

CITRUS HEIGHTS WATER DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
January 8, 2013

The Regular Meeting of the Board of Directors was called to order at 6:30 p.m. by President Dion and roll was called. Present were:

Joseph M. Dion, President
David L. Goforth, Vice President
Allen B. Dains, Director
Robert A. Churchill, General Manager
David B. Kane, Assistant General Manager
John J. Townsel, Operations Manager
Paul A. Dietrich, Project Manager
Pamela L. Peters, Office Administrator
Lisa A. Smoot, Accounts Payable / Human Resources Specialist
Timothy R. Cutler, Water Distribution Specialist
David M. Gordon, Construction Inspector

VISITORS

Jason Hartman
Michael Kendall
Lonny Gossett

Director Dion led the Pledge of Allegiance.

PUBLIC COMMENT

None

CONSENT CALENDAR

President Dion asked for the Consent Calendar. It was noted that Jason Hartman and Michael Kendall were in attendance regarding the three claims against the District for property damage on the Consent Calendar. It was moved by Director Goforth, seconded by Director Dains and carried 3-0 to remove the claims against the District, Consent Calendar Item Nos. 8, 9 and 10, from the Consent Calendar and consider these items separately.

It was moved by Director Dains, seconded by Director Goforth and carried 3-0 to accept the balance of the Consent Calendar consisting of:

- 1) Minutes of the Regular Meeting of December 11, 2012.
- 2) Assessor/Collector's Report for December 2012.
- 3) Assessor/Collector's Cancellation Letter for December 2012.

- 4) Treasurer's Report for December 2012.
- 5) Bills to be Paid for December 2012.
- 6) Approve CAL-Card Purchases for December 2012.
- 7) Summary of 2012 Directors, Officers and Employees Training, Seminars and Conference Expenses.

Claims of Ashley Kendall, Michael Kendall and Jason Hartman for Property Damage

GM Churchill presented a report on three claims for property damage that have been presented to the District. The three separate claims from Ashley Kendall, Michael Kendall and Jason Hartman are for water damage to their personal vehicles that occurred during a heavy rain event on December 2, 2012. The three claims all similarly assert that the flooding on Gallant Circle, where their cars were parked on the street, was caused by the District failing to clean the storm drain inlets and leaving silt collection devices in the storm drain inlets after performing work on Gallant Circle in October 2012.

OM Townsel summarized the incident as set forth in a memorandum that was provided to Directors along with their agenda reports for this meeting. He noted that District crews had installed silt collection devices in compliance with California State Regional Water Quality Control Board requirements during water system work on Gallant Circle in October 2012, and that one of the silt bags was not removed when construction was completed. He further noted that even with a silt bag in place, a storm drain inlet remains functional because the vertical rear portion of the inlet remains open. When water begins rising in the gutter it will flow through the vertical rear portion of the inlet and down into the storm drain. However, if the amount of water entering the storm drain during a heavy rain event exceeds the capacity of the storm drain itself, the water will rise in the street. According to OM Townsel, there is no evidence that any of the storm drain inlets on Gallant Circle failed to admit water into the storm drainage system due to any activity of the District. His conclusion is that the flooding was caused by an extraordinary amount of rain falling in a short period of time, exceeding the capacity of the storm drain system to evacuate the water from the street.

Directors discussed the claims with the claimants in attendance at the meeting, Michael Kendall and Jason Hartman. Mr. Kendall was also representing his daughter, Ashley, who filed a separate claim. Mr. Kendall and Mr. Hartman provided details regarding the event including where the vehicles were parked, damage sustained to the vehicles and their personal efforts to remove the silt bag from one of the drain inlets. Director Goforth observed that many streets in Citrus Heights, particularly cul-de-sacs, had flooded during the unusual rain event.

Directors explained to the claimants that if the District denies the claim, it will be turned over to the District's liability insurance carrier, ACWA-JPIA, whom the claimants can then contact regarding the claim.

It was moved by Director Goforth, seconded by Director Dains and carried 3-0 to:

- 1) Deny the claim from Ashley Kendall for property damage in the amount of \$200.00, and forward it to the District's insurance carrier, ACWA-JPIA, for further consideration and action;
- 2) Deny the claim from Michael Kendall for property damage in the amount of \$1,200.00, and forward it to the District's insurance carrier, ACWA-JPIA, for further consideration and action; and
- 3) Deny the claim from Jason Hartman for property damage in the amount of \$1,620.00, and forward it to the District's insurance carrier, ACWA-JPIA, for further consideration and action.

OLD BUSINESS

2012 Baird Way, Kalamazoo Drive, Northlea Way 6-Inch and 8-Inch Water Main Replacement Project

PM Dietrich presented a report on completion of the 2012 Baird Way, Kalamazoo Drive, Northlea Way Water Main Replacement Project. A contract was executed with Rawles Engineering, Inc. in September 2012 for installing approximately 920 lineal feet (lf) of 8-inch water main, 1,045 lf of 6-inch water main, 50 lf of 4-inch water main, 10 main valves, 5 fire hydrants, 30 water services and related appurtenances along Baird Way east of Mariposa Avenue, Kalamazoo Drive east of San Juan Avenue, and Northlea Way between San Juan Avenue and Westgate Drive, in Citrus Heights.

The original contract amount was \$347,392.50. The amount paid the contractor is \$311,476.90 for material, labor and equipment, with no change orders. Bid items were included for additional trench depth which would require additional excavation and shoring in areas where potentially the new water main would be installed in a deeper trench to clear other utilities. Only one such area required payment of the bid item for additional trench depth. Also, the contractor was able to pave less square footage than anticipated in the Engineer's Estimate while still achieving compliance with the City of Citrus Heights' requirements. These items resulted in a cost savings from the original contract amount of \$35,915.60.

Rawles Engineering, Inc. completed the work on December 6, 2012, 35 calendar days ahead of a 128 calendar day schedule. Directors and staff discuss the project and the work performed. Directors commended staff for completing the contract below budget.

It was moved by Director Dains, seconded by Director Goforth and carried 3-0 to adopt Resolution 01-2013 Accepting the 2012 Baird Way, Kalamazoo Drive, Northlea Way Water Main Replacement Project, and authorize the District Secretary to execute and record a Notice of Completion for the Project.

Health Plan Coverage for District Employees for 2013

OA Peters delivered a presentation on health care insurance coverage for District employees for the health plan year beginning February 1, 2013. The District's health care insurance coverage for employees expires after January 31, 2013. The District currently

offers Kaiser and Western Health Advantage (WHA) as its health care insurance providers for employees. The District pays most of the health insurance premium on the employee's behalf and reimburses employees for specified amounts of their co-payments through the use of a Supplemental Medical Reimbursement Account (SMRA).

Starting in 2011 employees with spouses and employee with families began paying an amount each pay period toward their health insurance premium. This amount was increased in 2012. The District has been able to combine higher co-payment insurance plans, specified levels of co-payment reimbursement and employee contributions to premiums to control health care benefit costs while maintaining a high level of health-care benefit for employees.

Renewal quotes for employee health insurance for 2013 were received in early December 2012 with aggregate rate increases of 1.02 percent for Kaiser and 10.20 percent for WHA. These increases were lower than the amounts estimated at the time that the 2013 budget was prepared. The cost of continuing to offer the current health insurance plans is estimated to be nearly \$40,000 below the \$398,866 approved in the 2013 Operating Budget.

District staff reviewed a variety of possible plans and coverages for 2013. The goal was to continue to provide high-quality health care coverage for District employees while managing the health care costs. In addition to the current plans, offerings from ACWA/JPIA Health Benefits Authority (HBA) and CalPERS were also reviewed. In the final analysis, the current Kaiser and WHA plans offer the best combination of coverage and cost. It is recommended that an additional contribution be required from employees to share in the cost of 2013 increases. With these additional employee contributions, the recommended plans will maintain the existing high level of health care benefit and keep costs within the 2013 adopted budget limits.

For 2013, the following contribution amounts are being recommended:

Employee Only	No contribution (no change from currently)
Employee + Spouse	\$25.00 per pay period (currently \$13.50 per pay period)
Employee + Family	\$50.00 per pay period (currently \$26.50 per pay period)

Because the cost of Employee Only premiums are significantly lower than those for Employee + Spouse or Employee + Family, employees with Employee Only coverage receive a lesser level of dollar benefit in terms of insurance premiums paid by the District. Therefore, these employees are not required to contribute toward the cost of health insurance premiums as a way of making the benefit received by these employees more equitable compared with employees with spouses and families.

It was recommended by staff that the District continue to limit the co-payment reimbursement to 75 percent for all brand name and non-formulary prescriptions. This measure provides incentive for employees to request lower-cost generic drugs when available and reduces the District's co-payment cost exposure for prescription medications. It is also recommended that employees continue to receive full reimbursement for office visit co-payments and co-payments for other medical services covered under their insurance plans, and that the 75 percent reimbursement limit for

office visit co-payments for spouses and dependents be continued for 2013. As proposed, the District will continue to fully cover co-payments for other more costly medical services such as emergency room visits, hospitalization and medical equipment.

Staff also recommended holding the dollar “cap” for monthly health care premiums at the current level of \$1,502.00 per month. There are four employees whose monthly health insurance premium will exceed the cap at some point during the plan year; however, two of the four employees will have the option to avoid exceeding the cap by switching health insurance providers during the January 2013 open enrollment period. Employees whose monthly premium exceeds the cap will pay the difference between the cap amount and the monthly premium amount through a payroll deduction.

Directors were presented with a table that summarized 2013 renewal rates and the range of premium rates, the number of employees currently covered under each plan, and the estimated total cost of the District’s health insurance benefit for 2013. The total number of employees covered under District-sponsored health insurance plans is only 26 of the total 30 approved District positions for 2013. Four employees are currently electing the option to not enroll in a District-provided health insurance plan by obtaining their health insurance coverage through a spouse’s employer. These employees receive a \$400 monthly credit in lieu of District-paid health insurance. The total estimated cost for the 2013 Plan Year, \$391,476, is within the total \$432,866 budgeted for insurance premiums and co-payment reimbursements when employee contributions to premiums are included.

Directors were provided with a copy of District Policy No. 4210, Health Insurance, with proposed amendments, revised to include the new employee contribution amounts. Directors and staff discussed the proposed health insurance coverage and policy amendments for 2013. Directors discussed the amounts that employees would begin paying toward their health insurance in 2013. Directors also discussed the “cap” for monthly health care premiums and how that holding it at the current level of \$1,502.00 per month would affect District employees. Ms. Peters stated the dollar amount above the cap would vary depending on the age of the employee and their selected insurance plan. Director Dains asked what the effect would be if the cap were raised to about \$1,600 per month. AGM Kane responded that the maximum additional cost to the District would be about \$4,800 for 2013, equaling four employees at \$100 per month for 12 months. However, the maximum additional cost would likely be less than this amount because some of the premiums will exceed the cap by less than \$100 per month.

It was moved by Director Dains to approve the Kaiser Permanente Plan 50 and the Western Health Advantage – Advantage 420 (Rx Plan H) Plan as the District’s employee health care plans for 2013; and adopt District Human Resources Policy No. 4210, Health Insurance, with amendments as presented.

Before any action was taken on his motion, Director Dains proposed amending the motion to include increasing the cap in the District’s health insurance policy to \$1,600 per month. The motion died for lack of a second.

It was moved by Director Dains, seconded by Director Goforth and carried 3-0 to approve the Kaiser Permanente Plan 50 and the Western Health Advantage – Advantage

420 (Rx Plan H) Plan as the District's employee health care plans for 2013; and adopt District Human Resources Policy No. 4210, Health Insurance, with amendments as presented.

Ms. Peters and Ms. Smoot left the meeting at 7:17 p.m.

Conflict of Interest Code

GM Churchill presented a report on proposed amendments to the Conflict of Interest Code for Citrus Heights Water District and related District Policy No. 1035. As a multi-county agency, the District is biennially required to review its Conflict of Interest Code and report its determination to the Fair Political Practices Commission (FPPC). At the August 14, 2012 Meeting, the Board of Directors approved amendments to Appendix A of the District's Conflict of Interest Code Policy 1035 to revise the position titles of three designated employees and authorize filing a notice of same with the Fair Political Practices Commission. The District's 2012 Multi-County Agency Biennial Notice with the amended code was filed with the FPPC on August 15, 2012 noting the non-substantive amendments outlined above.

In their review of the District's Conflict of Interest Code, FPPC representatives applied their standard format to the District's Code and requested additional information in order to process it as a non-substantive amendment. Upon receipt of the District's information, the FPPC now considers these amendments to be substantive. Substantive amendments require providing the public and each affected individual with a copy of the proposed amendments and the opportunity to comment during a 45-day comment period. A "Notice of Intention to Amend a Conflict of Interest Code" was authorized at the November 13, 2012 Board of Directors Meeting. Said Notice was posted for public view and provided to each affected individual on November 14, 2012 to begin the required 45-day comment period. The comment period closed on December 28, 2012 with no comments received.

The appendices to the District's Conflict of Interest Code Policy No. 1035 are proposed for amending to mirror the FPPC language. Directors were provided with copies of the Conflict of Interest Code and Appendices with proposed amendments. Directors and staff discussed the Code and proposed amendments.

It was moved by Director Dains, seconded by Director Goforth and carried 3-0 to:

1. Approve amendments to the Conflict of Interest Code for Citrus Heights Water District and forward to the FPPC for final approval.
2. Approve amendments to Appendices A and B to District Conflict of Interest Code Policy No. 1035.

Sacramento Local Agency Formation Commission Special District Advisory Committee

GM Churchill presented a report on nominations being accepted to serve on the Sacramento Local Agency Formation Commission (LAFCO) Special District Advisory Committee. The Sacramento LAFCO has created a Special District Advisory Committee

(SDAC) to provide it with input on issues related to Special Districts and to receive information on issues before the Commission. Directors were provided with a letter from Sacramento LAFCO that very generally describes the composition of the seventeen-member SDAC. There are currently seven vacancies on the Committee for which nominations are being solicited.

Directors discussed the SDAC and their interest in serving on the Committee. No Directors expressed an interest in serving on the Committee, and no action was taken on the matter.

NEW BUSINESS

Training/Continued Education/Meetings

The Board was informed of various upcoming training, continued education opportunities and meetings.

Actuarial Analysis of Retiree Health Benefits

AGM Kane presented a report on the recently-completed actuarial valuation of the District's Post-Employment Benefits Other than Pensions (OPEB). The actuarial analysis of retiree health benefits was performed for the District by Steven T. Itelson, a consulting actuary. The analysis complies with Governmental Accounting Standards Board Statement 45 (GASB 45) related to liability for other post-employment benefits. The results of the analysis will be included in the District's FY2012 financial statements. Directors were provided with a bound copy of the analysis report.

AGM Kane reviewed the summary contained in the report. The summary gives an overview of the results of the analysis of the projected future cost and actuarial accrued liability of the District's health insurance benefits to employees who retire. Eligibility and maximum monthly District participation amounts were reviewed.

The actuarial analysis uses a series of assumptions about how many employees will leave the District's employment at various ages and years of service, and factors such as mortality, disability, retirement and turnover as well as the District's return on its cash investments and other cost factors to arrive at its actuarial conclusions. The report shows, by year, the number of retirees, the expected benefits to be paid by the District, the employer expense (also called the Annual Required Contribution, ARC) and the Net OPEB Obligation (NOO). AGM Kane explained each of these elements and their relevance to the District's costs and liabilities for retiree health insurance.

Currently, the District has set aside funding that is more than sufficient to meet its expected retiree medical benefits annually. The Board has been transferring \$120,000 annually into the Employment-Related Benefits Reserve since 2007 to cover the current and future costs of retiree medical and other liabilities such as accrued leave balances that will be paid to the employee upon retirement. This Reserve now stands at \$396,589.08, and another \$120,000 is budgeted to be transferred into the Reserve during Calendar Year 2013. However, since the funds are not set aside in a trust to ensure that they are not used for other purposes, the financial statements must show a Net OPEB Obligation even if the

District fully intends to use the Employment-Related Benefits Reserve only for its intended purposes and faithfully sets aside the required funding on an annual basis.

AGM Kane expressed the intention of District staff to report back at a future date on the benefits of funding its OPEB obligation through a trust as opposed to the current practice of setting it aside in a Reserve and paying it directly on an annual basis. From a legal and accounting standpoint, either practice is acceptable.

Directors and staff discussed the Actuarial Analysis of Retiree Health Benefits report.

2013 / 2014 Capital Improvement Project Design Services

GM Churchill presented a report on proposals received from engineering firms to provide engineering design services for District pipeline replacement projects. The District’s 2012 and 2013 Capital Improvement Budgets include \$132,500 in project design funds for engineering design services to facilitate the 2013 and 2014 construction of proposed Capital Improvement Projects. GM Churchill summarized the Capital Improvement Projects that are budgeted for design work as follows:

<u>Project No.</u>	<u>Design Budget</u>	<u>Location</u>
2012-26	\$ 48,000 (2012)	Northgrove Way 6” Distribution Main Replacement – Westgate Drive to Northlea Way Walnut Drive 8” Distribution Main Replacement – Auburn Blvd to Holly Drive
2013-30	\$ 40,000 (2013)	San Juan High School 24” Transmission Main Installation - Across north athletic fields Mariposa Avenue 24” Transmission Main Installation - Greenback Lane to SJHS north property line
2013-31	\$ 44,500 (2013)	Park Drive 8” Distribution Main Replacement - Sylvan Road to east Poplar Avenue 8” Distribution Main Replacement & 14” Transmission Main Installation - South end of Poplar Avenue and westerly connection through MVHS property to existing 14”
Total:	<u>\$132,500</u>	

In early 2012, the District solicited proposals from engineering firms to provide project design services for the 2012 construction of various capital pipeline improvement projects. The District received proposals from many qualified engineering consultants. Utilization of engineering consultants has enabled the District to accelerate its capital improvement/replacement efforts that are recommended to continue in 2013.

Rather than again soliciting proposals, District staff has reviewed the proposals and qualification previously provided and has requested and received scope of work and cost proposals for the three projects noted above.

Project 2012-26, the Northgrove Way 6-Inch & Walnut Drive 8-Inch Main Replacement Project, involves the replacement of water distribution mains in residential neighborhoods. KASL Consulting Engineers was selected for this project based upon their experience with private developer subdivisions and their Citrus Heights office proximity to the sites. The total project budget is \$481,115 with a design budget of \$48,000, 10 percent of the total project budget. Directors were provided with KASL's scope of work budget estimate for the design work associated with this project in the amount of \$39,100.

Project 2013-30, the San Juan High School / Mariposa Avenue 24-Inch Transmission Main Project, involves the installation of 24-inch water transmission mains through the northerly athletic fields at San Juan High School (SJHS) and along Mariposa Avenue northerly from Greenback Lane adjacent to the easterly boundary of SJHS. This construction, together with a section of 24-inch main installed at SJHS in 2009, will interconnect existing 24-inch facilities at Greenback Lane with similar facilities in the residential driveway opposite the intersection of Stock Ranch Road / Sylvan Road. Warren Consulting Engineers (WCE) was selected for this project based upon their experience with facility planning and mapping services provided for San Juan Unified School District. The total project budget is \$1,189,483 with a design budget of \$40,000, 3.4 percent of the total project budget. Directors were provided with WCE's scope of work budget estimate for the design work associated with this project in the amount of \$30,500.

Project 2013-31, the Park Drive 8-Inch / Poplar Avenue 8-Inch Main Replacement Project, involves the replacement of water distribution mains in residential neighborhoods including one connection to a 14-inch water transmission main. Bennett Engineering Services (BenEn) was selected for this project based upon their prior services to the District with the Old Auburn Road 18-inch project and the Livoti Tract project. The total project budget is \$473,276 with a design budget of \$44,500, 9.4 percent of the total budget. The District is in discussion with BenEn to finalize the proposed scope of work and fee estimate for this project. Staff will bring this item back in February for Board consideration.

Directors and staff discussed the design proposals from KASL Consulting Engineers and Warren Consulting Engineers, including some of the charges set forth on the rate schedules in the proposals.

It was moved by Director Goforth, seconded by Director Dains and carried 3-0 to:

1. Accept the design proposal for Project No. 2012-26 from KASL Consulting Engineers in the amount of \$39,100 plus a contingency of \$3,900 totaling \$43,000 and authorize the General Manager to execute a Professional Services Agreement.

2. Accept the design proposal for Project No. 2013-30 from Warren Consulting Engineers in the amount of \$30,500 plus a contingency of \$3,000 totaling \$33,500 and authorize the General Manager to execute a Professional Services Agreement.

PROJECT MANAGER'S REPORT

PM Dietrich presented a report on the following activities during the month of December 2012 by the Project Management and Engineering Department:

- Projects under construction or pending construction by private contractors and developers;
- Project development/design underway by District staff including the Old Auburn Road 18-Inch Water Main and Mariposa Avenue 12-Inch Water Main project; the Palm Avenue 12-Inch Water Main, Castle Street 8-Inch Water Main and Kilborn Drive/Ronnie Street/Billie Street 8- and 6-Inch Water Mains project; and the Northgrove Way 6-Inch Water Main and Walnut Drive 8-Inch Water Main project.
- District Capital Improvement Projects currently under construction by contractors, including the Sunrise Boulevard Valve Box Raising and Setting, the Livoti Tract 8-Inch Water Mains, the Baird/Northlea/Kalamazoo 8-Inch and 6-Inch Water Mains, the Antelope Road 8-Inch and 24-Inch Water Mains and the Old Auburn Road 18-Inch Water Main; and the 7101 Bonita Way Sewer Service Relocation; and
- Design coordination underway with the City of Citrus Heights on the City's Auburn Boulevard Joint Trench Utility Undergrounding Project, the Sunrise Boulevard Complete Streets Improvement Project, the Antelope Road Sidewalk and Storm Drain Improvements Project, the Auburn Boulevard Resurfacing Project, and drainage improvement projects on Cedar Drive, Loleta Avenue, Poppy Avenue and Sycamore Drive.

OPERATIONS MANAGER'S REPORT

OM Townsel reported as follows:

1. A total of 210 work orders were performed during the past month by Field Operations crews, Administration Field crews and District contractors. The results of recent bacteriological testing, a total of 80 samples, have met all California Department of Public Health requirements.

OM Townsel also presented a work log history for the years 2004 through 2012, summarizing significant work activities by the Operations Department.

2. District-wide water consumption for the calendar year 2012 through the end of December 2012 was 14,165.85 acre-feet, a decrease of 6.8 percent compared with

the average annual water consumption during the previous five years, 2007-2011.

Director Dion called a recess to the meeting at 7:53 p.m. OM Townsel and Mr. Cutler left the meeting.

Director Dion reconvened the meeting at 7:58 p.m.

DIRECTOR'S AND REPRESENTATIVES REPORTS:

Director Dion and GM Churchill reported on an upcoming meeting for the Regional Water Authority (RWA).

Director Dains and Director Goforth reported on a meeting of the Sacramento Groundwater Authority (SGA) that they attended recently along with GM Churchill.

Director Dion reported on an upcoming meeting of the Association of California Water Agencies - Joint Powers Insurance Authority (ACWA-JPIA).

GM Churchill reported on recognition of former Director Charles T. Rose scheduled for an upcoming meeting of the City of Citrus Heights City Council

ASSISTANT GENERAL MANAGER'S REPORT

AGM Kane reported as follows:

1. Directors were provided with a summary of Water Efficiency Program activities during the month of December 2012, including the number of ultra-low-flush toilet rebates and high-efficiency clothes washer rebates issued. Staff attended a briefing on the 2013 Blue Thumb Program, a part of the Regional Water Authority's Regional Water Efficiency Program in which CHWD participates.
2. The District's 2012 financial audit is underway with on-site work performed by the District's auditor, Richardson & Company, during the month of December 2012. More field work will be performed by the auditor in February and/or March 2013, with presentation of the report and findings to the Board scheduled for the April 9, 2013 Board meeting.
3. Production of the next edition of the District's WaterLine newsletter is complete. Customers will begin to receive their newsletters in the mail around January 11, 2013. Directors were provided with a "design comp" copy of the newsletter in advance of receiving the final printed version.
4. Information on water supply conditions in the State from the California Department of Water Resources (DWR) and the U.S. Bureau of Reclamation (USBR) was provided to Directors. The information shows that Water Year 2013, which officially began on October 1, 2012, is off to a good start from a water

supply standpoint. AGM Kane also provided information on the District's water supply stage, which is currently a Stage 1 – Normal Water Supply stage.

5. AGM Kane reported on a Water Forum Water Caucus meeting that he attended in December 2012.

GENERAL MANAGER'S REPORT

GM Churchill reported as follows:

1. Twenty-three District employees received recognition for superior attendance, outstanding customer service and quality of work during the month of December 2012. Directors were provided with a list of the employees and items for which each received recognition.
2. A list of the General Manager's significant assignments and activities was provided.
3. Directors were provided with a copy of the District's annual comparison of typical residential dwelling water rates in the region. The data is gathered from water agency and utility web sites or via direct request from the agencies and utilities. The 29 rates presented in the comparison are composed of 21 metered rates and 8 flat rates from 20 water agencies in the greater Sacramento region.

The point-in-time comparison shows that the water bill for a typical single family residence using 20 units (100 cubic feet, ccf) of water in a month ranges from \$30.47 to \$95.94 with a monthly average of \$54.69. This monthly average is 9.6 percent above last year's regional average of \$49.88. The District's typical metered rate for 20 ccf is \$39.83, which is 27.18 percent below the regional average. Similarly, when considering metered rates alone, the District's 2013 bimonthly service charge of \$51.54 is 17.07 percent below the region's average. Commodity (water usage) charges range from 32.69 percent to 41.01 percent below the region's average depending upon the rate tier.

4. Gerald H. "Jerry" Lee, the District's Water Distribution Supervisor, has announced his retirement from service to the District effective April 4, 2013. At that time he will have served the District for more than 34 years. More information regarding Mr. Lee's valuable service to the District will be provided as his retirement date nears.

CORRESPONDENCE

Correspondence was discussed and ordered filed as follows:

1. Letter dated December 20, 2012 to John Laird, Secretary, California Natural Resources Agency and Charles Hopping, Chairman, State Water Resources

Control Board, from CHWD and 37 other regional and local water purveyors and interests regarding the Bay-Delta Conservation Plan.

CLOSED SESSION

None

FUTURE MEETINGS

A list of upcoming Board meetings and other meetings related to the business of the District that may involve the participation of Directors or District staff was presented and reviewed.

OLD BUSINESS continued

Sacramento Local Agency Formation Commission Special District Advisory Committee, continued

Director Goforth stated that, upon further consideration, he would be interested in receiving the Board's nomination to serve on the Sacramento Local Agency Formation Commission (LAFCO) Special District Advisory Committee (SDAC). Directors expressed their support for Director Goforth's nomination.

It was moved by Director Dains, seconded by Director Dion and carried 3-0 to nominate Director David L. Goforth as a candidate for the Sacramento Local Agency Formation Commission (LAFCO) Special District Advisory Committee.

ADJOURNMENT

There being no other business to come before the Board, the meeting was adjourned at 8:32 p.m.

APPROVED:

ROBERT A. CHURCHILL
Secretary
Citrus Heights Water District

JOSEPH M. DION, President
Board of Directors
Citrus Heights Water District