

REGULAR MEETING OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS

Agenda

Tuesday, February 18, 2020

6:30 PM

8820 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

Associate Director Comment

Public Comment

2. **Consent Calendar** (Stefani Phillips, Board Secretary and Patrick Lee, Treasurer)
 - a. Minutes of Regular Board Meeting of January 21, 2020
 - b. Warrants Paid – January, 2020
 - c. Board and Employee Expense/Reimbursements – January, 2020
 - d. Active Accounts – January, 2020
 - e. Bond Covenant Status for FY 2019-20 – January, 2020
 - f. Revenues and Expenses – Actual vs Budget FY 2019-20 – January, 2020
 - g. Cash Accounts – January, 2020
 - h. Consultants Expenses – January, 2020
 - i. Major Capital Improvement Projects – January, 2020

Associate Director Comment

Public Comment

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

3. Committee Meetings (Stefani Phillips, Board Secretary)

Associate Director Comment

Public Comment

4. Elk Grove Water District Operations Report – January 2020

(Mark J. Madison, General Manager)

Associate Director Comment

Public Comment

5. Equipment Purchase for Replacement of Bore Rig

(Patrick Lee, Finance Manager/Treasurer)

Associate Director Comment

Public Comment

Recommended Action: Authorize the General Manager to execute a purchase order in the amount of \$121,218.75 including tax and fees, with Ditch Witch to purchase a new replacement bore rig.

6. Professional Services Agreement with Badawi & Associates for Professional Auditing Services (Patrick Lee, Finance Manager/Treasurer)

Associate Director Comment

Public Comment

Recommended Action: Authorize the General Manager to execute a professional services agreement with Badawi & Associates, Certified Public Accountants, in an amount not-to-exceed \$62,065 for Professional Auditing Services for fiscal years ending June 30, 2020 and 2021, with an option to extend the agreement for three (3) additional one (1) year terms through fiscal year ending June 30, 2024 in an amount not to exceed \$157,945.

7. Florin Resource Conservation District/Elk Grove Water District 2020-2025 Strategic Plan (Patrick Lee, Finance Manager/Treasurer)

Associate Director Comment

Public Comment

Recommended Action: Adopt Resolution No. 02.18.20.01, approving the Florin Resource Conservation District/Elk Grove Water District 2020-2025 Strategic Plan.

8. Water Service Charges and Rate Setting Policy (Patrick Lee, Finance Manager/Treasurer)

Associate Director Comment

Public Comment

Recommended Action: Adopt Resolution No. 02.18.20.02, establishing a Water Service Charges and Rate Setting Policy.

9. Disposal of Surplus District Property Policy (Bruce Kamilos, Assistant General Manager)

Associate Director Comment

Public Comment

Recommended Action: Adopt Resolution No. 02.18.20.03, amending and replacing the Disposal of Surplus District Property Policy.

10. Status Update on Action Items Following the 2019 Grand Jury Report – The Florin Resource Conservation District – A Case of Mistaken Identity?

(Mark J. Madison, General Manager)

Associate Director Comment

Public Comment

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

Associate Director Comment

Public Comment

12. Directors Comments

13. Closed Session

a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: APN# 134-0110-123-0000

Agency negotiator: Mark Madison

Negotiating parties: Robert L. Planesi

Under negotiation: Price and terms of payment

b. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Section 54957)

Title: General Manager

Adjourn to Regular Meeting – March 17, 2020

February 18, 2020

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Stefani Phillips, Board Secretary and Patrick Lee, Treasurer

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 – i.

SUMMARY

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

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

DISCUSSION

Background

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

Present Situation

Consent Calendar items a – i 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.

February 18, 2020

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

Tuesday, January 21, 2020

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

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

Directors Present: Tom Nelson, Bob Gray, Lisa Medina, Elliot Mulberg, Sophia Scherman
Directors Absent: None
Staff Present: Mark Madison, General Manager; Bruce Kamilos, Assistant General Manager; Patrick Lee, Finance Manager/Treasurer; Stefani Phillips, Board Secretary; Jeff Ramos, Interim Program Manager; Sean Hinton, Water Distribution Supervisor; Alan Aragon, Water Distribution Supervisor
Staff Absent: Donella Murillo, Finance Supervisor
Associate Directors Present: Paul Lindsay,
Associate Directors Absent: Shahid Chaudhry
General Counsel Present: Ren Nosky, JRG Attorneys at Law

Public Comment

A member of the public spoke on behalf of the community citizen's concerns about the streets and rehabilitation of two (2) brick buildings, specifically on where the water drainage is going to end up. Staff thanked the member for their comments and added that the project is under the City of Elk Grove's jurisdiction and not the Florin Resource Conservation District (FRCD).

1. Proclamations and Announcements

Nothing to report.

2. Consent Calendar

- a. Minutes of Regular Board Meeting of December 17, 2019
- b. Warrants Paid – December, 2019
- c. Board and Employee Expense/Reimbursements – December, 2019
- d. Active Accounts – December, 2019
- e. Bond Covenant Status for FY 2019-20 – December, 2019
- f. Revenues and Expenses – Actual vs Budget FY 2019-20 – December, 2019
- g. Cash Accounts – December, 2019
- h. Consultants Expenses – December, 2019
- i. Major Capital Improvement Projects – December, 2019

MSC (Scherman/Medina) to approve Florin Resource Conservation District Consent Calendar items a-i. 5/0: Ayes: Gray, Medina, Mulberg, Nelson, and Scherman.

3. Committee Meetings

There were no committee meetings held in the month of December.

4. Florin Resource Conservation District Election of Officers – 2020

Board Secretary Stefani Phillips presented the item to the Board. In summary, each year a Chair and Vice-Chair are elected by the Board to serve as officers of the FRCD.

Director Sophia Scherman thanked Chair Tom Nelson and Vice-Chair Bob Gray for taking the positions once again and for their attributive work.

MSC (Medina/Scherman) to nominate Tom Nelson as Chair. 5/0: Ayes: Gray, Medina, Mulberg, Nelson, and Scherman.

MSC (Scherman/Medina) to nominate Bob Gray as Vice-Chair. 5/0: Ayes: Gray, Medina, Mulberg, Nelson, and Scherman.

5. Florin Resource Conservation District 2020 Committee Appointments and Outside Agency Representation

Ms. Phillips presented the item to the Board, providing the various committees and various outside agency representation.

The new committees are as shown:

<i>Finance – FRCD/EDC/EGWD:</i>	<i>All Board Members</i>
<i>Conservation Committee – FRCD:</i>	<i>Lisa Medina Tom Nelson Sophia Scherman</i>
<i>Infrastructure Committee – EGWD:</i>	<i>Bob Gray Lisa Medina Paul Lindsay</i>

MSC (Scherman/Medina) to appoint Directors to sit on the Finance, Conservation and Infrastructure Committees of the Florin Resource Conservation District as follows: The full Board was appointed to sit on the Finance Committee; Chair Tom Nelson, Director Lisa Medina, and Director Sophia Scherman were appointed to sit on the Conservation Committee; Vice-Chair Bob Gray, Director Medina, and Associate Director Paul Lindsay were appointed to sit on the Infrastructure Committee. 5:0 Ayes: Gray, Medina, Mulberg, Nelson, and Scherman

The outside agency representation are as shown:

<i>Association of California Water Agency/Joint Powers Insurance Authority (ACWA/JPIA) – Representative of Elk Grove Water District (EGWD)</i>	<i>Tom Nelson</i>
<i>California Special District Association (CSDA)</i>	<i>Elliot Mulberg</i>
<i>Sacramento Local Agency Formation Commission (LAFCO)</i>	<i>Elliot Mulberg</i>
<i>Regional Water Authority (RWA) Board of Directors</i>	<i>Tom Nelson (Primary) Mark Madison (Primary) Bruce Kamilos (Alternate)</i>
<i>Sacramento Central Groundwater Authority (SCGA)</i>	<i>Mark Madison (Primary) Bruce Kamilos (Alternate)</i>

MSC (Scherman/Medina) to appoint representatives for outside agency participation as follows: Chair Nelson to be the representative to the ACWA/JPIA, representing EGWD; Director Elliot Mulberg to be a representative to the CSDA; Director Mulberg to be a representative to the Advisory Committee to the Sacramento LAFCO; Chair Nelson and Mr. Madison to be primary representatives to the RWA Board of Directors and Assistant General Manager Bruce Kamilos to be an alternate; and Mr. Madison to be a representative to the SCGA and Mr. Kamilos to be an alternate. 5:0 Ayes: Gray, Medina, Mulberg, Nelson, and Scherman

6. Elk Grove Water District Operations Report – December 2019

Mr. Madison presented an overview of the EGWD Operations Report – December 2019. He provided the summary points to the Board.

Director Mulberg asked that the axis on page 16 of the Operations Report be labeled for future reports. Mr. Madison stated staff will label the axis.

There was a discussion regarding Perfluorooctanoic Acid (PFAS) in relation to the Cosumnes Community Services District (CCSD) Fire Department. Mr. Madison stated the District will be meeting with the CCSD Fire Chief soon on the subject.

Mr. Madison thanked Water Distribution Supervisor Sean Hinton, Water Distribution Supervisor Alan Aragon, and Geographic Information System (GIS) Technician I Travis Franklin for carrying out the safety program during the vacancy of the Program Manager position. The Board thanked the gentlemen for their help.

7. Elk Grove water District Fiscal Year 2019-20 Quarterly Operating Budget Status Report

Financial Manager Patrick Lee presented the Fiscal Year (FY) 2019-20 Quarterly Capital Reserve Status Report to the Board.

In summary, the revenues collected through the second quarter of the fiscal year total \$9,027,635, which is 59.50% of the \$15,172,243 annual budget. The revenues are \$545,759 or 6.43% above the same quarter of the prior year. This is due mainly to an overall increase in water consumption in FY 2019-20, as compared to FY 2018-19, as well as an increase in development, resulting in more water capacity/plan check fees.

There was a discussion about covering expenditures in excess of revenues.

8. Elk Grove water District Fiscal Year 2019-20 Quarterly Capital Reserve Status Report

Mr. Lee presented the FY 2019-20 Quarterly Capital Reserve Status Report to the Board.

In summary, through the second quarter of FY 2019-20, the district expended \$383,587 for capital projects leaving a remaining total reserve balance at December 31, 2019 of \$15,699,070. Total amount expended of \$383,587 includes \$1,145 of expenditures related to projects carrying over from prior year, but not budgeted for in the FY 2019-20 Capital Improvement Program (CIP).

9. Professional Services Agreement with Badawi & Associates for Professional Auditing Services

Mr. Lee presented an overview of the item to the Board.

In summary, a Request for Proposals (RFP) for Professional Auditing Services were sent to seven (7) local Certified Public Accountant (CPA) firms, resulting in four (4) total proposals. A Board Working Group (BWG) reviewed the proposals and, after discussion, were ready to recommend to the Board the firm of Badawi & Associates, Certified Public Accountants. The evaluation considered the firm's technical approach, including project understanding, scope of work, overall project team, staff-hour allocation per task and fee schedule. The proposals were also evaluated based on relevant experience, including that of the Audit Manager, key team members including sub-consultants, and experience of the firm.

Director Mulberg asked for the proposal costs and a discussion followed. Mr. Mulberg then requested that future staff reports include the cost of proposals. Mr. Madison asked for the Board's direction on the matter. Director Medina asked for the legal response to the addition of the cost of proposals to the staff report. General Counsel Ren Nosky stated price was one (1) of the factors of selecting a proposal and can be added to the staff report with the right context. Discussion followed.

Mr. Madison requested the item be returned at the February Regular Board Meeting with the contract, etc.

10. Amended and Restated Bylaws of the Florin Resource Conservation District

Mr. Madison presented the Amended and Restated Bylaws of the FRCD to the Board. He informed the Board of the changes made to Article IV of the bylaws regarding the authority of the Board to create and appoint committees.

Director Mulberg requested that Article XI be changed to read that the bylaws need a vote of three (3) to be amended, instead of the current language stating there needs to be a two-thirds vote to amend the bylaws. The rest of the Board members did not support the request.

Mr. Mulberg motioned to change the language. With lack of a second, the motion failed.

MSC (Gray/Scherman) to adopt Resolution No. 01.21.20.01, approving the Amended and Restated Bylaws of the Florin Resource Conservation District. 4/1: Ayes: Gray, Medina, Nelson, and Scherman. Noes: Mulberg

11. Florin Resource Conservation District/Elk Grove Water District 2020-2025 Strategic Plan

Mr. Madison introduced the FRCD/EGWD 2020-2025 Strategic Plan to the Board and Mr. Lee shared background and some nuances about it, including the addition of Transparency to the core values. Mr. Madison shared staff's belief about transparency, mentioning the value is held very high and is practiced daily.

The Board held a productive review of the strategic plan. The Board requested an annual review be added to the strategic plan, along with the addition of a 7th goal titled "Good Governance", in which awards and certificates to achieve are added under.

During the review, Mr. Madison mentioned "We are people who help people", which prompted Associate Director Paul Lindsay to suggest including that language into the strategic plan. The Board agreed with Mr. Lindsay.

Mr. Madison complimented Mr. Lee on his work with the Strategic Plan and mentioned staff will come back in February with information as to how the goals will be tackled, etc.

12. Selection of Sacramento Local Agency Formation Commission Special District Commissioner and Alternate Commissioner Run-off

Board Secretary Stefani Phillips presented the item to the Board.

The Board passed on making a selection.

13. Water Theft Legislation

Interim Program Manager Jeff Ramos presented the Water Theft Legislation to the Board.

In summary, Government Code Section 36900 limits the maximum allowable fines for water theft to \$100, \$200 and \$500 for the first, second and third offense, respectively, in a 12-month period. These amounts are not a sufficient deterrent for water theft and new legislation is needed to provide water agencies the flexibility to increase fine amounts. It is imperative that the fines/penalties associated with water theft be increased in order to deter and punish those who illegally obtain water from the District's system. To that end, the District has drafted proposed legislation as follows: 1) Notwithstanding section 36900 (b), the legislative body of a "local agency" as defined in section 54951, may by ordinance make any violation of any ordinance enacted on water theft by the local agency subject to an administrative fine or penalty, 2) Where a violation is determined to be an infraction, it is punishable by \$1000, \$2000 and \$5000 for the first, second and third offense, respectively, in a 12-month period, and 3) Water theft means an action to divert, tamper, or reconnect water utility services as defined in Penal Code Section 498. It is important to note that the fine amounts are a not to exceed amount. This will give flexibility to water providers within the state to determine a fine amount appropriate for their agency.

MSC (Medina/Scherman) to 1) adopt Resolution No. 01.21.20.02, supporting new legislation to enable water providers and local agencies to increase fines and penalties for water theft; and 2) direct staff to move forward with pursuing the new legislation. 5/0: Ayes: Gray, Medina, Mulberg, Nelson, and Scherman.

14. Status Update on Action Items Following the 2019 Grand Jury Report – The Florin Resource Conservation District – A Case of Mistaken Identity?

Mr. Madison provided an update on the Grand Jury Report action items that have not yet been completed.

In summary, Recommendation R2 – Strategic Plan, is on its way to being completed on time following the discussion that took place earlier in the meeting.

For Recommendation R11 – Outreach to Ratepayers, is ongoing and staff will be meeting to discuss what the District can do over the next year to achieve outreach.

Mr. Kamilos gave an update on Recommendation R7 – Flowmeter Installation, stating four (4) of the five (5) iHydrants had been deployed and with the Pilot test, the District found that during the simulation of water main breaks no changes of pressure were detected, but during the loss of a booster pump at the Railroad Water Treatment Plant the iHydrants did as advertised and sent an email. The District is not moving forward with installing any more iHydrants at this time.

15. Outside Agency Meetings Report

Staff and Board members spoke regarding the meetings they attended since the last Regular Board Meeting.

16. Directors Comments

Nothing to report.

Adjourn to Regular Board Meeting on January 21, 2020.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary
AK/SP

Check History Report

1/1/2020 to 1/31/2020

Elk Grove Water District

Check Number	Check Date	Vendor Number	Name	Check	Explanation
050395	1/3/2020	A. TEIC	A. TEICHERT & SON, INC	2,336.26	
050396	1/3/2020	ACWA JP	ACWA JPIA	23,375.69	(4) Invoices - Materials & Supplies - Back Yard Water Mains
050397	1/3/2020	AFLAC	AFLAC	2,559.36	Workers' Compensation Program - Quarter 2
050398	1/3/2020	AFLAC	AFLAC	1,624.78	
050399	1/3/2020	AMAZON	AMAZON CAPITAL SERVICES	105.96	
050400	1/3/2020	AWWA	AMERICAN WATER WORKS ASSOC.	286.00	Membership Renewal Fees - Bruce Kamilos
050401	1/3/2020	BAY ALA	BAY ALARM COMPANY	48.06	
050402	1/3/2020	BEN RES	BENEFIT RESOURCE, INC	105.00	
050403	1/3/2020	BG SOLU	SOLUTIONS BY BG INC.	8,090.00	Daily Tasks/Help Tickets
050404	1/3/2020	CAP RUB	CAPITAL RUBBER & GASKET	266.17	
050405	1/3/2020	CCPPM	CCPPM	510.71	Supplies - Admin
050406	1/3/2020	CINTAS2	CINTAS	345.24	
050407	1/3/2020	COEG	CITY OF ELK GROVE	206.34	
050408	1/3/2020	COUNTY4	SACRAMENTO COUNTY UTILITIES	113.70	
050409	1/3/2020	COVER A	COVERALL NORTH AMERICA, INC	360.00	
050410	1/3/2020	CS MJM	CARD SERVICES	142.00	Meals, Parking
050411	1/3/2020	DIGNITY	DIGNITY HEALTH MED FDTN-SAC	216.00	
050412	1/3/2020	DMV	DMV	5.00	
050413	1/3/2020	EG FORD	ELK GROVE FORD	250.00	
050414	1/3/2020	EGCOC	ELK GROVE CHAMBER OF	120.00	Membership Luncheon - Leadership Elk Grove
050415	1/3/2020	FASTENA	FASTENAL COMPANY	543.10	Materials & Supplies - OPS
050416	1/3/2020	GOLDEN	GOLDEN STATE FLOW	30,256.20	Meters
050417	1/3/2020	HEWITT	Aaron Hewitt	105.00	Reimbursement of Certification Renewal T4
050418	1/3/2020	HOPKINS	HOPKINS TECHNICAL PRODUCTS	769.97	Materials - Treatment
050419	1/3/2020	INT STA	INTERSTATE OIL COMPANY	1,846.56	Fuel
050420	1/3/2020	IWATER	IWATER, INC	1,500.00	Annual Maintenance - Valve & Hydrant Maintenance
050421	1/3/2020	JAYS	JAY'S TRUCKING SERVICE	3,390.00	Materials & Supplies - Back Yard Water Mains
050422	1/3/2020	JRG	JRG ATTORNEYS, LLP	4,275.00	Legal - December 2019
050423	1/3/2020	KEVIN Y	KEVIN YOUNG CONCRETE	1,750.00	Concrete Work - Back Yard Water Mains
050424	1/3/2020	LCW	LIEBERT CASSIDY WHITMORE	257.00	
050425	1/3/2020	LUND	LUND CONSTRUCTION, INC	1,289.82	Construction Meter- Deposit Refund
050426	1/3/2020	NTS	NTS MIKEDON. LLC	2,735.91	(8) Invoices - Rental Equipment - Back Yard Water Mains
050427	1/3/2020	OREILLY	O'REILLY AUTO PARTS	11.84	
050428	1/3/2020	PACE	PACE SUPPLY CORP	1,365.84	(3) Invoices - Materials & Supplies - Distribution
050429	1/3/2020	PAULA M	PAULA MAITA & COMPANY	267.36	
050430	1/3/2020	PIT 2	PITNEY BOWES GLOBAL FINANCIAL	184.33	
050431	1/3/2020	PREFERR	PREFERRED ALLIANCE	990.36	Annual Fees - Random Drug Screening
050432	1/3/2020	RBI	ROBERTSON-BRYAN, INC	652.50	771-19 CCR & PHG Reports
050433	1/3/2020	RIVCITY	RIVER CITY WASTE RECYCLERS LLC	97.20	

050434	1/3/2020	ROOCO	ROOCO RENTS	8,568.89	(7) Invoices - Materials & Supplies - Back Yard Water Mains
050435	1/3/2020	RWA	REGIONAL WATER AUTHORITY	3,700.00	Regional Aquifer Storage and Recovery Info Project
050436	1/3/2020	SAC 5	SACRAMENTO COUNTY	13.00	
050437	1/3/2020	SAC BEE	THE SACRAMENTO BEE	400.00	Void
050437	1/3/2020	SAC BEE	THE SACRAMENTO BEE	400.00	Void
050438	1/3/2020	SIERRA	SIERRA OFFICE SUPPLIES	450.33	
050439	1/3/2020	SIGN CE	THE SIGN CENTER	35.96	
050440	1/3/2020	SMUD	SMUD	587.18	
050441	1/3/2020	SOUTHSI	SOUTHSIDE EQUIPMENT RENTALS,	391.58	Water System Annual Fees - July 2019 - June 2020
050442	1/3/2020	SOUTHW	SOUTHWEST ANSWERING SERVICE,	396.55	Certification Renewal - T2 John Vance
050443	1/3/2020	SWRCB	SWRCB	37,974.20	Certification Renewal - D4 Sean Hinton
050444	1/3/2020	SWRCB2	SWRCB-DWOCP	60.00	Certification Renewal - D3 Alan Aragon
050445	1/3/2020	SWRCB2	SWRCB-DWOCP	105.00	Construction Meter- Deposit Refund
050446	1/3/2020	SWRCB2	SWRCB-DWOCP	90.00	Service Line Pothole Paving - Back Yard Water Mains
050447	1/3/2020	TEI4	TEICHERT	978.81	Materials & Supplies - ADMIN
050448	1/3/2020	TRAFF S	TRAFFIC SIGN SPECIALTIES	1,100.00	
050449	1/3/2020	ULINE	ULINE	90.02	
050450	1/3/2020	ULTRA	ULTRA TRUCK WORKS, INC	55.72	
050451	1/3/2020	UNITED	UNITED SITE SERVICES	734.36	Rental - Restroom Facilities - Back Yard Water Mains - Nov 2019
050452	1/3/2020	UNITED	UNITED SITE SERVICES	734.36	Rental - Restroom Facilities - Back Yard Water Mains - Dec 2019
050453	1/3/2020	WEST YO	WEST YOST ASSOCIATES, INC	8,610.00	Udf Service Area 1
050454	1/3/2020	WILSON	MARCELL WILSON	42.00	Reimbursement for Class A Test
050455	1/3/2020	XIONG	VUE XIONG	78.00	CDL Permit Reimbursement for Class A
050456	1/3/2020	ZOOM	ZOOM IMAGING SOLUTIONS, INC	275.03	
050457	1/8/2020	AMAZON	AMAZON CAPITAL SERVICES	30.14	
050458	1/8/2020	BATTER	BATTERIES PLUS	24.73	
050459	1/8/2020	CFDID14	FIDELITY NATIONAL TITLE	140.18	Account Closed - Customer Refund
050460	1/8/2020	CHIC12	CHICAGO TITLE COMPANY	6.80	Account Closed - Customer Refund
050461	1/8/2020	CINTAS	CINTAS	42.18	
050462	1/8/2020	CINTAS2	CINTAS	172.62	Ethernet Service/Phones-MOC
050463	1/8/2020	CONSOLI	CONSOLIDATED COMMUNICATIONS	1,308.15	Account Closed - Customer Refund
050464	1/8/2020	CR FIRA	FIRST AMERICAN TITLE	152.62	Account Closed - Customer Refund
050465	1/8/2020	CR PLT	PLACER TITLE	26.92	Account Closed - Customer Refund
050465	1/8/2020	CR PLT	PLACER TITLE	26.92	Account Closed - Customer Refund
050466	1/8/2020	CRF FN	FIDELITY NATIONAL TITLE	648.32	Account Closed - Customer Refund
050467	1/8/2020	CRF FT	FIRST AMERICAN TITLE	123.03	Account Closed - Customer Refund
050468	1/8/2020	CRF FT	FIRST AMERICAN TITLE	113.52	Account Closed - Customer Refund
050469	1/8/2020	CRF OPE	OPENDOOR PROPERTY C LLC	2.47	Account Closed - Customer Refund
050470	1/8/2020	CRFBPFF	BRADLEY PFEIFFER	20.38	Account Closed - Customer Refund
050471	1/8/2020	CRFDVA	DAVE B SINGH SOLE PROP/DBA	180.46	Account Closed - Customer Refund
050472	1/8/2020	CRFFNC	FIDELITY NATIONAL TITLE COMP	170.04	Account Closed - Customer Refund
050473	1/8/2020	CRFFNC	FIDELITY NATIONAL TITLE COMP	173.69	Account Closed - Customer Refund
050474	1/8/2020	CRFFTC	FIRST AMERICAN TITLE COMPANY	3.82	Account Closed - Customer Refund
050475	1/8/2020	CRFFTC	FIRST AMERICAN TITLE COMPANY	36.98	Account Closed - Customer Refund
050476	1/8/2020	CRFJOA	JOHN AMARO	0.32	Account Closed - Customer Refund
050477	1/8/2020	CRFKRIB	KRISTY BAKER	66.23	Account Closed - Customer Refund
050478	1/8/2020	CRFOLD1	OLD REPUBLIC TITLE COMPANY	411.65	Account Closed - Customer Refund

050479	1/8/2020	CRFOLD1	OLD REPUBLIC TITLE COMPANY	414.99	Account Closed - Customer Refund
050480	1/8/2020	CRFOLD1	OLD REPUBLIC TITLE COMPANY	87.33	Account Closed - Customer Refund
050481	1/8/2020	CRFORA	ORANGE COAST TITLE	16.51	Account Closed - Customer Refund
050482	1/8/2020	CRFTOUN	TONY UNDERWOOD	32.78	Account Closed - Customer Refund
050483	1/8/2020	CS AA	CARD SERVICES	910.33	Materials & Supplies - Utility Crew
050484	1/8/2020	CS DM	CARD SERVICES	441.11	Software, Contracted Services, Materials, Supplies
050485	1/8/2020	CS SH	CARD SERVICES	103.78	Materials & Supplies - Distribution
050486	1/8/2020	CS SP	CARD SERVICES	171.05	Meals -ACWA Conference
050487	1/8/2020	DATAPRO	DATAPROSE LLC	5,873.48	Postage and Inserts - December 2019
050488	1/8/2020	EG FORD	ELK GROVE FORD	110.10	
050489	1/8/2020	ELITE A	ELITE AUDIO & TINT INC	1,379.24	(2) Invoices - Backup Camera's - TRK #403 & #412
050490	1/8/2020	FLEET	FLEETWASH	307.80	
050491	1/8/2020	INT STA	INTERSTATE OIL COMPANY	2,865.55	Fuel
050492	1/8/2020	NTS	NTS MIKEDON. LLC	509.28	(2) Invoices - Equipment Rental - Back Yard Water Mains
050493	1/8/2020	PACE	PACE SUPPLY CORP	1,580.96	Materials & Supplies - Distribution
050494	1/8/2020	PEST	PEST CONTROL CENTER INC	80.00	
050495	1/8/2020	PRE ALL	PREFERRED ALLIANCE, INC	86.00	NON-Random Tests -HR
050496	1/8/2020	REPUBLI	REPUBLIC SERVICES #922	1,736.19	
050497	1/8/2020	SAC 5	SACRAMENTO COUNTY	8.00	
050498	1/8/2020	SIERRA	SIERRA OFFICE SUPPLIES	591.03	Hotel Reimbursement - ACWA Conference
050499	1/8/2020	T NELSO	TOM NELSON	943.12	Copier - ADMIN
050500	1/8/2020	TOSHIBA	TOSHIBA FINANCIAL SERVICES	593.01	
050501	1/8/2020	WALLKUH	WALLACEKUH & ASSOCIATES	4,200.00	Environmental Site Assessment - Elk Grove Blvd Properties
050502	1/8/2020	ZUKES	ZUKE'S LANDSCAPE INC.	1,500.00	Monthly Landscaping - MOC/ADMIN
050503	1/16/2020	ACWA JP	ACWA JPIA	71,417.47	Medical Benefits - February 2020
050504	1/16/2020	AMAZON	AMAZON CAPITAL SERVICES	232.51	
050505	1/16/2020	BATTER	BATTERIES PLUS	486.03	
050506	1/16/2020	BAY ALA	BAY ALARM COMPANY	1,197.62	Security - Wellsite's, ADMIN and MOC
050507	1/16/2020	BG SOLU	SOLUTIONS BY BG INC.	8,813.75	Daily Tasks/Help Tickets
050508	1/16/2020	BRINKS	BRINK'S INCORPORATED	377.58	
050509	1/16/2020	BSK4	BSK ASSOCIATES	1,856.50	Sampling -Treatment
050510	1/16/2020	CCHTC	CHICAGO TITLE COMPANY	30.26	
050511	1/16/2020	CINTAS2	CINTAS	326.12	
050512	1/16/2020	COUNTY	COUNTY OF SACRAMENTO	458,914.64	Sacramento County Water Billings - Nov & Dec 2019
050513	1/16/2020	COUNTY4	SACRAMENTO COUNTY UTILITIES	1,226.61	
050514	1/16/2020	COUNTY9	SACRAMENTO COUNTY RECORDER	8.00	
050515	1/16/2020	COVER A	COVERALL NORTH AMERICA, INC	499.00	
050516	1/16/2020	CR AH	ASHA HUNTER	145.45	Account Closed - Customer Refund
050517	1/16/2020	CR BM	BRIAN MCEVILLY	91.87	Account Closed - Customer Refund
050518	1/16/2020	CR JB	JULIA BARBIC	30.93	Account Closed - Customer Refund
050519	1/16/2020	CR MS	MARK SANTENS	85.15	Account Closed - Customer Refund
050520	1/16/2020	CR SC	SARAH CURTIS	69.58	Account Closed - Customer Refund
050521	1/16/2020	CR SLIV	SCOTT LIVINGSTON	105.31	Account Closed - Customer Refund
050522	1/16/2020	CR TE	THEODORE EVANGEL	86.11	Account Closed - Customer Refund
050523	1/16/2020	CR WZ	WEIGUO ZHAI	61.15	Account Closed - Customer Refund
050524	1/16/2020	CRFAT3	FIRST AMERICAN TITLE	119.62	Account Closed - Customer Refund
050525	1/16/2020	CRFFID1	FIDELITY NATIONAL TITLE	216.88	Account Closed - Customer Refund

050526	1/16/2020	CS BK	CARD SERVICES	528.35	Hotel, Parking, Transportation - ACWA Conference
050527	1/16/2020	CS SS	CARD SERVICES	1,737.61	Laptop, Materials & Supplies - Treatment
050528	1/16/2020	DMV	DMV	8.00	
050529	1/16/2020	ELITE A	ELITE AUDIO & TINT INC	1,379.24	(2) Invoices - Backup Camera's - Blue Escape & Gray Escape
050530	1/16/2020	FASTENA	FASTENAL COMPANY	2.68	
050531	1/16/2020	FLEET	FLEETWASH	324.00	
050532	1/16/2020	FREDER	DAVID FREDERICK	90.00	Training Reimbursement
050533	1/16/2020	FRONT C	FRONTIER COMMUNICATIONS	249.16	
050534	1/16/2020	GRAYBAR	GRAYBAR ELECTRIC COMPANY INC	891.46	Contracted Services - Repair at for Well 14D
050535	1/16/2020	HANFORD	HANFORD SAND & GRAVEL, INC	285.54	
050536	1/16/2020	HGE	HOLLEY GENERATOR & EQUIPMENT	4,629.05	Replace Generator at Well 11D
050537	1/16/2020	HOPKINS	HOPKINS TECHNICAL PRODUCTS	470.91	Materials - Treatment
050538	1/16/2020	NTS	NTS MIKEDON. LLC	1,158.48	(5) Invoices - Equipment Rental - Back Yard Water Mains
050539	1/16/2020	PACE	PACE SUPPLY CORP	1,884.64	(2) Invoices - Materials & Supplies - Treatment
050540	1/16/2020	PACER2	PACER	37.80	
050541	1/16/2020	PG&E	PACIFIC GAS & ELECTRIC COMPANY	156.69	
050542	1/16/2020	PLATT2	PLATT	170.29	
050543	1/16/2020	POWER S	POWER SERVICES, INC	4,775.00	Annual Pump Efficiency Testing
050544	1/16/2020	PURCH	PURCHASE POWER	520.99	Postage Machine - ADMIN
050545	1/16/2020	RADIAL	RADIAL TIRE OF ELK GROVE	44.87	
050546	1/16/2020	REPUBLI	REPUBLIC SERVICES #922	77.48	
050547	1/16/2020	ROOCO	ROOCO RENTS	2,835.55	Materials & Supplies - Back Yard Water Mains
050548	1/16/2020	SAFETY	SAFETY CENTER, INC	210.00	
050549	1/16/2020	SIERRA	SIERRA OFFICE SUPPLIES	91.17	
050550	1/16/2020	SMUD	SMUD	2,675.20	
050551	1/16/2020	SMUD	SMUD	689.11	
050552	1/16/2020	SMUD	SMUD	6,151.02	
050553	1/16/2020	SMUD	SMUD	7,190.51	
050554	1/16/2020	SMUD	SMUD	66.85	
050555	1/16/2020	SMUD	SMUD	45.20	
050556	1/16/2020	SMUD	SMUD	2,697.17	
050557	1/16/2020	SMUD	SMUD	1,059.01	
050558	1/16/2020	SWRCB2	SWRCB-DWOCB	60.00	Certification Renewal - T2 Michael Montiel
050559	1/16/2020	SWRCB2	SWRCB-DWOCB	60.00	Certification Renewal - T2 Bruce Kamilos
050560	1/16/2020	VERIZON	VERIZON WIRELESS	551.77	MIFI's - OPS
050561	1/16/2020	WAC	WAC SOLUTIONS PARTNERS	220.00	ABRA Consultant - Payroll & HR
050562	1/16/2020	ZOOM	ZOOM IMAGING SOLUTIONS, INC	275.03	
050563	1/17/2020	CS MJM	CARD SERVICES	4,528.61	Hotel, Parking, Meals, Employee Appreciation Luncheon
050564	1/17/2020	PERMANE	THE PERMANENTE MEDICAL GROUP	345.00	
050565	1/17/2020	PETTY	PETTY CASH	217.58	
050566	1/17/2020	SAGE 2	SAGE SOFTWARE INC	7,770.60	Annual Sage HRMS - Payroll
050567	1/23/2020	ALAN AR	ALAN ARAGON	258.59	Boot Reimbursement
050568	1/23/2020	AMAZON	AMAZON CAPITAL SERVICES	110.52	
050569	1/23/2020	BAY ALA	BAY ALARM COMPANY	48.06	
050570	1/23/2020	CHI TI	CHICAGO TITLE CO	10.17	Account Closed - Customer Refund
050571	1/23/2020	CINTAS2	CINTAS	364.60	
050572	1/23/2020	CR FIRA	FIRST AMERICAN TITLE	116.73	Account Closed - Customer Refund

050573	1/23/2020	CRF LEN	LENNAR HOMES CA, INC	58.57	Account Closed - Customer Refund
050574	1/23/2020	CRF STS	STEWART TITLE OF SACRAMENTO	3.80	Account Closed - Customer Refund
050575	1/23/2020	CRFFID1	FIDELITY NATIONAL TITLE	103.54	Account Closed - Customer Refund
050576	1/23/2020	CRFFTC	FIRST AMERICAN TITLE COMPANY	39.20	Account Closed - Customer Refund
050577	1/23/2020	CRFPLA7	PLACER TITLE COMPANY	17.29	Account Closed - Customer Refund
050578	1/23/2020	CRFPLA7	PLACER TITLE COMPANY	9.63	Account Closed - Customer Refund
050579	1/23/2020	ELITE A	ELITE AUDIO & TINT INC	1,379.24	(2) Invoices - Backup Camera's - TRK #501 & #410
050580	1/23/2020	FERRELL	FERRELLGAS	21.54	
050581	1/23/2020	HARDCOM	HARDWIRE COMMUNICATIONS	150.00	Repairs & Maintenance - MOC
050582	1/23/2020	PAULA M	PAULA MAITA & COMPANY	601.85	Safety - OPS
050583	1/23/2020	PEST	PEST CONTROL CENTER INC	80.00	
050584	1/23/2020	SAC 5	SACRAMENTO COUNTY	8.00	
050585	1/23/2020	SAC 5	SACRAMENTO COUNTY	8.00	
050586	1/23/2020	SIERRA	SIERRA OFFICE SUPPLIES	277.67	
050587	1/23/2020	ULTRA	ULTRA TRUCK WORKS, INC	61.16	
050588	1/23/2020	WEF3	WATER EDUCATION FOUNDATION	900.00	Annual Membership Fees - 2020

Total: 794,983.14

**Elk Grove Water District
Active Account Information
As of 1/31/2020**

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE
Water Accounts:												
Metered												
Residential	11,857	11,891	11,889	11,905	11,941	11,927	12,060					
Commercial	363	363	365	365	362	362	362					
Irrigation	170	170	170	173	175	175	175					
Fire Service	181	181	181	183	181	181	181					
Total Accounts	12,571	12,605	12,605	12,626	12,659	12,645	12,778	-	-	-	-	-

**Elk Grove Water District
Active Account Information
FY 2018/2019**

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE
Water Accounts:												
Metered												
Residential	11,799	11,819	11,800	11,810	11,800	11,808	11,803	11,800	11,824	11,844	11,830	11,842
Commercial	532	363	366	363	364	363	363	362	362	363	362	362
Irrigation		166	166	169	169	169	169	167	168	169	170	170
Fire Service	178	177	178	179	179	179	179	178	179	179	181	181
Total Accounts	12,509	12,525	12,510	12,521	12,512	12,519	12,514	12,507	12,533	12,555	12,543	12,555

Elk Grove Water District

Bond Covenant Status

For Fiscal Year 2019-20

As of 1/31/2020

Adjusted for Prepayments

Operating Revenues:

Charges for Services	\$	10,188,656
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Operating Expenses:

Salaries & Benefits (2)		2,306,207
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Seminars, Conventions and Travel		21,647
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Office & Operational		731,920
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Purchased Water		1,847,038
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Outside Services		418,920
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Equipment Rent, Taxes, and Utilities		277,038
--------------------------------------	--	---------

Total Operating Expenses		<u>5,602,771</u>
--------------------------	--	------------------

Net Operating Income	\$	<u>4,585,885</u>
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Annual Interest & Principal Payments		
\$3,826,739	\$	2,232,264 (1)

Debt Service Coverage Ratio, YTD Only:		2.05
--	--	------

Required		<u>1.15</u>
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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 **1.38**

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 1/31/2020

	General Ledger Reference	YTD Activity	Annual Budget	7/12=58.33% Variance	% Realized
Revenues	4100 - 4900	\$ 10,188,656	\$ 15,172,243	\$ (4,983,587)	67.15%
Salaries & Benefits	5100 - 5280	2,516,056	4,332,850	(1,816,794)	58.07%
less Capitalized Labor		(138,592)	(424,667)	286,075	32.64%
Less CalPERS Prepayment for Remainder of Year: (3)		(71,257)			
Adjusted Salaries and Benefits:		\$ 2,306,207	\$ 3,908,183	(1,601,976)	59.01%
Seminars, Conventions and Travel	5300 - 5350	21,647	51,124	(29,477)	42.34%
Office & Operational	5410 - 5494	731,920	1,208,164	(476,244)	60.58%
Purchased Water est. (4)	5495 - 5495	1,847,038	3,135,689	(1,288,651)	58.90%
Outside Services	5505 - 5580	418,920	1,160,573	(741,653)	36.10%
Equipment Rent, Taxes, Utilities	5620 - 5760	277,038	416,200	(139,162)	66.56%
Total Operational Expenses		\$ 5,602,771	\$ 9,879,933	\$ (4,277,162)	56.71%
Net Operating Income		\$ 4,585,885	\$ 5,292,310	\$ (706,425)	86.65%
Non-Operating Revenues					
Interest Received	9910 - 9910	125,494	100,000	25,494	125.49%
Unrealized Gains/Losses	9911 - 9911	47,376	-	47,376	100.00%
Other Income/Expense	9920 - 9973	26,853	-	26,853	100.00%
Total Non-Operating Revenues		\$ 199,723	\$ 100,000	\$ 99,723	199.72%
Non-Operating Expenses					
Election Costs	9950 - 9950	-	-	-	0.00%
All other Non-Operating Expenses					
Capital Expenses (2):					
Capital Improvements	1705 - 1760	84,429	400,000	(315,571)	21.11%
Capital Replacements	1705 - 1760	330,296	1,338,000	(1,007,704)	24.69%
Unforeseen Capital Projects	1705 - 1760	18,282	100,000	(81,718)	18.28%
Capital Expenses:		\$ 433,006	\$ 1,838,000	\$ (1,404,994)	23.56%
Bond Interest Accrued (1)	7300 - 7300	969,348	1,661,739	(692,391)	58.33%
Total Non Operating Expenses		\$ 1,402,354	\$ 3,499,739	\$ (2,097,385)	40.07%
Revenues in Excess of All Expenditures, including Capital		\$ 3,383,254	\$ 1,892,571	\$ 1,490,683	178.76%
Bond Retirement (1):		\$ 1,262,917	\$ 2,165,000	(902,083)	58.33%
Net Position after Capital and Debt Retirement Expenditures		\$ 2,120,338	\$ (272,429)	\$ 2,392,767	

Notes:

- Bond retirement payments are made two times a year in September and March
- YTD Activity includes \$138,592 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 3.56% 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 County Water Agency. Included above is an estimate of costs to date based on water used

**Florin Resource Conservation District
CASH - Detail Schedule of Investments
As of 1/31/2020**

<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	-				
				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	109.26				
1011-000-20 Water	F&M 08-032017-01 OPERATING ACCOUNT			Unrestricted	648,485.55				
1084-000-20 Water	F&M 08-03201702-31 MONEY MARKET		1.30%	Unrestricted	5,091,583.20				
1031-000-20 Water	F&M 08-032912-01 CREDIT CARD ACCOUNT			Unrestricted	547,640.72				
1061-000-20 Water	F&M 08-032890-01 PAYROLL ACCOUNT			Unrestricted	78,696.03				
1071-000-20 Water	F&M 08-032920-01 DRAFTS ACCOUNT			Unrestricted	1,126.49				
				Subtotal	\$ 6,367,641.25				
INVESTMENTS									
1080-000-20 Water	Office of the Treasurer - Sacramento California	LAIF	Investment Pool	Unrestricted	\$ 3,603,309.86				
1081-000-20 Water	CAL Trust Medium Term		Investment	Unrestricted	\$ 1,351,963.24				
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	1.64%	0.35%	\$ 152,725.91	\$ 152,725.91
	1/15/2020	3134GUS84	Federal Home Loan (FHLLB)	07/10/20 - qtrly	1/10/2024	15.040%	1.870%	\$ 1,000,000.00	\$ 1,000,550.00
	9/30/2016	3136G4DB6	Federal National Mortgage Association (FNMA)	3/30/17 - qtrly	3/30/2020	15.120%	1.250%	\$ 1,000,000.00	\$ 999,490.00
	6/9/2016	3133EGCP8	Federal Farm Credit Banks (FFCB)	9/1/16 - cont.	12/1/2020	15.090%	1.630%	\$ 1,000,000.00	\$ 1,000,000.00
	6/16/2016	3136G3PY5	Federal National Mortgage Association (FNMA)	12/16/16 - qtrly	12/16/2020	15.110%	1.550%	\$ 1,000,000.00	\$ 999,660.00
	9/30/2016	3136G4CY7	Federal National Mortgage Association (FNMA)	3/30/17 - qtrly	9/30/2021	7.53%	1.510%	\$ 500,000.00	\$ 499,250.00
	11/25/2019	3130AHK85	Federal Home Loan Bank (FHLLB)	11/25/20 - qtrly	11/25/2022	15.10%	1.820%	\$ 1,000,000.00	\$ 1,001,710.00
	11/18/2019	3134GURG7	Federal National Mortgage Association (FNMA)	02/18/20 - qtrly	8/18/2023	15.12%	2.000%	\$ 1,000,000.00	\$ 1,000,150.00
								\$ 6,652,725.91	\$ 6,653,535.91
				Total					\$ 17,976,750.26
				Total Restricted					\$ -
				Total Unrestricted					\$ 17,976,750.26

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

Consultant Expenses
As of 1/31/2020

Fiscal Retainer Contracts

Consultant	Description	Total Contract	Current Month	Paid to date	2019-2020 FY Budget	Percent of year (58%)
JRG Attorneys, LLP	Task orders	TBD	\$ 4,275	\$ 46,673		
Murphy Austin Adams Schoenfeld LLP	Task orders	TBD				
Liebert Cassidy Whitmore	Task orders	TBD	\$ 257	\$ 2,871		
Total			\$ 4,532	\$ 49,544	\$ 175,000	28.31%
Solutions by BG, Inc.	Task orders	725,050	\$ 16,904	\$ 123,321	\$ 253,500	48.65%

Major Contracts

Consultant	Description	Total Contract	Current Month	Paid to date	2018-2019 FY Budget	Percent of Contract Amount
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Elk Grove Water District
Major Capital Improvement Project
Budget vs Actuals
As of 1/31/2020

Capital Project	Total Project Budget	Total Project Exp to Date	Percent Spent	Capitalized Labor	Fund Type	Project Type	2019-20 Budget	Jan Project Exp	Total YTD (1)	YTD % Spent
Backyard Water Mains/Service Replacement	\$ 1,684,000	\$ 791,478	47.00%	\$ 137,767	R&R	Supply/Distribution	\$ 1,240,000	\$ 48,320	\$ 328,051	26.46%
Well Rehabilitation Program	98,000	-	0.00%	-	R&R	Supply/Distribution	98,000	-	-	0.00%
Service Line Replacements	750,000	704,193	93.89%	825	R&R	Supply/Distribution	-	1,100	2,245	100.00% (2)
Well 3 Pump Replacement	125,000	-	0.00%	-	CIP	Treatment	125,000	-	-	0.00%
Well 4D Radio Antenna	30,000	-	0.00%	-	CIP	Treatment	30,000	-	-	0.00%
RRWTP Variable Frequency Drives	75,000	231	0.31%	-	CIP	Treatment	75,000	-	231	0.31%
Truck Replacements	120,000	-	0.00%	-	CIP	Building and Site	120,000	-	84,197	70.16%
HWWTP Roof Replacement	20,000	-	0.00%	-	CIP	Building and Site	20,000	-	-	0.00%
I.T. Servers	30,000	-	0.00%	-	CIP	Building and Site	30,000	-	-	0.00%
Unforeseen Capital Projects	100,000	-	0.00%	-	-	-	100,000	-	18,282	18.28% (3)
Sub-Total	\$ 3,032,000	\$ 1,495,902	49.34%	\$ 138,592			\$ 1,838,000	\$ 49,420	\$ 433,006	23.56%

(1) Includes \$138,592 in capitalized labor through 01/31/20
(2) Capital projects budgeted for in prior years, however, work carried over and completed in current year.

(3) Includes unforeseen capital projects, including:
Mr. Security Camera \$ 11,923
Perryman Mechanical, Inc. \$ 6,359
Total \$ 18,282

February 18, 2020

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

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 Florin Resource Conservation District (FRCD) Board of Directors (Board) has requested a monthly summary of committee meetings. No committee meetings were held in the month of January.

DISCUSSION

Background

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

Present Situation

No committee meetings were held in the month of January.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

February 18, 2020

COMMITTEE MEETINGS

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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

February 18, 2020

TO: Chair and Directors of the Florin Resource Conservation District
FROM: Mark J. Madison, General Manager
SUBJECT: **ELK GROVE WATER DISTRICT OPERATIONS REPORT – JANUARY 2020**

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 January. Other notable events are described below.

DISCUSSION

Background

Every month, staff presents an update of the activities related to the operations of the EGWD. Included for the Board of Director's review is the EGWD's January 2020 Operations Report.

Present Situation

The EGWD January 2020 Operations Report highlights are as follows:

- **Operations Activities Summary** – Four-hundred seventy-six (476) door hangers were placed for past due balances which resulted in 66 shutoffs. We received one (1) water pressure complaint and zero water quality complaints. Upon further inspection, the complaint was unsubstantiated.
- **Production** – The Combined Total Service Area 1 production graph on page 13 shows that production during the month of January decreased 1.6 percent compared to January 2019 and is 15.2 percent less than what was produced in 2013. Year 2013 is the baseline year the State Water Quality Control Board adopted for water usage. The Total Demand/Production for both service areas on

ELK GROVE WATER DISTRICT OPERATIONS REPORT – JANUARY 2020

Page 2

page 14 shows that customer use during the month of January, compared to January 2013, was down by 12.1 percent.

- **Static and Pumping Level Graphs** – The first quarter soundings are shown and indicate that the static water levels in deeper zones have risen slightly compared to the first quarter of 2018. The shallow zones have also shown improvement.
- **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 EGWD’s customers met or exceeded safe drinking water standards.
- **Corrective 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 January:
 - Staff decommissioned and stored the backwash settling aid chemical pumps and chemical mixer at the Hampton Water Treatment Plant.
 - Staff aided with the investigation and correction of the cause behind a start failure at Well #14D.
 - Staff completed the annual backflow testing for all devices owned and operated by EGWD.
 - Staff replaced two malfunctioning iHydrant devices in the distribution system.
- **Backflow Prevention Program 2020** – EGWD issued 47 testing notices for the month. Pursuant to the notices, 39 devices passed. Of the remaining eight (8), two (2) were not tested by the due date, five (5) devices failed the initial test, and one (1) was assigned a different scheduled month for the testing deadline.

Relative to the five (5) that failed the initial test, three (3) did not require subsequent testing as the devices were removed from service and two (2) have not yet passed the second test. Consequently, there are four (4) devices that are delinquent, including the two (2) not tested by the due date and the two (2) that have not passed the second test.

- **Safety Meetings/Training** – Two (2) safety training sessions were conducted for the month which is compliant with OSHA standards.

ELK GROVE WATER DISTRICT OPERATIONS REPORT – JANUARY 2020

Page 3

- **Service and Main Leaks Map** – There were four (4) service line leaks and zero main line leaks during January.
- **System Pressures** – Pressures in Service Area 1 generally remained stable during the month of January. Pressures in Service Area 2, which are controlled by Sacramento County Water Agency, went up slightly from the previous month.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

The EGWD’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 EGWD’s distribution and treatment system. The EGWD Operations Report assists EGWD 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

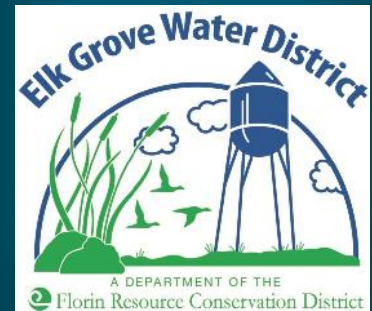
EGWD

OPERATIONS REPORT

January 2020



Elk
Grove
Water
District



Elk Grove Water District
Operations Report
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Operations Activities Summary

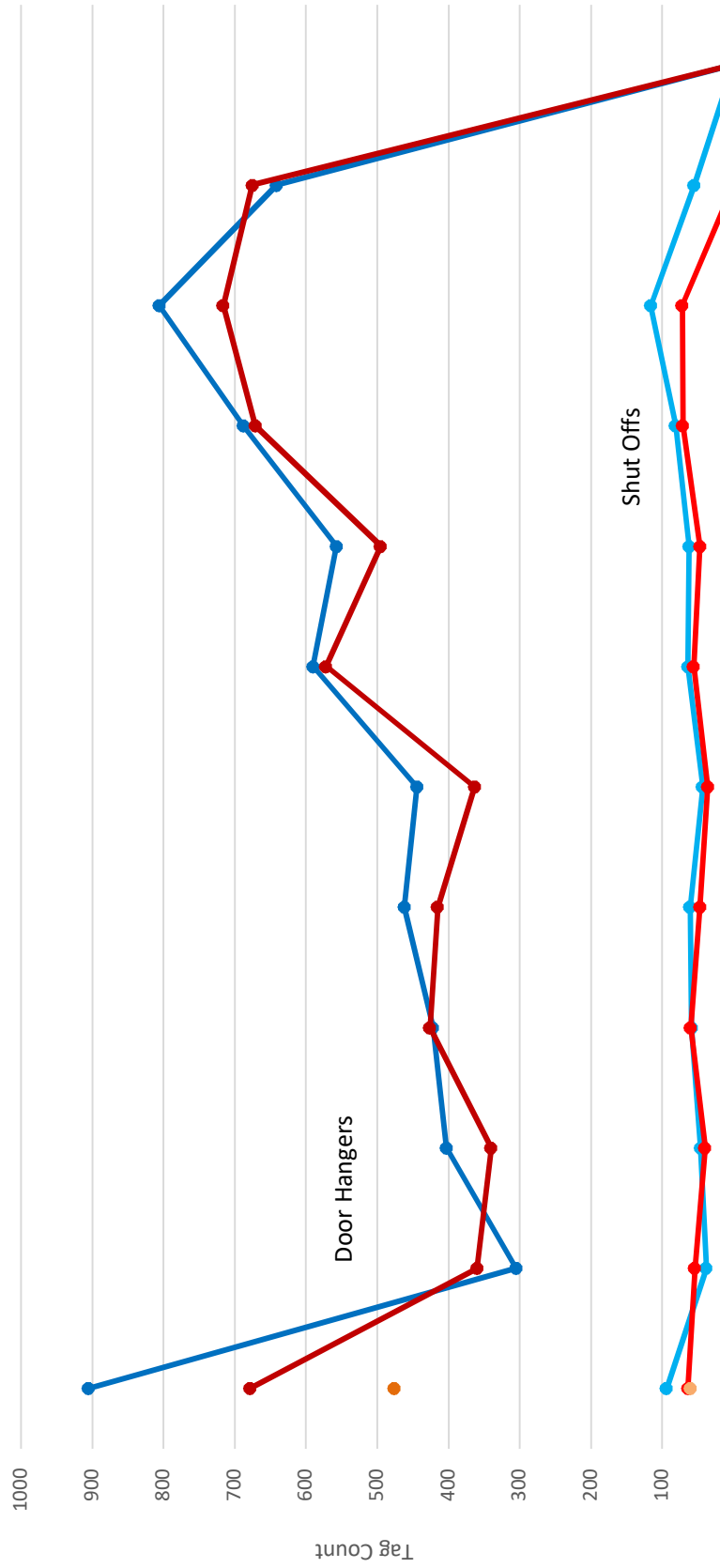
<u>Service Requests:</u>	January -20		YTD (Since Jan. 1, 2020)	
<u>Department</u>	<u>Service Request</u>	<u>Hours</u>	<u>Service Request</u>	<u>Hours</u>
Distribution				
Door Tags	476	25	476	25
Shut offs	66	7	19	7
Turn ons	30	6.5	30	6.5
Investigations	27	6.75	27	6.75
USA Locates	315	78.75	315	78.75
Customer Complaints				
-Pressure	1	.50	1	.50
-Water Quality	0	0	0	0
-Other	0	0	0	0

<u>Work Orders:</u>	January -20		YTD (Since Jan. 1, 2020)	
<u>Department</u>	<u>Work Orders</u>	<u>Hours</u>	<u>Work Orders</u>	<u>Hours</u>
Treatment:				
Preventative Maint.	27	48.5	27	48.5
Corrective Maint.	8	70.5	8	70.5
Water Samples	18	53	18	53
Distribution:				
Meters Installed	10	5	10	5
Meter Change Out	66	39.25	65	38.75
Preventative Maint.				
-Hydrant Maintenance (135)	141	38	141	38
-Valve Exercising (120)	120	26	120	26
-Other	0	0	0	0
Corrective Maint.				
-Leaks	4	74.25	4	74.25
-Other	6	4.25	6	4.25
Valve Locates	0	0	0	0
Utility:				
Corrective Maint.	0	0	0	0

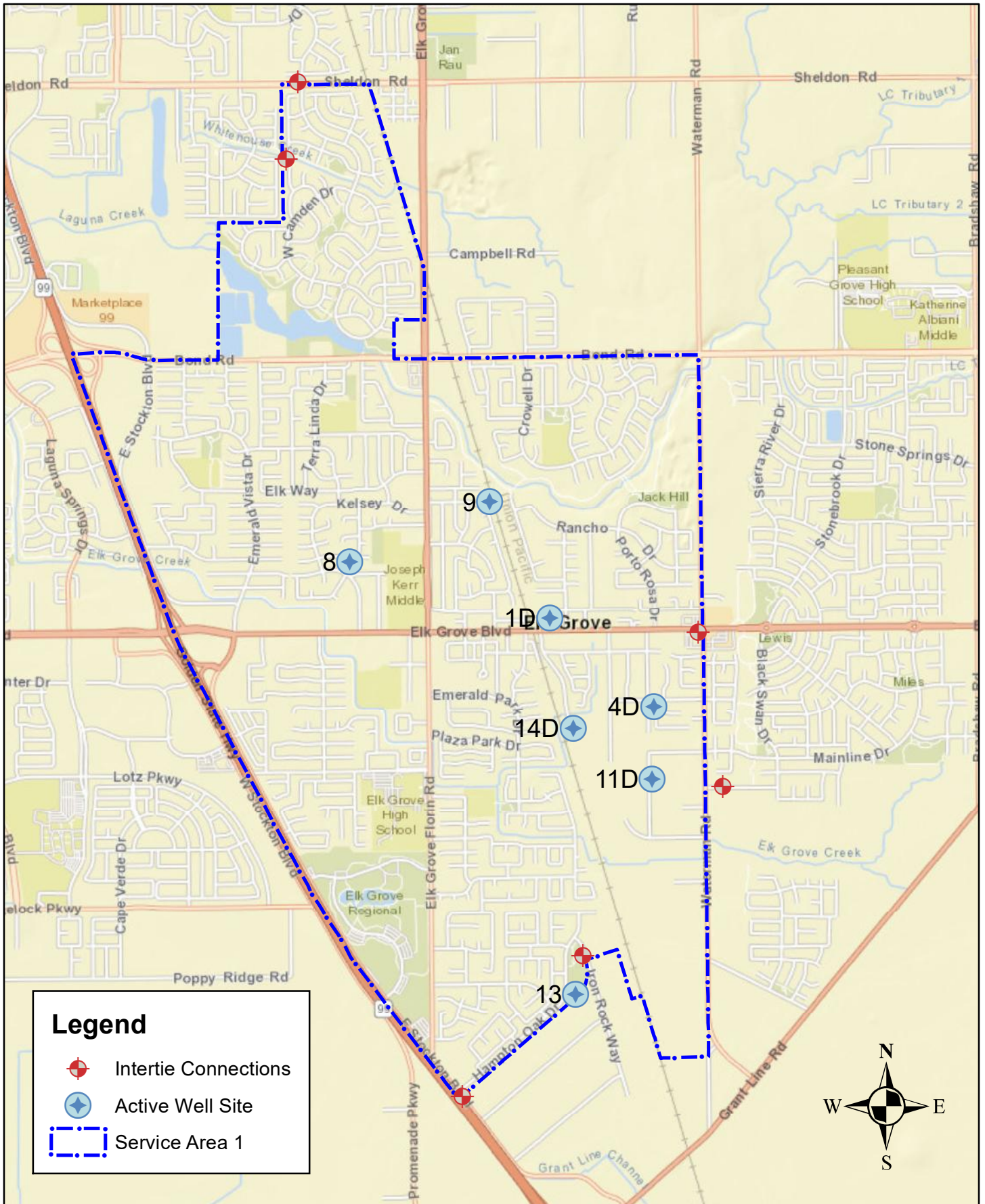


Elk Grove Water District

Door Hangers and Shut Off Tags



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018 Door Hangers	905	305	403	422	462	444	590	557	688	806	641	0
2018 Shut Offs	94	38	46	59	61	43	64	62	81	116	55	0
2019 Door Hangers	678	360	340	426	415	363	572	495	671	716	675	0
2019 Shut Offs	64	54	40	60	47	36	56	47	71	72	0	0
2020 Door Hangers	476											
2020 Shut Offs	60											



Active Well Sites & Intertie Connections

Elk Grove Water District



Elk Grove Water District

Monthly Production

Well 1D School -- Jan. 2020

Selected Month Production
9,515,357 Gallons

Average GPM:
1,806

Motor:

Volts: 471
Volts (Rated): 460
RPM: 1789
RPM (Rated): 2115
Amps A: 178
Amps A (Rated): 222
Amps B: 179
Amps B (Rated): 222
Amps C: 173
Amps C (Rated): 222

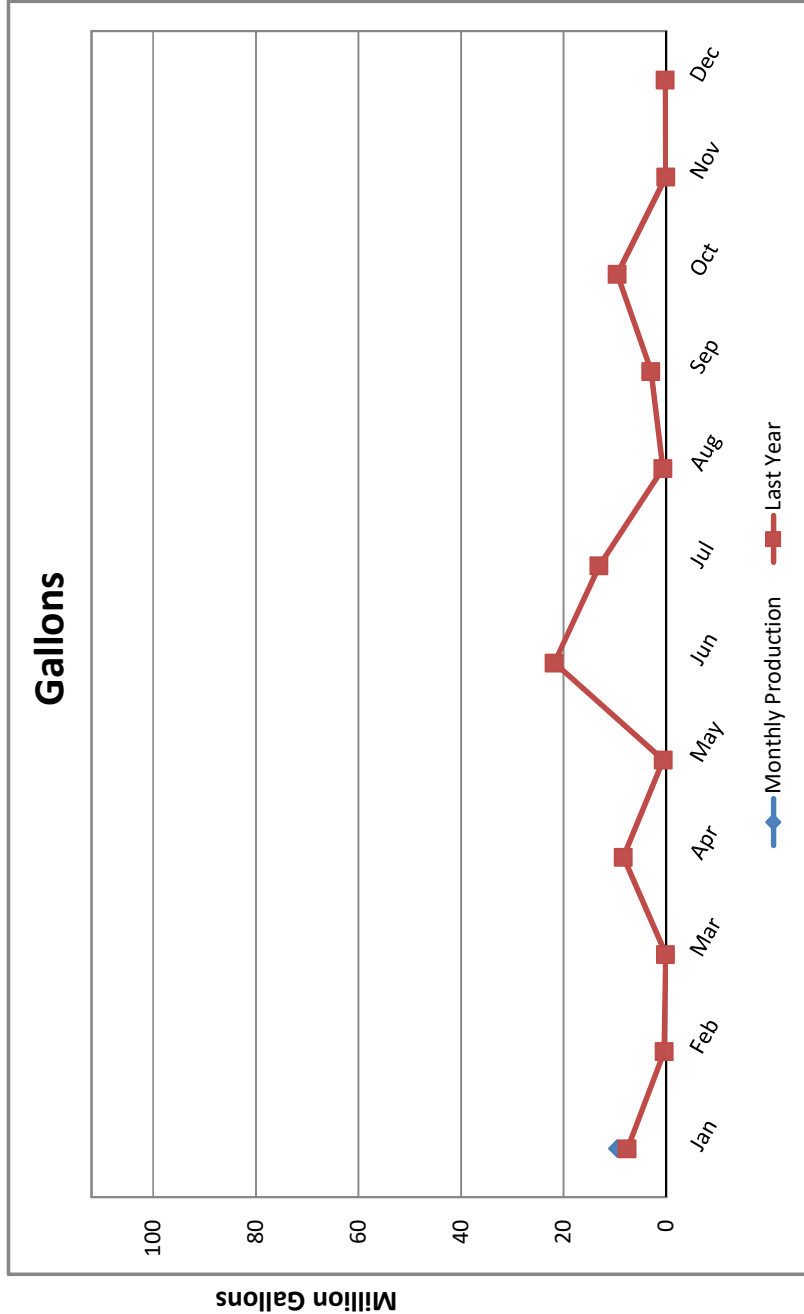
Motor Temp: 92.6 F
Hour Meter: 87.80
KW Hour Total: 11,040

Chlorine:

Dosing: 1.51 mg/L
Demand: 0.25 mg/L
Residual: 1.26 mg/L

Vibration Reading:

Base Line: 0.05 in/sec
Current: 0.04 in/sec





Elk Grove Water District

Monthly Production

Well 4D Webb -- Jan. 2020

Selected Month Production
18,985,654 Gallons

Average GPM:
1,702

Motor:

Volts: 473
Volts (Rated): 460
RPM: 1526
RPM (Rated): 1775
Amps A: 170
Amps A (Rated): 225
Amps B: 170
Amps B (Rated): 225
Amps C: 169
Amps C (Rated): 225

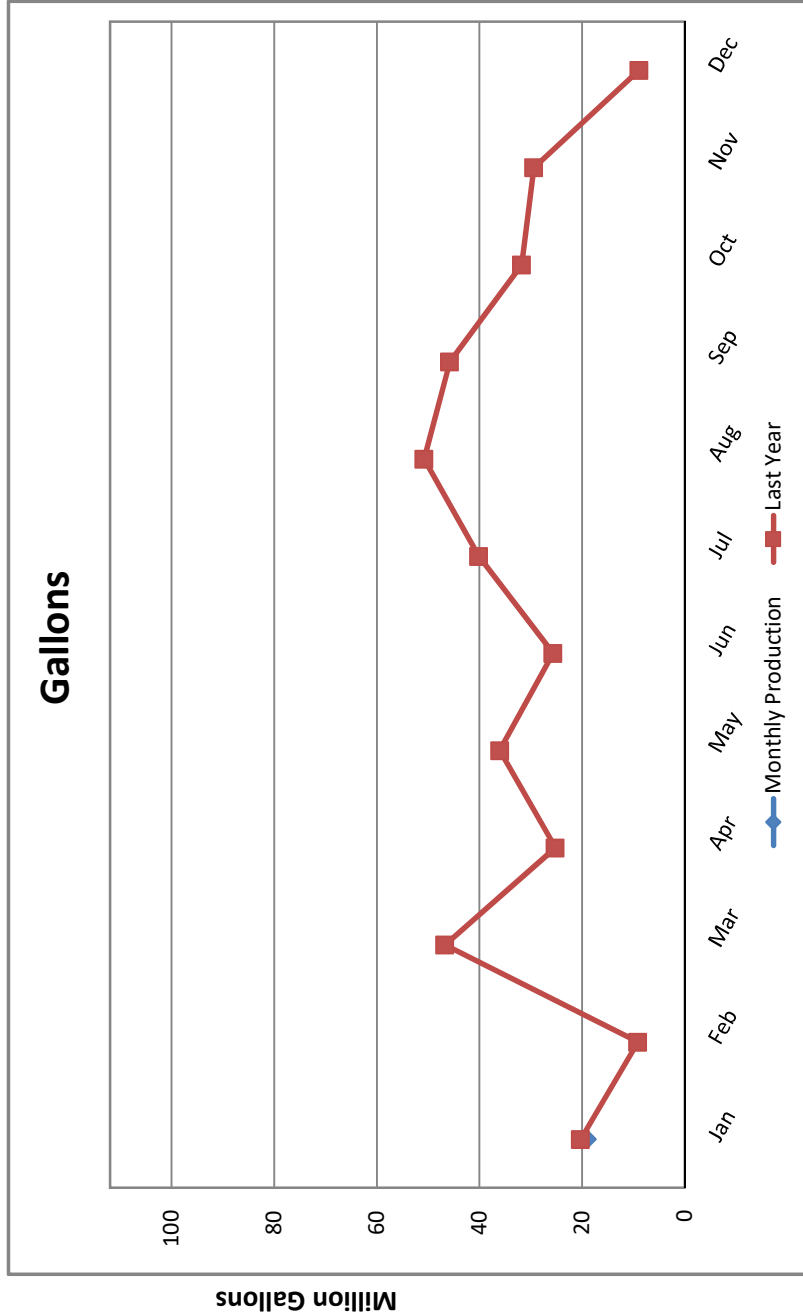
Motor Temp: 92.6 F
Hour Meter: 185.90
KW Hour Total: 26,580

Chlorine:

Dosing: 1.6 mg/L
Demand: 0.46 mg/L
Residual: 1.14 mg/L

Vibration Reading:

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





Elk Grove Water District

Monthly Production

Well 11D Dino -- Jan. 2020

Selected Month Production
17,855,816 Gallons

Average GPM:
1,694

Motor:

Volts: 478
Volts (Rated): 460
RPM: 1523
RPM (Rated): 1775
Amps A: 167
Amps A (Rated): 225
Amps B: 166
Amps B (Rated): 225
Amps C: 159
Amps C (Rated): 225

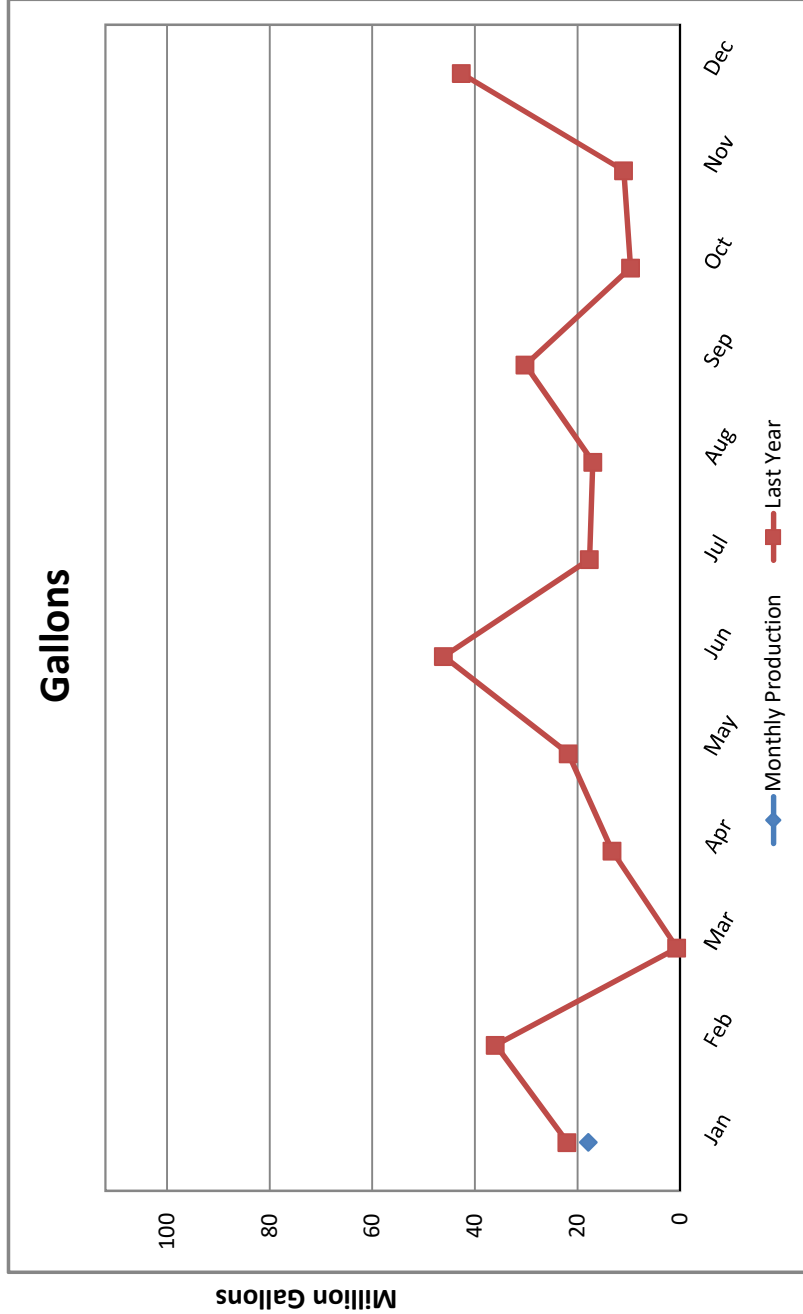
Motor Temp: 75.5 F
Hour Meter: 175.60
KW Hour Total: 26,580

Chlorine:

Dosing: 1.59 mg/L
Demand: 0.53 mg/L
Residual: 1.06 mg/L

Vibration Reading:

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





Elk Grove Water District

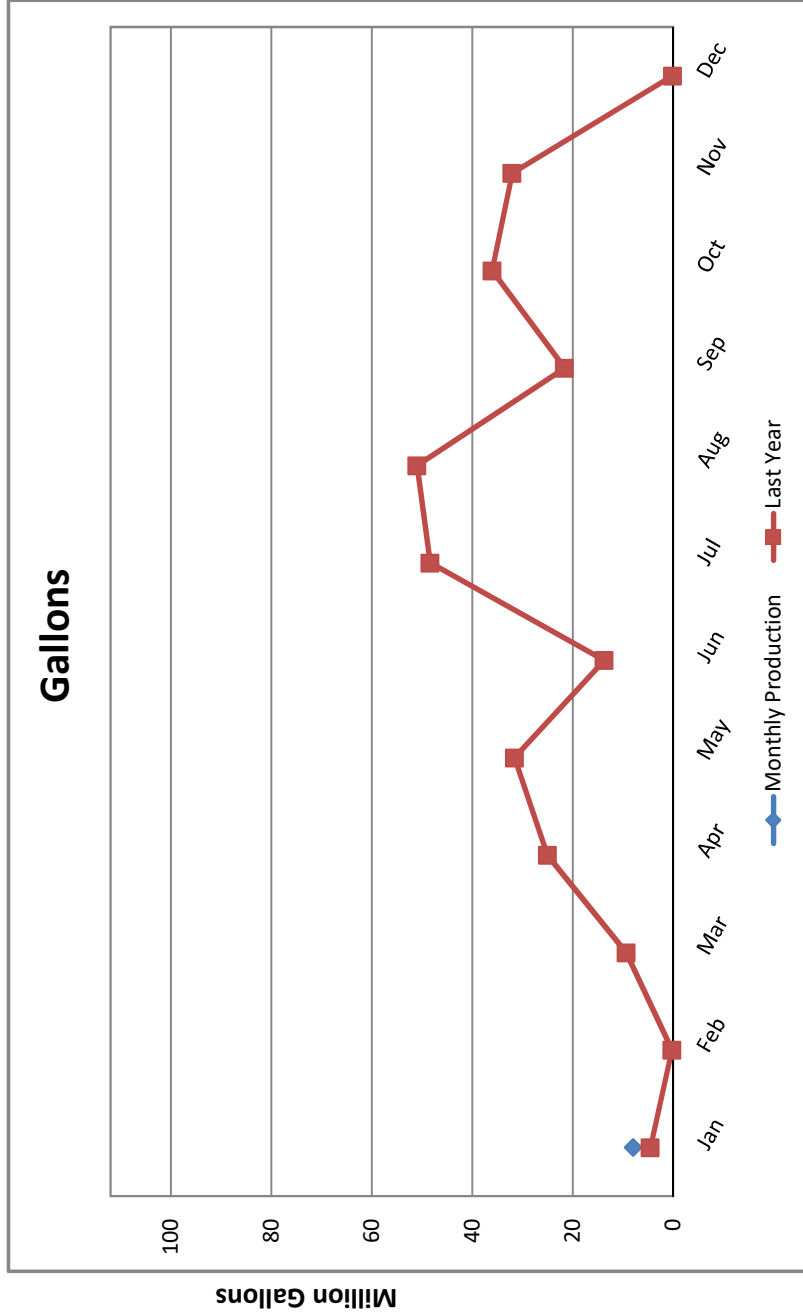
Monthly Production

Well 14D Railroad -- Jan. 2020

Selected Month Production
7,981,615 Gallons

Average GPM:
1,581

Gallons



Motor:

- Volts: 473
- Volts (Rated): 460
- RPM: 1787
- RPM (Rated): 1785
- Amps A: 165
- Amps A (Rated): 171
- Amps B: 164
- Amps B (Rated): 171
- Amps C: 159
- Amps C (Rated): 171

- Motor Temp.: 109.4 F
- Hour Meter: 84.40
- KW Hour Total: 62,720
- (KWH total is for the entire facility)

Chlorine:

- Dosing: 1.77 mg/L
- Demand: 0.74 mg/L
- Residual: 1.03 mg/L

Vibration Reading:

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



Elk Grove Water District

Monthly Production

Well 8 Williamson -- Jan. 2020
(Submersible)

Selected Month Production
1,460,289 Gallons

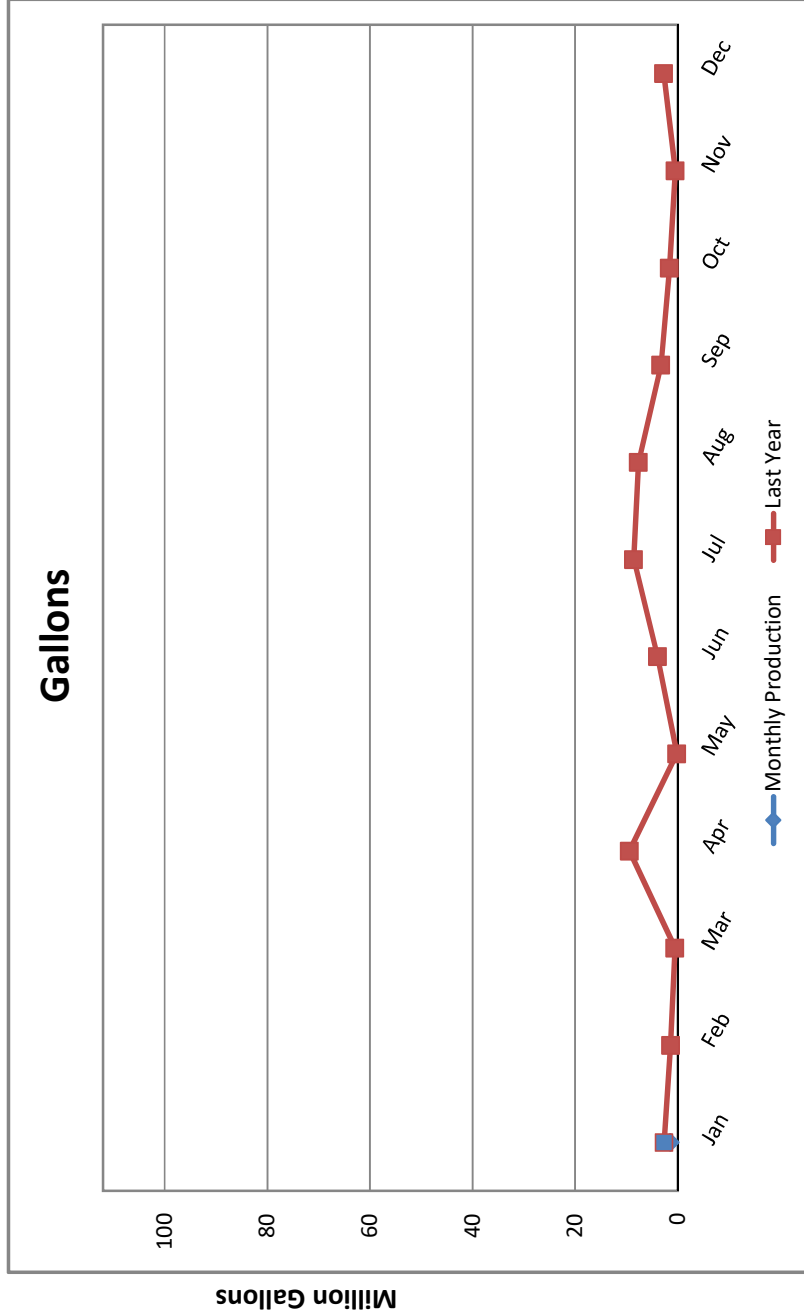
Average GPM: 543

Motor:
Volts: 461
Volts (Rated): 460

Amps A: 59
Amps A (Rated): 65
Amps B: 59
Amps B (Rated): 65
Amps C: 60
Amps C (Rated): 65

Hour Meter: 44.80
KW Hour Total: 2,021

Chlorine:
Dosing: 1.18 mg/L
Demand: 0.09 mg/L
Residual: 1.09 mg/L





Elk Grove Water District

Monthly Production

Well 9 Polhemus -- Jan. 2020
(Submersible)

Selected Month Production
1,295,000 Gallons

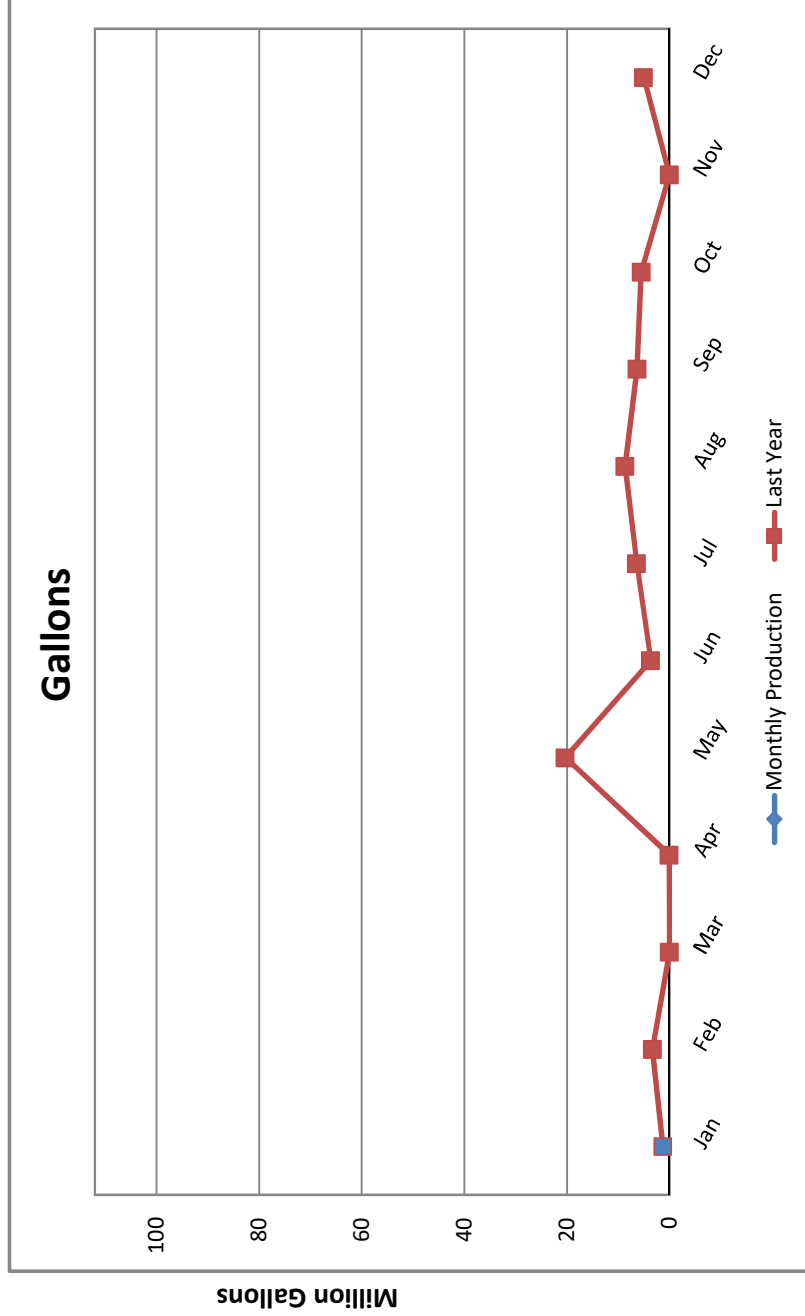
Average GPM: 437

Motor:
Volts: 485
Volts (Rated): 460

Amps A: 57
Amps A (Rated): 65
Amps B: 58
Amps B (Rated): 65
Amps C: 63
Amps C (Rated): 65

Hour Meter: 49.40
KW Hour Total: 2,132

Chlorine:
Dosing: 1.3 mg/L
Demand: 0.3 mg/L
Residual: 1.00 mg/L





Elk Grove Water District

Monthly Production

Well 13 Hampton -- Jan. 2020

Selected Month Production
811,112 Gallons

Average GPM: 925

Motor:

Volts: 483
 Volts (Rated): 460
 RPM: 1785
 RPM (Rated): 1785
 Amps A: 103
 Amps A (Rated): 141
 Amps B: 103
 Amps B (Rated): 141
 Amps C: 106
 Amps C (Rated): 141

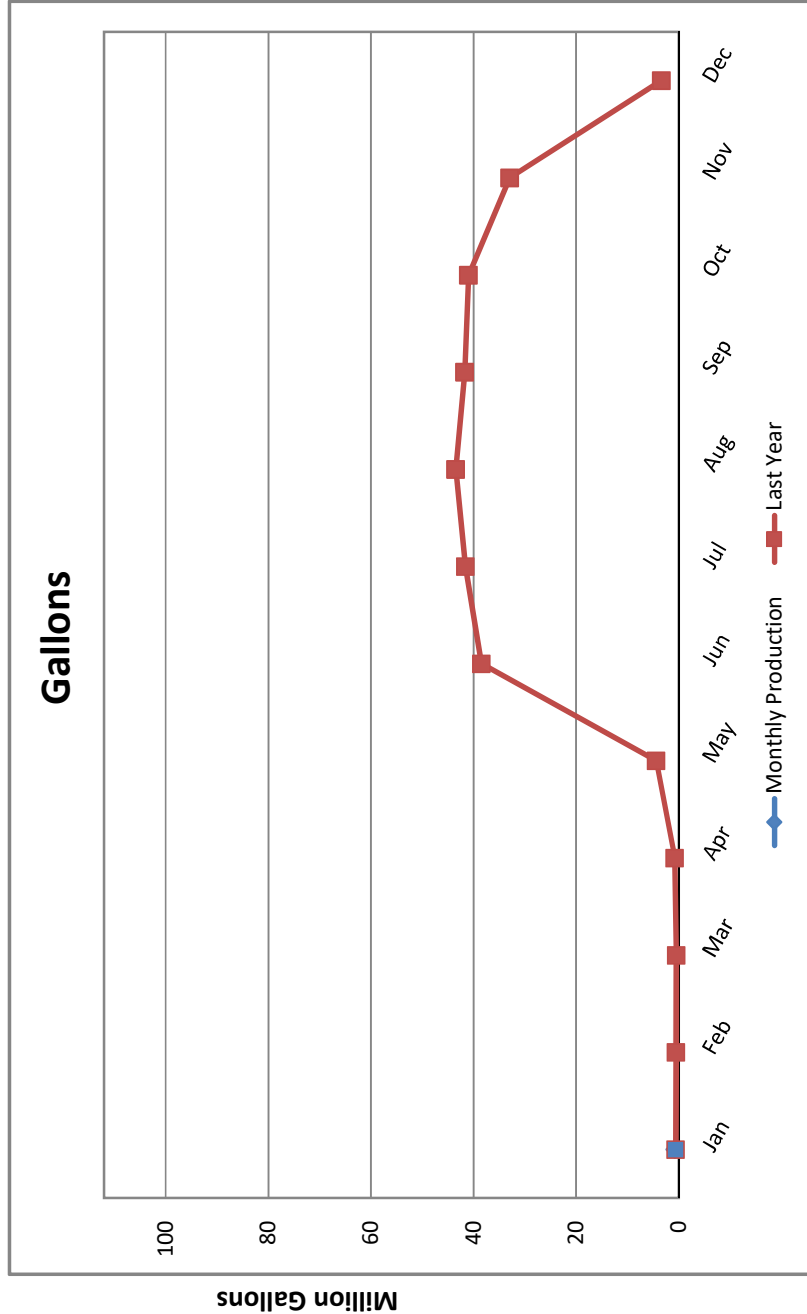
Motor Temp.: 86.2 F
 Hour Meter: 14.60
 KW Hour Total: 2,580

Chlorine:

Dosing: 1.3 mg/L
 Demand: 0.5 mg/L
 Residual: 0.8 mg/L

Vibration Reading:

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





Elk Grove Water District

Combined Total Production

Service Area 1

Jan-2020

Current Month Production:

57,904,843 Gallons

Highest Day Demand of the Month:

2,111,700

Date of Occurrence

27-Jan-20

Highest Day Demand of the Calendar Year:

2,111,700

Date of Occurrence

27-Jan-20

"Water Year" Rainfall: (Oct-19 to Sep-20)

Current Month: 1.14 in

Year To Date: 6.14 in

"Water Year" Rainfall: (Oct-18 to Sep-19)

Jan. 2019 4.22 in

Year To Date: 10.10 in

Last Year Total: 24.37 in

Temperature:

This Month High 67 F

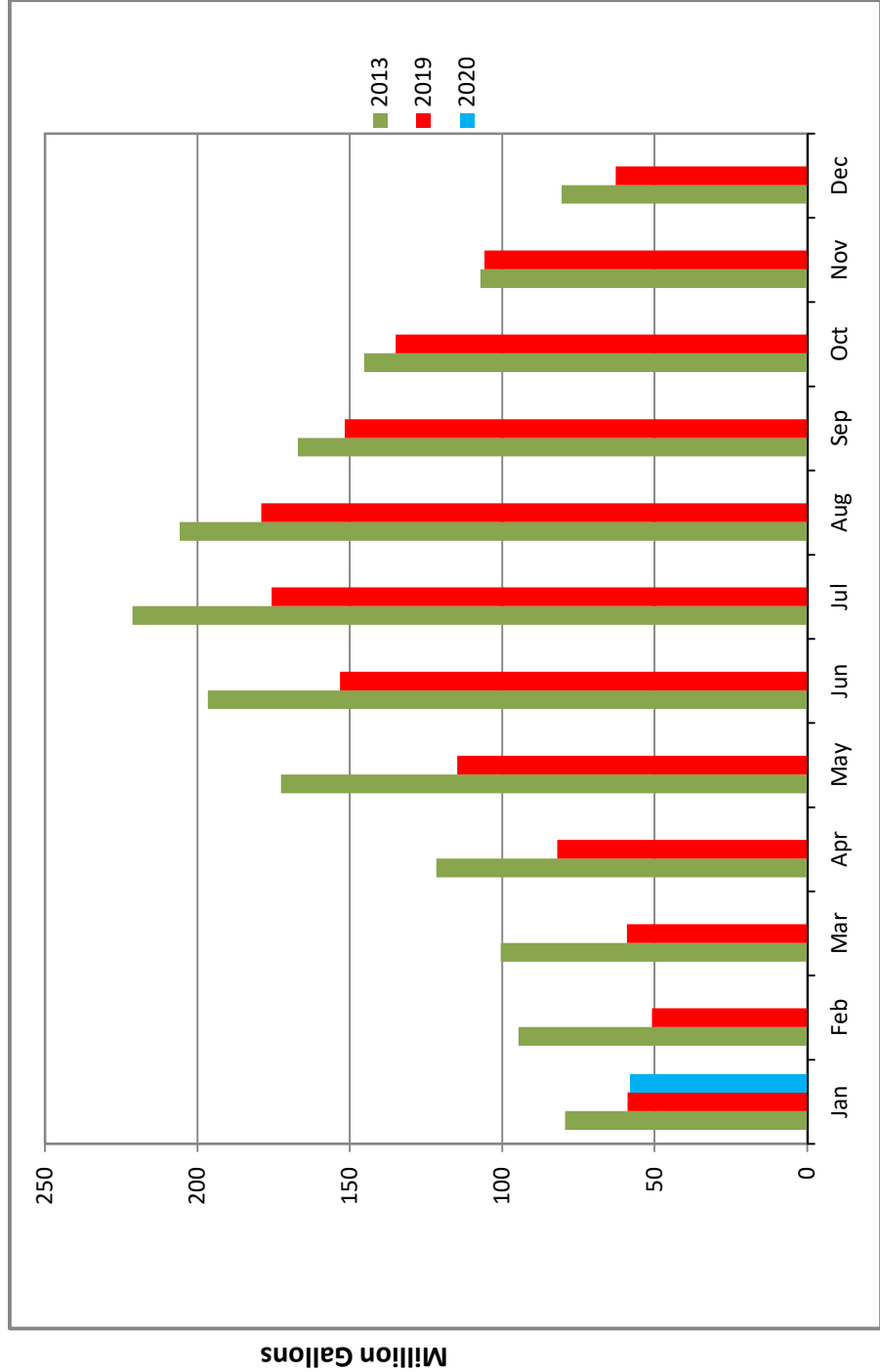
This Month Low 33 F

This Month Average 48.7 F

JAN-19 High 65 F

JAN-19 Low 29 F

JAN-19 Average 50.2 F

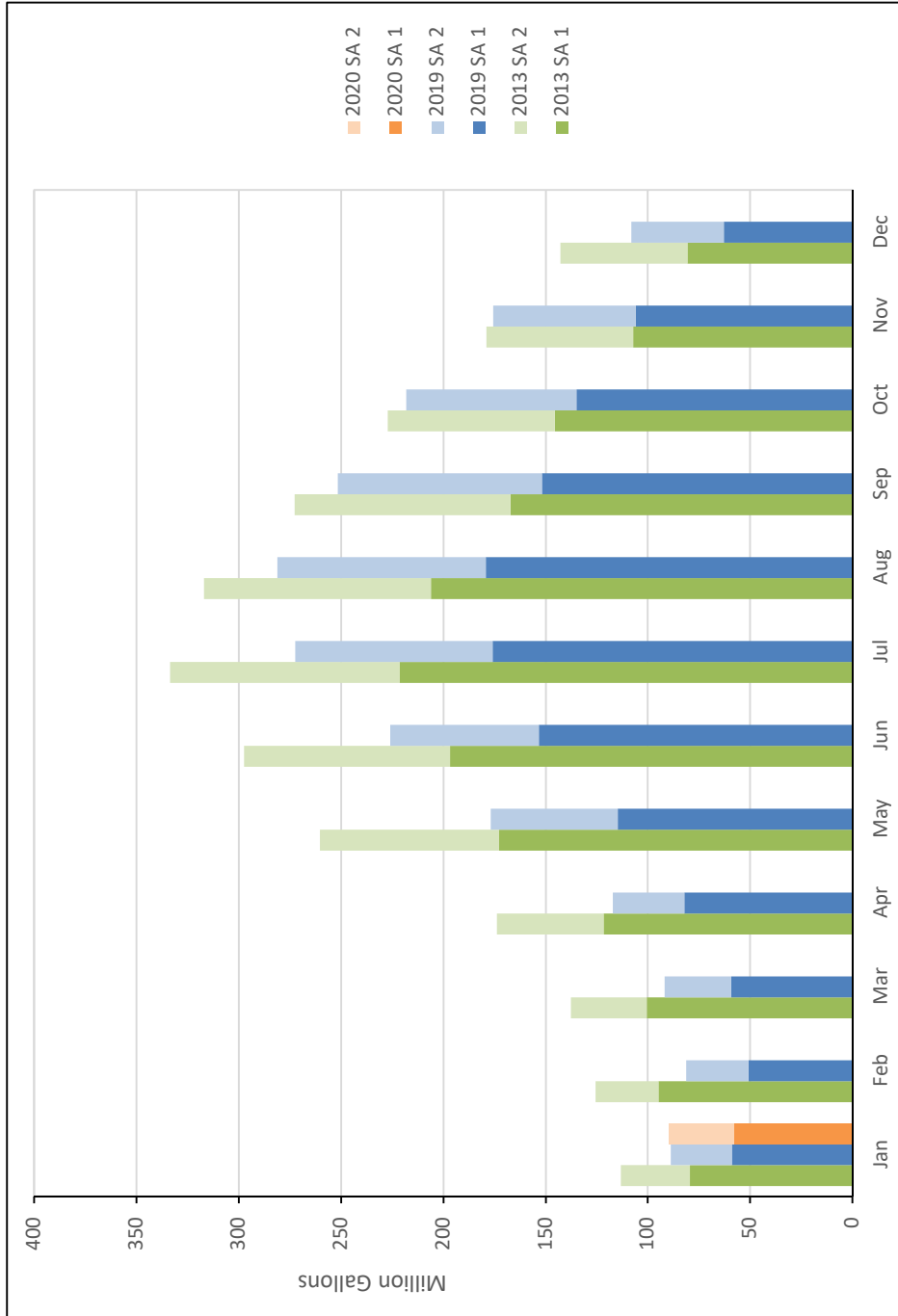




Elk Grove Water District

Total Demand/Production

Jan-2020



Current Month Demand/Production:
89,648,467 Gallons
Reduction From Jan 2013: 12.13%
GPCD: 63.7 Gallons per Day
R-GPCD: 54.2 Gallons per Day

Service Area 1
Active Connections: 7,938
Current Month Demand/Production:
57,904,843 Gallons
Reduction From Jan 2013: 15.16%
GPCD: 65.4 Gallons per Day
R-GPCD: 53.4 Gallons per Day

Service Area 2
Active Connections: 4,548
Current Month Demand/Production:
31,743,624 Gallons
Reduction From Jan 2013: 6.00%
GPCD: 60.8 Gallons per Day
R-GPCD: 55.2 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	51,914,200	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	173,527,723	260,094,211	297,266,361	333,463,580	316,716,614	272,414,672	227,018,422	178,691,519	142,659,699
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	76,267,144	125,703,221	158,313,394	181,467,446	173,737,676	150,609,278	133,163,991	97,294,654	63,631,042
Purchased (SA2)		31,925,388	31,512,492	33,779,680	32,989,792	52,692,860	85,679,660	101,031,612	104,457,452	97,400,072	77,996,204	66,116,468	42,849,180
Total		93,473,139	93,071,342	96,627,983	109,256,936	178,396,081	243,993,054	282,499,058	278,195,128	248,009,350	211,160,195	163,411,122	106,480,222
2019													
GW (SA1)		58,847,001	50,827,497	59,064,385	81,981,728	114,733,502	153,176,826	175,692,823	179,038,979	151,703,906	134,920,719	105,816,168	62,755,985
Purchased (SA2)		29,895,316	30,359,076	32,485,640	34,994,432	61,802,004	72,657,728	96,524,164	101,818,508	99,590,964	82,897,100	69,704,624	45,161,996
Total		88,742,317	81,186,573	91,550,025	116,976,160	176,535,506	225,834,554	272,216,987	280,857,487	251,294,870	217,817,819	175,520,792	107,917,981
2020													
GW (SA1)		57,904,843											
Purchased (SA2)		31,743,624											
Total		89,648,467	0	0	0	0	0	0	0	0	0	0	0
% Reduction from 2013		12.13%	100.00%	100.00%	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 actual 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

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

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)

Calc'd 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.)

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

Service Area 2	Consumption	
	# Accts	CCF
2020		
Jan	2,544	42,438
Feb		31,743,624
Mar		0
Apr		0
May		0
Jun		0
Jul		0
Aug		0
Sep		0
Oct		0
Nov		0
Dec		0



EGWD COMBINED R-GPCD

● 2013
 ● 2017
 ● 2018
 ● 2019
 ● 2020



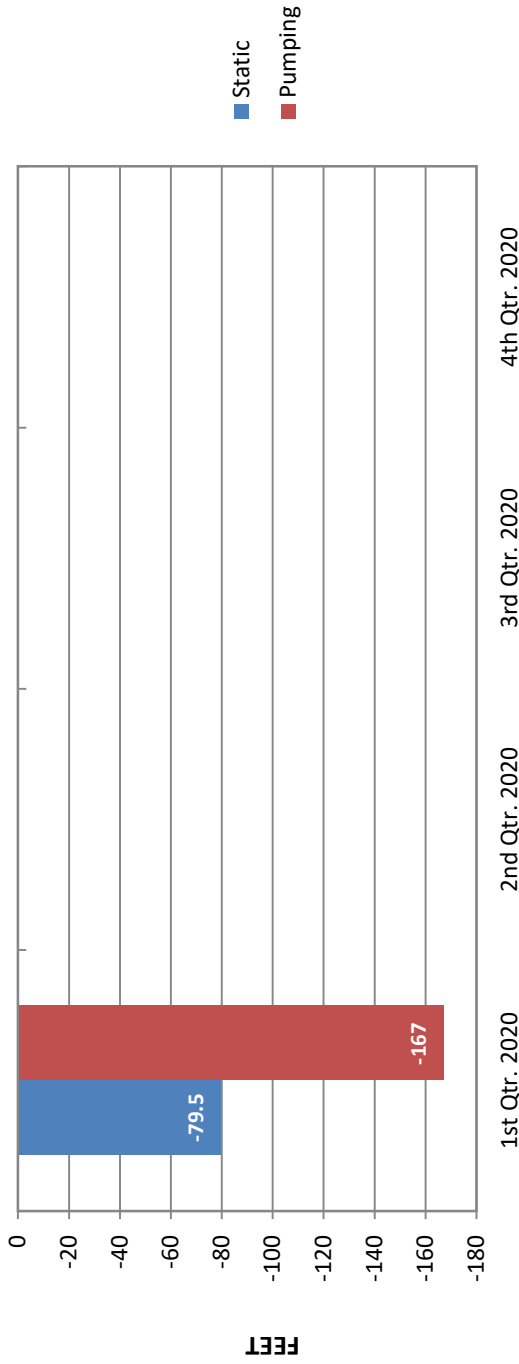
R-GPCD = Residential Gallons per Capita per Day



Elk Grove Water District

Static and Pumping Levels

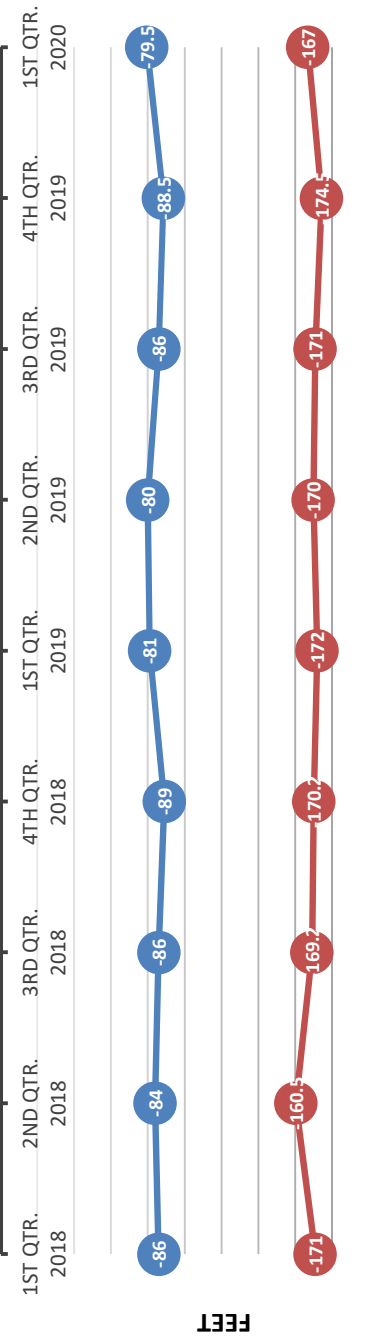
Well 1D School St



Latest Well Sounding

Static: 79.5 Ft
Pumping: 167 Ft
Drawdown: 87.5 Ft
GPM: 1,840
Specific Capacity: 21.023

Sounding Quarter/Year



Latest Sand Tester Results:

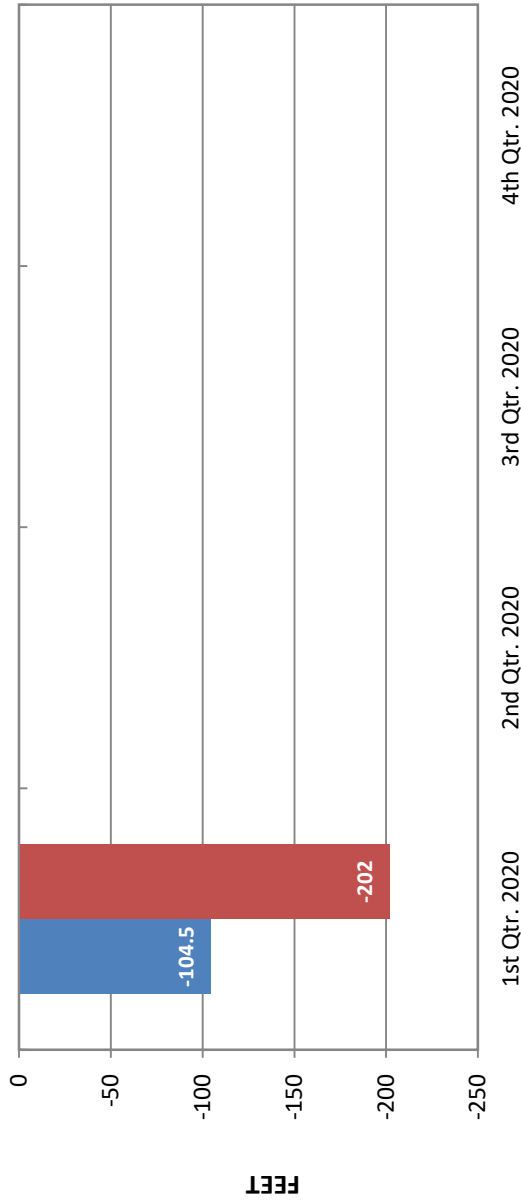
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

Well 4D Webb St

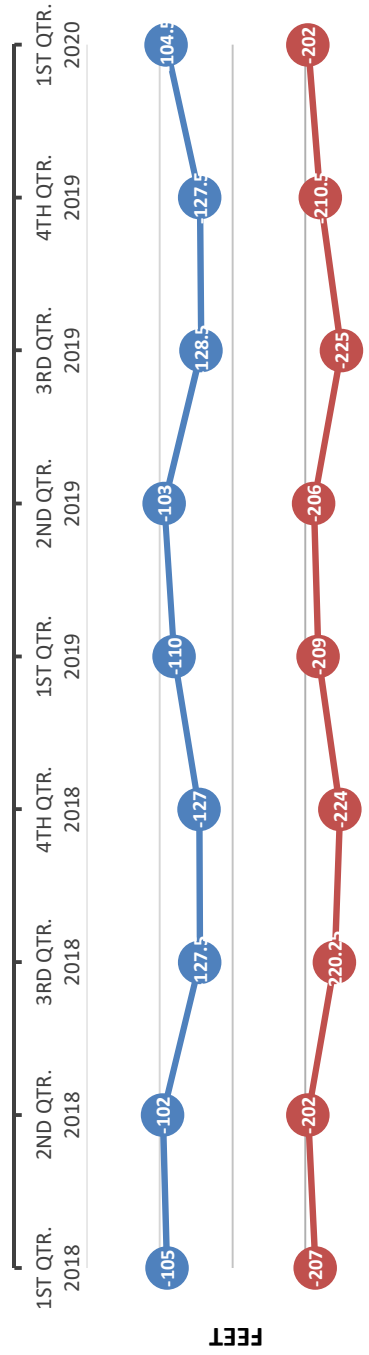


Latest Well Sounding

Static: 104.5 Ft
Pumping: 202 Ft
Drawdown: 97.5 Ft
GPM: 1,538
Specific Capacity: 15.776

■ Static
 ■ Pumping

Sounding Quarter/Year



Latest Sand Tester Results:

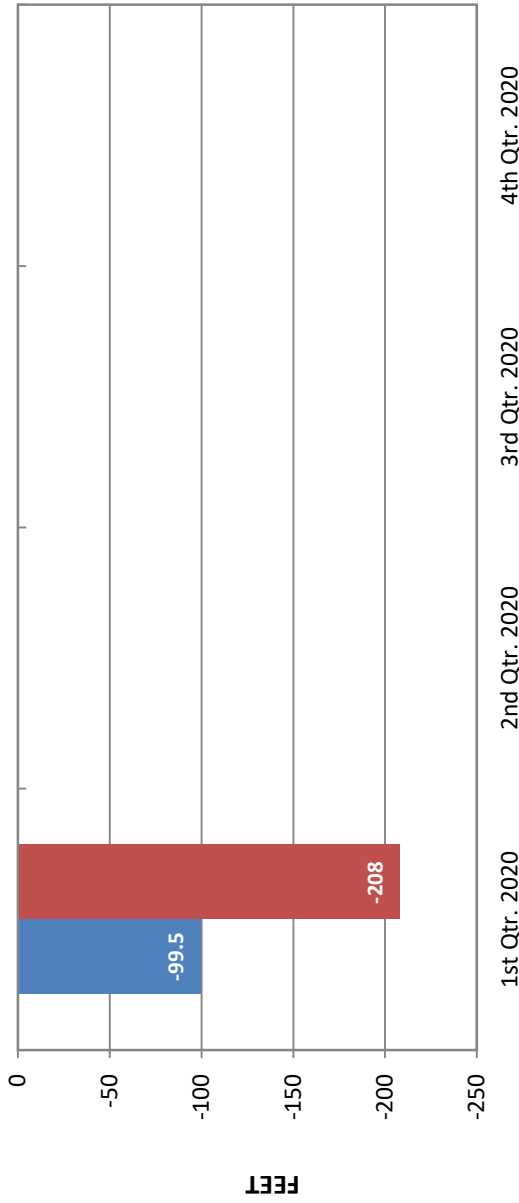
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

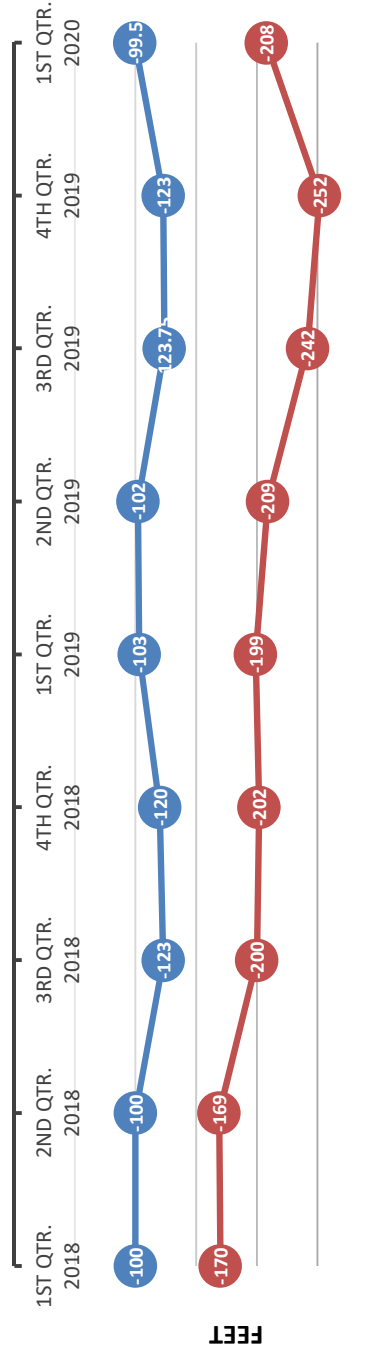
Well 11D Dino



Latest Well Sounding

Static: 99.5 Ft
Pumping: 208 Ft
Drawdown: 108.5 Ft
GPM: 1,428
Specific Capacity: 13.164

Sounding Quarter/Year



Latest Sand Tester Results:

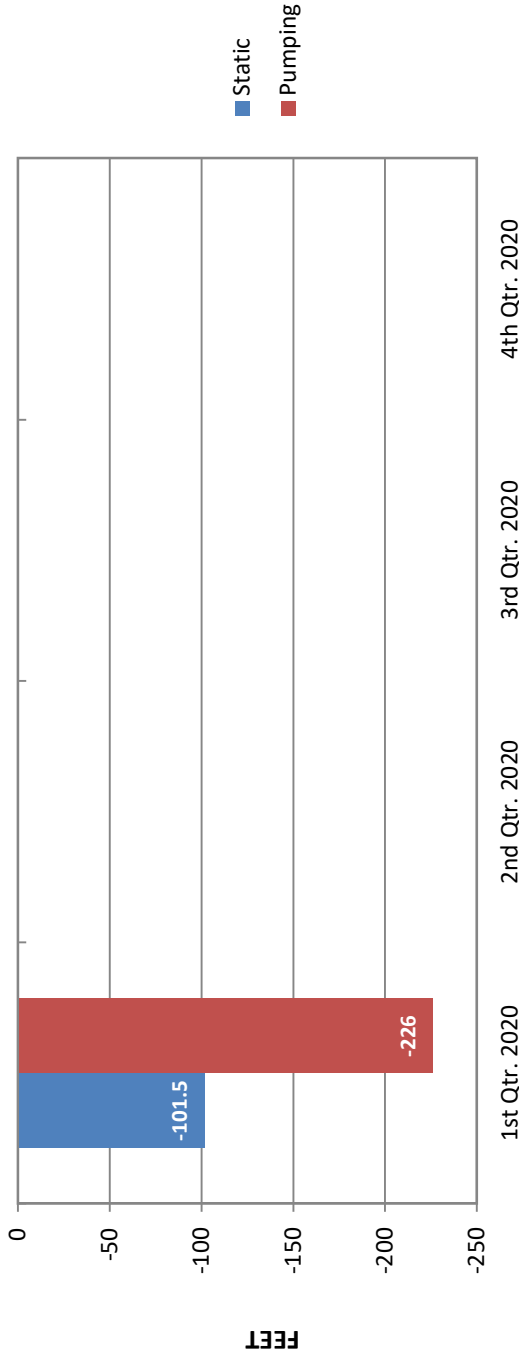
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

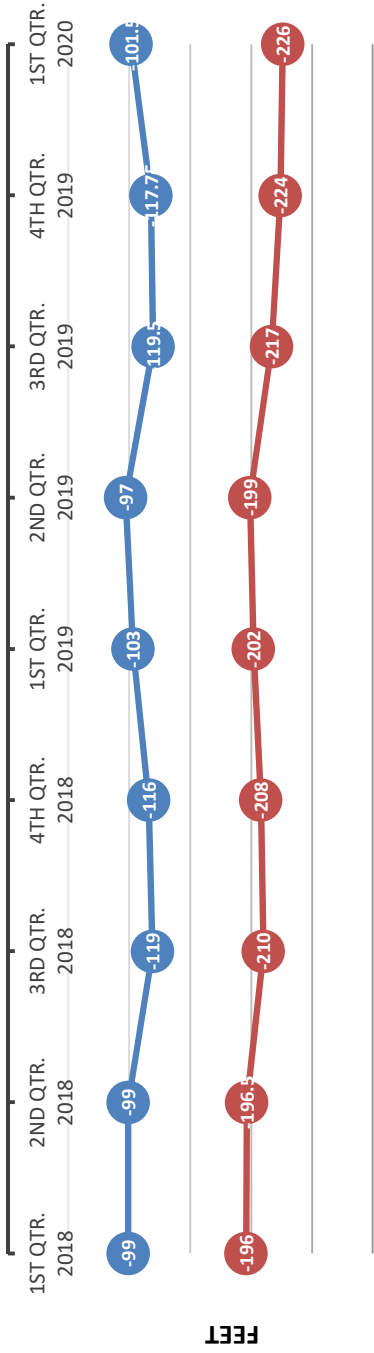
Well 14D Railroad



Latest Well Sounding

Static: 101.5 Ft
Pumping: 226 Ft
Drawdown: 124.5 Ft
GPM: 1,566
Specific Capacity: 12.576

Sounding Quarter/Year



Latest Sand Tester Results:

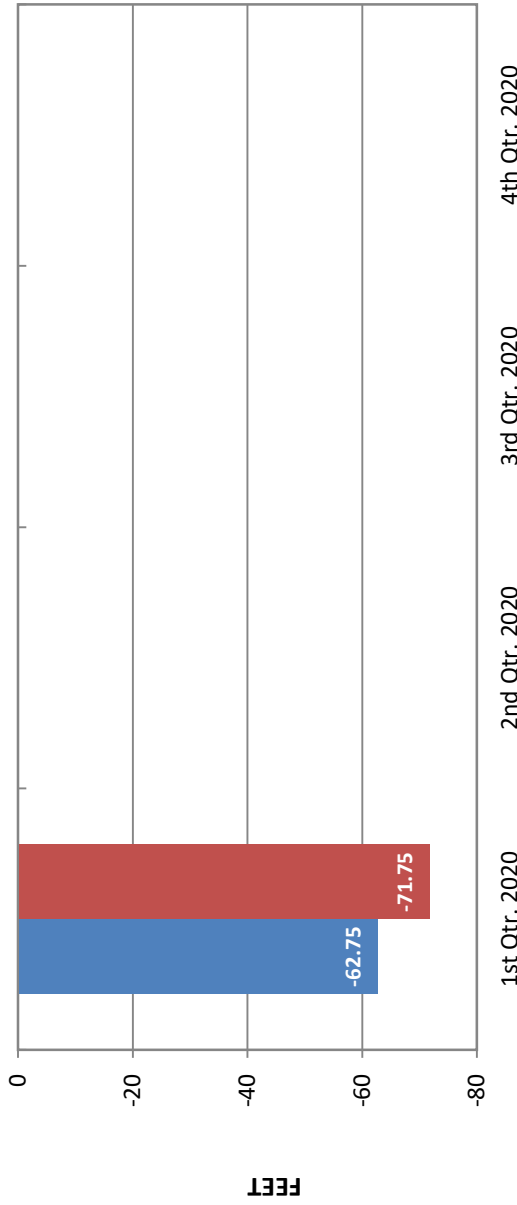
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

Well 8 Williamson

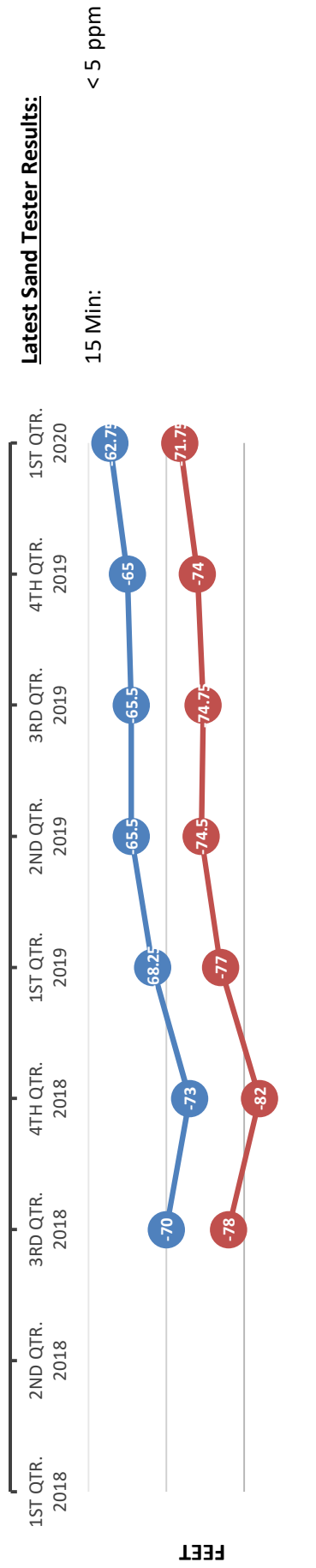


Latest Well Sounding

Static: 62.75 Ft
Pumping: 71.75 Ft
Drawdown: 9 Ft
GPM: 548
Specific Capacity: 60.841

■ Static
■ Pumping

Sounding Quarter/Year



Latest Sand Tester Results:

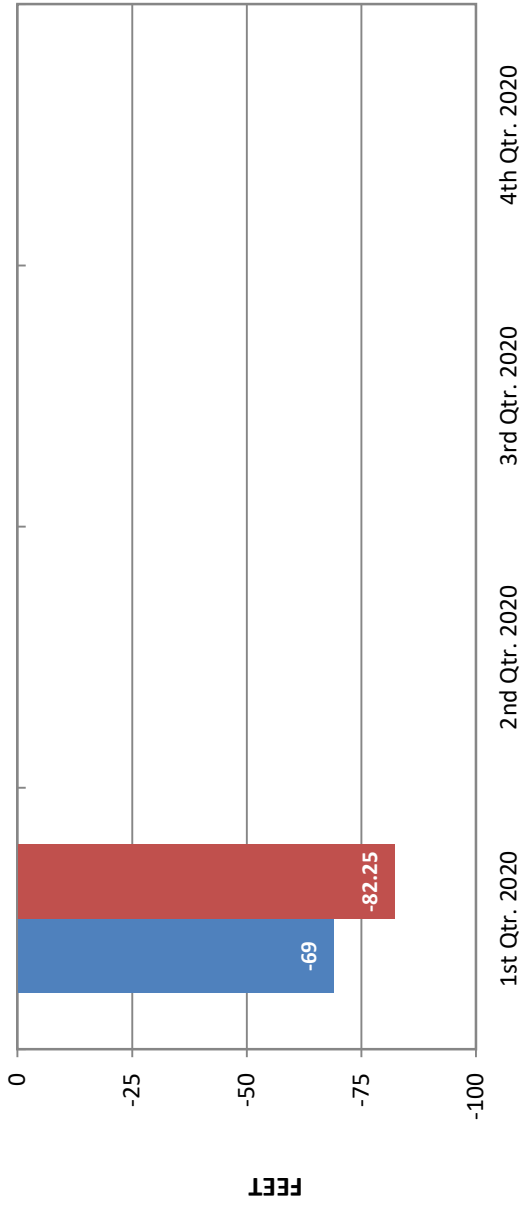
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

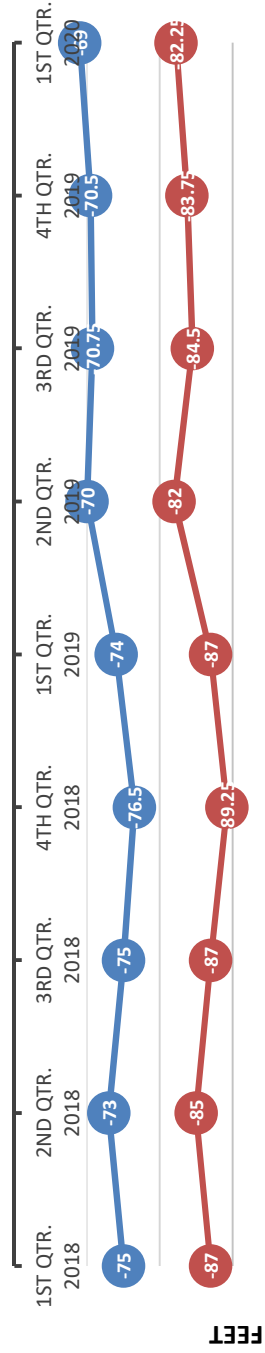
Well 9 Polhemus



Latest Well Sounding

Static: 69 Ft
Pumping: 82.25 Ft
Drawdown: 13.25 Ft
GPM: 460
Specific Capacity: 34.717

Sounding Quarter/Year



Latest Sand Tester Results:

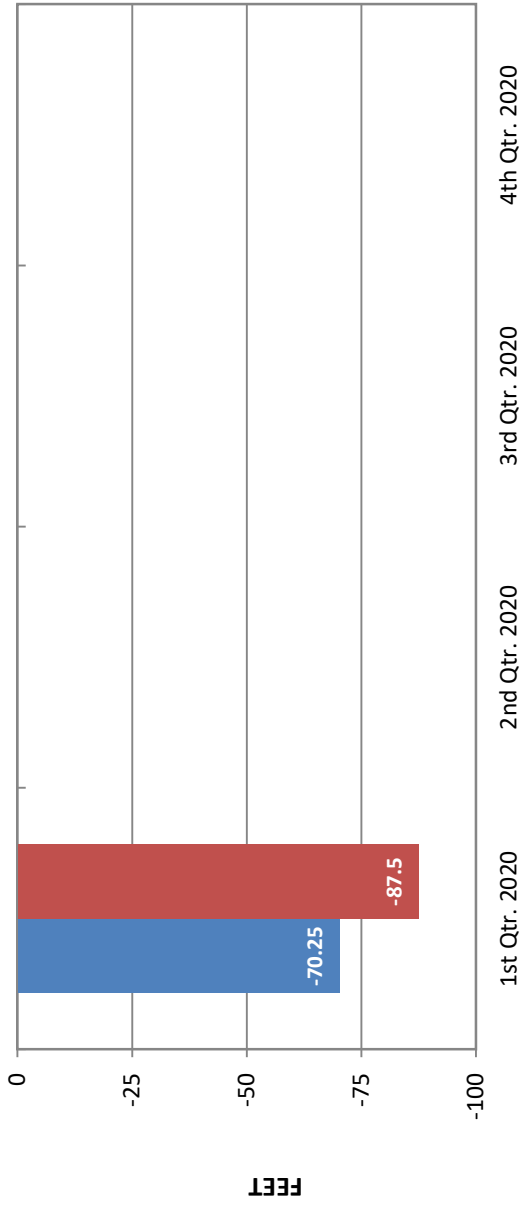
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

Well 13 Hampton

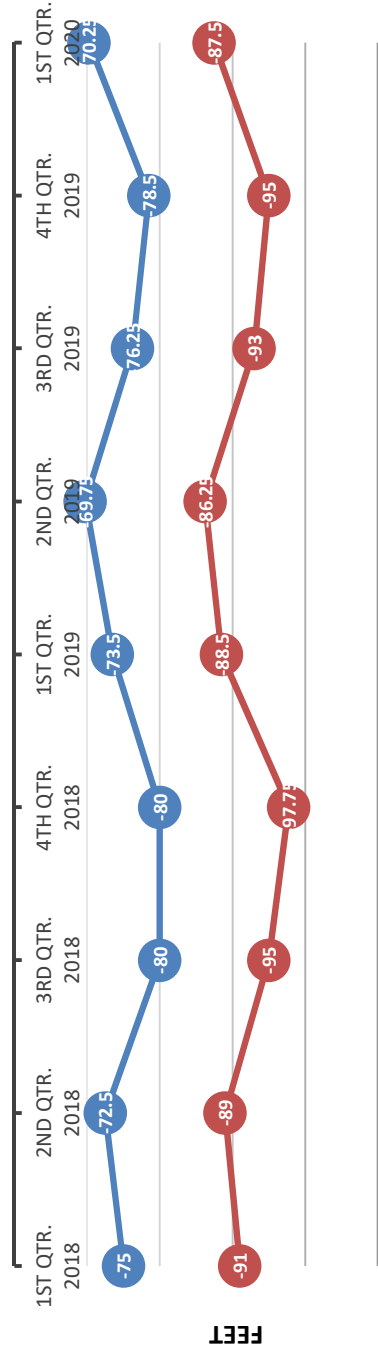


Latest Well Sounding

Static: 70.25 Ft
 Pumping: 87.5 Ft
 Drawdown: 17.25 Ft
 GPM: 883
 Specific Capacity: 51.196

■ Static
 ■ Pumping

Sounding Quarter/Year



Latest Sand Tester Results:

15 Min: < 5 ppm

**Monthly Sample Report - January 2020
Water System: Elk Grove Water System**

Sampling Point: 01 - 8693 W. Camden			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/7/2020	Distribution System	Bacteriological	Week
1/14/2020	Distribution System	Bacteriological	Week
1/21/2020	Distribution System	Bacteriological	Week
1/28/2020	Distribution System	Bacteriological	Week

Sampling Point: School Well 01D - Raw Water			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/21/2020	Source Water	3 mo - Bacteriological	Quarterly
1/21/2020	Source Water	3 mo - Fe,Mn,As Total	Quarterly
1/21/2020	Source Water	3 mo - Fe,Mn,As Dissolved	Quarterly

Sampling Point: 02 - 9425 Emerald Vista			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/7/2020	Distribution System	Bacteriological	Week
1/14/2020	Distribution System	Bacteriological	Week
1/21/2020	Distribution System	Bacteriological	Week
1/28/2020	Distribution System	Bacteriological	Week

Sampling Point: 03 - 8809 Valley Oak			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/7/2020	Distribution System	Bacteriological	Week
1/14/2020	Distribution System	Bacteriological	Week
1/21/2020	Distribution System	Bacteriological	Week
1/28/2020	Distribution System	Bacteriological	Week

Sampling Point: Webb Well 04D - Raw Water			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/14/2020	Source Water	3 mo - Bacteriological	Quarterly
1/14/2020	Source Water	3 mo - Fe,Mn,As Total	Quarterly
1/14/2020	Source Water	3 mo - Fe,Mn,As Dissolved	Quarterly

Sampling Point: 04 - 10122 Glacier Point			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/7/2020	Distribution System	Bacteriological	Week
1/14/2020	Distribution System	Bacteriological	Week
1/21/2020	Distribution System	Bacteriological	Week
1/28/2020	Distribution System	Bacteriological	Week

Sampling Point: 05 - 9230 Amsden Ct.			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/7/2020	Distribution System	Bacteriological	Week
1/14/2020	Distribution System	Bacteriological	Week
1/21/2020	Distribution System	Bacteriological	Week
1/28/2020	Distribution System	Bacteriological	Week

Sampling Point: 06 - 9227 Rancho Dr.			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/7/2020	Distribution System	Bacteriological	Week
1/14/2020	Distribution System	Bacteriological	Week
1/21/2020	Distribution System	Bacteriological	Week
1/28/2020	Distribution System	Bacteriological	Week

Sampling Point: 07 - AI Gates Park Mainline Dr.			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/7/2020	Distribution System	Bacteriological	Week
1/14/2020	Distribution System	Bacteriological	Week
1/21/2020	Distribution System	Bacteriological	Week
1/28/2020	Distribution System	Bacteriological	Week

Sampling Point: - Williamson Well 8 Raw Water			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/27/2020	Source Water	3 mo - Bacteriological	Quarterly
1/27/2020	Source Water	3 mo - Fe,Mn,As Total	Quarterly
1/27/2020	Source Water	3 mo - Fe,Mn,As Dissolved	Quarterly
1/27/2020	Source Water	PFAS	Once

Sampling Point: 09 - 9436 Hollow Springs Wy.			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/7/2020	Distribution System	Bacteriological	Week
1/14/2020	Distribution System	Bacteriological	Week
1/21/2020	Distribution System	Bacteriological	Week
1/28/2020	Distribution System	Bacteriological	Week

Sampling Point: Polhemus Well 9 Raw Water			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/30/2020	Source Water	3 mo - Bacteriological	Quarterly
1/30/2020	Source Water	3 mo - Fe,Mn,As Total	Quarterly
1/30/2020	Source Water	3 mo - Fe,Mn,As Dissolved	Quarterly

Sampling Point: 09 - 8417 Blackman Wy.			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/7/2020	Distribution System	Bacteriological	Week
1/14/2020	Distribution System	Bacteriological	Week
1/21/2020	Distribution System	Bacteriological	Week
1/28/2020	Distribution System	Bacteriological	Week
1/7/2020	Distribution System	Fluoride	Monthly

Sampling Point: 10 - 9373 Oreo Ranch Cir.			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/7/2020	Distribution System	Bacteriological	Week
1/14/2020	Distribution System	Bacteriological	Week
1/21/2020	Distribution System	Bacteriological	Week
1/28/2020	Distribution System	Bacteriological	Week

Sampling Point: Dino Well 11D - Raw Water			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/7/2020	Source Water	3 mo - Bacteriological	Quarterly
1/7/2020	Source Water	3 mo - Fe,Mn,As Total	Quarterly
1/7/2020	Source Water	3 mo - Fe,Mn,As Dissolved	Quarterly

Sampling Point: Hampton Well 13 - Raw Water			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/6/2020	Source Water	Fe, Mn, As, Total	Weekly
1/13/2020	Source Water	Fe, Mn, As, Total	Weekly
1/21/2020	Source Water	Fe, Mn, As, Total	Weekly
1/21/2020	Source Water	Bacteriological	Quarterly
1/27/2020	Source Water	Fe, Mn, As, Total	Weekly
1/27/2020	Source Water	PFAS	Once

Sampling Point: Hampton WTP Effluent			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/6/2020	Treated Effluent	Fe, Mn, As, Total	Weekly
1/13/2020	Treated Effluent	Fe, Mn, As, Total	Weekly
1/21/2020	Treated Effluent	Fe, Mn, As, Total	Weekly
1/27/2020	Treated Effluent	Fe, Mn, As, Total	Weekly
1/27/2020	Source Water	PFAS	Once

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

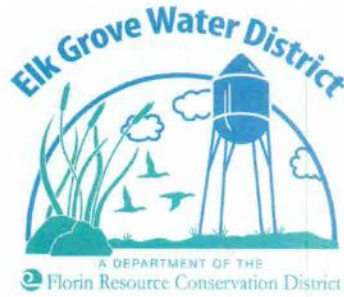
Sampling Point: Railroad Well 14D - Raw Water			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/27/2020	Source Water	3 mo - Bacteriological	Quarterly
1/27/2020	Source Water	3 mo - Fe,Mn,As Total	Quarterly
1/27/2020	Source Water	3 mo - Fe,Mn,As Dissolved	Quarterly
1/27/2020	Source Water	3 mo - Threshold Odor	Quarterly
1/27/2020	Source Water	PFAS	Once

Sampling Point: Railroad WTP Effluent			
Sample Date	Sample Class	Sample Name	Collection Occurrence
1/7/2020	Treated Plant Effluent	WTP Eff - Fe,Mn,As,Al Total	Month
1/7/2020	Treated Plant Effluent	WTP Eff - Fe,Mn,As,Al Dissolved	Month
1/27/2020	Source Water	PFAS	Once

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
1/17/2020	Distribution System	Bacteriological	Halverson and Emily Backyard Main Replacement
1/22/2020	Distribution System	Bacteriological	Emily St. North Backyard Main Replacement
1/22/2020	Distribution System	Bacteriological	Emily St. South Backyard Main Replacement
1/23/2020	Distribution System	Bacteriological	Emily St. North Backyard Main Replacement
1/23/2020	Distribution System	Bacteriological	Emily St. South Backyard Main Replacement
1/27/2020	Distribution System	Bacteriological	Emily St. South Backyard Main Replacement
1/27/2020	Distribution System	Bacteriological	Emily St. North Backyard Main Replacement

Colors	Monthly Total	Yearly Total
Black = Scheduled	64	64
Green = Unscheduled	19	19
Red = Incomplete Sample	0	



February 5, 2020

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

WASTEWATER SOURCE CONTROL MONTHLY COMPLIANCE REPORT

Enclosed is the Wastewater Source Control Monthly Compliance Report Form from Elk Grove Water District for January 2020.

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". The signature is stylized and fluid, with a long horizontal stroke extending to the right.

STEVE SHAW
WATER TREATMENT SUPERVISOR

COMPLIANCE REPORT FORM

Attn: Michelle Pate	E-mail: patem@sacsewer.com	Wastewater Source Control Section
Phone (916) 875-9091		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: January	Year: 2020
-----------------------	-------------------

<input checked="" type="checkbox"/>	Water use/flow meter report	Hampton WTP - 43,750 Gallons
		Railroad WTP - 0 Gallons
<input type="checkbox"/>	Monitoring results/analytical report	Analyzer Water- 35,712 Gallons

	Date	Time	pH
Hampton WTP			
Railroad WTP			

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	19	15	855
Office	5	19	10	950
Drivers/Field	12	19	3	684
Total				2,489

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:

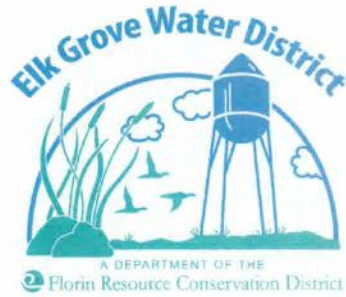


PRINTED NAME, TITLE:

Steve Shaw Water Treatment Supervisor
(Name) (Title)

DATE:

2-5-2020



February 4, 2020

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 the Distribution System Coliform Monitoring report from Elk Grove Water District for January 2020.

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 horizontal line.

STEVE SHAW
WATER TREATMENT SUPERVISOR

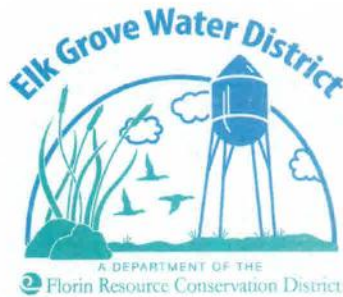
MONTHLY SUMMARY OF REVISED TOTAL COLIFORM RULE DISTRIBUTION SYSTEM MONITORING (including triggered source monitoring for systems subject to the Groundwater Rule)

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;">January</p>	Year <p style="text-align: center; font-size: 1.2em;">2020</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)	40	40	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) <i>If a Level 2 Assessment is triggered, see note 8 below.</i>			<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
a Level 1 Assessment TT? (see note 7 for trigger info) <i>If a Level 1 Assessment is triggered, see note 9 below.</i>			<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
5. Triggered Source Samples per Groundwater Rule (see notes 12 and 13)		0	0	0
6. Invalidated Samples (Note what samples, if any, were invalidated; who authorized the invalidation; and when replacement samples were collected. Attach additional sheets, if necessary.)				
7. Summary Completed By: Steve Shaw				
Signature 	Title <p style="text-align: center; font-size: 1.2em;">Water Treatment Supervisor</p>	Date <p style="text-align: center; font-size: 1.2em; color: blue;">2/4/2020</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.**



February 5, 2020

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 January 2020.

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

STEVE SHAW
WATER TREATMENT SUPERVISOR

Elk Grove Water District

Hampton GWTP Monthly Report

Month: January

3410008-013

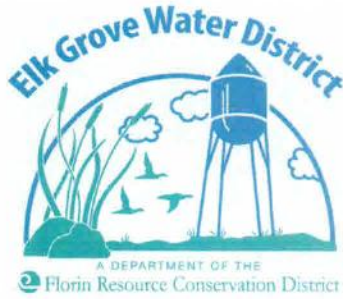
PWS Number

Hampton Water Treatment Plant

Date	Hour Meter	Run Hours	Production Meter	Well Production	Backwash Meter	Backwash Waste Meter	Weekly In-House Monitoring (mg/L) R (Raw) T (Treated) As (ug/L)							Weekly Average	
last day	13817.8		830210403		16027661	18619775	Date	Fe, R	Fe, T	Mn, R	Mn, T	As, R	As, T	Inf. pH	Eff. pH
1	13817.8	0	830210403	0	16027661	18619775	1/6/2020	0.003	0.016	0.013	0.007	3	<2	7.0	7.4
2	13817.8	0	830210403	0	16027661	18619775	1/13/2020	0.022	0.03	0.148	0.008	2	<2		
3	13817.8	0	830210403	0	16027661	18619775	1/21/2020	0	0.012	0.031	0.011	2	<2	CI2	0.71
4	13818.4	0.6	830242558	32155	16027661	18619775	1/27/2020	0.012	0.017	0.023	0.003	1	<2	Week 2: 6.9	7.5
5	13818.4	0	830242558	0	16027661	18619775								CI2	0.64
6	13818.4	0	830242558	0	16027661	18619775								Week 3: 7.0	7.4
7	13821	2.6	830391130	148572	16038284	18634323	Total Gallons Sodium Hypochlorite:				7.41 Gal			CI2	0.68
8	13821	0	830391130	0	16038284	18634323	Pounds per day			0.2988 Lbs/Day				Week 4: 6.9	7.4
9	13821	0	830391130	0	16038284	18634323	Dosage (Milligrams Per Liter @ 12.5% Cl)				1.8 mg/L			CI2	0.67
10	13821	0	830391130	0	16038284	18634323									
11	13821	0	830391130	0	16038284	18634323	Total Gallons Ferric Chloride:				5.7 Gal			CI2	
12	13821	0	830391130	0	16038284	18634323	Dosage (Milligrams Per Liter @ 38% FeCl)				.65mg/L				
13	13822.7	1.7	830479443	88313	16038284	18634323									
14	13822.7	0	830479443	0	16038284	18634323	Total Gallons Sodium Hydroxide:				7.6 Gal				
15	13822.7	0	830479443	0	16038284	18634323	Dosage (Gallons Per Hour @ 30% NaOH)				0.48 Gal/Hr				
16	13822.8	0.1	830479608	165	16038284	18634323									
17	13822.8	0	830479608	0	16038284	18634323	Total Gallons Sulfuric Acid :				5.6 Gal				
18	13823.1	0.3	830499198	19590	16038284	18634323	Dose (Gallons Per Hour @ 93% H2SO4)				0.33 Gal/Hr				
19	13823.1	0	830499198	0	16038284	18634323									
20	13823.1	0	830499198	0	16038284	18634323	Total Backwashed			31,900 Gal				Total Backwash Waste Meter	43,750 Gal
21	13823.1	0	830499198	0	16038284	18634323									
22	13829.8	6.7	830876021	376823	16048903	18648976	Total Water Pumped			811,112 Gal				Total Water Treated	811,112 Gal
23	13829.8	0	830876021	0	16048903	18648976									
24	13829.8	0	830876021	0	16048903	18648976	Reporting Limits/Units								
25	13829.8	0	830876021	0	16048903	18648976	Iron = 0.100 mg/L								
26	13829.8	0	830876021	0	16048903	18648976	Manganese = 0.010 mg/L								
27	13829.8	0	830876021	0	16048903	18648976	Arsenic = 1.0 ug/L								
28	13832.4	2.6	831021515	145494	16059561	18663525	Maximum Contaminant Levels (MCLs)								
29	13832.4	0	831021515	0	16059561	18663525	Iron (Fe) = 0.300 mg/L (Secondary)								
30	13832.4	0	831021515	0	16059561	18663525	Manganese (Mn) = 0.050 mg/L (Secondary)								
31	13832.4	0	831021515	0	16059561	18663525	Arsenic (As) = 10 ug/L (Primary)								
Total		14.6		811,112	31,900	43,750									

Date: 2/5/2020

Prepared By: Steve Shaw



February 5, 2020

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

MONTHLY FLUORIDATION MONITORING REPORT

Enclosed is the Monthly Summary of the Fluoridation Monitoring from Elk Grove Water District for January 2020.

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", with a horizontal line extending to the right.

STEVE SHAW
WATER TREATMENT SUPERVISOR

ELK GROVE WATER DISTRICT AREA 2

DISTRIBUTION SYSTEM

MONTHLY FLUORIDATION MONITORING REPORT

January-20

Monitoring Results (mg/L)

Week	Location of Sample	Date	Time	Results
1	Hollow Springs	1/7/2020	9:45 AM	0.56
1	Al Gates Park	1/7/2020	10:05 AM	0.68
1	Oreo Ranch	1/7/2020	10:25 AM	0.76
1	Blackman	1/7/2020	11:47 AM	0.69
2	Hollow Springs	1/14/2020	9:06 AM	0.71
2	Al Gates Park	1/14/2020	9:57 AM	0.49
2	Oreo Ranch	1/14/2020	10:20 AM	0.64
2	Blackman	1/14/2020	11:43 AM	0.47
3	Hollow Springs	1/21/2020	9:31 AM	0.61
3	Al Gates Park	1/21/2020	10:11 AM	0.48
3	Oreo Ranch	1/21/2020	10:32 AM	0.44
3	Blackman	1/21/2020	11:47 AM	0.45
4	Hollow Springs	1/28/2020	11:16 AM	0.75
4	Al Gates Park	1/28/2020	11:35 AM	0.66
4	Oreo Ranch	1/28/2020	12:00 PM	0.66
4	Blackman	1/28/2020	1:32 PM	0.59
5	Hollow Springs			
5	Al Gates Park			
5	Oreo Ranch			
5	Blackman			

Monthly fluoride split sample results:

Date: 1/7/2020

Water System Results: 0.69 mg/L

Approved Lab: 0.77 mg/L

Contact Name: Steve Shaw

Telephone : (916) 585-9386

System PWS Number: 3410008

Elk Grove Water District

Preventative Maintenance Program

Groundwater Wells

		Monthly												Semi-annual			Annual		
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1ST 6-MO.	2ND 6-MO.	Refer.	2020		
Well 14D	Railroad	Initials Date W.O.#	AH 1/14/20 18424													Sect: 7.1	Sect: 7.2	Sect: 7.3	
Well 4D	Webb	Initials Date W.O.#	AH 1/8/20 18425													Sect: 8.1	Sect: 8.2	Sect: 8.3	
Well 11D	Dino	Initials Date W.O.#	AH 1/9/20 18426													Sect: 9.1	Sect: 9.2	Sect: 9.3	
Well 1D	School	Initials Date W.O.#	AH 1/3/20 18427													Sect: 13.1	Sect: 13.2	Sect: 13.3	
Well 8	Williamson	Initials Date W.O.#	BW 1/8/20 18428													Sect: 11.1		Sect: 11.4	
Well 9	Polhemus	Initials Date W.O.#	AH 1/7/20 18429													Sect: TBD		Sect: TBD	
Well 13	Hampton	Initials Date W.O.#	AH/BW 1/13/20 18430													Sect: TBD		Sect: TBD	

Year: 2020

Elk Grove Water District

Preventative Maintenance Program

Railroad 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.	2020
Clor-Tec System	Section: 4.2	AH 1/15/20 18434												Section: 4.3					Section: 4.4						
Filter System	Section: 5.1	BW 1/2/20 18435												Section: 5.2					Section: 5.3						
Backwash System	Section: 2.1	BW 1/6/20 18436												Section: 2.2					Section: 2.3						
Booster Pumps	Section: 3.1	BW 1/6/20 18437												Section: TBD					Section: 3.2						
LAB														Section: 1.1					Section: 2.4						
Clear Wells																			Section: 1.2						
MCC																			Section: 1.2						

Year: 2020

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	Refer.	1st	2nd	3rd	4th	Refer.	1ST	6-2ND	6-MO.	Refer.	2020	
Chemical Systems	TBD	AH/BW 1/13/20 18431												TBD					Section: TBD				Section: TBD		
Filter System	TBD	AH/BW 1/13/20 18432												TBD					Section: TBD				Section: TBD		
Backwash System	TBD	AH/BW 1/13/20 18433												TBD					Section: TBD				Section: TBD		
LAB																			Section: TBD						
MCC																			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.	2020
Railroad	Initials	AH												Section:	TBD
	Date	1/14/20													
	W.O. #	18438													
Webb	Initials	AH												Section:	TBD
	Date	1/8/20													
	W.O. #	18439													18456
Dino	Initials	AH												Section:	TBD
	Date	1/9/20													
	W.O. #	18440													
Admin.	Initials	AH												Section:	TBD
	Date	1/30/20													
	W.O. #	18441													
= Load Test															

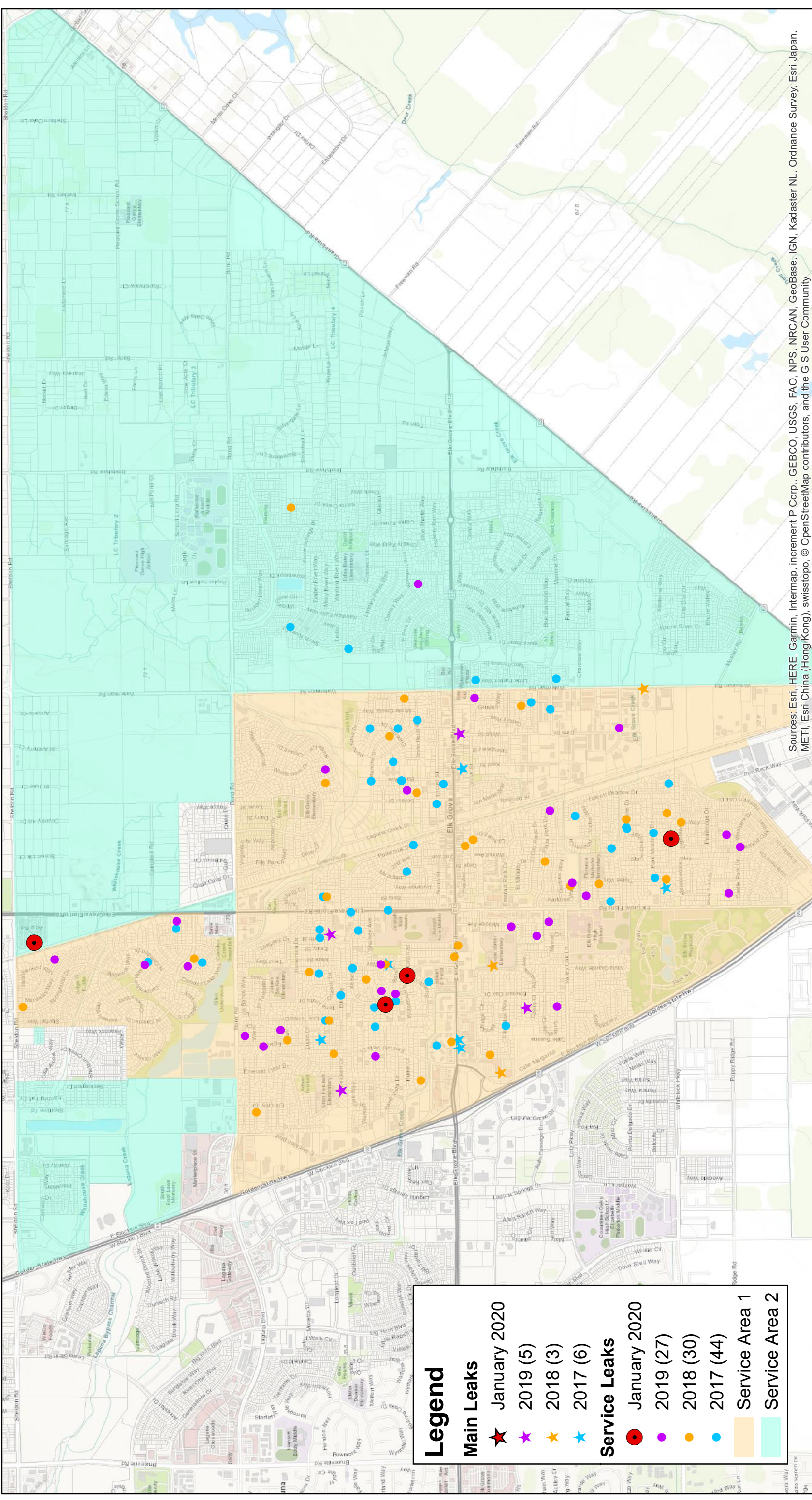
Elk Grove Water District
Backflow Prevention Program 2020

Backflow Device Reports	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
CURRENT												
Notices Issued	47											
Assemblies Tested	44											
Passed Initial Test	39											
Failed Initial Test	5											
Failed Devices Retested----Passed	0											
Investigations or Address Change	0											
Inactivated Devices	3											
Schedule Code Changed	1											
Devices Turned Off	0											
2nd Notices Issued	4											
Monthly Outstanding Delinquents	4	0	0	0	0	0	0	0	0	0	0	0

Total Outstanding Delinquents	4
--------------------------------------	----------


Elk Grove Water District
 Safety Meetings/Training
 January 2020

Date	Topic	Attendees	Hosted By
1/6/2020	Traffic Control and Flagging	Alan Aragon, Stefan Chanh, David Frederick, Aaron Hewitt, James Hinegardner, Sean Hinton, Bruce Kamilos, Brandon Kent, Justin Mello, Jose Mendoza, Sal Mendoza, Steve Shaw, John Vance, Brandon Wagner, Marcell Wilson, Vue Xiong	Jerry Bach
1/21/2020	Your Confined Spaces	Alan Aragon, Stefan Chanh, David Frederick, Aaron Hewitt, James Hinegardner, Sean Hinton, Brandon Kent, Justin Mello, Jose Mendoza, Sal Mendoza, Michael Montiel, Chris Phillips, Steve Shaw, John Vance, Brandon Wagner, Marcell Wilson, Vue Xiong	Ron Lee



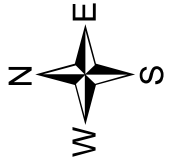
Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri, Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User Community

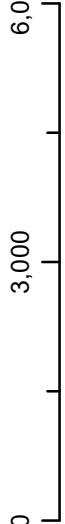
Elk Grove Water District
Main & Service Line Leaks
Created by: Travis Franklin
Date: February 6, 2020



Elk Grove Water District

Main and Service Line Leaks Map





January 2020	
Main Line Leaks: 0	YTD: 0
Service Line Leaks: 4	YTD: 4
Total Leaks: 4	YTD: 4

Legend

Main Leaks

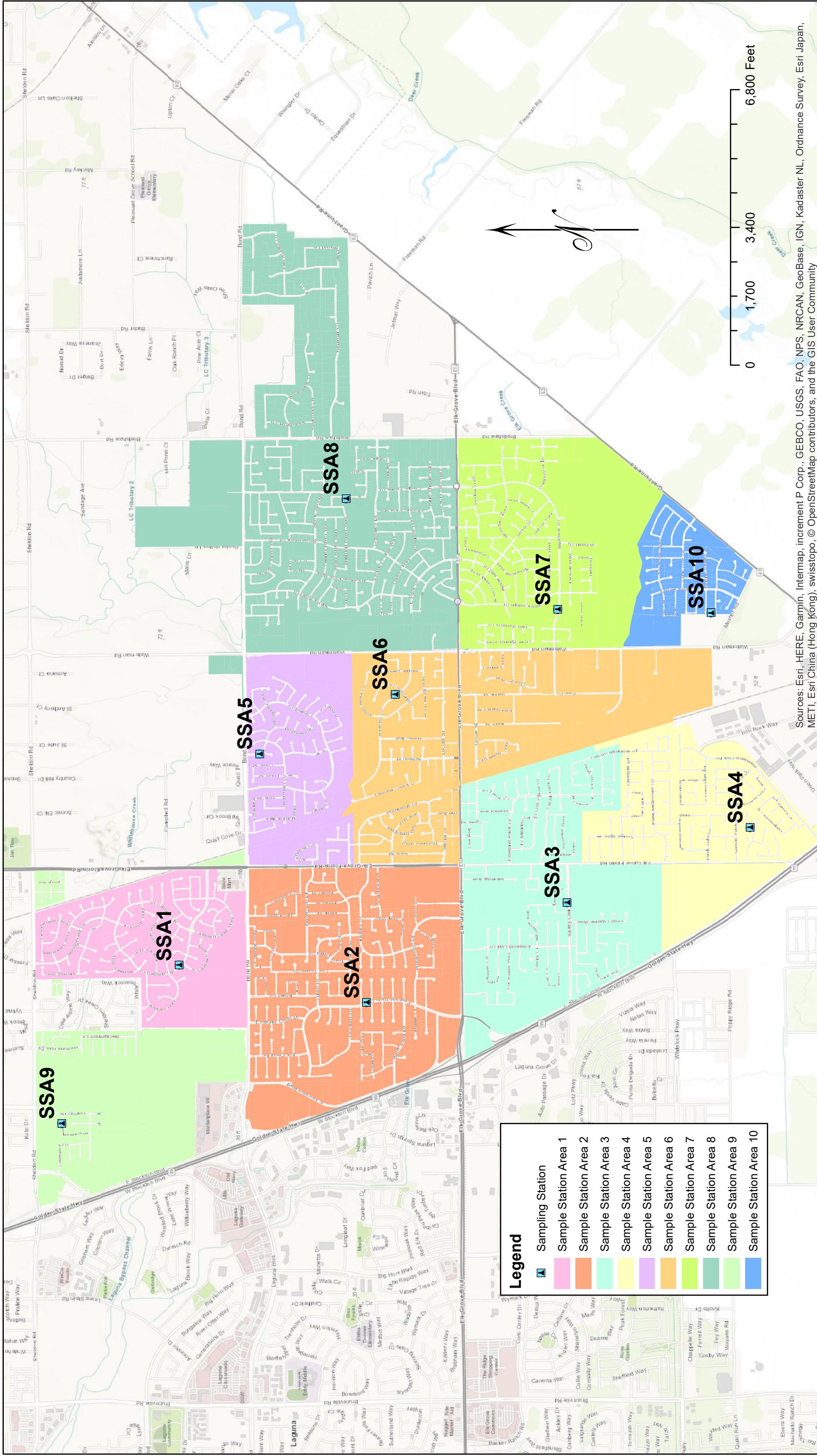
- ★ January 2020
- ★ 2019 (5)
- ★ 2018 (3)
- ★ 2017 (6)

Service Leaks












- January 2020
- 2019 (27)
- 2018 (30)
- 2017 (44)

■ Service Area 1

■ Service Area 2



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

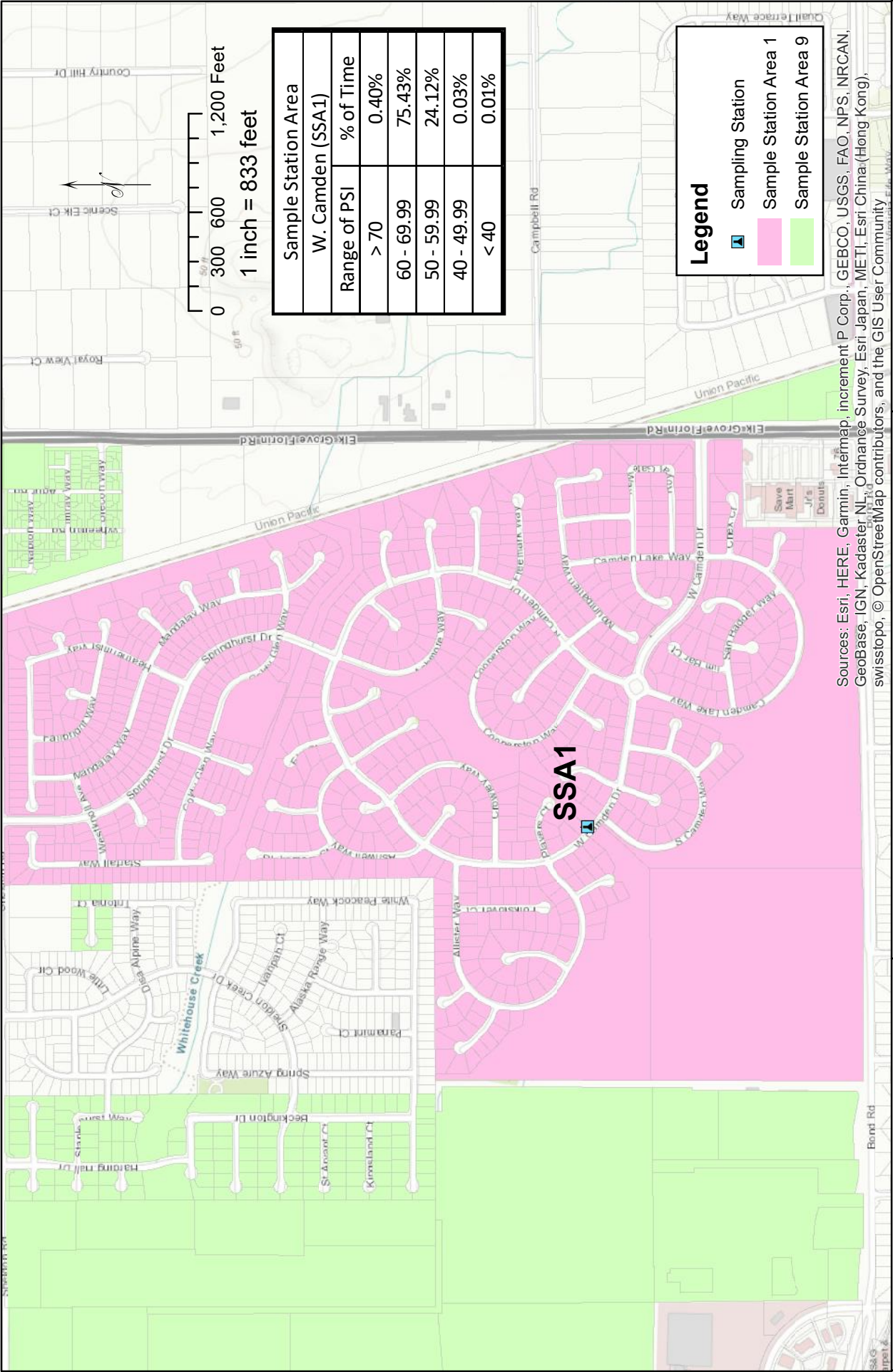
Projected Coordinate System: NAD 83 State Plane CA II FIPS 0402

Source: EGWD GIS database

Modified by: Travis Franklin

February 6, 2020

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



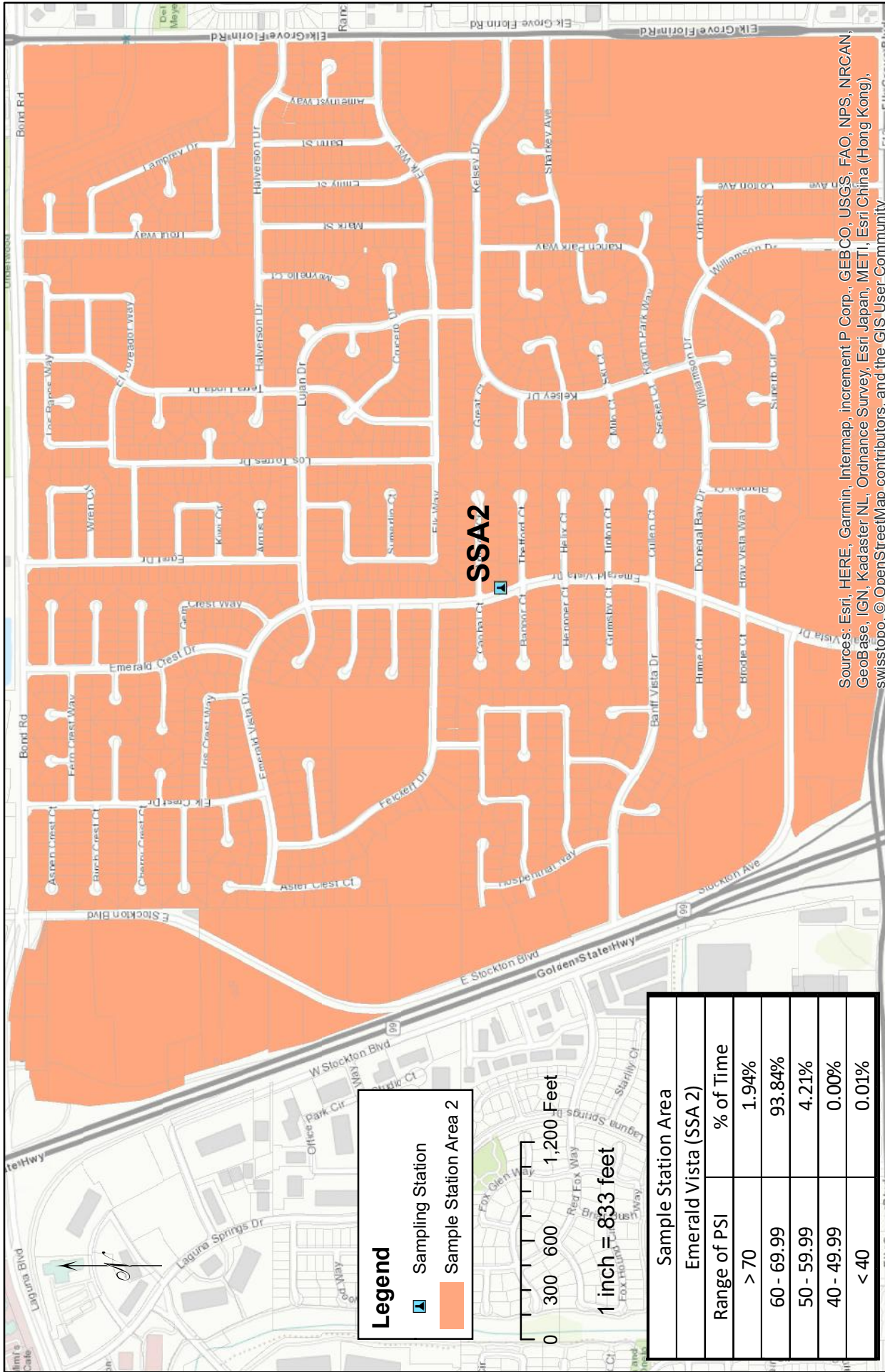
Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User Community

Projected Coordinate System:
 NAD 83 State Plane CA II FIPS 0402
 Source:EGWD GIS database
 Created by: Travis Franklin
 February 6, 2020



Elk Grove Water District
 System Pressure Monitoring



Sample Station #1
 Note: Sample Station takes a reading every 5 minutes.
 January 2020



Legend

-  Sampling Station
-  Sample Station Area 2

1 inch = 833 feet

Sample Station Area	Emerald Vista (SSA 2)
Range of PSI	% of Time
> 70	1.94%
60 - 69.99	93.84%
50 - 59.99	4.21%
40 - 49.99	0.00%
< 40	0.01%

Sample Station #2

Note: Sample Station takes a reading every 5 minutes.

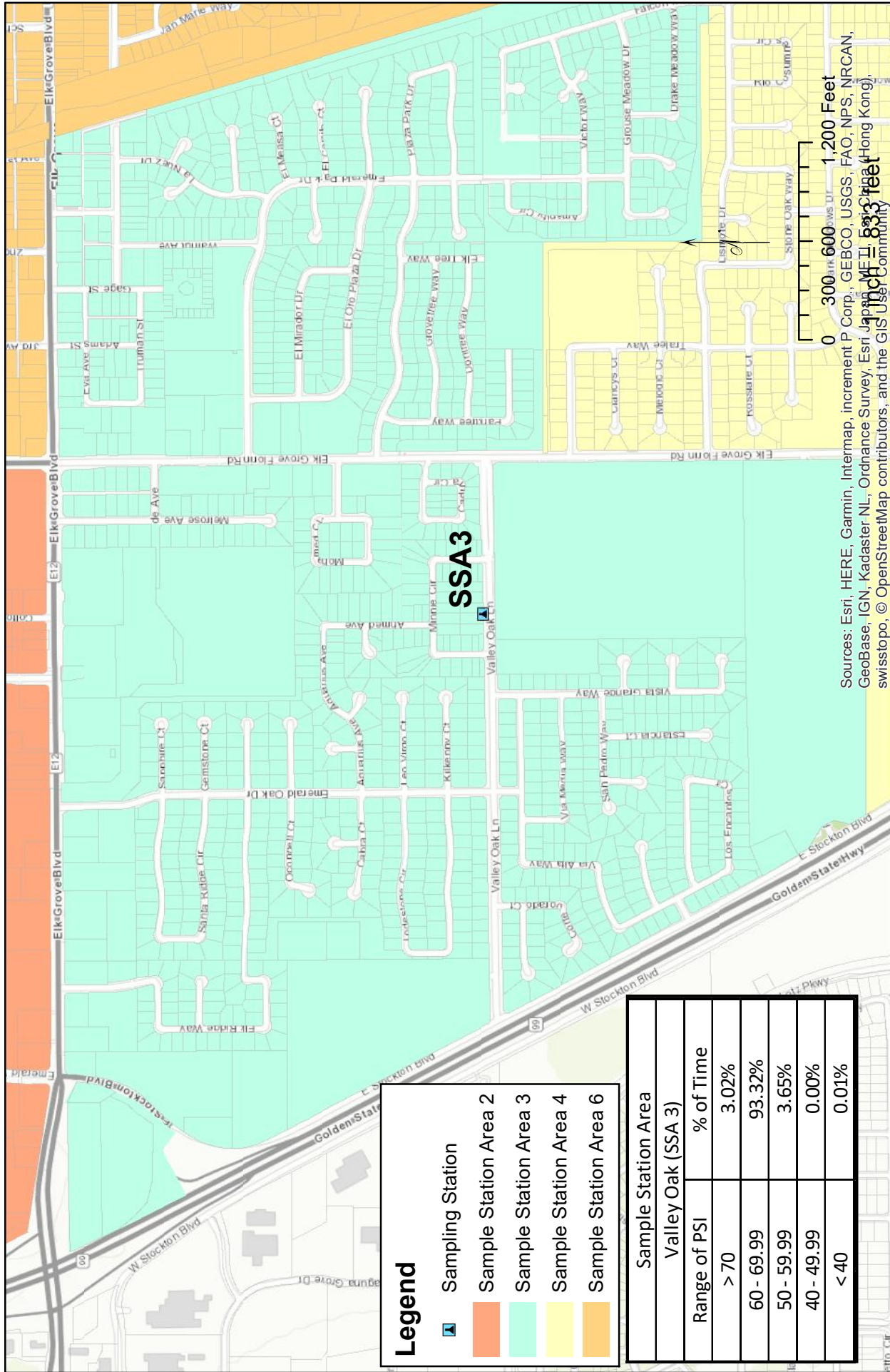
January 2020



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
 February 6, 2020

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



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, Swisstopo, (Hong Kong), swisstopo, © 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
 February 6, 2020

Elk Grove Water District

System Pressure Monitoring



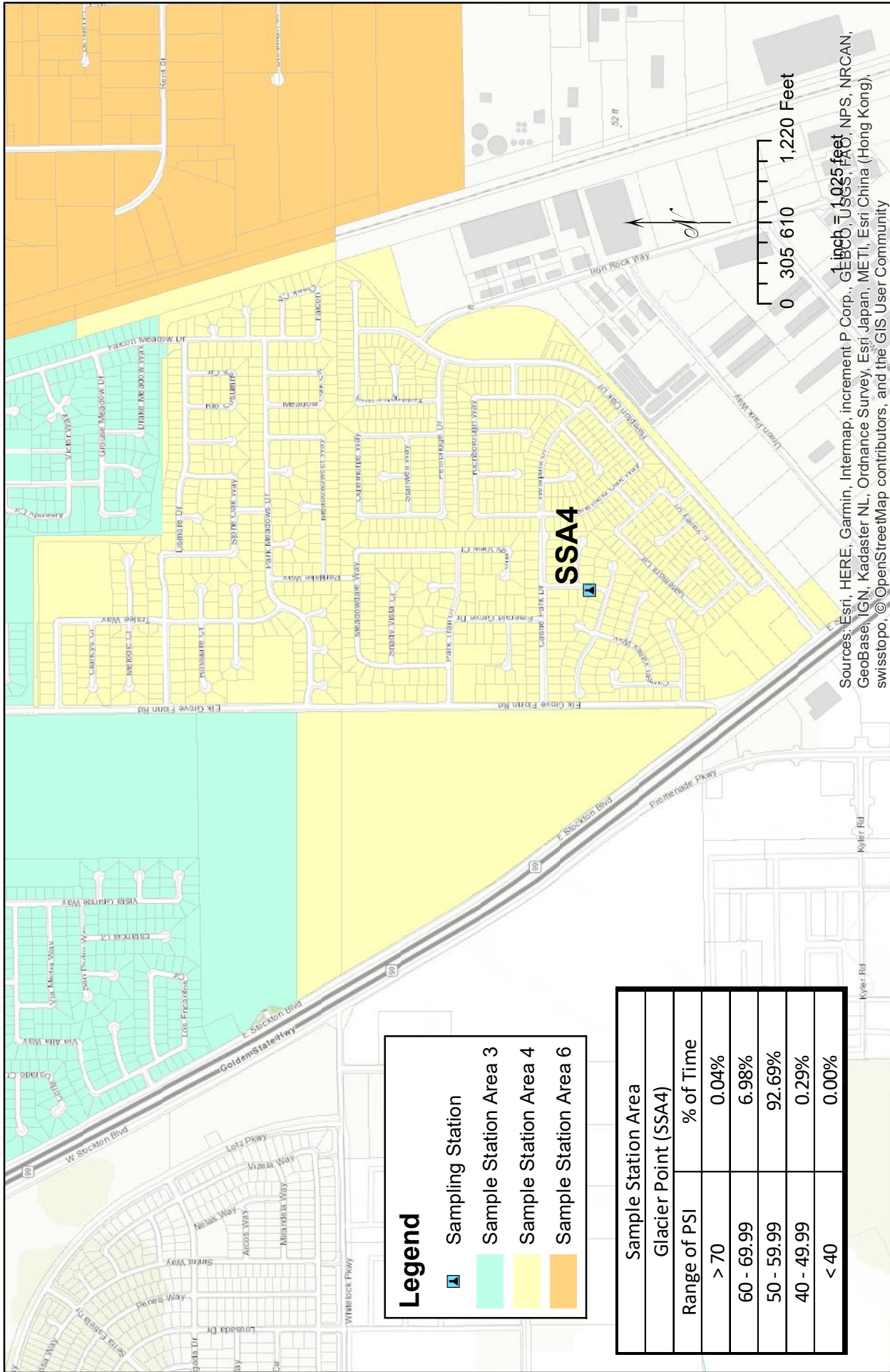
Legend	
	Sampling Station
	Sample Station Area 2
	Sample Station Area 3
	Sample Station Area 4
	Sample Station Area 6

Sample Station Area	
Valley Oak (SSA 3)	
Range of PSI	% of Time
> 70	3.02%
60 - 69.99	93.32%
50 - 59.99	3.65%
40 - 49.99	0.00%
< 40	0.01%

Sample Station #3

Note: Sample Station takes a reading every 5 minutes.

January 2020



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	0.04%
60 - 69.99	6.98%
50 - 59.99	92.69%
40 - 49.99	0.29%
< 40	0.00%



Elk Grove Water District

System Pressure Monitoring

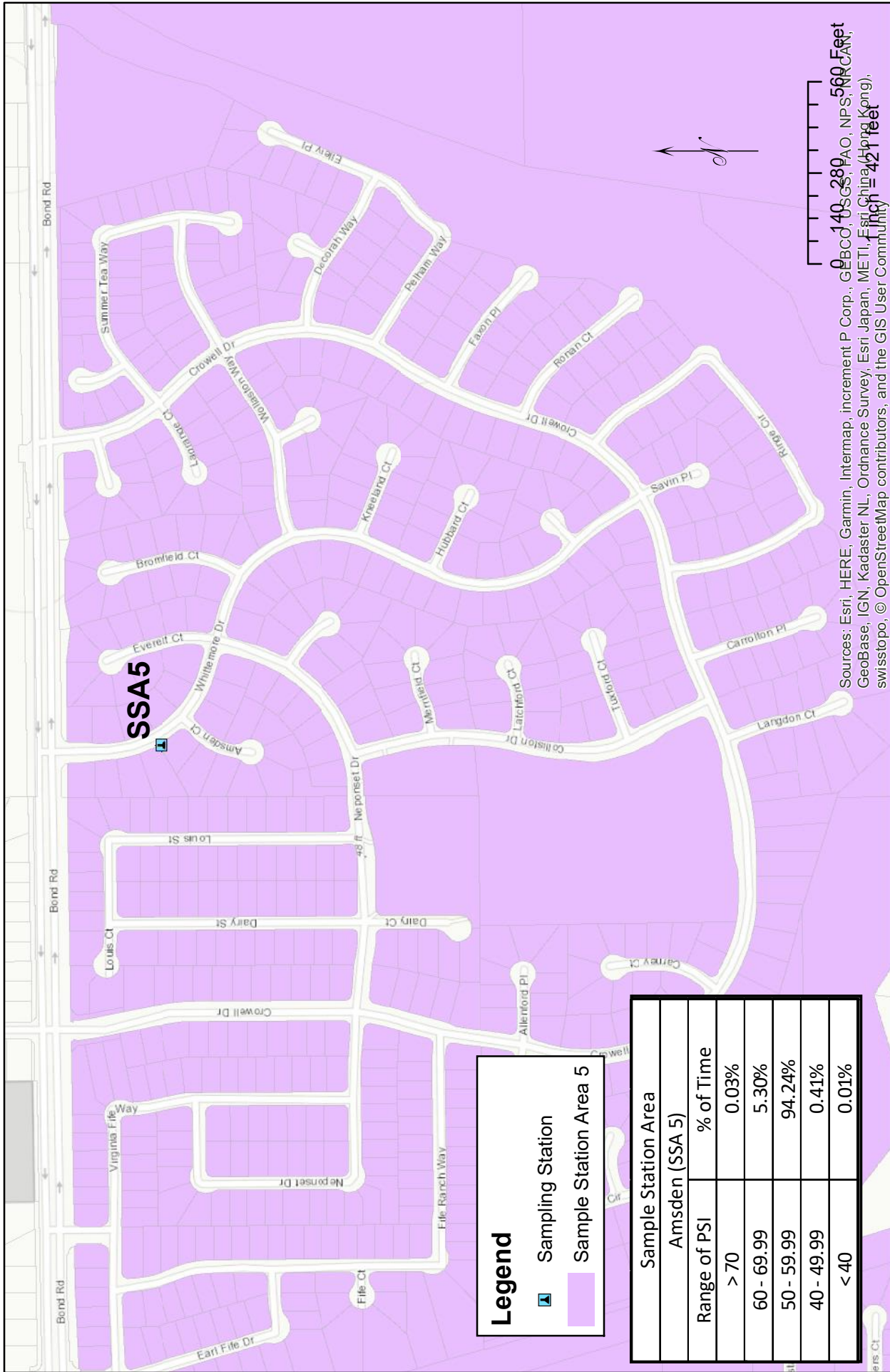
Sample Station #4

Note: Sample Station takes a reading every 5 minutes.

January 2020



Projected Coordinate System:
 NAD 83 State Plane CA II FIPS 0402
 Source: EGWD GIS database
 Created by: Travis Franklin
 February 6, 2020

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



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, ~~560 Feet~~
 GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong),
 swisstopo, © OpenStreetMap contributors, and the GIS User Community
 140, 280, 421 feet

Legend

-  Sampling Station
-  Sample Station Area 5

Sample Station Area	Amsden (SSA 5)
Range of PSI	% of Time
> 70	0.03%
60 - 69.99	5.30%
50 - 59.99	94.24%
40 - 49.99	0.41%
< 40	0.01%



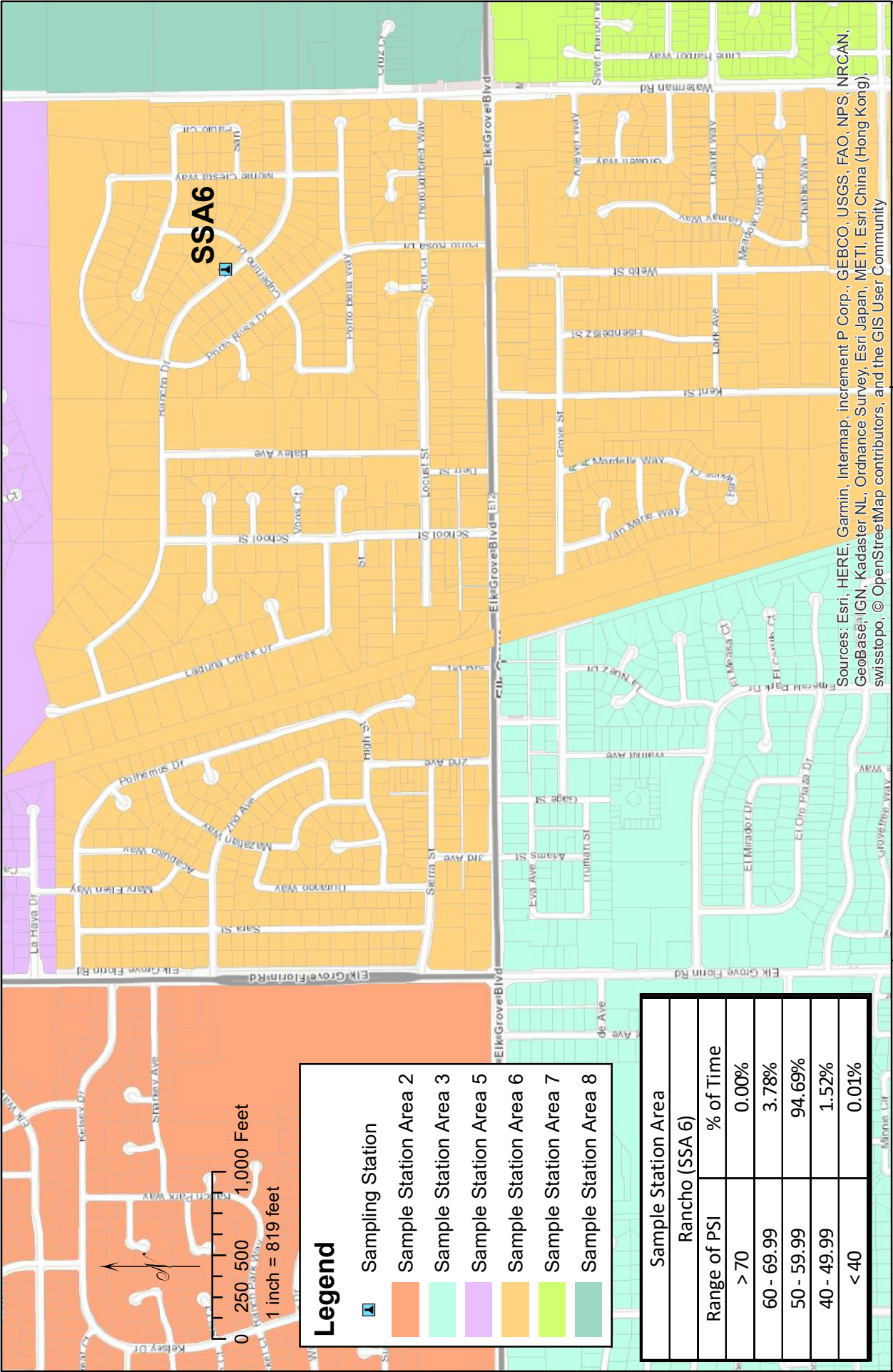
Elk Grove Water District

System Pressure Monitoring

Projected Coordinate System:
 NAD 83 State Plane CA II FIPS 0402
 Source: EGWD GIS database
 Created by: Travis Franklin
 February 6, 2020

Sample Station #5

Notes: Sample Station takes a reading every 5 minutes.
 January 2020



Legend

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

Sample Station Area	Range of PSI	% of Time
Rancho (SSA 6)	> 70	0.00%
	60 - 69.99	3.78%
	50 - 59.99	94.69%
	40 - 49.99	1.52%
	< 40	0.01%

Sample Station #6

Note: Sample Station takes a reading every 5 minutes.

January 2020



Elko 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
February 6, 2020

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



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © 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
 February 6, 2020

Elk Grove Water District

System Pressure Monitoring



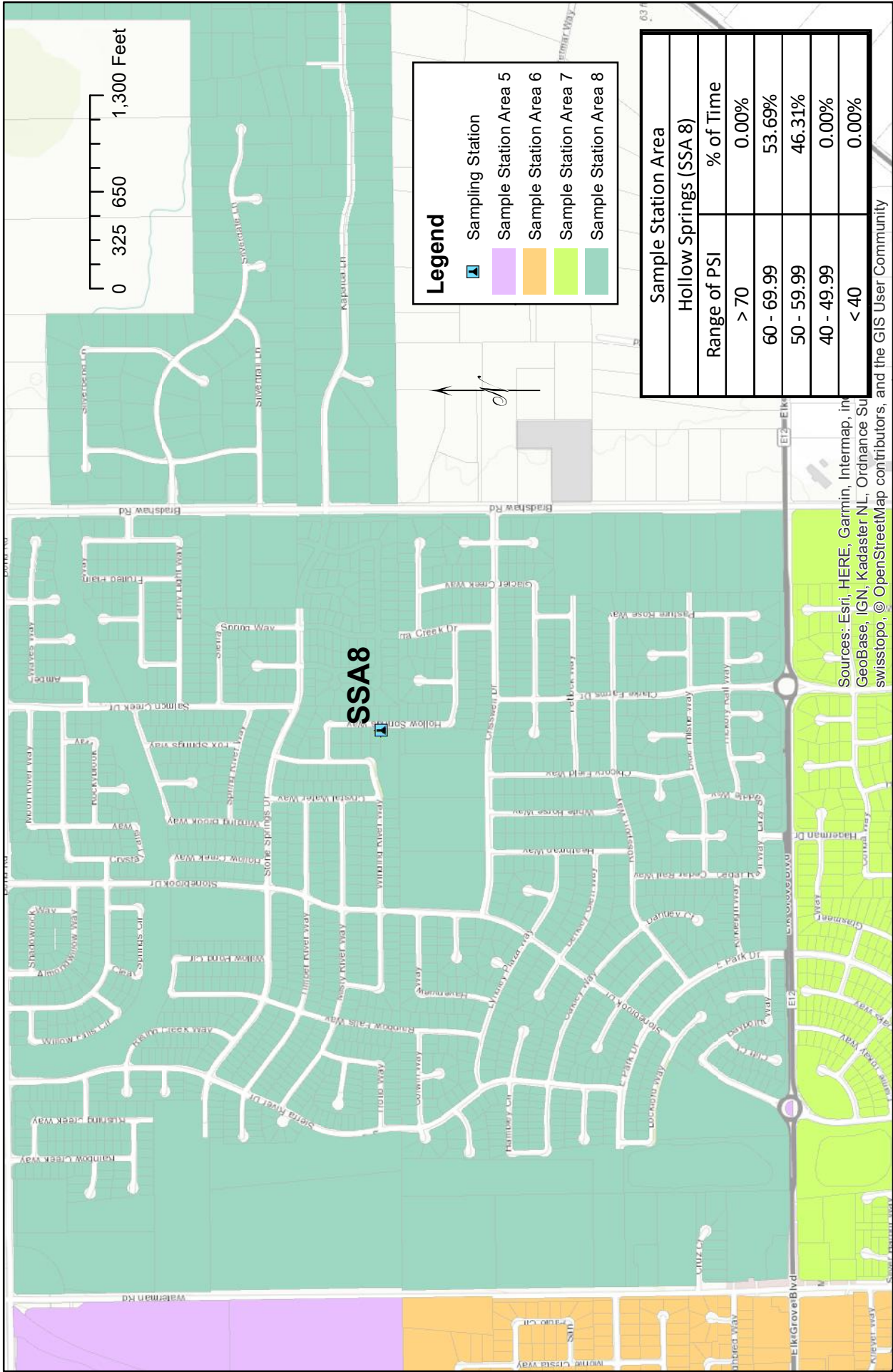
Legend	
	Sampling Station
	Sample Station Area 6
	Sample Station Area 7
	Sample Station Area 8
	Sample Station Area 10

Sample Station Area	Mainline (SSA 7)
Range of PSI	% of Time
> 70	1.47%
60 - 69.99	98.53%
50 - 59.99	0.00%
40 - 49.99	0.00%
< 40	0.00%

Sample Station #7

Note: Sample Station takes a reading every 5 minutes.

January 2020



Sources: Esri, HERE, Garmin, Intermap, in GeoBase, IGN, Kadaster NL, Ordnance Survey, swisstopo, © OpenStreetMap contributors, and the GIS User Community

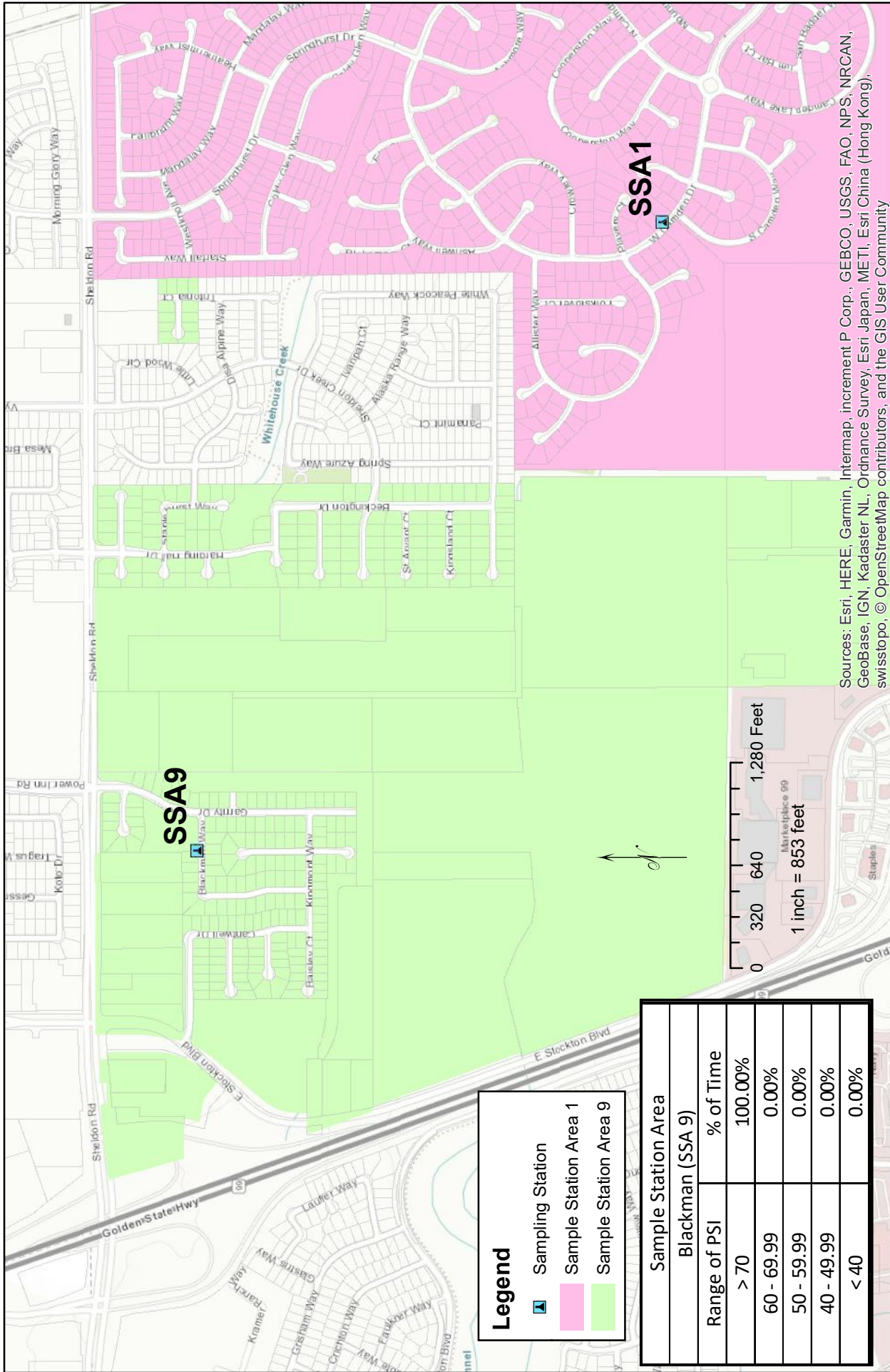
Projected Coordinate System:
 NAD 83 State Plane CA II FIPS 0402
 Source: EGWD GIS database
 Created by: Travis Franklin
 February 6, 2020

Elk Grove Water District

System Pressure Monitoring



Sample Station #8
 Note: Sample Station takes a reading every 5 minutes.
 January 2020



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © 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	100.00%
		60 - 69.99	0.00%
		50 - 59.99	0.00%
		40 - 49.99	0.00%
		< 40	0.00%

Sample Station #9

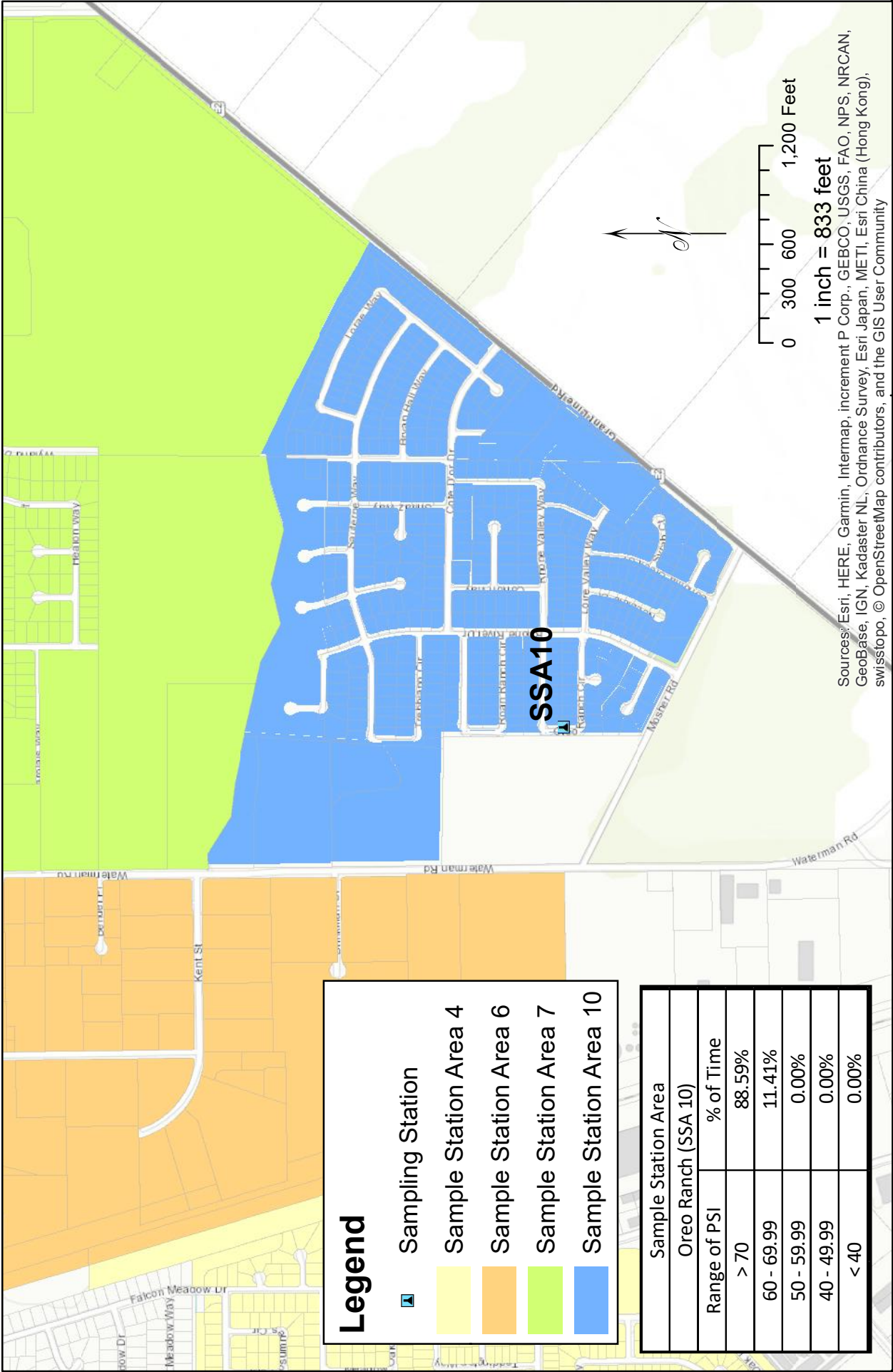
Note: Sample Station takes a reading every 5 minutes.

January 2020





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
February 6, 2020



Legend


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

Sample Station Area	% of Time
Oreo Ranch (SSA 10)	
Range of PSI	
> 70	88.59%
60 - 69.99	11.41%
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.

January 2020

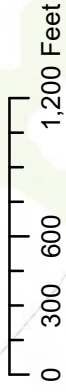


Elk Grove Water District
System Pressure Monitoring

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

Source: EGWD GIS database
Created by: Travis Franklin
February 6, 2020

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



February 18, 2020

TO: Chair and Directors of the Florin Resource Conservation District
FROM: Patrick Lee, Finance Manager/Treasurer
SUBJECT: **EQUIPMENT PURCHASE FOR REPLACEMENT OF BORE RIG**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors authorize the General Manager to execute a purchase order in the amount of \$121,218.75, including tax and fees, with Ditch Witch to purchase a new replacement bore rig.

SUMMARY

The replacement of the bore rig was not included in the Elk Grove Water District (EGWD) Fiscal Year (FY) 2019-20 Capital Improvement Program (CIP), and was scheduled to be included in the FY 2020-21 CIP, however, the bore rig has stopped working and is no longer operational. Staff would reallocate \$125,000 that was budgeted in the FY 2019-20 CIP budget for capital improvements to Well 3 Pump Replacement, which will no longer be completed, to capital repair and replacements for the purchase of the bore rig.

Per the Florin Resource Conservation District's (FRCD) Purchase of Goods and Services from Outside Vendors Policy (Policy), a competitive bidding process was used to acquire two (2) bids for a bore rig. Although the Policy requires three (3) competitive bids, staff was only able to obtain two (2) due to the specialized purchase. The lowest responsive, responsible bidder was Ditch Witch with a bid amount of \$121,218.75.

By this action, if approved, the FRCD Board of Directors (Board) would authorize the General Manager to execute a purchase order (PO) (Attachment 1) in the amount of \$121,218.75, including tax and fees, with Ditch Witch to purchase a new replacement bore rig.

DISCUSSION

Background

The Vermeer bore rig is a 1997 D7X11A that is 23 years old. It was purchased in 2005 by the FRCD/EGWD (District) in used condition. The bore rig is an essential piece of heavy equipment that is used to install underground utilities with minimal impact to the surrounding area, such as roadways, sidewalks, and customers landscaping. With the bore rig, the District can tunnel under these obstacles without disturbing them and pull

EQUIPMENT PURCHASE FOR REPLACEMENT OF BORE RIG

Page 2

back water service lines. The alternative way of doing this would be an open trench, in which case all of the above ground obstacles would be damaged and need to be replaced. Installing water service lines via the boring method saves the District time and money in most cases.

Present Situation

While being utilized on the Service Line Replacements and Back Yard Water Main CIP projects, the District's bore rig stopped functioning. Based on visual inspection by staff, it is suspected that the rotation motor and/or the gear box chain have given out, which would be costly to fix. Considering this issue, combined with past mechanical issues, the age of the equipment, and the foreseeable repair and maintenance issues, staff analyzed the following four (4) potential options:

1. **Do nothing.**

This option would put the District at risk of potential liability in the case of an emergency where the equipment needed to install a water line is not readily available. Also, the Utility crew is currently performing work on the Backyard Water Mains Replacement project installing long side water service lines with the bore rig. Without the bore rig, the Utility crew would be left with the option of open trenching to install these services. Open trenching would cause damage to the roadways and sidewalks, which would cost the District more money in repairs.

2. **Rental of bore rig.**

The District could rent a bore rig from Ditch Witch, lowest rental bidder, for approximately \$7,500 per month for the next five (5) months, totaling approximately \$37,500, until it can be budgeted for and included in the FY 2020-21 CIP, at which time it will be purchased in July 2020.

3. **Diagnose and repair.**

The District could have the bore rig diagnosed and repaired, which would be a short-term solution, until the purchase can be budgeted for and included in the FY 2020-21 CIP. The cost of the repairs would exceed \$13,000, which is the cost that was originally quoted to the District for the upkeep and maintenance of the bore rig while it was still operational.

4. **Purchase a new replacement bore rig.**

The District could reallocate funds that were budgeted for in the FY 2019-20 CIP for the Well 3 Pump Replacement in the amount of \$125,000, which will no longer be completed, to the purchase of the bore rig.

EQUIPMENT PURCHASE FOR REPLACEMENT OF BORE RIG

Page 3

Staff felt option 4 would be most financially prudent as it eliminates the unnecessary cost of renting or repairing a nonoperational and aging piece of equipment.

Since the cost of the bore rig exceeds \$50,000, staff has complied with the District's Policy, requiring that major purchases of items costing more than \$50,000 be competitively bid and approved by the Board. Although three (3) bids are required by the policy, only two (2) bids were obtained due to the specialized nature of the equipment and limited number of vendors who sell the equipment. The lowest responsive, responsible bidder was Ditch Witch. The bids (Attachment 2) are summarized below and represent the amounts including tax and fees.

	<u>Company Name</u>	<u>Bid Amount</u>
1	Ditch Witch	\$121,218.75
2	RDO EQUIPMENT CO.	\$129,918.60

By this action, if approved, the FRCD Board of Directors (Board) would authorize the General Manager to execute a purchase order in the amount of \$121,218.75, including tax and fees, with Ditch Witch to purchase a new replacement bore rig.

ENVIRONMENTAL CONSIDERATIONS

There are no environmental considerations associated with the purchase of the bore rig.

STRATEGIC PLAN CONFORMITY

The recommendation made in this staff report conforms to the FRCD/EGWD 2012-2017 Strategic Plan. The Strategic Plan, under the Asset Management section, identifies that each piece of equipment has a life expectancy for which its replacement shall be planned for and carried out.

FINANCIAL SUMMARY

The financial impact of purchasing the bore rig is \$121,218.75 including tax and fees. The EGWD FY 2019-20 CIP budgeted \$125,000 in capital improvements for the Well 3 Pump Replacement, which will no longer be completed, and would reallocate the \$125,000 to capital repairs and replacements for the purchase of the replacement bore rig.

February 18, 2020

EQUIPMENT PURCHASE FOR REPLACEMENT OF BORE RIG

Page 4

Respectfully Submitted,



PATRICK LEE
FINANCE MANAGER/TREASURER

Attachment

**PURCHASE ORDER
FOR
FLORIN RESOURCE CONSERVATION DISTRICT**

Purchase Order No. 20-065

GL# 1700-000-20-309

Seller:		Buyer:		
Name: Ditch Witch West		Elk Grove Water District		
Address: 929 Stillwater Road		9257 Elk Grove Blvd.		
City, State Zip: West Sacramento, CA 95605		Elk Grove, CA 95624		
Attn: Blair Reese		Attn: Mark Madison, General Manager		
Phone: (916) 834-8616 Fax:		Phone: 916.685.3556 Fax: 916.685.5376		
E-mail: breese@ditchwitchwest.com		E-mail: mmadison@egwd.org		
Project Information:		Ship To:		
Directional boring equipment.		Elk Grove Water District		
		9257 Elk Grove Blvd.		
		Elk Grove, CA 95624		
		Attn: Alan Aragon		
Please forward all invoices to accountspayable@egwd.org				
Order Date	Delivery Date	Ship Via	FOB	Payment Terms
2/5/2020	per contract terms			Net 30 days of invoice

Buyer and Seller agree as follows:

MATERIAL, EQUIPMENT AND/OR SERVICES TO BE PROVIDED: Seller shall furnish the material, equipment and/or services described below which is incorporated into and made part of this Purchase Order. In the event of any conflict between the language in this Purchase Order and the language in the Professional Services Agreement or Construction Contract, the language in the Professional Services Agreement or Construction Contract shall prevail over the language in this Purchase Order.

Description Item No.	Estimated Quantity	Unit Price	Ext. Price	Delivery Date
Directional boring equipment as per attached quote dated 2/4/2020.		\$122,231.95	\$122,231.95	
Discounted Subtotal before Tax			\$112,500.00	
Tax (7.75%)			\$8,718.75	
Total			\$121,218.75	

[Attach Additional Sheets if necessary]

Buyer:

By: Mark J. Madison, P.E.
Title: General Manager

Seller:

By: Blair Reese
Title: Sales Admin III

PURCHASE ORDER TERMS AND CONDITIONS

ARTICLE 1. DEFINITIONS: The Term "Buyer" as used in this PO means the FLORIN RESOURCE CONSERVATION DISTRICT, and the term "Seller" means the person, firm, or corporation from whom the commodity of service described in the PO it ordered. The term "Material, Equipment, and/or Services" includes materials, supplies, equipment, drawings, data and other property to be furnished and all services including design, delivery, installation, inspection, and testing specified or required to furnish any material, equipment, and/or services.

ARTICLE 2. ACCEPTANCE OF THE PO: The attached Acceptance Copy shall be signed and returned by the Seller within ten (10) calendar days after it is received by the Seller. The receipt by the Buyer of the signed Acceptance Copy or the initiation of performance under this PO by the Seller shall constitute acceptance of the PO by the Seller, including all of the terms and conditions herein. Acceptance is limited to the terms stated herein. Any additional or different terms and conditions proposed by the Seller are rejected unless expressly agreed to in writing by an authorized representative of the Buyer's Purchasing Department.

ARTICLE 3. COMPLETE AGREEMENT: This PO, including all applicable terms, conditions and specifications, shall constitute the sole and exclusive agreement between the parties. This PO supersedes all other writings and negotiations written or oral. Buyer will not be responsible for goods delivered or services rendered without a PO properly signed by the Buyer Purchasing Agent or authorized agent. When this PO covers a continuing service rendered over a stated period of time, Seller must obtain a new order upon expiration of the time period to authorize the continuance of the service for an additional period of time.

ARTICLE 4. DEFAULT: The Buyer may terminate the whole or any part of Seller's work in any one of the following circumstances: (1) If the Seller fails to make delivery or fails to perform within the time specified herein or any authorized extension thereof; or (2) If Seller delivers nonconforming goods; or (3) If Seller fails to perform in accordance with the material provisions of this PO, or so fails to make progress as to endanger performance of this PO in accordance with its terms. In the event of any such failure Buyer will provide Seller with written notice of the default and Buyer's intention to terminate for default if Seller fails to cure the default to Buyer's satisfaction within seven calendar days of Buyer's notice. If Seller fails to cure or correct the default to Buyer's satisfaction within seven days, Buyer may, without further notice to Seller, procure upon such terms and in such manner as the Buyer may deem appropriate, items similar to those terminated, and the Seller shall be liable to the Buyer for any excess costs of such similar items; however, the Seller shall continue the performance of this PO to the extent not terminated. The rights and remedies of the Buyer provided in this clause shall not be exclusive, and are in addition to any other rights and remedies provided by law or under this PO.

ARTICLE 5. CHANGES: Buyer may direct in writing changes, including additions to or deletions from the quantities originally ordered, or in the specifications or drawings. If any such change causes a material increase or decrease in the cost of, or the time required for, performance hereunder, an equitable adjustment shall be made in the price or schedule. Any claims for adjustment which Seller believes result from any change directed by Buyer shall be asserted in writing by Seller no later than ten (10) days from the date of Seller's receipt of any such direction. Equitable adjustments for any claims or changes under this agreement, including claims arising from terminations or suspensions directed under DEFAULT above, of this agreement, will be made by written Change Order. Nothing contained herein shall excuse Seller from proceeding with the change as directed prior to negotiation of any adjustment. Whether made pursuant to this clause or by mutual agreement, changes shall not be binding upon the Buyer, except when

confirmed in writing by a member of the Buyer's Purchasing Department.

ARTICLE 6. INVOICES: Unless otherwise specified in the PO, Seller shall send Buyer a single invoice upon completion of performance. Payment shall not be made prior to receipt and acceptance of items and an invoice.

ARTICLE 7. PROVISIONS REQUIRED BY LAW DEEMED INSERTED: Each and every provision of law and clause required by law to be inserted in this contract shall be deemed to be inserted herein and the contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provisions is not inserted, or is not correctly inserted then upon application of either party the contract shall forthwith be physically amended to make such insertion or correct.

ARTICLE 8. RIGHT TO AUDIT: Buyer reserves the right to access and audit the Seller's records for a period of four (4) years after payment of any invoice.

ARTICLE 9. TITLE AND RISK OF LOSS: All prices shall be F.O.B. Destination. The Seller shall be responsible for safe and adequate packing of the items, which shall conform to the carriers' requirements. The Seller shall separately number all cases and packages, showing the corresponding numbers on the invoices. An itemized packing slip bearing this PO number shall be placed in each container. No extra charge shall be made for packaging or packing materials unless authority therefor is set forth in this PO. Seller shall assume and pay for any and all loss or damage to the merchandise from any cause whatsoever until delivered to Buyer at the specified destination.

ARTICLE 10. DELIVERY: Timely performance and deliveries are essential to this PO. The Buyer reserves the right to refuse deliveries made in advance of the delivery schedule. Over shipment allowances, if authorized, will be applied to the entire order. If the Buyer agrees to accept deliveries after the date of delivery has passed, the Buyer shall have the right to direct the Seller to make shipment to the delivery point set forth in this PO by the most expeditious means, and the total cost of such expedited shipment and handling shall be borne by the Seller. Acceptance of late deliveries shall not be deemed a waiver of the Buyer's right to hold the Seller liable for any loss or damage resulting therefrom, nor shall it act as a modification of the Seller's obligation to make future deliveries in accordance with the delivery schedule.

ARTICLE 11. DELAYS: Seller will not be liable for delays in performing its obligations to the extent the delay is caused by an unforeseeable condition which is beyond Seller's reasonable control and without Seller's fault or negligence. Acts of God, such as storms or floods, as well as government priorities, acts of civil or military authorities, fires, strikes, epidemics, war or riot are examples of events which will be excusable for being beyond Seller's reasonable control, only upon fulfillment of the following conditions: (a) within seven (7) days of the commencement of any excusable delay, Seller shall provide Buyer with written notice of the cause and extent thereof as well as a request for a schedule extension for the estimated duration thereof, and (b) within seven (7) days of the cessation of the event causing delay Seller shall provide Buyer with written notice of the actual delay incurred, upon receipt of which, the date of promised delivery shall be extended for the time actually lost by reason of an excusable delay.

ARTICLE 12. INSPECTION AND APPROVAL: All items are subject to final inspection and approval after delivery to Buyer. If any items are defective in material or workmanship or otherwise not in conformity with the requirements of this PO, the Buyer shall have the right to require Seller to correct or replace them. Final acceptance or rejection shall be made by the Buyer as promptly as practicable after delivery. Final acceptance shall be conclusive except with respect to latent defects.

fraud or such gross mistakes as amount to fraud, or with respect to the Buyer's rights under the "Warranty" clause.

ARTICLE 13. WARRANTIES-GUARANTEES: The Seller warrants that the items, at time of delivery, shall conform to the Buyer's specifications, the requirements of this PO, approved sample or samples, if any, and are free from defects in design, material and workmanship. Unless otherwise specified in the PO, this warranty shall remain in effect for a one (1) year period after delivery or for such period of time as the item is normally warranted. At the Buyer's option, the Seller shall promptly either repair or replace defective items after receipt of the Buyer's written notice of a defect. Transportation charges for the return and redelivery of defective items shall be borne by the Seller. Seller also warrants that said merchandise is free and clear of all liens and encumbrances whatsoever and the Seller has good and marketable title to same, and Seller agrees to indemnify, defend and hold the Buyer, its officers, agents and employees free and harmless against any and all claimants to said merchandise.

ARTICLE 14. COMPLIANCE WITH ALL APPLICABLE LAWS: Seller's performance shall in all ways strictly conform with all applicable State, Federal and local laws, regulations, safety orders, and working conditions to which it is subject including, but not limited to, safety rules and regulations prevailing wages under the California Labor Code. Seller shall execute and deliver any and all documents as may be required to effect or evidence compliance.

ARTICLE 15. EQUAL OPPORTUNITY EMPLOYER: It is the policy of Buyer that in connection with all materials furnished or work performed under this PO, there be no discrimination against employees because of race, religion, color, sex or national origin, and therefore the Seller agrees to comply with applicable Federal and California laws including, but not limited to, the California Fair Employment Practices Act.

ARTICLE 16. PERMITS OR LICENSES: Seller and all of its employees or agents shall secure and maintain in force such licenses and permits as are required by law, and by the City, in connection with the furnishing of Material, Equipment, and/or Services herein requested.

ARTICLE 17. INDEMNITY: Seller assumes all risk in connection with performance or non-performance of this PO. Seller shall indemnify, defend, and hold harmless Buyer and its elected officials, officers and employees, from all liabilities, obligations, orders, claims, actual damages, governmental fines or penalties, and expenses of defense with respect to such claims (including attorneys' fees and costs) of any kind or nature which may be caused by or arise from furnishing the Material, Equipment, and/or Services, whether such activities or performance thereof be by Seller or by anyone directly or indirectly employed or contracted with by Seller, and whether such liabilities, obligations, orders, claims, actual damages, governmental fines or penalties, and expenses of defense with respect to such claims (including attorneys' fees and costs) shall accrue or be discovered before or after termination of this agreement.

ARTICLE 18. TAXES: Unless prohibited by law, Seller shall pay and has included in the prices of this PO any federal, state or local tax, transportation tax, or other tax which is required to be imposed upon the items ordered hereunder, or by reason of their sale or delivery.

ARTICLE 19. TERMINATION FOR CONVENIENCE: Buyer shall have the right to terminate this PO in whole or in part at any time, and from time to time, by written or telegraphic notice effective upon receipt by Seller of such notice, even though Seller is not in breach of any obligation hereunder. Upon receipt of notice of termination, Seller shall immediately discontinue performance and shall comply with Buyer's instructions concerning disposition of completed and partially completed items, work in progress and materials acquired pursuant to this PO. Upon termination, Contractor shall be compensated only for those services or goods which have been adequately rendered and delivered to the District through the effective date of such termination. Contractor shall be entitled to no further compensation. However, said payment shall not exceed the price specified herein for such items. Seller shall advise the Buyer, in writing, of Seller's claim, if any, for termination costs within ten (10) days after receipt of the notice of termination. Termination in accordance with this article shall not affect Buyer's obligation to pay for items accepted by Buyer prior to such termination.

ARTICLE 20. GOVERNING LAW; VENUE; DEFINITIONS: The definition of terms used, interpretation of this PO and rights of all parties hereunder shall be construed under and governed by the laws of the State of California. Any litigation with respect to this PO shall be brought and conducted in Sacramento County, California.

ARTICLE 21. EXCUSE; WAIVER: Any act or omission of Buyer which Seller might claim as an excuse for its own failure to perform shall be deemed waived by Seller unless it shall notify Buyer of its intention to assert such excuse within ten (10) days after the occurrence of any such act or omission. No action or failure to act by Buyer shall constitute a waiver of a right or duty afforded it under this PO, nor shall such action or failure to act constitute approval of or acquiescence in a breach, except as may be specifically agreed in writing. Seller expressly waives the effect of any statutory or common law provision which construes ambiguities in a contract against the party who drafted the contract.

ARTICLE 22. INSURANCE: If Seller or its employees or agents come onto Buyer's property in connection with this Purchase Order, Seller agrees to carry (i) Workers Compensation Insurance as required by law and Employer's Liability Insurance in the amount of \$1,000,000 per occurrence; (ii) Commercial General Liability Insurance covering personal injuries (including death) in the amount of \$1,000,000 per occurrence, \$ 2 million aggregate, and (iii) automobile liability insurance covering bodily injuries (including death) in the amount of \$1,000,000 per person, and \$1,000,000 per occurrence, property damage in the amount of \$1,000,000. Buyer shall be named as an "Additional Insured" by endorsement under the Commercial General Liability and Automobile Liability policies. The policy shall stipulate that the insurance afforded the Additional Insured shall apply as primary insurance and that any other insurance carried by Buyer will be excess only and will not contribute with this insurance. Seller shall submit written proof of such insurance to Buyer prior to entrance on Buyer's property. Seller shall supply such bonds as required by Buyer.

THIS CONCLUDES THE TERMS AND CONDITIONS DATED 2/5/2020 consisting of Article 1 through Article 22

DITCH WITCH WEST (WEST SACRAMENTO, CA)

929 STILLWATER ROAD
WEST SACRAMENTO, CA 95605-1615
Phone 916-371-6000
Fax 916-371-6185

ELK GROVE WATER SERVICE
9257 ELK GROVE BLVD
ELK GROVE, CA 95624-2101
ALAN ARAGON
707-349-3301

Quote: 50252775
Ext. Ref.: .
Description: .
Date: 02/04/2020
Salesperson: Joe Bethel
Mobile: 916-834-8616
E-Mail: jbethel@ditchwitchwest.com

Price Quote

Quote valid for: 30 days, until 03/04/2020

The Ditch Witch® JT10 Jet Trac® drilling system is a self-contained, surface launched, fluid assisted, mechanical drilling system. The Ditch Witch® JT10 Jet Trac® basic unit includes the following: Deutz TD2.9, turbocharged, liquid cooled diesel engine (66 gross hp) EPA Tier 4, EU Stage IIIB compliant, Electrical Strike System, integral pipe rack which holds 54 or 58 drill pipe, rack and pinion drill frame and carriage, 2 post cylinder assist stake system (anchors included), rubber tracks, 16 gpm 4 cylinder fluid pump with 40 gal. tank OR 20 gpm 4 cylinder fluid pump with anti-freeze tank, ship kit - includes the following: drill pipe wiper seal, copper thread compound with brush, tip cleaner set, and complete quick wrench set.

.Item	Qty	Part Number	Description
10	1	JT10	JT10 Jet Trac
20	1	149-578	SPLIT ROD WIPER 1.25" ID
30	1	190-1731	ADJUSTABLE UMBRELLA KIT
40	1	350-1861	WASH WAND ACCESSORY KIT
50	1	368-692	1.63" QUICK WRENCH JAW
60	1	400-1384	EZ-CONNECT 2 (1.30-5 M / 1.63-6 M EZ2)
70	1	400-2218	CONNECTOR 1.63-6 F EZ2 / 2.0 M API-IF
80	1	908-0880	2.5" PWRHOUSE HD/5H-12MM/DW/2.0" I.F.
90	1	400-2755	4.5-5/12-75-10 OMNI BIT
100	50	355-1150	POWER PIPE HD FM 1.58 X 2.00 1.30-5 6'
110	1	FT-12	TRAILER, ELECTRIC BRAKES, LOCKABLE BOX 14K GVWR

Subtotal before Tax \$ 122,231.95

ELK GROVE WATER Discounted Subtotal before Tax \$ 112,500.00

7.75% Tax \$ 8,718.75

TOTAL \$ 121,218.75

DITCH WITCH WEST (WEST SACRAMENTO, CA)

929 STILLWATER ROAD
WEST SACRAMENTO, CA 95605-1615
Phone 916-371-6000
Fax 916-371-6185

. ELK GROVE WATER SERVICE
9257 ELK GROVE BLVD
ELK GROVE, CA 95624-2101
ALAN ARAGON
707-349-3301

Quote: 50252775
Ext. Ref.: .
Description: .
Date: 02/04/2020
Salesperson: Joe Bethel
Mobile: 916-834-8616
E-Mail: jbethel@ditchwitchwest.com

Price Quote

Quote valid for: 30 days, until 03/04/2020

<u>Item</u>	<u>Qty</u>	<u>Part Number</u>	<u>Description</u>
10	1	JT10	JT10 Jet Trac

With the following configuration:

Engine	Highly Regulated
Auger	Rock Auger w/Replaceable Bits
Exit Pit Tooling	Quick Wrench Assy
Mud Pump	20 Gallon
Hydraulic Oil	Standard



Investment Proposal (Quote)

RDO Equipment Co.
 3980 Research Drive
 Sacramento CA, 95838
 Phone: (916) 643-0999 - Fax: (916) 643-0998



Proposal for:
 ELK GROVE WATER SRVC
 9257 ELK GROVE BLVD
 ELK GROVE, CA, 956242101

Investment Proposal Date: 2/4/2020
 Pricing Valid Until: 3/5/2020
 Deal Number: 1283031
 Customer Account#: 3155023
 Account Manager: Rick Draper
 Phone: (916) 880-0644
 Fax: 643-0998
 Email: RDraپر@rdoequipment.com

Equipment Information

Quantity	Serial Number Stock Number	Hours (approx.)	Status / Year / Make / Model Additional Items	Cash Price
1	TBD TBD	0	New 2020 VERMEER D10X15III Freight in Dealer Freight and Prep Other Tooling Other Umbrella Kit Customer Discount EGW Discount	\$110,560.15 \$2,500.00 \$1,500.00 \$500.00 (\$5,000.00)
1	5FTCE2527L2001469 X870492	0	New 2019 FELLING FT-14I	\$10,436.00
Equipment Subtotal:				\$120,496.15

Purchase Order Totals

Balance:	\$120,496.15
Tax Rate 3: (CASA 7.75%)	\$9,338.45
Sales Tax Total:	\$9,338.45
PrePaid Tax License:	\$77.00
CA Tire Fee:	\$7.00
Sub Total:	\$129,918.60
Cash with Order:	\$0.00
Balance Due:	\$129,918.60

Equipment Options

Qty	Serial Number	Year / Make / Model	Description
1	TBD	2020 VERMEER D10X15III	D10X15III002 D10X15III BASE UNIT W/DOM/INT'L REMOTE LOCKOUT ORF D10X15III041 DEUTZ TIER IV FINAL ENGINE D10X15III171 AUTO GREASER - 1 GALLON BUCKET D10X15III250 BUNDLE OF 50 - 1.66" X 6' DRILL ROD D10X15III322 15 GPM PUMP W/FLOW METER
1	5FTCE2527L2001469	2019 FELLING FT-14I	None

February 5, 2020

Justification for Not Soliciting a Third Vendor

Ditch Witch and Vermeer are the regional supplier for directional boring related equipment in the Sacramento and surrounding areas. I was unable to locate a third vendor that sells directional boring equipment. I contacted the dealer that sells Toro directional drilling equipment and was informed that they were bought out by Ditch Witch. I also contacted an out-of-state dealer that sells McCloskey directional drilling equipment, but they do not manufacture a directional drilling machine as small as what we need.

Therefore, I am unable to solicit a third bid. I recommend selecting the lowest bidder between Vermeer and Ditch Witch when purchasing a new directional boring machine for the District's needs.

Alan Aragon
Water Distribution Supervisor
Elk Grove Water District

February 18, 2020

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Patrick Lee, Finance Manager/Treasurer

SUBJECT: **PROFESSIONAL SERVICES AGREEMENT WITH BADAWI & ASSOCIATES FOR PROFESSIONAL AUDITING SERVICES**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors authorize the General Manager to execute a professional services agreement with Badawi & Associates, Certified Public Accountants, in an amount not-to-exceed \$62,065 for Professional Auditing Services for fiscal years ending June 30, 2020 and 2021, with an option to extend the agreement for three (3) additional one (1) year terms through fiscal year ending June 30, 2024 in an amount not to exceed \$157,945.

SUMMARY

On November 4, 2019 staff issued a Request for Proposals (RFP) for Professional Auditing Services with proposals due by December 6, 2019. RFP's were sent to seven (7) local Certified Public Accountant (CPA) firms, resulting in four (4) total proposals. An Advisory Committee reviewed the proposals before the week of January 6, 2020 and staff made a recommendation to the Florin Resource Conservation District (District) Board of Directors (Board) at the January Regular Board meeting to award the Professional Services Agreement (PSA) to the firm Badawi & Associates, Certified Public Accountants. The Board requested staff bring back the item including the PSA and proposal to the February Regular Board Meeting.

By this action, if approved, the Board will authorize the General Manager to execute a PSA with Badawi & Associates in an amount not-to-exceed \$62,065 for Professional Auditing Services for fiscal years ending June 30, 2020 and 2021, with an option to extend the agreement for three (3) additional one (1) year terms through fiscal year ending June 30, 2024 in an amount not to exceed \$157,945.

DISCUSSION

Background

In accordance with Division 9, Chapter 4, Section 9528 of the Public Resources Code and Government Code Section 26909, the District is required contract with a certified public accountant to make an annual audit of the District's books, accounts, records, papers, money and securities. Badawi & Associates has provided professional auditing

PROFESSIONAL SERVICES AGREEMENT WITH BADAWI & ASSOCIATES FOR PROFESSIONAL AUDITING SERVICES

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services to the District for the past five (5) fiscal years. During that time, the District has improved its financial reporting and has been awarded the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting every year since 2010.

The fiscal year ending June 30, 2019 audit was the last year of the 5-year agreement with Badawi & Associates and the District has issued an RFP to solicit proposals from a qualified firm of certified public accountants to comply with the requirements of Government Code Section 26909 and Section 9528 of Division 9 of the Public Resources Code.

Present Situation

On November 4, 2019 staff issued an RFP for Professional Auditing Services with proposals due by December 6, 2019. It is important for the District to select an auditing firm no later than January or February in order to get onto their audit schedule and ensure that the District's fiscal year end June 30, 2020 financial statements are completed accurately and timely by the desired completion date of the October regular Board meeting.

The RFP was mailed to seven (7) local CPA firms, resulting in a total of four (4) proposals from qualified firms. The four (4) firms that submitted proposals were:

1. Badawi & Associates, CPA
2. Brown Armstrong, CPA
3. James Marta & Company LLP, CPA
4. Richardson & Company LLP, CPA

An Advisory Committee, comprised of the General Manager, Finance Manager, Director Gray and Director Medina, evaluated the proposals with a focus on strength, quality and price. The evaluation considered the firm's technical approach, including project understanding, scope of work, overall project team, staff-hour allocation per task and fee schedule. The proposals were also evaluated based on relevant experience, including that of the Audit Manager, key team members including sub-consultants, and experience of the firm.

Based on the evaluation of the four (4) proposals, the Advisory Committee was in agreement that an invitation for oral interviews was not necessary. Furthermore, the consensus of the Advisory Committee was unanimous in selecting Badawi & Associates as the firm to recommend to the Board to provide the District with professional auditing

PROFESSIONAL SERVICES AGREEMENT WITH BADAWI & ASSOCIATES FOR PROFESSIONAL AUDITING SERVICES

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services based on the proposal (Attachment 2). A copy of the PSA (Attachment 1) has been provided.

Per Government Code Section 12410.6(b), a local agency shall not employ a public accounting firm to provide audit services to a local agency if the lead audit partner or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for that local agency for six consecutive fiscal years. Although Badawi & Associates has been providing professional auditing services to the District for the previous five (5) years, the District would have no issues complying with this requirement, as the current audit partner, Ahmed Badawi, will be rotating off the engagement and a new audit partner, Mitesh Desai, will be taking over.

At the January Regular Board Meeting, the Board requested staff bring back the PSA with the proposal included.

By this action, if approved, the Board will authorize the General Manager to execute a professional services agreement (PSA) with Badawi & Associates in an amount not-to-exceed \$62,065 for Professional Auditing Services for fiscal years ending June 30, 2020 and 2021, with an option to extend the agreement for three (3) additional one (1) year terms through fiscal year ending June 30, 2024 in an amount not to exceed \$157,945.

ENVIRONMENTAL CONSIDERATIONS

The PSA with Badawi & Associates is for professional auditing services only, and therefore, does not have environmental considerations.

STRATEGIC PLAN CONFORMITY

The recommendation made in this staff report conforms to the Financial Performance section of the District's 2012-2017 Strategic Plan.

FINANCIAL SUMMARY

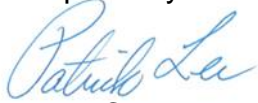
The execution of the PSA with Badawi & Associates will cost the District an amount not to exceed \$62,065 for fiscal years ending June 30, 2020 and 2021. If the District exercises the option to extend the PSA for three (3) additional one (1) year terms, the total cost to the District is an amount not to exceed \$157,945.

February 18, 2020

**PROFESSIONAL SERVICES AGREEMENT WITH BADAWI & ASSOCIATES FOR
PROFESSIONAL AUDITING SERVICES**

Page 4

Respectfully submitted,



PATRICK LEE
FINANCE MANAGER/TREASURER

Attachments

**FLORIN RESOURCE CONSERVATION DISTRICT
PROFESSIONAL SERVICES AGREEMENT FOR
PROFESSIONAL AUDITING SERVICES**

1. PARTIES AND DATE.

This Agreement is made and entered into this _____ day of February, 2020, by and between the Florin Resource Conservation District, a resource conservation district organized under the laws of the State of California with its principal place of business at 9257 Elk Grove Boulevard, Elk Grove, California (“District”) and Badawi & Associates, Certified Public Accountants, a California corporation, with its principal place of business at 2855 Telegraph Avenue, Suite 312, Berkeley, CA 94705 (“Auditor”). District and Auditor are sometimes individually referred to herein as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 Auditor.

Auditor desires to perform and assume responsibility for the provision of certain auditor services required by District on the terms and conditions set forth in this Agreement. Auditor represents that it is experienced in providing auditor services to public clients, is licensed in the State of California, and is familiar with the plans of District.

2.2 Project.

District desires to engage Auditor to render such Professional Auditing services (“Project”) as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Auditor promises and agrees to furnish to District all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the auditor services necessary for the Project (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from the date that the Agreement is executed by both Parties until January 31, 2022 or the Services are completed, or if the District exercises the renewal option for three (3) additional one (1) year terms, January 31, 2025 (whichever occurs first), unless earlier terminated as provided herein. Auditor shall complete the Services within the term of this Agreement and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Auditor.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Auditor or under its supervision. Auditor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. District retains Auditor on an independent contractor basis and not as an employee. Auditor retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Auditor shall also not be employees of District and shall at all times be under Auditor's exclusive direction and control. Auditor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Auditor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

Notwithstanding any other District, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Auditor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by District, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of District and entitlement to any contribution to be paid by District for employer contributions and/or employee contributions for PERS benefits.

Auditor shall indemnify, defend, and hold harmless District for the payment of any employee and/or employer contributions for PERS benefits on behalf of Auditor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of District. Auditor and District acknowledge and agree that compensation paid by District to Auditor under this Agreement is based upon Auditor's estimated costs of providing the Services, including salaries and benefits of employees, agents and subcontractors of Auditor.

Auditor shall indemnify, defend, and hold harmless District from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Auditor's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Auditor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Auditor shall indemnify, defend and hold harmless District from any penalty issued to District under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Auditor.

- 3.2.2 Schedule of Services. Auditor shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit “B” attached hereto and incorporated herein by reference. Auditor represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Auditor’s conformance with the Schedule of Services, District shall respond to Auditor’s submittals in a timely manner. Upon request of District, Auditor shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.
- 3.2.3 Conformance to Applicable Requirements. All work prepared by Auditor shall be subject to review by the District.
- 3.2.4 Substitution of Key Personnel. Auditor has represented to District that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Auditor may substitute other personnel of at least equal competence upon written approval of District. In the event that District and Auditor cannot agree as to the substitution of key personnel, District shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to District, or who are determined by District to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by Auditor at the request of District. The key personnel for performance of this Agreement are as follows: Mitesh Desai, CPA.
- 3.2.5 District’s Representative. District hereby designates Mark J. Madison, or his designee, to act as its representative for the performance of this Agreement (“District’s Representative”). District’s Representative shall have the power to act on behalf of District for all purposes under this Contract. Auditor shall not accept direction or orders from any person other than District’s Representative or his or her designee.

- 3.2.6 Auditor's Representative. Auditor hereby designates Mitesh Desai, CPA, or his designee, to act as its representative for the performance of this Agreement ("Auditor's Representative"). Auditor's Representative shall have full authority to represent and act on behalf of Auditor for all purposes under this Agreement. Auditor's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.
- 3.2.7 Coordination of Services. Auditor agrees to work closely with District staff in the performance of Services and shall be available to District's staff, consultants and other staff at all reasonable times.
- 3.2.8 Standard of Care; Performance of Employees. Auditor shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Auditor represents and maintains that it is skilled in the professional calling necessary to perform the Services. Auditor warrants that all employees and sub-consultants shall have sufficient skill and experience to perform the Services assigned to them. Finally, Auditor represents that it, its employees and sub-consultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a business license, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Auditor shall perform, at its own cost and expense and without reimbursement from District, any services necessary to correct errors or omissions which are caused by Auditor's failure to comply with the standard of care provided for herein. Any employee of Auditor or its sub-consultants who is determined by District to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to District, shall be promptly removed from the Project by Auditor and shall not be re-employed to perform any of the Services or to work on the Project.
- 3.2.9 Laws and Regulations. Auditor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and such laws and regulations in connection with Services. If Auditor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to District, Auditor shall be solely responsible for all costs arising therefrom. Auditor shall defend, indemnify and hold District, its officials, directors, officers, employees, and agents free and harmless, pursuant to the indemnification provision of this Agreement, from any claim or liability arising out of any failure

or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1. Time for Compliance. Auditor shall not commence work under this Agreement until it has provided evidence satisfactory to District that it has secured all insurance required under this section. In addition, Auditor shall not allow any sub-consultant to commence work on any subcontract until it has provided evidence satisfactory to District that the sub-consultant has secured all insurance required under this section.

3.2.10.2. Types of Required Coverages. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder and without limiting the indemnity provisions of the Agreement, Auditor in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement, the following policies of insurance.

- (a) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office “occurrence” form CG 0001, with minimum limits of at least \$1,000,000 per occurrence. Defense costs shall be paid in addition to the limits.

The policy shall contain no endorsements or provisions limiting coverage for (1) products and completed operations; (2) contractual liability; (3) third party action over claims; or (4) cross liability exclusion for claims or suits by one insured against another.

- (b) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 0001 covering “Any Auto” (Symbol 1) with minimum limits of \$1,000,000 each accident.
- (c) Workers’ Compensation: Workers’ Compensation Insurance, as required by the State of California and Employer’s Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.
- (d) Professional Liability: Professional Liability insurance for errors and omissions with minimum limits of \$1,000,000. Covered Professional Services shall specifically include all work to be performed under the Agreement.

If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement.

3.2.11 Endorsements.

The policy or policies of insurance required by Section 3.2.10.2 (a) Commercial General Liability and (b) Automobile Liability Insurance shall be endorsed to provide the following:

3.2.11.1 Additional Insured. The indemnified parties shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to “ongoing operations”; (2) exclude “contractual liability”; (3) restrict coverage to “sole” liability of Auditor; or (4) contain any other exclusions contrary to the Agreement.

3.2.11.2 Primary Insurance and Non-Contributing Insurance. This insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the indemnified parties shall not contribute with this primary insurance.

3.2.11.3 Severability. In the event of one insured, whether named or additional, incurs liability to any other of the insureds, whether named or additional, the policy shall cover the insured against whom claim is or may be made in the same manner as if separate policies had been issued to each insured, except that the limits of insurance shall not be increased thereby.

3.2.11.4 Cancellation. The policy shall not be canceled, or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon District except ten (10) days prior written notice shall be allowed for non-payment of premium.

3.2.11.5 Duties. Any failure by the named insured to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the indemnified parties.

3.2.11.6 Applicability. That the coverage provided therein shall apply to the obligations assumed by Auditor under the indemnity provisions of the Agreement, unless the policy or policies contain a blanket form of contractual liability coverage.

3.2.11.7 The policy or policies of insurance required by Section 3.2.10.2

(c) Workers' Compensation shall be endorsed, as follows:

- a) Waiver of Subrogation. A waiver of subrogation stating that the insurer waives all rights of subrogation against the indemnified parties.
- b) Cancellation. The policy shall not be canceled, or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon District except ten (10) days prior written notice shall be allowed for non-payment of premium.

3.2.11.8 The policy or policies of insurance required by Section 3.2.10.2 (d) Professional Liability shall be endorsed, as follows:

- a) Cancellation. The policy shall not be canceled, or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon District except ten (10) days prior written notice shall be allowed for non-payment of premium.

3.2.11.8 Deductible. Any deductible or self-insured retention must be approved in writing by District and shall protect the indemnified parties in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

3.2.11.9 Evidence of Insurance. Auditor, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates and endorsements on forms approved by District. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with District. If such coverage is cancelled or reduced, Auditor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with District evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

3.2.11.10 Failure to Maintain Coverage. Auditor agrees to suspend and cease all operations hereunder during such period of time as the required insurance coverage is not in effect and evidence of insurance has not been furnished to District. District shall have the right to withhold any payment due Auditor until Auditor has fully complied with the insurance provisions of this Agreement. In the event that Auditor's operations are suspended for failure to maintain required

insurance coverage, Auditor shall not be entitled to an extension of time for completion of the Work because of production lost during suspension.

3.2.11.2. Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

3.2.11.3. Insurance for Sub-consultants. All sub-consultants shall be included as additional insureds under Auditor's policies, or Auditor shall be responsible for causing sub-consultants to purchase the appropriate insurance in compliance with the terms of this Agreement, including adding District as an Additional Insured to the sub-consultant's policies.

3.2.12 Safety. Auditor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, Auditor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and lifesaving equipment and procedures; (B) instructions in accident prevention for all employees and sub-consultants, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.3 Fees and Payments.

3.3.1 Compensation. Auditor shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed the amounts as specified in the Auditor's Sealed Dollar Cost Bid Proposal set forth in Exhibit "C" attached hereto without written approval of District's General Manager. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Auditor shall invoice the District 45% of the contract amount after the interim phase is complete and the 45% after the year-end phase is complete, and then 10% after all audit reports have

been issued. District shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Auditor shall not be reimbursed for any expenses unless authorized in writing by District.

3.3.4 Extra Work. At any time during the term of this Agreement, District may request that Auditor perform Extra Work. As used herein, “Extra Work” means any work which is determined by District to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Auditor shall not perform, nor be compensated for, Extra Work without written authorization from District’s Representative.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Auditor shall maintain complete and accurate records associated with this Agreement. With the exception of records that are proprietary in nature, Auditor shall allow a representative of District during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Auditor shall also allow inspection of all non-proprietary work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1. Grounds for Termination. District may, by written notice to Auditor, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Auditor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Auditor shall be compensated only for those services which have been adequately rendered to District, and Auditor shall be entitled to no further compensation. Auditor may not terminate this Agreement except for cause.

3.5.1.2. Effect of Termination. If this Agreement is terminated as provided herein, District may require Auditor to provide all finished or unfinished Documents and Data and other information of any kind prepared by Auditor in connection with the performance of Services under this Agreement. Auditor shall be required to provide such document and other information within fifteen (15) days of the request.

3.5.1.3. Additional Services. In the event this Agreement is

terminated in whole or in part as provided herein, District may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Auditor:

Badawi & Associates, CPA
2855 Telegraph Avenue, Suite 312
Berkeley, CA 94705
Attn: Mitesh Desai, CPA

District:

Florin Resource Conservation District
9257 Elk Grove Boulevard
Elk Grove, CA 95624
Attn: Mark J. Madison, P.E.

Such notice shall be deemed made when personally delivered or when mailed, forty- eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1. Records Created as Part of Auditor's Performance. Notwithstanding proprietary records, all reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Auditor (or any sub-consultant) prepares or obtains pursuant to this Agreement and that release to the matters covered hereunder ("Documents & Data") shall be the property of the District.

3.5.3.2. Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Auditor in connection with the performance of this Agreement shall be held confidential by Auditor. Such materials shall not, without the prior written consent of District, be used by Auditor for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Auditor which is otherwise known to Auditor or is generally known, or has become known, to the related industry shall be deemed confidential. Auditor shall not use District's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of the District.

3.5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.5 Attorneys' Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all other costs of such action.

3.5.6 Indemnification. Auditor shall defend, indemnify and hold District, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses,

liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged acts, omissions, negligence or willful misconduct of Auditor, its officials, officers, employees, agents, subcontractors and sub-consultants arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of all consequential damages and attorney's fees and other related costs and expenses. Auditor shall defend, at Auditor's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against District, its directors, officials, officers, employees, agents or volunteers. Auditor shall pay and satisfy any judgment, award or decree that may be rendered against District or its directors, officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Auditor shall reimburse District and its directors, officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Auditor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by District, its directors, officials, officers, employees, agents or volunteers. Auditor's obligations to defend, hold harmless, and indemnify the District shall not apply to the extent the liabilities are caused by the sole or gross negligence of the District.

- 3.5.7 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both parties.
- 3.5.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Sacramento County.
- 3.5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.
- 3.5.10 District's Right to Employ Other Consultants. District reserves right to employ other consultants in connection with this Project.
- 3.5.11 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.
- 3.5.12 Assignment or Transfer. Auditor shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of District. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.
- 3.5.13 Construction; References; Captions. Since the Parties or their agents

have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not workdays. All references to Auditor include all personnel, employees, agents, and sub-consultants of Auditor, except as otherwise specified in this Agreement. All references to District include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

- 3.5.14 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.
- 3.5.15 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.
- 3.5.16 No Third-Party Beneficiaries. There are no intended third-party beneficiaries of any right or obligation assumed by the Parties.
- 3.5.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- 3.5.18 Prohibited Interests. Auditor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Auditor, to solicit or secure this Agreement. Further, Auditor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Auditor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, District shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of District, during the term of his or her service with District, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.
- 3.5.19 Equal Opportunity Employment. Auditor represents that it is an equal opportunity employer and it shall not discriminate against any sub-consultant, employee or applicant for employment because of race,

religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Auditor shall also comply with all relevant provisions of any minority business enterprise program, affirmative action plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.5.20 Labor Certification. By its signature hereunder, Auditor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self- insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.5.21 Authority to Enter Agreement. Auditor has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.22 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Subcontracting.


3.6.1 Prior Approval Required. Auditor shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of District. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

[Signature page follows]

Florin Resource Conservation District

Badawi & Associates, CPA

By: _____
Mark J. Madison, P.E.
General Manager

By: 
Ahmed Badawi, CPA
Partner

Attest:

By: _____
Stefani Philips
District Secretary

Approved as to Form:

By: _____
Richard E. Nosky, Jr.
Attorney for Florin Resource Conservation District

Please forward all invoices to accountspayable@egwd.org

The Auditor has provided a proposal which combines the scope of services, schedule of services and compensation into one document. Therefore, references to Exhibit A, Exhibit B and Exhibit C in the contract shall refer to the Auditor's proposal dated December 6, 2019 (attached).

EXHIBIT "A"
SCOPE OF SERVICES

EXHIBIT "B"
SCHEDULE OF SERVICES

EXHIBIT "C"
COMPENSATION

Florin Resource Conservation District

TECHNICAL PROPOSAL

For Professional Auditing Services for Florin Resource Conservation District

For fiscal years ending June 30, 2020 through 2021, with a renewal option, for three (3) additional one (1) year terms through fiscal year ending June 30, 2024.

December 6, 2019

Contact Person:

Ahmed Badawi, CPA
Badawi & Associates
Certified Public Accountants
2855 Telegraph Avenue, Suite 312
Berkeley, CA 94705
Phone: (510) 768-8244
Fax: (510) 768-8249
E-mail: abadawi@b-acpa.com



Florin Resource Conservation District

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December 6, 2019

Mr. Patrick Lee
Finance Manager/Treasurer
Florin Resource Conservation District
9257 Elk Grove Blvd.
Elk Grove, CA 95624

Dear Mr. Lee:

Badawi & Associates (B&A), Certified Public Accountants (the "Firm") is pleased to have the opportunity to respond to your request for a proposal to provide external audit services and to submit its qualifications to perform an independent audit of the financial statements of the Florin Resource Conservation District (the "FRCD") for the fiscal years ending June 30, 2020, through 2021, with a renewal option, for three (3) additional one (1) year terms through fiscal year ending June 30, 2024. The objective of our audits is to issue opinions regarding the fairness of presentation of the financial position of the FRCD in accordance with generally accepted accounting principles. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) Government Auditing Standards, with the *Minimum Audit Requirements and Reporting Guidelines for California Special Districts* as required by the State Controller's Office and with Generally Accepted auditing Standards (GAAS), as well as any other applicable federal, state, local or programmatic audit requirements.

We will also perform the following as part of our audit:

- Single Audit Report (if required).
- State Controller's Report (Optional).
- State Compensation Report (Optional).
- Agreed-Upon Procedures Report (if requested, subject to supplemental engagement agreement).

We will also apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information. In addition, we will prepare the management letter containing comments and recommendations regarding our review and evaluation of the systems of internal control and accounting procedures.

This proposal will highlight the background of the partners and staff assigned to the engagement, summarize our experience in the governmental area, and describe our approach to auditing the FRCD.

This proposal demonstrates our ability to render the quality examination and to perform the necessary accounting and auditing services requested by the FRCD on a timely basis.

As a partner of the Firm, I will be the primary contact for negotiation of the contract. Additionally, I have been authorized to legally bind the Firm. You may contact me at the following address and phone number:

Mr. Ahmed Badawi, CPA
Badawi & Associates
Certified Public Accountants
2855 Telegraph Avenue, Suite 312
Berkeley, CA 94705
Telephone: (510)768-8244
E-mail: abadawi@b-acpa.com

Mr. Patrick Lee
Finance Manager/Treasurer
Florin Resource Conservation District
Page 2

We are committed to performing the required work, completing the audit, and issuing the necessary auditors' reports.

We believe we are the best qualified to perform the audit because our audit staff includes individuals well versed in municipal auditing and reporting requirements. We have performed auditing and consulting engagements for numerous cities throughout California. We will be responsive to the needs of the FRCD, we understand the FRCD's operational environment, and pledge to you our complete commitment to providing a quality product that meets the FRCD's requirements.

The approach to the audit has been designed to meet the audit requirements of the various FRCD's with the least disruption to the FRCD's office operations. The foundation of the audit approach is based on communication coupled with a strong knowledge of FRCD operations and detailed planning at the initial stages of the audit. Open communication lines with all parties of the Engagement Team and FRCD Management and staff throughout the engagement eliminate "surprises". Initial planning and proper assignment of duties to experienced personnel provide for an effective and efficient audit process. Consequently, inefficiencies and disruptions are kept to a minimum. In addition, we perform almost half of the audit tasks during the interim phase to minimize any unforeseen delays during the year-end phase and to ensure a smooth and timely audit process.

The Firm maintains liability insurance coverage for professional liability, Workers' Compensation, Comprehensive General Liability and Auto as part of our comprehensive insurance policy.

The Firm is an Equal Opportunity employer and complies with all Federal and State hiring requirements. The Firm also supports Affirmative Action philosophies and works hard to provide disadvantaged groups with opportunities for self enhancement.

This proposal is a firm and irrevocable offer for 180 days.

We are confident that you will find our organization offers the required expertise, technical knowledge, and business understanding to perform an audit of the FRCD. Our past experience provides us with a thorough understanding of the needs and requirements of the FRCD, as well as the technical knowledge to perform such services in accordance with the accounting and auditing guidelines as published by the various authoritative entities.

We welcome your inquiries and look forward to further discussions with you.

Sincerely,



Ahmed Badawi
Partner
Badawi & Associates
Certified Public Accountants

Independence

Firm
Qualifications
and
Experience

Independence

The Firm is independent of the Florin Resource Conservation District as defined by the GAO’s Standards for Audit of Governmental Organizations, Programs, Activities and Functions, and the AICPA and California State Society of Certified Public Accountants as promulgated in various auditing and professional standards.

Insurance

The Firm maintains professional liability insurance and other coverage as part of our comprehensive insurance policy. Upon selection as FRCD’s independent auditor, the Firm and our insurance provider will provide a certificate of insurance to FRCD which shows the minimum requirements identified by FRCD have been met.

License to Practice in California

The Firm and all key professional staff assigned to FRCD’s audit are properly licensed to practice as Certified Public Accountants in the State of California and comply with GAO Government Auditing Standards.

The Firm is registered with the California State Board of Accountancy. Its State number is COR6823.

The Firm has met all required State and local laws, rules, and regulations.

Firm Qualifications

Badawi & Associates was founded by Mr. Ahmed Badawi. Mr. Badawi has over 20 years of experience working with state and local government. Prior to founding B&A, Mr. Badawi was a partner with several local and national firms, where he headed their government practice in Northern California. Mr. Badawi founded Badawi & Associates to serve the fast-paced needs of California's local governments. The goal is to build a proactive, client-focused culture from the ground up and to eliminate the entrenched bureaucratic culture and intrinsic limitations of the big audit firms.

Located in Berkeley, CA, the Firm serves a variety of cities throughout California as well as conducting financial related services for numerous special districts and authorities. The Firm staff level fluctuates throughout the year, the firm has up to 12 professional staff, a quality control reviewer, and an I.T. specialist during the busy season. Names and phone numbers of several of our current and past clients and other references are provided for your inquiries. We encourage you to contact these individuals to obtain information on the quality of the audit and the ability of the audit staff.

Our Berkeley office will be the Engagement Office assigned to the FRCD.

In addition to specific district financial statements, the Firm members have also audited numerous redevelopment agencies, public financing authorities, hospitals, housing authorities, transportation authorities, special districts, water districts, OCJP grants, self-insurance pools, joint power authorities and has also performed numerous compliance audits in accordance with the Single Audit Act, childcare regulations, TOT regulations, AQMD regulations, franchise requirements, RDA compliance, and other special projects. Additionally, the Firm has significant experience in bond offerings, post closure landfill costs, and recent changes to redevelopment FRCD reporting requirements

The Engagement Partner assigned to the FRCD, Mr. Ahmed Badawi. Mr. Badawi has over 20 years of government audit and accounting experience. He is a member of various governmental committees, has actively participated in the development of accounting and audit guidelines for the governmental sector, and is an instructor for the California Society of Municipal Finance Officers.

The professional staffs assigned to the Engagement are qualified and experienced. Each individual of the Engagement Team has several years of experience and has conducted or participated in numerous municipal audits of various sizes. Their understanding of governmental operations and the various authoritative guidelines will provide the where-with-all to perform the audit in an efficient and effective manner with minimal disruption to the FRCD's finance department.

Technical Approach

The approach to the audit has been designed to meet the audit requirements of the various authorities with the least disruption to the District's operations. The foundation of the audit approach is based on communication coupled with a strong knowledge of FRCD operations and detailed planning at the initial stages of the audit. Open communication lines with all parties of the Engagement Team and FRCD Management and staff throughout the engagement eliminate "surprises". Initial planning and proper assignment of duties to experienced personnel provide for an effective and efficient audit process. Consequently, inefficiencies, disruptions, and lack of understanding are kept to a minimum.

The audit approach will consist of four phases:

1. **Initial Planning Meeting:**

The Engagement Partner will meet with FRCD Management to discuss the audit approach, identify specific needs of FRCD Management, and familiarize themselves with FRCD policies and practices.

2. **Interim:**

The Engagement Team members including the Engagement Team Partner will perform the internal control reviews, test transactions, and identify potential audit issues that need to be addressed, perform limited confirmation procedures, and develop a clear understanding between the Engagement Team and FRCD Management of the year-end audit responsibilities and assignments. **In addition, we strive to complete many of the year-end audit tasks during the interim phase to ensure a smoother audit process. We will work with the FRCD on providing a list of those tasks that we will target to complete during interim and work with the FRCD on how to complete them to minimize the amount of effort and time needed at year-end which in turn will assist the FRCD in meeting its goal of issuing the report by the desired deadline.**

3. **Year end:**

The Engagement Team members including the Engagement Team Partner will conduct validation procedures on general ledger account balances, complete confirmation procedures, perform analytical procedures on revenue and expenditures, perform search for unrecorded liabilities, complete compliance work on Federal Assistance, and wrap up audit field work.

4. **Reporting:**

Auditor's reports for all FRCD reporting entities and compliance requirements will be finalized along with the Management Letter comments. The Partner will be available to make presentations to the Board and/or designated bodies.

Firm Experience

The Firm is located in Berkeley, and provides a full range of accounting services to governmental agencies throughout California, including audit, tax and accounting. The Firm's professional staff members provide the financial background and specific experience to meet the FRCD's operational needs. Additionally, this situation provides the FRCD with an auditing firm that has depth in capabilities to address any financial issue the FRCD may need assistance with, and the quality audit approach that you expect.

Our Berkeley office will be the Engagement Office assigned to the FRCD.

Firm policy requires that the Engagement Partner, during the first year of the engagement, be actively involved in the daily fieldwork. This means to the FRCD that Mr. Badawi will actually be on-site during the audit coordinating the audit process, supervising the audit staff, gaining a hands-on understanding of FRCD processes, and benefiting the FRCD with his broad municipal experience. We have found that this effort benefits the FRCD and the Firm through developing a thorough knowledge of the FRCD’s practices and issues and establishing a close working relationship with the FRCD’s Management. Additionally, continuity of audit personnel is assured because of the hands on involvement of the Partner.

We are committed to providing appropriate and related experience, personal involvement, and a broad business perspective to produce a quality end product within the time frames required.

The Firm provides financial and compliance auditing services to governmental agencies throughout California. We are a governmental agency auditing firm and our professional staff members have been performing these services for many years. As a result, we have performed financial and compliance audits on most, if not all, types of governmental agencies and operations including:

- Cities
- Redevelopment Agencies
- Financing Authorities
- Housing Authorities
- Special Districts
- Water Districts
- Waste Management Authorities and Operations
- Pension Plans
- Child Care Operations
- Joint Power Authorities
- Investment Activities
- Landfills
- Enterprise Funds
- Airports
- Transportation Operations
- Federal and State Grants

Additional Activities

We offer a full range of accounting and finance services to the governmental sector. These services include:

- Financial audits
- Compliance audits
- Tax advice
- Development of financial and accounting policies and procedures
- Investment review and compliance evaluation
- Operational reviews
- Technical guidance on existing and upcoming accounting issues
- Training seminars
- Pension/profit-sharing plans
- Performance audits
- Business consulting

Consequently, Firm personnel are well qualified to perform the services expected by the FRCD

Client Training Seminar

The Firm hosts an annual update on recent technical accounting and finance issues affecting the governmental area. This all day session reviews new and anticipated pronouncements from GASB, discusses future issues under consideration by GASB, reviews accounting treatment of various transactions where issues may arise, and provides a general overview of state and federal compliance issues. All of our clients are invited to attend, free of charge. The one day session qualifies for CPE under the rules of the State Board of Accountancy and is held in locations throughout the Bay Area.

CSMFO Training

The Firm provides a one-day training session entitled "Introduction to Governmental Accounting" to members of CSMFO. Firm personnel developed the class materials and teach the sessions. Approximately 10 sessions are held annually at various locations throughout the State. The Firm provides these sessions for only the cost of materials to CSMFO in keeping with its philosophy to support the industry in which it serves.

GASB 68 Firm Developed Tools and Assistance

The Firm has developed tools to assist our clients with preparation of GASB 68 journal entries for the CalPERS' Cost Sharing Plans (for which individualized actuarial valuations are no longer prepared) and the CalPERS' Agent Multiple Employer Plans. In addition to providing our clients with these tools and instructions on how to use them, we are available to answer any questions on how to prepare and complete the GASB 68 journal entries.

Quality Control Review

According to Government Auditing Standards, firms who perform audits under the Yellow Book are required to have a peer review once every three years. We received a report with a rating of pass with no deficiencies which we attached for your review.



Report on the Firm’s System of Quality Control

Badawi & Associates

Oakland, California;
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Badawi & Associates (the firm) in effect for the year ended February 28, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm’s Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer’s Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm’s compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

CPAs ▪ Advisors

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Peer Review Report
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Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Badawi & Associates in effect for the year ended February 28, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Badawi & Associates has received a peer review rating of *pass*.

GYL LLP

Ontario, California
May 31, 2019



B&A have policies and procedures to ensure it hires only qualified people, that it properly supervises them and provides professional training, that it advances them to responsibilities they are capable of handling, and that it provides them with necessary technical resources. All members of B&A are very familiar with the stringent quality control standards established by the AICPA.

The Firm is a member of the AICPA Government Audit Quality Center.

The Firm is a member of the AICPA Private Companies Practice Section.

Federal or State Desk Reviews

The Firm has had no negative federal or state reviews in the past three (3) years.

Disciplinary Action

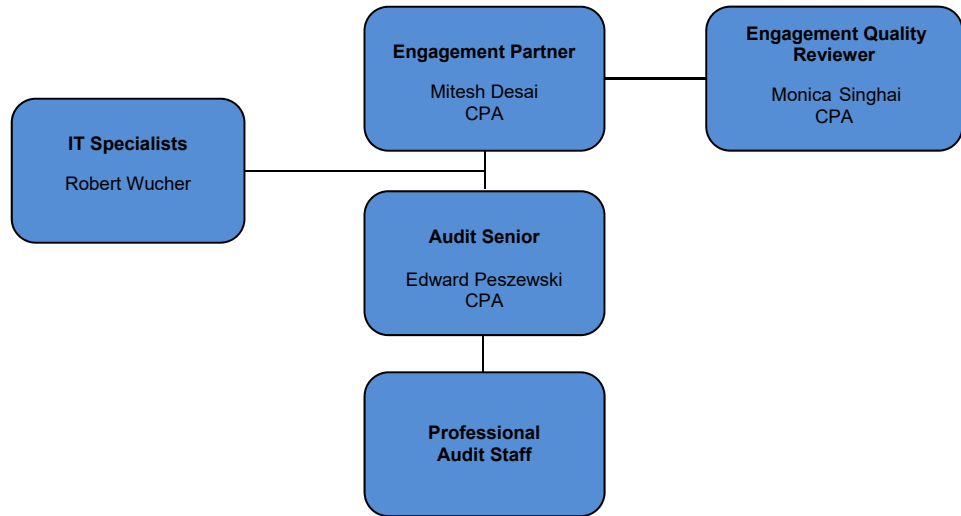
There has not been any state or federal disciplinary actions taken or pending against the Firm nor any findings to report.

Litigations:

The Firm has not experienced any lawsuits or legal actions that have been resolved or are currently pending in the prior five years.

**Partner,
Supervisory,
and Staff
Qualifications
and
Experiences**

The Engagement Team will normally consist of six individuals who provide a broad business perspective and significant experience in governmental auditing. This team will provide access to a wide range of technical capabilities which will provide the FRCD with not only the technical support necessary to perform the audit, but also the broad business background to interpret findings and observations to offer effective solutions to issues, and the personal involvement of the Engagement and Compliance Partners of the Firm.



The Engagement Team will be led by Mitesh Desai, CPA. Mr. Desai’s background includes ten years of experience in municipal auditing. Mr. Desai has participated in the audits of numerous governmental agencies, assisted in their efforts to publish their CAFRs in compliance with GASB 34, and a volunteer member of the GFOA Special Review Committee. Mr. Desai has also achieved the Advanced Single Audit Certificate offered by the AICPA.

The second member of the Engagement Team is Edward Peszewski, CPA. Mr. Peszewski’s background includes seven years of accounting and auditing experience. He has participated in the audits of numerous governmental entities and assisted in their efforts to publish their financial statements in compliance with various regulations, and is a volunteer member of the GFOA Special Review Committee. Mr. Peszewski will be the senior of this engagement.

The third member of the Engagement Team is Robert Wucher. Mr. Wucher has 30 years of experience in the field of Information Technology (IT) at the senior and executive management level. He has worked extensively with government agencies, private organizations and public companies. Industry experience includes the public sector, banking, manufacturing, Internet, health care and not-for-profit organizations.

Each member of the Engagement Team participates in continuing education programs offered by the AICPA and California State Society of Certified Public Accountants, and each has met the continuing education requirements for municipalities. In addition, the firm offers at least 60 hours of in-house CPE annually focused mainly on municipal audits.

Professional Development:

The Firm maintains a comprehensive training program targeted at appropriate professional staff levels. It utilizes in-house developed educational programs, AICPA and California CPA Foundation educational programs, and on-the-job training.

The Firm's annual training schedule which officially begins in April for all professional staff and administrative staff includes comprehensive in-house training sessions on such topics as:

- Review of principles of accounting and financial reporting for state and local governments.
- Review of governmental fund types and account groups.
- Review of newly issued generally accepted auditing standards and GAO auditing standards.
- Review of Internal Control evaluation approaches including COSO principles.
- Updates on recent governmental accounting and reporting guidelines.
- Review of Single Audit requirements and approaches.
- Review of financial audit approaches.
- Overview of audit and internal control work paper techniques.
- Review of GASB reporting requirements.
- Review of current issues facing the governmental community.

During the year, professional staff members are sent to various educational sessions sponsored by the AICPA and California State Society of CPAs, as considered appropriate for the level and need of the individual. These classes include, among others:

- Governmental Financial Reporting Standards and Practices.
- Yellow Book: Government Auditing Standards.
- Financial Accounting Standards: Comprehensive Review.
- Single Audit.
- Governmental Auditing & Accounting Update.
- Governmental Accounting Principles.
- Comprehensive Review of Generally Accepted Auditing Standards

The result of the Firm's training program is the production of a highly educated and competent municipal audit group capable of performing an efficient and effective audit for the FRCD.

The Team members will continue their professional development efforts.

Staff Retention and Continuity:

The Firm's policy on providing service to our clients includes a commitment to maintaining continuity of audit personnel. We cannot guarantee that our staff will remain with the Firm. However, to encourage our staff to remain with us, we pay competitive wage rates; offer promotional opportunities; provide state-of-the-art equipment and excellent working conditions; and offer various benefits, such as retirement plans, medical plans, profit sharing programs, educational benefits, and other such benefits. Additionally, we will guarantee that any staff member assigned to this engagement will return to the FRCD in subsequent years if he or she is still with the Firm. We can also guarantee that the partner will be involved in future years. Continuity of audit staff is of prime concern to us and because of the hands-on involvement of the partner; we can assure you that future years' audits will be conducted in an efficient and effective manner with qualified and experienced professionals.

The Firm is an Equal Opportunity employer and complies with all Federal and State hiring requirements. The Firm also supports Affirmative Action philosophies and works hard to provide disadvantaged groups with opportunities for self enhancement.

Resumes of each member of the Engagement Team follow.

Mitesh Desai, Certified Public Accountant – Engagement Partner

Length of Career

- Ten years’ experience in municipal auditing with a special focus on cities.
- Certified Public Accountant for the State of California.

Professional Experience

- Has participated in several financial audits, Single Audits, RDA audits, PFA audits, Transportation Development Act audits, and housing audits

	Services Provided					
	Financial Audit	Single Audit	RDA Audit	PFA Audit	Enterprise Fund	Other
Special Districts and Other:						
Alameda County Water District	X				X	X
Castro Valley Sanitary District	X				X	
Coastside Fire Protection District	X					X
Cosumnes Community Services	X					X
East Bay Regional Park District	X	X				X
Elk Grove Water District	X				X	
Marin Municipal Water District	X					X
Metropolitan Transportation						X
Monterey Bay Unified Air Pollution Sanitary District No. 5	X				X	
South Bayside System Authority	X					X
Stanislaus County Childcare	X					X
West County Wastewater District	X					X
Cities:						
Albany	X	X	X			X
Antioch	X	X		X	X	X
Berkeley	X	X	X		X	X
Burlingame	X				X	X
Dublin	X	X				X
Fremont	X	X	X			X
Pleasanton	X	X		X		X
Richmond	X	X	X	X	X	X
San Bruno	X	X	X		X	X
San Leandro	X	X	X			X
San Mateo	X	X	X		X	X
Turlock	X	X	X	X	X	X
Union City	X	X	X		X	X
Walnut Creek	X	X	X		X	X
Counties:						
Santa Cruz County	X	X	X	X	X	X
Contra Costa County	X	X	X	X	X	X
County of Lassen	X	X			X	X
Health Care:						
Alameda County Medical Center	X	X				X

Education

- BS Degree in Business Economics with an emphasis in Accounting from University of California, Santa Barbara

Professional Activities

- Member, American Institute of Certified Public Accountants.
- Member, California Society of Certified Public Accountants.
- Volunteer Member, GFOA Special Review Committee.

Continuing Education

- Various municipal accounting courses offered by the California Society of CPAs and local universities including:
 - Governmental Financial Reporting Standards and Practices
 - Yellow Book: Government Auditing Standards
 - Municipal Accounting
 - Single Audit
- Has met the current CPE educational requirements to perform audits on governmental agencies

Edward Peszewski, Certified Public Accountant – Professional Audit Senior

Length of Career

- Seven years of experience in auditing.
- Certified Public Accountant for the State of California.

Professional Experience

- Partial listing of clients served:

	Services Provided					
	Financial Audit	SCO Report	RDA Audit	PFA Audit	Enterprise Fund	Other
Special Districts and Other:						
Aptos/La Selva Fire Protection District	X					
Cosumnes Community Services District	X					
Elk Grove Water District	X					
Hayward Area Recreation and Park District	X					
Marin County Parks						X
Monterey Bay Unified Air Pollution Control District	X					
Sutter Animal Services Authority						X
Sutter Butte Flood Control Agency						X
Cities:						
Albany	X				X	X
Berkeley	X				X	X
Buena Park		X				
Dublin	X				X	X
El Cerrito	X				X	X
Foster City	X	X	X		X	X
Guadalupe	X				X	
Lindsay	X				X	X
Merced	X				X	X
Oakdale	X				X	X
Petaluma	X					
Pinole	X				X	
Sebastopol	X				X	X
Susanville	X				X	
Yuba City	X				X	X
Towns:						
Yountville	X				X	X
Building Industry Association of the Bay Area	X					
Girls Incorporated of Alameda County	X					

Education

- Certificate in Accounting from University of California, Berkeley - Extension
- BA Degree in History from University of California, Santa Barbara

Professional Activities

- Member, American Institute of Certified Public Accountants.
- Volunteer Member, GFOA Special Review Committee.

Continuing Education

- Various municipal accounting courses offered by the California Society of CPAs and local universities including:
 - Governmental Financial Reporting Standards and Practices
 - Yellow Book: Government Auditing Standards
 - Municipal Accounting
 - Single Audit
- Has met the current CPE educational requirements to perform audits on governmental agencies

Robert Wucher – Information Technology SpecialistLength of Career

- Thirty years' experience in information technology (IT)
- Worked extensively with government agencies, private organizations and public companies
- Industry experience includes public sector, banking, manufacturing, internet, healthcare, and not-for profit organizations

Areas of Expertise

- Systems Auditing and Controls Review (SEC AU-314, SAS-109, SAS-94)
- Sarbanes-Oxley, Section 404 IT Compliance Consulting and Auditing
- Journal Entry Analysis in Support of SAS-99 using IDEA by Caseware
- SSAE-16 (SOC 1, 2 & 3), Type I & II Reporting (Formerly SAS-70)
- ERP/MRP System Reviews and Workflow Analysis
- Software as a Service (SaaS) Cloud Computing Technologies
- International and Multinational Company IT Audit Expertise
- Forensic Data Analysis and Litigation Support in Support of Fraud Auditing
- Systems Selection and Request-for-Proposal (RFP) Development
- Systems Programming and Data Conversion
- Systems Failure Analysis and Quality Improvement
- E-Commerce and EDI Systems
- Information Technology Strategic Planning
- System Process/Procedures Development and Implementation
- Disaster Recovery and Business Continuity Planning

Publications

- Author, The Top Five Tips Every Technology Executive Needs to Know About Sarbanes-Oxley, Published 2007, Aspatore Books
- Author, Winning Legal Strategies for Technology & E-Business, An Overview of IT Controls Under Sarbanes-Oxley Published 2005, Aspatore Books

Presentations

- IT Security Trends
- Data Privacy and Cloud Computing
- IT Trends and Red Flag Rule
- IT Controls for NFP Organizations

Education

- B.S. degree in Business Administration, Finance, Old Dominion University, Norfolk, VA.

Professional and Civic Associations

- Member, Information Systems Audit and Control Association (IASCA)
- MAS-90 Accounting Application Suite Qualified Installer, SAGE Systems
- Former Board Member, Pets are Wonderful Support (PAWS), San Francisco, CA

Similar Engagements with Other Governmental Entities

The table below lists all special district engagements (in order of audit hours):

Special District	Client Since	Hours	Engagement Partner	Principal Contact	CAFR	GFOA Award	Single Audit	Enterprise Funds
Hayward Area Recreation and Park District	2017	350	Ahmed Badawi	Paul McCreary General Manager (510) 881-6710 mccp@haywardrec.org	No	No		
Cosumnes Community Services District	2008	350	Ahmed Badawi	Mr. Jeremy Edwards Finance Manager (916)405-7187 jeremyedwards@yourcsd.com	Yes	Yes		
Monterey Bay Unified Air Pollution Control District	2016	200	Mitesh Desai	Ms. Rosa Rosales Administrative Services Manager (831)-718-8019 rrosales@mbard.org	No	N/A		
Aptos La Selva Fire District	2016	150	Mitesh Desai	Ms. Nancy Dannhauser Finance Director 6934 Soquel Drive, Aptos, CA (831)-685-6690	No	N/A		
Central County Fire Department	2012	150	Ahmed Badawi	Ms. Jan Cooke Finance Director (650)375-7408 jcooke@hillsborough.net	Yes	Yes		
Zayante Fire Protection district	2017	150	Ahmed Badawi	John Stipes Fire Chief (831) 335-5100 chief2401@cwncast.net	No	No		
Santa Cruz Regional 9 - 1 - 1	2016	150	Mitesh Desai	Tina Bisgaard Senior Administrative Assistant (831)471-1018 tina@scr911.org	No	No		
Resource Conservation District of Santa Cruz County	2017	150	Mitesh Desai	Ms. Sharon Corkrean Director of Finance scorkrean@rcdsantacruz.org	No	No		
Port of San Luis Harbor District	2017	150	Ahmed Badawi	Ms. Kristen Stout Business Manager (805)595-5413 kristens@portsanluis.com	Yes	Yes		
Central Fire Protection District of Santa Cruz County	2018	150	Mitesh Desai	Mrs. Nancy Dannhauser Finance Director (831)479-6842 nancyd@centralfpd.com	No	Yes		

The table on the following page lists City engagements that encompassed issuing a Comprehensive Annual Financial Report (resulting in a GFOA award), audit of enterprise activities, or encompassed performance of a Single Audit.

* Indicates cities with population over 50,000
 ** Indicates cities with governmental revenues over 100 million and population over 50,000

City	Client Since	Hours	Engagement Partner	Principal Contact	CAFR	GFOA Award	RDA/Successor Agency	Single Audit	TDA	Water Fund	Sewer Fund	Child Care Audit	Housing Authority	Enterprise Funds	Pension Trust Fund
** Berkeley	2008	1800	Ahmed Badawi	Mr. Henry Oyekanmi Finance Director (510)981-7300 hoyekanmi@ci.berkeley.ca.us	X	X	X	X	X		X			X	X
* Union City	2006	600	Ahmed Badawi	Mr. Mark Carlson Finance Director (510)675-5338 mcarlson@unioncity.org	X	X	X	X	X					X	
** Vacaville	2008	600	Ahmed Badawi	Mr. Ken Matsumiya Accounting Manager (707)449-5104 ken.matsumiya@cityofvacaville.com	X	X	X	X	X	X	X		X	X	
El Cerrito	2017	540	Ahmed Badawi	Mr. Mark Rasiah Finance Director (510)215-4312 mrasiah@ci.el-cerrito.ca.us	X	X	X							X	X
Azusa	2017	530	Ahmed Badawi	Ms. Talika Johnson Finance Director (626)812-5203 Tjohnson@ci.azusa.ca.us	X	X	X	X		X	X			X	
* Buena Park	2013	500	Ahmed Badawi	Mr. Sung Hyun Finance Director (714)562-3717 shuyn@buenapark.com	X	X	X	X		X	X			X	
** San Mateo	2004	500	Ahmed Badawi	Mr. Richard Lee Finance Director (650)522-7102 rlee@cityofsanmateo.org	X	X	X	X	X		X			X	
* Antioch	2005	470	Ahmed Badawi	Ms. Dawn Merchant Finance Director (925)779-6135 Dmerchant@ci.antioch.ca.us	X	X	X	X	X	X	X			X	
East Palo Alto	2014	450	Ahmed Badawi	Ms. Brenda Olwin Finance Director (650)853-3122 bolwin@cityofepa.org	X	X	X	X		X				X	
* Yuba City	2017	450	Ahmed Badawi	Ms. Robin Bertagna Finance Director (530)822-4615 rbertagn@yubacity.net	X	X	X	X		X	X			X	
Dublin	2018	440	Ahmed Badawi	Mrs. Colleen Tribby Director of Finance & Admin. Services (925)833-6640 colleen.tribby@dublin.ca.gov	X	X									

City	Client Since	Hours	Engagement Partner	Principal Contact	CAFR	GFOA Award	RDA/Successor Agency	Single Audit	TDA	Water Fund	Sewer Fund	Child Care Audit	Housing Authority	Enterprise Funds	Pension Trust Fund
Pinole	2018	420	Ahmed Badawi	Mrs. Andrea Miller Finance Director (510)724-9823 amiller@ci.pinole.ca.us			X				X			X	
Millbrae	2015	400	Ahmed Badawi	Ms. DeAnna Hilbrants Finance Director (650)259-2350 dhilbrants@ci.millbrae.ca.us	X		X			X	X			X	
* Merced	2016	360	Ahmed Badawi	Ms. Venus Rodriguez Finance Director rodriguezv@cityofmerced.org				X		X	X			X	
Calimesa	2013	350	Ahmed Badawi	Ms. Bonnie Johnson Finance Director (909)795-9801 ext 231 bjohnson@cityofcalimesa.net			X								
Lindsay	2017	350	Ahmed Badawi	Mr. Bret Harmon Finance Director (559)562-7102 ext. 8020 bharmon@lindsay.ca.us						X	X			X	
Los Gatos	2017	340	Ahmed Badawi	Mr. Stephen Conway Finance and Admin. Services Director (408)354-6828 sconway@losgatosca.gov	X	X									X
Crescent City	2014	300	Mitesh Desai	Ms. Linda Leaver Finance Director (707)464-7483 x224 lleaver@crescentcity.org			X	X		X	X		X	X	
Guadalupe	2017	300	Ahmed Badawi	Mrs. Carolyn Cooper Finance Director (805)356-3895 ccooper@ci.guadalupe.ca.us			X			X	X			X	
Waterford	2018	300	Ahmed Badawi	Mrs. Tina Envia Finance Manager (209)874-2328 Ext: 104 tenvia@cityofwaterford.org			X			X	X			X	
Yountville	2015	300	Ahmed Badawi	Mrs. Celia King Finance Manager (707)944-8851 cking@yville.com	X	X		X	X	X	X			X	
Oakdale	2016	290	Ahmed Badawi	Mr. Albert Avila Finance Director (209)845-3584 aavila@ci.oakdale.ca.us			X	X	X	X	X			X	
Sebastopol	2017	240	Mitesh Desai	Mrs. Ana Kwong Finance Director (707)824-4879 akwong@cityofsebastopol.org	X	X	X			X	X			X	

Understanding of Services to be Provided

The FRCD desires an audit of the financial records for the FRCD and an expression of an opinion in accordance with generally accepted accounting principles on the fairness of presentation of financial statements for the fiscal years ending June 30, 2020 through 2021, with a renewal option, for three (3) additional one (1) year terms through fiscal year ending June 30, 2024.

The Firm will:

- Express an opinion on the fair presentation of its basic financial statement in conformity with generally accepted accounting principles in the United States of America.
- Express an opinion on the fair presentation of any supplementary information in conformity with generally accepted accounting principles. The Firm will provide an “in-relation-to” report on the supporting schedules contained in the comprehensive annual financial report based on the auditing procedures applied during the audit of the basic financial statements and schedules.
- Express an opinion on the fair presentation of the schedule of expenditures of federal awards in relation to the basic financial statements.
- Perform limited procedures on supplementary information required by the Government Accounting Standards Board.
- Issue the following reports, following the completion of the audit of the fiscal year’s financial statements:
 - Independent Auditor’s Report on Financial Statements.
 - Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statement Performed in Accordance with *Government Auditing Standards*.
 - Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance required by the Uniform Guidance.
 - Schedule of findings and questioned costs
 - Auditor’s Communication with Those Charged with Governance
 - State Controller’s Report (Optional).
 - State Compensation Report (Optional).
 - Agreed-Upon Procedures Report (if requested, subject to supplemental engagement agreement).
- Provide special assistance to the FRCD as needed.
- Retain all working papers and reports at the audit firm’s expense for a minimum of 7 years. In addition, make working papers available to the FRCD and/or any government agency as appropriate.

Should any conditions be discovered requiring corrective action, the Firm will provide a detailed description of the findings and recommended actions as to their resolution.

The Firm will submit a report to the FRCD Board and management detailing auditor’s responsibility under generally accepted auditing standards, significant accounting policies, management judgments and accounting statements, significant audit adjustments, other information in documents containing audited financial statements, disagreements with management, management consultations with other accountants, major issues discussed with management prior to retention, difficulties encountered during the audit, and any significant deficiencies or material weaknesses found during the audit. Non-material instances of noncompliance will be reported in a separate management letter, if appropriate, along with any other observations or recommendations determined to be informative to FRCD management.

The Firm will be available to provide advice and counsel regarding significant matters during the year.

The Firm’s Partner and Staff welcome the opportunity to make presentations to the Board and will be ready to respond to questions from the Board and any other interested parties.

Specific Audit Approach

Objectives of Our Services

The basic objective of our audit of the FRCD is to conduct an examination of the financial statements in accordance with generally accepted auditing standards and to express our opinion on the fairness of presentation of such financial statements in conformity with generally accepted accounting principles.

Additionally, we believe that another real value of our audit lies in meeting other objectives at no additional cost. The following are other objectives of our services that have important benefits to the FRCD:

- To offer substantive observations and recommendations relating to accounting and operating control policies and procedures.
- To identify opportunities for operating efficiencies and isolate candidate activities for cost reduction opportunities.
- To perform a professional audit in an efficient and effective way to minimize disruption to the office operations.
- To offer ongoing advisory services to assist in the running of the operation and implementation of improved operating procedures.

The engagement will be conducted within the framework of the Firm's quality control program which includes the use of audit programs, careful planning, use of computerized audit software and internal control evaluation & documentation software, and objective review procedures. On-site staff will use Firm supplied portable computers and printers.

Audit Approach

The specific audit approach has been designed to efficiently and effectively address the audit requirements of the FRCD, to perform the audit of the FRCD's financial records in a timely manner with minimal disruptions to office operations, and to meet the FRCD's timeline.

The audit will be conducted in accordance with:

- 1) Generally accepted auditing standards established by the AICPA.
- 2) The standards contained in Government Auditing Standards issued by the GAO.
- 3) Provisions of the Single Audit Act and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). (if required)
- 4) Requirements issued by the California State Controller's office.
- 5) Other requirements as required.

We will conduct the necessary audit steps to perform:

- Planning of the engagement.
- Evaluation of the existing internal control environment to determine degree of risk of material misstatement.
- Determination of degree of compliance with laws, regulations, grant provisions, and FRCD approved policies.
- Assessment of potential fraudulent issues.
- Validation of account balances.
- Verification of reasonableness of management estimates.

Technical Approach

We use an industry specific audit approach tailored to governmental entities. Our governmental audit approach addresses the special risks and circumstances of local governments. As a result, the audit is conducted efficiently and effectively with minimal disruption to your staff.

The core of our governmental technical audit approach can be summarized as follows:

1. Planning, Understanding and Communication:

Based on our previous audit experience, using the budget, organizational charts, manuals and other financial information systems and our knowledge of how governments work, we will obtain an insight to the specific concerns and sensitivities of the FRCD. Our understanding is updated continuously through our year-round contact and communication efforts. We will agree on common audit objectives and expectations with management before audit work begins and, throughout the audit, will meet regularly with management to discuss audit issues and to gather feedback.

2. In-Depth Review of Systems and Controls:

We have developed diagnostic reviews which enable us to evaluate your systems and controls, and to provide management with constructive feedback. Combined with our knowledge of the FRCD and understanding and experience with the FRCD's accounting software, our control review will form the basis of our audit risk assessment. We will utilize the COSO approach in our evaluation of the FRCD's internal processes to identify potential control deficiencies. In future years, we will update our understanding through similar procedures.

3. Risk-Based Customized Testing Program:

Our audit approach is tailored to governmental applications. We will use audit programs specifically designed to address the operational environment of governmental entities. Our approach will identify potential control risks and the opportunities for risk of material misstatements and fraud. We will evaluate the various risk assessments and identify the potential risks relating to the:

- Balance Sheets/ Statement of Net Position
- Statement of Revenues and Expenditures / Statement of Activities
- Presentation
- Disclosure

Our audit procedures will then be developed to address these risk areas.

4. Expanded Interim Fieldwork:

Timeliness and audit efficiency is enhanced by performing extensive interim work. Partners and senior staff work with FRCD staff to identify and resolve potential audit issues early. Accordingly, the amount of audit work to perform at year end is minimized. Because our audit staff is familiar with the operations before year-end fieldwork begins, disruption of accounting staff is minimized

5. Smooth Transition:

Our testing program focuses on audit risks identified by our understanding of the FRCD's operations. We will work with the accounting staff to identify the most effective ways to address our objectives. Communication between the members of the audit engagement team and FRCD staff will be fluid and continuous.

6. Sample Size and Sampling Techniques:

Our audit approach will include sampling activities. Population size and the level of assurance to be derived from a particular test will dictate the sample size. We use sampling in our audit approach to compliment skilled judgment and knowledge of the particular situation. Our sample size will range normally from 25 to 60 items.

7. Automated Systems:

We will evaluate controls over the IT functions to assess control risk. We intend to test controls for purposes of reliance. Our review procedures will evaluate controls over:

- Security Management
- Logical and Physical Access
- Configuration Management
- Segregation of Duties
- Contingency Planning

In addition, we will review controls over:

- Input, processing, output, master data
- Application interface
- Data management system interface

Our Information Technology Specialists Group will evaluate the IT operating control environment.

8. Analytical Procedures:

We use analytical procedures in several aspects of our audit. Extensive knowledge and industry background are required for effective analytics, and our staff possesses the appropriate experience and knowledge for the FRCD to benefit from these procedures.

9. Approach to be Taken in Determining Laws and Regulations Subject to Audit Test Work:

We continuously refer to specific regulations, compliance supplements, state guidelines and contracts currently in force. We perform the procedures required related to laws and regulations, using inquiries, observations and sampling techniques. Some of the laws and regulations that we believe may be applicable to the FRCD are the requirements of the California Public Utilities Commission, Single Audit Act and other applicable laws and regulations, including the California Government Code, provisions of applicable Grant guidelines, requirements of local measures, etc.

10. Report Format:

We will meet with FRCD Management to review report formats. Any report format changes will be made in conjunction with approval from the FRCD's management.

11. Work Plans:

The detailed work plans will be designed to efficiently and effectively address the audit requirements of the FRCD in accordance with generally accepted auditing standards, to perform the audit of the FRCD's financial records in a timely manner with minimal disruptions to office operations, and to meet the FRCD's timeline.

12. Adjusting Journal Entries:

We will discuss and explain proposed audit adjusting entries with the FRCD's designated Finance Department personnel prior to recording. Audit adjusting entries will be provided in a format showing the lowest level of posting detail needed for data entry on the FRCD's general ledger system.

13. Listing of Schedules and Tables (anticipated to be prepared by the FRCD):

Based on preliminary inquiries made with management and FRCD staff and review of documents, we will tailor a list of schedules, tables, and other reconciliations required for the audit. We will take into account as much as possible reconciliations already prepared by the FRCD for day to day operations and reporting, as well as any reports that are system generated to limit the need for additional FRCD staff hours.

The following is a listing of significant reconciliations that we would normally expect the FRCD to provide to us in assisting us in conducting our fieldwork.

- Trial Balance
- CAFR/BFS and Account Roll Up Schedule
- Budget to Actual Reports
- Bank Reconciliations
- Listing of manually prepared journal entries posted
- Summary of Investments held by the FRCD
- Capital Asset Schedules
- Long Term Debt Schedules
- Debt amortization schedules & Calculations of deferred amounts
- Calculations of any debt covenants amounts or percentages
- Schedule of Operating Leases
- Analysis of Deferred Inflows of Resources and Deferred Outflows of Resources
- Reconciliation of Receivables to subsidiary ledgers
- Calculations for estimate of allowance for uncollectible accounts
- Loans Receivable Schedules
- Reconciliation of Significant Revenue Accounts
- Fee schedules
- Compensated Absences and Early Retirement Obligation Schedules and Copies of Related Policies
- Claims Payable schedules
- Pension and OPEB Roll Forward & Supporting Schedules
- Supporting schedules for the FRCD's significant cost allocations
- Interfund Transaction Schedules

14. Computer Software:

The firm maintains a variety of software packages in the audit and financial statement compilation process, which include MS Office (Word, Excel, etc.), Prosystem fx Engagement, Accounting Research Manager, and CCH Knowledge Coach. Our audit staff also have the ability to run analytical queries, ratio analysis, customized reports, and other types of data analysis using CCH TeamMate Analytics.

Our audit software enables us to link our audit trial balance to the financial statements, for efficient financial statement compilation. It allows us to create various analytical reports easily (e.g. year to year comparisons, budget to actual comparisons, trend analysis, ratio analysis, etc.). TeamMate Analytics provides us with more than 150 Computer Aided Audit Tools (or CAATS) that allow us to perform powerful data analysis, perform complex calculations, analyze duplicates, detect gaps in sequenced items (e.g. check numbers, invoice numbers, journal entry numbers), compare spreadsheets for matching or missing records and quickly visualize your data for analysis and reporting.

Our research tools are always kept up to date to ensure compliance with accounting and auditing standards, and are also a resource for us to provide guidance to our clients.

We also use CCH Engagement Organizer, which provides an automated way to request, send, and receive documents from the FRCD before and during an engagement. Files of any type can be attached to individual document requests on our electronic 'Prepared by Client (PBC)' list, which allows for easier tracking of the documents received and outstanding. The CCH Engagement Organizer also sends notifications when changes are made or when outstanding requests are approaching their due date.

Audit Schedule

2020 Period	Audit Tasks
	<p>Award of Contract</p> <p>Interim Audit Procedures</p>
May	<p>- Planning and Administration</p> <ul style="list-style-type: none"> ▶ Entrance conference with FRCD Management to discuss audit approach, timing, assistance, and issues ▶ Review and evaluate the FRCD's accounting and financial reporting. Prepare an overall memo of recommendations, potential issues, and suggestions for improvements. ▶ Prepare overall memo to FRCD confirming audit procedures, timing, and assistance. ▶ Prepare detailed audit work plan and audit programs, audit budget and staffing schedule, and list of schedules to be prepared by FRCD staff, and provide it to FRCD Management.
May	<p>- Internal Control Evaluation</p> <ul style="list-style-type: none"> ▶ Meeting with key Finance Division personnel. ▶ Obtain and document understanding of key internal control systems through walk-throughs, interviews of staff, and review of supporting documentation <ul style="list-style-type: none"> General ledger system Budgeting system. Revenue, accounts receivable, and cash collections Purchasing, expenditures, accounts payable, and cash disbursements Payroll Federal Financial Assistance Other systems ▶ Identify control risks ▶ Evaluate IT control environment ▶ Perform testing of the internal control system and evaluate the effectiveness of the FRCD's systems. Select large dollar and random samples of transactions in key operating systems. Sample size to meet required level for determined degree of risk. Review supporting documentation of selected transactions, evaluate adequacy of support and approvals, and conclude on degree of adherence to accuracy and compliance with FRCD policies ▶ Conduct fraud assessment procedures ▶ Assess degree of risk for material misstatement ▶ Provide to the FRCD's management a memo concerning management letter points and identify issues, if any

2020 Period	Audit Tasks
May	<p>- Other Tasks</p> <ul style="list-style-type: none"> ▶ Review minutes of Board meetings and other key committees. ▶ Preliminary testing, verify and validate account balances by reviewing supporting documentation including invoices, vouchers, council resolutions, minutes, and other documents, as required. ▶ Coordinate with FRCD staff and prepare of all appropriate confirmation requests including: <ul style="list-style-type: none"> Bank accounts. Investment pool accounts. Accounts receivable. Federal grants. Revenue from governmental agencies. Bond and other debts. Pension plan. Attorney letters. Others, as required.
August	<p>- Final Field work</p> <ul style="list-style-type: none"> ▶ Entrance conference with FRCD Management. ▶ Follow-up on all outstanding confirmations. ▶ Verify and validate account balances by reviewing supporting documentation including invoices, vouchers, board resolutions, minutes, and other documents, as required. ▶ Perform analytical review of revenue and expenditures. Determine reason for material differences between budget and actual. ▶ Perform a search for unrecorded liabilities by reviewing disbursements subsequent to June 30, testing terms of contractual obligations, and interviewing FRCD staff. ▶ Perform review of subsequent events by discussions with FRCD Management and update all minutes of FRCD Board and key committees
September	<p>- Audit Reports</p> <ul style="list-style-type: none"> ▶ Review preliminary drafts of financial statements ▶ Prepare other reports as required ▶ Provide drafts of reports to FRCD Management for review
September	<p>- Provide revised final drafts of all required reports to the FRCD for approval</p>
September	<p>- Final Audit Reports, Financial Statements delivered</p>

Discussion of Relevant Accounting Issues

Identification of Anticipated Potential Audit Problems

We do not anticipate that there will be any audit problems at the FRCD. However, the following are some areas that we will carefully investigate and monitor during our audit procedures:

- Financial Reporting:
 - Review and evaluate that the FRCD's Annual Financial Reports are in compliance with current reporting and disclosures requirements issued by the GASB and GFOA.
 - Review Annual Financial Reports for financial reporting conformance awards issued by CSMFO and GFOA.
 - Review and evaluate degree of compliance with the various GASBs in effect.
 - Review degree of compliance with infrastructure obligations and regulatory provisions.
- Internal Control Structure:
 - Review and evaluate the FRCD's internal control functions and ascertain compliance with proper internal control philosophies.
 - Review computer system processes and controls and evaluate adequacy of the control environment.

Several new GASB pronouncements will become effective over the time period of this proposal. As such, specific attention will be provided to determine the proper implementation of these new pronouncements. A list of known new pronouncements with implementation dates that fall within this proposal period are as follows:

2020

- Statement 84 – Fiduciary Activities
- Statement 90 – Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61

2021

- Statement 87 – Leases
- Statement 89 – Accounting for Interest Cost Incurred before the End of a Construction Period

2022

- Statement 91 – Conduit Debt Obligations

Conclusion

A client relationship with the FRCD will be of great value to our Firm and we welcome the opportunity to develop a long-term relationship with the FRCD. We are committed to:

- Rendering the highest standard of service.
- Developing a long-term working relationship dedicated to meeting the needs of the FRCD.
- Assisting the FRCD in operational issues.
- Producing a quality end-product.

We have the technical qualifications and experience to provide the level of service desired and expected by the FRCD and stand ready to provide our knowledge and experience for the benefit of your organization.

We would like to express our appreciation to the FRCD and to its Staff for allowing us the opportunity to submit a proposal to perform professional auditing services. We are available, at your convenience, to discuss any aspects of our proposal.

Thank you for allowing us to present our Firm to you.

Appendix A

References

- 1) Marin Municipal Water District
 - Scope of Work: Financial Statements, Single Audit
 - Date of Service: Fiscal years ended June 30, 2010-Present
 - Engagement Partner: Ahmed Badawi
 - Principal Contact:
Mrs. Mikyung Pastelnik
Finance Manager
(415)945-1410
mpustelnik@marinwater.org
- 2) City of Vacaville
 - Scope of Work: Comprehensive Annual Financial Report, Single Audit, Gann Limit, SAS 114, Vacaville Housing Authority.
 - Engagement Partner: Ahmed Badawi
 - Address: 650 Merchant Street, Vacaville, CA 95688
 - Principal Contact:
Mr. Ken Matsumiya
Finance Manager
Phone: (707)449-5104
ken.matsumiya@cityofvacaville.com
- 3) City of San Mateo
 - Scope of Work: Comprehensive Annual Financial Report, Gann Limit, SAS114, Measure A (San Mateo County), Due Diligence Reviews for the RDA Successor Agency
 - Engagement Partner: Ahmed Badawi
 - Address: 330 W 20th Avenue, San Mateo, CA 94403
 - Principal Contact:
Mr. Richard Lee
Finance Director
Phone: (650)522-7102
ree@cityofsanmateo.org
- 4) City of Berkeley
 - Scope of Work: Comprehensive Annual Financial Report, Gann Limit, SAS114, Measure B (Alameda County), Vehicle Registration Fee Audit (Alameda County), Due Diligence Reviews for the RDA Successor Agency
 - Engagement Partner: Ahmed Badawi
 - Principal Contact:
Mr. Henry Oyekanmi
Finance Director
(510)981-7332
hoyekanmi@ci.berkeley.ca.us

- 5) City of Buena Park
- Scope of Work: Comprehensive Annual Financial Report, Single Audit, Gann Limit, SAS 114, Buena Park Foundation
 - Engagement Partner: Ahmed Badawi
 - Address: 6650 Beach Boulevard, 1st Floor, Buena Park, CA 90622
 - Principal Contact:
Mr. Sung Hyun
Finance Director
Phone: (714)562-3713
shyun@buenapark.com
- 6) Port of San Luis Harbor District
- Scope of Work: Comprehensive Annual Financial Report, SAS114.
 - Date of Service: Fiscal years ended June 30, 2017 - Present
 - Engagement Partner: Ahmed Badawi
 - Principal Contact:
Ms. Kristen Stout
Business Manager
(805)595-5432
kristens@portsanluis.com

Florin Resource Conservation District

SEALED DOLLAR COST BID PROPOSAL

For Professional Auditing Services for Florin Resource Conservation District

For fiscal years ending June 30, 2020 through 2021, with a renewal option, for three (3) additional one (1) year terms through fiscal year ending June 30, 2024.

December 6, 2019

Contact Person:

Ahmed Badawi, CPA
Badawi & Associates
Certified Public Accountants
2855 Telegraph Avenue, Suite 312
Berkeley, CA 94705
Phone: (510) 768-8244
Fax: (510) 768-8249
E-mail: abadawi@b-acpa.com



Name of Firm and Certification

Name of Firm: Badawi & Associates

Address: 2855 Telegraph Avenue, Suite 312

City, State, Zip: Berkeley, CA 94705

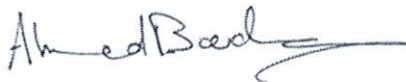
Contact Name: Ahmed Badawi

Contact Telephone Number(s): 510-768-8244

Contact Fax Number(s): 510-768-8249

Contact E-mail Address: abadawi@b-acpa.com

I, the undersigned, certify I am duly authorized to represent the above named firm and am empowered to submit this bid. In addition, I certify I am authorized to contract with the Florin Resource Conservation District on behalf of the above named firm. The Firm will honor the prices listed in this proposal for 180 days from the submittal deadline.



Signature

President
Title

December 6, 2019
Date

Ahmed Badawi

Name (print)

EXHIBIT "B"

FEE SUMMARY OF NOT TO EXCEED PRICE FOR PROFESSIONAL AUDITING SERVICES

In accordance with the Request for Proposal for Audit Services issued by Florin Resource Conservation District / Elk Grove Water District, the firm referenced below hereby submits the following cost proposal:

Basic Reports to Be Issued

District CAFR, including the Auditors' report and a report on internal controls, compliance and other matters.
Single Audit Report

Total

2020 Hours	2020	2021	2022	2023	2024
271	\$ 25,365	\$ 25,810	\$ 26,175	\$ 26,175	\$ 26,175
32	2,965	2,955	3,105	3,105	3,105
303	28,330	28,765	29,280	29,280	29,280

Additional Audit Reports to Be Requested at the District Option

Annual Report of District Financial Transactions to State Controller Office
State Compensation Report

Total

15	1,395	1,470	1,545	1,545	1,545
11	1,025	1,080	1,135	1,135	1,135
329	30,750	31,315	31,960	31,960	31,960

In addition, please include below an hourly fee quotation and hours proposed for all positions to be assigned to the audit:

	Hours	Rates
Partner	65	\$ 150
Audit Senior	132	85
Professional Audit Staff	120	75
IT Specialists	1	120
Administrative Assistant	11	60

I hereby certify that the undersigned is authorized to represent the firm stated above, and empowered to submit this bid, and if selected authorized to sign a contract with the District, for the services identified in the Request for Proposals.

Firm Name: Badawi & Associates

Signature: *Ahmed Badawi*

Printed Name: Ahmed Badawi

Title: President

Date: December 6, 2019

Manner of Payment:

Each Engagement Team member maintains detailed time sheets describing work performed, date of work, and amount of time spent on each task for the Engagement. The Firm will bill the FRCD after completion of each phase of the audit and bill the FRCD up to a maximum of 90%. The remaining 10% of the proposal amount will not be due until all final reports are delivered and accepted by the FRCD. Interim billings will cover a period of not less than a calendar month, and will be detailed on the invoices for the FRCD, Single Audit, and each agreed-upon procedure report. The FRCD can anticipate three billings as follows:

Work Performed	% of Proposal Amount
For interim work	45%
For year-end work	45%
At presentation and acceptance of final reports	10%
Total	100%

Rates for Additional Professional Services:

Any services outside the scope of our engagement will be promptly identified before the services are rendered. Upon mutual agreement, the out-of-scope services will be separately billed at our standard hourly rates. While it can be difficult to simply state hourly rates, as often times the needs of the client and the specific tasks directly impact the billing rates for our services, we want to provide the following information regarding our published billing rates:

Position	Hourly Rate
Partner	200
EAR	200
Senior	125
Staff	100
IT	150
Admin.	75

Our Standard Hourly Rates are adjusted annually by 3% for Cost of Living and Inflation Adjustments

A client relationship with the FRCD will be of great value to our Firm and we welcome the opportunity to develop a long-term relationship with the FRCD. We are committed to:

- * Rendering the highest standard of service.
- * Developing a long-term working relationship dedicated to meeting the needs of the FRCD.
- * Assisting the FRCD in operational issues.
- * Producing a quality end-product.

We have the technical qualifications and experience to provide the level of service desired and expected by the FRCD and stand ready to provide our knowledge and experience for the benefit of your organization.

We would like to express our appreciation to the FRCD and to its Staff for allowing us the opportunity to submit a proposal to perform professional auditing services. We are available, at your convenience, to discuss any aspects of our proposal.

Thank you for allowing us to present our Firm to you.

February 18, 2020

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Patrick Lee, Finance Manager/Treasurer

SUBJECT: **FLORIN RESOURCE CONSERVATION DISTRICT/ELK GROVE WATER DISTRICT 2020-2025 STRATEGIC PLAN**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors adopt Resolution No. 02.18.20.01, approving the Florin Resource Conservation District/Elk Grove Water District 2020-2025 Strategic Plan.

SUMMARY

The Florin Resource Conservation District/Elk Grove Water District (District) has developed the 2020-2025 Strategic Plan (Plan) to guide the District's operations over the next five (5) years. The Plan is an important document that expresses the District's core values and sets forth key goals and objectives for the District. In developing the Plan, the District used a collaborative approach that included public workshops and individual interviews of the District's Board of Directors (Board) and staff. Staff has presented the Plan to the Board for review and comments and has incorporated all comments and recommendations into the proposed Plan (attached).

By this action, if approved, the Board will adopt Resolution No. 02.18.02.01, approving the Florin Resource Conservation District/Elk Grove Water District 2020-2025 Strategic Plan.

DISCUSSION

Background

The proposed Plan was prepared as a collaborative effort involving participation that included the Board, staff and the public. The Plan was also prepared reflecting the District's existing strategic plan, previous accomplishments, and comparing strategic plans from other agencies, including Regional Water Authority (RWA), Cosumnes Community Services District (Cosumnes CSD) and Sacramento Suburban Water District.

**FLORIN RESOURCE CONSERVATION DISTRICT/ELK GROVE WATER DISTRICT
2020-2025 STRATEGIC PLAN**

Page 2

On January 30, 2019, the District commenced the process of developing a new 5-year strategic plan by bringing in a consultant to assist in the coordination and facilitation of the Plan. Below is a summary of the meetings and discussions that took place:

January 23 – Strategic Plan Initial Meeting – District Staff Leadership Team:

This first meeting provided staff and the consultant an opportunity to discuss and establish project parameters. This meeting set the foundation for how the Plan would be developed.

January 30 – Strategic Plan Board Workshop #1:

During this public workshop, the Board and staff worked with the consultant to develop a framework for the Plan. Meeting members discussed District priorities and established a long-term vision for the District. This workshop proved useful as the Board and staff analyzed where the District currently positions itself, discussed obstacles and challenges that the District faces, and determined goals to achieve to advance the District forward and into the future.

March 27 – Strategic Plan Board Workshop #2:

During this public workshop, the Board and staff narrowed in on the framework of the Plan and discussed the characteristics and core values that should be included in the Plan. The Board and staff also engaged in a number of exercises that served to identify potential goals and objectives and establish priorities. The Board and staff also revisited the District’s mission statement and core values and renewed the commitment to embody these principles in all aspects of the District’s operations. The core value of “Transparency” was added to exemplify the District’s strong belief that openness and transparency contribute to a culture of trust and accountability with all partners and customers.

April – Individual Board Member and District Staff Leadership Team Interviews:

Members of the Board and staff met with the consultant in individual interviews to provide feedback on specific departmental goals and objectives, and how these goals align with the overall District goals identified during the meeting on March 27, 2019. Each individual was asked to rank the goals in the order of importance for the District.

May 15 – District Staff Leadership Team Debriefing:

A debriefing meeting was held with the consultant for the purpose of reviewing a first draft of the Plan.

May - July:

Staff received and reviewed multiple drafts of the Plan document submitted by the consultant.

**FLORIN RESOURCE CONSERVATION DISTRICT/ELK GROVE WATER DISTRICT
2020-2025 STRATEGIC PLAN**

Page 3

July - December:

Staff prepared, revised and reformatted the Plan document to condense and simplify the District's goals and objectives.

January 21, 2020:

Staff presented a draft of the Plan to the Board at the regular Board meeting on January 21, 2020. There was a discussion and the Board made a number of comments and recommendations to staff. These recommendations will be reflected on an updated draft and brought back to the Board for review during the February regular Board meeting.

Present Situation

The District places a high priority on the quality of operations and services it provides to its customers. In order to continue providing the highest quality and services, it is important that the District maintain clearly established goals. The proposed Plan provides the District with a five-year vision and roadmap to ensure that staff and the Board establish goals that best serve our customers now, and into the future.

It is also important that the Plan be concise and useful. The Plan will be referenced by the Board, staff and District stakeholders over the next five (5) years when allocating resources and determining courses of action for the District.

The Plan identifies seven (7) strategic goals. Each goal has a number of associated objectives in order to achieve the goal. The seven (7) strategic goals are:

1. Governance and Customer Engagement – Conduct public affairs and manage public resources in an effective, efficient and transparent manner.
2. Fiscal Responsibility – Make financial decisions that benefit District customers.
3. Planning and Operational Efficiency – Practice ongoing infrastructure renewal and organizational improvement through planning and increased operational efficiency.
4. Protection of Public and Environmental Health – Provide a safe, abundant and reliable water supply.
5. Community Relations and Customer Engagement – Increase engagement with the customers and community to provide superior customer service, increase public awareness of the water industry and the District.
6. Employer of Choice – Attract and retain skilled employees. The District remains a driven, supportive and family-oriented work environment.
7. Water Industry Leadership – Demonstrate water industry leadership through partnerships and active participation in regional and statewide water efforts.

**FLORIN RESOURCE CONSERVATION DISTRICT/ELK GROVE WATER DISTRICT
2020-2025 STRATEGIC PLAN**

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The proposed Plan has been updated with the comments and recommendations made by the Board at the January 21, 2020 Regular Board Meeting, including the following major changes, and is being presented to the Board for approval:

1. Adding a 7th strategic goal covering good governance.
2. Rewording multiple objectives to provide added clarification
3. Realigning certain objectives and goals that better identify

By this action, if approved, the Board will adopt Resolution No. 02.18.02.01, approving the Florin Resource Conservation District/Elk Grove Water District 2020-2025 Strategic Plan.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

The development of this proposed Strategic Plan conforms to the Business Practices section of the 2012-2017 Strategic Plan by keeping with the District's commitment of appropriate business practices and maintaining the District's core values.

FINANCIAL SUMMARY

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

Respectfully submitted,



PATRICK LEE
FINANCE MANAGER/TREASURER

Attachment

RESOLUTION NO. 02.18.20.01

A RESOLUTION OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS APPROVING THE FLORIN RESOURCE CONSERVATION DISTRICT/ELK GROVE WATER DISTRICT 2020-2025 STRATEGIC PLAN

WHEREAS the Florin Resource Conservation District (District) believes it is appropriate practice to develop strategy for the conduct and direction of the District's business; and

WHEREAS the District Board of Directors and staff has worked together for several months on developing such a strategic plan; and

WHEREAS the District has prepared the Florin Resource Conservation District/Elk Grove Water District 2020-2025 Strategic Plan; and

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

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

SECTION 2. The Board of Directors hereby adopts the Florin Resource Conservation District/Elk Grove Water District 2020-2025 Strategic Plan.

SECTION 3. The Board Secretary shall certify to the adoption of this Resolution.

SECTION 4. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED this ____ day of _____, 2020.

Tom Nelson
Chair of the Board of Directors

Attest:

Stefani Phillips
Board Secretary

Approved as to form:

Richard E. Nosky,
District Legal Counsel



FLORIN RESOURCE CONSERVATION DISTRICT ELK GROVE WATER DISTRICT



Strategic Plan 2020-2025

Adopted: TBD

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Directors and Staff

Board of Directors

Tom Nelson
Chair

Bob Gray
Vice-Chair

Sophia Scherman
Director

Elliot Mulberg
Director

Lisa Medina
Director

Associate Directors

Shahid Chaudhry

Paul Lindsay

General Manager

Mark J. Madison

Leadership Staff

Bruce Kamilos
Assistant General Manager

Stefani Phillips
Human Resources Administrator/Board Secretary

Patrick Lee
Finance Manager/Board Treasurer

Donella Murillo
Finance Supervisor

Steve Shaw
Water Treatment Supervisor

Alan Aragon
Water Distribution Supervisor

Sean Hinton
Water Distribution Supervisor

General Manager's Message



As your General Manager, I am proud to present the 2020-2025 Strategic Plan for the Florin Resource Conservation District (FRCD) and the Elk Grove Water District (EGWD).

The Strategic Plan (Plan) sets forth a five-year vision and roadmap for the FRCD/EGWD (District) and was developed through a collaborative process that included public workshops and individual interviews. The FRCD Board of Directors (Board) and leadership staff revisited the Mission and Core Values and renewed the commitment to embodying these principles in all aspects of the District's operations. The Core Value of Transparency was

also added to exemplify the District's strong belief that openness and transparency contribute to a culture of trust and accountability with all partners and customers.

It should be noted that this plan is not a dream that, once completed, will sit idle on a shelf until five years from now when another plan must be developed. It

is intentionally referred to as a "Strategic" plan because there are defined challenges and measurable goals. These goals, identified to meet the challenges, were strategically developed to conform to the District's mission and values.

The District is steeped rich in history (See Appendix: A Proud History) through the implementation of the Plan by building upon the foundation of recent accomplishments achieved in the 2012-2017 Strategic Plan. We are people helping people, providing a legacy of service to the Elk Grove community.

My commitment to you as the District's General Manager is that we hold ourselves accountable in meeting the goals set forth in this Plan while maintaining transparency as your "hometown" water provider with the intent of exceeding your expectations in providing you with the services described herein.

A handwritten signature in blue ink that reads "Mark J. Madison". The signature is fluid and cursive.

Mark J. Madison

***We are people helping people,
providing a legacy of service
to the Elk Grove community.***

The District

The District is governed by an elected five-member Board, with each Board member serving four-year, staggered terms. The Board oversees the General Manager, who manages the day-to-day operations of the District with a staff of 30 employees.

The District produces over 1.3 billion gallons of water each year, providing water supply to over 12,600 homes and businesses serving a population of approximately 45,000 people. The EGWD service area covers 13 square miles, and consists of Service Area 1 and Service Area 2. Service Area 1 is supplied by water produced from seven wells located within the Service Area 1 boundary. The Railroad Water Treatment and Storage Facility and the Hampton Village Water Treatment Plant treat and distribute water produced from five of the seven wells. Service Area 2 is supplied with water purchased from the Sacramento County Water Agency under a long-term agreement.



District Boundaries



Service Area Boundaries



Florin Resource Conservation District Board of Directors



Tom Nelson
Chair



Bob Gray
Vice-Chair



Sophia Scherman
Director



Elliot Mulberg
Director



Lisa Medina
Director

Background

The FRCD was founded in 1952 and is one of 98 RCDs across the state of California. For many years the FRCD's mission was to provide water and soil conservation services. In 1999, when the FRCD acquired the Elk Grove Water Service, the FRCD's main focus shifted to managing the water utility. Once acquired, the Elk Grove Water Service became a public water utility and the name was later changed to the Elk Grove Water District.

The Elk Grove Water District is a district in name only. It is technically not a standalone district, but rather an enterprise-funded department of the FRCD. The FRCD is the only RCD in the state that primarily focuses on treating and distributing drinking water, and while unique, it falls within the scope of an RCD as governed by Division 9 of the California Public Resources Code.

Although recent efforts by the FRCD have primarily focused on managing the water utility (EGWD), it has also performed other activities including creek cleanups, tire recycling, technical assistance and conservation education. To remedy some of the financial pressures of the FRCD, on April 18, 2018 the Board made the decision by Resolution No. 04.18.18.01 to limit all future activities to "water related activities that benefit, or otherwise serve, the EGWD ratepayers." This decision was made after years of deliberation, multiple public meetings, in-depth engagement with legal counsel, and even consideration of integration with other water agencies. The decision to limit FRCD activities to benefit EGWD ratepayers (customers) protects the FRCD from financial uncertainty, maintains stability for EGWD employees and customers, and leaves the FRCD boundaries intact.

This is an important decision because it not only stabilizes the FRCD, but leaves open the opportunity to engage regionally to improve the South American Subbasin, the aquifer that supplies groundwater for EGWD customers. The District is proud to be Elk Grove's hometown water supplier.





Mission

We are committed to supplying our customers with high quality, safe water along with outstanding customer service for current and future generations.



Core Values



Transparency

We recognize that transparency is the foundation of good governance. We are committed to openness and accountability in all District endeavors.



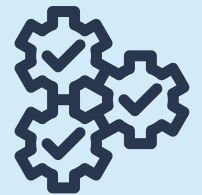
Leadership

We are a team. Great ideas come from many sources and we listen with an open mind. The team and community are supported through mutual cooperation and respect.



Caring

We care about the quality of our water, we care about our customers' satisfaction and we care about the quality of the working environment.



Integrity

We are honest with one another, with our customers and with our industry partners. We maintain a quality operation that is fiscally sound and forthright. We want the trust and respect of our community and customers.



Professionalism

We are committed to standards of excellence, accuracy and superior conduct.



Vision

We recognize that decisions we make today impact the future of this District and our community. We value our community's natural resources and actively seek ways to improve our services through local control and stewardship.

District Accomplishments (2012 - Present)

- Restructured approximately \$32.3 million of outstanding bonded indebtedness in December 2014 and \$16.4 million in June 2016 to provide an average annual savings of \$194,000 over the remaining term of the debt
- Completed an Emergency Response Plan and Vulnerability Assessment
- Completed a Needs Assessment for the FRCD
- Achieved 10th consecutive year of recognition by the Government Finance Officers Association (GFOA) for exemplary financial reporting
- Resolved FRCD's longstanding financial crisis in 2018
- Continuous (annual) implementation of five-year Capital Improvement Program (CIP)
- Developed 100-year Asset Management Plan
- Implemented a Comprehensive Facilities Maintenance Plan
- Updated Board Bylaws and policies, Employee Policy Manual and Provisions of Water Service Ordinance
- Increased community engagement through the Community Conservation Education Program



- Redeveloped the District website and newsletter
- Participated in regional water efficiency outreach efforts
- Achieved exceptional safety and risk control audits from District insurance provider
- Increased legislative advocacy through participation in the Regional Water Authority (RWA) Legislative Advocacy Program

- Enhanced mapping capabilities with Geographic Information System (GIS) technology
- Completed comprehensive water rate studies in 2013 and 2018
- Implemented succession planning and workforce cross-training
- Developed standard operating procedures
- Completed the 2015 Urban Water Management Plan
- Completed full metering of the District in 2015
- Recommissioned the Hampton Village Water Treatment Plant
- Installed the Railroad Corridor Transmission Main
- Constructed the Training and Information Technology Center
- Replaced 5,400 lineal feet of old, undersized water distribution main
- Developed and implemented a Backflow Prevention and Cross-Connection Control Program



2020-2025 Strategic Goals and Objectives

The Board and leadership staff identified strategic goals and objectives consistent with the District's Mission and Core Values.

STRATEGIC GOAL 01

GOVERNANCE AND CUSTOMER ENGAGEMENT

Conduct public affairs and manage public resources in an effective, efficient and transparent manner.

OBJECTIVES

- Conduct a review of the District's Bylaws every two years
- Conduct biennial Board member orientations to review policies and procedures
- Provide opportunities for public involvement and participation
- Conduct all Board meetings in accordance with the Brown Act with emphasis on transparency
- Maintain a District website allowing easy access to all Board materials and governing documents
- Continue to demonstrate operational transparency based on the guidelines established by the Special District Leadership Foundation (SDLF) District Transparency Certificate of Excellence
- Conduct District business in an ongoing manner to achieve the SDLF District of Distinction Accreditation



STRATEGIC GOAL 02

FISCAL RESPONSIBILITY

Make financial decisions that benefit District customers.

OBJECTIVES

- Continuous achievement in sound accounting practice based on the GFOA Certificate of Achievement for Excellence in Financial Reporting Award
- Conduct Fiscal Year 2023-24 Water Rate Study
- Manage water rates to be regionally competitive
- Develop a funding plan to increase funded ratio of retirement and other post-retirement benefits
- Develop annual financing plans to align CIP projects with the approved rate structure (pay as you go)
- Establish bill payment consolidation services to increase payments by automated clearing house (ACH)
- Develop annual budgets that are balanced through cost saving measures or transfers from operating reserves



STRATEGIC GOAL 03

PLANNING AND OPERATIONAL EFFICIENCY

Practice ongoing infrastructure renewal and organizational improvement through planning and increased operational efficiency.

OBJECTIVES

- Update the District's Urban Water Management Plan, including the development of a new Water Shortage Contingency Plan
- Develop Master Plan for aging water mains
- Develop and update standard operating procedures
- Update the District's Standard Construction Specifications and Drawings
- Explore the potential for implementing automated metering infrastructure technology
- Implement a regulatory tracking system





STRATEGIC GOAL 04

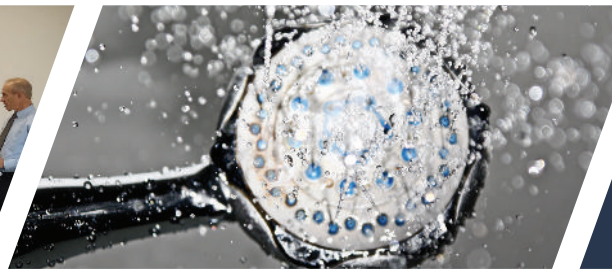
PROTECTION OF PUBLIC AND ENVIRONMENTAL HEALTH

Provide a safe, abundant and reliable water supply.

OBJECTIVES

- Comply with all State and Federal Drinking Water Standards
- Investigate the potential for groundwater recharge projects
- Complete Risk and Resilience Plan
- Update the District's Emergency Response Plan
- Complete a risk assessment of water system infrastructure around critical facilities including schools, daycares and senior living centers
- Perform Districtwide unidirectional flushing





STRATEGIC GOAL 05

COMMUNITY RELATIONS

Increase engagement with the customers and community to provide superior customer service, increase public awareness of the water industry and the District.

OBJECTIVES

- Establish a Communications Plan annually
- Explore development of a water education program with the Elk Grove Unified School District
- Develop new marketing media to tell the story of the District and convey the value of water
- Acquire a new administrative facility
- Explore the potential for offering low-income and senior assistance program
- Explore the potential to utilize social media
- Develop a customer service survey program to periodically solicit feedback on District services and customer satisfaction





STRATEGIC GOAL 06

EMPLOYER OF CHOICE

Attract and retain skilled employees. The District remains a driven, supportive and family-oriented work environment.

OBJECTIVES

- Continuous improvements in preventative maintenance, distribution, operator training, safety and customer service
- Develop a comprehensive safety program designed to reduce risk and comply with all regulatory requirements
- Create a comprehensive training program for operators
- Maintain control of employee medical benefit contributions
- Continue to provide competitive salaries and benefits
- Develop and refine employee succession planning





STRATEGIC GOAL 07

WATER INDUSTRY LEADERSHIP

Demonstrate water industry leadership through partnerships and active participation in regional and statewide water efforts.

OBJECTIVES

- Participate and actively engage in local and regional water associations, agencies and committees to address regional statewide water efforts
- Advocate for and develop legislation that benefits water agencies regionally and statewide
- Partner with agencies and organizations to develop plans and projects that improve California's water resilience
- Monitor, review and update District policies to adhere to changes in operational, environmental and legislative requirements



Appendix: A Proud History

History of the FRCD

Prior to World War II, Florin was well known for its grapes and strawberries. Almost all of the area now encompassed by the FRCD boundaries was in agricultural production, including dairies, orchards, grain and other feed. Many farms were operated by families of Japanese descent. After the internment of 1942-1945, many properties were neglected and the Florin agricultural community struggled to recover.

In the spring of 1950, the Florin Farm Center Committee for Organization of a Soil Conservation District, a committee of Florin farmers, submitted a proposal to the Sacramento County Board of Supervisors for the formation of the

Florin Soil Conservation District (FSCD). The specific intents of the new soil conservation district were efficient use of irrigation water, improved drainage, flood control and other land improvements. With the necessary approvals, the committee met with other agricultural interests and local landowners until they had thoroughly identified all properties to be included within the District boundaries.

On June 23, 1953, a public election determined the establishment of the FSCD and its first five-member Board of Directors. Perhaps portending the future of FRCD's focus, the very first work plan identified the importance of wise irrigation use and the necessity of preserving the underground water supply. In 1954, the

board executed a Memorandum of Understanding with the United States Department of Agriculture, beginning a long and productive partnership.





During the first years of the organization, two additions were made to the boundaries, a region around Franklin and the Waegell addition, a property near Florin Road, Grant Line and Sunrise Blvd. The Franklin addition expanded the FSCD into Elk Grove. With grant funds, equipment was purchased for water management projects including irrigation and drainage improvements. The FSCD also had a wildlife program that coordinated the sale of plants grown by the residents of the Preston School of Industry, Sacramento County's Boy's Ranch and Folsom Prison that were planted to provide habitat for game birds and rabbits.

As Sacramento grew, the Florin area transitioned from a farm community into a Sacramento suburb. The FSCD transitioned too, moving its headquarters and its focus south to Elk Grove. In the early 1970s, the FSCD changed its name to the Florin Resource Conservation District because activities included more than soil conservation.

History of the EGWD

In 1893, after several fires threatened the small town of Elk Grove, local residents banded together to found the Elk Grove Water Company, building a water tower at the same place the current water tower stands (although it is no longer used to store water). The Jones family purchased the water company in 1906 and operated the utility as the Elk Grove Water Works for nearly 100 years. The water company began business with 12 owners and 10 customers. Business was originally conducted from the Jones family home, then later moved to its present location at 9257 Elk Grove Blvd. in 1988.

The FRCD purchased Elk Grove Water Works in December 1999 from J.B. Jones, changing the name first to Elk Grove Water Service and then to Elk Grove Water District. In 1997, Elk Grove Water Works had nine employees and 7,200 connections. In 2019, there are 30 budgeted positions and approximately 12,605 accounts.



FLORIN RESOURCE CONSERVATION DISTRICT ELK GROVE WATER DISTRICT



9257 Elk Grove Blvd.
Elk Grove, CA 95624
(916) 685-3556

www.egwd.org



February 18, 2020

TO: Chair and Directors of the Florin Resource Conservation District
FROM: Patrick Lee, Finance Manager/Treasurer
SUBJECT: **WATER SERVICE CHARGES AND RATE SETTING POLICY**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors adopt Resolution No. 02.18.20.02, establishing a Water Service Charges and Rate Setting Policy.

SUMMARY

As directed by the Florin Resource Conservation District (District) Board of Directors (Board), and in response to the June 28, 2019 Grand Jury Report entitled *The Florin Resource Conservation District – A Case of Mistaken Identity?*, staff has developed a proposed policy to address Recommendation R4, which recommended that the District review its actions during the most recent water rate study and rate increase approval to ensure that future actions follow the protest period mandated under Proposition 218.

By this action, if approved, the Board will adopt Resolution No. 02.18.20.02, establishing a Water Service Charges and Rate Setting Policy (Policy).

DISCUSSION

Background

On June 28, 2019, the District received a report from the Sacramento County Grand Jury (Grand Jury) entitled *The Florin Resource Conservation District – A Case of Mistaken Identity?* (Report). This report was reviewed and discussed at a Special Board Meeting of the Board on July 31, 2019 as well as a Regular Board Meeting on August 22, 2019.

One of the specific recommendations, referred to as Recommendation R4 from the Grand Jury Report states, “*FRCD should review its actions during the most recent water rate study and rate increase approval, by June 30, 2020, to ensure that such future actions follow the protest period mandated under Proposition 218. Action should be taken to review and amend Board policies to ensure that future rate studies and proposals for rate increases conform to the procedures outlined in Proposition 218.*”

Staff was directed by the Board to review the process and procedures undertaken during the most recent water rate study and rate increase and to develop a policy to address this recommendation.

WATER SERVICE CHARGES AND RATE SETTING POLICY

Page 2

Present Situation

Staff worked with consulting firm Regional Government Services (RGS) to develop a proposed policy to bring to the Board for adoption. Cost-based water service charges and rates must be fair and equitable and established using “generally accepted” rate setting and costing methodologies, including establishing appropriate cost bases for any existing or future water rate structure imposed or proposed on District ratepayers and in compliance with Proposition 218, which establishes certain legal constraints on setting water rates.

The proposed Policy (attached) includes the provisions that the District shall follow the rate setting and costing methodologies imposed by Proposition 218 and that prior to any rate adjustments, the District shall provide notice and conduct a public hearing in accordance with Proposition 218, shall hear all public testimony regarding the proposed assessments, and accept protests until the close of the public hearing.

By this action, if approved, the Board will adopt Resolution No. 02.18.20.02, establishing a Water Service Charges and Rate Setting Policy.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

The recommendation made in this staff report conforms to the Financial Stability section of the District’s 2012-2017 Strategic Plan.

FINANCIAL SUMMARY

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

Respectfully Submitted,



PATRICK LEE
FINANCE MANAGER/TREASURER

Attachment

RESOLUTION NO. 02.18.20.02

**A RESOLUTION OF THE FLORIN RESOURCE CONSERVATION
DISTRICT BOARD OF DIRECTORS ESTABLISHING A WATER
SERVICE CHARGES AND RATE SETTING POLICY**

WHEREAS the Florin Resource Conservation District (District) owns and operates a public water utility, the Elk Grove Water District (EGWD); and

WHEREAS the EGWD imposes fees and charges for water services based upon the benefit from the service received by each real property within the EGWD service area; and

WHEREAS Proposition 218 was adopted on November 6, 1996, adding Articles XIIC and XIID to the California Constitution; and

WHEREAS Proposition 218 deems that all charges for water delivery are charges for a property related service; and

WHEREAS Proposition 218 requires that such water rates shall reflect the cost of service attributable to a given parcel; and

WHEREAS Proposition 218 also requires that such water rates correspond to the actual service at a given level of usage; and

WHEREAS the District believes it to be in the best interest of the community to establish a policy regarding water service charges and rate setting policy in compliance with Proposition 218;

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

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

SECTION 2. The Board of Directors hereby adopts and enacts the Water Service Charges and Rate Setting Policy attached hereto as Exhibit "A".

SECTION 3. The Board Secretary shall certify to the adoption of this Resolution.

SECTION 4. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED this ____ day of _____, 2020.

Tom Nelson
Chair of the Board of Directors

Attest:

Stefani Phillips
Board Secretary

Approved as to form:

Richard E. Nosky
District Legal Counsel

EXHIBIT “A”

FLORIN RESOURCE CONSERVATION DISTRICT

“WATER SERVICE CHARGES AND RATE SETTING POLICY”

[Attached behind this cover page]

Policy Type: Florin Resource Conservation District Board of Directors
Policy Title: Water Service Charges and Rate Setting Policy
Date Adopted:
Resolution No:
Date Amended:

I. PURPOSE

The purpose of this policy is for the Florin Resource Conservation District/Elk Grove Water District (District) to have cost-based water service charges (Charges) and rates (Rates) that are fair, equitable, and defensible. The basis for establishing Charges and Rates that are fair, equitable, and defensible has traditionally been cost of service principles and methodologies. At the same time, the courts have historically recognized that municipal entities can take into account policy items other than strictly cost of service when establishing Charges and Rates. California, however, has established certain legal constraints on setting Charges and Rates pursuant to Proposition 218.

II. POLICY

This policy is intended to establish water rates and charges for the District using the “generally accepted” rate setting and costing methodologies, including establishing appropriate cost bases for any existing or future water rate structure imposed or proposed on District ratepayers, and in compliance with all applicable laws. The District shall also provide notice and conduct a public hearing in accordance with Proposition 218, shall hear all public testimony regarding the proposed assessments, and accept protests until the close of the public hearing.

III. REVIEWS AND UPDATES

Staff shall closely monitor the financial and rate performance of the District to help maintain adequate rates and charges through:

- A. Annual Reviews – District rates will be reviewed annually, as part of the budget process, to determine the adequacy of revenues and as necessary, make adjustments to reflect inflation, construction needs, maintain bond covenants, and avoid major increases.
- B. Comprehensive Rate Studies – District rate studies will be conducted, at a minimum, every five (5) years to update assumptions and plan for the long-term solvency and viability of the District’s water services.

IV. OVERSIGHT

The General Manager and Treasurer are responsible for the adherence to this policy and regular reporting of the District’s financial status to the District Board of Directors for their oversight.

February 18, 2020

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Bruce Kamilos, Assistant General Manager

SUBJECT: **DISPOSAL OF SURPLUS DISTRICT PROPERTY POLICY**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors adopt Resolution No. 02.18.20.03, amending and replacing the Disposal of Surplus District Property Policy.

SUMMARY

The Disposal of Surplus District Property Policy (Policy) has been amended to ensure that it complies with current laws. Staff retained Regional Government Services (RGS) to help draft the Policy (attached), which is provided for the Florin Resource Conservation District (District) Board of Director's (Board) consideration. General Counsel Ren Nosky also reviewed the Policy to ensure that it is legally compliant.

By this action, the Board would adopt Resolution No. 02.18.20.03, amending and replacing the Disposal of Surplus District Property Policy.

DISCUSSION

Background

The District's current Disposal of Surplus Property Policy (current Policy) was adopted on May 21, 2003 and is out of date with current laws. Notably, the current Policy references surplus property within an enterprise zone. Enterprise zones no longer exist in California as the California Enterprise Zone Program was repealed on December 31, 2013.

Government Code Sections 54220 through 54232, otherwise known as the Surplus Land Act, are the sections of law that cover government disposal of surplus property. Although the current Policy is based on these government code sections, nowhere in the current Policy are these sections of the Government Code cited. Moreover, the District's current Policy is written in a way that is difficult to read and understand.

DISPOSAL OF SURPLUS DISTRICT PROPERTY POLICY

Page 2

Present Situation

Staff, with the assistance of RGS and General Counsel Ren Nosky, has prepared a draft amended Policy (attached). The amended Policy more clearly defines how District property is deemed to be surplus and defines the steps required to properly dispose of the property.

Surplus property is categorized into four types: Real Property, Easements, Vehicles and Large Equipment, and Personal Property.

In general, all real property must be deemed to be surplus by the Board and the Board must also determine if the real property is subject to Government Code Sections 54220 through 54232, which require the property to be first offered to specified public agencies. The sale or relinquishment of all easements, except for Public Utility Easements (PUE's) and easements of no market value, shall also be subject to these same requirements. PUE's and easements of no values may be relinquished by the General Manager.

Vehicles and large equipment may be disposed by the General Manager when the estimated value is \$25,000 or less. Disposal of vehicles and large equipment having an estimated value greater than \$25,000 must be authorized by the Board.

Personal property may be disposed by the General Manager when the estimated value is \$10,000 or less. Disposal of personal property having an estimated value greater than \$10,000 must be authorized by the Board.

On January 29, 2020, an Advisory Committee, consisting of Directors Lisa Medina and Bob Gray, met with staff to discuss the amended Policy. The Advisory Committee supports the proposed amendments and recommends that it be approved by the Board.

By this action, the Board would adopt Resolution No. 02.18.20.03, amending and replacing the Disposal of Surplus District Property Policy.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

February 18, 2020

DISPOSAL OF SURPLUS DISTRICT PROPERTY POLICY

Page 3

STRATEGIC PLAN CONFORMITY

The amendment and replacement of the Disposal of Surplus District Property Policy conforms to the 2012-2017 Strategic Plan, which states that the District's goal is to be irreproachable in its business practices. Clearly written policies that ensure compliance with the law support this goal.

FINANCIAL SUMMARY

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

Respectfully Submitted,



BRUCE M. KAMILOS,
ASSISTANT GENERAL MANAGER

Attachment

RESOLUTION NO. 02.18.20.03

A RESOLUTION OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS AMENDING AND REPLACING THE DISPOSAL OF SURPLUS DISTRICT PROPERTY POLICY

WHEREAS the Florin Resource Conservation District (“District”) is a Resource Conservation District organized pursuant to Division 9 of the California Public Resources Code, Sections 9001, et seq. (“Resource Conservation Law”);

WHEREAS the District is formed for the purposes delineated in the Public Resources Code Section 9001 and all things necessary to carry out the provisions of the Resource Conservation Law and adopted District Bylaws;

WHEREAS the District’s current Disposal of Surplus Property Policy was adopted on May 21, 2003;

WHEREAS the District wishes to amend and replace the Disposal of Surplus District Property Policy;

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

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

SECTION 2. The Board of Directors hereby adopts Resolution No. 02.18.20.03, amending and replacing the Disposal of Surplus District Property Policy as incorporated herein, and attached hereto as Exhibit “A”.

SECTION 3. The Board Secretary shall certify to the adoption of this Resolution.

SECTION 4. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED this ____ day of _____, 2020.

Tom Nelson
Chair of the Board of Directors

Attest:

Stefani Phillips
Board Secretary

Approved as to form:

Richard E. Nosky
District Legal Counsel

EXHIBIT “A”

**FLORIN RESOURCE CONSERVATION DISTRICT
“DISPOSAL OF SURPLUS DISTRICT PROPERTY POLICY”**

[Attached behind this cover page]

Policy Type: Florin Resource Conservation District Board of Directors
Policy Title: Disposal of Surplus District Property Policy
Date Adopted:
Resolution No:
Date Amended:

I. PURPOSE

The purpose of this policy is to determine if a parcel of real property, easement, vehicles and large equipment, or other personal property owned by the Florin Resource Conservation District (District) is no longer needed for daily, emergency and/or future operations. This policy is also intended to determine how such property should be relinquished or disposed and how revenue derived should be handled.

II. POLICY

This policy prescribes that staff shall review and follow Government Code Sections 54220 through 54232, otherwise known as the Surplus Land Act, as these sections may be amended from time to time. If there are any conflicts between this policy and the Government Code, the Government Code shall prevail.

III. DEFINITIONS

Real Property - Any parcel of land owned by the District.

Easement – An interest in another’s real property that permits the District to make limited use of that real property for a District purpose.

Vehicles and Large Equipment – Utility trucks, dump trucks, tractors, backhoes, forklifts, and other significant self-propelled equipment used in District operations.

Personal Property – Small equipment (cut-off saws, drills, etc.), computer equipment (monitors, printers, etc.), office furniture, etc.

IV. DISPOSAL OF REAL PROPERTY

A. The District shall comply with the Surplus Land Act to:

1. Establish the means by which property is surplus or not,
2. Prescribe the procedures on how property is disposed.

B. Staff shall identify any parcel of real property that no longer meets the needs of daily, emergency and/or future operations. A staff report will then be prepared, to document why the parcel should not be retained, and provided to the Board for their consideration.

C. Staff shall verify if a parcel meets the conditions established in the notice and offer procedures provided in Government Code Sections 54220 through 54232. If the statutory notice and offer procedures must be followed, the District will be required to obtain a qualified appraisal of the parcel and submit written notice of availability to specified public agencies, within whose jurisdiction the property is located, before the property can be sold to other public agencies or a private party. The specified public agencies are as follows:

1. Housing Agencies; Housing Sponsors;
2. Local City, County, Regional and State Park and Recreation Agencies;
3. Local School Districts;
4. Neighborhood Enterprise Entities;
5. Successor agencies to former Redevelopment Agencies, Public Transportation Authorities, and Housing Authorities.

In the event that more than one agency is competing for the same property, the agency that proposes to build the greatest number of low- or moderate-income housing on the property shall have priority to purchase the property.

D. In accordance with Government Code Sections 54220 through 54232, a parcel of real property is exempt from statutory notice and offer procedures, in part, if it:

1. Is less than 5,000 square feet in area; or
2. Is less than the minimum legal residential building lot size for the jurisdiction in which the parcel is located, or 5,000 square feet in area, whichever is less; or
3. Has no recorded access and is less than 10,000 square feet in area; and
4. Is not contiguous to land owned by a state or local agency that is used for open-space, low- or moderate-income housing; and
5. Is sold to the owner of the contiguous land.

E. The Board shall declare if real property is surplus and is subject to the statutory notice and offer procedures prescribed by the Government Code or is exempt. If the property is not exempt, the General Manager shall give qualifying agencies notice of the parcel's availability for purchase. If none of the qualifying agencies provide written interest in buying the surplus property to the District within 60 days after receiving notice or make an offer meeting the appraised value, the District may then sell the parcel by advertised public sale.

F. When the statutory notice and offer procedures have not resulted in disposal of a parcel, the District shall sell surplus real property by public sale. The General Manager shall notice the parcel's sale at the appraised value unless the Board authorizes a different price. The notice of sale shall contain a description of the property and a statement of time and place for opening bids. Bids for the purchase of real property shall be accepted or rejected by a resolution of the Board. Alternatively, the District may list the surplus parcel for public sale with a licensed

real estate broker in good standing, who advertises the parcel through multiple listing service or similar listing system at a fair market value determined by the broker using comparable sales data. Documents for the conveyance of title to surplus real property shall be executed by the Chair, upon authorization by the Board.

- G. If staff identifies that a surplus parcel is exempt from the Government Code's notice and offer procedures, it will not be necessary to obtain a formal appraisal of the property. If circumstances warrant, the surplus parcel may be sold for less than fair market value. In such cases, the General Manager, or his/her designee, will prepare a staff report documenting why the parcel was not appraised, why it may be sold for less than fair market value, the fiscal impact of selling the parcel and why it is exempt from the Government Code notice and offer procedures. After review, the Board may approve the sale of the surplus parcel by resolution, authorizing the General Manager to make the sale.

V. RELINQUISHMENT OF DISTRICT INTEREST IN EASEMENTS

- A. Staff shall identify if an easement no longer meets the needs of the daily, emergency and/or future operations of the District. Staff shall then prepare a report documenting the justification for relinquishing the easement and determine whether the easement has any fair market value. If staff identifies that the easement has fair market value and is transferable, a staff report will be presented to the Board at a regular meeting with a recommendation for the Board action on relinquishing the easement in accordance with section IV of this policy, and applicable law.
- B. If staff identifies that an easement has no fair market value, the General Manager shall have the authority to sign and record a quitclaim deed to relinquish and transfer the District's interest in the easement.
- C. If an easement is a Public Utility Easement, the General Manager shall have the authority to sign an easement relinquishment letter.

VI. DISPOSAL OF VEHICLES AND LARGE EQUIPMENT

- A. Periodically, staff will prepare a list of District vehicles and items of large equipment that are deemed surplus. Staff may rely on factors such as vehicle age, mileage, depreciation value, reliability, and cost of maintenance and repairs.
- B. Vehicles or large equipment are to be sold at public auction.
- C. Staff shall establish values and set minimum bid prices for each vehicle and item of large equipment to be sold by public auction. If staff, during the process of establishing value to a vehicle or piece of large equipment, determines that it has diminutive or no value or the costs of preparation and sale are greater than the

value of the vehicle or equipment, then the General Manager is authorized to dispose of the property in accordance with section VI (F) and (G) of this policy.

- D. The General Manager may authorize the sale of surplus vehicles and large equipment with an estimated value of \$25,000 or less. Vehicles and large equipment with an estimated value greater than \$25,000 shall be sold as surplus following authorization by the Board.
- E. Prior to the sale of surplus vehicles and large equipment, staff shall take the following actions:
 - 1. Remove all District equipment from the vehicle or large equipment (radio, decals, etc.).
 - 2. Clean and, if necessary, repair the vehicle or large equipment if it has an immediate safety issue.
 - 3. Establish the vehicle or large equipment value using an appropriate, publicly available valuation tool such as Kelley Blue Book, qualified appraisal, trade publications or classified newspaper advertisements. Staff shall prepare a written report relevant to the valuation of the item and attach appropriate documentation.
 - 4. Arrange for the delivery and consignment of the item to the public auction.
 - 5. When the vehicle or large equipment is sold, the General Manager, or his/her designee, shall sign the "pink slip," bill of sale and any other documents required to complete the sale.
 - 6. After the vehicle or large equipment is sold, the General Manager, or his/her designee, shall complete the paperwork as required by the Department of Motor Vehicles (DMV) to report the sale of the vehicle or large equipment, and return all completed forms and vehicle license plates to the DMV.
- F. For surplus vehicles and large equipment not sold at public auction, the General Manager has the authority to donate such items to another government agency or any non-discriminatory, tax-exempt non-profit organization qualifying under Internal Revenue Code section 501(c)(3).
- G. If a surplus vehicles and large equipment is not sold during public auction and the General Manager is unable to donate the surplus vehicle or large equipment to a qualified government agency or tax-exempt organization, the General Manager may properly dispose of such items at a legal disposal site.

VII. DISPOSAL OF PERSONAL PROPERTY

- A. Periodically, staff shall prepare a list of District personal property, other than vehicles and large equipment, which is deemed surplus.
- B. Surplus personal property is to be sold at public auction.

- C. Staff shall establish values and set minimum bid prices for each item of personal property to be sold by public auction. If staff, during the process of establishing value to an item of personal property, determines it to have diminutive or no value, the General Manager is authorized to dispose of the property in the same manner as section VI (F) and (G) of this policy.
- D. The General Manager may authorize the sale of personal property with an estimated value of \$10,000 or less. Personal property with an estimated value greater than \$10,000 shall be sold as surplus following authorization by the Board.
- E. For surplus personal property not sold at public auction, the General Manager is authorized to dispose of the property in the same manner as section VI (F) and (G) of this policy.

VIII. REVENUE FROM DISPOSAL OF SURPLUS PROPERTY

All revenue received from the disposal of surplus property shall be deposited in the District's general operating fund unless otherwise specified by the Board.

IX. PROHIBITION AGAINST UPGRADES

Unless necessary to ensure the safety, merchantability and/or serviceability of surplus property, staff may not make any repairs or upgrades to any real or personal property recommended or already deemed to be surplus.

X. PROHIBITED DIRECTOR, OFFICER, AND EMPLOYEE TRANSACTIONS

All members of the Board and staff are prohibited from purchasing surplus District property.

XI. GROUP OR LOT SALES

The District reserves the right to place items of surplus property in a group or lot for sale to the highest bidder.

February 18, 2020

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Mark J. Madison, General Manager

SUBJECT: **STATUS UPDATE ON ACTION ITEMS FOLLOWING THE 2019 GRAND JURY REPORT – THE FLORIN RESOURCE CONSERVATION DISTRICT – A CASE OF MISTAKEN IDENTITY?**

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

On June 28, 2019, the Florin Resource Conservation District (District) received a report from the Sacramento County Grand Jury (Grand Jury) entitled *The Florin Resource Conservation District – A Case of Mistaken Identity?* (Report). This Report was reviewed and discussed at a Special Board Meeting of the District Board of Directors (Board) on July 31, 2019.

From the direction provided by the Board at that meeting, the proposed responses were drafted, presented and approved by the Board at the Regular Board Meeting on August 21, 2019 for submission to the Presiding Judge of the Sacramento County Superior Court. At the same meeting, the Board directed staff to prepare a standing agenda item to report back to the Board monthly updates on the status of the actions associated with selected recommendations and their due dates. This item complies with that direction.

DISCUSSION

Background

On June 28, 2019, the District received a report from the Grand Jury entitled *The Florin Resource Conservation District – A Case of Mistaken Identity?* The Report was issued pursuant to a lengthy investigation by the Grand Jury following complaints of “alleged issues with a recent water rate increase (improper and misleading notices, procedural errors), problems with the composition of the Board of Directors, and a general lack of oversight by the Board of Directors.”

STATUS UPDATE ON ACTION ITEMS FOLLOWING THE 2019 GRAND JURY REPORT – THE FLORIN RESOURCE CONSERVATION DISTRICT – A CASE OF MISTAKEN IDENTITY?

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On July 31, 2019, the Board conducted a Special Board Meeting to review the Report and entertain comments from the public. During that meeting, all of the Findings and Recommendations were discussed, and direction was provided to the General Manager regarding how the Board wanted to respond to each Finding and Recommendation.

From the direction provided by the Board at that meeting, the General Manager presented the proposed responses at the Regular Board Meeting on August 21, 2019, all of which were approved for submission to the Presiding Judge of the Sacramento Superior Court. The responses included the actions that the District would be taking relative to the recommendations made by the Grand Jury based on their findings.

Present Situation

The Recommendations that the District agreed to act on, and their present status, is as follows:

Recommendation R2

The FRCD Board of Directors should complete its updated Strategic Plan by June 30, 2020. The new Strategic Plan should include a discussion of its long-term vision and its long-range mission. This discussion should include a comprehensive review of the mission of the FRCD, whether it should continue as an independent district (either as an RCD or a water district) or consolidate with another area water provider (such as SCWA Zone 40).

Due Date: June 30, 2020

Status: The proposed Florin Resource Conservation District/Elk Grove Water District Strategic Plan 2020-2025 (Strategic Plan) was provided during this FRCD Regular Board Meeting for the Board's consideration. If approved, this recommendation will be completed.

Recommendation R4

FRCD should review its actions during the most recent water rate study and rate increase approval, by June 30, 2020, to ensure that such future actions follow the protest period mandated under Proposition 218. Action should be taken to review and amend Board

STATUS UPDATE ON ACTION ITEMS FOLLOWING THE 2019 GRAND JURY REPORT – THE FLORIN RESOURCE CONSERVATION DISTRICT – A CASE OF MISTAKEN IDENTITY?

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policies to ensure that future rate studies and proposals for rate increases conform to the procedures outlined in Proposition 218.

Due Date: June 30, 2020

Status: The District has prepared a draft policy covering the requirements of Proposition 218, referred to as Water Service Charge and Rate Setting Policy. Staff has presented this proposed policy to the Board for consideration at this FRCD Regular Board Meeting. If approved, this recommendation will be completed.

Recommendation R5

FRCD should review and amend, by December 31, 2019, contracting policies for professional and consultant services to address time limits, types of professional services and other requirements.

Due Date: December 31, 2019

Status: This policy was presented to, and adopted by, the Board during the November 19, 2019 Board meeting. This recommendation is completed.

Recommendation R6

FRCD should develop, by December 31, 2019, new policies relative to interim contracting for professional services for board approval. Minimize the use of interim contracts and maximize the use of standard contracts using a competitive process for professional services.

Due Date: December 31, 2019

Status: This policy was presented to, and adopted by, the Board during the November 19, 2019 Board meeting. This recommendation is completed.

STATUS UPDATE ON ACTION ITEMS FOLLOWING THE 2019 GRAND JURY REPORT – THE FLORIN RESOURCE CONSERVATION DISTRICT – A CASE OF MISTAKEN IDENTITY?

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Recommendation R7

FRCD should begin, by December 31, 2019, the process of planning and installing flowmeters in its main water transmission lines to monitor for breaks, pressure losses, etc. These monitoring devices should also be connected to an automatic alert system for on-call emergency employees.

Due Date: December 31, 2019

Status: On November 26, 2019, the FRCD initiated a pilot program to monitor pressure in five (5) strategic locations of its water distribution system. The pressure sensing devices have each been attached to a 2-1/2" nozzle port of a fire hydrant. The devices are sending staff email alerts when system pressures rise above or fall below maximum and minimum set pressures, respectively. Staff conducted water main break simulations by fully opening up fire hydrants near the devices to test how the devices would respond during a water main break. The simulations did not cause the devices to go into an alarm state. However, the devices do provide a level of redundancy to the SCADA alerts EGWD already has in place. Staff has concluded the pilot program and determined that the procurement of additional pressure sensing devices is not justified. Staff will continue to stay abreast of advancements in leak detection technology and will look for economic solutions to monitoring leaks. This recommendation is completed.

Recommendation R8

FRCD should rescind its vote approving health benefits for Board members, by September 30, 2019, since no action has ever been taken to implement them.

Due Date: September 30, 2019

Status: The Board voted against approving health benefits for Board members at the October 15, 2019 board meeting. This recommendation is completed.

Recommendation R10

FRCD should establish policy, by December 31, 2019, to ensure a programmatic on-boarding process for new Board Members that includes both policy and operations. In

STATUS UPDATE ON ACTION ITEMS FOLLOWING THE 2019 GRAND JURY REPORT – THE FLORIN RESOURCE CONSERVATION DISTRICT – A CASE OF MISTAKEN IDENTITY?

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addition, FRCD should establish, by December 31, 2019, a web-page with Board policies for public review.

Due Date: December 31, 2019

Status: Staff has placed all Board policies online for public view. The recommended policy was also presented to, and adopted by, the Board during the November 19, 2019 Board meeting. This recommendation is completed.

Recommendation R11

FRCD should, on an ongoing basis, expand its outreach to its ratepayers, in order to increase their engagement with the business and activities of the district. This could include, but is not limited to, increased inserts with ratepayer's monthly bills, enhanced web interaction, media outreach, such as a periodic column in the Elk Grove Citizen or other avenues, and practical workshops for ratepayers. FRCD should also engage with both the California Special Districts Association and the Institute for Local Government to learn about any other outreach efforts that are possible.

Due Date: Not Specified

Status: Work on this recommendation is ongoing and will continue indefinitely. District staff actively participates in the Regional Water Efficiency Program Public Outreach Committee and in other forums.

ENVIRONMENTAL CONSIDERATIONS

There are no environmental considerations associated with this item.

STRATEGIC PLAN CONFORMITY

This item conforms to the FRCD/Elk Grove Water District's (EGWD) 2012-2017 Strategic Plan. The Mission of the EGWD is stated as: "Committed to supplying our customers with high quality, safe water along with outstanding customer service for current and future generations." This item conforms to that Mission statement and also conform to

February 18, 2020

STATUS UPDATE ON ACTION ITEMS FOLLOWING THE 2019 GRAND JURY REPORT – THE FLORIN RESOURCE CONSERVATION DISTRICT – A CASE OF MISTAKEN IDENTITY?

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EGWD's goals of Financial Stability, excellent Customer Service, and good Business Practices.

FINANCIAL SUMMARY

There are no financial impacts associated with the proposed response at this time.

Respectfully submitted,



MARK J. MADISON
GENERAL MANAGER

MJM/pl

February 18, 2020

TO: Chair 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 is a standing item on the regular board meeting agenda.

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

DISCUSSION

Background

Each month, staff reports 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 notable outside agency meetings attended since January 21, 2020 were as follows:

1/28-31 California Society of Municipal Finance Officers Conference (Lee, Murillo)

2/05 Sacramento Central Groundwater Authority Special Board Meeting
(Madison, Kamilos)

OUTSIDE AGENCY MEETINGS REPORT

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2/12 Regional Water Authority (RWA) Water Caucus (Madison, Kamilos)

2/12 RWA Advocacy Program Monthly Meeting (Ramos)

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. Attendance at these meetings, and this monthly report, assists EGWD 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