

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

Agenda

Wednesday, April 18, 2018

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

- a. Recognition of Alan Aragon for Five Years of Service

Associate Director Comment

Public Comment

2. Consent Calendar (Stefani Phillips, Secretary and Patrick Lee, Treasurer)

- a. Minutes of Special Board Meeting of March 7, 2018
- b. Minutes of Regular Board Meeting of March 21, 2018
- c. FRCD Cash Flow Worksheet – March, 2018
- d. Warrants Paid – March, 2018
- e. Active Accounts – March, 2018
- f. Bond Covenant Status for FY 2017- 18 – March, 2018
- g. Revenues and Expenses – Actual vs Budget FY 2017- 18 – March, 2018
- h. Cash Accounts – March, 2018
- i. Consultants Expenses – March, 2018
- j. Major Capital Improvement Projects – March, 2018

Associate Director Comment

Public Comment

Recommended Action: Approve Florin Resource Conservation District Consent Calendar items a-j

3. **Committee Meetings** (Stefani Phillips, Board Secretary)
 - a. Minutes of Community Advisory Committee Meeting of March 22, 2018
 - b. Minutes of Finance Committee Meeting of March 22, 2018

Associate Director Comment

Public Comment

Recommended Action: Accept the minutes of the Community Advisory Committee Meeting and the Finance Committee Meeting held on Thursday, March 22, 2018

4. **Elk Grove Water District Operations Report – March 2018**
(Mark J. Madison, General Manager)

Associate Director Comment

Public Comment

5. **Elk Grove Water District Fiscal Year 2017-18 Quarterly Operating Budget Status Report** (Patrick Lee, Treasurer)

Associate Director Comment

Public Comment

6. **Elk Grove Water District Fiscal Year 2017-18 Quarterly Capital Reserve Status Report** (Patrick Lee, Treasurer)

Associate Director Comment

Public Comment

7. **Florin Resource Conservation District Financial Challenges and Potential Remedies** (Mark J. Madison, General Manager)

Associate Director Comment

Public Comment

Recommended Action: Adopt Resolution No. 04.18.18.01, declaring that all future activities, performed by the Florin Resource Conservation District be limited to water related activities that provide a benefit to Elk Grove Water District ratepayers, effective July 1, 2018, and

Adopt Resolution No. 04.18.18.02, requiring that any rescission or modification of Resolution 04.18.18.01 require a two-thirds vote of the full

Florin Resource Conservation District Board of Directors.

8. Outside Agency Meetings Report (Mark J. Madison, General Manager)

Associate Director Comment

Public Comment

9. Legislative Update (Sarah Jones, Project Manager)

Associate Director Comment

Public Comment

10. Directors Comments

11. Closed Session

- a. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Section 54957)
Title: General Manager
- b. CONFERENCE WITH LABOR NEGOTIATORS (Section 54957.6)
Agency designated representative: Board of Directors
Unrepresented employee: General Manger

Adjourn to Regular Meeting – May 16, 2018

April 18, 2018

TO: Chairperson and Directors of the Florin Resource Conservation District
FROM: Stefani Phillips, Board Secretary
SUBJECT: **CONSENT CALENDAR**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors approve Florin Resource Conservation District Consent Calendar items a – j.

SUMMARY

Consent Calendar items a – j are standing items on the Regular Board Meeting agenda.

By this action, the Board will approve Florin Resource Conservation District Consent Calendar items a – j.

DISCUSSION

Background

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

Present Situation

Consent Calendar items a – j are standing items on the Regular Board Meeting agenda.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

Fiscal stability is in conformity with the District's Business Practice goals of the 2012-2017 Strategic Plan.

April 18, 2018

CONSENT CALENDAR

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FINANCIAL SUMMARY

There is no financial impact associated with this report.

Respectfully Submitted,



STEFANI PHILLIPS,
BOARD SECRETARY

And



PATRICK LEE,
TREASURER

Attachments

MINUTES OF THE SPECIAL MEETING OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS

Wednesday, March 7, 2018

The regular meeting of the Florin Resource Conservation District Board of Directors was called to order at 6:00 p.m. by Tom Nelson, Chairperson, at 9257 Elk Grove Blvd., Elk Grove, CA.

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

Directors Present: Bob Gray, Lisa Medina, Tom Nelson, Sophia Scherman, Jeanne Sabin
Directors Absent: None
Staff Present: Mark J. Madison, General Manager; Bruce Kamilos, Assistant General Manager; Patrick Lee, Finance Manager; Stefani Phillips, Board Secretary; Sarah Jones, Program Manager; Donella Murillo, Finance Supervisor; John Diaz, Water Distribution Operator II
Associate Directors Present: Shahid Chaudhry, Kenneth Strom
General Counsel Present: Ruthann Ziegler
Consultants Present: None

Public Comment

No comments were made.

1. Closed Session

No reportable action.

2. Potential Options of the Florin Resource Conservation District

General Manager, Mark Madison presented background information on the financial stability of the Florin Resource Conservation District (FRCD). He mentioned that the FRCD is very insolvent financially and is on track to run out of money by January 2019.

Mr. Madison presented three (3) options to the FRCD Board of Directors (Board) and associated pros and cons to each of them:

1. Do nothing and try to find a source of funding for the FRCD.
2. The FRCD and the Elk Grove Water District (EGWD) merge declaring that FRCD will only perform water related activities that provide a direct benefit to the EGWD ratepayers.
3. The FRCD and EGWD split through the formation of a new water district.

Mr. Madison expanded on each option:

Option (1): Do nothing. With this option the FRCD would continue seeking a funding source; the EGWD would have to pay for all legal and audit costs or the FRCD could request the County to conduct the audits. The FRCD will most likely not be able to fund a fair share of the expenses for elections in 2020, leaving no option other than having the Sacramento County Board of Supervisors (Board of Supervisors) to appoint the Board. The FRCD is special in the fact that most RCDs do not select Board members by election, instead the Board of Supervisors appoint the positions. Many years ago the FRCD chose to select Board members by election, which will not be possible with this option.

Option (2): FRCD and EGWD merge. With this option the EGWD's expenses will increase \$10,000 to \$20,000 annually, which is not significant enough to affect rates or the rate

structure. The FRCD will preserve jurisdictional boundaries, but their activities will be limited.

Mr. Madison explained that eminent domain may be the only limiting aspect to this option. Ruthann Ziegler, General Counsel explained that although the FRCD cannot have eminent domain, they could possibly be granted authority through the Revenue Bond Law of 1941, but she would need to look into it.

There was a discussion regarding the FRCD imposing fines and penalties. Mr. Madison mentioned that this is an important topic because District's need to have a means of enforcement to get customers to do certain things (i.e. pay their bill, not steal water). Ms. Ziegler explained that the FRCD could impose fines and penalties two ways:

1. Through Government Code Section 53069.4; this code states any local agency can impose fines and penalties if there is a violation of its ordinances. Those actions for which the District wants to trigger fines and penalties would have to be adopted by ordinance. These fines are set by statute, which means that the District cannot make up the amount of the fines.
2. Through the Revenue Bond Law of 1941; this law has very broad definitions to allow maximum amount of authority pursuant to its provisions. It also allows certain penalties for non-payment of bills, etc.

Ms. Ziegler pointed out that it is important to keep in mind that a special district is different than a city district. A city district is created pursuant to the State Constitution giving it "police power", meaning it can take a broader range of actions for the public good. A special district is created by statute, meaning it does not have as broad a range of discretion for penalties and fines.

Chairperson Tom Nelson asked if the FRCD has ordinances that allow them to impose fines and penalties. Mr. Madison responded with yes.

Option (3): FRCD and EGWD split through the formation of a new water district. This option would be very costly initially, it would require legislation and a vote, legal issues, etc. The EGWD has talked about forming into a Community Services District (CSD) if this option is chosen, but there are other types of Districts that could be formed. With this option the FRCD could remain or dissolve, but it would need to come up with funding sources like in option (1) to remain.

Ms. Ziegler discussed a major issue affecting the current employees with this option - the Public Employees' Pension Reform Act (PEPRA). She provided background stating in 2013, PEPRA legislation was put into place and all new public sector employees hired after January 2013 would have a less beneficial formula to use towards retirement. PEPRA legislation also states that new entities and its employees are subject to using the new formula. The issue is, would existing EGWD employees who have the classic formula be subject to use the new formula?

Ms. Ziegler mentioned that a similar question was brought to the California Public Employee Retirement System (CalPERS) and from that question legislation was created stating that Joint Powers Agencies (JPA) formed after PEPRA could still use the classic formula for its employees that migrated over, but the legislation does not provide information on any other entities. She mentioned that the District can possibly get a written opinion from CalPERS stating that the employees with the classic formula can keep what they currently have, but in her experience it may not stop CalPERS from going back on their position at a later date.

Mr. Nelson shared his concern that he does not want employees looking for different employment because of the change in the retirement benefit formula.

Vice-Chairperson Bob Gray commented that two (2) JPAs got the legislation passed that protected all JPAs and the situation those JPAs were in are almost identical to the FRCD; because of that, he stated it does not make the idea of getting legislation passed covering the EGWD impossible. Mr. Madison mentioned that trying to get legislation passed to protect the current employees would be like flipping a coin and with 95% of the current employees under the classic formula, it is a huge risk.

Mr. Madison stated, after presenting all three (3) options, he recommends option (2). He stated that option (1) is not the way to do business and option (3) would have been good in 1999, but he is concerned about the retirement benefit issues for the employees.

Director Jeanne Sabin asked what the format of option (2) would look like and can the District change the election to only hold elections in EGWD boundaries. Ms. Zeigler responded that the District could go from its current "at-large voting" to "election by division based on population", but she would have to look further into it.

Mr. Madison responded to Ms. Sabin's first question, stating that if the Board goes forward with option (2), a very specific resolution will be brought back in April.

Ms. Sabin asked about the comment made when discussing option (1) regarding the FRCD deciding to elect their own Board instead of having the Board of Supervisors appointing them and how that works. Ms. Ziegler responded that the statute for RCDs provides that the Board of Supervisors appoint the Board of Directors when a new RCD is formed; there is an additional provision in the RCD statute that allows an RCD to select Board of Directors by election.

Director Sophia Scherman commented that she does not support the County of Sacramento Board of Supervisors appointing Board members for the FRCD. She believes they do not have the interest of the FRCD/EGWD in mind and will put one of their own in the position for leverage.

Mr. Madison presented a possibility down the road to the Board regarding option (2). He mentioned that if they choose option (2) and in the future go to the Local Agency Formation Commission (LAFCO) to shrink the boundaries consistent with the EGWD, they could possibly achieve option (3) in a much less expensive way.

Mr. Gray requested the whole board to answer two questions: Why do we want to keep the FRCD alive? And, if we go with option (2), what is one project that would directly benefit the rate payers and how would we pay for it?

Mr. Nelson responded that it is entirely possible to take water out of the Folsom South Canal and flooding an area in a section of the FRCD for groundwater recharge. This project will be done in conjunction with other entities to share the cost or they could get a Proposition 1 Grant to pay for the project. Mr. Nelson pointed out that with the current boundaries of the FRCD, the District has more influence on what happens to the water in that area, which in turn benefits the EGWD rate payers.

Director Lisa Medina seconded Mr. Nelson on keeping the FRCD alive for influence on the water in the current boundaries.

Ms. Sabin responded that her answer to Mr. Gray's question would be the continued battle with the Sacramento County Groundwater Authority (SCGA) and using the FRCD's influence based on control of the groundwater recharge basin. She also wanted to add that the Sacramento Regional County Sanitation District is within the FRCD boundaries and with California on track to start recycling water in the next 10-30 years it would be a benefit to the District for a reliable source of water. Ms. Sabin's last point was that the Board is not elected to run the EGWD, they are elected as FRCD Directors and have a responsibility to do projects that support the RCD. She gave examples such as water conservation and water recharge.

Mrs. Medina spoke again supporting Mr. Nelson and Ms. Sabin, stating that this was the first time she has heard about the groundwater recharge project and loves the idea. She does not want to give up the FRCD boundaries, because she believes it has great potential.

Mrs. Scherman responded that she did a lot of research before she ran for the Board. In her opinion, the FRCD has responsibility to its ratepayers and the responsibility of doing projects that benefit the rate payers. She wants to do more than just in the area where the ratepayers are, mentioning that the ratepayers may fight the projects at first, but with explanation she believes everything will be okay. She restated that she does not want to give up the boundaries and she does not want to "throw the employees to the wolves" with the retirement benefits change.

Mr. Gray commented that he still questions whether or not option (2) would be a violation of Prop 218. Mrs. Ziegler responded that if it benefit the rate payers, it does not violate Prop 218.

There was more discussion on Prop 1 grants. Sarah Jones, Program Manager commented that she has done a Prop 1 grant in the past and that it can be done.

Ms. Sabin does not want to progress with option (2) if the District cannot do it in a morally, financially, and legally defensible way; the resolution needs to be very specific.

More discussion ensued regarding grants and ratepayers in respect to concerns that the ratepayers would be stuck paying for projects if grants do not come through. Mr. Madison explained that option (2) provides the most flexibility to make refinements and additions in the future, such as making it a requirement that a project needs to be a certain percentage covered by grants in order to even go forward with the project. This option does not ditch the FRCD, it keeps it in tow and the FRCD would just need to make a declaration through a resolution to change things. He does not want to see a "paralysis through analysis" and to continue down the do nothing path.

Mrs. Medina mentioned that the FRCD/EGWD needs to be progressive and utilize the staff, public, etc. for their ideas and knowledge.

Mr. Madison asked if the Board wants staff to put a package together for consideration. There was a consensus from the Board to bring back a package regarding option (2) as soon as possible.

3. Closed Session

No reportable action.

Adjourn to regular meeting on March 21, 2018 at 6:30 p.m.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary

SP/CR

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

Wednesday, March 21, 2018

The regular meeting of the Florin Resource Conservation District Board of Directors was called to order at 6:30 p.m. by Tom Nelson, Chairperson, at 9257 Elk Grove Blvd., Elk Grove, CA.

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

Directors Present: Bob Gray, Lisa Medina, Tom Nelson, Sophia Scherman, Jeanne Sabin
Directors Absent: None
Staff Present: Mark Madison, General Manager; Bruce Kamilos, Assistant General Manager; Stefani Phillips, Board Secretary; Patrick Lee, Finance Manager; Donella Murillo, Finance Supervisor; and Sarah Jones, Program Manager, Amber Parker, Administrative Assistant II (Confidential)
Staff Absent: None
Associate Directors Present: Shahid Chaudhry, Kenneth Strom
General Counsel Present: Ruthann G. Ziegler, Meyers Nave
Consultants Present: None

Public Comment

Mr. Reinold Rau commented on water rates, asking if the water tiers could be adjusted to give a break on price of water consumption. He stated that he conserves water as much as possible with a drip system, but with his large lot he still has a high bill. General Manager, Mark Madison asked Mr. Rau to discuss the matter in the morning. He also informed Mr. Rau about the Community Advisory Committee (CAC) meeting and Finance Committee meetings that would be taking place the following day on Thursday, March 22, 2018 and invited him to attend.

Mr. Jim Hollinsworth voiced his concerns about increasing rates and wanted to know why the rates have not been readjusted since the drought ended. Vice-Chairperson Bob Gray informed Mr. Hollinsworth that the District did not have a drought rate adjustment. Mr. Madison reiterated the meeting dates on Thursday and suggested that he attend the meetings.

Director Sophia Scherman would like to close the meeting in memory of John Zehnder Sr. and Roy Herburger.

1. Proclamations and Announcements

Mr. Madison presented the Board and the District with a Certificate of Achievement from the Government Finance Officers Association (GFOA). The Certificate of Achievement was for Excellence in Financial Reporting. He read the news release on the achievement and mentioned that the Elk Grove Water District (EGWD) has received this achievement 8 years running. Mr. Madison complimented staff, the Districts auditor and consultants.

2. Consent Calendar

- a. Regular Board Meeting Minutes of February, 2018
- b. FRCD Cash Flow Worksheet – February, 2018
- c. Warrants Paid – February, 2018
- d. Active Accounts – February, 2018
- e. Bond Covenant Status – February, 2018
- f. Revenues and Expenses – February, 2018
- g. Cash Accounts – February, 2018

- h. Consultants Expenses – February, 2018
- i. Major Capital Improvement Projects – February, 2018

Mr. Madison pulled item a. to discuss the minutes dated February 21, 2018.

Mr. Hollinsworth asked about items e and f. Much discussion occurred regarding the water rates, elections and matters unrelated to the Consent Calendar. Mr. Madison again encouraged Mr. Hollinsworth to attend the meetings on Thursday.

MSC (Scherman/Sabin) to approve FRCD Consent Calendar items b-i. 5/0: Ayes: Gray, Medina, Nelson, Sabin and Scherman.

Director Jeanne Sabin stated she would like to correct the wording on page 10 of Minutes dated February 21, 2018 to read “Center for Land-based Learning (CLBL) requested Bank of America come out to the Student and Landowner Education and Watershed Stewardship (SLEWS) day for a photo op and present a check to CLBL and a Board member expressed to FRCD staff that they did not approve”.

Mr. Madison stated he would like to correct the wording on page 6 of Minutes dated February 21, 2018 to read “as a mechanism to purchase the building through the issuance of bonds”.

MSC (Sabin/Medina) to approve FRCD Consent Calendar items a. with noted revision. 5/0: Ayes: Gray, Medina, Nelson, Sabin and Scherman.

3. Committee Meetings

Stefani Phillips, Board Secretary, presented the Committee Meetings to the Board. There were two (2) CAC meetings in the month of February, as well as one (1) Finance Committee Meeting. The first CAC meeting took place on February 12, 2018. The second CAC meeting and the Finance Committee Meeting took place on February 15, 2018.

A few unsubstantive needed revisions were noted.

MSC (Scherman/Sabin) to accept the minutes with revisions of the Community Advisory Committee Meeting held on Monday, February 12, 2018 and the Community Advisory Committee Meeting and Finance Committee Meeting held on Thursday, February 15, 2018. 5/0: Ayes: Gray, Medina, Nelson, Sabin and Scherman.

4. Elk Grove Water District Operations Report – February 2018

Mr. Madison presented the Elk Grove Water District Operations Report – February 2018 to the Board.

Summary Points:

- Door tags and shutoffs (314 & 40, respectively) were back to normal which was expected for February.
- There were two pressure complaints, both of which were unconfirmed.
- There were no water quality complaints.
- 191 hydrants checked. The District’s hydrant maintenance target is set at 135 per month (ea. hydrant once per year).
- 182 valves exercised. The District’s valve exercising target is set at 120 per month (every valve once per 3 years).
- Well 1D is back online and running well.
- Well 8 remained offline and is going to be refurbished this spring.

- Wells 1D, 11D, 14D, and 9 were the main sources of supply for Service Area 1. Hampton (13) did not run except for sampling and maintenance.
- Production for Service Area 1 remained about the same compared to last month.
- Total customer usage for EGWD (SA1 and SA2) down by 17.3% compared to February 2013. Compared to other agencies in our region, EGWD's reduction is about average.
- The Static and Pumping Water level charts have new data – 1st quarter results. Static water levels are up in all wells compared to two years ago.
- All required sampling was performed with no anomalies.
- All preventative maintenance activities have been performed in compliance with our Standard Operating Procedures.
- Backflow prevention program. As of the end of February, we had only 1 delinquent customer. This is good!
- We had 3 formal safety meetings and it has been 761 days since we have had a lost time injury.
- No main line leaks and only 1 service line leak (Gasket on a meter setter).
- Service Line Replacements – 10 service lines were replaced in February – all on Meadow Grove.
- Pressures in Service Area 1 stable in the 60 psi range. Pressures in Service Area 2 are down a little bit which is good.

5. Outside Agency Meeting Report

Mr. Madison and staff presented reports on Outside Agency Meetings.

Mr. Madison gave a report on the Sacramento County Water Agency (SCWA) meeting that he attended with Bruce Kamilos, Assistant General Manager. The meeting consisted of talking about water transfers and about transferring more water to the EGWD. Mr. Madison mentioned the way the SCWA was talking made it seem like they really just wanted to sell more water to the District, but it is not for sure. If the District were to take more water from the SCWA there are two issues: SCWA fluorinates their water supply and the price. Mr. Madison will report back if there is more development

Program Manager, Sarah Jones mentioned that the Government Affairs symposium and the Lobby subscription will be talked about during the legislative report.

Ms. Jones reported on the Public Outreach Committee Water Efficiency Program by the Regional Water Association (RWA). In this meeting, the members talked about marketing and messaging for water conservation. This year's message is to have people check their lawns to see that they are not moist before watering.

Chairperson Tom Nelson reported on the RWA meeting he attended with Mr. Kamilos. He informed the Board about two (2) mentionable items that were talked about at the meeting: 1) Members of the RWA have been kicking in a huge amount of money per year and this is the last year for that. The RWA has enough funding now to start the science center and 2) The District has been one of the 13 members that pay for the legislative subscription. As of January 2019 the Legislative Subscription dues will be split by all RWA members, which will reduce the District's costs. Mr. Madison explained how the subscription program works.

Ms. Jones reported on the California Governor's Office of Emergency Services (Cal OES) workshop. In summary, the District will be updating its emergency response plan this year and this workshop went over basics of emergency management.

Mr. Madison reported on the Sacramento County Groundwater Authority (SCGA) Board Meeting. He discussed that the SCGA claimed that they did not find out from the Department of Water Resources (DWR) that they had a Water Annual Report due April 1st. This report is a pivotal report as it relates to the state approving or denying the alternative submittal that faces the SCGA. Mr. Madison will be reporting back in the next couple months. He also talked about the SCGA's audit and how they completed their audit in 2 weeks. Mr. Madison commented that he questioned SCGA on how it got done so quickly and they now will be coming back next month with a more detailed report on their audit.

Mr. Kamilos talked about RWA working on a fantastic program that could be very instrumental in providing reliable regional water. The RWA has a grant from the Bureau of Reclamation to regionally explore how the region can more reliably utilize our water. Hoping this will lead to a groundwater bank for our region that allows us to improve our water supply. Vice-Chairperson Bob Gray questioned if this would be hard to do as long as Sacramento County is fluoridating its water supply. Mr. Madison responded that yes, it is very complicated.

Ms. Jones commented that she was not able to make the Safe Drinking Water Symposium, but will be attending the Safe and Affordable Drinking Water Symposium on April 5th.

Mr. Kamilos reported on the SCGA Budget Subcommittee, which is a subcommittee that presents to the SCGA Board on how to proceed with money. In summary, this meeting had two (2) scenarios that were being looked at: 1) if the alternative plan is approved, how much will it cost the SCGA Board and 2) if the alternative plan is denied by DWR then everyone will have to embark on a Groundwater Sustainability Plan (GSP), which will be a lot more money and will cost the SCGA Board a lot more money to pursue. Mr. Kamilos stated the FRCD Board will be hearing more, because if the District stays with the SCGA it will have to pay its fair share.

Mr. Madison also presented a discussion that occurred at the SCGA Budget Subcommittee regarding the cost potentially involved in legally appealing the State's possible decision to deny the alternative submittal. Mr. Madison's problem with that is that any discussion of an appeal should not be kicked around at a budget subcommittee meeting without being vetted and discussed with the whole SCGA Board.

Ms. Sabin asked as to what extent was the appeal process talked about. Mr. Kamilos mentioned it was not talked about for most of the meeting, but he was surprised and that it was the first time he had ever heard about it. He mentioned to the subcommittee that if the appeal was denied the FRCD Board would definitely want to move on with the grant money available that's already been awarded to us to take the GSP route and not get mired with litigation and the costs associated with that. Mr. Madison reiterated to the board that the state has already told the SCGA that they have \$960,000 in grants to use towards the GSP, if the SCGA chooses to go with the alternative they don't get that money.

A discussion ensued on alternative submittals.

Ms. Jones reported on the RWA Water Spot Screening, which was an offshoot of the outreach education program. In summary, at the screening short films created by high school and middle school students were viewed. The films were submitted for a region-wide contest that had the students submit a short film with the theme of H2O Heroes; the winner gets their film in movie theatres in Sacramento region ahead of the movies. Director Sophia Scherman recommended having the winner come to the Board Meeting and we can play their winning short film.

6. Florin Resource Conservation District Election

Ms. Phillips provided information on the FRCD Election. Every two (2) years the District has an election; this year there are three (3) seats to fill. The Resolution recommended to be adopted by the FRCD Board of Directors is to request consolidation with the November 6, 2018 statewide election. The resolution also includes a volunteer candidate statement to be paid for at the registrar of voters' office, this statement is limited to 200 words. Lastly, the resolution mentions that the District will reimburse the registrar of voters' for all costs of the election.

Ms. Phillips informed the board of the changes to the voting process, which were enacted by the California Voters Choice Act. These changes include: allowing for three (3) methods for casting the ballot – mail, drop off at drop box that various people can host, and vote centers (which means voters are not limited to a certain precinct). The voters have 11 days just prior to the election to go in to vote. If the ballot is being mailed in, it has to be postmarked by the date of the election. The last change is that the California Voters Choice Act extended the register voter date to the date of the election, meaning that people can register to vote the same day that they vote.

MSC (Scherman/Sabin) Adopt Resolution No. 03.21.18.01 of the Florin Resource Conservation District Board of Directors calling the general election and requesting consolidation with the November 6, 2018 statewide election. 5/0: Ayes: Gray, Medina, Nelson, Sabin and Scherman.

7. California Special Districts Association Board of Directors Call For Nominations – Sierra Network Seat A

Ms. Phillips informed the FRCD Board of Directors that the California Special Districts Association Board of Directors is calling for nominations regarding Sierra Network Seat A. Ms. Phillips informed the Board of the duties required by the position.

Discussion occurred regarding the position and the questions was asked of what the District has to gain from this position. Mr. Madison responded that in his opinion there is not much to gain.

The Board decided not to participate.

8. Legislative Update

Ms. Jones presented the Legislative Update to the Board. She presented a summary of some of the bills moving through the legislation right now.

Regarding SB623 – the Water Tax Bill, Ms. Jones mentioned that the District submitted opposition letters to an assembly member and a senator. Ms. Jones mentioned that almost all Districts in the state are against this bill. Discussion ensued on the bill.

Ms. Jones also mentioned AB3206, in which the state would put forward protocols for meter accuracy testing. In summary, most local agencies already have programs for testing; the meters normally run slow if they are not working properly and with that not benefiting water agencies, the agencies try to keep their meters up to par to charge rate payers the correct amounts. The RWA mentioned that this bill is not needed. Most water agencies already follow the American Water Works Association's (AWWA) M36 Manual protocols for accurate meter testing.

Ms. Jones also brought up SB966, which describes how utilities must process water shutoffs. Mr. Madison mentioned the District is watching this bill very closely. This bill could be financially devastating to the District because it decreases incentive for customers to pay their bill; if customers do not pay their bill and the District still has to provide them water, why pay it?

Discussion continued regarding SB966 and past bills similar to SB966.

Ms. Sabin asked if SB966 has drawn any attention from the Association of California Water Agencies (ACWA). Ms. Jones responded that she is not sure if ACWA has noticed this, she received this information from the RWA.

9. Directors Comments

Nothing to Report.

Chairperson Tom Nelson adjourned from Open Session to Closed Session.

10. Closed Session

a. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2)—one case

b. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: APN# 134-0072-016-0000

Agency negotiator: Mark Madison

Negotiating parties: Cabrera Family Trust

Under negotiation: Price and terms of payment

Property: APN# 134-0110-073-0000

Agency negotiator: Mark Madison

Negotiating parties: Johan/Anne Otto Trust

Under negotiation: Price and terms of payment

Property: APN# 127-0170-003-0000

Agency negotiator: Mark Madison

Negotiating parties: Harcrow Elk Grove Irrev Trust

Under negotiation: Price and terms of payment

Property: APN# 134-0110-065-0000

Agency negotiator: Mark Madison

Negotiating parties: Raymond/Gloria Melavic Family Trust

Under negotiation: Price and terms of payment

Property: APN# 134-0050-055-0000

Agency negotiator: Mark Madison

Negotiating parties: Faziola, Hilda Emily and Faziola, Richard John

Under negotiation: Price and terms of payment

Property: APN# 134-0050-057-0000

Agency negotiator: Mark Madison

Negotiating parties: Matney 1991 Revocable Trust

Under negotiation: Price and terms of payment

c. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Section 54957)
Title: General Manager

No reportable action was taken.

Adjourn to regular meeting on April 18, 2018 at 6:30 p.m.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary



FRCD Cash Flow For the Month Ended March 31, 2018

Cash in Bank – Beginning	\$ 19,578.08
Grant Reimbursements:	\$ 8,452.43
Disbursements:	
Check # 1052-EGWD PM Salary Allocation	-\$ 662.15
Check # 1053-Meyers/Nave Legal Fees	-\$ 4,855.68
Check # 1054-ACWA JPIA Excess Crime Program	-\$ 95.00
Check # 1055-Lee Miller Community Workshops Organic Pest Control	-\$ 60.00
Check # 1056-Steve Hays Elk Grove Community Garden	-\$ 500.00
Cash in Bank – Ending	\$ 21,857.68

Check History Report

**3/1/2018 to 3/31/2018
Elk Grove Water District**

Check Number	Check Date	Vendor Number	Vendor Name	Check	Explanation
046657	3/8/2018	ACWAJPI	CB&T/ ACWA-JPIA	62,938.49	Medical Benefits- April 2018
046658	3/8/2018	AFLAC	AFLAC	1,900.63	
046659	3/8/2018	AMAZON	AMAZON CAPITAL SERVICES	1,060.30	Materials for the Meeting & I.T. Building
046660	3/8/2018	ATT&T	AT&T MOBILITY	319.92	
046661	3/8/2018	BAY ALA	BAY ALARM COMPANY	3,727.59	Setup Security for the Meeting & I.T. Building
046662	3/8/2018	BEN RES	BENEFIT RESOURCE, INC	100.00	
046663	3/8/2018	BG SOLU	SOLUTIONS BY BG INC.	86.08	
046664	3/8/2018	BSK4	BSK ASSOCIATES	2,544.00	Various Invoices-Sampling-Treatment
046665	3/8/2018	CAMDEN	CAMDEN ESTATES AT SHELDON, LP	3.00	
046666	3/8/2018	CCPPM	CCPPM	104.92	
046667	3/8/2018	CDW	CDW GOVERNMENT	3,679.04	2016 Window Server Upgrade/Licenses
046668	3/8/2018	CHAVEZ	CHAVEZ, SILVA & COMPANY	3,020.00	Accounting Services
046669	3/8/2018	CHI TI	CHICAGO TITLE CO	168.14	Account Closed- Customer Refund
046670	3/8/2018	CONSOLI	CONSOLIDATED COMMUNICATIONS	1,528.60	Ethernet Service/Phones-MOC
046671	3/8/2018	CORNER	CORNERSTONE TITLE CO	11.01	
046672	3/8/2018	COUNTY4	SACRAMENTO COUNTY UTILITIES	174.41	
046673	3/8/2018	CR CMM	CASEY M MAHONEY	6.45	Account Closed- Customer Refund
046674	3/8/2018	CR FID	FIDELITY NATIONAL TITLE	140.42	Account Closed- Customer Refund
046675	3/8/2018	CR FID	FIDELITY NATIONAL TITLE	127.49	Account Closed- Customer Refund
046676	3/8/2018	CR SHW	SHELLY WALTERS	47.77	Account Closed- Customer Refund
046677	3/8/2018	CR STKL	STEPHEN K LEWIS	72.75	Account Closed- Customer Refund
046678	3/8/2018	CR SUG	SUSAN GRACE	46.50	Account Closed- Customer Refund
046679	3/8/2018	CRMAD	MICHAEL & AUDRA D'ANGELO	121.77	Account Closed- Customer Refund
046680	3/8/2018	CRSTA	STANLEY BODE	76.89	Account Closed- Customer Refund
046681	3/8/2018	CRV JUD	JULIA DESOUZA	123.71	Account Closed- Customer Refund
046682	3/8/2018	DATAPRO	DATAPROSE LLC	5,907.96	February Customer Billings
046683	3/8/2018	EDWARD	EDWARD R. BACON COMPANY, INC	356.64	
046684	3/8/2018	FASTENA	FASTENAL COMPANY	280.91	
046685	3/8/2018	GOLDEN	GOLDEN STATE FLOW	752.04	Materials & Repairs-Distribution
046686	3/8/2018	INT STA	INTERSTATE OIL COMPANY	1,517.98	Fuel
046687	3/8/2018	JAN PRO	JAN-PRO CLEANING SYSTEMS OF	500.00	Janitorial-MOC/ADMIN
046688	3/8/2018	KAISER2	KAISER FOUNDATION HEALTH PLAN	270.00	
046689	3/8/2018	KELLY M	KELLY-MOORE PAINTS COMPANY	67.38	
046690	3/8/2018	LAKE V	LAKE VUE ELECTRIC, INC	1,250.00	Electrical Install for Meeting & I.T. Building
046691	3/8/2018	NORWOOD	NORWOOD CONSTRUCTION	10,337.62	Meeting& I.T. BLDG
046692	3/8/2018	OREILLY	O'REILLY AUTO PARTS	77.88	

046693	3/8/2018	PACE	PACE SUPPLY CORP	10,818.74	(11) Invoices-Materials-Distribution
046694	3/8/2018	PRE ALL	PREFERRED ALLIANCE, INC	43.00	
046695	3/8/2018	RADIAL	RADIAL TIRE OF ELK GROVE	168.51	
046696	3/8/2018	REPUBLI	REPUBLIC SERVICES #922	1,081.05	
046697	3/8/2018	ROTH	ROTH STAFFING COMPANIES, L.P.	657.78	Temporary Customer Service Help
046698	3/8/2018	SIERRA C	SIERRA CHEMICAL COMPANY	878.77	Materials-Treatment
046699	3/8/2018	SIERRA	SIERRA OFFICE SUPPLIES	12.93	
046700	3/8/2018	SMUD	SMUD	1,028.63	
046701	3/8/2018	SMUD	SMUD	20.20	
046702	3/8/2018	SMUD	SMUD	3,995.34	
046703	3/8/2018	SMUD	SMUD	7,666.16	
046704	3/8/2018	SMUD	SMUD	533.52	
046705	3/8/2018	SMUD	SMUD	742.75	
046706	3/8/2018	SMUD	SMUD	2,244.90	
046707	3/8/2018	SMUD	SMUD	1,597.60	
046708	3/8/2018	SOUTHW	SOUTHWEST ANSWERING	213.52	
046709	3/8/2018	TOSHIBA	TOSHIBA FINANCIAL SERVICES	593.01	Copier-ADMIN
046710	3/8/2018	ULINE	ULINE	158.80	
046711	3/8/2018	WIN 911	WIN-911 SOFTWARE	495.00	
046712	3/14/2018	A. TEIC	A. TEICHERT & SON, INC	486.20	
046713	3/14/2018	AIRGAS	AIRGAS USA, LLC	205.66	
046714	3/14/2018	BG SOLU	SOLUTIONS BY BG INC.	5,430.00	Daily Tasks/Help Tickets
046715	3/14/2018	BRINKS	BRINK'S INCORPORATED	319.90	
046716	3/14/2018	BSK4	BSK ASSOCIATES	932.00	Various Invoices-Sampling-Treatment
046717	3/14/2018	COUNTY3	COUNTY OF SACRAMENTO	50.00	
046718	3/14/2018	CS DM	CARD SERVICES	398.00	Seminars-Finance/HR
046719	3/14/2018	CS JC	CARD SERVICES	284.57	Materials & Supplies-Distribution
046720	3/14/2018	CS RS	CARD SERVICES	649.39	Materials & Supplies-Utility Crew
046721	3/14/2018	CS SJ	CARD SERVICES	88.93	Seminar, Meals
046722	3/14/2018	CS SP	CARD SERVICES	2,257.79	Training, Hotel, Software Program, Meals
046723	3/14/2018	CS SS	CARD SERVICES	370.52	Materials & Supplies-Treatment
046724	3/14/2018	C SPL	CARD SERVICES	813.14	(CSMFO)Hotel, UBER, Meals
046725	3/14/2018	EG FORD	ELK GROVE FORD	1,693.25	(7) Invoices-Repairs & Maintenance
046726	3/14/2018	FASTENA	FASTENAL COMPANY	104.76	
046727	3/14/2018	HOLT	HOLT OF CALIFORNIA	1,388.00	Repairs & Maintenance-Truck #409
046728	3/14/2018	HOPKINS	HOPKINS TECHNICAL PRODUCTS	168.32	
046729	3/14/2018	INFINIT	INFINITE IT SOLUTIONS INC.	14,195.00	I.T. Contracted Services
046730	3/14/2018	INT STA	INTERSTATE OIL COMPANY	1,388.01	Fuel
046731	3/14/2018	ISCC	ISCC, INC	149.00	
046732	3/14/2018	JAYS	JAY'S TRUCKING SERVICE	454.59	
046733	3/14/2018	MONTIEL	MICHAEL MONTIEL	58.74	
046734	3/14/2018	NTS	NTS MIKEDON. LLC	78.75	
046735	3/14/2018	PACE	PACE SUPPLY CORP	2,466.70	Materials & Supplies-Emerald Vista
046736	3/14/2018	RADIAL	RADIAL TIRE OF ELK GROVE	100.00	
046737	3/14/2018	RDO 1	RDO TRUST # 80-5800	37.38	

046738	3/14/2018	ROOCO	ROOCO RENTS	729.94	
046739	3/14/2018	SIERRA	SIERRA OFFICE SUPPLIES	321.65	
046740	3/14/2018	SMUD	SMUD	1,929.22	Materials for the Meeting & I. T. Building
046741	3/21/2018	AMAZON	AMAZON CAPITAL SERVICES	1,056.84	
046742	3/21/2018	AWWA2	California Nevada Section-AWWA	180.00	Various Invoices-Sampling-Treatment
046743	3/21/2018	BSK4	BSK ASSOCIATES	100.00	
046744	3/21/2018	BURKETT	BURKETT'S	150.00	
046745	3/21/2018	CAP RUB	CAPITAL RUBBER & GASKET	308.54	
046746	3/21/2018	COEG	CITY OF ELK GROVE	2,625.07	Kent Street Water Main
046747	3/21/2018	CPS	COOPERATIVE PERSONNAL	259.00	
046748	3/21/2018	CS MJM	CARD SERVICES	520.32	
046749	3/21/2018	DOMUM	DOMUM	18,360.00	Needs Assessment-ADMIN
046750	3/21/2018	FASTENA	FASTENAL COMPANY	114.79	
046751	3/21/2018	FIRECOD	FIRECODE SAFETY EQUIPMENT	1,177.56	Maintenance on Fire Extinguishers-ADMIN/MOC
046752	3/21/2018	INT STA	INTERSTATE OIL COMPANY	1,762.85	Fuel
046753	3/21/2018	PAGE	PACE SUPPLY CORP	1,290.11	Materials & Supplies-Emerald Vista
046754	3/21/2018	PG&E	PACIFIC GAS & ELECTRIC	101.92	
046755	3/21/2018	PIT 2	PITNEY BOWES GLOBAL FINANCIAL	197.20	
046756	3/21/2018	PLATT2	PLATT	149.50	
046757	3/21/2018	RADIAL	RADIAL TIRE OF ELK GROVE	401.38	
046758	3/21/2018	RBI	ROBERTSON-BRYAN, INC	659.50	
046759	3/21/2018	REPUBLI	REPUBLIC SERVICES #922	77.48	
046760	3/21/2018	ROTH	ROTH STAFFING COMPANIES, L.P.	1,953.26	(2) Invoices-Temporary Customer Service Help
046761	3/21/2018	RWA	REGIONAL WATER AUTHORITY	9,000.00	RWA Lobbying Subscription-Jan-Dec 2018
046762	3/21/2018	SIERRA	SIERRA OFFICE SUPPLIES	278.01	
046763	3/21/2018	SUMMIT	AIR WORKS INC	121.00	
046764	3/21/2018	TRAFF S	TRAFFIC SIGN SPECIALTIES	1,000.00	
046765	3/21/2018	ULTRA	ULTRA TRUCK WORKS, INC	147.88	Traffic Control Plans for Emerald Vista
046766	3/21/2018	UNITED	UNITED SITE SERVICES	303.46	
046767	3/21/2018	VERIZON	VERIZON WIRELESS	435.47	
046768	3/21/2018	ZOOM	ZOOM IMAGING SOLUTIONS, INC	237.10	
046769	3/30/2018	ACWAJPI	CB&T/ ACWA-JPIA	20,975.00	Property Program Renewal- April 1, 2018 to April 1, 2019
046770	3/30/2018	ACWAJPI	CB&T/ ACWA-JPIA	855.00	Excess Crime Program- April 1, 2018 to April 1, 2019
046771	3/30/2018	AIRGAS	AIRGAS USA, LLC	42.61	
046772	3/30/2018	ALL STA	ALL STAR RENTS	26.34	
046773	3/30/2018	AMAZON	AMAZON CAPITAL SERVICES	144.72	
046774	3/30/2018	BATTER	BATTERIES PLUS	292.22	Security Monitoring-MOC
046775	3/30/2018	BAY 2	BAY ALARM COMPANY	1,094.99	
046776	3/30/2018	BAY 2	BAY ALARM COMPANY	45.77	Daily Tasks/Help Tickets
046777	3/30/2018	BG SOLU	SOLUTIONS BY BG INC.	5,790.00	
046778	3/30/2018	CAP RUB	CAPITAL RUBBER & GASKET	353.14	
046779	3/30/2018	COEG	CITY OF ELK GROVE	74.86	
046780	3/30/2018	EG FORD	ELK GROVE FORD	11.63	
046781	3/30/2018	FASTENA	FASTENAL COMPANY	473.86	
046782	3/30/2018	FRONT C	FRONTIER COMMUNICATIONS	217.92	

046783	3/30/2018	JAYS	JAY'S TRUCKING SERVICE	855.43	Materials & Supplies-Utility Crew
046784	3/30/2018	MAGNUM	MAGNUM TOWERS INC.	3,140.91	40' Antenna Pole for Hampton WTP
046785	3/30/2018	MEYERS	MEYERS NAVE PROFESSIONAL LAW CORPORATION	27,531.72	Legal-February
046786	3/30/2018	OREILLY	O'REILLY AUTO PARTS	10.76	
046787	3/30/2018	PACE	PACE SUPPLY CORP	1,818.53	(8) Invoices-Materials & Supplies-Emerald Vista/Distribution
046788	3/30/2018	PEST	PEST CONTROL CENTER INC	160.00	
046789	3/30/2018	RADIAL	RADIAL TIRE OF ELK GROVE	904.96	(5) Invoices-Repairs & Maintenance-Trailers & trucks
046790	3/30/2018	ROOCO	ROOCO RENTS	997.84	Materials & Supplies-Emerald Vista/Distribution
046791	3/30/2018	ROTH	ROTH STAFFING COMPANIES, L.P.	877.04	Temporary Customer Service Help
046792	3/30/2018	SIERRA	SIERRA OFFICE SUPPLIES	501.72	
046793	3/30/2018	SOUTHWE	SOUTHWEST ANSWERING	161.92	
046794	3/30/2018	TRAFF S	TRAFFIC SIGN SPECIALTIES	86.21	
046795	3/30/2018	W RODRI	WAYNE RODRIQUES	130.00	
046796	3/30/2018	WILL SC	WILLIAM SCOTSMAN, INC.	586.32	Temporary Trailer Rental-MOC

Total: 285,077.57

**Elk Grove Water District
Active Account Information
3/31/2018**

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE
Water Accounts:												
Metered												
Residential	11,787	11,811	11,786	11,812	11,789	11,784	11,806	11,780	11,793			
Commercial	527	526	527	527	527	527	530	530	528			
Fire Service	175	175	177	178	177	177	177	177	177			
Total Accounts	12,489	12,512	12,490	12,517	12,493	12,488	12,513	12,487	12,498	-	-	-

**Elk Grove Water District
Active Account Information
FY 2016/2017**

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE
Water Accounts:												
Metered												
Residential	11,670	11,674	11,671	11,800	11,784	11,779	11,780	11,782	11,792	11,801	11,805	11,803
Commercial	520	521	523	525	524	525	524	526	528	524	525	528
Fire Service	174	174	175	175	175	175	175	175	176	175	175	175
Total Accounts	12,364	12,369	12,369	12,500	12,483	12,479	12,479	12,483	12,496	12,500	12,505	12,506

Elk Grove Water District

Bond Covenant Status

For Fiscal Year 2017-18

As of March 31, 2018

Adjusted for Prepayments and Unbilled Revenue

Operating Revenues:

Charges for Services	\$	11,036,353
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Operating Expenses:

Salaries & Benefits (2)		2,707,733
Seminars, Conventions and Travel		18,958
Office & Operational		698,774
Purchased Water		2,209,286
Outside Services		667,906
Equipment Rent, Taxes, an Utilities		264,832
Total Operating Expenses		6,567,489

Net Operating Income	\$	4,468,864
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Annual Interest & Principal Payments		
\$3,823,349		2,867,512 (1)

Debt Service Coverage Ratio, YTD Only:		1.56
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Required		1.15
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Notes:

1. **Reflects budget divided by number of months year to date.**
However, first Principal/Interest Payments made in September.
Projected Annual Budget Coverage Ratio is **1.40**
2. Reflects only YTD due to CalPERS, not entire prepayment for year.

Elk Grove Water District
Year to Date Revenues and Expenses Compared to Budget
As of March 31, 2018

	General Ledger Reference	YTD Activity	Annual Budget	9/12=75.00% Variance	% Realized
Revenues	4100 - 4900	11,036,353	14,294,096	(3,257,743)	77.21%
Salaries & Benefits	5100 - 5280	2,875,763	\$4,109,177	(\$1,233,414)	69.98%
less Capitalized Labor		(135,116)	(\$560,829)	\$425,713	24.09%
Less CalPERS Prepayment for Remainder of Year: (3)		(32,914)		(\$32,914)	
Adjusted Salaries and Benefits: (3)		2,707,733	3,548,348	(840,615)	76.31%
Seminars, Conventions and Travel	5300 - 5350	18,958	\$50,500	(\$31,542)	37.54%
Office & Operational	5410 - 5494	698,774	\$984,881	(\$286,107)	70.95%
Purchased Water est. (4)	5495 - 5495	2,209,286	\$3,010,765	(\$801,480)	73.38%
Outside Services	5505 - 5580	667,906	\$941,110	(\$273,204)	70.97%
Equipment Rent, Taxes, Utilities	5620 - 5760	264,832	\$409,000	(\$144,168)	64.75%
Total Operational Expenses		6,567,489	8,944,604	(2,377,115)	73.42%
Net Operating Inome		4,468,864	5,349,492	-\$880,628	83.54%
Non-Operating Revenues					
Interest Received	9910 - 9910	54,027	110,000	(55,973)	49.12%
Unrealized Gains/Losses	9911 - 9911	(70,993)	-	(70,993)	-
Other Income/Expense	9920 - 9973	(91,150)	14,900	(106,050)	-611.75%
Total Non-Operating Revenues		(108,117)	124,900	(233,017)	-86.56%
Capital Expenses (2):					
Capital Improvements		608,560	980,000	(371,440)	62.10%
Capital Replacements		390,558	588,609	(198,051)	66.35%
Equipment	1705 - 1760	22,647	100,000	(77,353)	22.65%
Unforeseen Capital Projects		-	87,391	(87,391)	0.00%
Capital Expenses:		1,021,764	1,756,000	(734,236)	58.19%
Bond Interest Accrued	7300 - 7300	1,365,845	1,833,349	(467,504)	74.50%
Total Non Operating Expenses		2,387,609	3,589,349	(1,201,740)	66.52%
Revenues in Excess of All Expenditures, including Capital		1,973,138	1,885,043	88,095	104.67%
Bond Retirement (1):		1,990,000	1,990,000	-	100.00%
Net Position after Capital and Debt Retirement Expenditures		(16,862)	(104,957)	88,095	

Notes:

- Bond retirement payments are made two times a year in September and March
- YTD Activity includes \$135,116 in capitalized labor charged to capital projects.
- The District prepays CalPERS for the employers' share of retirement costs for the entire year. By doing this, the District saves approximately 3.7% in its total CalPERS payments for the year. The adjusted salaries and benefits above shows what salaries and benefits would be if only the amount due to CalPERS YTD was paid YTD, with no prepayment
- There is a lag in water billings from the Sacramento Water District. Included above is an estimate of costs to date based on water used.

**Florin Resource Conservation District
CASH - Detail Schedule of Investments
3/31/2018**

<u>G/L Account Fund</u> <u>HELD BY BOND TRUSTEE:</u>	<u>Account number / name</u>	<u>Investment Name</u>	<u>Investment Type</u>	<u>Restrictions</u>	<u>Market Value</u>				
1110-000-20 Water	BNY 892744 FRCD 2014A DEBT SERVICE	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	0.00				
1112-000-20 Water	BNY 743850 FRCD 2016A DEBT SERVICE	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	0.00				
				Subtotal	\$ -				
1001-000-20 Water	Cash on Hand			Unrestricted	\$ 300.00				
HELD BY F&M BANK:									
1011-000-10 FRCD	F&M 08-032009-01 CHECKING ACCOUNT			Unrestricted	27,477.62				
1011-000-20 Water	F&M 08-032017-01 OPERATING ACCOUNT			Unrestricted	1,042,431.23				
1031-000-20 Water	F&M 08-032912-01 CREDIT CARD ACCOUNT			Unrestricted	1,536,203.48				
1061-000-20 Water	F&M 08-032890-01 PAYROLL ACCOUNT			Unrestricted	98,857.93				
1071-000-20 Water	F&M 08-032920-01 DRAFTS ACCOUNT			Unrestricted	930,111.42				
				Subtotal	\$ 3,635,081.68				
INVESTMENTS									
1080-000-20 Water	Office of the Treasurer - Sacramento California	LAIF	Investment Pool	Unrestricted	\$ 506,558.41				
1081-000-20 Water	CALTrust Medium Term		Investment	Unrestricted	\$ 1,272,784.23				
1082-000-20 Water									
	<u>PURCHASE DATE</u>	<u>CUSIP</u>	<u>ISSUED BY</u>	<u>CALL DATE</u>	<u>MATURITY DATE</u>	<u>% of Portfolio</u>	<u>Current Yield</u>	<u>COST BASIS</u>	<u>MARKET VALUE</u>
	9/30/2016	N/A	Union Bank of California	N/A	N/A	1.26%	0.25%	\$ 109,532.22	\$ 109,532.22
	6/14/2016	3130A8AZ6	Federal Home Loan Bank (FHLB)	6/14/17 - one time	12/14/2018	6.270%	1.160%	\$ 500,745.00	\$ 496,790.00
	6/28/2016	3134G9VN4	Federal Home Loan Mortgage Corp. (FHLMC)	9/28/16 - qtrly	6/28/2019	12.560%	1.510%	\$ 1,000,000.00	\$ 995,050.00
	6/30/2016	3136G3SR7	Federal National Mortgage Association (FNMA)	12/30/16 - qtrly	12/30/2019	12.350%	1.400%	\$ 1,000,000.00	\$ 984,600.00
	9/30/2016	3136G4DB6	Federal National Mortgage Association (FNMA)	3/30/17 - qtrly	3/30/2020	12.330%	1.280%	\$ 1,000,000.00	\$ 978,920.00
	6/9/2016	3133EGCP8	Federal Farm Credit Banks (FFCB)	9/1/16 - cont.	12/1/2020	12.320%	1.660%	\$ 1,000,000.00	\$ 977,860.00
	6/16/2016	3136G3PY5	Federal National Mortgage Association (FNMA)	12/16/16 - qtrly	12/16/2020	12.280%	1.590%	\$ 1,000,000.00	\$ 977,090.00
	11/1/2017	3133EHM34	Federal Farm Credit Bank Bonds(FFCB)	11/01/22 - cont.	11/1/2022	12.28%	2.280%	\$ 1,000,000.00	\$ 976,480.00
	9/30/2016	3136G4CY7	Federal National Mortgage Association (FNMA)	3/30/17 - qtrly	9/30/2021	6.01%	1.570%	\$ 500,000.00	\$ 477,270.00
	11/2/2016	3130A9RZ6	Federal Home Loan Bank (FHLB)	4/28/17 - qtrly	10/28/2021	12.28%	1.020%	\$ 1,000,000.00	\$ 978,490.00
								\$ 8,110,277.22	\$ 7,952,082.22
								Total	\$ 13,366,806.54
								Total Restricted	\$ -
								Total Unrestricted	\$ 13,366,806.54

YTM = Yield to Maturity
qtrly = quarterly
cont. = continuous

Consultant Expenses
March 31, 2018

Fiscal Retainer Contracts

Consultant	Description	Current Month	Paid to date	Budget/Contract Amount	Percent of year (75%)
Meyers Nave Professional Law Corp	Task orders	27,532	167,120	205,000	81.52%
Solutions by BG, Inc.	Task orders	11,220	101,435	127,920	79.30%
Infinite IT Solutions Inc.	Task orders	14,195	20,355	250,000	8.14%

Major Contracts

Consultant	Description	Current Month	Paid to date	Budget/Contract Amount	Percent of Contract
Eaton Pumps Sales & Service	Well 1D Rehab		\$87,718	86,968	100.86%
HDR Engineering, Inc.	Water Rate Study		\$31,308	77,370	40.47%
Norwood Construction Services	Meeting & I.T. BLDG	10,338	\$530,758	558,498	95.03%

**Elk Grove Water District
Major Capital Improvement Project
Budget vs Actuals
March 31, 2018**

Capital Project	Total Project Budget	Total Project Exp to Date	Percent Spent	Capitalized Labor	Fund Type	Project Type	2017-18 Budget		Mar Project Exp	Total YTD (1)	YTD % Spent
							Budget	Project Exp			
Radio Antennas	\$80,000	4,354	5.44%	\$0	CIP	Treatment	\$80,000	3,141	4,354	5.44%	
Well 8 Pump Replacement	\$100,000	3,609	3.61%	\$0	CIP	Treatment	\$100,000	-	3,609	3.61%	
RRWTF Modular Meeting Room/IT Center	\$591,568	596,947	100.91%	\$810	CIP	Building and Site	\$550,000	17,692	555,379	100.98%	
Fiber Optic Cable	\$135,000	119,364	88.42%	\$645	CIP	Building and Site	\$0	720	720	#DIV/0! (2)	
Service Line Replacements	\$500,000	400,914	80.18%	\$31,285	CIP	Supply/Distribution	\$250,000	7,912	41,250	16.50%	
Well 1D Pump Replacement	\$64,000	38,280	59.81%	\$0	CIP	Supply/Distribution	\$0	-	3,248	#DIV/0! (2)	
Truck Replacements	\$100,000	22,647	22.65%	\$0	CIP	Building and Site	\$100,000	-	22,647	22.65%	
Backyard Water Mains/Service Replacement	\$138,000	-	0.00%	\$0	R&R	Supply/Distribution	\$138,000	-	-	0.00%	
Well Rehabilitation (One Year)	\$93,000	97,914	105.28%	\$0	R&R	Supply/Distribution	\$93,000	-	97,914	105.28%	
Kent Street Water Main	\$280,000	208,334	74.40%	\$87,032	R&R	Supply/Distribution	\$280,000	2,923	208,334	74.40%	
Emerald Vista Water Main Relocations	\$0	12,609	#DIV/0!	\$6,256	R&R	Supply/Distribution	\$12,609	12,609	12,609	100.00% (3)	
Media Replacement Filter Vehicles	\$100,000	122,031	122.03%	\$9,088	R&R	Treatment	\$50,000	227	66,887	133.77%	
Well 9 Fence Replacement	\$15,000	4,814	32.09%	\$0	R&R	Building and Site	\$15,000	-	4,814	32.09%	
Unforeseen Capital Projects	\$100,000	-	0.00%	\$0	-	-	\$87,391	-	-	0.00% (3)	
Sub-Total	\$2,296,568	1,631,817	71.05%	\$135,116			\$1,756,000	45,224	1,021,764	58.19%	

(1) Includes \$135,116 in capitalized labor through 3/31/18

(2) Capital projects budgeted for in prior years, however, work carried over and completed in current year.

(3) Unexpected project in current year. Will be offset against Unforeseen Capital Projects budget.

April 18, 2018

TO: Chairperson and Directors of the Florin Resource Conservation District
FROM: Stefani Phillips, Board Secretary
SUBJECT: **COMMITTEE MEETINGS**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors accept the minutes of the Community Advisory Committee Meeting and the Finance Committee Meeting held on Thursday, March 22, 2018.

SUMMARY

The Board has requested a monthly summary of committee meetings. There were two (2) committee meetings in the month of March. The Community Advisory Committee (CAC) and the Finance Committee (FC) both met on Thursday March 22, 2018 to discuss the 2018-2022 Water Rate and Connection Fee Study.

DISCUSSION

Background

At the Regular Board Meeting held on May 27, 2015, the FRCD Board of Directors determined that the committee meeting minutes will be brought to the FRCD Regular Board Meeting and placed under agenda item Committee Meetings. The agenda item Committee Meetings, were placed after Consent Calendar for approval. This item may be moved within the agenda, if necessary, by direction from Chairperson. The committee meeting minutes shall be accepted by the FRCD Board of Directors.

Present Situation

Two committee meetings were held in the month of March. The CAC met for their fourth meeting on Thursday, March 22, 2018 (Attachment 1). The FC met for its third meeting also on Thursday, March 22, 2018 (Attachment 2). Both meetings met to discuss the 2018-2022 Water Rate and Connection Fee Study.

Meeting attendees at the CAC meeting include CAC members, Associate Board Members Ken Strom and Shahid Chaudhry, Shawn Koorn, Water Rate Consultant, and Kevin Lorentzen, Water Rate Consultant, HDR, and several staff members.

AGENDA ITEM No. 3

COMMITTEE MEETINGS

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Meeting attendees at the FC meeting include the full FRCD Board of Directors, Trevor Taniguchi, Legal Counsel, Meyers Nave', Shawn K Koorn, Water Rate Consultant, and Kevin Lorentzen, Water Rate Consultant, HDR, and several staff members.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

This item is in keeping with the District's Business Practice goals of the 2012-2017 Strategic Plan.

FINANCIAL SUMMARY

There is no financial impact associated with this item at this time.

Respectfully Submitted,



STEFANI PHILLIPS,
BOARD SECRETARY

Attachments

**COMMUNITY ADVISORY COMMITTEE MEETING MINUTES
OF THE FLORIN RESOURCE CONSERVATION DISTRICT/
ELK GROVE WATER DISTRICT**

Thursday, March 22, 2018

Attendance:

Committee Members Present: Robert Blank, Gary Crotwell, Robert Stresak, Ken Strom, Shahid Chaudhry and Dwight Weathers
Staff Present: Mark J. Madison, General Manager; Patrick Lee, Finance Manager; Stefani Phillips, Board Secretary; Bruce Kamilos, Associate Civil Engineer; Donella Murillo, Finance Supervisor; Sarah Jones, Program Manager; and Amber Parker, Administrative Assistant II (Confidential)
Consultants Present: Shawn Koorn, HDR Consulting, Inc.; Kevin Lorentzen, HDR Consulting, Inc.

1. 2018-2022 Water Rate and Connection Fee Study

General Manager Mark J. Madison opened the meeting and shared the itinerary before giving the floor to Shawn Koorn, HDR Consulting Inc. Mr. Koorn provided information to the Community Advisory Committee (CAC) on the process of moving forward with the 2018-2022 Rate Study.

Escalation Factors

The consultants developed three (3) basic Model Escalation Factor Scenarios associated with the District's Operational expenses to look at revenue projection (growth) and cost inflation (escalation of expenses):

1. Low Inflation/High Customer Growth
 - Customer Growth increase at 1% annually
 - Average of all expenses increase at 3% annually
2. Medium Inflation/Medium Customer Growth
 - Customer Growth increase at 0.5% annually
 - Average of all expenses increase at 3.8% annually
3. High Inflation/Low Customer Growth
 - Customer Growth increase at 0% annually
 - Average of all expenses increase at 4.6% annually

Discussion occurred on the factors that are included in the scenarios. Mr. Koorn specified that the scenarios are based on all the different cost components that the District incurs. He pointed out that all of the factors in the escalation of expense categories increase at different rates and while reviewing the rate study, changes may need to be made. The consultants expect the medium scenario to be the closest guess at this point considering that the low and high scenarios are extremes.

Associate Director Shahid Chaudhry declared that looking at potential income growth first and then potential expenses make it easier to understand the escalation factor scenarios because

there is probably not going to be much growth in Region (1) of the Elk Grove Water District (EGWD), so the medium scenario is probably the most realistic.

Robert Stresak asked the consultants if the three (3) labor escalation estimates assume a growth in the labor force or an increase in Retirement/Other Post-Employment Benefits (OPEB). Kevin Lorentzen, HDR Consulting Inc. informed Mr. Stresak that the District currently has a stable number of Full Time Employees (FTE). Discussion occurred regarding the EGWD labor force, retirement and benefits.

Mr. Madison stated the biggest factors to be focusing on for the Rate Study are retirement and medical costs. He went over how the medical cap and medical costs work for the EGWD employees.

Mr. Koorn mentioned medical costs are a challenge for many Utilities because the California Public Retirement System (CalPERS) costs are going up by 8% each year. He mentioned that the cap the District currently has on its medical benefits is helpful when it comes to future costs.

The purchased water expense was also brought up, as it is a cost factor that the District has no control over. A discussion occurred regarding the Wholesale Water Agreement with Sacramento County Water Agency (SCWA). Robert Blank informed the CAC of his findings on the SCWA water agreement and his answer was that he could not find much information because it was all hidden or missing.

After discussing the factors, Mr. Madison stated the medium estimate is probably the closest scenario with the exception of changing the purchased water cost factor to a higher percentage. He mentioned the District has a meeting with Don Nottoli and the Sacramento County Board of Supervisors to discuss the SCWA wholesale water charges. Further discussion ensued on this topic.

Mr. Koorn mentioned that the District is going to give notice to the customers and set the maximum rate for a five (5) year period. Through Proposition 218, the District will show what the maximum rates are going to be over that time period, whether it be one (1) year, three (3) years, or five (5) years. The goal is to be as close as possible in the Rate Study so the District does not have to use reserves or go through another Proposition 218 process to increase rates.

Graphs showing the Operations and Maintenance (O&M) Escalation Factor Scenarios and Revenue Escalation Factor Scenarios over the next ten years were discussed. Mr. Madison asked the Community Advisory Committee (CAC) if the numbers and scenarios they were seeing makes sense and felt right. Mr. Chaudhry said the medium scenario makes sense in relation to his earlier comment. Mr. Blank asked for a graph that blends both the O&M Escalation Factor Scenarios graph and Revenue Escalation Factor Scenarios graph together. Mr. Koorn stated they have one that can be presented.

HDR Consulting, Inc. will be aiming for the middle scenario for the rest of the Rate Study and will report back if any assumptions are changed.

Private Fire Service Charge

Mr. Koorn gave background information on what the private fire service charge is and who it affects, mentioning that most Utilities have this charge. After discussing with District legal counsel, it was determined that it is more equitable and defensible to have a private fire service charge. HDR Consulting recommends that the EGWD continues charging a private fire service charge.

Mr. Madison mentioned to the CAC that with some research it shows that the District is the norm and not the exception with this charge. He mentioned that legal counsel stated it is far more justifiable to have this charge because if not, the rate payers are subsidizing with no benefit.

With that said, Mr. Madison informed the CAC that the District will make a strong recommendation to continue charging for private fire service. The CAC generally agreed.

Inactive Accounts

Mr. Koorn gave background about inactive accounts and how the District handles the customer accounts. After sitting down with legal, it is confirmed that the District can only charge a customer if they have paid a connection fee, have an account with EGWD, and have not requested shut off.

Mr. Madison reiterated what Mr. Koorn stated, adding that he had hoped to create something such as a break-out fee; this fee would be a small portion within the fixed fee that correlates with how much the District incurs to keep the fire hydrants going. The fee would still get charged even if there is no bill paid because there is still a service being provided. A discussion followed on the subject.

Fixed and Variable Rate Structure

Mr. Koorn discussed the District's current rate structure, which is a fixed charge and a 2-tier monthly consumption charge with 65-70% of revenue derived from the fixed charge and the other 30-35% derived from consumption. In summary, he stated there is no industry standard for what percentage to collect for fixed and variable charges. There are companies that believe the percentage should be the inverse of what the District currently uses (which would be 30% fixed and 70% variable). The Utilities that use that rate structure were in a world of hurt during the drought and were losing significant revenue due to the state mandate for water conservation.

Mr. Koorn then talked about the fixed and variable cost, mentioning the majority of the District's costs are fixed (86%) and that not all fixed costs are collected through fixed charges.

Mr. Koorn informed the CAC when going through the Rate Study process and to meet Proposition 218 requirements, the consultants have to meet the cost of service analysis principals to determine the fixed and variable revenue needs. Whether it stay with the current 65/35 or a different ratio, it will have to be documented with an explanation of the relevance of the changes made. The four (4) customer classes the analysis looks at are: 1) Residential customers, 2) Non-residential customers, 3) Irrigation customers, and 4) Private Fire customers. The consultants look at why the District incurred certain costs: average day need cost, base cost, extra capacity cost or customer related cost and then it gets allocated to the residential, non-residential and irrigation customers. Doing this gives the cost of service for residential customers, the fixed charge, and tiers one and two for consumption.

Mr. Chaudhry asked what the American Water Works Association's (AWWA) guidelines are for the two tiers the District has for monthly consumption. Mr. Koorn responded that AWWA does not talk about what size the tiers should be, but more of what the Districts goals are for those tiers.

Mr. Madison summarized the meaning of high fixed/low variable and low fixed/high variable. After explaining both, he mentioned that stability is important to him, specifically in droughts. In Mr. Madison's opinion, it is more financially stable for the District to have a high fixed/low variable rate structure. Dwight Weathers stated that he supports Mr. Madison's thoughts, but with the addition

of a conservation component. A good discussion occurred regarding balancing the fixed and variable costs of service, as well as a discussion regarding drought measures.

Mr. Koorn talked about tier 1 and tier 2 and how they were created to capture the average target consumption. He mentioned that there are four (4) ways to create tiers depending on how the District wants to structure them: 1) Uniform, 2) Increasing, 3) Decreasing, and 4) Seasonal. The consultants took those structures and came up with 60 variations. They now have to think about how these numbers play into the fixed and variable and how many dollars are collected from both sides.

The next part of the process is how the District is going to collect this money in relation to fixed and variable percentages. He mentioned that HDR Consulting has to show that it is using generalized approaches to stay in compliance with Proposition 218. Mr. Koorn showed an example and discussion ensued.

Mr. Madison reiterated he prefers little change and then asked the CAC what their opinions are on what changes, if any, to make.

Mr. Blank mentioned that having a fixed rate, means before using one drop of water the customer already has to pay, does not seem fair even though he understands the concept. Mr. Weathers commented that just like a phone service, customers pay a flat rate whether they make a phone call or not so there is some justification when it comes to a fixed fee.

Mr. Weathers also asked if the District has done customer satisfaction surveys before and what the results of those were. Mr. Madison responded there was a customer satisfaction survey completed four (4) years ago and there were some complaints.

Mr. Chaudhry suggests that with having reserves in our back pocket, the District should try using a 60/40 ratio for a few years instead of 65/35.

Mr. Kamilos suggested that the consultants create a model looking at a 60/40 ratio through a five (5) year drought.

Minimal discussion occurred on past rates. The CAC generally agreed with a 60/40 ratio.

Jim Hollinsworth commented as a member of the public, he thinks that a 60/40 ratio is adequate because the public likes to see green grass in Elk Grove whether there is a drought or not and that the District should have mercy on those with strict budgets.

Future Reserves

Mr. Koorn discussed the five reserve funds that the District has: 1) Operating Fund, 2) Capital Improvement Fund, 3) Election Reserve Fund, 4) Future Capital Improvement Reserve Fund, and 5) Future Replacement Reserve Fund. He mentioned there are policies for what the minimum amount the reserves should be, while also giving examples of what the reserves could be used for.

The consultants put together a scenario of what it would look like to use the reserves to delay rate adjustments over a few year time period. In the scenario, Mr. Koorn showed if the District used the reserves for a one-time capital cost and to defer rate increases for two years it should not impact the rates. There are a few caveats that could have an impact on this scenario: 1) reserves fall below target minimums, 2) the District needs to maintain reserves for drought

events or decreased consumption, and 3) the District needs to meet the Debt Service Coverage Ratio. Mr. Koorn mentioned that the District needs to be careful if the reserves are used to offset capital costs or rate adjustments because it can be difficult to “catch up” when rate adjustments are delayed.

Mr. Madison expressed looking at a new administration building. He mentioned it could be done without causing rates to increase, in fact, the rates could be deferred. Mr. Weathers asked what the obsolete date of the building is. Mr. Madison stated that he could not disclose the results of the Needs Assessment, but stated there are three (3) general deficiencies: 1) the customer service capabilities are poor, 2) the board room is not up to par, and 3) there is no more space. A brief discussion occurred regarding a new building. Mr. Blank commented that it is hard to see a new public building go up because most of the time the new buildings are greater than they need to be. He recommends fixing the things that need to be fixed on the current building. Mr. Madison stated there are multiple scenarios that the consultants will create to show if having a new building works or not.

Mr. Hollinsworth commented that the 60/40 rate structure would be a better sale if the public knows that the District is going to try and get a new administrative building. He stated if you are going to take something, give something.

Mr. Madison stated the Connection Fee Study is starting and depending on the results he might need to schedule focus meetings with the Building Industry Association (BIA), the Elk Grove Unified School District, and the Consumes Community Service District (CCSD).

Mr. Weathers suggested having a public committee for the new building.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary
AP/SP

Adjourn to next Community Advisory Committee Meeting: Thursday, April 19, 2018.

**FINANCE COMMITTEE MEETING MINUTES
OF THE FLORIN RESOURCE CONSERVATION DISTRICT/
ELK GROVE WATER DISTRICT**

Thursday, March 22, 2018

Attendance:

Directors Present: Bob Gray, Lisa Medina, Tom Nelson, Sophia Scherman, Jeanne Sabin
Directors Absent: None
Staff Present: Mark J. Madison, General Manager; Patrick Lee, Finance Manager; Stefani Phillips, Board Secretary; Bruce Kamilos, Associate Civil Engineer; Donella Murillo, Finance Supervisor; Sarah Jones, Program Manager
Consultants Present: Shawn Koorn, HDR Consulting, Inc.; Kevin Lorentzen, HDR Consulting, Inc.
General Counsel Present: Trevor Taniguchi, Meyers Nave'

1. 2018-2022 Water Rate and Connection Fee Study

Shawn Koorn, HDR Consulting, Inc. presented the itinerary of the meeting, as well as what will be happening moving forward with the Rate Study.

Escalation Factors

The consultants developed three (3) basic Model Escalation Factor Scenarios associated with the District's Operational expenses to look at revenue projection (growth) and cost inflation (escalation of expenses):

1. Low Inflation/High Customer Growth
 - Customer Growth increase at 1% annually
 - Average of all expenses increase at 3% annually
2. Medium Inflation/Medium Customer Growth
 - Customer Growth increase at 0.5% annually
 - Average of all expenses increase at 3.8% annually
3. High Inflation/Low Customer Growth
 - Customer Growth increase at 0% annually
 - Average of all expenses increase at 4.6% annually

Mr. Koorn mentioned that the ultimate goal is to have the middle scenario be the baseline model as the consultants move forward.

There was a discussion on the different cost component factors that impact the scenarios. Mr. Koorn informed the Finance Committee that the numbers correlating to the cost components presented in the scenarios are not set in stone and can/may change over the course of the meetings depending on what the Community Advisory Committee (CAC) and Finance Committee (FC) decide; he mentioned for instance, the CAC talked about the purchased water component and wanted to increase it from 3.5% to 5% due to the variability that could come from that rate.

Mr. Koorn presented two graphs, the Operations and Expenses (O&M) Escalation Factor Scenarios graph and the Revenue Escalation Factor Scenarios graph, showing what the change is over a 10-year period in all three scenarios. He mentioned that this is important because when it comes to establishing rates for a multiyear period, the consultants want to be as close as possible because they are the maximum rates the District can charge before going through another Proposition 218 process.

Chairperson Tom Nelson asked if there was a discussion about the medical benefits. Mr. Koorn answered that there was an extensive discussion on medical benefits including the cap that is currently in place and the associated issues with the California Public Retirement System (CalPERS) and other post-employment benefits (OPEB).

General Manager, Mark Madison mentioned that the CAC generally felt that the medium inflation figured felt about right. He informed the Finance Committee (FC) that he thinks the medium scenario is a good estimate other than changing the purchased water factor up from 3.5% to 5%. He also mentioned that the model is designed so that all three (3) scenarios (low, medium, and high) can be ran.

Mr. Nelson talked about having a committee meeting to discuss the medical cap.

Director Lisa Medina asked about the purchased water contract. Mr. Madison stated that the District does not have a good relationship with the Sacramento County Water Agency (SCWA) and has a low amount of control on what they decide to charge for water. The District is having a meeting with Sacramento County Board of Supervisor, Don Nottoli to discuss the water charges.

Mr. Madison informed the FC that in the past, the District has used 5% as a standard rule of thumb for the purchased water factor. For the scenarios being looked at in the Rate Study, he mentioned 3% will be for the low scenario, 5% for the medium scenario, and 7% for the high scenario.

Mr. Koorn mentioned CAC member, Robert Blank's comment about creating a graph that blends the O&M Escalation Factor graph and the Revenue Escalation Factor graph together to show what the differential would be between costs and revenue.

Unless there is a change that the committee wants to make, the consultants will move forward with the expected being the medium scenario; the low and high scenarios will also be run to give the Finance Committee a feel of what the change is.

Private Fire Service Charge

Mr. Koorn restated what the private fire service charge is and how it is different from the public fire service charge.

Vice-chairperson Bob Gray commented he has an issue with the definition of "private fire service" because he finds it hard to differentiate residential hydrants from a curb hydrant at a commercial lot. Discussion occurred regarding private hydrants versus public hydrants.

Mr. Madison asked the FC to make the decision on whether the District should continue to charge for private fire services. He mentioned to the Board that after discussion with legal counsel, it is more defensible in court to have the private fire service charge. Mr. Madison stated that the Community Advisory Committee (CAC) wants to continue charging the fee.

After much discussion, the FC's general consensus is to continue charging for Private Fire Services.

Inactive Accounts

Mr. Koorn gave background information about inactive accounts and how the District handles the customer accounts. After sitting down with legal counsel, it was determined that the District can only charge a customer if they have paid a connection fee, have an account with EGWD, and have not requested shut off.

Ms. Medina asked if the Dodd bill has any impact on inactive accounts. Mr. Madison responded that it does not.

Discussion on the subject took place. Mr. Madison stated that by law, the District will not be charging an inactive account fee other than for what is legal. The District is already charging correctly.

Fixed and Variable Rate Structure

Mr. Koorn talked about the District's current rate structure, a fixed charge and the 2-tier consumption charge where the District gets 65-70% of its revenue from the fixed charge and the other 30-35% from the 2-tier consumption charge. In summary, he stated the question is, are these percentages the right numbers or do they need to be changed. He mentioned, there is no industry standard for what percentage to collect for fixed and variable charges. There are companies that believe that the percentage should be the inverse of what the District currently uses (which would be 30% fixed and 70% variable). The Utilities that use that rate structure were in a world of hurt during the drought and were losing significant revenue due to the state mandate for water conservation.

Mr. Koorn then talked about fixed and variable costs, mentioning the majority of the District's costs are fixed (86%) and that not all fixed costs are collected through fixed charges.

Mr. Koorn informed the FC, the consultants are starting to go through the cost of service process by looking at why the District incurs certain costs: average day need cost, peak day need cost, or customer related cost based off the American Water Works Association (AWWA) regulations. This information is taken and helps with properly allocating costs to the residential, non-residential and irrigation customers. Mr. Koorn mentioned that if the District wants to change the fixed/variable percentages, this process is where it needs to be correctly changed so that if the rates are ever challenged, the District can show how it was done. Discussion occurred on the topic.

Mr. Madison shared the viewpoint of the CAC. He mentioned that one committee member is more inclined to stay with where the District is at (65/35). Another member mentioned changing the fixed/variable to 60/40. He also informed the Finance Committee that Bruce Kamilos, Assistant General Manager had the idea to prepare a model based on a five (5) year drought period to see how the 60/40 split would affect the revenues. Staff will bring this model back to the CAC next month for review.

Mr. Koorn showed the committee a residential bill comparison with a 65/35 charge and a 50/50 charge. He explained that with the 50/50 charge it is lower bill at the beginning, but for those who use over a certain amount, the bill will go up significantly. He mentioned that if this happens the District needs to take into consideration the price elasticity of demand, meaning that if the bill goes up, the consumption of water will go down. This change in consumption could lead to the

District not hitting its revenue targets. Mr. Madison explained that the CAC gave no perception that they wanted to view a 50/50 model, but instead view a 65/35 and 60/40 model.

Director Jeanne Sabin asked to go back to the comment that the District's costs are 86% fixed. She wanted to know if wholesale water was included in that cost. Mr. Koorn responded that he split the wholesale water into both the fixed and variable, 55/45 respectively with the idea that even in a drought the District is buying/selling water for uses such as laundry, showers, toilets, etc.

Ms. Sabin also questioned if the District's costs are 86% fixed, wouldn't that be the justification for the fixed/variable. Mr. Koorn responded that the cost of service analysis is not a fixed/variable analysis, it is to show how the District incurs costs and makes it a requirement to quantify why the District has costs in a certain category. A discussion occurred.

A discussion on changing the fixed/variable occurred. Mr. Koorn mentioned that there will be a bill impact on customers with a fixed/variable change – some customer's bills will go up and some will go down. He showed a comparison between the current cost allocations and a preliminary draft cost allocation. This comparison showed the residential and private fire service customer's bill decreasing, while the non-residential and irrigation customer's bill increases. Mr. Madison mentioned that any time there is a structure change there is going to be "winners" and "losers" and based on the preliminary draft, the businesses and irrigators are the "losers"; he informed the Board that he has already called the Cosumnes Service District (CSD) to let them know there may be changes. From these preliminary results, Mr. Madison mentioned that there may need to be some focus groups with irrigators like the CSD if these numbers stand.

Future Reserves

Mr. Koorn discussed the five reserve funds that the District has: 1) Operating Fund, 2) Capital Improvement Fund, 3) Election Reserve Fund, 4) Future Capital Improvement Reserve Fund, and 5) Future Replacement Reserve Fund. He mentioned there are policies for what the reserve minimum amount should be and gave examples of what the reserves could be used for (capital improvements, rate increase deferrals, emergencies, etc.).

Mr. Koorn commented that if the reserves were used for a one-time capital cost and to defer rate increases for two years, it should not impact the rates. He stated that care must be taken if reserves are used to offset rate adjustments because it can be difficult to "catch up" when rate adjustments are delayed.

Mr. Madison shared how he told the CAC, "he could not share the details" about the Needs Assessment of the administrative building.

Vice-chairperson Bob Gray stated he would feel better if the District allocated \$5 million for a one-time use of capital reserves.

The FC asked for information to be brought to the next Finance Committee Meeting on the Proposition 218 process, including posting for public hearing and the public hearing process.

Mr. Koorn went over what the next steps are in the Rate Study process, including the development of the Connection Fee study.

Mr. Madison informed the Board of the upcoming meetings for the months of April, May, and June.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary
AP/SP

Adjourn to next Finance Committee Meeting: Thursday, April 19, 2018.

April 18, 2018

TO: Chairperson and Directors of the Florin Resource Conservation District

FROM: Mark J. Madison, General Manager

SUBJECT: **ELK GROVE WATER DISTRICT OPERATIONS REPORT – MARCH 2018**

RECOMMENDATION

This item is presented for information only. No action by the Florin Resource Conservation District Board of Directors is proposed at this time.

SUMMARY

The Elk Grove Water District (EGWD) Operations Report is a standing item on the regular board meeting agenda.

All regulatory requirements were met for the month of March. 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 EGWD's March 2018 Operations Report.

Present Situation

The EGWD March 2018 Operations Report highlights are as follows:

- **Operations Activities Summary** – Notable items in the activities summary are that the District hung 409 door hangers for past due balances, which resulted in 49 shutoffs. There was 1 water pressure complaint. Upon further inspection, the complaint was not validated.
- **Production** – The Combined Total Service Area 1 production graph on page 13 shows that production during the month of March increased 2.89 percent compared to March 2017, and is 37.49 percent less than what was produced in 2013. The Total Demand/Production for both service areas on page 14 shows that

ELK GROVE WATER DISTRICT OPERATIONS REPORT – MARCH 2018

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customer use during the month of March, compared to March 2013, was down by 29.72 percent.

- **Static and Pumping Level Graphs** – The first quarter soundings are shown and indicate that all of the static water levels in deeper zones have increased as compared to 2013.
- **Treatment (Compliance Reporting)** – All samples taken during the month 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.
- **Preventative Maintenance Program** – The tables included in this section of the report also include certain activities completed to date. Below is a list of out-of-ordinary maintenance work completed in March:
 - Staff identified a solution for moving some analyzer supply and discharge lines at Hampton Village Water Treatment Plant (HVWTP).
 - Staff examined and corrected issues with backwash return pumps at HVWTP.
 - Staff repaired various chemical leaks at HVWTP.
- **Backflow Prevention Program 2018** – There were 80 notices issued for the month. From the initial testing notices 46 devices passed and 3 failed. 2 of those devices have since been repaired and passed. There were 32 secondary notices issued, of which we have received 16 passing tests. There is a total of 16 outstanding devices as of this month, which will require further investigation.
- **Safety Meetings/Training** – There were 3 safety training sessions conducted for the month. Only 2 safety sessions are required by OSHA standards.
- **Service Line Replacement Map** – The District did not install any residential service line in the month of March.
- **Service and Main Leaks Map** – There was 1 service line leak and 1 main leak reported for the month.

ELK GROVE WATER DISTRICT OPERATIONS REPORT – MARCH 2018

Page 3

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

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

MJM/ah

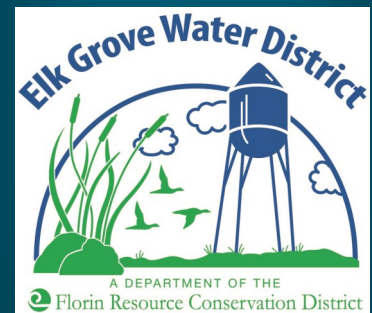
EGWD

OPERATIONS REPORT

March 2018



Elk
Grove
Water
District



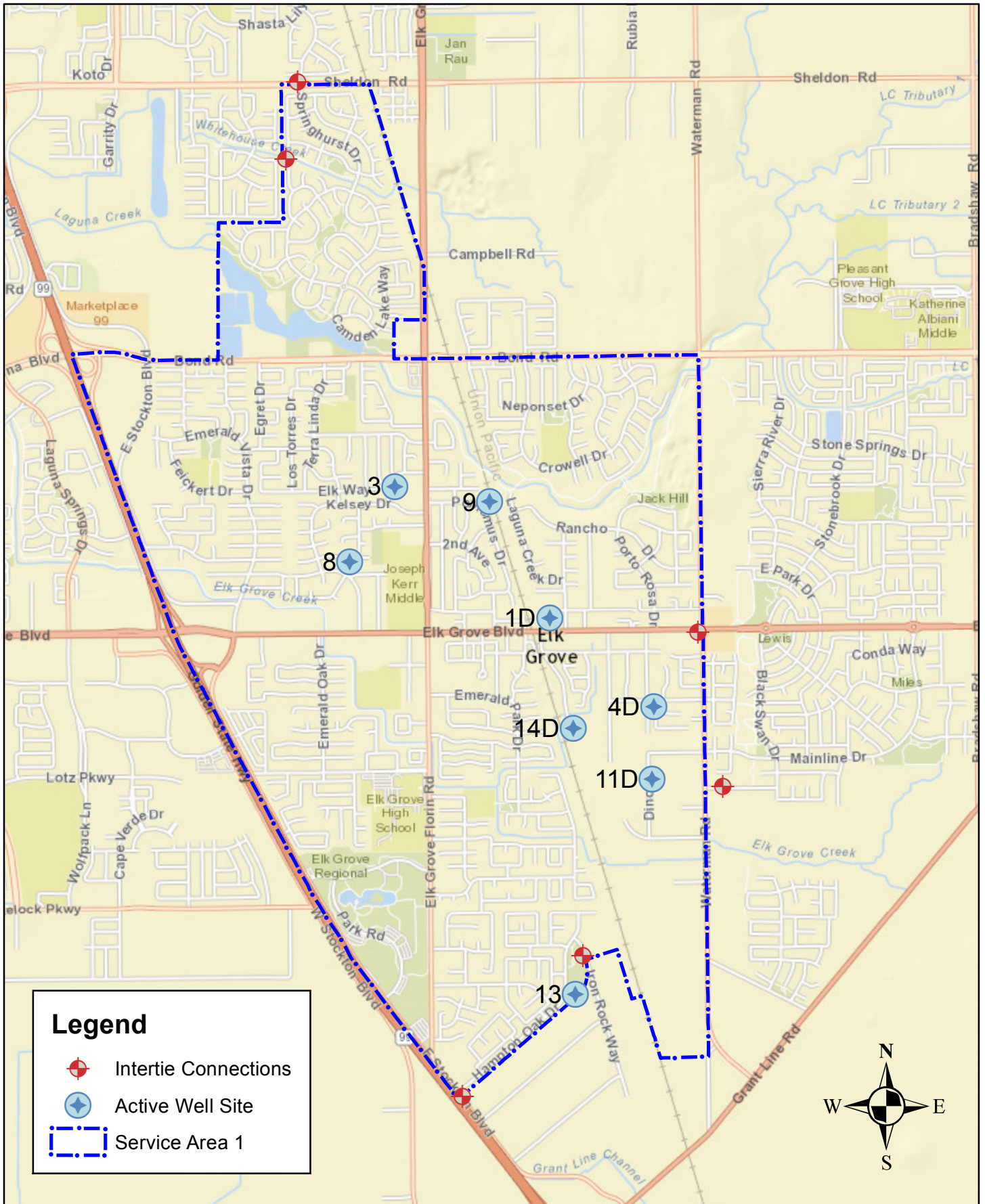
Elk Grove Water District
Operations Report
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Operations Activities Summary

<u>Service Requests:</u>	March-18		YTD (Since Jan. 1, 2018)	
<u>Department</u>	<u>Service Request</u>	<u>Hours</u>	<u>Service Request</u>	<u>Hours</u>
Distribution				
Door Hangers	409	21	1,637	85.25
Shut offs	49	28.50	183	61
Turn ons	53	6.5	207	31.75
Investigations	33	65.25	86	94
USA Locates	213	53.25	532	133
Customer Complaints				
-Pressure	1	0.25	3	1.25
-Water Quality	0	0	1	0.50
-Other	0	0	0	0

<u>Work Orders:</u>	March-18		YTD (Since Jan. 1, 2018)	
<u>Department</u>	<u>Work Orders</u>	<u>Hours</u>	<u>Work Orders</u>	<u>Hours</u>
Treatment:				
Preventative Maint.	32	60	68	148
Corrective Maint.	4	15	26	82
Water Samples	14	40	51	171
Distribution:				
Meters Installed	0	0	0	0
Meter Change Out	30	38	47	48.50
Preventative Maint.				
-Hydrant Maintenance (135)	167	69.50	514	200
-Valve Exercising (120)	153	44	458	133
-Other	0	0	0	0
Corrective Maint.				
-Leaks	2	87.25	6	142.25
-Other	9	44	56	181.50
Valve Locates	0	0	0	0
Utility:				
Service Line Replacement	0	0	30	358.60
Corrective Maint.	0	0	0	0

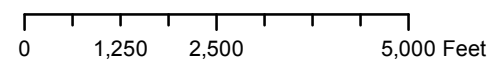


Legend

- ◆ Intertie Connections
- ◆ Active Well Site
- Service Area 1



Active Well Sites & Intertie Connections



Elk Grove Water District



Elk Grove Water District

Monthly Production

Well ID School -- Mar. 2018

Selected Month Production
29,056,793 Gallons

Average GPM:
1,802

Motor:

Volts: 472
 Volts (Rated): 460
 RPM: 1787
 RPM (Rated): 2115
 Amps A: 177
 Amps A (Rated): 222
 Amps B: 179
 Amps B (Rated): 222
 Amps C: 173
 Amps C (Rated): 222

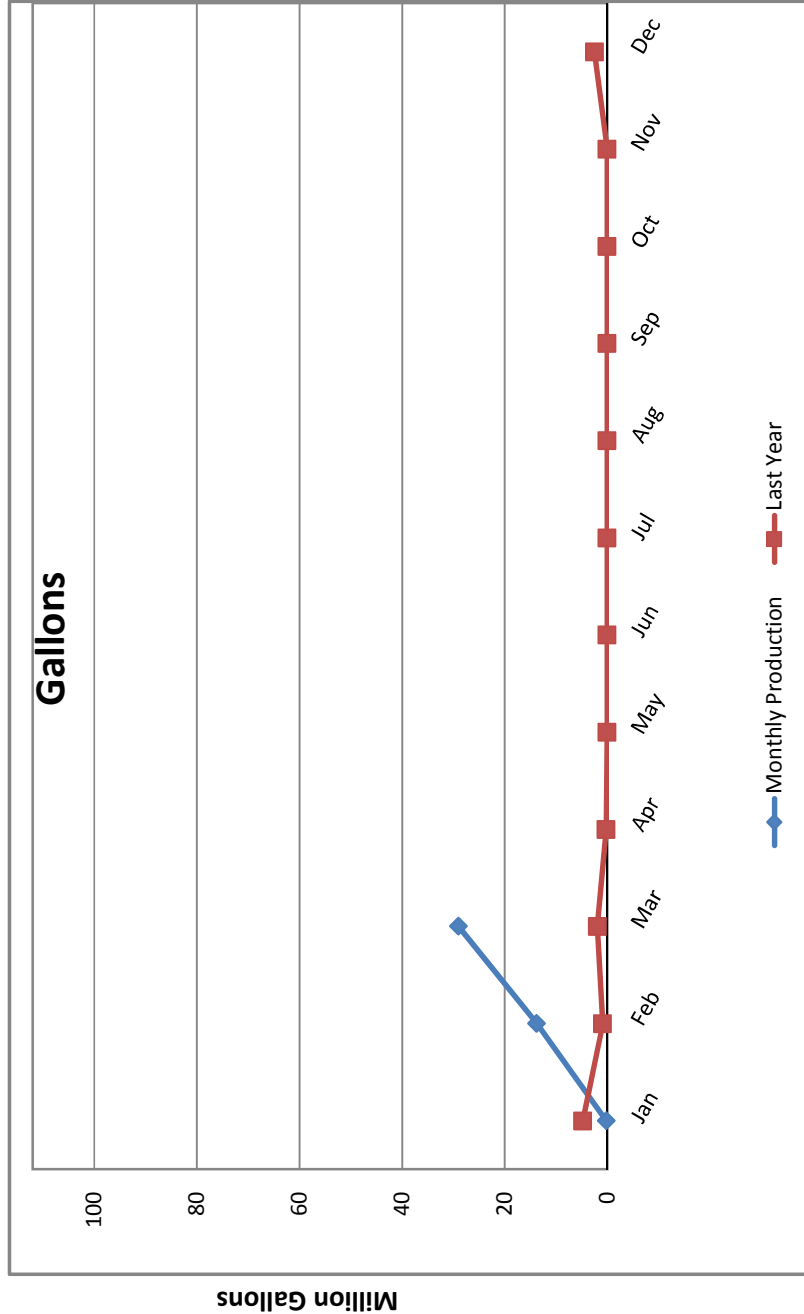
Motor Temp: 89 F
 Hour Meter: 268.70
 KW Hour Total: 33,280.00

Chlorine:

Dosing: 1.74 mg/L
 Demand: 0.97 mg/L
 Residual: 0.73 mg/L

Vibration Reading:

Base Line: 0.05 in/sec
 Current: 0.02 in/sec





Elk Grove Water District

Monthly Production

Well 4D Webb -- Mar. 2018

Selected Month Production
62,952 Gallons

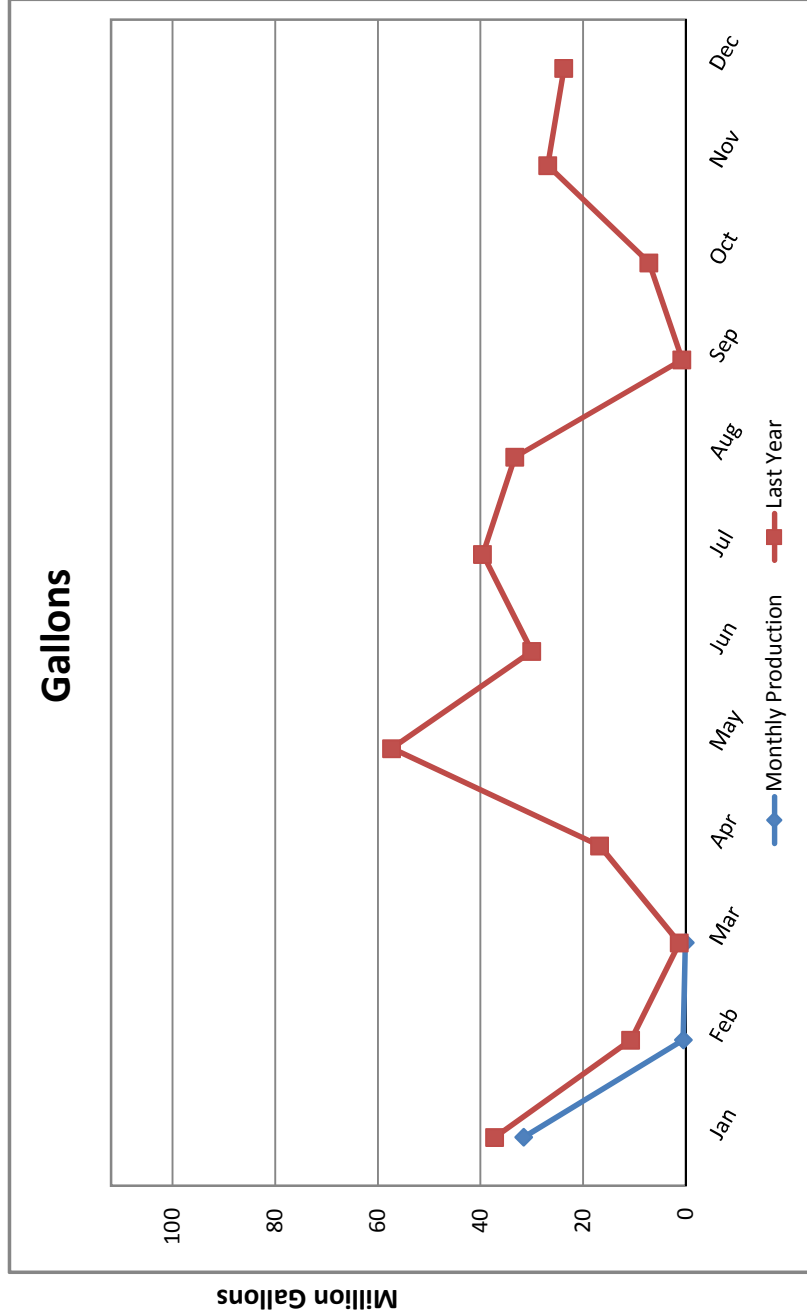
Average GPM:
1,498

Motor:
Volts: 478
Volts (Rated): 460
RPM: 1584
RPM (Rated): 1775
Amps A: 184
Amps A (Rated): 225
Amps B: 183
Amps B (Rated): 225
Amps C: 183
Amps C (Rated): 225

Motor Temp: 100.9 F
Hour Meter: 0.70
KW Hour Total: 1,020.00

Chlorine:
Dosing: 1.99 mg/L
Demand: 0.99 mg/L
Residual: 1.00 mg/L

Vibration Reading:
Base Line: 0.05 in/sec
Current: 0.03 in/sec





Elk Grove Water District

Monthly Production

Well 11D Dino -- Mar. 2018

Selected Month Production
27,530,778 Gallons

Average GPM:
1,697

Motor:

Volts: 479
 Volts (Rated): 460
 RPM: 1596
 RPM (Rated): 1775
 Amps A: 182
 Amps A (Rated): 225
 Amps B: 183
 Amps B (Rated): 225
 Amps C: 185
 Amps C (Rated): 225

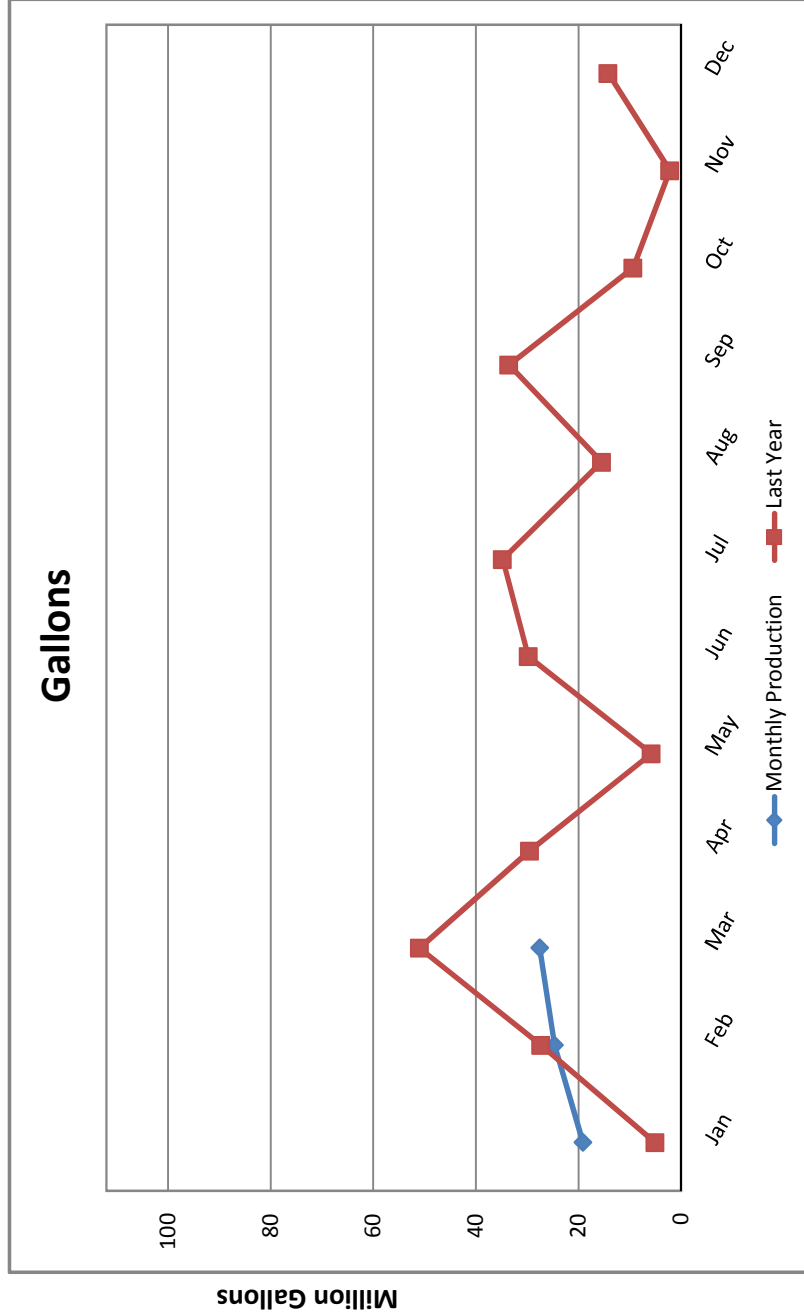
Motor Temp: 129.5 F
 Hour Meter: 270.30
 KW Hour Total: 33,000.00

Chlorine:

Dosing: 1.78 mg/L
 Demand: 1.05 mg/L
 Residual: 0.73 mg/L

Vibration Reading:

Base Line: 0.05 in/sec
 Current: 0.02 in/sec





Elk Grove Water District

Monthly Production

Well 14D Railroad -- Mar. 2018

Selected Month Production
0 Gallons

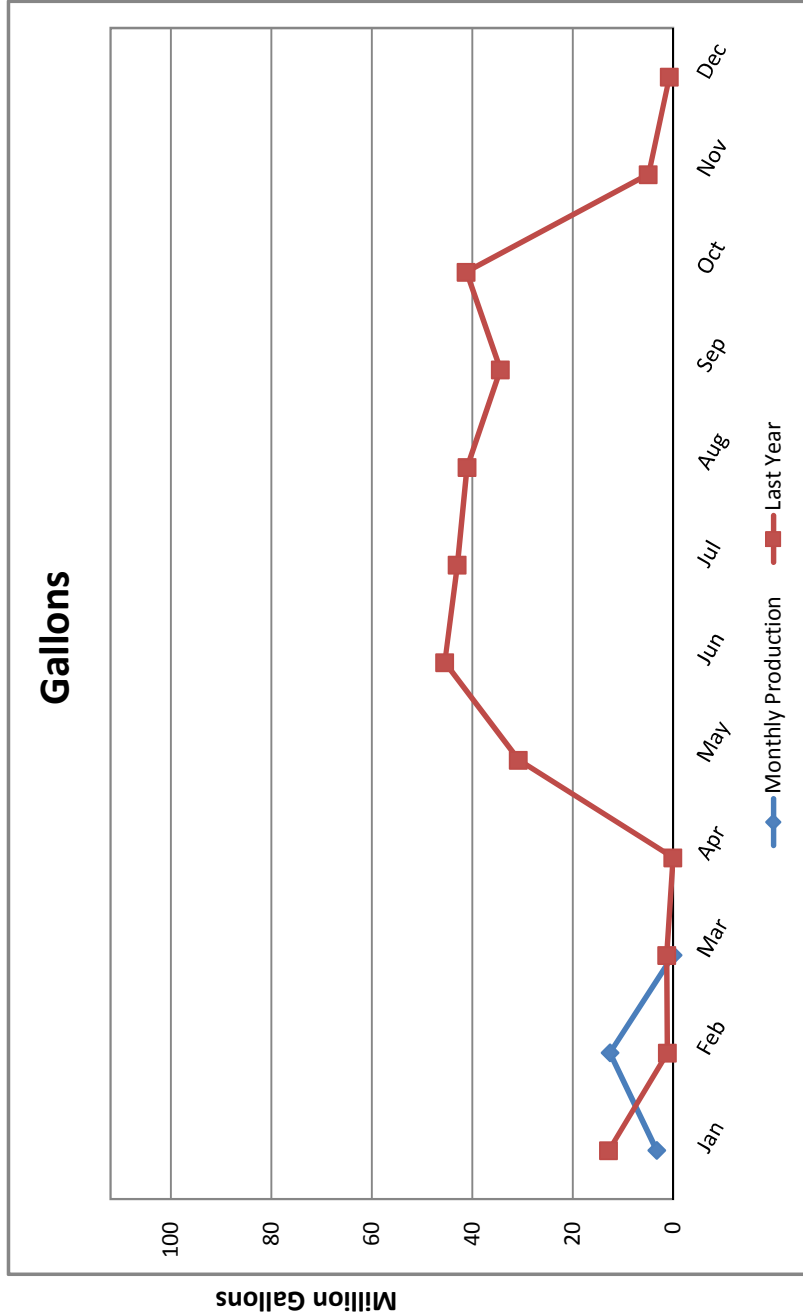
Average GPM: 0

Motor:
Volts: --
Volts (Rated): 460
RPM: --
RPM (Rated): 1785
Amps A: --
Amps A (Rated): 171
Amps B: --
Amps B (Rated): 171
Amps C: --
Amps C (Rated): 171

Motor Temp.: -- F
Hour Meter: 0.00
KW Hour Total: 50,240.00
(KWH total is for the entire facility)

Chlorine:
Dosing: -- mg/L
Demand: -- mg/L
Residual: -- mg/L

Vibration Reading:
Base Line: 0.02 in/sec
Current: -- in/sec





Elk Grove Water District

Monthly Production

Well 3 Mar-Val -- Mar. 2018

Selected Month Production
22,000 Gallons

Average GPM: 733

Motor:

Volts: 479
 Volts (Rated): 460
 RPM: 1776
 RPM (Rated): 1983
 Amps A: 88
 Amps A (Rated): 88
 Amps B: 87
 Amps B (Rated): 88
 Amps C: 88
 Amps C (Rated): 88

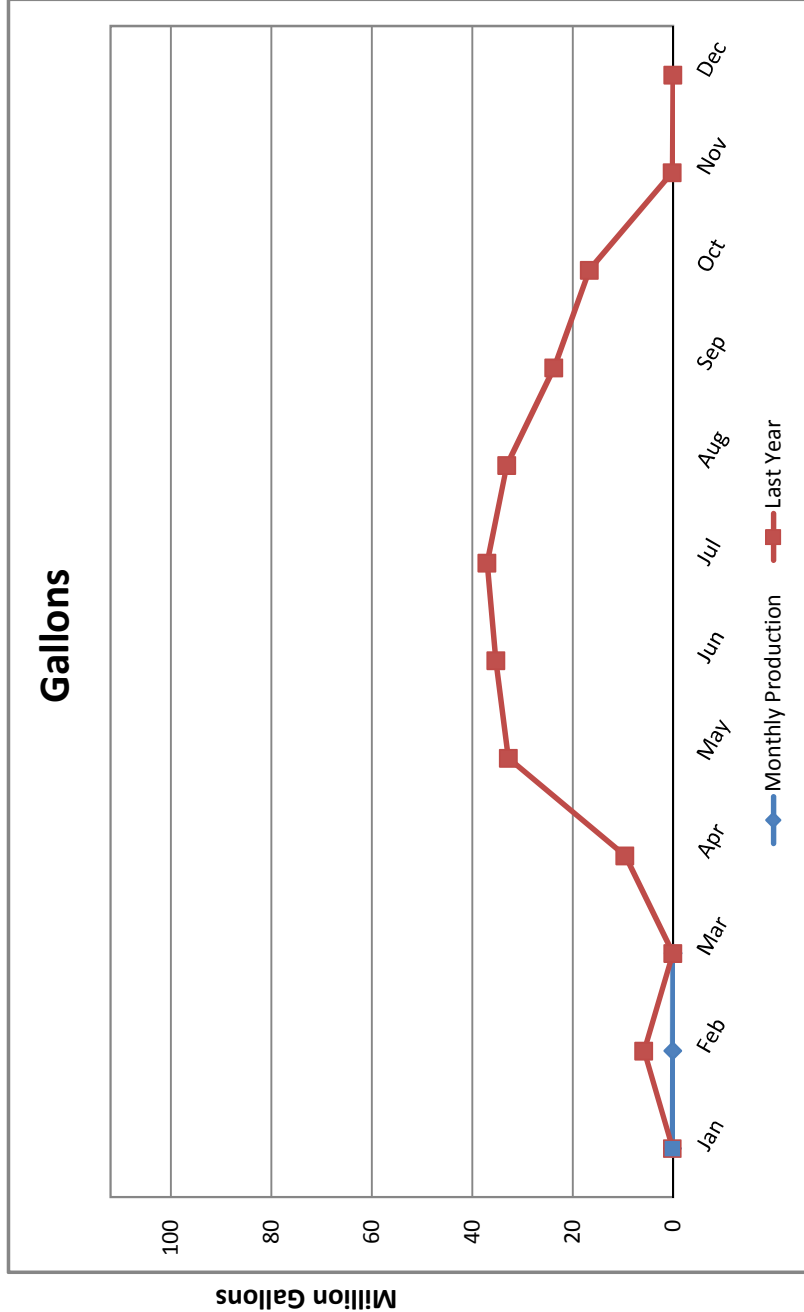
Motor Temp.: 125.2 F
 Hour Meter: 0.50
 KW Hour Total: 144.00

Chlorine:

Dosing: 1.31 mg/L
 Demand: 0.2 mg/L
 Residual: 1.11 mg/L

Vibration Reading:

Base Line: 0.02 in/sec
 Current: 0.08 in/sec





Elk Grove Water District

Monthly Production

Well 8 Williamson -- Mar. 2018
(Well Offline)

Selected Month Production
0 Gallons

Average GPM: 0

Motor:

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

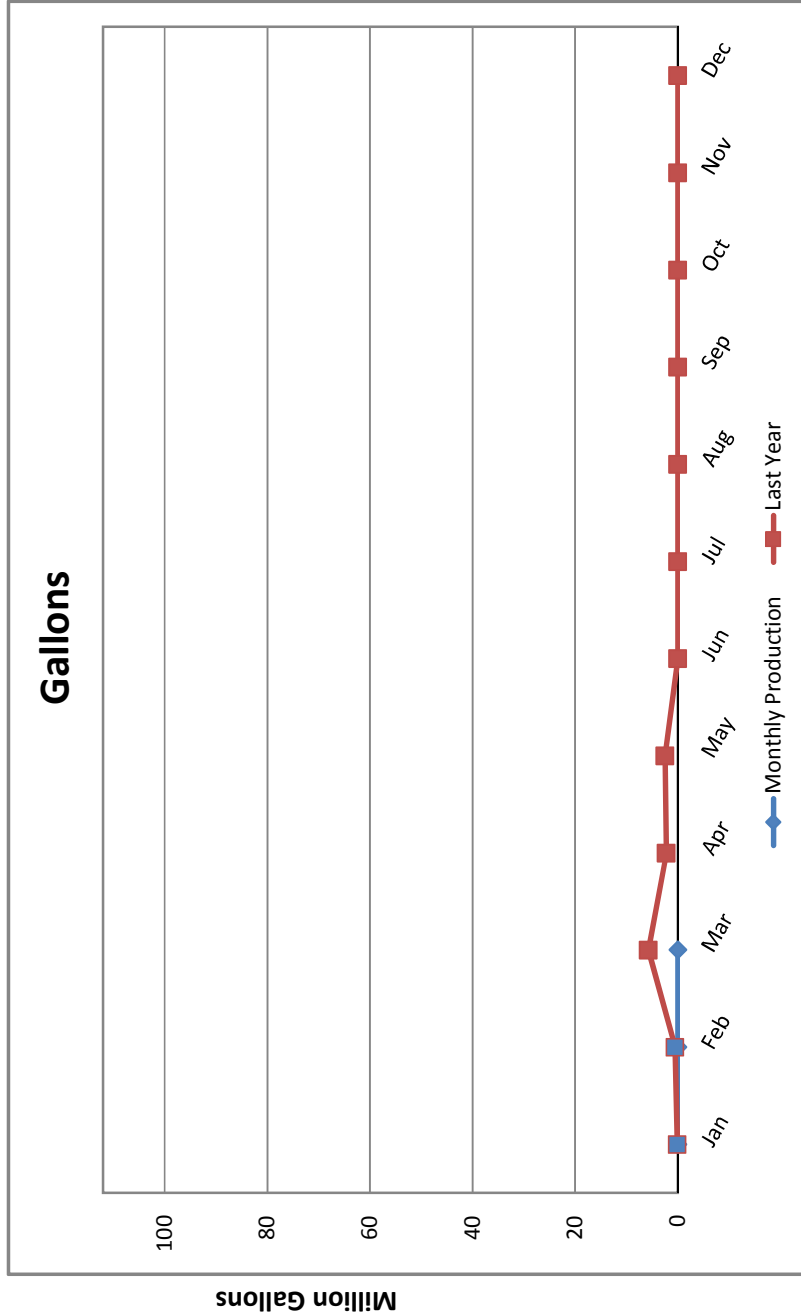
Motor Temp.: -- F
Hour Meter: 0.00
KW Hour Total: 0.00

Chlorine:

Dosing: --
Demand: --
Residual: --

Vibration Reading:

Base Line: 0.03 in/sec
Current: --





Elk Grove Water District

Monthly Production

Well 9 Polhemus -- Mar. 2018
(Submersible)

Selected Month Production
685,000 Gallons

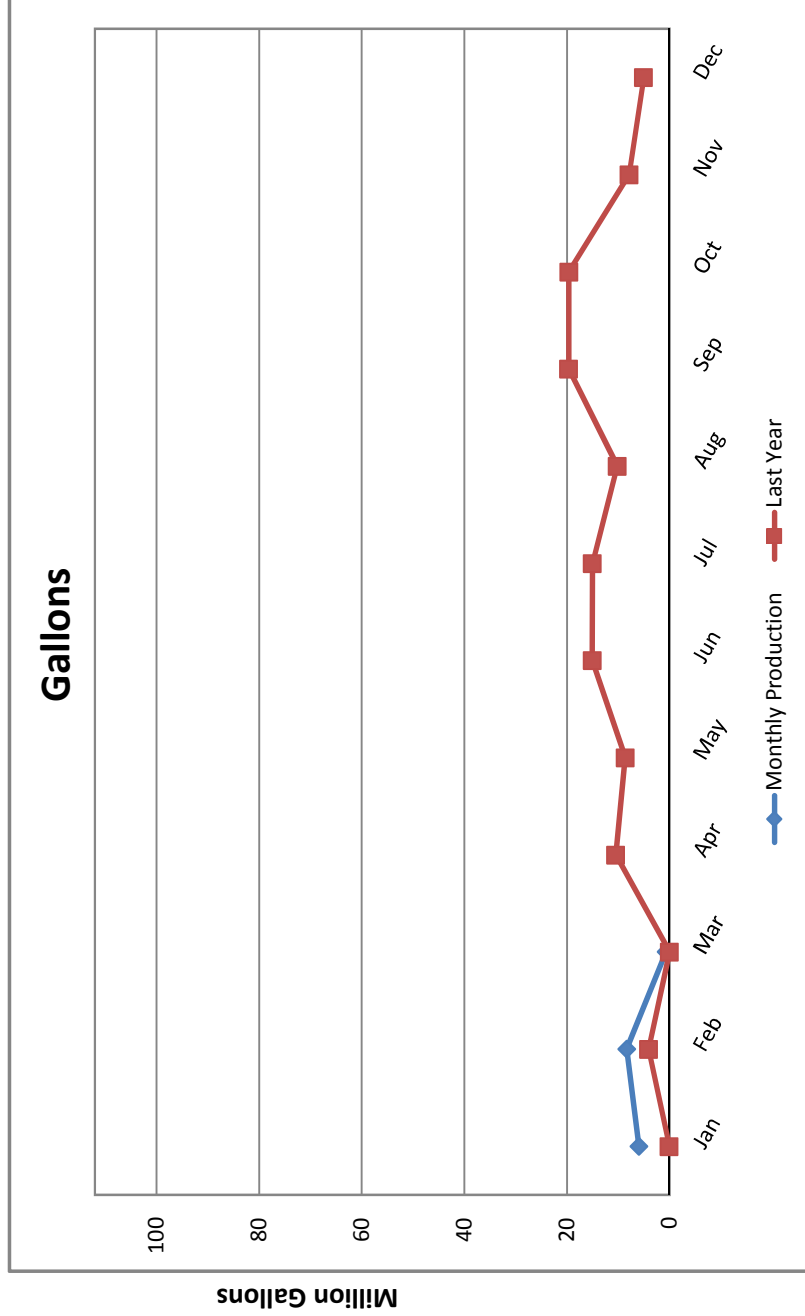
Average GPM: 477

Motor:
Volts: 483
Volts (Rated): 460

Amps A: 58
Amps A (Rated): 65
Amps B: 57
Amps B (Rated): 65
Amps C: 61
Amps C (Rated): 65

Hour Meter: 23.90 F
KW Hour Total: 1,084.00

Chlorine:
Dosing: 1.34 mg/L
Demand: 0.4 mg/L
Residual: 0.94 mg/L





Elk Grove Water District

Monthly Production

Well 13 Hampton -- Mar. 2018

Selected Month Production
5,490,780 Gallons

Average GPM: 964

Motor:

Volts: 480
 Volts (Rated): 460
 RPM: 1785
 RPM (Rated): 1785
 Amps A: 101
 Amps A (Rated): 141
 Amps B: 102
 Amps B (Rated): 141
 Amps C: 104
 Amps C (Rated): 141

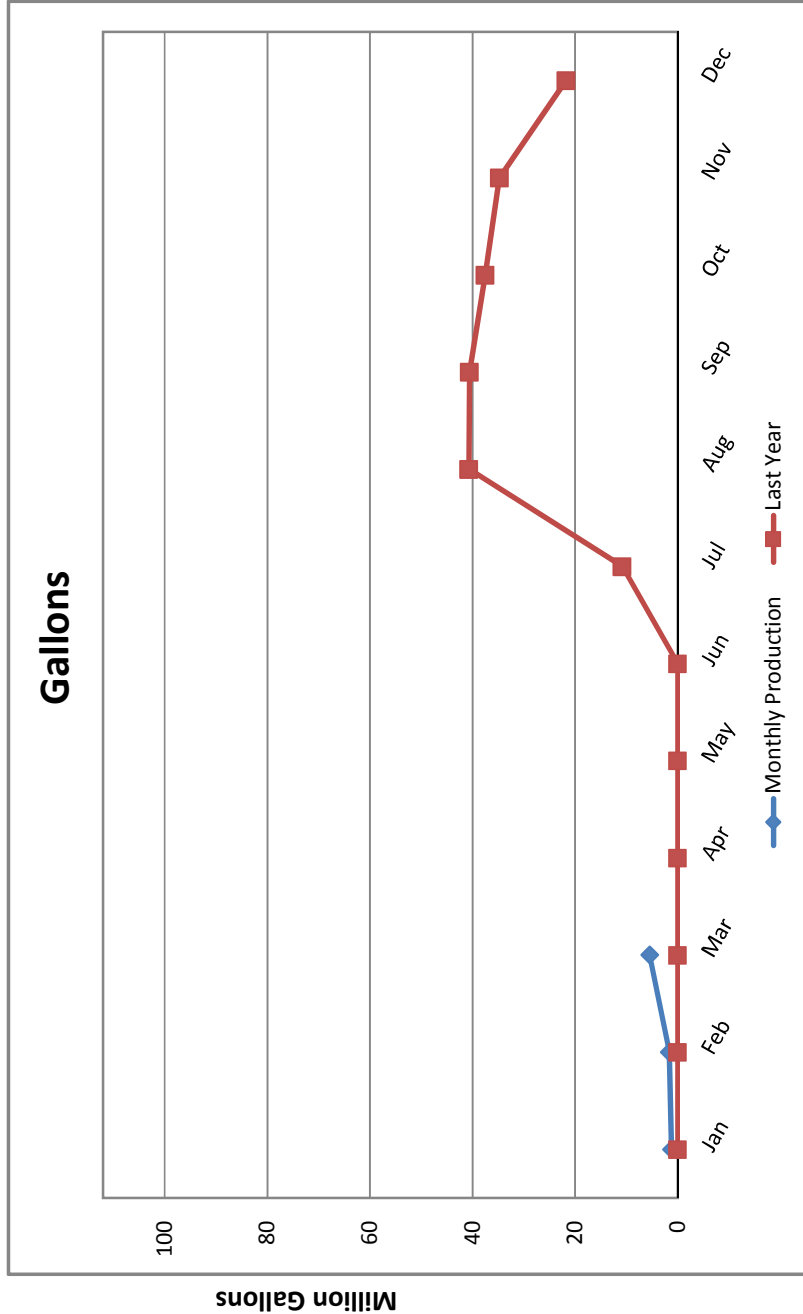
Motor Temp.: 92.6 F
 Hour Meter: 94.90
 KW Hour Total: 8,340.00

Chlorine:

Dosing: 1.34 mg/L
 Demand: 0.4 mg/L
 Residual: 0.94 mg/L

Vibration Reading:

Base Line: 0.02 in/sec
 Current: 0.03 in/sec





Elk Grove Water District

Combined Total Production

Service Area 1

Mar-2018

Current Month Production:

62,848,303 Gallons

Highest Day Demand of the Month:

2,494,811

Date of Occurrence

30-Mar-18

Highest Day Demand of the Calendar Year:

2,656,000

Date of Occurrence

26-Feb-18

"Water Year" Rainfall: (Oct-17 to Sep-18)

Current Month: 5.14 in

Year To Date: 13.36 in

"Water Year" Rainfall: (Oct-16 to Sep-17)

March 2017: 2.38 in

Year To Date: 30.00 in

Last Year Total: 33.08 in

Temperature:

This Month High: 84 F

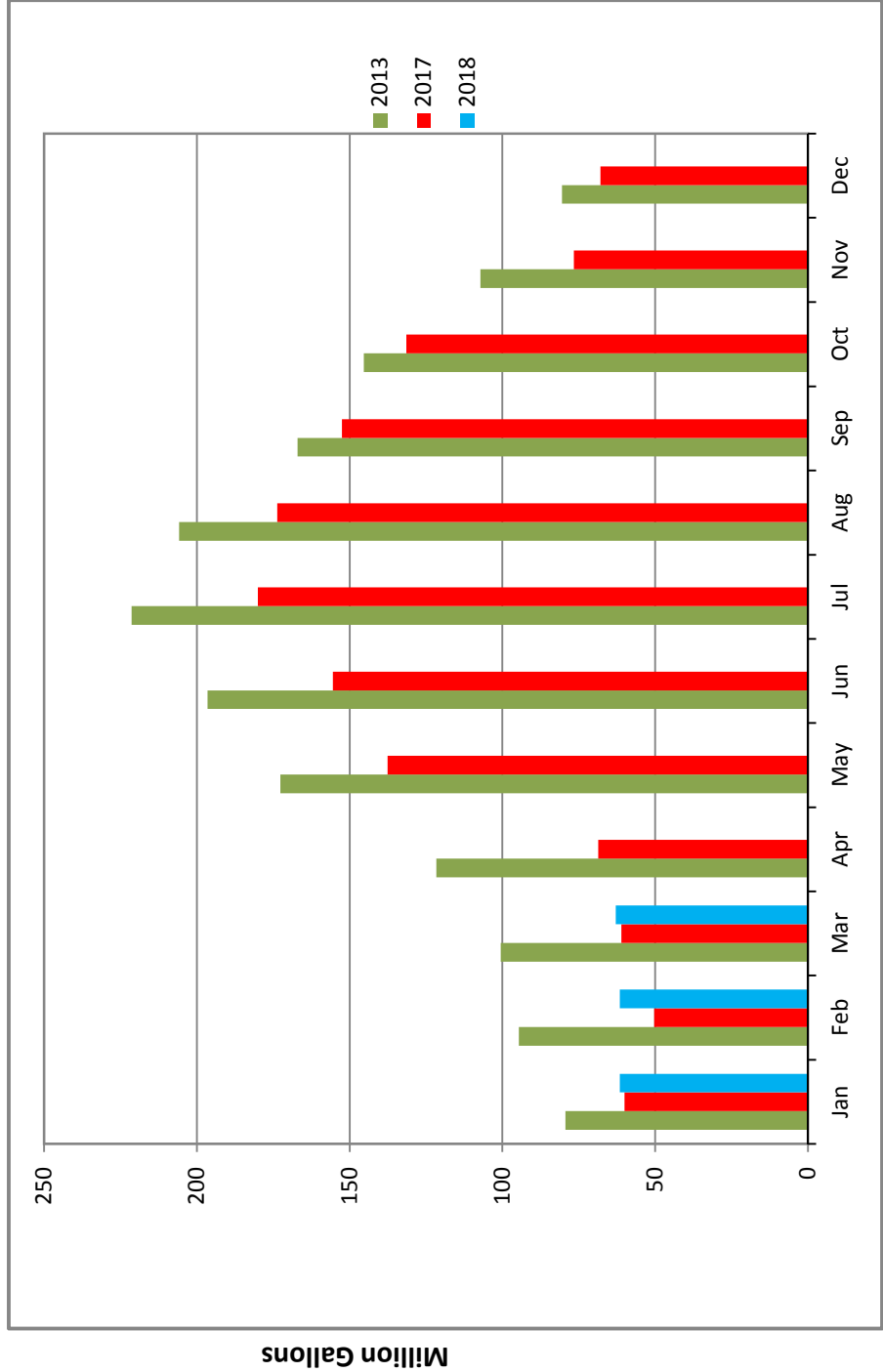
This Month Low: 32 F

This Month Average: 53.2 F

MAR-17 High: 79 F

MAR-17 Low: 34 F

MAR-17 Average: 56.6 F

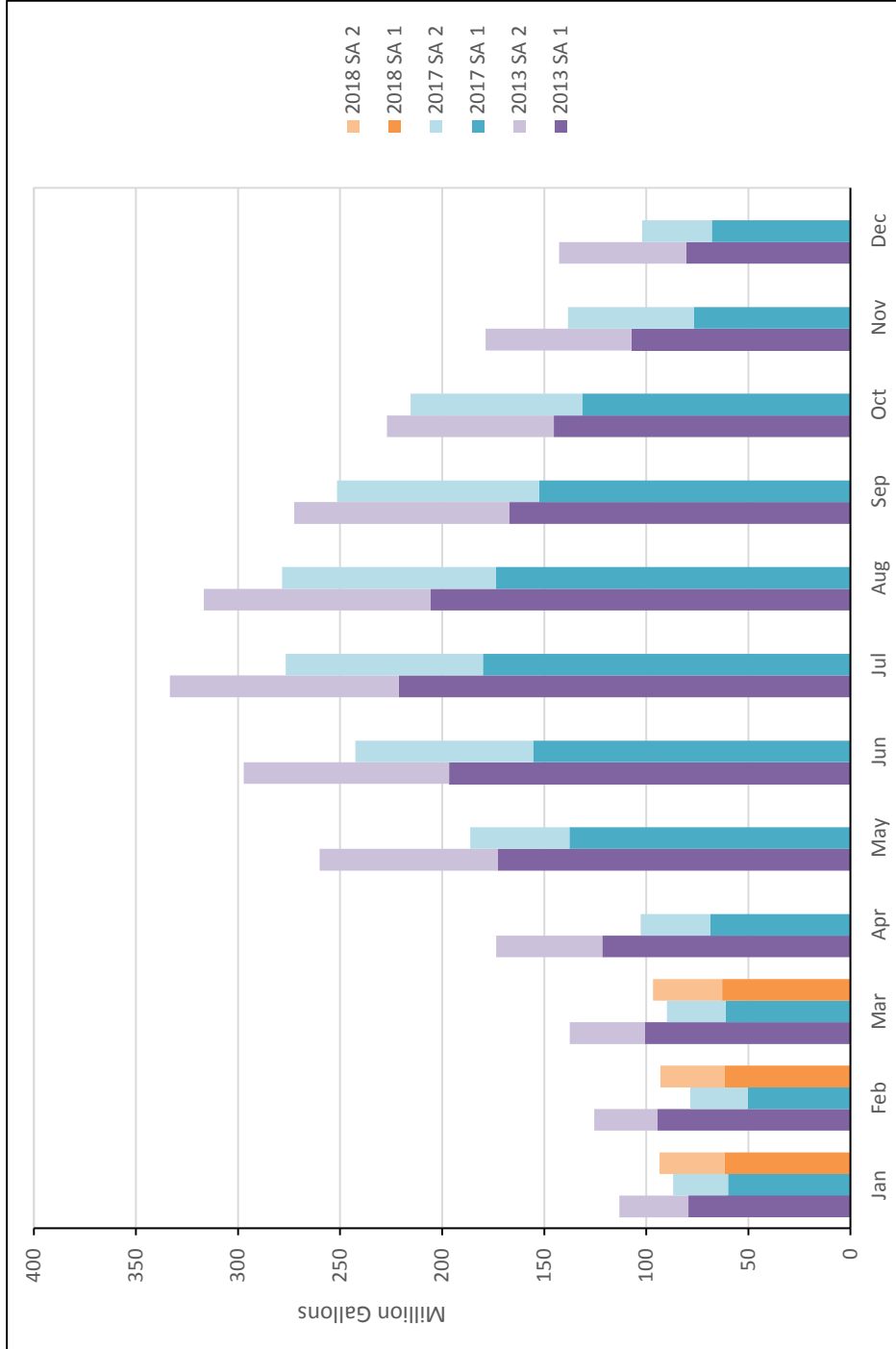




Elk Grove Water District

Total Demand/Production

Mar-2018



Current Month Demand/Production:
96,627,983 Gallons
Reduction From March 2013: 37.49%
GPCD: 69.5 Gallons per Day
R-GPCD: 59.1 Gallons per Day

Service Area 1
Active Connections: 7,921
Current Month Demand/Production:
62,848,303 Gallons
Reduction From March 2013: 37.49%
GPCD: 71.1 Gallons per Day
R-GPCD: 58.3 Gallons per Day

Service Area 2
Active Connections: 4,405
Current Month Demand/Production:
33,779,680 Gallons
Reduction From March 2013: 8.56%
GPCD: 66.8 Gallons per Day
R-GPCD: 60.1 Gallons per Day

Elk Grove Water District Water Usage

		Monthly Production (gallons)											
		January	February	March	April	May	June	July	August	September	October	November	December
2013	GW (SA1)	68,254,916	81,368,191	100,542,522	121,613,523	172,623,839	196,557,137	221,335,388	205,830,850	166,997,536	145,352,530	107,186,459	80,494,167
	Purchased (SA2)	33,769,956	30,929,052	36,942,972	51,911,200	87,470,372	100,709,224	112,128,192	110,885,764	105,417,136	81,665,892	71,505,060	62,165,532
	Total	102,024,872	112,297,243	137,485,494	173,524,723	260,094,211	297,266,361	333,463,580	316,716,614	272,414,672	227,018,422	178,691,519	142,659,699
2015	GW (SA1)	62,684,574	57,365,413	86,489,437	88,984,850	106,158,389	114,555,359	127,038,586	125,052,315	117,883,208	99,385,733	64,079,715	57,508,787
	Purchased (SA2)	28,648,400	30,029,208	36,876,400	51,626,212	52,734,000	62,368,240	71,273,928	75,055,068	70,123,504	63,526,892	46,873,420	34,399,772
	Total	91,332,974	87,394,621	123,365,837	140,611,062	158,892,389	176,923,599	198,312,514	200,107,383	188,006,712	162,912,625	110,953,135	91,908,559
2016	GW (SA1)	54,579,679	53,455,693	56,776,025	80,317,655	110,937,338	148,518,660	164,758,463	159,501,571	140,200,584	99,019,629	63,087,762	59,635,559
	Purchased (SA2)	27,516,676	26,507,624	27,531,636	34,054,196	51,071,196	75,541,268	96,246,656	93,992,184	86,904,136	75,682,640	37,088,084	28,894,492
	Total	82,096,355	79,963,317	84,307,661	114,371,851	162,008,534	224,059,928	261,005,119	253,493,755	227,104,720	174,702,269	100,175,846	88,530,051
2017	GW (SA1)	59,973,881	50,320,832	61,080,559	68,658,752	137,599,305	155,472,951	180,086,739	173,684,119	152,475,400	131,390,808	76,619,642	67,874,741
	Purchased (SA2)	26,951,188	28,184,640	28,756,860	34,167,892	48,653,660	87,003,620	96,535,384	104,766,376	98,979,848	84,154,488	61,788,540	34,228,480
	Total	86,925,069	78,505,472	89,837,419	102,826,644	186,252,965	242,476,571	276,622,123	278,450,495	251,455,248	215,545,296	138,408,182	102,103,221
2018	GW (SA1)	61,547,751	61,558,850	62,848,303									
	Purchased (SA2)	31,925,388	31,512,492	33,779,680									
	Total	93,473,139	93,071,342	96,627,983	0	0	0	0	0	0	0	0	0
% Reduction from 2013		8.38%	17.12%	29.72%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

*Notes

2013 January and February production numbers do not match actually recorded production because of an open intertie delivering water to SA2. Information below is further details.

SA1 = Service Area 1, SA2 = Service Area 2. SA1 is all groundwater (GW) production. SA2 is all purchased water from SCWA.

Actual Recorded Prod. (Jan. 2013) - Service Area 1

79,361,342 gallons (Includes water delivered to SA2 due to open intertie. Intertie closed end of Feb. 2013)

Actual Recorded Prod. (Feb. 2013) - Service Area 1

94,608,406 gallons (Includes water delivered to SA2 due to open intertie. Intertie closed end of Feb. 2013)

To determine estimate of Feb. 2013 production delivered to Service Area 1, use multiplier from March data which is seasonally similar.

Service Area 1 Multiplier = 1.39 (calculated from March 2013 Prod. Data/March 2014 Prod. Data)

Calcd Feb. 2013 Prod. = Feb. 2014 Prod. Data x 1.39 = 79,737,924

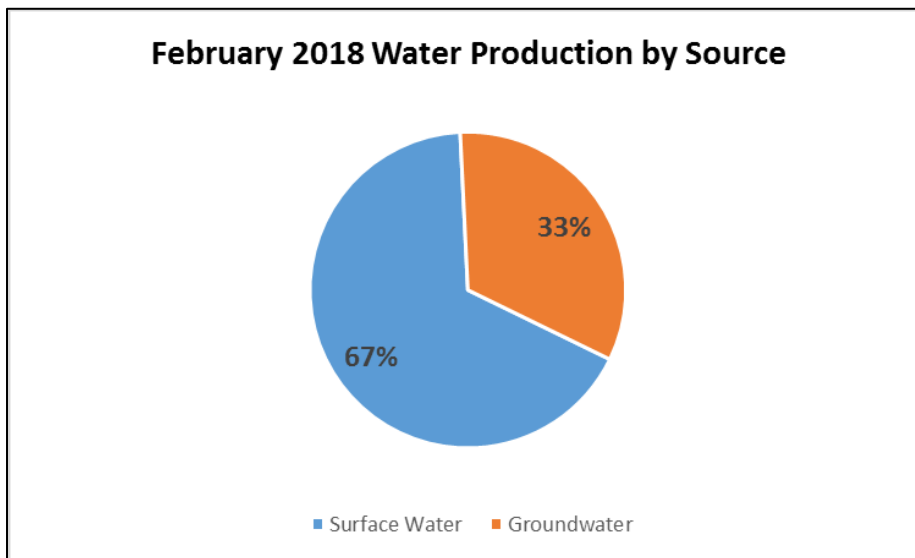
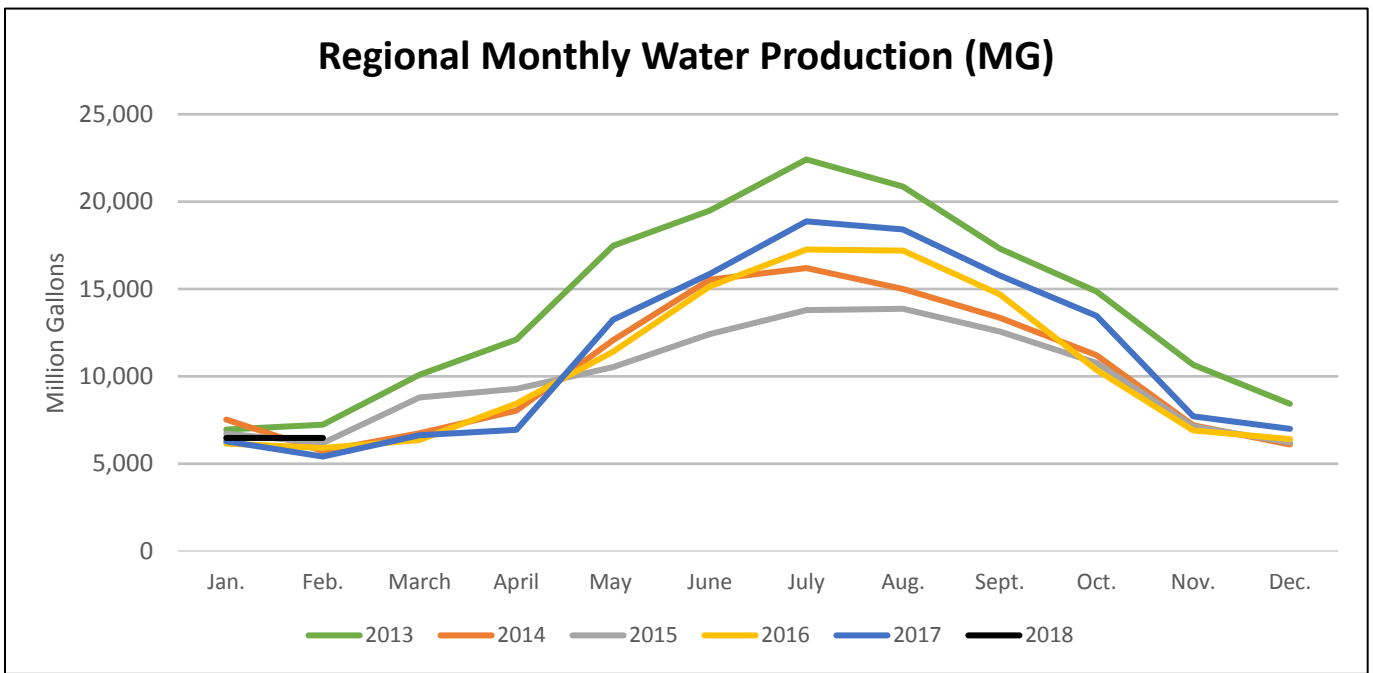
To determine estimate of Jan. 2013 production, use prorated amount from Feb. 2013 data. (This method due to Jan. 2014 being unseasonably hot.)

Calcd Jan. 2013 Prod. = (Feb. 2013 Prod. Data Calcd / Feb. 2013 Prod. Data Actual) x Jan. 2013 Prod. Data Actual = 68,254,916

Service Area 2		Consumption	
2018	# Accts	CCF	Gallons
Jan	4,408	42,681	31,925,388
Feb	4,408	42,129	31,512,492
Mar	4,408	45,160	33,779,680
Apr		0	0
May		0	0
Jun		0	0
Jul		0	0
Aug		0	0
Sep		0	0
Oct		0	0
Nov		0	0
Dec		0	0

Data Summary February 2018

Regional Monthly Water Production (Million Gallons)												
	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
2018	6,471	6,473										
2017	6,285	5,407	6,620	6,943	13,232	15,858	18,870	18,398	15,765	13,454	7,710	6,998
2016	6,154	5,900	6,354	8,435	11,413	15,136	17,257	17,190	14,696	10,357	6,910	6,407
2015	6,714	6,179	8,781	9,282	10,536	12,419	13,789	13,866	12,560	10,759	7,131	6,217
2014	7,528	5,724	6,741	8,034	12,069	15,536	16,196	14,996	13,357	11,201	7,201	6,090
2013	6,953	7,232	10,094	12,105	17,472	19,483	22,413	20,855	17,311	14,848	10,649	8,430

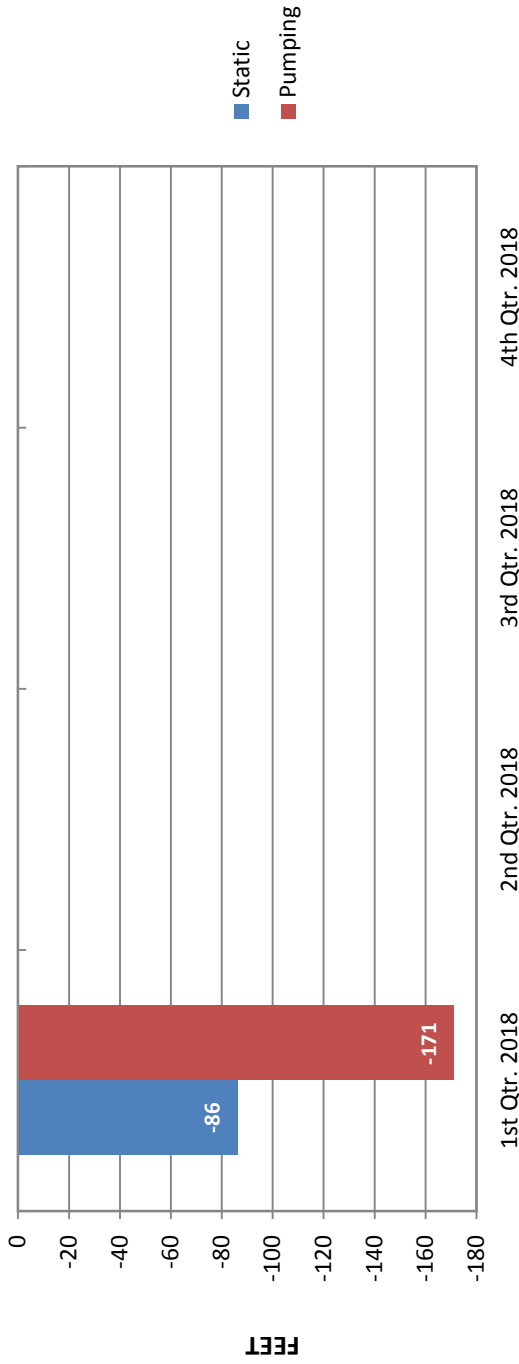




Elk Grove Water District

Static and Pumping Levels

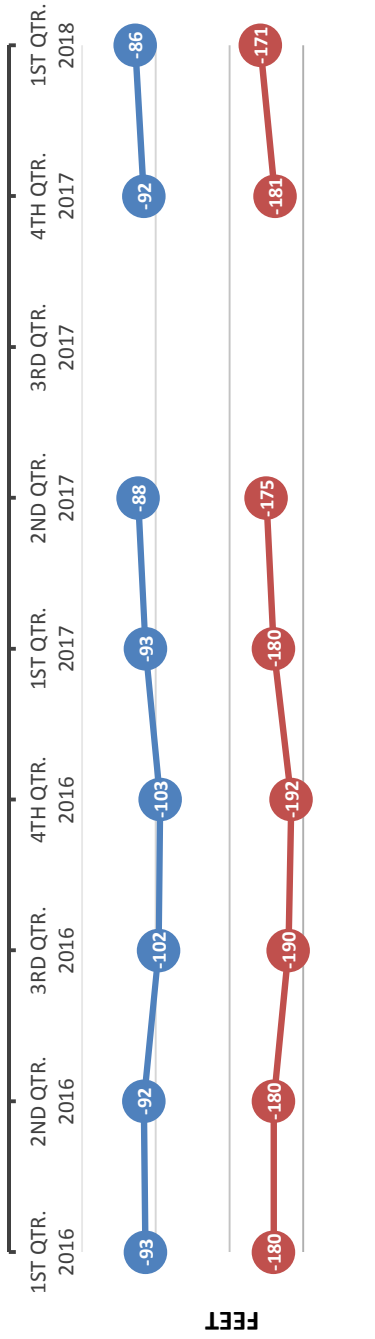
Well 1D School St



Latest Well Sounding

Static: 86 Ft
 Pumping: 171 Ft
 Drawdown: 85 Ft
 GPM: 1,911
 Specific Capacity: 22.482

Sounding Quarter/Year



Latest Sand Tester Results:

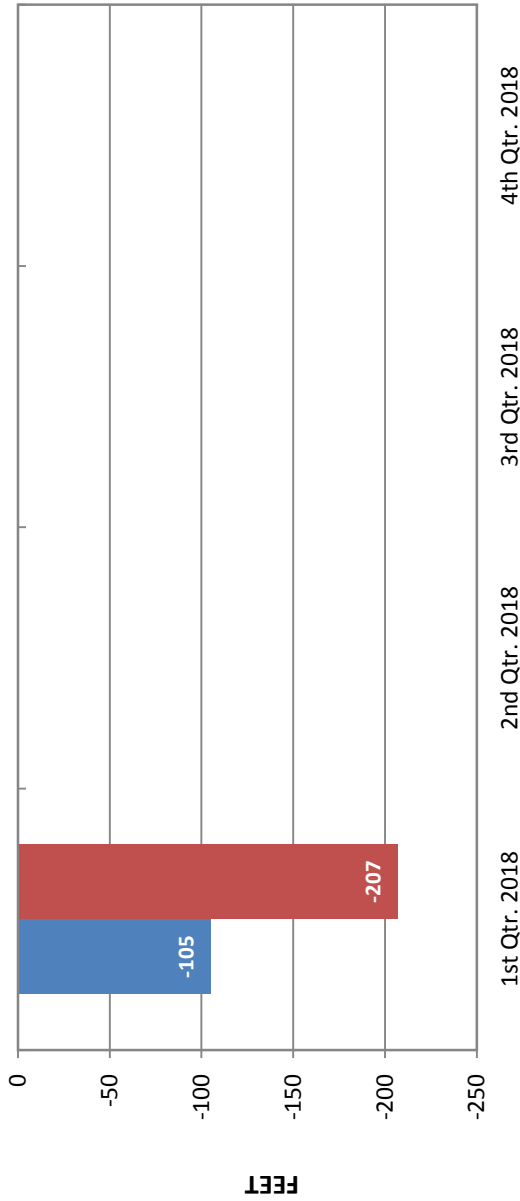
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

Well 4D Webb St

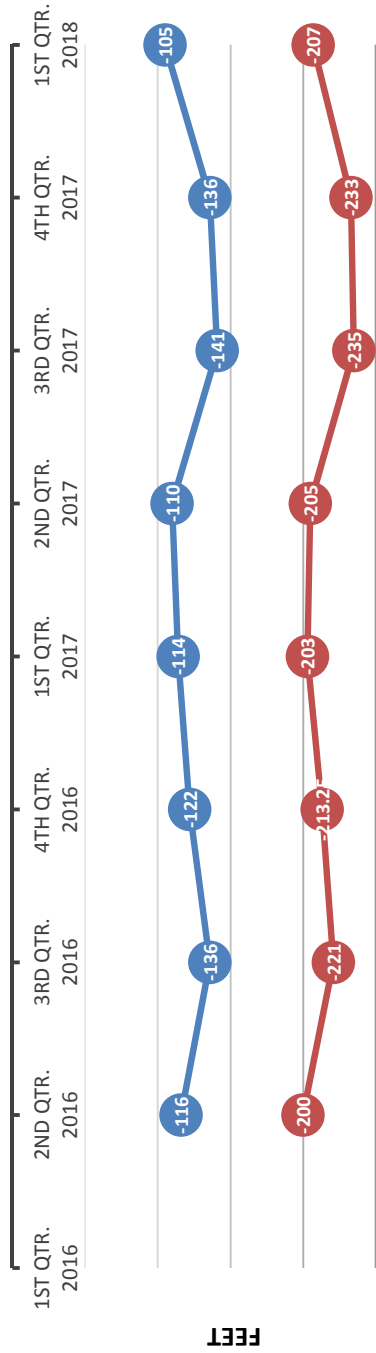


Latest Well Sounding

Static: 105 Ft
Pumping: 207 Ft
Drawdown: 102 Ft
GPM: 1,733.00
Specific Capacity: 16.990

■ Static
■ Pumping

Sounding Quarter/Year



Latest Sand Tester Results:

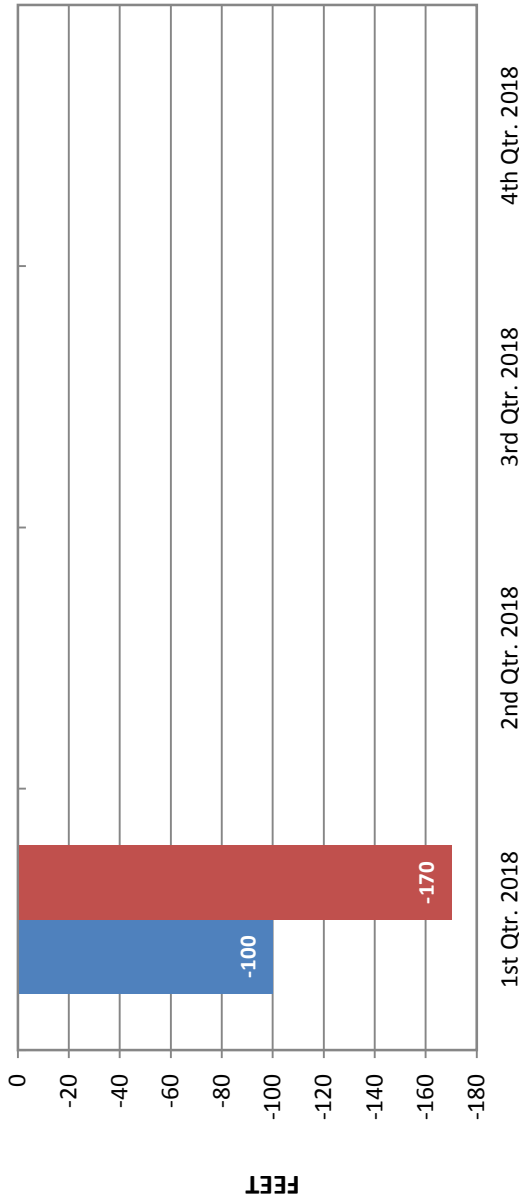
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

Well 11D Dino

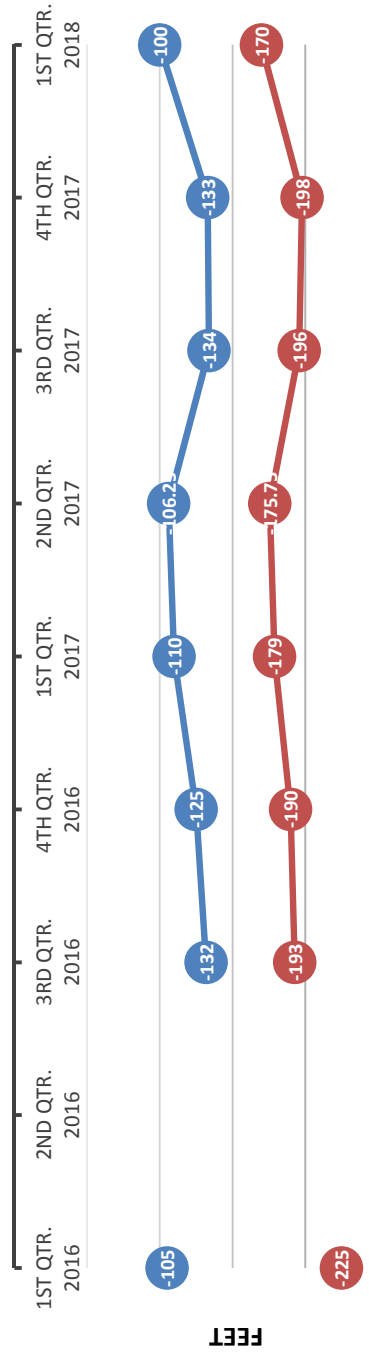


Latest Well Sounding

Static: 100 Ft
Pumping: 170 Ft
Drawdown: 70 Ft
GPM: 1,754.00
Specific Capacity: 25.057

■ Static
■ Pumping

Sounding Quarter/Year



Latest Sand Tester Results:

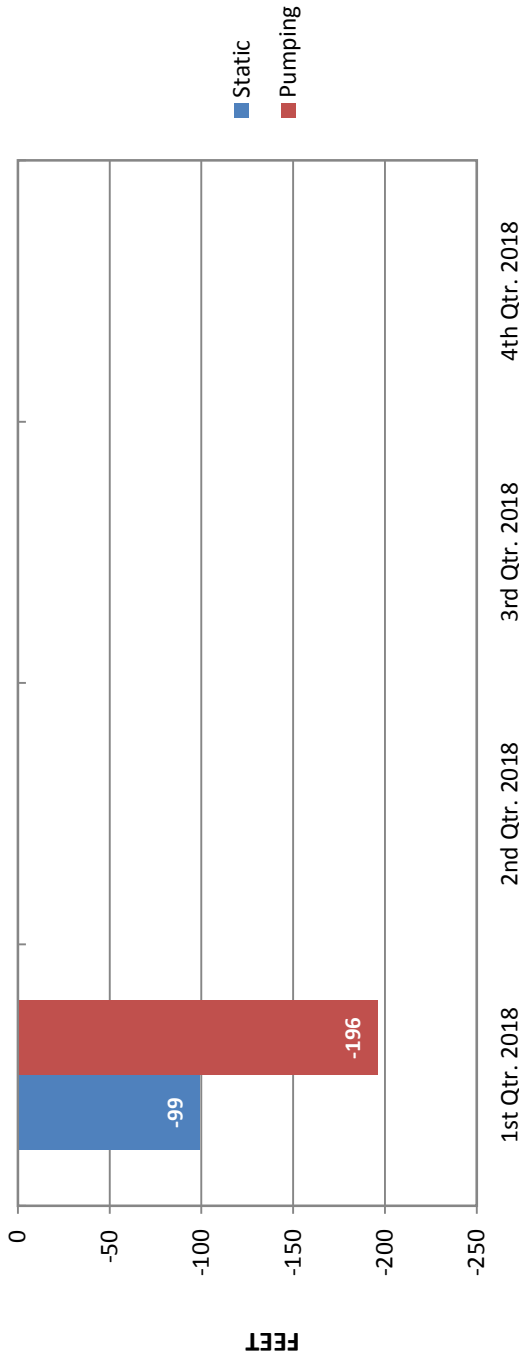
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

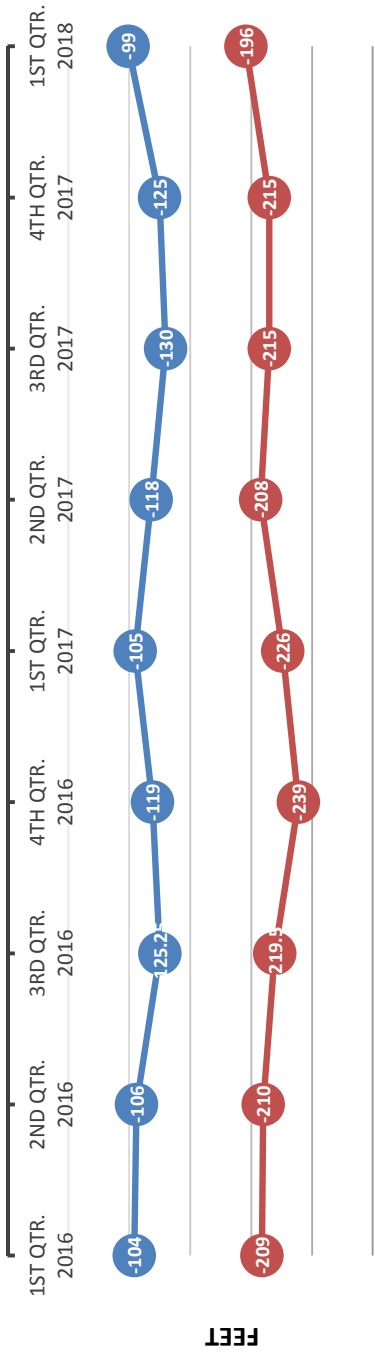
Well 14D Railroad



Latest Well Sounding

Static: 99 Ft
 Pumping: 196 Ft
 Drawdown: 97 Ft
 GPM: 1,669.00
 Specific Capacity: 17.206

Sounding Quarter/Year



Latest Sand Tester Results:

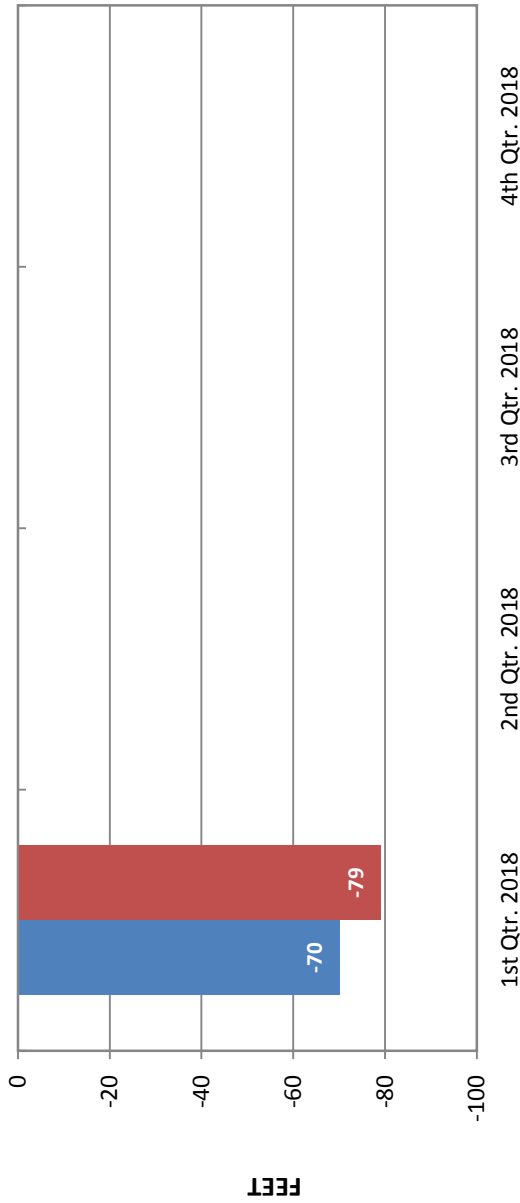
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

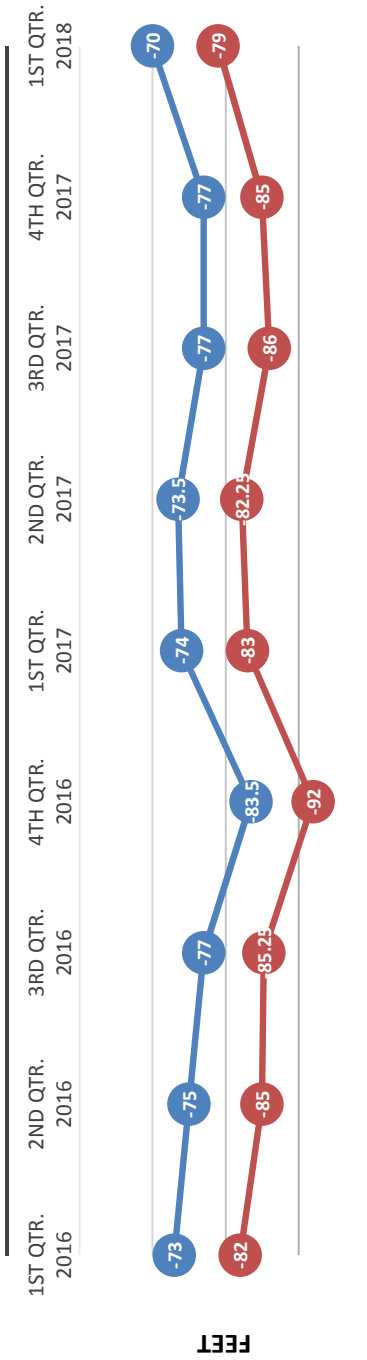
Well 3 Mar-Val



Latest Well Sounding

Static: 70 Ft
 Pumping: 79 Ft
 Drawdown: 9 Ft
 GPM: 810.00
 Specific Capacity: 90.000

Sounding Quarter/Year



Latest Sand Tester Results:

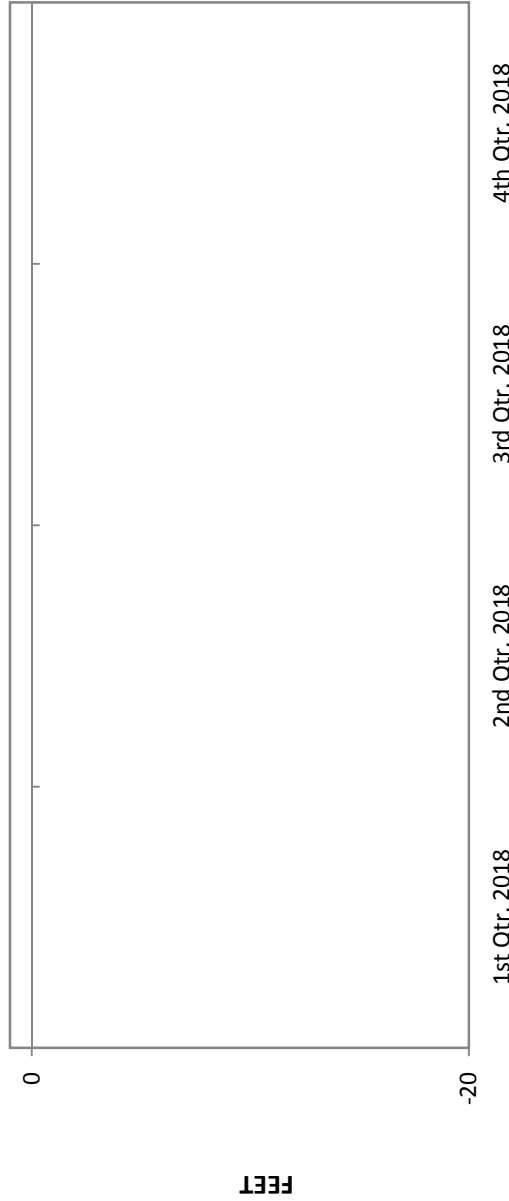
15 Min: 14.088 ppm



Elk Grove Water District

Static and Pumping Levels

Well 8 Williamson



■ Static
■ Pumping

Latest Well Sounding

Static: 70.75 Ft
 Pumping: 85.75 Ft
 Drawdown: 15 Ft
 GPM: 860.00
 Specific Capacity: 57.333

Latest Sand Tester Results:

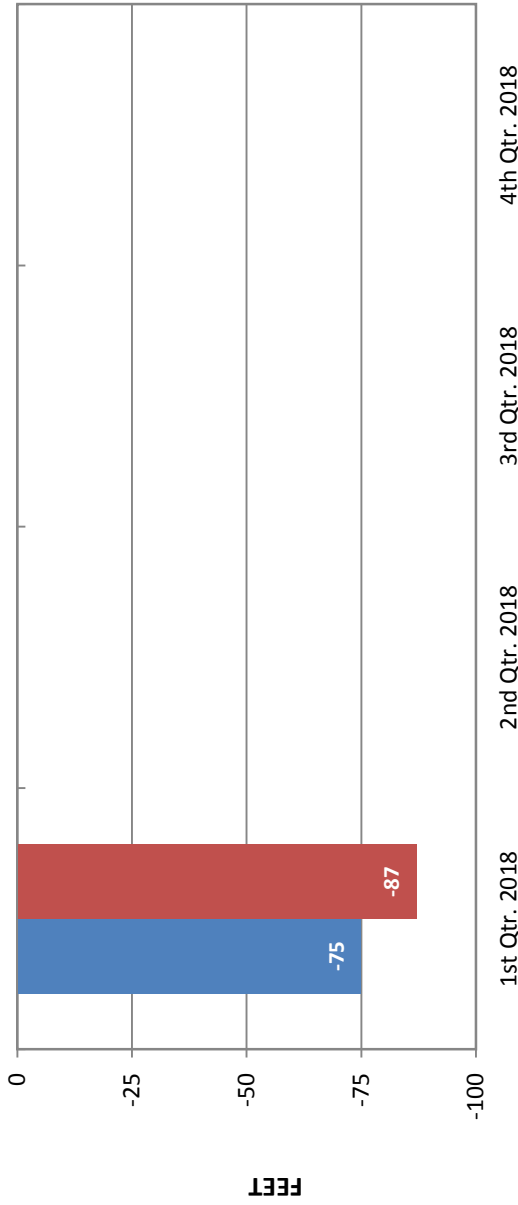
15 Min: 3.52 ppm



Elk Grove Water District

Static and Pumping Levels

Well 9 Polhemus

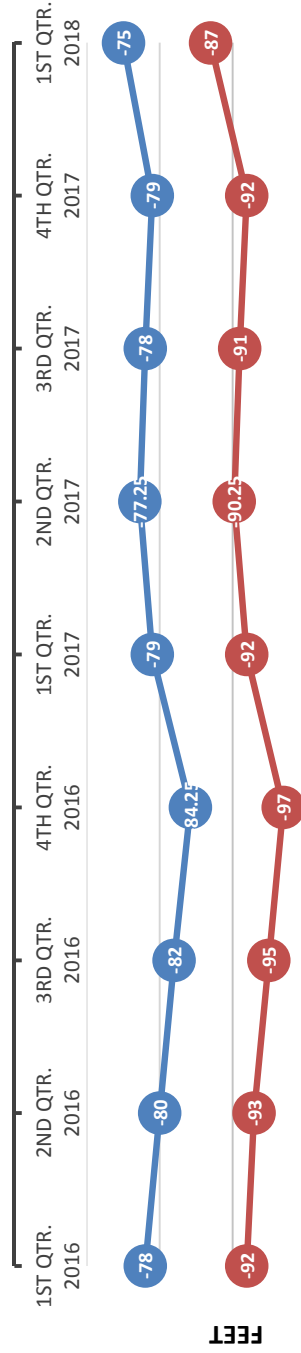


Latest Well Sounding

Static: 75 Ft
 Pumping: 87 Ft
 Drawdown: 12 Ft
 GPM: 480.00
 Specific Capacity: 40.000

■ Static
 ■ Pumping

Sounding Quarter/Year



Latest Sand Tester Results:

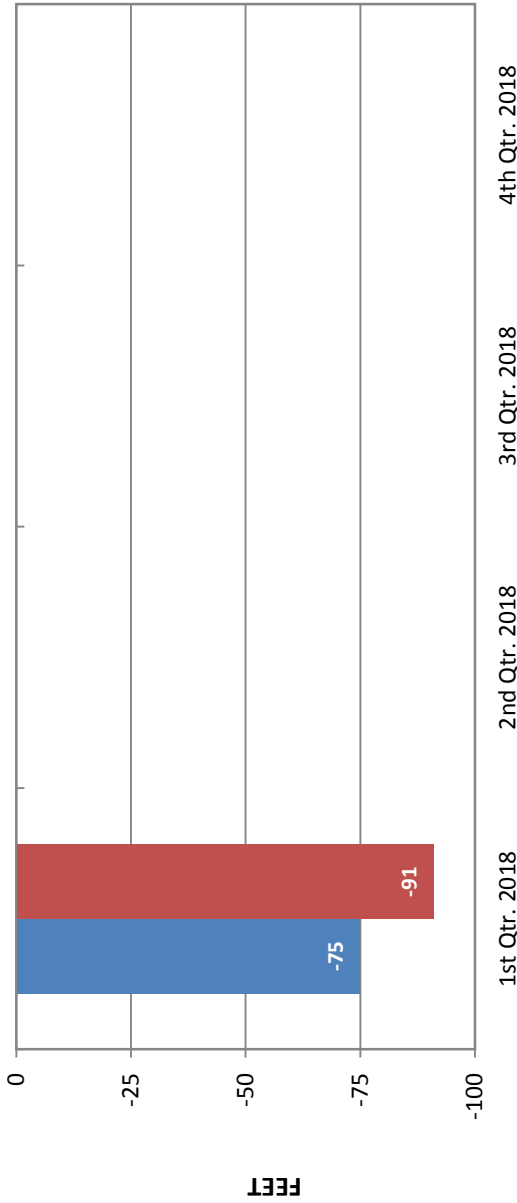
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

Well 13 Hampton



Latest Well Sounding

Static: 75 Ft

Pumping: 91 Ft

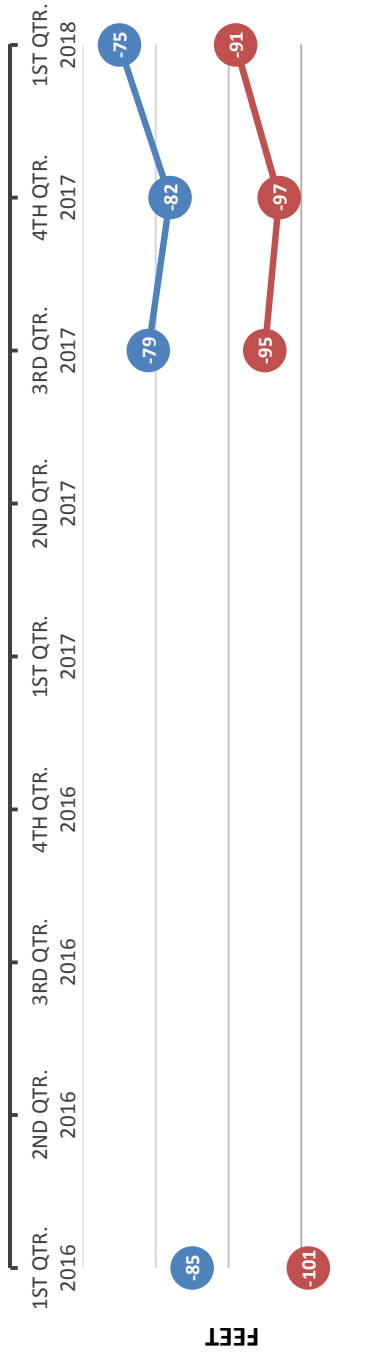
Drawdown: 16 Ft

GPM: 952

Specific Capacity: 59.500

■ Static
■ Pumping

Sounding Quarter/Year



Latest Sand Tester Results:

15 Min: < 5 ppm

**Monthly Sample Report - March 2018
Water System: Elk Grove Water System**

Sampling Point: 01 - 8693 W. Camden			
Sample Date	Sample Class	Sample Name	Collection Occurrence
3/6/2018	Distribution System	Bacteriological	Week
3/13/2018	Distribution System	Bacteriological	Week
3/20/2018	Distribution System	Bacteriological	Week
3/27/2018	Distribution System	Bacteriological	Week

Sampling Point: School Well 01D - Raw Water			
Sample Date	Sample Class	Sample Name	Collection Occurrence

Sampling Point: 02 - 9425 Emerald Vista			
Sample Date	Sample Class	Sample Name	Collection Occurrence
3/6/2018	Distribution System	Bacteriological	Week
3/13/2018	Distribution System	Bacteriological	Week
3/20/2018	Distribution System	Bacteriological	Week
3/27/2018	Distribution System	Bacteriological	Week

Sampling Point: - Mar-Val Well 3 Raw Water			
Sample Date	Sample Class	Sample Name	Collection Occurrence

Sampling Point: 03 - 8809 Valley Oak			
Sample Date	Sample Class	Sample Name	Collection Occurrence
3/6/2018	Distribution System	Bacteriological	Week
3/13/2018	Distribution System	Bacteriological	Week
3/20/2018	Distribution System	Bacteriological	Week
3/27/2018	Distribution System	Bacteriological	Week

Sampling Point: Webb Well 04D - Raw Water			
Sample Date	Sample Class	Sample Name	Collection Occurrence

Sampling Point: 04 - 10122 Glacier Point

Sample Date	Sample Class	Sample Name	Collection Occurrence
3/6/2018	Distribution System	Bacteriological	Week
3/13/2018	Distribution System	Bacteriological	Week
3/20/2018	Distribution System	Bacteriological	Week
3/27/2018	Distribution System	Bacteriological	Week

Sampling Point: 05 - 9230 Amsden Ct.

Sample Date	Sample Class	Sample Name	Collection Occurrence
3/6/2018	Distribution System	Bacteriological	Week
3/13/2018	Distribution System	Bacteriological	Week
3/20/2018	Distribution System	Bacteriological	Week
3/27/2018	Distribution System	Bacteriological	Week

Sampling Point: 06 - 9227 Rancho Dr.

Sample Date	Sample Class	Sample Name	Collection Occurrence
3/6/2018	Distribution System	Bacteriological	Week
3/13/2018	Distribution System	Bacteriological	Week
3/20/2018	Distribution System	Bacteriological	Week
3/27/2018	Distribution System	Bacteriological	Week

Sampling Point: 07 - Al Gates Park Mainline Dr.

Sample Date	Sample Class	Sample Name	Collection Occurrence
3/6/2018	Distribution System	Bacteriological	Week
3/13/2018	Distribution System	Bacteriological	Week
3/20/2018	Distribution System	Bacteriological	Week
3/27/2018	Distribution System	Bacteriological	Week
3/13/2018	Distribution System	Fluoride	Week

Sampling Point: - Williamson Well 8 Raw Water

Sample Date	Sample Class	Sample Name	Collection Occurrence
--------------------	---------------------	--------------------	------------------------------

Sampling Point: 08 - 9436 Hollow Springs Wy.			
Sample Date	Sample Class	Sample Name	Collection Occurrence
3/6/2018	Distribution System	Bacteriological	Week
3/13/2018	Distribution System	Bacteriological	Week
3/20/2018	Distribution System	Bacteriological	Week
3/27/2018	Distribution System	Bacteriological	Week

Sampling Point: Polhemus Well 9 Raw Water			
Sample Date	Sample Class	Sample Name	Collection Occurrence

Sampling Point: 09 - 8417 Blackman Wy.			
Sample Date	Sample Class	Sample Name	Collection Occurrence
3/6/2018	Distribution System	Bacteriological	Week
3/13/2018	Distribution System	Bacteriological	Week
3/20/2018	Distribution System	Bacteriological	Week
3/27/2018	Distribution System	Bacteriological	Week

Sampling Point: 10 - 9373 Oreo Ranch Cir.			
Sample Date	Sample Class	Sample Name	Collection Occurrence
3/6/2018	Distribution System	Bacteriological	Week
3/13/2018	Distribution System	Bacteriological	Week
3/20/2018	Distribution System	Bacteriological	Week
3/27/2018	Distribution System	Bacteriological	Week

Sampling Point: Dino Well 11D - Raw Water			
Sample Date	Sample Class	Sample Name	Collection Occurrence

Sampling Point: Hampton Well 13 - Raw Water			
Sample Date	Sample Class	Sample Name	Collection Occurrence
3/6/2018	Source Water	Fe, Mn, As, Total	Weekly
3/6/2018	Source Water	Bacteriological	Weekly
3/13/2018	Source Water	Fe, Mn, As, Total	Weekly
3/13/2018	Source Water	Bacteriological	Weekly
3/20/2018	Source Water	Fe, Mn, As, Total	Weekly
3/20/2018	Source Water	Bacteriological	Weekly
3/27/2018	Source Water	Fe, Mn, As, Total	Weekly
2/27/2018	Source Water	Bacteriological	Weekly

Sampling Point: Hampton WTP Effluent			
Sample Date	Sample Class	Sample Name	Collection Occurrence
3/6/2018	Treated Effluent	Fe, Mn, As, Total	Weekly
3/13/2018	Treated Effluent	Fe, Mn, As, Total	Weekly
3/20/2018	Treated Effluent	Fe, Mn, As, Total	Weekly
3/27/2018	Treated Effluent	Fe, Mn, As, Total	Weekly

Sampling Point: Hampton WTP Backwash Tank			
Sample Date	Sample Class	Sample Name	Collection Occurrence

Sampling Point: Railroad Well 14D - Raw Water			
Sample Date	Sample Class	Sample Name	Collection Occurrence

Sampling Point: Railroad WTP Effluent			
Sample Date	Sample Class	Sample Name	Collection Occurrence
3/6/2018	Treated Plant Effluent	WTP Eff - Fe,Mn,As,Al Total	Month
3/6/2018	Treated Plant Effluent	WTP Eff - Fe,Mn,As,Al Dissolved	Month

Sampling Point: Railroad WTP Backwash Tank			
Sample Date	Sample Class	Sample Name	Collection Occurrence

Sampling Point: Special Distribution/Construction Samples

Sample Date	Sample Class	Sample Name	Collection Description
3/12/2018	Distribution System	Bacteriological	Hume Ct. Main Valve Installation
3/12/2018	Distribution System	Bacteriological	Brodie Ct., Main Valve Installation
3/13/2018	Distribution System	Bacteriological	Gate Valve Repair
3/14/2018	Distribution System	Bacteriological	Tipton Ct. Main Valve Installation
3/14/2018	Distribution System	Bacteriological	Cullen Ct. Main Valve Installation
3/14/2018	Distribution System	Bacteriological	Grimsby Ct. Main Valve Installation
3/20/2018	Distribution System	Bacteriological	Brodie Ct., Main Line Relocation
3/27/2018	Distribution System	Bacteriological	Hume Ct. Main Line Relocation

Colors	Monthly Total	Yearly Total
Black = Scheduled	54	196
Green = Unscheduled	9	27
Red = Incomplete Sample	0	0



April 5, 2018

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 March 2018.

If you have any further questions, you may contact me at 916-585-9386

A handwritten signature in blue ink, appearing to read 'Steve Shaw', is positioned above the typed name.

STEVE SHAW
WATER TREATMENT SUPERVISOR

COMPLIANCE REPORT FORM

Attn: Neal Stallions	E-mail: stallionsn@sacsewer.com	Wastewater Source Control Section
Phone (916) 875-6656		Fax (916) 875-6374
From: Steve Shaw		
Company: Elk Grove Water District		Permit # WTP010

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

Month:	March	Year:	2018
---------------	--------------	--------------	-------------

Water use/flow meter report
 Hampton WTP – 104767
 Railroad WTP – 0

	Date	Time	pH
Hampton WTP			
Railroad WTP			

Monitoring results/analytical report

Discharge Rate

Check the statement below that applies to this report:

Based on a review of this facility's 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	3	20	15	900
Office	4	20	10	800
Drivers/Field	19	20	3	1140
Total				2840

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 Supervisor
 (Name) (Title)

DATE:

4-5-2018



April 2, 2018

State Water Resources Control Board
Division of Drinking Water
1001 I Street
13th Floor
Sacramento, CA. 95814

MONTHLY SUMMARY OF DISTRIBUTION SYSTEM COLIFORM MONITORING

Enclosed is the Monthly Summary of Distribution System Coliform Monitoring report from Elk Grove Water District for March 2018.

If you have any further questions, you may contact me at 916-585-9386.

A handwritten signature in blue ink, appearing to read "Steve Shaw", is written over a light blue circular stamp.

STEVE SHAW
WATER TREATMENT SUPERVISOR

MONTHLY SUMMARY OF REVISED TOTAL COLIFORM RULE DISTRIBUTION SYSTEM 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;">March</p>	Year <p style="text-align: center; font-size: 1.2em;">2018</p>

	Number Required	Number Collected	Number Total Coliform Positives	Number E.coli Positives
1. Routine Samples (see note 1)	40	40	0	0
2. Repeat Samples following samples that are Total Coliform Positive and <i>E.coli</i> Negative (see notes 10 and 11)		0	0	0
3. Repeat Samples following Routine Samples that are Total Coliform Positive and <i>E. coli</i> Positive (see notes 10 and 11)		0	0	0
4. Treatment Technique (TT)/MCL Violation Computation for Total Coliform/ <i>E. coli</i> Positive Samples				
a. Totals (sum of columns)	0	0	0	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. Did the system trigger... a Level 2 Assessment TT? (see notes 2, 3, 4, 5 and 6 for trigger info)			<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<i>If a Level 2 Assessment is triggered, see note 8 below.</i>				
a Level 1 Assessment TT? (see note 7 for trigger info)			<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<i>If a Level 1 Assessment is triggered, see note 9 below.</i>				
5. Triggered Source Samples per Groundwater Rule (see notes 12 and 13)				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: Steve Shaw				
Signature 	Title <p style="text-align: center; font-size: 1.2em;">Water Treatment Supervisor</p>	Date <p style="text-align: right; font-size: 1.2em; color: blue;">4/2/2018</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 *E.coli* positive repeat (boxed entry) **constitutes an MCL violation and requires immediate notification to the Division** (22, CCR, Section 64426.1).
3. Note: For repeat sample following a *E.coli* positive sample, any total coliform positive repeat (boxed entry) **constitutes an MCL violation and requires immediate notification to the Division** (22, CCR, Section 64426.1).
4. Note: Failure to take all required repeat samples following an *E. coli* positive routine sample (22, CCR, Section 64426.1) **constitutes an MCL violation and requires immediate notification to the Division** (22, CCR, Section 64426.1).
5. Note: Failure to test for *E. coli* when any repeat sample tests positive for total coliform (22, CCR, Section 64426.1) **constitutes an MCL violation and requires immediate notification to the Division** (22, CCR, Section 64426.1).
6. Note: Second Level 1 treatment technique trigger in a rolling 12-month period.
7. Total coliform Treatment Technique (TT) Violation (**Notify Department within 24 hours of TT violation**):
 - a. For systems collecting less than 40 samples, if two or more samples are total coliform positive, then the TT is violated and a Level 1 Assessment is required.
 - b. For systems collecting 40 or more samples, if more than 5.0 percent of samples collected are total coliform positive, then the TT is violated and a Level 1 Assessment is required.
8. Contact the Division as soon as practical to arrange for the division to conduct a Level 2 Assessment of the water system. The water system shall complete a Level 2 Assessment and submit it to the Division within 30 days of learning of the trigger exceedance.
9. Conduct a Level 1 Assessment in accordance with as soon as practical that covers the minimum elements (22, CCR, Section 64426.8 (a), (2)). Submit the report to the Division within 30 days of learning of the trigger exceedance.
10. Positive results and their associated repeat samples are to be tracked on the Coliform Monitoring Worksheet.
11. 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. At least three samples shall be taken the month following a total coliform positive.
12. For systems subject to the Groundwater Rule: Positive results and the associated triggered source samples are to be tracked on the Coliform Monitoring Worksheet.
13. For triggered sample(s) required as a result of a total coliform routine positive sample, an *E.coli*-positive triggered sample (boxed entry) **requires immediate notification to the Division, Tier 1 public notification, and corrective action.**



April 3, 2018

State Water Resources Control Board
Division of Drinking Water
1001 I Street
13th Floor
Sacramento, CA. 95814

MONTHLY SUMMARY OF THE HAMPTON GROUNDWATER TREATMENT PLANT

Enclosed is the Monthly Summary of the Hampton GWTP report from Elk Grove Water District for March 2018.

If you have any further questions, you may contact me at 916-585-9386.

A handwritten signature in blue ink, appearing to read "STEVE SHAW", is written over a horizontal line.

STEVE SHAW
WATER TREATMENT SUPERVISOR

Elk Grove Water District

Hampton GWTP Monthly Report

PWS Number 3410008-013
 GWTP Name Hampton Water Treatment Plant

Month: March-18

Date last day	Meter Reading	Production	Backwash Meter	Reclaim Water	Weekly In-House Monitoring (mg/L) R (Raw) T (Treated) As (ug/L)										Weekly Average	
					Fe, R	Fe, T	Mn, R	Mn, T	As, R	As, T	Inf. pH	Eff. pH				
1	304624668	0	3895244	157840	0.005	0.008	0.008	0.002	10	2	6.9	8.1				
2	304624668	0	3895244	157840	0.008	0.015	0.009	0.005	10	2	6.9	8.1				
3	304624668	0	3895244	157840	0.013	0.01	0.002	0.001	10	2	6.8	8.0				
4	304624668	0	3895244	157840	0	0.008	0.006	0.008	10	2	6.8	8.0				
5	304624668	0	3895244	157840												
6	304872376	247708	3906050	157840												
7	304872376	0	3906050	157840	Total Gallons Sodium Hypochlorite: 50.9 Gal										6.8	8.0
8	304872376	0	3906050	157840	Pounds per day 2.0524 Lbs/Day										6.8	7.7
9	304872376	0	3906050	157840	Dosage (Milligrams Per Liter @ 12.5% Cl) 1.8 mg/L											
10	304872376	0	3906050	157840												
11	304872376	0	3906050	157840	Total Gallons Ferric Chloride: 32.7 Gal											
12	304872376	0	3906050	157840	Dosage (Milligrams Per Liter @ 38% FeCl) .65mg/L											
13	304872376	0	3906050	157840												
14	305061264	188888	3916813	157840	Total Gallons Sodium Hydroxide: 46.1 Gal											
15	305061264	0	3916813	157840	Dosage (Gallons Per Hour @ 25% NaOH) 0.48 Gal/Hr											
16	305061264	0	3916813	157840												
17	305061264	0	3916813	157840	Total Gallons Sulfuric Acid : 31.31 Gal											
18	305061264	0	3916813	157840	Dose (Gallons Per Hour @ 93%) 0.33 Gal/Hr											
19	305061264	0	3916813	157840												
20	305061264	0	3916813	157840	Total Backwashed 151,150 Gal										Total Reclaim 62,367 Gal	
21	305233891	172627	3927638	157840	Total Water Pumped 5,490,780 Gal										Total Water Treated 5,490,780 Gal	
22	305233891	0	3927638	157840												
23	305233891	0	3927638	157840												
24	305233891	0	3927638	157840	Reporting Limits/Limits											
25	305233891	0	3927638	157840	Iron = 0.100 mg/L										Maximum Contaminant Levels (MCLs)	
26	305233891	0	3927638	157840	Manganese = 0.010 mg/L										Iron (Fe) = 0.300 mg/L (Secondary)	
27	305233891	0	3927638	157840	Arsenic = 1.0 µg/L										Manganese (Mn) = 0.050 mg/L (Secondary)	
28	306730235	1496344	3970783	157840											Arsenic (As) = 10 µg/L (Primary)	
29	307375471	645236	3981582	172549												
30	308695282	1319811	4014056	196363												
31	310115448	1420166	4046394	220207												
Total		5,490,780	151,150	62,367												

Prepared By: Steve Shaw

Date: 4/3/2018



April 3, 2018

State Water Resources Control Board
Division of Drinking Water
1001 I Street
13th Floor
Sacramento, CA. 95814

MONTHLY SUMMARY OF DISTRIBUTION SYSTEM FLUORIDATION MONITORING

Enclosed is the Monthly Summary of Distribution System Fluoridation Monitoring report from Elk Grove Water District for March 2018.

If you have any further questions, you may contact me at 916-585-9386.

A handwritten signature in blue ink, appearing to read 'Steve Shaw', is located below the text.

STEVE SHAW
WATER TREATMENT SUPERVISOR

Elk Grove Water District Area 2

DISTRIBUTION SYSTEM

MONTHLY FLUORIDATION MONITORING REPORT

Water System Name: Elk Grove Water District System Number: 3410008

Contact Name: Steve Shaw Telephone: (916) 585-9386

Month/Year: March 2018

Week	Location of samples taken*	Monitoring Results (mg/L)		
		Date	Time	Result
1	Hollow Springs	3-6-18	9:21	.59
1	Al Gates Park	3-6-18	9:39	.56
1	Oreo Ranch	3-6-18	9:53	.54
1	Blackman	3-6-18	12:02	.65
2	Hollow Springs	3-13-18	8:58	.55
2	Al Gates Park	3-13-18	9:15	.59
2	Oreo Ranch	3-13-18	9:29	.59
2	Blackman	3-13-18	11:48	.67
3	Hollow Springs	3-20-18	8:32	.59
3	Al Gates Park	3-20-18	8:47	.54
3	Oreo Ranch	3-20-18	9:15	.58
3	Blackman	3-20-18	11:23	.66
4	Hollow Springs	3-27-18	9:58	.55
4	Al Gates Park	3-27-18	10:19	.59
4	Oreo Ranch	3-27-18	10:32	.57
4	Blackman	3-27-18	12:42	.65
5	Hollow Springs			
5	Al Gates Park			
5	Oreo Ranch			
5	Blackman			

Monthly fluoride split sample results:

Date: 3-13-18

Water system personnel: .59 mg/L

Approved laboratory: .61 mg/L

*Samples must be taken pursuant to approved sampling plan



April 2, 2018

State Water Resources Control Board
Division of Drinking Water
1001 I Street
13th Floor
Sacramento, Ca. 95814

QUARTERLY SUMMARY OF RAW GROUNDWATER COLIFORM MONITORING

Enclosed is the Quarterly Summary of Raw Groundwater Coliform Monitoring report from Elk Grove Water District for 1st Quarter 2018.

If you have any further questions, you may contact me at 916-585-9386.

A handwritten signature in blue ink, appearing to read "Steve Shaw", is written over a horizontal line.

STEVE SHAW
WATER TREATMENT SUPERVISOR

QUARTERLY SUMMARY OF RAW GROUNDWATER COLIFORM MONITORING

Samples must be taken prior to chlorination

Water System Name

Elk Grove Water District

Water System Number

3410008

Sampling Period:

Month January - March 2018 1st Qtr

Year 2018

Well Name	Status (On/Off)	Sample Time & Date	Total Coliforms (P/A, CFU or MPN)	<i>E. coli</i> (P/A, CFU or MPN)
Well # 1D School St.	ON	2/20/2018 11:03	A	A
Well # 4D Webb St.	ON	1/10/2018 8:52	A	A
Well # 11D Dino Dr.	ON	2/13/2018 9:35	A	A
Well 14D Railroad St.	ON	2/6/2018 8:48	A	A
Well # 3 Mar-Val	ON	1/30/2018 8:00	A	A
Well # 8 Williamson	OFF			
Well # 9 Polhemus	ON	1/30/2018 12:42	A	A
Well # 13 Hampton	ON	1/2/2018 11:35	A	A
Well # 13 Hampton	ON	1/10/2018 11:43	A	A
Well # 13 Hampton	ON	1/16/2018 11:15	A	A
Well # 13 Hampton	ON	1/23/2018 10:40	A	A
Well # 13 Hampton	ON	1/30/2018 11:26	A	A
Well # 13 Hampton	ON	2/6/2018 10:49	A	A
Well # 13 Hampton	ON	2/12/2018 11:49	A	A
Well # 13 Hampton	ON	2/20/2018 11:35	A	A
Well # 13 Hampton	ON	2/27/2018 11:03	A	A
Well # 13 Hampton	ON	3/6/2018 10:58	A	A
Well # 13 Hampton	ON	3/13/2018 10:35	A	A
Well # 13 Hampton	ON	3/20/2018 10:12	A	A
Well # 13 Hampton	ON	3/27/2018 11:31	A	A



April 2, 2018

State Water Resources Control Board
Division of Drinking Water
1001 I Street
13th Floor
Sacramento, CA 95814

**QUARTERLY REPORT FOR DISINFECTANT RESIDUALS COMPLIANCE
MONITORING**

Enclosed is the Quarterly Report for Disinfectant Residuals Compliance Monitoring from Elk Grove Water District for 1st Quarter 2018.

If you have any further questions, you may contact me at 916-585-9386

A handwritten signature in blue ink, appearing to read 'Steve Shaw', is positioned above the name and title.

STEVE SHAW
WATER TREATMENT SUPERVISOR

Quarterly Report for Disinfectant Residuals Compliance For Systems Using Chlorine or Chloramines

System Name: Elk Grove Water District Area 1

System No.: 3410008

Calendar Year: 2018

Quarter: 1st

1st Quarter			
Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)	
Previous Year	April	0.96	
	May	0.99	
	June	1.00	
	July	0.94	
	August	1.00	
	September	0.99	
	October	0.96	
	November	0.99	
	December	0.89	
	Current Year	January	30
		February	24
		March	24
Running Annual Average (RAA):		0.96	
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl ₂)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

2nd Quarter			
Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)	
Previous Year	July	0.94	
	August	1.00	
	September	0.99	
	October	0.96	
	November	0.99	
	December	0.89	
	Current Year	January	0.91
		February	0.92
		March	0.92
		April	24
	May	30	
	June	24	
Running Annual Average (RAA):		0.95	
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl ₂)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

3rd Quarter			
Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)	
Previous Yr.	October	0.96	
	November	0.99	
	December	0.89	
Current Year	January	0.91	
	February	0.92	
	March	0.92	
	April	0.96	
	May	0.98	
	June	0.96	
	July	24	
	August	30	
	September	24	
	Running Annual Average (RAA):		0.97
	Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl ₂)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

4th Quarter		
Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)
Current Year	January	0.91
	February	0.92
	March	0.92
	April	0.96
	May	0.98
	June	0.96
	July	0.98
	August	1.26
	September	0.92
	October	30
	November	24
	December	24
Running Annual Average (RAA):		0.97
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl ₂)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Comments: The Elk Grove Water District is split into two different water systems. Area 1 water is produced and distributed by Elk Grove Water District.

Signature:

Date: April 2, 2018

Quarterly Report for Disinfectant Residuals Compliance For Systems Using Chlorine or Chloramines

System Name: Elk Grove Water District Area 2

System No.: 3410008

Calendar Year: 2018

Quarter: 1st

1st Quarter			
Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)	
Previous Year	April	1.19	
	May	1.21	
	June	1.17	
	July	1.14	
	August	1.13	
	September	1.09	
	October	0.94	
	November	0.87	
	December	0.89	
	Current Year	January	21
		February	16
		March	16
Running Annual Average (RAA):		1.09	
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl ₂)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

2nd Quarter			
Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)	
Previous Year	July	1.14	
	August	1.13	
	September	1.09	
	October	0.94	
	November	0.87	
	December	0.89	
	Current Year	January	1.24
		February	1.16
		March	1.02
		April	16
		May	20
		June	16
Running Annual Average (RAA):		1.12	
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl ₂)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

3rd Quarter			
Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)	
Previous Yr	October	0.94	
	November	0.87	
	December	0.89	
	Current Year	January	1.24
		February	1.16
		March	1.02
		April	1.01
		May	1.45
		June	1.48
		July	16
		August	21
		September	16
Running Annual Average (RAA):		1.19	
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl ₂)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

4th Quarter		
Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)
Current Year	January	1.24
	February	1.16
	March	1.02
	April	1.01
	May	1.45
	June	1.48
	July	1.41
	August	1.65
	September	1.15
	October	20
	November	16
	December	16
Running Annual Average (RAA):		1.29
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl ₂)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Comments: The Elk Grove Water District is split into two different water systems. Area 2 is whole sale water from Sacramento County Water Agency.

Signature: _____

Date: April 2, 2018



April 5, 2018

State Water Resources Control Board
Division of Drinking Water
1001 I Street
13th Floor
Sacramento CA. 95814

**QUARTERLY TTHM AND HAA5 REPORT FOR DISINFECTION BYPRODUCTS
COMPLIANCE**

Enclosed is the Quarterly TTHM and HAA5 Report from Elk Grove Water District for the 1st quarter 2018.

If you have any further questions, you may contact me at 916-585-9386.

A handwritten signature in blue ink, appearing to read "Steve Shaw", is written over a horizontal line.

STEVE SHAW
WATER TREATMENT SUPERVISOR

Quarterly TTHM Report for Disinfection Byproducts Compliance (in µg/L or ppb)

System Name: Elk Grove Water District System No.: 3410008 Year: 2018 Quarter: 1

Year:	2014				2015				2016				2017				2018			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Quarter:	1/14	4/2	7/1	10/21	1/6	4/8	7/14	10/13	1/12	4/5	7/5	10/4	1/17	4/18	7/3	10/3	1/10			
Sample Date (month/date):	1	1	0	23	6.2	11.7	11.5	6.0	0.5	1.8	1.8	1.5	1.4	9.4	9.4	9.4	9.5	0.3	0.5	0.9
Site Q1 TTHM Results																				
Len. Running Annual Average																				
Meets Standard? ¹ (check box) <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>
Projected LRAA Next Quarter	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>
Op Evaluation Req'd? ² (check box) <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
Site Q2 TTHM Results																				
Len. Running Annual Average	1	1	0	1	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0
Meets Standard? ¹ (check box) <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>
Projected LRAA Next Quarter	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>
Op Evaluation Req'd? ² (check box) <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
Site Q3 TTHM Results																				
Len. Running Annual Average	1	2	0	0	0	0	0	0	1	0	2	1	1	1	1	1	1	1	1	1
Meets Standard? ¹ (check box) <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>
Projected LRAA Next Quarter	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>
Op Evaluation Req'd? ² (check box) <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
Site Q4 TTHM Results																				
Len. Running Annual Average																				
Meets Standard? ¹ (check box) <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>
Projected LRAA Next Quarter	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>
Op Evaluation Req'd? ² (check box) <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
Quarterly Average	1	1	0	8	0	8	0	0	1	2	1	0	1	13	0	1	1	1	1	1
No. Samples This Quarter	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3

Identify the sample locations in the table below.

Site	Sample Location
Q1	9436 Hollow Springs
Q2	9425 Emerald Vista (Discontinued 4th qtr per revised SAP)
Q3	8693 W. Camden
Q4	9230 Amsden Ct (Beginning 4th qtr 2017 per revised SAP)

Comments:

¹Meets Standard - LRAA, calculated quarterly, is less than 80 ug/L

² Operation Evaluation Req'd - Projected LRAA, calculated quarterly, is greater than 80 ug/L

Signature 

Date April 5, 2018

"If, during the first year of monitoring, any individual quarter's average will cause the running annual average of that system to exceed the standard, then the system is out of compliance at the end of that quarter."

Quarterly HAA5 Report for Disinfection Byproducts Compliance (in µg/L or ppb)

System Name: Eik Grove Water District System No.: 3410008 Year: 2018 Quarter: 1

Year:	2014				2015				2016				2017				2018			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Sample Date (month/date):	1/14	4/2	7/1	10/21	1/6	4/8	7/14	10/13	1/12	4/5	7/5	10/4	1/17	4/18	7/5	10/3	1/17			
Site Q1 HAA5 Results	2	0	2	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lcn. Running Annual Average				1.0	0.8	0.8	0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0	6.5	6.5	6.5	0.0	0.0	0.0
Meets Standard? ¹	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(check box) <input checked="" type="checkbox"/>	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Projected LRAA Next Quarter			2	1	1	0	0	0	0	0	0	0	0	0	13	7	7	0	0	0
Op Evaluation Req'd? ²	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(check box) <input checked="" type="checkbox"/>	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Site Q2 HAA5 Results	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lcn. Running Annual Average				0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Meets Standard? ¹	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(check box) <input checked="" type="checkbox"/>	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Projected LRAA Next Quarter			1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Op Evaluation Req'd? ²	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(check box) <input checked="" type="checkbox"/>	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Site Q3 HAA5 Results	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lcn. Running Annual Average				0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Meets Standard? ¹	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(check box) <input checked="" type="checkbox"/>	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Projected LRAA Next Quarter			1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Op Evaluation Req'd? ²	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(check box) <input checked="" type="checkbox"/>	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Site Q4 HAA5 Results																				
Lcn. Running Annual Average																				
Meets Standard? ¹	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(check box) <input checked="" type="checkbox"/>	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Projected LRAA Next Quarter			1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Op Evaluation Req'd? ²	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(check box) <input checked="" type="checkbox"/>	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Site Q4 HAA5 Results																				
Lcn. Running Annual Average																				
Meets Standard? ¹	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(check box) <input checked="" type="checkbox"/>	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Projected LRAA Next Quarter			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Op Evaluation Req'd? ²	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(check box) <input checked="" type="checkbox"/>	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Quarterly Average	2	0	1	0	0	0	0	0	0	0	0	0	0	0	9	0	0	0	0	0
No. Samples This Quarter	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3

Identify the sample locations in the table below.

Site	Sample Location
Q1	9436 Hollow Springs Wy.
Q2	9425 Emerald Vista (Discontinued 4th qtr 2017 per revised SAP)
Q3	8693 W. Camden
Q4	9230 Annsden Ct. (Beginning 4th qtr 2017 per revised SAP)

Comments:

¹ Meets Standard - LRAA, calculated quarterly, is less than 60 ug/L

² Operation Evaluation Req'd - Projected LRAA, calculated quarterly, is greater than 60 ug/L

Signature:  Date: April 5, 2018

*If, during the first year of monitoring, any individual quarter's average will cause the running annual average of that system to exceed the standard, then the system is out of compliance at the end of that quarter.

Elk Grove Water District

Preventative Maintenance Program

Groundwater Wells

Monthly													Semi-annual			Annual		
													Refer: 1ST 6-MO. 2ND 6-MO.			Refer: 2018		
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC						
Well 14D Railroad	Initials	WQ	WQ	WQ														
	Date	1/9/18	2/6/18															
	W.O.#	15483	15581	15673														Sect: 7.3
Well 4D Webb	Initials	WQ	WQ	AH														
	Date	1/4/18	2/27/18	3/9/18														
	W.O.#	15484	15582	15674														Sect: 8.3
Well 11D Pino	Initials	WQ	WQ	WQ														
	Date	1/2/18	2/13/18	3/7/18														
	W.O.#	15485	15583	15675														Sect: 9.3
Well 1D School	Initials	WQ	WQ	WQ														
	Date	1/9/18	2/22/18	3/6/18														
	W.O.#	15486	15584	15676														Sect: 13.3
Well 3 Mar-Val	Initials	WQ	WQ	AH														
	Date	1/11/18	2/16/18	3/9/18														
	W.O.#	15487	15585	15677														Sect: 12.4
Well 8 Williamson	Initials	AH	AH	AH														
	Date																	
	W.O.#	15488	15586	15678														Sect: 11.4
Well 9 Polhemus	Initials	WQ	WQ	AH														
	Date	1/10/18	2/16/18	3/9/18														
	W.O.#	15489	15587	15679														Sect: TBD
Well 13 Hampton	Initials	WQ	WQ	AH														
	Date	1/11/18	2/6/18	3/5/18														
	W.O.#	15490	15588	15680														Sect: TBD

Year: 2018

Elk Grove Water District

Preventative Maintenance Program

Rairoad Water Treatment and Storage Facility

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	2nd	3rd	4th	Refer.	2018	
Clor-Tec System	Section: 4.2	WQ 1/25/18 15472	WQ 2/6/18 15593	WQ 3/5/18 15685										Section: 4.3	WQ 3/13/18 15689					Section: 4.4						
Filter System	Section: 5.1	WQ 1/25/18 15473	AH 2/27/18 15594	WQ 3/6/18 15686										Section: 5.2	WQ 3/14/18 15708					Section: 5.3						
Backwash System	Section: 2.1	WQ 1/18/18 15474	WQ 2/21/18 15595	WQ 3/5/18 15687										Section: 2.2	WQ 3/14/18 15709					Section: 2.3						
Booster Pumps	Section: 3.1	WQ 1/18/18 15475	WQ 2/21/18 15596	WQ 3/8/18 15688										Section: TBD					Section: 3.2							
LAB														Section: 1.1	WQ/AH 3/15/18 15690					Section: 1.2						
Clear Wells																				Section: 2.4						
MCC																				Section: 1.2						

Year: 2018

Elk Grove Water District

Preventative Maintenance Program

Hampton Village Water Treatment Plant

Item	Monthly												Quarterly			Semi-annual			Annual						
	Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1st	2nd	3rd	4th	Refer.	1ST-6-2ND	6-6-6-12ND	MO.	MO.	Refer.	2018	
Chemical Systems	TBD	AH 1/11/18 15476	WQ 2/6/18 15597	AH 3/5/18 15670										TBD	AH 3/5/18 15691										Section: TBD
Filter System	TBD	AH 1/11/18 15477	WQ 2/6/18 15598	AH 3/5/18 15671										TBD	AH 3/14/18 15715										Section: TBD
Backwash System	TBD	AH 1/11/18 15478	WQ 2/6/18 15599	AH 3/5/18 15672										TBD	AH/WQ 3/29/18 15716										Section: TBD
LAB														Section: TBD	AH 1/11/18 15495										Section: TBD
MCC														Section: TBD											Section: TBD

Elk Grove Water District

Preventative Maintenance Program

Standby Generators

Item	Monthly												Annual		
	Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer.	2018
Railroad	Initials	WQ	WQ	WQ										Section:	TBD
	Date	1/19/19	2/14/18	3/9/18											
	W.O. #	15479	15589	15681											
Webb	Initials	WQ	WQ	AH										Section:	TBD
	Date	1/4/18	2/27/18	3/9/18											
	W.O. #	15480	15590	15682											
Dino	Initials	WQ	WQ	WQ										Section:	TBD
	Date	1/2/18	2/13/18	3/7/18											
	W.O. #	15481	15591	15683											
Hampton	Initials													Section:	TBD
	Date														
	W.O. #														
Admin.	Initials	WQ	WQ	WQ										Section:	TBD
	Date	1/31/18	2/27/18	3/9/18											
	W.O. #	15482	15592	15684											

= Load Test

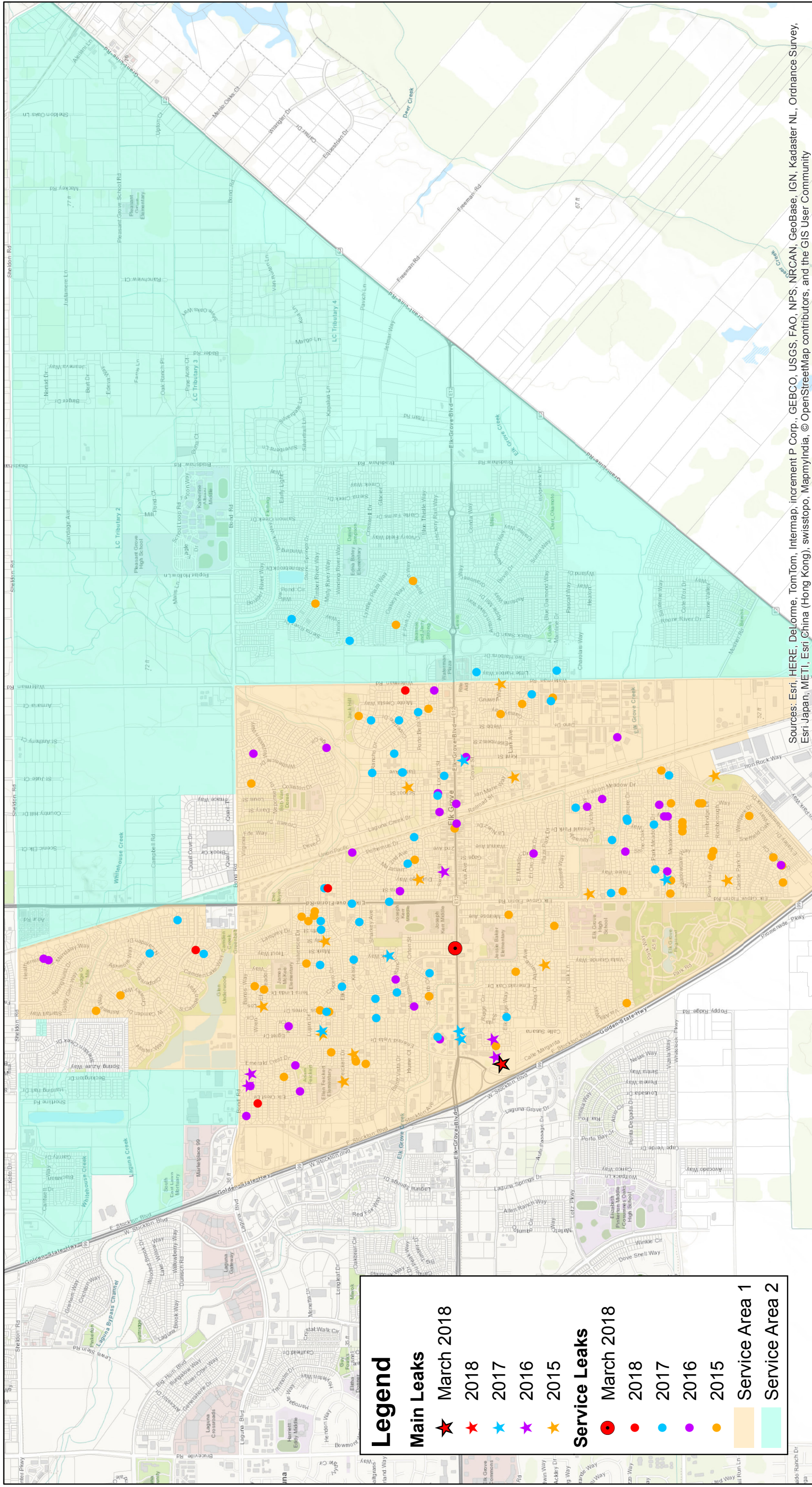
Elk Grove Water District
Backflow Prevention Program 2018

Backflow Device Reports												
CURRENT	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Notices Issued	42	40	80									
Assemblies Tested	35	37	49									
Passed Initial Test	31	30	46									
Failed Initial Test	4	7	3									
Failed Devices Retested-----Passed	3	7	2									
Investigations or Address Change												
Inactivated Devices												
Schedule Code Changed												
Devices Turned Off												
2nd Notices Issued	5	3	32	0	0	0	0	0	0	0	0	0
Monthly Outstanding Delinquents	0	0	16	0	0	0	0	0	0	0	0	0

Total Outstanding Delinquents	16
--------------------------------------	-----------


Elk Grove Water District
 Safety Meetings/Training
 March 2018

Date	Topic	Attendees	Hosted By
3/5/2018	Machine Safety	Alan Aragon, Jose Carrillo, John Diaz, David Frederick, Aaron Hewitt, Sean Hinton, Justin Mello, Jose Mendoza, Salvador Mendoza, Michael Montiel, Chris Phillips, Wilfredo Quintero, Richard Salas, Steve Shaw, John Vance, Brandon Wagner, Marcell Wilson	Sarah Jones
3/19/2018	Flammable Liquids	Alan Aragon, Jose Carrillo, John Diaz, David Frederick, Aaron Hewitt, Sean Hinton, Jose Mendoza, Sal Mendoza, Michael Montiel, Chris Phillips, Wilfredo Quintero, Richard Salas, Steve Shaw, John Vance, Brandon Wagner	Sarah Jones
3/22/2018	Ergonomics	Alan Aragon, Aurelia Camilo, Jose Carrillo, John Diaz, Travis Franklin, David Frederick, Aaron Hewitt, Sean Hinton, Sarah Jones, Bruce Kamilos, Patrick Lee, Mark Madison, Denis Maxwell, Justin Mello, Jose Mendoza, Salvador Mendoza, Michael Montiel, Donella Murillo, Amber Parker, Chris Phillips, Stefani Phillips, Wilfredo Quintero, William Sadler, Richard Salas, Steve Shaw, John Vance, Brandon Wagner, Marcell Wilson	Scott Wood



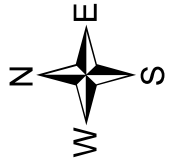
Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

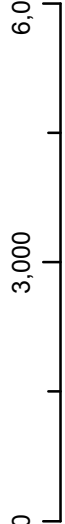
Elk Grove Water District	
Service / Main Leaks	
Created by: Travis Franklin	
Date: April 4, 2018	



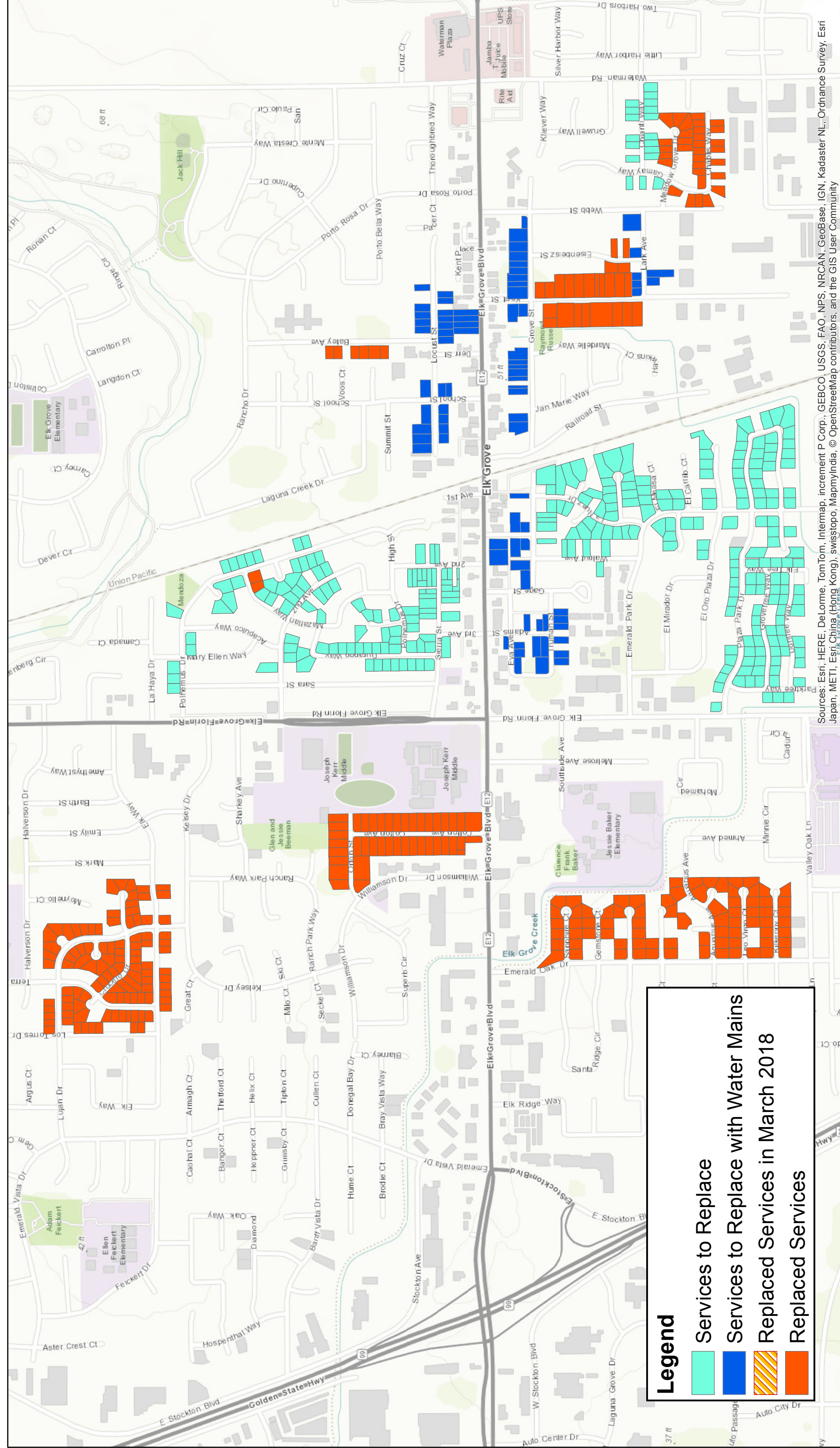
Elk Grove Water District

Main and Service Line Leaks Map





March 2018	
Main Line Leaks: 1	YTD: 1
Service Line Leaks: 1	YTD: 5
Total Leaks: 2	YTD: 6



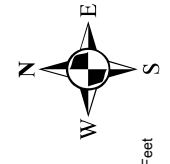
Legend

- Services to Replace
- Services to Replace with Water Mains
- Replaced Services in March 2018
- Replaced Services

Services to Replace: 283

Services Replaced in Mar 2018: 0

Total Service Replaced: 282



**Elk Grove Water District
Service Line Replacement**

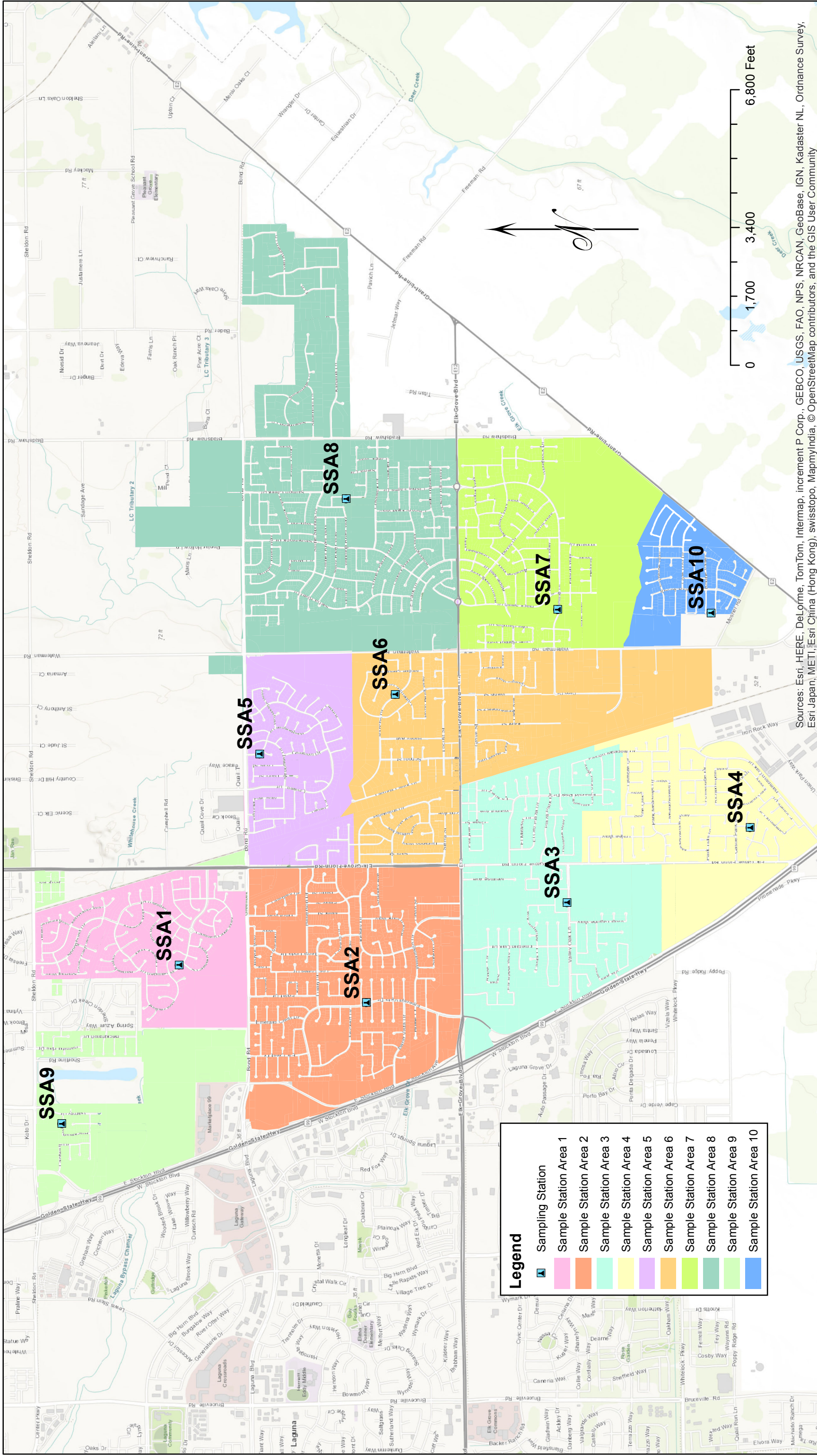
Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri, China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

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: April 4, 2018



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



Sample Stations: 10

Elk Grove Water District Sample Station Areas

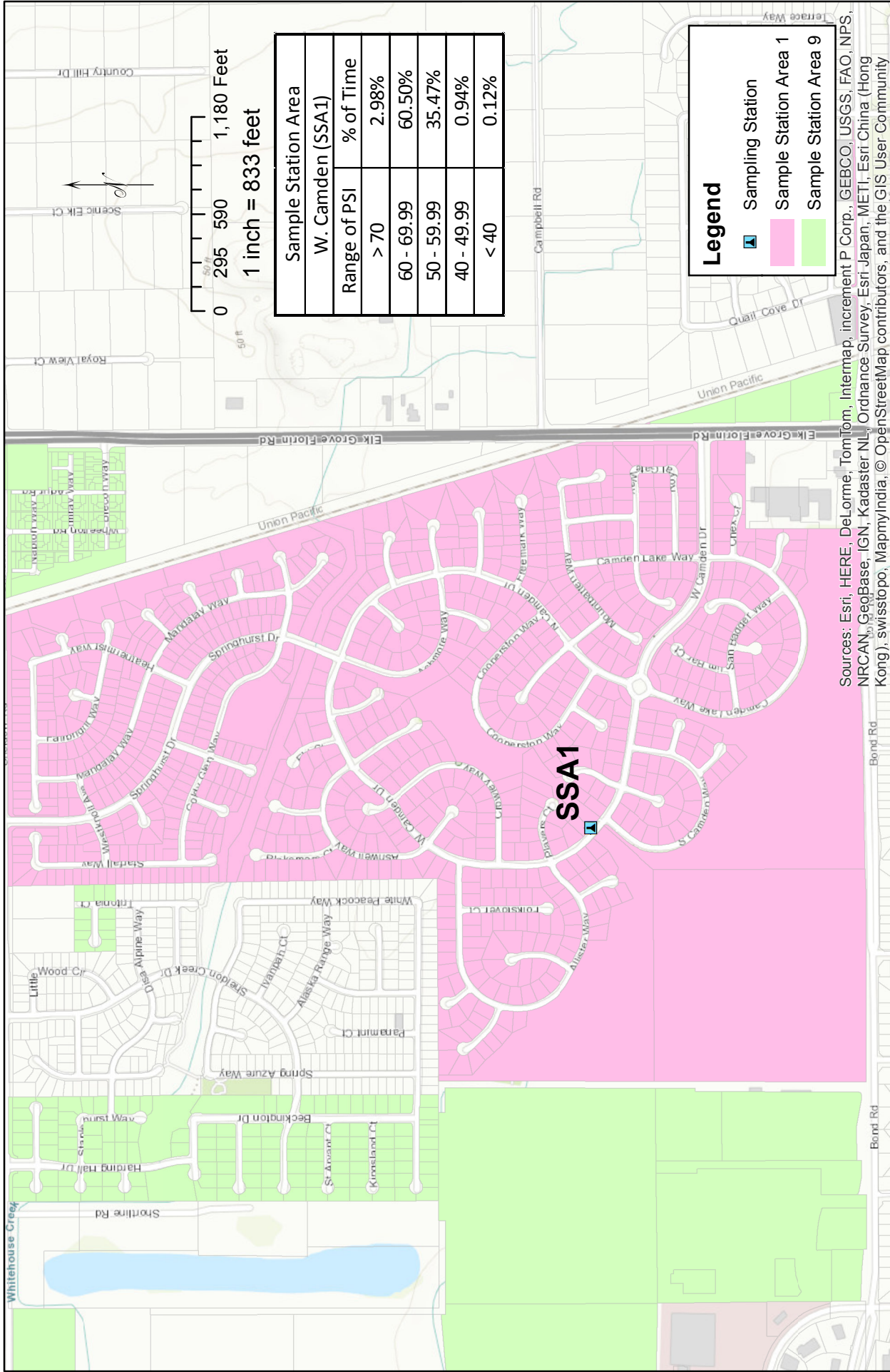
Projected Coordinate System: NAD 83 State Plane CA II FIPS 0402

Source: EGWD GIS database

Modified by: Travis Franklin

April 4, 2018

Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community



Sample Station Area	
W. Camden (SSA1)	
Range of PSI	% of Time
> 70	2.98%
60 - 69.99	60.50%
50 - 59.99	35.47%
40 - 49.99	0.94%
< 40	0.12%

Legend

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

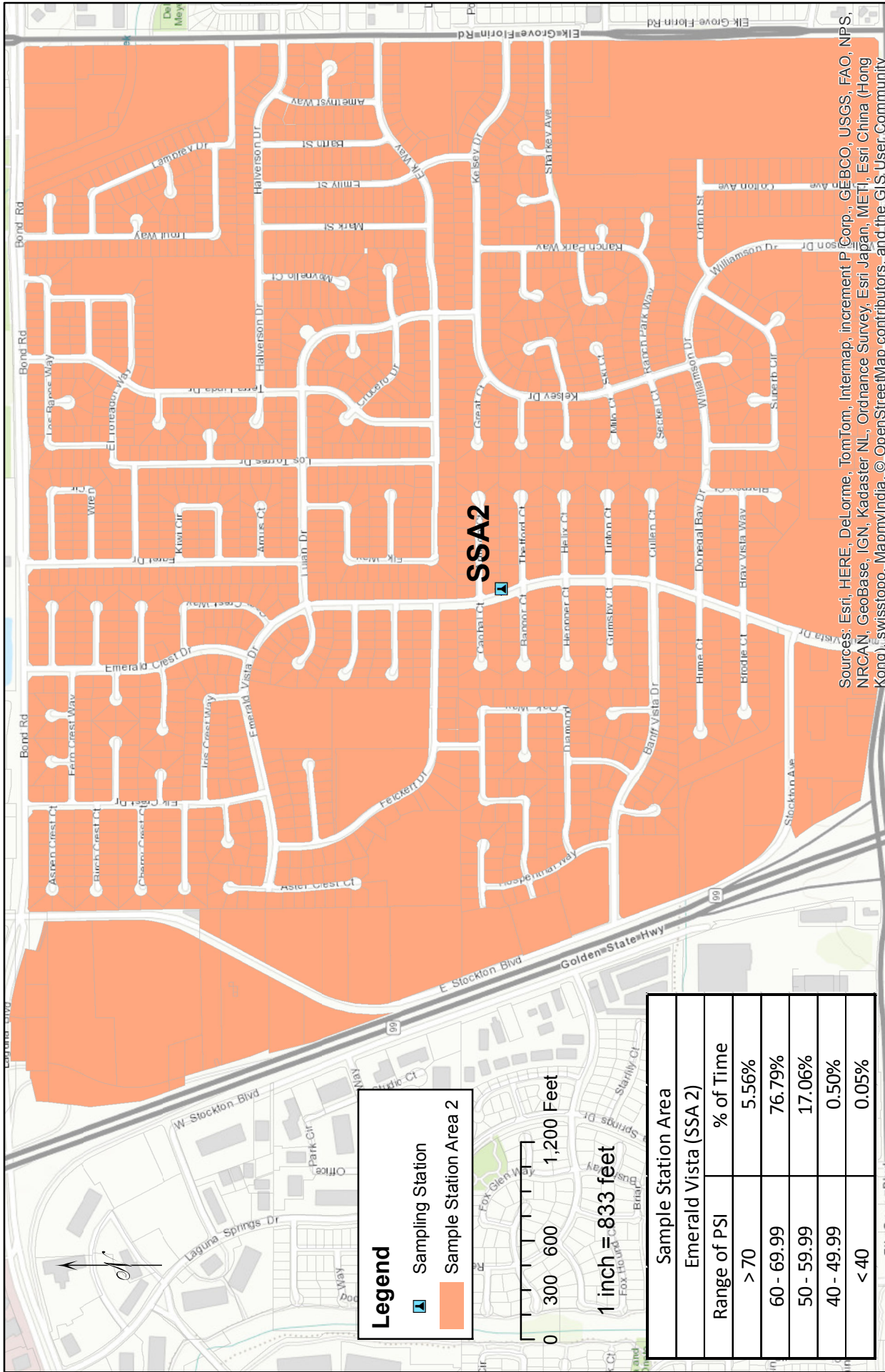
Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swissltopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

Sample Station #1
 Note: Sample Station takes a reading every 5 minutes.
 March 2018



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
 April 5, 2018



Legend

-  Sampling Station
-  Sample Station Area 2



Sample Station Area	% of Time
Emerald Vista (SSA 2)	5.56%
> 70	76.79%
60 - 69.99	17.06%
50 - 59.99	0.50%
40 - 49.99	0.05%
< 40	0.05%

Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), Swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community



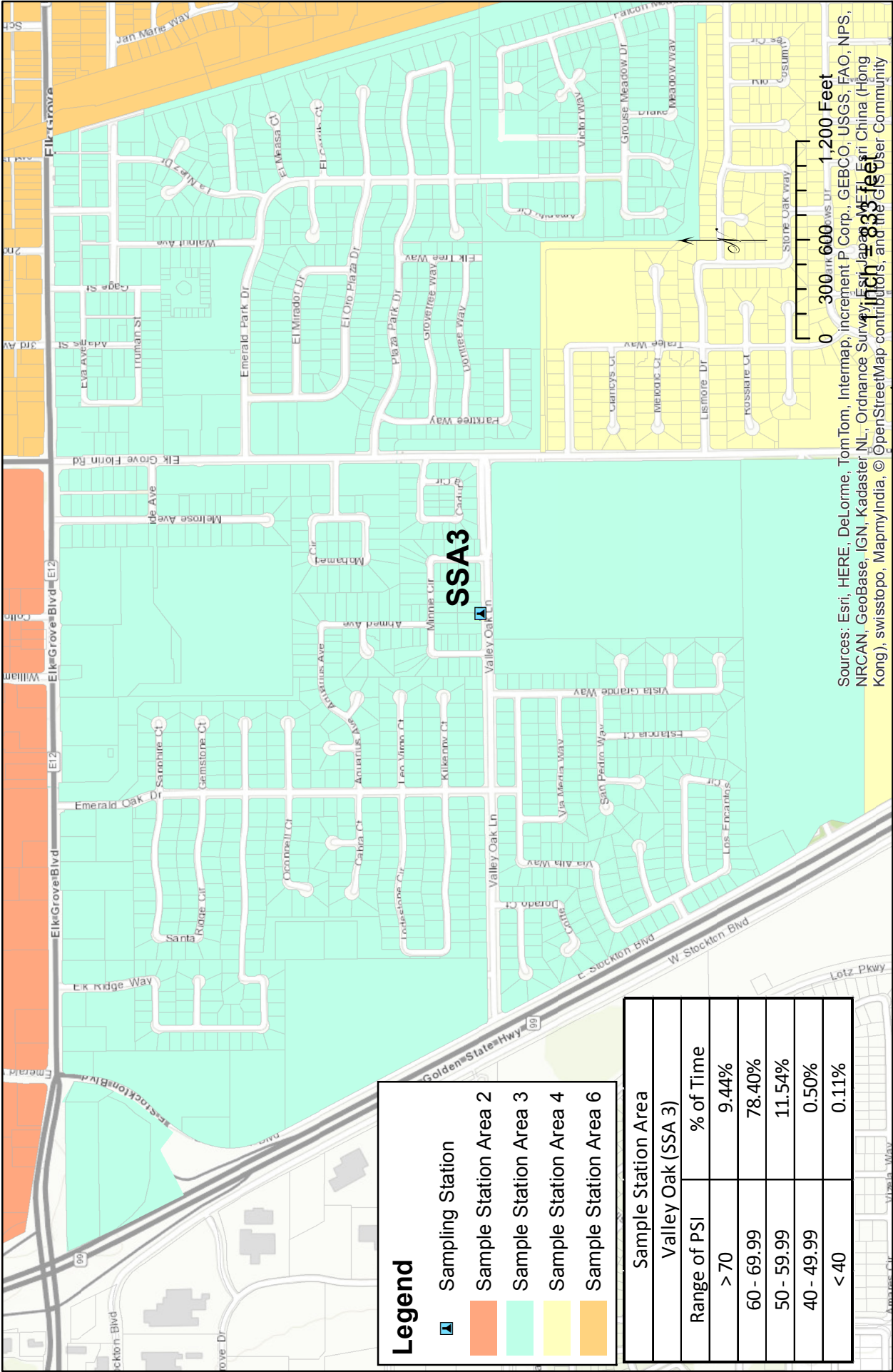
Elk Grove Water District System Pressure Monitoring

Projected Coordinate System:
NAD 83 State Plane CA II FIPS 0402
Source: EGWD GIS database
Created by: Travis Franklin
April 5, 2018

Sample Station #2

Note: Sample Station takes a reading every 5 minutes.

March 2018



Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, Swisstopo, Esri China (Hong Kong), swisstopo, MapmyIndia, ©OpenStreetMap contributors, and the GIS User Community

Legend

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

Sample Station Area	% of Time
Valley Oak (SSA 3)	
Range of PSI	
> 70	9.44%
60 - 69.99	78.40%
50 - 59.99	11.54%
40 - 49.99	0.50%
< 40	0.11%

Elk Grove Water District

System Pressure Monitoring

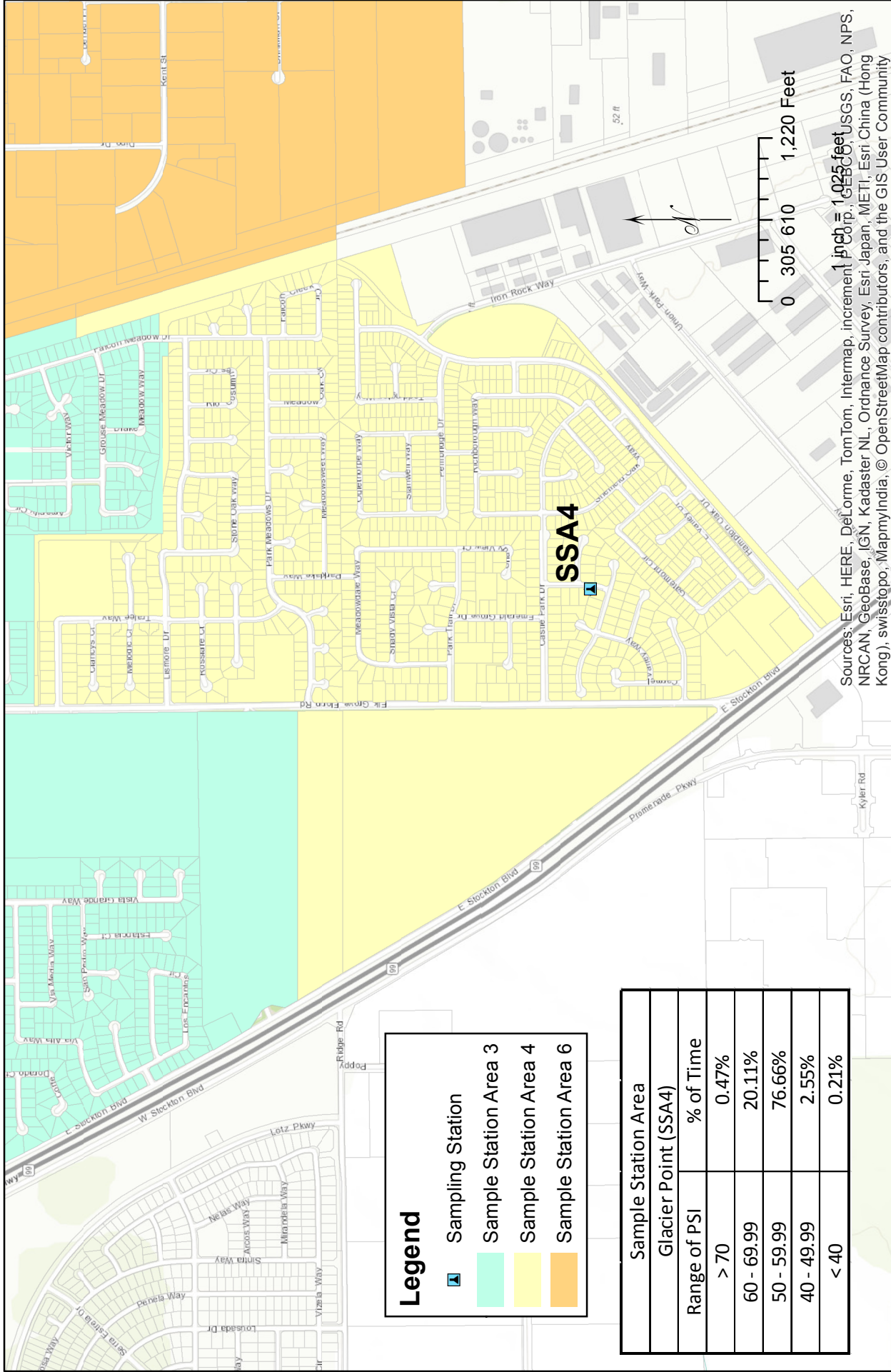


Sample Station #3

Note: Sample Station takes a reading every 5 minutes.

March 2018

Projected Coordinate System:
 NAD 83 State Plane CA II FIPS 0402
 Source: EGWD GIS database
 Created by: Travis Franklin
 April 5, 2018



1 inch = 1,025 feet
 Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

Legend

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

Sample Station Area	Glacier Point (SSA4)	Range of PSI	% of Time
		> 70	0.47%
		60 - 69.99	20.11%
		50 - 59.99	76.66%
		40 - 49.99	2.55%
		< 40	0.21%



Elk Grove Water District

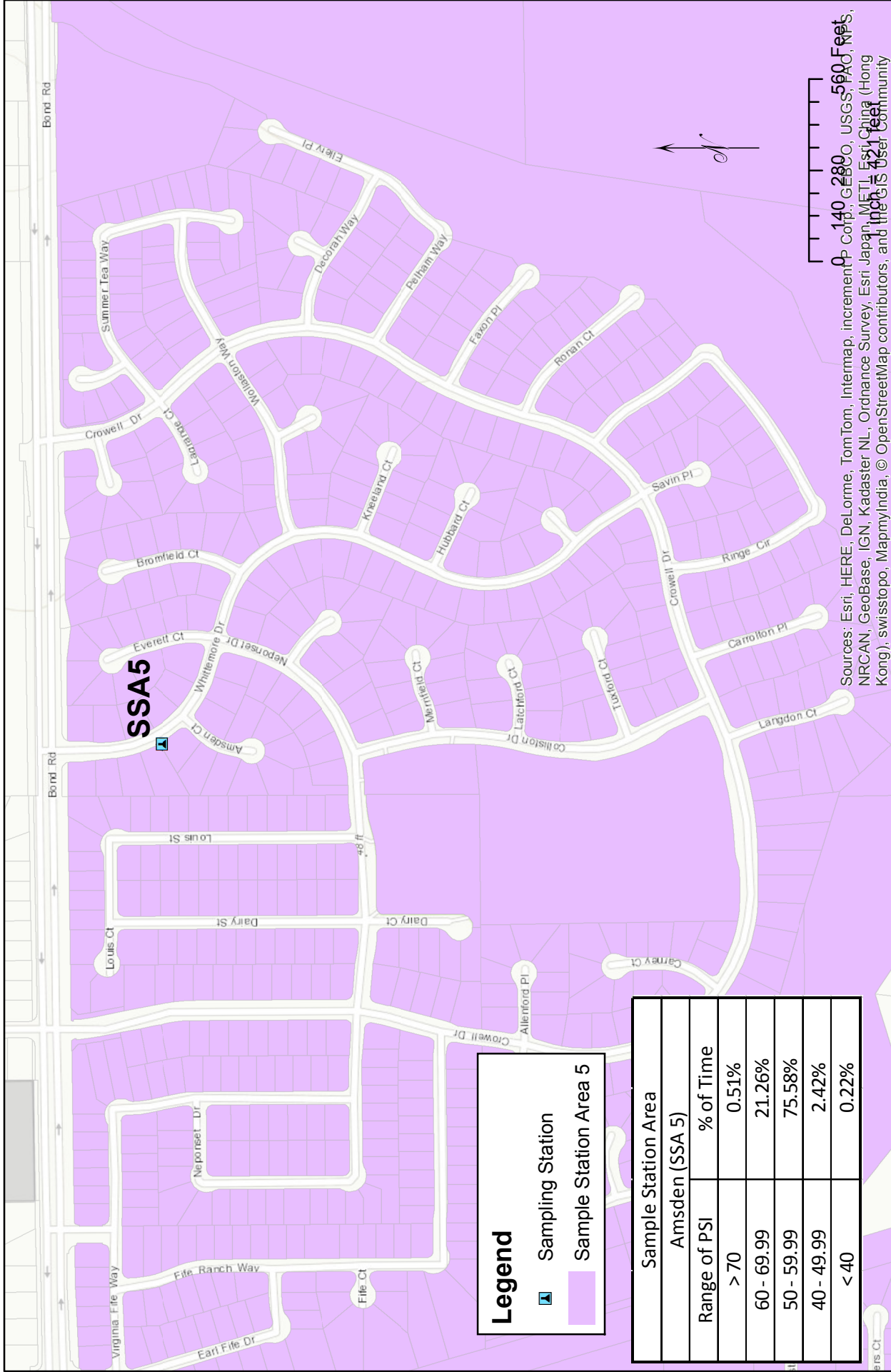
System Pressure Monitoring

Projected Coordinate System:
 NAD 83 State Plane CA II FIPS 0402
 Source: EGWD GIS database
 Created by: Travis Franklin
 April 5, 2018

Sample Station #4

Note: Sample Station takes a reading every 5 minutes.

March 2018



Legend

- Sampling Station
- Sample Station Area 5

Sample Station Area	
Amsden (SSA 5)	
Range of PSI	% of Time
> 70	0.51%
60 - 69.99	21.26%
50 - 59.99	75.58%
40 - 49.99	2.42%
< 40	0.22%



Elk Grove Water District

System Pressure Monitoring

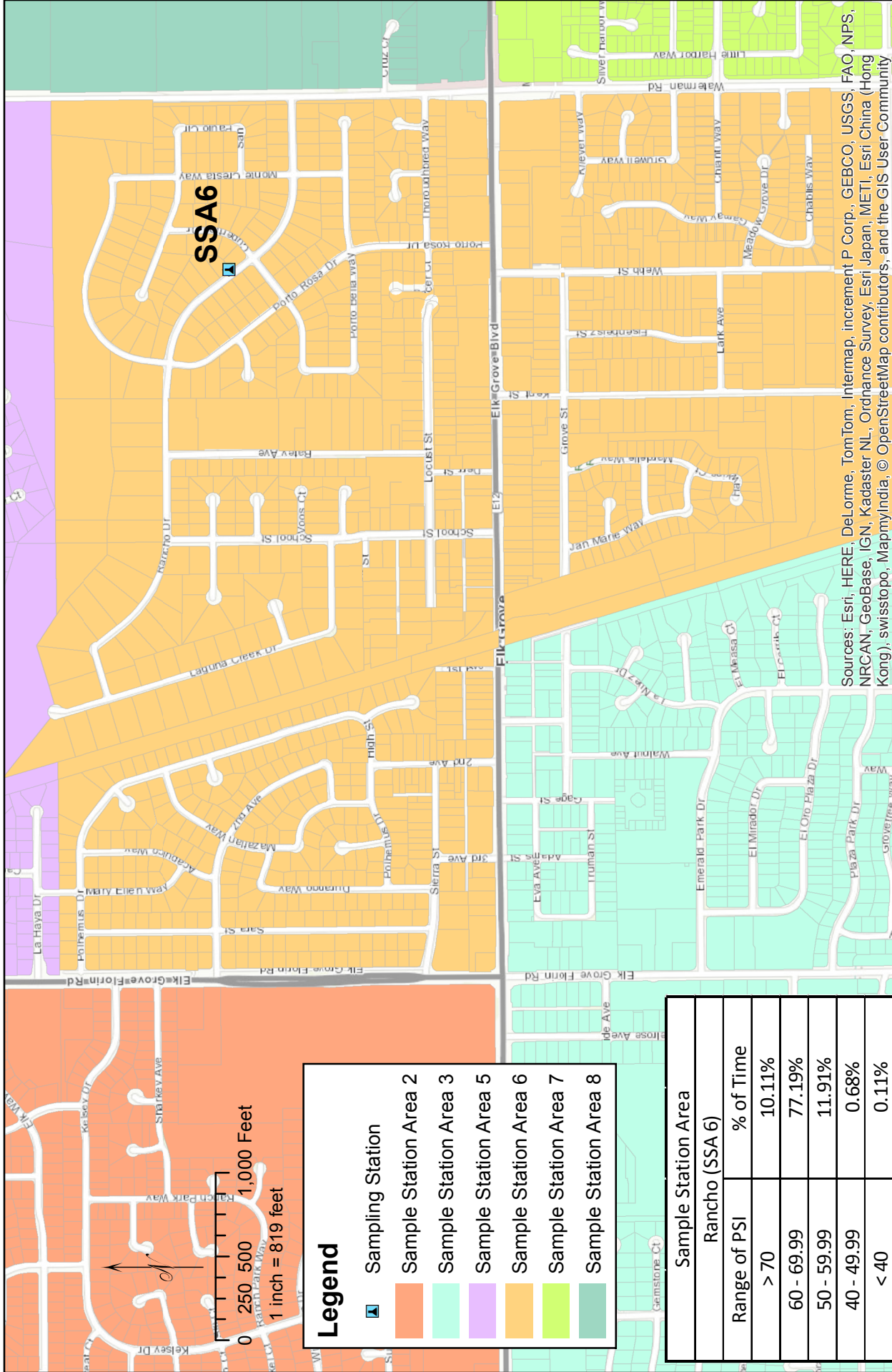
Projected Coordinate System:
 NAD 83 State Plane CA II FIPS 0402
 Source: EGWD GIS database
 Created by: Travis Franklin
 April 5, 2018

Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, Aero, FRS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

Sample Station #5

Notes: Sample Station takes a reading every 5 minutes.

March 2018



Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

Sample Station Area	Range of PSI	% of Time
Rancho (SSA 6)	> 70	10.11%
	60 - 69.99	77.19%
	50 - 59.99	11.91%
	40 - 49.99	0.68%
	< 40	0.11%

Sample Station #6

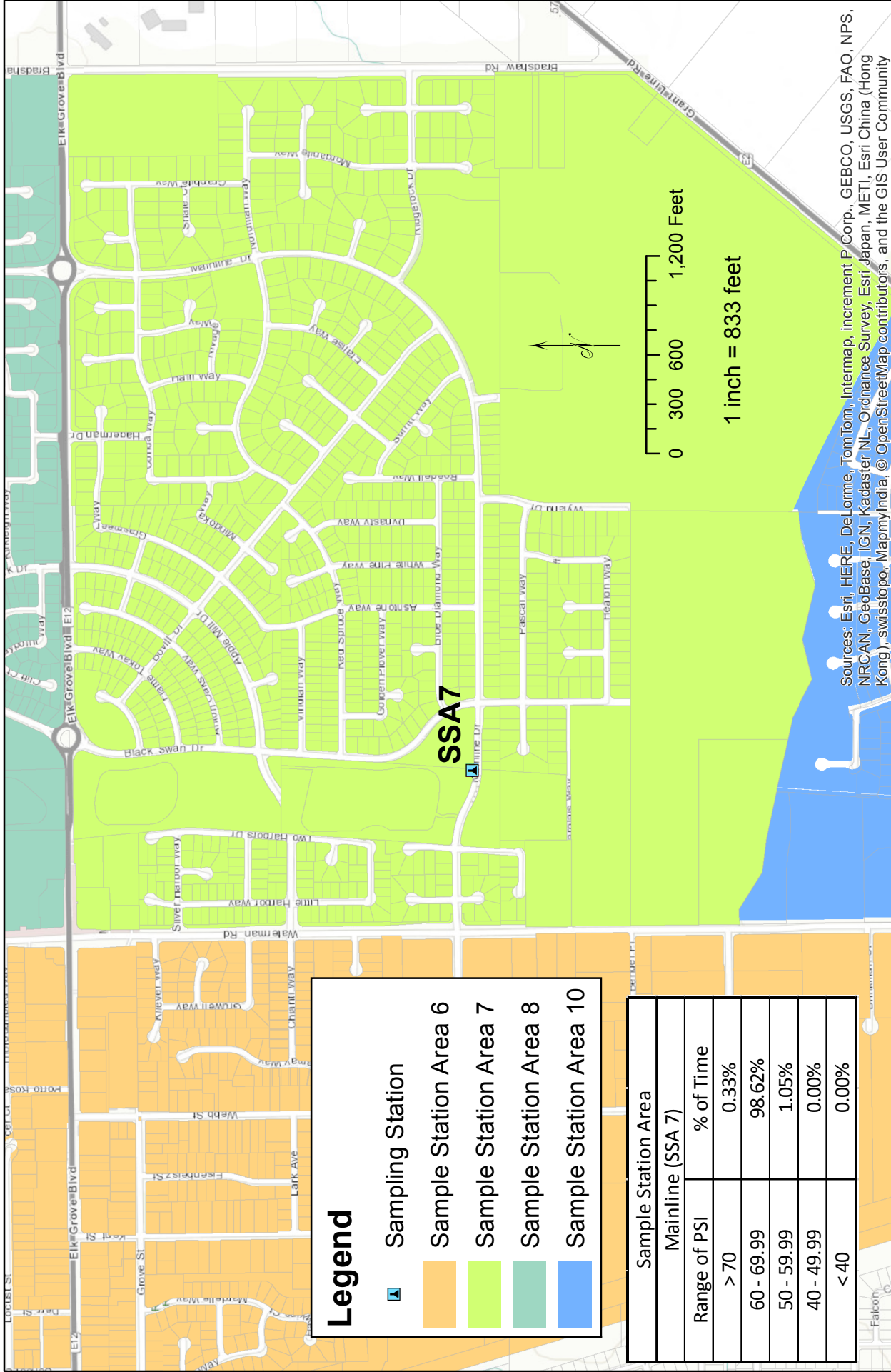
Note: Sample Station takes a reading every 5 minutes.

March 2018



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
April 5, 2018



Legend

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

Sample Station Area	Mainline (SSA 7)
Range of PSI	% of Time
> 70	0.33%
60 - 69.99	98.62%
50 - 59.99	1.05%
40 - 49.99	0.00%
< 40	0.00%

Sample Station #7

Note: Sample Station takes a reading every 5 minutes.

March 2018



Elk Grove Water District

System Pressure Monitoring

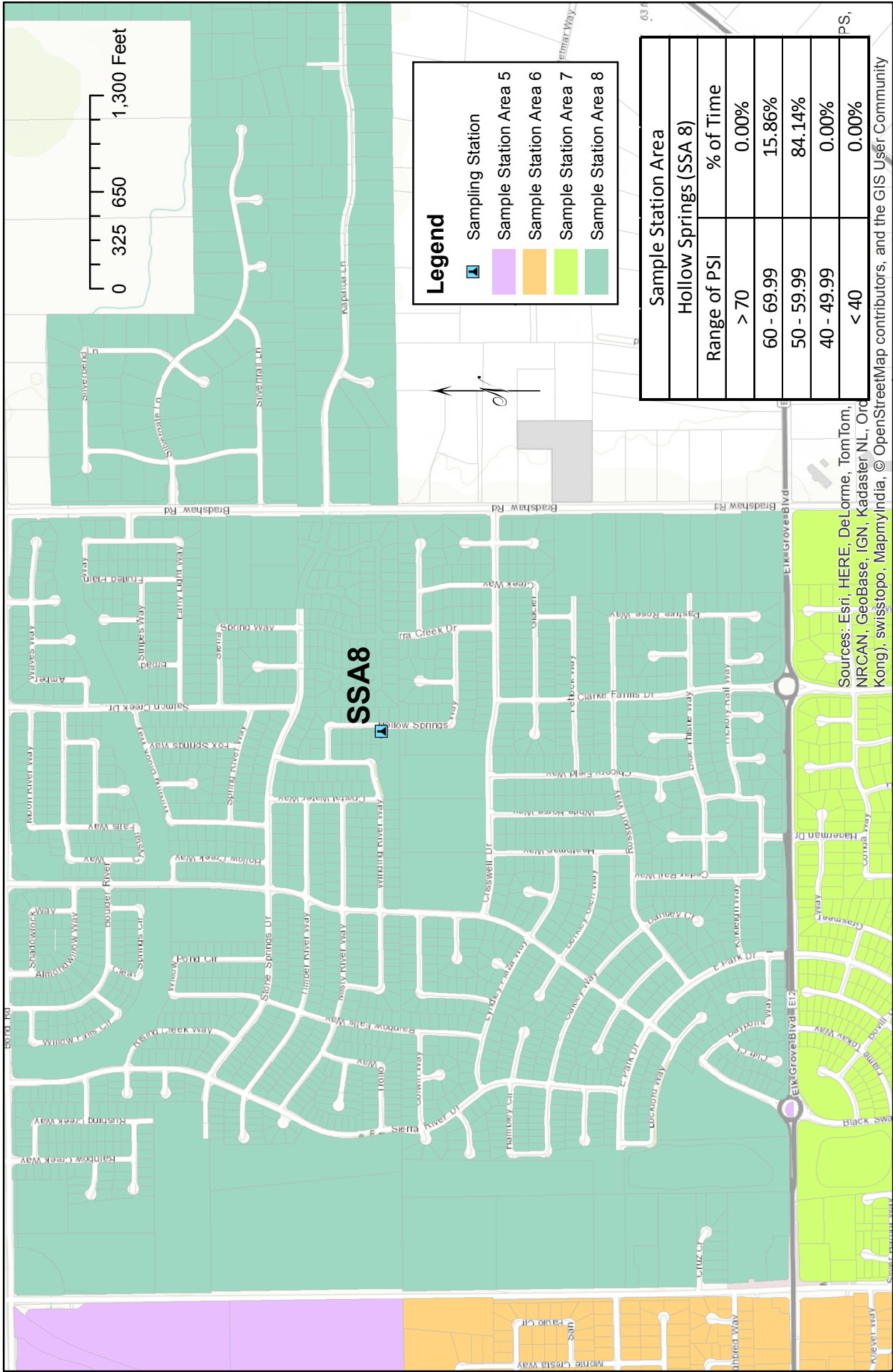
Projected Coordinate System:
 NAD 83 State Plane CA II FIPS 0402

Source: EGWD GIS database

Created by: Travis Franklin

April 5, 2018

Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community



Legend

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

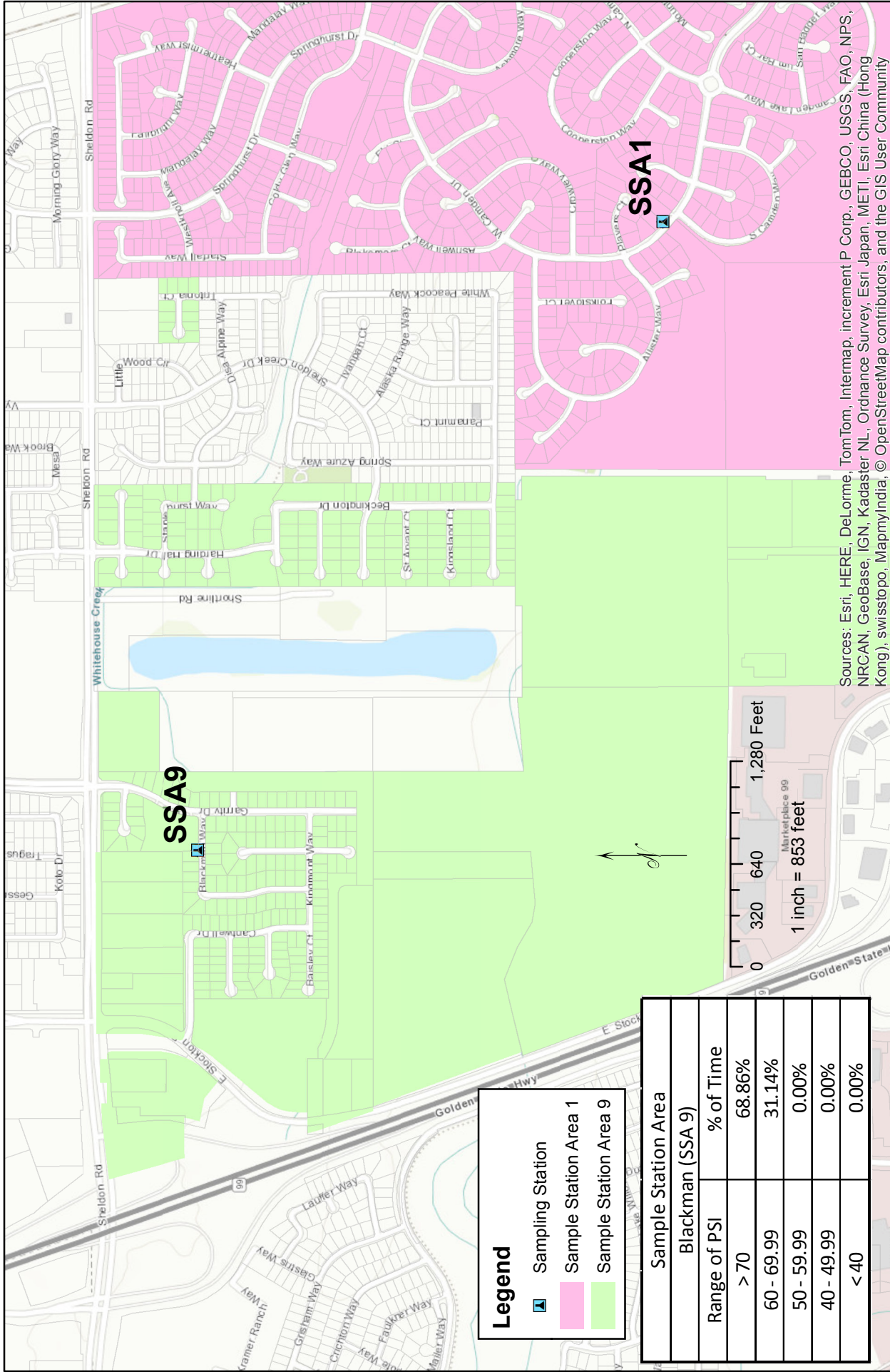
Sample Station Area	Range of PSI	% of Time
Hollow Springs (SSA 8)	> 70	0.00%
	60 - 69.99	15.86%
	50 - 59.99	84.14%
	40 - 49.99	0.00%
	< 40	0.00%

Sources: Esri, HERE, DeLorme, TomTom, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri, DeLorme, HERE, Swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

Projected Coordinate System:
 NAD 83 State Plane CA II FIPS 0402
 Source: EGWD GIS database
 Created by: Travis Franklin
 April 5, 2018

Elk Grove Water District
 System Pressure Monitoring

Sample Station #8
 Note: Sample Station takes a reading every 5 minutes.
 March 2018



Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

Legend

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

Sample Station Area	Blackman (SSA 9)	Range of PSI	% of Time
> 70			68.86%
60 - 69.99			31.14%
50 - 59.99			0.00%
40 - 49.99			0.00%
< 40			0.00%

Sample Station #9

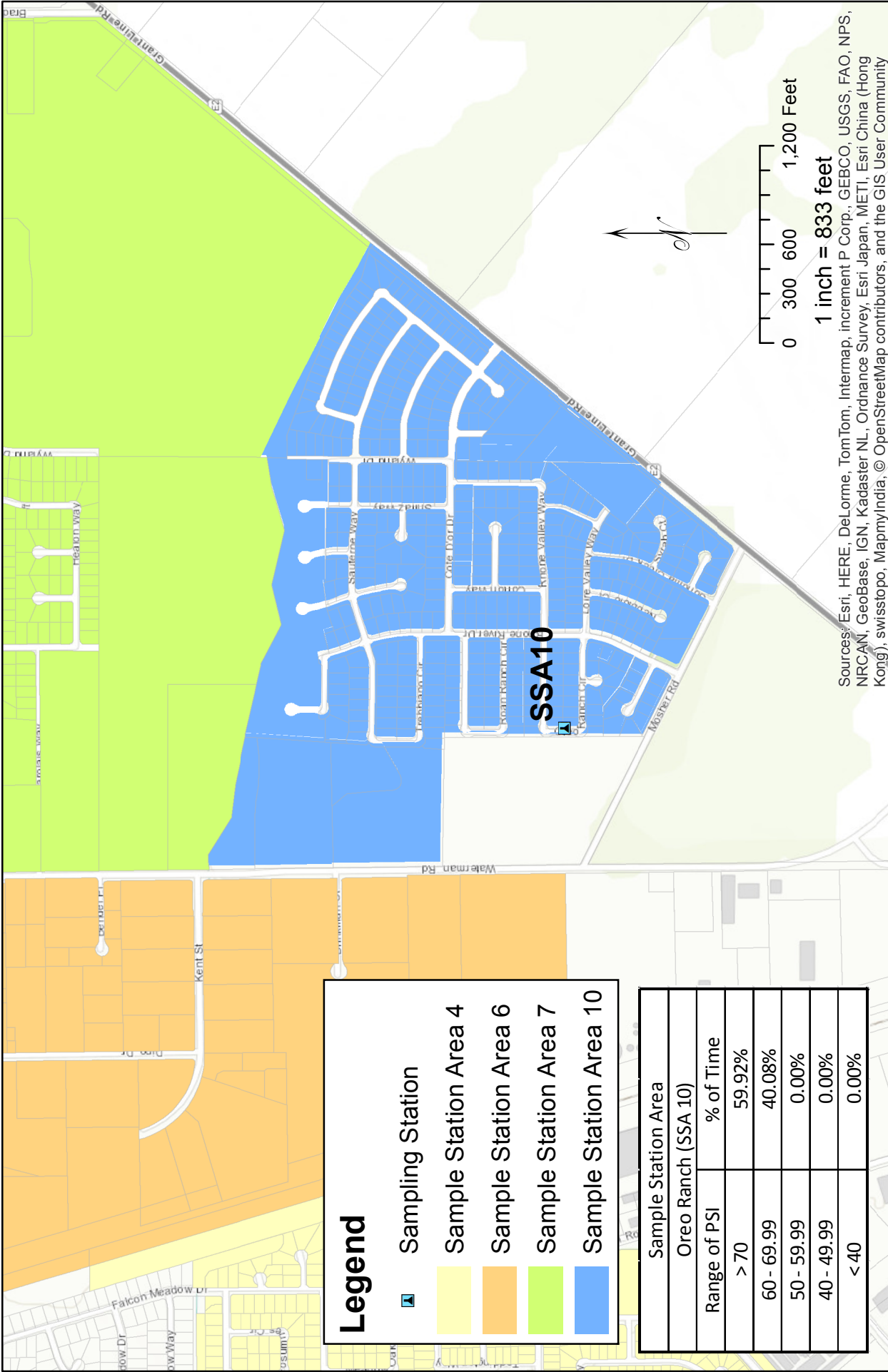
Note: Sample Station takes a reading every 5 minutes.

March 2018



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
April 5, 2018



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)	% of Time
Range of PSI	
> 70	59.92%
60 - 69.99	40.08%
50 - 59.99	0.00%
40 - 49.99	0.00%
< 40	0.00%



Sample Station #10

Note: Sample Station takes a reading every 5 minutes.

March 2018

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
April 5, 2018

Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community



April 18, 2018

TO: Chairperson and Directors of the Florin Resource Conservation District

FROM: Patrick Lee, Finance Manager/Treasurer

SUBJECT: **ELK GROVE WATER DISTRICT FISCAL YEAR 2017-18 QUARTERLY OPERATING BUDGET STATUS REPORT**

RECOMMENDATION

This item is presented for discussion purposes only. No action is requested of the Florin Resource Conservation District Board of Directors at this time.

SUMMARY

Staff is presenting the quarterly budget status report through the third quarter of Fiscal (FY) Year 2017-18. This report is to keep the Board and the public informed on the financial status of the Elk Grove Water District (EGWD).

DISCUSSION

Background

On June 21, 2017, the Board approved the FY 2017-18 (EGWD) Budget. The adopted FY 2017-18 EGWD Budget has total revenues of approximately \$14.294 million and total expenditures of approximately \$14.298 million, including deposits into the Repair and Replacement and Long-Term Capital Improvement Reserves of approximately \$1.70 million. On January 17, 2018, the Board approved the appropriation of \$45,000 from Operating Reserves for unbudgeted IT support services to be incurred during the remainder of FY 2017-18, bringing total budgeted expenditures for FY 2017-18 to approximately \$14.343 million. In addition, the projected expenditures in excess of revenues of approximately \$3,955 will be contributed by operating reserves.

Present Situation

The following is a summary of the EGWD's financial status as of March 31, 2018:

ELK GROVE WATER DISTRICT FISCAL YEAR 2017-18 QUARTERLY OPERATING BUDGET STATUS REPORT

Page 2

Elk Grove Water District						
Year to Date Revenues and Expenses Compared to Budget						
As of March 31, 2018						
					9/12=75.00%	
	General Ledger Reference	YTD Activity	Annual Budget	Variance		% Realized
Revenues	4100 - 4900	11,036,353	14,294,096	(3,257,743)		77.21%
Salaries & Benefits	5100 - 5280	2,875,763	\$4,109,177	(\$1,233,414)		69.98%
less Capitalized Labor		(135,116)	(\$560,829)	\$425,713		24.09%
Less CalPERS Prepayment for Remainder of Year: (3)		(32,914)		(\$32,914)		
Adjusted Salaries and Benefits: (3)		2,707,733	3,548,348	(840,615)		76.31%
Seminars, Conventions and Travel	5300 - 5350	18,958	\$50,500	(\$31,542)		37.54%
Office & Operational	5410 - 5494	698,774	\$984,881	(\$286,107)		70.95%
Purchased Water est. (4)	5495 - 5495	2,209,286	\$3,010,765	(\$801,480)		73.38%
Outside Services	5505 - 5580	667,906	\$941,110	(\$273,204)		70.97%
Equipment Rent, Taxes, Utilities	5620 - 5760	264,832	\$409,000	(\$144,168)		64.75%
Total Operational Expenses		6,567,489	8,944,604	(2,377,115)		73.42%
Net Operating Inome		4,468,864	5,349,492	-\$880,628		83.54%
Non-Operating Revenues						
Interest Received	9910 - 9910	54,027	110,000	(55,973)		49.12%
Unrealized Gains/Losses	9911 - 9911	(70,993)	-	(70,993)		-
Other Income/Expense	9920 - 9973	(91,150)	14,900	(106,050)		-611.75%
Total Non-Operating Revenues		(108,117)	124,900	(233,017)		-86.56%
Non-Operating Expenses						
Election Costs	9950 - 9950	-	-	-		
All other Non-Operating Expenses						
Capital Expenses (2):						
Capital Improvements		608,560	980,000	(371,440)		62.10%
Capital Replacements		390,558	576,000	(185,442)		67.81%
Equipment	1705 - 1760	22,647	100,000	(77,353)		22.65%
Unforeseen Capital Projects		-	100,000	(100,000)		0.00%
Capital Expenses:		1,021,764	1,756,000	(734,236)		58.19%
Bond Interest Accrued	7300 - 7300	1,365,845	1,833,349	(467,504)		74.50%
Total Non Operating Expenses		2,387,609	3,589,349	(1,201,740)		66.52%
Revenues in Excess of All Expenditures, including Capital		1,973,138	1,885,043	88,095		104.67%
Bond Retirement (1):		1,990,000	1,990,000	-		100.00%
Net Position after Capital and Debt Retirement Expenditures		(16,862)	(104,957)	88,095		
Notes:						
1. Bond retirement payments are made two times a year in September and March						
2. YTD Activity includes \$135,116 in capitalized labor charged to capital projects.						
3. The District prepays CalPERS for the employers' share of retirement costs for the entire year. By doing this, the District saves approximately 3.7% in its total CalPERS payments for the year. The adjusted salaries and benefits above shows what salaries and benefits would be if only the amount due to CalPERS YTD was paid YTD, with no prepayment.						
4. There is a lag in water billings from the Sacramento Water District. Included above is an estimate of costs to date based on water used.						

**ELK GROVE WATER DISTRICT FISCAL YEAR 2017-18 QUARTERLY OPERATING
BUDGET STATUS REPORT**

Page 3

The revenues collected through the third quarter of the fiscal year total \$11,036,354 which is 77.21% of the \$14,294,096 annual budget. The revenues are \$412,101 or 3.88% above the same quarter of the prior year.

Total Operational Expenses were \$6,567,488 through the third quarter and 73.42% of the annual budget. The actual expenses were \$300,603 or 4.80% above the same quarter of the prior fiscal year as follows:

Personnel expenditures through the third quarter total \$2,707,733 which is 76.31% of the \$3,548,348 annual budget. The actual expenses were \$87,528 or 3.13% below the same period of the prior fiscal year. The decrease is due to the vacant Finance Manager position which was not filled until the end of September. Please note that staff has transferred \$135,116 of personnel costs to capital projects. Staff has budgeted \$560,829 of personnel costs to be transferred to the CIP during the fiscal year.

Seminars, Conventions and Travel expenditures total \$18,958, which is 37.54% of the annual budget of \$50,500. The actual expenses were \$2,463 or 11.50% below the same period of the prior fiscal year.

Office and Operational expenditures total \$698,773, which is at 70.95% of the annual budget of \$984,881. Some of the major costs include a \$34,500 payment to SCWRB, \$34,000 payment to SCGA and \$55,000 in repairs and maintenance expense related to treatment facilities. The actual expenses were \$16,042 or 2.24% below the same period of the prior fiscal year.

Estimated Purchased Water costs total \$2,209,286, which is at 73.38% of the annual budget of \$3,010,765. The actual expenses were \$119,811 or 5.73% above the same period of the prior fiscal year. The increase is due to increased consumption of water purchased from Sacramento County Water Agency (SCWA).

Outside Services expenditures total \$667,906 through the third quarter of the fiscal year. This represents 70.97% of the annual budget of \$941,110. The actual expenses were \$271,451 or 68.47% above the same period of the prior fiscal year. The increase is due to: an increase in Legal Services in the current year; Financial Consultants to back fill for the vacant Finance Manager position; an increase in Security relating to the contract with Infinite IT Solutions for additional IT security support; and a \$48,000 payment to SeNet for IT consulting services that was budgeted for in the prior year but paid out in the current year.

**ELK GROVE WATER DISTRICT FISCAL YEAR 2017-18 QUARTERLY OPERATING
BUDGET STATUS REPORT**

Page 4

Equipment Rent, Taxes and Utilities expenditures total \$264,832 through the third quarter and is at 64.75% of the annual budget of \$409,000. The actual expenses were \$15,374 or 6.16% above the same period of the prior fiscal year. The major expenditures in this category are Electricity costs of \$225,431, which is \$8,740 above the same period of the prior fiscal year and Sewer and Garbage of \$20,644, which is \$6,070 above the same period of the prior fiscal year.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.


STRATEGIC PLAN CONFORMITY

This item conforms to the Florin Resource Conservation District (FRCD)/EGWD's 2012-2017 Strategic Plan. Adoption and management of the annual EGWD budget is specifically identified as a goal in the financial stability challenge section of the Strategic Plan.

FINANCIAL SUMMARY

This report is provided to the Board for information only. There is no financial impact associated with this item at this time. Staff has attached a copy of the March 31, 2018 Quarterly Budget Review for the third quarter. The Quarterly Budget Review includes the line item detail for the expenditure categories for the quarter-to-date for FY 2017-18, as well as the detail for last year's quarter-to-date.

Respectfully submitted,



PATRICK LEE
FINANCE MANAGER/TREASURER

Attachment

**ELK GROVE WATER DISTRICT
QUARTERLY BUDGET REVIEW
THROUGH MARCH 31, 2018
FISCAL YEAR 2017-18**

Account Description	FY 2017-18 Budget	Y-T-D 3/31/2018	75.00% Percentage	Y-T-D 3/31/2017	Change from prior year
4100 Water Payment Revenues - Residential	\$ 12,259,300	9,278,573	75.69%	\$ 9,008,494	\$ 270,079
4110 Water Payment Revenues - Commercial	1,595,246	1,242,351	77.88%	1,249,445	(7,094)
4120 Water Payment Revenues - Fire Service	198,550	125,938	63.43%	142,627	(16,689)
4200 Meter Fees/Plan Check/Water Capacity	30,000	211,257	704.19%	57,039	154,218
4201 Backflow Installation	25,000	11,204	44.81%	19,926	(8,722)
4300 Fire Protection	-	312	#DIV/0!	-	312
4520 Door Hanger Fees	120,000	118,050	98.38%	93,600	24,450
4540 New account Fees	25,000	17,241	68.96%	20,460	(3,219)
4550 NSF Fees	3,000	2,940	98.00%	2,450	490
4570 Shut-off Fees	50,000	46,600	93.20%	38,025	8,575
4575 24 Hour Turn On	-	200	#DIV/0!	-	200
4580 Restoration Fees	-	25	#DIV/0!	-	25
4590 Credit Card Fees	8,000	7,535	94.19%	6,220	1,315
4591 Sac County Release of Lien Fee	-	57	#DIV/0!	-	57
4900 Customer Refunds	(20,000)	(25,929)	129.64%	(14,033)	(11,896)
TOTAL GROSS REVENUES	\$ 14,294,096	\$ 11,036,354	77.21%	\$ 10,624,253	\$ 412,101

**ELK GROVE WATER DISTRICT
QUARTERLY BUDGET REVIEW
THROUGH MARCH 31, 2018
FISCAL YEAR 2017-18**

Account Description	FY 2017-18 Budget	Y-T-D 3/31/2018	75.00% Percentage	Y-T-D 3/31/2017	Change from prior year
Salaries & Benefits					
5100 Executive Salary	195,227	105,840	54.21%	129,148	(23,308)
5110 Exempt Salaries	524,199	373,106	71.18%	379,944	(6,838)
5120 Non-Exempt Salaries	1,469,064	1,061,870	72.28%	1,043,591	18,279
5130 Overtime Compensation	56,300	46,229	82.11%	31,639	14,590
5140 On Call Pay	18,250	13,350	73.15%	13,800	(450)
5150 Holiday Pay	118,483	99,399	83.89%	95,268	4,131
5160 Vacation Pay	121,459	103,109	84.89%	104,216	(1,107)
5170 Personal Time Pay	94,787	83,248	87.83%	73,155	10,093
5180 Internship Program	15,000	-	0.00%	-	-
5200 Medical Benefits	720,244	536,496	74.49%	501,674	34,822
5195 EAP	960	689	71.73%	684	5
5201 EGWD Contribution H.S.A	15,000	13,219	88.13%	13,149	70
5210 Dental/Vision/Life Insurance	64,665	48,874	75.58%	45,922	2,952
5220 Retirement Benefits	371,962	268,123	72.08%	376,356	(108,233)
5225 Retirement Benefits - Post Employment	92,760	20,641	22.25%	19,030	1,611
5230 Medical Tax, Social Security and SUI	62,353	40,603	65.12%	40,620	(17)
5240 Worker's Compensation Insurance	123,873	48,565	39.21%	65,815	(17,250)
5250 Education Assistance	11,300	2,566	22.71%	12,315	(9,749)
5260 Employee Training	29,640	7,477	25.23%	1,475	6,002
5270 Employee Recognition	2,520	2,172	86.19%	1,498	674
5280 Meetings	1,131	189	16.67%	167	22
Less Capitalized Expenditures	(560,829)	(135,116)	24.09%	(154,205)	19,089
Less Remaining CalPERS prepayment	N/A	(32,914)	N/A	N/A	N/A
Category Subtotal	3,548,348	2,707,733	76.31%	2,795,261	(87,528)
Account Description					
Seminars, Conventions and Travel					
5300 Airfare	4,100	1,685	41.09%	1,863	(178)
5310 Hotels	11,800	4,018	34.05%	4,518	(500)
5320 Meals	5,730	2,291	39.99%	2,786	(495)
5330 Auto Rental	1,900	-	0.00%	10	(10)
5340 Seminars & Conferences	11,400	3,923	34.41%	5,786	(1,863)
5345 Seminars & Conferences - Board	7,820	1,498	19.16%	1,108	390
5350 Mileage Reimbursement, Parking, Tolls	1,750	1,043	59.58%	850	193
5375 Auto Allowance	6,000	4,500	75.00%	4,500	-
Category Subtotal	50,500	18,958	37.54%	21,421	(2,463)

**ELK GROVE WATER DISTRICT
 QUARTERLY BUDGET REVIEW
 THROUGH MARCH 31, 2018
 FISCAL YEAR 2017-18**

Account Description	FY 2017-18 Budget	Y-T-D 3/31/2018	75.00% Percentage	Y-T-D 3/31/2017	Change from prior year
Office & Operational					
5410 Advertising	5,000	4,181	83.62%	4,390	(209)
5415 Association Dues	99,112	79,739	80.45%	77,585	2,154
5420 Insurance	87,890	81,637	92.89%	107,725	(26,088)
5425 Licenses, Certifications, Fees	3,600	1,828	50.78%	2,337	(509)
5430 Repairs & Maintenance - Automotive	46,300	21,575	46.60%	43,305	(21,730)
5432 Repairs & Maintenance - Building	18,000	12,180	67.67%	20,720	(8,540)
5434 Repairs & Maintenance - Computers	24,759	9,344	37.74%	28,427	(19,083)
5435 Repairs & Maintenance - Equipment	65,000	75,774	116.58%	39,815	35,959
5438 Fuel	51,600	26,091	50.56%	22,444	3,647
5440 Materials	150,000	64,172	42.78%	115,742	(51,570)
5445 Chemicals	50,000	29,486	58.97%	9,464	20,022
5450 Meter Repairs	12,000	13,658	113.82%	6,247	7,411
5453 Permits	82,200	83,014	100.99%	54,624	28,390
5455 Postage	85,300	36,546	42.84%	37,625	(1,079)
5460 Printing	4,500	2,325	51.68%	2,535	(210)
5465 Safety Equipment	7,100	4,312	60.73%	11,164	(6,852)
5470 Software Programs & Updates	92,868	79,789	85.92%	76,438	3,351
5475 Supplies	20,800	24,356	117.10%	14,433	9,923
5480 Telephone	39,652	29,327	73.96%	28,635	692
5485 Tools	10,000	3,769	37.69%	1,876	1,893
5490 Clothing Allowance	10,200	3,902	38.26%	6,214	(2,312)
5491 EGWD-Other Clothing	9,000	3,852	42.80%	3,070	782
5493 Water Conservation Materials	10,000	7,915	79.15%	-	7,915
Category Subtotal	984,881	698,773	70.95%	714,815	(16,042)
Account Description					
5495 Purchased Water	3,010,765	2,209,286	73.38%	2,089,475	119,811

**ELK GROVE WATER DISTRICT
QUARTERLY BUDGET REVIEW
THROUGH MARCH 31, 2018
FISCAL YEAR 2017-18**

Account Description	FY 2017-18 Budget	Y-T-D 3/31/2018	75.00% Percentage	Y-T-D 3/31/2017	Change from prior year
Outside Services					
5505 Administration Services	3,590	2,799	77.96%	730	2,069
5510 Bank Charges	134,000	101,381	75.66%	81,465	19,916
5515 Billing Services	28,800	11,474	39.84%	15,628	(4,154)
5520 Contracted Services	232,520	224,737	96.65%	189,609	35,128
5523 Water Conservation Services	-	-	0.00%	-	-
5525 Accounting Services	35,000	14,520	41.49%	12,673	1,847
5530 Engineering	75,000	25,412	33.88%	2,388	23,024
5535 Legal Services	205,000	152,980	74.62%	46,625	106,355
5540 Financial Consultants	85,000	65,604	77.18%	4,602	61,002
5545 Community Relations	16,200	1,414	8.73%	2,629	(1,215)
5552 Misc. Medical	2,500	814	32.56%	475	339
5550 Pre-employment	3,000	425	14.17%	343	82
5555 Janitorial	8,300	4,500	54.22%	5,185	(685)
5560 Bond Administration	8,500	1,500	17.65%	4,450	(2,950)
5570 Security	68,700	28,467	41.44%	7,131	21,336
5575 Sampling	35,000	31,879	91.08%	22,522	9,357
Category Subtotal	941,110	667,906	70.97%	396,455	271,451
Equipment Rent, Taxes and Utilities					
5610 Occupancy	-	-	0.00%	-	-
5620 Equipment Rental	22,000	17,359	78.91%	16,368	991
5710 Property Taxes	1,500	959	63.94%	1,299	(340)
5720 Water	-	-	0.00%	-	-
5740 Electricity	359,000	225,431	62.79%	216,691	8,740
5750 Natural Gas	600	439	73.20%	526	(87)
5760 Sewer and Garbage	25,900	20,644	79.70%	14,574	6,070
Category Subtotal	409,000	264,832	64.75%	249,458	15,374
Total Operational Expenses	8,944,604	6,567,488	73.42%	6,266,885	300,603

April 18, 2018

TO: Chairperson and Directors of the Florin Resource Conservation District

FROM: Patrick Lee, Finance Manager/Treasurer

SUBJECT: **ELK GROVE WATER DISTRICT FISCAL YEAR 2017-18 QUARTERLY
CAPITAL RESERVE STATUS REPORT**

RECOMMENDATION

This item is presented for information only. No action by the Florin Resource Conservation District Board of Directors is proposed at this time.

SUMMARY

The total amount available for reserves at July 1, 2017 was \$12,871,285. Based on Board policy adopted August 22, 2012, the reserves are allocated first to the Operating Reserve (120 days of budgeted operating and maintenance expenses), then to the Fiscal Year (FY) 2017-18 capital budget, followed by elections/special studies, with the balance allocated to future capital improvements and capital replacements in the ratio of 75:25, respectively.

Through the third quarter of FY 2017-18, the District expended \$1,021,765 for capital projects leaving a remaining total reserve balance at March 31, 2018 of \$11,849,520.

DISCUSSION

Background

On June 21, 2017, the Board approved the FY 2017-18 Elk Grove Water District (EGWD) Capital Improvement Program (CIP) that included an appropriation of \$1,506,000 in unrestricted funds to the FY 2017-18 CIP reserve fund. On August 14th, 2017 a budget amendment was passed to appropriate an additional \$250,000 to the FY 2017-18 Capital Improvement Fund.

Present Situation

EGWD has appropriated Reserve Funds for FY 2017-18 as follows:

- Operations Reserves (120 days) \$ 4,700,729

ELK GROVE WATER DISTRICT FISCAL YEAR 2017-18 QUARTERLY CAPITAL RESERVE STATUS REPORT

Page 2

• FY 2017-18 Capital Improvement Fund	\$ 1,130,000
• FY 2017-18 Capital Replacement Fund	\$ 626,000
• Elections and Special Studies	\$ 120,000
• Future Capital Improvements	\$ 4,720,917
• Future Capital Replacements	<u>\$ 1,573,639</u>
	\$ 12,871,285

EGWD has expended \$1,021,765 for capital expenditures through March 31, 2018 as follows:

• Capital Improvement Fund	
○ Service Line Replacements	\$ 41,250
○ Radio Antenna	\$ 4,354
○ Well 1D Pump Replacement	\$ 3,248
○ Well 8 Pump Replacement	\$ 3,609
○ Trucks	\$ 22,647
○ Fiber Optic Cable	\$ 720
○ RRWTF Modular IT Center	<u>\$ 555,379</u>
TOTAL	\$ 631,207
• Capital Replacement Fund	
○ Well 9 Fence Replacement	\$ 4,814
○ Kent Street Water Main	\$ 208,334
○ Emerald Vista Water Main Relocation	\$ 12,609
○ RRWTF Tanks & Vessels	\$ 66,887
○ Well Rehabilitation (one Year)	<u>\$ 97,914</u>
TOTAL	\$ 390,558

The EGWD remaining reserve fund balances as of March 31, 2018 are as follows:

• Operations Reserves (120 days)	\$ 4,700,729
• FY 2017-18 Capital Improvement Fund	\$ 498,793
• FY 2017-18 Capital Replacement Fund	\$ 235,442
• Elections and Special Studies	\$ 120,000
• Future Capital Improvements	\$ 4,720,917
• Future Capital Replacements	<u>\$ 1,573,639</u>
	\$ 11,849,520

April 18, 2018

**ELK GROVE WATER DISTRICT FISCAL YEAR 2017-18 QUARTERLY CAPITAL
RESERVE STATUS REPORT**

Page 3

ENVIRONMENTAL CONSIDERATIONS

There are no environmental considerations associated with this report.

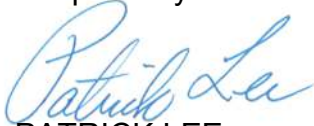
STRATEGIC PLAN CONFORMITY

This item conforms to the Florin Resource Conservation District (FRCD)/EGWD's 2012-2017 Strategic Plan. Adoption and management of the annual EGWD budget is specifically identified as a goal in the financial stability challenge section of the Strategic Plan.

FINANCIAL SUMMARY

There is no financial impact with this report.

Respectfully submitted,



PATRICK LEE
FINANCE MANAGER/TREASURER

Attachment

**ELK GROVE WATER RESERVES
Fiscal Year 2017-18
As of March 31, 2018**

Total Available <u>\$ 12,871,285</u> at 7/1/2017																																															
<table border="1" style="width:100%; border-collapse: collapse;"> <tr><th align="center">Operating Reserves</th></tr> <tr><td>Needed</td></tr> <tr><td>\$ 4,700,729</td></tr> <tr><td>Available</td></tr> <tr><td align="center">-</td></tr> <tr><td>Remaining</td></tr> <tr><td>\$ 4,700,729</td></tr> </table>	Operating Reserves	Needed	\$ 4,700,729	Available	-	Remaining	\$ 4,700,729	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><th align="center">Capital Improvements</th></tr> <tr><td>Funded</td></tr> <tr><td>\$ 1,130,000</td></tr> <tr><td>Expended</td></tr> <tr><td>\$ 631,207</td></tr> <tr><td>Remaining</td></tr> <tr><td>\$ 498,793</td></tr> </table>	Capital Improvements	Funded	\$ 1,130,000	Expended	\$ 631,207	Remaining	\$ 498,793	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><th align="center">Capital Replacements</th></tr> <tr><td>Funded</td></tr> <tr><td>\$ 626,000</td></tr> <tr><td>Expended</td></tr> <tr><td>\$ 390,558</td></tr> <tr><td>Remaining</td></tr> <tr><td>\$ 235,442</td></tr> </table>	Capital Replacements	Funded	\$ 626,000	Expended	\$ 390,558	Remaining	\$ 235,442	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><th align="center">Elections/ Special Studies</th></tr> <tr><td>Funded</td></tr> <tr><td>\$ 120,000</td></tr> <tr><td>Expended</td></tr> <tr><td align="center">-</td></tr> <tr><td>Remaining</td></tr> <tr><td>\$ 120,000</td></tr> </table>	Elections/ Special Studies	Funded	\$ 120,000	Expended	-	Remaining	\$ 120,000	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><th align="center">Future Capital Improvements</th></tr> <tr><td>Funded</td></tr> <tr><td>\$ 4,720,917</td></tr> <tr><td>Expended</td></tr> <tr><td align="center">-</td></tr> <tr><td>Remaining</td></tr> <tr><td>\$ 4,720,917</td></tr> </table>	Future Capital Improvements	Funded	\$ 4,720,917	Expended	-	Remaining	\$ 4,720,917	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><th align="center">Future Capital Replacements</th></tr> <tr><td>Funded</td></tr> <tr><td>\$ 1,573,639</td></tr> <tr><td>Expended</td></tr> <tr><td align="center">-</td></tr> <tr><td>Remaining</td></tr> <tr><td>\$ 1,573,639</td></tr> </table>	Future Capital Replacements	Funded	\$ 1,573,639	Expended	-	Remaining	\$ 1,573,639
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Capital Improvement Funds

<table border="1" style="width:100%; border-collapse: collapse;"> <tr><th align="center">Supply/Dist. Improvements</th></tr> <tr><td>Funded</td></tr> <tr><td>\$ 250,000</td></tr> <tr><td>Expended</td></tr> <tr><td>\$ 44,498</td></tr> <tr><td>Remaining</td></tr> <tr><td>\$ 205,502</td></tr> </table>	Supply/Dist. Improvements	Funded	\$ 250,000	Expended	\$ 44,498	Remaining	\$ 205,502	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><th align="center">Treatment Plant Improvements</th></tr> <tr><td>Funded</td></tr> <tr><td>\$ 180,000</td></tr> <tr><td>Expended</td></tr> <tr><td>\$ 7,963</td></tr> <tr><td>Remaining</td></tr> <tr><td>\$ 172,037</td></tr> </table>	Treatment Plant Improvements	Funded	\$ 180,000	Expended	\$ 7,963	Remaining	\$ 172,037	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><th align="center">Building & Site Improvements</th></tr> <tr><td>Funded</td></tr> <tr><td>\$ 650,000</td></tr> <tr><td>Expended</td></tr> <tr><td>\$ 578,746</td></tr> <tr><td>Remaining</td></tr> <tr><td>\$ 71,254</td></tr> </table>	Building & Site Improvements	Funded	\$ 650,000	Expended	\$ 578,746	Remaining	\$ 71,254	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><th align="center">Unforeseen Capital Projects</th></tr> <tr><td>Funded</td></tr> <tr><td>\$ 50,000</td></tr> <tr><td>Expended</td></tr> <tr><td align="center">-</td></tr> <tr><td>Remaining</td></tr> <tr><td>\$ 50,000</td></tr> </table>	Unforeseen Capital Projects	Funded	\$ 50,000	Expended	-	Remaining	\$ 50,000
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Capital Replacement Funds

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Treatment Plant Improvements																															
Funded																															
\$ 50,000																															
Expended																															
\$ 66,887																															
Remaining																															
\$ (16,887)																															
Building & Site Improvements																															
Funded																															
\$ 15,000																															
Expended																															
\$ 4,814																															
Remaining																															
\$ 10,186																															
Unforeseen Capital Projects																															
Funded																															
\$ 50,000																															
Expended																															
-																															
Remaining																															
\$ 50,000																															

TO: Chairperson and Directors of the Florin Resource Conservation District

FROM: Mark J. Madison, General Manager

SUBJECT: **FLORIN RESOURCE CONSERVATION DISTRICT FINANCIAL CHALLENGES AND POTENTIAL REMEDIES**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors adopt:

1. Resolution 04.18.18.01, declaring that all future activities performed by the Florin Resource Conservation District be limited to water related activities that provide a benefit to Elk Grove Water District ratepayers, effective July 1, 2018, and
2. Resolution 04.18.18.02, requiring that any rescission or modification of Resolution 04.18.18.01 require a two-thirds vote of the full Florin Resource Conservation District Board of Directors.

SUMMARY

For many years, with the exception of revenue relating to its water service functions, the Florin Resource Conservation District (FRCD) has experienced insufficient revenues and declining reserves. At present, the reserve balance attributable solely to the FRCD is approximately \$20,000 and it is expected to be depleted by January 2019.

Significant effort has been expended to resolve this financial issue and staff has identified three basic options for the FRCD Board's consideration. Of these, Option 2 is recommended, as it blends the funds of the FRCD and the Elk Grove Water District (EGWD) through a declaration that all future activities performed by the FRCD be limited to water related activities that provide a benefit to EGWD ratepayers.

To further solidify this declaration, it is also recommended that a second resolution be adopted requiring that any future rescission or modification of Option 2 require a two-thirds vote of the full FRCD Board of Directors.

DISCUSSION

Background

The FRCD was formed in 1953, pursuant to Section 9000 *et seq.* of the Public Resources Code of the State of California. Since it was formed, its jurisdictional area has twice been

FLORIN RESOURCE CONSERVATION DISTRICT FINANCIAL CHALLENGES AND POTENTIAL REMEDIES

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increased and today there are approximately 92,000 acres within the FRCD. The FRCD has historically provided technical assistance and conservation education to farmers, community members and students.

In 1998, the FRCD constructed a 52,000 square foot building, known as the Susie Gaines Mitchell Building, at 2450 Florin Road in Sacramento and executed a lease with Sacramento County for the County to use the building for human assistance purposes. The FRCD issued bonds to fund this activity, in the amount of \$13,218,170, to be repaid over a term of 30 years. It is interesting to note that this location was well outside of the FRCD's boundaries.

In 1999, the FRCD purchased the privately-owned Elk Grove Water Works ("EGWW") which operated and maintained a water system going back to 1893. Additional bonds were issued, in the amount of \$18,810,000 to be repaid over a term of 30 years. Since 1999, most of the FRCD's activities have focused on the continued operations of that water system.

In 1999, FRCD filed a condemnation lawsuit against EGWW to acquire its water service facilities. That lawsuit settled, with FRCD paying EGWW \$16,500,001 and acquiring those facilities.

Subsequently, in 2000, the Building Industry Association (BIA) sued FRCD challenging, among other matters, the validity of the condemnation action and FRCD's authority to provide retail water service. On both of these points, BIA was unsuccessful.

Notwithstanding the outcome of BIA's lawsuit against FRCD, in 2001, Sacramento County and Sacramento County Water Agency sued FRCD alleging, among other matters, that the District did not have the authority to provide retail water service and did not have the authority to charge for such water service. The court sustained FRCD's demurrer on these points, without leave to amend, based at least in part on the prior BIA litigation.

In the early 2000's, the Elk Grove Water Works was renamed the Elk Grove Water District. The EGWD operates as a department of the FRCD and is classified as a medium sized water purveyor serving approximately 45,000 people. In addition to providing water service through EGWD, the FRCD has engaged in a range of soil and land use conservation activities.

Over the last five years, with the exception of EGWD related fees and services the FRCD has had declining revenues resulting in reduced cash balances for operations unrelated to water service. These declining cash balances are attributable to a reduction in revenue

FLORIN RESOURCE CONSERVATION DISTRICT FINANCIAL CHALLENGES AND POTENTIAL REMEDIES

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generating operations by the FRCD and a reduction in grant funding available for soil conservation activities. Although grant funding is available in some instances, the majority of the grants require matching cash funds anywhere from 10-35% of the total grant amount. With declining cash balances, this grant requirement often results in the FRCD not having the financial capacity to apply for such grants, with non-EGWD funds. Below is a summary of this declining cash balance for the last five fiscal years:

- FY 2017-18 (estimated) \$17,900
- FY 2016-17 \$47,068
- FY 2015-16 \$95,044
- FY 2014-15 \$127,886
- FY 2013-14 \$143,355

Efforts began in 2011 to attend to this financial issue. From around 2012 to 2014, attempts were made to seek and obtain grant funding for potential FRCD activities. The FRCD even contemplated retaining a grant consultant/writer, but was advised that it would be best to complete a needs assessment to better determine how grant monies would be used.

On July 29, 2015, the FRCD Board discussed the potential to restrict the FRCD activities. During that discussion, the Board directed staff to perform a Needs Assessment before any long term decisions were made by the Board and that the idea of restricting FRCD's activities be entertained only after the study was completed.

On September 29, 2015, a consultant was retained for the work and the research included numerous stakeholder meetings, which were conducted to gain input from numerous individuals representing a broad cross section of the community. Three public workshops were also held to solicit ideas from the general public.

On March 23, 2016, the Final Needs Assessment was accepted and filed by the Board. That Assessment generally concluded that, although certain needs may exist, there were no identifiable activities that the FRCD could undertake that would generate a long-term source of revenue to the FRCD.

While efforts were being made to pursue new sources of revenue, on February 28, 2014, the FRCD sold a property located on Elk Grove-Florin Road, jointly owned between the FRCD, Sloughhouse Resource Conservation District, and the Lower Cosumnes Resource Conservation District. Although this property was leased and provided \$6,000 per year in annual revenue to the FRCD, the property and the buildings on it were in such a state that the property presented major liabilities to the FRCD.

AGENDA ITEM No. 7

FLORIN RESOURCE CONSERVATION DISTRICT FINANCIAL CHALLENGES AND POTENTIAL REMEDIES

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On October 30, 2015, the FRCD also sold the Susie Gaines Mitchell Building, which the FRCD had built in 1998. This sale also brought about a termination of the lease between the FRCD and Sacramento County.

The terms of that lease were not advantageous to the FRCD and, over time, the FRCD was unable to properly maintain the building. After exhausting efforts to restructure a new lease agreement with Sacramento County, the Board elected to proceed to market the property. The original asking price was \$8.95 million, however the high bid received was \$9.9 million.

It should be noted that although the FRCD owed almost \$12 million in prior bonds issued against the property, a declaration of relief was obtained from the Sacramento Superior Court affirming that the FRCD's actions were reasonable, appropriate, and consistent with its obligations under the bond documents. As a result, bondholders received less than what they were owed but potentially far more than if the property had been forced into a tax sale by the County. It should also be noted that this transaction had no effect on the EGWD and its finances.

Present Situation

As mentioned, the FRCD's non-EGWD reserve balance is approximately \$20,000. It is anticipated that this revenue will be depleted by non-EGWD matters by January 2019.

The FRCD's only present source of revenue is a reimbursement grant from the California Department of Conservation in the amount of \$46,209, which is set to expire on February 28, 2019. The grant is funding a Community Conservation Education program created by the FRCD to promote conservation education for high school students. The \$46,209 will be used to reimburse a portion of the cost of salary for a Program Manager as well as materials, equipment, supplies and transportation for students to attend a series of land conservation workshops. In addition to the funding made available by the grant, the grant requires a 10% cash match and 15% in-kind match from the FRCD. The 15% in-kind match is being made in the form of volunteer hours provided by outside agencies and the 10% cash match is being made in the form of non-reimbursable salaries for the Program Manager who is administering the grant.

As of March 31, 2018, the FRCD has cash balances of \$21,858 available for operations. Projecting out cash flows through the end of Fiscal Year (FY) 2017-18, the FRCD will have approximately \$17,900 in cash left for operations. To the extent that FRCD engages in activities that do not benefit or are otherwise unrelated to EGWD ratepayers, such activities, as well as a portion of FRCD's general operating costs should be funded by

FLORIN RESOURCE CONSERVATION DISTRICT FINANCIAL CHALLENGES AND POTENTIAL REMEDIES

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non-EGWD sources. With elections taking place in fiscal year 2018-19, as well as annual audit, legal and consultant fees, and general overhead, the cash balance for the FRCD is expected to reach zero by the end of calendar year 2018.

FRCD has complied, and will continue to comply, with Proposition 218, and related laws, regarding proper use of fees and other revenues. Consistent with Prop 218, such revenue must be dedicated to EGWD and such matters that benefit EGWD and its ratepayers. Therefore, FRCD must address this issue immediately.

Over the past year, the FRCD Board conducted three Special Board meetings to address this issue and explore options to find a solution. On September 6, 2017, six options were presented for the Board's consideration, which the Board narrowed down to four for further consideration.

On October 4, 2017, the four options were re-evaluated and narrowed down to three and these were further discussed by the Board. Staff made a recommendation on an option to the Board and the Board directed staff to conduct additional research on various matters pertaining to two of the three options.

On March 7, 2018, the Board reviewed the three options in more detail as well as the additional legal research requested. Pursuant to lengthy discussions on each of the options, the General Manager was directed to return in April 2018 with a package reflecting Option 2, including a descriptive staff report and all appropriate resolution(s). This agenda item is intended to comply with the Board's direction. The three potential options and their features presented for the Board's consideration include:

1. Do Nothing

With this option, the FRCD would continue to seek a funding source although the FRCD would likely run out of money next year. If that occurs, the EGWD would have to pay for all elections, legal and audit costs going forward which may subject the FRCD to challenges under Proposition 218. Alternatively, the FRCD could minimize election costs by requesting the County Board of Supervisors to appoint FRCD directors. However, this is not an attractive option since the FRCD prefers to give local voters direct control as to Board member selection.

As previously discussed, FRCD has tried for several years, but unsuccessfully, to find additional funding sources for its non-EGWD activities. Continuing the status quo is not reasonable in light of this and Proposition 218 issues.

FLORIN RESOURCE CONSERVATION DISTRICT FINANCIAL CHALLENGES AND POTENTIAL REMEDIES

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2. The Florin Resource Conservation District adopt a resolution(s) declaring that all future activities performed by the Florin Resource Conservation District be limited to water related activities that provide a benefit to, or otherwise serve, the Elk Grove Water District customers, effective as July 1, 2018.

With this option, the FRCD and EGWD funds would not be segregated and EGWD revenues would pay for everything going forward. Historically, FRCD general revenues have covered some of the FRCD's expenses, at roughly \$10,000 per year. Since FRCD is anticipated to have no revenue as of 2019, EGWD will be covering all FRCD costs.

This option would preserve the current governance structure and election process to seat board members, with minimal cost initially to implement. It should be noted, however, that with this option, the elections cost borne by the EGWD will be approximately \$150,000/year and that this may increase in the future if the population significantly increases within the FRCD boundaries.

The FRCD would preserve its current jurisdictional boundary but its activities would be limited to those that are water related and provide a direct benefit to the EGWD ratepayers.

If approved, future debates may be expected in deciding whether or not an FRCD activity provides benefit to EGWD ratepayers. This option has little effect on the FRCD's bonds because their repayment source is primarily from water revenues. Furthermore, the formation of a new and separate water district is still possible in the future (Option 3).

Relative to implementation, it is important to address how the FRCD funds will work in the future.

The FRCD currently reports two funds in its comprehensive annual financial report. The non-water related activities of the FRCD, which consist of programs associated with conservation, are accounted for in a general governmental fund; the activities of the EGWD, which consist of activities related to providing water to commercial and residential customers in the EGWD's service area, are accounted for in a proprietary fund. If Option 2 is selected for implementation, the funds and accounts of the FRCD would be blended with the funds and accounts of the EGWD. To accomplish this, the assets and the liabilities of the FRCD would be transferred out of the general governmental fund and transferred into the proprietary fund. This would zero out the general governmental fund and commingle the funds and accounts of the FRCD and the EGWD into the proprietary fund. Any and all future activities of the FRCD would be recorded and reported in the same fund as EGWD activities.

FLORIN RESOURCE CONSERVATION DISTRICT FINANCIAL CHALLENGES AND POTENTIAL REMEDIES

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It will also be important to address how Option 2 will affect the status of current FRCD programs.

As previously mentioned, the FRCD was awarded a reimbursement grant from the California Department of to promote conservation education for high school students. The grant funds expire in February 2019.

The first component of the CCE Program, the Community Conservation Workshop series in partnership with the Elk Grove Community Garden and Learning Center, has been completed. The second component, the implementation of the Student and Landowner Education and Watershed Stewardship (SLEWS) Program in partnership with the Center for Land-Based Learning (CLBL), is approximately 50% complete with one field day left in this academic year (May 3) and four field days remaining in the next academic year.

With this option, the CCE Program would need to be modified, effective July 1, 2018, to incorporate water related activities that benefit EGWD ratepayers. If this is not possible, then the grant agreement should be terminated with the California Department of Conservation.

Staff recommends Option 2 and Resolution 04.18.18.01 is offered for the Board's consideration. With this option, as identified in the resolution, it is recommended that all changes associated with Option 2 go into effect as of July 1, 2018.

To further solidify this declaration, it is also recommended that a second resolution (Resolution 04.18.18.02, attached) be adopted requiring that any future rescission or modification of Option 2 require a two-thirds vote of the full FRCD Board of Directors.

3. The FRCD and EGWD essentially split through the formation of a new water district

With this option, a new water district would be legally established, perhaps in the form of a community services district. The FRCD could remain or dissolve and this would depend on whether or not a stable source of revenue is found for the FRCD, which is unlikely as this option does not resolve the financial problems facing the FRCD.

With the formation of a new water district (for the EGWD), a new Board and governance structure (rules, bylaws, etc.) would be needed and voter approval would be required. Approval of a new water district by the Local Agency Formation Commission (LAFCO) would also be required. Legislation to form a new district is not anticipated to be required. It should be noted that voter approval or approval by LAFCO cannot be assured.

Given that the outstanding bonds were issued by, and in the name of the FRCD for 1) the purchase of the EGWD; and 2) certain major capital improvements to the water system,

FLORIN RESOURCE CONSERVATION DISTRICT FINANCIAL CHALLENGES AND POTENTIAL REMEDIES

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these bonds would have to be transferred to the newly created water district and it is unknown how difficult and costly this would be. This would be part of the overall process of transferring all of FRCD's liabilities to the new district. It is also unknown how the finance community would perceive the bond transfer and how the new district's bonds would be rated by the bond rating agencies.

Because of these requirements, the initial cost to implement Option 3 is very high and would likely be in the hundreds of thousands of dollars. The FRCD would not be able to contribute financially towards the implementation of Option 3 and EGWD reserves would be heavily tapped to fund this implementation, potentially jeopardizing the funding of certain future capital improvements unless additional debt financing is secured.

In contrast, this option would limit elections to within the EGWD service area. An election with fewer voters would cost less for the EGWD ratepayers, possibly totaling approximately \$65,000 per election costs compared to Option 2. This savings might be even greater in the future.

It is important to note that with Option 3, all current FRCD employees would be transferred, or assigned, to the newly created water district. In doing so, collateral effects would be incurred on their retirement benefits. If this were to occur, significant concerns arise not only related to the adverse effect on current employees, but to the stability of the District's workforce. The potential cost to the District is not known but could be quite significant.

Lastly, if the FRCD were to remain but become insolvent, which is likely, then the FRCD future Boards would revert to having appointments made by the Sacramento County Board of Supervisors. No elections would be held in 2020 and Board Appointments (2) would be made by the Sacramento County Board of Supervisors.

ENVIRONMENTAL CONSIDERATIONS

There are no environmental considerations since none of the options have the potential of a physical effect on the environment.

STRATEGIC PLAN CONFORMITY

Option 2 complies with the FRCD/EGWD 2012-17 Strategic Plan in two ways. First, the Plan specifically cites that EGWD finances cannot be used for the benefit of the greater

April 18, 2018

**FLORIN RESOURCE CONSERVATION DISTRICT FINANCIAL CHALLENGES AND
POTENTIAL REMEDIES**

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FRCD. Option 2 also comports to the Groundwater Banking activity and its associated goods.

More importantly, because the FRCD/EGWD 2012-17 Strategic Plan is out of date, resolution of this matter will enable the development of a new Strategic Plan for the FRCD/EGWD in FY 2018-19.

FINANCIAL SUMMARY

Financial impacts associated with this item have previously been addressed in this report.

Respectfully submitted,



MARK J. MADISON, P.E.
GENERAL MANAGER

RESOLUTION NO. 04.18.18.01

A RESOLUTION OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS DECLARING THAT ALL FUTURE ACTIVITIES PERFORMED BY THE FLORIN RESOURCE CONSERVATION DISTRICT BE LIMITED TO WATER RELATED ACTIVITIES THAT PROVIDE A BENEFIT TO ELK GROVE WATER DISTRICT RATEPAYERS, EFFECTIVE JULY 1, 2018

REAFFIRMING ITS FINANCIAL PRACTICES AND AUTHORIZED ACTIVITIES

WHEREAS, the Florin Resource Conservation District (“District”) was formed in 1953, and operates under the authority granted by Chapter 3, Division 9, of the Public Resources Code; and

WHEREAS, the Elk Grove Water District (“EGWD”) is a department of the District, and provides retail water service to approximately 45,000 customers within the Elk Grove region; and

WHEREAS, in 2012, the District adopted a five year strategic plan, which highlighted the financial constraints and resource limitations of the District, including the requirement that non-water related conservation projects be cost neutral, and adopted mission statements for the District and EGWD; and

WHEREAS, pursuant to California law, the District structured EGWD as an enterprise-funded department of the District, ensuring that all EGWD financial activities are separate from the non-water utility activities of the District; and

WHEREAS, the total approved operating budget for EGWD for fiscal year 2017-18 was \$14.306 million; and

WHEREAS, the District remains committed to prudent, conservative, and transparent financial practices to reduce long-term debt while continuing to provide EGWD customers with high quality, safe water; and

WHEREAS, among other enumerated powers listed in the District Board By-Laws adopted on February 24, 2010, the District Board of Directors possesses the power to formulate and approve the policies for the operation, administration, and planning of the District’s activities; and

WHEREAS, the District has engaged in a number of studies, community outreach and related activities to evaluate the future economics and feasibility of continuing certain activities of FRCD which are unrelated to serving the needs of the customers of the Elk Grove Water District (“EGWD”);

WHEREAS, despite the District’s efforts, it had not been able to identify a continuing and reliable source of funding for non-water related activities of FRCD;

WHEREAS, the District has evaluated a number of options relating to the declining revenues and limited availability of grants or other funding for activities of FRCD relating to soil conservation or similar matters unrelated to EGWD;

WHEREAS, to comply with Proposition 218 limitations on uses of EGWD revenue and in recognition of the lack of reliable funding for non-EGWD activities of FRCD,

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE FLORIN RESOURCE CONSERVATION DISTRICT DOES HEREBY RESOLVE:

SECTION 1. The Board of Directors hereby adopts the foregoing recitals as true and correct, and incorporate them herein by reference.

SECTION 2. The Board of Directors hereby reaffirms its commitment to prudent, conservative, and transparent financial practices that ensure the Florin Resource Conservation District continues to be in compliance with California law.

SECTION 3. The Board of Directors hereby declares that all future activities performed by the Florin Resource Conservation District shall be limited to water related activities that benefit, or otherwise serve, the Elk Grove Water District ratepayers, effective July 1, 2018.

SECTION 4. If any section, subsection, clause or phrase in this Resolution is for any reason held invalid, the validity of the remainder of this Resolution shall not be affected thereby. The Board hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof be held invalid.

SECTION 5. The Secretary to the Board of Directors shall certify to the adoption of this Resolution.

SECTION 6. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2018.

Tom Nelson, Chairperson

Attest:

Stefani Phillips, Board Secretary

RESOLUTION NO. 04.18.18.02

A RESOLUTION OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS REQUIRING THAT ANY RECISISION OR MODIFICATION OF RESOLUTION 04.18.18.01 REQUIRE A TWO-THIRDS VOTE OF THE FULL FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS

ENSURING CONTINUATION OF ITS FINANCIAL PRACTICES AND AUTHORIZED ACTIVITIES

WHEREAS, the Florin Resource Conservation District (“District”) was formed in 1953, and operates under the authority granted by Chapter 3, Division 9, of the Public Resources Code; and

WHEREAS, the District is governed by a five member Board of Directors (“Board”), who, by California law, are charged with managing and conducting the business and affairs of the District; and

WHEREAS, the District’s adopted Board By-Laws grant the Board the power to formulate and approve policies for the operation, administration, and planning of the District’s facilities and activities ; and

WHEREAS, the District’s sole department, known as the Elk Grove Water District (“EGWD”), provides retail water service to commercial and residential customers within the District’s boundaries; and

WHEREAS, pursuant to California law, the District structured EGWD as an enterprise-funded department of the District, ensuring that all EGWD financial activities are separate from the non-water utility activities of the District; and

WHEREAS, to strengthen the District’s commitment to prudent, conservative, and transparent financial practices, and to ensure continued compliance with California law, the District adopted Resolution No. _____ on _____ 2018; and

WHEREAS, the District wishes to ensure continuation of its previously adopted financial practices and authorized activities to guarantee sustained compliance with California law.

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE FLORIN RESOURCE CONSERVATION DISTRICT DOES HEREBY RESOLVE:

SECTION 1. The Board of Directors hereby adopts the foregoing recitals as true and correct, and incorporate them herein by reference.

SECTION 2. The Board of Directors hereby reiterates its commitment to prudent, conservative, and transparent financial practices that ensure the Florin Resource Conservation District sustains its compliance with California law.

SECTION 3. The Board of Directors hereby resolves that Resolution No. _____ adopted on _____, shall only be modified by a two-thirds majority vote of approval by the entire Board of Directors.

SECTION 4. If any section, subsection, clause or phrase in this Resolution is for any reason held invalid, the validity of the remainder of this Resolution shall not be affected thereby. The Board hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof be held invalid.

SECTION 5. The Secretary to the Board of Directors shall certify to the adoption of this Resolution.

SECTION 6. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2018.

Tom Nelson, Chairperson

Attest:

Stefani Phillips, Board Secretary

April 18, 2018

TO: Chairperson and Directors of the Florin Resource Conservation District
FROM: Mark J. Madison, General Manager
SUBJECT: **OUTSIDE AGENCY MEETINGS REPORT**

RECOMMENDATION

This item is presented for information only. No action by the Florin Resource Conservation District Board of Directors is proposed at this time.

SUMMARY

The Outside Agency Meetings Report has been recently requested by the Board and will be included as a standing item on the regular board meeting agenda.

Staff and Board Members attended numerous outside agency meetings since the last regular Board meeting. This report is intended to inform the Board of any content included in those meetings that potentially affects the Elk Grove Water District (EGWD).

DISCUSSION

Background

Per the Board's direction during the February 21, 2018 Board meeting, staff will report on the outside agency meetings that occurred since the previous Board meeting. This report has been designed to list the notable meetings attended, by either staff or Board Members, and the report will be given orally by the staff or Board Members in attendance.

Present Situation

The outside agency meetings attended since March 21, 2018 were as follows:

3/28	RWA Lobbyist Subscription Program Meeting	(Jones)
3/29	RWA Water Efficiency Program, 2018 Public Outreach Briefing	(Jones)
4/3	Nottoli hosted SCGA/SRCD/OHWD Meeting	(Sabin, Madison, Kamilos)
4/4	California Financing Coordinating Committee, Funding Fair	(Jones)
4/5	Water Affordability Symposium	(Jones)
4/10	RWA Water Efficiency Program Committee Meeting	(Jones)

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OUTSIDE AGENCY MEETINGS REPORT

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3/14 SCGA Board Meeting

(Madison & Kamilos)

Staff will orally present the major content items addressed in these meetings during the regular Board meeting.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

The District's Strategic Plan addresses responsible business practices and the importance of providing the community with safe drinking water. Specifically, the Plan recommends an ongoing goal of partnering with Regional Water Authority (RWA) and other regional organizations. Attendance at these meetings, and this monthly report, assists the District in maintaining sound business practices, delivering safe drinking water, and meeting all regulatory and legal requirements.

FINANCIAL SUMMARY

There is no financial impact associated with this report.

Respectfully Submitted,



MARK J. MADISON
GENERAL MANAGER

MJM/mm

April 18, 2018

TO: Chairman and Directors of the Florin Resource Conservation District
FROM: Sarah Jones, Program Manager
SUBJECT: **LEGISLATIVE UPDATE**

RECOMMENDATION

This item is presented for information only. No action by the Florin Resource Conservation District Board of Directors is proposed at this time.

SUMMARY

The water conservation legislation AB 1668 and SB 606 have been amended by the author. The Regional Water Authority's (RWA) position remains "Oppose Unless Amended." RWA will be proposing further amendments to these bills that are focused on key regional priorities and are consistent with the 2018 Work Plan principles. The State Water Resources Control Board held a "Water Affordability Symposium" on April 5, which was attended by staff. The symposium featured speakers from several organizations and Senator Dodd to discuss the need for affordable and safe drinking water in California.

DISCUSSION

Background

The Board is periodically updated on legislative and statewide water issues.

Present Situation

The water conservation legislation AB 1668 and SB 606 have been amended by the author, however RWA's position remains "Oppose Unless Amended." RWA will be proposing further amendments to these bills that are focused on key regional priorities and are consistent with the 2018 Legislative Subscription Program Work Plan principles. The language of these amendments is aligned with the more expansive set of amendments that Association of California Water Agencies (ACWA) is moving forward.

LEGISLATIVE UPDATE

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There are four main areas of concern:

1. AB 1668/SB 606 (legislation) do not identify a reference landscape for the outdoor standard that will be adopted by state agencies, nor specify any values for the technical component of the outdoor standard.
2. Legislation does not address the substantive policy concerns identified by urban retail water suppliers regarding the enforcement provisions of the legislation.
3. Legislation would grant state agencies broad authority to adopt commercial, industrial and institutional (CII) performance measures without consideration for whether these provisions are locally appropriate or cost effective.
4. Legislation does not address the policy concern identified by water suppliers that the agencies shall be permitted to implement local water shortage contingency plans in drought emergencies.

The RWA lobbyist concedes that these bills will have a hard time getting enough votes without amendments. This legislation is somewhat on the back burner at this time because there are so many other issues that lawmakers are contending with, including passing a state budget, which is due June 15. Currently, the budget includes language consistent with SB623 (water tax), which is a major concern. SB623 has not advanced and has been held in the budget subcommittee.

The State Water Resources Control Board (Water Board) held a “Water Affordability Symposium” on April 5, which was attended by staff. The symposium featured speakers from several organizations to discuss the need for affordable and safe drinking water in California. It was recommended that a state program could be based on similar programs implemented by other utilities such as the CARE Program, which provides reduced rates for electricity. Other panelists included representatives from Detroit and Philadelphia to share information on their affordability programs. Senator Dodd, the author of AB 401 (bill that instructed the state to produce a framework/plan for Low-Income Rate Assistance Program) spoke briefly but did not take any questions.

The audience, which included many water agency representatives expressed that there is a need for safe water and affordability programs in California. However, many questions remain on how a program like this would be funded and implemented, and on issues related to Proposition 218. While the electric utilities are successfully managing similar programs, their reach is much broader because there are fewer electric utilities. Whereas water utilities are locally managed and there are over 3000 across the state. While it is good to see how other water agencies handle affordability programs, like in Detroit and

LEGISLATIVE UPDATE

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Philadelphia, the climate conditions are so different that they would be difficult to model. In California there are wild swings, “boom and bust” between wet and drought conditions. It would be difficult to model a program from a region that does not typically experience water shortages. When local agencies are mandated to conserve they lose revenue which can strain budgets and impact rates.

The Water Board missed the deadline to produce the plan required by AB 401 and expressed they are still working on it, but did not give a completion date. They will be holding more public workshops and taking comments before the plan is finalized however.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

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 this report.

Respectfully submitted,


SARAH JONES
PROGRAM MANAGER