



AGENDA
REGULAR MEETING OF THE BOARD OF DIRECTORS
District Board Room, 2890 Mosquito Road, Placerville, California
February 12, 2018 — 9:00 A.M.

Board of Directors

Michael Raffety—Division 3
President

Alan Day—Division 5
Vice President

George Osborne—Division 1
Director

Greg Prada—Division 2
Director

Dale Coco, MD—Division 4
Director

Executive Staff

Jim Abercrombie
General Manager

Brian D. Poulsen, Jr.
General Counsel

Jennifer Sullivan
Clerk to the Board

Jesse Saich
Communications

Brian Mueller
Engineering

Mark Price
Finance

Jose Perez
Human Resources

Tim Ranstrom
Information Technology

Margaret Washko
Operations

PUBLIC COMMENT: Anyone wishing to comment about items not on the Agenda may do so during the public comment period. Those wishing to comment about items on the Agenda may do so when that item is heard and when the Board calls for public comment. Public comments are limited to five minutes per person.

PUBLIC RECORDS DISTRIBUTED LESS THAN 72 HOURS BEFORE A MEETING: Any writing that is a public record and is distributed to all or a majority of the Board of Directors less than 72 hours before a meeting shall be available for immediate public inspection in the office of the Clerk to the Board at the address shown above. Public records distributed during the meeting shall be made available at the meeting.

AMERICANS WITH DISABILITIES ACT: In accordance with the Americans with Disabilities Act (ADA) and California law, it is the policy of El Dorado Irrigation District to offer its public programs, services, and meetings in a manner that is readily accessible to everyone, including individuals with disabilities. If you are a person with a disability and require information or materials in an appropriate alternative format; or if you require any other accommodation for this meeting, please contact the EID ADA coordinator at 530-642-4045 or email at adacoordinator@eid.org at least 72 hours prior to the meeting. Advance notification within this guideline will enable the District to make reasonable accommodations to ensure accessibility.

CALL TO ORDER

Roll Call
Pledge of Allegiance
Moment of Silence

ADOPT AGENDA

COMMUNICATIONS

General Manager's Employee Recognition

PUBLIC COMMENT

COMMUNICATIONS

General Manager
Clerk to the Board
Board of Directors

Brief reports on community activities, meetings, conferences and seminars attended by the Directors of interest to the District and the public.

APPROVE CONSENT CALENDAR

Action on items pulled from the Consent Calendar

CONSENT CALENDAR

1. Finance (Pasquarello)

Ratification of EID General Warrant Register for the period ending January 16, January 23 and January 30, 2018, and Employee Expense Reimbursements for this period.

Option 1: Ratify the EID General Warrant Register as submitted to comply with Section 24600 of the Water Code of the State of California. Receive and file Employee Expense Reimbursements.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Option 1.

2. Clerk to the Board (Sullivan)

Approval of the minutes of the January 22, 2018 regular meeting of the Board of Directors.

Option 1: Approve as submitted.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Option 1.

3. Operations / Engineering (Washko/Mueller)

Consideration to ratify Resolution No. 2017-014 to maintain the emergency declaration as a result of ongoing storm-related activities.

Option 1: Ratify Resolution No. 2017-014 (*thus maintaining the emergency declaration*).

Option 2: Decline to ratify Resolution No. 2017-014 (*thus terminating the emergency declaration*) or take other action as directed by the Board.

Option 3: Take no action (*thus terminating the emergency declaration*).

Recommended Action: Option 1 (*four-fifths vote required*).

4. Finance (Pasquarello)

Investment Report for the quarter ended December 31, 2017.

Option 1: Receive and file the Investment Report for the quarter ended December 31, 2017.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Option 1.

5. Finance (Downey)

Consideration to authorize funding for CIP Project No. 17001 for AMR/Small Meter Replacement as requested in the amount of \$200,000 and authorize the General Manager to approve purchases throughout the year in the not-to-exceed amount of \$200,000.

Option 1: Authorize funding for CIP Project No. 17001 for AMR/Small Meter Replacement as requested in the amount of \$200,000 and authorize the General Manager to approve purchases throughout the year in the not-to-exceed amount of \$200,000.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Option 1.

6. Finance (Pasquarello)

Funding approval for District Capital Improvement Plan (CIP) Projects.

Option 1: Authorize funding for the CIP project as requested in the amount of \$88,500.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Option 1.

7. Information Technology (Ranstrom)

Consideration to authorize the General Manager to renew four existing software support and maintenance agreements for the District’s utility operations and information technology (IT) infrastructure software suites with current vendors Infor, E and M, and CDW-G for one-year terms not to exceed the budgeted amount of \$380,000.

Option 1: Authorize the General Manager to award renewals during this calendar year of existing software support and maintenance agreements for the District’s core utility operations and information technology infrastructure software suites with current vendors Infor, E and M, and CDW-G for one-year terms not to exceed the budgeted amount of \$380,000.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Option 1.

8. Information Technology (Ranstrom)

Consideration to award a contract to Proud Audio-Visual in the not-to-exceed amount of \$49,998.49 for audio-visual equipment and services; and authorize project funding of \$55,000 for the Sly Park Conference Room Audio-Visual System Replacement Project.

Option 1: Award a contract to Proud Audio-Visual in the not-to-exceed amount of \$49,998.49 for audio-visual equipment and services; and authorize project funding of \$55,000 for the Sly Park Conference Room Audio-Visual System Replacement Project.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Option 1.

9. Board of Directors (Raffety)

Consideration to appoint Director Osborne to the temporary advisory committee established by the Board on December 11, 2017, to negotiate employment contract amendments with the General Manager and General Counsel.

Option 1: Concur with President Raffety’s appointment of Director Osborne to the temporary advisory committee established by the Board on December 11, 2017, to negotiate employment contract amendments with the General Manager and General Counsel.

Option 2: Take other action.

Option 3: Take no action.

Recommended Action: Option 1.

END OF CONSENT CALENDAR

ACTION ITEMS

10. Finance (Downey/Price)

Consideration to change the funding for the low-income assistance program for District residential wastewater customers only.

Option 1: Authorize staff to change funding for low-income rate assistance program for sewer customers from property taxes to first use Board wastewater discretionary revenue funds and then property taxes when those funds are exhausted.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Board decision.

11. Finance (Price)

Consideration of a 3% reduction in the District's wastewater rates for 2018 or an adjustment to the forecasted 3% wastewater rate increases for 2019-2022 down to 2% annually.

Option 1: Reduce the District's wastewater rates by 3% in 2018.

Option 2: Adjust the District's wastewater rate increases in financial forecast to 2% for 2019-2022.

Option 3: Take other action as directed by the Board.

Option 4: Take no action.

Recommended Action: Option 4.

12. Office of the General Counsel / Engineering (Leeper/Corcoran)

Consideration to award a contract to Ascent Environmental Inc. in the not-to-exceed amount of \$157,409, for professional technical services in support of the District's proposed project to establish additional authorized points of diversion for Water Right Permit 21112, and authorize total funding of \$192,409 for the Permit 21112 Change in Point of Diversion, Project No. 16003.

Option 1: Award a contract to Ascent Environmental Inc. in the not-to-exceed amount of \$157,409, for professional technical services in support of the District's proposed project to establish additional authorized points of diversion for the District's Water Right Permit 21112, and authorize total funding of \$192,409 for the Permit 21112 Change in Point of Diversion, Project No. 16003.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Recommended Action: Option 1.

CLOSED SESSION

A. Conference with General Counsel – Existing Litigation

Government Code Section 54956.9(d)(1): *Throne et al. v. El Dorado Irrigation District*, Superior Court of El Dorado County, Case No. 20180026

B. Conference with Real Property Negotiators

Government Code Section 54956.8:

Property: 7355 Highway 50, Assessor's Parcel Number 009-600-03

District negotiators: General Manager, General Counsel

Under negotiation: price and terms of payment for purchase

Negotiating parties: Novasel & Schwarte Invest, Inc., and Tom Roslee, Listing Agent

C. Conference with General Counsel – Existing Litigation

Government Code Section 54956.9(d)(1): Petition requesting change in water rights of the Department of Water Resources and the U.S. Bureau of Reclamation for the California WaterFix Project, State Water Resources Control Board, no case number

D. Conference with General Counsel – Anticipated Litigation

Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2): (one potential case involving the death of an individual in the District's Camino conduit pipeline)

E. Conference with General Counsel – Anticipated Litigation

Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (h): (one potential case: District and Director Prada responses to California Public Record Act requests from Tom Cumpston)

REVIEW OF ASSIGNMENTS

ADJOURNMENT

TENTATIVELY SCHEDULED ITEMS FOR FUTURE MEETINGS

Engineering

- FERC license overview, Information, February 26 (Deason)
- Request for approval of a Utility Agreement and project funding for the Diamond Springs Parkway Phase IA project, Action, February 26 (Wells)
- Strawberry WTP raw water pump station replacement design contract, Action, March (Wilson)
- Flume 47C replacement design contract, Action, March (Mutschler)
- Solar Basis of Design Report, Action, March (Money)
- Forebay dam remediation update, Information, March (Kessler)

EL DORADO IRRIGATION DISTRICT

Subject: Ratification of EID General Warrant Register for the period ending January 16, January 23 and January 30, 2018, and Employee Expense Reimbursements for this period.

Previous Board Action

February 4, 2002 – The Board approved to continue weekly warrant runs, and individual Board member review with the option to pull a warrant for discussion and Board ratification at the next regular Board meeting.

August 16, 2004 – Board adopted the Board Expense Payments and Reimbursement Policy.

August 15, 2007 – The Board re-adopted the Board Expense Payments and Reimbursement Policy as Board Policy 12065 and Resolution No. 2007-059.

Board Policies (BP), Administrative Regulations (AR) and Board Authority

Section 24600 of the Water Code of the State of California provides no claim is to be paid unless allowed by the Board.

Summary of Issue

The District's practice has also been to notify the Board of proposed payments by email and have the Board ratify the Warrant Registers. Copies of the Warrant Registers are sent to the Board of Directors on the Friday preceding the Warrant Register's date. If no comment or request to withhold payment is received from any Director by the following Tuesday morning, the warrants are mailed out and formal ratification of said warrants is agendaized on the next regular Board agenda.

On April 1, 2002, the Board requested staff to expand the descriptions on the Warrant Registers and modify the current format of the Warrant Registers.

On July 30, 2002, the Board requested staff to implement an Executive Summary to accompany each Warrant Register which includes all expenditures greater than \$3,000 per operating and capital improvement plan (CIP) funds.

Staff Analysis/Evaluation

Warrant register submitted for January 16, January 23, and January 30, 2018 totaling \$1,913,141.10, and Employee Expense Reimbursements for these periods.

Current Warrant Register Information

Warrants are prepared by Accounts Payable; reviewed and approved by the Accounting Manager; the Director of Finance and the General Manager or their designee.

<u>Register Date</u>	<u>Check Numbers</u>	<u>Amount</u>
January 16, 2018	665241 – 665372	\$ 815,728.56
January 23, 2018	665373 – 665498	\$ 837,787.70
January 30, 2018	665499 – 665599	\$ 259,624.84

Current Board/Employee Expense Payments and Reimbursement Information

The items paid on Attachment B are expense and reimbursement items that have been reviewed and approved by the Clerk to the Board, Accounting Manager and the General Manager before the warrants are released. These expenses and reimbursements are for activities performed in the interest of the District in accordance with Board Policy 12065 and Resolution No. 2007-059.

Additional information regarding employee expense reimbursement is available for copying or public inspection at District headquarters in compliance with Government Code Section 53065.5.

Board Decision/Options

Option 1: Ratify the EID General Warrant Register as submitted to comply with Section 24600 of the Water Code of the State of California. Receive and file Employee Expense Reimbursements.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Staff/General Manager’s Recommendation

Option 1.

Support Documents Attached

Attachment A: Executive Summaries

Attachment B: Employee Expenses/Reimbursements totaling \$100 or more

Tony Pasquarello

Tony Pasquarello
Finance Manager

Mark Price

Mark Price
Finance Director (CFO)

Jennifer Sullivan

Jennifer Sullivan
Clerk to the Board

Jim Abercrombie

Jim Abercrombie
General Manager

Executive Summary for January 16, 2018 -- \$815,728.56:

This summary highlights significant disbursements made by major business activity:

Development Services (Fund 105)

- \$15,043—Domenichelli and Associates, Inc. for construction inspection services

General District Operations (Fund 110)

- \$16,985—AT&T for phone service
- \$17,372—Dataprose, LLC for December billing services
- \$83,000—ESRI Environmental Systems Research Institute, Inc. for annual GIS software maintenance
- \$47,400—Gartner, Inc. for IT advisory and research service
- \$3,811—Hunt & Sons, Inc. for motor oil and fuel deliveries at various locations
- \$4,650—Les Schwab Tire Centers of California, Inc. for tires
- \$9,293—PG&E for electric service

Engineering Operations (Fund 210)

- \$7,160—Tully & Young, Inc. for water hydrology support services

Water Operations (Fund 310)

- \$3,369—Desert Diamond Industries, LLC for asphalt/concrete blades
- \$4,126—Grainger for operating supplies, small tools, and repair supplies
- \$169,178—PG&E for electric service
- \$35,676—Sterling Water Technologies, LLC for polymer at Reservoir A

Wastewater Operations (Fund 410)

- \$11,223—Denali Water Solutions, LLC for sludge hauling and disposal at EDHWWTP
- \$7,948—Duperon Corporation for transmission parts and service
- \$3,766—El Dorado Disposal Service, Inc. for grit hauling at Bass Lake and EDHWWTP and garbage service at DCWWTP
- \$7,305—Flo-Line Technology, Inc. for two submersible pumps and pump repair parts
- \$6,282—Hach Company for SCADA data system setup
- \$138,899—PG&E for electric service

Recycled Water Operations (Fund 510)

- \$7,007—PG&E for electric service

Hydroelectric Operations (Fund 610)

- \$8,105—PG&E for electric service

Recreation Operations (Fund 710) none to report

Capital Improvement Projects (Construction Funds 140, 340, 440, 540, 640 and 740)

- \$32,983—Domenichelli and Associates, Inc. for engineering design services:
 - >Project #16025.01 – Town Center Force Main Phase 2 (\$1,450)
 - >Project #06082H.01 – FERC:C50.1 Silver Lake (\$8,698)
 - >Project #14003.01 – Reservoir 3 Tank Upgrade (\$675)
 - >Project #17024.01 – Moose Hall PRS Upgrade (\$6,015)
 - >Project #17021.01 – Fall Protection/Lift Stations (\$6,310)
 - >Project #17031.01 – Forest Road Waterline Relocation (\$5,050)
 - >Project #16040.01 – Carson Creek 2 and Business Park 3 Lift Stations Abandonment (\$4,785)
- \$47,268—GHD, Inc. for engineering services:
 - >Project #13013.01 – Tank 7 In-Conduit Hydro (\$1,005)
 - >Project #14024.01 – Flume 44 Replacement (\$46,263)
- \$9,407—Golden State Flow Measurement, Inc. for 55 meter transceiver units – Polaris Road Waterline Replacement (Project #15029.01)
- \$10,590—HydroScience Engineers, Inc. for engineering design services – South Point Lift Station Upgrade (Project #16008.01)
- \$16,714—Mining Construction, Inc. for construction services – Esmeralda Tunnel (Project #14029.01)
- \$16,416—Stantec Consulting Services, Inc. for engineering services – Main Ditch-Forebay to Reservoir 1 (Project #11032.01)
- \$6,422—Youngdahl & Associates, Inc. for on-call geotechnical services – Town Center Force Main Phase 2 (Project #16025.01)

Executive Summary for January 23, 2018 -- \$837,787.70:

This summary highlights significant disbursements made by major business activity:

General District Operations (Fund 110)

- \$12,973—CDW Government for software support services
- \$9,457—Hunt & Sons, Inc. for card lock fuel and fuel deliveries at various locations
- \$3,102—KWA Safety and Hazmat Consultants, Inc. for air sampling services
- \$9,293—PG&E for electric service
- \$3,225—Pro-Line Cleaning Services, Inc. for December janitorial services
- \$3,243—Riverview International Trucks, LLC for transmission parts and repair service

Engineering Operations (Fund 210) none to report

Water Operations (Fund 310)

- \$5,992—Motion Industries for 20 journal bearings
- \$169,178—PG&E for electric service
- \$3,356—Rexel, Inc. for an energy monitor and communications module
- \$33,141—U.S. Bureau of Reclamation for Sly Park restoration fees and Folsom water deliveries

Wastewater Operations (Fund 410)

- \$7,702— CLS Labs for regulatory lab testing
- \$5,624—Edges Electrical Group, LLC for electrical parts
- \$138,899—PG&E for electric service
- \$14,236—Suez Treatment Solutions, Inc. for 480 UV disinfection lamps
- \$7,995—Univar USA, Inc. for caustic soda at EDHWWTP

Recycled Water Operations (Fund 510)

- \$7,007—PG&E for electric service
- \$3,732—Univar USA, Inc. for caustic soda at DCWWTP

Hydroelectric Operations (Fund 610)

- \$8,095—PG&E for electric service
- \$8,455—Wilbur-Ellis Company, LLC for vegetation control supplies

Recreation Operations (Fund 710) none to report

Capital Improvement Projects (Construction Funds 140, 340, 440, 540, 640 and 740)

- \$5,584—Aecom Technical Services, Inc. for environmental studies – FERC C46-9 Recreation Resource (Project #06098H.01)
- \$3,150—BT Consulting, Inc. for engineering services:
 - >Project #17003.01 – Hazardous Mitigation Canal Failure Downstream Flume 10 (\$2,400)
 - >Project #17008.01 – Hazardous Mitigation Flume 9 (\$750)
- \$4,072—Burluson Consulting, Inc. for biological monitoring services – Forebay Dam Modifications (Project #17013.01)
- \$12,045— Domenichelli and Associates, Inc. for engineering design services – Tank 7 In-Conduit Hydro Assessment (Project #13013.01)
- \$72,509— Flo-Line Technology, Inc. for submersible pumps for 2017 WW Equipment Replacement Program:
 - >Project #17009.02 – Browns Ravine #2 (\$6,447)
 - >Project #17009.03 – El Dorado Lift Station (\$17,904)
 - >Project #17009.07 – Marina Hills (\$17,827)
 - >Project #17009.09 – Pioneer Place (\$18,905)
 - >Project #17009.12 – Browns Ravine #1 (\$11,426)
- \$5,640—Frisch Engineering, Inc. for power and control system design services – Project 184 SCADA Hardware Replacement (Project #14041.01)
- \$103,585—GHD, Inc. for engineering services:
 - >Project #14024.01 – Flume 44 Canal Conversion (\$11,921)
 - >Project #17003.01 – Hazardous Mitigation Canal Failure Downstream Flume 10 (\$3,966)
 - >Project #17003.02– SAD Bridge (\$229)
 - >Project #17007.03– Flume 45A Wall/Slide #3 (\$31,724)
 - >Project #17008.01 – Hazardous Mitigation at Flume 9 (\$55,745)
- \$13,540—HydroScience Engineers, Inc. for engineering design services:
 - >Project #14038.01 – EDHWWTP Dissolved Air Floatation Tank (\$2,250)
 - >Project #16040.01 – Carson Creek 2 and Business Park 3 Lift Stations Abandonment (\$11,155)
 - >Project #17020.01 – WW Collection System Pipeline (\$135)
- \$18,984—Meyers, Nave, Riback, Silver & Wilson for legal representation – Camp 2 Bridge Replacement (Project #06030H.01)
- \$4,290—Nline Energy, Inc. for engineering and design services – Tank 7 In-Conduit Hydro Assessment (Project #13013.01)
- \$69,646—TCB Industrial, Inc. for engineering services (\$73,312) – Tank 7 In-Conduit Hydro Assessment (Project #13013.01). Retention held \$3,666

Executive Summary for January 30, 2018 -- \$259,624.84:

This summary highlights significant disbursements made by major business activity:

General District Operations (Fund 110)

- \$85,083—Association of California Water Agencies/JPIA for fourth quarter 2017 workers compensation insurance
- \$8,057—Hunt & Sons, Inc. for card lock fuel and fuel deliveries at various locations

Engineering Operations (Fund 210)

- \$16,068—CASA for 2018 agency dues

Water Operations (Fund 310)

- \$4,125—Quantum Resolve Incorporated for SSRS consulting services
- \$8,937—R.F. MacDonald Company for mechanical seal parts and repairs
- \$4,000—U.S. Bureau of Reclamation for annual Folsom Lake Raw Water permit fee
- \$3,446—Univar USA, Inc. for caustic soda at Reservoir 1

Wastewater Operations (Fund 410)

- \$4,974—Industrial Electrical Company for motor parts and repairs
- \$4,004—Robertson-Bryan, Inc. for regulatory compliance services
- \$4,735—Univar USA, Inc. for caustic soda at EDHWWTP

Recycled Water Operations (Fund 510) none to report

Hydroelectric Operations (Fund 610) none to report

Recreation Operations (Fund 710) none to report

Capital Improvement Projects (Construction Funds 140, 340, 440, 540, 640 and 740)

- \$5,028—Frank A. Olsen Company for a pump control valve – Sly Park Hills Pump Rehab (Project #17044.01)
- \$17,200—GEI Consultants, Inc. for engineering services:
 - >Project #06082H.01 – FERC:C50.1 Silver Lake (\$11,325)
 - >Project #15016.01 – FERC:C50.2 Caples Lake Campground (\$5,875)
- \$9,978—GHD, Inc. for engineering services:
 - >Project #17027.01 – Spillway 3 Crib Wall Replacement (\$9,673)
 - >Project #11032.01 – Main Ditch-Forebay to Reservoir 1 (\$305)
- \$31,589—Stantec Consulting Services, Inc. for engineering services – Main Ditch-Forebay to Reservoir 1 (Project #11032.01)

Employee Expenses/Reimbursements
Warrant Registers dated 01/16/18 - 01/30/18

EMPLOYEE	DESCRIPTION	AMOUNT
Dustin Stoneback	Small Water Systems Operator Course Fee	\$119.55
William Petterson	Water Distribution Operator Certification Renewal	\$105.00
Radenko Odzakovic	Water Distribution Operator Certification Renewal	\$105.00
		\$329.55



MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS
 District Board Room, 2890 Mosquito Road, Placerville, California
 January 22, 2018 — 9:00 A.M.

Board of Directors

Michael Raffety—Division 3
 President

Alan Day—Division 5
 Vice President

George Osborne—Division 1
 Director

Greg Prada—Division 2
 Director

Dale Coco, MD—Division 4
 Director

Executive Staff

Jim Abercrombie
 General Manager

Brian D. Poulsen, Jr.
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Jennifer Sullivan
 Clerk to the Board

Jesse Saich
 Communications

Brian Mueller
 Engineering

Mark Price
 Finance

Jose Perez
 Human Resources

Tim Ranstrom
 Information Technology

Margaret Washko
 Operations

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CALL TO ORDER

President Raffety called the meeting to order at 9:00 A.M.

Roll Call Board

Present: Directors Osborne, Prada, Raffety, Coco and Day

Staff

Present: General Manager Abercrombie, General Counsel Poulsen and Clerk to the Board Sullivan

Pledge of Allegiance and Moment of Silence

President Raffety led the Pledge of Allegiance followed by a moment of silence dedicated “to our troops currently working without pay” and read a Winston Churchill quote: “Every man should ask himself each day whether he is not too readily accepting negative solutions.”

ADOPT AGENDA

ACTION: Agenda was adopted.

MOTION PASSED

Ayes: Directors Coco, Osborne, Prada, Raffety and Day

COMMUNICATIONS

General Manager’s Employee Recognition

Awards and Recognitions

- a) Welcome to the District, Jennifer Ehrhart. Jennifer has been hired to the position of Finance Assistant I in the Utility Billing Division.

PUBLIC COMMENT

Dr. Ali Ghorbanzadeh, El Dorado Hills

COMMUNICATIONS

General Manager

Staff Reports and Updates

None

Clerk to the Board

None

Board of Directors

Director Osborne commented on a recent meeting he attended with the Apple Hill Growers Association. He also mentioned a visit to Sly Park with EID Recreation Manager Greg Hawkins and a forester to view the impact of the tree beetle infestation.

Director Coco commented on his meeting with a legislative analyst from the State Water Resources Control Board (SWRCB) to discuss some of SWRCB’s proposed regulations and legislation.

Directors Raffety and Day requested an update on SWRCB’s proposed legislation, when appropriate.

APPROVE CONSENT CALENDAR

Director Coco seconded the motion to approve the Consent Calendar but momentarily absent during the vote.

ACTION: Consent Calendar was approved.

MOTION PASSED

Ayes: Directors Prada, Osborne, Raffety and Day

Absent: Director Coco

CONSENT CALENDAR

1. Finance (Pasquarello)

Ratification of EID General Warrant Register for the period ending January 9, 2018, and Board and Employee Expense Reimbursements for this period.

ACTION: Option 1: Ratified the EID General Warrant Register as submitted to comply with Section 24600 of the Water Code of the State of California. Received and filed Board and Employee Expense Reimbursements.

MOTION PASSED

Ayes: Directors Prada, Osborne, Raffety and Day

Absent: Director Coco

2. Clerk to the Board (Sullivan)

Approval of the minutes of the January 8, 2018 regular meeting of the Board of Directors.

ACTION: Option 1: Approved as submitted.

MOTION PASSED

Ayes: Directors Prada, Osborne, Raffety and Day

Absent: Director Coco

3. Operations / Engineering (Washko/Mueller)

Consideration to ratify Resolution No. 2017-014 to maintain the emergency declaration as a result of ongoing storm-related activities.

ACTION: Option 1: Ratified Resolution No. 2017-014 (*thus maintaining the emergency declaration*).

MOTION PASSED

Ayes: Directors Prada, Osborne, Raffety and Day

Absent: Director Coco

4. Finance (Pasquarello)

Funding approval for District Capital Improvement Plan (CIP) Projects.

ACTION: Option 1: Authorized funding for the CIP projects as requested in the amount of \$85,000.

MOTION PASSED

Ayes: Directors Prada, Osborne, Raffety and Day

Absent: Director Coco

5. Finance (Pasquarello)

Consideration to adopt resolutions certifying signatures on the District's checking accounts.

ACTION: Option 1: Adopted Resolution Nos. 2018-001 and 2018-002, certifying signatures for the Bank of America and El Dorado Savings Bank checking accounts.

MOTION PASSED

Ayes: Directors Prada, Osborne, Raffety and Day

Absent: Director Coco

6. Engineering (Corcoran)

Consideration to award a contract to All Pro Backflow Inc. in the not-to-exceed amount of \$171,727.50, for 2018 backflow prevention assembly testing services with the option to extend the contract annually through 2020.

ACTION: Option 1: Awarded a contract to All Pro Backflow Inc. in the not-to-exceed amount of \$171,727.50, for 2018 backflow prevention assembly testing services with the option to extend the contract annually through 2020.

MOTION PASSED

Ayes: Directors Prada, Osborne, Raffety and Day

Absent: Director Coco

END OF CONSENT CALENDAR

DIRECTOR ITEM

7. Board of Directors (Coco)

Consideration to agendize an action item for the February 12, 2018 regular Board meeting to consider a funding change for the low-income assistance program for District residential wastewater customers only.

ACTION: Option 1: Agendized an action item for the February 12, 2018 regular Board meeting to consider a funding change for the low-income assistance program for District residential wastewater customers only.

MOTION PASSED

Ayes: Directors Coco, Osborne, Prada, Raffety and Day

ACTION ITEMS

8. Finance / Engineering (Price/Mueller)

Consideration of a 10% reduction in the District's wastewater rates.

Clerk to the Board Sullivan reported that the District received 6 emails relating to this item. Copies of the emails were provided to each Board member.

Public Comment: Tom Heflin, Camino

MOTION: Main motion by Director Osborne and seconded by Director Raffety to approve option 3 and take no action.

MOTION FAILED

Ayes: Directors Osborne and Raffety

Noes: Directors Prada, Coco and Day

MOTION: Substitute Motion by Director Day and seconded by Director Prada to approve option 1 and reduce District's wastewater rates by 10% in 2018.

MOTION FAILED

Ayes: Directors Day and Prada

Noes: Directors Osborne, Raffety and Coco

MOTION: Main motion by Director Coco and seconded by Director Day to approve option 2 and take other action as directed by the Board and directed staff to bring an action item for Board consideration showing the difference between the elimination of the approved 3% wastewater rate increase and a decrease in the ongoing 3% wastewater rate increase in an updated 5-year financial plan during an upcoming regular Board meeting.

MOTION: Substitute motion by Director Raffety and seconded by Director Osborne to approve option 2 and take other action as directed by the Board and bring an action item for Board consideration that shows a 2% wastewater rate increase in an updated 5-year financial plan during an upcoming regular Board meeting.

MOTION FAILED

Ayes: Directors Osborne and Raffety

Noes: Directors Prada, Coco and Day

ACTION: Option 2: Took other action as directed by the Board.

Directed staff to bring an action item for Board consideration showing the difference between the elimination of the approved 3% wastewater rate increase and a decrease in the ongoing 3% wastewater rate increase in an updated 5-year financial plan during an upcoming regular Board meeting.

MOTION PASSED

Ayes: Directors Coco, Day and Osborne

Noes: Directors Prada and Raffety

CLOSED SESSION

A. Conference with General Counsel –Anticipated Litigation (Poulsen)

Significant Exposure to Litigation pursuant to Government Code Section 54956.9(d)(2), (e)(3), & (e)(5): Statement threatening litigation regarding Claim NO. 17-1796, made by Eric Benink on January 5, 2018

ACTION: The Board met and conferred with counsel. On a motion by Director Coco, seconded by Director Osborne and approved on a 4-0 vote with Director Prada abstaining from the vote, the Board authorized the General Counsel to retain outside counsel to represent the District in the litigation referenced and authorized funding for up to \$250,000, toward the subject litigation.

REVIEW OF ASSIGNMENTS

Director Osborne requested that staff bring an item to the Board to address the beetle infestation at the Sly Park Recreation area.

ADJOURNMENT

President Raffety adjourned the meeting at 11:13 A.M.

Michael Raffety
Board President
EL DORADO IRRIGATION DISTRICT

ATTEST:

Jennifer Sullivan
Clerk to the Board
EL DORADO IRRIGATION DISTRICT

Approved: _____

EL DORADO IRRIGATION DISTRICT

Subject: Consideration to ratify Resolution No. 2017-014 to maintain the emergency declaration as a result of ongoing storm-related activities.

Previous Board Actions

February 13, 2017 – Board adopted Resolution No. 2017-007 declaring an emergency under the Public Contract Code and Public Resources Code as a result of recent and ongoing storm activities; ratified a construction contract to Doug Veerkamp General Engineering for emergency replacement of a failed section of the Town Center force main; ratified a pumping and hauling contract to Doug Veerkamp for emergency pumping of raw sewage from the El Dorado lift station; ratified a pumping and hauling contract with Advance Septic for emergency pumping of raw sewage from the Camino Heights wastewater treatment plant; and authorized and directed the General Manager and his designees to take all further actions reasonably deemed necessary to respond to the emergency.

February 27, 2017 – Board ratified Resolution No. 2017-007 to maintain the emergency declaration and ratified contracts awarded to Doug Veerkamp for landslide stabilization and Syblon Reid General Engineering Contractors (SRC) for drainage diversion, access road development, landslide stabilization and canal repair near Flumes 5 and 10.

March 13, 2017 – Board ratified Resolution No. 2017-007 to maintain the emergency declaration; ratified a professional services contract with GHD Inc. in the amount of \$150,000 for geotechnical and engineering services; awarded a construction contract to Syblon Reid Contractors in the not-to-exceed amount of \$5,780,386 and approved total project funding in the amount of \$8,855,343 for Flume 10 construction.

March 27, 2017 – Board ratified Resolution No. 2017-007 to maintain the emergency declaration.

April 10, 2017 –

- Ratified Resolution No. 2017-007 to maintain the emergency declaration;
- Ratified professional services Change Order No. 1 with GHD Inc. in the not-to-exceed amount of \$600,224;
- Ratified construction contract Change Order No. 1 for Doug Veerkamp General Engineering in the not-to-exceed amount of \$300,000;
- Approved Change Order No. 2 with GHD Inc. in the not-to-exceed amount of \$1,310,016;
- Approved a construction contract Change Order No. 1 to SRC in the not-to-exceed amount of \$4,024,404;
- Awarded a construction contract to Doug Veerkamp General Engineering in the not-to-exceed amount of \$1,462,479 for slides at Flume 45A; and
- Approved project funding of \$5,970,595 for the following projects:
 - \$3,044,560, Project No. 17004.01 (Hazard Mitigation at Flume 5);
 - \$987,030, Project No. 17008.01 (Hazard Mitigation at Flume 9);
 - \$568,588, Project No. 17007.01 (Hazard Mitigation #1 downstream Flume 45A);
 - \$1,220,417, Project No. 17007.03 (Hazard Mitigation #3 downstream Flume 45A);
 - \$150,000, Project No. 17002.01 (Town Center Force Main Emergency Replacement Phase 2 Schedule B).

May 22, 2017 – Board adopted Resolution 2017-014 to update the emergency declaration resulting from the 2017 storm activity.

June 12, 2017 – Board ratified Resolution No. 2017-014 to maintain the emergency declaration.

July 24, 2017 – Board ratified Resolution No. 2017-014 to maintain the emergency declaration as a result of the 2017 storm activity and ratified the construction contract with Mining Construction Inc. in the not-to-exceed amount of \$539,677.

August 14 and August 28, 2017 – Board ratified Resolution No. 2017-014 to maintain the emergency declaration.

September 11, 2017 – Board ratified Resolution No. 2017-014 to maintain the emergency declaration and ratified a contract amendment to GHD in the not-to-exceed amount of \$55,000 for inspection services on the Montclair Townhome sewer repair project.

October 10, 2017 – Board ratified Resolution No. 2017-014 to maintain the emergency declaration as a result of ongoing storm activities, and was updated on the status of the SAD bridge repair.

October 23, November 13 and December 11, 2017 – Board ratified Resolution No. 2017-014 to maintain the emergency declaration.

January 8, and January 22, 2018 – Board ratified Resolution No. 2017-014 to maintain the emergency declaration.

Board Policies (BP), Administrative Regulations (AR), and Board Authority

Public Contract Code section 22050(a)(1) provides that in the case of an emergency, a public agency, pursuant to a four-fifths vote of its governing body, may repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts. Subsection (c)(1) of that statute requires the governing body to review the emergency action at its next regularly scheduled meeting and at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action.

Public Contract Code sections 1102, 20567, and 22050 authorize the District to forgo public bidding requirements in emergency circumstances.

Public Resources Code section 21080(b) and CEQA Guidelines section 15269 exempt emergency projects from the requirements of the California Environmental Quality Act (“CEQA”).

Summary of Issue(s)

On February 13, 2017, the Board unanimously adopted Resolution 2017-007 declaring an emergency as a result of the severe storms during January and February of 2017 and subsequently adopted Resolution 2017-014 to update the declaration. For the emergency declaration to remain in effect, the Board must find (by four-fifths vote for bidding and contracting purposes) at each regular Board meeting that the need for the emergency action still exists. The Board can do so today by ratifying Resolution No. 2017-014.

Staff Analysis/Evaluation

There have been over 40 separate storm related work tasks that have been documented since January 7, 2017. The remaining work is primarily related to the repair of the failure near Flume 10. However, due to oversaturated soil conditions, ongoing construction work has been limited to inspection and maintenance of erosion control systems required by the State Water Resources Control Board. The remaining work includes completion of the final site grading, access road, Alarm 3, permanent fencing, security gate, and permanent erosion control. As long as active construction work authorized under the emergency declaration continues, staff recommends the Board continue to maintain the emergency declaration.

Board Decisions/Options

Option 1: Ratify Resolution No. 2017-014 (*thus maintaining the emergency declaration*).

Option 2: Decline to ratify Resolution No. 2017-014 (*thus terminating the emergency declaration*) or take other action as directed by the Board.

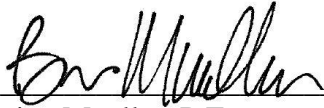
Option 3: Take no action (*thus terminating the emergency declaration*).

Staff/General Manager's Recommendation

Option 1 (*four-fifths vote required*)

Supporting Documents Attached

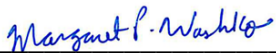
Attachment A: Resolution No. 2017-014



Brian Mueller, P.E.
Engineering Director



Mark Price
Finance Director



Margaret P. Washko, P.E.
Operations Director



Brian Poulsen
General Counsel



Jim Abercrombie
General Manager

**RESOLUTION OF THE BOARD OF DIRECTORS OF
EL DORADO IRRIGATION DISTRICT
DECLARING AN EMERGENCY**

WHEREAS, El Dorado County received intense rainfall during the early months of 2017, saturating soils and causing collapses, soil failures, and earth movement all around the County; and

WHEREAS, multiple significant collapses of soil occurred on the District’s El Dorado Canal, resulting in the canal being taken out of service; and

Whereas, multiple slope failures occurred on District property off of 8-mile Road in Pollock Pines; and

WHEREAS, such storm activity has overwhelmed the District’s wastewater collections facilities at the El Dorado Lift Station and the Camino Heights Wastewater Treatment Plant increasing the risk of sanitary sewer overflows; and

WHEREAS, the District has encountered a break of a sanitary sewer collection main pipeline, the Town Center force main; and

WHEREAS, slope failure over a District sewer line near Montclair Road in Cameron Park has put the sewer pipeline at unacceptable risk of failure; and

WHEREAS, District staff have undertaken over 40 separate storm related work tasks since January 7, 2017 as a result of the incidents described above; and

WHEREAS, on February 13, 2017, the District’s Board of Directors adopted Resolution No. 2017-007, declaring an emergency within the meaning of several statutes included in the Government, Public Resources, and Public Contract Codes and directed the District General Manager and his designees to take all actions reasonably deemed necessary to respond to the emergency declared therein; and

WHEREAS, the District’s Board of Directors ratified Resolution No. 2017-007 at its regularly held Board meetings on February 27, March 13, March 27, and April 10; and

WHEREAS, as a result of continuously developing conditions, there exists real and reasonable potential for the District to discover and/or experience additional damage to critical infrastructure necessitating immediate repair; and

WHEREAS, all of these occurrences require prompt action to prevent or mitigate impairment to life, health, safety, property, and/or essential public services; and

///

1 WHEREAS, Government Code section 54956.5(a)(1) defines “emergency” as “a work stoppage,
2 crippling activity, or other activity that severely impairs public health, safety, or both, as determined by
3 a majority of the members of the legislative body;” and

4 WHEREAS, Government Code section 54956.5(a)(2) defines “dire emergency” as “a crippling
5 disaster, mass destruction, terrorist act, or threatened terrorist activity that poses peril so immediate
6 and significant that requiring a legislative body to provide one-hour notice before holding an
7 emergency meeting may endanger the public health, safety, or both, as determined by a majority of the
8 members of the legislative body;” and

9 WHEREAS, Public Contract Code section 1102 defines “emergency” as “a sudden, unexpected
10 occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate
11 the loss or impairment of life, health, property, or essential public services;” and

12 WHEREAS, CEQA Guidelines section 15359 defines “emergency” as “a sudden, unexpected
13 occurrence, involving a clear and imminent danger, demanding immediate action to prevent or mitigate
14 loss of, or damage to life, health, property, or essential public services;” and

15 WHEREAS, Government Code section 54956.5(b)(1) and (2) authorize legislative bodies to hold
16 emergency meetings in the case of an emergency or dire emergency involving matters upon which
17 prompt action is necessary due to the disruption or threatened disruption of public facilities; and

18 WHEREAS, District Board Policy 2050 authorizes the District’s General Manager to act “in
19 emergency situations where no Board Policies or Administrative Regulations exist;” and

20 WHEREAS, Public Contract Code sections 22050(a)(1) and 20567 authorize irrigation districts
21 to let contracts without notice for bids in case of an emergency; and

22 WHEREAS, Public Contract Code section 22050(b)(1) authorizes the Board of Directors, by a
23 four-fifths (4/5ths) vote, to delegate to the General Manager the authority to order any action pursuant
24 to paragraph (1) of subdivision (a); and

25 WHEREAS, District Board Policy 3060, delegates to the General Manager authority to approve
26 any and all contracts necessary to abate an emergency after first informing the President of the Board
27 of Directors and scheduling an emergency meeting of the Board of Directors at the earliest possible
opportunity; and

WHEREAS, Public Resources Code section 21080(b)(2) exempts from the California
Environmental Quality Act (CEQA) emergency repairs to public service facilities necessary to
maintain services; and

1 WHEREAS, Public Resources Code section 21080(b)(4) and CEQA Guidelines section 15269(c)
2 exempt from CEQA specific actions necessary to prevent or mitigate an emergency from CEQA;

3 NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Board of Directors of the
4 El Dorado Irrigation District (Board) as follows:

- 5 1. The Board finds and declares that an emergency situation exists within the meaning of the
6 enactments listed below:

7 Public Contract Code section 11102

8 CEQA Guidelines section 15359

9 Public Contract Code section 20567

10 District Board Policy 3060

11 Public Contract Code section 22050(a)(1)

12 Public Resources Code section 21080(b)(2)

13 Public Resources Code section 21080(b)(4) and CEQA Guidelines section 15269(c)

- 14 2. The foregoing findings and declarations are based upon written, oral, and visual evidence,
15 including both facts and professional opinions, presented to the Board at the hearing of this
16 Resolution and upon the Minutes of the meeting at which this Resolution was adopted.
- 17 3. The Board hereby ratifies all actions taken by the District General Manager and his
18 designees, prior to the adoption of this Resolution, which the General Manager and his
19 designees reasonably deemed necessary to respond to the emergency declared herein.
- 20 4. The Board hereby delegates, authorizes, and directs the District General Manager and his
21 designees to take all further actions reasonably deemed necessary to respond to the
22 emergency declared herein. The General Manager or his designees shall report to and seek
23 ratification of the Board of Directors for each action taken in excess of their normal
24 authority, at the first regular Board of Directors meeting held after each such action.
- 25 5. This Resolution shall take effect immediately upon adoption, and shall supersede
26 Resolution No. 2017-007. Subject to the ratification
27 required by Public Contract Code sections 22050(b)(3), (c)(1), and (c)(2), and by Board
Policy 3060, this Resolution shall remain in full force an effect until rescinded by a
subsequent Resolution of the Board of Directors.

///

///

1 The foregoing Resolution was introduced at a regular meeting of the Board of Directors of the
2 EL DORADO IRRIGATION DISTRICT, held on the 22nd day of May 2017, by Director Day who
3 moved its adoption. The motion was seconded by Director Prada and a poll vote taken which stood
4 as follows:

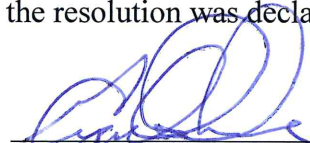
5 AYES: Directors Day, Prada, Osborne, Raffety and Coco

6 NOES:

7 ABSENT:

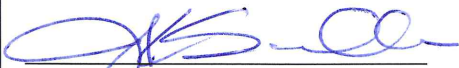
8 ABSTAIN:

9 The motion having a majority of votes "Aye", the resolution was declared to have been
10 adopted, and it was so ordered.



George W. Osborne, President
Board of Directors
EL DORADO IRRIGATION DISTRICT

12 ATTEST:

13 

14 Jennifer Sullivan
15 Clerk to the Board
16 EL DORADO IRRIGATION DISTRICT

17 (SEAL)

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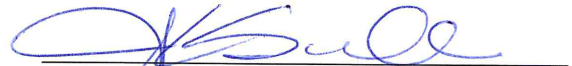
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1 I, the undersigned, Clerk to the Board of the EL DORADO IRRIGATION DISTRICT
2 hereby certify that the foregoing resolution is a full, true and correct copy of a Resolution of the
3 Board of Directors of the EL DORADO IRRIGATION DISTRICT entered into and adopted at a
4 regular meeting of the Board of Directors held on the 22nd day of May 2017.



Jennifer Sullivan
Clerk to the Board
EL DORADO IRRIGATION DISTRICT

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EL DORADO IRRIGATION DISTRICT

Subject: Investment Report for the quarter ended December 31, 2017.

Previous Board Action

May 22, 2017 – Board received and filed the Investment Report for the quarter ended March 30, 2017.

August 28, 2017 – Board received and filed the Investment Report for the quarter ended June 30, 2017.

November 13, 2017 – Board received and filed the Investment Report for the quarter ended September 30, 2017.

Board Policies (BP), Administrative Regulations (AR), and Board Authority

The Board receives, reviews, and files the quarterly Investment Report per the California Government Code and the District's Investment Policy (BP 3090), which requires the Treasurer to submit a quarterly investment report to the governing body and chief executive officer.

Summary of Issue

The Investment Report for the quarter ended December 31, 2017 is attached for the Board's review.

Staff Analysis/Evaluation

The attached Investment Report for the quarter ended December 31, 2017 covers the investment portfolios managed by the District showing the "par," "market" and "book" values for all investments, as well as interest earnings. The par value is the value on the face of the security, market value is what it will sell for in the current market, and book value is the recorded value in the District's accounting system. The book value may vary slightly from par due to variations in discounts and premiums. Additionally, the Investment Report provides an economic review as well as an economic outlook. Economic outlook reports are a valuable tool for assessing the markets and decision making of potential investment opportunities.

El Dorado Irrigation District

INVESTMENT REPORT

for the Quarter Ended December 31, 2017

Portfolio Valuation:

The table below outlines the par value, book value, market value and total earnings of the District's portfolios for the quarter ended December 31, 2017. The General Portfolio balance represents funds invested in LAIF, CAMP, federal agency securities, corporate medium-term notes, certificates of deposit, and cash held at Bank of America and El Dorado Savings Bank. The remaining portfolios represent cash and investment positions within each of the District's bond issues and loans held at Union Bank of California (UBOC); the District's fiscal agent. The balances within the State Revolving Fund and 2010A bond issues represent required reserve balances plus reinvested interest earnings for each debt issue. The balance within the 2016B bond issue represents bond proceeds plus interest earned from the 2016 bond issuance to fund Board approved water infrastructure capital projects. The balances within the remaining bond issues represent residual interest earnings on previously held debt service cash deposits at UBOC. These debt portfolio residual balances will be applied to the next respective bond issue debt service payment.

Portfolios as of Quarter ended 12/31/2017	Par Value	Book Value	Market Value	Total Earnings		Yield 365 Eq
				Qtr -To-Date	Year -To-Date	
General Portfolio	\$80,826,778	\$80,776,568	\$80,700,681	\$215,092	\$833,195	1.29%
State Revolving Fund	2,343,441	2,343,441	2,343,441	5,985	17,703	0.98%
2009A Fixed COPs	378	378	378	378	378	0.98%
2010A Fixed COPs	1,547,577	1,547,577	1,547,577	3,693	15,768	0.98%
2012A Fixed Rev Rfndg	206	206	206	1	581	0.98%
2014A Fixed Rev Rfndg	550	550	550	1	1,104	0.98%
2016A Fixed Rev Rfndg	63	63	63	0	93	0.72%
2016B Fixed COPs	35,818,021	35,818,021	35,818,021	106,929	360,219	1.24%
2016C Fixed Rev Rfndg	9,821	9,821	9,821	17	627	0.72%
Total	\$120,546,835	\$120,496,625	\$120,420,738	\$332,096	\$1,229,668	

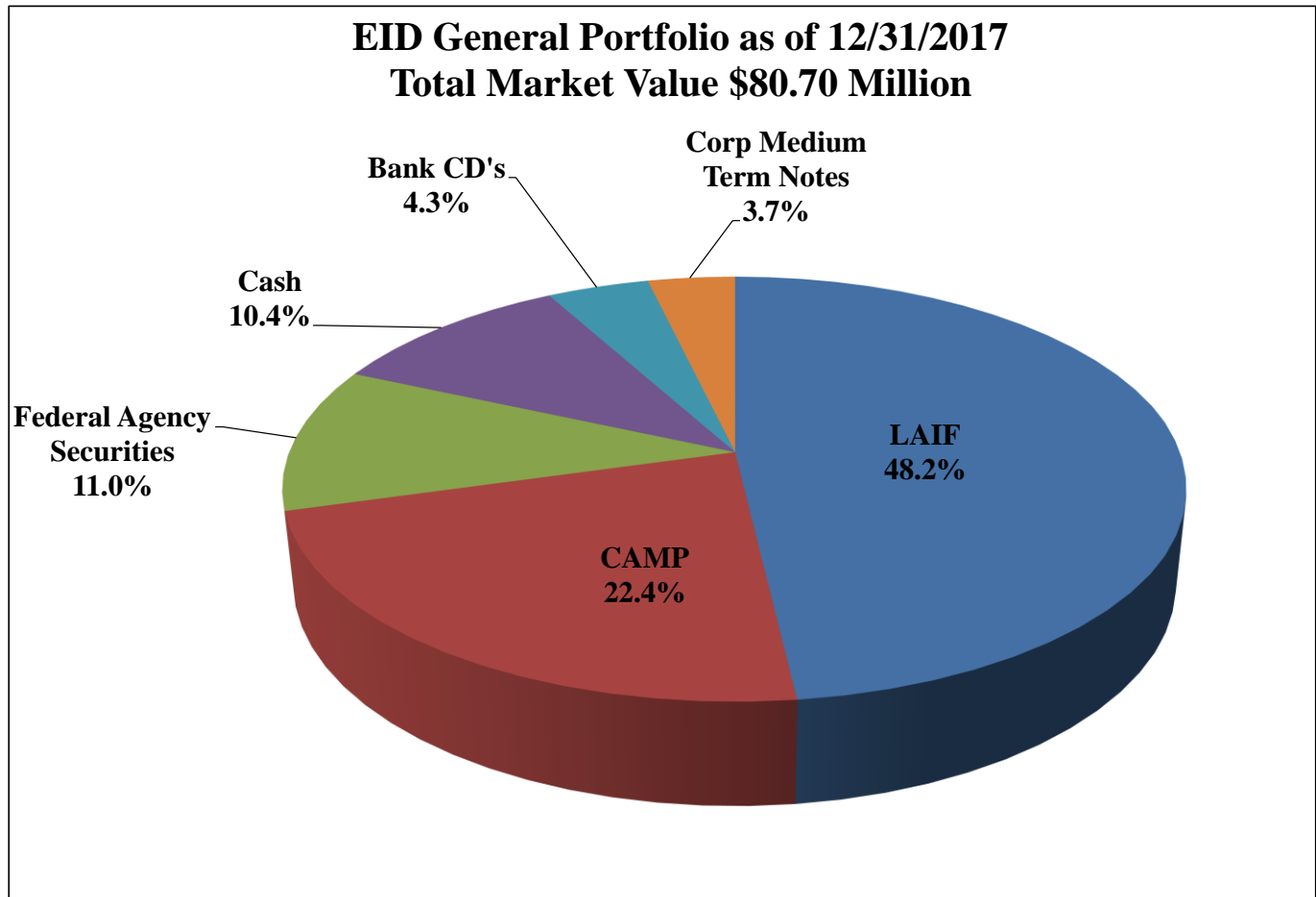
Source of Market Value: Bank of New York

General Portfolio Composition:

The table and chart below displays the market value of the District’s General Portfolio investment holdings in dollars and percentages.

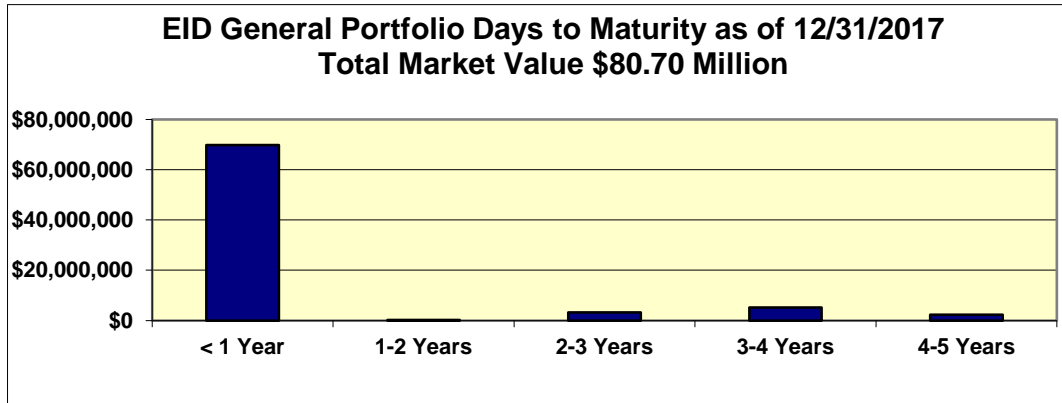
General Portfolio Composition

Market Value as of 12/31/2017 (Millions \$)	
LAIF	\$ 38.87
CAMP	18.12
Federal Agency Securities	8.91
Cash	8.36
Bank CD's	3.47
Corp Medium Term Notes	2.97
Total	\$ 80.70



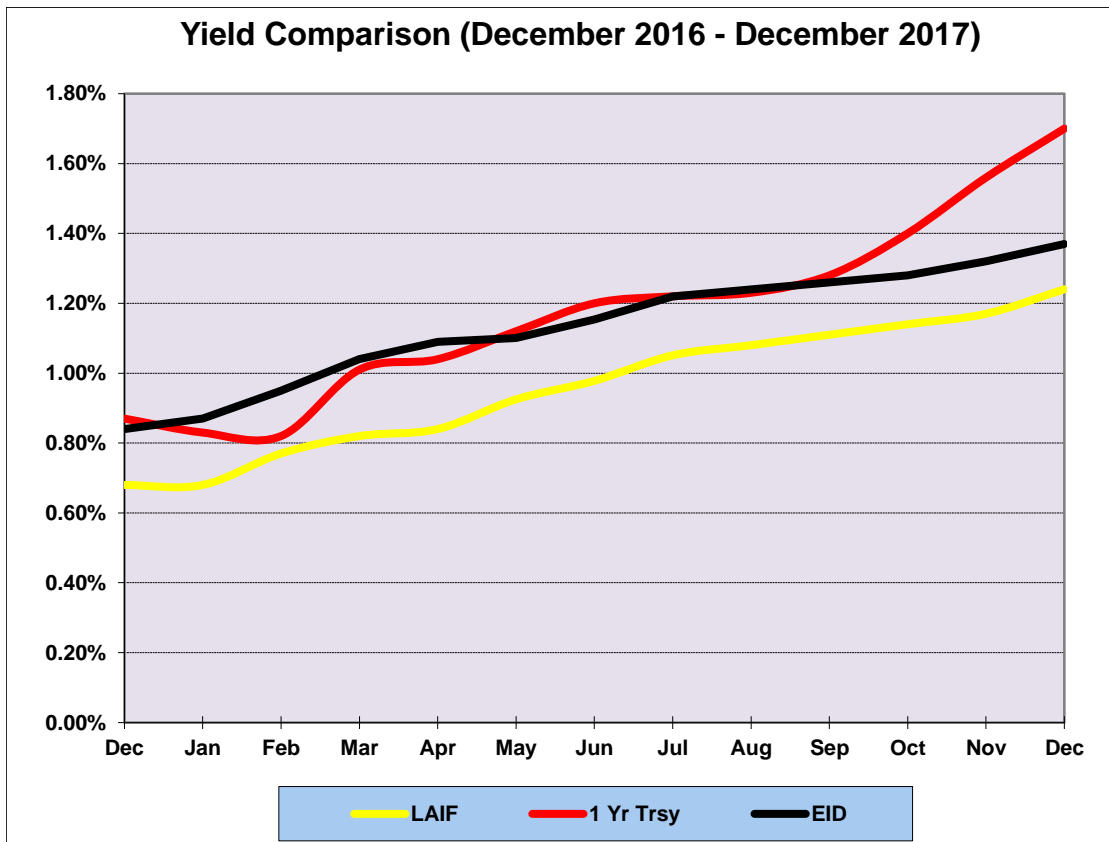
Maturity Schedule:

The District’s General Portfolio’s weighted average days-to-maturity is 210 days. The weighted average days to maturity is the average number of days to maturity for the investments held in the portfolio but weighted by each investment’s percentage share of the total dollar amount of the investment holdings.



General Portfolio Yield Performance to Benchmarks:

The graph below compares the District’s General Portfolio yield to LAIF and the one-year Treasury Note, which is the District’s benchmark, over the last 12-month period. The District’s General Portfolio yield of 1.37% is currently below the one-year Treasury Note by 0.33 basis points.



ECONOMIC REVIEW AND OUTLOOK

GDP

Fourth-quarter growth of 2.6% is a lot stronger than it looks. Consumers, businesses and even government picked up the spending pace. Consumers spent heavily in nearly all categories. The flip side of strong consumer spending was a big jump in imports, which detracted from overall growth. Housing made a turnaround in the fourth quarter, and business equipment purchases grew a little faster. An unexplained drop in business inventories prevented the headline number from being much higher.

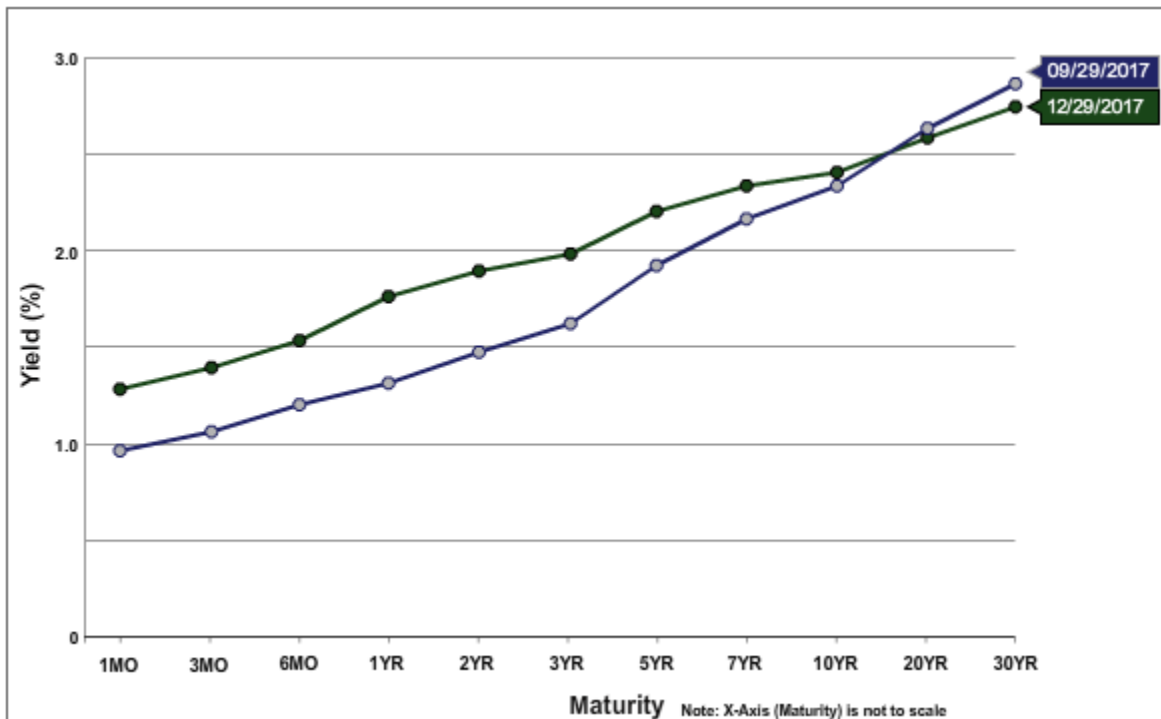
GDP should solidly bump up to 2.9% in 2018 after 2017's 2.3% pace. Rising household wealth and income, job gains and credit utilization are underpinning consumer spending. Housing construction should pound ahead. Manufacturers will benefit from stronger exports as the global economy improves. However, auto sales will downshift rapidly.

Bond Market and Interest Rates

During the quarter, as well as throughout much of the year, fixed income markets were primarily focused on the Fed, inflation, and tax legislation. Improving economic fundamentals, stable financial conditions, and strong investor demand for fixed income assets helped all sectors achieve positive excess returns during the fourth quarter and 2017.

The Treasury yield curve continued to flatten, as short-term rates increased more than long-term rates. Short-term rate increases were driven by Fed rate hikes and expectations of continued tightening monetary policy, while long-term rates remain relatively steady, due to benign inflation expectations. However, late in the year, the bond market began to sell-off, as the realization that inflation risks may be rising with the passage of tax reform finally set in.

Treasury Yield Curve



Looking forward, long-term interest rates will be heading up next year, but short-term rates will outpace them. The modest pickup in inflation will keep long-term rates from rising as much as short-term ones. Eventually, an anticipated inflationary hike will also increase long-term rates, but not for a while. The expected deficit increase that will accompany the recently enacted tax package will also boost long-term rates a bit.

The Fed will keep raising short-term rates because of falling unemployment and other indicators that show a tightening labor market. The Fed very much wants to stay ahead of any inflation that rising wages may generate. It will lift short-term rates by a quarter of a percentage point two to three times in 2018. That will put the federal funds rate at 2.0% to 2.25% heading into 2019.

Board Decision/Options

Option 1: Receive and file the Investment Report for the quarter ended December 31, 2017.

Option 2: Take other action as directed by the Board.

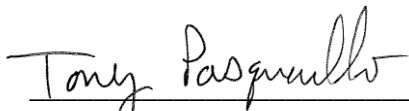
Option 3: Take no action.

Staff/General Manager's Recommendation


Option 1.

Support Documents Attached


Attachment A: SymPro Portfolio Management Reports



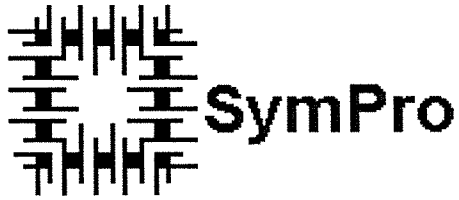
Tony Pasquarello
Finance Manager



Mark T. Price
Finance Director - Treasurer



Jim Abercrombie
General Manager



**EID General Portfolio
Portfolio Management
Portfolio Summary
December 31, 2017**

Attachment A

El Dorado Irrigation District
2890 Mosquito Road
Placerville, CA
(530)642-4019

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Managed Pool Accounts - CAMP	18,117,278.18	18,117,278.18	18,117,278.18	25.02	1	1	1.272	1.290
Managed Pool Accounts - LAIF	38,868,204.41	38,868,204.41	38,868,204.41	53.67	1	1	1.222	1.239
Certificates of Deposit - Bank	3,485,281.08	3,471,054.57	3,485,281.08	4.81	1,129	694	1.642	1.664
Corporate Medium Term Notes	3,000,000.00	2,974,170.00	2,961,040.00	4.09	1,736	942	1.979	2.007
Federal Agency Coupon Securities	9,000,000.00	8,913,960.00	8,988,750.00	12.41	1,704	1,102	1.781	1.805
Investments	72,470,763.67	72,344,667.16	72,420,553.67	100.00%	338	210	1.355	1.374
Cash and Accrued Interest								
Passbook/Checking (not included in yield calculations)	8,356,014.24	8,356,014.24	8,356,014.24		1	1	0.000	0.000
Accrued Interest at Purchase		10,327.78	10,327.78					
Subtotal		8,366,342.02	8,366,342.02					
Total Cash and Investments	80,826,777.91	80,711,009.18	80,786,895.69		338	210	1.355	1.374

Total Earnings	December 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	79,678.65	833,195.38	833,195.38
Average Daily Balance	73,025,912.18		
Effective Rate of Return	1.28%		

Tony Pasquarello, Deputy Treasurer

Reporting period 12/01/2017-12/31/2017

Run Date: 02/01/2018 - 11:06

Portfolio GEN
CP
PM (PRF_PM1) 7.3.0
Report Ver. 7.3.5

**EID General Portfolio
Portfolio Management
Portfolio Details - Investments
December 31, 2017**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Managed Pool Accounts - CAMP												
SYS10017	1001	California Asset Mgmnt Program			18,117,278.18	18,117,278.18	18,117,278.18	1.290		1.290	1	
Subtotal and Average			14,650,026.93		18,117,278.18	18,117,278.18	18,117,278.18			1.290	1	
Managed Pool Accounts - LAIF												
SYS1000	1000	Local Agency Investment Fund			38,868,204.41	38,868,204.41	38,868,204.41	1.239		1.239	1	
Subtotal and Average			38,868,204.41		38,868,204.41	38,868,204.41	38,868,204.41			1.239	1	
Certificates of Deposit - Bank												
88413QBR8	10516	Third Federal Savings & Loan		09/15/2017	250,000.00	248,050.50	250,000.00	2.000		2.000	1,353	09/15/2021
02006LUH4	10448	Ally Bank		09/30/2015	250,000.00	249,633.50	250,000.00	1.700		1.700	273	10/01/2018
02587DV21	10504	American Express Centurion Bnk		08/08/2017	250,000.00	248,434.90	250,000.00	1.900		1.900	952	08/10/2020
SYS10523	10523	Bank of America		12/14/2017	235,281.08	235,281.08	235,281.08	0.030	A	0.030	12	01/13/2018
05580AJZ8	10503	BMW Bank of North America		08/11/2017	250,000.00	248,433.23	250,000.00	1.900		1.900	953	08/11/2020
14042RAG6	10450	Capital One		09/30/2015	250,000.00	249,538.53	250,000.00	1.650		1.650	273	10/01/2018
140420VZ0	10451	Capital One		09/30/2015	250,000.00	249,538.53	250,000.00	1.650		1.650	273	10/01/2018
20033AVN3	10502	Comenity Captial Bank		08/09/2017	250,000.00	248,755.38	250,000.00	1.950		1.950	952	08/10/2020
254673AE6	10505	Discover Bank		08/09/2017	250,000.00	248,434.90	250,000.00	1.900		1.900	952	08/10/2020
38148JP96	10445	Goldman Sachs Bank		09/30/2015	250,000.00	249,543.50	250,000.00	1.650		1.650	270	09/28/2018
48124JUS5	10347	JP Morgan		03/01/2013	250,000.00	249,787.83	250,000.00	1.125	A	1.125	59	03/01/2018
49306SYW0	10518	Key Bank NA		09/27/2017	250,000.00	247,971.13	250,000.00	1.850		1.850	998	09/25/2020
58404DAJ0	10510	Medallion Bank		09/25/2017	250,000.00	248,289.98	250,000.00	1.700		1.700	632	09/25/2019
87270LAT0	10519	TIAA Financial Services Bank		09/18/2017	250,000.00	249,361.58	250,000.00	2.200		2.200	1,717	09/14/2022
Subtotal and Average			3,485,281.08		3,485,281.08	3,471,054.57	3,485,281.08			1.664	694	
Corporate Medium Term Notes												
037833CM0	10491	Apple, Inc.		03/20/2017	1,000,000.00	1,000,880.00	996,800.00	2.500	AA	2.570	1,500	02/09/2022
06406HCE7	10344	Bank of New York Western Trust		02/11/2013	1,000,000.00	999,620.00	997,500.00	1.300	A	1.352	24	01/25/2018
594918BP8	10489	Microsoft Corporation		03/14/2017	1,000,000.00	973,670.00	966,740.00	1.550	AAA	2.102	1,315	08/08/2021
Subtotal and Average			2,961,040.00		3,000,000.00	2,974,170.00	2,961,040.00			2.007	942	
Federal Agency Coupon Securities												
3133EHPV9	10497	Federal Farm Credit Bank		06/29/2017	2,000,000.00	1,971,940.00	2,000,000.00	1.730	AAA	1.730	1,093	12/29/2020
313383BM2	10358	Federal Home Loan Bank		06/17/2013	1,000,000.00	996,130.00	988,750.00	1.050	AA	1.284	163	06/13/2018
3130AACM8	10479	Federal Home Loan Bank		12/06/2016	4,000,000.00	3,952,880.00	4,000,000.00	2.050	AAA	2.050	1,435	12/06/2021

**EID General Portfolio
Portfolio Management
Portfolio Details - Investments
December 31, 2017**

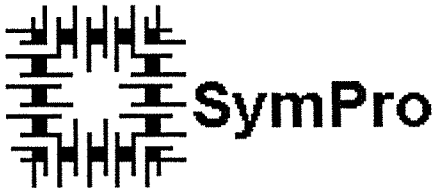
CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Federal Agency Coupon Securities												
3130ACTW4	10522	Federal Home Loan Bank		11/28/2017	1,000,000.00	993,240.00	1,000,000.00	2.300	AAA	2.300	1,792	11/28/2022
3136G1AZ2	10343	Federal National Mortgage Asso		01/30/2013	1,000,000.00	999,770.00	1,000,000.00	1.000	AA	1.000	29	01/30/2018
Subtotal and Average			8,988,750.00		9,000,000.00	8,913,960.00	8,988,750.00			1.805	1,102	
Total and Average			73,025,912.18		72,470,763.67	72,344,667.16	72,420,553.67			1.374	210	

**EID General Portfolio
Portfolio Management
Portfolio Details - Cash
December 31, 2017**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Cash and Equivalents											
BOFA CASH	10412	Bank of America			8,265,332.70	8,265,332.70	8,265,332.70		A	0.000	1
EDS CASH	10428	El Dorado Savings Bank		01/01/2017	90,681.54	90,681.54	90,681.54			0.000	1
		Average Balance	0.00	Accrued Interest at Purchase		10,327.78	10,327.78				1
				Subtotal		8,366,342.02	8,366,342.02				
Total Cash and Investments			73,025,912.18		80,826,777.91	80,711,009.18	80,786,895.69			1.374	210

**EID General Portfolio
Portfolio Management
Activity By Type
December 1, 2017 through December 31, 2017**

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
Managed Pool Accounts - CAMP (Monthly Summary)								
SYS10017	1001	California Asset Mgmt Program		1.290		5,016,159.62	5,000,000.00	
		Subtotal	18,101,118.56			5,016,159.62	5,000,000.00	18,117,278.18
Managed Pool Accounts - LAIF (Monthly Summary)								
		Subtotal	38,868,204.41					38,868,204.41
Cash and Equivalents (Monthly Summary)								
BOFA CASH	10412	Bank of America				4,516,778.08	0.00	
EDS CASH	10428	El Dorado Savings Bank				0.00	90,593.45	
		Subtotal	3,929,829.61			4,516,778.08	90,593.45	8,356,014.24
Certificates of Deposit - Bank								
SYS10521	10521	Bank of America		0.030	12/14/2017	0.00	235,281.08	
SYS10523	10523	Bank of America		0.030	12/14/2017	235,281.08	0.00	
		Subtotal	3,485,281.08			235,281.08	235,281.08	3,485,281.08
Corporate Medium Term Notes								
		Subtotal	2,961,040.00					2,961,040.00
Federal Agency Coupon Securities								
		Subtotal	8,988,750.00					8,988,750.00
		Total	76,334,223.66			9,768,218.78	5,325,874.53	80,776,567.91



**EID General Portfolio
Accrued Interest
Sorted by Security Type - Issuer
December 1, 2017 - December 31, 2017**

El Dorado Irrigation District
2890 Mosquito Road
Placerville, CA
(530)642-4019

CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
Managed Pool Accounts - CAMP										
SYS10017	1001	LA3	18,117,278.18		1.290	16,159.62	0.00	16,050.81	16,159.62	16,050.81
		Subtotal	18,117,278.18			16,159.62	0.00	16,050.81	16,159.62	16,050.81
Managed Pool Accounts - LAIF										
SYS1000	1000	LA4	38,868,204.41		1.239	74,853.22	0.00	40,901.07	0.00	115,754.29
		Subtotal	38,868,204.41			74,853.22	0.00	40,901.07	0.00	115,754.29
Certificates of Deposit - Bank										
88413QBR8	10516	BCD	250,000.00	09/15/2021	2.000	1,054.79	0.00	424.66	0.00	1,479.45
02006LUH4	10448	BCD	250,000.00	10/01/2018	1.700	721.91	0.00	360.96	0.00	1,082.87
02587DV21	10504	BCD	250,000.00	08/10/2020	1.900	1,496.58	0.00	403.42	0.00	1,900.00
SYS10521	10521	BCD	0.00	12/14/2017	0.030	3.33	0.00	2.55	5.88	0.00
SYS10523	10523	BCD	235,281.08	01/13/2018	0.030	0.00	0.00	3.53	0.00	3.53
05580AJZ8	10503	BCD	250,000.00	08/11/2020	1.900	1,457.53	0.00	403.43	0.00	1,860.96
14042RAG6	10450	BCD	250,000.00	10/01/2018	1.650	700.69	0.00	350.34	0.00	1,051.03
140420VZ0	10451	BCD	250,000.00	10/01/2018	1.650	700.69	0.00	350.34	0.00	1,051.03
20033AVN3	10502	BCD	250,000.00	08/10/2020	1.950	293.84	0.00	414.04	400.68	307.20
254673AE6	10505	BCD	250,000.00	08/10/2020	1.900	1,483.56	0.00	403.43	0.00	1,886.99
38148JP96	10445	BCD	250,000.00	09/28/2018	1.650	700.69	0.00	350.34	0.00	1,051.03
48124JUS5	10347	BCD	250,000.00	03/01/2018	1.125	693.51	0.00	238.87	701.20	231.18
49306SYW0	10518	BCD	250,000.00	09/25/2020	1.850	823.63	0.00	392.81	0.00	1,216.44
58404DAJ0	10510	BCD	250,000.00	09/25/2019	1.700	780.14	0.00	360.96	0.00	1,141.10
87270LAT0	10519	BCD	250,000.00	09/14/2022	2.200	1,115.07	0.00	467.12	0.00	1,582.19
		Subtotal	3,485,281.08			12,025.96	0.00	4,926.80	1,107.76	15,845.00
Corporate Medium Term Notes										
037833CM0	10491	MTN	1,000,000.00	02/09/2022	2.500	7,777.78	0.00	2,083.33	0.00	9,861.11
06406HCE7	10344	MTN	1,000,000.00	01/25/2018	1.300	4,550.00	0.00	1,083.33	0.00	5,633.33
594918BP8	10489	MTN	1,000,000.00	08/08/2021	1.550	4,865.28	0.00	1,291.66	0.00	6,156.94
		Subtotal	3,000,000.00			17,193.06	0.00	4,458.32	0.00	21,651.38
Federal Agency Coupon Securities										
3133EHPV9	10497	FAC	2,000,000.00	12/29/2020	1.730	14,608.89	0.00	2,883.33	17,300.00	192.22

* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase

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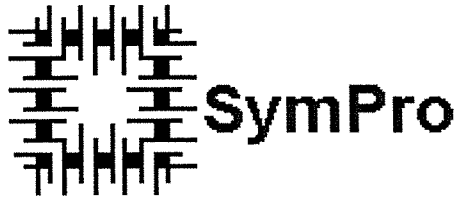
EID General Portfolio
Accrued Interest
Sorted by Security Type - Issuer

CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
Federal Agency Coupon Securities										
313383BM2	10358	FAC	1,000,000.00	06/13/2018	1.050	4,900.00	0.00	875.00	5,250.00	525.00
3130AACM8	10479	FAC	4,000,000.00	12/06/2021	2.050	39,861.11	0.00	6,833.33	41,000.00	5,694.44
3130ACTW4	10522	FAC	1,000,000.00	11/28/2022	2.300	191.67	0.00	1,916.66	0.00	2,108.33
3136G1AZ2	10343	FAC	1,000,000.00	01/30/2018	1.000	3,361.11	0.00	833.33	0.00	4,194.44
		Subtotal	9,000,000.00			62,922.78	0.00	13,341.65	63,550.00	12,714.43
		Total	72,470,763.67			183,154.64	0.00	79,678.65	80,817.38	182,015.91

* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase

**EID General Portfolio
Portfolio Management
Interest Earnings Summary
December 31, 2017**

	December 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	64,657.76	225,040.31
Plus Accrued Interest at End of Period	39,883.03	45,682.99
Less Accrued Interest at Beginning of Period	(81,814.02)	(19,837.72)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
	22,726.77	250,885.58
Interest Earned during Period	22,726.77	250,885.58
Adjusted by Capital Gains or Losses	0.00	-22,130.00
	22,726.77	228,755.58
Earnings during Periods	22,726.77	228,755.58
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
	0.00	0.00
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	16,159.62	568,791.76
Plus Accrued Interest at End of Period	131,805.10	131,805.10
Less Accrued Interest at Beginning of Period	(91,012.84)	(96,157.06)
	56,951.88	604,439.80
Interest Earned during Period	56,951.88	604,439.80
Total Interest Earned during Period	79,678.65	855,325.38
Total Capital Gains or Losses	0.00	-22,130.00
Total Earnings during Period	79,678.65	833,195.38



State Revolving Fund (SRF)
Portfolio Management
Portfolio Summary
December 31, 2017

El Dorado Irrigation District
 2890 Mosquito Road
 Placerville, CA
 (530)642-4019

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Money Market	2,343,441.47	2,343,441.47	2,343,441.47	100.00	1	1	0.967	0.980
Investments	2,343,441.47	2,343,441.47	2,343,441.47	100.00%	1	1	0.967	0.980

Total Earnings	December 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	2,119.69	17,702.90	17,702.90
Average Daily Balance	2,546,708.01		
Effective Rate of Return	0.98%		

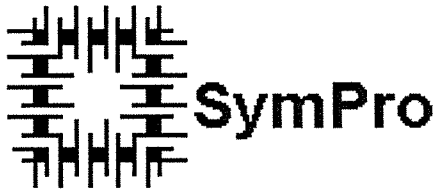
 Tony Pasquarello, Deputy Treasurer

**State Revolving Fund (SRF)
Portfolio Management
Portfolio Details - Investments
December 31, 2017**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Money Market												
31617510S	10000	Fidelity Money Market			25,674.67	25,674.67	25,674.67	0.980		0.980	1	
31617510S	10001	Fidelity Money Market			77,543.04	77,543.04	77,543.04	0.980		0.980	1	
31617510S	10002	Fidelity Money Market			26,473.00	26,473.00	26,473.00	0.980		0.980	1	
31617510S	10003	Fidelity Money Market			63,626.90	63,626.90	63,626.90	0.980		0.980	1	
31617510S	10004	Fidelity Money Market			25,854.54	25,854.54	25,854.54	0.980		0.980	1	
31617510S	10005	Fidelity Money Market			73,141.09	73,141.09	73,141.09	0.980		0.980	1	
31617510S	10006	Fidelity Money Market			31,895.94	31,895.94	31,895.94	0.980		0.980	1	
31617510S	10007	Fidelity Money Market			96,186.90	96,186.90	96,186.90	0.980		0.980	1	
31617510S	10008	Fidelity Money Market			98,742.23	98,742.23	98,742.23	0.980		0.980	1	
31617510S	10009	Fidelity Money Market			204,458.62	204,458.62	204,458.62	0.980		0.980	1	
31617510S	10010	Fidelity Money Market			37,533.74	37,533.74	37,533.74	0.980		0.980	1	
31617510S	10011	Fidelity Money Market			120,531.45	120,531.45	120,531.45	0.980		0.980	1	
31617510S	10012	Fidelity Money Market			22,201.12	22,201.12	22,201.12	0.980		0.980	1	
31617510S	10013	Fidelity Money Market			116,489.97	116,489.97	116,489.97	0.980		0.980	1	
31617510S	10014	Fidelity Money Market			31,013.40	31,013.40	31,013.40	0.980		0.980	1	
31617510S	10015	Fidelity Money Market			154,905.30	154,905.30	154,905.30	0.980		0.980	1	
31617510S	10016	Fidelity Money Market			242,401.72	242,401.72	242,401.72	0.980		0.980	1	
31617510S	10017	Fidelity Money Market			381,615.59	381,615.59	381,615.59	0.980		0.980	1	
31617510S	10018	Fidelity Money Market			175,519.66	175,519.66	175,519.66	0.980		0.980	1	
31617510S	10019	Fidelity Money Market			337,632.59	337,632.59	337,632.59	0.980		0.980	1	
		Subtotal and Average	2,546,708.01		2,343,441.47	2,343,441.47	2,343,441.47			0.980	1	
		Total and Average	2,546,708.01		2,343,441.47	2,343,441.47	2,343,441.47			0.980	1	

**State Revolving Fund (SRF)
Portfolio Management
Activity By Type
December 1, 2017 through December 31, 2017**

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
Money Market (Monthly Summary)								
31617510S	10000	Fidelity Money Market		0.980		8,476.32	25,329.56	
31617510S	10001	Fidelity Money Market		0.980		904.08	0.00	
31617510S	10002	Fidelity Money Market		0.980		6,726.63	20,086.68	
31617510S	10003	Fidelity Money Market		0.980		718.59	0.00	
31617510S	10004	Fidelity Money Market		0.980		7,922.96	23,671.47	
31617510S	10005	Fidelity Money Market		0.980		845.41	0.00	
31617510S	10006	Fidelity Money Market		0.980		10,744.83	32,109.89	
31617510S	10007	Fidelity Money Market		0.980		1,144.46	0.00	
31617510S	10008	Fidelity Money Market		0.980		36,011.46	107,635.72	
31617510S	10009	Fidelity Money Market		0.980		3,744.51	0.00	
31617510S	10010	Fidelity Money Market		0.980		18,412.28	55,063.28	
31617510S	10011	Fidelity Money Market		0.980		1,927.52	0.00	
31617510S	10012	Fidelity Money Market		0.980		10,333.38	30,899.71	
31617510S	10013	Fidelity Money Market		0.980		1,119.95	0.00	
31617510S	10014	Fidelity Money Market		0.980		20,771.46	62,144.45	
31617510S	10015	Fidelity Money Market		0.980		2,190.11	0.00	
31617510S	10016	Fidelity Money Market		0.980		61,179.82	182,717.82	
31617510S	10017	Fidelity Money Market		0.980		6,382.62	0.00	
31617510S	10018	Fidelity Money Market		0.980		62,306.25	0.00	
31617510S	10019	Fidelity Money Market		0.980		6,480.26	0.00	
		Subtotal	2,614,757.15			268,342.90	539,658.58	2,343,441.47
		Total	2,614,757.15			268,342.90	539,658.58	2,343,441.47



State Revolving Fund (SRF)
Accrued Interest
Sorted by Security Type - Issuer
December 1, 2017 - December 31, 2017

El Dorado Irrigation District
 2890 Mosquito Road
 Placerville, CA
 (530)642-4019

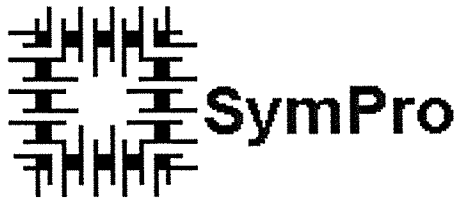
CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
Money Market										
31617510S	10000	LA1	25,674.67		0.980	33.13	0.00	32.25	33.13	32.25
31617510S	10001	LA1	77,543.04		0.980	59.76	0.00	63.93	59.76	63.93
31617510S	10002	LA1	26,473.00		0.980	31.07	0.00	30.66	31.07	30.66
31617510S	10003	LA1	63,626.90		0.980	49.04	0.00	52.47	49.04	52.47
31617510S	10004	LA1	25,854.54		0.980	32.47	0.00	31.69	32.47	31.69
31617510S	10005	LA1	73,141.09		0.980	56.37	0.00	60.31	56.37	60.31
31617510S	10006	LA1	31,895.94		0.980	41.54	0.00	40.34	41.54	40.34
31617510S	10007	LA1	96,186.90		0.980	74.13	0.00	79.28	74.13	79.28
31617510S	10008	LA1	98,742.23		0.980	132.89	0.00	128.43	132.89	128.43
31617510S	10009	LA1	204,458.62		0.980	156.51	0.00	167.58	156.51	167.58
31617510S	10010	LA1	37,533.74		0.980	57.85	0.00	54.89	57.85	54.89
31617510S	10011	LA1	120,531.45		0.980	92.52	0.00	98.99	92.52	98.99
31617510S	10012	LA1	22,201.12		0.980	33.38	0.00	31.75	33.38	31.75
31617510S	10013	LA1	116,489.97		0.980	89.95	0.00	96.21	89.95	96.21
31617510S	10014	LA1	31,013.40		0.980	56.46	0.00	52.51	56.46	52.51
31617510S	10015	LA1	154,905.30		0.980	119.11	0.00	127.43	119.11	127.43
31617510S	10016	LA1	242,401.72		0.980	283.82	0.00	280.26	283.82	280.26
31617510S	10017	LA1	381,615.59		0.980	292.62	0.00	313.21	292.62	313.21
31617510S	10018	LA1	175,519.66		0.980	88.25	0.00	100.99	88.25	100.99
31617510S	10019	LA1	337,632.59		0.980	258.26	0.00	276.51	258.26	276.51
		Subtotal	2,343,441.47			2,039.13	0.00	2,119.69	2,039.13	2,119.69
		Total	2,343,441.47			2,039.13	0.00	2,119.69	2,039.13	2,119.69

* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase

Portfolio SRF
CC

**State Revolving Fund (SRF)
Portfolio Management
Interest Earnings Summary
December 31, 2017**

	December 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
	0.00	0.00
Interest Earned during Period	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
	0.00	0.00
Earnings during Periods	0.00	0.00
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
	0.00	0.00
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	2,039.13	16,266.20
Plus Accrued Interest at End of Period	2,119.69	2,119.69
Less Accrued Interest at Beginning of Period	(2,039.13)	(682.99)
	2,119.69	17,702.90
Interest Earned during Period	2,119.69	17,702.90
Total Interest Earned during Period	2,119.69	17,702.90
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	2,119.69	17,702.90



**2009A Fixed Issue
 Portfolio Management
 Portfolio Summary
 December 31, 2017**

El Dorado Irrigation District
 2890 Mosquito Road
 Placerville, CA
 (530)642-4019

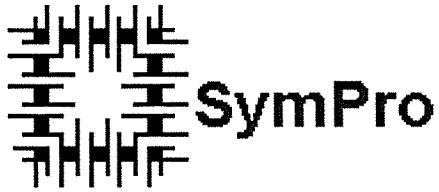
Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Managed Pool Accounts	377.60	377.60	377.60	100.00	1	1	0.967	0.980
Investments	377.60	377.60	377.60	100.00%	1	1	0.967	0.980

Total Earnings	December 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	0.32	391.35	391.35
Average Daily Balance	377.60		
Effective Rate of Return	1.00%		

Tony Pasquarello, Accounting Manager/Deputy Treasurer

**2009A Fixed Issue
Portfolio Management
Portfolio Details - Investments
December 31, 2017**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Managed Pool Accounts												
316175108S	10002	Fidelity Investments			377.60	377.60	377.60	0.980		0.980	1	
		Subtotal and Average	377.60		377.60	377.60	377.60			0.980	1	
		Total and Average	377.60		377.60	377.60	377.60			0.980	1	



2009A Fixed Issue
Accrued Interest
Sorted by Security Type - Issuer
December 1, 2017 - December 31, 2017

El Dorado Irrigation District
 2890 Mosquito Road
 Placerville, CA
 (530)642-4019

CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
Managed Pool Accounts										
316175108S	10002	LA1	377.60		0.980	0.51	0.00	0.32	0.30	0.53
		Subtotal	377.60			0.51	0.00	0.32	0.30	0.53
		Total	377.60			0.51	0.00	0.32	0.30	0.53

* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase

**2009A Fixed Issue
Portfolio Management
Interest Earnings Summary
December 31, 2017**

	December 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
	<hr/>	<hr/>
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
	<hr/>	<hr/>
Earnings during Periods	0.00	0.00
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
	<hr/>	<hr/>
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
	<hr/>	<hr/>
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	0.30	391.00
Plus Accrued Interest at End of Period	0.53	0.53
Less Accrued Interest at Beginning of Period	(0.51)	(0.18)
	<hr/>	<hr/>
Interest Earned during Period	0.32	391.35
Total Interest Earned during Period		
	0.32	391.35
Total Adjustments from Premiums and Discounts		
	0.00	0.00
Total Capital Gains or Losses		
	0.00	0.00
Total Earnings during Period		
	0.32	391.35

**2010A Fixed Issue
Portfolio Management
Portfolio Summary
December 31, 2017**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Managed Pool Accounts	1,547,577.23	1,547,577.23	1,547,577.23	100.00	1	1	0.967	0.980
Investments	1,547,577.23	1,547,577.23	1,547,577.23	100.00%	1	1	0.967	0.980

Total Earnings	December 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	1,288.09	15,767.50	15,767.50
Average Daily Balance	1,547,577.23		
Effective Rate of Return	0.98%		

Tony Pasquarello, Accounting Manager/Deputy Treasurer

**2010A Fixed Issue
Portfolio Management
Portfolio Details - Investments
December 31, 2017**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Managed Pool Accounts												
316175108S	10001	Fidelity Investments			75.45	75.45	75.45	0.980		0.980	1	
316175108S	10002	Fidelity Investments			1,547,501.78	1,547,501.78	1,547,501.78	0.980		0.980	1	
		Subtotal and Average	1,547,577.23		1,547,577.23	1,547,577.23	1,547,577.23			0.980	1	
		Total and Average	1,547,577.23		1,547,577.23	1,547,577.23	1,547,577.23			0.980	1	

**2010A Fixed Issue
Accrued Interest
Sorted by Security Type - Issuer
December 1, 2017 - December 31, 2017**

CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
Managed Pool Accounts										
316175108S	10001	LA1	75.45		0.980	0.34	0.00	0.06	0.00	0.40
316175108S	10002	LA1	1,547,501.78		0.980	1,205.85	0.00	1,288.03	1,205.85	1,288.03
		Subtotal	1,547,577.23			1,206.19	0.00	1,288.09	1,205.85	1,288.43
		Total	1,547,577.23			1,206.19	0.00	1,288.09	1,205.85	1,288.43

* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase

**2010A Fixed Issue
Portfolio Management
Interest Earnings Summary
December 31, 2017**

	December 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
	<hr/>	<hr/>
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
	<hr/>	<hr/>
Earnings during Periods	0.00	0.00
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
	<hr/>	<hr/>
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
	<hr/>	<hr/>
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	1,205.85	14,922.73
Plus Accrued Interest at End of Period	1,288.43	1,288.43
Less Accrued Interest at Beginning of Period	(1,206.19)	(443.66)
	<hr/>	<hr/>
Interest Earned during Period	1,288.09	15,767.50
Total Interest Earned during Period		
	1,288.09	15,767.50
Total Adjustments from Premiums and Discounts		
	0.00	0.00
Total Capital Gains or Losses		
	0.00	0.00
Total Earnings during Period		
	1,288.09	15,767.50

**2012AB Fixed Issue
Portfolio Management
Portfolio Summary
December 31, 2017**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Managed Pool Accounts	206.34	206.34	206.34	100.00	1	1	0.967	0.980
Investments	206.34	206.34	206.34	100.00%	1	1	0.967	0.980

Total Earnings	December 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	0.17	207.91	207.91
Average Daily Balance	206.34		
Effective Rate of Return	0.97%		

Tony Pasquarello, Deputy Treasurer

**2012AB Fixed Issue
Portfolio Management
Portfolio Details - Investments
December 31, 2017**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Managed Pool Accounts												
316175108S	10001	Fidelity Investments			206.34	206.34	206.34	0.980	0.967	0.980	1	
		Subtotal and Average	206.34		206.34	206.34	206.34		0.967	0.980	1	
		Total and Average	206.34		206.34	206.34	206.34		0.967	0.980	1	

**2012AB Fixed Issue
Accrued Interest
Sorted by Security Type - Issuer
December 1, 2017 - December 31, 2017**

CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
Managed Pool Accounts										
316175108S	10001	LA1	206.34		0.980	0.47	0.00	0.17	0.30	0.34
		Subtotal	206.34			0.47	0.00	0.17	0.30	0.34
		Total	206.34			0.47	0.00	0.17	0.30	0.34

* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase

**2012AB Fixed Issue
Portfolio Management
Interest Earnings Summary
December 31, 2017**

	December 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	0.30	579.89
Plus Accrued Interest at End of Period	0.34	0.34
Less Accrued Interest at Beginning of Period	(0.47)	(372.32)
Interest Earned during Period	0.17	207.91
Total Interest Earned during Period	0.17	207.91
Total Adjustments from Premiums and Discounts	0.00	0.00
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	0.17	207.91

**2014A Fixed Issue
Portfolio Management
Portfolio Summary
December 31, 2017**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Managed Pool Accounts	550.28	550.28	550.28	100.00	1	1	0.967	0.980
Investments	550.28	550.28	550.28	100.00%	1	1	0.967	0.980

Total Earnings	December 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	0.46	552.68	552.68
Average Daily Balance	550.28		
Effective Rate of Return	0.98%		

Tony Pasquarello,

**2014A Fixed Issue
Portfolio Management
Portfolio Details - Investments
December 31, 2017**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Managed Pool Accounts												
31617510S	10000	Fidelity Money Market			550.28	550.28	550.28	0.980		0.980	1	
		Subtotal and Average	550.28		550.28	550.28	550.28			0.980	1	
		Total and Average	550.28		550.28	550.28	550.28			0.980	1	

**2014A Fixed Issue
Accrued Interest
Sorted by Security Type - Issuer
December 1, 2017 - December 31, 2017**

CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
Managed Pool Accounts										
31617510S	10000	LA1	550.28		0.980	0.74	0.00	0.46	0.30	0.90
		Subtotal	550.28			0.74	0.00	0.46	0.30	0.90
		Total	550.28			0.74	0.00	0.46	0.30	0.90

* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase

**2014A Fixed Issue
Portfolio Management
Interest Earnings Summary
December 31, 2017**

	December 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	0.30	919.30
Plus Accrued Interest at End of Period	0.90	0.90
Less Accrued Interest at Beginning of Period	(0.74)	(367.52)
Interest Earned during Period	0.46	552.68
Total Interest Earned during Period	0.46	552.68
Total Adjustments from Premiums and Discounts	0.00	0.00
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	0.46	552.68

**2016A Fixed Issue
Portfolio Management
Portfolio Summary
December 31, 2017**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Managed Pool Accounts	63.38	63.38	63.38	100.00	1	1	0.681	0.690
Investments	63.38	63.38	63.38	100.00%	1	1	0.681	0.690

Total Earnings	December 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	0.03	92.94	92.94
Average Daily Balance	63.38		
Effective Rate of Return	0.56%		

Tony Pasquarello,

**2016A Fixed Issue
Portfolio Management
Portfolio Details - Investments
December 31, 2017**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Managed Pool Accounts												
09248U80S	10000	Blackrock			0.00	0.00	0.00	0.660		0.660	1	
09248U80S	10001	Blackrock		01/01/2017	63.38	63.38	63.38	0.690		0.690	1	
09248U80S	10003	Blackrock		02/21/2017	0.00	0.00	0.00	0.660		0.660	1	
		Subtotal and Average	63.38		63.38	63.38	63.38			0.690	1	
		Total and Average	63.38		63.38	63.38	63.38			0.690	1	

**2016A Fixed Issue
Portfolio Management
Interest Earnings Summary
December 31, 2017**

	December 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	0.00	92.80
Plus Accrued Interest at End of Period	0.16	0.16
Less Accrued Interest at Beginning of Period	(0.13)	(0.02)
Interest Earned during Period	0.03	92.94
Total Interest Earned during Period	0.03	92.94
Total Adjustments from Premiums and Discounts	0.00	0.00
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	0.03	92.94

**2016B Fixed Issue
Portfolio Management
Portfolio Summary
December 31, 2017**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Managed Pool Accounts	35,818,021.43	35,818,021.43	35,818,021.43	100.00	1	1	1.222	1.239
Investments	35,818,021.43	35,818,021.43	35,818,021.43	100.00%	1	1	1.222	1.239

Total Earnings	December 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	37,691.28	360,219.07	360,219.07
Average Daily Balance	35,818,021.43		
Effective Rate of Return	1.24%		

Tony Pasquarello,

**2016B Fixed Issue
Portfolio Management
Portfolio Details - Investments
December 31, 2017**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Managed Pool Accounts												
09248U809	10004	BlackRock Liquidity Fed Fund			0.00	0.00	0.00	0.670		0.670	1	
09248U809	10005	BlackRock Liquidity Fed Fund			149.41	149.41	149.41	0.720		0.720	1	
09248U809	10006	BlackRock Liquidity Fed Fund		03/16/2017	0.00	0.00	0.00	0.670		0.670	1	
SYS10000	10000	Local Agency Investment Fund			35,817,872.02	35,817,872.02	35,817,872.02	1.239		1.239	1	
Subtotal and Average			35,818,021.43		35,818,021.43	35,818,021.43	35,818,021.43			1.239	1	
Total and Average			35,818,021.43		35,818,021.43	35,818,021.43	35,818,021.43			1.239	1	

**2016B Fixed Issue
Accrued Interest
Sorted by Security Type - Issuer
December 1, 2017 - December 31, 2017**

CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
Managed Pool Accounts										
09248U809	10004	LA1	0.00		0.670	0.00	0.00	0.00	0.00	0.00
09248U809	10005	LA1	149.41		0.720	0.26	0.00	0.09	0.00	0.35
09248U809	10006	LA1	0.00		0.670	11.79	0.00	0.00	0.00	11.79
SYS10000	10000	LA1	35,817,872.02		1.239	69,237.31	0.00	37,691.19	0.00	106,928.50
		Subtotal	35,818,021.43			69,249.36	0.00	37,691.28	0.00	106,940.64
		Total	35,818,021.43			69,249.36	0.00	37,691.28	0.00	106,940.64

* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase

**2016B Fixed Issue
Portfolio Management
Interest Earnings Summary
December 31, 2017**

	December 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	0.00	319,668.43
Plus Accrued Interest at End of Period	106,940.64	106,940.64
Less Accrued Interest at Beginning of Period	(69,249.36)	(66,390.00)
Interest Earned during Period	37,691.28	360,219.07
Total Interest Earned during Period	37,691.28	360,219.07
Total Adjustments from Premiums and Discounts	0.00	0.00
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	37,691.28	360,219.07

**2016C Fixed Issue
Portfolio Management
Portfolio Summary
December 31, 2017**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Managed Pool Accounts	9,820.89	9,820.89	9,820.89	100.00	1	1	0.710	0.720
Investments	9,820.89	9,820.89	9,820.89	100.00%	1	1	0.710	0.720

Total Earnings	December 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	6.00	627.36	627.36
Average Daily Balance	9,820.89		
Effective Rate of Return	0.72%		

Tony Pasquarello,

**2016C Fixed Issue
Portfolio Management
Portfolio Details - Investments
December 31, 2017**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Managed Pool Accounts												
09248U809	10000	BlackRock Money Market Fund			0.00	0.00	0.00	0.670	AAA	0.670	1	
09248U809	10001	BlackRock Money Market Fund		01/01/2017	9,820.89	9,820.89	9,820.89	0.720	AAA	0.720	1	
09248U809	10012	BlackRock Money Market Fund			0.00	0.00	0.00	0.670	AAA	0.670	1	
		Subtotal and Average	9,820.89		9,820.89	9,820.89	9,820.89			0.720	1	
		Total and Average	9,820.89		9,820.89	9,820.89	9,820.89			0.720	1	

**2016C Fixed Issue
Accrued Interest
Sorted by Security Type - Issuer
December 1, 2017 - December 31, 2017**

CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
Managed Pool Accounts										
09248U809	10000	LA1	0.00		0.670	0.00	0.00	0.00	0.00	0.00
09248U809	10001	LA1	9,820.89		0.720	6.08	0.00	6.00	5.70	6.38
09248U809	10012	LA1	0.00		0.670	0.02	0.00	0.00	0.00	0.02
		Subtotal	9,820.89			6.10	0.00	6.00	5.70	6.40
		Total	9,820.89			6.10	0.00	6.00	5.70	6.40

* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase

**2016C Fixed Issue
Portfolio Management
Interest Earnings Summary
December 31, 2017**

	December 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	5.70	694.54
Plus Accrued Interest at End of Period	6.40	6.40
Less Accrued Interest at Beginning of Period	(6.10)	(73.58)
Interest Earned during Period	6.00	627.36
Total Interest Earned during Period	6.00	627.36
Total Adjustments from Premiums and Discounts	0.00	0.00
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	6.00	627.36

EL DORADO IRRIGATION DISTRICT

Subject: Consideration to authorize funding for CIP Project No. 17001 for AMR/Small Meter Replacement as requested in the amount of \$200,000 and authorize the General Manager to approve purchases throughout the year in the not-to-exceed amount of \$200,000.

Recent Board Action

November 13, 2017 – The Board adopted the 2018-2022 CIP, subject to available funding.

Board Policies (BP), Administrative Regulations (AR) and Board Authority

Staff advised that each CIP project would be presented to the Board for funding approval.

Summary of Issue

Board approval is required to authorize CIP funding prior to staff proceeding with work on the projects. Board approval is required for any purchase that exceeds \$50,000.

Staff Analysis/Evaluation

The CIP project identified in Table 1-1 on page 2 requires immediate funding. The District has a General Manager's Standardization agreement for the purchase of Sensus brand water meters, and required replacement parts from Golden State Flow Measurement. We are requesting that purchase authorization be granted to the General Manager through the course of the year for amounts up to the approved \$200,000. This will allow the meter services section to complete the actions listed in the description of the CIP Funding Request.

Funding Source

The primary funding source for the District CIP projects are listed in Table 1-1. Table 1-1 also lists the projects currently in progress and the amount of funding requested.

The CIP project description for this project is also attached for review. (Attachment A)

The General Manager's Standardization agreement is also attached for review. (Attachment B)

**Table 1-1
CIP Funding Request**

	Project Name and Number	2018-2022 CIP Plan¹	Funded to Date	Actual Costs to date²	Amount Requested	Funding Source
1.	AMR/Small Meter Replacement 17001	\$600,000	\$0	\$0	\$200,000	100% Water rates
	TOTAL FUNDING REQUEST				\$200,000	

¹ Includes all existing costs plus any expected costs in the 5 year CIP Plan.

² Actual costs include encumbrances.

The following section contains a brief breakdown and description of the project in the table. For complete description of the CIP project see Attachment A.

CIP Funding Request

Project No.	17001	Board Date	2/12/2018
Project Name	AMR/Small Meter Replacement		
Project Manager	Downey		

Budget Status	\$	%
Funded to date	\$ 0	--
Spent to date	\$ 0	0%
Current Remaining	\$ 0	0%

Funding Request Breakdown	\$
Materials	\$ 180,000
Capitalized labor	\$ 20,000
Total	\$ 200,000

Funding Source
100% Water rates

<p>Description</p> <p>Implementation - This project replaces old, inaccurate, or broken meters and adds automated meter read capability to new and existing meters. The project is MISSION REQUIRED because it provides for replacement of inaccurate and non-working meters and enables all meters to be read in time for billing. The LIABILITY/RISK to the District if this project is not implemented includes increased likelihood of employee injury, increased labor expenses for manually reading the meters and inputting manual data into the computer system, and loss of customer confidence due to inaccurate and estimated reads. REGULATORY: Continued implementation of meter replacement and AMR technology keeps the District in compliance with the CUWCC's MOU BMP# 4. SAFETY/SECURITY: This project reduces employee exposure to injury. As of September 8, 2017 there are 25,790 meters that are equipped with radio read devices. Project funding for implementation should allow the District to install approximately 300 radio read meters per year.</p> <p>C8R91 - In addition to information listed in implementation, this would allow us to upgrade 383 meters in Cycle 8 Route 91 located in Cameron Park. With 543 meters total, this is the largest route left in the District that is not read with the vehicle routes. Average time to read with hand held device is 1 minute per read or nine hours. Average time for read with vehicle and laptop is .07 minutes per read or 38 minutes freeing up over 50 work hours per year for other maintenance duties. This area can be upgraded with just a register and meter transceiver unit saving approximately 1/3 of the cost for complete meter replacement. This will allow over 10% of Cameron Park meters to be read via vehicle route.</p>

Board Decisions/Options:

Option 1: Authorize funding for CIP Project No. 17001 for AMR/Small Meter Replacement as requested in the amount of \$200,000 and authorize the General Manager to approve purchases throughout the year in the not-to-exceed amount of \$200,000.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

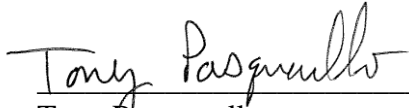
Staff/General Manager Recommendation

Option 1.

Support Documents Attached

Attachment A: Capital Improvement Project Description and Justifications.

Attachment B: Standardization Agreement for Sensus Meters



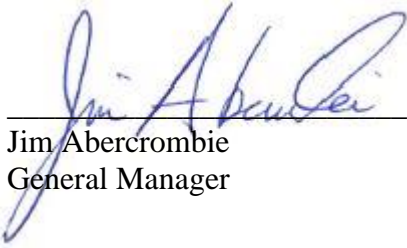
Tony Pasquarello
Finance Manager



Jenny Downey
Customer Service Manager



Mark Price
Finance Director (CFO)



Jim Abercrombie
General Manager

2018

CAPITAL IMPROVEMENT PLAN Program:

Water

Project Number: 17001
Project Name: AMR and Small Meter Replacement
Project Category: Reliability & Service Level Improvements
Priority: 2 **PM:** Downey **Board Approval:** 11/13/17

Project Description:

Implementation - This project replaces old, inaccurate, or broken meters and adds automated meter read capability to new and existing meters. The project is MISSION REQUIRED because it provides for replacement of inaccurate and non-working meters and enables all meters to be read in time for billing. The LIABILITY/RISK to the District if this project is not implemented includes increased likelihood of employee injury, increased labor expenses for manually reading the meters and inputting manual data into the computer system, and loss of customer confidence due to inaccurate and estimated reads. REGULATORY: Continued implementation of meter replacement and AMR technology keeps the District in compliance with the CUWCC's MOU BMP# 4. SAFETY/SECURITY: This project reduces employee exposure to injury. As of September 8, 2017 there are 25,790 meters that are equipped with radio read devices. Project funding for implementation should allow the District to install approximately 300 radio read meters per year.

C8R91 - In addition to information listed in implementation, this would allow us to upgrade 383 meters in Cycle 8 Route 91 located in Cameron Park. With 543 meters total, this is the largest route left in the District that is not read with the vehicle routes. Average time to read with hand held device is 1 minute per read or nine hours. Average time for read with vehicle and laptop is .07 minutes per read or 38 minutes freeing up over 50 work hours per year for other maintenance duties. This area can be upgraded with just a register and meter transceiver unit saving approximately 1/3 of the cost for complete meter replacement. this allow over 10% of Cameron Park meters to be read via vehicle route.

Basis for Priority:

Hiring of additional personnel, collection of inaccurate data, reduced customer satisfaction, increased likelihood of employee injuries, and non-compliance with BMP #4

Project Financial Summary:

Funded to Date:		Expenditures through end of year:	\$ -
Spent to Date:		2018 - 2022 Planned Expenditures:	\$ 600,000
Cash flow through end of year:		Total Project Estimate:	\$ 600,000
Project Balance	\$ -	Additional Funding Required	\$ 600,000

Description of Work	Estimated Annual Expenditures					Total
	2018	2019	2020	2021	2022	
Implementation	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$ 500,000
C8R91	\$100,000					\$ 100,000
						\$ -
						\$ -
TOTAL	\$ 200,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000

Funding Sources	Percentage	2018	Amount
Water Rates	100%		\$200,000
			\$0
Total	100%		\$200,000

Funding Comments:

JUSTIFICATION FOR STANDARDIZATION

AR 3061.09 Standardization of Goods and Services

The General Manager may authorize the uniform adoption or other standardization of a good or service to promote efficiency or for other good cause when the good or service is designated to match others in use, or planned to be used, by the District. All standardizations shall be valid for a term up to three years, which term may be extended one time up to three additional years after examining market conditions and upon a determination by the General Manager that the standardization still serves the District's best interests.

Requester Name: Edward Ruiz for Customer Service and Meter Services Department: Purchasing

Item(s) to be Standardized: Sensus meters, radio read (AMR) equipment and all related parts, hardware and software.

Manufacturer: Sensus

Model: SRII TR/PL displacement meters, TR/PL Omni turbo meters, iPearl magnetic meters, meter transceiver units (MXU), "ICE" registers (ECR), and all hardware and software related to meter reading.

Description of Item: All Sensus meters, parts and related meter reading equipment.

Purpose of Use: Accurately measure and report potable and recycle water consumption.

Justification requesting standardization for goods or services (attach additional back-up if necessary):

The board approved Sensus meter read equipment as standardization December 1, 2003. This standardization request is to renew 3 previous standardizations approved by the GM for Sensus meters and parts related to all Sensus radio read equipment.

Are the goods or services available from more than one source? YES _____ NO X_. If yes, please list known source(s). If no, please list the single-source of availability (vendor name, city and state):

Golden State Flow Measurement of El Dorado Hills.

Approval Routing

Requester

Peter S. Heape

Requesting Supervisor

Jenny Henny

Requesting Division Manager

Mark Dini

Requesting Department Director

Jim Ahl

General Manager

Elizabeth Loeper

Office of General Counsel

Date

1-11-18

Date

1/11/2018

Purchasing Notes:

Please return to Purchasing the completed copy of this form.

For Purchasing use only.

Standardization number assigned: 18002

Expires: 1-12-21

EL DORADO IRRIGATION DISTRICT

Subject: Funding approval for District Capital Improvement Plan (CIP) Projects.

Recent Board Action

November 13, 2017 – The Board adopted the 2018-2022 CIP, subject to available funding.

Board Policies (BP), Administrative Regulations (AR) and Board Authority

Staff advised that each CIP project would be presented to the Board for funding approval.

Summary of Issue

Board approval is required to authorize CIP funding prior to staff proceeding with work on the projects.

Staff Analysis/Evaluation

The CIP projects identified in Table 1-1 on page 2 requires immediate funding. Some funding requests are in excess of the original CIP plan estimates. The increase is related to the refinement of capitalized EID labor cost as the project design was completed.

Funding Source

The primary funding source for the District CIP project is listed in Table 1-1. Table 1-1 also lists the project currently in progress and the amount of funding requested.

The CIP project description for this project is also attached for review. (Attachment A)

**Table 1-1
CIP Funding Request**

	Project Name and Number	2018-2022 CIP Plan¹	Funded to Date	Actual Costs to date²	Amount Requested	Funding Source
1.	Upper Main Ditch Piping 11032	\$10,442,214	\$1,956,056	\$1,955,391	\$88,500	100% Water rates
	TOTAL FUNDING REQUEST				\$85,000	

¹ Includes all existing costs plus any expected costs in the 5 year CIP Plan. Does not include grants and conservation charges which are anticipated to offset the total costs by approximately \$3.6 million.

² Actual costs include encumbrances.

The following section contains a brief breakdown and description of the project in the table. For complete description of the CIP project see Attachment A.

CIP Funding Request

Project No.	11032	Board Date	02/12/2018
Project Name	Upper Main Ditch Piping		
Project Manager	Mueller		

Budget Status	\$	%
Funded to date	\$ 1,956,056	--
Spent to date	\$ 1,955,391	100%
Current Remaining	\$ 665	0%

Funding Request Breakdown	\$
Consulting services/ROW	\$ 63,500
Capitalized labor	\$ 25,000
Total	\$ 88,500

Funding Source
100% Water rates

Description
The Upper Main Ditch Piping project includes piping of approximately 3 miles of earthen ditch between Forebay reservoir and the Reservoir 1 water treatment plant. Project work continues on preparing an expanded environmental impact report that evaluates project alternatives at the "Project" level to provide the Board with flexibility in choosing the final project. The Draft Environmental Impact Report (EIR) is expected to be released for public review in March 2018. Easement acquisition efforts also continue. This funding request will pay for outside counsel review of the Draft EIR, right of way activities, and staff time to anticipated Board consideration of approval of construction in July 2018.

Board Decisions/Options

Option 1: Authorize funding for the CIP project as requested in the amount of \$88,500.

Option 2: Take other action as directed by the Board.

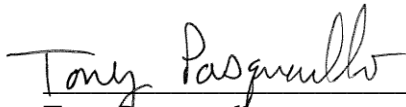
Option 3: Take no action.

Staff/General Manager Recommendation

Option 1

Support Documents Attached

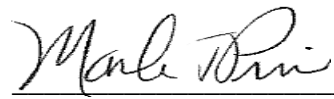
Attachment A: Capital Improvement Project Description and Justifications



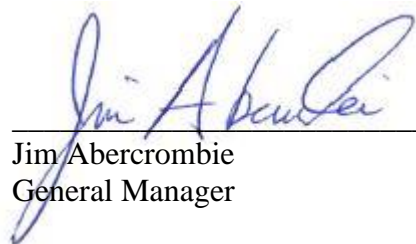
Tony Pasquarello
Finance Manager



Brian Mueller
Engineering Director



Mark Price
Finance Director (CFO)



Jim Abercrombie
General Manager

2018 CAPITAL IMPROVEMENT PLAN Program: Water

Project Number: 11032
Project Name: Main Ditch - Forebay to Reservoir 1
Project Category: Reliability & Service Level Improvements
Priority: 2 **PM:** Eden-Bishop **Board Approval:** 11/13/17

Project Description:

The Upper Main Ditch is approximately three miles long and conveys a maximum of 15,080 acre-feet of raw water annually at a maximum rate of 40 cubic feet per second from Forebay Reservoir to the Reservoir 1 Water Treatment Plant. Because the Main Ditch is an unlined earthen canal, a portion of the flow up to 1,800 acre-feet per year on average, is lost to seepage and evapotranspiration. This water could be made available for drinking water or power generation. Piping the Upper Main Ditch provides: improved supply reliability; elimination of contamination potential; reduced operations and maintenance costs; water rights protection from unreasonable use claims; reduction in Folsom Reservoir pumping costs in the long term; and on an interim basis, increased hydroelectric revenues. The District has received \$568,000 in grant funding from the El Dorado County Water Agency (EDCWA) that has been used to conduct environmental, wetlands, and cultural resources studies, surveys and design work. Additional grant funding from EDCWA has been applied for final design and EIR preparation in the amount of \$251,500. The Department of Water Resources and Reclamation have both committed \$1 M grants for construction of the project. Final design, right of way acquisition and preparation of an environmental impact report are currently underway. The project cost estimate is based on 60% design and includes a 20% construction contingency. Construction is planned to begin Fall 2018. Total project cost is in the range of \$9.6 M - \$10.4 M depending on the alignment chosen. Estimated annual expenditures are reduced to account for grants and Carson Creek conservation charges.

Basis for Priority:

Improves water quality, conserves water supply, protects health and safety of customer and the public and reduces operations costs.

Project Financial Summary:			
Funded to Date:	\$ 1,956,056	Expenditures through end of year:	\$ 1,592,214
Spent to Date:	\$ 1,292,214	2018 - 2022 Planned Expenditures:	\$ 5,250,000
Cash flow through end of year:	\$ 300,000	Total Project Estimate:	\$ 10,442,214
Project Balance	\$ 363,842	Additional Funding Required	\$ 4,886,158

Description of Work	Estimated Annual Expenditures					Total
	2018	2019	2020	2021	2022	
Design/Environmental	\$250,000	\$175,000	\$175,000			\$ 600,000
Construction Costs	\$500,000	\$4,100,000	\$3,600,000			\$ 8,200,000
Easement Acquisition	\$50,000					\$ 50,000
Subtotal	\$800,000	\$4,275,000	\$3,775,000			\$ 8,850,000
Grant offsets	\$300,000	\$1,700,000	\$1,600,000			\$ 3,600,000
NET TOTAL	\$ 500,000	\$ 2,575,000	\$ 2,175,000	\$ -	\$ -	\$ 5,250,000

Funding Sources	Percentage	2018	Amount
Water Rates	100%		\$136,158
			\$0
			\$0
Total	100%		\$136,158

Funding Comments: The project replaces an existing facility, therefore is funded by water rates. Estimated annual capital expenditures have been reduced by grant funding from El Dorado County Water Agency, Department of Water Resources and US Bureau of Reclamation and Carson Creek conservation charge in the amount of approximately \$3.6 M.

EL DORADO IRRIGATION DISTRICT

SUBJECT: Consideration to authorize the General Manager to renew four existing software support and maintenance agreements for the District's utility operations and information technology (IT) infrastructure software suites with current vendors Infor, E and M, and CDW-G for one-year terms not to exceed the budgeted amount of \$380,000.

Previous Board Action

Since 2010 – Approved core software support and maintenance agreement renewals for one-year terms.

Board Policies (BP), Administrative Regulations (AR) and Board Authority

BP 3060 and AR 3061.04 require Board approval for all purchases over \$50,000.

AR 3061.05e allows procurement of goods or services from a single source with good cause.

Summary of Issues

Staff estimates four (4) annual renewals for software support and maintenance will exceed \$50,000 in 2018 and therefore each requires Board approval. The four software suites encompassed by this renewal request are essential to District operations, and have existing software maintenance and support agreements in place with vendors Infor, E and M, and CDW-G. The Board is requested to delegate authority for the annual renewal of these software support and maintenance agreements each exceeding \$50,000 to the General Manager. The not to exceed amount of \$380,000 for the four agreements is contained in the District's approved operating budget and allocated to the purpose of software maintenance. This is not a request for additional funding.

Staff Analysis/Evaluation

Software drives the modern world, and is an essential part of the District's technology portfolio. The District began using software database solutions in the early 1980's to improve the efficiency and effectiveness of its business operations. Over time, a number of software solutions have been implemented or expanded and are now considered core applications for the District. Core software is characterized as being some of the District's most strategic software investments. Core software provides mission-critical capabilities, is extremely adaptable to satisfy a wide range of District needs, is highly integrated to other software modules and information systems, and has been the focus of extensive staff training on its application, maintenance, and use.

Core software applications support many essential business operations, including automated water and wastewater treatment operations, recycled water operations, power house operations and associated flumes, canals and reservoirs, public health and safety, regulatory reporting and compliance, customer service support, utility billing process, meter reading activities, asset maintenance and management for all divisions, mapping, modeling, and much more. Staff routinely finds new and innovative ways to use the information and capabilities of the District's software applications to further improve efficiency and service delivery, satisfy changing regulatory requirements, and make better decisions.

Technology has a lifespan and requires ongoing maintenance to provide maximum usefulness and reliability. Integrated software is no different, and must be regularly tested by the manufacturer to ensure ongoing compatibility within the numerous modules or with third party software when changes occur. A software support and maintenance agreement ensures that staff receives timely and competent technical support for each application of software, and that periodic software releases are provided to fix defects and maintain the security and optimal operation of each software product. In many instances, the continuation of periodic maintenance payments for that technology is tied to the right to use future software enhancements. Major software enhancements, which are also known as new versions, are generally released every few years and provide next-generation features and functionality to enhance staff productivity and customer service. Staff estimates the four core software maintenance agreements provide the District with access to major software enhancement licenses which would otherwise cost nearly \$2,000,000 if the annual maintenance agreements were not in place.

Risks of deferring

If not renewed, the mission critical software supporting virtually all District staff and job functions will not receive further maintenance. The lack of ongoing and timely maintenance undermines the reliability, performance, and security of the software and associated data. In time these issues directly affect the reliability and quality of the District's services, and greatly increase the risk of service interruptions, fines, or worse.

Proposed Solution

The District's Administrative Regulation 3061.05e allows procurement of goods or services from a single source with good cause. The annual maintenance of software and related off-site support services falls into this category.

There are two reasons why annual software maintenance payments should be exempt from bidding. Annual maintenance payments are negotiated or purchased as part of the initial equipment or service purchase, and sometimes when the equipment or service does not have a foreseeable termination date, an annual agreement is shifted to a multi-year agreement because the vendor offers a discount on maintenance fees for a longer-term agreement. Additionally, many vendors are the sole providers of the support for their products (e.g. software, hardware, and professional services). Many of these sole source providers do not sell directly to customers; they have outsourced all sales functions to distributors. Thus, technology software, equipment, and maintenance services may appear to have multiple sources but that is an artifact of the manufacturer having outsourced its sales functions.

The IT Department currently provides centralized management of software maintenance and licensing as a service to other departments. This software management program uses decades of IT staff expertise to ensure the District is getting the appropriate and best levels of support for the software maintenance dollars spent.

In developing the current software maintenance forecast contained in the approved operating budget, staff anticipated an average 2% cost increase by the vendors. The forecast also accounts for increases in software maintenance associated with new or expanded software applications and licensing, as well as any decreases due to software application change or retirement during the prior year.

Board Decisions/Options

Option 1: Authorize the General Manager to award renewals during this calendar year of existing software support and maintenance agreements for the District's core utility operations and information technology infrastructure software suites with current vendors Infor, E and M, and CDW-G for one-year terms not to exceed the budgeted amount of \$380,000.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Staff / General Manager Recommendation

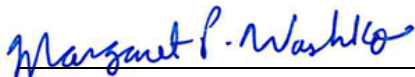
Option 1

Support Documents Attached

None



Tim Ranstrom
Information Technology Director



Margaret P. Washko, P.E.
Operations Director



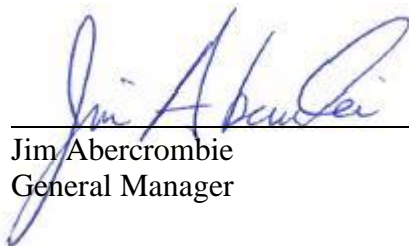
Brian Mueller, P.E.
Engineering Director



Mark T. Price, CPA
Finance Director



Brian Poulsen
General Counsel



Jim Abercrombie
General Manager

EL DORADO IRRIGATION DISTRICT

SUBJECT: Consideration to award a contract to Proud Audio-Visual in the not-to-exceed amount of \$49,998.49 for audio-visual equipment and services; and authorize project funding of \$55,000 for the Sly Park Conference Room Audio-Visual System Replacement Project.

Previous Board Action

November 13, 2017 – Adopted the 2018-2022 Capital Improvement Plan, subject to available funding.

Board Policies (BP), Administrative Regulations (AR) and Board Authority

BP 3060 and AR 3061.04 require Board approval for all purchases over \$50,000.

Summary of Issues

The Sly Park Conference Room is the District's largest and most versatile meeting room. The room is used frequently—typically about 120 times per year—by various departments and often includes outside participants. In addition, this conference room serves as a secondary option to host the public Board meeting and has been used as an overflow area for such. Much of the audio-visual (A-V) equipment serving this room has reached the end of its 10-year useful life, and has begun to experience recurring reliability issues that have delayed or disrupted a number of meetings and events over recent months.

Staff Analysis/Evaluation

The District uses a modern A-V solution of integrated sub-systems and components, including specialized controllers, gateways, mixers, and numerous software products for its largest meeting room that can be easily adapted to support a wide array of meeting needs and input sources. Most of the Sly Park Conference Room A-V equipment has been in service since 2008 and has proven to be effective, adaptable, and until recently, reliable.

The system has recently begun to experience recurring reliability issues, and authorized service technicians have determined that several pieces of equipment have faults which can't be repaired. The technicians confirm most of the Sly Park A-V equipment has reached the end of its useful life, requires replacement, and could completely fail at any time. The problematic and end-of-life equipment is part of a much larger integrated A-V solution that is maintained by the Information Technology Department.

Proposed Solution

Staff recommends replacement as the best overall solution for the frequently-used Sly Park Conference Room A-V system. The proposed modern equivalent solution provides necessary large-group communications and collaboration functionality while also delivering the lowest total cost of ownership and utilizes intuitive technology that anyone can use. Proposed equipment replacements include the projectors, motorized screens, video transmitters and receivers, video switching, and control processor. Staff also recommends two nominally-priced enhancements to meet shortcomings of the current system that would not be addressed by the replacement equipment alone:

- Add audio teleconferencing capabilities using the existing microphones and mixer, for a labor cost around \$250.
- Add wireless mobile device presentation capabilities to increase A-V system adaptability for mobile devices in use at the District, or that outside presenters and consultants may carry in, for a cost of \$2,000.

Due to the specialized skills and expertise associated with crafting modern A-V solutions, staff recommends using an experienced consultant to perform solution integration, testing, and control system programming. Staff estimates the proposed solution will take about 6 weeks to implement following a notice to proceed.

Summarized costs for the proposed solution are as follows:

Equipment	\$38,000
Labor	\$12,000
Contingency (10%)	\$5,000
Total	\$55,000

Staff considered the feasibility and cost of a number of other potential operational changes instead of replacing the Sly Park Conference Room A-V equipment entirely, however these were determined to be more costly and problematic than replacement. These considerations are described further in the following section. Staff also considered A-V equipment design and configuration alternatives for potential cost savings and efficiency gains over a 10 year period. These alternatives included:

Alternative Considered:	Finding:
Revert to the past-practice of using portable components and manually assemble the various pieces as-needed for meetings	Not recommended - considerably higher total ownership cost over time due to support labor and productivity loss.
Replace failing projectors and screens with flat-panel monitors	Not recommended - considerably more costly than projection due to the size of monitors necessary for the room's dimensions.

Risks of Deferring Replacement

If not replaced, as the equipment fails, meetings must be redirected to much smaller District meeting rooms or off-site venues until further notice. The Board Room is the District's next-largest meeting room—however it accommodates almost 90 fewer people, does not offer the flexible arrangement of tables and chairs to meet various event needs, nor does its A-V solution offer the adaptability of the Sly Park Conference Room A-V system.

Staff estimates 20% to 30% (about 24 to 36) of the events held annually in the Sly Park Conference Room are not conducive to hold in another District meeting room due to the number of attendees or room configuration limitations, and would therefore require renting an off-site venue. Surveying available venues in Placerville found two potential rooms at the fairgrounds, currently priced at \$360 to \$650 per day. These venues appear to lack comparable A-V solutions, so renting or acquiring the A-V solutions for an off-site venue and set-up/takedown becomes an added cost. A less obvious cost is the lost productivity created by HQ staff travel time to and from the venue, when these participants would otherwise spend a minute or less getting to the Sly Park Conference Room. Staff estimates the off-site venue rental cost alone to be roughly \$8,500 to \$23,000 annually, and could total \$85,000 to \$230,000 over the anticipated 10-year life of the proposed solution.

Pursuant to current purchasing policy, staff recently sought multiple bids for the recommended solution from Home Theater Company, Paradyme Sound & Vision, and Proud Audio-Visual. Only Proud Audio-Visual responded with a proposal. Proud Audio-Visual has previously performed quality A-V work for the District, including past maintenance and enhancements to the Sly Park A-V system. Based on their familiarity of the Sly Park A-V system, Proud Audio-Visual worked with staff to further refine their bid, resulting in a 5% reduction in the proposed solution bid.

This project and the requested funds are identified in the IT Network and Communications Reliability Program in the currently adopted 2018-2022 Capital Improvement Plan. The project would be funded by water rates 60% and wastewater rates 40%.

Board Decisions/Options

Option 1: Award a contract to Proud Audio-Visual in the not-to-exceed amount of \$49,998.49 for audio-visual equipment and services; and authorize project funding of \$55,000 for the Sly Park Conference Room Audio-Visual System Replacement Project.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Staff / General Manager Recommendation

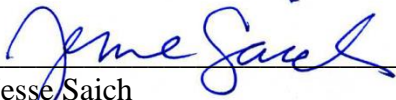
Option 1

Support Documents Attached

Attachment A: Proud Audio-Visual proposal # 2046-3



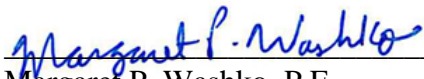
Tim Ranstrom
Information Technology Director



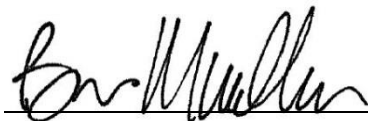
Jesse Saich
Public Information Officer



Jose Perez
Human Resources Manager



Margaret P. Washko, P.E.
Operations Director



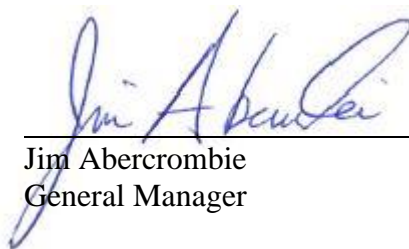
Brian Mueller, P.E.
Engineering Director



Mark Price
Finance Director



Brian Poulsen
General Counsel



Jim Abercrombie
General Manager



El Dorado Irrigation District
Proposal #:2046-3
12-5-17

Scott Tarbox
El Dorado Irrigation District
2890 Mosquito Road
Placerville, CA 95667
(530) 642-4179

Subject: AV SYSTEM UPGRADE
Sly Park A & B Conference Rooms

SCOPE OF WORK

Proud AV, Inc. will furnish all Labor and Materials necessary to provide a fully functionally Audio Visual System.

AUDIO SYSTEM:

AUDIO TELECONFERENCING:

1. Program the existing Biamp Nexia TC DSP mixer to allow the existing microphones to be used for audio teleconferencing. The existing microphones will be integrated for transmitting clear audio to the far end for audio tele-conferencing. Audio from the far end will be heard through the existing speakers in the room.
2. The tele-conference dialer control buttons will be integrated onto the AV control panel.

Note: The existing Nexia TC will require a POTS line or a VoIP to POTS converter. (To be provided by EID)

VIDEO SYSTEM:

MAIN DISPLAY:

1. The (2) existing NEC Projectors will be removed.
2. Two (2) Panasonic PT-RZ570BU DLP laser phosphor 5200 lumens 1920 x 1200 resolution digital projectors will be installed from the existing ceiling locations. The laser-phosphor technology provides up to 20,000 hours operating time without the need for lamp changes.
3. Remove (2) existing Dalite 87" x 116" Executive Electrol screens from the hard cap ceiling.
4. Install (2) new Dalite 74.5"h x 132.5" (16:9) Professional Electrol - Custom (9.5" x 146.5) to match the existing case size. *(Note: Any necessary patching and painting to be done by others.)*
5. Install (1) HDMI HDBaseT receiver at each projector location.
6. Pull Cat6 cable from AV rack to each projector location.
7. Provide As-Built AV signal flow drawings & documentation.



Proud Audio Visual

www.ProudAudio.com

Main: 800.875.9121 | Fax: 916.728.2910

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VIDEO SWITCHING:

1. Remove the existing Extron Matrix switcher and analog RGBHV coax cables from the AV rack.
2. Install one Crestron Digital Media 8 x 8 HDMI Matrix Switcher in the existing AV rack.

FLOOR BOX PRESENTATION INPUTS:

1. At each of the (4) existing FSR floor box locations (1) HDMI/VGA 2 Gang wall plate HDBaseT video transmitters will be installed for connecting laptops or other presentation sources to the system.
2. Pull and terminate Cat6 cables from the AV rack to each of the (4) floor box locations.

WIRELESS PRESENTATION INPUTS:

1. We will install (1) Barco ClickShare CSE-200 wireless presentation systems w/ (2) Buttons total, USB-powered 5GHz wireless video transmitters. The system can be expanded to allow for up to 16 ClickShare Buttons to connect to each Base Unit simultaneously. This system will make it possible to transmit up to 30 fps wireless HDMI video w/ audio to the projector from a laptop anywhere in the room.
2. To improve Wi-Fi connectivity, the base unit will be mounted above the existing projector location within the room. One HDMI wired connection from the base unit will be run from the base unit back to the AV equipment rack.



CONTROL SYSTEM:

CONTROL PROCESOR:

1. Remove (1) existing AMX NI-3100 control system CPU.
2. Install (1) new Crestron CP3 control system CPU.
3. Install (1) Crestron TSW-1060 10" wall mount touch screen.

Note: iPads to be provided by EID.

CONTROL SYSTEM PROGRAMMING:

1. Create new Crestron touch screens to match the existing layout.
2. Write new control code for the Crestron CP3 AV control system to include source select for new Barco ClickShare, and include existing control functionality.

The touch screen control interface will be programmed the following intuitive control functions:

- System Start Up
- Projector ON/OFF
- Motorized Projection Screen UP/DOWN
- - Source Select - VM
- - Source Select - Conference Floor Box 1-4 VGA/HDMI Inputs
- -Source Select - Barco ClickShare wireless HDMI
- - Source Select - Blu-Ray Player
- Audio Conference Control (Dial, End Call)
- Audio Conference Volume UP/Down/Mute
- Program Volume UP/Down/Mute
- Microphone Volume UP/Down/Mute
- Boardroom Audio Feed ON/OFF
- System Shut Down (Power down entire AV system)

Proud Audio Visual

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Proud Audio Visual will provide the following (6) step labor & materials process required for professionally completing the work as it relates to the Scope of Work above:

- 1) **Design Engineering/AutoCAD drawings**, and documentation including:
 - AV System functional interconnection diagrams.
 - AV Conduit and Electrical locations
 - AV equipment locations
 - AV Case work elevations
 - AV Rack elevations
 - As-built AutoCAD system signal flow diagrams
- 2) **Installation Materials**, items to be provided to complete each phase of the installation:
 - Cable & Connectors
 - AV Components (Amps, Projectors, Speakers, Etc)
 - Cable Ties, Labels & Sheaving Material
 - Middle Atlantic Equipment Racks
 - Middle Atlantic, Blank Panels, Vents, Screws, Shelves, Fans, Drawers and Power Strips as required.
 - Misc. Mounting Hardware & Materials
- 3) **Installation Field Labor**, including:
 - Pulling and bundling cables
 - Terminating of all cables
 - Labeling of all cables
 - Mounting Speakers, Projectors, Screens, Cameras, and Microphones.
 - Equipment Rack Fabrication
 - Mounting and terminating wall plates
 - Troubleshooting & Testing
 - Site cleanup and rubbish disposal
- 4) **Project Management**, including meetings with the client's technical representatives and project coordination, includes:
 - Coordinate install schedule with client and other trades
 - Equipment staging/tracking
 - Assure final punch list items are completed
 - Provide end-user training on proper operation of system
- 5) **Control System Programming**, including software programmed to control the audio-visual system, including:
 - AV Touch Panel Page Design
 - Write AV Source Control Code
 - Ethernet Control programming
 - Test & De-bug
- 6) **Field Engineering**, including services required after the installation is complete including the following:
 - AV Equipment heat load calculations
 - Adjusting and balancing microphone gain settings
 - DSP Audio System programming
 - Adjust DSP/EQ Matrix Mixer settings
 - Tune Audio System to the rooms acoustics with a Audio Spectrum Analyzer
 - Adjust Echo Cancellation for VTC & ATC
 - Adjust convergence to specific computer and video inputs
 - Performing thorough test and create punch list
 - Mark and record final settings
 - Assure that the finished system meets the design criteria and functions per the developed concept.

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SYSTEM COSTS

Equipment & Materials Subtotal : **\$34,768.56**
CA Sales Tax: **\$2,868.41**
Shipping & Handling: **\$521.53**

EQUIPMENT TOTAL: \$38,158.49

Design Engineering: \$0.00
Field Engineering: \$400.00
CAD & Documentation Total: \$600.00
Control System Programming: \$2,000.00
DSP Audio Programming \$1,000.00
Project Management: \$500.00
Rack Fabrication: \$320.00
Installation: \$7,020.00

TECHNICAL SERVICES LABOR TOTAL: \$11,840.00

GRAND TOTAL: \$49,998.49

PAYMENT TERMS

- **30% Deposit**
- **30% Upon Delivery Of Equipment**
- **40% Due Upon Completion**

All Invoices will be paid NET 30.

On approval of this proposal, please forward a copy of the signed last page to me. Work will proceed on receipt of a signed copy of this proposal, purchase order and a deposit check.

Proud Audio Visual

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Main: 800.875.9121 | Fax: 916.728.2910

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CHANGE ORDERS

Change orders requiring any equipment to be returned are subject to a 20% restocking fee plus shipping & handling charges.

ATTORNEY'S FEES

In the event the parties become involved in any court action or litigation with each other arising out of this Contract or other performance thereof in which the services of an attorney and/or other consultants are reasonably required, the prevailing party shall be fully compensated for the cost of its participation in such proceedings, including the costs incurred for attorneys' fees and consultants' fees. Unless judgment goes by default, the attorneys' fee and consultants' fee award shall not be computed in accordance with any court schedule, but shall be such as to fully reimburse all attorneys' fees and consultants' fees actually incurred by the prevailing party, in good faith, regardless of the size of the judgment, it being the intention of the parties to fully compensate the prevailing party for all attorneys' fees and consultants' fees paid or incurred in good faith.

SCHEDULE

We anticipate completion of the project on the following schedule:

- | | |
|--|-----------|
| • Receipt of Client authorization to proceed | TBD |
| • Lead Time For Arrival Of Equipment & Materials | 2-3 Weeks |
| • On Site Installation | 5 Days |
| • System Programming, Tuning & Adjustments | 3 Days |
| • Final Acceptance & System Training | 1 Day |

Work in room will be scheduled for full consecutive 8 hours days Monday – Friday 8am to 5pm. The installation will be completed in phases to minimize down time between meetings.

We will work with you to finalize a schedule that meets the implementation requirements of the project.

EXCLUSIONS

The following work is not included in our scope of work:

- Conduits & Electrical Boxes
- Digging Trenches For Cables
- Removal Of Existing Speakers and Poles
- Removal Of Existing Projection Screens
- Permits (unless specifically provided for elsewhere in the contract).
- Acoustical Wall Treatments
- Asbestos Removal/Abatement

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STANDARD WARRANTY

The Proud Audio Visual standard warranty on workmanship (*Install Labor, Cable & Terminations*) is (90) days from Final Acceptance. All manufacturers' warranties will begin at Final Acceptance, and are subject to their respective terms and conditions. Most equipment in this proposal offers a one year parts and labor warranty.

This Warranty excludes damage to system components caused by, acts of God, abuse or damage caused by the miss-use/operation or handling of equipment, wear and tear items such as lamps and filters.

SUMMARY

We are confident that our participation on this project will contribute to its ultimate success. We appreciate the opportunity to submit this proposal package and look forward to your authorization to proceed. Please feel free to contact me anytime if you have questions.

Sincerely,



Bill Proud, CTS
Proud Audio Visual
Main: 800.875.9121
Cell: 916.835.0223
Fax: 916.728.2910
bill@ProudAudio.com
www.ProudAudio.com
Contractor License # 845056

AUTHORIZATION TO PROCEED

By my signature, I indicate that I have read and accept, on behalf of my organization, the entirety of the above Scope of Work, and all of the Exclusions shown in this proposal, as they relate to the project.

Accepted by: _____

Signature: _____

Date: _____

PO#: _____

Proud Audio Visual
www.ProudAudio.com

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Company History

Bill Proud founded Proud Audio Visual in early 2004 after spending several years employed by a national systems integration company. With over 20 years of audiovisual design, integration, and control programming experience. At Proud Audio Visual, Bill is involved in all phases of conducting day to day business, from sales, design, to installation. *Bill's Mantra "On Time and Under Budget."* A personal note: Bill is an avid audio buff and in 1996 was the World Record Holder for the World's highest SPL "Sound Pressure Level" ever recorded in a vehicle. He is recognized as the first competitor in car Audio history to officially break the 160dB barrier.

Qualifications

- California Contractor C7 License # 845056
- Certified Small Business # 2002275
- Bonded & Insured
- Biamp Audia Certified DSP Audio Programmer
- Biamp TesiraFORTÉ Certified DSP Audio Programmer
- Polycom Vortex Certified
- BSS Sound Web Trained & Certified
- Crestron Digital Media Certified Engineer - 4K (DMC-E-4K)
- Crestron Digital Media Certified - Designer (DMC-D)
- AutoPatch Trained

Partial Client List

- City Of Folsom
- City Of Rancho Cordova
- City Of West Sacramento
- Citrus Heights Water District
- Eldorado Irrigation District
- Folsom Fire Department
- Lockheed Martin
- Mountain House Community Services District
- Sacramento Metro Fire Department
- Truckee Public Utility District
- University Of The Pacific
- Verizon Wireless

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EL DORADO IRRIGATION DISTRICT

SUBJECT: Consideration to appoint Director Osborne to the temporary advisory committee established by the Board on December 11, 2017, to negotiate employment contract amendments with the General Manager and General Counsel.

Previous Board Action

December 11, 2017 – The Board formed an advisory committee, consisting of Directors Day and Coco, to negotiate employment contract amendments with the General Manager and General Counsel

Board Policies (BP), Administrative Regulations (AR), and Board Authority

BP 12120 states that the Board President, with concurrence by the Board, may appoint ad-hoc committees.

Summary of Issue(s)

During the December 11, 2017, regular Board meeting, Directors Day and Coco were appointed to an advisory committee to negotiate employment contract term and compensation amendments with the General Manager and General Counsel. Since that time, Director Coco has advised Board President Raffety that circumstances have arisen that will not allow him the time to actively participate in the negotiations.

Due to Director Coco's unforeseen circumstance, Board President Raffety has appointed Director Osborne to sit on the advisory committee with Director Day. Board Policy 12120 allows the Board President to appoint ad hoc committee members, but only with the concurrence of the Board.

Board Decisions/Options

Option 1: Concur with President Raffety's appointment of Director Osborne to the temporary advisory committee established by the Board on December 11, 2017, to negotiate employment contract amendments with the General Manager and General Counsel.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Board President's Recommendation

Option 1

Support Documents Attached

None



Jennifer Sullivan
Clerk to the Board

 for

Michael Raffety
Board President

EL DORADO IRRIGATION DISTRICT

Subject: Consideration to change the funding for the low-income assistance program for District residential wastewater customers only.

Previous Board Action

June 27, 2016 – Information item to review feasibility of implementing a low-income assistance program for District customers.

January 23, 2017 – Board considered a low-income assistance program for District single family residential wastewater customers.

January 23, 2017 – Board established a Board-directed discretionary revenue fund to, among other things, fund a low-income ratepayer assistance program.

November 13, 2017 – Board gave direction to staff after workshop to bring back option for low-income assistance program for residential wastewater customers only.

December 11, 2017 – Board approved low-income assistance program for residential wastewater customers and directed staff to use property taxes.

January 22, 2018 – Board voted to reconsider low-income assistance program funding authorization.

Board Policies (BP), Administrative Regulations (AR) and Board Authority

BP 3010 states that the Board is committed to promoting the most efficient and effective use of the District's financial resources that will accomplish the goals of the District, support facilities and programs, and provide quality services to District customers. It is the responsibility of the General Manager to inform the Board about financial operations of the District so the Board can make informed decisions and fully discharge its legal responsibilities in a fiscally sound manner.

BP 9010 states that the District strives to meet or exceed customers' reasonable expectations for service through innovative thinking, effective issue resolution, and execution of strategic plans.

BP 9050 states that the District's Board of Directors establishes charges and rates for water, recycled water, and wastewater services.

BP 12050 states that in exercising their oversight, and in order to maintain accountability for the performance of their duties and responsibilities, the Board shall provide for ongoing review and evaluation of current programs, services, and activities of the District. The Board recognizes that this includes regular reports to the public on qualitative and quantitative assessments.

The General Manager shall establish and conduct regular assessments of the services and activities of the District. This may include oral or written reports presented at meetings of the Board.

Background

Board approved and directed staff to implement a low-income rate assistance program for up to 1,500 qualifying wastewater customers to receive a reduction to the base charge of \$25 bi-monthly using property tax revenues to be implemented by April 1, 2018.

Summary of Issue

At the January 8, 2018 staff was given direction to bring back an item to discuss changing the funding for the low-income program from property tax revenues only to first utilize the Board discretionary fund and when those funds are exhausted to then utilize property tax revenues.

Currently, the balance in this fund is \$80,489, which was derived from the sale of surplus real property, hydroelectric revenues in excess of the forecasted budget amount, and water transfer revenues. Of the total balance, however, only \$32,196 was derived from wastewater assets, which is not enough to meet the needs of this proposed low-income program.

Should the program reach the total 1,500 wastewater customers the annual cost of the program would be \$225,000.

Board Discussion/Options

Option 1: Authorize staff to change funding for low-income rate assistance program for sewer customers from property taxes to first use Board wastewater discretionary revenue funds and then property taxes when those funds are exhausted.

Option 2: Take other action as directed by the Board.

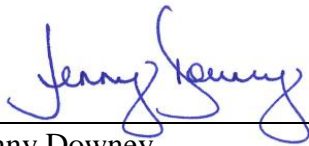
Option 3: Take no action.

Staff/General Manager Recommendation

Board Decision

Support Documents Attached

None



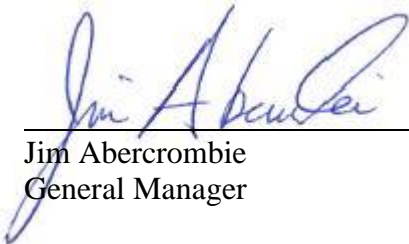
Jenny Downey
Customer Service Manager



Mark Price
Finance Director



Brian Poulsen
General Counsel



Jim Abercrombie
General Manager

EL DORADO IRRIGATION DISTRICT

Subject: Consideration of a 3% reduction in the District's wastewater rates for 2018 or an adjustment to the forecasted 3% wastewater rate increases for 2019-2022 down to 2% annually.

Previous Board Actions

December 11, 2017 – Board adopted the 2017-2018 Mid-Cycle Operating Budget and 2018–2022 Financial Plan, without any rate increases for water, wastewater and recycled water in 2018.

January 8, 2018 – Board voted to agendize the consideration of a 10% reduction in the District's wastewater rates.

January 22, 2018 – Board voted to agendize, at a future meeting, the consideration of either a 3% rate reduction in the District's wastewater rates or a reduction in the 3% annual rate increases included in the 2019-2022 financial forecast for wastewater down to 2%.

Board Policies (BP), Administrative Regulations (AR), and Board Authority

BP 9050 states that the District's Board of Directors establishes charges and rates for water, recycled water, and wastewater services.

BP 11010 states in part: the Board will adopt changes in rates pursuant to Article XIII D Section 6 of the California Constitution (Proposition 218). In relation to FCCs, the District is committed to provide capacity for a reasonable rate of growth within its service area. Existing customers will not share in these costs.

BP 12050 states in part: in exercising their oversight, and in order to maintain accountability for the performance of their duties and responsibilities, the Board shall provide for ongoing review and evaluation of current programs, services, and activities of the District.

AR 3014 states in part: the District will maintain operating reserves as approved by the Board for each of its utilities, water and wastewater, as a credit enhancement and to provide for: economic uncertainties, local disasters, and other financial hardships or downturns in the local, regional, state, or national economies; contingencies for unseen operating and capital needs; funding for planned remedial, replacement, or renovation of existing facilities; and cash-flow requirements; and a revenue source for invested interest earnings to reduce District needs for ratepayer funds.

BP 3010 states that the Board is committed to promoting the most efficient and effective use of the District's financial resources that will accomplish the goals of the District, support facilities and programs, and provide quality services to District customers. It is the responsibility of the General Manager to inform the Board about financial operations of the District so the Board can make informed decisions and fully discharge its legal responsibilities in a fiscally sound manner.

The Board shall adopt a two-year operating budget and update it prior to the beginning of the second budget year. The projected annual revenues of every adopted District operating budget, excluding Facility Capacity Charges and water transfer revenues, must equal or exceed the projected annual operating expenses plus debt payments. Further, to ensure that every adopted District operating budget provides adequate funding for pay-as-you-go capital projects, the Board's financial goals and objectives for annual debt service coverage are as follows: maintain a 1.25 ratio of net revenue, excluding Facility Capacity Charges and water transfer revenues, to debt service expense.

The Board shall also adopt every year a five-year Financial Plan and a five-year Capital Improvement Plan, and approve funding for the Capital Improvement Plan on an as-required basis.

AR 3012 states that the General Manager desires to maximize efficiency in the management of revenue and expenditures and thereby assigns responsibility for monitoring program budgets to department heads and program managers who shall use financial reports, program reports, and other pertinent data to ensure maximum effectiveness of program operation. The five-year Financial Plan establishes the cost of funding the operations and maintenance, capital expenditures, and debt expenses required to meet the District's mission of providing high quality, wastewater treatment, recycled water, hydroelectric power generation, and recreational services in an environmentally and fiscally responsible manner, meeting the District's debt covenant requirements to its bond holders and matching future revenues to those costs.

Long-term financial planning avoids volatile rate adjustments; better manages debt; better manages prepayment of debt; funds the Capital Improvement Plan; provides a plan for meeting debt covenant requirements; and sets clear, public goals and expectations. The goals and objectives are to establish necessary operating and maintenance costs, debt expenses, and pay-as-you-go project costs; generate adequate revenues to fund those costs, meet debt covenants, and maintain adequate cash reserves; avoid "rate shock" – small annual rate adjustments are better and more cost-efficient than years of zero rate increases followed by double-digit increases to make up shortfalls; maintain strong credit ratings with rating agencies (S&P – A+, Moody's – A1); maintain cash reserves between \$60 million and \$80 million; maintain CIP funding levels to replace high priority capital assets prior to end of life, avoiding critical asset failures; maintain 1.7 to 2.0 debt coverage ratio with Facility Capacity Charges (FCC); and maintain 1.25 debt coverage ratio without FCCs – in all years, meet Finance Control test that annual operating revenue, excluding FCCs, must equal or exceed total annual operating expenses plus debt payments.

AR 3015 states that the projected annual revenues of every adopted District operating budget, excluding Facility Capacity Charges, must equal or exceed the projected annual operating expenses plus debt payments.

Summary of Issue(s)

During the January 8, 2018 Board meeting, the Board voted to agendaize, at a future meeting, the consideration of either a 3% rate reduction in the District's wastewater rates or a reduction in the 3% annual rate increases included in the 2019-2022 financial forecast for wastewater down to 2%.

Staff Analysis/Evaluation

In 2008 and 2009, FCC revenue dropped from \$11 million to less than \$1 million, causing an extreme financial crisis for the District. The District cut operating costs, refinanced debt, renegotiated its existing hydroelectric revenue contract and implemented multi-year double-digit rate increases to its customers.

Because of the financial crisis and the negative impact to its customers, the District implemented a new practical (widely-used) financial model: operating revenue must equal or exceed the operating expenses and debt payments by 1.25 to ensure adequate funds and to fund smaller pay-as-you-go projects. The business model is $\text{Operating Revenue} \geq \text{Operating Expense} + \text{Debt Service}$ with a debt service goal between 1.0 and 1.25. The amount above 1.0 would be used to fund smaller pay-as-you-go projects. This financial model is reflected in BP 3010.

This financial model also focuses on collecting FCC revenue in restricted accounts as required by law so that it can be used for future capacity expansion and/or replacement to help minimize future bond issuances. In the 2018 – 2022 five-year financial plan, staff forecasted an increase in FCC revenue which would help fund the projects listed in the five-year CIP and longer term projects listed in the Wastewater Master Plan.

Financial

The adopted 2018 – 2022 Financial Plan and subsequent financial forecasts presented in January 2018 and within this AIS show a growth in FCC restricted reserves. The restricted cash, as discussed later within this AIS, are being accumulated to fund construction projects and currently not identified to partially fund debt repayment. Rates that staff proposed and were approved through the Proposition 218 process were calculated to restore the Board approved reserve balances described in AR 3014. Following reductions to those approved rates by the Board over the past few years, the operating reserves for the wastewater utility are projected to dip to about \$5 million over the next three years from the AR 3014 minimum calculated balance of about \$13 million.

If the Board adopts a 3.0% rate reduction, reserves are projected to fall below \$4 million in 2019 and below \$3 million by the end of 2020.

Alternatively, if the Board adopted 2% rate increases for 2019-2022, instead of the 3% in the forecast, reserves will fall below \$5 million in 2019, downward to about \$4 million by the end of 2020 and then begin to recover to \$10 million by 2022, but still lower than the AR 3014 amount of about \$13 million.

Impacts of rates on cash position

2018 original proposed 3% rate increase

The 2018 proposed 3% rate increase which was eliminated by the Board at the December 11, 2017, budget meeting, was designed -along with the forecasted 3% rate increases in 2019 – 2022 -to restore the Board-adopted reserves to their defined funding levels while creating a positive unrestricted cash balance. Attachment 1 to this AIS shows the breakdown of the District's cash at the District level, and by separate utility, with the original 3% proposed rate increase. The wastewater utility reflects a combined unrestricted cash and Board reserved cash balance in 2018 of \$6.3 million. This figure is \$6.5 million lower than the Board designated reserve balance should be. However, with the 3% rate increases that are included in the forecast for years 2019 – 2022, that balance is almost reached within the plan by 2021 and is shown to be funded by 2022.

2018 Board adopted 0% rate increase

After the Board declined to implement its adopted rate increases for 2018, staff updated the 2018 – 2022 financial forecast. Attachment 2 to this AIS shows the breakdown of the District's cash at the District level and by separate utility with 0% rate increase. The wastewater utility reflects a combined unrestricted cash and Board-reserved cash balance in 2018 of \$5.6 million. This figure is \$7.2 million lower than the Board-designated reserve balance should be. However, with the 3% rate increases that are included in the forecast for years 2019 – 2022, the reserve balance is restored by 2022, though the unrestricted cash is near zero.

2018 proposed -3% rate decrease

At the direction of the Board, staff has updated the 2018 – 2022 financial forecast to reflect the effects on cash of a 3% reduction in the wastewater rate for 2018 and the compounding affect it would have going forward. Attachment 3 to this AIS shows the breakdown of the District's cash at the District level, and by separate utility, with the -3% proposed rate decrease. The wastewater

utility reflects a combined unrestricted cash and Board-reserved cash balance in 2018 of \$4.9 million. This figure is \$7.9 million lower than the Board-designated reserve balance should be. By 2020, even with projected 3% rate increases for 2019 and 2020, the combined number lowers to \$2.9 million and then by 2022 moves closer to the Board-required operating fund balance of \$13.2 million but is still lower by \$3.6 million.

2018 Board adopted 0% rate increase and reduced increases in 2019-2022

At the direction of the Board, staff also created a 2018 – 2022 financial forecast to reflect the effects on cash of a reduction from an annual 3% rate increase for 2019-2022 down to 2% annually and showing the compounding affect it would have. Attachment 4 to this AIS shows the breakdown of the District’s cash at the District level, and by separate utility, with the 1% proposed rate decrease in years 2019-2022. The wastewater utility reflects a combined unrestricted cash and Board-reserved cash balance in 2018 of \$5.5 million, which is \$7.3 lower than AR 3014 levels. By 2022, even with projected 2% rate increases for 2019 -2022, the reserves are still lower by \$2.5 million than required by AR 3014.

Capital Projects

As discussed at the January 22, 2018 Board meeting, the 2018 – 2022 Capital Improvement Plan includes over \$16 million of wastewater expenditures.

Over the last five years, as directed by the Board, the level of expenditures and projects has been pared down by staff to meet the Board’s objectives. As an example, the District maintains and operates over 60 sewer lift stations within the system. The District should be replacing two lift stations per year on an ongoing basis to maintain reliability as these stations reach the end of their useful life. However, the 2018 – 2022 plan only includes five lift station replacements, reflecting one-half of the replacements that should be done. Funding for pipeline replacement is also below industry standard for replacement schedules making transport of sewage to the plants vulnerable which could lead to significant fines from the State Water Resources Control Board.



Mother-lode lift station discharge piping is just one example of failing lift station infrastructure caused by delayed funding. Substantial investment within the next couple of years is necessary. Patched discharge piping is fully corroded and repairs are barely holding.

As reported at the January 22, 2018 Board meeting, the District’s Wastewater Facilities Master Plan identified several new projects needed in the future for both replacement of aging assets and increased capacity to serve continued connections to the system. Staff has estimated the timeline and costs for these projects with approximately \$28.5 million needed for construction through 2027. Some are included in the current 5-year CIP with most deferred but needing replacement in the next 10 years.

Facility Description	Est Feet	Current CIP Plan 2018-2022	Add to Current CIP 2018-2022	Needed 2023-2027	Total
El Dorado Hills Collection System					
Fairchild Drive, Replace existing 8-inch with 10-inch	600		\$ 165,000		\$ 165,000
Upstream of EDHWTP, Replace existing 18-inch with 24-inch	1,000		1,000,000		1,000,000
Subtotal		-	1,165,000	-	1,165,000
Deer Creek Collection System					
Blanchard Road, parallel ex 6-inch with 8-inch	1,300			300,000	300,000
Strolling Hills, Upsize to 24-inch	10,700			4,250,000	4,250,000
Mother Lode FM Phase 6, Replace existing 12-inch with 20-inch	5,600			2,220,000	2,220,000
Town Center FM, Replace existing 8-inch with 10-inch	8,000	\$ 2,000,000	1,200,000		3,200,000
Subtotal		2,000,000	1,200,000	6,770,000	9,970,000
Lift Stations					
New York Creek LS, Replace existing pumps				150,000	150,000
Timberline LS, Replace existing pumps				100,000	100,000
El Dorado LS				200,000	200,000
Pipeline replacement program (\$500,000/year)		2,500,000		2,500,000	5,000,000
Lift Station replacement program		5,000,000		7,500,000	12,500,000
Subtotal		7,500,000	-	10,450,000	17,950,000
Total construction cost			2,365,000	17,220,000	29,085,000
soft costs 25%			591,250	4,305,000	4,896,250
contingency 20%			473,000	3,444,000	3,917,000
Total		\$ 9,500,000	\$ 3,429,250	\$ 24,969,000	\$ 37,898,250

FCC’s projected to be collected in the current 5-year financial plan are expected to be used to fund the \$28.5 million mentioned above or, at a minimum, reduce the need for a wastewater debt issuance within the next five to 10 years, as well as mitigating rate increases needed to raise funds for these and other pay-go projects.

Restrictions of the Use of FCC Revenue

The statutory authority governing FCCs prohibits an agency from using FCC revenues to fund operating costs, or from otherwise using such revenues for any purpose other than the purpose for which the FCC was charged. The District has adopted a methodology for calculating its FCCs, based upon the amount necessary to fund future growth and to recover a portion of the past investments in District facilities which benefit new users. The adopted methodology identifies how FCC revenue will be used by the District. Any changes to how the District allocates FCC revenues must conform to the statutory authorities governing such fees.

There are several important elements of the statutory authority governing FCCs that must be met in any changes to how the district allocates FCC revenue. First, Government Code section 66013 prohibits an agency from imposing FCCs that exceed the estimated reasonable cost of providing the service for which the fee or charge is imposed (unless approved by at least two-thirds of voters). Second, the statutory definition of FCCs requires that the capital facilities either in existence at the time or to be built in the future proportionally benefit those charged.

The definition is as follows:

“[A] charge for public facilities in existence at the time a charge is imposed or charges for new public facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged, including supply or capacity contracts for rights or entitlements, real property interests, and entitlements and other rights of the local agency involving capital expense relating to its use of existing or new public facilities. . . .” (Gov. Code § 66013(b)(3).)

Third, subsection 66013(c) of that statute requires agencies to deposit FCC revenues in a separate capital facilities fund, and account for the revenues in a manner to avoid any commingling with any other revenues, except for investments. (Gov. Code § 66013(c).) Fourth, and finally, that subsection also requires that agencies, “shall expend those charges solely for the purposes for which the charges were collected. Any interest income earned from the investment of moneys in the capital facilities fund shall be deposited in that fund.” (*Ibid.*)

These statutory provisions prohibit the District from using FCC revenues to fund operating costs. They also prohibit the District from using wastewater FCCs to fund water infrastructure projects and using water FCCs to fund wastewater projects. Nothing in Government Code section 66013 prohibits the District from using FCC revenue to pay the debt service incurred to construct capital projects for which the FCC was charged. However, using FCC revenue to pay for debt service that is currently covered by wastewater rate revenue in order to reduce wastewater rates suggests that such FCC revenue would be used to subsidize wastewater rates, not to pay for the facilities for “for which the charges were collected.”

Moreover, the District’s adopted methodology for calculating FCCs already allocates some portion of the FCC buy-in component for wastewater to “the present value of past debt issuance costs.” (See Public Hearing Item No. 6, re: Consideration of a resolution for the adoption of the Update to the District’s Facility Capacity Charges, El Dorado Irrigation District Regular Meeting, August 26, 2013, Appendix A, Facility Capacity Charges Methodology and Schedule: An Update to the 2008 Facility Capacity Charge, p. 11.) Any modification to this methodology would need to be carefully analyzed to ensure that (1) the allocation does not result in charges that exceed the estimated reasonable cost of providing the service for which the fee or charge is imposed, and (2) the revenues are not allocated to anything other than “the purposes for which the charges were collected.” (Gov. Code § 66013(a) & (c).) At a minimum, the District should revisit its FCC calculation methodology before materially changing the allocation of FCC revenues since the current allocation of FCC revenue was relied upon when calculating current FCC rates.

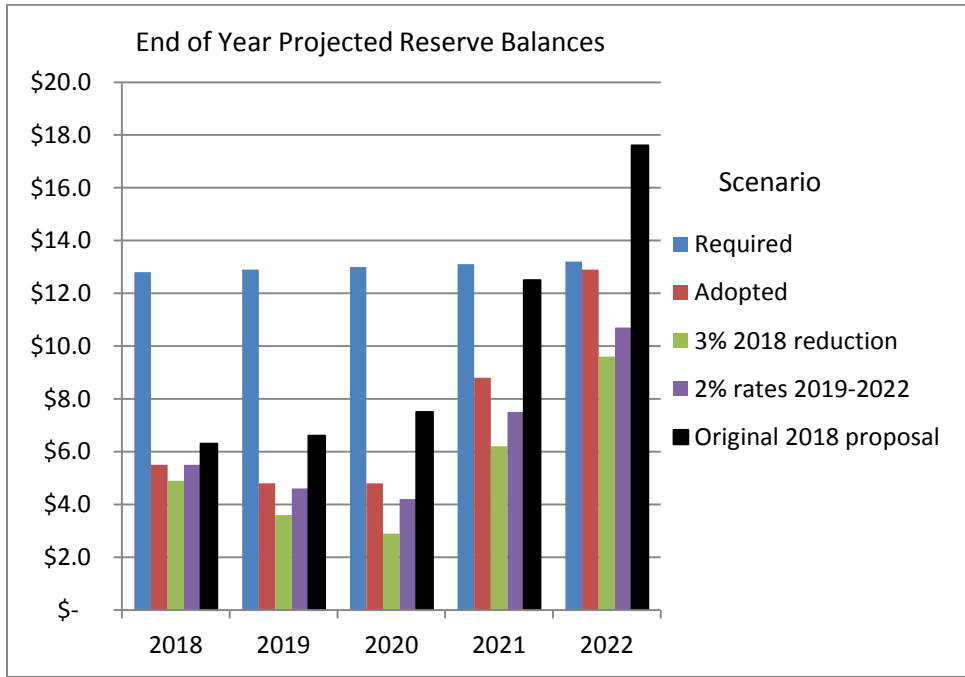
Staff Recommendation

Staff is not recommending that the District once again “kick the can down the road” by implementing a temporary wastewater rate reduction that will eventually deplete the Board-designated funds and not allow for unexpected extraordinary one-time expenses nor is staff recommending adjusting the future incremental rate increases built into the financial plan. The short-term rate reductions would only increase the need to borrow additional funds in the future because of reduced pay-as-you-go projects needing more attention in the future as well as larger than expected rate increases to catch up on depleted operating reserves.

The table below reflects the impact of the rate proposals on operating cash reserves compared to the Board designated requirement.

Wastewater
Total unrestricted and reserved cash
end of year (\$ millions)

	Projected <u>2018</u>	Projected <u>2019</u>	Projected <u>2020</u>	Projected <u>2021</u>	Projected <u>2022</u>
Board designated reserve levels- AR 3014	\$ 12.8	\$ 12.9	\$ 13.0	\$ 13.1	\$ 13.2
2018 Adopted budget	\$ 5.5	\$ 4.8	\$ 4.8	\$ 8.8	\$ 12.9
2018 3% rate reduction	\$ 4.9	\$ 3.6	\$ 2.9	\$ 6.2	\$ 9.6
2019-2022 2% rate increase vs 3%	\$ 5.5	\$ 4.6	\$ 4.2	\$ 7.5	\$ 10.7



The only scenario that almost restores the Board designated reserve funds to the required level by 2022 is the currently adopted 0% rate increase in 2018 with 3% rate increases in 2019-2022. The original staff proposal in December would have almost restored them by 2021 with additional working capital in 2022.

Board Decisions/Options

Option 1: Reduce the District’s wastewater rates by 3% in 2018.

Option 2: Adjust the District’s wastewater rate increases in financial forecast to 2% for 2019-2022.

Option 3: Take other action as directed by the Board.

Option 4: Take no action.

Staff/General Manager’s Recommendation

Option 4.

Supporting Documents Attached

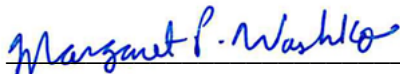
Attachments 1-4



Mark Price
Finance Director



Brian Mueller, P.E.
Engineering Director



Margaret P. Washko, P.E.
Operations Director



Brian Poulsen
General Counsel



Jim Abercrombie
General Manager

	W	3.0%	3.0%	3.0%	3.0%	3.0%
	WW	3.0%	3.0%	3.0%	3.0%	3.0%
	RW	3.0%	3.0%	3.0%	3.0%	3.0%
Total District		<u>Projected 2018</u>	<u>Projected 2019</u>	<u>Projected 2020</u>	<u>Projected 2021</u>	<u>Projected 2022</u>
Breakdown of End of Year Cash Balance						
Unrestricted/Unreserved	\$	13.2	\$ 10.7	\$ 12.2	\$ 19.1	\$ 23.6
Reserved						
Operating		12.0	12.2	12.5	12.7	13.0
Capital Replacement Reserves		16.8	16.8	16.8	16.8	16.8
Routine Capital Replacement Reserves		3.4	3.4	3.4	3.4	3.4
Self Insurance Reserves		1.0	1.0	1.0	1.0	1.0
		<u>33.2</u>	<u>33.4</u>	<u>33.7</u>	<u>33.9</u>	<u>34.2</u>
Total unrestricted and reserved cash		<u>46.4</u>	<u>44.1</u>	<u>45.9</u>	<u>53.0</u>	<u>57.8</u>
Restricted-Debt Reserves		4.4	4.4	4.4	4.4	4.4
Restricted-Growth CIP (FCCs)		40.6	43.1	45.6	48.1	50.6
Restricted-CIP from Bonds		13.1	-11.0	-27.9	8.1	0.0
		<u>58.1</u>	<u>36.6</u>	<u>22.1</u>	<u>60.6</u>	<u>55.0</u>
Total	\$	<u>104.4</u>	<u>\$ 80.7</u>	<u>\$ 68.0</u>	<u>\$ 113.6</u>	<u>\$ 112.8</u>
ck		-	-	-	-	-
days cash		352.60	329.33	335.39	380.03	406.17
Water Utility		<u>Projected 2018</u>	<u>Projected 2019</u>	<u>Projected 2020</u>	<u>Projected 2021</u>	<u>Projected 2022</u>
Breakdown of End of Year Cash Balance						
Unrestricted/Unreserved	\$	19.7	\$ 17.0	\$ 17.7	\$ 19.6	\$ 19.2
Reserved						
Operating		7.7	7.8	8.0	8.1	8.3
Capital Replacement Reserves		10.1	10.1	10.1	10.1	10.1
Routine Capital Replacement Reserves		2.0	2.0	2.0	2.0	2.0
Self Insurance Reserves		0.6	0.6	0.6	0.6	0.6
		<u>20.4</u>	<u>20.5</u>	<u>20.7</u>	<u>20.9</u>	<u>21.0</u>
Total unrestricted and reserved cash		<u>40.1</u>	<u>37.6</u>	<u>38.4</u>	<u>40.5</u>	<u>40.2</u>
Restricted-Debt Reserves		3.5	3.5	3.5	3.5	3.5
Restricted-Growth CIP (FCCs)		14.0	15.5	16.9	18.4	19.9
Restricted-CIP from Bonds		13.1	-11.0	-27.9	8.1	0.0
		<u>30.6</u>	<u>8.0</u>	<u>-7.5</u>	<u>30.1</u>	<u>23.4</u>
Total	\$	<u>70.6</u>	<u>\$ 45.6</u>	<u>\$ 30.9</u>	<u>\$ 70.6</u>	<u>\$ 63.6</u>
ck		-	-	-	-	-
days cash		476.95	438.34	439.22	454.28	442.09
Wastewater Utility		<u>Projected 2018</u>	<u>Projected 2019</u>	<u>Projected 2020</u>	<u>Projected 2021</u>	<u>Projected 2022</u>
Breakdown of End of Year Cash Balance						
Unrestricted/Unreserved	\$	(6.5)	\$ (6.3)	\$ (5.5)	\$ (0.6)	\$ 4.4
Reserved						
Operating		4.3	4.4	4.5	4.6	4.7
Capital Replacement Reserves		6.7	6.7	6.7	6.7	6.7
Routine Capital Replacement Reserves		1.4	1.4	1.4	1.4	1.4
Self Insurance Reserves		0.4	0.4	0.4	0.4	0.4
		<u>12.8</u>	<u>12.9</u>	<u>13.0</u>	<u>13.1</u>	<u>13.2</u>
Total unrestricted and reserved cash		<u>6.3</u>	<u>6.6</u>	<u>7.5</u>	<u>12.5</u>	<u>17.6</u>
Restricted-Debt Reserves		0.9	0.9	0.9	0.9	0.9
Restricted-Growth CIP (FCCs)		26.6	27.6	28.7	29.7	30.7
Restricted-CIP from Bonds		0.0	0.0	0.0	0.0	0.0
		<u>27.5</u>	<u>28.5</u>	<u>29.6</u>	<u>30.6</u>	<u>31.6</u>
Total	\$	<u>33.8</u>	<u>\$ 35.1</u>	<u>\$ 37.0</u>	<u>\$ 43.1</u>	<u>\$ 49.2</u>
ck		-	-	-	-	-
days cash		133.06	135.79	151.44	248.62	342.35

W	0.0%	3.0%	3.0%	3.0%	3.0%
WW	0.0%	3.0%	3.0%	3.0%	3.0%
RW	0.0%	3.0%	3.0%	3.0%	3.0%

Total District	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022
Breakdown of End of Year Cash Balance					
Unrestricted/Unreserved	\$ 11.5	\$ 7.2	\$ 6.8	\$ 11.7	\$ 14.2
Reserved					
Operating	12.0	12.2	12.5	12.7	13.0
Capital Replacement Reserves	16.8	16.8	16.8	16.8	16.8
Routine Capital Replacement Reserves	3.4	3.4	3.4	3.4	3.4
Self Insurance Reserves	1.0	1.0	1.0	1.0	1.0
	<u>33.2</u>	<u>33.4</u>	<u>33.7</u>	<u>33.9</u>	<u>34.2</u>
Total unrestricted and reserved cash	<u>44.7</u>	<u>40.6</u>	<u>40.4</u>	<u>45.6</u>	<u>48.4</u>
Restricted-Debt Reserves	4.4	4.4	4.4	4.4	4.4
Restricted-Growth CIP (FCCs)	40.6	43.1	45.6	48.1	50.6
Restricted-CIP from Bonds	13.1	-11.0	-27.9	8.1	0.0
	<u>58.1</u>	<u>36.6</u>	<u>22.1</u>	<u>60.6</u>	<u>55.0</u>
Total	<u>\$ 102.8</u>	<u>\$ 77.2</u>	<u>\$ 62.6</u>	<u>\$ 106.3</u>	<u>\$ 103.4</u>
ck	-	-	-	-	-
days cash	339.81	303.08	295.85	327.33	340.40

Water Utility	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022
Breakdown of End of Year Cash Balance					
Unrestricted/Unreserved	\$ 18.8	\$ 15.2	\$ 15.0	\$ 16.0	\$ 14.5
Reserved					
Operating	7.7	7.8	8.0	8.1	8.3
Capital Replacement Reserves	10.1	10.1	10.1	10.1	10.1
Routine Capital Replacement Reserves	2.0	2.0	2.0	2.0	2.0
Self Insurance Reserves	0.6	0.6	0.6	0.6	0.6
	<u>20.4</u>	<u>20.5</u>	<u>20.7</u>	<u>20.9</u>	<u>21.0</u>
Total unrestricted and reserved cash	<u>39.2</u>	<u>35.8</u>	<u>35.7</u>	<u>36.8</u>	<u>35.5</u>
Restricted-Debt Reserves	3.5	3.5	3.5	3.5	3.5
Restricted-Growth CIP (FCCs)	14.0	15.5	16.9	18.4	19.9
Restricted-CIP from Bonds	13.1	-11.0	-27.9	8.1	0.0
	<u>30.6</u>	<u>8.0</u>	<u>-7.5</u>	<u>30.1</u>	<u>23.4</u>
Total	<u>\$ 69.8</u>	<u>\$ 43.8</u>	<u>\$ 28.2</u>	<u>\$ 66.9</u>	<u>\$ 58.9</u>
ck	-	-	-	-	-
days cash	466.53	417.59	408.24	413.17	390.95

Wastewater Utility	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022
Breakdown of End of Year Cash Balance					
Unrestricted/Unreserved	\$ (7.3)	\$ (8.1)	\$ (8.2)	\$ (4.3)	\$ (0.3)
Reserved					
Operating	4.3	4.4	4.5	4.6	4.7
Capital Replacement Reserves	6.7	6.7	6.7	6.7	6.7
Routine Capital Replacement Reserves	1.4	1.4	1.4	1.4	1.4
Self Insurance Reserves	0.4	0.4	0.4	0.4	0.4
	<u>12.8</u>	<u>12.9</u>	<u>13.0</u>	<u>13.1</u>	<u>13.2</u>
Total unrestricted and reserved cash	<u>5.5</u>	<u>4.8</u>	<u>4.8</u>	<u>8.8</u>	<u>12.9</u>
Restricted-Debt Reserves	0.9	0.9	0.9	0.9	0.9
Restricted-Growth CIP (FCCs)	26.6	27.6	28.7	29.7	30.7
Restricted-CIP from Bonds	0.0	0.0	0.0	0.0	0.0
	<u>27.5</u>	<u>28.5</u>	<u>29.6</u>	<u>30.6</u>	<u>31.6</u>
Total	<u>\$ 33.0</u>	<u>\$ 33.4</u>	<u>\$ 34.3</u>	<u>\$ 39.4</u>	<u>\$ 44.5</u>
ck	-	-	-	-	-
days cash	116.04	99.82	96.71	175.34	250.68

W	0.0%	3.0%	3.0%	3.0%	3.0%
WW	-3.0%	3.0%	3.0%	3.0%	3.0%
RW	0.0%	3.0%	3.0%	3.0%	3.0%

Total District	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022
Breakdown of End of Year Cash Balance					
Unrestricted/Unreserved	\$ 10.9	\$ 5.9	\$ 4.8	\$ 9.1	\$ 10.9
Reserved					
Operating	12.0	12.2	12.5	12.7	13.0
Capital Replacement Reserves	16.8	16.8	16.8	16.8	16.8
Routine Capital Replacement Reserves	3.4	3.4	3.4	3.4	3.4
Self Insurance Reserves	1.0	1.0	1.0	1.0	1.0
	<u>33.2</u>	<u>33.4</u>	<u>33.7</u>	<u>33.9</u>	<u>34.2</u>
Total unrestricted and reserved cash	<u>44.1</u>	<u>39.3</u>	<u>38.5</u>	<u>43.0</u>	<u>45.1</u>
Restricted-Debt Reserves	4.4	4.4	4.4	4.4	4.4
Restricted-Growth CIP (FCCs)	40.6	43.1	45.6	48.1	50.6
Restricted-CIP from Bonds	13.1	-11.0	-27.9	8.1	0.0
	<u>58.1</u>	<u>36.6</u>	<u>22.1</u>	<u>60.6</u>	<u>55.0</u>
Total	<u>\$ 102.1</u>	<u>\$ 75.9</u>	<u>\$ 60.6</u>	<u>\$ 103.7</u>	<u>\$ 100.1</u>
ck	-	-	-	-	-
days cash	335.11	293.68	281.77	308.56	316.95

Water Utility	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022
Breakdown of End of Year Cash Balance					
Unrestricted/Unreserved	\$ 18.8	\$ 15.2	\$ 15.0	\$ 16.0	\$ 14.5
Reserved					
Operating	7.7	7.8	8.0	8.1	8.3
Capital Replacement Reserves	10.1	10.1	10.1	10.1	10.1
Routine Capital Replacement Reserves	2.0	2.0	2.0	2.0	2.0
Self Insurance Reserves	0.6	0.6	0.6	0.6	0.6
	<u>20.4</u>	<u>20.5</u>	<u>20.7</u>	<u>20.9</u>	<u>21.0</u>
Total unrestricted and reserved cash	<u>39.2</u>	<u>35.8</u>	<u>35.7</u>	<u>36.8</u>	<u>35.5</u>
Restricted-Debt Reserves	3.5	3.5	3.5	3.5	3.5
Restricted-Growth CIP (FCCs)	14.0	15.5	16.9	18.4	19.9
Restricted-CIP from Bonds	13.1	-11.0	-27.9	8.1	0.0
	<u>30.6</u>	<u>8.0</u>	<u>-7.5</u>	<u>30.1</u>	<u>23.4</u>
Total	<u>\$ 69.8</u>	<u>\$ 43.8</u>	<u>\$ 28.2</u>	<u>\$ 66.9</u>	<u>\$ 58.9</u>
ck	-	-	-	-	-
days cash	466.53	417.59	408.24	413.17	390.95

Wastewater Utility	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022
Breakdown of End of Year Cash Balance					
Unrestricted/Unreserved	\$ (7.9)	\$ (9.3)	\$ (10.1)	\$ (6.9)	\$ (3.6)
Reserved					
Operating	4.3	4.4	4.5	4.6	4.7
Capital Replacement Reserves	6.7	6.7	6.7	6.7	6.7
Routine Capital Replacement Reserves	1.4	1.4	1.4	1.4	1.4
Self Insurance Reserves	0.4	0.4	0.4	0.4	0.4
	<u>12.8</u>	<u>12.9</u>	<u>13.0</u>	<u>13.1</u>	<u>13.2</u>
Total unrestricted and reserved cash	<u>4.9</u>	<u>3.6</u>	<u>2.8</u>	<u>6.2</u>	<u>9.5</u>
Restricted-Debt Reserves	0.9	0.9	0.9	0.9	0.9
Restricted-Growth CIP (FCCs)	26.6	27.6	28.7	29.7	30.7
Restricted-CIP from Bonds	0.0	0.0	0.0	0.0	0.0
	<u>27.5</u>	<u>28.5</u>	<u>29.6</u>	<u>30.6</u>	<u>31.6</u>
Total	<u>\$ 32.4</u>	<u>\$ 32.1</u>	<u>\$ 32.4</u>	<u>\$ 36.8</u>	<u>\$ 41.1</u>
ck	-	-	-	-	-
days cash	103.00	73.75	57.64	123.27	185.63

W	0.0%	3.0%	3.0%	3.0%	3.0%
WW	0.0%	2.0%	2.0%	2.0%	2.0%
RW	0.0%	3.0%	3.0%	3.0%	3.0%

Total District	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022
Breakdown of End of Year Cash Balance					
Unrestricted/Unreserved	\$ 11.5	\$ 7.0	\$ 6.1	\$ 10.4	\$ 12.0
Reserved					
Operating	12.0	12.2	12.5	12.7	13.0
Capital Replacement Reserves	16.8	16.8	16.8	16.8	16.8
Routine Capital Replacement Reserves	3.4	3.4	3.4	3.4	3.4
Self Insurance Reserves	1.0	1.0	1.0	1.0	1.0
	<u>33.2</u>	<u>33.4</u>	<u>33.7</u>	<u>33.9</u>	<u>34.2</u>
Total unrestricted and reserved cash	<u>44.7</u>	<u>40.4</u>	<u>39.8</u>	<u>44.3</u>	<u>46.2</u>
Restricted-Debt Reserves	4.4	4.4	4.4	4.4	4.4
Restricted-Growth CIP (FCCs)	40.6	43.1	45.6	48.1	50.6
Restricted-CIP from Bonds	13.1	-11.0	-27.9	8.1	0.0
	<u>58.1</u>	<u>36.6</u>	<u>22.1</u>	<u>60.6</u>	<u>55.0</u>
Total	<u>\$ 102.8</u>	<u>\$ 77.0</u>	<u>\$ 61.9</u>	<u>\$ 105.0</u>	<u>\$ 101.2</u>
ck	-	-	-	-	-
days cash	339.81	301.53	291.20	318.00	324.81

Water Utility	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022
Breakdown of End of Year Cash Balance					
Unrestricted/Unreserved	\$ 18.8	\$ 15.2	\$ 15.0	\$ 16.0	\$ 14.5
Reserved					
Operating	7.7	7.8	8.0	8.1	8.3
Capital Replacement Reserves	10.1	10.1	10.1	10.1	10.1
Routine Capital Replacement Reserves	2.0	2.0	2.0	2.0	2.0
Self Insurance Reserves	0.6	0.6	0.6	0.6	0.6
	<u>20.4</u>	<u>20.5</u>	<u>20.7</u>	<u>20.9</u>	<u>21.0</u>
Total unrestricted and reserved cash	<u>39.2</u>	<u>35.8</u>	<u>35.7</u>	<u>36.8</u>	<u>35.5</u>
Restricted-Debt Reserves	3.5	3.5	3.5	3.5	3.5
Restricted-Growth CIP (FCCs)	14.0	15.5	16.9	18.4	19.9
Restricted-CIP from Bonds	13.1	-11.0	-27.9	8.1	0.0
	<u>30.6</u>	<u>8.0</u>	<u>-7.5</u>	<u>30.1</u>	<u>23.4</u>
Total	<u>\$ 69.8</u>	<u>\$ 43.8</u>	<u>\$ 28.2</u>	<u>\$ 66.9</u>	<u>\$ 58.9</u>
ck	-	-	-	-	-
days cash	466.53	417.59	408.24	413.17	390.95

Wastewater Utility	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022
Breakdown of End of Year Cash Balance					
Unrestricted/Unreserved	\$ (7.3)	\$ (8.3)	\$ (8.8)	\$ (5.6)	\$ (2.5)
Reserved					
Operating	4.3	4.4	4.5	4.6	4.7
Capital Replacement Reserves	6.7	6.7	6.7	6.7	6.7
Routine Capital Replacement Reserves	1.4	1.4	1.4	1.4	1.4
Self Insurance Reserves	0.4	0.4	0.4	0.4	0.4
	<u>12.8</u>	<u>12.9</u>	<u>13.0</u>	<u>13.1</u>	<u>13.2</u>
Total unrestricted and reserved cash	<u>5.5</u>	<u>4.6</u>	<u>4.1</u>	<u>7.5</u>	<u>10.6</u>
Restricted-Debt Reserves	0.9	0.9	0.9	0.9	0.9
Restricted-Growth CIP (FCCs)	26.6	27.6	28.7	29.7	30.7
Restricted-CIP from Bonds	0.0	0.0	0.0	0.0	0.0
	<u>27.5</u>	<u>28.5</u>	<u>29.6</u>	<u>30.6</u>	<u>31.6</u>
Total	<u>\$ 33.0</u>	<u>\$ 33.1</u>	<u>\$ 33.7</u>	<u>\$ 38.1</u>	<u>\$ 42.2</u>
ck	-	-	-	-	-
days cash	116.04	95.52	83.79	149.44	207.43

Consideration of Wastewater Rate Reduction Scenarios

El Dorado Irrigation District

February 12, 2018

Presentation Summary

- Previous Board Action
- Summary of Issues
- Staff Analysis/Evaluation
- Discussion

Previous Board Action

- Board adopted the 2018 budget without the previously-approved 3% rate increases for the utilities
- Board voted to agendaize the consideration of a 10% reduction in the wastewater rates for 2018
- Board voted to agendaize the consideration of a 3% wastewater rate reduction for 2018 or an adjustment to future rate increases included in the five-year financial forecast

Summary of Issues

- **January 22, 2018 the Board voted to**
 - agendize a consideration to reduce wastewater rates by 3% and its impact on the 5-year financial plan
 - have staff prepare the impact upon the 5-year financial plan reflecting a decrease in future rate increases down to 2% annually

Summary of Issues

- **Reserves**

Created for economic uncertainties, contingencies, renovation of existing facilities, unseen operating capital needs and cash flow requirements

- **Restricted**

- Cannot be used for operating costs
- Water FCCs cannot fund wastewater infrastructure or vice versa
- Can only be expended for purposes for which the charges were collected

Wastewater

Total unrestricted and reserved cash end of year (\$ millions)

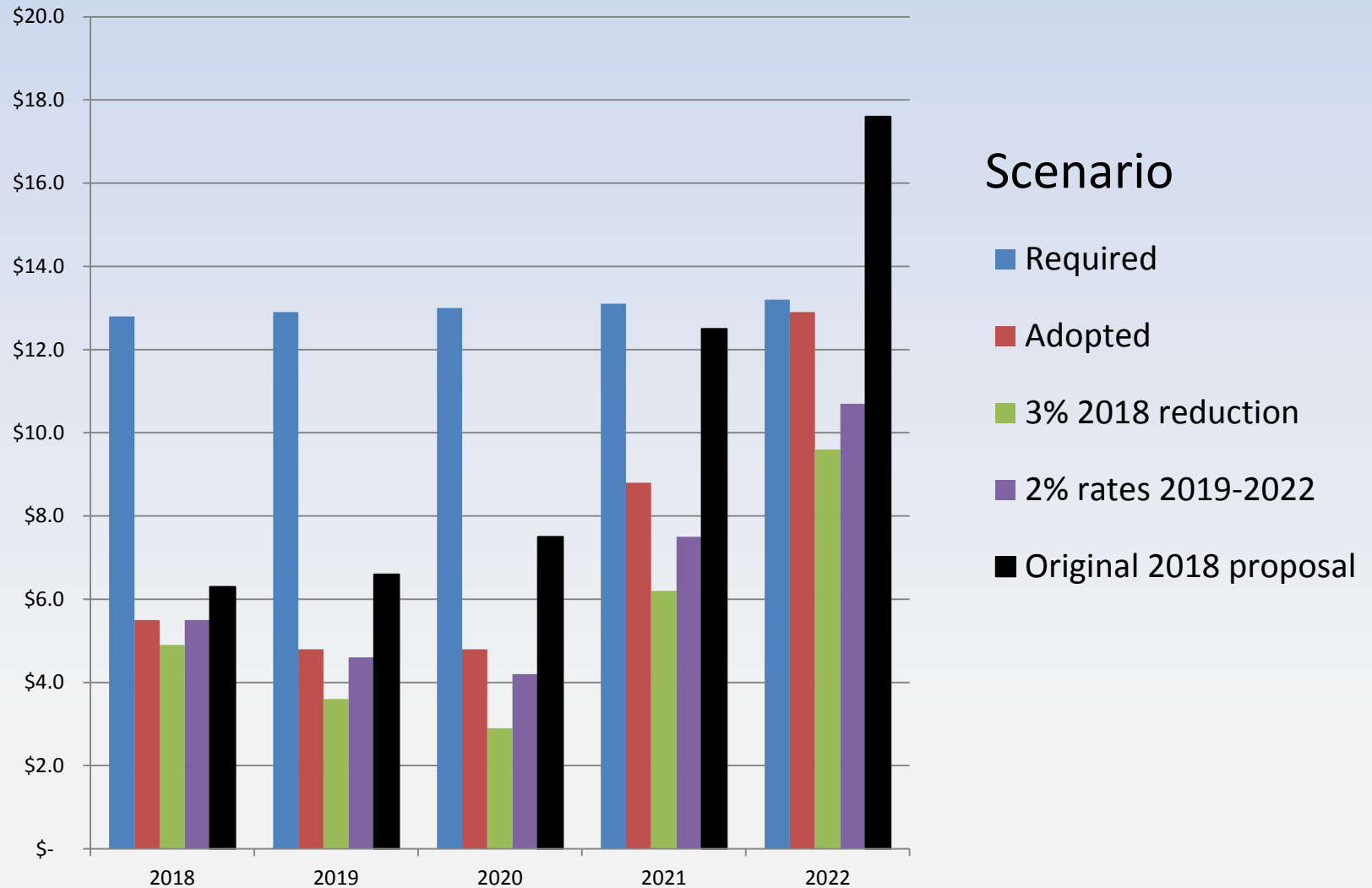
	Projected <u>2018</u>	Projected <u>2019</u>	Projected <u>2020</u>	Projected <u>2021</u>	Projected <u>2022</u>
Board designated reserve levels- AR 3014	\$ 12.8	\$ 12.9	\$ 13.0	\$ 13.1	\$ 13.2
2018 Adopted budget	\$ 5.5	\$ 4.8	\$ 4.8	\$ 8.8	\$ 12.9
2018 3% rate reduction	\$ 4.9	\$ 3.6	\$ 2.9	\$ 6.2	\$ 9.6
2019-2022 2% rate increase vs 3%	\$ 5.5	\$ 4.6	\$ 4.2	\$ 7.5	\$ 10.7

Days working cash (various rates)

	2018	2019	2020	2021	2022
3 % rate increase (original proposal)					
Unrestricted/unreserved Reserves	\$ (6.50)	\$ (6.30)	\$ (5.50)	\$ (0.60)	\$ 4.40
	12.80	12.90	13.00	13.10	13.20
Combined	6.30	6.60	7.50	12.50	17.60
Days cash	133	137	152	249	344
0 % rate increase (adopted) (1)					
Unrestricted/unreserved Reserves	\$ (7.30)	\$ (8.10)	\$ (8.20)	\$ (4.30)	\$ (0.30)
	12.80	12.90	13.00	13.10	13.20
Combined	5.50	4.80	4.80	8.80	12.90
Days cash	116	100	97	176	252
-3% rate decrease (1)					
Unrestricted/unreserved Reserves	\$ (7.90)	\$ (9.30)	\$ (10.10)	\$ (6.90)	\$ (3.60)
	12.80	12.90	13.00	13.10	13.20
Combined	4.90	3.60	2.90	6.20	9.60
Days cash	103	75	59	124	187
2% rate increase in 2019-2022 (1)					
Unrestricted/unreserved Reserves	\$ (7.30)	\$ (8.30)	\$ (8.80)	\$ (5.60)	\$ (2.50)
	12.80	12.90	13.00	13.10	13.20
Combined	5.50	4.60	4.20	7.50	10.70
Days cash	116	95	85	150	209

(1) includes low income assistance for 2018 of \$125,000 and \$225,000 for 2019-2022

End of Year Projected Reserve Balances



Wastewater Facilities Master Plan

Projects recommended but not included in the current five-year CIP

El Dorado Hills Collection System

- Fairchild Drive, upsize 600' of pipe from 8" to 10"
- Upstream of EDHWWTP, replace 4,500' of existing 18" pipe with 24"
- Silva Valley Parkway, parallel 2,100' of existing pipe with 24"
- Timberline force main, replace 6,200' of existing 12" pipe with 16"
- New York Creek LS, replace existing pumps
- Timberline LS, replace existing pumps

Deer Creek Collection System

- Blanchard Road, parallel 1,300' of existing 6" pipe with 8"
- Strolling Hills, upsize 10,700' of 12" pipe to 24"
- Mother Lode FM, Phase 6 and 7, replace 17,400' of 12" pipe with 24"
- Town Center FM, replace existing 3,800' of 8" pipe with 10"
- El Dorado LS, add standby pump, upgrade LS

Lift station replacement program

- Master Plan recommends \$2 million per year is budgeted for 2018-2030

Capital Projects

Projects and costs to be added to current five-year CIP

El Dorado Hills Collection System

- Fairchild Drive replace 600' of 8" to 10" \$239,000
- Upstream of EDHWWTP 18" to 24" 1,450,000
 - Project will continue into future years

Deer Creek Collection System

- Town Center FM 3,800' 8" to 10" 1,740,000

\$3,429,000

Capital Projects

Deferred projects needed in 2023–2027

- **Deer Creek Collection System**

- Blanchard Road, 1,300 feet of 8" \$ 435,000
- Strolling Hills, 10,700 feet of 24" 6,162,500
- Mother Lode FM, Phase 6, 5,600 feet 3,219,000

\$9,816,500

Capital Projects

Deferred projects needed in 2023–2027

- **Lift Stations**

- New York Creek LS, replace pumps \$ 217,500
- Timberline LS, replace pumps 145,000
- El Dorado LS, replace pumps 290,000
- Lift station replacements 10,875,000
- Pipeline replacements 3,625,000

\$15,152,500

Capital Projects

(additions to current CIP and for 2023–2027)

Facility Description	Est Feet	Current CIP Plan 2018-2022	Add to Current CIP 2018-2022	Needed 2023-2027	Total
El Dorado Hills Collection System					
Fairchild Drive, Replace existing 8-inch with 10-inch	600		\$ 165,000		\$ 165,000
Upstream of EDHWWTP, Replace existing 18-inch with 24-inch	1,000		1,000,000		1,000,000
Subtotal		-	1,165,000	-	1,165,000
Deer Creek Collection System					
Blanchard Road, parallel ex 6-inch with 8-inch	1,300			300,000	300,000
Strolling Hills, Upsize to 24-inch	10,700			4,250,000	4,250,000
Mother Lode FM Phase 6, Replace existing 12-inch with 20-inch	5,600			2,220,000	2,220,000
Town Center FM, Replace existing 8-inch with 10-inch	8,000	\$ 2,000,000	1,200,000		3,200,000
Subtotal		2,000,000	1,200,000	6,770,000	9,970,000
Lift Stations					
New York Creek LS, Replace existing pumps				150,000	150,000
Timberline LS, Replace existing pumps				100,000	100,000
El Dorado LS				200,000	200,000
Pipeline replacement program (\$500,000/year)		2,500,000		2,500,000	5,000,000
Lift Station replacement program		5,000,000		7,500,000	12,500,000
Subtotal		7,500,000	-	10,450,000	17,950,000
Total construction cost			2,365,000	17,220,000	29,085,000
soft costs 25%			591,250	4,305,000	4,896,250
contingency 20%			473,000	3,444,000	3,917,000
Total		\$ 9,500,000	\$ 3,429,250	\$ 24,969,000	\$ 37,898,250

FCC Use

- Expended only for purpose for which they were charged
 - Use only for wastewater infrastructure projects
 - Cannot be used for operating costs
 - No prohibition against using for debt service if debt service incurred to construct capital projects included in the FCC charge

Board Decision/Options

- Option 1: Reduce District's wastewater rates by 3% in 2018.
- Option 2: Reduce District's forecasted wastewater rates to 2% for 2019-2022.
- Option 3: Take other action as directed by the Board.
- Option 4: Take no action.

Staff/General Manager's Recommendation

- **Option 4**

Discussion/Questions

EL DORADO IRRIGATION DISTRICT

Subject: Consideration to award a contract to Ascent Environmental Inc. in the not-to-exceed amount of \$157,409, for professional technical services in support of the District's proposed project to establish additional authorized points of diversion for Water Right Permit 21112, and authorize total funding of \$192,409 for the Permit 21112 Change in Point of Diversion, Project No. 16003.

Previous Board Actions

January 12, 2015 – Board adopted a resolution authorizing the General Manager to execute a five-year Permit 21112 Warren Act Contract with the United States Bureau of Reclamation.

August 1, 2016 – Board adopted a resolution authorizing the Acting General Manager to execute a long-term Permit 21112 Warren Act Contract with the United States Bureau of Reclamation.

September 26, 2016 – Petition to add points of diversion to Permit 21112 was presented to the Board for consideration. No action was taken as it was an information item only.

November 13, 2017 – Board approved the 2018-2022 Capital Improvement Plan, which included the Permit 21112 Change in Point of Diversion Project.

Board Policies (BP), Administrative Regulations (AR), and Board Authority

Board Policy 0010 provides that District is a public agency dedicated to providing high quality water, wastewater treatment, recycled water, hydropower, and recreation service in an environmentally and fiscally responsible manner.

Board Policy 1020 directs District to provide operations and administration in a way that ensures services are provided at the lowest possible cost, consistent with District goals and objectives, and are generally equitably distributed among those benefited, or by other specific policy of the Board.

Board Policy 5010 provides that the Board is committed to provide a water supply based on the principles of reliability, high quality, and affordability in a cost-effective manner with accountability to the public. It is the General Manager's responsibility to ensure that the tenets of this policy are carried out in an open, transparent manner through sound planning, to assure preparedness under varying conditions, and effective management.

Board Policy 3060 and Administrative Regulation 3061 state that contracts for professional services greater than \$50,000 must be approved by the Board.

Summary of Issue

Water Right Permit 21112 presently allows the District to directly divert or re-divert water supplies provided by the operation of Project 184 for consumptive uses at Folsom Reservoir. The single point of diversion at Folsom Reservoir precludes the District from utilizing this supply throughout the entirety of its service area. The CIP includes a project to petition the State Water Resources Control Board (SWRCB) to add additional points of diversion to meet the District's long-term water supply needs. District staff recommends that the Board award a professional services contract to Ascent Environmental Inc. (Ascent) to assist staff with the preparation of a number of technical documents required for this process.

Staff Analysis/Evaluation

Background

In 2001, the SWRCB approved Water Right Permit 21112, which authorizes the diversion of up to 17,000 acre-feet per year from the South Fork of the American River and its tributaries at Folsom Reservoir through direct diversion and releases of previously stored water in Project 184 owned by the District. Currently, Permit 21112 water only directly benefits the El Dorado Hills and western Cameron Park portion of the District's service area because the point of diversion for this supply is Folsom Reservoir. District staff believes, based upon previously completed long-term water supply planning efforts (including most recently the 2013 Integrated Water Resources Master Plan by the District and 2014 West Slope Update to the Water Resources Development & Management Plan by the El Dorado County Water Agency), that portions of the Permit 21112 supply are or will be necessary to serve parts of the District's service area that are geographically infeasible to be supplied from Folsom Reservoir. Therefore, the District must add additional points of diversion to Permit 21112, such as the District's existing Kyburz Diversion Dam located on the South Fork of the American River near the town of Kyburz, and the proposed White Rock Penstock (a point of diversion proposed to be constructed on Sacramento Municipal Utility District's existing hydroelectric facilities located north of Placerville near Chili Bar Reservoir). Adding these additional points of diversion will require modification of the existing water right permit by the SWRCB, and is therefore subject to SWRCB review and approval.

Project Overview

The District's adopted 2018-2022 Capital Improvement Plan includes Project No. 16003 to petition the SWRCB to add additional points of diversion for Permit 21112 for consumptive uses (Project). The SWRCB's discretionary action to approve additional points of diversion under the existing water right permit will be subject to CEQA review. The SWRCB must also find that the change does not cause legal injury to other legal users of the water and that it does not unreasonably impact fish and wildlife. Under CEQA, the District, as lead agency, must consider the project's overall potential environmental impacts. Given the technical modeling, data analyses, and environmental expertise required to support this review process, District staff determined that outside technical professional services is required to work in conjunction with District legal, engineering, and environmental staff, as well as District outside water right counsel, in support of the change petition and CEQA review processes.

The contract before the Board provides strategic support and technical professional services to complete these requirements up to preparation of a draft Environmental Impact Report (EIR). The Project's purpose is to provide operational flexibility under Permit 21112 to ensure the District is able to reliably and efficiently meet current and future demands throughout its service area. The proposed Project would require review and approval by the SWRCB who would also consider the District's EIR when acting as a CEQA Responsible Agency to evaluate the project's potential environmental impacts.

Phased Project Approach

The Project is proposed to be divided into two phases. Phase 1 will occur over approximately the next year with contract support from Ascent involving technical modeling, stakeholder outreach, and environmental analyses leading up to issuance of the CEQA EIR Notice of Preparation (NOP). Phase 1 involves: (1) development of water supply/demand analysis; (2) development of initial environmental analyses aimed at scoping key issues; (3) key stakeholder outreach; (4) assistance with the preparation of a SWRCB Change Petition to add authorized points of diversion; and (5) development of a CEQA Notice of Preparation (NOP).

Following receipt of comments on the NOP, staff will develop a focused scope of work and Request for Proposals (RFP) for Phase 2 of the Project including preparation of the EIR and SWRCB water right hearing support, which will be brought to the Board for consideration. Phase 2 involves: (1) preparation of an Environmental Import Report (EIR); (2) technical assistance in resolving potential protests of the change petition; and (3) continued support and technical analyses as necessary through certification of the Final EIR, SWRCB hearings, and the ultimate water right decision of the change petition.

Contracting Process

In the fall of 2017, the District solicited proposals through issuance of a formal RFP for Phase 1 technical services. In response to the RFP, the District received three proposals. Only one of the three firms had demonstrated experience working on water rights change petitions that were similar to the District’s proposed Project. Subsequently, however, this firm withdrew its proposal. District staff determined that the remaining two proposals did not demonstrate sufficient relevant experience and expertise for the Project and, as such, an updated approach was necessary.

At the recommendation of the District's retained on-call water rights counsel, Rob Donlan, the District sought a proposal from Ascent. Although Ascent had not originally received the District’s RFP, this firm has substantial experience assisting water rights holders with change petitions before the SWRCB and is recognized as a prominent CEQA expert firm. Staff negotiated a proposed scope of work and budget, including discounted rates, with Ascent. The scope of work includes project management, developing a project description and conducting an initial environmental analysis, conducting key stakeholder outreach, development of technical analysis in support of the change petition, issuance of a Notice of Preparation for purposes of CEQA compliance and conducting initial scoping meetings. Ascent’s negotiated budget to complete the Phase 1 scope of work is \$157,409.

Staff worked with Ascent to identify a subconsultant team with extensive experience with the District and the South Fork American River watershed including Zanjero (hydrology), Stillwater Sciences (aquatic resources), and Far Western (cultural resource). The proposed project leadership team is provided in the table below:

Consultant	Key Staff	Roles/Responsibilities
Ascent Environmental, Inc.	Gary Jakobs, Project Director/Principal-in-Charge Kristi Black, Project Manager Jessica Mitchell, Environmental Planner	Primary consultant, project management, technical analysis, public involvement and scoping
Zanjero	Michael Preszler, Project Manager Robert Heather, Staff Engineer	Subconsultant, project definition, water demands and operational details
Far Western	Sharon Waechter, Principal Investigator	Subconsultant, cultural resources studies, and Native American consultation
Stillwater Sciences	Scott Wilcox, Principal and Sr Scientist Heather Bowen Neff, Project Manager	Subconsultant, fisheries resources, water temperature

Based upon review of the staff qualifications and proposed budget, including negotiated discounted rates, staff recommends that the Board award the contract to Ascent.

Funding

Total funding in the amount of \$192,409 is required to complete Phase 1, which includes the \$157,409 contract to Ascent and \$35,000 of capitalized labor for stakeholder outreach, project management, and document review. Funding is from 100% water FCCs. The District has and will continue to request cost share funding assistance from the El Dorado County Water Agency to support these efforts.

Board Decision/Options

Option 1: Award a contract to Ascent Environmental Inc. in the not-to-exceed amount of \$157,409, for professional technical services in support of the District's proposed project to establish additional authorized points of diversion for the District's Water Right Permit 21112, and authorize total funding of \$192,409 for the Permit 21112 Change in Point of Diversion, Project No. 16003.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Staff/General Manager's Recommendation

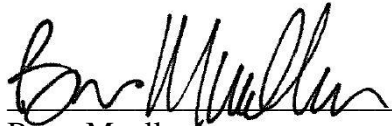
Option 1

Supporting Documents Attached

None



Dan Corcoran
Environmental and Water Resources Manager



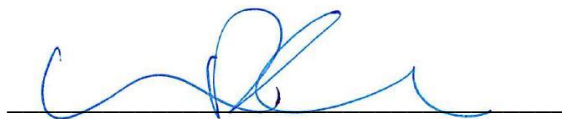
Brian Mueller
Engineering Director



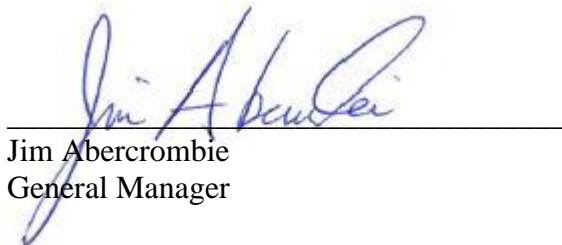
Mark Price
Finance Director



Elizabeth Leeper
Deputy General Counsel



Brian D. Poulsen, Jr.
General Counsel



Jim Abercrombie
General Manager

Professional Services Contract

Establish Additional Points of Diversion for Water Right Permit 21112

El Dorado Irrigation District
February 12, 2018

PREVIOUS BOARD ACTION

- January 12, 2015 – Board adopted a resolution authorizing the General Manager to execute a five-year Permit 21112 Warren Act Contract with the United States Bureau of Reclamation
- August 1, 2016 – Board adopted a resolution authorizing the Acting General Manager to execute a long-term Permit 21112 Warren Act Contract with the United States Bureau of Reclamation

PREVIOUS BOARD ACTION

- September 26, 2016 – Board received information item regarding petition to add points of diversion to Permit 21112 was presented to the Board for consideration
- November 13, 2017 – Board approved the 2018-2022 Capital Improvement Plan, which included the Permit 21112 Change in Point of Diversion Project

Board Policies, Administrative Regulations, and Board Authority

- Board Policy 0010 provides that District is a public agency dedicated to providing high quality services in an environmentally and fiscally responsible manner
- Board Policy 1020 and Administrative Regulation 3061 require contracts for professional services greater than \$50,000 be approved by the Board

Board Policies, Administrative Regulations, and Board Authority

- Board Policy 5010 provides that the Board is committed to provide a water supply based on the principles of reliability, high quality, and affordability in a cost-effective manner with accountability to the public
- Board Policy 3060 and Administrative Regulation 3061 state that contracts for professional services greater than \$50,000 must be approved by the Board

SUMMARY OF ISSUE

- Water Right Permit 21112 presently only allows diversions from Folsom Reservoir
 - Provided by Project 184 operation
 - Precludes utilizing supply across service area
- CIP includes State Water Resources Control Board (SWRCB) petition
 - Add additional points of diversion to meet long-term water supply needs
- Recommended contract award to Ascent Environmental Inc. (Ascent) to assist

Background

- 2001 - SWRCB approved Water Right Permit 21112
 - Authorizes consumptive diversion of 17,000 acre-feet per year
 - Direct diversion and releases from Project 184 reservoirs
 - Diversions limited to Folsom Reservoir
 - Only directly benefits El Dorado Hills and western Cameron Park

Background

- Portions of Permit 21112 necessary to serve areas geographically infeasible to be supplied from Folsom Reservoir
 - 2013 Integrated Water Resources Master Plan
 - 2014 West Slope Update to the Water Resources Development & Management Plan
 - El Dorado County Water Agency

Background

- Additional points of diversion
 - Kyburz Diversion Dam
 - Proposed White Rock Penstock
- Requires SWRCB modification of existing Permit 21112 water right

Project Overview

- SWRCB Change Petition to add points of diversion
 - Provide Permit 21112 operational flexibility
 - Reliably and efficiently meet current and future demands throughout service area

Project Overview

- EID CEQA lead agency
 - Must consider project's overall potential environmental impacts
- Contract support
 - Technical modeling, data analyses, and environmental expertise
 - Requirements up to preparation of a draft Environmental Impact Report (EIR)

Project Overview

- SWRCB's discretionary action subject to CEQA review
 - SWRCB CEQA Responsible Agency
- SWRCB must make certain findings
 - Project does not cause legal injury to other legal users of the water
 - Project does not unreasonably impact fish and wildlife

Phased Project Approach

- Project divided into two phases
 - Phase 1 approximately one year
 - Leading up to issuance of the CEQA EIR Notice of Preparation (NOP)
- Phase 2 includes preparation of EIR and SWRCB water right hearing support

Phase 1 (Scope of Ascent Contract)

- Water supply/demand analysis
- Initial environmental analyses aimed at scoping key issues
- Key stakeholder outreach
- Assistance with the preparation of a SWRCB Change Petition
- Development of NOP

Phase 2

- Preparation of an EIR
- Technical assistance in resolving potential protests of the change petition
- Continued support and technical analyses as necessary through certification of the Final EIR, SWRCB hearings, and the ultimate water right decision of the change petition

Funding

- Total Phase 1 funding request \$192,409
 - Ascent Contract \$157,409
 - Capitalize labor \$35,000
- Funding is from 100% water FCCs
- Will request cost share funding assistance from El Dorado County Water Agency

BOARD DECISION/OPTIONS

- **Option 1:**

Award a contract to Ascent Environmental Inc. in the not-to-exceed amount of \$157,409, for professional technical services in support of the District's proposed project to establish additional authorized points of diversion for the District's Water Right Permit 21112, and authorize total funding of \$192,409 for the Permit 21112 Change in Point of Diversion, Project No. 16003.

BOARD DECISION / OPTIONS

- **Option 2:**

Take other action as directed by the Board

- **Option 3:**

Take no action

STAFF/GENERAL MANAGER'S RECOMMENDATION

Option 1

Q U E S T I O N S ?