

BOARD OF DIRECTORS MEETING | Agenda

JULY 25, 2019

9:00 AM

INTERNATIONAL AGRI-CENTER
4500 S. LASPINA ST, TULARE, CA

At the discretion of the Board of Directors, all items appearing on this agenda, whether or not expressly listed for action may be subject to action by the Board. The order of agenda items is subject to change.

1. CALL TO ORDER/ROLL CALL – (TANTAU)

2. APPROVAL OF THE AGENDA – (TANTAU)

CLOSED SESSION ITEMS (30 MIN)

3. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

(Government Code section 54956.9(d)(1))

NRDC v. Murillo, U.S. District Court, Eastern District of California (Sacramento Division), Case No. 88-cv-01658-JAM-GGH.

4. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

(Government Code section 54956.9(d)(2))

Significant Exposure to Litigation: Two potential matters.

5. CONFERENCE WITH LEGAL COUNSEL-INITIATION OF LITIGATION

(Government Code section 54956.9(d)(4))

Initiation of Litigation: Three potential cases.

6. RECONVENE INTO OPEN SESSION

Announce reportable action taken during closed session.

7. PUBLIC COMMENT / PUBLIC PRESENTATIONS – (TANTAU)

Public comment is welcome at this time on any matter within the jurisdiction of the Board that is not on the agenda. Under the State's open meeting law - the Brown Act - no action may be taken on any item not on the agenda. Public comment on items on the agenda will be allowed at the time the Board considers the item.

8. CONSENT CALENDAR – (TANTAU)

The following routine matters will be acted upon by one vote, unless a Board Member requests separate consideration of the item.

A. Approval of the Minutes – Board of Directors meeting of June 27, 2019. (Tantau)

B. Pay the Bills for July 2019 and accept Cash Activity Reports. (Willard)

9. ACTION ITEMS (60 MINUTES)

- A. Adopt Resolution Approving Payroll Specialist and Analyst Job Description and Salary Range. (DeFlitch/Willard)
- B. Approve Issuance of FY 2020/2021 OM&R Budget for Public Review. (DeFlitch/Willard)
- C. Approval of Updated OM&R Cost Recovery Methodology Incorporating Certain Comments Received During the Review Period. (DeFlitch/Davis)
- D. Approval of Letter Requesting Initiation of Negotiations with the Bureau of Reclamation on the Renewal of the Transfer Agreement for OM&R of the Friant-Kern Canal. (Davis/Phillips)

10. GENERAL UPDATES & REPORTS (95 MINUTES)

- A. FY 2020 GM Budget Update. (Phillips/Willard) (10 minutes)
- B. Friant-Kern Canal Capacity Correction Project Update. (DeFlitch/Stantec) (20 minutes)
- C. Friant-Kern Canal and Madera Canal Title Transfer Update. (DeFlitch/Bezdek) (20 minutes)
- D. OM&R Report Highlights – Review June end-of-the-month report. (DeFlitch) (5 minutes)
- E. CVP Operations Report. (Bureau of Reclamation) (10 minutes)
- F. Federal and State Legislation and Communications Activities. (Amaral) (10 minutes)
- G. San Joaquin Valley Blueprint Update. (Ewell/Amaral) (5 minutes)
- H. Airborne Snow Observatory Program Update. (Payne) (5 minutes)
- I. Update on Water Resiliency Plan. (Phillips/Amaral) (10 minutes)

11. ADJOURNMENT

Public Participation Information

Agenda reports and other disclosable public records related to each Open Session agenda item are available on FWA's website under "Calendar" at Friantwater.org and at FWA's main office, 854 N. Harvard Ave., Lindsay, CA 93247, during regular business hours. Under the Americans with Disabilities Act, if you require a disability-related modification or accommodation to participate in this meeting, including auxiliary aides or services, please contact Toni Marie at 559-562-6305 at least 48 hours prior to the meeting.



BOARD OF DIRECTORS MEETING | Minutes

JUNE 27, 2019

9:00 AM

INTERNATIONAL AGRI-CENTER
4500 S. LASPINA ST, TULARE, CA

1. CALL TO ORDER/ROLL CALL

Chairman Chris Tantau called to order the noticed meeting of the Board of Directors of the Friant Water Authority at 9:00 a.m. Cliff Loeffler then led the meeting with an Invocation. Chairman Tantau took a moment to recognize Mr. Pandol, representing Kern-Tulare W.D. on behalf of Director Kent H. Stephens and Mr. Fowler, representing Terra Bella I.D. on behalf of Edwin Wheaton.

ROLL CALL

Chief Executive Officer, Jason R. Phillips noted that a quorum of the Board of Directors was present.

ATTENDANCE:

Directors Present:

Edwin Camp	Arvin-Edison W.S.D. (AEWSD)
George Porter	Fresno I.D. (FID)
Chris Tantau	Kaweah Delta W.C.D. (KDWCD)
Andrew Pandol	Kern-Tulare W.D.
Michael Brownfield	Lindmore I.D. (LID)
Cliff Loeffler	Lindsay-Strathmore I.D. (LSID)
Jim Erickson	Madera I.D. (MID)
Harvey Bailey	Orange Cove I.D. (OCID)
Eric Borba	Porterville I.D. (PID)
Steven G. Kisling	Saucelito I.D. (SID)
Glen R. Fowler	Terra Bella I.D. (TBID)
Rick Borges	Tulare I.D. (TID)

Directors of Other Friant Division Contractors Present:

Tom Barcellos	Lower-Tule River I.D.
Matt Leider	Teapot Dome W.D.
Dyson Schneider	Teapot Dome W.D.
Josh Pitigliano	Lower-Tule River I.D.

Directors Absent: Tim Orman, City of Fresno (CofF); Kole Upton, Chowchilla W.D. (CWD); Loren Booth, Hills Valley I.D. (HVID)

2. APPROVAL OF THE AGENDA

It was asked that the agenda be amended to place agenda item 6.G. San Joaquin Valley Blueprint Update to 6.A. under the General Update section. The Board approved the agenda as amended.

M/S/C – Motion by Director Erickson, seconded by Director Loeffler, to approve the agenda as amended. The motion carried. (Roll Call Vote: Ayes – AESWD, FID, KDWCD, KTWD, LID, LSID, MID, OCID, PID, SID, TBID, TID; Nays – 0; Absent – CWD, Coff)

3. PUBLIC COMMENT / PUBLIC PRESENTATIONS

Federico Barajas, Executive Director, San Luis & Delta-Mendota Water Authority (SLDMWA) shared with the Board that SLDMWA appreciates its relationship with Friant saying that we share areas of mutual interests that will only continue to grow and looks forward to a long and mutually beneficial partnership in areas of water policy, legislation, water sustainability and reliability as well as future endeavors of interest. The Board thanked Mr. Barajas for his comments.

Mr. Luce presented the “Friant Warrior Award”, an award that had typically been presented to a general manager of a local water district or to a person associated with the Authority that had been extremely helpful to the organization. Past winners included a majority of the general managers that typically worked on a myriad of projects and or issues in the Friant Service Area. Past recipients included Stephen Ottemoeller, Dales Sally, Jr., Ed Salazar, Ron Jacobsma and Bill Luce himself. He thought it time to reestablish the tradition, and chose the next winner of the coveted award, Mr. Steven Collup, an individual who has been extremely helpful to him and to the organization. Mr. Collup accepted the award with many thanks.

4. CONSENT CALENDAR

The following routine matters will be acted upon by one vote, unless a Board Member requests separate consideration of the item.

A. Approval of the Minutes – Board of Directors meeting of May 23, 2019; and

B. Pay the Bills for June 2019 and accept Cash Activity Reports. (Willard)

M/S/C – Motion by Director Porter, seconded by Director Brownfield to approve the consent calendar as presented. The motion carried. (Roll Call Vote: Ayes – AESWD, FID, KDWCD, KTWD, LID, LSID, MID, OCID, PID, SID, TBID, TID; Nays – 0; Absent – CWD, Coff)

5. ACTION ITEMS

A. July 1, 2019 General Member Call-for-Funds – The Board considered and approved a recommendation by the Finance Committee to have a Call-for-Funds due July 31, 2019 in the amount of \$737,250 for the fourth quarter of Fiscal Year 2019 per the General Member Budget.

M/S/C – Motion by Director Loeffler, seconded by Director Bailey to direct Staff to issue a Call-for-Funds on July 1, 2019 as approved in the General Member Budget for FY 2019, as shown on the associated Exhibit A, to be due by July 31, 2019 in the amount of \$737,250. The motion carried.

(Roll Call Vote: Ayes – AESWD, FID, KDWCD, KTWD, LID, LSID, MID, OCID, PID, SID, TBID, TID; Nays – 0; Absent – CWD, CofF)

- B. Approval of First Amendment to Professional Services Agreement (PSA) with Stantec Consulting Services, Inc. for FKC Subsidence Correction Project – The amendment would increase the approved budget for Stantec’s services under the PSA from \$6.5M to \$12.0M. The Board considered and approved a modification to Stantec’s PSA to revise the compensation amount to \$12.0 million to address completion of the project designs, environmental compliance and permitting services; project Feasibility Report and include a contingency amount to accommodate potential scope changes and provide necessary funding to maintain Stantec services through the bidding phase of a construction contract as recommended by the Executive Committee. Director Porter asked several questions related to offsetting of costs through financial assistance programs; available financing and WIIN Act availability. COO DeFlicht assured the Board of Directors that Friant continues to seek additional funding from all the mentioned sources as well as an anticipated Federal Assistance Agreement modification with Reclamation that will address anticipated budget impacts.

M/S/C – Motion by Director Borba, seconded by Director Camp to approve a modification of Stantec’s PSA from the current approved compensation amount of \$6.5M to \$12.0M. Fresno ID voiced a no vote. The motion carried. (Roll Call Vote: Ayes – AESWD, KDWCD, KTWD, LID, LSID, MID, OCID, PID, SID, TBID, TID; Nays – FID; Absent – CWD, CofF)

- C. Approval of Updated FWA Employee Personnel Rules –A resolution approving the updated FWA Employee Personnel Rules that will supersede the existing rules was adopted by the Board of Directors based on a recommendation of the Executive Committee and as outlined in the agenda report. Director Loeffler commented that it was also the recommendation of the Human Resources Committee that the Board adopt the Resolution.

M/S/C – Motion by Director Loeffler, seconded by Director Kisling to adopt Resolution No. 2019-03, A Resolution of the Board of Directors of the Friant Water Authority Adopting Revised, Comprehensive Personnel Rules as presented. The motion carried. (Roll Call Vote: Ayes – AESWD, FID, KDWCD, KTWD, LID, LSID, MID, OCID, PID, SID, TBID, TID; Nays –0; Absent – CWD, CofF)

- D. Approval of Amended and Restated Joint Exercise of Powers Agreement (JPA) for the San Joaquin Valley Water Infrastructure Authority (SJWVIA). The SJWVIA Amended and Restated JPA was approved by the Board of Directors as outlined in the agenda report. Membership costs and fees may cost around \$15,000 to \$20,000 depending the projects the Board approves. There are no planned projects at this time.

M/S/C – Motion by Director Loeffler, seconded by Director Erickson to approve that the Board Chair execute the Amended and Restated JPA of the SJWVIA on behalf of the FWA and for FWA to continue participation on the SJWVIA Board of Directors, subject to staff confirmation that annual budgets will be maintained at appropriate minimum levels. The motion carried. (Roll Call Vote: Ayes – AESWD, FID, KDWCD, KTWD, LID, LSID, MID, OCID, PID, SID, TBID, TID; Nays –0; Absent – CWD, CofF)

6. GENERAL UPDATES

- A. (G) San Joaquin Valley Blueprint Update – Austin Ewell provided an update on the Valley Blueprint that included an overview of the recently developed draft brochure that describes the organization; challenges facing the region; identifying policy and infrastructure solution to address the challenges; educating elected officials and the public about the challenges and solutions; and advocating for implementation of the Blueprint. He also announced that the Secretary of State formally filed the articles for nonprofit status under education and advocacy on June 19, 2019.
- B. FY 2020/2021 Budget Formulation Update – CFO Willard reported that Staff has completed draft budgets for FY 2020 and FY 2021 as outlined in the agenda report. The routine Operations & Maintenance portions of the Budgets reflect a 2.8% increase for FY 2020 and a 1.5% increase for FY 2021. The inclusion of the Major Maintenance and the Special Projects & Activities have a significant impact on the total of the Budgets. Those projects include; an approximate 15-mile section of Roadway Chip Seal, Motor & Gearbox Upgrades at the Kaweah and the 5th Avenue Check Structures and Radial Gate Replacement at the Tule River Check Structure. Next steps include the O&M Committee review (following today’s Board meeting); the Executive Committee meeting review at its July 15th meeting and finally, Board review and possible conditional approval and direction to put the Budgets out for a 60-day public review. Final approval of the Budgets will be sought at the September 26th Board meeting.
- C. Subsidence Project Update – Janet Atkinson of Stantec and CEO DeFlicht gave an update on the FKC Subsidence Correction project that included Reclamation’s completion of the First Administrative Draft of the Feasibility Report along with a final set of the review comments which were received on June 4th. General Counsel Davis reported that Public Municipal Finance, the company that was retained by Friant to provide documentation as to Friant’s creditworthiness, sent out a request to member agencies to provide additional financial information; if you have not done so already, please fill out the questionnaire and provide it back to Public Municipal Finance at your earliest convenience.
- D. Friant-Kern Canal and Madera Canal Title Transfer Update – COO DeFlicht and Special Counsel Bezdek provided an update on the Friant Division Facilities Title Transfer project as outlined in the agenda report. They reported that Staff continues to participate in ongoing discussion with Reclamation on potential post-title transfer governance issues, namely, whether Reclamation will seek a change in the point of diversion for contractors on the Friant-Kern and Madera Canals once title is transferred. Special Counsel Bezdek also noted that on May 24th, Reclamation rolled out a Categorical Exclusion category that would apply to simple/non complicated transfers of title. He believes that the proposed Friant transfer would fall into this category. Friant will continue to refine the benefits of transfer and continue to respond to the list of concerns as it works towards a MOA Agreement with Reclamation.
- E. OM&R Report Highlights – Review May end-of-the-month report – COO DeFlicht reported on current activities of the OM&R Staff as outlined in the report. Friant staff has worked 1,245 days with a loss time injury accident.
- F. CVP Operations Report - (Bureau of Reclamation) – Rufino Gonzalez provided the Friant Division Water year Comparison Report which included current storage numbers as well water releases. Michael Jackson, Area Manager, gave an update on the Bureau of Reclamation’s current activities

which included the extension of the deadline on Reconsultation efforts to July 15th and WIIN Act contract conversions to 9D contracts.

- G. Federal and State Legislation and Communications Activities – GAS Biering and EA Amaral gave an update on current legislative and communication activities as outlined in the agenda report. They also provided an update on the status on bill SB 487 – ASO snow survey program which passed the Senate Floor and is now headed for a hearing on July 2nd in Assembly Water, Parks and Wildlife Committee. SB 559 – FKC Conveyance Capacity passed the Senate Floor and is also headed to a hearing on July 2nd in the Assembly Water, Parks and Wildlife Committee. They also reported that the Governor had issued Executive Order N-10-19 which puts in place a Water Resiliency Plan.
- H. San Joaquin River Restoration Flows Conveyance Agreements Update – General Counsel Davis updated the Board on the status of the San Joaquin River Restoration Flows Conveyance Agreements and said that they were still waiting to see if Patterson ID would provide supporting documentation as to how it arrived at the proposed conveyance charge of \$135 per AF. In the meantime, water is available and if contractors want to participate in the program they need to sign the Repayment Agreement, and return it to Steve Ottemoeller.

CLOSED SESSION ITEMS

7. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

(Government Code section 54956.9(d)(1))

NRDC v. Murillo, U.S. District Court, Eastern District of California (Sacramento Division), Case No. 88-cv-01658-JAM-GGH.

8. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

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Significant Exposure to Litigation: Two potential matters.

9. CONFERENCE WITH LEGAL COUNSEL-INITIATION OF LITIGATION

(Government Code section 54956.9(d)(4))

Initiation of Litigation: Three potential cases.

10. RECONVENE INTO OPEN SESSION

There was no reportable action taken during closed session.

11. ADJOURNMENT

The meeting adjourned at 1:25 p.m.

Jason R. Phillips, Chief Executive Officer
Friant Water Authority

Toni Marie, Recording Secretary
Friant Water Authority

OTHERS IN ATTENDANCE:

Jeevan Muhar	Arvin-Edison W.S.D.
Steve Collup	Arvin-Edison W.S.D.
Doug Welch	Chowchilla W.D.
William R. Stretch	Fresno I.D.
Mark Larsen	Kaweah-Delta W.C.D.
Skye Grass	Kern-Tulare W.D.
Michael Hagman	Lindmore I.D.
Scott Edwards	Lindsay-Strathmore I.D.
Fergus Morrissey	Orange Cove I.D.
HR "Gus" Collin	Orange Cove I.D.
Sean Geivet	Porterville I.D., Saucelito I.D., Terra Bella I.D.
Aaron Fukuda	Tulare I.D.
Don Davis	FWA General Counsel
John Bezdek	FWA Special Counsel
Toni Marie	FWA
Jason Phillips	FWA
Doug DeFlitch	FWA
Jeff Payne	FWA
Don Willard	FWA
Alex Biering	FWA
Vivian Garcia	FWA
Christopher Hunter	FWA
Chris Hickernell	FWA
Johnny Amaral	FWA
Bill Luce	Bill Luce Consulting
Austin Ewell	Ewell Group
Eric Limas	LTRID/TPDWD/PIXID
Tom Weddle	EID/IID
Janet Atkinson	Stantec
Don Wright	Waterwrights.com
Aubrey Mauritson	Attorney
Rufino Gonzalez	USBR
Craig Mayfield	USBR
Johnny Gailey	Delta View Water Association
Kim Brown	Wonderful Orchards

Agenda Report

No. 8.B

DATE: July 25, 2019

TO: Board of Directors

FROM: Finance Committee, Don Willard, CFO

SUBJECT: Approve the payment of bills for July 2019 and accept Cash Activity Reports for June 2019

SUMMARY:

The Finance Committee met on July 22, 2019 and reviewed the bills to be paid for July 2019 and the Cash Activity Reports for June. There was a quorum at the meeting.

FINANCE COMMITTEE ACTION:

The Finance Committee acted to recommend to the Board of Directors payment of the July 2019 bills in the amount of \$1,218,561.79 and acceptance of the Cash Activity Reports for June 2019.

RECOMMENDED ACTION:

The Finance Committee recommends approval for payment of the July 2019 bills in the amount of \$1,218,561.79 and acceptance of the June 2019 Cash Activity Reports.

SUGGESTED MOTION:

The Board of Directors approve the July 2019 payments in the amount of \$1,218,561.79 and accept the June 2019 Cash Activity Reports.

BUDGET IMPACT:

\$1,095,929.91 chargeable to the FY 2019 O&M Budget; \$122,631.88 chargeable to the FY 2019 GM Budget;

\$0.00 - from Temperance Flat MOU Group Funds.

\$720,892.48 wire to SLDMWA for June / July.

ATTACHMENTS:

Friant Water Authority Expenditures – July 2019
Friant Water Authority June 2019 Cash Activity Reports

FRIANT WATER AUTHORITY EXPENDITURES TO BE APPROVED, JULY 2019

PAYEE	O&M FUND	GM FUND	TOTAL	DESCRIPTION
These bills paid 7/10/19				
Standard Insurance	6,166.62	1,641.84	7,808.46	Survivors life insurance premium
Lincoln National Life Insurance	3,466.96	506.01	3,972.97	Long term disability and Life insurance premiums
FedEx	-	319.68	319.68	Priority overnight (4)
Xerox	-	302.40	302.40	Maintenance agreement for (1) copier
Comcast	-	288.77	288.77	Internet service for Sacramento office
Ability	120.15	-	120.15	Answering service for Lindsay office and canal alarms
AT&T	500.55	-	500.55	Telephone service charges
Boot Barn	1,009.89	-	1,009.89	Safety boots for (6) employees (\$174.59 reimbursable)
City of Delano	211.39	-	211.39	City utility services
City of Lindsay	372.66	-	372.66	City utility services
Culligan	561.90	-	561.90	Water conditioning services for Lindsay and OC yards
Frontier Communications	86.35	-	86.35	Telephone service charges
Grainger	118.08	-	118.08	Shop supplies for OC yard
Graybar	650.62	-	650.62	Replacement lights for Delano yard
Home Depot	425.55	-	425.55	Supplies for OC and Delano yards
Jack Griggs Inc.	27.39	-	27.39	Propane for Lindsay yard (7.8 gallons)
Jim's Steel Supply	259.80	-	259.80	Metal materials for Delano yard
Lindsay House of Glass	26.87	-	26.87	Window glass for repairs at Lindsay yard
Mail Finance	480.53	-	480.53	Quarterly lease payment for postage meter
Media Solutions	1,973.00	-	1,973.00	Audio and visual system for Board of Directors meeting
Microsoft	1,277.03	-	1,277.03	Microsoft Intune and Office 365
Office Team	1,542.24	-	1,542.24	Administrative services for Lindsay office (72 hours)
Pacific Gas & Electric	131.18	-	131.18	Utility service charges and engineering advance for Shafter pump back plans
PAPA Seminars	800.00	-	800.00	Continuing education for qualified applicator employees (8)
QPCS	34,615.00	-	34,615.00	Routers for SCADA communication
Quill	168.86	-	168.86	Office supplies for Lindsay office
Robert V. Jensen	5,933.41	-	5,933.41	Fuel for OC yard
Sherwin-Williams Co.	4,334.33	-	4,334.33	Exterior paint for the maintenance buildings at the Lindsay yard
Smart & Final	113.82	-	113.82	Supplies for Delano yard
SoCal Gas	101.31	-	101.31	Utility service charges
Southern California Edison	504.52	-	504.52	Facility and canal utility service charges
Sparkletts	132.58	-	132.58	Water conditioning services for Lindsay office and Kings River house
Sue Sa's Creative Catering	3,320.00	-	3,320.00	Board of Directors meetings
Telcion	21,450.65	-	21,450.65	Net work equipment installed at Delano yard
Unwired Broadband, Inc.	299.98	-	299.98	Internet connection for O/C and Delano yards
Vast Network	800.00	-	800.00	Internet connection for Lindsay office
Verizon	3,761.45	-	3,761.45	SCADA communication charges
Verizon Wireless	1,997.27	-	1,997.27	SCADA mobile to mobile communication charges
Vulcan Materials	1,535.66	-	1,535.66	Materials for road maintenance
Wal Mart	17.84	-	17.84	Supplies for Water Ops

FRIANT WATER AUTHORITY EXPENDITURES TO BE APPROVED, JULY 2019

PAYEE	O&M FUND	GM FUND	TOTAL	DESCRIPTION
Total paid:	99,295.44	3,058.70	102,354.14	
Bills to be paid 7/25/19				
The Ferguson Group	4,606.50	21,673.50	26,280.00	Consulting services for May, retainers for July and August
Water & Power Law Group	7,163.97	20,408.12	27,572.09	Professional services for June
Bank of America	9,586.53	14,669.33	24,255.86	Various Visa charges (Hotel and meal expenses)
Bill Luce Consulting	-	9,441.85	9,441.85	Consulting services for June
Stantec	-	8,738.00	8,738.00	Consulting services for May
ACWA / JPIA	80,762.69	6,952.36	87,715.05	Medical, dental, vision insurance and excess crime insurance
ICF Consulting Group	-	6,625.00	6,625.00	Consulting services for June
Ottemoeller Consulting Services, LLC	-	6,330.74	6,330.74	Consulting services for June
Villines Group	4,500.00	5,660.08	10,160.08	Consulting services for June
Burke, Williams & Sorensen, LLP	25,625.34	3,425.00	29,050.34	Professional services for May
Senator Seagate, L.P.	-	3,327.66	3,327.66	Rent for Sacramento office
Executive Suites at River Bluff	-	3,295.00	3,295.00	Rent for Fresno office
Optimal Aviation	2,590.04	2,590.04	5,180.08	Round trip charter to Sacramento
Commuter Industries	-	1,575.00	1,575.00	Designing services for personal rule booklet and SJV Blueprint brochures
Principle Life Insurance	-	1,313.41	1,313.41	Quarterly administrative services
Starting Point Solutions	-	1,037.20	1,037.20	Consulting services for June
Amaral, Johnny	-	603.20	603.20	Expense claim reimbursement
Swenson, Mia	-	455.82	455.82	Expense claim reimbursement
SP Plus-Hyatt	-	400.00	400.00	Monthly rent for (2) parking spaces at the Sacramento office
Zoom	1,316.16	360.33	1,676.49	Supplies for copiers and overage charges
Xerox	-	314.60	314.60	Maintenance agreement for (1) copier
Office Depot	-	244.79	244.79	Office supplies for Lindsay office
West Unified Communications Services	152.04	132.15	284.19	Conference calls
Amazon	219.04	-	219.04	Office supplies for Lindsay office
AT&T	188.00	-	188.00	Telephone service charges
Auto Zone	73.40	-	73.40	Mechanic supplies and monthly routine parts for Lindsay fleet of vehicles
Awards & Signs Unlimited	27.13	-	27.13	Office supplies for Lindsay office
Battery Systems	2,105.06	-	2,105.06	Batteries (8) and supplies
Blankinship & Associates	1,316.67	-	1,316.67	Retainer for 2019 NPDES aquatic pesticide permit compliance support
Brownfield, Mike	102.90	-	102.90	Finance/Human Resources Committee meetings
California Compuforms	3,577.47	-	3,577.47	Membership directories and hats
Central Valley Business Forms	388.90	-	388.90	Office supplies for Lindsay office
City of Orange Cove	428.97	-	428.97	City utility services
CLF Warehouse	113.14	-	113.14	Shop supplies for OC yard
Coastline Equipment	87.22	-	87.22	Repair parts for JD loader
County of Fresno Treasurer	371.43	-	371.43	Squirrel bait (200 lbs.)
County of Kern Environmental Health Servic	594.14	-	594.14	Kern County annual fee for hazardous environmental health permit
Craig's Auto Parts	60.33	-	60.33	Mechanic supplies and monthly routine parts for Lindsay fleet of vehicles
Daco	24.89	-	24.89	Routine parts & supplies for Delano maintenance vehicles & equipment

FRIANT WATER AUTHORITY EXPENDITURES TO BE APPROVED, JULY 2019

PAYEE	O&M FUND	GM FUND	TOTAL	DESCRIPTION
Datavault, Inc.	30.75	-	30.75	Legal documentation storage
Dell	2,136.61	-	2,136.61	Computer for Accounting Operations Administrator
Dinuba Lumber	546.65	-	546.65	Monthly routine hardware and supplies for OC yard
Doug DeLeo Welding	147.90	-	147.90	Welding shop supplies
Fastenal	410.67	-	410.67	Hardware for OC and Delano yards
Foothill Auto Parts	1,152.12	-	1,152.12	Routine parts & supplies for OC maintenance vehicles & equipment
Foundation For Medical	100.00	-	100.00	Cobra administration service
Fruit Growers Supply	3,069.27	-	3,069.27	Miscellaneous supplies for all three yards and Water Ops
Fusion Cloud Services, LLC	241.38	-	241.38	Telephone service charges
Grainger	197.42	-	197.42	Hardware for OC yard and Water Ops
Grossmayer & Associates	270.00	-	270.00	Great Plains remote support
Home Depot	2,903.11	-	2,903.11	Materials for Lindsay, Delano yards and Water Ops
Independent Pipe & Steel	1,415.57	-	1,415.57	Materials for bar gates
Jack Griggs Inc.	27.03	-	27.03	Propane for Lindsay yard (7.7 gallons)
Lalannes Inc.	57.82	-	57.82	Paint supplies for Lindsay yard
Lindsay True Value	148.23	-	148.23	Monthly routine hardware and supplies for Lindsay yard
Loeffler, Cliff	106.96	-	106.96	Finance/Human Resources Committee meetings
MH Wolfe and Associates	4,766.25	-	4,766.25	Consulting services for June
Monarch Ford	57.63	-	57.63	Repair parts for pickup
Moonlight Maintenance Service	1,885.00	-	1,885.00	Janitor service for all three yards
Morris Levin & Son	20.37	-	20.37	Repair parts for pickup
Nutrien Ag Solutions	1,520.67	-	1,520.67	Lifeline for Delano yard (10 gallons) and Forfeit for OC yard (12.50 gallons)
Orange Cove Tire Service	80.00	-	80.00	Tire repairs
Pacific Gas & Electric	3,117.75	-	3,117.75	Utility service charges
Pape Kenworth	2,233.13	-	2,233.13	Repair parts for spray rig, dump truck and supplies
PBW Distributor	450.17	-	450.17	Repair parts for backhoe and shop supplies
Praxair	33.14	-	33.14	Welding supplies for Delano yard
Protection One	401.61	-	401.61	Quarterly alarm service charges for OC and Delano yards
Prudential Overall Supply	2,369.01	-	2,369.01	Uniform, coverall, mat service charges for all three yards
QPCS	41,593.14	-	41,593.14	Cradle point router deployment-SCADA and quarterly maintenance
Quality Smog	50.00	-	50.00	Smog inspection (1)
Quill Corporation	294.69	-	294.69	Office supplies for Lindsay office
Reedley Lumber	104.68	-	104.68	Kings River generator electrical repair parts
Robert V. Jensen	4,905.72	-	4,905.72	Fuel for Lindsay yard
San Joaquin Auto & Truck Electric	350.92	-	350.92	Repair parts for grader
San Joaquin Pest Control	247.00	-	247.00	Pest control services for all three yards
San Luis & Delta Mendota Water Authority	720,892.48	-	720,892.48	Settlement contractor's estimated July/August (wire)
Sevier's Auto	252.48	-	252.48	Mechanic supplies and monthly routine parts for Delano fleet of vehicles
Sherwin-Williams Co.	1,033.13	-	1,033.13	Exterior paint for the maintenance buildings at the Lindsay yard
Smith Auto Parts	456.72	-	456.72	Monthly routine parts, supplies for OC yard & fleet of vehicles
Snap-on Tools	80.75	-	80.75	Repair parts for pickup
SoCal Gas	20.83	-	20.83	Utility service charges

FRIANT WATER AUTHORITY EXPENDITURES TO BE APPROVED, JULY 2019

PAYEE	O&M FUND	GM FUND	TOTAL	DESCRIPTION
Stop Alarm	486.00	-	486.00	Quarterly alarm monitoring for Lindsay yard
Truck Pro	131.91	-	131.91	Repair parts for water truck
Tulare County Tax Collector	252.96	-	252.96	Occupancy tax for canal system operator houses-Tule River and Kaweah
Valley Pacific Petroleum	12,826.02	-	12,826.02	Fuel for all three yards
Verizon Wireless	2,078.65	-	2,078.65	Service charges for (27) cell phones, (3) air cards, (4) iPads and SCADA mobile
Vulcan Materials	549.80	-	549.80	Materials for road maintenance
Weisenberger's Ace Hardware	207.95	-	207.95	Supplies for Lindsay yard and Water Ops
Wex Bank	656.47	-	656.47	Various fuel charges
Subtotal to be paid	963,350.48	119,573.18	1,082,923.66	
Total previously paid	99,295.44	3,058.70	102,354.14	
Total O&M and GM to be approved	1,062,645.92	122,631.88	1,185,277.80	
Total from Pump Back Grant			29,706.99	
Total from WIIN and SJRRP Grant			3,577.00	
Total from Temperance Flat MOU			0.00	
Grand Total			1,218,561.79	

FRIANT WATER AUTHORITY EXPENDITURES TO BE APPROVED, JULY 2019

PAYEE	6221	50%	100%	7161	TOTAL	DESCRIPTION
	Pump Back	6225	6225	Temperance		
		WIIN	SJRRP	Flat		
Bills to be paid 7/10/19						
Pacific Gas & Electric	10,000.00	-	-	-	10,000.00	Engineering advance
Subtotal to be paid	10,000.00	-	-	-	10,000.00	
Total previously paid	-	-	-	-	-	
Grand total to be approved	10,000.00	0.00	0.00	0.00	10,000.00	

Bills to be paid 7/25/19						
Bank of America	-	402.00	-	-	402.00	Various Visa charges
Burke, Williams & Sorensen, LLP	2,175.00	3,175.00	-	-	5,350.00	Professional services for May
CDM Smith	11,755.84	-	-	-	11,755.84	Consulting services for January
Ottemoeller Consulting Services, LLC	308.25	-	-	-	308.25	Consulting services for June
Provost & Pritchard	5,417.70	-	-	-	5,417.70	Consulting services for June
West Unified Communications	50.20	-	-	-	50.20	Conference calls
Subtotal to be paid	19,706.99	3,577.00	-	-	23,283.99	
Total previously paid	10,000.00	-	-	-	10,000.00	
Grand total to be approved	29,706.99	3,577.00	0.00	0.00	33,283.99	

FRIANT WATER AUTHORITY

**CASH ACTIVITY BALANCE
MONTH ENDING JUNE 30, 2019**

	Beginning Balance	Increases	Decreases	Ending Balance
FKC Operations & Maintenance	\$ 4,051,967.53	1,183,574.33	(1,570,340.08)	\$ 3,665,201.78
SLDMWA	\$ 600,416.41	2,340,176.58	(2,491,118.76)	\$ 449,474.23
Total	\$ 4,652,383.94	3,523,750.91	(4,061,458.84)	\$ 4,114,676.01
General Member	\$ 260,397.75	6,435.46	(247,536.69)	\$ 19,296.52
Temperence Flat MOU project	\$ 730,815.55	0.00	(33,447.06)	\$ 697,368.49
			Total	\$ 4,831,341.02

**BANK ACTIVITY BALANCE
MONTH ENDING JUNE 30, 2019**

Local Agency Investment Fund	\$ 3,453,135.33	1,425,423.16	(1,500,000.00)	\$ 3,378,558.49
Bank of the Sierra	\$ 2,190,461.91	2,104,763.21	(2,842,442.59)	\$ 1,452,782.53
			Total	\$ 4,831,341.02

NOTE: Cash on deposit with LAIF represents the consolidation of available balances held by all FWA funds. Most Current Interest Rate: For month ended 06/30/2019, effective yield, 2.428%
Total LAIF fund as of 06/30/2019: \$24,584,685,279.85

The Authority's investments are in compliance with its Statement of Investment Policy dated July 22, 2004.
Management believes it is fully able to meet its expenditure requirements for the next six months.

**FRIANT WATER AUTHORITY
O&M FUND
CASH ACTIVITY REPORT
MONTH ENDING JUNE 30, 2019**

	<u>Checking & Investments</u>	<u>Payroll Checking</u>	<u>Petty Cash</u>	<u>Total</u>
CASH BALANCE MAY 31, 2019	\$ 4,637,249.59	\$ 14,333.35	\$ 801.00	\$ 4,652,383.94
Increases:				
District O&M receipts	611,563.95	-	-	611,563.95
SLDMWA receipts	2,315,342.41	-	-	2,315,342.41
Miscellaneous deposits	7,010.84	-	-	7,010.84
Interest received from Bank of the Sierra	255.90	-	-	255.90
Other Funds:				-
Current Month Payroll & Benefits reimbursement	74,498.80	-	-	74,498.80
Administration Allocation	9,735.18	-	-	9,735.18
Held payroll voided	180,000.00	-	-	180,000.00
Payroll deposits	-	325,343.83	-	325,343.83
Total Increases	<u>3,198,407.08</u>	<u>325,343.83</u>	<u>0.00</u>	<u>3,523,750.91</u>
Decreases:				
O&M Expenditures	638,823.24	-	-	638,823.24
Pump Back Project Expenditures	31,731.42	-	-	31,731.42
Subsidence Project Expenditures	305,492.68	-	-	305,492.68
Wire to SLDMWA (WY2019)	2,471,082.87	-	-	2,471,082.87
Electronic Wire Transfers to Standard	39,283.68	-	-	39,283.68
Bank charges	50.00	-	-	50.00
Payroll Cash Outlays - Sweep	235,317.77	339,677.18	-	574,994.95
Total Decreases	<u>3,721,781.66</u>	<u>339,677.18</u>	<u>0.00</u>	<u>4,061,458.84</u>
CASH BALANCE BEFORE INTERFUND ACTIVITY	<u>\$ 4,113,875.01</u>	<u>\$ -</u>	<u>\$ 801.00</u>	<u>\$ 4,114,676.01</u>
Interfund transfer from O&M				0.00
CASH BALANCE JUNE 30, 2019	<u>\$ 4,113,875.01</u>	<u>\$ -</u>	<u>\$ 801.00</u>	<u>\$ 4,114,676.01</u>

**FRIANT WATER AUTHORITY
GENERAL MEMBERS FUND
CASH ACTIVITY REPORT
MONTH ENDING JUNE 30, 2019**

CASH BALANCE MAY 31, 2019		\$ 260,397.75
Increases:		
Investment Interest	6,435.46	
Voided A/P check	<u> </u>	
Total Cash Receipts		6,435.46
Decreases:		
Consulting	61,878.37	
Contract Services	15,290.09	
Legal	24,447.86	
Meetings	157.92	
Office Supplies	5,066.79	
Other	14,041.46	
Rents	7,088.29	
Travel	22,454.10	
Utilities	288.77	
Other Payroll Benefits	12,589.06	
Reimburse O&M:		
Current Month Payroll & Benefits	74,498.80	
Administration Allocation	<u>9,735.18</u>	
Less Total Cash Disbursements		<u>247,536.69</u>
CASH BALANCE BEFORE INTERFUND ACTIVITY		<u>19,296.52</u>
Interfund transfer from O&M		
CASH BALANCE JUNE 30, 2019		<u><u>\$ 19,296.52</u></u>

FRIANT WATER AUTHORITY
MONTH ENDING JUNE 30, 2019
CASH ACTIVITY REPORT
LOCAL AGENCY INVESTMENT FUND (L.A.I.F.)
(FUNDS ON DEPOSIT WITH STATE OF CALIFORNIA)
CASH ACTIVITY REPORT

CASH BALANCE MAY 31, 2019	<u>\$ 3,453,135.33</u>
Increases:	
Transfer from checking	1,425,423.16
Decreases:	
Transfer to checking	<u>1,500,000.00</u>
CASH BALANCE JUNE 30, 2019	<u><u>\$ 3,378,558.49</u></u>

Balance ascribed to:	
O&M Fund	\$ 2,523,331.58
General Member Fund	<u>855,226.91</u>
	<u><u>\$ 3,378,558.49</u></u>

NOTE: Cash on deposit with LAIF represents the consolidation of available balances held by all FWA funds. Most Current Interest Rate: For month ended 06/30/2019, effective yield, 2.428%
Total LAIF fund as of 06/30/2019: \$24,584,685,279.85

The Authority's investments are in compliance with its Statement of Investment Policy dated July 22, 2004.

Management believes it is fully able to meet its expenditure requirements for the next six months.

**FRIANT WATER AUTHORITY
 TEMPERANCE FLAT MOU PROJECT
 CASH ACTIVITY REPORT
 MONTH ENDING JUNE 30, 2019**

CASH BALANCE MAY 31, 2019		\$ 730,815.55
Increases:		
No increases	-	
Total Cash Receipts		-
Decreases:		
Stantec	33,447.06	
Less Total Cash Disbursements		33,447.06
CASH BALANCE JUNE 30, 2019		\$ 697,368.49

In-Kind Contribution		\$ 100,000.00
Staff		
J. Payne	39,003.76	
S. Ottemoeller	190.62	
Consultants		
Burke Williams	43,050.00	
Bill Luce Consulting	2,718.84	
Other costs	6,558.69	

In-Kind Contribution thru June 30, 2019		\$ 91,521.91
In-Kind Contribution balance		\$ 8,478.09

FWA Budget Presentation

FY 2018 - 2019

Budget year 75% completed

Operations & Maintenance	FY 2019 Budget	6/30/2019 Year to Date	Budget Remaining	Budget Spent %
<i>Operations Dept</i>				
Employee Salaries/Pay	778,730	533,161	245,569	68%
Employee Benefits	339,047	242,540	96,507	72%
Supplies & Services	1,032,287	247,987	784,300	24%
Total Operations	2,150,064	1,023,688	1,126,376	48%
<i>Maintenance Dept</i>				
Employee Salaries/Pay	1,997,590	1,197,594	799,996	60%
Employee Benefits	854,032	610,364	243,668	71%
Supplies & Services	1,920,319	1,550,277	370,042	81%
Total Maintenance	4,771,941	3,358,235	1,413,706	70%
Administration Allocation to O&M	1,695,549	1,278,331	417,218	75%
Administration Fixed Assets not allocated	49,362	40,769	8,593	83%
Total Operations & Maintenance	8,666,916	5,701,023	2,965,893	66%

General Member	FY 2019 Budget	6/30/2019 Year to Date	FY 2019 Remaining	Budget spent %
Employee Salaries/Pay with Benefits	795,500	688,192	107,308	87%
Other supplies and services	399,000	409,145	(10,145)	103%
Admin Allocation to GM	135,000	90,379	44,621	67%
General Counsel	100,000	33,806	66,194	34%
Outside Legal Consultants	275,000	159,761	115,239	58%
Other Consultants	923,000	790,788	132,212	86%
Total General Member	2,627,500	2,172,071	455,429	83%

FWA Revenue Presentation

FY 2018 - 2019

Operations & Maintenance	FY 2019 Budget	6/30/2019 Year to Date	Budget Remaining
Revenue			
Interest Income	10,000	33,726	(23,726)
Miscellaneous Income	40,000	63,941	(23,941)
Water Sales Revenue	-	87,882	(87,882)
Federal Grant Revenue	-	-	-
O & M Revenue	8,616,916	7,180,760	1,436,156
Total Revenue	8,666,916	7,366,309	1,300,607
Expenses			
Total Operations	2,150,064	1,023,687	1,126,377
Total Maintenance	4,771,941	3,358,235	1,413,706
Total Administration	1,744,911	1,319,101	425,810
Total O&M Expenses	8,666,916	5,701,023	2,965,893

General Member	FY 2019 Budget	6/30/2019 Year to Date	FY 2019 Remaining
Revenue			
Interest Income	-	15,677	(15,677)
GM Revenue	2,949,000	2,211,750	737,250
Miscellaneous	-	456	(456)
Associate Dues	12,000	9,000	3,000
FY 18 Carryover	(333,600)	-	(333,600)
Total Revenue	2,627,400	2,236,883	390,517
Total GM Expenses	2,627,500	2,172,071	455,429

**FRIANT WATER AUTHORITY
OCTOBER 2018 - June 2019**

BUDGET ITEM	FYE 9/30/19	CURRENT YTD	PROJECTED	YEAR-TO-DATE	YEAR-TO-DATE
	BUDGET AMT	FWA	REMAINING	LABOR	NON-LABOR
OPERATIONS DEPT:					
Vehicle & Equipment Service	-	856	(856)	-	856
Weed & Pest Control	-	847	(847)	847	-
Yard & Building Maintenance	86,969	37,400	49,569	21,406	15,994
Structure & Gate Maintenance	368,545	18,321	350,224	14,168	4,153
Right of Way & Structure Cleaning	8,969	-	8,969	-	-
Bargate, Guardrail & Lock Maintenance	5,705	-	5,705	-	-
Sump Pump Maintenance	32,287	-	32,287	-	-
Comm. & Instr. (General)	666	4,046	(3,380)	3,097	949
Comm. & Instr. (SCADA)	428,952	102,426	326,526	58,097	44,329
Meter Repair & Calibration	198,596	79,583	119,013	41,370	38,213
Canal Patrol	186,971	206,593	(19,622)	205,494	1,099
Operations Reports	111,075	99,131	11,944	97,587	1,544
Operations Supervision	41,379	25,299	16,080	25,299	-
Water Measurement	86,109	5,004	81,105	4,725	279
Miscellaneous Operations	4,188	629	3,559	-	629
Water Quality	-	2,125	(2,125)	-	2,125
Groundwater Well Measurement	4,465	1,734	2,731	1,734	-
Safety & First Aid Training	16,993	3,390	13,603	514	2,876
Payroll Preparation	497	-	497	-	-
Meeting Expenses-General	3,972	687	3,285	626	61
Meeting Expenses-Staff	4,027	1,235	2,792	1,235	-
Training & Education	34,327	591	33,736	591	-
Procurement Expense	993	-	993	-	-
Inventory & Property Management	4,745	-	4,745	-	-
Employee Benefit-Holiday	24,161	17,360	6,801	17,360	-
Employee Benefit-Sick Pay	-	16,983	(16,983)	9,339	7,644
Employee Benefit-Vacation	44,047	33,073	10,974	29,040	4,033
Employee Benefit-Jury Duty/Military	-	-	-	-	-
Utilities	20,161	19,469	692	-	19,469
Telephone Expense	43,620	43,244	376	-	43,244
Postage	561	-	561	-	-
Budget Preparation	993	632	361	632	-
Retirement, Health Ins, Payroll Taxes	339,046	242,539	96,507	-	242,540
Depreciation expense - Operations	-	-	-	-	-
Vehicle & Equipment Acquisition	47,044	60,490	(13,446)	-	60,490
FKC Subsidence	-	-	-	-	-
TOTAL OPERATIONS DEPT	2,150,063	1,023,687	1,126,376	533,161	490,527

**FRIANT WATER AUTHORITY
OCTOBER 2018 - June 2019**

BUDGET ITEM	FYE 9/30/19	CURRENT YTD	PROJECTED	YEAR-TO-DATE	YEAR-TO-DATE
	BUDGET AMT	FWA	REMAINING	LABOR	NON-LABOR
MAINTENANCE DEPT:					
Vehicle & Equipment Service	679,511	383,246	296,265	106,178	277,068
Maintenance Supervision	381,746	253,418	128,328	253,197	221
Right of Way Management	91,541	43,465	48,076	40,429	3,036
Weed & Pest Control	695,270	510,620	184,650	186,183	324,437
Road Maintenance	178,704	318,628	(139,924)	65,911	252,717
Yard & Building Maintenance	244,161	187,290	56,871	95,735	91,555
Structure & Gate Maintenance	101,572	33,984	67,588	22,406	11,578
Right of Way & Structure Cleaning	29,724	23,239	6,485	23,239	-
Bargate, Guardrail & Lock Maintenance	58,759	24,103	34,656	14,126	9,977
Embankment Maintenance	73,782	64,514	9,268	60,809	3,705
Bridge Maintenance	89,621	52,239	37,382	25,645	26,594
Miscellaneous Maintenance	35,190	5,839	29,351	1,808	4,031
Reverse Flow Pumping	-	48,553	(48,553)	103	48,450
Concrete Lining Repair	11,036	1,428	9,608	1,179	249
Drainditch & Channel Maintenance	28,171	11,141	17,030	11,141	-
Fence Maintenance	45,971	32,438	13,533	27,235	5,203
Mudjacking	20,948	6,298	14,650	5,787	511
Painting	73,540	23,755	49,785	13,086	10,669
Sump Pump Maintenance	1,846	-	1,846	-	-
Cross Drainage & Structure Maint	10,386	-	10,386	-	-
Rip-Rapping	19,045	-	19,045	-	-
USBR Pump Back Project	46,697	-	46,697	-	-
FKC Subsidence	77,871	-	77,871	-	-
FKC Capacity Correction	-	108,293	(108,293)	6,646	101,647
Operations Supervision	42,130	19,831	22,299	19,831	-
Miscellaneous Operations	-	178	(178)	-	178
Water Quality	-	29,523	(29,523)	4,421	25,102
FKC Title Transfer	80,000	58,837	21,163	1,371	57,466
Legal Expense - Direct	6,110	12,255	(6,145)	-	12,255
Safety & First Aid Training	87,782	18,856	68,926	5,244	13,612
Payroll Preparation	2,334	510	1,824	510	-
Meeting Expenses-General	21,018	18,312	2,706	12,397	5,915
Meeting Expenses-Board of Directors	9,781	9,712	69	9,712	-
Meeting Expenses-Subcommittee	6,746	7,618	(872)	6,956	662
Meeting Expenses-Staff	13,490	9,889	3,601	9,636	253
Training & Education	55,744	8,442	47,302	4,892	3,550
Misc Administration for (O&M)	-	11,057	(11,057)	10,888	169
Procurement Expense	9,879	1,763	8,116	1,763	-
Inventory & Property Management	5,058	-	5,058	-	-
Employee Benefit-Holiday	64,887	45,434	19,453	45,434	-
Employee Benefit-Sick Pay	-	51,193	(51,193)	45,855	5,338
Employee Benefit-Vacation	105,563	79,509	26,054	50,666	28,843
Employee Benefit-Jury Duty/Military	-	864	(864)	864	-
Travel	8,400	6,905	1,495	-	6,905
Personnel Administration	15,397	6,695	8,702	-	6,695
Retirement, Health Ins, Payroll Taxes	854,032	610,364	243,668	-	610,364
Utilities	76,805	49,645	27,160	-	49,645
Telephone Expense	17,830	9,680	8,150	-	9,680
Dues & Subscriptions	6,699	4,946	1,753	-	4,946
Budget Preparation	10,883	5,063	5,820	5,063	-
Vehicle & Equipment Acquisition	276,281	147,415	128,866	-	147,415
Merit Program	-	-	-	-	-
Depreciation expense - Maintenance	-	-	-	-	-
Services for outside contracts	-	1,248	(1,248)	1,248	-
TOTAL MAINTENANCE DEPT	4,771,941	3,358,235	1,413,706	1,197,594	2,160,641

**FRIANT WATER AUTHORITY
OCTOBER 2018 - June 2019**

BUDGET ITEM	FYE 9/30/19	CURRENT YTD	PROJECTED	YEAR-TO-DATE	YEAR-TO-DATE
	BUDGET AMT	FWA	REMAINING	LABOR	NON-LABOR
ADMINISTRATIVE:					
Legal Expense - Direct	-	-	-		
Comm. & Instr. (SCADA)	25,145	15,661	9,484	15,661	-
Administrative Supervision	18,693	6,581	12,112	6,581	-
Safety & First Aid Training	15,917	14,267	1,650	2,255	12,012
Office Administration (Typing, etc.)	243,471	157,360	86,111	133,330	24,030
Payroll Preparation	8,836	4,724	4,112	4,724	-
Meeting Expenses-General	8,246	18,906	(10,660)	12,382	6,524
Meeting Expenses-Board of Directors	72,119	59,910	12,209	5,488	54,422
Meeting Expenses-Subcommittee	53,960	27,928	26,032	5,600	22,328
Meeting Expenses-Staff	8,212	8,753	(541)	7,865	888
Training & Education	26,183	10,298	15,885	2,789	7,509
Miscellaneous Administration	55,450	1,956	53,494	-	1,956
Procurement Expense	1,785	-	1,785	-	-
Inventory & Property Management	1,284	-	1,284	-	-
Employee Benefit-Holiday	22,798	17,005	5,793	17,005	-
Employee Benefit-Sick Pay	-	16,079	(16,079)	22,380	(6,301)
Employee Benefit-Vacation	36,067	27,655	8,412	21,920	5,735
Employee Benefit-Jury Duty/Military	-	120	(120)	120	-
Data Processing	199,996	138,317	61,679	41,777	96,540
Travel Expense	8,700	1,041	7,659	-	1,041
Accounting & Auditing	238,443	186,905	51,538	184,305	2,600
Personnel Administration	17,759	71,590	(53,831)	45,660	25,930
Retirement Administration	5,300	-	5,300	-	-
Liability Insurance	138,720	112,117	26,603	-	112,117
Workers Compensation Insurance	120,000	63,544	56,456	-	63,544
Legal Services	10,200	1,898	8,302	-	1,898
Utilities	25,337	18,190	7,147	-	18,190
Telephone Expense	24,694	18,468	6,226	-	18,468
Office Supplies	40,367	44,436	(4,069)	-	44,436
Employee Incentives & Awards	8,160	-	8,160	-	-
Postage	4,488	2,758	1,730	-	2,758
Dues & Subscriptions	88,006	91,886	(3,880)	-	91,886
Budget Preparation	4,610	6,808	(2,198)	6,808	-
Lease Office Equipment	34,088	24,833	9,255	-	24,833
Retirement, Health Ins, Payroll Taxes	259,953	208,452	51,501	-	208,452
Depreciation expense - Administration	-	-	-	-	-
Fixed Assets (not included in allocation)	49,362	40,769	8,593	-	40,769
FKC Subsidence	-	-	-	-	-
USBR Pump Back Project	-	-	-	-	-
Admin Reimb - GM Fund	(131,438)	(100,114)	(31,324)	-	(100,114)
	-	-	-		
TOTAL ADMINISTRATION	1,744,911	1,319,101	425,810	536,650	782,451

Administration Total Allocated out

O&M 92.56% 1,244,635
GM 7.44% 100,114

BUDGET ITEM	FYE 9/30/19	CURRENT YTD	PROJECTED	CURRENT YTD
	BUDGET AMT	FWA	REMAINING	NON-LABOR
CARRY OVER ITEMS FY 2018				
Vehicles	66,605	60,490	6,116	
Motor & Gearboxes Upgrades	104,652		104,652	
TOTAL CARRY OVER ITEMS FY 2018	171,257	60,490	110,768	-

**FRIANT WATER AUTHORITY
OCTOBER 2018 - June 2019**

BUDGET ITEM	CURRENT YTD		YEAR-TO-DATE	
	FWA		LABOR	NON-LABOR
GENERAL MEMBERSHIP:				
Employee Benefit-Holiday	-	18,713	18,713	-
Employee Benefit-Sick Pay	-	8,189	25,917	(17,728)
Employee Benefit-Vacation	-	47,495	37,414	10,081
Employee Benefit-Jury Duty/Military	-	-	-	-
Travel Expense	-	21,761	-	21,761
City of Fresno vs USA (JDA)	-	5,075	-	5,075
GM Administrative Costs	-	320,894	201,726	119,168
Administration Allocation	-	100,114	-	100,114
Water Supply Management	-	73,816	490	73,326
Friant Supply, Tracking, Policies & Defense	-	14,140	9,030	5,110
Delta Supply, Tracking, Policies & Defense	-	288,917	39,624	249,293
San Joaquin Settlement	-	67,949	19,169	48,780
Reconsultation (CVP/SWP) LTO	-	22,248	4,196	18,052
Friant Sustainability Plan	-	161,429	16,370	145,059
SJV Blue Print	-	173,979	39,429	134,550
Upstream Storage	-	25,636	6,703	18,933
Special Projects	-	3,610	3,335	275
NASA Airborne Snow Observatory	-	30,144	13,229	16,915
Organization & Governance	-	6,938	5,743	1,195
Annual Strategic Planning	-	566	566	-
Friant Member & Grower Coordination	-	136,843	28,327	108,516
Grants and Funding Development	-	3,355	2,080	1,275
Outreach and Engagement	-	54,115	8,100	46,015
Legislative Affairs	-	200,425	31,506	168,919
State Regulatory Affairs	-	51,471	1,429	50,042
External Affairs	-	-	-	-
Communications & Media Relations	-	175,382	14,362	161,020
Water Quality	-	-	-	-
Retirement, Health Ins, Payroll Taxes	-	158,867	-	158,867
TOTAL GENERAL MEMBERSHIP	-	2,172,071	527,458	1,644,613
	BUDGET AMT	FWA YTD	REMAINING	

General Membership Summary

Outside Legal Consultants	275,000	159,761	115,239
Other Consultants			
Resources Consulting	100,000	74,081	25,919
Steve Ottemoeller	130,000	20,891	109,109
Biologist	40,000	19,345	20,655
Operations and planning analyst	65,000	130,369	(65,369)
WDC Lobbyist	150,000	109,810	40,190
Sacramento Lobbyist	50,000	33,285	16,715
Public Relations Consultant	115,000	257,403	(142,403)
Airborne Snow	148,000	1,300	146,700
Temperance Flat Studies	25,000	-	25,000
Sustainability Plan Development	50,000	144,303	(94,303)
Re-consultation Scientific Contributions	50,000	-	50,000
Total Other Consultants	923,000	790,788	132,213
Other Supplies & Services	301,000	314,722	(13,722)
SJVWIA	-	-	-
Westlands - SWRCB	52,000	41,624	10,376
Family Farm Alliance	9,000	9,000	-
CVPWA	37,000	43,799	(6,799)
Total Other Supplies & Services	399,000	409,145	(10,145)
General Counsel	100,000	33,806	66,194
Staff Payroll & Benefits	795,500	688,192	107,308
Admin Allocation	135,000	90,379	44,621

Total GM 2,627,500 2,172,071 455,430

Agenda Report

No.9.A

DATE: July 25, 2019
TO: Board of Directors
FROM: Doug DeFlicht, COO; Vivian Garcia, HR
SUBJECT: Approval of Payroll Specialist and Analyst Position

SUMMARY:

Staff is recommending a new position and job description for a Payroll Specialist and Analyst. This position is intended to address the elevation of the employee currently in the position of Accounting Technician, which position will not be filled. This matter was reviewed by the HR Committee, which supported the creation of the new position for the existing employee. If approved, the transfer of the existing employee to this new position will be retroactive to June 16, 2019.

FISCAL IMPACT

There is an expected additional annual cost of approximately \$2,500 in additional salary for this position (compared with the Accounting Technician position), but there will no change to benefits for the existing employee..

RECOMMENDED ACTION:

The Board adopt the proposed resolution establishing the new job description and salary grades for a Payroll Specialist and Analyst.

SUGGESTED MOTION:

A motion to adopt the proposed resolution establishing the new job description and salary grades for a Payroll Specialist and Analyst.

ATTACHMENTS:

Resolution and job description for Payroll Specialist and Analyst

RESOLUTION No. 2019-04

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE FRIANT
WATER AUTHORITY ESTABLISHING A JOB DESCRIPTION FOR THE
NEW POSITION OF PAYROLL SPECIALIST AND ANALYST AND
SETTING SALARY GRADE LEVELS FOR THE POSITION**

The Board of Directors of the Friant Water Authority resolves as follows:

SECTION 1. Approval of Job Description. The Board approves the job description for the position of Payroll Specialist and Analyst attached to this Resolution as Exhibit A.

SECTION 2. Approval of Salary Range. The Board approves the salary range by grade level for the position of Payroll Specialist and Analyst as follows:

Classification	Status	Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Accounting Technician A	NE	11	18.86	19.81	20.80	21.84	22.93	24.08
Payroll Specialist & Analyst	NE	13	20.80	21.84	22.93	24.08	25.28	26.54

APPROVED AND ADOPTED on July 25, 2019.

Christopher Tantau, Chair of the Board of Directors

ATTEST:

Cliff Loeffler, Secretary of the Board

EXHIBIT A

Job Description: Payroll Specialist and Analyst

Position Summary

The Payroll Specialist is responsible for assisting the Accounting Department with processing payroll for all employees. In addition, the person must be able to monitor, review, edit, data entry as part of the accounts payable & accounts receivable responsibilities; which include reconciling accounts, recording of daily transactions relating to cash, accounts payable, payroll (time off); including data entry of retirement and benefit elections.

This role is intended to improve productivity within the Accounting Department and will be expected to contribute to activities and priorities that are coordinated with Human Resources. The position requires strong analytical and communication skills.

The Payroll Specialist must have the ability to work well in a fast-paced environment with changing requirements and have a demonstrated ability to exercise independent judgement on diverse tasks while adhering to all accounting policies and procedures to ensure that all financial transactions are executed and documented in accordance with accounting principles. Great Plains software knowledge is essential.

Supervision

Responsible for:

This position does not supervise direct reports.

Responsible to:

This position reports to the Accounting Operations Administrator.

Essential/Primary Responsibilities

Payroll

- Ensures payroll compliance within company policy, accounting principles, and federal, state and IRS regulations.
- Researches and interprets federal and state regulatory requirements to resolve tax, withholding and garnishment.
- Time keeping analysis and maintenance of time off requests and timecards.
- Works closely with Human Resources as to new hires, terminations, leaves of absence, and inactive employees.
- Execute and reconcile time and attendance reporting and interface with payroll.
- Performs audits for unclaimed payroll checks.
- Assist with processing year-end reporting when necessary (W-2, W-2c, etc.).
- Coordinate transfer of all retirement accounts and administer plan agreement.
- Assist Human Resources with records for any garnishment orders and reports.
- Respond to pay related employee questions; resolve queries and discrepancies.
- Ensure the integrity of payroll data and employee updates/changes and communicate to Human Resources.
- Manage the data entry of employee rate changes and calculating retro pay.
- Communicate and coordinate with Human Resources on changes to employee benefits.

Accounting

- Responsible for the recording of daily transactions relating to cash, accounts payable and payroll transactions.
- Completion of accurate and timely records to assist in the production of financial and regulatory reports.
- Reconcile monthly bank statement for benefit and retirement plans.

- Develop in depth understanding of our systems to be able to create reports as requested.
- Performing account analysis, preparing account reconciliations; statements and reports and filings.
- Adhere to all accounting policies and procedures ensure that all financial transactions are executed and documented in accordance with accounting principles.
- Perform assigned tasks using established procedures with sound judgment, evaluation and critical thinking.
- Performs additional tasks or responsibilities as assigned.

Experience and Education

- Associate degree or two years of college-level coursework in accounting, business or a related field.
- Relevant experience may substitute for the degree requirement on a year-for-year basis.
- Requires the knowledge of basic accounting principles with an understanding of payroll processing, tax withholding, mathematical calculations and fund accounting.
- Strong verbal and written communication skills; and able to apply complex compensation calculations.
- Ability to analyze and interpret data for accuracy.
- Must be proficient with computers programs; GP systems software, Microsoft Office, including Excel spreadsheets.
- Proficient in use of 10-key calculator by touch is required.

Skills and Abilities

- Organizational, multi-tasking, and prioritizing skills.
- Basic bookkeeping principles and mathematics, including fractions and simple interest, alphabetical and numerical sequences.
- Exercise appropriate methods of communication including the receiving and dissemination of information.
- Ability to establish and maintain cooperative working relationships with other personnel, consultants, and members.
- Ability to work independently.
- High attention to detail and solid analytical skills, especially with Excel.
- Ability to use discretion when handling and disseminating sensitive information.
- Ability to incorporate safe practices into the performance of job duties.
- Ability to effectively demonstrate the application of all skills, knowledge, and aptitudes required to carry out the duties cited above.

Working Conditions

This position primarily operates in an office environment. The position routinely uses standard office equipment such as computers, phones, copiers, filing cabinets, and fax machines. It may also require moderate physical activity such as walking and lifting up to 25 lbs. The position is located in Lindsay, California.

Wage

The wages will be commensurate with qualifications and experience and ranges from Grade 13.

Agenda Report

No.9.B

DATE: July 25, 2019
TO: Board of Directors
FROM: Doug DeFlicht, COO; Don Willard, CFO
SUBJECT: Proposed FY 2020/2021 OM&R Budgets

SUMMARY:

The Executive Committee reviewed the proposed FY 2020 and FY 2021 OM&R Budgets at their meeting on July 15, 2019. The Budgets were previously reviewed and discussed at an FKC Contractors Meeting, on June 25, 2019, and at the O&M Committee Meeting on June 27, 2019. There were essentially 3 issues (discussed below) that came out of those meetings.

(A separate link to the entire FY 2020 and FY 2021 Budget Package is available on the Friant Water Authority website with the packet for the Board of Directors Meeting).

DISCUSSION:

- 1.) At the O&M Committee Meeting it was suggested that the replacement of the Radial Gates at Tule River, \$482K in FY 2020, and Dodge Avenue, \$532K in FY 2021, be removed from the Budgets until additional evaluations can be done. These adjustments have been made.
- 2.) Additionally, at the previous meetings there were questions regarding Staff hours in the OM&R Budgets for Water Supply Coordination & Monitoring. In the justification for this activity it was indicated in error that, time spent on Re-consultation of the CVP Biological Opinion, Coordinated Operations Agreement with the State of California in the Delta and the Voluntary Settlement Agreement was included in this Budget item. These tasks should not be included in the OM&R Budgets. Staff was asked to review this item. After review, it was confirmed that there was no Staff time attributed to the tasks in question included in the OM&R Budgets.
- 3.) As a result of discussions at the FKC Contractors meeting, a refinement to the cost estimate of Title Transfer work to be completed in FY 2020 was completed. Cost estimates now included in the budget are solely for work associated with the Friant-Kern Canal.

EXECUTIVE COMMITTEE ACTION:

The Executive Committee approved a motion to forward the proposed FY 2020 & the FY 2021 OM&R Budgets to the Board of Directors with a recommendation that the Board accept the Budgets and direct Staff to submit them for public review.

RECOMMENDED ACTION:

The Board of Directors accept the proposed FY 2020 and FY 2021 OM&R Budgets as presented and direct Staff to submit them for public review.

SUGGESTED MOTION:

A motion to accept the proposed FY 2020 and FY 2021 OM&R Budgets as presented and direct Staff to submit them for public review

ATTACHMENTS:

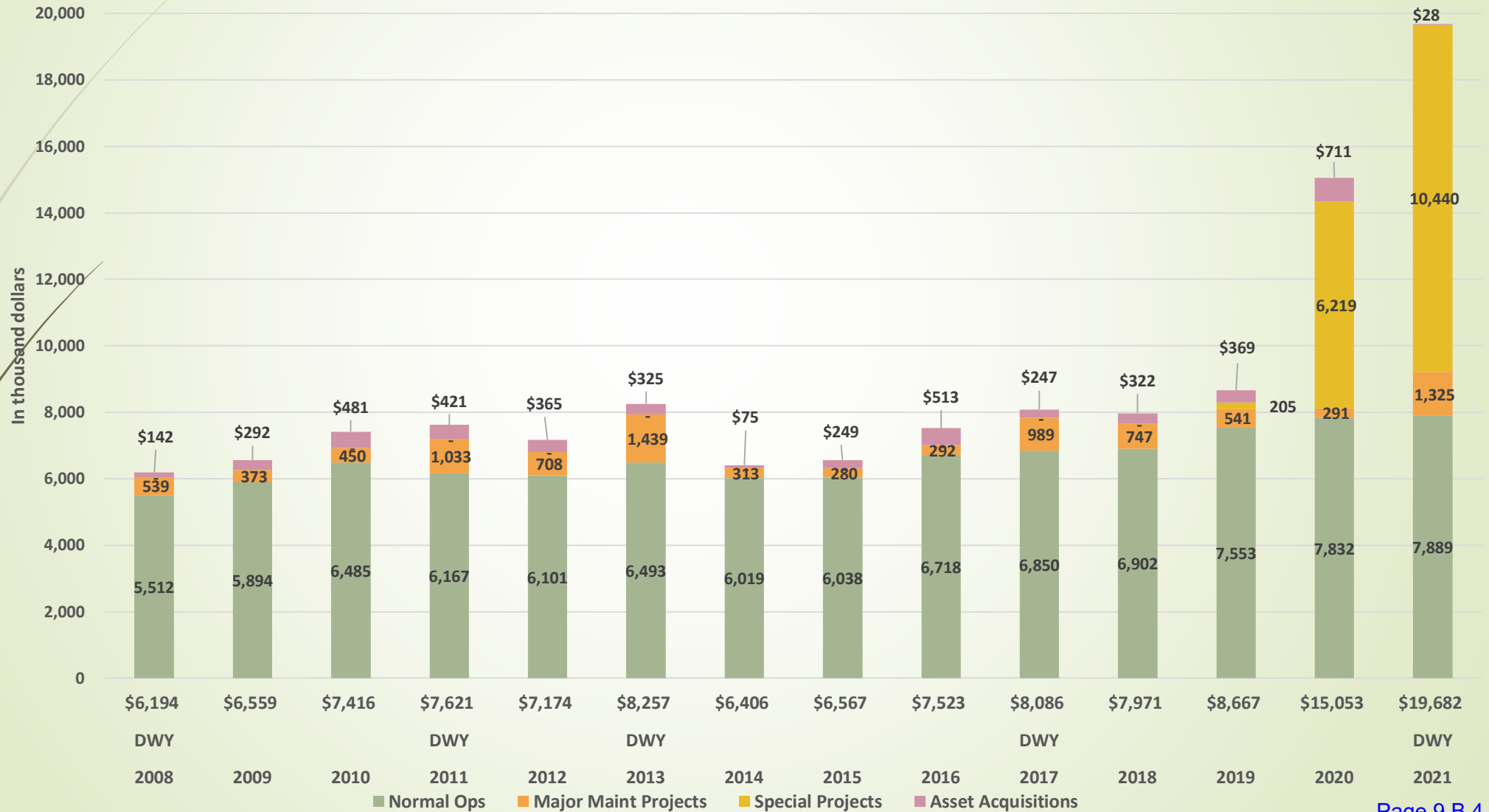
Proposed FY 2020 and FY 2021 OM&R Budget Summaries.



FRIANT WATER AUTHORITY

Operations & Maintenance Budget
FY 2020 – FY 2021 (Draft)

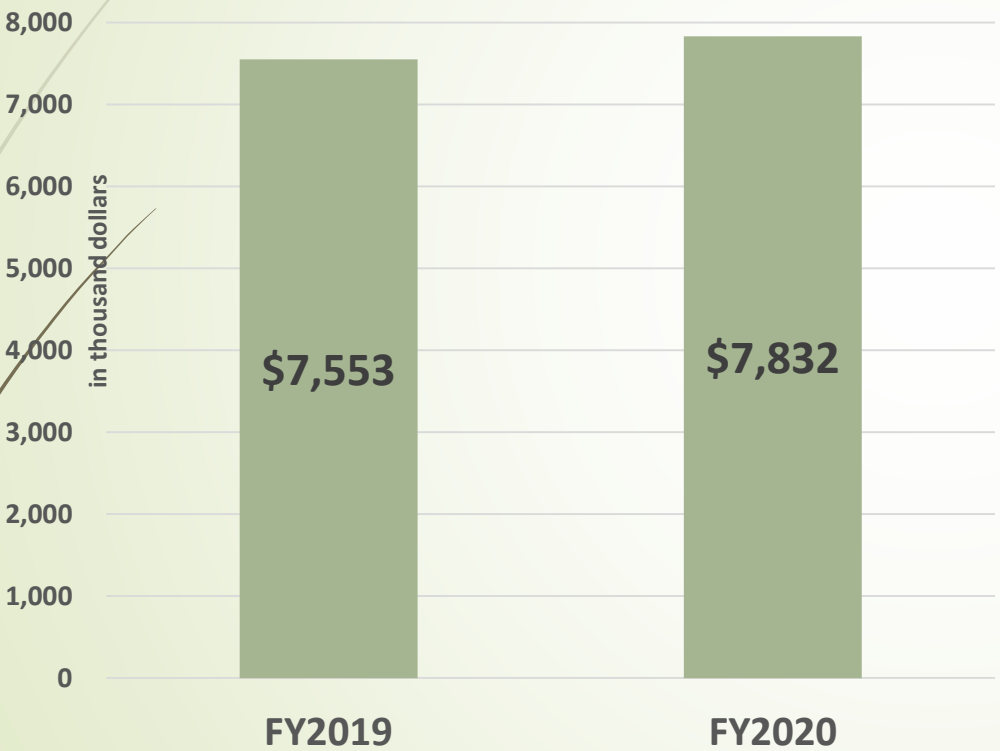
FRIANT WATER AUTHORITY COMPARATIVE BUDGETED SPENDING BY CATEGORY FY 2008 THROUGH FY 2021 (Draft)



FRIANT WATER AUTHORITY

ROUTINE O&M

FY 2020 PROPOSED BUDGET vs. FY 2019 BUDGET

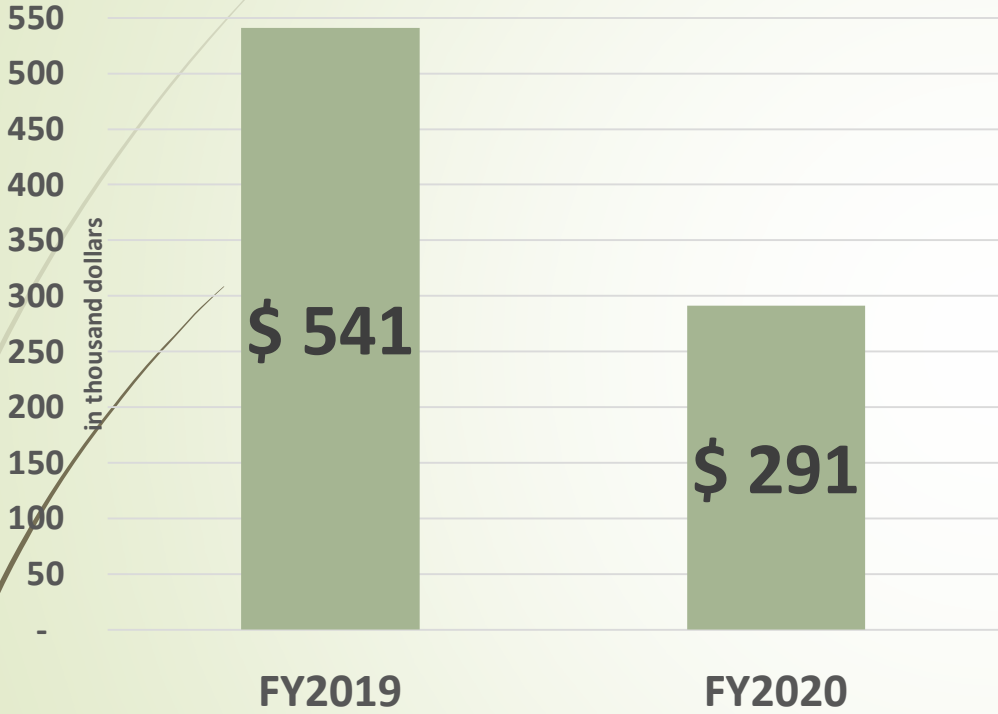


2019 Budget	\$ 7,553
Meetings	129 Increase BofD & Sub-committee.
Outside Svcs	94 Increase in HR legal support & staff.
Salaries	155 Increase in staffing.
Travel & Entertainment	8 Increase out-of-town travel time to meetings.
Vehicle & Equipment Service	57 Increase in Spending.
Meter Repair	(18) Decrease in SCADA hardware spending.
C & I ESI Equip/Water Measurement	(192) Decrease in Measuring & Device spending.
Other	46
2020 Proposed Budget	\$ 7,832

FRIANT WATER AUTHORITY

MAJOR MAINTENANCE

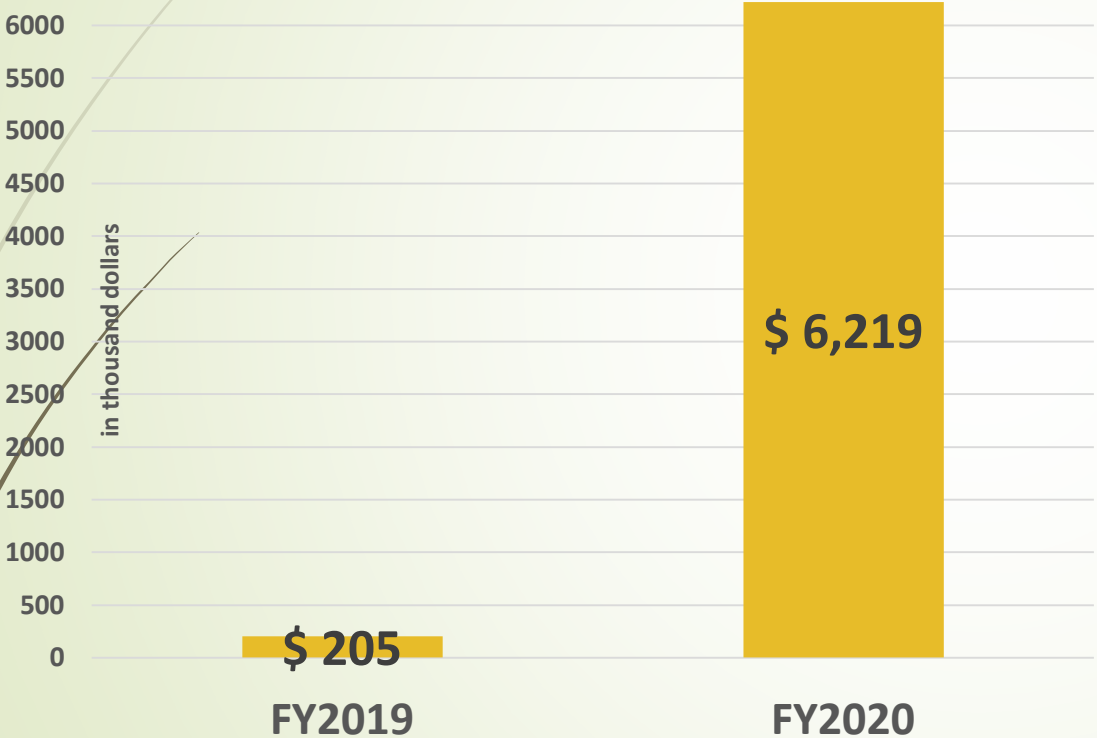
FY 2020 PROPOSED BUDGET vs. FY 2019 BUDGET



Road Way Chip Seal	150	MP 0.0 to 15.0 - Orange Cove
Motor & Gear Box Upgrade	141	MP 71.29 (Kaweah) & 88.2 (5th Ave.)
	\$291	

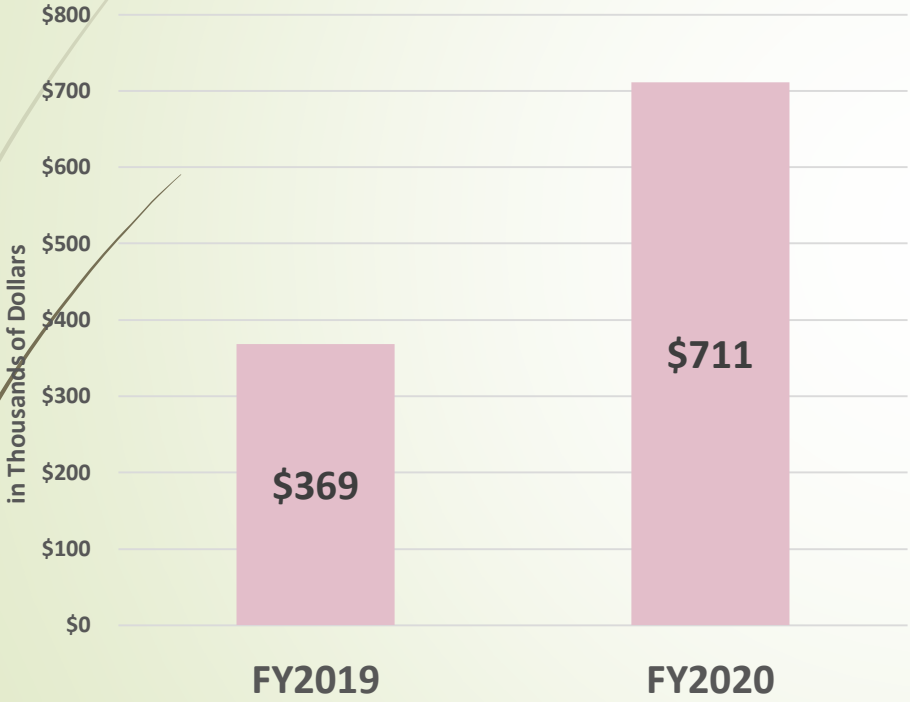
FRIANT WATER AUTHORITY SPECIAL PROJECTS

FY 2020 PROPOSED BUDGET vs. FY 2019 BUDGET



FKC Title Transfer	670
Pump Back	147
FKC Subsidence	5,000
GSA Engagement	120
Water supply coordination & monitoring	210
Water Quality	72
	6,219

FRIANT WATER AUTHORITY ASSET ACQUISITION FY 2020 PROPOSED BUDGET vs. FY 2019 BUDGET



3/4 Ton Utility Pickup	48
(2) 1/2 Ton Crew Cab Pickup	77
1/2 Ton Pickup	24
2019 Boom Truck added Cost	56
Off-Road Utility Forklift	116
Pumps, Yard Equipment & etc.	26
Barracuda Backup & Protection Plan	67
Cloud Scale Platform	223
Network and Computer Equipment	75
2020 Proposed Budget	<hr/> \$711

FRIANT WATER AUTHORITY
PROPOSED BUDGET
FISCAL YEAR 2020

TOTAL ORGANIZATION
 REVISED: 7/12/2019 13:08

								COMPARISON TO FY 2019 BUDGET			
Budget Category	Regular Hours	Regular Labor \$	Overtime Hours	Overtime Labor \$	Total Labor \$	Total Materials	FWA Total \$	Total Labor\$	Total Materials	FWA Total \$	Change (%)
O&M BILLING:											
Maintenance	68,382	2,038,510	1,242	43,123	2,081,633	8,374,497	10,456,130	1,997,591	2,774,352	4,771,943	119.12%
Water Operations	27,592	835,979	2,520	105,096	941,076	1,159,446	2,100,521	778,730	1,371,332	2,150,062	-2.30%
General Administration	26,208	889,184	175	6,792	895,976	1,600,802	2,496,778	665,245	1,079,667	1,744,912	43.09%
Total Revenues	122,182	3,763,673	3,937	155,011	3,918,684	11,134,744	15,053,429	3,441,566	5,225,351	8,666,917	73.69%
Less: Interest and misc revenue							106,000			50,000	112.00%
O&M BILLING							14,947,429			8,616,917	73.47%

**FRIANT WATER AUTHORITY
PROPOSED BUDGET
FISCAL YEAR 2020**
TOTAL ORGANIZATION

REVISED: 7/12/2019 13:08

									COMPARISON TO FY 2019 BUDGET			
Budget Category	Regular Hours	Regular Labor \$	Overtime Hours	Overtime Labor \$	Total Labor \$	Total Materials	FWA Total \$	Total Labor\$	Total Materials	FWA Total \$	Change (%)	
CANAL MAINTENANCE:												
6010 Vehicle & Equipment Service	7,603	189,846	1,050	36,710	226,556	509,906	736,462	214,905	464,606	679,511	8.38%	
6020 Maintenance Supervision	6,676	326,014	72	2,500	328,514	-	328,514	381,746	-	381,746	-13.94%	
6025 Right of Way Management	1,978	23,012	-	-	23,012	-	23,012	91,541	-	91,541	-74.86%	
6030 Weed & Pest Control	11,340	264,772	30	1,001	265,773	409,921	675,694	254,861	397,984	652,845	3.50%	
6032 Implem Biol. Opinion	-	-	-	-	-	42,634	42,634	-	42,425	42,425	0.49%	
6040 Road Maintenance	2,250	52,807	-	-	52,807	150,983	203,791	41,392	137,312	178,704	14.04%	
6050 Yard & Building Maintenance	5,680	131,513	20	647	132,160	133,661	265,821	108,875	135,286	244,161	8.87%	
6060 Structure & Gate Maintenance	3,320	72,045	20	647	72,692	30,832	103,524	70,887	30,685	101,572	1.92%	
6070 Right of Way & Structure Cleaning	1,981	44,874	-	-	44,874	-	44,874	29,724	-	29,724	50.97%	
6080 Bargate, Guardrail & Lock Maintenance	1,596	36,791	-	-	36,791	17,159	53,951	37,687	21,072	58,759	-8.18%	
6090 Embankment Maintenance	2,219	50,590	-	-	50,590	11,927	62,517	66,683	7,099	73,782	-15.27%	
6100 Bridge Maintenance	1,772	36,266	-	-	36,266	37,863	74,129	57,626	31,995	89,621	-17.29%	
6110 Miscellaneous Maintenance	100	4,952	-	-	4,952	15,264	20,216	10,479	24,711	35,190	-42.55%	
6120 Concrete Lining Repair	310	6,106	-	-	6,106	2,508	8,614	9,372	1,664	11,036	-21.95%	
6130 Dranditch & Channel Maintenance	1,148	26,553	-	-	26,553	-	26,553	28,171	-	28,171	-5.74%	
6140 Fence Maintenance	1,380	30,586	-	-	30,586	7,459	38,046	34,851	11,120	45,971	-17.24%	
6160 Mudjacking	548	12,986	-	-	12,986	1,478	14,464	19,520	1,428	20,948	-30.95%	
6170 Painting	2,006	45,761	-	-	45,761	10,261	56,021	42,066	31,474	73,540	-23.82%	
6190 Sump Pump Maintenance	80	1,907	-	-	1,907	-	1,907	1,846	-	1,846	3.27%	
6200 Cross Drainage & Structure Maintenance	548	13,873	-	-	13,873	-	13,873	10,386	-	10,386	33.57%	
6210 Rip-Rapping	285	6,566	-	-	6,566	-	6,566	19,045	-	19,045	-65.52%	
6221 USBR Pump Back Project	390	22,483	-	-	22,483	125,000	147,483	40,596	6,101	46,697	215.83%	
6225 FKC Subsidence	2,468	186,064	-	-	186,064	4,813,936	5,000,000	61,233	16,639	77,872	6320.82%	
6230 GSA Engagement	-	-	-	-	-	120,000	120,000	-	-	-	0.00%	
6299 Vehicle & Equipment Acquisition	-	-	-	-	-	299,756	299,756	-	276,281	276,281	8.50%	
6340 Operations Supervision	798	41,923	-	-	41,923	-	41,923	42,130	-	42,130	-0.49%	
6345 Water supply coordination & monitoring	168	13,383	-	-	13,383	-	13,383	-	-	-	0.00%	
6402 FKC Title Transfer	964	70,981	-	-	70,981	598,850	669,831	-	80,000	80,000	737.29%	
6405 Legal Expense	-	-	-	-	-	6,140	6,140	-	6,110	6,110	0.49%	
6420 Safety & First Aid Training	1,560	41,445	-	-	41,445	40,974	82,419	45,354	42,428	87,782	-6.11%	
6440 Payroll Preparation	72	2,393	-	-	2,393	-	2,393	2,334	-	2,334	2.52%	
6450 General Meetings	302	12,031	-	-	12,031	11,275	23,306	13,062	7,956	21,018	10.88%	
6451 Meeting Expenses-Board of Directors	144	9,844	-	-	9,844	-	9,844	9,781	-	9,781	0.64%	
6452 Meeting Expenses-Subcommittee	96	6,562	-	-	6,562	-	6,562	6,746	-	6,746	-2.72%	
6453 Meeting Expenses-Staff	281	13,036	-	-	13,036	1,538	14,573	12,470	1,020	13,490	8.03%	
6460 Training & Education	1,076	30,497	50	1,618	32,115	28,581	60,695	26,555	29,190	55,745	8.88%	
6480 Procurement Expense	255	8,856	-	-	8,856	-	8,856	9,879	-	9,879	-10.36%	
6490 Inventory & Property Management	328	10,398	-	-	10,398	-	10,398	5,058	-	5,058	105.58%	
6501 Employee Benefit-Holiday	2,352	64,313	-	-	64,313	-	64,313	64,887	-	64,887	-0.88%	
6503 Employee Benefit-Vacation	3,680	103,987	-	-	103,987	-	103,987	105,563	-	105,563	-1.49%	
6520 Travel Expense	-	-	-	-	-	8,610	8,610	-	8,400	8,400	2.50%	
6540 Personnel Administration	282	10,186	-	-	10,186	-	10,186	9,397	6,000	15,397	-33.85%	
6610 Employee Retirement	-	-	-	-	-	249,796	249,796	-	239,711	239,711	4.21%	
6620 Medical & Disability Insurance	-	-	-	-	-	539,147	539,147	-	576,620	576,620	-6.50%	
6660 Payroll Taxes	-	-	-	-	-	37,562	37,562	-	37,701	37,701	-0.37%	
6670 Utilities	-	-	-	-	-	77,181	77,181	-	76,805	76,805	0.49%	
6680 Telephone Expense	-	-	-	-	-	12,911	12,911	-	17,830	17,830	-27.59%	
6720 Dues & Subscriptions	-	-	-	-	-	21,385	21,385	-	6,699	6,699	219.22%	
6730 Budget Preparation	346	12,308	-	-	12,308	-	12,308	10,883	-	10,883	13.10%	
TOTAL MAINTENANCE	68,382	2,038,510	1,242	43,123	2,081,633	8,374,497	10,456,130	1,997,591	2,774,352	4,771,943	119.12%	

FRIANT WATER AUTHORITY
PROPOSED BUDGET
FISCAL YEAR 2020

TOTAL ORGANIZATION

REVISED: 7/12/2019 13:08

									COMPARISON TO FY 2019 BUDGET			
Budget Category	Regular Hours	Regular Labor \$	Overtime Hours	Overtime Labor \$	Total Labor \$	Total Materials	FWA Total \$	Total Labor\$	Total Materials	FWA Total \$	Change (%)	
WATER OPERATIONS:												
6010	Vehicle & Equipment Service	80	2,121	-	-	2,121	1,806	3,926	2,341	1,664	4,005	-1.97%
6050	Yard & Building Maintenance	584	15,291	40	1,562	16,853	64,451	81,305	21,501	65,468	86,969	-6.51%
6060	Structure & Gate Maintenance	1,460	37,996	160	6,249	44,245	172,275	216,520	49,422	319,123	368,545	-41.25%
6070	Right of Way & Structure Cleaning	336	8,284	-	-	8,284	669	8,953	7,971	998	8,969	-0.18%
6080	Bargate, Guardrail & Lock Maintenance	56	1,381	-	-	1,381	3,687	5,068	1,329	4,376	5,705	-11.16%
6190	Sump Pump Maintenance	-	-	-	-	-	32,445	32,445	-	32,287	32,287	0.49%
6230	GSA Engagement	-	-	-	-	-	-	-	-	-	-	0.00%
6305	Comm. & Instr. (General)	432	14,354	40	1,722	16,077	669	16,746	-	666	666	2416.05%
6306	Comm. & Instr. (SCADA)	2,248	74,868	320	15,949	90,817	166,376	257,193	92,854	336,098	428,952	-40.04%
6310	Meter Repair & Calibration	3,464	92,841	416	16,489	109,330	71,738	181,068	95,042	103,554	198,596	-8.83%
6320	Canal Patrol	6,800	161,104	904	32,311	193,416	-	193,416	186,305	666	186,971	3.45%
6330	Operations Reports	2,336	82,512	640	30,813	113,326	2,174	115,499	108,912	2,163	111,075	3.98%
6340	Operations Supervision	1,000	42,415	-	-	42,415	-	42,415	41,379	-	41,379	2.50%
6345	Water supply coordination & monitoring	512	61,444	-	-	61,444	102,409	163,853	-	-	-	0.00%
6350	Water Measurement	2,320	62,687	-	-	62,687	5,016	67,703	59,893	26,216	86,109	-21.38%
6360	Miscellaneous Operations	160	4,241	-	-	4,241	-	4,241	4,188	-	4,188	1.26%
6370	Water Quality	1,844	57,906	-	-	57,906	13,762	71,668	-	-	-	0.00%
6380	Groundwater & Seepage Well Measurement	168	4,419	-	-	4,419	-	4,419	4,243	222	4,465	-1.03%
6399	Vehicle & Equipment Acquisition	-	-	-	-	-	47,975	47,975	-	43,039	43,039	11.47%
6420	Safety & First Aid Training	312	8,866	-	-	8,866	8,649	17,515	8,054	8,940	16,993	3.07%
6440	Payroll Preparation	12	509	-	-	509	-	509	497	-	497	2.50%
6450	Meeting Expenses-General	96	4,072	-	-	4,072	-	4,072	3,972	-	3,972	2.50%
6453	Meeting Expenses-Staff	156	4,433	-	-	4,433	-	4,433	4,027	-	4,027	10.09%
6460	Training & Education	472	14,538	-	-	14,538	18,988	33,526	11,861	22,466	34,327	-2.33%
6480	Procurement Expense	24	1,018	-	-	1,018	-	1,018	993	-	993	2.50%
6490	Inventory & Property Management	160	5,016	-	-	5,016	-	5,016	4,745	-	4,745	5.72%
6501	Employee Benefit-Holiday	936	26,599	-	-	26,599	-	26,599	24,161	-	24,161	10.09%
6503	Employee Benefit-Vacation	1,600	46,044	-	-	46,044	-	46,044	44,047	-	44,047	4.53%
6610	Employee Retirement	-	-	-	-	-	112,929	112,929	-	93,448	93,448	20.85%
6620	Medical & Disability Insurance	-	-	-	-	-	231,747	231,747	-	231,031	231,031	0.31%
6660	Payroll Taxes	-	-	-	-	-	16,873	16,873	-	14,568	14,568	15.83%
6670	Utilities	-	-	-	-	-	26,753	26,753	-	20,161	20,161	32.70%
6680	Telephone Expense	-	-	-	-	-	57,491	57,491	-	43,620	43,620	31.80%
6700	Employee Incentives & Awards	-	-	-	-	-	-	-	-	-	-	0.00%
6710	Postage	-	-	-	-	-	564	564	-	561	561	0.49%
6730	Budget Preparation	24	1,018	-	-	1,018	-	1,018	993	-	993	2.50%
TOTAL WATER OPERATIONS		27,592	835,979	2,520	105,096	941,076	1,159,446	2,100,521	778,730	1,371,332	2,150,062	-2.30%

**FRIANT WATER AUTHORITY
PROPOSED BUDGET
FISCAL YEAR 2020**
TOTAL ORGANIZATION
 REVISED: 7/12/2019 13:08

									COMPARISON TO FY 2019 BUDGET			
Budget Category	Regular Hours	Regular Labor \$	Overtime Hours	Overtime Labor \$	Total Labor \$	Total Materials	FWA Total \$	Total Labor\$	Total Materials	FWA Total \$	Change (%)	
ADMINISTRATION:												
6306	Comm. & Instr. (SCADA)	250	12,888	-	-	12,888	-	12,888	25,145	-	25,145	-48.74%
6345	Water supply coordination & monitoring	192	12,241	-	-	12,241	-	12,241	-	-	-	0.00%
6410	Administrative Supervision	250	12,888	-	-	12,888	-	12,888	12,573	6,120	18,693	-31.05%
6402	FKC Title Transfer	-	-	-	-	-	-	-	-	-	-	0.00%
6405	Legal Expense - Direct	-	-	-	-	-	-	-	-	-	-	0.00%
6420	Safety & First Aid Training	156	5,524	-	-	5,524	12,584	18,108	4,521	11,396	15,917	13.77%
6430	Office Administration (Typing, etc.)	9,372	252,649	100	3,496	256,145	-	256,145	243,471	-	243,471	5.21%
6440	Payroll Preparation	228	7,669	10	372	8,041	-	8,041	8,836	-	8,836	-9.00%
6450	Meeting Expenses-General	120	5,654	-	-	5,654	9,938	15,593	7,532	714	8,246	89.09%
6451	Meeting Expenses-Board of Directors	198	9,939	-	-	9,939	148,265	158,204	11,531	60,588	72,119	119.36%
6452	Meeting Expenses-Subcommittee	144	8,595	-	-	8,595	62,137	70,732	6,020	47,940	53,960	31.08%
6453	Meeting Expenses-Staff	126	6,442	-	-	6,442	20,500	26,942	5,764	2,448	8,212	228.09%
6460	Training & Education	148	6,295	-	-	6,295	36,388	42,682	5,273	20,910	26,183	63.01%
6470	Miscellaneous Administration	55	1,426	-	-	1,426	2,786	4,213	867	54,583	55,450	-92.40%
6480	Procurement Expense	-	-	-	-	-	-	-	-	1,785	1,785	-100.00%
6490	Inventory & Property Management	66	2,178	-	-	2,178	-	2,178	1,284	-	1,284	69.59%
6500/6501	Employee Benefit-Holiday	864	28,555	-	-	28,555	-	28,555	22,798	-	22,798	25.25%
6503	Employee Benefit-Vacation	1,240	41,726	-	-	41,726	-	41,726	36,067	-	36,067	15.69%
6510	Data Processing	1,080	55,678	-	-	55,678	134,943	190,621	41,741	158,255	199,996	-4.69%
6520	Travel Expense	-	-	-	-	-	16,700	16,700	-	8,700	8,700	91.95%
6530	Accounting & Auditing	9,451	337,325	20	744	338,069	18,000	356,069	223,443	15,000	238,443	49.33%
6540	Personnel Administration	1,974	66,916	45	2,180	69,096	71,335	140,430	3,767	13,992	17,759	690.77%
6610	Employee Retirement	-	-	-	-	-	107,517	107,517	-	79,829	79,829	34.68%
6611	Retirement Administration	-	-	-	-	-	5,300	5,300	-	5,300	5,300	0.00%
6620	Medical & Disability Insurance	-	-	-	-	-	201,050	201,050	-	168,021	168,021	19.66%
6630	Liability/Property Insurance	-	-	-	-	-	139,400	139,400	-	138,720	138,720	0.49%
6640	Workers Compensation Insurance	-	-	-	-	-	120,000	120,000	-	120,000	120,000	0.00%
6650	Legal Services	-	-	-	-	-	-	-	-	10,200	10,200	-100.00%
6660	Payroll Taxes	-	-	-	-	-	16,964	16,964	-	12,103	12,103	40.17%
6670	Utilities	-	-	-	-	-	45,756	45,756	-	25,337	25,337	80.59%
6680	Telephone Expense	-	-	-	-	-	24,815	24,815	-	24,694	24,694	0.49%
6690	Office Supplies	-	-	-	-	-	76,957	76,957	-	40,367	40,367	90.65%
6700	Employee Incentives & Awards	-	-	-	-	-	20,500	20,500	-	8,160	8,160	151.23%
6710	Postage	-	-	-	-	-	4,510	4,510	-	4,488	4,488	0.49%
6720	Dues & Subscriptions	-	-	-	-	-	123,422	123,422	-	88,006	88,006	40.24%
6730	Budget Preparation	294	14,595	-	-	14,595	-	14,595	4,610	-	4,610	216.57%
6790	Lease Office Equipment	-	-	-	-	-	24,877	24,877	-	34,088	34,088	-27.02%
6799	Vehicle & Equipment Acquisition	-	-	-	-	-	364,439	364,439	-	49,362	49,362	638.30%
	GM administration allocation	-	-	-	-	-	(208,282)	(208,282)	-	(131,438)	(131,438)	58.46%
TOTAL GENERAL ADMINISTRATION		26,208	889,184	175	6,792	895,976	1,600,802	2,496,778	665,245	1,079,667	1,744,912	43.09%
ORGANIZATION TOTALS		122,182	\$ 3,763,673	3,937	\$ 155,011	\$ 3,918,684	\$ 11,134,744	\$ 15,053,429	\$ 3,441,566	\$ 5,225,351	\$ 8,666,917	73.69%
	Capital Purchases	-	-	-	-	-	(712,170)	(712,170)	-	(368,681)	(368,681)	93.17%
	Depreciation	-	-	-	-	-	300,000	300,000	-	300,000	300,000	0.00%
	Budget per financial statements		\$ 3,763,673		\$ 155,011	\$ 3,918,684	\$ 10,722,574	\$ 15,465,599	\$ 3,441,566	\$ 5,156,670	\$ 8,598,236	79.87%

FRIANT WATER AUTHORITY
PROPOSED BUDGET
FISCAL YEAR 2021

TOTAL ORGANIZATION
 REVISED: 7/12/2019 13:08

Budget Category	Regular Hours	Regular Labor \$	Overtime Hours	Overtime Labor \$	Total Labor \$	Total Materials	FWA Total \$	COMPARISON TO FY 2020 BUDGET				
								Total Labor\$	Total Materials	FWA Total \$	Change (%)	
O&M BILLING:												
Maintenance	69,022	2,116,180	3,790	136,954	2,253,133	12,657,482	14,910,616	2,081,633	8,374,497	10,456,130	42.60%	
Water Operations	27,592	861,402	2,120	82,354	943,755	1,564,007	2,507,763	941,076	1,159,446	2,100,521	19.39%	
General Administration	26,208	922,474	185	7,405	929,878	1,333,340	2,263,218	895,976	1,600,802	2,496,778	-9.35%	
Total Revenues	122,822	3,900,055	6,095	226,712	4,126,767	15,554,829	19,681,597	3,918,684	11,134,744	15,053,429	30.74%	
Less: Interest and misc revenue							106,000			106,000	0.00%	
O&M BILLING							19,575,597			14,947,429	30.96%	

FRIANT WATER AUTHORITY
PROPOSED BUDGET
FISCAL YEAR 2021

TOTAL ORGANIZATION

REVISED: 7/12/2019 13:08

								COMPARISON TO FY 2020 BUDGET				
Budget Category	Regular Hours	Regular Labor \$	Overtime Hours	Overtime Labor \$	Total Labor \$	Total Materials	FWA Total \$	Total Labor\$	Total Materials	FWA Total \$	Change (%)	
CANAL MAINTENANCE:												
6010	Vehicle & Equipment Service	6,401	167,106	1,998	71,326	238,433	523,258	761,690	226,556	509,906	736,462	3.43%
6020	Maintenance Supervision	6,756	340,255	72	2,587	342,842	-	342,842	328,514	-	328,514	4.36%
6025	Right of Way Management	1,978	23,817	-	-	23,817	-	23,817	23,012	-	23,012	3.50%
6030	Weed & Pest Control	9,159	220,491	30	1,036	221,527	410,736	632,263	265,773	409,921	675,694	-6.43%
6032	Implem Biol. Opinion	-	-	-	-	-	43,699	43,699	-	42,634	42,634	2.50%
6040	Road Maintenance	2,032	49,229	-	-	49,229	154,758	203,986	52,807	150,983	203,791	0.10%
6050	Yard & Building Maintenance	4,868	116,266	20	670	116,935	132,432	249,367	132,160	133,661	265,821	-6.19%
6060	Structure & Gate Maintenance	4,239	97,317	980	36,192	133,509	60,518	194,028	72,692	30,832	103,524	87.42%
6070	Right of Way & Structure Cleaning	1,911	44,734	-	-	44,734	-	44,734	44,874	-	44,874	-0.31%
6080	Bargate, Guardrail & Lock Maintenance	1,481	35,268	-	-	35,268	17,588	52,856	36,791	17,159	53,951	-2.03%
6090	Embankment Maintenance	2,189	51,627	-	-	51,627	12,225	63,852	50,590	11,927	62,517	2.14%
6100	Bridge Maintenance	1,902	40,713	-	-	40,713	38,705	79,418	36,266	37,863	74,129	7.13%
6110	Miscellaneous Maintenance	740	15,919	-	-	15,919	15,458	31,377	4,952	15,264	20,216	55.21%
6120	Concrete Lining Repair	4,102	99,019	640	23,468	122,487	137,849	260,336	6,106	2,508	8,614	2922.14%
6130	Drainditch & Channel Maintenance	1,148	27,483	-	-	27,483	101,802	129,284	26,553	-	26,553	386.89%
6140	Fence Maintenance	1,240	28,235	-	-	28,235	7,646	35,881	30,586	7,459	38,046	-5.69%
6160	Mudjacking	1,051	25,846	-	-	25,846	1,515	27,361	12,986	1,478	14,464	89.16%
6170	Painting	2,175	51,494	-	-	51,494	10,517	62,011	45,761	10,261	56,021	10.69%
6190	Sump Pump Maintenance	80	1,973	-	-	1,973	-	1,973	1,907	-	1,907	3.50%
6200	Cross Drainage & Structure Maintenance	548	14,358	-	-	14,358	-	14,358	13,873	-	13,873	3.50%
6210	Rip-Rapping	285	6,796	-	-	6,796	-	6,796	6,566	-	6,566	3.50%
6221	USBR Pump Back Project	390	23,086	-	-	23,086	125,000	148,086	22,483	125,000	147,483	0.41%
6225	FKC Subsidence	2,468	188,492	-	-	188,492	9,029,340	9,217,832	186,064	4,813,936	5,000,000	84.36%
6230	GSA Engagement	-	-	-	-	-	120,000	120,000	-	120,000	120,000	0.00%
6299	Vehicle & Equipment Acquisition	-	-	-	-	-	11,997	11,997	-	299,756	299,756	-96.00%
6340	Operations Supervision	798	43,390	-	-	43,390	-	43,390	41,923	-	41,923	3.50%
6345	Water supply coordination & monitoring	168	13,981	-	-	13,981	-	13,981	13,383	-	13,383	4.47%
6402	FKC Title Transfer	964	71,854	-	-	71,854	618,850	690,704	70,981	598,850	669,831	3.12%
6405	Legal Expense	-	-	-	-	-	6,293	6,293	-	6,140	6,140	2.50%
6420	Safety & First Aid Training	1,181	33,566	-	-	33,566	41,998	75,564	41,445	40,974	82,419	-8.32%
6440	Payroll Preparation	72	2,476	-	-	2,476	-	2,476	2,393	-	2,393	3.50%
6450	General Meetings	290	12,202	-	-	12,202	11,557	23,758	12,031	11,275	23,306	1.94%
6451	Meeting Expenses-Board of Directors	144	10,253	-	-	10,253	-	10,253	9,844	-	9,844	4.16%
6452	Meeting Expenses-Subcommittee	96	6,835	-	-	6,835	-	6,835	6,562	-	6,562	4.16%
6453	Meeting Expenses-Staff	281	13,535	-	-	13,535	1,576	15,111	13,036	1,538	14,573	3.69%
6460	Training & Education	1,060	31,173	50	1,674	32,848	30,438	63,285	32,115	28,581	60,695	4.27%
6480	Procurement Expense	245	8,921	-	-	8,921	-	8,921	8,856	-	8,856	0.74%
6490	Inventory & Property Management	304	10,175	-	-	10,175	-	10,175	10,398	-	10,398	-2.14%
6501	Employee Benefit-Holiday	2,208	63,109	-	-	63,109	-	63,109	64,313	-	64,313	-1.87%
6503	Employee Benefit-Vacation	3,440	101,904	-	-	101,904	-	101,904	103,987	-	103,987	-2.00%
6520	Travel Expense	-	-	-	-	-	8,825	8,825	-	8,610	8,610	2.50%
6540	Personnel Administration	282	10,542	-	-	10,542	-	10,542	10,186	-	10,186	3.50%
6610	Employee Retirement	-	-	-	-	-	270,376	270,376	-	249,796	249,796	8.24%
6620	Medical & Disability Insurance	-	-	-	-	-	566,618	566,618	-	539,147	539,147	5.10%
6660	Payroll Taxes	-	-	-	-	-	40,048	40,048	-	37,562	37,562	6.62%
6670	Utilities	-	-	-	-	-	79,111	79,111	-	77,181	77,181	2.50%
6680	Telephone Expense	-	-	-	-	-	13,234	13,234	-	12,911	12,911	2.50%
6720	Dues & Subscriptions	-	-	-	-	-	13,514	13,514	-	21,385	21,385	-36.80%
6730	Budget Preparation	346	12,739	-	-	12,739	-	12,739	12,308	-	12,308	3.50%
TOTAL MAINTENANCE		69,022	2,116,180	3,790	136,954	2,253,133	12,657,482	14,910,616	2,081,633	8,374,497	10,456,130	42.60%

**FRIANT WATER AUTHORITY
PROPOSED BUDGET
FISCAL YEAR 2021**
TOTAL ORGANIZATION

REVISED: 7/12/2019 13:08

									COMPARISON TO FY 2020 BUDGET			
Budget Category	Regular Hours	Regular Labor \$	Overtime Hours	Overtime Labor \$	Total Labor \$	Total Materials	FWA Total \$	Total Labor\$	Total Materials	FWA Total \$	Change (%)	
WATER OPERATIONS:												
6010	Vehicle & Equipment Service	80	2,195	-	-	2,195	1,714	3,909	2,121	1,806	3,926	-0.45%
6050	Yard & Building Maintenance	584	15,826	40	1,617	17,443	46,913	64,357	16,853	64,451	81,305	-20.85%
6060	Structure & Gate Maintenance	1,460	39,326	120	4,851	44,177	641,687	685,864	44,245	172,275	216,520	216.77%
6070	Right of Way & Structure Cleaning	336	8,574	-	-	8,574	1,028	9,602	8,284	669	8,953	7.25%
6080	Bargate, Guardrail & Lock Maintenance	56	1,429	-	-	1,429	4,507	5,936	1,381	3,687	5,068	17.13%
6190	Sump Pump Maintenance	-	-	-	-	-	10,969	10,969	-	32,445	32,445	-66.19%
6305	Comm. & Instr. (General)	432	14,857	40	-	14,857	686	15,542	16,077	669	16,746	-7.19%
6306	Comm. & Instr. (SCADA)	2,248	77,488	160	8,254	85,742	184,687	270,429	90,817	166,376	257,193	5.15%
6310	Meter Repair & Calibration	3,464	96,090	136	6,348	102,439	42,761	145,200	109,330	71,738	181,068	-19.81%
6320	Canal Patrol	6,800	166,743	984	36,522	203,266	686	203,951	193,416	-	193,416	5.45%
6330	Operations Reports	2,336	85,400	640	24,761	110,162	857	111,018	113,326	2,174	115,499	-3.88%
6340	Operations Supervision	1,000	43,900	-	-	43,900	-	43,900	42,415	-	42,415	3.50%
6345	Water supply coordination & monitoring	512	61,742	-	-	61,742	102,409	164,152	-	-	-	0.00%
6350	Water Measurement	2,320	64,881	-	-	64,881	3,009	67,890	62,687	5,016	67,703	0.28%
6360	Miscellaneous Operations	160	4,390	-	-	4,390	-	4,390	4,241	-	4,241	3.50%
6370	Water Quality	1,844	58,187	-	-	58,187	14,106	72,293	57,906	13,762	71,668	0.87%
6380	Groundwater & Seepage Well Measurement	168	4,574	-	-	4,574	229	4,803	4,419	-	4,419	8.67%
6399	Vehicle & Equipment Acquisition	-	-	-	-	-	20,566	20,566	-	47,975	47,975	-57.13%
6420	Safety & First Aid Training	312	9,156	-	-	9,156	9,265	18,421	8,866	8,649	17,515	5.17%
6440	Payroll Preparation	12	527	-	-	527	-	527	509	-	509	3.50%
6450	Meeting Expenses-General	96	4,214	-	-	4,214	-	4,214	4,072	-	4,072	3.50%
6453	Meeting Expenses-Staff	156	4,578	-	-	4,578	-	4,578	4,433	-	4,433	3.27%
6460	Training & Education	472	14,978	-	-	14,978	23,140	38,118	14,538	18,988	33,526	13.70%
6480	Procurement Expense	24	1,054	-	-	1,054	-	1,054	1,018	-	1,018	3.50%
6490	Inventory & Property Management	160	5,185	-	-	5,185	-	5,185	5,016	-	5,016	3.36%
6501	Employee Benefit-Holiday	936	27,468	-	-	27,468	-	27,468	26,599	-	26,599	3.27%
6503	Employee Benefit-Vacation	1,600	47,586	-	-	47,586	-	47,586	46,044	-	46,044	3.35%
6610	Employee Retirement	-	-	-	-	-	113,251	113,251	-	112,929	112,929	0.28%
6620	Medical & Disability Insurance	-	-	-	-	-	237,698	237,698	-	231,747	231,747	2.57%
6660	Payroll Taxes	-	-	-	-	-	16,912	16,912	-	16,873	16,873	0.23%
6670	Utilities	-	-	-	-	-	27,421	27,421	-	26,753	26,753	2.50%
6680	Telephone Expense	-	-	-	-	-	58,929	58,929	-	57,491	57,491	2.50%
6710	Postage	-	-	-	-	-	578	578	-	564	564	2.50%
6730	Budget Preparation	24	1,054	-	-	1,054	-	1,054	1,018	-	1,018	3.50%
TOTAL WATER OPERATIONS		27,592	861,402	2,120	82,354	943,755	1,564,007	2,507,763	941,076	1,159,446	2,100,521	19.39%

**FRIANT WATER AUTHORITY
PROPOSED BUDGET
FISCAL YEAR 2021**
TOTAL ORGANIZATION

REVISED: 7/12/2019 13:08

								COMPARISON TO FY 2020 BUDGET				
Budget Category	Regular Hours	Regular Labor \$	Overtime Hours	Overtime Labor \$	Total Labor \$	Total Materials	FWA Total \$	Total Labor\$	Total Materials	FWA Total \$	Change (%)	
ADMINISTRATION:												
6306	Comm. & Instr. (SCADA)	250	13,339	-	-	13,339	-	13,339	12,888	-	12,888	3.50%
6345	Water supply coordination & monitoring	192	12,731	-	-	12,731	-	12,731	12,241	-	12,241	4.00%
6410	Administrative Supervision	250	13,339	-	-	13,339	-	13,339	12,888	-	12,888	3.50%
6420	Safety & First Aid Training	156	5,732	-	-	5,732	12,899	18,631	5,524	12,584	18,107	2.89%
6430	Office Administration (Typing, etc.)	9,388	262,019	100	3,618	265,637	-	265,637	256,145	-	256,145	3.71%
6440	Payroll Preparation	253	8,180	10	387	8,567	-	8,567	8,041	-	8,041	6.54%
6450	Meeting Expenses-General	80	4,565	-	-	4,565	10,187	14,752	5,654	9,938	15,593	-5.39%
6451	Meeting Expenses-Board of Directors	198	10,308	-	-	10,308	150,721	161,029	9,939	148,265	158,204	1.79%
6452	Meeting Expenses-Subcommittee	144	8,927	-	-	8,927	64,211	73,138	8,595	62,137	70,732	3.40%
6453	Meeting Expenses-Staff	108	6,096	-	-	6,096	21,013	27,109	6,442	20,500	26,942	0.62%
6460	Training & Education	148	6,529	-	-	6,529	37,297	43,826	6,295	36,388	42,682	2.68%
6470	Miscellaneous Administration	67	1,873	-	-	1,873	3,973	5,846	1,426	2,786	4,213	38.76%
6490	Inventory & Property Management	38	1,342	-	-	1,342	-	1,342	2,178	-	2,178	-38.36%
6500/6501	Employee Benefit-Holiday	864	29,618	-	-	29,618	-	29,618	28,555	-	28,555	3.72%
6503	Employee Benefit-Vacation	1,240	43,285	-	-	43,285	-	43,285	41,726	-	41,726	3.74%
6510	Data Processing	1,080	57,626	-	-	57,626	138,317	195,943	55,678	134,943	190,621	2.79%
6520	Travel Expense	-	-	-	-	-	16,700	16,700	-	16,700	16,700	0.00%
6530	Accounting & Auditing	9,604	356,460	30	1,142	357,602	18,000	375,602	338,069	18,000	356,069	5.49%
6540	Personnel Administration	1,974	69,277	45	2,257	71,534	64,549	136,083	69,096	71,335	140,430	-3.10%
6610	Employee Retirement	-	-	-	-	-	111,585	111,585	-	107,517	107,517	3.78%
6611	Retirement Administration	-	-	-	-	-	5,300	5,300	-	5,300	5,300	0.00%
6620	Medical & Disability Insurance	-	-	-	-	-	207,961	207,961	-	201,050	201,050	3.44%
6630	Liability/Property Insurance	-	-	-	-	-	142,885	142,885	-	139,400	139,400	2.50%
6640	Workers Compensation Insurance	-	-	-	-	-	132,000	132,000	-	120,000	120,000	10.00%
6660	Payroll Taxes	-	-	-	-	-	25,556	25,556	-	16,964	16,964	50.64%
6670	Utilities	-	-	-	-	-	46,900	46,900	-	45,756	45,756	2.50%
6680	Telephone Expense	-	-	-	-	-	25,436	25,436	-	24,815	24,815	2.50%
6690	Office Supplies	-	-	-	-	-	78,881	78,881	-	76,957	76,957	2.50%
6700	Employee Incentives & Awards	-	-	-	-	-	21,013	21,013	-	20,500	20,500	2.50%
6710	Postage	-	-	-	-	-	4,623	4,623	-	4,510	4,510	2.50%
6720	Dues & Subscriptions	-	-	-	-	-	126,508	126,508	-	123,422	123,422	2.50%
6730	Budget Preparation	174	11,227	-	-	11,227	-	11,227	14,595	-	14,595	-23.08%
6790	Lease Office Equipment	-	-	-	-	-	25,499	25,499	-	24,877	24,877	2.50%
6799	Vehicle & Equipment Acquisition	-	-	-	-	-	24,992	24,992	-	364,439	364,439	-93.14%
	GM administration allocation	-	-	-	-	-	(183,664)	(183,664)	-	(208,282)	(208,282)	-11.82%
TOTAL ADMINISTRATION		26,208	922,474	185	7,405	929,878	1,333,340	2,263,218	895,976	1,600,802	2,496,777	-9.35%
ORGANIZATION TOTALS		122,822	\$ 3,900,055	6,095	\$ 226,712	\$4,126,767	\$ 15,554,829	\$ 19,681,597	\$ 3,918,684	\$ 11,134,744	\$ 15,053,428	30.74%
	Capital Purchases	-	-	-	-	-	(57,555)	(57,555)	-	(712,170)	(712,170)	-91.92%
	Depreciation	-	-	-	-	-	300,000	300,000	-	300,000	300,000	0.00%
	Budget per financial statements		\$ 3,900,055		\$ 226,712	\$4,126,767	\$ 15,797,275	\$ 19,439,151	\$ 3,918,684	\$ 10,722,574	\$ 14,641,258	32.77%

DATE: July 25, 2019

TO: Board of Directors

THROUGH: Jason Phillips, CEO

FROM: Executive Staff

SUBJECT: Approval of Updated OM&R Cost Recovery Methodology Revision Incorporating Contractor Comments

SUMMARY:

On April 25, 2019, the Board of Directors approved a draft of a revised OM&R Cost Recovery Methodology Policy (Policy) to clarify the inclusion of extraordinary maintenance, repair and replacement costs as reimbursable items consistent with the Transfer Agreement with the Bureau of Reclamation. On May 2, 2019, staff sent notice of proposed changes to the Policy to all affected Friant Division Contractors and Reclamation for a 60-day review period. The comments received during that review period are attached and summarized below. Staff supports the inclusion of two of the comments in the final Policy: (1) establishing a threshold on annual increases due to extraordinary maintenance, repairs or replacements that would trigger consideration of potential alternative cost recovery methodologies; and (2) implementing the revised Policy as applied to the FKC starting in the 2019/20 Fiscal Year. These revisions were supported by the Executive Committee as its recommendation to the Board.

DISCUSSION:

The comments received from Tulare Irrigation District (TID), Arvin Edison Water Storage District (AEWSD), Orange Cove Irrigation District (OCID) and Lindsay-Strathmore Irrigation District (LSID) consist of 4 issues:

- 1. Requested threshold on the revised methodology that would trigger consideration of alternative methodologies** – It's been requested by 3 of the 4 commenters that a project consisting of extraordinary maintenance, repairs or replacement having a budget requirement greater than 50% of the routine annual OM&R budget must be brought to the FWA Board of Directors for consideration of potential alternate cost recovery method(s). However, projects exceeding that amount, whether known beforehand or not, that are emergency in nature (immediately damaging or threatening to damage life or property), may be undertaken immediately without prior Board consideration of alternative cost recovery methodologies.
- 2. Requested change or justification of the data** – The revised methodology, like the existing methodology, was to be implemented using the Reclamation published delivery information (from Schedule A-13 of their rate setting books). Two districts suggested that Friant Water Authority information on turnout values maybe more appropriate or of greater accuracy.

3. **Requested reduced time period for smoothing** – The revised methodology, like the existing methodology, uses a 25-year smoothing period to help normalize the range of water supply from the San Joaquin River. One contractor requests a reduced time period for smoothing and would like the revised methodology to consider a 20-year vs 25-year period.
4. **Requested change of starting time until next fiscal year** – The revised methodology was set to retroactively take effect to the beginning of the FY-2018-19 (September 2018), two contractors request that this new methodology be applied to the upcoming fiscal year, versus retroactively to the current fiscal year.

Staff's review and recommendation addressing each of the 4 issues follows.

#1 Requested threshold on the revised methodology that would trigger consideration of alternative methodologies – Staff supports the suggestion of establishing a threshold project cost amount, which if potentially exceeded, would require the specific project and proposed cost recovery methodology to be subject to individualized scrutiny before being adopted by the Board of Directors.

#2 Requested change or justification of the data – The A-13 numbers were utilized because they are the values accepted by the contract between Reclamation and contractors. Head gate value at the turnouts were specifically excluded because they don't take into consideration all transfers and exchanges. To the extent there are issues with getting A-13 values corrected, staff would recommend working with Friant contractors having issues to address those issues separately and start working with rate setting staff at Reclamation to update the values.

#3 Requested reduced time period for smoothing – This specific request was considered by the Executive Committee and Board of Directors in April and was not selected. Staff recommends maintaining the 25-year period of record for average water deliveries to establish cost share allocations.

#4 Requested change of starting time until next fiscal year – The revised methodology effects OM&R activities of the Friant-Kern Canal and activities of the San Luis Delta Mendota Water Authority (SLDMWA) Staff recommends that adopting the revised methodology for the FKC OM&R portion makes sense to begin at the start of FY 2019-2020 cycle. However, given the different budget cycle for SLDMWA (March-February) Staff recommends that changes to the methodology be enacted in their current year budget. And adjustments be made retroactively back to March 1, 2019.

RECOMMENDED ACTION:

That the Board of Directors concur with the recommendations (above) and those of the Executive Committee and adopt the revised OM&R Cost Recovery Methodology. (Attached.)

SUGGESTED MOTION:

To approve the recommended action

BUDGET IMPACT:

The proposed amendments to the OM&R Cost Recovery Methodology Policy does not directly affect the proposed budget.

ATTACHMENTS:

- Comments from Tulare Irrigation District
- Comments from Arvin-Edison Water Storage District
- Comments from Orange Cove Irrigation District
- Comments from Lindsay-Strathmore Irrigation District
- Revised OM&R Cost Recovery Policy



TULARE IRRIGATION DISTRICT

6826 Avenue 240 ♦ Tulare, California 93274 ♦ Telephone (559) 686-3425

June 10, 2019

Jason Phillips, Chief Executive Officer
Friant Water Authority
854 N. Harvard Avenue
Lindsay, California 93247

Subject: OM&R Cost Recovery Methodology Revisions: FWA and SLDMWA Facilities –
Tulare ID Comments

Dear Mr. Phillips:

On behalf of the Tulare Irrigation District (District), we appreciate the opportunity to comment on the OM&R Cost Recovery Methodology Revisions: FWA and SLDMWA Facilities (Revised Methodology) which was submitted to Friant Division Contractors for a 60-day review on May 1, 2019. The District has participated in the ongoing discussions regarding the development of the Revised Methodology over the last several months, but continues to have comments and concerns.

The following are comments submitted by the District for consideration in revising the Revised Methodology as submitted on May 1, 2019:

1. Provisions for Extraordinary Maintenance within the Revised Methodology – During the discussion of the Revised Methodology, the applicability of Extraordinary Maintenance was discussed in relation to the construction fix for the subsided sections of the Friant-Kern Canal (Subsidence Fix). At times the Subsidence Fix was described as an applicable project for the Revised Methodology, and at other times it was described as not. While the District believes it is acceptable to include Extraordinary Maintenance in the Revised Methodology, we think the Revised Methodology should provide a specific definition that limits its applicability. Anything above Extraordinary Maintenance should be discussed and approached as an alternative funding agreement.

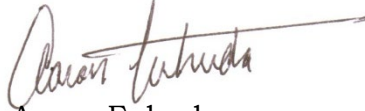
The District would like to recommend that Extraordinary Maintenance projects be defined as those projects that are not greater than 50% of the local annual cost share budget (FWA O&M Budget). If a specific project exceeds this threshold, a discussion of funding and alternative cost share should be developed and approved by the FWA Board.

2. Implementation of the Revised Methodology - The District would like to recommend applying the Revised Methodology to the Fiscal Year 2019-20 rather than the current FY 2018-19 to avoid any adjustments for the remainder of the current fiscal year. Because the Friant Contractors have utilized the current FY

2018-19 allocations for their existing budgets, applying the Revised Methodology to the FY 2019-2020 period would not impact any current District fiscal activities.

Again, the Tulare Irrigation District appreciates the opportunity to review and comment on the Revised Methodology and hopes that the comments provided will be incorporated into the final Methodology. If you have any questions or comments, I may be reached at (559) 686-3425 or akf@tulareid.org.

Sincerely,

A handwritten signature in brown ink that reads "Aaron Fukuda". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Aaron Fukuda
General Manager

CC:
Chris Tantau, FWA Chairman
Douglas DeFlicht, FWA COO
Don Willard, FWA CFO



ARVIN-EDISON WATER STORAGE DISTRICT

June 28, 2019

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JUL 03 2019
FWA

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Edwin A. Camp
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Secretary/Treasurer
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Ronald R. Lehr
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Charles Fanucchi
Catalino M. Martinez
Kevin E. Pascoe

Jason Phillips, Chief Executive Officer
Doug DeFlitch, Chief Operating Officer
FRIANT WATER AUTHORITY (FWA)
854 North Harvard Ave.
Lindsay, CA 93247

Re: Updated O&M Cost Recovery Methodology

Dear Gentlemen:

STAFF

Jeevan S. Muhar
Engineer-Manager
David A. Nixon
Deputy General Manager
Steven C. Collup
Director of Water Resources
Christopher P. Krauter
General Superintendent

Arvin-Edison Water Storage District (AEWSD) has reviewed the notice of proposed changes to the OM&R Cost Recovery Methodology emailed by Mr. Don Willard on May 2, 2019. AEWSD understands from Mr. Don Willard the close of the comment period is July 1, 2019. Subsequently, below are the comments from AEWSD.

As noted in the May 1, 2019 memorandum from Jason Phillips, the primary proposed O&M methodology revisions center around the changes that have been brought on as a result of the San Joaquin River Restoration Program (SJRRP). More specifically, the SJRRP has created at least two new designations of water types being both the Recovered Water Account (RWA) supplies and the Unreleased Restoration Flow (URF) supplies. It is important to note that these are not new water supplies on the Friant system, but simply a different designation of existing water contract supplies, which prior to the SJRRP, were classified as either Class 1, Class 2, and/or Section 215 water. AEWSD can support the revision in methodology to 1) shift from Class 1/Class 2 ratios to "actual" deliveries, and 2) include RWA and URF water. AEWSD assumes the revised methodology will also include Recapture & Recirculation water (another SJRRP designation) should those supplies be introduced and conveyed in the Friant-Kern Canal (unless otherwise subject to a Warren Act contract).

However, addressing the impacts of the SJRRP should go *beyond* inclusion of specific water types and should also include the **consideration of a reduced time period for smoothing the delivery record**. Recall that the current methodology uses a 25-year smoothing period as a surrogate for annual Class 1/Class 2 deliveries. In other words, it was assumed that the last 25-years is predictive and representative of the foreseeable future, and thus contractors are charged according to their last 25-years of history. While that assumption may have been credible in the past, it does not reflect the SJRRP losses, and subsequently, it penalizes contractors who have lost water to SJRRP by assuming they will still receive pre-SJRRP water supplies. This disparity must be taken into account.

A case in point, Table 5 of Jeff Payne's "SJRRP Settlement Implications on Smoothing" (April 25, 2019) illustrates that under the current Funded Constrained Framework for restoration, Class 1 contracts will lose approximately 33 TAF/year (4% of their annual yield) when compared to Pre-Settlement operations and Class 2/Other contracts will lose approximately 108 TAF/year, or 22% of their annual yield. None of these impacts going forward are captured in the smoothing period for the nearly 15-years of the 25-year period of pre-SJRRP operations.

AEWSD recommends the FWA Board reduce the smoothing period to the last 20-years. If 25-years is ultimately desired, then FWA can add a year each year until there is a 25-year smoothing period. Under this proposal one-half of the smoothing period (10-years) would represent the reality of SJRRP operations and the remaining one-half will be based pre-SJRRP.

Additionally, note Jason Phillips statement in his April 25, 2019 memorandum to the Board which states:

"An analysis of the record of flows on the FKC were undertaken and it was determined that both the 20-year record and the 25-year record have their merits for comparison purposes. The 20-year comparison does a better job of accurately depicting the recorded ratio of wet years to critical low years (see Table 1)."

FWA should strongly consider a 20-year smoothing period as a 25-year period is too slow to react to changing circumstances such as the SJRRP, FKC subsidence, SGMA demands, and whatever else is on the horizon that will undoubtable change operational/delivery assumptions.

Lastly, we understand that notice must be provided at least 60-days prior to the effective date of any amendment and therefore it seems this methodology should apply for the upcoming year rather than the proposed application of applying it retroactively for the current year as suggested by FWA.

Thank you,



Edwin Camp
President



Jeevan Muhar
Engineer-Manager

cc: Board of Directors
David A. Nixon, Deputy GM
Steve Collup, Director of Water Resources
Scott Kuney, Esq.

ORANGE COVE IRRIGATION DISTRICT
1130 PARK BOULEVARD
ORANGE COVE, CALIFORNIA 93646
Phone: (559) 626-4461
Fax: (559) 626-4463
Webpage: OrangeCoveID.org

BOARD OF DIRECTORS

May 16, 2019

President

Harvey A. Bailey
Division 1

Mr. Jason Phillips
CEO Friant Water Authority
jphillips@friantwater.org

Vice-President

H. A. "Gus" Collin, III
Division 3

Subject: Friant-Kern Canal and Delta-Mendota Canal Conveyance & Pumping Facilities Cost Recovery Methodology Policy for Operation, Maintenance, Repair, and Replacement (OM&R) Costs – 60 Day Comment Period – Orange Cove Irrigation District Comments

David A. Brown
Division 2

Arlen D. Miller
Division 4

Dear Mr. Phillips,

Russell Katayama
Division 5

The Orange Cove Irrigation District greatly appreciates the opportunity to comment on the subject policy document (Policy) and be a part of its synthesis. We all understand the time, energy and deliberation that went into its drafting. Notwithstanding those efforts, the Orange Cove Irrigation District has a few comments that it would like you, your staff and the Friant Board of Directors to consider.

Officers

**Engineer-Manager / Secretary /
Assessor / Collector**
Fergus A. Morrissey

Comments/Suggestions:

Controller / Treasurer
Robert T. Ramirez, CPA

General Legal Counsel
Scott Kuney, Esquire
Young Wooldridge, LLP

1. Effectuating the Friant Water Authority's proposed OM&R Policy should not by default apply to FKC OM&R Project (including Capital and /or Extraordinary Projects) whose total budget requirement exceeds 50% of the local cost share annual budget amount for that year. For local projects with budget requirements of this magnitude, the method of cost recovery shall be brought to the FWA Board of Directors for consideration of a potential alternate cost recovery method(s).

Projects exceeding, whether known beforehand or not, the noted dollar scale that are emergency in nature (immediately damaging or threatening to damage life or property), shall be undertaken immediately regardless of full Board deliberation.

2. Ascribing volumes of water "taken" for each Contractor for the purpose of computing the 25-year average delivery percentages would be mechanically far simpler if it were done on the basis of head-gate deliveries as opposed to the proposed method which I refer to as the "*water-controlled*" method. We (Orange Cove Irrigation District) are not sure the benefits of using the *water-controlled* method warrants the increased complexity. Head gate values offers information that is immediately available, verifiable, simple, transparent and furthermore it relies on information originating from a single source (FWA meters).

Under the *water-controlled* method the combination of potential water transfers among 30 some odd contractors taken two at a time results in more than 400 combinations. Given the amount and complexity of transfer actions among Friant Contractors each and every year, this added complexity will undoubtedly introduce errors in the computation that may be very tedious or impossible to resolve. The time required

may be burdensome and will increase demands on FWA staff and district contention. The *water-controlled* method will rely on head-gate information accuracy **in addition to** information provided by Reclamation on transfer quantities which must be completely accurate to achieve numerical resolution. Under the *water-controlled* method there will have to be a perfect balance of these two sources of information and the resolution of an imbalance, which we know will be a fact of life, seems to be asking for unnecessary headaches, by many.

Please describe the advantages or rationale for preferring the *water-controlled* method, which demonstrates that those factors tip the scale to its preferential use over the mechanically simpler and arguably more accurate, head-gate value method.

Once again, thank you for considering these comments. The comments included here are not necessarily exhaustive and or final. The District may offer other comments in addition to these comments in writing or at the Friant Board meeting where comments on the Policy are considered. I may be reached at (559) 626-4461 or by email at fmorrissey@orangecoveid.org

Sincerely,



Fergus Morrissey
Engineer-Manager
Orange Cove Irrigation District

CC:

Chris Tantau, FWA Chairman of the Board
Douglas DeFlicht, FWA COO
Don Willard, FWA CFO
OCID Board of Directors



P.O. Box 846 • Lindsay, CA 93247 • Phone: (559) 562-2581 • Fax: (559) 562-3882 • www.lsid.org

June 11, 2019

Mr. Jason Phillips
CEO Friant Water Authority
8050 N. Palm Avenue, Suite 300
Fresno, CA 93711
jphillips@friantwater.org

RE: Friant-Kern Canal Cost Recovery Methodology Proposed Policy Revisions (OM&R)
Lindsay-Strathmore Irrigation District Comments
Delivered Via: Email

Dear Mr. Phillips:

Lindsay-Strathmore Irrigation District (District) appreciates the efforts of your staff in developing the draft policy update referenced above. The District has been an active participant in the development of the proposed revisions and would like to submit the following comments for consideration.

1. Language should be added to the proposed OM&R Policy that puts a cap on Extraordinary and/or Capital Replacement projects whose total budget requirements exceeds 50% of the current year local cost share annual budget. Project budgets in excess of this amount should be presented to the FWA Board of Directors to consider alternate funding mechanisms or cost recovery formulas, particularly when projects that could be considered Capital Replacement are proposed.
2. After a more thorough and detailed review of the A-13 Irrigation and M&I Water Delivery Spreadsheets which the proposed OM&R Policy will use to calculate the 25-year historical water each contractor is "in control of" several discrepancies were found with the District's information. Out of seven years the District reviewed thoroughly, only one year was correct. In 2017 for example, there is an overstatement of water for the District which translated to an approximate 0.45% increase in the percentage of Class 1 that the District is responsible for in that year. As you are aware, any miscalculation for an individual contractor affects all contractors. Currently, FWA staff levels

would not allow for the time required to verify or make any adjustments to the A-13 deliveries, and LSID is not advocating adding additional staff.

The District proposes that alternate methods be further evaluated or discussed prior to making a final decision on this item. Head gate deliveries to each Contractor totaled by the Bureau Contract Water Year, or Contract Performance based on Friant Class 1 & Class 2 allocations only might be an appropriate replacement method to reduce the inaccuracies that is apparent in utilizing the A-13 Schedule of Deliveries. LSID recognizes that utilizing head gate deliveries will undoubtedly redistribute costs differently and further discussion would likely be needed to decide how to handle Warren Act or other deliveries which currently already pay a separate conveyance charge.

One other alternative method to consider would be to remove the non-Friant Conveyance component from the current calculation method for the historical 25-year period and then utilize head gate deliveries on a yearly basis moving forward to smooth the transition to the new method.

Thank you in advance for considering LSID's comments. If you have any questions or would like to discuss further, I may be reached at (559) 562-2581 or by email at cwallace@lsid.org

Sincerely,



Craig N. Wallace
General Manager

CC: via email.

Chris Tantau, FWA Chairman of the Board

Douglas DeFlicht, FWA COO

Don Willard, FWA CFO

LSID Board of Directors

**Friant-Kern Canal and Delta-Mendota Canal Conveyance & Pumping Facilities Cost
Recovery Methodology Policy**

for

Operation, Maintenance, Repair, and Replacement (OM&R) Costs

Effective October 1, 2019

Background

Since March 1, 1998, when the Friant Water Authority (Authority)(as successor to the Friant Water Users Authority) entered into that certain “Agreement To Transfer The Operation, Maintenance And Replacement And Certain Financial And Administrative Activities Related To The Friant-Kern Canal And Associated Work” (Transfer Agreement), the Authority has been responsible for working with the CVP contractors that take delivery of water from the Friant-Kern Canal, in establishing a program of operation and maintenance and a cost recovery methodology that directly recovers the Authority’s costs in operating and maintaining the Friant-Kern Canal.

Similarly, since 1998, the San Luis and Delta-Mendota Water Authority (SLDMWA) has been responsible for developing a program of operation and maintenance and a cost recovery methodology for the Delta-Mendota Canal, the Tracy Pumping Plant and the O’Neill Pump/Generating Plant. The Authority is responsible for working with all long-term contractors of the Friant Division of the CVP in establishing a program that directly recovers costs incurred by the SLDMWA attributable to the delivery of Exchange Contractor and San Joaquin River Water Rights Settlement Contractor water.

The following is a description of the updated cost recovery methodology for recovering the costs associated with the operation and maintenance of the Friant-Kern Canal.

As of the effective date above, this Policy is clarified to confirm that it covers operation, maintenance, repair, and replacement costs (collectively, “OM&R”) of the “Project Works” for the Friant-Kern Canal and related facilities as those terms are defined in the Transfer Agreement.

This Policy also covers the recovery of the costs associated with the operation, maintenance, repair, and replacement costs of the Delta-Mendota Canal and the Tracy and O’Neil Plants as those costs are applied to the delivery of water on behalf of Friant Division contractors to meet the obligations for providing an alternative supply of water as contemplated under the *Contract for Exchange of Waters* to the Exchange Contractors and for San Joaquin River Water Rights Settlement Contractors.

As used in in this Policy, “Operation, Maintenance and Replacement” or “OM&R” has the meaning set forth in Article 1(c) of the Transfer Agreement, which is as follows:

“Operation, Maintenance and Replacement” or “OM&R” shall mean the complete operation and maintenance of the Project Works (as defined

below), including such repairs and replacements as are normally considered part of annual operation and maintenance functions and not considered capital costs of the Project in accordance with the *Blue Book* entitled, Replacements -- Units, Service Lives, Factors, as it exists on the date of this Agreement or in accordance with Federal law or any other regulations, policies, guidelines or instructions adopted thereunder. OM&R shall include the performance and funding of emergency or unusual operation and maintenance or extraordinary operation and maintenance costs, unusual or extraordinary repair or replacement costs, unusual or extraordinary repair or replacement costs, and betterment costs, but only to the extent the costs thereof are not considered capital costs of the Project in accordance with the *Blue Book* reference above as it exists on the date of the Agreement or in accordance with Federal law or any other regulations, policies, guidelines or instructions adopted thereunder. Notwithstanding the foregoing. OM&R shall also include Capital Items, as that term is defined in Article 4 (a) hereof, which the Authority chooses to accomplish and finance pursuant to Article 4 (b) hereof.

The definition of “Project Works” referenced in the definition of OM&R is found in Article 1(f) of the Transfer Agreement, which is as follows:

“Project Works” shall mean those facilities listed or described on the attached Exhibit A, which are incorporated herein by this reference, including: the Friant-Kern Canal and related in-line control facilities; turnouts, measuring devices and associated water level control devices and water level recording instruments; appurtenant equipment, structures and maintenance building; and such other facilities as the parties may agree by modification of this definition and/or addendum to Exhibit A from time to time.

The definition of “Capital Items” referenced in the definition of OM&R is found in Article 4(a) of the Transfer Agreement, and the relevant portion of Article 4 (b) of the Transfer Agreement that authorizes FWA to allocate the cost of Capital Items as part of OM&R are as follows:

4(a): Nothing in this Agreement shall be construed to require the Authority to make or fund improvements, modifications, replacements or repairs of any nature to the Project Works the costs of which should be or will be added to the capital costs of the Project (herein “Capital Items”).

4(b): Notwithstanding the provisions of Article 4 (a) hereof, in the event the Authority identifies Capital Items it deems necessary for the OM&R of the Project Works and the Contracting Officer is unable or unwilling to provide a mechanism for accomplishing and financing such Capital Items, the Authority in its sole discretion may proceed with the accomplishment and financing of such Capital Items and deem the costs thereof to be OM&R cost thereunder, regardless of whether such costs are capitalized by the Authority.

Friant-Kern Canal OM&R Cost Recovery Methodology (Effective October 1, 2019)

The following methodology will be employed in recovering the costs associated with the OM&R of the Friant-Kern Canal:

1. Annual OM&R costs will be based on actual FKC deliveries to contractors. All water types (except Warren Act water) will be included in the calculation. The calculation will be based on the USBR Rate Schedule A-13 by individual contractor and include Section 215 water deliveries and Restoration Water Account (RWA) and Unreleased Restoration Flows (URF) deliveries as reported annually by the Bureau of Reclamation or other appropriate monitoring agency. OM&R costs will be based on total volume of water (regardless of color) delivered to an individual contractor as a percentage of total water delivered to all Friant-Kern Canal contractors
2. Annual OM&R costs will be allocated based upon the proportion of costs each contractor would have incurred if those costs would have been paid on an acre foot delivered basis each year for the immediate past 25 years.
3. Payment of each contractor's share of annual OM&R costs will be made in twelve equal monthly installments. Other payment plans can be arranged by a contractor; provided, however, that the contractor will have to bear any cost of borrowing that the Authority may incur to provide the alternative payment mechanism.
4. Warren Act water deliveries will be billed for their Friant-Kern Canal conveyance cost monthly.
5. In the event of a proposed non-emergency project involving unusual operation and maintenance or extraordinary operation and maintenance costs, unusual or extraordinary repair or replacement costs, or Capital Items, and the total budget for the project exceeds 50% of the prior fiscal year's budget for normal or routine OM&R activities, the method of cost recovery for the proposed project will be presented to the Friant Water Authority Board of Directors for consideration of potential alternative cost recovery methodologies prior to approval of the proposed project and implementation of the standard OM&R cost recovery

methodology set forth in Sections 1 and 2 above. Emergency projects (defined as immediately damaging or imminently threatening to damage life or property) in an amount exceeding the threshold of 50% of the prior fiscal year's budget for normal or routine OM&R activities, may be undertaken immediately without Board of Director consideration of potential alternative cost recovery methodologies.

Delta-Mendota Canal Cost Recovery Methodology (Effective March 1, 2019)

FWA and SLDMWA have entered into that certain First Amended and Restated Memorandum of Understanding Relating to Allocation, Collection and Payment of Operation, Maintenance & Replacement Costs for Water Delivered Through Certain Central Valley Project Facilities effective as of September 1, 2002, (as it may be amended, "MOU"), which includes the cost allocation plan that is used to assign costs of various Westside facilities to CVP water contractors, including Friant Division contractors. The Friant Division's share of these expenses is distributed among the Friant Division contractors. The Friant Water Authority will be responsible for assigning and collecting the allocated share of the Delta-Mendota Canal's (DMC) OM&R costs for the Friant Division contractors using the following cost recovery methodology:

1. Annual OM&R conveyance costs will be based on actual FKC and Madera Canal deliveries. All water types (except Warren Act water) will be included in the calculation. The calculation will be based on USBR Rate Schedule A-13 by individual contractor and include Section 215 water deliveries and RWA and URF deliveries as reported annually by the Bureau of Reclamation or other appropriate monitoring agency. SLDMWA OM&R conveyance costs will be based on total volume of water (regardless of color) delivered to an individual contractor as a percentage of total water delivered to all Friant Division contractors.
2. Annual OM&R conveyance costs will be allocated based upon the proportion of costs each contractor would have incurred if those costs would have been paid on an acre foot delivered basis each year for the immediate past 25 years.
3. The Friant Water Authority will handle the billing and collection of these costs identically to those required for the payment of the OM&R costs of the Friant-Kern Canal, namely each Friant Division contractor will pay these costs in equal monthly installments. Other payment plans can be arranged by a contractor; provided, however, that the contractor will have to bear any cost of borrowing that the Authority may incur to provide the alternative payment mechanism. To the extent that the payment requirements of the San Luis and Delta-Mendota Water Authority do not match up with the Authority's monthly collections program, the Friant Water Authority will absorb any differential and account for the additional costs (or revenues) that may result and apply any differential to the next year's costs for this activity.

Tracy Pumping Plant and O’Neill Pump/Generator Plant Cost Recovery Methodology

1. Class 1 contractors will be the only Friant Division contractors responsible for paying for the Friant Division’s share of the OM&R costs of the Tracy Pumping Plant and the O’Neill Plant costs.
2. Contract quantities of Class 1 water will be used as the basis for allocating the Friant Division’s share of the Tracy Pumping Plant’s and O’Neill Plant’s operation and maintenance expense to Friant Division contractors. M&I water contractors will share in this expense on the same basis as Class 1 Irrigation water contractors.
3. The Friant Water Authority will handle the billing and collection of these costs identically to those required for the payment of OM&R expense of the Friant-Kern Canal; namely, each Friant Division contractor will pay these costs in equal monthly installments. Other payment plans can be arranged by a contractor; provided, however, that contractor will have to bear any cost of borrowing that the Authority may incur to provide the alternative payment mechanism. To the extent that the payment requirements of the San Luis and Delta-Mendota Water Authority do not match up with the Authority’s monthly collections program, the Friant Water Authority will absorb any differential and account for the additional costs (or revenues) that may result and apply any differential to the next year’s costs for this activity.

Agenda Report

No.9.D

DATE: July 25, 2019
TO: Board of Directors
FROM: Jason Phillips, CEO; Donald M. Davis, General Counsel
SUBJECT: Renewal of Friant-Kern Canal Transfer Agreement

SUMMARY:

The agreement (Transfer Agreement) with the Bureau of Reclamation transferring operations, maintenance and repair responsibility for the Friant-Kern Canal (FKC) to the Friant Water Authority expires on March 1, 2023. The Transfer Agreement contemplates that FWA and Reclamation will initiate negotiations regarding the terms and conditions for an extension of the Transfer Agreement in the final year of the term, but does not preclude earlier negotiations. According to the financial consultants (PMF) assisting with developing a self-financing plan for the FKC Capacity Correction Project, FWA's borrowing capacity is directly tied to its ability to secure reimbursement from Friant contractors that utilize the FKC under the Transfer Agreement. In short, the term of any long-term financing must, at minimum, correspond to the term of the Transfer Agreement. Staff is seeking approval to initiate negotiations with Reclamation on the terms and conditions of an extension of the Transfer Agreement for a minimum period of 30 years.

Reclamation recently approved a similar request from the San Luis Delta & Mendota Water Authority (SLDMWA) to initiate negotiations regarding a renewal of its transfer agreement for the Delta-Mendota Canal (DMC) facilities, which expires at the same time as FWA's Transfer Agreement. Like FWA, SLDMWA is seeking long-term financing for capital improvements to its facilities. Because the two transfer agreements are very similar, it is anticipated that FWA and SLDMWA will coordinate in their respective negotiations to ensure consistent provisions and treatment as the non-federal operating entities for these vital Central Valley Project facilities.

A draft letter to Regional Director Conant is attached for the Board's consideration.

RECOMMENDED ACTION:

That the Board of Directors approve the transmittal of a request to the Bureau of Reclamation to promptly initiate negotiations on a long-term extension (minimum of 30 years) of the Transfer Agreement for the Friant-Kern Canal and related facilities.

SUGGESTED MOTION:

A motion to approve the recommended action.

ATTACHMENTS:

Draft letter to Regional Director Conant

Chris Tantau
Kaweah Delta W.C.D.
Chairman of the Board

Jim Erickson
Madera I.D.
Vice Chairman

Cliff Loeffler
Lindsay-Strathmore I.D.
Secretary/Treasurer

Edwin Camp
Arvin-Edison W.S.D.

Kole Upton
Chowchilla W.D.

Tim Orman
City of Fresno

George Porter
Fresno I.D.

Loren Booth
Hills Valley I.D.

Michael Brownfield
Lindmore I.D.

Kent H. Stephens
Kern-Tulare W.D.

Harvey A. Bailey
Orange Cove I.D.

Eric Borba
Porterville I.D.

Steven G. Kislring
Saucelito I.D.

Edwin L. Wheaton
Terra Bella I.D.

Rick Borges
Tulare I.D.

Jason R. Phillips
Chief Executive Officer

Douglas A. DeFlicht
Chief Operating Officer

854 N. Harvard Ave.
Lindsay, CA 93247

1121 L St., Ste. 610
Sacramento, CA 95814

(559) 562-6305

friantwater.org

July 26, 2019

Via U.S. Mail & Email

Mr. Ernest Conant
Regional Director, Mid-Pacific Region
United States Bureau of Reclamation
2800 Cottage Way
Sacramento, CA 95825-1898

Re: **Renewal of Agreement to Transfer the Operation, Maintenance and Replacement and Certain Financial and Administrative Activities Related to the Friant-Kern Canal and Associated Works (Contract No. 8-07-20-X0356)**

Dear Mr. Conant:

The Friant Water Authority (Friant) requests the initiation of early negotiations with the Bureau of Reclamation (Reclamation) to renew the referenced agreement (Transfer Agreement) on mutually acceptable terms for a minimum period of 30 years, with a desired goal to complete such negotiations and execute all required documentation by no later than February 1, 2020.

As your office is well aware from the excellent support and coordination Friant has received from Reclamation to date, Friant is seeking to implement a project to restore capacity to a large segment of the Friant-Kern Canal (FKC) that has been impacted by subsidence. Friant is in the process of developing a self-financing plan for this project, and our financial consultants have advised that Friant will need to demonstrate a long-term ability to secure funding through cost recovery imposed on Friant contractors that utilize the FKC. As Friant's ability to recover such costs is directly tied to the Transfer Agreement, the term of the Transfer Agreement must be extended, and the proposed renewal term of a minimum of 30-years will allow for the issuance of long-term debt of a similar duration.

Friant respectfully requests that Reclamation provide a letter of intent to Friant at your earliest convenience stating Reclamation's willingness to immediately initiate negotiations with Friant on the renewal of the Transfer Agreement with a mutually desired goal to have an executed renewed Transfer Agreement in place by February 1, 2020.

On behalf of Friant, thank you for your consideration of this request and for your continued support and cooperation.

Sincerely,

Jason Phillips, CEO

ec: Richard Woodley, USBR
Michael Jackson, USBR

Agenda Report

No.10.A

DATE: July 25, 2019
TO: Board of Directors
FROM: Jason Phillips, CO; Don Willard, CFO
SUBJECT: FY 2020 Draft GM Budget

SUMMARY:

Staff has developed a draft of the General Member Budget needs for FY 2020. This draft is presented in a new format based on Task or Activity for the Water Policy and the Outreach and Engagement sections while the General Membership Administration & Direct Expenses are shown by type as they have been reflected in previous years.

The current FY 2020 Draft GM Budget, at \$2,060,500, reflects a decrease of \$567K from FY 2019, at \$2,627,500. This 21.6% decrease is the result of several items.

- A few Tasks will see expenditure reductions due to completion of the activity or the receipt of support from other sources. The Friant Sustainability Plan, SJV Blueprint and the ASO Program are examples of these.
- Shifting priorities for certain consultant expenses and Staff time by activity has resulted in some reductions to the GM Membership Budget. The following are examples; the pursuit of FKC Subsidence Funding, FKC Title Transfer activities, and Water Supply Coordination and Monitoring.

RECOMMENDED ACTION:

Discussion item only, no action necessary.

ATTACHMENTS:

Draft FY 2020 General Member Budget.

**Friant Water Authority
2020 Draft Budget**

CODE	Job Description	GM Budget
Water Policy		
7120	Water Rights Policy and Defense (Friant and Delta)	
	Water & Power Law Group	\$ 135,000
	Somach	\$ 36,000
	Other	\$ 22,500
	Total Water Rights and Defense	\$ 193,500
7130	San Joaquin River Settlement	
	Steve Ottomoeller Consulting	\$ 27,000
	General Consulting - (vice Luce)	\$ 67,000
	Total San Joaquin River Settlement	\$ 94,000
7140	Reconsultation (CVP/SWP LTO) & Science	
	ICF	\$ 35,000
	Science Funding	\$ 50,000
	Total Reconsultation (CVP/SWP LTO) & Science	\$ 85,000
7150	Friant Sustainability Plan	\$ -
7151	San Joaquin Valley Blueprint	\$ -
7160	Temperance Flat	\$ -
7171	ASO Implementation	\$ -
	Total Water Policy	\$ 372,500
Outreach and Engagement - General Implementation		
7300	Central Valley Engagement	
	Starting Point	\$ 18,000
	Total Central Valley Engagement	\$ 18,000
7310	Federal Affairs	
	Water & Power Law Group	\$ 26,000
	Kan Ventures	\$ 49,750
	The Ferguson Group	\$ 43,000
	Total Federal Affairs	\$ 118,750
7320	State Affairs	
	Kan Ventures	\$ 15,750
	Villines	\$ 40,000
	Total State Affairs	\$ 55,750
7340	General Public	
	General Consulting - (vice Luce)	\$ 16,500
	Stantec	\$ 15,000
	Commuter Industries	\$ 7,500
		\$ -
	Total General Public	\$ 39,000
	Total Outreach and Engagement	\$ 231,500

**Friant Water Authority
2020 Draft Budget**

CODE	Job Description	GM Budget
General Membership Administration & Direct Expenses		
Counsel		
	<i>General Counsel - Burke Willaims</i>	\$ 10,000
	<i>Special Counsel - Burke Willaims</i>	\$ 50,000
		\$ 60,000
Staff		
	<i>Leadership</i>	\$ 736,000.00
	<i>Other Staff (intern/temp)</i>	
Membership Fees, Dues & Contributions		
	<i>CDTFA - State Water Resources Control Board</i>	\$ 52,000
	<i>Family Farm Alliance</i>	\$ 9,000
	<i>CVPWA dues</i>	\$ 44,000
	<i>SJV Blueprint</i>	\$ 15,000
	<i>Temperance Flat Reservoir Authority</i>	\$ 35,000
	Total Membership Fees, Dues & Contributions	\$ 155,000
Other Supplies & Services		
	<i>Travel Expenses - (Airfare, Charters, Ground Transportation, etc.)</i>	\$ 60,000
	<i>Hotel</i>	\$ 35,000
	<i>Meals</i>	\$ 35,000
	<i>Mileage</i>	\$ 27,500
	<i>Other Expenses</i>	\$ 15,000
	Total Other Supplies & Services	\$ 172,500
	Special Meeting Expenses - (Board Retreat & Annual Meeting)	\$ 40,000
	Admin Allocation	\$ 210,000
Direct Expenses		
	<i>Rent</i>	\$ 62,500
	<i>Office Expenses</i>	\$ 7,500
	<i>Office Supplies</i>	\$ 7,500
	<i>Conference Calls & Internet</i>	\$ 5,500
	Total Direct Expenses	\$ 83,000
	Total GM Administration & Direct Expenses	\$ 1,456,500
	Total General Membership Budget	\$ 2,060,500

**Friant Water Authority
General Members Budget
Fiscal Year 2020**

	FY 2019 Approved Budget	YTD Actuals June-19	FY 2019 Projected	FY 2020 Budget
Consultants				
General Counsel				
<i>Burke, Williams & Sorenson, LLC</i>	100,000	29,781	75,000	10,000
Special Counsel				
<i>Water & Power Law Group</i>	220,000	153,480	170,000	161,000
<i>Burke, Williams & Sorensen, LLC</i>	25,000	26,450	25,000	50,000
<i>Somach Simmons</i>	30,000	7,274	25,000	36,000
<i>Other - (Young Wooldridge)</i>		4,435	4,500	15,000
Special Counsel Subtotal	275,000	191,640	224,500	262,000
Professional Support - Operations				
<i>General Consulting - as needed</i>	100,000	74,081	100,000	91,000
<i>Steve Ottomoeller</i>	130,000	20,891	22,500	27,000
<i>Biologist - ICF</i>	40,000	25,970	35,000	35,000
<i>Kan Ventures - (Austin Ewell)</i>		105,641	130,000	65,500
<i>Operations and planning analyst- Stantec</i>	65,000	63,705	65,000	
Professional Support - Operations Subtotal	335,000	290,287	352,500	218,500
Professional Support - Communications & Outreach				
<i>The Ferguson Group</i>	150,000	97,194	100,000	43,000
<i>Villines Group, LLC</i>	50,000	33,285	50,000	40,000
<i>Randle Communications</i>	50,000	92,061	92,000	0
<i>Media & Materials</i>	65,000	40,348	65,000	40,500
<i>Stantec - (Task 19.4)</i>	15,000	11,356	15,000	15,000
<i>Starting Point</i>	35,000	16,829	35,000	18,000
<i>Commuter Industries</i>	15,000	12,163	15,000	7,500
Professional Support - Comm. & Outreach Subtotal	315,000	262,888	307,000	123,500
Consultants Subtotal	1,025,000	774,596	959,000	614,000
Staff				
Leadership	775,500	678,676	854,500	736,000
Other Staff (intern/temp)	20,000	-	10,000	0
Staff Subtotal	795,500	678,676	864,500	736,000
Dues, Fees & Contributions				
CDTFA - State Water Resources Control Board	52,000	41,624	42,000	52,000
Family Farm Alliance	9,000	9,000	9,000	9,000
CVPWA dues	37,000	43,799	44,000	44,000
SJV Blueprint				15,000
Temperance Flat Reservoir Authority		-		35,000
Dues & Fees Subtotal	98,000	94,423	95,000	155,000
Other Supplies & Services				
<i>Visa</i>				
<i>Travel</i>	30,000	34,000	37,500	60,000
<i>Hotel</i>	35,000	22,648	35,000	35,000
<i>Meals</i>	25,000	24,751	31,000	35,000
<i>Miscellaneous visa receipts</i>	15,000	23,783	27,500	10,000
<i>Meeting expenses - (Board Retreat)</i>	65,000	33,770	35,000	40,000
<i>Other expenses</i>	10,000	-	2,500	5,000
Other Supplies & Services Subtotal	180,000	138,953	168,500	185,000
Admin Allocation	135,000	100,114	135,000	210,000
Direct Expenses (including rent, mileage)				
<i>Mileage</i>	27,000	21,761	27,000	27,500
<i>Rent</i>	77,000	54,395	62,500	62,500
<i>Office Expenses</i>	6,500	8,504	10,000	7,500
<i>Office Supplies</i>	5,000	8,554	9,000	7,500
<i>Conference Calls & Internet</i>	5,500	4,203	5,500	5,500
Direct Expenses Subtotal	121,000	97,417	114,000	110,500
Other Activities Subtotal	534,000	430,908	512,500	660,500
Subtotal Base Budgets	2,354,500	1,884,180	2,336,000	2,010,500
Special Projects				
Airborne Snow Observatory (NASA)	148,000	1,300	15,000	0
Sustainability Plan	50,000	144,303	174,500	0
Temperance Flat Studies	25,000	9,000	25,000	0
SJV Blueprint		-		0
Consulting for Settlement Discussions		21,914	22,000	0
Science Funding	50,000	25,000	50,000	50,000
Total Special Projects	273,000	201,517	286,500	50,000
Total Budgets	2,627,500	2,085,698	2,622,500	2,060,500

DATE: July 25, 2019

TO: Board of Directors

THROUGH: Douglas DeFlicht, Chief Operating Officer

FROM: Janet Atkinson, Bill Swanson and Donald M. Davis

SUBJECT: Friant-Kern Canal Capacity Correction Project Update

SUMMARY:

The FKC Capacity Correction Project (Project) is to correct the conveyance capacity problems caused by subsidence and original Project design deficiency from MP 88 (Fifth Avenue Check) to MP121.5 (Lake Woollomes Check). The Board of Directors (BOD) selected the alternative that consists of a parallel or realigned canal along with enlargement of certain segments of the existing canal (Canal Enlargement & Realignment – “CER”) at the April 25th BOD meeting for continued design development, environmental compliance and permitting. The next steps include 1) commencement of final design; 2) completion of the Feasibility Study ; 3) environmental compliance/permitting activities; and 4) initiation of a land acquisition strategy. The overall goal is for FWA to be in a position to award a construction contract for the final Project before the end of next fiscal year (which ends in September 2020).

UPDATE:

The following paragraphs present a summary of the work completed since the last BOD update:

Reclamation Coordination Meetings - Two coordination meetings were conducted this past month with Reclamation to support collaboration and decision-making for the Project. On July 11th a coordination meeting was held to conduct a major schedule milestone review, discuss deliverable responsibilities, discuss effective collaboration tactics, and budget. Current issues regarding the applicable right-of-way (ROW) acquisition process, NEPA/CEQA studies, and the Feasibility Study and steps towards resolution of each issue were discussed. On July 16th an environmental permitting meeting was conducted. Major decisions made as a result of these meetings are described below;

- The NEPA document will be an Environmental Impact Statement (EIS)/Record of Decision (“ROD”). Prior to this decision the guidance had been a less detailed Environmental Assessment (“EA”)/Finding of No Significant Impact (“FONSI”).
- A joint NEPA/CEQA document (EIS/EIR) will be prepared. Prior to this decision the guidance had been separate CEQA EIR and NEPA EA documents.

Efforts are underway to prepare an updated project schedule that considers these recent decisions while meeting FWA’s timeline. As part of this effort, Stantec and Reclamation are working closely to define the roles and responsibilities to complete a joint document and streamline the NEPA/CEQA processes and approvals needed. It is estimated that an updated schedule will be available in mid-August.

Financing - Public Municipal Finance (PMF) has obtained the financing documentation needed from Friant Division Contractors that take water off of the Friant-Kern Canal and has prepared an initial summary of the financial condition of the respective agencies that would most likely participate in any self-financing for the Project. Overall, most agencies have healthy levels of reserves and good debt service coverage ratios, which will hopefully translate into a high rating from the rating agencies and thus lower interest rates. Rating agencies will provide a confidential, preliminary analysis for around \$15,000 – \$20,000, which PMF may recommend in the near future. In addition, the preliminary analysis indicates that the agencies analyzed should be able to take on a proportionate share of long-term self-financing (e.g. \$50M at 25 years) without too much difficulty or the need to significantly change their current revenue structures. The next step in the financing plan will be for PMF to provide additional details as to a potential financing agreement among the participating agencies and FWA.

Right-of Way Acquisition – A Request for Qualifications (RFQ) for ROW acquisition services and real property appraisal services was issued on July 9th with a submittal due date of July 29th. Outreach to firms was conducted and based on this outreach and the number of firms asking questions about the RFQ or otherwise advising that they will be submitting proposals, there appears to be strong interest. Selection of a consultant(s) is anticipated to be made the week of August 5th with contract negotiation proceeding after that.

Feasibility Report - Stantec and FWA staff conducted a conference call on June 20th with Reclamation policy staff to discuss the next steps for the Feasibility Report review process and requirements for Reclamation to make a Finding of Feasibility at the earliest opportunity. Reclamation clarified that requested additional information and potential additional analyses be provided to address:

- economic evaluations based on project water values under SGMA implementation;
- description and analysis of a non-structural alternative; and
- potential presentation of sensitivity analyses to address uncertainty regarding future water value, future subsidence, and resulting project delivery impacts.

Reclamation clarified that a peer review will be required for hydrologic modeling and economic valuations included in the Feasibility Report. Stantec has begun revising the document to address Reclamation’s comments and will be scheduling follow up meetings with Reclamation reviewers to discuss technical issues in greater detail and provide preliminary language that will be included in the Draft Feasibility Report. Stantec attended meeting with Reclamation and gained clarification on DEC Review and Peer Review required to complete the Feasibility Report.

Environmental Compliance, Cultural Resources and Permitting- Work has continued to progress on early CEQA activities including updating a draft CEQA Notice of Preparation (NOP), a first draft project objectives/purpose and need, and draft Project Description. Comments from Reclamation were received on the draft Project Description and initial review of comments conducted. Continued preparation of a draft wetland delineation for the footprint of the project and geotechnical field exploration plan. Continued the biological resources investigation. Completed a Project Description for the geotechnical field exploration plan and submitted it to Reclamation. Stantec archaeologists surveyed the Phase III Geotechnical bore locations located on County-owned property and conducted remote observations of proposed sites on private properties that were visible from public rights of way. Stantec staff did not access private lands. This information is being incorporated into the Section 106 Report for the Phase III Bore Locations which is

currently being developed with a draft planned for the week of July 22nd. Cultural Resources has been working with Reclamation to provide mapping used to initiate Native American Consultation. Stantec Architectural Historians completed an architectural history inventory for all resources located in the long term corrective action Area of Potential Effect (APE) including documentation of all bridges. This information will be used in the development of the Section 106 report in support of the Long Term Corrective Action and the modification to the existing Programmatic Agreement APE. Stantec architectural historians have initiated historic research to support this reporting effort.

Engineering and Design - Work continued to progress on optimization of the Canal Enlargement and Realignment (CER) alternative including running earthwork models of the new canal segments with bottom widths of 16-feet to 40-feet to define the most optimal canal section from a construction cost perspective. Continued hydraulic modeling work on Segments 1 and 4. Continued to prepare utility tracking logs, updated mapping files with utility information and coordinated with utility owners, Tulare County, Kern County and Caltrans. Sent out initial utility letters to multiple agencies. Started work on the 30-percent design report. Conducted a design kickoff meeting with multi-discipline engineering team for the 75% design. Prepared updated geotechnical work plan. Completed field reconnaissance to locate the geotechnical field investigation plan and prepared KMZ files appropriate for the 100% design. Proposed borings were identified at locations of canal enlargement, parallel canal, siphon road crossings, and White River and Deer Creek Checks. Adjustments were made in the field to avoid potential Kit Fox dens, underground and overhead utilities, private and County land where practical, and difficult access. The adjusted boring locations were called in to Dig Alert to determine underground utility conflicts. Determined locations where private utility locators will be needed - planning and coordination for private utility locators. Determined locations on county roads where traffic control will be needed for siphon road crossings - planning and coordination for traffic control. Coordinated with Stantec environmental, civil, bridge, and Right of Entry teams to plan for the upcoming geotechnical investigation. Preparation of contracts for subcontractors including drillers, CPT, private utility locators, traffic control. Scheduling for subcontractors including drillers, CPT, private utility locators, traffic control.

Landowner Coordination and Right-of-Entry (ROE) Support – Multiple planning activities were conducted to support landowner outreach and coordination for the Project and ROE support for the geotechnical field investigations. Prepared draft introduction letter for lands along both sides of the FKC for FWA review. Two letters were drafted to support geotechnical field investigations. They include a general notification and a site-specific notification. These letters will be sent out before the planned September start date. Notifications are described as further: 1) Courtesy: 85 borings are on land held in fee title by Reclamation. Notice by mail as a courtesy; 2) Coordination: 50 borings are within or near the Reclamation ROW that is also used by the landowners. Notice by mail, with phone/email follow-up; and 3) Permission: 11 borings are in areas confirmed as private property or require ingress/egress through private property. These will require execution of a ROE between the landowner and FWA. Completed initial assessment of all geotechnical boring locations to identify coordination needs to support planned initiation of drilling operations planned for September.

Developed initial database of all parcels along the left and right bank of the FKC to estimate the outreach requirements. The database of approximately 300 parcels includes 90 parcels that are potentially subject to full or partial acquisition through the Project. Initiated planning for a Project Open House in August. This includes contact with the Porterville Fairgrounds and Terra Bella-based Growers Citrus Packing to determine availability of meeting venues. Identified candidate sites for public NEPA/CEQA scoping meetings in Porterville and Delano to solicit comments in response to a Notice of Intent (NOI)/Notice of Preparation (NOP) of the

joint EIS/EIR. Prepared draft scope of work for FWA review to cover development of a landowner database, project webpage, stakeholder outreach plan, and initial outreach activities. Researched and received cost estimates from title companies to produce preliminary title reports for up to 90 parcels. Recommendation relayed to FWA for review and approval. Established a Landowner Coordination Working Group with regularly scheduled meetings to refine approach and guide implementation of activities.

The following activities are anticipated to be conducted next month:

Feasibility Report - We will continue to revise the First Admin Draft FR to reflect requested and recommended revisions, meet with Reclamation to work through approaches and draft language on specific topics identified in their review, and conduct supplemental evaluations as needed to determine the sensitivity of project feasibility to items that have uncertainty (future subsidence condition, value of water, and affected deliveries). It is anticipated that Reclamation will initiate and potentially complete peer review. Additional coordination is needed with Reclamation to receive guidance on whether an updated version of the FR is needed that includes peer review but is pre-DEC review. We will also work closely with Reclamation to schedule the Design, Estimating and Construction (DEC) review.

Environmental Compliance, Cultural Resources, and Permitting – Work towards finalizing the Notice of Preparation (NOP) of the EIR and to now support Reclamation in the steps needed to develop a Notice of Intent (NOI) to prepare an EIS. Prepare logistics and materials for a scoping meeting this fall. Refine project description based upon Reclamation comments received, begin preparation of joint NEPA/CEQA document (EIS/EIR) in coordination with Reclamation. Continue analyses of potential impacts, conduct additional biological characterization, and complete wetland delineation report. Support obtaining approvals for geotechnical field investigations by preparing permitting application packages, and completing cultural assessment documentation. Support Section 106 (Federal tribal) consultation and initiate AB 52 (CEQA Tribal Consultation) compliance. Work with Reclamation on the development of an updated environmental compliance, cultural resources, and permitting project schedule.

Engineering and Design - Complete recommendation for an optimal canal section with respect to canal lining, earthwork, operations and maintenance, and ROW. Continue to progress the utility research, hydraulic analyses, and complete draft 30-percent Design Report for QA/QC review. Progress the 75% design. Prepare for and begin detailed field surveys needed to inform the final design. Support the environmental team in revising the project description and other technical analyses needed for further the environmental review. Site visit to adjust boring locations which may have conflicts with underground utilities. Continue planning and coordination for subcontractors including drillers, CPT, private utility locators, traffic control. Continue coordination with Stantec environmental, civil, bridge, and Right of Entry teams to plan for the upcoming geotechnical field investigation. Continue preparation of contracts and scheduling for subcontractors including drillers, CPT, private utility locators, traffic control. Investigations tentatively scheduled to begin middle of September depending upon when environmental and cultural resources approvals are obtained.

Landowner Coordination and Right-of-Entry Support – Conduct regularly scheduled meetings with the Landowner Coordination Working Group to refine strategy and guide implementation of activities. Update project landowner database to include email, phone and website information to support geotechnical investigations. Finalize landowner letters (with varied purposes as described above) and transmit to

landowners by US Mail. Initiate development of project brochure, stakeholder outreach plan, Project webpage, and assist FWA in implementation of initial outreach to Friant Division water districts. Finalize Project Open House logistics and prepare materials. Order Title Reports.

RECOMMENDED ACTION:

None.

SUGGESTED MOTION:

None.



Operations & Maintenance Report

A compilation of current FWA operations and maintenance activities throughout the 152-mile canal system.

June 2019

OPERATION & MAINTENANCE REPORT

SAFETY, EDUCATION & TRAINING

Safety

- Maintenance staff held their weekly tailgate safety meetings at their respective yards. Job specific safety meetings were held at the project job sites.
- Operations department held tailgate safety meetings at the field offices.
- Staff attended the Operation and Maintenance department meetings.
- Operations Department held tailgate safety meetings in the Lindsay yard. Outlying field offices staff attended the C&M meetings.

Education & Training

- Employees discussed proper housekeeping around the maintenance buildings. Proper housekeeping includes cleaning oil spills, sweeping shop floors daily, repairing potholes in parking areas, properly storing boxes and other articles, and maintaining a clean and orderly workplace.
- Orange Cove maintenance staff reviewed and discussed the FWA “Heat Stress” program concerning heat related illnesses and the first aid related to heat stress, heat exhaustion, and heat stroke.
- Delano maintenance staff completed a one-hour online course. Subjects include, “How blood pathogens spread”, “OSHA requirements”, “How to minimize exposer and what to do after exposer”. Following the course, the staff completed a quiz and received a certificate.

Accidents & Injuries

- Friant staff has worked 1,244 days without a loss time injury accident.

MAINTENANCE SUPERVISION

GENERAL SUPERINTENDENT REPORT

Subsidence

- Staff continued to work with Stantec on surveying operational data for the canal from MP 88.5 to MP 152.1.
- Staff continued to work with Stantec on environmental compliance from MP 88.22to MP 121.8 for the new canal alignment project.
- Staff continued to work with Stantec on canal hydraulic modeling for the Water Quality program.

- Staff, with members from SLDMWA and Westland’s WD, along with USBR staff, inspected the temporary lining site for their awareness.

Personnel Items

- Staff worked on several personnel items including annual reviews, policy conformance, and other matters.

CONSTRUCTION & MAINTENANCE

FOREMEN REPORTS: ORANGE COVE, LINDSAY, & DELANO MAINTENANCE

Weed & Pest Control

- The following is a summary of the chemical products used during the month by maintenance staff for weed and pest control on various canal sections and the product inventory on hand:

PRODUCTS	UNITS	MAINTENANCE YARD USAGE			TOTAL USAGE	END OF MONTH ON-HAND
		Orange Cove	Lindsay	Delano		
Clearcast	Gal	0.00	0.00	0.00	2.50	0.00
Copper Sulfate - Old Bridge	Lbs	0.00	0.00	0.00	100.00	0.00
Copper Sulfate - Chem One	Lbs	0.00	0.00	0.00	90,750.00	0.00
Argos Copper	Gal	0.00	0.00	0.00	0.00	0.00
Captain XTR	Gal	0.00	0.00	0.00	0.00	0.00
Deploy	Gal	27.00	0.00	0.00	56.50	27.00
Diphacinone	Lbs	121.00	0.00	0.00	149.00	121.00
Diuron 4L - Loveland	Gal	0.00	0.00	0.00	0.00	0.00
Diuron 4L - Drexel	Gal	0.00	0.00	0.00	2,120.00	0.00
Lifeline	Oz	0.00	0.00	0.00	1,280.00	0.00
Weather Guard Complete	Oz	0.00	0.00	0.00	250.00	0.00
Finale	Oz	3,674.00	0.00	0.00	551.00	3,674.00
Milestone VM	Oz	492.00	0.00	0.00	5.00	492.00
Roundup - Custom	Gal	50.00	0.00	4.00	1,401.00	54.00
Roundup - Pro Conc	Gal	212.00	266.00	160.00	2,722.00	638.00
Forfeit 280	Oz	0.00	0.00	0.00	1,600.00	0.00
Sonar Genesis	Gal	0.00	0.00	0.00	2.00	0.00

- Delano weed & pest applicators continued the use of Roundup custom as part of the annual weed control program in the Lake Woollomes Reservoir Right-of-ways areas.
- Delano weed & pest applicators continued the use of Roundup Pro concentrate as part of the annual weed control program in the Delano maintenance section.
- Delano maintenance staff continued the use of copper sulfate as part of an algae control program in the Delano maintenance section.
- Orange Cove maintenance staff continued the application of Diphacinone to the canal right-of-ways for the control of the California ground squirrel.
- Orange Cove and Lindsay maintenance staff continued with the application of Roundup for the post-emergence control of grasses and broadleaf weeds along the canal and right-of-ways.
- Lindsay maintenance staff continued the use of the “GopherX” unit for the control of California ground squirrel.
- Orange Cove maintenance staff continued the application of Roundup Pro as part of the annual weed control.
- Orange Cove maintenance staff continued the removal of accumulated vegetation from siphon inlets.

Canal & Diversion Structures

- Orange Cove maintenance staff continued to remove debris from the water ways and at check structures that have been blown or dumped into the canal.
- Orange Cove maintenance staff conducted inspections of the lining and made notes for areas needing repairs.
- Orange Cove maintenance staff built and repaired fencing in several locations.
- Orange Cove maintenance staff repaired or replaced several copper bins that needed rehabilitated.
- Delano maintenance staff continues embankment maintenance to upper and lower embankments and around structures such as blockhouses, turnouts, bridge abutments, etc. using a utility tractor or motor grader and earth moving equipment, by back filling eroded areas, compacting and grading in materials. Embankment maintenance will prevent erosion to the inside/outside banks, roads, gate structures and concrete liner.
- Delano facility was contacted by Marcia Wolfe environmental services to monitor Kit Fox activities in the Friant-Kern Canal Right-of-way in the City of Bakersfield.
- Lindsay maintenance staff continues painting bar gates, bollard posts, guard railings, warning signs, liner markers, structures, security fence wings, electrical panels, and block house doors.
- Lindsay maintenance staff continues their structure gate maintenance for the year. Repairs on radial and slide gates such as oil leaks, gear boxes, motor couplers, wire rope inspection, etc.
- Lindsay maintenance staff lubed all grease points and wire ropes.
- Lindsay maintenance staff repaired all metal work, security fence repairs, deck cleaning, touch up painting, buoy ball and wire rope replacement, and debris removal.



Orange Cove removes a fallen tree from Little Dry Creek Crossing



Delano maintenance staff continues embankment maintenance



Delano maintenance staff installing a Kit Fox Den near Bakersfield



Orange Cove maintenance staff grading inside canal embankments

O&M Roads

- Orange Cove maintenance staff continued road patching repairs on Friant-Kern Canal operation roadways.
- Lindsay maintenance staff assisted Talley Oil Company with the chip sealing of the operational roadway that was damaged/destroyed during the liner extension project. The 2 miles of roadway was double chipped.
- Delano maintenance staff continues road base gravel and decompose granite to various checks and turnout structures to prevent erosion and safe vehicle entry during wet conditions. Gravel base is $\frac{3}{4}$ inch crushed rock spread out from dump truck and is graded in using a utility tractor.

Yard & Building

- Orange Cove maintenance staff began construction of a generator shed at the Kings River Check location.
- Lindsay maintenance staff initiated the pressure washing and painting of the Lindsay yard buildings.
- Delano and Orange Cove maintenance staff continues to perform their routine maintenance and repairs, such as yard cleaning, warehouse & shop housekeeping, vehicle & equipment repairs, facility improvements and office duties.



Lindsay maintenance staff initiated pressure washing and painting of the Lindsay yard buildings



Lindsay maintenance staff painting the Lindsay yard buildings

Right-of-ways Maintenance

- Lindsay maintenance staff completed the replacement of the bridge load limit signs that were faded and/or missing in the Lindsay maintenance section.
- Orange Cove maintenance staff replaced several signs on the Friant-Kern Canal.
- Delano maintenance staff continues the removal of illegally dumped trash and remove debris from gate structures. All trash and debris removed from Friant-Kern Canal right-of-ways were transported to the local solid waste/ recycling facility.
- Staff initiated bar gate repairs and installations; bar gates are necessary for the prevention of unauthorized vehicles from entering Friant-Kern Canal right-of-ways and structured areas.
- Delano maintenance staff continues to repair and install security fencing to prevent public access from entering Friant-Kern Canal right-of-ways and structured areas.



Orange Cove maintenance staff constructing generator shed at Kings River Check



Orange Cove maintenance staff continued to remove illegally dumped items along the right-of-way

Vehicle & Heavy Equipment

The following is a summary of the vehicle and heavy equipment preventive maintenance services and repairs made by the technical services staff:

DELANO, ORANGE COVE & LINDSAY	TYPE	QUANTITY
In-House Repairs	B	2
	C	0
	E	1
	BIT (90-Day)	0
Outside Repairs	B	0
	C	0
	Smog Test	0
	Smoke Test	0
DELANO, ORANGE COVE & LINDSAY	TYPE	QUANTITY
In-House Repairs	Light Vehicles	4
	Trucks	2
	Heavy Equipment	6
	Utility Equipment	3
Outside Repairs	Light Vehicles	0
	Trucks	0
	Heavy Equipment	0

ENGINEERING ACTIVITIES

ENGINEER AND ENGINEER TECHNICIAN REPORT

- Pump Back Project:
 1. Provost & Pritchard Consulting Group (P&P) submitted plans for the Shafter Check site to Pacific Gas and Electric (PGE) for review in June of 2019. P&P should be ready for Southern California Edison (SCE) submittal/review in August.
 2. The current configuration of the Shafter Check site requires an additional half-acre of land acquisition on the East side of canal.
 3. P&P is looking into possible design changes at each site to reduce site footprint, using less land. P&P is also looking into ultra-high efficiency pumps to possibly allow more flexibility.
 4. P&P has finished the 30% design contract. They have provided a 100% design proposal, which the FWA engineer is reviewing.
- The FWA Engineer continuing to root out conflicts between Subsidence (Parallel Canal-Middle Reach) Project and pump back and will continue coordinating the two engineering teams to provide one usable product at Deer Creek Check.
- Review a Landmark Irrigation plan proposal for private (for Pistachio Plant) 12" pipeline going under canal at MP 104 (Ave 88- a few miles South of Deer Creek).
- Meeting with 4Creek Engineering, concerning water bank project on South-West side of Deer Creek check site.
- Engineering Technician will be expediting research on property titles along the entire canal.
- Engineering Technician to digitize and link Aerial/ROW survey drawings. The 400+ pages scanned into PDFs with the new high-speed scanner. This creates a backup from disaster. It is now protected on both the local network and the cloud. Later this summer, files will be compressed and hypertexted.
- Capacity Restoration (FKC Canal-Upper Reach):
 1. The FWA Engineer started reviewing findings in the Reclamation 2011 study. Its focus is between the Kings River and Lindsay. The study believes a higher liner is needed. In short there is visual bottle neck south of the Kings River (water reaching the top) that prevents the Kings River siphon reaching its full potential flow.
 2. Alternatives to restore the FKC capacity are being explored that include finding missing data and site visits.

OPERATIONS ACTIVITIES

OPERATIONS SUPERVISOR REPORTS

- Operations staff during the month of **May delivered 237,590 acre-feet**. Total water diverted year-to-date to FKC Contractors was 812,351 acre-feet.
- Reported sump pump deliveries of 14 acre-feet and year to date total of 82 acre-feet.
- Staff checked 73 transmitters and performed 73 head tests to quantify and qualify the transmitters.
- Staff adjusted 14 transmitters after calibration.
- Staff pulled and repaired 1 propeller meter at Elmo East.
- Staff reported 1 differential pressure transmitter at SW2 meter not working.
- Staff pulled and replaced 3 Honeywell Recorders located at Lewis Creek, Deer Creek and P2.
- Staff performed PM's on the battery assembly at Kaweah River Check downstream.
- Staff completed and sent out the ROWD's for the month of May.
- Staff pumped out transmitter wells at S2 and S4 3 times due to water infiltration into the transmitter well.

SCADA

- Cradle point modems have been installed and IP changes have been made for more reliable communications at the following locations: #4 Ditch, Porter Slough, Wood Central, Tipton Ditch, and Casa Blanca.
- Replaced modems at Stone Corral #4, Ivanhoe #4, Ivanhoe #7, and 24 East. Scaled and configured all sites in ClearSCADA.
- Programming, configuring, and hard drive upgrades were completed for all check structure cameras.

Electrical

- Staff installed new security yard light on the westside of the welding shop.
- Staff performed PM's on the Sand Creek and Kings River blockhouses.
- Staff replaced 240 3phase backup outlets to bring them up to code, from Rocky Hill check structure to Casa Blanca turnout.
- Staff repaired outside 120v circuit and check wiring on the 240v circuit at the Kaweah House.
- Staff replaced light at the Casa Blanca blockhouse.
- Staff tracked down loss of power at P1 due to burnt-out step-down transformer at P1 and replaced with new one.
- Staff replaced light at Rocky Hill blockhouse and removed bad vent fan and replaced with new fan.
- Staff installed new 120v receptacles for Honeywell recorder at #4 turnout, Woods Central and Casa Blanca turnouts.
- Staff replaced sub panel at Fifth Avenue check structure.

- Staff replaced lights in the electrical shop with LED lighting.
- Staff replaced metal halide bulbs with LED replacements and relocated light fixture spacing in the Lindsay maintenance shop.
- Staff repaired and replaced lighting fixture and ran 2 additional circuits at the Delano yard.

INFRASTRUCTURE MANAGEMENT

DIRECTOR OF TECHNOLOGY REPORT

Supervision – Office Technicians

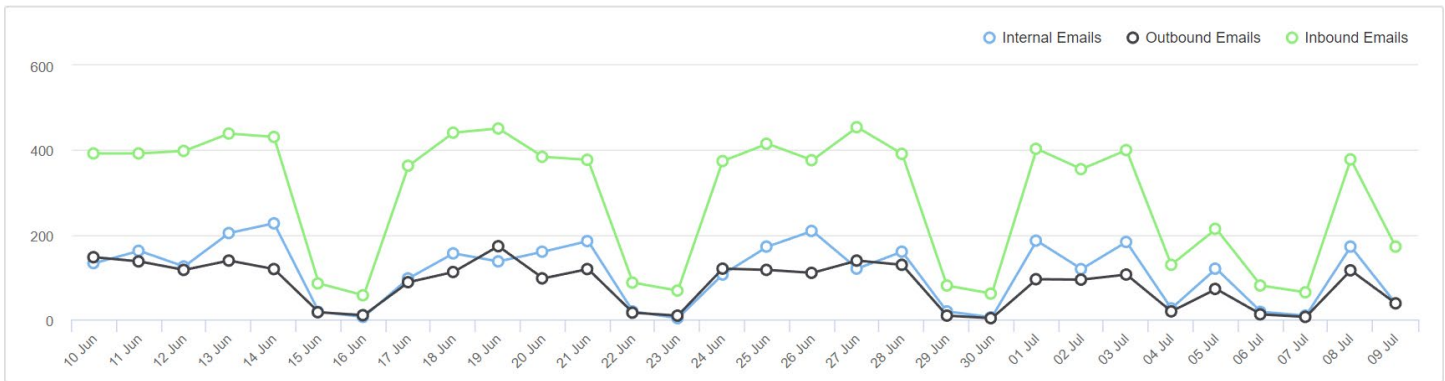
- Staff spent a considerable amount of time conducting interviews and administering the assessment process for the open Office Technician position in Lindsay.
- Staff assisted the Executive Secretary with the assembly of the Board of Director (BOD) meeting packets and facilitated the delivery of BOD packets to Leadership staff for meeting preparation.
- Staff provided resources for the Finance Committee and Executive Committee meeting.
- Staff produced the Operation and Maintenance report.
- Staff continues to manage the fleet management odometer reading process, which the mechanics rely on to schedule all fleet services.
- Staff continues to manage the Authority’s digital library system.
Staff provided a myriad of administrative support to all Authority personnel and offered resources to the general public.

Sacramento – Administrative Assistant

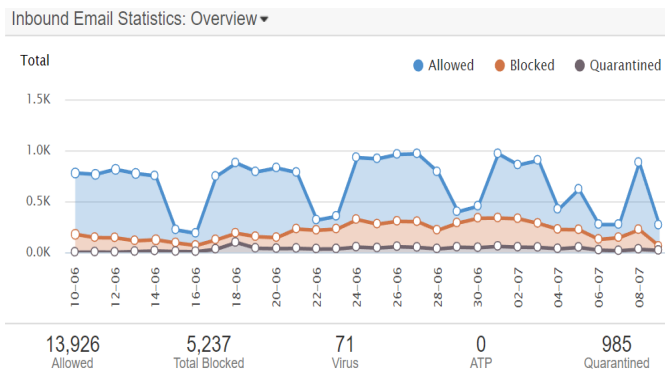
- Staff assisted the Director of Water Policy with calendar management, travel, credit card reconciliation, timesheet, and mileage report.
- Staff provided Government Affairs & Communications Manager with general administrative task, credit card reconciliation, and updating 2019 sign-in sheet for FWA Annual Meeting.
- Staff provided a myriad of administrative support to all Authority personnel and provided resources to the general public.

Information Technology Management

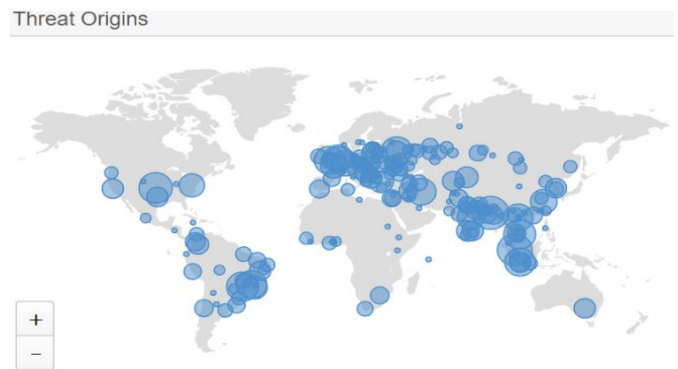
- Staff spent a considerable amount of time developing the project scope of the FY20 replacement of the converged infrastructure hardware.
- Staff completed the fine tuning of the Barracuda email protection services. Barracuda provides email archiving and an extensive array of filtering technologies that protect the Authority’s infrastructure from various types of malware.



Email archiving statistics from June 10th to July 9th



E-mail protection statistics from June 6th to July 8th



Map of threat origins around the world

- Staff renewed the digital certificates for the Authority’s voice over the internet phone system. Digital certificates provide identity verification to servers, ensuring secure communication.
- Staff attended a water quality meeting that was led by Evan Perez, Water Resource Engineer – Stantec.
- Staff participated within the budget process.
- Staff engaged with Cradlepoint on the creation of a case study on the Authority’s SCADA telemetry system. Cradlepoint desires to promote the Authority’s 152 linear mile LTE wireless communication infrastructure that has enabled the Authority to modernize the SCADA infrastructure.

Agenda Report

No. 10.F

DATE: July 25, 2019

TO: Board of Directors

FROM: Johnny Amaral, Chief of External Affairs
Alex Biering, Government Affairs and Communications Manager

SUBJECT: External Affairs Update

1. SUMMARY:

Update on State and Federal legislation and communications activities.

2. RECOMMENDED ACTION:

None; informational only.

3. SUGGESTED MOTION:

None; informational only.

4. DISCUSSION:

- Status of FWA-sponsored bills (SB 487 and SB 559), including progress with coalition support, media outreach, and hearings.
- Review of tracked legislation.

5. BUDGET IMPACT:

None.

6. ATTACHMENTS:

Bill Tracker (updated 7/18/2019); SB 1 Coalition Letter to Wade Crowfoot and Jared Blumenfeld

Legislative Tracker

FRIANT WATER AUTHORITY

July 25, 2019¹

State Bills

Bill	Title (Author) & Date	Description	Positions	FWA	ACWA	Status
AB 134	Safe Drinking Water Restoration (Bloom) – 5/20/19 version	Would, by July 1 of each year, would require the State Water Resources Control Board to adopt an assessment of need for state financial assistance to provide safe drinking water that identifies failed water systems throughout the state. Would require the assessment of need to prioritize the systems with the most urgent need for state financial assistance in light of specified factors. Would require each regional engineer to arrange for a prescribed comprehensive assessment of each failed water system in the region of the drinking water regional office to be completed within 2 years of the board identifying the failed water system in the assessment of need.		NYC	Not Favor	Passed Assembly Floor; in Senate Environmental Quality and Natural Resources and Water committees.
AB 217	Tax conformity (Burke) – 6/13/19 version	Would make some portions of California’s income tax system consistent with federal income tax laws, including as related to the earned income tax credit (EITC).	PRO: Business, labor OPP: None	NYC	NYC	Passed on Assembly Floor on 6/20. Amended from original language, so no longer tracked.
AB 382	Integrated regional water management plans: grant funding: upper watershed health (Mathis) – 2/5/19 version	Current law provides that an integrated regional water management plan is eligible for funding allocated specifically for implementation of integrated regional water management. Current law requires certain state agencies to include in any set of criteria used to select projects and programs for funding, a criterion that provides a preference for regional projects or programs. This bill would require the department to include in any criteria used to select a project or program for grant funding authorized on or after January 1, 2020 a criterion that provides a preference for a regional water management group undertaking a project improving upper watershed health upstream and outside of the defined geographical area covered by the group’s plan.		NYC	NYC	Two-year bill; can be acted on again in January 2020.

¹ Updates since the last version are included in **bold text**.

Bill	Title (Author) & Date	Description	Positions	FWA	ACWA	Status
AB 417	Agriculture and Rural Prosperity Act – (Arambula) – 5/17/19 version	The bill would authorize the Secretary of Food and Agriculture to carry out various activities to support rural communities and further the development of rural agricultural economies in California, including, among other things, consulting with government agencies and members of the public and private sectors to identify opportunities and partnerships to further the development of rural agricultural economies, and disseminating information on the department’s internet website. Most recent amendment removed requirement to produce an economic study on the effects of SGMA.	PRO: Commodities groups, Ag Council, NCWA, RCDs, RCRC.	NYC	Watch	In Appropriations suspense file.
AB 441	Water: underground storage (Eggman) – 3/27/19 version	This bill would revise the beneficial use doctrine for water rights to additionally provide that certain uses of groundwater storage constitute beneficial use. These include protection of water quality and recovery of groundwater levels. It also removes the forfeiture period of a water right (5 years) for water being beneficially used, or being held in storage, for a later use.	PRO: California Farm Bureau Federation OPP: None (officially)	NYC	Watch	Two-year bill; can be acted on again in January 2020.
AB 637	State Water Resources Control Board: regional water quality control boards: severely disadvantaged communities: drinking water supplies (Gray) – 4/11/2019 version	Would require the State Water Resources Control Board, before taking an action that significantly impacts drinking water, to use existing information to identify impacted disadvantaged communities and to seek to reduce impacts to those communities to the greatest extent practicable. The bill would also require the board to ensure that disadvantaged communities are provided an opportunity to participate in the public process for a decision that significantly impacts drinking water by holding a public hearing in or near an impacted community. Bill is part of a larger water package introduced by Mr. Gray that also includes AB 636 and AB 638.	PRO: Stanislaus County	NYC	Watch	Two-year bill; can be acted on again in January 2020.
AB 638	Department of Water Resources: water storage capacity (Gray) – 7/11/19 version	Current law requires the Department of Water Resources to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as The California Water Plan. This bill would require the department, on or before January 1, 2021, with updates every 5 years thereafter, to identify storage facilities vulnerable to climate change and the mitigation strategies for anticipated impacts. Recent amendments extend the horizon for reporting out (from 2 to 5 years), defined “below-ground storage” to be consistent with the definition under SGMA, and authorized DWR to provide grants to mitigate for the impacts of climate change on surface storage.		NYC	Favor	Passed Senate Natural Resources and Water Committee on 7/9; referred to Appropriations.

Bill	Title (Author) & Date	Description	Positions	FWA	ACWA	Status
AB 658	Water rights: water management (Arambula) – 7/11/19 version	Would authorize a groundwater sustainability agency or local agency to apply for, and the State Water Resources Control Board to issue, a conditional temporary permit for diversion of surface water to underground storage for beneficial use that advances the sustainability goal of a groundwater basin, as specified. Some recent amendments have been supported by ACWA member agencies, but others have not – would recommend better understanding recent amendments before the FWA Executive Committee considers recommending endorsement to the FWA Board.	PRO: California Farm Bureau Federation, Metropolitan Water District of Southern California, Valley Ag Water Coalition, California Association of Professional Scientists, Groundwater Resources Association of California OPP: None.	NYC	Support if Amended	Passed Senate Natural Resources and Water Committee on 7/9; referred to Appropriations.
ACA 3	Clean Water for All Act (Mathis) – 3/20/19 version	Would require, commencing with the 2021–22 fiscal year, not less than 2% of specified state revenues to be set apart for the payment of principal and interest on bonds authorized pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014; and for water supply, delivery, and quality projects administered by DWR, and water quality projects administered by the SWRCB, as provided. Funds would be continuously appropriated and distributed as follows: 5% to pay down Prop. 1; 57% to be disbursed by DWR for water supply, delivery, and quality projects, including for conveyance, recharge, subsidence abatement, and storage; 38% to the SWRCB for water quality projects. DWR would be required to give priority to projects that address deferred maintenance; the SWRCB couldn't use the funding to address water quality enforcement actions.	PRO: San Gabriel Valley Water Authority, Howard Jarvis Taxpayers Association, Friant Water Authority	Support	Watch	Failed passage in Water, Parks & Wildlife on 4/30; reconsideration granted.
SB 1	California Environmental, Public Health, and Workers Defense Act of 2019 (Atkins) – 7/1/19 version	Establishes specified minimum federal environmental, public health, and labor standards as state baselines in the event the Congress or President repeals or weakens corresponding federal standards, and prohibits the corresponding California standards from falling below those baselines. In the event that new federal standards fall below the baseline, this bill allows private citizens to enforce state standards under specific circumstances (not including endangered or threatened species). It sunsets in 2025, corresponding with the end of a theoretical second term for President Trump.	PRO: Enviro NGOs OPP: Commodities groups, ACWA, growers' groups, Cal Chamber, local chambers of commerce, Cal BIA, realtors, water agencies	Oppose Unless Amended	Oppose Unless Amended	Passed Env. Safety and Toxic Materials, Natural Resources, and Judiciary committees; referred to Appropriations.

Bill	Title (Author) & Date	Description	Positions	FWA	ACWA	Status
SB 19	Water resources: stream gages (Dodd) – 6/11/19 version	Would require the Department of Water Resources and the State Water Resources Control Board, upon an appropriation of funds by the Legislature, to develop a plan to deploy a network of stream gages that includes a determination of funding needs and opportunities for modernizing and reactivating existing gages and deploying new gages, as specified. The bill would require the department and the board, in consultation with the Department of Fish and Wildlife, the Department of Conservation, the Central Valley Flood Protection Board, interested stakeholders, and, to the extent they wish to consult, local agencies, to develop the plan to address significant gaps in information necessary for water management and the conservation of freshwater species.	PRO: Environmental and conservation NGOs, NCWA, ACWA, MWD, SCVWD, CMUA, RCRC, groundwater groups	NYC	Support	Passed Assembly Water, Parks, and Wildlife Committee; referred to Appropriations.
SB 45	Wildfire, Drought, and Flood Protection Bond Act of 2020 (Allen) – 4/4/19 version	Would enact the Wildfire, Drought, and Flood Protection Bond Act of 2020, which, if approved by the voters, would authorize the issuance of bonds in an unspecified amount pursuant to the State General Obligation Bond Law to finance projects to restore fire damaged areas, reduce wildfire risk, create healthy forest and watersheds, reduce climate impacts on urban areas and vulnerable populations, protect water supply and water quality, protect rivers, lakes, and streams, reduce flood risk, protect fish and wildlife from climate impacts, improve climate resilience of agricultural lands, and protect coastal lands and resources. Bond total is \$4.3 B and funding categories focus heavily on watersheds, forests, and climate resiliency.	PRO: Enviro NGOs, conservation groups, EJ groups	NYC	Favor	In Senate Appropriations.
SB 62	Endangered species: accidental take associated with routine and ongoing agricultural activities: state safe harbor agreements (Dodd) – 4/3/19 version	Would extend for five years an exemption under the California Endangered Species Act for “accidental take” of listed species that occurs on a farm or a ranch in the course of otherwise lawful routine and ongoing agricultural activities. The current exemption expires January 1, 2020. Any take would need to be reported to DFW within 10 days.	PRO: Cal Chamber of Commerce, CFBF, CCM, Defenders of Wildlife, Western Growers, Ag Council, other commodities groups OPP: None.	Support	Favor	Passed Assembly floor on 7/11; enrolled on 7/15.
SB 200	Safe and Affordable Drinking Water Fund (Monning) – 7/3/2019 version	Would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are available, upon appropriation by the Legislature, to the State Water Resources Control Board to provide a stable source of funding to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure.	PRO: Conservation groups, moderate enviro NGOs, EJ groups, healthcare advocates, labor OPP: San Diego County Water Authority	NYC	Support	Passed on Senate Floor on 7/8; enrolled and awaiting Governor’s signature.

Bill	Title (Author) & Date	Description	Positions	FWA	ACWA	Status
SB 487	Department of Water Resources: aerial snow survey (Caballero) – 6/11/19 version	Would require the Department of Water Resources’ California snow survey program to conduct aerial surveys of the snowpack in the Trinity Alps and Sierra Nevada Mountains, including hydrologic areas that drain or supply water to certain major reservoirs and lakes. The bill would require the department to collect the aerial survey data up to 10 times per year in each hydrologic area and to summarize and make publicly available the data obtained and digital products used to produce runoff forecasts, as specified. Amended to remove continuous appropriation, leaving policy in place but requiring funding in the budget. Also amended for technical clarifications.	<p>PRO: Association of California Water Agencies, Friant Water Authority, Arvin-Edison Water Storage District, Modesto Irrigation District, Northern California Water Association, California Municipal Utilities Association, Mammoth Community Water District, Kings River Water Association, Turlock Irrigation District. San Francisco Public Utilities Commission, Tulare Irrigation District, South Valley Water Association, Kaweah-Delta Water Conservation District, Kern-Tulare Water District, Lindsay-Strathmore Irrigation District, San Diego County Water Authority</p> <p>OPP: None.</p>	Sponsor	Favor	Passed Assembly Water, Parks and Wildlife on 7/2; referred to Appropriations.

Bill	Title (Author) & Date	Description	Positions	FWA	ACWA	Status
SB 559	Department of Water Resources: Friant-Kern Canal conveyance restoration (Hurtado) – 7/3/19 version	Would appropriate \$400 million from the General Fund for actions to restore conveyance capacity on the Friant-Kern Canal. Amended to remove appropriation, leaving policy in place but requiring funding in the budget. Also amended to require cost-share, establish California Water Commission as disbursing agency, and require public briefings.	<p>PRO:</p> <p>Association of California Water Agencies, Western Growers Association, Arvin-Edison Water Storage District, Friant Water Authority, Tulare County, Tulare County Farm Bureau, Kern County, Kern County Hispanic Chamber of Commerce, Pixley Irrigation District, Tea Pot Dome Water District, South Valley Water Association, Fresno County Kern-Tulare Water District, Fresno Farm Bureau, Lower Tule River Irrigation District, Shafter-Wasco Irrigation District</p> <p>OPP: Sierra Club California</p>	Sponsor	Favor	Passed Assembly Water, Parks, and Wildlife on 7/2; referred to Appropriations.

Federal Bills

Bill	Title (Author)	Description	Positions	FWA	ACWA	Status
S. 47	Natural Resources Management Act (Murkowski and Cantwell) – 1/8/19 version	Addresses multiple Title VIII, “Water and Power,” includes the Reclamation title transfer provisions negotiated with the House during last Congress.		Favor	NYC	Signed by the President on 3/12.
H.R. 2473	Securing Access for the Central Valley and Enhancing (SAVE) Water Resources Act (Harder) – 5/1/19 version	Expedites feasibility studies for some federal storage projects, creates an “X-Prize” program for water innovation, increases WaterSMART funding, establishes a RIFIA program, and reauthorizes the Rural Water Supply Act. Cosponsored by Congressmen John Garamendi, Ami Bera, TJ Cox, and Jim Costa.		NYC	NYC	
S. 1932	Drought Resiliency and Water Supply Infrastructure Act (Feinstein) – 6/20/19 version	Extends WIIN Act funding for five years, including \$670 million for surface and groundwater storage projects, and supporting conveyance; \$100 million for water recycling; and \$60 million for desalination projects. Creates a low-interest loan program for new water projects. Authorizes \$100 million for habitat/environmental projects. Cosponsored by Gardner, McSally, Sinema.		Support	NYC	Referred to the Committee on Energy and Natural Resources



July 12, 2019

Mr. Jared Blumenfeld
 Secretary for Environmental Protection
 California Environmental Protection Agency
 P.O. Box 2815
 Sacramento, CA 95812-2815

Mr. Wade Crowfoot
 Secretary, California Natural Resources
 Agency
 1416 Ninth Street, Suite 1311
 Sacramento, CA 95814

Secretaries Blumenfeld and Crowfoot,

The above water agencies, who comprise the majority of the participants in the Voluntary Agreements process to update the State Water Resources Control Board's Bay-Delta Water Quality Control Plan, are very concerned about the current Endangered Species Act (ESA) provisions in Senate Bill 1 (Atkins). In our view, these provisions, if not amended, would undermine our collective efforts to participate in and help advance the Voluntary Agreements, leading to further declines in fish and wildlife and water supply reliability throughout California.

While we understand the stated intent of the bill, the onerous provisions of the ESA section will undermine our progress on Voluntary Agreements, and most importantly, the ongoing efforts to improve conditions for fish and wildlife while providing reliable water supplies for cities, rural communities, and farms throughout California. As such, we encourage you and the Administration to work with the bill's author to amend this section.

While SB 1 proposes to maintain the status quo of regulatory protections for the environment, natural resources, and public health, it fails to recognize that in the case of the Bay-Delta watershed (which includes all of the Sacramento and San Joaquin basins), the regulatory status quo is based on decades-old science. Our agencies have worked tirelessly to voluntarily conduct research, pilot projects, numerous enhancements for fish and wildlife, and other activities to support a paradigm shift in how we manage water resources for multiple uses, including for people and the environment. As you know, our hope is that we can finally start to manage our water resources in a manner that is responsive to actual conditions, including climate change and its associated whiplash events, and to emerging information as research helps us to better understand how to adjust activities to protect fish and use water more efficiently.

Despite the existing provision that the bill “does not affect the process by which voluntary agreements are entered into,” the current ESA provisions in SB 1 run counter to our efforts on the Voluntary Agreements and they point California backwards. As an example, SB 1 seeks to treat 10-year old biological opinions as a protective standard, regardless of the current understanding or information and science that will continue to emerge. It circumvents our robust regulatory processes, which are on the verge of expanding the ability to implement true adaptive management.

If SB 1 is enacted with the currently drafted ESA provisions, it would send a signal that adaptive management, and adjustments over time to incorporate our collective learning, are unnecessary. If true, there is no sense in implementing the Voluntary Agreements which are predicated on the ability to test hypotheses, make adjustments over time, and work collaboratively to achieve the best outcomes possible with our collective resources. Additionally, it would create confusion and conflict between federal and state agencies and water agencies over state regulations that would be required to replace baseline federal standards that may be changed or eliminated. It would create a situation under which the Central Valley Project (CVP) and State Water Project (SWP) would arguably be operating under two different sets of permitting regimes, which would create unnecessary conflict in water management decision making and risk causing operational disruption in the Delta. The net result is that it would make implementation of future Voluntary Agreements virtually impossible.

We appreciated the Governor's call in the State of the State address that “our collective effort must be to cross the finish line on real agreements to save the Sacramento-San Joaquin Bay-Delta. We must get this done for the resiliency of our mighty rivers, for the stability of our agricultural sector, and for the millions of people that depend upon this water every day.” We also appreciate the Administration's continued high-level engagement on the Voluntary Agreements which are the best chance for timely, science-based adaptive management that can change the current trajectory for many threatened and endangered species.

Secretaries Blumenfeld and Crowfoot

July 12, 2019

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Now is the time for all of us to work together and move forward to implement the Voluntary Agreements in a progressive and innovative manner. To do this, we encourage you to work with the author's office to amend the ESA section by striking the provision relating to biological opinions and incidental take permits, as well as striking the provision that attempts to apply the California Endangered Species Act to the Central Valley Project. Failure to resolve these issues will force Governor Newsom into an unnecessary choice between upending the Voluntary Agreements and the best chance for species recovery in the Delta and its tributaries, or failing to uphold other environmental, public health, and worker protections for the people of California. That's a choice no Governor should have to make.

The amendments described above will allow the state to respond to changes in the status of threatened and endangered species, and will enable SB 1 to achieve its goal to protect California's environment from any future rollbacks in federal standards. The future of California water and species recovery in the Delta and its tributaries depend on the Administration, the Legislature, and water and environmental stakeholders finding a path that will allow the Voluntary Agreements to achieve the promise of a fresh approach to water management in California.

We look forward to working with you in this vitally important effort.

cc: Christine Hironaka, Deputy Cabinet Secretary, Office of Governor Newsom
Sonya Logman, Deputy Cabinet Secretary, Office of Governor Newsom
Rachel Wagoner, Deputy Legislative Secretary, Office of Governor Newsom
Bill Lyons, Agriculture Liaison, Office of Governor Newsom

Agenda Report

No. 10.G

DATE: July 25, 2019
TO: Jason Phillips, CEO
FROM: Austin Ewell
SUBJECT: Water Blueprint for the SJV

SUMMARY:

The Water Blueprint for the San Joaquin Valley (Group) held its sixth meeting on July 17th. The Group continues to gain momentum and representative. Representatives include directors of Farm Bureaus, Water Authorities, Districts, Growers, Trade Associations, Refuges, Fresno State, GSAs and white land interests. The Group is continuing to develop a supportable plan that the SJV (broad coalition) can advocate for and that focuses on solutions in coordination with key stakeholders. The Group is working with state representatives to include the Blueprint into the Governor's Water Resiliency Plan. The Group has a working draft Brochure for use and circulation to stakeholders, elected and the Governor's Administration. It is an ongoing effort to succinctly summarize and provide common goals and messaging for the Water Blueprint.

The Group has established 4 committees and those committees continue to meet and pursue its goals. The 4 committees are working on the following matters:

1) Regional Representation & Technical Support: A \$1 million-dollar BOR Water Smart Grant application has been prepared and submitted on behalf of the Group. Awards will be announced mid-September. The Group is pursuing a socioeconomic study with technical experts and is finalizing the scope and contract. The Group is also pursuing additional technical funding sources including DWR. Possible regional chairs have been identified and contacted.

2) Engagement and Outreach (i.e. Disadvantaged Communities, Environmental Organizations & Urbans). The committee continues to meet with organizations and entities to educate them and pursue their engagement in the Blueprint. Committee has conducted 2 field tours with several eNGOs. They are also continuing to meet with disadvantage community representatives and are looking at hosting a series of stakeholder outreach meetings in the next few months.

3) Funding, Finance & Governance: Partners have begun sending in contributions and are continuing to meet with their organizations to request monetary contributions of up to \$15,000 to cover efforts and estimated budget. A tally of contributions received is being assembled and a deadline of July 31st has been set. A 501c3 & 501c4 have been established for Advocacy and Education. Officers and Directors have been identified and are being installed.

4) Advocacy & Public Relations: The Committee will continue to work with key stakeholders and the administration to fold the Water Blueprint into the governor's Water Resiliency Plan (WRP). The WRP is expected to have a policy paper out in October and additional milestones by the end of this calendar

year. The committee continues to meet with key leaders and advocate for use and pursuit of the Blueprint by the Governor.

RECOMMENDED ACTION:

There is no recommended action at this time. The Board gave initial direction to pursue this collective effort and report back on its status.

SUGGESTED MOTION: (A MOTION TO (APPROVE/ADOPT/AUTHORIZE, ETC.))

There is no motion at this time.

BACKGROUND:

The Blueprint concept was first discussed by the Board of Directors during their 2018 Board Retreat in late November and at the December 2018 meeting the Board directed FWA staff and consultants to scope out the potential collaborative effort and develop a plan to include the SJV. Since that time the following activities have occurred:

- Extensive outreach to a broad collation of stakeholders and others to be potential partners.
- Meetings in January, March, April, May, June and July with DACs, eNGOs, water districts, commodities groups, growers, ACWA, Governor's Administration, Reclamation, DWR, elected and other stakeholders to develop the Blueprint, obtain support, and identify additional potential partners.
- Group meeting was held on July 17th with the addition of key partners. Committee meetings will continue. Blueprint will be finalizing formation activities and opening a bank account to deposit funding. Continue strategy to address and succeed on the goals identified.

DISCUSSION:

The Board will be presented with the status, approach and strategy that the Group identifies, which includes funding and beginning the socioeconomic report.

BUDGET IMPACT:

None

ATTACHMENTS:

None

Agenda Report

No. 6.H

DATE: July 25, 2019
TO: Board of Directors
FROM: Jeff Payne, Director of Water Policy
SUBJECT: Updates for the Airborne Snow Observatory mission for the San Joaquin River

SUMMARY:

Surveys for this year are extending into the later portion of the year. A survey was conducted in mid-July and data is currently being processed. Updates on the status of snow will be provided upon availability. The final survey of the year is anticipated in late August.

Funding for the 2020 flights is being pursued from a variety of sources. The total cost for the existing survey program is approximately \$7.5M. A fully funded (flights every 2 weeks during snow melt season) for the San Joaquin River portion is between \$0.8M and \$1.5M. SB487 appears on course to be passed without funding for next year, and a trailer bill is being pursued to fund the existing “High Sierra” surveys into next winter. Separately, Reclamation has secured a \$0.5M grant that is available to supplement ASO flights, if needed. In addition, Reclamation has submitted a \$2M unfunded need request for ASO that may also be awarded. Updates on funding will be provided as details become available.

ATTACHMENTS:

None.