

**REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
FLORIN RESOURCE CONSERVATION DISTRICT**

Wednesday, November 19, 2014

6:30 PM

**9257 Elk Grove Blvd.
Elk Grove, CA 95624**

Compliance with Government Code Section 54957.5

Public records, including writings related to an agenda item for an open session of a regular meeting of the Florin Resources Conservation District that are distributed less than 72 hours before the meeting, are available for public inspection during normal business hours at the Administration building of Elk Grove Water District, located at 9257 Elk Grove Blvd. Elk Grove, California. In addition, such writings may be posted, whenever possible, on the Elk Grove Water District website at www.egwd.org.

The Board will discuss all items on the agenda, and may take action on any item listed as an "Action" item. The Board may discuss items that do not appear on the agenda, but will not act on those items unless there is a need to take immediate action and the Board determines by a two-thirds (2/3) vote that the need for action arose after posting of the agenda.

If necessary, the Meeting will be adjourned to Closed Session to discuss items on the agenda listed under "Closed Session." At the conclusion of the Closed Session, the meeting will reconvene to "Open Session."

CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Public Comment – Please complete a Request to Speak Form if you wish to address the Board.

Members of the audience may comment on matters that are not included on the agenda. Each person will be allowed three (3) minutes, or less if a large number of requests are received on a particular subject. No action may be taken on a matter raised under "Public Comment" until the matter has been specifically included on an agenda as an action item. Items listed on the agenda will be opened for public comment as they are considered by the Board of Directors.

1. Proclamations and Announcements

Recognition of Chairman Barrie Lightfoot for his service on the FRCD Board of Directors.

Associate Director Comment

Public Comment

2. Consent Calendar (Stefani Phillips, Secretary)

- a. Minutes of the Regular Board Meeting of October 22, 2014.
- b. FRCD Cash Flow Worksheet – October, 2014
- c. Warrants Paid – October, 2014
- d. Active Accounts – October, 2014
- e. Bond Covenant Status for FY 2014-15 – October, 2014
- f. Revenues and Expenses – Actual vs Budget FY 2014-15 – October, 2014
- g. Cash Accounts – October, 2014
- h. Consultants Expenses – October, 2014

Associate Director Comment

Public Comment

Recommended Action: Approve FRCD Consent Calendar

3. Conservation Activities – October, 2014 (Ellen Carlson, Management Analyst)

Associate Director Comment

Public Comment

4. Operations Report – October, 2014 (Mark J. Madison, PE, General Manager)

Associate Director Comment

Public Comment

5. Fiscal Year 2013-2014 Comprehensive Annual Financial Report

(Jim Malberg, Finance Manager/Treasurer)

Associate Director Comment

Public Comment

Recommended Action: Approve a Motion Accepting the Fiscal Year 2013-2014 Comprehensive Annual Financial Report

6. Railroad Street Water Treatment Facility Parking Lot Improvements Project Construction Contract (Bruce M. Kamilos, Associate Civil Engineer)

Associate Director Comment

Public Comment

Recommended Action: Approve a Motion Amending the FY 2015-2019 Capital Improvement Program (CIP), Reallocating \$58,000 from the Melrose Avenue Water Main Project to the Railroad Street Water Treatment Facility Parking Lot Improvements Project, and Authorizing the General Manager to Execute a Construction Contract in the Amount \$254,761 with Abide Builders, Inc. for the Railroad Street Water Treatment Facility Parking Lot Improvements Project

7. Elk Grove Water District 2014 Employee Policy Manual Update

(Ellen Carlson, Management Analyst)

Associate Director Comment

Public Comment

Recommended Action: Adopt Resolution 11.19.14.01 Adopting the Elk Grove Water District 2014 Employee Policy Manual Update and Approving the Amendments and Additions Therein

8. Legislative Update (Ellen Carlson, Management Analyst)

Associate Director Comment

Public Comment

9. Committee Meeting(s) Update (Chairman Barrie Lightfoot)

Associate Director Comment

Public Comment

10. Directors Comments and Information

Adjourn to Regular Meeting – December 17, 2014.

November 19, 2014

TO: Chairman and Directors of the Florin Resource Conservation District
FROM: Stefani Phillips, Secretary and Jim Malberg, Treasurer
SUBJECT: **CONSENT CALENDAR**

RECOMMENDATION

Approve the FRCD Consent Calendar.

Summary

By this action, the Board will approve the FRCD Consent Calendar items a-h.

DISCUSSION

Background

Consent Calendar items a-i are standing items on the Regular Board Meeting agenda.

FINANCIAL SUMMARY

N/A

Respectfully Submitted,



STEFANI PHILLIPS, SECRETARY AND
JIM MALBERG, TREASURER

SP

Attachments

MINUTES OF THE REGULAR MEETING OF THE FRCD BOARD

Wednesday, October 22, 2014

The regular meeting of the Board of Directors of the Florin Resource Conservation District was called to order at 6:30 p.m. by Barrie Lightfoot, Chair, at 8820 Elk Grove Blvd, Elk Grove CA.

Call to Order, Roll Call, and Pledge of Allegiance.

Directors Present: Barrie Lightfoot, Chuck Dawson, Don Menasco, Elliot Mulberg and Tom Nelson
Directors Absent: None
Staff Present: Mark J. Madison, General Manager; Hossein Golestan Interim Finance Manager; Jim Malberg, Finance Manager; Stefani Phillips, Board Secretary; Bruce Kamilos, Associate Civil Engineer; Donella Ouellette, Finance Supervisor; Ellen Carlson, Management Analyst; Cindy Robertson, Administrative Assistant II (Confidential); Jose Carrillo, Water Distribution Foreman
Associate Directors Present: Davies Ononiwu, Bob Gray, and Mike Schmitz
Consultants Present: Ann Siprelle, General Counsel; Jonathon Ash, Citigroup Global Markets; Ken Dieker, Del Rio Advisors, LLC; John Rottschaefter, Best Best & Krieger, LLP

Public Comment

No comments were made.

1. Proclamations and Announcements

Introduction of new staff members, Jim Malberg, Finance Manager and Cindy Robertson, Administrative Assistant II (Confidential).

Recognition of Stefani Phillips for fifteen years of service.

2. Consent Calendar

- a. Minutes of the Regular Board Meeting of September 22, 2014 and Special Board Meeting of October 17, 2014.
- b. FRCD Cash Flow Worksheet – September, 2014
- c. Warrants Paid – September, 2014
- d. Active Accounts – September, 2014
- e. Bond Covenant Status for FY 2014-15 – September, 2014
- f. Revenues and Expenses – Actual vs Budget FY 2014-15 – September, 2014
- g. Cash Accounts – September, 2014
- h. Consultants Expenses – September, 2014

MSC (Dawson/Mulberg) to approve FRCD Consent Calendar items a-d, and f-j, 5/0: Ayes: Dawson, Menasco, Mulberg, Nelson, and Lightfoot.

Item e was pulled for discussion by Director Tom Nelson to discuss whether the coverage ratio for the bond covenants would stay between 1.15 – 1.25% if we move forward to the new bonds.

Ken Dieker, Advisor with Del Rio Advisors, LLC stated “the current bond documents have a two prong task for the existing certificates. The bonds that are not refunded as the part of the proposed refunding programs would be maintained until some future date until the

bonds are refunded. The new bonds would hold a ratio between 1.15 – 1.25% depending on feedback between the rating agencies.”

MSC (Nelson/Dawson) to approve FRCD Consent Calendar items (e), 5/0: Ayes: Dawson, Menasco, Mulberg, Nelson, and Lightfoot.

3. Conservation Activities – September, 2014

Ellen Carlson, Management Analyst presented the Conservation Activities – September, 2014.

In summary, the Stone Lake National Wildlife Refuge is in crisis due to a severe illness of one of their key employees. The refuge is understaffed and the Friends group is identifying ways to assist. The refuge is considering of having Docent training and several members from the board of directors in the Friends group will be taking Docent training in the near future. This will help the refuge by offering assistance in escorting visitors on bird watching walks on the weekends so the staff can place their energies elsewhere. Chairman Barrie Lightfoot is interested in taking the Docent training. Director Elliott Mulberg commented on our participation on conversation efforts.

4. Operations Report – September 2014

Mark J. Madison, General Manager presented the highlights of the Operations Report – September, 2014:

- 4 low pressure complaints
- Door Hangers and Shut Offs were way up for the month of September
- Tracking Water Conservation service requests
- 5 Meters Installed by the Distribution Department – mostly commercial customers
- 70 USA's
- 93 Valve Exercising
- 8 Meters Installed by the Utility Department – All meters have been installed on Melrose Avenue
- Wells 4D and 11D – produced 97 million gallons of water – bulk of production of all of our wells
- Well 11D – ran very little
- Combined production, conservation by customers is evident
- Added trend data to static and pumping graphs (as recommended by Director Tom Nelson in the September Board Meeting)
- Static pumping
 - Wells 3, 8, and 9 have virtually not changed
- Sampling
 - Added collection description to better explain the samples that were taken throughout the month
- Regulatory reports submitted on time
- 68 Backflow Devices Outstanding – devices haven't passed or the customers haven't responded to our requests
- Meter Retrofit Program – 162 meters left to install
 - Residential side – 8 customers remaining
 - Multi-Family – 39 locations that will require meters
 - 22 will have 5 meters at each location (4-plex units) that has a separate have an irrigation line and a common water heater
 - This is will be charge at the residential rate and we are sending letters out to customer for notification
 - Locations are primary at Emerald Park and El Mirador

Chairman Barrie Lightfoot inquired who will pay for the charges of the 5th meter. Mr. Madison replied that the 4 services line meters will be charged the traditional fixed charge and the commodity charge. The 5th meter will only be charged the commodity charge and the HOA will be the owner of this charge.

- Commercial side – 37 customers remaining
- Bullhead Replacement not expected to take effect until January 2015
- EGWD Leaks
 - Main Line – 1 (sheer break – line actually shifted and broke)
 - Service Line - 5 (variety of reasons)
- Sample Station Area Maps – abbreviation has changed from Station Area (SA) to Sample Station Area (SSA)

Associate Director Davies Ononiwu inquired how the water will be distributed in the 4-plex units. Mr. Madison explained how the water will be distributed.

Associate Director Bob Gray stated he received a comment from a customer stating that their water pressure was bad when his neighbor turned on the water. This was due to the fact the customer was on a bullhead. Mr. Madison replied, that the District is trying to get those done as quickly as possible and suggested the customer call the office so he can further explain.

5. Elk Grove Water District FY 2014-15 Quarterly Operating Budget Status

Mark J. Madison, General Manager introduced the item and thanked Hossein Golestan, Interim Finance Manager/Treasurer for his outstanding work while filling in for the position.

Mr. Golestan presented a quarterly budget status report for the first quarter of FY' 2014-15. The report is to keep the Board and the public informed on the financial status of the Elk Grove Water District (EGWD). The information presented was as of September 30, 2014.

Mr. Golestan stated that there was an error on his report. The capital expenditure amount is supposed to be \$431,000 (including labor) vs. \$838,337 as stated in his report.

Director Elliott Mulberg inquired if there were any particular line items or areas where there was a potential in 6-9 months that might be abnormal.

Mr. Golestan responded that there is no real concern. Staff is monitoring revenues due to conservation efforts by our customers.

Director Chuck Dawson inquired if the decrease in revenue in the area of residential, commercial and fire service and was wondering what would account for this drastic change.

Mr. Golestan replied that this was due to the conservation efforts during the summer months, which caused significant variance but it will not be at the same level for the rest of the year.

Director Tom Nelson added that there was a drop in commercial revenues due to the re-allocation of our rates. Mr. Madison agreed and will look into the decrease in revenues.

Director Chuck Dawson recommended that staff look into the decrease in revenue for these areas.

The Board thanked Hossein Golestan for his work during this interim period.

6. Elk Grove Water District FY2014 – 15 First Quarter Capital Reserves Status Report

Mr. Golestan, Interim Finance Manager/Treasurer presented the Elk Grove Water District (EGWD) Fiscal Year 2014-15 First Quarter Capital Reserve Status Report.

In summary, the total amount available for reserves on June 30, 2014 was \$12M. Based on the Board Policy that was adopted on August 22, 2012, the reserves are allocated first to the Operating Reserve (120 days of expense), then to the 2014-15 capital budget and election/special studies, with the balance allocated to future capital improvements and capital replacement in the ratio of 75:25. The amount available will increase by \$0.97M once the rate equalization funds are released by the bond trustee. After this transfer the total available reserves will be slightly below the amount available at the start of this fiscal year.

Mr. Golestan stated that there was an error on his report. The capital expenditure amount is supposed to be \$431,000 vs. \$838,337 as stated in his report.

7. Refunding of Outstanding Water Revenue Certificates of Participation for Economic Savings

Mark J. Madison, General Manager introduced the item and team associated with the bond refinancing. The team is constructed as follows:

- Ken Dieker – Financial Advisor with Del Rio Advisors, LLC
- John Rottschaefer – Bond Counsel with Best Best & Krieger, LLP
- Jonathan Ash – Underwriter with Citigroup Global Markets
- Jacquelynne Jennings – Disclosure Counsel with Lofting & Jennings (not present)

Ken Dieker presented the information to the Board of Directors stating “the refinancing of approximately \$29M in bonds would like occur in early December 2014. This refinancing could potentially save the District approximately \$168,000 per year. Mr. Dieker stated that it is important to note that the refinancing of these bonds, as proposed, will not increase the term or the amount of the bonds being refinanced. There will be no additional debt to be incurred and that the term will not be extended beyond the original date of September 2029. Based on best business practices, the Board of Directors have set parameters that the District must achieve a minimum amount of three percent savings in order for the bond issuance to move forward.”

Director Elliott Mulberg inquired if there will be a prepayment penalty on part of the bonds.

Mr. Dieker responded and said that there will not be a prepayment penalty. All bonds would be callable at par.

Mr. Dieker highlighted a timeline to the Board of Directors if the bond refinancing was approved:

- November 5th – Meet with Standard and Poor’s
- November 19th – Board to consider the acceptance of the audit
- November 20th – Printing of the official statement
- 1st week of December – Pricing
- December 18th – Close

Director Elliott Mulberg inquired how long it would take for the bonds to be sold once they are on the market.

Mr. Dieker responded and said it could be as early as the week of December 1st.

Chairman Barry Lightfoot inquired if there would be three covenants – two existing and one new.

Mr. Dieker agreed with Mr. Lightfoot's inquiry.

Director Elliott Mulberg inquired if only part of the bonds were funded while maintaining a certain ratio, will the ratio be calculated differently since it is only part of the debt.

Mr. Dieker responded stating that the ratios and covenant will not change. It will just be applied to the bonds are remaining in that category. This will apply as long as those bonds remain outstanding.

Director Elliott Mulberg inquired if the preliminary official statement (POS) is a draft of what we will be using.

Mr. Dieker responded stating that the POS is deemed final for purposes of approvals. There will be some adjustments, which include: typos, fixes, minor changes in proforma, spaces left blank until the bonds can be sold.

Director Elliott Mulberg inquired on some references to other organizations in the POS.

Mr. Madison responded and said those references are typos and are being fixed.

Director Chuck Dawson complimented the team on not extending the time of debt and cost. Mr. Dawson also stated to the current and future board members that when making these types of decisions, we want to make sure that this will benefit the rate payers.

Chairman Barrie Lightfoot inquired that if it does not work to our advantage we can back out immediately.

Mr. Dieker responded that if the minimum savings threshold of 3% net present value savings is not met then we are not permitted to move forward.

MSC (Nelson/Dawson) to approve the adoption of Resolution No. 10.22.14.01, 5/0: Ayes: Dawson, Menasco, Mulberg, Nelson, and Lightfoot.

8. Disclosure Compliance Policies and Procedures

Ken Dieker presented the Disclosure Compliance Policies and Procedures Update to the Board of Directors. The Florin Resource Conservation District (FRCD) has not historically complied with all of its continuing disclosures obligations in connection with bonds and certificates of participation previously issued by the district. Disclosure documents generally prepared by the district include the POS, final official statement (OS) and continuing disclosure certificates. This will enact policies and procedure to ensure the District complies with all applicable disclosure requirements and obligations, Disclosure Compliance Policies and Procedures have been established to memorialize the District's future procedure and practices.

MSC (Nelson/Dawson) to approve the adoption of Resolution No. 10.22.14.02, 5/0: Ayes: Dawson, Menasco, Mulberg, Nelson, and Lightfoot.

9. Legislative Update

Ellen Carlson, Management Analyst gave the Legislative Update to the Board of Directors. The State Assembly and Senate have adjourned until December 1st. Governor Brown has until the end of September to sign or veto bills presented to him.

Mrs. Carlson highlight bills that have passed or have been vetoed since the last meeting:

- AB 194 – bill was vetoed
- SB 1281 – was signed by Governor Brown

Mrs. Carlson stated that AB 1420 will be tough for all water districts since it will require water districts to quantify and report on system distribution loss.

10. Committee Meeting(s) Update

No meetings occurred since the last Regular Board Meeting.

11. Directors Comments and Information

Director Tom Nelson proposed how to spend the money that the District is saving from the bond refinancing, by putting it into synthetic turf to cut back on water. Mr. Nelson would like to propose giving some type of rebate to customers who have cut back.

Director Elliott Mulberg proposed that staff look at our Capital Improvement Plan to see if there is any real pressing projects that might compete with trying to provide a rebate program.

Director Chuck Dawson proposed that the District needs to look into the long term effects of having artificial turf.

Mark Madison, General Manager inquired what timeline they would like this to be presented.

The Board suggested staff look into this in the Spring time.

Chairman Barrie Lightfoot stated that there is an RCD Convention in Ventura, CA and some sessions will go into detail regarding conservation efforts.

Director Elliott Mulberg and Director Tom Nelson will be attending the conference.

Chairman Barrie Lightfoot thanked staff and other Board Members for their help and service.

The Board of Directors thanked Mr. Lightfoot for his leadership and his time served at the District.

Mark Madison, General Manager stated, "We are not done with you yet. Your leadership has been remarkable and is much appreciated."

Next Regular Board Meeting will be on November 19, 2014 at 6:30PM at Elk Grove Water District.

12. Closed Session

CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Gov't Code Section 54956.8)

Property: 2450 Florin Rd., Sacramento, CA

Agency negotiators: Mark Madison

Negotiating parties: FRCD and Sacramento County

Under negotiation: Terms of payment

No reportable action taken.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Secretary



Consent
Calendar Item#

l

FRCD Cash Flow For the Month Ended October 31, 2014

Cash in Bank – Beginning	\$144,877.22
Receipts:	
Interest Earned	\$ 9.83
Disbursements:	
Check # 1005-Trail Fest	-100.00
Check # 1006-Best Best & Krieger	-488.30
Cash in Bank – Ending	\$144,298.75



Check History Report

10/1/2014 to 10/31/2014
Elk Grove Water District

Check Number	Check Date	Vendor Number	Vendor Name	Check Amount	Explanation
037457	10/2/2014	ELK LOC	ELK GROVE LOCK AND SAFE CO	325.74	
037458	10/2/2014	JAN PRO	JAN-PRO CLEANING SYSTEMS	515.00	
037459	10/2/2014	RDO T	RDO TRUST # 80-5600	44.75	.lanitorial
037460	10/2/2014	VALL MO	VALLEY MOTOR PARTS	77.06	
037476	10/8/2014	BSK4	BSK ASSOCIATES	132.00	Repairs & Maintenance-Vehicle #410
037477	10/8/2014	EG FORD	ELK GROVE FORD	126.80	
037478	10/8/2014	ELUSSE	ELUSSE GAYNOR	27.24	
037479	10/8/2014	FIRECOD	FIRECODE SAFETY EQUIPMENT	41.04	
037480	10/8/2014	HINTON	SEAN HINTON	323.95	
037481	10/8/2014	RADIAL	RADIAL TIRE OF ELK GROVE	324.87	Clothing Reimbursement
037482	10/8/2014	REPUBLI	REPUBLIC SERVICES #922	669.85	Repairs & Maintenance Truck #412 and #405 (2) Invoices
037483	10/8/2014	SIERRA	SIERRA OFFICE SUPPLIES	88.34	Trash-MOC/ADMIN
037484	10/8/2014	TOSHIBA	TOSHIBA FINANCIAL SERVICES	528.93	
037485	10/8/2014	VALL MO	VALLEY MOTOR PARTS	17.04	Copier-ADMIN
037486	10/16/2014	AT&T	AT&T MOBILITY	289.28	Phones-OPS
037487	10/16/2014	BATTER	BATTERIES PLUS	114.48	
037488	10/16/2014	BEST	BEST, BEST & KRIEGER	7,353.97	Legal-September
037489	10/16/2014	BG SOLU	SOLUTIONS BY BG INC.	4,786.96	Daily Tasks/Help Tickets
037490	10/16/2014	BRINKS	BRINKS INCORPORATED	270.19	
037491	10/16/2014	BSK4	BSK ASSOCIATES	676.00	Sampling
037492	10/16/2014	CLAYBAR	CLAYBAR ENGINEERING	2,735.00	Contracted Services-Fasements
037493	10/16/2014	CONSOLI	CONSOLIDATED COMMUNICATIONS	1,213.43	Phones-MOC/ADMIN
037494	10/16/2014	CONSOLI	CONSOLIDATED COMMUNICATIONS	240.64	Fltmetel Services
037495	10/16/2014	COUNTY3	COUNTY OF SACRAMENTO	25.00	
037496	10/16/2014	DAC	DAC	5,000.00	Set-up and Ongoing Annual Fee/Outstanding Bond Issue
037497	10/16/2014	DATAPRO	DATAPROSE LLC	8,078.50	Monthly Billing
037498	10/16/2014	EFFECT	EFFECTIVE PHONE SOLUTIONS INC.	1,120.22	Disaster Recovery
037499	10/16/2014	INNOVYZ	INNOVYZE	1,500.00	Annual Renewal-Info Water, Suite
037500	10/16/2014	INT_STA	INTERSTATE OIL COMPANY	2,108.86	Fuel
037501	10/16/2014	OPENDNS	OPENDNS INC.	1,086.00	Umbrella Enterprise annual subscription
037502	10/16/2014	PACE	PACE SUPPLY CORP	6,987.96	Commercial Meaters/Meier Retro
037503	10/16/2014	PAULA M	PAULA MAITA & COMPANY	1,285.50	Clothing-OPS
037504	10/16/2014	PEST	PEST CONTROL CENTER INC	160.00	
037505	10/16/2014	PG&E	PACIFIC GAS & ELECTRIC COMPANY	7.84	
037506	10/16/2014	PIT 4	PURCHASE POWER	520.99	Postage-ADMIN
037507	10/16/2014	RADIAL	RADIAL TIRE OF ELK GROVE	70.51	Repairs & Maintenance-Truck #304
037508	10/16/2014	RCB RS	CARD SERVICE CENTER	344.08	Materials/Supplies
037509	10/16/2014	RCB RS	CARD SERVICE CENTER	257.78	Materials/Supplies
037510	10/16/2014	RCB SP	CARD SERVICE CENTER	243.93	Contracted Services and Training
037511	10/16/2014	RCBJC	CARD SERVICE CENTER	383.20	Materials/Supplies
037512	10/16/2014	SAC TAX	SACRAMENT COUNTY	100.00	Yearly Property Taxes
037513	10/16/2014	SAC TAX	SACRAMENT COUNTY	100.00	Yearly Property Taxes
037514	10/16/2014	SAC TAX	SACRAMENT COUNTY	100.00	Yearly Property Taxes
037515	10/16/2014	SAC TAX	SACRAMENT COUNTY	100.00	Yearly Property Taxes
037516	10/16/2014	SAC TAX	SACRAMENT COUNTY	100.00	Yearly Property Taxes
037517	10/16/2014	SAC TAX	SACRAMENT COUNTY	100.00	Yearly Property Taxes
037518	10/16/2014	SAC TAX	SACRAMENT COUNTY	100.00	Yearly Property Taxes
037519	10/16/2014	SAC TAX	SACRAMENT COUNTY	100.00	Yearly Property Taxes
037520	10/16/2014	SAC TAX	SACRAMENT COUNTY	100.00	Yearly Property Taxes
037521	10/16/2014	SAC TAX	SACRAMENT COUNTY	100.00	Yearly Property Taxes
037522	10/16/2014	SAC TAX	SACRAMENT COUNTY	122.98	Yearly Property Taxes
037523	10/16/2014	SAC TAX	SACRAMENT COUNTY	100.00	Yearly Property Taxes
037524	10/16/2014	SDRMA	SDRMA	2,640.83	Additional Insurance for newly purchased assets
037525	10/16/2014	SIERRA	SIERRA OFFICE SUPPLIES	1,294.08	(6) Invoices for Materials/Supplies
037526	10/16/2014	STEWART	STEWART TITLE SACRAMENTO	500.00	Title Report 9513 Emerald Park
037527	10/16/2014	STEWART	STEWART TITLE SACRAMENTO	500.00	Title Report 8703 Elk Grove Blvd
037528	10/16/2014	SUMMIT	AIR WORKS INC	110.00	
037529	10/16/2014	VERIZON	VERIZON WIRELESS	688.42	Aircards for Laptops
037530	10/16/2014	W RODRI	WAYNE RODRIQUES	225.00	Water Truck Rental-Melrose Project

037531	10/16/2014	B STARR	STARR CONSULTING	5,600.00	Yearly Property Taxes
037532	10/16/2014	SAC TAX	SACRAMENTO COUNTY	100.00	Yearly Property Taxes
037533	10/16/2014	SAC TAX	SACRAMENTO COUNTY	100.00	Materials, Supplies
037534	10/17/2014	RCB SS	CARD SERVICE CENTER	441.35	Accounting Services
037535	10/17/2014	ROB MERR	ROBERT MERRIT	5,250.00	Wharf Hydrant CIP
037536	10/17/2014	SIERRA	SIERRA OFFICE SUPPLIES	27.37	
037537	10/23/2014	CDW	CDW GOVERNMENT	1,724.57	
037538	10/23/2014	COEG	CITY OF ELK GROVE	97.71	
037539	10/23/2014	COUNTY4	SACRAMENTO COUNTY UTILITIES	7,276.53	Recruitment for Finance Manager Position
037540	10/23/2014	CPS	COOPERATIVE PERSONAL SERVICES	5,691.00	Annual dues
037541	10/23/2014	CSDA	CALIF SPECIAL DISTRICTS ASSOC.	50.00	
037542	10/23/2014	EGCOC	ELK GROVE POWER EQUIPMENT	197.01	
037543	10/23/2014	EGPOWER	ELK GROVE POWER EQUIPMENT	136.62	Well site communications
037544	10/23/2014	FASTENA	FASTENAL COMPANY	216.14	Well site communications
037545	10/23/2014	FRONT C	FRONTIER COMMUNICATIONS	165.60	Well site communications
037546	10/23/2014	FRONT C	FRONTIER COMMUNICATIONS	170.98	
037547	10/23/2014	FRONT C	FRONTIER COMMUNICATIONS	384.72	
037548	10/23/2014	GOLDEN	GOLDEN STATE FLOW MEASUREMENT	565.00	GRA Conference
037549	10/23/2014	GRA	GROUND WATER ASSOCIATION	2,365.00	Veeam Backup & Replication
037550	10/23/2014	GTRI	GTRI	234.36	
037551	10/23/2014	HANFORD	HANFORD READY MIX INC.	1,717.10	Fuel
037552	10/23/2014	INT STA	INTERSTATE OIL COMPANY	381.78	Materials/Dump Fees
037553	10/23/2014	JAYS	JAY'S TRUCKING SERVICE	620.00	Asset MGMT Program
037554	10/23/2014	KAISER2	KAISER FOUNDATION HEALTH PLAN	13,272.50	Interim Finance Manager
037555	10/23/2014	KENNEDY	KENNEDY/JENKS CONSULTANTS	6,325.98	
037556	10/23/2014	MANAGE	MANAGEMENT PARTNERS	184.00	
037557	10/23/2014	PACE	PACE SUPPLY CORP	34.56	
037558	10/23/2014	PHENIX	PHENIX PRINT & IMAGE	102.88	
037559	10/23/2014	PIP	PIP PRINTING	3,518.77	Calendars-Harvest Festival
037560	10/23/2014	PROJECT	PROJECT ENERGY SAVERS, LLC	1,481.80	(5) Invoices-Repairs & Maintenance
037561	10/23/2014	RADIAL	RADIAL TIRE OF ELK GROVE	25.00	June 2014 State Controller's Report
037562	10/23/2014	RCB BK	CARD SERVICE CENTER	2,826.93	Temporary Admin Assistant (3) invoices
037563	10/23/2014	RCB.COM	RICHARDSON & COMPANY, LLP	1,695.96	Annual Software Renewal
037564	10/23/2014	ROTH	ROTH STAFFING COMPANIES, L.P.	234.91	
037565	10/23/2014	SEN 2	SENSUS USA	96.06	
037566	10/23/2014	UNITED	UNITED SITE SERVICES	145.49	
037567	10/23/2014	VALL MO	VALLEY MOTOR PARTS	178.80	
037568	10/23/2014	ZOOM	ZOOM IMAGING SOLUTIONS, INC	48,830.08	Daily Tasks/Help Tickets
037569	10/30/2014	A,TEIC	A, TEICHERT & SON, INC	2,253.29	Sampling
037570	10/30/2014	ACWAJPI	CB&T/ACWA-JPIA	63.12	
037571	10/30/2014	AFLAC	AFLAC	4,766.94	Meter Retro
037572	10/30/2014	ARC	ARC	170.00	Materials/Supplies-Meter Retro
037573	10/30/2014	BG SOLU	SOLUTIONS BY BG INC.	90.00	
037574	10/30/2014	BSK4	BSK ASSOCIATES	70.00	
037575	10/30/2014	CDPH	CDPH-OCIP	97.70	
037576	10/30/2014	COUNTY4	SACRAMENTO COUNTY UTILITIES	37.00	
037577	10/30/2014	COUNTY7	COUNTY OF SACRAMENTO	135.69	
037578	10/30/2014	EG FORD	ELK GROVE FORD	19,918.44	
037579	10/30/2014	GOLDEN	GOLDEN STATE FLOW MEASUREMENT	144.50	
037580	10/30/2014	GREAT A	GREATAMERICA LEASING CORP	598.68	
037581	10/30/2014	HANFORD	HANFORD READY MIX INC.	172.40	
037582	10/30/2014	HINTON	SEAN HINTON	47,522.51	
037583	10/30/2014	INDUSTR	INDUSTRIAL CONTRACTORS INC	47,522.51	
037584	10/30/2014	INDUSTR	INDUSTRIAL CONTRACTORS INC	49.23	
037585	10/30/2014	INLAND	INLAND BUSINESS SYSTEMS	2,032.16	
037586	10/30/2014	IRS SAC	INTERNAL REVENUE SERVICE	663.61	Employee Withholding
037587	10/30/2014	JAYS	JAY'S TRUCKING SERVICE	100.00	Materials/Supplies-Meter Retro
037588	10/30/2014	PAC BEN	PACIFIC BENEFIT CONSULTANTS	1,318.79	Materials/Supplies-Meter Retro
037589	10/30/2014	PACE	PACE SUPPLY CORP	108.76	
037590	10/30/2014	PAULA M	PAULA MAITA & COMPANY	307.25	
037591	10/30/2014	POWER	POWER ELECTRIC PRODUCTS CO	247.00	
037592	10/30/2014	PRE ALL	PREFERRED ALLIANCE, INC	103.37	
037593	10/30/2014	RADIAL	RADIAL TIRE OF ELK GROVE	2,995.00	Repairs/Maintenance Truck #402
037594	10/30/2014	RAFTELI	RAFTELI FINANCIAL CONSULTANTS	907.67	Rate Model Update
037595	10/30/2014	ROTH	ROTH STAFFING COMPANIES, L.P.	576.12	Temporary Admin Assistant
037596	10/30/2014	SIERRA	SIERRA OFFICE SUPPLIES	94.18	
037597	10/30/2014	SMUD	SMUD	647.50	
037598	10/30/2014	SMUD	SMUD	2,510.83	
037599	10/30/2014	SMUD	SMUD	128.72	
037600	10/30/2014	SMUD	SMUD	4,319.69	
037601	10/30/2014	SMUD	SMUD	799.35	

037602	10/30/2014	SMUD	SMUD	7,961.39	
037603	10/30/2014	SMUD	SMUD	9,986.61	
037604	10/30/2014	SMUD	SMUD	526.83	
037605	10/30/2014	INDUSTR	TNT INDUSTRIAL CONTRACTORS INC	47,522.51	Hampton Refurbishment
037606	10/31/2014	A, TEIC	A, TEICHERT & SON, INC	510.16	
037607	10/31/2014	AQUA	AQUA SIERRA CONTROLS, INC	918.00	
037608	10/31/2014	ATT&T	AT&T MOBILITY	583.10	Phones-OPS
037609	10/31/2014	BSK4	BSK ASSOCIATES	115.00	
037610	10/31/2014	COUNTY	COUNTY OF SACRAMENTO	565,499.86	Sacramento County Water Billing-July/August
037611	10/31/2014	COUNTY4	SACRAMENTO COUNTY UTILITIES	33.80	
037612	10/31/2014	DIAZ	JOHN DIAZ	171.00	Certification Renewal Reimbursement
037613	10/31/2014	FERGUS	FERGUSON ENTERPRISES, INC	544.51	
037614	10/31/2014	GOLDEN	GOLDEN STATE FLOW MEASUREMENT	14,749.78	Meter Retro/Commercial Meters
037615	10/31/2014	HALING	CINDY HALING	240.00	
037616	10/31/2014	JAY'S	JAY'S TRUCKING SERVICE	819.82	Materials/Dump fees
037617	10/31/2014	MANAGE	MANAGEMENT PARTNERS	1,135.02	Intern Finance Manager
037618	10/31/2014	PACE	PACE SUPPLY CORP	4,912.36	Materials/Supplies-Meter Retro
037619	10/31/2014	PETTY	PETTY CASH	180.63	
037620	10/31/2014	RCB BK	CARD SERVICE CENTER	280.28	Training, Meals, and Software
037621	10/31/2014	RCB MM	CARD SERVICE CENTER	1,937.86	Materials, Supplies and Training
037622	10/31/2014	RCB RS	CARD SERVICE CENTER	1,027.60	Materials/Supplies
037623	10/31/2014	RCB SH	CARD SERVICE CENTER	128.00	
037624	10/31/2014	RCB SP	CARD SERVICE CENTER	2,713.64	Conference, Airfare, Training, Car rental, Contracted services
037625	10/31/2014	ROTH	ROTH STAFFING COMPANIES, L.P.	925.70	Temporary Admin Assistant
037626	10/31/2014	SCHROED	RUDY SCHROEDER	712.50	
037627	10/31/2014	SIERRA C	SIERRA CHEMICAL COMPANY	449.41	
037628	10/31/2014	SIERRA	SIERRA OFFICE SUPPLIES	107.76	
037629	10/31/2014	SWRCB2	SWRCB	90.00	
037630	10/31/2014	TRENCH	TRENCH PLATE RENTAL CO	82.40	
037631	10/31/2014	ULTRA	ULTRA TRUCK WORKS, INC	61.45	
037632	10/31/2014	VALL MO	VALLEY MOTOR PARTS	11.86	
				883,731.68	Total:

Elk Grove Water District
Active Account Information
10/31/2014

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE
Water Accounts:												
Non-metered												
Residential	135	133	134	133								
Commercial	47	33	33	35								
Metered												
Residential	11,494	11,484	11,490	11,473								
Commercial	457	458	459	457								
Fire Service	123	121	121	121								
Total Accounts	12,256	12,229	12,237	12,219								

Elk Grove Water District
Active Account Information
FY 2013/2014

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE
Water Accounts:												
Non-metered												
Residential	938	947	813	594	475	422	384	342	294	241	187	137
Commercial	110	110	110	110	108	102	102	89	81	51	50	47
Metered												
Residential	10,605	10,595	10,724	10,949	11,034	11,093	11,141	11,163	11,213	11,271	11,381	11,543
Commercial	388	392	397	394	394	397	397	414	421	451	454	458
Fire Service	123	123	123	123	123	123	123	123	123	121	121	122
Total Accounts	12,164	12,167	12,167	12,170	12,134	12,137	12,147	12,131	12,132	12,135	12,193	12,307

Elk Grove Water District

Bond Covenant Status

For Fiscal Year 2014-15

As of October 31, 2014

Consent
Calendar Item#

e

Operating Revenues:

Charges for Services	\$	5,116,517
----------------------	----	-----------

Operating Expenses:

Salaries & Benefits	1,075,235
Seminars, Conventions and Travel	10,080
Office & Operational	1,490,325
Outside Services	337,050
Equipment Rent, Taxes, and Utilities	151,824
Depreciation & Amortization	626,115
Total Operating Expenses	3,690,629

Income From Operations	\$	1,425,888
-------------------------------	-----------	------------------

Covenant Number 1

Income From Operations	1,425,888
Add: Depreciation & Amortization Expenses	626,115 *
Add: Rate Stabilization Fund (See note)	323,927 *
Total	2,375,930

Interest & Principal Payments	
2,546,800 interest + 1,290,000 principal	1,278,933 *

Coverage Ratio:

Actual	1.86
Required	1.25

Covenant Number 2

Income From Operations	1,425,888
Add: Depreciation & Amortization Expenses	626,115 *
Total	2,052,003

Interest & Principal Payments	
2,546,800 interest + 1,290,000 principal	1,278,933 *

Coverage Ratio:

Actual	1.60
Required	1.15

* Note: The calculation for the period = the percentage of the year completed.

Elk Grove Water District
 Revenues and Expenses Actual to Budget
 October 31, 2014

General Ledger Reference	October		Variance	%	YTD Activity	Annual Budget	Variance	%
	Activity	Budget						
Revenues	1,187,357	1,205,315	-17,958	-1.49%	5,116,517	14,463,784	-9,347,267	35.37%
Salaries & Benefits (1)	362,715	310,134	52,581	16.95%	1,075,235	3,721,605	-2,646,370	28.89%
Seminars, Conventions and Travel	3,478	3,167	310	9.80%	10,080	38,007	-27,927	26.52%
Office & Operational (2) (3)	294,354	342,597	-48,243	-14.08%	1,490,325	4,111,168	-2,620,843	36.25%
Outside Services	89,420	68,380	21,041	30.77%	337,050	820,558	-483,508	41.08%
Equipment Rent, Taxes, Utilities	31,535	36,654	-5,118	-13.96%	151,824	439,846	-288,022	34.52%
Total Operational Expenses	781,503	760,932	20,571	2.70%	3,064,514	9,131,184	-6,066,670	33.56%
Net Operations	405,854				2,052,003			
Non-Operating Activity								
Depreciation & Amortization	156,529	156,529	0	0.00%	626,115	1,878,344	-1,252,229	33.33%
Bond Interest Accrued	212,236	212,236	0	0.00%	848,942	2,546,826	-2,546,826	33.33%
Interest Earned	945	833	112		3,712	10,000	10,000	
Other Income	4,109	0	-4,109	0.00%	190,599	0	-190,599	
Revenues in Excess of Expenditures (Net Revenues)	42,144				771,257			
Capital Expenses								
Capital Improvements					303,540			
Capital Replacements					257,067			
Equipment					51,337			
Bond Retirement: \$1,290,000					430,000			
Total Capital And Debt Retirement Expenditures					1,041,945			
Net Cash Position after Capital and Debt Retirement Expenditures					(270,687)			

(1) A total of \$439,864 of salary expenses will be capitalized to the Meter Retrofit CIP Program at year end, which will reduce the final expenditures.

(2) A total of \$154,956 of operational expenses will be capitalized to the Meter Retrofit CIP Program at year end, which will reduce the final expenditures.

(3) Estimated Expenditures; Purchased Water \$240,746 in October, and \$508,720 Year-To-Date.

Consent
 Calendar Item#

f

**Florin Resource Conservation District
CASH - Detail Schedule of Investments
10/31/2014**

Consent
Calendar Item#

9

HELD BY BOND TRUSTEE:		Account number / name	Investment Name	Investment Type	Restrictions	Market Value
G/L Account # Money Market Fund						
1130-000-30	Building	BNY 113518 FRCD OB 2003 A/B Rev Fd	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	\$ 270,423.49
	Building	BNY 113522 FRCD OB 2003 B SUB IPF	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	0.00
	Building	BNY 113591 FRCD OB 03 A/B O/M RES FD	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	180,323.49
1132-000-30	Building	BNY 113594 FRCD OB 03 A/B RES FD	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	460,000.00
	Building	BNY 113598 FRCD 03 A INST PMT FD	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	0.00
	Building	BNY 113599 FRCD OB 03 A SR IPF	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	0.00
1133-000-30	Building	BNY 113601 FRCD 2003 A/B CAR/PAINT EXP	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	3,774.72
1134-000-30	Building	BNY 113602 FRCD 2003 A/B ADMIN EXP FD	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	95.11
1103-000-20	Water	BNY 113757 FRCD 2002 INST PMT SER B	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	0.00
	Water	BNY 113759 FRCD 2002 INST PMT SER B	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	0.01
1102-000-20	Water	BNY 113756 FRCD INST PMT SER A	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	0.00
1107-000-20	Water	BNY 113576 FRCD 2003 A CONST FUND	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	1,320.94
1122-000-20	Water	BNY 113584 FRCD 2005 A CONST FUND	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	0.00
1123-000-20	Water	BNY 113585 FRCD 2005 A INST PM	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	0.00
1121-000-20	Water	BNY 113586 FRCD 2005 A RATE STAB	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	192,417.68
1101-000-20	Water	BNY 113587 FRCD 2005 A RES FD	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	1.00
	Water	BNY 113764 FRCD 2002 A/B RATE STABILIZATION	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	779,363.83
				Subtotal		\$ 1,887,721.27
1001-000-20	Water	CASH ON HAND		Unrestricted		\$ 300.00
HELD BY RIVER CITY BANK:						
1010-000-10	FRCD	RCB 1111057982 CHECKING ACCOUNT		Unrestricted		144,298.75
1010-000-20	Water	RCB 1111063486 GENERAL CHECKING		Unrestricted		180,660.43
1020-000-20	Water	RCB 1111028001 MONEY MARKET		Unrestricted		5,448,353.14
1030-000-20	Water	RCB 1111025851 CHARGE CARD ACCOUNT		Unrestricted		342,634.78
1040-000-20	Water	RCB 1111096589 HIGH YIELD MONEY MARKET		Unrestricted		3,180,276.67
1050-000-20	Water	RCB 1111099502 DEBT SERVICE ACCOUNT		Unrestricted		4.60
1060-000-20	Water	RCB 1111097844 PAYROLL ACCOUNT		Unrestricted		210,892.29
1070-000-20	Water	RCB 1111097933 WEB PAYMENT RECEIPTS		Unrestricted		399,803.70
				Subtotal		\$ 9,906,924.36
1080-000-20	Water	Office of the Treasurer - Sacramento California	LAIIF	Unrated		\$ 2,830,628.49
				N/A		
				Total		\$ 14,625,574.12
				Total Restricted		\$ 1,887,721.27
				Total Unrestricted		\$ 12,737,852.85

Consultant Expenses
October 31, 2014

Consent
Calendar Item#

h

Fiscal Retainer Contracts

Consultant	Description	Current Month	Paid to date	Budget/Contract Amount	Percent of year (33%)
Best Best, & Krieger**	Task orders	7,354	43,795	185,000	23.67%
Solutions by BG, Inc.	Task orders	9,574	41,809	124,630	33.55%

Project Specific Contracts

Consultant	Description	Current Month	Paid to date	Budget/Contract Amount	Percent of Contract Amount
CPS HR	Finance Recruitment	7,277	20,802	24,000	86.68%
HydroScience*	Hampton Water Treatment		62,409	62,853	99.29%
MC Engineering, Inc	Backflow On-Call		10,424	12,000	86.87%
Management Partners	Interm Finance Manager	7,461	47,958	49,258	97.36%

*Capital Projects 62,409

**Legal Cost detail - FY 14/15

Operations	
FRCD/EDC	\$ 6,439
Litigation	
Other	
TOTAL	6,439

November 19, 2014

TO: Chairman and Directors of the Florin Resource Conservation District
FROM: Ellen Carlson, Management Analyst
SUBJECT: **CONSERVATION ACTIVITIES – OCTOBER 2014**

RECOMMENDATION

This item is presented for information only. No action by the Board is proposed at this time.

Summary

The Board has requested a monthly summary of FRCD activities performed by the Board and Staff.

DISCUSSION

Background

The Stone Lakes National Wildlife Refuge (Refuge), on the western most area of the Florin Resource Conservation District (FRCD), provides critical habitat for both local wildlife and migratory bird populations. In 2004, staff member Ellen Carlson was directed by the FRCD board of directors to build a relationship with the Refuge. Ellen is now a member of the Friends of the Stone Lakes National Wildlife Refuge (Friends) board of directors and is the immediate past-president. The Friends group is responsible for advocating on behalf of the Refuge, offering educational programs for local school districts, public outreach and management of mitigation funds.

The Central Valley Rails to Trails Foundation (CVRTF) is a local nonprofit dedicated to the conversion of the Central California Traction Corridor (CCT) to a recreational trail for equestrians, cyclists and pedestrians. The CCT is an old rail line owned by Union Pacific Railroad that runs from Sacramento to Stockton in a large curve and crosses through the FRCD. A map of the abandoned line and the proposed route is attached to this report.

CONSERVATION ACTIVITIES – OCTOBER 2014

Page 2

The line has been abandoned for many years, but is being considered as an alternative route for the high speed rail system. While awaiting the final decision on the high speed rail route, the CVRTF chooses to remain visible and active within the Elk Grove/Wilton community by hosting fund raisers for Project R.I.D.E., another Elk Grove nonprofit. Project R.I.D.E. provides therapeutic horseback rides to special needs children and adults. The FRCD has provided assistance to Project R.I.D.E. in the past through coordination of funding for native plant restoration at the horses' stabling area.

In 2004, Ellen Carlson received board direction to develop a relationship with the CVRTF and has been a peripheral supporter for many years. In 2013, she was elected to the CVRTF board of directors.

Present Situation

On Saturday, October 11, the CVRTF hosted TrailFest, a fund raiser for Elk Grove's Project R.I.D.E. The FRCD donated a gift certificate for a local nursery as part of the silent auction. Staff coordinated with Cornflower Farms for the donation of water efficient plants to decorate the event.

On October 20, the Friends of the Stone Lakes National Wildlife Refuge had its final planning meeting before the 20th anniversary event. The anniversary was celebrated on November 2, with about 160 invited guests in attendance, the highest attendance for any event in the Refuge's history. Guests were treated to a special bird walk of an area of the Refuge not normally open to visitors, a special presentation by Wild Things, resolutions and commendations from the Sacramento Board of Supervisors and members of Congress, a special planting activity for children and refreshments. Most in attendance would say the event's highlight was a flyover by a flock of Sandhill Cranes, which are normally very shy birds and avoid large crowds. The sight of the birds circling low overhead was a thrill for the attendees.

Staff also represented the Refuge at the Lodi Sandhill Crane Festival on the weekend of November 8 – 9. Staff recently closed a successful grant which funded a new outreach display and new informational materials, which were used over this weekend.

Staff met with Elk Grove Unified School District employees to discuss completion of a grant application for the State Water Resources Control Board's Drought Response Outreach Programs for Schools (DROPS). Florin High School hopes to convert an empty corner of the school property to a rain garden and amphitheater where students can practice water efficiency curriculum and demonstrate their results to other students

CONSERVATION ACTIVITIES – OCTOBER 2014

Page 3

and members of the public. Staff has promised to contribute a letter of support for the project, as has the Regional Water Authority.

STRATEGIC PLAN CONFORMITY

Seeking grant opportunities and cooperative partnerships comply with the District's Cooperative Program goals of the 2012-2017 Strategic Plan.

FINANCIAL SUMMARY

There is no direct financial impact associated with this report.

Respectfully submitted,



ELLEN CARLSON
MANAGEMENT ANALYST

November 19, 2014

TO: Chairman and Directors of the Florin Resource Conservation District
FROM: Mark J. Madison, General Manager
SUBJECT: OPERATIONS REPORT – OCTOBER 2014

RECOMMENDATION

This item is presented for information only. No action by the Board is proposed at this time.

Summary

The Operations Report is a standing item on the regular board meeting agenda.

All regulatory requirements were met for the month of October. Other notable events are described below.

DISCUSSION

Background

Every month, staff presents an update of the activities related to the operations of the District. Included for the Board's review is the Operations Report.

Present Situation

The October Operations Report highlights are as follows:

- **Operations Activity Report** – Information yielded in this section is derived from the District's Cityworks database. Notable items in the activity report are that the District hung 531 door hangers for past due balances which resulted in 91 shutoffs.
- **Production** – The Combined Total Production graph on page 13 shows that production during the month of October decreased compared to October 2013. The production decrease could be attributable to voluntary customer reductions in water consumption due to the drought. The decrease in production can no longer

OPERATIONS REPORT – OCTOBER 2014

Page 2

be attributed to the closing of the intertie because the intertie was closed on February 27, 2013.

- **Static/Pumping Levels** – The 4th quarter soundings were completed on all active wells.

- **Treatment** – All samples taken during the month of October are in compliance with all regulatory permit requirements. No exceedances of any maximum contaminant levels were found and all water supplied to the District's customers met or exceeded safe drinking water standards.

- **Maintenance** – All preventative maintenance activities were performed during the month of October in conformance with the District's Preventative Maintenance Program. The tables included in this section of the report also include certain activities completed to date in October. Below is a list of out-of-ordinary maintenance work completed in October.
 - Treatment staff assisted the other divisions by performing various required bacteriological sampling during district construction projects.
 - Several investigations regarding backflow prevention and Cross-Connection Control were performed throughout the month.
 - Many site surveys were needed in order to determine the placement of future meters and backflow prevention devices.
 - Staff compiled and mailed all backflow test notices for the month of October.
 - Treatment personnel attended a Forklift Training Certification
 - Staff met with various engineering firms to discuss the Booster Pump VFD installation and programming
 - All 4th qtr. 2014 well soundings were successfully performed.

- **Backflow** – There were twenty-five (25) notices issued for the month of October, 2014. Eighteen (18) devices passed on the initial test. There were three (3) secondary notices issued for devices that were not received by the end of October 2014. One device was inactivated. There are a **total** ten (10) devices overall that are outstanding (including prior months) as of the date of this report, which will require further investigation.

- **Leak Map** – There were three (3) service line leaks and no main line leaks reported in October.

OPERATIONS REPORT – OCTOBER 2014

Page 3

- **Meter Retrofit** – The Utility Department installed twenty-six (26) meters for residential backyard services.
- **Safety Report** – There were five (5) safety training sessions conducted in October. Only two (2) safety sessions are required by OSHA standards.

Strategic Plan Conformity

The District's Strategic Plan addresses responsible business practices and the importance of providing the community with safe drinking water. The Operations Report is a key document for managing the District's distribution and treatment system. The Operations Report assists the District toward its responsibility of delivering safe drinking water.

Financial Summary

There is no financial impact associated with this report.

Respectfully Submitted,



MARK J. MADISON, P.E.
GENERAL MANAGER

MJM/ah



Operations Report

October 2014

Elk Grove Water District

Operations Report

Table of Contents

1. Operations Activity Report.....	3
2. Production Reports.....	4
a. Overall Map	
<i>i. Well 1D School Street</i>	5
<i>ii. Well 4D Webb Street</i>	6
<i>iii. Well 11D Dino</i>	7
<i>iv. Well 14D Railroad</i>	8
<i>v. Well 3 Marvel</i>	9
<i>vi. Well 8 Williamson</i>	10
<i>vii. Well 9Polhemus</i>	11
<i>viii. SCWA Turnout</i>	12
b. Combined Comparison	13
3. Static/Pumping Levels.....	14
a. Graph	
<i>i. Well 1D School Street</i>	14
<i>ii. Well 4D Webb</i>	15
<i>iii. Well 11D Dino</i>	16
<i>iv. Well 14D Railroad</i>	17
<i>v. Well 3 Marvel</i>	18
<i>vi. Well 8 Williamson</i>	19
<i>vii. Well 9 Polhemus</i>	20
4. Treatment.....	21
a. Monthly Water Sample Report	21 – 24
<i>i. Well 1D School Street</i>	
<i>ii. Well 4D Webb Street</i>	
<i>iii. Well 11D Dino</i>	
<i>iv. Well 14 D Railroad</i>	
<i>v. Well 3 Marvel</i>	
<i>vi. Well 8 Williamson</i>	
b. CDPH Reports	25
<i>i. Monthly</i>	26
c. Monthly SRCSD Report	27 – 40

5. Maintenance.....	41
a. Master Schedule	
<i>i. MCC & Lab</i>	41
<i>ii. Chlor – Tec</i>	42
<i>iii. Filter Vessels</i>	43
<i>iv. Booster Pumps</i>	44
<i>v. Backwash System/Storage Tanks</i>	45
<i>vi. Standby Generator</i>	46
<i>vii. Well 1D School</i>	47
<i>viii. Well 4D Webb</i>	48
<i>ix. Well 11D Dino</i>	49
<i>x. Well 14D Railroad</i>	50
<i>xi. Well 3 Marvel</i>	51
<i>xii. Well 8 Williamson</i>	52
<i>xiii. Well 9 Polhemus</i>	53
6. Backflow Report	54
a. Report	
7. Safety Report.....	55
a. Safety Meeting Weekly Report	
8. Meter Retrofit Program Report	56
a. Map	
9. Bullhead Replacement	57
a. Map	
10. Water Main/Service Leak Map.....	58
a. Map	
11. Sample Station Pressure Zone Maps.....	59
a. Overall Map	59
b. Zone Maps	60 – 69

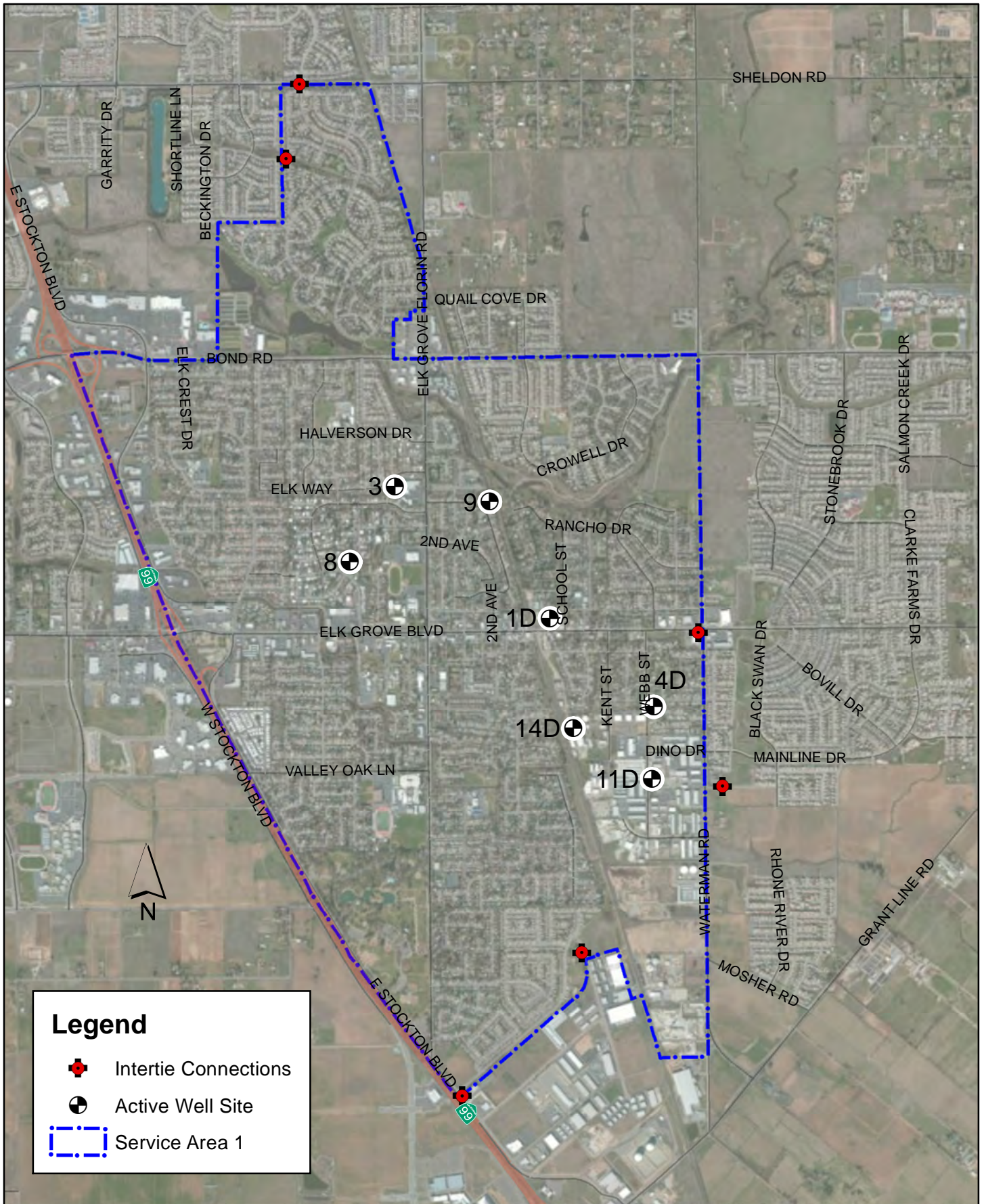
Operations Activity Report

Service Requests: Oct-14 YTD (Since July 1, 2014)

<u>Division</u>	<u>Service Request</u>	<u>Hours</u>	<u>Service Request</u>	<u>Hours</u>
Distribution				
Low Pressure	4	2.5	19	10.25
Water Quality	2	2	6	4.5
Door Hangers	531	25.5	2115	106.75
Shut offs	91	16.5	286	67
Turn ons	99	13.25	328	60.25
Investigations	32	16.35	352	96.35
USA Locates	109	27.25	387	96.75
Customer Complaints	0	0	0	0
Water Conservation	11	5.5	26	13
Meter Reading	69	171		

Work Orders: Oct-14 YTD (Since July 1, 2014)

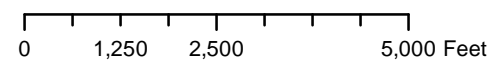
<u>Division</u>	<u>Work Orders</u>	<u>Hours</u>	<u>Work Orders</u>	<u>Hours</u>
Treatment:				
Preventative Maint.	15	86	65	355.5
Corrective Maint.	2	8	7	58
Water Samples	13	30	55	163
 Distribution:				
Meters Installed	17	150	25	236
Preventative Maint	0	0	0	0
Corrective Maint	7	69	64	438.5
Valve Exercising	100	23	395	91.5
Valve Locates	0	0	0	0
Hydrant Maintenance	0	0	45	60
Hydrant Flushing	0	0	0	0
 Utility:				
Meters Installed	28	753.5	37	1316.5
Corrective Maint	0	0	1	182



Legend

- Intertie Connections
- Active Well Site
- Service Area 1

Active Well Sites & Intertie Connections



Elk Grove Water District



Elk Grove Water District

Monthly Production

Well 1D School -- Oct. 2014

Selected Month Production
1,895,415 Gallons

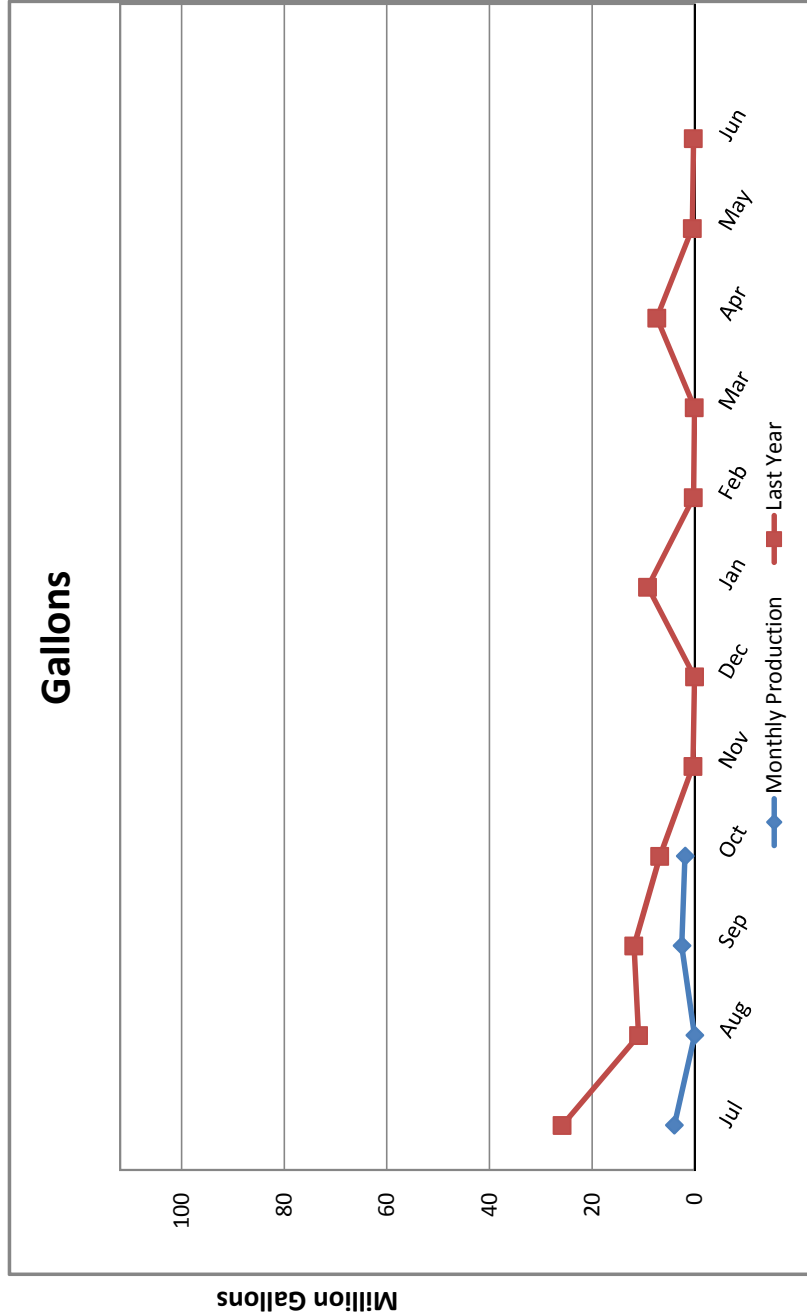
Average GPM:
1,794

Motor:
Volts: 470
Volts (Rated): 460
RPM: 2130
RPM (Rated): 2115
Amps A: 179
Amps A (Rated): 222
Amps B: 178
Amps B (Rated): 222
Amps C: 174
Amps C (Rated): 222

Motor Temp: 112.6
Hour Meter: 17.60
KW Hour Total: 2,480.00

Chlorine:
Dosing: 1.67
Demand: 0.74
Residual: 0.93

Vibration Reading:
Base Line: 0.05
Current: 0.04





Elk Grove Water District

Monthly Production

Well 4D Webb -- Oct. 2014

Selected Month Production
21,437,458 Gallons

Average GPM:
1,703

Motor:

Volts: 470.7
Volts (Rated): 460
RPM: 1896
RPM (Rated): 1775
Amps: 184.6
Amps (Rated): 225

*Due to safety reasons, three separate AMP readings were not collected.

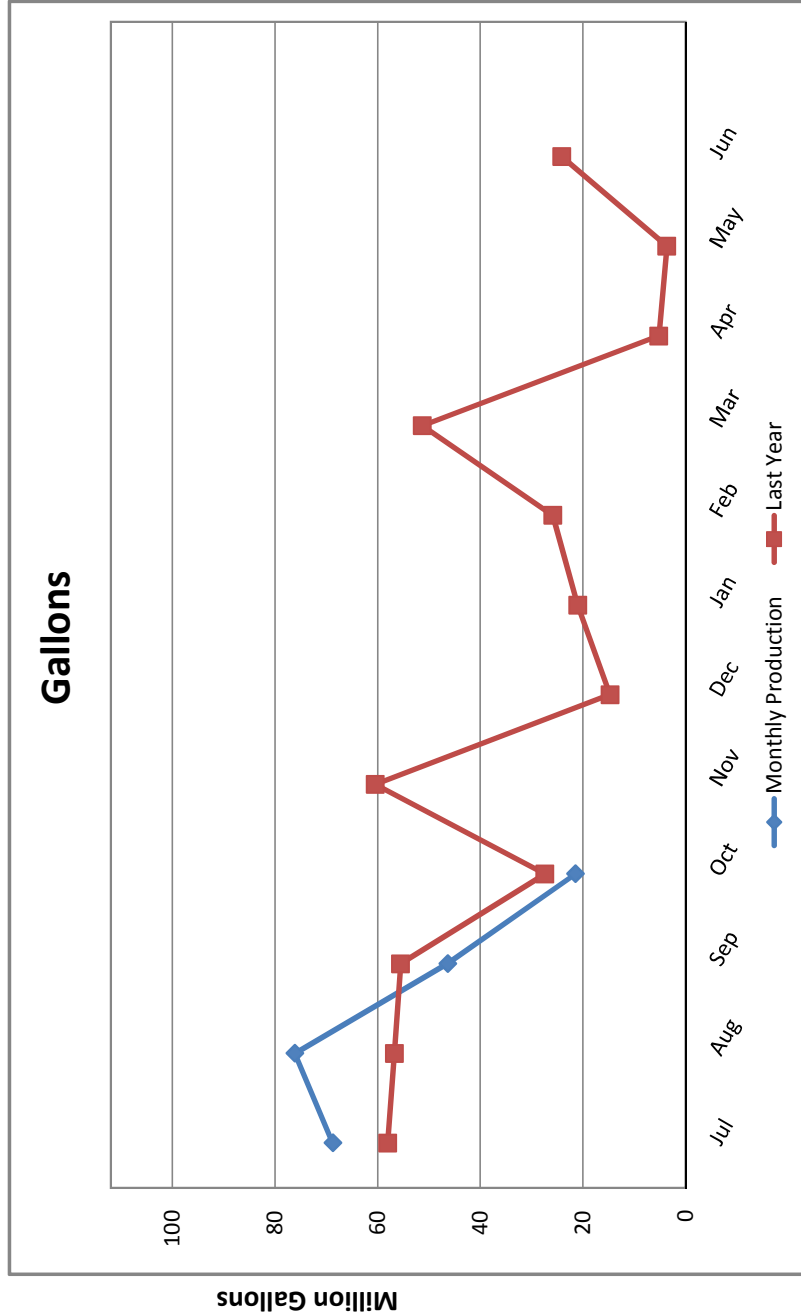
Motor Temp: 145.5 F
Hour Meter: 209.80
KW Hour Total: 27,960.00

Chlorine:

Dosing: 1.6 mg/L
Demand: 0.52 mg/L
Residual: 1.08 mg/L

Vibration Reading:

Base Line: 0.05 in/sec
Current: 0.06 in/sec





Elk Grove Water District

Monthly Production

Well 11D Dino -- Oct. 2014

Selected Month Production
70,249,600 Gallons

Average GPM:
1,703

Motor:

Volts: 471
Volts (Rated): 460
RPM: 1954
RPM (Rated): 1775
Amps: 200
Amps (Rated): 225

*Due to safety reasons, three separate AMP readings were not collected.

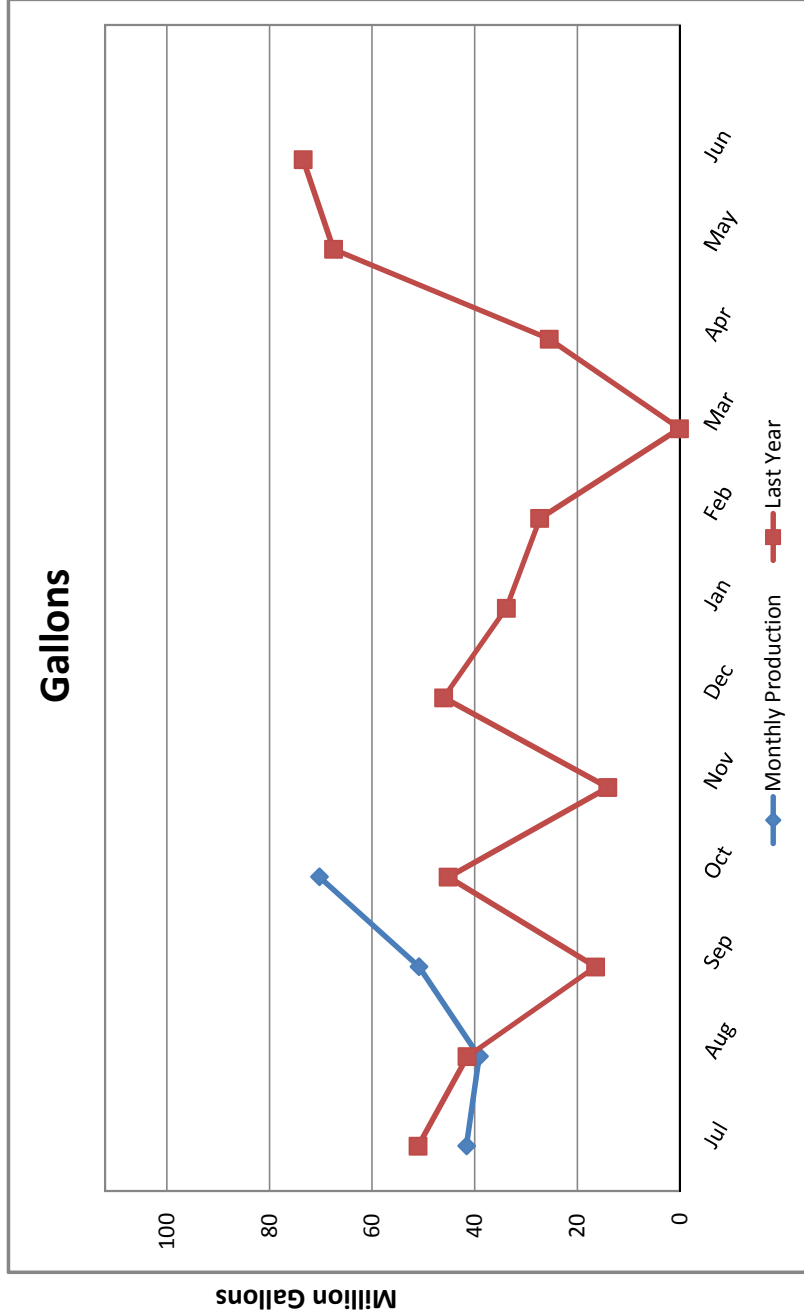
Motor Temp: 122 F
Hour Meter: 687.50
KW Hour Total: 92,040.00

Chlorine:

Dosing: 1.6 mg/L
Demand: 0.52 mg/L
Residual: 1.08 mg/L

Vibration Reading:

Base Line: 0.05 in/sec
Current: 0.07 in/sec





Elk Grove Water District

Monthly Production

Well 14D Railroad -- Oct. 2014

Selected Month Production
4,746,301 Gallons

Average GPM:
1,578

Motor:

Volts: n/a
Volts (Rated): 460
RPM: 2116
RPM (Rated): 2005
Amps A: n/a
Amps A (Rated): 171
Amps B: n/a
Amps B (Rated): 171
Amps C: n/a
Amps C (Rated): 171

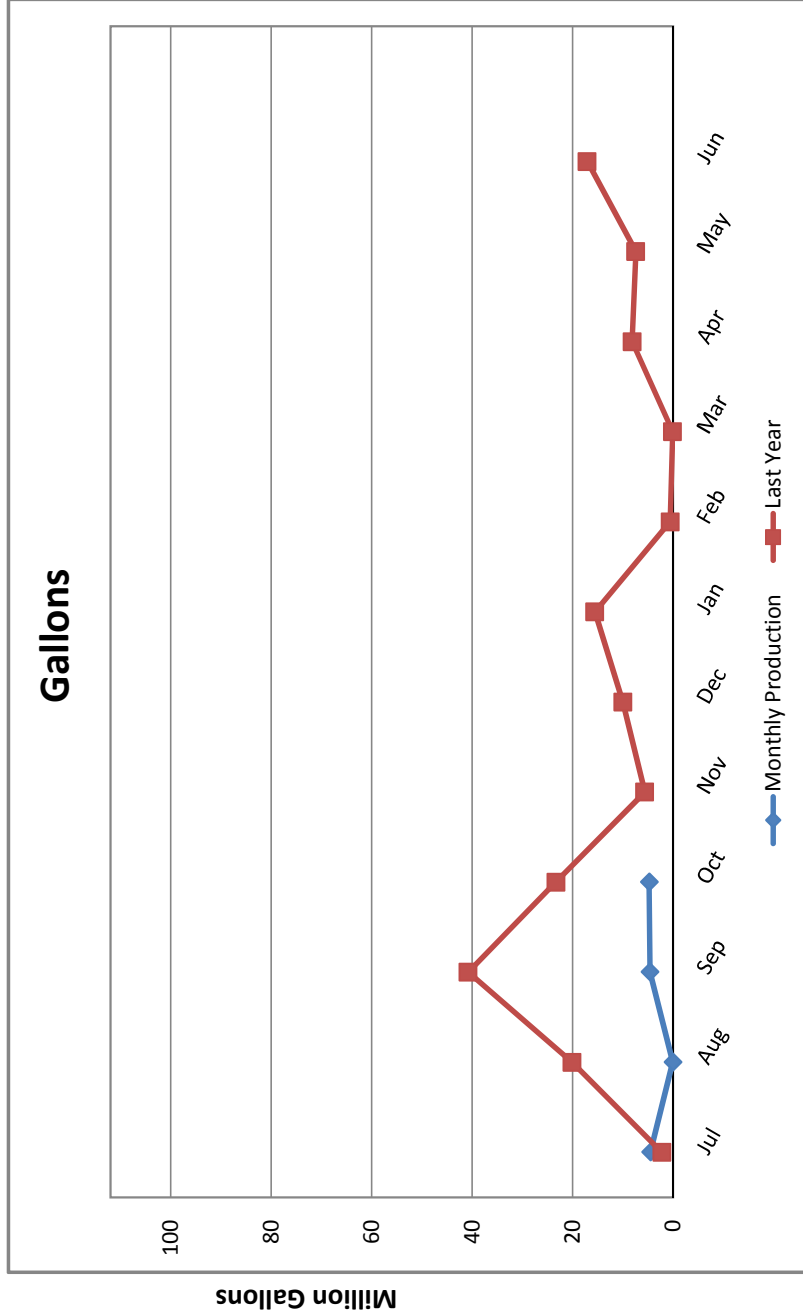
Motor Temp.: 127.7 F
Hour Meter: 50.10
KW Hour Total: 77,920.00
(KWH total is for the entire facility)

Chlorine:

Dosing: 1.71 mg/L
Demand: 0.78 mg/L
Residual: 0.93 mg/L

Vibration Reading:

Base Line: 0.02 in/sec
Current: 0.07 in/sec





Elk Grove Water District

Monthly Production

Well 3 Marvel -- Oct. 2014

Selected Month Production
958,000 Gallons

Average GPM: 867

Motor:

Volts: 460
 Volts (Rated): 479
 RPM: 2024
 RPM (Rated): 1770
 Amps A: 87
 Amps A (Rated): 88
 Amps B: 86
 Amps B (Rated): 88
 Amps C: 88
 Amps C (Rated): 88

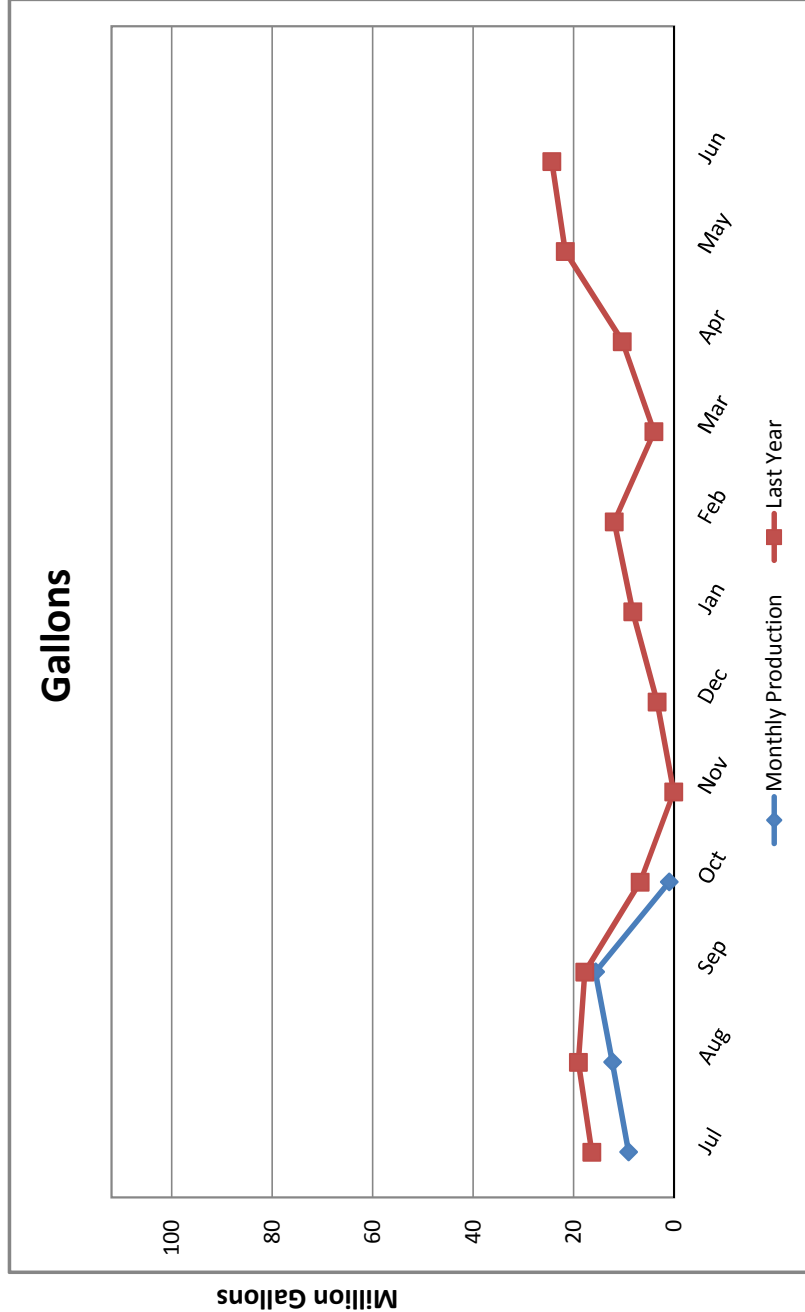
Motor Temp.: 180.1 F
 Hour Meter: 18.40
 KW Hour Total: 1,300.00

Chlorine:

Dosing: 1.68 mg/L
 Demand: 0.7 mg/L
 Residual: 0.98 mg/L

Vibration Reading:

Base Line: 0.02 in/sec
 Current: 0.07 in/sec





Elk Grove Water District

Monthly Production

Well 8 Williamson -- Oct. 2014

Selected Month Production
4,599,000 Gallons

Average GPM: 811

Motor:

Volts: 460
 Volts (Rated): 460
 RPM: 1976
 RPM (Rated): 1780
 Amps A: 85
 Amps A (Rated): 87
 Amps B: 85
 Amps B (Rated): 87
 Amps C: 85
 Amps C (Rated): 87

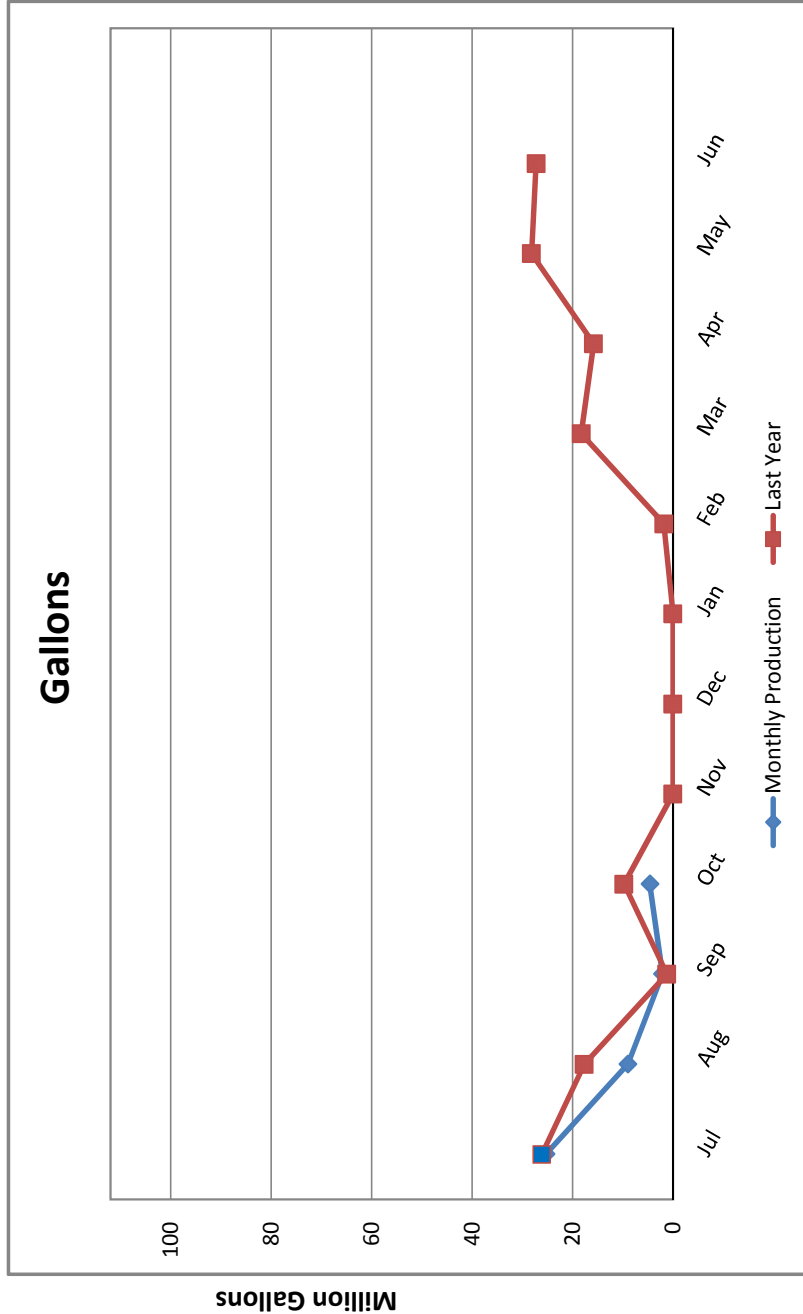
Motor Temp.: 120.5 F
 Hour Meter: 94.40
 KW Hour Total: 5,740.00

Chlorine:

Dosing: 1.2 mg/L
 Demand: 0.45 mg/L
 Residual: 0.75 mg/L

Vibration Reading:

Base Line: 0.03 in/sec
 Current: 0.06 in/sec





Elk Grove Water District

Monthly Production

Well 9 Polhemus -- Oct. 2014
(Submersible)

Selected Month Production
14,244,000 Gallons

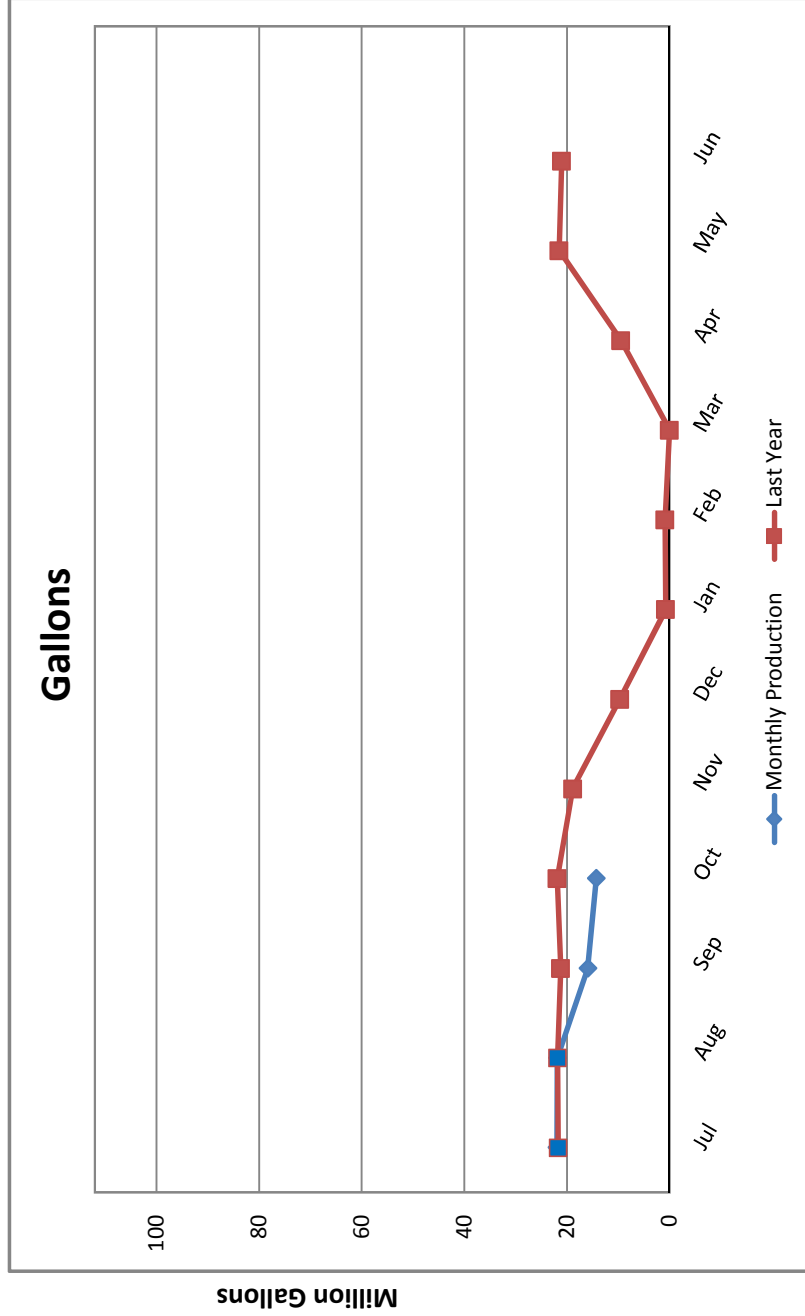
Average GPM: 484

Motor:
Volts: 491
Volts (Rated): 460

Amps A: 58
Amps A (Rated): 65
Amps B: 57
Amps B (Rated): 65
Amps C: 60
Amps C (Rated): 65

Hour Meter: 490.00
KW Hour Total: 19,438.00

Chlorine:
Dosing: 1.55 mg/L
Demand: 0.7 mg/L
Residual: 0.85 mg/L





Elk Grove Water District

Monthly Production

SCWA Turnout - Oct. 2014

Selected Month Production
0 Gallons

Average GPM:
0.00

Peak Hour Demand
-

Peak Day Demand
-

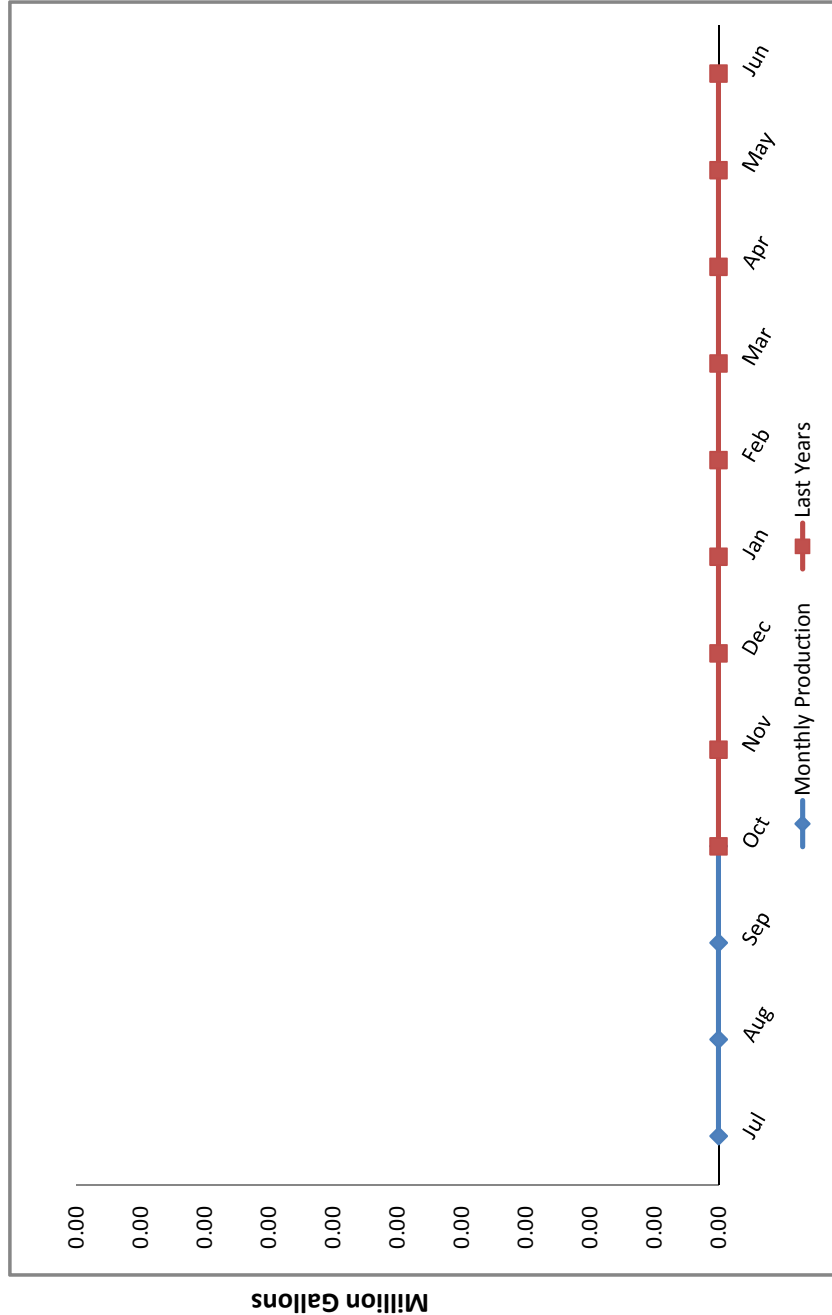
Monthly Tiered Usage

	Gallons Used
Tier 1	-
Tier 2	-
Tier 3	-

Year To Date

Peak Hr Demand	0
Peak Day Demand	0

	Usage	Cost
Tier 1	0	0
Tier 2	0	0
Tier 3	0	0
Total	0	\$0.00





Elk Grove Water District

Combined Total Production

Oct-2014

Current Month Production:

118,129,774 Gallons

Highest Day Demand of the Month:

4,648,000

Date of Occurrence

10-Oct-14

Highest Day Demand of the Fiscal Year:

6,498,000

Date of Occurrence

4-Jul-14

"Water Year" Rainfall: (Oct-13 to Sep-14)

Current Month: 0.53 in

Year To Date: 0.53 in

"Water Year" Rainfall: (Oct-12 to Sep-13)

October 2013: 0.00 in

Year To Date: 0.00 in

Last Year Total: 8.60 in

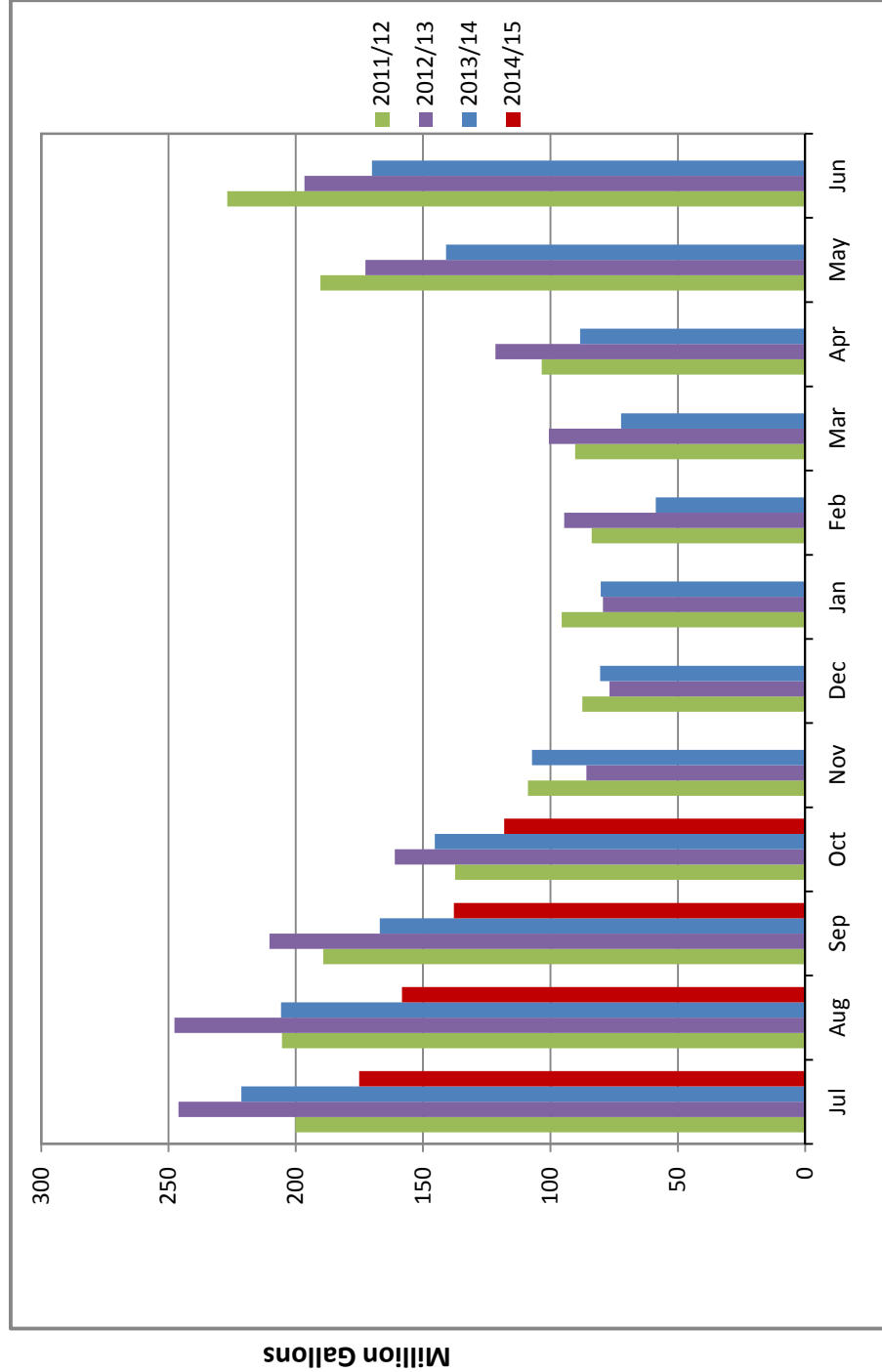
Temperature:

This Month High: 97 F

This Month Low: 44 F

85 F

41 F

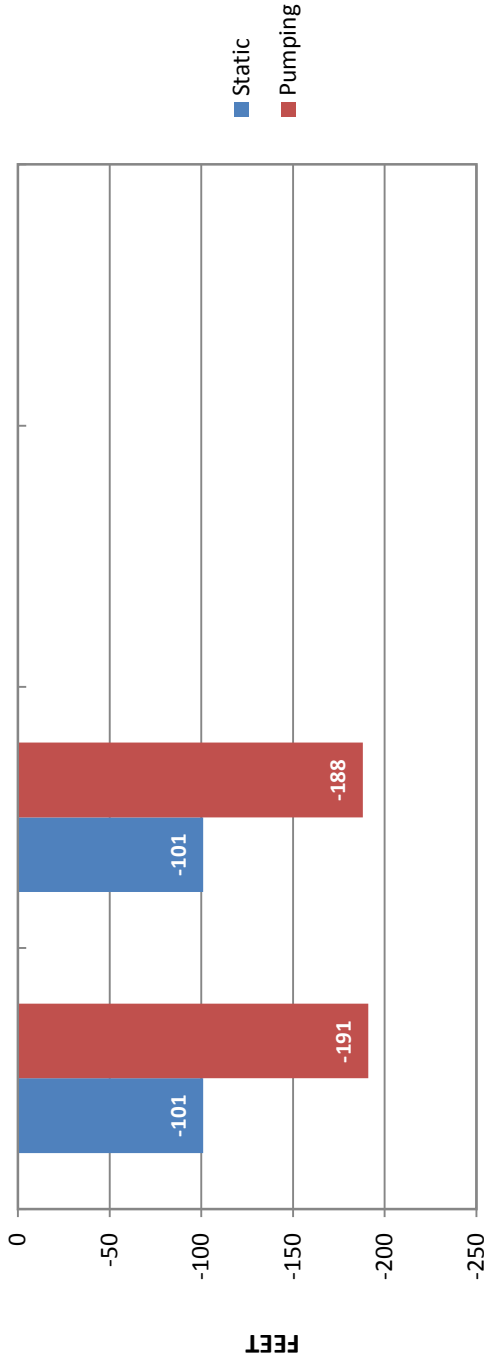




Elk Grove Water District

Static and Pumping Levels

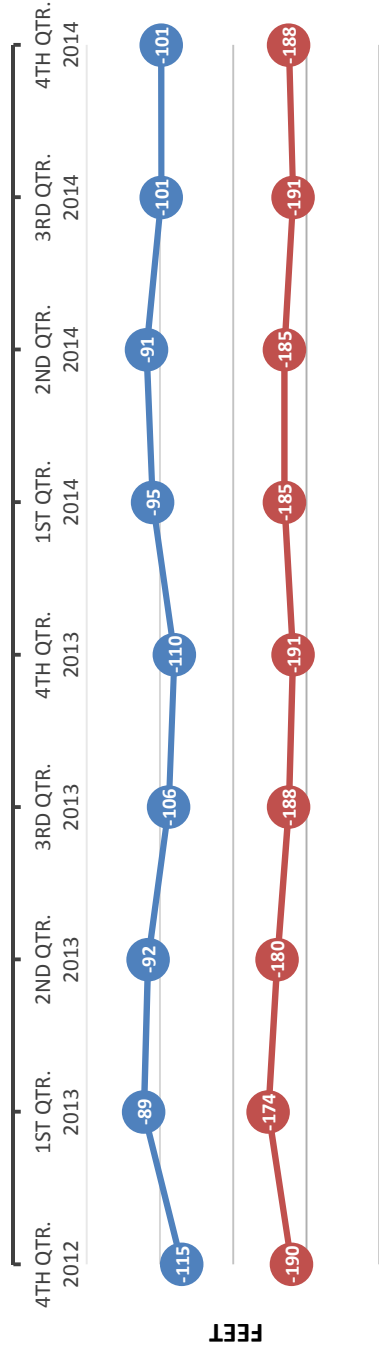
Well 1D School St



Latest Well Sounding

Static: 101 Ft
Pumping: 188 Ft
Drawdown: 87 Ft
GPM: 1,783.00
Specific Capacity: 20.494

Sounding Quarter/Year



Latest Sand Tester Results:

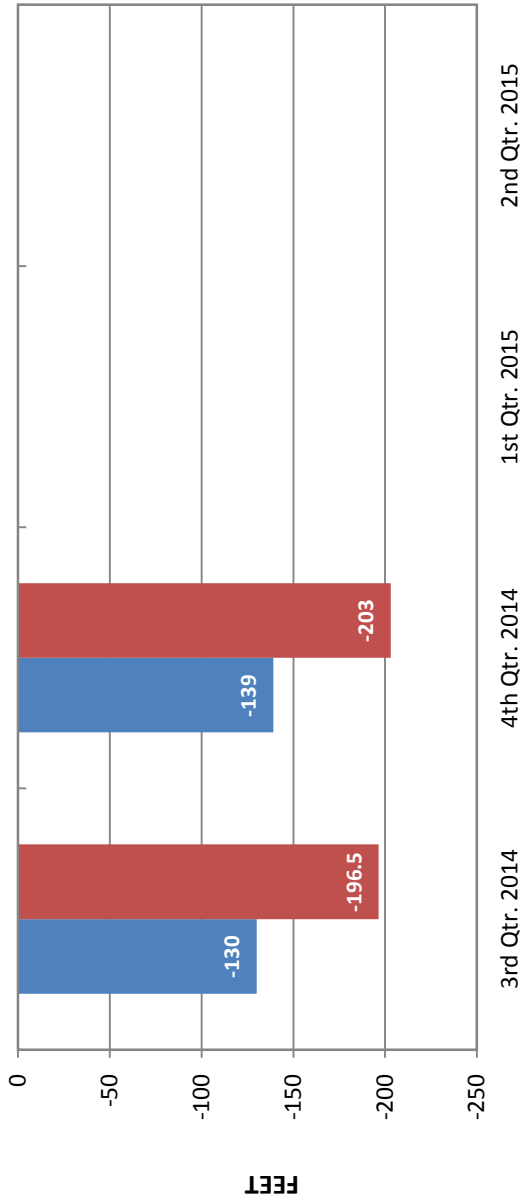
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

Well 4D Webb St

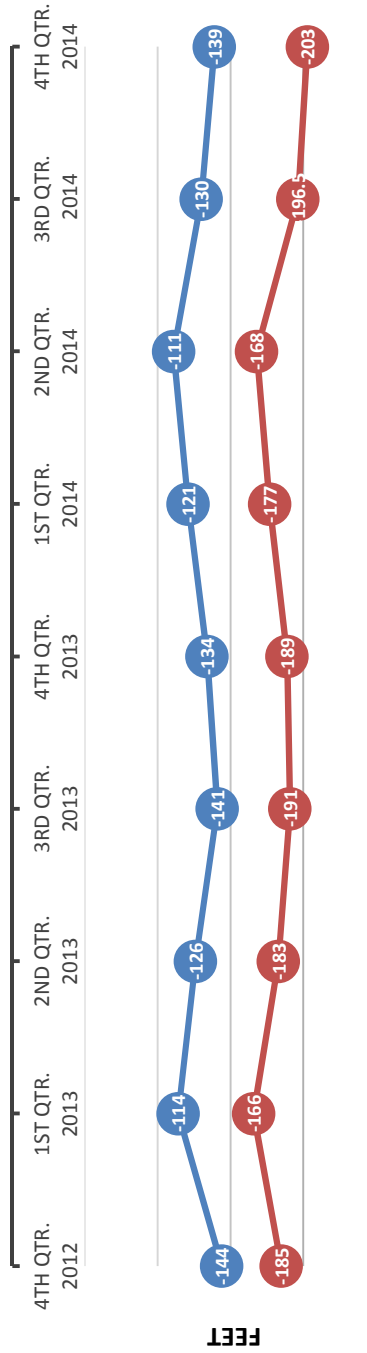


Latest Well Sounding

Static: 139 Ft
 Pumping: 203 Ft
 Drawdown: 64 Ft
 GPM: 1,566.00
 Specific Capacity: 24.469

■ Static
 ■ Pumping

Sounding Quarter/Year



Latest Sand Tester Results:

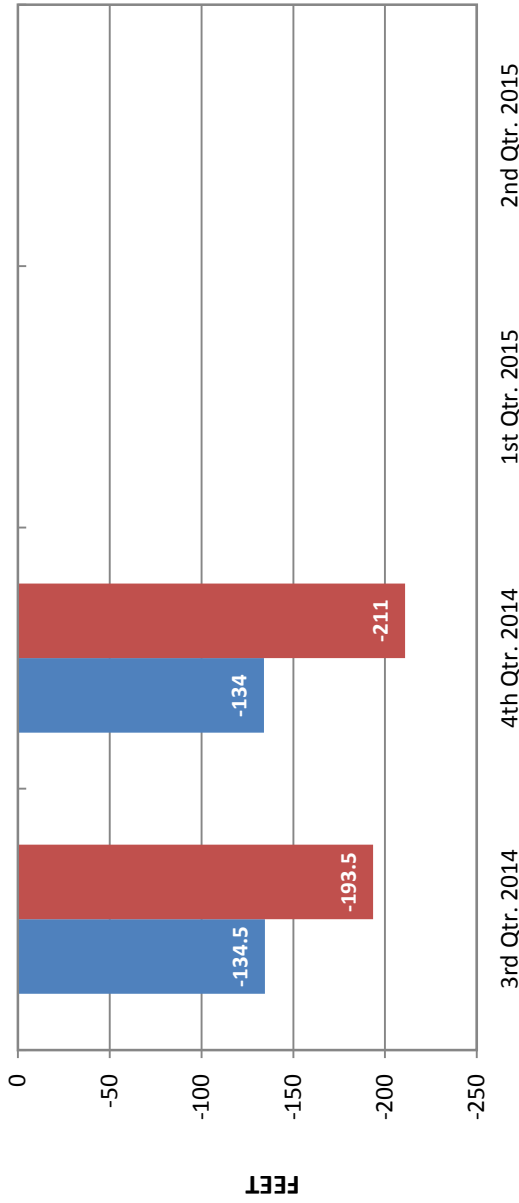
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

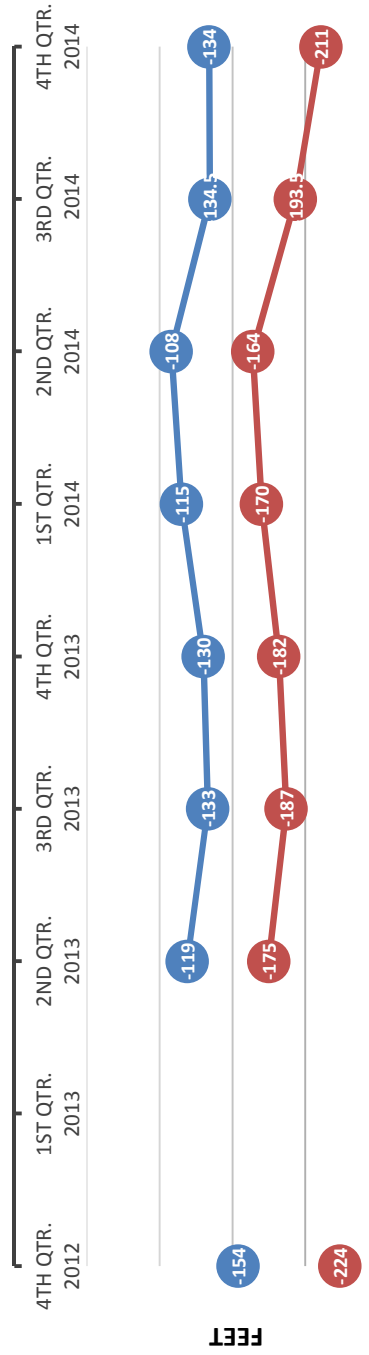
Well 11D Dino



Latest Well Sounding

Static: 134 Ft
Pumping: 211 Ft
Drawdown: 77 Ft
GPM: 1,578.00
Specific Capacity: 20.494

Sounding Quarter/Year



Latest Sand Tester Results:

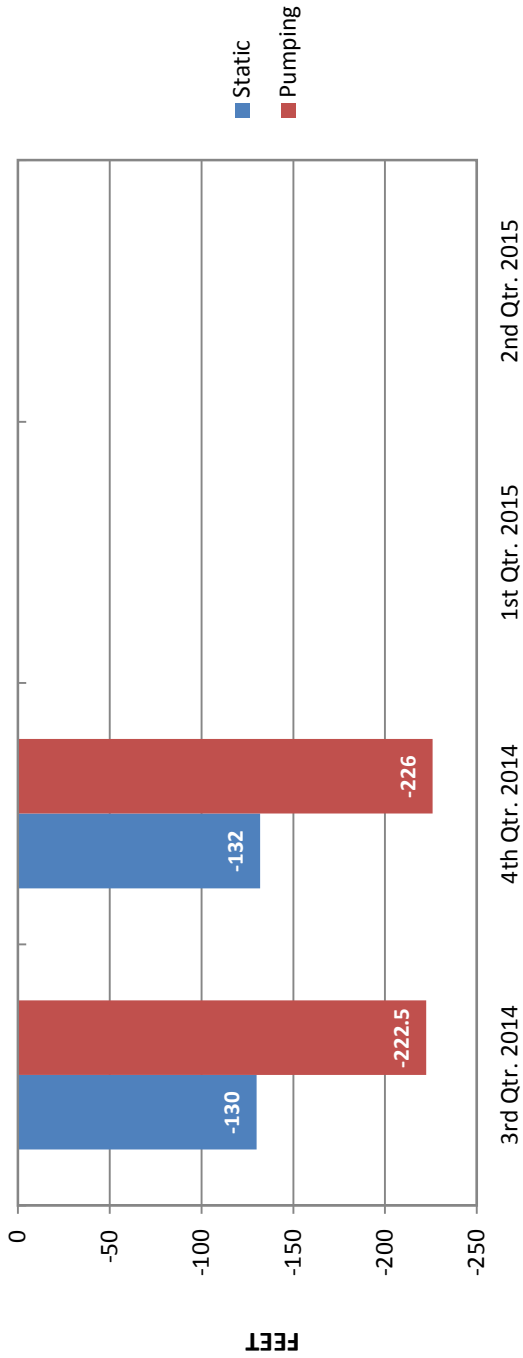
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

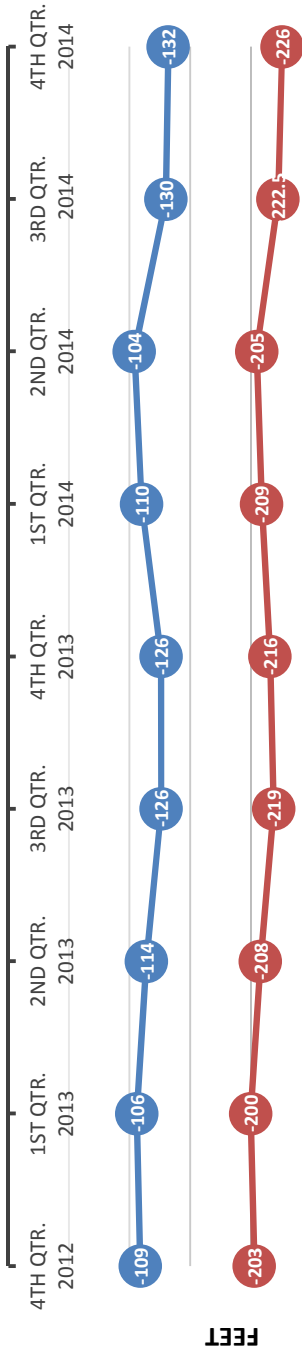
Well 14D Railroad



Latest Well Sounding

Static: 132 Ft
Pumping: 226 Ft
Drawdown: 94 Ft
GPM: 1,517.00
Specific Capacity: 16.138

Sounding Quarter/Year



Latest Sand Tester Results:

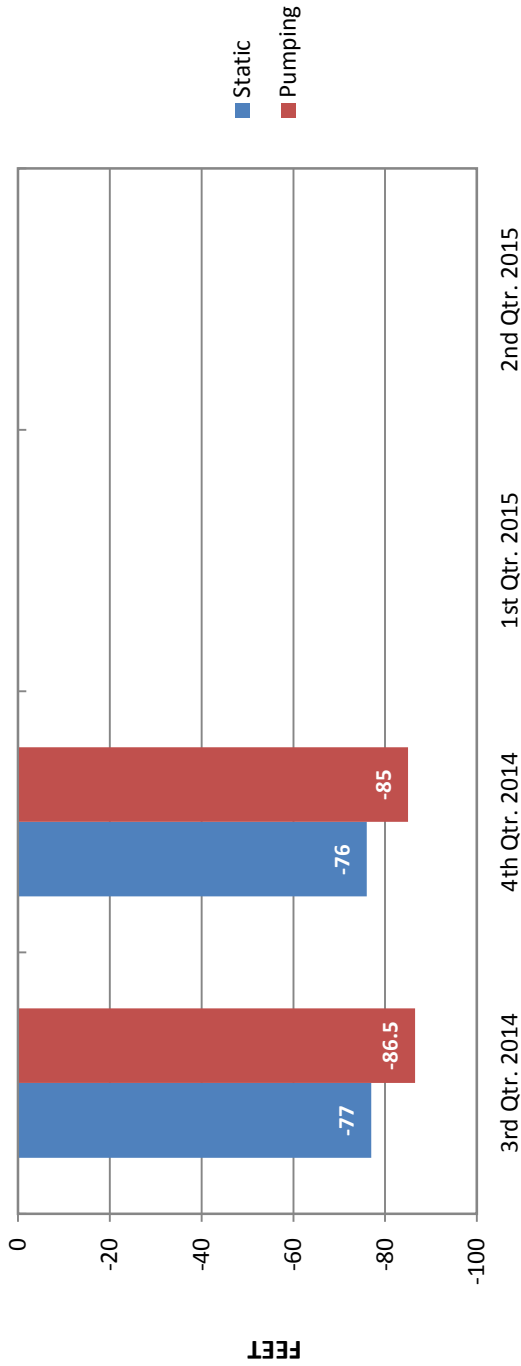
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

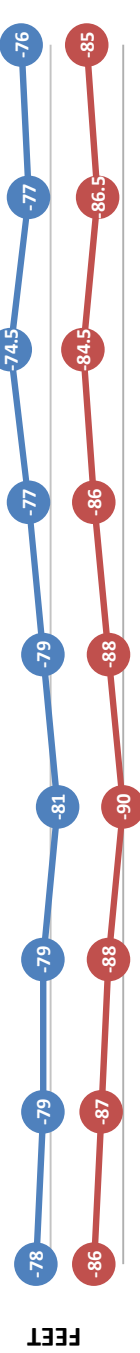
Well 3 Marvel



Latest Well Sounding

Static: 76 Ft
Pumping: 85 Ft
Drawdown: 9 Ft
GPM: 823.00
Specific Capacity: 91.444

4TH QTR. 2012 1ST QTR. 2013 2ND QTR. 2013 3RD QTR. 2013 4TH QTR. 2013 1ST QTR. 2014 2ND QTR. 2014 3RD QTR. 2014 4TH QTR. 2014



Latest Sand Tester Results:

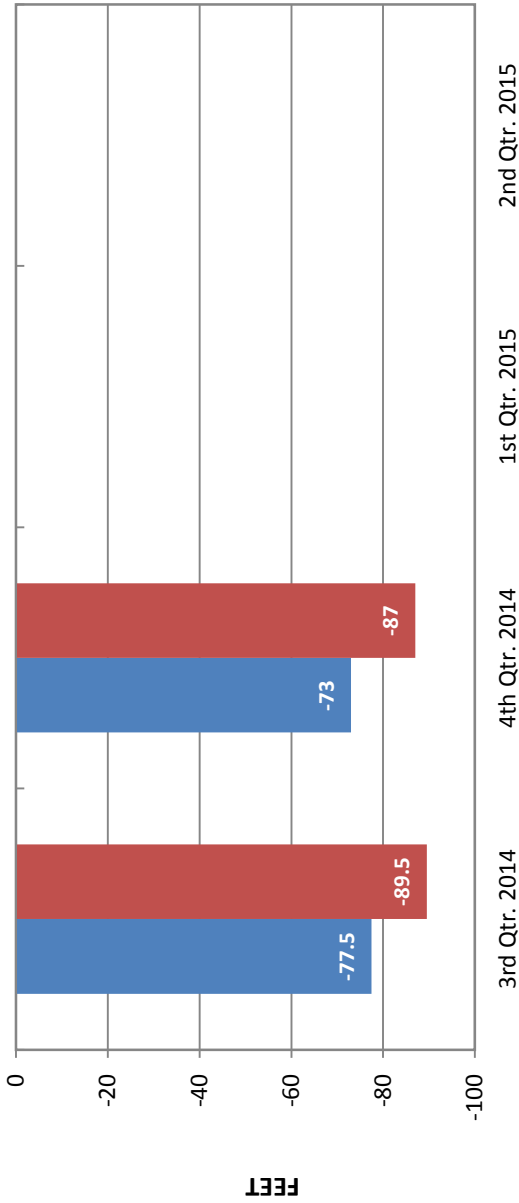
15 Min: 14.08 ppm



Elk Grove Water District

Static and Pumping Levels

Well 8 Williamson

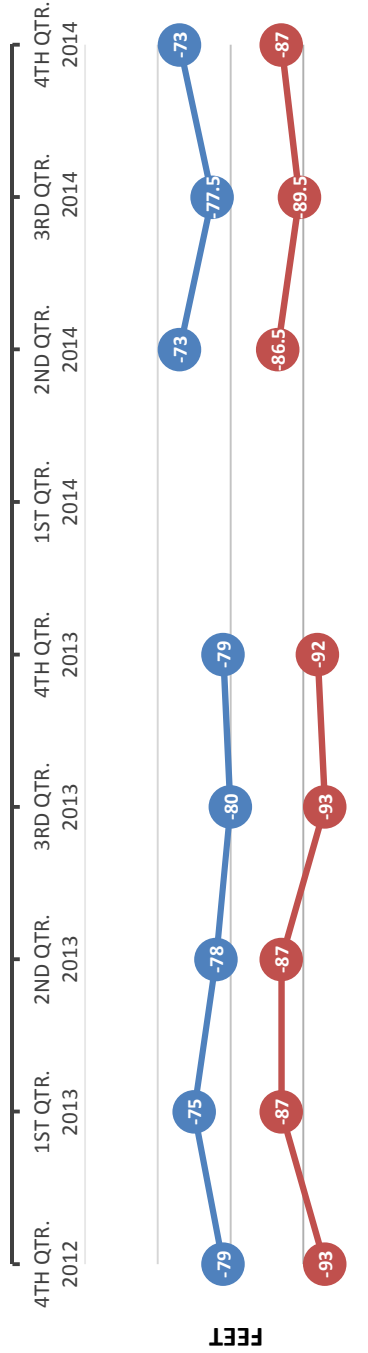


Latest Well Sounding

Static: 73 Ft
 Pumping: 87 Ft
 Drawdown: 14 Ft
 GPM: 833.00
 Specific Capacity: 59.500

■ Static
 ■ Pumping

Sounding Quarter/Year



Latest Sand Tester Results:

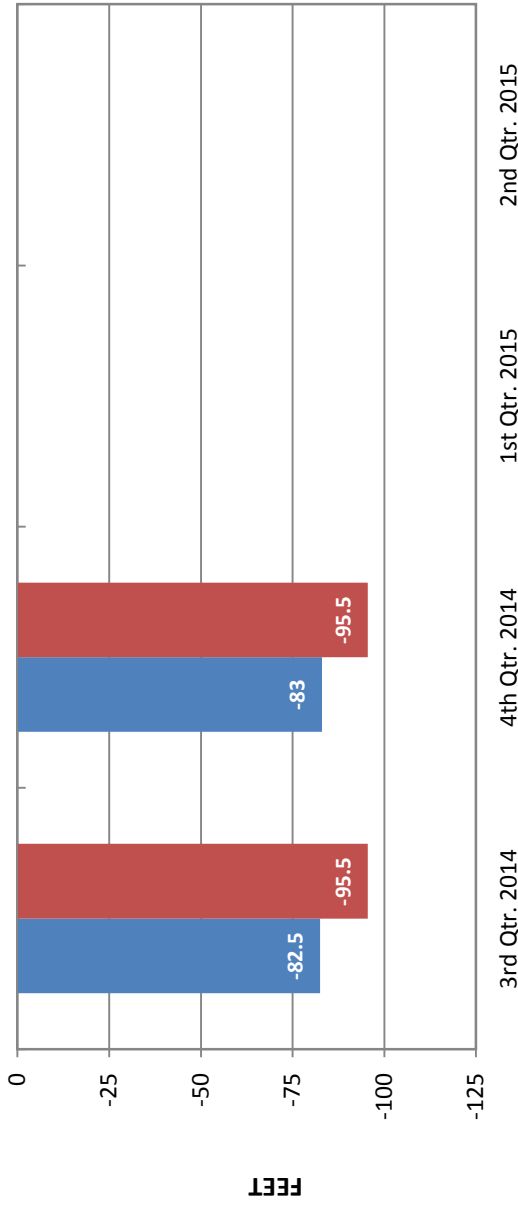
15 Min: 7 ppm



Elk Grove Water District

Static and Pumping Levels

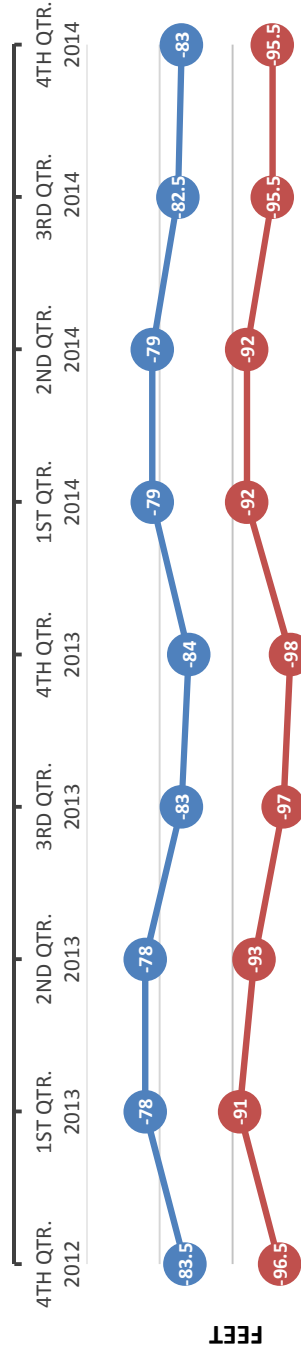
Well 9 Polhemus



Latest Well Sounding

Static: 83 Ft
 Pumping: 95.5 Ft
 Drawdown: 12.5 Ft
 GPM: 460.00
 Specific Capacity: 36.800

Sounding Quarter/Year



Latest Sand Tester Results:

15 Min: < 5 ppm

2014 Monthly Sample Report - October, 2014
Water System: Elk Grove Water System

Colors:
Black = Complete
Green = Unscheduled
Red = Incomplete Sample

YTD: 52
520
12
105
0

Sampling Point: 01 - 8693 W. Camden

Collection Due Date	Schedule Class	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date
10/7/2014	Distribution System	1 wk - Bacteriological	Week	01 - 8693 W. Camden	10/7/2014
10/14/2014	Distribution System	1 wk - Bacteriological	Week	01 - 8693 W. Camden	10/14/2014
10/21/2014	Distribution System	1 wk - Bacteriological	Week	01 - 8693 W. Camden	10/21/2014
10/28/2014	Distribution System	1 wk - Bacteriological	Week	01 - 8693 W. Camden	10/28/2014
10/21/2014	Distribution System	3 mo - TTHM / HAA5	Quarterly	01 - 8693 W. Camden	10/21/2014

Sampling Point: 01D School Well - Raw Water

Collection Due Date	Schedule Class	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date

Sampling Point: 02 - 9425 Emerald Vista

Collection Due Date	Schedule Class	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date
10/7/2014	Distribution System	1 wk - Bacteriological	Week	02 - 9425 Emerald Vista	10/7/2014
10/14/2014	Distribution System	1 wk - Bacteriological	Week	02 - 9425 Emerald Vista	10/14/2014
10/21/2014	Distribution System	1 wk - Bacteriological	Week	02 - 9425 Emerald Vista	10/21/2014
10/28/2014	Distribution System	1 wk - Bacteriological	Week	02 - 9425 Emerald Vista	10/28/2014
10/21/2014	Distribution System	3 mo - TTHM / HAA5	Quarterly	02 - 9425 Emerald Vista	10/21/2014

Sampling Point: 03 - Marval Well Raw Water

Collection Due Date	Schedule Class	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date

Sampling Point: 03 - 8809 Valley Oak

Collection Due Date	Schedule Class	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date
10/7/2014	Distribution System	1 wk - Bacteriological	Week	03 - 8809 Valley Oak	10/7/2014
10/14/2014	Distribution System	1 wk - Bacteriological	Week	03 - 8809 Valley Oak	10/14/2014
10/21/2014	Distribution System	1 wk - Bacteriological	Week	03 - 8809 Valley Oak	10/21/2014
10/28/2014	Distribution System	1 wk - Bacteriological	Week	03 - 8809 Valley Oak	10/28/2014

Sampling Point: 04D Webb Well - Raw Water

Collection Due Date	Schedule Class	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date

Collection Due Date	Schedule Class	Schedule Name	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date
10/28/2014	Source Water	3 mo - Bacteriological	04D - Webb Raw Water	Quarterly	04D - Webb Raw Water	10/28/2014
10/28/2014	Source Water	3 mo - Fe,Mn,As Total	04D - Webb Raw Water	Quarterly	04D - Webb Raw Water	10/28/2014
10/28/2014	Source Water	3 mo - Fe,Mn,As Dissolved	04D - Webb Raw Water	Quarterly	04D - Webb Raw Water	10/28/2014

Sampling Point: 04 - 10122 Glacier Point

Collection Due Date	Schedule Class	Schedule Name	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date
10/7/2014	Distribution System	1 wk - Bacteriological	04 - 10122 Glacier Point	Week	04 - 10122 Glacier Point	10/7/2014
10/14/2014	Distribution System	1 wk - Bacteriological	04 - 10122 Glacier Point	Week	04 - 10122 Glacier Point	10/14/2014
10/21/2014	Distribution System	1 wk - Bacteriological	04 - 10122 Glacier Point	Week	04 - 10122 Glacier Point	10/21/2014
10/28/2014	Distribution System	1 wk - Bacteriological	04 - 10122 Glacier Point	Week	04 - 10122 Glacier Point	10/28/2014

Sampling Point: 05 - 9230 Amsden Ct..

Collection Due Date	Schedule Class	Schedule Name	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date
10/7/2014	Distribution System	1 wk - Bacteriological	05 - 9230 Amsden Ct..	Week	05 - 9230 Amsden Ct..	10/7/2014
10/14/2014	Distribution System	1 wk - Bacteriological	05 - 9230 Amsden Ct..	Week	05 - 9230 Amsden Ct..	10/14/2014
10/21/2014	Distribution System	1 wk - Bacteriological	05 - 9230 Amsden Ct..	Week	05 - 9230 Amsden Ct..	10/21/2014
10/28/2014	Distribution System	1 wk - Bacteriological	05 - 9230 Amsden Ct..	Week	05 - 9230 Amsden Ct..	10/28/2014

Sampling Point: 06 - 9227 Rancho Dr.

Collection Due Date	Schedule Class	Schedule Name	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date
10/7/2014	Distribution System	1 wk - Bacteriological	06 - 9227 Rancho Dr.	Week	06 - 9227 Rancho Dr.	10/7/2014
10/14/2014	Distribution System	1 wk - Bacteriological	06 - 9227 Rancho Dr.	Week	06 - 9227 Rancho Dr.	10/14/2014
10/21/2014	Distribution System	1 wk - Bacteriological	06 - 9227 Rancho Dr.	Week	06 - 9227 Rancho Dr.	10/21/2014
10/28/2014	Distribution System	1 wk - Bacteriological	06 - 9227 Rancho Dr.	Week	06 - 9227 Rancho Dr.	10/28/2014

Sampling Point: 07 - Al Gates Park Mainline Dr.

Collection Due Date	Schedule Class	Schedule Name	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date
10/7/2014	Distribution System	1 wk - Bacteriological	07 - Al Gates Park Mainline Dr.	Week	07 - Al Gates Park Mainline Dr.	10/7/2014
10/14/2014	Distribution System	1 wk - Bacteriological	07 - Al Gates Park Mainline Dr.	Week	07 - Al Gates Park Mainline Dr.	10/14/2014
10/21/2014	Distribution System	1 wk - Bacteriological	07 - Al Gates Park Mainline Dr.	Week	07 - Al Gates Park Mainline Dr.	10/21/2014
10/28/2014	Distribution System	1 wk - Bacteriological	07 - Al Gates Park Mainline Dr.	Week	07 - Al Gates Park Mainline Dr.	10/28/2014

Sampling Point: 08-Williamson Well Raw Water

Collection Due Date	Schedule Class	Schedule Name	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date

10/28/2014	Source Water	3 mo - Bacteriological	Quarterly	08- Williamson Raw Water	10/28/2014
10/28/2014	Source Water	3 mo - Fe, Mn, As Total	Quarterly	08- Williamson Raw Water	10/28/2014
10/28/2014	Source Water	3 mo - Fe, Mn, As Dissolved	Quarterly	08- Williamson Raw Water	10/28/2014

Sampling Point: 08- 9436 Hollow Springs Wy.

Collection Due Date	Schedule Class	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date
10/7/2014	Distribution System	1 wk - Bacteriological	Week	09- 8417 Blackman Wy.	10/7/2014
10/14/2014	Distribution System	1 wk - Bacteriological	Week	09- 8417 Blackman Wy.	10/14/2014
10/21/2014	Distribution System	1 wk - Bacteriological	Week	09- 8417 Blackman Wy.	10/21/2014
10/28/2014	Distribution System	1 wk - Bacteriological	Week	09- 8417 Blackman Wy.	10/28/2014
10/21/2014	Distribution System	3 mo - TTHM / HAA5	Quarterly	09- 8417 Blackman Wy.	10/21/2014

Sampling Point: 09- Polhemus Well Raw Water

Collection Due Date	Schedule Class	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date
10/21/2014	Source Water	3 mo - Bacteriological	Quarterly	09- Polhemus Raw Water	10/21/2014
10/21/2014	Source Water	3 mo - Fe, Mn, As Total	Quarterly	09- Polhemus Raw Water	10/21/2014
10/21/2014	Source Water	3 mo - Fe, Mn, As Dissolved	Quarterly	09- Polhemus Raw Water	10/21/2014

Sampling Point: 09- 8417 Blackman Wy.

Collection Due Date	Schedule Class	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date
10/7/2014	Distribution System	1 wk - Bacteriological	Week	09- 8417 Blackman Wy.	10/7/2014
10/14/2014	Distribution System	1 wk - Bacteriological	Week	09- 8417 Blackman Wy.	10/14/2014
10/21/2014	Distribution System	1 wk - Bacteriological	Week	09- 8417 Blackman Wy.	10/21/2014
10/28/2014	Distribution System	1 wk - Bacteriological	Week	09- 8417 Blackman Wy.	10/28/2014

Sampling Point: 10-9373 Oreo Ranch Cir.

Collection Due Date	Schedule Class	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date
10/7/2014	Distribution System	1 wk - Bacteriological	Week	10-9373 Oreo Ranch Cir.	10/7/2014
10/14/2014	Distribution System	1 wk - Bacteriological	Week	10-9373 Oreo Ranch Cir.	10/14/2014
10/21/2014	Distribution System	1 wk - Bacteriological	Week	10-9373 Oreo Ranch Cir.	10/21/2014
10/28/2014	Distribution System	1 wk - Bacteriological	Week	10-9373 Oreo Ranch Cir.	10/28/2014

Sampling Point: 11D Dino Well -Raw Water

Collection Due Date	Schedule Class	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date
10/28/2014	Source Water	3 mo - Bacteriological	Quarterly	11D Dino Raw Water	10/28/2014

10/28/2014	Source Water	3 mo - Fe,Mn,As Total	Quarterly	11D Dino Raw Water	10/28/2014
10/28/2014	Source Water	3 mo - Fe,Mn,As Dissolved	Quarterly	11D Dino Raw Water	10/28/2014
Sampling Point: 14D Railroad Well -Raw Water					
Collection Due Date	Schedule Class	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date
Sampling Point: Railroad WTP Effluent					
Collection Due Date	Schedule Class	Schedule Name	Collection Tolerance	Sampling Point	Sample Collected Date
10/14/2014	Treated Plant Effluent	1 mo - WTP Eff - Fe,Mn,As Total	Month	Railroad WTP Effluent	10/14/2014
10/14/2014	Treated Plant Effluent	1 mo - WTP Eff - Fe,Mn,As Dissolved	Month	Railroad WTP Effluent	10/14/2014
Sampling Point: Special Distribution/ Construction Samples					
Collection Due Date	Schedule Class	Schedule Name	Collection Description	Sampling Point	Sample Collected Date
10/1/2014	CIP	Bacteriological	Wharf Hydrant Removal	9601 La Nuez Dr.	10/1/2014
10/2/2014	Distribution System	Bacteriological	Hydrant Repair	9989 Parkhurst	10/2/2014
10/8/2014	Distribution System	Bacteriological	Service Line Repair (saddle)	9141 Lujan	10/8/2014
10/27/2014	Distribution System	Bacteriological	Service Line Repair	Sierra Creek & Ronaldo Falls	10/27/2014
10/28/2014	CIP	Bacteriological	Wharf Hydrant Removal	9624 Elk Grove Florin (Melrose)	10/28/2014
10/30/2014	Distribution System	Bacteriological	Install 8" Tee SW fire service	9220 E. Stockton Blvd	10/30/2014
10/31/2014	Distribution System	Bacteriological	Install 8" Tee East fire service	9220 E. Stockton Blvd	10/31/2014



November 4, 2014

Division of Drinking Water and Environmental Mgmt.
California Dept. of Public Health
P.O. Box 997377, MS 7418
1616 Capital Ave
Sacramento, CA 95899-7377

MONTHLY SUMMARY OF DISTRIBUTION SYSTEM COLIFORM MONITORING

Enclosed is the Monthly Summary of Distribution System Coliform Monitoring report from Elk Grove Water District for October 2014.

If you have any further questions, you may contact me at 916-687-3155 ext. 102.

A handwritten signature in blue ink, appearing to read "Steve Shaw". The signature is stylized and somewhat cursive, with a long horizontal stroke at the top.

STEVE SHAW
WATER TREATMENT FOREMAN

MONTHLY SUMMARY OF DISTRIBUTION SYSTEM COLIFORM MONITORING (including triggered source monitoring for systems subject to the Groundwater Rule)

System Name <p style="text-align: center; font-size: 1.2em;">Elk Grove Water District</p>	System Number <p style="text-align: center; font-size: 1.2em;">3410008</p>
Sampling Period <p style="text-align: center; font-size: 1.2em; color: blue;">October</p>	Year <p style="text-align: center; font-size: 1.2em;">2014</p>

	Number Required	Number Collected	Number Total Coliform Positives	Number Fecal/ E.coli Positives
1. Routine Samples (see note 1)	40	40	0	0
2. Repeat Samples following Samples that are Total Coliform Positive and Fecal/E.coli <i>Negative</i> (see notes 5 and 6)		0	0	0
3. Repeat Samples following Routine Samples that are Total Coliform <i>Positive</i> and Fecal/E.coli Positive (see notes 5 and 6)		0	0	0
4. MCL Computation for Total Coliform Positive Samples				
a. Totals (sum of columns)		40	0	
b. If 40 or more samples collected in month, determine percent of samples that are total coliform positive [(total number positive/total number collected) x 100] =	0	%		
c. Is system in compliance...with fecal/E. coli MCL? (see notes 2 and 3)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
...with monthly MCL? (see note 4)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
5. Source Samples Triggered by Routine Samples that are Total Coliform Positive (This applies only to systems subject to the Groundwater Rule - see notes 7 and 8)		0	0	0
6. Invalidated Samples (Note what samples, if any, were invalidated; who authorized the invalidation; and when replacement samples were collected. Attach additional sheets, if necessary.)				
7. Summary Completed By:				

Signature 	Title <p style="text-align: center; font-size: 1.2em;">Water Treatment Foreman</p>	Date <p style="text-align: center; font-size: 1.2em;">11/4/2014</p>
---------------	---	--

NOTES AND INSTRUCTIONS:

1. Routine samples include:
 - a. Samples required pursuant to 22 CCR Section 64423 and any additional samples required by an approved routine sample siting plan established pursuant to 22 CCR Section 64422.
 - b. Extra samples are required for systems collecting less than five routine samples per month that had one or more total coliform positives in previous month;
 - c. Extra samples for systems with high source water turbidities that are using surface water or groundwater under direct influence of surface water and do not practice filtration in compliance with regulations;
2. Note: For a repeat sample following a total coliform positive sample, any fecal/*E.coli* positive repeat (boxed entry) **constitutes an MCL violation and requires immediate notification to the Department** (22, CCR, Section 64426.1).
3. Note: For repeat sample following a fecal/*E.coli* positive sample, any total coliform positive repeat (boxed entry) **constitutes an MCL violation and requires immediate notification to the Department** (22, CCR, Section 64426.1).
4. Total coliform MCL (Notify Department within 24 hours of MCL violation):
 - a. For systems collecting less than 40 samples, if two or more samples are total coliform positive, then the MCL is violated.
 - b. For systems collecting 40 or more samples, if more than 5.0 percent of samples collected are total coliform positive, then the MCL is violated.
5. Positive results and their associated repeat samples are to be tracked on the Coliform Monitoring Worksheet.
6. Repeat samples must be collected within 24 hours of being notified of the positive results. For systems collecting more than one routine sample per month, three repeat samples must be collected for each total coliform positive sample. For systems collecting one or fewer routine samples per month, four repeat samples must be collected for each total coliform positive sample.
7. For systems subject to the Groundwater Rule: Positive results and the associated triggered source samples are to be tracked on the Coliform Monitoring Worksheet.
8. For triggered sample(s) required as a result of a total coliform routine positive sample, an *E.coli*, enterococci, or coliphage positive triggered sample (boxed entry) **requires immediate notification to the Department, Tier 1 public notification, and corrective action.**



November 3, 2014

Sacramento Regional County
Sanitation District
Environmental Specialist
10060 Goethe Rd.
Sacramento, Ca. 95827

MONTHLY COMPLIANCE REPORT

Enclosed is the Monthly Compliance Report Form from Elk Grove Water District for October 2014.

If you have any further questions, you may contact me at 916-687-3155 ext. 102.

A handwritten signature in blue ink, appearing to read "Steve Shaw", is written above the printed name.

STEVE SHAW
WATER TREATMENT FOREMAN



COMPLIANCE REPORT FORM

Attn: Nicole Sears	Wastewater Source Control Section
Phone # (916) 876-7378	Fax # (916) 876-6374
From: Steve Shaw	
Company: Elk Grove Water Service	Permit# WTP010

The following reports and information are attached (check all that apply):

Month:	10	Year:	2014
--------	----	-------	------

<input checked="" type="checkbox"/> Water use/flow meter report <input type="checkbox"/> Monitoring results/analytical report	Railroad WTP: <input type="text" value="20"/> Hampton WTP: <input type="text" value="0"/> <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:30%;"></th> <th style="width:20%; text-align: center;">Date</th> <th style="width:20%; text-align: center;">Time</th> <th style="width:30%; text-align: center;">pH</th> </tr> </thead> <tbody> <tr> <td>Hampton WTP</td> <td><input type="text"/></td> <td><input type="text"/></td> <td><input type="text"/></td> </tr> <tr> <td>Railroad WTP</td> <td>10-7-2014</td> <td>9:00 am</td> <td>7.8</td> </tr> </tbody> </table>		Date	Time	pH	Hampton WTP	<input type="text"/>	<input type="text"/>	<input type="text"/>	Railroad WTP	10-7-2014	9:00 am	7.8
	Date	Time	pH										
Hampton WTP	<input type="text"/>	<input type="text"/>	<input type="text"/>										
Railroad WTP	10-7-2014	9:00 am	7.8										

Discharge Rate

Check the statement below that applies to this report:

Based on a review of this facilities flow data, discharge rate limit was exceeded

I certify that this facility is in compliance with the discharge rate limit.

Attached is a description of anticipated changes that may significantly alter the nature, quality, or volume of the wastewater discharged.

Flow monitoring equipment certification (Flow or pH meter, etc.)

Other (describe)

Domestic Calculation

Domestic Usage	Number of Employees	Business Days per Month	Allowance (gallons per day)	Gallons
Production	2	20	25	1000
Office	3	20	20	1200
Drivers/Field	17	20	5	1700
Total				3900

Certification Statement

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment for knowing violations".

SIGNATURE of Authorized Representative:

PRINTED NAME, TITLE:

Steve Shaw	Water Treatment Foreman
(Name)	(Title)

DATE:

11-3-2014



Date: 10/2014

Operator	Date	Waste Meter	Gallons
wquintero@egws.lan	10/1/2014 8:15:00 AM	10662025	0
cphillips@egws.lan	10/2/2014 8:30:00 AM	10662025	0
cphillips@egws.lan	10/3/2014 8:25:00 AM	10662025	0
aaragon	10/4/2014 8:15:00 AM	10662025	0
aaragon@egws.lan	10/5/2014 8:15:00 AM	10662025	0
cphillips@egws.lan	10/6/2014 8:38:00 AM	10662025	0
cphillips@egws.lan	10/7/2014 8:10:00 AM	10662025	0
mmontiel@egws.lan	10/8/2014 8:13:00 AM	10662045	20
mmontiel@egws.lan	10/9/2014 7:36:00 AM	10662045	0
jvance@egws.lan	10/10/2014 8:35:00 AM	10662045	0
jvance@egws.lan	10/11/2014 8:28:00 AM	10662045	0
jvance@egws.lan	10/12/2014 8:12:00 AM	10662045	0
jvance@egws.lan	10/13/2014 8:10:00 AM	10662045	0
wquintero@egws.lan	10/14/2014 8:30:00 AM	10662045	0
mmontiel@egws.lan	10/15/2014 8:44:00 AM	10662045	0
mmontiel@egws.lan	10/16/2014 7:51:00 AM	10662045	0
mmontiel@egws.lan	10/17/2014 9:28:00 AM	10662045	0
sshaw@egws.lan	10/18/2014 8:15:00 AM	10662045	0
sshaw@egws.lan	10/19/2014 9:10:00 AM	10662045	0
mmontiel@egws.lan	10/20/2014 8:33:00 AM	10662045	0
mmontiel@egws.lan	10/21/2014 9:42:00 AM	10662045	0
wquintero@egws.lan	10/22/2014 8:10:00 AM	10662045	0
mmontiel@egws.lan	10/23/2014 7:40:00 AM	10662045	0
jvance@egws.lan	10/24/2014 8:15:00 AM	10662045	0
jvance@egws.lan	10/25/2014 10:47:00 AM	10662045	0
jvance@egws.lan	10/26/2014 8:12:00 AM	10662045	0
mmontiel@egws.lan	10/27/2014 8:13:00 AM	10662045	0
wquintero@egws.lan	10/28/2014 8:05:00 AM	10664688*	0
wquintero@egws.lan	10/29/2014 8:05:00 AM	10664688	0
ahewitt@egws.lan	10/30/2014 8:18:00 AM	10664688	0
wquintero@egws.lan	10/31/2014 8:23:00 AM	10664688	0

*Meter change was due to flowmeter recalibration.

Grand Total

20



INSTRUMENT CALIBRATION REPORT

Aqua Sierra Controls, Inc.
 1650 Industrial Drive
 Auburn, CA 95603
 Phone (800) 649-4287
 Fax (530) 823-3475
 service@aquasierra.com

RECEIVED
 OCT 29 2014

Attn: STEVE SHAW
 ELK GROVE WATER SERVICE
 9257 ELK GROVE BLVD
 ELK GROVE, CA 95624

Instrument ID 01	Serial Number 04W024929
Description MAGNETIC FLOW METER	Model Number MFE4ER140111
Calibrated 10/27/2014	Department ELK GROVE WATER
Scheduled 10/27/2015	Manufacturer ABB KENT TAYLOR
Calibration ID 22390	Calibration Type SCHEDULED
Certificate # 01	Location RAILROAD WTP
Equipment ID	Building BACKWASH TANK

Calibration Specifications

Stated Accy Pct of Reading

In Val	In Type	Out Val	Out Type	Fnd As	Error %	Lft As	Error %
0.00	FEET PER SEC.	0.00	GPM Rate	0.00	0.00%	0.00	0.00%
1.50	FEET PER SEC.	63.11	GPM Rate	63.42	0.49%	63.42	0.49%
3.00	FEET PER SEC.	126.21	GPM Rate	126.90	0.55%	126.90	0.55%
6.00	FEET PER SEC.	252.43	GPM Rate	253.40	0.38%	253.40	0.38%
15.00	FEET PER SEC.	631.07	GPM Rate	635.62	0.72%	635.62	0.72%

Stated Accy Pct of Reading

In Val	In Type	Out Val	Out Type	Fnd As	Error %	Lft As	Error %
0.00	FEET PER SEC.	0.00	GPM Totalizer	0.00	0.00%	0.00	0.00%
1.50	FEET PER SEC.	63.11	GPM Totalizer	63.40	0.46%	63.40	0.46%
3.00	FEET PER SEC.	126.21	GPM Totalizer	126.78	0.45%	126.78	0.45%
6.00	FEET PER SEC.	252.43	GPM Totalizer	253.40	0.38%	253.40	0.38%
15.00	FEET PER SEC.	631.07	GPM Totalizer	635.26	0.66%	635.26	0.66%

Stated Accy Pct of Reading

In Val	In Type	Out Val	Out Type	Fnd As	Error %	Lft As	Error %
0.00	FEET PER SEC.	4.00	mA	4.00	0.00%	4.00	0.00%
1.50	FEET PER SEC.	5.68	mA	5.69	0.18%	5.69	0.18%
3.00	FEET PER SEC.	7.37	mA	7.38	0.14%	7.38	0.14%
6.00	FEET PER SEC.	10.73	mA	10.76	0.28%	10.76	0.28%

Test Instruments Used During the Calibration

Test Instrument ID	Description	Manufacturer	Model Number	Serial Number
203	Magmeter Simulator	Abb	MFE-SIM	P1540511212
246	LOOP CALIBRATOR	DRUCK	UPS II	53253

Notes about this calibration

4" BACKWASH WASTE METER 0-600 GPM = 4-20 mA OUTPUT
 LOW FLOW CUTOFF AT 100MM/SEC FROM 15MM/SEC. EMPTY PIPE DETECTION AT 50 MV FROM 15 MV, PER FACTORY.
 CALIBRATION FACTORS: #1 = 1.1089, #2 = -19, #3 = 5, #4 = 1.0000
 FLOW TUBE MODEL #MFE10134/1118104ER SEPT. 2004, SERIAL #04W024978
 TOTALIZER START: 10662045 GAL (NET)
 TOTALIZER END: 10664688 GAL (NET)

Calibration Result Calibration Successful
Who Calibrated EVAN BERNAVAGE



BSK Associates Fresno
1414 Stanislaus St
Fresno, CA93706
559-497-2888 (Main)
559-485-6935 (FAX)

A4J0863
10/21/2014
Invoice: A423172

Steve Shaw
Elk Grove Water District
9257 Elk Grove Boulevard
Elk Grove, CA 95624

RE: Report for A4J0863 General-Hewitt

Dear Steve Shaw,

Thank you for using BSK Associates for your analytical testing needs. In the following pages, you will find the test results for the samples submitted to our laboratory on 10/8/2014. The results have been approved for release by our Laboratory Director as indicated by the authorizing signature below.

The samples were analyzed for the test(s) indicated on the Chain of Custody (see attached) and the results relate only to the samples analyzed. BSK certifies that the testing was performed in accordance with the quality system requirements specified in the 2009 TNI Standard. Any deviations from this standard or from the method requirements for each test procedure performed will be annotated alongside the analytical result or noted in the Case Narrative. Unless otherwise noted, the sample results are reported on an "as received" basis.

Thanks again for using BSK Associates. We value your business and appreciate your loyalty.

Sincerely,

Michael Ng, Project Manager

If additional clarification of any information is required, please contact your Project Manager, Michael Ng , at (800) 877-8310 or (559) 497-2888 x118.



Accredited in Accordance with NELAP
ORELAP #4021

Case Narrative

Project and Report Details	Invoice Details
----------------------------	-----------------

Client: Elk Grove Water District Report To: Steve Shaw Project #: 4th Qtr. 2014 - Backwash Wastewater Received: 10/08/2014 - 11:59 Report Due: 10/22/2014	Invoice To: Elk Grove Water District Invoice Attn: Steve Shaw Project PO#: -
--	---

Sample Receipt Conditions

Cooler: Default Cooler Temperature on Receipt °C: 0.0	Containers Intact COC/Labels Agree Received On Wet Ice Packing Material - Bubble Wrap Packing Material - Foam Sample(s) were received in temperature range. Initial receipt at BSK-SAC
--	--

Data Qualifiers

The following qualifiers have been applied to one or more analytical results:

MS1.0 Matrix spike recoveries exceed control limits.

Report Distribution

Recipient(s)	Report Format	CC:
Steve Shaw	FINAL.RPT	ahewitt@egwd.org

Certificate of Analysis

Sample ID: A4J0863-03

Sampled By: Wilfredo Quintero

Sample Description: Railroad Backwash Wastewater Composite 1 & 2 // 17257

Sample Date - Time: 10/07/14 - 09:00

Matrix: Waste Water

Sample Type: Composite

Composite Start: 10/07/14 - 09:00

BSK Associates Fresno

General Chemistry

Analyte	Method	Result	RL	Units	RL Mult	Batch	Prepared	Analyzed	Qual
Biochemical Oxygen Demand	SM 5210B	ND	1.0	mg/L	1	A412974	10/09/14 08:18	10/14/14	
Total Kjeldahl Nitrogen	EPA 351.2	ND	1.0	mg/L	1	A413132	10/13/14	10/16/14	
Total Suspended Solids	SM 2540D	10	5.0	mg/L	1	A413058	10/10/14	10/15/14	

Metals

Analyte	Method	Result	RL	Units	RL Mult	Batch	Prepared	Analyzed	Qual
Copper	EPA 200.8	ND	5.0	ug/L	1	A413232	10/14/14	10/16/14	
Manganese	EPA 200.7	2.2	0.010	mg/L	1	A413232	10/14/14	10/16/14	
Zinc	EPA 200.8	ND	50	ug/L	1	A413232	10/14/14	10/16/14	

BSK Associates Fresno
General Chemistry Quality Control Report

Analyte	Result	RL	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Date Analyzed	Qual
---------	--------	----	-------	-------------	---------------	------	-------------	-----	-----------	---------------	------

EPA 351.2 - Quality Control

Batch: A413132

Prepared: 10/13/2014

Prep Method: Digestion

Analyst: CEG

Blank (A413132-BLK1)

Total Kjeldahl Nitrogen ND 1.0 mg/L 10/16/14

Blank Spike (A413132-BS1)

Total Kjeldahl Nitrogen 10 1.0 mg/L 10 103 90-110 10/16/14

Blank Spike Dup (A413132-BSD1)

Total Kjeldahl Nitrogen 11 1.0 mg/L 10 107 90-110 3 10 10/16/14

Matrix Spike (A413132-MS1), Source: A4J0504-02

Total Kjeldahl Nitrogen 13 1.0 mg/L 10 1.1 116 90-110 10/16/14 MS1.0 *High*

Matrix Spike Dup (A413132-MSD1), Source: A4J0504-02

Total Kjeldahl Nitrogen 13 1.0 mg/L 10 1.1 116 90-110 0 10 10/16/14 MS1.0 *High*

SM 2540D - Quality Control

Batch: A413058

Prepared: 10/10/2014

Prep Method: Method Specific Preparation

Analyst: DEH

Blank (A413058-BLK1)

Total Suspended Solids ND 5.0 mg/L 10/15/14

Duplicate (A413058-DUP1), Source: A4J0754-01

Total Suspended Solids 61 5.0 mg/L 60 1 20 10/15/14

SM 5210B - Quality Control

Batch: A412974

Prepared: 10/9/2014

Prep Method: Method Specific Preparation

Analyst: NDR

Blank (A412974-BLK1)

Biochemical Oxygen Demand ND 1.0 mg/L 10/14/14

Blank Spike (A412974-BS1)

Biochemical Oxygen Demand 190 1.0 mg/L 200 96 85-115 10/14/14

Duplicate (A412974-DUP1), Source: A4J1111-01

Biochemical Oxygen Demand 750 150 mg/L 750 0 10 10/14/14

BSK Associates Fresno
Metals Quality Control Report

Analyte	Result	RL	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Date Analyzed	Qual
---------	--------	----	-------	-------------	---------------	------	-------------	-----	-----------	---------------	------

EPA 200.7 - Quality Control

Batch: A413232

Prepared: 10/14/2014

Prep Method: EPA 200.2

Analyst: NRE

Blank (A413232-BLK2)

Manganese ND 0.010 mg/L 10/16/14

Blank Spike (A413232-BS2)

Manganese 0.21 0.010 mg/L 0.20 103 85-115 10/16/14

Blank Spike Dup (A413232-BSD2)

Manganese 0.21 0.010 mg/L 0.20 103 85-115 0 20 10/16/14

Matrix Spike (A413232-MS3), Source: A4J0728-01

Manganese 1.4 0.010 mg/L 0.20 1.2 102 70-130 10/16/14

Matrix Spike (A413232-MS4), Source: A4J0728-02

Manganese 1.0 0.010 mg/L 0.20 0.80 119 70-130 10/16/14

Matrix Spike Dup (A413232-MSD3), Source: A4J0728-01

Manganese 1.4 0.010 mg/L 0.20 1.2 104 70-130 0 20 10/16/14

Matrix Spike Dup (A413232-MSD4), Source: A4J0728-02

Manganese 1.0 0.010 mg/L 0.20 0.80 104 70-130 3 20 10/16/14

EPA 200.8 - Quality Control

Batch: A413232

Prepared: 10/14/2014

Prep Method: EPA 200.2

Analyst: MAS

Blank (A413232-BLK1)

Copper ND 5.0 ug/L 10/16/14

Zinc ND 50 ug/L 10/16/14

Blank Spike (A413232-BS1)

Copper 190 5.0 ug/L 200 95 85-115 10/16/14

Zinc 190 50 ug/L 200 93 85-115 10/16/14

Blank Spike Dup (A413232-BSD1)

Copper 180 5.0 ug/L 200 92 85-115 3 20 10/16/14

Zinc 180 50 ug/L 200 92 85-115 1 20 10/16/14

Matrix Spike (A413232-MS1), Source: A4J0728-01

Copper 170 5.0 ug/L 200 ND 85 70-130 10/16/14

Zinc 170 50 ug/L 200 ND 86 70-130 10/16/14

Matrix Spike (A413232-MS2), Source: A4J0728-02

Copper 190 5.0 ug/L 200 8.0 89 70-130 10/16/14

Zinc 190 50 ug/L 200 ND 93 70-130 10/16/14

Matrix Spike Dup (A413232-MSD1), Source: A4J0728-01

**BSK Associates Fresno
 Metals Quality Control Report**

Analyte	Result	RL	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Date Analyzed	Qual
---------	--------	----	-------	-------------	---------------	------	-------------	-----	-----------	---------------	------

EPA 200.8 - Quality Control

Batch: A413232

Prepared: 10/14/2014

Prep Method: EPA 200.2

Analyst: MAS

Matrix Spike Dup (A413232-MSD1), Source: A4J0728-01

Copper	170	5.0	ug/L	200	ND	85	70-130	0	20	10/16/14	
Zinc	180	50	ug/L	200	ND	88	70-130	3	20	10/16/14	

Matrix Spike Dup (A413232-MSD2), Source: A4J0728-02

Copper	180	5.0	ug/L	200	8.0	87	70-130	3	20	10/16/14	
Zinc	180	50	ug/L	200	ND	89	70-130	4	20	10/16/14	

Certificate of Analysis

Notes:

- The Chain of Custody document and Sample Integrity Sheet are part of the analytical report.
- Any remaining sample(s) for testing will be disposed of according to BSK's sample retention policy unless other arrangements are made in advance.
- All positive results for EPA Methods 504.1 and 524.2 require the analysis of a Field Reagent Blank (FRB) to confirm that the results are not a contamination error from field sampling steps. If Field Reagent Blanks were not submitted with the samples, this method requirement has not been performed.
- Samples collected by BSK Analytical Laboratories were collected in accordance with the BSK Sampling and Collection Standard Operating Procedures.
- J-value is equivalent to DNQ (Detected, not quantified) which is a trace value. A trace value is an analyte detected between the MDL and the laboratory reporting limit. This result is of an unknown data quality and is only qualitative (estimated). Baseline noise, calibration curve extrapolation below the lowest calibrator, method blank detections, and integration artifacts can all produce apparent DNQ values, which contribute to the un-reliability of these values.
- (1) - Residual chlorine and pH analysis have a 15 minute holding time for both drinking and waste water samples as defined by the EPA and 40 CFR 136. Waste water and ground water (monitoring well) samples must be field filtered to meet the 15 minute holding time for dissolved metals.
- Summations of analytes (i.e. Total Trihalomethanes) may appear to add individual amounts incorrectly, due to rounding of analyte values occurring before or after the total value is calculated, as well as rounding of the total value.
- RL Multiplier is the factor used to adjust the reporting limit (RL) due to variations in sample preparation procedures and dilutions required for matrix interferences.
- Due to the subjective nature of the Threshold Odor Method, all characterizations of the detected odor are the opinion of the panel of analysts. The characterizations can be found in Standard Methods 2170B Figure 2170:1.
- The MCLs provided in this report (if applicable) represent the primary MCLs for that analyte.

Definitions

mg/L:	Milligrams/Liter (ppm)	MDL:	Method Detection Limit	MDA95:	Min. Detected Activity
mg/Kg:	Milligrams/Kilogram (ppm)	RL:	Reporting Limit: DL x Dilution	MPN:	Most Probable Number
µg/L:	Micrograms/Liter (ppb)	ND:	None Detected at RL	CFU:	Colony Forming Unit
µg/Kg:	Micrograms/Kilogram (ppb)	pCi/L:	Picocuries per Liter	Absent:	Less than 1 CFU/100mLs
%:	Percent Recovered (surrogates)	RL Mult:	RL Multiplier	Present:	1 or more CFU/100mLs
NR:	Non-Reportable	MCL:	Maximum Contaminant Limit		

BSK is not accredited under the NELAC program for the following parameters:

****NA****

Certifications: Please refer to our website for a copy of our Accredited Fields of Testing under each certification.

Fresno

State of California - ELAP	1180	State of Hawaii	4021
State of Nevada	CA000792014-1	State of Oregon - ORELAP	4021
EPA - UCMR3	CA00079	State of Washington	C997-14

Sacramento

State of California - ELAP	2435
----------------------------	------

Vancouver

State of Oregon - ORELAP	WA100008	State of Washington	C824-13
--------------------------	----------	---------------------	---------

A4J0863



Elk Grove Water District

ElkGr3556



10082014

Turnaround: Standard

Due Date: 10/22/2014



1414 Stanislaus St., Fresno, CA 93706
 (559) 497-2888 Fax (559) 497-2893
 www.bskassociates.com

A4J0863
 ElkGr3556

10/08/2014
 10



Company/Client Name: Elk Grove Water District
Address: 9257 Elk Grove Blvd, Elk Grove, Ca 95624
Project: 4th Qtr. 2014 Backwash Wastewater
Reporting Options: Trace (J-Flag) Swamp EDD Type: Mail Fax Mail

Report Attention: Steve Shaw
 Additional cc's: Aaron Hewitt
State: Ca
Project #:

Matrix Types: SW=Surface Water, BW=Bottled Water, GW=Ground Water, WW=Waste Water, STW=Storm Water, DW=Drinking Water, SQ=Solid

Reporting Options: Trace (J-Flag) Swamp EDD Type: Mail Fax Mail

Sample Name (Printed/Signature): Wilfredo Quintero
TAT: Standard - 10 Business Days
 **Rush - Date Needed

How would you like your completed results sent?*
 E-Mail Fax Mail

Regulatory Compliance:
 Regulatory Carbon Copies: CDIP Fresno Co Merced Co Tulare Co Materna Co Other:
 EDT to California DPH
 System Number:
 Geotracker #:

Temp:
Invoice To:
PO#:
Phone: 916-687-3155 ext 102
Fax: 916-687-3157
E-mail: sshaw@egwd.org / ahewitt@egwd.org

#	Sample Description*	Sampled* Date	Time	Matrix*	Comments / Station Code / WTRAX	Heavy Metals (Totals) Cu, Mn, Zn	B.O.D.	T.S.S.	T.K.N.
1	Railroad Backwash Wastewater bottle 1	10-7-2014	11:35	WW					
2	Railroad Backwash Wastewater bottle 2	10-7-2014	11:35	WW					
	Composite 1 & 2 (To be mixed by lab)	10-7-2014		WW	17257 WTRAX 11489		X	X	X

Relinquished by: (Signature and Printed Name) Wilfredo Quintero
Company: EGWD
Date: 10-7-14
Time: 11:35

Received by: (Signature and Printed Name) *[Signature]*
Company: BSK
Date: 10-7-14
Time: 11:35

Shipping Method: UPS
Tracking #: 9505 5355 8500 8500 8500
Shipping Method: QNTTRAC
Color: Blue
None: None

Amount: \$500.00
PIAW: BSK
Check / Cash: BSK
Company: BSK

Amount: \$500.00
PIAW: BSK
Check / Cash: BSK
Company: BSK

Amount: \$500.00
PIAW: BSK
Check / Cash: BSK
Company: BSK

Payment for services rendered is indicated herein and due in full within 30 days from the date invoiced. If not paid, account balances are deemed delinquent. Delinquent balances are subject to monthly service charges and interest specified in BSK's current Standard Terms and Conditions for Laboratory Services. The person signing for the Client/Company acknowledges that they are either the Client or an authorized agent to the Client, that the Client agrees to be responsible for payment for the services on this Chain of Custody, and agrees to BSK's terms and conditions for laboratory services unless contractually bound otherwise. BSK's current terms and conditions can be found at www.bskassociates.com/BSKLabTermsConditions.pdf



Sample Integrity

BSK Bottles: Yes No Page 1 of 1

COC Info	Was temperature within range? Chemistry $\leq 6^{\circ}\text{C}$ Micro $< 10^{\circ}\text{C}$		Yes	No	NA	Were correct containers and preservatives received for the tests requested?		Yes	No	NA
		If samples were taken today, is there evidence that chilling has begun?		Yes	No	NA	Were there bubbles in the VOA vials? (Volatiles Only)		Yes	No
	Did all bottles arrive unbroken and intact?		Yes	No		Was a sufficient amount of sample received?		Yes	No	
	Did all bottle labels agree with COC?		Yes	No		Do samples have a hold time <72 hours?		Yes	No	
	Was sodium thiosulfate added to CN sample(s) until chlorine was no longer present?		Yes	No	NA	Was PM notified of discrepancies? PM: _____ By/Time: _____		Yes	No	NA
Bottles Received	250ml(A) 500ml(B) 1Liter(C) 40ml VOA(V)		Checks	Passed?		1-2				
	Bacti $\text{Na}_2\text{S}_2\text{O}_3$		—	—		16				
	None (P) ^{White Cap}		—	—						
	Cr6 Buffer (P) ^{Blue Cap} Drinking Water		pH 9-9.5	Y	N					
	Cr6 Buffer (P) ^{Blue Cap} Wastewater		pH 9.3-9.7	Y	N					
	HNO_3 (P) ^{Red Cap}		—	—						
	H_2SO_4 (P) or (AG) ^{Yellow Cap/Label}		pH < 2	Y	N					
	NaOH (P) ^{Green Cap}		Cl, pH > 10	Y	N					
	NaOH + ZnAc (P)		pH > 9	Y	N					
	Dissolved Oxygen 300ml (g)		—	—						
	None (AG) 608/8081/8082, 625, 632/8321, 8151, 8270		—	—						
	HCl (AG) ^{Lt. Blue Label} O&G, Diesel		—	—						
	$\text{Na}_2\text{S}_2\text{O}_3$ 1 Liter (Brown P) 549		—	—						
	$\text{Na}_2\text{S}_2\text{O}_3$ (AG) ^{Blue Label} 547, 515, 525, 548		—	—						
	$\text{Na}_2\text{S}_2\text{O}_3$ (AG) ^{Blue Label} THMs 524.2 or 524.3		—	—						
	$\text{Na}_2\text{S}_2\text{O}_3$ (CG) ^{Blue Label} 504, 505		—	—						
	$\text{Na}_2\text{S}_2\text{O}_3$ + MCAA (CG) ^{Orange Label} 531		pH < 3	Y	N					
	NH_4Cl (AG) ^{Purple Label} 552		—	—						
	EDA (AG) ^{Brown Label} DBPs		—	—						
	Ascorbic + Maleic (AG) ^{Lt Green Label} 524.3		—	—						
HCL (CG) 524 2.BTEX Gas, MTBE, 8260/624		—	—							
Buffer pH 4 (CG)		—	—							
None (CG)		—	—							
H_3PO_4 (CG) ^{Salmon Label}		—	—							
Other:										
Asbestos 1Liter Plastic w/ Foil		—	—							
Low Level Hg / Metals Double Baggie		—	—							
Bottled Water		—	—							
Clear Glass Jar: 250 / 500 / 1 Liter		—	—							
Soil Tube Brass / Steel / Plastic		—	—							
Tedlar Bag / Plastic Bag		—	—							
Split	Container	Preservative	Date/Time/Initials		Container	Preservative	Date/Time/Initials			
	S P				S P					
	S P				S P					
Comments										

ced
10/8/14

Labeled by: JH @ 1740

Labels checked by: MA @ 1712

RUSH Paged by: _____ @ _____

M.C.C. AND LAB

Item	Quarterly				Annual
	1st	2nd	3rd	4th	Refer. 2014
Fume Hood	JV 3/3/14 10324	JV 6/19/14 11047	AH 9/23/14 11046	AH 4/21/14 2968	Sect: 1.2.3
Dulco-meter	AH 2/21/14 10321	AH 6/2/14 11047	AH 9/23/14 11046		Sect: 1.2.1
M.C.C.					Sect: 1.2.2
Circuit Breaker	JV 3/4/14 10324	AH 6/19/14 11047	AH 9/22/14 11046		Sect: 1.2.1
C12 DPD Handheld					

Year: 2014

CLOR-TEC SYSTEM

Item	Monthly												Quarterly				Annual		
	Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1st	2nd	3rd	4th	Refer.	2014
CL2 Meter System	1/28/14 10188	2/19/14 10457	3/12/14 10459	4/23/14 10460	5/22/14 10964	6/19/14 11085	7/23/14 11190	8/19/14 11266	9/19/14 11379	10/23/14 11438				AH	AH	AH	AH	4.4.1	AH 2/5/14 10311
Exhaust Fan														AH	AH	AH	AH	4.3.1	AH 3/25/14 10581 9/25/14 11380
Hydrogen Blow/Det.																		4.2/4.3	AH/WQ 9/8/14 10311
Cell and Electrode														AH	AH	AH	WQ	4.3.2	AH 3/26/14 10581 6/16/14 11001 9/19/14 11380
Hypo/Brine Tank	1/27/14 10188	2/19/14 10457	3/12/14 10459	4/23/14 10460	5/22/14 10964	6/19/14 11085	7/23/14 11190	8/19/14 11266	9/19/14 11379	10/23/14 11438								4.4.5	
Water Softener																		4.4.6	
Rectifier	1/30/14 10188	2/19/14 10457	3/12/14 10459	4/23/14 10460	5/22/14 10964	6/19/14 11085	7/23/14 11190	8/19/14 11266	9/19/14 11379	10/23/14 11438								4.4.4	AH 6/16/14 10311
Clor-Tec Unit	1/27/14 10188	2/19/14 10457	3/12/14 10459	4/23/14 10460	5/22/14 10964	6/19/14 11085	7/23/14 11190	8/19/14 11266	9/19/14 11379	10/23/14 11438								4.4.4	AH 6/16/14 10311

█ = Rectifier Offline

Year: 2014

FILTER VESSELS

Item	Monthly												Semi-annual		Annual		
	Refer	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer	2014	Refer	2014
Air/Vac Valves	Initials Date W.O. #													Refer: 5.2.1		Refer: 5.2.1	
Bray Valves	Initials Date W.O. #													Refer: 5.2.2	AH/JV 3/31/14 10632	AH/WQ 10/28/14 11489	
CLA-VAL	Initials Date W.O. #													Refer: 5.3.1		Refer: 5.3.1	
Pilot Valves	Initials Date W.O. #	AH 1/15/14 10172	JV 2/12/14 10313	AH 3/7/14 10430	AH 4/7/14 10452	AH 5/19/14 10913	AH 6/19/14 11063	AH 7/21/14 11062	WQ 8/18/14 11263	AH 9/25/14 11065	WQ 10/22/14 11440		Refer: 5.3.2		Refer: 5.3.2		
Press. Diff. Trnsdcr.	Initials Date W.O. #													Refer: 5.3.3	AH/WQ 8/26/14 10631	Refer: 5.3.3	
Vessels	Initials Date W.O. #													Refer: 5.3.4		Refer: 5.3.4	

Year: 2014

BOOSTER PUMPS

Item	Monthly												Semi-annual		Annual				
	Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer.	1ST 6-MO.	2ND 6-MO.	Refer.	2014	
Electric Motor	Sect: 3.1.1	JV 1/15/14 10245	JV 2/13/14 10315	AH/JV 3/10/14 10461	AH 4/18/14 10462	AH 5/19/14 10912	JV 6/12/14 11042	AH 7/21/14 10911	WQ 8/19/14 11265	WQ 9/29/14 11043	AH/WQ 10/23/14 11436			Sect: 3.2.1	AH/JV 5/7/14 10899				
PUMP	Sect: 3.1.2	JV 1/15/14 10245	JV 2/13/14 10315	AH/JV 3/10/14 10461	AH 4/18/14 10462	AH 5/19/14 10912	JV 6/12/14 11042	AH 7/21/14 10911	WQ 8/19/14 11265	WQ 9/29/14 11043	AH/WQ 10/23/14 11436			Sect: 3.2.4					
A.R.V.														Sect: 3.3.1					
Rising Stem Valve														Sect: 3.3.3			JV 2/18/14 10317		

Year: 2014

BACKWASH SYSTEM and Storage Tanks

Item	MONTHLY												Semi-annual		Annu./Bi-annu.	
	Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer.	2014	Periodic
Mag meter														Sect: 2.3.2		
MCC														Sect: TBD		
Pressure Transdr														Sect: 2.2.1		
Backwash Tank														Sect: 2.3.4	AH/WQ	11314
Return Pumps	Initials													Sect: TBD		
	Date	1/27/14	2/19/14	3/24/14	4/29/14	5/27/14	6/19/14	7/23/14	8/25/14	9/25/14	10/23/14	11/137				
Storage Tanks	Initials													Sect: 2.4.1		
	Date	10246	10458	10455	10456	10966	11067	11066	11068	11383	11437	11137				
Bray Valves	Initials													Sect: 2.2.2		
	Date															
	W.O. #															

Year: 2014

STANDBY GENERATOR

Item	Monthly												Semi-annual		Annual/Biannual		
	Refer	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer	2014	Periodic	
Fuel Tank	Refer: 6.1.1 Sect: 6.1.1	JV 1/27/14 10189	JV 2/20/14 10325	JV 3/12/14 10453	JV 4/23/14 10454	JV 5/20/14 10963	AH 6/9/14 10962	WQ 7/23/14 11191	WQ 8/21/14 11271	WQ 9/16/14 11377	WQ 10/20/14 11439			Refer: 6.3.1 Sect: 6.3.1	AH 6/9/14 11087		
Radiator														Refer: 6.2.1 Sect: 6.2.1	AH 6/9/14 11087		
Battery/Generator	Refer: 6.1.2 Sect: 6.1.2	JV 1/27/14 10189	JV 2/20/14 110325	JV 3/12/14 10453	JV 4/23/14 10454	JV 5/20/14 10963	AH 6/19/14 10962	WQ 7/23/14 11191	WQ 8/21/14 11271	WQ 9/16/14 11377	WQ 10/20/14 11439			Refer: 6.2.2 Sect: 6.2.2	AH 6/9/14 11087		
Coolant Heater														Refer: 6.3.3 Sect: 6.3.3			
Generator	Refer: 6.1.3 Sect: 6.1.3	JV 1/7/14 10189	JV 2/20/14 10325	JV 3/12/14 10453	JV 4/17/14 10454	JV 5/20/14 10963	EMERG. 6/9/14 10962	WQ 7/23/14 11191	WQ 8/21/14 11271	WQ 9/16/14 11377	WQ 10/3/14 11439			Refer: 6.2.3 Sect: 6.2.3	AH 6/9/14 11087		
Engine														Refer: 6.3.4 Sect: 6.3.4			

Year: 2014

WELL 1D SCHOOL

Item	Monthly												Semi-annual		Annual			
	Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer.	1ST 6-MO.	2ND 6-MO.	Refer.	2014
Pump	Initials	JV	AH	AH	JV	JV	AH	WQ	WQ	WQ	WQ	WQ			AH/JV			
	Date	1/6/14	2/13/14	3/13/14	4/28/14	5/28/14	6/18/14	7/16/14	8/19/14	9/10/14	10/22/14				5/12/14			
	W.O.#	10165	10307	10481	10482	10891	11036	11038	11267	11369	11448			Sect:	10895			
Motor	Initials	JV	AH	AH	AH	AH	JV	WQ	WQ	WQ	WQ	WQ			JV			
	Date	1/6/14	2/13/14	3/13/14	4/3/14	5/15/14	6/12/14	7/16/14	8/19/14	9/10/14	10/22/14			Sect:	6/12/14			
	W.O.#	10165	10307	10481	10482	10891	11036	11038	11267	11369	11448			Sect:	10895			
Press/Lvl Transdcr.	Initials																	
	Date																	
	W.O.#																	
Isolation Valves	Initials																	
	Date																	
	W.O.#																	
Cla-Val	Initials																	
	Date																	
	W.O.#																	
Mag-Meter	Initials																	
	Date																	
	W.O.#																	
A.R.V.	Initials														JV			
	Date														6/12/14			
	W.O.#														108958			
M.C.C.	Initials																	
	Date																	
	W.O.#																	

WELL 4D WEBB

Item	Monthly												Semi-annual			Annual/Biannual				
	Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer.	1ST 6-MO.	2ND 6-MO.	Refer.	2014	Periodic	
Pump	Initials	JV	AH	AH	AH	JV	AH	WQ	WQ	WQ	WQ	WQ	WQ	Sect: 8.1.1	JV					
	Date	1/10/14	2/13/14	3/13/14	4/1/14	5/28/14	6/18/14	7/14/14	8/4/14	9/3/14	10/17/14	10/17/14		Sect: 8.2.1	6/12/14					
	W.O. #	10168	10304	10477	10478	10890	11034	11035	11261	11362	11444	11444		10898						
Motor	Initials	JV	AH	AH	JV	AH	JV	WQ	WQ	WQ	WQ	WQ	WQ	Sect: 8.1.2	AH/JV					
	Date	1/10/14	2/13/14	3/13/14	4/22/14	5/15/14	6/12/14	7/14/14	8/4/14	9/3/14	10/17/14	10/17/14		Sect: 8.2.2	5/6/14					
	W.O. #	10168	10304	10477	10478	10890	11034	11035	11261	11362	11444	11444		10898						
Transdr.	Initials													Sect: 8.3.2						
	Date																			
	W.O. #																			
Isolation Valves	Initials													Sect: 8.3.6						
	Date																			
	W.O. #																			
Cla-Val	Initials													Sect: 8.3.1						
	Date																			
	W.O. #																			
Mag-Meter	Initials													Sect: 8.3.3						
	Date																			
	W.O. #																			
A.R.V.	Initials													Sect: 8.3.4						
	Date																			
	W.O. #																			
M.C.C.	Initials													Sect: 8.2.3						
	Date																			
	W.O. #																			
Portable Generator	Initials	JV	AH	AH	AH	JV	JV	WQ	WQ	WQ	WQ	WQ	WQ	Sect: 8.2.4	JV					
	Date	1/10/14	2/13/14	3/13/14	4/1/14	5/28/14	6/12/14	7/14/14	8/4/14	9/3/14	10/17/14	10/17/14		Sect: 8.3.5	6/12/14					
	W.O. #	10168	10304	10477	10478	10890	11034	11035	11261	11362	11444	11444		10898						
Generator Set	Initials													Sect: 8.4.2						
	Date																			
	W.O. #																			

WELL 11D DINO

Item	Monthly												Semi-annual			Annual/Biannual							
	Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer.	1ST 6-MO.	2ND 6-MO.	Refer.	2014	Periodic				
Pump	Initials	Refer: 9.1.1	Refer: 9.1.1	Refer: 9.1.1	Refer: 9.1.1	Refer: 9.1.1	Refer: 9.1.1	Refer: 9.1.1	Refer: 9.1.1	Refer: 9.1.1	Refer: 9.1.1	Refer: 9.1.1	Refer: 9.1.1	Refer: 9.2.1	JV								
	Date	1/6/14	2/13/14	3/13/14	4/3/14	5/28/14	6/19/14	7/14/14	8/4/14	9/3/14	10/21/14			6/19/14									
	W.O. #	10131	10303	10475	10476	10889	11086	11186	11262	11363	11447			10897									
Motor	Initials	Refer: 9.1.2	Refer: 9.1.2	Refer: 9.1.2	Refer: 9.1.2	Refer: 9.1.2	Refer: 9.1.2	Refer: 9.1.2	Refer: 9.1.2	Refer: 9.1.2	Refer: 9.1.2	Refer: 9.1.2	Refer: 9.1.2	Refer: 9.2.2	AH/JV								
	Date	1/6/14	2/13/14	3/13/14	4/7/14	5/15/14	6/19/14	7/14/14	8/4/14	9/3/14	10/21/14			5/7/14									
	W.O. #	10131	10303	10475	10476	10889	11086	11186	11262	11363	11447			10897									
Press/Lvl	Initials																						
	Date																						
	W.O. #																						
Isolation	Initials																						
	Date																						
	W.O. #																						
Cla-Val	Initials																						
	Date																						
	W.O. #																						
Mag-Meter	Initials																						
	Date																						
	W.O. #																						
A.R.V.	Initials																						
	Date																						
	W.O. #																						
M.C.C.	Initials																						
	Date																						
	W.O. #																						
Portable Generator	Initials	Refer: 9.1.3	Refer: 9.1.3	Refer: 9.1.3	Refer: 9.1.3	Refer: 9.1.3	Refer: 9.1.3	Refer: 9.1.3	Refer: 9.1.3	Refer: 9.1.3	Refer: 9.1.3	Refer: 9.1.3	Refer: 9.1.3	Refer: 9.2.4	JV								
	Date	1/6/14	2/13/14	3/13/14	4/3/14	5/28/14	6/19/14	7/14/14	8/4/14	9/3/14	10/21/14			6/19/14									
	W.O. #	10131	10303	10475	10476	10889	11086	11186	11262	11363	11447			10897									
Generator Set	Initials																						
	Date																						
	W.O. #																						

Year: 2014

WELL 14D RAILROAD

Item	Monthly												Semi-annual		Annual		
	Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1ST 6-MO.	2ND 6-MO.	Refer.	2014
Pump	Initials	JV	AH	AH	JV	JV	AH	WQ	WQ	WQ	WQ	WQ		JV			
	Date	1/7/14	2/13/14	3/21/14	4/28/14	5/28/14	6/18/14	7/23/14	8/18/14	9/4/14	10/3/14			6/12/14			
	W.O. #	10166	10308	10479	10480	10888	11039	11040	11264	11364	11441			10896			
Motor	Initials	JV	AH	AH	AH	AH	JV	WQ	WQ	WQ	WQ		AH/JV				
	Date	1/7/14	2/13/14	3/21/14	4/8/14	5/15/14	6/12/14	7/23/14	8/18/14	9/4/14	10/3/14			5/7/14			
	W.O. #	10166	10308	10479	10480	10888	11039	11040	11264	11364	11441			10896			
Press/Lvl Transdcr.	Initials																
	Date																
	W.O. #																
Isolation Valves	Initials																
	Date																
	W.O. #																
Cla-Val	Initials																
	Date																
	W.O. #																
Mag-Meter	Initials																
	Date																
	W.O. #																
A.R.V.	Initials												JV				
	Date												6/12/14				
	W.O. #												10896				
M.C.C.	Initials																
	Date																
	W.O. #																

Year: 2014

WELL 3 MARVAL

Item	Monthly												Quarterly				Semi-annual			Annual									
	Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer.	1st	2nd	3rd	4th	Refer.	1ST 6-MO.	2ND 6-MO.	Refer.	2014						
Motor	Initials	JV	AH	AH	AH	AH	AH	WQ	WQ	WQ	WQ	WQ		12.1.2						12.3.2	JV								
	Date	1/8/14	2/12/14	3/13/14	4/8/14	5/15/14	6/13/14	7/22/14	8/20/14	9/9/14	10/15/14			10167	10310	10485	10486	10893	11028	11029	11268	11367	11443		Section:	5/7/14			
	W.O. #	10167	10310	10485	10486	10893	11028	11029	11268	11367	11443														10831				
Pump	Initials	JV	AH	AH	AH	AH	AH	WQ	WQ	WQ	WQ	WQ		12.1.1						12.3.1	AH								
	Date	1/8/14	2/12/14	3/13/14	4/28/14	5/15/14	6/13/14	7/22/14	8/20/14	9/9/14	10/15/14			10167	10310	10485	10486	10893	11028	11029	11268	11367	11443		Section:	6/13/14			
	W.O. #	10167	10310	10485	10486	10893	11028	11029	11268	11367	11443														10831				
Chlorine Pump	Initials	AH	AH	AH	AH	WQ	WQ	WQ	WQ	WQ	WQ		12.2.1							AH	AH	WQ							
	Date	3/13/14	4/28/14	6/13/14	7/22/14	8/20/14	9/9/14	10/15/14			10580	10846	11372		Section:	3/13/14	4/28/14	6/13/14	9/15/14										
	W.O. #	10580	10846	11372																									
5 Air Charger	Initials	AH	AH	AH	AH	WQ	WQ	WQ	WQ	WQ		12.2.2							AH	AH	WQ								
	Date	3/13/14	4/28/14	6/13/14	7/22/14	8/20/14	9/9/14	10/15/14			10580	10846	11372		Section:	3/13/14	6/13/14	9/15/14											
	W.O. #	10580	10846	11372																									
Check Valve	Initials	AH	AH	AH	AH	WQ	WQ	WQ	WQ	WQ		12.3.3							AH										
	Date	6/13/14																						Section:	6/13/14				
	W.O. #																							10831					
A.R.V.	Initials	AH	AH	AH	AH	WQ	WQ	WQ	WQ	WQ		12.3.4							AH										
	Date	6/13/14																						Section:	6/13/14				
	W.O. #																							10831					
M.C.C.	Initials	AH	AH	AH	AH	WQ	WQ	WQ	WQ	WQ		12.4.1																	
	Date	12.4.1																						Section:					
	W.O. #																												
Pneumatic Tank	Initials	AH	AH	AH	AH	WQ	WQ	WQ	WQ	WQ		12.4.5							AH										
	Date	12.4.5																						Section:					
	W.O. #																												
Isolation Valves	Initials	AH	AH	AH	AH	WQ	WQ	WQ	WQ	WQ		12.4.3							AH										
	Date	12.4.3																						Section:					
	W.O. #																												
Propeller Meter	Initials	AH	AH	AH	AH	WQ	WQ	WQ	WQ	WQ		12.4.2							AH										
	Date	12.4.2																						Section:					
	W.O. #																												

WELL 8 WILLIAMSON

Item	Monthly												Quarterly				Semi-annual		Annual			
	Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1st	2nd	3rd	4th	1st	2ND	Refer.	2014	
Motor	Section: 11.1.2	AH 2/13/14 10309	AH 3/21/14 10487	AH 4/8/14 10488	AH 5/15/14 10892	AH 6/13/14 11030	AH 7/17/14 11031	WQ 8/20/14 11269	WQ 9/9/14 11368	WQ 10/21/14 11446				Section: 11.3.2	AH/IV 5/7/14 10832			Section: 11.3.2	Refer: 11.3.2		2014	
Pump	Section: 11.1.1	AH 2/13/14 10309	AH 3/21/14 10487	AH 4/28/14 10488	AH 5/15/14 10892	AH 6/13/14 11030	WQ 7/17/14 11031	WQ 8/20/14 11269	WQ 9/9/14 11368	WQ 10/21/14 11446				Section: 11.3.1	AH 6/13/14 10832			Section: 11.3.1	Refer: 11.3.1		2014	
Chlorine Pump														Section: 11.2.1	AH 3/21/14 10579	AH 4/28/14 10851	WQ 9/15/14 11370		Section: 11.2.1	Refer: 11.2.1		2014
Air Charer														Section: 11.2.2	AH 3/24/14 10579	AH 6/13/14 10851	WQ 9/15/14 11370		Section: 11.2.2	Refer: 11.2.2		2014
5 Check Valve														Section: 11.3.3	AH 6/13/14 10832			Section: 11.3.3	Refer: 11.3.3		2014	
A.R.V.														Section: 11.3.4	AH 6/13/14 10832			Section: 11.3.4	Refer: 11.3.4		2014	
M.C.C.																						2014
Pneumat Tank														Section: 11.2.3	AH 2/6/14 10579	AH 6/13/14 10851	WQ 9/15/14 11370		Section: 11.2.3	Refer: 11.2.3		2014
Isolation Valves																						2014
Propeller Meter																						2014

■ =Well Offline

Year: 2014

WELL 9 POLHEMUS

Item	Monthly												Quarterly				Annual																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
	Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1st	2nd	3rd	4th	Refer.	2014																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
Check Valve	Initials																					Date																					W.O. #																				Chlorine Pump	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date	1/6/14	2/12/14	4/28/14	5/15/14	6/13/14	7/24/14	8/20/14	9/9/14	10/17/14	11/3/14	11/20/14	12/9/14	10/17/14	11/3/14	11/20/14	12/9/14	10/17/14	11/3/14	11/20/14		W.O. #	10135	10297	10483	10894	11032	11033	11270	11366	11445				10483	10815	11313		10483	10815	11313	Air Changer	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Isolation Valves	Initials																					Date																					W.O. #																				A.R.V.	Initials																					Date																					W.O. #																				M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																			
	Date																					W.O. #																				Chlorine Pump	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date	1/6/14	2/12/14	4/28/14	5/15/14	6/13/14	7/24/14	8/20/14	9/9/14	10/17/14	11/3/14	11/20/14	12/9/14	10/17/14	11/3/14	11/20/14	12/9/14	10/17/14	11/3/14	11/20/14		W.O. #	10135	10297	10483	10894	11032	11033	11270	11366	11445				10483	10815	11313		10483	10815	11313	Air Changer	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Isolation Valves	Initials																					Date																					W.O. #																				A.R.V.	Initials																					Date																					W.O. #																				M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																								
	W.O. #																				Chlorine Pump	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date	1/6/14	2/12/14	4/28/14	5/15/14	6/13/14	7/24/14	8/20/14	9/9/14	10/17/14	11/3/14	11/20/14	12/9/14	10/17/14	11/3/14	11/20/14	12/9/14	10/17/14	11/3/14	11/20/14		W.O. #	10135	10297	10483	10894	11032	11033	11270	11366	11445				10483	10815	11313		10483	10815	11313	Air Changer	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Isolation Valves	Initials																					Date																					W.O. #																				A.R.V.	Initials																					Date																					W.O. #																				M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																													
Chlorine Pump	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date	1/6/14	2/12/14	4/28/14	5/15/14	6/13/14	7/24/14	8/20/14	9/9/14	10/17/14	11/3/14	11/20/14	12/9/14	10/17/14	11/3/14	11/20/14	12/9/14	10/17/14	11/3/14	11/20/14		W.O. #	10135	10297	10483	10894	11032	11033	11270	11366	11445				10483	10815	11313		10483	10815	11313	Air Changer	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Isolation Valves	Initials																					Date																					W.O. #																				A.R.V.	Initials																					Date																					W.O. #																				M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																		
	Date	1/6/14	2/12/14	4/28/14	5/15/14	6/13/14	7/24/14	8/20/14	9/9/14	10/17/14	11/3/14	11/20/14	12/9/14	10/17/14	11/3/14	11/20/14	12/9/14	10/17/14	11/3/14	11/20/14		W.O. #	10135	10297	10483	10894	11032	11033	11270	11366	11445				10483	10815	11313		10483	10815	11313	Air Changer	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Isolation Valves	Initials																					Date																					W.O. #																				A.R.V.	Initials																					Date																					W.O. #																				M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																							
	W.O. #	10135	10297	10483	10894	11032	11033	11270	11366	11445				10483	10815	11313		10483	10815	11313	Air Changer	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Isolation Valves	Initials																					Date																					W.O. #																				A.R.V.	Initials																					Date																					W.O. #																				M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																												
Air Changer	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Isolation Valves	Initials																					Date																					W.O. #																				A.R.V.	Initials																					Date																					W.O. #																				M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																	
	Date																					W.O. #																				Isolation Valves	Initials																					Date																					W.O. #																				A.R.V.	Initials																					Date																					W.O. #																				M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																																						
	W.O. #																				Isolation Valves	Initials																					Date																					W.O. #																				A.R.V.	Initials																					Date																					W.O. #																				M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																																																											
Isolation Valves	Initials																					Date																					W.O. #																				A.R.V.	Initials																					Date																					W.O. #																				M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																																																																																
	Date																					W.O. #																				A.R.V.	Initials																					Date																					W.O. #																				M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																																																																																																					
	W.O. #																				A.R.V.	Initials																					Date																					W.O. #																				M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																																																																																																																										
A.R.V.	Initials																					Date																					W.O. #																				M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																																																																																																																																															
	Date																					W.O. #																				M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																																																																																																																																																																				
	W.O. #																				M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																																																																																																																																																																																									
M.C.C.	Initials																					Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																																																																																																																																																																																																														
	Date																					W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																																																																																																																																																																																																																																			
	W.O. #																				Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																																																																																																																																																																																																																																																								
Pneumat Tank	Initials	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH	AH		Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																																																																																																																																																																																																																																																																													
	Date																					W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																																																																																																																																																																																																																																																																																																		
	W.O. #																				Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																																																																																																																																																																																																																																																																																																																							
Propeller Meter	Initials																					Date																					W.O. #																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
	Date																					W.O. #																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
	W.O. #																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						

Elk Grove Water District
Backflow Prevention Program 2014

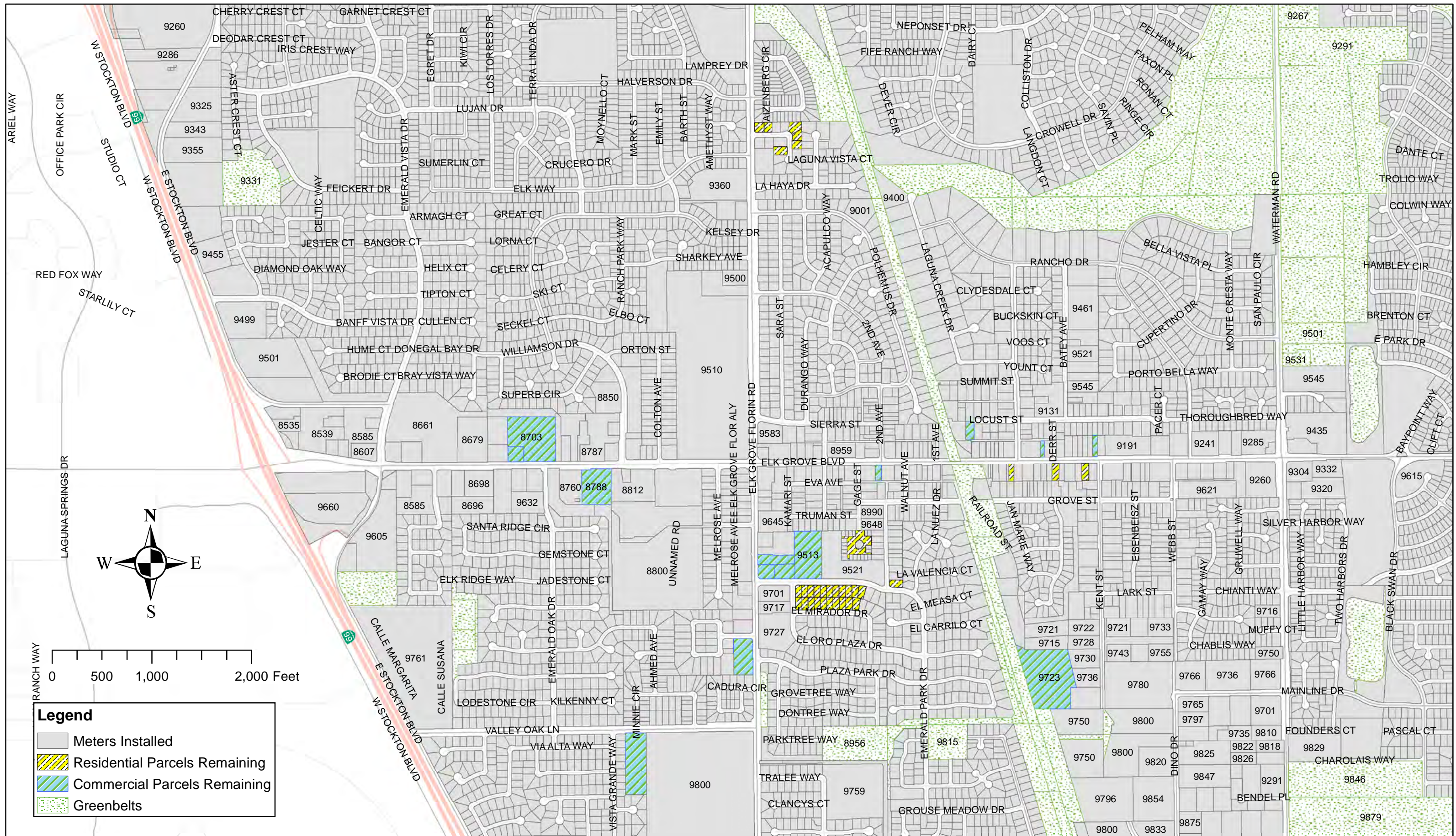
Backflow Device Reports	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
CURRENT												
Notices Issued	3	37	45	1	41	41	251	54	53	25		
Pass:	3	18	33	1	17	20	139	12	18	18		
Fail:		3	0		6	3	9	3	2	0		
Failed Devices Retested----Passed		3	0		6	2	6	3	2	0		
Outstanding Results Due	0	16	12	0	18	19	106	39	33	7		

DELINQUENT	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Investigations						1	9			1		
Deactivated Devices						1	5	1	1	1	1	
Sent:		16	12		18	17	93	38	32	3		
Received:		12	12		7	8	51	2	28	0		
Sent:		4	0		11	9	42	36	3			
Received:		4	0		11	8	37	33	0			
Schedule Code Changed							4					
Outstanding Delinquents	0	0	0	0	0	1	0	3	3	3		

Total Outstanding Delinquents	10
--------------------------------------	-----------

Elk Grove Water District
 Weekly Safety Meetings/Training
 Oct-14

Date:	Topic:	Attendees:	Hosted By:
10/6/2014	Fire Safety: Critical Prevention and Survival Tips	Jose C, Jose M, John V, John D, Sean, Michael, Justin, Richard, Gerardo, Eliseo, Joel, Alan, Chris, Sal, Brandon, Steve, Travis, Wilfredo	Steve Shaw
10/14/2014	Lifting Tips	Jose C, Jose M, John V, John D, Sean, Michael, Justin, Richard, Gerardo, Eliseo, Joel, Alan, Chris, Sal, Brandon, Steve, Aaron, Wilfredo David	Steve Shaw
10/20/2014	Reducing the Threat of Workplace Violence	Jose C, Jose M, John V, John D, Sean, Michael, Justin, Richard, Gerardo, Eliseo, Joel, Alan, Chris, Sal, Brandon, Steve, Aaron, Wilfredo, David	Steve Shaw
10/21/2014	Ergonomics: Solving the Puzzle	All Staff Required to Attend	Ellen Carlson
10/27/2014	Facing Up To Stress	Jose C, Jose M, John V, John D, Sean, Michael, Justin, Richard, Gerardo, Eliseo, Joel, Alan, Chris, Sal, Brandon, Steve, Aaron, Travis, Wilfredo, David	Steve Shaw



Legend

- Meters Installed
- Residential Parcels Remaining
- Commercial Parcels Remaining
- Greenbelts

Residential Meters Installed: 30	(October 2014)
Residential Parcels Remaining: 32	Total Residential/Commercial Parcels Remaining: 48
Commercial Meters Installed: 13	
Commercial Parcels Remaining: 16	



Elk Grove Water District
Meter Retrofit Program

Projected Coordinate System: NAD 83 State Plane, California II, FIPS 0420
Source: City of Elk Grove, EGWD and Sacramento County GIS databases
Created by: Travis Franklin
Date: November 5, 2014



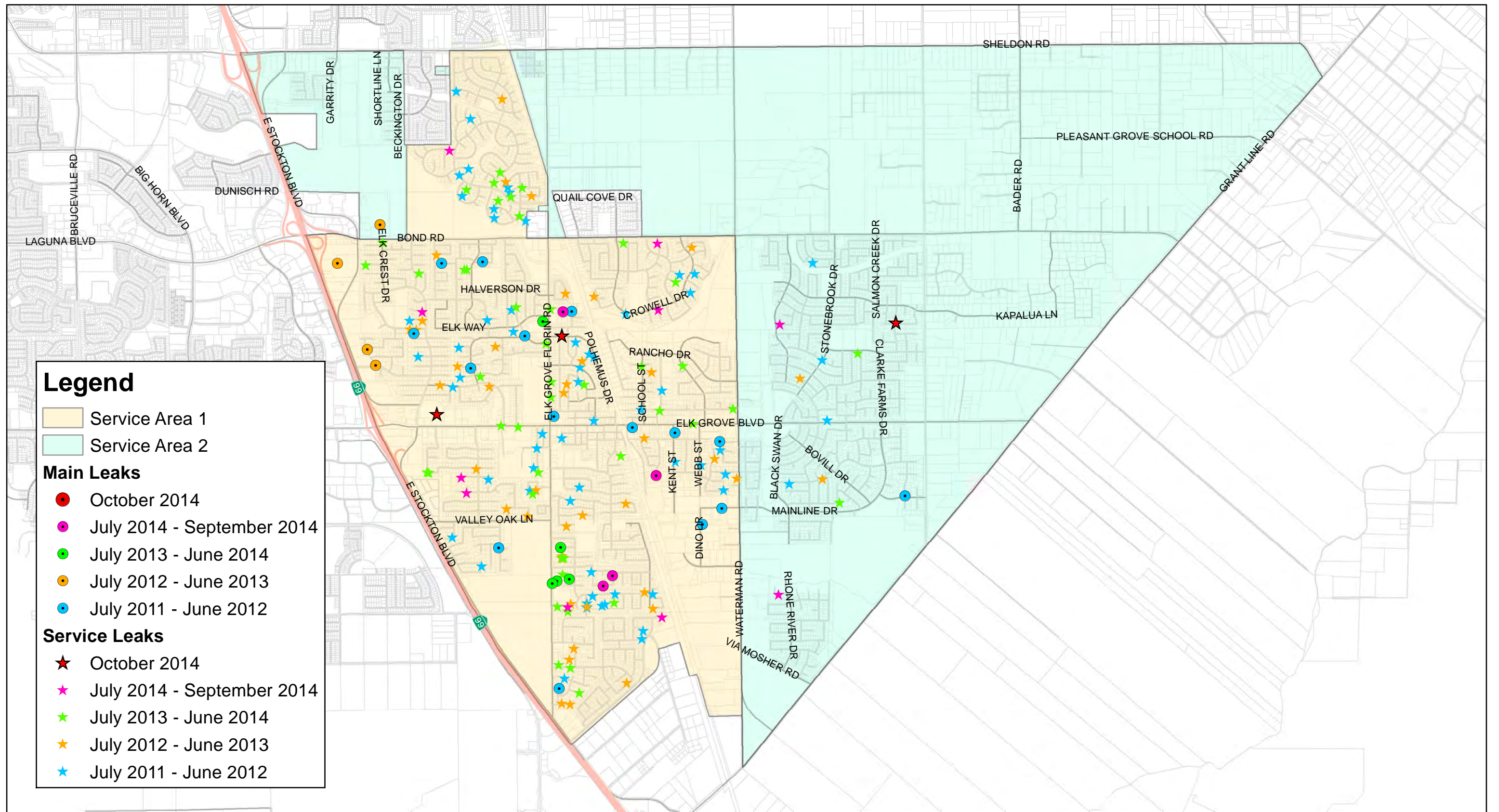
Bullheads Replaced in October 2014: 0
Bullheads Remaining: 603
Total Bullheads Replaced: 7



Elk Grove Water District

Bullhead Replacement

Projected Coordinate System: NAD 83 State Plane, California II, FIPS 0420
Source: City of Elk Grove, EGWD and Sacramento County GIS databases
Created by: Travis Franklin
Date: November 3, 2014



Legend

- Service Area 1
- Service Area 2

Main Leaks

- October 2014
- July 2014 - September 2014
- July 2013 - June 2014
- July 2012 - June 2013
- July 2011 - June 2012

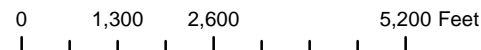
Service Leaks

- ★ October 2014
- ★ July 2014 - September 2014
- ★ July 2013 - June 2014
- ★ July 2012 - June 2013
- ★ July 2011 - June 2012

October 2014	
Main Line Leaks: 0	YTD: 4
Service Line Leaks: 3	YTD: 13
Total Leaks: 3	YTD: 17



EGWD Leaks

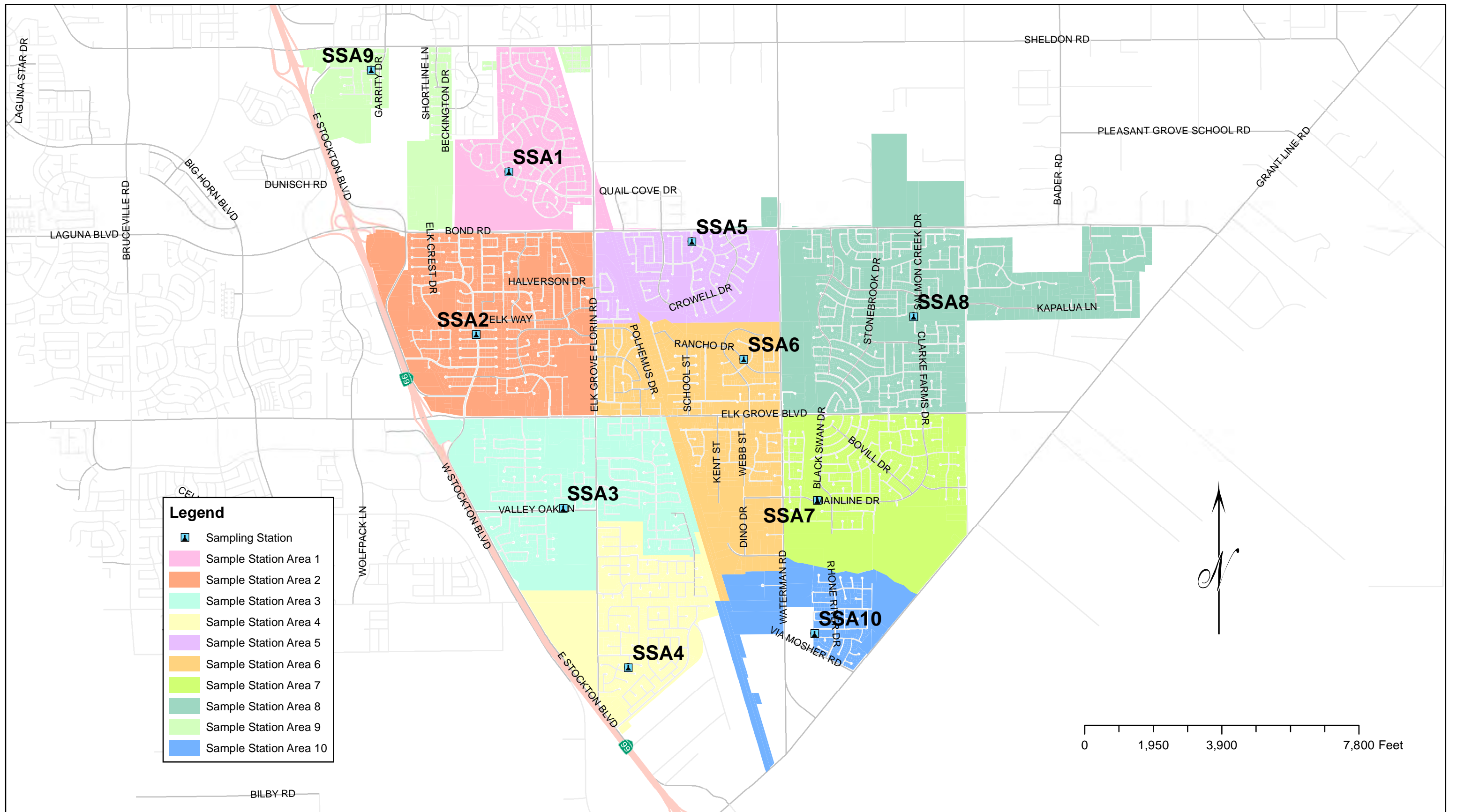


Elk Grove Water District

Service / Main Leaks

Created by: Travis Franklin

Date: November 5, 2014



Legend

- Sampling Station
- Sample Station Area 1
- Sample Station Area 2
- Sample Station Area 3
- Sample Station Area 4
- Sample Station Area 5
- Sample Station Area 6
- Sample Station Area 7
- Sample Station Area 8
- Sample Station Area 9
- Sample Station Area 10

0 1,950 3,900 7,800 Feet



Sample Stations: 10



Elk Grove Water District

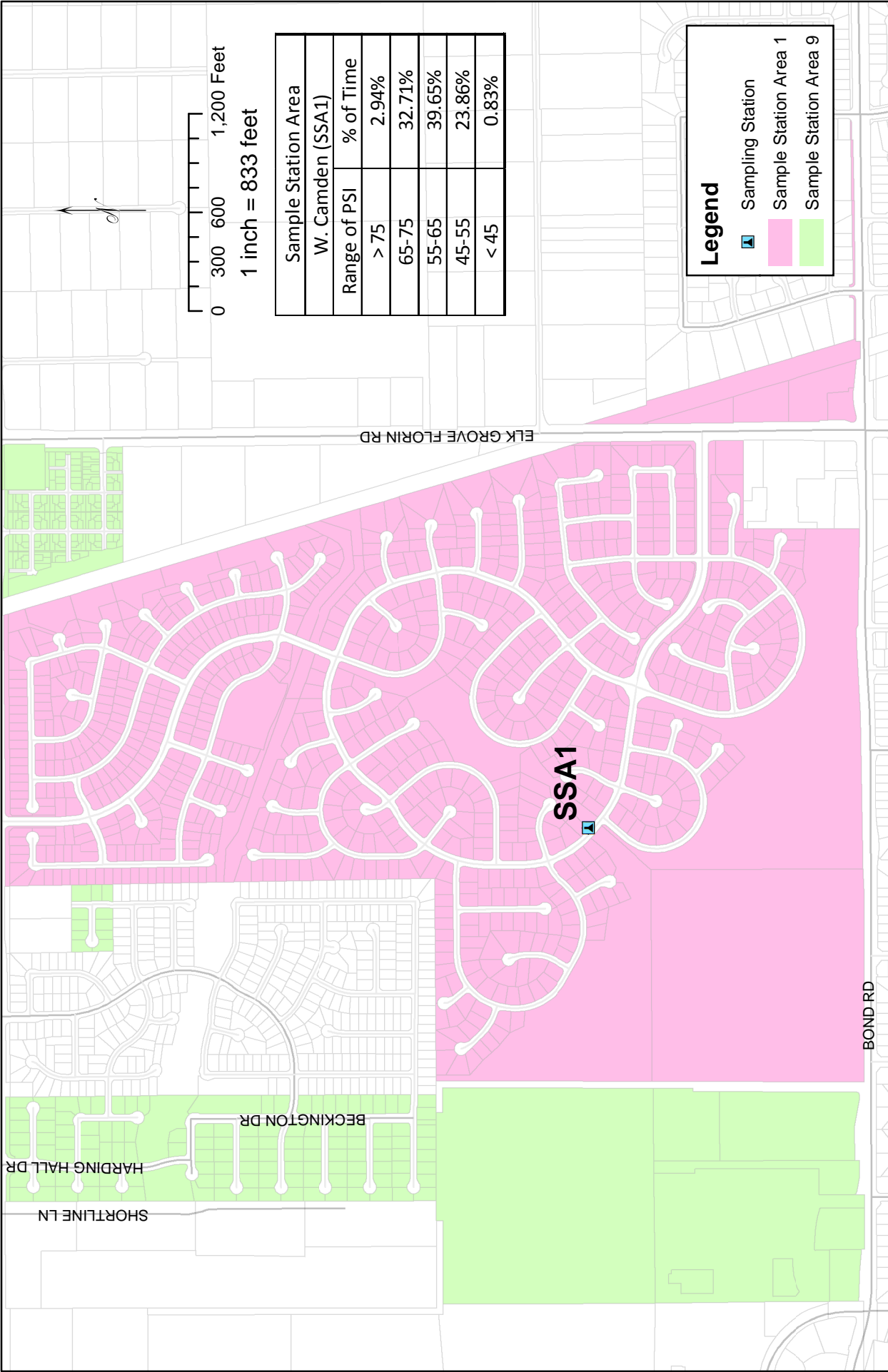
Sample Station Areas

Projected Coordinate System: NAD 83 State Plane CA II FIPS 0402

Source: EGWD GIS database




Modified by: Travis Franklin

November 5, 2014



Sample Station Area	
W. Camden (SSA1)	
Range of PSI	% of Time
> 75	2.94%
65-75	32.71%
55-65	39.65%
45-55	23.86%
< 45	0.83%

Legend

-  Sampling Station
-  Sample Station Area 1
-  Sample Station Area 9

Projected Coordinate System:
 NAD 83 State Plane CA II FIPS 0402
 Source:EGWD GIS database
 Created by: Travis Franklin
 November 5, 2014

Elk Grove Water District

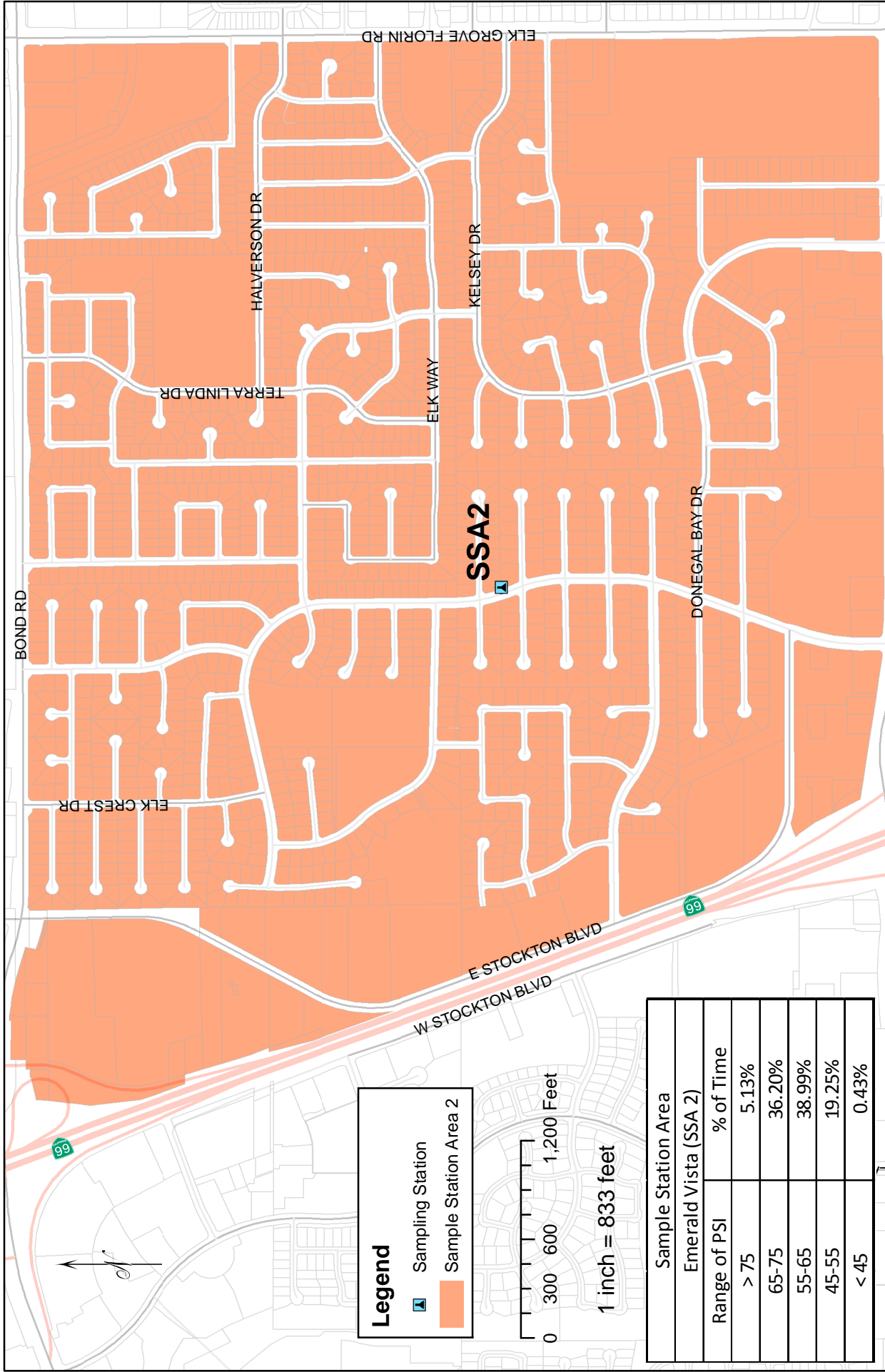
System Pressure Monitoring





Sample Station #1

Note: Sample Station takes a reading every 5 minutes.

October 2014



Legend

-  Sampling Station
-  Sample Station Area 2

0 300 600 1,200 Feet
 1 inch = 833 feet

Sample Station Area	% of Time
Emerald Vista (SSA 2)	
Range of PSI	
> 75	5.13%
65-75	36.20%
55-65	38.99%
45-55	19.25%
< 45	0.43%

Sample Station #2

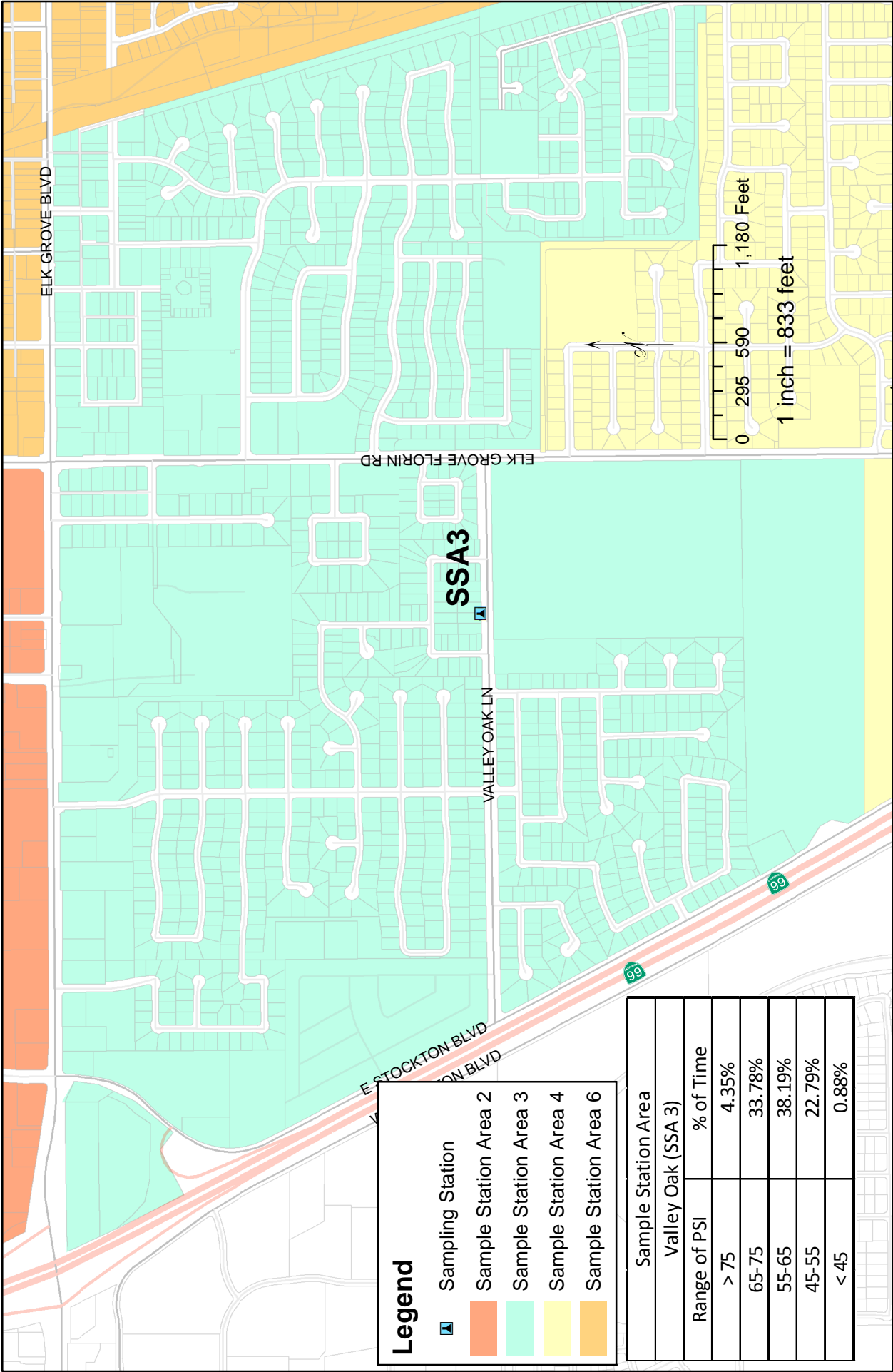
Note: Sample Station takes a reading every 5 minutes.

October 2014



Elk Grove Water District
System Pressure Monitoring

Projected Coordinate System:
 NAD 83 State Plane CA II FIPS 0402
 Source: EGWD GIS database
 Created by: Travis Franklin
 November 5, 2014



Legend

- Sampling Station
- Sample Station Area 2
- Sample Station Area 3
- Sample Station Area 4
- Sample Station Area 6

Sample Station Area	Valley Oak (SSA 3)
Range of PSI	% of Time
> 75	4.35%
65-75	33.78%
55-65	38.19%
45-55	22.79%
< 45	0.88%

Elk Grove Water District
 System Pressure Monitoring

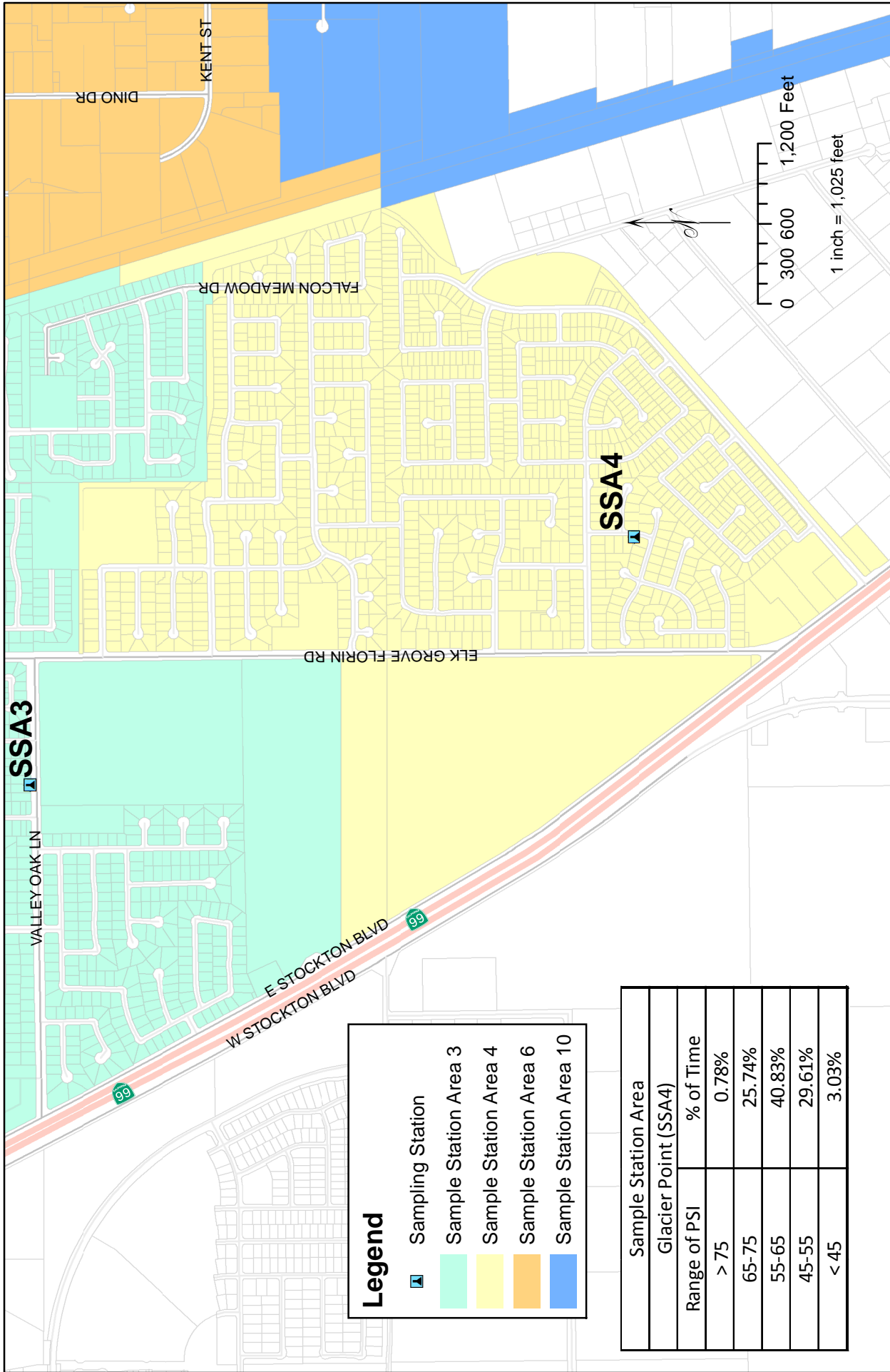


Projected Coordinate System:
 NAD 83 State Plane CA II FIPS 0402
 Source: EGWD GIS database
 Created by: Travis Franklin
 November 5, 2014






Sample Station #3

Note: Sample Station takes a reading every 5 minutes.

October 2014



Legend

-  Sampling Station
-  Sample Station Area 3
-  Sample Station Area 4
-  Sample Station Area 6
-  Sample Station Area 10

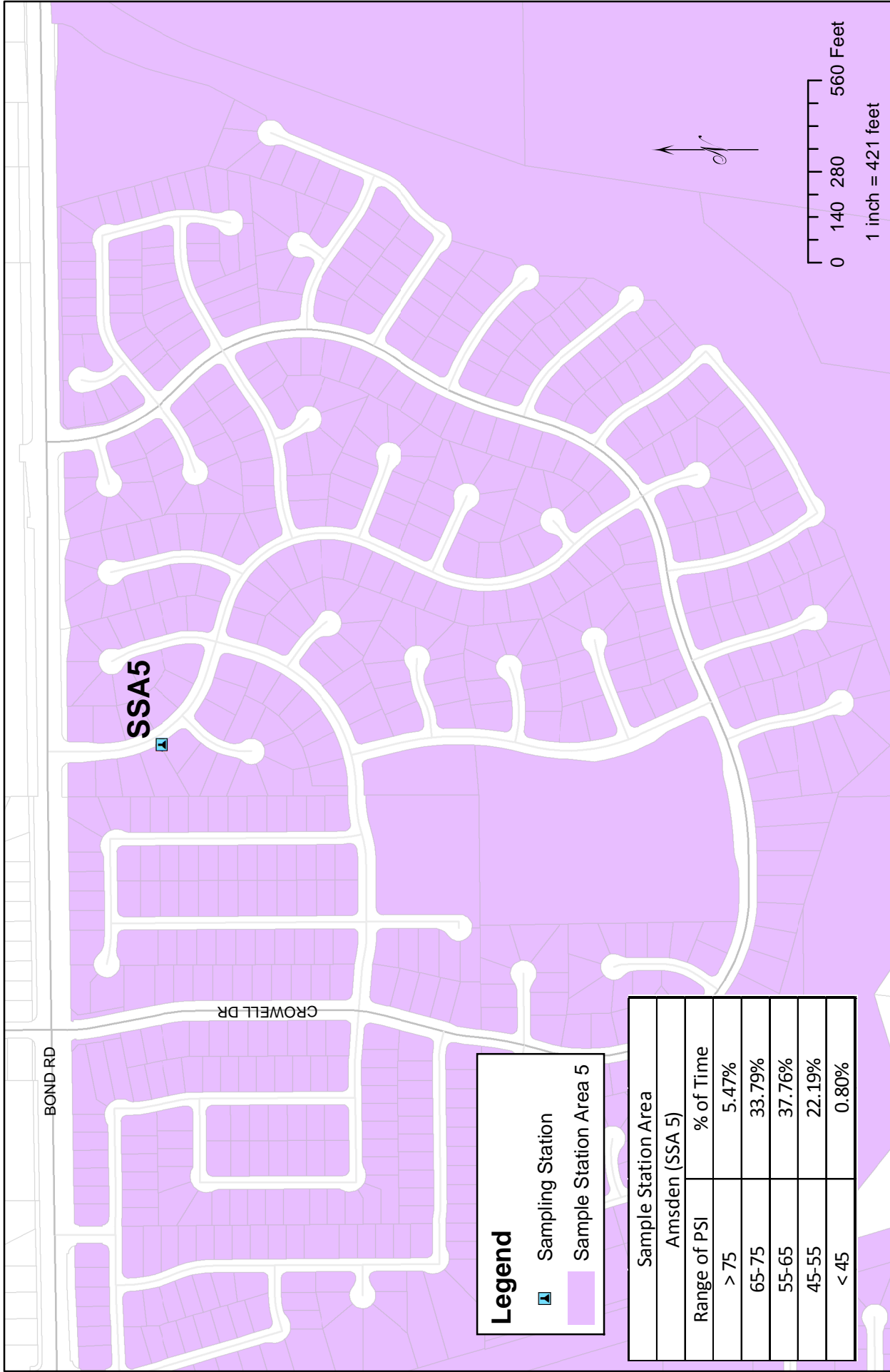
Sample Station Area	Glacier Point (SSA4)
Range of PSI	% of Time
> 75	0.78%
65-75	25.74%
55-65	40.83%
45-55	29.61%
< 45	3.03%



Elk Grove Water District
System Pressure Monitoring

Projected Coordinate System:
NAD 83 State Plane CA II FIPS 0402
Source: EGWD GIS database
Created by: Travis Franklin
November 5, 2014

Sample Station #4
Note: Sample Station takes a reading every 5 minutes.
October 2014



Legend

-  Sampling Station
-  Sample Station Area 5

Sample Station Area Amsden (SSA 5)	
Range of PSI	% of Time
> 75	5.47%
65-75	33.79%
55-65	37.76%
45-55	22.19%
< 45	0.80%

Sample Station #5

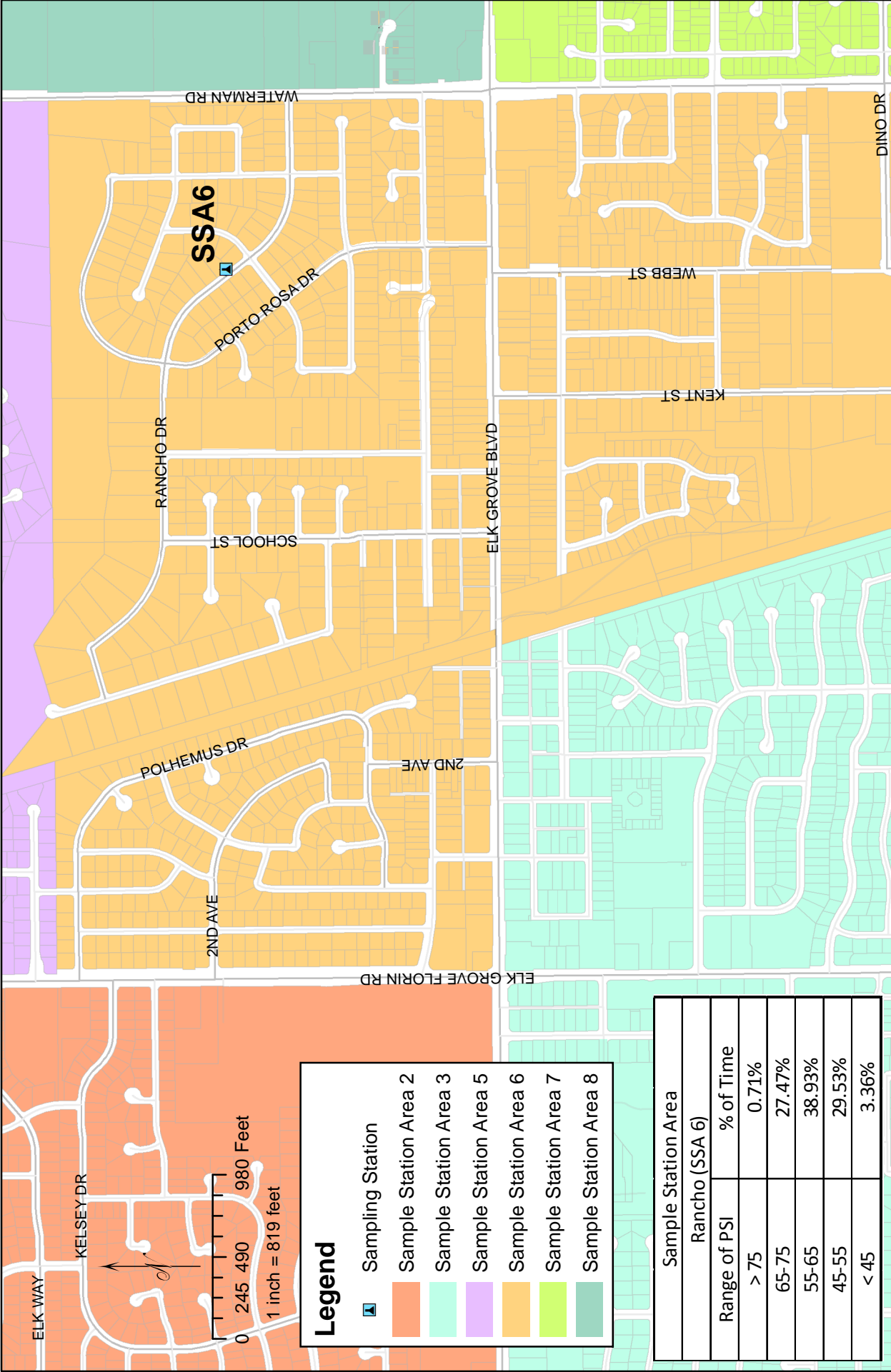
Notes: Sample Station takes a reading every 5 minutes.

October 2014



Elk Grove Water District
System Pressure Monitoring

Projected Coordinate System:
NAD 83 State Plane CA II FIPS 0402
Source: EGWD GIS database
Created by: Travis Franklin
November 5, 2014



Legend

- Sampling Station
- Sample Station Area 2
- Sample Station Area 3
- Sample Station Area 5
- Sample Station Area 6
- Sample Station Area 7
- Sample Station Area 8

Sample Station Area	
Rancho (SSA 6)	
Range of PSI	% of Time
> 75	0.71%
65-75	27.47%
55-65	38.93%
45-55	29.53%
< 45	3.36%

Sample Station #6

Note: Sample Station takes a reading every 5 minutes.

October 2014



Elk Grove Water District
System Pressure Monitoring

Projected Coordinate System:
NAD 83 State Plane CA II FIPS 0402
Source: EGWD GIS database
Created by: Travis Franklin
November 5, 2014



Legend

- Sampling Station
- Sample Station Area 6
- Sample Station Area 7
- Sample Station Area 8
- Sample Station Area 10

Sample Station Area	
Mainline (SSA 7)	
Range of PSI	% of Time
> 75	0.00%
65-75	0.25%
55-65	78.17%
45-55	21.54%
< 45	0.04%

Sample Station #7

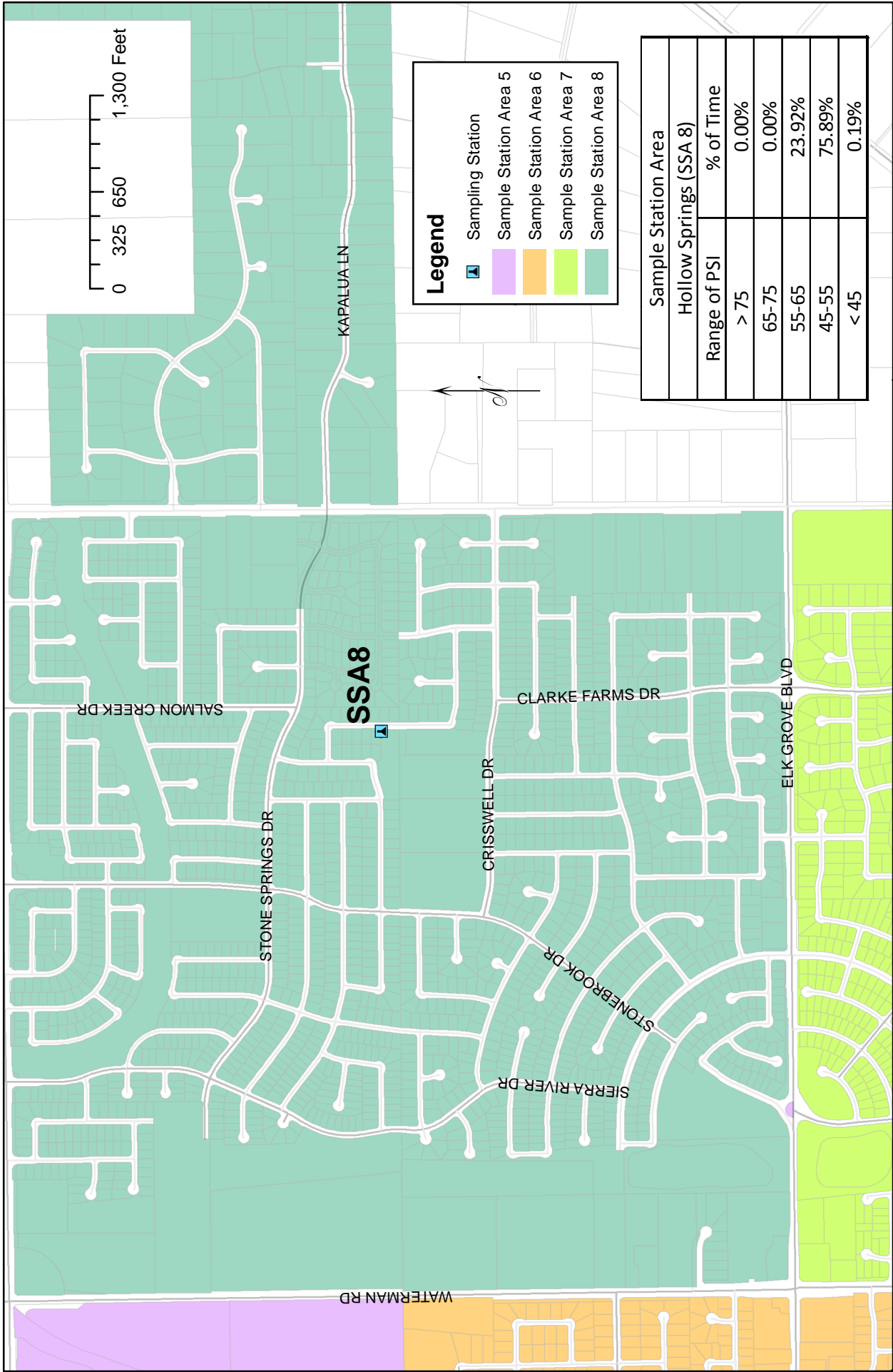
Note: Sample Station takes a reading every 5 minutes.

October 2014



Elk Grove Water District
System Pressure Monitoring

Projected Coordinate System:
NAD 83 State Plane CA II FIPS 0402
Source: EGWD GIS database
Created by: Travis Franklin
November 5, 2014



Legend

- Sampling Station
- Sample Station Area 5
- Sample Station Area 6
- Sample Station Area 7
- Sample Station Area 8

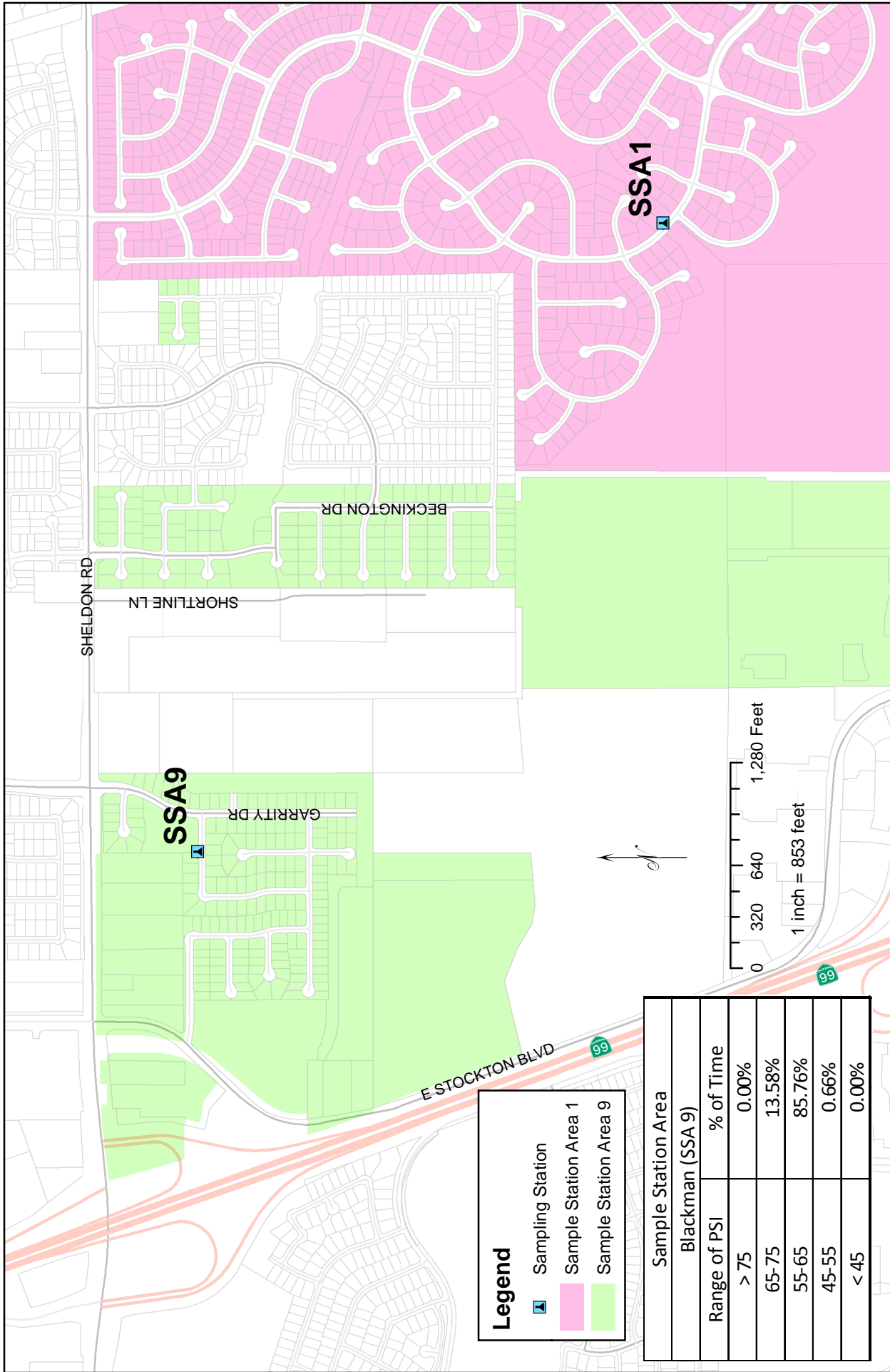
Sample Station Area	
Hollow Springs (SSA 8)	
Range of PSI	% of Time
> 75	0.00%
65-75	0.00%
55-65	23.92%
45-55	75.89%
< 45	0.19%

Projected Coordinate System:
 NAD 83 State Plane CA II FIPS 0402
 Source: EGWD GIS database
 Created by: Travis Franklin
 November 5, 2014

Elk Grove Water District
 System Pressure Monitoring



Sample Station #8
 Note: Sample Station takes a reading every 5 minutes.
 October 2014



Legend

- Sampling Station
- Sample Station Area 1
- Sample Station Area 9

Sample Station Area	Blackman (SSA 9)	Range of PSI	% of Time
		> 75	0.00%
		65-75	13.58%
		55-65	85.76%
		45-55	0.66%
		< 45	0.00%

Sample Station #9

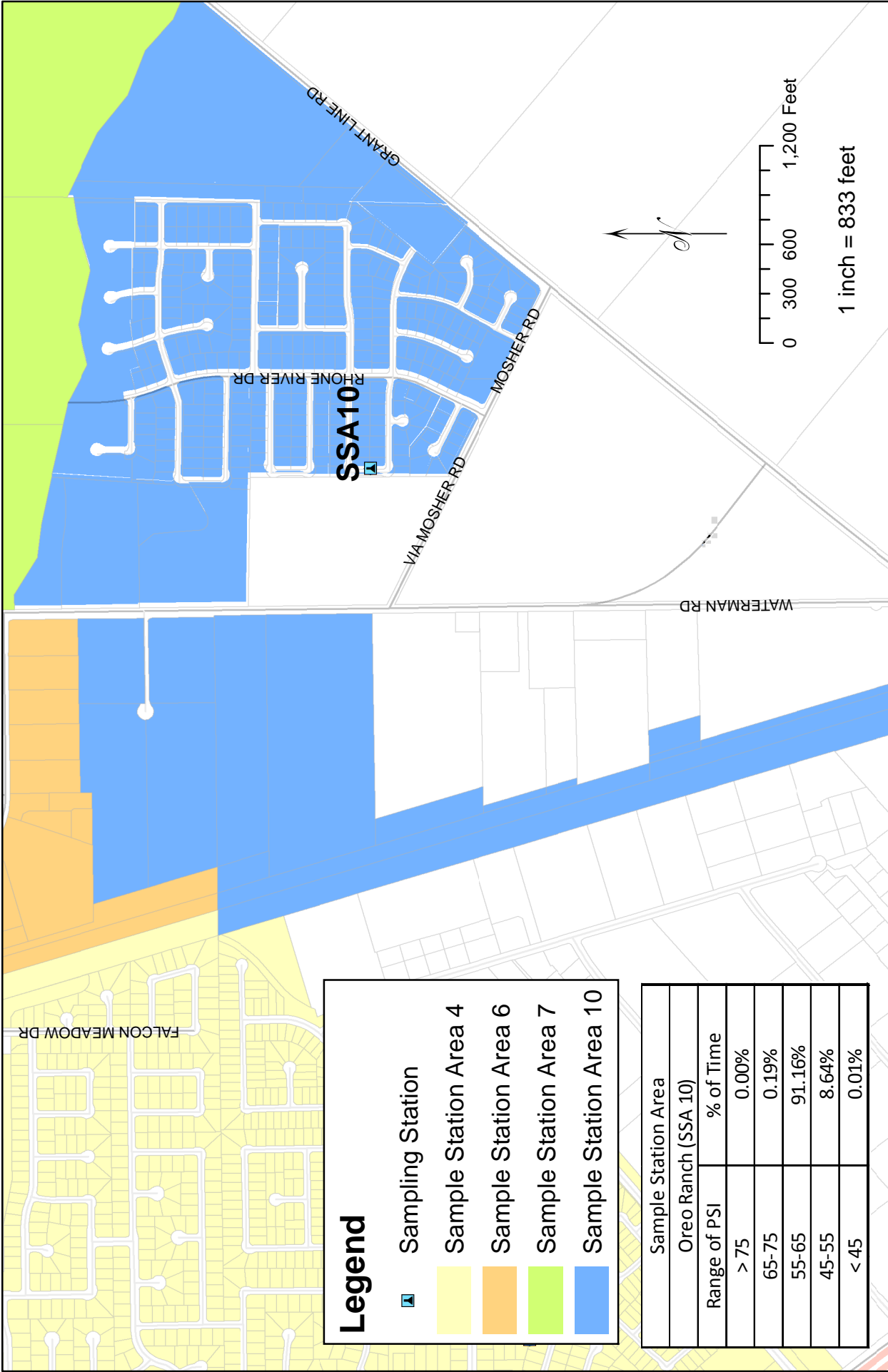
Note: Sample Station takes a reading every 5 minutes.

October 2014



Elk Grove Water District
System Pressure Monitoring

Projected coordinate system:
NAD 83 State Plane CA II FIPS 0402
Source: EGWD GIS database
Created by: Travis Franklin
November 5, 2014



Legend

- Sampling Station
- Sample Station Area 4
- Sample Station Area 6
- Sample Station Area 7
- Sample Station Area 10

Sample Station Area	
Oreo Ranch (SSA 10)	
Range of PSI	% of Time
> 75	0.00%
65-75	0.19%
55-65	91.16%
45-55	8.64%
< 45	0.01%

Sample Station #10

Note: Sample Station takes a reading every 5 minutes.

October 2014



Elk Grove Water District
System Pressure Monitoring

Projected Coordinate System:
NAD 83 State Plane CA II FIPS 0402

Source: EGWD GIS database

Created by: Travis Franklin
November 5, 2014

November 19, 2014

TO: Chairman and Directors of the Florin Resource Conservation District
FROM: Jim Malberg, Finance Manager/Treasurer
SUBJECT: **FISCAL YEAR 2013-2014 COMPREHENSIVE ANNUAL FINANCIAL
REPORT**

RECOMMENDATION

It is recommended that the Board approve a motion accepting the Fiscal Year 2013-2014 Comprehensive Annual Financial Report.

Summary

The Florin Resource Conservation District (FRCD) is required by State statute to publish a complete set of financial statements presented in conformity with generally accepted accounting principles and audited in accordance with generally accepted auditing standards. The audit must be conducted by a firm of licensed certified public accountants.

This action, if approved, will result in the Board's acceptance of the Comprehensive Annual Financial Report (CAFR) for the period ending June 30, 2014.

DISCUSSION

Background

The District annually provides the public a CAFR for the fiscal year ending on June 30th. The information presented in this annual report is intended to provide financial information with all the disclosures necessary to enable the District's customers, investment community and general public to assess the District's financial condition.

The audit was conducted by Richardson and Company. Their work included a field audit in June and a comprehensive audit in October.

FISCAL YEAR 2013-2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Page 2

Present Situation

In addition to the CAFR (Exhibit A) this staff report also includes a Management Letter (Exhibit B) and the Letter of Required Disclosures to the Governing Body, Statement of Auditing Standards (SAS) 114 (Exhibit C), from the auditors addressed to the Board of Directors.

The Management Letter discusses the District's internal control over the financial reporting and makes recommendations of controls that need to be strengthened. The SAS 114 Letter is a document which discusses amongst other matters, any significant findings.

The District's audit firm, Richardson and Company will be in attendance at the Board Meeting to talk about the audit and present the Management Letter, which discusses the District's internal controls and makes recommendations to management for consideration.

Strategic Plan Conformity

The recommendation made in this staff report conforms to the FRCD/EGWD's 2012-2017 Strategic Plan. The Strategic Plan directs EGWD to achieve financial stability in order to operate in an efficient manner as to provide our ratepayers with a safe and reliable source of water for their current and future needs.

FINANCIAL SUMMARY

The financial statements reflect a restatement of the June 30, 2013 financial statements related to the Building Fund long-term liabilities to record accreted interest on the 2003 Subordinate Lien Refunding Certificates of Participation, Office Building Series B Capital Appreciation Certificates. The restatement recorded a liability for the accreted interest and increased the interest expense by the related accretion for the year then ended. This amount was incorrectly reported as future interest payments in Note D to the June 30, 2013 financial statements.

The following are key financial highlights of the FY 2013-14 CAFR:

- Florin Resource Conservation District (General Fund)
 - Revenues \$ 5,517
 - Expenditures \$ 37,166
 - Assets \$ 143,278
 - Liabilities \$ 11,017

FISCAL YEAR 2013-2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Page 3

- | | |
|----------------|------------|
| ○ Fund Balance | \$ 132,261 |
| ○ Net Position | \$ 132,261 |
- Florin Resource Conservation District Economic Development Corporation

○ Revenues	\$ 1,121,400
○ Expenditures	\$ 1,641,329
○ Assets	\$ 8,791,427
○ Liabilities	\$12,927,735
○ Net Position	\$(4,136,308)
 - Elk Grove Water District

○ Revenues	\$13,475,686
○ Expenditures	\$12,434,430
○ Assets	\$56,842,597
○ Liabilities	\$54,568,167
○ Net Position	\$ 2,274,430
 - Capital Assets (net of depreciation)

○ Land	\$ 1,243,882
○ Construction in Progress	\$ 838,339
○ Buildings/Improvements/Infra.	<u>\$46,766,689</u>
○ Total Net Capital Assets	<u>\$48,848,910</u>
 - The District's total assets decreased by \$1.0 million during fiscal 2014 and increased by \$0.5 and \$2.0 million in 2013 and 2012, respectively. This was due to the changes in net assets as described below. Total liabilities decreased by \$1.8, \$2.3 and \$1.2 million during fiscals 2014, 2013 and 2012 respectively, due to payments on existing debt and the restatement to record accreted interest on the 2003 Subordinate Lien Refunding Certificates. The net results of this activity are increases in net position of \$0.7, \$2.3 and \$2.6 million in 2014, 2013 and 2012, respectively.
 - Operating revenue of \$14.6, \$15.6 and \$15.8 million in 2014, 2013 and 2012 respectively, and operating expenses of \$10.0, \$9.6 and \$9.8 million in 2014, 2013 and 2012 respectively, after depreciation resulted in net income from operations of \$4.5, \$6.0 and \$6.0 million in enterprise funds in 2014, 2013 and 2012 respectively. Net non-operating expenses of \$4.0, \$3.7 and \$3.4 million in business-type activities in 2014, 2013 and 2012 respectively, is the result of \$3.5, \$3.8 and \$3.7 million in interest expense for 2014, 2013 and 2012 respectively and \$0.6 million in 2014 from losses on capital asset disposals, offset by non-operating revenue of approximately \$40,000, \$73,000 and \$299,000 in 2014, 2013 and 2012 respectively.

FISCAL YEAR 2013-2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Page 4

- Capital assets decreased by \$0.8 million during fiscal 2014 and increase by \$0.1 and \$0.4 million in 2013 and 2012 respectively. The District added approximately \$1.7 million in infrastructure, improvements and equipment during 2014, and also disposed of infrastructure assets with a carrying value of \$0.6 million. Annual depreciation for 2014 was approximately \$2.4 million. During 2013 capital assets increased by \$0.1 million. This was the result of approximately \$2.1 million in infrastructure, equipment and improvement assets being added, off-set by \$2.0 million in depreciation expense. Also at the end of fiscal 2013, \$7.9 million in infrastructure, improvement, and equipment assets previously classified as “in-progress” were placed into service.
- Restricted cash and investments decreased by \$0.1, \$0.7 and \$0.1 million in 2014, 2013 and 2012 respectively. The decrease in 2014 was a result of activities in the District’s Office Building fund, while the decreases in 2013 and 2012 were a result of expenses made to improve the water system.
- Restricted net position were \$2.1, \$2.2 and \$2.4 million at June 30, 2014, 2013 and 2012 respectively, of which \$1.9, \$1.8 and \$2.0 million were restricted for debt service. In addition, \$0.2, \$0.4 and \$0.4 million in 2014, 2013 and 2012 respectively, were restricted for Building Fund administration, operating and maintenance expenses each year.
- The District had positive cash flow from enterprise fund operations of \$8.0, \$7.1 and \$7.8 million in 2014, 2013 and 2012, respectively. The District spent \$2.2, \$2.1 and \$2.4 million in 2014, 2013 and 2012 respectively, on the acquisition of capital assets and \$5.6, \$5.1 and \$5.0 million in 2014, 2013 and 2012 respectively, on debt principle and interest payments. For 2014, 2013 and 2012, the District experienced increases of \$0.4, \$0.3 and \$0.6 million in its ending cash balances of \$14.2, \$13.8 and \$13.5 million, respectively at June 30, 2014, 2013 and 2012, respectively
- As shown in the CAFR the District has \$12,637,163 in Unrestricted Reserves which includes the following designated reserves:

○ Operations Reserves (120 days)	\$4,820,410
○ FY 2013/14 Capital Improvement Fund	\$1,799,000
○ FY 2013/14 Capital Replacement Fund	\$ 441,000
○ Elections and Special Studies	\$ 120,000
○ Future Capital Improvements	\$4,092,565
○ Future Capital Replacements	\$1,364,188

FISCAL YEAR 2013-2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Page 5

The Unrestricted Reserves include reserves designated for a specific purpose such as the Other Post Employment Benefit (OPEB) trust fund. The following is an analysis to reflect how much of the Unrestricted Reserves are truly available for projects and cash funded reserves:

Cash and Cash Equivalents	\$ 12,042,857
Customer Accounts Receivable	1,987,395
Other Receivables	28,000
Interest Receivable	1,559
Bond Funds - Capital Projects	1,321
Accounts Payable	(560,287)
Due to Other Governments (Sacramento County Water)	(511,994)
Due to FRCD	15,077
Developer Deposits	(4,124)
Total Available Unrestricted Reserves	<u>\$ 12,999,804</u>

When applying this analysis to the reserves EGWD has \$12,999,804 in available Unrestricted Reserves and is applied to the designated reserves as follows:

○ Operations Reserves (120 days)	\$4,820,410
○ FY 2013/14 Capital Improvement Fund	\$1,799,000
○ FY 2013/14 Capital Replacement Fund	\$ 441,000
○ Elections and Special Studies	\$ 120,000
○ Future Capital Improvements	\$4,364,546
○ Future Capital Replacements	\$1,454,848

Respectfully submitted,

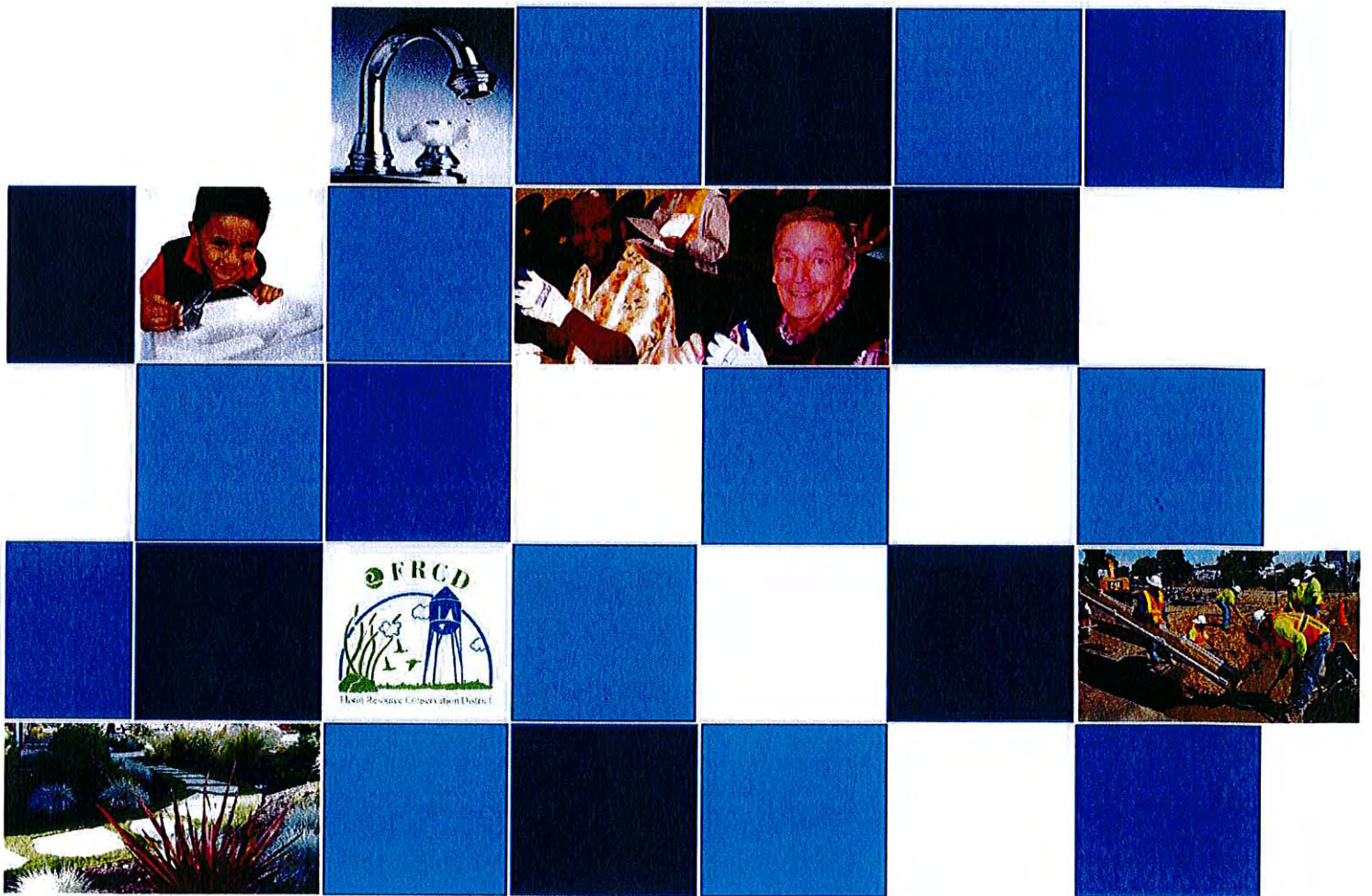


JIM MALBERG
FINANCE MANAGER/TREASURER

JM:mjm

Attachments: FY 2013-2014 CAFR (Exhibit A)
Auditor's Management Letter (Exhibit B)
SAS 114 Letter (Exhibit C)
Reserve Fund Spreadsheet (Exhibit D)

Florin Resource Conservation District
Comprehensive Annual Financial Report
For the Years ended June 30, 2014 and 2013



Elk Grove, California



FLORIN RESOURCE CONSERVATION DISTRICT

Comprehensive Annual Financial Report

For the Fiscal Years Ended

June 30, 2014 and 2013

Prepared by the Finance Department
9257 Elk Grove Boulevard
Elk Grove, California 95624, (916) 685-3556, www.egws.org

(This page intentionally left blank.)

FLORIN RESOURCE CONSERVATION DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

June 30, 2014 and 2013

TABLE OF CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal..... i
 List of Officials..... vi
 Organizational Chart..... vii
 GFOA Award of Financial Reporting Achievement viii

FINANCIAL SECTION

Independent Auditor’s Report 1
 Management’s Discussion and Analysis 3
 Basic Financial Statements:
 Government-wide Financial Statements:
 Statements of Net Position 13
 Statement of Activities – For the Year Ended June 30, 2014 14
 Statement of Activities – For the Year Ended June 30, 2013 15
 Fund Financial Statements:
 Balance Sheets – Governmental Fund..... 16
 Statements of Revenues, Expenditures and Changes in Fund Balance –
 Governmental Fund..... 17
 Statements of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual – General Fund 18
 Statements of Net Position – Proprietary Funds..... 19
 Statements of Revenues, Expenses and Changes in Net Position – Proprietary Funds 20
 Statements of Cash Flows – Proprietary Funds 21
 Notes to the Basic Financial Statements 23
 Required Supplementary Information
 Schedule of Funding Progress of the Other Postemployment Benefits Plan (Unaudited) 45

STATISTICAL SECTION

Table of Contents – Statistical Section 46
 Net Position by Component 48
 Changes in Net Position 49
 Fund Balances of Governmental Funds 50
 Changes in Fund Balances of Governmental Funds 51
 Revenues by Source 52
 Operating Expenses 53
 Elk Grove Water District Rate Analysis 54
 Water Sales by Type 60
 Sales - Metered vs Flat Rate 60
 Metered Water Sold 61
 Metered Water Consumption - CCFs 61
 Historical Service Connections 61
 Five Largest Commercial Customers - Current Year and Four Years Ago 62
 Ratio of Debt Service to Operating Expenses – Proprietary Funds 63
 Ratio of Outstanding Debt by Type – Proprietary Funds 64
 Bond Covenant Ratio Analysis – Water District Fund 65
 Pledged-Revenue Coverage – Water District Fund 66
 Demographic and Economic Information 68
 Operating Indicators for the Water District Fund 70
 Capital Assets Statistics by Function 71

(This page intentionally left blank.)



November 12, 2014

Members of the Board of Directors
Florin Resource Conservation District

Directors:

The Florin Resource Conservation District is required by State statute to publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we are pleased to present the Comprehensive Annual Financial Report for the Florin Resource Conservation District (District) for the fiscal year ended June 30, 2014. The information presented in this annual report is intended to provide financial information with all the disclosures necessary to enable the District's customers, investment community and general public to assess the District's financial condition.

This report contains management's representations concerning the finances of the District. Management is responsible for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed to both protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Richardson & Company, a firm of licensed certified public accountants with which the District contracts for these services. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2014, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the fiscal year ended June 30, 2014, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This transmittal letter is designed to complement the MD&A and is intended to be read in conjunction with it. The District's MD&A can be located immediately following the independent auditors' report.

The Comprehensive Annual Financial Report is organized into Introductory, Financial, and Statistical sections. The Introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The Financial section includes: Independent Auditor's Report on the District's financial statements; MD&A; June 30, 2014 basic financial statements, including the statement of net position, statements of revenues, expenses and changes in net position, statements of cash flows and notes to the basic financial statements and required supplementary information. The statistical section is the chief source of information regarding the District's economic condition. The financial statements are prepared in accordance with GAAP.

DISTRICT PROFILE

History

The Florin Resource Conservation District (FRCD) was formed in 1953, pursuant to Section 9000 et seq. of the Public Resources Code of the State of California. The District, which is located approximately six miles southeast of the City of Sacramento in the west central portion of unincorporated Sacramento County, was formed to address soil degradation issues resulting from poor irrigation and drainage. There currently are approximately 100,000 acres within the District. The FRCD also provides technical assistance and conservation education to farmers, community members and students. In addition, the FRCD participates in a number of regional environmental activities.

The Elk Grove Water District (EGWD) is a medium sized water purveyor near Sacramento, California, serving a population of approximately 36,000 persons. Water system operations date back to 1893 when the water service was started by a private interest. The water system was purchased by the FRCD in 1999, and is operated as a department of FRCD. The EGWD service area is divided into two distinct service areas commonly referred to as Service Area 1 and Service Area 2.

Source water for Service Area 1 is provided by four (4) deep wells and three (3) older shallow wells owned and operated by EGWD. Source water for Service Area 2 is provided by the Sacramento County Water Agency (SCWA), a wholesaler of surface and groundwater. SCWA owns and operates a water treatment plant, groundwater wells, storage tanks, groundwater treatment facilities, and water conveyance systems. Water is not shared between the two service areas except in an emergency.

The FRCD is governed by a five member Board of Directors serving four year staggered terms, and has used the Florin Resource Conservation District Economic Development Corporation (the Corporation) to facilitate debt issuances. As required by GAAP, the Corporation is reported in these financial statements on a blended basis included with the Enterprise Funds as the Corporation does not issue separate financial statements. More information on the Corporation may be found in Note A to the basic financial statements.

Accounting System and Budgetary Controls

The FRCD's accounting records are maintained using the accrual basis of accounting, except for the General Fund, which uses the modified accrual basis. The revenues of the District's enterprise funds are recognized when they are earned and the expenses are recognized when they are incurred.

The EGWD staff works with the Finance Department to develop the annual budget. The Finance Department first provides a copy of the proposed budget to the Finance Committee, making any necessary adjustments arising from that review. Then the Finance Manager presents the proposed budget to the Board of Directors for their review. The budget is required to be adopted on or before June 30th of each year. The budget is used as a management tool for projecting and measuring revenues and expenses.

Mission Statement

The Elk Grove Water District is "Continually committed to outstanding customer service along with supplying its customers with excellent, safe, affordable water for current and future generations."

Water Supply

Source Water – There are currently seven wells that supply groundwater to Service Area 1. The deep aquifer has concentrations of iron and manganese that exceed current federal and state secondary drinking water standards. The deep wells are designed to produce approximately 1,800 gpm each and are conveyed through a small network of raw water mains to the Railroad Water Treatment and Storage Facility to be treated for iron and manganese.

Additional source water is provided from older shallow groundwater wells for emergency or backup water supply. The aquifer for these shallow wells has concentrations of iron, manganese and arsenic that may exceed current federal and state primary and secondary drinking water standards. The three shallow wells are disinfected with 12% liquid chlorine (sodium hypochlorite) prior to being pumped directly in to the water distribution system. These shallow wells are used as needed. All of the wells are in periodic production.

Water Treatment

The Elk Grove Water District maintains two water treatment facilities:

The Railroad Water Treatment and Storage Facility provides 4.0 million gallons of water storage, 10 booster pumps (rated at 1,500 gpm capacity each), and water treatment that removes iron, manganese and arsenic. The facility contains one of the four deep wells on-site. The facility has been equipped with a backup power supply generator to run the entire facility in the event of a power failure or emergency. All source water for the treatment facility is groundwater from the four new deep wells. The Railroad Water Treatment and Storage Facility provide most of the water for Service Area 1.

High concentration (12%) sodium hypochlorite is used to oxidize and remove the contaminants. Upgrades and improvements to the plant are ongoing to ensure efficiency and productivity to meet the required

required demands of its customers and Federal and State regulatory requirements. Chemicals at the plant are stored outside in a locked gated area.

Current Situation

The current and future stability of the EGWD is positive with the existing revenue source remaining stable. Revenues are received entirely through water rates. EGWD provides water to nearly 12,200 service connections currently and growth projections suggest that the service connections should remain relatively the same in 2015.

On June 26, 2013, the Board of Directors approved a 5-year financial plan and water rates ordinance. The first rate increases occurred on January 1, 2014. The Plan automatically increases water rates on January 1st of each of the following 4 years. This makes the water rates known through December 31, 2018.

Local Economy

The local economy seems to be improving slightly and the number of connections has remained relatively stable. Although the service connections remain stable, the volume of water sold has been affected but has slightly increased in the fiscal year ended June 30, 2014.

Elk Grove Water District Five Year Water Rate Study

On January 25, 2012, the Board authorized Staff to hire Willdan Financial Services (Willdan) to develop a five year water rate study (Study) for the EGWD to cover the period of FY 2013-14 through FY 2017-18. EGWD assembled a Community Advisory Committee (CAC) to provide input to the Board, Staff and Willdan in the development of the five year plan. The Plan's objectives were as follows:

- Maintain appropriate levels for reserve funds
- Maintain appropriate levels of funding for operational requirements
- Generate the appropriate level of funding necessary to fund the FY 2013-14 Five Year Capital Improvement Program
- Update the current Meter Connection Fee and Capacity Charges for new development

The Plan will act as a guide for future needs and be flexible to adjust as needed.

Long-Term Financial Planning

The five year financial plan was completed and presented to the Board on April 24, 2013 for approval. After the 45 day noticing period for the Proposition 218 process, the Board held a Public Hearing on June 26, 2013 and adopted a new water rate structure. The new rate structure provides an opportunity to improve water service for existing and future ratepayers. Financial stability is a high priority for the Board.

The adopted rate structure calls for water rate adjustments designed to yield the following revenue increases:

- January 2014 – 3%
- January 2015 – 3%
- January 2016 – 3%
- January 2017 – 4%
- January 2018 – 5%

On June 26, 2013, the Board approved a five year Capital Improvement Program (CIP) of approximately \$10.7 million to develop a plan to build and replace the necessary infrastructure for the safe operation of the EGWD. The CIP is available on the District's website www.egwd.org.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Florin Resource Conservation District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2013. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized CAFR that satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for the certificate for another certificate.

The preparation of the comprehensive annual financial report was made possible by the dedicated services of the entire staff of the Finance Department and the Elk Grove Water District Management team.

Respectfully Submitted,



Jim Malberg
Finance Manager/Treasurer

**FLORIN RESOURCE CONSERVATION DISTRICT
LIST OF OFFICIALS
JUNE 30, 2014**

BOARD OF DIRECTORS:

Barrie Lighfoot <i>Chairman</i>	Chuck Dawson <i>Vice-Chairman</i>	Elliot Mulberg <i>Director</i>	Tom Nelson <i>Director</i>	Donald Menasco <i>Director</i>
------------------------------------	--------------------------------------	-----------------------------------	-------------------------------	-----------------------------------

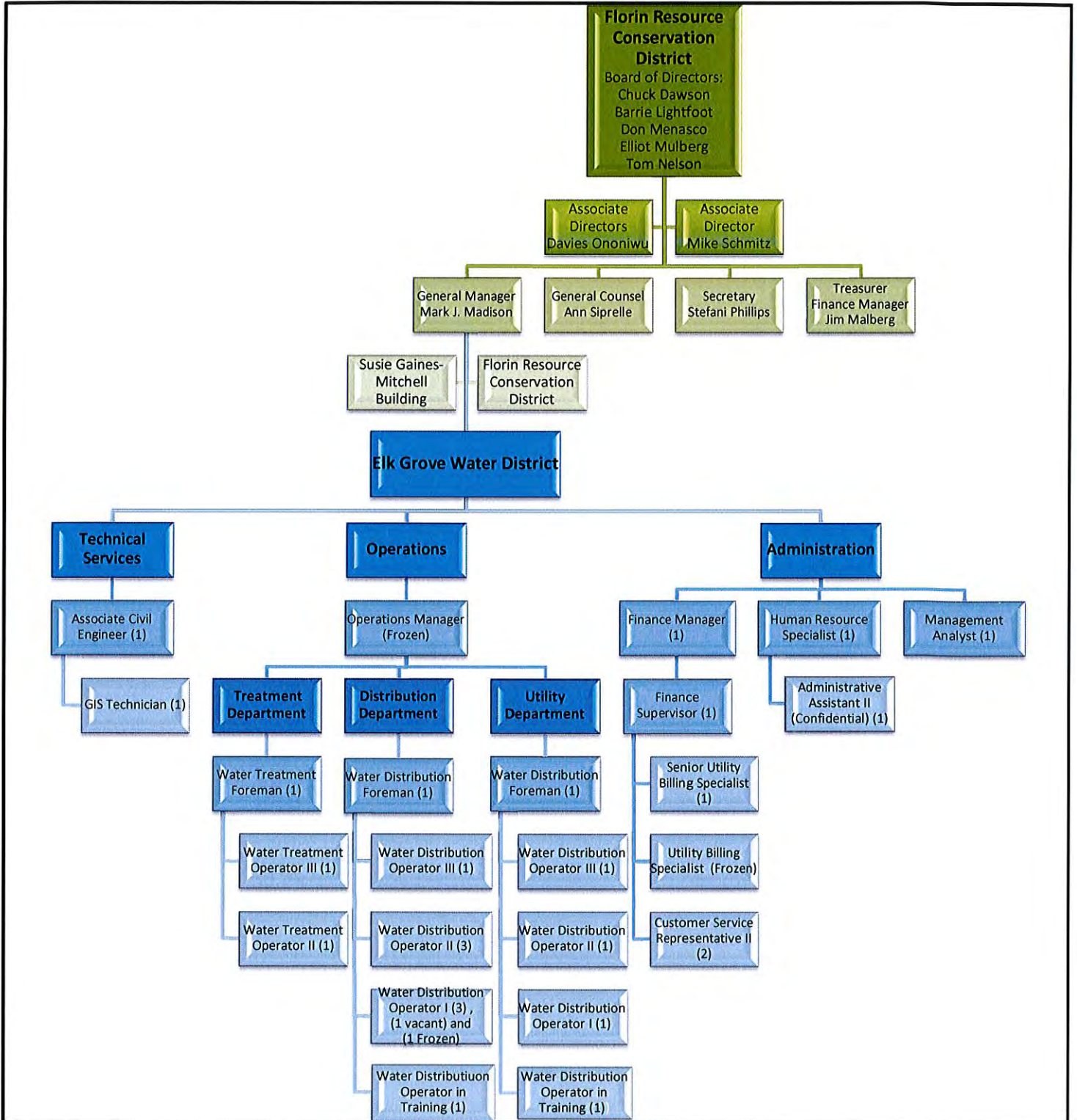
Staff:

Mark J. Madison
General Manager

Jim Malberg
Treasurer/ Finance Manager

Stefani Phillips
Secretary/HR Specialist

Florin Resource Conservation District Organization Chart June 30, 2014





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Florin Resource Conversation
District, California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

Richardson & Company, LLP

550 Howe Avenue, Suite 210
Sacramento, California 95825

Telephone: (916) 564-8727
FAX: (916) 564-8728

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Florin Resource Conservation District
Elk Grove, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Florin Resource Conservation District (the District), as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Florin Resource Conservation District as of June 30, 2014 and 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparisons for the General Fund for the years then ended

in accordance with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's and state regulations governing special districts.

Correction of Error

As discussed in Note J to the basic financial statements, the District corrected an error in the Business-type activities and Office Building Fund that understated liabilities and overstated net position as of July 1, 2012. Business-type activities and Office Building Fund liabilities increased and net position decreased by \$1,366,119 as of July 1, 2012 due to the correction of this error. Our opinion is not modified with respect to this matter.

Emphasis of Matters

As discussed in Note I to the financial statements, the District believes the Building Fund revenues are not sufficient to make scheduled debt service payments and the District filed a Notice of Listed Event on the related debt. In addition, as discussed in Note I to the basic financial statements, the District was unable to locate certain accounting records supporting the valuation and recording of the Elk Grove Water Work's assets and records supporting proceeds, discounts and issuance costs of debt issued in 1998 and 1999. The District's management has represented to us that they have no reason to believe the amounts recorded need to be adjusted. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of funding progress of the other postemployment benefits plan, as listed in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory and statistical sections listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Richardson & Company, LLP

November 12, 2014

FLORIN RESOURCE CONSERVATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2014, 2013 AND 2012

The following narrative overview and analysis of the financial activities of the Florin Resource Conservation District (District) for the fiscal year ended June 30, 2014 has been prepared by management to enhance the information provided in the transmittal letter. It is intended to be read in conjunction with that letter and should provide a better understanding of the District's financial operations and performance.

FINANCIAL HIGHLIGHTS

- The District's total assets decreased by \$1.0 million during fiscal 2014 and increased by \$0.5 and \$2.0 million in 2013 and 2012, respectively. This was due to the changes in net position as described below. Total liabilities decreased by \$1.8, \$2.1 and \$1.2 million during fiscals 2014, 2013 and 2012 respectively, due to payments on existing debt and the restatement to record accreted interest on the 2003 Subordinate Lien Refunding Certificates. The net results of this activity are increases in net position of \$0.7, \$2.3 and \$2.6 million in 2014, 2013 and 2012, respectively.
- The District experienced decreases in its deferred outflows of resources, which are deferred amounts on refunding of debt agreements, of \$0.1, \$0.3 and \$0.4 million in 2014, 2013 and 2012, respectively, due to normal amortization. The District has ending balances of deferred outflows of resources of zero, \$0.1 and \$0.4 in 2014, 2013 and 2012, respectively.
- Operating revenue of \$14.6, \$15.6 and \$15.8 million in 2014, 2013 and 2012 respectively, and operating expenses of \$10.0, \$9.6 and \$9.8 million in 2014, 2013 and 2012 respectively, after depreciation resulted in net income from operations of \$4.6, \$6.0 and \$6.0 million in enterprise funds in 2014, 2013 and 2012 respectively. Net non-operating expenses of \$4.0, \$3.7 and \$3.4 million in business-type activities in 2014, 2013 and 2012 respectively, is the result of \$3.5, \$3.8 and \$3.7 million in interest expense for 2014, 2013 and 2012 respectively and \$0.6 million in 2014 from losses on capital asset disposals, offset by non-operating revenue of approximately \$40,000, \$73,000 and \$299,000 in 2014, 2013 and 2012 respectively.
- Capital assets decreased by \$0.8 million during fiscal 2014 and increased by \$0.1 and \$0.4 million in 2013 and 2012 respectively. The District added approximately \$1.7 million in infrastructure, improvements and equipment during 2014, and also disposed of infrastructure assets with a carrying value of \$0.6 million. Annual depreciation for 2014 was approximately \$2.4 million. During 2013 capital assets increased by \$0.1 million. This was the result of approximately \$2.1 million in infrastructure, equipment and improvement assets being added, offset by \$2.0 million in depreciation expense. Also at the end of fiscal 2013, \$7.9 million in infrastructure, improvement, and equipment assets previously classified as "in-progress" were placed into service.
- Restricted cash and investments decreased by \$0.1, \$0.7 and \$0.1 million in 2014, 2013 and 2012 respectively. The decrease in 2014 was a result of activities in the District's Office Building fund, while the decreases in 2013 and 2012 were a result of expenses made to improve the water system.
- Unrestricted net position was \$9.9, \$10.8 and \$10.1 million at June 30, 2014, 2013 and 2012 respectively. Restricted net position was \$2.1, \$2.2 and \$2.4 million at June 30, 2014, 2013 and 2012 respectively, of which \$1.9, \$1.8 and \$2.0 million was restricted for debt service. In addition, \$0.2, \$0.4 and \$0.4 million in 2014, 2013 and 2012 respectively, was restricted for Building Fund administration, operating and maintenance expenses each year.

FLORIN RESOURCE CONSERVATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2014, 2013 AND 2012

The District had positive cash flow from enterprise fund operations of \$8.0, \$7.1 and \$7.8 million in 2014, 2013 and 2012, respectively. The District spent \$2.2, \$2.1 and \$2.4 million in 2014, 2013 and 2012 respectively, on the acquisition of capital assets and \$5.6, \$5.1 and \$5.0 million in 2014, 2013 and 2012 respectively, on debt principle and interest payments. For 2014, 2013 and 2012, the District experienced increases of \$0.4, \$0.3 and \$0.6 million in its ending cash balances of \$14.2, \$13.8 and \$13.5 million, respectively at June 30, 2014, 2013 and 2012, respectively.

SECTIONS OF THE FINANCIAL STATEMENTS

The three sections of the District's financial statements are the: 1) introductory section, 2) financial section, and 3) statistical section.

Introductory Section

This includes the table of contents, letter of transmittal, list of Board of Directors and Staff, and organization chart. The transmittal letter was revised to discuss items that had a significant impact on the financial statements.

Financial Section

This section includes the auditor's report, management's discussion and analysis and the basic financial statements. The District's basic financial statements are comprised of the government-wide statements, the fund statements, the notes to the basic financial statements, and the required supplementary information. The management's discussion and analysis was adjusted to indicate that the discussion of the change in net position of governmental activities includes a discussion of the change in fund balance since no significant reconciling items exist between the fund and government-wide statements.

Statistical Section

The statistical section of the financial statements is the chief source of information regarding a government's *economic condition*. All of the information presented in the statistical section is organized around five specific objectives.

- ***Provide information on financial trends.*** Information is needed to help users understand how a government's financial position has changed over time.
- ***Provide information on revenue capacity.*** Information is needed to help the users understand and assess a government's ability to generate revenues.
- ***Provide information on debt capacity.*** Information is needed to to help users understand and assess a government's debt burden.
- ***Provide demographic and economic information.*** Information is needed to help users understand the government's socioeconomic environment and to facilitate comparisons of financial statement information over time and among governments.
- ***Provide operating information.*** Information is needed to help users understand a government's operations and resources as well as to provide a context for understanding and assessing its economic condition.

FLORIN RESOURCE CONSERVATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2014, 2013 AND 2012

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements.

The government-wide statements include the Statements of Net Position and the Statements of Activities, the Proprietary Fund Statements and the Statements of Cash Flows. The Statement of Net Position presents information on all assets and liabilities, with the difference between the two reported as total net position. The government-wide statements and Proprietary Fund Statements use the economic resources measurement focus and accrual basis of accounting, similar to private enterprises. The governmental fund statements include a Balance Sheet, Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual. The governmental fund uses the current financial resources measurement focus and the modified accrual basis of accounting. When evaluated over a period of time, increases or decreases in net position and fund balance may serve as an indicator of whether the financial position of the District is improving or deteriorating. The Statement of Revenues, Expenses and Changes in Net Position and the Statement of Revenues, Expenditures and Changes in Fund Balance reflect the revenues and expenses for the fiscal year ended. The Statement of Cash Flows shows the sources and uses of cash in the operating, non-capital, capital and related financing, and investing activities. The notes provide in depth information that is vital to gaining a full understanding of the data provided in the financial statements.

FINANCIAL ANALYSIS OF THE DISTRICT

**STATEMENT OF NET POSITION – GOVERNMENT-WIDE TOTALS
AS OF JUNE 30, 2014, 2013 AND 2012**

	Governmental activities			Business-type activities			Total		
	2014	2013	2012	2014	2013	2012 (as Restated)	2014	2013	2012 (as Restated)
Current assets	\$ 143,278	\$ 85,594	\$ 88,227	\$ 14,129,628	\$ 14,312,482	\$ 13,254,508	\$ 14,272,906	\$ 14,398,076	\$ 13,342,735
Capital assets				48,848,910	49,637,401	49,547,805	48,848,910	49,637,401	49,547,805
Other assets				2,640,486	2,768,994	3,418,341	2,640,486	2,768,994	3,418,341
Total Assets	143,278	85,594	88,227	65,619,024	66,718,877	66,220,654	65,762,302	66,804,471	66,308,881
Deferred outflows				-	86,554	373,008	-	86,554	373,008
Current liabilities	11,017	4,667		16,251,836	15,984,784	16,885,669	16,262,853	15,989,451	16,885,669
Long-term liabilities				51,229,066	53,303,852	54,508,617	51,229,066	53,303,852	54,508,617
Total Liabilities	11,017	4,667		67,480,902	69,288,636	71,394,286	67,491,919	69,293,303	71,394,286
Net Position:									
Net investment in capital assets				(13,716,163)	(15,360,450)	(17,230,289)	(13,716,163)	(15,360,450)	(17,230,289)
Restricted				2,067,919	2,201,220	2,387,235	2,067,919	2,201,220	2,387,235
Unrestricted	132,261	80,927	88,227	9,786,366	10,676,025	10,042,430	9,918,627	10,756,952	10,130,657
Total Net Position	\$ 132,261	\$ 80,927	\$ 88,227	\$ (1,861,878)	\$ (2,483,205)	\$ (4,800,624)	\$ (1,729,617)	\$ (2,402,278)	\$ (4,712,397)

GOVERNMENTAL ACTIVITIES FINANCIAL ANALYSIS

There was an increase of \$57,684 in 2014, a decrease of \$2,633 in 2013 and an increase of \$7,467 in 2012 in current assets. Also during the same time period, current liabilities increased \$6,350 and \$4,667, and unrestricted net position increased \$51,334 in 2014, decreased \$7,300 in 2013 and increased \$7,467 in 2012 for the governmental fund. There was an increase of \$74,221 and \$2,918 in total revenues for the fiscal years of 2014 and 2013, respectively and a decrease of \$694 in 2012. The increase in 2014 was due

FLORIN RESOURCE CONSERVATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2014, 2013 AND 2012

to the gain on the disposal of capital assets. There was an increase in expenditures of \$15,587, \$17,685 and \$2,696 in 2014, 2013 and 2012 respectively. The increases in 2014 is attributable to legal fees associated with the sale of a building while the increases in 2013 was attributable to expenditures for contracted services to perform a survey of the FRCD boundaries, and to demolish old structures on property jointly owned by the FRCD with two other resource conservation districts. The increase in 2012 was due to the District advertising for two associate director positions as well as sponsoring soil conservation programs at a local high school.

BUSINESS-TYPE ACTIVITIES FINANCIAL ANALYSIS

There was a revenue increase of 3% for the water service rate payers effective January 1, 2014. There was a decrease in operating revenues of \$1.0 million in 2014 due primarily to reduced water sales as a result of increased conservation efforts due to the severe drought. There was a slight decrease in operating revenue in 2013 due to a scheduled reduction in rental income for the Susan B. Gaines Building that started in February 2013. There was an increase in operating revenue in 2012 mainly due to the effect of new accounts being added and changes in billing cycles as more customers became metered.

Current assets decreased by approximately \$0.2 million during 2014. This decrease can mainly be attributable to a decrease in customer accounts receivable at June 30, 2014 of \$0.6 million, offset by an increase in cash and cash equivalents of \$0.5 million. During fiscal 2013, current assets increased almost \$1.1 million, mostly attributable to increases in cash and cash equivalents of \$0.9 million and customer accounts receivable of \$0.3 million. Other changes were noted as other receivables decreased by \$0.3 million and supplies inventories increased by \$0.1 million. Current assets increased by approximately \$1.7 million in 2012 due primarily to an increases of cash and cash equivalents of \$0.6 million, customer accounts receivable of \$0.7 million and other receivables of \$0.3 million.

Capital assets (net of depreciation) decreased by \$0.8 million in 2014. Significant additions in the amount of \$1.7 million were invested in the water treatment and distribution system, and \$0.2 million was made to capital improvements. Also during 2014 the District removed from capital assets \$0.9 million in well costs that were destroyed. Total depreciation expense recognized during the year amounted to \$2.4 million. The increase in depreciation from the prior year is primarily due to \$7.8 million in capital assets being placed into service at the end of fiscal 2013, mainly attributable to \$6.9 million in investments to the water treatment and distribution system.

Capital assets (net of depreciation) increased by \$0.1 million in 2013 due to construction in progress of well modifications and meter program additions. Total depreciation expense recognized by the District during 2013 amounted to \$2.0 million. In 2012 capital assets (net of depreciation) increased by \$0.4 million due primarily to meter program and construction in progress additions of \$2.4 million net of \$2.0 million of depreciation expense.

Current liabilities increased by \$0.3 million in 2014, mainly due to increases in accounts payable of \$0.2 million in the Water District Fund, and \$0.2 million in property taxes payable in the Office Building Fund. These increases were offset by the principal retirement of the Office Building Fund Debt, for the Susan B. Gaines building that was placed in to a current liability due to a technical violation of the debt covenants in 2012. Current liabilities decreased by \$0.9 million in 2013 primarily due to \$0.5 million decreases in accounts payable in the Water District Fund. During 2013 there was also a decrease of \$0.7 million in the Office Building Fund Debt, from scheduled principal retirements. As mentioned above, the

FLORIN RESOURCE CONSERVATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2014, 2013 AND 2012

debt for the Susan B. Gaines building was placed in to a current liability due to a technical violation of the debt covenants in 2012 which caused an increase that year of \$10.6 million.

Long term debt in the Water District Fund decreased by \$2.1 million during 2014. This was the result of scheduled principal retirements and the early payoff of the note payable for the District's administration building. During 2013, there were \$1.1 million in scheduled principal retirements of the District's long term debt.

**CONDENSED SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION –
GOVERNMENT-WIDE TOTALS
FOR THE YEARS ENDED JUNE 30, 2014, 2013 AND 2012**

	Governmental activities			Business-type activities			Total		
	2014	2013	2012	2014	2013	2012 (as Restated)	2014	2013	2012 (as Restated)
Revenues:									
Program Revenues:									
Charges for services:									
General Government	\$ 5,467	\$ 9,533	\$ 11,333				\$ 5,467	\$ 9,533	\$ 11,333
Water District				\$ 13,435,194	\$ 14,312,791	\$ 14,420,788	13,435,194	14,312,791	14,420,788
Office Building				1,121,400	1,292,417	1,414,572	1,121,400	1,292,417	1,414,572
Capital grants				100,000		198,000			198,000
General Revenues:									
Interest earnings	50	17	28	18,188	20,886	21,812	18,238	20,903	21,840
Other	82,983	4,729		22,304	52,452	276,738	105,287	57,181	276,738
Total Revenues	88,500	14,279	11,361	14,697,086	15,678,546	16,331,910	14,685,586	15,692,825	16,343,271
Expenses:									
General Government	37,166	21,579	3,894				37,166	21,579	3,894
Water District				12,434,430	11,607,439	11,946,649	12,434,430	11,607,439	11,946,649
Office Building				1,641,329	1,753,688	1,747,033	1,641,329	1,753,688	1,747,033
Total Expenses	37,166	21,579	3,894	14,075,759	13,361,127	13,693,682	14,112,925	13,382,706	13,697,576
Change in net position	51,334	(7,300)	7,467	621,327	2,317,419	2,638,228	672,661	2,310,119	2,645,695
Net position, beginning of year									
- as previously reported	80,927	88,227	80,760	(2,483,205)	(4,800,624)	(6,267,153)	(2,402,278)	(4,712,397)	(6,186,393)
Restatement						(1,171,699)			(1,171,699)
Net position, beginning of year									
- as restated	80,927	88,227	80,760	(2,483,205)	(4,800,624)	(7,438,852)	(2,402,278)	(4,712,397)	(7,358,092)
NET POSITION, END OF YEAR	\$ 132,261	\$ 80,927	\$ 88,227	\$ (1,861,878)	\$ (2,483,205)	\$ (4,800,624)	\$ (1,729,617)	\$ (2,402,278)	\$ (4,712,397)

GOVERNMENTAL ACTIVITIES HIGHLIGHTS

During 2014, there was an increase in net position of \$51,334 mostly from the result of an increase in other revenues from the gain on the disposal of capital assets. Cash and cash equivalents increased from \$80,943 in 2013 to \$143,355 in 2014. Expenses increased in 2014 due to legal fees incurred on the sale of the building and due to the Board authorizing the consideration of new funding sources and projects. There was a reduction of \$7,300 in the governmental net position in 2013 due to increased expenditures for contracted services to perform a survey of the FRCD boundaries, and to demolish old structures on property jointly owned by the FRCD with two other resource conservation districts. In addition, there was a loss in rental income due to the sale of the building. Cash and cash equivalents decreased from \$84,894 in 2012 to \$80,943 in 2013. There was an increase in net position of \$7,467 in 2012 due to a reduction of expenses related to grants, dues, sponsorships and supplies.

FLORIN RESOURCE CONSERVATION DISTRICT

MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2014, 2013 AND 2012

BUSINESS-TYPE ACTIVITIES HIGHLIGHTS

The change in net position decreased from \$2.3 million in 2013 to \$0.6 million in 2014. This can be attributable to a \$0.9 million decrease in water revenues from a reduction in water use due to the drought, and a \$0.2 million decrease in rental income from the Office Building Fund. Operating expenses also increased during 2014 by \$0.4 million; water purchased increased by \$0.1 million, other production expenses increased by \$0.1 million, and depreciation and amortization increased by \$0.4 million from current year capital asset additions, and the transfer into service of \$7.9 million of construction in progress assets at the end of last year. These increases were offset by an almost \$0.2 million decrease in administration and general, and salaries and benefits expenses. The reduction in benefits is largely due to policy changes for health insurance that has resulted in employees migrating to lower cost plans. Also during 2014, the District recognized approximately \$0.6 million in the statements of revenues, expenses, and changes in net position from the abandonment and disposal of wells no longer in use. At the time of recognition, these abandoned wells had a carrying value of approximately \$0.3 million. Interest expense also decreased by approximately \$0.3 million in 2014 from a reduction in interest bearing liabilities of almost \$2.5 million from the previous year.

During 2013, the change in net position decreased from \$2.6 million in 2012, to \$2.3 million 2013. This can be attributable to a \$0.1 million decrease in water revenues, and a \$0.1 million decrease in rental income from the Office Building Fund. Also adding to the change in net position for 2013 was that during 2012 there was \$0.3 million in settlement revenue classified as non-operating revenues, and \$0.2 million in grant revenue. Total operating expenses decreased from \$9.8 million in 2012, to \$9.6 million in 2013. Administration and general expenses decreased \$0.1 million and other production expenses decreased by \$0.2 million. Salaries and benefits off-set these decrease with an increase of \$0.1 million.

2014 Program Revenue



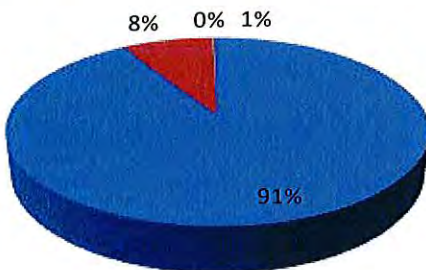
FLORIN RESOURCE CONSERVATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2014, 2013 AND 2012

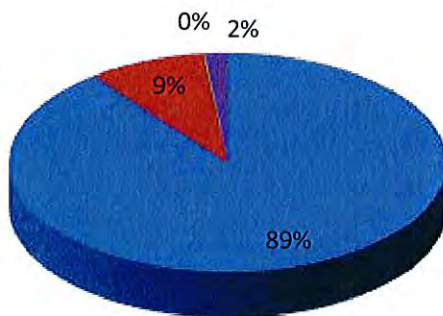
2013 Program Revenue

■ Water Services ■ Rental Income ■ Interest Income ■ Other Income



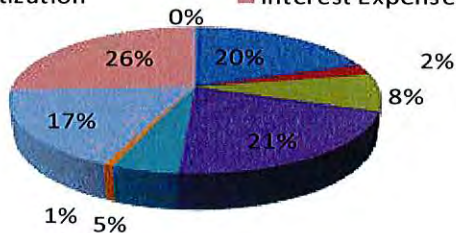
2012 Program Revenue

■ Water Services ■ Rental Income ■ Interest Income ■ Other Income



2014 Program Expenses

■ Water Purchased ■ Power Purchased
 ■ Administration & General ■ Salaries & Benefits
 ■ Other Production Expenses ■ Insurance
 ■ Depreciation & Amortization ■ Interest Expense

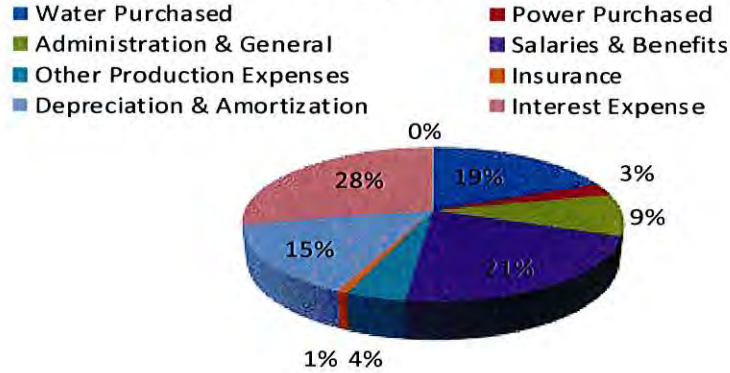


FLORIN RESOURCE CONSERVATION DISTRICT

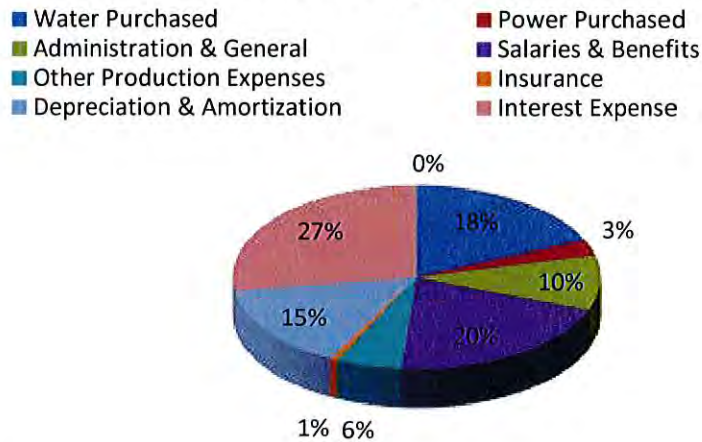
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2014, 2013 AND 2012

2013 Program Expenses



2012 Program Expenses



General Fund Budgetary Highlights

The General Fund's rental revenues were budgeted based on the District's share of the rent payments due from the building owned jointly by Florin Resource Conservation District, Sloughouse Resource Conservation District, and Lower Cosumnes Resource Conservation District. Association dues, meeting expenses, and various sponsorships were budgeted based upon those expected revenues. The building was sold during the year and the Board authorized using the proceeds for the consideration of new funding sources and other projects, which resulted in additional legal expenses being incurred. The sale of the building and additional expenses were not budgeted.

FLORIN RESOURCE CONSERVATION DISTRICT

MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2014, 2013 AND 2012

Capital Asset and Debt Administration

Capital assets decreased by \$0.8 million in 2014 and increased by \$0.1 million in 2013 respectively, (net of annual depreciation) as a result of expenditures for infrastructure offset by depreciation each year. Depreciation expense for 2014 and 2013 were \$2.4 and \$2.0 million respectively.

Major capital asset projects during 2014 and 2013 were the Meter Retrofit Program, Information Technology Purchases, Well Rehabilitation, Modification and Destruction Projects, and the Railroad Water Treatment Filter Train Replacement Project. See additional information on capital assets in Note C on page 30.

**OUTSTANDING DEBT ISSUES
AS OF JUNE 30, 2014, 2013 AND 2012**

	<u>2014</u>	<u>2013</u>	<u>2012</u>
2002/3/5 Refunding and Capital Improvements - EGWD	\$ 53,077,145	\$ 55,135,162	\$ 56,270,768
2003 Refunding - Office Building	<u>10,251,994</u>	<u>10,666,994</u>	<u>11,356,994</u>
Total	<u>\$ 63,329,139</u>	<u>\$ 65,802,156</u>	<u>\$ 67,627,762</u>

The Florin Resource Conservation District did not issue any additional debt during the year. See additional information on debt in Note D at page 32.

On October 2, 2013, The Florin Resource Conservation District issued a Notice of Listed Event to the Electronic Municipal Marketplace Access (EMMA) regarding the 2003 Refunding Bond Issue for the Susan B. Gaines Office Building. The Notice of Listed Event disclosed that the District needed to use funds from the Operations and Maintenance Reserve Fund for repairs to the Buildings, HVAC, Parking lot, flooring and painting for the building. The disclosure also noted the possibility that the District would use administrative expense funds to pay future debt service payments. Because the District was in technical default of the debt agreement, the debt was reclassified as a current liability in 2012. See additional information in Note I at page 41.

Economic Factors and Next Year’s Budgets and Rates

- The unemployment rate for the County of Sacramento area surrounding the Florin Resource Conservation District was 6.9 % in September 2014 and 8.5% and 10.1% as of September, 2013 and 2012, respectively.
- Overall, the rates for the water service for Fiscal Year (FY) 2013-14 were increased by 3% as approved in the five year rate schedule. The District is has completed a rate study and the Board has adopted a five year rate structure which called for a revenue adjustment of 3% in January 2014, and further adjustments as follows:
 - 3% January 2015
 - 3% January 2016

FLORIN RESOURCE CONSERVATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

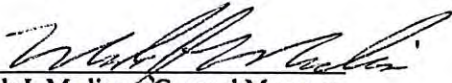
JUNE 30, 2014, 2013 AND 2012

- 4% January 2017
- 5% January 2018

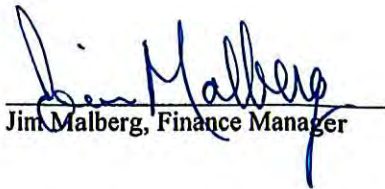
All of these factors were considered in preparing the Florin Resource Conservation District's budget for the fiscal year ending June 30, 2015. The District adopted an operating budget of \$14.5 million for FY 2014-15. In addition the District approved \$2.8 in capital expenditures for FY 2014-15, as part of the five-year Capital Improvement Program totaling \$10.7 million.

Requests for Information

This financial report is designed to provide a general overview of the District's finances. Questions concerning the information provided in this report or for requests for additional financial information should be addressed to Jim Malberg, Finance Manager/Treasurer, 9257 Elk Grove Blvd, Elk Grove, CA 95624 or please call (916) 685-3556.



Mark J. Madison, General Manager



Jim Malberg, Finance Manager

FLORIN RESOURCE CONSERVATION DISTRICT

STATEMENTS OF NET POSITION

June 30, 2014 and 2013

	2014			2013 (as Restated)		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$ 143,355	\$ 12,042,857	\$ 12,186,212	\$ 80,943	\$ 11,563,965	\$ 11,644,908
Receivables:						
Customer accounts receivable		1,987,395	1,987,395		2,556,795	2,556,795
Other receivables		28,000	28,000	4,729	50,570	55,299
Interest receivable		1,559	1,559		1,713	1,713
Internal balances	(77)	77		(78)	78	
Inventories		69,740	69,740		139,361	139,361
TOTAL CURRENT ASSETS	143,278	14,129,628	14,272,906	85,594	14,312,482	14,398,076
NONCURRENT ASSETS						
Restricted cash and cash equivalents		2,067,919	2,067,919		2,201,220	2,201,220
OPEB asset		572,567	572,567		567,774	567,774
Capital assets:						
Not being depreciated		2,082,221	2,082,221		1,966,499	1,966,499
Being depreciated, net		46,766,689	46,766,689		47,670,902	47,670,902
TOTAL NONCURRENT ASSETS		51,489,396	51,489,396		52,406,395	52,406,395
TOTAL ASSETS	143,278	65,619,024	65,762,302	85,594	66,718,877	66,804,471
DEFERRED OUTFLOWS OF RESOURCES						
Deferred amount on refunding of debt					86,554	86,554
TOTAL DEFERRED OUTFLOWS OF RESOURCES					86,554	86,554
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable and accrued payroll	3,817	560,287	564,104		343,948	343,948
Due to other governments	7,200	1,341,149	1,348,349	4,667	1,151,730	1,156,397
Interest payable		1,060,802	1,060,802		1,085,304	1,085,304
Unearned revenue		4,124	4,124		7,312	7,312
Debt in technical default		11,875,956	11,875,956		12,054,801	12,054,801
Noncurrent liabilities, due within one year		1,409,518	1,409,518		1,341,689	1,341,689
	11,017	16,251,836	16,262,853	4,667	15,984,784	15,989,451
NONCURRENT LIABILITIES						
Noncurrent liabilities, due in more than one year		51,229,066	51,229,066		53,303,852	53,303,852
TOTAL NONCURRENT LIABILITIES		51,229,066	51,229,066		53,303,852	53,303,852
TOTAL LIABILITIES	11,017	67,480,902	67,491,919	4,667	69,288,636	69,293,303
NET POSITION (DEFICIT)						
Net investment in capital assets		(13,716,163)	(13,716,163)		(15,360,450)	(15,360,450)
Restricted for debt service		1,863,744	1,863,744		1,834,869	1,834,869
Restricted for capital projects		1,321	1,321		1,321	1,321
Restricted for administrative, operating and maintenance expenses		202,854	202,854		365,030	365,030
Unrestricted	132,261	9,786,366	9,918,627	80,927	10,676,025	10,756,952
TOTAL NET POSITION (DEFICIT)	\$ 132,261	\$ (1,861,878)	\$ (1,729,617)	\$ 80,927	\$ (2,483,205)	\$ (2,402,278)

The accompanying notes are an integral part of these financial statements.

FLORIN RESOURCE CONSERVATION DISTRICT

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2014

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Change in Net Position		
		Charges for Services	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
GOVERNMENTAL ACTIVITIES:						
General government	\$ 37,166	\$ 5,467		\$ (31,699)		\$ (31,699)
TOTAL GOVERNMENTAL ACTIVITIES	37,166	5,467		(31,699)		(31,699)
BUSINESS-TYPE ACTIVITIES:						
Water District	11,855,162	13,435,194	\$ 100,000		\$ 1,680,032	1,680,032
Office Building	1,641,329	1,121,400			(519,929)	(519,929)
TOTAL BUSINESS-TYPE ACTIVITIES	13,496,491	14,556,594	100,000		1,160,103	1,160,103
TOTAL PRIMARY GOVERNMENT	\$ 13,533,657	\$ 14,562,061	\$ 100,000	(31,699)	1,160,103	1,128,404
GENERAL REVENUES:						
Interest and investment earnings				50	18,188	18,238
Other revenues					22,304	22,304
Gain (loss) on disposal of capital assets				82,983	(579,268)	(496,285)
Total general revenues				83,033	(538,776)	(455,743)
Change in net position				51,334	621,327	672,661
Net position (deficit), beginning of year				80,927	(2,483,205)	(2,402,278)
NET POSITION (DEFICIT), END OF YEAR				\$ 132,261	\$ (1,861,878)	\$ (1,729,617)

The accompanying notes are an integral part of these financial statements.

FLORIN RESOURCE CONSERVATION DISTRICT

STATEMENT OF ACTIVITIES (Continued)

For the Year Ended June 30, 2013

FUNCTIONS/PROGRAMS	Expenses	Program	Change in Net Position		
		Revenues	Governmental	Business-	Total
		Charges for	Activities	type	
		Services		Activities	
GOVERNMENTAL ACTIVITIES:					
General government	\$ 21,579	\$ 9,533	\$ (12,046)		\$ (12,046)
TOTAL GOVERNMENTAL ACTIVITIES	21,579	9,533	(12,046)		(12,046)
BUSINESS-TYPE ACTIVITIES:					
Water District	11,607,439	14,312,791		\$ 2,705,352	2,705,352
Office Building	1,753,688	1,292,417		(461,271)	(461,271)
TOTAL BUSINESS-TYPE ACTIVITIES	13,361,127	15,605,208		2,244,081	2,244,081
TOTAL PRIMARY GOVERNMENT	\$ 13,382,706	\$ 15,614,741	(12,046)	2,244,081	2,232,035
GENERAL REVENUES:					
Interest and investment earnings			17	20,886	20,903
Other revenues			4,729	52,452	57,181
		Total general revenues	4,746	73,338	78,084
		Change in net position	(7,300)	2,317,419	2,310,119
Net position (deficit), beginning of year, as previously reported			88,227	(3,434,505)	(3,346,278)
		Restatement		(1,366,119)	(1,366,119)
Net position (deficit), beginning of year, as restated			88,227	(4,800,624)	(4,712,397)
NET POSITION (DEFICIT), END OF YEAR			\$ 80,927	\$ (2,483,205)	\$ (2,402,278)

The accompanying notes are an integral part of these financial statements.

FLORIN RESOURCE CONSERVATION DISTRICT

BALANCE SHEETS – GOVERNMENTAL FUND

June 30, 2014 and 2013

	<u>General Fund</u>	
	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and investments	\$ 143,355	\$ 80,943
Receivables:		
Other receivables		<u>4,729</u>
TOTAL ASSETS	<u>\$ 143,355</u>	<u>\$ 85,672</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 3,817	
Due to other governments	7,200	\$ 4,667
Due to other funds	77	<u>78</u>
TOTAL LIABILITIES	<u>11,094</u>	<u>4,745</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue		<u>4,729</u>
TOTAL DEFERRED INFLOWS OF RESOURCES		<u>4,729</u>
FUND BALANCE		
Unassigned	<u>132,261</u>	<u>76,198</u>
TOTAL FUND BALANCE	<u>132,261</u>	<u>76,198</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 143,355</u>	<u>\$ 85,672</u>
 Total fund balance, governmental fund	 \$ 132,261	 \$ 76,198
Amounts reported for governmental activities in the statement of net position are different because:		
Some receivables are deferred in the governmental fund because the amounts do not represent current financial resources that are recognized under the accrual basis in the statement of activities. This amount represents deferred inflows recognized.		<u>4,729</u>
Total net position, governmental activities	<u>\$ 132,261</u>	<u>\$ 80,927</u>

The accompanying notes are an integral part of these financial statements.

FLORIN RESOURCE CONSERVATION DISTRICT

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – GOVERNMENTAL FUND

For the Years Ended June 30, 2014 and 2013

		<u>General Fund</u>	
		<u>2014</u>	<u>2013</u>
REVENUES			
Use of money and property		\$ 5,517	\$ 9,550
Miscellaneous		4,729	
	TOTAL REVENUES	<u>10,246</u>	<u>9,550</u>
EXPENDITURES			
General government		37,166	21,579
	TOTAL EXPENDITURES	<u>37,166</u>	<u>21,579</u>
	DEFICIENCY OF REVENUES OVER EXPENDITURES	(26,920)	(12,029)
OTHER FINANCING SOURCES			
Proceeds from disposal of capital assets		82,983	
	NET CHANGE IN FUND BALANCE	56,063	(12,029)
Fund balance, beginning of year		<u>76,198</u>	<u>88,227</u>
	FUND BALANCE, END OF YEAR	<u>\$ 132,261</u>	<u>\$ 76,198</u>
Net change in fund balance, governmental fund		\$ 56,063	\$ (12,029)
Amounts reported for governmental activities in the statement of net position are different because:			
Some receivables are deferred in the governmental fund because the amounts do not represent current financial resources that are recognized under the accrual basis in the statement of activities. This amount represents deferred inflows recognized.		<u>(4,729)</u>	<u>4,729</u>
Change in net position, governmental activities		<u>\$ 51,334</u>	<u>\$ (7,300)</u>

The accompanying notes are an integral part of these financial statements.

FLORIN RESOURCE CONSERVATION DISTRICT

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

For the Years Ended June 30, 2014 and 2013

	2014				2013			
	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
REVENUES								
Use of money and property	\$ 7,010	\$ 7,010	\$ 5,517	\$ (1,493)	\$ 12,000	\$ 12,000	\$ 9,550	\$ (2,450)
Miscellaneous			4,729	4,729				
TOTAL REVENUES	<u>7,010</u>	<u>7,010</u>	<u>10,246</u>	<u>3,236</u>	<u>12,000</u>	<u>12,000</u>	<u>9,550</u>	<u>(2,450)</u>
EXPENDITURES								
General government	6,885	6,885	37,166	(30,281)	17,150	17,150	21,579	(4,429)
TOTAL EXPENDITURES	<u>6,885</u>	<u>6,885</u>	<u>37,166</u>	<u>(30,281)</u>	<u>17,150</u>	<u>17,150</u>	<u>21,579</u>	<u>(4,429)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	125	125	(26,920)	(27,045)	(5,150)	(5,150)	(12,029)	(6,879)
OTHER FINANCING SOURCES								
Proceeds from disposal of capital assets			82,983	82,983				
NET CHANGE IN FUND BALANCE	125	125	56,063	55,938	(5,150)	(5,150)	(12,029)	(6,879)
Fund balance, beginning of year	<u>76,198</u>	<u>76,198</u>	<u>76,198</u>		<u>88,227</u>	<u>88,227</u>	<u>88,227</u>	
FUND BALANCE, END OF YEAR	<u>\$ 76,323</u>	<u>\$ 76,323</u>	<u>\$ 132,261</u>	<u>\$ 55,938</u>	<u>\$ 83,077</u>	<u>\$ 83,077</u>	<u>\$ 76,198</u>	<u>\$ (6,879)</u>

The accompanying notes are an integral part of these financial statements.

FLORIN RESOURCE CONSERVATION DISTRICT

STATEMENTS OF NET POSITION
PROPRIETARY FUNDS

June 30, 2014 and 2013

	Enterprise Funds			Enterprise Funds		
	2014			2013 (as Restated)		
	Water District Fund	Office Building Fund	Total Proprietary Funds	Water District Fund	Office Building Fund	Total Proprietary Funds
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$ 12,042,857		\$ 12,042,857	\$ 11,563,965		\$ 11,563,965
Receivables:						
Customer accounts receivable	1,987,395		1,987,395	2,556,795		2,556,795
Other receivables	28,000		28,000	50,570		50,570
Interest receivable	1,559		1,559	1,713		1,713
Due from other funds	15,077		15,077	78		78
Inventories	69,740		69,740	139,361		139,361
TOTAL CURRENT ASSETS	14,144,628		14,144,628	14,312,482		14,312,482
NONCURRENT ASSETS						
Restricted cash and cash equivalents	973,103	\$ 1,094,816	2,067,919	973,104	\$ 1,228,116	2,201,220
OPEB asset	572,567		572,567	567,774		567,774
Capital assets:						
Not being depreciated	1,476,414	605,807	2,082,221	1,360,692	605,807	1,966,499
Being depreciated, net	39,675,885	7,090,804	46,766,689	40,271,806	7,399,096	47,670,902
TOTAL NONCURRENT ASSETS	42,697,969	8,791,427	51,489,396	43,173,376	9,233,019	52,406,395
TOTAL ASSETS	56,842,597	8,791,427	65,634,024	57,485,858	9,233,019	66,718,877
DEFERRED OUTFLOWS OF RESOURCES						
Deferred amount on refunding of debt					86,554	86,554
TOTAL DEFERRED OUTFLOWS OF RESOURCES					86,554	86,554
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable and accrued payroll	560,287		560,287	343,948		343,948
Due to other governments	511,994	829,155	1,341,149	486,849	664,881	1,151,730
Interest payable	853,178	207,624	1,060,802	869,034	216,270	1,085,304
Due to other funds		15,000	15,000			
Unearned revenue	4,124		4,124	7,312		7,312
Debt in technical default		11,875,956	11,875,956		12,054,801	12,054,801
Noncurrent liabilities, due within one year	1,409,518		1,409,518	1,341,689		1,341,689
TOTAL CURRENT LIABILITIES	3,339,101	12,927,735	16,266,836	3,048,832	12,935,952	15,984,784
NONCURRENT LIABILITIES						
Noncurrent liabilities, due in more than one year	51,229,066		51,229,066	53,303,852		53,303,852
TOTAL NONCURRENT LIABILITIES	51,229,066		51,229,066	53,303,852		53,303,852
TOTAL LIABILITIES	54,568,167	12,927,735	67,495,902	56,352,684	12,935,952	69,288,636
NET POSITION (DEFICIT)						
Net investment in capital assets	(11,335,836)	(2,380,327)	(13,716,163)	(12,885,425)	(2,475,025)	(15,360,450)
Restricted for debt service	971,782	891,962	1,863,744	971,783	863,086	1,834,869
Restricted for capital projects	1,321		1,321	1,321		1,321
Restricted for administrative, operating and maintenance expenses		202,854	202,854		365,030	365,030
Unrestricted (deficit)	12,637,163	(2,850,797)	9,786,366	13,045,495	(2,369,470)	10,676,025
TOTAL NET POSITION (DEFICIT)	\$ 2,274,430	\$ (4,136,308)	\$ (1,861,878)	\$ 1,133,174	\$ (3,616,379)	\$ (2,483,205)

The accompanying notes are an integral part of these financial statements.

FLORIN RESOURCE CONSERVATION DISTRICT

STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - PROPRIETARY FUNDS

For the Years Ended June 30, 2014 and 2013

	Enterprise Funds			Enterprise Funds		
	2014			2013 (as Restated)		
	Water District Fund	Office Building Fund	Total Proprietary Funds	Water District Fund	Office Building Fund	Total Proprietary Funds
OPERATING REVENUES						
Charges for services	\$ 13,433,371		\$ 13,433,371	\$ 14,311,107		\$ 14,311,107
Rental income	1,823	\$ 1,121,400	1,123,223	1,684	\$ 1,292,417	1,294,101
TOTAL OPERATING REVENUES	13,435,194	1,121,400	14,556,594	14,312,791	1,292,417	15,605,208
OPERATING EXPENSES						
Water purchased	2,656,509		2,656,509	2,517,816		2,517,816
Power purchased	326,237		326,237	354,289		354,289
Administration and general	865,681	234,855	1,100,536	977,491	201,697	1,179,188
Salaries and benefits	2,808,085		2,808,085	2,882,423		2,882,423
Other production expenses	411,116	251,720	662,836	365,502	208,915	574,417
Insurance	68,815	18,476	87,291	83,098	20,065	103,163
Depreciation and amortization	2,054,712	308,292	2,363,004	1,687,331	308,292	1,995,623
TOTAL OPERATING EXPENSES	9,191,155	813,343	10,004,498	8,867,950	738,969	9,606,919
OPERATING INCOME	4,244,039	308,057	4,552,096	5,444,841	553,448	5,998,289
NONOPERATING REVENUES (EXPENSES)						
Interest revenue	18,188		18,188	20,886		20,886
Interest expense	(2,664,007)	(827,986)	(3,491,993)	(2,739,489)	(1,014,719)	(3,754,208)
Loss on disposal of capital assets	(579,268)		(579,268)			
Other nonoperating revenue	22,304		22,304	52,452		52,452
TOTAL NONOPERATING REVENUES (EXPENSES)	(3,202,783)	(827,986)	(4,030,769)	(2,666,151)	(1,014,719)	(3,680,870)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	1,041,256	(519,929)	521,327	2,778,690	(461,271)	2,317,419
CAPITAL CONTRIBUTIONS						
Capital contributions	100,000		100,000			
TOTAL CAPITAL CONTRIBUTIONS	100,000		100,000			
CHANGE IN NET POSITION	1,141,256	(519,929)	621,327	2,778,690	(461,271)	2,317,419
Net position (deficit), beginning of year, as previously reported	1,133,174	(3,616,379)	(2,483,205)	(1,645,516)	(1,788,989)	(3,434,505)
Restatement					(1,366,119)	(1,366,119)
Net position (deficit), beginning of year, as restated	1,133,174	(3,616,379)	(2,483,205)	(1,645,516)	(3,155,108)	(4,800,624)
NET POSITION (DEFICIT), END OF YEAR	\$ 2,274,430	\$ (4,136,308)	\$ (1,861,878)	\$ 1,133,174	\$ (3,616,379)	\$ (2,483,205)

The accompanying notes are an integral part of these financial statements.

FLORIN RESOURCE CONSERVATION DISTRICT

STATEMENTS OF CASH FLOWS
PROPRIETARY FUNDS

For the Years Ended June 30, 2014 and 2013

	Enterprise Funds			Enterprise Funds		
	2014			2013 (as Restated)		
	Water District Fund	Office Building Fund	Total Proprietary Funds	Water District Fund	Office Building Fund	Total Proprietary Funds
CASH FLOWS FROM □						
OPERATING ACTIVITIES:						
Receipts from customers and users	\$ 14,001,406	\$ 1,121,400	\$ 15,122,806	\$ 14,033,389	\$ 1,292,417	\$ 15,325,806
Payments to suppliers	(3,980,602)	(325,777)	(4,306,379)	(5,125,013)	(246,154)	(5,371,167)
Payments to employees	(2,841,697)		(2,841,697)	(2,877,026)		(2,877,026)
NET CASH PROVIDED BY OPERATING ACTIVITIES	7,179,107	795,623	7,974,730	6,031,350	1,046,263	7,077,613
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Operating grants and reimbursements	54,874		54,874	116,882		116,882
NONCAPITAL FINANCING ACTIVITIES	54,874		54,874	116,882		116,882
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Principal paid on noncurrent liabilities	(2,058,017)	(415,000)	(2,473,017)	(1,135,606)	(690,000)	(1,825,606)
Interest paid on noncurrent liabilities	(2,651,634)	(513,923)	(3,165,557)	(2,698,059)	(542,278)	(3,240,337)
Purchase of capital assets	(2,153,781)		(2,153,781)	(2,085,219)		(2,085,219)
Capital contributions received	90,000		90,000	198,000		198,000
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(6,773,432)	(928,923)	(7,702,355)	(5,720,884)	(1,232,278)	(6,953,162)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Interest received	18,342		18,342	21,670		21,670
NET CASH PROVIDED BY INVESTING ACTIVITIES	18,342		18,342	21,670		21,670
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	478,891	(133,300)	345,591	449,018	(186,015)	263,003
Cash and cash equivalents, beginning of year	12,537,069	1,228,116	13,765,185	12,088,051	1,414,131	13,502,182
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 13,015,960</u>	<u>\$ 1,094,816</u>	<u>\$ 14,110,776</u>	<u>\$ 12,537,069</u>	<u>\$ 1,228,116</u>	<u>\$ 13,765,185</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSTION						
Cash and cash equivalents	\$ 12,042,857		\$ 12,042,857	\$ 11,563,965		\$ 11,563,965
Restricted cash and cash equivalents	973,103	\$ 1,094,816	2,067,919	973,104	\$ 1,228,116	2,201,220
CASH AND CASH EQUIVALENTS	<u>\$ 13,015,960</u>	<u>\$ 1,094,816</u>	<u>\$ 14,110,776</u>	<u>\$ 12,537,069</u>	<u>\$ 1,228,116</u>	<u>\$ 13,765,185</u>

(Continued)

FLORIN RESOURCE CONSERVATION DISTRICT

STATEMENTS OF CASH FLOWS
 PROPRIETARY FUNDS (Continued)

For the Years Ended June 30, 2014 and 2013

	Enterprise Funds			Enterprise Funds		
	2014			2013 (as Restated)		
	Water District	Office Building	Total Proprietary Funds	Water District	Office Building	Total Proprietary Funds
Reconciliation of operating income to net cash provided by operating activities:						
Operating income	\$ 4,244,039	\$ 308,057	\$ 4,552,096	\$ 5,444,841	\$ 553,448	\$ 5,998,289
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation and amortization	2,054,712	308,292	2,363,004	1,687,331	308,292	1,995,623
Changes in operating assets and liabilities:						
Customer accounts receivable	569,400		569,400	(283,526)		(283,526)
Due from other funds	(14,999)		(14,999)	(78)		(78)
Inventory	69,621		69,621	(119,655)		(119,655)
OPEB asset	(4,793)		(4,793)	(5,579)		(5,579)
Accounts payable	216,339		216,339	(720,181)		(720,181)
Due to other governments	25,145	164,274	189,419	20,676	184,523	205,199
Due to other funds		15,000	15,000	(2,000)		(2,000)
Unearned revenue	(3,188)		(3,188)	4,124		4,124
Compensated absences	22,831		22,831	5,397		5,397
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 7,179,107	\$ 795,623	\$ 7,974,730	\$ 6,031,350	\$ 1,046,263	\$ 7,077,613

The accompanying notes are an integral part of these financial statements.

FLORIN RESOURCE CONSERVATION DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Background: The Florin Resource Conservation District (the District) was formed in 1953, pursuant to Section 9000 et seq. of the Public Resources Code of the State of California. The District, which is located approximately six miles southeast of the City of Sacramento in the west central portion of unincorporated Sacramento County, was formed to address soil degradation issues resulting from poor irrigation and drainage. There currently are approximately 100,000 acres within the District.

The District provides technical assistance and conservation education to farmers dealing with natural resource management issues, and views education as one of its primary objectives. The District additionally serves as a clearinghouse for soil and water conservation measures, such as administering the local water hyacinth eradication program. The United States Department of Agriculture, through its Soil Conservation Services, provides staffing and technical assistance to the District and the two adjacent soil conservation districts. The District has provided water service within its 13-mile water service area since it acquired the Elk Grove Water Service in 1999, which was merged into and is a department of the District. In 2010, the name of the Elk Grove Water Service was changed to the Elk Grove Water District (EGWD). In 1998, the District acquired a building which houses the Sacramento County Department of Human Assistance and is leased by the District to the County of Sacramento.

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Private-sector standards of accounting and financial reporting issued by the Financial Accounting Standards Board (“FASB”) prior to December 1, 1989 are followed in the District’s financial statements to the extent that those standards do not conflict with or contradict GASB statements. The more significant of the District’s accounting policies are described below.

Reporting Entity: The financial reporting entity consists of (a) the primary government, the District, (b) organizations for which the District is financially accountable, and (c) other organizations for which the District is not accountable, but for which the nature and significance of their relationship with the District are such that would cause the reporting entity’s financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit’s board, and either (a) the District has the ability to impose its will on the organization or (b) there is a potential for the organization to provide a financial benefit to or impose a financial burden on the District.

As required by GAAP, these financial statements present the District and its only component unit, the Florin Resource Conservation District Economic Development Corporation (the Corporation). The Corporation is reported in these financial statements on a blended basis due to the District’s Board of Directors serving as the Corporation’s governing body, the District’s Board having the ability to impose its will on the Corporation, because the Corporation is financially dependent on the District and the fact that the sole purpose of the Corporation is to provide financing to the District under the District’s debt issuance documents. The Corporation does not issue separate financial statements.

Basis of Presentation – Government-wide financial statements: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Interest and other items not properly included among program revenues are reported instead as general revenues.

FLORIN RESOURCE CONSERVATION DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenues when all eligibility requirements are met. Water lines are constructed by private developers and are contributed to the District, which then become the responsibility of the District to maintain. These assets are recorded as capital contributions when they are accepted by the District and are included as part of the water system.

Basis of Presentation – Fund Financial Statements: The accounts of the District are organized on the basis of funds. A fund is a separate self-balancing set of accounts. Each fund was established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions or limitations. Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Interest associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenues of the current year. All other items are considered to be measurable and available only when cash is received by the District.

The District reports the following major fund types:

GOVERNMENTAL FUNDS

General Fund – This fund is used to account for all financial resources not accounted for in other funds. Soil conservation activities that are not paid through other funds are paid from the General Fund.

PROPRIETARY FUNDS

Water District Fund – The Water District Fund is used to account for all activities related to the Elk Grove Water District, which provides water to commercial and residential customers in the District's service area.

Office Building Fund – The Office Building Fund is used to account for activities related to a building owned by the District on Florin Road in Sacramento, California and leased to the County of Sacramento Department of Human Assistance.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise funds are charges to customers for sales and services and rent revenues. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash and Cash Equivalents: For purposes of the statement of cash flows, the District considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents, including restricted assets and the District's investment in the State of California Local Agency Investment Fund (LAIF).

FLORIN RESOURCE CONSERVATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Cash and Investments: Certain proceeds of the District’s long-term debt are classified as restricted cash and investments on the statement of net position because their use is limited by applicable bond covenants. The “reserve” account is used to report resources set aside to make up potential future deficiencies in the bond’s debt service. Certain unspent debt proceeds are also restricted to specific capital projects or administrative, operating and maintenance expenses in the Office Building Fund by the related debt covenants.

Accounts Receivable: Accounts receivable arise from billings to customers for water usage and include an estimate for unbilled revenues earned from the dates the customers were last billed to the end of the year. An allowance for uncollectible accounts of \$13,661 was recorded in the Water District Fund by the District as of June 30, 2014 and 2013.

Interfund Transactions: Borrowing between funds outstanding at the end of the fiscal year is referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). The \$15,000 due to/from other funds reported between the Water District Fund and Office Building Fund at June 30, 2014 was for audit fees paid by the Water District Fund on behalf of the Building Fund that was reimbursed after year-end.

Inventory: Inventory consists primarily of materials used in the construction and maintenance of the water system and is valued using the specific identification method. The cost of inventory is recorded as an expense when consumed, rather than when purchased.

Capital Assets: Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation. Capital assets owned by the proprietary funds are recorded at cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

Description	Estimated Life
Buildings	35 – 39 years
Improvements	25 years
Equipment	5 – 20 years
Water treatment and distribution system	25 – 50 years

It is the District’s policy to capitalize all capital assets with a useful life of more than one year, regardless of amount. Costs of assets sold or retired (and the related amounts of accumulated depreciation) are eliminated from the statement of net position in the year of sale or retirement, and the resulting gain or loss is recognized in operations.

Bond Discounts, Premiums and Deferred Amount on Refunding: In the government-wide financial statements and in proprietary funds, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums, discounts and the deferred amount on refunding are deferred and amortized over the life of the bonds using the straight line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums and discounts. Deferred amounts on refunding are reported as deferred outflows or deferred inflows of resources. Debt issuance costs are expensed as incurred.

Due to Other Governments: Due to other governments in the General Fund consisted of rents collected by the District on property jointly owned with two other resource conservation districts that had not been remitted to the other districts at year-end. Due to other governments in the Water District Fund mainly consisted of \$479,204 and \$486,849 payable to the County of Sacramento for water purchases at June 30, 2014 and 2013, respectively.

Compensated Absences: The District’s policy allows employees to accumulate earned, but unused personal leave time at the rate of twelve days per year and vacation time at the rate of five days per year after six months of service,

FLORIN RESOURCE CONSERVATION DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ten days per year after two years of service and fifteen days per year after five years of service. The liability for these compensated absences is recorded as a long-term liability in the proprietary fund and government-wide statements. The current portion of this long-term liability is estimated based on historical trends. In the fund financial statements, governmental funds only report the compensated absence liability that have matured, such as for employee resignations or retirements, while the proprietary funds report the liability as it is incurred. The General Fund has no employees assigned to it and, thus, reports no compensated absences.

Unearned Revenue: Unearned revenue consists of exchange revenue received from private developers prior to the exchange taking place. Unearned revenue consisted of unearned plan check fees at June 30, 2014 and 2013.

Net Position and Fund Balance: The government-wide and proprietary fund financial statements present net position. Net position is categorized as the net investment in capital assets, restricted and unrestricted.

Net investment in Capital Assets – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

Restricted – This category presents external restrictions imposed by creditors, grantors, contributors, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. The purpose of the restriction is reported on the face of the statement of net position.

Unrestricted – This category represents net position of the District not restricted for any project or other purpose.

The fund balance of the General Fund is reported as uncommitted according to GASB Statement No. 54 because the Board of Directors has approved no constraints on its use.

Deficit Net Position Balances: It is uncertain whether the deficit net position balance of the Office Building Fund will be eliminated due to the shortfall in rents from the building discussed in the Immanent Default of Debt section of Note I.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Risk Management: The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties and through the District's participation in the Special District Risk Management Authority as described in Note F. The insurance is subject to a deductible. No significant claims resulting in the need for a claims liability for insurance deductibles occurred during the years ended June 30, 2014 and 2013. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage from the prior year.

Budgetary Information: The District adopts an annual budget for the General Fund each year by June 30 on a basis consistent with generally accepted accounting principles. The legal level of budgetary control is maintained at the fund level. Annual appropriations lapse each year. All supplemental appropriations are approved by the Board of Directors. No significant supplemental appropriations were approved during the years ended June 30, 2014 and 2013.

The General Fund had expenditures in excess of the final appropriation for the fiscal year ended June 30, 2014 and 2013. Expenditures may not legally exceed appropriations at the fund level, which is the legal level of control. These excess expenditures were funded by available fund balance and the proceeds from the sale of land.

FLORIN RESOURCE CONSERVATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Pronouncements: In June 2012, the GASB approved Statement No. 68, *Accounting and Financial Reporting for Pensions* and related Statement No. 71, *Pension Transition for Contributions Made after the Measurement Date*. GASB 68 requires governments providing defined benefit pension plans to recognize their long-term obligation for pension benefits as a liability on the statement of net position and to more comprehensively and comparably measure the annual costs of pension benefits. This Statement requires cost-sharing employers to record a liability and expense equal to their proportionate share of the collective net pension liability and expense for the cost-sharing plan. This Statement requires the use of the entry age normal method to be used with each period's service cost determined as a level percentage of pay and requires certain other changes to compute the pension liability and expense. This Statement also requires revised and new note disclosures and required supplementary information (RSI) to be reported by employers. GASB 7 relates to payments made or adjustments to benefits made after the measurement date of the valuation through the report date and requires that such amounts be reported as deferred inflows or outflows of resources. The provisions of these Statements are effective for periods beginning after June 15, 2014. We will work with the District to implement this Statement during the fiscal year ending June 30, 2015.

In November 2013, the GASB approved Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. GASB Statement No. 68 requires a local government employer to recognize a net pension liability measured as of a date (measurement date) no earlier than the end of its prior fiscal year. This Statement requires that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions made subsequent to the measurement date of the beginning net pension liability. This Statement will be implemented simultaneously with Statement No. 68.

NOTE B – CASH AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as follows, as of June 30:

	2014	2013
Government-wide Statement of Net Position		
Governmental Activities		
Cash and investments	\$ 143,355	\$ 80,943
Business-type Activities		
Cash and cash equivalents	12,042,857	11,563,965
Restricted cash and cash equivalents	2,067,919	2,201,220
Total cash and investments	<u>\$ 14,254,131</u>	<u>\$ 13,846,128</u>

Cash and investments were classified according to GASB Statement No. 40 as follows as of June 30:

	2014	2013
Cash on hand	\$ 1,000	\$ 1,000
Deposits with financial institutions	9,357,867	8,823,526
Total cash and deposits	<u>9,358,867</u>	<u>8,824,526</u>
Money market mutual funds	2,067,919	2,201,220
Investment in Local Agency Investment Fund (LAIF)	2,827,345	2,820,382
Total investments	<u>4,895,264</u>	<u>5,021,602</u>
Total cash and investments	<u>\$ 14,254,131</u>	<u>\$ 13,846,128</u>

FLORIN RESOURCE CONSERVATION DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE B – CASH AND INVESTMENTS (Continued)

Investment policy: Investments are reported at fair value. California statutes authorize special districts to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 - Financial Affairs. The table below identifies the investment types that are authorized for the District by the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by the bond trustee that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District's investment policy. The District's permissible investments include the following instruments:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local agency bonds	5 years	None	None
U.S. Treasury obligations	5 years	None	None
U.S. Agency securities	5 years	None	None
California local agency debt	5 years	None	None
Bankers acceptances	180 days	40%	30%
Commercial paper	270 days	25%	10%
Negotiable certificates and time deposits	5 years	30%	None
Repurchase agreements	1 year	None	None
Reverse repurchase agreements	92 days	20%	None
Medium term corporate notes	5 years	30%	None
Mutual funds	N/A	20%	10%
Money market mutual funds	N/A	20%	10%
Mortgage pass-through securities	5 years	20%	None
Financial futures and option contracts	1	1	1
Investment pools, including LAIF	N/A	None	None

1 - The District may invest in financial futures and option contracts of any of the above authorized categories, subject to the same overall portfolio limitations.

The District complied with the provisions of the California Government Code and its investment policy pertaining to the types of investments held, the institutions in which deposits were made and the security requirements. The District will continue to monitor compliance with applicable statutes pertaining to public deposits and investments.

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes, in market interest rates. One of the ways the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The District's investment policy does not contain any provisions limiting interest rate risk that are more restrictive than what is specified in the California Government Code.

FLORIN RESOURCE CONSERVATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE B – CASH AND INVESTMENTS (Continued)

Information about the sensitivity of the fair values of the District’s investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the District’s investments by maturity as of June 30, 2014:

	Remaining Maturity (in Months)	
	Total	12 Months Or less
LAIF	\$ 2,827,345	\$ 2,827,345
Held by bond trustee:		
Money market mutual funds	<u>2,067,919</u>	<u>2,067,919</u>
	<u>\$ 4,895,264</u>	<u>\$ 4,895,264</u>

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code or debt agreements and the actual rating for each investment type at June 30, 2014.

	Minimum Legal Rating	Total	Ratings as of Year End	
			Aaa/AAA	Unrated
LAIF	Unrated	\$ 2,827,345		\$ 2,827,345
Held by bond trustee:				
Money market mutual funds	AAA	<u>2,067,919</u>	<u>\$ 2,067,919</u>	
Total		<u>\$ 4,895,264</u>	<u>\$ 2,067,919</u>	<u>\$ 2,827,345</u>

Concentration of Credit Risk: The California Government Code limits the amount the District may invest in any one issuer, with the exception of U.S. Treasury obligations, U.S. Agency securities and LAIF. The District has no investments in any one issuer (other than money market mutual funds and external investment pools) that represent 5% or more of total District investments.

Custodial credit risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

At June 30, 2014 and 2013, the carrying amount of the District’s deposits was \$9,357,867 and \$8,823,526 and the balance in financial institutions was \$9,464,219 and \$8,960,737. At June 30, 2014 and 2013, of the balance in financial institutions, \$250,000 was covered by federal depository insurance and \$9,214,219 and \$8,710,737,

FLORIN RESOURCE CONSERVATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE B – CASH AND INVESTMENTS (Continued)

respectively, was collateralized as required by State law (Government Code Section 53630), by the pledging financial institution with assets held in a common pool for the District and other governmental agencies, but not in the name of the District. As of June 30, 2014 and 2013, District's investment in money market mutual funds were held by the same broker-dealer (counterparty) that was used by the District to buy the securities. Money market mutual funds are not subject to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Investment in LAIF: LAIF is stated at amortized cost, which approximates fair value. The LAIF is a special fund of the California State Treasury through which local governments may pool investments. The total fair value amount invested by all public agencies in LAIF is \$64,870,214,443, which is managed by the State Treasurer. Of that amount, 1.86% is invested in structured notes and asset backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

NOTE C – CAPITAL ASSETS

There were no governmental activity capital assets for the years ended June 30, 2014 and 2013.

Business-type activity capital asset activity for the years ended June 30 was as follows:

	Balance at July 1, 2013	Additions	Deletions	Transfers	Balance at June 30, 2014
Capital assets not being depreciated:					
Land	\$ 1,118,402	\$ 125,480			\$ 1,243,882
Construction in progress	848,097		\$ (9,758)		838,339
Total capital assets not being depreciated	<u>1,966,499</u>	<u>125,480</u>	<u>(9,758)</u>		<u>2,082,221</u>
Capital assets being depreciated:					
Buildings	16,786,263	1,569			16,787,832
Improvements	20,751,230	219,762			20,970,992
Equipment	4,125,469	85,493			4,210,962
Water treatment and distribution system	25,663,020	1,721,477	(929,875)		26,454,622
Total capital assets being depreciated	<u>67,325,982</u>	<u>2,028,301</u>	<u>(929,875)</u>		<u>68,424,408</u>
Less accumulated depreciation for:					
Buildings	(5,748,594)	(510,776)			(6,259,370)
Improvements	(6,410,984)	(838,840)			(7,249,824)
Equipment	(2,777,091)	(312,015)			(3,089,106)
Water treatment and distribution system	(4,718,411)	(701,373)	360,365		(5,059,419)
Total accumulated depreciation	<u>(19,655,080)</u>	<u>(2,363,004)</u>	<u>360,365</u>		<u>(21,657,719)</u>
Total capital assets being depreciated	<u>47,670,902</u>	<u>(334,703)</u>	<u>(569,510)</u>		<u>46,766,689</u>
Capital assets, net	<u>\$ 49,637,401</u>	<u>\$ (209,223)</u>	<u>\$ (579,268)</u>	<u>\$ -</u>	<u>\$ 48,848,910</u>

FLORIN RESOURCE CONSERVATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE C – CAPITAL ASSETS (Continued)

	Balance at July 1, 2012	Additions	Deletions	Transfers	Balance at June 30, 2013
Capital assets not being depreciated:					
Land	\$ 1,118,402				\$ 1,118,402
Construction in progress	7,705,157	\$ 1,024,153		\$ (7,881,213)	848,097
Total capital assets not being depreciated	<u>8,823,559</u>	<u>1,024,153</u>		<u>(7,881,213)</u>	<u>1,966,499</u>
Capital assets being depreciated:					
Buildings	16,462,152			324,111	16,786,263
Improvements	20,319,980			431,250	20,751,230
Equipment	3,877,520	7,386		240,563	4,125,469
Water treatment and distribution system	17,724,051	1,053,680		6,885,289	25,663,020
Total capital assets being depreciated	<u>58,383,703</u>	<u>1,061,066</u>		<u>7,881,213</u>	<u>67,325,982</u>
Less accumulated depreciation for:					
Buildings	(5,293,749)	(454,845)			(5,748,594)
Improvements	(5,598,185)	(812,799)			(6,410,984)
Equipment	(2,501,038)	(276,053)			(2,777,091)
Water treatment and distribution system	(4,266,485)	(451,926)			(4,718,411)
Total accumulated depreciation	<u>(17,659,457)</u>	<u>(1,995,623)</u>			<u>(19,655,080)</u>
Total capital assets being depreciated	<u>40,724,246</u>	<u>(934,557)</u>		<u>7,881,213</u>	<u>47,670,902</u>
Capital assets, net	<u>\$ 49,547,805</u>	<u>\$ 89,596</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,637,401</u>

Depreciation expense of \$2,054,712 and \$1,687,331 was allocated to the Water District activities and \$308,292 was allocated to the Office Building activities in the government-wide statement of activities during the years ended June 30, 2014 and 2013, respectively.

The District incurred an impairment loss of \$579,268 on disposal of a number of wells that were capped during the year ended June 30, 2014.

FLORIN RESOURCE CONSERVATION DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE D – LONG-TERM LIABILITIES

The following is a summary of long-term liability activity for the years ended June 30:

	Balance at July 1, 2013 (as Restated)	Incurred	Retired	Balance at June 30, 2014	Due within One Year
Business-type activities:					
Water District Fund					
Certificates of Participation:					
2002 Refunding, Series A	\$ 21,295,000		\$ (595,000)	\$ 20,700,000	\$ 655,000
2002 Capital Improvement, Series B	8,815,000		(275,000)	8,540,000	285,000
2003 Capital Improvement, Series A	11,275,000		(245,000)	11,030,000	290,000
2005 Capital Improvement, Series A	12,867,145		(60,000)	12,807,145	60,000
Note Payable - Administration Building	883,017		(883,017)		
Total Water District Fund debt	<u>55,135,162</u>		<u>(2,058,017)</u>	<u>53,077,145</u>	<u>1,290,000</u>
Compensated absences	126,297	\$ 101,220	(78,389)	149,128	119,518
Total Water District Fund	<u>55,261,459</u>	<u>\$ 101,220</u>	<u>\$ (2,136,406)</u>	<u>53,226,273</u>	<u>\$ 1,409,518</u>
Unamortized bond discounts	(615,918)			(587,689)	
Less: Due within one year	<u>(1,341,689)</u>			<u>(1,409,518)</u>	
Due in more than one year	<u>\$ 53,303,852</u>			<u>\$ 51,229,066</u>	
Office Building Fund					
2003 Subordinate Lien Refunding, Series B capital appreciation certificates	\$ 10,666,994		\$ (415,000)	\$ 10,251,994	\$ 10,251,994
Accreted interest on capital appreciation certificates	<u>1,574,873</u>	\$ 224,145		<u>1,799,018</u>	<u>1,799,018</u>
Total Office Building Fund Debt	<u>12,241,867</u>	<u>\$ 224,145</u>	<u>\$ (415,000)</u>	<u>12,051,012</u>	<u>12,051,012</u>
Unamortized bond discounts	(187,066)			(175,056)	(175,056)
Less: Due within one year	<u>(12,054,801)</u>			<u>(11,875,956)</u>	<u>\$ 11,875,956</u>
Due in more than one year	<u>\$ -</u>			<u>\$ -</u>	

FLORIN RESOURCE CONSERVATION DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE D – LONG-TERM LIABILITIES (Continued)

	Balance at July 1, 2012 (as Restated)	Incurred	Retired	Balance at June 30, 2013 (as Restated)	Due within One Year
Business-type activities:					
Water District Fund					
Certificates of Participation:					
2002 Refunding, Series A	\$ 21,860,000		\$ (565,000)	\$ 21,295,000	\$ 595,000
2002 Capital Improvement, Series B	9,080,000		(265,000)	8,815,000	275,000
2003 Capital Improvement, Series A	11,465,000		(190,000)	11,275,000	245,000
2005 Capital Improvement, Series A	12,927,145		(60,000)	12,867,145	60,000
Note Payable - Administration Building	938,623		(55,606)	883,017	59,337
Total Water District Fund debt	56,270,768		(1,135,606)	55,135,162	1,234,337
Compensated absences	120,900	\$ 5,397		126,297	107,352
Total Water District Fund	56,391,668	\$ 5,397	\$ (1,135,606)	55,261,459	\$ 1,341,689
Unamortized bond discounts	(644,262)			(615,918)	
Less: Due within one year	(1,238,789)			(1,341,689)	
Due in more than one year	\$ 54,508,617			\$ 53,303,852	
Office Building Fund					
2003 Senior Lien Refunding, Series A	\$ 690,000		\$ (690,000)		
2003 Subordinate Lien Refunding, Series B capital appreciation certificates	10,666,994			\$ 10,666,994	\$ 10,666,994
Accreted interest on capital appreciation certificates	1,366,119	\$ 208,754		1,574,873	1,574,873
Total Office Building Fund Debt	12,723,113	\$ 208,754	\$ (690,000)	12,241,867	12,241,867
Unamortized bond discounts	(204,085)			(187,066)	(187,066)
Less: Due within one year	(12,519,028)			(12,054,801)	\$ 12,054,801
Due in more than one year	\$ -			\$ -	

The Office Building Fund debt was reclassified as a current liability because the District is in technical default as the administration expense reserve fund required by the debt agreement could not be fully funded at June 30, 2014 or 2013. See Note I for more information about the status of the Office Building Fund debt.

FLORIN RESOURCE CONSERVATION DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE D – LONG-TERM LIABILITIES (Continued)

Long-term debt related to business-type activities consisted of the following at June 30:

<u>Water District Fund:</u>	2014	2013
 <u>2002 Refunding Certificates of Participation, Elk Grove Water Service, Series A:</u>		
<p>On August 16, 2002, the District issued the 2002 Refunding Certificates of Participation, Elk Grove Water Service, Series A in the amount of \$23,675,000. The proceeds were used to refund the 1999 Certificates of Participation, Elk Grove Water Service Acquisition, Series A and B and 1999 Subordinate Lien Capital Appreciation Certificates of Participation, Elk Grove Water Service Acquisition, Series C. The Certificates are secured by a lien on the net water system revenues. Semi-annual principal payments of \$305,000 to \$825,000 are due on September 1 and March 1 through March 1, 2033. Semi-annual interest payments of \$20,625 to \$502,444 are due on September 1 and March 1 through March 1, 2033. Interest rates range from 4.25% to 5.00%.</p>	\$ 20,700,000	\$ 21,295,000
 <u>2002 Capital Improvement Certificates of Participation, Elk Grove Water Service, Series B:</u>		
<p>On August 16, 2002, the District issued the 2002 Capital Improvement Certificates of Participation, Elk Grove Water Service, Series B in the amount of \$10,170,000. The proceeds were used for certain improvements to the water system. The Certificates are secured by a lien on the net water system revenues. Semi-annual principal payments of \$140,000 to \$340,000 are due on September 1 and March 1 through March 1, 2033. Semi-annual interest payments of \$8,500 to \$207,225 are due on September 1 and March 1 through March 1, 2033. Interest rates range from 4.25% to 5.00%.</p>	8,540,000	8,815,000
 <u>2003 Capital Improvement Certificates of Participation, Elk Grove Water Service, Series A:</u>		
<p>On October 9, 2003, the District issued the 2003 Capital Improvement Certificates of Participation, Elk Grove Water Service, Series A in the amount of \$11,910,000. The proceeds were used for certain improvements to the water system. The net revenues of the water system are pledged under the installment sale agreement. The Certificates are secured by a lien on the net water system revenues. Semi-annual principal payments of \$140,000 to \$470,000 are due on March 1 and September 1 through September 1, 2033. Semi-annual interest payments of \$11,750 to \$268,751 are due March 1 and September 1 through September 1, 2033. Interest rates range from 3.90% to 5.00%.</p>	11,030,000	11,275,000

FLORIN RESOURCE CONSERVATION DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE D – LONG-TERM LIABILITIES (Continued)

	2014	2013
<u>2005 Capital Improvement Certificates of Participation, Elk Grove Water Service, Series A (Current Interest Certificates and Capital Appreciation Certificates):</u>		
On March 8, 2005, the District issued the 2005 Capital Improvement Certificates of Participation, Elk Grove Water Service, Series A (Current Interest Certificates and Capital Appreciation Certificates) in the amount of \$13,267,145. The proceeds were used for certain improvements to the water system. The Certificates are secured by a lien on the net water system revenues. Semi-annual principal payments of \$30,000 to \$390,000 are due on March 1 and September 1 through September 1, 2045. Semi-annual interest payments of \$9,500 to \$301,346 are due March 1 and September 1 through September 1, 2045. Interest rates range from 3.80% to 4.75%.	\$ 12,807,145	\$ 12,867,145
<u>Note Payable – Administration Building:</u>		
On February 13, 2009 the District issued a note payable in the amount of \$1,100,000, which bears an interest rate of 6.5%. The proceeds were used for the purchase of the District’s administration building and the loan is secured by a lien on the building. Combined monthly principal and interest payments of \$9,582 were due on the first day of each month through March 1, 2024. The District paid off the note on June 21, 2014.		883,017
<u>Office Building Fund:</u>		
<u>2003 Subordinate Lien Refunding Certificates of Participation, Office Building, Series B (Current Interest Certificates and Capital Appreciation Certificates):</u>		
On March 13, 2003, the Florin Resource Conservation District Economic Development Corporation issued the 2003 Subordinate Lien Refunding Certificates of Participation, Office Building, Series B (Current Interest Certificates and Capital Appreciation Certificates) in the amount of \$10,666,994. Proceeds were used to refund the 1998 Certificates of Participation Senior Lien and Subordinate Lien Current Interest Certificates and the 1998 Certificates of Participation Subordinate Lien Capital Appreciation Certificates originally issued to finance the purchase of an office building. The Certificates are secured by the gross rental revenues of the building financed under a lease agreement with the County of Sacramento Department of Human Assistance. Semi-annual principal payments of \$215,000 to \$523,609 are due on August 1 and February 1, through February 1, 2029. Semi-annual interest payments of \$13,205 to \$249,149 are due August 1 and February 1 through February 1, 2029. Interest rates range from 5.00% to 7.50%.	10,251,994	10,666,994

FLORIN RESOURCE CONSERVATION DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE D – LONG-TERM LIABILITIES (Continued)

	<u>2014</u>	<u>2013</u>
<p>The Capital Appreciation Certificates will be repaid in the amount of \$5,863,007 beginning August 1, 2023. Payments of \$508,511 to \$646,392 will be made on the Certificates each August 1 and February 1 from August 1, 2023 to February 1, 2014 at interest rates of 7.00% to 7.50%. Interest on these Certificates will be accreted over the life of the Certificates in the amount of \$37,307 to \$240,672 per year. The accreted interest is reported as part of long-term liabilities.</p>	\$ 1,799,018	\$ 1,574,873

The annual requirements to amortize the outstanding business-type activities debt as of June 30, 2014 are as follows:

Year Ending June 30,	Water District Fund		
	2002 Series A and B, 2003 Series A and 2005 Series A Certificates		
	Principal	Interest	Total
2015	\$ 1,290,000	\$ 2,546,800	\$ 3,836,800
2016	1,430,000	2,491,218	3,921,218
2017	1,555,000	2,429,613	3,984,613
2018	1,650,000	2,362,598	4,012,598
2019	1,730,000	2,286,346	4,016,346
2020-2024	10,225,000	10,084,645	20,309,645
2025-2029	13,505,000	7,231,044	20,736,044
2030-2034	14,525,000	3,485,282	18,010,282
2035-2039	2,665,000	1,440,913	4,105,913
2040-2044	3,375,000	735,300	4,110,300
2045-2046	1,127,145	56,169	1,183,314
	\$ 53,077,145	\$ 35,149,928	\$ 88,227,073

FLORIN RESOURCE CONSERVATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE D – LONG-TERM LIABILITIES (Continued)

The Office Building debt has been reclassified as a current liability due to the District being in technical default of the debt agreement. The following future debt service payment schedule is provided to demonstrate the inability of the future lease revenue under the lease agreement to fund both future debt service payments and future operating costs:

Year Ending June 30,	Office Building Fund				2 Scheduled Lease Payment Revenue	2 Available for Operating Costs
	2003 Series B					
	Capital Appreciation Certificates					
	Principal	Interest Accretion	Interest	Total		
2015	\$ 435,000		\$ 492,923	\$ 927,923	\$ 1,121,400	\$ 193,477
2016	450,000		470,717	920,717	1,121,400	200,683
2017	470,000		447,036	917,036	1,121,400	204,364
2018	495,000		421,979	916,979	1,121,400	204,421
2019	515,000		395,238	910,238	1,121,400	211,162
2020-2024	3,162,348	\$ 1,022,652	1,516,614	5,701,614	4,018,350	(1,683,264)
2025-2029	4,724,646	4,840,355	637,611	10,202,612		(10,202,612)
	10,251,994	5,863,007	4,382,118	\$ 20,497,119	\$ 9,625,350	\$ (10,871,769)
Less: unaccreted interest		(4,063,989)				
	<u>\$ 10,251,994</u>	<u>\$ 1,799,018</u>	<u>\$ 4,382,118</u>			

2 - The lease payments, net of debt service, are not expected to be sufficient to fund future operating costs, which were \$505,051 and \$430,667 (excluding depreciation) during the years ended June 30, 2014 and 2013, respectively. The lease expires in 2023. See Note I for more information.

Pledged Revenues: The District has pledged future water system revenues, net of specified operating expenses, to repay its 2002 Series A and B, 2003 Series A and 2005 Series A Certificates of Participation, Elk Grove Water Service, in the original amount of \$23,675,000, \$10,170,000, \$11,910,000 and \$13,267,145, respectively. Proceeds of the Certificates were used to refund certain debt issuances as described above and to fund improvements to the water system. The Certificates are payable solely from water system revenues and are payable through September 2045. Annual principal and interest payments on the Certificates are expected to require approximately 85% of net revenues. Total principal and interest remaining to be paid on the Certificates were \$88,227,073 and \$91,998,057 at June 30, 2014 and 2013, respectively. Cash basis principal and interest paid on the Certificates were \$3,770,985 and \$3,718,678 and total water system net revenues calculated in accordance with the covenants were \$6,316,939 and \$7,153,058 at June 30, 2014 and 2013, respectively.

The Certificates of Participation above contain the requirement to collect rates and charges from its water system that will be sufficient to yield net revenues equal to a minimum ratio under two separate debt covenants.

Covenant 1: The net revenues (as defined) plus the rate stabilization fund are required to be at least 1.25 times the sum of the cash basis installment payments of interest and principal on the outstanding Certificates and any parity debt. Net revenues are accrual basis operating income plus interest and depreciation. The note payable for the administration building is not considered parity debt, resulting in the interest and principal payments on the note payable not being included as interest and principal payments in the calculation of this covenant.

Covenant 2: The net revenues in Covenant 1, less the rate stabilization fund, are required to be at least 1.15 times the sum of the cash basis installment principal and interest payments on the outstanding Certificates and any other obligation payable from water system revenues (i.e. the note payable). The prefunded interest on the Series B Certificates was excluded from the calculation through June 30, 2009 as defined in the agreement.

FLORIN RESOURCE CONSERVATION DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE D – LONG-TERM LIABILITIES (Continued)

According to the terms of the Certificates of Participation, the District must retain an independent rate consultant to advise the District on the operation of the water system and the adjustment of rates and charges in order to achieve compliance with the foregoing covenants for the current and subsequent fiscal years. In addition, if the rate covenant is not attained, all net revenues remaining after paying the current principal and interest with respect to the Certificates will be held in the rate stabilization fund until such time that an independent Certified Public Accountant certifies that the rate covenant has been met on an audited basis.

The following is a calculation of the required coverage ratios for the Water District Fund as of June 30:

	2014	2013
Covenant 1:		
Net revenues before adjustments (operating income plus interest)	\$ 4,262,227	\$ 5,465,727
Add: Depreciation and amortization	2,054,712	1,687,331
Add: Rate stabilization fund	971,782	971,782
Net revenues plus rate stabilization fund, accrual basis	7,288,721	8,124,840
Interest and principal payments, cash basis (as defined)	3,770,985	3,718,678
 Coverage ratio computed	 1.93	 2.18
 Required ratio	 1.25	 1.25
 Covenant 2:		
Net revenues before adjustments (operating income plus interest)	\$ 4,262,227	\$ 5,465,727
Add: Depreciation and amortization	2,054,712	1,687,331
Net revenues, not including rate stabilization fund, accrual basis	6,316,939	7,153,058
Interest and principal payments, cash basis (as defined)	4,709,651	3,833,665
 Coverage ratio computed	 1.34	 1.87
 Required ratio	 1.15	 1.15

The District appears to be in compliance with the required debt coverage ratios at June 30, 2014 and 2013.

Arbitrage: The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax exempt bonds after August 31, 1986. Arbitrage regulations deal with investments of all tax-exempt bond proceeds at an interest yield greater than the interest paid to the bondholders. Generally, all interest paid to bond holders can be retroactive if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years. The District performed calculations of excess investments earnings on various investments and financings and determined there was no arbitrage liability at June 30, 2014 and 2013.

NOTE E – NET POSITION COMMITMENTS

The District's Board of Directors approved a reserve policy that authorized commitments of unrestricted net position in the Water District Fund of certain percentages of the change in net position reported in the audited financial statements or budget up to a specified dollar amount as follows as of June 30:

FLORIN RESOURCE CONSERVATION DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE E – NET POSITION COMMITMENTS (Continued)

	Description	2014	2013
Operating fund	120 days of annual operations and maintenance budget	\$ 4,820,410	\$ 4,756,295
Future capital improvement fund	75% of unrestricted funds not allocated to other reserve funds	4,092,565	3,792,900
Capital improvement fund	Annual capital improvement budget	1,799,000	2,645,000
Future capital replacement fund	25% of unrestricted funds not allocated to other reserve funds	1,364,188	1,264,300
Capital replacement fund	Annual capital replacement budget	441,000	467,000
Elections and special studies	Amount specified by Board of Directors	120,000	120,000
Total net position commitments		<u>\$ 12,637,163</u>	<u>\$ 13,045,495</u>

NOTE F – INSURANCE

The District is a member of the Special District Risk Management Authority (SDRMA). The SDRMA is a risk-pooling self-insurance authority, created under the provisions of the California Government Code Sections 6500 et. seq. Its purpose is to provide a full risk management program for California local governments. The District pays an annual premium to SDRMA for general and auto liability, errors and omissions, property, boiler and machinery and employee dishonesty insurance coverage. The District annual premium is based on its pro-rata share of charges for the pooled risk, claims adjusting and legal costs, and administrative and other costs to operate the SDRMA. Aviation insurance continues to be covered through a commercial insurer. The District's coverage and corresponding deductibles follow. Note that the high deductibles below are used only in limited circumstances, such as in the case of a terrorist attack.

Coverage	Amount	Deductible
General and auto liability (includes errors and omissions)	\$ 10,000,000	\$ 500 to \$20,000
Property damage	1,000,000,000	1,000 to 500,000
Uninsured motorist	750,000	1,000
Boiler and machinery	100,000,000	1,000 to 350,000
Employee dishonesty	400,000	None
Worker's compensation	5,000,000	None
Board member liability	500,000	500

NOTE G – DEFINED BENEFIT PENSION PLAN

Plan Description: The District contributes to the California Public Employees Retirement System (CalPERS), a cost sharing multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public employers within the State of California. All permanent full and part-time District employees working at least 1,000 hours per year are eligible to participate in CalPERS. Under CalPERS, benefits vest after five years of service. Upon retirement, participants are entitled to an annual retirement benefit, payable for life, in an amount equal to a benefit factor multiplied by their highest average monthly salary over twelve consecutive months of employment. Benefit provisions as well as other requirements is established by State statutes. The Plan selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through District resolution. CalPERS requires agencies with less than 100 active members in the plan to participate in the risk pool. The District employees that were members of CalPERS as of January 1, 2013 participate in the 2% at 55 risk pool. Employees who were not members of CalPERS as January 1, 2013 participate in the 2% at 62 risk pool. Copies of the CalPERS annual financial report and pertinent past trend information may be obtained from the CalPERS Executive Offices at 400 P Street, Sacramento, California 95814.

FLORIN RESOURCE CONSERVATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE G – DEFINED BENEFIT PENSION PLAN (Continued)

Funding Policy: Participants are required to contribute 7% of their annual covered salary. The District contributed 1% and 3% of the 7% contribution required of District employees on their behalf and the employees contributed the remaining 6% and 4% during the year ended June 30, 2014 and 2013, respectively. Contributions made by the District on behalf of the employees were \$17,443 and \$57,843 for the years ended June 30, 2014 and 2013, respectively. The District is required to contribute at an actuarially determined rate, which was 14.427% and 13.930% for the years ended June 30, 2014 and 2013, respectively. The contribution requirements of the plan members and the District are established and may be amended by CalPERS. The District's share of the contributions for the years ended June 30, 2014, 2013, and 2012 were \$297,413, \$326,205 and \$325,765, respectively, which were equal to the required contributions each year.

NOTE H – OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description: The District's other postemployment benefits plan (the Plan) is an agent defined benefit healthcare plan administered by the District. CalPERS invests the Plan's assets as part of the California Employer's Retiree Benefit Trust (CERBT), resulting in its classification as an agent plan. The Plan provides lifetime healthcare insurance coverage for eligible retirees and their dependents through the District's group medical insurance plan, which covers both active and retired participants. Employees are eligible to participate in the Plan if they are enrolled in the District's health plan, have five years of continuous service, attain age 55 and retire directly from the District under CalPERS. Since premiums are determined for active employees and retirees on a combined basis, an implied subsidy must be reflected under GASB 45. Benefit provisions are established and may be amended through agreements and memorandums of understanding between the District and its employees. The Plan does not issue a financial report.

Funding Policy: The contribution requirements of the Plan participants and the District are established by and may be amended by the District. The District elected to pre-fund benefits during the year ended June 30, 2009 and contributes the annual OPEB cost each year.

Annual OPEB Cost and Net OPEB Obligation/Asset: The District's annual other postemployment benefits cost (expense) is calculated based on the annual required contribution (ARC) of the employer. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's Net OPEB obligation for the year ended June 30, 2014 and 2013.

	2014	2013
Annual required contribution (ARC)	\$ 73,148	\$ 95,930
Interest on net OPEB obligation	(43,208)	(42,783)
Adjustment to annual required contribution	38,415	37,204
Annual OPEB cost (expense)	68,355	90,351
Contributions made	(73,148)	(95,930)
(Increase) decrease in net asset	(4,793)	(5,579)
Net OPEB obligation (asset) - beginning of year	(567,774)	(562,195)
Net OPEB obligation (asset) - end of year	\$ (572,567)	\$ (567,774)

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the last three fiscal years were as follows:

FLORIN RESOURCE CONSERVATION DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE H – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/2012	\$ 84,897	107%	\$ (562,195)
6/30/2013	90,351	107%	(567,774)
6/30/2014	68,355	107%	(572,567)

Funded Status and Funding Progress: The funded status of the plan as of June 30 was as follows:

	2014	2013
Actuarial accrued liability (AAL)	\$ 1,239,231	\$ 1,085,281
Actuarial value of plan assets	1,634,503	1,474,536
Unfunded actuarial accrued (liability) asset (UAAL)	<u>\$ 395,272</u>	<u>\$ 389,255</u>
Funded ratio (actuarial value of plan assets/AAL)	131.9%	135.9%
Covered payroll (active plan members)	\$ 1,961,000	\$ 1,944,000
UAAL as a percentage of covered payroll	N/A	N/A

Actuarial valuations of an ongoing plan involve estimates of the value of expected benefit payments and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan participants) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan participants to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For the July 1, 2013 actuarial valuation, the entry age normal cost method was used. The actuarial assumptions included a 7.61% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 7.0% initially, reduced by decrements to an annual rate of 5.0%, 3.25% annual payroll increases and a 5.00% general inflation assumption. The initial UAAL was amortized as a level percentage of projected payroll over a closed 30-year period. The remaining amortization period at June 30, 2013 was 25 years.

NOTE I – COMMITMENTS AND CONTINGENCIES

Immanent Default of Debt: The Subordinate Lien Refunding Certificates of Participation, Office Building, Series 2003 B (Current Interest Certificates and Capital Appreciation Certificates) (the Certificates) are collateralized by an office building at 2450 Florin Road, Sacramento owned by the District and leased by the County of Sacramento Department of Human Assistance (the County). The lease payments received from the County that are the sole source of repayment of the Certificates are not adequate to make the scheduled debt service payments along with administrative, operating and maintenance expenses while maintaining administrative, operations and maintenance expense reserve funds required under the debt agreement. No other District revenues may be legally used to make

FLORIN RESOURCE CONSERVATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE I – COMMITMENTS AND CONTINGENCIES (Continued)

up the shortfall of lease revenues. The District also previously used a portion of the administration expense reserve fund to make certain payments on the Certificates and was not able to maintain the required reserve funds. The use of reserve funds to make debt service payments on the Certificates and not being able to maintain required reserve funds resulted in the District being in technical default of the debt agreement. The technical default resulted in the requirement to file a Notice of Listed Event with the Trustee under the Trust Agreement. The District initially filed a Notice of Listed Event with the Bank of New York Mellon Trust Company, N.A. on October 26, 2011 and updates that filing annually. The Notices may be accessed on the continuing disclosures tab of the Electronic Municipal Market Access Website at www.emma.msrb.org by searching for Florin Resource Conservation District and the Certificates above.

In addition to the inability to maintain the required reserve funds described above, the District was unable to make property tax payments to the County of Sacramento for fiscal years 2009/10 to 2013/14 totaling approximately \$829,155 as of June 30, 2014 due to the lack of available funds. The property taxes are delinquent and are subject to penalties and interest that accrue continually. The District will not be able to pay another property tax payment of approximately \$67,000 due in February 2015 and will be subject to additional penalties and interest. Payment of the delinquent taxes, penalties and interest would result in the District not having sufficient funds to make the debt service payments of the Certificates, even if reserve funds were used. Also, after 5 years of delinquency the County has the right to sell the property to satisfy the tax lien. The County may sell the building to satisfy the tax lien on July 1, 2015 under California Revenue and Taxation Code Section 3361 and must attempt to sell the building to satisfy the tax lien by July 1, 2019 under California Revenue and Taxation Code Section 3692.

The District is waiting for notification from the Trustee of the remedies that will be pursued on behalf of the Certificate Owners under the Installment Sale Agreement and Trust Agreement for the Certificates. Due to the technical default of the debt, all outstanding principal amounts due under the Certificates are reported as a current liability on the statement of net position at June 30, 2014 and 2013.

Claims: The District is a party to various claims, legal actions and complaints that arise in the normal operation of business. Management and the District’s legal counsel believe that there are no loss contingencies that would have a material adverse impact on the financial position of the District.

Lease Commitments: On May 1, 1998, the District entered into a lease agreement effective January 16, 1998 with the County of Sacramento Department of Human Assistance for the lease of the building owned by the District located at 2450 Florin Road, Sacramento. The lease payments are paid in arrears and were subject to scheduled rent increases every five years for the fifteen-year term of the lease agreement. The County had two successive five-year options to renew the lease at \$93,450 per month for each of the two option periods beginning January 2013, which were exercised in October 2011.

The future minimum lease payment revenues under the lease agreement were as follows as of June 30, 2014:

Year Ending June 30:	Florin Road Lease
2015	\$ 1,121,400
2016	1,121,400
2017	1,121,400
2018	1,121,400
2019	1,121,400
2020-2023	4,018,350
	<u>\$ 9,625,350</u>

FLORIN RESOURCE CONSERVATION DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE I – COMMITMENTS AND CONTINGENCIES (Continued)

Lease revenue earned under the lease agreement was \$1,121,400 and \$1,292,417 during the years ended June 30, 2014 and 2013, respectively.

Missing Accounting Records: The District is unable to locate accounting records related to the purchase of the Elk Grove Water Works (EGWW) in 1999, including a valuation performed for the purpose of allocating the purchase price of the EGWW's assets recorded in the District's general ledger. The District was also unable to locate accounting records supporting the original debt proceeds, discounts and issuance costs recorded in the District's fiscal agent cash accounts and general ledger for debt issued in 1998 and 1999 as described in Note D. These transactions were recorded by the District's former management and were audited in the past. The District's current management has no reason to believe the amounts recorded require adjustment.

NOTE J – RESTATEMENT

Management discovered an error in the financial statements during 2014 that requires a restatement the Building Fund long-term liabilities to record accreted interest on the 2003 Subordinate Lien Refunding Certificates of Participation, Office Building Series B Capital Appreciation Certificates. \$5,863,007 of the Capital Appreciation Certificates will be payable in semi-annual payments of \$508,511 to \$646,392 from August 1, 2023 through February 1, 2028. This amount was incorrectly reported as future interest payments in Note D to the June 30, 2013 financial statements. GASB Statement No. 62 requires interest on discounted debt to be imputed at the market rate of the debt at the issuance date, requires interest to be accreted over the life of the related debt and requires the accreted interest to be reported as part of long-term liabilities. The June 30, 2013 financial statements were restated to record a liability for the accreted interest and to increase interest expense by the related accretion for the year then ended. See Note D for more information about the capital appreciation bonds outstanding. The effects of the restatement on the June 30, 2013 financial statements were as follows:

	Office Building Fund	Business- type Activities
Net position as of July 1, 2012, as previously reported	\$ (1,788,989)	\$ (3,434,505)
Liability for accreted interest on capital appreciation bonds	(1,366,119)	(1,366,119)
Net position as of July 1, 2012, as restated	\$ (3,155,108)	\$ (4,800,624)
Change in net position for the year ended June 30, 2013, as previously reported	\$ (252,517)	\$ 2,526,173
Accretion on capital appreciation bonds	(208,754)	(208,754)
Change in net position for the year ended June 30, 2013, as restated	\$ (461,271)	\$ 2,317,419

This restatement had no effect on the total future principal and interest payments or the timing of the payments disclosed in Note D on page 35 of the June 30, 2013 financial statements. However, the accreted interest is now reported separately from interest payments.

FLORIN RESOURCE CONSERVATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2014 and 2013

NOTE K – SUBSEQUENT EVENT

In October 2014, the District's Board of Directors approved the issuance of 2014 Water Revenue Refunding Bonds, Series A, in an amount up to \$32.5 million to advance refund all or a portion of outstanding 2002, 2003 and 2005 Refunding and Capital Improvement Certificates of Participation, Series A and B, which are reported in the Water District Fund. The assumptions approved at the October 22, 2014 Board Meeting, which are subject to change, included refunding \$29.2 million of the \$52.5 million of outstanding Certificates of Participation by issuing \$27.6 million of Water Revenue Refunding Bonds. Based on current assumptions, the Water Revenue Refunding Bonds will be repaid through September 1, 2029 at interest rates ranging from 2.0% to 5.0%, which will result in a reduction in total debt service payments of approximately \$2.5 million over the life of the debt and a net present value savings of approximately \$1.77 million, or 6.04% of the bonds refunded. The transaction is expected to close in December 2014 and the terms discussed above are subject to change until the transaction closes.

FLORIN RESOURCE CONSERVATION DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2014 and 2013

SCHEDULE OF FUNDING PROGRESS OF THE
 OTHER POSTEMPLOYMENT BENEFITS PLAN (UNAUDITED)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued (Liability) Asset (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((a-b)/c)
6/30/2012	\$ 1,345,909	\$ 961,832	\$ 384,077	139.9%	\$ 1,849,000	N/A
6/30/2013	\$ 1,474,536	\$ 1,085,281	\$ 389,255	135.9%	\$ 1,944,000	N/A
6/30/2014	\$ 1,634,503	\$ 1,239,231	\$ 395,272	131.9%	\$ 1,961,000	N/A

(This page intentionally left blank.)

Table of Contents

This part of the Florin Resource Conservation District comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District’s overall financial health.

CONTENTS

Financial Trends Data

These schedules contain financial trend information to help the reader assess the District’s most significant own-source revenue, water sales.

❖ Net Position by Component	48
❖ Changes in Net Position.....	49
❖ Fund Balances of Governmental Funds.....	50
❖ Changes in Fund Balances of Governmental Funds	51
❖ Revenues by Source	52
❖ Operating Expenses.....	53

Revenue Capacity Data

These schedules present revenue capacity information to assess the District’s ability to generate revenues. Water sales are the District’s most significant revenue source.

❖ Elk Grove Water District Rate Analysis.....	54
❖ Water Sales by Type	60
❖ Sales - Metered vs. Flat Rate	60
❖ Metered Water Sold.....	61
❖ Metered Water Consumption – CCFs.....	61
❖ Historical Service Connections	61
❖ Five Largest Commercial Customers – Current Year and Four Years Ago	62

Debt Capacity Data

The District has outstanding Certificates of Participation relating to the purchase of the Water District, Capital Improvements, and a Commercial Building.

❖ Ratio of Debt Service to Operating Expenses – Proprietary Funds	63
❖ Ratios of Outstanding Debt By Type – Proprietary Funds.....	64
❖ Bond Covenant Ratio Analysis – Water District Fund	65
❖ Pledged-Revenue Coverage – Water District Fund	66

Demographic and Economic Information

These schedules provide information on the demographic and economic environment in which the District conducts business, Elk Grove, California.

- ❖ City of Elk Grove Population.....68
- ❖ City of Elk Grove Unemployment Rate.....68
- ❖ City of Elk Grove Per Capita Personal Income.....69
- ❖ Area Demographic and Economic Statistical Information.....69
- ❖ Operating Indicators for the Water District Fund70
- ❖ Capital Asset Statistics by Function71

Sources

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports of the relevant years.

Florin Resource Conservation District
Net Position by Component
Last Eight Years

Fiscal Year ended June 30,	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities								
Unrestricted	\$ 168,419	\$ 170,385	\$ 67,862	\$ 69,903	\$ 80,760	\$ 88,227	\$ 80,927	\$ 132,261
Total governmental activities net position	168,419	170,385	67,862	69,903	80,760	88,227	80,927	132,261
Business-Type Activities								
Net Investment in capital assets	(15,919,943)	(16,229,391)	(17,480,931)	(17,738,507)	(18,773,507)	(17,230,289)	(15,360,450)	(13,716,163)
Restricted for debt service	2,455,387	2,348,094	2,224,971	2,383,125	1,953,435	1,965,930	1,834,869	1,863,744
Restricted for capital projects	7,989,292	6,336,442	3,771,280	1,568,906	533,691	1,321	1,321	1,321
Restricted for administrative, operating and maintenance expenses					480,803	419,984	365,030	202,854
Unrestricted	(3,457,192)	337,661	5,509,663	9,122,678	9,538,425	10,042,430	10,676,025	9,786,366
Total business-type activities net position	(8,932,456)	(7,207,194)	(5,975,017)	(4,663,798)	(6,267,153)	(4,800,624)	(2,483,205)	(1,861,878)
Primary Government								
Net investment in capital assets	(15,919,943)	(16,229,391)	(17,480,931)	(17,738,507)	(18,773,507)	(17,230,289)	(15,360,450)	(13,716,163)
Restricted	10,444,679	8,684,536	5,996,251	3,952,031	2,967,929	2,387,235	2,201,220	2,067,919
Unrestricted	(3,288,773)	508,046	5,577,525	9,192,581	9,619,185	10,130,657	10,756,952	9,918,627
Total primary government net position	\$ (8,764,037)	\$ (7,036,809)	\$ (5,907,155)	\$ (4,593,895)	\$ (6,186,393)	\$ (4,712,397)	\$ (2,402,278)	\$ (1,729,617)

The net position was restated to record accreted interest on the 2003 Subordinate Lien Refunding Certificates of Participation and reflected in year 2012 through 2014. Information to restate years prior to 2012 was not available. Data for periods prior to Fiscal Year 2007 were not readily available.
Source: Finance Department

Florin Resource Conservation District
Changes in Net Position
Last Eight Years

Fiscal Year ended June 30,	2007	2008	2009	2010	2011	2012	2013	2014
Expenses								
Governmental Activities:								
General Government	\$ 17,030	\$ 16,253	\$ 116,712	\$ 18,961	\$ 1,198	\$ 3,894	\$ 21,579	\$ 37,166
Business-type activities:								
Water District	9,561,923	10,377,324	11,741,844	12,442,411	12,765,798	11,946,649	11,607,439	11,855,162
Office Building	1,412,270	1,703,967	1,495,043	1,377,430	1,619,569	1,747,033	1,544,934	1,641,329
Total business-type activities	10,974,193	12,081,291	13,236,887	13,819,841	14,385,367	13,693,682	13,152,373	13,496,491
Total primary government expenses	10,991,223	12,097,544	13,353,599	13,838,802	14,386,565	13,697,576	13,173,952	13,533,657
Program Revenues								
Governmental Activities:								
Charges for Services	9,833	11,900	12,000	12,000	12,000	11,333	9,533	5,467
Operating Grants				8,936				
Total governmental activities	9,833	11,900	12,000	20,936	12,000	11,333	9,533	5,467
Business-type activities:								
Charges for Services								
Water District	8,358,765	11,922,374	12,865,774	13,642,267	13,981,562	14,420,788	14,312,791	13,435,194
Office Building	1,421,381	1,346,210	1,414,636	1,414,572	1,532,453	1,414,572	1,292,417	1,121,400
Operating Grants	69,075		10,519	3,834				
Capital Grants						198,000		100,000
Total business-type activities	9,849,221	13,268,584	14,290,929	15,060,673	15,514,015	16,033,360	15,605,208	14,656,594
Total primary government program revenues	9,859,054	13,280,484	14,302,929	15,081,609	15,526,015	16,044,693	15,614,741	14,662,061
Net revenues (expenses)								
Governmental activities								
	(7,197)	(4,353)	(104,712)	1,975	10,802	7,439	(12,046)	(31,699)
Business-Type								
	(1,124,972)	1,187,293	1,054,042	1,240,832	1,128,648	2,339,678	2,244,081	543,669
Total net revenues (expenses)	(1,132,169)	1,182,940	949,330	1,242,807	1,139,450	2,347,117	2,232,035	511,970
General Revenues and Other Changes in Net Assets								
Governmental Activities:								
Interest and investment earnings	501	361	189	66	55	28	17	50
Other revenues	2,558						4,729	82,983
Transfers	7,173							
Total governmental activities	10,232	361	189	66	55	28	4,746	83,033
Business-type activities:								
Interest and investment earnings								
	709,971	349,606	126,485	42,170	36,642	21,812	20,886	18,188
Other revenues								
		188,363	51,650	28,217	91,758	276,738	52,452	22,304
Transfers								
	(7,173)							
Total business-type activities	702,798	537,969	178,135	70,387	128,400	298,550	73,338	40,492
Total primary government	713,030	538,330	178,324	70,453	128,455	298,578	78,084	123,525
Change in net position:								
Governmental activities								
	3,035	(3,992)	(104,523)	2,041	10,857	7,467	(7,300)	51,334
Business-type activities								
	(422,174)	1,725,262	1,232,177	1,311,219	1,257,048	2,638,228	2,317,419	621,327
Total primary government	\$ (419,139)	\$ 1,721,270	\$ 1,127,654	\$ 1,313,260	\$ 1,267,905	\$ 2,645,695	\$ 2,310,119	\$ 672,661

The net position was restated to record accreted interest on the 2003 Subordinate Lien Refunding Certificates of Participation and reflected in year 2012 through 2014. Information to restate years prior to 2012 was not available.

Data for periods prior to Fiscal Year 2007 were not readily available.

Source: Finance Department

**Florin Resource Conservation District
Fund Balances of Governmental Funds
Last Eight Years**

Fiscal Year ended June 30,	2007	2008	2009	2010	2011	2012	2013	2014
General Fund								
Unreserved	\$ 168,419	\$ 172,385	\$ 67,862	\$ 69,903	\$ 80,760	\$ 88,227	\$ 76,198	\$ 132,261
Total General Fund	<u>\$ 168,419</u>	<u>\$ 172,385</u>	<u>\$ 67,862</u>	<u>\$ 69,903</u>	<u>\$ 80,760</u>	<u>\$ 88,227</u>	<u>\$ 76,198</u>	<u>\$ 132,261</u>

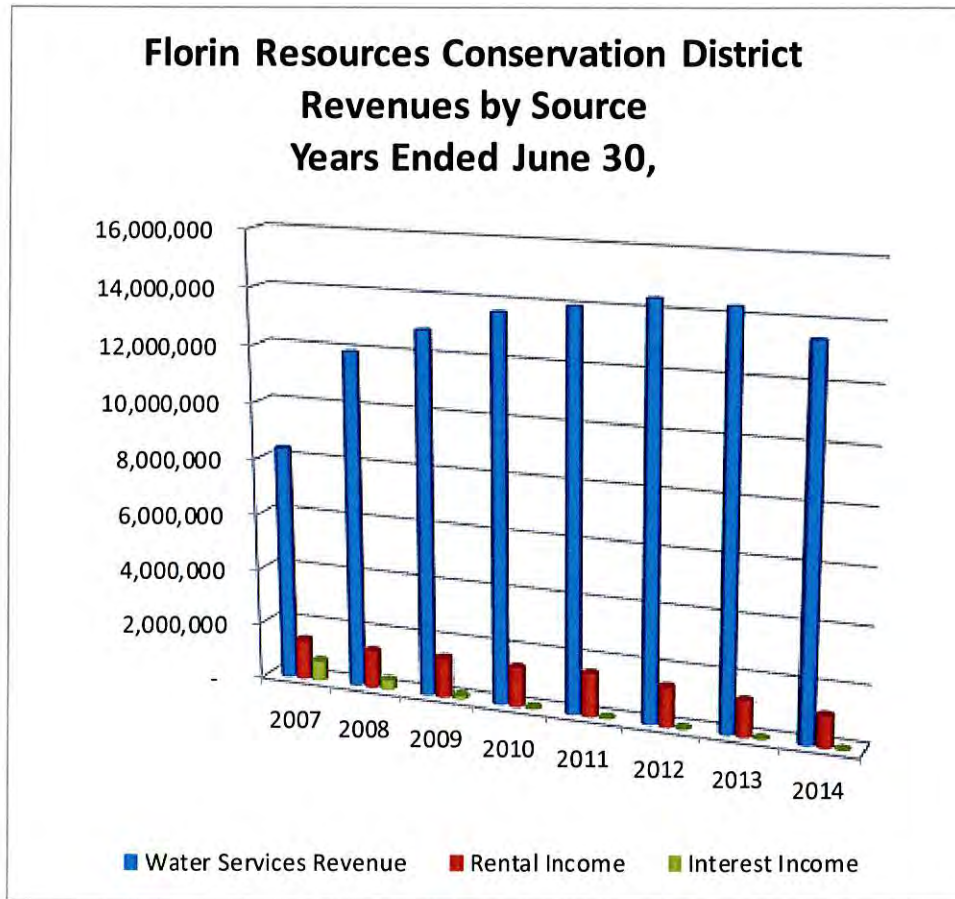
Data for periods prior to Fiscal Year 2007 were not readily available.
Source: Finance Department

**Florin Resource Conservation District
Changes in Fund Balances of Governmental Funds
Last Eight Years**

Fiscal Year ended June 30,	2007	2008	2009	2010	2011	2012	2013	2014
Revenues								
Use of money and property	\$ 10,334	\$ 10,261	\$ 14,189	\$ 12,066	\$ 12,055	\$ 11,361	\$ 9,550	\$ 5,517
Other	2,558		8,936					4,729
Total Revenues	<u>12,892</u>	<u>10,261</u>	<u>14,189</u>	<u>21,002</u>	<u>12,055</u>	<u>11,361</u>	<u>9,550</u>	<u>10,246</u>
Expenditures								
General and administrative	17,030	8,295	116,712	18,961	1,198	3,894	21,579	37,166
Total expenditures	<u>17,030</u>	<u>8,295</u>	<u>116,712</u>	<u>18,961</u>	<u>1,198</u>	<u>3,894</u>	<u>21,579</u>	<u>37,166</u>
Other Financing Sources								
Transfers	7,173							
Gain (loss) on disposal of capital assets								82,983
Total other financing sources	<u>7,173</u>							<u>82,983</u>
Net change in fund balance	3,035	1,966	(102,523)	2,041	10,857	7,467	(12,029)	56,063
Fund balance, beginning of the year	<u>165,384</u>	<u>168,419</u>	<u>170,385</u>	<u>67,862</u>	<u>69,903</u>	<u>80,760</u>	<u>88,227</u>	<u>76,198</u>
Fund balance, end of the year	<u>\$ 168,419</u>	<u>\$ 170,385</u>	<u>\$ 67,862</u>	<u>\$ 69,903</u>	<u>\$ 80,760</u>	<u>\$ 88,227</u>	<u>\$ 76,198</u>	<u>\$ 132,261</u>

Data for periods prior to Fiscal Year 2007 were not readily available.
Source: Finance Department

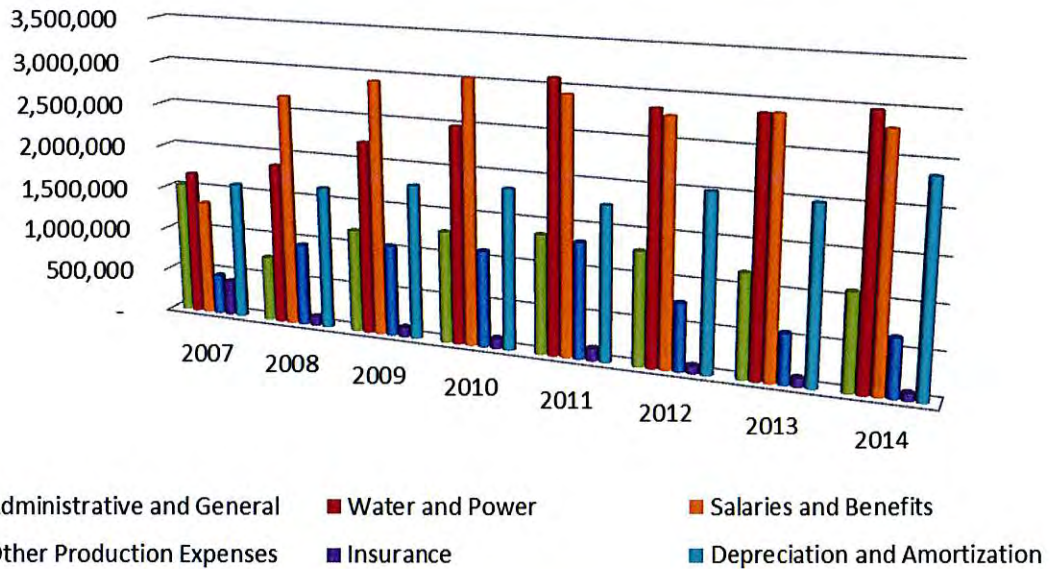
Florin Resource Conservation District Financial Trends



The majority of the District’s revenues are comprised of Water District revenues, rents that are collected from the 2450 Florin Road Building, and interest earned on the various accounts.

Data for periods prior to Fiscal Year 2007 were not readily available.
Source: Finance Department

Florin Resources Conservation District Operating Expenses For the Years Ended June 30,



This graph contrasts the six largest expense groups of the District.

Revenue Capacity

Florin Resource Conservation District Elk Grove Water District Rate Analysis Last Eight Years

	2006/07		2007/08		2008/09		2009/10		2010/11	
	Metered	Metered	Flat	Metered	Flat	Metered	Flat	Metered	Flat	Metered
Rate Area 1	Rate	Rate ⁽¹⁾	Rate	Rate	Rate	Rate	Rate	Rate	Rate	Rate
Monthly Meter/Service										
1-inch meter/service	\$ 30.41	\$ 40.06	\$ 39.10	\$ 42.06	\$ 58.26	\$ 50.47	\$ 69.91	\$ 56.53	\$ 78.30	\$ 56.53
Monthly Consumption Rates										
1st tier: 0-30 ccf	0.445	1.09		1.09		1.31		1.46		1.46
2nd tier: over 30 ccf	0.445	1.34		1.34		1.61		1.80		1.80
For each sq. ft. of premises over 4000 sf			0.00122		0.00182		0.00218		0.00244	
Average Bill	50.03			66.04		79.25		88.76		88.76
Meter Charge										
For 5/8 x 3/4-inch meter	21.89	31.08		42.06		50.47		56.53		56.53
For 3/4-inch meter	24.25	34.06		42.06		50.47		56.53		56.53
For 1-inch meter	30.41	40.06		42.06		50.47		56.53		56.53
For 1-1/2 inch meter	46.25	55.07		54.68		65.61		73.48		73.48
For 2-inch meter	63.87	73.47		88.33		105.99		118.71		118.71
For 3-inch meter	106.44	115.08		332.27		398.73		446.56		446.56
For 4-inch meter	167.68	175.17		420.60		504.72		565.29		565.29
For 6-inch meter	320.21	327.25		630.90		757.08		847.93		847.93
For 8-inch meter	503.27			870.64		1,044.77		1,170.14		1,170.14

**Florin Resource Conservation District
Elk Grove Water District Rate Analysis
Last Eight Years**

	2011/12		2012/13		2013/14	
	Metered Rate	Flat Rate	Metered Rate	Flat Rate	Metered Rate	Flat Rate
1-inch meter/service	\$ 56.53	\$ 78.30	\$ 56.53	\$ 78.30	\$ 59.23	\$ 70.22
Monthly Consumption Rates						
1st tier: 0-30 ccf	1.46		1.46		1.39	
2nd tier: over 30 ccf	1.80		1.80		2.76	
For each sq. ft. of premises over 4000 sf		0.00244		0.00244		0.00244
Average Bill	88.76		88.76		89.91	
Meter Charge						
For 5/8 x 3/4-inch meter					59.23	
For 3/4-inch meter	56.53		56.53		59.23	
For 1-inch meter	73.48		73.48		59.23	
For 1-1/2 inch meter	118.71		118.71		83.37	
For 2-inch meter	446.56		446.56		112.34	
For 3-inch meter	565.29		565.29		179.93	
For 4-inch meter	847.93		847.93		276.49	
For 6-inch meter	1,170.14		1,170.14		517.89	
For 8-inch meter					807.57	
					1,145.53	

**Florin Resource Conservation District
Elk Grove Water District Rate Analysis
Last Eight Years**

	2006/07		2007/08		2008/09		2009/10		2010/11	
	Metered Rate Area 1	Metered Rate Area 2	Flat Rate	Metered Rate ⁽¹⁾	Flat Rate	Metered Rate	Flat Rate	Metered Rate	Flat Rate	Metered Rate
Flat Rate										
For 3/4-inch service			28.77	46.61	55.93	62.64	62.64	62.64	62.64	62.64
For 1-inch service			39.10	58.26	69.91	78.30	78.30	78.30	78.30	78.30
For 1-1/4 inch service			50.43	69.91	83.89	93.96	93.96	93.96	93.96	93.96
For 1-1/2 inch service			62.86	81.72	90.89	109.83	109.83	109.83	109.83	109.83
For 2-inch service			92.71	122.35	146.82	164.44	164.44	164.44	164.44	164.44
For 3-inch service			198.28	460.25	552.30	618.58	618.58	618.58	618.58	618.58
For 4-inch service				582.60	699.12	783.02	783.02	783.02	783.02	783.02
For 6-inch service				873.90	1,048.68	1,174.53	1,174.53	1,174.53	1,174.53	1,174.53
For 8-inch service				1,205.98	1,410.13	1,579.35	1,579.35	1,579.35	1,579.35	1,579.35
1 x 3/4" + 1 x 2"			106.33	168.95	202.74	227.07	227.07	227.07	227.07	227.07
2 x 3/4"			42.40	93.22	111.86	125.29	125.29	125.29	125.29	125.29
3 x 3/4"			56.04	139.82	167.79	187.93	187.93	187.93	187.93	187.93
10 x 3/4"			151.46	466.08	559.30	626.42	626.42	626.42	626.42	626.42
33 x 3/4"			465.04	1,538.06	1,845.68	2,067.17	2,067.17	2,067.17	2,067.17	2,067.17
68 x 3/4"			942.20	3,169.34	3,803.21	4,259.60	4,259.60	4,259.60	4,259.60	4,259.60
2 x 1"			63.06	116.52	139.82	156.60	156.60	156.60	156.60	156.60
6 x 1" + 1 x 2"			236.53	471.91	566.29	634.25	634.25	634.25	634.25	634.25
6 x 1"			158.97	349.56	419.47	469.81	469.81	469.81	469.81	469.81
16 x 1"			398.69	932.16	118.59	132.83	132.83	132.83	132.83	132.83
21 x 1"			518.55	1,223.46	1,468.15	1,644.33	1,644.33	1,644.33	1,644.33	1,644.33
49x 1"			1,189.79	2,854.74	3,425.69	3,836.78	3,836.78	3,836.78	3,836.78	3,836.78
72 x 1"			1,741.17	4,194.72	5,033.66	5,637.70	5,637.70	5,637.70	5,637.70	5,637.70
100 x 1"			2,412.39	5,826.00	6,991.20	7,830.15	7,830.15	7,830.15	7,830.15	7,830.15
2 x 2"			170.27	244.69	293.63	328.87	328.87	328.87	328.87	328.87

**Florin Resource Conservation District
Elk Grove Water District Rate Analysis
Last Eight Years**

	2011/12		2012/13		2013/14	
	Metered Rate	Flat Rate	Metered Rate	Flat Rate	Metered Rate	Flat Rate
Flat Rate						
For 3/4-inch service	62.64	62.64		62.64		
For 1-inch service	78.30	78.30		78.30		70.22
For 1-1/4 inch service	93.96	93.96		93.96		
For 1-1/2 inch service	109.83	109.83		109.83		94.36
For 2-inch service	164.44	164.44		164.44		123.33
For 3-inch service	618.58	618.58		618.58		190.92
For 4-inch service	783.02	783.02		783.02		
For 6-inch service	1,174.53	1,174.53		1,174.53		
For 8-inch service	1,579.35	1,579.35		1,579.35		
1 x 3/4" + 1 x 2"	227.07	227.07		227.07		
2 x 3/4"	125.29	125.29		125.29		
3 x 3/4"	187.93	187.93		187.93		
10 x 3/4"	626.42	626.42		626.42		
33 x 3/4"	2,067.17	2,067.17		2,067.17		
68 x 3/4"	4,259.60	4,259.60		4,259.60		
2 x 1"	156.60	156.60		156.60		
6 x 1" + 1 x 2"	634.25	634.25		634.25		
6 x 1"	469.81	469.81		469.81		
16 x 1"	132.83	132.83		132.83		
21 x 1"	1,644.33	1,644.33		1,644.33		
49x 1"	3,836.78	3,836.78		3,836.78		
72 x 1"	5,637.70	5,637.70		5,637.70		
100 x 1"	7,830.15	7,830.15		7,830.15		
2 x 2"	328.87	328.87		328.87		

**Florin Resource Conservation District
Elk Grove Water District Rate Analysis
Last Eight Years**

	2006/07		2007/08		2008/09		2009/10		2010/11		
	Metered Rate Area 1	Metered Rate Area 2	Flat Rate	Metered Rate *	Flat Rate	Metered Rate	Flat Rate	Metered Rate	Flat Rate	Metered Rate	
For each additional single family residential unit			5.09		7.58		9.10		10.20		10.20
For each sq. ft. of premises, over 4000 sq. ft.			0.00122		0.00182		0.00218		0.00244		0.00244
Fire Protection Service											
2-inch connection				44.17		21.20		23.74		23.74	
3-inch connection		23.20		166.14		79.75		89.32		89.32	
4-inch connection		27.22		210.30		100.94		113.05		113.05	
6-inch connection		39.24		315.45		151.41		169.58		169.58	
8-inch connection		50.31		435.32		208.95		234.02		234.02	
Usage											
First 3000 Cu Ft. Per 100 Cu. Ft.		0.83		1.09		1.31		1.46		1.46	
Over 3000 Cu. Ft.		1.02		1.34		1.61		1.80		1.80	

* In April of 2013, a new 5 year Rate Plan was adopted.
Data for periods prior to Fiscal Year 2007 were not readily available.
Source: Finance Department

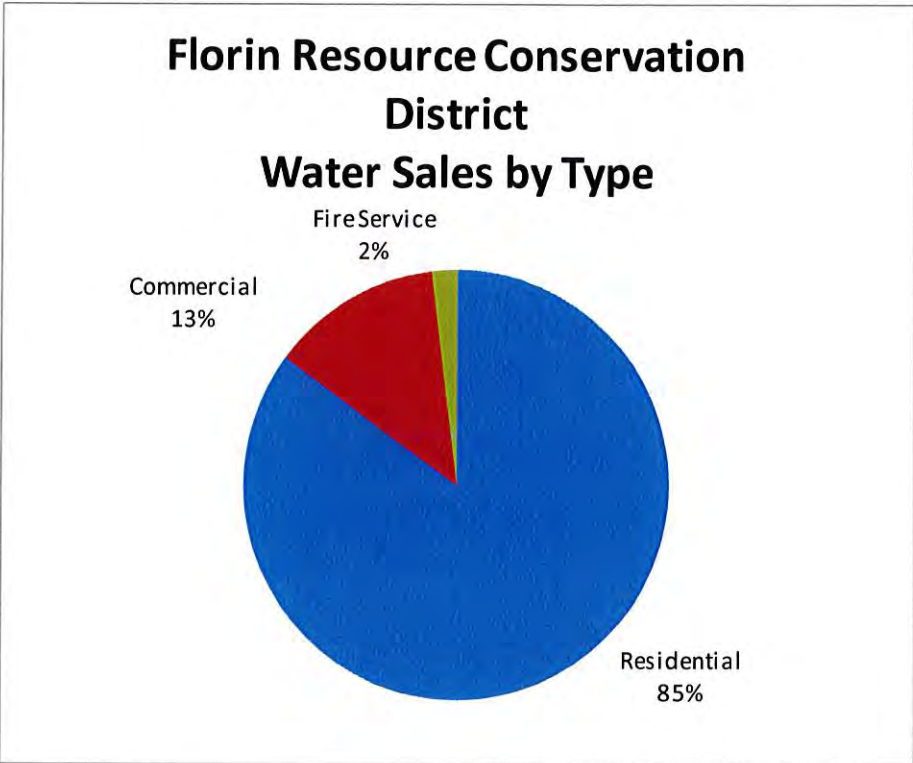
**Florin Resource Conservation District
Elk Grove Water District Rate Analysis
Last Eight Years**

	2011/12		2012/13		2013/14	
	Metered Rate	Flat Rate	Metered Rate	Flat Rate	Metered Rate	Flat Rate
For each additional single family residential unit		10.20		10.20		10.19
For each sq. ft. of premises, over 4000 sq. ft.		0.00244		0.00244		0.00244
Fire Protection Service						
2-inch connection	23.74		23.74		2.71	
3-inch connection	89.32		89.32		7.87	
4-inch connection	113.05		113.05		16.78	
6-inch connection	169.58		169.58		48.73	
8-inch connection	234.02		234.02		103.85	
					186.75	
					301.65	

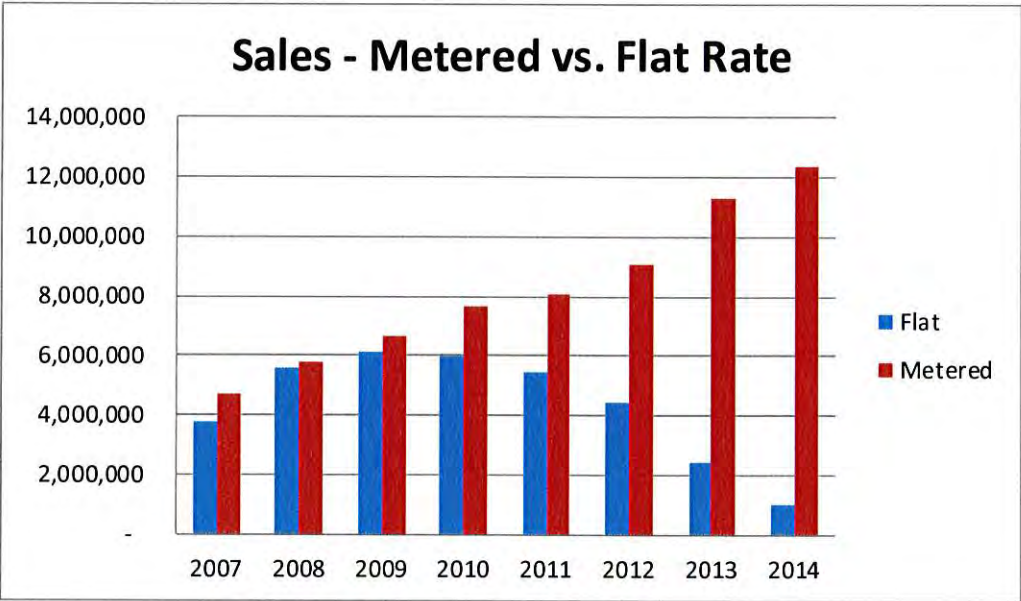
Usage

First 3000 Cu Ft. Per 100 Cu. Ft.	1.46
Over 3000 Cu. Ft.	1.80

* In April of 2013, a new 5 year Rate Plan was adopted. Data for periods prior to Fiscal Year 2007 were not readily available.
Source: Finance Department

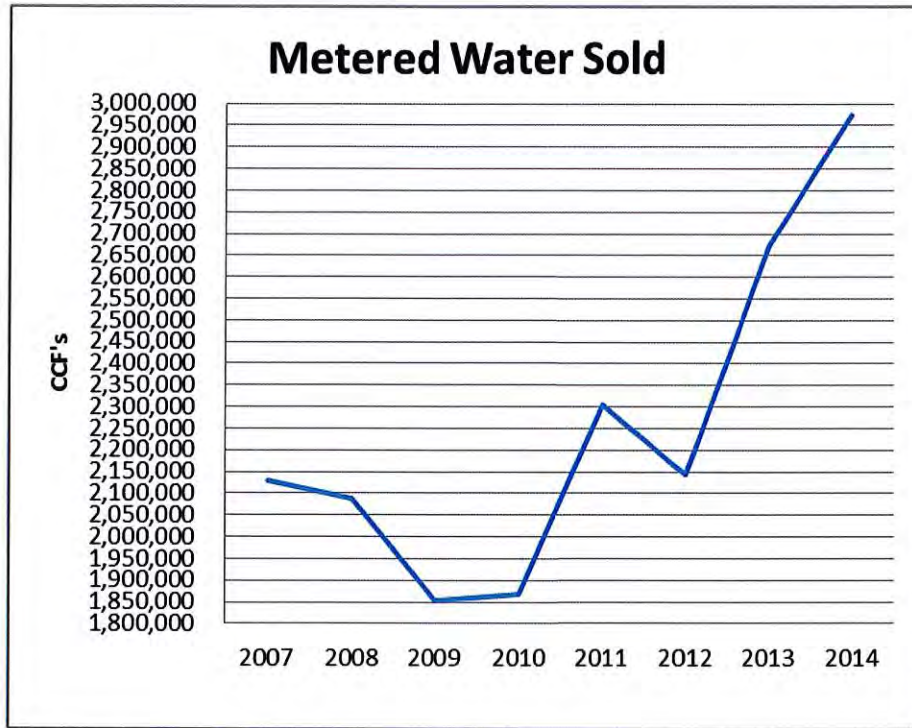


Sales by Type – This graph shows the percentages of the three major components of water sales by the Elk Grove Water District.



Metered vs. Flat Rate Sales – This chart shows the growth in meter sales primarily due to the conversion of accounts from flat rate to meters. Overall sale increases in the first three years were due to rate increases.

Data for periods prior to Fiscal Year 2007 were not readily available.
Source: Finance Department



Data for periods prior to Fiscal Year 2007 were not readily available.

Metered Water Consumption – CCFs – This graph shows the consumption of metered water over the four fiscal years. One CCF is equivalent to 748 gallons.

Historical Service Connections - The following table shows the service connections broken down by Metered and Flat Rate, Residential and Commercial.

Year End	Flat Rate	Metered	Total	Residential	Commercial
6/30/02	6,059	3,415	9,474	8,974	500
6/30/03	6,029	4,363	10,392	9,942	450
6/30/04	6,047	4,930	10,977	10,508	469
6/30/05	6,028	5,341	11,369	10,866	503
6/30/06	6,028	5,688	11,716	11,167	549
6/30/07	6,033	5,855	11,888	11,327	561
6/30/08	6,020	5,999	12,019	11,453	566
6/30/09	5,849	6,272	12,121	11,530	618
6/30/10	5,328	6,834	12,162	11,509	653
6/30/11	4,681	7,409	12,090	11,474	616
6/30/12	3,259	9,041	12,300	11,679	621
6/30/13	1,193	10,955	12,148	11,523	625
6/30/14	240	12,109	12,349	11,784	565

Source: Finance Department

FLORIN RESOURCE CONSERVATION DISTRICT
Five Largest Commercial Customers
Current Year and Four Years Ago

	<u>2009-10</u>	<u>2013-14</u>
Consumnes Community Services District	\$ 374,372	\$ 388,788
Elk Grove Unified School District	282,377	351,021
Realty Round Up		115,611
City of Elk Grove	60,299	58,397
Emerald Park Company		56,986
Emerald Vista Apartments	65,986	
Oak Grove Apartments	46,041	

Data for periods prior to Fiscal Year 2010 were not readily available.
Source: Finance Department

Debt Capacity

Florin Resource Conservation District Ratio of Debt Service to Operating Expenses - Proprietary Funds Last Eight Years

Fiscal Year Ended June 30,	Principal Payments	Interest Payments *	Total	Operating Expenses	Ratio of Total Debt Service to Operating Expenses
2007	\$ 695,000	\$ 3,427,970	\$ 4,122,970	\$ 7,007,955	58.83%
2008	750,000	3,408,230	4,158,230	8,003,616	51.95%
2009	1,090,000	3,383,008	4,473,008	9,442,594	47.37%
2010	1,260,000	3,349,544	4,609,544	9,866,695	46.72%
2011	1,495,000	3,305,500	4,800,500	10,619,531	45.20%
2012	1,670,000	3,247,339	4,917,339	9,796,569	50.19%
2013	1,770,000	3,180,956	4,950,956	9,606,919	51.54%
2014	1,590,000	3,109,908	4,699,908	10,004,498	46.98%

Note: The District has no governmental activities debt.

*Interest Payments on the Cash Basis

Data for periods prior to Fiscal Year 2007 were not readily available.
Source: Finance Department

**Florin Resource Conservation District
Ratios of Outstanding Debt by Type- Proprietary Funds
Last Eight Years**

Fiscal Year Ended June 30,	COPs- Water Services	COPs- Office Building	Loans	Total	Percentage of Personal Income*	Outstanding Debt per Registered Voter**
2007	\$ 58,567,145	\$ 14,386,994		\$ 72,954,139	1.443%	Not Available
2008	58,307,145	13,896,994		72,204,139	1.331%	\$ 575.66
2009	57,822,145	13,291,994	\$ 1,085,386	72,199,525	1.713%	Not Available
2010	57,187,145	12,666,994	1,039,602	70,893,741	1.782%	\$ 543.46
2011	56,337,145	12,021,994	990,745	69,349,884	1.711%	Not Available
2012	55,332,145	11,356,994	938,623	67,627,762	1.641%	\$ 492.83
2013	54,252,145	10,666,994	883,017	65,802,156	Not Available	Not Available
2014	53,077,145	10,251,994		63,329,139	Not Available	Not Available

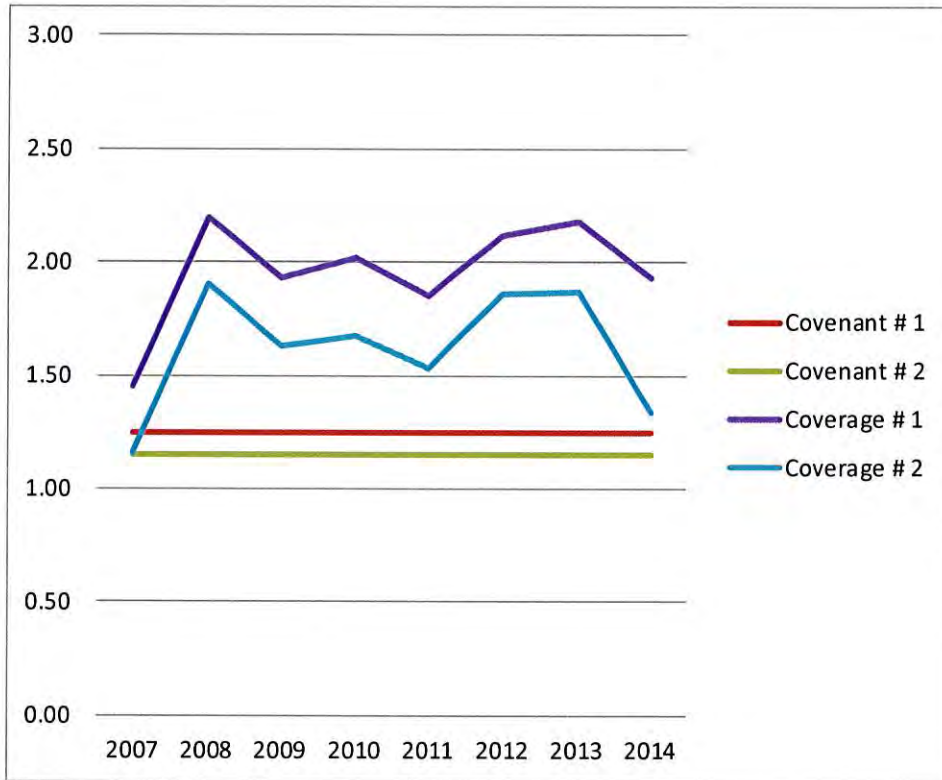
Note: Details regarding the District's outstanding debt can be found in the footnotes to the financial statements.

*See the Per Capita Income schedule in the Statistical Section, Demographic and Economic Information.

**Sacramento County Voter Registration.

Data for periods prior to Fiscal Year 2007 were not readily available.
Source: Finance Department

**Florin Resource Conservation District
Bond Covenant Ratio Analysis – Water District Fund
Last Eight Years**



Data for periods prior to Fiscal Year 2007 were not readily available.
Source: Finance Department

Florin Resource Conservation District
Pledged-Revenue Coverage - Water District Fund
Last Eight Years

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Operating Revenues:								
Charges for Services	\$ 8,358,765	\$ 11,922,374	\$ 12,865,774	\$ 13,642,267	\$ 13,981,562	\$ 14,420,788	\$ 14,312,791	\$ 13,435,194
Operating Expenses:								
Water & Power	\$ 1,670,825	\$ 1,864,314	\$ 2,221,925	\$ 2,487,961	\$ 3,093,211	\$ 2,846,200	\$ 2,872,105	\$ 2,982,746
Other Production Expenses	460,657	896,218	984,362	1,047,545	1,160,949	582,000	365,502	411,116
Payroll & Related Taxes	1,331,705	2,679,183	2,923,030	3,024,955	2,927,357	2,777,271	2,882,423	2,808,085
Insurance	404,737	102,585	97,418	111,455	117,247	74,105	83,098	68,815
Administration & General	1,413,691	511,054	1,042,542	1,207,200	1,113,405	1,098,238	977,491	865,681
Depreciation & Amortization	1,282,640	1,339,001	1,471,072	1,533,295	1,455,222	1,705,720	1,687,331	2,054,712
Total Operating Expenses	\$ 6,564,255	\$ 7,392,355	\$ 8,740,349	\$ 9,412,411	\$ 9,867,391	\$ 9,083,534	\$ 8,867,950	\$ 9,191,155
Income From Operations	\$ 1,794,510	\$ 4,530,019	\$ 4,125,425	\$ 4,229,856	\$ 4,114,171	\$ 5,337,254	\$ 5,444,841	\$ 4,244,039
Covenant Number 1								
Income From Operations	\$ 1,794,510	\$ 4,530,019	\$ 4,125,425	\$ 4,229,856	\$ 4,114,171	\$ 5,337,254	\$ 5,444,841	\$ 4,244,039
Add: Interest Income	645,856	311,768	122,221	42,170	36,642	21,812	20,886	18,188
Add: Deprec. & Amortization	1,282,640	1,339,001	1,471,072	1,533,295	1,455,222	1,705,720	1,687,331	2,054,712
Add: Rate Stabilization Fund	934,853	966,824	971,782	971,782	971,782	971,782	971,782	971,782
Total	\$ 4,657,859	\$ 7,147,612	\$ 6,690,500	\$ 6,777,103	\$ 6,577,817	\$ 8,036,568	\$ 8,124,840	\$ 7,288,721
Interest & Principal Payments	\$ 3,209,484	\$ 3,247,444	\$ 3,466,851	\$ 3,362,040	\$ 3,557,252	\$ 3,680,913	\$ 3,718,678	\$ 3,770,985
Coverage Ratio (1.25 Min. Req.)	1.45	2.20	1.93	2.02	1.85	2.18	2.18	1.93

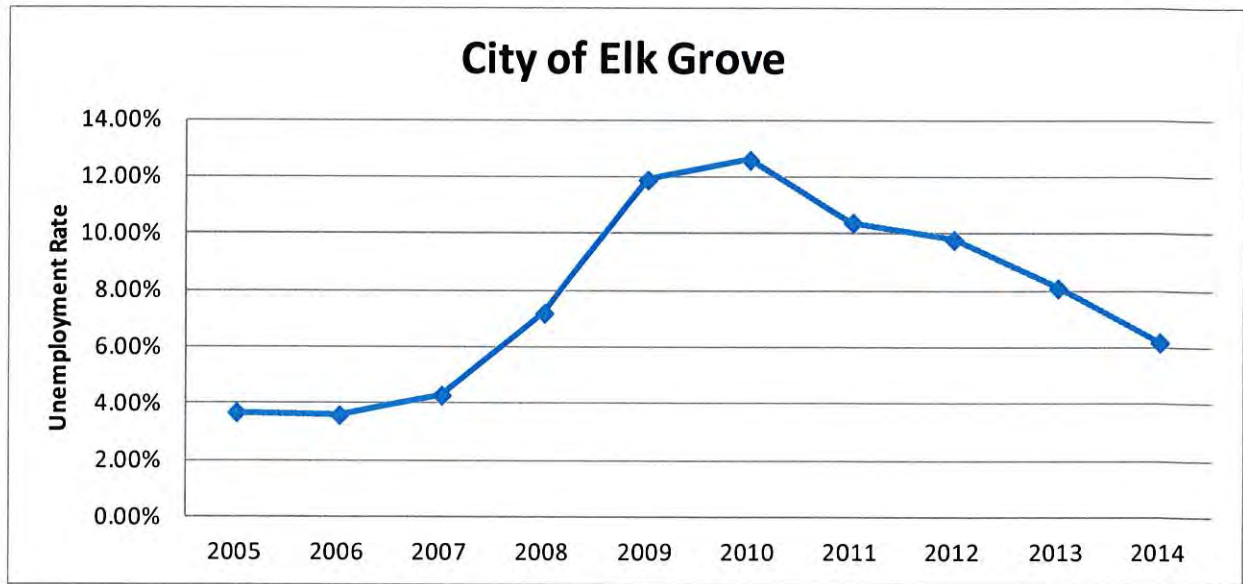
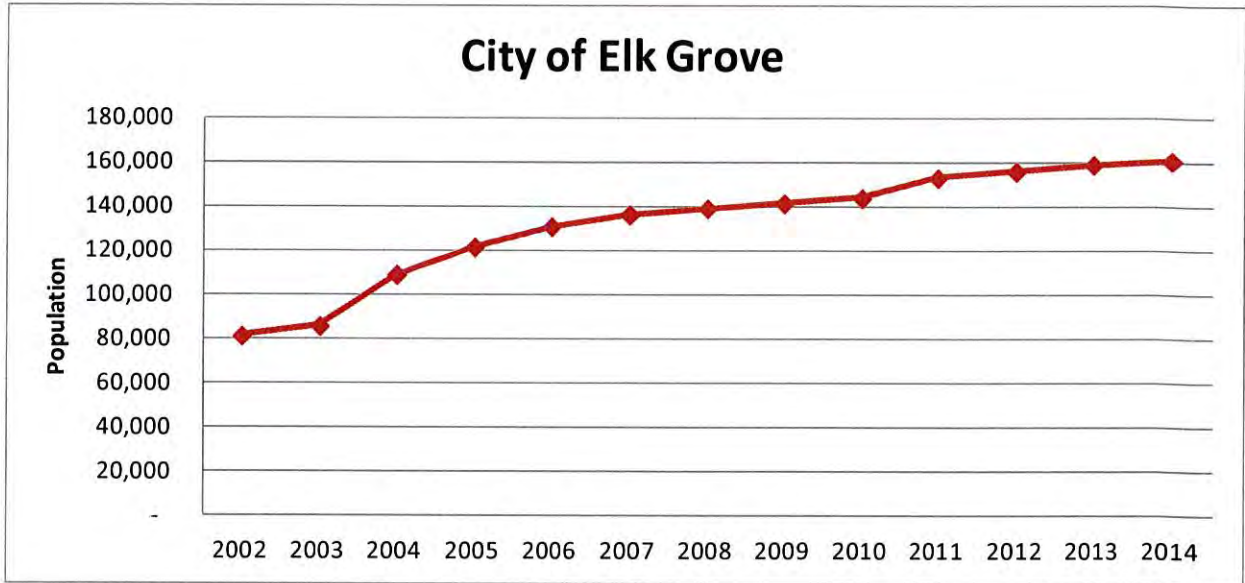
Florin Resource Conservation District
Pledged-Revenue Coverage - Water District Fund
Last Eight Years

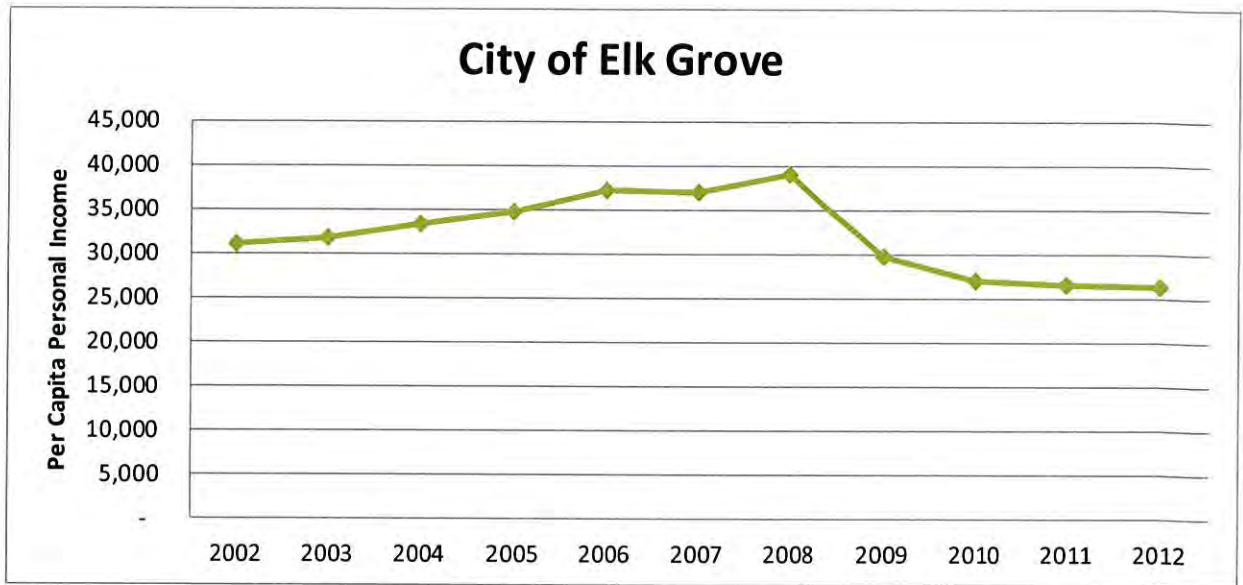
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Covenant Number 2								
Income From Operations	\$ 1,794,510	\$ 4,530,019	\$ 4,125,425	\$ 4,229,856	\$ 4,114,171	\$ 5,337,254	\$ 5,444,841	\$ 4,244,039
Add: Interest Income	645,856	311,768	122,221	42,170	36,642	21,812	20,886	18,188
Add: Deprec.& Amort. Expenses	1,282,640	1,339,001	1,471,072	1,533,295	1,455,222	1,705,720	1,687,331	2,054,712
Total	\$ 3,723,006	\$ 6,180,788	\$ 5,718,718	\$ 5,805,321	\$ 5,606,035	\$ 7,064,786	\$ 7,153,058	\$ 6,316,939
Interest & Principal Payments	\$ 3,209,484	\$ 3,247,444	\$ 3,505,180	\$ 3,477,026	\$ 3,669,868	\$ 3,795,751	\$ 3,833,665	\$ 4,709,651
Coverage Ratio (1.15 Min. Req.)	1.16	1.90	1.63	1.67	1.53	1.86	1.87	1.34

Note: Details regarding the requires of the two covenants can be found in Note E of the financial statements.

Data for periods prior to Fiscal Year 2007 were not readily available.
Source: Finance Department

**Demographic and Economic Information
Florin Resource Conservation District**





Data for 2013 and 2014 is unavailable from the US Bureau of Economic Analysis.

Year	Population*	Personal Income (in thousands)	Capita Personal Income**	Unemployment Rate***
2002	81,400	\$ 2,524,214	\$ 31,010	4.20%
2003	85,786	2,730,483	31,829	4.60%
2004	109,116	3,637,709	33,338	4.30%
2005	121,609	4,232,601	34,805	3.70%
2006	130,874	4,878,590	37,277	3.60%
2007	136,318	5,054,399	37,078	4.30%
2008	139,119	5,425,919	39,002	7.20%
2009	141,430	4,214,190	29,797	11.90%
2010	143,885	3,891,082	27,043	12.60%
2011	153,015	4,051,684	26,479	10.40%
2012	155,937	4,117,829	26,407	9.80%
2013	159,074	Not Available	Not Available	8.10%
2014	160,688	Not Available	Not Available	6.20%

Source: * California Department of Finance
 ** US Bureau of Economic Analysis – Sacramento Area
 *** www.labormarketinfo.edd.ca.gov

The largest employers in the District’s service area are not known.
 Data for 2013 is unavailable from the US Bureau of Economic Analysis.

Florin Resource Conservation District
Operating Indicators for the Water District Fund
Last Eight Years

Fiscal Year ended June 30,	2007	2008	2009	2010	2011	2012	2013	2014
Acre-feet water sold:								
Purchased water (CCFs)	2,128,280	2,087,803	1,854,139	1,868,738	2,304,632	1,069,886	1,128,430	1,145,719
Treated water (CCFs)	2,973,199	2,781,990	2,114,031	2,079,311	1,471,518	2,189,232	2,397,179	2,055,947
Total	5,101,479	4,869,793	3,968,170	3,948,049	3,776,150	3,259,118	3,525,609	3,201,666
Number of Accounts:								
Non-metered	6,033	6,020	6,272	6,955	4,681	3,259	1,193	240
Metered	5,855	5,999	5,849	5,207	7,409	9,041	10,955	12,109
Total	11,888	12,019	12,121	12,162	12,090	12,300	12,148	12,349
Average annual CCFs used per account	429.13	405.17	327.38	324.62	312.34	264.97	290.22	259.27
Average daily consumption per account (CCFs)	1.1757	1.1101	0.8969	0.8894	0.8557	0.7259	0.7951	0.7103
Number of Employees:								
General Government								
Water	23	24	24	32	32	30	29	29

Note: Each one hundred cubic foot (1 CCF) equals 748 gallons
Data for periods prior to 2007 were not readily available

Source: Finance Department

**Florin Resource Conservation District
Capital Assets Statistics by Function
Last Eight Years**

Fiscal Year ended June 30,	2007	2008	2009	2010	2011	2012	2013	2014
Capital Asset Statistics								
Water:								
Water main miles	121.0	121.0	124.0	124.0	124.0	124.0	124.0	131.0
Maximum daily capacity (thousands of gallons)	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Maximum daily treatment capacity (thousands of gallons)	7,000	7,000	7,000	7,000	7,000	7,000	7,000	10,000
Building:								
Buildings owned	1	1	1	1	1	1	1	2

Data for periods prior to Fiscal Year 2007 were not readily available.
Source: Finance Department

Richardson & Company, LLP

550 Howe Avenue, Suite 210
Sacramento, California 95825

Telephone: (916) 564-8727
FAX: (916) 564-8728

To the Board of Directors and Management
Florin Resource Conservation District
Elk Grove, California

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities and each major fund of the Florin Resource Conservation District (the District) as of and for the year ended June 30, 2014 in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for determining our auditing procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the combination of the following deficiencies to be a material weakness:

Internal Control Issues

The District's closing and account reconciliation process still needs to improve to ensure all transactions are properly recorded in a timely manner to avoid misstatements to the financial statements and to prevent and detect unauthorized transactions, including the following:

- The year-end closing process continues to be performed during the audit, which resulted in ten closing entries and audit adjustments being posted during the audit. This is largely due to reconciliations not being performed throughout the year and instead being caught up at year-end. We recommend the District perform account reconciliations regularly and record closing entries as part of the reconciliation process to prevent delays in recording closing entries.
- The District did not regularly reconcile subsidiary detail records to the general ledger for customer accounts receivable, capital assets, construction in process, inventory and accounts payable during the year. We recommend the District reconcile these subsidiary records to the general ledger on a monthly or quarterly basis and retain the reconciliations for use during the audit, including the detail lists and inventory count sheet used. The inventory should be taken on June 30th each year and the general ledger trued-up to the count sheet. We recommend monthly and quarterly closing checklists be used to identify the frequency of the reconciliations.

- We noted bank reconciliations were not completed during the year and were caught up near year-end. We recommend bank reconciliations be performed on a timely basis to prevent errors in financial reporting and to allow any potential unauthorized transactions to be identified on a timely basis. We consider this to be a critical control that must be performed regularly.

We also noted the following other matter that has been included for your consideration:

We noted a number of checks were included in the check history report with check numbers that were identical to voided checks but with a -1 in the check number. This was an attempt to re-use the voided check number based on discussions with staff. Voided checks should not be re-issued and instead should be defaced and retained by the District as a control to avoid staff being able to re-issue checks that management believes are voided. The next available check number should be used when a check is voided and re-issued. We also noted there was a gap in checks issued (034929 to 035013). Ensuring checks are issued in consecutive order is an important control to be able to account for all checks used. Management should ensure there are no gaps in check sequences used as part of reviewing the check runs and bank reconciliations.

The District has made progress in recent years in developing a comprehensive policies and procedures manual, which would be helpful to aid employees in completing their assigned duties if employee turnover occurs. We understand a whistleblower policy is in progress. The District should continue to document policies and procedures. We recommend assigning each employee responsibility for documenting how their job duties are completed in a simple manner that can be enhanced in the future.

* * * * *

This report is intended solely for the information and use of the Board of Directors, management, and others within the organization and is not intended to be and should not be used by anyone other than these specific parties.

Richardson & Company, LLP

November 12, 2014

Richardson & Company, LLP

550 Howe Avenue, Suite 210
Sacramento, California 95825

Telephone: (916) 564-8727
FAX: (916) 564-8728

November 12, 2014

To the Board of Directors
Florin Resource Conservation District
Elk Grove, California

We have audited the financial statements of the governmental activities, business-type activities and each major fund of the Florin Resource Conservation District (the District), for the year ended June 30, 2014, and have issued our report thereon dated November 12, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in a meeting with the Board Chairman during the audit. Professional standards also require that we provide you with the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2014. We noted no transaction entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Accounting estimates are used in determining the allowance for bad debts on customer accounts receivable, depreciable lives and methods used for capital assets, compensated absences, pension contributions, the amount of salaries and benefits related to the installation of water meters that was capitalized and the other postemployment benefits liability. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were the restatement described in Note J, calculation of the coverage ratios required by the debt covenants reported in Note D, other postemployment benefits reported in Note H, and the immanent default of debt and other disclosures in Note I. The Building Fund debt was classified as a current liability under GASB Statement No. 62 due to the debt being in technical default because the District was not able to comply with the debt

covenant requirement to maintain specific reserve funds as discussed in Notes D and I of the financial statements.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were ten audit adjustments posted during the audit. Significant audit adjustments were posted to record accreted interest on Office Building Fund debt reported as a restatement in Note J, record a FRCD Fund legal invoice, record Water Fund refunds due to customers identified by management due to the wrong water line size being used in the billing system, record a payable for FRCD Fund rents collected on the Elk Grove-Florin Road building that were not remitted to the other conservation districts jointly owning the building, true-up net position restrictions and to reclassify various amounts for reporting purposes.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 12, 2014.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. Management asked another audit firm to confirm whether accretion on the Office Building Fund debt needed to be accrued and reported as part of long-term liabilities.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

ELK GROVE WATER RESERVES

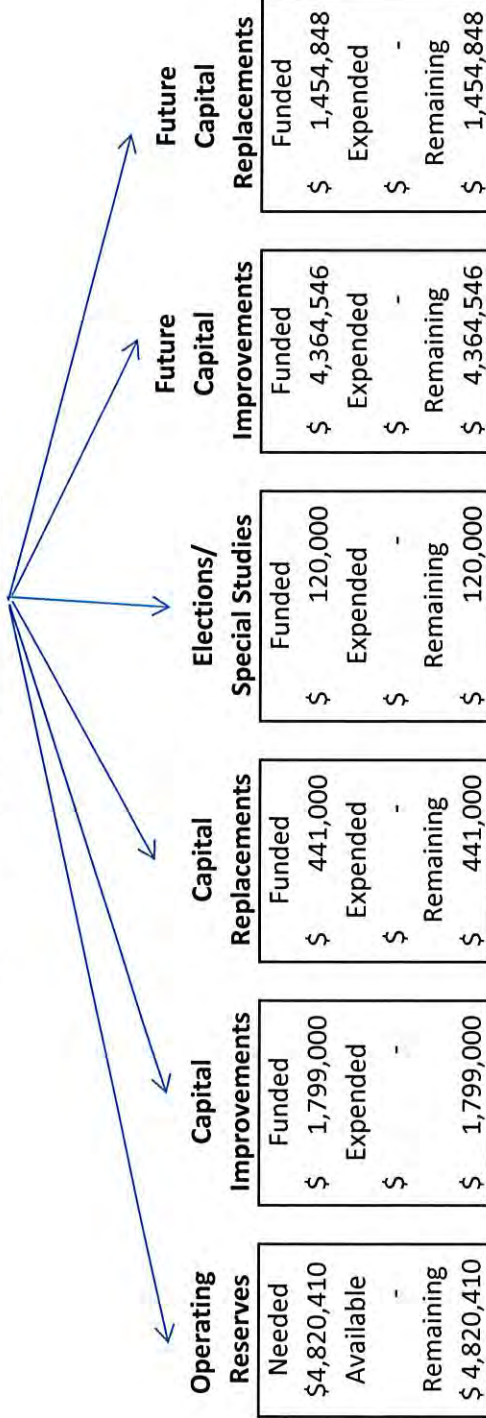
Fiscal Year 2013-14

As of June 30, 2014

Unrestricted Reserves \$ 12,634,163

Adjustments for Non-Cash Reserves \$ 365,641

Available Reserves \$ 12,999,804



November 19, 2014

TO: Chairman and Directors of the Florin Resource Conservation District

FROM: Bruce M. Kamilos, Associate Civil Engineer

SUBJECT: **RAILROAD STREET WATER TREATMENT FACILITY PARKING LOT IMPROVEMENTS PROJECT CONSTRUCTION CONTRACT**

RECOMMENDATION

It is recommended that the Board of Directors of the Florin Resource Conservation District/Elk Grove Water District (FRCD/EGWD) approve a motion amending the FY 2015-2019 Capital Improvement Program (CIP), reallocating \$58,000 from the Melrose Avenue Water Main Project to the Railroad Street Water Treatment Facility Parking Lot Improvements Project, and authorizing the General Manager to execute a construction contract in the amount \$254,761 with Abide Builders, Inc. for the Railroad Street Water Treatment Facility Parking Lot Improvements Project.

Summary

The proposed Railroad Street Water Treatment Facility Parking Lot Improvements Project includes the construction of a paved, fenced-in parking lot and bulk materials storage facility across from the Railroad Street Water Treatment Facility (RRWTF). The project was bid and the Elk Grove Water District (EGWD) received and opened 10 bids on October 28, 2014. The lowest responsive, responsible bidder was Abide Builders, Inc. with a bid amount of \$254,761.

The Board approved the FY2014/15 CIP reserve fund on June 26, 2014, and \$217,000 of the approved reserve fund was budgeted for the Railroad Street WTF Parking Lot Improvements Project. The bid amount of \$254,761 exceeds the amount budgeted for this project.

This action, if approved, would amend the FY 2015-2019 CIP to budget \$257,000 for the Melrose Ave. Water Main project and \$275,000 for the Railroad Street WTF Parking Lot Improvements Project (see attached Table 1), and authorize the General Manager to execute a contract in the amount \$254,761 with Abide Builders, Inc. for the Railroad Street Water Treatment Facility Parking Lot Improvements Project.

RAILROAD STREET WATER TREATMENT FACILITY PARKING LOT IMPROVEMENTS CONSTRUCTION CONTRACT

Page 2

DISCUSSION

Background

The Railroad Street Water Treatment Facility (RRWTF) was originally built in year 2005 without an employee parking lot and without suitable space for a bulk materials loading station. Since it was staffed, employees working out of the RRWTF have had to park their personal vehicles on an unfenced, dirt lot across from the RRWTF. This dirt lot used for parking was owned by a private family who allowed EGWD employees use of the property.

The existing bulk materials storage facility was also designed and located in a tight space behind the Maintenance & Operations Center. This location inhibits access to stored bulk materials and potentially presents an unsafe condition when loading and unloading.

In August 2012, EGWD began discussions with the private family to purchase the property across from the RRWTF. In May 2013, the Board approved the purchase of the property for \$102,500 plus \$21,000 in compensation for EGWD's prior usage of this the lot. EGWD retained Claybar Engineering for \$7,700 to develop documents and maps to record the new parcel and retained Claybar for \$10,369 to design the proposed parking lot.

Present Situation

Because of limited space within the RRWTF, employees have continued to park their personal vehicles on an unfenced, dirt lot across from the RRWTF. This dirt lot does not drain well during the rainy season and the unfenced, unlit area lacks adequate security.

EGWD Operations staff are also using a location behind the RRWTF Maintenance & Operations Center (MOC) to store and load bulk materials used on jobs. This is a tight space that is close to the MOC building and can be a high traffic area for other activities performed at the MOC. When loading and unloading bulk materials, such as sand and aggregate, vehicular access is only made by backing up, and when using dump trucks and especially dump trailers, this can pose an unsafe condition for workers in this tight space.

The proposed Railroad Street Water Treatment Facility Parking Lot Improvements Project includes the construction of a paved, fenced-in parking area that will provide

RAILROAD STREET WATER TREATMENT FACILITY PARKING LOT IMPROVEMENTS CONSTRUCTION CONTRACT

Page 3

lighting and security for employees and their personal vehicles. Included in the proposed project is a bulk materials loading station making the loading operation safer and more efficient through better accessibility.

On October 28, 2014, EGWD received and opened 10 bids for the construction of the proposed Railroad Street Water Treatment Facility Parking Lot Improvements Project. FRCD/EGWD's Bidding Policy & Procedure for Public Works Construction Contracts was adhered to in the bidding process. Bidding qualifications required that bidders possess a valid California general contractor's license (Class A). Abide Builders, Inc. was the lowest responsive, responsible bidder for the project. The bids are summarized below.

	<u>Company Name</u>	<u>Bid Amount</u>
1	Abide Builders, Inc.	\$254,761
2	Kochoo Construction Co., Inc.	\$290,767
3	Sierra National Construction	\$313,817
4	Gabe Mendez, Inc.	\$323,617.50
5	Biondi Paving & Engineering	\$341,468
6	Western Engineering	\$342,809
7	Martin Brothers Construction	\$354,252.50
8	B & M Builder, Inc.	\$359,423.40
9	Saenz Landscape Construction Company	\$374,577.96
10	Dryco Construction, Inc.	\$524,656
	<i>Engineer's Estimate</i>	\$217,695

Environmental Considerations

The Railroad Street Water Treatment Facility Parking Lot Improvements Project is categorically exempt from CEQA (the California Environmental Quality Act) under Title 14 California Code of Regulations, Class 3 and Class 4, Section numbers 15303 and 15304 respectively of the CEQA Guidelines. Projects exempt under Class 3 consist of construction of new, small facilities or structures. Projects exempt under Class 4

RAILROAD STREET WATER TREATMENT FACILITY PARKING LOT IMPROVEMENTS CONSTRUCTION CONTRACT

Page 4

consist of minor public or private alterations in the condition of land including grading. A Notice of Exemption (NOE) will be filed with the County Clerk for this project.

Strategic Plan Conformity

The recommendation made in this staff report conforms to the FRCD/EGWD 2012-2017 Strategic Plan. The Strategic Plan directs EGWD to implement the approved capital improvement program. The Railroad Street Water Treatment Facility Parking Lot Improvements Project is a project that has been approved as part of the capital improvement program.

FINANCIAL SUMMARY

The cost of the Railroad Street Water Treatment Facility Parking Lot Improvements Project contract is \$254,761. The Board approved the FY2014/15 CIP reserve fund on June 26, 2014, and \$217,000 of the approved reserve fund was budgeted for the Railroad Street Water Treatment Facility Parking Lot Improvements Project. The bid amount of \$254,761 exceeds the amount budgeted for this project.

Other charges (geotechnical testing, electrical installation) against this capital improvement project are expected to not exceed \$20,000. Therefore, an additional \$58,000 of unrestricted funds to the FY 2014/15 reserve fund is required to cover the difference between what was budgeted and the expected actual cost for the project. Because another FY2014/15 CIP project, the Melrose Avenue Water Main Project, will come in significantly under its budget of \$315,000, it is requested that the Board amend the FY2015-2019 CIP to reallocate \$58,000 from the Melrose Avenue Water Main Project to the Railroad Street Water Treatment Facility Parking Lot Improvements Project.

During the adoption of the FY 2014-15 budgets, the Board appropriated \$3,486,039 of unrestricted funds to the FY 2014/15 CIP reserve fund. Should the Board approve amending the FY2015-19 CIP as proposed in this staff report, no change in the amount of appropriated funds to the FY 2014/15 CIP reserve fund will be required to cover the additional costs of the Railroad Street Water Treatment Facility Parking Lot Improvements Project.

November 19, 2014

**RAILROAD STREET WATER TREATMENT FACILITY PARKING LOT
IMPROVEMENTS CONSTRUCTION CONTRACT**

Page 5

Respectfully Submitted,



BRUCE M. KAMILOS
ASSOCIATE CIVIL ENGINEER

BMK/

Attachments

Table 1
5-Year CIP Summary

(in thousands \$)

Priority	PROJECT NAME	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	Total
METER RETROFIT PROGRAM							
1	Water Meter Retrofit Program <i>pg. 10</i>	100	-	-	-	-	100
2	Water Meter Replacement Program <i>pg. 12</i>	34	1,586	-	-	-	1,620
SUPPLY / DISTRIBUTION IMPROVEMENTS							
1	Melrose Ave Water Main* <i>pg. 14</i>	257	-	-	-	-	257
4	Elk Grove Blvd Water Main* <i>pg. 16</i>	-	-	-	-	500	500
2	Bullhead Replacements <i>pg. 18</i>	900	-	-	-	-	900
1	Wharf Hydrant Replacements <i>pg. 20</i>	250	-	-	-	-	250
4	8" Water Line Replacement Waterman Rd. <i>pg. 22</i>	-	-	-	169	-	169
1	Pumped-to-Waste Infrastructure - Deep Wells <i>pg. 24</i>	-	26	229	-	-	255
4	Automatic Meter Reader Feasibility Study <i>pg. 26</i>	35	-	-	-	-	35
3	Water Mains (4") Replacement <i>pg. 28</i>	-	-	-	315	1,000	1,315
1	Well Rehabilitation Program (one per year) <i>pg. 30</i>	-	82	84	87	90	343
1	Well 1D Pump Conversion <i>pg. 32</i>	-	-	64	-	-	64
2	Railroad Corridor Water Line <i>pg. 34</i>	-	-	164	-	-	164
3	Backyard Water Mains/Services Replacement <i>pg. 36</i>	-	-	844	844	-	1,688
1	Hydropneumatic Tanks Refurbishments <i>pg. 38</i>	22	22	-	-	-	44
1	Well 1D Generator <i>pg. 40</i>	-	-	174	-	-	174
TREATMENT IMPROVEMENTS							
2	RRWTF Tanks & Vessels Recoating* <i>pg. 42</i>	-	50	350	35	150	585
1	Media Replacement Filter Vessels <i>pg. 44</i>	-	45	47	-	-	92
1	Chlorine Tank Replacement - ClorTec Room <i>pg. 46</i>	-	80	-	-	-	80
1	Hampton Road WTP Refurbishment <i>pg. 48</i>	996	-	-	-	-	996
1	VFDs - Booster Pumps Railroad Street WTF <i>pg. 50</i>	134	-	-	-	-	134
1	SCADA Improvements <i>pg. 52</i>	60	-	-	-	-	60
BUILDING & SITE IMPROVEMENTS / VEHICLES							
3	Truck Replacements <i>pg. 54</i>	38	79	-	-	-	117
2	Administration Building Improvements <i>pg. 56</i>	50	-	-	-	-	50
3	Security Infrastructure <i>pg. 58</i>	-	-	84	-	-	84
1	Frontage Road & Parking Lot Improvements <i>pg. 60</i>	60	-	-	-	-	60
1	RRWTF Modular Meeting Room & I.T. Center <i>pg. 62</i>	75	-	-	-	-	75
2	Railroad Street WTF Parking Lot Improvements <i>pg. 64</i>	275	-	-	-	-	275
5	Well 1D Site Improvements <i>pg. 66</i>	-	-	28	-	-	28
UNFORESEEN CAPITAL PROJECTS							
	Unforeseen Capital Projects <i>pg. 70</i>	200	200	200	200	200	1000
	TOTAL	3,486	2,170	2,268	1,650	1,940	11,514
	FUNDED TOTAL (priority 1-4 projects + unforeseen)	3,486	2,170	2,240	1,650	1,940	11,486
	UNFUNDED TOTAL (priority 5 projects)	0	0	28	0	0	28

* New projects for FY 2015-2019 CIP

FLORIN RESOURCE CONSERVATION DISTRICT

RRWTF PARKING LOT PROJECT

BID AND CONTRACT DOCUMENTS

TABLE OF CONTENTS

	<u>Page No.</u>
NOTICE INVITING BIDS.....	1
INSTRUCTIONS TO BIDDERS	3
BID FORM	11
CONTRACTOR’S CERTIFICATE REGARDING WORKERS’ COMPENSATION	14
BID BOND	15
DESIGNATION OF SUBCONTRACTORS	17
INFORMATION REQUIRED OF BIDDERS	18
NON-COLLUSION AFFIDAVIT	22
CONTRACT	23
PERFORMANCE BOND.....	26
PAYMENT BOND (LABOR AND MATERIALS)	29
GENERAL CONDITIONS	32
SPECIAL CONDITIONS	71
TECHNICAL SPECIFICATIONS	73

FLORIN RESOURCE CONSERVATION DISTRICT

NOTICE INVITING BIDS

RRWTF Parking Lot Project

The Florin Resource Conservation District ("District") will receive sealed bids for the RRWTF Parking Lot Project at the office of the Elk Grove Water District no later than October 28, 2014 at 2:30 PM at which time or thereafter said bids will be opened and read aloud. Bids received after this time will be returned unopened. Bids shall be valid for 60 calendar days after the bid opening date.

Work includes furnishing of all labor, materials, tax, equipment and services for the RRWTF Parking Lot Project as outlined in the Specifications and Improvement Plans for this project.

Bids must be submitted on the District's Bid Forms. Bidders are responsible for purchasing and obtaining all the contract documents. Copies of the Contract Documents may be obtained at: ARC Document Solutions at 801 Broadway, Sacramento, CA 95818, (916) 443-1322 or www.e-arc.com. The District will also make the Contract Documents available for review at Sacramento Regional Builders Exchange, 1331 T Street, Sacramento, CA 95811, (916) 442-8991.

Bids must be accompanied by cash, a certified or cashier's check, or a Bid Bond in favor of the District in an amount not less than ten percent (10%) of the submitted Total Bid Price.

A non-mandatory Pre-Bid Conference will be held at the RRWTF Parking Lot site located at 9175 Railroad Street, Elk Grove, CA 95624 on October 14, 2014, at 10:00 a.m. Bidders are encouraged to attend the Pre-Bid Conference. Bids will be accepted from any bidder who did not attend the Pre-Bid Conference.

Each bid shall be accompanied by the security referred to in the Contract Documents, the non-collusion affidavit, the list of proposed subcontractors, and all additional documentation required by the Instructions to Bidders.

The successful bidder will be required to furnish the District with a Performance Bond equal to 100% of the successful bid, and a Payment (Labor and Materials) Bond equal to 100% of the successful bid, prior to execution of the Contract. All bonds are to be secured from a surety that meets all of the State of California bonding requirements, as defined in Code of Civil Procedure Section 995.120, and is admitted by the State of California. Pursuant to Public Contract Code Section 22300, the successful bidder may substitute certain securities for funds withheld by District to ensure his performance under the Contract.

The Director of Industrial Relations has determined the general prevailing rate of per diem wages in the locality in which this work is to be performed for each craft or type of worker needed to execute the Contract which will be awarded to the successful bidder, copies of which are on file and will be made available to any interested party upon request at Department of Industrial

NOTICE INVITING BIDS

1

Relations, 2031 Howe Avenue Suite 100, Sacramento, CA 95825 or online at <http://www.dir.ca.gov/dlsr>. A copy of these rates shall be posted by the successful bidder at the job site. The successful bidder and all subcontractor(s) under him, shall comply with all applicable Labor Code provisions, which include, but are not limited to the payment of not less than the required prevailing rates to all workers employed by them in the execution of the Contract, the employment of apprentices, the hours of labor and the debarment of contractors and subcontractors. Each bidder shall be a licensed contractor pursuant to the Business and Professions Code and shall be licensed in the following appropriate classification(s) of contractor's license(s), for the work bid upon, and must maintain the license(s) throughout the duration of the Contract: California Class A.

The successful bidder must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the Air Quality Management District (AQMD) and/or California Air Resources Board (CARB). Although the AQMD and CARB limits and requirements are more broad, the successful bidder shall specifically be aware of their application to "portable equipment", which definition is considered by AQMD and CARB to include any item of equipment with a fuel-powered engine. The successful bidder will be required to indemnify District against any fines or penalties imposed by AQMD, CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by the successful bidder, its subcontractors, or others for whom the successful bidder is responsible under its indemnity obligations.

Pursuant to Public Contract Code Section 3400(b), if the District has made any findings designating certain materials, products, things, or services by specific brand or trade name, such findings and the materials, products, things, or services and their specific brand or trade names will be set forth in the Special Conditions.

Award of Contract: The District shall award the Contract for the Project to the lowest responsive, responsible bidder as determined from the base bid alone and is deemed responsible by the District. The District reserves the right to reject any or all bids or to waive any irregularities or informalities in any bids or in the bidding process.

For further information, contact Bruce Kamilos, Project Manager, (916) 585-9385. The last date to submit questions shall be October 23, 2014. All questions must be submitted in accordance with the procedures set forth in the Information for Bidders.

NOTICE INVITING BIDS

2

FLORIN RESOURCE CONSERVATION DISTRICT

INSTRUCTIONS TO BIDDERS

1. AVAILABILITY OF CONTRACT DOCUMENTS

Bids must be submitted to the District on the Bid Forms which are a part of the Bid Package for the Project. Prospective bidders may obtain Contract Documents at the location(s) and at the time(s) indicated in the Notice Inviting Bids. Prospective bidders are encouraged to telephone in advance to determine the availability and cost of Contract Documents. Any applicable charges for the Contract Documents are the prospective bidders responsibility.

The District may also make the Contract Documents available for review at the plan rooms, as indicated in the Notice Inviting Bids.

2. EXAMINATION OF CONTRACT DOCUMENTS

The District has made copies of the Contract Documents available, as indicated above. Bidders shall be solely responsible for examining the Project Site and the Contract Documents, including any Addenda issued during the bidding period, and for informing itself with respect to local labor availability, means of transportation, necessity for security, laws and codes, local permit requirements, wage scales, local tax structure, contractors' licensing requirements, availability of required insurance, and other factors that could affect the Work. Bidders are responsible for consulting the standards referenced in the Contract. Failure of Bidder to so examine and inform itself shall be at its sole risk, and no relief for error or omission will be given except as required under State law.

3. INTERPRETATION OF CONTRACT DOCUMENTS

Discrepancies in, and/or omissions from the Plans, Specifications or other Contract Documents or questions as to their meaning shall be immediately brought to the attention of the District by submission of a written request for an interpretation or correction to the District. Such submission, if any, must be sent to the Project Manager, Bruce Kamilos, email bkamilos@egwd.org.

Any interpretation of the Contract Documents will be made only by written addenda duly posted to the PlanWell Public Planroom site (www.e-arc.com) at ARC Document Solutions. An email will be sent to all know Plan Holders notifying Bidders that an addendum has been issued. The District will not be responsible for any explanations or interpretations provided in any other manner. No person is authorized to make any oral interpretation of any provision in the Contract Documents to any bidder, and no bidder should rely on any such oral interpretation.

Bids shall include complete compensation for all items that are noted in the Contract Documents as the responsibility of the Contractor.

INSTRUCTIONS TO BIDDERS

4. INSPECTION OF SITE; PRE-BID CONFERENCE AND SITE WALK

Each prospective bidder is responsible for fully acquainting itself with the conditions of the Project Site (which may include more than one site), as well as those relating to the construction and labor of the Project, to fully understand the facilities, difficulties and restrictions which may impact the cost or effort required to complete the Project. To this end, a Pre-Bid Conference and Site Walk will be held on the October 14, 2014 at 10:00 a.m. as indicated in the Notice Inviting Bids.

5. ADDENDA

The District reserves the right to revise the Contract Documents prior to the bid opening date. Revisions, if any, shall be made by written Addenda. All addenda issued by the District shall be included in the bid and made part of the Contract Documents. Pursuant to Public Contract Code Section 4104.5, if the District issues an Addendum which includes material changes to the Project less than 72 hours prior to the deadline for submission of bids, the District will extend the deadline for submission of bids. The District may determine, in its sole discretion, whether an Addendum warrants postponement of the bid submission date. Each prospective bidder shall provide District a name, address, facsimile number and email address to which a notification can be sent that an addendum has been posted to the PlanWell Public Planroom site at ARC Document Solutions. Copies of Addenda will be available at ARC Document Solutions or Sacramento Regional Builders Exchange sites as listed in the Notice Inviting Bids. Please Note: Bidders are responsible for ensuring that they have received any and all Addenda and should check the above sites prior to bid opening.

6. ALTERNATE BIDS

If alternate bid items are called for in the Contract Documents, the lowest bid will be determined on the basis of the base bid only. The time required for completion of the alternate bid items has been factored into the Contract duration and no additional Contract time will be awarded for any of the alternate bid items. The District may elect to include one or more of the alternate bid items, or to otherwise remove certain work from the Project scope of work, accordingly each Bidder must ensure that each bid item contains a proportionate share of profit, overhead and other costs or expenses which will be incurred by the Bidder.

7. COMPLETION OF BID FORMS

Bids shall only be prepared using copies of the Bid Forms which are included in the Contract Documents and are provided herein. The use of substitute bid forms other than clear and correct photocopies of those provided by the District will not be permitted. Bids shall be executed by an authorized signatory as described in these Instructions to Bidders. In addition, Bidders shall fill in all blank spaces (including inserting "N/A" where applicable) and initial all interlineations, alterations, or erasures to the Bid Forms. Bidders shall neither delete, modify, nor supplement the printed matter on the Bid Forms nor make substitutions thereon. USE OF BLACK OR BLUE

INSTRUCTIONS TO BIDDERS

INK, INDELIBLE PENCIL OR A TYPEWRITER IS REQUIRED. Deviations in the bid form may result in the bid being deemed non-responsive.

8. MODIFICATIONS OF BIDS

Each Bidder shall submit its Bid in strict conformity with the requirements of the Contract Documents. Unauthorized additions, modifications, revisions, conditions, limitations, exclusions or provisions attached to a Bid may render it non-responsive and may cause its rejection. Bidders shall neither delete, modify, nor supplement the printed matter on the Bid Forms, nor make substitutions thereon. Oral, telephonic and electronic modifications will not be considered.

9. DESIGNATION OF SUBCONTRACTORS

Pursuant to State law, the Bidders must designate the name and location of each subcontractor who will perform work or render services for the Bidder in an amount that exceeds one-half of one percent (1/2%) of the Bidder's Total Bid Price, as well as the portion of work each such subcontractor will perform on the form provided herein by the District. No additional time will be provided to bidders to submit any of the requested information in the Designation of Subcontractor form.

10. LICENSING REQUIREMENTS

Pursuant to Section 7028.15 of the Business and Professions Code and Section 3300 of the Public Contract Code, all bidders must possess proper licenses for performance of this Contract. Subcontractors must possess the appropriate licenses for each specialty subcontracted. Pursuant to Section 7028.5 of the Business and Professions Code, the District shall consider any bid submitted by a contractor not currently licensed in accordance with state law and pursuant to the requirements found in the Contract Documents to be non-responsive, and the District shall reject the Bid. The District shall have the right to request, and Bidders shall provide within five (5) calendar days, evidence satisfactory to the District of all valid license(s) currently held by that Bidder and each of the Bidder's subcontractors, before awarding the Contract. Please also note that, pursuant to Public Contract Code Section 20676, sellers of "mined material" must be on an approved list of sellers published pursuant to Public Resources Code Section 2717(b) in order to supply mined material for this Contract.

11. SIGNING OF BIDS

All Bids submitted shall be executed by the Bidder or its authorized representative. Bidders may be asked to provide evidence in the form of an authenticated resolution of its Board of Directors or a Power of Attorney evidencing the authority of the person signing the Bid to bind the Bidder to each Bid and to any Contract arising therefrom.

If a Bidder is a joint venture or partnership, it may be asked to submit an authenticated Power of Attorney executed by each joint venturer or partner appointing and designating one of the joint venturers or partners as a management sponsor to execute the Bid on behalf of Bidder. Only that joint venturer or partner shall execute the Bid. The Power of Attorney shall also: (1) authorize

INSTRUCTIONS TO BIDDERS

that particular joint venturer or partner to act for and bind Bidder in all matters relating to the Bid; and (2) provide that each venturer or partner shall be jointly and severally liable for any and all of the duties and obligations of Bidder assumed under the Bid and under any Contract arising therefrom. The Bid shall be executed by the designated joint venturer or partner on behalf of the joint venture or partnership in its legal name.

12. BID GUARANTEE (BOND)

Each bid shall be accompanied by: (a) cash; (b) a certified check made payable to the District; (c) a cashier's check made payable to the District; or (d) a bid bond payable to the District executed by the bidder as principal and surety as obligor in an amount not less than 10% of the maximum amount of the bid. Personal sureties and unregistered surety companies are unacceptable. The surety insurer shall be California admitted surety insurer, as defined in Code of Civil Procedure Section 995.120. The cash, check or bid bond shall be given as a guarantee that the bidder shall execute the Contract if it be awarded to the bidder, shall provide the payment and performance bonds and insurance certificates and endorsements as required herein within ten (10) calendar days after notification of the award of the Contract to the bidder. Failure to provide the required documents may result in forfeiture of the bidder's bid deposit or bond to the District and the District may award the Contract to the next lowest responsive, responsible bidder, or may call for new bids.

13. SUBMISSION OF SEALED BIDS

Once the Bid and supporting documents have been completed and signed as set forth herein, they shall be placed, along with the Bid Guarantee and other required materials in an envelope, sealed, addressed and delivered or mailed, postage prepaid to the District at the place and to the attention of the person indicated in the Notice Inviting Bids. No oral or telephonic bids will be considered. No forms transmitted via the internet, e-mail, facsimile, or any other electronic means will be considered unless specifically authorized by District as provided herein. The envelope shall also contain the following in the lower left-hand corner thereof:

Bid of _____ (Bidder's Name)
for the RRWTF Parking Lot Project

14. DELIVERY AND OPENING OF BIDS

Bids will be received by the District at the address shown in the Notice Inviting Bids up to the date and time shown therein. The District will leave unopened any Bid received after the specified date and time, and any such unopened Bid will be returned to the Bidder. It is the Bidder's sole responsibility to ensure that its Bid is received as specified. Bids may be submitted earlier than the dates(s) and time(s) indicated.

Bids will be opened at the date and time stated in the Notice Inviting Bids, and the amount of each Bid will be read aloud and recorded. All Bidders may, if they desire, attend the opening of Bids. The District may in its sole discretion, elect to postpone the opening of the submitted Bids. District reserves the right to reject any or all Bids and to waive any informality or irregularity in

INSTRUCTIONS TO BIDDERS

any Bid. In the event of a discrepancy between the written amount of the Bid Price and the numerical amount of the Bid Price, the written amount shall govern.

15. WITHDRAWAL OF BID

Prior to bid opening, a Bid may be withdrawn by the Bidder only by means of a written request signed by the Bidder or its properly authorized representative.

16. BASIS OF AWARD; BALANCED BIDS

The District shall award the Contract to the lowest responsive, responsible Bidder submitting a responsive Bid. The District may reject any Bid which, in its opinion when compared to other bids received or to the District's internal estimates, does not accurately reflect the cost to perform the Work. The District may reject as non-responsive any bid which unevenly weights or allocates costs, including but not limited to overhead and profit to one or more particular bid items.

17. DISQUALIFICATION OF BIDDERS; INTEREST IN MORE THAN ONE BID

No bidder shall be allowed to make, submit or be interested in more than one bid. However, a person, firm, corporation or other entity that has submitted a subproposal to a bidder, or that has quoted prices of materials to a bidder, is not thereby disqualified from submitting a subproposal or quoting prices to other bidders submitting a bid to the District. No person, firm, corporation, or other entity may submit subproposal to a bidder, or quote prices of materials to a bidder, when also submitting a prime bid on the same Project.

18. INSURANCE REQUIREMENTS

The successful bidder shall procure the insurance in the form and in the amount specified in the Contract Documents.

19. AWARD PROCESS

Once all Bids are opened and reviewed to determine the lowest responsive and responsible Bidder, the District may award the contract. The apparent successful Bidder should begin to prepare the following documents: (1) the Performance Bond; (2) the Payment (Labor and Materials) Bond; and (3) the required insurance certificates and endorsements. Once the District notifies the Bidder of the award, the Bidder will have ten (10) consecutive calendar days from the date of this notification to execute the Contract and supply the District with all of the required documents and certifications. Regardless whether the Bidder supplies the required documents and certifications in a timely manner, the Contract time will begin to run ten (10) calendar days from the date of the notification. Once the District receives all of the properly drafted and executed documents and certifications from the Bidder, the District shall issue a Notice to Proceed to that Bidder.

INSTRUCTIONS TO BIDDERS

20. FILING OF BID PROTESTS

Bidders may file a “protest” of a Bid with the District’s General Manager. In order for a Bidder’s protest to be considered valid, the protest must:

- A. Be filed in writing within five (5) calendar days after the bid opening date;
- B. Clearly identify the specific irregularity or accusation;
- C. Clearly identify the specific District staff determination or recommendation being protested;
- D. Specify, in detail, the grounds of the protest and the facts supporting the protest; and
- E. Include all relevant, supporting documentation with the protest at time of filing.

If the protest does not comply with each of these requirements, it will be rejected as invalid.

If the protest is valid, the District’s General Manager or other designated District staff member, shall review the basis of the protest and all relevant information. The General Manager will provide a written decision to the protestor. The protestor may then appeal the decision of the General Manager to the District Board.

21. WORKERS COMPENSATION

Each bidder shall submit the Contractor’s Certificate Regarding Workers’ Compensation form.

22. SUBSTITUTION OF SECURITY

The Contract Documents call for monthly progress payments based upon the percentage of the work completed. The District will retain five percent (5%) of each progress payment as provided by the Contract Documents. At the request and expense of the successful Bidder, the District will substitute securities for the amount so retained in accordance with Public Contract Code Section 22300.

23. PREVAILING WAGES

The District has obtained from the Director of the Department of Industrial Relations the general prevailing rate of per diem wages in the locality in which this work is to be performed for each craft or type of worker needed to execute the Contract. These rates are on file and available at 2031 Howe Avenue Suite 100, Sacramento, CA 95825 or may be obtained online at <http://www.dir.ca.gov/dlsr>. Bidders are advised that a copy of these rates must be posted by the successful Bidder at the job site(s).

INSTRUCTIONS TO BIDDERS

24. DEBARMENT OF CONTRACTORS AND SUBCONTRACTORS

In accordance with the provisions of the Labor Code, contractors or subcontractors may not perform work on a public works project with a subcontractor who is ineligible to perform work on a public project pursuant to Section 1777.1 or Section 1777.7 of the Labor Code. Any contract on a public works project entered into between a contractor and a debarred subcontractor is void as a matter of law. A debarred subcontractor may not receive any public money for performing work as a subcontractor on a public works contract. Any public money that is paid to a debarred subcontractor by the Contractor for the Project shall be returned to the District. The Contractor shall be responsible for the payment of wages to workers of a debarred subcontractor who has been allowed to work on the Project.

25. PERFORMANCE BOND AND PAYMENT (LABOR AND MATERIALS) BOND REQUIREMENTS

Within the time specified in the Contract Documents, the Bidder to whom a Contract is awarded shall deliver to the District four identical counterparts of the Performance Bond and Payment (Labor and Materials) Bond in the form supplied by the District and included in the Contract Documents. Failure to do so may, in the sole discretion of District, result in the forfeiture of the Bid Guarantee. The surety supplying the bond must be an admitted surety insurer, as defined in Code of Civil Procedure Section 995.120, authorized to do business as such in the State of California and satisfactory to the District. The Performance Bond and the Payment (Labor and Materials) Bond shall be for one hundred percent (100%) of the Total Bid Price.

26. REQUEST FOR SUBSTITUTIONS

The successful bidder shall comply with the substitution request provisions set forth in the Special Conditions, including any deadlines for substitution requests **which may occur prior to the bid opening date.**

27. SALES AND OTHER APPLICABLE TAXES, PERMITS, LICENSES AND FEES

Contractor and its subcontractors performing work under this Contract will be required to pay California sales tax and other applicable taxes, and to pay for permits, licenses and fees required by the agencies with authority in the jurisdiction in which the work will be located, unless otherwise expressly provided by the Contract Documents.

28. EXECUTION OF CONTRACT

As required herein the Bidder to whom an award is made shall execute the Contract in the amount determined by the Contract Documents. The District may require appropriate evidence that the persons executing the Contract are duly empowered to do so.

END OF INSTRUCTION TO BIDDERS

INSTRUCTIONS TO BIDDERS

This Page Intentionally Blank

BID FORM (rev. 10/23/14)

NAME OF BIDDER: Abide Builders, Inc.

The undersigned, hereby declare that we have carefully examined the location of the proposed Work, and have read and examined the Contract Documents, including all plans, specifications, and all addenda, if any, for the following Project:

RRWTF Parking Lot Project

We hereby propose to furnish all labor, materials, equipment, tools, transportation, and services, and to discharge all duties and obligations necessary and required to perform and complete the Project for the following TOTAL BID PRICE

:

BID SCHEDULE

Mobilization

Item No.	Item Description	Quantity	Unit	Unit Cost	Total Cost
1	Mobilization	1	LS	3000-	3000-
Subtotal					<u>3000-</u>

Earthwork

Item No.	Item Description	Quantity	Unit	Unit Cost	Total Cost
1	Erosion Control	1	LS	1500-	1500-
2	Sawcut, Remove, and Dispose of Pavement	235	SF	3-	705-
3	Rough Grading (including offsite disposal of excess soils)	1	LS	5250-	5250-
Subtotal					<u>7455-</u>

Underground

Item No.	Item Description	Quantity	Unit	Unit Cost	Total Cost
1	4" Perforated HDPE Pipe Underdrain in Aggregate with Geotextile Fabric	140	LF	20-	2800-
2	4" Schedule 40 Irrigation Sleeve (6 sleeves, 2 sleeves per common trench, qty. is total)	260	LF	2-	520-
Subtotal					<u>3320-</u>

Paving

Item No.	Item Description	Quantity	Unit	Unit Cost	Total Cost
1	Curb and Gutter (Const. Item No. 1)	116	LF	20-	2320-
2	Type 3 Curb (Const. Item No. 2)	460	LF	21-	9660-
3	2' Wide Valley Gutter (Const. Item No. 3)	280	LF	18-	5040-
4	Mod. Curb and Gutter (Const. Item No. 4)	160	LF	39-	6240-
5	Parking Area 3" AC over 5 1/2" AB (Const. Item No. 5)	4,100	SF	6.5	26650-

BID FORM

Paving (cont.)

6	Driveway Area 4" AC over 10" AB (Const. Item No. 6)-Includes Railroad Street Pvmnt.	9,650	SF	7-	67550-
7	Const. Material Bin (Const. Item No. 7)	1	EA	2000-	2000-
8	Const. Material Bin (Const. Item No. 8)	1	EA	4000-	4000-
9	Adjust Water Valve Covers to Finished Grade (Const. Item No. 13)	2	EA	200-	400-
10	Const. 2.0' Wide by 8" Deep Concrete Metal Gate Footing (Const. Detail 1)	130	LF	20-	2600-
11	Const. 5" Conc. Walk	88	SF	7-	616-

Subtotal 127,076-

Miscellaneous Items

Item No.	Item Description	Quantity	Unit	Unit Cost	Total Cost
1	Parking Lot Striping (Painted 4" Wide White Stripes)	1	LS	1200-	1200-
2	Masonry Retaining Wall (Const. Note 17)	28	LF	50-	1400-
3	Light Class Rock Dissipation Pad (Const. Note 16)	96	SF	6-	576-
4	Light Class Rock Dissipation Pad (Const. Note 18)	24	SF	6-	144-

Subtotal 3320-

Construction Cost Summary

1	Mobilization	3000-
2	Earthwork	7455-
3	Underground	3320-
4	Paving	127076-
5	Miscellaneous Items	3320-
6	Landscaping	33500-
7	Fence & Gates (Base Bid)	77000-

Construction Cost Total

254,761-

Optional Fence Bid (per Const. Note 9a, sheet 3, Civil IMPROVEMENT PLANS)

7	Fence & Gates (Optional Bid)	72000-
---	------------------------------	--------

Construction Cost Total (Optional Bid)

249,671-

BID FORM

12

In case of discrepancy between the unit price and the item cost set forth for a unit basis item, the unit price shall prevail and, shall be utilized as the basis for determining the lowest responsive, responsible bidder. However, if the amount set forth as a unit price is ambiguous, unintelligible or uncertain for any cause, or is omitted, or is the same amount as the entry in the "Item Cost" column, then the amount set forth in the "Item Cost" column for the item shall prevail and shall be divided by the estimated quantity for the item and the price thus obtained shall be the unit price. Final payment shall be determined by the Engineer from measured quantities of work performed based upon the unit price.

In case of discrepancy between the written price and the numerical price, the written price shall prevail.

The undersigned agrees that this Bid Form constitutes a firm offer to the District which cannot be withdrawn for the number of calendar days indicated in the Notice Inviting Bids from and after the bid opening, or until a Contract for the Work is fully executed by the District and a third party, whichever is earlier.

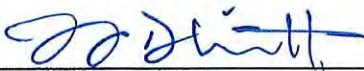
Addenda No. 1 10/14/14 Addenda No. 3 10/23/14

Addenda No. 2 10/20/14 Addenda No. 4 10/23/14

1. Attached is the required bid security in the amount of not less than 10% of the Total Bid Price.
2. Attached is the fully executed Non-Collusion Affidavit form.
3. Attached is the completed Designation of Subcontractors form.
4. Attached is the completed Bidder Information Form.
5. Attached is the completed Contractor's Certificate Regarding Workers' Compensation form.
6. Bidder acknowledges and understands that, pursuant to Public Contract Code Section 20676, sellers of "mined material" must be on an approved list of sellers published pursuant to Public Resources Code Section 2717(b) in order to supply mined material for this Contract.

I hereby certify under penalty of perjury under the laws of the State of California, that all of the information submitted in connection with this Bid and all of the representations made herein are true and correct.

Name of Bidder Abide Builders, Inc.

Signature 

Name and Title Jeff Lovitt, Vice President

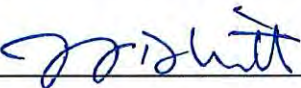
Dated 10-28-14

BID FORM
13

**CONTRACTOR'S CERTIFICATE REGARDING
WORKERS' COMPENSATION**

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this Contract.

Name of Bidder Abide Builders, Inc.

Signature 

Name Jeff Lovitt

Title Vice President

Dated 10-28-14

**CONTRACTOR'S CERTIFICATE REGARDING
WORKERS' COMPENSATION**

BID BOND

The makers of this bond are, Abide Builders, Inc., as Principal, and Travelers Casualty and Surety Company of America, as Surety and are held and firmly bound unto the Florin Resource Conservation District, hereinafter called the District, in the penal sum of TEN PERCENT (10%) OF THE TOTAL BID PRICE of the Principal submitted to DISTRICT for the work described below, for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that whereas the Principal has submitted the accompanying bid dated October 28, 20 14, for RRWTF Parking Lot Project.

If the Principal does not withdraw its bid within the time specified in the Contract Documents; and if the Principal is awarded the Contract and provides all documents to the District as required by the Contract Documents; then this obligation shall be null and void. Otherwise, this bond will remain in full force and effect.

Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents shall in affect its obligation under this bond, and Surety does hereby waive notice of any such changes.

In the event a lawsuit is brought upon this bond by the District and judgment is recovered, the Surety shall pay all litigation expenses incurred by the District in such suit, including reasonable attorneys' fees, court costs, expert witness fees and expenses.

IN WITNESS WHEREOF, the above-bound parties have executed this instrument under their several seals this 23rd day of October, 20 14, the name and corporate seal of each corporation.

(Corporate Seal)

Abide Builders, Inc.
Principal

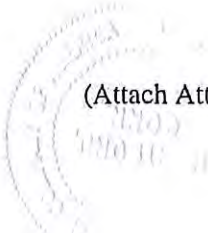
By [Signature]
Title V.P.
Travelers Casualty and Surety Company of America

(Corporate Seal)

Surety
By [Signature]
Attorney-in-Fact

(Attach Attorney-in-Fact Certificate)

Title Julie A. Shiroma, Attorney-in-Fact



BID BOND

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

SEE ATTACHED

On _____, 20____ before me, _____, notary public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(SEAL)

Commission expires: _____

NOTE: A copy of the Power-of-Attorney to local representatives of the bonding company must be attached hereto.

BID BOND

16

Elk Grove Water District
RRWTF Parking Lot Project
October 2014

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

County of Placer }

On October 23, 2014 before me, Monica A. Hutchison
Date Here Insert Name and Title of the Officer

personally appeared Julie A. Shiroma
Name(s) of Signer(s)



Place Notary Seal Above

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature Monica A. Hutchison
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee s
- Guardian or Conservator
- Other: _____



Signer Is Representing:

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:



POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 228128

Certificate No. 005958651

KNOW ALL MEN BY THESE PRESENTS: That Farmington Casualty Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company are corporations duly organized under the laws of the State of Connecticut, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

David K. Johnson, Monica A. Hutchison, Stephen D. Bender, Edward D. Johnson, Todd J. Sorensen, and Julie A. Shiroma

of the City of Roseville, State of California, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 23rd day of June, 2014.

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By: [Signature]
Robert L. Raney, Senior Vice President

On this the 23rd day of June, 2014, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2016.



[Signature]
Marie C. Tetreault, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kevin E. Hughes, the undersigned, Assistant Secretary, of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 23rd day of October, 2014


Kevin E. Hughes, Assistant Secretary



To verify the authenticity of this Power of Attorney, call 1-800-421-3880 or contact us at www.travelersbond.com. Please refer to the Attorney-In-Fact number, the above-named individuals and the details of the bond to which the power is attached.


DESIGNATION OF SUBCONTRACTORS

In compliance with the Subletting and Subcontracting Fair Practices Act of the Public Contract Code of the State of California, each bidder shall set forth below: (a) the name and the location of the place of business and (b) the portion of the work which will be done by each subcontractor who will perform work or labor or render service to the Contractor in or about the construction of the work in an amount in excess of one-half of one percent (1/2%) of the Contractor's Total Bid Price. Notwithstanding the foregoing, if the work involves streets and highways, then the Contractor shall list each subcontractor who will perform work or labor or render service to Contractor in or about the work in an amount in excess of one-half of one percent (1/2%) of the Contractor's Total Bid Price or \$10,000, whichever is greater. No additional time shall be granted to provide the below requested information.

If no subcontractor is specified, for a portion of the work, or if more than one subcontractor is specified for the same portion of Work, to be performed under the Contract in excess of one-half of one percent (1/2%) of the Contractor's Total Bid Price or \$10,000, whichever is greater if the work involves streets or highways, then the Contractor shall be deemed to have agreed that it is fully qualified to perform that Work, and that it shall perform that portion itself.

Portion of Work	Subcontractor	Location of Business
PAVING	B+B Asphalt	Sacramento, CA
MASONRY	StoneLake Masonry	EIK Grove, CA
LANDSCAPE	Aspen Landscape	Orangetown, CA
Fence	Pisor Fence	Citrus Heights, CA

Name of Bidder Abide Builders, Inc.

Signature 

Name and Title Jeff Lovitt, Vice President

Dated 10-28-14

DESIGNATION OF SUBCONTRACTORS

INFORMATION REQUIRED OF BIDDERS

A. INFORMATION ABOUT BIDDER

NOTE: Where Bidder is a joint venture, pages shall be duplicated and information provided for all parties to the joint venture.

Abide Builders, Inc.

1.0 Bidders Name and address: 825 Riverside Pkwy, West Sacramento, CA 95691

2.0 Bidders telephone no.: 916-375-1009

3.0 Bidders fax no. and email address: 916-375-1049/jlovitt@abidebuilders.com

4.0 Contractor' State License No. and Expiration Date: : 891745 2/2015

5.0 Contractor's Primary classification: A/B

6.0 Contractor's Specialty classification: n/a

Name of Licensee, if different from (1) above. If Joint Venture or Partnership, list full names of all partners:

N/A

7.0 What type of work does the Bidder normally perform with its own forces?

Grading, Drainage & Site Concrete

8.0 Has Bidder ever failed to complete any work awarded to it? If so, note when, where, and why:

No

INFORMATION REQUIRED OF BIDDERS

- 9.0 Within the last five years, has any officer or partner of Bidder's organization ever been an officer or partner of another organization when it failed to complete a contract? If so, state why and when:

No

- 10.0 At any time in the last five years has your firm failed to satisfactorily complete any work whereby the owner was forced to either take legal action or contact the surety company bonding the project to resolve the conflict? If so, state the circumstance.

No

B. LIST OF THREE SIMILAR COMPLETED PROJECTS - LAST THREE YEARS

Please include only those projects which are similar enough to demonstrate Bidder's ability to perform the required Work. The list shall include the following information as a minimum:

1.0 Name of Project, and Owner: Davis High MPR Demo & New Plaza

2.0 Name, address and contact information for Owner: Mike Adell: 530-759-2182
Davis Unified School Dist., 1919 5th St. Davis, CA 95616

3.0 Brief description of work involved: Demo MPR Bldg; New storm drain,
grading, site concrete, paving, irrigation, fencing

4.0 Contract amount: \$714,000.00

5.0 Date of Completion: 9/2013

6.0 Name of Project, and Owner: Alyce Norman School Parking Lot

7.0 Name, address and contact information for Owner: Scott Lantseberger 916-375-7600
Washington Unified School Dist. 816 Westacre Rd, W.Sac, CA 95691

8.0 Brief description of work involved: Demo, grade, storm drain, line treatment
pave, concrete, fences for new parking lot

INFORMATION REQUIRED OF BIDDERS

9.0 Contract amount: \$224,00.00

10.0 Date of Completion: 9/2012

11.0 Name of Project, and Owner: Clarksburg Branch Trail Improvement

12.0 Name, address and contact information for Owner: John Sneed 916-825-5024
City of West Sacramento 1110 West Capital, West Sac, CA 95691

13.0 Brief description of work involved: Grading, paving and storm drainage
for new Clarksburg Branch Pedestrian Trail

14.0 Contract amount: \$375,607.00

15.0 Date of Completion: 1/2014

C. EQUIPMENT SUPPLIER LISTING

The following are the names of the manufacturers and suppliers of major items of equipment and systems to be used by the Bidder in the work.

Section Number	Equipment Description	Manufacturer and/or Supplier
	Not Applicable	

D. VERIFICATION AND EXECUTION

These Bid Forms shall be executed only by a duly authorized official of the Bidder:

I declare under penalty of perjury under the laws of the State of California that the foregoing information is true and correct:

Name of Bidder Jeff Lovitt, Vice President

Signature 

Company Name: Abide Builders, Inc.

INFORMATION REQUIRED OF BIDDERS

The Owner will check project references listed to verify information provided along with skills and capacity represented by Contractor. It is very important that the Bidder verify that all contact information is current for each name listed above.

The undersigned hereby states that all above representations are correct and true.

10-28-14

Date

Jeff Lovitt

Name

Vice President

Signatory Title

Abide Builders, Inc

Company Name

891745

CA Contractor License No.

A/B

License Classification

2/2015

License Expiration Date

Signature:

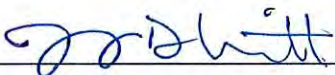


NON-COLLUSION AFFIDAVIT

I, Jeff Lovitt, being first duly sworn, deposes and says that he is Vice President of Abide Builders, Inc the party making the attached bid; that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Name of Bidder Abide Builders, Inc.

Signature 

Name Jeff Lovitt

Title Vice President

Dated 10-28-14

INFORMATION REQUIRED OF BIDDERS

CONTRACT

THIS CONTRACT is made this ____ day of _____, 2014, in the County of Sacramento, State of California, by and between the Florin Resource Conservation District, hereinafter called District, and Abide Builders, Inc. , hereinafter called Contractor. The District and the Contractor for the considerations stated herein agree as follows:

ARTICLE 1. SCOPE OF WORK. The Contractor shall perform all Work within the time stipulated the Contract and shall provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents as specified in Article 5 below for the following Project:

RRWTF Parking Lot Project

The Contractor and its surety shall be liable to the District for any damages arising as a result of the Contractor's failure to comply with this obligation.

ARTICLE 2. TIME FOR COMPLETION. The Work shall be commenced on the date stated in the District's Notice to Proceed. The Contractor shall substantially complete all Work required by the Contract Documents within 75 calendar days from the commencement date stated in the Notice to Proceed. By its signature hereunder, Contractor agrees the time for completion set forth above is adequate and reasonable to complete the Work.

ARTICLE 3. CONTRACT PRICE. The District shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, the sum of Two Hundred Fifty-Four Thousand, Seven Hundred Sixty-One Dollars (\$254,761). Payment shall be made as set forth in the General Conditions.

ARTICLE 4. LIQUIDATED DAMAGES. In accordance with Government Code section 53069.85, it is agreed that the Contractor will pay the District the sum of \$250 for each and every calendar day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages and not as a penalty or forfeiture. In the event this is not paid, the Contractor agrees the District may deduct that amount from any money due or that may become due the Contractor under the Contract. This Article does not exclude recovery of other damages specified in the Contract Documents.

ARTICLE 5. COMPONENT PARTS OF THE CONTRACT. The "Contract Documents" include the following:

Notice Inviting Bids
Instructions to Bidders
Contractor's Bid Forms

CONTRACT

23

Contractor's Certificate Regarding Workers' Compensation
Bid Bond
Designation of Subcontractors
Information Required of Bidders
Non-Collusion Affidavit form
Contract
Performance Bond
Payment (Labor and Materials) Bond
General Conditions
Special Provisions (or Special Conditions)
Technical Specifications
Elk Grove Water Service Standard Construction Specifications
Addenda
Improvement Plans and Contract Drawings
Approved and fully executed change orders
Any other documents contained in or incorporated into the Contract

The Contractor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. This Contract shall supersede any prior agreement of the parties.

ARTICLE 6. PROVISIONS REQUIRED BY LAW. Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Project.


ARTICLE 7. INDEMNIFICATION. Contractor shall provide indemnification as set forth in the General Conditions.

ARTICLE 8. PREVAILING WAGES. Contractor shall be required to pay the prevailing rate of wages in accordance with the Labor Code which such rates shall be made available at 2031 Howe Avenue Suite 100, Sacramento, CA or may be obtained online at <http://www.dir.ca.gov/dlsr>. and which must be posted at the job site.

CONTRACT

24

IN WITNESS WHEREOF, this Contract has been duly executed by the above-named parties, on the day and year above written.

FLORIN RESOURCE CONSERVATION DISTRICT	<u>[NAME OF CONTRACTOR]</u>
By:	By:
_____ Signature	 _____ Signature
Mark J. Madison, P.E. _____ Name	Jeff Lovitt _____ Name
General Manager _____ Title	Vice President _____ Title
Attest:	891745 _____ License Number
_____ District Clerk	
Approved as to Form:	
Best Best & Krieger LLP _____ Name	
Ann Siprelle _____ Name	
General Counsel _____ Title	

CONTRACT

25

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, _____ (hereinafter referred to as "District") has awarded to _____, (hereinafter referred to as the "Contractor") an agreement for _____ (hereinafter referred to as the "Project").

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated _____, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, the Contractor is required by said Contract Documents to perform the terms thereof and to furnish a bond for the faithful performance of said Contract Documents.

NOW, THEREFORE, we, _____, the undersigned Contractor and _____ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the District in the sum of _____ DOLLARS, (\$ _____), said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the Contractor, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract Documents and any alteration thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their intent and meaning; and shall faithfully fulfill all obligations including the one-year guarantee of all materials and workmanship; and shall indemnify and save harmless the District, its officers and agents, as stipulated in said Contract Documents, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees including reasonable attorney's fees, incurred by District in enforcing such obligation.

As a condition precedent to the satisfactory completion of the Contract Documents, unless otherwise provided for in the Contract Documents, the above obligation shall hold good for a period of one (1) year after the acceptance of the work by District, during which time if Contractor shall fail to make full, complete, and satisfactory repair and replacements and totally protect the District from loss or damage resulting from or caused by defective materials or faulty workmanship. The obligations of Surety hereunder shall continue so long as any obligation of Contractor remains. Nothing herein shall limit the District's rights or the Contractor or Surety's

PERFORMANCE BOND

obligations under the Contract, law or equity, including, but not limited to, California Code of Civil Procedure section 337.15.

Whenever Contractor shall be, and is declared by the District to be, in default under the Contract Documents, the Surety shall remedy the default pursuant to the Contract Documents, or shall promptly, at the District's option:

- (1) Take over and complete the Project in accordance with all terms and conditions in the Contract Documents; or
- (2) Obtain a bid or bids for completing the Project in accordance with all terms and conditions in the Contract Documents and upon determination by Surety of the lowest responsive and responsible bidder, arrange for a Contract between such bidder, the Surety and the District, and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the District under the Contract and any modification thereto, less any amount previously paid by the District to the Contractor and any other set offs pursuant to the Contract Documents.
- (3) Permit the District to complete the Project in any manner consistent with California law and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the District under the Contract and any modification thereto, less any amount previously paid by the District to the Contractor and any other set offs pursuant to the Contract Documents.

Surety expressly agrees that the District may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Contractor.

Surety shall not utilize Contractor in completing the Project nor shall Surety accept a bid from Contractor for completion of the Project if the DISTRICT, when declaring the Contractor in default, notifies Surety of the District's objection to Contractor's further participation in the completion of the Project.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project to be performed thereunder shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project.

PERFORMANCE BOND

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20_____.

CONTRACTOR/PRINCIPAL

Name

By _____

SURETY:

By: _____
Attorney-In-Fact

The rate of premium on this bond is _____ per thousand. The total amount of premium charges, \$ _____.
(The above must be filled in by corporate attorney.)

THIS IS A REQUIRED FORM

Any claims under this bond may be addressed to:

(Name and Address of Surety)

(Name and Address of Agent or Representative for service of process in California, if different from above)

(Telephone number of Surety and Agent or Representative for service of process in California)

PERFORMANCE BOND

STATE OF CALIFORNIA)
) ss.
DISTRICT OF _____)

On this _____ day of _____, in the year 20____, before me, _____, a Notary Public in and for said state, personally appeared _____, known to me to be the person whose name is subscribed to the within instrument as the Attorney-In-Fact of the (Surety) acknowledged to me that he subscribed the name of the _____ (Surety) thereto and his own name as Attorney-In-Fact.

Notary Public in and for said State

(SEAL)

Commission expires: _____

NOTE: A copy of the Power-of-Attorney to local representatives of the bonding company must be attached hereto.

PERFORMANCE BOND

PAYMENT BOND (LABOR AND MATERIALS)

KNOW ALL MEN BY THESE PRESENTS That

WHEREAS, the Florin Resource Conservation District (hereinafter designated as the "District"), by action taken or a resolution passed _____, 20____ has awarded to _____ hereinafter designated as the "Principal," a contract for the work described as follows:

(the "Project"); and

WHEREAS, said Principal is required to furnish a bond in connection with said contract; providing that if said Principal or any of its Subcontractors shall fail to pay for any materials, provisions, provender, equipment, or other supplies used in, upon, for or about the performance of the work contracted to be done, or for any work or labor done thereon of any kind, or for amounts due under the Unemployment Insurance Code or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of said Principal and its Subcontractors with respect to such work or labor the Surety on this bond will pay for the same to the extent hereinafter set forth.

NOW THEREFORE, we, the Principal and _____ as Surety, are held and firmly bound unto the District in the penal sum of _____ Dollars (\$_____) lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if said Principal, his or its subcontractors, heirs, executors, administrators, successors or assigns, shall fail to pay any of the persons named in Section 3181 of the Civil Code, fail to pay for any materials, provisions or other supplies, used in, upon, for or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or amounts due under the Unemployment Insurance Code with respect to work or labor performed under the contract, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department or Franchise Tax Board from the wages of employees of the contractor and his subcontractors pursuant to Section 18663 of the Revenue and Taxation Code, with respect to such work and labor the Surety or Sureties will pay for the same, in an amount not exceeding the sum herein above specified, and also, in case suit is brought upon this bond, all litigation expenses incurred by the District in such suit, including reasonable attorneys' fees, court costs, expert witness fees and investigation expenses.

This bond shall inure to the benefit of any of the persons named in Section 3181 of the Civil Code so as to give a right of action to such persons or their assigns in any suit brought upon this bond.

PAYMENT BOND (LABOR AND MATERIALS)

It is further stipulated and agreed that the Surety on this bond shall not be exonerated or released from the obligation of this bond by any change, extension of time for performance, addition, alteration or modification in, to, or of any contract, plans, specifications, or agreement pertaining or relating to any scheme or work of improvement herein above described, or pertaining or relating to the furnishing of labor, materials, or equipment therefore, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme or work of improvement herein above described, nor by any rescission or attempted rescission or attempted rescission of the contract, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such contract or agreement or under the bond, nor by any fraud practiced by any person other than the claimant seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances shall Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of contract between the owner or District and original contractor or on the part of any obligee named in such bond, but the sole conditions of recovery shall be that claimant is a person described in Section 3110 or 3112 of the Civil Code, and has not been paid the full amount of his claim and that Surety does hereby waive notice of any such change, extension of time, addition, alteration or modification herein mentioned.

IN WITNESS WHEREOF, two (2) identical counterparts of this instrument, each of which shall for all purposes be deemed unoriginal thereof, have been duly executed by the Principal and Surety above named, on the ____ day of _____ 20____ the name and corporate seal of each corporate party being hereto affixed and these presents duly signed b its undersigned representative pursuant to authority of its governing body.

(Corporate Seal of Principal,
if corporation)

Principal (Property Name of Contractor)

By _____
(Signature of Contractor)

(Seal of Surety)

Surety

By _____
Attorney in Fact

(Attached Attorney-In-Fact Certificate and Required Acknowledgements)

*Note: Appropriate Notarial Acknowledgments of Execution by Contractor and +surety and a power of Attorney MUST BE ATTACHED.

PAYMENT BOND (LABOR AND MATERIALS)

GENERAL CONDITIONS

ARTICLE 1. DEFINITIONS

- a. Acceptable, Acceptance or words of similar import shall be understood to be the acceptance of the Engineer and/or the District .
- b. Act of God an Act of God is an earthquake of magnitude 3.5 on the Richter scale and tidal waves.
- c. Approval means written authorization by Engineer and/or District .
- d. Contract Documents includes all documents as stated in the Contract.
- e. District and Contractor are those stated in the Contract. The terms District and Owner may be used interchangeably.
- f. Day shall mean calendar day unless otherwise specifically designated.
- g. Engineer shall mean the Project Engineer and/or Manager designated by the Florin Resource Conservation District, acting either directly or through properly authorized agents, such as agents acting within the scope of the particular duties entrusted to them. Also sometimes referred to as the "District's Representative," "Engineer" or "Representative" in the Contract Documents.
- h. Equal, Equivalent, Satisfactory, Directed, Designated, Selected, As Required and similar words shall mean the written approval, selection, satisfaction, direction, or similar action of the Engineer and/or District.
- i. Indicated, Shown, Detailed, Noted, Scheduled or words of similar meaning shall mean that reference is made to the drawings, unless otherwise noted. It shall be understood that the direction, designation, selection, or similar import of the Engineer and/or District is intended, unless stated otherwise.
- j. Install means the complete installation of any item, equipment or material.
- k. Material shall include machinery, equipment, manufactured articles, or construction such as form work, fasteners, etc., and any other classes of material to be furnished in connection with the Contract. All materials shall be new unless specified otherwise.
- l. Perform shall mean that the Contractor, at Contractor's expense, shall take all actions necessary to complete The Work, including furnishing of necessary labor, tools, and equipment, and providing and installing Materials that are indicated, specified, or required to complete such performance.

GENERAL CONDITIONS

- m. Project is The Work planned by District as provided in the Contract Documents.
- n. Provide shall include provide complete in place, that is furnish, install, test and make ready for use.
- o. Recyclable Waste Materials shall mean materials removed from the Project site which are required to be diverted to a recycling center rather than an area landfill. Recyclable Waste Materials include asphalt, concrete, brick, concrete block, and rock.
- p. Specifications means that portion of the Contract Documents consisting of the written requirements for materials, equipment, construction systems, standards and workmanship for the work and those portions of the Elk Grove Water Service Standard Construction Specification, including all current supplements, addenda, and revisions thereof. In the case of conflict between the Elk Grove Water Service Standard Construction Specifications and the Contract Documents, the Contract Documents shall prevail.
- q. The Work means the entire improvement planned by the District pursuant to the Contract Documents.
- r. Work means labor, equipment and materials incorporated in, or to be incorporated in the construction covered by the Contract Documents.

ARTICLE 2. CONTRACT DOCUMENTS

- a. **Contract Documents.** The Contract Documents are complementary, and what is called for by one shall be as binding as if called for by all.
- b. **Interpretations.** The Contract Documents are intended to be fully cooperative and to be complementary. If Contractor observes that any documents are in conflict, the Contractor shall promptly notify the Engineer in writing. In case of conflicts between the Contract Documents, the order of precedence shall be as follows:
 - 1. Change Orders or Work Change Directives
 - 2. Addenda
 - 3. Special Provisions (or Special Conditions)
 - 4. Technical Specifications
 - 5. Plans (Contract Drawings)
 - 6. Contract
 - 7. General Conditions
 - 8. Instructions to Bidders
 - 9. Notice Inviting Bids
 - 10. Contractor’s Bid Forms
 - 11. Elk Grove Water Service Standard Construction Specifications
 - 12. Standard Plans
 - 13. Reference Documents

GENERAL CONDITIONS

With reference to the Drawings, the order of precedence shall be as follows:

1. Figures govern over scaled dimensions
 2. Detail drawings govern over general drawings
 3. Addenda or Change Order drawings govern over Contract Drawings
 4. Contract Drawings govern over Standard Drawings
 5. Contract Drawings govern over Shop Drawings
- c. **Conflicts in Contract Documents.** Notwithstanding the orders of precedence established above, in the event of conflicts, the higher standard shall always apply.
- d. **Organization of Contract Documents.** Organization of the Contract Documents into divisions, sections, and articles, and arrangement of drawings shall not control the Contractor in dividing The Work among subcontractors or in establishing the extent of Work to be performed by any trade.

ARTICLE 3. CONTRACTS DOCUMENTS: COPIES & MAINTENANCE

Contractor will be furnished, free of charge, an electronic copy of the final Contract Documents. Additional copies will be the responsibility of the contractor.

Contractor shall maintain a clean, undamaged set of Contract Documents at the Project site. Bids must be submitted on the District's Bid Forms. Bidders may obtain a copy of the Contract Documents at: ARC Document Solutions at 801 Broadway, Sacramento, CA 95813, (916) 443-1322 or www.e-arc.com

ARTICLE 4. DETAIL DRAWINGS AND INSTRUCTIONS

- a. **Examination of Contract Documents.** Before commencing any portion of The Work, Contractor shall again carefully examine all applicable Contract Documents, the Project site and other information given to Contractor as to materials and methods of construction and other Project requirements. Contractor shall immediately notify the Engineer of any potential error, inconsistency, ambiguity, conflict or lack of detail or explanation. If Contractor performs, permits, or causes the performance of any Work which is in error, inconsistent or ambiguous, or not sufficiently detailed or explained, Contractor shall bear any and all resulting costs, including, without limitation, the cost of correction. In no case shall the Contractor or any subcontractor proceed with Work if uncertain as to the applicable requirements.
- b. **Additional Instructions.** After notification of any error, inconsistency, ambiguity, conflict or lack of detail or explanation, the Engineer will provide any required additional instructions, by means of drawings or other written direction, necessary for proper execution of Work.

GENERAL CONDITIONS

- c. **Quality of Parts, Construction and Finish.** All parts of The Work shall be of the best quality of their respective kinds and the Contractor must use all diligence to inform itself fully as to the required construction and finish. In no case shall Contractor proceed with The Work without obtaining first from the Engineer such Approval may be necessary for the proper performance of Work.
- d. **Contractor's Variation from Contract Document Requirements.** If it is found that the Contractor has varied from the requirements of the Contract Documents including the requirement to comply with all applicable laws, ordinances, rules and regulations, the Engineer may at any time, before or after completion of the Work, order the improper Work removed, remade or replaced by the Contractor at the Contractor's expense.

ARTICLE 5. EXISTENCE OF UTILITIES AT THE WORK SITE

- a. No excavations were made to verify the locations shown for underground utilities. The service connections to these utilities are not shown on the plans. It shall be the responsibility of the Contractor to determine the exact location of all service connections. The Contractor shall make its own investigations, including exploratory excavations, to determine the locations and type of service connections, prior to commencing Work which could result in damage to such utilities. The Contractor shall immediately notify the District in writing of any utility discovered in a different position than shown on the Plans or which is not shown on the Plans.
- b. All water meters, water valves, fire hydrants, electrical utility vaults, telephone vaults, gas utility valves, and other subsurface structures shall be relocated or adjusted to final grade by the Contractor. Locations of existing utilities shown on the Plans are approximate and may not be complete. The Contractor shall be responsible for coordinating its Work with all utility companies during the construction of The Work.
- c. Contractor, except in an emergency, shall contact the appropriate regional notification center, Underground Service Alert at 1-800-227-2600 at least two working days prior to commencing any excavation if the excavation will be performed in an area which is known, or reasonably should be known, to contain subsurface installations other than the underground facilities owned or operated by the District, and obtain an inquiry identification number from that notification center. No excavation shall be commenced or carried out by the Contractor unless such an inquiry identification number has been assigned to the Contractor or any subcontractor of the Contractor and the District has been given the identification number by the Contractor.

ARTICLE 6. SCHEDULE

- a. **Estimated Schedule.** Within seven (7) days after the issuance of the Notice to Proceed, Contractor shall prepare a Project schedule and shall submit this to the Engineer for Approval. The receipt or Approval of any schedules by the Engineer or the District shall

GENERAL CONDITIONS

not in any way relieve the Contractor of its obligations under the Contract Documents. The Contractor is fully responsible to determine and provide for any and all staffing and resources at levels which allow for good quality and timely completion of the Project. Contractor's failure to incorporate all elements of Work required for the performance of the Contract or any inaccuracy in the schedule shall not excuse the Contractor from performing all Work required for a completed Project within the specified Contract time period. If the required schedule is not received by the time the first payment under the Contract is due, Contractor shall not be paid until the schedule is received, reviewed and accepted by the Engineer.

- b. **Schedule Contents.** The schedule shall allow enough time for inclement weather. The schedule shall indicate the beginning and completion dates of all phases of construction; critical path for all critical, sequential time related activities; and "float time" for all "slack" or "gaps" in the non-critical activities. The schedule shall clearly identify all staffing and other resources which in the Contractor's judgment are needed to complete the Project within the time specified for completion. Schedule duration shall match the Contract time. Schedules indicating early completion will be rejected.
- c. **Schedule Updates.** Contractor shall continuously update its construction schedule. Contractor shall submit an updated and accurate construction schedule to the Engineer whenever requested to do so by Engineer and with each progress payment request. The Engineer may withhold progress payments or other amounts due under the Contract Documents if Contractor fails to submit an updated and accurate construction schedule.

ARTICLE 7. SUBSTITUTIONS

- a. Pursuant to Public Contract Code Section 3400(b) the District may make a finding that is described in the invitation for bids that designates certain products, things, or services by specific brand or trade name.
- b. Unless specifically designated in the Contract Documents, whenever any material, process, or article is indicated or specified by grade, patent, or proprietary name or by name of manufacturer, such Specifications shall be deemed to be used for the purpose of facilitating the description of the material, process or article desired and shall be deemed to be followed by the words "or equal." Contractor may, unless otherwise stated, offer for substitution any material, process or article which shall be substantially equal or better in every respect to that so indicated or specified in the Contract Documents. However, the District may have adopted certain uniform standards for certain materials, processes and articles.
- c. Contractor shall submit requests, together with substantiating data, for substitution of any "or equal" material, process or article no later than thirty-five (35) days after award of the Contract. To facilitate the construction schedule and sequencing, some requests may need to be submitted before thirty-five (35) days after award of Contract. Provisions regarding

GENERAL CONDITIONS

submission of “or equal” requests shall not in any way authorize an extension of time for performance of this Contract. If a proposed “or equal” substitution request is rejected, Contractor shall be responsible for providing the specified material, process or article. The burden of proof as to the equality of any material, process or article shall rest with the Contractor. The District has the complete and sole discretion to determine if a material, process or article is an “or equal” material, process or article that may be substituted.

- d. Data required to substantiate requests for substitutions of an “or equal” material, process or article data shall include a signed affidavit from the Contractor stating that, and describing how, the substituted “or equal” material, process or article is equivalent to that specified in every way except as listed on the affidavit. Substantiating data shall include any and all illustrations, specifications, and other relevant data including catalog information which describes the requested substituted “or equal” material, process or article, and substantiates that it is an “or equal” to the material, process or article. The substantiating data must also include information regarding the durability and lifecycle cost of the requested substituted “or equal” material, process or article. Failure to submit all the required substantiating data, including the signed affidavit, to the District in a timely fashion will result in the rejection of the proposed substitution.
- e. The Contractor shall bear all of the District’s costs associated with the review of substitution requests.
- f. The Contractor shall be responsible for all costs related to a substituted “or equal” material, process or article.
- g. Contractor is directed to the Special Conditions (if any) to review any findings made pursuant to Public Contract Code section 3400.

ARTICLE 8. SHOP DRAWINGS

- a. Contractor shall check and verify all field measurements and shall submit with such promptness as to provide adequate time for review and cause no delay in his own Work or in that of any other contractor, subcontractor, or worker on the Project, one (1) electronic copy and three (3) copies of all shop or setting drawings, calculations, schedules, and materials list, and all other provisions required by the Contract. Contractor shall sign all submittals affirming that submittals have been reviewed and approved by Contractor prior to submission to Engineer. Each signed submittal shall affirm that the submittal meets all the requirements of the Contract Documents except as specifically and clearly noted and listed on the cover sheet of the submittal.
- b. Contractor shall make any corrections required by the Engineer, and file with the Engineer three (3) corrected copies each, and furnish such other copies as may be needed for completion of the Work. Owner’s approval of shop drawings shall not relieve Contractor from responsibility for deviations from the Contract Documents unless Contractor has, in

GENERAL CONDITIONS

writing, called Engineer's attention to such deviations at time of submission and has secured the Engineer's written Approval. Engineer's Approval of shop drawings shall not relieve Contractor from responsibility for errors in shop drawings.

ARTICLE 9. SUBMITTALS

- a. Contractor shall furnish to the Engineer for approval, prior to purchasing or commencing any Work, a log of all samples, material lists and certifications, mix designs, schedules, and other submittals, as required in the specifications. The log shall indicate whether samples will be provided in accordance with other provisions of this Contract.
- b. Contractor will provide samples and submittals, together with catalogs and supporting data required by the Engineer, to the Engineer within a reasonable time period to provide for adequate review and avoid delays in the Work.
- c. These requirements shall not authorize any extension of time for performance of this Contract. Engineer will check and approve such samples, but only for conformance with design concept of work and for compliance with information given in the Contract Documents. Work shall be in accordance with approved samples and submittals.

ARTICLE 10. MATERIALS

- a. Except as otherwise specifically stated in the Contract Documents, Contractor shall provide and pay for all materials, labor, tools, equipment, water, lights, power, transportation, superintendence, temporary constructions of every nature, and all other services and facilities of every nature whatsoever necessary to execute and complete this Contract within specified time.
- b. Unless otherwise specified, all materials shall be new and the best of their respective kinds and grades as noted and/or specified, and workmanship shall be of good quality.
- c. Materials shall be furnished in ample quantities and at such times as to ensure uninterrupted progress of The Work and shall be stored properly and protected as required by the Contract Documents. Contractor shall be entirely responsible for damage or loss by weather or other causes to materials or Work.
- d. No materials, supplies, or equipment for Work under this Contract shall be purchased subject to any chattel mortgage or under a conditional sale or other agreement by which an interest therein or in any part thereof is retained by the seller or supplier. Contractor warrants good title to all material, supplies, and equipment installed or incorporated in the work and agrees upon completion of all work to deliver the Project, to the District free from any claims, liens, or charges.
- e. Materials shall be stored on the Project site in such manner so as not to interfere with any operations of the District or any independent contractor.

GENERAL CONDITIONS

ARTICLE 11. CONTRACTOR’S SUPERVISION

Contractor shall continuously keep at the Project site, a competent and experienced full-time Project superintendent approved by the District. Superintendent must be able to proficiently speak, read and write in English. Contractor shall continuously provide efficient supervision of the Project.

ARTICLE 12. WORKERS

- a. Contractor shall at all times enforce strict discipline and good order among its employees. Contractor shall not employ on the Project any unfit person or any one not skilled in the Work assigned to him or her.
- b. Any person in the employ of the Contractor whom the District may deem incompetent or unfit shall be dismissed from The Work and shall not be employed on this Project except with the written Approval of the District.

ARTICLE 13. SUBCONTRACTORS

- a. Contractor agrees to bind every subcontractor to the terms of the Contract Documents as far as such terms are applicable to subcontractor’s portion of The Work. Contractor shall be as fully responsible to the District for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by its subcontractors, as Contractor is for acts and omissions of persons directly employed by Contractor. Nothing contained in these Contract Documents shall create any contractual relationship between any subcontractor and the District.
- b. The District reserves the right to Approve all subcontractors. The District’s Approval of any subcontractor under this Contract shall not in any way relieve Contractor of its obligations in the Contract Documents.
- c. Prior to substituting any subcontractor listed in the Bid Forms, Contractor must comply with the requirements of the Subletting and Subcontracting Fair Practices Act pursuant to California Public Contract Code section 4100 et seq.

ARTICLE 14. PERMITS AND LICENSES

Permits and licenses necessary for prosecution of The Work shall be secured and paid for by Contractor, unless otherwise specified in the Contract Documents.

- a. Contractor shall obtain and pay for all other permits and licenses required for The Work, including excavation permit and for plumbing, mechanical and electrical work and for operations in or over public streets or right of way under jurisdiction of public agencies other than the District.

GENERAL CONDITIONS

- b. The Contractor shall arrange and pay for all off-site inspection of the Work related to permits and licenses, including certification, required by the specifications, drawings, or by governing authorities, except for such off-site inspections delineated as the District's responsibility pursuant to the Contract Documents.
- c. Before Acceptance of the Project, the Contractor shall submit all licenses, permits, certificates of inspection and required approvals to the District.

ARTICLE 15. UTILITY USAGE

- a. All temporary utilities, including but not limited to electricity, water, gas, and telephone, used on the Work shall be furnished and paid for by Contractor. Contractor shall Provide necessary temporary distribution systems, including meters, if necessary, from distribution points to points on The Work where the utility is needed. Upon completion of The Work, Contractor shall remove all temporary distribution systems.
- b. Contractor shall provide necessary and adequate utilities and pay all costs for water, electricity, gas, oil, and sewer charges required for completion of the Project.
- c. All permanent meters Installed shall be listed in the Contractor's name until Project Acceptance.
- d. If the Contract is for construction in existing facilities, Contractor may, with prior written Approval of the District, use the District's existing utilities by compensating the District for utilities used by Contractor.

ARTICLE 16. INSPECTION FEES FOR PERMANENT UTILITIES

All inspection fees and other municipal charges for permanent utilities including, but not limited to, sewer, electrical, phone, gas, water, and irrigation shall be paid for by the District. Contractor shall be responsible for arranging the payment of such fees, but inspection fees and other municipal fees relating to permanent utilities shall be paid by the District. Contractor may either request reimbursement from the District for such fees, or shall be responsible for arranging and coordination with District for the payment of such fees.

ARTICLE 17. TRENCHES

- a. Trenches Five Feet or More in Depth. The Contractor shall submit to the District, in advance of excavation, a detailed plan showing the design of shoring, bracing, sloping or other provisions to be made for worker protection from the hazard of caving ground during the excavation of any trench or trenches five feet or more in depth. If the plan varies from shoring system standards, the plan shall be prepared by a registered civil or structural engineer. The plan shall not be less effective than the shoring, bracing, sloping, or other provisions of the Construction Safety Orders, as defined in the California Code of Regulations.

GENERAL CONDITIONS

b. Excavations Deeper than Four Feet. If work under this Contract involves digging trenches or other excavation that extends deeper than four feet below the surface, Contractor shall promptly, and before the following conditions are disturbed, notify the District, in writing, of any:

- 1) Material that the Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law.
- 2) Subsurface or latent physical conditions at the site differing from those indicated.
- 3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract.

The District shall promptly investigate the conditions, and if it finds that the conditions do so materially differ, or do involve hazardous waste, and cause a decrease or increase in Contractor's cost of, or the time required for, performance of any part of The Work, shall issue a change order under the procedures described in the Contract Documents.

In the event that a dispute arises between the District and the Contractor as to whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in the Contractor's cost of, or time required for, performance of any part of The Work, the Contractor shall not be excused from any scheduled completion date provided for by the Contract, but shall proceed with all Work to be performed under the Contract. Contractor shall retain any and all rights provided either by contract or by law which pertain to the resolution of disputes and protests between the parties.

ARTICLE 18. DIVERSION OF RECYCLABLE WASTE MATERIALS

In compliance with the applicable City of Elk Grove's waste reduction and recycling efforts, Contractor shall divert all Recyclable Waste Materials to appropriate recycling centers. Contractor will be required to submit weight tickets and written proof of diversion with its monthly progress payment requests if required by the City. Contractor shall complete and execute any certification forms required by the City or other applicable agencies to document Contractor's compliance with these diversion requirements. All costs incurred for these waste diversion efforts shall be the responsibility of the Contractor.

ARTICLE 19. REMOVAL OF HAZARDOUS MATERIALS

Should Contractor encounter material reasonably believed to be polychlorinated biphenyl (PCB) or other toxic wastes and hazardous materials which have not been rendered harmless at the Project site, the Contractor shall immediately stop work at the affected Project site and shall report the condition to the District in writing. The District shall contract for any services required to

GENERAL CONDITIONS

directly remove and/or abate PCBs and other toxic wastes and hazardous materials, if required by the Project site(s), and shall not require the Contractor to subcontract for such services. The Work in the affected area shall not thereafter be resumed except by written agreement of the District and Contractor.

ARTICLE 20. SANITARY FACILITIES

Contractor shall provide sanitary temporary toilet buildings for the use of all workers. All toilets shall comply with local codes and ordinances. Toilets shall be kept supplied with toilet paper and shall have workable door fasteners. Toilets shall be serviced no less than once weekly and shall be present in a quantity of not less than 1 per 20 workers as required by CAL-OSHA regulation. The toilets shall be maintained in a sanitary condition at all times. Use of toilet facilities in The Work under construction shall not be permitted. Any other Sanitary Facilities required by CAL-OSHA shall be the responsibility of the Contractor.

ARTICLE 21. AIR POLLUTION CONTROL

Contractor shall comply with all air pollution control rules, regulations, ordinances and statutes. All containers of paint, thinner, curing compound, solvent or liquid asphalt shall be labeled to indicate that the contents fully comply with the applicable material requirements.

Without limiting the foregoing, Contractor must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the Air Quality Management District (AQMD) and/or California Air Resources Board (CARB). Although the AQMD and CARB limits and requirements are more broad, Contractor shall specifically be aware of their application to "portable equipment", which definition is considered by AQMD and CARB to include any item of equipment with a fuel-powered engine. Contractor shall indemnify District against any fines or penalties imposed by AQMD, CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Contractor, its subcontractors, or others for whom Contractor is responsible under its indemnity obligations provided for in Article 48, Indemnification.

ARTICLE 22. COMPLIANCE WITH STATE STORM WATER PERMIT

Permit Compliance. The Contractor shall comply with the District's National Pollutant Discharge Elimination System (NPDES) Permit No. CAG995001 issued by the Regional Water Quality Control Board in association with Low Threat General Waste Discharge Order No. R5-2013-0074-059.

- a. **Consideration of Costs.** As stated in the Instruction to Bidders, it was the responsibility of the Contractor in preparing its bid to evaluate and include in the bid any costs for complying with the Permits.

GENERAL CONDITIONS

- b. **Other Applicable Laws.** Contractor shall also comply with the lawful requirements of any applicable municipality, the District, drainage district, and other local agencies regarding discharges of storm water to separate storm drain system(s) or other water courses under their jurisdiction, including applicable requirements in municipal storm water management programs. This requirement applies to all projects, including those projects that impact less than one acre or disturb less than one acre.
- c. **Run-on Drainage.** Storm, surface, nuisance or other waters may be encountered at various times during the course of construction. By submitting its bid, Contractor acknowledged that it investigated the risk arising from such waters, prepared its bid accordingly, and assumed any and all liabilities arising therefro
- d. **Liability for Non-Compliance.** Failure to comply with the Permit or any applicable municipal permit is a violation of law and may be subject to penalties, fines, or additional regulatory requirements. In addition to the other indemnities included herein, Contractor hereby agrees to indemnify and hold harmless District, its officers, directors, agents and employees from and against any and all fines, penalties, claims or other regulatory requirements imposed as a result of noncompliance with the Permit or the applicable municipal permit, unless such noncompliance is the result of District's sole established negligence, willful misconduct or active negligence..

ARTICLE 23. CLEANING UP

- a. Contractor at all times shall keep premises free from debris such as waste, rubbish, and excess materials and equipment. Contractor shall not store debris under, in, or about the premises. Upon completion of Work, Contractor shall clean the interior and exterior of the building or improvement including fixtures, equipment, walls, floors, ceilings, roofs, window sills and ledges, horizontal projections, and any areas where debris has collected so surfaces are free from foreign material or discoloration. Contractor shall clean and polish all glass, plumbing fixtures, and finish hardware and similar finish surfaces and equipment and contractor shall also remove temporary fencing, barricades, planking and construction toilet and similar temporary facilities from site. Contractor shall also clean all buildings, asphalt and concrete areas to the degree necessary to remove oil, grease, fuel, or other stains caused by Contractor operations or equipment.
- b. Contractor shall fully clean up the site at the completion of The Work. If the Contractor fails to immediately clean up at the completion of The Work, the District may do so and the cost of such clean up shall be charged back to the Contractor.

ARTICLE 24. LAYOUT AND FIELD ENGINEERING

All field engineering required for laying out The Work and establishing grades for earthwork operations shall be furnished by the Contractor at its expense. Layout shall be done by a

GENERAL CONDITIONS

registered civil engineer Approved by the Engineer. Any required “as-built” drawings of the Work shall be prepared by the registered civil engineer.

ARTICLE 25. EXCESSIVE NOISE

- a. The Contractor shall use only such equipment on the work and in such state of repair so that the emission of sound therefrom is within the noise tolerance level of that equipment as established by CAL-OSHA.
- b. The Contractor shall comply with the most restrictive of the following: (1) local sound control and noise level rules, regulations and ordinances and (2) the requirements contained in these Contract Documents, including hours of operation requirements. No internal combustion engine shall be operated on the Project without a muffler of the type recommended by the manufacturer. Should any muffler or other control device sustain damage or be determined to be ineffective or defective, the Contractor shall promptly remove the equipment and shall not return said equipment to the job until the device is repaired or replaced. Said noise and vibration level requirements shall apply to all equipment on the job or related to the job, including but not limited to, trucks, transit mixers or transit equipment that may or may not be owned by the Contractor.

ARTICLE 26. TESTS AND INSPECTIONS

- a. If the Contract Documents, the Engineer, or any instructions, laws, ordinances, or public authority require any part of The Work to be tested or Approved, Contractor shall provide the Engineer at least two (2) working days notice of its readiness for observation or inspection. If inspection is by a public authority other than the District, Contractor shall promptly inform the District of the date fixed for such inspection. Required certificates of inspection (or similar) shall be secured by Contractor. Costs for District testing and District inspection shall be paid by the District. Costs of tests for Work found not to be in compliance shall be paid by the Contractor.
- b. If any Work is done or covered up without the required testing or approval, the Contractor shall uncover or deconstruct the Work, and the Work shall be redone after completion of the testing at the Contractor’s cost in compliance with the Contract Documents.
- c. Where inspection and testing are to be conducted by an independent laboratory or agency, materials or samples of materials to be inspected or tested shall be selected by such laboratory or agency, or by the District, and not by Contractor. All tests or inspections of materials shall be made in accordance with the commonly recognized standards of national organizations.
- d. In advance of manufacture of materials to be supplied by Contractor which must be tested or inspected, Contractor shall notify the District so that the District may arrange for testing

GENERAL CONDITIONS

at the source of supply. Any materials which have not satisfactorily passed such testing and inspection shall not be incorporated into The Work.

- e. If the manufacture of materials to be inspected or tested will occur in a plant or location outside the geographic limits of District, the Contractor shall pay for any excessive or unusual costs associated with such testing or inspection, including but not limited to excessive travel time, standby time and required lodging.
- f. Reexamination of Work may be ordered by the District. If so ordered, Work must be uncovered or deconstructed by Contractor. If Work is found to be in accordance with the Contract Documents, the District shall pay the costs of reexamination and reconstruction. If such work is found not to be in accordance with the Contract Documents, Contractor shall pay all costs.

ARTICLE 27. PROTECTION OF WORK AND PROPERTY

- a. The Contractor shall be responsible for all damages to persons or property that occur as a result of The Work. Contractor shall be responsible for the proper care and protection of all materials delivered and Work performed until completion and final Acceptance by the District. All Work shall be solely at the Contractor's risk. Contractor shall adequately protect adjacent property from settlement or loss of lateral support as necessary. Contractor shall comply with all applicable safety laws and building codes to prevent accidents or injury to persons on, about, or adjacent to the Project site where Work is being performed. Contractor shall erect and properly maintain at all times, as required by field conditions and progress of work, all necessary safeguards, signs, barriers, lights, and watchmen for protection of workers and the public, and shall post danger signs warning against hazards created in the course of construction.
- b. In an emergency affecting safety of life or of work or of adjoining property, Contractor, without special instruction or authorization from the Engineer, is hereby permitted to act to prevent such threatened loss or injury; and Contractor shall so act, without appeal, if so authorized or instructed by the Engineer or the District. Any compensation claimed by Contractor on account of emergency work shall be determined by and agreed upon by the District and the Contractor.
- c. Contractor shall provide such heat, covering, and enclosures as are necessary to protect all Work, materials, equipment, appliances, and tools against damage by weather conditions.
- d. Contractor shall take adequate precautions to protect existing sidewalks, curbs, pavements, utilities, and other adjoining property and structures, and to avoid damage thereto, and Contractor shall repair any damage thereto caused by The Work operations. Contractor shall:

GENERAL CONDITIONS

- 1) Enclose the working area with a substantial barricade, and arrange work to cause minimum amount of inconvenience and danger to the public.
- 2) Provide substantial barricades around any shrubs or trees indicated to be preserved.
- 3) Deliver materials to the Project site over a route designated by the Engineer.
- 4) Provide any and all dust control required and follow the Applicable air quality regulations as appropriate. If the Contractor does not comply, the District shall have the immediate authority to provide dust control and deduct the cost from payments to the Contractor.
- 5) Confine Contractor's apparatus, the storage of materials, and the operations of its workers to limits required by law, ordinances, permits, or directions of the Engineer. Contractor shall not unreasonably encumber the Project site with its materials.
- 6) Take care to prevent disturbing or covering any survey markers, monuments, or other devices marking property boundaries or corners. If such markers are disturbed by accident, they shall be replaced by an approved civil engineer or land surveyor, at no cost to the District.
- 7) Ensure that existing facilities, fences and other structures are all adequately protected and that, upon completion of all Work, all facilities that may have been damaged are restored to a condition acceptable to the District.
- 8) Preserve and protect from injury all buildings, pole lines and all direction, warning and mileage signs that have been placed within the right-of-way.
- 9) At the completion of work each day, leave the Project site in a clean, safe condition.
- 10) Comply with any stage construction and traffic handling plans. Access to residences and businesses shall be maintained at all times.

These precautionary measures will apply continuously and not be limited to normal working hours. Full compensation for the Work involved in the preservation of life, safety and property as above specified shall be considered as included in the prices paid for the various contract items of Work, and no additional allowance will be made therefor.

- e. Should damage to persons or property occur as a result of The Work, Contractor shall be responsible for proper investigation, documentation, including video or photography, to adequately memorialize and make a record of what transpired. The District shall be entitled to inspect and copy any such documentation, video, or photographs.

ARTICLE 28. CONTRACTORS MEANS AND METHODS

Contractor is solely responsible for the means and methods utilized to Perform The Work. In no

GENERAL CONDITIONS

case shall the Contractor's means and methods deviate from commonly used industry standards.

ARTICLE 29. AUTHORIZED REPRESENTATIVES

The District shall designate representatives, who shall have the right to be present at the Project site at all times. The District may designate an inspector who shall have the right to observe all of the Contractor's Work. The inspector is not authorized to make changes in the Contract Documents. The inspector shall not be responsible for the Contractor's failure to carry out The Work in accordance with the Contract Documents. Contractor shall provide safe and proper facilities for such access.

ARTICLE 30. HOURS OF WORK

- a. Eight (8) hours of work shall constitute a legal day's work. The Contractor and each subcontractor shall forfeit, as penalty to the District, twenty-five dollars (\$25) for each worker employed in the execution of Work by the Contractor or any subcontractor for each day during which such worker is required or permitted to work more than eight (8) hours in any one day and forty (40) hours in any week in violation of the provisions of the Labor Code, and in particular, Section 1810 to Section 1815, except as provided in Labor Code Section 1815.
- b. Work shall be accomplished on a regularly scheduled eight (8) hour per day work shift basis, Monday through Friday, between the hours of 7:00 a.m. and 5:00 p.m.
- c. It shall be unlawful for any person to operate, permit, use, or cause to operate any of the following at the Project site, other than between the hours of 7:00 a.m. to 5:00 p.m., Monday through Friday, with no Work allowed on District-observed holidays, unless otherwise Approved by the Engineer:
 - 1) Powered Vehicles
 - 2) Construction Equipment
 - 3) Loading and Unloading Vehicles
 - 4) Domestic Power Tool.

ARTICLE 31. PAYROLL RECORDS

- a. Pursuant to Labor Code Section 1776, the Contractor and each subcontractor shall maintain weekly certified payroll records showing the name, address, social security number, work classification, straight time and overtime hours paid each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed in connection with the work. Contractor shall certify under penalty of perjury that records maintained and submitted by Contractor are true and accurate. Contractor

GENERAL CONDITIONS

shall also require subcontractor(s) to certify weekly payroll records under penalty of perjury.

- b. The payroll records described herein shall be certified and submitted by the Contractor at a time designated by the District. The Contractor shall also provide the following:
 - 1) A certified copy of the employee's payroll records shall be made available for inspection or furnished to such employee or his or her authorized representative on request.
 - 2) A certified copy of all payroll records described herein shall be made available for inspection or furnished upon request of the Department of Industrial Relations ("DIR").
- c. The certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement ("DLSE") of the DIR or shall contain the same information as the forms provided by the DLSE.
- d. Any copy of records made available for inspection and furnished upon request to the public shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address, and social security number. The name and address of the Contractor or any subcontractor shall not be marked or obliterated.
- e. In the event of noncompliance with the requirements of this Section, the Contractor shall have ten (10) days in which to comply subsequent to receipt of written notice specifying any item or actions necessary to ensure compliance with this section. Should noncompliance still be evident after such ten (10) day period, the Contractor shall, as a penalty to the District, forfeit Twenty-five Dollars (\$25.00) for each day, or portion thereof, for each worker until strict compliance is effectuated. Upon the request of the DIR, such penalties shall be withheld from contract payments.

ARTICLE 32. PREVAILING RATES OF WAGES

- a. The Contractor is aware of the requirements of Labor Code Sections 1720 et seq. and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000 et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. Since this Project involves an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and since the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. The Contractor shall obtain a copy of the prevailing rates of per diem wages at the commencement of this Agreement from the website of the Division of Labor Statistics and Research of the Department of Industrial Relations located at www.dir.ca.gov/dlsr/. In the alternative, the Contractor may view a copy of the prevailing rates of per diem wages at the District.

GENERAL CONDITIONS

Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to perform work on the Project available to interested parties upon request, and shall post copies at the Contractor's principal place of business and at the Project site. Contractor shall defend, indemnify and hold the District, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

- b. The Contractor and each subcontractor shall forfeit as a penalty to the District not more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the stipulated prevailing wage rate for any work done by him, or by any subcontract under him, in violation of the provisions of the Labor Code. The difference between such stipulated prevailing wage rate and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the stipulated prevailing wage rate shall be paid to each worker by the Contractor.
- c. Contractor shall post, at appropriate conspicuous points on the Project site, a schedule showing all determined general prevailing wage rates and all authorized deductions, if any, from unpaid wages actually earned.

ARTICLE 33. EMPLOYMENT OF APPRENTICES

The Contractor's attention is directed to the provisions of Sections 1777.5, 1777.6, and 1777.7 of the Labor Code concerning employment of apprentices by the Contractor or any subcontractor. The Contractor shall obtain a certificate of apprenticeship before employing any apprentice pursuant to Section 1777.5, 1777.6, and 1777.7 of the Labor Code. Information relative to apprenticeship standards, wage schedules, and other requirements may be obtained from the Director of Industrial Relations, the Administrator of Apprenticeships, San Francisco, California, or from the Division of Apprenticeship Standards and its branch offices.

ARTICLE 34. NONDISCRIMINATION/EQUAL EMPLOYMENT OPPORTUNITY/EMPLOYMENT ELIGIBILITY

Pursuant to Labor Code Section 1735 and other applicable provisions of law, the Contractor and its subcontractors shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, political affiliation, marital status, or handicap on this Project. The Contractor will take affirmative action to insure that employees are treated during employment or training without regard to their race, color, religion, sex, national origin, age, political affiliation, marital status, or handicap.

Employment Eligibility; Contractor. By executing this Contract, Contractor verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time. Such requirements and restrictions include, but are

GENERAL CONDITIONS

not limited to, examination and retention of documentation confirming the identity and immigration status of each employee of the Contractor. Contractor also verifies that it has not committed a violation of any such law within the five (5) years immediately preceding the date of execution of this Contract, and shall not violate any such law at any time during the term of the Contract. Contractor shall avoid any violation of any such law during the term of this Contract by participating in an electronic verification of work authorization program operated by the United States Department of Homeland Security, by participating in an equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, or by some other legally acceptable method. Contractor shall maintain records of each such verification, and shall make them available to the District or its representatives for inspection and copy at any time during normal business hours. The District shall not be responsible for any costs or expenses related to Contractor's compliance with the requirements provided for in Section 3.16 or any of its sub-sections.

Employment Eligibility; Subcontractors, Sub-subcontractors and Consultants. To the same extent and under the same conditions as Contractor, Contractor shall require all of its subcontractors, sub-subcontractors and consultants performing any work relating to the Project or this Contract to make the same verifications and comply with all requirements and restrictions provided for in Section 3.16.1.

Employment Eligibility; Failure to Comply. Each person executing this Contract on behalf of Contractor verifies that they are a duly authorized officer of Contractor, and understands that any of the following shall be grounds for the District to terminate the Contract for cause: (1) failure of Contractor or its subcontractors, sub-subcontractors or consultants to meet any of the requirements provided for in Sections 3.16.1 or 3.16.2; (2) any misrepresentation or material omission concerning compliance with such requirements (including in those verifications provided to the Contractor under Section 3.16.2); or (3) failure to immediately remove from the Project any person found not to be in compliance with such requirements.

ARTICLE 35. LABOR/EMPLOYMENT SAFETY

The Contractor shall maintain emergency first aid treatment for his employees which complies with the Federal Occupational Safety and Health Act of 1970 (29 U.S.C. § 651 et seq.), and California Code of Regulations, Title 8, Industrial Relations Division 1, Department of Industrial Relations, Chapter 4.

ARTICLE 36. WORKERS' COMPENSATION INSURANCE

The Contractor shall Provide, during the life of this Contract, workers' compensation insurance for all of the employees engaged in Work under this Contract, on or at the Project site, and, in case any of sublet Work, the Contractor shall require the subcontractor similarly to provide workers' compensation insurance for all the latter's employees as prescribed by State law. Any class of employee or employees not covered by a subcontractor's insurance shall be covered by the Contractor's insurance. In case any class of employees engaged in work under this Contract, on or

GENERAL CONDITIONS

at the Project site, is not protected under the Workers' Compensation Statutes, the Contractor shall provide or shall cause a subcontractor to provide, adequate insurance coverage for the protection of such employees not otherwise protected. The Contractor is required to secure payment of compensation to his employees in accordance with the provisions of Section 3700 of the Labor Code. The Contractor shall file with the District certificates of his insurance protecting workers. Company or companies providing insurance coverage shall be acceptable to the District, if in the form and coverage as set forth in the Contract Documents.

ARTICLE 37. EMPLOYER'S LIABILITY INSURANCE

Contractor shall provide during the life of this Contract, Employer's Liability Insurance, including Occupational Disease, in the amount of, at least, one million dollars (\$1,000,000.00) per person per accident. Contractor shall provide District with a certificate of Employer's Liability Insurance. Such insurance shall comply with the provisions of the Contract Documents. The policy shall be endorsed, if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement and contain a Waiver of Subrogation in favor of the District.

ARTICLE 38. COMMERCIAL GENERAL LIABILITY INSURANCE

- a. Contractor shall procure and maintain during the life of this Contract and for such other period as may be required herein, at its sole expense, occurrence version Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products/completed operations if applicable, personal and advertising injury – which may arise from or out of Contractor's operations, use, and management of the Project site, or the performance of its obligations hereunder. Policy limits shall not be less than \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- b. Such policy shall comply with all the requirements of this Article. The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Contractor from liability in excess of such coverage, nor shall it limit Contractor's indemnification obligations to the District, and shall not preclude the District from taking such other actions available to the District under other provisions of the Contract Documents or law.
- c. Contractor shall make certain that any and all subcontractors hired by Contractor are insured in accordance with this Contract. If any subcontractor's coverage does not comply with the foregoing provisions, Contractor shall indemnify and hold the District harmless from any damage, loss, cost, or expense, including attorneys' fees, incurred by the District as a result thereof.

GENERAL CONDITIONS

- d. All general liability policies provided pursuant to the provisions of this Article shall comply with the provisions of the Contract Documents.
- e. All general liability policies shall be written to apply to all bodily injury, including death, property damage, personal injury, owned and non-owned equipment, blanket contractual liability, completed operations liability, explosion, collapse, under-ground excavation, removal of lateral support, and other covered loss, however occasioned, occurring during the policy term, and shall specifically insure the performance by Contractor of that part of the indemnification contained in these General Conditions, relating to liability for injury to or death of persons and damage to property. If the coverage contains one or more aggregate limits, a minimum of 50% of any such aggregate limit must remain available at all times; if over 50% of any aggregate limit has been paid or reserved, the District may require additional coverage to be purchased by Contractor to restore the required limits. Contractor may combine primary, umbrella, and as broad as possible excess liability coverage to achieve the total limits indicated above. Any umbrella or excess liability policy shall include the additional insured endorsement described in the Contract Documents.
- f. Such insurance shall comply with the provisions of Article 42 below.

ARTICLE 39. AUTOMOBILE LIABILITY INSURANCE

Contractor shall take out and maintain at all times during the term of this occurrence version Contract Automobile Liability Insurance in the amount of, at least, one million dollars (\$1,000,000). Such insurance shall provide coverage for bodily injury and property damage including coverage for non-owned and hired vehicles, in a form and with insurance companies acceptable to the District. Such insurance shall comply with the provisions of Article 42 below.

ARTICLE 40. FORM AND PROOF OF CARRIAGE OF INSURANCE

- a. Any insurance carrier providing insurance coverage required by the Contract Documents shall be admitted to and authorized to do business in the State of California unless waived, in writing, by the District Risk Manager. Carrier(s) shall have an A.M. Best rating of not less than an A:VIII. Insurance deductibles or self-insured retentions must be declared by the Contractor, and such deductibles and retentions shall have the prior written consent from the District. At the election of the District the Contractor 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.
- b. Contractor shall cause its insurance carrier(s) to furnish the District with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, or 2) if requested to do so in writing by the District Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and

GENERAL CONDITIONS

effect. The District, its Director's and officers, employees, agents or representatives are named as Additional Insureds and Provide a Waiver of Subrogation in favor of those parties. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that shall provide no less than thirty (30) days written notice be given to the District prior to any material modification or cancellation of such insurance. In the event of a material modification or cancellation of coverage, the District may terminate or Stop Work pursuant to the Contract Documents, unless the District receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverages set forth herein and the insurance required herein is in full force and effect. Contractor shall not take possession, or use the Project site, or commence operations under this Agreement until the District has been furnished original Certificate(s) of Insurance and certified original copies of Endorsements or policies of insurance including all Endorsements and any and all other attachments as required in this Section. The original Endorsements for each policy and the Certificate of Insurance shall be signed by an individual authorized by the insurance carrier to do so on its behalf.

- c. It is understood and agreed to by the parties hereto and the insurance company(s), that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary, and the District's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.
- d. The District reserves the right to adjust the monetary limits of insurance coverage's during the term of this Contract including any extension thereof-if in the District's reasonable judgment, the amount or type of insurance carried by the Contractor becomes inadequate.
- e. Contractor shall pass down the insurance obligations contained herein to all tiers of sub-contractors working under this Contract.

ARTICLE 41. TIME FOR COMPLETION AND LIQUIDATED DAMAGES

- a. **Time for Completion/Liquidated Damages.** Work shall be commenced within ten (10) days of the date stated in the District's Notice to Proceed and shall be completed by Contractor in the time specified in the Contract Documents. The District is under no obligation to consider early completion of the Project; and the Contract completion date shall not be amended by the District's receipt or acceptance of the Contractor's proposed earlier completion date. Furthermore, Contractor shall not, under any circumstances, receive additional compensation from the District (including but not limited to indirect, general, administrative or other forms of overhead costs) for the period between the time of earlier completion proposed by the Contractor and the Contract completion date. If The Work is not completed as stated in the Contract Documents, it is understood that the District will suffer damage. In accordance with Government Code section 53069.85, being impractical and infeasible to determine the amount of actual damage, it is agreed that

GENERAL CONDITIONS

Contractor shall pay to the District as fixed and liquidated damages, and not as a penalty, the sum stipulated in the Contract for each day of delay until The Work is fully completed. Contractor and its surety shall be liable for any liquidated damages. Any money due or to become due the Contractor may be retained to cover liquidated damages.

- b. **Inclement Weather.** Contractor shall abide the Engineer's determination of what constitutes inclement weather. Time extensions for inclement weather shall only be granted when the Work stopped during inclement weather is on the critical path of the Project schedule.
- c. **Extension of Time.** Contractor shall not be charged liquidated damages because of any delays in completion of The Work due to unforeseeable causes beyond the control and without the fault or negligence of Contractor (or its subcontractors or suppliers). Contractor shall within five (5) Days of identifying any such delay notify the District in writing of causes of delay. The District shall ascertain the facts and extent of delay and grant extension of time for completing The Work when, in its judgment, the facts justify such an extension. Time extensions to the Project shall be requested by the Contractor as they occur and without delay. No delay claims shall be permitted unless the event or occurrence delays the completion of the Project beyond the Contract completion date.
- d. **No Damages for Reasonable Delay.** The District's liability to Contractor for delays for which the District is responsible shall be limited to only an extension of time unless such delays were unreasonable under the circumstances. In no case shall the District be liable for any costs which are borne by the Contractor in the regular course of business, including, but not limited to, home office overhead and other ongoing costs. Damages caused by unreasonable District delay, including delays caused by items that are the responsibility of the District pursuant to Government Code section 4215, shall be based on actual costs only, no proportions or formulas shall be used to calculate any delay damages.

ARTICLE 42. COST BREAKDOWN AND PERIODIC ESTIMATES

Contractor shall furnish on forms Approved by the District:

- a. Within ten (10) Days of award of the Contract a detailed estimate giving a complete breakdown of the Contract price;
- b. A monthly itemized estimate of Work done for the purpose of making progress payments. In order for the District to consider and evaluate each progress payment application, the Contractor shall submit a detailed measurement of Work performed and a progress estimate of the value thereof before the tenth (10th) Day of the following month.
- c. Contractor shall submit, with each of its payment requests, an adjusted list of actual quantities, verified by the Engineer, for unit price items listed, if any, in the Bid Form.

GENERAL CONDITIONS

- d. Following the District's Acceptance of the Work, the Contractor shall submit to the District a written statement of the final quantities of unit price items for inclusion in the final payment request.
- e. The District shall have the right to adjust any estimate of quantity and to subsequently correct any error made in any estimate for payment.

Contractor shall certify under penalty of perjury, that all cost breakdowns and periodic estimates accurately reflect the Work on the Project.

ARTICLE 43. MOBILIZATION

- a. When a bid item is included in the Bid Form for mobilization, the costs of Work in advance of construction operations and not directly attributable to any specific bid item will be included in the progress estimate ("Initial Mobilization"). When no bid item is provided for "Initial Mobilization," payment for such costs will be deemed to be included in the other items of The Work.
- b. Payment for Initial Mobilization based on the lump sum provided in the Bid Form, which shall constitute full compensation for all such Work. No payment for Initial Mobilization will be made until all of the listed items have been completed to the satisfaction of the Engineer. The scope of the Work included under Initial Mobilization shall include, but shall not be limited to, the following principal items:
 - 1. Obtaining and paying for all bonds, insurance, and permits.
 - 2. Moving on to the Project site of all Contractor's plant and equipment required for first month's operations.
 - 3. Installing temporary construction power, wiring, and lighting facilities.
 - 4. Establishing fire protection system.
 - 5. Developing and installing a construction water supply.
 - 6. Providing and maintaining the field office trailers for the Contractor, complete with all specified furnishings and utility services including telephones, telephone appurtenances, computer and printer, and copying machine.
 - 7. Providing on-site communication facilities including telephones, radio pagers, and fax machines.
 - 8. Providing on-site sanitary facilities and potable water facilities as specified per Cal-OSHA and these Contract Documents.

GENERAL CONDITIONS

9. Furnishing, installing, and maintaining all storage buildings or sheds required for temporary storage of products, equipment, or materials that have not yet been installed in the Work. All such storage shall meet manufacturer's specified storage requirements, and the specific provisions of the specifications, including temperature and humidity control, if recommended by the manufacturer, and for all security.
10. Arranging for and erection of Contractor's work and storage yard.
11. Posting all OSHA required notices and establishment of safety programs per Cal-OSHA.
12. Full-time presence of Contractor's superintendent at the job site as required herein.
13. Submittal of Construction Schedule as required by the Contract Documents.

ARTICLE 44. PAYMENTS

- a. The District shall make monthly progress payments following receipt of undisputed and properly submitted payment requests. Contractor shall be paid a sum equal to ninety-five percent (95%) of the value of Work performed up to the last day of the previous month, less the aggregate of previous payments.
- b. The Contractor shall, after the full completion of The Work, submit a final payment application. All prior progress estimates shall be subject to correction in the final estimate and payment.
- c. Unless otherwise required by law, the final payment of five percent (5%) of the value of the Work, if unencumbered, shall be paid no later than sixty (60) Days after the date of recordation of the Notice of Completion.
- d. Acceptance by Contractor of the final payment shall constitute a waiver of all claims against the District arising from this Contract.
- e. Payments to the Contractor shall not be construed to be an acceptance of any defective work or improper materials, or to relieve the Contractor of its obligations under the Contract Documents.
- f. The Contractor shall submit with each payment request the Contractor's conditional waiver of lien for the entire amount covered by such payment request, as well as a valid unconditional waiver of lien from the Contractor and all subcontractors and materialmen for all work and materials included in any prior invoices. Waivers of lien shall be in the forms prescribed by California Civil Code Section 3262. Prior to final payment by the District, the Contractor shall submit a final waiver of lien for the Contractor's work, together with releases of lien from any subcontractor or materialmen.

GENERAL CONDITIONS

ARTICLE 45. PAYMENTS WITHHELD AND BACKCHARGES

In addition to amounts which the District may retain under other provisions of the Contract Documents the District may withhold payments due to Contractor as may be necessary to cover:

- a. Stop Notice Claims.
- b. Defective work not remedied.
- c. Failure of Contractor to make proper payments to its subcontractors or suppliers.
- d. Completion of the Contract if there exists a reasonable doubt that the work can be completed for balance then unpaid.
- e. Damage to another contractor or third party.
- f. Amounts which may be due the District for claims against Contractor.
- g. Failure of Contractor to keep the record ("as-built") drawings up to date.
- h. Failure to provide updates on the construction schedule.
- i. Site clean up.
- j. Failure of the Contractor to comply with requirements of the Contract Documents.
- k. Ligated damages.
- l. Legally permitted penalties.

Upon completion of the Contract, the District will reduce the final Contract amount to reflect costs charged to the Contractor, backcharges or payments withheld pursuant to the Contract Documents.

ARTICLE 46. CHANGES AND EXTRA WORK

- a. **Change Order Work.**
 - 1) The District, without invalidating the Contract, may order changes in the Work consisting of additions, deletions or other revisions, the Contract amount and Contract time being adjusted accordingly. All such changes in the Work shall be authorized by Change Order, and shall be performed under the applicable conditions of the Contract Documents. A Change Order signed by the Contractor indicates the Contractor's agreement therewith, including any adjustment in the Contract amount or the Contract time, and the full and final settlement of all costs (direct, indirect and overhead) related to the Work authorized by the Change Order.

GENERAL CONDITIONS

- 2) All claims for additional compensation to the Contractor shall be presented in writing before the expense is incurred and will be adjusted as provided herein. No work shall be allowed to lag pending such adjustment, but shall be promptly executed as directed, even if a dispute arises. No claim will be considered after the work in question has been done unless a written contract change order has been issued or a timely written notice of claim has been made by Contractor. Contractor shall not be entitled to claim or bring suit for damages, whether for loss of profits or otherwise, on account of any decrease or omission of any item or portion of Work to be done. Whenever any change is made as provided for herein, such change shall be considered and treated as though originally included in the Contract, and shall be subject to all terms, conditions and provisions of the original Contract.
- 3) Owner Initiated Change. The Contractor must submit a complete cost proposal, including any change in the Contract time, within seven (7) Days after receipt of a scope of a proposed change order, unless the District requests that proposals be submitted in less than seven (7) Days.
- 4) Contractor Initiated Change. The Contractor must give written notice of a proposed change order required for compliance with the Contract Documents within seven (7) Days of discovery of the facts giving rise to the proposed change order.
- 5) Whenever possible, any changes to the Contract amount shall be in a lump sum mutually agreed to by the Contractor and the District.
- 6) Price quotations from the Contractor shall be accompanied by sufficiently detailed supporting documentation to permit verification by the District.
- 7) If the Contractor fails to submit the cost proposal within the seven (7) Day period (or as requested), the District has the right to order the Contractor in writing to commence the work immediately on a force account basis and/or issue a lump sum change to the contract price in accordance with the District's estimate of cost. If the change is issued based on the District estimate, the Contractor will waive its right to dispute the action unless within fifteen (15) Days following completion of the added/deleted work, the Contractor presents written proof that the District's estimate was in error.
- 8) Estimates for lump sum quotations and accounting for cost-plus-percentage work shall be limited to direct expenditures necessitated specifically by the subject extra work, and shall be segregated as follows:
 - (a) Labor. The costs of labor will be the actual cost for wages prevailing locally for each craft or type of worker at the time the extra work is done,

GENERAL CONDITIONS

plus employer payments of payroll taxes and insurance, health and welfare, pension, vacation, apprenticeship funds, and other direct costs resulting from Federal, State or local laws, as well as assessment or benefits required by lawful collective bargaining agreements. The use of a labor classification which would increase the extra work cost will not be permitted unless the contractor establishes the necessity for such additional costs. Labor costs for equipment operators and helpers shall be reported only when such costs are not included in the invoice for equipment rental.

- (b) Materials. The cost of materials reported shall be at invoice or lowest current price at which such materials are locally available in the quantities involved, plus sales tax, freight and delivery. Materials cost shall be based upon supplier or manufacturer's invoice. If invoices or other satisfactory evidence of cost are not furnished within fifteen (15) Days of delivery, then the Engineer shall determine the materials cost, at its sole discretion.
- (c) Tool and Equipment Use. No payment will be made for the use of small tools, tools which have a replacement value of \$1,000 or less. Regardless of ownership, the rates to be used in determining equipment use costs shall not exceed listed rates prevailing locally at equipment rental agencies, or distributors, at the time the work is performed.
- (d) Overhead, Profit and Other Charges. The mark-up for overhead (including supervision) and profit on work added to the Contract shall be according to the following:
 - i. "Net Cost" is defined as consisting of costs of labor, materials and tools and equipment only excluding overhead and profit. The costs of applicable insurance and bond premium will be reimbursed to the Contractor and subcontractors at cost only, without mark-up.
 - ii. For Work performed by the Contractor's forces the added cost for overhead and profit shall not exceed fifteen (15%) percent of the Net Cost of the Work.
 - iii. For Work performed by a subcontractor, the added cost for overhead and profit shall not exceed fifteen (15%) percent of the Net Cost of the Work to which the Contractor may add five (5%) percent of the subcontractor's Net Cost.
 - iv. For Work performed by a sub-subcontractor the added cost for overhead and profit shall not exceed fifteen (15 %) percent of the Net Cost for Work to which the subcontractor and general contractor

GENERAL CONDITIONS

may each add an additional five (5 %) percent of the Net Cost of the lower tier subcontractor.

- iv. No additional mark up will be allowed for lower tier subcontractors, and in no case shall the added cost for overhead and profit payable by District exceed twenty-five (25%) percent of the Net Cost as defined herein.
- 9) For added or deducted Work by subcontractors, the Contractor shall furnish to the District the subcontractor's signed detailed estimate of the cost of labor, material and equipment, including the subcontractor markup for overhead and profit. The same requirement shall apply to sub-subcontractors.
- 10) For added or deducted work furnished by a vendor or supplier, the Contractor shall furnish to the District a detailed estimate or quotation of the cost to the Contractor, signed by such vendor or supplier.
- 11) Any change in The Work involving both additions and deletions shall indicate a net total cost, including subcontracts and materials. Allowance for overhead and profit, as specified herein, shall be applied if the net total cost is an extra; overhead and profit allowances shall not be applied if the net total cost is a credit. The estimated cost of deductions shall be based on labor and material prices on the date the Contract was executed.
- 12) Contractor shall not reserve a right to assert impact costs, extended job site costs, extended overhead, constructive acceleration and/or actual acceleration beyond what is stated in the change order for work. No claims shall be allowed for impact, extended overhead costs, constructive acceleration and/or actual acceleration due to a multiplicity of changes and/or clarifications. The Contractor may not change or modify the District's change order form in an attempt to reserve additional rights.
- 13) If the District disagrees with the proposal submitted by Contractor, it will notify the Contractor and the District will provide its opinion of the appropriate price and/or time extension. If the Contractor agrees with the District, a change order will be issued by the District. If no agreement can be reached, the District shall have the right to issue a unilateral change order setting forth its determination of the reasonable additions or savings in costs and time attributable to the extra or deleted work. Such determination shall become final and binding if the Contractor fails to submit a claim in writing to the District within fifteen (15) Days of the issuance of the unilateral change order, disputing the terms of the unilateral change order.
- 14) No dispute, disagreement or failure of the parties to reach agreement on the terms of the change order shall relieve the Contractor from the obligation to proceed with performance of the work, including extra work, promptly and expeditiously.

GENERAL CONDITIONS

- 15) Any alterations, extensions of time, extra work or any other changes may be made without securing consent of the Contractor's surety or sureties.

ARTICLE 47. OCCUPANCY

The District reserves the right to occupy or utilize any portion of The Work at any time before completion, and such occupancy or use shall not constitute Acceptance of any part of Work covered by this Contract. This use shall not relieve the Contractor of its responsibilities under the Contract.

ARTICLE 48. INDEMNIFICATION

Contractor shall defend (with counsel of District's choosing), indemnify and hold the District, its officials, officers, agents, employees, and representatives free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries, in law or equity, regardless of whether the allegations are false, fraudulent, or groundless, to property or persons, including wrongful death, to the extent arising out of or incident to any acts, omissions or willful misconduct of Contractor, its officials, officers, employees, agents, consultants and contractors arising out of or in connection with the performance of the Work or this Contract, including claims made by subcontractors for nonpayment, including without limitation the payment of all consequential damages and attorneys fees and other related costs and expenses. Contractor shall defend, at Contractor's own cost, expense and risk, with counsel of District's choosing, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against District, its officials, officers, agents, employees and representatives. To the extent of its liability, Contractor shall pay and satisfy any judgment, award or decree that may be rendered against District, its officials, officers, employees, agents, employees and representatives, in any such suit, action or other legal proceeding. Contractor shall reimburse District, its officials, officers, agents, employees and representatives for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. The only limitations on this provision shall be those imposed by Civil Code Section 2782.

ARTICLE 49. RECORD ("AS BUILT") DRAWINGS

- a. Contractor shall prepare and maintain a complete set of record drawings (herein referred to as "as-builts") and shall require each trade to prepare its own as-builts. The as-builts must show the entire site for each major trade, including but not limited to water, sewer, electrical, data, telephone, cable, fire alarm, gas and plumbing. Contractor shall mark the as-builts to show the actual installation where the installation varies from the Work as originally shown. Contractor shall mark whichever drawings are most capable of showing conditions fully and where shop drawings are used, Contractor must record a cross-reference at the corresponding location on the contract drawings. Contractor shall give particular attention to concealed elements that would be difficult to measure and record at a

GENERAL CONDITIONS

later date. Contractor shall use colors to distinguish variations in separate categories of The Work.

- b. Contractor shall note related change order numbers where applicable. Contractor shall organize as-builts into manageable sets, bound with durable paper cover sheets and shall print suitable title, dates and other identification on the cover of each set. Contractor to also provide an electronic version of the as-builts. The suitability of the as-builts will be determined by the Engineer.

ARTICLE 50. RESOLUTION OF CONSTRUCTION CLAIMS

- a. In accordance with Public Contract Code Sections 20104 *et seq.* and other applicable law, public works claims of \$375,000 or less which arise between the Contractor and the District shall be resolved under the following the statutory procedure unless the District has elected to resolve the dispute pursuant to Public Contract Code Section 10240 *et seq.*
- b. **All Claims:** All claims shall be submitted in writing and accompanied by substantiating documentation. Claims must be filed on or before the date of final payment unless other notice requirements are provided in the contract. "Claim" means a separate demand by the claimant for (1) a time extension, (2) payment of money or damages arising from work done by or on behalf of the claimant and payment of which is not otherwise expressly provided for or the claimant is not otherwise entitled, or (3) an amount the payment of which is disputed by the District.
- c. **Claims Under \$50,000.** The District shall respond in writing to the claim within 45 days of receipt of the claim, or, the District may request, in writing, within 30 days of receipt of the claim, any additional documentation supporting the claim or relating to defenses or claims the District may have. If additional information is needed thereafter, it shall be provided upon mutual agreement of the District and the claimant. The District's written response shall be submitted 15 days after receiving the additional documentation, or within the same period of time taken by the claimant to produce the additional information, whichever is greater.
- d. **Claims over \$50,000 but less than or equal to \$375,000.** The District shall respond in writing within 60 days of receipt, or, may request in writing within 30 days of receipt of the claim, any additional documents supporting the claim or relating to defenses or claims the District may have against the claimant. If additional information is needed thereafter, it shall be provided pursuant to mutual agreement between the District and the claimant. The District's response shall be submitted within 30 days after receipt of the further documents, or within the same period of time taken by the claimant to produce the additional information or documents, whichever is greater. The Contractor shall make these records and documents available at all reasonable times, without any direct charge.
- e. The Contractor will submit the claim justification in the following format:

GENERAL CONDITIONS

62

- 1) Summary of claim merit and price, and Contract clause pursuant to which the claim is made.
 - 2) List of documents relating to claim
 - (a) Specifications
 - (b) Drawings
 - (c) Clarifications (Requests for Information)
 - (d) Schedules
 - (e) Other
 - 3) Chronology of events and correspondence
 - 4) Analysis of claim merit
 - 5) Analysis of claim cost
 - 6) Analysis of time impact analysis in CPM format
 - 7) Cover letter and certification of validity of the claim
- f. If the claimant disputes the District's response, or if the District fails to respond within the statutory time period(s), the claimant may so notify the District within 15 days of the receipt of the response or the failure to respond, and demand an informal conference to meet and confer for settlement. Upon such demand, the District shall schedule a meet and confer conference within 30 Days.
- g. If following the meet and confer conference, the claim or any portion thereof remains in dispute, the claimant may file a claim pursuant to Government Code 900 et seq. and Government Code 910 et seq. For purposes of those provisions, the time within which a claim must be filed shall be tolled from the time the claimant submits the written claim until the time the claim is denied, including any time utilized for the meet and confer conference.
- h. Submission of a claim, properly certified, with all required supporting documentation, and written rejection or denial of all or part of the claim by District, is a condition precedent to any action, proceeding, litigation, suit, general conditions claim, or demand for arbitration by Contractor.

GENERAL CONDITIONS

ARTICLE 51. DISTRICT'S RIGHT TO TERMINATE CONTRACT

- a. **Termination for Cause:** The District may, without prejudice to any other right or remedy, serve written notice upon Contractor of its intention to terminate this Contract if the Contractor: (i) refuses or fails to prosecute The Work or any part thereof with such diligence as will ensure its completion within the time required; (ii) fails to complete The Work within the required time; (iii) should file a bankruptcy petition or be adjudged a bankrupt; (iv) should make a general assignment for the benefit of its creditors; (v) should have a receiver appointed; (vi) should persistently or repeatedly refuse or fail to supply enough properly skilled workers or proper materials to complete the work; (vii) should fail to make prompt payment to subcontractors or for material or labor; (viii) persistently disregard laws, ordinances, other requirements or instructions of the District; or (ix) should violate any of the provisions of the Contract Documents.

The notice of intent to terminate shall contain the reasons for such intention to terminate. Unless within ten (10) Days after the service of such notice, such condition shall cease or satisfactory arrangements (acceptable to the District) for the required correction are made, this Contract shall be terminated. In such case, Contractor shall not be entitled to receive any further payment until the Project has been finished. The District may take over and complete The Work by any method it may deem appropriate. Contractor and its surety shall be liable to the District for any excess costs or other damages incurred by the District to complete the Project. If the District takes over The Work, the District may, without liability for so doing, take possession of and utilize in completing The Work such materials, appliances, plant, and other property belonging to the Contractor as may be on the Project site.

- b. **Termination For Convenience:** The District may terminate performance of The Work in whole or, in part, if the District determines that a termination is in the District's interest.

The Contractor shall terminate all or any part of The Work upon delivery to the Contractor of a Notice of Termination specifying that the termination is for the convenience of the District, the extent of termination, and the effective date of such termination.

After receipt of Notice of Termination, and except as directed by the District, the Contractor shall, regardless of any delay in determining or adjusting any amounts due under this Termination for Convenience clause, immediately proceed with the following obligations:

- 1) Stop Work as specified in the Notice.
- 2) Complete any Work specified in the Notice of Termination in a least cost/shortest time manner while still maintaining the quality called for under the Contract Documents.

GENERAL CONDITIONS

- 3) Leave the property upon which the Contractor was working and upon which the facility (or facilities) forming the basis of the Contract Documents is situated in a safe and sanitary manner such that it does not pose any threat to the public health or safety.
 - 4) Terminate all subcontracts to the extent that they relate to the portions of The Work terminated.
 - 5) Place no further subcontracts or orders, except as necessary to complete the remaining portion of The Work.
 - 6) Submit to the District, within ten (10) Days from the effective date of the Notice of Termination, all of the documentation called for by the Contract Documents to substantiate all costs incurred by the Contractor for labor, materials and equipment through the Effective Date of the Notice of Termination. Any documentation substantiating costs incurred by the Contractor solely as a result of the District's exercise of its right to terminate this Contract pursuant to this clause, which costs the Contractor is authorized under the Contract Documents to incur, shall: (i) be submitted to and received by the District no later than thirty (30) Days after the Effective Date of the Notice of Termination; (ii) describe the costs incurred with particularity; and (iii) be conspicuously identified as "Termination Costs Occasioned by the District's Termination for Convenience."
 - 7) These provisions are in addition to and not in limitation of any other rights or remedies available to the District.
- c. Notwithstanding any other provision of this Article, when immediate action is necessary to protect life and safety or to reduce significant exposure or liability, the District may immediately order Contractor to cease Work on the Project until such safety or liability issues are addressed to the satisfaction of the District or the Contract is terminated.

ARTICLE 52. WARRANTY AND GUARANTEE

- a. Contractor warrants that all materials and equipment furnished under this Contract shall be new unless otherwise specified in the Contract Documents; and that all Work conforms to the Contract Document requirements and is free of any defect whether performed by the Contractor or any subcontractor or supplier.
- b. Unless otherwise stated, all warranty periods shall begin upon the filing of the Notice of Completion. Unless otherwise stated, the warranty period shall be for one year.
- c. The Contractor shall remedy at its expense any damage to District-owned or controlled real or personal property.

GENERAL CONDITIONS

- d. Contractor shall furnish the District with all warranty and guarantee documents prior to final Acceptance of the Project by the District.
- e. The District shall notify the Contractor, in writing, within a reasonable time after the discovery of any failure, defect, or damage. The Contractor shall within ten (10) Days after being notified commence and perform with due diligence all necessary Work. If the Contractor fails to promptly remedy any defect, or damage; the county shall have the right to replace, repair, or otherwise remedy the defect, or damage at the Contractor's expense.
- f. In the event of any emergency constituting an immediate hazard to health, safety, property, or licensees, when caused by Work of the Contractor not in accordance with the Contract requirements, the District may undertake at Contractor's expense, and without prior notice, all Work necessary to correct such condition.
- g. With respect to all warranties, express or implied, from subcontractors, manufacturers, or suppliers for Work performed and Materials furnished under this Contract, the Contractor shall:
 - 1) Obtain for District all warranties that would be given in normal commercial practice;
 - 2) Require all warranties to be executed, in writing, for the benefit of the District; and
 - 3) Enforce all warranties for the benefit of the District, unless otherwise directed in writing by the District.

This Article shall not limit the District's rights under this Contract or with respect to latent defects, gross mistakes, or fraud. The District specifically reserves all rights related to defective work, including but not limited to the defect claims pursuant to California Code of Civil Procedure Section 337.15.

ARTICLE 53. DOCUMENT RETENTION & EXAMINATION

- a. In accordance with Government Code Section 8546.7, records of both the District and the Contractor shall be subject to examination and audit by the State Auditor General for a period of three (3) years after final payment.
- b. Contractor shall make available to the District any of the Contractor's other documents related to the Project immediately upon request of the District.
- c. In addition to the State Auditor rights above, the District shall have the right to examine and audit all books, estimates, records, contracts, documents, bid documents, subcontracts, and other data of the Contractor (including computations and projections) related to negotiating, pricing, or performing the modification in order to evaluate the accuracy and

GENERAL CONDITIONS

completeness of the cost or pricing data at no additional cost to the District, for a period of four (4) years after final payment.

ARTICLE 54. SOILS INVESTIGATIONS

When a soils investigation report for the Project site is available, any information obtained from such report as to subsurface soil condition, or to elevations of existing grades or elevations of underlying rock, is approximate only and is not guaranteed. Contractor acknowledges that any soils investigation report (including any borings) was prepared for purposes of design only and Contractor is required to examine the site before submitting its bid and must make whatever tests it deems appropriate to determine the underground condition of the soil.

ARTICLE 55. SEPARATE CONTRACTS

- a. The District reserves the right to let other contracts in connection with this Work or on the Project site. Contractor shall permit other contractors reasonable access and storage of their materials and execution of their work and shall properly connect and coordinate its Work with theirs.
- b. To ensure proper execution of its subsequent Work, Contractor shall immediately inspect work already in place and shall at once report to the Engineer any problems with the work in place or discrepancies with the Contract Documents.
- c. Contractor shall ascertain to its own satisfaction the scope of the Project and nature of any other contracts that have been or may be awarded by the District in prosecution of the Project to the end that Contractor may perform this Contract in the light of such other contracts, if any. Nothing herein contained shall be interpreted as granting to Contractor exclusive occupancy at site of the Project. Contractor shall not cause any unnecessary hindrance or delay to any other contractor working on the Project. If simultaneous execution of any contract for the Project is likely to cause interference with performance of some other contract or contracts, the Engineer shall decide which Contractor shall cease Work temporarily and which contractor shall continue or whether work can be coordinated so that contractors may proceed simultaneously. The District shall not be responsible for any damages suffered or for extra costs incurred by Contractor resulting directly or indirectly from award, performance, or attempted performance of any other contract or contracts on the Project site.

ARTICLE 56. NOTICE AND SERVICE THEREOF

All notices shall be in writing and either served by personal delivery or mailed to the other party as designated in the Bid Forms. Written notice to the Contractor shall be addressed to Contractor's principal place of business unless Contractor designates another address in writing for service of notice. Notice to District shall be addressed to the District as designated in the Notice Inviting Bids unless District designates another address in writing for service of notice. Notice shall be

GENERAL CONDITIONS

effective upon receipt or five (5) Days after being sent by first class mail, whichever is earlier. Notice given by facsimile shall not be effective unless acknowledged in writing by the receiving party.

ARTICLE 57. NOTICE OF THIRD PARTY CLAIMS

Pursuant to Public Contract Code Section 9201, the District shall provide Contractor with timely notification of the receipt of any third-party claim relating to the Contract.

ARTICLE 58. STATE LICENSE BOARD NOTICE.

Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four (4) years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within ten (10) years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

ARTICLE 59. INTEGRATION

- a. Oral Modifications Ineffective. No oral order, objection, direction, claim or notice by any party or person shall affect or modify any of the terms or obligations contained in the Contract Documents.
- b. Contract Documents Represent Entire Contract. The Contract Documents represent the entire agreement of the District and Contractor.\
- c. The failure of either Party to insist upon strict performance of any of the terms, conditions or covenants in this Agreement shall not be deemed a waiver of any right or remedy for a subsequent breach or default of the terms, conditions or covenants herein contained, unless such waiver is in writing.

ARTICLE 60. CHANGE IN NAME AND NATURE OF CONTRACTOR'S LEGAL ENTITY

Should a change be contemplated in the name or nature of the Contractor's legal entity, the Contractor shall first notify the District in order that proper steps may be taken to have the change reflected on the Contract.

ARTICLE 61. ASSIGNMENT OF ANTITRUST ACTIONS

Pursuant to Section 7103.5 of the Public Contract Code, in entering into a public works contract or subcontract to supply goods, services, or materials pursuant to a public works contract, Contractor or subcontractor offers and agrees to assign to the District all rights, title, and interest in and to all

GENERAL CONDITIONS

causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (chapter 2 (commencing with Section 16700) of part 2 of division 7 of the Business and Professions Code), arising from the purchase of goods, services, or materials pursuant to this Contract or any subcontract. This assignment shall be made and become effective at the time the District makes final payment to the Contractor, without further acknowledgment by the parties.

ARTICLE 62. PROHIBITED INTERESTS

No District official or representative who is authorized in such capacity and on behalf of the District to negotiate, supervise, make, accept, or approve, or to take part in negotiating, supervising, making, accepting or approving any engineering, inspection, construction or material supply contract or any subcontract in connection with construction of the project, shall be or become directly or indirectly interested financially in the Contract.

ARTICLE 63. LAWS AND REGULATIONS

- a. Contractor shall give all notices and comply with all federal, state and local laws, ordinances, rules and regulations bearing on conduct of work as indicated and specified by their terms. References to specific laws, rules or regulations in this Contract are for reference purposes only, and shall not limit or affect the applicability of provisions not specifically mentioned. If Contractor observes that drawings and specifications are at variance therewith, he shall promptly notify the Engineer in writing and any necessary changes shall be adjusted as provided for in this Contract for changes in work. If Contractor performs any work knowing it to be contrary to such laws, ordinances, rules and regulations, and without such notice to the Engineer, he shall bear all costs arising therefrom.
- b. Contractor shall be responsible for familiarity with the Americans with Disabilities Act ("ADA") (42 U.S.C. § 12101 et seq.). The Work will be performed in compliance with ADA laws, rules and regulations. Contractor shall comply with the Historic Building Code, including, but not limited to, as it relates to the ADA, whenever applicable.
- c. Contractor acknowledges and understands that, pursuant to Public Contract Code Section 20676, sellers of "mined material" must be on an approved list of sellers published pursuant to Public Resources Code Section 2717(b) in order to supply mined material for this Contract.

ARTICLE 64. PATENT FEES OR ROYALTIES.

The Contractor shall include in its bid amount the patent fees or royalties on any patented article or process furnished or used in the Work. Contractor shall assume all liability and responsibility arising from the use of any patented, or allegedly patented, materials, equipment, devices or processes used in or incorporated with The Work, and shall defend, indemnify and hold harmless

GENERAL CONDITIONS

the District, its officials, officers, agents, employees and representatives from and against any and all liabilities, demands, claims, damages, losses, costs and expenses, of whatsoever kind or nature, arising from such use.

ARTICLE 65. OWNERSHIP OF DRAWING

All Contract Documents furnished by the District are District property. They are not to be used by Contractor or any subcontractor on other work nor shall Contractor claim any right to such documents. With exception of one complete set of Contract Documents, all documents shall be returned to the District on request at completion of The Work.

ARTICLE 66. NOTICE OF TAXABLE POSSESSORY INTEREST

In accordance with Revenue and Taxation Code Section 107.6, the Contract Documents may create a possessory interest subject to personal property taxation for which Contractor will be responsible.

GENERAL CONDITIONS

SPECIAL CONDITIONS

"ARTICLE 67 SHALL BE ADDED TO THE GENERAL CONDITIONS TO READ AS FOLLOWS:

ARTICLE 67. VALUE ENGINEERING CHANGE PROPOSALS (VECP)

Value Engineering - Modifications to the project which are proposed by the Contractor and which provide the product or services equal to that called for in the project specifications, but at lower cost than the cost of those products or services designated in the specifications.

- a. Applicability - The provisions of this section shall apply only to Value Engineering Change Proposals (VECPs) resulting in net cost savings of Twenty Thousand dollars (\$20,000) or greater.

- b. Future Changes - The Contractor is entitled to share in the net cost savings of the VECP to the full extent provided for in this section and in the change order implementing the VECP. However, the net cost savings shall not continue to subsequent contract change orders nor other modifications of the contract which may change the service provided or increase the quantity of any item related to the VECP.

- c. VECP Submittal - The Contractor must submit all VECPs to the Engineer after receipt of the Notice To Proceed and prior to surpassing forty percent (40%) of the contract time allowed in Section 01010-3.0, Time Allowed For Completion. The number of copies of the VECP submitted shall be in accordance with that designated for submittals in Section 01300, SUBMITTALS.

The Contractor shall include the following information for each VECP, in a form acceptable to the Engineer:

- 1) Description of the differences between the existing design and the proposed design.

- 2) Description of the advantages and disadvantages of the existing design and the proposed design.

- 3) If the function of an item is altered, the justification for altering that function.

- 4) The effect of the proposed modifications on the performance of the system or facility.

SPECIAL CONDITIONS

- 5) Any test data regarding the proposed modification.
 - 6) A listing and analysis of all design criteria and specifications that must be changed if the VECP is accepted.
 - 7) A separate detailed estimate of the impact on the project costs, together with a copy of the Contractor's approved schedule of values or costs.
 - 8) A description and estimate of costs the District may incur to implement the VECP, including, but not limited to, design changes, inspection, testing, and evaluation costs.
 - 9) A prediction of any effects the VECP may have on life-cycle costs.
 - 10) The effect of the VECP on design and construction schedules.
 - 11) All preliminary engineering data necessary to support approval of the VECP.
- d. Acceptance of VECP by District - The District shall have sole discretion to determine whether or not to accept a VECP. The District's decision shall be final.
- A VECP will be rejected if it causes an increase to the contract amount.
- Within thirty (30) days after receipt of a VECP by the Engineer, the Contractor shall be notified in writing that the VECP is acceptable, rejected, or additional time is required for the Engineer's response.
- If determined acceptable, the Engineer will initiate a contract change order to implement the VECP. A VECP which is acceptable shall be incorporated into the project only through a contract change order.
- e. Contractor's Right to Withdraw VECP - The Contractor has the right to withdraw part or all of any VECP at any time prior to written acceptance by the District. Such withdrawal shall be made in writing. Each VECP submitted by the Contractor shall remain valid for a period of thirty (30) days from the date received, unless extended by the Engineer. If the Contractor desires to withdraw the VECP prior to its acceptance or rejection, the Contractor shall be liable for the costs incurred by the District in reviewing the VECP.
- f. Change Order Content For Accepted VECP - The contract change order for an accepted VECP shall offer to the Contractor fifty percent (50%) of the net cost savings, as determined by the Engineer. The change order shall detail the cost

SPECIAL CONDITIONS

savings of each contract item that is part of the final accepted VECP. The net cost savings shall be accomplished through progress payments for the various items of work listed in the contract change order.

- g. Identical VECP - A VECP identical to a VECP submitted under any other contract, by the Contractor, or any other contractor, may also be submitted under this contract, provided that the VECP originated with such contractor and not with the District, Design Consultant, or Engineer.
- h. Restrictions - The Contractor may restrict the District's right to use any VECP data by marking it with the following statement:

“This data, furnished pursuant to the Value Engineering Change Proposal section of this contract, shall not be duplicated, used or disclosed, in whole or in part, for any purpose except to evaluate the VECP, unless the VECP is accepted by the District. This restriction does not limit the City's right to use information contained in this data if it is or has been obtained, or is otherwise available from the Contractor or from other sources, without limitations. When this VECP is accepted by the District, the District shall have the right to duplicate, use and disclose any data in any manner and for any purpose whatsoever, and have others do so whether under this or any other contract.”

SPECIAL CONDITIONS

73

TECHNICAL SPECIFICATIONS

THE FOLLOWING IMPROVEMENT PLANS AND SPECIFICATIONS ARE
INCORPORATED HEREIN BY REFERENCE AS IF SET FORTH IN THEIR ENTIRETY:

IMPROVEMENT PLANS

FOR ELK GROVE WATER DISTRICT 2014 PARKING LOT PROJECT (11 SHEETS
TOTAL) AND CONSTRUCTION DETAIL 1 (2 SHEETS)

TECHNICAL SPECIFICATIONS

RRWTF PARKING LOT PROJECT

November 19, 2014

TO: Chairman and Directors of the Florin Resource Conservation District
FROM: Ellen Carlson, Management Analyst
SUBJECT: **ELK GROVE WATER DISTRICT 2014 EMPLOYEE POLICY MANUAL UPDATE**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors adopt Resolution No. 11.19.14.01, adopting the Elk Grove Water District 2014 Employee Policy Manual Update and Approving the Amendments and Additions Therein

Summary

In accordance with the Board's direction, an ad hoc committee has worked collectively with staff to prepare a revised Employee Policy Manual for the Elk Grove Water District. Items changed or added are listed in this staff report.

This action item, if adopted, will approve an update to the Elk Grove Water District Employee Policy Manual which includes the personnel policies for all employees in the District.

DISCUSSION

Background

An employee policy manual was first developed when the Elk Grove Water District was privately owned and operated. This manual is reviewed periodically and brought before the Board for adoption. The manual was last adopted in 2012.

This year, a Staff committee consisting of Treatment Operator Aaron Hewitt, Distribution Operators Chris Phillips and Sean Hinton, Customer Service Representative Daphne Murra-Davis, former Administrative Assistant Michelle Costa-Norwood, Human Resource Specialist Stefani Phillips and Management Analyst Ellen Carlson collaborated on a draft manual, which was then presented to the Board appointed ad hoc committee of Vice Chairman Chuck Dawson, Director Tom Nelson and General Manager Mark Madison.

ELK GROVE WATER DISTRICT 2014 EMPLOYEE POLICY MANUAL UPDATE

Page 2

Legal assistance was also solicited to ensure that the proposed manual complies with current employment law and satisfactorily addresses other legal factors.

Present Situation

The following is a comprehensive list of the proposed changes to this manual:

Chapter One:

Number of services and population (based on the 2010 UWMP)

Chapter Two:

- Equal Opportunity Employer addendums for gender expression, military/veteran status, religious dress and grooming practice, and breastfeeding
- Removed applicant from 2.1.2
- Moved 2.1.3 Discrimination or Harassment and replaced with Personal Safety section
- Added 2.1.4 Protecting District Security
- Added 2.1.5 Personal Property
- Removed 2.2.3 Hiring Process, added Verification of Eligibility for Employment
- Amended 2.4.1 and 2.5.1 regarding employee use of district/personal vehicles with content on liability for fines and citations
- Use of Electronic Media has been moved to a new chapter, #9, Use of Information Technology
- Company values added to employee evaluation criteria
- Added 2.8.2 Safety Recognition
- Added 2.9.1 Employee Information
- Added disclaimer to Personnel Files
- Added policy on Former Personnel Records

ELK GROVE WATER DISTRICT 2014 EMPLOYEE POLICY MANUAL UPDATE

Page 3

Chapter 3:

- Added Purpose and Commitment statement to harassment policy
- Added Scope to harassment policy
- Amended legal definition to harassment policy
- Amended retaliation policy (brief summary)
- Added policy on harassment involving the public
- Added employee responsibilities regarding reporting harassment and amended procedures for doing so
- Added Investigation process to harassment policy
- Amended other information on harassment, including alternatives to filing complaints with EGWD
- Removed Opposition policy
- Amended and merged the lists of unacceptable behaviors and Causes for Disciplinary Action
- Amended references to alcohol
- Added Chain of Command/Open Door policy 3.5.2
- Amended Personal Appearance to include information on “flex” employees, such as meter readers
- Amended procedures for whistle blowers, removed references to “officers”
- Removed references to 9/80 work schedule as an alternative work schedule

Chapter 4:

- Removed text referencing 9/80 work schedule as an alternative schedule
- Amended work shift policy to include breaks for breast feeding mothers
- Added doctor’s note condition for return to work fitness
- Removed references to Operations Manager
- Amended compensation text on call out events and weekend service
- Added text on Fair Labor Standards Act
- Amended Cost of Living policy to past tense

ELK GROVE WATER DISTRICT 2014 EMPLOYEE POLICY MANUAL UPDATE

Page 4

- Added 4.3.7 Longevity Plan
- Added specific example of recording overtime on time card (4.4.5)
- Added policy on call back pay

Chapter 5:

- Removed redundancy in 5.1.1 Notice
- Added note about Flex Day/Holiday in 5.2.2
- Amended Accrual and Maximum Accumulation sections on Personal Time Off (word change from credit to benefit)
- Amended Use of Personal Time Off regarding granting in minimum units
- Added 5.3.5 Tracking Personal Time Off to include time card documentation
- Amended use of Personal Time Off when employee is on disability or workers' compensation
- Added 5.4 Paid Administrative Benefits section (from Chapter 6)
- Amended Vacation Accrual and Eligibility (word change from credit to benefit)
- Added 5.5.6 Use of Vacation time when on disability or workers' compensation
- Added 5.5.7 When Vacation Time Off is Exhausted
- 5.6 Added Health Savings Account information throughout section
- Amended 5.6.1 Amended monthly maximums for 2014-2015
- Amended 5.6.3 Amended monthly maximums for 2014-2015 for retirees
- Added information on Employee Assistance Program (phone number and company code)

Chapter 6:

- Amended Leave of Absence policy to make the HR Specialist the primary point of contact
- Added note that an unpaid leave can affect medical coverage
- Moved Paid Administrative Leave to Chapter 5
- Amended Pregnancy Disability

ELK GROVE WATER DISTRICT 2014 EMPLOYEE POLICY MANUAL UPDATE

Page 5

- Added Labor Code for various types of leaves

Chapter 7:

- Amended 7.1.2 Personal Protective Equipment to include composite toe boots and supervisor/employee responsibilities
- Added the District's safety motto of "Stop. Think. Do it Right."
- Added map of Hampton Village Water Treatment Plant emergency exit plan

Chapter 8:

- Removed policy on random drug testing

Chapter 9:

New chapter, Use of Information Technology, containing both material moved from other areas of the manual and new policies

Appendices

- Salary Schedule
- Complaint Form

STRATEGIC PLAN CONFORMITY

Development and distribution of an employee manual is in keeping with the 2012-2017 Strategic Plan goals of Workforce Development, Customer Service and Business Practices.

November 19, 2014

ELK GROVE WATER DISTRICT 2014 EMPLOYEE POLICY MANUAL UPDATE

Page 6

FINANCIAL SUMMARY

There is no direct financial impact associated with the employee manual.

Respectfully Submitted,

Approved as to form,



ELLEN CARLSON,
MANAGEMENT ANALYST



WM. ROBINSON
LEGAL COUNSEL, BB&K

Attachment

RESOLUTION NO. 11.19.14.01

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
FLORIN RESOURCE CONSERVATION DISTRICT
ADOPTING THE ELK GROVE WATER DISTRICT 2014
EMPLOYEE POLICY MANUAL UPDATE AND
APPROVING THE AMENDMENTS
AND ADDITIONS THEREIN**

WHEREAS, the Board of Directors of the Florin Resource Conservation District, establishes written policies and procedures for the Elk Grove Water District employees;

WHEREAS, approved policies provide guidance and continuity of direction for Elk Grove Water District staff;

WHEREAS, the Board of Directors desires to maintain an Employee Policy Manual (Manual) of performance standards and to keep that Manual current according to labor laws, employment benefit offerings and other conditions of employment;

WHEREAS, the Board of Directors and staff review this Manual regularly and update it as necessary;

WHEREAS, the Board of Directors has been provided with proposed policies implementing the foregoing;

BE IT NOW THERE RESOLVED AS FOLLOWS:

SECTION 1. The Board of Directors hereby adopts the **ELK GROVE WATER DISTRICT EMPLOYEE POLICY MANUAL UPDATE**, attached hereto as Exhibit A, effective November 19, 2014.

SECTION 2. The Board of Directors hereby authorizes the General Manager or his designee to duly implement the aforementioned adopted policy on behalf of the District, and distribute the manual to all employees.

SECTION 3. The Board of Directors hereby repeals the provisions of any previously adopted resolutions that are inconsistent with the terms of this Resolution.

PASSED, APPROVED, AND ADOPTED this ____ day of _____.

AYES:

NOES:

ABSENT:

ABSTAIN:

Barrie Lightfoot
Chairman of the Board of Directors

ATTEST:

Stefani Phillips
Secretary to the Board of Directors



Elk Grove Water District
Employee Policy Handbook
Adopted
November 19, 2014

TABLE OF CONTENTS

1. Introduction to Employee Policy Manual	
1.1 Overview.....	1-1
1.1.1 About EGWD	
1.1.2 Purpose	
1.1.3 Amendments	
1.2 Things to Know.....	1-3
1.2.1 Fiscal Year	
1.2.2 Bulletin Boards	
2. Employment Policies and Practices	
2.1 General Policies.....	2-1
2.1.1 Equal Opportunity Employer	
2.1.2 Disabilities	
2.1.3 Personal Safety	
2.1.4 Protecting District Security	
2.1.5 Personal Property	
2.2 Employment Classifications.....	2-2
2.2.1 At Will Employment	
2.2.2 Categories	
2.2.3 Verification of Eligibility for Employment	
2.2.4 Nepotism	
2.3 Employee Reimbursements.....	2-5
2.3.1 Clothing Expenses	
2.3.2 Education Expenses	
2.3.3 Mileage Allowance	
2.3.4 Travel Expenses	
2.4 Employee Use of District Vehicles.....	2-6
2.4.1 Policy	
2.5 Personal Vehicles in District Use.....	2-7
2.5.1 Policy	
2.6 Credit Card Policy.....	2-8
2.6.1 Authorized Users	
2.6.2 Use of Company Cards	
2.6.3 Account Reconciliation	
2.7 Performance Evaluations.....	2-9
2.7.1 Schedule	
2.7.2 Content	
2.7.3 Change in Position/Promotion	
2.7.4 Lateral Transfers	
2.7.5 Change in Position/Demotion	
2.8 Employee Recognition.....	2-11
2.8.1 Service Awards	
2.8.2 Safety Recognition	

TABLE OF CONTENTS

2.9 Personnel Records.....	2-12
2.9.1 Employee Information	
2.9.2 Access to Personnel Files	
2.9.3 Former Personnel Records	
2.10 Confidentiality.....	2-14
2.10.1 Policy	
2.11 Separation Procedures.....	2-15
2.11.1 Resignations	
2.11.2 Layoffs	
2.11.3 Exit Procedures	
3. Employee Conduct	
3.1 Anti-Harassment and Anti-Discrimination Policy.....	3-1
3.1.1 Purpose and Commitment	
3.1.2 Scope of Policy	
3.1.3 Harassment Prohibited	
3.1.4 Retaliation Prohibited	
3.1.5 Harassment Involving the Public	
3.2 Complaint Procedures.....	3-3
3.2.1 Importance of Filing a Complaint	
3.2.2 Employee Responsibilities	
3.2.3 Supervisor Responsibilities	
3.2.4 Investigation	
3.2.5 Further Information and Other Complaint Options	
3.3 Prohibited Conduct.....	3-5
3.3.1 Workplace Violence	
3.3.2 Unacceptable Behaviors	
3.3.3 Substance Abuse	
3.4 Disciplinary Action.....	3-8
3.4.1 Causes for Disciplinary Action	
3.4.2 Progressive Discipline – Overview	
3.4.3 Progressive Discipline and At Will Employment	
3.4.4 Progressive Discipline Objectives	
3.4.5 Progressive Discipline Steps	
3.5 Expectations.....	3-13
3.5.1 Company Values	
3.5.2 Chain of Command/Open Door	
3.5.3 Personal Appearance	
3.5.4 Logo Attire	
3.5.5 Customer Relations	
3.5.6 Use of Cellular Telephones	
3.5.7 Use of Tobacco Products	
3.5.8 Limitations on Solicitations, Distribution and Access	
3.5.9 Conflicts of Interest	
3.5.10 Outside Employment	
3.6 Protection of Whistle Blowers.....	3-18
3.6.1 Improper Activities and the Reporting of Such Activities	

TABLE OF CONTENTS

4. Work Days, Pay Days and Compensation	
4.1 Working Hours	4-1
4.1.1 Regular Hours of Employment	
4.1.2 Flex Day Off	
4.1.3 Work Shifts	
4.1.4 Punctuality and Attendance	
4.2 On-Call Duty	4-3
4.2.1 About On-Call Duty	
4.2.2 Call-Out	
4.2.3 Weekend Service	
4.3 Wages and Salaries	4-4
4.3.1 Overview	
4.3.2 Fair Labor Standards Act	
4.3.3 Pay Periods	
4.3.4 Wage Garnishment	
4.3.5 Cost of Living Adjustment	
4.3.6 Cost of Living Adjustment and the Public Employees' Retirement System	
4.3.7 Longevity Plan	
4.3.8 Salary Schedule	
4.3.9 Exempt Employees - Overtime	
4.3.10 Nonexempt Employees - Overtime	
4.3.11 Overtime Rate	
4.3.12 Working on Holidays	
4.3.13 Working Early/Staying Late	
4.3.14 Call Back Pay	
5. Employee Benefits	
5.1 Introduction	5-1
5.1.1 Notice	
5.1.2 Administration of Employee Benefits	
5.2 Holidays	5-2
5.2.1 Observed Holidays	
5.2.2 Actual Dates	
5.2.3 Exceptions	

TABLE OF CONTENTS

5.3 Personal Time Off.....	5-3
5.3.1 Personal Time Off	
5.3.2 Eligibility and Accrual	
5.3.3 Maximum Accumulation	
5.3.4 Use of Personal Time Off	
5.3.5 Tracking Personal Time Off	
5.3.6 Use of Personal Time Off while on Disability or Workers' Compensation	
5.3.7 When Personal Time Off is Exhausted	
5.4 Paid Administrative Leave.....	5-5
5.4.1 Paid Administrative Benefits	
5.4.2 Eligibility and Accrual	
5.4.3 Use of Paid Administrative Benefits	
5.5 Vacations.....	5-6
5.5.1 Introduction	
5.5.2 Eligibility and Accrual	
5.5.3 Maximum Accumulation	
5.5.4 Use of Vacation Time	
5.5.5 Tracking Vacation Time	
5.5.6 Use of Vacation Time while on Disability or Workers' Compensation	
5.5.7 When Vacation Time is Exhausted	
5.6 Insurance Benefits.....	5-8
5.6.1 Group Medical Insurance	
5.6.2 Group Medical Premiums	
5.6.3 Post Retirement Benefits	
5.6.4 Retirement Disability Benefits	
5.6.5 Group Dental Insurance	
5.6.6 Group Vision Plan	
5.6.7 Group Life Insurance	
5.6.8 Disability Insurance	
5.6.9 Social Security	
5.6.10 Workers' Compensation Insurance	
5.7 Other Benefits.....	5-12
5.7.1 Employee Assistance Program	
5.7.2 Retirement Plan	
5.7.3 Grandfathered Members	
5.7.4 New Members	
5.7.5 Flexible Savings Accounts and Health Savings Accounts	
5.7.6 Membership in Organizations	
5.7.7 Education	
5.7.8 On Duty Education	
5.7.9 Off Duty Education	
5.7.10 Eligibility for Off Duty Education Assistance	
5.7.11 Conditions for Off Duty Education Assistance	

TABLE OF CONTENTS

6. Leave of Absence	
6.1 About Leave of Absence	6-1
6.1.1 Overview	
6.1.2 Family and Medical Leave Act	
6.1.3 Bereavement	
6.1.4 Military Leave	
6.1.5 Workers' Compensation Leave	
6.1.6 Pregnancy Disability (California Fair Employment and Disability Act)	
6.1.7 Voting (California Election Code, Sec. 1655)	
6.1.8 Victims of Crime (California Labor Code Sec. 230.1-2)	
6.1.9 Volunteer Firefighters (California Labor Code Sec. 230.3-4)	
6.1.10 Election Officials (California Government Code Sec. 19844.7)	
6.1.11 Jury and Witness Duties (U.S.C. Sec. 1875 and California Labor Code Sec. 230)	
6.1.12 Adult Literacy Programs (California Labor Code Sec. 1040-1)	
6.1.13 Rehabilitation (California Labor Code Sec. 102.5)	
6.1.14 Visit to Child's School	
7. Employee Health and Safety	
7.1 Safety Policy	7-1
7.1.1 Overview	
7.1.2 Personal Protective Equipment	
7.1.3 Accident/Incident Review	
7.1.4 Injury and Illness Prevention Program	
7.2 Emergency Preparedness	7-4
7.2.1 Administration Exit Plan	
7.2.2 Maintenance and Operations Building (MOC) Exit Plan	
7.2.3 Railroad Treatment and Storage Facility Exit Plan	
7.2.4 Hampton Village Water Treatment Plant Exit Plan	
8. Drug and Alcohol Program	
8.1 General Program and Policy	8-1
8.1.1 Purpose	
8.1.2 Applicability	
8.1.3 Definitions	
8.1.4 Treatment and Rehabilitation	
8.1.5 Drug & Alcohol Testing	
8.1.6 Searches	
9. Use of Information Technology	

TABLE OF CONTENTS

9.1 Use of District-Owned Media	9-1
9.1.1 Purpose	
9.1.2 Data	
9.1.3 Personal Use of Electronic Media	
9.1.4 Passwords	
9.1.5 Social Media	
9.1.6 Email	
9.2 Use of Personal Media.....	9-3
9.2.1 Using Personal Electronics on the Job	
9.2.2 Using Personal Electronics for Business Purposes	
9.2.3 Security	

Appendices

- A. Salary Schedule**
- B. Complaint Form**

1.1 Overview

1.1.1 About EGWD

Elk Grove Water Works began as an investor-owned utility founded in 1893 to serve the community of Elk Grove. It was acquired by the Florin Resource Conservation District (FRCD) in December 1999. The utility is operating as Elk Grove Water District (EGWD), a public entity and department of FRCD, which is a district that is duly formed and organized pursuant to Section 9151 *et seq.* of the California Public Resources Code. EGWD's service area is approximately thirteen square miles. It currently serves an estimated 38,000 people and is predicted to serve 46,000 at total build out. EGWD current service connections are approximately 12,300.

1.1.2 Purpose

The purpose of this employee policy manual (manual) is to provide guidance to the employees of EGWD. The General Manager is vested with the authority to administer EGWD personnel relations in accordance with the terms of this manual.

This manual highlights areas of importance to facilitate efficient and economical service to the public as well as promote a fair and equitable system of personnel management within EGWD. This manual does not provide an answer to all personnel questions and issues that may arise regarding responsibilities, obligations, rights, privileges, benefits and prohibitions which are placed upon all employees of EGWD.

This manual is not a contract. Accordingly, it should not be interpreted to create any expressed or implied contractual rights between EGWD and any employee. It is expressly understood that the contents of this manual do not constitute the terms of a contract of employment or benefits. Thus, this manual should not be construed as a guarantee of continued employment. Any verbal or written representations to the contrary are invalid and should not be relied upon by current or prospective employees.

The policies set forth in this manual replace any and all previous policy statements, whether written or oral, which differ from or are inconsistent with the policies expressed in this manual. No such prior policies or procedures shall have any force or effect after the effective date of this manual.

1.1 Overview

1.1.3 Amendments

This Manual may be revised and updated from time to time, as deemed necessary by the General Manager of EGWD subject to approval by the Board of Directors of the FRCD.

1.2 Things to Know**1.2.1 Fiscal Year**

EGWD operates on a fiscal year, from July 1 to June 30. Unless otherwise noted, employee functions in this book are based on a fiscal year.

1.2.2 Bulletin Boards

EGWD bulletin boards are reserved for the exclusive use of EGWD for posting work-related notices or notices which must be posted pursuant to local, state and federal law. From time to time, special notices and information for employees will be posted by EGWD on the bulletin boards. Please check the boards regularly for such notices.

oOo

2.1 General Policies

2.1.1 Equal Opportunity Employer

EGWD is an equal opportunity employer and strictly prohibits unlawful discrimination by any employee, including managers, supervisors and coworkers. It is the policy of EGWD that its employment practices be administered without regard to:

- Race
 - Color
 - Religion, including religious dress practice and religious grooming practice
 - Sex, including breastfeeding and medical conditions relating to breastfeeding
 - Marital status
 - Physical or mental disability
 - Medical condition
 - Age (over 40)
 - National origin or ancestry
 - Sexual orientation
 - Gender identity or gender expression
 - Military or veteran status
 - Any other consideration made unlawful by applicable discrimination laws
-

2.1.2 Disabilities

EGWD will make reasonable accommodations for known physical or mental disabilities of any applicants or employees to the extent required by applicable law. Any employee who requires an accommodation in order to perform the essential functions of his or her job should contact the Human Resources Specialist and request an accommodation. EGWD will conduct an interactive process with the employee to determine whether the requested accommodation or an alternative is reasonable and can be implemented without imposing an undue hardship on EGWD.

2.1.3 Personal Safety

EGWD will provide reasonable accommodations to ensure the personal safety of its employees from outside parties. EGWD will not discriminate or discharge an employee because he or she is a victim of domestic violence, sexual assault or stalking.

EGWD will obtain a restraining order if necessary to further protect employees from abuses by an individual not employed by the District if the threat is the result of EGWD employment. Any employee should also notify the Human Resource Specialist if any restraining order is in effect either protecting or restraining the employee or is connected in any way to a potentially violent non-work situation. Copies of any protective or restraining order must be provided to the Human Resource Specialist

Continued on next page

2.1 General Policies

**2.1.3 Personal Safety
(Cont.)**

Employees may not carry weapons at any time during the work day and doing so is cause for disciplinary action. Employees who feel that they are in danger should remove themselves from the situation and immediately report to a supervisor.

**2.1.4 Protecting District
Security**

Employees are responsible for all equipment assigned to them, including security resources such as key cards, keys, combinations, key pad PINs and passcodes. Duplication of keys is strictly prohibited.

2.1.5 Personal Property

The District assumes no responsibility for any loss or damage to personal property of employees that is voluntarily brought on to District premises.

2.2 Employment Classifications

2.2.1 At Will Employment Employment at EGWD is at will. At will employment means that an employee may terminate his or her employment at any time with or without advance notice to EGWD and with or without cause. Likewise, EGWD may terminate the employment of any employee at any time with or without advance notice and with or without cause.

Except for the General Manager, no manager, supervisor or representative of EGWD has any authority to enter into any agreement for employment for any specific period of time or to make any agreement contrary to at will employment.

2.2.2 Categories The following is a list of the employment categories used by EGWD. If an individual has any questions about his or her job category, the individual should check with the Human Resources Specialist.

Employee	The term "employee(s)" shall mean all persons employed by EGWD. Directors are not employees. Individuals working through an employment agency (leased employees, etc.) and those working as independent contractors are not considered employees of EGWD and are not entitled to any employment benefits provided by EGWD.
Exempt Employees	Exempt employees are employees whose job duties meet the federal Fair Labor Standards Act (FLSA) requirements for overtime exemption. Exempt employees are compensated by salaries and are not eligible for overtime pay. The Human Resources Specialist will inform the employee if his or her status is exempt. Exempt employees may have job assignments that require full or part-time work.
Nonexempt Employees	Nonexempt employees are employees subject to federal FLSA overtime regulations, and will be compensated for overtime hours worked in accordance with the law. Nonexempt employees must comply with EGWD policies regarding overtime work.
Regular Full-Time Employees	Regular full time employees are employees who are normally scheduled to work and who regularly do work a schedule of 40 hours or more per work week.
Regular Part-Time Employees	Regular part time employees are employees who are regularly scheduled to and do work less than 40 hours per work week. Part time employees may be assigned a work schedule in advance or may work as needed.
Temporary Employees	Temporary employees are employees who are employed by EGWD for short-term assignments and who are not considered regular employees. Temporary employees are not eligible for employee benefits and may be classified as exempt or nonexempt according to job duties and method of compensation. This classification includes but is not limited to persons hired for the following reasons: seasonal peak workloads, water conservation program and emergency extra workloads. <i>Continued on next page</i>

2.2 Employment Classifications (Continued)**2.2.2 Categories (Cont.)**

Management Employees	Management employees are those employees specifically designated by the General Manager as responsible for the management of administration and operations. Management employees are exempt salaried employees and therefore are not eligible for overtime compensation.
Supervisory Employees	Supervisory employees are those employees specifically designated by the General Manager as responsible for monitoring the performance of at least one other individual employee. Supervisory employees may or may not be exempt employees.

2.2.3 Verification of Eligibility for Employment

EGWD is required by federal immigration laws to verify the identity and legal authorization to work of all employees. In keeping with this obligation, EGWD must inspect documentation that shows each person's identity and legal authorization to work in the United States and each employee must attest to his or her identity and legal authorization to work. All offers of employment and continued employment are conditioned upon furnishing satisfactory evidence of identity and legal authorization to work in the United States.

2.2.4 Nepotism

Relatives of employees or directors of EGWD will not be placed within EGWD as full-time employees for reasons of security, safety and/or morale. Present employees who marry one another will be permitted to continue their employment with EGWD only if they do not work in a supervisory relationship with one another or otherwise pose difficulties for supervision, security, safety or morale. If such employee-spouses do work in a supervisory relationship with one another, EGWD will attempt to reassign one of them to another position for which he or she is qualified if such a position is available. If no such position is available then one of the employee-spouses will be required to leave EGWD's employment. The decision as to which employee will leave is left initially to the employee-spouses. If they do not decide which of them will leave, EGWD will determine based on EGWD needs which employee-spouse will be required to leave EGWD's employment.

Relatives as referred to in this policy includes an employee's spouse, registered domestic partner, parents, children, brothers, sisters, grandparents, stepfather, stepmother, stepbrother, stepsister, stepchild, niece, nephew, cousin, uncle, aunt, grandchildren, and in-laws of an employee or his or her spouse, or any member of an employee's immediate household.

2.3 Employee Reimbursements**2.3.1 Clothing Expenses**

EGWD offers an annual reimbursement of up to \$500 for field service personnel for personal protective equipment (PPE), e.g. pants and steel/composite toe boots. Rain clothes, coats and shirts are provided and paid for by EGWD. The value of work pants and shirts is reportable to PERS as compensation.

All personnel may be provided with logo shirts.

NOTE: Please see Personal Protective Equipment guidelines, 7.1.2.

2.3.2 Education Expenses

See Section 5.7 for information on educational reimbursements.

2.3.3 Mileage Allowance

In the event a personal vehicle must be used, EGWD will reimburse expenses based on the Internal Revenue Service (IRS) current Standard Mileage rate. The Finance Manager will periodically adjust the mileage allowance to correspond to IRS guidelines. Employees must submit proof of the distance (e.g., a Google map of the route) traveled when requesting reimbursement.

2.3.4 Travel Expenses

With the General Manager's permission, employees may travel to work related conferences and like events. Flight travel should be in coach class; if an employee wishes to upgrade, the employee is responsible for the price difference.

Receipts should be itemized and presented to the Finance Manager for reimbursement of appropriate travel expenses, which may include airline tickets, hotel stays and other necessities.

2.4 Employee Use of District Vehicles**2.4.1 Policy**

District-owned vehicles assigned to employees shall generally be restricted to EGWD business only. On-call personnel may use the vehicle for commuting purposes and may maintain the vehicle at his or her residence, so that they may report directly to a work site from his or her residence. De minimis use (such as stopping for a personal errand) during the course of a commute is permitted. Staff may also use District-owned vehicles for out of town travel and may take the vehicle home on the way to or from the event.

An employee using a District-owned vehicle for these purposes shall provide evidence that he or she is covered under his or her own automobile insurance policy for any claims and damages arising out of his or her personal use of the vehicle. In addition, no other individual than the employee shall operate the vehicle except in the case of an emergency.

Drivers of District-owned vehicles are personally responsible for any fines or other citations for traffic violations incurred during the use of the vehicle. The privilege of driving a District-owned vehicle may be revoked in the event of repeated violations.

2.5 Personal Vehicles in District Use**2.5.1 Policy**

An employee who must use his or her personal vehicle for District purposes (e.g., driving to a conference when a District vehicle is either unavailable or impractical) will be reimbursed by the District at the cents per mile rate established by the IRS.

The employee shall provide evidence that he or she is covered under his or her own automobile insurance policy for any claims and damages arising out of his or her business use of the vehicle. This information must be on file with the Human Resources Specialist.

Drivers are personally responsible for any fines or other citations for traffic violations incurred during the use of the vehicle. The privilege of driving a District-owned vehicle may be revoked in the event of repeated violations.

2.6 Credit Card Policy

2.6.1 Authorized Users

VISA cards are issued to supervisory employees through the authorization of the General Manager or his or her designee. American Express cards are issued for travel expenses only.

NOTE: Refer to 2.3.4 for more information on travel expenses.

2.6.2 Use of Company Cards

Cash advances are prohibited. Personal usage of an EGWD credit card is not allowed. If personal expenses are charged to an EGWD card unintentionally, those expenses must be reimbursed to EGWD within ten days of request by the Finance Manager or his/her designee.

2.6.3 Account Reconciliation

Detailed receipts for all purchases must be turned in to the supervisor for reconciliation against the monthly credit bill. Supervisors are responsible for verifying all transactions on credit accounts and for presenting credit card bills and corresponding receipts to the Finance Manager in a timely manner. Late charges on credit accounts are unacceptable.

2.7 Performance Evaluations**2.7.1 Schedule**

EGWD will periodically review employee performance and discuss the review with the employee privately. Evaluations will be performed annually, unless otherwise specified by a supervisor. During the first six months of employment, an employee will be evaluated at the completion of three months and at the completion of six months.

2.7.2 Content

Performance evaluations will include factors such as the job skills and ability, the quality and quantity of the work performed, customer care, initiative, work habits, adaptability, professional and /or technical skills, interpersonal relations and supervisory/management ability (for supervisors only). Employees will also be evaluated on their demonstration of the company values: leadership, caring, integrity, professionalism and vision. The performance evaluation is designed to help employees become aware of the progress made and/or of any areas for improvement.

Employees will meet with the immediate supervisor to discuss the evaluation. Each employee is encouraged to ask specific questions and to comment about his or her evaluation. Written comments on the evaluation form are encouraged. The employee's signature on the evaluation will be required to indicate that it has been read and understood. If an employee refuses to sign the evaluation, the Human Resources Specialist and the supervisor will note the refusal on the evaluation and sign the notation. A copy of the completed form for the employee records is available upon request.

A performance evaluation does not guarantee a merit pay increase, nor is it a promise of continued employment.

2.7.3 Change in Position/Promotion

When EGWD employees apply for a change in position, EGWD considers, among other things, the following factors:

- The qualifications for that position
- Evaluation of the candidate's competency, experience and ability to perform the work, as determined by past performance and examination of personnel records
- Ability to perform essential job functions of the applicable position

The General Manager will consider the recommendations of the employee's immediate supervisors when reviewing qualifications for advancement. Change in position is effective upon approval by the General Manager, but does not change the at will nature of the promoted employee's employment with EGWD. A promotion will result in a new anniversary date, determined by the date of promotion.

2.7 Performance Evaluations (Continued)

2.7.4 Lateral Transfers

An employee who moves to a lateral position may not necessarily be eligible for a step increase in pay, as this transfer does not constitute a promotion. Employees transferring to a different job assignment at the same level or grade do not change anniversary dates.

Such transfers may be made at the request of EGWD or by the employee. An employee request will be honored if a lateral position is vacant and only if EGWD's interests are best served by doing so.

2.7.5 Change in Position/Demotion

An employee's inability to perform satisfactorily in a new position may result in a return to his or her former position, provided the former position is available. An employee may also be demoted due to unsatisfactory work performance.

2.8 Employee Recognition

2.8.1 Service Awards

Employees receive recognition for every five years of service, generally in the form of a plaque awarded at a board meeting.

2.8.2 Safety Recognition

As part of the EGWD Safety Program, individuals or the entire staff may receive awards for continuous safe work actions. These awards are generally received at monthly staff meetings or at the annual employee recognition lunch.

2.9 Personnel Records

2.9.1 Employee Information

Employees must notify the Human Resources Specialist promptly of any changes to their home address, phone number, name or number of their dependents, marital status, name change or any other such information necessary for accurate record keeping.

2.9.2 Access to Personnel Files

The information recorded in personnel files is extremely important to the employee and to EGWD. It is the employee's responsibility to make sure that the personal data in the file is accurate and up to date. Employees must report any change of address, phone number, or other relevant personal data to his or her supervisor in writing immediately. EGWD employees have a personal right to inspect their personnel file as provided by law on the EGWD premises at a time mutually convenient for the employee and EGWD. Employees may add to the file their version of any disputed item in their personnel file.

EGWD keeps all personnel records confidential. However, there are certain situations when information may be given to persons outside of EGWD. These situations are:

- In response to a subpoena, court order, or order of an Administrative Agency;
- To a governmental agency as part of an investigation by that Agency of EGWD's compliance with applicable law;
- In a lawsuit, administrative proceeding or arbitration in which the employee and EGWD are parties;
- In a workers' compensation audit or proceeding;
- A financial audit;
- To administer employee benefit plans;
- By written request of a health care provider;
- To first-aid or safety personnel when necessary; and
- To a prospective employer or other person requesting a verification of employment, but only if
 1. The employee has provided EGWD with a written release allowing EGWD to release information, or
 2. EGWD is providing only the dates of employment, last or present job title, and the fact of employment.

NOTE: If an employee files a lawsuit relating to an EGWD personnel matter, the right to access personnel records is suspended while the lawsuit is pending.

2.9 Personnel Records (Continued)

2.9.3 Former Personnel Records

EGWD will keep employee personnel files for at least three years after the termination of employment. Former employees, or their representatives, may inspect and request copies of their personnel files. EGWD has up to 21 days to respond to such requests and take reasonable steps to verify the identity of the former employee.

NOTE: If a former employee files a lawsuit relating to an EGWD personnel matter, the right to access personnel records is suspended while the lawsuit is pending.

2.10 Confidentiality**2.10.1 Policy**

Employees may, during the course of their duties, acquire, develop, use or learn of certain confidential, sensitive, or proprietary information (collectively "Confidential Information") concerning EGWD operations, customers, employees, contractors or proposed contractors, vendors or proposed vendors, or suppliers or proposed suppliers.

Confidential information includes, but it is not limited to: personnel records, customer data, real property acquisition materials, legal memoranda, records pertaining to pending litigation, preliminary drafts, notes or memoranda which are not typically retained in the ordinary course of business, terrorist attack risk assessments, information security records, trade secrets, as defined by California Evidence Code section 1061(a)(1), whether such secrets owned by EGWD or any of its contractors or proposed contractors, vendors or proposed vendors, or suppliers or proposed suppliers. Employees shall not during their employment with EGWD or any time in the future, directly or indirectly:

- Disclose or furnish, directly or indirectly, to any other person, firm, agency, corporation, client, business or enterprise, any confidential information acquired during their employment;
 - Individually or in conjunction with any other person, firm, agency, company, client, business or corporation, employ or cause to be employed any confidential information in any manner whatsoever except in furtherance of the business of EGWD;
 - Without the written consent of EGWD, publish, deliver or commit to being published or delivered, any copies, abstracts or summaries of any files, records, documents, drawings, specifications, lists, equipment and similar items relating to the business of EGWD, except to the extent required in the ordinary course of their duties.
-

2.11 Separation Procedures**2.11.1 Resignations**

To leave EGWD service in good standing, an employee must file a written notice of resignation with the General Manager at least two weeks before the employee leaves employment with EGWD. The General Manager may, however, grant good standing with less notice. Resignations may not be withdrawn without the General Manager's approval.

Nothing in this Resignation Policy is intended to or should be taken to limit the at will employment relationship between the employee and EGWD. Either the employee or EGWD can terminate employment at any time with or without cause and with or without advance notice.

2.11.2 Layoffs

Whenever in the judgment of the General Manager, it becomes necessary due to lack of work, lack of funds or other economic reason, or because the necessity for a position no longer exists, the General Manager may abolish any position of employment and the employee holding such position may be laid off, transferred to a lateral position, or demoted.

2.11.3 Exit Procedures

Upon leaving employment at EGWD, each employee must return all keys and other EGWD property in as good a condition as when received (normal wear and tear excepted) including but not limited to all files, records, documents, drawings, specifications, lists, equipment and supplies, promotional materials and similar items relating to the business of EGWD to the General Manager or his or her designee. The employee may be asked to participate in an exit interview with the Human Resources Specialist. Each employee will be asked to sign a Personnel Action Form confirming receipt of the final paycheck and that all EGWD property has been returned.

The Human Resources Specialist will provide each employee with information regarding any conversion or continuation rights to insurance benefits. When leaving EGWD, employees and their dependents may have the right to continue group medical and dental benefits at their own expense temporarily under state and federal statute, commonly Cal-COBRA and COBRA, respectively.

oOo

3.1 Anti-Harassment and Anti-Discrimination Policy

3.1.1 Purpose and Commitment

EGWD is committed to providing an atmosphere free of harassment and discrimination based on such factors as race, religion (including religious dress practice and religious grooming practice), national origin, ancestry, disability, medical condition, genetic characteristic, marital status, sexual orientation, age, gender, pregnancy or related medical condition, gender identity or expression, military or veteran status or any other characteristic made unlawful by any applicable law or ordinance or regulation.

3.1.2 Scope of Policy

This Anti-Harassment and Anti-Discrimination policy applies to all employees, applicants, volunteers, and independent contractors involved in the operations of EGWD. EGWD will not tolerate harassment of, or discrimination against, its workers by managers, supervisors, co-workers, or anyone conducting business with EGWD. Similarly, EGWD will not tolerate harassment of its workers by others with whom EGWD has a business, service, or professional relationship (including members of the public).

3.1.3 Harassment Prohibited

Harassment in any form, including verbal, physical and visual conduct, threats, demands and retaliation will not be tolerated, whether or not it is severe enough to be unlawful. Harassment includes conduct that has the purpose or effect of unreasonably interfering with an individual's work performance; creating an intimidating, hostile, threatening, or offensive working environment; or adversely affecting the employee's performance, evaluation, assigned duties, or any other condition of employment or career development. This policy prohibits harassment in any form, including:

- Oral or written harassment such as epithets, derogatory comments, slurs, based on race, sex, religious creed, color, national origin, ancestry, age, marital status, sexual orientation, medical condition, disability, gender identity, genetic characteristic, military or veteran status, or any other basis protected by applicable law.
- Visual harassment such as derogatory posters, photography, cartoons, drawings or gestures.
- Physical harassment such as assault, touching, impeding or blocking movement, or interfering with work directed at an employee because of his or her sex or any other protected basis.

Sexual harassment includes any unsolicited, offensive or unwelcome sexual advances, requests for sexual favors, and other oral or written, visual, or physical conduct of a sexual nature which occurs under any of the following circumstances:

- Submission to such conduct is made either expressly or by implication a term of condition of an individual's employment;

Continued on next page

3.1 Anti-Harassment and Anti-Discrimination Policy (Continued)

3.1.3 Harassment Prohibited (Cont.)

- Submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting the individual;
- Other examples of sexual harassment include unwelcome sexual flirtation or propositions, verbal abuse of a sexual nature, graphic verbal comments about an individual's body, sexually degrading words used to describe an individual, and the display or use in the work environment of sexually suggestive objects or pictures, posters, jokes, cartoons or calendar illustrations;

Sexual harassment also includes gender-based harassment by a person of the same gender. Prohibited sexual harassment need not be motivated by sexual desire. Such conduct has the potential to negatively affect an employee's work performance.

3.1.4 Retaliation Prohibited

Retaliation against an employee for reporting violations of this policy or for participating in the investigation of a harassment or discrimination complaint is strictly prohibited. If an employee believes to have been subjected to any such retaliation, he or she is required to report it in accordance with the complaint procedures that follow.

3.1.5 Harassment Involving the Public

EGWD strictly prohibits harassment of any member of the public by any person conducting EGWD business or otherwise representing EGWD.

Dealing with the public can be challenging and sometimes contentious. While employees are expected to interface with the public as their duties dictate (sometimes in difficult or even volatile situations), employees are not expected to endure actual harassment by members of the public. If an employee feels that he or she is being subjected to harassment by a member of the public, the employee should report such harassment to his or her supervisor, the Human Resources Specialist or any EGWD supervisor with whom the employee feels comfortable speaking for investigation and appropriate action. Employees will not be penalized for refusing to tolerate harassment from a member of the public.

3.2 Complaint Procedures**3.2.1 Importance of Filing a Complaint**

Employees may have legitimate claims of harassment even if they have not lost a job or some other economic benefit. Harassment that unreasonably impairs working ability or emotional well-being at work violates this policy and will not be tolerated even when the harassment does not rise to the level of unlawful harassment.

Employees believing they are being harassed on the job because of their sex, race, ancestry or other prohibited basis, must immediately use the procedure outlined in this policy to file a complaint and have it investigated. EGWD requires all employees to report conduct prohibited by this policy whether or not they are personally involved.

It is important that employees inform EGWD as soon as possible about any prohibited harassment because nothing can be done to remedy the situation if EGWD does not know that it exists.

3.2.2 Employee Responsibilities

All employees are required to report any incidents of harassment forbidden by this policy immediately so that complaints can be quickly and fairly resolved. Any individual who feels comfortable doing so should let a fellow employee know when that employee's behavior or comments are offensive or unwelcome, even if the situation does not rise to the level of a violation of this policy. However, individuals are not required to handle these situations on their own. If an individual is not comfortable handling a situation directly with another employee, the individual should immediately report the conduct to his or her supervisor, the Human Resources Specialist or any EGWD supervisor with whom the employee feels comfortable speaking.

Any individual who believes that he or she has been or is being harassed in violation of this policy shall report this violation to his or her supervisor, the Human Resources Specialist, or any EGWD supervisor with whom the individual feels comfortable speaking. Any individual who is aware or suspects that another person has been harassed in violation of this policy shall report this violation to his or her supervisor, the Human Resources Specialist or any EGWD supervisor with whom the employee feels comfortable speaking.

EGWD provides a complaint form (Appendix B) that employees can use to submit and document complaints. Employees are encouraged to submit complaints in writing, nor are they required to use this form. Employees should feel free to submit complaints orally, if they choose.

3.2 Complaint Procedures (Continued)**3.2.3 Supervisor Responsibilities**

Each supervisor has the responsibility of maintaining a work environment free of harassment. This responsibility includes being available to discuss this policy with the workers they supervise and to assure the workers that they are not required to endure any form of prohibited harassment.

If someone reports a harassment allegation to a supervisor, it is the responsibility of the supervisor to take immediate action by documenting the incident(s) and reporting the allegation of harassment to the Human Resources Specialist.

Any supervisor who fails to take appropriate action to report or address harassment, discrimination, or retaliation can and will be disciplined by EGWD.

3.2.4 Investigation

EGWD will investigate all complaints of harassment in a prompt, objective, and thorough manner. This investigation can include interviews of those with relevant knowledge where appropriate. The EGWD's investigation will be designed to maintain, to the extent possible, the privacy and confidentiality of all parties involved. The Human Resources Specialist is responsible for directing an investigation into such allegations and for facilitating the imposition of appropriate remedial action, where warranted.

After completion of the investigation, EGWD will communicate the confidential findings (i.e., "sustained," "not sustained," or "inconclusive") to the complainant, the alleged harasser, and members of management with a legitimate need to know.

If there is a finding that harassment in violation of this policy has occurred, EGWD will take appropriate and immediate action to end any harassment and prevent its recurrence. This may include imposing discipline, up to and including termination. The specific action taken will depend upon the specific circumstances.

3.2.5 Further Information and Other Complaint Options

Employees are urged to contact the Human Resources Specialist if they have any questions or concerns about this policy.

Complaints of unlawful harassment can be filed with the California Department of Fair Employment and Housing (DFEH) and/or the federal Equal Employment Opportunity Commission. These agencies may accept, investigate and prosecute complaints. DFEH provides additional information regarding the legal remedies and complaint process available through the government agencies. Information from DFEH may be obtained at 1-800-884-1684 or <http://www.dfeh.ca.gov>.

3.3 Prohibited Conduct

3.3.1 Workplace Violence Safety and security of employees is of vital importance to EGWD. Acts or threats of physical violence, including intimidation, harassment and/or coercion which involve or affect EGWD or which occur on EGWD property, will not be tolerated. Any act or threat of violence should be documented and reported to a supervisor immediately.

The prohibition against threats and acts of violence applies to all persons involved in the operation of EGWD including but not limited to EGWD personnel, contract and temporary workers and anyone else on EGWD property. Violations of this policy by any individual may result in disciplinary and/or legal action as appropriate.

3.3.2 Unacceptable Behaviors

The following is a non-exhaustive list of conduct that is prohibited and may be subject to disciplinary action.

- Falsification of employment records, employment information, or other EGWD records
- Incompetence, inefficiency or neglect of duty
- Recording the work time of another employee or allowing any other employee to record his or her work time, or allowing falsification of any time sheet, either the employee's own or another's
- Deliberate or careless damage of any EGWD property or the property of any employee or customer
- Provoking a fight or fighting during working hours or on EGWD property
- Participating in horseplay or practical jokes on EGWD time or on EGWD premises
- Carrying firearms or any other weapons on EGWD premises at any time
- Being under the influence of alcohol and/or drugs during working hours or at any time on EGWD property (*See Chapter 8, Drug and Alcohol Program*)
- Possessing any alcohol while using a District vehicle
- Insubordination, including but not limited to failure or refusal to obey the lawful orders or instructions of a supervisor or member of management; or use of abusive or threatening language toward a supervisor or member of management
- Unreported, unauthorized or habitual absence or tardiness
- Abuse of Personal Time Off or Vacation
- Failure to report unsafe or otherwise harmful situations to a supervisor

Continued on next page

3.3 Prohibited Conduct (Continued)**3.3.2 Unacceptable Behaviors (Cont.)**

- Sleeping or malingering on the job
- Failure to observe work schedules including rest and lunch periods
- Engaging in criminal conduct
- Discourteous treatment of the public or fellow employees
- Causing, creating or participating in a disruption of any kind during working hours or on EGWD property
- Soliciting other employees for membership, funds or other similar activity in connection with any outside organization during the employee's working time or the working time of the employee solicited
- Distributing unauthorized literature or any written or printed material during working time or in work areas ("Working time" does not include employee meal and break periods.)
- Failure of a nonexempt employee to obtain permission to leave work for any reason during normal working hours
- Unauthorized use of EGWD equipment, time, materials, facilities or the EGWD name
- Making or accepting personal telephone calls during working hours except in emergencies
- Failure to provide a physician's certificate when requested or required to do so
- Wearing extreme, unprofessional or inappropriate styles of dress, jewelry or hair while working
- Making derogatory racial, ethnic, religious or sexual remarks or gestures; any violation of the Harassment Policy; or using profane or abusive language at any time on EGWD premises
- Violation of any safety, health, security or EGWD rules
- Working overtime without authorization or refusing to work assigned overtime
- Committing a fraudulent act or a breach of trust under any circumstances; dishonesty
- Threatening, committing or encouraging any act of violence in the workplace or against any employee, supplier or customer of EGWD. Workplace violence is not a joking matter; all statements will be taken seriously
- Disorderly conduct or conduct unbecoming a EGWD employee
- Violation of policies or procedures contained in this manual or any revisions thereof

No statement in this list or elsewhere in this Employee Policy Manual is intended to or should be taken to affect the at will employment relationship between EGWD and its employees.

3.3 Prohibited Conduct (Continued)

3.3.3 Substance Abuse

It is the desire of EGWD that all work environments be safe and productive and free of the influence of drugs, alcohol or other controlled substances. EGWD recognizes that the use of alcohol or controlled substances in the workplace is not conducive to safe working conditions and has adopted a zero tolerance policy. All employees of EGWD, whether or not in safety sensitive positions, are subject to reasonable suspicion testing for controlled substances and/or alcohol testing. In addition, safety sensitive employees (the Department of Transportation's definition includes employees who must possess commercial driver licenses) are subject to pre-employment and random, controlled substance and/or alcohol testing.

NOTE: A controlled substance is defined as a drug or chemical substance whose manufacture, use and possession is regulated by law.

The EGWD policies on drugs and alcohol are outlined in Chapter 8 of this manual. Refer to this section for additional information.

3.4 Disciplinary Action

3.4.1 Causes for Disciplinary Action

Unsatisfactory performance and/or misconduct may subject an employee to discipline. Discipline may include, but is not limited to, oral reprimand, or written warning, suspension without pay, or termination. Although EGWD has adopted Progressive Disciplinary Guidelines, as set forth in this chapter, application of those guidelines is discretionary and the General Manager has the right to determine, in his or her sole discretion, what disciplinary action is appropriate in each situation, and is not required to treat each incident of discipline as a step in a series of progressive discipline to be followed with an employee before termination.

All negative evaluations or letters of warning shall remain part of the employee's personnel file.

Nothing in this *Causes for Disciplinary Action* policy is intended to or should be taken to limit the employment at will relationship between EGWD and any employee. Either the employee or EGWD can terminate the employment relationship at any time with or without cause and with or without advance notice.

3.4 Disciplinary Action (Continued)**3.4.2 Progressive Discipline - Overview**

EGWD may use progressive discipline guidelines to address infractions or violations of EGWD rules and regulations, substandard work performance, attendance, tardiness, or other work related issues. The General Manager has the right to determine, in his or her sole discretion, what disciplinary action is appropriate in each situation and is not required to treat each incident or discipline as a step in a series of progressive discipline to be followed with an employee before termination. Therefore, EGWD reserves the right to handle employment situations in a manner deemed appropriate to the occasion which may depart from these guidelines.

Supervision and/or management personnel are expected to apply discretion when applying the progressive discipline guidelines. The response to a first offense may vary according to the seriousness of the misconduct. Similarly, the circumstances of an incident, an employee's prior work history and the length of employment are appropriate considerations. Some performance deficiencies and misconduct will result in skipping or acceleration of some or all of the steps mentioned above.

3.4.3 Progressive Discipline and At Will Employment

EGWD's policies, practices and procedures are not intended to create a contract of employment and do not, in any fashion, alter the at will employment relationship under which the EGWD operates. At will employment simply means that an employee has the right to resign whenever he or she wants. Conversely, the EGWD has the right to terminate an employee at any time without having to prove cause or justification, and without any recourse to a grievance procedure or an appeal right.

While the EGWD may use these progressive discipline guidelines in many circumstances, there may be times when other measures are taken.

3.4 Disciplinary Action (Continued)**3.4.4 Progressive Discipline Objectives**

The primary objectives of the progressive discipline guidelines are:

- Correction/improvement of substandard performance, attendance, and/or unacceptable conduct or behavior
- As a method of deterring the employee and others from engaging in similar conduct
- To ensure all employees fully understand that failure to conform with established rules and/or standards is subject to discipline
- To ensure job or position responsibilities are carried out and that the EGWD receives a full day's work for a full day's pay
- To encourage a written record of the escalating steps which have been taken to assist employees to achieve and maintain acceptable performance and conduct

Disciplinary procedures are intended, where appropriate, to provide an employee with information on how to correct substandard performance and/or behavior or conduct issues and, depending on the situation, provide certain time frames in which to address or correct unacceptable performance, conduct or behavior. When an employee persists in inappropriate behavior despite having been advised, verbally or in writing, that there is an issue, progressively more severe sanctions are imposed.

3.4 Disciplinary Action (Continued)

3.4.5 Progressive Discipline Steps

The following are the steps of progressive discipline.

Level	Action
1 -Oral Reprimand or Warning (Verbal Counseling)	An oral counseling session is typically held for a first offense or where the facts and circumstances indicate that more severe sanctions are not warranted, e.g., when a normally punctual employee arrives late for work. At this point, the employee will be counseled regarding an infraction of the rules, conduct, performance or behavior. The employee generally will be provided an opportunity to improve without adversely affecting his/her work record.
2- Written Warning	Should the unacceptable behavior or substandard performance continue, a written warning may be the next step of the process. The written warning will include a description of the substandard performance or misconduct, and the corrective action required. A copy of the written warning will be provided to the employee and the employee's personnel file and become part of the employee's permanent work record.
3- Suspension	If the behavior or performance issue continues beyond the written warning, the next step is suspension without pay. The employee will be provided a copy of the suspension notice describing the misconduct or substandard performance, and referring to all previously provided opportunities for improvement. The notice will specify the length of suspension and when it is to be served. A copy of the suspension notice becomes part of the employee's personnel file and permanent work record. <i>Continued on next page</i>

3.4 Disciplinary Action (Continued)

3.4.5 Progressive Discipline Steps (Cont.)

Level	Action
4- Termination	Should the behavior or performance issue continue beyond the suspension, EGWD may determine that the employee has no intention of correcting his or her behavior. In that case, the next step in the process is termination. A copy of the termination notice must be provided to the employee and a copy retained in the employee's personnel file. All determinations with respect to termination of employment will be made in conjunction with the General Manager and the Human Resources Specialist.

3.5 Expectations

3.5.1 Company Values

All employees shall demonstrate and abide by the following values:

- **Leadership:** We are a team. The community is supported through mutual cooperation and respect. Great ideas come from many sources and we listen with an open mind.
- **Caring:** We care about the quality of our water, we care about our customers' satisfaction and we care about the quality of the working environment.
- **Integrity:** We are honest with one another, with our customers and with our industry partners. We maintain a quality operation that is fiscally sound and forthright. We want the trust and respect of our community and ratepayers.
- **Professionalism:** We are committed to standards of excellence, accuracy and superior conduct.
- **Vision:** We recognize that decisions we make today impact the future of this District and our community. We value our community's natural resources and actively seek ways to improve our services through local control and stewardship.

3.5.2 Chain of Command/Open Door

Management adheres to an open door policy and encourages all employees to share opinions, ideas, and thoughts about general operations, especially relating to improving efficiency, increasing productivity, devising innovative solutions, and achieving desired results. The open door policy is intended to encourage personnel at all levels of the District to express their opinions and ideas about any general item. The open door policy allows management to understand details of the District's operations and creative suggestions for improvement that might be lost in translation as the message makes its way through multiple channels.

When an employee is seeking clarification on policies, procedures, or specific assigned tasks, those questions should be directed to the employee's supervisor. EGWD encourages employees to follow the chain of command in these instances in order to ensure that the matter is handled at the level nearest the problem and by the individuals who are most knowledgeable. If the situation cannot be resolved satisfactorily, the matter can be escalated to the next level in the employee's chain of command.

Continued on next page

3.5 Expectations (Continued)**3.5.2 Chain of Command/Open Door (Cont.)**

If an employee is experiencing or has witnessed unlawful, unethical or potential workplace harassment, the employee shall report the matter to his or her supervisor, the Human Resources Specialist, or any other supervisor. While all employees are encouraged to report any possible harassment to their immediate supervisors, employees are not required or expected to follow the chain of command in this situation. This is especially true if the employee does not feel comfortable reporting the matter to his or her immediate supervisor. See 3.1 Anti-Harassment and Anti-Discrimination policy for the specific complaint procedure and 3.6 Protection of Whistle Blowers for more information.

EXAMPLES:

Open Door Policy: A field operator approaches the General Manager and suggests that it is a waste of time to have the on call staff person deliver supplies to the volunteers working at the Western Festival that weekend. The General Manager thanks the operator for his opinion, but expresses the District's intent is to support the community through these events.

Chain of Command Policy: While the operator and General Manager are discussing the Western Festival, another operator joins the discussion and says, "My supervisor kept us overtime setting up for that festival and I don't think that's right." The General Manager says that the operator needs to address that issue with the supervisor.

Harassment Policy: After the other operator expresses concern about the overtime, the field operator adds that the supervisor has been making inappropriate jokes with sexual overtones and appears to be repeatedly asking out one of the field workers. The field operator adds, "My impression is that the supervisor is pressuring the field worker for a date and making her very uncomfortable." The General Manager thanks the operator for raising this concern and immediately contacts the Human Resources Specialist.

3.5.3 Personal Appearance

Maintaining a professional appearance is essential to employment at EGWD. It is an important part of maintaining the continued trust and confidence of customers and the community at large. As representatives of EGWD, employees must present a clean and professional image to customers, coworkers and management. Employees must practice good grooming and personal hygiene. Employees must dress in uniform if required or in a professional and appropriate manner otherwise. Appropriate footwear must be worn at all times during work hours or on stand-by duty.

Continued on next page

3.5 Expectations (Continued)

3.5.3 Personal Appearance (Cont.)

Employees should check with their supervisor for guidance on questions relating to their workplace attire.

Employees, such as the meter reader, who may be called on to switch job assignments during the day, must have appropriate changes of clothing with them.

EXAMPLE: A meter reader on a hot day is wearing shorts and running shoes as he walks his route. He gets a call, pulling him from the meter route to help fix a leak. He changes into work pants, hard hat and steel toe boots for that job.

3.5.4 Logo Attire

Employees may only wear EGWD uniforms for EGWD-related business, and shall not publicly wear EGWD uniforms during non-work hours or for purposes unrelated to the provision of services for EGWD. Employees who fail to comply will be subject to discipline, up to and including, termination.

In order to maintain professional appearances and to prevent non employees from wearing disposed EGWD clothing, all worn EGWD uniforms must be destroyed. Do not donate worn EGWD clothing and render it unusable when throwing it away, preferably by cutting out the logo from the article. When an employee leaves EGWD employment, all articles with EGWD logos must be returned.

3.5.5 Customer Relations

EGWD's image to customers and the general public is critical to our success. Accordingly, each employee is responsible for ensuring that his or her personal image and the EGWD image is raised to the highest possible level. All employees are expected to be prompt, polite, courteous and attentive to EGWD customers and the public.

3.5 Expectations (Continued)**3.5.6 Use of Cellular Telephones**

Employees are expected to adhere to the California Vehicle Code, including those regulations regarding the use of telephones while driving. Section 23123, operative July 1, 2011, requires the use of a hands free device while driving.

Employees may not abuse the use of cellular phones during regular work hours. To ensure the safety of EGWD employees and customers, employees must use hands free devices while driving or pull to the side of the road to use a phone or radio while on EGWD business.

3.5.7 Use of Tobacco Products

EGWD is committed to providing a healthy and safe workplace for its employees and the public. In keeping with this commitment and in accordance with state law, the use of tobacco products is strictly prohibited on EGWD premises, other than specially designated areas, in District vehicles, on EGWD work sites, or in the presence of EGWD customers.

All EGWD employees will be responsible for communicating this policy to members of the public who are observed using tobacco products on EGWD premises.

3.5.8 Limitations on Solicitations, Distribution and Access

Employees are prohibited from soliciting for charitable, nonprofit or personal activities during work hours. Circulating materials, such as school fundraisers or charitable walk-a-thons, is permitted during meals or breaks and before or after work. Solicitation or distribution of literature for any purpose by non-employees is strictly prohibited on EGWD premises at any time.

3.5.9 Conflicts of Interest

Personal, social and economic relationships with public agencies, suppliers and customers which may impair an employee's ability to exercise good judgment on behalf of EGWD or which give the appearance of such impairment create an actual or potential conflict of interest are strictly prohibited. Any employee involved in such a relationship must immediately and fully disclose the nature of the relationship to the General Manager so a determination can be made as to whether an actual or potential conflict exists and, if so, how to correct the situation.

3.5 Expectations (Continued)**3.5.10 Outside Employment**

In order to properly and effectively serve EGWD customers, full time employees are discouraged from working for another employer or engaging in any outside business pursuits while employed by EGWD. Part-time employees may engage in outside business employment. Outside employment must be disclosed in writing to the General Manager to assess whether outside employment presents a conflict of interest or is otherwise incompatible with EGWD employment.

Any employee seeking employment outside EGWD must secure the approval of the General Manager. A request in the form of a memo should be directed to the General Manager outlining the nature and scope of the employment being considered. Outside employment must not conflict with the employee's EGWD schedule or performance. Should a conflict arise between the employee's EGWD employment and outside employment, the employee's employment with EGWD may be terminated.

Should an EGWD employee be approached by a contractor or supplier and offered a gift or bribe so as to enhance that contractor's or supplier's position with EGWD, the employee must immediately report such activity to the General Manager.

3.6 Protection of Whistle Blowers**3.6.1 Improper Activities and the Reporting of Such Activities**

The General Manager has primary responsibility for:

- Ensuring compliance with this Manual, and ensuring that EGWD employees do not engage in improper activities;
- Investigating allegations of improper activities; and
- Taking appropriate corrective and disciplinary actions.

Employees are encouraged to fulfill their obligation to the public and the EGWD by disclosing in writing to the immediate supervisor, to the extent not expressly prohibited by law, improper work-related activities within their knowledge. In the event that the improper activity involves the immediate supervisor, the employee must follow the chain of command and alert the next responsible manager. Employees will not interfere with the General Manager's responsibilities in identifying, investigating, and correcting improper work-related activities.

An employee will not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding, or influencing any other person so as to deter such person from acting in good faith to report or otherwise bring to the attention of the General Manager any information that, if true, would constitute:

- A work-related violation by an EGWD employee of any law or regulation;
- Gross waste of EGWD funds;
- Gross abuse of authority;
- A specific and substantial danger to public health or safety due to an act or omission of an EGWD employee;
- Use of an EGWD office or position or of EGWD resources for personal gain; or
- A conflict of interest of an EGWD employee.

An employee will not use or threaten to use any official authority or influence to effect any action as a reprisal against an EGWD employee who reports or otherwise brings to the attention of the General Manager any information regarding the subjects discussed in this section.

Continued on next page

3.6 Protection of Whistle Blowers (Continued)

3.6.1 Improper Activities and the Reporting of Such Activities (Cont.)

Any person who believes that he or she has been subjected to any action prohibited by this section may file a confidential complaint with: (1) the General Manager, or (2) any member of the Board of Directors, if the complaint involves the conduct of the General Manager. Upon the conclusion of an investigation, the General Manager (or the Board in the case of complaint against the General Manager) will take appropriate action consistent with this Manual.

oOo

4.1 Working Hours**4.1.1 Regular Hours of Employment**

The regular hours of work each day are consecutive except for interruptions for meal periods. The work week consists of seven consecutive days beginning on Friday and ending the following Friday. "Overtime" is defined as time worked in excess of forty hours worked in a work week or hours worked over a regularly scheduled work day.

The 9/80 work schedule consists of eight work days of nine hours and one work day of eight hours for a total of eighty hours during two consecutive work weeks. For nonexempt employees, the eight hour work day must be on the same day of the week as the employee's regular Flex Day Off (FDO). Under the 9/80 schedule one calendar week shall consist of forty four hours (four 9-hour days and one 8-hour day) and the alternating calendar week will consist of 36 work hours (four 9-hour days and one day off).

4.1.2 Flex Day Off

The Flex Day Off (FDO) is an eight hour day and occurs on Friday. The FDO is the same day of the week as the employee's 8-hour work day that occurs in the preceding and subsequent work weeks (e.g., if the employee's regularly scheduled FDO is each alternate Friday, then the employee shall be scheduled to work eight hours the preceding and subsequent Fridays).

4.1 Working Hours (Continued)

4.1.3 Work Shifts

The District is closed every other Friday. The regular work schedule is as follows:

Work Shifts and Work Week		
If your shift begins at...	Then your work week begins on...	And ends on...
7:00 a.m.	11:00 a.m. Friday	The following Friday at 10:59 a.m.
7:30 a.m.	11:30 a.m. Friday	The following Friday at 11:29 a.m.

Employees' hours are subject to the discretion of their supervisor and may include an unpaid thirty minute meal break, and two paid ten minute breaks during each consecutive four hours worked. The meal and rest breaks for office and operational employees may be staggered among the employees to maintain efficiency and continuity of service. A reasonable break time for an employee needing to express breast milk for her nursing child for one year after the child's birth is allowed each time the employee has need to do so. A private place, other than a restroom, may be allocated for that employee's purpose.

4.1.4 Punctuality and Attendance

Employees of EGWD are expected to be punctual and not have excessive absences. In order to limit problems caused by absence or tardiness of employees, EGWD has adopted the following policy.

Employees who are unable to report for work on any particular day must call their supervisor no less than 30 minutes before the beginning of the work day. Absent extenuating circumstances, employees must call in on any day they are scheduled to work and will not report to work. In order to confirm an employee's fitness to return to work, a supervisor may require a doctor's note before allowing an employee to resume work.

An employee who is not at work and ready to start working at his or her scheduled work time is considered tardy.

More than three instances of tardiness by a nonexempt employee during any twelve month period are considered excessive. Any unexcused absence is considered excessive. Excessive tardiness or absence is grounds for termination.

If any employee fails to report for work without any notification to a supervisor, EGWD may consider that the employee has abandoned employment and has voluntarily resigned.

Chapter Four Work Days, Pay Days and Compensation (Cont.)

4.2 On-Call Duty

4.2.1 About On-Call Duty

A schedule is maintained by a designated supervisor (or other responsible managing employee) whereby qualified operation employees are assigned on a rotational basis to be on-call on weekends, holidays and other times outside of regular business hours for EGWD. Employees working on-call are paid a daily stipend of \$50.

Employees who are assigned on-call duty are required to receive calls, report for work whenever needed and to keep their supervisor informed of the telephone number where they can be reached. The on-call employee must respond by telephone within five minutes of receiving notification of a call-out event and must respond in person within 45 minutes.

Each qualified operation employee must serve a minimum of two weeks on-call each fiscal year. The remainder of weeks for on-call will be served by volunteers. Any employees who would like to switch their scheduled on-call week(s) must find their own replacement, except in cases of illness or emergency. The employee must obtain approval from the designated supervisor (or other responsible managing employee) at least seven work days in advance of his or her scheduled on-call week.

4.2.2 Call-Out

Employees serving on-call are subject to a call-out event. Call-out events are non-routine operations and maintenance activities outside of regularly scheduled working hours. Employees who respond to a call-out event will be compensated for travel time from their homes to the event location. An on-call, nonexempt employee who is called to work outside of his or her regularly scheduled shift shall be paid for a minimum of two hours per call out event; the employee shall be paid for call-out time worked at the applicable straight-time or overtime rate in accordance with 4.3.11.

EXAMPLE: Sam is on-call on a Thursday evening when he receives a call-out to a suspected leak. While he is at the site investigating the leak, he receives another call for a water turn-on. These two calls are a single call-out and Sam will be paid a minimum of two hours, plus any additional time it takes to complete the second work order.

4.2.3 Weekend Service

Employees serving on-call will be scheduled for weekend service for routine operations and maintenance activities necessary outside of regular business hours. Employees will be compensated from the time of their arrival at the Railroad Water Treatment and Storage Facility (RRWTSF) to completion of their daily activities, which shall end at the RRWTSF.

4.3 Wages and Salaries

4.3.1 Overview

The General Manager shall determine, and/or recommend, the compensation of all EGWD employees. Wages and salary may be adjusted in a single fiscal year in an amount not to exceed 5% at the General Manager's discretion. Wage and salary adjustments exceeding 5% in a single fiscal year will require approval by the Board of Directors. All changes in the organizational chart or salary schedule will be reported to the Board of Directors.

Employees who have consistently rated above average on their performance evaluations, and have otherwise excelled in the performance of their job duties beyond what is ordinarily expected, may be eligible for a merit pay increase of one level per year. Any decision to award a merit pay increase is made by and at the discretion of the employee's direct supervisor and the General Manager.

4.3.2 Fair Labor Standards Act

As a public agency, EGWD falls under the governance of the Fair Labor Standards Act (FLSA). FLSA regulates the wages paid to EGWD employees, including overtime and recordkeeping. Information on the FLSA is posted on bulletin boards in the Administrative office, at the Maintenance and Operations Center and in the Treatment building. Employees who have questions regarding the FLSA should speak with the Human Resources Specialist.

4.3.3 Pay Periods

All employees at EGWD are paid every other Wednesday. Time sheets for payroll are due to the Finance Department on Monday before the pay date. The biweekly payroll covers work performed to date for all employees. Direct deposit is encouraged for all employees. Further information on direct deposit is available from the Human Resources Specialist.

All employees are expected to enter their time worked every day on their time sheet, which must be turned in by 8:00 a.m. the Monday morning of payroll. Questions regarding payroll should be directed to their supervisor. The employee's responsibility is to complete the time sheet accurately and submit it on time. Failure to submit an accurate time sheet on time may result in a delay of payment or discipline up to and including termination if the inaccuracy is intentional or due to gross negligence.

Chapter Four Work Days, Pay Days and Compensation (Cont.)

4.3 Wages and Salaries (Continued)

4.3.4 Wage Garnishment EGWD must comply with a court order directing garnishment of wages. A garnishment will reduce the employee's take-home pay.

4.3.5 Cost of Living Adjustment Cost of living adjustments (COLA) may be made annually at the determination and discretion of the FRCD Board of Directors. The COLA is generally based on the average of the All Cities CPI – W, Western CPI – W, and San Francisco CPI-W.

Cost of living adjustments shall be used in computing all salary related costs, and shall be effective on a date designated by the FRCD Board of Directors.

4.3.6 Cost of Living and the Public Employees' Retirement System On June 22, 2011, the FRCD Board of Directors passed Policy No. 24, "Policy on Cost of Living Adjustments and Payment of Member Contributions to the Public Employees' Retirement System (PERS)." Beginning in the 2011-2012 fiscal year, the Cost of Living increases were credited toward the Member Contribution requirement of the PERS until a maximum contribution of 6% was reached. As of the beginning of the 2014-2015 fiscal year, Cost of Living increases may be applied to employee salaries at the Board's discretion.

Work Days, Pay Days and Compensation (Cont.) Chapter Four

4.3 Wages and Salaries (Continued)

4.3.7 Longevity Plan

Longevity pay is to recognize long-term service. Effective July 1, 2014, full-time regular employees who have at least six (6) years of service shall receive a lump sum payment annually as outlined below. Annual Longevity Pay amounts are based on the length of service with the District, beginning at year six (6) and capping at year 15, and a percentage of the employee's annual rate of base salary on their anniversary date. Employees will receive ½% of their salary, per year, up to the 15th year where it will cap. The employee will continue to receive the Longevity Pay annually, for every year following the 15th year at the capped amount. Longevity amounts are computed by multiplying the employee's base salary by the appropriate percentage from the following table:

Years of Service	Rate of Longevity Pay
6	½%
7	1%
8	1.5%
9	2%
10	2.5%
11	3%
12	3.5%
13	4%
14	4.5%
15	5%

Payment shall be made during the same pay period following the employee's anniversary date in which the employee is eligible to receive longevity pay. This includes employees on workers' compensation leave.

Longevity Pay is reportable to California Public Retirement Systems as Incentive Pay under Special Compensation and is added to the yearly computations of an employee's annual pay.

4.3.8 Salary Schedule

The current salary schedule is available in the Appendix. Only the grade level and position, including unfilled positions, is displayed.

Chapter Four Work Days, Pay Days and Compensation (Cont.)

4.3 Wages and Salaries (Continued)

4.3.9 Exempt Employees - Overtime

Management employees and other exempt employees are not eligible for overtime compensation.

4.3.10 Nonexempt Employees - Overtime

All nonexempt employees shall be eligible for overtime compensation. No employee shall work overtime unless the employee's immediate supervisor authorizes the additional work time. Employees who work unauthorized overtime will be compensated for such work, but will be subject to discipline, up to and including termination.

4.3.11 Overtime Rate

All hours worked over a regularly scheduled work day or time worked in excess 40 hours in a work week shall be paid at the overtime rate of one and a half times the employee's regular hourly rate. An employee will be paid for overtime worked by rounding up to the nearest quarter-hour interval.

EXAMPLE: If a non-exempt employee who is scheduled for a 9 hour work day works an additional hour, he or she will be paid one hour overtime, even if he or she has not exceeded 40 hours in that week.

Time worked does not include vacation, personal leave, holiday or other leave whether paid or unpaid. No employee may work more than twelve hours in a twenty-four hour period without the approval of the General Manager or his/her designee.

4.3.12 Working on Holidays

Employees required to work on a scheduled holiday shall be paid time and a half of the regular rate in addition to a full day's pay.

NOTE: For more information on applicable holidays, see 5.2.

Chapter Four Work Days, Pay Days and Compensation (Cont.)

4.3 Wages and Salaries (Continued)

4.3.13 Working Early/Staying Late

No employee shall enter or remain in EGWD work areas for any purpose except to report for, be present during and to conclude a work period. Without approval by their supervisor, nonexempt employees must not begin work and clock in at his or her working area more than seven (7) minutes before they are scheduled to begin and must stop work and clock out from his or her work area no later than seven (7) minutes after their work scheduled for the day is completed. Work area does not include EGWD parking lots, gates or other similar outside areas. Employee work time is rounded up or down to the nearest fifteen minute interval.

EXAMPLES:

An employee clocks out at the end of a workday at 5:03 pm. His time card will be rounded down to 5:00. Another employee stays a few minutes later at his supervisor's request and clocks out for the day at 5:12 pm. His time card is rounded up to 5:15 pm.

4.3.14 Call Back Pay

Nonexempt employees not serving on-call nevertheless are subject to a call back event. Call back events are non-routine operations and maintenance activities outside of regularly scheduled working hours. Employees who respond to a call back event will be compensated for travel time from their homes to the event location. Though not serving on-call, a nonexempt employee who is called back to work outside his or her regularly scheduled shift shall be paid for a minimum of two hours per call back event; the employee shall be paid for call back time worked at the applicable straight-time or overtime rate.

oOo

5.1 Introduction**5.1.1 Notice**

This chapter of the Employee Policy Manual is intended to provide a general overview of the benefits currently available to eligible employees of EGWD. State and/or federal laws govern some of these benefits, while others are determined by EGWD or governed by a benefit provider. Should there be a discrepancy between the contents of this manual and a provision of an applicable law, benefit plan, or contract, then the law, plan document, or contract will prevail.

This manual does not describe all the exclusions, limitations, or conditions of the benefit programs. Employees who wish to review any official plan documents or who have questions about employee benefits may make an appointment with the Human Resources Specialist for that purpose. All employees should receive information regarding benefit plans during their initial employee orientation. This information includes summary plan descriptions, official plan documents, benefit plan booklets, and other detailed benefit documents.

EGWD reserves the right to curtail, reduce, change, suspend or discontinue any non-vested benefit in its sole discretion at any time. Employees will be notified of any changes in employee benefit programs at meetings or through memos.

EGWD's right to make these changes is not limited by an employee's length of service or by an employee's reliance on availability of benefits or any other factor. Part time and temporary employees are not eligible for benefits unless required by law.

5.1.2 Administration of Company Benefits

All of the employee benefit programs at EGWD are administered by EGWD or its designated administrators. EGWD reserves to itself and its administrators the exclusive authority and discretion to determine all issues of eligibility and all questions of interpretation and administration of each benefit program.

5.2 Holidays

5.2.1 Observed Holidays EGWD observes the following twelve paid holidays.

- New Years' Day
- Martin Luther King Day
- Presidents' Day
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day
- Veterans Day
- Thanksgiving Day
- Friday after Thanksgiving
- Christmas Day
- Floating Holiday

5.2.2 Actual Dates

Each year, the General Manager will designate the actual dates of EGWD holidays. When an authorized holiday falls on a Saturday, the preceding Friday shall be observed as an authorized paid holiday; or when an authorized holiday falls on a Sunday, the following Monday shall be observed as an authorized paid holiday. If a holiday falls on a 9/80 Flex Day Off, staff will determine where the holiday will be designated.

5.2.3 Exceptions

In the event any of the holidays occur while the employee is on vacation or personal time off, the holiday shall not be charged as vacation or personal time off.

5.3 Personal Time Off**5.3.1 Personal Time Off**

EGWD provides Personal Time Off to its regular full time employees. This benefit is a method of furthering the health and general welfare of regular full time employees, as well as establishing standards to ensure maximum and reasonable job attendance.

5.3.2 Eligibility and Accrual

Regular full time employees begin to accrue Personal Time Off benefits on the first day after completing their first month's employment.

EXAMPLE: An employee beginning work at EGWD on March 15th will begin accruing Personal Time Off benefits on April 16th.

Personal Time Off is accrued at eight hours per month. Regular full time employees accrue Personal Time Off benefits during each month of service in which they are actively employed by EGWD in a paid status.

5.3.3 Maximum Accumulation

Personal Time Off can be accumulated up to the maximum of 320 hours (8 weeks). Employees who have reached the maximum accrual will cease accruing until the employee has used enough personal time to fall under the maximum. Employees may, upon written request to and approval by the General Manager, be permitted to receive a cash payment for all or part of their accrued, unused Personal Time Off balances.

Upon separation from service, accrued Personal Time Off will be paid to regular full time employees.

5.3 Personal Time Off (Continued)

5.3.4 Use of Personal Time Off

Personal Time Off may be granted in minimum units of a half hour provided such time has been earned at the time of use. The use of any Personal Time Off must be noted on the employee's time sheet for each pay period in which time is taken.

5.3.5 Tracking Personal Time Off

Approved Personal Time Off requests and time sheets reflecting Personal Time Off use must be submitted to payroll in a timely manner.

It is the employee's responsibility to record used Personal Time Off on his or her time sheet (which is recorded on the employee's paycheck). Personal Time Off days may be taken in increments of not less than one whole day.

Upon separation from service, accrued Personal Time Off will be paid to full time employees.

5.3.6 Use of Personal Time Off while on Disability or Workers' Compensation

An employee may use a coordination of Personal Time Off with disability or workers' compensation. The Personal Time Off hours with such insurance payments will not exceed more than the full normal pay.

5.3.7 When Personal Time Off is Exhausted

If an absent employee exhausts his or her accrued Personal Time Off, the employee may be required to use accrued vacation leave. The employee may request an unpaid time off.

5.4 Paid Administrative Benefits

5.4.1 Paid Administrative Benefits

EGWD provided Paid Administrative Benefits to its exempt employees. This benefit is a means of rewarding and encouraging management employees to participate in and attend meetings, activities and events on behalf of EGWD and to spend time outside of normal working hours otherwise in the service of EGWD. Paid Administrative Benefits is not considered vacation and is a privilege of paid time away from work.

5.4.2 Eligibility and Accrual

Exempt employees are allocated eighty (80) hours or nine (9) days of Paid Administrative Benefits on the first day of each fiscal year (July 1). New exempt employees or promoted employees receive their Paid Administrative Benefits on the first day of their exempt status.

Paid Administrative Benefits cannot be cashed out and unused time cannot be rolled over into a new year. Upon separation of service, available Paid Administrative Benefits will be paid to eligible employees.

5.4.3 Use of Paid Administrative Benefits

Employees eligible for Paid Administrative Benefits are required to obtain written approval from the General Manager prior to the scheduled use of Paid Administrative Benefits. Paid Administrative Benefits may be granted in minimum units of a half hour. The use of Paid Administrative Benefits must be recorded in EGWD's payroll records for each fiscal year.

5.5 Vacations

5.5.1 Introduction

EGWD believes that employees and EGWD benefit from scheduled time for relaxation and recreation. Therefore, EGWD has adopted the following paid vacation benefit plan.

5.5.2 Eligibility and Accrual

Regular full time employees begin to accrue vacation benefits on the first day after completing their first month's employment.

EXAMPLE: An employee beginning work at EGWD on March 15th will begin accruing vacation benefits on April 16th.

Regular full time employees accrue vacation benefits during each month of service in which they are actively employed by EGWD in a paid status.

Regular full time employees will accrue paid vacation benefits based on a full month of service as follows:

From the beginning of year...	Until the end of year...	The employee accrues per year, in days...
1	1	5
2	4	10
5	9	15
10	14	20
15	19	25
20+		Additional day per year

5.5.3 Maximum Accumulation

Vacation benefits may be accumulated up to a maximum of 320 hours (8 weeks). Employees who have reached the maximum accrual cease to accrue vacation benefits until they have used enough vacation time to fall under the maximum. Employees may, upon written request to and approval by the General Manager, be permitted to receive a cash payment for all or part of their accrued, unused vacation balances.

5.5 Vacations (Continued)**5.5.4 Use of Vacation Time**

Eligible employees are encouraged to take a minimum of five consecutive vacation days during each calendar year. Selection of vacation dates is subject to approval from the employee's supervisor. Vacation requests must be submitted to the employee's supervisor in writing. The appropriate manager will approve or deny each vacation request. Management employees must take work schedules into consideration when requesting and/or granting leave so as to insure adequate management coverage.

Eligible employees may take no more than fifteen working days of vacation in a single vacation leave unless approved by the General Manager or their supervisor.

5.5.5 Tracking Vacation Time

Approved vacation requests and time sheets reflecting vacation use must be submitted to payroll in a timely manner.

It is the employee's responsibility to record used vacation time on his or her time sheet (which is recorded on the employee's paycheck). Vacation days may be taken in increments of not less than one whole day.

Upon separation from service, accrued vacation time will be paid to full time employees.

5.5.6 Use of Vacation Time while on Disability or Workers' Compensation

An employee may use a coordination of Vacation Time with workers' compensation. The Vacation hours with Workers' Compensation will not exceed more than the full normal pay.

Should an employee receive disability insurance during a vacation leave, the employee may use that number of vacation hours in addition to such insurance payments.

5.5.7 When Vacation Time is Exhausted

If an absent employee exhausts his or her accrued vacation time off, the employee may request an unpaid time off.

5.6 Insurance Benefits**5.6.1 Group Medical Insurance**

Regular full time employees are insured by a choice of group medical plans sponsored by EGWD. Medical insurance coverage begins on the first day of the month following one full month. For employees using the Account Based Health Plan (ABHP), it incorporates a Health Savings Account (HSA). For information on the HSA, see section 5.7.5.

EXAMPLE: If a regular full-time employee begins employment on January 4th, the medical insurance is effective on March 1.

As of the 2014-2015 fiscal year, EGWD established a monthly maximum as follows:

- \$2,133 for an employee plus family
- \$1,539 for an employee plus spouse
- \$775 for an employee only

In future years, EGWD's maximum contribution will increase by 2% per year. Coverage shall be in accordance with the terms of the medical insurance plan as it exists from time to time.

Employees will be required to complete annual certifications of eligibility. Each employee should verify eligibility for coverage before undergoing treatment in order to insure that treatment is covered. Each eligible employee must also notify the Human Resources Specialist within ten days of any changes in address, marital status or a change in the number of dependents. Coverage may be maintained for children to the age of 26.

In the event of any increase in group medical insurance premium rates, all employees may be required to contribute to the cost of increased premiums to retain coverage (at the discretion of the FRCD Board). Coverage will follow legal mandates as they become effective.

5.6.2 Group Medical Premiums

For all employees who had submitted proof of group coverage, provided by a spouse through their employer by June 30, 2014 and are solely covered by their spouse's health plan are paid \$700 per month by EGWD. This opt-out pay is not offered to employees hired after June 30, 2014. The Internal Revenue Service (IRS) considers this a taxable benefit and, as such, EGWD is required to report appropriately on an employee's W-2 form.

Except as provided under EGWD's pregnancy disability leave policy, EGWD will not pay for an employee's group medical insurance premium during an unpaid leave of absence or while on disability leave. In such cases, the employee may reimburse EGWD for the premium (which may include an administration fee) or obtain a direct pay authorization.

5.6 Insurance Benefits (Continued)**5.6.3 Post Retirement Benefits**

EGWD pays a portion of the group medical, dental, and vision insurance premiums for each eligible employee and spouse or registered domestic partner retiring within 120 days of separation from EGWD. Eligibility is based on an employee reaching 55 years of age and having fifteen years continuous service with EGWD. Benefits from the EGWD plan cease for a spouse upon death of the retiree. As of the 2014 – 2015 fiscal year, EGWD established a monthly maximum as follows:

- \$2,133 for an employee plus family
- \$1,539 for an employee plus spouse
- \$775 for an employee only

In future years, EGWD's maximum contribution will increase by 2% per year. Coverage shall be in accordance with the terms of the medical insurance plan as it exists from time to time.

Employees hired before October 28, 2009 had a one-time option to increase their service years from five to fifteen and have vision and dental coverage added to their post retirement benefit.

5.6.4 Retirement Disability Benefits

EGWD provides retirement disability benefits to assist those qualified employees who have reached fifty years of age or older and who are retired due to disability. EGWD provides 75% of its maximum contribution, at the level provided at the time of the disability's certification, toward continued group medical insurance coverage for the retiree and the retiree's eligible dependents. This coverage will continue for up to 15 years.

To qualify, employees must be:

- Regularly eligible for medical benefits
- Employed by EGWD as a regular full time employee for no fewer than three years
- Age 50 or older and have retired due to disability

A doctor's certificate establishing eligibility for retirement disability is required. The certification must contain: the date, if known, that the condition began, the probable duration of the condition, and a statement that, due to the condition, the retiree became unable to work at all or unable to perform any one or more of the position's essential duties. Claims for this benefit must be processed through the Human Resources Specialist and approved by the General Manager.

5.6 Insurance Benefits (Continued)**5.6.5 Group Dental Insurance**

Group dental insurance coverage begins on the first day of the month following one month of hire. Regular full time employees are insured by the group dental plan sponsored by EGWD; employees may not opt out. EGWD will pay the group insurance premiums for eligible employees, and for eligible dependents. Coverage may be maintained for dependent children to the age of 25 as long as they continue to be an IRS dependent as defined in IRS Publication 501. The employee must file an affidavit of eligibility for each dependent. Group dental benefits will not be covered by EGWD during an extended leave of absence (other than pregnancy disability leave).

In the event of any increase in group dental insurance premium rates, all employees may be required to contribute to the cost of increased premiums to retain coverage at the discretion of the Board of Directors.

5.6.6 Group Vision Plan

Group vision insurance coverage begins on the first day of the month following one month of hire. Regular full time employees are insured by the group vision plan sponsored by EGWD; employees may not opt out. EGWD will pay the premium for employees and dependents who are eligible. Coverage may be maintained for dependent children to the age of 25 as long as they continue to be an IRS dependent as defined in IRS Publication 501.

In the event of any increase in group vision insurance premium rates, all employees may be required to contribute to the cost of increased premiums to retain coverage at the discretion of the Board of Directors.

5.6 Insurance Benefits (Continued)**5.6.7 Group Life Insurance**

Regular life insurance coverage begins on the first day of the month following one month of hire. Full time employees eligible for group medical insurance are also eligible for the group life insurance plan. The premiums for the group life insurance coverage for the employee and his/her dependents are paid by EGWD. The life insurance benefit is two times the covered employee's annual salary or up to a maximum of \$150,000. Should the benefit be in excess of \$50,000, a portion of the premiums for that excess shall be included in the employee's taxable wages at year-end. IRS Publication 15-B defines the amount of additional income to be included.

Spouse coverage is \$1,500. Coverage for children up to six months old is \$100. Coverage for children older than six months up to twenty-four years old (if a full-time student) is \$1,000. The policy also includes an Accidental Death and Dismemberment Rider, which provides benefits in addition to the Group Term Life Coverage.

5.6.8 Disability Insurance

All eligible employees are covered by State of California Disability Insurance pursuant to the California Unemployment Insurance Code. Disability insurance is payable when the employee cannot work because of illness or injury not caused by employment at EGWD, or when the employee is entitled to temporary workers' compensation at a rate less than the daily disability benefit amount. Specific rules and regulations governing disability payments are available from the Human Resources Specialist.

5.6.9 Social Security

On April 10, 2002, the employees of EGWD voted NOT to pay into Social Security. Employee wages are subject to Medicare tax.

5.6.10 Workers' Compensation Insurance

At no cost to employees, EGWD employees are protected by Workers' Compensation Insurance while employed by EGWD. The policy covers employees in case of occupational injury or illness. Every occupational injury or illness, no matter how slight, must be reported immediately to a supervisor. The supervisor will explain what steps should be taken next. Employees make no contribution for this coverage. EGWD pays the entire cost.

5.7 Other Benefits**5.7.1 Employee Assistance Program**

Regular full time employees and their dependents are entitled to use EGWD's Employee Assistance Program (EAP). The Employee Assistance Program coverage begins on the first day of the month following one month of hire. EGWD pays the premiums for the EAP. The EAP is designed to provide eligible employees and their dependents with many services such as referrals for employer-requested assistance, personal counseling and financial assistance.

EAP assistance is available by telephone (800-535-4985), through Managed Health Network's member's Web site. Use Company Code ACWAJPIA when logging in for the first time. Employees may contact the Human Resources Specialist for additional information. The EAP is completely confidential.

5.7.2 Retirement Plan

Effective April 10, 2002, EGWD passed Resolution 4.10.02.01 authorizing California Public Employees Retirement System (PERS) as the employee's retirement pension plan and opted out of social security coverage. Refer to www.calpers.ca.gov for specific information.

On September 12, 2012, Governor Brown signed into law the Public Employees' Pension Reform Act of 2012 ("PEPRA"). Among other provisions, PEPRA adopts a compulsory formula and mandatory contributions for certain employees hired on or after January 1, 2013 that are defined as "New Members." Pursuant to new Government Code Section 7522.04(f), the term New Member refers to the following individuals:

- (1) An individual who becomes a member of any public retirement system for the first time on or after January 1, 2013, and who either (a) was not a member of any other public retirement system prior to that date; or (b) who was a member of another public retirement system prior to that date, but who was not subject to reciprocity.

Continued on next page

5.7 Other Benefits (Continued)

5.7.2 Retirement Plan (Cont.)

- (2) An individual who was an active member in a retirement system and who, after a break in service of more than six months, returned to active membership in that system with a new employer.

As a result of PEPRA, FRCD must have two separate tiers of retirement benefits, the application of which depends on an employee's status as a new member. CalPERS eligible employees that were hired before January 1, 2013 and CalPERS eligible employees hired on or after January 1, 2013 that are not new members, as defined above, are referred to in this Policy as "Grandfathered Members."

5.7.3 Grandfathered Members

The District contracts with CalPERS for the miscellaneous member classification. The retirement benefit formula for Grandfathered Members is 2% @ 55. Final compensation for purposes of calculating a Grandfathered Member's retirement allowance is equal to the Grandfathered Member's highest average PERSable compensation for 36 consecutive months of employment.

On June 22, 2011, the FRCD Board of Directors passed Policy No. 24 which allocates any Board approved cost of living adjustment ("COLA") toward the required normal member contribution applicable for the 2% @ 55 benefit formula ("Member Contribution") up to a maximum of 6%. FRCD will pay the difference between the portion covered by the COLAs and the Member Contribution.

NOTE: For more information on this Policy, see 4.3.5.

5.7.4 New Members

The retirement benefit formula for New Members is 2% @ 62. Final compensation for purposes of calculating a New Member's retirement allowance is equal to the New Member's highest average PERSable compensation for 36 consecutive months of employment. As of January 1, 2013, the PERSable compensation of New Members will be capped at \$136,440, an amount that shall be subject to adjustment by CalPERS.

Continued on next page

5.7 Other Benefits (Continued)**5.7.4 New Members (Cont.)**

New Members are required to pay for a portion of the cost of the 2% @ 62 retirement formula. This mandatory member contribution is not a fixed amount. Rather, it will be set by CalPERS based on the following formula. The mandatory contribution will be equal to the greater of 50% of the total normal costs attributable to the 2% @ 62 benefit plan, rounded to the nearest quarter of 1 percent, or the current contribution rate of similarly situated employees. FRCD will inform New Members of the actual mandatory contribution when CalPERS informs FRCD of the rate.

5.7.5 Flexible Savings Accounts and Health Savings Accounts

Employees may redirect portions of their pre-tax salaries into funds commonly known as "cafeteria plans" or "flexible spending accounts". Up to \$5,000 a year may be deducted for dependent care and up to \$2,500 a year may be deducted for health benefits. This reduces the employee's taxable income, but still gives the employee use of the money for important life purchases, such as child care or medical co-pays.

A health savings account (HAS) that is tax-exempt for contributions, earnings and withdrawals for qualified medical expenses. An HSA is only offered in conjunction with a high deductible health plan (HDHP) and is used to save and pay for qualified medical expenses. A maximum of \$3,350 for employees only or \$6,650 for employees and family is allowed per year.

A Limited-Purpose flexible savings account (LPFSA) allows contributions of additional pre-tax dollars to use for dental and/or vision expenses. A maximum of \$2,500 of pre-tax HSA contributions and pre-tax dollars to a LPFSA is allowed per year.

Check with the Human Resources Specialist for further information on this program.

5.7.6 Membership in Organizations

EGWD may assist employees in the payment of membership dues for organizations related to the services and operations provided by EGWD. The General Manager has the sole discretion to decide whether EGWD will contribute toward membership dues for such organizations on behalf of an EGWD employee.

5.7 Other Benefits (Continued)**5.7.7 Education**

EGWD encourages the academic advancement of its employees in subjects related to EGWD functions, including job-related courses leading to a degree or certification. To that end, EGWD may provide financial assistance to employees who enroll in and complete courses in accordance with this section.

Notwithstanding the provisions of this section, EGWD employees in certain job classifications are required to obtain certain certification(s) within their first year of employment. Those failing to meet the published requirements may be subject to disciplinary action, up to and including termination. The employee's supervisor will inform him/her at the beginning of his or her employment if the employee is required to obtain one or more of the above-referenced certifications.

5.7.8 On Duty Education

Employees may, with prior approval and in the General Manager's sole discretion, attend seminars, conferences, workshops, cross-training activities, or meetings during regular working hours that provide specific training in subjects related directly to the employee's position, or one he or she may reasonably aspire to obtain.

All EGWD departments will annually review and identify areas of training required to maintain technical and administrative capabilities. Specific schools, conferences, and/or seminars are to be listed on budget submission requests whenever applicable and available. General Manager approval for all training requests must be obtained prior to attendance and/or making reservations. Reasonable fees, tuition, and approved expenses will be paid by EGWD; however, for courses and tests required to obtain or renew a license or certification required in the class specification for their position, employees will be reimbursed for fees, tuition and approved expenses only after successfully obtaining the required license or certificate. If an employee fails a certification or licensing exam on his/her first effort, all subsequent expenses related to obtaining that certification must be paid by the employee.

5.7 Other Benefits (Continued)**5.7.9 Off Duty Education**

EGWD has adopted a Section 127 Educational Assistance Program. Educational assistance reimbursements up to \$5,250 under this program, as well as qualified job-related reimbursements under IRC Section 132(j)(8), are exempt from Federal and California income tax withholding and Medicare. Educational assistance may be available to employees who desire to obtain skills and/or knowledge that enables them to become more proficient in their present duties (Section 132(j)(8)) and/or prepare them for future assignments. Such assistance may be provided in the sole discretion of the General Manager. Any reimbursement(s) under the Section 127 program that exceed \$5,250 in a calendar year will be taxable to the employee and included on their W-2 as wages.

This education may occur after regular working hours at a college, vocational trade school, or through a self-study correspondence course that leads to a certificate, license, or diploma related to the general functions of EGWD.

Under special circumstances, employees may attend classes during business hours if: 1) the course is not (and will not be) available at night or through a correspondence course; 2) the course pertains to an EGWD approved degree program; and 3) the employee arranges a flexible time schedule with his/her department or immediate supervisor to make up time spent at class during normal work hours. Time spent to attend off duty education programs will not be considered hours worked.

5.7.10 Eligibility for Off Duty Education Assistance

Only regular full time employees who are performing their jobs satisfactorily are eligible for this program. The following off duty education qualifies for financial assistance in the sole discretion of the General Manager:

- Courses taken for credit toward a degree or other program related to the functions of EGWD
- Specific courses taken for credit related to functions of EGWD
- Specific courses taken for credit related to support functions of EGWD (e.g., accounting, administrative, welding, chemistry, computer, computer-aided drafting)
- Specific courses resulting in or maintaining certificates or professional licenses for subjects related to EGWD functions
- Self-study/correspondence courses from institutions approved in advance by the General Manager with final exams and certificates in subjects related to EGWD functions
- Obtaining or retaining professional certificates or licenses
- Other programs deemed appropriate by the General Manager for EGWD personnel

5.7 Other Benefits (Continued)**5.7.11 Conditions for Off Duty Education Financial Assistance**

Any EGWD financial assistance for an approved off duty education program must be documented by a separate written contract, case by case, between EGWD and the employee, consistent with the approved budget.

- A. Every class that the employee desires to attend must be approved in advance.
- B. The employee must pay the full cost of the class and related expenses in advance. Upon completion of the class with a minimum final grade of "C" (passing grade) or equivalent, the employee may request EGWD reimbursement upon presentation of written verification of the final grade from the institution.
- C. Funds received from outside sources, such as scholarships or Veteran's Education Benefits must be applied to the cost of the program first. Any remaining cost may be reimbursed by EGWD.
- D. An employee who wishes to take a class with the financial assistance of EGWD shall, upon approval of the General Manager, sign an Acknowledgement form available from the Human Resources Specialist. If an employee who completes a class for which EGWD has provided financial assistance and who has signed an Acknowledgement voluntarily terminates his or her employment with EGWD within three (3) years following completion of the class, the employee is responsible to reimburse EGWD in full for the cost of the class.
- E. Unless other arrangements have been approved, the reimbursement check will be issued after completion of each class and after the employee furnishes his or her grade report for the class and evidence of expenses incurred in taking the class (e.g., receipts, canceled checks). Types of expenses to be reimbursed include tuition, books, classroom materials, parking, and other required direct classroom costs of the educational program.
- F. Reimbursement will not exceed such amounts as the General Manager deems reasonable in light of funds available, subject to Board-approved budgetary allocations and such other considerations as the General Manager deems appropriate.

oOo

6.1 About Leave of Absence**6.1.1 Overview**

The General Manager may grant unpaid leaves of absence to employees in certain circumstances. It is important to request any leave in writing as far in advance as possible, to keep in touch with the supervisor and the Human Resources Specialist during an employee's leave, and to give prompt notice if there is any change in the return date. If the leave expires and the employee fails to report for work on the scheduled return date without contacting his/her supervisor and the Human Resources Specialist, it will be assumed that the employee does not plan to return and has terminated his or her employment voluntarily. If the employee is unwilling or unable to return to work at the conclusion of any leave, employment may be terminated.

The employee must exhaust his or her accrued vacation and personal time off before beginning an unpaid leave of absence. Vacation and personal time off are not earned during an unpaid leave of absence, and an employee on leave is not eligible for holiday pay. An unpaid leave of absence can affect an employee's medical benefit plan coverage.

This Manual contains only a summary of the leaves that may be available. Some types of leave have detailed requirements regarding eligibility, duration, benefits, etc. Employees should contact their immediate supervisor prior to taking any leave for information about leave requirements to make sure the requirements and ramifications of any leave are understood. Employees must present verification of their hardship in order for leave approval. Leave of absence may be up to 8 weeks, unless otherwise approved by the General Manager or provided by law.

Employees will not obtain other employment (other than military duty pay) or apply for unemployment insurance while on a leave of absence. Acceptance of other employment (non-military) while on leave will be treated as a voluntary resignation from employment with EGWD.

6.1.2 Family and Medical Leave Act

While public employers are covered by the Family Medical Leave Act and the California Family Rights Act, employees of EGWD are not eligible for family/medical leave under either law because EGWD does not employ fifty (50) or more employees.

6.1 About Leave of Absence (Continued)**6.1.3 Bereavement**

In the event of the death of a current spouse, registered domestic partner, child (step-child), parent (step-parent, legal guardian or in loco parentis), brother (step-brother), sister (step-sister), grandparent, grandchild or grandparent-, mother-, father-, sister-, brother-, son-, or daughter-in-law, an employee may take up to three consecutive scheduled workdays off with pay with the approval of the General Manager. The General Manager may also approve additional days off with pay if the employee must travel beyond 500 miles to the relative's funeral.

6.1.4 Military Leave

EGWD provides military leaves of absence to employees who serve in the uniformed services as required by the Uniformed Services Employment and Reemployment Rights Act of 1994 and applicable state laws. Leave is available for active duty, active duty for training, initial active duty for training, inactive duty training, full time National Guard duty and for examinations to determine fitness for any such duty. Total military leave time taken may not exceed five years during employment except in special circumstances.

Advance notice of the need for military leave is required. The employee's supervisor must be informed of anticipated military leave time as far in advance as possible. Accrued vacation will be paid during military leave at the employee's request, and health plan coverage continuation can be arranged for up to 18 months during military leave if required premium payments are made. As with other leaves of absence, failure to return to work or to reapply within applicable time limits may result in termination of employment.

Additionally, an employee who works more than 20 hours per week and who is the spouse of a qualified member of the Armed Forces, National Guard or the Reserves may be entitled to take up to ten days of unpaid leave during a period in which his or her spouse is on leave from deployment during a period of military conflict.

6.1 About Leave of Absence (Continued)

6.1.5 Workers' Compensation Leave

If an employee is temporarily or totally disabled due to a work-related illness or injury, he or she will be placed on workers' compensation leave by doctor's orders. The duration of the leave will depend upon the rate of the employee's recovery and through regular rechecks with the doctor.

EGWD has an Early Return to Work Program, which functions through an interactive process to reasonably accommodate for disabilities that result from job-related illness or injury.

6.1.6 Pregnancy Disability (California Fair Employment and Housing Act)

Employees disabled by pregnancy, childbirth or a related medical condition are eligible to take a pregnancy disability leave (PDL). Under these circumstances, an employee may also be eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, if such a transfer is medically advisable.

The PDL is for any period(s) of actual disability caused by pregnancy, childbirth or related medical conditions up to 17 weeks per pregnancy.

The PDL does not need to be taken in one continuous period of time but can be taken as needed.

Time off needed for prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth and recovery from childbirth are all covered by PDL.

Generally, EGWD is required to treat pregnancy disability the same as it treats other disabilities of similarly situated employees.

Continued on next page

6.1 About Leave of Absence (Continued)

6.1.6 Pregnancy Disability (Cont.)

An employee seeking PDL or a transfer is required to obtain a certification from the employee's health care provider documenting the need for PDL or a transfer due to a pregnancy disability, childbirth or related medical condition. The certification should include:

- The date on which the employee became disabled due to pregnancy, childbirth or related medical condition or the date on which the need to transfer became medically advisable
- The probable duration of the period(s) of disability or the period(s) of the need to transfer
- An explanatory statement that due to the disability, the employee is unable to work at all or to perform any one or more of the essential functions of the employee's position without undue risk to herself, the successful completion of the pregnancy or to other persons, or an explanatory statement that, due to pregnancy, a transfer is medically advisable

At the employee's option, she may use any accrued vacation or personal time off or other accrued time off as part of PDL before taking the remainder of the leave as an unpaid leave. EGWD will maintain and pay for coverage under its group medical insurance plan for an employee on PDL for the duration of the leave, not to exceed 17 weeks per pregnancy, commencing on the date her PDL begins, at the level and under the conditions that coverage would have been provided if the employee had continued her active employment for the duration of the leave. Employees may also be eligible for state disability insurance for the unpaid portion of the leave.

Taking a pregnancy disability leave may impact certain benefits and the employee's seniority date. For more information on PDL or a pregnancy related transfer, a copy of the EGWD Pregnancy Leave policy is available upon request from the Human Resources Specialist.

6.1.7 Voting (California Election Code, Sec. 1655)

If an employee cannot vote before or after working hours in public elections, then he or she will be allowed sufficient time off to go to the polls. EGWD will pay employees for up to the first two hours of absence from regularly scheduled work to vote in a public election. Any additional time off will be without pay. Employees must give reasonable notice of the need to have time off to vote.

6.1 About Leave of Absence (Continued)**6.1.8 Victims of Crime**
(California Labor Code
Sec. 230.1-2)

Employees who are victims of or who have family members who are victims of violence and crime, including domestic violence, sexual assault and stalking will be given time off as necessary to participate in or attend judicial proceeding related to such crime or domestic violence in accordance with state law. As a condition of taking time off, employees may be required to provide reasonable advanced notice if feasible and documentation establishing the right to such time off. EGWD will make every effort to maintain the confidentiality of any employee requesting crime victim leave.

**6.1.9 Volunteer
Firefighters**(California
Labor Code Sec. 230. 3-4)

If an employee is a registered volunteer firefighter who intends to perform emergency duty during work hours, the employee should alert his or her supervisor so that EGWD is aware of the fact that the employee may have to take time off to perform emergency duty. In the event the employee is a volunteer firefighter and needs to take time off for emergency duty, they should alert the supervisor before leaving EGWD premises.

6.1.10 Election Officials
(California Government
Code Sec. 19844.7)

If an employee serves as an election official in a local, special or statewide election, they are eligible for an unpaid leave on the day of the election. Employees should give supervisors as much notice as possible if they plan to serve as an election official.

**6.1.11 Jury and Witness
Duties** (U.S.C. Sec. 1875
and California Labor Code
Sec. 230)

EGWD encourages employees to serve when called for jury duty or when subpoenaed as a witness. Exempt employees will receive full salaries while serving as jurors or witnesses. However, EGWD will offset the amounts received by an exempt employee as jury or witness fees for a particular week against the salary due for the particular week. Nonexempt employees will receive full pay while serving up to five (5) days of jury duty. All employees are expected to notify their supervisors as soon as they receive a jury duty notice or witness subpoena.

6.1 About Leave of Absence (Continued)

6.1.12 Adult Literacy Programs (California Labor Code Sec. 1040-1)

EGWD will make reasonable accommodations for any employee who reveals a literacy problem and requests that EGWD assist him or her in enrolling in an adult literacy program unless undue hardship to EGWD would result. EGWD will also assist employees who wish to seek literacy education training by providing employees with the location of local literacy programs.

EGWD will take reasonable steps to safeguard the privacy of any employee who identifies himself or herself as an individual with a literacy problem. An employee who wishes to identify himself or herself as such an individual can contact the General Manager directly. Further, individuals who are performing satisfactorily or who can otherwise be reasonably accommodated will not be subject to termination of employment because they have disclosed literacy problems.

While EGWD generally encourages employees to improve their literacy skills, EGWD will not reimburse employees for the costs incurred in attending a literacy program. Employees may use benefit time to make up for work that is missed to attend literacy classes.

6.1.13 Rehabilitation (California Labor Code Sec. 102.5)

If an employee decides to voluntarily enter a substance abuse rehabilitation program, he or she may be eligible for an unpaid leave of absence to participate in the program. EGWD will take reasonable steps to safeguard the privacy of any employee who identifies himself or herself as an individual with a dependency problem. An employee who wishes to identify himself or herself as such an individual can contact a supervisor or manager of his/her choice directly.

While EGWD generally encourages employees to take action to treat dependency problems, EGWD will not reimburse employees for the costs incurred in attending a rehabilitation program. Employees may, however, use accrued paid time off or vacation time during a requested leave.

When recommended by a Substance Abuse Professional (SAP), participation in and completion of the rehabilitation program is mandatory. Prior to return-to-duty testing, an employee must follow the rehabilitation program recommended by the SAP and agree to sign a return-to-duty agreement. The duration and frequency of follow-up testing will be determined by the SAP but will not be shorter than one year or longer than five years.

NOTE: Health insurance plans may provide coverage for rehabilitation costs. Health benefits information can be obtained from EGWD's Human Resources Specialist.

6.1 About Leave of Absence (Continued)

**6.1.14 Visit to
Child's School**

Parents, grandparents and guardians are permitted to take up to 40 hours per year to participate in activities at his or her child's school, including day care facilities. Reasonable notice must be given.

Parents, grandparents and guardians are also permitted to appear at school upon the school's request with appropriate notice.

oOo

7.1 Safety Policy

7.1.1 Overview

EGWD is firmly committed to maintaining a safe and healthy working environment. All employees of EGWD are expected to be safety conscious on the job at all times. All unsafe conditions or hazards should be corrected immediately.

Employees must report all unsafe conditions or hazards to their supervisor or the General Manager immediately even if they believe the problem has been corrected. If a concealed danger is present or suspected on EGWD premises or in a product, facility, job site, piece of equipment, process or business practice for which EGWD is responsible, employees must bring it to the attention of their supervisor or the General Manager immediately.

ACTION: Supervisors should arrange for the correction of any unsafe condition or concealed danger immediately and contact the General Manager regarding the problem as soon as possible.

EGWD has in place a written Injury and Illness Prevention Program (IIPP) as required by law. Employees who have not received a copy of this program or wish an additional copy should contact their supervisor. It is the employee's responsibility to read, understand and follow Injury and Illness Prevention Program provisions applicable to his or her work assignment.

NOTE: See 7.1.4 for more information on the Injury and Illness Prevention Program.

7.1.2 Personal Protective Equipment

Supervisors are responsible for training their employees on the use of Personal Protective Equipment (PPE). Employees are required to wear all PPE as required by their job function without exception.

Some employees are required to wear steel or composite toe boots. Their purchase is reimbursable through the clothing allowance. Employees are responsible for maintaining their PPE in good condition and replacing damaged items in a timely manner so as not to create safety hazards.

Failure to use required personal protective equipment is a violation of CAL-OSHA requirements and will result in disciplinary action up to and including termination of employment with EGWD.

7.1 Safety Policy (Continued)

7.1.3 Accident/Incident Review

In case of an accident, whether a vehicle accident, lost work time accident or incident report with damage to property, EGWD, as required by law, will schedule an Incident Investigation Review. An employee involved in an accident must also complete an incident report on a form provided by EGWD. The review meeting must be convened within 72 hours of the accident or incident. The intent of the meeting is not to fix blame, but to determine why the accident occurred and how to prevent it from happening again. The Accident/Incident Investigation Committee determines whether the accident was preventable or non-preventable, and presents their findings to the General Manager.

The Incident Investigation Committee is designated by the General Manager. The Committee may also call witnesses as needed.

Once the accident/incident investigation meeting is completed, meeting minutes are prepared by EGWD Safety Administrator. These minutes are used for discussion purposes at the next safety meeting. A copy also goes into the personnel file of the employee involved. EGWD practice of Accident/Incident Review procedures does not alter EGWD policy of at will employment or otherwise imply that employment may only be terminated for cause.

7.1.4 Injury and Illness Prevention Program

No function at the Elk Grove Water District is so critical as to require or justify a compromise of safety and health.

EGWD believes that everyone benefits from a safe and healthful work environment. EGWD is committed to maintaining a safe workplace and to complying with applicable laws and regulations governing safety.

To achieve this goal, EGWD has adopted an *Injury & Illness Prevention Program* (IIPP). This program is everyone's responsibility as staff works together to identify and eliminate conditions, practices, policies and procedures that compromise safety.

To this end, each and every manager, supervisor and employee has the authority to take action to prevent mishaps.

It takes positive and genuine effort to assure a safe work environment. The alternative is wasted money and wasted time due to occupational injuries and illness and their associated pain and suffering.

Continued on next page

7.1 Safety Policy (Continued)

7.1.4 Injury and Illness Prevention Program (Cont.)

The expectations are that everyone will:

- Do the right thing the first time
 - Seek to integrate safety into all tasks
 - Avoid taking short cuts
 - Take time to assure a safe workplace
 - Have a safe and healthy work experience here at the Elk Grove Water District
-

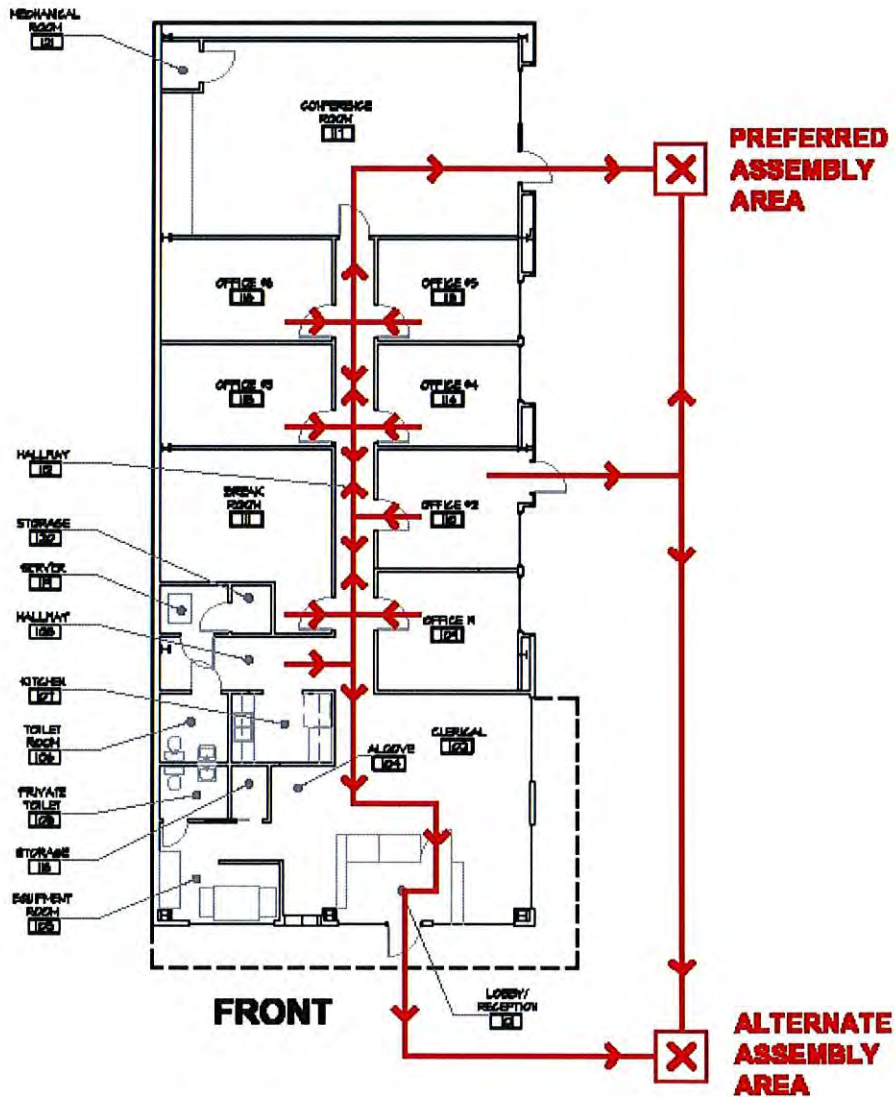
STOP. THINK. DO IT RIGHT.

7.2 Emergency Preparedness

7.2.1 Administration Exit Plan

Should an evacuation of the administration building be necessary, staff is to leave the building from the nearest available exit and meet at the locations displayed on the map below. Employees must be accounted for before any other action is taken.

**Emergency Exit Plan
for
Administration Building**



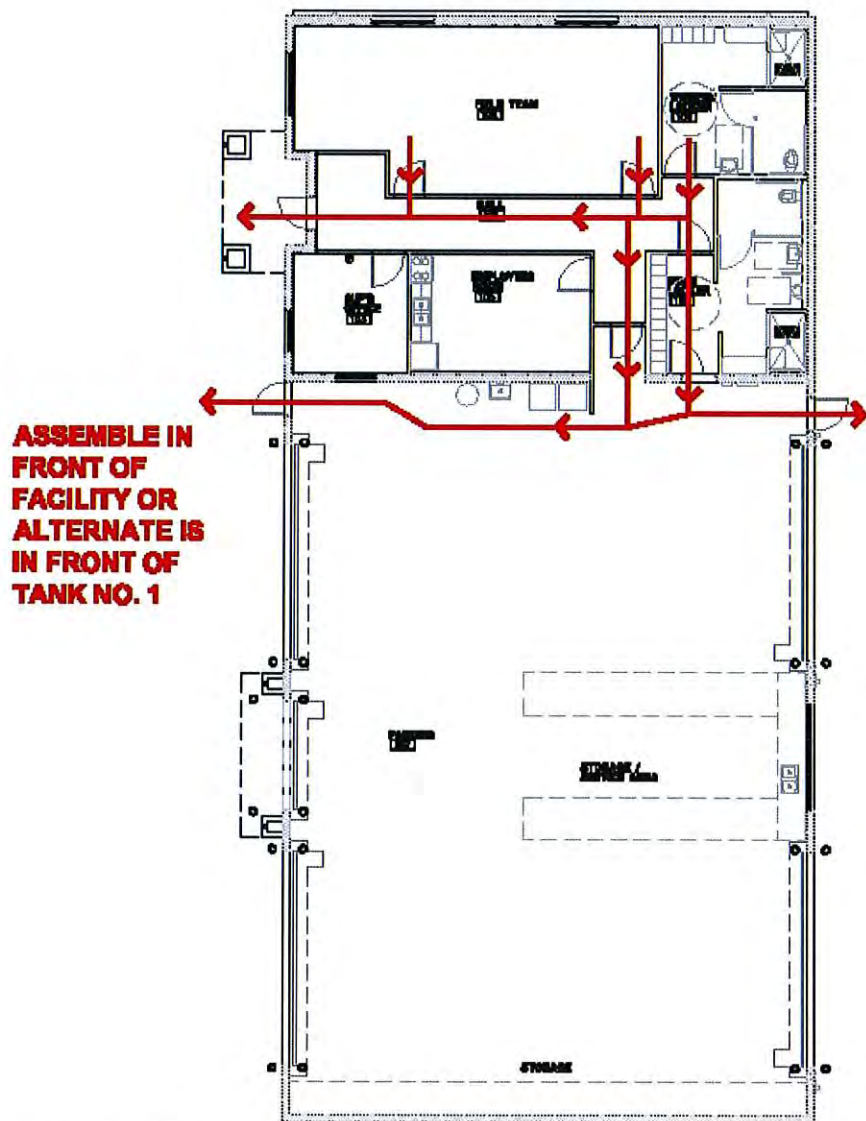
07/16/08 Rev 010 Rev 000/000/00000 00 Rev 0000 - 00000 00 Rev 000-00-000

7.2 Emergency Preparedness (Continued)

7.2.2 Maintenance and Operations Center (MOC) Exit Plan

Should an evacuation of the MOC building be necessary, staff is to leave the building from the nearest available exit and meet at the locations displayed on the map below. Employees must be accounted for before any other action is taken.

**Emergency Exit Plan
for
Maintenance Operations Center**



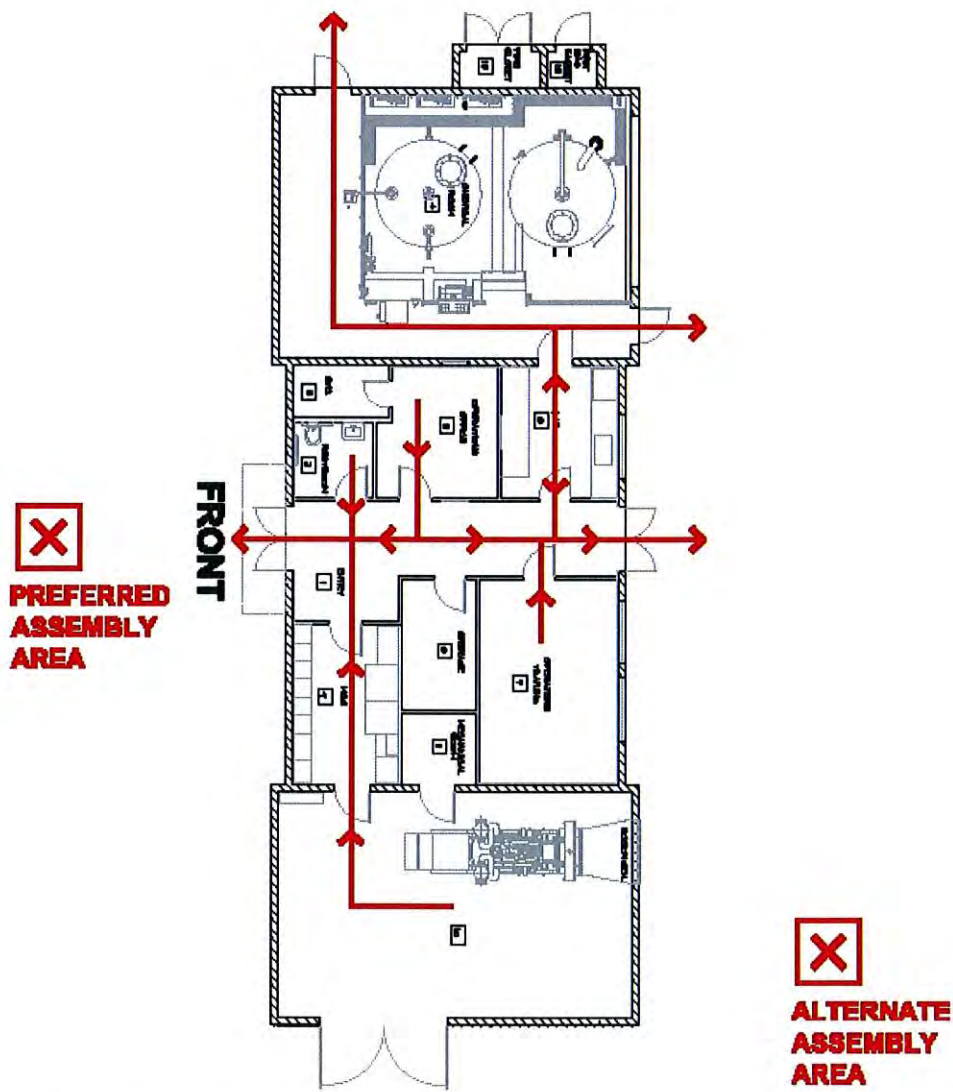
PLM&E User Guide Version 2.0.0.0 (Rev. 02/14/14) PLM&E User Guide Version 2.0.0.0 (Rev. 02/14/14)

7.2 Emergency Preparedness (Continued)

7.2.3 Railroad Treatment and Storage Facility Exit Plan

Should an evacuation of the Railroad facility be necessary, staff is to leave the building from the nearest available exit and meet at the locations displayed on the map below. Employees must be accounted for before any other action is taken.

Emergency Exit Plan for RRWTSF Control Building

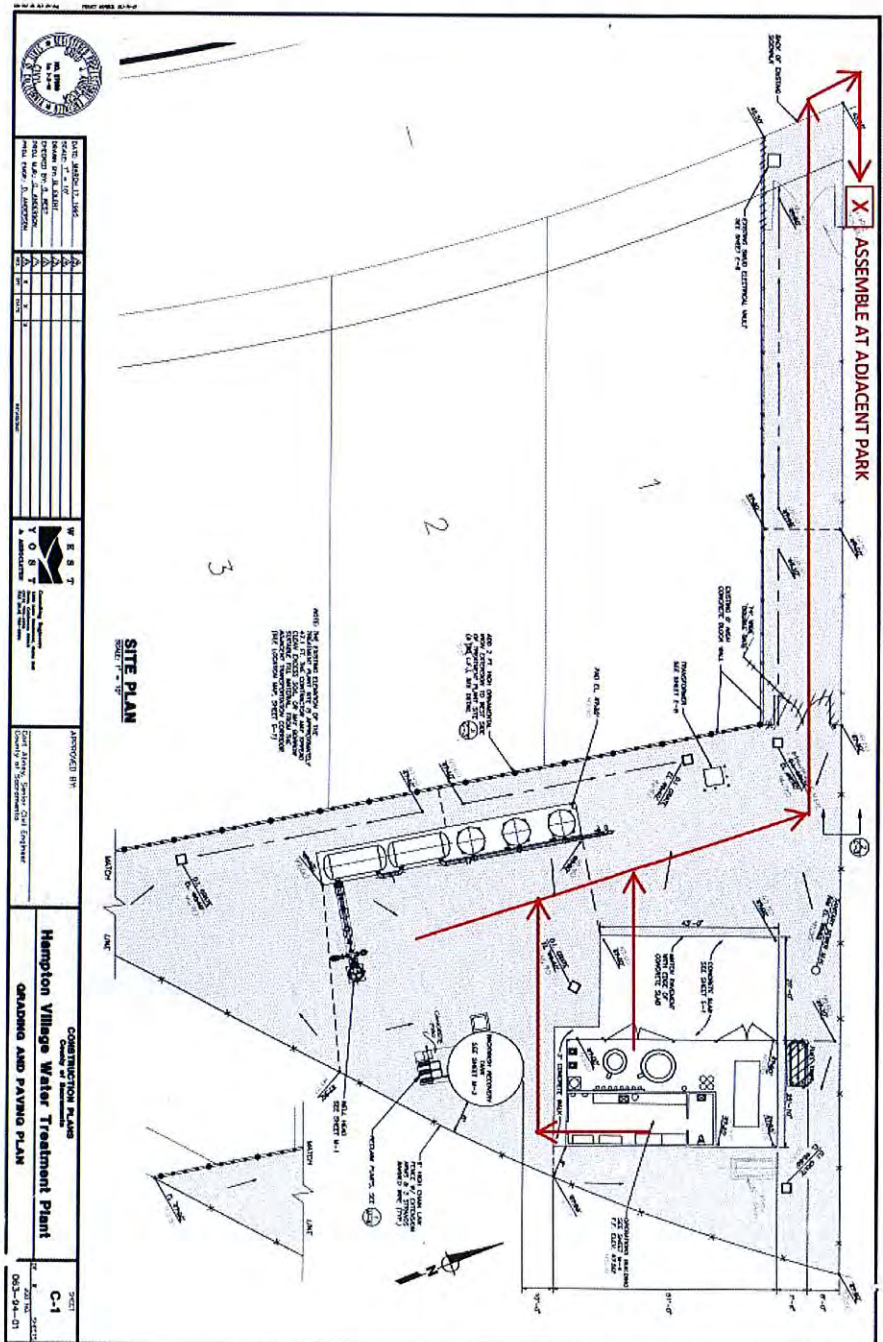


Small text at the bottom of the diagram: K:\M\13 User\Bldg\RRWTSF\Control Bldg\RRWTSF Control Bldg Rev 000-02-11.doc

7.2 Emergency Preparedness (Continued)

7.2.4 Hampton Village Water Treatment Plant Exit Plan

Should an evacuation of the Hampton facility be necessary, staff is to leave the building from the nearest available exit and meet at the locations displayed on the map below. Employees must be accounted for before any other action is taken.



oOo

8.1 General Program and Policy

8.1.1 Purpose

It is the intent of this policy to maintain work environments that are safe and productive and free of the influence of drugs and alcohol. EGWD is concerned with the physical safety and well-being of its customers and the public, its employees and others, the potential damage to property and equipment, the mental and physical health of employees, and employee productivity and work quality.

8.1.2 Applicability

This policy applies to all employees of EGWD. Employees are not allowed to consume alcohol on District premises. Prohibited substances, including alcohol, may not be transported in District vehicles or equipment. The use, being under the influence of, sale, possession, purchase or transfer of illegal drugs, as defined below, by any EGWD employee on duty, on EGWD property or work sites or while an employee is on EGWD related business is prohibited and will likely lead to immediate termination of employment in the first instance. Employees using drugs prescribed by their doctor that may affect the employee's ability to safely and efficiently perform the essential functions of their position must notify their supervisor immediately.

NOTE: This policy does not require that the employee disclose the reason for taking any prescribed medication.

The supervisor will then contact the Human Resources Specialist who will make a determination of the next appropriate step. Generally, such employees will be asked to provide verification from their doctor confirming their ability to safely and efficiently perform all of the essential functions of their positions. EGWD reserves the right to also have the employee examined by a physician of its choosing to determine if the employee can safely and efficiently perform all of the essential functions of his or her position while using the prescribed drug.

8.1.3 Definitions

Being under the influence of illegal drugs and/or alcohol means being impaired in any way from fully and proficiently performing job duties and/or having a detectable amount of said substances in one's body.

Illegal drugs means and includes any drug not legally obtainable or a drug legally obtainable but not legally obtained or used. This includes prescription drugs obtained illegally and prescription drugs not being used for the prescribed purpose or being used in excess of the prescribed dosage.

Further, marijuana is considered an illegal drug under this policy in any circumstance, including, but not limited to, those where its use is legally prescribed or recommended pursuant to California or another state's law that permits the use and possession of marijuana for a medicinal purpose.

8.1 General Program and Policy

8.1.4 Treatment and Rehabilitation

The decision to discipline or terminate an employee found to have used and/or be under the influence of illegal drugs and/or alcohol in violation of this policy may, but need not, be waived or held in abeyance pending said employee's attempt at rehabilitation. The General Manager has the sole discretion to handle each case individually after consideration of relevant factors including, but not limited to, the severity, frequency, and actual or potential consequences of the employee's policy violation(s), the employee's employment record, whether the employee was convicted of a crime, and the employee's commitment to rehabilitation.

If discipline or termination is waived or held in abeyance pending rehabilitation, it shall be done on the condition that the employee, at a minimum, agrees in writing to the following:

- Successful completion of an approved rehabilitation program at his/her own cost
- Faithful compliance with maintenance and therapeutic measures (e.g., attendance at AA or NA meetings)
- Strict compliance with this and other EGWD policies in the future
- Agreement that any violation of these conditions shall result in immediate termination of employment
- Such other conditions deemed appropriate by the General Manager

Employees who are found to have brought illegal drugs and/or alcohol onto EGWD property or work sites and to have sold or otherwise provided them to employees or others shall be terminated without recourse to a rehabilitation program.

8.1 General Program and Policy

8.1.5 Drug & Alcohol Testing

Employees who refuse or fail to take a lawfully required drug and/or alcohol test, those who fail a drug and/or alcohol test, those who refuse to consent, in writing, to take a drug and/or alcohol test, those who tamper with or otherwise attempt to improperly influence the result of a drug and/or alcohol test, or those who otherwise violate this policy are subject to immediate termination of employment in the first instance.

The table below shows the various forms of testing.

Test	About
Pre-employment	All individuals offered employment in a safety sensitive position must submit to a pre-employment drug and alcohol test prior to hiring. All offers of employment for safety sensitive positions are contingent upon successful completion and passing of a drug and alcohol test. If the applicant is under age 18, a consent form must be signed by the employee's parent or guardian prior to screening. At the applicant's request, any positive test result may be retested independently and at the applicant's expense. Applicants whose test results are positive for the use of illegal drugs or alcohol intoxication will be deemed to have failed the pre-employment physical examination and will not be hired/rehired. However, an applicant who is rejected for a positive drug or alcohol test may reapply for employment after six (6) months.
Post Accident	Post accident drug and alcohol testing will be required if an employee is involved in an accident and there is a reasonable suspicion that drug or alcohol use may have been a factor or cause.
Reasonable Suspicion	Drug and alcohol testing of employees will be required by EGWD when there is a reasonable suspicion that an employee is under the influence of drugs and/or alcohol. Reasonable suspicion testing may also be required if an employee is found to be in possession of physical evidence, e.g., drugs, alcohol or paraphernalia, possibly connected with the use of an illegal drug, or if illegal drugs and/or alcohol are found in the employee's immediate work area.
Random	Random drug and alcohol testing of employees may be required where permitted by state and federal law.

8.1.6 Searches

EGWD reserves the right to conduct reasonable searches of lockers, storage areas, furniture, District vehicles and other places under the common control of EGWD and its employees, and to enlist the assistance of law enforcement personnel in connection with the enforcement of this policy.

oOo

9.1 Use of District-owned Media

9.1.1 Purpose

The purpose of this section is to define standards, procedures and restrictions for employees who use EGWD devices for business purposes. EGWD uses various forms of electronic communication, including, but not limited to personal and laptop computers, email, telephones (landlines and cellular), fax machines, and online services (Internet and World Wide Web). All electronic communications, including all software and hardware, remain the sole property of EGWD.

9.1.2 Data

Employees are required to protect the integrity of EGWD data, which may include proprietary or other confidential information. An employee who allows, either deliberately or inadvertently, a breach in the EGWD technology security or confidentiality may be subject to disciplinary action, including termination.

9.1.3 Personal Use of Electronic Media

Access to the Internet, Web sites and other types of EGWD paid computer access is to be used for EGWD-related business. Minimal personal use of the email and Internet is permitted as long as it does not interfere with job performance. Communications systems shall not be used in ways that may be disruptive, offensive to others, or harmful to morale. For example, sexually explicit images, ethnic slurs, racial epithets, or anything else that may be construed as harassment or disparagement of others based on his or her race, national origin, sex, gender identity or expression, pregnancy, sexual orientation, age (over 40), religious beliefs or observances or practices, military/veteran status, color, ancestry, disability, medical condition, marital status, domestic partner status, or political beliefs shall not be displayed or transmitted.

Employees should consider all transmissions to be of a permanent nature, such that EGWD will be able to retrieve and read or view them at a later time. Therefore, all communications on EGWD computers and systems should be composed with the belief that they will be subject to the same review as a written letter.

Employees are not permitted to access the electronic communications of any other employee or third parties unless directed to do so by EGWD management.

Employees may not install personal software in EGWD computer systems. All electronic information created by an employee using any means of electronic communication furnished by EGWD is the property of EGWD and shall remain the property of EGWD. Employees who misuse electronic communications and engage in defamation, copyright or trademark infringement, discrimination, harassment or related actions will be subject to disciplinary action, up to and including termination.

9.1 Use of District-owned Media (Continued)

9.1.4 Passwords

EGWD reserves the right to inspect EGWD computers and systems at any time, to access and review electronic files, messages, mail and etc. and to monitor the use of electronic communications. EGWD will override all passwords if it becomes necessary to do so for any reason.

Employees shall not share passwords with anyone, including supervisors, for any reason. Passwords should be changed regularly, no more than every 90 days. Strong passwords include:

- Both upper and lower case characters
- Both digits and punctuation characters as well as letters
- No personal information, such as family names or birthdates

9.1.5 Social Media

EGWD is prohibited by law from requiring or requesting an employee or applicant for employment to disclose a username or password for the purpose of accessing personal social media, to access personal social media in the presence of the employer, or to divulge any personal social media. EGWD is also prohibited from discharging, disciplining, threatening to discharge or discipline, or otherwise retaliating against an employee or applicant for not complying with a request or demand by EGWD that violates these provisions.

9.1.6 Email

Employees must use extreme caution when opening email attachments received from unknown senders, which may contain viruses, email bombs or Trojan horse code. Some personal use of email is acceptable, but should be stored in a separate folder from business items.

Employees shall have no expectation of privacy in any email that they send or receive. If an employee receives an offensive message, he or she shall report the matter to the systems administrator.

9.2 Use of Personal Media

9.2.1 Using Personal Electronics on the Job

Using personal items such as cell phones, iPods or other media is discouraged during work hours, unless the employee is working independently and at a task that generally is not considered hazardous. Employees are encouraged to use their work breaks and lunch time to return personal calls. Supervisors are responsible for determining when it is appropriate for employees to use their personal electronics and advising their employees accordingly.

EXAMPLES: Employee A is assigned to a leak repair. Therefore, he or she should not use their cell phone until they are on break or on lunch.

Employee B is verifying invoices and submitting bills to the Finance Department for payment. Because this employee is working in an office removed from customers, he or she may listen to music while engaged in this task.

Personal devices, such as cell phones, are not the responsibility of EGWD and EGWD will not take responsibility for any loss or damage to items brought onto EGWD premises, with the exception of personal devices used for approved business purposes, as described below.

9.2.2 Using Personal Electronics for Business Purposes

Employees in leadership roles may be required to use cell phones for business purposes and if so, will receive a monthly stipend to cover the costs for doing so. Likewise, some employees, dependent on job function, may use personally owned devices to connect with EGWD systems. EGWD reserves the right to refuse this access. Prior to use on the EGWD network, all devices must be inspected by the systems administrator, who will verify that the device is appropriate and contains no harmful software or viruses. This inspection may be repeated whenever the systems administrator determines necessary.

Use of a personal device for business purposes does not entitle the employee to EGWD system's support. If the device requires repair or other maintenance, it is the sole responsibility of the employee.

9.2.3 Security

All employees using personal devices for EGWD use must employ security measures to protect data from compromise. This includes using password access, encryption and physical control of the devices. Do not store confidential EGWD information on any personal device.

If a device is lost or stolen, inform the systems administrator immediately. The device may be wiped of EGWD information remotely and locked to prevent access by anyone but the systems administrator. If there is any suspicion that the device's security has been compromised in any way, notify the systems administrator immediately.

oOo

Appendix A

DMC

7/2/2013

ELK GROVE WATER DISTRICT

Position Grade & Salary

As of July 1, 2014

Position	Grade	Beginning	Ending
		Salary	Salary
General Manager	---	\$ 162,158	N/A
Finance Manager	79	\$ 110,565	\$ 134,392
Operations Manager	75	\$ 100,286	\$ 121,898
Finance Supervisor	71	\$ 90,962	\$ 110,565
Associate Civil Engineer	69	\$ 86,630	\$ 105,300
Management Analyst	66	\$ 80,541	\$ 97,898
Financial Services Specialist II	62	\$ 73,053	\$ 88,796
Human Resources Specialist	62	\$ 73,053	\$ 88,796
Operations Foreman	60	\$ 69,574	\$ 84,568
Water Distribution Foreman	60	\$ 69,574	\$ 84,568
Water Treatment Foreman	60	\$ 69,574	\$ 84,568
Water Utility Foreman	60	\$ 69,574	\$ 84,568
Financial Services Specialist I	56	\$ 63,106	\$ 76,705
Senior Utility Billing Specialist	56	\$ 63,106	\$ 76,705
Water Distribution Operator III	56	\$ 63,106	\$ 76,705
Water Treatment Operator III	56	\$ 63,106	\$ 76,705
Water Utility Operator III	56	\$ 63,106	\$ 76,705
Engineering Technician I	52	\$ 57,239	\$ 69,574
GIS Technician I	51	\$ 55,843	\$ 67,877
Water Distribution Operator II	51	\$ 55,843	\$ 67,877
Water Treatment Operator II	51	\$ 55,843	\$ 67,877
Water Utility Operator II	51	\$ 55,843	\$ 67,877
Conservation Coordinator	50	\$ 54,513	\$ 66,261
CIP Worker (Temporary)	46	\$ 49,445	\$ 60,101
Utility Billing Specialist	46	\$ 49,445	\$ 60,101
Water Distribution Operator I	46	\$ 49,445	\$ 60,101
Water Treatment Operator I	46	\$ 49,445	\$ 60,101
Water Utility Operator I	46	\$ 49,445	\$ 60,101
Administrative Assistant II	41	\$ 43,754	\$ 45,942
Customer Service Specialist II	37	\$ 39,686	\$ 48,239
Meter Reader	37	\$ 39,686	\$ 48,239
Operator in Training	37	\$ 39,686	\$ 48,239
Customer Service Specialist I	31	\$ 34,283	\$ 41,671
Intern II	24	\$ 28,909	\$ 35,140
Intern I	7	\$ 19,090	\$ 23,204



Appendix B

WORKPLACE COMPLAINT FORM

Please check one: Informal Complaint Formal Complaint

Section I

Employee's Name (Complainant)	
Address	
Work Phone	
Home Phone	
Position / Title	
Department	
Supervisor's Name	

SECTION II

Please list the Employee Policy that you believe has been violated: _____

Appendix B

SECTION III

Please list the accused by name and title. Also, please include his/her Department:

Name:	Title:	Department:

SECTION IV

- Please list date(s) and location(s) of workplace incident.
- Please list each incident separately.
- Please describe the specific act(s) or omission(s) which is alleged to be inappropriate as clearly and completely as possible.

INCIDENT #1

Date of Incident _____

Time of Incident _____

Location of Incident _____

Description of incident: _____

Appendix B

SECTION VIII

Other comments:

I declare that to the best of my knowledge, the information provided in this complaint is true and correct:

Print Name

Complainant's Signature

Date

November 19, 2014

TO: Chairman and Directors of the Florin Resource Conservation District
FROM: Ellen Carlson, Management Analyst
SUBJECT: **LEGISLATIVE UPDATE**

RECOMMENDATION

This item is presented for information only. No action by the Board is proposed at this time.

Summary

The State Assembly and Senate have adjourned until December 1. Proposition 1, AB 1471, was approved by voters in the November election.

DISCUSSION

Background

The Board requests monthly updates of legislation items related to the District.

Proposition 1, the Water Bond, struggled for several years to appear before voters. Originally approved by legislature as SB 2 in 2009 and scheduled to be placed on the ballot in 2010 as Proposition 18. However, in 2010, the legislature voted to postpone placing the Bond on the ballot.

Since that time, the Water Bond has been revised and represented by several members of the Assembly and Senate before AB 1471 was finally approved in August 2014. The Bond is entitled the Water Quality, Supply and Infrastructure Improvement Act of 2014.

LEGISLATIVE UPDATE

Page 2

Present Situation

The breakout of the \$7.545 billion bond will be allocated as follows:

Category	
Allocation	Funding opportunities for EGWD
Regional Water Reliability - \$810 Million	
<ul style="list-style-type: none"> • Integrated regional water management: \$510 M • Stormwater capture: \$200 M • Water conservation: \$100M 	\$37 million has been reserved for the Sacramento River region; this could include funding for water-efficient irrigation systems for residents and toilet and appliance rebates. Funding will likely come through EGWD's participation in the Regional Water Authority Integrated Regional Water Management Plan
Safe Drinking Water - \$520 Million	
<ul style="list-style-type: none"> • Small Community Wastewater Program: \$260 M • Drinking Water Public Infrastructure: \$260M 	Money is primarily purposed for small and disadvantaged communities
Water Recycling - \$725 Million	
Statewide water recycling projects and activities	Could provide the Sacramento region with groundwater recharge funds and recycled water for irrigation projects
Groundwater Sustainability - \$900 Million	
<ul style="list-style-type: none"> • Prevent and reduce groundwater contaminants: \$800M • Provide sustainable groundwater management planning and implementation: \$100M 	Could provide funding for recharge, storage, extraction and movement of groundwater resources throughout the Sacramento Region
Watershed Protection, Watershed Ecosystem Restoration, State Settlements - \$1.495 Billion	
<ul style="list-style-type: none"> • Conservancies: \$327.5M • Wildlife Conservation Board: \$200M • Department of Fish and Wildlife: \$285M (non-delta) • Department of Fish and Wildlife: \$87.5M (for delta) • State settlement obligations including Central Valley Project Improvement Act: \$475M • Rivers and creeks: \$120M 	\$20M will fund competitive programs (grants) for urban creeks and watersheds. The FRCD may be eligible for funding
Storage - \$2.7 Billion	
Continuous appropriation for water storage projects	Groundwater storage, groundwater contamination or remediation may be funded

LEGISLATIVE UPDATE

Page 3

Continued

Category	
Allocation	Funding opportunities for EGWD
Statewide Flood Management - \$395 Million	
<ul style="list-style-type: none"> Statewide flood management projects and activities: \$100M Delta levee failure prevention: \$295M 	No funding opportunities for EGWD or FRCD identified

STRATEGIC PLAN CONFORMITY

Tracking active legislation complies with the District's Regulatory Compliance goals of the 2012-2017 Strategic Plan.

FINANCIAL SUMMARY

There is no direct financial impact associated with the legislative items at this time.

Respectfully submitted,



ELLEN R. CARLSON
MANAGEMENT ANALYST