



RESOLUTION NO. 2019-24
RESOLUTION NO. PFA-03
ORDINANCE NO. 2019-01

AGENDA

MISSION STATEMENT

“Our team is dedicated to protecting, enhancing, and developing our rich water resources to the highest beneficial use for Calaveras County, while maintaining cost-conscious, reliable service, and our quality of life, through responsible management.”

Regular Board Meeting
Wednesday, April 24, 2019
1:00 p.m.

Calaveras County Water District
120 Toma Court, (PO Box 846)
San Andreas, California 95249

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at 209-754-3028. Notification in advance of the meeting will enable CCWD to make reasonable arrangements to ensure accessibility to this meeting. Any documents that are made available to the Board before or at the meeting, not privileged or otherwise protected from disclosure, and related to agenda items, will be made available at CCWD for review by the public.

ORDER OF BUSINESS

CALL TO ORDER / PLEDGE OF ALLEGIANCE

1. **ROLL CALL**

2. **PUBLIC COMMENT**

At this time, members of the public may address the Board on any non-agendized item. The public is encouraged to work through staff to place items on the agenda for Board consideration. No action can be taken on matters not listed on the agenda. Comments are limited to three minutes per person.

3. **CONSENT AGENDA**

The following items are expected to be routine / non-controversial. Items will be acted upon by the Board at one time without discussion. Any Board member may request that any item be removed for later discussion.

3a Approval of Minutes for the Board Meeting of March 13, 2019

3b Adopt Position on State Legislation in the 2018-19 Session

BOARD OF DIRECTORS

Russ Thomas, President Bertha Underhill, Vice President
Scott Ratterman, Director Cindy Secada, Director Jeff Davidson, Director

4. NEW BUSINESS

- 4a Review and Direction of the FY 2018-19 Third Quarter Investment Report
(Jeffrey Meyer, Director of Administrative Services)
- 4b Discussion / Direction Approving Agreement for Auditing Services
(Jeffrey Meyer, Director of Administrative Services) **RES 2019-_____**
- 4c Discussion / Action Regarding the Adoption of FY 2019-20 Five Year Capital Improvement
Project (CIP) Program
(Charles Palmer, District Engineer) **RES 2019-_____**
- 4d Discussion / Action Regarding Approval of Professional Services Agreement for the Ebbetts
Pass Reach 1 Pipeline Replacement Project CIP #11085
(Charles Palmer, District Engineer) **RES 2019-_____**
- 4e Discussion / Direction Adopting District Policy No. 23, Vehicle Replacement Policy
(Damon Wyckoff, Director of Operations) **RES 2019-_____**
- 4f* Discussion Regarding Consideration of Change to Date / Time of Board of Directors'
Meeting Schedule
(Michael Minkler, General Manager)

5. OLD BUSINESS

- 5a* Update on Actions of the Eastside Groundwater Sustainability Agency and JPA
(Peter Martin, Manager of Water Resources)

6. REPORTS

- 6a* General Manager Report

7.* BOARD REPORTS / INFORMATION / FUTURE AGENDA ITEMS

8. NEXT BOARD MEETINGS

- Wednesday, May 8, 2019, 1:00 p.m., Regular Board Meeting (Cancelled)
- Wednesday, May 22, 2019, 1:00 p.m., Regular Board Meeting

9. ADJOURNMENT

CALAVERAS COUNTY WATER DISTRICT

Board of Directors

District 1 Scott Ratterman
District 2 Cindy Secada
District 3 Bertha Underhill
District 4 Russ Thomas
District 5 Jeff Davidson

Legal Counsel

Matthew Weber, Esq.
Downey Brand, LLP

Financial Services

Umpqua Bank
US Bank
Wells Fargo Bank

Auditor

Richardson & Company, LLP

CCWD Committees

*Engineering Committee
*Finance Committee
*Legal Affairs Committee
Executive Committee (*ad hoc*)

Membership**

Davidson / Thomas (alt. Secada)
Underhill / Secada (alt. Thomas)
Davidson / Thomas (alt. Ratterman)
Thomas / Underhill

Joint Power Authorities

ACWA / JPIA
CCWD Public Financing Authority
Calaveras-Amador Mokelumne River Authority (CAMRA)
Calaveras Public Power Agency (CPPA)
Eastern San Joaquin Groundwater Authority
Tuolumne-Stanislaus Integrated Regional Water
Management Joint Powers Authority (T-Stan JPA)
Upper Mokelumne River Watershed Authority (UMRWA)

Ratterman (alt. Michael Minkler)
All Board Members
Ratterman / Underhill (alt. Secada)
Peter Martin (alt. Michael Minkler)
Thomas
Secada (alt. Thomas)
Davidson (alt. Ratterman)

Other Regional Organizations of Note

Calaveras LAFCO
Calaveras County Parks and Recreation
Committee
Highway 4 Corridor Working Group
Mountain Counties Water Resources
Association (MCWRA)
Mokelumne River Association (MRA)
Tuolumne-Stanislaus Integrated Regional Water
Mgt. JPA Watershed Advisory Committee (WAC)
Eastern San Joaquin Groundwater Authority-Technical
Advisory Committee

Ratterman / Thomas
Thomas (alt. Ratterman)
Thomas / Underhill
All Board Members
All Board Members
Peter Martin (alt. Metzger)
Peter Martin

* Standing committees, meetings of which require agendas & public notice 72 hours in advance of meeting.

** The 1st name listed is the committee chairperson.



RESOLUTION NO. 2019-16
RESOLUTION NO. PFA-03
ORDINANCE NO. 2019-01

MINUTES

**CALAVERAS COUNTY WATER DISTRICT
REGULAR BOARD MEETING**

MARCH 13, 2019

- Directors Present: Russ Thomas, President
Bertha Underhill, Vice-President
Scott Ratterman, Director
Cindy Secada, Director
- Staff Present: Michael Minkler, General Manager
Rebecca Hitchcock, Clerk to the Board
Matt Weber, General Counsel
Jeffrey Meyer, Director of Administrative Services
Peter Martin, Manager of Water Resources
Damon Wyckoff, Director of Operations
Joel Metzger, Manager of External Affairs, Conservation, and Grants
- Others Present: J. Fontana, MSD
Frank Fields, UWPA
Brad Lester, MCI
Jen Rouda, GreenGen
Mike Manwaring, GreenGen
Aram Shumavon, GreenGen

ORDER OF BUSINESS

CALL TO ORDER / PLEDGE OF ALLEGIANCE

1. ROLL CALL

President Thomas called the Regular Board Meeting to order at 1:00 p.m. and led the pledge of allegiance. Director Davidson was absent.

2. PUBLIC COMMENT

There was no public comment.

3. CONSENT AGENDA

**MOTION: Directors Ratterman/Underhill - Approved Consent Agenda Item:
3c as presented**

Director Thomas pulled Item 3a from the Consent Agenda

3a Review Board of Directors Monthly Time Sheets for February, 2019.

Director Secada pulled Item 3b from the Consent Agenda

3b Ratify Claim Summary #564 Secretarial Fund in the Amount of \$2,354,229.41 for February, 2019
(Jeffrey Meyer, Director of Administrative Services) **RES 2019-_____**

3c Approve Authorized Signers on Banking and Investment Accounts
• Umpqua Bank **RES 2019-16**
• Local Agency Investment Fund **RES 2019-17**
(Jeffrey Meyer, Director of Administrative Services)

AYES: Directors Ratterman, Underhill, Secada, and Thomas
NOES: None
ABSTAIN: None
ABSENT: Director Davidson

OFF CONSENT AGENDA

Director Thomas pulled Item 3a from the Consent Agenda

3a Review Board of Directors Monthly Time Sheets for February, 2019

MOTION: Directors Ratterman/Secada – by Minute Entry Approved Consent Agenda Item: 3a with changes on the timesheet for Director Thomas as stated below

DISCUSSION: Director Thomas advised he made a mistake on his timesheet. He would like to change the meeting listed on 2/13 to zero dollars meeting cost and change the meeting listed on 2/19 to \$120.00 meeting cost. The totals would remain the same.

PUBLIC COMMENT: There was no public comment.

AYES: Directors Ratterman, Secada, Underhill, and Thomas
NOES: None
ABSTAIN: None
ABSENT: Director Davidson

Director Secada pulled Item 3b from the Consent Agenda

3b Ratify Claim Summary #564 Secretarial Fund in the Amount of \$2,354,229.41 for February, 2019
(Jeffrey Meyer, Director of Administrative Services) **RES 2019-18**

MOTION: Directors Secada/Underhill - Approved Consent Agenda Item: 3b as presented

DISCUSSION: Director Secada asked about various expenses such as health insurance for retirees, tablets, winter tires, office furniture, and District fuel costs. Director Thomas asked about a large delivery of road base to one of the sites. Mr. Meyer explained each question in detail.

PUBLIC COMMENT: There was no public comment.

AYES: Directors Secada, Underhill, Ratterman, and Thomas
NOES: None
ABSTAIN: None
ABSENT: Director Davidson

4. NEW BUSINESS

- 4a Presentation of GreenGen Storage: Mokelumne Water Battery Project
(Peter Martin, Manager of Water Resources)

DISCUSSION: Aram Shumavon and Mike Manwaring from GreenGen gave a presentation on the Mokelumne Water Battery Project. Mr. Shumavon explained that they are in the planning process of the project and felt it important to provide outreach to the neighboring agencies. They took questions from the Board and staff regarding the project.

PUBLIC COMMENT: There was no public comment.

This item was for information only; no action was taken.

- 4b Presentation / Discussion of District's Geographic Information System (GIS)
Implementation (Sam Singh, Engineering Technician)

DISCUSSION: Charles Palmer presented the status of the District's Geographic Information System (GIS) implementation. He described GIS as a system designed to capture, store, manipulate, analyze, and manage all types of geospatial data and presents it in map format providing patterns and trends. He said it can combine various maps into layers providing a wealth of information to the users. Mr. Palmer reviewed the three phases of the implementation that Sam Singh, Engineering Tech II will be working on. Once the project is complete and implemented, the CCWD field staff will be able to access the system to assist in day-to-day operations. The system will also be made available to other agencies. Discussion followed between the Board and staff members.

PUBLIC COMMENT:

Joe Fontana asked the Board if the District had considered the connectivity issues with the District laptops.

This item was for information only; no action was taken.

- 4c Discussion / Action Regarding the Amendment of the Fiscal Year 2018-19
Personnel Allocation
(Jeffrey Meyer, Director of Administrative Services) **RES 2019-19**

MOTION: Directors Ratterman/Underhill – Adopted Resolution No.
2019-19 Amending the Fiscal Year 2018-19 Personnel Allocation

DISCUSSION: Mr. Meyer described the District's need for an additional Engineer to assist with Water projects. He also explained the funding for this position would come from the Water Capital Renovation and Replacement Fund (Fund 125) and Operating Fund (Fund 101) budgets. The Board asked questions about the additional Engineer and Mr. Meyer responded.

PUBLIC COMMENT: There was no public comment.

YES: Directors Ratterman, Underhill, Secada, and Thomas
NOES: None
ABSTAIN: None
ABSENT: Director Davidson

4d Discussion / Action Regarding Awarding Construction Contract for the Ebbetts Pass Reach 1 Water Pipeline Replacement Project, CIP #11085
(Charles Palmer, District Engineer) **RES 2019-20**

MOTION: Directors Ratterman/Underhill – Adopted Resolution No. 2019-20
Awarding Construction Contract for the Ebbetts Pass Reach 1 Water Pipeline Replacement Project, CIP # 11085

DISCUSSION: Mr. Palmer addressed the Board regarding the construction bids for the Reach 1 Water Pipeline Replacement Project. A public bid opening was held on February 26, 2019, and the District received six bids. Staff recommends awarding the construction contract to Mazingo Construction, as they are the lowest bidder for \$6,744,390. There was discussion regarding the possibility of change orders during the project, the fact that Mazingo has worked with the District in the past at Blue Lake Springs, and how they came in just under budget with that project.

PUBLIC COMMENT:

Mr. Lester from Mazingo addressed some of the Boards questions about the contract.

YES: Directors Underhill, Ratterman, Secada, and Thomas
NOES: None
ABSTAIN: None
ABSENT: Director Davidson

4e Report on the February 2019 Operations Department
(Damon Wyckoff, Director of Operations)

DISCUSSION: Mr. Wyckoff presented the February 2019 monthly Operations report. He reviewed items of interest and answered questions from the Board.

PUBLIC COMMENT: There was no public comment.

This item was for information only; no action was taken.

4f Discussion / Action Regarding Support of SB 669 (Caballero) – Safe Drinking Water Trust
(Joel Metzger, Manager of External Affairs, Conservation, and Grants)

MOTION: Directors Ratterman/Underhill by Minute Entry to take a “SUPPORT” Position on SB 669 - Safe Drinking Water Trust.

DISCUSSION: Mr. Metzger presented details about AB 669 (Caballero) – Safe Drinking Water Trust to the Board. Over the past two years, the District has joined a coalition of agencies across the state led by the Association of California Water Agencies (ACWA) to oppose the imposition of a water tax to fund a Safe Drinking Water Fund that was proposed by Senator Bill Monning via SB 623. As an alternative ACWA is sponsoring a bill that would create a Safe Drinking Water Trust (“Trust”) in the State Treasury without taxing individual water bills. Instead of relying on a proposed statewide water tax, the Trust would be funded with an initial infusion from the General Fund during a state budget surplus year. Staff believes the formation of a Safe Drinking Water Trust is a much better approach than a tax and recommends the Board take a “SUPPORT” position on SB 669 (Caballero).

PUBLIC COMMENT: There was no public comment.

YES: Directors Ratterman, Underhill, Secada, and Thomas
NOES: None
ABSTAIN: None
ABSENT: Director Davidson

4g Discussion / Action Regarding SB 474: Department of Water Resources: Appropriations of Water (Joel Metzger, Manager of External Affairs, Conservation, and Grants)

MOTION: Directors Ratterman/Secada by Minute Entry to take an “OPPOSE” Position on SB 474 - Department of Water Resources: Appropriations of Water

DISCUSSION: Mr. Metzger presented details about SB 474 (Stern, D-Malibu). Current law provides an exception for state-filed rights, which are based on area of origin principles, giving general priority of the date of filing the application over subsequent applications. He explained that water rights under the applications is reserved for later use and development within the county of origin, and diligence in the development of those rights is not required. SB 474 would eliminate the exemption for state filed rights from the application of the diligence provisions as of January 1, 2021. Due to the potential serious adverse impacts on the District’s water rights, staff recommends the Board adopt an OPPOSE position on SB 474. There was significant discussion between the Board and staff regarding the implications of this bill.

PUBLIC COMMENT: There was no public comment.

YES: Directors Ratterman, Secada, Underhill, and Thomas
NOES: None
ABSTAIN: None
ABSENT: Director Davidson

4h Discussion / Action Regarding Invitation from Utica Water and Power Authority to Explore Collaborative Options for Highway 4 Corridor Services (Michael Minkler, General Manager)

MOTION: Directors Secada/Underhill by Minute Entry directed the General Manager to participate in efforts outlined by the Utica Water and Power Authority Board of Directors in their March 7, 2019 letter to the CCWD Board of Directors.

DISCUSSION: Mr. Minkler discussed the letter CCWD received from the Utica Water and Power Authority Board of Directors which seeks to initiate multi-agency collaborative discussions on the evaluation of governance, infrastructure, and the potential pursuit of opportunities for feasibility studies or projects to increase efficiencies in the delivery of water and wastewater services within the Highway 4 Corridor. There was discussion between the Board and Mr. Minkler regarding the Brown Act, and who should attend the meeting.

PUBLIC COMMENT: There was no public comment.

YES: Directors Secada, Underhill, Ratterman, and Thomas

NOES: None

ABSTAIN: None

ABSENT: Director Davidson

5. **GENERAL MANAGER REPORT**

Mr. Minkler reported on the following activities: 1) his field visits with Damon Wyckoff to view the CCWD facilities and meet with staff members; 2) the meetings with Senator Borgeas and Assemblyman Bigelow after the ACWA Legislative Symposiums were productive; 3) CCWD is working diligently on the Section 219 Authorization; 4) the property adjacent to CCWD will be mowed to allow for proper assessment of the property prior to completing the purchase; 5) the Town Hall meeting in Copperopolis is March 19th to discuss the wastewater lift station construction project; and 6) the Groundwater Sustainability Agency will be adopting a plan this year and the County needs to be a major part of the planning process. With discussion between CCWD and the County, it was decided that the County will take the lead and begin attending the meetings in place of Director Thomas. Peter Martin will continue in his support role.

6. **BOARD REPORTS / INFORMATION / FUTURE AGENDA ITEMS**

Director Underhill attended the Ebbetts Pass Property Owners Council (EPPOC) meeting last week and would like to bring Damon Wyckoff to a future meeting to introduce him.

Director Ratterman advised the Mountain Counties Water Resources Association (MCWRA) is applying to become a 501c3 nonprofit organization to enable them to receive grants. They also want to begin a cost sharing program to assist smaller agencies in paying for legal counsel.

Director Secada said the ACWA Legislative Symposium was very informative and she would like to attend more ACWA conferences. She added that she would like to have the Termination of Service Policy discussed at the next Finance Committee meeting.

Director Thomas reported that there is only one more Board meeting before the Washington D.C. trip. He requested a future Engineering Committee agenda item about Copper Town Square.

7. NEXT BOARD MEETINGS

- Wednesday, March 27, 2019, 1:00 p.m., Regular Board Meeting
- Wednesday, April 10, 2019, 1:00 p.m., Regular Board Meeting

8. ADJOURNMENT

With no further business, the meeting adjourned at approximately 4:15 p.m.

By:

ATTEST:

Michael Minkler
General Manager

Rebecca Hitchcock
Clerk to the Board

DRAFT

Agenda Item

DATE: April 24, 2019
TO: Michael Minkler, General Manager
FROM: Joel Metzger, Manager of External Affairs, Conservation and Grants
SUBJECT: Adopt Position on State Legislation in the 2018-19 Session

RECOMMENDED ACTION:

Motion: _____/_____ by Minute Entry to take a "SUPPORT" position on AB 1672 (Bloom): Solid waste: flushable products

SUMMARY:

AB 1672 (Bloom): Solid Waste: flushable products

Single-use wet wipes have gained popularity in recent years. Many of these products are marketed as flushable, but often times are not compatible with sewer systems and infrastructure. Flushing these products presents an increasing problem for property owners, sewer systems, and ratepayers, since wipes often do not break down after being flushed. Wipes can catch on tree roots and accumulate with fats, oils and grease and become large obstructions in the pipes. They weave together and create large rags which get stuck in pumps, collection systems, and motors, causing backups and equipment failures. This problem is experienced across the state, country, and worldwide as disposable wet wipe products become more widely available.

To address these problems, the California Association of Sanitation Agencies (CASA) is sponsoring AB 1672 (Bloom), which will prescribe labeling requirements for both flushable and non-flushable wet wipes products. AB 1672 seeks to require clear labeling information about how consumers should properly dispose of single-use wet wipes products, with the intent of keeping non-dispersible wipes out of the sewer system.

The Calaveras County Water District Operations Department staff members were consulted, and they are in favor of supporting this legislation, because non-flushable wet wipes regularly cause problems in the District's collection system.

FINANCIAL CONSIDERATIONS:

None at this time.

Attachments: *Bill Text: AB 1672 (Bloom)*
-CCWD Support Letter for AB 1672 (Bloom)

AMENDED IN ASSEMBLY APRIL 11, 2019

AMENDED IN ASSEMBLY MARCH 28, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 1672

Introduced by Assembly Member Bloom

February 22, 2019

An act to add Part 9 (commencing with Section 49650) to Division 30 of the Public Resources Code, relating to solid waste.

LEGISLATIVE COUNSEL'S DIGEST

AB 1672, as amended, Bloom. Solid waste: flushable products.

~~Existing law establishes the California Environmental Protection Agency under the supervision of the Secretary for Environmental Protection, and vests the agency with authority over various environmental matters. Existing law—The California Integrated Waste Management Act of 1989, administered by the Department of Resources Recycling and Recovery, generally regulates the disposal, management, and recycling of solid waste.~~

This bill would, among other things, prohibit a covered entity, as defined, from labeling a covered product as safe to flush, safe for sewer systems, or safe for septic systems, unless the product is a flushable wipe that meets certain performance standards. The bill would require nonflushable products to be labeled clearly and conspicuously to communicate that they should not be flushed, as specified. The bill would ~~authorize the California Environmental Protection Agency to enforce these provisions and impose administrative penalties of up to \$500 per day for each violation, to be deposited in the Flushable Wipes Fund, which the bill would create. The bill would authorize the Attorney~~

~~General to enjoin a violation in a court of competent jurisdiction and seek the assessment of civil penalties, as specified. establish enforcement provisions, including authorizing a civil penalty not to exceed \$2,500 per violation to be imposed on a person who violates the bill's provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) The intent of the Legislature in enacting this legislation is
- 4 to protect public health, the environment, water quality, and public
- 5 infrastructure used for the collection, transport, and treatment of
- 6 wastewater.
- 7 (b) Nonwoven disposable products are increasingly being
- 8 marketed by manufacturers as flushable and, as a result, are being
- 9 flushed down the toilet more frequently by consumers.
- 10 (c) Nonwoven disposable products often contain microplastics.
- 11 (d) Flushing these products presents a growing problem caused
- 12 by nonwoven disposable products not breaking down after being
- 13 flushed down the toilet. These products can entangle with tree
- 14 roots, fats, oils, grease, and other nondispersible products, causing
- 15 clogs in sewer pipes. These clogs damage public infrastructure
- 16 and can lead to costly and environmentally damaging sanitary
- 17 sewer overflows that are a threat to public health.
- 18 (e) Nonwoven disposable products that do not disperse rapidly
- 19 in the sewer can also cause damage to private sewer laterals that
- 20 result in sewage backups and overflow. These products can also
- 21 cause clogging in septic systems.
- 22 (f) Wastewater treatment plants are not designed to capture
- 23 microplastic materials, which can pass through sewage treatment
- 24 facilities into the natural environment. These microplastic materials
- 25 have been shown to have negative impacts on marine life.
- 26 (g) Consequently, nonwoven disposable products that contain
- 27 synthetic plastic fibers or other microplastic materials should not
- 28 be marketed as flushable or sewer and septic safe.

1 (h) The increased maintenance needed to clean accumulations
2 of flushed nonwoven disposable products from pipes and pumps
3 is very costly to the public.

4 (i) In June 2018, a group of international wastewater
5 infrastructure experts, known as the International Water Services
6 Flushability Group, adopted reliable criteria for the quality and
7 characteristics of products that can be appropriately disposed of
8 using sanitary sewer systems.

9 (j) In April 2017, a group of international nonwoven fabric
10 industry experts, known as the Association of the Nonwoven
11 Fabrics Industry and the European Disposables and Nonwovens
12 Association, adopted baseline labeling requirements for nonwoven
13 disposable products.

14 (k) To prevent nondispersable nonwoven disposable products
15 from entering sewer systems and potentially causing overflows,
16 it is the intent of the Legislature to create labeling requirements
17 that will enable consumers to easily identify which nonwoven
18 disposable products are safe to dispose of using sanitary sewer
19 systems.

20 (l) It is the intent of the Legislature in enacting this legislation
21 to provide clear direction to manufacturers by setting performance
22 requirements for nonwoven disposable products that are marketed
23 for disposal to the sanitary sewer system.

24 SEC. 2. Part 9 (commencing with Section 49650) is added to
25 Division 30 of the Public Resources Code, to read:

26
27 **PART 9. FLUSHABLE WIPES**

28
29 49650. For purposes of this part, the following definitions shall
30 apply:

31 (a) “Covered entity” means the manufacturer of a covered
32 product that is sold in this state or brought into the state for sale.
33 “Covered entity” does not include a wholesaler, supplier, or retailer
34 that is not responsible for the labeling or packaging of a covered
35 product.

36 (b) “Covered product” means a nonwoven disposable product
37 that is sold in this state or brought into the state for sale, and that
38 is constructed from nonwoven sheets, including moist toilet tissue
39 or cloth, that is designed, marketed, or commonly used for personal
40 hygiene or cleaning purposes, including, but not limited to, diaper

1 wipes, toilet wipes, household cleaning wipes, personal care wipes,
2 and facial wipes.

3 ~~(e) “Enforcing agency” means the California Environmental~~
4 ~~Protection Agency.~~

5 ~~(d)~~

6 (c) “Flushable wipe” means a nonwoven disposable product
7 that meets the performance standards set forth in subdivision ~~(g)~~.
8 (f).

9 ~~(e)~~

10 (d) “Labeling requirements” means the labeling standards
11 contained in the Code of Practice of the Association of the
12 Nonwoven Fabrics Industry and the European Disposables and
13 Nonwovens Association, titled Communicating Appropriate
14 Disposal Pathways for Nonwoven Wipes to Protect Wastewater
15 Systems, second edition, as published in April 2017.

16 ~~(f)~~

17 (e) “Nonflushable wipe” means a nonwoven disposable product
18 that does not meet the performance standards set forth in
19 subdivision ~~(g)~~. (f).

20 ~~(g)~~

21 (f) “Performance standards” means the International Water
22 Services Flushability Group testing methods and criteria for
23 flushability, as published in June 2018, as set forth in publicly
24 available specification (PAS) documents 1, 2, and 3, and as
25 summarized in chapters 6 and 7 of PAS document 1.

26 49651. (a) On and after January 1, 2020, a covered entity shall
27 not label a covered product as safe to flush, safe for sewer systems,
28 or safe for septic systems, unless the product is a flushable wipe.

29 (b) (1) Unless a product is a flushable wipe, a covered entity
30 shall not, in any manner, make any of the following representations
31 regarding a covered product:

32 (A) The product can be flushed.

33 (B) The product is safe for sewer systems.

34 (C) The product is safe for septic systems.

35 (D) The product breaks apart shortly after flushing.

36 (E) The product will not clog household plumbing systems.

37 (F) The product will not clog household septic systems.

38 (G) The product is safe for plumbing.

39 (H) The product is safe to flush.

1 (I) The product will dissolve or disperse in interaction with
2 water.

3 (2) For purposes of this subdivision, representations include,
4 among other things, product names, labels, endorsements,
5 depictions, illustrations, trademarks, and trade names.

6 *(c) On and after January 1, 2020, a covered entity shall test*
7 *and maintain self-certification records that verify that its covered*
8 *products meet the performance standards and comply with the*
9 *labeling requirements.*

10 49652. (a) (1) On and after January 1, 2020, a covered product
11 that does not meet the performance standards shall be labeled
12 clearly and conspicuously in adherence with the labeling
13 requirements to communicate that it should not be flushed, and
14 this label shall be in a high contrast font and color respective to
15 the surrounding wording and space on the packaging and shall be
16 in a location that is visible when individual wipes are dispensed
17 from the product packaging.

18 (2) For *covered* products sold in bulk at retail, both the package
19 purchased in the store and the individual packages contained within
20 shall comply with the requirements in paragraph (1).

21 (b) A covered entity, directly or through any corporation,
22 partnership, subsidiary, division, trade name, or association in
23 connection to the manufacturing, labeling, packaging, advertising,
24 promotion, offering for sale, sale, or distribution of a covered
25 product, shall not make any representation, in any manner,
26 expressly or by implication, including through the use of a product
27 name, endorsement, depiction, illustration, trademark, or trade
28 name, about the flushable attributes, benefits, performance, or
29 efficacy of a nonflushable wipe.

30 ~~49653. (a) On and after January 1, 2020, a covered entity shall~~
31 ~~test and maintain self-certification records that verify that its~~
32 ~~covered products meet the performance standards and comply with~~
33 ~~the labeling requirements specified in Section 49650.~~

34 ~~(b) The records demonstrating a flushable wipe's compliance~~
35 ~~with the performance standards shall be made available by the~~
36 ~~covered entity upon request of the enforcing agency, free of charge,~~
37 ~~within 30 days of the request.~~

38 ~~(c) Verification of a nonflushable wipe's compliance with the~~
39 ~~labeling requirements shall be made available by the covered entity~~

1 upon request of the enforcing agency, free of charge, within 30
2 days of the request.

3 (d) (1) A covered entity that does not properly label flushable
4 wipes or nonflushable wipes that will be sold in California, or are
5 reasonably expected to be sold in California, shall be issued a
6 notice of violation by the enforcing agency, providing 30 days for
7 the noncompliant products to be recalled. The covered entity may
8 be subject to an administrative penalty every day thereafter that
9 those products remain available for purchase at retail or otherwise
10 are distributed in the state.

11 (2) In issuing an administrative penalty pursuant to this
12 subdivision, the enforcing agency shall take into consideration the
13 nature, circumstances, extent, and gravity of the violation, the
14 violator's past and present efforts to prevent, abate, or clean up
15 conditions posing a threat to the public health or safety or the
16 environment, the violator's ability to pay the proposed penalty,
17 and the effect that the proposed penalty would have on the violator
18 and the community as a whole.

19 (3) The penalty imposed under this subdivision shall not exceed
20 five hundred dollars (\$500) per day.

21 (4) Penalties collected under this subdivision shall be deposited
22 into the Flushable Wipes Fund, which is hereby created. Moneys
23 in the fund shall be subject to appropriation by the Legislature for
24 purposes of enforcing this part.

25 (e) (1) A covered entity that violates or threatens to violate this
26 part may be enjoined by the Attorney General in any court of
27 competent jurisdiction, and civil penalties may be assessed and
28 recovered in a civil action brought in any court of competent
29 jurisdiction in an amount not to exceed two thousand five hundred
30 dollars (\$2,500) for each violation.

31 (2) Moneys collected by the Attorney General pursuant to this
32 subdivision shall be deposited into the Unfair Competition Law
33 Fund established pursuant to Section 17206 of the Business and
34 Professions Code.

35 (f) To the extent that there is an inconsistency between this
36 section and a local standard or an updated performance standard
37 that imposes greater restrictions, the greater restrictions shall
38 prevail.

39 (g) The provisions of this part are severable. If any provision
40 of this part or its application is held invalid, that invalidity shall

1 ~~not affect other provisions or applications that can be given effect~~
2 ~~without the invalid provision or application.~~

3 49653. (a) A person who violates this part may be enjoined
4 in any court of competent jurisdiction.

5 (b) (1) A person who violates this part may be liable for a civil
6 penalty not to exceed two thousand five hundred dollars (\$2,500)
7 for each violation. That civil penalty may be assessed and
8 recovered in a civil action brought in any court of competent
9 jurisdiction.

10 (2) In assessing the amount of a civil penalty for a violation of
11 this part, the court shall consider all of the following:

12 (A) The nature, circumstances, extent, and gravity of the
13 violation.

14 (B) The violator's past and present efforts to prevent, abate, or
15 clean up conditions posing a threat to the public health or safety
16 or the environment.

17 (C) The violator's ability to pay the proposed penalty.

18 (D) The effect that the proposed penalty would have on the
19 violator and the community as a whole.

20 (E) Whether the violator took good faith measures to comply
21 with this part and when these measures were taken.

22 (F) The deterrent effect that the imposition of the penalty would
23 have on both the violator and the regulated community as a whole.

24 (G) Any other factor that justice may require.

25 (c) Actions may be brought pursuant to this section by the
26 Attorney General in the name of the people of the state, by a district
27 attorney, by a city attorney, or by a city prosecutor in a city or city
28 and county having a full-time city prosecutor.

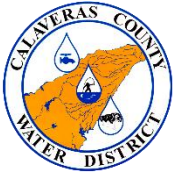
29 (d) (1) Civil penalties collected pursuant to this section shall
30 be paid to the office of the city attorney, city prosecutor, district
31 attorney, or Attorney General, whichever office brought the action.

32 (2) Moneys collected by the Attorney General pursuant to this
33 subdivision shall be deposited into the Unfair Competition Law
34 Fund established pursuant to Section 17206 of the Business and
35 Professions Code.

36 49654. The provisions of this part are severable. If any
37 provision of this part or its application is held invalid, that

- 1 *invalidity shall not affect other provisions or applications that can*
- 2 *be given effect without the invalid provision or application.*

O



CALAVERAS COUNTY WATER DISTRICT

120 Toma Court • PO Box 608 • San Andreas, CA 95249 • Main line (209) 754-3543

April 24, 2019

The Honorable Mark Stone, Chair
Assembly Judiciary Committee
1020 N Street, Room 104
Sacramento, California 95814

Subject: AB 1672 (Bloom): Support

Dear Assembly Member Stone:

The Calaveras County Water District (CCWD) is pleased to support AB 1672 (Bloom), which will prescribe labeling requirements for both flushable and non-flushable wet wipes products.

AB 1672 is a straightforward and important bill that seeks to provide clear consumer information about how consumers should properly dispose of single-use wet wipes products, with the intent of keeping non-dispersible wipes out of the sewer system.

In the last 15 to 20 years, there has been a proliferation of single use wet wipe products that have come onto the retail market. These convenience-driven single use products are available for a variety of applications including personal hygiene, household cleaning, baby and child care, cosmetic, and many other purposes. Most of these products are intended to be disposed of in the trash can. However, there is a growing suite of these products that are marketed as "flushable" or "sewer and septic safe." There are currently no standards in place that a manufacturer must follow in order to make this type of claim. As a result, any company can call their product "flushable", regardless of the potential harm to the sewer system or whether it truly breaks apart like toilet paper once it is flushed. Furthermore, the inconsistent messaging surrounding these products creates confusion about which types of wipes are acceptable to flush down the toilet, and which are not. The widespread availability of these products, coupled with the lack of consistent standards for labeling, results in many of these products being improperly flushed down the toilet.

When wet wipes products are flushed into the sewer system, they can cause significant issues for private property owners, sewer collection systems, and wastewater treatment plants. Wet wipes products that do not break down can catch on tree roots or other obstructions in residential sewer laterals and cause costly and dangerous backups for property owners. Wet

wipes have also been shown to cause significant damage to residential septic systems, resulting in expensive repairs and remediation for homeowners.

Wet wipes weave together and form large “rags” that can become massive obstructions in sewer lines when they combine with other improperly flushed items and fats, oils, and greases. These obstructions are commonly referred to as “fatburgs,” and in addition to being a disgusting environmental problem, local agencies spend significant time and resources to remediate them. In the worst cases, fatburgs attributed to wipes contribute to sanitary sewer overflows, which are a threat to public health and the environment, and result in fines and penalties to public agencies.

Treatment plants across California are far too familiar with the scourge of wet wipes being improperly flushed. Wastewater collection and treatment agencies have invested significant financial resources to upgrade their treatment infrastructure solely to install “de-raggers,” bar screens, grinders, and upgraded pump systems. Many of these upgrades are necessitated primarily by the need to manage the volume of wipes coming through the system on a daily basis. The increased maintenance costs associated with this additional infrastructure are measurable and substantial, and we anticipate that the costs, maintenance and infrastructure needs will continue to grow as the popularity of these products continues to surge. Finally, it is important to note that many single use wet-wipes are made with plastic fibers. Those plastic fibers can shed off and contribute to microplastic pollution in the environment. Microplastic pollution is best managed through source control, which means not introducing plastic pollution into the wastewater stream in the first place.

Therefore, AB 1672 presents a straightforward solution to helping combat the problems caused by improperly flushing wet wipes. The bill prescribes clear and consistent consumer messaging for these products that indicates to consumers that either a wipe is “flushable,” or it is not. Under the provisions of AB 1672, wipes can be labeled as “flushable” if they do not cause harm to the sewer system, meaning that manufacturers can demonstrate that their wipes break down in the sewer system like dry toilet paper. For all other wipes that are not intended to be flushed, they must be conspicuously marked with “Do Not Flush” labeling.

For the reasons described above, the Calaveras County Water District strongly supports AB 1672 and urges your support when the bill is heard in the Assembly Judiciary Committee.

Sincerely,

CALAVERAS COUNTY WATER DISTRICT

Michael Minkler
General Manager

Agenda Item

DATE: April 24, 2019

TO: Board of Directors

FROM: Jeffrey Meyer, Director of Administrative Services

SUBJECT: Review and Direction of the FY 2018-19 Third Quarter Investment Report

RECOMMENDED ACTION:

Motion: _____/_____ by Minute Entry, to review and accept the District's quarterly Cash and Investments report for the period ending March 31, 2019.

SUMMARY:

Stated below are cash and investment balances for December 31, 2018 and March 31, 2019 and the change in respective balances:

	<u>12/31/18</u>	<u>03/31/19</u>	<u>Change</u>
Cash, Umpqua Bank (general account)	\$ 2,029,026	\$ 1,979,348	\$ (49,678)
Cash on Hand, Petty Cash & Cash Drawer	600	600	-
Local Agency Investment Fund (LAIF)	24,811,659	26,860,759	2,049,100
Money Market Accounts	3,125,448	3,146,418	20,970
Bond Investments*	28,928	27,788	(1,140)
Certificates of Deposits*	2,265,869	2,300,554	34,685
Trustee Accounts	531,695	531,695	-
Total Cash and Investments	<u>\$ 32,793,225</u>	<u>\$ 34,847,162</u>	<u>\$ 2,053,937</u>

**Based on Market Value*

District Funds	\$ 34,028,166
Trustee Accounts	531,695
Assessment District Funds	<u>287,301</u>
Total Funds	<u>\$ 34,847,162</u>

This report is for the third quarter of FY 2018-19 and covers the months of January, February and March 2019. Investment activities included:

Date	Transfer from	Transfer to	Amount
January 17	Umpqua Checking	LAIF	\$2,500,000
March 1	LAIF	Umpqua Checking	\$1,600,000
March 19	Umpqua Checking	LAIF	\$1,000,000

The District posted investment earnings of \$170,795 during the third quarter. The \$327,374 Umpqua Bank Certificate of Deposit will mature on May 1, 2019.

FINANCIAL CONSIDERATIONS:

The Federal Open Market Committee (FOMC) met twice in the third quarter, January 30 and March 20. At both meetings the FOMC decided to maintain the federal funds target range to between 2.25% and 2.50%. This strategy was based on data that indicates that the labor market has continued to strengthen, and economic activity, though rising at a solid rate in the second quarter, is still strong but slowed somewhat in the third quarter.

The unemployment rate remains low at 3.7%, and overall inflation for the last twelve months has declined, largely as a result of lower energy prices. Inflation for items other than food and energy, remains near the Fed's long-term objective of 2.0%.

Consistent with its statutory mandate, the FOMC seeks to foster maximum employment and price stability. The FOMC said that future increases in the federal funds target rate will be consistent with sustained expansion of economic activity, strong labor market conditions and inflation near the 2.0 percent inflation objective.

The Dow, NASDAQ and S&P markets rose steadily in January, February and March. The Dow rose from 23,327 at December month-end to 25,929 on March 29th, an 11.2% increase. Similarly, the NASDAQ and S&P markets both posted quarterly gains. The S&P closed 2018 at 2,507, but rose to 2,824 at month-end March (12.6% increase), while the NASDAQ gained 16.5% and closed at 7,729.

The rates on ten-year treasuries continued their drop from the highs of the 310 range in November to the 240 range at end of March. This drop coincided with the FOMC decision to maintain the federal funds target range to between 2.25% and 2.50%, and it does not anticipate any further increase during 2019. The Local Agency Investment Fund (LAIF) daily interest rates continued to increase, closing at 2.44% on March 31, 2019. Staff continues to pursue alternate investment opportunities.

Agenda Item

DATE: April 16, 2019

TO: Michael Minkler, General Manager

FROM: Jeffrey Meyer, Director of Administrative Services

SUBJECT: Discussion/Direction Approving Agreement for Auditing Services

RECOMMENDED ACTION:

Motion _____/_____ adopting Resolution No. 2019 - ____ regarding Approving Agreement for Auditing Services.

SUMMARY:

On April 20, 2016 the Board adopted Resolution 2016-21 approving a three-year agreement for Auditing Services with Richardson & Company, LLP (Richardson). Richardson has successfully audited the District's financial statements for the last three fiscal years. Section 5.13.33 of the District's Financial Audit Policy (Financial Management Policy 5.13) states:

The Board of Directors shall, through a competitive bid process, select an independent audit firm at least once every five (5) years. The contract for auditing services will be at the discretion of the Board of Directors, shall be for a period of three (3) years with an option for two (2) additional years, and not exceed a total of five (5) years. Moreover, the selected firm can only be engaged for one five (5) year period during any fifteen (15) year time frame.

Staff has determined that Richardson continues to most closely meets the needs of the District and requests the Board approve a one-year contract extension for auditing services of FY 2018-19 in accordance with their proposal dated April 3, 2019 (attached), with the option for a second year to perform the FY 2019-20 audit. Staff also requests the Board authorize the General Manager to execute said agreement.

FINANCIAL CONSIDERATIONS:

The one-year agreement for FY 2018-19 auditing services, including a single audit and an audit of the Calaveras County Water District Public Financing Authority, is estimated to be \$36,700.

RESOLUTION NO. 2019 –

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CALAVERAS COUNTY WATER DISTRICT**

APPROVING AN AGREEMENT FOR AUDITING SERVICES

WHEREAS, the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT adopted Resolution 2016-21 on April 20, 2016 approving the agreement with Richardson & Company LLP for Auditing Services; and

WHEREAS, Section 5.13.33 of District Financial Management Policy 5.13 – Financial Audit Policy states that the Board of Directors can approve an agreement for auditing services for a period of three (3) years with an option for two (2) additional years; and

WHEREAS, the District wishes to extend the agreement with Richardson & Company LLP for Auditing Services.

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT hereby authorizes the General Manager to execute a one-year Agreement Auditing Services with Richardson & Company estimated to be \$36,700, with a second-year option estimated at \$37,670, as per agreement attached hereto and made a part hereof.

PASSED AND ADOPTED this 24th day of April, 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

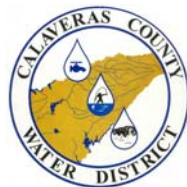
Russ Thomas, President
Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

ATTACHMENT A

COST PROPOSAL TO PERFORM
INDEPENDENT AUDITING SERVICES
FOR



FOR THE YEARS ENDED
JUNE 30, 2019 AND 2020

Richardson & Company, LLP

550 Howe Avenue, Suite 210
Sacramento, California 95825
(916) 564-8727

Primary Contact Person:

Ingrid Sheipline or Brian Nash

Isheipline@richardsoncpas.com or Bnash@richardsoncpas.com

April 3, 2019

FEE PROPOSAL

Our goal is to provide quality service using the highest professional standards at a reasonable cost. We plan each assignment carefully and set a time budget for each phase of the engagement. All of our staff are well indoctrinated in the need to use their time to the fullest efficiency.

Based upon our current understanding of the situation and our understanding of the District's control processes in place, our professional fees for the annual audit contract to perform the previously described Scope of Services in the June 30, 2016 to 2018 proposal as well as to test and disclose postretirement health insurance benefits under GASB Statement No. 75 that was not included in the scope of the June 30, 2016 to 2018 proposal are listed below. These fees include out-of-pocket expenses for items including clerical support, computer charges, supplies, telephone charges, printing and travel. There will be no additional charges to the District related to these items. Therefore, our fee is all inclusive and represents a not to exceed amount. A summary of our fees are on the attached Exhibit A.

The Single Audit Act fee in the table on the next page includes one major federal program. The fee for each additional major program will be \$3,500 per year.

Our fee estimates are for a clean audit and assume the following:

- Less than 10 audit adjustments and closing entries will be needed to complete the audit.
- All entries necessary to report indirect costs, debt and other transactions affected by the cost sharing percentage between the Water and Sewer Fund will be posted before the audit begins and reflected in schedules prepared by District staff. Changing the allocation percentages during the audit has a significant impact on our payroll costs.
- The District will post entries to split out restricted and unrestricted investments and net position for reporting purposes.
- Grant expenditures and receivables will be reconciled to the related claims, recorded and not revised during the audit.
- Transfers into the Public Financing Authority Fund for debt payments will be recorded prior to the start of the audit.
- All prior year adjustments will be posted and net position will agree to the prior year financial statements in each fund.
- Negative cash in the Sewer Fund will be reclassified as due to/from other funds.

If a significant number of closing entries and audit adjustments result in additional payroll costs being incurred to complete the audit, we would expect to be compensated at \$90 per hour in addition to the fees listed on the next page.

These estimates do not take into consideration changes in the scope of the audit due to changes in accounting or auditing pronouncements and standards, laws or regulations, the loss of key accounting personnel, material weaknesses in the internal control environment, or significant changes in the scope of the District's operations. The fee also assumes the District will not incur new long-term liabilities other than the 2019 pension loan. We will discuss a new fee estimate with the District if such events occur.

COST PROPOSAL

	Actual	Proposed Fees		Total
	FY	FY	FY	
	2017-18	2018-19	2019-20	
District Financial Statements	\$ 27,645	\$ 28,300	\$ 29,000	\$ 57,300
State Controller's Report	675	700	725	1,425
Certificate of Debt Coverage	420	450	475	925
Public Financing Authority	2,400	2,500	2,570	5,070
GASB 75 Fee	- 1	1,000	1,050	2,050
Single audit (if necessary)	3,660	3,750	3,850	7,600
	<u>34,800</u>	<u>36,700</u>	<u>37,670</u>	<u>74,370</u>
Percentage increase with GASB 75 fee		5.46%	2.64%	
Percentage increase without GASB 75 fee		2.59%		

1 - GASB 75 was implemented in 2017-18, which added additional payroll costs needed to comply with this new standard. Implementation of this new standard was not included in the original fee proposal.

Special or additional services would be billed based on the following hourly rate schedule:

Classification	Hourly Rates	
	2018-19	2019-20
Partner	\$ 200	\$ 205
Senior Managers	180	185
Managers	160	165
Supervisors	150	155
Seniors	120	125
Semi-senior	100	105
Staff	90	95
Clerical	70	75

The District may approve one or both years in our proposal at its discretion. We will continue to offer to assist the District in preparing pension entries under a separate yearly engagement letter for the same \$1,500 fee as previously charged during the years ended June 30, 2019 and 2020. A separate engagement letter would need to be signed under *Government Auditing Standards* defining the terms of the engagement if this proposal is accepted.

If you have any questions about our proposal, please do not hesitate to call me.

Very truly yours,

RICHARDSON & COMPANY, LLP



Brian N. Nash
Partner

Agenda Item

DATE: April 24, 2019

TO: Michael Minkler, General Manager

FROM: Charles Palmer, District Engineer

SUBJECT: Discussion / Action Regarding Adoption of the District's FY 2019-20, 5-Year Capital Improvement Program

RECOMMENDED ACTION:

Motion: _____/_____ adopting Resolution No. 2019 - ____ approving the FY 2019-20, 5-Year Water and Wastewater Capital Improvement Program (CIP) for July 1, 2019 through June 30, 2024 establishing project priorities and costs to be included in the annual budget.

SUMMARY:

A presentation will be made of the proposed FY 2019-20, 5-Year CIP, which is reviewed each fiscal year in advance of preparing the annual budget. The proposed CIP includes both water and wastewater segments and targets critical project priorities:

- Worker Safety
- Reliability and Redundancy
- Growth / Future Expansion
- Hazard Mitigation (Wildfire, Flood, etc.)
- Renovation and Replacement
- Water Resources/Water Supply
- Sanitary Sewer Overflows
- Permit / Regulatory Compliance

The CIP is funded by Capital Renovation and Replacement (Capital R&R) revenues, expansion fees, grants and other sources. Through the Capital R&R program – which annually generates about \$3 million for water and \$1 million for wastewater projects – the District is making a commitment and systematic reinvestment in its water and wastewater facilities to maintain service reliability, preserve functionality and comply with increasingly more stringent regulatory requirements. Whenever possible staff seeks grant funding opportunities, which can often be the turning point in moving critical projects forward.

For the Water Segment, attached Table 'A' identifies \$44 million in capital improvement projects for the 5-Year CIP, and staff has estimated \$28 million in available funding (from Capital R&R, grant, expansion, other sources) for these projects. For the Wastewater Segment, attached Table 'B' identifies \$32.5 million in capital improvement projects for the 5-Year CIP, and staff has estimated \$10 million in available funding to complete these projects. Staff will work to identify grants, loans and other funding opportunities as may become available for the unfunded balance of the projects.


FINANCIAL CONSIDERATIONS:

None at this time. The first year of the approved 5-Year CIP will be incorporated in the FY 2019-20 annual budget, which will be before the Board in June for adoption.

*Attachments: Table A – Water Segment, Project Costs and Schedule
 -Table B – Wastewater Segment, Project Costs and Schedule
 -Resolution 2019-___ Adopting the FY 2019-20 Five (5) Year Water and Wastewater CIP*
















TABLE 'A' - WATER SEGMENT
CALAVERAS COUNTY WATER DISTRICT
FY 2019-20 / 5-YEAR CAPITAL IMPROVEMENT PROGRAM


PROJECT DESCRIPTION	TOTAL PROJECT COST	5-YEAR CIP COSTS					SCHEDULE				
		FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
EBBETTS PASS											
Reach 1 Pipeline Replacement	\$ 7,400,000	\$ 7,400,000	\$ -	\$ -	\$ -	\$ -	█				
Techite Pipeline Replacement	\$ 1,600,000	\$ 1,600,000	\$ -	\$ -	\$ -	\$ -	█				
* Redwood Tanks / Cal-OES Hazard Mitig.	\$ 2,800,000	\$ 400,000	\$ 1,200,000	\$ 1,200,000	\$ -	\$ -	▤	▤			
JENNY LIND											
Water Plant Pretreatment / Cal-OES	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	█				
Phase 1 Improv./ A-B Trans. Pipeline	\$ 4,500,000	\$ 250,000	\$ 250,000	\$ -	\$ 2,000,000	\$ 2,000,000	▤	▤			
COPPER COVE											
* Tulloch Submerged Crossing/North Loop	\$ 3,000,000	\$ -	\$ 200,000	\$ 200,000	\$ 1,300,000	\$ 1,300,000		▤	▤		
* B-C Transmission Main & Pump Station	\$ 10,000,000	\$ -	\$ -	\$ -	\$ -	\$ -					
WEST POINT											
* Backup Water Filter	\$ 3,400,000	\$ 200,000	\$ 200,000	\$ -	\$ 1,500,000	\$ 1,500,000	▤	▤			
SHEEP RANCH											
White Pines Lake Restoration	\$ 200,000	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	▤	▤			
WALLACE											
SCADA / PLC / Radio Improvements	\$ 100,000	\$ 50,000	\$ 50,000				▤	▤			
OTHER / VARIOUS											
* AMR Radio Read Meters (USDA RD)	\$ 4,500,000	\$ 100,000	\$ 2,200,000	\$ 2,200,000	\$ -	\$ -	▤	▤			
Tank Management / Repair & Painting	\$ 3,000,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	▤	▤	▤	▤	▤
Misc. Projects Dist., Treat., Elect. Rehab.	\$ 3,000,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	▤	▤	▤	▤	▤
_EP Hunters WTP Filter Rehab.	\$ 400,000										
_EP Big Trees P.S. 1, 4 & 5/480v Power	\$ 200,000										
_EP Hunters Raw Water Pumps/Electrical	\$ 200,000										
_EP Meadowmont Pump Station / Rehab.	\$ 175,000										
_JL Kirby, Garner, Gabor Service Lines	\$ 250,000										
_CC Raw Water Pump	\$ 125,000										
_CC Reeds Turnpike Pump Station	\$ 350,000										
_CC Tank B Pump Station Rehab.	\$ 500,000										
_White Pine Dam/Blanket Drain Rehab.	\$ 200,000										
_West Point SCADA Improvements	\$ 100,000										
_Sheep Ranch Water Plant Replacement	\$ 500,000										
TOTALS	\$ 44,000,000	\$ 11,800,000	\$ 5,400,000	\$ 4,800,000	\$ 6,000,000	\$ 6,000,000					

KEY:  Construction / Implementation  Planning, Design, Environmental, etc.

* Grant, loan or other funding sources must be secured before proceeding with construction/implementation of this project.

TABLE 'B' - WASTEWATER
CALAVERAS COUNTY WATER DISTRICT
FY 2019-20 / 5-YEAR CAPITAL IMPROVEMENT PROGRAM

PROJECT DESCRIPTION	TOTAL PROJECT COST	5-YEAR CIP COSTS					SCHEDULE					
		FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	
ARNOLD												
Secondary Clarifier	\$ 1,400,000	\$ 200,000	\$ 200,000	\$ 1,000,000	\$ -	\$ -						
Leach Field Improvements	\$ 600,000	\$ 50,000	\$ 50,000	\$ 500,000	\$ -	\$ -						
LA CONTENTA												
* WWTP Biolac, Clarifier & UV Improvements	\$ 3,850,000	\$ 25,000	\$ 25,000	\$ 400,000	\$ 1,700,000	\$ 1,700,000						
COPPER COVE												
* WWTP Secondary, Tertiary & UV Improvements	\$ 13,000,000	\$ 25,000	\$ 25,000	\$ 550,000	\$ 6,200,000	\$ 6,200,000						
Lift Stations 6, 8, & Force Main Bypass	\$ 3,200,000	\$ 200,000	\$ 3,000,000	\$ -	\$ -	\$ -						
* Lift Station 15 & 18 Rehab./ Replacement	\$ 2,400,000	\$ 100,000	\$ 2,300,000	\$ -	\$ -	\$ -						
WEST POINT												
* West Point / Wilseyville Consolidation (CWSRF)	\$ 4,750,000	\$ -	\$ -	\$ -	\$ -	\$ -						
VALLECITO / DOUGLAS FLAT												
Recycled Water Distribution / TSTAN	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -						
WALLACE												
WWTP Renovations / SCADA, PLC & Electrical	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -						
OTHER / VARIOUS												
Regional Biosolids / Sludge Handling	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -						
Misc. Projects Collection, Treat., Disposal Rehab.	\$ 2,000,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000						
<i>_Huckleberry Lift Station Rehab.</i>	\$ 200,000											
<i>_Arnold Tertiary Filter Rehab.</i>	\$ 250,000											
<i>_Arnold Effluent Storage Tank Rehab.</i>	\$ 250,000											
<i>_Arnold Lift Station 2 & 3 Improvements</i>	\$ 400,000											
<i>_Indian Rock Sand Filter Rehab.</i>	\$ 150,000											
<i>_Southworth I&I Mitigation</i>	\$ 100,000											
<i>_Sequoia Woods Leach Field Rehab.</i>	\$ 100,000											
<i>_Forest Meadows UV System Replacement</i>	\$ 250,000											
<i>_Vallecito/Douglas Flat Headworks Screen</i>	\$ 250,000											
<i>_Forest Meadows Sludge Tank & Belt Press</i>	\$ 50,000											
TOTALS	\$ 32,500,000	\$ 1,300,000	\$ 6,000,000	\$ 2,850,000	\$ 8,300,000	\$ 8,300,000						

KEY:  Construction / Implementation  Planning, Design, Environmental, etc.

* Grant, loan or other funding sources must be secured before proceeding with construction/implementation of this project.

RESOLUTION NO. 2019 - __

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CALAVERAS COUNTY WATER DISTRICT**

**ADOPTING THE DISTRICT'S FISCAL YEAR 2019-20
5-YEAR WATER AND WASTEWATER
CAPITAL IMPROVEMENT PROGRAM**

WHEREAS, the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT reviews and approves the District's Capital Improvement Program (CIP) each year in advance of preparing its annual budget; and

WHEREAS, the Board of Directors has reviewed and considered the recommended projects, costs, and schedule for the proposed FY 2019-20, 5-Year CIP for planning period of July 1, 2019 through June 30, 2024 as presented by staff; and

WHEREAS, the Board of Directors does hereby find that the proposed FY 2019-20, 5-Year CIP identifies those capital projects and costs that will be most critical to the priorities and needs of the District to improve and maintain the safety, reliability and functionality of its water and wastewater facilities for the benefit of the communities served by the District.

NOW, THEREFORE BE IT RESOLVED, the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT that the FY 2019-20 Five-Year Water and Wastewater Capital Improvement Program for July 1, 2019 through June 30, 2024, attached hereto and made part hereof, is hereby approved by the Board.

PASSED AND ADOPTED this 24th day of April, 2019 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

Russ Thomas, President
Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

Agenda Item

DATE: April 24, 2019

TO: Michael Minkler, General Manager

FROM: Charles Palmer, District Engineer

SUBJECT: Discussion/Action Regarding Approval of Professional Services Agreement for the Ebbetts Pass Reach 1 Pipeline Replacement Project

RECOMMENDED ACTION:

Motion: _____/_____ adopting Resolution No. 2019 - ____ approving Professional Services Agreement with KASL Consulting Engineers to Provide Construction Management, Resident Engineering Services and Construction Staking for the Ebbetts Pass Reach 1 Pipeline Replacement Project, CCWD CIP #11085.

SUMMARY:

On March 11, 2019 the Board awarded the construction contract for the Ebbetts Pass Reach 1 Pipeline Replacement Project to Mazingo Construction. Mazingo has been issued a notice to proceed and is scheduled to start construction in May 2019. A critical component of the project is construction management services, and with limited internal resources, staff decided to utilize outside contractors. Staff solicited and obtained construction management quotes from several firms per the District's Purchasing Policy's Informal and Formal Bidding Process, which permits exemption from the formal bidding process if the unique nature of the services required precludes competitive bidding.

KASL Consulting Engineers (KASL) submitted proposals for construction management and resident engineering services in the amount of \$213,700, and construction staking and surveying services in the amount of \$27,750. KASL provided the engineering services that completed the design of the Reach 1 project and is uniquely qualified to provide engineering and construction management services through the construction phase. Staff recommends that the Board award KASL the contract for construction management services in accordance with their proposal dated April 1, 2019 (attached) and requests the Board authorize the General Manager to execute said agreement.

FINANCIAL CONSIDERATIONS:

The agreement for construction management services is part of the Ebbetts Pass Reach 1 Pipeline Replacement Project, CCWD CIP #11085, with funding provided by the Water Capital Renovation and Replacement (Capital R&R) Fund (Fund 125).

*Attachments: Resolution 2019-____ Approving/Authorizing PSA with KASL for Ebbetts Pass Reach 1 Project
- KASL Proposal for Construction Management Services
- KASL Proposal for Construction Staking Service*

RESOLUTION NO. 2019 - ____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CALAVERAS COUNTY WATER DISTRICT**

**APPROVING A PROFESSIONAL SERVICES AGREEMENT FOR
CONSTRUCTION MANAGEMENT, RESIDENT ENGINEERING SERVICES AND
CONSTRUCTION STAKING FOR THE EBBETTS PASS REACH 1 PIPELINE
REPLACEMENT PROJECT, CCWD CIP #11085**

WHEREAS, the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT previously approved a Professional Services Agreement with KASL Consulting Engineers for design of the Ebbetts Pass Reach 1 Pipeline Replacement Project, which scope of work KASL has fully performed; and

WHEREAS, the Board of Directors accepted bids and awarded a contract to Mozingo Construction on March 13, 2019 (Res.2019-20) for construction of said project, which is scheduled to begin in May 2019 and for which staff recommends continuing to retain KASL for engineering services during construction of the project; and

WHEREAS, for consideration by the Board of Directors, KASL has submitted a scope and fee, attached hereto, for construction management and resident engineering services in the amount of \$213,700 and a second scope and fee for construction staking in the amount of \$27,750, which are more cost effective than quotes by other firms;

NOW, THEREFORE BE IT RESOLVED, the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT approves proposals by KASL for the Ebbetts Pass Reach 1 Pipeline Replacement Project and authorized the General Manager to enter into a Professional Services Agreement with KASL in the amount of \$213,700 for construction management and resident engineering services and \$27,750 for construction staking.

PASSED AND ADOPTED this 24th day of April, 2019 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

Russ Thomas
President, Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board



April 1, 2019



Charles Palmer
District Engineer
Calaveras County Water District
120 Toma Court
San Andreas, CA 95249

7777 Greenback Lane
Suite 104
Citrus Heights, CA
95610

Subject: Updated Proposal for Construction Management Services,
Ebbetts Pass Reach 1 Pipeline Replacement Project (Revised)

Tel. 916 / 722-1800
Fax 916 / 722-4595

Charles:

The following is our proposal to provide the Calaveras County Water District (CCWD, District) with Construction Management Services for the Ebbetts Pass Reach 1 Pipeline Replacement Project. For the purpose of this proposal it is assumed that:

Principal:
John C. Scroggs

- A Preconstruction meeting will be scheduled in late April / early May, 2019 or as soon as possible after the Notice to Proceed has been issued by the District and conditions are suitable for a preconstruction project field review.
- Construction of improvements will begin on or about the first of May, 2019.
- A ± 15 calendar month construction schedule (432 calendar days with 182 days for winter shut down) is proposed with completion of improvements on or about August 1, 2020.

Proposed Scope of Services

- Prepare Conform Set of Plans and Specifications; Provide print / electronic copies for District and for Contractor.
- Conduct preconstruction meeting and site review; Prepare agenda, minutes, action items.
- Review Contractor's Project Schedules, critical path items and Shop Drawing Submittal Schedule.
- Review the Contractor's proposed staging areas, laydown areas, movement of equipment and materials.
- Review with Caltrans traffic control requirements and the Contractor's Traffic Control Plans.
- Review Contractors' Submittals; Assume 40 Shop Drawing Submittals. (Submittals may include multiple components).





- Assist District with Onsite Resident Engineering Services; We estimate, on average, 20 hours of Resident Engineering Services will be provided per week by KASL personnel and a 36 week contract duration (not including winter shut down). Resident Engineering Services to be conducted by Charlie Moore, Octavio Perez or Jack Scroggs, all registered Civil Engineers. Resident Engineering support would be provided by KASL Project Engineers and Technical Staff.
- Prepare resident engineering field reports.
- Conduct photo log / journal of construction activities and as built location of improvements.
- Conduct periodic onsite Progress Meetings with Contractor and with CCWD and Caltrans representatives. (TBD, but typically, once every two weeks at a designated day, time).
- Prepare Progress Report Meeting agenda, Progress Report Meeting minutes, Contractor "action" items, Inspection action items, CCWD action items.
- Provide ongoing Quality Assessment / Quality Control (QA/QC) review of improvements being constructed.
- Respond to Contractor's Request for Information (RFI) (RFC); Assume 20 RFI's, RFC's.
- Conduct ongoing review of environmental protection measures (SWPPP erosion control, dust control, drainage controls, etc.); Note deficiencies and identify required corrections for compliance.
- Conduct ongoing review of site cleanup activities, debris piles, recycling / salvage areas.
- Obtain and review with the Contractor Project Schedule updates (3 week "look ahead" schedules).
- Prepare "rolling" punch list items; Review with Contractor and CCWD.
- Review with Contractor and CCWD any complaints received from local residents / businesses during construction.
- Review with Contractor any CCWD Engineering or Operations staff concerns, complaints.
- Obtain and review Operation and Maintenance Manual submittals.
- Review Contractor's Application for Payment. Applications for Payment shall be made consistent with approved Bid Form.
- Review Requests for Change Order; Assume 8 Change Order requests.
- Prepare Final Punch List.
- Prepare Project Close Out Documents in conformance with CCWD and contract requirements.
- Submit to CCWD District Engineer quarterly Project Summaries and Environmental Compliance Supplements.
- Provide Project Completion Report. The Project Completion Report shall include a description of the final constructed improvements and water supply, reliability and rehabilitation issues addressed by the Project. Provide a summary of compliance with environmental conditions at Project completion.
- Prepare As Built Plans from Contractor's red line prints; Issue paper and electronic copies to CCWD.
- Prepare Notice of Completion; Submit to CCWD for recording.

We propose to provide the above outlined CM Services for a fee of \$213,700. A breakdown of proposed CM hours per our current Rate Schedules as follows:

Breakdown of Proposed Construction Management Services by Hours



Labor Classification	Estimated Hours	Rate \$ / Hour	Proposed Cost
Principal Engineer	525	\$140	\$73,500
Senior Engineer	460	\$124	\$57,040
Project Engineer	590	\$108	\$63,720
Engineer Technician	48	\$91	\$4368
Admin. Assistant	220	\$65	\$14,300
		Proposed Total	\$212,928
		Direct Costs (Est)	\$772
		Proposed Fee	\$213,700

The above listed hours and costs are estimates and are subject to review and a final determination by CCWD. Fees may be subject to adjustment during the construction phase. It is possible, for example, that the estimated services during construction could be reduced based on the time required to complete the project (36 weeks are estimated), the qualifications and experience of the Contractor's Superintendent and the inspection hours dedicated to this Project by CCWD staff.

For the District's review, a breakdown of the above fee proposal into Preconstruction, Construction Inspection, Construction management and Post construction activities is as follows:

Breakdown of Proposed Construction Management Services by Task

Task	Proposed Fee
PreConstruction	\$19,134
Resident Engineering (Field Services)	\$112,608
Construction Management ⁽¹⁾	\$71,304
Post Construction Services	<u>\$10,654</u>
Total Proposed Fee	\$213,700

(1) These tasks include Resident Engineering Reports, Progress Meetings, QA / QC, RFI / RFC, Project Schedules, coordination with CCWD, Contractor and Caltrans, review Change Orders, Punch Lists, Applications for Payment.

We hope that this Construction Management Service Scope, task hours and fee estimates are acceptable. We are available to review this proposal with you and your Board Members at your convenience.

Very truly yours,
KASL Consulting Engineers


John C. Scroggs



March 27, 2019



Charles Palmer
District Engineer
Calaveras County Water District
120 Toma Court
San Andreas, CA 95249

7777 Greenback Lane
Suite 104
Citrus Heights, CA
95610

Subject: Fee Proposal for Construction Staking Services, Ebbetts Pass
Water System Reach 1 Pipeline Replacement Project

Tel. 916 / 722-1800
Fax 916 / 722-4595


Charles:

Principal:
John C. Scroggs

The following is our proposal to provide construction staking services for the Ebbetts Pass Water System Reach 1 Project. Staking will be coordinated with the Contractor and with CCWD. Pipeline invert and offset stakes will be provided at all pipeline angle points, at vertical deflections, at all State Route 4 crossings and at proposed pressure reducing valves, combination air valves, new fire hydrant locations, blow off valves, wetland crossing limits and at not more than 50 foot intervals of pipeline improvements. To stake the $\pm 24,500$ lineal feet of pipeline as proposed we estimate a total of approximately 800 construction stakes. Our estimate assumes 10 hour days, including travel. Our fee includes travel time one way.

Our proposed construction staking fee is \$27,750.

Thank you for the opportunity to be of service. If you or your Board Members have question regarding or fee proposal, please contact us.

Very truly yours,
KASL Consulting Engineers

John C. Scroggs

CIVIL
WATER RESOURCES
SURVEYING

Agenda Item

DATE: April 16, 2019
TO: Michael Minkler, General Manager
FROM: Damon Wyckoff, Director of Operations
SUBJECT: Discussion/Direction Adopting District Policy No. 23, Vehicle Replacement Policy

RECOMMENDED ACTION:

Motion _____ / _____ adopting Resolution No. 2019 - _____ regarding Adopting District Policy No. 23, Vehicle Replacement Policy.

SUMMARY:

On October 24, 2018 the Board of Director's received a presentation on the District's Vehicle Replacement Program. Staff provided an overview of the District's fleet and equipment needs and how these needs relate to the current inventory of trucks and equipment. Staff also reviewed the District's Vehicle and Equipment Replacement and Purchasing Policy (attached), adopted on August 27, 2003 by Resolution 2003-61.

As part of the discussion, staff identified deficiencies in the current policy and the need to update standards to reflect changes in vehicle and equipment needs and improvements in vehicle reliability. Staff also requested and received input and direction from the Board in the development of a new vehicle replacement policy.

Staff presented the draft District Policy No. 23, Vehicle Replacement Policy to the Finance Committee on November 14th, and again on March 19th. Comments were received at these meetings, during the vehicle lease presentation to the Board on April 10th, and at the April 16th Finance Committee meeting. On April 16th the Finance Committee reviewed the proposed changes, suggested changes, and recommended that staff request the Board rescind the District's Vehicle/Equipment Replacement and Purchasing Policy adopted by Resolution 2003-61, and adopt the proposed District Policy No. 23, Vehicle Replacement Policy (attached).

FINANCIAL CONSIDERATIONS:

None at this time.

*Attachment: Resolution 2019 - Adopting District Policy No. 23, Vehicle Replacement Policy
-Proposed District Policy No. 23, Vehicle Replacement Policy
-Resolution 2003-61, Vehicle/Equipment Replacement and Purchasing Policy*

RESOLUTION 2019 -

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CALAVERAS COUNTY WATER DISTRICT**

**ADOPTING DISTRICT POLICY NO. 23
VEHICLE REPLACEMENT POLICY**

WHEREAS, the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT adopted a Vehicle / Equipment Replacement and Purchasing Policy by Resolution No. 2003-24 on March 26, 2003, and

WHEREAS, the Board amended the District Vehicle / Equipment Replacement and Purchasing Policy by Resolution No. 2003-61 on August 27, 2003; and

WHEREAS, the Board of Directors is required to review and amend District policies as appropriate.

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT does hereby rescind in its entirety the District Vehicle / Equipment Replacement and Purchasing Policy adopted by Resolution No. 2003-61 on August 27, 2003, and any and all prior policies or amendments thereto.

BE IT FURTHER RESOLVED that the Board of Directors does hereby adopt the District's Policy No. 23 – Vehicle Replacement Policy, attached hereto and made a part hereof, to be effective immediately.

PASSED AND ADOPTED this 24th day of April, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CALAVERAS COUNTY WATER DISTRICT

Russ Thomas, President
Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

23.1 Purpose

The policy is intended to provide clear guidelines for establishing vehicle and equipment standards and procedures to be used for the purchase, surplus and replacement of the District's fleet of vehicles and equipment.

23.2 Policy

This policy applies to all District employees who are involved in the purchase, maintenance and surplus of the District's vehicles and equipment.

23.3 Vehicle Standards

23.3.01 The Director of Operations and fleet staff are responsible for standardizing the District's fleet. The intent of establishing vehicle standards is to provide the safest, most reliable and economical vehicle that is appropriate for the job for which it is intended. Additionally, standardization enhances the ability to repair, stock parts, and maintain units in an economical manner.

23.3.02 Appropriate safety and economic criteria shall be applied to establishing and maintaining a standardized fleet. Criteria for vehicles and equipment standards shall include but not be limited to:

- Purchase price
- Fuel efficiency
- Vehicle emission rating
- Reliability
- Operating costs
- Other special criteria as may be required by District departments

23.3.03 Vehicles purchased by the District shall be the most fuel-efficient vehicles available that meet safety, reliability, cost effectiveness and District program requirements. In general terms this usually would mean economy-type sedan automobiles and pickup trucks.

23.3.04 As appropriate, alternatively fueled vehicles may be introduced into District fleet.

23.3.05 All District vehicles will be conspicuously marked with the District's approved insignia, the words "Official Use Only" and a District vehicle number.

23.3.06 Any modifications to District vehicles must be pre-approved and coordinated by the Director of Operations, or designee.

23.4 Vehicle Classification Standards

23.4.01 The Director of Operations, or designee, shall work in conjunction with District departments to develop a list of standardized vehicle classifications for each

program.

23.4.02 Requests for deviation from the standard vehicle classification must be justified and submitted in writing on such forms as provided by the Director of Operations, or designee, and be approved by the General Manager.

23.4.03 The Director of Operations shall have authority to adjust vehicle replacement standards when it is clearly in the best interest of the District and end-user for the function required.

23.4.04 Vehicle standards for 24-hour on-call response programs may be different than standards for general use vehicles.

23.5 Four-Wheel Drive Standards

Minimum annual utilization criteria for assignment of four-wheel drive vehicles include:

23.5.01 The requirement for vehicle clearance and traction for frequent travel on unpaved/off road surfaces at a minimum of 25% of usage annually, and/or

23.5.02 Four-wheel drive traction to travel snow/ice covered roads during seasonal periods typical for such conditions at a minimum of 25% of the time during these periods.

23.6 Vehicle Procurement

The Director of Operations shall work with Department heads to identify vehicle replacement and purchasing needs that will be incorporated into District's fleet standards. These standards will be used in the vehicle procurement process. Furthermore, vehicle life-cycle costs (which include both the purchase price and operating costs of the vehicle), as well as compliance to applicable government regulations, shall be incorporated into procurement decisions and all vehicle purchases shall follow the District's Purchasing Policy.

The Director of Operations shall have the option to utilize vehicle leases, such as open-end leases, when it is economically and operationally advantageous to the District and its fleet. Replacement of vehicles acquired through a lease program will be based on assessments that include, but are not limited to, maximizing the potential equity at time of resale, reducing operational expenses, and increasing vehicle and employee safety.

23.7 Vehicle Disposal

Vehicles shall be disposed of in accordance with the District's Surplus Property Policy. The following criteria are considered by the Director of Operations in determining the need to dispose of District vehicles:

23.7.01 Vehicle operating and repair cost per mile.

23.7.02 Vehicles no longer needed or serviceable.

- 23.7.03 Vehicle mileage, condition, accumulated depreciation, utilization and parts availability.
- 23.7.04 High or anticipated high maintenance costs.
- 23.7.05 Introduction of improved vehicle technology, especially in the areas of fuel efficiency, safety, productivity and maintenance.
- 23.7.06 Vehicle repair cost exceeds salvage value.
- 23.7.07 Vehicle age and /or aging functionality and safety technology.

23.8 Replacement Policy

- 23.8.01 Light Duty Vehicles: ~~For purchased vehicles, S~~such as office pool vehicles, compact to one-ton pickups and meter reading vehicles, are eligible ~~to be replaced after 100,000 miles, per the discretion of the Director of Operations,~~ ~~or~~ when vehicle life cycle costs analyzed by using the criteria delineated in section 23.7, dictate.
- 23.8.02 Heavy Duty Vehicles: ~~For purchased vehicles, S~~such as backhoes, excavators, dump trucks, wastewater collection cleaning and inspection equipment (i.e. VacCon, Pumper trucks and TV van) are eligible to be replaced according to the following schedule, or as deemed appropriate and necessary by the Director of Operations, or when life cycle costs analyzed by using the criteria delineated in section 23.7, dictate:

Vehicle Type	Replacement, Years
Backhoe, Excavator	12
Dump Trucks	12
VacCon	7
Pumper Truck	7
TV Van	10

- 23.8.03 Reporting: On an annual basis the Director of Operations and the Director of Administrative Services will prepare a three-year vehicle replacement schedule listing all District vehicles and equipment, including a list of all required vehicle accessories. The Director of Administrative Services will also prepare a three-year cash flow analysis of vehicle purchases. The vehicle replacement schedule and cash flow analysis shall be incorporated into the annual budget process.