperatively to uphold the Additional Remediated Groundwater delivery, conveyance, and diversion contemplated in this Agreement. AR agrees to indemnify and hold harmless CWD for such claims as they relate to AR’s right to transfer the Additional Remediated Groundwater to CWD at the point of delivery, including AR’s warranty set forth in Article 5 above. CWD shall indemnify and hold AR harmless for such claims related to CWD’s diversion of the Additional Remediated Groundwater.

7. **Point of Delivery.** AR agrees to make Additional Remediated Groundwater available and measure Additional Remediated Groundwater at AR’s point(s) of discharge for the GET Facilities under its NPDES permit.

8. **Schedule and Conditions to Delivery of Water.** AR and CWD shall mutually agree on a delivery schedule for the Additional Remediated Groundwater based upon reasonably anticipated flow from GET Facilities, and subject to preexisting obligations of AR to deliver Remediated Groundwater to SCWA and GSWC. At no time shall AR be required to provide a quantity of Additional Remediated Groundwater to CWD at the point of discharge that is greater than the total flow from the GET Facilities at the point(s) of discharge identified in paragraph 7, less AR’s water delivery obligations to SCWA and GSWC. In the event CWD takes delivery of Additional Remediated Groundwater greater than the difference between the total flow from the GET Facilities at the point(s) of discharge and AR’s water delivery obligations to SCWA and GSWC, such that SCWA and GSWC receive less water, CWD shall be responsible for remedying this difference with SCWA and GSWC.

9. **General Provisions.**

   a. **Authority.** Each signatory of this Agreement represents that they are authorized to execute this Agreement on behalf of the Party for which they sign. Each Party represents that it has legal authority to enter into this Agreement and to perform all obligations under this Agreement.

   b. **Amendment.** This Agreement may be amended or modified only by written instrument executed by each of the Parties to this Agreement.

   c. **Jurisdiction and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of California, except for its conflict of law rules. A suit, action, or proceeding brought under the scope of this Agreement shall be brought and maintained to the extent allowed by law in the County of Sacramento.

   d. **Construction and Interpretation.** This Agreement is the result of negotiation and each Party has had full and fair opportunity to revise the terms. As a result, the normal rule of construction that any ambiguities are to be resolved against the drafting Party shall not apply in the construction or interpretation of this Agreement.

   e. **Entire Agreement.** This Agreement constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement and supersedes any prior oral or written agreement, understanding, or representation relating to the subject matter of the Agreement.

   f. **Partial Invalidity.** If after the date of execution of this Agreement any provision of the Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of the Agreement, such provision shall be fully severable.
g. Successors and Assigns. This Agreement is binding on and shall inure to the benefit of the successors and assignees of the respective Parties. No Party may assign its interests in or obligations under the Agreement without the written consent of the other Party, which consent shall not be unreasonably withheld or delayed.

h. Waivers. Waiver of any breach or default shall not constitute a continuing waiver or a waiver or any subsequent breach either of the same or of another provision of the Agreement, and forbearance to enforce one or more of the remedies provided in the Agreement shall not be deemed to be a waiver of that remedy.

i. Attorneys’ Fees and Costs. The prevailing Party in any litigation or other action to enforce or interpret the Agreement shall be entitled to reasonable attorneys’ fees, expert witnesses’ fees, costs of suit, and other and necessary disbursements, in addition to any other relief deemed appropriate by a court of competent jurisdiction.

j. Necessary Actions. Each Party agrees to execute and deliver additional documents and instruments and to take any additional actions as may be reasonably required to carry out the purposes of this Agreement.

k. Compliance with Law. In performing their respective obligations under the Agreement, the Parties shall comply with and conform to all applicable laws, rules, regulations, and ordinances.

l. Third Party Beneficiaries. The Agreement shall not create any right or interest in any non-party or in any member of the public as a third-party beneficiary.

m. Counterparts. The Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument

n. Notice. Any notice, request, tender, demand, deliver, approval, or other communication provided for, required, or arising under this Agreement, shall be in writing and shall be deemed delivered upon transmission of an electronic mail (email) to each addressee below.

<table>
<thead>
<tr>
<th>To: Carmichael Water District</th>
<th>To: Aerojet Rocketdyne, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attn: Cathy Lee</td>
<td>Attn: C. Scott Goulart</td>
</tr>
<tr>
<td><a href="mailto:cathy@carmichaelwd.org">cathy@carmichaelwd.org</a></td>
<td><a href="mailto:scottgoulart@rocket.com">scottgoulart@rocket.com</a></td>
</tr>
</tbody>
</table>
The Parties, by the signature of their authorized representatives, hereby agree to the principles set forth in this Agreement.

<table>
<thead>
<tr>
<th>Carmichael Water District</th>
<th>Aerojet Rocketdyne, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>By: _________________________________</td>
<td>By: _________________________________</td>
</tr>
<tr>
<td>Name: ______________________________</td>
<td>Name: ______________________________</td>
</tr>
<tr>
<td>Title: ______________________________</td>
<td>Title: ______________________________</td>
</tr>
<tr>
<td>Date: ______________________________</td>
<td>Date: ______________________________</td>
</tr>
</tbody>
</table>
TO: Board of Directors

FROM: Matthew Medill, Engineering Manager
Josh Horowitz, Special Counsel
Cathy Lee, General Manager

DATE: July 14, 2021

RE: Resolution 07202021-1 – A Resolution Amending the District’s Regulation Manual Series 3000 – Administrative Operations

Summary:
Staff and Special Counsel are reviewing the District’s regulations, policies, and Directors’ polices to revise them for clarity and updates consistent with the existing statutes and regulations. Series 3000 – Administrative Operations include expenditure of District funds, which is one of the most important internal procedures. The table below outlines the changes include in this update.

### Series 3000 - Administrative Operations

<table>
<thead>
<tr>
<th>Number</th>
<th>Description</th>
<th>Existing Version</th>
<th>Proposed Version</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>3000</td>
<td>Rate Schedule</td>
<td>Redlined</td>
<td>Updated Clean Copy</td>
<td>Revised/Updated Current Regulation</td>
</tr>
<tr>
<td>3010</td>
<td>Expense Authorization</td>
<td>Redlined</td>
<td>Updated Clean Copy</td>
<td>Revised/Updated Current Regulation</td>
</tr>
<tr>
<td>3020</td>
<td>Purchasing</td>
<td>Replaced</td>
<td>New</td>
<td>Replaced with New Regulations</td>
</tr>
<tr>
<td>3020</td>
<td>Procurement of Goods, Services, and Capital Projects</td>
<td>None</td>
<td>New</td>
<td>New Policy</td>
</tr>
<tr>
<td>3030</td>
<td>Expression of Sympathy</td>
<td>Replaced</td>
<td>None</td>
<td>Replaced with New Regulations</td>
</tr>
<tr>
<td>3030</td>
<td>Employee Recognition and Retention Expense Policy</td>
<td>None</td>
<td>New</td>
<td>New Policy</td>
</tr>
</tbody>
</table>

**Recommendation:**
Staff recommends that the Board of Directors approve Resolution 07202021-1 – A Resolution Amending the District’s Regulation Manual Series 3000 – Administrative Operations.

**Attachments:**

1. Redlined: Regulation Series 3000 – Rate Schedule
2. Updated: Regulation Series 3000 – Rate Schedule
4. Updated: Regulation Series 3010 – Expense Authorization - Petty Cash
5. Strikethrough & Replaced: Regulation Series 3020 – Purchasing
7. Strikethrough & Replaced: Regulation Series 3030 – Expression of Sympathy
8. New: Regulation Series 3030 – Employee Recognition and Retention Expense Policy
CARMICHAEL WATER DISTRICT
RESOLUTION 07202021-1
A RESOLUTION AMENDING
THE DISTRICT’S REGULATION MANUAL
SERIES 3000 – ADMINISTRATIVE OPERATIONS

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 District’s Regulation Manual effective July 20, 2021.

Series 3000 – Administrative Operations
3000 – Rate Schedule
3010 – Expense Authorization
3020 – Procurement of Goods, Services, and Capital Projects
3030 – Employee Recognition and Retention Expense Policy

Existing resolutions in conflict with this resolution are hereby repealed.

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

<table>
<thead>
<tr>
<th>Name</th>
<th>Aye</th>
<th>Nay</th>
<th>Absent</th>
<th>Abstain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mark Emmerson</td>
<td>Aye</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jeff Nelson</td>
<td>Aye</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ron Davis</td>
<td>Aye</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ron Greenwood</td>
<td>Aye</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paul Selsky</td>
<td>Aye</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Board Totals:  Ayes: [ ]  Nays: [ ]  Absent: [ ]  Abstain: [ ]

Passed Unanimously: [ ]
Motion Carried: [ ]
Motion Not Carried: [ ]

Signed after its passage this 20th day of July, 2021:

_____________________________  ____________________________
Mark Emmerson, President    Cathy Lee, Secretary
Board of Directors
The purpose of this regulation is to provide the current water rate schedule. The rate schedule is separately approved by the Board of Directors by ordinance or resolution and the current schedule is attached to this regulation when updated.

The attached schedule shows the Carmichael Water District water rates currently in effect. Monthly Water Rates Effective July 1, 2021.

See attached schedule.
REGULATION TITLE: Water Rate Schedule

REGULATION NUMBER: 3000

3000.00 The purpose of this regulation is to provide the current water rate schedule. The rate schedule is separately approved by the Board of Directors by ordinance or resolution and the current schedule is attached to this regulation when updated.

3000.10 The attached schedule shows the Carmichael Water District water rates currently in effect.
REGULATION TITLE: Expense Authorization Use of Petty Cash Fund for District Expenditures

REGULATION NUMBER: 3010

3010.10 The purpose of this regulation is to provide the guidelines to the Carmichael Water District’s (“District”) staff regarding the Expense Authorization Regulation concerning the establishment and administration of a petty cash fund (“Fund”) to pay for certain expenses incurred for the operation of the District.

3010.20 All purchases made for the District by staff shall be authorized by the General Manager, Assistant General Manager, or other exempt staff or Finance Director and shall be in conformance with the approved District budget. All such expenses will be publicly reported to the Board in the appropriate periodic financial reports prepared by management.

3010.230 A “petty-cash” Fund shall be established and maintained by the District’s Finance Director with a maximum office having a balance-on-hand maximum of one thousand five hundred dollars ($1,500.00).

3010.321 Petty cash from the Fund may be advanced upon approval by the General Manager or Finance Director to a District staff employee. The employee shall make the request on a written disbursement request form signed by the employee and his or her supervisor. The request form shall identify purpose of the items or services to be procured appropriately and their purpose relating to District business. After said item or service has been obtained, the employee shall submit a receipt for same shall be submitted to the Finance Director or his/her designee the responsible employee, and any remaining advanced funds shall be returned. The maximum petty cash advance from the Fund shall be five hundred dollars ($500.00). Any exception to maximum petty cash advance requires authorization by the General Manager or designee for District operations by any employee in excess of $500.00 shall be made in accordance with the District’s purchasing regulation.

3010.322 No personal checks shall be cashed in the Fund, nor shall the Fund be used for any personal expenses.

3010.323 The petty-cash fund shall be included in the District’s annual independent accounting audit shall include a procedure to audit the Fund.
3010.430 Whenever an employee of the District incurs an "out-of-pocket" expenses for items or services appropriately directly relating to District business operations costing $500 or less, he or she may submit a written request for reimbursement from the Fund. The reimbursement request shall be signed by the employee and his/her supervisor and be accompanied as verified by valid receipts and any work order or other validating documentation. Upon approval of the reimbursement request by the Finance Director, the employee will be reimbursed, said expended cash shall be reimbursed upon request from the District's petty cash fund.

3010.540 All petty cash disbursements require completion of a disbursement form with authorized signatures and approvals.
REGULATION TITLE: Use of Petty Cash Fund for District Expenditures

REGULATION NUMBER: 3010

3010.10 The purpose of this regulation is to provide guidelines to the Carmichael Water District’s (“District”) General Manager concerning the establishment and administration of a petty cash fund (“Fund”) to pay for certain expenses incurred for the operation of the District.

3010.20 All purchases made for the District by staff shall be authorized by the General Manager, or Finance Director and shall be in conformance with the approved District budget. All such expenses will be publicly reported to the Board in the appropriate periodic financial reports prepared by management.

3010.30 The Fund shall be established and maintained by the District’s Finance Director with a maximum balance of $1,500.00.

3010.31 Cash from the Fund may be advanced upon approval by the General Manager or Finance Director to a District employee. The employee shall make the request on a written disbursement request form signed by the employee and his or her supervisor. The request form shall identify the items or services to be procured and their purpose relating to District business. After the item or service has been obtained, the employee shall submit a receipt for the expenditure and any unexpended portion of the funds advanced to the Finance Director or his/her designee. The maximum cash advance from the Fund shall be $500.00. Any expenditures for District operations by any employee in excess of $500.00 shall be made in accordance with the District’s purchasing regulation.

3010.32 No personal checks shall be cashed in the Fund, nor shall the Fund be used for any personal expenses.

3010.33 The District's annual independent accounting audit shall include a procedure to audit the Fund.

3010.40 If an employee incurs an "out-of-pocket" expense for items or services directly relating to District operations costing $500 or less, he or she may submit a written request for reimbursement from the Fund. The reimbursement request shall be signed by the employee and his/her supervisor and be accompanied valid receipts and any work order or other validating documentation. Upon approval of the reimbursement request by the Finance Director, the employee will be reimbursed from the Fund.
3020.10 The purpose of this regulation is to provide the guidelines to Carmichael Water District (District) staff regarding the Purchasing Regulation.

3020.20 To purchase small items, such as office supplies, auto parts, and other miscellaneous items costing less than five hundred dollars ($500.00), vendors will be asked to submit pricing information or may be searched online for best availability and/or price matching.

3020.21 District accounts are then awarded to those firms that provide the best prices, discounts, payment terms, etc.

3020.22 Acquisitions are processed via purchase order forms.

3020.23 Purchase orders must be approved by the department supervisor or other exempt personnel.

3020.24 Such purchases shall be in conformance with the approved District budget.

3020.30 To purchase items or services costing more than five hundred dollars ($500.00) but less than twenty-five thousand dollars ($25,000.00), annual Request for Bid/Quotations will be solicited.

3020.31 Request for Bid/Quotation is to be sent to a minimum of three (3) vendors if possible and responses received by telephone, fax, email, or mail prior to the deadline stipulated in the Request for Bid/Quotation.

3020.32 For large quantity orders, including vehicles, the District will provide suppliers with a list of items to be purchased.

3020.33 Purchases for goods or services shall normally be awarded to the lowest, priced, qualified, responsible bidder. Items on the list will be purchased from the supplier quoting the lowest prices and having an acceptable delivery date.

3020.34 Award of the Bid/Quotation to the vendor will be via purchase order which must be approved by the department supervisor or other exempt personnel.
3020.35 For items costing more than five hundred dollars ($500.00) but less than twenty-five thousand dollars ($25,000.00), the annual Request for Bid/Quotations will be implemented unless there is sufficient sole-source justification and then only with prior approval of the General Manager or Assistant General Manager.

3020.36 Such purchases shall be in conformance with the approved District budget.

3020.40 To purchase items costing more than twenty-five thousand dollars ($25,000.00), the formal bid process (Request for Proposal) will be implemented.

3020.41 Request for Proposal will be for three (3) distinct categories:
   a. Vendors;
   b. Professional Services; and,
   c. Construction/Infrastructure.

3020.42 The Request for Proposal is to be advertised in an appropriate publication (based on the type of proposal) for three (3) non-consecutive days.

3020.43 Award of Request for Proposal shall normally be to the lowest priced, qualified, responsible bidder.

3020.44 For items costing more than twenty-five thousand dollars ($25,000.00) and/or work outside of the original scope of a services contract, the formal bid process will be implemented unless there is sufficient sole-source justification, purchaser has completed the sole-source request form (Regulation 3020 Purchasing—Appendix A) and then only with prior approval of the General Manager or Assistant General Manager.

3020.45 Such purchases shall be in conformance with the approved District budget.

3020.50 In the case of an emergency affecting public health and safety or operations of the District, the General Manager has authority to purchase necessary goods or services in order to resume service or maintain operation of the District.

3020.51 A full accounting of such emergency expenditures by the General Manager will be reported to the Board of Directors (Board) at the next regular Board meeting.

3020.52 The budget and/or reserve adjustment recommendation of the General Manager will be presented to the Board for discussion and approval.
REGULATION TITLE: PROCUREMENT OF GOODS, SERVICES, AND CAPITAL PROJECTS

REGULATION NUMBER: 3020

3020.10 PURPOSE

The purpose of this Regulation is to establish and implement purchasing policies and procedures for procuring the appropriate quality goods, supplies, and materials, general and professional services, and the construction of capital facilities required to operate the Carmichael Water District (“District”) at the lowest possible cost. This policy is also adopted to ensure appropriate financial oversight and control over procurement of goods, services, and capital projects, to clearly define authority for the purchasing function, and to assure the quality of purchases in accordance with the rules and regulations of the District, Government Code sections 54202 and 54204, Public Contract Code sections 20560 to 20570, and other applicable laws.

3020.20 POLICY

3020.20.1 Authority

The General Manager has been granted the authority and the responsibility for procurement of all materials, equipment, supplies, general and professional services, and capital projects necessary for operation of the District. As provided in this regulation, the General Manager may delegate to other District officers and employees the authority to make purchases, approve contracts and perform other duties in accordance with this regulation. The Finance Manager shall assist the General Manager with the administration of this regulation and oversee and report to the Board and General Manager on the expenditures made in compliance with the annual budget authority provided for all authorized expenditures.

To the extent of the delegation of the General Manager and this regulation, each department manager or superintendent is responsible for the enforcement of these policies and procedures within their respective areas of authority. Department managers and superintendents are responsible for complying with this regulation in making all departmental purchases on behalf of the District.
3020.20.2 Policy Statement and Goals

The District will make every effort to obtain goods, services, and capital projects of the kind and quality appropriate for District operations at the best possible price. All procurement procedures will be conducted in a fair and impartial manner with the avoidance of any impropriety or bias. All District procurements of goods, services, and capital projects shall be made in accordance with this regulation.

Unless a budget appropriation has been made for a proposed procurement of goods, services, or capital project, District staff may not obligate the District for such expenditures. The General Manager and each department manager or superintendent has the responsibility of reviewing the budget availability prior to initiating a procurement and ensuring the proposed procurement is within the applicable annual budget. If the goods, services, or project is not within the annual budget authority approved by the Board of Directors, then a budget reallocation or supplementation must be requested by the General Manager or Finance Manager. The sole exception is for emergency procurements as defined in Section 3020.50 of this regulation, in which case the General Manager may temporarily expend funds necessary to address the emergency until such time as the Board is able to meet and provide approval for the expenditures and any additional appropriations required to address the emergency.

3020.20.3 Monitoring and Compliance

The General Manager and Finance Manager shall implement, monitor, and enforce this regulation. In the event an employee becomes aware of any conflict in procurement requirements or questions about proper procedure or other requirements, the matter shall be referred to the General Manager. Violations of this policy are subject to disciplinary action pursuant to Policy 6070 – Code of Conduct.

3020.30 PROCUREMENTS USING GRANTS AND LOANS.

All procurements which utilize federal or state funds must be conducted in compliance with the requirements of the funding agreement and this regulation, to the extent it does not conflict with the terms of the funding agreement. It is the responsibility of the department administering the grant or contract to follow all such requirements.
3020.40 EMERGENCY PURCHASES

In case of an emergency as defined in Public Contract Code section 1102, the General Manager is authorized to make and approve necessary expenditures in the open market or through the Internet in accordance with the procedures provided in Public Contract Code section 22050. The General Manager shall use his or her best efforts to first obtain the consent (which may be verbal with appropriate documentation or via e-mail) of at least two Board members prior to making the expenditure. Expenditures approved under this section do not require prior Board approval and may be made without complying with comparative pricing or bidding requirements. The General Manager thereafter must promptly report to the Board concerning the type and amount of the expenditure and the emergency circumstances warranting the expenditure. Expenditures that ordinarily would require Board approval pursuant to this policy shall be subject to ratification by the Board at its next meeting. If a budget amendment or reallocation is required to fund the expenditure, the General Manager also shall request this approval at the same board meeting.

3020.50 PROCUREMENT DELEGATIONS

For budgeted, non-emergency procurements up to $75,000 per year per vendor, the General Manager will have the authority to make the procurement without prior authorization of the Board of Directors. The General Manager may delegate procurements of goods or services as shown in the following tables, or may require that any procurement be conducted under his/her direct authority. The following tables provide a general delegation of procurement authority within District management, including the general maximum delegated spending authority for the procurement of goods and supplies, general services, professional or design services, and capital expenditures. The tables also provide for the normal procurement process, documentation, and approval authority, although the General Manager or Board reserve the right to determine and direct that a different process, documentation, or approval requirement applies to a specific procurement. The procurement maximums apply to aggregate purchases per year per vendor. For example, a purchase of 10,000 screws for $1 each, the aggregate price is $10,000, not the individual price of $1. Purchase orders or agreements may not be split to avoid following these procurement maximums. The Finance Manager will strictly monitor these requirements. The Finance Manager, under the authority of General Manager, has the authority to question all purchases including the vendor selection. All expenditures will be reported to the Board at the next regular meeting following the occurrence of a procurement.
<table>
<thead>
<tr>
<th>Amount</th>
<th>Bid/Quote Requirement</th>
<th>Document Required</th>
<th>Approving Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goods / Supplies / General Services</strong></td>
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<td>$0 - $5,000.00</td>
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<td>Purchase Order or Agreement</td>
<td>District Board</td>
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<td><strong>Professional Services</strong></td>
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<td>Over $75,000</td>
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<td>District Board</td>
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<td><strong>Public Works (Capital) Projects</strong></td>
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<tr>
<td>Over $75,000</td>
<td>Formal (Bid)</td>
<td>Long Form Public Works Construction Contract</td>
<td>District Board</td>
</tr>
</tbody>
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### 3020.60 GENERAL PROCUREMENT REQUIREMENTS

#### 3020.60.1
Purchases under this regulation may be made by negotiation, requests for proposals or qualifications or competitive bid at the General Manager's discretion, provided that the method chosen is reasonable, free from bias or favoritism, and ensures that the goods or services are procured from a responsible vendor at a price that is fair to the District and its ratepayers.

#### 3020.60.2
Regardless of monetary or other limitations specified in this section, the Board of Directors may, at its discretion, direct the manner in which a specific purchase will be made.

#### 3020.60.3
All procurements of goods, services, and capital projects shall be documented in writing by requisition, purchase order, or agreement.
When a written agreement is executed for a procurement, it shall be on a District form of agreement prepared by the District unless otherwise approved by the General Manager. The General Manager shall consult with legal counsel as necessary in preparing and executing such agreements.

3020.60.4 The District shall pay any sales, use, and other taxes when required by State or Federal law.

3020.60.5 Whenever possible, the District will contract to pay for goods, services, and capital projects by submittal of invoices from the vendor, consultant, or contractor. Invoices will be submitted to the General Manager or his/her designee. Once goods, services, or project work rendered to the District have been confirmed to be acceptable and an appropriate invoice has been received, the District shall process the invoice, obtain the necessary approvals, and make payment within 30 days of receipt of invoice. If the invoice received is not approved, the District will provide notification of the deficiencies to the vendor, consultant, or contractor within two weeks of receipt of the disputed invoice and work expeditiously to resolve the dispute.

3020.60.6 Each department and the Finance Director shall retain complete records of all procurements proposed and made for the District as provided in this regulation and consistent with the period designated in the District’s records management policy and retention schedules.

3020.60.7 The General Manager may establish one or more impress (cash) accounts for the purposes of paying vendors or reimbursing employees for District expenditures of materials or trade services costing less than $500. Appropriate controls and procedures will be established by the General Manager or his/her designee. A petty cash fund that may be used in the implementation of this regulation has been established in Regulation 3010.

3020.60.8 The District shall do business only with vendors, consultants, and contractors which hold the required licenses, permits, and approvals necessary to conduct business in their field, and which maintain appropriate types, limit, and quality of insurance coverage. The purchase order or agreement shall specify the requirements for the particular procurement, and the District employee initiating the procurement shall ensure that all requirements are satisfied prior to making any payments on the purchase order or agreement.
3020.60.9 As used in this regulation, the term “procurement” or “purchase” means the purchase, lease, or rental of goods, materials, supplies, equipment, and general services. “General services” includes work and service performed by skilled tradespersons, technicians, and other service providers under agreement or purchase order. Examples include facility and equipment maintenance, security services, installation of equipment and furnishings, tree trimming, and janitorial services. “Professional services” means services performed under agreement by engineers, architects, land surveyors, geologists, and other licensed professionals in furtherance of capital and public projects, and other professional services such as accountants and medical professionals.

3020.60.10 All District purchases shall be made for District purposes only. District employees are prohibited from using District resources of any kind for personal gain or use Violations of this policy is are subject to disciplinary action pursuant to Policy 6070 – Code of Conduct.

3020.70 PROCUREMENT PROCEDURES FOR GOODS AND SERVICES

3020.70.1 Purchases of Goods and General Services under $5,000:

1. With the prior approval of a manager or superintendent, employees may be delegated to directly make a purchase of goods, supplies or equipment totaling $5,000 or less (including shipping and taxes) for use in their department in accordance with the procedures provided in this section.

   a) All purchases made by an employee must be approved in advance by a department manager or superintendent, and a purchase order issued prior to any authorized expenditure for goods or services.

   b) Procurement of supplies or materials may be made in advance with cash upon compliance with Regulation 3010.

   c) Procurements made using a District purchasing card must follow the procedures stated in this section, including advance authorization and use of proper supporting documentation.

   d) Unless otherwise waived or authorized, all procurements must be made using a District purchase order (PO).

      i. A request for issuance of a PO will be initiated on a “requisition form” completed by the designated employee and approved by the employee’s manager or superintendent. Any procurement of goods initiated by a manager or superintendent shall be approved by the General Manager or Finance Manager. The requisition form shall state the vendor, goods to be procured, and the total dollar amount of the purchase. This form shall be...
kept on file by the department in accordance with Section 3020.70.6 of this regulation.

ii. All purchases must be approved by the department manager or superintendent, and the requisition form must be signed by the employee and manager or superintendent. A purchase order will then be authorized for issuance by the department manager or superintendent and a copies of the purchase order filed in the department and sent to the Finance Manager.

iii. If a vendor or consultant will invoice the District for the goods or services, the invoices will be sent directly to the Finance Department. If the goods will be paid for in advance by purchasing card, warrant or in cash, the employee in charge of the procurement will provide invoices, receipts, packing slips, or other evidence of the purchase received with direct delivery of purchased goods to the Finance Department promptly after payment is made. The Finance Department will process payment for these items.

2. Purchases of General Services for on-site repair and/or maintenance of District facilities or equipment up to $5,000 shall be made using the same procedures as for procurements of goods, except as noted below.

a) The costs of on-site services may not be charged on a department purchasing card.

b) All purchase orders or agreements for services must require vendors and consultants to provide proof of required licenses and insurance, and provision of tax information before the vendor or consultant may begin work.

3020.70.2 Purchases of Goods and General Services Over $5,000 and Up to $15,000:

1. Purchases of goods and general services that exceed $5,000 up to $15,000 must be initiated by a department manager or superintendent and approved by the Finance Manager or General Manager.

2. Purchases of goods and services for more than $5,000 and up to $15,000 will, whenever possible, be based on at least three verbal or written quotes obtained by the department manager or superintendent, or a designee, and presented in writing to the Finance Manager or General Manager together with a requisition form or purchase request providing the details of the proposed procurement.
Written quotes may be documented by a facsimile, electronic mail, or written proposal submitted by a vendor, or by a printout from the vendor’s website. The department manager or superintendent will document verbal quotes by submitting a written report of the quote showing the specifics of the quote, day and time that the quote was received, and a statement of the period for which the quote remains valid.

3. The department manager or superintendent proposing the expenditure shall submit the requisition form and a quotation worksheet with the name and contact information of the recommended vendor, and all supporting documentation. This documentation will be signed by the manager or superintendent and submitted to the Finance Manager. Supporting documentation shall include competitive price quotes obtained, names of vendors contacted, description of the items required, and the purchase order or agreement for procuring the goods or services. The Finance Manager shall review the recommendation and supporting documentation for approval.

4. Department and the Finance Manager shall keep records of all open purchase orders and agreements and all solicitations for quotes in accordance with Section 3020.70.6 of this regulation.

5. If no responsive quotations are received after inviting quotations under this section, the manager or superintendent proposing the procurement shall request that the Finance Manager approve an open-market purchase or sole source hiring of a service provider. Upon receipt of the Finance Manager’s written approval, the manager or superintendent may proceed with the procurement.

3020.70.3 Purchases of Goods and General Services for Over $15,000 Up to $75,000

1. All purchases of goods and general services will occur only with the direct approval of the General Manager. A procurement of goods or general services costing between $15,000 up to $75,000 inclusive of all costs of goods or services, shipping, taxes, and other expenses may be initiated directly by the General Manager or by a department manager or superintendent. If the procurement is initiated by the General Manager, the Finance Manager will approve and sign the requisition form. If initiated by a department manager or superintendent, the General Manager shall approve and sign the form.

2. Generally all such procurements in this cost range will be by written quotes and require a written agreement, unless otherwise approved by the General Manager.

3. Except as otherwise provided above, the procurement will be conducted in accordance with the procedures provided in Section 3020.80.2.
3020.70.4 Purchases of Goods and General Services for more than $75,000

1. Procurements of goods and general services exceeding $75,000 require a formal bid process to be conducted by the General Manager or designee, and approval of the Board of Directors.

2. Requesting department will prepare and keep on file a Request for Bid or Proposal, which will include a Bid Notice or Request for Proposals, including a proposed agreement or purchase order prepared by the District which states the general terms and conditions, insurance requirements, scope of work or items to be purchased, and any necessary detailed specifications and drawings.

3. Prior to publication of the bid notice or request for proposals, the requesting department will provide the documentation for the proposed procurement to the General Manager for approval and preparation of the agenda item for Board approval at the next available public board meeting.

4. If the Board approves the procurement, the General Manager shall provide the approved agreement to the Finance Manager for final processing and execution by the District and vendor, consultant or contractor.

3020.70.5 Procurement of Professional Services:

Professional services will be procured through competitive or noncompetitive negotiations at the discretion of the General Manager. The District will use its form of professional services agreement for all such procurements, unless waived by the General Manager. The General Manager may award agreements for professional services in an aggregate amount of $75,000 or less when funded in the current annual budget, and the Board shall approve all such agreements totaling more than $75,000 in cost or when not budgeted for in the current annual budget.

1. A proposal to enter into a professional services agreement may be initiated by the General Manager or any department manager or superintendent. If initiated by a department manager or superintendent, he or she shall prepare a memorandum to the General Manager describing the type of services, need, estimated cost, and identify the appropriate budget category to be used to fund the work, and attaching any additional documentation justifying the need for the work and manner proposed for procuring and conducting it. If initiated by the General Manager, he or she shall prepare the memorandum. If the proposal must be approved by the Board, this documentation will be used to generate the agenda materials for such approval.
2. A professional services procurement will be conducted by a formal or informal invitation process as determined by the General Manager, taking into account the type and complexity of the services sought, the cost, and number and qualifications of consultants or firms that do work of the kind to be procured.

3. If the solicitation for professional services will be by informal process, that process will be conducted by soliciting proposals directly from one or more consultants as approved by the General Manager using the criteria provided in paragraph 1 above. If the solicitation will be by formal bidding, the following process will be used:

   c) A request for proposals or qualifications (RFP/RFQ) will be prepared, which describes the scope of services requested and identifies all of the significant evaluation factors, including consultant qualifications, elements of a valid proposal, cost, and basis for ranking proposals.

   d) The RFP/RFQ shall state the date and time by when sealed proposals must be submitted and the form of the responses.

   e) Written proposals, qualifications and/or quotations responding to an RFP shall be attached to the RFP. Additional information/quotations received by telephone calls are to be described and attached to the RFP.

   f) The most qualified and responsive offeror will be selected for contract negotiation. If agreement cannot be reached with the first choice offeror, the second choice offeror (and then the third, and so on) will be contacted, with the first choice offeror (or other offerors, in order) dismissed from further consideration on that particular project.

4. The General Manager or designee shall document the scoring of all submitted proposals in writing and prepare a memorandum or other writing describing the basis for selecting the winning proposal. This documentation will be retained in the project file for the retention period provided in the District’s records management policy and schedules.

5. Consultants selected in an RFP/RFQ process must execute a professional services agreement on a form prescribed by the District. The proposed professional services agreement must be attached to the RFP/RFQ and any exceptions to the form of agreement must be identified by each consultant submitting a response, and the District may reject, accept or negotiate any such exceptions with the consultant, at the District’s sole discretion.
6. All professional services agreements submitted to the Board for approval must be accompanied by a staff report providing sufficient background analysis to support the recommendation for approval.

3030.80 PUBLIC WORKS (CAPITAL) PROJECTS
Per Public Contract Code (PCC) section 20560-20570, irrigation districts are required to formally bid public works projects that are funded by bonds or limited (special purpose) assessments. Any projects funded by rates, grants, or loans are not subject to the PCC statutes unless stated otherwise. Public Works contracts shall adhere to fund source bidding requirements if applicable.

3020.90 EXCEPTIONS
The General Manager or the Board as appropriate may waive the quotation or bidding requirements and procedures for purchasing goods, general services, or professional services in any of the following circumstances:

3020.90.1 In an emergency in accordance with Public Contract Code section 22050 and Section 3020.50 of this regulation.

3020.90.2 Sole Source Procurement. If procurement of goods and services by competitive quotation or bidding would disadvantage the District in terms of quality of goods or services, the District may benefit from waiving required competitive sourcing requirements and negotiating for goods or services with a single service provider or vendor. Examples of such situations include (a) selecting a consultant or service provider based on unique experience, ability, and/or knowledge; (b) purchasing replacement equipment parts where doing so from other than the original equipment manufacturer or other select manufacturer could adversely impact a warranty or ongoing maintenance; (c) purchasing new or replacement equipment or work which must integrate with existing assets and where it is not reasonably available from a source other than the service provider or vendor who supplied the existing asset or where equipment or operations compatibility concerns compel a purchase from a particular manufacturer; or (d) software purchase, licensing and maintenance agreements, including related support services, for existing District software.

1. For budgeted procurements of goods and services up to $75,000, the General Manager may approve a request for sole sourcing. To make a waiver request, a justification shall be prepared by the requesting manager or superintendent explaining the reasons for requesting a waiver of the competitive procurement requirements, which shall be provided to the General Manager. At minimum, the justification shall address the economics, operating efficiencies, other advantages, and any legal considerations of using a sole source approach.
2. The General Manager shall review the justification and prepare a written reply to the requesting manager or superintendent indicating approval or disapproval of the request.

3. The manager or superintendent responsible for issuing a contract under an approved sole source request should ensure that a copy of the request/justification and General Manager’s reply is retained in the respective project file.

4. Any request for a sole source award exceeding $75,000 or in any amount not authorized in the current District budget shall be brought to the Board of Directors for approval.

I. REVIEW OF POLICY

This policy shall be reviewed and, if necessary, updated every two years to ensure compliance with all applicable laws.
REGULATION TITLE: Employee Recognition and Retention Expense Policy
Expression of Sympathy

REGULATION NUMBER: 3030

3030.10 This regulation sets forth the policy of the Carmichael Water District concerning discretionary employee recognition and retention-related expenses. The purpose of this policy is to promote employee morale, efficiency, initiative and retention. The policy is consistent with Article IV, section 17, Article XI, section 10 and Article XVI, section 6 of the California Constitution.

In the normal course of operations, the Board of Directors recognizes that District employees will achieve various milestones and other job-related successes for which recognition is both desirable and warranted. Additionally, other significant events may occur in the lives of employees during their term of employment with the District that also warrants recognition. Further, the recognition of such accomplishments and milestones can improve employee safety, morale and job performance. Because the District is a direct beneficiary of increased employee safety, morale and job performance, the Board of Directors desires to establish a process and authorize reasonable expenditures for employee recognition. The purpose of this regulation is to provide the guidelines to Carmichael Water District (District) staff regarding the Expression of Sympathy Regulation.

3030.20 The Board of Directors authorizes the General Manager to spend monies, not to exceed $100.00 per employee per year, for the following purposes:

1. Recognition of an Employee’s job-related achievement or superior performance.
2. Recognition of an Employee’s excellent attendance and/or exemplary safety record.
3. Recognition of an Employee’s superior customer service, outstanding teamwork, or exceptional efforts to display and exemplify the District’s mission and goals.
4. Recognition of an employment anniversary dates and retirements, birth of an employee’s child, and bereavement acknowledgments for the death of an employee or an immediate family member.
5. Recognition of other similar milestones, successes, achievements, or events as deemed appropriate by the General Manager and in accordance with applicable law.

Types of expenses authorized under this policy are for items such as: plaques, flowers, cards, refreshments, or other minor items. The General Manager shall have the discretion to purchase appropriate items including, but not limited to, flowers for expression of sympathy on behalf of the Carmichael Water District in the event of illness or death of a District employee, officer, or close family member of such
employee or officer; or, in the event of illness or death of someone outside of the District, known by the General Manager and the staff, having had a close association and/or business relationship with the District.

3030.320 This policy will be reviewed at least every two years. Further, this policy will be utilized in the District’s annual budgeting process. The Board of Directors (Board) of the Carmichael Water District finds that such purchases are appropriate and necessary to meet the District’s objective of maintaining good relations with the District’s employees and with other associated agencies. No individual expenditure for any such items shall exceed one hundred dollars ($100.00) without prior Board approval.
This regulation sets forth the policy of the Carmichael Water District concerning discretionary employee recognition and retention-related expenses. The purpose of this policy is to promote employee morale, efficiency, initiative and retention. The policy is consistent with Article IV, section 17, Article XI, section 10 and Article XVI, section 6 of the California Constitution.

In the normal course of operations, the Board of Directors recognizes that District employees will achieve various milestones and other job-related successes for which recognition is both desirable and warranted. Additionally, other significant events may occur in the lives of employees during their term of employment with the District that also warrants recognition. Further, the recognition of such accomplishments and milestones can improve employee safety, morale and job performance. Because the District is a direct beneficiary of increased employee safety, morale and job performance, the Board of Directors desires to establish a process and authorize reasonable expenditures for employee recognition.

The Board of Directors authorizes the General Manager to spend monies, not to exceed $100.00 per employee per year, for the following purposes:

1. Recognition of an Employee’s job-related achievement or superior performance.
2. Recognition of an Employee’s excellent attendance and/or exemplary safety record.
3. Recognition of an Employee’s superior customer service, outstanding teamwork, or exceptional efforts to display and exemplify the District’s mission and goals.
4. Recognition of an employment anniversary dates and retirements, birth of an employee’s child, and bereavement acknowledgments for the death of an employee or an immediate family member.
5. Recognition of other similar milestones, successes, achievements, or events as deemed appropriate by the General Manager and in accordance with applicable law.

Types of expenses authorized under this policy are for items such as: plaques, flowers, cards, refreshments, or other minor items.

This policy will be reviewed at least every two years. Further, this policy will be utilized in the District’s annual budgeting process.
TO: Board of Directors

FROM: Josh Horowitz, Special Counsel
       Cathy Lee, General Manager

DATE: July 14, 2021

RE: Resolution 07202021-2 – A Resolution Amending the Directors’ Policies 9050 and 9060

Summary:
Staff and Special Counsel are reviewing the District’s regulations, policies, and Directors’ polices to revise them for clarity and updates consistent with the existing statutes and regulations. Updates to Directors’ Policy 9050 – Membership Association List – Advisory Body Meetings and Directors’ Policy 9060 – Directors’ Compensation and Expense Reimbursement include correct citation and references to statutes and clarification on procedures.

The table below outlines the changes include in this update.

### Directors’ Policy Manual

<table>
<thead>
<tr>
<th>Number</th>
<th>Description</th>
<th>Existing Version</th>
<th>Proposed Version</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>9050</td>
<td>Membership Association List – Advisory Body</td>
<td>Redlined</td>
<td>Updated Clean Copy</td>
<td>Revised/Updated Current Regulation</td>
</tr>
<tr>
<td>9060</td>
<td>Directors’ Compensation and Expense Reimbursement</td>
<td>Redlined</td>
<td>Updated Clean Copy</td>
<td>Revised/Updated Current Regulation</td>
</tr>
</tbody>
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Recommendation:
Staff recommends that the Board of Directors approve Resolution 07202021-2 – A Resolution Amending the Directors’ Policies 9050 and 9060.

Attachments:
1. Redlined: Directors Policy 9050 – Membership Association List – Advisory Body
2. Updated: Directors Policy 9050 – Membership Association List – Advisory Body
3. Redlined: Directors Policy 9060 – Directors’ Compensation and Expense Reimbursement
4. Updated: Directors Policy 9060 – Directors’ Compensation and Expense Reimbursement
BE IT RESOLVED by the Board of Directors of the Carmichael Water District (District) as follows:

Policies as attached hereto are hereby amended and added to the Directors’ Policy Manual effective July 20, 2021.

Policy 9050 – Membership Association List-Advisory Body Meetings
Policy 9060 – Directors’ Compensation and Expense Reimbursement

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  Nay  Absent  Abstain
Jeff Nelson      Aye  Nay  Absent  Abstain
Ron Davis       Aye  Nay  Absent  Abstain
Ron Greenwood   Aye  Nay  Absent  Abstain
Paul Selsky     Aye  Nay  Absent  Abstain

Board Totals:  Ayes:  Nays:  Absent:  Abstain:

Passed Unanimously:  
Motion Carried:      
Motion Not Carried:  

Signed after its passage this 20th day of July, 2021:

_____________________________  ________________________
Mark Emmerson, President          Cathy Lee, Secretary
Board of Directors
POLICY TITLE: Membership Association List – Advisory Body Meetings

POLICY NUMBER: 9050

9050.10 Carmichael Water District (District) shall hold membership in national, state, and local associations that have applicability to the functions of the District. Association memberships are approved annually within the budget process.

9050.20 Membership Organizations
  a. Association of California Water Agencies (ACWA)
  b. ACWA/Joint Powers Insurance Authority (ACWA/JPIA)
  c. American Water Works Association (AWWA)
  d. California – Oregon Transmission Project (COTP)
  e. Groundwater Resources Association (GRA)
  f. Regional Water Authority (RWA)
  g. Sacramento Groundwater Authority (SGA)
  h. Water Education Foundation (WEF)
  i. Water Forums Successor Effort

9050.30 Representative Committee Assignments
Meetings of the approved list of membership associations on which the District is officially represented, are attended by the representative or alternate of the Board of Directors (Board) who has been appointed to represent the District. Board Representatives and Alternates will be approved annually at the January Board meeting.

9050.40 Director Compensation for Meetings
Meeting Compensation will be paid to Directors attending meetings as an authorized District representative or liaison to the membership organizations listed in Section 9050.20 in accordance with Policy 9060, Directors’ Compensation and Expense Reimbursement. Board representatives and alternates to the listed membership organizations will be appointed annually at the January board meeting.
POLICY TITLE: Membership Association List – Advisory Body Meetings

POLICY NUMBER: 9050

9050.10 Carmichael Water District (District) shall hold membership in national, state, and local associations that have applicability to the functions of the District. Association memberships are approved annually within the budget process.

9050.20 Membership Organizations
a. Association of California Water Agencies (ACWA)
b. ACWA/Joint Powers Insurance Authority (ACWA/JPIA)
c. American Water Works Association (AWWA)
d. California – Oregon Transmission Project (COTP)
e. Groundwater Resources Association (GRA)
f. Regional Water Authority (RWA)
g. Sacramento Groundwater Authority (SGA)
h. Water Education Foundation (WEF)
i. Water Forum Successor Effort

9050.30 Director Compensation for Meetings
Compensation will be paid to Directors attending meetings as an authorized District representative or liaison to the membership organizations listed in Section 9050.20 in accordance with Policy 9060, Directors’ Compensation and Expense Reimbursement. Board representatives and alternates to the listed membership organizations will be appointed annually at the January board meeting.
POLICY TITLE: Directors’ Compensation and Expense Reimbursement

POLICY NUMBER: 9060

9060.10 It is the policy of Carmichael Water District (District) to comply with the requirements of Government Code sections 53232 through 53232.4 concerning Directors’ Compensation and the payment of actual and necessary expenses incurred in the performance of official duties.

9060.20 Directors’ Compensation

9060.21 Amount of Compensation: Each member of the Board of Directors (Board) of the District (Board) will be entitled to receive compensation for each day’s attendance at meetings of the Board or for each day’s service rendered as a member of the Board by request of the Board, as provided in Section 9060.22. The amount of compensation paid for each day’s attendance at meetings or for each day’s service is provided in the Board’s “Ordinance Specifying the Compensation of Directors” (Ordinance) in effect at the time of attendance or service.

9060.22 Meetings For Which Types of Service for Which Director Compensation Will Be Provided: Compensation is authorized by statute for attendance at a meeting of an advisory body. Under the Ralph M. Brown Act (California Government Code Section 54950 et. seq.), an advisory committee encompasses where the Director is the representative for the District in attendance at another organization in the list of Membership in Associations according to Policy 9050 Membership Association List – Advisory Body Meetings (Policy 9050). Applicable law (Government Code section 53232.1) permits the District to compensate Directors for each day’s attendance at meetings of the Board, or for each day’s service rendered as a Director, subject to a written policy adopted in a public meeting. A Director can be compensated for up to 10 days per calendar month of service in accordance with the Board’s adoption of the Ordinance No. 02-01 consistent with Water Code section 20202. The District encourages Directors to take advantage of opportunities to be informed concerning matters of interest to the District, and to inform others of the activities and interests of the District. The General Manager or his/her designee will provide to the Board on a monthly basis a list of meetings attended by each Director for which the Director was compensated under this policy. Directors will be compensated for up to 10 days per calendar month for attending the following types of meetings or events:

- a. Meetings of the Board and the Board of Directors of the Carmichael Water District Financing Corporation.
- b. Meetings of Board-appointed committees, attended as a member of the committee.
- c. Meetings of boards and committees of other governmental entities and membership associations listed Policy 9050 on which the District is officially represented, attended by the Board-appointed representative or alternate. The alternate will attend the meeting in the
absence of the representative. In cases when both the appointed representative and alternate attend such meetings, only the appointed representative will be compensated for attending.

d. Conferences, seminars, workshops and other events held within the State of California, State of Nevada, and within Washington D.C. that are sponsored by industry associations or nonprofit entities for the purpose of discussing relevant water and local government issues, including days while attending the conference, seminar, workshop, or event, and one travel day for transit to or from the conference, seminar, workshop, or event for necessary travel during normal business hours or on a weekend. Attendance at conferences, seminars, workshops, and events held outside the State of California, State of Nevada, or Washington D.C. will be approved by the Board on a case-by-case basis upon advance request of a Director.

e. Educational training, seminars, and courses designed to improve Directors’ understanding of District business and their obligations as public officials, including ethics training mandated under Government Code section 53235(a) and harassment prevention training under Government Code sections 53237.1 and 12950.1.

f. Meetings, water industry events, or office visits that arise during extreme conditions or that are time-sensitive concerning substantive District business (e.g., water shortage emergency, drought), as requested and approved for payment by the General Manager or the Board President.

g. Directors will be compensated for up to 5 sub-committees meetings per month of the RWA Executive Committee.

9060.221 Committee Representatives will be compensated for attendance in meetings as Representatives of the District in:

a. Membership Association List according to Policy 9040; and
b. Regional Water Authority (RWA) Executive Director Board Meetings.

9060.23 Meetings For Which Compensation Will Not Be Provided: Directors will not be compensated for serving on sub-committees of other membership associations or sub-committees of the RWA Executive Director Board sub-committees.

9060.24 Meeting Compensation Request: A Director may request of the Board, and the Board may take action, to compensate a Director for attendance and reimbursement of expenses for conducting the business of the Board at any meeting not identified in this Policy, provided the request and action are taken in advance of the meeting and the request does not result in the requesting Director to be compensated for more than 10 days’ meeting attendance or days of service in the same month.

9060.25 Service for which compensation will be provided: Per Water Code section 20202, a Director can be compensated for up to 10 days per calendar month of service in accordance with the Board’s adoption of Ordinance. Government Code section 53232.1 permits the District to compensate Directors subject to a written policy adopted in a public meeting.

9060.251 The General Manager will provide to the Board on a monthly basis a list of meetings attended by each Director for which the Director was compensated under this policy. Directors will be compensated (up to the maximum defined in the Ordinance in effect at the time of attendance or service rendered) for attending the following types of meetings:
a. **Legislative Body:**
   - Meetings of the Board of the District and the Board of Directors of the Carmichael Water District Financing Corporation;
   - Committee meetings of the District’s Board, attended as a member of the committee;

b. **Advisory Body:** Meetings of the approved list of membership associations according to Policy 9050 on which the District is officially represented, attended by the representative or alternate of the Board who has been appointed to represent the District. The alternate will attend the meeting in the absence of the representative. Only one member will be compensated for attending those meetings;

e. **Conference Activity:** Conferences, seminars, workshops and other events that are sponsored by approved industry associations or nonprofit entities for the purpose of discussing relevant water issues, including days while attending an approved conference, seminar, workshop or event. One travel day will be allowed for transit to or from the conference, seminar, workshop or event for necessary travel during normal business hours or on a weekend;

d. **Organized Educational Activity:** Educational training, seminars, and courses designed to improve Directors’ understanding of District business and their obligations as public officials, including ethics training mandated under Government Code section 53235(a) and harassment prevention training under Government Code section 12950.1; and

e. **Exceptions:** Meetings or water industry events that arise during extreme conditions or that are time sensitive concerning substantive District business (i.e. water shortage, drought, etc.) as requested and approved for payment by the General Manager, or the President of the Board.

### 9060.30 Reimbursement of Directors’ Expenses

#### 9060.31 Policy and General Rules: The District encourages Directors to attend conferences, seminars, workshops, and events that require their participation or provide an opportunity to be informed concerning matters of interest to the District. Each Director is entitled to reimbursement for the amount of the actual and necessary expenses (i.e., travel, meals, lodging, etc.) incurred in the performance of their official duties (Government Code Section 53232.2).

#### 9060.311 Director conference attendance must be approved annually at the January Board Meeting. [JH1] District Resolution No. 3573-2 limits attendance at all conventions, meetings, seminars, symposia or other water agency related business, outside a radius of fifty (50) miles from Sacramento to three (3) District representatives [JH2] approved by the Board. The Board will annually review all such functions and decide on District participation. Exceptions to the above require special Board consideration and approval. [JH3]

#### 9060.312 Staff will register Directors for approved conferences as soon as the advanced registration is opened dates are available. If the Director is unable to attend a pre-paid event, the Director shall immediately notify the District. If the District cannot find a substitute to replace the Director or obtain a refund of fees paid, then the District shall bill the Director for reimbursement for all amounts paid, unless the Director’s failure to attend the event is due to illness or emergency beyond the control of the Director.
9060.313 The District’s annual budget will set an appropriate level of funding for payment of preapproved Directors’ expenses. A Director will not be entitled to receive reimbursable expenses, exclusive of registration fees, unless the Board preapproves the travel. A maximum of five paid meeting days per conference will be allowed with the following exception: ancillary programs that are not a part of the main conference (e.g. ACWA/JPIA meetings). The General Manager will be responsible for ensuring that the budgeted amount is not exceeded without prior approval of the Board.

9060.314 Any exceptions for expenses that do not come within the District’s expense reimbursement policy must be approved by the Board in a public meeting in advance of the time when the expense will be incurred (Government Code Section 53232.2(f)). Any question concerning the propriety of a particular expense should be resolved by the Board before the expense is incurred.

9060.32 Reimbursable Expenses: Directors’ direct expenses for attendance at meetings and events authorized by this policy, including reasonable travel, lodging, and meal costs, and other actual and necessary expenses, will be paid by the District in accordance with this policy and per diem rates for an accountable expense reimbursement plan as defined in the United States Internal Revenue Service’s Publication 463 (“Travel, Entertainment, Gift and Car Expenses”) and Publication 1542 (“Per Diem Rates For Travel Within the Continental United States”), or any successor publications, collectively, the “IRS Publications”. Copies of these documents may be obtained from the Finance Manager.

9060.321 The following expenses are authorized business-related expenditures:

a. Personal Vehicle Mileage: A Director will be reimbursed for actual vehicle travel miles at the rate authorized under the IRS Publications for all meetings attended and services provided as defined in reimbursement of Directors’ expenses provided in this policy. A Director will be considered to have accounted for personal vehicle expenses by indicating the actual miles traveled, the business purpose of the travel, and the date of travel on the approved District expense report and submitted in accordance with expense reporting procedures. The District will not reimburse Directors for any other personal vehicle expenses.
   • A Director opting to use a personal vehicle for District business is responsible for ensuring that the vehicle is in sound and safe operating condition. The Director must possess a valid driver’s license and have a current registration and an automobile insurance policy in force with at least the minimum coverage limits required by law documentation in the vehicle.

b. Lodging Expenses: A Director will be reimbursed for reasonable lodging expenses incurred in accordance with this policy for necessary Director travel if the Director stays at a hotel or other lodging up to the amount of the published group rate (single occupancy) for the event. If a Director travels on District business for which no hotel is designated or is unable to book lodging at a specified conference rate, the Director will book lodging at the closest comparable lodging rate. The District will reimburse the Director for actual charges incurred in accordance with this paragraph.

c. Meals: A Director may be reimbursed for the actual and necessary cost of meals (including tip and taxes) while attending authorized conferences, seminars or meetings away
from the District up to the per diem meal rate provided for in the IRS Publications. If a Director is not traveling for a full day, meal expenses must be prorated based on travel time. If the District pre-pays the cost of one or more meals with a meeting, function or conference registration, the Director must attend the prepaid meals. If a Director fails to attend a pre-paid meal, the Director may not submit a claim for reimbursement for an alternative meal taken in lieu of the pre-paid meal. Snacks and continental breakfasts such as rolls, juice and coffee are not considered to be meals.

d. **Incidental Allowance:** The District will reimburse a Director for tips given to porters, baggage carriers, and hotel staff up to the incidental per diem rate provided for in the IRS Publications. A Director may be reimbursed for other incidentals such as toll charges and parking fees up to the actual amount expended.

e. **Common Carrier Travel:** When personal vehicle use for District business is impractical due to time and/or distance, a Director may use regularly-scheduled commercial carriers for travel. Consistent with scheduling needs and the most-direct route, a Director traveling by plane, train, rental vehicle, bus, or taxi will travel by the least-expensive coach fare available for the date and time of the travel. Travel should be planned as far in advance as possible to permit the use of advance fares. Additional costs associated due to schedule changes will not be reimbursed by the District. Long-term parking must be used at airports for travel exceeding 24 hours. The District will reimburse the Director for the actual amount of the fare and related, necessary expenses (e.g., baggage fees), if properly reported in accordance with the expense reporting procedures provided in this policy.

f. **Telephone:** A Director will be reimbursed for actual telephone expenses incurred for District business. Telephone bills should identify which calls were made for District business.

**9060.40 Types of Expenses for Which Reimbursement Will Not be Provided**

Director expenses that are not deemed to be reimbursable business expenses include, but are not limited to:

- Barber and/or beauty shop charges;
- Fines for traffic or parking violations;
- Expenses of any person accompanying a Director on a District-approved trip or event;
- Additional costs associated due to schedule changes;
- Personal telephone calls;
- Fitness/Health Facility or Massages;
- Alcoholic beverages;
- Entertainment expenses (movies, internet, sporting events, etc.);
- Non-Mileage vehicle expenses; and
- Charitable contributions.

**9060.50 Expense Reporting Procedures**

A Director requesting reimbursement for any expense authorized under this policy must fill out and sign a District-provided expense report available from the Administrative Services Department. The expense report is designed to ensure that Directors’ expense reimbursements comply with the requirements of Government Code section 53232.3 and the IRS Publications. Accordingly, the General Manager will review each expense report, discuss the need for any corrections or additional supporting documentation.
with Directors, and, when complete, sign at each report to indicate compliance with the requirements of this policy.

9060.51 In all cases when a Director seeks reimbursement for expenses incurred while attending a conference, seminar or other meeting, a copy of the conference registration form must either be attached to their expense report or unless a copy is already on file with the District (e.g. copy attached to check request or purchase order). In all cases, the Director will remain responsible for filing an expense report and attaching the appropriate documentation obtained by the Director in conformance with this policy.

9060.52 A Director must substantiate all expenses on an expense report with the appropriate documentation attached within 60 days of incurring or paying the expense. An expense report submitted after the 60 days will only be paid if approved by the Board at a regular meeting. Any misreported or late-reported expenses incurred by a Director will not meet the requirements of the IRS Publications and will be considered income to the affected Director. To comply with the applicable tax laws, the District will include all misreported or late-reported expenses as income on the Director’s W-2.

9060.53 In addition, at Directors will be required to attach the following documentation to their expense report as a condition of receiving reimbursement for an appropriately-incurred business expense:

a. **Personal Vehicle Mileage**: If a Director wishes to be reimbursed for personal vehicle mileage, they must attach the mileage verification using tools such as Google or MapQuest to the expense report.

b. **Lodging Expenses**: If a Director wishes to be reimbursed for lodging expenses, they must attach an itemized bill issued by the hotel that includes proof of payment to the expense report. The District will reimburse a Director only for the actual amount of the lodging expense incurred up to the maximum amount outlined provided in reimbursable expenses Section 9060.321 of this policy.

c. **Meal Expenses**: If a Director wishes to be reimbursed for meals, they must attach an itemized bill and copy of the proof of payment for reimbursement to the expense report. The District will reimburse a Director only for the actual amount of the meal expense incurred up to the maximum amount outlined provided in reimbursable expenses Section 9060.321 of this policy.

d. **Common Carrier Travel**: If a Director wishes to be reimbursed for common carrier travel, they must attach the itemized bill from a travel agency, airline, rental vehicle company, or bus or train operator showing the actual amount expended for such travel to the expense report.

e. **Incidental Expenses**: If a Director wishes to be reimbursed for incidental expenses for tips given to porters, baggage carriers, and hotel staff at the per diem rate, they must attach the authorized IRS per diem rates to the expense report unless the tips given were less than the IRS allowed amount, in which case the actual amount must be claimed. No other documentation is required.
f. Other Incidental Expenses: If a Director wishes to be reimbursed for other incidental expenses, such as tolls and parking fees, they should obtain receipts for the expense and attach the receipts to their report. For incidental expenses where no receipt is available, such as parking meter costs, a reimbursement request for such expenses may be claimed on the expense report. Certification that such expenses were related to District business, reasonable, appropriate, and actually incurred by the Director is made when the Director signs the expense report.

9060.60 Disclosure
To comply with reporting requirements of Government Code section 53232.3, the District will prepare a list of the meetings attended by each Director for which the District provided compensation, and a list of the amount and purpose of each expense reimbursement paid by the District to each Director. This information will be included with the agenda materials for each regular monthly Board meeting. At the next regular Board meeting, Directors also must provide either an oral or written report of any meeting and other authorized event attended for which they were compensated by the District. If multiple officials attended the same event, a joint report may be made.

9060.61 All expenses are subject to verification that they comply with this policy. Directors should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All District expenditures are public records subject to disclosure under the Public Records Act, except that the District will ensure that no Director personal information, such as credit card numbers and home addresses, is provided to the public in the event of a request for such records.

9060.70 Penalties
Government Code Section 53232.4 defines the penalties for falsifying or misusing public funds. The penalties include:

a. Loss of the violator’s reimbursement privileges;
b. Restitution of misused District funds;
c. Civil penalties of up to $1,000 per day for each day of violation and three times the value of the public resources misused; and
d. Criminal prosecution and lifetime bar from holding public office. The Board will report any violation of this policy to the appropriate authorities.
POLICY TITLE: Directors’ Compensation and Expense Reimbursement

POLICY NUMBER: 9060

9060.10 It is the policy of Carmichael Water District (District) to comply with the requirements of Government Code sections 53232 through 53232.4 concerning Directors’ compensation and the payment of actual and necessary expenses incurred in the performance of official duties.

9060.20 Directors’ Compensation

9060.21 Amount of Compensation: Each member of the Board of Directors of the District (Board) will be entitled to receive compensation for each day’s attendance at meetings of the Board or for each day’s service rendered as a member of the Board by request of the Board, as provided in Section 9060.22. The amount of compensation paid for each day’s attendance at meetings or for each day’s service is provided in the Board’s “Ordinance Specifying the Compensation of Directors” (Ordinance) in effect at the time of attendance or service.

9060.22 Types of Service for Which Director Compensation Will Be Provided: Applicable law (Government Code section 53232.1) permits the District to compensate Directors for each day’s attendance at meetings of the Board, or for each day’s service rendered as a Director, subject to a written policy adopted in a public meeting. A Director can be compensated for up to 10 days per calendar month of service in accordance with the Board’s adoption of the Ordinance No. 02-01 consistent with Water Code section 20202. The District encourages Directors to take advantage of opportunities to be informed concerning matters of interest to the District, and to inform others of the activities and interests of the District. The General Manager or his/her designee will provide to the Board on a monthly basis a list of meetings attended by each Director for which the Director was compensated under this policy. Directors will be compensated for up to 10 days per calendar month for attending the following types of meetings or events:

a. Meetings of the Board and the Board of Directors of the Carmichael Water District Financing Corporation.

b. Meetings of Board-appointed committees, attended as a member of the committee.
c. Meetings of boards and committees of other governmental entities and membership associations listed Policy 9050 on which the District is officially represented, attended by the Board-appointed representative or alternate. The alternate will attend the meeting in the absence of the representative. In cases when both the appointed representative and alternate attend such meetings, only the appointed representative will be compensated for attending.

d. Conferences, seminars, workshops and other events held within the State of California, State of Nevada, and within Washington D.C. that are sponsored by industry associations or nonprofit entities for the purpose of discussing relevant water and local government issues, including days while attending the conference, seminar, workshop, or event, and one travel day for transit to or from the conference, seminar, workshop, or event for necessary travel during normal business hours or on a weekend. Attendance at conferences, seminars, workshops, and events held outside the State of California, State of Nevada, or Washington D.C. will be approved by the Board on a case-by-case basis upon advance request of a Director.

e. Educational training, seminars, and courses designed to improve Directors’ understanding of District business and their obligations as public officials, including ethics training mandated under Government Code section 53235(a) and harassment prevention training under Government Code sections 53237.1 and 12950.1.

f. Meetings, water industry events, or office visits that arise during extreme conditions or that are time-sensitive concerning substantive District business (e.g., water shortage emergency, drought), as requested and approved for payment by the General Manager or the Board President.

g. Directors will be compensated for up to 5 sub-committees meetings per month of the RWA Executive Committee.

**9060.23 Meetings For Which Compensation Will Not Be Provided:** Directors will not be compensated for serving on sub-committees of other membership associations.

**9060.24 Meeting Compensation Request:** A Director may request of the Board, and the Board may take action, to compensate a Director for attendance and reimbursement of expenses for conducting the business of the Board at any meeting not identified in this Policy, provided the request and action are taken in advance of the meeting and the request does not result in the requesting Director to be compensated for more than 10 days’ meeting attendance or days of service in the same month.
9060.30  Reimbursement of Directors’ Expenses

9060.31  **Policy and General Rules:** The District encourages Directors to attend conferences, seminars, workshops, and events that require their participation or provide an opportunity to be informed concerning matters of interest to the District. Each Director is entitled to reimbursement for the amount of the actual and necessary expenses (i.e., travel, meals, lodging, etc.) incurred in the performance of their official duties (Government Code Section 53232.2).

9060.311  Director conference attendance must be approved annually at the January Board Meeting. District Resolution No. 3573-2 limits attendance at all conventions, meetings, seminars, symposia or other water agency related business, outside a radius of 50 miles from Sacramento to three District representatives approved by the Board. The Board will annually review all such functions and decide on District participation. Exceptions to the above require special Board consideration and approval.

9060.312  Staff will register Directors for approved conferences as soon as registration is opened. If the Director is unable to attend a pre-paid event, the Director shall immediately notify the District. If the District cannot find a substitute to replace the Director or obtain a refund of fees paid, then the District shall bill the Director for reimbursement for all amounts paid, unless the Director’s failure to attend the event is due to illness or emergency beyond the control of the Director.

9060.313  The District’s annual budget will set an appropriate level of funding for payment of preapproved Directors’ expenses. A Director will not be entitled to receive reimbursable expenses, exclusive of registration fees, unless the Board preapproves the travel. A maximum of five paid meeting days per conference will be allowed with the following exception: ancillary programs that are not a part of the main conference (e.g. ACWA/JPIA meetings). The General Manager will be responsible for ensuring that the budgeted amount is not exceeded without prior approval of the Board.

9060.314  Any exceptions for expenses that do not come within the District’s expense reimbursement policy must be approved by the Board in a public meeting in advance of the time when the expense will be incurred (Government Code Section 53232.2(f)). Any question concerning the propriety of a particular expense should be resolved by the Board before the expense is incurred.

9060.32  **Reimbursable Expenses:** Directors’ direct expenses for attendance at meetings and events authorized by this policy, including reasonable travel,
lodging, and meal costs, and other actual and necessary expenses, will be paid by the District in accordance with this policy and per diem rates for an accountable expense reimbursement plan as defined in the United States Internal Revenue Service’s Publication 463 (“Travel, Entertainment, Gift and Car Expenses”) and Publication 1542 (“Per Diem Rates For Travel Within the Continental United States”), or any successor publications, collectively, the “IRS Publications”. Copies of these documents may be obtained from the Finance Manager.

9060.321 The following expenses are authorized business-related expenditures:

a. **Personal Vehicle Mileage**: A Director will be reimbursed for actual vehicle travel miles at the rate authorized under the IRS Publications for all meetings attended and services provided as provided in this policy. A Director will be considered to have accounted for personal vehicle expenses by indicating the actual miles traveled, the business purpose of the travel, and the date of travel on the approved District expense report and submitted in accordance with expense reporting procedures. The District will not reimburse Directors for any other personal vehicle expenses.

- A Director opting to use a personal vehicle for District business is responsible for ensuring that the vehicle is in sound and safe operating condition. The Director must possess a valid driver’s license and have a current registration and an automobile insurance policy in force with at least the minimum coverage limits required by law.

b. **Lodging Expenses**: A Director will be reimbursed for reasonable lodging expenses incurred in accordance with this policy for necessary Director travel if the Director stays at a hotel or other lodging up to the amount of the published group rate (single occupancy) for the event. If a Director travels on District business for which no hotel is designated or is unable to book lodging at a specified conference rate, the Director will book lodging at the closest comparable lodging rate. The District will reimburse the Director for actual charges incurred in accordance with this paragraph.

c. **Meals**: A Director may be reimbursed for the actual and necessary cost of meals (including tip and taxes) while attending authorized conferences, seminars or meetings away from the District up to the per diem meal rate provided for in the IRS Publications. If a Director is not traveling for a full day, meal expenses must be prorated based on travel time. If the District pre-pays the cost of one or more meals with a meeting, function
or conference registration, the Director must attend the prepaid meals. If a Director fails to attend a pre-paid meal, the Director may not submit a claim for reimbursement for an alternative meal taken in lieu of the pre-paid meal. Snacks and continental breakfasts such as rolls, juice and coffee are not considered to be meals.

d. **Incidental Allowance:** The District will reimburse a Director for tips given to porters, baggage carriers, and hotel staff up to the incidental per diem rate provided for in the IRS Publications. A Director may be reimbursed for other incidentals such as toll charges and parking fees up to the actual amount expended.

e. **Common Carrier Travel:** When personal vehicle use for District business is impractical due to time and/or distance, a Director may use regularly-scheduled commercial carriers for travel. Consistent with scheduling needs and the most-direct route, a Director traveling by plane, train, rental vehicle, bus, or taxi will travel by the least-expensive coach fare available for the date and time of the travel. Travel should be planned as far in advance as possible to permit the use of advance fares. Additional costs associated due to schedule changes will not be reimbursed by the District. Long-term parking must be used at airports for travel exceeding 24 hours. The District will reimburse the Director for the actual amount of the fare and related, necessary expenses (e.g., baggage fees), if properly reported in accordance with the expense reporting procedures provided in this policy.

9060.40 **Types of Expenses for Which Reimbursement Will Not be Provided**

Director expenses that are not deemed to be reimbursable business expenses include, but are not limited to:

a. Barber and/or beauty shop charges;
b. Fines for traffic or parking violations;
c. Expenses of any person accompanying a Director on a District-approved trip or event;
d. Additional costs associated due to schedule changes;
e. Personal telephone calls;
f. Fitness/Health Facility or Massages;
g. Alcoholic beverages;
h. Entertainment expenses (movies, internet, sporting events, etc.);
i. Non-Mileage vehicle expenses; and
j. Charitable contributions.

9060.50 **Expense Reporting Procedures**

A Director requesting reimbursement for any expense authorized under this policy must fill out and sign a District-provided expense report. The expense report is designed to ensure that Directors’ expense reimbursements comply with the requirements of Government Code
section 53232.3 and the IRS Publications. Accordingly, the General Manager will review each expense report, discuss the need for any corrections or additional supporting documentation with Directors, and, when complete, sign each report to indicate compliance with the requirements of this policy.

9060.51 In all cases when a Directors seek reimbursement for expenses incurred while attending a conference, seminar or other meeting, a copy of the conference registration form must be attached to their expense report unless a copy is already on file with the District (e.g. copy attached to check request or purchase order). In all cases, the Director will remain responsible for filing an expense report and attaching the appropriate documentation obtained by the Director in conformance with this policy.

9060.52 A Director must substantiate all expenses on an expense report with the appropriate documentation attached within 60 days of incurring or paying the expense. An expense report submitted after the 60 days will only be paid if approved by the Board at a regular meeting. Any misreported or late-reported expenses incurred by a Director will not meet the requirements of the IRS Publications and will be considered income to the affected Director. To comply with the applicable tax laws, the District will include all misreported or late-reported expenses as income on the Director’s W-2.

9060.53 In addition, Directors will be required to attach the following documentation to their expense report as a condition of receiving reimbursement for an appropriately-incurred business expense:

a. **Personal Vehicle Mileage**: If a Director wishes to be reimbursed for personal vehicle mileage, he or she must attach the mileage verification using tools such as Google or MapQuest to the expense report.

b. **Lodging Expenses**: If a Director wishes to be reimbursed for lodging expenses, he or she must attach an itemized bill issued by the hotel that includes proof of payment to the expense report. The District will reimburse a Director only for the actual amount of the lodging expense incurred up to the maximum amount provided in Section 9060.321 of this policy.

c. **Meal Expenses**: If a Director wishes to be reimbursed for meals, he or she must attach an itemized bill and copy of the proof of payment to the expense report. The District will reimburse a Director only for the actual amount of the meal expense incurred up to the maximum amount provided in Section 9060.321 of this policy.

d. **Common Carrier Travel**: If a Director wishes to be reimbursed for common carrier travel, he or she must attach the itemized bill from a travel agency, airline, rental vehicle company, or bus or train operator showing the actual amount expended for such travel to the expense report.
e. **Incidental Expenses**: If a Director wishes to be reimbursed for incidental expenses for tips given to porters, baggage carriers, and hotel staff at the per diem rate, he or she must attach the authorized IRS per diem rates to the expense report unless the tips given were less than the IRS allowed amount, in which case the actual amount must be claimed. No other documentation is required.

f. **Other Incidental Expenses**: If a Director wishes to be reimbursed for other incidental expenses, such as tolls and parking fees, he or she should obtain receipts for the expense and attach the receipts to their report. For incidental expenses where no receipt is available, such as parking meter costs, a reimbursement request for such expenses may be claimed on the expense report. Certification that such expenses were related to District business, reasonable, appropriate, and actually incurred by the Director is made when the Director signs the expense report.

9060.60 **Disclosure**

To comply with reporting requirements of Government Code section 53232.3, the District will prepare a list of the meetings attended by each Director for which the District provided compensation, and a list of the amount and purpose of each expense reimbursement paid by the District to each Director. This information will be included with the agenda materials for each regular monthly Board meeting. At the next regular Board meeting, Directors also must provide either an oral or written report of any meeting and other authorized event attended for which they were compensated or reimbursed by the District. If multiple officials attended the same event, a joint report may be made.

9060.61 All expenses are subject to verification that they comply with this policy. Directors should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All District expenditures are public records subject to disclosure under the Public Records Act, except that the District will ensure that no Director personal information, such as credit card numbers and home addresses, is provided to the public in the event of a request for such records.

9060.70 **Penalties**

Government Code Section 53232.4 defines the penalties for falsifying or misusing public funds. The penalties include:

a. Loss of the violator’s reimbursement privileges;
b. Restitution of misused District funds;
c. Civil penalties of up to $1,000 per day for each day of violation and three times the value of the public resources misused; and
d. Criminal prosecution and lifetime bar from holding public office. The Board will report any violation of this policy to the appropriate authorities.
MEMO

TO: Board of Directors

FROM: Josh Horowitz, Special Counsel
       Cathy Lee, General Manager

DATE: July 14, 2021

RE: Resolution 07202021-3 – A Resolution Amending Policy 3000 – Conflict of Interest Code

Summary:
Staff and Special Counsel are reviewing the District’s regulations, policies, and Directors’ polices to revise them for clarity and updates consistent with the existing statutes and regulations. Updates to Policy 3000 – Conflict of Interest Code reflect the recent positions changes and include policy formats recommended by the Fair political Practices Commission (FPPC). The previous wording in Policy 3000 has been deleted due to substantial changes. The title of the Policy remains the same but the content is new.

Recommendation:
Staff recommends that the Board of Directors approve Resolution 07202021-3 – A Resolution Amending the District Policy 3000 – Conflict of Interest Code.

Attachments:
1. Redlined: Policy 3000 – Conflict of Interest Code
2. Updated: Policy 3000 – Conflict of Interest Code
CARMICHAEL WATER DISTRICT
RESOLUTION 07202021-3
A RESOLUTION AMENDING
THE DISTRICT’S POLICY MANUAL
POLICY 3000 – CONFLICT OF INTEREST

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

Policy 3000 as attached hereto is hereby amended and added to the District’s Policy Manual effective July 20, 2021.

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 Nay Absent Abstain
Jeff Nelson Aye Nay Absent Abstain
Ron Davis Aye Nay Absent Abstain
Ron Greenwood Aye Nay Absent Abstain
Paul Selsky Aye Nay Absent Abstain

Board Totals: Ayes: Nays: Absent: Abstain:

Passed Unanimously: 
Motion Carried: 
Motion Not Carried: 

Signed after its passage this 20th day of July, 2021:

______________________________
Mark Emmerson, President
Board of Directors

ATTEST: ________________________
Cathy Lee, Secretary
POLICY 3000: Conflict of Interest Code

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, Section 18730 of Title 2 of the California Code of Regulations, which contains the terms of a standard conflict of interest code. This regulation can be incorporated by reference into any agency’s code without publication in full within the code. After public notice and hearing, Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of that regulation, Title 2, section 18730 of the California Code of Regulations and any amendments to it duly adopted by the Fair Political Practices Commission from time to time are hereby incorporated by reference in full into this code and will be applied in accordance with the provisions existing on the date that any issue arising under this code adopted by the Carmichael Water District Board of Directors must be addressed. This cover page, the referenced and incorporated FPPC regulation, and the Appendix, which is attached hereto and incorporated herein, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the Carmichael Water District.

Recognizing that different employees have different levels of authority and responsibility, the Appendix to this Conflict of Interest Code establishes three categories of disclosure under which employees are designated based on the scope of their decision-making authority. Employees with no significant decision-making responsibility are classified as exempt, and are not required to file reports under this Code.

Non-exempt District employees and officers listed in the attached Appendix are designated as persons who are deemed to make, or participate in the making of, decisions that may have a material effect on a financial interest. Consultants are also subject to the disclosure requirements of this Conflict of Interest Code if they are in a position to make decisions, or influence decisions, that could have an effect on their financial interest.
POLICY 3000 -- Appendix of Designated Positions and Disclosure Categories

**Designated Positions.** The officers and employees listed below are designated as persons who are deemed to make, or participate in the making of, decisions that may have a material effect on a financial interest. Persons holding designated positions listed below will disclose interests and investments in accordance with the corresponding disclosure categories as defined below.

<table>
<thead>
<tr>
<th>Designated Position</th>
<th>Disclosure Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering Manager</td>
<td>2</td>
</tr>
<tr>
<td>General Counsel</td>
<td>1</td>
</tr>
<tr>
<td>Consultants</td>
<td>1</td>
</tr>
</tbody>
</table>

**Officials Who Manage Public Investments.** Officials who manage public investments are deemed to be “statutory filers” within the meaning of Government Code Section 87200 and California Code of Regulations, Title 2, section 18720 because they must file statements of economic interest (FPPC Form 700) pursuant to the state Political Reform Act instead of the District’s Conflict of Interest Code. The District’s statutory filers are: (1) Members of the Board of Directors, (2) General Manager/Board Secretary, and (3) Finance Manager/Board Treasurer. As a result, such persons are not designated in this code and are listed here for information only. An individual holding one of the above-listed positions may contact the Fair Political Practices Commission (“FPPC”) for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The FPPC makes the final determination whether or not a position is covered by Government Code Section 87200.

**Disclosure Categories.** The District’s disclosure categories are defined as follows:

**Category 1 -- Full Disclosure:** All persons in this disclosure category will disclose all interests in real property within two miles of the District’s boundaries, as well as all investments, business positions in business entities and sources of income, including receipt of gifts, loans and travel payments, from all sources.

**Category 2 – Employees with Significant Contracting and Policy Authority But Without Authority Over Acquisition of Interests in Real Property:** All persons in this disclosure category will disclose all investments, business positions in business entities and sources of income, including receipt of gifts, loans and travel payments, in or from all sources that provide goods, equipment or services, including training or consulting services, of the type utilized by the District.

**Category 3 – Employees with Specific Contracting or Policy Authority or Who Participate in Making Specific Contracts or Policies:** All positions in this category will disclose all investments, business positions in business entities and sources of income, including the receipt of gifts, loans and travel payments, in or from all sources that provide services and supplies of the type utilized by the department or programs administered or managed by the designated position.

**Consultants.** “Consultant” means an individual who, pursuant to a contract with the District, either: (A) Makes a governmental decision whether to: (1) approve a rate, rule, or
regulation; (2) adopt or enforce a law; (3) issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement; (4) authorize the District to enter into, modify, or renew a contract provided it is the type of contract that requires District approval; (5) grant District approval to a contract that requires District approval and to which the District is a party, or to the specifications for such a contract; (6) grant District approval to a plan, design, report, study, or similar item; or (7) adopt or grant District approval of policies, standards, or guidelines for the District, or for any subdivision thereof; or (B) Serves in a staff capacity with the District and in that capacity participates in making a governmental decision as defined in California Code of Regulations, Title 2, Section 18702.2 or performs the same or substantially all the same duties for the District that would otherwise be performed by an individual holding a position specified in the District’s conflict of interest code under Government Code Section 87302. (See 2 CCR 18701(a)(2).)

“Consultants” are included in the list of designated positions and must disclose interests and investments in accordance with the broadest disclosure category in the District’s conflict of interest code, subject to the following limitation: The General Manager may determine in writing that a particular consultant, although a “consultant” and “designated position,” nevertheless is hired or retained to perform a range of duties that is limited in scope and therefore is not required to comply with any or some of the disclosure requirements described in this section. The General Manager’s written determination will include a description of the consultant’s duties, and, based on that description, a statement of the extent of disclosure requirements. The written determination is a public record and will be retained for public inspection in the same manner and location as the District’s conflict of interest code as required by Government Code Section 81008.

New Position Added or New Consultant Hired Without Code Revision. If the District creates a new position that requires disclosure under this code without simultaneously amending the code, the employee appointed to fill such a position will file a Form 700 Assuming Office Statement and thereafter file annual Form 700 Disclosure of Economic Interest Statements using the broadest disclosure category until the District amends the code to designate the position and, if warranted, to authorize more narrow disclosure for the position. Alternatively, the General Manager may designate for any such position or consultant narrower disclosure obligations using a FPPC Form 804 (New Hire) or Form 805 (New Consultant) as appropriate. (See 2 CCR 18734.)

Filing of Form 700 Statements of Economic Interest. Persons holding designated positions shall complete and file Form 700 statements of economic interests with the Sacramento County Clerk of the Board’s Office via the County’s electronic filing system. The Clerk of the Board will act as the District’s Code filing officer and retain all Forms 700 filed and will, upon request, make filed statements of economic interests available for public inspection and reproduction (at a cost of no more than $0.10 per page) in accordance with Government Code Section 81008.

3000.10 The Political Reform Act, Government Code §81000, et seq., requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, 2 California Code of Regulations §18730, which contains the terms of a standard conflict of interest code. It can be incorporated by reference and may be amended by the Fair Political Practices Commission after public notice and hearings to
conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations §18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and, with the attached Appendices in which positions are designated, and in which disclosure categories are set forth, constitute the conflict of interest code of Carmichael Water District (District).

3000.20 Individuals holding designated positions shall file statements of economic interests with the Sacramento County Clerk of the Board office, which will make the statements available for public inspection and reproduction (Gov. Code §81008). All statements will be retained by the County of Sacramento.

3000.30 Individuals holding designated positions shall be required to complete ethics training pursuant to Government Code §53234 through §53235.2. [JH1]

Resolution 12162019-2, December 16, 2019
**POLICY 3000 APPENDIX A: Part I – Designated Employees**

<table>
<thead>
<tr>
<th>Position</th>
<th>Disclosure Category</th>
<th>Applicable FPPC Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers/Supervisors/Superintendents (all levels)</td>
<td>1, 2</td>
<td>700</td>
</tr>
<tr>
<td>Engineer</td>
<td>1, 2</td>
<td>700</td>
</tr>
<tr>
<td>Human Resources Coordinator</td>
<td>3</td>
<td>700</td>
</tr>
<tr>
<td>Information Technology Coordinator</td>
<td>3</td>
<td>700</td>
</tr>
<tr>
<td>Inventory Specialist</td>
<td>3</td>
<td>700</td>
</tr>
<tr>
<td>Attorneys</td>
<td>1, 2</td>
<td>700</td>
</tr>
<tr>
<td>Consultants</td>
<td>4*</td>
<td>700</td>
</tr>
<tr>
<td>New Positions</td>
<td>*</td>
<td>700</td>
</tr>
</tbody>
</table>

* The General Manager of the District may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. Such determination shall be a public record and shall be retained for public inspection in the same manner and locations as this conflict of interest code.

**Officials Who Manage Public Investments:** Officials who manage public investments are deemed to be “statutory filers” within the meaning of Government Code Section 87200 and California Code of Regulations, Title 2, Section 18720 because they must file statement of economic interest (FPPC Form 700) pursuant to the state Political Reform Act instead of the District’s Conflict of Interest Code. The District’s statutory filers are:

- Members of the Board of Directors (Board)
- General Manager/Board Secretary
- Assistant General Manager/Board Treasurer

As a result, such persons are not designated in this code and are listed here for information only. An individual holding of the above-listed positions may contact the Fair Political Practices Commission (“FPPC”) for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The FPPC makes the final determination whether or not a position is covered by Government Code section 87200.
POLICY 3000 APPENDIX A: Part II—Disclosure Categories

1. All investments, business positions and income, (including gift cards, gifts, loans, and travel payments) from sources that provide leased facilities, goods, equipment, vehicles, machinery or services (including training or consulting services) of the type utilized by the District if:
   a. The business entity or business position in which the investment is held or which is the source of income is of the type which, within the last two (2) years, has contracted with the District; or,
   b. The business entity or business position in which the investment is held or which is the source of income is of the type which, within the last two (2) years, has contracted to furnish supplies or services as subcontractors in any contract with the District.

2. All interests in real property located within the jurisdiction or within two (2) miles of the boundaries of the jurisdiction of the District.

3. All investments, business positions, and income (including gift cards, gifts, loans, and travel payments) from sources that provide leased facilities, goods, equipment, vehicles, machinery, or services (including training or consulting services) of the type utilized by the designated employee’s department or area of authority.

4. All investments or business positions in any business entity or sources of income which are:
   a. private companies engaged in service(s) similar to those provided by the District; or,
   b. entities or persons engaged in real estate development or owners of real estate, and interests in real property are disclosable if held, regardless of any contractual relationship with the District at any time.

Resolution 12162019-2, December 16, 2019
POLICY 3000 APPENDIX B

All interests in real property as well as investments and business positions in business entities and income from sources which provide facilities, services, supplies, or equipment of the type utilized by the District, including but not limited to:

- Accounting services
- Appraisal services
- Architectural services
- Canal and pipeline maintenance services
- Communications equipment and services
- Computer hardware and software
- Construction and building materials
- Construction contractors
- Custom farming services such as weed abatement, etc.
- Electrical equipment, including pumping equipment
- Engineering services, including hydrology services
- Freight and hauling
- Hardware tools and supplies
- Insurance companies
- Janitorial services
- Meters and other water measurement equipment
- Motor vehicles, heavy equipment, special vehicles and parts and services thereto
- Office equipment
- Pesticides and herbicides
- Petroleum products
- Photographic services, supplies and equipment
- Pipe, valves, fittings, etc.
- Printing, reproduction, record keeping, etc.
- Public utilities
- Pumps, motors, etc.
- Real estate agents/brokers and investment firms
- Safety equipment and facilities
- Telemetering equipment
- Title companies
- Water quality testing
- Water treatment equipment, supplies and services
- Well drilling supplies and contractors

Resolution 12162019-2, December 16, 2019
POLICY 3000: Conflict of Interest Code

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, Section 18730 of Title 2 of the California Code of Regulations, which contains the terms of a standard conflict of interest code. This regulation can be incorporated by reference into any agency’s code without publication in full within the code. After public notice and hearing, Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of that regulation, Title 2, section 18730 of the California Code of Regulations and any amendments to it duly adopted by the Fair Political Practices Commission from time to time are hereby incorporated by reference in full into this code and will be applied in accordance with the provisions existing on the date that any issue arising under this code adopted by the Carmichael Water District Board of Directors must be addressed. This cover page, the referenced and incorporated FPPC regulation, and the Appendix, which is attached hereto and incorporated herein, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the Carmichael Water District.

Recognizing that different employees have different levels of authority and responsibility, the Appendix to this Conflict of Interest Code establishes three categories of disclosure under which employees are designated based on the scope of their decision-making authority. Employees with no significant decision-making responsibility are classified as exempt, and are not required to file reports under this Code.

Non-exempt District employees and officers listed in the attached Appendix are designated as persons who are deemed to make, or participate in the making of, decisions that may have a material effect on a financial interest. Consultants are also subject to the disclosure requirements of this Conflict of Interest Code if they are in a position to make decisions, or influence decisions, that could have an effect on their financial interest.
POLICY 3000 -- Appendix of Designated Positions and Disclosure Categories

**Designated Positions.**
The officers and employees listed below are designated as persons who are deemed to make, or participate in the making of, decisions that may have a material effect on a financial interest. Persons holding designated positions listed below will disclose interests and investments in accordance with the corresponding disclosure categories as defined below.

<table>
<thead>
<tr>
<th>Designated Position</th>
<th>Disclosure Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering Manager</td>
<td>2</td>
</tr>
<tr>
<td>General Counsel</td>
<td>1</td>
</tr>
<tr>
<td>Consultants</td>
<td>1</td>
</tr>
</tbody>
</table>

**Officials Who Manage Public Investments.**
Officials who manage public investments are deemed to be “statutory filers” within the meaning of Government Code Section 87200 and California Code of Regulations, Title 2, section 18720 because they must file statements of economic interest (FPPC Form 700) pursuant to the state Political Reform Act instead of the District’s Conflict of Interest Code. The District’s statutory filers are: (1) Members of the Board of Directors, (2) General Manager/Board Secretary, and (3) Finance Manager/Board Treasurer. As a result, such persons are not designated in this code and are listed here for information only. An individual holding one of the above-listed positions may contact the Fair Political Practices Commission (“FPPC”) for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The FPPC makes the final determination whether or not a position is covered by Government Code Section 87200.

**Disclosure Categories.** The District’s disclosure categories are defined as follows:

**Category 1 -- Full Disclosure:** All persons in this disclosure category will disclose all interests in real property within two miles of the District’s boundaries, as well as all investments, business positions in business entities and sources of income, including receipt of gifts, loans and travel payments, from all sources.

**Category 2 – Employees with Significant Contracting and Policy Authority But Without Authority Over Acquisition of Interests in Real Property:** All persons in this disclosure category will disclose all investments, business positions in business entities and sources of income, including receipt of gifts, loans and travel payments, in or from all sources that provide goods, equipment or services, including training or consulting services, of the type utilized by the District.

**Category 3 – Employees with Specific Contracting or Policy Authority or Who Participate in Making Specific Contracts or Policies:** All positions in this category will disclose all investments, business positions in business entities and sources of income, including the receipt of gifts, loans and travel payments, in or from all sources that provide services and supplies of the type utilized by the department or programs administered or managed by the designated position.
Consultants.
“Consultant” means an individual who, pursuant to a contract with the District either: (A) Makes a governmental decision whether to: (1) approve a rate, rule, or regulation; (2) adopt or enforce a law; (3) issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement; (4) authorize the District to enter into, modify, or renew a contract provided it is the type of contract that requires District approval; (5) grant District approval to a contract that requires District approval and to which the District is a party, or to the specifications for such a contract; (6) grant District approval to a plan, design, report, study, or similar item; or (7) adopt or grant District approval of policies, standards, or guidelines for the District, or for any subdivision thereof; or (B) Serves in a staff capacity with the District and in that capacity participates in making a governmental decision as defined in California Code of Regulations, Title 2, Section 18702.2 or performs the same or substantially all the same duties for the District that would otherwise be performed by an individual holding a position specified in the District’s conflict of interest code under Government Code Section 87302. (See 2 CCR 18701(a)(2).)

“Consultants” are included in the list of designated positions and must disclose interests and investments in accordance with the broadest disclosure category in the District’s conflict of interest code, subject to the following limitation: The General Manager may determine in writing that a particular consultant, although a “consultant” and “designated position,” nevertheless is hired or retained to perform a range of duties that is limited in scope and therefore is not required to comply with any or some of the disclosure requirements described in this section. The General Manager’s written determination will include a description of the consultant’s duties, and, based on that description, a statement of the extent of disclosure requirements. The written determination is a public record and will be retained for public inspection in the same manner and location as the District’s conflict of interest code as required by Government Code Section 81008.

New Position Added or New Consultant Hired Without Code Revision.
If the District creates a new position that requires disclosure under this code without simultaneously amending the code, the employee appointed to fill such a position will file a Form 700 Assuming Office Statement and thereafter file annual Form 700 Disclosure of Economic Interest Statements using the broadest disclosure category until the District amends the code to designate the position and, if warranted, to authorize more narrow disclosure for the position. Alternatively, the General Manager may designate for any such position or consultant narrower disclosure obligations using a FPPC Form 804 (New Hire) or Form 805 (New Consultant) as appropriate. (See 2 CCR 18734.)

Filing of Form 700 Statements of Economic Interest.
Persons holding designated positions shall complete and file Form 700 statements of economic interests with the Sacramento County Clerk of the Board’s Office via the County’s electronic filing system. The Clerk of the Board will act as the District’s Code filing officer and retain all Forms 700 filed and will, upon request, make filed statements of economic interests available for public inspection and reproduction (at a cost of no more than $0.10 per page) in accordance with Government Code Section 81008.
MEMO

TO: Board of Directors

FROM: Chris Nelson – Public Information Officer

DATE: July 14, 2021

RE: Water Loss Reporting

Summary:
On June 24, 2021, a Public Hearing (hearing) was held to present and receive public input on the findings for the 2020 Urban Water Management Plan (UWMP). During the hearing, the Board raised a question related to Table 4-3, Distribution System Loss: 2016 through 2020.

Table 4-3: Distribution System Loss: 2016 through 2020

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11.3%</td>
<td>10.5%</td>
<td>7.0%</td>
<td>8.1%</td>
<td>10.7%</td>
</tr>
<tr>
<td>Average =</td>
<td>9.2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Specifically, the Board requested clarification on the data that had been provided annually with the District’s SB-555 Water Loss Reporting as the percentages appeared to be considerably lower than the UWMP. Staff researched the annual reports and prepared the following table which shows the reported water loss data. The data for 2020 has not yet been calculated it was an estimate in the UWMP:

SB 555 Distribution System Loss Reported Data: 2016 through 2019

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11.3%</td>
<td>10.5%</td>
<td>7.0%</td>
<td>7.4%</td>
</tr>
</tbody>
</table>

All reporting years match with the exception of 2019 where unbilled metered water use was not included in the total loss calculation. Unbilled metered water is attributed to District owned facilities that are metered but are not billed and, therefore, is not an unaccounted for real loss. Previous years water loss data, as well as the UWMP data, report water loss for all non-revenue water, which accounted for unbilled unmetered water along with real losses from leaks, firefighting, maintenance, unauthorized use, and meter inaccuracies. Moving forward, staff will include a breakdown of total water loss, non-revenue water, and unbilled unmetered water when reporting to the Board.

Staff is currently preparing the 2020 SB-555 Water Loss Report for audited validation and submittal to the Department of Water Resources. A comprehensive report of the 2020 water loss finding will be presented to the Board once the report is complete.
MEMO

TO: Board of Directors

FROM: Cathy Lee, General Manager

DATE: July 15, 2021

RE: 2021 American River Regional Groundwater Substitution Transfer

Background:
Similar to 2020, the District partnered with City of Sacramento and Sacramento Suburban Water District to conduct a groundwater substitution Transfer where the entities will use more groundwater and allow surface water to be transferred outside the Sacramento Region.

Summary:
Similar to prior years, the District partnered with City of Sacramento and Sacramento Suburban Water District to conduct a groundwater substitution transfer. The entities signed a Memorandum of Agreement (MOA) for “Distribution of Administrative Expenses and Water Transfer Revenue Reimbursement”, attached as Attachment 1. The estimated water transfer amount for the District was 1,889 ac-ft of water from July 1 through September 30, 2021. The District submitted its application, Petition For Change Involving Water Transfer, to the State Water Resources Control Board on May 5, 2021 to transfer 1,889 acre-feet (ac-ft) of water to Santa Clara Water Agency and State Water Contractors. The cost for the water is $625 per ac-ft and the fully executed “Purchase Agreement for Water Transfer Between Sellers and Buyers” for the American River agencies and State Water Contractors is attached as Attachment 2. SWRCB received 5 comment letters for the District’s petition and the District responded accordingly. On June 29, 2021, SWRCB issued an order denying the District’s request to transfer the water due to the curtailment of the District’s water right and the order is attached as Attachment 3.

Attachment(s):
1. City of Sacramento - Memorandum of Agreement for Distribution of Administrative Expenses and Water Transfer Revenue Reimbursement
2. State Water Contractors - Purchase Agreement for Water Transfer Between Seller and Buyers
3. SWRCB - Order Denying Temporary Change in Point of Diversion, Place of use, and Purpose of Use, Petition of Temporary Change Involving the Transfer of Up to 1,889 Acre-Feet of Water to Santa Clara Valley Water District and State Water Contractors
CONTRACT ROUTING SHEET

Contract Cover/Routing Form: Must Accompany ALL Contracts; however, it is NOT part of the contract.

General Information (Required)
Original Contract # (supplements only): __________ Supplement/Addendum #: __________
Assessor’s Parcel Number(s): __________
Contract Effective Date: __________ Contract Expiration Date (if applicable): __________
$ Amount (Not to Exceed): $75,000.00 Adjusted $ Amount (+/-): __________
Other Party: Multi Agency - Sac. Suburban Water District (SSWD); Carmichael Water District
Project Title: Memorandum of Agreement - 2021 American River Water Transfer
Project #: __________ Bid/RFQ/RFP #: __________
City Council Approval: NO if YES, Council File ID#: __________

Contract Processing Contacts

Department: Utilities
Contract Coordinator: Renee Graves __________ Project Manager: Brett Ewart
Email: RGraves@cityofsacramento.org

Department Review and Routing

Construction Mgmt: 
(Signature) __________ (Date) Jun 14, 2021
Supervisor: __________
(Signature) __________ (Date) Jun 14, 2021
Division Manager: __________
(Signature) __________ (Date) Jun 15, 2021
Other: __________
(Signature) __________ (Date) Jun 15, 2021

Special Instruction/Comments (i.e, recording requested, other agency signatures required, etc.)
☐ Recording Requested ☐ Other Party Signature Required

Attachment 1 - final will be updated to amend this agreement

FOR CLERK & IT DEPARTMENTS ONLY – DO NOT WRITE BELOW THIS LINE

CC Rev. 12.19.2018
MEMORANDUM OF AGREEMENT

DISTRIBUTION OF ADMINISTRATIVE EXPENSES AND WATER TRANSFER REVENUE
REIMBURSEMENT
2021 AMERICAN RIVER REGIONAL WATER TRANSFER

The signatories below ("PARTIES") hereby enter into this Memorandum of Agreement ("AGREEMENT") as of the date of the last signature made below.

RECITALS

WHEREAS, the PARTIES are members of the Regional Water Authority (RWA); and

WHEREAS, the PARTIES intend to collectively sell and transfer a cumulative amount of surface water to downstream water exporters ("BUYERS"); and

WHEREAS, this cumulative sale of water to BUYERS is known as the "2021 American River Regional Water Transfer" ("Transfer"); and

WHEREAS, a subset of the PARTIES, City of Sacramento, and Carmichael Water District, will be identified as ("SELLERS") in the Transfer Agreement.

WHEREAS, the City of Sacramento ("COS") will assume the role of implementing and administering the Transfer Agreement, as the "SELLERS' AGENT"; and

WHEREAS, the PARTIES anticipate that, as part of the Transfer, the BUYERS will contribute a total sum of up to $75,000 towards the PARTIES' administrative costs; and

WHEREAS, the BUYERS' $75,000 contribution to administrative costs will be credited proportionately to the PARTIES; and

WHEREAS, the BUYERS expect to receive invoices and submit payments through at most two SELLERS' AGENTS; and

NOW, THEREFORE, THE PARTIES hereby agree as follows:

1. This AGREEMENT confirms the intention and acceptance by the PARTIES of a distribution of up to $75,000 administrative expense reimbursement ("Fee") provided by the BUYERS pursuant to §7(c) of the applicable "Purchase Agreement for Water Transfer Between Sellers and Buyers" (approved and also signed by the PARTIES) as described below.
2. The distribution of the Fee is to be determined and allocated by calculating each individual agency's proportional amount of the total third-party consulting and legal costs all PARTIES expend in the aggregate for the benefit of all parties to initiate and implement the Transfer.

3. Attachment 1 to this Agreement reflects a template to account for those consultant and legal fee amounts, as reported by each PARTY; the calculated proportion of the total expenses for all PARTIES; and, the resulting allocation of the Fee to be paid to each PARTY by the SELLERS' AGENT. Proportionality shall be determined by final transfer amounts by volume. In the event a party ends participation early the parties will convene to establish fair share expenditures up to date when participation ended. All third-party expenses shall be submitted to COS for consideration within 30 days of the final report prepared for DWR, which is typically 1 year after completion of the Transfer. The COS shall distribute the Fee to the PARTIES within 30 days of receipt of the Fee from the BUYERS.

4. In the event the Fee is not sufficient to cover the aggregate eligible administrative costs, the PARTIES shall be proportionally responsible for any excess according to the formula set forth in Attachment 1. Prior to distribution of the final 10% of Transfer revenue, SELLERS' AGENT will prepare a final accounting of each PARTY'S proportionate share of the aggregate third-party expenses expended for all PARTIES' benefit and, based on that accounting, make adjustments from Transfer revenue in the amount sufficient to distribute reimbursements for all administrative expenses accounted for in Attachment 1. SELLERS' Agency shall distribute any remaining Transfer revenues in excess of the reimbursement amounts proportionately to the PARTIES.

5. Administrative expenses unique to any one PARTY of this AGREEMENT shall be the borne exclusively, or reimbursed by that PARTY. This AGREEMENT applies solely to the reimbursement for third party expenses eligible for the Fee, such as development of necessary agreements, preparation of environmental review documents, preparation of State Water Board petitions, and production of mitigation and monitoring plans. Any separate agreements between the PARTIES related to other obligations related to the Transfer or the division of revenue shall control as between those PARTIES.

6. The SELLERS' AGENT shall be responsible for invoicing BUYERS for the $75,000 administrative payment pursuant to the terms and within the time provided in the Purchase Agreement for Water Transfer Between Sellers and Buyers executed by the PARTIES.
IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT.

CARMICHAEL WATER DISTRICT
By ______________________
Dated: Jun 10, 2021

CITY OF SACRAMENTO
By ______________________
Dated: Jun 15, 2021

SACRAMENTO SUBURBAN WD
By ______________________
Dated: Jun 1, 2021

Dan York
Dan York (Jun 1, 2021 08:43 PDT)
PURCHASE AGREEMENT FOR WATER TRANSFER
BETWEEN SELLERS AND BUYERS

This Purchase AGREEMENT for Water Transfer ("AGREEMENT") is effective when fully executed by and between Carmichael Water District ("CWD") and City of Sacramento ("Sacramento") (collectively "SELLERS") and the public agencies listed in Appendix A that execute this AGREEMENT ("BUYERS").

RECITALS

A. SELLERS are California public agencies formed and operating in accordance with California law, and empowered to sell water to BUYERS as provided for in this AGREEMENT.

B. BUYERS are public agencies that execute this AGREEMENT and are formed and operating under the California Water Code and are empowered to purchase water from SELLERS as provided for in this AGREEMENT for delivery to their customers.

C. This AGREEMENT allows for BUYERS, willing purchasers, to acquire from SELLERS, a willing seller, water supplies that BUYERS have determined are needed for use in BUYERS’ service areas. The water supplies to be transferred under this AGREEMENT will be a portion of the water available to SELLERS under the following appropriative water rights: (1) CWD, under License 1387; and (2) Sacramento, under Permit 11360 and/or other Permits duly held by the City of Sacramento.

D. The water made available for transfer under this AGREEMENT will result from GROUNDWATER SUBSTITUTION or RESERVOIR REOPERATION.
OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual covenants and conditions contained herein, the PARTIES agree as follows:

1. **Recitals Incorporated.**

The foregoing Recitals are incorporated herein by reference.

2. **Definitions.**

The following terms shall have the following meanings as used herein:


b. “ASSUMED DEPLETION LOSS” means the total reduction in stream flow assumed by the California Department of Water Resources (“DWR”) to result from additional groundwater pumping that will occur as a result of the water transfer. For this AGREEMENT, ASSUMED DEPLETION LOSS will be 13%, or the amount of depletion losses established in DWR/United States Bureau of Reclamation’s (“USBR”) latest water transfer guidelines, or as accepted by DWR based on site-specific aquifer analysis of past transfers.

c. “BUYERS” are the public water agencies listed in **Appendix A** that execute this AGREEMENT.

d. “CEQA” means the California Environmental Quality Act.

e. “CONTRACT INTEREST RATE” is the interest rate paid monthly by the Local Agency Investment Fund, calculated from the date of the payment being refunded and compounded monthly.

f. “CONTRACTORS” means the State Water Contractors.
g. “GROUNDWATER SUBSTITUTION” is water made available by pumping groundwater from wells within the North American or South American Groundwater Subbasins to provide municipal and industrial water service, and forbearing surface water diversions of an equal amount of water for delivery to the BUYERS.

h. “PARTIES” are the BUYERS and SELLERS. DWR, while not a PARTY, does have authority to consent to this AGREEMENT.

i. “POINT OF DELIVERY” means SELLERS’ diversion point(s) or such other delivery point as agreed to by the PARTIES and DWR.

j. “RESERVOIR REOPERATION” means the purposeful release of previously stored water from the SELLERS’ reservoir or reservoirs, which absent the water transfer, would remain in storage within the SELLERS’ reservoir or network of reservoirs.

k. “SWC AGREEMENT” means the State Water Contractors 2021 Dry Year Water Transfer Agreement by and between the BUYERS and CONTRACTORS.

3. Term.

This AGREEMENT will be effective between the SELLERS and any BUYERS listed in Appendix A once they have both executed this AGREEMENT. This AGREEMENT will be in effect until December 31, 2021, or such later date when all obligations under it are satisfied. No right of renewal or right to enter into extensions of this AGREEMENT or to enter into any new water transfer agreement is expressly granted hereunder, nor may such a right be implied from the execution of this AGREEMENT.
payments and disbursements described in this AGREEMENT on the BUYERS’ behalf. The SWC AGREEMENT requires BUYERS to deposit with the CONTRACTORS funds necessary to make the payments for water and the BUYERS’ share of regulatory costs and authorizes the CONTRACTORS to make all such payments to SELLERS required by this AGREEMENT. SELLERS shall send all notices or invoices required by this AGREEMENT to the CONTRACTORS with a copy to BUYERS, and the CONTRACTORS shall send all notices and payments to SELLERS under this AGREEMENT on behalf of the BUYERS. The CONTRACTORS shall make all payments to SELLERS required in accordance with this AGREEMENT on the BUYERS’ behalf. Nothing in this Section 4(a) shall affect or limit the BUYERS’ duties and obligations under this AGREEMENT, and they remain jointly and severally obligated to make the subject payments to SELLERS, notwithstanding performance or non-performance on the part of the CONTRACTORS.

b. SELLERS agree to sell to BUYERS, at a price of $625.00 for each acre-foot, the water supply derived from GROUNDWATER SUBSTITUTION and/or for RESERVOIR REOPERATION for delivery in 2021 for each-acre foot DWR and USBR (where applicable) determines is transferable and SELLERS make available to BUYERS at the POINT OF DELIVERY in accordance with DWR’s “Draft Technical Information for Preparing Water Transfers Proposals” for Water Transfers in 2021, as revised in December 2019 (“Technical Information”). Neither this section, nor any other provision in this AGREEMENT, shall establish a precedent or be considered binding on the PARTIES regarding the terms and conditions of agreements governing possible future transfers.
c. For GROUNDWATER SUBSTITUTION transfers: DWR is imposing an
ASSUMED DEPLETION LOSS on the water quantity developed through
GROUNDWATER SUBSTITUTION. Accordingly, the water amount developed
from GROUNDWATER SUBSTITUTION that the BUYERS will receive under
this AGREEMENT will be the amount pursuant to Section 6 that is determined to
be transferable by DWR at the POINT OF DELIVERY in accordance with the
Technical Information, after deducting the ASSUMED DEPLETION LOSS. The
PARTIES acknowledge and agree that, as of the effective date of this
AGREEMENT, SELLERS do not concede that there is adequate data or analyses
supporting the ASSUMED DEPLETION LOSS. The ASSUMED DEPLETION
LOSS for this water transfer shall in no manner whatsoever constitute a precedent
for any determination or allocation of depletion loss in connection with any future
water transfer involving SELLERS. Nothing in this AGREEMENT constitutes an
admission by SELLERS for purposes of future transfers that the regulatory
requirements imposed on this water transfer are required under applicable law.

d. In the event SELLERS fail to make available the water quantity purchased at the
POINT OF DELIVERY, SELLERS will first provide appropriate adjustments to
the final invoice to reflect any differences in the volume of water requested by
BUYERS and ultimately delivered by SELLERS. If due to unforeseen
circumstances the final invoice reflects an amount due to BUYERS, SELLERS
will promptly refund to BUYERS any payments made for purchased water not
provided by SELLERS. Any refunds shall accrue interest at the CONTRACT
INTEREST RATE.
5. Payments for GROUNDWATER SUBSTITUTION and RESERVOIR REOPERATION Transfer Water.

a. SELLERS may invoice BUYERS for 50% of the final quantities SELLERS offer on or before May 31, 2021 provided DWR and/or the SWRCB have approved the transfer and BUYERS have called the water. If DWR and/or SWRCB approval occurs after May 31, 2021 SELLERS may invoice BUYERS for 50% of the final quantities at that time, provided BUYERS have called the water. On or after July 30, 2021, SELLERS may invoice BUYERS for an additional 40% of the final water quantity offered by SELLERS under this AGREEMENT. After DWR has confirmed the final water quantity delivered by SELLERS at the POINTS OF DELIVERY, SELLERS may invoice BUYERS for the final balance owed. BUYERS shall pay all invoices under this section within thirty (30) days of receipt. Payments not made within thirty (30) days under this section shall accrue interest at the CONTRACT INTEREST RATE, compounded monthly.

6. Water To Be Transferred; Delivery Conditions; POINT OF DELIVERY.

a. SELLERS are offering up to 16,539 acre-feet of water prior to DWR-applied streamflow depletion factor. On or before 5:00 p.m. on June 7, 2021, in their sole discretion, BUYERS shall notify SELLERS whether they want to buy the total amount of water offered by SELLERS. Failure by BUYERS to notify SELLERS on or before 5:00 p.m. on June 7, 2021 shall be deemed an election by BUYERS to take all water offered by SELLERS. Except as provided for in Sections 6(b) and 6(c), once BUYERS have notified SELLERS of their intent to buy all water made available by SELLERS (or that election has been otherwise deemed to occur), BUYERS will have a “take or pay” obligation for the total amount of
water offered by SELLERS and that is determined to be transferable by DWR and USBR (where applicable) at the POINT OF DELIVERY in accordance with the Technical Information. BUYERS acknowledge that SELLERS are entering into a similar agreement with a separate party to transfer the full amount of water. 65% of DWR-approved transferable water shall be made available to the BUYERS under this agreement through September 30, 2021. If the other party fails to complete the terms of the agreement, the SELLER agrees to make the full amount of water made available and approved by DWR to the BUYERS under all remaining terms of this agreement.

b. For water made available by RESERVOIR REOPERATION:

i. BUYERS agree to purchase the amount of RESERVOIR REOPERATION water specified by SELLERS in Section 6(a) that DWR and USBR (where applicable) determine to be transferable at the POINT OF DELIVERY, and is made available by SELLERS at the POINT OF DELIVERY.

ii. Until SELLERS provide the notification set forth in Section 6(a), SELLERS may, in their sole discretion, reduce in whole or in part the amount of water being offered from RESERVOIR REOPERATION it wishes to make available to BUYERS.

iii. If regulatory restrictions, including increased carriage losses, or State Water Project (“SWP”) infrastructure availability limit BUYERS’ ability to divert and use the RESERVOIR REOPERATION water under this AGREEMENT, or the BUYERS choose to terminate RESERVOIR REOPERATION transfers, BUYERS shall provide seventy-two (72) hour notice and suspend or terminate RESERVOIR REOPERATION transfers.
Any water released prior to the effective date of the suspension or termination will be considered transferred to BUYERS.

iv. In the event SELLERS’ supply is reduced or curtailed, SELLERS will meet and confer with BUYERS, but SELLERS will reserve the right in its sole and absolute discretion to terminate this AGREEMENT. However, the obligations set forth in Section 7 will still apply.

c. For water made available by GROUNDWATER SUBSTITUTION:

i. BUYERS agree to purchase the amount of GROUNDWATER SUBSTITUTION water specified by SELLERS in Section 6(a) that is determined to be transferable at the POINT OF DELIVERY by DWR, subject to Section 6(c)(iv), and is made available by SELLERS at the POINT OF DELIVERY identified in Section 6(d).

ii. Until SELLERS provide the notification set forth in Section 6(a), SELLERS may, in their sole discretion, reduce in whole or in part the water quantity being offered from GROUNDWATER SUBSTITUTION it wishes to make available to BUYERS. Subject to Section 6(c)(iv), SELLERS will use reasonable efforts to provide the GROUNDWATER SUBSTITUTION water during the transfer period, but cannot be the guarantor or otherwise warrant that they will be able to pump the full quantity of water offered by SELLERS and accepted by BUYERS. GROUNDWATER SUBSTITUTION amounts are subject to change based on the final start date for the water transfer, regulatory approvals and requirements, and any monitoring and mitigation obligations which may suspend or reduce pumping.
iii. If SELLERS elect to transfer water based on GROUNDWATER SUBSTITUTION, SELLERS shall temporarily reduce the amount of surface water diverted and used for irrigation within SELLERS’ service area by an amount commensurate with the amount of groundwater pumped and make available that amount of water for transfer to BUYERS at the POINT OF DELIVERY described in Section 6(d).

iv. This AGREEMENT places no requirement or restriction on SELLERS’ diversions of surface water under their water rights or groundwater use by landowners within SELLERS’ boundaries in the 2021 IRRIGATION SEASON. However, if regulatory restrictions, including increased carriage losses, or SWP infrastructure availability limit BUYERS’ ability to divert and use the GROUNDWATER SUBSTITUTION water under this AGREEMENT, or the BUYERS choose to terminate GROUNDWATER SUBSTITUTION transfers, BUYERS shall provide seventy-two (72) hour notice of the need for SELLERS to either suspend or terminate pumping. BUYERS may request SELLERS to resume GROUNDWATER SUBSTITUTION water under this AGREEMENT, and SELLERS will resume pumping as soon as practicable, but no later than forty-eight (48) hours after BUYERS’ notice. If pump or other mechanical failures, third party claims, or other unforeseen events limit SELLERS’ ability to make water available to BUYERS, SELLERS shall notify BUYERS as soon as possible of the need to suspend, reduce, or terminate pumping. After such notification, SELLERS and BUYERS shall promptly meet to determine whether to continue the
GROUNDWATER SUBSTITUTION water transfer. During periods of reduced or suspended pumping, Seller may return to normal surface water diversions. In addition and in the event SELLERS’ supply is reduced or curtailed, SELLERS will meet and confer with BUYERS, but SELLERS will reserve the right in its sole and absolute discretion to terminate this AGREEMENT. However, the obligations set forth in Section 7 will still apply.

v. SELLERS shall monitor and prepare and submit reports as required by DWR’s Technical Information for water made available through GROUNDWATER SUBSTITUTION. In the event that SELLERS do not produce the groundwater necessary to provide the water requested pursuant to Section 6(a), for which BUYERS have contracted and paid for, SELLERS will promptly refund to BUYERS any payments made in accordance with this AGREEMENT for each acre-foot not produced. Any refunds shall include interest at the CONTRACT INTEREST RATE.

d. SELLERS shall make transfer water subject to this AGREEMENT available at the POINT OF DELIVERY, and SELLERS shall not schedule the delivery of water to be transferred under this AGREEMENT. With the exception of SELLERS’ responsibility for the ASSUMED DEPLETION LOSS pursuant to Section 4(c) (applicable for GROUNDWATER SUBSTITUTION transfers) and to the extent provided for in Section 6, BUYERS shall be responsible for and shall bear all risks for all conveyance and other losses related to the inability of BUYERS or DWR to convey the water from the POINT OF DELIVERY to BUYERS, and for any carriage water losses assessed against BUYERS by USBR
or DWR. BUYERS understand and acknowledge that the transfer of water will occur within the current and future regulatory parameters for the SWP, including all Biological Opinion and Incidental Take Permit requirements under the federal and state endangered species acts and any additional restrictions being implemented as a result of interim operational remedies imposed by a state or federal court. SELLERS shall in no way be responsible for BUYERS’ inability, infeasibility, frustration of purpose, or increased expenses resulting from transferring or transporting the water after the POINT OF DELIVERY. To the extent provided in Section 6(a), BUYERS’ obligations under this AGREEMENT shall remain the same notwithstanding difficulty, increased costs, impossibility, or inability to transport the water to BUYERS’ place of use except as provided in this AGREEMENT.

e. The water made available by SELLERS’ GROUNDWATER SUBSTITUTION or RESERVOIR REOPERATION pursuant to this AGREEMENT shall be for the exclusive use of the BUYERS, and SELLERS shall take no actions, except those permitted by this AGREEMENT, that would reduce the water transferred under this AGREEMENT.

7. Obtaining Approvals; Environmental Compliance; and Related Costs.

a. Approvals. SELLERS will be responsible for preparing any necessary CEQA and SWRCB documentation.

i. For GROUNDWATER SUBSTITUTION, if SELLERS are required to obtain approval by the SWRCB under Water Code Section 1725, they will obtain the required approval by June 30, 2021, unless by mutual agreement the PARTIES modify this date, under terms and conditions
satisfactory to each PARTY. SELLERS shall be responsible for obtaining such approval with any necessary cooperation and assistance from BUYERS. If the SWRCB approval has not been obtained by June 30, 2021, BUYERS and SELLERS will confer to determine whether they will mutually agree to continue this AGREEMENT, with or without appropriate amendments.

**ii.** For RESERVOIR REOPERATION, SELLERS will be responsible for preparing necessary CEQA, NEPA, and SWRCB documentation, acquiring Warren Act Contract or other contract or agreement with USBR as determined necessary, and executing refill agreements with USBR and/or DWR by May 30, 2021, unless by mutual agreement, the PARTIES modify this date under terms and conditions satisfactory to each PARTY.

**b.** SELLERS are required to obtain USBR’s (where applicable) and DWR’s consent to the water transfer provided for under this AGREEMENT. BUYERS and SELLERS will cooperate with and assist each other as necessary in obtaining approval and agreement from USBR and/or DWR.

**c.** BUYERS will reimburse SELLERS’ reasonable and documented out-of-pocket administrative expenses, including but not limited to legal, environmental, and engineering consultants’ fees and expenses incurred by SELLERS in preparing, negotiating, administering, implementing and supporting this AGREEMENT, for developing and administering mitigation and monitoring programs for GROUNDWATER SUBSTITUTION, and obtaining any necessary approvals supporting this AGREEMENT, regardless of whether water is transferred, unless SELLERS fail to provide any water after the BUYERS provide notification to
purchase water as set forth in Section 6.a). Subject to the foregoing, SELLERS shall be entitled to this reimbursement for such costs incurred after February 2, 2021, and upon the BUYERS and SELLERS executing this AGREEMENT. Except as set forth in Section 7(d), the maximum amount that SELLERS will be reimbursed for its out-of-pocket administrative expenses is $75,000 (for actual net deliveries of greater than or equal to 10,000 acre-feet); $37,500 (for actual net deliveries between 9,999 acre-feet and 5,000 acre-feet); and $25,000 (for actual net deliveries between 4,999 acre-feet and 1,000 acre-feet). Water quantity offered by the SELLERS but suspended, reduced, and/or terminated per Section 6(c)(iv) will be counted towards the aforementioned administration reimbursement quantification tiers. SELLERS may invoice BUYERS one time for such expenses after May 31, 2021. BUYERS shall pay such invoices within thirty (30) days of BUYERS’ receipt of the invoice. SELLERS shall invoice BUYERS for all costs under this section by no later than December 31, 2021. If SELLERS fail to invoice by December 31, 2021, BUYERS are not obligated to pay the costs set forth in this Section 7(c).

d. In the event of an administrative challenge and/or litigation related to the proposed 2021 water transfer, SELLERS and BUYERS will promptly meet and confer to perform a risk assessment of the litigation/challenge, and cooperate in good faith to determine whether to terminate the AGREEMENT due to the litigation/challenge. If litigation and/or an administrative challenge is pending as of June 7, 2021 either PARTY may elect to terminate the AGREEMENT due to any such litigation/challenge. If either PARTY so elects to terminate the AGREEMENT, BUYERS shall still be obligated to pay SELLERS’ reasonable
and documented out-of-pocket administrative expenses, and for all of the water transferred to BUYERS prior to such termination. If litigation and/or an administrative challenge is initiated after June 7, 2021, SELLERS and BUYERS will promptly meet and confer to perform a risk assessment of the litigation/challenge, but termination of this AGREEMENT may only occur through agreement of both BUYERS and SELLERS or at the option of SELLERS in their sole discretion. SELLERS will take all necessary and appropriate actions to defend the transfer on behalf of BUYERS and SELLER. Except as set forth in Section 7(d)(ii), BUYERS will reimburse 100% of SELLERS’ actual out-of-pocket expenses incurred in defending the proposed 2021 water transfer.

BUYERS shall cooperate in defending the litigation as requested by SELLERS. SELLERS shall invoice BUYERS for expenses under this section on a monthly basis (supported by invoices) beginning the month following initiation of the proceeding or challenge, and BUYERS shall pay such invoices within thirty (30) days of BUYERS’ receipt of each invoice. However, BUYERS may still dispute such invoices after paying.

i. Subject to Section 7(d)(ii), BUYERS shall bear their own costs of any litigation and/or administrative challenge and shall pay any remedial award associated therewith, whether levied against BUYERS or SELLERS.

ii. As to claims that solely challenge SELLERS’ conduct within SELLERS’ service area or above the POINT OF DELIVERY, and excepting claims governed by Section 7(d), including CEQA, Endangered Species Act, or administrative challenges to the entire transfer program, SELLERS shall have primary responsibility for defending such claims on behalf of both
SELLERS and BUYERS, and BUYERS shall participate in defending against such claims to the extent it deems necessary or appropriate, in BUYERS’ sole discretion. BUYERS shall bear their own fees and costs of defending against such claims. Except as provided in Section 7(c), SELLERS shall bear their own fees and costs of defending against such claims and shall pay any monetary awards associated therewith.

e. Notwithstanding anything to the contrary in Sections 7(c) and (d), BUYERS shall not be required to reimburse SELLERS for the time spent by their directors, officers, or employees relating to this transfer.

f. SELLERS are required to obtain USBR’s (where applicable) and DWR’s agreement that the water made available by SELLERS at the POINT OF DELIVERY in accordance with the Technical Information is transferable to BUYERS. BUYERS are required to obtain DWR’s agreement to divert the quantity of water calculated pursuant to Section 4(b), less carriage and any other water losses assessed by DWR, at the H.O. Banks Pumping Plant for delivery to BUYERS, consistent with BUYERS’ SWP water supply contract. SELLERS will cooperate with and assist BUYERS as requested to obtain DWR’s agreement, but SELLERS shall not act as a guarantor of such an agreement. BUYERS and SELLERS acknowledge that DWR’s approval will occur subsequent to executing this AGREEMENT. If DWR’s agreement is not obtained, BUYERS and SELLERS will confer to determine whether they will mutually agree to continue this AGREEMENT, with or without appropriate amendments.

g. SELLERS shall obtain any and all other necessary approvals required to effectuate the water transfer under this AGREEMENT, except that BUYERS
shall obtain all authorizations for the conveyance of the transfer water from the 
POINT OF DELIVERY to BUYERS’ places of use.


No transfer of water pursuant to this AGREEMENT shall confer any appropriative, public trust, 
or other right to water on any person or entity. Nothing in this AGREEMENT shall act as a 
forfeiture, diminution, or impairment of any rights of SELLERS to their full deliveries of water 
after the expiration of the AGREEMENT, and shall in no way prejudice any of SELLERS’ rights 
thereto. Consistent with the provisions of California Water Code Sections 109, 475, 1011, 1244, 
and 11961, the PARTIES agree that no transfers under this AGREEMENT, nor the 
AGREEMENT itself, is evidence of the availability of surplus water beyond the term of the 
AGREEMENT, nor evidence of lack of beneficial use of the water involved in the transfer, and 
they shall not contend otherwise. The only rights granted to the PARTIES as a result of this 
AGREEMENT are those expressly set forth herein.


Subject to the provisions of Section 7(d) regarding allocation of litigation expenses, each Party 
(that is, SELLERS on the one hand, and BUYERS on the other hand) agrees to protect, defend, 
indemnify, and hold harmless the other Party and its/their directors, officers, agents, servants, 
employees, and consultants, in addition to the CONTRACTORS’ directors and employees from 
and against any and all losses, claims, liens, demands, and causes of action of every kind and 
character, without limitation by enumeration, occurring or in any way incident to, connected 
with, or arising directly or indirectly out of the performance or non-performance by the 
indemnifying Party hereunder.
10. Construction and Interpretation.

It is agreed and acknowledged by the PARTIES 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 shall not apply in construing or interpreting this AGREEMENT.

11. Obligations Prior to Termination.

Notwithstanding any other provision hereof, the obligations of the PARTIES incurred pursuant to this AGREEMENT prior to the termination of this AGREEMENT, including without limitation the obligations to make refunds as required, shall survive the termination.

12. Severability.

The invalidity, illegality, or unenforceability of any provision of this AGREEMENT shall not render the other provisions unenforceable, invalid, or illegal.


This AGREEMENT shall be interpreted and enforced pursuant to the laws of the State of California.


This AGREEMENT can only be modified in writing and if executed by both PARTIES.

15. Entire Agreement.

This AGREEMENT contains the entire understanding of the PARTIES related to their interests, obligations, and rights in connection with the subject matter set forth herein. All prior communications, negotiations, stipulations, and understandings, whether oral or written, are of no force or effect, and are superseded, except as referenced herein.

The PARTIES to this AGREEMENT do not intend to create any third party beneficiaries to this AGREEMENT and expressly deny the creation of any third party beneficiary rights hereunder toward any person or entity.

17. Time.

Time is of the essence in the performance of each and every term of this AGREEMENT.

18. Waiver.

The waiver or failure to declare a breach as a result of the violation of any term of this AGREEMENT shall not constitute a waiver of that term or condition and shall not provide the basis for a claim of estoppel, forgiveness or waiver by any PARTY to that term or condition.

19. Attorneys’ Fees.

If it shall be necessary for any PARTY hereto to commence legal action or arbitration to enforce the terms and provisions of this AGREEMENT, each PARTY shall be responsible for its own attorneys’ fees, expenses, and costs incurred therein.

20. Captions.

The section and subsection captions in this AGREEMENT are for convenience only and shall not be used in construing the AGREEMENT.


Each PARTY agrees to make, execute, and deliver any and all documents and to join in any application or other action reasonably required to implement this AGREEMENT.

22. Notice.

Any and all communications and/or notices in connection with this AGREEMENT shall be emailed, or either hand-delivered or sent by United States first class mail, postage prepaid, and addressed as follows:
To: SELLERS
Brett Ewart, Senior Engineer
City of Sacramento
Department of Utilities
1395 35th Avenue
Sacramento, CA 95822
BEwart@cityofsacramento.org

To: State Water Contractors
Eric Chapman
1121 L Street, Suite 1050
Sacramento, CA 95814-3944
echapman@swc.org

To: BUYERS

See Appendix A attached hereto for list of names and addresses of BUYERS. The PARTIES may change the foregoing addresses by providing written notice in compliance with this section.

23. BUYERS’ Liability.
BUYERS, and each of them, shall be jointly and severally liable for complying with the obligations, liabilities, terms, and conditions of this AGREEMENT, including, without limitation, the obligations set forth in Sections 5 and 7.

24. Counterparts; Facsimile Execution.
This AGREEMENT may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon, provided such signature page is attached to any other counterpart identical thereto except for having an additional signature page executed by any other PARTY. Each PARTY agrees that each other PARTY may rely upon the facsimile signature of any PARTY on this AGREEMENT as constituting a duly authorized, irrevocable, actual, current delivery of this
AGREEMENT as fully as if this AGREEMENT contained the original ink signature of the PARTY supplying a facsimile signature.
IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT as of the day and year first written above.

CARMICHAEL WATER DISTRICT

By ________________________________ Dated: 6/21/2021

Cathy Lee
General Manager

CITY OF SACRAMENTO

By ________________________________ Dated: Jun 10, 2021

Hector Barron
Assistant City Manager

Approved as to Form

______________________________
Michael Voss
City Attorney

Attest:

______________________________
Wendy McNeil-Johnson (Jun 10, 2021 21:39 PDT)

City Clerk
IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT as of the day and year first written above.

DUDLEY RIDGE WATER DISTRICT

By ________________________________ Dated: ____________

Title: ______________________________

KERN COUNTY WATER AGENCY

By ________________________________ Dated: ____________

Title: ______________________________
IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT as of the day and year first written above.

CARMICHAEL WATER DISTRICT

By _______________________________ Dated: _______________
   Cathy Lee
   General Manager

CITY OF SACRAMENTO

By _______________________________ Dated: Jun 10, 2021
   Hector Barron
   Assistant City Manager

Approved as to Form

Michael Voss
City Attorney

Attest:

Hector Barron
City Clerk
IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT as of the day and year first written above.

DUDLEY RIDGE WATER DISTRICT

By _______________________________ Dated: _______________
   _______________________________
   Title: __________________________

KERN COUNTY WATER AGENCY

By _______________________________ Dated: _______________
   _______________________________
   Title: __________________________
IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT as of the day and year first written above.

CARMICHAEL WATER DISTRICT

By: ________________________________  Dated: ________________
    Cathy Lee
    General Manager

CITY OF SACRAMENTO

By: ________________________________  Dated: ________________
    William O. Bustath
    Director of Utilities

Approved as to Form

______________________________
City Attorney

Attest:

______________________________
City Clerk
IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT as of the day and year first written above.

DUDLEY RIDGE WATER DISTRICT

By: ________________________________  Dated: May 26, 2021
    Mark A. Gilkey
    Title: General Manager

KERN COUNTY WATER AGENCY

By: ________________________________  Dated: ________________
    ____________________________
    Title: ____________________________
IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT as of the day and year first written above.

CARMICHAEL WATER DISTRICT

By__________________________________ Dated:_______________
Cathy Lee
General Manager

CITY OF SACRAMENTO

By__________________________________ Dated:_______________
William O. Bustath
Director of Utilities

Approved as to Form

________________________________
City Attorney

Attest:

________________________________
City Clerk

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT as of the day and year first written above.

DUDLEY RIDGE WATER DISTRICT

By__________________________________ Dated:_______________

Title:__________________________

KERN COUNTY WATER AGENCY

By__________________________________ Dated: June 01, 2021

Title: Water Resource Manager
COUNTY OF KINGS

By [Signature] Dated: 5/27/21
Title: County Administrative Officer

CENTRAL COAST WATER AUTHORITY

By ____________________________ Dated: ______________
Title: __________________________

THE NAPA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

By ____________________________ Dated: ______________
Title: __________________________

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

By ____________________________ Dated: ______________
Title: __________________________

PALMDALE WATER DISTRICT

By ____________________________ Dated: ______________
Title: __________________________

SAN GABRIEL VALLEY WATER DISTRICT

By ____________________________ Dated: ______________
Title: __________________________
COUNTY OF KINGS

By_________________________  Dated:______________

Title:________________________

CENTRAL COAST WATER AUTHORITY

By_________________________  Dated: 5-26-21

Title:Executive Director

THE NAPA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

By_________________________  Dated:______________

Title:________________________

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

By_________________________  Dated:______________

Title:________________________

PALMDALE WATER DISTRICT

By_________________________  Dated:______________

Title:________________________

SAN GABRIEL VALLEY WATER DISTRICT

By_________________________  Dated:______________

Title:________________________
COUNTY OF KINGS

By [Signature] Dated: 5/27/21
Title: County Administrative Officer

CENTRAL COAST WATER AUTHORITY

By [Signature] Dated: 
Title: 

THE NAPA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

By [Signature] Dated: 5/4/2021
Title: Chairperson

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

By [Signature] Dated: 
Title: 

PALMDALE WATER DISTRICT

By [Signature] Dated: 
Title: 

SAN GABRIEL VALLEY WATER DISTRICT

By [Signature] Dated: 
Title: 
COUNTY OF KINGS

By__________________________________ Dated:_______________

Title:__________________________

CENTRAL COAST WATER AUTHORITY

By__________________________________ Dated:_______________

Title:__________________________

THE NAPA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

By__________________________________ Dated:_______________

Title:__________________________

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

By__________________________________ Dated:_______________

Title:__________________________

PALMDALE WATER DISTRICT

By__________________________________ Dated:_______________

Title:__________________________

SAN GABRIEL VALLEY WATER DISTRICT

By__________________________________ Dated:_______________

Title:__________________________

22
COUNTY OF KINGS

By ____________________________  Dated: ______________

   Title: __________________________

CENTRAL COAST WATER AUTHORITY

By ____________________________  Dated: ______________

   Title: __________________________

THE NAPA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

By ____________________________  Dated: ______________

   Title: __________________________

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

By ____________________________  Dated: ______________

   Title: __________________________

   Jeff Kightlinger

PALMDALE WATER DISTRICT

By ____________________________  Dated: 6/5/2021

   Title: __________________________

   Dir. Resource and Analytics

SAN GABRIEL VALLEY WATER DISTRICT

By ____________________________  Dated: ______________

   Title: __________________________
COUNTY OF KINGS

By ____________________________  Dated: ______________

Title: __________________________

CENTRAL COAST WATER AUTHORITY

By ____________________________  Dated: ______________

Title: __________________________

THE NAPA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

By ____________________________  Dated: ______________

Title: __________________________

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

By ____________________________  Dated: ______________

Title: __________________________

PALMDALE WATER DISTRICT

By ____________________________  Dated: ______________

Title: __________________________

SAN GABRIEL VALLEY WATER DISTRICT

By ____________________________  Dated: 5/26/2021

Title: GENERAL MANAGER
SANTA CLARITA VALLEY WATER DISTRICT

By ________________________                      Dated: ________________

Title: ____________________________

Matthew G. Stone  General Manager

ZONE 7 WATER AGENCY

By ________________________________                      Dated: ________________

Title: ____________________________
SANTA CLARITA VALLEY WATER DISTRICT

By__________________________________ Dated:_______________

Title:__________________________

ZONE 7 WATER AGENCY

By__________________________________ Dated:_______________

Title:__________________________

General Manager

DocuSign Envelope ID: 6C5AEA3B-2AB3-4B67-A4BC-1DFCE82BE526
Appendix A
BUYER LIST
Buyers’ Addresses

To: Dudley Ridge Water District
Rick Besecker
286 W. Cromwell Avenue
Fresno, CA 93711-6162
rbesecker@ppeng.com

To: Kern County Water Agency
Lauren Bauer
3200 Rio Mirada Drive
Bakersfield, CA 93308
lbauer@kcwa.com

To: County of Kings
Jacob Westra
1001 Chase Ave
Corcoran, CA 93212
jwestra@tlbwsd.com

To: Central Coast Water Authority
Ray Stokes
255 Industrial Way
Buellton CA 93427
ras@ccwa.com

To: The Napa County Flood Control and Water Conservation District
Christopher M. Silke, P.E.
804 First Street
Napa, California 94559-2623
christopher.silke@countyofnapa.org

To: Metropolitan Water District of Southern California
James Bodnar
P.O. Box 54153
Los Angeles, CA 90054-0153
jbodnar@mwdh2o.com

To: Palmdale Water District
Peter Thompson II
2029 East Avenue Q
Palmdale CA 93550
pthompsonii@palmdalewater.org

To: San Gabriel Valley Water District
Darin Kasamoto
P.O. Box 1299
Azusa CA 91702
dkasamoto@sgvmwd.com

To: Santa Clarita Valley Water District
Matt Stone
27234 Bouquet Canyon Road
Santa Clarita CA 91350
mstone@scvwa.org

To: Zone 7 Water Agency
Valerie Pryor
100 North Canyons Parkway
Livermore CA 94551
vpryor@zone7water.com
1.0 OVERVIEW

On May 5, 2021, the Carmichael Water District (Carmichael or Petitioner) filed with the State Water Resources Control Board (State Water Board), Division of Water Rights (Division) a petition for temporary change (Petition) involving the transfer of water under water right License 1387 (Application 138), pursuant to Water Code section 1725 et seq. Pursuant to the petition, Carmichael seeks to transfer up to 1,889 acre-feet (af) of water to the Santa Clara Valley Water District (SCVWD) and State Water Contractor (SWC) agencies participating in the State Water Project’s (SWP) Dry Year Transfer Program from July 2021 to November 2021. The SWC agencies include: Dudley Ridge Water District, Central Coast Water Authority, County of Kings, San Gorgonio Pass Water Agency, Metropolitan Water District of Southern California, San Gabriel Valley Water Company, Antelope Valley East Kern Water Agency, Zone 7 Water Agency, San Bernardino Valley Municipal Water District, Santa Clara Valley Water District, County of Napa Flood Control and Water Conservation District, Palmdale Water District, Santa Clarita Valley Water District, Kern County Water Agency, and Alameda County Water District (hereinafter collectively referred to as SWC Agencies).
2.0 PETITION FOR TEMPORARY CHANGE INVOLVING TRANSFER

2.1 Description of the proposed temporary changes

In order to facilitate the transfer, Carmichael proposes to temporarily add the following to License 1387: (1) SWP’s Harvey O. Banks Pumping Plant via the Clifton Court Forebay as a point of diversion, (2) North Bay Aqueduct Intake via Barker Slough as a point of diversion, (3) San Luis Reservoir as a point of rediversion, (4) a portion of the service area of the State Water Project as an additional place of use; and (5) add municipal and industrial purposes of use.

Carmichael proposes to transfer water to SCVWD and the SWC Agencies through groundwater substitution. Carmichael will pump up to 1,889 af of groundwater in lieu of using surface water under License 1387. Sacramento Suburban Water District will pump up to 9,260 af of groundwater to replace surface water that would have been used under Carmichael License 1387 and the City of Sacramento Permits 11358, 11359, 11360, and 11361. Absent the proposed temporary transfer, Carmichael would divert the entire quantity of surface water proposed for transfer from the American River pursuant to License 1387 to meet its irrigation and domestic demands.

2.2 Summary of Carmichael’s License 1387

License 1387 authorizes year-round direct diversion of up to 15 cubic feet per second from the American River in Sacramento County for irrigation and domestic uses. The water is placed to beneficial use within 4,500 acres of Carmichael’s district boundaries.

3.0 PUBLIC NOTICE OF THE PROPOSED TEMPORARY CHANGE

On May 10, 2021, Governor Gavin Newsom declared a State of Emergency for the Klamath River, Sacramento-San Joaquin Delta, and Tulare Lake Watershed Counties due to drought. The signed proclamation modifies noticing requirements and notice duration for temporary transfers of water. As such, the Division noticed Carmichael’s petition on May 14, 2021 to the Division’s website and via the State Water Board’s electronic subscription mailing list pursuant to modified Water Code section 1726(d).

The comment deadline was June 1, 2021. Timely comments to the petition were received from the California Department of Fish and Wildlife, Mr. Richard Morat, U.S. Bureau of Reclamation, and the Central Delta Water Agency. Carmichael provided responses to the comments by letters to the Division dated June 7, 2021 and June 10, 2021. The responses are available in the record for License 1387.
4.0 CRITERIA FOR APPROVING THE PROPOSED TEMPORARY CHANGES

The State Water Board shall approve a temporary change involving the transfer of water under Water Code section 1725 et seq., if it determines that a preponderance of the evidence shows both of the following:

a. The proposed change would not injure any legal user of water, during any potential hydrologic condition that the State Water Board determines is likely to occur during the proposed change, through significant changes in water quantity, water quality, timing of diversion or use, consumptive use of water, or reduction in return flows.

b. The proposed change would not unreasonably affect fish, wildlife, or other instream beneficial uses.

(Wat. Code, § 1727, subd. (b).)

In addition, the proposed change must involve only the amount of water that would have been consumptively used or stored in the absence of the temporary change. (Id., § 1726, subd.(e.).)

5.0 WATER UNAVAILABLE FOR TRANSFER UNDER LICENSE 1387

The State Water Board has developed a methodology to identify when supply and demand data indicate that water is unavailable for diversion by water right holders in the Sacramento-San Joaquin Watershed, referred to as the Water Unavailability Methodology for the Delta Watershed, or Methodology. This Methodology was most recently updated on June 15, 2021; a summary report describing the Methodology (titled “Water Unavailability Methodology for the Delta Watershed”), as well as the dataset used to implement the Methodology (titled “wua_spreadsheet_061621.xlsx”), are available at the following website: https://www.waterboards.ca.gov/waterrights/water_issues/programs/drought/drought_tools/methods/delta_method.html. Based on the available data and Methodology, the information available to the State Water Board indicates that available supplies in the Sacramento River watershed are insufficient to support diversion of any post-1914 water right, which includes License 1387. On June 15, 2021, the State Water Board mailed a Notice of Unavailability of Water for Post-1914 Water Right Holders and Warning of Impending Water Unavailability for Pre-1914 and Riparian Claimants in the Sacramento-San Joaquin Delta Watershed (Notice of Unavailability) to water users including Carmichael to notify them that the State Water Board’s best available information indicated that there is insufficient water for diversions under post-1914 rights.
Further, transferable water is limited to the extent of the surface water direct diversion rights of the water right holder at the time of the transfer. It is unclear whether water would be lawfully diverted and consumptively used in the absence of the transfer given that the Methodology indicates supplies are insufficient meet the priority of License 1387.

The evidence, including the Methodology and related dataset and the information supplied by Carmichael, shows that diversions pursuant to License 1387 could injure senior diverters in the Sacramento River watershed.

6.0 STATE WATER BOARD’S DELEGATION OF AUTHORITY

On June 5, 2012, the State Water Board adopted Resolution 2012-0029, delegating to the Deputy Director for Water Rights the authority to act on petitions for temporary change if the State Water Board does not hold a hearing. This Order is adopted pursuant to the delegation of authority in section 4.4.2 of Resolution 2012-0029.

7.0 CONCLUSION

Given the information available to the State Water Board as described in Section 5.0, the State Water Board is unable to make the findings required by Water Code section 1727, subdivision (b)(1), that this transfer will not injure any legal user of water.

ORDER

NOW, THEREFORE, IT IS ORDERED that the petition submitted by the Carmichael Water District under License 1387 for temporary changes in the point of diversion, place of use, and purpose of use, to authorize the transfer of up to a total of 1,889 af of water to the Santa Clara Valley Water District and State Water Contractor Agencies is denied. All existing terms and conditions of License 1387 remain in effect.

STATE WATER RESOURCES CONTROL BOARD

ORIGINAL SIGNED BY:
Jule Rizzardo, FOR

Erik Ekdahl, Deputy Director
Division of Water Rights

Dated: JUNE 29, 2021
MEMO

TO: Board of Directors
FROM: Cathy Lee, General Manager
DATE: July 16, 2021
RE: Water Conservation Levels

Background:
The Board declared a Stage 2 Water Shortage Emergency Condition at its June 24, 2021 Special Board meeting with 10 – 20% mandatory conservation per the District’s Water Shortage Contingency Plan.

Summary:
In May, the Regional Water Authority (RWA) adopted a resolution calling for 10% conservation and Governor Gavin Newsome issued an executive order asking residents to reduce water use by 15% in 50 of California’s 58 counties. On July 15, 2021, RWA’s Board of Directors unanimously adopted another resolution urging its 20 members to take action to voluntarily reduce water use by a minimum 15%.

Under the District’s current 2020 Business Plan, Water Rate, and Capital Facilities Fee Study Report (Water Rate Study) and the Water Shortage Contingency Plan, there are 6 stages of water shortage in addition to the normal supply. Each stage is a sequential use reduction with implementation of additional water use efficiency measures. The reduction goals are listed in the table below:

<table>
<thead>
<tr>
<th>Stages</th>
<th>Normal Supply</th>
<th>Stage 1</th>
<th>Stage 2</th>
<th>Stage 3</th>
<th>Stage 4</th>
<th>Stage 5</th>
<th>Stage 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduction Goals</td>
<td>None</td>
<td>0% - 10%</td>
<td>10% - 20%</td>
<td>20% - 30%</td>
<td>30% - 40%</td>
<td>40% - 50%</td>
<td>50% - 60%</td>
</tr>
</tbody>
</table>

Rather than the 15% water use reduction called out by RWA or the Governor, the District’s water use reduction messaging is a range, based on the Water Shortage Contingency Plan which follows the guidelines provided in the Urban Water Management Plan, and complies with current laws and regulations. By having a range, the Board can set a specific target as long as it falls within the range. However, any future changes would need the Board’s approval.

To avoid confusion in regional messaging, the Board may wish to adopt a conservation target of 15%. For greater flexibility, the District should continue with the current Water Shortage Contingency Plan, Stage 2 declaration per resolution 06242021-3 Declaring Water Shortage Emergency Condition.

Recommendation:
Staff recommends that the Board of Directors discuss a water conservation level and provide direction to staff.
PRESS RELEASE: June 30, 2021

Carmichael Water District

FOR IMMEDIATE RELEASE

Subject: Drought Stage 2 Implementation

Contact: Chris Nelson, Public Information Officer
Phone: (916) 483-2452 Email: chris@carmichaelwd.org

California has now experienced two (2) back-to-back dry winters (2019-20 and 2020-2021). In fact, last winter tied for the third driest in more than a century of record keeping. As a result, flow conditions in Carmichael Water District’s (District) primary supply source, the American River, have been significantly reduced. In addition the State Water Resources Control Board (SWRCB) notified the District to stop diversions of water from the American River under the District’s water right licenses and permit. In response to the SWRCB’s curtailment notice and associated impacts, the District’s Board of Directors has declared a Water Shortage Emergency Condition. As part of the declaration, the District is calling for a 10% to 20% reduction in water use per stage 2 of the District’s Water Shortage Contingency Plan (WSCP). The District maintains a WSCP for use during drought periods or times of supply shortages. The plan serves as a guide for the District in responding to water supply shortages and responding to regional and statewide impacts from drought conditions while maintaining water quality, safe operating conditions, and fire flow capability.

The District is asking customers to do their part by following the WSCP Stage 2 mandatory requirements. The requirements are as follows:

- Unnecessary and wasteful uses of water are prohibited.
- No water runoff from property allowed.
- All water plumbing, fixtures, or heating or cooling devices must not be allowed to leak or discharge. All known leaks must be repaired within seven (7) days or less depending on the severity of the leak.
- Free flowing hoses are prohibited for any use, all hoses must have an automatic shut-off control nozzle capable of completely shutting off the flow of water.
- Car washing must use a bucket and hose with an automatic shut-off control nozzle.
- Washing down impervious surfaces such as driveways and sidewalks is prohibited unless for public health and safety purposes.
- All pools, spas, decorative or ornamental fountains, ponds and water features must
be equipped with a recirculation pump and maintained leak free. Internal and external water leaks must be repaired within seven (7) days or less depending on the severity of the leak.

- New landscape installations should be limited to drought-tolerant plants and natives.
- All landscapes must be watered during cooler morning or evening hours to reduce evaporation and minimize landscape runoff. No watering allowed between the hours of 10 a.m. and 7 p.m.
- Keep watering of lawns and landscaping to only three (3) days a week.
  - Odd number addresses – Outdoor watering is limited to Tuesday, Thursday, and Saturday.
  - Even number addresses – Outdoor watering is limited to Wednesday, Friday, and Sunday.
  - No watering allowed on Monday.
  - Trees, shrubs, and vegetables may be watered any day by means of drip irrigation, soaker hoses with timer, or hand watering.
- No irrigating turf or ornamental landscapes during and 48 hours following measurable precipitation.
- Repetitive violators will be subject to penalties and fines.

With these water conservation requirements comes new challenges; and District representatives are available to assist customers with this transition. The District offers free Water Efficiency Surveys for both interior and exterior water use. These surveys help in identifying leaks and offer free water efficient devices such as high efficiency sprinklers and shut off nozzles. In addition staff are available to help set irrigation timers for optimal efficiency. District customer can receive a free Water Efficiency Survey by calling (916) 483-2452 or by stopping by our office located at 7837 Fair Oaks Blvd. Carmichael Water District’s website, www.carmichaelwd.org is the best place for up-to-date information on water shortage, drought stage conditions, and water efficiency programs.

If conditions worsen, Carmichael Water District will likely implement more restrictive measures and drought stages. As drought conditions continue, now is the time to use less water in our homes, businesses and landscapes.
MEMO

TO:       Board of Directors
FROM:     Waqas Hassan, Finance Manager
DATE:     July 16, 2021
RE:       Annual Unfunded Accrued Liability (UAL) Lump Sum Prepayment for FY 21-22

Background:
Consistent with the “Unfunded CalPERS Retirement Liability Pay-Down Program” approved by the Board in February 2020, the District is attempting to make a lump sum prepayment of fiscal year 2021-22 UAL instead of making monthly payments.

Summary:
Every fiscal year, the District is required to make payments towards the total minimum required contribution, which is the sum of Plan’s Normal Cost and the UAL. The District is presented with an option of making twelve monthly payments or one lump sum payment to pay down the UAL portion at the beginning of the fiscal year. Historically, the District opted to make an annual lump sum payment which helps avoiding unnecessary administrative burden to make/track the payments and also results in savings compared to a monthly payment option offered by CalPERS. According to the most recent actuarial valuation report, CalPERS assumes a rate of return of 7%. If the District makes monthly payments and invests these funds, it will earn an estimated rate of return of 0.12%. Therefore, if the District makes a lump sum prepayment, it can save on the interest charged by CalPERS on the UAL payment. For fiscal year 2021-22, if the District elects to make a lump sum prepayment, there will be a total estimated savings of $6,918. Attached is an analysis prepared by the Staff for your review.

Attachment(s):
1. FY 2021-22 Cost Benefit Analysis - Lump Sum vs Monthly Payment
**Purpose:** The "Miscellaneous Tier 1 & 2" EEs' plan unfunded liability amount needed for fiscal year 2021-22 is $203,547. We are performing a cost/benefit analysis to determine whether to pay the cost in a lump sum or by monthly payment, starting July 2021 (FY 21/22).

**Source:**
1) CalPERS invoice, and  
2) most recently available estimate rate of return from US Bank.

<table>
<thead>
<tr>
<th>Monthly Amount</th>
<th>17,545.92 A</th>
<th>From CalPERS Invoice dated 7/1/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Amount Annualized</td>
<td>210,551.04 B</td>
<td></td>
</tr>
<tr>
<td>Optional Lump Sum Amount</td>
<td>203,547.00 C</td>
<td>From CalPERS Invoice dated 7/1/21</td>
</tr>
</tbody>
</table>

- **Extra Cost to pay monthly:** $7,004.04 B-C  
- **Extra Cost as a Percent of Lump Sum:** 3.44%  
- **US Bank estimated rate of return (annual):** 0.120%

**Interest earnings on the amount of prepayment:**

<table>
<thead>
<tr>
<th>Lump Sum Prepayment Amount</th>
<th>203,547.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate of Return, annual</td>
<td>0.120%</td>
</tr>
<tr>
<td>Interest earnings</td>
<td>$244.26</td>
</tr>
</tbody>
</table>

**Comparison:**

<table>
<thead>
<tr>
<th>Advance Payment SAVINGS</th>
<th>$7,004.04</th>
</tr>
</thead>
<tbody>
<tr>
<td>FORGONE Interest earnings</td>
<td>$244.26</td>
</tr>
<tr>
<td>Net Saving</td>
<td>$6,759.78</td>
</tr>
</tbody>
</table>

**Conclusion:**
The cost of making monthly payments is greater than making the lump sum payment in advance and there is an additional administrative effort of making/tracking monthly payments; therefore, Staff recommends the District pays the invoice in lump sum for fiscal year 2021-22.
Miscellaneous PEPRA - Miscell. PEPRA Employees Plan Unfunded Liability Fiscal Year 2021-22
Cost Benefit Analysis for Lump Payment vs Monthly Payment

Purpose: The "Miscellaneous PEPRA" EEs' plan unfunded liability amount needed for fiscal year 2021-22 is $4,763. We are performing a cost /benefit analysis to determine whether to pay the cost in a lump sum or by monthly payment, starting July 2021 (FY 21/22).

Source: 1) CalPERS invoice, and
2) most recently available estimate rate of return from US Bank.

<table>
<thead>
<tr>
<th>Monthly Amount</th>
<th>410.58 A</th>
<th>From CalPERS Invoice dated 7/1/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Amount Annualized</td>
<td>4,926.96 B</td>
<td></td>
</tr>
<tr>
<td>Optional Lump Sum Amount</td>
<td>4,763.00 C</td>
<td>From CalPERS Invoice dated 7/1/21</td>
</tr>
</tbody>
</table>

| Extra Cost to pay monthly | 163.96 B-C                   |
| Extra Cost as a Percent of Lump Sum | 3.44%                        |
| US Bank estimated rate of return (annual) | 0.120%                      |

Interest earnings on the amount of prepayment:

| Lump Sum Prepayment Amount | 4,763.00                    |
| Rate of Return, annual     | 0.120%                      |
| Interest earnings           | $ 5.72                      |

Comparison:

| Advance Payment SAVINGS | $ 163.96                     |
| FORGONE Interest earnings| $ 5.72                       |
| Net Saving              | $ 158.24                     |

Conclusion:
The cost of making monthly payments is greater than making the lump sum payment in advance and there is an additional administrative effort of making/tracking monthly payments; therefore, Staff recommends the District pays the invoice in lump sum for fiscal year 2021-22.
General Manager’s Report
July 2021

ACTION ITEMS UPDATE

1. 2021 Groundwater Substitution Transfer
   The State Water Resources Control Board denied the District’s petition for water transfer as well as the City of Sacramento’s petition due to the current drought.

2. Employee Recruitments
   Staff have been actively recruiting for two current vacant positions: Accountant and Admin Specialist. With Board’s recent approval for “expanded range” classification for both positions, the District received many qualified applications. Staff are negotiating with candidates and both position may be filled by the end of August.

3. Drought and Curtailment
   Staff have been actively providing information through the District webpage and engaging with other entities, including the KCRA News and Carmichael Times, to announce the Stage 2 Water Shortage Emergency Condition currently in place. Staff have not seen any reductions in the water demands, especially on weekends and may recommend to the Board for possible water waste fines next month. There is an urgent need for a long-term reliable water supply, which warrants considerations for additional groundwater supplies.

4. 2x2 Committee Meeting with Sacramento Suburban Water District
   The Board’s Ad-Hoc Committee for collaboration met with Sacramento Suburban Water District’s (SSWD’s) committee on July 7, 2021. The agenda and presentation are attached.

5. American Rescue Plan Act funding
   On March 11, 2021, President Joe Biden signed the American Rescue Plan Act of 2021 (ARPA) into law. The $1.9 trillion package is intended to combat the COVID-19 pandemic, including public health and economic impacts. Part of ARPA provides for Coronavirus State and Local Fiscal Recovery Fund in the amount of $362 billion to support urgent COVID-19 response efforts, cover increased expenditures, replenish lost revenue and mitigate economic harm from the COVID-19 pandemic. The recipients of the funds are state, local county and city, and tribal governments. Sacramento County will receive a total of $301.4 million in two installments, with 50% ($150 million) provided beginning in May 2021 and the balance delivered approximately 12 months later. The County may use the funds to:
- Support public health expenditures related to the COVID-19 pandemic,
- Address negative economic impacts caused by the public health emergency,
- Serve low income communities and individuals, families and businesses hardest-hit by the pandemic,
- Provide premium pay for essential workers,
- Replace public sector revenue lost due to the pandemic,
- Invest in necessary improvements to water, sewer, and broadband infrastructure.

The County issued a needs survey which the District participated in. The Needs Survey results will be used to identify the priorities, and the Board of Supervisors will provide further direction for use of funds. Part of the development of the comprehensive plan for use of the funds will be an open competitive process, where the County will launch a solicitation or proposals for any external use of funds.

Staff and Director Greenwood met with Supervisor Desmond to discuss inclusion of Carmichael Water District in the funding process. The District’s need for reliable water supply is of the utmost importance. A letter was also sent to the Supervisor’s office and the letter is also attached.
Engineering Department Activity

Administrative:
Engineering Design Request For Proposal (RFP): Staff has advertised for professional services for Engineering Design for the upcoming mainline replacement projects. Staff plans to bring a recommendation to the Board for award in August.

American’s Water Infrastructure Act of 2018 (AWIA): Staff performed a Risk and Resiliency Assessment (RRA) and certified the completion online with the Environmental Protection Agency as required by AWIA. The District received RRA certification acknowledgement of receipt from the EPA. As the next step in the AWIA process, the District will be updating the District Emergency Response Plan prior to December 31, 2021 per AWIA requirements.

Capital Improvement Projects:
Grant Avenue Main Line Project: Staff is working with Contractor on final punch list items, final billing, and project close out. The total cost of the project including change orders is $2,485,975.50. The change orders increased the original contract amount by 3.8%; this is within the 10% approved construction contingency.

La Vista Tank and Booster Pump Station Project(s):

- La Vista Tank and Booster Pump Station: Staff is currently working with the Design Engineer to procure final Sacramento County approvals and permits. The County is reviewing a revised drainage study at this time.
- Stanley Avenue Main Line Project: Project is under construction. Contractor to date completed an estimated 20% of the project. Staff is currently performing on-site inspections, County and customer coordination, and construction management activities.

New Construction Projects Activities:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Month</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire Flow Analysis</td>
<td>1</td>
<td>17</td>
</tr>
<tr>
<td>*Plan Check &amp; Review</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>New</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>Ongoing</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>*Construction Phase</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>New</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Ongoing</td>
<td>6</td>
<td>-</td>
</tr>
</tbody>
</table>

*Note: New activities counts toward YTD. Ongoing counts are for tracking purposes only.

Plan Check and Review:

<table>
<thead>
<tr>
<th>Project Location</th>
<th>Project Description</th>
<th>Status/Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>9047 Fair Oaks Blvd</td>
<td>Construction of 1 new service line and relocation of 1 existing service line.</td>
<td>Staff is working with the Designer on plan review comments and development fees.</td>
</tr>
<tr>
<td>2812 Clark Ave</td>
<td>Construction of new 6” water line, 1 new fire hydrant, and 1 new service.</td>
<td>Staff is working with the Designer on plan review comments.</td>
</tr>
<tr>
<td>4243 Barrett Road</td>
<td>Construction of new 8” fire service line, and 8 new fire hydrants.</td>
<td>Staff is working with the Designer on plan review comments and development fees.</td>
</tr>
</tbody>
</table>
### Construction Phase Activities:

<table>
<thead>
<tr>
<th>Project Location</th>
<th>Est. Start Date</th>
<th>Project Description</th>
<th>Status/Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>5057 Cottage Way</td>
<td>Apr. 2020</td>
<td>Construction of new 10” fire service line, 2 fire hydrants, and 2 new services.</td>
<td>Staff is working with Developer to procure the dedicated water line easements to close out a portion of the project.</td>
</tr>
<tr>
<td>5124 North Avenue</td>
<td>May 2020</td>
<td>Construction of new 6” water line, 1 fire hydrant, and 4 new services.</td>
<td>Staff is working with the Contractor and Developer to finalize the installed water assets and perform project close out activities.</td>
</tr>
<tr>
<td>4925 Dewey Drive</td>
<td>May 2020</td>
<td>Construction of new 8” fire service line and 2 fire hydrants.</td>
<td>Staff working with Developer to construct, install, test and tie-in remaining assets.</td>
</tr>
<tr>
<td>8015 Fair Oaks Blvd</td>
<td>Mar. 2021</td>
<td>Construction of new 8” water line, 1 fire hydrant, and 22 new services.</td>
<td>Staff is awaiting Developer to request service installation.</td>
</tr>
<tr>
<td>2825 Randolph Ave</td>
<td>July. 2021</td>
<td>Construction of new 6” water line, 1 fire hydrant, and 3 new services.</td>
<td>Staff is reviewing material submittals and scheduling pre-construction meeting.</td>
</tr>
<tr>
<td>8945 Fair Oaks Blvd</td>
<td>Mar 2021</td>
<td>Construction of new 8” water line, 1 fire hydrant, and 8 new services.</td>
<td>Staff is awaiting Developer to request service installation.</td>
</tr>
</tbody>
</table>

### Public Information Activity

#### Public Outreach:

**Upcoming Events:**
- **2021 Mulch Event – Date TBD**

**Website Updates:**
- Announcements, Board Updates, Conservation, Request for Proposal (RFP), Employment, Water Shortage Updates
- The District’s website was accessed by 3,506 users

#### State Water Resources Control Board (SWRCB) Water Use Reduction Monthly Reporting:

On April 21, 2020, the SWRCB adopted a resolution permanently requiring monthly water conservation reports for urban retail water suppliers, effective October 1, 2020.

Utilizing the SWRCB existing formula, staff calculated the following data for August 2015 to June 2021 (reduction are calculated with 2013 as the base comparison year):

<table>
<thead>
<tr>
<th>R-GPCD</th>
<th>Monthly Reduction</th>
<th>Cumulative Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>281</td>
<td>9%</td>
<td>21%</td>
</tr>
</tbody>
</table>

**Consumer Confidence Report (CCR):** The 2020 CCR publication has been distributed to District customers and the State Water Resources Control Board. The information has also been posted on the District’s website.
**Stage 2 Water Shortage Outreach:** Following the Board of Directors June 24, 2021 Water Shortage Emergency Declaration, staff conducted the following outreach and messaging activities:

- Developed and distributed a press release to local television, radio, and print media outlets. The press release was included on the front page of Carmichael Times and KCRA 3 news reported on drought information contained in the press release.
- Posted drought messaging on social media.
- Posted a notice of Stage 2 Water Shortage conditions on the District’s website and updated related conservation pages.
- Prepared and distributed water shortage information and 3-day water schedule bill insert.
- Produced a banner to be hung at the District office with drought message.
- Provided operations and administrative staff with drought messaging and watering schedule materials to distribute to customers.
- Reached out to both Carmichael and Mission Oaks Park Districts to coordinate responses to drought conditions.
- KCRA 3 conducted an interview and filmed staff performing a water efficiency survey at a customer’s home for a Carmichael specific drought report that will air on July 19, 2021.
- Contacted RWA to update their website with the District’s current water shortage restrictions.

**Water Efficiency Activates:** Current outreach efforts, combined with early drought messaging in the District’s Spring Newsletter “The Flow”, have resulted in a significant increase in water efficiency activities. In June, staff performed 26 water efficiency surveys compared to 6 performed in May. In the two weeks since the Board of Directors June 24, 2021 Water Shortage Emergency Declaration, staff have responded to 23 water waste reports as of July 14, 2021. Comparatively, 16 water waste reports were received in May 2021. As messaging continues staff anticipate the level of participation in water efficiency activities will continue to rise.

<table>
<thead>
<tr>
<th>Outreach And Water Efficiency Activities</th>
<th>June</th>
<th>FYTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Presentations</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Public Outreach Events</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Water Waste</td>
<td>21</td>
<td>124</td>
</tr>
<tr>
<td>Water Waste Fines</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Customer Assistance</td>
<td>4</td>
<td>136</td>
</tr>
<tr>
<td>Water Efficiency Surveys</td>
<td>26</td>
<td>88</td>
</tr>
</tbody>
</table>
**Billing Department**

_Billing:_ Currently tracking at approximately 4.6% up from the same Billing Month last year.

<table>
<thead>
<tr>
<th>Billing Month</th>
<th>Billing Period</th>
<th>Usage By Unit *</th>
<th>Service Charge</th>
<th>Usage</th>
<th>FY 19-20 Totals</th>
<th>FY 20-21 Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous FY</td>
<td>3,417,848</td>
<td></td>
<td></td>
<td></td>
<td>$11,554,209</td>
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<tr>
<td>Aug-2020</td>
<td>June-July</td>
<td>456,336</td>
<td>$ 37,868</td>
<td>$556,272</td>
<td>$702,757</td>
<td>$637,818 $659,079</td>
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<tr>
<td>Sep-2020</td>
<td>July-Aug</td>
<td>462,181</td>
<td>$ 18,597</td>
<td>$587,833</td>
<td>$711,759</td>
<td>1,318,189</td>
</tr>
<tr>
<td>Oct-2020</td>
<td>Aug-Sept</td>
<td>466,650</td>
<td>$ 39,337</td>
<td>$556,360</td>
<td>$718,641</td>
<td>1,314,338</td>
</tr>
<tr>
<td>Nov-2020</td>
<td>Sept-Oct</td>
<td>390,679</td>
<td>$ 18,435</td>
<td>$588,008</td>
<td>$601,646</td>
<td>1,208,089</td>
</tr>
<tr>
<td>Dec-2020</td>
<td>Oct-Nov</td>
<td>317,000</td>
<td>$ 36,749</td>
<td>$556,951</td>
<td>$488,180</td>
<td>1,081,879</td>
</tr>
<tr>
<td>Jan-2021</td>
<td>Nov-Dec</td>
<td>197,561</td>
<td>$ 17,558</td>
<td>$587,978</td>
<td>$304,244</td>
<td>909,779</td>
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<tr>
<td>Feb-2021</td>
<td>Dec-Jan</td>
<td>175,524</td>
<td>$ 34,044</td>
<td>$560,245</td>
<td>$279,628</td>
<td>873,918</td>
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<tr>
<td>Mar-2021</td>
<td>Jan-Feb</td>
<td>125,529</td>
<td>$ 17,709</td>
<td>$594,261</td>
<td>$207,123</td>
<td>819,093</td>
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<tr>
<td>Apr-2021</td>
<td>Feb-Mar</td>
<td>158,543</td>
<td>$ 34,559</td>
<td>$563,120</td>
<td>$261,596</td>
<td>859,275</td>
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<tr>
<td>May-2021</td>
<td>Mar-Apr</td>
<td>182,220</td>
<td>$ 18,226</td>
<td>$594,173</td>
<td>$300,663</td>
<td>913,062</td>
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<tr>
<td>Jun-2021</td>
<td>Apr-May</td>
<td>289,004</td>
<td>$ 37,175</td>
<td>$563,471</td>
<td>$476,857</td>
<td>1,077,502</td>
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<tr>
<td>Jul-2021</td>
<td>May-June</td>
<td>353,482</td>
<td>$ 19,542</td>
<td>$594,261</td>
<td>$583,245</td>
<td>1,197,049</td>
</tr>
<tr>
<td>Jul-2021</td>
<td>June</td>
<td>213,822</td>
<td>$ 27,602</td>
<td>$281,778</td>
<td>$352,806</td>
<td>662,187</td>
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<tr>
<td>Totals</td>
<td></td>
<td>3,788,531</td>
<td>$357,400</td>
<td>$7,184,712</td>
<td>$5,989,145</td>
<td>$12,192,028</td>
</tr>
</tbody>
</table>

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

** Ancil Hoffman-Flat Rate, Condominium's-Uniform Rate, Fire-Dedicated Service Lines

**Note:** Billing chart represents _cycle billings only_ and does not include collection or adjustment activities. Regular billings for July and August are split between two fiscal years reporting water sales for the period of June and July.

**Collections: Processed & Outstanding Activity**

<table>
<thead>
<tr>
<th>Date</th>
<th>Final Notices</th>
<th>Shut Offs</th>
<th>A/R $</th>
<th>Liens $</th>
<th>Liens #</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous FY Avg.</td>
<td>482</td>
<td>16</td>
<td>$115,802</td>
<td>$4,969</td>
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<tr>
<td>Jul-2020</td>
<td>X</td>
<td>X</td>
<td>$289,758</td>
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<td>11</td>
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<td>Aug-2020</td>
<td>X</td>
<td>X</td>
<td>$197,627</td>
<td>$22,273</td>
<td>49</td>
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<tr>
<td>Sep-2020</td>
<td>X</td>
<td>X</td>
<td>$181,214</td>
<td>$41,212</td>
<td>80</td>
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<tr>
<td>Oct-2020</td>
<td>X</td>
<td>X</td>
<td>$136,704</td>
<td>$44,489</td>
<td>102</td>
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<td>Nov-2020</td>
<td>X</td>
<td>X</td>
<td>$261,398</td>
<td>$45,801</td>
<td>114</td>
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<td>Dec-2020</td>
<td>X</td>
<td>X</td>
<td>$209,832</td>
<td>$43,495</td>
<td>127</td>
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<tr>
<td>Jan-2021</td>
<td>X</td>
<td>X</td>
<td>$163,821</td>
<td>$44,497</td>
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<td>Feb-2021</td>
<td>X</td>
<td>X</td>
<td>$145,757</td>
<td>$46,233</td>
<td>135</td>
</tr>
<tr>
<td>Mar-2021</td>
<td>X</td>
<td>X</td>
<td>$96,976</td>
<td>$46,081</td>
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<td>X</td>
<td>X</td>
<td>$84,167</td>
<td>$46,665</td>
<td>141</td>
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<td>X</td>
<td>X</td>
<td>$131,845</td>
<td>$46,596</td>
<td>142</td>
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<tr>
<td>Jun-2021</td>
<td>X</td>
<td>X</td>
<td>$122,316</td>
<td>$44,908</td>
<td>136</td>
</tr>
</tbody>
</table>

X = COVID-19 Executive order shutoff moratorium.
### CWD Monthly Water Production 2014-2021

<table>
<thead>
<tr>
<th>FY</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Totals</th>
<th>Acre/Ft</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020-21</td>
<td>408.04</td>
<td>402.05</td>
<td>335.66</td>
<td>294.53</td>
<td>188.58</td>
<td>140.24</td>
<td>125.19</td>
<td>110.64</td>
<td>145.91</td>
<td>237.20</td>
<td>332.59</td>
<td>371.58</td>
<td>3092</td>
<td>9490</td>
</tr>
<tr>
<td>2019-20</td>
<td>378.84</td>
<td>381.60</td>
<td>314.85</td>
<td>259.58</td>
<td>201.55</td>
<td>122.39</td>
<td>113.09</td>
<td>135.71</td>
<td>153.23</td>
<td>181.81</td>
<td>281.40</td>
<td>360.18</td>
<td>2884</td>
<td>8851</td>
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<tr>
<td>2018-19</td>
<td>387.57</td>
<td>361.56</td>
<td>314.04</td>
<td>259.22</td>
<td>187.67</td>
<td>121.80</td>
<td>111.84</td>
<td>96.07</td>
<td>109.20</td>
<td>158.03</td>
<td>226.19</td>
<td>317.21</td>
<td>2650</td>
<td>8134</td>
</tr>
<tr>
<td>2017-18</td>
<td>399.61</td>
<td>383.76</td>
<td>323.74</td>
<td>270.59</td>
<td>140.87</td>
<td>129.07</td>
<td>113.92</td>
<td>117.16</td>
<td>115.88</td>
<td>148.80</td>
<td>258.57</td>
<td>335.23</td>
<td>2737</td>
<td>8400</td>
</tr>
<tr>
<td>2016-17</td>
<td>357.82</td>
<td>353.35</td>
<td>299.41</td>
<td>193.38</td>
<td>123.16</td>
<td>115.61</td>
<td>113.47</td>
<td>96.26</td>
<td>116.84</td>
<td>123.76</td>
<td>268.14</td>
<td>332.52</td>
<td>2494</td>
<td>7653</td>
</tr>
<tr>
<td>2015-16</td>
<td>287.66</td>
<td>283.68</td>
<td>259.99</td>
<td>213.09</td>
<td>128.89</td>
<td>107.92</td>
<td>100.49</td>
<td>97.72</td>
<td>107.12</td>
<td>148.87</td>
<td>219.44</td>
<td>308.84</td>
<td>2264</td>
<td>6947</td>
</tr>
<tr>
<td>2014-15</td>
<td>373.21</td>
<td>338.74</td>
<td>294.65</td>
<td>240.50</td>
<td>153.63</td>
<td>116.73</td>
<td>120.74</td>
<td>110.98</td>
<td>168.88</td>
<td>175.83</td>
<td>214.05</td>
<td>255.44</td>
<td>2563</td>
<td>7867</td>
</tr>
<tr>
<td>Avg.</td>
<td>370.39</td>
<td>357.82</td>
<td>306.05</td>
<td>247.27</td>
<td>160.62</td>
<td>121.97</td>
<td>114.11</td>
<td>109.22</td>
<td>131.01</td>
<td>167.76</td>
<td>257.20</td>
<td>325.86</td>
<td>2599</td>
<td>7975</td>
</tr>
<tr>
<td>Daily</td>
<td>11.95</td>
<td>11.54</td>
<td>10.20</td>
<td>7.98</td>
<td>5.35</td>
<td>3.93</td>
<td>3.68</td>
<td>3.90</td>
<td>4.23</td>
<td>5.59</td>
<td>8.30</td>
<td>10.86</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### CWD Combined Surface & Ground Water Usage

- **X one million**
- **Surface Water**
- **Groundwater**
June CWD Total Production

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>MGD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surface Water</td>
<td>40%</td>
<td>151.51</td>
</tr>
<tr>
<td>Groundwater</td>
<td>60%</td>
<td>220.07</td>
</tr>
</tbody>
</table>

Production

<table>
<thead>
<tr>
<th>Production from same month last year</th>
<th>Up/Down</th>
<th>Month</th>
<th>Up/ Down</th>
<th>7 Year Running Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production from same month last year</td>
<td>Up</td>
<td>3%</td>
<td>Up</td>
<td>14%</td>
</tr>
<tr>
<td>June 2021 Average Daily Production</td>
<td></td>
<td>12.39 MGD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peak Day – June 19th</td>
<td></td>
<td>13.57 MGD</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

GSWC Delivery: CWD delivered 118 MG or 362 Acre/Ft to GSWC in June.

There were two (2) water quality complaints in the month of June.

Water Quality Activity

- Taste & Odor: 0
- Color: 2
- Turbidity: 0
- Low Pressure (Air): 0

Backflow Devices Tested

- Tested: 38
- Failed Tests: 1

Maintenance Activity

- Full Valve Replacements: 2
- Actuator Rebuilds: 16
- Primary Calibrations: 7
- Secondary CIP: 2
- Chemical Pump Repairs: 3
- La Vista UPS Replaced

CWD Water Production Drought Update:

During the month of June 2021, CWD’s average water production was 12.4 million gallons per day (MGD). In June 2015, CWD averaged 8.5 MGD. CWD’s water demand is 46% higher in June 2021 compared to June 2015. These two “June” comparisons associated with severe drought conditions show a substantial increase in CWD’s current water demand. Production staff has lowered the nominal Bajamont Water Treatment Plant (BWTP) delivery pressure from 68 psi to 57 psi in order to reduce metered water consumption and maximize groundwater production. Production staff will continue to gauge water demands as the CWD water conservation message takes effect. The CWD conservation efforts of 2015 were extraordinary, and CWD will need to see similar efforts in 2021.
The Sacramento County Asphalt Overlay Projects that included El Camino Ave, Marconi Ave, Robertson Ave, California Ave and Charleston Ave have been completed. District staff are currently locating the existing main line valve boxes in which the District’s paving contractor will raise to finish grade and pave.

Arden – Arcade & Carmichael Sidewalk & Street Lights: The proposed project by Sacramento County plans to install curb, gutter, sidewalk infill, ADA curb ramps, and street lighting with a tentative construction start date of May 2021. To date, Sacramento County has not provided a firm start date. District staff is prepared to work with the District’s contractors to relocate facilities within the project limits.

The Drainage & Water Supply Design Section of the Department of Water Resources is currently in the preliminary design stage of the North Ave/Candace St Drainage Improvement Project. The project proposes to install new drainage inlets, manholes, and pipe on North Ave from Candace St to Max Ct in Sacramento County.
### BOARD OF DIRECTORS

**EXPENSE REIMBURSEMENT SUMMARY**

**JUNE 2021**

<table>
<thead>
<tr>
<th>DIRECTORS</th>
<th>DAVIS</th>
<th>EMMERSON</th>
<th>NELSON</th>
<th>GREENWOOD</th>
<th>SELSKY</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8</td>
<td>ACWA REGION 4 COMMITTEE</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6/2</td>
<td>ACWA GOVERNMENT AFFAIRS</td>
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</tr>
<tr>
<td>6/10</td>
<td>ACWA ENERGY COMMITTEE &amp; WATER FORUM</td>
<td>1</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>5/18</td>
<td>CWD - REGULAR BOARD MEETING/PUBLIC HEARING</td>
<td>4,4,4</td>
<td></td>
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<td>1</td>
<td>1,1,1</td>
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<tr>
<td>3/1, 3/10, 3/11, 3/29, 4/7, 6/24</td>
<td>CWD - SPECIAL BOARD MEETING</td>
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<td>1</td>
<td>1,1,1,1</td>
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<tr>
<td>6/7</td>
<td>REGIONAL WATER AUTHORITY BOARD MEETING</td>
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<tr>
<td>6/23</td>
<td>REGIONAL WATER AUTHORITY EXECUTIVE COMMITTEE</td>
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<td></td>
</tr>
<tr>
<td>6/11</td>
<td>WATER FORUM - PLENARY MEETING ON DROUGHT</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL MEETINGS ATTENDED**

| TOTAL MEETINGS ATTENDED | 2 | 2 | 2 | 8 | 0 |

**TOTAL MEETINGS COMPENSATED**

| TOTAL MEETINGS COMPENSATED | 2 | 2 | 6 | 9 | 4 |

**TOTAL COMPENSATION**

| TOTAL COMPENSATION | $304.00 | $304.00 | $912.00 | $1,368.00 | $608.00 |

**TOTAL EXPENSES**

| TOTAL EXPENSES | $0.00 | $0.00 | $0.00 | $0.00 | $0.00 |

---

### BOARD OF DIRECTORS

**EXPENSE REIMBURSEMENT SUMMARY**

**FY 2020/2021**

**YEAR TO DATE**

<table>
<thead>
<tr>
<th>DIRECTORS</th>
<th>DAVIS DIVISION 1</th>
<th>EMMERSON DIVISION 2</th>
<th>NELSON DIVISION 3</th>
<th>GREENWOOD DIVISION 4</th>
<th>SELSKY DIVISION 5</th>
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</thead>
<tbody>
<tr>
<td>ACWA FALL CONFERENCE</td>
<td>2</td>
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<td>ACWA SPRING CONFERENCE</td>
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<td></td>
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<td>CWD - GENERAL MANAGER REVIEW</td>
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<td>1</td>
<td>2</td>
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<tr>
<td>CWD - REGULAR BOARD MEETING</td>
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<td>10</td>
<td>3,3,3</td>
<td>10</td>
<td>3,3,3</td>
</tr>
<tr>
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<td>11</td>
<td>3,3,3</td>
<td>11</td>
<td>3,3,3</td>
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<tr>
<td>REGIONAL WATER AUTHORITY BOARD MEETING</td>
<td>10</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>REGIONAL WATER AUTHORITY EXECUTIVE COMMITTEE</td>
<td>9</td>
<td>5</td>
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<td></td>
<td></td>
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<td>REGIONAL WATER AUTHORITY AWARDS MEETING</td>
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<td>1</td>
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<td>1</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

**TOTAL MEETINGS ATTENDED**

| TOTAL MEETINGS ATTENDED | 27 | 26 | 60 | 23 |

**TOTAL MEETINGS COMPENSATED**

| TOTAL MEETINGS COMPENSATED | 2 | 18 | 53 | 20 |

**TOTAL COMPENSATION**

| TOTAL COMPENSATION | $304.00 | $2,736.00 | $8,056.00 | $3,040.00 |

**TOTAL EXPENSES**

| TOTAL EXPENSES | $ - | $ - | $ - | $ - |

---

1. DECLINED PAYMENT FOR ONE (1) MEETING.
2. ABSENT FOR ONE (1) MEETING. ATTENDANCE NOT RECORDED.
3. CLAIM FORM NOT TURNED IN FOR ONE (1) MEETING (MUST BE RECEIVED WITHIN 60 DAYS OF MEETING DATE)
4. CLAIM FORM TURNED IN FOR ONE (1) PREVIOUS ATTENDANCE. REFERENCE "*J" REMOVED FROM YTD.
5. APPROVED THROUGH BOARD AT REGULAR BOARD MEETING
6. RESOLUTION 08212017-1 - COMPENSATION WILL BE PAID "PER DAY FOR EACH DAY'S ATTENDANCE AT MEETINGS"
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CWD Implements Drought Stage 2 Contingency Plan

Carmichael, CA (MPG) | By Chris Nelson, Carmichael Water District

CARMICHAEL, CA (MPG) - California has now experienced two (2) back-to-back dry winters (2019-20 and 2020-2021). In fact, last winter tied for the third driest in more than a century of record keeping. As a result, flow conditions in Carmichael Water District’s (District) primary supply source, the American River, have been significantly reduced. In addition, the State Water Resources Control Board (SWRCB) notified the District to stop diversions of water from the American River under the District’s water right licenses and permit. In response to the SWRCB’s curtailment notice and associated impacts, the District’s Board of Directors has declared a Water Shortage Emergency Condition. As part of the declaration, the District is calling for a 10% to 20% reduction in water use per stage 2 of the District’s Water Shortage Contingency Plan (WSCP). The District maintains a WSCP for use during drought periods or times of supply shortages. The plan serves as a guide for the District in responding to water supply shortages and responding to regional and statewide impacts from drought conditions while maintaining water quality, safe operating conditions, and fire flow capability.

The District is asking customers to do their part by following the WSCP Stage 2 mandatory requirements. The requirements are as follows:

- **Unnecessary and wasteful** uses of water are prohibited; **No water runoff** from property allowed; **All water plumbing**, fixtures, or heating or cooling devices must not be allowed to leak or discharge. **All known leaks must be repaired** within seven (7) days or less depending on the severity of the leak; **Free flowing hoses are prohibited** for any use, all hoses must have an automatic shut-off control nozzle capable of completely shutting off the flow of water; **Car washing** must use a bucket and hose with an automatic shut-off control nozzle; **Washing down impervious surfaces** such as driveways and sidewalks is prohibited unless for public health and safety purposes; **All pools, spas, decorative or ornamental fountains, ponds and water features** must be equipped with a recirculation pump and maintained leak free. Internal and external water leaks must be repaired within seven (7) days or less depending on the severity of the leak; **New landscape** installations should be limited to drought-tolerant plants and natives;

- **All landscapes must be watered during cooler morning or evening** hours to reduce evaporation and minimize landscape runoff. No watering allowed between the hours of 10 a.m. and 7 p.m; Keep watering of lawns and landscaping to only three (3) days a week; Odd number addresses – Outdoor watering is limited to Tuesday, Thursday, and Saturday; Even number addresses – Outdoor watering is limited to Wednesday, Friday, and Sunday; No watering allowed on Monday; Trees, shrubs, and vegetables may be watered any day by means of drip irrigation, soaker hoses with timer, or hand watering; No irrigating turf or ornamental landscapes during and 48 hours following measurable precipitation; Repetitive violators will be subject to penalties and fines.

With these water conservation requirements comes new challenges; and District representatives are available to assist customers with this transition. The District offers free Water Efficiency Surveys for both interior and exterior water use. These surveys help in identifying leaks and offer free water efficient devices such as high efficiency sprinklers and shut off nozzles. In addition, staff are available to help set irrigation timers for optimal efficiency. District customer can receive a free Water Efficiency Survey by calling (916) 483-2452 or by stopping by our office located at 7837 Fair Oaks Blvd. Carmichael Water District’s website, www.carmichaelwd.org is the best place for up-to-date information on water shortage, drought stage conditions, and water efficiency programs.

If conditions worsen, Carmichael Water District will likely implement more restrictive measures and drought stages. As drought conditions continue, now is the time to use less water in our homes, businesses and landscapes.

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American Rescue Plan Act of 2021, Water Infrastructure, and Advocacy

What is ARPA?

- Pandemic Response
  - Health emergency and economic impacts
  - Pay for essential workers
  - Replacement of revenue
  - Investments in water, sewer, and broadband

- Funding for state, local, tribal, and territorial governments
  - $350 billion total
  - Disbursed based on populations
Local Disbursements

• State of California: $27 billion

• Counties:
  • Sacramento: $301,469,072
  • Placer: $77,370,739
  • El Dorado: $37,457,492
  • Sutter: $18,835,480

• Cities:
  • Sacramento: $112,313,331
  • Elk Grove: $21,944,605
  • Roseville: $17,644,859
  • Citrus Heights: $15,676,972
  • Yuba City: $15,615,517
  • Rancho Cordova: $15,588,333
  • West Sacramento: $11,773,300
  • Folsom: $8,375,645

½ funding distributed now, ½ funding distributed one year from now.

Funding Details

• Autonomy, with some guidelines

• Funds obligated by: December 31, 2024

• Projects completed by: December 31, 2026

• Uses that are not eligible include: offsetting tax cuts; deposits into pension/rainy day funds; funding debt services, legal settlements, or matching funds; general infrastructure spending unless under revenue loss provision*

• Reporting requirements

* Ineligible infrastructure spending are only items that are not included in the water, sewer, and broadband provision in ARPA.
Water and Sewer Infrastructure

• Projects should make necessary investments to improve access to clean drinking water and/or to support wastewater and stormwater infrastructure

  • Project must be a type that would be eligible under the EPA’s Clean Water and Drinking Water State Revolving Funds (CWSRF and DWSRF)
    • CWSRF: Wastewater treatment plants, non-point pollution sources, infrastructure resilience to severe weather, green infrastructure, pollution protection of waterbodies
    • DWSRF: Distribution systems, replacement of lead pipes, development of new water sources, wells, aquifer storage and recovery, and consolidation of projects
  • Cybersecurity for water and sewer infrastructure
  • Subject to the funding entity, special districts may be eligible
  • Projects on privately-owned infrastructure are eligible

RWA Engagement

• Focus on three central themes:
  • Clean drinking water
  • Drought response
  • Climate Resiliency

• Consolidation of a master list of projects that fit CWSRF and DWSRF projects and central themes

• Advocacy for water infrastructure with local and state entities, where appropriate
Regional Water Authority Urges 15 Percent Water Reductions Throughout the Sacramento Region

SACRAMENTO—Today the Regional Water Authority (RWA) Board of Directors unanimously adopted a resolution urging its 20 water provider members to take actions to voluntarily reduce water use by a minimum of 15 percent.

The action follows RWA's call for 10 percent conservation in May and Gov. Gavin Newsom’s July 8 executive order that expanded the drought to 50 of the state’s 58 counties and asked residents to reduce water use by 15 percent.

“This is the worst drought since 1977,” said RWA Executive Director Jim Peifer. “Water providers are doing a good job of shifting to environmentally-friendly and sustainably-managed groundwater for water supplies, but continued dry weather into winter could pose a challenge.”

Folsom Lake levels are currently at 27 percent. Natural inflows into Folsom are zero and expected to remain that way through September. “For comparison, even in 2015 during California’s most recent drought, water was still naturally flowing into Folsom,” Peifer said.

Local water providers are asking customers to consider taking the following actions:

- **Stress Your Lawn and Save Your Trees.** Try reducing lawn watering times by **two minutes**, but remember to take steps to protect your trees. Lawn can handle less water and eventually recover while trees can be lost forever. You can find tips and videos for efficiently watering trees at BeWaterSmart.info/trees or sactree.com.
- **Check soil moisture with a moisture meter before turning on sprinklers—saves 80 gallons of water per day.**
- **Water plants early in the morning to reduce evaporation—saves 50 gallons of water each time you water.**
- **Begin the transition to a beautiful low-water garden by removing half of your lawn this summer.** You’ll be ready to add low-water native plants and drip irrigation!
• Contact your water provider about rebates to replace older irrigation equipment, fixtures and appliances with high-efficiency models, including rebates on smart sprinkler timers, high-efficiency sprinklers, drip irrigation and more. Many have increased rebate amounts to help offset costs.

*Information about how to implement these actions, additional water-saving tips and a continuously updated map with watering guidelines for each agency are available at [BeWaterSmart.info](http://BeWaterSmart.info).*

The **Regional Water Authority (RWA)** is a joint powers authority representing 20 water providers serving 2 million people in the greater Sacramento region. Formed in 2001, its primary mission is to help its members protect and enhance the reliability, availability, affordability and quality of water resources. Learn more at rwah2o.org.
Gov. Gavin Newsom expanded his drought emergency declaration Thursday and called on Californians to reduce water consumption by 15%.

In a pair of emergency orders issued during an appearance at parched Lopez Lake near San Luis Obispo, the governor added nine more counties to the list of those covered by his emergency declaration from two months ago. That makes the drought official in 50 of the state’s 58 counties — essentially, everywhere except San Francisco and urban Southern California.

The counties added to the list: San Luis Obispo, Inyo, Marin, Mono, Monterey, San Mateo, Santa Barbara, Santa Clara and Santa Cruz. Extending the emergency to a broader area makes it easier for the State Water Resources Control Board to cut off water rights to farmers who pull water from rivers and streams.
The orders represent the broadest acknowledgment yet of the severity and widening footprint of the drought. But Newsom, who is facing a recall election in September, again refused to impose mandatory cutbacks, instead urging Californians to reduce their outdoor watering by one day a week, running dishwashers and laundry machines less frequently and taking other steps to save.

“Keeping showers under five minutes can save 12.5 gallons per shower when using a water-efficient showerhead,” his order read in part.

Speaking to reporters at Lopez Lake, which is about one third full, the governor said Californians are getting the message about the need to conserve.

“We are encouraging people to do common-sense things,” he said, adding that his plea isn’t reflective of a “nanny state.”

“We’re not trying to be oppressive,” he said.

Heather Cooley, research director at the Pacific Institute, an Oakland water-policy think tank, said voluntary pleas can be effective at getting people to conserve, up to a point.

“Voluntary calls are a way to communicate with the public about how serious this is,” Cooley said. If conditions worsen, “it is a first step towards mandatory.”

Newsom said Californians have been using about 16% less water than they did in 2013, before the start of the previous drought. Sacramento residents’ consumption is down about 25% in the same time frame, said Carlos Eliason, a spokesman for the city of Sacramento.

NEW FUNDING FOR WATER AND DROUGHT-RELATED PROJECTS

Newsom’s predecessor Jerry Brown instituted 25% mandatory cutbacks on urban Californians in 2015, during the last drought — after his call for voluntary reductions fell well short of the goal he’d set a year earlier. Newsom and his top water advisors have said they could impose mandatory restrictions if California suffers through another dry winter.

The governor’s call for 15% conservation exceeds the pleas issued by some urban areas. This week the city of Sacramento asked residents to scale back consumption 10% this week, as did the Contra Costa Water District.

Many cities already have some restrictions on outdoor watering, rules left over from the last drought. The city of Sacramento limits watering to two days a week; much of Sacramento County is limited to three days a week.
In his new executive orders, Newsom directed state agencies to “identify unspent funds that can be repurposed to enable projects to address drought impacts to people, ecosystems and economic activities.”

The Legislature has already approved about $2.4 billion in new funding for water and drought-related projects, and lawmakers are talking with the governor’s office about proposals to add $2 billion more to the budget.

After signing the new emergency orders, Newsom blasted “science deniers” and said climate change is exacerbating water shortages and heat waves.

“This is jaw dropping, what’s happening across the Western United States,” he said. Temperatures are expected to reach 115 degrees this weekend in parts of the Central Valley.

Dale Kasler covers climate change, the environment, economics and the convoluted world of California water. He also covers major enterprise stories for McClatchy’s Western newspapers. He joined The Bee in 1996 from the Des Moines Register and graduated from Northwestern University.
ACWA RESPONDS TO GOV. NEWSOM’S EXPANDED DROUGHT EMERGENCY, EXECUTIVE ORDER

BY ACWA STAFF JUL 8, 2021 NEWS RELEASES

SACRAMENTO – Association of California Water Agencies (ACWA) Executive Director Dave Eggerton issued the following statement in response to Gov. Gavin Newsom’s expansion of the drought emergency to include 50 counties and his Executive Order that calls on Californians to voluntarily reduce their water use by 15 percent from their 2020 levels.

“ACWA applauds the Governor’s leadership on the state’s drought response. The voluntary approach to reducing water use emphasizes the need for Californians to do their part to use water wisely but also provides local water managers with appropriate discretion based on local water supply conditions.

“Water shortage and drought impacts vary widely among California’s communities. ACWA’s public water agency members are making significant investments in water infrastructure that are critical to ensuring a reliable water supply for California’s communities, economy and the environment during droughts. State and federal drought funding assistance for water infrastructure is critical to that work.

“Water use efficiency is one of many important tools to prepare for and adapt to longer and more intense droughts caused by climate change.”

Water agencies comply with extensive water management and drought planning requirements. By July 1 of this year, urban and retail water suppliers submitted Water Shortage Contingency Plans and Drought Risk Assessments to the Department of Water Resources. These plans assess water supply reliability for a five-year drought and identify specific actions in case of local water shortages. Earlier this year, agricultural water suppliers also submitted Agricultural Water Management Plans to the state, which include drought plans, a water budget and implementation of efficient water management practices.

Media representatives looking for more information about local water agency efforts to create a more reliable and resilient water supply can find examples at www.acwa.com/drought. A summary of water agency drought responses, including voluntary and mandatory conservation orders and links to Water Shortage Contingency Plans is available at www.acwa.com/drought-response.

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IN SUMMARY

Emergency conservation orders address short-term water shortages, but don’t move us toward the long-term goal of drought resilience. That requires strategic investments in local drought-resilient water supply projects.
On July 8, Gov. Gavin Newsom expanded two earlier drought emergency declarations to cover 50 of the state's 58 counties. In May, he directed state agencies to consider easing requirements for reservoir releases to conserve water upstream, and to make water transfers easier. Both are needed.

Notably, the governor’s emergency proclamation did not impose water conservation mandates. Instead, Gov. Newsom is leaving water conservation to each region – a smart and necessary approach that incentivizes regional investments in water supply.

Emergency conservation orders address short-term water shortages, but don’t move us toward the long-term goal of drought resilience. That requires strategic investments in local drought-resilient water supply projects, costs mostly borne at the local level.

The state recently took a step in the right direction by approving $3.5 billion in budgeted funds for water projects, but the details of how that money will be used are still being worked out. It is important that funds are directed to local drought-resilience projects. That would go a long way toward accelerating the 21st-century water solutions we need.
Consider our two regions: Sacramento and San Diego. We both have dry summers, but our water supplies are very different.

San Diego’s water comes from locally developed and imported water sources. Sacramento’s supplies come from nearby rivers fed by snowmelt and groundwater. That’s why we’ve chosen to solve our water supply challenges very differently.

A generation ago, San Diego County depended almost entirely on water imported from Northern California and the Colorado River. Since then, $3 billion of strategic investments in water efficiency and supply diversification have changed the picture enormously. Today, per capita water use is almost half of what it was 30 years ago due to changes in both technology and behavior. The region also has added new supplies, including water recycling and reuse, seawater desalination and a long-term conserved water partnership with the Imperial Irrigation District. Those efforts and others mean San Diego County is well insulated from drought.

The Sacramento region, meanwhile, has water rights in both the American and Sacramento rivers. This means it does not need to buy water from other regions. When surplus supply is available from these water rights, as in wet years, it has been used to recharge groundwater. The region spent hundreds of millions of dollars on infrastructure to develop the groundwater aquifer and link the region's water systems with new plumbing. As a result, groundwater can be sustainably withdrawn in drought years like this one and shared more broadly with surface water suppliers, easing strain on the rivers.

Reducing demand for water is an important component of drought resilience, but it is not the only one. It is critical to develop local resilient water supplies.

Ratepayers in both regions have maintained steady investments in long-term water-use efficiency, such as swapping out lawns for low-water plants and installing highly efficient appliances.
This is different from conservation, which involves short-term behavioral changes, like skipping showers, an important strategy that may be necessary in some regions of California this year.

By supporting a county-by-county approach to drought, Gov. Newsom is encouraging water resiliency. This means we can spend limited ratepayer dollars on the most effective steps to improve water supplies for the long term, rather than on temporary conservation measures.

For Sacramento, that means investing in connecting surface water and groundwater supplies, which offers more benefits and costs less than other alternatives.

For San Diego, the next steps are completing a handful of potable-water reuse projects that will purify wastewater and significantly increase the region’s water independence.

These upgrades make sense as a climate change adaptation strategy. Emergency conservation orders address short-term water shortages, but don’t move us toward that long-term goal. Strategic investments in local drought-resilient water supply projects do.

Learn more about strategies for building long-term resiliency to drought and climate change for the Sacramento region at rwah2o.org/waterfuture and San Diego at sdcwa.org/your-water.
Sacramento-Area Leaders Urge Public to Conserve Water

SACRAMENTO—Sacramento-area leaders across the region’s major municipalities—including the Cities of Sacramento, Roseville and Folsom and the County of Sacramento—are urging the public to increase their conservation efforts as severe drought conditions continue to unfold, impacting the environment of the Lower American River this summer and potentially next year’s water supplies.

The Sacramento region is experiencing the most severe drought of this century. What started as a near-normal snowpack, soaked into the soil or evaporated rather than flowing into lakes, reservoirs and rivers. By May, the snowpack was functionally gone, two months earlier than average, and Folsom Reservoir water levels were 68 feet lower than 2020.

“This drought is different. It has been swift and severe,” said Sacramento City Councilmember Jeff Harris. “Water supplies for people are expected to be OK this year, thanks to the region’s investments in and ability to shift to groundwater and share water among communities. However, it’s critical that we as a region look ahead to 2022 and prepare for continued dry conditions.”

Local water providers are using operational means to address current drought conditions by shifting to using more groundwater and sharing water around the region, options made possible in part by investments made following the last drought. In addition, RWA in May adopted a resolution calling for 10 percent voluntary conservation. Many local water providers have since initiated voluntary conservation measures and increased rebates as an incentive for customers to reduce their water use.

Increasing conservation this summer will help the environment of the Lower American River and decrease the potential for water shortages in 2022 if drought conditions persist.

The Regional Water Authority is a joint powers authority that serves and represents the interests of two dozen water providers and affiliated agencies in the greater Sacramento area. Its primary mission is to help members protect and enhance the reliability, availability, affordability and quality of water resources. Learn more at www.rwah2o.org.