

REGULAR MEETING OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS

Agenda

Tuesday, June 16, 2026

6:30 PM

9829 Waterman Road
Elk Grove, CA 95624

Compliance with Government Code Section 54957.5

Public records, including writings related to an agenda item for an open session of a regular meeting of the Florin Resources Conservation District that are distributed less than 72 hours before the meeting, are available by email request. In addition, such writings may be posted, whenever possible, on the Elk Grove Water District website at www.egwd.org. The Board will discuss all items on the agenda and may take action on any item listed as an "Action" item. The Board may discuss items that do not appear on the agenda but will not act on those items unless there is a need to take immediate action and the Board determines by a two-thirds (2/3) vote that the need for action arose after posting of the agenda. If necessary, the Meeting will be adjourned to Closed Session to discuss items on the agenda listed under "Closed Session." At the conclusion of the Closed Session, the meeting will reconvene to "Open Session."

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Stefani Phillips, Board Secretary at 916.685.3556. Requests must be made as early as possible and at least one full business day before the start of the meeting.

CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Public Comment

This is the opportunity for the public to comment on non-agenda items within the subject matter jurisdiction. Comments are limited to three (3) minutes.

Page Numbers

1. Proclamations and Announcements

Associate Director Comment

Public Comment

2. Consent Calendar

5-6

(Stefani Phillips, Board Secretary and Patrick Lee, Treasurer)

a. Minutes of Regular Meeting of May 19, 2026	7-10
b. Accounts Payable Check History – May 2026	11-21
c. Board and Employee Expense/Reimbursements – May 2026	22
d. Active Accounts – May 2026	23
e. Bond Covenant Status for FY 2025-26 – May 2026	24
f. CASH - Detail Schedule of Investments – May 2026	25
g. Year-to-Date Revenues and Expenses Compared to Budget – May 2026	26
h. Consultants Expenses – May 2026	27
i. Major Capital Improvement Projects – May 2026	28

Associate Director Comment

Public Comment

Recommended Action/Information: Approve Florin Resource Conservation District Consent Calendar items a – i.

3. Public Hearing – Status of Vacancies and Recruitment Retention Efforts 29-30
(Stefani Phillips, Board Secretary)

Associate Director Comment

Public Comment

Recommended Action/Information: Hold a public hearing on the status of vacancies and recruitment and retention efforts.

4. Florin Resource Conservation District/Elk Grove Water District Fiscal Year 2026-27 Operating Budget 31-142
(Patrick Lee, Finance Manager/Treasurer)

Associate Director Comment

Public Comment

Recommended Action/Information: Adopt Resolution No. 06.16.26.01, approving the Florin Resource Conservation District/Elk Grove Water District Fiscal Year 2026-27 Operating Budget projecting revenues of \$19.07 million and expenses of \$20.87 million and appropriating \$1.81 million from operating reserves to fund expenses in excess of revenues for Fiscal Year 2026-27.

5. Fiscal Year 2026-27 Investment Policy Guidelines 143-165
(Patrick Lee, Finance Manager/Treasurer)

Associate Director Comment

Public Comment

Recommended Action/Information: Adopt Resolution No. 06.16.26.02, approving the Fiscal Year 2026-27 Investment Policy Guidelines of the Florin Resource Conservation District and delegating investment authority to the Finance Manager/Board Treasurer.

6. Florin Resource Conservation District Election 166-169
(Stefani Phillips, Board Secretary)

Associate Director Comment

Public Comment

Recommended Action/Information: Adopt Resolution No. 06.16.26.03, calling the General Election and requesting consolidation with the November 3, 2026 statewide election.

7. Amendment to District Purchasing Policy

(Ben Voelz, Associate Civil Engineer)

Associate Director Comment

Public Comment

Recommended Action/Information: Adopt Resolution No. 06.16.26.04, amending the Purchase of Goods and Services from Outside Vendors Policy to add language under the Intermediate and Major Purchases sections to address multi-year services/contracts.

8. Water Quality Analysis Three-year Laboratory Contract

(Ben Voelz, Associate Civil Engineer)

188-190

Associate Director Comment

Public Comment

Recommended Action/Information: Authorize the General Manager to execute a purchase order agreement with Alpha Analytical for laboratory analysis services for a term of three years totaling \$112,869.

9. Landscape Maintenance Contract

(Travis Franklin, Program Manager)

191-196

Associate Director Comment

Public Comment

Recommended Action/Information: Authorize the General Manager to execute a landscape maintenance contract with DB Landscaping in the amount of \$120,960 for a three-year period.

10. 2025 Urban Water Management Plan

(Travis Franklin, Program Manager)

197-293

Associate Director Comment

Public Comment

Recommended Action/Information: 1. Adopt Resolution No. 06.16.26.05, approving the Water Shortage Contingency Plan; and
2. Adopt Resolution No. 06.16.26.06, approving the 2025 Urban Water Management Plan.

11. Legislative and Regulatory Update

(Travis Franklin, Program Manager)

294-297

Associate Director Comment

Public Comment

Recommended Action/Information: Receive information on legislative and regulatory matters and provide direction to staff or approve positions as appropriate.

12. General Manager's Report

298-300

(Bruce Kamilos, General Manager)

Associate Director Comment

Public Comment

Recommended Action/Information: Receive and discuss the General Manager's report and provide direction to staff, as appropriate.

13. Elk Grove Water District Operations Report – May 2026

301-346

(Bruce Kamilos, General Manager)

Associate Director Comment

Public Comment

Recommended Action/Information: Information only.

14. Directors Comments

Adjourn to Regular Meeting – July 21, 2026

June 16, 2026

TO: Chair and Directors of the Florin Resource Conservation District

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

SUBJECT: **CONSENT CALENDAR**

RECOMMENDATION

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

SUMMARY

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

DISCUSSION

Background

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

Present Situation

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

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

This item conforms to the FRCD/Elk Grove Water District 2025-2030 Strategic Plan. The monthly Consent Calendar report provides transparency, which aligns with Goal No. 1 - Governance, of the Strategic Plan 2025-2030.

June 16, 2026

CONSENT CALENDAR

Page 2

FINANCIAL SUMMARY

There is no financial impact associated with this report.

Respectfully submitted,



STEFANI PHILLIPS
BOARD SECRETARY

And



PATRICK LEE
TREASURER

Attachments

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

Tuesday, May 19, 2026

The regular meeting of the Florin Resource Conservation District Board of Directors was called to order at 6:30 p.m. by Chair Paul Lindsay at 9829 Waterman Road, Elk Grove, CA.

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

Directors Present:	Joshua Green, Paul Lindsay, Lisa Medina, Tom Nelson
Directors Absent:	Elliot Mulberg
Staff Present:	Bruce Kamilos, General Manager; Patrick Lee, Finance Manager/ Treasurer; Travis Franklin, Program Manager; Ben Voelz, Associate Civil Engineer; Amber Kavert, Human Resources Technician; Aurelia Camilo, Administrative Assistant II
Staff Absent:	Stefani Phillips, Human Resources Administrator/Board Secretary; Donella Murillo, Finance Supervisor
Associate Directors Present:	Kim Martin; Robert Stresak
Associate Directors Absent:	None
General Counsel Present:	Josh Horowitz, BKS Law
Consultants Present:	Robert Heather, Zanjero

Public Comment

Nothing to report.

1. Proclamations and Announcements

Nothing to report.

2. Consent Calendar

- a. Minutes of Regular Meeting of April 21, 2026
- b. Minutes of Infrastructure Committee Meeting of April 30, 2026
- c. Accounts Payable Check History – April 2026
- d. Board and Employee Expense/Reimbursements – April 2026
- e. Active Accounts – April 2026
- f. Bond Covenant Status for FY 2025-26 – April 2026
- g. CASH - Detail Schedule of Investments – April 2026
- h. Year-to-Date Revenues and Expenses Compared to Budget – April 2026
- i. Consultants Expenses – April 2026
- j. Major Capital Improvement Projects – April 2026

MSC (Medina/Nelson) to approve Florin Resource Conservation District Consent Calendar items a-j. 4/0: Ayes: Lindsay, Green, Medina and Nelson.

3. Public Hearing – 2025 Urban Water Management Plan

Program Manager Travis Franklin presented the item to the Board. He explained that every five (5) years, water agencies are required by the Urban Water Management Planning Act to prepare an Urban Water Management Plan (UWMP). Staff prepared a public draft of the 2025 UWMP for review and any comments received during the review period will be incorporated before being brought back for adoption. He then introduced Robert Heather from Zanjero to present the UWMP to the Florin Resource Conservation District (District) Board of Directors (Board).

Mr. Heather gave a detailed report on what the UWMP is and the components that were included in the Elk Grove Water District's 2025 UWMP. He mentioned the fundamental findings which are: the projected demands are growing with added population, reliable water supplies are available and require active management within each year and across multiple years, and that water service reliability is maintained through the 25-year planning horizon as required by the UWMP.

Chair Paul Lindsay opened the Public Hearing.

Chair Lindsay closed the Public Hearing.

Chair Lindsay asked that the Citizens Water Academy be added into the UWMP under the "Public Education and Outreach" section.

Staff will bring back both the UWMP and the Water Shortage Contingency Plan for adoption at the June board meeting.

4. Agreement for Legal Services Between the Florin Resource Conservation District and BKS Law Firm

General Manager Bruce Kamilos presented the item to the Board.

The District has received legal services from BKS Law Firm (BKS) under the current Agreement for Legal Services since 2023. The proposed new agreement updates the District's legal services arrangement with BKS by identifying Joshua Horowitz as the primary attorney, identifying BKS's backup attorney, and clarifying that the agreement is at-will and subject to termination at the pleasure of the Board.

The Board expressed their satisfaction with BKS and General Counsel Joshua Horowitz.

MSC (Green/Medina) to authorize the General Manager to execute the Agreement for Legal Services between the Florin Resource Conservation District and BKS Law Firm, PC. 4/0: Ayes: Lindsay, Green, Medina and Nelson.

5. General Manager's Employment Agreement Renewal

Chair Lindsay presented the item.

In accordance with the Bylaws of the District, the Chair and Vice-Chair serve as the designated labor negotiators in matters relating to the General Manager's salary, compensation, or benefits. Chair Paul Lindsay and Vice-Chair Joshua Green engaged in discussions with General Manager Bruce Kamilos regarding compensation and contract terms. At the April 21, 2026, Board meeting, the Board approved a merit increase in the General Manager's compensation effective May 1, 2026. The original five-year term of the General Manager's employment agreement expired on May 1, 2026. That agreement, however, includes a provision to continue its term on a year-to-year basis unless either party terminates it upon written notice. Following the labor negotiator's discussion with Mr. Kamilos and Board direction provided in the April 21 closed session, this item was brought forward for the Board to consider executing a new employment agreement with Mr. Kamilos for another five-year term with certain changes. The proposed agreement reflects the previously approved compensation increase to an annual salary of \$291,580.64, a five-year term, the deletion of Section 5.8, Professional Development, and some minor editorial changes.

The Board noticed there was a clerical date error that needed to be amended on the agreement before adoption.

MSC (Medina/Nelson) to approve the new five-year employment agreement for the General Manager effective May 1, 2026 with the amendment made. 4/0: Ayes: Lindsay, Green, Medina and Nelson.

6. Elk Grove Water District Fiscal Year 2027-31 Capital Improvement Program

Associate Civil Engineer Ben Voelz presented the Elk Grove Water District Fiscal Year 2027-31 Capital Improvement Program to the Board. He informed the Board which projects are carry-over projects from the previous year and gave them an idea of the new major projects for the upcoming year.

Chair Lindsay asked that Appendix A be corrected so the listings are in complete prioritization order. He also pointed out that there were two (2) items that are listed in Appendix B that are not listed in Appendix A.

MSC (Nelson/Medina) to adopt Resolution No. 05.19.26.01, approving the Elk Grove Water District Fiscal Year 2027-31 Capital Improvement Program and the appropriation of \$3,680,000 from designated reserve funds to the Fiscal Year 2026-27 Capital Improvement Program budget.

Paul had an amendment to the motion to approve the CIP with correction to Appendix A and Appendix B and the priority listings in Appendix A with consensus by Directors Medina and Nelson. 4/0: Ayes: Lindsay, Green, Mulberg and Nelson.

7. General Managers Report

Mr. Kamilos presented the item to the Board. He provided a brief update about Springbrook, explaining all the modules that staff have implemented, as well as the modules coming up for implementation.

He also informed the Board where the District is at in regard to the District Reorganization, explaining the Assembly Bill (AB) 8 process is ready to start. There was a discussion about the timing of the process and the upcoming election, to which Mr. Kamilos informed the Board the District will be planning and budgeting for the election.

Mr. Franklin discussed the Annual Water Supply and Demand Assessment report.

Mr. Kamilos mentioned that membership dues will be increasing by 5% for Regional Water Authority.

Lastly, Mr. Kamilos and Mr. Voelz provided a summary of their experience at the Association of California Water Agencies (ACWA) Spring Conference.

8. Elk Grove Water District Operations Report – April 2026

Mr. Kamilos provided the EGWD Operations Report for April 2026 highlighting events that took place over the course of the month.

The District is doing a free trial of a Big Wave Water Technology - Municipal Water Tank Mixer, which agitates the water in the storage tanks to allow more vaporization to occur, eliminating odors. There were a few questions regarding the mixer.

A contractor opened a 10" pipe for a new building that was not yet connected to a fire riser, in which they were following the National Fire Protection Association standard of making sure there is no debris in the pipe by flushing it out; this dropped the pressure at the Elk Grove Water District Railroad Water Treatment and Storage Facility before booster pumps kicked on to a high level. The District met with the fire department to ensure that future notification is provided before opening the pipes.

9. Directors Comments

Nothing to report.

Adjourn to Regular Board Meeting on June 16, 2026.

Respectfully submitted,



Stefani Phillips, Board Secretary

AK/SP

Accounts Payable

Checks by Date - Detail by Check Date

05/01/2026 - 05/31/2026



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
ACH	10019	CalPERS	05/01/2026		
	May 1 2026 Payroll	PR Batch 00001.05.2026 457 Flat	PR Batch 00001.05.2026 457		8,558.12
	May 1 2026 Payroll	PR Batch 00001.05.2026 457 Loan Payment	PR Batch 00001.05.2026 457		2,490.49
	May 1 2026 Payroll	PR Batch 00001.05.2026 457 Percent	PR Batch 00001.05.2026 457		815.49
	May 1 2026 Payroll	PR Batch 00001.05.2026 Roth Flat	PR Batch 00001.05.2026 Roth		235.00
Total for this ACH Check for Vendor 10019:				0.00	12,099.10
ACH	10060	EDD	05/01/2026		
	May 1 2026 Payroll	PR Batch 00001.05.2026 SDI	PR Batch 00001.05.2026 SDI		2,038.62
	May 1 2026 Payroll	PR Batch 00001.05.2026 State Income Tax	PR Batch 00001.05.2026 Stat		6,887.29
Total for this ACH Check for Vendor 10060:				0.00	8,925.91
ACH	10090	Internal Revenue Service	05/01/2026		
	May 1 2026 Payroll	PR Batch 00001.05.2026 Medicare Employer Po	PR Batch 00001.05.2026 Med		2,254.21
	May 1 2026 Payroll	PR Batch 00001.05.2026 Medicare Employee Pc	PR Batch 00001.05.2026 Med		2,254.21
	May 1 2026 Payroll	PR Batch 00001.05.2026 Federal Income Tax	PR Batch 00001.05.2026 Fed		17,209.03
Total for this ACH Check for Vendor 10090:				0.00	21,717.45
ACH	10509	BRI	05/01/2026		
	May 1 2026 Payroll	PR Batch 00001.05.2026 Health Savings Accour	PR Batch 00001.05.2026 Hea		1,430.37
Total for this ACH Check for Vendor 10509:				0.00	1,430.37
Total for 5/1/2026:				0.00	44,172.83
64192	10455	Alpha Analytical Laboratories, Inc	05/07/2026		
	6047938	Sampling - Treatment			20.00
	6053513	Sampling - Treatment			20.00
Total for Check Number 64192:				0.00	40.00
64193	10210	Aqua Sierra Controls, Inc	05/07/2026		
	35808	Repairs and Maint Equipment - Treatment			1,332.47
Total for Check Number 64193:				0.00	1,332.47
64194	10211	Aqua-Metric Sales, Co.	05/07/2026		
		Prorated Iperls			58,136.29
		Omni			2,458.30
Total for Check Number 64194:				0.00	60,594.59
64195	10454	Area Portable Services, Inc	05/07/2026		
	I63255	Facilities Rental - Utility Crew			650.41
Total for Check Number 64195:				0.00	650.41

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
64196	10013 1150257	Benefit Resources Monthly ADMIN	05/07/2026		175.00
			Total for Check Number 64196:	0.00	175.00
64197	10014 SJ02540 SJ02797 SJ02798 SJ02836	BSK Associates Sampling - Treatment Sampling - Treatment Sampling - Treatment Sampling - Treatment	05/07/2026		254.00 38.00 38.00 91.00
			Total for Check Number 64197:	0.00	421.00
64198	10023 April AH 2026 April AH 2026 April AH 2026 April AH 2026 April AH 2026 April AH 2026 April AH 2026 April AH 2026 April AH 2026 April AH 2026 April AH 2026 April AH 2026	Card Services Repairs and Maint - MOC ChatGPT - Treatment Supervisor (NOV) Meals AWWA Conference - Treatment Supervisc Supplies (NOV) Supplies - Treatment ChatGPT - Treatment Supervisor Spring Conference Registration Aaron (NOV) Hotel CRWA Conference -Stefan Chanh Materials (NOV) Supplies (NOV) Late Fees - Treatment Supplies - Treatment	05/07/2026		2,800.00 20.00 56.01 137.71 30.36 20.00 620.00 535.26 203.92 42.28 101.77 81.18
			Total for Check Number 64198:	0.00	4,648.49
64199	10024 April BK 2026` April BK 2026` April BK 2026`	Card Services Adobe, Zoom, ChatGPT - GM Meals - OPS Check-ins Supplies - ADMIN	05/07/2026		57.36 135.94 8.98
			Total for Check Number 64199:	0.00	202.28
64200	10027 April DF 2026 April DF 2026 April DF 2026	Card Services Tools - Distribution Crew Materials - Distribution Crew Materials - Distribution Crew	05/07/2026		152.03 201.99 575.29
			Total for Check Number 64200:	0.00	929.31
64201	10028 April DM 2026 April DM 2026	Card Services ChatGPT, Twilio. Amazon Web ChatGPT, Twilio. Amazon Web	05/07/2026		54.18 -54.18
			Total for Check Number 64201:	0.00	0.00
64202	10029 April SH 2026	Card Services ChatGPT - Distribution Supervisor	05/07/2026		20.00
			Total for Check Number 64202:	0.00	20.00
64203	10031 April TF 2026	Card Services ChatGPT - Program Manager	05/07/2026		20.00
			Total for Check Number 64203:	0.00	20.00
64204	10418 April BW 2026	Card Services Supplies HVAC - Treatment	05/07/2026		302.24

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 64204:	0.00	302.24
64205	10037	Stefan Chanh	05/07/2026		
	Travel Reim - Cal Rur	Meals			75.44
	Travel Reim - Cal Rur	Mileage			157.33
			Total for Check Number 64205:	0.00	232.77
64206	10036	Cintas	05/07/2026		
	4266861851	Uniforms - OPS			186.32
	4267627689	Uniforms - OPS			186.22
			Total for Check Number 64206:	0.00	372.54
64207	10053	DB Constructional Landscape	05/07/2026		
	May 2026	Maintenance of Wells and Office			3,360.00
			Total for Check Number 64207:	0.00	3,360.00
64208	10137	Purchase Power	05/07/2026		
	8000900008662367 A	Postage -ADMIN			599.61
			Total for Check Number 64208:	0.00	599.61
64209	10144	Republic Services #922	05/07/2026		
	0922-010117396	Waste, Recycle, Organics - ADMIN			861.62
	0922-010118595	Waste, Recycle, Organics - MOC			3,694.89
			Total for Check Number 64209:	0.00	4,556.51
			Total for 5/7/2026:	0.00	78,457.22
64210	10003	Air Works Inc	05/13/2026		
	12413230	HVAC Preventative Maint - MOC			270.00
	12413231	HVAC Preventative Maint - ADMIN			512.00
			Total for Check Number 64210:	0.00	782.00
64211	10211	Aqua-Metric Sales, Co.	05/13/2026		
	0113943	Freight to Sensus			387.39
			Total for Check Number 64211:	0.00	387.39
64212	10010	Badawi & Associates	05/13/2026		
	1920	FY 2025-26 Audit			16,187.85
			Total for Check Number 64212:	0.00	16,187.85
64213	10012	Bay Alarm Company	05/13/2026		
	22941196	Security Alarm, Camera System, Monitoring, Sp			2,406.09
			Total for Check Number 64213:	0.00	2,406.09
64214	10014	BSK Associates	05/13/2026		
	SJ02603	Sampling- Treatment			38.00
	SJ02605	Sampling- Treatment			38.00
	SJ02835	Sampling- Treatment			91.00
	SJ03000	Sampling- Treatment			2,509.86

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 64214:	0.00	2,676.86
64215	10022	Card Services	05/13/2026		
	April AA 2026	ChatGPT - Utility Supervisor			20.00
	April AA 2026	Supplies - MOC			1,336.80
	April AA 2026	Materials - Utility Crew			89.64
	April AA 2026	Materials - AMI Project CIP			647.15
	April AA 2026	Materials - Distribution			45.87
			Total for Check Number 64215:	0.00	2,139.46
64216	10025	Card Services	05/13/2026		
	April BV 2026	ChatGPT - Tech Services			40.00
	April BV 2026	ChatGPT - Tech Services			150.33
			Total for Check Number 64216:	0.00	190.33
64217	10026	Card Services	05/13/2026		
	April CP 2026	Materials - Utility Crew			67.16
	April CP 2026	Materials - AMI Project CIP			15.10
	April CP 2026	Materials - Utility Crew			184.65
	April CP 2026	Tools - Utility Crew			20.91
	April CP 2026	Hazmat Dump - Utility Crew			279.80
	April CP 2026	Tools - Utility Crew			-387.68
	April CP 2026	Tools - Utility Crew			35.83
			Total for Check Number 64217:	0.00	215.77
64218	10030	Card Services	05/13/2026		
	April SP 2026	Citizens Water Academy -Session 4			112.12
	April SP 2026	Employee Appreciation			19.56
	April SP 2026	AWWA Conference Meals - Aaron Hewitt			118.58
	April SP 2026	AWWA Conference Hotel - Aaron Hewitt			621.87
	April SP 2026	AWWA Conference Hotel - Ben Voelz			621.87
	April SP 2026	ChatGPT - HR ADMIN			20.00
	April SP 2026	AWWA Conference Meals - Ben Voelz			107.60
			Total for Check Number 64218:	0.00	1,621.60
64219	10033	CB&T/ ACWA-JPIA	05/13/2026		
	0708901	Retiree Medical Benefits May 2026			9,572.47
	0708901	Medical Benefits May 2026			67,029.64
	0709168	Retiree Medical Benefits June 2026			9,572.47
	0709168	Medical Benefits June 2026			66,938.56
			Total for Check Number 64219:	0.00	153,113.14
64220	10238	Check Processors, Inc	05/13/2026		
	30308	Payment Processor			30.10
			Total for Check Number 64220:	0.00	30.10
64221	10040	Consolidated Communications	05/13/2026		
	91615008410-April 20	Internet, Phones - ADMIN			882.51
	91615008410-April 20	Internet, Phones - MOC			882.51
			Total for Check Number 64221:	0.00	1,765.02
64222	10041	Cooper Oates Air Conditioning	05/13/2026		
	402681	Repairs & Maint Equip - Treatment			643.09

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 64222:	0.00	643.09
64223	10258	Coverall North America, Inc	05/13/2026		
	1000584344	Janitorial Services - ADMIN			1,050.00
	1000584385	Janitorial Services - MOC			499.00
			Total for Check Number 64223:	0.00	1,549.00
64224	10054	Ditch Witch West	05/13/2026		
	1043480	Materials - Treatment			458.36
			Total for Check Number 64224:	0.00	458.36
64225	10603	InfoSend, Inc	05/13/2026		
	308989	April Billing			1,576.12
	308989	April Billing Postage			6,103.91
			Total for Check Number 64225:	0.00	7,680.03
64226	10611	InSource Software Solutions	05/13/2026		
	106314	Aveva Software - Treatment			17,555.00
			Total for Check Number 64226:	0.00	17,555.00
64227	10096	JSP Automation	05/13/2026		
	260430-01	RRWTP PLC Project - CIP			8,992.50
			Total for Check Number 64227:	0.00	8,992.50
64228	10125	O'Reilly Auto Parts	05/13/2026		
	2585-162311	Batteries - Distribution			54.79
	2585-295286	Materials - Utilities Crew			23.57
	2585-298528	Materials - Utilities Crew			18.48
	2585-299130	Materials - Truck Maint			76.10
	2585-341692	Batteries - Treatment			46.91
			Total for Check Number 64228:	0.00	219.85
64229	10126	Pace Supply Corp	05/13/2026		
	0511347669	Materials - AMI Project CIP			582.13
	0611364089	Materials - AMI Project CIP			242.99
	0611376053	Materials - AMI Project CIP			226.65
	0611384828	Materials - AMI Project CIP			660.67
			Total for Check Number 64229:	0.00	1,712.44
64230	10127	Pacific Gas & Electric Company	05/13/2026		
	2503509759-8 April 2	Gas - 9829 Waterman Rd			141.65
			Total for Check Number 64230:	0.00	141.65
64231	10130	Pest Control Center Inc	05/13/2026		
	3447888	Pest Control - ADMIN			89.00
			Total for Check Number 64231:	0.00	89.00
64232	10141	RDO Equipment Co.	05/13/2026		
	W2602276	Repairs and Maint Veermer			1,262.78
			Total for Check Number 64232:	0.00	1,262.78
64233	10144	Republic Services #922	05/13/2026		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	0922-010204113	Storm Drain Utility - ADMIN			321.10
			Total for Check Number 64233:	0.00	321.10
64234	10150 50005891665 March 2	Sacramento County Utilities Sewage Collection - Treatment	05/13/2026		975.85
			Total for Check Number 64234:	0.00	975.85
64235	10160 4026372-1	Sierra Office Supplies Supplies - ADMIN	05/13/2026		14.47
			Total for Check Number 64235:	0.00	14.47
64236	10161 1202265 April 2026	SMUD Electricity 10113 Hampton Oak Dr	05/13/2026		1,751.85
			Total for Check Number 64236:	0.00	1,751.85
64237	10161 185955 April 2026	SMUD Electricity Ranch Park/Kelsey Dr	05/13/2026		1,987.03
			Total for Check Number 64237:	0.00	1,987.03
64238	10161 2839116 April 2026	SMUD Electricity 9818 Dino Dr	05/13/2026		5,163.62
			Total for Check Number 64238:	0.00	5,163.62
64239	10161 2933501 April 2026	SMUD Electricity 9715 Railroad St	05/13/2026		13,423.05
			Total for Check Number 64239:	0.00	13,423.05
64240	10161 3548843 April 2026	SMUD Electricity 9085 Elk Grove Bl	05/13/2026		1,340.04
			Total for Check Number 64240:	0.00	1,340.04
64241	10161 3793 April 2026	SMUD Electricity 8840 Elk Way	05/13/2026		42.63
			Total for Check Number 64241:	0.00	42.63
64242	10161 59633 April 2026	SMUD Electricity 9205 Meadow Grove Dr	05/13/2026		5,658.92
			Total for Check Number 64242:	0.00	5,658.92
64243	10161 6034535 April 2026	SMUD Electricity 9035 Polhemus Dr	05/13/2026		2,882.46
			Total for Check Number 64243:	0.00	2,882.46
64244	10161 6860502 April 2026	SMUD Electricity 9829 Waterman Rd	05/13/2026		591.38
			Total for Check Number 64244:	0.00	591.38
64245	10163 2375	Solutions by BG Inc. I.T. Services	05/13/2026		5,698.80

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 64245:	0.00	5,698.80
64246	10173 326000082290 Michae	The Permanente Medical Group OHSS DMV/DOT	05/13/2026		230.00
			Total for Check Number 64246:	0.00	230.00
64247	10176 5038559996	Toshiba Financial Services Copier - ADMIN	05/13/2026		330.95
			Total for Check Number 64247:	0.00	330.95
64248	10186 00935191 00959330 01040602 01041667	USAbbluebook Materials - Treatment Materials - Treatment Materials - Treatment Materials - Treatment	05/13/2026		15.65 2,454.99 671.80 415.37
			Total for Check Number 64248:	0.00	3,557.81
			Total for 5/13/2026:	0.00	265,789.27
ACH	10019	CalPERS	05/15/2026		
	May 15 2026 Payroll	PR Batch 00002.05.2026 457 Loan Payment	PR Batch 00002.05.2026 457		2,490.49
	May 15 2026 Payroll	PR Batch 00002.05.2026 457 Percent	PR Batch 00002.05.2026 457		815.49
	May 15 2026 Payroll	PR Batch 00002.05.2026 Roth Flat	PR Batch 00002.05.2026 Roth		235.00
	May 15 2026 Payroll	PR Batch 00002.05.2026 457 Flat	PR Batch 00002.05.2026 457		8,758.12
			Total for this ACH Check for Vendor 10019:	0.00	12,299.10
ACH	10060	EDD	05/15/2026		
	May 15 2026 Payroll	PR Batch 00002.05.2026 SDI	PR Batch 00002.05.2026 SDI		1,843.08
	May 15 2026 Payroll	PR Batch 00002.05.2026 State Income Tax	PR Batch 00002.05.2026 State		5,438.79
			Total for this ACH Check for Vendor 10060:	0.00	7,281.87
ACH	10090	Internal Revenue Service	05/15/2026		
	May 15 2026 Payroll	PR Batch 00002.05.2026 Medicare Employer Po	PR Batch 00002.05.2026 Medicare		2,030.03
	May 15 2026 Payroll	PR Batch 00002.05.2026 Medicare Employee Pc	PR Batch 00002.05.2026 Medicare		2,030.03
	May 15 2026 Payroll	PR Batch 00002.05.2026 Federal Income Tax	PR Batch 00002.05.2026 Federal		13,977.17
			Total for this ACH Check for Vendor 10090:	0.00	18,037.23
ACH	10509	BRI	05/15/2026		
	May 15 2026 Payroll	PR Batch 00002.05.2026 Health Savings Accour	PR Batch 00002.05.2026 Health		1,430.37
			Total for this ACH Check for Vendor 10509:	0.00	1,430.37
			Total for 5/15/2026:	0.00	39,048.57
64249	10211 0113487	Aqua-Metric Sales, Co. AMI Project CIP	05/20/2026		9,500.01
			Total for Check Number 64249:	0.00	9,500.01
64250	10217 18980514-Reissue	Automationdirect.Com, Inc Supplies - Treatment	05/20/2026		60.03

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 64250:	0.00	60.03
64251	10221 April 2026	BKS Law Firm, PC Legal - April 2026	05/20/2026		2,827.50
			Total for Check Number 64251:	0.00	2,827.50
64252	10036 4258328974	Cintas Uniforms - OPS	05/20/2026		182.83
			Total for Check Number 64252:	0.00	182.83
64253	10046 90458606 90458607 90458608	County of Sacramento Commercial Water Billing - March & April 2026 Residential Water Billing - March & April 2026 Construction - March & April 2026	05/20/2026		48,334.28 470,952.40 132.59
			Total for Check Number 64253:	0.00	519,419.27
64254	10098 13708	Kevin Young Concrete Company 8663 Kiwi Circle Project	05/20/2026		2,650.00
			Total for Check Number 64254:	0.00	2,650.00
64255	10321 33820	Messenger Publishing Group UWMP Public Notice	05/20/2026		445.50
			Total for Check Number 64255:	0.00	445.50
64256	10110 110248 111168 111168	Metro Mailing Service Water Use Questionnaire Postage - Spring Water Drop Printing - Spring Water Drop	05/20/2026		4,998.00 3,234.51 3,311.18
			Total for Check Number 64256:	0.00	11,543.69
64257	10126 0611389984	Pace Supply Corp Materials - AMI Project CIP	05/20/2026		1,164.27
			Total for Check Number 64257:	0.00	1,164.27
64258	10615 ACWA 2026 Spring C	Paul Lindsay ACWA Parking Reim.	05/20/2026		108.00
			Total for Check Number 64258:	0.00	108.00
64259	10359 17542	Robertson-Bryan, Inc CCR Work	05/20/2026		1,359.50
			Total for Check Number 64259:	0.00	1,359.50
64260	10612 31093	Transducers direct Materials - Treatment	05/20/2026		263.08
			Total for Check Number 64260:	0.00	263.08
64261	10189 6142208388	Verizon Wireless AMI Cell Service, MIFI's, On Call Phone	05/20/2026		1,550.44
			Total for Check Number 64261:	0.00	1,550.44
64262	10614	Worldpay	05/20/2026		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	March 2026	March 2026 Bank CC Fees			561.20
			Total for Check Number 64262:	0.00	561.20
64263	10587 8005	Zanjero, LLC UWMP April Billing	05/20/2026		5,562.50
			Total for Check Number 64263:	0.00	5,562.50
			Total for 5/20/2026:	0.00	557,197.82
64264	10455 6047191 6055157 6055856 6055914	Alpha Analytical Laboratories, Inc Sampling - Treatment Sampling - Treatment Sampling - Treatment Sampling - Treatment	05/27/2026		500.00 20.00 20.00 20.00
			Total for Check Number 64264:	0.00	560.00
64265	10005 1MJL-C3PR-KCFF 1VNH-XYPW-N61Y 1WDP-XYML-JKX1	Amazon Capital Services Supplies - ADMIN Supplies - ADMIN Safety Supplies - OPS	05/27/2026		23.44 105.54 96.84
			Total for Check Number 64265:	0.00	225.82
64266	10219 84928 84970	Backflow Distributors, Inc Tools - Distribution Tools - Distribution	05/27/2026		119.46 414.38
			Total for Check Number 64266:	0.00	533.84
64267	10014 SJ02749 SJ02882 SJ02934 SJ02998 SJ02999 SJ03027 SJ03030 SJ03031 SJ03165 SJ03215 SJ03216 SJ03224	BSK Associates Sampling - Treatment Sampling - Treatment Sampling - Treatment Sampling - Well #9 - Treatment Sampling Well #11D - Treatment Sampling RRWTP - Treatment Sampling - Treatment Sampling - Treatment Sampling Well #4D - Treatment Sampling - Treatment Sampling - Treatment Sampling - Treatment	05/27/2026		38.00 254.00 38.00 2,509.86 2,509.86 2,486.96 91.00 91.00 2,486.96 91.00 91.00 49.00
			Total for Check Number 64267:	0.00	10,736.64
64268	10020 30055403	Capital Rubber & Gasket Materials - Distribution	05/27/2026		124.15
			Total for Check Number 64268:	0.00	124.15
64269	10034 72919	CCPPM Printing - OPS	05/27/2026		27.19
			Total for Check Number 64269:	0.00	27.19
64270	10036 4269148637	Cintas Uniforms - OPS	05/27/2026		182.83

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	4269862711	Uniforms - OPS			182.83
			Total for Check Number 64270:	0.00	365.66
64271	10042 81193	County of Sacramento Commercial E-Waste Dump - Utility Crew	05/27/2026		203.00
			Total for Check Number 64271:	0.00	203.00
64272	10079 14938388	Hach Company Repairs & Maint - Colorimeter - Treatment	05/27/2026		2,679.60
			Total for Check Number 64272:	0.00	2,679.60
64273	10093 10333	Jay's Trucking Service WMRP CIP	05/27/2026		570.00
			Total for Check Number 64273:	0.00	570.00
64274	10407 51426	JB BOSTICK COMPANY Meadow Grove WMRP CIP	05/27/2026		41,326.92
			Total for Check Number 64274:	0.00	41,326.92
64275	10099 Boot Reim Brandon K	Brandon Kent Boot Reimbursement May 2026	05/27/2026		146.23
			Total for Check Number 64275:	0.00	146.23
64276	10126 0611385402 0611417275 0611418924 0611422429 0611424780	Pace Supply Corp Materials - Treatment Materials - Distribution AMI CIP AMI CIP AMI CIP	05/27/2026		410.35 490.24 95.92 315.46 1,368.08
			Total for Check Number 64276:	0.00	2,680.05
64277	10130 3449772	Pest Control Center Inc Pest Control - ADMIN	05/27/2026		89.00
			Total for Check Number 64277:	0.00	89.00
64278	10160 4029853-0	Sierra Office Supplies Supplies - ADMIN	05/27/2026		43.51
			Total for Check Number 64278:	0.00	43.51
64279	10163 2379	Solutions by BG Inc. IT Services	05/27/2026		5,698.80
			Total for Check Number 64279:	0.00	5,698.80
64280	10379 711705212026	Southwest Answering Service, Inc On Call/ After Hours Answering Service	05/27/2026		1,188.83
			Total for Check Number 64280:	0.00	1,188.83
64281	10170 10804891	Teichert Aggregates Materials - Utility Crew	05/27/2026		227.46
			Total for Check Number 64281:	0.00	227.46

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
64282	10173 9005036090	The Permanente Medical Group OHSS DMV/DOT	05/27/2026		345.00
Total for Check Number 64282:				0.00	345.00
64283	10612 31242 31246	Transducers direct Basic Annual Subscription Fee - Treatment Power Annual Subscription Fee - Treatment	05/27/2026		130.50 130.50
Total for Check Number 64283:				0.00	261.00
Total for 5/27/2026:				0.00	68,032.70
ACH	10019	CalPERS	05/29/2026		
	May 29 2026 Payroll	PR Batch 00003.05.2026 Roth Flat	PR Batch 00003.05.2026 Rotl		235.00
	May 29 2026 Payroll	PR Batch 00003.05.2026 457 Flat	PR Batch 00003.05.2026 457		8,558.12
	May 29 2026 Payroll	PR Batch 00003.05.2026 457 Percent	PR Batch 00003.05.2026 457		815.49
	May 29 2026 Payroll	PR Batch 00003.05.2026 457 Loan Payment	PR Batch 00003.05.2026 457		2,327.32
Total for this ACH Check for Vendor 10019:				0.00	11,935.93
ACH	10060	EDD	05/29/2026		
	May 29 2026 Payroll	PR Batch 00003.05.2026 SDI	PR Batch 00003.05.2026 SDI		1,891.89
	May 29 2026 Payroll	PR Batch 00003.05.2026 State Income Tax	PR Batch 00003.05.2026 Statu		5,669.04
Total for this ACH Check for Vendor 10060:				0.00	7,560.93
ACH	10090	Internal Revenue Service	05/29/2026		
	May 29 2026 Payroll	PR Batch 00003.05.2026 Federal Income Tax	PR Batch 00003.05.2026 Fed		14,359.59
	May 29 2026 Payroll	PR Batch 00003.05.2026 Medicare Employee Pc	PR Batch 00003.05.2026 Med		2,084.48
	May 29 2026 Payroll	PR Batch 00003.05.2026 Medicare Employer Po	PR Batch 00003.05.2026 Med		2,084.48
Total for this ACH Check for Vendor 10090:				0.00	18,528.55
ACH	10509	BRI	05/29/2026		
	May 29 2026 Payroll	PR Batch 00003.05.2026 Health Savings Accour	PR Batch 00003.05.2026 Hea		1,430.37
Total for this ACH Check for Vendor 10509:				0.00	1,430.37
Total for 5/29/2026:				0.00	39,455.78
Report Total (104 checks):				0.00	1,092,154.19

BOARD AND EMPLOYEE MONTHLY EXPENSE/REIMBURSEMENTS
As of 05/31/2026

INDIVIDUAL	DESCRIPTION	AMOUNT PAID
Stefan Chanh	Hotel - CRWA Spring Conference	\$535.26
Stefan Chanh	CRWA Travel Reimburement Meals & Mileage	\$232.77
Aaron Hewit	AWWA Conference Hotel	\$621.87
Aaron Hewit	AWWA Conference Meals	\$118.58
Brandon Kent	Boots Reimbursement	\$146.23
Paul Lindsay	ACWA Conference Parking Reimbursement	\$108.00
Ben Voelz	AWWA Conference Hotel	\$621.87
Ben Voelz	AWWA Conference Meals	\$107.60
		\$2,384.58

Active Account Information
As of 05/31/2026

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE
Water Accounts:												
Metered												
Residential	12,564	12,556	12,579	12,560	12,564	12,559	12,539	12,569	12,564	12,585	12,585	
Commercial	356	355	355	355	355	355	425	424	389	388	389	
Irrigation	190	189	189	190	190	190	173	171	172	172	172	
Fire Service	191	191	191	191	191	191	190	190	191	190	190	
Total Accounts	13,301	13,291	13,314	13,296	13,300	13,295	13,327	13,354	13,316	13,335	13,336	-

Active Account Information
FY 2024/2025

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE
Water Accounts:												
Metered												
Residential	12,421	12,444	12,441	12,444	12,443	12,445	12,465	12,483	12,518	12,522	12,525	12,552
Commercial	359	360	360	359	358	358	358	356	356	356	354	356
Irrigation	190	191	190	190	190	190	190	190	190	190	190	190
Fire Service	191	192	191	192	191	191	192	191	191	191	191	192
Total Accounts	13,161	13,187	13,182	13,185	13,182	13,184	13,205	13,220	13,255	13,259	13,260	13,290

**Bond Covenant Status
For Fiscal Year 2025-26
As of 05/31/2026**

Operating Revenues:

Charges for Services	\$	16,100,380

Operating Expenses:

Salaries & Benefits		5,177,686
Seminars, Conventions and Travel		27,161
Office & Operational		1,486,346
Purchased Water		3,335,606
Outside Services		825,808
Equipment Rent, Taxes, and Utilities		465,258
Total Operating Expenses		11,317,865

Net Operating Income

	\$	4,782,515

Annual Interest & Principal Payments		

\$3,941,503	\$	3,613,044 ⁽¹⁾

Debt Service Coverage Ratio, YTD Only:**1.32****Required****1.15****Notes**

⁽¹⁾ Reflects budget divided by number of months year to date.
However, first Principal/Interest Payments made in September.
Projected Annual Budget Coverage Ratio is

1.51

CASH - Detail Schedule of Investments
As of 05/31/2026

G/L Account : Fund		Account number / name	Investment Name	Investment Type	Restrictions	Market Value
HELD BY BOND TRUSTEE:						
1110-000-20	Water	BNY 892744 FRCD 2014A DEBT SERVICE	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	
1112-000-20	Water	BNY 743850 FRCD 2016A DEBT SERVICE	Dreyfus Inst Treasury	MM Mutual Fund	Restricted	
Subtotal						\$ -
1001-000-20	Water	Cash on Hand			Unrestricted	\$ 300.00
HELD BY F&M BANK:						
20-000-1011	Water	F&M 08-032017-01 OPERATING ACCOUNT			Unrestricted	2,508,793.49
20-000-1084	Water	F&M 08-03201702-31 MONEY MARKET		2.02%	Unrestricted	1,196,481.96
20-000-1031	Water	F&M 08-032912-01 CREDIT CARD ACCOUNT			Unrestricted	0.00
20-000-1061	Water	F&M 08-032890-01 PAYROLL ACCOUNT			Unrestricted	132,981.29
20-000-1071	Water	F&M 08-032920-01 DRAFTS ACCOUNT			Unrestricted	0.00
20-000-1003	Water	Path Point Merchant Services			Unrestricted	442,210.80
20-000-1002	Water	Xpress Bill Pay			Unrestricted	395,557.41
Subtotal						\$ 4,676,024.95

INVESTMENTS

1080-000-20	Water	Office of the Treasurer - Sacramento California	LAIF	Investment Pool	3.81%	Unrestricted	\$ 7,403,411.97
1081-000-20	Water	CALTrust Medium Term		Investment	1.96%	Unrestricted	\$ 1,539,885.12

1082-000-20	Water									
	PURCHASE DATE	CUSIP	ISSUED BY	CALL DATE	MATURITY DATE	% of Portfolio	Current Yield	COST BASIS	MARKET VALUE	
	9/30/2016	N/A	US Bank	N/A	N/A	0.80%	3.52%	\$ 35,232.44	\$ 35,232.44	
	4/23/2026	3134HCK32	FHLMC MTN	4/23/2031	4/23/2031	11.70%	4.15%	\$ 500,000.00	\$ 496,365.00	
	8/11/2025	333ETST5	Federal Farm Credit Bks	8/11/2026 - cont	8/11/2027	23.60%	3.98%	\$ 1,000,000.00	999,530.00	
	8/8/2025	3130B5K64	Federal Home Loan Bks	noncallable	3/10/2027	23.60%	3.99%	\$ 1,004,840.00	1,001,550.00	
	2/28/2026	052392FG7	Austin Telco Fed Cr Un Tex CD	2/28/2028	2/28/2028	5.80%	3.82%	\$ 245,000.00	243,811.75	
	4/24/2026	0605X6T4	Bank Amer Na Charlotte Nc CD	4/24/2028	4/24/2028	5.80%	3.96%	\$ 245,000.00	244,360.55	
	2/26/2026	38151PJC6	Goldman Sachs Bk CD	2/26/2029	2/26/2029	5.70%	3.83%	\$ 245,000.00	243,069.40	
	4/18/2026	59013LLP7	Merrick Bk South Jordan Utah CD	4/18/2026	4/18/2030	5.80%	4.11%	\$ 245,000.00	244,095.95	
	2/18/2026	61778EPK1	Morgan Stanley Bk N A Salt Lake City CD	2/18/2031	2/18/2031	5.70%	4.00%	\$ 245,000.00	242,023.25	
	2/19/2026	61776NW25	Morgan Stanley Private Bk Natl Assn CD	2/19/2030	2/19/2030	5.70%	3.98%	\$ 245,000.00	243,062.05	
	4/20/2026	949765VSO	Wells Fargo Bk Sioux Falls	4/20/2029	4/20/2029	5.80%	3.97%	\$ 245,000.00	243,853.40	
								\$ 4,255,072.44	\$ 4,236,953.79	

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

Total	\$ 17,856,575.83
Total Restricted	\$ -
Total Unrestricted	\$ 17,856,575.83

Call Date	CUSIP	Issued by:	Call Date	Maturity Date	Interest Rate	YTM	Price	Market Value
							\$ -	\$ -

Authorized Signers
Bruce Kamilos
Patrick Lee
Donella Murillo
Stefani Phillips

\$ -

General Ledger
Monthly Consent

User: PLee@egwd.org
Printed: 6/8/2026 10:53:02 AM
Period 01 - 11
Fiscal Year 2026

11/12 = 91.67%

Account	Description	End Bal	Budget	Remaining Budget	% Realized
Revenue					
	Revenues	\$ (16,100,380.06)	\$ (18,477,993.82)	\$ (2,377,613.76)	87.13%
	Total Revenue	16,100,380.06	18,477,993.82	2,377,613.76	87.13%
Expense					
	Salaries & Benefits	5,177,685.72	5,686,886.87	509,201.15	91.05%
	Seminars Conventions & Travel	27,161.33	42,444.00	15,282.67	63.99%
	Office & Operational	1,486,345.94	1,742,067.48	255,721.54	85.32%
	Purchased Water	3,335,606.00	3,805,728.20	470,122.20	87.65%
	Outside Services	825,807.91	1,146,580.00	320,772.09	72.02%
	Rentals & Leases	12,956.02	23,120.00	10,163.98	56.04%
	Taxes & Utilities	452,301.73	558,324.00	106,022.27	81.01%
	Non-Operational	(510,611.69)	(25,000.00)	485,611.69	2042.45%
	Total Expense	\$ 10,807,252.96	\$ 12,980,150.55	\$ 2,172,897.59	83.26%
Revenue Total		\$ 16,100,380.06	\$ 18,477,993.82	\$ 2,377,613.76	87.13%
Expense Total		\$ 10,807,252.96	\$ 12,980,150.55	\$ 2,172,897.59	83.26%
Revenues in Excess of Expenditures		\$ 5,293,127.10	\$ 5,497,843.27	\$ 204,716.17	96.28%

Consultant Expenses
As of 05/31/2026

Fiscal Retainer Contracts

	Description	Total Contract	Current Month	Paid to date	2025-2026 FY Budget	Percent of year (92%)
BKS Law Firm, PC	Task orders	TBD	\$ 2,828	\$ 33,066		
Best Best & Krieger	Task orders	TBD	\$ -	\$ 11,742		
Liebert Cassidy Whitmore	Task orders	TBD	\$ -	\$ 6,381		
Total				\$ 51,189	\$ 120,000	42.66%
Solutions by BG, Inc.	Task orders		\$ 11,398	\$ 168,261	\$ 220,500	76.31%

Major Contracts

Consultant	Description	Total Contract	Paid to date	2023-2024 FY Budget	Percent of Contract Amount
	PSA		\$ -		#DIV/0!
	PSA		\$ -		#DIV/0!
	PSA		\$ -		#DIV/0!

**Major Capital Improvement Project
Budget vs Actuals
As of 05/31/2026**

Capital Project	Total Project Budget	Total Project Exp to Date	Percent Spent	Capitalized Labor	Fuund Type	Project Type	2025-26 Budget	May Project Exp	Total YTD ⁽¹⁾	YTD% Spent	% of Project Complete
Eisenbeisz Street Watermain	\$ 412,000	\$ 381,108	92.50%	53,932	R&R	Supply/Distribution	\$ 186,000	\$ -	\$ 155,306	83.50%	100%
EG Florin Frontage Rd	721,000	237,554	32.95%	57,327	R&R	Supply/Distribution	721,000	10,364	237,554	32.95%	45%
Meadow Grove Drive Watermain	269,000	265,563	98.72%	118,119	R&R	Supply/Distribution	269,000	41,327	265,563	98.72%	100%
City of EG Streetscape	70,000	-	0.00%	-	R&R	Supply/Distribution	70,000	-	-	0.00%	0%
ERP System	235,986	85,986	36.44%	-	R&R	Building and Site	150,000	-	38,393	25.60%	80%
Truck Replacement	120,000	100,555	83.80%	-	R&R	Building and Site	120,000	-	100,555	83.80%	100%
Vactor Traylor Replacement	175,000	142,932	81.68%	-	R&R	Building and Site	175,000	-	142,932	81.68%	100%
PLC - RRWTP Main Panel	800,000	612,976	76.62%	-	R&R	Treatment	800,000	8,993	612,976	76.62%	100%
AMI Project	1,734,000	1,467,745	84.65%	141,755	CIP	Supply/Distribution	1,634,000	68,696	1,375,809	84.20%	75%
Brinkman Transmission Main	199,800	24,900	12.46%	-	CIP	Supply/Distribution	150,000	-	-	0.00%	0%
Unforeseen Capital Projects	100,000	27,569	27.57%	-	-	-	100,000	-	27,569	27.57% ⁽²⁾	-
Sub-Total	\$ 4,836,786	\$ 3,346,889	69.20%	\$ 371,134			\$ 4,375,000	\$ 129,379	\$ 2,956,657	67.58%	

⁽¹⁾ Includes \$371,134 in capitalized labor through 5/31/2026

⁽²⁾ Includes unforeseen capital projects, including:

Eaton Pumps - Well 14D	14,094
Cooper Oates - AC Replacement on V	13,475
Total	\$ 27,569

June 16, 2026

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Stefani Phillips, Board Secretary

SUBJECT: **PUBLIC HEARING – STATUS OF VACANCIES AND RECRUITMENT
RETENTION EFFORTS**

RECOMMENDATION

In compliance with Assembly Bill 2561, the Florin Resource Conservation District Board of Directors shall hold a public hearing on the status of vacancies and recruitment and retention efforts. This report is provided for informational purposes only. No action is proposed at this time.

SUMMARY

In accordance with the requirements of Assembly Bill 2561 (AB 2561), Florin Resource Conservation District/Elk Grove Water District (District) has conducted a review of its staffing levels, recruitment, and retention practices. At present, the District maintains a fully staffed workforce of 29 employees, with no current vacancies and an average tenure of over 10 years. This reflects a stable workforce, effective recruitment strategies, and strong employee retention, with no immediate barriers identified that hinder the hiring process.

DISCUSSION

Background

Effective January 1, 2025, AB 2561 mandates that public agencies hold a public hearing before their governing board at least once each fiscal year to review job vacancies and discuss efforts related to recruitment and retention. This hearing must take place prior to the adoption of the agency's annual budget. Additionally, agencies are required to assess and report on any policies, procedures, or hiring practices that may be contributing to recruitment challenges, and identify any changes needed to address those barriers.

Present Situation

The District currently employs 29 staff members, with no vacant positions at this time. It is important to note that the District does not have an employee organization or bargaining unit. The workforce demonstrates long-term stability, with an average tenure exceeding

PUBLIC HEARING – STATUS OF VACANCIES AND RECRUITMENT RETENTION EFFORTS

Page 2

10 years. Historically, the District has not encountered significant challenges in filling vacancies, and the extended length of employee service reflects strong retention.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

This item aligns with Goal No. 1 – Governance of the Strategic Plan 2025–2030. By holding a public hearing in accordance with AB 2561, the Board is demonstrating its commitment to transparent, participatory, and accountable governance. This process ensures that the Board exercises its oversight responsibilities in a manner that reflects public input, legal compliance, and strategic leadership.

FINANCIAL SUMMARY

There is no financial impact associated with this report.

Respectfully submitted,



STEFANI PHILLIPS
BOARD SECRETARY

June 16, 2026

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Patrick Lee, Finance Manager/Treasurer

SUBJECT: **FLORIN RESOURCE CONSERVATION DISTRICT/ELK GROVE WATER DISTRICT FISCAL YEAR 2026-27 OPERATING BUDGET**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors adopt Resolution No. 06.16.26.01, approving the Florin Resource Conservation District/Elk Grove Water District Fiscal Year 2026-27 Operating Budget projecting revenues of \$19.07 million and expenses of \$20.87 million and appropriating \$1.81 million from operating reserves to fund expenses in excess of revenues for Fiscal Year 2026-27.

SUMMARY

The Florin Resource Conservation District/Elk Grove Water District (District) staff, guided by the District Board of Directors (Board), has developed the District Fiscal Year (FY) 2026-27 Operating Budget (Budget) for the Board's consideration.

By this action, the Board would adopt Resolution No. 06.16.26.01, approving the District FY 2026-27 Operating Budget projecting revenues of \$19.07 million, expenses of \$20.87 million, and appropriating \$1.81 million from operating reserves to fund expenses in excess of revenues for FY 2026-27.

DISCUSSION

Background

The District has a fiscal year that runs from July 1 to June 30. Staff initiated a process in April to prepare the Budget which should be adopted by June 30 of each fiscal year. At the regular board meeting on April 21, 2026, staff reviewed with the Board the Draft FY 2026-27 Operating Budget, including the departmental goals and objectives for the upcoming fiscal year. Staff incorporated comments received from that meeting into the draft budget document.

**FLORIN RESOURCE CONSERVATION DISTRICT/ELK GROVE WATER DISTRICT
FISCAL YEAR 2026-27 OPERATING BUDGET**

Page 2

Present Situation

Staff has incorporated all comments received from the Board and is presenting the final Budget to the Board for consideration and adoption. The final Budget reflects the following changes since the draft budget was presented to the Board during the April 21, 2026, regular board meeting:

1. An increase in salaries and benefits of \$33,247 or 0.56% due to 1) the April 2026 CPI-U for the average of the U.S. City, West and San Francisco index coming in at 3.70% as opposed to the 3.0% used as an initial estimate, and 2) an adjustment to the General Manager's salary based on his annual performance evaluation.
2. The District received notification of a decrease in election costs. The draft budget included an election cost estimate of \$470,000. The new election cost estimate (Attachment 1), provided by the County of Sacramento, is \$301,660.91. The estimate is based on the current number of registered voters within the District's service area. To help ensure that the budget does not have an election cost shortfall, staff applied a 10% contingency and rounded the budgeted amount to \$330,000.

The remaining \$140,000 was reallocated in the proposed budget to contracted services for the destruction of the District's Well 3. Well 3 has been inactive since June 8, 2021, and will not be returned to service because it produces excessive sand during operation. In its April 2, 2026 inspection report, the Division of Drinking Water recommended that "the Water System explore full abandonment and destruction of the well."

This reallocation resulted in no change to the overall Outside Services budget category.

3. The final change between the draft budget and the proposed operating budget relates to On-Call Pay and Overtime Compensation. For more than 15 years, the District has maintained the practice of having one on-call operator on duty after hours and on non-workdays. The District currently has 14 Distribution Operators and three (3) Treatment Operators.

Under the current on-call practice, one (1) of the three (3) Treatment Operators must always be available in a support role after hours and on non-workdays. This is because Distribution Operators, who do not work in Treatment, do not have the same level of familiarity with Treatment operations. Consequently, when the on-

**FLORIN RESOURCE CONSERVATION DISTRICT/ELK GROVE WATER DISTRICT
FISCAL YEAR 2026-27 OPERATING BUDGET**

Page 3

call operator receives an alarm related to Treatment operations, there are times when the operator is uncertain how to respond and must contact a Treatment Operator for guidance.

This situation presents two (2) concerns: 1) Treatment Operators who are not officially on-call cannot fully enjoy their time off; and 2) the District faces an operational risk if all three (3) Treatment Operators are geographically far from the District during their time off when a Treatment-related emergency occurs.

Therefore, it is in the District's best interest to separate on-call duties into Treatment on-call and Distribution on-call. A Treatment Operator will be assigned to Treatment on-call, and a Distribution Operator will be assigned to Distribution on-call. This change will significantly reduce operational risk to the District.

To implement this change, the proposed budget doubles the On-Call Pay general ledger line item, resulting in two (2) on-call operators receiving the \$85 daily stipend. To offset this change and avoid increasing the overall budget, boots-on-the-ground well checks to gather production data will no longer be conducted. Instead, the District will automate this task using data obtained through supervisory control and data acquisition (SCADA). This will result in less overtime during non-workdays.

Consequently, the Overtime Compensation general ledger line in the proposed operating budget has been reduced by the same amount that On-Call Pay has been increased. This results in no increase to the proposed operating budget. Refer to the On-Call Pay Calculator sheet (Attachment 2) for the net-zero cost calculation.

Based on these changes, the final Budget now reflects projected revenues of approximately \$19.07 million and projected expenses of approximately \$20.87 million including Capital Improvement and Capital Repair & Replacement Reserve contributions of approximately \$3.68 million. The projected expenses in excess of revenues are approximately \$1.81 million, which will be funded from reserves carried over from prior years, resulting in a balanced budget.

The final Budget also includes a transmittal letter, a history of the District, a summary of the District's financial policies, the proposed rates effective January 1, 2027, the FY 2026-27 salary schedule and various other information to provide readers of the document an understanding of the District, its operations, and its financial outlook.

June 16, 2026

**FLORIN RESOURCE CONSERVATION DISTRICT/ELK GROVE WATER DISTRICT
FISCAL YEAR 2026-27 OPERATING BUDGET**

Page 4

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

This item, and all other budget related activities, conforms to the FRCD/EGWD's 2025-30 Strategic Plan. Adoption of an annual Budget is specifically identified as a goal in the Fiscal Responsibility section of the Strategic Plan.

FINANCIAL SUMMARY

The final Budget reflects projected revenues of approximately \$19.07 million and total expenses of approximately \$20.87 million including Capital Improvement and Capital Repair & Replacement Reserve contributions of approximately \$3.68 million. The projected expenses in excess of revenues are approximately \$1.81 million, which will be funded from reserves carried over from prior years, resulting in a balanced budget.

Respectfully submitted,



PATRICK LEE
FINANCE MANAGER/TREASURER

Attachment

RESOLUTION NO. 06.16.26.01

**A RESOLUTION OF THE FLORIN RESOURCE
CONSERVATION DISTRICT BOARD OF DIRECTORS APPROVING THE FLORIN
RESOURCE CONSERVATION DISTRICT/ELK GROVE WATER DISTRICT FISCAL
YEAR 2026-27 OPERATING BUDGET PROJECTING REVENUES OF \$19.07
MILLION AND EXPENSES OF \$20.87 MILLION AND APPROPRIATING \$1.81
MILLION FROM OPERATING RESERVES TO FUND EXPENSES IN EXCESS OF
REVENUES FOR FISCAL YEAR 2026-27**

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

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

WHEREAS, the FRCD has held public meetings to review the proposed revenues and expenses for the Florin Resource Conservation District/Elk Grove Water District (District) for the Fiscal Year (FY) July 1, 2026, through June 30, 2027; and

WHEREAS, the 2024-2028 Water Rate Study adopted on July 18, 2023, after the receipt and consideration of any protests and comments before and during a public hearing in compliance with Proposition 218 recommends a 4.50% revenue rate adjustment effective January 1, 2027; and

WHEREAS, the District FY 2026-27 Operating Budget reflects the recommended 4.50% revenue rate adjustment effective January 1, 2027; and

WHEREAS, the District FY 2026-27 Operating Budget reflects a 3.70% cost of living adjustment effective July 1, 2026; and

WHEREAS, the District Board of Directors (Board) has received and considered the District's FY 2026-27 Operating Budget submitted by the Finance Manager/Treasurer on June 16, 2026.

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

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

SECTION 2. The Board hereby approves the total revenues of \$19,066,704 and total expenses of \$20,872,778 for the Florin Resource Conservation District/Elk Grove Water District FY 2026-27 Operating Budget.

SECTION 3. The Board hereby authorizes the General Manager to redistribute allocated budgeted amounts between line items within the budget categories.

SECTION 4. The Board hereby approves the FY 2026-27 Rate and Fee Schedule which reflects the recommended 4.50% revenue rate adjustment effective January 1, 2027.

SECTION 5. The Board hereby approves the FY 2026-27 Salary Schedule which includes a 3.70% cost of living adjustment.

SECTION 6. The Board hereby adopts the Florin Resource Conservation District/Elk Grove Water District Fiscal Year 2026-27 Operating Budget, attached hereto as Exhibit "A", and made a part hereof.

SECTION 7. The Board Secretary shall certify the adoption of this Resolution.

SECTION 8. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED by the Florin Resource Conservation District Board of Directors on this 16th day of June 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Paul Lindsay
Chair

ATTEST:

Stefani Phillips
Board Secretary

APPROVED AS TO FORM:

Joshua M. Horowitz
General Counsel

EXHIBIT “A”

**“FLORIN RESOURCE CONSERVATION DISTRICT/
ELK GROVE WATER DISTRICT
FY 2026-27 PROPOSED OPERATING BUDGET”**

[Attached behind this cover page]



Fiscal Year 2026-27 Operating Budget



Florin Resource Conservation District/Elk Grove Water District

9829 Waterman Road

Elk Grove, CA 95624

(916) 685-3556

www.egwd.org

Board of Directors

Paul Lindsay, Chair

Joshua Green, Vice-Chair

Lisa Medina, Director

Elliot Mulberg, Director

Tom Nelson, Director

Appointed Official

Bruce Kamilos, General Manager

Leadership Team

Stefani Phillips, Human Resources Administrator/Board Secretary

Patrick Lee, Finance Manager/Board Treasurer

Donella Murillo, Finance Supervisor

Travis Franklin, Program Manager

Ben Voelz, Associate Civil Engineer

Aaron Hewitt, Water Treatment Supervisor

Sean Hinton, Water Distribution Supervisor

Alan Aragon, Water Distribution Supervisor

GOVERNING VALUES

Board members and employees of the Florin Resource Conservation District and Elk Grove Water District commit to the following values:

- **Transparency:** We recognize that transparency is the foundation of good governance. We are committed to openness and accountability in all District endeavors.
- **Leadership:** Our strength lies in collaboration. We value diverse perspectives and foster an environment where innovative ideas flourish through mutual respect and teamwork.
- **Caring:** We care about the quality of our water, customer satisfaction, and fostering a positive work environment for all employees.
- **Integrity:** We are committed to honest and ethical conduct in all interactions. We maintain high-quality, fiscally responsible operations and communicate openly.
- **Professionalism:** We are committed to standards of excellence, accuracy, and superior conduct.



TABLE OF CONTENTS

INTRODUCTORY SECTION

Budget Transmittal Letter.....	6
About the Florin Resource Conservation District/Elk Grove Water District.....	8
Strategic Plan.....	10
Florin Resource Conservation District Board of Directors.....	14
Industry Analysis and Current Status.....	15
Financial Policies.....	18
Budget Process.....	22
EGWD by the Numbers.....	23
FY 2026-27 Budget Preparation Timeline.....	24
GFOA Distinguished Budget Presentation Award.....	25
FY 2026-27 Budget Adoption Resolution.....	26

FISCAL YEAR 2026-27 BUDGET OVERVIEW

Summary of Revenues and Expenses.....	29
Summary of Net Position Activity.....	30
10-year Financial Plan.....	31
FY 2026-27 Budget Highlights.....	32

REVENUE SECTION

Budgeted Revenues by Category.....	36
Major Revenue Sources.....	37
Revenue Detail.....	40

EXPENSE SECTION

Budgeted Expenses by Category.....	42
Salaries and Benefits.....	43
Seminars, Conventions and Travel.....	46
Office & Operational.....	47
Purchase Water Cost.....	49
Outside Services.....	51
Equipment Rents, Taxes and Utilities.....	52
Non-Operating Expenses (Revenues).....	53
Capital Expenditures	54
Fiscal Year 2026-27 Capital Projects Listing.....	55

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

ORGANIZATIONAL SUMMARY

Organizational Chart	58
FTE Listing.....	59
Jurisdictional Comparison	60

DEPARTMENTAL BUDGET SUMMARIES

Expenses by Department.....	62
Summary by Department.....	62
Office of the General Manager.....	63
Finance and Administrative.....	66
Human Resources.....	69
Program Manager.....	72
Technical Services.....	75
Information Technology.....	77
Operation.....	79

LONG-TERM INDEBTEDNESS, REVENUE BONDS AND BOND COVENANT RATIO

Long-Term Debt Obligations.....	84
Bond Covenant Ratio Requirements.....	85

FISCAL YEAR 2026-27 RATES AND FEES SCHEDULE

Rates and Fees Schedule.....	87

FISCAL YEAR 2026-27 SALARY SCHEDULE

Salary Schedule.....	91

GLOSSARY

Acronyms & Glossary of Terms.....	95

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget



To: Florin Resource Conservation District Board of Directors

From: Bruce Kamilos, General Manager

Date: June 16, 2026

Subject: **FLORIN RESOURCE CONSERVATION DISTRICT/ELK GROVE WATER DISTRICT
FY 2026-27 PROPOSED OPERATING BUDGET**

For your consideration, I respectfully submit the Florin Resource Conservation District/Elk Grove Water District (District) Proposed Annual Operating Budget for the fiscal year beginning July 1, 2026. This proposed operating budget reflects a collaborative effort between staff and the Board of Directors, as well as allowing for input from the public during several meetings.

As the District prepares for Fiscal Year (FY) 2026-27, staff remains committed to managing the District's finances in a manner that maintains fiscal responsibility while ensuring reliable water system operations. The proposed operating budget considers the requirements to operate the water system reliably and perform capital replacement projects on assets reaching the end of their useful lives. In preparing the budget, staff looked at current operating conditions such as the cost of materials, energy, and services, water consumption trends, and anticipated growth in the number of water accounts. Operating conditions continue to prove challenging as costs for materials, energy and services remain high. With tariffs imposed on imported goods, there is uncertainty regarding the future cost of goods and services, as well as broader economic conditions. At the same time, water conservation and slower growth are expected to place downward pressure on water revenues. Considering these circumstances, staff is submitting a proposed operating budget that is in alignment with the adopted 2024-2028 Water Rate Study, including a 4.50% revenue rate increase effective on January 1, 2027.

This past year, staff implemented the District's new Enterprise Resource Planning (ERP) system. This modern software platform integrates key administrative functions such as finance, payroll, human resources, purchasing, and utility billing into a single system. The implementation of the ERP system represents a significant step forward in improving efficiency, strengthening financial

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

reporting, and providing staff with better tools to manage the District's operations. By streamlining internal processes and improving access to information, the system will support more effective decision-making and enhance the District's ability to serve its customers.

With respect to District Operations, the Operations Department has been fully engaged in performing necessary water system maintenance and replacing aging infrastructure. The District projects that approximately 3,165 linear feet of water mains will be replaced in FY 2026-27. The District's long-term water main replacement program replaces aging water mains before they reach the end of their useful life of 75 years. In addition to the continued replacement of aging water mains, the Operations Department will be working on the second year of a four-year program to install Advanced Metering Infrastructure (AMI) throughout the District. For FY 2026-27, the District has set a goal of installing 3,900 smart points within the District's service area.

Looking ahead, the District will face new state-mandated water conservation standards. These standards establish water conservation as a way of life in California and are designed to reduce water usage statewide over the next fifteen years. In the short term, the District is meeting these efficiency standards but as these standards become more stringent over time, the District will need to encourage increasingly efficient water use across the service area. These efficiency improvements will likely reduce overall water demand and may affect the amount of water revenue generated annually.

I would like to thank District staff for their conscientious efforts in managing the District's resources while meeting the demands of excellent customer service and responsible facilities maintenance. I also want to thank the Board of Directors for their leadership and continued commitment to prudent fiscal management.

In summary, the District will continue to maintain financial discipline during FY 2026-27. This proposed budget reflects a concerted effort by the Board of Directors and staff to maintain customer rates and charges as low as possible while responsibly managing and improving the District's water system assets.



BRUCE KAMILOS, P.E.
GENERAL MANAGER

ABOUT THE FLORIN RESOURCE CONSERVATION DISTRICT

In the spring of 1950, the Florin Farm Center Committee for Organization of a Soil Conservation District, a committee of Florin farmers, submitted a proposal for the formation of the Florin Soil Conservation District to the Sacramento County Board of Supervisors, requesting approval and submission of that proposal to the State Soil Conservation Commission. The specific intents of the new soil conservation district would be efficient use of irrigation water, improved drainage, flood control and other land improvements. With the necessary approvals, the committee met with other agricultural interests and local landowners until they had thoroughly identified all properties wanting to be within the District boundaries.

On June 23, 1953, a public election determined the establishment of the Florin Soil Conservation District (FSCD) and its first five-member board of directors. The very first work plan, written in 1953, identified the importance of wise irrigation use and the necessity in not depleting the area's underground water supplies. In 1954, the board executed a Memorandum of Understanding with the USDA, beginning a long and productive partnership.

California Resource Conservation Districts are authorized by Division 9 of the California Public Resources Code. Chapter 3, Article 9 of Division 9 details the general powers of a district. An expansion of those powers was the impetus in changing the names of the Soil Conservation Districts to Resource Conservation Districts in 1971, resulting in the Florin Resource Conservation District (FRCD).

ABOUT THE ELK GROVE WATER DISTRICT

In 1893, after several fires threatened the small town of Elk Grove, CA, local residents banded together and founded the Elk Grove Water Company. The water company began business with twelve owners and 10 customers. The Jones family later purchased the water company in the early 1900's and operated the utility as a private company known as the Elk Grove Water Works. The FRCD acquired the Elk Grove Water Works in 1999 from the Jones family and created the Elk Grove Water District (EGWD), which is a Department of the FRCD. This acquisition changed the governance of the water utility from private ownership to a publicly owned and operated agency. The EGWD is structured as an enterprise fund of the FRCD.

The FRCD (District) is governed by an elected five-member Board. Board members serve four-year, staggered terms. The Board of Directors delegates the daily operations of District to the General Manager, who supervises the work of 29 staff members.

Although recent efforts by the District have primarily focused on managing the water utility (EGWD), it has also performed other activities including creek cleanups, tire recycling, technical assistance, and conservation education. To remedy some of the financial pressures of the District,

**Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget**

on April 18, 2018, the Board made the decision by Resolution No. 04.18.18.01 to limit all future activities to “water related activities that benefit, or otherwise serve, the EGWD ratepayers.” This decision was made after years of deliberation, multiple public meetings, in-depth engagement with legal counsel, and even consideration of integration with other water agencies. The decision to limit District activities to benefit EGWD ratepayers protects the District from financial uncertainty, maintains stability for EGWD customers, and leaves the FRCD boundaries intact.

Elk Grove Water District Service Area



The EGWD service area covers 13 sq. miles with a population of approximately 44,000 people, providing water to over 13,500 homes and businesses in Elk Grove. Much of the water supplied is produced by wells located throughout Elk Grove, the treatment and storage facility at the Railroad Water Treatment Facility (RRWTF) on Railroad Street and the treatment facility on Hampton Drive. EGWD produces over 1.3 billion gallons of water each year, providing supply to approximately two-thirds of the EGWD service area. The remaining area is supplied with water purchased from the Sacramento County Water Agency (SCWA) under a long-term agreement.

STRATEGIC PLAN

The District's five-year Strategic Plan (Plan) was developed through a collaborative process that spanned over a year and included a public workshop and meeting to solicit input from the public. Using the 2020-2025 Strategic Plan as the framework, staff collaborated through a series of meetings to refresh the Plan and update the goals and objectives based on where the District positioned itself currently, obstacles and challenges the District faced and goals to achieve to advance the District forward into the future. An Advisory committee comprising of the District's Chair and Vice-Chair and the District's leadership team held a public workshop to solicit feedback and input from the public and to review the updates made to the Plan. The feedback and input received were incorporated into a final draft Plan to be taken to the Board for adoption.

District staff also worked through the District's core values and how those values should be reflected and incorporated into the Plan. This process led to the core value of "Vision" being removed and creating a new Vision statement to provide clarity on the District's long-term vision.

The Plan was adopted by the District's Board of Directors on February 18, 2025, and includes seven strategic goals and associated objectives that encompass the District's core values and provides a five-year roadmap that aligns with the District's Vision statement to ensure staff and the Board continue to best serve District customers now and into the future. This Plan continues to be referenced by the Board, staff and District stakeholders when allocating resources and determining courses of action for the District. The Strategic goals and objectives are as follows:

STRATEGIC GOAL #1: GOVERNANCE – Conduct public affairs and manage public resources in an effective, efficient, and transparent manner.

- Objectives:
- Monitor, review and update District policies to adhere to changes in operational, environmental and legislative requirements
 - Review the District's ordinances periodically to ensure they are current and legally compliant
 - Conduct orientations for new Board members to review policies and procedures
 - Maintain compliance with the Brown Act when conducting all public meetings with emphasis on transparency
 - Demonstrate operational transparency in accordance with the standards of the Special District Leadership Foundation (SDLF)
 - Conduct District business consistent with the guidelines of the SDLF District of Distinction Accreditation to enhance District operations and public perception
 - Explore options to reduce the cost of District elections

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

STRATEGIC GOAL #2: FISCAL RESPONSIBILITY – Practice prudent financial stewardship and management of resources for the benefit of District customers.

- Objectives:
- Practice sound accounting consistent with the Government Finance Officers Association Standards
 - Conduct a Fiscal Year 2029-2033 Water Rate Study
 - Manage water rates to be regionally competitive while ensuring proper financing for future Capital Improvement Program projects and maintaining compliance with outstanding debt covenants
 - Develop annual financing plans to align Capital Improvement Program (CIP) projects with the approved rate structure pay-as-you-go
 - Develop annual budgets that are balanced through cost saving measures or transfers from operating reserves
 - Apply for federal and state grants to help pay for projects
 - Examine asset custody and banking services to reduce costs and increase financial operation efficiencies
 - Increase internal financial awareness by developing and disseminating quarterly department financial reports
 - Evaluate internal process controls to increase security and mitigate the risk of loss and misappropriation of assets

STRATEGIC GOAL #3: PLANNING AND OPERATIONAL EFFICIENCY – Practice ongoing infrastructure renewal and organizational improvement through planning and increased operational efficiency.

- Objectives:
- Review operational procedures and structures for improvements to District Operations
 - Continue developing standard operating procedures
 - Develop the District's 2025 Urban Water Management Plan
 - Implement Advanced Metering Infrastructure (AMI) throughout the District
 - Review and update the District's Asset Management Plan annually
 - Enhance the District's technological capabilities to support efficient operations, improve service delivery, and foster innovation across all departments
 - Explore the potential for bolstering the District's water supply
 - Implement the exercising of transmission main valves
 - Seek out and implement advanced safety equipment and procedures to enhance job site safety
 - Identify and evaluate equipment that enhances operational efficiency and improves overall workflow

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

STRATEGIC GOAL #4: PROTECTION OF PUBLIC AND ENVIRONMENTAL HEALTH – Provide a safe, abundant, and reliable water supply.

- Objectives:
- Comply with all State and Federal Drinking Water Standards
 - Comply with all applicable California Environmental Quality Act (CEQA) Regulations
 - Update the Risk and Resilience Assessments and the Emergency Response Plan
 - Perform an emergency preparedness planning exercise annually
 - Comply with the State Water Board's water use efficiency regulations by prioritizing Conservation as a California Way of Life
 - Perform District-wide unidirectional flushing every 5 years
 - Conduct surveys of backflow devices for compliance with the Cross Connection Control Policy Handbook

STRATEGIC GOAL #5: COMMUNITY RELATIONS AND CUSTOMER ENGAGEMENT – Foster a positive image and strong connections with the community by actively engaging customers to improve service delivery and satisfaction.

- Objectives:
- Host a Citizens Water Academy
 - Communicate with the community through The Water Drop newsletter and published articles
 - Issue the Consumer Confidence Report annually
 - Monitor the availability of funding for low-income and senior assistance programs
 - Solicit feedback on District services and customer satisfaction
 - Maintain a user-friendly website for easy access to Board materials, governing documents, and account management
 - Continue the District's involvement and representation at local community events and festivals

STRATEGIC GOAL #6: EMPLOYER OF CHOICE – Attract and retain skilled employees. The District remains a driven, supportive, and family-oriented work environment.

- Objectives:
- Provide Competitive salaries and benefits, transparently detailed in an annual total compensation statement
 - Conduct a compensation study including medical benefits every five years
 - Create a media content showcasing the District's work culture
 - Monitor the annual medical contribution cap
 - Foster employee succession planning
 - Implement a District-wide professional development program

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

- Maintain a comprehensive safety program to reduce risk and comply with all regulatory requirements

STRATEGIC GOAL #7: WATER INDUSTRY LEADERSHIP – Demonstrate water industry leadership through partnerships and active participation in regional and statewide water efforts.

- Objectives:
- Participate and actively engage in local and regional water associations, agencies, and committees to address regional and statewide water efforts
 - Advocate for and develop legislation that benefits water agencies regionally and statewide
 - Partner with agencies and organizations to develop plans and projects that improve California’s water resilience
 - Monitor key water industry news and trends to stay informed and be proactive

As part of preparing the District’s FY 2026-27 Operating budget, staff develops departmental goals and objectives for the budget year with a focus on achieving the overall goals and objectives identified in the Plan. These departmental goals and objectives will also ensure that continued progress is made annually in achieving the Plan. The departmental goals and objectives can be found in the Departmental Budget Summaries section of this document.

MISSION

“WE ARE DEDICATED TO PROVIDING OUR CUSTOMERS WITH HIGH QUALITY, SAFE WATER WHILE DELIVERING EXCEPTIONAL CUSTOMER SERVICE THAT MEETS THE NEEDS OF CURRENT AND FUTURE GENERATIONS.”

VISION

“WE ARE COMMITTED TO MAKING THOUGHTFUL CHOICES THAT PROMOTE SUSTAINABLE WATER SYSTEM OPERATIONS, EMPLOY INNOVATIVE TECHNOLOGIES THAT PROVIDE LONG-TERM BENEFITS TO OUR CUSTOMERS, AND SUPPORT THE COMMUNITY.”

FRCD Board of Directors



Paul Lindsay, Chair



Joshua Green, Vice-Chair



Lisa Medina, Director



Elliot Mulberg, Director



Tom Nelson, Director

INDUSTRY ANALYSIS AND CURRENT STATUS

Issues Currently Affecting the Water Industry. The American Water Works Association (AWWA) 2024 State of the Water Industry Report has identified the top five challenges facing the water industry as: 1) financing for capital improvements; 2) renewal and replacement of aging infrastructure; 3) long-term water supply availability; 4) public understanding of the value of water sector systems and services; and 5) watershed/source water protection.

The District continues to proactively address these top five issues identified by AWWA. Financing for capital improvements is addressed by the District's current policy to fund replacement of aging infrastructure on a pay-as-you-go basis. Ensuring that water rates will generate enough revenues to cover operating, capital and debt services needs annually will minimize the need to issue additional debt in the future to fund these replacement projects. The District's 2024-2028 Water Rate Study includes a 10-year financial plan reflecting the projected costs of capital improvement and replacement projects for the next 10 years. This financial plan provides a road map to ensure the District's finances are sustainable and whether funding will be sufficient to continue with aging infrastructure replacements.

As part of its five-year CIP, the District continues to manage the replacement of its aging infrastructure each year. The District is currently averaging 3000 linear feet of watermain replacements each year at a cost of approximately \$1.6 million annually. In addition, the District, through its Asset Management Plan, annually assesses the condition of all its assets to determine when projects should be undertaken to replace assets.

To address long-term drinking water supply availability and protection of the watershed and water source, the District prepares an urban water management plan every five years as required by law that verifies its ability to meet long-term water demands. A critical element to providing long-term water supply in our region is conjunctive use. Conjunctive use is the practice of serving surface water for urban use when surface water supplies are plentiful. This allows the groundwater basin to naturally recharge and recover. During dry years when surface water availability is low, conjunctive use returns to groundwater pumping for urban use. This practice keeps surface water and groundwater supplies in balance and ensures water supply availability during variable and extreme weather events.

Part of increasing public understanding of the value of water sector systems and services is the District's proactive participation in the Sacramento Central Groundwater Authority (SCGA) and Regional Water Authority (RWA). The SCGA is comprised of 14 board members that represent water agencies, land use authorities, agricultural interests, agricultural-residential interests, and environmental interests in the region with a major role in ensuring the sustainability of the groundwater basin that our region relies on for water supply. The RWA is a collaboration of local

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

and regional water purveyors which provides unified and strength in advocating for water related legislative matters and to promote knowledge and awareness of water issues.

In addition to the top 5 challenges identified by AWWA described above, the District is faced with its own challenges as it continues to provide its customers with high quality and safe and affordable drinking water. The issues are listed below in no specific order:

Changing Water Demands. The industry continues to see a change in water demand as water efficient appliances and drought resistant landscaping continue to be pushed. Although more efficient use of water is a major goal of the industry, slow or nonexistent customer growth can lead to declining water use, which can decrease operating revenue and affect how costs are recovered through rates and charges.

The District has experienced gradual decreases in water consumption from 2014 to 2016 due to the drought starting in 2014. In 2017, when the emergency drought declaration was lifted by the Governor, the District started to experience gradual increases in water consumption. This gradual increase, however, did not bring the District back to pre-2014 water demand levels, as the District had become more conservation minded with customers installing water efficient appliances and landscaping, resulting in long-term water use reductions.

In 2018, State legislatures passed SB 606 and AB 1668 stating that water use efficiency standards would be established. These standards are designed to lower water usage statewide over the next ten years, establishing water conservation as a way of life. In the short term, the District is meeting these efficiency standards but as these standards continue to lower, the District will need to encourage more efficient water use across the board. This increase in efficiency will lower water demand for the District and potentially affect the amount of water revenue generated annually.

Cost Recovery and Affordability. Faced with increasing capital replacement needs and potential funding shortfalls, many utilities must increase the rates they charge for water services in the immediate future. The affordability of water has become a significant issue for low-income households and a higher priority for water utilities that struggle to reconcile the need to adequately fund infrastructure replacement while not overburdening those who cannot afford rate increases.

The District completed a 5-year water rate study to determine the funding sufficiency for operating, capital, and debt service needs for calendar years 2024 through 2028. This study was adopted by the District's Board on July 18, 2023, after the receipt and consideration of any protests and comments received before and during a public hearing conducted in compliance with Proposition 218. The results of the study recommended a 4.50% annual water rate adjustment for calendar years 2024 through 2028. Due to the current inflationary state of the economy, these recommended water rate adjustments will be needed to fund the operation of

the District. Staff will continue to proactively and prudently manage the District's finances to ensure that annual water rate adjustments are minimized to only what is required to maintain sufficient funding, to meet minimum reserve requirements and to ensure continued compliance with the District's bond covenant requirements.

Regulatory Compliance. The importance of regulatory compliance, whether associated with water quality or water supply sustainability, continues to be a main concern of the water industry. New regulatory compliance requirements challenge the ability of water utilities to meet such requirements financially and operationally while continuing to maintain affordability to customers.

On April 10, 2024, the U.S. Environmental Protection Agency announced the first nationwide limits on per- and polyfluoroalkyl substances (PFAS). PFAS are often referred to as "forever chemicals" because it takes a long length of time for the chemicals to break down. PFAS have been widely used in products such as nonstick cookware, water-repellent clothing, some cosmetics, and certain firefighting foams. Water systems nationwide must complete initial PFAS monitoring by 2027 and comply with new federal maximum contaminant levels by 2029. In addition, the California State Water Resources Control Board (California Water Board) has issued statewide monitoring requirements for PFAS under General Order 2025-0002-DDW. In 2023, the Elk Grove Water District (District) tested all its active water wells for PFAS. The results of the tests for PFAS were below the EPA's limits.

The District is also tracking the California Water Board's activities that might alter regulations governing manganese, arsenic, and hexavalent chromium. Manganese is a naturally occurring metal that exists in the groundwater table. Presently, state regulations list manganese as a secondary contaminant meaning that it has no health consequences, and that its occurrence only is an aesthetic or cosmetic concern. The District treats its water for manganese so that the drinking water delivered to its customers is well below the current maximum contaminant level (MCL) of 50 parts per billion (ppb). The California Water Board is considering lowering the MCL to 20 ppb. Based on the District's current treatment processes, achieving an MCL of 20 ppb manganese should be achievable without incurring additional operating costs.

Similarly, the California Water Board is looking into lowering the arsenic MCL in drinking water. Arsenic is regulated as a primary contaminant meaning that there are health consequences related to arsenic. The current allowable arsenic level is 10 ppb. The District has two wells that produce water just over the allowable arsenic level but treats this water so that the drinking water delivered to its customers is well below the 10 ppb MCL for arsenic. Should the California Water Board lower the arsenic MCL further, the District's other wells could fall above the allowable contaminant level resulting in the need to add treatment to those wells or deem the wells inactive. The results of these actions would have financial and operational impacts on the District.

Finally, the California Water Board currently regulates hexavalent chromium in drinking water under the total chromium state of 50 ppb MCL. Chronic or long-term exposure to hexavalent chromium may result in health effects. The District currently is under the required total chromium MCL of 50 ppb. The state is proposing a new regulation for hexavalent chromium of 10 ppb MCL. This proposed lowered standard could result in financial and operational impacts on the District.

Financial Policies

Basis of Accounting

The District operates on a fiscal year that runs from July 1, through June 30. Accounting records are maintained using the full accrual basis of accounting (GAAP). The District is a governmental entity which reports all activities related to the water operation as an enterprise fund where revenues are recognized when they are earned, and the expenses are recognized when they are incurred. The budget does not include amounts for depreciation, pension expenses in accordance with Government Accounts Standards Board (GASB) Statement No. 68, or retiree medical expenses in accordance with GASB Statement No. 75. Principle payments on long-term debt are applied to the outstanding liability on a GAAP basis, as opposed to being expensed on a Budget basis. Therefore, the budget is not prepared in the same manner as the Annual Comprehensive Financial Report. The budget detailed in this document is used as a management tool for projecting and measuring revenues and expenses.

Accounting Systems and Controls

The District uses Springbrook Cirrus ERP as its financial accounting system to record its financial transactions. Management has established a system of internal controls that provides a reasonable basis for protecting the District's assets from fraud, waste and abuse and compiles sufficient reliable information for the preparation of the District's financial statements. At the end of the year, the District prepares an Annual Comprehensive Financial Report consisting of management's representations concerning the District's finances. An independent auditing firm audits this report and examines the District's internal controls and provides an opinion on the financial reporting and suggestions on ways to improve the internal control processes of the District.

Budgetary Control

Since the budget is an estimate, from time to time, it may be necessary to adjust and fine tune budget line items within expense categories. Various levels of budgetary control have been established to maintain the Budget's integrity. The levels of budgetary control are as follows: The General Manager controls the budget at the operating level and budgets are monitored by each

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

respective department head. The General Manager has the authority to transfer balances between budget lines within an expense category. Any transfers between expense categories or increases in appropriations require approval by the Board of Directors. Budget to actual reports are prepared by the Finance Department and presented to the Board of Directors monthly.

Reserve Policy

It is the policy of the District that all funds held in reserve be designated to specific uses. The District holds reserves for special projects and operations. Such reserves are not considered 'surplus' and shall not be made available for other use without the express authorization of the Board of Directors.

The adequacy of the target reserve balance and/or annual contributions will be reviewed annually during the budgeting and planning process and may be revised accordingly as necessary. The following District reserve fund categories are to be established:

- Operating Reserve Fund – Used to ensure resources are available to fund daily administration, operations, and customer services. Target Balance is 120 days of the annual operations and maintenance budget.
- Capital Improvement Reserve Fund – Used to fund the new assets needed for the operations of the District that enhance or increase capacity. Target Balance is equal to the annual Capital Improvement Program (CIP) Budget.
- Capital Replacement Reserve Fund – Used to fund replacement of existing assets. Target Balance is equal to the annual Capital Replacement Budget.
- Elections and Special Studies Reserve Fund – Used to fund various special studies, as needs arise such as election cost, Board expense, etc. The Target funding balance is based on the amount as approved in the annual budget.
- Future Years Capital Improvement Reserve Fund – Used to fund future assets needed for the operations of the District that enhance or increase capacity in future years not yet identified in the annual CIP. Target Balance is 75% of the balance of the Unrestricted Net Position not allocated to the Operating Reserve Fund, Capital Improvement Reserve Fund, Capital Replacement Reserve Fund and the Elections Special Studies Reserve Fund upon conclusion of the annual audit.
- Future Years Capital Replacement Reserve Fund – Used to fund the replacement of existing assets in future years not yet identified in the annual CIP. Target Balance is 25% of the balance of the Unrestricted Net Position not allocated to the Operating Reserve

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

Fund, Capital Improvement Reserve Fund, Capital Replacement Reserve Fund and the Elections Special Studies Reserve Fund upon conclusion of the annual audit.

Investment Policy

It is the policy of the District to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds. In accordance with section 53600 et. seq. of the Government Code of the State of California, the authority to invest public funds is expressly delegated to the Board of Directors for subsequent re-delegation to the Finance Manager/District Treasurer.

Investments by the Finance Manager are limited to those instruments specifically described in the District's investment policy. The Finance Manager submits monthly reports to the Board of Directors detailing all investment holdings. In order of importance, the following three fundamental criteria are followed in the investment program: 1) safety of principal; 2) liquidity; and 3) return on investment.

Procurement Policy

The District's procurement policies create uniform procedures for acquiring general goods and services, professional services, public construction contracts and the acquisition of real property. The primary purpose of the policies is to provide for the purchase of materials and trade services with the objective that they will be available at the proper time, place, quantity and at the best available price, consistent with the needs of the District. Each specific policy sets forth the dollar threshold, bidding and contracting requirements, and level of approval for each type of procurement.

Capital Improvement Program

The District's annual Capital Improvement Program (CIP) is a projection of the District's capital funding needs for planned capital projects in upcoming fiscal years. The CIP is reviewed and updated on an annual basis and is a key component of the District's overall Strategic Plan. The CIP is an important document for performing water rate studies and for managing the District's operations. The CIP also provides a basis to align District plans with other local agency plans so that an integrated approach may be applied to projects within the community at large.

The District currently funds its capital expenditures on a pay-as-you-go basis. A projection of the anticipated future capital projects and associated funding needs of those projects are included in the 2024-2028 Water Rate Study when analyzing total revenue requirements to maintain operational and capital needs. The study recommends the appropriate user charges and annual water rate increases to ensure revenue requirements are met for both operational and capital

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

needs. Based on the inclusion of capital funding needs into the 2024-2028 Water Rate Study, and all recurring and nonrecurring capital expenditures being funded on a pay-as-you-go basis, the only effect of capital projects on the annual budget will be an overall decrease in operating and maintenance costs due to the replacement of aging infrastructure with new material resulting in a decreased potential for infrastructure failure and repair.

Long-Term Financial Planning

The District completed a 5-year water rate study, the 2024-2028 Water Rate Study (Study) that provides for the stable funding of operations, capital projects and debt service. The Study was adopted by the District's Board on July 18, 2023, after the receipt and consideration of any protests and comments received before and during a public hearing conducted in compliance with Proposition 218.

In December of 2014 the District restructured approximately \$32.3 million of outstanding bonded indebtedness and in June 2016 the District restructured another \$16.4 million to provide an average annual savings of \$194,000 over the remaining term of the debt. It should be noted that the District contributed \$1.5 million of reserve funds to reduce the remaining term of the debt by 13 years and maintain annual debt service savings on the refinanced bonds. The restructured debt is expected to be paid off by September of 2032. The District has no legal debt limit and does not intend to issue any additional debt.

Prudent financial management has allowed the District to minimize water rate adjustments from 2019 to 2023, with an overall average increase of only 0.40% annually for the 5-year period. The District's current Study proposes annual revenue rate adjustments of 4.50% beginning January 1, 2024, and commencing every January 1 through January 1, 2028. Staff will continue to review revenues and expenses annually to minimize the required revenue adjustments as proposed by the 2024-2028 Water Rate Study.

These proposed annual water rate increases will ensure that the District's revenues will be sufficient to cover operating, debt service and capital costs while adhering to the District's reserve policy and complying with major bond covenants for the years 2024-2028.

The District defines a balanced budget as one where total projected revenue equals total projected expense, including capital expenditures and debt service. When there is a shortfall in the projected revenues to cover total projected expenses, the District will make the necessary appropriations from reserves carried over from prior years. This will allow the District to "balance" the budget. For this reason, the District deems the FY 2026-27 budget to be balanced.

Budget Process

The District adopts an annual operating budget and an annual CIP to ensure the adequacy of resources to meet District needs and to accomplish the District's mission.

The District's budget process begins with a Leadership Team Budget Kickoff Workshop to discuss timeline and identify departmental goals and objectives. Each department head is then responsible for developing their departmental operating budget for submission to the Finance Department. The Human Resources Department is responsible for the development of personnel budget, and the Finance Department is responsible for the preparation of revenue estimates. Once all departmental operating budgets, personnel budget and the revenue estimates are completed, the Finance Department will compile the information into the budget document.

As required by certain debt covenants, the annual operating budget is evaluated to ensure that net revenues, as defined by the debt covenant, are equal to or exceed a minimum of 115 percent of the anticipated debt service for the budget year.

The preliminary budget is presented to the Board of Directors and public through a series of public meetings to solicit feedback and input from the Board and the public. This provides the Board and public with the chance to address budget proposals and comment on significant budget issues. Once all feedback and comments received have been considered and incorporated as appropriate, the final budget is presented to the Board of Directors for adoption during a public meeting prior to each fiscal year end.

During the fiscal year, situations arise that require the adopted budget to change. These include unexpected increases or decreases in revenue and expenses or re-budgeting of capital projects. Any changes to the adopted budget resulting in an increase or decrease in revenues and expenses or transfers of budget across expense categories are brought to the Board for approval.

Budget Assumptions

A budget is an estimate of revenues and expenses for a set period. The creation of estimates involves a set of assumptions. It is important that the reader of this budget understands the assumptions used in preparing the revenue and expense estimates contained herein. Listed below are the primary assumptions used in the creation of this budget:

- A proposed 4.50% revenue rate adjustment effective January 1, 2027. This proposed revenue rate adjustment was recommended as part of the District's 2024-2028 Water Rate Study.
- An estimated 4.14% rate increase in Purchased Water cost from the SCWA.

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

- An estimated 10.00% increase in medical premiums depending on medical plans for employees who have not yet reached the medical subsidy cap. An estimated 2.00% increase for all employees who have met the District's medical subsidy cap.
- Salary increases based on a COLA of 3.70% utilizing the average of the April CPI-U indices for the All Cities, Western and San Francisco indexes.

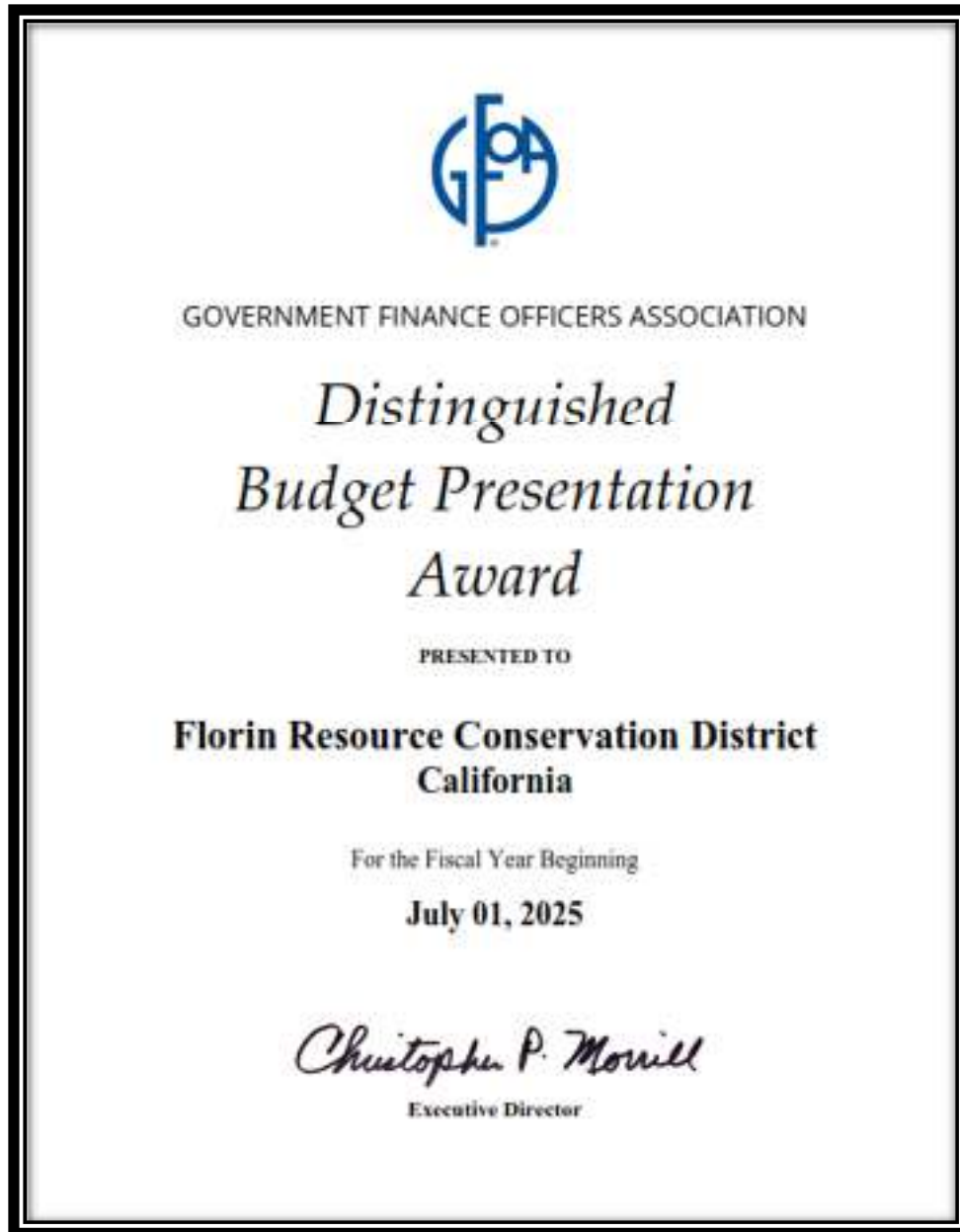
EGWD by the Numbers

MAXIMUM DAILY WATER SUPPLY CAPACITY	11.4 MGD
NUMBER OF TREATMENT FACILITIES	2
AGGREGATE TREATMENT FACILITY CAPACITY	13.0 MGD
NUMBER OF WELLS	7
MILES OF WATER MAINS	154.8
NUMBER OF BOOSTER PUMPS	10
NUMBER OF ACTIVE SERVICE CONNECTIONS	13,213
NUMBER OF BOND ISSUES OUTSTANDING	2
NUMBER OF CERTIFIED WATER DISTRIBUTION OPERATORS	19
NUMBER OF CERTIFIED WATER TREATMENT OPERATORS	19
NUMBER OF PUBLIC FIRE HYDRANTS	1,718
EGWD SERVICE AREA POPULATION	44,184

Budget Timeline

March 30	Leadership Team Budget Kick-Off.
April 03	All District key objectives and department goals and accomplishments are due to the FM.
April 07	All department initial budget requests are due to the FM.
April 09	FM submits budget development worksheet to the GM for first review.
April 16	*Infrastructure Committee Meeting – discuss 1st draft of the CIP.
April 21	*Regular Board Meeting - present to the Board the 3 rd quarter financial report and 1 st draft of FY 26-27 proposed operating budget.
April 28	FM makes the required revisions and disperses the 2 nd draft of the FY 26-27 proposed operating to the Board (if necessary).
May 05	*Special Board Meeting - to discuss the 2 nd draft of the FY 26-27 proposed operating budget (if necessary).
May 15	Issue the 3 rd draft of the FY 26-27 proposed operating budget to the Board for review (if necessary).
May 19	*Regular Board Meeting - review and discuss the 3 rd draft of the FY 26-27 proposed operating budget (if necessary).
May 21	Issue revised budget to Board (if necessary).
May 26	*Special Board Meeting (if necessary).
May 28	Issue revised budget to Board (if necessary).
June 02	*Special Board Meeting (if necessary).
June 12	Final Budget and staff report due for Board Packet inclusion.
June 16	*Regular Board Meeting – budget adoption.

* - denotes public meetings to discuss and solicit feedback from Board members and the public.



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Florin Resource Conservation District, California, for its Annual Budget for the fiscal year beginning July 01, 2025. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

(HOLD FOR BUDGET RESOLUTION)

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

(HOLD FOR BUDGET RESOLUTION)

FISCAL YEAR 2026-27 BUDGET OVERVIEW

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

SUMMARY OF REVENUES AND EXPENSES

Elk Grove Water District
Budgeted Revenues and Expenses by Category
For the Fiscal Year ending June 30, 2027

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget	Change in Budget	% Change
Total Revenues	\$ 15,902,913	\$ 16,772,455	\$ 18,116,654	\$ 18,477,994	\$ 18,373,788	\$ 19,066,704	\$ 588,711	3.19%
Operational Expenses								
Salaries and Benefits	6,570,338	5,353,507	4,920,104	5,745,437	5,624,202	5,995,830	250,394	4.36%
Seminars, Conventions and Travel	35,708	35,671	31,675	42,444	27,703	32,778	(9,666)	-22.77%
Office and Operational	1,279,350	1,386,548	1,521,396	1,742,067	1,586,090	1,795,588	53,520	3.07%
Purchased Water	3,056,889	2,905,906	3,522,815	3,805,728	3,820,528	3,938,199	132,470	3.48%
Outside Services	950,081	960,878	849,133	1,146,580	1,019,948	1,466,950	320,370	27.94%
Equipment Rent, Taxes and Utilities	557,469	505,090	555,741	581,444	614,472	600,844	19,400	3.34%
Subtotal Operational Expenses	12,449,835	11,147,600	11,400,865	13,063,700	12,692,942	13,830,189	766,488	5.87%
Less: Capitalized Labor	(471,382)	(440,141)	(558,262)	(467,724)	(410,456)	(593,458) *	(125,734)	26.88%
Total Operational Expenses	11,978,453	10,707,459	10,842,603	12,595,976	12,282,487	13,236,731	640,755	5.09%
Non-Operating Expenses/ (Income)	3,515,951	3,148,270	2,981,778	3,916,503	3,553,811	3,956,047	39,544	1.01%
Capital Expenditures	2,314,581	1,590,536	3,231,522	4,375,000	3,550,923	3,680,000	(695,000)	-15.89%
Total Net Expenses	17,808,985	15,446,266	17,055,904	20,887,479	19,387,221	20,872,778	(14,701)	-0.07%
Revenues In Excess of Expenses, Principal Retirement and Capitalized Labor	\$ (1,906,072)	\$ 1,326,189	\$ 1,060,750	\$ (2,409,485)	\$ (1,013,433)	\$ (1,806,073)	\$ 603,412	-25.04%
Transfers (to)/from Reserves	1,906,072	(1,326,189)	(1,060,750)	2,409,485	1,013,433	1,806,073	(603,412)	-25.04%
Net Budget Excess/(Deficiency)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%

* This represents approximately 80% of Salaries and Benefits of the Utility Division which will be charged to the Capital Improvement Program

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

SUMMARY OF NET POSITION ACTIVITY

Elk Grove Water District
Summary of Net Position Activity
For the Fiscal Year ending June 30, 2027

	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Budget
Beginning Net Position	\$ 84,721,646	\$ 84,721,646	\$ 83,708,213
Estimated Revenues	<u>18,477,994</u>	<u>18,373,788</u>	<u>19,066,704</u>
Estimated Operational Expenses			
Salaries and Benefits	5,745,437	5,624,202	5,995,830
Seminars, Conventions and Travel	42,444	27,703	32,778
Office and Operational	1,742,067	1,586,090	1,795,588
Purchased Water	3,805,728	3,820,528	3,938,199
Outside Services	1,146,580	1,019,948	1,466,950
Equipment Rent, Taxes and Utilities	<u>581,444</u>	<u>614,472</u>	<u>600,844</u>
Total Operational Expenses	<u>13,063,700</u>	<u>12,692,942</u>	<u>13,830,189</u>
Estimated Nonoperational Expenses			
Capitalized Labor	(467,724)	(410,456)	(593,458)
Non-Operating Expenses (Income)	3,916,503	3,553,811	3,956,047
Capital Expenditures	<u>4,375,000</u>	<u>3,550,923</u>	<u>3,680,000</u>
Total Nonoperational Expenses	<u>7,823,779</u>	<u>6,694,279</u>	<u>7,042,589</u>
Revenues in Excess of Expenses	<u>(2,409,485)</u>	<u>(1,013,433)</u>	<u>(1,806,073)</u>
Estimated Ending Net Position	<u>\$ 82,312,161</u>	<u>\$ 83,708,213</u>	<u>\$ 81,902,140</u>

Note: Net Position represents the difference between the District's assets plus deferred outflows of resources and the District's liabilities plus deferred inflows of resources.

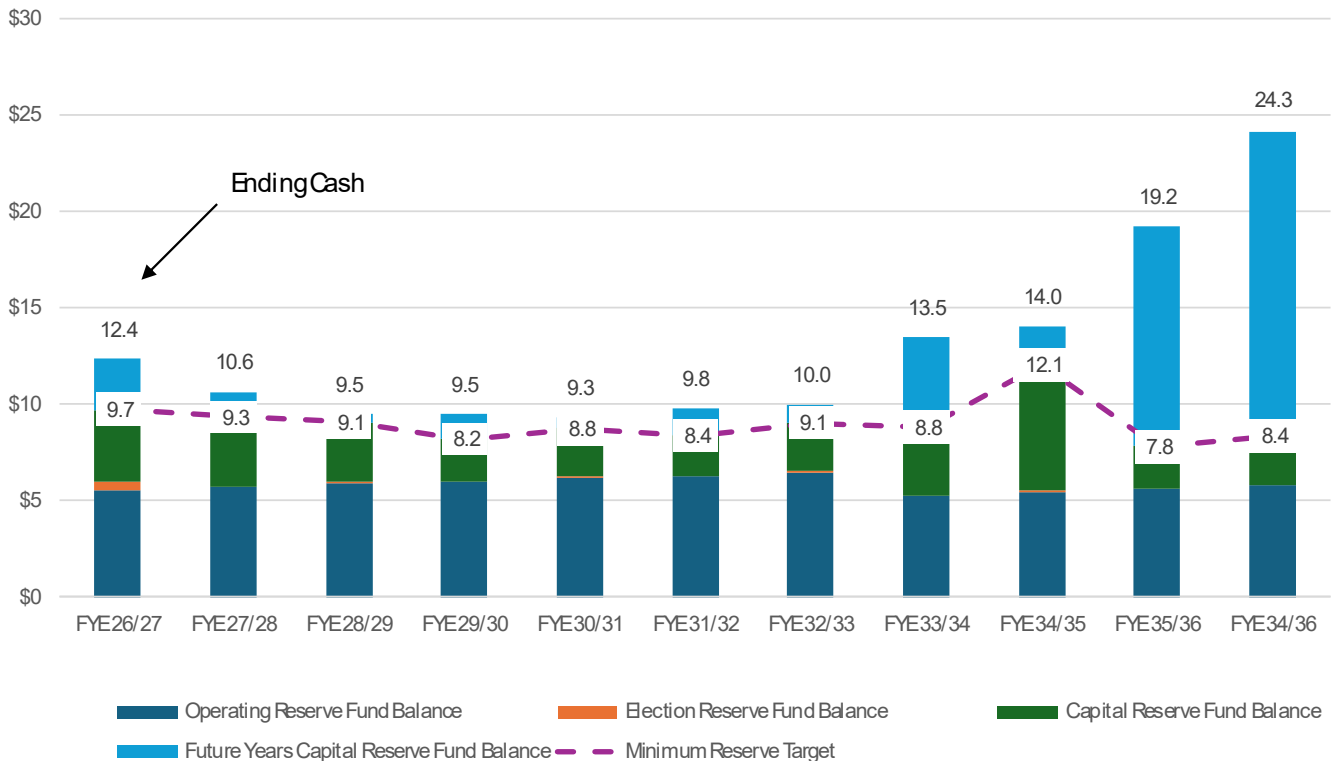
Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

10-YEAR FINANCIAL PLAN

	Amount in millions										
	FYE 26/27	FYE 27/28	FYE 28/29	FYE 29/30	FYE 30/31	FYE 31/32	FYE 32/33	FYE 33/34	FYE 34/35	FYE 35/36	FYE 34/36
Total Revenue	\$ 18.5	\$ 19.3	\$ 19.9	\$ 20.5	\$ 21.1	\$ 21.8	\$ 22.4	\$ 23.1	\$ 23.8	\$ 24.5	\$ 25.2
Operating Expenses	13.1	13.5	13.9	14.3	14.7	15.2	15.6	16.1	16.6	17.1	17.6
Non-Operating Expenses	4.3	3.9	4.1	4.0	4.1	4.0	4.1	-	0.1	-	0.1
CIPExpenditures	3.7	3.6	3.1	2.2	2.5	2.1	2.5	3.5	6.5	2.2	2.5
Total Expenses	21.1	21.0	21.1	20.5	21.3	21.3	22.2	19.6	23.2	19.3	20.2
Revenue to/ (from) Reserves	(2.6)	(1.7)	(1.2)	0.0	(0.2)	0.5	0.2	3.5	0.6	5.2	5.0
Operating Reserve Fund Balance	5.6	5.7	5.9	6.0	6.2	6.3	6.5	5.3	5.5	5.6	5.8
Election Reserve Fund Balance	0.5	-	0.1	-	0.1	-	0.1	-	0.1	-	0.1
Capital Reserve Fund Balance	3.7	3.6	3.1	2.2	2.5	2.1	2.5	3.5	6.5	2.2	2.5
Minimum Reserve Target	9.7	9.3	9.1	8.2	8.8	8.4	9.1	8.8	12.1	7.8	8.4
Future Years Capital Reserve Fund Balance	2.6	1.3	0.4	1.3	0.6	1.4	0.9	4.7	2.0	11.4	15.9
Beginning Cash Balance	15.0	12.4	10.6	9.5	9.5	9.3	9.8	10.0	13.5	14.0	19.2
Ending Cash Balance	\$ 12.4	\$ 10.6	\$ 9.5	\$ 9.5	\$ 9.3	\$ 9.8	\$ 10.0	\$ 13.5	\$ 14.0	\$ 19.2	\$ 24.3

Millions

Projected Water Reserve Ending Balances



FISCAL YEAR 2026-27 BUDGET HIGHLIGHTS

The District's proposed budget for FY 2026-27 projects total operating revenues of approximately \$19.07 million and total expenses of approximately \$20.87 million including Capital Improvement and Capital Repair & Replacement Reserve contributions of approximately \$3.68 million. The projected expenses in excess of revenues are approximately \$1.81 million, which will be funded by appropriations from reserves carried over from prior years, making the budget a balanced budget.

Despite many non-discretionary cost increases and inflation, staff undertook efforts to find cost reductions to minimize increases, and these are reflected in the FY 2026-27 budget. The budget has a decrease in total expenses of \$14,701 (-0.07%) from the adopted budget for FY 2025-26. The major highlights are listed below, and comparisons made are against the budgeted amounts for FY 2025-26:

- Revenues for FY 2026-27 are budgeted at \$19.07 million, an increase of \$0.59 million (3.19%) from prior year's budget based on the following assumptions:
 - A rate study was completed and adopted by the District's Board in July of 2023, setting forth the proposed revenue rate increases for calendar years 2024 through 2028. The revenue projections for FY 2026-27 reflect the proposed 4.50% revenue rate increase effective January 1, 2027, as recommended by the study.
 - Consumption levels were calculated based on an analysis using historical demand averages to determine "normal year usage" conditions, taking into consideration current weather conditions and the requirement for conservation.
 - An increase in the number of accounts based on the review of development projects in the District's service area and a projection of the number of units to be fully built within the fiscal year.
- Salaries and Benefits are budgeted at \$6.00 million, an increase of \$0.25 million (4.36%) from prior year's budget mainly due to:
 - Merit increases and promotions for eligible employees.
 - An estimated 10.00% increase in medical premiums for employees who have not yet reached the medical subsidy cap. An estimated 2.00% increase for all employees who have met the District's medical subsidy cap.
 - A 3.70% COLA based on the April CPI-U for the average of the U.S. City, West and San Francisco index.

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

- Seminars, Conventions and Travel are budgeted at \$32,778, a decrease of \$9,666 (-22.77%) from prior year's budget due to the majority of seminars and conferences in FY 2026-27 taking place in Sacramento, requiring no lodging or airfare.
- Office and Operational costs are budgeted at \$1.80 million, an increase of \$53,520 (3.07%) from prior year's budget mainly due to:
 - A decrease in computer repairs and maintenance of \$21,221 (-71.63%) due to the recent replacement of computers necessary to be compatible with Windows 11.
 - A decrease in materials cost of \$25,000 (-16.13%) due to a downward spending trend.
 - An increase in postage costs of \$22,425 (24.98%) due to mailings related to new state-mandated cross-connection hazard assessment requirements and the implementation of a new utility bill printing and mailing service provider.
 - An increase in software subscription of \$53,508 (26.36%) due to the District's implementation of Advanced Metering Infrastructure and associated software costs.
- Purchased Water is budgeted at \$3.94 million, an increase of \$0.13 million (3.48%) from prior year's budget due mainly to an estimated 4.14% rate increase for purchased water, offset by an anticipated decrease in water usage due to conservation efforts.
- Outside Services costs are budgeted at \$1.47 million, an increase of \$0.32 million (27.94%) from prior year's budget, due mainly to:
 - A decrease in contracted services of \$34,660 (-6.63%) due to the completion of the UWMP in FY 2025-26, a reduction in the District's IT services contract requirements due to the completion of the ERP implementation, offset by an increase in increase in contracted services to destroy the District's Well 3.
 - An increase in Legal Services of \$50,000 (41.67%) due to anticipated legal services relating to the District's potential reorganization.
 - A decrease in sampling costs of \$27,000 (-45.00%) due to the completion of required Title 22 sampling in FY 2025-26.
 - An increase in election costs of \$330,000 (100.00%) due to FY 2026-27 being an election year.
- Equipment Rent, Taxes and Utilities are budgeted at \$600,844, an increase of \$19,400 (3.34%) from prior year's budget due mainly to anticipated increases in electricity costs used for water pumping.

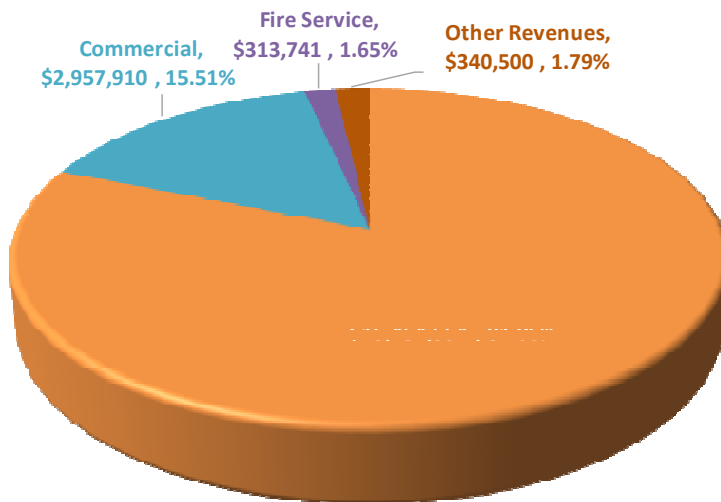
Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

- Capital Improvement Funding includes contributions to the Repair & Replacement Reserve and the Capital Improvement Reserve for a total of \$3.68 million. This represents a decrease of \$0.70 million (-15.89%) from prior year's budget.
- Bond interest expenses will decrease by \$100,456 (-9.98) while bond principal retirements will increase by \$140,000 (4.77%).
- This budget anticipates capitalizing \$593,458 of Salaries and Benefits for capital improvements constructed by the Utility Division. Capitalized labor costs are reduced from regular salaries and benefits and are included in the total funded amounts in the Five-Year Capital Improvement Program. Capitalized labor is estimated at 80% of the total salaries and benefits of the Utility Division.
- The budget, as recommended, will meet bond covenant requirements as follows:
 - Covenant: 1.46 (1.15 required)
- The Board will adopt a Five-Year Capital Improvement Program (CIP) which only appropriates funding for the CIP projects scheduled in FY 2026-27.

REVENUE SECTION

**Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget**

BUDGETED REVENUES BY CATEGORY



Other Revenues include:

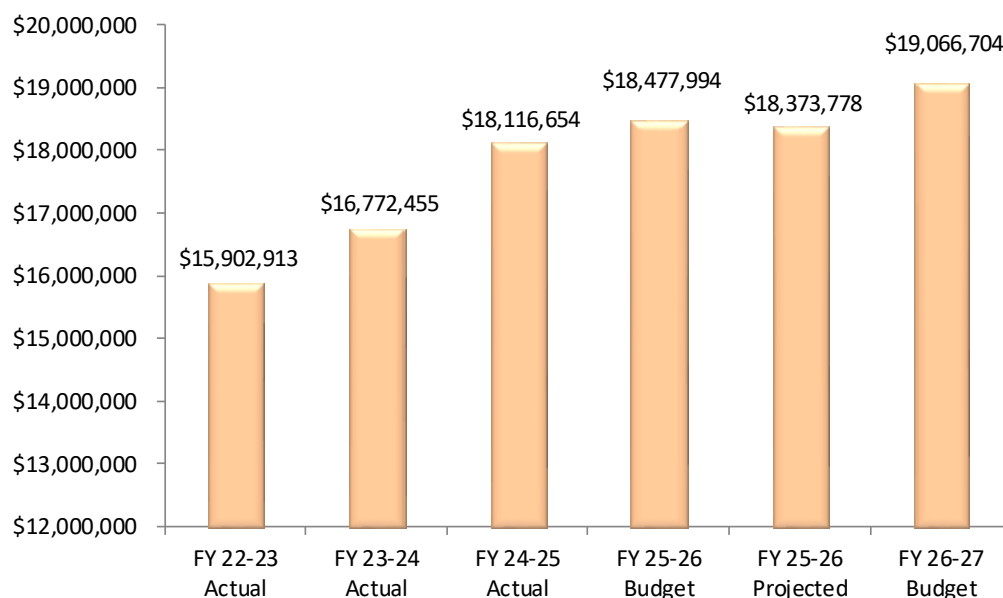
- Meter/Plan Check/Water Capacity Fees
- Door Hanger Fees
- New Account Fees
- NSF Fees
- Backflow Prevention Installations

Commercial Revenues Include:

- Non-Residential Revenue
- Irrigation Revenue

Note: Residential Revenue in this chart is net of customer refunds.

TOTAL REVENUES FISCAL YEARS 2022-23 THROUGH 2026-27



MAJOR REVENUE SOURCES

Approximately 98% of the District's revenues are derived from recurring water revenues related to water consumption and availability charges. The FY 2026-27 budget reflects a 4.50% revenue rate adjustment effective January 1, 2027, recommended as part of the District's 2024-2028 Water Rate Study. In addition, the District derives revenues from new connection fees for development within Service Area 1 of its two service areas. Connection fees for development within Service Area 2 of the EGWD's service area are paid to the SCWA.



Revenue projections are developed using a fee/rate-based projection, taking into account consumption levels calculated based on an analysis using historical demand averages to determine "normal year usage" conditions and the projected increase in the number of accounts based on the review of development projects in the District's service area and the number of units to be fully built within the fiscal year. Depending on drought conditions, revenue projections are adjusted by what the District deems to be an appropriate conservation factor and/or anticipated increase in water consumption as a result of the lifted drought restrictions.

Revenue Rate Increase Projections

Utility rate setting is subject to the provisions of Proposition 218 wherein customers are provided with information on proposed rate changes and are invited to attend a public hearing on the proposed changes. Proposed rate changes can be denied if a majority of ratepayers submit written protests opposing them. If a majority of ratepayers do not protest, the Board of Directors vote on the proposed rate changes and set the effective date for any proposed and approved

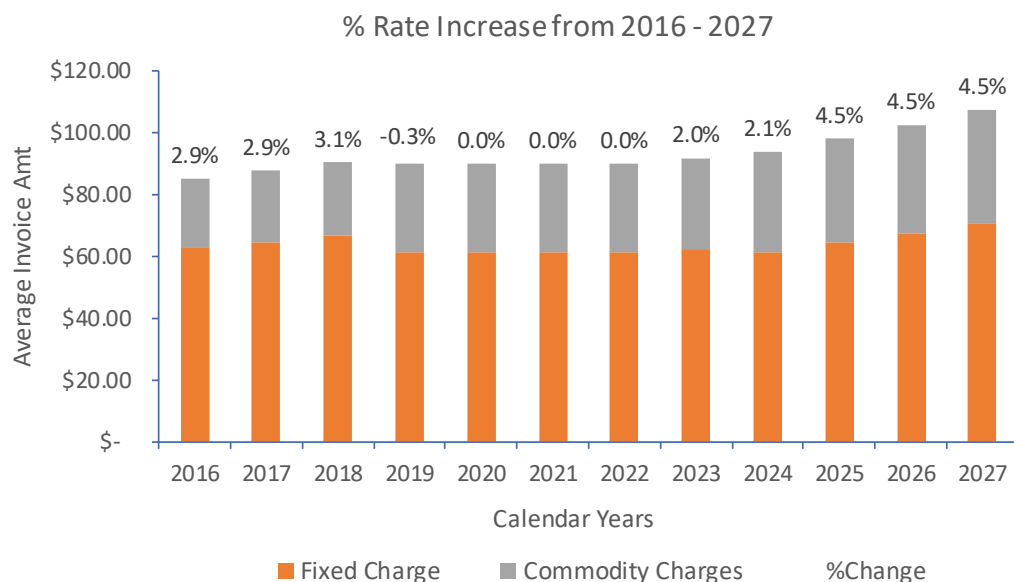
Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

changes. Revenue rate adjustments are necessary to fund various projects and to pay for increased operating costs, primarily due to inflation. During the Spring of 2023, the District commenced a water rate study to determine the recommended rate adjustment necessary to continue to fund the District's operations. The proposed water rate adjustments from the 2024-2028 Water Rate Study were adopted by the Board after the receipt and consideration of any protests and comments before and during a public hearing in compliance with Proposition 218 on July 18, 2023, with Ordinance No. 07.18.23.01. The 2024-2028 Water Rate Study proposes annual water rate adjustments as follows:

- January 1, 2024 – 4.50%
- January 1, 2025 – 4.50%
- January 1, 2026 – 4.50%
- January 1, 2027 – 4.50%
- January 1, 2028 – 4.50%

In accordance with the 2024-2028 Water Rate Study, the revenue projection in this section reflects the proposed 4.50% water rate adjustment effective January 1, 2027.

The chart below shows the average revenue rate adjustment each calendar year since 2014 in relation to an average bill, assuming the customer is a single-family residential service customer with a 1" meter consuming 15 CCF's of water. As can be seen, the increases in rates have been very consistent and relatively minimal. For the years with a rate increase, the increase is approximately equal to the average inflation rate. This is all made possible through prudent financial management and budgeting; however, future revenue adjustments will be necessary to fund various capital projects and to pay for increased operating costs, primarily due to inflation.

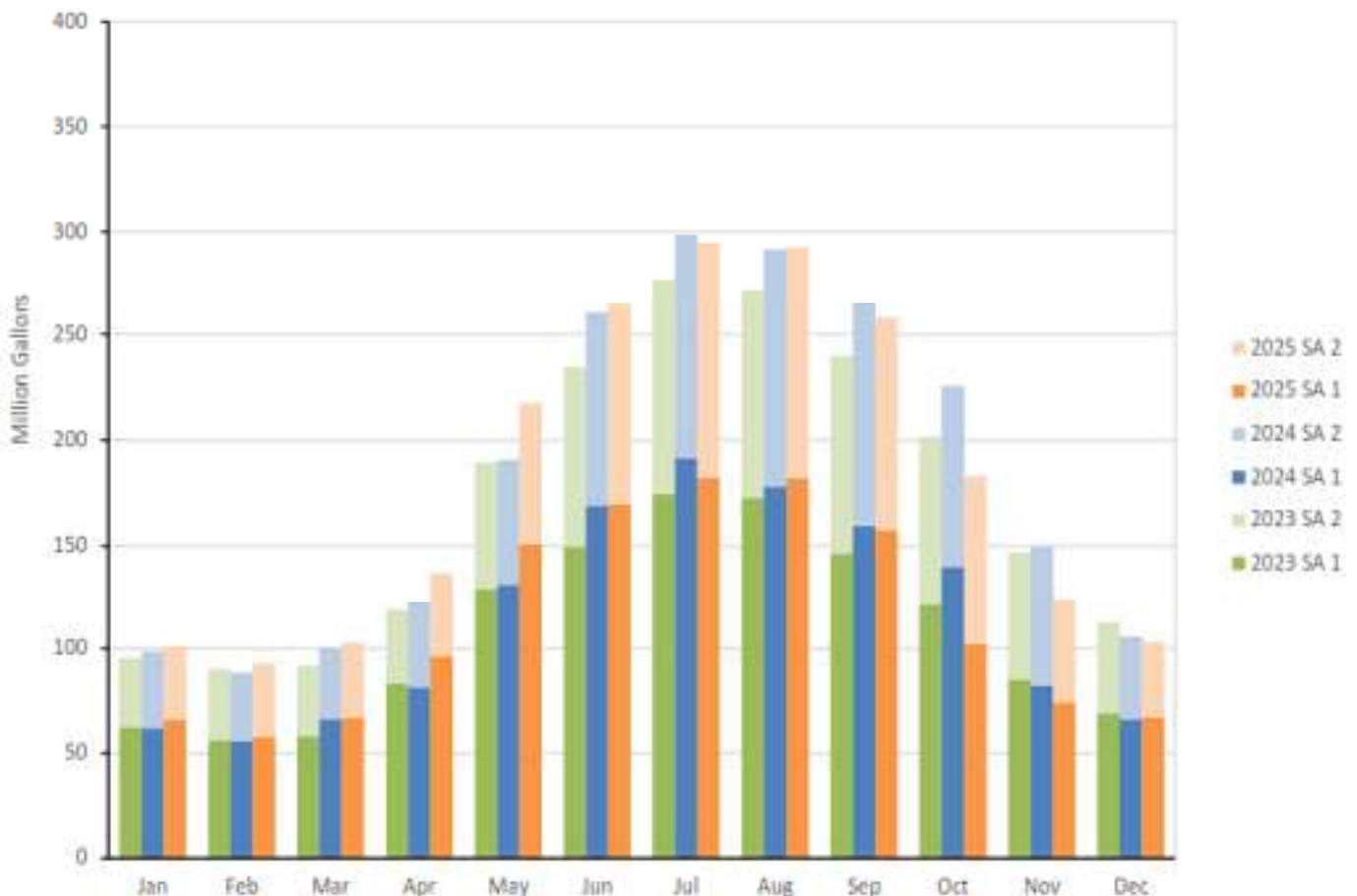


Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

WATER CONSUMPTION TREND

Water revenues are driven by two primary factors, the amount of water sold and the rate per unit, with increases in water consumption generating more revenues to offset the increased costs of operations. The graph below shows the consumption trends for the prior three calendar years. The graph also shows the correlation between the annual seasonal change and overall water consumption, with the highest level of consumption occurring during the summer months.

As can be seen in the chart below, consumption decreased in the second half of 2025 as compared to 2024 due to conservation becoming a way of life, with many residents practicing certain water conservation efforts, such as installing water efficient appliances and drought tolerant landscaping, resulting in long-term water use reductions. There was a slight increase in 2024 as compared to 2023 due to higher temperatures during the summer months that lasted through the end of October. Overall, the District expects to see continued decrease in consumption with an emphasis on conservation.



Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

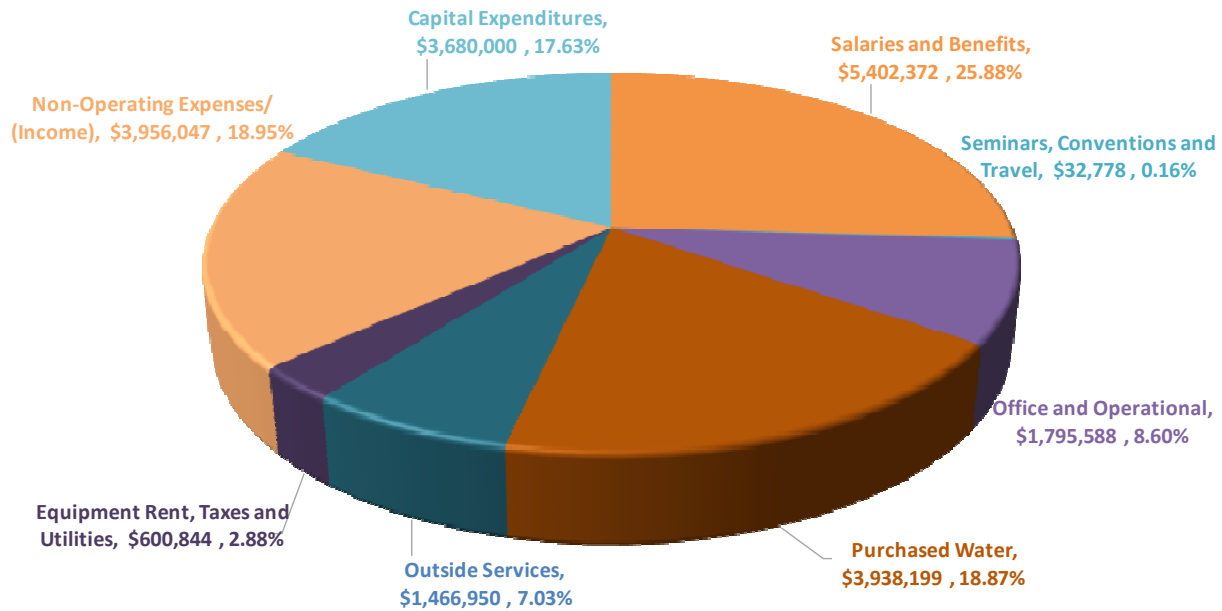
Elk Grove Water District
Budgeted Revenue Accounts Detail
For the Fiscal Year ending June 30, 2027

Account#	Description	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Requested Budget
4100	Water Payment Revenues - Residential	\$13,299,707	\$13,699,392	\$14,408,761	\$14,950,259	\$15,034,047	\$ 15,455,554
4110	Water Payment Revenues - Commercial	1,979,802	2,411,074	3,025,619	2,897,806	2,689,028	2,957,910
4120	Water Payment Revenues - Fire Service	215,547	248,829	286,633	297,929	315,765	313,741
4200	Meter Fees/Plan Check/Water Capacity	182,357	213,093	98,704	126,000	104,390	126,000
4201	Backflow Install EGWD	18,005	19,150	24,625	22,500	23,383	22,500
4202	Backflow Testing Fee	17,615	17,745	23,270	2,500	15,329	15,000
4204	Failed Backflow Notification Fee	100	-	125	-	25	-
4300	Fire Protection	468	1,872	1,404	-	1,543	-
4520	Door Hanger Fees	111,350	108,300	113,875	110,000	103,314	110,000
4530	Meter Testing Fee	-	47	-	-	66	-
4540	New Account Fees	15,750	15,420	18,960	20,000	17,336	15,000
4550	NSF Fees	2,625	2,223	2,170	2,000	3,306	2,000
4560	Fees and Penalties	14,715	2,346	24,067	-	11,465	-
4570	Shut-off Fees	66,800	61,900	104,300	50,000	70,218	50,000
4580	Restoration Fees	200	25	25	-	141	-
4585	Admin Citations	880	-	-	-	-	-
4591	Release of Lien Fee	(1,060)	(460)	20	-	226	-
4800	Other Income	793	-	-	-	-	-
4900	Customer Refunds	(22,741)	(28,501)	(15,904)	(1,000)	(15,804)	(1,000)
Total Revenues		<u>\$15,902,913</u>	<u>\$16,772,455</u>	<u>\$18,116,654</u>	<u>\$18,477,994</u>	<u>\$18,373,778</u>	<u>\$ 19,066,704</u>

EXPENSE SECTION

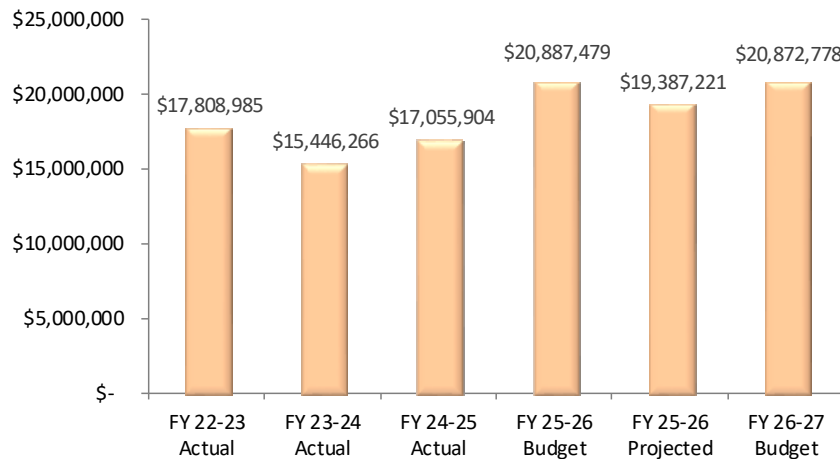
Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

BUDGETED EXPENSES BY CATEGORY



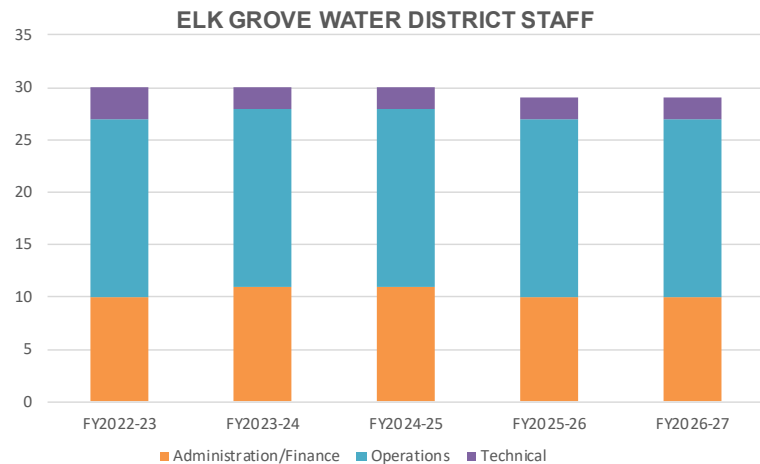
Note: Total Salaries and Benefits Expenses are net of capitalized labor costs of \$593,458, which is included in total Capital Expenditures.

TOTAL NET EXPENSES FISCAL YEARS 2022-23 THROUGH 2026-27



SALARIES AND BENEFITS FISCAL YEARS 2022-23 THROUGH 2026-27

Aside from the cost of water purchased from the SCWA for the EGWD's Service Area 2 and debt service payments, Salaries and Benefits represent the largest expense of the District. Staffing levels at the District have remained relatively unchanged with 10 FTE in Administration and Finance, 2 FTE in Technical Services and 17 FTE in Operations. In FY 2022-23, the District completed a compensation study, comparing the salaries and



benefits of the District against 10 other comparable agencies. The results of this study revealed that certain job classifications at the District were underpaid. Based on this, the District's Board approved an update to the District's salary schedule to reflect the results of the study. In addition to the update to the District's salary schedule, the District's Employee Policy Manual prescribes that annual Cost of Living Adjustments (COLAs) are made at the Boards discretion and is based on the average of the April All-Cities CPI – U, Western CPI – U, and San Francisco CPI – U indices. The COLA for FY 2026-27 is 3.70%.

Pension and other Post-Employment Benefits

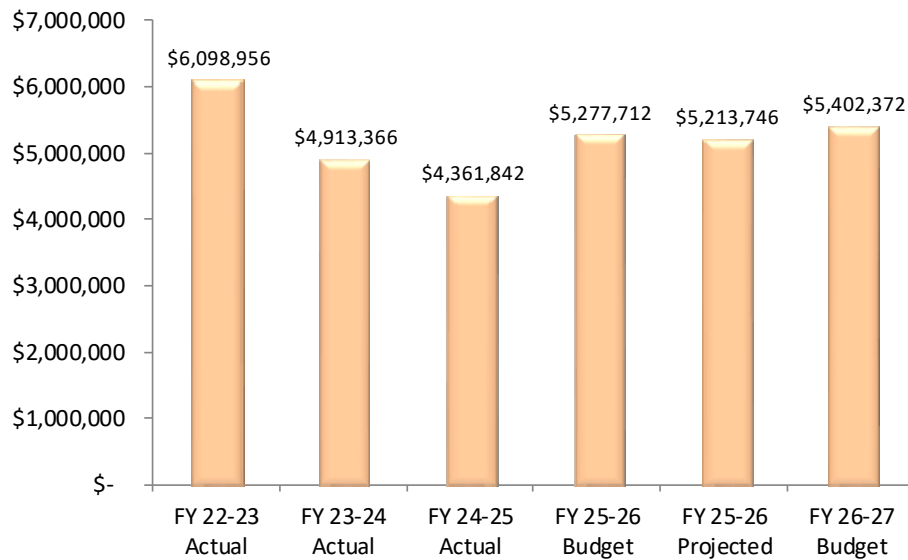
The District provides retirement benefits for its employees through a Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees Retirement System (CalPERS). Employees with at least 5 years of service are eligible to retire at age 55 with statutorily reduced benefits. In addition to the required employer contributions to the plan, the District currently contributes one percent of classic employees' tax-deferred member contributions to the system while PEPRA employees contribute their entire share of member contributions.

The District also provides post-employment healthcare benefits to retirees and their dependents. Eight retired employees receive these benefits, which are financed on a pay-as-you-go basis. The District pays the medical, dental, and vision insurance premiums for eligible retired employees (and qualified spouses) that are enrolled in the health insurance plan. The current requirements for eligibility are attaining age 55; having at least fifteen years of continuous service; and retiring from the District within 120 days of separation.

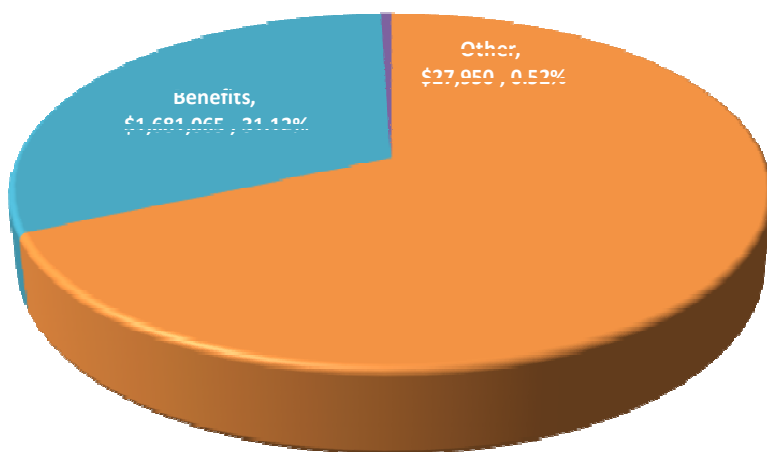
**Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget**

The following tables show the trend in salaries and benefits in comparison to prior years, as well as the breakout of the current proposed budgeted salaries and related components.

SALARIES AND BENEFITS



NET SALARIES AND BENEFITS \$5,402,372*



The Other Expenses Categories include:

- Employee Training
- Employee Recognition
- Meetings

*The total Salaries and Benefits are net of capitalized labor costs of \$593,458 for capital improvements constructed by the Utility Division.

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

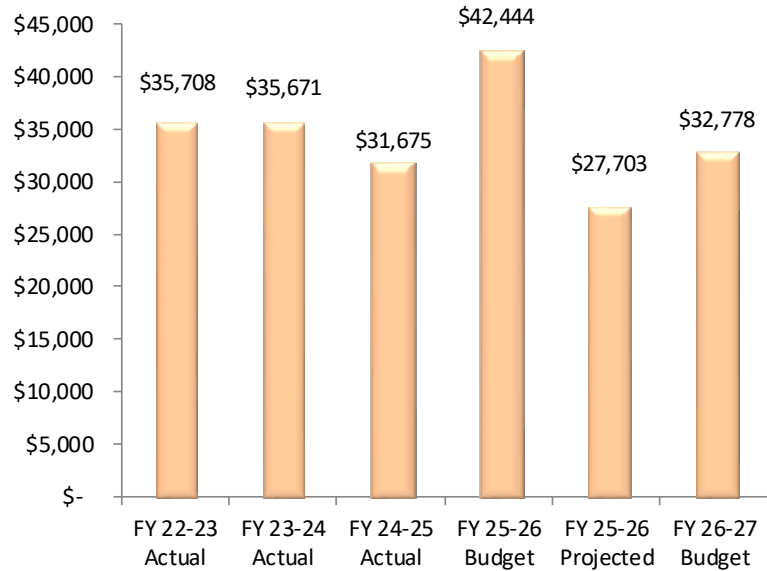
Elk Grove Water District
Budgeted Salaries and Benefits Accounts Detail
For the Fiscal Year ending June 30, 2027

Account#	Description	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Requested Budget
5100	Executive Salary	\$ 208,623	\$ 252,212	\$ 253,049	\$ 291,829	\$ 291,133	\$ 298,013
5110	Exempt Salaries	616,194	691,324	722,601	804,177	776,871	827,948
5120	Non-Exempt Salaries	1,534,086	1,700,183	1,654,280	2,322,713	2,053,607	2,425,751
5130	Overtime Compensation	31,754	70,837	97,659	106,000	172,134	104,975
5140	On Call Pay	30,940	30,915	30,949	31,025	31,025	62,050
5150	Holiday Pay	138,871	125,915	165,142	177,902	170,162	187,607
5160	Vacation Pay	222,818	271,832	273,016	206,715	314,320	230,386
5170	Personal Time Pay	154,322	166,735	162,666	142,322	166,229	150,086
5200	Medical Benefits	522,552	566,169	576,671	746,007	715,512	779,266
5195	EAP	875	885	883	880	863	906
5201	EGWD Contribution H.S.A	23,500	30,800	29,895	29,850	36,452	32,000
5210	Dental/Vision/Life Insurance	54,685	56,054	53,347	59,432	57,087	60,892
5220	Retirement Benefits	2,554,285	970,606	658,919	444,327	444,327	491,862
5225	Retirement Benefits - Post Employment	362,365	304,550	117,704	209,131	209,131	120,686
5230	Medical Tax, Social Security and SUI	48,348	51,992	54,006	74,447	63,798	77,157
5240	Worker's Compensation Insurance	47,971	50,625	47,899	69,779	105,544	118,296
5250	Education Assistance	-	-	-	2,500	-	-
5260	Employee Training	10,659	8,530	12,959	20,500	9,164	20,050
5270	Employee Recognition	7,490	3,040	8,460	5,400	6,654	7,400
5280	Meetings	-	304	-	500	188	500
	Less Capitalized Labor	(471,382)	(440,141)	(558,262)	(467,724)	(410,456)	(593,458)
		<u>\$6,098,956</u>	<u>\$4,913,366</u>	<u>\$4,361,842</u>	<u>\$5,277,712</u>	<u>\$5,213,746</u>	<u>\$ 5,402,372</u>

SEMINARS, CONVENTIONS AND TRAVEL FISCAL YEARS 2022-23 THROUGH 2026-27

Seminars, Conventions and Travel expenses are budgeted based on the anticipated travel to and from various conferences and seminars. It is in the best interest of the District to invest in the employees to allow them to stay current and educated about activities, developments, and professional trends affecting their ability to provide high-quality job performance, which includes external and internal customer service. As such, traveling to attend hearings, meetings, conferences, or other gatherings is of value to the District. The two major conferences that District staff attend are the semi-annual Association of California Water Agencies (ACWA) conferences and the annual California Society of Municipal Finance Officers (CSMFO) conference.

SEMINARS, CONVENTIONS AND TRAVEL



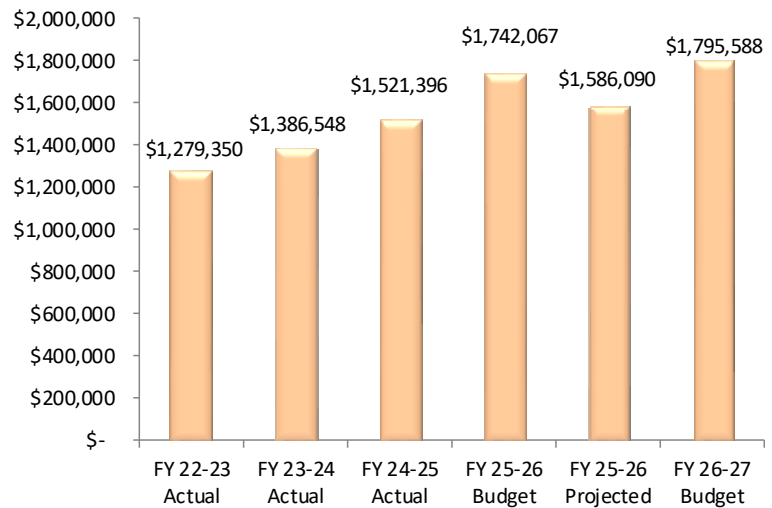
Elk Grove Water District
Budgeted Seminars, Conventions and Travel Accounts Detail
For the Fiscal Year ending June 30, 2027

Account#	Description	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Requested Budget
5300	Airfare	\$ 2,351	\$ 2,018	\$ 2,486	\$ 4,150	\$ 2,565	\$ 2,950
5310	Hotels	11,555	8,982	8,778	14,100	6,418	6,000
5320	Meals	4,828	7,349	4,750	6,416	2,303	4,640
5330	Auto Rental	29	-	206	450	-	-
5340	Seminars & Conferences	9,502	9,635	8,172	9,335	9,076	10,920
5350	Mileage Reimbursement, Parking, Tolls	1,336	1,662	1,208	1,993	1,341	2,268
5375	Auto Allowance	6,107	6,025	6,075	6,000	6,000	6,000
		<u>\$ 35,708</u>	<u>\$ 35,671</u>	<u>\$ 31,675</u>	<u>\$ 42,444</u>	<u>\$ 27,703</u>	<u>\$ 32,778</u>

OFFICE AND OPERATIONAL FISCAL YEARS 2022-23 THROUGH 2026-27

Office and Operational expenses are budgeted to cover administrative costs such as insurance premiums, association dues, repairs and maintenance of equipment, buildings, and computers, purchases of chemicals for water treatment, postage, and printing. These costs allow the District to continue to operate and maintain the water system and to continue to provide water services to its ratepayers. Meter costs are also budgeted in this category, however, the cost of meters purchased for new development are offset by meter fees paid by developers at the time meters are installed and ready for connection to the EGWD system. These fees are accounted for as Meter Fees in the revenue section of this report.

OFFICE AND OPERATIONAL



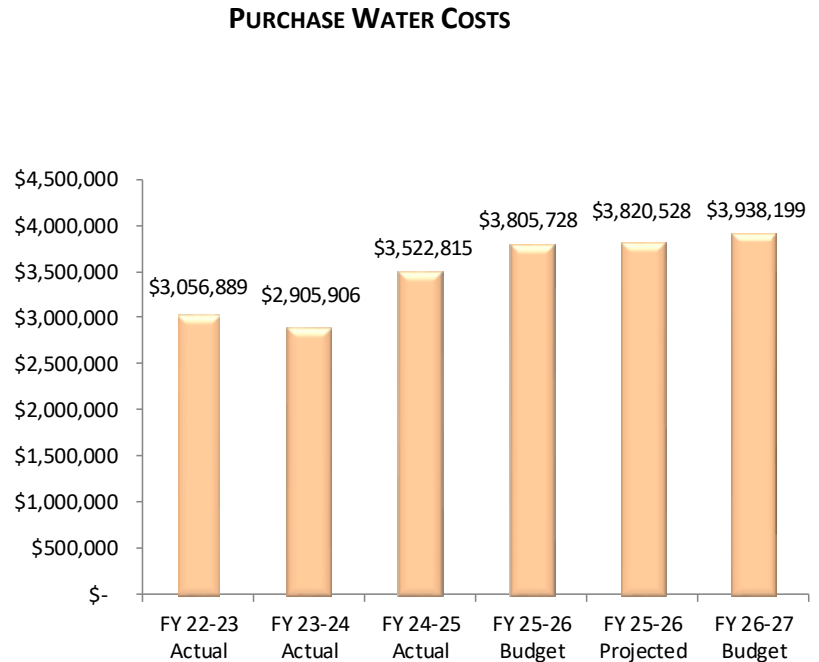
Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

Elk Grove Water District
Budgeted Office and Operational Accounts Detail
For the Fiscal Year ending June 30, 2027

Account#	Description	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Requested Budget
5410	Advertising	\$ 9,375	\$ 4,971	\$ 4,615	\$ 17,700	\$ 14,514	\$ 18,200
5415	Association Dues	126,552	151,158	135,107	155,932	150,575	161,135
5420	Insurance	137,012	164,489	190,177	196,000	180,259	216,500
5425	Licenses, Certifications, Fees	4,247	2,934	2,490	5,635	5,605	3,280
5430	Repairs & Maintenance - Automotive	26,894	53,149	60,308	53,500	34,129	53,500
5432	Repairs & Maintenance - Building	65,246	73,323	76,043	96,768	98,756	91,828
5434	Repairs & Maintenance - Computers	26,529	11,121	7,657	29,625	21,449	8,404
5435	Repairs & Maintenance - Equipment	129,708	113,122	109,443	120,500	88,878	105,500
5438	Fuel	51,123	52,201	48,305	56,720	47,007	56,720
5440	Materials	163,448	135,710	112,025	155,000	129,054	130,000
5445	Chemicals	52,369	43,904	60,445	65,000	53,032	65,000
5450	Meter Repairs	84,702	168,162	230,885	220,000	244,090	235,000
5453	Permits	84,129	79,886	94,524	105,000	107,508	105,000
5455	Postage	75,793	72,317	78,926	89,775	92,388	112,200
5460	Printing	16,946	13,784	12,136	21,083	20,494	30,383
5465	Safety Equipment	11,704	13,376	16,283	18,000	14,154	18,000
5470	Software Programs & Updates	120,357	148,681	183,012	203,009	172,525	256,518
5475	Supplies	28,450	18,224	25,520	28,020	24,134	31,020
5480	Telephone	26,610	26,025	27,209	36,600	37,034	42,200
5485	Tools	16,069	17,516	24,369	35,500	24,159	25,500
5490	Clothing Allowance	5,084	4,979	5,338	7,700	7,700	6,700
5491	EGWD - Other Clothing	10,581	12,757	13,610	15,000	12,209	15,000
5493	Water Conservation Materials	6,420	4,760	2,969	10,000	6,437	8,000
		<u>\$1,279,350</u>	<u>\$1,386,548</u>	<u>\$1,521,396</u>	<u>\$1,742,067</u>	<u>\$1,586,090</u>	<u>\$ 1,795,588</u>

PURCHASED WATER COSTS FISCAL YEARS 2022-23 THROUGH 2026-27

Through the First Amended and Restated Master Water Agreement between Sacramento County Water Agency and Florin Resource Conservation District/Elk Grove Water District, entered into on June 28th, 2002, the District has agreed to purchase, on a wholesale basis, potable water supply from the SCWA. The purchased water from the SCWA is used to supply the EGWD Service Area 2 ratepayers with their water source. Under the general terms of the agreement, the cost of the wholesale purchased water supply is based on a rate as determined by the actual cost of procurement, extraction, diversion, treatment, and conveyance of potable water actually delivered to the District.

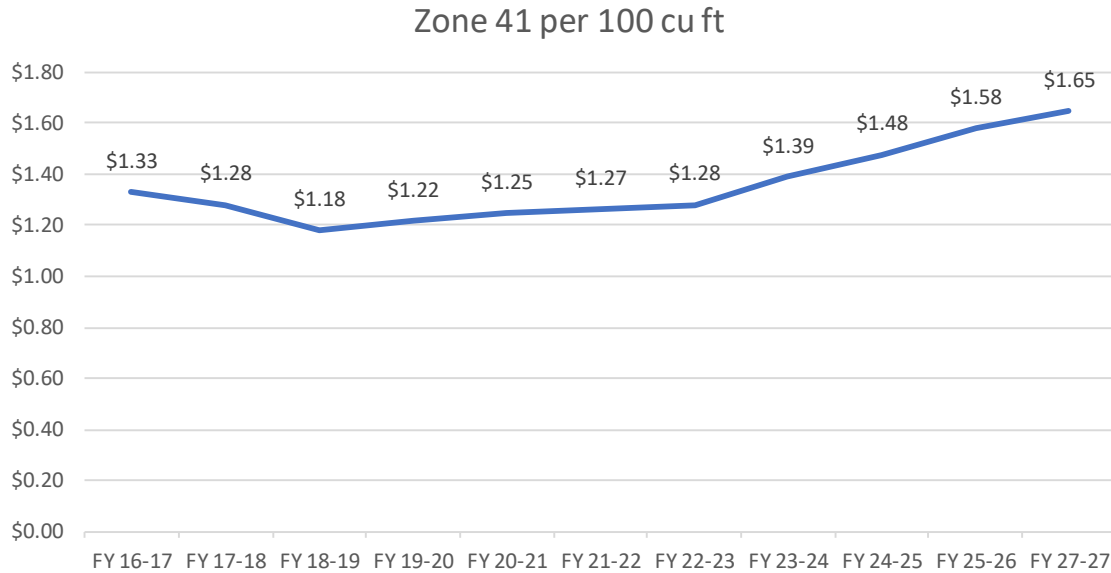


The chart above shows the total annual purchased water costs since FY 2022-23. Purchased water costs continue to fluctuate year-to-year dependent on annual precipitation; however, two components that have a major effect on the total cost of purchased water are account growth and conservation, which has become a way of life. For FY 2026-27, the District expects to see water consumption and delivery increase slightly due to an increase in development in the EGWD's Service Area 2 resulting in an increase in accounts.

The table on the next page shows the trend in the wholesale purchase water rate for the last 10 fiscal years. The change in the wholesale purchased water rate is a direct correlation to conservation efforts. As drought restrictions from FY 2015-16 resulted in less water being delivered to the District but operational and maintenance costs continued to increase, there was an overall increase in the wholesale purchase water rate. When drought restrictions were lifted in FY 2016-17, the gradual increase in water consumption resulted in an increase of purchased water delivered to the District. This resulted in a decrease in the wholesale purchased water rate in FY 2017-18. As consumption trends start to normalize and operating costs continue to increase, the District expects the wholesale purchased water rate to gradually increase as well without the major swings experienced during the drought.

**Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget**

WHOLESALE WATER RATE TREND



**Elk Grove Water District
Budgeted Purchase Water Costs Accounts Detail
For the Fiscal Year ending June 30, 2027**

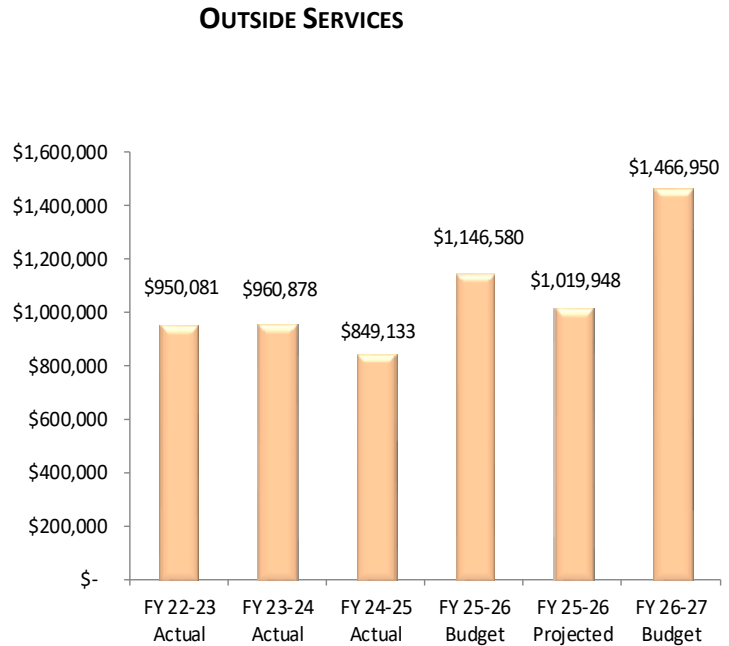
Account#	Description	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Requested Budget
5495	Purchased Water	\$3,056,889	\$2,905,906	\$3,522,815	\$3,805,728	\$3,820,528	\$ 3,938,199

OUTSIDE SERVICES

FISCAL YEARS 2022-23 THROUGH 2026-27

Outside Services expenses consist mostly of professional services, such as banking services, engineering services, contracted services, and legal services. It also includes election costs which occur every other year. FY 2026-27 is an election year. The District utilizes specialized outside service firms and professionals to assist in the development of various technical studies and projects. An example of a technical study was the use of a professional consulting firm to conduct the 2024-2028 Water Rate and Connection Fee Study, setting forth the recommended revenue rate increases

for calendar years 2024 through 2028. Except for costs related to special one time projects, the District expects outside services to remain relatively stable and consistent with prior year.



Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

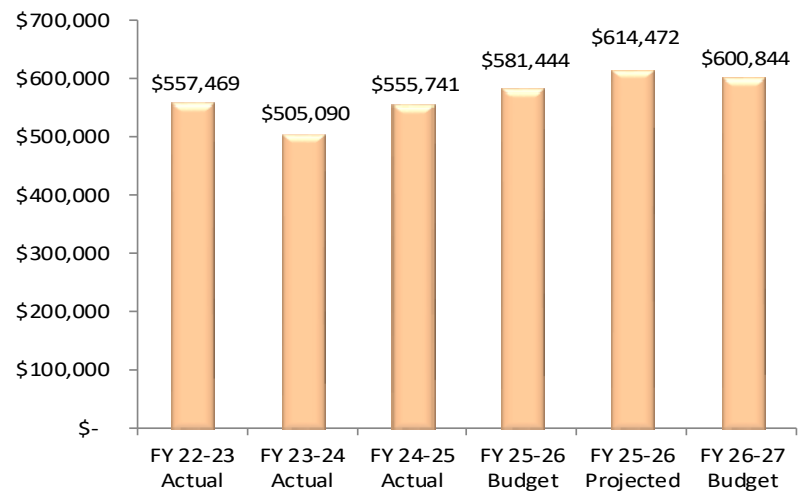
Elk Grove Water District
Budgeted Outside Services Accounts Detail
For the Fiscal Year ending June 30, 2027

<u>Account#</u>	<u>Description</u>	<u>FY 22-23</u> <u>Actual</u>	<u>FY 23-24</u> <u>Actual</u>	<u>FY 24-25</u> <u>Actual</u>	<u>FY 2025-26</u> <u>Budget</u>	<u>FY 2025-26</u> <u>Projected</u>	<u>FY 2026-27</u> <u>Requested Budget</u>
5505	Administration Services	\$ 2,505	\$ 2,333	\$ 2,164	\$ 5,600	\$ 2,448	\$ 5,100
5510	Bank Charges	196,219	222,916	259,585	289,800	278,803	289,200
5515	Billing Services	23,544	22,300	22,998	25,700	24,537	30,000
5520	Contracted Services	568,536	487,769	364,020	522,860	465,138	488,200
5525	Accounting Services	27,720	27,720	31,658	37,000	37,000	38,200
5530	Engineering	494	45,240	13,854	15,000	22,939	10,000
5535	Legal Services	24,933	51,325	59,605	120,000	61,623	170,000
5540	Financial Consultants	188	-	-	-	-	-
5545	Community Relations	1,258	962	802	2,000	1,160	2,000
5552	Misc. Medical	2,078	2,455	3,481	3,000	3,333	3,000
5550	Pre-employment	-	56	26	1,000	-	1,000
5555	Janitorial	17,397	20,390	19,343	20,200	21,793	20,200
5560	Bond Administration	5,773	5,973	6,170	6,800	6,670	7,050
5570	Security	25,542	36,379	34,350	37,620	38,920	40,000
5575	Sampling	52,010	35,060	29,017	60,000	55,586	33,000
9950	Election Costs	1,887	-	2,061	-	-	330,000
		<u>\$ 950,081</u>	<u>\$ 960,878</u>	<u>\$ 849,133</u>	<u>\$1,146,580</u>	<u>\$1,019,948</u>	<u>\$ 1,466,950</u>

EQUIPMENT RENT, TAXES AND UTILITIES FISCAL YEARS 2022-23 THROUGH 2026-27

Equipment Rent, Taxes and Utilities are budgeted to cover the cost of utilities to extract, treat and pump the water supply to ratepayers. With the rising cost for most utilities and the expected gradual increase in development and number of accounts, the District is expecting to see an increase in this expense category. However, to assist in improving or maintaining operational efficiencies and keep operating costs low, the District installed a series of variable frequency drives (VFD) on the booster pumps that deliver treated drinking water to our customers. The VFD provides energy savings by matching pump motor load to the work needed for water delivery instead of always running the pump at peak load. The District also has an ongoing well rehabilitation program where it monitors the efficiencies of each water well. Over time, well screens plug up, making well pumping operations inefficient. The District rehabilitates its water wells when certain inefficient thresholds are reached, thereby returning the wells to efficient operations.

EQUIPMENT RENT, TAXES AND UTILITIES



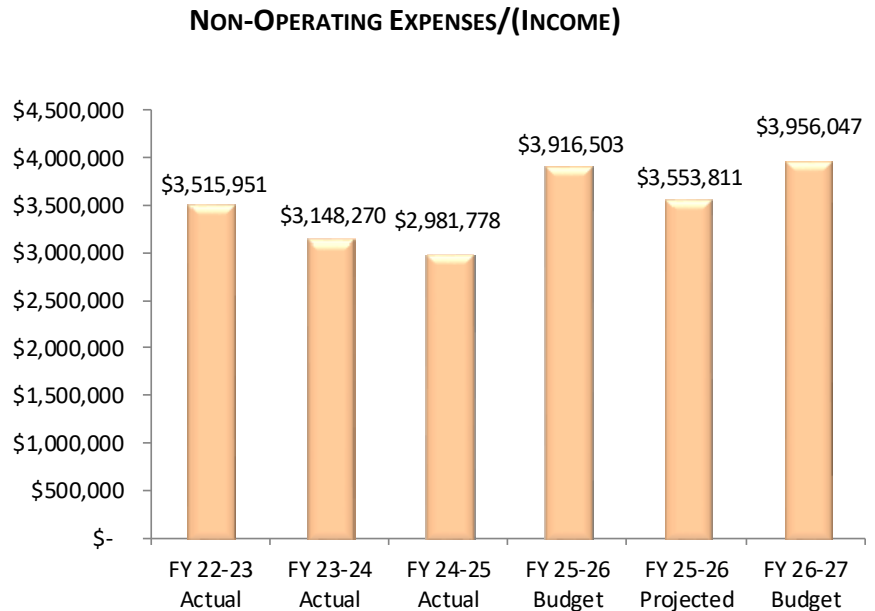
Elk Grove Water District
Budgeted Equipment Rent, Taxes and Utilities Accounts Detail
For the Fiscal Year ending June 30, 2027

Account#	Description	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Requested Budget
5610	Occupancy	\$ 18,000	\$ -	\$ -	\$ -	\$ -	\$ -
5620	Equipment Rental	33,560	31,588	25,518	23,120	16,369	17,120
5710	Property Taxes	3,277	861	800	2,800	800	2,800
5740	Electricity	451,517	416,100	466,356	496,124	522,245	511,124
5750	Natural Gas	5,348	3,284	3,844	6,000	4,354	6,000
5760	Sewer & Garbage	45,768	53,257	59,223	53,400	70,704	63,800
		<u>\$ 557,469</u>	<u>\$ 505,090</u>	<u>\$ 555,741</u>	<u>\$ 581,444</u>	<u>\$ 614,472</u>	<u>\$ 600,844</u>

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

NON-OPERATING EXPENSES / (REVENUES) FISCAL YEARS 2022-23 THROUGH 2026-27

Non-Operating Expenses/ (Revenues) account for debt service interest and principal payments and any interest earned on investments. The District expects all future non-operating expenses/ (revenues) to be consistent.



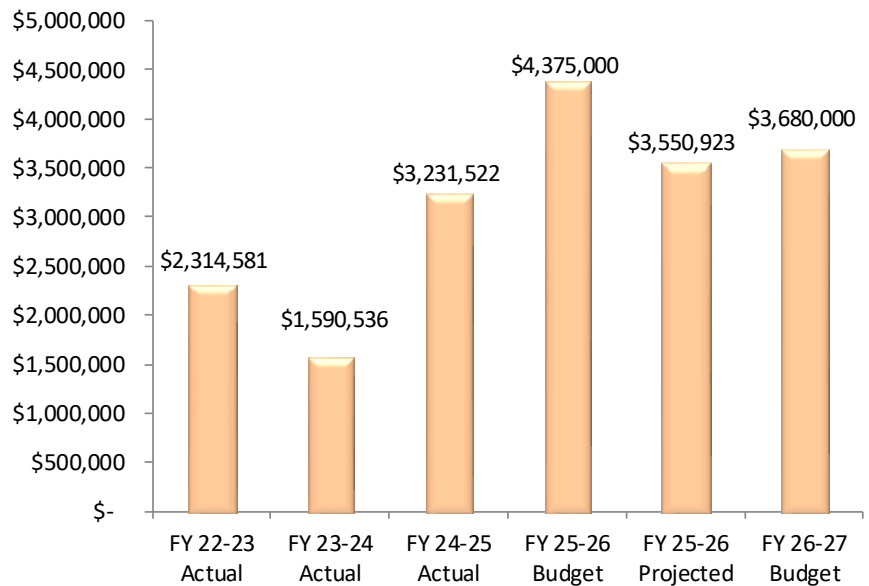
Elk Grove Water District
Budgeted Non Operating Accounts Detail
For the Fiscal Year ending June 30, 2027

Account#	Description	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Requested Budget
2500	Bond Retirement	\$ 2,560,000	\$ 2,675,000	\$ 2,780,000	\$ 2,935,000	\$ 2,935,000	\$ 3,075,000
7300	Debt Service (Bond Interest Expense)	1,323,204	1,211,994	1,108,029	1,006,503	1,006,503	906,047
9700	Capital Grants	(221,000)	(142,482)	(216,200)	-	-	-
9920	Other Expenses (Income)	(37,133)	(12,934)	(34,263)	-	114,306	-
9910	Interest Earned	(155,106)	(310,330)	(397,665)	(25,000)	(226,375)	(25,000)
9911	Unrealized Gains and Losses	45,986	(272,977)	(258,122)	-	(204,501)	-
		<u>\$ 3,515,951</u>	<u>\$ 3,148,270</u>	<u>\$ 2,981,778</u>	<u>\$ 3,916,503</u>	<u>\$ 3,624,933</u>	<u>\$ 3,956,047</u>

CAPITAL EXPENDITURES FISCAL YEARS 2022-23 THROUGH 2026-27

CAPITAL EXPENDITURES

Fiscal year 2026-27 Capital Expenditures consist of funding for Repair & Replacement and Long-term Capital Improvement based on the District 5-year Capital Improvement Plan (FY 2027-31 CIP). The CIP is developed by staff in parallel to the budget and is a key component of the District's Strategic Plan. Annually, Staff meet to review the District's Asset Management Program (AMP) to identify the District's infrastructure and assets that are due for replacement or improvements. These projects are then rated in terms of priority, with 1 being high priority and 4 being low priority. The scoring determines the projects to be included in the District's CIP for the subsequent year. Each project is defined in the CIP and summarized by a brief description and justification and is detailed by location, timing, expenditure schedule, funding source, useful life, and impact on operating costs. Before the CIP is completed, it is reviewed to ensure the financial elements are consistent with the District's financial policies. Since all the District's capital projects are deemed to be nonrecurring, the effect the projects will have on the operating budget will be an overall decrease in repair and maintenance costs as aged assets are replaced with new assets.



Elk Grove Water District Budgeted Capital Expenditure Accounts Detail For the Fiscal Year ending June 30, 2027

Account#	Description	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Actual	FY 2025-26 Budget	FY 2025-26 Projected	FY 2026-27 Requested Budget
3560	Repair & Replacement Reserve	\$ 1,184,166	\$ 1,039,474	\$ 2,614,448	\$ 2,541,000	\$ 1,881,668	\$ 2,060,000
3565	Capital Improvement Reserve	1,130,416	551,062	617,074	1,834,000	1,669,255	1,620,000
		<u>\$2,314,581</u>	<u>\$1,590,536</u>	<u>\$3,231,522</u>	<u>\$4,375,000</u>	<u>\$3,550,923</u>	<u>\$ 3,680,000</u>

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

The principal sources of revenue for the District come from water usage charges and developer connections fees. These revenues are organized into four fund sources: 1) unrestricted reserves; 2) capital improvements; 3) capital repairs/replacements; and 4) elections and special studies. The CIP allocates the use of funds related only to capital improvements and capital repairs/replacements. The District's current approach to capital funding is pay-as-you-go. Water rates have been developed to ensure that revenue requirements cover operating expenses, capital expenditures and debt service costs. The table below summarizes the District's 5-year capital expenditures included in the FY 2027-31 CIP (amounts in 000's).

FUND	FY26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	Total
CAPITAL IMPROVEMENT FUNDS						
Supply/Distribution Improvements	1,570	1,460	1,500	-	249	4,779
Treatment Improvements	-	-	-	-	-	0
Building & Site Improvements/Vehicles	-	-	-	-	-	0
SUB-TOTAL	1,570	1,460	1,500	0	249	4,779
CAPITAL REPAIR/REPLACEMENT FUNDS						
Supply/Distribution Improvements	1,400	1,050	1,021	1,529	1,457	6,457
Treatment Improvements	360	800	255	285	600	2,300
Building & Site Improvements/Vehicles	250	110	148	298	45	851
SUB-TOTAL	2,010	1,960	1,424	2,112	2,102	9,608
UNFORESEEN CAPITAL PROJECT FUNDS						
Unforeseen Capital Projects	100	100	100	100	100	500
SUB-TOTAL	100	100	100	100	100	500
TOTAL	3,680	3,520	3,024	2,212	2,451	14,887

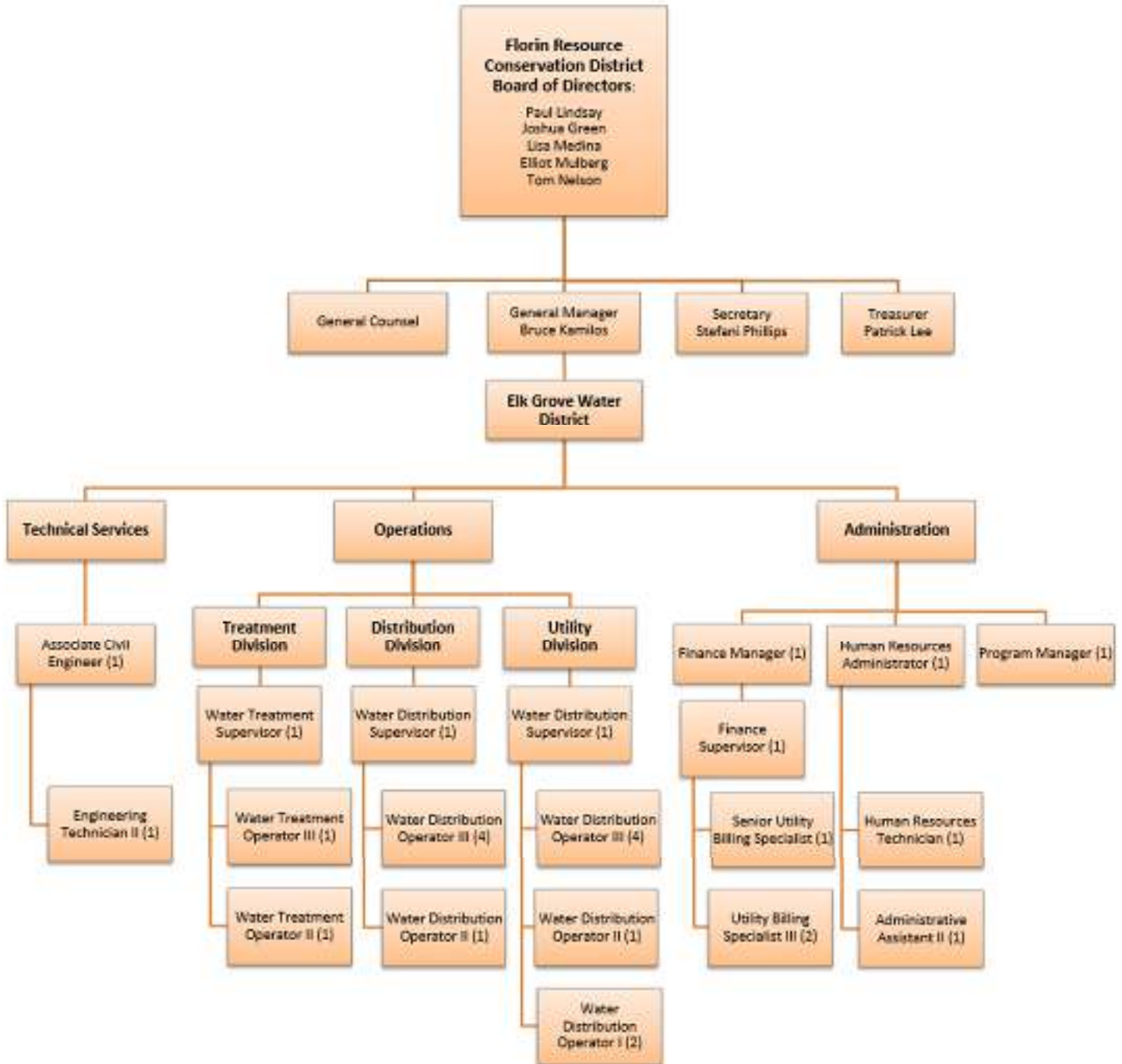
Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

In addition, below is a listing of the specific capital projects budgeted for in FY 2026-27 CIP and reflected in the FY 2026-27 operating budget (amounts in 000's):

PROJECT NAME	FY26/27
SUPPLY / DISTRIBUTION IMPROVEMENTS	
AMI Metering Technology*	\$ 1,420
Well Rehabilitation	210
Elk Grove Florin-Frontage Rd. Water Main	401
Gamay/Chablis Way	398
Halverson Dr. Water Main	321
Transmission Main Brinkman Ct. (Cost Share)*	150
City of Elk Grove Improvement Projects*	70
TREATMENT IMPROVEMENTS	
Media Replacement - HVWTP Filter Vessels	150
Well 8 & 9 PLC Replacement	150
RRWTP - 36" Production Meter Replacement	60
BUILDING & SITE IMPROVEMENTS / VEHICLES	
Truck Replacements	110
Pavement Repair & Seal Coat - RRWTP	35
AC Roller Replacement	45
Building Maintenance - RRWTP	30
Pavement Repair & Seal Coat - Admin.	30
UNFORESEEN CAPITAL PROJECTS	
Unforeseen Capital Projects	100
TOTAL CAPITAL IMPROVEMENT BUDGET	\$ 3,680
*Carry over projects from FY25/26	

ORGANIZATIONAL SUMMARY

ELK GROVE WATER DISTRICT ORGANIZATION CHART



Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

ELK GROVE WATER DISTRICT STAFF FTE

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Administration & Finance					
General Manager	1.00	1.00	1.00	1.00	1.00
Finance Manager	1.00	1.00	1.00	1.00	1.00
Program Manager	1.00	1.00	1.00	1.00	1.00
Human Resources Administrator	1.00	1.00	1.00	1.00	1.00
Human Resources Technician	1.00	1.00	1.00	1.00	1.00
Administrative Assistant II	1.00	1.00	1.00	1.00	1.00
Finance Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Utility Billing Specialist	1.00	1.00	1.00	1.00	1.00
Utility Billing Specialist III	3.00	3.00	3.00	2.00	2.00
Department Total	11.00	11.00	11.00	10.00	10.00
Technical Services					
Associate Engineer	1.00	1.00	1.00	-	-
Associate Civil Engineer	-	-	-	1.00	1.00
Engineering Technician I	1.00	-	-	-	-
Engineering Technician II	-	1.00	1.00	1.00	1.00
Department Total	2.00	2.00	2.00	2.00	2.00
Operations					
Supervisors	3.00	3.00	3.00	3.00	3.00
Water Distribution Operator I	2.00	2.00	3.00	3.00	2.00
Water Distribution Operator II	6.00	6.00	1.00	1.00	2.00
Water Distribution Operator III	4.00	4.00	8.00	8.00	8.00
Water Treatment Operator II	-	-	-	1.00	1.00
Water Treatment Operator III	2.00	2.00	2.00	1.00	1.00
Departmental Total	17.00	17.00	17.00	17.00	17.00
Organizational Total	30.00	30.00	30.00	29.00	29.00

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

JURISDICTIONAL COMPARISON

District	Elk Grove Water District (EGWD)	Carmichael Water District	San Juan Water District
Year Established	1953	1916	1854
Governed By	Board of Directors	Board of Directors	Board of Directors
Size	13 sq miles	8 sq miles	17 sq miles
Number of Connections	13,500	11,947	11,068
Number of Customers	44,000	40,000	29,776
Budget Comparison - Fiscal Year Basis	July-June	July-June	July-June
Revenues - FY 2025-26 Budget			
Retail Water Sales	\$ 18,145,994	\$ 19,480,000	\$ 17,811,200
Other Revenues	332,000	12,455,476	16,424,500
TOTAL REVENUE BUDGET	\$ 18,477,994	\$ 31,935,476	\$ 34,235,700
Expenditures - FY 2023-24 Budget			
Personnel Costs	\$ 5,219,163	\$ 4,345,270	\$ 7,574,300
Operating Costs	7,318,263	5,806,974	3,542,700
Non-Operating Costs	3,916,503	2,991,566	5,033,400
EXPENDITURE BUDGET	\$ 16,453,929	\$ 13,143,810	\$ 16,150,400
CAPITAL BUDGET	\$ 4,375,000	\$ 21,083,000	\$ 21,894,300
TOTAL EXPENDITURE BUDGET	\$ 20,828,929	\$ 34,226,810	\$ 38,044,700
REVENUES IN EXCESS OF EXPENDITURES	\$ (2,350,935)	\$ (2,291,334)	\$ (3,809,000)
OUTSTANDING DEBT	\$ 27,155,000	\$ 24,805,000	\$ 13,714,733
FTE	29	29	49

Note: The information above is based on FY 2025-26 approved budgets for each District. Both the Carmichael and San Juan Water Districts generate revenue from sources other than retail water sales. For comparison purposes, revenues reflected above include only the portion applicable to retail water sales and expenses reflect total expenses for all operations, not just retail water sales.

DEPARTMENTAL BUDGET SUMMARIES

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

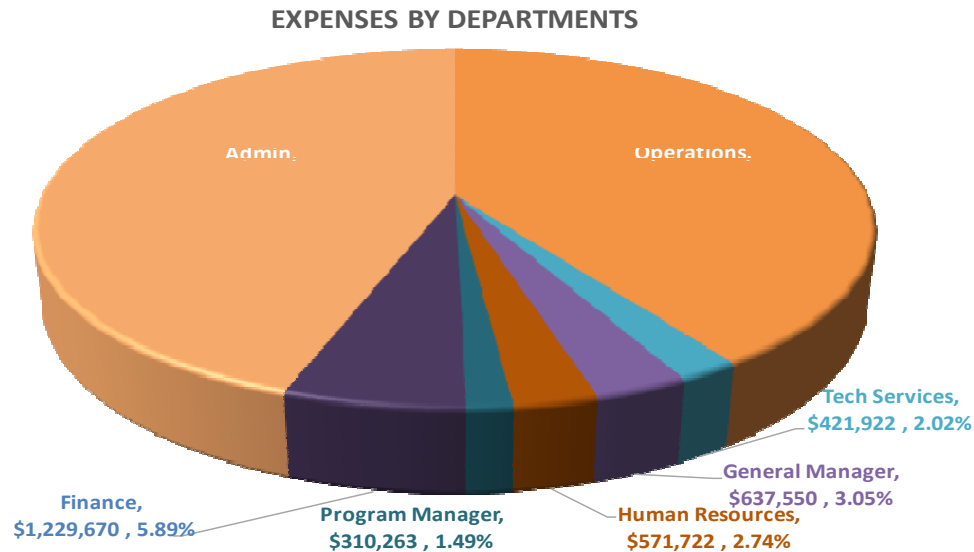
EXPENSES BY DEPARTMENTS

Elk Grove Water District
Summary by Departments
For the Fiscal Year ending June 30, 2027

Expenditure	Operations	Technical Services	General Manager	Human Resources	Program Manager	Finance	Admin	Total Budget
Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$19,066,704
Salaries and Benefits	3,213,667	343,005	432,633	550,672	231,398	996,863	227,592	5,995,830
Seminars, Conventions and Travel	2,700	925	14,387	4,950	3,217	6,599	-	32,778
Office and Operational	972,661	67,993	530	4,500	44,348	158,008	547,548	1,795,588
Purchased Water	3,938,199	-	-	-	-	-	-	3,938,199
Outside Services	324,000	10,000	190,000	11,600	31,300	68,200	831,850	1,466,950
Equipment Rent, Taxes and Utilities	562,000	-	-	-	-	-	38,844	600,844
Subtotal Operational Expenses	9,013,227	421,922	637,550	571,722	310,263	1,229,670	1,645,834	13,830,189
Less: Capitalized Labor	(593,458) *	-	-	-	-	-	-	(593,458)
Total Operational Expenses	8,419,769	421,922	637,550	571,722	310,263	1,229,670	1,645,834	13,236,731
Non-Operating Expenses (Income)	-	-	-	-	-	-	3,956,047	3,956,047
Capital Expenditures	-	-	-	-	-	-	3,680,000	3,680,000
Total Net Expenses	\$8,419,769	\$421,922	\$637,550	\$571,722	\$310,263	\$1,229,670	\$ 9,281,881	\$20,872,778
Transfers (to)/from reserves								1,806,073
Revenues In Excess of Expenses, Principal Retirement and Capital Expenditures								\$ -

* This represents approximately 60% of salaries and benefits of the Utility Division which will be charged to Capital Projects.

SUMMARY BY DEPARTMENTS

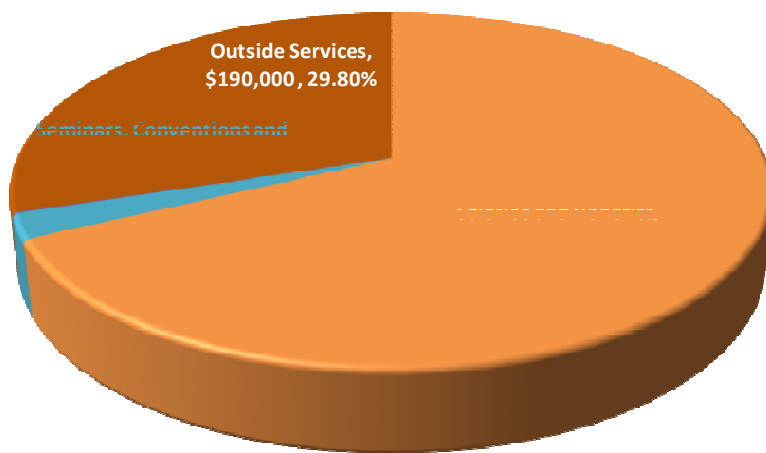


OFFICE OF THE GENERAL MANAGER

The General Manager superintends the District, ensuring that the policies and directives of the Board of Directors are carried out as assigned. The General Manager leads the entire staff with a subset of managers informally called the Leadership Team.



FY 2025-26 GENERAL MANAGER EXPENSES



FY 2025-26 ACCOMPLISHMENTS

- Implemented the District's new enterprise resource planning system.
- Submitted to Sacramento Local Agency Formation Commission (LAFCo) the District's application to reorganize through the dissolution of FRCD and the designation of EGWD as the successor district under County Water District Law, along with an updated Municipal Service Review.
- Refined the District's approach for tracking progress on the 2025–2030 Strategic Plan to further strengthen accountability and transparency.
- Held the second annual Citizens Water Academy to strengthen the District's relationship in the community.
- Submitted data to participate in the 2026 American Water Works Association Utility Benchmarking Program to benchmark District performance against peer utilities and support data-driven decision-making.
- Served in water industry leadership roles by participating on the Regional Water Authority Executive Committee for a fourth consecutive year and chairing the Sacramento Central Groundwater Authority for a second consecutive year.

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

- Expanded the use of Artificial Intelligence (AI) within the District by providing ChatGPT subscriptions to the Leadership Team and Engineering Technician II.
- Presented a Groundwater Recharge Basin Concept to the Sacramento Central Groundwater Authority Board (SCGA) as a potential collaborative groundwater sustainability project.

FY 2026-27 KEY OBJECTIVES

- Complete the reorganization of the District through LAFCo, dissolving the FRCD and designating EGWD as the successor district under County Water District Law.
- Preserve the employees' Classic CalPERS benefits as part of the reorganization.
- Transition the documents from FRCD to EGWD as part of the reorganization.
- Replace the filter media at the Hampton Village Water Treatment Plant.
- Install 3,917 SmartPoints and replace 1,404 meters as part of Year 2 of the AMI project.
- Leverage technology to enhance the District's efficiency.

FY 2026-27 STRATEGIC PLAN OBJECTIVES

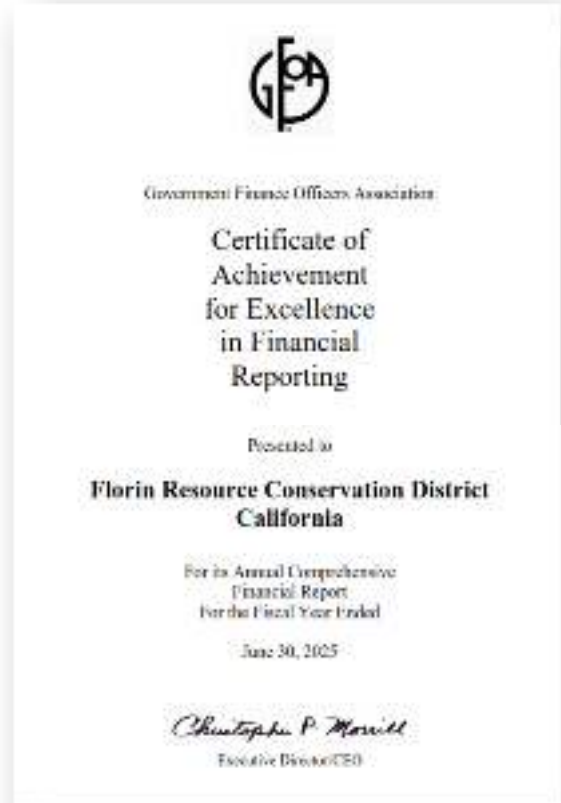
- Review the District's ordinances periodically to ensure they are current and legally compliant
Performance Measures
 - # of ordinance updates adopted annually (Target: 1)
- Manage water rates to be regionally competitive while ensuring proper financing for future Capital Improvement Program projects and maintaining compliance with outstanding debt covenants
Performance Measures
 - Rate comparison vs. regional peers (Target: $\pm 10\text{--}15\%$)
 - Debt service coverage ratio (Target: $\geq 1.15x$)
- Review operational procedures and structures for improvements to District operations
Performance Measures
 - # of improvements implemented (Target: 1)
- Continue developing standard operating procedures
Performance Measures
 - # of SOPs reviewed and approved (Target: 5)
- Host a Citizens Water Academy
Performance Measures
 - # of Citizens Water Academy (Target: 1)

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

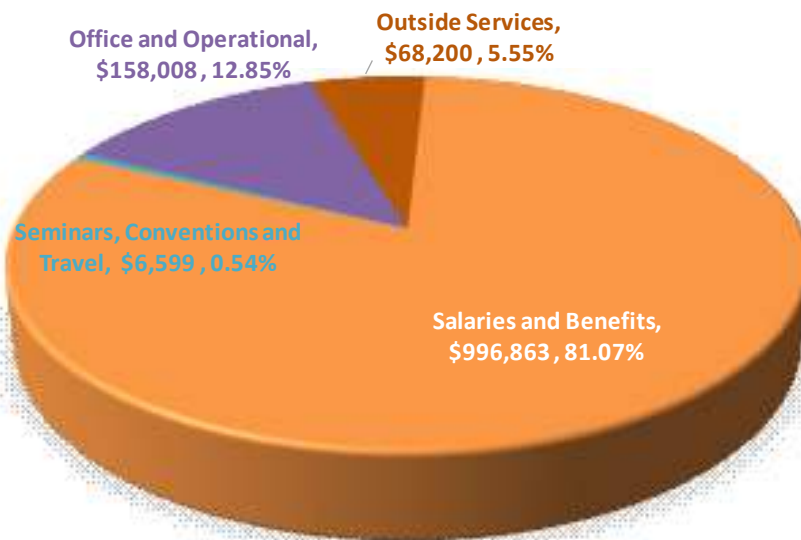
- Foster employee succession planning
Performance Measures
 - % of key roles with successors (Target: 100%)
- Participate and actively engage in local and regional water associations, agencies, and committees to address regional and statewide water efforts
Performance Measures
 - # of bi-monthly RWA board meetings attended (Target: 6)
 - # of bi-monthly SCGA board meetings attended (Target: 6)
- Partner with agencies and organizations to develop plans and projects that improve California's water resilience
Performance Measures
 - # of Water Bank program committee meetings attended (Target: 6)
- Monitor key water industry news and trends to stay informed and be proactive
Performance Measures
 - Attend technical and/or educational training (Target: 2)

FINANCE AND ADMINISTRATIVE

The Finance Department is responsible for maintaining fiscal stability in a manner consistent with generally accepted accounting principles and statutory requirements. Included in the Financial Department's duties are customer service, accounts payable, utility billing and accounts receivable, general ledger maintenance, capital assets records, investment activity, accounting, budget development and monitoring, development of cash flow models, debt service, revenue and expenditure forecasting, payroll, financial reporting, and coordination with external financial audits. Finance also oversees the general and administrative functions of the District and its administrative building, including purchasing/procurement management, risk management, equipment rent, supplies and building maintenance.

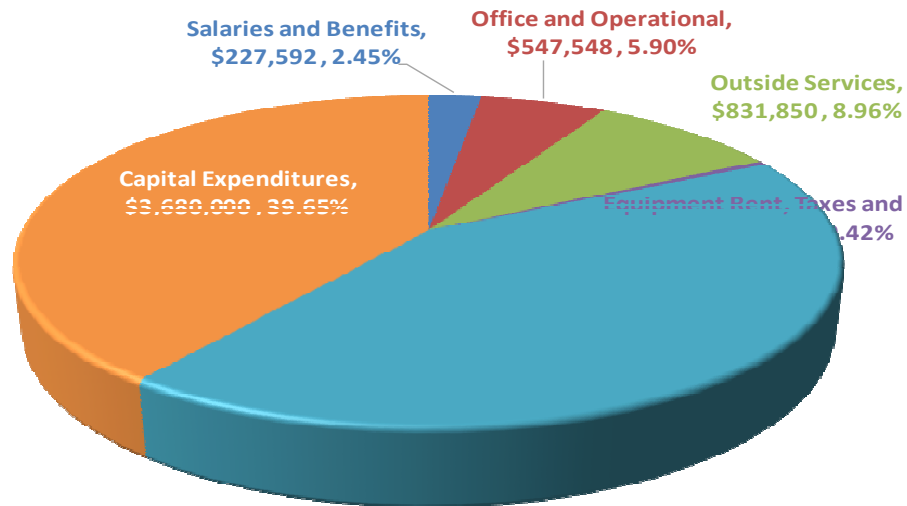


FY 2026-27 FINANCE EXPENSES



Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

FY 2026-27 ADMINISTRATIVE EXPENSES



FY 2025-26 ACCOMPLISHMENTS

- Achieved the GFOA Certificate of Achievement for Excellence in Financial Reporting for the 17th consecutive year.
- Achieved the GFOA Distinguished Budget Presentation Award for the 7th consecutive year.
- Completed the implementation of the General Ledger, Payroll, Utility Billing, Purchase Order, Accounts Receivable and Human Resource modules in the new ERP system.
- Established standard operating procedures (SOP's) on the navigation and use of the new ERP system.
- Completed the implementation of Xpress Bill Pay as the District's new utility bill payment processor and portal.
- Completed the transitioning of the District's bill printing and mailing solution to a new compatible vendor.

FY 2026-27 STRATEGIC PLAN OBJECTIVES

- Review the District's ordinances periodically to ensure they are current and legally compliant
Performance Measures
 - # of ordinance updates adopted annually (Target: 1)
- Practice sound accounting consistent with the Government Finance Officers Association Standards
Performance Measures
 - Annual financial audit results (Target: Unmodified opinion)

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

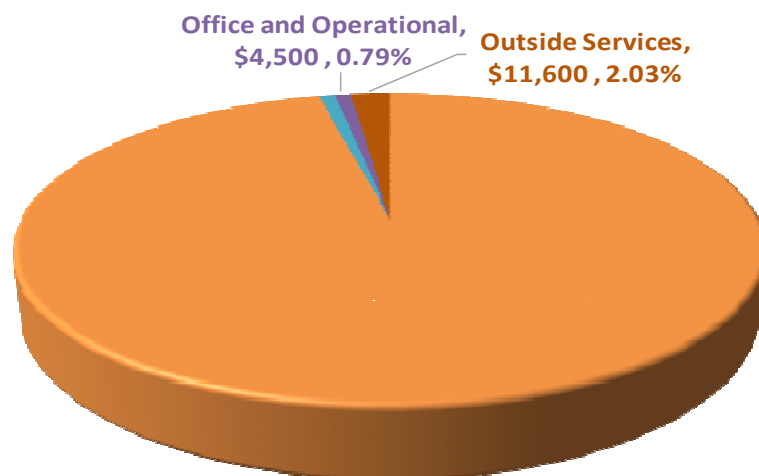
- GFOA recognition achieved/maintained (Target: Yes)
- Manage water rates to be regionally competitive while ensuring proper financing for future Capital Improvement Program projects and maintaining compliance with outstanding debt covenants
 - Performance Measures*
 - Rate comparison vs. regional peers (Target: $\pm 10\text{--}15\%$)
 - Debt service coverage ratio (Target: $\geq 1.15x$)
- Develop annual budgets that are balanced through cost saving measures or transfers from operating reserves
 - Performance Measures*
 - Budget adopted by June 30 annually (Target: 100%)
- Examine asset custody and banking services to reduce costs and increase financial operation efficiencies
 - Performance Measures*
 - Annual review completed (Target: Yes)
 - Reduction in banking/transaction fees (Target: -5.0%)
- Increase internal financial awareness by developing and disseminating quarterly department financial reports
 - Performance Measures*
 - # of reports issued annually (Target: 4)
- Evaluate internal process controls to increase security and mitigate the risk of loss and misappropriation of assets
 - Performance Measures*
 - # of control reviews annually (Target: 1)
 - # of fraud/security incidents (Target: 0)
- Review operational procedures and structures for improvements to District operations
 - Performance Measures*
 - # of improvements implemented (Target: 1)
- Continue developing standard operating procedures
 - Performance Measures*
 - # of SOPs created/updated (Target: 1)
- Monitor key water industry news and trends to stay informed and be proactive
 - Performance Measures*
 - Attend technical and educational training (Target: 2)

HUMAN RESOURCES

The Human Resource Department is responsible for handling confidential personnel matters, including recruitment, hiring, training and development, policy development and compliance and employee benefits. The Human Resources Department makes certain that employee matters are handled fairly, equitably and without discrimination according to District policies and state and federal regulations.



FY 2025-26 HUMAN RESOURCE EXPENSES



FY 2025-26 ACCOMPLISHMENTS

- Implemented the new Human Resources (HR) module
- Assisted with set-up and training in the Enterprise Resource Planning (ERP) Payroll, Purchase Order, Accounts Receivable modules
- Provided support with Enterprise Resource Planning (ERP) implementation.
- Completed phase I of the Professional Development Program for the Operations Division
- Successfully completed support of the second year of the Citizen's Water Academy
- Foster employee wellness by offering resources and opportunities that support their overall well-being.

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

FY 2026-27 STRATEGIC PLAN OBJECTIVES

- Monitor, review and update District policies to adhere to changes in operational, environmental and legislative requirements

Performance Measures

- Monitor new laws and regulatory requirements (Target: 2, Jun. & Dec.)
- # of District policies reviewed and updated (Target: 1)
- Review and update the Employee Policy Manual (Target: 1)

- Conduct orientations for new Board members to review policies and procedures

Performance Measures

- Biennial orientation provided to all newly seated Board members within one month of taking office, in accordance with District policy (Target: 100% of newly seated Board members, as applicable)
- Orientation materials reviewed and updated prior to each election cycle, as needed (Target: 100%)

- Review operational procedures and structures for improvements to District operations

Performance Measures

- Update operational processes (Target: 1)

- Continue developing standard operating procedures

Performance Measures

- # of SOPs created/updated (Target: 3)

- Host a Citizens Water Academy

Performance Measures

- # of Citizens Water Academy (Target: 1)

- Provide competitive salaries and benefits, transparently detailed in an annual total compensation statement

Performance Measures

- Complete development of reporting capabilities to support transparent total compensation statements (Target: 100%)

- Monitor the annual medical contribution cap

Performance Measures

- Complete consultant-led analysis of medical contribution cap to maintain competitiveness and balanced employee cost-sharing (Target: 100%)

- Implement a District-wide professional development program

Performance Measures

- Complete Phase II implementation (HR and Finance Departments) (Target: 100%)

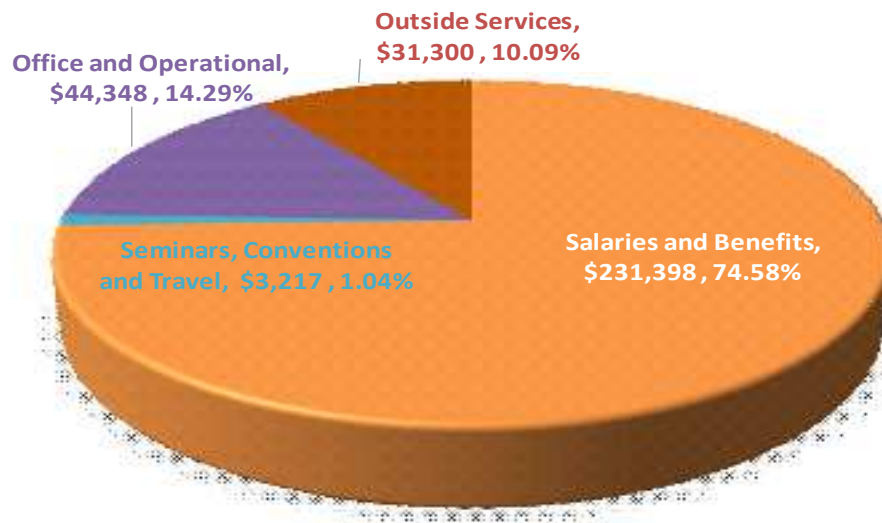
Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

- Complete administration and tracking of employee development activities (Target: 100%)
- Foster employee succession planning
 - Performance Measures*
 - % of key roles with successors (Target: 100%)
- Monitor key water industry news and trends to stay informed and be proactive
 - Performance Measures*
 - Review water industry and HR-related information using free sources (Target: quarterly)
 - Identify and communicate potential improvements based on emerging trends (Target: 2)

PROGRAM MANAGER

The Program Manager manages special programs and projects assigned by the General Manager, including water conservation, safety, legislative tracking and lobbying, grant acquisition, and public information and outreach.

FY 2025-26 PROGRAM MANAGER EXPENSES



FY 2025-26 ACCOMPLISHMENTS

- Completed the 2025 Urban Water Management Plan and Water Shortage Contingency Plan.
- Updated the District's Risk and Resilience Assessment.
- Facilitated an emergency response plan tabletop exercise involving a cyber security threat.
- Continued performing customer outreach to achieve water conservation in alignment with State goals.
- Maintained a comprehensive safety program designed to reduce risk and comply with all regulatory requirements.
- Submitted and was awarded Association of California Water Agencies Joint Powers Insurance Authority H.R. LaBounty Safety Award
- Tracked and reported water usage in compliance with Making Conservation a California Way of Life Regulation.
- Completed American Water Works Association (AWWA) Utility Benchmarking Survey



2025 Urban Water Management Plan



Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

FY 2026-27 STRATEGIC PLAN OBJECTIVES

- Review operational procedures and structures for improvements to District operations
Performance Measures
 - # of improvements implemented (Target: 1)
- Continue developing standard operating procedures
Performance Measures
 - # of SOPs created/updated (Target: 1)
- Seek out and implement advanced safety equipment and procedures to enhance job site safety
Performance Measures
 - # of new safety technologies/equipment implemented annually (Target: 1)
- Update the Risk and Resilience Assessments and the Emergency Response Plan
Performance Measures
 - Completion of updates within regulatory timeframe (Target: Yes)
- Perform an emergency preparedness planning exercise annually
Performance Measures
 - # of exercises conducted annually (Target: 1)
- Comply with the State Water Board's water use efficiency regulations by prioritizing Conservation as a California Way of Life
Performance Measures
 - Compliance with state standards (Target: Yes)
- Communicate with the community through The Water Drop newsletter and published articles
Performance Measures
 - # of publications annually (Target: 3)
- Issue the Consumer Confidence Report annually
Performance Measures
 - # of publications annually (Target: 1)
- Monitor the availability of funding for low-income and senior assistance programs
Performance Measures
 - # of funding opportunities identified (Target: 1)
- Solicit feedback on District services and customer satisfaction
Performance Measures
 - # of surveys responses received (Target: 60)

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

- Continue the District's involvement and representation at local community events and festivals
Performance Measures
 - # of events attended annually (Target: 3)
- Maintain a comprehensive safety program to reduce risk and comply with all regulatory requirements
Performance Measures
 - # of safety trainings annually (Target: 26)
- Advocate for and develop legislation that benefits water agencies regionally and statewide
Performance Measures
 - # of legislative coalitions joined (Target: 1)
- Monitor key water industry news and trends to stay informed and be proactive
Performance Measures
 - Attend technical and educational training (Target: 2)

The Technical Services Department provides planning, engineering, construction management,

FY 2026-27 TECHNICAL SERVICES EXPENSES

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

FY 2026-27 STRATEGIC PLAN OBJECTIVES

- Manage water rates to be regionally competitive while ensuring proper financing for future Capital Improvement Program projects and maintaining compliance with outstanding debt covenants

Performance Measures

- Rate comparison vs. regional peers (Target: $\pm 10\text{--}15\%$)
- Debt service coverage ratio (Target: $\geq 1.15x$)

- Review operational procedures and structures for improvements to District operations

Performance Measures

- # of improvements implemented (Target: 2)

- Continue developing standard operating procedures

Performance Measures

- # of SOPs created/updated (Target: 1)

- Enhance the District's technological capabilities to support efficient operations, improve service delivery, and foster innovation across all departments

Performance Measures

- % of AMI project phase implemented on schedule (Target: 100%)
- Complete converting daily manual well checks to automation (Target: 100%)
- Engage with industry leading technology vendors to learn about emerging products (Target: 2)

- Monitor key water industry news and trends to stay informed and be proactive

Performance Measures

- Attend technical and/or educational training or conferences (Target: 2)

INFORMATION TECHNOLOGY

The District does not have a formal Information Technology (IT) department or staff but considers the operations of IT to be an essential function. The District contracts its IT services to an IT Professional that reports to the General Manager, who is responsible for information services, including development and support of computers and software, information network, program development, office telecommunications, office security, and office systems. All hardware and software IT costs are budgeted for and directly charged to each department based on actual costs for equipment and software. Contract costs are budgeted for and paid out of the Administrative Budget, so there are no expenses to report for Information Technology.



FY 2025-26 Accomplishments

- Continued handling all IT support requests across the District, covering user issues, system problems, and general troubleshooting.
- Maintained consistent response and resolution to keep staff operational with minimal disruption.
- Performed daily system checks to verify that core systems, services, and backups were functioning as expected, addressing issues as they were identified.
- Maintained regular system maintenance across servers, workstations, and applications to ensure systems remain secure and supported.
- Continued structured update cycles to reduce risk and maintain system stability.
- Managed ongoing hardware and software lifecycle needs to avoid unsupported systems.
- Maintained and monitored backup systems to ensure recoverability of District data.
- Verified backup completion and reliability on a routine basis.
- Maintained a consistent recovery posture for critical systems.
- Maintained stable operation of the District's network and server environment.
- Performed routine system maintenance to ensure consistent performance.
- Addressed issues as they arose to prevent operational impact.
- Continued applying standard security practices including updates, configuration management, and monitoring.
- Focused on reducing overall system risk through consistent maintenance and oversight.

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

- Provided IT support for District projects and system improvements.
- Ensured systems remained functional and aligned with operational needs across departments.

FY 2026-27 STRATEGIC PLAN OBJECTIVES

- Review operational procedures and structures for improvements to District operations
Performance Measures
 - Complete the rollout of a Public Notification System (Target: yes)
 - Replace aging network systems (Target: 16)
 - Transition systems from unsupported platforms to a supported virtualization environment. (Target: 100%)
 - Verify health and availability of systems and services (Target: 260)
- Maintain a user-friendly website for easy access to Board materials, governing documents, and account management
Performance Measures
 - Website compliance with WCAG 2.1 AA standards completed (Target: 100%)
 - ADA accessibility audit and remediation completed (Target: 100%)
 - % of new content meeting accessibility standards (Target: 100%)
 - % of Board materials posted on time (Target: 100%)
 - Website uptime (Target: ≥99.5%)
 - Website analytics reviewed quarterly (Target: 100%)

OPERATIONS

The Operations Department, overseen by the General Manager, consists of the Treatment, Distribution, and Utility Divisions. The purpose of the Operations Department is to operate and maintain all facilities in a manner that safeguards public and employee health, complies with all regulatory requirements, and ensures outstanding customer service. The Operations Department is also responsible for the delivery of water to District customers as well as operating and maintaining the District's pipelines and facilities. This department includes the functions of water quality, system maintenance, planning, operations, inspection, and safety.

TREATMENT DIVISION

The Treatment Division oversees the operation and maintenance of the District's water supply and treatment facilities to ensure safe and reliable water supplies to ratepayers. Responsibilities of the Treatment Division include maintaining strict compliance with all state and federal regulatory agencies with the intent of safeguarding public health and the environment;



managing all water quality sampling and reporting to local, state, and federal agencies; and maintaining water production and equipment maintenance records and reports.

DISTRIBUTION DIVISION

The Distribution Division oversees the operation and maintenance of the District's water distribution facilities to ensure the reliable and safe distribution of water to ratepayers. Responsibilities of the Distribution Division include maintenance of 1,610 fire hydrants to ensure reliable fire flows during emergencies; and maintenance and exercising of 1,843 valves to ensure that every valve is checked and exercised every three years. The Distribution Division also conducts monthly meter readings, responds to all customer service requests, performs corrective maintenance, repairs leaks that occur in the water distribution system, and facilitates the District's backflow/cross-connection program.



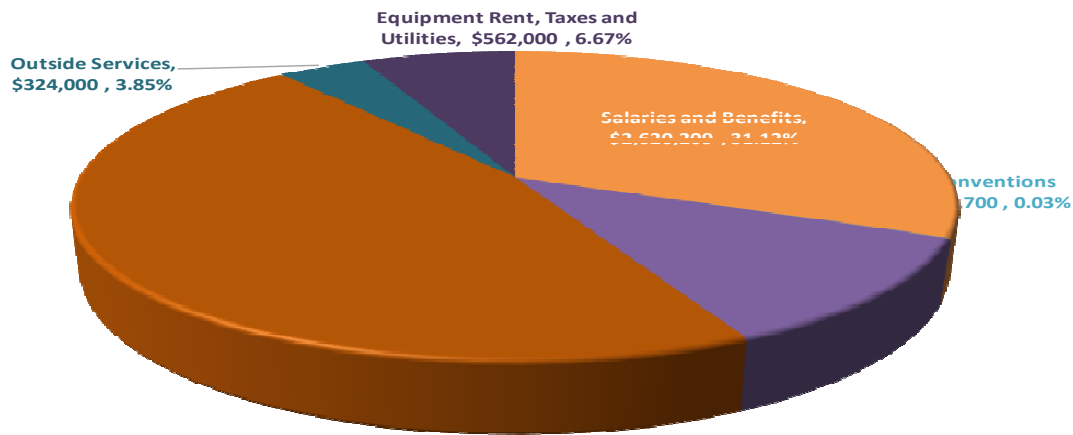
**Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget**

UTILITY DIVISION

The Utility Division oversees the implementation of the capital improvement program for the District's water system. Responsibilities of the Utility Division are to replace the District's aging water mains on a pay-as-you-go basis.



FY 2026-27 OPERATIONS DEPARTMENT EXPENSES



FY 2025-26 ACCOMPLISHMENTS

- Installed 2,300 linear feet of new water main pipeline as part of the District's ongoing water main replacement program.
- Completed the installation of 3,078 SmartPoints (phase 1 of the AMI project).
- Completed the full spectrum of Title 22 water quality sampling and testing required every three years.
- Completed replacement of the main programmable logic controller and the Railroad WTP.
- Completed inspection of all 1,718 District fire hydrants and exercising of 807 valves.

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

FY 2026-27 STRATEGIC GOAL OBJECTIVES

- Review operational procedures and structures for improvements to District operations
Performance Measures
 - # of improvements implemented (Target: 1)
- Continue developing standard operating procedures
Performance Measures
 - # of SOPs created/updated (Target: 3)
- Enhance the District's technological capabilities to support efficient operations, improve service delivery, and foster innovation across all departments
Performance Measures
 - % of AMI project phase implemented on schedule (Target: 100%)
 - % of new ERP system integrated into Operations (Target: 100%)
 - Complete converting daily manual well checks to automation (Target: 100%)
- Seek out and implement advanced safety equipment and procedures to enhance job site safety
Performance Measures
 - # of new safety technologies/equipment implemented (Target: 1)
- Identify and evaluate equipment that enhances operational efficiency and improves overall workflow
Performance Measures
 - # of equipment technologies evaluated (Target: 1)
 - # of new equipment/tools/methods implemented (Target: 1)
- Comply with all State and Federal Drinking Water Standards
Performance Measures
 - % compliance with all applicable drinking water regulations (Target: 100%)
 - # of Maximum Contaminant Level (MCL) violations (Target: 0)
 - % of required sampling events completed on schedule (Target: 100%)
 - # of notices of violation or enforcement actions (Target: 0)
- Conduct surveys of backflow devices for compliance with the Cross Connection Control Policy Handbook
Performance Measures
 - % of backflow devices inspected/tested annually (Target: 100%)
 - % of non-compliant devices corrected (Target: 100%)

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

- Maintain a comprehensive safety program to reduce risk and comply with all regulatory requirements

- Performance Measures*

- # of safety trainings annually (Target: 26)
 - Reduction in workplace incidents/injuries (Target: year-over-year decrease)

- Monitor key water industry news and trends to stay informed and be proactive

- Performance Measures*

- Attend technical and educational training (Target: 1)

LONG-TERM INDEBTEDNESS BOND COVENANT RATIO

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

LONG TERM DEBT OBLIGATIONS

The District's long-term debt obligations are comprised of the 2014 Series A Water Revenue Refunding Bonds and 2016 Series A Water Revenue Refunding Bonds. A description of the purpose, original issue, and outstanding amounts as of June 30, 2026, are as follows:

	<u>Principal</u>	<u>Interest</u>
<u>Florin Resource Conservation District, Water Revenue Refunding Bonds, 2014 Series A</u>		
On December 16, 2014, the District issued the Florin Resource Conservation District, Water Revenue Refunding Bonds, 2014 Series A in the amount of \$32,325,000. The proceeds were used to prepay aggregate principal amount of outstanding certificates of participation previously executed and delivered by the District, purchase a debt service reserve surety bond, and pay for certain costs associated with the issuance of the 2014 Series A Bonds. The Bonds are secured by a lien on the net water system revenues. Annual principal payments of \$715,000 to \$2,450,000 are due on September 1, 2016 through September 1, 2032. Semi-annual interest payments of \$37,625 to \$688,909 are due March 1 and September 1, 2016 through September 1, 2032. The interest rates range from 4.30% to 5.00%. These bonds are rated A+ by Standard and Poors	\$ 13,800,000	\$ 2,007,003
<u>Florin Resource Conservation District, Water Revenue Refunding Bonds, 2016 Series A</u>		
On June 7, 2016, the District issued the Florin Resource Conservation District, Direct Placement Water Revenue Refunding Bonds, 2016 Series A in the amount of \$14,875,000. The proceeds were used to prepay aggregate principal amount of outstanding certificates of participation previously executed and delivered by the District, purchase a debt service reserve surety bond, and pay for certain costs associated with the issuance of the 2016 Series A Bonds. The Bonds are secured by a lien on the net water system revenues. Annual principal payments of \$350,000 to \$2,395,000 are due on September 1, 2016 through September 1, 2032. Semi-annual interest payments of \$43,110 to \$261,450 are due March 1 and September 1, 2016 through September 1, 2032. The interest rate is 3.6%. This is a private placement debt obligation and as such is not rated	\$ 10,420,000	\$ 1,634,940
TOTAL	<u>\$ 24,220,000</u>	<u>\$ 3,641,943</u>

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

Bond Covenant Ratio Requirements

The 2014 and 2016 bonds are parity debt, with the net revenues required to be at least 1.15 times the sum of the cash basis installment principal and interest payments on the outstanding bonds and any other obligation payable from water system revenues.

The calculation of the projected required coverage ratio based on the FY 2026-27 budget is as follows:

	<u>2027</u>
Covenant:	
Net Income	\$ 5,829,973
Interest and principal payments, cash basis (as defined)	<u>\$ 3,981,047</u>
Coverage ratio computed	<u>1.46</u>

The annual requirements to amortize the outstanding debt through maturity are as follows:

Year Ending	2014 Refunding, Series A Bonds		Direct Placement 2016 Refunding, Series A Bonds		Total
	Principal	Interest	Principal	Interest	
2027	2,285,000	545,147	790,000	360,900	3,981,047
2028	2,365,000	465,200	815,000	332,010	3,977,210
2029	2,450,000	379,406	845,000	302,130	3,976,536
2030	2,150,000	281,250	1,280,000	263,880	3,975,130
2031	1,610,000	187,250	1,985,000	205,110	3,987,360
2032-2033	2,940,000	148,750	4,705,000	170,910	7,964,660
	<u>\$ 13,800,000</u>	<u>\$ 2,007,003</u>	<u>\$ 10,420,000</u>	<u>\$ 1,634,940</u>	<u>\$ 27,861,943</u>

FISCAL YEAR 2026-27 RATES AND FEES SCHEDULE

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

Use Charges:

Fixed charge based on the number of accounts and the size of the water meter/connections:

Connection Size	Jan 1, 2026	Jan 1, 2027
1"	\$ 67.16	\$ 70.19
1.5"	\$ 122.23	\$ 127.74
2"	\$ 188.31	\$ 196.79
3"	\$ 397.60	\$ 415.50
4"	\$ 672.95	\$ 703.24
6"	\$ 1,499.03	\$ 1,566.49
8"	\$ 1,774.38	\$ 1,854.23
10"	\$ 4,638.10	\$ 4,846.82

Commodity charge for units of water used in a month:

Service Type	Jan 1, 2026	Jan 1, 2027
Residential Metered		
Tier 1 (0-30 CCF)	\$ 2.36	\$ 2.47
Tier 2 (30.01+ CCF)	\$ 3.50	\$ 3.66
CCF = Hundred Cubic Feet		
Non-residential	\$ 2.35	\$ 2.46
Irrigation	\$ 3.25	\$ 3.40

Other Fees:

Private Fire Protection Service Rates:

Connection Size	Jan 1, 2026	Jan 1, 2027
2"	\$ 4.07	\$ 4.26
3"	\$ 11.79	\$ 12.33
4"	\$ 25.12	\$ 26.26
6"	\$ 72.93	\$ 76.22
8"	\$ 155.40	\$ 162.40
10"	\$ 279.45	\$ 292.03
12"	\$ 451.36	\$ 471.68

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

Other: Effective February 15, 2022

Fee Type	Amount
Account set up	\$30.00
Return check charge	\$30.00, plus amount of check
Meter re-read	
First request	Free
Subsequent requests	\$25.00
Photocopies - Black and white	\$0.10/page
Photocopies - Color	\$0.15/page
Delinquency shutoff	
Delinquent amount	Amount of past due bill
Door Tag Fee	\$25.00
Late Payment Penalty	\$100.00
24-hour turn-on fee	\$100.00
Meter testing	\$47.00/hour
Back flow Tag Fee	\$25.00/tag
Back flow Testing Fee	T/M at contractors' rate
Fire flow testing	\$156.00
Violation of water ordinance (within 1 year)	
First occurrence	\$100.00
Second occurrence	\$200.00
Each additional occurrence	\$500.00
Plan check fees	
Irrigation only	\$500.00
1 lot (EDU)	\$500.00
2-9 lots (EDUs)	\$2,000.00
10 lots (EDUs) or more	\$5,000.00
Construction/temporary service	
Installation & removal	\$194.00
Daily rental	\$7.14
Special Capital Development Fee	1/3 of total consumption charge
Deposit	\$3,000.00
Water Theft and Meter Tampering	See "Water Theft and Tampering w/ District Facilities Ordinance"

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

New Connections: Effective September 18, 2023

Fees for new connection to EGWD contain two components. The base charge for a 1-inch meter is \$926.00 and larger meter installations will be charged any additional time and material (T&M) cost. The second is a capacity charge, which covers the cost of “buying-in” to an existing system. New connections in EGWD’s Service Area 2 do not pay the capacity charge, as those costs are part of Sacramento County’s infrastructure.

Meter Size	Meter Charge	Capacity Fee	Total
1”	\$ 926	\$ 4,292	\$ 5,518
1.5”	T&M	\$ 8,584	\$ 8,584 + T&M
2”	T&M	\$ 13,734	\$ 13,734 + T&M
3”	T&M	\$ 30,044	\$ 30,044 + T&M
4”	T&M	\$ 51,504	\$ 51,504 + T&M
6”	T&M	\$ 115,884	\$ 115,884 + T&M

FISCAL YEAR 2026-27 SALARY SCHEDULE

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

ELK GROVE WATER DISTRICT

Non-Exempt Positions
Annual, Bi-Weekly & Hourly Wage
As of July 1, 2026 (3.70% COLA)

Position	Grade	Step I	Step II	Step III	Step IV	Step V
Administrative Assistant I	40	\$ 60,985.60	\$ 64,022.40	\$ 67,225.60	\$ 70,636.80	\$ 74,131.20
		\$ 2,345.60	\$ 2,462.40	\$ 2,585.60	\$ 2,716.80	\$ 2,851.20
		\$ 29.32	\$ 30.78	\$ 32.32	\$ 33.96	\$ 35.64
Administrative Assistant II	44	\$ 67,225.60	\$ 70,636.80	\$ 74,131.20	\$ 77,812.80	\$ 81,744.00
		\$ 2,585.60	\$ 2,716.80	\$ 2,851.20	\$ 2,992.80	\$ 3,144.00
		\$ 32.32	\$ 33.96	\$ 35.64	\$ 37.41	\$ 39.30
Engineering Technician I	55	\$ 87,921.60	\$ 92,310.40	\$ 96,928.00	\$ 101,795.20	\$ 106,849.60
		\$ 3,381.60	\$ 3,550.40	\$ 3,728.00	\$ 3,915.20	\$ 4,109.60
		\$ 42.27	\$ 44.38	\$ 46.60	\$ 48.94	\$ 51.37
Engineering Technician II	59	\$ 96,928.00	\$ 101,795.20	\$ 106,849.60	\$ 112,236.80	\$ 117,852.80
		\$ 3,728.00	\$ 3,915.20	\$ 4,109.60	\$ 4,316.80	\$ 4,532.80
		\$ 46.60	\$ 48.94	\$ 51.37	\$ 53.96	\$ 56.66
Engineering Technician III	63	\$ 106,849.60	\$ 112,236.80	\$ 117,852.80	\$ 123,718.40	\$ 129,875.20
		\$ 4,109.60	\$ 4,316.80	\$ 4,532.80	\$ 4,758.40	\$ 4,995.20
		\$ 51.37	\$ 53.96	\$ 56.66	\$ 59.48	\$ 62.44
Human Resources Technician	52	\$ 81,744.00	\$ 85,820.80	\$ 90,168.00	\$ 94,577.60	\$ 99,340.80
		\$ 3,144.00	\$ 3,300.80	\$ 3,468.00	\$ 3,637.60	\$ 3,820.80
		\$ 39.30	\$ 41.26	\$ 43.35	\$ 45.47	\$ 47.76
Operator in Training	45	\$ 68,889.60	\$ 72,342.40	\$ 75,940.80	\$ 79,768.00	\$ 83,720.00
		\$ 2,649.60	\$ 2,782.40	\$ 2,920.80	\$ 3,068.00	\$ 3,220.00
		\$ 33.12	\$ 34.78	\$ 36.51	\$ 38.35	\$ 40.25
Senior Utility Billing Specialist	56	\$ 90,168.00	\$ 94,577.60	\$ 99,340.80	\$ 104,332.80	\$ 109,595.20
		\$ 3,468.00	\$ 3,637.60	\$ 3,820.80	\$ 4,012.80	\$ 4,215.20
		\$ 43.35	\$ 45.47	\$ 47.76	\$ 50.16	\$ 52.69
Utility Billing Specialist I	36	\$ 55,328.00	\$ 58,115.20	\$ 60,985.60	\$ 64,022.40	\$ 67,225.60
		\$ 2,128.00	\$ 2,235.20	\$ 2,345.60	\$ 2,462.40	\$ 2,585.60
		\$ 26.60	\$ 27.94	\$ 29.32	\$ 30.78	\$ 32.32
Utility Billing Specialist II	40	\$ 60,985.60	\$ 64,022.40	\$ 67,225.60	\$ 70,636.80	\$ 74,131.20
		\$ 2,345.60	\$ 2,462.40	\$ 2,585.60	\$ 2,716.80	\$ 2,851.20
		\$ 29.32	\$ 30.78	\$ 32.32	\$ 33.96	\$ 35.64
Utility Billing Specialist III	46	\$ 70,636.80	\$ 74,131.20	\$ 77,812.80	\$ 81,744.00	\$ 85,820.80
		\$ 2,716.80	\$ 2,851.20	\$ 2,992.80	\$ 3,144.00	\$ 3,300.80
		\$ 33.96	\$ 35.64	\$ 37.41	\$ 39.30	\$ 41.26

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

ELK GROVE WATER DISTRICT

Non-Exempt Positions
Annual, Bi-Weekly & Hourly Wage
As of July 1, 2026 (3.70% COLA)

Position	Grade	Step I	Step II	Step III	Step IV	Step V
Water Distribution Supervisor	66	\$ 115,003.20	\$ 120,744.00	\$ 126,776.00	\$ 133,140.80	\$ 139,838.40
		\$ 4,423.20	\$ 4,644.00	\$ 4,876.00	\$ 5,120.80	\$ 5,378.40
		\$ 55.29	\$ 58.05	\$ 60.95	\$ 64.01	\$ 67.23
Water Distribution Operator I	49	\$ 75,940.80	\$ 79,768.00	\$ 83,720.00	\$ 87,921.60	\$ 92,310.40
		\$ 2,920.80	\$ 3,068.00	\$ 3,220.00	\$ 3,381.60	\$ 3,550.40
		\$ 36.51	\$ 38.35	\$ 40.25	\$ 42.27	\$ 44.38
Water Distribution Operator II	53	\$ 83,720.00	\$ 87,921.60	\$ 92,310.40	\$ 96,928.00	\$ 101,795.20
		\$ 3,220.00	\$ 3,381.60	\$ 3,550.40	\$ 3,728.00	\$ 3,915.20
		\$ 40.25	\$ 42.27	\$ 44.38	\$ 46.60	\$ 48.94
Water Distribution Operator III	57	\$ 92,310.40	\$ 96,928.00	\$ 101,795.20	\$ 106,849.60	\$ 112,236.80
		\$ 3,550.40	\$ 3,728.00	\$ 3,915.20	\$ 4,109.60	\$ 4,316.80
		\$ 44.38	\$ 46.60	\$ 48.94	\$ 51.37	\$ 53.96
Water Treatment Supervisor	66	\$ 115,003.20	\$ 120,744.00	\$ 126,776.00	\$ 133,140.80	\$ 139,838.40
		\$ 4,423.20	\$ 4,644.00	\$ 4,876.00	\$ 5,120.80	\$ 5,378.40
		\$ 55.29	\$ 58.05	\$ 60.95	\$ 64.01	\$ 67.23
Water Treatment Operator I	49	\$ 75,940.80	\$ 79,768.00	\$ 83,720.00	\$ 87,921.60	\$ 92,310.40
		\$ 2,920.80	\$ 3,068.00	\$ 3,220.00	\$ 3,381.60	\$ 3,550.40
		\$ 36.51	\$ 38.35	\$ 40.25	\$ 42.27	\$ 44.38
Water Treatment Operator II	53	\$ 83,720.00	\$ 87,921.60	\$ 92,310.40	\$ 96,928.00	\$ 101,795.20
		\$ 3,220.00	\$ 3,381.60	\$ 3,550.40	\$ 3,728.00	\$ 3,915.20
		\$ 40.25	\$ 42.27	\$ 44.38	\$ 46.60	\$ 48.94
Water Treatment Operator III	57	\$ 92,310.40	\$ 96,928.00	\$ 101,795.20	\$ 106,849.60	\$ 112,236.80
		\$ 3,550.40	\$ 3,728.00	\$ 3,915.20	\$ 4,109.60	\$ 4,316.80
		\$ 44.38	\$ 46.60	\$ 48.94	\$ 51.37	\$ 53.96

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

ELK GROVE WATER DISTRICT

Exempt Positions

Annual, Bi-Weekly & Hourly Wage

As of July 1, 2026 (3.70% COLA)

Position	Grade	Step I	Step II	Step III	Step IV	Step V
Finance Manager	88	\$ 196,684.80	\$ 206,585.60	\$ 216,881.60	\$ 227,739.20	\$ 239,096.00
		\$ 7,564.80	\$ 7,945.60	\$ 8,341.60	\$ 8,759.20	\$ 9,196.00
		\$ 94.56	\$ 99.32	\$ 104.27	\$ 109.49	\$ 114.95
Senior Civil Engineer	77	\$ 150,404.80	\$ 157,892.80	\$ 165,776.00	\$ 174,054.40	\$ 182,790.40
		\$ 5,784.80	\$ 6,072.80	\$ 6,376.00	\$ 6,694.40	\$ 7,030.40
		\$ 72.31	\$ 75.91	\$ 79.70	\$ 83.68	\$ 87.88
Finance Supervisor	71	\$ 129,875.20	\$ 136,364.80	\$ 143,187.20	\$ 150,404.80	\$ 157,892.80
		\$ 4,995.20	\$ 5,244.80	\$ 5,507.20	\$ 5,784.80	\$ 6,072.80
		\$ 62.44	\$ 65.56	\$ 68.84	\$ 72.31	\$ 75.91
Associate Civil Engineer	71	\$ 129,875.20	\$ 136,364.80	\$ 143,187.20	\$ 150,404.80	\$ 157,892.80
		\$ 4,995.20	\$ 5,244.80	\$ 5,507.20	\$ 5,784.80	\$ 6,072.80
		\$ 62.44	\$ 65.56	\$ 68.84	\$ 72.31	\$ 75.91
Human Resources Administrator	70	\$ 126,776.00	\$ 133,140.80	\$ 139,838.40	\$ 146,764.80	\$ 154,128.00
		\$ 4,876.00	\$ 5,120.80	\$ 5,378.40	\$ 5,644.80	\$ 5,928.00
		\$ 60.95	\$ 64.01	\$ 67.23	\$ 70.56	\$ 74.10
Program Manager	69	\$ 123,718.40	\$ 129,875.20	\$ 136,364.80	\$ 143,187.20	\$ 150,404.80
		\$ 4,758.40	\$ 4,995.20	\$ 5,244.80	\$ 5,507.20	\$ 5,784.80
		\$ 59.48	\$ 62.44	\$ 65.56	\$ 68.84	\$ 72.31
Associate Engineer	65	\$ 112,236.80	\$ 117,852.80	\$ 123,718.40	\$ 129,875.20	\$ 136,364.80
		\$ 4,316.80	\$ 4,532.80	\$ 4,758.40	\$ 4,995.20	\$ 5,244.80
		\$ 53.96	\$ 56.66	\$ 59.48	\$ 62.44	\$ 65.56

ELK GROVE WATER DISTRICT

General Manager

Annual, Bi-Weekly & Hourly Wage

As of July 1, 2026 (3.70% COLA)

Position	Grade	Minimum	Current	-	-	Maximum
General Manager	103	\$ 283,545.60	\$ 293,571.20			\$ 344,635.20
		\$ 10,905.60	\$ 11,291.20			\$ 13,255.20
		\$ 136.32	\$ 141.14			\$ 165.69

GLOSSARY

ACRONYMS & GLOSSARY OF TERMS

A

Account – A category that identifies the justification of the transaction of funds received or paid.

Account Balance – The difference in dollars between the total debits and the total credits in an account.

Accrual Basis of Accounting – A basis of accounting under which increases and decreases in economic resources are recognized as soon as the underlying event or transaction occurs. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of related cash flows.

Accrual – The recognition of a revenue or expense in the current period even though the actual cash may not be received or paid until the following period.

ACFR – Annual Comprehensive Financial Report.

Acre-foot of Water – The volume of water that covers one acre to a depth of one foot; 43,560 cubic feet; 1,233.5 cubic meters; 325,872 gallons.

Actual – The final audited revenue / expense results of operations for the fiscal year indicated.

ACWA – Association of California Water Agencies.

AICPA – American Institute of Certified Public Accountants.

AMI – Advanced Metering Infrastructure.

Amortization – Gradual reduction, redemption, or liquidation of the balance of an account according to specified times and amounts.

Assets – Resources owned or held by EGWD/FRCD which have monetary value.

Audit – An examination of the books and records of EGWD/FRCD to determine financial status and results of operations (excess or loss).

AWWA – American Water Works Association.

B

Backflow – The backing up of water through a conduit or channel in the direction opposite to normal flow.

BMPs – Best Management Practices.

Board of Directors – The EGWD/FRCD is governed by a Board, the members of which are elected by the voters within the FRCD boundaries. The Board sets policy and provides overall leadership for EGWD/FRCD including the mission, goals, priorities, and resource allocation.

Bond Issuance Costs – The costs incurred by the bond issuer during the planning, marketing, and sale of a bond issue.

Bonds – Fixed income instruments that represent loans made by investors to borrowers.

Budget Calendar – The schedule of key dates or milestones which the District follows in the preparation, adoption, and administration of the budget.

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

Budgetary Control – The control of management in accordance with the approved budget to keep expenses within the limitations of available appropriations and available revenues.

C

CAC – Community Advisory Committee.

CalPERS – California Public Employees Retirement System.

Capital Equipment (Assets) – Fixed assets such as vehicles, computers, equipment, technical instruments, etc., which have a life expectancy of more than one year and a value over \$5,000.

Cash Flows – The movement of cash in and out of the District from day-to-day activities.

Cash Management – The management of cash flows in such a way that interest and penalties paid are minimized and interest earned is maximized. Funds received are deposited on the day of receipt and invested as soon as the funds are available. The District maximizes the return on all funds available for investment without sacrifice of safety or necessary liquidity.

CCF – Centum cubic feet.

CCR – Consumer Confidence Report.

CEQA – California Environmental Quality Act.

CIP – Capital Improvement Program.

COLA – Cost of Living Adjustment.

CMTA – California Municipal Treasurer’s Association.

Consumer Price Index (CPI) – A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living or doing business (i.e. economic inflation).

CSDA – California Special Districts Association.

CSR – Customer Service Representative.

CSMFO – California Society of Municipal Finance Officers.

CTO – Compensatory time off.

Current Assets – Cash plus assets that are expected to be converted to cash, sold, or consumed during the next 12 months or as a part of the normal operating cycle.

Current Liabilities – Obligations that will become due within the next year or within the normal operating cycle, if longer than a year.

D

Debt – An obligation resulting from the borrowing of money or from the purchase of goods and services. These include bonds and accounts payable.

Debt Service – The payment of principal and interest on any short-term and long-term debt.

Debt Service Requirements – The amount of money required to pay interest and principal on outstanding debt.

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

Depreciation – The allocation of the acquisition cost of plant, property and equipment to the particular periods or products that benefit from the utilization of the asset in service.

E

Easement – An acquired legal right to the use of land owned by others.

ECCP – Employee Cost Control Program.

EDU – Equivalent Dwelling Unit.

EGWD – Elk Grove Water District.

Enterprise Fund – A fund established to account for the operation of self-supporting enterprises.

ERP – Enterprise Resource Planning.

Expenditures – A decrease in net financial resources, actual payment for goods and services received.

F

Financial Statement – A set of summary documents which pertain to financial information that consist of the following: Balance Sheet or Combining Schedule of Net Assets, Income Statement or Combining Schedule of Revenues and Expenses, Statement of Cash Flows, Notes of Financial Statements and, in the District's case, various Supplements, Schedules, etc.

Fiscal Policy – The District's policies with respect to revenues, spending, and debt management as these relate to services, programs, and capital investment.

Fixed Assets – Long-term tangible assets that have a normal use expectancy of more than one year and do not lose their individual identity through use. Fixed assets include primarily buildings, equipment, and land.

FRCD – Florin Resource Conservation District.

FTE – Full Time Equivalent.

Fund – A fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities, or balances and changes therein, are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance – The cumulative difference of all revenues and all expenses of the fund from the time the District was established. Fund balance is also considered to be the difference between fund assets and fund liabilities and is sometimes referred to as "fund equity" at any given point in time.

G

Generally Accepted Accounting Principles (GAAP) – Uniform minimum standards of, and guidelines for, external financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provides a standard by which to measure financial presentations. The primary authoritative statement on the application of GAAP to state and local governments is Government Accounting Standards Board (GASB) pronouncements.

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

Geographic Information System (GIS) – An organized collection of computer hardware, software and geographic data designed to efficiently capture, store, update, manipulate, analyze, and display all forms of geographically referenced information.

Goals – General statements of desired state, condition, or situation to be achieved, which may be viewed from a short or long-term perspective

Governmental Accounting Standards Board (GASB) – Their mission is to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports.

Governmental Finance Officers of America (GFOA) – Their purpose is to enhance and promote the professional management of governments for the public benefit. The GFOA accomplishes this mission by identifying and developing financial policies and practices and promoting them through education, training, and leadership.

Groundwater – Water produced by pumping from underground.

GSP – Groundwater Sustainability Plan.

H

I

Independent Auditor – External public accounting firm hired to audit the annual financial statements and express an opinion on those statements as to conformity with generally accepted accounting principles.

Infrastructure – District owned capital assets that provide services to the ratepayers.

Internal Control – Methods and procedures that are primarily concerned with the authorization of transactions, safeguarding of assets, and accuracy of the financial records.

Inventories – Items held for future use.

Investment Income – Income derived by investing certain fund balance in interest-yielding securities in compliance with the provisions of the District's Investment policy.

J

K

L

Liabilities – Obligations incurred in past or current transactions requiring present or future settlement.

Long-Term Debt – Debt with a maturity of more than one year after the date of issuance.

M

Meter – An instrument of measuring the flow of water.

MGD – Million gallons per day.

Mid-Year Review – Midway through the fiscal year the current year budget is evaluated based on spending to date and current projections. The primary areas reviewed and analyzed are year-to-date expenditure and revenue status plus expenditure and revenue projections for the remainder of the year.

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

Modified Accrual Basis – The accrual basis of accounting adapted to the governmental fund type. Revenues are recognized when they become both “measurable” and “available to finance expenditures of the current period.” Expenditures are recognized when the liability is incurred except on long-term debt which is recognized when due.

N

Net Position – *The difference between the District’s assets plus deferred outflows of resources and the District’s liabilities plus deferred inflows of resources.*

Notes Payable – Long or short-term obligations that are payable according to a contract or agreement in which the timeframe is executed.

NSF – Non-sufficient funds.

O

Objective – A statement of purpose defined more specifically than goals, defining the result-oriented activities necessary to achieve a stated goal.

Obligation – Amounts which the District may be legally required to meet out of its resources and includes not only actual liabilities, but also encumbrances not yet paid.

OPEB – Other Post Employment Benefit.

Operating Expense – All costs required for the daily operation of the District necessary to provide services and maintain the systems in good operating condition that are not considered capital improvements or debt repayments.

Overtime – Hours worked in excess of 40 hours per work week or hours worked in excess of those scheduled in a shift.

P

PEPRA – Public Employees’ Pension Reform Act of 2013 is a California law that significantly changed how retirement and health benefits are applied to new members of the CalPERS. It primarily affects those hired on or after January 1, 2013.

Projected – An estimate of revenues or expenses based on past trends, the present economic situation, and future financial forecasts.

PTO – Personal time off.

Q

R

Ratepayers– Those being provided with water service by Elk Grove Water District.

Refunding Bonds – Bonds issued to retire bonds that are already outstanding.

Reimbursements – Payment made to someone for out-of-pocket expenses incurred.

Reserves – An account used to indicate that a portion of a fund’s assets are restricted for a specific purpose.

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

Revenue – An inflow of assets in exchange for services.

Revenue Bonds – Municipal bonds that finance income-producing projects and are secured by a specific revenue source.

Risk Management – A coordinated effort to minimize costs – typically where insurance policies are purchased to manage the District’s exposure to various risks of loss; Workers’ Compensation; theft of, damage to, and destruction of assets, errors, and omissions; injuries to employees; and natural disasters.

RRWTF – Railroad Water Treatment Facility.

RWA – Regional Water Authority.

S

SCADA System – “**Supervisory Control and Data Acquisition**” System. The computer system that collects data, processes the data, and allows operating personnel to take corrective actions.

SCGA – Sacramento Central Groundwater Authority.

SCWA – Sacramento County Water Agency.

SDLF – Special District Leadership Foundation.

SOP – Standard operating procedures.

T

Treated Water – Water which has been processed through the District’s water treatment plant(s) or imported from other utilities to supplement the EGWD’s water supplies.

T&M – Time and materials.

U

V

Variance – The dollar and/or percentage difference between two sets of figures.

VFD – Variable frequency drive.

VTO – Vacation time off.

W

Water Conservation – Reducing the demand for water through activities that alter water use practices, e.g., improving efficiency in water use, and reducing losses of water from leaks.

Water Quality – The chemical, physical and biological characteristics of water with respect to its suitability for a particular purpose. The same water may be of good quality for one purpose or use, and bad for another, depending on its characteristics and the requirements for the particular use.

Well – A vertical drilled hole into an underground formation, usually to obtain a source of water, to monitor ground water quality or to determine the position of the water table.

WDO – Water Distribution Operator.

Florin Resource Conservation District/Elk Grove Water District
Fiscal Year 2026-27 Operating Budget

X

Y

Z

COUNTY OF SACRAMENTO
Voter Registration & Elections

Estimate Date: May 19, 2026

[illegible]

For questions regarding this estimate, please email voters-fiscalservices@saccounty.gov

Election Administration Fees	June 2026	November 2026
District Base Set-up, including Measures	\$8,896.00	\$2,461.00
First Contest, including Measures	\$1.2919 (per registered voter)	\$1.4199 (per registered voter)
Additional Contest, including Measures	\$0.1301 (per registered voter)	\$0.1489 (per registered voter)
Additional Page over 4 in the County Voter Information Guide - Measures Only	\$0.0136 (per registered voter)	\$0.0258 (per registered voter)

Attachment 2
On Call Pay Calculation

Employee	Annual Salary	Bi-Weekly Salary	Class A Pay	Bi-Weekly On- Call Pay	Longevity	By-Weekly Longevity	Total Bi-weekly Compensation	FLSA OT Rate
John Smith	\$ 108,222.40	\$ 4,162.40	\$120	\$ 595.00	\$ 2,705.56	\$ 104.06	\$ 4,981.46	\$ 93.40

On Call Pay	Daily Stipend	No. of Days	Operators	Amount
Current practice	\$85	365	1	\$ 31,025.00
New practice	\$85	365	2	\$ 62,050.00
				<u>\$ 31,025.00</u>

Difference

Well Checks	Sat-Sun hrs. (26 wks)	Fri-Sat-Sun hrs. (26 wks)	O/T Rate	Amount
Current practice	6	9	\$ 93.40	\$ 36,427
New practice	0	0	\$ 93.40	\$ 0
				<u>\$ (36,426.93)</u>

Difference

Balances to approx.
Net Zero

Assumptions:

Water Operator III at step 5 pay rate

Operator has Class A Pay

On-Call Pay duration is over 7 days

Operator receives longevity pay at the rate for 10 years service

Well checks take 3 hours per day

Well checks occur on Sat-Sun every other week (26 wks/yr)

Well checks occur on Fri-Sat-Sun every other week (26 wks/yr)

June 16, 2026

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Patrick Lee, Finance Manager/Treasurer

SUBJECT: **FISCAL YEAR 2026-27 INVESTMENT POLICY GUIDELINES**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors adopt Resolution No. 06.16.26.02, approving the Fiscal Year 2026-27 Investment Policy Guidelines of the Florin Resource Conservation District and delegating investment authority to the Finance Manager/Board Treasurer.

SUMMARY

California Government Code requires the Florin Resource Conservation District (District) Board of Directors (Board) to annually review the District's investment authority and policy. Staff has reviewed the District's Investment Policy Guidelines for compliance with applicable laws governing the investment of public funds and determined that no changes are necessary at this time. The policy continues to provide guidance for the prudent investment and management of District funds.

DISCUSSION

Background

State of California Government Code section 53607 et. seq., states that the authority to invest District funds is expressly delegated to the Board. The Board may then re-delegate that authority to the District Treasurer for a period of up to one (1) year. Subject to review, the Board may renew the delegation of authority each year.

Present Situation

The District's Investment Policy Guidelines requires the readoption and delegation of investment authority annually. California Government Code sections 53600 – 53610 establishes the guidelines for the investment of public funds including the types of allowable investments and maximum amounts of each type of investment. Staff has reviewed the policy for compliance with applicable government codes and is not recommending any changes to the Investment Policy Guidelines at this time.

FISCAL YEAR 2026-27 INVESTMENT POLICY GUIDELINES

Page 2

California Government Code section 53607 et. seq., allows the authority of the Board to invest or to reinvest funds of the District, or to sell or exchange securities so purchased, to be delegated for a one-year period by the Board to the Treasurer of the District, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires.

If approved, the Board will readopt the District's Investment Policy Guidelines and delegate investment authority to the Finance Manager/Board Treasurer for fiscal year 2026-27.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

This item conforms to the FRCD/EGWD's 2025-2030 Strategic Plan. Annual adoption of the Investment Policy Guidelines is in line with the Fiscal Responsibility and best business practices of the Strategic Plan.

FINANCIAL SUMMARY

There is no direct financial impact associated with this report.

Respectfully submitted,



PATRICK LEE
FINANCE MANAGER / TREASURER

Attachment

RESOLUTION NO. 06.16.26.02

**A RESOLUTION OF THE FLORIN RESOURCE
CONSERVATION DISTRICT BOARD OF DIRECTORS APPROVING
THE FISCAL YEAR 2026-27 INVESTMENT POLICY GUIDELINES OF THE FLORIN
RESOURCE CONSERVATION DISTRICT AND DELEGATING INVESTMENT
AUTHORITY TO THE FINANCE MANAGER/BOARD TREASURER**

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

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

WHEREAS, the Florin Resource Conservation District Board of Directors (Board) adopted the Fiscal Year (FY) 2025-26 Investment Policy Guidelines on June 17, 2025, to guide the District, General Manager, Finance Manager, and District staff regarding District investments; and

WHEREAS, Section XIV of the Investment Policy Guidelines provides that the District shall adopt the guidelines by resolution annually; and

WHEREAS, California Government Code Section 53607 et. seq., allows the authority of the Board to invest or to reinvest funds of the District, or to sell or exchange securities so purchased, to be delegated for a one-year period by the Board to the Treasurer of the District, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires; and

WHEREAS, the Board wishes to adopt the FY 2026-27 Investment Policy Guidelines and delegate investment authority to the District's Treasurer for a period of one year.

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

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

SECTION 2. Investments shall be made in accordance with the FY 2026-27 Investment Policy Guidelines attached hereto as Exhibit "A," and made a part hereof.

SECTION 3. Investment authority shall be delegated to the District Treasurer for a period of one year.

SECTION 4. The policies adopted by this resolution are in addition to and supplement

any other legal requirements.

SECTION 5. The Board Secretary shall certify the passage and adoption of this resolution and the same shall take effect and be in force upon its adoption.

PASSED, APPROVED AND ADOPTED by the Florin Resource Conservation District Board of Directors on this 16th day of June 2026 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Paul Lindsay
Chair

ATTEST:

Stefani Phillips
Board Secretary

APPROVED AS TO FORM:

Joshua M. Horowitz
General Counsel

EXHIBIT “A”

FLORIN RESOURCE CONSERVATION DISTRICT

“FISCAL YEAR 2026-27 INVESTMENT POLICY GUIDELINES”

[Attached behind this cover page]

Policy Type: Florin Resource Conservation District Board of Directors
Policy Title: Fiscal Year 2026-27 Investment Policy Guidelines
Date Adopted: June 16, 2026
Resolution No: 06.16.26.02
Date Amended:

I. PURPOSE

The purpose of this policy is to provide guidelines for the investment of public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Florin Resource Conservation District (District) and conforming to all state and local statutes governing the investment of public funds.

II. POLICY

This policy applies to all surplus financial assets of the District. These funds are accounted in the monthly financial reports and the annual comprehensive financial report of District financial activities.

III. INVESTMENT AUTHORITY

In accordance with the section 53600 et. seq. of the Government Code of the State of California, the authority to invest public funds is expressly delegated to the District Board of Directors (Board) for subsequent re-delegation to the Finance Manager/Treasurer.

A. Delegation of Authority

Management responsibility for the investment program is hereby delegated, pursuant to Section 53607 of the Government Code, to the Finance Manager/Treasurer, who shall establish written procedures for the operation of the investment program consistent with this investment policy. This responsibility includes authority to select Brokers, establish safekeeping accounts, enter into wire transfer agreements, banking service contracts, and collateral/depository agreements. The Finance Manager/Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. This delegation shall be for no greater than one (1) year and may be revoked at any time, or, upon review, renewed each year.

IV. PRUDENCE

The standard of prudence to be used by investment officials in the management of District funds shall be the "prudent investor" standard which shall be applied in the context of managing all aspects of the overall portfolio. Investments shall be made with the care, skill, prudence, and diligence, under circumstances then prevailing, including the general economic conditions and the anticipated needs of the District, which persons of prudence, discretion and intelligence acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the District.

It is the District's intent, at the time of purchase, to hold all investments until maturity. However, investments may be sold prior to maturity for cash flow purposes or to take advantage of principal appreciation.

V. OBJECTIVE

The primary objectives, in priority order, of the District's investment activities shall be:

A. Safety

Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

B. Liquidity

The District's investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated.

C. Return on Investments

The District's investment portfolio shall be designed with the objective of attaining a rate of return commensurate with the District's investment risk constraints and the cash flow characteristics of the portfolio.

VI. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that conflicts with proper execution of the investment program or impairs their ability to make impartial investment decisions. Additionally, the Finance Manager/Treasurer is required to annually file applicable financial disclosures as required by the Fair Political Practices Commission (FPPC) and/or the District's Conflict of Interest Code.

VII. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The District shall transact business only with banks, associations, and with broker/dealers licensed by the State of California. The broker/dealers should be primary government dealers regularly reporting to the New York Federal Reserve Bank. The Finance Manager/Treasurer shall annually send a copy of the current investment policy to all broker/dealers approved to do business with the District. Confirmation of receipt of this policy shall be considered evidence that the dealer understands the District's investment policies and intends to sell the District only appropriate investments authorized by this investment policy.

VIII. INVESTMENTS

A. Authorized and Suitable Investments

All investment vehicles allowed by Sections 53601 of the California Government Code may be used by the Florin Resource Conservation District.

1. Government Agency Issues

As authorized in Government Code Sections 53601 (a) through (f), this category includes a wide variety of government securities. There are no

special portfolio limitations on the amount that may be invested in these securities, as follows:

- a. California local government agency bonds, notes, warrants or other indebtedness;
- b. California State warrants, notes, bonds or other indebtedness;
- c. Bonds issued by the Florin Resource Conservation District;
- d. U.S. Treasury notes, bonds, bills or other certificates of indebtedness secured by the full faith and credit of the federal government;
- e. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

2. Bankers Acceptances

As provided in Government Code Section 53601 (g), up to 40% of the District's surplus funds may be invested in Bankers Acceptances [that are eligible for purchase by the Federal Reserve System], although no more than 30% of the surplus funds may be invested in Bankers Acceptances of any one commercial bank. Additionally, the maturity period of any Bankers Acceptance shall not exceed 180 days.

3. Commercial Paper

As authorized in Government Code Section 53601 (h), up to 25% of the District's surplus funds may be invested in "prime" commercial paper of quality of the highest ranking or of the highest letter and number rating provided by a nationally recognized statistical-rating organization (NRSRO). Issuing corporation must meet all of the following conditions in either paragraph (1) or paragraph (2):

a. The entity meets the following criteria:

- Is organized and operating in the United States as a general corporation.
- Has total assets in excess of five hundred million dollars (\$500,000,000).
- Has debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO.

b. The entity meets the following criteria:

- Is organized within the United States as a special purpose corporation, trust, or limited liability company.
- Has program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or surety bond.
- Has commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO.

District shall not purchase more than 10% of the outstanding commercial paper of any one issuer. Maturities may not exceed 270 days.

4. Negotiable Certificates of Deposit or Bonds
As authorized in Government Code Section 53601 (i), up to 30% of District's surplus funds may be invested in negotiable certificates of deposit issued by nationally or state-chartered commercial banks, federally insured credit unions, or the state licensed branch of a foreign bank. There is no limitation on the maturity period for this investment vehicle except for the overall investment constraints.
5. Repurchase Agreements, Reverse Repurchase Agreements, Or Securities Lending Agreements as authorized in Government Code Section 53601 (j), District may invest in repurchase agreements, reverse repurchase agreements, or securities lending agreements of any securities authorized in Government Code Section 53601 (a) to (k) or (n) or (o) provided that a master repurchase agreement that complies with the Bond Market Association (TBMA) Model has been executed with the contra-party. These investment vehicles are agreements between the District and the seller for the purchase of government securities to be resold on or before a specified date and for a specified amount. The market value of the securities that underlay the repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities, adjusted no less than quarterly. As provided in Government Code Section 53601(j)(5), investing in reverse repurchase agreements or securities lending agreements may only be made upon prior approval of the Board of Directors. The proceeds from a reverse repurchase agreement shall solely supplement the income normally received from the underlying securities. Also:
 - a. The maturity of the reverse repurchase agreement must match the maturity of the securities purchased with the proceeds from the sale of the securities on the reverse repurchase agreement, and shall not exceed a term of 92 days, unless the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement and the final maturity date of the same security; and
 - b. The total amount invested in reverse repurchase agreements shall not exceed 20% of the base value of the portfolio; and
 - c. The securities to be sold on the reverse repurchase agreement or securities lending agreement must be owned and fully paid for by the District for a minimum of 30 days prior to the settlement of the reverse repurchase agreement; and
 - d. Repurchase agreements, reverse repurchase agreements, or securities lending agreements may only be made with primary dealers of the Federal Reserve Bank of New York.

The Board of Directors specifically authorizes the Finance Manager/Treasurer to enter into reverse repurchase agreements or securities lending agreements pursuant to the limitations described herein.

6. Medium-Term Corporate Notes

As authorized in Government Code Section 53601 (k), up to 30% of District's surplus funds may be invested in medium term corporate notes. Maturities may not exceed five years. The issuing corporation must be organized and operating within the U.S. and must be rated "A" or better by a nationally recognized rating service.

7. Shares of Beneficial Interest

As authorized by Government Code Section 53601 (l), up to 20% of District's surplus funds may be invested in shares of beneficial interest issued by diversified management companies investing in securities authorized by Government Code Section 53601 (a) to (k), inclusive or (n) or (o), and shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the investment company act of 1940.

If the investment is in shares by a company that invests in securities and obligations authorized by subdivisions (a) to (k), inclusive or subdivisions (n) or (o), the company must have attained the highest ranking or the highest letter and numerical rating provided by two (2) nationally recognized statistical rating organizations or retain an investment advisor registered or exempt from registration with the Securities and Exchange Commission with at least five (5) years investing the securities authorized by subdivisions (a) to (k), inclusive, or (n) or (o) or experience managing money market mutual funds and with assets under management in excess of \$500,000,000.

The purchase price of shares shall not include any commission and no more than 10% of the surplus funds may be invested in shares of any one mutual fund.

8. Mortgage Pass-Through Securities

As authorized in Government Code Section 53601 (o) up to 20% of the District's surplus funds may be invested in mortgage pass-through securities, collateralized mortgage obligations, mortgage-backed or other pay-through bonds, equipment lease-backed certificates, consumer receivable pass-through certificates, or consumer receivable-backed bonds of a maximum of five (5) years maturity.

Securities eligible for investment under this provision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by a nationally recognized rating service and rated in a rating category of "AA" or its equivalent or better by a nationally recognized rating service.

9. Financial Futures and Financial Option Contracts

As permitted in Government Code Section 53601.1, District may invest in financial futures or financial option contracts in any of the above investment categories, subject to the same overall portfolio limitations.

10. Time Certificates of Deposit

As authorized in Government Code Sections 53601.8 and 53630 and following, up to 30% of the District's surplus funds may be invested in non-negotiable, fixed-term Certificates of Deposit collateralized in accordance with the Government Code requirements. In order to secure such deposits, an institution shall maintain in the collateral pool securities having a market value of at least 10% in excess of the total amount deposited (50% in excess of the total amount of deposits secured by promissory notes secured by first mortgages and first trust deeds). District is permitted to waive the first \$100,000 of collateral security for such deposits if the institution is insured pursuant to federal law. There are no special portfolio limits on the amount or maturity for this investment vehicle. TCDs may be purchased from banks, associations, federally insured credit unions, and federally insured industrial loan companies which meet the requirements set forth in the Government Code.

11. Local Agency Investment Fund (LAIF)

Deposits with the LAIF, which is managed by the California State Treasurer's Office, are also permitted. This investing is authorized by Government Code Section 16429.1. The District is a current participant in this fund.

B. Prohibited Investments

The District shall not invest any funds, pursuant to Government Code 53601.6 or pursuant to Article 2 (commencing with Section 53630), in inverse floaters, range notes, mortgage-derived, or interest-only strips that are derived from a pool of mortgages. Nor shall the District invest in any security that could result in zero interest accrual if held to maturity.

C. Investment Pools

The Finance Manager/Treasurer shall have a thorough understanding of the operational areas listed below for each pool and/or fund prior to investing, and on a continual basis.

1. A description of eligible investment securities, and a written statement of investment policy and objectives; and
2. A description of interest calculations and how interest is distributed, and how gains and losses are treated; and
3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced, and the program is audited; and
4. A description of who may invest in the program, how often, and the permissible size of deposit and withdrawal; and
5. A schedule for receiving statements and portfolio listings; and
6. Whether reserves, retained earnings, etc. are utilized by the pool/fund; and
7. A fee schedule, and when and how it is assessed; and
8. Whether the pool/fund is eligible for bond proceeds and/or whether it will accept such proceeds.

IX. SAFEKEEPING, CUSTODY AND DELIVERY

A. Safekeeping and Custody

To protect against fraud or embezzlement or losses caused by collapse of an individual securities dealer, all securities owned by the District shall be held in safekeeping by a third-party custodian, acting as agent for the District under the terms of a custody agreement or TBMA agreement executed by the Finance Manager/Treasurer. All security transactions will settle delivery vs. payment (DVP) through the District's safekeeping agent. Securities purchased from brokers/dealers shall be held in third party safekeeping by the trust department of the District's main bank, or by another third-party trustee designated by the Finance Manager/Treasurer.

B. Delivery

The purchase of an eligible security shall require delivery of the securities to the District, including those purchased for the District by financial advisors, consultants, or managers using the District's funds, by book entry, physical delivery, or by third party custodial agreement. The transfer of securities to the counter party bank's customer book entry account may be used for book entry delivery. A counter party bank's trust department or separate safekeeping department may be used for the physical delivery of the security if it is held in the District's name.

X. MAXIMUM MATURITY

Pursuant to Government Code Section 53601 where the Government Code does not specify a limitation on the maturity term of a security, the Finance Manager/Treasurer is authorized, as part of the District's investment program set forth herein, to invest in individual instruments in the portfolio to a maximum maturity of ten (10) years. The maximum weighted average maturity of the portfolio shall not exceed five (5) years.

XI. INTERNAL CONTROL

A. Separation of Functions

Separation of functions between the Finance Manager/Treasurer and the Finance Supervisor is designed to provide an ongoing internal review to prevent the potential for converting assets or concealing transactions.

B. Proper Documentation

Existing procedures require all wire transfers to be approved by the Finance Manager/Treasurer and Finance Supervisor. Proper documentation obtained from confirmation and cash disbursement wire transfers is required for each investment transaction. Timely bank reconciliation is conducted to ensure proper handling of all transactions.

C. Investment Portfolio

The investment portfolio and all related transactions are reviewed and balanced to appropriate general ledger accounts by the Finance Manager/Treasurer on a monthly basis.

D. Investment Bonding

All employees involved in the investment of District funds are properly bonded.

E. Confirmation Documentation

Confirmation letters are delivered to the financial institution with the details of the investment transaction. The letters are signed by the Finance Manager/Treasurer with copies to the Finance Supervisor. In the absence of the Finance Manager/Treasurer, the Finance Supervisor may sign the confirmation letter for investments previously authorized. The Finance Manager/Treasurer will review the letter signed during his or her absence by the Finance Supervisor. District receives confirmations from the financial institutions. All investment confirmations received from financial institutions are reviewed for accuracy and filed with the District's letter of confirmation in the Finance Manager/Treasurer's office.

F. Legal Reporting

The District investment accounting software package meets all legal reporting requirements. It has the capability of generating a variety of reports for monitoring and controlling investment activity. An independent confirmation by an external auditor is conducted annually to review internal control, account activity and compliance with policies and procedures.

XII. OTHER GUIDELINES

A. Liquidity

Liquidity refers to the ability to convert investment holdings to cash immediately with minimal loss of principal or accrued interest. This quality is important when the need for unexpected funds suddenly occurs. The secondary duty of the Finance Manager/Treasurer is to ensure that the liquidity needs of the District are met.

B. Competitive Bids

Purchase and sale of securities are made on the basis of competitive offers and bids.

C. Selling Securities Prior to Maturity

Generally, losses are acceptable on a sale before maturity if the earnings from the reinvested proceeds will exceed the income that would have been generated by the old investment considering any capital loss or foregone interest on the original investment.

D. Sale of Investments Before Maturity

Investments may be sold prior to maturity for cash flow or appreciation purposes; however, no investment shall be made solely for the purpose of trading.

E. Negotiable Certificates of Deposit (NCD) Evaluation

NCD are evaluated in terms of the credit worthiness of the issuer, as these deposits are unsecured, and uncollateralized promissory notes.

F. Time Deposit Placement

Time deposits (insured and collateralized certificates of deposit) are not placed with banks, credit unions and/or associations unless an office is maintained in the State of California.

G. Time Certificates of Deposit (TCD) Evaluation

TCD are evaluated in terms of FDIC coverage. For deposits in excess of the insured maximum of \$100,000 approved levels of collateral at full market value are required, as prescribed in the California Government Code.

H. Security Marketability

The marketability (salability) of a security is considered at the time of purchase, as the security may have to be sold prior to maturity in order to meet unanticipated cash demands.

I. Cash Flow Requirements Used to Establish Maturity

Projected cash flow requirements and the overall weighted average maturity of the District's investment portfolio are the primary factors to be used in determining investment maturity terms.

XIII. REPORTING

A. Monthly Report

1. Government Code Section 53067 requires the Finance Manager/Treasurer to make a monthly report to the Board of Directors of transactions made pursuant to the Investment Policy.
2. Water Code Section 24273 requires the Finance Manager/Treasurer to file a report with the Secretary showing: Amount of money in District's treasury, audit of receipts and audit of items of expenditure.

B. Quarterly Report

Government Code Section 53646 requires the Finance Manager/Treasurer to issue a quarterly report within 30 days following the end of the quarter, to the General Manager and the Board, showing the type of investment, issuer and/or institution, date of maturity, amount of investment, current market value for all securities, rate of interest, and other relevant data that may be required. The quarterly report shall state compliance of the investment portfolio with the Investment Policy and shall include a statement denoting the ability of the District to meet its pool expenditure requirements for the next six (6) months. The Finance Manager/Treasurer shall also submit the investment policy annually to the Board, disclose the source of market value information, confirm compliance with the guidelines or explain the differences, and affirm the agency's ability to meet its obligations over the next six (6) months.

XIV. INVESTMENT POLICY ADOPTION

The District's investment policy guidelines shall be adopted by resolution annually. However, changing economic conditions may make it advisable to review the

guidelines during the year. Legislative changes affecting public agency investment practices may also need to be incorporated into the policy statement prior to year-end. It is anticipated that most changes will be processed at the end of the fiscal year.

APPENDIX A – Glossary

APPENDIX B – Sources

Appendix A

Accrued Interest	Interest that has accumulated between the most recent payment and the sale of a bond or other fixed income security. At the time of sale, the buyer pays the seller the bond's price plus accrued interest.
Agencies	Securities issued by government-sponsored corporations or agencies of the U.S. Government such as the Federal Home Loan Banks, the Federal Farm Credit Banks Small Business Administration, Department of Housing and Urban Development.
Amortize	Accounting method whereby the cost of acquisition of an asset gradually is reduced to reflect the theoretical resale value of the asset.
Asked Price	The price at which securities are offered for sale. Also called the Ask Price, Asking Price, or Ask.
Bankers' Acceptance	A draft or bill of exchange accepted by a bank or trust company. It is the customary means of effecting payment for merchandise sold in import-export transactions and a source of financing used extensively in international trade.
Basis Point	.01% of yield (1/100 of 1%) on a fixed-income security.
Bear Market	Prolonged period of falling prices. A bear market in stocks is usually brought on by the anticipation of declining economic activity, and a bear market in bonds is caused by rising interest rates.
Bearish	Having the opinion that securities will fall in market value.
Bid	The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.
Bond	Any interest-bearing or discounted government or corporate security that obligates the issuer to pay the bondholder a specified sum of money, usually at specific intervals, and to repay the principal amount of the loan at maturity.
Book Entry	Holders of the securities are recorded on the books of the Federal Reserve Bank of New York for the issuer. Interest and principal payments are sent to the investor when due. No physical certificates are issued or delivered to the investor. Bonds issued in book entry form are transferred via the Federal Reserve wire or book entry system to member financial institutions. Book entry securities are said to be wireable.
Book Value	Value at which an asset is carried on the balance sheet.
Broker	A person who acts as an intermediary between a buyer and seller.

Bull Market	Prolonged rise in the prices of stocks, bonds, or commodities. Bull markets usually last at least a few months and are characterized by high trading volume.
Bullish	The belief that prices will rise or will continue to rise.
Call	The action whereby a company elects to redeem a security prior to its maturity date.
Callable Bond	Bond that may be called (redeemed) by the issuer on or after a specified date before maturity.
Certificate of Deposit (CD)	A time deposit with a specific maturity evidenced by a certificate.
Collateral	Securities, evidenced of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.
Commercial Paper	Short-term obligations with maturities ranging from 2 to 270 days issued by banks, corporations, and other borrowers to investors with temporarily idle cash. Such instruments are unsecured and usually discounted, although some are interest bearing.
Confirmation	Formal memorandum from a broker to a client giving details of a securities transaction.
Consumer Price Index (CPI)	Measure of change in consumer prices, as determined by a monthly survey of the U.S. Bureau of Labor Statistics.
Coupon	(a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.
Current Yield	The annual interest received on a bond in relation to the amount paid for the bond expressed as a percentage.
Debenture	A bond secured only by the general credit of the issuer.
Delivery Versus Payment (DVP)	There are two methods of delivering securities: delivery versus payment (DVP) and delivery versus receipt. DVP is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.
Depository Trust Company (DTC)	A central securities certificate depository, and member of the Federal Reserve System, through which members may arrange deliveries of securities between each other through computerized debit and credit entries without physical delivery of the certificates.
Derivatives	(1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

Discount	The difference between the cost price of a security and its maturity amount when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.
Discount Rates	Interest rate that the Federal Reserve charges member banks for loans, using government securities or eligible paper as collateral.
Discount Securities	Non-interest-bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury Bills.
Diversification	Dividing investment funds among a variety of securities offering independent returns.
Face Value	Value of a bond stated on the bond certificate.
Fed Wire	Computerized network linking the Fed with its district banks, member banks, and primary dealers in government securities.
Federal Deposit Insurance Corporation (FDIC)	A federal agency that insures bank deposits, currently up to \$100,000 per deposit.
Federal Funds Rate	Interest rate charged by banks with excess reserves at a Federal Reserve district bank to banks needing overnight loans to meet reserve requirements.
Federal Home Loan Banks (FHLB)	Government sponsored wholesale banks (currently 12 regional banks) which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.
Federal National Mortgage Association (FNMA)	FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

Federal Open Market Committee (FOMC)	Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.
Federal Reserve System	The central bank of the United States created by Congress to regulate the U.S. monetary and banking system.
Flat	A bond that is sold without accrued interest.
Government National Mortgage Association (GNMA or Ginnie Mae)	A government-owned corporation, nicknamed Ginnie Mae, which is an agency of the U.S. Department of Housing and Urban Development. GNMA guarantees, with the full faith and credit of the U.S. Government, full and timely payment of all monthly principal and interest payments on the mortgage-backed pass-through securities of registered holders.
Illiquid	Used when a security that does not enjoy an active secondary market; thus, the holder may find it difficult to sell the security and thereby go back to cash.
Know Your Customer	Industry obligation that requires a brokerage firm and its registered representatives to know the important facts about the customer with whom they do business.
Liquidity	A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.
Local Government Investment Pool (LGIP)	The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment. In California it is called the Local Agency Investment Fund (LAIF).
Market Value	The price at which a security is trading and could presumably be purchased or sold.
Master Repurchase Agreement	A written contract covering all future transactions between the parties to repurchase -- reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.
Maturity Date	The specified day on which the issuer of a debt security is obligated to repay the principal amount, or face value, of a security.
Money Market	The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

New Issue	Popular term for any new security offered for sale by the issuer.
Odd Lot	Transactions that are for less than the typical unit of trading.
Offer	The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.
Open Market Operations	Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.
Paper Loss	An unrealized loss on a security position. Paper losses become realized losses only if the security is sold.
Par	Any security whose market or offering price is the same as its face value at the time of redemption.
Portfolio	Collection of securities held by an investor.
Premium	The dollar amount by which the market price of a bond exceeds its par value.
Primary Dealer	A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.
Prime Rate	Interest rate banks charge to their most creditworthy customers.
Prudent Person Rule	An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state -- the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.
Quote	A statement of the highest bid and lowest offer for the security.
Rally	Industry term for a sharp rise in the price of the security.
Rate of Return	The yield obtainable on a security based on its purchase price or its current market price.
Rating	Judgment of creditworthiness of an issuer made by an accepted rating service.
Registered Bond	A bond that is recorded in the name of the holder on the books of the issuer or the issuer's Registrar and can be transferred to another owner only when endorsed by the registered owner.

Repurchase Agreement (RP or Repo)	A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.
Reverse Repurchase Agreements	Whereby dealers agree to buy the securities and the investor agrees to repurchase them at a later date.
Safekeeping	A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank’s vaults for protection.
Secondary Market	A market made for the purchase and sale of outstanding issues following the initial distribution.
Securities Lending Agreement	An agreement under which a local agency agrees to transfer securities to a borrower who, in turn, agrees to provide collateral to the local agency. During the term of the agreement, both the securities and the collateral are held by a third party. At the conclusion of the agreement, the securities are transferred back to the local agency in return for the collateral.
Settlement Date	The date on which a securities contract, by prearranged agreement, must be cleared or settled.
Spread	The difference between yields on various fixed-income securities.
Subject	Term used of a quote made by a dealer, whether a bid or an offer or both, that must be reviewed before a final decision to buy or sell is made.
Swap	Industry jargon for the sale of one security and the purchase of another.
The Bond Marketing Association (TBMA)	A trade association representing banks, dealers, and brokers who underwrite and trade municipals, governments, and federal agency securities.
Treasury Bills	A non-interest-bearing discount security issued by the U.S. Treasury. Most bills are issued to mature in three months, six months, or one year, in minimum denominations of \$10,000.
Treasury Bonds	Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities 10 years or longer issued in minimum denominations of \$1,000.
Treasury Notes	Intermediate securities with maturities of 1 to 10 years.

Yield	The rate of annual income returns on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.
Yield to Maturity	A measurement of the compound rate of return that an investor in a bond with a maturity of more than one year will receive if: (1) the investor holds the security to maturity and (2) reinvests all cash flows at the same market rate of interest.

Appendix B

1. California Government Code Section 53600
2. Dictionary of Finance and Investment Terms, Second Edition, John Downes and Jordan Elliot Goodman.
3. Debt Securities, A Handbook for State and Local Government Portfolio Managers, Keith Williams.
4. Municipal Treasurers' Association of the United States and Canada, Investment Policy Guidelines.

June 16, 2026

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Stefani Phillips, Board Secretary

SUBJECT: **FLORIN RESOURCE CONSERVATION DISTRICT ELECTION**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors adopt Resolution No. 06.16.26.03, calling the General Election and requesting consolidation with the November 3, 2026 statewide election.

SUMMARY

Members of the Florin Resource Conservation District (FRCD) Board of Directors (Board) serve staggered four-year terms. Elections are conducted every two (2) years, requiring the Board to adopt a resolution calling the General Election, requesting consolidation with the November statewide election, and specifying that candidates may voluntarily submit and purchase a candidate statement of up to 200 words through the Sacramento County Registrar of Voters. The deadline for submitting the original resolution to request consolidation with the November 3, 2026 General Election is July 1, 2026.

DISCUSSION

Background

Since 2002, the Board has used the Election process to determine who will serve on the FRCD five (5) member Board. Board members individually serve four (4) year terms. The current Board is comprised of the following five (5) members: Joshua Green, Paul Lindsay, Lisa Medina, Elliot Mulberg, and Tom Nelson.

Every two (2) years an election is held. Preceding an election, the Board must adopt a resolution calling the Election. The resolution includes a description of the boundaries that contain the election and its purpose. The resolution also stipulates that candidates may purchase a 200-word candidate statement, which will be included in the voter pamphlet. At the regular board meeting on March 23, 2016, the Board voted in favor of having candidates pay for their voluntary candidate statement through the Registrar of Voters office.

FLORIN RESOURCE CONSERVATION DISTRICT ELECTION

Page 2

Present Situation

The District will have three (3) Board members whose terms will end in December 2026: Directors Paul Lindsay, Elliot Mulberg, and Tom Nelson.

The nomination period for the November 3, 2026, election is July 13, 2026, through August 7, 2026. If no incumbants file during the candidate filing period, the filing period is extended to August 12, 2026.

It is staff's recommendation that the Board adopt Resolution No. 06.16.26.02, calling the Election and requesting consolidation with the November 3, 2026 statewide election.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

The General Election provides an opportunity for public involvement in the selection of the FRCD Board and thereby conforms with Strategic Goal No. 1, Governance and Customer Engagement, of the Strategic Plan 2025–2030.

FINANCIAL SUMMARY

The financial impact of the Election is anticipated to be approximately \$301,660.91, which is based on the current number of registered voters, 210,719 at \$1.4199 per voter, and a base set-up fee of \$2,461. The number of registered voters is subject to change prior to the Election. The deadline for registering to vote is October 19, 2026, 15 days prior to the election.

Respectfully submitted,



STEFANI PHILLIPS
HUMAN RESOURCES ADMINISTRATOR

Attachment

RESOLUTION NO. 06.16.26.03

**A RESOLUTION OF THE FLORIN RESOURCE CONSERVATION DISTRICT
BOARD OF DIRECTORS CALLING THE GENERAL ELECTION
AND REQUESTING CONSOLIDATION WITH THE
NOVEMBER 3, 2026 STATEWIDE ELECTION**

WHEREAS, an election will be held within the Florin Resource Conservation District (District) that will affect the County of Sacramento (County) on November 3, 2026, for the purpose of electing three Directors; and

WHEREAS, a General Election will be held within the County of Sacramento on the same day; and

WHEREAS, Elections Code §10403 requires jurisdictions to file with the Board of Supervisors, and a copy with the Registrar of Voters, a resolution requesting consolidation with a general election; and

WHEREAS, the District requests the Board of Supervisors of Sacramento County to consolidate the regularly scheduled General Election on November 3, 2026; and

WHEREAS, a candidate for District Director shall pay at the Voter Registration and Elections office the estimated cost of having a candidate's statement included in the voter's pamphlet, pursuant to Elections Code §13307(c). The limitation on the number of words that a candidate may use in his or her candidate's statement is 200 words; and

WHEREAS, the District agrees to reimburse the Registrar of Voters for actual costs incurred to conduct the General Election, such costs to be calculated by the method set forth in the County's current Election Cost Allocation Procedures.

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

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

SECTION 2. The District requests the Board of Supervisors of Sacramento County to consolidate the regularly scheduled General Election, November 3, 2026.

SECTION 3. Candidates for District Director shall pay at the Voter Registration and Elections office the estimated cost of having a candidate's statement included in the voter's pamphlet.

SECTION 4. The District agrees to reimburse the Registrar of Voters for actual costs incurred to conduct the General Election.

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

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

PASSED, APPROVED, AND ADOPTED by the Florin Resource Conservation District Board of Directors on this 16th day of June 2026.

AYES:

NOES:

ABSENT:

ABSTAIN:

Paul Lindsay
Chair

ATTEST:

Stefani Phillips
Board Secretary

APPROVED AS TO FORM:

Joshua M. Horowitz
General Counsel

June 16, 2026

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Ben Voelz, Associate Civil Engineer

SUBJECT: **AMENDMENT TO DISTRICT PURCHASING POLICY**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors adopt Resolution No. 06.16.26.04, amending the Purchase of Goods and Services from Outside Vendors Policy to add language under the Intermediate and Major Purchases sections to address multi-year services/contracts.

SUMMARY

The Florin Resource Conservation District (District) Board of Directors (Board) adopted the Purchase of Goods and Services from Outside Vendors Policy (Purchasing Policy) on November 14, 2018, and the policy contains threshold limits for costs related to purchases of goods and services breaking them out into Minor Purchases (less than \$5,000), Intermediate Purchases (\$5,000-\$50,000), and Major Purchases (greater and \$50,000). The District occasionally requires services for multiple years. Currently, the Purchasing Policy does not address how to handle multi-year services for Intermediate and Major Purchases.

The proposed redline-strikeouts of the Purchase of Good and Services from Outside Vendors Policy (Attachment 1) is provided for the Boards review.

DISCUSSION

Background

The District's Purchasing Policy, revised on July 18, 2023, specifies the procedures for making minor and intermediate purchases. Minor purchases, defined by the Purchasing Policy, are items costing more than \$100, but less than \$5,000. Intermediate purchases are defined as items costing from \$5,000 to \$50,000. Major Purchases are items costing more than \$50,000. The Purchasing Policy establishes that the General Manager has signing authority up to and including Intermediate Purchases. Major purchases must be brought to the Board for review and decision.

Similarly, the District's Professional and Consultant Services Agreements Policy (Professional Services Policy), revised on July 18, 2023, specifies the procedures for

AMENDMENT TO DISTRICT PURCHASING POLICY

Page 2

acquiring professional and consultant services costing \$5,000 or less, for those costing between \$5,001 and \$50,000, and for purchases greater than \$50,000.

In general, both policies use similar procedures for soliciting bids and awarding contracts. However, the Professional Services Policy (Attachment 2) includes a process for addressing multi-year services, while the Purchasing Policy currently does not.

Present Situation

To make District procurement policies more uniform and efficient, the multi-year service clause for Intermediate Purchases and Major Purchases should be added to the Purchasing policy.

Staff recommends that the Board adopt Resolution No. 06.16.26.04, amending the Purchasing Policy to include a procedure for addressing multi-year services.

ENVIRONMENTAL CONSIDERATIONS

There are no environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

Efficiently purchasing goods and services conforms to Strategic Goal 1, Governance, of the 2025-2030 Strategic Plan. This goal emphasizes conducting public affairs and managing public resources in an effective, efficient and transparent manner through, including monitoring, reviewing, and updating District policies to reflect changes in operational, environmental and legislative requirements.

FINANCIAL SUMMARY

There is no financial impact associated with this report. This item, if approved, would only change the language for major purchases of goods or services.

Respectfully submitted,



BEN VOELZ
ASSOCIATE CIVIL ENGINEER

Attachments

RESOLUTION NO. 06.16.26.04

A RESOLUTION OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS AMENDING THE PURCHASE OF GOODS AND SERVICES FROM OUTSIDE VENDORS POLICY TO ADD LANGUAGE UNDER THE INTERMEDIATE AND MAJOR PURCHASES SECTIONS TO ADDRESS MULTI-YEAR SERVICES/CONTRACTS.

WHEREAS, the Florin Resource Conservation District (District) is required by California law to adopt purchasing policies and procedures; and

WHEREAS, California Public Resources Code, Division 9 set forth the authority and process for establishing purchasing policies and procedures; and

WHEREAS, an appropriate procurement policy will assist the District by documenting the requirements and procedures for purchase of goods and services from outside vendors; and

WHEREAS, the District's current Purchase of Goods and Services from Outside Vendors Policy was adopted by Resolution No. 11.14.18.02 and was last amended by Resolution No. 07.18.23.02; and

WHEREAS, the District wishes to amend the District's Purchase of Goods and Services from Outside Vendors Policy (Policy) by adding language under the "Intermediate Purchases" section and the "Major Purchases" section to provide a procedure for multi-year contracts in each category.

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

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

SECTION 2. The Policy shall be amended to provide a procedure for multi-year contracts that are valued between \$5,000 to \$50,000 and greater than \$50,000, and attached hereto as Exhibit "A."

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

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

PASSED, APPROVED AND ADOPTED by the Florin Resource Conservation District Board of Directors on this 16th day of June 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Paul Lindsay
Chair

ATTEST:

Stefani Phillips
Board Secretary

APPROVED AS TO FORM:

Joshua M. Horowitz
General Counsel

EXHIBIT “A”

FLORIN RESOURCE CONSERVATION DISTRICT

“PURCHASE OF GOODS AND SERVICES FROM OUTSIDE VENDORS POLICY”

[Attached behind this cover page]

FLORIN RESOURCE CONSERVATION DISTRICT

ADOPTED BY FRCD RESOLUTION NO. 07.18.23.02

PURCHASE OF GOODS AND SERVICES FROM OUTSIDE VENDORS POLICY

Purpose of the Policy: The purpose of this policy is to establish the Florin Resource Conservation District (District) officers' authority and procedural requirements for the purchase of goods and services. All purchases and contracts for goods and services required by the District shall be made in accordance with this policy.

Section 1. Goods and services shall be acquired as economically as possible to exercise positive financial control over purchases so as to provide the best overall value to the District.

Section 2. Before a contract is signed by any District representative or is brought to the District Board of Directors (Board) as an agenda item, the contract must:

- (1) Include appropriate insurance and indemnification provisions reviewed by District Legal Counsel;
- (2) Be approved as to form by District Legal Counsel;
- (3) Be approved as to budget availability and purchasing procedural compliance by the General Manager or Finance Manager; and
- (4) Be signed by the other party unless it's a contract that must go before the Board and requires the other party to acquire payment and/or performance bonds. In this case, the contract shall be taken to the Board unsigned by either party.

Section 3. Each contract entered into under the policy shall be filed with the Finance Supervisor and shall be retained in accordance with the District's adopted retention policy.

Section 4. Each contract entered into under this policy for an amount exceeding \$3,000 shall be accompanied by a Purchase Order (P.O.) showing the selected vendor, the goods or services to be provided, and the approval date for the award and/or contract.

Section 5. It is against District policy to split into smaller orders the purchase of goods or services for the purpose of evading the competitive bidding provisions of this policy.

Section 6. The General Manager or the Board may reject any or all bids received as part of the bidding process.

Section 7. General procedures and rules for purchasing goods or services is as follows:

- (a) *Petty Cash Purchases (Items Costing \$100 or Less):* For purchases of items costing \$100 or less, a "petty cash voucher" form shall be used to document petty cash purchases when they are made.

(b) *Minor Purchases (Items Costing More than \$100, But Less than \$5,000):* For purchases of items costing more than \$100, but less than \$3,000, vendors may be asked to provide pricing for the District's consideration, and for the District's determination to proceed with the vendor.

(c) *Intermediate Purchases (Items Costing from \$5,000 to \$50,000):* For purchases of items costing from \$5,000 to \$50,000, District staff shall:

- i. Solicit bidding or quotation by written or verbal request (via telephone, fax, e-mail, or mail) from at least three vendors, or justify why such quotations were not possible;
- ii. The District shall select the vendor quoting the lowest responsive, responsible quotation. If another vendor is selected, the reasons for not selecting the vendor with the lowest quote (i.e., quality) should be recorded on the purchase order or otherwise.
- iii. Award of contracts. A purchase order shall be used as the form of contract and must be approved by the General Manager. The General Manager shall review the purchase order terms and conditions, the availability of budgeted funds to cover the purchase order and compliance with proper purchasing procedures. District Legal Counsel shall review the contract if substantive exceptions have been taken to the standard terms and conditions prior to both parties executing the purchase order.
- iv. A multiple year agreement with a total cost that is projected to cost \$5,000 to \$50,000 over the term of the agreement shall be governed by the same procedures above.
- v. For contracts valued at more than \$5,000 but less than \$50,000, the General Manager may approve change orders or contract amendments. Change orders more than 10% of the original contract must be reported to the Board at the next regular Board meeting. In the event that the change order and the original contract amount exceeds the General Managers signing authority of \$50,000, the change order must be approved by the Board.

(d) *Major Purchases (Items Costing more than \$50,000):* For purchases of items costing more than \$50,000, District staff shall:

- i. Solicit bidding or quotation by written request (via fax, e-mail, or mail) from at least three vendors;
- ii. The District shall select the lowest responsive, responsible bidder. If two (2) or more bids received are for the same total, amount or

unit price and quality, service and delivery being equal, the General Manager or District Board may accept the one it chooses, or accept the lowest good faith offer by negotiation with the tied bidders. All purchases must be in conformance with the approved District budget;

- iii. Award of contract. A contract shall be used as the form of agreement and the contract must be approved by the Board. District staff shall prepare a contract detailing the selected vendor and the goods or services to be provided. The contract shall be signed by the other party. District Legal Counsel shall review the contract if the other party takes any exceptions to the standard terms and conditions of the contract. District staff shall prepare a staff report that identifies the availability of budgeted funds for the purchase, and staff shall take the contract to the Board for approval authorizing the General Manager to execute the contract. Board approval may be by either adoption of a resolution or approval of a motion;
- iv. After Board approval, District staff shall complete the execution of the contract by having the General Manager sign the contract and accompanied by a purchase order.
- v. A multiple year agreement with a total cost that is projected to cost more than \$50,000 over the term of the agreement shall be governed by the same procedures above.
- vi. For contracts valued more than \$50,000, the General Manager may approve change orders. All change orders that exceed 10% of the original contract must be approved by the Board.

Section 8. Sole Source Procurement:

- (a) A sole source procurement is defined as any contract entered into without a competitive process, based on a justification that:
 - i. Only one known source exists for supplies or services as determined by documented research; or
 - ii. No other reasonable alternative source exists that meets the Districts requirements; or
 - iii. Only one source meets the business needs of the District (e.g., compatibility, unique feature to meet District's business need, etc.);
- (b) When the service can be obtained from only one (1) source which has been reviewed and approved in writing by the General Manager for purchases up to \$50,000, or the Board for purchases costing more than \$50,000 or when in the judgment of the General Manager or Board, that compliance with the procurement

procedures are not in the best interest of the District, the procurement must be accompanied by written justification. The justification may require the requestor to provide information such as:

- i. A description of the unique features that prohibit competition;
- ii. Documented research conducted to verify the vendor as the only known source;
- iii. A description of the marketplace to include distributors, dealers, resellers, etc.;
- iv. Known compatibility issues; and/or
- v. Timing issues.

Section 9. Emergency Purchases

(a) In an emergency, defined as a situation where there is an immediate threat to life or property or where there is, or would be, a disruption of a vital public service;

(b) An emergency purchase must be approved verbally by the General Manager or, if he/she is not available, by other management personnel. When an emergency purchase is made, the purchase order for the transaction shall be prepared and approved the next working day (according to the procedures described above). Any such purchase order shall include documentation certifying the emergency.

(c) For emergency purchase exceeding \$50,000, a full accounting of such emergency expenditures by the General Manager will be reported to the Board at the next regular board meeting and the budget and/or reserve adjustment recommendation of the General Manager will be presented to the Board for discussion and approval.

FLORIN RESOURCE CONSERVATION DISTRICT

ADOPTED BY FRCD RESOLUTION NO. 07.18.23.02

PURCHASE OF GOODS AND SERVICES FROM OUTSIDE VENDORS POLICY

Purpose of the Policy: The purpose of this policy is to establish the Florin Resource Conservation District (District) officers' authority and procedural requirements for the purchase of goods and services. All purchases and contracts for goods and services required by the District shall be made in accordance with this policy.

Section 1. Goods and services shall be acquired as economically as possible to exercise positive financial control over purchases so as to provide the best overall value to the District.

Section 2. Before a contract is signed by any District representative or is brought to the District Board of Directors (Board) as an agenda item, the contract must:

- (1) Include appropriate insurance and indemnification provisions reviewed by District Legal Counsel;
- (2) Be approved as to form by District Legal Counsel;
- (3) Be approved as to budget availability and purchasing procedural compliance by the General Manager or Finance Manager; and
- (4) Be signed by the other party unless it's a contract that must go before the Board and requires the other party to acquire payment and/or performance bonds. In this case, the contract shall be taken to the Board unsigned by either party.

Section 3. Each contract entered into under the policy shall be filed with the Finance Supervisor and shall be retained in accordance with the District's adopted retention policy.

Section 4. Each contract entered into under this policy for an amount exceeding \$3,000 shall be accompanied by a Purchase Order (P.O.) showing the selected vendor, the goods or services to be provided, and the approval date for the award and/or contract.

Section 5. It is against District policy to split into smaller orders the purchase of goods or services for the purpose of evading the competitive bidding provisions of this policy.

Section 6. The General Manager or the Board may reject any or all bids received as part of the bidding process.

Section 7. General procedures and rules for purchasing goods or services is as follows:

- (a) *Petty Cash Purchases (Items Costing \$100 or Less):* For purchases of items costing \$100 or less, a "petty cash voucher" form shall be used to document petty cash purchases when they are made.

(b) *Minor Purchases (Items Costing More than \$100, But Less than \$5,000):* For purchases of items costing more than \$100, but less than \$3,000, vendors may be asked to provide pricing for the District's consideration, and for the District's determination to proceed with the vendor.

(c) *Intermediate Purchases (Items Costing from \$5,000 to \$50,000):* For purchases of items costing from \$5,000 to \$50,000, District staff shall:

- i. Solicit bidding or quotation by written or verbal request (via telephone, fax, e-mail, or mail) from at least three vendors, or justify why such quotations were not possible;
- ii. The District shall select the vendor quoting the lowest responsive, responsible quotation. If another vendor is selected, the reasons for not selecting the vendor with the lowest quote (i.e., quality) should be recorded on the purchase order or otherwise.

iii. Award of contracts. A purchase order shall be used as the form of contract and must be approved by the General Manager. The General Manager shall review the purchase order terms and conditions, the availability of budgeted funds to cover the purchase order and compliance with proper purchasing procedures. District Legal Counsel shall review the contract if substantive exceptions have been taken to the standard terms and conditions prior to both parties executing the purchase order.

~~iii~~iv. A multiple year agreement with a total cost that is projected to cost \$5,000 to \$50,000 over the term of the agreement shall be governed by the same procedures above.

~~iv~~v. For contracts valued at more than \$5,000 but less than \$50,000, the General Manager may approve change orders or contract amendments. Change orders more than 10% of the original contract must be reported to the Board at the next regular Board meeting. In the event that the change order and the original contract amount exceeds the General Managers signing authority of \$50,000, the change order must be approved by the Board.

(d) *Major Purchases (Items Costing more than \$50,000):* For purchases of items costing more than \$50,000, District staff shall:

- i. Solicit bidding or quotation by written request (via fax, e-mail, or mail) from at least three vendors;
- ii. The District shall select the lowest responsive, responsible bidder. If two (2) or more bids received are for the same total, amount or

unit price and quality, service and delivery being equal, the General Manager or District Board may accept the one it chooses, or accept the lowest good faith offer by negotiation with the tied bidders. All purchases must be in conformance with the approved District budget;

- iii. Award of contract. A contract shall be used as the form of agreement and the contract must be approved by the Board. District staff shall prepare a contract detailing the selected vendor and the goods or services to be provided. The contract shall be signed by the other party. District Legal Counsel shall review the contract if the other party takes any exceptions to the standard terms and conditions of the contract. District staff shall prepare a staff report that identifies the availability of budgeted funds for the purchase, and staff shall take the contract to the Board for approval authorizing the General Manager to execute the contract. Board approval may be by either adoption of a resolution or approval of a motion;

- iv. After Board approval, District staff shall complete the execution of the contract by having the General Manager sign the contract and accompanied by a purchase order.

- ~~iv.~~v. A multiple year agreement with a total cost that is projected to cost more than \$50,000 over the term of the agreement shall be governed by the same procedures above.

- ~~v.~~vi. For contracts valued more than \$50,000, the General Manager may approve change orders. All change orders that exceed 10% of the original contract must be approved by the Board.

Section 8. Sole Source Procurement:

- (a) A sole source procurement is defined as any contract entered into without a competitive process, based on a justification that:

- i. Only one known source exists for supplies or services as determined by documented research; or
- ii. No other reasonable alternative source exists that meets the Districts requirements; or
- iii. Only one source meets the business needs of the District (e.g., compatibility, unique feature to meet District's business need, etc.);

- (b) When the service can be obtained from only one (1) source which has been reviewed and approved in writing by the General Manager for purchases up to \$50,000, or the Board for purchases costing more than \$50,000 or when in the judgment of the General Manager or Board, that compliance with the procurement

procedures are not in the best interest of the District, the procurement must be accompanied by written justification. The justification may require the requestor to provide information such as:

- i. A description of the unique features that prohibit competition;
- ii. Documented research conducted to verify the vendor as the only known source;
- iii. A description of the marketplace to include distributors, dealers, resellers, etc.;
- iv. Known compatibility issues; and/or
- v. Timing issues.

Section 9. Emergency Purchases

(a) In an emergency, defined as a situation where there is an immediate threat to life or property or where there is, or would be, a disruption of a vital public service;

(b) An emergency purchase must be approved verbally by the General Manager or, if he/she is not available, by other management personnel. When an emergency purchase is made, the purchase order for the transaction shall be prepared and approved the next working day (according to the procedures described above). Any such purchase order shall include documentation certifying the emergency.

(c) For emergency purchase exceeding \$50,000, a full accounting of such emergency expenditures by the General Manager will be reported to the Board at the next regular board meeting and the budget and/or reserve adjustment recommendation of the General Manager will be presented to the Board for discussion and approval.

FLORIN RESOURCE CONSERVATION DISTRICT

PROFESSIONAL AND CONSULTANT SERVICES AGREEMENTS POLICY

Purpose of the Policy: The purpose of this policy is to establish the Florin Resource Conservation District (District) officers' authority and procedural requirements for professional and consultant services agreements. All professional and consultant services required by the District shall be made in accordance with this policy.

Section 1. Professional and consultant services shall be procured as economically as possible commensurate with quality needed as to provide the best overall value to the District.

Section 2. Before an agreement is signed by any District representative or is brought to the District Board of Directors (Board) as an agenda item, the agreement must:

- (1) Include appropriate insurance and indemnification provisions reviewed by District Legal Counsel;
- (2) Be approved as to form by District Legal Counsel;
- (3) Be approved as to budget availability and purchasing procedural compliance by the General Manager or Finance Manager; and
- (4) Be signed by the other party unless it's an agreement that must go before the Board and requires the other party to acquire payment and/or performance bonds. In this case, the agreement shall be taken to the Board unsigned by either party.

Section 3. Each agreement entered into under the policy shall be filed with the Finance Supervisor and shall be retained in accordance with the District's adopted retention policy.

Section 4. It is against District policy to split into smaller orders the procurement of professional or consulting services for the purpose of evading the provisions of this policy. The District will not utilize interim contracts and will only utilize standard contracts to procure professional and consulting services according to the requirements as set forth below.

Section 5. The General Manager or the Board may reject any or all proposals received as part of the proposal process.

Section 6. General procedures and rules for procuring professional and consulting services are as follows:

Selection for professional and consultant services, defined as the services of a private architect, landscape architect, engineer, doctor, information technology specialist, environmental scientist, investment advisor, financial, land surveying, or construction project management firm, shall be based on best qualified and most responsible proposer, as determined by the District. Selected proposer may not necessarily be the lowest priced proposal.

(a) *Professional and Consultant Services (Costing \$5,000 or less):* For professional and consultant services costing \$5,000 or less, professionals will be asked to submit a letter proposal. The District shall select those professionals that demonstrate the highest competence and professional qualifications necessary for the satisfactory performance of the services required. Professionals who are selected will be required to submit a letter of engagement, signed by the District and the Professional firm, setting forth the price and scope of services to be provided.

(b) *Professional and Consultant Services (Costing \$5,001 to \$50,000):* For professional and consultant services costing \$5,001 to \$50,000, District staff shall:

- i. Informally solicit proposals by written or verbal request (via telephone, fax, e-mail, or mail) from at least three firms, or justify why such quotations were not possible or justified;
- ii. District management staff shall review all responsive proposals and evaluate the proposals in order to determine which proposer best meets the District's needs by demonstrating the competence and professional qualifications necessary for the satisfactory performance of the required services. The successful proposer may not necessarily have the lowest priced proposal. If another firm is selected, the reasons for not selecting the firm with the lowest priced proposal (i.e., quality) shall be recorded. The District reserves the right to reject any and all proposals or waive any irregularities in any proposal or the proposal process;
- iii. Award of agreement. A professional services agreement shall be used as the form of contract and must be approved by the General Manager. Prior to the General Manager approving the professional services agreement, District Legal Counsel shall review the agreement and provide approval as to the agreement's form. After legal counsel review, the General Manager shall review the professional services agreement, the availability of budgeted funds to cover the agreement, proper account coding and compliance with proper contracting procedures;
- iv. A multiple year agreement with a total cost that is projected to cost \$5,001 to \$50,000 over the term of the agreement shall be governed by the same procedures above.
- v. For contracts valued at more than \$5,000 but less than \$50,000, the General Manager may approve change orders. Change orders more than 10% of the original contract must be reported to the Board at the next regular Board meeting. In the event that the change order and the original contract amount exceeds the General Managers

signing authority of \$50,000, the change order must be approved by the Board.

(c) *Professional and Consultant Services (Costing More than \$50,000)*: For professional and consultant services costing more than \$50,000, District staff shall:

- i. Formally solicit proposals by using a Request for Proposal. The request for proposal shall include a general description of the services to be procured, the specific qualification requirements, a copy of the District's professional services agreement, and the time and place for submission of proposals. To the extent feasible, a notice inviting proposals shall be distributed to at least three (3) firms, unless the General Manager determines there is sufficient sole-source justification;
- ii. Utilizing a Professional Services Review Panel comprised of members of District management staff and board members, all responsive proposals shall be reviewed and evaluated in order to determine which proposer best meets the District's needs by demonstrating the competence and professional qualifications necessary for the satisfactory performance of the required services. The successful proposer may not necessarily have the lowest priced proposal. If another firm is selected, the reasons for not selecting the firm with the lowest priced proposal (i.e., quality) shall be recorded. The criteria by which the District shall evaluate proposals shall be set forth in the request for proposals. The District reserves the right to reject any and all proposals, or waive any irregularities in any proposal or the proposal process;
- iii. Award of agreement. A professional services agreement shall be used as the form of contract. Prior to the General Manager approving the professional services agreement, District Legal Counsel shall review the agreement and provide approval as to the agreement's form. After legal counsel review, the General Manager shall review the professional services agreement, the availability of budgeted funds to cover the agreement, proper account coding and compliance with proper contracting procedures. District staff shall prepare a staff report that identifies the availability of budgeted funds for the professional services, and staff shall take the professional services agreement to the Board for approval authorizing the General Manager to execute the professional services agreement. Board approval may be by either adoption of a resolution or approval of a motion; and

iv. A multiple year agreement with a total cost that is projected to cost more than \$50,000 over the term of the agreement shall be governed by the same procedures above.

v. For contracts valued more than \$50,000, the General Manager may approve change orders. All change orders that exceed 10% of the original contract must be approved by the Board.

Section 7. Sole Source Procurement:

(a) A sole source procurement is defined as any contract entered into without a competitive process, based on a justification that:

- i. Only one known source exists for services as determined by documented research; or
- ii. No other reasonable alternative source exists that meets the Districts requirements; or
- iii. Only one source meets the business needs of the District (e.g., compatibility, unique feature to meet District's business need, etc.); or
- iv. An urgent need for the service will not permit a delay resulting from competitive solicitation.

(b) When the service can be obtained from only one (1) source which has been reviewed and approved in writing by the General Manager for procurements up to \$50,000, or the Board for purchases costing more than \$50,000 or when in the judgment of the General Manager or Board, that compliance with the procurement procedures are not in the best interest of the District, the procurement must be accompanied by written justification. The justification may require the requestor to provide information such as:

- i. A description of the unique features that prohibit competition;
- ii. Documented research conducted to verify the professional or consultant as the only known source;
- iii. A description of the marketplace to include professional service providers;
- iv. Known compatibility issues; and/or
- v. Timing issues.

Section 8. Emergency Procurements

(a) In an emergency, defined as a situation where there is an immediate threat to life or property or where there is, or would be, a disruption of a vital public service;

(b) An emergency procurement must be approved verbally by the General Manager or, if he/she is not available, by other management personnel. When an emergency purchase is made, the purchase order for the transaction shall be prepared and approved the next working day (according to the procedures described above). Any such purchase order shall include documentation certifying the emergency.

(c) For emergency procurement exceeding \$50,000, a full accounting of such emergency expenditures by the General Manager will be reported to the Board at the next regular board meeting and the budget and/or reserve adjustment recommendation of the General Manager will be presented to the Board for discussion and approval

June 16, 2026

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Ben Voelz, Associate Civil Engineer

SUBJECT: **WATER QUALITY ANALYSIS THREE-YEAR LABORATORY CONTRACT**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors authorize the General Manager to execute a purchase order agreement with Alpha Analytical for laboratory analysis services for a term of three (3) years totaling \$112,869.

SUMMARY

Staff solicited bids from three (3) vendors for the laboratory services to conduct all Elk Grove Water District (District) water quality sampling for a three (3) year term. Every year, the District is required through the operating permit issued by the California State Water Resources Control Board Division of Drinking Water (DDW) to sample water quality at pre-determined locations and routine intervals. A wide variety of water quality constituents are monitored through sampling and laboratory analysis to ensure safe drinking water is being delivered to District customers. Staff solicited bids for the anticipated volume of laboratory analyses that will be required over the next three (3) years. Alpha Analytical Laboratories, Inc. (Alpha Analytical) was the lowest responsive, responsible bidder with a Fiscal Year (FY) 2026-27 cost of \$26,051, an FY 2027-28 cost of \$27,404, and an FY 2028-29 cost of \$59,414. The higher cost in FY 2028-29 is attributable to DDW-required triennial sampling for additional contaminants beyond the District's routine water quality monitoring program. The total cost for the three (3) year term is \$112,869. The District's proposed FY 2026-27 Operating Budget includes \$33,000 for water quality sampling.

DISCUSSION

Background

Every year, the District is required through the permit issued by the DDW to sample the water quality at pre-determined locations and routine intervals. In addition to routine sampling, bacteriological analysis is required any time pressure is lost and water is drained from a water main or service line while conducting a repair or making a new connection.

WATER QUALITY ANALYSIS THREE-YEAR LABORATORY CONTRACT

Page 2

Every three (3) years, the DDW requires the District to sample a much larger list of potential water quality contaminants that are not captured by the routine sampling normally undertaken. As a result, the volume of laboratory analyses required in the third year of the contract is substantially greater than in the first two years, resulting in a higher annual cost.

Only laboratories that have been licensed through the California State Water Resources Control Board Environmental Laboratory Accreditation Program (ELAP) are eligible to perform water quality analysis for compliance with DDW sampling requirements.

Present Situation

With Board approval, staff will contract with a local ELAP-certified laboratory to provide laboratory services to fulfill the DDW sampling requirements. Staff solicited bids from three (3) qualified laboratories. A summary of the bid prices is shown below.

<u>Company Name</u>	<u>3-yr Total Bid Amount</u>
Alpha Analytical Laboratories, Inc.	\$112,869.00
BSK Associates	\$116,018.00
California Laboratory Services	Declined to Bid

Alpha Analytical Laboratories, Inc. was the lowest responsive responsible bidder. Staff recommends that the Board authorize the General Manager to execute a purchase order agreement with Alpha Analytical Laboratories, Inc. for laboratory analysis services for a term of three (3) years, in an amount not to exceed \$112,869.

ENVIRONMENTAL CONSIDERATIONS

There are no environmental impacts associated with contracting for laboratory services. Any potential environmental impacts associated with laboratory activities are the responsibility of the laboratory and are subject to oversight by its applicable certifying agency.

WATER QUALITY ANALYSIS THREE-YEAR LABORATORY CONTRACT

Page 3

STRATEGIC PLAN CONFORMITY

The recommendation made in this staff report conforms to Strategic Goal 4, Protection of Public and Environmental Health of the 2025-2030 Strategic Plan. Contracting with an ELAP-certified laboratory for required DDW water quality analyses supports this goal by ensuring the District can verify safe drinking water is being delivered to its customers.

FINANCIAL SUMMARY

The financial impact of contracting with Alpha Analytical Laboratories, Inc. is a cost of \$26,051 in FY 2026-27, a cost of \$27,404 in FY 2027-28, and a cost of \$59,414 in FY 2028-29. The total cost for the three (3) year term is \$112,869.

The District's proposed FY 2026-27 Operating Budget includes \$33,000 for water quality sampling.

Respectfully submitted,



BEN VOELZ
ASSOCIATE CIVL ENGINEER

June 16, 2026

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Travis Franklin, Program Manager

SUBJECT: **LANDSCAPE MAINTENANCE CONTRACT**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors authorize the General Manager to execute a landscape maintenance contract with DB Landscaping in the amount of \$120,960 for a three-year period.

SUMMARY

The Elk Grove Water District (District) received bids for landscape maintenance services at all District facilities. The contract was solicited as a three-year agreement to provide routine landscape maintenance services beginning July 1, 2026.

DISCUSSION

Background

On June 30, 2026, the District's existing landscape maintenance contract with DB Landscaping will expire. To prevent a lapse in maintenance services, the District solicited bids from four (4) landscape maintenance contractors for services beginning July 1, 2026.

Present Situation

Staff solicited four (4) bids for landscape maintenance services, summarized by three-year total below:

	<u>Company Name</u>	<u>Bid Amount</u>
1	DB Landscaping	\$120,960.00
2	Takehara Landscaping	\$162,444.00
3	Bob's Landscaping	No Response
4	Salen's Landscaping	No Response

LANDSCAPE MAINTENANCE CONTRACT

Page 2

DB Landscaping submitted the lowest responsive bid in the amount of \$120,960 for the three-year contract term. Staff recommends that the Board authorize the General Manager to execute the landscape maintenance contract with DB Landscaping.

ENVIRONMENTAL CONSIDERATIONS

Landscape maintenance involves routine maintenance and operation of existing public facilities with negligible or no expansion of use and is therefore exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 of the State CEQA Guidelines (Class 1 – Existing Facilities).

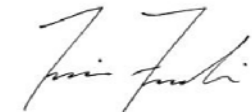
STRATEGIC PLAN CONFORMITY

This item aligns with Goal No. 3, Planning and Operational Efficiency, of the 2025-2030 Strategic Plan by supporting efficient and reliable District operations, protecting District infrastructure and facilities, and maintaining safe and professional public facilities.

FINANCIAL SUMMARY

The total financial impact of the landscape maintenance contract will be \$3,360 per month over three years concluding June 30, 2029. The total per year is \$40,320 and the three-year contract total is \$120,960.

Respectfully submitted,



TRAVIS FRANKLIN
PROGRAM MANAGER

Attachments

PO Proof List



User: acamilo@egwd.org
Printed: 05/27/2026 - 3:43PM
Batch: 00005.05.2026 - 5/27/2026 - AC

Ship Location

Line Item Description

PO No.	Vendor No.	Vendor Name	Home Department	PO Date	Acct No.	Account Description	Amount	Qty
\$3,360 per month (FY 26/27)								
2600000033	10053	DB Constructional Landscape	GM	5/27/2026	20-500-5432-000	Repairs & Maint Building	40,320.00	12
\$3,360 per month (FY 27/28)								
2600000033	10053	DB Constructional Landscape	GM	5/27/2026	20-500-5432-000	Repairs & Maint Building	40,320.00	12
\$3,360 per month (FY 28/29)								
2600000033	10053	DB Constructional Landscape	GM	5/27/2026	20-500-5432-000	Repairs & Maint Building	40,320.00	12
							120,960.00	36
Grand Total:							120,960.00	36

FY 26/29 Landscape Bid

Company	FY 26/27 per month	FY 27/28 per month	FY 28/29 per month	3 Year Total
DB Landscaping	\$3,360	\$3,360	\$3,360	\$120,960
Takehara Landscape	\$4,273	\$4,508	\$4,756	\$162,444
Bob's Landscaping	No response	No response	No response	No response
Salen's Landscaping	No response	No response	No response	No response



Service Contract Proposal – FY26/27, FY27/28, FY28/29

DATE: May 21, 2026

FROM: DB Constructional Landscape Lic#1049548
Physical: 8856 Elk Way, Elk Grove, CA 95624
Mailing: PO Box 2497, Elk Grove, CA 95759
(916) 470-7045
db.construct.landscape@gmail.com

TO: Elk Grove Water District
9829 Waterman Rd
Elk Grove, CA 95624

SCOPE OF WORK	PAYMENT TERMS
Landscaping, Outdoor Maintenance & Weed Abatement	Net 30 days of receipt

Maintenance at ALL locations shall include but not be limited to:

1. Landscaping
2. Removing weeds
3. Weed abatement inside and outside of sites with EGWD approved chemicals and providing SDS sheets
4. Remove and dispose of trash and debris
5. Keep gutters and drainage areas clear
6. Remove broken or damaged plants and leaves and submit a proposal to replace them in kind
7. Trim plants and trees
8. Manage irrigation scheduling as seasons and plants dictate
9. Inspect irrigation system for leaks, breaks, malfunction and submit proposal to repair
10. Check and maintain irrigation systems for efficient water application, reducing overspray and runoff
11. Mow grass at applicable locations

The following locations are to be serviced monthly on specified days:

- 1) Railroad Water Treatment Plant and separate Parking Lot – 9715 Railroad St
(Parking Lot to be serviced on Elk Grove Water District's off Fridays only)
- 2) Administration Office – 9829 Waterman Rd
(Parking Lot to be serviced on Elk Grove Water District's off Fridays only)
- 3) Well 1 – 9085 Elk Grove Blvd
- 4) Well 3 – 9374 Emily St
- 5) Well 4 – 9206 Meadow Grove
- 6) Well 6 – 9639 Emerald Oak Dr
- 7) Well 7 – 9932 Elk Grove Florin Blvd
- 8) Well 8 – 9457 Ranch Park Way
- 9) Well 9 – 9035 Polhemus Dr
- 10) Well 11 – 9818 Dino Dr
- 11) Well 12 – 9101 Neponset Dr
- 12) Hampton Village Water Treatment Plant – 10113 Hampton Oak Dr

Contract service fee:

- FY26/27 - \$3,360.00 per month
- FY27/28 - \$3,360.00 per month
- FY28/29 - \$3,360.00 per month

Credentials (Licenses, Insurance, Bond, Workman's Comp) will be provided upon acceptance of contract or if requested prior.

June 16, 2026

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Travis Franklin, Program Manager

SUBJECT: **2025 URBAN WATER MANAGEMENT PLAN**

RECOMMENDATION

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

1. Adopt Resolution No. 06.16.26.05, approving the Water Shortage Contingency Plan; and
2. Adopt Resolution No. 06.16.26.06, approving the 2025 Urban Water Management Plan.

SUMMARY

Every five (5) years, water agencies are required by the Urban Water Management Planning Act to prepare an Urban Water Management Plan (UWMP). In 2021, the Elk Grove Water District (EGWD) completed its 2020 UWMP. EGWD is required to submit an updated UWMP to the California Department of Water Resources (DWR) by July 1, 2026.

Following the public hearing, staff completed the final revisions to the 2025 UWMP and is presenting the updated Plan to the Florin Resource Conservation District (FRCD) Board of Directors (Board) for approval. If approved, staff will submit the 2025 UWMP (attached) to the DWR by the July 1, 2026, deadline in compliance with State law.

Part of the 2025 UWMP update included revisions to EGWD's Water Shortage Contingency Plan. If adopted, the updated Plan will replace the existing Plan and will be implemented during future water shortage events.

DISCUSSION

Background

On June 15, 2021, the Board adopted the 2020 UWMP by Resolution No. 06.15.21.01, and the Water Shortage Contingency Plan by Ordinance No. 06.15.21.01.

2025 URBAN WATER MANAGEMENT PLAN

Page 2

As required by the Urban Water Management Planning Act, water agencies must update their UWMP every five (5) years. On October 8, 2025, EGWD entered into an agreement with Zanjero to prepare the 2025 UWMP update.

The 2025 UWMP builds on the 2020 UWMP with a stronger focus on drought planning and climate variability. The 2025 UWMP must include: (1) updated water supply and demand projections; (2) a clear assessment of drought risk; (3) a Water Shortage Contingency Plan with defined triggers and response actions; and (4) compliance with State water use efficiency standards.

Present Situation

The major findings and conclusions of the 2025 UWMP are:

- EGWD's water supplies are stable and reliable. Both EGWD groundwater supplies and Sacramento County Water Agency's surface and groundwater water supplies are projected to be highly reliable over the 25-year UWMP planning horizon. Accordingly, water service to Service Area 1 and Service Area 2 is expected to remain stable under all hydrologic conditions including normal, single dry year, and multi-year drought scenarios.

Overall, the 2025 UWMP demonstrates that EGWD has sufficient and reliable water supplies to meet current demands and accommodate anticipated future water growth within its service areas.

On May 1, 2026, a draft of the 2025 UWMP was made available for public review at the EGWD Administration Building and on EGWD's website. On May 8 and May 15, 2026, public notices were published in the Elk Grove Citizen newspaper announcing that a public hearing would be held at the May 19, 2026, FRCD regular board meeting to receive public comments on the 2025 UWMP.

As part of the 2025 UWMP, the Water Shortage Contingency Plan (Plan) was also updated. The Plan provides a framework for managing water supplies during emergencies, including severe drought, infrastructure failure, or other supply disruptions. This Plan allows the Board to declare water shortage stages based on water supply conditions and to implement corresponding response measures. The updated Plan includes six (6) shortage stages with progressively restrictive measures, providing flexibility to respond proportionately to varying levels of water supply shortage.

2025 URBAN WATER MANAGEMENT PLAN

Page 3

Staff recommends the Board adopt Resolution No. 06.16.26.05, approving the Water Shortage Contingency Plan and Resolution No. 06.16.26.06, approving the 2025 Urban Water Management Plan.

STRATEGIC PLAN CONFORMITY

This item aligns with Goal No. 3, Planning and Operational Efficiency, of the 2025-2030 Strategic Plan by advancing the development of the 2025 UWMP.

FINANCIAL SUMMARY

There is no direct financial impact associated with this item.

Respectfully submitted,



TRAVIS FRANKLIN
PROGRAM MANAGER

Attachments

RESOLUTION NO. 06.16.26.05

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE FLORIN RESOURCE CONSERVATION DISTRICT APPROVING THE WATER SHORTAGE CONTINGENCY PLAN

WHEREAS, the Urban Water Management Planning Act, Water Code sections 10610 through 10657 (the Act), mandates that every supplier providing water for municipal purposes to more than 3,000 customers or supplying more than 3,000 acre feet of water annually is an urban water supplier obligated to prepare a Water Shortage Contingency Plan (Plan) as part of the 2025 Urban Water Management Plan (UWMP), the primary objectives of which are to plan for the conservation and efficient use of water;

WHEREAS, the Florin Resource Conservation District (District) is an urban water supplier under the Act because it provided approximately 6,296 acre-feet of water in 2025 to approximately 44,079 people through approximately 13,229 water service connections;

WHEREAS, the District is required by the Act to adopt a final 2025 Plan by no later than July 1, 2026, after staff and consultants have reviewed and amended the previous Plan and after the District Board of Directors (Board) holds a public hearing on the draft updated Plan;

WHEREAS, the District has prepared and circulated a draft Plan, as part of the 2025 UWMP, for public review and review by the City of Elk Grove, County of Sacramento, and other interested agencies, and properly noticed a public hearing concerning the Plan, including publication of notice two times in The Elk Grove Citizen as required by Government Code section 6066.

WHEREAS, the Board held the required public hearing on the Plan during its regular Board meeting on May 19, 2026, and no written or oral comments concerning the Plan were received from the public or any interested agency; and

WHEREAS, in accordance with Water Code section 10652, the preparation of the Plan is deemed not to be a project for purposes of the California Environmental Quality Act (“CEQA”) and therefore, no CEQA review of the Plan was required or conducted.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Florin Resource Conservation District as follows:

1. The Board finds that the District’s final draft Water Shortage Contingency Plan dated May 1, 2026, contains all elements required by the Act and hereby adopts the Plan as part of the 2025 UWMP.
2. The General Manager is authorized and directed to file the District’s Plan, as part of the 2025 UWMP, with the California Department of Water Resources, the California State Library, the City of Elk Grove, and the County of Sacramento by no later than July 1, 2026, and to file any Plan amendments with those agencies

within 30 days of adoption of any such amendment.

3. The General Manager is authorized and directed to implement the water conservation programs and other actions described in the Plan, which includes the water shortage contingency analysis and recommendations to the Board of Directors regarding necessary procedures, rules and regulations to carry out effective and equitable water conservation and water recycling programs.
4. The General Manager or his designee will make a copy of the District's adopted Plan, as part of the 2025 UWMP, available for public review on the District's website and in the office during normal business hours within 30 days of its adoption.

PASSED, APPROVED AND ADOPTED by the Florin Resource Conservation District Board of Directors on this 16th day of June 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Paul Lindsay
Chair

ATTEST:

Stefani Phillips
Board Secretary

APPROVED AS TO FORM:

Joshua M. Horowitz
General Counsel

RESOLUTION No. 06.16.26.06

**A RESOLUTION OF THE FLORIN RESOURCE CONSERVATION
DISTRICT BOARD OF DIRECTORS APPROVING THE 2025
URBAN WATER MANAGEMENT PLAN**

WHEREAS, the Urban Water Management Planning Act requires that each water supplier update its plan at least once every five years on or before July 1, in years ending in six and one; and

WHEREAS, all water suppliers are required to complete and update an Urban Water Management Plan in order to be eligible for financial assistance administered by the Department of Water Resources; and

WHEREAS, the Florin Resource Conservation District (hereafter, “District”) has prepared a thorough and complete update to the Urban Water Management Plan to serve the District as a long-range planning document for water supply; and

WHEREAS, the District’s Urban Water Management Plan provides a source of information for Water Supply Assessments, Water Code Section 10613 et seq., and Written Verifications of Water Supply, Water Code Section 66473.7, where both statutes require detailed information regarding water availability to be provided to the City of Elk Grove or County of Sacramento decision makers prior to approval of specified large development projects; and

WHEREAS, the District has updated its 2025 Urban Water Management Plan in accordance with the Urban Water Management Planning Act.

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

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

SECTION 2. The Board of Directors hereby adopts the 2025 Urban Water Management Plan and orders it filed with the Board Secretary.

SECTION 3. The Board of Directors hereby authorizes and directs the District’s General Manager to file the 2025 Urban Water Management Plan with the State of California, Department of Water Resources by July 1, 2026, in accordance with the Urban Water Management Planning Act.

SECTION 4. The Board of Directors hereby authorizes and directs the District’s General Manager to implement the 2025 Urban Water Management Plan.

PASSED, APPROVED AND ADOPTED by the Florin Resource Conservation District Board of Directors on this 16th day of June 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Paul Lindsay
Chair

ATTEST:

Stefani Phillips
Board Secretary

APPROVED AS TO FORM:

Joshua M. Horowitz
General Counsel

EXHIBIT “A”

“ELK GROVE WATER DISTRICT 2025 URBAN WATER MANAGEMENT PLAN.”

(APPENDICES NOT INCLUDED BUT ARE AVAILABLE ON EGWD’S WEBSITE)

[Attached behind this cover page]



Final – June 16, 2026

2025 Urban Water Management Plan



Prepared By:



Table of Contents

EXECUTIVE SUMMARY/LAYPERSON'S DESCRIPTION	ES-1
ES-1 Elk Grove Water District	ES-1
ES-2 Water Service Reliability	ES-3
CHAPTER 1 Introduction	1-1
1.1. Background and Purpose	1-1
1.2. Basis for Plan Preparation	1-2
1.3. Coordination and Outreach	1-3
1.3.1. Water Supplier Information Exchange	1-5
1.3.2. Statutory Requirements for Notice	1-5
1.4. Public Hearing, Adoption, and Submittal	1-5
1.5. Document Organization	1-5
CHAPTER 2 Water Service and System Description	2-1
2.1. Water Service Area	2-1
2.2. Service Area Climate	2-2
2.2.1. Climate Change	2-3
American River Basin Study	2-4
Projected Future Conditions	2-4
Temperature	2-5
Precipitation	2-5
Snowpack	2-6
Evapotranspiration	2-6
Runoff	2-6
2.3. Current and Projected Population, Land Use, Economy, and Demographics	2-8
2.3.1. Current Population and Historic Trends	2-8
2.3.2. Current and Projected Land Use	2-9
2.3.3. Economic Trends & Other Social and Demographic Factors	2-10
Expected Population Based Upon Land-Use Planning	2-12
2.4. Delivery System Details	2-13
2.4.1. Potable System	2-13
2.5. Energy Intensity	2-14
CHAPTER 3 Water Supply Characterization	3-1
3.1. Water Supply Sources	3-1
3.2. Groundwater Supplies	3-2

3.2.1.	Groundwater Basin Description	3-3
3.2.2.	EGWD Groundwater Supplies	3-5
3.3.	EGWD Contract Supplies with SCWA.....	3-6
3.4.	Other Water Supply Sources	3-8
3.4.1.	Recycled Water	3-8
3.4.2.	Desalinated Water.....	3-8
3.4.3.	Transfer and Exchange Opportunities	3-8
	In Lieu Banking Arrangement with Surface Water Purveyor	3-9
	Third Party Water Exchange Arrangement	3-9
3.5.	Planned Water Sources.....	3-9
3.6.	Water Supply Portfolio Assessment.....	3-10
CHAPTER 4 Water Use.....		4-1
4.1.	Current Customer Water Use	4-2
4.1.1.	Customer Water Use: 2021 to 2024.....	4-2
4.1.2.	Customer Use in 2025	4-3
4.1.3.	Existing Distribution System Losses	4-4
4.1.4.	Water Loss Control Standard	4-5
4.2.	Compliance with Water Use Target (SBX7-7).....	4-5
4.3.	Demand Management Measures	4-5
4.3.1.	Foundational Demand Management Measures	4-6
	Water Waste Prevention Ordinances	4-6
	Metering.....	4-6
	Conservation Pricing	4-7
	Public Education and Outreach.....	4-7
	Programs to Assess and Manage Distribution System Real Loss	4-14
	Water Conservation Program Coordination and Staffing Support	4-14
	Other Demand Management Measures	4-14
	A Homeowner’s Guide to a WaterSmart Landscape	4-14
	Water Use Audit	4-14
4.3.2.	Recent DMM Activities	4-15
4.3.3.	Planned DMM Activities	4-15
4.4.	Forecasting Customer Use.....	4-15
4.4.1.	Representing Current Customer Water Use	4-15
4.4.2.	Factors Affecting Future Customer Use	4-16
	Water Conservation Directives	4-16

Urban Water Use Objectives	4-16
Requirements in California Building Code	4-17
California Model Water Efficient Landscape Ordinance and County Ordinance	4-18
Metering, Volumetric Pricing, and Water Budgets	4-19
Prohibition on Non-Functional Turf	4-19
4.4.3. Customer Water Use Forecast	4-19
Existing Customer Future Use	4-19
New Customer Future Use	4-19
New Residential Customer Water Use	4-20
New Non-Residential Customer Water Use	4-22
4.4.4. Summary of Forecast Water Use	4-23
4.4.5. Dry Year Adjustments	4-23
4.4.6. Climate Change Conditions	4-24
4.5. Projecting Disadvantaged Community Water Use	4-24
CHAPTER 5 Water System Reliability	5-1
5.1. Five Year Drought Risk Assessment	5-1
5.2. Long Term Service Reliability	5-2
5.2.1. EGWD Long Term Service Reliability	5-2
Normal and Single Dry Conditions 2030-2050	5-2
Five Consecutive Dry Years 2030-2050	5-3
5.3. Water Supply Reliability Summary	5-4
CHAPTER 6 Water Shortage Contingency Plan	6-1
6.1. Legal Authorities	6-1
6.2. Water Supply Reliability Analysis	6-2
6.3. Annual Water Supply and Demand Assessment Procedures	6-2
6.4. Water Shortage Stages	6-4
6.4.1. Normal Water Supply	6-4
6.4.2. Stage 1 – 10% Supply Shortage	6-5
6.4.3. Stage 2 – 20% Supply Shortage	6-6
6.4.4. Stage 3 – 30% Supply Shortage	6-7
6.4.5. Stage 4 – 40% Supply Shortage	6-8
6.4.6. Stage 5 – 50% Supply Shortage	6-8
6.4.7. Stage 6 - Over 50% Supply Shortage	6-9
6.5. Enforcement and Variances	6-9
6.6. Communication Protocols	6-10

6.7.	Financial Consequences of WSCP.....	6-10
6.8.	Monitoring and Reporting.....	6-11
6.9.	Response Action Estimates.....	6-12
6.10.	WSCP Refinement Procedures	6-14
6.11.	Plan Adoption, Submittal, and Availability.....	6-14
6.12.	Seismic Risk Assessment and Mitigation Plan (Catastrophic interruption in supplies)	6-14

List of Tables

Table 1-1. Public Water System Information	1-2
Table 1-2. Public and Agency Coordination	1-4
Table 2-1. Customer Water Service Connections	2-1
Table 2-2. Projected Change in Precipitation and Temperature Over the American River Basin Study Area Between 1980-2009 and 2070-2099	2-6
Table 2-3. Change in Hydrologic Indicators between Historical Observations and Projected Future Hydrology	2-8
Table 2-4. Estimated Population – Historical and Current.....	2-9
Table 2-5. Cumulative New Connections.....	2-10
Table 2-6. Expected Total Connections	2-10
Table 2-7. Projected Future Population	2-12
Table 2-8. Energy Intensity – Total Utility Approach	2-15
Table 3-1. Service Area 1 Wells - Production 2021-2025	3-1
Table 3-2. Service Area 2 Water Supply Deliveries from SCWA 2021-2025	3-2
Table 3-3. Service Area 1 Groundwater Supply Estimated Availability & Reliability, 2026 - 2030	3-6
Table 3-4. Service Area 1 Groundwater Estimated Future Availability in Five Consecutive Dry Years.....	3-6
Table 3-5. Service Area 2 SCWA Agreement Supply Estimated Availability & Reliability, 2026 - 2030	3-7
Table 3-6. Service Area 2 SCWA Agreement Estimated Future Availability in Five Consecutive Dry Years ...	3-8
Table 3-7. EGWD Total Potential Supplies through 2030	3-10
Table 3-8. EGWD Total Potential Supplies through 2050 (acre-feet).....	3-11
Table 4-1. Customer Use 2021 to 2024 (values in acre-feet)	4-3
Table 4-2. Total District Customer Water Use: 2025 Actual Use (values in acre-feet).....	4-4
Table 4-3. Distribution System Loss: 2021 through 2025.....	4-4
Table 4-4. Regional Rebates and Installations from 2021-2025	4-12
Table 4-5. Representative Current Water Use (acre-feet)	4-16
Table 4-6. Anticipated New Residential Dwelling Units (from Table 2-5).....	4-20
Table 4-7. Forecast Future Water Use (values in acre-feet per year).....	4-23
Table 4-8. Estimated Low-Income Water Use Forecast (acre-feet)	4-25
Table 5-1. Five Year Drought Risk Assessment.....	5-2
Table 5-2. Normal and Single Dry Year Water Supply and Demand through 2050 (acre-feet per year).....	5-3
Table 5-3. Five Consecutive Dry Years Water Supply and Demand through 2050 (acre-feet per year)	5-4
Table 6-1. Shortage Response Action Measures Estimates.....	6-12

List of Figures

Figure 2-1. Water Service Area	2-2
Figure 2-2. Average Climate Conditions	2-3
Figure 2-3. Distribution of Average Monthly Runoff for Historical Record (1922-2015) and Future Projections under Central Tendency Climate Scenario	2-7
Figure 2-4. Sacramento Region Labor Statistics.....	2-12
Figure 2-5. Potable Water System	2-14
Figure 3-1. EGWD’s Location in the South American Subbasin	3-4

List of Appendices

Appendix A Adopting Resolutions.....	A-1
Appendix B Local Hazard Mitigation Plan.....	B-1

List of Preparers

Elk Grove Water District

Bruce Kamilos – General Manager
Travis Franklin – Program Manager

Zanjero

Greg Young, P.E. - Principal
Robert Heather – Senior Resources Planner
Savanna Sanders – Resources Planner
Olive Ellringer – Resources Planner
Jennie McCarl – Office Manager

This 2025 Urban Water Management Plan was prepared under the direction of a
California licensed civil engineer.



EXECUTIVE SUMMARY

LAYPERSON'S DESCRIPTION

The devastating drought in the late 1970s, the California Legislature declared California's water supplies a limited resource, subject to ever-increasing demands and that the long-term, reliable supply of water is essential to protect California's businesses, communities, agricultural production, and environmental interests. The Legislature also recognized a need to strengthen local and regional drought planning and increase statewide resilience to drought and climate change. Thus, in 1983, the California Legislature created the Urban Water Management Planning Act (UWMPA). The UWMPA requires urban water suppliers serving over 3,000 customers or supplying at least 3,000 acre-feet of water annually to prepare and adopt an urban water management plan every five years, and demonstrate water supply reliability in a normal year, single dry year, and droughts lasting at least five years over a twenty-year planning horizon. The UWMPA also requires each urban water supplier to prepare a drought risk assessment and water shortage contingency plan. And last, beginning in July 2022, each urban water supplier must prepare an annual water supply and demand assessment. The California Legislature asserts that aggregating all of these legal requirements at the urban water supplier level will improve local, regional, and statewide water planning and water resilience.

At a practical level, the Urban Water Management Plan (UWMP) is the legal and technical water management foundation for urban water suppliers throughout California. A well-constructed UWMP will provide the supplier's elected officials, management, staff, and customers with an understanding of past, current, and future water conditions and management. The UWMP integrates local and regional land use planning, regional water supply, infrastructure, and demand management projects as well as providing for statewide challenges that may manifest through climate change and evolving regulations. Thoughtful urban water management planning provides an opportunity for the supplier to integrate supplies and demands in a balanced and methodical planning platform that addresses short-term and long-term planning conditions. In brief, the UWMP gathers, characterizes, and synthesizes water-related information from numerous sources into a plan with local, regional, and statewide practical utility.

ES-1 ELK GROVE WATER DISTRICT

The Elk Grove Water District (District) is a public water agency that provides potable water directly to retail customers throughout the approximately 13 square mile service area boundary. The District, originally created in 1893 to provide local water services and fire protection water resources, has continued to be a predominant water purveyor within the

Executive Summary

City of Elk Grove. Formerly called Elk Grove Water Works, it was family owned until 1999 when it was purchased by the Florin Resources Conservation District (FRCD). The District's services are coordinated and managed within the FRCD, and it is governed by a five member, publicly elected Board of Directors.

Serving a population of nearly 45,000, the District has a broad range of responsibilities, including long-term water reliability planning, management of current groundwater assets, and distribution of potable water.

The District is separated into two service areas: Service Area 1 and Service Area 2. Service Area 1 is supplied by groundwater wells and treated by the District's water treatment plant. Service Area 2 is supplied by surface water and groundwater purchased from SCWA. **Figure ES-1** represents EGWD's service areas.

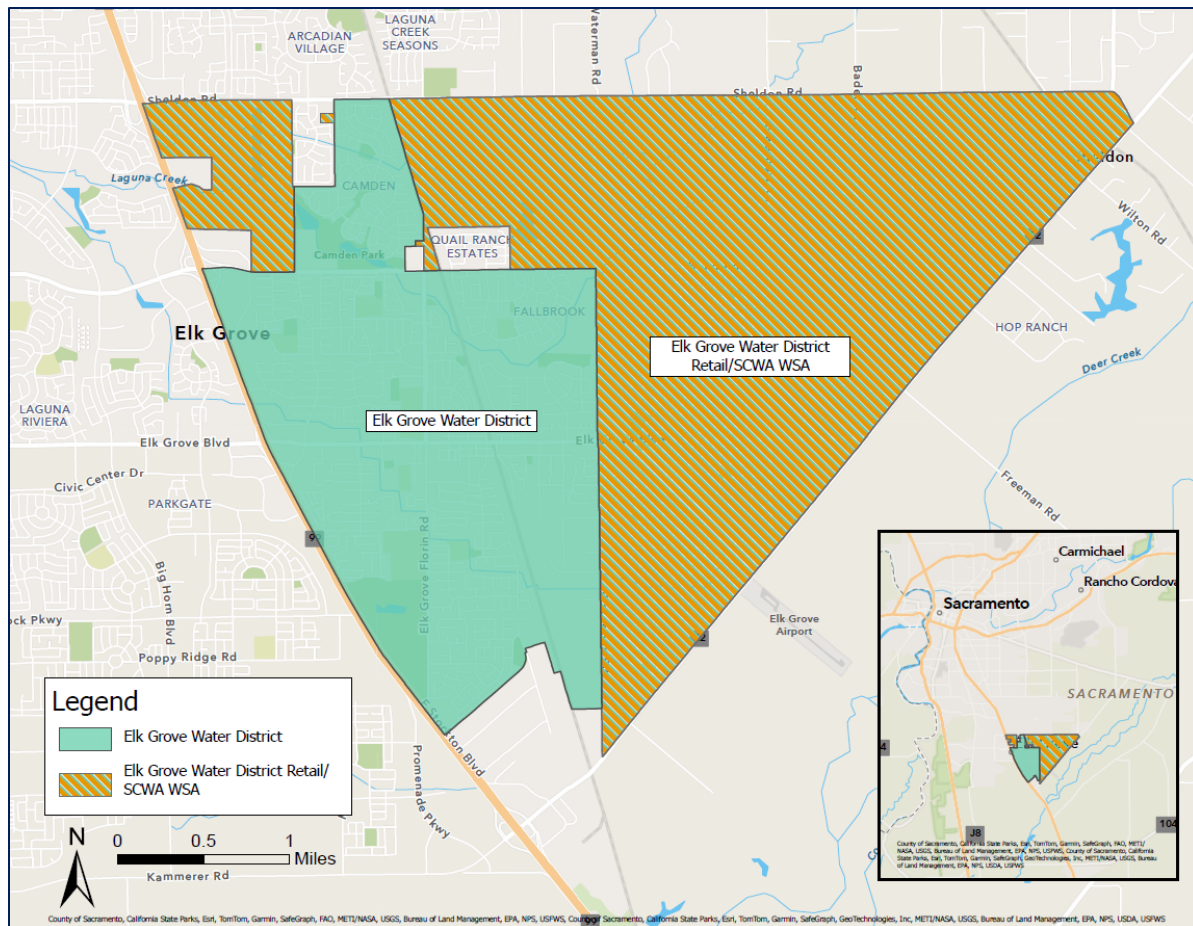


Figure ES-1. ELK GROVE DISTRICT WATER SERVICE AREA

ES-2 WATER SERVICE RELIABILITY

Elk Grove Water District has developed a robust water supply portfolio to serve its current and future demands. The District derives its water supplies from two sources – groundwater from the South American Subbasin and contract supplies through an agreement with Sacramento County Water Agency. The District’s groundwater supplies are linked to a number of historical groundwater management actions, including formation of the Sacramento Central Groundwater Authority (SCGA) and more recently the development of the SCGA Groundwater Sustainability Agency (GSA) under the Sustainable Groundwater Management Act (SGMA). SCGA prepared the original groundwater management framework that has been included in the District’s 2025 Urban Water Management Plan. SCGA’s ongoing water management activities have stabilized the South American Subbasin’s groundwater levels and helped preserve the District’s access to those supplies for future generations.

SCGA GSA is updating the existing groundwater management plans, in cooperation with four other GSA’s, to ensure that the South American Subbasin meets the SGMA sustainability objectives. The South American Subbasin Groundwater Sustainability Plan (GSP) will be completed in 2022 and will characterize and develop specific actions that meet the SGMA sustainability objectives. And although the new GSP may alter how and under what conditions the District may access groundwater supplies from the South American Subbasin, the District does not anticipate any actions that would reduce long-term reliability of the groundwater to meet its current and future demands.

The District also has a Master Water Agreement with Sacramento County Water Agency (SCWA) that it signed in 1995 and renewed in 2002 (Agreement). This Agreement obligates SCWA to provide water supplies to the District’s service area. The Agreement has a fifty-year term and a right of renewal that stabilizes the long-term reliability of this supply to meet the District’s current and future demands. Moreover, SCWA may deliver any of its water supplies – both surface water and groundwater – based on the terms of the Agreement, giving the District added reliability through SCWA’s diverse water supply portfolio and conjunctive use actions. Taken together, the District’s groundwater supplies and Agreement provide reliable supplies to meet the District’s normal, single dry, and five-consecutive dry year water supply needs through 2050.

CHAPTER 1

INTRODUCTION

The Elk Grove Water District (EGWD or District) has served as a cornerstone of water supply and management in southern Sacramento County for more than 130 years. Originally established in 1893 as the Elk Grove Water Works to provide local water service and fire protection, the utility has evolved alongside the community it serves. After more than a century of family ownership, the District was acquired by the Florin Resources Conservation District (FRCD) in 1999. Today, EGWD operates as a subsidiary of the FRCD, governed by a publicly elected five-member Board of Directors.

EGWD provides reliable, high-quality drinking water to a population of more than 44,000 residents, as well as to a range of Commercial, Institutional, and Industrial (CII) customers. The District's responsibilities include maintaining and operating the potable water distribution system, managing groundwater resources, and planning for long-term water supply reliability.

Today, EGWD continues to build on its legacy of service by investing in infrastructure, planning for long-term reliability, and prioritizing customer needs. With a mission grounded in safety, dependability, and sustainability, the 2025 Urban Water Management Plan (UWMP) reflects both the District's historic commitment to water stewardship and its forward-looking approach to ensuring a resilient water future for generations to come.

1.1. BACKGROUND AND PURPOSE

The Urban Water Management Planning Act (UWMPA) was enacted by the California Legislature in 1983 to address the growing need for comprehensive water supply planning across the state's urban areas. Codified in California Water Code (CWC) §§10610–10656, the UWMPA requires urban water suppliers serving more than 3,000 customers or delivering more than 3,000 acre-feet annually to prepare and adopt comprehensive water management plans every five years. The District has prepared this 2025 UWMP to comply with the UWMPA requirements and addresses the District's water management planning efforts to assure adequate water supplies to meet forecast demands over the next 25 years.

As required by the UWMPA, this 2025 UWMP specifically assesses the availability of the District's supplies to meet forecast water uses during average, single-dry, and five consecutive drought years through 2050. Verification that future demands will not exceed supplies and assuring the availability of supplies in dry-year conditions are critical outcomes of this plan. The 2025 UWMP is an update to the District's 2020 UWMP and presents new data and analysis as required by the California Department of Water Resources (DWR) and the

CWC since 2020. This comprehensive water planning document describes existing and future supply reliability, forecasts future water uses, presents demand management progress, and identifies local and regional cooperative efforts to meet projected water use.

The UWMP is designed to be a valuable water management and planning tool to guide and inform the District's managers, customers, and the State of California about the District's water management practices. It reflects the District's planning assumptions and goals and should be used in combination with other planning resources and documents over the UWMP planning horizon, representing the District's continued commitment to responsible water stewardship and proactive strategies that protect both water reliability and community prosperity.

1.2. BASIS FOR PLAN PREPARATION

The District operates a Public Water System as described in California Health and Safety Code §116275. The District qualifies as a Retail Urban Water Supplier as described in CWC §10617, providing water for municipal purposes to more than 3,000 customers or 3,000 acre-feet of water per year. This qualification requires the preparation of an Urban Water Management Plan every five years.

The District's Public Water System details are listed in **Table 1-1**.

TABLE 1-1. PUBLIC WATER SYSTEM INFORMATION

Public Water System Number	Public Water System Name	Number of Municipal Connections 2025
CA341008	Elk Grove Water District	13,229

The State Legislature passed numerous new requirements for the 2020 UWMP cycle which continue to apply to this 2025 UWMP. Since there have been no additional statutory changes to UWMP requirements between 2020 and 2025, this plan incorporates the same comprehensive framework established for 2020 UWMPs. Major requirements implemented in 2020 and continued in this 2025 UWMP are listed below along with references to the corresponding sections where they are addressed in this document.

Five Consecutive Dry-Year Water Reliability Assessment: The Legislature modified the dry-year water reliability planning from a "multiyear" time period to a "drought lasting five consecutive water years" designation. This statutory change requires the District to analyze the reliability of its water supplies to meet its water use over an extended drought period. This requirement is addressed in Chapter 3—Water Supply Characterization, Chapter 4—Water Use, and Chapter 5—Water System Reliability.

Drought Risk Assessment (DRA): Due to the extensiveness of recent California droughts and the variability associated with climate change predictions, the California Legislature created

a DRA requirement for UWMPs. The DRA requires assessment over a five-year period from 2026 to 2030 that examines water supplies, water uses, and the resulting water supply reliability for five consecutive dry years. The DRA is addressed in Chapter 5—Water System Reliability and Chapter 6—Water Shortage Contingency Plan.

Seismic Risk: Evaluating seismic risk to water system infrastructure and facilities and having a mitigation plan is now required by the CWC. Incorporating the water system into regional or county hazard mitigation planning is an important aspect of this statute. Seismic risk is addressed in Chapter 6—Water Shortage Contingency Plan.

Water Shortage Contingency Plan: The Legislature modified the UWMPA to require a Water Shortage Contingency Plan (WSCP) with specific elements. The WSCP is a document that provides the District with an action plan for a drought or catastrophic water supply shortage. The WSCP is included in Chapter 6 of this UWMP.

Groundwater Supplies Coordination: UWMPs are required to be consistent with Groundwater Sustainability Plans following the 2014 Legislature enactment of the Sustainable Groundwater Management Act (SGMA). The District's groundwater supplies are described in Chapter 3—Water Supply Characterization.

Lay Description: A synopsis of the fundamental determinations of the UWMP is a statutory requirement. This section is intended for new staff, new governing members, customers, and the media, and ensures a consistent representation of the District's detailed analysis.

1.3. COORDINATION AND OUTREACH

The District has complied with the UWMPA by engaging in coordination with local and regional agencies to ensure a consistent, transparent, and regionally integrated approach to water resource planning. Coordination and communication among agencies play a critical role in promoting reliability, resilience, and sustainability of the region's water supplies. In accordance with CWC §10620(d)(3), the District coordinated the preparation of this UWMP with other appropriate agencies within and adjacent to its service area, including water suppliers sharing common sources, water management agencies, and relevant public entities.

The District actively participates in regional coordination efforts as a member of both the Regional Water Authority (RWA) and the Sacramento Central Groundwater Authority (SCGA). The RWA includes most of the region's water agencies and focuses on regional water-supply planning, program development, and representation on statewide water issues. The SCGA is charged with managing and monitoring the Sacramento region's groundwater basin to ensure its long-term sustainability. Coordination with these regional partners ensures consistency between this UWMP and related planning documents such as Groundwater Sustainability Plans (GSPs), General Plans, and Water Master Plans. These efforts strengthen integrated regional water management and support alignment with other regional and state planning initiatives.

In compliance with CWC §10621(b), the District provided notification to all affected cities and counties at least 60 days prior to the public hearing on this UWMP update, ensuring adequate opportunity for review and participation. Additionally, the District conducted outreach to community stakeholders and encouraged the involvement of diverse social, cultural, and economic elements within the service area, as required under CWC §10642. These efforts reflect the District's ongoing commitment to public transparency and engagement in water resource planning. A summary of these notifications is provided in **Table 1-2**.

TABLE 1-2. PUBLIC AND AGENCY COORDINATION

Coordinating Agencies	Coordinate Activity
Cities, Counties, Customers, and Interested Parties	
City of Elk Grove (Planning Dept.)	60-Day Notice, Notice of Public Hearing, Copy of Draft UWMP
City of Elk Grove (Public Works Dept.)	60-Day Notice, Notice of Public Hearing, Copy of Draft UWMP
Consumnes CSD	Notice of Public Hearing, Copy of Draft UWMP
Sacramento County	60-Day Notice, Notice of Public Hearing Copy of Draft UWMP
Sacramento County Water Agency	Coordinated Regarding Demands, 60-Day Notice, Notice of Public Hearing, Copy of Draft UWMP
Sacramento County Regional Sanitation District	Notice of Public Hearing, Copy of Draft UWMP
General Public	Notice of Public Hearing, Copy of Draft UWMP
Shared Groundwater Resource Interests	
Cal-Am Water Company	Notice of Public Hearing, Copy of Draft UWMP
Sloughhouse RCD	Notice of Public Hearing, Copy of Draft UWMP
Golden State Water Company	Notice of Public Hearing, Copy of Draft UWMP
Rancho Murrieta CSD	Notice of Public Hearing, Copy of Draft UWMP
Omochumne Hartnell WD	Notice of Public Hearing, Copy of Draft UWMP

1.3.1. WATER SUPPLIER INFORMATION EXCHANGE

In accordance with CWC §10631(h), the District coordinated closely with its wholesale water supplier, Sacramento County Water Agency (SCWA), to exchange data and projections necessary for both agencies' UWMPs. The District's service area is completely encompassed by SCWA, and as required by the UWMPA, both agencies exchange projected water demand in five-year increments for at least 20 years into the future. Due to its contractual and geographical relationship, SCWA plays a role in the District's water management of Service Area 2.

1.3.2. STATUTORY REQUIREMENTS FOR NOTICE

The District notified the City of Elk Grove and Sacramento County regarding its intent to update and adopt this 2025 UWMP. Furthermore, consistent with CWC §10642, the District encouraged public participation by providing notice of the hearing date, time, location, and methods for accessing the draft UWMP. Notifications were published in local newspapers and sent directly to interested stakeholders to promote inclusive community involvement in the plan's development.

1.4. PUBLIC HEARING, ADOPTION, AND SUBMITTAL

In compliance with CWC §10642, the District held a publicly noticed hearing on May 19, 2026 to review the 2025 UWMP and associated WSCP. The hearing provided an opportunity for community members and regional stakeholders to comment on the proposed Plan. Following public input, the Board of Directors formally adopted the 2025 UWMP and WSCP by resolution on June 16, 2026.

Consistent with CWC §10644(a), the adopted Plan was submitted within 30 days to the California State Library, the City of Elk Grove, and the County of Sacramento. Additionally, the District electronically submitted the Plan and all required data tables to the DWR prior to the regulatory deadline of July 1, 2026, completing all statutory submittal obligations.

1.5. DOCUMENT ORGANIZATION

This 2025 UWMP is organized as follows:

- **Executive Summary** provides an overview of the purpose and findings of this 2025 UWMP.
- **Chapter 1** establishes the basis for the UWMP, describes the outreach activities and introduces the document organization.
- **Chapter 2** provides a description of the District's service area, demographic characteristics and climate, and describes the future population the District anticipates needing to serve.
- **Chapter 3** describes the current and future water supplies and the availability of the supplies through 2050.

- **Chapter 4** details the customer uses, including the past and future estimated uses, and describes District's past and on-going demand management measures.
- **Chapter 5** presents the District's water system service reliability into the future, including an assessment of reliability if a drought occurred over the next five consecutive years.
- **Chapter 6** is the District's stand-alone water shortage contingency plan, incorporated as a chapter in this UWMP, but also available to be shared and utilized separately from the UWMP.

NOTE TO DWR:

The Elk Grove Water District has prepared this Urban Water Management Plan (UWMP) primarily as a water resource planning tool to effectively manage water supply, reliability and demand. This UWMP also satisfies all the requirements of the Urban Water Management Planning Act (UWMPA).

The body of the document provides narratives, analysis and data that DWR requests in its 2025 UWMP Guidebook, including changes to the California Water Code since 2020. Efforts have also been made to include enhancements to this document wherever possible as recommended in the UWMP Guidebook.

Unless otherwise noted, annual reporting is on a calendar year basis and units for volumetric values are reported in acre-feet.

To facilitate review by DWR for compliance with the UWMPA, data from the body of the document has been transferred into required DWR submittal tables consistent with the organization of the tables in Appendix E of the 2025 UWMP Guidebook. These tables are separately uploaded to DWR's web portal. This UWMP has been reviewed for adequacy according to the UWMP Checklist as contained in Appendix F in the 2025 UWMP Guidebook.

CHAPTER 2

WATER SERVICE AND SYSTEM DESCRIPTION

EGWD, as a department of the Florin Resource Conservation District, provides potable water service to retail customers within an approximately 13-square-mile area located in the City of Elk Grove, south of Sacramento. The District's service area is generally bound by Sheldon Road to the north, Highway 99 to the west, Grant Line Road to the east, and the Union Industrial Park to the south. The District is entirely surrounded by SCWA.

2.1. WATER SERVICE AREA

The District is separated into two service areas: Service Area 1 and Service Area 2. Service Area 1 (denoted on **Figure 2-1** as "Elk Grove Water District") is supplied by groundwater wells and treated by the District's water treatment plant. Service Area 2 (denoted on **Figure 2-1** as "Elk Grove Water District Retail/SCWA WSA") is supplied by surface water and groundwater purchased from SCWA. **Figure 2-1** represents EGWD's service areas.

The District provides water service to approximately 13,200 residential, commercial and institutional, irrigation, and industrial service connections. Much of the development is low and medium density single-family housing, with accompanying retail commercial use. **Table 2-1** provides the historical and current number of service connections by customer class for the entire District.

TABLE 2-1. CUSTOMER WATER SERVICE CONNECTIONS

Customer Class	2020	2021	2022	2023	2024	2025
Single Family Residential	12,295	12,297	12,311	12,384	12,459	12,585
Multi-Family Residential	62	62	62	61	61	59
Commercial/Institutional	361	362	382	388	388	372
Industrial	43	43	41	41	41	40
Landscape Irrigation	121	134	137	146	149	173
Total	12,882	12,898	12,933	13,020	13,098	13,229

2.2. SERVICE AREA CLIMATE

The District's climate is typical of California's Central Valley with hot, dry summers, and cool, wet winters. Climate data was derived from local reporting stations with the same microclimate characteristics as the District's service area.

Temperature data was obtained from the PRISM Climate Group for the Elk Grove area¹. The average temperature is about 61 degrees Fahrenheit (°F). Typically, July and August are the hottest months of the year with an average daily temperature of about 75 °F, though daytime high temperatures average between 92–93 °F. December and January are generally the coolest months of the year, with a mean annual temperature of about 47 °F, and the average minimum dipping down to 38 °F.

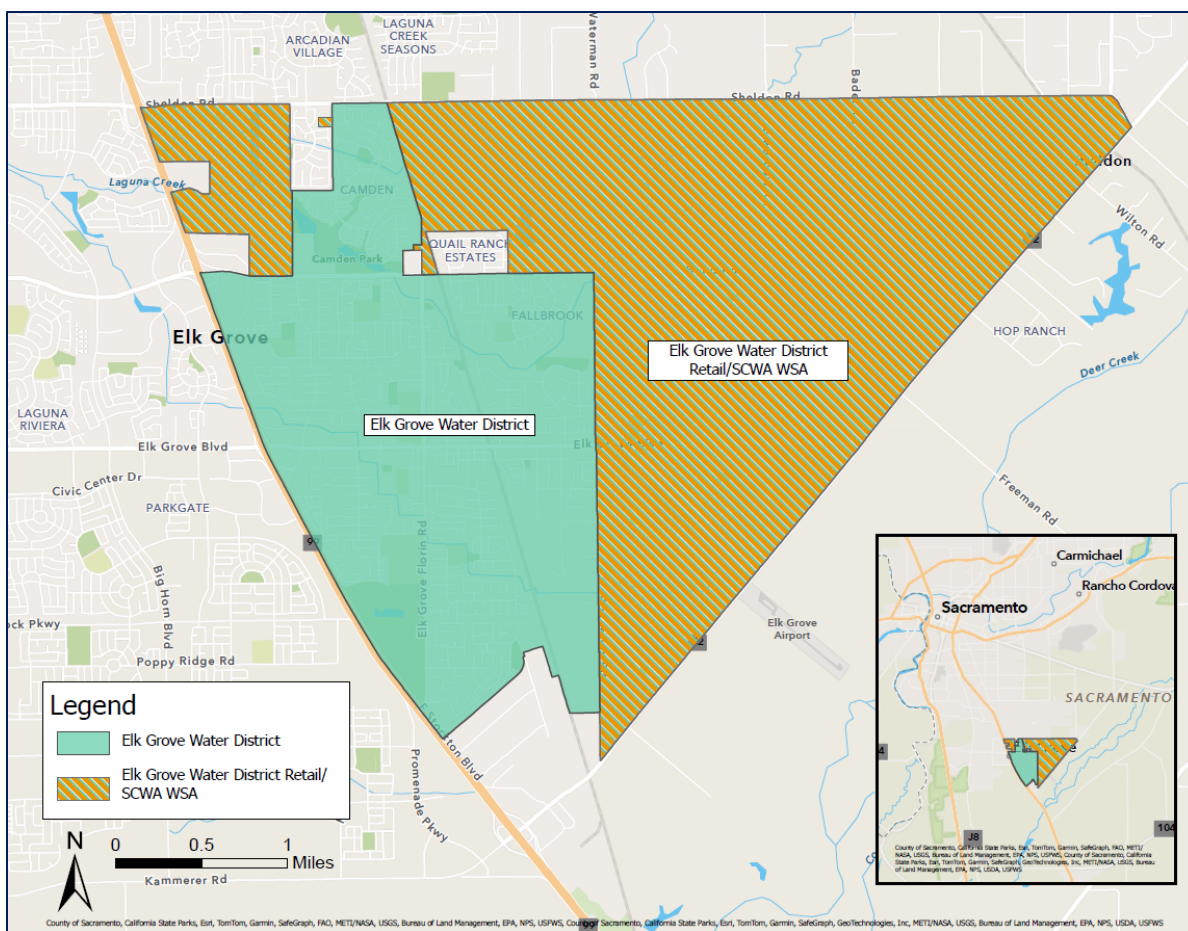


FIGURE 2-1. WATER SERVICE AREA

¹ <https://prism.oregonstate.edu/> Location: Lat: 38.4074 Lon: -121.3674 Elev: 49ft.

Precipitation data is also documented from the PRISM Climate Group. For the 1995 to 2025 period, average rainfall was measured at about 18.5 inches. The wettest months are December, January, February, and March while the driest months are typically July and August.

Evapotranspiration (ET_o) varies seasonally, and during dry years the significance of evapotranspiration is magnified because it continues to deplete surface and soil water supplies that are not being replenished by sufficient precipitation. EGWD monitors ET_o closely. Standard monthly average ET_o data was obtained from the California Irrigation Management Information System (CIMIS) Station 131 located in Fair Oaks, California, which is about 20 miles northeast of the service area. Average annual ET_o for the period 1997–2025 measured 51.11 inches.

ET_o, rainfall, and temperature data is provided in **Figure 2-2**.

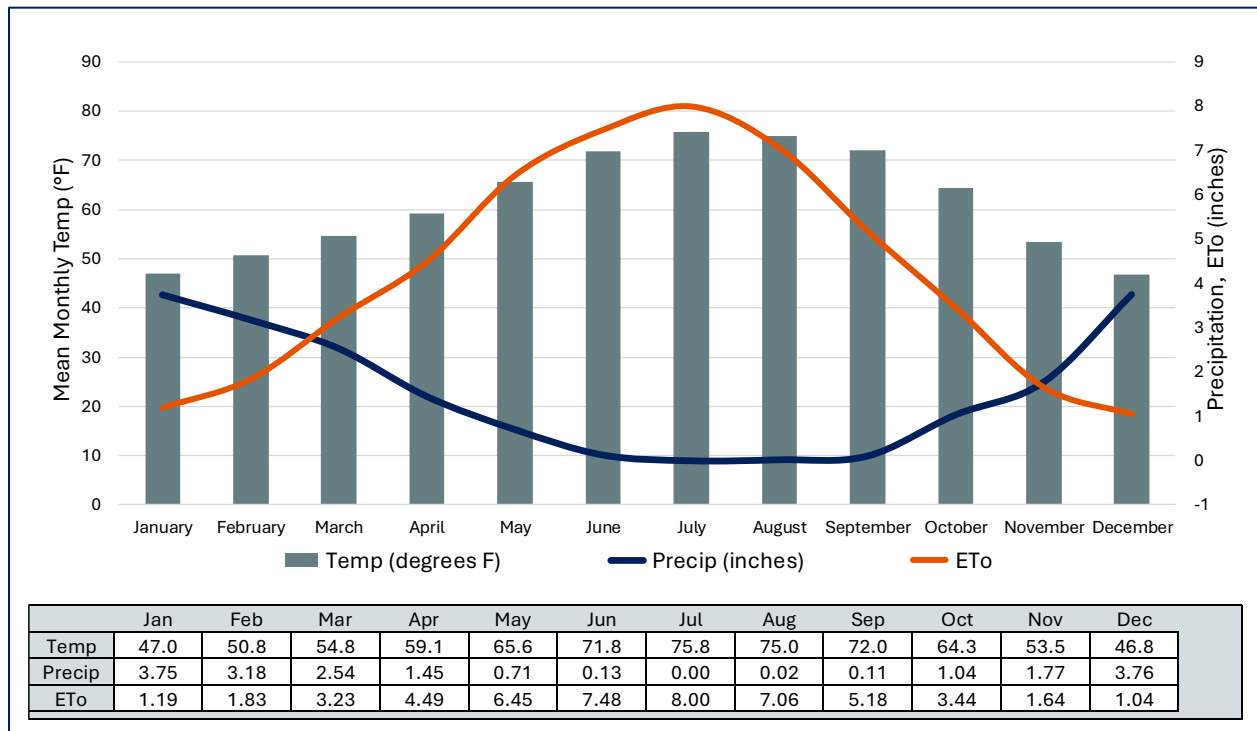


FIGURE 2-2. AVERAGE CLIMATE CONDITIONS²

2.2.1. CLIMATE CHANGE

While the CWC does not prescribe specific climate change planning and management measures for water suppliers, it does emphasize that climate change is appropriate to

² Temperature and precipitation data represents averages from 1995–2025 from the PRISM Climate Group; ET_o data is from CIMIS – Fair Oaks Station 131, Apr 1997–Dec 2025.

consider when assessing drought risk assessment, water conservation and use efficiency, and demand management and supply—both in a historical and projected context.

The service area climate is highly variable with respect to precipitation and temperature. The dry summer months make the state extremely susceptible to drought when a deficiency in precipitation materializes, especially in mountain snowpack. Much of the water supply comes from the mountains falling as winter rain or snow and is then stored as snowpack and subsequently captured in reservoirs and appropriated throughout the year.

As a member of the Regional Water Authority (RWA), the District participated in the American River Basin Study. Per DWR requirements regarding the inclusion of climate change analysis, pertinent excerpts from the referenced study are presented below.

AMERICAN RIVER BASIN STUDY

In 2020, the American River Basin (Basin) region conducted a climate change study in partnership with local water purveyors and the United States Bureau of Reclamation (USBR). The purpose of the American River Basin Study (ARBS or Study) was to develop data tools and analyses, identify supply-demand imbalances, and climate change adaptation strategies specific to the Basin. Under the “new normal” of a changing climate, the ARBS aims to improve the resolution of regional climate change data and to develop regionally-specific mitigation and adaptation strategies. More detail, along with the approved study can be found at www.pcwa.net/planning/arbs.

The Study Area is bounded by the Sierra Nevada mountain range to the east, the Feather and Sacramento Rivers to the west, the Bear River to the north, and the Cosumnes River to the south. In addition to the American River Watershed, the Study Area encompasses the North and South American Groundwater Sub-basins, and Non-Federal Partners’ service areas outside of the American River Watershed.

PROJECTED FUTURE CONDITIONS

Analysis of projected future climate conditions in the American River Basin and development of climate scenarios for the ARBS were based on an ensemble of bias-corrected and spatially downscaled climate projections.³ This ensemble has been used by the California Water Commission and DWR as the primary source of climate projection information in several recent studies, including the Water Storage Investment Program (WSIP) and California’s

³Climate projections were developed using Global Climate Models from the Coupled Model Intercomparison Project Phase 5 (CMIP5) and downscaled using Localized Constructed Analogs (LOCA) method projected and coupled with two future emission scenarios (RCP 4.5 and RCP 8.5) available from Dr. David Pierce at the Scripps Institution of Oceanography.

Fourth Climate Change Assessment.⁴ Projected future climate conditions were evaluated and characterized based on the ensemble of downscaled climate projections.

Hydrology scenarios were used to develop streamflow inputs to CalSim 3.0, which was then used to evaluate changes in water supplies, demands, and management throughout the Central Valley Project (CVP) and State Water Project (SWP), including the Study Area. Demands for each water purveyor largely relied upon water purveyors' information provided in Regional Drought Contingency Plan/Regional Water Reliability Plan⁵ and 2015 UWMPs.

TEMPERATURE

Surface air temperatures are projected to increase steadily, with average summer temperatures increasing by approximately 7.2 degrees Fahrenheit (°F) by the end of the 21st century, and winter temperatures increasing by 4.9°F. Projections of daily maximum and minimum temperatures suggest similar warming trends during all seasons, with maximum temperatures projected to increase as much as 7.3°F during the summer months.

PRECIPITATION

Annual precipitation projections show no significant trend in the median of change over the 21st century. Many of the available general circulation model (GCM) projections show change in precipitation, but there is no consistency in the magnitude and direction of projected change between models. Approximately half of the projections indicate a minor increase in annual precipitation and half indicate a minor decrease, highlighting the large uncertainty in future precipitation over this region. Although lacking a clear trend in projected annual precipitation, by the end of the 21st century the average fall and spring precipitation is expected to decrease, with winter and summer precipitation increasing. Increasing variability is also projected in winter and fall precipitation. **Table 2-2** displays the projected (2070–2099) change in precipitation and temperature compared to 1980–2009 averages.

⁴ Pierce, D. W., J. F. Kalansky, D. R. Cayan. Climate, Drought and Sea Level Rise Scenarios for California's Fourth Climate Change Assessment. August 2018.

⁵ Regional Water Authority (RWA). North American Basin Regional Drought Contingency Plan, October 2017 and Regional Water Reliability Plan, May 2019.

TABLE 2-2. PROJECTED CHANGE IN PRECIPITATION AND TEMPERATURE OVER THE AMERICAN RIVER BASIN STUDY AREA BETWEEN 1980-2009 AND 2070-2099

Season	Percent Change in Basin-Averaged Annual Mean Precipitation (%)	Change in Basin-Averaged Annual Mean Daily Air Temperature (°F)	Change in Annual Mean of Daily Maximum Air Temperature (°F)	Change in Annual Mean of Daily Minimum Air Temperature (°F)
Fall	-6.0	5.8	6.2	5.5
Winter	4.7	4.9	5.0	4.8
Spring	-11.9	5.8	6.3	5.1
Summer	10.4	7.2	7.3	7.0

SNOWPACK

Snow water equivalent (SWE) is a key indicator of water supplies in this region, where runoff is largely influenced by snowmelt. The increasing variability in precipitation combined with increases in surface air temperatures are key drivers in projections of a reduction in annual average SWE. Average SWE is forecasted to decrease by 50–85% across all climate scenarios and future time periods. In addition, areas that accumulate snow above Folsom Reservoir are also projected to have up to a 12-inch decrease in maximum snowpack by end of the century.

EVAPOTRANSPIRATION

Potential evapotranspiration (PET) serves as a key indicator of landscape and agricultural water demands, including consumptive use by evaporation and transpiration from bare soil, water surfaces, native vegetation, and crops. Average annual PET is expected to increase 1.2 to 6.2 inches across all climate scenarios and future time periods. PET is strongly correlated with air temperature and thus expected to increase more under the hot scenarios (hot-dry, hot-wet) than under the warm scenarios (warm-dry, warm-wet).

RUNOFF

Watershed runoff is a direct indicator of available local water supply and is used to determine water availability for the State Water Project and Central Valley Project. Climate change projections indicate a pronounced shift in the distribution of runoff from May and June to earlier in the season (December to March), implying a transition in precipitation from snow to rainfall and/or earlier snowmelt and increasing the amount of runoff during the winter months. Peak runoff is expected to shift by more than a month earlier by mid to late century (**Figure 2-3**). Spring runoff will decrease due to reduced winter snowpack. Similar to the precipitation scenarios, there is large uncertainty in projected runoff where the ‘wet’ scenarios suggest an increase in annual runoff and the ‘dry’ scenarios suggest a decrease in annual runoff. The projected changes in basin wide runoff range from an increase of 486

thousand acre-feet (TAF) under the warm-wet scenario to a decrease of 203 TAF under the hot-dry scenario by the end of the century.

This 2025 UWMP includes additional climate change discussion in Chapters 3 and 4.

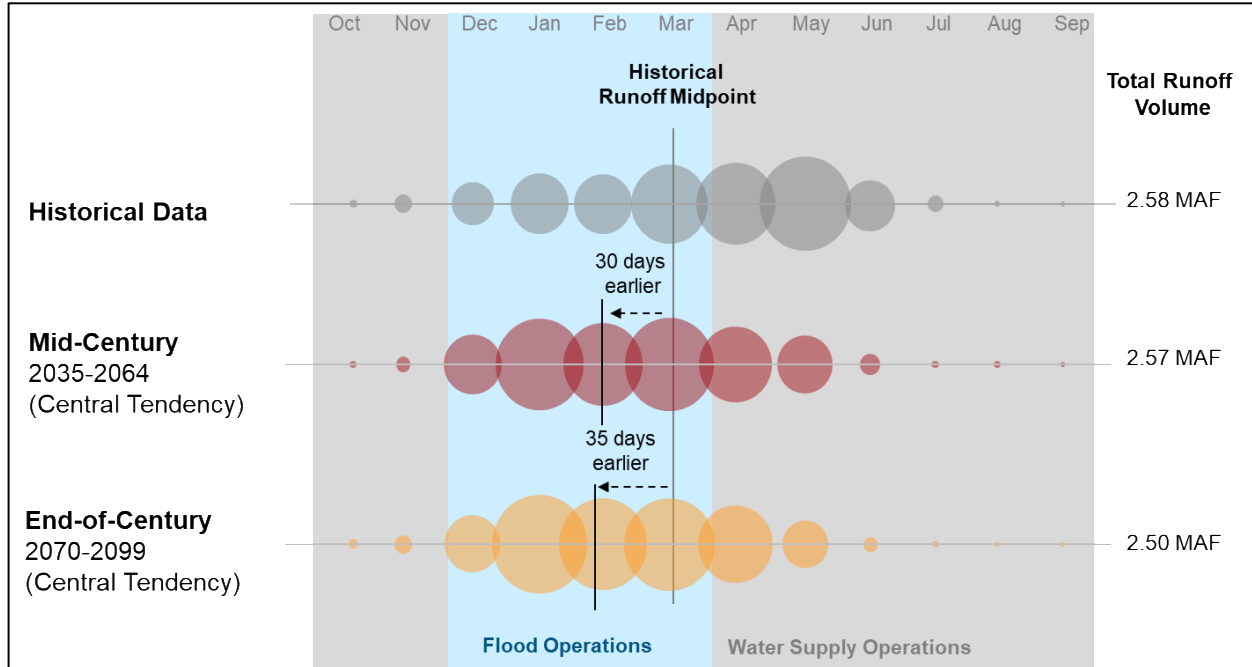


FIGURE 2-3. DISTRIBUTION OF AVERAGE MONTHLY RUNOFF FOR HISTORICAL RECORD (1922-2015) AND FUTURE PROJECTIONS UNDER CENTRAL TENDENCY CLIMATE SCENARIO

Table 2-3 lists the change in annual climatic and hydrologic indicators between historical baseline observations (1915 to 2015) and projected future conditions for the ARBS area.

TABLE 2-3. CHANGE IN HYDROLOGIC INDICATORS BETWEEN HISTORICAL OBSERVATIONS AND PROJECTED FUTURE HYDROLOGY

Time Period	Climate Scenario	Precip. (in)	T _{avg} (°F)	T _{max} (°F)	T _{min} (°F)	PET (in)	SWE avg. (in)	SWE max (in)	Runoff (TAF)
Historical Baseline									
1915-2015	Historical Observations	38.2	54.8	67.8	35.6	42.8	1.5	5.7	1,458
Variance from Historical Baseline									
2040-2069	Warm-Wet	1.9	4	6.2	1.6	1.6	-0.7	-2.3	701
	Central Tendency	0.1	5	8.1	2.1	2.7	-0.9	-2.8	-2
	Hot-Dry	-2.8	6.2	10.4	2.7	3.7	-1.1	-3.4	-206
2055-2084	Warm-Wet	3.8	4.7	7.4	2	2	-0.8	-2.5	199
	Central Tendency	-1.1	6.3	11.1	2.6	4.1	-1.08	-3.5	-93
	Hot-Dry	-3.4	7.9	13.3	3.7	5	-1.2	-3.8	-185
2070-2099	Warm-Wet	7	5.4	8.3	2.5	1.8	-0.9	-2.9	486
	Central Tendency	-0.6	6.5	11	2.8	3.9	-1	-3.3	-54
	Hot-Dry	-4.6	8.9	15.7	4.1	6.2	-1.3	-4.3	-203

2.3. CURRENT AND PROJECTED POPULATION, LAND USE, ECONOMY, AND DEMOGRAPHICS

Service area population and land use projections are critical to developing a useful planning framework as population dynamics and growth are a primary influence on water use. These projections directly influence planning measures for system supply, delivery, infrastructure, and demand management. Similarly, understanding the District's economic, social, and demographic trends give valuable insight to water management and planning. This section of the UWMP addresses these factors to provide a supportable basis for forecasting future water use in Chapter 4.

2.3.1. CURRENT POPULATION AND HISTORIC TRENDS

The population served by the Elk Grove Water District includes a mix of users and user classes and follows similar demographic and population trends as the City. EGWD's customer base is comprised of single-family residential (95.1 percent), commercial and institutional (2.8 percent), landscape irrigation (1.3 percent), multi-family residential (0.5 percent), with 0.3 percent of customer connections designated as industrial. The build out of the service area will consist of mainly residential, multi-family, and commercial land uses.

Table 2-4 presents the recent and estimated current population for the District’s service area. Because the service area does not easily correlate to existing boundaries represented by the California Department of Finance in their historic and recent population analyses, the estimates in the table are derived using an occupancy rate and the residential connection data provided in **Table 2-1**.

The service area’s currently averages about 3.5 persons per connection.⁶

TABLE 2-4. ESTIMATED POPULATION – HISTORICAL AND CURRENT

2021	2022	2023	2024	2025
43,257	43,306	43,558	43,820	44,254

2.3.2. CURRENT AND PROJECTED LAND USE

As described previously, the District serves water into two areas: Service Area 1 and Service Area 2 (see **Figure 2-1**). Service Area 1 is nearly built out, with mostly infill projects remaining. Service Area 2 expects to receive the majority of additional growth.

Using information regarding planned developments within the District’s service area, an assessment was made to determine the likely number of new housing units that may be constructed within the District’s service area over the planning period. Further, this growth assessment was compared to the Sacramento Area Council of Governments (SACOG) 2025 Blueprint housing projections for the same area. Results of the assessment indicate that nearly 1,400 new residential connections are expected through 2050. This reflects an average annual growth rate of about 0.5%.

To estimate non-residential growth, the existing mix of residential to non-residential connections can be a proxy for estimating the future mix for the incremental new connections. As noted previously, residential connections represent about 96% of the District’s customers, with non-residential uses representing 4%. With the addition of almost 1,400 residential units between 2025 and 2050, the existing ratio would result in 61 new non-residential connections by 2050. Using the existing ratio of sub-classifications of non-residential customers, the 61 additional connections are assumed to be spread among commercial, industrial and landscape irrigation connections.

Table 2-5 presents the expected new connections by customer classification over the UWMP’s planning horizon.

⁶ Based on 2020 Census population and number of residential units.

TABLE 2-5. CUMULATIVE NEW CONNECTIONS

Customer Class	2030	2035	2040	2045	2050
Residential	426	1,196	1,225	1,283	1,371
Non-Residential	19	53	54	57	61

Table 2-6 presents the expected total connections by classification, combining the new residential and non-residential connections with the existing connections. This connection forecast will be used to estimate future water use, as detailed in Chapter 4.

TABLE 2-6. EXPECTED TOTAL CONNECTIONS

Customer Class		2030	2035	2040	2045	2050
Existing	Single Family Residential	12,585	12,585	12,585	12,585	12,585
	Multi-Family Residential	59	59	59	59	59
	Commercial/Institutional	372	372	372	372	372
	Industrial	40	40	40	40	40
	Landscape Irrigation	173	173	173	173	173
New	Residential	426	1,196	1,225	1,283	1,371
	Non-Residential	19	53	54	57	61
Total	Residential	13,070	13,840	13,869	13,927	14,015
	Non-Residential	604	638	639	642	646

2.3.3. ECONOMIC TRENDS & OTHER SOCIAL AND DEMOGRAPHIC FACTORS

EGWD's service areas are contained within the City of Elk Grove city limits. While the City's boundaries include areas that are outside of EGWD's service area, there is overall compatibility with respect to employment and growth characteristics.

Since the 1950's, the region has experienced strong urban growth, typical of post-World War II suburban and metropolitan areas. During the 1990's, the City of Elk Grove's population grew by more than 70%, while job growth mainly occurred in other parts of the greater Sacramento region.⁷ Major job sectors for the City's population include government, healthcare, education,

⁷ City of Elk Grove. General Plan. December 2023 (amended).

and tech industries, with overall job growth averaging 11.5% annually during the period 2000 to 2013. It is estimated that the City is expected to see an increase in jobs of approximately 32.0% in 2040 when compared to the 2016 number of jobs.⁸

In the years prior to the COVID pandemic, some areas within the greater Sacramento Region experienced a substantially low unemployment rate. **Figure 2-4** displays the Sacramento metropolitan area Labor Force and Employed populations as well as the resulting Unemployment Rate for the period 2010 through 2025. As seen on the figure, in September 2019, the region experienced the lowest unemployment rate for the period (3.1%). Commensurate with the impacts on the labor market due to the pandemic, 2020 saw the largest increase in the unemployment rate for the period, resulting in a high of 14% (April 2020).

The increased unemployment rate experienced during 2020 appears to be rebounding from the historic high. The rate of economic recovery for the region remains to be seen, indicating a high level of uncertainty with respect to pace and type of future economic job growth for the greater Sacramento region. Despite the recent increase in unemployment, the City's policy toward development entails increasing jobs and economic opportunities while acknowledging the importance of housing and a resident workforce.⁹

The DWR DAC Mapping Tool does not identify any portions within the District service area as a "Disadvantaged Community."¹⁰ Per the United States Census Bureau, the City of Elk Grove has an estimated median income of \$122,229¹¹ while the threshold for Disadvantaged Community designation is less than \$98,800.

⁸ <https://www.sacog.org/home/showpublisheddocument/3297/638975101112800000>

⁹ City of Elk Grove, Policy LU-1-2.

¹⁰ <https://gis.water.ca.gov/app/dacs/>

¹¹ <https://www.census.gov/quickfacts/fact/table/elkgrovecitycalifornia/PST045224>

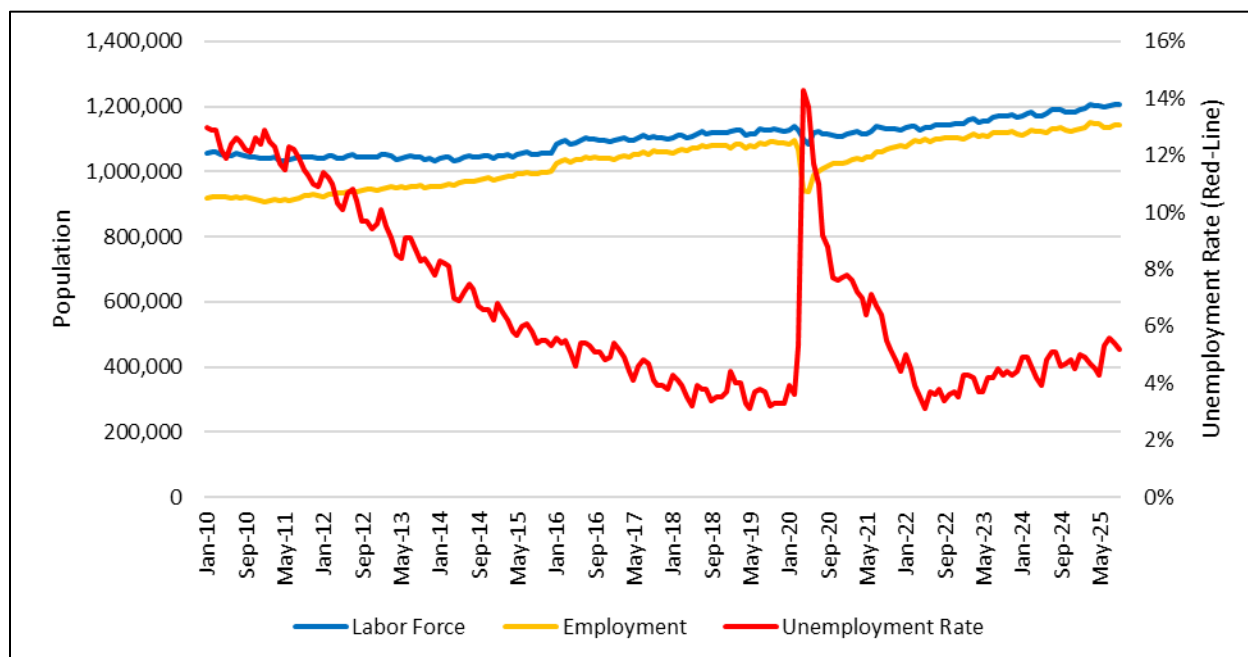


FIGURE 2-4. SACRAMENTO REGION LABOR STATISTICS¹²

EXPECTED POPULATION BASED UPON LAND-USE PLANNING

To forecast projected service area population as accurately as possible requires consideration of the past growth rate, local economic predictions, and current and projected land uses. Importantly, one of the recent statutory updates to the UWMP Act states urban water suppliers “shall coordinate with local or regional land use authorities”¹³ regarding land uses that may affect water management planning.

The District’s growth prospects are predominantly defined by the City’s Housing Element, with some minor continued growth, primarily for non-residential customers. Since boundaries used for various population projections made by the Department of Finance do not correlate to the District’s service area, the projected population for this UWMP is estimated by adding the existing population presented in **Table 2-4** to population based upon the total new residential connections shown in **Table 2-6** multiplied by the persons-per-connection occupancy rate. The resulting future population is provided in **Table 2-7**.

TABLE 2-7. PROJECTED FUTURE POPULATION

2030	2035	2040	2045	2050
47,842	48,277	48,379	48,582	48,891

¹² U.S. Bureau of Labor Statistics: Sacramento – Arden Arcade – Roseville, CA.

¹³ CWC §10631(a).

2.4. DELIVERY SYSTEM DETAILS

The District serves customers through an array of groundwater wells, water treatment plants and distribution pipelines.

Further discussion of these systems and the water supply used within each is included in Chapter 3, with current and future customer water use described in detail in Chapter 4.

2.4.1. POTABLE SYSTEM

The District's primary function is delivering potable water to its customers within each previously described service area (see **Figure 2-1**).

Service Area 1 is supplied by several groundwater wells that deliver water to a potable groundwater treatment plant owned and operated by the District. The system includes the treatment plant, two storage tanks, production wells serving the plant, and various distribution system pipes and appurtenances. The water treatment plant, referred to as the Railroad Street Treatment and Storage Facility, has a maximum day capacity of 10.4 million gallons per day (MGD). The facility can pump up to 16,000 gallons per minute. Groundwater is delivered to the plant from the EGWD's deep production wells, where it is treated before being delivered to customers.

Service Area 2 is supplied with treated water from SCWA-owned and operated groundwater production wells and some surface water from SCWA's Vineyard Water Treatment Plant. The water from SCWA interties into the District's Service Area 2 distribution system at multiple locations. This supply is fluoridated. In accordance with Title 22, §64433.2 of the State Board regulations, the optimal fluoride level is 0.7 mg/L and the fluoride control range from 0.6 mg/L – 1.2 mg/L.¹⁴

The District is responsible for the maintenance and operation of the transmission and distribution mains for Service Area 1 and the distribution mains for Service Area 2. SCWA operates two water treatment plants (WTP) in Service Area 2, the East Elk Grove WTP and the East Park WTP. The primary potable water system facilities owned and operated by EGWD are shown in **Figure 2-5**.

The District does not currently have any recycled water systems, nor does it receive recycled water from its SCWA contract.

¹⁴ https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/Fluoridation.html

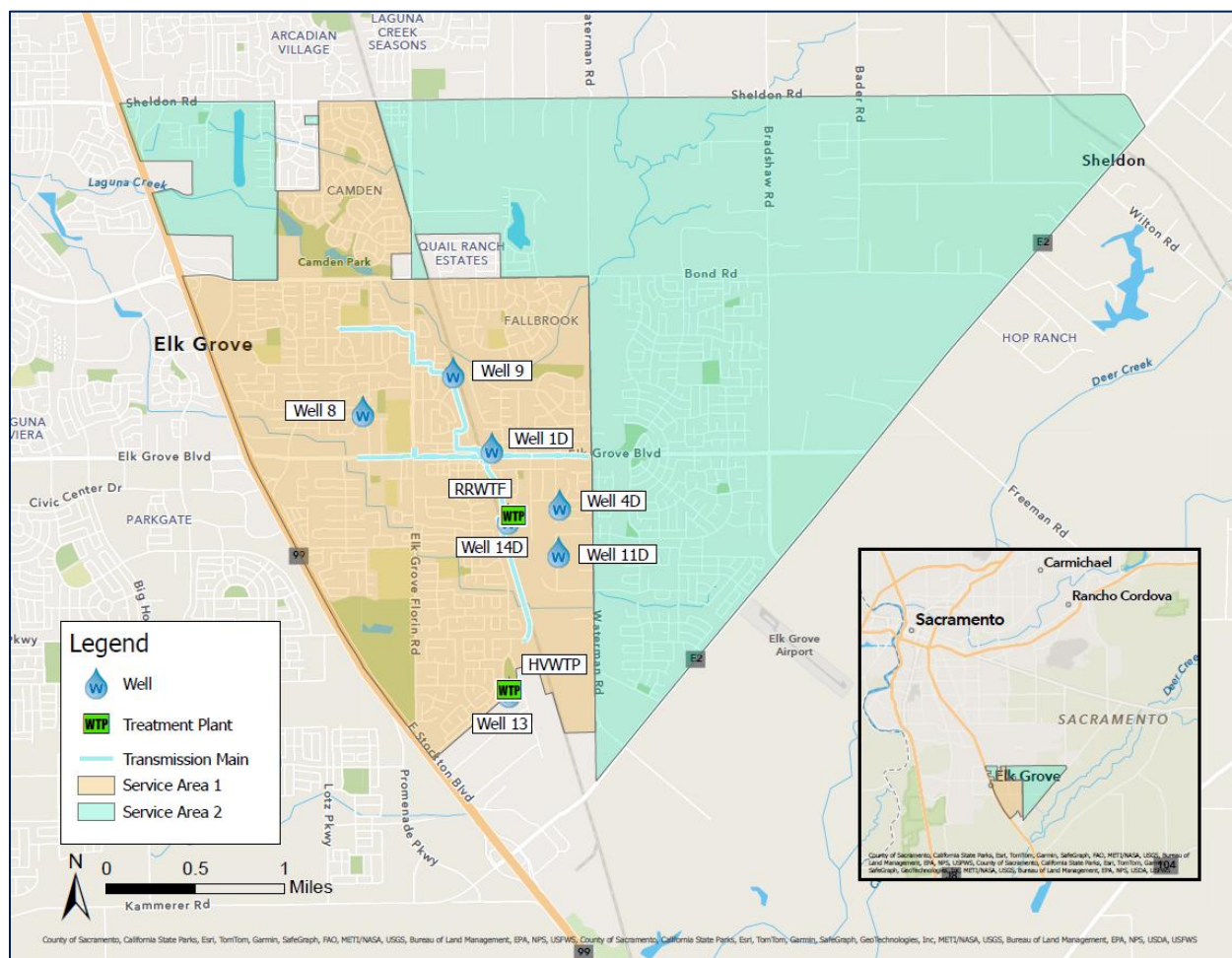


FIGURE 2-5. POTABLE WATER SYSTEM

2.5. ENERGY INTENSITY

The energy required to supply water to EGWD's customer base is reported in **Table 2-8** below, per UWMP requirements. Referred to as "Energy Intensity Reporting" for urban water suppliers, energy Intensity is defined as: total amount of energy expended in kilowatt-hours (kWh) by the urban water supplier on a per acre-foot basis to take water from the location where the urban water supplier acquires the water to its point of delivery.

For purposes of UWMP reporting, the District uses the Total Utility Approach described in DWR's UWMP Guidebook. This method sums the annual net energy consumed for all water management processes, divided by total volume of water in acre feet. These processes include diversion, conveyance, placement into storage, treatment, and distribution.

TABLE 2-8. ENERGY INTENSITY – TOTAL UTILITY APPROACH

Sum of All Water Management Processes	
Volume of Water Entering Process (acre-feet)	6,663
Energy Consumed (kWh)	2,526,926
Energy Intensity (kWh/acre-foot)	379

CHAPTER 3

WATER SUPPLY CHARACTERIZATION

EGWD utilizes both groundwater and wholesale water delivered from Sacramento County Water Agency (SCWA). The District has limited options for water supplies given its geographic boundaries and proximity to local surface water bodies. Although SCWA surrounds the District and provides water to the District, EGWD still has independent access to the groundwater basin and captures those supplies for use in its service area. Through its groundwater pumping and a wholesale water contract with SCWA, the District supplies water to meet its customers' water needs.

3.1. WATER SUPPLY SOURCES

As discussed in Chapter 2, the District provides water supplies to two service areas – Service Area 1 and Service Area 2 (see **Figure 2-1**).

Historically, the District's water supply has consisted of self-supplied groundwater and water purchased from SCWA. The District relies solely on its own groundwater resources as the source of supply for Service Area 1, while Service Area 2 uses water purchased from and supplied by SCWA. The supplies provided by SCWA may be derived from a number of water sources in SCWA's water supply portfolio.

Groundwater is supplied to Service Area 1 by a series of three shallow wells and four deep wells, all of which are located within the District's service area. The groundwater production from these wells has been relatively stable and reflects the demands within Service Area 1.

Table 3-1 shows the supply produced from Service Area 1 wells for 2021 through 2025.

TABLE 3-1. SERVICE AREA 1 WELLS - PRODUCTION 2021-2025

Year	Groundwater (acre-feet)
2021	4,317
2022	4,200
2023	4,015
2024	4,247
2025	4,213

Service Area 2, which is located within SCWA’s Zone 40, has access to both SCWA’s groundwater and surface water resources.

Service Area 2 is supplied with water from SCWA through a wholesale Master Water Agreement (Agreement) with SCWA. The original agreement was signed in 1995. In 2002, the parties “restated” the Agreement in order to clarify the parties, terms, and conditions. The Agreement provides that SCWA will provide a permanent supply of wholesale treated water to the District for use within the District’s service area.¹⁵ The contract has a 50 year term with an automatic renewal clause for another 50 years unless one party provides a 5 year notice of intent not to extend.¹⁶ The Agreement was developed to establish a framework for providing a permanent supply of wholesale treated groundwater and/or surface water within the District’s service area, while supporting conjunctive use and groundwater basin management objectives. The delivery language in the Agreement states: “SCWA shall deliver all potable water necessary for FRCD’s retail customers in the Expanded Franchise Area, including water for fire protection consistent with SCWA design and operations standards in effect at the time a facility is constructed.”¹⁷

Table 3-2 below provides supplies delivered to Service Area 2 from SCWA under this Agreement for 2021-2025.

TABLE 3-2. SERVICE AREA 2 WATER SUPPLY DELIVERIES FROM SCWA 2021-2025

Year	SCWA Water (acre-feet)
2021	2,544
2022	2,492
2023	2,336
2024	2,495
2025	2,449

3.2. GROUNDWATER SUPPLIES

Groundwater supplies are a major component of the District’s water supply portfolio. Groundwater supplies are derived from the District’s own production facilities and SCWA’s well systems that import water into the District’s service area. This section provides a description of the groundwater basin, characterizes the management structures related to

¹⁵ First Amended and Restated Master Water Agreement Between Sacramento County Water Agency and Florin Resource Conservation District/Elk Grove Water Service, Successors-In-Interest to Elk Grove Water Works, June 28, 2002 at Article I and Article III (Hereafter “Agreement”). Elk Grove Water District is part of FRCD.

¹⁶ Agreement at Article VI.

¹⁷ Agreement at Article III.a.

various areas in the groundwater basin, and quantifies supplies available to the District from the groundwater basin.

3.2.1. Groundwater Basin Description

EGWD derives its groundwater supplies from the South American Subbasin of the Sacramento Valley Groundwater Basin. The South American Subbasin (DWR Basin No. 5-21.65) covers approximately 388 square miles and is defined as the area bounded on the west by the Sacramento River, on the north by the American River, on the south by the Consumnes and Mokelumne rivers, and on the east by the Sierra Nevada mountain range. More specifically, the eastern basin boundary is defined by the Sierra Nevada foothills and follows a north-south line extending from Folsom Reservoir to Rancho Murieta. Along this line, little groundwater flows into or out of the groundwater basin. The rivers that surround the South American Subbasin generally create a groundwater divide in the shallow subsurface although there is interaction between groundwater basins at greater depths. The western portion of the subbasin consists of nearly flat flood plain deposits from the surrounding river and tributaries.

Bulletin 118-3 identifies and describes various geologic formations that constitute the water-bearing deposits underlying the District's service area. These formations include an upper, unconfined aquifer system consisting of the Victor, Fair Oaks, and Laguna Formations (now known as the Modesto Formation), and a lower, semiconfined aquifer system consisting primarily of the Mehrten Formation. These formations are typically composed of lenses of interbedded sand, silt, and clay, interlaced with coarse-grained stream channel deposits. The Mehrten formation outcrops near the Sierra Foothills along the eastern Central Basin boundary and is typically characterized as a black sandy lens.

Groundwater in the South American Subbasin generally occurs in a shallow aquifer zone (Laguna or Modesto Formation) or in an underlying deeper aquifer zone (Mehrten Formation). Within the subbasin, the shallow aquifer extends approximately 200 to 300 feet below the ground surface and, in general, water quality in this zone is considered to be good, with the exception of arsenic detections in a few locations. The shallow aquifer is typically used for private domestic wells requiring no treatment unless high arsenic values are encountered, causing owners to possibly target other water-bearing strata.

The deep aquifer is separated from the shallow aquifer by a discontinuous clay layer that serves as a semi-confining layer for the deep aquifer. The base of the potable water portion of the deep aquifer averages approximately 1,400 feet below ground surface (bgs). Water in the deep aquifer typically has higher concentrations of total dissolved solids (TDS), iron, and manganese. Groundwater used in the South American Subbasin is supplied from both the shallow and deeper aquifer systems.

Figure 3-1 below shows EGWD's location in relation to the South American Subbasin.

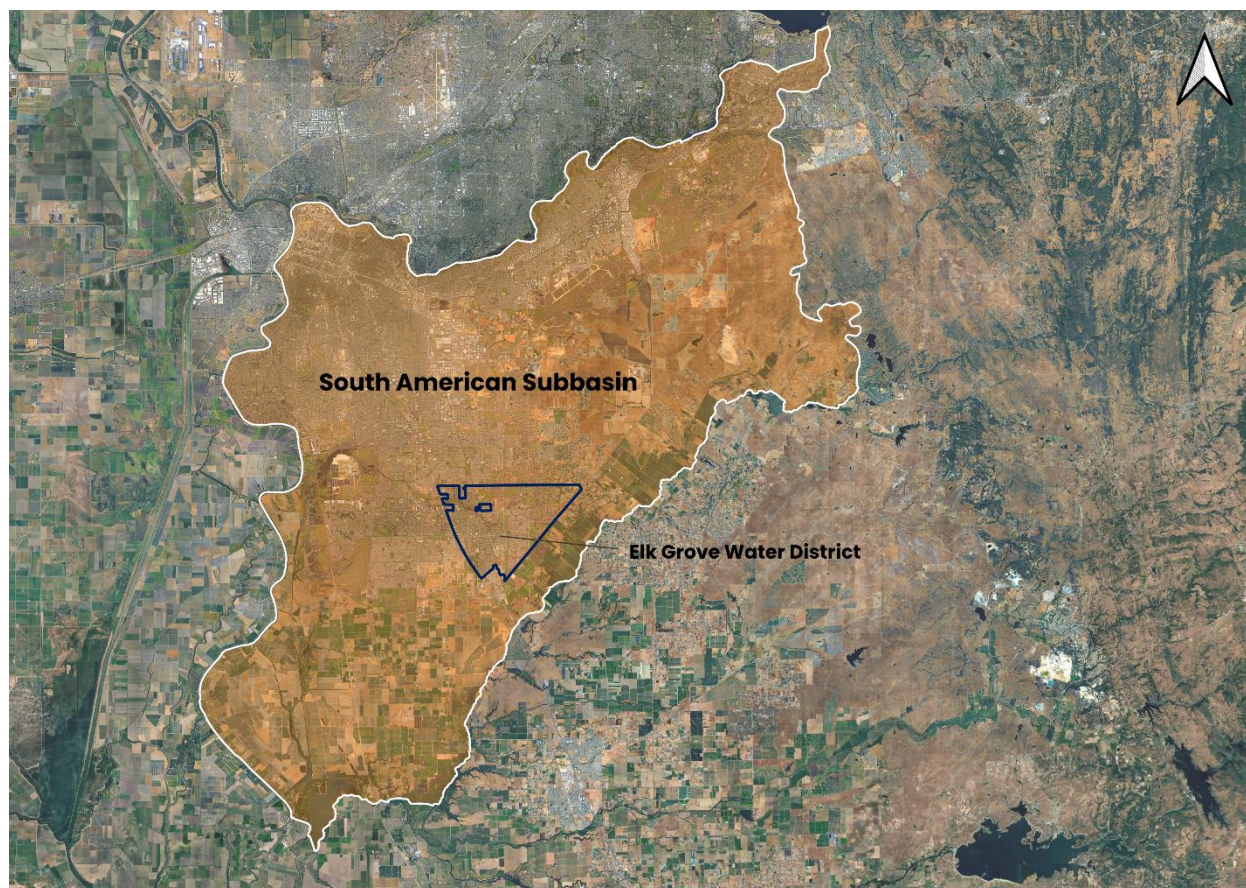


FIGURE 3-1. EGWD'S LOCATION IN THE SOUTH AMERICAN SUBBASIN

The groundwater wells within the District's system extract water from aquifers between 200 and 1,000 feet below the ground elevation. Groundwater elevations are regularly monitored within the region by DWR and the Sacramento Central Groundwater Authority (SCGA). Some of these records date back to the early 1950s. Hydrographs in the vicinity of the District's service areas indicate that the groundwater elevations have declined from the early 1950s through the late 1970s. From approximately 1980, the groundwater elevations have remained relatively consistent, except for a temporary decline in the early to mid-1990s. With the commissioning of SCWA's Vineyard WTP in 2011, groundwater elevations in the South American Subbasin have been on a trend of recovery, even though recovery was partially offset by the 2012–2016 drought. The static depth to groundwater within the District currently ranges between 60 to 110 feet below the ground surface.

Water produced from the Laguna Formation and the Mehrten Formation is considered generally good quality with low total dissolved solids. Water produced from the Laguna Formation often meets all water quality standards but exceeds the Maximum Contaminant Level (MCL) for arsenic within some areas of the Subbasin. The Mehrten Formation often contains manganese and iron, which exceed the MCLs. The upper portion of the Mehrten Formation, (between 300 feet to 700 feet within the District), occasionally exceeds the MCL for

arsenic. The lower portion of the Mehrten Formation, (between 700 feet to 1,300 within the District) generally has concentrations of arsenic that are under the MCL but still require treatment to remove manganese and iron.

The quality of the groundwater supplied by the District meets the drinking water standards. The District provides centralized water treatment to remove manganese and iron from water produced by the District's four deep wells. Two of the three active shallow wells require no treatment other than disinfection to meet drinking water standards while the third requires treatment for arsenic removal.

The Sustainable Groundwater Management Act (SGMA) was signed into law in September 2014. In 2021, the six Groundwater Sustainability Agencies (GSAs) that cover the South American Subbasin submitted a Groundwater Sustainability Plan (GSP). EGWD lies within the jurisdiction of the Sacramento Central Groundwater Authority GSA.

3.2.2. EGWD GROUNDWATER SUPPLIES

EGWD's Service Area 1 is an independent system that currently is served entirely by groundwater deliveries from the District's wells. There are seven active wells in the Service Area 1 system with an operational capacity of approximately 12 MGD. This translates to an approximate total pumping capacity of 8,000 acre-feet with the consideration of a typical diurnal demand pattern.

The groundwater system makes the supplies available in Service Area 1 100% reliable in all year types. As shown in **Table 3-3**, EGWD anticipates the following groundwater production to be available in normal, single dry, and five consecutive dry years through 2030. **Table 3-4** shows the normal, single dry, and five consecutive dry years of production through 2050. Although the supplies shown in these two tables are the available supply based on the groundwater basin's sustainable yield and EGWD's system capacity, EGWD would only produce as much water as it needs to meet demands in Service Area 1.

TABLE 3-3. SERVICE AREA 1 GROUNDWATER SUPPLY ESTIMATED AVAILABILITY & RELIABILITY, 2026 - 2030

Year Type		Supply Available (acre-feet)
Normal		8,000
Single Dry-Year		8,000
Multi-Year Drought	2026	8,000
	2027	8,000
	2028	8,000
	2029	8,000
	2030	8,000

TABLE 3-4. SERVICE AREA 1 GROUNDWATER ESTIMATED FUTURE AVAILABILITY IN FIVE CONSECUTIVE DRY YEARS

Year Type		2030	2035	2040	2045	2050
		(acre-feet)				
Normal		8,000	8,000	8,000	8,000	8,000
Single Dry-Year		8,000	8,000	8,000	8,000	8,000
Multi-Year Drought	Year 1	8,000	8,000	8,000	8,000	8,000
	Year 2	8,000	8,000	8,000	8,000	8,000
	Year 3	8,000	8,000	8,000	8,000	8,000
	Year 4	8,000	8,000	8,000	8,000	8,000
	Year 5	8,000	8,000	8,000	8,000	8,000

3.3. EGWD CONTRACT SUPPLIES WITH SCWA

As previously described in this chapter, EGWD holds a Water Service Agreement with SCWA. This Agreement states that SCWA will deliver water to meet EGWD's water supply needs through 2050. SCWA has surface water, groundwater, and recycled water assets, however, Service Area 2 is not currently supplied with recycled water.

SCWA is developing substantial surface water supplies as part of the Freeport Regional Water Authority (FRWA), which may become more available to Service Area 2 in the future. In addition, SCWA could deliver water derived from its Water Rights Permit, CVP Contracts, other water rights, and Aerojet remediated groundwater supplies derived from foreign sources of groundwater in the American River Watershed through the FRWA system that could reach

EGWD. Further discussion of parameters that would allow greater volumes of surface water supplies to reach EGWD is beyond the scope of this document.

Development within Service Area 2 is required to pay the Zone 40 Development Fee for new building permits, and a monthly user fee for Zone 40 capital projects. The District does not have a water right other than its contract right to the water delivered through SCWA's system. The SCWA conjunctive use water supply is considered a permanent and reliable source based upon the language of the Agreement.

The Agreement makes SCWA supplies to the District 100% reliable for Service Area 2 in all year types. As such, EGWD anticipates the following water deliveries from SCWA in normal, single dry, and five consecutive dry years through 2030 in **Table 3-5** and production through 2050 in **Table 3-6**. These supplies are generally rounded in order to show that EGWD could call on more water from SCWA than it has historically used to meet its service area demands under the terms of the Agreement.

TABLE 3-5. SERVICE AREA 2 SCWA AGREEMENT SUPPLY ESTIMATED AVAILABILITY & RELIABILITY, 2026 - 2030

Year Type		Supply Available (acre-feet)
Normal		5,000
Single Dry-Year		5,000
Multi-Year Drought	2026	5,000
	2027	5,000
	2028	5,000
	2029	5,000
	2030	5,000

TABLE 3-6. SERVICE AREA 2 SCWA AGREEMENT ESTIMATED FUTURE AVAILABILITY IN FIVE CONSECUTIVE DRY YEARS

Year Type		2030	2035	2040	2045	2050
		(acre-feet)				
Normal		5,000	5,000	5,000	5,000	5,000
Single Dry-Year		5,000	5,000	5,000	5,000	5,000
Multi-Year Drought	Year 1	5,000	5,000	5,000	5,000	5,000
	Year 2	5,000	5,000	5,000	5,000	5,000
	Year 3	5,000	5,000	5,000	5,000	5,000
	Year 4	5,000	5,000	5,000	5,000	5,000
	Year 5	5,000	5,000	5,000	5,000	5,000

3.4. OTHER WATER SUPPLY SOURCES

3.4.1. RECYCLED WATER

The District does not currently utilize any recycled water and does not have any confirmed plans to implement a recycled water system in the future. SCWA currently obtains and serves recycled water within its Zone 40 service area and could feasibly expand into the District's service area, however, no clear plans for this to occur exist. The District does not plan to develop its own recycled water supply.

The recycled water SCWA does serve is produced from a partnership with Sacramento Area Sewer District (SASD) and the Sacramento County Environmental Management Department. The water recycling facility is located within the City of Elk Grove and completed a \$1.7 billion upgrade in 2023. SASD performed a Water Recycling Opportunities Study (WROS) that identified five key target areas for potential recycled water uses. The District exists within the Target Area identified as Target Area 1 South Area. However, this area was found to have a decreased potential for future recycled water use due to its limited overall use potential, and infrastructure costs. Accordingly, based on the WROS, it is not anticipated that the District will use any recycled water for its service area presently and out into the future.

3.4.2. DESALINATED WATER

Desalination of ocean water is not physically or financially viable for the District at this time and it has no future plans to develop water supplies derived from desalination activities.

3.4.3. TRANSFER AND EXCHANGE OPPORTUNITIES

The District has opportunities for limited potable water transfers or exchanges. All of these transfers or exchanges would likely involve SCWA because SCWA controls the wheeling

facilities that could deliver surface water assets to the District. Furthermore, the District could move water between Service Area 1 and Service Area 2 through numerous valves that the District has not activated. Therefore, with some creative thinking and willing partnerships, the District could engage in forms of water transfers that may have long-term regional benefit. Some examples of these are described below.

IN LIEU BANKING ARRANGEMENT WITH SURFACE WATER PURVEYOR

The District could engage a water purveyor with surface water assets connected to the Sacramento River watershed and use those surface water assets in lieu of using its groundwater. In this scenario, the District would receive the right to divert water through a temporary water transfer agreement and appropriate regulatory steps. The water would be diverted at the Freeport Regional Water Agency diversion facility and delivered directly to the District through SCWA's wheeling and treatment facilities. The benefit of this sort of transaction is that it would relieve pressure on the groundwater basin and preserve the groundwater supplies for dry periods when surface water assets are less available.

A second form of an in-lieu banking alternative might include assigning the rights to the banked groundwater to another agency. For instance, if Golden State Water Company could deliver some of its surface water assets directly to the District in normal and wet years, the District could assign a portion of its banked groundwater assets to Golden State Water Company for use in dry years. An in-lieu banking and exchange agreement can work where an entity shares resources in the subbasin.

THIRD PARTY WATER EXCHANGE ARRANGEMENT

In other instances, water exchanges may benefit multiple parties through creative transfer arrangements. For example, if the District were to purchase water and deliver it directly to SCWA for SCWA's broader distribution in its service area, then SCWA is preserving groundwater assets that it might otherwise use for dry year availability that could be used in EGWD's service area. In this situation, SCWA may also reduce its treatment costs, etc. by increasing the utility of the FRWA (which has cost variables) as well as the per acre-foot cost of treatment at its Vineyard Water Treatment Plant. In other words, acquiring an asset and creating an exchange arrangement with SCWA may have multiple benefits not only to manage water use in dry years but also in long-term groundwater basin recovery and management of costs related to FRWA and Vineyard system operations.

3.5. PLANNED WATER SOURCES

At this time, EGWD is not planning to develop any additional water supply sources in its service area.

3.6. WATER SUPPLY PORTFOLIO ASSESSMENT

The District's water supplies are stable and reliable. Both the groundwater supply and SCWA's surface water supply are well-preserved. As such, water service to Service Area 1 and Service Area 2 should remain stable in all year types.

The South American Subbasin GSP (SASb GSP) found that the South American subbasin will be sustainable over the 20-year time frame required by SGMA as long as planned sustainability projects are implemented. These projects include both recycled water and recharge projects and are expected to raise current groundwater levels, maintain storage levels and protect groundwater supplies. Over the last few decades, the water levels in the Subbasin have remained stable.

The District's groundwater supplies and contracted supplies with SCWA account for approximately 13,000 acre-feet per year from the South American Subbasin's long-term average sustainable yield of 235,000 AFY. This quantity of available groundwater is more than sufficient to meet the District's current water needs and accommodate the anticipated future water demands discussed in Chapter 4.

Table 3-7 shows the combined Service Area 1 and Service Area 2 supplies in normal, single dry, and five consecutive years through 2030. **Table 3-8** shows the combined Service Area 1 and Service Area 2 supplies through 2050.

TABLE 3-7. EGWD TOTAL POTENTIAL SUPPLIES THROUGH 2030

Year Type		Supply Available (acre-feet)
Normal		13,000
Single Dry-Year		13,000
Multi-Year Drought	2026	13,000
	2027	13,000
	2028	13,000
	2029	13,000
	2030	13,000

TABLE 3-8. EGWD TOTAL POTENTIAL SUPPLIES THROUGH 2050 (ACRE-FEET)

Total Supply		2030	2035	2040	2045	2050
		(acre-feet)				
Normal		13,000	13,000	13,000	13,000	13,000
Single Dry Year		13,000	13,000	13,000	13,000	13,000
Multi-Year Drought	Year 1	13,000	13,000	13,000	13,000	13,000
	Year 2	13,000	13,000	13,000	13,000	13,000
	Year 3	13,000	13,000	13,000	13,000	13,000
	Year 4	13,000	13,000	13,000	13,000	13,000
	Year 5	13,000	13,000	13,000	13,000	13,000

CHAPTER 4

WATER USE

Developing a thorough understanding of water use enables the District to reliably and cost-effectively manage its water supplies to continue to meet customer needs. This chapter characterizes EGWD's current and forecasted retail customer water needs, examining how various factors such as seasons, land use classifications, and differing hydrologic conditions impact water use.

A thorough analysis of the District's past and current water use enables realistic water use predictions to be made for the future that consider anticipated growth, new regulations, changing climate conditions, and trends in customer water use behaviors. After individually analyzing each water use sector, information can be aggregated into a comprehensive projection of customer water use that becomes the foundation for integration with the District's water supplies (see Chapter 3) to assess long-term water system reliability (see Chapter 5).

This Chapter is organized as follows:

- **Current Customer Water Use** – This subsection presents data reflecting EGWD's residential and non-residential customers for 2021 through 2024 as well as the actual 2025 water use and presents the distribution system losses for this same period.
- **Demand Management Measures** – This subsection provides a narrative description of each water demand management measure implemented over the past five years and describes EGWD's planned measures for the foreseeable future.
- **Forecasting Customer Use** – This subsection presents the derivation and results of future water use forecasts within the District's service area, including land-use classifications, unit demand factors, and estimation of distribution system losses. This subsection also estimates the variations in customer water use the District should expect during years with low rainfall as well as discusses longer-term climate change considerations.
- **Projecting Disadvantaged Community Water Use** – This subsection presents the estimated water use necessary to meet lower income households, pursuant to CWC §10631.1.

4.1. CURRENT CUSTOMER WATER USE

As described in Chapter 2, EGWD serves potable water to approximately 13,200 customer connections. Under normal circumstances, all of the water supplied to its customers is drawn from the District’s groundwater wells, treated at one of the water treatment plants, or derived thorough connections to the Sacramento County Water Agency (see Chapter 3), and delivered to the District’s customers. Information about the District’s current customers, their recent and expected water use trends, and the District’s on-going demand management efforts targeting these customers provide a foundational basis for this UWMP’s water use forecast to 2050.

This subsection presents relevant water use information regarding current and projected water use.

4.1.1. CUSTOMER WATER USE: 2021 TO 2024

Recent customer water use data can help the District understand water use trends, effects of temporary use restrictions imposed during the most recent prolonged drought and recovery from such temporary restrictions, effects of long-term demand management measures, and other pertinent water use factors relevant to its forecast of future water use. Additionally, the District is required to quantify past customer water use pursuant to the CWC §10631(d)(1).

Table 4-1 presents the District’s past potable water use by customer classification for 2021 through 2024 in acre-feet. While the District tracks connections using multiple categories (see **Table 2-1**), it reports water use by only two categories:

- Residential
- Commercial, Industrial and Institutional (CII)

TABLE 4-1. CUSTOMER USE 2021 TO 2024 (VALUES IN ACRE-FEET)

	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Residential	2021	250	236	245	339	517	598	655	643	581	531	326	242	5,164
	2022	224	248	315	350	382	533	580	579	565	468	404	274	4,923
	2023	228	224	231	228	364	502	576	591	550	487	406	297	4,684
	2024	242	219	214	257	343	539	640	639	589	531	443	275	4,930
Commercial, Industrial, Institutional	2021	43	41	39	61	142	180	198	220	184	163	91	47	1,407
	2022	40	47	66	92	95	160	183	171	170	170	115	59	1,367
	2023	45	39	40	42	96	158	195	205	188	144	107	66	1,325
	2024	55	47	54	54	94	160	187	219	229	166	133	63	1,462
Total Metered Deliveries	2021	294	277	283	400	659	778	853	863	765	694	417	289	6,571
	2022	264	296	381	442	477	693	763	750	735	638	519	333	6,290
	2023	273	263	271	270	461	661	770	796	738	631	513	363	6,009
	2024	297	266	268	311	437	699	827	858	819	697	576	338	6,393

The historic data also provides insight into the relative ratio of differing customer classification to each other as well as seasonal variations. For instance, total use was relatively consistent for 2021 through 2024. Yet, the CII sector has significantly lower use in winter and spring months compared to summer months. The residential classification illustrates two important characteristics: (1) it represents nearly 80% of the annual water use, and (2) it has summer demands that almost three times the monthly volume needed in winter months.

4.1.2. Customer Use in 2025

Customers served by the District are metered at their connection to the District’s potable water distribution system. As of January 1, 2024, for each customer account, the District is required to collect and submit metered delivery values to the State Water Resources Control Board (SWRCB) on a monthly basis, summarized annually in an auto-generated Clearinghouse Annual Inventory Report (CAIR Report). This data was formerly submitted as part of EGWD’s annual reporting to the SWRCB Division of Drinking Water and to DWR. The 2025 actual customer use presented in **Table 4-2** represents the summarized delivery to all the District’s customers. It does not, however, include the distribution system losses inherent in a pressurized water delivery system that occur during the District’s efforts to treat, store and route the water throughout the extensive distribution system to each customer’s connection.

TABLE 4-2. TOTAL DISTRICT CUSTOMER WATER USE: 2025 ACTUAL USE (VALUES IN ACRE-FEET)

Use Category	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Residential	234	240	228	261	413	550	626	617	608	494	334	241	4,846
Commercial, Industrial, Institutional	44	48	42	46	100	187	228	227	202	182	86	59	1,450
Total	279	288	270	306	512	736	854	844	809	676	420	300	6,296

4.1.3. EXISTING DISTRIBUTION SYSTEM LOSSES

Distribution system water losses (also known as “real losses”) are the physical water losses from the water distribution system up to the point of delivery to the customer’s system (e.g., up to the residential water meter). Additionally, “apparent losses” include all types of inaccuracies associated with customer metering, systematic data handling errors, and/or unauthorized water consumption.

Since 2016, the District has been required to quantify its distribution system losses using the American Water Works Association (AWWA) Method.¹⁸ An electronic copy of the audit in Excel format is to be submitted to the DWR by January 1 of each year for the prior year’s estimated system losses, using DWR’s online submittal tool pursuant to Code of Regulations §638.5. The District’s submittals for the last 5 years are shown in **Table 4-3**. The 2025 estimate has not been officially submitted to DWR as of the drafting of this UWMP but is estimated to be approximately 178 acre-feet over the year, or about 4.3% of the water entering the District’s distribution system.

TABLE 4-3. DISTRIBUTION SYSTEM LOSS: 2021 THROUGH 2025

	2021	2022	2023	2024	2025
Real Water Loss (acre-feet)	226	275	185	161	178
% of Total Supply	5.2%	6.5%	4.7%	3.8%	4.3%

Note: Water loss audits cover SA 1.

As can be anticipated given the dynamic functions of a pressurized potable water distribution system, the estimated annual distribution system loss as a percentage of water entering the system will vary year-to-year and month to month. On average, however, the District’s distribution system loss, for the period 2021 through 2025, represents about 5% of the water entering the distribution system.

¹⁸ Title 23 California Code of Regulations §638.1 et seq.

4.1.4. WATER LOSS CONTROL STANDARD

The CWC §10608.34 required the State Water Resources Control Board (SWRCB) to develop water loss control and performance standards (Real Water Loss Standards) applicable to urban retail water suppliers. The Real Water Loss Standard for the District was developed utilizing information submitted as part EGWD's annual water loss reporting to the State, specifically for the period 2017 through 2020. The resulting Real Water Loss Standard is 15.8 gallons per (active and inactive) service connection per day. The resulting Real Water Loss Standard as an average percent of total water supplied is 3.5%. Using the information from the same period, the average "apparent" water loss averaged 1.4% (of total water supplied). The total water loss estimate as a percentage of total water supplied, for purposes of projecting future requirements is 5.0% (rounded). This average percentage is used for purposes of forecasting water use through 2050.

The District's recent water loss audit reported a total of 161.34 AF of real losses and 99.27 AF of apparent losses, with 7,999 total service connections. These values produce a real water loss of 18 gallons per service connection per day and an apparent loss of 11.1 gallons per service connection per day.

4.2. COMPLIANCE WITH WATER USE TARGET (SBX7-7)

This section examines EGWD's derivation and compliance with state-mandated water use targets and objectives. The Water Conservation Act of 2009, also known as SBX7-7, introduced water conservation targets that served as a valuable measure of progress through 2020. Urban water retailers were tasked with achieving a 10% reduction in per capita water use by December 31, 2015, and a 20% reduction by December 31, 2020, and show the 20% reduction was achieved in this 2025 UWMP.

The District's 2020 gallons per capita per day (GPCD) target was established in the 2015 UWMP as 191 GPCD, derived as the "gross water use" divided by the population during a defined baseline period, and reduced pursuant to one of four methods defined under CWC §10608.20(b). The District's calculation of their 2020 actual GPCD used the same methodology.

"Gross water" was defined as the total "Potable Water" leaving the District's water treatment plant, representing both the customer deliveries and the distribution system losses. This value, divided by the District's estimated population in 2020, resulted in a compliance value of 137 GPCD. Because this value was less than the District's established target, the District was determined to be in compliance with CWC §10608.24(b).

4.3. DEMAND MANAGEMENT MEASURES

Pursuant to CWC §10631(e), the District needs to provide a narrative discussion of the water demand management measures it has implemented, is currently implementing, and plans to implement. The historic and on-going measures can help the District understand the

effectiveness on managing existing customer uses so as to help guide refinements, emphasis or augmentation that will help EGWD to best meet its water use objective.

EGWD is also a member of the California Water Efficiency Partnership (CalWEP) the successor organization to California Urban Water Conservation Council (CUWCC). The District's demand management measures are highlighted in this subsection.

4.3.1. FOUNDATIONAL DEMAND MANAGEMENT MEASURES

This subsection describes the foundational demand management measures (DMMs) that underpin the District's operations and customer deliveries. These particular DMMs represent adopted ordinances, policies, and long-standing budgeted conservation programs.

WATER WASTE PREVENTION ORDINANCES

Water waste is prohibited in the District's current Water Shortage Contingency Plan (WSCP), adopted on June 16, 2026. Under the WSCP, customers are encouraged to use water efficiently through all stage declarations. The WSCP prohibits all users from unreasonable waste and includes graduated penalties for waste and/or unreasonable use during all stage declarations. For all conditions, including Normal Water Supply, restrictions on water waste include:

- Runoff prohibited.
- Watering after rainfall event prohibited.
- Automatic shutoff nozzles are required for all hoses.
- Washing driveways and other paved areas is prohibited.
- Pools, ponds, and fountains are required to use recirculated water.

In addition, the District's website also allows for reporting of waste with the "Report Water Waste" link,¹⁹ allowing for proactive response and improved management. The District has implemented this DMM over the planning period (through multiple versions of the WSCP) and will continue to actively manage water waste through 2050.

METERING

All of the District's customers are metered and billed monthly. Metered water service rates are comprised of two parts: a fixed charge and a commodity charge. The fixed charge is dependent on the meter size, while the commodity charge is based on volume of usage. In addition to the fixed charge, residential customers are also subject to a tiered rate structure, based on metered usage. The District began installing advanced metering infrastructure

¹⁹ <https://www.egwd.org/report-water-waste/>

(AMI) in 2026, with full system coverage planned by 2029. AMI will provide more timely information to customers and for the District's management needs.

CONSERVATION PRICING

The District's water rate structure is set to generate the necessary funds to efficiently operate the District's water system and maintain reliable water supplies. In addition to a fixed charge based on meter size, the District utilizes a tiered rate structure for metered residential customer use. Usage above the base amount (Tier 1) is billed at a higher rate. The increased block rate structure promotes conservation by incentivizing use below the base amount. Non-Residential accounts (including Irrigation) are charged a constant per-unit cost for water service. In both rate structures, the total unit cost is the summation of commodity and capacity costs.

PUBLIC EDUCATION AND OUTREACH

As part of its water conservation and efficiency efforts, EGWD has hosted a Citizens Water Academy in 2025 and 2026 which offers current customers and landowners a unique opportunity to learn about our most precious natural resource and how EGWD manages it. Participants gain insight into the entire water treatment process, from sourcing and treating water to delivering it to customers. They also learn about the costs involved, including infrastructure maintenance, energy expenses, and regulatory compliance. This in-person, interactive program allows customers to engage directly with EGWD staff, offering a behind-the-scenes look at District operations.

EGWD also implements a public information program through active participation in the Regional Water Authority (RWA) Water Efficiency Program. In collaboration with several water provider members and other wastewater, stormwater, and energy partners, RWA formed the Water Efficiency Program (WEP, or Program) in 2001 to bring cost effectiveness through economies of scale to public education and outreach activities. The WEP operates on an average annual budget of \$610,000 and is supplemented by grant funding. Grants are an important funding resource for the Program. Since 2003, the Program has been awarded \$19.9 million in grant funding for public outreach and education as well as a variety of rebate programs, fixture direct install programs, system water loss, individualized customer usage reports, large landscape budgets, and more. Of those funds, \$6.7 million was awarded between 2021 and 2025.

The main function of the WEP is to develop and distribute public outreach messages to customers in the region by collaborating with its water supplier members. The Program distributes these messages on a regional scale through regional media and advertising buys and was honored with the United States Environmental Protection Agency WaterSense Partner of the Year award in 2021 along with three Public Relations Society of America (PRSA), California Capital Chapter awards in 2023/2024 for WEP's public outreach and school education programs. From 2021-2025, the WEP created a series of public outreach campaigns. Below is a summary of each campaign and highlighted achievements.

2021 was a year for nimble messaging and maximum flexibility to adapt outreach to the rapidly changing conditions. RWA's WEP began 2021 with a focus on household leaks and then transitioned to the fourth year of an award-winning outreach campaign focused on tackling the landscape overwatering problem by encouraging residents to check soil moisture before turning on sprinklers (Check & Save). With the sudden emergence of drought in May 2021, the program introduced new creative and tools for WEP participants. The goal: Help provide consistent and actionable tips region-wide while providing flexibility for RWA members to customize materials to reflect their unique water supply situation and call to action.

As the drought grew more serious through late 2021 and into 2022, the WEP updated messaging again and ramped up outreach, asking residents to reduce lawn watering while continuing to water trees (Stress Your Lawn, Save Your Trees), understanding that lawns can handle less water but that drought-stressed trees can be lost forever. This messaging supported the Governor's request of water suppliers to voluntarily reduce water use by 15 percent. Additionally, the WEP continued to partner with the Sacramento Tree Foundation to help educate residents and business on how to maintain and expand the region's healthy tree canopy and included a series of co-branded educational videos and materials.

After the drought subsided in 2023, the WEP launched a new multi-year outreach program aimed at encouraging water efficiency during a non-drought year. Research indicates that public engagement in water conservation tends to surge during drought periods, such as 2022, but declines during non-drought years, like 2023. Consequently, garnering attention and motivating action becomes more challenging during non-drought periods. To tackle this challenge, the 2023 outreach program focused on two main messages:

SUMMER STRONG—focused on promoting water-wise best practices outdoors. A Summer Strong yard is tough enough to muscle through the Sacramento region's hottest days and still look its best. The campaign featured eye-catching graphics to promote efficient tree watering, adding low-water and native plants, checking soil moisture, using weather-based sprinkler timers, and watering early to minimize evaporation.

SUDS WOULD BE DUDS WITHOUT H2O—With clean, reliable water essential to great beer (and to the success of local breweries), the WEP launched a pilot project to partner with local craft brewers, aiming to educate patrons about the importance of water to beer and how to preserve this natural resource. Initial partners included Jack Rabbit Brewing Company and Red Bus Brewing Company, which committed to distributing Be Water Smart materials to their customers. This campaign featured the development of a rebate program to upgrade brewing equipment to be more water efficient and the distribution of coasters, koozies and stickers with water savings messages.

In 2024, the WEP enhanced its existing Summer Strong campaign with the Summer Strong Yard Champs promotion, spotlighting Sacramento-area residents who transformed their landscapes into water-efficient yards. Homeowners nominated yards featuring low-water plants and efficient irrigation systems for a chance to be featured on regional billboards.

Nearly 50 nominations were reviewed, with winners receiving professional photoshoots. Featured yards included a mix of DIY and professionally designed landscapes, all showcasing water-saving practices like low-water and native plants, drip irrigation, and rainwater capture, inspiring others to adopt similar approaches. In 2025, the Summer Strong campaign added a new mascot, Jack LaPlant, an animated plant figure that carried on all the same water savings tips but with refreshed visuals to draw in a new audience. In 2024, the WEP expanded its successful pilot project, Suds Would be Duds without H₂O, with local craft breweries to raise awareness about water's role in craft beer production and to promote water efficiency. The campaign visited 52 breweries across the Sacramento region. Around 20 breweries are considered active partners, including six of the top craft breweries in the area. Promotional materials, including 10,500 coasters and 7,200 stickers, were distributed by these partners and included water-saving tips and a link to our BeWaterSmart.Info website to access rebates. Additionally, two breweries, Urban Roots Brewery & Smokehouse and Solid Ground Brewing participated in WEP's commercial indoor rebate program. Each brewery received \$15,000 to upgrade or add equipment that reduced water used for chilling and sanitizing processes.

Both campaigns, Summer Strong and Suds Would be Duds without H₂O, were continued through the end of 2025 and were implemented through both paid advertising buys and earned media from public service announcements (PSAs) and aired in English and Spanish. Every year the campaigns' messaging can be heard on local radio stations such as Capital Public Radio and online through Google, Facebook, and YouTube advertisements. For clarification below, impressions represent how many times an ad was seen.

From 2021-2025, the WEP public outreach campaigns produced:

- Television Advertising
3,926 television advertisements
23,212,700 impressions
- Streaming Video Advertising (Comcast, EyeQ, Hearst, Paramount Plus, & Premion)
3,532,621 advertisements
3,532,621 impressions
- Radio Advertising
5,273 radio advertisements
19,994,200 impressions
- Digital Advertising (Facebook, Google Display Network & Spotify)
29,472,602 million impressions
297,870 clicks
- Billboard advertising

2,037,102 digital advertisements

62,807,653 impressions

- Public Service Announcements (Television and Radio)
24,248,000 impressions
\$683,400 in value had they been purchased as advertising
- Facebook
60 posts per year

The Program continues to utilize our public outreach website, BeWaterSmart.Info, and the “Be Water Smart” brand to reach customers throughout the region. The website, which completed a major redesign and upgrade in 2025, contains customer-specific (enter your address) local water supplier information on rebates and services, general top ways to save for residents and businesses, an interactive watering guidelines and water waste reporting tool, a water-wise plant and gardening database, recent press releases, the Sacramento Smart Irrigation Scheduler tool, and more. Between 2021 and 2025, the website averaged 37,000 unique visitors per year.

For more targeted outreach, the Program distributed quarterly e-newsletters to enrolled residents. The e-newsletters are filled with water savings tips, upcoming events, and region specific articles. They are usually timed around changes in the weather to help signal the need for residents to adjust their irrigation systems, such as daylight savings coupled with a message to dial back/reduce sprinkler systems run times. The e-newsletter reaches 9,361 households.

The WEP selects 2 public events each year to attend as an opportunity for the public to interact with local water efficiency staff. This provides an opportunity for the region to communicate its messages in person. From 2023–2024, WEP attended ECOS Earth Day (April) and the Farm-to-Fork Festival (September).²⁰ In 2025, the WEP opted to attend the Sacramento Republic Brew Festival (June) instead of the Farm-to-Fork Festival to elevate our existing partnership with Sacramento Republic FC. At these events, the Be Water Smart team provided water-wise tips, encouraged visitors to sign the pledge banner, collected e-mails for those who wish to sign up for the e-newsletter list, as well as identified a customer's water supplier and connected them with rebates and services. Additionally, WEP, in coordination with participating local water suppliers, hosts an annual Mulch Mayhem event (May) in which customers can pick up a truck load of free mulch from selected locations throughout the region.²¹ Combined, these in person events are attended by thousands of people each year throughout the region.

²⁰No public events were attended in 2021 and 2022 due to the COVID pandemic.

²¹The 2021 Mulch Mayhem event was held in September due to the COVID pandemic.

The Program provides a variety of “give-a-way” items to customers at in person public events and through direct mail requests from the BeWaterSmart.Info website. From 2021–2025, WEP has distributed thousands of leak detection tablets, moisture meters, garden gloves, and drink koozies to customers to encourage the water savings practices described in our public outreach campaigns and brewery partnerships.

The Program is also highly active in communicating to local media outlets. Between 2021 and 2025, RWA issued 23 press releases on WEP activities and regionally significant news and participated in 17 radio public affairs interviews airing on 18 stations across the Sacramento region’s major commercial radio networks. The RWA and the WEP were mentioned in dozens of news articles published by local and regional media outlets both within and outside of the Sacramento region during the same time frame.

Finally, the WEP partners with professional sports teams in the region to expand the Be Water Smart advertising to new and captive audiences. WEP partnered with the Sacramento River Cats (local Triple – A affiliate of the San Francisco Giants) in 2021, which included our long standing water savings advertisements on all bathroom stall doors as well as 30-second Check & Save spots broadcast on KMAX Channel 31 during each Saturday game and multiple 30-second radio spots broadcast during every game via their streaming radio coverage. The total attendance for regular season games was 342,861. In addition, 24 special events at Sutter Health Park drew 66,300 people in 2021. In 2023, RWEPP launched a new partnership with Sacramento Republic FC (local USL professional soccer team), displaying water-wise messages at games to promote “Summer Strong” yards. The partnership continued through 2025 and included the following activities: a 30-second LED ad, messaging on water refill stations, and giveaways booths at events/games.

To support public outreach messaging and promote water savings tips, the Program also coordinated several regional rebate programs, which were partially or fully funded by state, federal, and private foundation grants. A variety of high efficiency rebate options were provided including toilets, clothes washers, and irrigation efficiencies (full summary in Table 1). Additionally, from August 2023 – November 2025, RWA managed a regional direct installation program, in which a contractor was hired to replace old high use fixtures in multifamily and commercial/institutional properties in disadvantaged communities in the region. Collectively these rebates and direct installations will produce an estimated lifetime (10 years) savings of 7.4 billion gallons of water and 7.9 million kilowatt hours of energy.

TABLE 4-4. REGIONAL REBATES AND INSTALLATIONS FROM 2021-2025

Rebate/Installation Type	2021	2022	2023	2024	2025	Lifetime Water Savings 2021-25 (acre-feet)	Lifetime Energy Savings 2021-25 (kWh)**
High Efficiency Clothes Washer Rebates	359	256	307	321	298	229.2	79,309
High Efficiency Toilet Rebates	767	1,275	602	423	326	422.0	145,990
Smart Irrigation Controller Rebates	686	1,049	3,051	556	464	3,652.6	1,264,024
Irrigation Efficiencies Rebates*	5,941	7,153	13,327	11,160	10,321	16,170.6	5,595,912
Turf Replacement Rebates (sq ft)	153,880	239,645	135,607	300,152	266,840	1,244.7	430,711
Toilet Direct Installation	n/a	n/a	584	2,183	1,688	435.5	150,671
Showerhead Direct Installation	n/a	n/a	562	1,766	1,532	605.2	209,475
Faucet Aerators Direct Installation	n/a	n/a	884	3,215	2,343	63.2	21,850
Urinal Direct Installations	n/a	n/a	n/a	19	40	4.0	1,348
Total Water Savings						22,826.7	7,899,291

*Includes: pressure regulator equipment, pipe and pipe fittings, drop or low volume equipment, and sprinkler heads or nozzles.

**Regional average of 346 kWh per AF

kWh = kilowatt-hour

n/a = no funding available

Lifetime = 10 years

In addition to public outreach, the Program also coordinates regional school education activities. The RWA-sponsored water efficiency exhibits (\$500,000 sponsorship) opened for viewing in 2021 at the new SMUD Museum of Science and Curiosity (MOSAC) in downtown Sacramento, reflecting years of input by RWA Water Efficiency Program Manager, Amy Talbot, who helped shape the exhibits. The exhibits teach visitors to become a “Home Water Detective,” create their own mix tape from water conserving sounds in “Drop a Beat” and learn about local “Water Champions. MOSAC currently welcomes around 150,000 visitors a year from all over the region.

Since 2012²², the Program has hosted the Water Spots Video Contest for high school and middle school students. The WEP provides a new contest theme each year and provides the region's teacher and students with relevant facts and images to help them develop 30 second video PSAs. The contest themes for 2022 and 2023 were "When in Drought...take action to reduce water use" and "Do Your Part to Be Water Smart" respectively. Students submit their videos to WEP who hosts a panel of local celebrities including Monica Woods from ABC 10 to decide on a first, second and third place winner. The top 10 scoring videos are then posted online for public voting to select a "people's choice" winner as well. Both teachers and student receive cash prizes, and the winning videos are played at Raley Field during River Cats games and in select movie theaters throughout the region (Example: Century Blue Oaks theatre in Rocklin and Century Laguna 16 in Elk Grove). The winning PSAs are incorporated into the WEP's media activities as well. The 2022 Grand Prize winner video "Doing Your Part" appeared 2,619 times in theatres and delivered 49,000 impressions. The 2023 Grand Prize winner video "Saving Water" appeared 2,149 times in theatres and delivered 47,000 impressions. Students from about a dozen area schools submitted a total of 54 videos total for the 2022 and 2023 contests.

In late 2023, WEP sunset the Water Spots Video Contest and launched a new school education program, Drip Drop, Hip Hop, in collaboration with NorCal School of the Arts (NorCal Arts), which brings together the worlds of art and sustainability to empower children, families, and communities in the Sacramento region. Funded by a \$300,000 grant from the Capital Region Creative Corps and California Arts Council, Drip Drop, Hip Hop educates students and families about water efficiency through a two-person play and arts-integrated lesson plan. The program is free of charge for primarily Title I schools and community venues in Sacramento, Placer, and El Dorado counties plus the City of West Sacramento. The children receive a shower timer with water-efficiency tips with each classroom visit. Additionally, in 2024 the program developed a 30-second television and radio Public Service Announcement (PSA) showcasing local children spreading the water efficiency message to a broader audience in both English and Spanish. In 2024, the PSA was broadcast 1,205 times in 7 television outlets for a total of 5.6 million impressions for an added value of \$124,250 and 567 times in 17 radio outlets for a total of 1.2 million impressions and an added value of \$45,290. As of the end of 2025, the Drip Drop Hip Hop reached 13,232 students through 509 classroom performances and additional community events in Sacramento, Placer, and El Dorado counties. Teachers reported increased water conservation knowledge and that students shared the information with their families.

Implementation of this DMM is active and ongoing. EGWD plans to continue to work with WEP to develop information and activities aimed at public education and outreach.

²²The program did not host a Water Spots Video Contest in 2021 due to the COVID pandemic.

PROGRAMS TO ASSESS AND MANAGE DISTRIBUTION SYSTEM REAL LOSS

The District conducts annual Distribution System Water Audits (consistent with AWWA M36 methodology using software analysis) to characterize water system losses. The District's reported distribution system losses are presented in **Table 4-3**. Leak detection methods utilized by the District include monitoring of zone usage, zone pressure, and surface conditions. The District also has a long-term Capital Improvement Program (CIP) that replaces aging water mains. The District validates its water audit data annually to improve the accuracy of actual measured water losses occurring in the system per AWWA M36 methodology.

WATER CONSERVATION PROGRAM COORDINATION AND STAFFING SUPPORT

The District's Program Manager Department is responsible for overseeing the District's water conservation efforts. Key responsibilities include:

- Implementing EGWD's Water Conservation Program
- Pursuing available grant opportunities
- Tracking and monitoring State and Federal legislation that may impact conservation efforts
- Collaborating with the RWA WEP Advisory Committee to develop and implement beneficial water efficiency programs
- Developing, implementing, and conducting the District's Public Outreach Program

The Program Manager Department has been fully staffed since fiscal year 2016-17 and received annual funding since that time. The fiscal year 2025-26 budget for the Program Manager Department is approximately \$375,000. The funding supports activities such as meeting conservation targets, monitoring relevant legislation, updating risk-related planning documents, and conducting public outreach.

OTHER DEMAND MANAGEMENT MEASURES

In addition to the foundational measures discussed previously, the District actively promotes demand management and water efficiency through several other measures.

A HOMEOWNER'S GUIDE TO A WATERSMART LANDSCAPE

The District provides the A Homeowner's Guide to a WaterSmart Landscape guide to inform customers on conservation, including developing efficient landscapes. Tips on water efficient design, efficient irrigation, climate appropriate plants, appropriate maintenance and irrigation management are provided in the guide. The guide is offered to all customers at no charge.

WATER USE AUDIT

The District offers free landscape irrigation water use audits to customers. A certified technician evaluates the customer's irrigation system and prepares a report summarizing

opportunities to increase irrigation efficiency. The District also offers indoor evaluations aimed at identifying inefficiencies. These audits allow customers to better understand conservation opportunities and efficient water use.

4.3.2. RECENT DMM ACTIVITIES

The District implements a robust suite of other demand management measures as described above, both within the District and as a part of the RWA WEP. The District's water efficiency programs are available and tailored to both residential and commercial customers.

4.3.3. PLANNED DMM ACTIVITIES

In support of its commitment to ongoing water conservation and proactive demand management, the District is developing a new set of programs and actions to achieve water use objectives in compliance with CWC §10609.20. The District will allocate resources in its budget to support demand management activities that advance compliance with objectives. Special consideration will be given to evolving urban water use patterns within the service area.

4.4. FORECASTING CUSTOMER USE

Forecasting future water demand begins with an understanding of existing customer demand and trends, recognition of anticipated growth, and consideration of the factors that will influence water use for both existing and future customers over time, particularly those that affect water use efficiency.

Pursuant to CWC §10610.4(c), an urban water supplier *"shall be required to develop water management plans to actively pursue the efficient use of available supplies."* A key challenge in meeting this directive is determining how best to incorporate the pursuit of efficient water use into demand forecasts, which serve as the foundation of effective planning. Accordingly, projected water use for both existing customers and those added over the 25-year planning horizon should reflect expected improvements in water use efficiency.

4.4.1. REPRESENTING CURRENT CUSTOMER WATER USE

Table 4-1 and **Table 4-2** provide the actual customer water use for 2021 through 2025 by classification. From this information, an estimate of the representative "current" water use by existing customers has been developed. Knowing that actual use by existing customers varies slightly year-to-year based on a variety of factors (e.g., total rainfall and the timing of spring rain events impacting when landscape irrigation may begin), the recent data provides a basis for estimating current water use.

The target total 'current water demand' was estimated using customer-type demand factors and 2025 connections by classification to generate a comparable estimate. This representation of current water use provides the foundation for projecting the future needs of

these existing customers. **Table 4-5** presents the representative monthly and annual current water use, including distribution system losses.

TABLE 4-5. REPRESENTATIVE CURRENT WATER USE (ACRE-FEET)

Use Category	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Residential	240	230	250	290	400	540	620	610	580	500	380	270	4,910
Non-Residential	50	40	50	60	110	170	200	210	190	170	110	60	1,420
Subtotal	290	270	300	350	510	710	820	820	770	670	490	330	6,330
Loss	14	13	15	17	25	35	40	40	38	33	24	16	310
Total	304	283	315	367	535	745	860	860	808	703	514	346	6,640

4.4.2. FACTORS AFFECTING FUTURE CUSTOMER USE

There are several factors that affect the forecast of future customer use, ranging from State and local landscape regulations, building code requirements, and other water-use mandates, to changes in the types of housing products being offered. These factors are incorporated into determining appropriate per-dwelling unit or per customer connection water demand values for use in forecasting future water needs. Relevant characteristics of the factors are described here.

WATER CONSERVATION DIRECTIVES

In 2009, Governor Arnold Schwarzenegger signed Senate Bill No. 7 (SBX7-7), which established a statewide goal of achieving a 20 percent reduction in urban per capita water use by 2020 for urban retail water suppliers.²³ As presented previously, the District has met and maintained this mandated target.

Furthermore, the efforts undertaken by the District and its customers to meet these targets, as well as efforts throughout the State by other urban retail suppliers, have changed the availability and use of appliances, fixtures, landscapes and other water using features, through changes or additions to ordinances and/or through a continuing “conservation ethic.”

URBAN WATER USE OBJECTIVES

In response to the recent multi-year drought conditions, Governor Brown issued Executive Order B-37-16 in May 2016 entitled “Making Water Conservation a California Way of Life.” In May 2018, Governor Brown signed into law SB 606 and AB 1668, which imposed additional statutory requirements above and beyond the 20 percent by 2020 target reflected in the 2009 legislation.

²³ CWC §10608.20.

The Urban Water Use Objective is comprised of five components representing the aggregate amount of water that would be used if all water in the supplier's service area were used efficiently. These components include:

- Residential Indoor Water Use: Statewide per capita standard²⁴ multiplied by the supplier's service area population.
- Residential Outdoor Water Use: Landscape area multiplied by an ET-based standard incorporating principles of the Model Water Efficient Landscape Ordinance.
- CII with Dedicated Irrigation Meters Outdoor Water Use: Commercial, Industrial, and Institutional landscapes served by dedicated irrigation meters (CII DIM) using ET-based standards.
- Water Loss: Based on the District's submitted water loss audit, the State Water Resources Control Board has established system-specific water loss standards representing the maximum allowable "real" water loss.
- Variance/Temporary Provisions: Allowances for unique local uses that have a material effect on water use such as significant use of evaporative coolers, livestock watering, seasonal population fluctuations, or high-TDS recycled water irrigation. Temporary Provisions include adjustments due to challenges with wastewater collection, treatment and reuse (Residential Indoor), planting of new, climate-ready trees (Residential Outdoor and CII DIMs), as well as establishment of qualifying landscapes (Residential Outdoor and CII DIMs).

The Urban Water Use Objective and associated regulations are important consideration in projecting District demand as they represent "efficient" water use for the applicable use types.

REQUIREMENTS IN CALIFORNIA BUILDING CODE

Beginning in January 2010, the California Building Standards Commission adopted the statewide mandatory Green Building Standards Code (hereafter the "CAL Green Code") requiring the installation of water-efficient indoor and outdoor infrastructure for all new projects after January 1, 2011. The CAL Green Code was incorporated as Part 11 into Title 24 of the California Code of Regulations and was revised in 2013 and in 2016 to address changes to the State's Model Water Efficient Landscape Ordinance ("MWELO") adopted during the

²⁴ 47 gallons per capita per day (2025 – 2029) and reducing to 42 gallons per capita per day (beginning in 2030).

drought.²⁵ Revisions to the CAL Green Code in 2019 modified sections to direct users to MWELO regulations contained in other regulatory sections.²⁶

The CAL Green Code applies to the planning, design, operation, construction, use and occupancy of every newly constructed or remodeled building or structure. All new residential and non-residential customers must meet the water use requirements of the CAL Green Code as well as the outdoor requirements described by MWELO. The CAL Green Code's requirements generally manifest through: (1) installation of plumbing fixtures and fittings that meet the 20 percent reduced flow rate specified in the CAL Green Code, or (2) by demonstrating a 20 percent reduction in water use from the building "water use baseline." Future customers are expected to satisfy one of these two requirements through the use of appliances and fixtures such as high-efficiency toilets, faucet aerators, on-demand water heaters, or other fixtures as well as Energy Star and California Energy Commission-approved appliances.

CALIFORNIA MODEL WATER EFFICIENT LANDSCAPE ORDINANCE AND COUNTY ORDINANCE

The Water Conservation in Landscaping Act was enacted in 2006 and has since been revised and expanded multiple times by DWR resulting in today's MWELO. In response to Governor Brown's executive order dated April 1, 2015, (EO B-29-15), DWR updated the MWELO and the California Water Commission approved the adoption and incorporation of the updated State standards for MWELO on July 15, 2015. MWELO requires a retail water supplier or a county to adopt the provisions of the MWELO or to enact its own provisions equal to or more restrictive than the MWELO provisions.

The changes included a reduction to 55 percent of reference evapotranspiration rates for the maximum amount of water that may be applied to residential landscapes, and non-residential projects to 45 percent, which effectively reduces the landscape area that can be planted with high water use plants, such as turf. For residential projects, the allowable maximum coverage of high-water use plants is reduced to 25% of the landscaped area (down from 33%). The newly updated MWELO also now applies to new construction with a landscape area greater than 500 square feet (the prior MWELO only applied to landscapes greater than 2,500 square feet).²⁷

²⁵ The 2016 Triennial Code Adoption Cycle consisted primarily of the MWELO updates adopted in response to the drought. Indoor infrastructure changes were limited to some minor non-residential fixture changes and changes to the voluntary Tier 1 and Tier 2 requirements. Additionally, the Code was updated to match the new Title 20 Appliance Efficiency Regulations.

²⁶ The 2019 updated sections to direct CAL Green code users to Title 23 of the California Code of Regulations to allow Title 23 to be the sole location of MWELO requirements.

²⁷ Government Code §§65591-65599.

METERING, VOLUMETRIC PRICING, AND WATER BUDGETS

CWC §525 requires water purveyors to install meters on all new service connections after January 1, 1992. CWC §527 requires water purveyors to charge for water based upon the actual volume of water delivered if a meter has been installed. This action alone is not expected to substantially reduce water use. However, it is anticipated that the retail billing system will encourage and help maintain reasonable use (e.g., through implementation of a tiered rate structure and/or water budgets), so that individual customer demand is not expected to increase over time.

PROHIBITION ON NON-FUNCTIONAL TURF

CWC §10608.14 prohibits the use of potable water to irrigate “non-functional turf” for commercial, industrial, institutional, as well as on properties of homeowners’ associations, common interest developments, and community service organizations or similar entities. This restriction has the potential to reduce overall water use associated with the District’s landscape irrigation customers and effects of this regulation are incorporated into the demand projections.

4.4.3. CUSTOMER WATER USE FORECAST

The following subsections detail the assumptions used to forecast customer water use and gross water needs for EGWD’s water service area, separated into the needs of (a) existing potable water use customers, and (b) new potable water use customers.

EXISTING CUSTOMER FUTURE USE

To be conservative and assure the analysis of water system reliability is adequate (see Chapter 5), the District is maintaining the annual “current” customer demand as shown in **Table 4-5** (above), where total annual customer demand is 6,300 acre-feet, and production needed is just over 6,600 acre-feet when considering system losses.

While existing customers may undertake a variety of conservation measures – actively through decisions to modify behavior or water use, or passively through the purchase of appliances and fixtures that simply use less water – they may also maintain their use as-is. Holding the current use as a constant for all existing customers into the future will provide a conservative number that can be re-evaluated prior to the 2030 UWMP.

NEW CUSTOMER FUTURE USE

As detailed in Chapter 2, the District anticipates continued growth with an associated increased demand placed upon the District’s water supplies. Forecasting the needs of these future customers is dependent upon the type and number of customers, and the unit water demand factors associated with each customer type.

For this UWMP, two distinct customer classifications are used: (1) residential, and (2) non-residential. Residential customers will include both single-family dwelling units built under a variety of densities and multi-family residential dwelling units. Non-residential uses are

expected to include a blend of commercial, institutional, industrial and active landscapes, such as parks, in ratios similar to the District’s current residential-to-non-residential customers.

Values developed for each distinct land use are based on several sources of information, details of which are provided in the following subsections.

NEW RESIDENTIAL CUSTOMER WATER USE

Table 2-5 summarized the District’s anticipated new residential growth over the UWMP planning horizon. **Table 4-6** provides the split among single-family and multi-family through 2050 consistent with existing ratios. This growth provides the basis for the estimated future customer water needs, as the non-residential customers will be a ratio of the new residential customers. **Table 4-6** presents the relevant cumulative growth information.

TABLE 4-6. ANTICIPATED NEW RESIDENTIAL DWELLING UNITS (FROM TABLE 2-5)

Use Category	2030	2035	2040	2045	2050
Residential	426	1,196	1,225	1,283	1,371
Single Family	381	1,071	1,096	1,148	1,227
Multi-Family	45	125	128	135	144

The District anticipates these new residential elements will be built in accordance with all applicable building codes including the Cal Green Code discussed previously, and relevant local ordinances.

Distinct demand factors are provided for the following residential uses:

- Indoor Residential Use – this category identifies the generally anticipated water use for single-family and multi-family dwelling units.
- Outdoor Residential Use – this category addresses the landscape water demands commonly anticipated for the single-family and multi-family dwelling units.

For purposes of this UWMP, residential unit water demand factors are described as “the acre-feet of water use annually per dwelling unit” – or acre-feet/dwelling unit (“af/du”).

Residential indoor water demands are conservatively estimated using a representative gallons-per person per day value, explained below, multiplied by the assumed occupancy rates for anticipated residential densities for single-family or multi-family classifications in the District. CWC §10609.4(a) formerly established a standard per-person rate of 55 gallons per day assumed to estimate indoor residential water use targets. However, on January 1, 2023, this standard was amended pursuant to legislative changes associated with Senate Bill 606 and Assembly Bill 1668 to reflect a per-person rate of 47 gallons per capita (i.e., per person) per day (“gpcd”) value. Similarly, this value was previously required to drop to 50

gpcd by 2030, which has since been amended to 42 gpcd within the same time frame.²⁸ Notably, it is likely that new homes built during this UWMP planning period will be more efficient than 42 gpcd, as analyses of residential water meter data indicate new suburban single-family dwelling units and older homes retrofitted with new water efficient fixtures and appliances are capable of achieving this value.²⁹

Based on this per-capita assumption, the following indoor per-dwelling unit value is assumed for each new residential unit:

- Single Family residential indoor use:
 - [2025 – 2030] 0.185 acre-feet per year based upon an assumed occupancy of 3.51 people per unit and a Residential Indoor Standard of 47 GPCD.
 - [2030 and beyond] 0.165 acre-feet per year based on assumed occupancy of 3.51 people per unit and a Residential Indoor Standard of 42 GPCD.
- Multi-family residential indoor use:
 - [2025 – 2030] 0.132 acre-feet per year based upon an assumed occupancy of 2.50 people per unit and a Residential Indoor Standard of 47 GPCD.
 - [2030 and beyond] 0.118 acre-feet per year based on assumed occupancy of 2.50 people per unit and a Residential Indoor Standard of 42 GPCD.

Outdoor residential water use is primarily a factor of lot size and the type and extent of landscaped area and is governed by MWELO. The District's anticipated growth will likely include a range of residential densities (e.g., houses per acre) that will mimic the range of existing housing densities.

For purposes of this UWMP, each new single-family residential unit is anticipated to have a total gross area of 7,000 square-feet, with 3,500 square-feet anticipated to be irrigable after accounting for the home footprint, driveways, walkways, other hardscapes, and non-irrigated areas. Multi-family units, which typically have shared common landscape areas, are assumed to have 400 square-feet of irrigable area per unit.

Outdoor demands for new residential dwelling units are calculated based on regulations defined under MWELO. MWELO provides for determining the Maximum Applied Water Allowance (MAWA) where the maximum is calculated as 55 percent of the reference

²⁸ CWC §10609.4(a)(3)

²⁹ Zanjero has evaluated meter data from several water purveyors around California which confirms that some of the newest homes under the existing efficiency requirements are already meeting this efficiency goal.

evapotranspiration for the area for every square foot of landscaped area, resulting in the following equation:

MAWA = (ET_o)(0.62)(0.55 x LA), where ET_o is the reference evapotranspiration in inches per year, and LA is the landscape area in square-feet. 0.62 is a conversion factor to gallons. The resulting value is in "gallons per year."

A primary factor in this calculation is evapotranspiration ("ET"). The methodology directs the use of ET from a reference crop, such as maintained grass – a value referred to as ET_o. For this UWMP, the ET_o is 51.11 inches per year (4.26 feet per year).³⁰

Using the MAWA equation, outdoor demand factors for each residential lot category are calculated:

- Single-Family Residential:
 - [2025 – 2030] 0.185 af/du for indoor plus 0.188 af/du for outdoor combines for an annual demand factor of 0.373 af/du.
 - [2030 and beyond] 0.165 af/du for indoor plus 0.188 af/du for outdoor combines for an annual demand factor of 0.353 af/du.
- Multi-Family Residential:
 - [2025 – 2030] 0.132 af/du for indoor plus 0.021 af/du for outdoor combines for an annual demand factor of 0.153 af/du.
 - [2030 and beyond] 0.118 af/du for indoor plus 0.021 af/du for outdoor combines for an annual demand factor of 0.139 af/du.

NEW NON-RESIDENTIAL CUSTOMER WATER USE

Non-residential per-connection demand factors were also estimated for purposes of forecasting the water needs of anticipated commercial, institutional, industrial and irrigated landscape customers.

However, since the District does not record water use unique to each non-residential connection classification, a weighted average of the total non-residential connections (see **Table 2-1**) and the recorded non-residential use was calculated to be representative of future per-connection water needs. For purposes of this 2025 UWMP, this was determined to be 2.38 acre-feet per connection (informed on recent averages with adjustments). This unit factor is 5% lower than the unit factor incorporated into the District's 2020 UWMP to reflect the restrictions on non-functional turf pursuant to CWC §10608.14.

³⁰ See Chapter 2, Section 2.2 Service Area Climate.

The resulting forecast for future water use of existing and new non-residential customers is provided in **Table 4-7**.

4.4.4. SUMMARY OF FORECAST WATER USE

Based upon the estimated water use of existing and new customers, the District anticipates a minor increase in potable water use over the planning horizon. **Table 4-7** presents the resulting customer water use forecast. Although the forecast is presented on an annual basis in 5-year increments through 2050, the monthly pattern is expected to mimic the current monthly pattern detailed in prior tables. This characterization is important when evaluating the District’s water service reliability as detailed in Chapter 5.

TABLE 4-7. FORECAST FUTURE WATER USE (VALUES IN ACRE-FEET PER YEAR)

Use Category		2030	2035	2040	2045	2050
Existing	Residential	4,910	4,910	4,910	4,910	4,910
	Non-Residential	1,420	1,420	1,420	1,420	1,420
New	Residential	149	396	405	425	454
	Non-Residential	45	126	128	135	145
Total	Residential	5,059	5,306	5,315	5,335	5,364
	Non-Residential	1,465	1,546	1,548	1,555	1,565
	Water Loss ¹	336	353	354	355	357
	Total	6,860	7,205	7,217	7,245	7,286

¹Projected water loss values reported in the table represent the targets based on the State’s computed water loss standard (as a percent of water supplied) applicable to the District over the planning period.

4.4.5. DRY YEAR ADJUSTMENTS

The demand forecasts presented in the prior subsection represent expected water needs under normal hydrologic conditions. To credibly forecast potential maximum future water use, the forecasted normal-year water uses must be modified to reflect anticipated increases in demand during drier conditions.

Conservative modifications to the forecasted normal-year water use are warranted to better reflect conditions during dry and critically dry years to support the evaluation of water service reliability in Chapter 5. For purposes of this UWMP, the following adjustment is made:

- Single dry year: Landscape irrigation needs would increase to reflect the generalized earlier start of the landscape irrigation season due to limited rainfall in the single driest year. Since this increase only applies to the outdoor portion of a customer’s forecast use, an adjustment factor of 5% is applied to the total normal-year forecasts to conservatively reflect the expected increase in demand for water for landscaping.

- Multiple dry years: During multiple dry years, demands are expected to increase similarly to a single dry year. For multiple dry year conditions, the single dry year increase of 5% is held in each of the subsequent years. This is representative of an “unconstrained demand” as should be used when evaluating whether Water Shortage Contingency Plan actions may be warranted.³¹

These values are reflected in tables provided for the Drought Risk Assessment and Annual Reliability Assessment presented in later subsections.

4.4.6. CLIMATE CHANGE CONDITIONS

Including climate change analysis into this water use analysis will assist the District in understanding the potential effects on long-term reliability, which in turn, allows the District to proactively begin planning appropriate responses. As an example, hotter and drier weather may lead to an increased demand in water for landscape irrigation, especially during spring and fall months, increasing the pressure on water supplies that may have availability restrictions during these periods. Chapter 2 provides a more detailed discussion of potential effects of climate change on the District’s supplies and customer water needs.

The potential for water needs to be higher is reflected in the consideration of the single dry year increase of 5% that is used for the water service reliability analysis, as discussed previously. Whether the elevated single dry year water forecast becomes more akin to the “normal” demand will become more apparent as the District continues to assess monthly water use trends throughout its service area.³²

4.5. PROJECTING DISADVANTAGED COMMUNITY WATER USE

Pursuant to CWC §10631.1, retail suppliers are required to include the projected water use for lower income households. Per California Health and Safety Code §50079.5, a lower income household has an income below 80 percent of area median income, adjusted for family size. For purposes of this UWMP, annual median income was derived from 2024 U.S. Census Bureau information and determined to be about \$120,958 for the District.³³ Therefore, 80% of this is estimated to be about \$96,766 per year. According to the detailed data, approximately 39% of the households earn at or below this 80-percentile income.

For purposes of estimating the future water needs, 39% of the total single-family and multi-family connections are presumed to represent disadvantaged households, resulting in about

³¹ CWC §10632(a)(2) states water suppliers should use “unconstrained demand” when performing their annual water supply and demand assessment.

³² A closer assessment of the correlation of monthly water use by customer type to rainfall and temperature will help the District improve water use forecasts to assure the effects of climate change are adequately being reflected in water service reliability analyses.

³³ <https://censusreporter.org/profiles/16000US0622020-elk-grove-ca/>

29% of the future total potable water use. Applying this condition to the forecast water use for the entire District results in the estimate provided in **Table 4-8**.

TABLE 4-8. ESTIMATED LOW-INCOME WATER USE FORECAST (ACRE-FEET)

Year	2030	2035	2040	2045	2050
Total Potable Use	6,860	7,205	7,217	7,245	7,286
Low Income Use	1,951	2,046	2,050	2,057	2,068
% of Total Potable	28.44%	28.40%	28.40%	28.39%	28.39%

CHAPTER 5

WATER SYSTEM RELIABILITY

This chapter provides the Elk Grove Water District's water system reliability findings as required under CWC §10635 and provides reliability information that the District may use in completing an annual supply and demand assessment pursuant to CWC §10632.1.

Assessing water service reliability is the fundamental purpose for the District in preparing its 2025 UWMP. Water service reliability reflects the District's ability to meet the water needs of its customers under varying conditions. The District's 2025 UWMP considers the reliability of meeting customer water use by analyzing plausible hydrological variability, regulatory variability, climate conditions, and other factors that impact the District's water supply and its customers' water use. The reliability assessment looks beyond past experience and considers what could be reasonably foreseen in the future. This chapter synthesizes the details imbedded in Chapters 3 and 4 and provides a rational basis for future decision-making related to supply management, demand management, and project development. This chapter presents the District's system reliability findings:

- Five Year Drought Risk Assessment: The 2026 through 2030 Drought Risk Assessment (DRA) for the District's service area.
- Long-Term Service Reliability: The reliability findings for a Normal Year, Single Dry Year, and Five Consecutive Drought Years in five-year increments through 2050.

In short, the District has reliable water supplies available for its service area through 2050.

5.1. FIVE YEAR DROUGHT RISK ASSESSMENT

The Drought Risk Assessment (DRA) requires a methodical assessment of water supplies and water uses under an assumed drought period that lasts five consecutive years. The District has prepared an assessment of the water supplies and demands for its system.

The District is in a unique position to have ample water supplies to meet current and growing customer demand. Specifically, with the buffering capacity over time of the groundwater basin and its stability coupled with the SCWA contract (see Chapter 3), the District is not susceptible to drought conditions. Nevertheless, the District continues to encourage its customers to use water efficiently through proactive outreach (see Chapter 4). Although the District has sufficient supplies to meet its five consecutive dry year demands, other regulatory constraints, like the declaration of a drought emergency by the Governor of the State of California, may require the District to reduce its water service to its customers. **Table 5-1**

below shows the District's DRA that integrates its supplies for 2026 through 2030 as described in Chapter 3 and reflects the dry year unconstrained water uses described in Chapter 4. As the table shows, the District has sufficient water assets available through the DRA timeframe.

TABLE 5-1. FIVE YEAR DROUGHT RISK ASSESSMENT

	2026	2027	2028	2029	2030
Supply	13,000	13,000	13,000	13,000	13,000
Demand	7,018	7,065	7,111	7,157	7,204
Difference	5,982	5,935	5,889	5,843	5,796

5.2. LONG TERM SERVICE RELIABILITY

The UWMPA directs urban water purveyors to analyze water supply reliability in a normal, single dry, and five consecutive dry years over a 20-year planning horizon. DWR recommends extending that period to twenty-five (25) years to provide a guiding document for future land use and water supply planning through the next UWMP cycle.

5.2.1. EGWD LONG TERM SERVICE RELIABILITY

The District's long-term service reliability reflects the recommended 25-year planning horizon anticipating a normal, single dry, and five consecutive dry years from 2025 through 2050.

NORMAL AND SINGLE DRY CONDITIONS 2030-2050

The District's future water supplies in normal and single dry conditions reflect the same conditions described for the DRA and as detailed in Chapter 3. Specifically, the District has sufficient and reliable water supplies to meet forecast customer water needs through 2050 considering water use forecasts for both normal and dry condition. All of this information is detailed in Chapter 4 and reflected in the numbers shown in the tables below. **Table 5-2** shows the normal year supplies and demands on an annual timestep from 2030 through 2050.

TABLE 5-2. NORMAL AND SINGLE DRY YEAR WATER SUPPLY AND DEMAND THROUGH 2050 (ACRE-FEET PER YEAR)

Normal Year	2030	2035	2040	2045	2050
Supply	13,000	13,000	13,000	13,000	13,000
Demand	6,860	7,205	7,217	7,245	7,286
Difference	6,140	5,795	5,783	5,755	5,714
Single Dry Year	2030	2035	2040	2045	2050
Supply	13,000	13,000	13,000	13,000	13,000
Demand	7,204	7,565	7,578	7,607	7,650
Difference	5,796	5,435	5,422	5,393	5,350

FIVE CONSECUTIVE DRY YEARS 2030–2050

The District defines a drought condition lasting five consecutive years as one that requires the District to reduce water service to its customers. The District's groundwater supplies coupled with its contract supplies from SCWA have limited constraints in dry years and are considered reliable. However, although the District has sufficient supplies to meet its five consecutive dry year demands, other regulatory constraints, like the declaration of a drought emergency by the Governor of the State of California, may require the District to reduce its water service to its customers. Nevertheless, the District assumes that these conditions that would require less water supply deliveries to the District's customers do not manifest in assessing the supply availability in the future.

The District also assumes that dry year demand conditions would remain unconstrained during the dry conditions causing a slight increase in the actual demand from District's customers. This characterization of water demands provides a conservative estimation of demand conditions in a five-year drought scenario. Together, the supply availability as paired against the slightly increased demand conditions demonstrate that the District has sufficient supplies to meet five consecutive dry year conditions through 2050. **Table 5-3** below shows the annual water supply and demand conditions in five consecutive dry years from 2030 through 2050.

Table 5-3 below shows the annual water supply and demand conditions for the District's service area in five consecutive dry years from 2030 through 2050.

TABLE 5-3. FIVE CONSECUTIVE DRY YEARS WATER SUPPLY AND DEMAND THROUGH 2050 (ACRE-FEET PER YEAR)

		2030	2035	2040	2045	2050
Year 1	Supply	13,000	13,000	13,000	13,000	13,000
	Demand	7,204	7,565	7,578	7,607	7,650
	Difference	5,796	5,435	5,422	5,393	5,350
Year 2	Supply	13,000	13,000	13,000	13,000	13,000
	Demand	7,276	7,568	7,584	7,616	7,659
	Difference	5,724	5,432	5,416	5,384	5,341
Year 3	Supply	13,000	13,000	13,000	13,000	13,000
	Demand	7,348	7,570	7,590	7,624	7,676
	Difference	5,652	5,430	5,410	5,376	5,324
Year 4	Supply	13,000	13,000	13,000	13,000	13,000
	Demand	7,420	7,573	7,596	7,633	7,684
	Difference	5,580	5,427	5,404	5,367	5,316
Year 5	Supply	13,000	13,000	13,000	13,000	13,000
	Demand	7,493	7,576	7,601	7,641	7,684
	Difference	5,507	5,424	5,399	5,359	5,316

5.3. WATER SUPPLY RELIABILITY SUMMARY

The District's water supply portfolio is capable of meeting the water uses in its service area in normal, single dry, and five consecutive dry years from 2025 through 2050.

CHAPTER 6

WATER SHORTAGE CONTINGENCY PLAN

The Elk Grove Water District (EGWD) is committed to meeting the health and safety requirements of a drinking water purveyor at all times. EGWD maintains this Water Shortage Contingency Plan (WSCP) to help meet this goal during water shortages.

This WSCP provides for emergency water supply management related to general supply shortages due to severe droughts, infrastructure failure, catastrophic supply interruption, or any other cause. EGWD coordinates regionally through Regional Water Authority (RWA) and Sacramento County Water Agency (SCWA) with respect to emergency water shortage planning and response.

This WSCP allows for declaration of supply shortages by the Board of Directors (Board). When a shortage is identified, the Board assesses if a particular shortage stage (and corresponding response actions) should be declared. Upon Board declaration of a shortage stage, restrictions, regulations, prohibitions on uses, and enforcement measures are enacted.

6.1. LEGAL AUTHORITIES

The Florin Resources Conservation District, established and governed by Division 9 of the California Public Resources Code (PRC), owns and operates a water utility called the Elk Grove Water District. EGWD's authority includes the "development and distribution of water" (PRC 9151) and is authorized to manage and administer any water conservation or distribution project within or adjacent to EGWD (PRC §9415). Upon approval by the Board of Directors, EGWD is authorized to include plans and specifications that include terms and conditions with respect to conservation of water (PRC §9816).

The aforementioned powers derived from EGWD's organizing statutes are in addition to general powers granted to water distributors in CWC §§350–359. CWC §350 authorizes the governing body of a distributor of a public water supply to declare a water shortage emergency whenever it finds and determines that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply of the distributor to the extent there would be insufficient water for human consumption, sanitation, and fire protection. Upon a finding of such an emergency condition, the distributor can adopt such regulations and restrictions on the delivery and consumption of water as will conserve the water supply for the greatest public benefit, with particular regard to domestic use, sanitation, and fire protection (CWC §353). The regulations and restrictions remain in force and effect until the supply of water available for distribution within such area has been

replenished or augmented, and restrictions may include the right to deny new service connections and discontinue service for willful violations (CWC §355 and §356).

EGWD also coordinates with any city or county within which it provides water supply services for the possible proclamation of a “local emergency” under California Government Code, California Emergency Services Act (Article 2, Section 8558).

6.2. WATER SUPPLY RELIABILITY ANALYSIS

EGWD supply consists of both self-supplied groundwater as well as purchased supplies from Sacramento County Water Agency (SCWA). EGWD’s Service Area 1 relies on production of groundwater, whereas Service Area 2 relies on purchased supplies from SCWA. Both supply sources can be impacted by climate factors, catastrophic events, and regulatory measures. EGWD evaluates its overall water supply reliability through its Urban Water Management Plan, as well as through other regional and SCWA planning efforts.

EGWD’s groundwater supplies are projected to be available for pumping during drought periods. The groundwater supply is the Sacramento Valley South American Groundwater Basin, referred to as the Central Basin Area of the Sacramento County Groundwater Basin, as identified in the Central Sacramento County Groundwater Management Plan. The Central Basin is sustainably managed by all the region’s pumpers in coordination with the region’s groundwater sustainability agencies. EGWD does not currently project any groundwater shortages during a drought lasting up to five years. However, the ability to pump the groundwater may be limited by regulatory or legal requirements put in place during a drought. EGWD will address these restrictions as they materialize and modify its water shortage supply strategy, as necessary.

EGWD also receives supply from the Sacramento County Water Agency. Although SCWA maintains surface water and groundwater supply for its entire service area, the supply from SCWA is almost entirely from SCWA production wells located within EGWD’s service area. SCWA’s recent planning efforts indicate no expected limitations in its ability to access the water resources used to serve EGWD’s Service Area 2, including during drought conditions. As the case with EGWD’s own groundwater production constraints, this supply may be impacted by regulatory or legal requirements imposed during a drought. EGWD will work with SCWA to address these restrictions and develop the appropriate response strategy, as necessary.

6.3. ANNUAL WATER SUPPLY AND DEMAND ASSESSMENT PROCEDURES

EGWD conducts an annual analysis of supply and demand projections to help inform water resources management decisions for the coming year. The analysis incorporates numerous data sources used as evaluation criteria to project probable demands and supply availability for the coming year. Sources to consider include:

- Projected weather conditions
 - Precipitation versus historical on monthly basis

- Projected Unconstrained Demand
 - Production versus historic on monthly basis
 - New customer growth
 - Identify artificially supplied water features separate from swimming pools and parks
 - GPCD tracking
- Projected Supply Availability
 - SCWA projected supply
 - Groundwater production capacity
- Regulatory Conditions
 - State mandated conservation orders
 - Groundwater Sustainability Agency (GSA) information

The general procedure is listed below. EGWD may modify this process based on available data, significant events, process restrictions, or other external factors that may impact the process.

1. Compile existing weather data to characterize past 12 months conditions. During the dry year scenario, the EGWD anticipates no impact in the ability to produce groundwater supplies, including supplies from SCWA.
2. Estimate unconstrained EGWD demands based on recent and representative customer use data. Development of unconstrained demand will incorporate recent use patterns (unit factors for each customer type) and anticipated customer growth.
3. Assess the wholesaler supply based on wholesaler projections for current year and dry year scenarios.
4. Assess available capacity of groundwater production facilities.
5. Identify and incorporate any applicable constraints (infrastructure, regulatory, etc.) regarding receiving wholesaler supply or groundwater production.
6. Compare projected wholesaler supplies and available groundwater production facilities with anticipated EGWD demands.
7. Develop, analyze, and propose water resource management strategies to address the projected demand to supply comparison, including reference to the water shortage stages identified in this WSCP.
8. Present Annual Water Supply and Demand Assessment (and resulting conservation stage declaration, if applicable) to Board.

The general proposed timeline is as follows:

- Begin assessment by District staff – March/April
- Present assessment to Board of Directors – May
- Submit to State per CWC §10632.1 – No later than July 1

6.4. WATER SHORTAGE STAGES

The following subsections and tables present information on EGWD's supply scenarios, including Normal Water Supply and the six water shortage stages. Results from the annual Water Supply and Demand Assessment are used to declare a respective shortage stage.

6.4.1. NORMAL WATER SUPPLY

EGWD's water supply and distribution system is able to meet all the water demands of its customers in the immediate future. Regulations for Normal Water Supply are applicable to all stages and include the following:

- Runoff – Irrigation shall not be allowed to run off to adjoining properties or to the roadside ditch or gutter.
- Watering after a Rainfall Event – No irrigation shall be allowed for 48 hours after a measurable rainfall event. A measurable rainfall event shall be defined as an event having 0.10 inches of rain in one day.
- Hoses – Open hoses are not permitted. Automatic shutoff nozzles are required.
- Washing driveways and other paved areas – Use of water to clean sidewalks, driveways, patios, or other hardscapes is not permitted. Washing of streets and commercial parking lots with a hose is not permitted, except to alleviate immediate fire or sanitation hazards.
- Pools, ponds, and fountains – All swimming pools, ponds, fountains, or other decorative water feature shall use recirculated water.
- Nonfunction Turf – Using potable water for irrigating nonfunctional turf (ornamental lawns) on commercial, industrial, and institutional properties is prohibited per Assembly Bill 1572

The penalties for water waste during this stage (Normal Water Supply) are as follows:

- First and Second Violation – Customer is notified of a violation.
- Third Violation – Written warning sent to customer.

The following practices are encouraged by EGWD:

- Irrigation – Limit landscape irrigation to not more than 3 days per week.
- Irrigation hours – Landscaping irrigation is discouraged between the hours of 12:00 p.m. and 6:00 p.m. during the summer months (May – October).
- Serving of Water – Restaurants shall serve water to customers only upon request.

- Water Leaks – Leaking pipes, fixtures or sprinklers shall be repaired promptly.

6.4.2. STAGE 1 – 10% SUPPLY SHORTAGE

Actions include regulations from Normal stage plus those listed below. When implemented as a whole program, these actions together are expected to eliminate up to a 10 percent gap between supplies and demands.

Stage 1 – 10% Supply Shortage
Customers Actions to Reduce Demand up to 10 Percent • Reduce total water use by 10%. Contact EGWD or visit egwd.org for tips and techniques to reduce indoor and outdoor water use. • Pool draining and refilling shall be allowed only for health, maintenance, or structural considerations. • Users of construction water meters will be monitored for efficient water use. • Restaurants shall serve water only upon request. • Pipeline flushing is prohibited except in the case of an emergency, public health and for essential operations or unless specifically authorized by the District. • Addresses ending in an odd number irrigate on Tuesday, Friday, and Sunday. Customers are encouraged to voluntarily reduce irrigation to Tuesday and Friday. • Addresses ending in an even number irrigate on Monday, Thursday, and Saturday. Customers are encouraged to voluntarily reduce irrigation to Monday and Thursday.
District Actions • Communicate mandatory reduction targets to customers. • Leak repair receives higher priority. • Increase drought awareness through additional public outreach measures that notify public and customers for declared stage, requirements, and available conservation program support. • Decrease system flushing frequency. • Increased monitoring of customer use. • Accelerate infrastructure repairs and improvements. • Water Shortage enforcement measures, including fines and charges, for non-compliance with this WSCP's requirements will be implemented in accordance with established District Policies and Procedures

6.4.3. STAGE 2 – 20% SUPPLY SHORTAGE

Actions include regulations from Stage 1 plus those listed below. When implemented as a whole program, these actions together are expected to eliminate up to a 20 percent gap between supplies and demands.

Stage 2 – 20% Supply Shortage
Treated Water and Municipal Water Customers - Actions to Reduce Demand up to 20 Percent • Reduce total water use by 20%. Contact EGWD or visit egwd.org for tips and techniques to reduce indoor and outdoor water use. • Leaking customer pipes or faulty sprinklers shall be repaired within two working days or less if warranted by the severity of the problem. • Water for flow testing and construction purposes from water agency fire hydrants and blow-offs is prohibited. Use of reclaimed water for construction purposes is encouraged. Reclaimed water is not currently available within EGWD's service area and would have to be obtained elsewhere. • Addresses ending in an odd number irrigate on Tuesday, Friday from 8pm-8am. • Addresses ending in an even number irrigate on Monday, Thursday from 8pm-8am. • Pools, ponds, and fountains – Water use for ornamental ponds and fountains is prohibited. No potable water from EGWD's system shall be used to fill or refill new swimming pools, artificial lakes, ponds, or streams until the Stage 2 – Water Warning has been declared over.
District Actions • Communicate mandatory reduction targets to customers. • Implement water conservation patrols. • Reach out to top consumers about conservation measures.

6.4.4. STAGE 3 – 30% SUPPLY SHORTAGE

Actions include regulations from preceding stages plus those listed below. When implemented as a whole program, these actions together are expected to eliminate up to a 30 percent gap between supplies and demands.

Stage 3 – 30% Supply Shortage
Treated Water and Municipal Water Customers - Actions to Reduce Demand up to 30 Percent • Reduce total water use by 30%. Contact EGWD or visit egwd.org for tips and techniques to reduce indoor and outdoor water use. • Leaking customer pipes or faulty sprinklers shall be repaired within 24 hours or less if warranted by the severity of the problem. • Use of reclaimed water for construction purposes is encouraged. Reclaimed water is not currently available within EGWD's service area and would have to be obtained elsewhere. • Installation of new turf lawn and/or landscaping is prohibited. • Automobiles or equipment shall be washed only at commercial establishments that use recycled or reclaimed water. • Addresses ending in an odd number irrigate on Tuesday, Friday from 10pm-4am. • Addresses ending in an even number irrigate on Monday, Thursday from 10pm-4am.
District Actions • Communicate mandatory reduction targets to customers. • No commitments will be made to provide service for new water service connections unless the Department of Water Resources Model Water Efficient Landscape Ordinance, found at: https://water.ca.gov/Programs/Water-Use-And-Efficiency/Urban-Water-Use-Efficiency/Model-Water-Efficient-Landscape-Ordinance, is followed and the plans have been approved by the county or city building department which has jurisdiction over the property location. Any authorized landscape for new connections is subject to all restrictions set forth in Stage 3.

6.4.5. STAGE 4 – 40% SUPPLY SHORTAGE

Actions include regulations from preceding stages plus those listed below. When implemented as a whole program, these actions together are expected to eliminate up to a 40 percent gap between supplies and demands.

Stage 4 – 40% Supply Shortage
Treated Water and Municipal Water Customers - Actions to Reduce Demand up to 40 Percent • Reduce total water use by 40%. Contact EGWD or visit egwd.org for tips and techniques to reduce indoor and outdoor water use. • No potable water from the District's system shall be used for construction purposes including but not limited to dust control, compaction, or trench jetting. • Addresses ending in an odd number irrigate on Tuesday from 10pm-4am. • Addresses ending in an even number irrigate on Thursday from 10pm-4am.
District Actions • Communicate mandatory reduction targets to customers. • System Pressure – Maximum psi at wells and treatment plants will be reduced to 55.

6.4.6. STAGE 5 – 50% SUPPLY SHORTAGE

Actions include regulations from preceding stages plus those listed below. When implemented as a whole program, these actions together are expected to eliminate up to a 50 percent gap between supplies and demands.

Stage 5 – 50% Supply Shortage
Customers - Actions to Reduce Demand up to 50 Percent • Reduce total water use by more than 50%. Contact EGWD for tips and techniques to reduce indoor and outdoor water use. • Leaking customer pipes or faulty sprinklers shall be repaired immediately. Water service will be suspended until repairs are made. • Turf irrigation is prohibited.
District Actions • Communicate mandatory reduction targets to customers. • New connections - No new connections will be added to the system until the Stage 5 has been declared over. • System Pressure – Maximum system operating pressure will be reduced to 50 psi.

6.4.7. STAGE 6 – OVER 50% SUPPLY SHORTAGE

Actions include regulations from preceding stages plus those listed below. Actions will be identified to address each specific shortage situation to eliminate the gap between supplies and demands.

Stage 6 – Over 50% Supply Shortage
Customers - Actions to Reduce Demand greater than 50 Percent • Health and safety use of water only. • Landscape irrigation is prohibited.
District Actions • Communicate mandatory reduction targets to customers. • Other actions as identified specific to the shortage condition. • Declare Water Shortage Emergency in accordance with Section 350 of Division 1, Chapter 3 Water Shortage Emergencies of the California Water Code.

6.5. ENFORCEMENT AND VARIANCES

EGWD provides the stages of penalties for violators of the water waste regulation. The penalties are enforced through the application of FRCD Ordinance No. 06.15.21.02. For each violation within a 12-month period under normal water supply conditions, violations are as follows:

- First and Second Violation – Customer is notified of a violation.
- Third Violation – Written warning sent to customer.

When a conservation stage 1-3 is declared, fines for each violation within a 12-month period are as follows:

- First Violation – Customer is notified of a violation.
- Second Violation – Written warning sent to customer.
- Third Violation – \$200 fine and customer is scheduled for mandatory water audit.
- Fourth Violation – \$500 fine.
- Fifth Violation – \$500 fine and water service is shut off. A Connection fee is assessed to reactivate water service.
- Similar fines and charges may be implemented by EGWD as needed to enforce restriction on specific prohibitions on water uses.

When conservation stage 4 - 6 is declared, fines for each violation within a 12-month period are as follows:

- First Violation – Customer is notified of a violation with a written warning.
- Second Violation – \$500 fine and customer is scheduled for mandatory water audit.

- Third Violation – \$500 fine and water service is shut off. A Connection fee is assessed to reactivate water service.
- Similar fines and charges may be implemented by the District as needed to enforce restriction on specific prohibitions on water uses.

Once a water shortage stage has been declared, EGWD will enforce compliance through a multitude of measures commensurate with each reduction goal. EGWD will either implement measures per this Water Shortage Contingency Plan or will provide further discrete requirements through approval of ordinances.

The appeal process regarding this WSCP is found in Article 5 of Ordinance No. 06.15.21.02.

6.6. COMMUNICATION PROTOCOLS

EGWD maintains an established and effective communications program to inform its customers, neighbors, and other stakeholders of issues, updates, and policies.

Implementation of the WSCP will utilize the existing communication program structure to inform customers and others of the declared shortage stage and respective actions and restrictions in place.

The Board meetings addressing the Annual Water Supply and Demand Assessment and/or a potential water shortage declaration will be noticed per normal Board meeting public notification procedures. The meeting will also be announced through regular press release protocols.

Once a shortage stage has been declared by the Board of Directors, EGWD will notify its customers and others through a range of efforts. The stage and restrictions will be identified in a press release, as well as customer billing statements. EGWD's website will be updated to feature the shortage declaration, restrictions, and resources available to customers from EGWD and other entities to help meet the restrictions. Subsequent Board of Directors meetings will include a review of the shortage condition, customer response results, and discussion and recommendations for potential modifications.

EGWD will also coordinate with the City of Elk Grove, Sacramento County, Sacramento County Water Agency, and Regional Water Authority, to declare a local emergency with respect to anticipated water supplies and demands in the event conditions necessitate.

6.7. FINANCIAL CONSEQUENCES OF WSCP

EGWD understands the potential for decreased revenues and increased costs during prolonged water shortage conditions and enforcement of excessive residential water use during a drought (compliance with Chapter 3.3, Division 1 of the CWC). The decreased revenues can be expected due to a reduction in water sales. Volumetric revenue is

approximately 37 percent of total revenue³⁴. Assuming a reduction in sales commensurate with the particular WSCP stage declaration, a decrease in total revenues in the range of 2-4 percent per stage may be expected.

Additional monitoring, public outreach, and enforcement is expected to increase total costs to EGWD in declaring a water shortage. These additional efforts are prioritized for current staff, and other normal work efforts and projects are delayed or reassigned. If conditions warrant, EGWD will seek the assistance through additional staffing from third-party service providers. These costs depend on the level of support and will be evaluated on a case-by-case basis.

EGWD maintains a strong financial management position. However, it is reasonable to expect financial impacts or changes in cash flow during a prolonged water shortage condition. EGWD will enact a range of management and financial resources depending on the specific situation that include:

- Capital project deferment
- Operational and maintenance expense deferment
- Increased revenues from fines and penalties
- And others as identified

6.8. MONITORING AND REPORTING

The WSCP aims to ensure demands are reduced and/or supply is augmented to balance supply and demand. EGWD will enact various actions commensurate with each respective stage. EGWD will then monitor results to maintain the supply/demand balance. Similar to the supply and demand projections used to establish a shortage condition, EGWD will monitor the same data to determine effectiveness and efficacy. District staff will report to the Board of Directors at least quarterly on status and results. Data reporting will include:

- Actual demands to projected demands per customer class and on total.
- Actual supply availability and utilized to projected availability per each supply source.
- Projected supply availability for next 12 months per supply source.
- Any specific requirements identified by the State in the future.
- Data will also be submitted to the State per any future reporting requirements.

Progress and efficacy will be summarized from the results data. EGWD will evaluate the need for any changes or modifications to the declared water shortage stage or actions based on the results. EGWD may determine to enact additional measures, develop ordinances, or update the WSCP as a whole. Any WSCP update or modification will be conducted through the Board of Directors meeting process, unless specific conditions require otherwise.

³⁴EGWD's 2024-2028 Water Rate Study Report.

6.9. RESPONSE ACTION ESTIMATES

The following table presents the individual estimated demand savings of each response action. Actual savings will likely vary greatly based on external influences, shortage stage level, and general customer understanding of drought severity. It is assumed the savings estimates are not additive, but when implemented together as a program with all the actions in each respective stage, they will eliminate the supply to demand shortage gap.

TABLE 6-1. SHORTAGE RESPONSE ACTION MEASURES ESTIMATES

Stage	Shortage Response Action	Potential Shortage Gap Reduction
1	Customer – Asked to reduce total water use by 10%.	up to 10%
1+	Customer – Pool draining and refilling shall be allowed only for health, maintenance, or structural considerations.	0-1%
1+	Customer – Users of construction meters will be monitored for efficient water use.	0-2%
1	Customer – Limit irrigation to three days per week. Asked to voluntarily reduce to two days a week.	3-8%
1+	District – Leak repairs receives higher priority.	0-3%
1+	District – Increase drought awareness through additional public outreach measures that notify public and customers for declared stage, requirements, and available conservation program support.	3-5%
1+	District – Increased monitoring of customer use.	0-1%
1+	District – Accelerate infrastructure repairs and improvements.	0-3%
1+	District – Increased enforcement measures, including fines and charges, for non-compliance with WSCP.	0-4%
1	District - Flushing is prohibited except in the case of an emergency, public health and for essential operations or unless specifically authorized by the District.	0-2%
2	Customer – Reduce total water use by 20%.	up to 20%
2	Customer – Leaking pipes or faulty sprinklers shall be repaired within two working days or less if warranted by the severity of the problem.	0-1%
2	Customer – Irrigation shall be limited to two days per week.	5-15%
2+	Customer – Water use for ornamental ponds and fountains is prohibited. No potable water from EGWD’s system shall be used to fill or refill new swimming pools, artificial lakes, ponds, or streams.	0-1%
2+	Customer – Water for flow testing and construction purposes from fire hydrants and blow-offs is prohibited.	0-1%
2+	District – Implement water conservation patrols.	3-5%
3	Customer – Reduce total water use by 30%.	up to 30%

Chapter 6 – Water Shortage Contingency Plan

Stage	Shortage Response Action	Potential Shortage Gap Reduction
3+	Customer – Leaking pipes or faulty sprinklers shall be repaired within 24 hours or less if warranted by the severity of the problem.	0-1%
3+	Customer – Use of reclaimed water for construction purposes is encouraged. Reclaimed water is not currently available within EGWD's service area and would have to be obtained elsewhere.	0-1%
3+	Customer – Flushing of sewers and fire hydrants is prohibited except in the case of emergency and for essential operations or unless specifically authorized by EGWD.	0-2%
3+	Customer – Automobiles or equipment shall be washed only at commercial establishments that use recycled or reclaimed water.	0-1%
3	Customer – Irrigation shall be limited to two days per week (within six-hour block).	15-20%
3+	Customer – Installation of new turf lawn and/or landscape is prohibited.	0-3%
3+	District – No commitments will be made to provide service for new water service connections unless the DWR MWELO is followed, and the plans have been approved by the appropriate building department(s).	1-5%
4	Customer – Reduce total water use by 40%	Up to 40%
4	Customer – Irrigation is allowed only once per week (within six-hour block).	20-30%
4	Customer – No potable water from EGWD's system shall be used for construction purposes including but not limited to dust control, compaction or trench jetting.	0-2%
4	District – Maximum psi at wells and treatment plans will be reduced to 55.	1-4%
5	Customer – Reduce total water use more than by 50%.	Up to 50%
5+	Customer – Leaking customer pipes or faulty sprinklers shall be repaired immediately. Water service will be suspended until repairs are made.	0-1%
5	Customer – Turf irrigation is prohibited.	25-40%
5	District – No new connection will be added to the system.	2-4%
5	District – Maximum system operating pressure will be reduced to 50 psi.	1-4%
6	Customer – Health and safety use of water only.	up to 50%
6	Customer – Landscape irrigation is prohibited.	25-40%
6	District – Other actions as identified specific to the shortage condition.	varies
6	District – Declare Water Shortage Emergency in accordance with Section 350 of Division 1, Chapter 3 Water Shortage Emergencies of the California Water Code.	varies

6.10. WSCP REFINEMENT PROCEDURES

EGWD's WSCP is an adaptive plan that allows for active refinement to particular shortage conditions. The general procedures for refinement are presented below.

1. For each shortage response action, compare expected results with actual shortage response and identify any shortfall or over achievement.
2. Revise expected reduction for a specific shortage response action based on updated information.
3. Assess the aggregate expected reductions (from revised shortage response actions) for each shortage stage.
4. Revise stage declaration or modify stage shortage response actions to balance demands with supplies.

The procedures presented above will be relied upon during all shortage stage declarations, ensuring an adaptive WSCP, capable of being relied upon under various circumstances, is produced.

6.11. PLAN ADOPTION, SUBMITTAL, AND AVAILABILITY

The WSCP (including subsequent updates) shall be adopted in accordance with standard EGWD procedures, including requirements for public participation (public hearing), and approval by the Board. Upon adoption, the WSCP will be submitted to DWR no later than 30 days after and made available for inspection at EGWD office and website.

6.12. SEISMIC RISK ASSESSMENT AND MITIGATION PLAN (CATASTROPHIC INTERRUPTION IN SUPPLIES)

Sacramento County has completed a Local Hazard Mitigation Plan (LHMP) under the federal Disaster Mitigation Act of 2000 (Public Law 106-390). Per DWR requirements, a copy of the most recent adopted LHMP applicable to EGWD is included in this UWMP (Appendix B).

Sacramento County is currently in the process of updating the LHMP. The update includes participation with other entities, including Cities of Sacramento, Citrus Heights, Elk Grove, Folsom, Galt, Isleton, Rancho Cordova, and other special districts. The update is anticipated to be completed and finalized during 2026. Upon adoption of the LHMP update, EGWD will submit to DWR.

The LHMP 2021 Hazard Identification Assessment for the City of Elk Grove characterizes the earthquake and liquefaction probability as "occasional" (between 1 and 10 % chance of occurrence in the next year or has a recurrence interval of 11 to 100 years) and "unlikely" (less than 1 percent chance of occurrence in the next year or has a recurrence interval of greater than 100 years), respectively. Earthquake and liquefaction significance is listed to be "medium" (moderate potential impact) and "low" (minimal potential impact), respectively.

APPENDIX A

ADOPTING RESOLUTIONS

[INSERT AFTER ADOPTION OF FINALS]

APPENDIX B

LOCAL HAZARD MITIGATION PLAN

Annexes for:

- City of Elk Grove
- Sacramento County Water Agency

June 16, 2026

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Travis Franklin, Program Manager

SUBJECT: **LEGISLATIVE AND REGULATORY UPDATE**

RECOMMENDATION

This item is presented to the Florin Resource Conservation District Board of Directors to receive information on legislative and regulatory matters and provide direction to staff or approve positions as appropriate.

SUMMARY

There are several bills that have been introduced in the 2026 legislative session that could potentially impact the Florin Resource Conservation District/Elk Grove Water District (District) if passed. These bills are highlighted below.

DISCUSSION

Background

The Florin Resource Conservation District (FRCD) Board of Directors (Board) is periodically updated on legislative and regulatory issues.

Present Situation

The following bills have been introduced in the 2026 legislative session that could potentially impact the District if passed in their current form.

AB 2026 (Aguiar- Curry D) Water diversion: groundwater recharge: permit.

This is a groundwater recharge bill that would focus on increasing the state's ability to store and recharge groundwater supplies. Regional Water Authority (RWA) is a co-sponsor the bill would increase the value of recharge permits through measures that will either reduce the cost of obtaining a permit or increase the ability to divert water for recharge under the permit. The Association of California Water Agencies (ACWA) has a support and amend position. This bill has advanced to the Senate.

LEGISLATIVE MATTERS AND POTENTIAL DIRECTION TO STAFF

Page 2

AB 2180 (Ward D) Local government: Proposition 218 Omnibus Implementation Act: proportional cost of service

If passed this bill would clarify how local governments can demonstrate that water and sewer rates comply with Proposition 218's requirement that fees reflect the proportional cost of service. The bill allows agencies to use reasonable cost-allocation methods and customer classes or tiers rather than calculating an exact cost for each individual parcel when setting water or sewer rates. This bill has advanced to the Senate. The California Special Districts Association (CSDA) and RWA have a support position on this bill. The board joined the ACWA lead coalition in support of this bill.

AB 2739 (Soria D) Water: affordability and system stabilization.

The focus of the bill is water system affordability and financial stability. The bill is intended to explore or establish mechanisms such as funding support, rate assistance structures, or consolidation incentives to help struggling systems remain viable while keeping customer costs manageable. ACWA and RWA have taken support positions. This bill has advanced to the Senate.

SB 239 (Arreguín D) Open meetings: teleconferencing: subsidiary body.

This bill proposes changes to the Brown Act to allow local government advisory committees and commissions (subsidiary bodies) to use more flexible teleconferencing rules for meetings. These bodies could allow members to participate remotely without posting their home location, but they must still maintain public access, livestream participation, visible video attendance, posted agendas, and a physical location where the public can attend in person. The authorization is temporary and would sunset on January 1, 2030. This bill was gutted and amended to a criminal threats bill and we will not be tracking moving forward.

SB 997 (Caballero D) North Fork Kings Groundwater Sustainability Agency: lien authority.

If passed this would authorize the North Fork Kings Groundwater Sustainability Agency to impose civil penalties for unauthorized groundwater extraction that exceeds permitted amounts under its rules. The bill would also allow the agency to place a lien on real property to collect unpaid groundwater fees or penalties, giving the lien the same force as a judgment lien for up to 10 years. This would be an expansion in authority for a specific GSA and could present significant precedence. The first hearing was postponed by the author with the next hearing set for April 28th. This bill has advanced to the Assembly.

LEGISLATIVE MATTERS AND POTENTIAL DIRECTION TO STAFF

Page 3

SB 1001 (Archuletta D) Water utility workers: identification card program.

This bill would require the California Office of Emergency Services (Cal OES) to establish a program issuing identification cards to authorized water and wastewater utility personnel. The program is intended to allow these workers access to disaster-restricted areas so they can restore and maintain critical water infrastructure during emergencies. This bill failed to advance to the Assembly.

SB 1085 (Durazo D) Water supply planning: California Environmental Quality Act determination.

Senate Bill 1085 would require cities and counties approving certain development projects to identify the public water systems that could supply the project, even if the project is not subject to CEQA review. The goal is to ensure that water supply planning and water supply assessments are considered earlier in the project approval process. CSDA and RWA have a support position on this bill. This bill has advanced to the Assembly.

SB 1125 (Menjivar D) Water Rate Assistance Program.

This bill would create a statewide Water Rate Assistance Program administered by the State Water Resources Control Board, providing direct financial assistance to low-income households for water bills. The bill includes development of eligibility criteria, funding mechanisms, and program oversight/reporting, aiming to create a consistent, long-term affordability program across California water systems. This bill was amended and now both RWA and ACWA support the bill. This bill has advanced to the Assembly.

Staff will continue to monitor these bills along with any other which may affect District operations.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

Monitoring, advocating and developing legislation complies with the District's Water Industry Leadership goals of the 2025-2030 Strategic Plan.

June 16, 2026

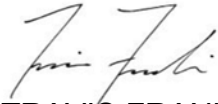
LEGISLATIVE MATTERS AND POTENTIAL DIRECTION TO STAFF

Page 4

FINANCIAL SUMMARY

There is no direct financial impact associated with this report.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Travis Franklin", written in a cursive style.

TRAVIS FRANKLIN
PROGRAM MANAGER

June 16, 2026

TO: Chair and Directors of the Florin Resource Conservation District
FROM: Bruce Kamilos, General Manager
SUBJECT: **GENERAL MANAGER'S REPORT**

RECOMMENDATION

Receive and discuss the General Manager's report and provide direction to staff, as appropriate.

SUMMARY

The General Manager's Report is a standing item on the regular board meeting agenda. The report is intended to inform the Florin Resource Conservation District (District) Board of Directors (Board) of notable, miscellaneous items the General Manager would like to share with the Board. The report also provides an opportunity for the Board to discuss the items, and provide direction to staff.

DISCUSSION

Background

Each month, the General Manager provides a report to the Board of any notable, miscellaneous items.

Present Situation

- **Enterprise Resource Planning (ERP) Implementation Update** – The following Springbrook modules have been implemented – Finance, Payroll, Purchase Orders, UB, and Accounts Receivable. The remaining modules to be implemented are:
 - Human Resources / Employee Self-Service (training on 6/16/2026)
 - Fixed Assets (5/18 – 7/6/2026)
 - Open Enrollment (to be scheduled)
 - Tableau Report Training (to be scheduled)
- **District Reorganization** – LAFCo initiated the AB 8 process on May 13, 2026. On May 26, 2026, LAFCo informed District staff that CBG, a civil engineering firm, was reviewing the District's legal descriptions and maps included in the reorganization application. On May 28, 2026, District staff provided CBG Senior Surveyor Kyle Pack with record documents and a revised shapefile to support the legal descriptions and maps.

GENERAL MANAGER'S REPORT

Page 2

- WaterSMART Grant – The Bureau of Reclamation (Reclamation) notified the District that its application for WaterSMART Water and Energy Efficiency Grant funding for the “Advanced Metering Infrastructure Project” was not selected for award. Reclamation received 174 eligible applications and, due to funding limitations, selected only the 31 highest-rated applications for funding. Staff will continue to pursue alternative funding opportunities, including potential Proposition 4 funding for water infrastructure, drought resilience, water-use efficiency, and groundwater sustainability projects.
- Customer Engagement – On May 20, 2026, the District participated in the City of Elk Grove’s Big Truck Day. The event is geared toward children ages 2 through 6 and showcases the large trucks and equipment that help keep the city running. The District featured its new valve exercising truck with vacuum extractor.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

This item conforms to the FRCD/EGWD 2025-2030 Strategic Plan. Due to the varied subject matters presented in the General Manager’s Report, the report over time will likely touch on every strategic goal contained in the plan.

FINANCIAL SUMMARY

There is no financial impact associated with this report.

Respectfully submitted,



BRUCE KAMILOS
GENERAL MANAGER

Attachment



United States Department of the Interior

BUREAU OF RECLAMATION
P.O. Box 25007
Denver, CO 80225-0007



IN REPLY REFERTO:

84-27814

1.3.11

June 2, 2026

VIA ELECTRONIC MAIL ONLY

Florin Resource Conservation District
Attn: Travis Franklin
9829 Waterman Rd
Elk Grove, CA 95624-4135

Subject: Funding Opportunity No. R24AS00052 – WaterSMART Grants: Water and Energy Efficiency Grants for Fiscal Year 2025 – GRANT14291954 Application Review Status, Your Application Titled, “Advanced Metering Infrastructure Project”

Dear Travis Franklin:

Thank you for submitting an application for WaterSMART Grants: Water and Energy Efficiency Grants funding. In this application period, the Bureau of Reclamation (Reclamation) received 174 eligible applications for funding in response to the Water and Energy Efficiency Grant Funding Opportunity, which closed on November 13, 2024. Reclamation has conducted a review of the applications based on the prioritization criteria included in the Funding Opportunity. Due to funding limitations, only the 31 highest-rated applications have been identified for award. Reclamation regrets to inform you that your application was not among those receiving the highest ratings and, therefore, will not be considered further for award.

For information on the projects selected for funding, please see the WaterSMART website at <http://www.usbr.gov/watersmart>. To receive information and announcements regarding upcoming activities and additional grant opportunities under the WaterSMART program, sign up for our WaterSMART mailing list through our website.

Thank you for your interest and participation in WaterSMART. If you have questions about the program, please contact Mr. Josh German, Water and Energy Efficiency Grants Program Coordinator, at jgerman@usbr.gov.

Sincerely,

Christina Munoz
Grants Officer

June 16, 2026

TO: Chair and Directors of the Florin Resource Conservation District
FROM: Bruce Kamilos, General Manager
SUBJECT: **ELK GROVE WATER DISTRICT OPERATIONS REPORT – MAY 2026**

RECOMMENDATION

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

SUMMARY

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

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

DISCUSSION

Background

Every month, staff present an update on the activities related to the operations of the EGWD. Included for the Florin Resource Conservation District Board of Director's review is the EGWD's May 2026 Operations Report.

Present Situation

The EGWD May 2026 Operations Report highlights are as follows:

- **Operations Activities Summary** – 272 door hangers were placed for past due balances, which resulted in 46 shutoffs. We received zero water pressure complaints and two (2) water quality complaints.
- **Production** – The Combined Total Service Area 1 production graph on page 13 shows that production during the month of May decreased by 13.20 percent compared to what was produced in 2025. The Total Demand/Production for both service areas on page 14 shows that customer use during the month of May compared to 2025 decreased by 11.88 percent.
- **Static and Pumping Level Graphs** – The second quarter soundings are shown and indicate that the static water levels of the deep wells and shallow wells are at or marginally below the static water levels measured in the second quarter of 2025.

ELK GROVE WATER DISTRICT OPERATIONS REPORT – MAY 2026

Page 2

- **Treatment (Compliance Reporting)** – All samples taken during the month comply with all regulatory permit requirements. No exceedances of any maximum contaminant levels were found, and all water supplied to EGWD's customers met or exceeded safe drinking water standards.
- **Safety Meetings/Training** – Two (2) safety training sessions were conducted for the month.
- **Service and Main Leaks Map** – There were four (4) service line leaks and zero main line leaks during May.
- **System Pressures** – Pressures in Service Area 1 and Service Area 2 were stable during the month of May.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

This item conforms to the FRCD/EGWD 2025-2030 Strategic Plan. The EGWD Operations Report provides an ongoing and transparent review of EGWD's operations, and therefore conforms with Strategic Goal No. 1, Governance.

FINANCIAL SUMMARY

There is no financial impact associated with this report.

Respectfully submitted,



BRUCE KAMILOS
GENERAL MANAGER

BMK/ac

Attachment

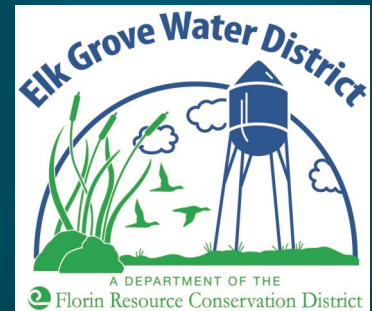
EGWD

OPERATIONS REPORT

May 2026



Elk
Grove
Water
District



Elk Grove Water District
Operations Report
Table of Contents

1. Operations Activities Summary	3
a. Door Hangers and Shut Off Tags	4
2. Production	
a. Active Well Sites & Intertie Connections Map	5
b. Monthly Production Graphs	
i. Well 1D School Street	6
ii. Well 4D Webb Street	7
iii. Well 11D Dino	8
iv. Well 14D Railroad	9
v. Well 8 Williamson	10
vi. Well 9 Polhemus	11
vii. Well 13 Hampton	12
c. Combined Total Production	13
d. Total Demand/Production	14
e. EGWD Water Usage	15
f. EGWD Combined R-GPCD	16
3. Static and Pumping Level Graphs	
a. Well 1D School Street	17
b. Well 4D Webb Street	18
c. Well 11D Dino	19
d. Well 14D Railroad	20
e. Well 8 Williamson	21
f. Well 9 Polhemus	22
g. Well 13 Hampton	23
4. Historic Static Well Levels	24-27
5. Regulatory Compliance	
a. Monthly Water Sample Report	28-32
b. Wastewater Discharge Compliance Report Form	33-35
c. Monthly Summary of Distribution System Coliform Monitoring	36-37
d. Monthly Summary of the Hampton Groundwater Treatment Plant	38-39
e. Monthly Fluoridation Monitoring Report	40-41
6. Safety Meetings/Training	42
7. Service and Main Leaks Map	43
8. Sample Station Areas Map	44

Operations Activities Summary

Service Requests:

	May -26		YTD (Since Jan. 1, 2025)	
<u>Department</u>	<u>Service Request</u>	<u>Hours</u>	<u>Service Request</u>	<u>Hours</u>
Distribution				
Door Hangers	272	15	3,156	123
Shut offs	46	6.5	286	34.5
Turn ons	40	13.5	270	28.5
Investigations	38	9.5	165	41.25
USA Locates	307	76.75	1,474	368.5
Customer Complaints				
-Pressure	0	0	1	0.5
-Water Quality	2	1	2	1

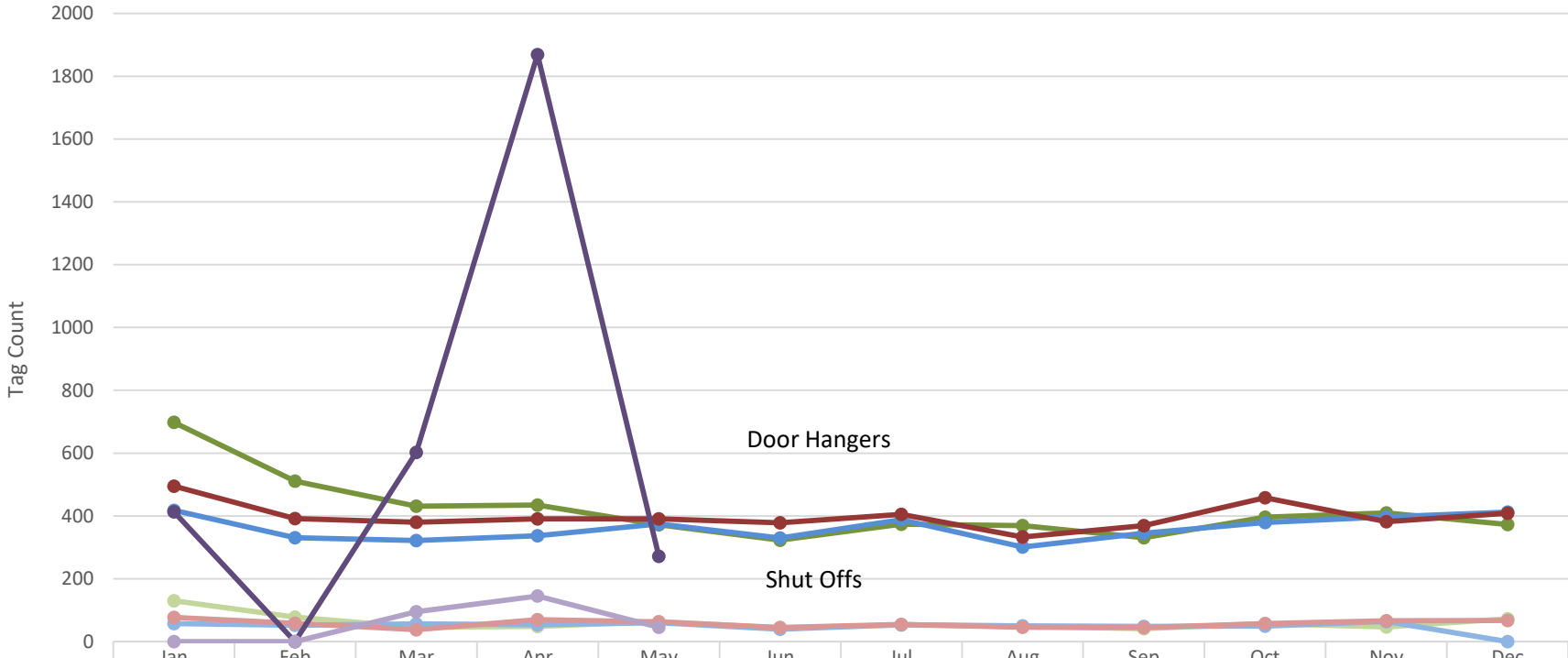
Work Orders:

	May -26		YTD (Since Jan. 1, 2025)	
<u>Department</u>	<u>Work Orders</u>	<u>Hours</u>	<u>Work Orders</u>	<u>Hours</u>
Distribution:				
Meters Installed	0	0	53	24.75
Meter Change Out	48	24.35	291	157.6
Preventative Maint.				
-Hydrant Maintenance (144)	144	36	720	180
-Valve Exercising (80)	80	20	248	62
Corrective Maint.				
-Leaks	5	36.5	8	99.5
-Other	3	24.5	8	75
Valve Locates	0	0	0	0



Elk Grove Water District

Door Hangers and Shut Off Tags



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2023 Door Hangers	698	511	431	435	372	323	374	369	331	396	410	373
2023 Shut Offs	130	78	46	48	64	44	53	48	41	57	47	73
2024 Door Hangers	418	331	322	337	375	330	388	301	345	379	397	412
2024 Shut Offs	57	52	56	54	60	39	54	50	48	49	64	0
2025 Door Hangers	495	392	380	391	391	378	405	333	369	458	382	409
2025 Shut Offs	77	58	38	70	63	45	55	46	45	57	66	67
2026 Door Hangers	413	0	602	1869	272							
2026 Shut Offs	0	0	95	145	46							



Elk Grove Water District

Monthly Production

Well 1D School -- May 2026

Selected Month Production

16,271,996 Gallons

Average GPM: 1,694
Pump depth: 275 ft
Well depth: 1025 ft

Motor:

Volts: 481
Volts (Rated): 460
RPM: 1788
RPM (Rated): 2115
Amps A: 174
Amps A (Rated): 222
Amps B: 173
Amps B (Rated): 222
Amps C: 168
Amps C (Rated): 222

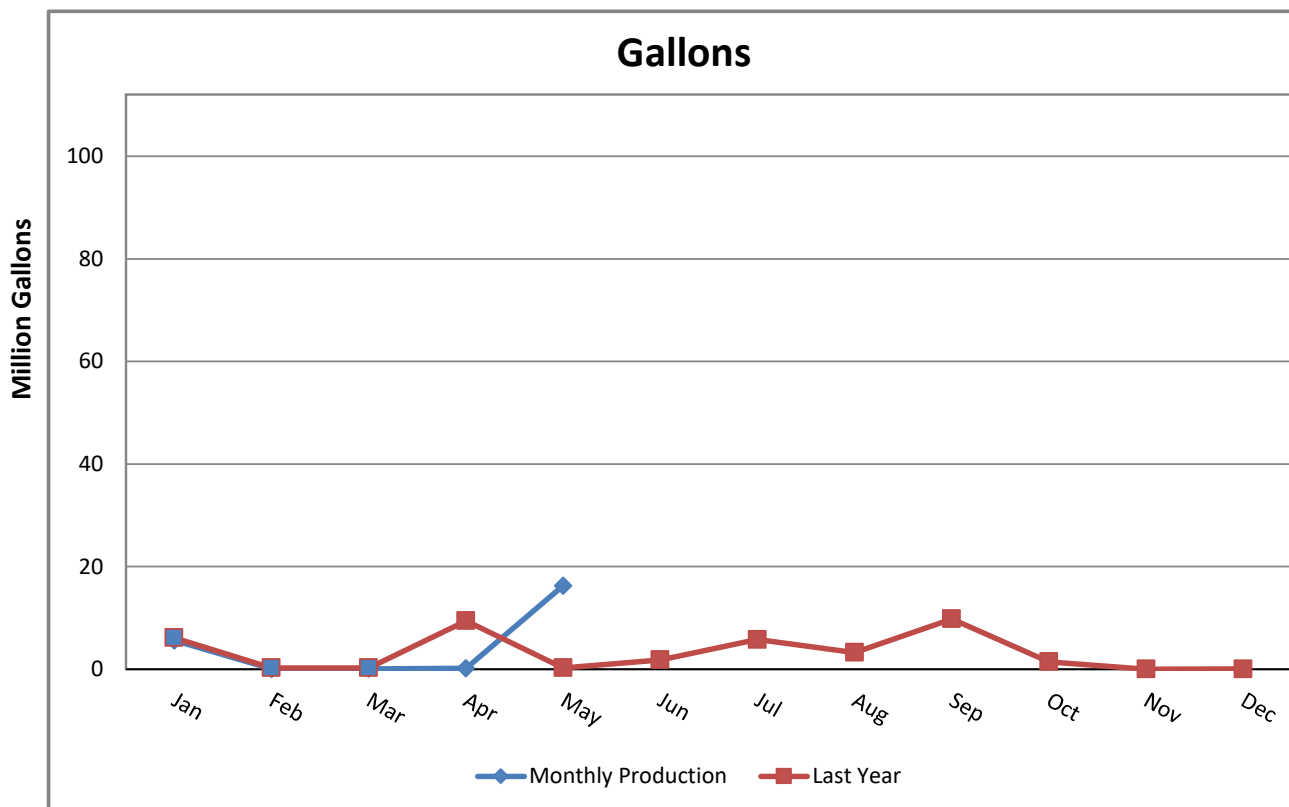
Motor Temp: 107.5 F
Hour Meter: 160.1

Chlorine:

Dosing: 1.52 mg/L
Demand: 0.48 mg/L
Residual: 1.04 mg/L

Vibration Reading:

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





Elk Grove Water District

Monthly Production

Well 4D Webb -- May 2026

Selected Month Production

20,952,834 Gallons

Average GPM: 1698
Pump depth: 340 ft
Well depth: 1075 ft

Motor:

Volts: 483
Volts (Rated): 460
RPM: 1646
RPM (Rated): 1775
Amps A: 192
Amps A (Rated): 225
Amps B: 191
Amps B (Rated): 225
Amps C: 190
Amps C (Rated): 225

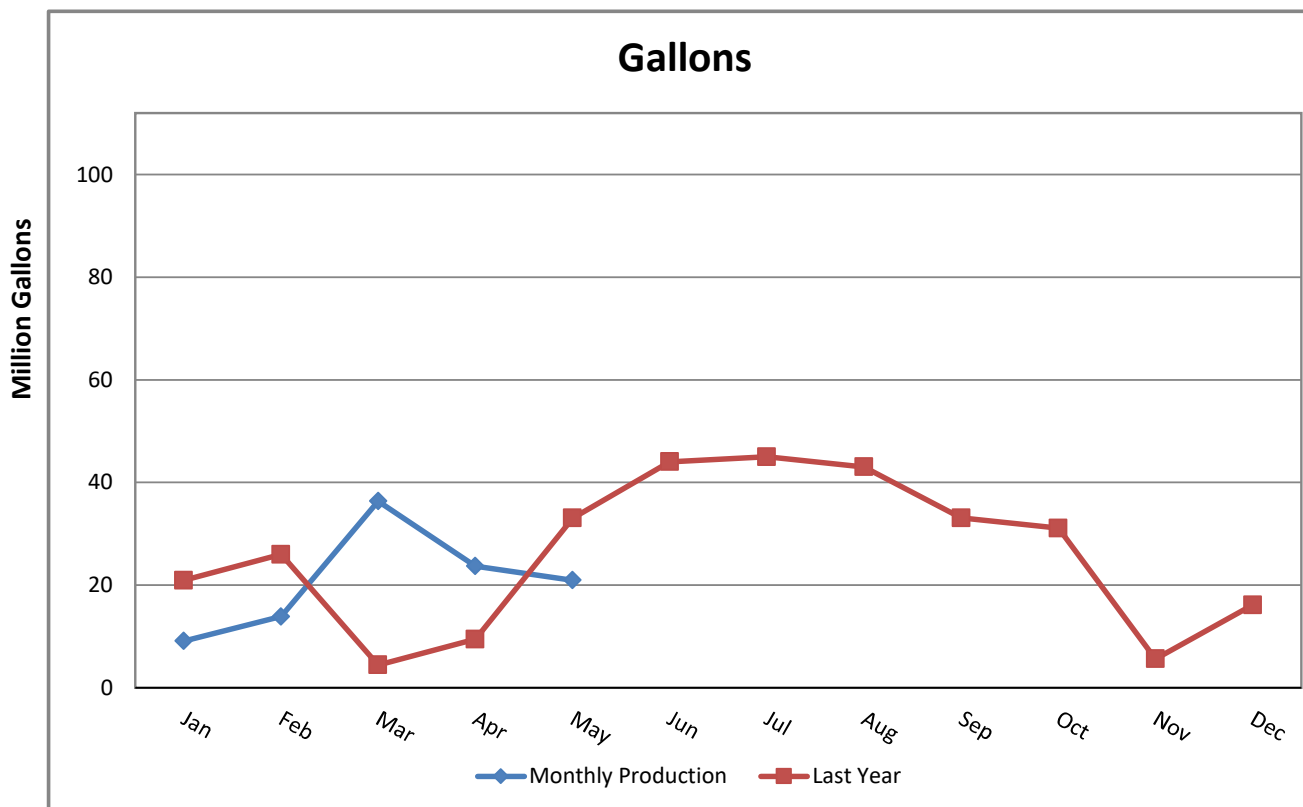
Motor Temp: 161.2 F
Hour Meter: 206.20

Chlorine:

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

Vibration Reading:

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





Elk Grove Water District

Monthly Production

Well 11D Dino -- May 2026

Selected Month Production

21,574,305 Gallons

Average GPM: 1,701
Pump depth: 340 ft
Well depth: 1038 ft

Motor:

Volts: 475
Volts (Rated): 460
RPM: 1768
RPM (Rated): 1775
Amps A: 216
Amps A (Rated): 225
Amps B: 214
Amps B (Rated): 225
Amps C: 203
Amps C (Rated): 225

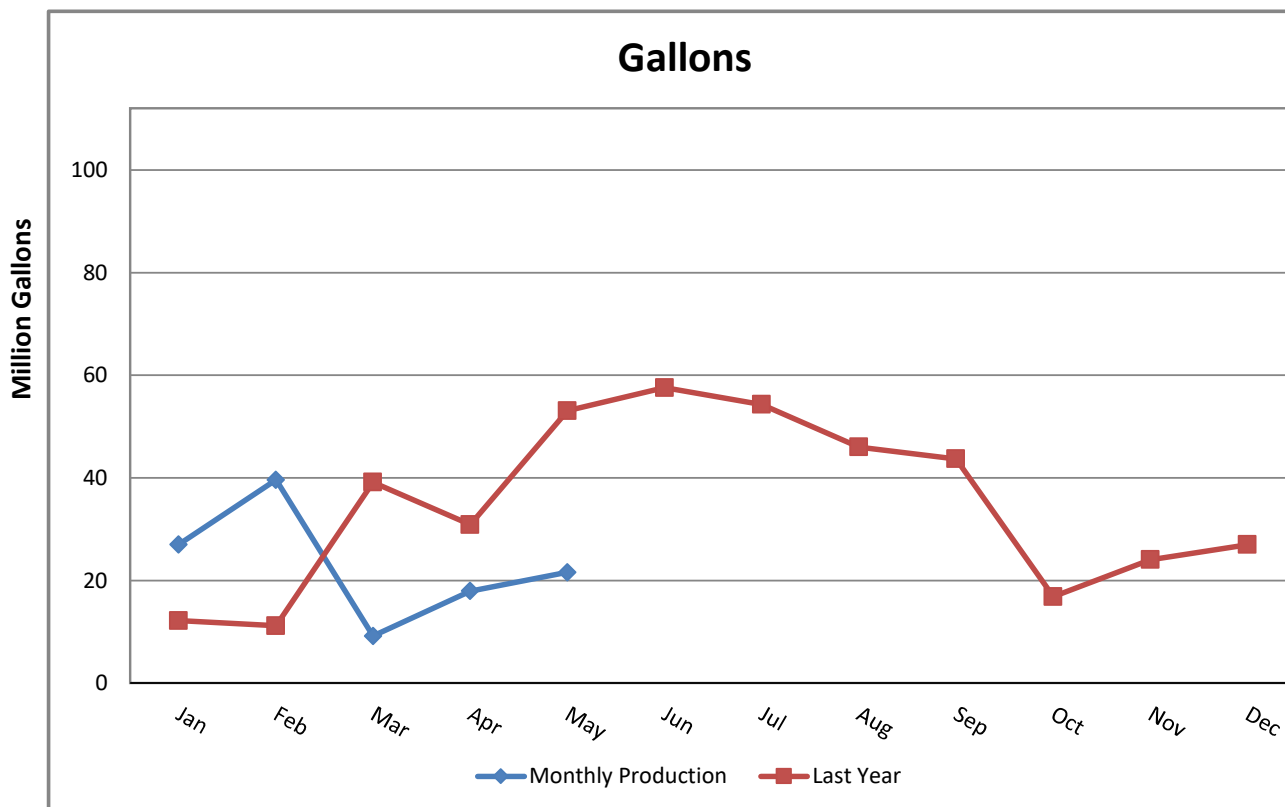
Motor Temp: 145.6 F
Hour Meter: 211.3

Chlorine:

Dosing: 1.59 mg/L
Demand: 0.63 mg/L
Residual: 0.96 mg/L

Vibration Reading:

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





Elk Grove Water District

Monthly Production

Well 14D Railroad -- May 2026

Selected Month Production

18,557,872 Gallons

Average GPM: 1438
Pump depth: 340 ft
Well depth: 1051 ft

Motor:

Volts: 486
Volts (Rated): 460
RPM: 1784
RPM (Rated): 1785
Amps A: 163
Amps A (Rated): 171
Amps B: 160
Amps B (Rated): 171
Amps C: 158
Amps C (Rated): 171

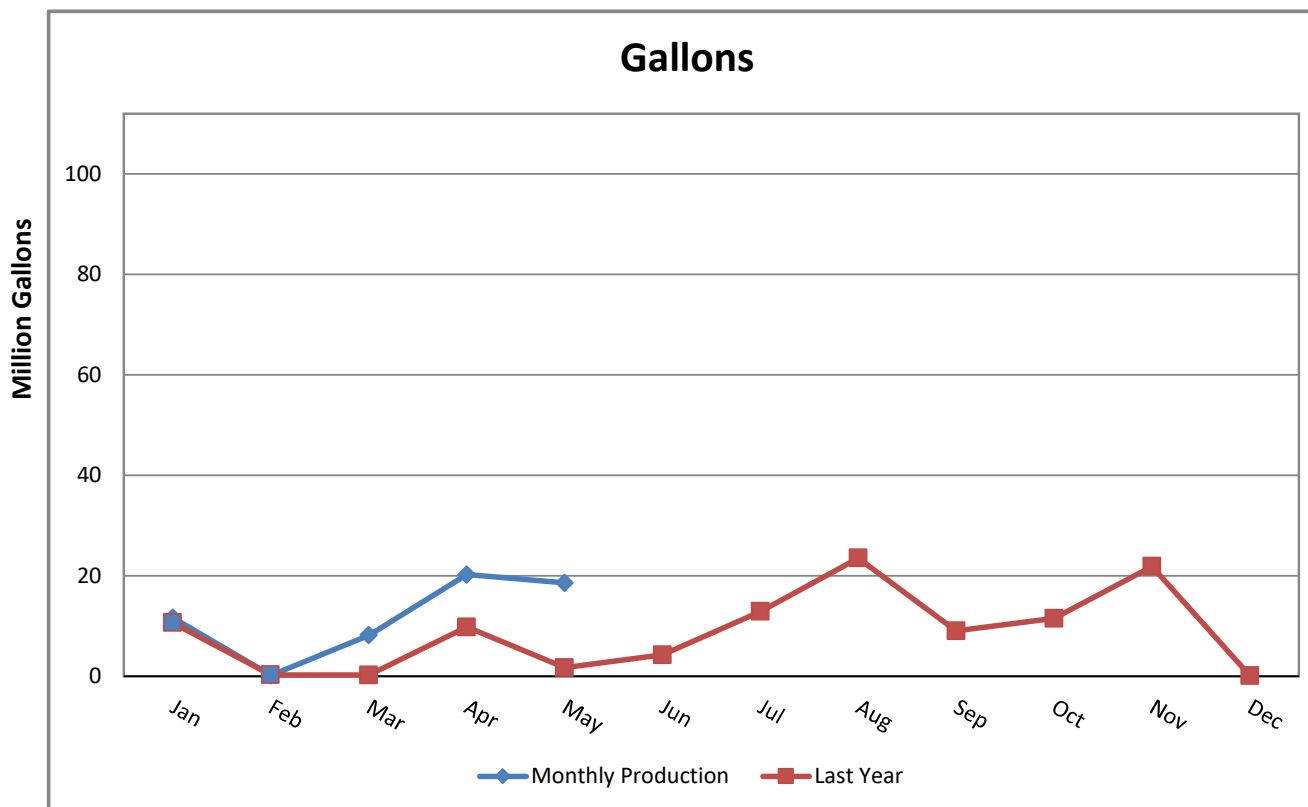
Motor Temp.: 121.6 F
Hour Meter: 215

Chlorine:

Dosing: 1.69 mg/L
Demand: 0.65 mg/L
Residual: 1.04 mg/L

Vibration Reading:

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





Elk Grove Water District

Monthly Production

Well 8 Williamson -- May 2026
(Submersible)

Selected Month Production

7,712,913 Gallons

Average GPM: 554
Pump depth: 150 ft
Well depth: 564 ft

Motor:

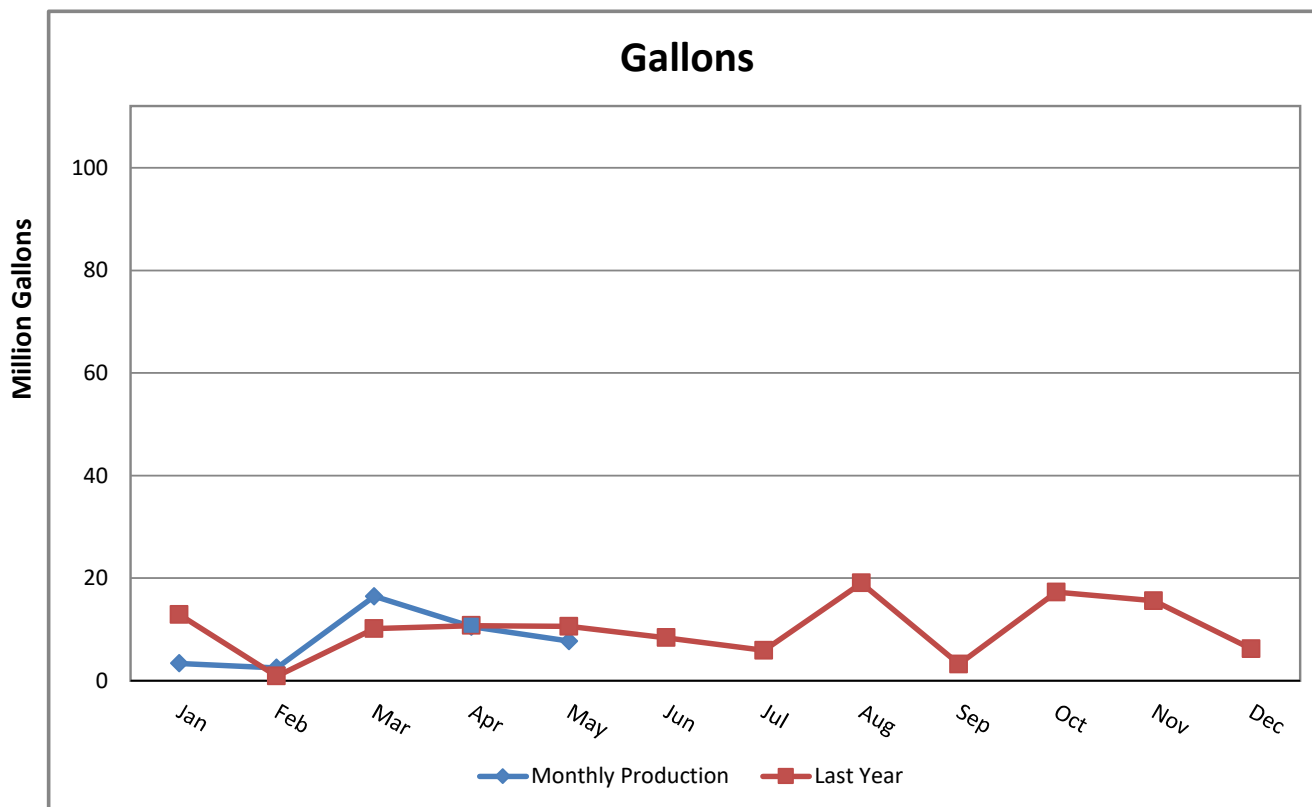
Volts: 472
Volts (Rated): 460

Amps A: 70
Amps A (Rated): 65
Amps B: 67
Amps B (Rated): 65
Amps C: 68
Amps C (Rated): 65

Hour Meter: 231.7

Chlorine:

Dosing: 1.24 mg/L
Demand: 0.18 mg/L
Residual: 1.06 mg/L





Elk Grove Water District

Monthly Production

Well 9 Polhemus -- May 2026
(Submersible)

Selected Month Production

11,034,922 Gallons

Average GPM: 498
Pump depth: 150 ft
Well depth: 556 ft

Motor:

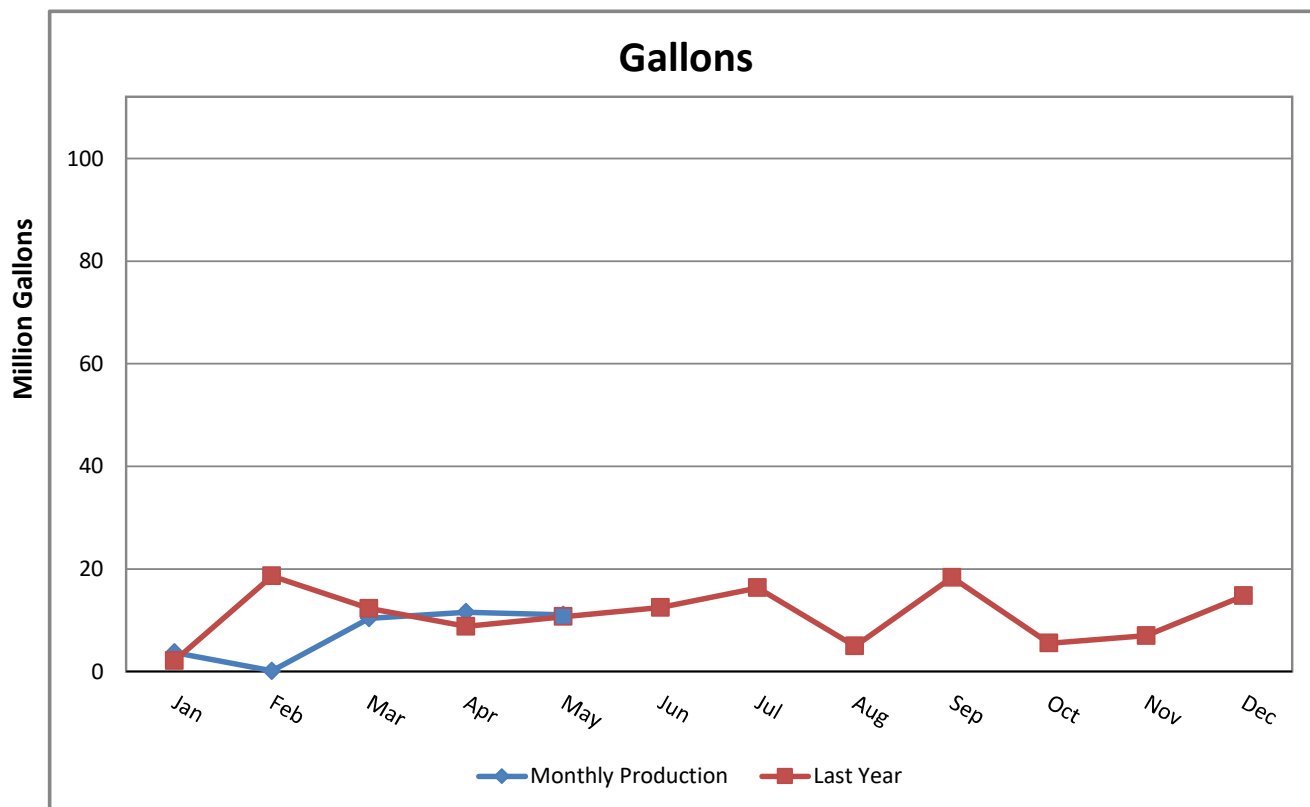
Volts: 479
Volts (Rated): 460

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

Hour Meter: 368.8

Chlorine:

Dosing: 1.25 mg/L
Demand: 0.09 mg/L
Residual: 1.16 mg/L





Elk Grove Water District

Monthly Production

Well 13 Hampton -- May 2026

Selected Month Production

34,878,450 Gallons

Average GPM: 965
Pump depth: 200 ft
Well depth: 500 ft

Motor:

Volts: 475
Volts (Rated): 460
RPM: 1784
RPM (Rated): 1785
Amps A: 104
Amps A (Rated): 141
Amps B: 105
Amps B (Rated): 141
Amps C: 107
Amps C (Rated): 141

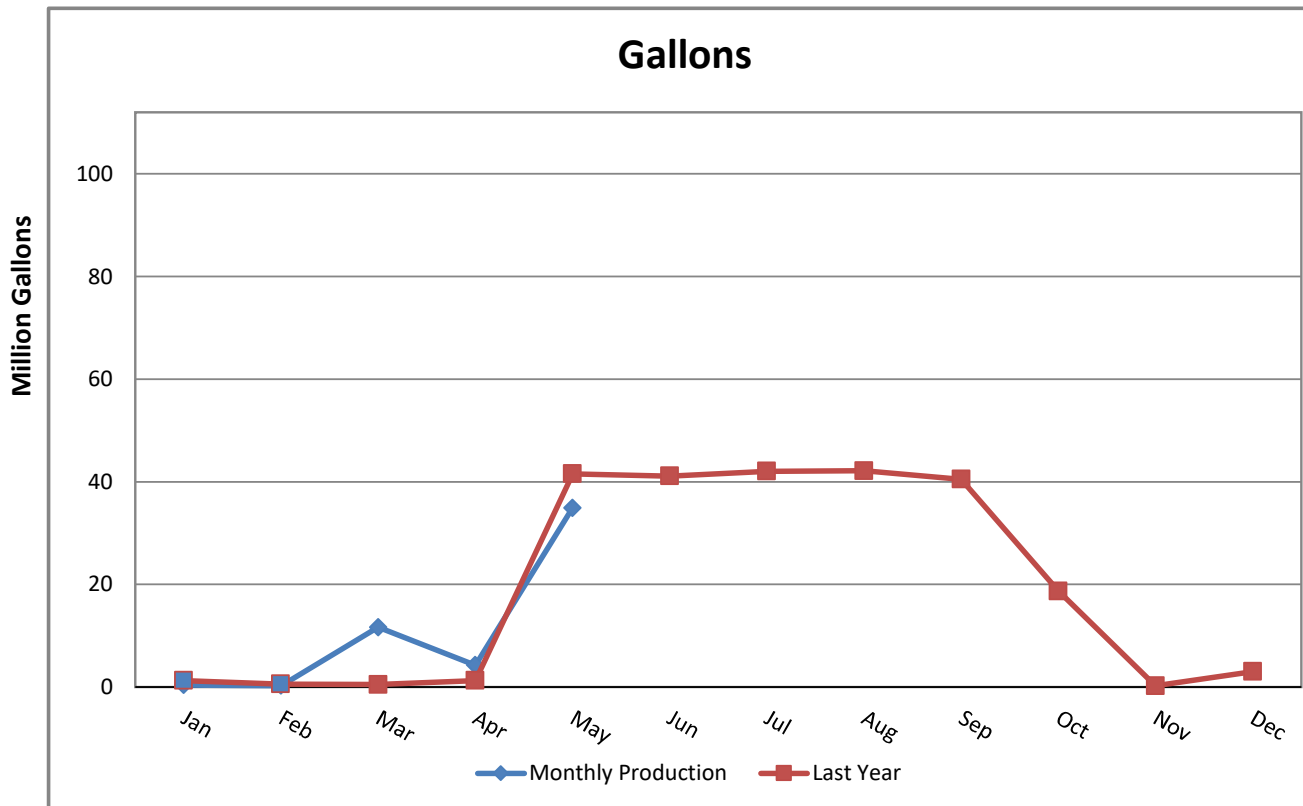
Motor Temp.: 150.2 F
Hour Meter: 601.9

Chlorine:

Dosing: 1.79 mg/L
Demand: 0.73 mg/L
Residual: 1.06 mg/L

Vibration Reading:

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





Elk Grove Water District

Combined Total Production

Service Area 1

May-2026

Current Month Production:

130,983,292 Gallons

Highest Day Demand of the Month:

5,093,214

Date of Occurance

23-May-26

Highest Day Demand of the Calendar Year:

5,093,214

Date of Occurance

23-May-26

"Water Year" Rainfall: (Oct-25 to Sep-26)

Current Month: 0.69 in

Year To Date: 16.84 in

"Water Year" Rainfall: (Oct-24 to Sep-25)

May 2025 0.04 in

Year To Date: 13.81 in

Entire Year Total: 13.81 in

Temperature:

This Month High 94 F

This Month Low 49 F

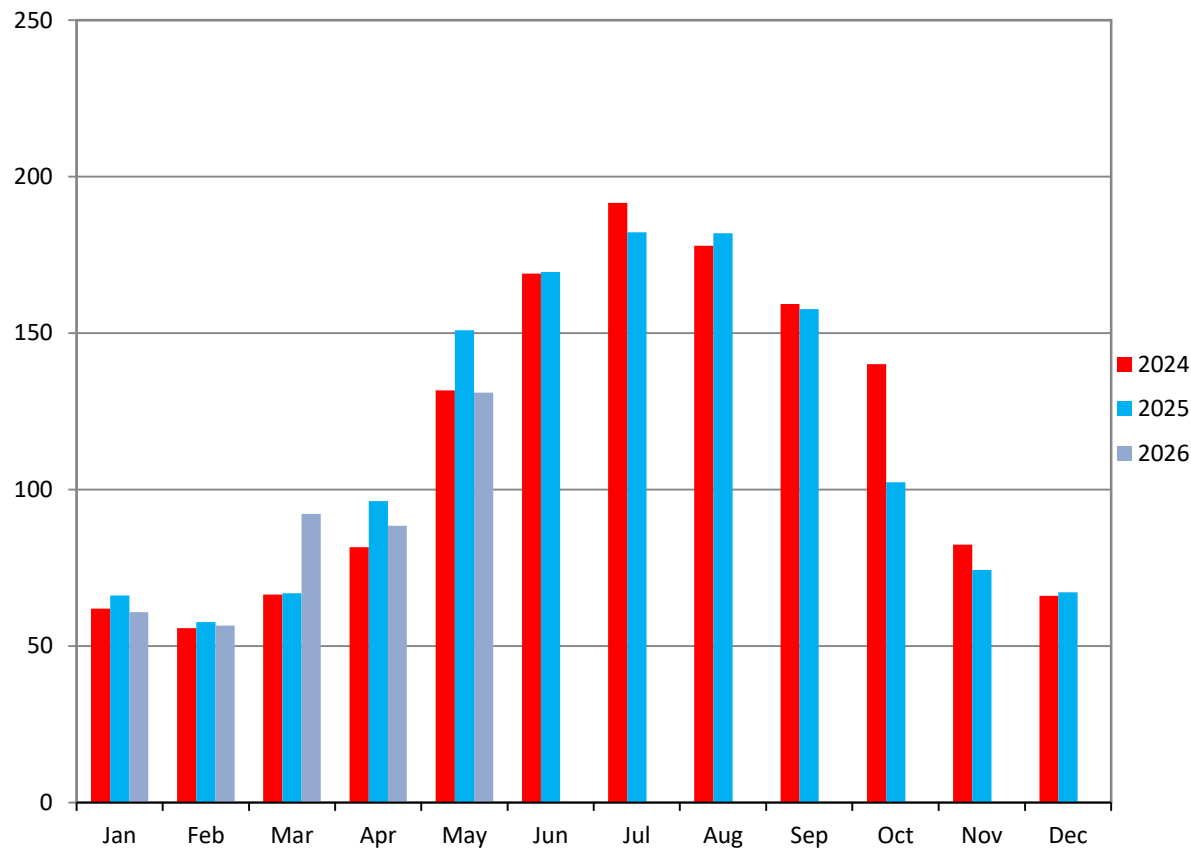
This Month Average 67.6 F

MAY-25 High 102 F

MAY-25 Low 47 F

MAY-25 Average 69.3 F

Million Gallons

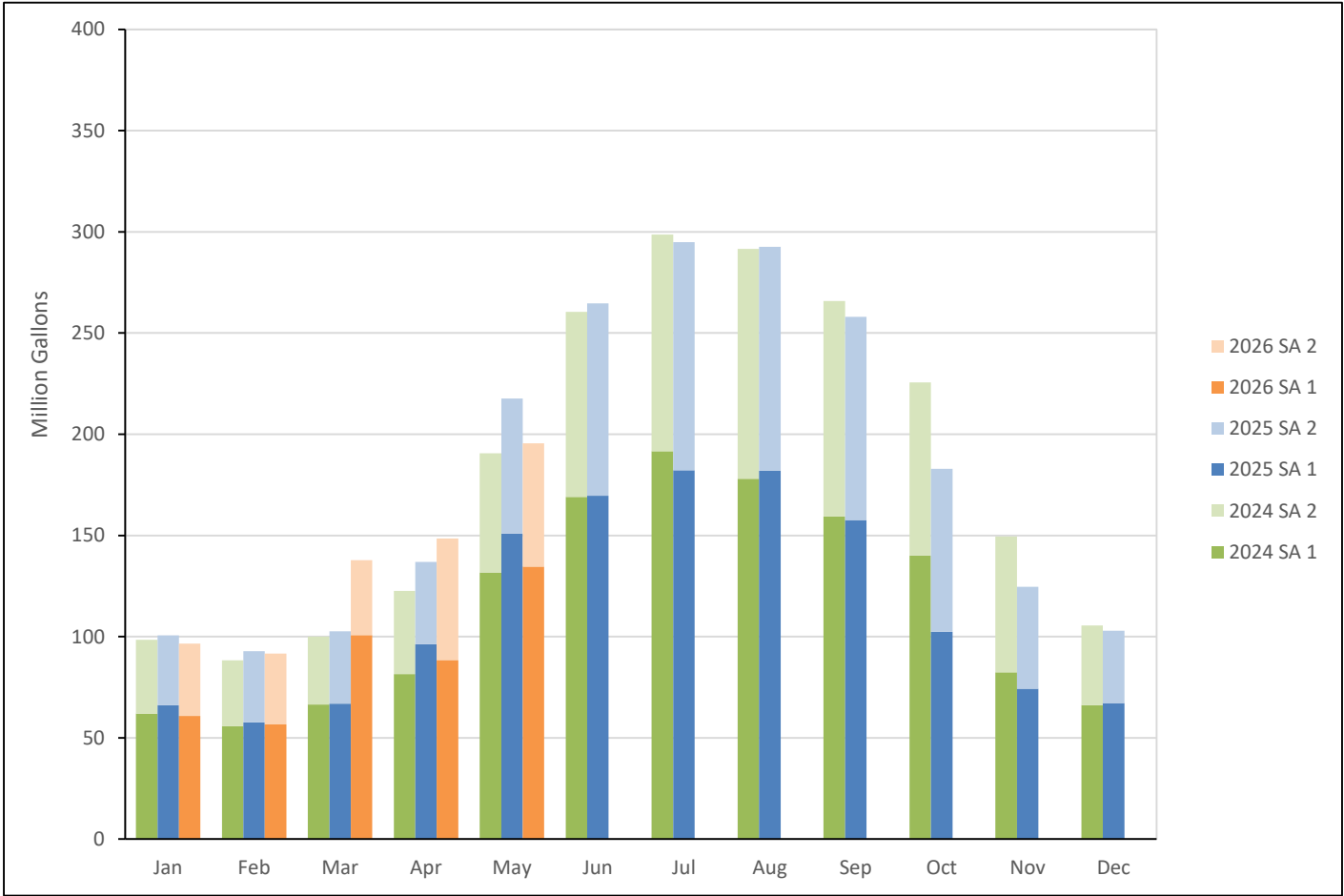




Elk Grove Water District

Total Demand/Production

May-2026



Current Month Demand/Production:

195,464,566 Gallons

***Change From May 2025:** -10.21%

GPCD: 143.1 Gallons per Day

R-GPCD: 110.4 Gallons per Day

Service Area 1

Active Connections: 7,967

Current Month Demand/Production:

134,631,222 Gallons

***Change From May 2025:** -10.78%

GPCD: 165.8 Gallons per Day

R-GPCD: 130.6 Gallons per Day

Service Area 2

Active Connections: 5,250

Current Month Demand/Production:

60,833,344 Gallons

***Change From May 2025:** -8.90%

GPCD: 109.9 Gallons per Day

R-GPCD: 82.2 Gallons per Day

*Percent reduction has been changed to percent change. Negative change is reduction and positive change is increase.

Elk Grove Water District Water Usage

----- Monthly Production (gallons) -----

2023	January	February	March	April	May	June	July	August	September	October	November	December	Total
GW (SA1)	62,562,387	56,343,279	58,232,742	83,205,416	129,475,692	149,684,059	174,452,699	172,730,059	146,408,453	121,106,581	85,315,369	68,908,092	1,308,424,828
Purchased (SA2)	32,851,412	33,735,548	33,439,340	35,189,660	59,937,240	84,604,784	102,673,472	99,610,412	93,544,132	80,540,900	61,575,360	43,502,932	761,205,192
Total	95,413,799	90,078,827	91,672,082	118,395,076	189,412,932	234,288,843	277,126,171	272,340,471	239,952,585	201,647,481	146,890,729	112,411,024	2,069,630,020

2024	January	February	March	April	May	June	July	August	September	October	November	December	Total
GW (SA1)	61,915,877	55,729,972	66,410,639	81,535,145	131,704,427	169,076,492	191,647,032	177,958,857	159,339,160	140,109,268	82,418,795	66,139,444	1,383,985,108
Purchased (SA2)	36,458,268	32,530,520	33,633,072	41,059,964	58,853,388	91,426,544	107,064,980	113,644,388	106,453,864	85,452,268	67,061,940	39,318,620	812,957,816
Total	98,374,145	88,260,492	100,043,711	122,595,109	190,557,815	260,503,036	298,712,012	291,603,245	265,793,024	225,561,536	149,480,735	105,458,064	2,196,942,924

2025	January	February	March	April	May	June	July	August	September	October	November	December	Total
GW (SA1)	66,097,901	57,654,400	66,894,017	96,270,179	150,905,402	169,578,143	182,236,331	181,938,189	157,664,588	102,332,755	74,315,435	67,207,980	1,373,095,320
Purchased (SA2)	34,520,948	35,116,356	35,715,504	40,573,764	66,775,456	95,037,888	112,708,640	110,707,740	100,340,460	80,612,708	50,291,032	35,662,396	798,062,892
Total	100,618,849	92,770,756	102,609,521	136,843,943	217,680,858	264,616,031	294,944,971	292,645,929	258,005,048	182,945,463	124,606,467	102,870,376	2,171,158,212

2026	January	February	March	April	May	June	July	August	September	October	November	December	Total
GW (SA1)	60,812,566	56,553,387	100,696,957*	88,388,122	134,631,222								441,082,254
Purchased (SA2)	35,737,196	35,096,908	37,065,644	60,038,220	60,833,344								228,771,312
Total	96,549,762	91,650,295	137,762,601	148,426,342	195,464,566	0	0	0	0	0	0	0	669,853,566

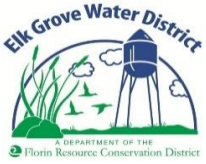
----- Monthly Percent Change - Comparing 2025 to 2026 -----

% Change	January	February	March	April	May	June	July	August	September	October	November	December	Total
GW (SA1)	-8.00%	-1.91%	50.53%	-8.19%	-10.78%	-	-	-	-	-	-	-	-
Purchased (SA2)	3.52%	-0.06%	3.78%	47.97%	-8.90%	-	-	-	-	-	-	-	-
Total	-4.04%	-1.21%	34.26%	8.46%	-10.21%	-	-	-	-	-	-	-	-
% Cumulative Change	-4.04%	-2.68%	10.12%	9.60%	2.97%	-	-	-	-	-	-	-	-

*Notes

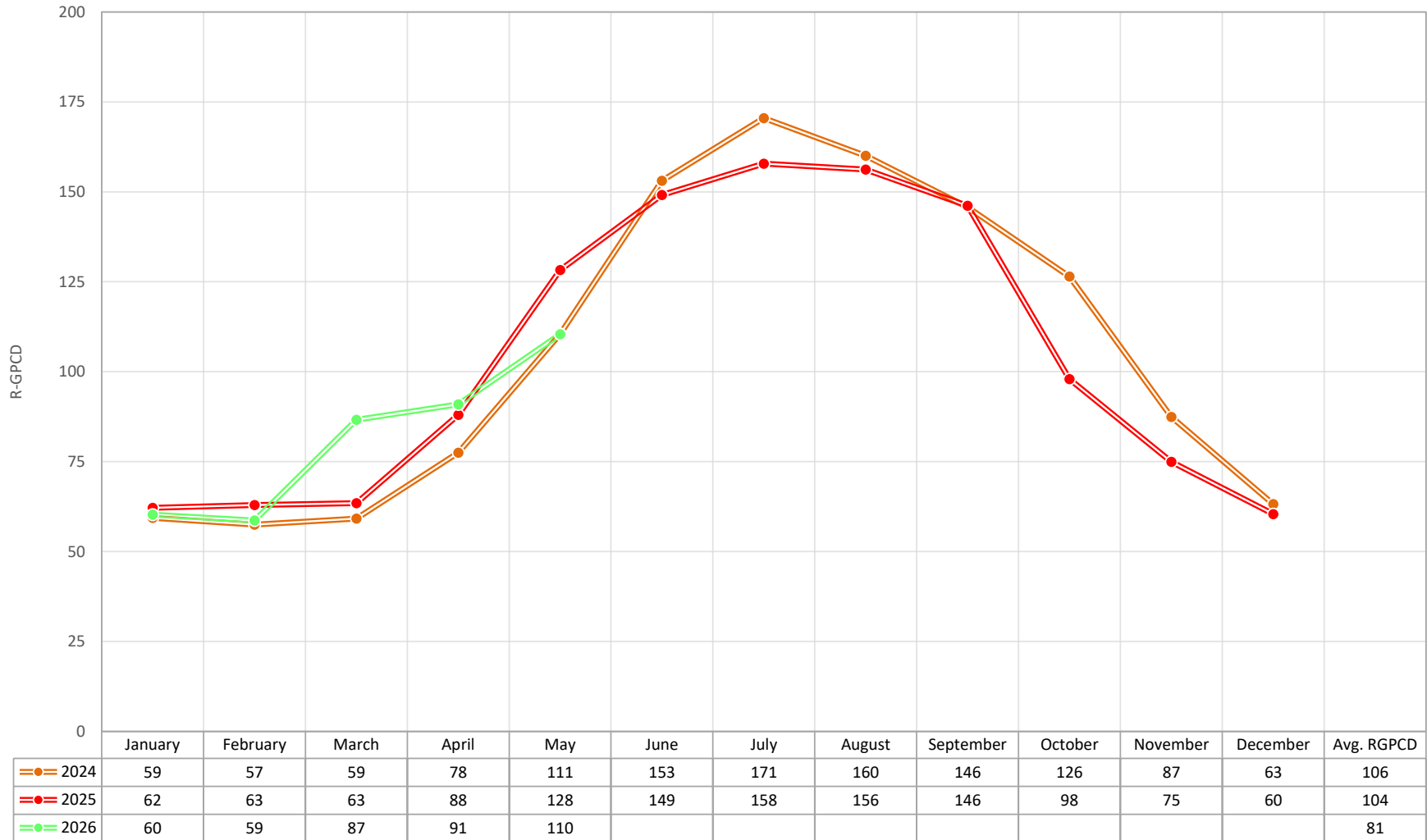
2026 March production number for SA1 includes water delivered through open Springhurst intertie for the PLC Replacement Project
Springhurst Intertie (Mar 2026) 8,462,150 Gallons (Number provided from meter read by SCWA)

Service Area 2		Consumption	
2026	# Accts	CCF	Gallons
Jan	5,217	47,777	35,737,196
Feb	5,222	46,921	35,096,908
Mar	5,261	49,553	37,065,644
Apr	5,237	80,265	60,038,220
May	5,244	81,328	60,833,344
Jun			0
Jul			0
Aug			0
Sep			0
Oct			0
Nov			0
Dec			0



EGWD COMBINED R-GPCD

—●— 2024 —●— 2025 —●— 2026



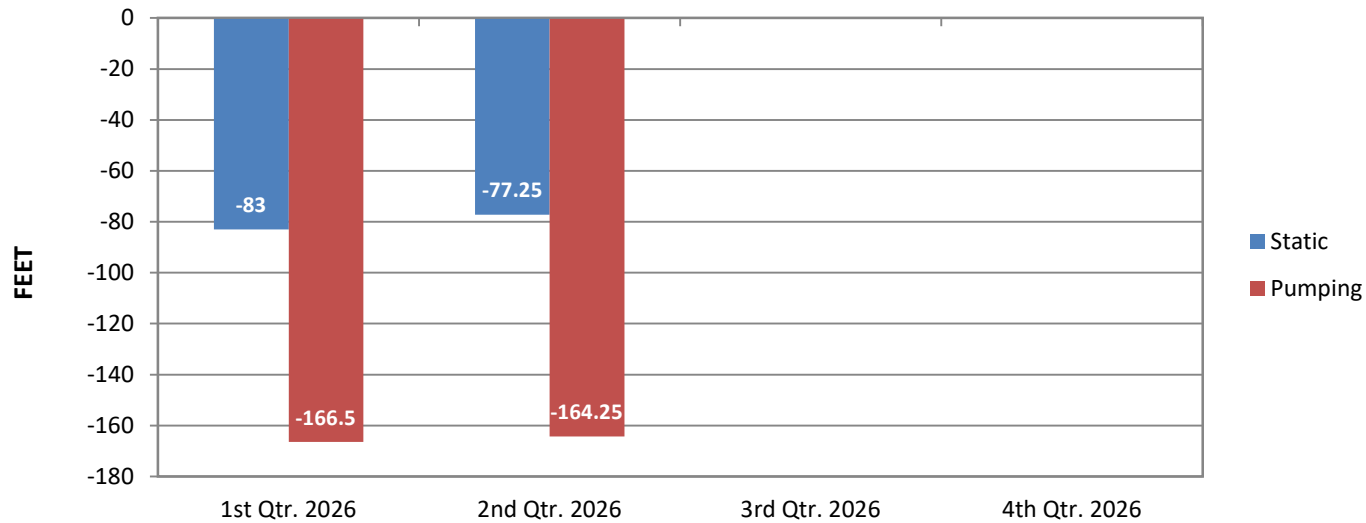
R-GPCD = Residential Gallons per Capita per Day



Elk Grove Water District

Static and Pumping Levels

Well 1D School St



Latest Well Sounding

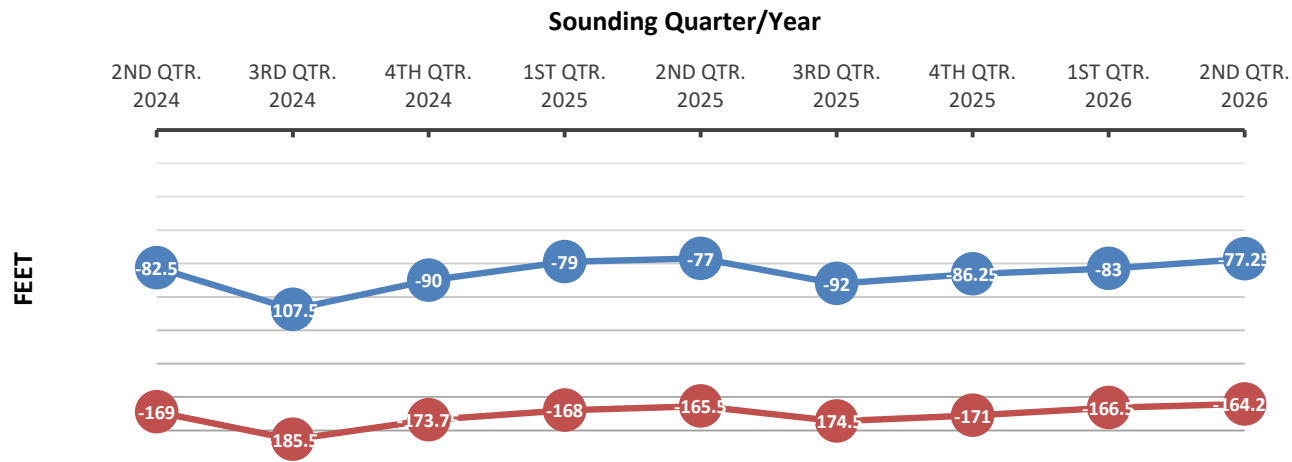
Static: 77.25 Ft

Pumping: 164.25 Ft

Drawdown: 87 Ft

GPM: 1,770

Specific Capacity: 20.342



Latest Sand Tester Results:

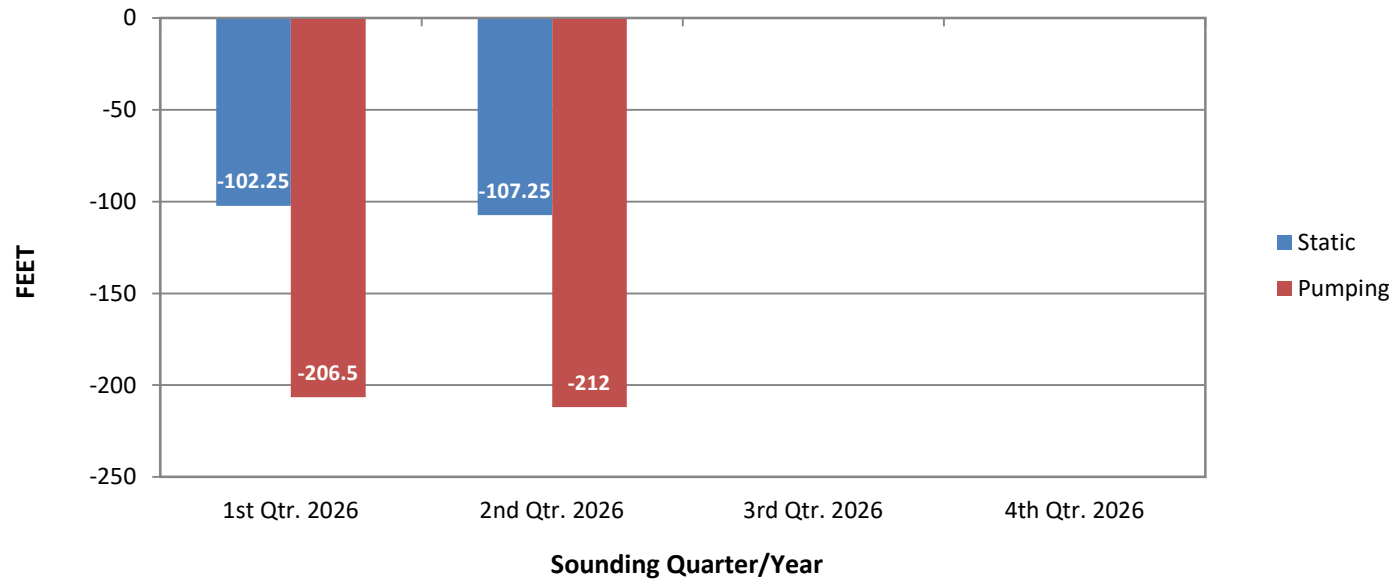
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

Well 4D Webb St



Latest Well Sounding

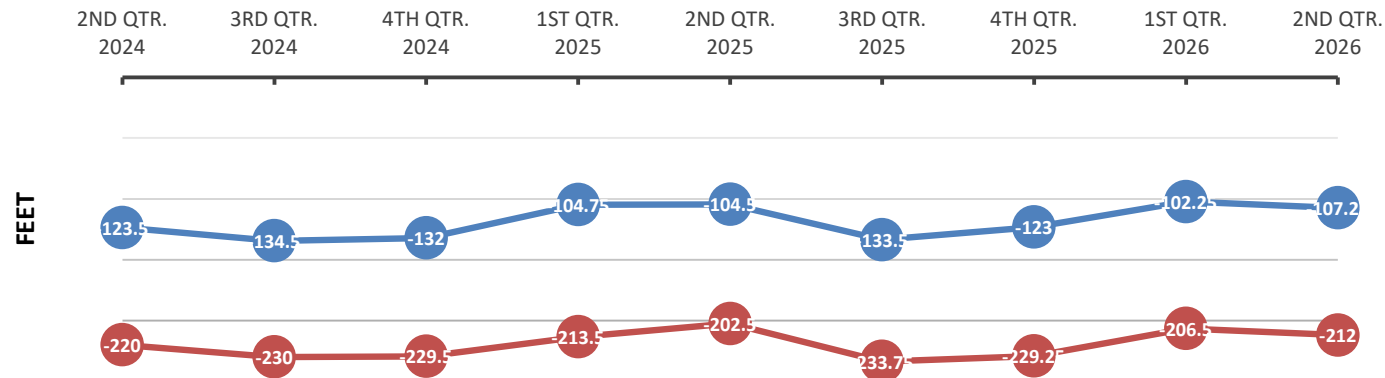
Static: 107.25 Ft

Pumping: 212 Ft

Drawdown: 104.75 Ft

GPM: 1,697

Specific Capacity: 16.202



Latest Sand Tester Results:

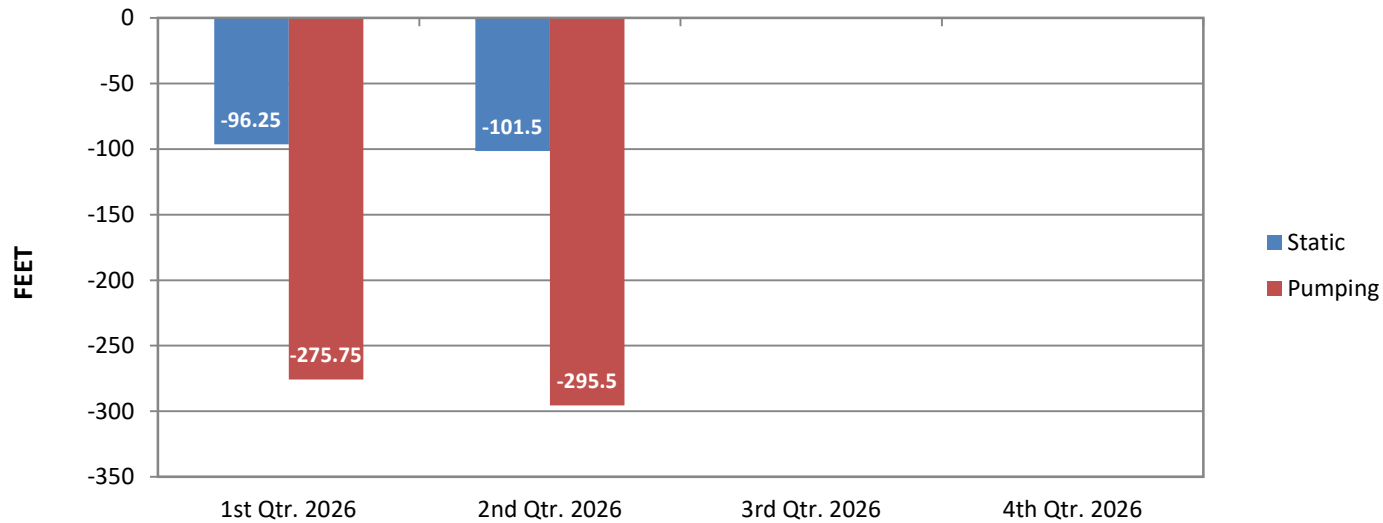
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

Well 11D Dino



Latest Well Sounding

Static: 101.5 Ft

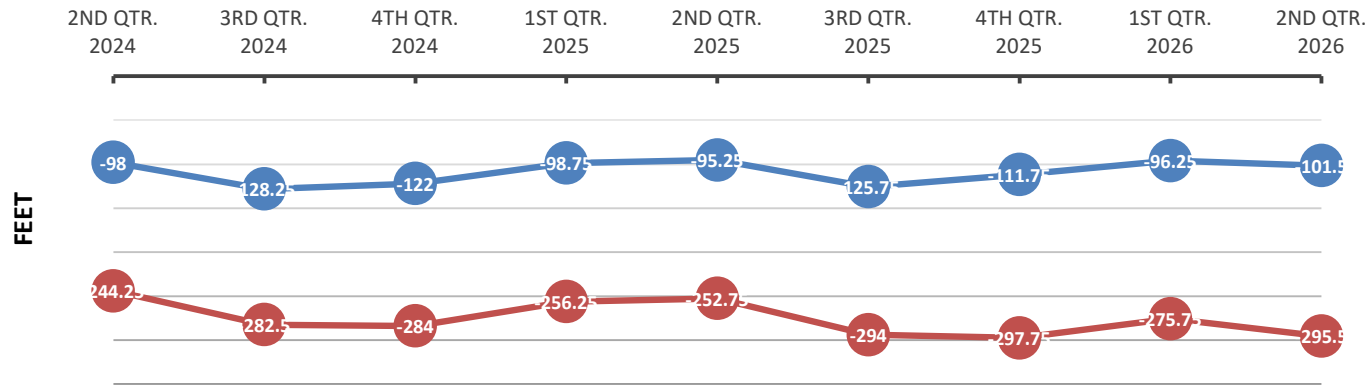
Pumping: 295.5 Ft

Drawdown: 194 Ft

GPM: 1,772

Specific Capacity: 9.134

Sounding Quarter/Year



Latest Sand Tester Results:

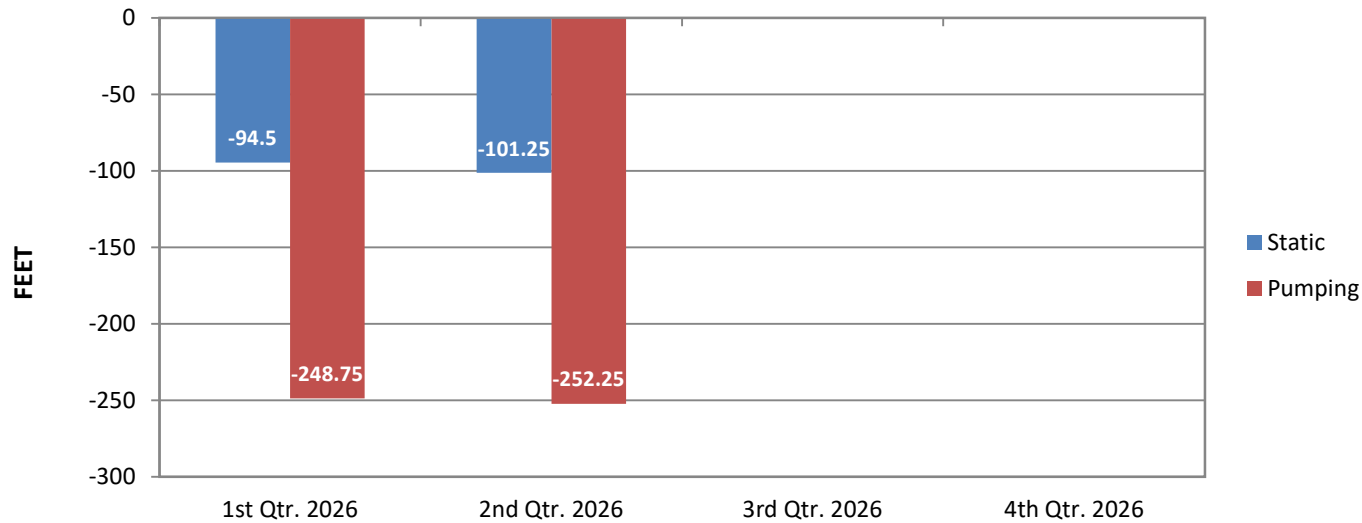
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

Well 14D Railroad



Latest Well Sounding

Static: 101.25 Ft

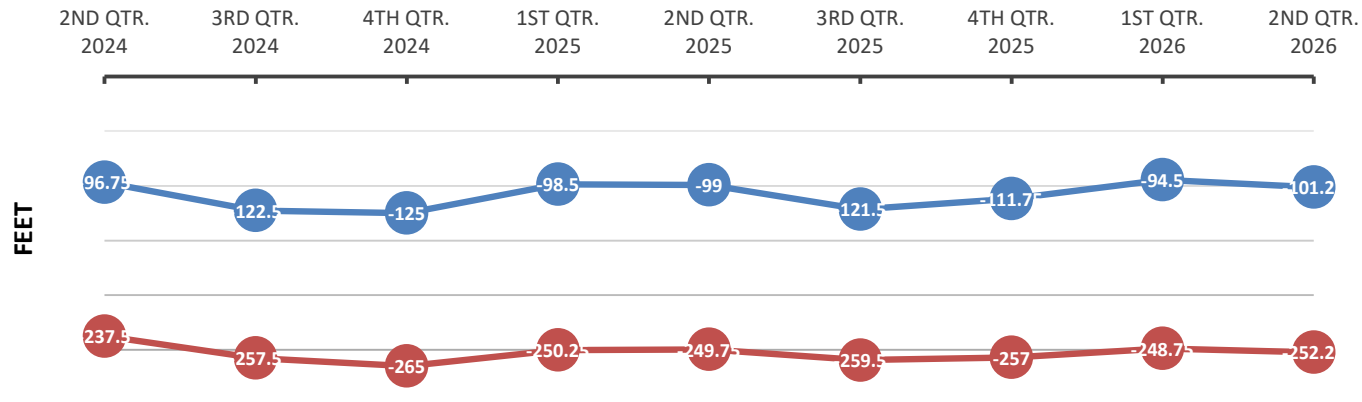
Pumping: 252.25 Ft

Drawdown: 151 Ft

GPM: 1,492

Specific Capacity: 9.880

Sounding Quarter/Year



Latest Sand Tester Results:

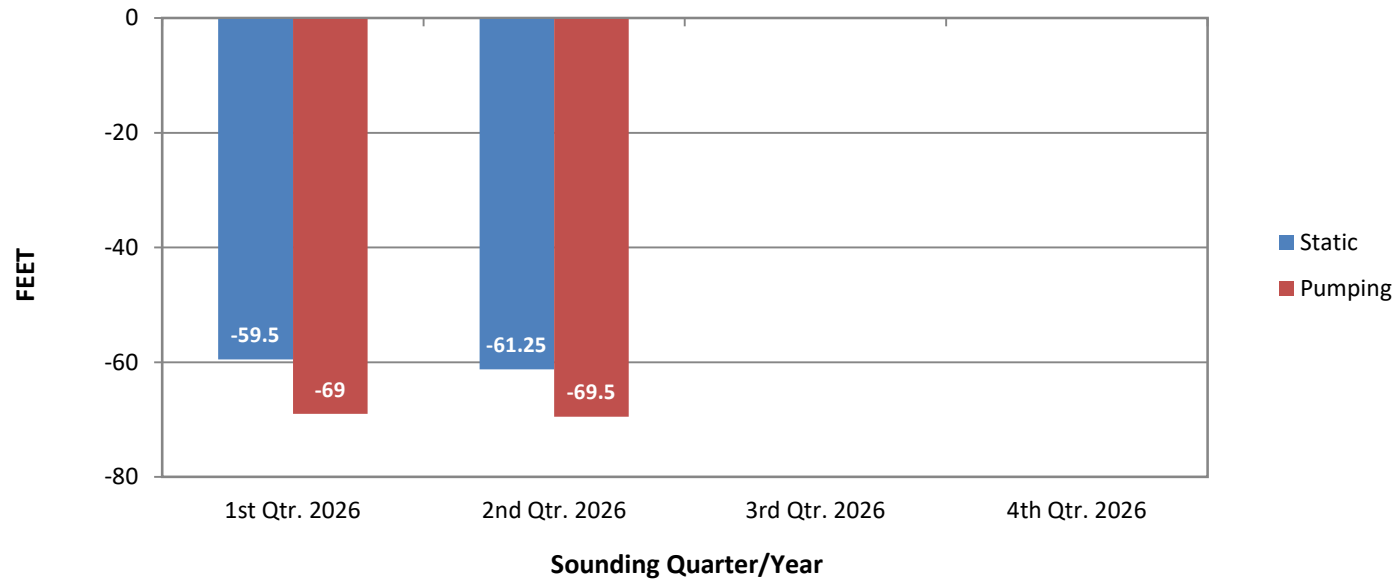
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

Well 8 Williamson



Latest Well Sounding

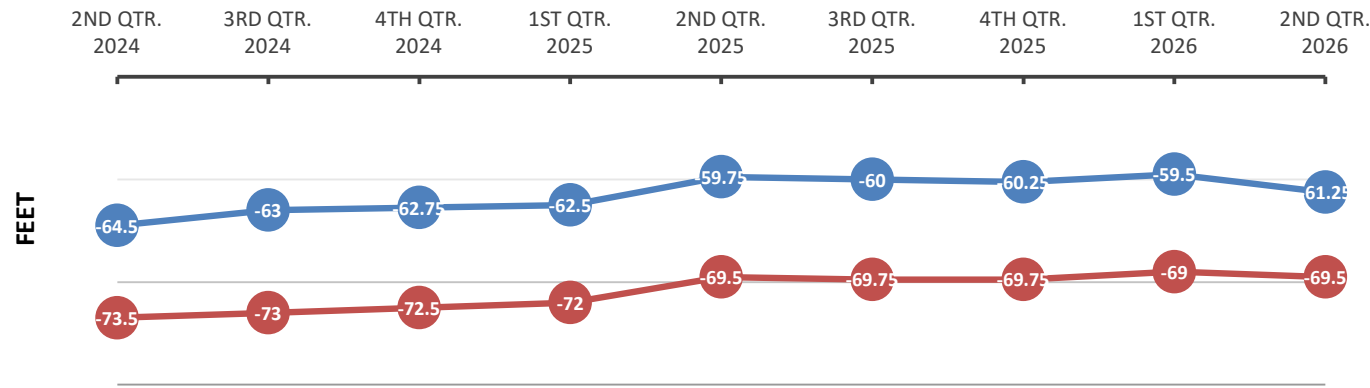
Static: 61.25 Ft

Pumping: 69.5 Ft

Drawdown: 8.25 Ft

GPM: 561

Specific Capacity: 68.000



Latest Sand Tester Results:

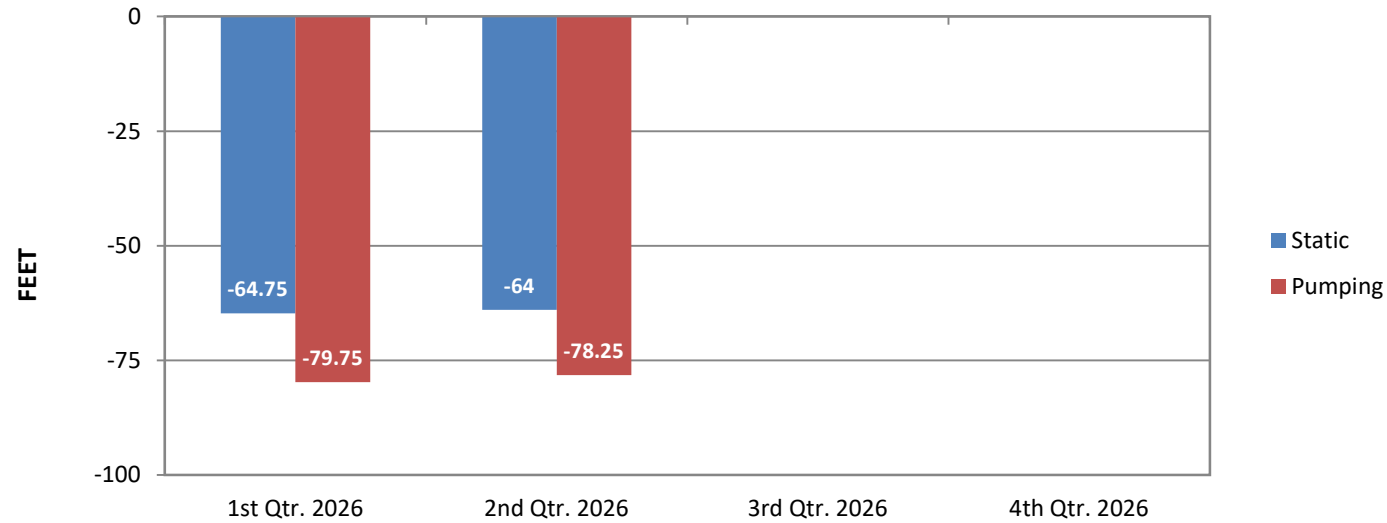
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

Well 9 Polhemus



Latest Well Sounding

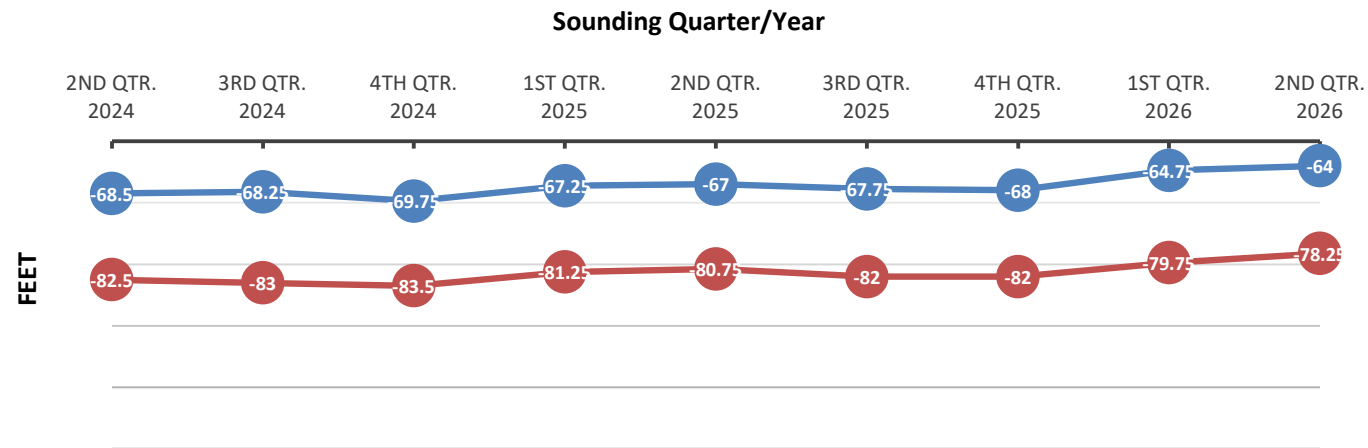
Static: 64 Ft

Pumping: 78.25 Ft

Drawdown: 14.25 Ft

GPM: 505

Specific Capacity: 35.418



Latest Sand Tester Results:

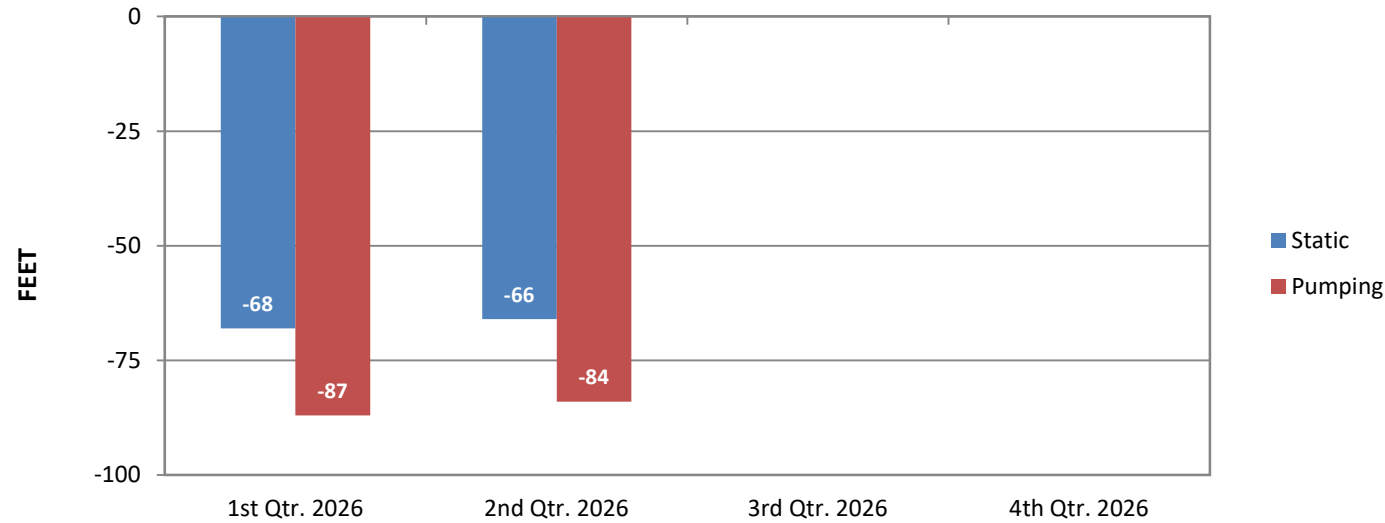
15 Min: < 5 ppm



Elk Grove Water District

Static and Pumping Levels

Well 13 Hampton



Latest Well Sounding

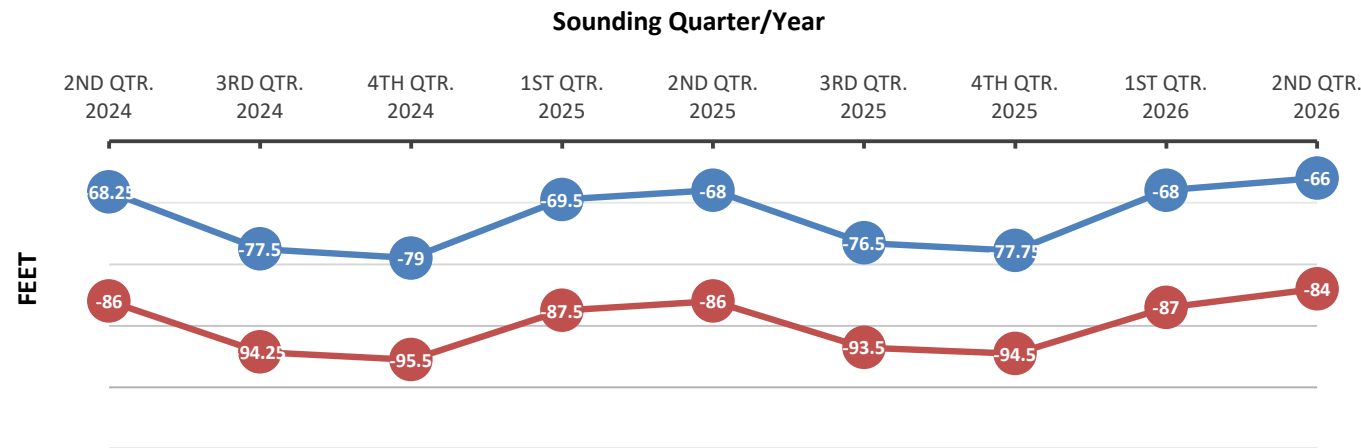
Static: 66 Ft

Pumping: 84 Ft

Drawdown: 18 Ft

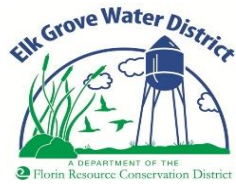
GPM: 980

Specific Capacity: 54.435



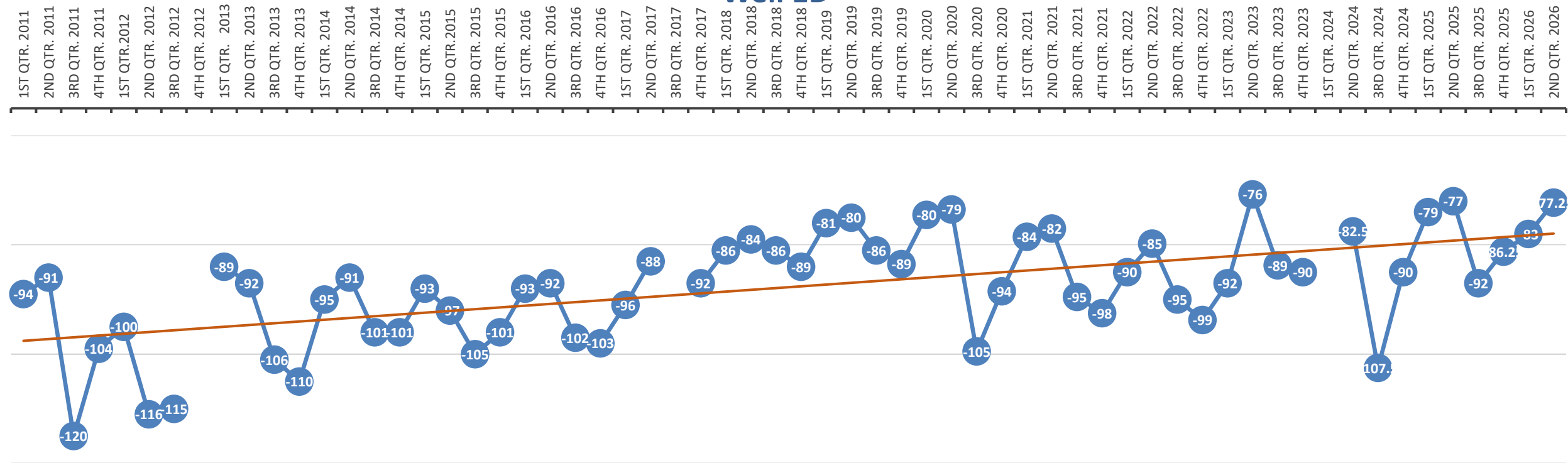
Latest Sand Tester Results:

15 Min: < 5 ppm

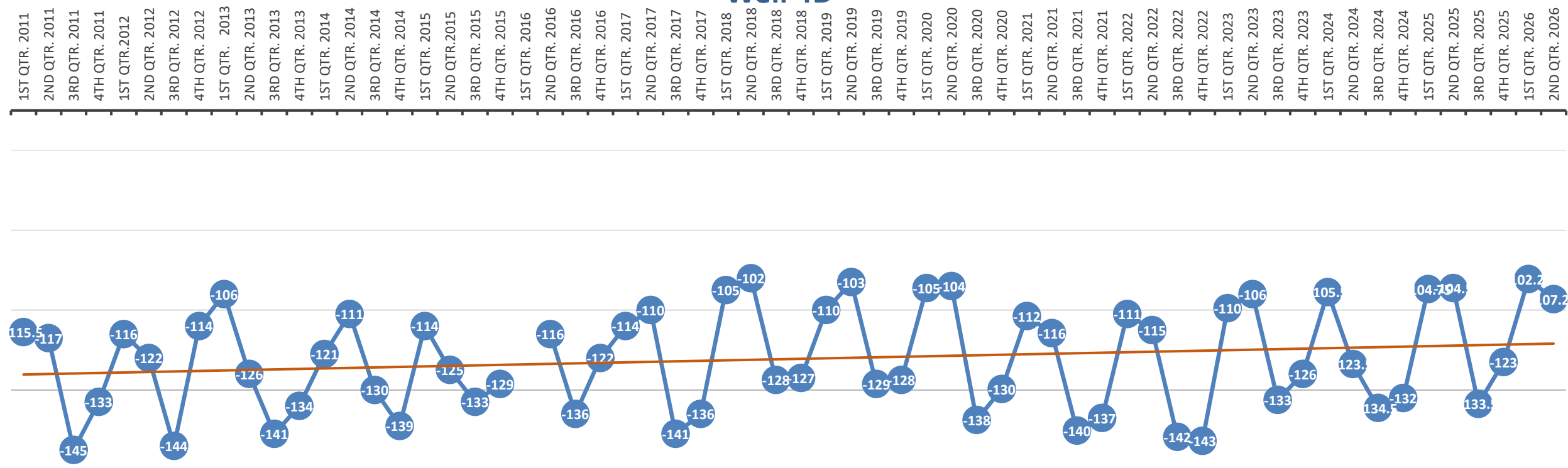


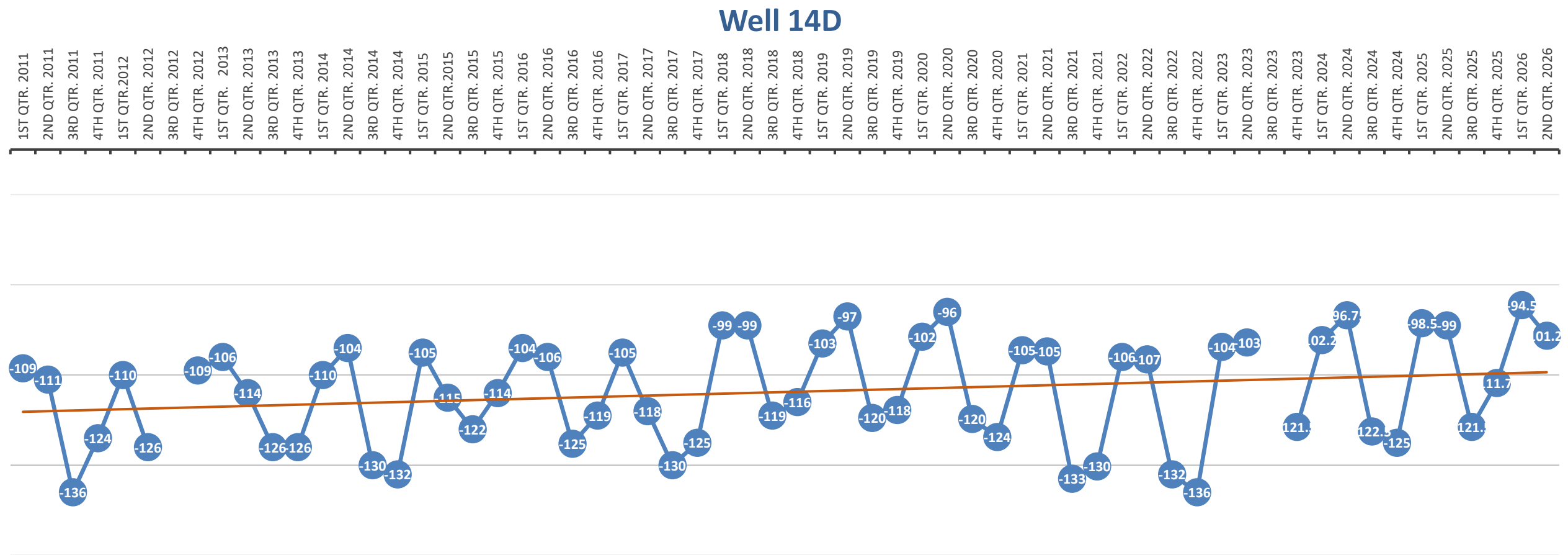
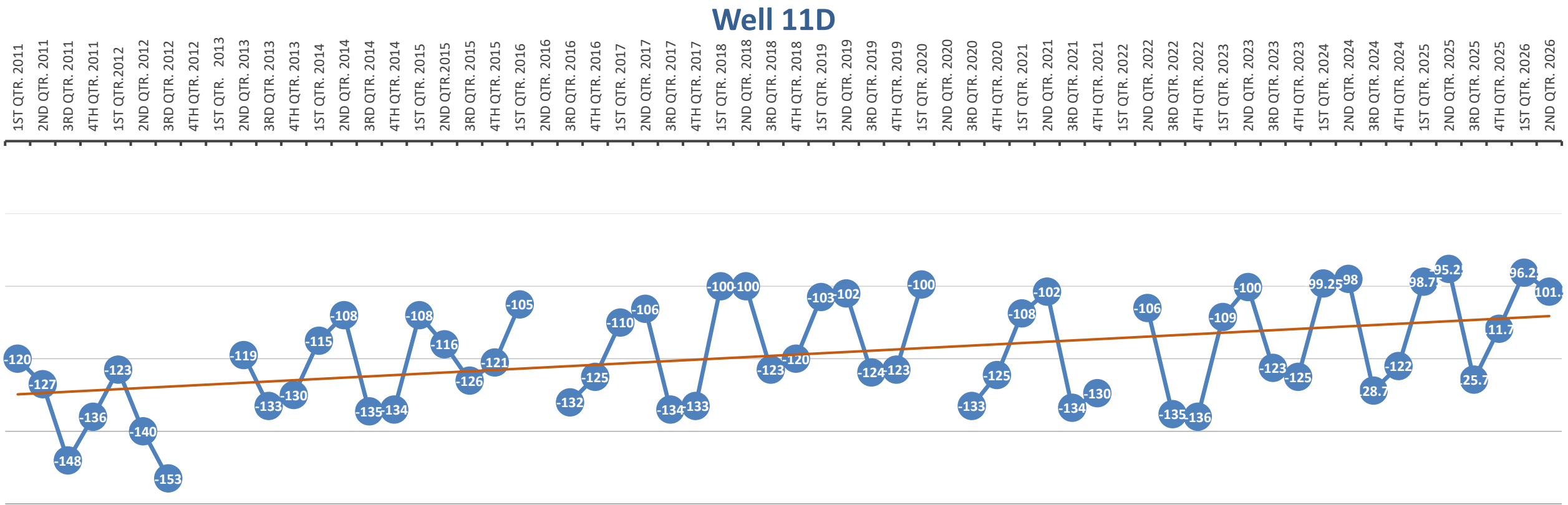
Historic Static Well Levels

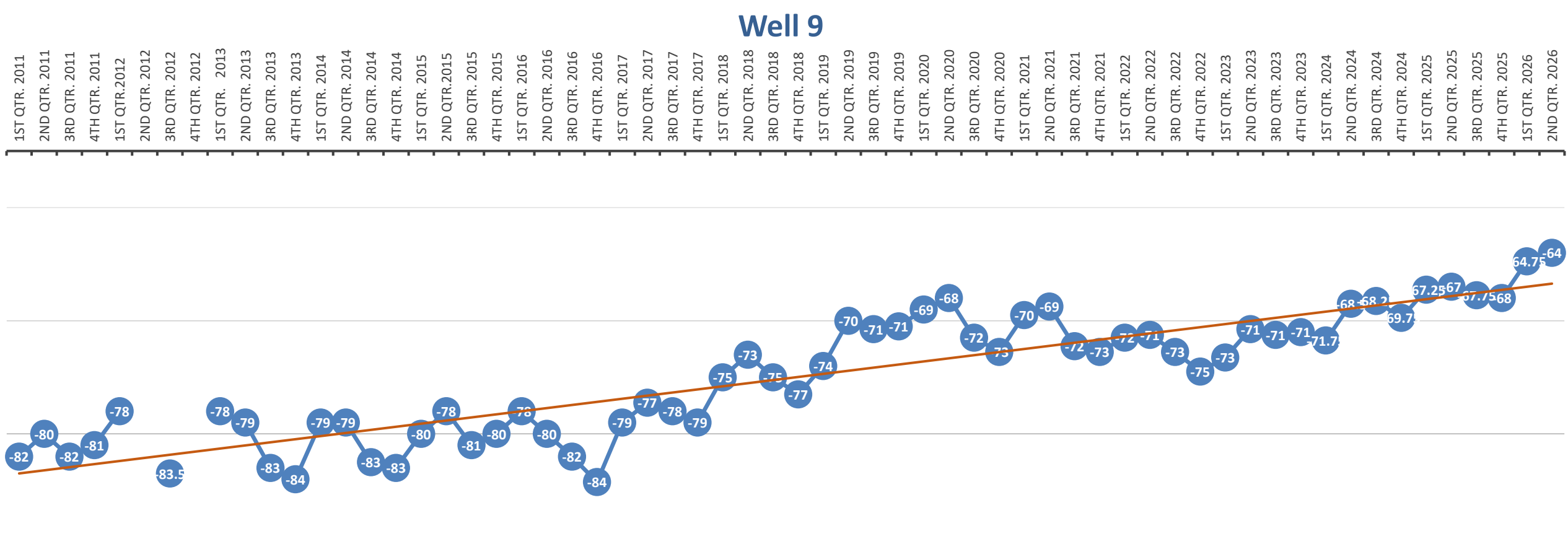
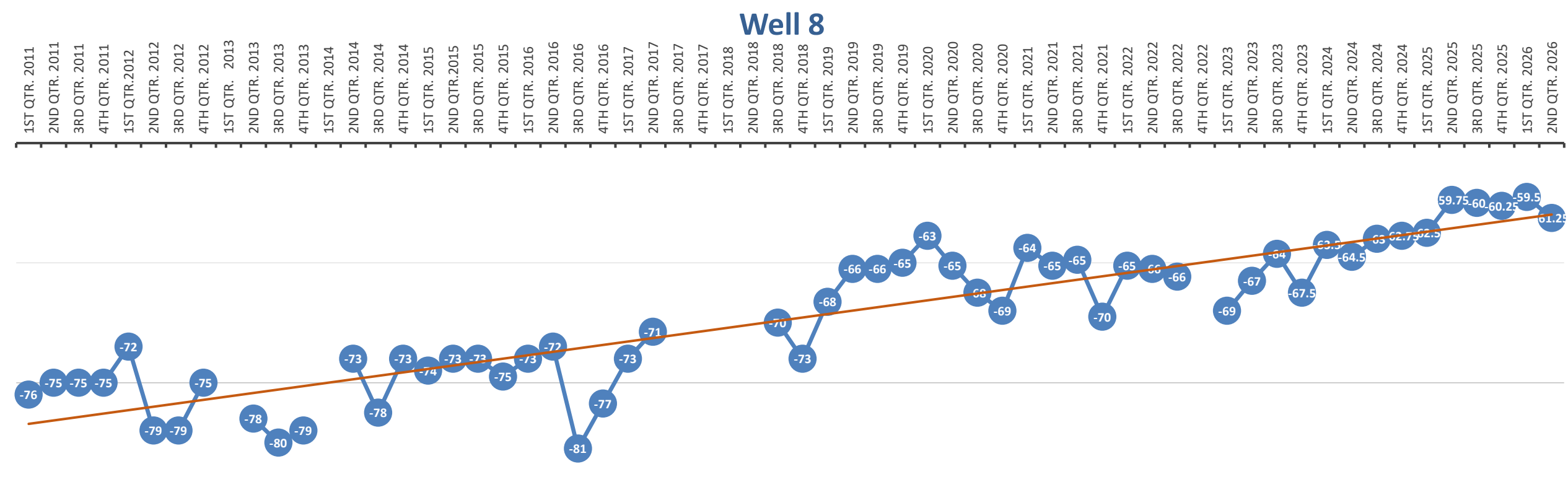
Well 1D



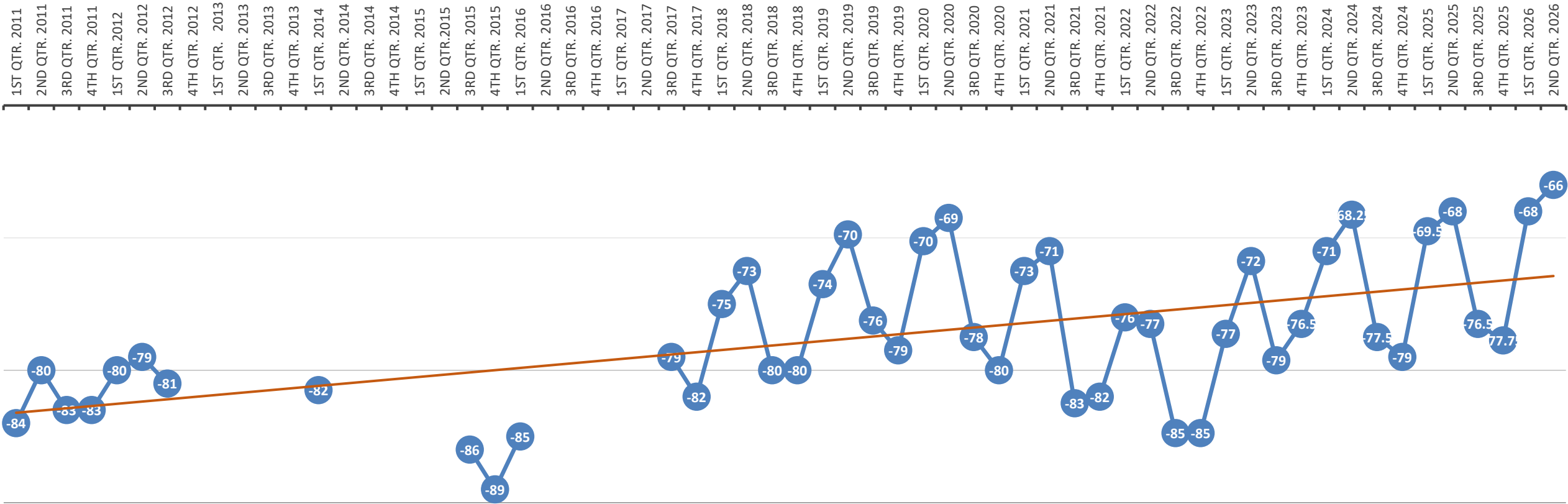
Well 4D







Well 13



Monthly Sample Report - May 2026
Water System: Elk Grove Water System

Sampling Point: 01 - 8693 W. Camden

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/5/2026	Distribution System	Bacteriological	Week
5/12/2026	Distribution System	Bacteriological	Week
5/19/2026	Distribution System	Bacteriological	Week
5/26/2026	Distribution System	Bacteriological	Week

Sampling Point: 02 - 9425 Emerald Vista

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/5/2026	Distribution System	Bacteriological	Week
5/12/2026	Distribution System	Bacteriological	Week
5/19/2026	Distribution System	Bacteriological	Week
5/26/2026	Distribution System	Bacteriological	Week

Sampling Point: 03 - 8809 Valley Oak

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/5/2026	Distribution System	Bacteriological	Week
5/12/2026	Distribution System	Bacteriological	Week
5/19/2026	Distribution System	Bacteriological	Week
5/26/2026	Distribution System	Bacteriological	Week

Sampling Point: 04 - 10122 Glacier Point

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/5/2026	Distribution System	Bacteriological	Week
5/12/2026	Distribution System	Bacteriological	Week
5/19/2026	Distribution System	Bacteriological	Week
5/26/2026	Distribution System	Bacteriological	Week

Sampling Point: 05 - 9230 Amsden Ct.

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/5/2026	Distribution System	Bacteriological	Week
5/12/2026	Distribution System	Bacteriological	Week
5/19/2026	Distribution System	Bacteriological	Week
5/26/2026	Distribution System	Bacteriological	Week

Sampling Point: 06 - 9227 Rancho Dr.

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/5/2026	Distribution System	Bacteriological	Week
5/12/2026	Distribution System	Bacteriological	Week
5/19/2026	Distribution System	Bacteriological	Week
5/26/2026	Distribution System	Bacteriological	Week

Sampling Point: 07 - Al Gates Park Mainline Dr.

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/5/2026	Distribution System	Bacteriological	Week
5/12/2026	Distribution System	Bacteriological	Week
5/19/2026	Distribution System	Bacteriological	Week
5/26/2026	Distribution System	Bacteriological	Week

Sampling Point: 08 - 9436 Hollow Springs Wy.

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/5/2026	Distribution System	Bacteriological	Week
5/12/2026	Distribution System	Bacteriological	Week
5/19/2026	Distribution System	Bacteriological	Week
5/26/2026	Distribution System	Bacteriological	Week

Sampling Point: 09 - 8417 Blackman Wy.

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/5/2026	Distribution System	Bacteriological	Week
5/5/2026	Distribution System	Fluoride	Month
5/12/2026	Distribution System	Bacteriological	Week
5/19/2026	Distribution System	Bacteriological	Week
5/26/2026	Distribution System	Bacteriological	Week

Sampling Point: 10 - 9373 Oreo Ranch Cir.

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/5/2026	Distribution System	Bacteriological	Week
5/12/2026	Distribution System	Bacteriological	Week
5/19/2026	Distribution System	Bacteriological	Week
5/26/2026	Distribution System	Bacteriological	Week

Sampling Point: 11 - 9907 Kapalua Ln.

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/5/2026	Distribution System	Bacteriological	Week
5/12/2026	Distribution System	Bacteriological	Week
5/19/2026	Distribution System	Bacteriological	Week
5/26/2026	Distribution System	Bacteriological	Week

Sampling Point: 12-9205 Meadow Grove Dr.

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/5/2026	Distribution System	Bacteriological	Week
5/12/2026	Distribution System	Bacteriological	Week
5/19/2026	Distribution System	Bacteriological	Week
5/26/2026	Distribution System	Bacteriological	Week

Sampling Point: 13 - Elliott Springs Dr.

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/5/2026	Distribution System	Bacteriological	Week
5/12/2026	Distribution System	Bacteriological	Week
5/19/2026	Distribution System	Bacteriological	Week
5/26/2026	Distribution System	Bacteriological	Week

Sampling Point: School Well 01D - Raw Water

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/6/2026	Source Water	3 mo - Bacteriological	Quarter
5/6/2026	Source Water	Full Title 22	Tri-annual
5/6/2026	Source Water	3 mo - Threshold Odor	Quarter

Sampling Point: Webb Well 04D - Raw Water

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/11/2026	Source Water	Threshold Odor	Quarter
5/12/2026	Source Water	Turbidity - Resample	Tri-annual

Sampling Point: Hampton Well 13 - Raw Water

Sample Date	Sample Class	Sample Name	Collection Occurrence
5/6/2026	Source Water	Fe, Mn, As, Total	Week
5/13/2026	Source Water	3 mo - Bacteriological	Quarter
5/13/2026	Source Water	Full Title 22	Tri-annual
5/18/2026	Source Water	Fe, Mn, As, Total	Week
5/26/2026	Source Water	Fe, Mn, As, Total	Week

Sampling Point: Hampton WTP Effluent			
Sample Date	Sample Class	Sample Name	Collection Occurrence
5/6/2026	Source Water	Fe, Mn, As, Total	Week
5/13/2026	Source Water	3 mo - Bacteriological	Quarter
5/13/2026	Source Water	Full Title 22	Tri-annual
5/18/2026	Source Water	Fe, Mn, As, Total	Week
5/26/2026	Source Water	Fe, Mn, As, Total	Week

Sampling Point: Railroad WTP Effluent			
Sample Date	Sample Class	Sample Name	Collection Occurrence
5/19/2026	Treated Plant Effluent	WTP Eff - Fe,Mn,As Total	Month
5/19/2026	Treated Plant Effluent	Threshold Odor	Month

Sampling Point: Special Distribution/Construction Samples			
Sample Date	Sample Class	Sample Name	Collection Description
5/20/2026	Distribution System	Bacteriological	9297 Waterman Rd. - Hydrant F5-038H
5/14/2026	Distribution System	Bacteriological	9230 Charlois - New Service Tie-in 2 samples
5/12/2026	Distribution System	Bacteriological	9250 Wayne Heintz St. - Hydrant G5-084H
5/5/2026	Distribution System	Bacteriological	9230 Charlois - New Service Tie-in
5/4/2026	Distribution System	Bacteriological	9829 Waterman Rd. Hydrant G5-10H
5/7/2026	Distribution System	Bacteriological	9250 Wayne Heintz St. - Hydrant G5-083H
5/13/2026	Treated Water	Bacteriological	Clear well #2 - Tank Warranty Inspection

<u>Colors</u>	<u>Monthly Total</u>	<u>Yearly Total</u>
Black = Scheduled	178	696
Green = Unscheduled	8	34



June 3, 2026

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

WASTEWATER DISCHARGE COMPLIANCE REPORT FORM

Enclosed is the Wastewater Discharge Compliance Report Form from Elk Grove Water District for May 2026.

If you have any further questions, you may contact me at 916-585-9390

AARON HEWITT
WATER TREATMENT SUPERVISOR

SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (REGIONAL SAN)

COMPLIANCE REPORT FORM

Attn: Scott Mullin	E-mail: mullins@sacsewer.com	Wastewater Source Control Section
Phone: (916) 875-6470	Fax: (916) 854-9286	
From: Aaron Hewitt		
Company: Elk Grove Water District		Permit # WTP-010

Discharge Month:	May	Year:	2026

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

	Location	Total Gallons
☒ Water use/flow meter report (If there is no discharge during the reporting period, this must be reported)	OF 1 Hampton WTP Backwash Tank	1,127,564
	OF 3 Railroad WTP Backwash Tank	0
	OF 5 Analyzer Water	35,712
	OF 6 Tank Sludge (preapproval req)	
	OF 7 Misc. (preapproval req)	

☐ Monitoring results/analytical report(s)

pH (if measured); Grab Monitoring Data Review

Location	Date and Time	pH
OF1		
OF3		
OF6		
OF7		

☐

pH compliance statement – CHECK ONE BELOW

☐ Based on a review of this facility's pH data, pH has exceeded the discharge limits.

☐ I certify that this facility has reviewed pH data and is in compliance.

Discharge Rate - CHECK ONE BELOW

or ☐ Based on a review of this facility's flow data, the discharge rate limit was exceeded.

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

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

☐ Flow monitoring equipment certification

☐ Other (explain):

SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (REGIONAL SAN)

Domestic Calculation

Domestic Usage/ Employee Monthly Totals	Number of Full-time Equivalent* Employees	Business Days per Month	Allowance (gallons per day)	Gallons
Production	2	20	15	600
Office	3	20	10	600
Drivers/Field	12	20	3	720
Total				1,920

*FTE Equivalent: all employees' monthly hours added together and converted to a full-time employee count

Certification Statement

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

SIGNATURE of Authorized Representative:



PRINTED NAME, TITLE:

Aaron Hewitt Treatment Plant Supervisor
(Name) (Title)

DATE:

6.3.2026



June 3, 2026

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

MONTHLY SUMMARY OF DISTRIBUTION SYSTEM COLIFORM MONITORING

Enclosed is the Monthly Summary of Distribution System Coliform Monitoring report from Elk Grove Water District for May 2026.

If you have any further questions, you may contact me at 916-585-9390.

AARON HEWITT
WATER TREATMENT SUPERVISOR

MONTHLY SUMMARY OF REVISED TOTAL COLIFORM RULE DISTRIBUTION SYSTEM MONITORING

(including triggered source monitoring for systems subject to the Groundwater Rule)

System Name Elk Grove Water District	System Number 3410008
Sampling Period May	Year 2026

	Number Required	Number Collected	Number Total Coliform Positives	Number E.coli Positives
1. Routine Samples (see note 1)	50	52	0	0
2. Repeat Samples following samples that are Total Coliform Positive and <i>E.coli</i> Negative (see notes 10 and 11)		0	0	0
3. Repeat Samples following Routine Samples that are Total Coliform Positive and <i>E. coli</i> Positive (see notes 10 and 11)		0	0	0
4. Treatment Technique (TT)/MCL Violation Computation for Total Coliform/ <i>E. coli</i> Positive Samples				
a. Totals (sum of columns)	50	52	0	0
b. If 40 or more samples collected in month, determine percent of samples that are total coliform positive [(total number positive/total number collected) x 100] =	0	%		
c. Did the system trigger... a Level 2 Assessment TT? (see notes 2, 3, 4, 5 and 6 for trigger info)		☐ Yes	☒ No	
<i>If a Level 2 Assessment is triggered, see note 8 below.</i>				
a Level 1 Assessment TT? (see note 7 for trigger info)		☐ Yes	☒ No	
<i>If a Level 1 Assessment is triggered, see note 9 below.</i>				
5. Triggered Source Samples per Groundwater Rule (see notes 12 and 13)		0	0	0
6. Invalidated Samples (Note what samples, if any, were invalidated; who authorized the invalidation; and when replacement samples were collected. Attach additional sheets, if necessary.)				
7. Summary Completed By: Aaron Hewitt				
Signature 	Title Water Treatment Supervisor	Date 6/3/2026		

NOTES AND INSTRUCTIONS:

- Routine samples include:
 - Samples required pursuant to 22 CCR Section 64423 and any additional samples required by an approved routine sample siting plan established pursuant to 22 CCR Section 64422.
 - Extra samples are required for systems collecting less than five routine samples per month that had one or more total coliform positives in previous month;
 - Extra samples for systems with high source water turbidities that are using surface water or groundwater under direct influence of surface water and do not practice filtration in compliance with regulations;
- Note: For a repeat sample following a total coliform positive sample, any *E.coli* positive repeat (boxed entry) **constitutes an MCL violation and requires immediate notification to the Division** (22, CCR, Section 64426.1).
- Note: For repeat sample following a *E.coli* positive sample, any total coliform positive repeat (boxed entry) **constitutes an MCL violation and requires immediate notification to the Division** (22, CCR, Section 64426.1).
- Note: Failure to take all required repeat samples following an *E. coli* positive routine sample (22, CCR, Section 64426.1) **constitutes an MCL violation and requires immediate notification to the Division** (22, CCR, Section 64426.1).
- Note: Failure to test for *E. coli* when any repeat sample tests positive for total coliform (22, CCR, Section 64426.1) **constitutes an MCL violation and requires immediate notification to the Division** (22, CCR, Section 64426.1).
- Note: Second Level 1 treatment technique trigger in a rolling 12-month period.
- Total coliform Treatment Technique (TT) Violation (**Notify Department within 24 hours of TT violation**):
 - For systems collecting less than 40 samples, if two or more samples are total coliform positive, then the TT is violated and a Level 1 Assessment is required.
 - For systems collecting 40 or more samples, if more than 5.0 percent of samples collected are total coliform positive, then the TT is violated and a Level 1 Assessment is required.
- Contact the Division as soon as practical to the division to conduct a Level 2 Assessment of the water system. The water system shall complete a Level 2 Assessment and submit it to the Division within 30 days of learning of the trigger exceedance.
- Conduct a Level 1 Assessment in accordance with as soon as practical that covers the minimum elements (22, CCR, Section 64426.8 (a), (2)). Submit the report to the Division within 30 days of learning of the trigger exceedance.
- Positive results and their associated repeat samples are to be tracked on the Coliform Monitoring Worksheet.
- Repeat samples must be collected within 24 hours of being notified of the positive results. For systems collecting more than one routine sample per month, three repeat samples must be collected for each total coliform positive sample. For systems collecting one or fewer routine samples per month, four repeat samples must be collected for each total coliform positive sample. At least three samples shall be taken the month following a total coliform positive.
- For systems subject to the Groundwater Rule: Positive results and the associated triggered source samples are to be tracked on the Coliform Monitoring Worksheet.
- For triggered sample(s) required as a result of a total coliform routine positive sample, an *E.coli*-positive triggered sample (boxed entry) **requires immediate notification to the Division, Tier 1 public notification, and corrective action.**



June 3, 2026

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

MONTHLY SUMMARY OF THE HAMPTON GROUNDWATER TREATMENT PLANT

Enclosed is the Monthly Summary of the Hampton GWTP report from Elk Grove Water District for May 2026.

If you have any further questions, you may contact me at 916-585-9390.

AARON HEWITT
WATER TREATMENT SUPERVISOR

Elk Grove Water District

Hampton GWTP Monthly Report

PWS Number

3410008-013

Month:

May

GWTP Name

Hampton Water Treatment Plant

Date	Hour Meter	Run Hours	Production Meter	Well Production	Backwash Meter	Backwash Waste	Weekly In-House Monitoring (mg/L) R (Raw) T (Treated)As (ug/L)												
last day	36710.5		129287379		47461415	57847158	Date	Fe, R	Fe, T	Mn, R	Mn, T	As, R	As, T	Weekly Average					
1							5/4/2026	0.012	0.067	0.012	0.014	3	1	Inf. pH Eff. pH					
2	36713.7	3.2	129471527	184148	47472051	57867781	5/11/2026	0.002	0.057	0.008	0.011	8	1	Week 1: 7.00 to 7.12					
3							5/18/2026	0.029	0.038	0.008	0.007	13	2	Cl2		0.66			
4							5/26/2026	0.007	0.045	0.001	0.001	13	2	Week 2: 7.05 to 7.04					
5	36715.4	1.7	129569510	97983	47472057	57877295								Cl2		0.99			
6														Week 3: 7.09 to 7.06					
7	36739.7	24.3	130990015	1420505	47507336	57932863	Total Gallons Sodium Hypochlorite: 430.3 Gal							Cl2		0.95			
8	36762.9	23.2	132341232	1351217	47542889	57979231	Pounds per day 516.4 Lbs/Day							Week 4: 7.09 to 7.09					
9	36786.7	23.8	133725219	1383987	47578974	58023735	Dosage (Milligrams Per Liter @ 12% Cl) 1.77							Cl2		0.95			
10	36810.6	23.9	135118985	1393766	47611314	58066731													
11	36835.2	24.6	136540426	1421441	47654220	58111645	Total Gallons Ferric Chloride: 211.4 Gal												
12	36857.2	22	137818191	1277765	47686563	58151862	Dosage (Milligrams Per Liter @ 38% FeCl) 1.21												
13	36883.2	26	139325649	1507458	47722436	58198583													
14	36907	23.8	140701526	1375877	47761755	58242451	Total Gallons Sulfuric Acid : 208.3 Gal												
15	36931.1	24.1	142100142	1398616	47794022	58286400	Dose (Gallons Per Hour @ 93% H2SO4) 0.346 Gal/Hr												
16	36955.3	24.2	143500360	1400218	47833315	58329744													
17	36978.6	23.3	144854805	1354445	47868615	58372432													
18	37003.3	24.7	146286207	1431402	47910869	58418330													
19	37027.6	24.3	147705754	1419547	47942749	58465767													
20	37051.7	24.1	149104660	1398906	47977986	58508844	Total Backwashed 900,314				Total Run Hours 601.9								
21	37075.2	23.5	150465573	1360913	48016786	58552506													
22	37099.3	24.1	151865509	1399936	48048534	58596208	Total Water Pumped 34,878,450				Total Backwash Waste 1,127,564								
23	37123	23.7	153236473	1370964	48083514	58637943													
24	37147	24	154625010	1388537	48121994	58681242	Reporting Limits/Units				Maximum Contaminant Levels (MCLs)								
25	37171.1	24.1	156022733	1397723	48153253	58724037	Iron = 0.100 mg/L				Iron (Fe) = 0.300 mg/L (Secondary)								
26	37195.6	24.5	157446273	1423540	48191397	58767032	Manganese = 0.010 mg/L				Manganese (Mn) = 0.050 mg/L (Secondary)								
27	37218.4	22.8	158768878	1322605	48226123	58808379	Arsenic = 1.0 µg/L				Arsenic (As) = 10 µg/L (Primary)								
28	37243.1	24.7	160201833	1432955	48257415	58851928													
29	37264.5	21.4	161420193	1218360	48288640	58890998													
30	37288.3	23.8	162780328	1360135	48326826	58931054													
31	37312.4	24.1	164165829	1385501	48361729	58974722													
Total		601.9		34878450	900314	1127564	Prepared By: Aaron Hewitt										Date: 6/3/2026		

Prepared By: Aaron Hewitt

Date: 6/3/2026



June 3, 2026

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

MONTHLY FLUORIDATION MONITORING REPORT

Enclosed is the Monthly Summary of the Fluoridation Monitoring from Elk Grove Water District for May 2026.

If you have any further questions, you may contact me at 916-585-9390.

AARON HEWITT
WATER TREATMENT SUPERVISOR

ELK GROVE WATER DISTRICT AREA 2

DISTRIBUTION SYSTEM

MONTHLY FLUORIDATION MONITORING REPORT

May-26

Week	Location of Sample	Monitoring Results (mg/L)			
		Date	Time	Results	
1	Hollow Springs	5.5.2026	10:05 AM	0.64	
1	Kapalua	5.5.2026	10:31 AM	0.6	
1	Al Gates Park	5.5.2026	10:59 AM	0.65	
1	Oreo Ranch	5.5.2026	11:18 AM	0.64	
1	Blackman	5.5.2026	11:50 AM	0.67	
1	Elliot Springs	5.5.2026	12:15 PM	0.67	
2	Hollow Springs	5.12.2026	10:12 AM	0.69	
2	Kapalua	5.12.2026	10:33 AM	0.68	
2	Al Gates Park	5.12.2026	11:08 AM	0.66	
2	Oreo Ranch	5.12.2026	11:26 AM	0.69	
2	Blackman	5.12.2026	12:11 PM	0.75	
2	Elliot Springs	5.12.2026	12:33 PM	0.7	
3	Hollow Springs	5.19.2026	10:02 AM	0.6	
3	Kapalua	5.19.2026	10:40 AM	0.65	
3	Al Gates Park	5.19.2026	11:02 AM	0.67	
3	Oreo Ranch	5.19.2026	11:12 AM	0.72	
3	Blackman	5.19.2026	11:59 AM	0.63	
3	Elliot Springs	5.19.2026	12:36 PM	0.65	
4	Hollow Springs	5.26.2026	9:46 AM	0.61	
4	Kapalua	5.26.2026	10:13 AM	0.55	
4	Al Gates Park	5.26.2026	10:35 AM	0.73	
4	Oreo Ranch	5.26.2026	10:51 AM	0.68	
4	Blackman	5.26.2026	12:22 PM	0.7	
4	Elliot Springs	5.26.2026	1:16 PM	0.7	

Monthly fluoride split sample results:

Date: 5.5.2026

Water System Results: 0.67 mg/L

Approved Lab: 0.73 mg/L

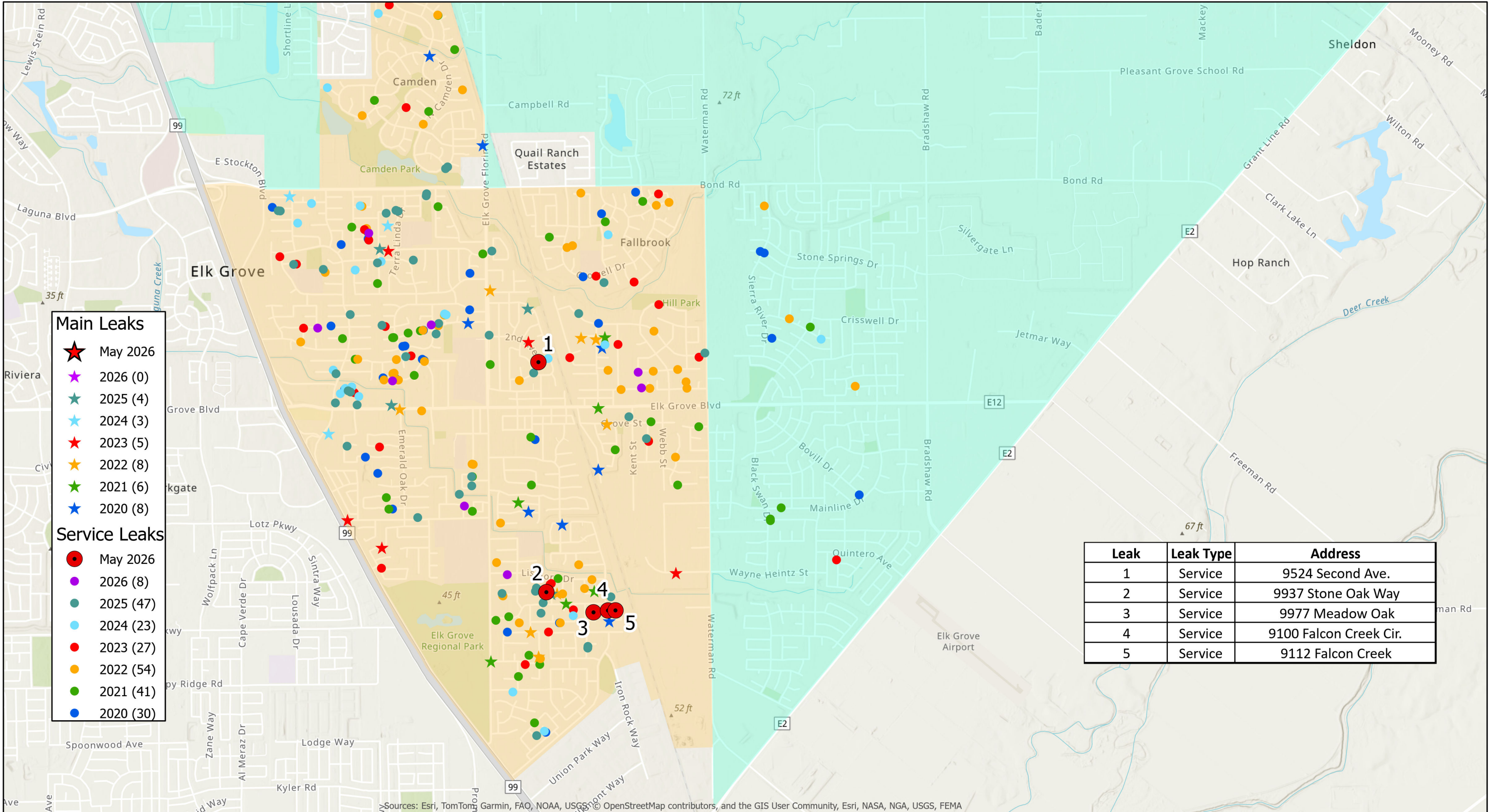
Contact Name: Aaron Hewitt

Telephone : (916) 585-9390

System PWS Number: 3410008

Elk Grove Water District
Safety Meetings/Training
May 2026

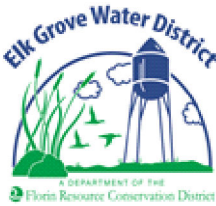
Date	Topic	Attendees	Hosted By
5/4/2026	Traffic and Flagger Safety	Alan Aragon, Stefan Chanh, Jaylyn Gordon-Ford, Gabriel Guerrero, Aaron Hewitt, James Hinegardner, Sean Hinton, Justin Mello, Jose Mendoza, Sal Mendoza, Michael Montiel, Chris Phillips, Emmanuel Vasquez, Brandon Wagner, Marcell Wilson	Sean Hinton & Aaron Hewitt
5/18/2026	Hand Tool Safety	Alan Aragon, Stefan Chanh, Jaylyn Gordon-Ford, Gabriel Guerrero, Aaron Hewitt, James Hinegardner, Sean Hinton, Justin Mello, Jose Mendoza, Sal Mendoza, Michael Montiel, Chris Phillips, Emmanuel Vasquez, Brandon Wagner, Marcell Wilson	Sean Hinton & Aaron Hewitt



- Main Leaks**
 - ★ May 2026
 - ★ 2026 (0)
 - ★ 2025 (4)
 - ★ 2024 (3)
 - ★ 2023 (5)
 - ★ 2022 (8)
 - ★ 2021 (6)
 - ★ 2020 (8)
- Service Leaks**
 - May 2026
 - 2026 (8)
 - 2025 (47)
 - 2024 (23)
 - 2023 (27)
 - 2022 (54)
 - 2021 (41)
 - 2020 (30)

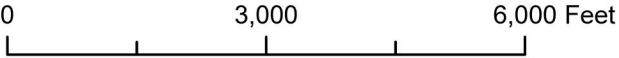
Leak	Leak Type	Address
1	Service	9524 Second Ave.
2	Service	9937 Stone Oak Way
3	Service	9977 Meadow Oak
4	Service	9100 Falcon Creek Cir.
5	Service	9112 Falcon Creek

May 2026	
Main Line Leaks: 0	YTD: 0
Service Line Leaks: 5	YTD: 13
Total Leaks: 5	YTD: 13

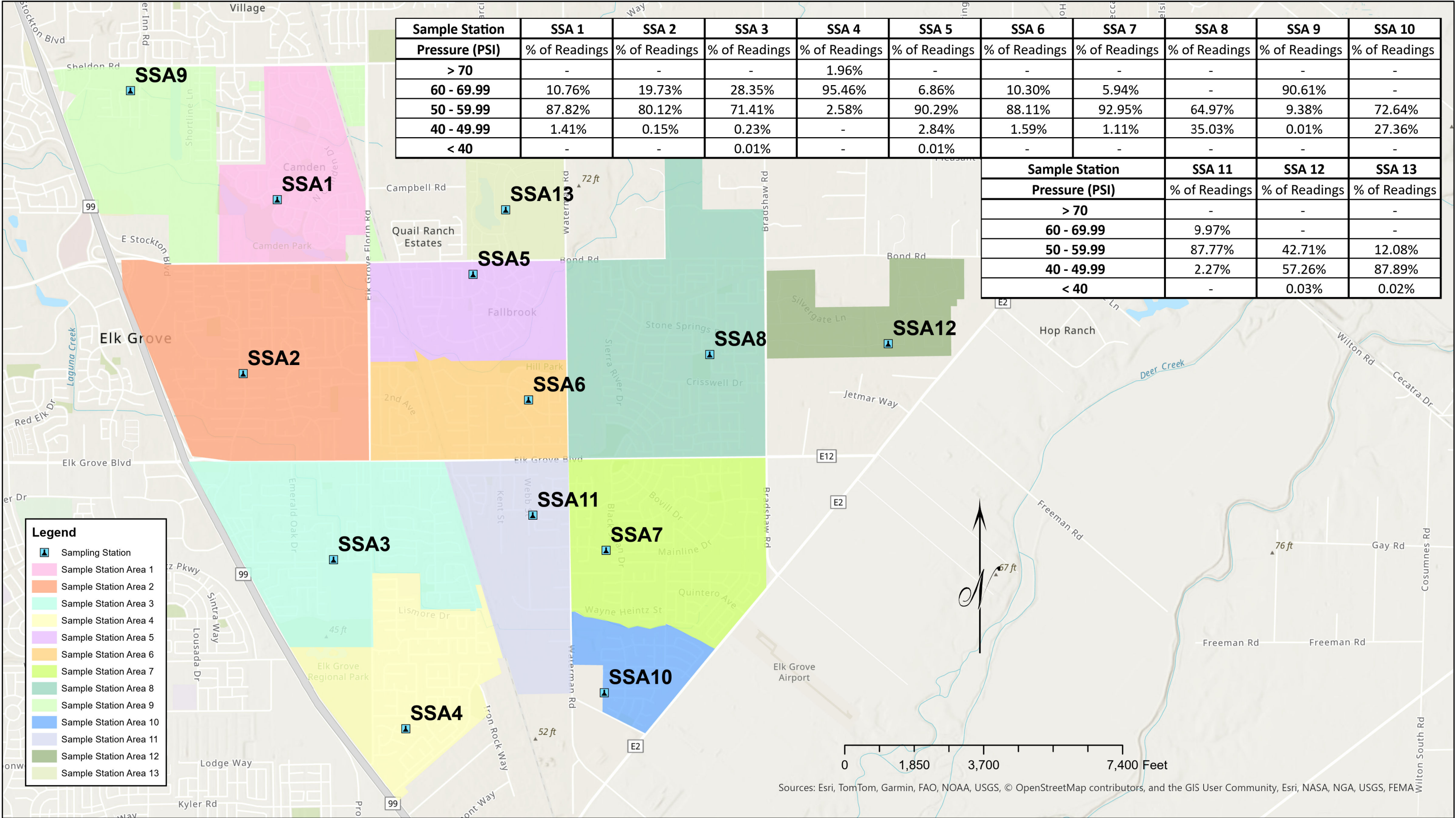


Elk Grove Water District

Main and Service Line Leaks Map

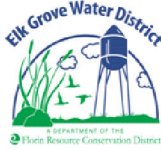


Elk Grove Water District	
Main & Service Line Leaks	
Created by: Richard Ko	
Date: June 3, 2026	



Sample Stations: 13

May 2026



Elk Grove Water District

Sample Station Areas

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

Source: EGWD GIS Database

Modified by: Richard Ko

June 3, 2026