

**MUNICIPAL SERVICES**  
**REVIEW for**

# **SACRAMENTO SUBURBAN WATER DISTRICT**

**PUBLIC DRAFT – SEPTEMBER 2023**



*Sacramento*  
LAFCo

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## 1.0 INTRODUCTION

### 1.1 Role and Responsibility of LAFCO

Local Agency Formation Commissions (LAFCOs) are independent regulatory commissions established by the State legislature in 1963 to encourage the orderly growth and development of local governmental agencies including cities and special districts. Today, there is a LAFCO in each of California's 58 counties. Sacramento LAFCO is a seven-member commission comprised of two members of the Sacramento County Board of Supervisors, two City Council members, two Special District representatives, and one Public Member-At-Large. The Commission also includes one alternate member for each represented category.

LAFCO is responsible for implementing the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH Act") (California Government Code Section 56000 et seq.) for purposes of facilitating changes in local governmental structure and boundaries that fosters orderly growth and development, promotes the efficient delivery of services, and encourages the preservation of open space and agricultural lands. Some of LAFCO's duties include regulating jurisdictional boundary changes and the extension of municipal services. This includes city and special district annexations, incorporations/formations, consolidations, and other changes of organization. LAFCO seeks to be proactive in raising awareness and building partnerships to accomplish this through its special studies, programs, and actions.

The CKH Act outlines requirements for preparing Municipal Service Reviews (MSRs) for periodic Sphere of Influence (SOI) updates. MSRs and SOIs are tools created to empower LAFCO to satisfy its legislative charge of "discouraging urban sprawl, preserving open space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances" (§56301). CKH Act Section 56301 further establishes that "one of the objects of the commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities." SOIs therefore guide both the near-term and long-term physical and economic growth and development of local agencies, and MSRs provide the relevant data to inform LAFCO's SOI determinations.

### 1.2 Purpose of Municipal Service Reviews

As described above, MSRs are designed to equip LAFCO with relevant information and data necessary for the Commission to make informed decisions on SOIs. The CKH Act, however, gives LAFCO broad discretion in deciding how to conduct MSRs, including geographic focus, scope of study, and the identification of alternatives for improving the efficiency, cost-effectiveness, accountability, and reliability of public services. The purpose of a MSR in general is to provide a comprehensive inventory and analysis of the services provided by local municipalities, service areas, and special districts. A MSR evaluates the structure and operation of the local municipalities, service areas, and special districts and discusses possible areas for improvement and coordination. While LAFCOs have no direct regulatory authority over cities and special districts, MSR's provide information concerning the governance structures and efficiencies of service providers – and may also serve as the basis for subsequent LAFCO decisions. The MSR is intended to provide information and analysis to support a sphere of influence update. A written statement of the study's determinations must be made in the following areas:

1. Growth and population projections for the affected area
2. Location and characteristics of any disadvantaged unincorporated communities within or continuous to the sphere of influence
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies.
4. Financial ability of the agency to provide services.
5. Status of and opportunities for shared facilities
6. Accountability for community service needs, including governmental structure and operational efficiencies.
7. Any other matter related to effective or efficient service delivery, as required by Commission policy.

This MSR is organized according to these determinations listed above. Information regarding each of the above issue areas is provided in this document.

### 1.3 Purpose of Spheres of Influence

In 1972, LAFCOs were given the power to establish SOIs for all local agencies under their jurisdiction. As defined by the CKH Act, “‘sphere of influence’ means a plan for the probable physical boundaries and service area of a local agency, as determined by the commission” (§56076). All boundary changes, such as annexations, must be consistent with an agency’s sphere of influence with limited exceptions. The municipal service review process is intended to inform the Commission as to the availability, capacity, and efficiency of local governmental services prior to making sphere of influence determinations.

LAFCO is required to make five written determinations when establishing, amending, or updating an SOI for any local agency that address the following (§56425(c)):

1. The present and planned land uses in the area, including agricultural and open space lands.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.
5. For an update of an SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

Service reviews may also contain recommendations for sphere of influence or government structure changes needed to implement positive service changes. Where more detailed analysis of service options is necessary, service reviews may contain recommendations for special studies where there is the potential to reduce service gaps and improve service levels. This MSR Update will provide the necessary background information to make SOI determinations at a later date.

### 1.4 Environmental Review

The California Environmental Quality Act (CEQA, Public Resources Code §21000 et seq.) requires public agencies to evaluate the potential environmental effects of their actions. Municipal service reviews are intended to support sphere of influence updates, including the creation and amendment of SOI boundaries, as well as other government reorganization proposals. Such activities could influence future growth patterns, and, as such, are considered

discretionary projects under CEQA. LAFCO has the principal responsibility for carrying out and approving this service review and, therefore, the principal responsibility for preparing CEQA documents as lead agency.

This service review and accompanying sphere of influence determinations qualify for a statutory exemption as outlined in Public Resources Code §15061(b)(3). These activities are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The MSR and sphere of influence update have no possibility for causing a significant effect on the environment. Any future projects that make use of this service review and the information contained herein will be subject to separate environmental review under CEQA.

## 1.5 Environmental Justice

State law defines environmental justice as “the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies” (Government Code §65040.12(e)). The Governor’s Office of Planning and Research (OPR) explains that “as the primary agency with responsibility for approving changes in boundaries, LAFCOs play an important role in coordinating growth and ensuring that proposed changes are consistent with environmental justice obligations.” Changes of organization must be consistent with spheres of influence, and the information contained in this service review will guide future updates to agency spheres of influence.

OPR identifies several uses for data obtained in the service review process:

1. Improving the community participation process.
2. Identifying low-income/minority neighborhoods under-served by public facilities and services that enhance the quality of life.
3. Considering the equitable distribution of public facilities and services.
4. Considering infrastructure and housing needs.
5. Identifying low-income/minority neighborhoods where facilities and uses that pose a significant hazard to human health and safety may be overconcentrated.
6. Screening of issues for potential environmental justice implications.

Consideration of the issues listed above will assist LAFCO and other public agencies in identifying, preventing, and reversing historical problems of procedural and geographic inequity. In undertaking this service review and making determinations, LAFCO used an open public participation process to screen for and identify environmental justice issues.

## 1.6 Methodology and Data Sources

Key tasks and activities in the completion of this MSR include data collection, interviews, district profile development, determination analysis, public review of MSR, and the adoption of the final MSR. The MSR began with a complete and thorough review of available data and documents. In collecting data, adopted budgets, comprehensive financial reports, capital improvement plans, strategic plans, and general plans were assessed to develop a comprehensive overview of the agency. Following data collection and interviews, the agency profile was developed based on the information collected and as required for the completion of the MSR per the CKH Act. This includes key characteristics such as municipal services offered, staffing levels, population and growth, service providers, infrastructure, financial condition, and boundary areas and maps.



## 2.0 DISTRICT BACKGROUND

### 2.1 Agency Overview

The Sacramento Suburban Water District (SSWD or District) provides water services to the norther eastern Sacramento region on either side of Highway 80 and north of Highway 50. This urbanized area includes a wide range of uses including residential neighborhoods, commercial districts, industrial areas, and major highway corridors. While surface water exists in the region including the American River and Arcade Creek, the majority of the District's water comes from groundwater resources.

**Table 1: Contact Information**

|                        |                                                                   |
|------------------------|-------------------------------------------------------------------|
| <b>Primary Contact</b> | Dan York – General Manager                                        |
| <b>E-mail</b>          | <a href="mailto:dyork@sswd.org">dyork@sswd.org</a>                |
| <b>Address</b>         | 3701 Marconi Avenue, Suite 100, Sacramento, CA 95821              |
| <b>Phone</b>           | (916) 972-7171                                                    |
| <b>Website</b>         | <a href="https://www.sswd.org/home">https://www.sswd.org/home</a> |

### 2.2 District Principal Act

County Water District (CWD) Law (Water Code §30000, et seq.) serves as the principal act for the District and authorizes CWDs to provide water, wastewater, hydroelectric power, solid waste, and fire protection services within their boundaries. SSWD is authorized to provide water services only. Other services, facilities, functions, or powers enumerated in the District's principal act but not identified in the formation resolution are considered "latent," meaning they are authorized by the principal act under which the District is formed but are not being exercised. Latent powers and services activation require LAFCO authorization as indicated in Government Code §31001.

### 2.3 Formation and Development

SSWD was formed through reorganization of two former county water districts (Arcade 54 and 56: Arcade Water District and Northridge Water District) by LAFCo Resolution No. LAFC No. 1237, adopted January 17, 2002, and made effective on February 1, 2002. Since that time, the District has not pursued any additional annexations or changes in its sphere of influence.

### 2.4 Boundary and Sphere of Influence

SSWD encompasses 18,823 acres (29.4 square miles) in the northeast Sacramento area including portions of Arden-Arcade, Arden Fair, Carmichael, McClellan Park, and North Highlands. Highway 80 runs through the District dividing it into a north and south service area. The American River runs along the southern boarder of the District and acts as a natural boundary for services. Boundary islands exist both inside and outside the main boundary area. This is partially due to the existence of other water providers in the area including the Del Paso Manor Water District (DPMWD), Golden State Water Company (GSWC), Sacramento County Water Agency (SCWA), and California American Water (CAW). A small portion of SSWD also extends into the City of Sacramento (699 acres) and the City of Citrus Heights (474 acres).

Figure 1: SSWD Boundary

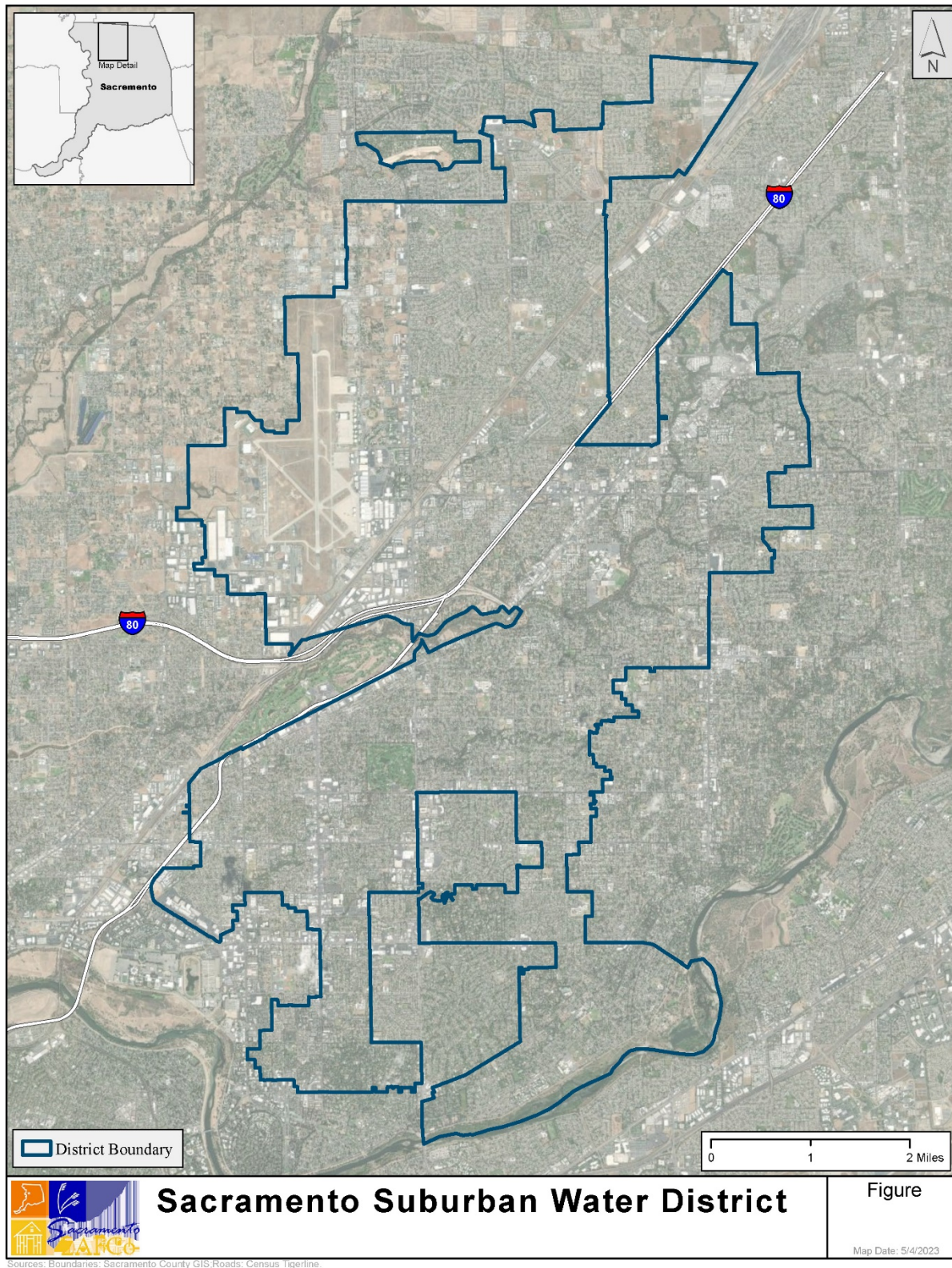
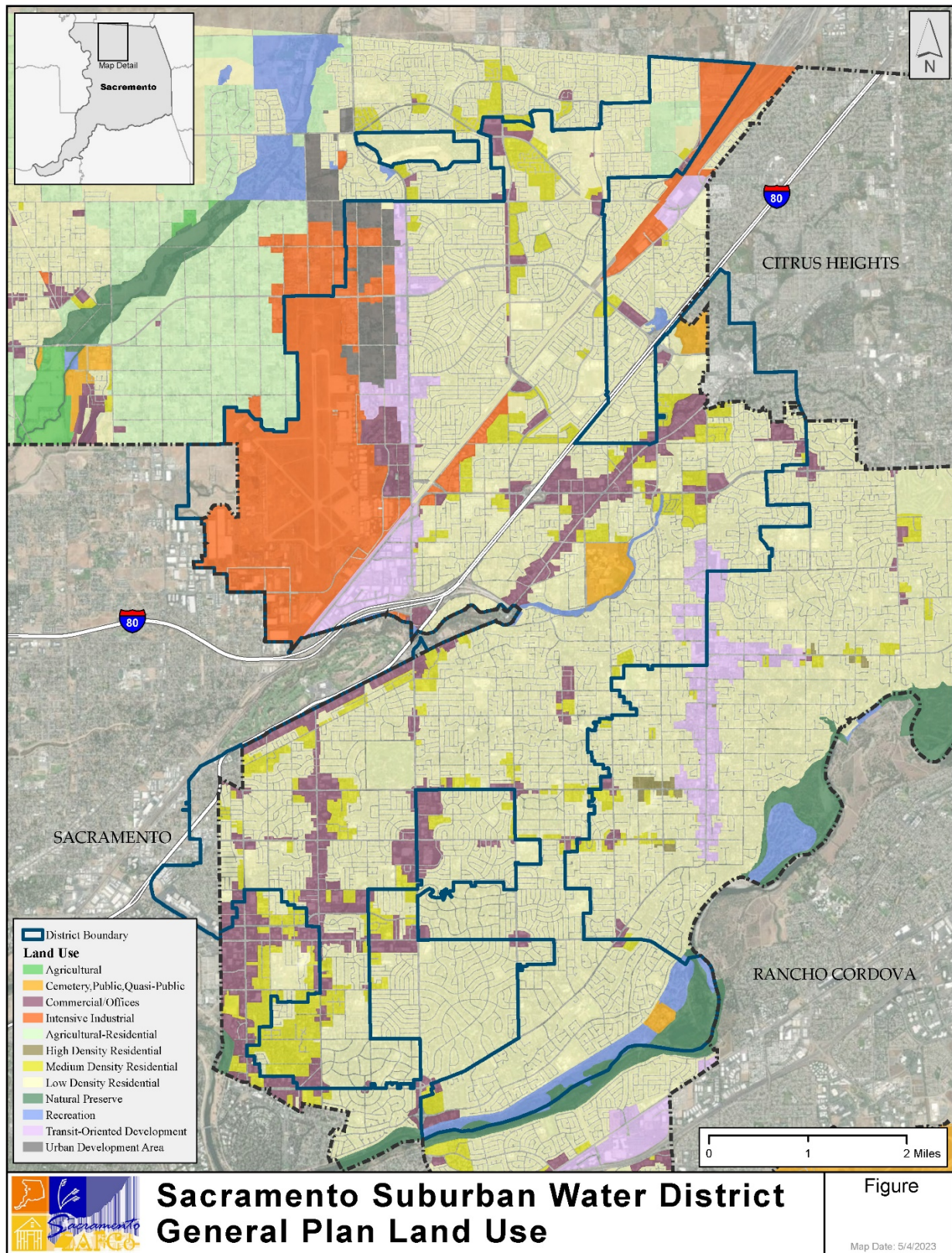




Figure 2: SSWD Land Use



## 2.5 Land Use and Zoning

Land use within the area is primarily subject to the Sacramento County General Plan, Arden-Arcade Community Plan, North Highlands Community Plan, and Carmichael Community Plan. Land use and zoning for portions of the District that are within the City of Sacramento and City of Citrus Heights are subject to those jurisdictional general plan guidelines and zoning ordinances

Under Sacramento County Code, land uses in unincorporated portions of the District are predominantly Low Density Residential (LDR) and Intensive Industrial (INT-IND). Additional land uses include Commercial/Offices (COMM/OFF), Medium Density Residential (MDR), and others as listed in the table below.

**Table 2: Land Uses within District Boundary**

| Land Use Designation         | Total Acreage | Percentage |
|------------------------------|---------------|------------|
| Agricultural Residential     | 189.4         | 1.0%       |
| Commercial/ Offices          | 1,619.0       | 8.6%       |
| Intensive Industrial         | 2,801.7       | 14.9%      |
| Low Density Residential      | 10,763.0      | 57.2%      |
| Medium Density Residential   | 1,427.4       | 7.6%       |
| Natural Preserve             | 248.2         | 1.3%       |
| Cemetery/Public Quasi-Public | 253.2         | 1.3%       |
| Recreational                 | 356.6         | 1.9%       |
| Transit Oriented Development | 787.1         | 4.2%       |
| Urban Development Area       | 377.2         | 2.0%       |

Zoning designations vary greatly due to the size of the District and the numerous community, commercial, and industrial areas that exist. Zoning predominantly consists of different types of residential uses from R-2 to R-20, commercial designations including Shopping Center and Light Commercial, open space areas, special planning areas, light industrial, and others. This mix of zoning designations is consistent with large, urbanized areas.

## 2.6 Growth and Population

As noted above, the SSWD includes portions of the Arden-Arcade, Arden Fair, Carmichael, McClellan Park, and North Highlands communities. The 2013-2021 Sacramento County Housing Element noted that many unincorporated areas in the County experienced limited to no growth or a decline from 2000 to 2007 (Sacramento County, 2013). The most recent Housing Element adopted on March 8, 2022 noted that there was a 2.6% increase in population from 2015 to 2019 in unincorporated areas, the City of Sacramento saw a 5.1% increase, and the county as a whole saw an average 4.2% increase (Sacramento County, 2022).

Since SSWD covers multiple Census Designated Places (CDP) the population is best estimated using GIS analysis based on the District's boundary and available census block data. Using this analysis, the District's estimated population in 2010 was 170,768 and in 2020 was 194,514 which is similar to the District's estimate of 194,444. This results in an annual growth rate of 1.31% and a total growth of 13.9%. Utilizing this same growth rate, the District could see a population of 221,551 in its current boundary by 2030 based on the availability of housing units. This could result in a moderate increase in demand for services.

The District's SOI is currently coterminous with its jurisdictional boundary. At this time, no changes are proposed to the SOI due to the existence of adjacent water providers. However, in the event of a reorganization between SSWD and one or more neighboring water providers, a SOI amendment will be required.

## 2.7 Disadvantaged Unincorporated Communities

SSWD includes a portion of several different CDPs including Arden-Arcade, Foothill Farms, North Highlands, McClellan Park, Sacramento, and Carmichael. Table 3 shows the 2021 Median Household Income (MHI) 5-year estimate for each area. Based on the available estimates including the 2021 California MHI of \$84,097, unincorporated areas in Arden-Arcade, Foothill Farms, McClellan Park, and North Highlands can be considered DUCs (Bureau, 2023).

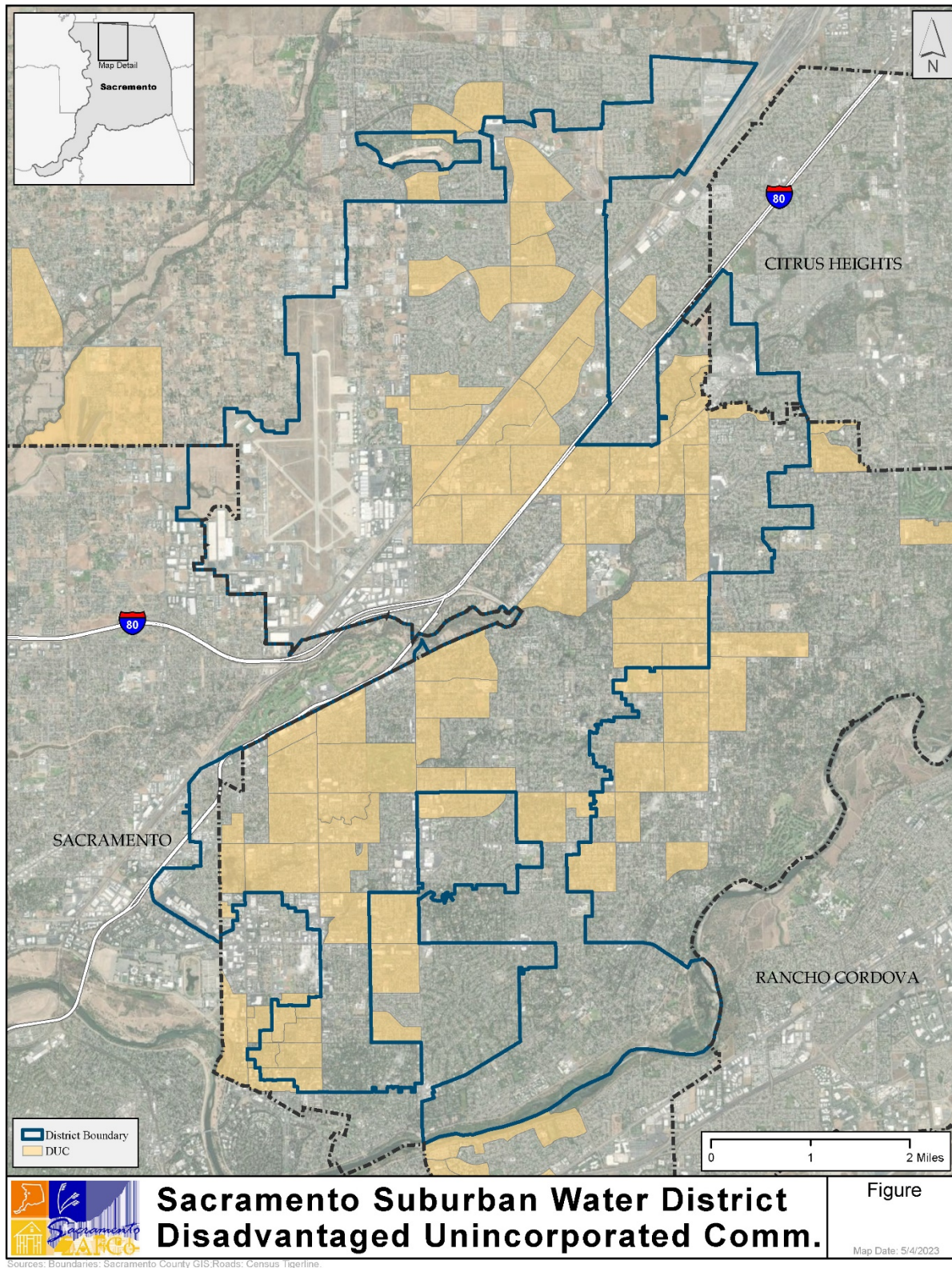
**Table 3: 2021 Estimated Median Household Incomes**

| Census Designated Place | 2021 MHI | % of CA MHI |
|-------------------------|----------|-------------|
| Arden-Arcade            | \$56,805 | 67.5        |
| Carmichael              | \$74,184 | 88.2        |
| Foothill Farms          | \$57,810 | 68.7        |
| McClellan Park          | \$27,500 | 32.7        |
| North Highlands         | \$55,616 | 66.1        |
| Sacramento (City)       | \$71,074 | 84.5        |

Additional detail can be obtained by looking at the MHI for block groups within and around the District boundary as shown in Figure 4. The DUCs are spread throughout the District with additional DUCs located adjacent to the boundary in the Carmichael area. All areas in and around the District currently receive water service from one of several water suppliers in the area. Fire and emergency response services are generally provided by Sacramento Metropolitan Fire Department and wastewater services are provided by the Sacramento Area Sewer District.



Figure 3: Disadvantaged Unincorporated Communities (DUCs)



## 3.0 MUNICIPAL SERVICES

### 3.1 Water Services

#### Water Source

The District primarily obtains water from the Sacramento County North American Groundwater Subbasin (5-21.64). This subbasin is subject to the requirements of the State Groundwater Management Act (SGMA) and is overseen by the Sacramento Groundwater Authority (SGA). In the area of SSWD, groundwater generally flows from multiple directions towards a groundwater depression located just south of Sacramento-McClellan Airport. The most recent annual report for the subbasin, which covers Water Year 2022, indicated that a total of 300,200 acre-feet of water was extracted from the subbasin, and there was a change in water storage of 3,638 acre-feet. 2022 was still classified as a “Critical” water year since 2021 saw a substantial change in storage (-134,200 acre-feet), and the additional water storage reported in 2022 was minimal (GEI, 2023). This will likely change in 2023 since the area saw an above average precipitation in both rain and snow at higher elevations.

The District pumps groundwater from the basin using numerous wells located throughout the service area. The well production capacity of the District is approximately 79,000 gallons per minute (gpm) and 28,000 gpm from its storage supply for a total pumping capacity of 107,000 gpm (154 million gallons or 473 acre feet per day). However, pumps are not operated continuously but rather as needed based on demand. This reduces overall operation costs and extends the lifetime of equipment. SSWD owns 127 parcels that house groundwater well and water storage infrastructure including (SSWD, 2023):

- 71 operational groundwater wells
- 52 inactive/destroyed groundwater wells
- 6 new groundwater well projects under construction
- 3 – 5 million gal storage reservoirs
- 1 – 500,000 gal storage tank
- 1 – 150,000 gal storage tank
- 1 – 125,000 gal storage tank

The District also utilizes surface water when available as part of their conjunctive use program. This allows the groundwater basin to recharge in wet weather years reducing the long term drawdown of the basin. SSWD has existing agreements with Placer County Water Agency, the US Bureau of Reclamation, the City of Sacramento, and San Juan Water District as described below:

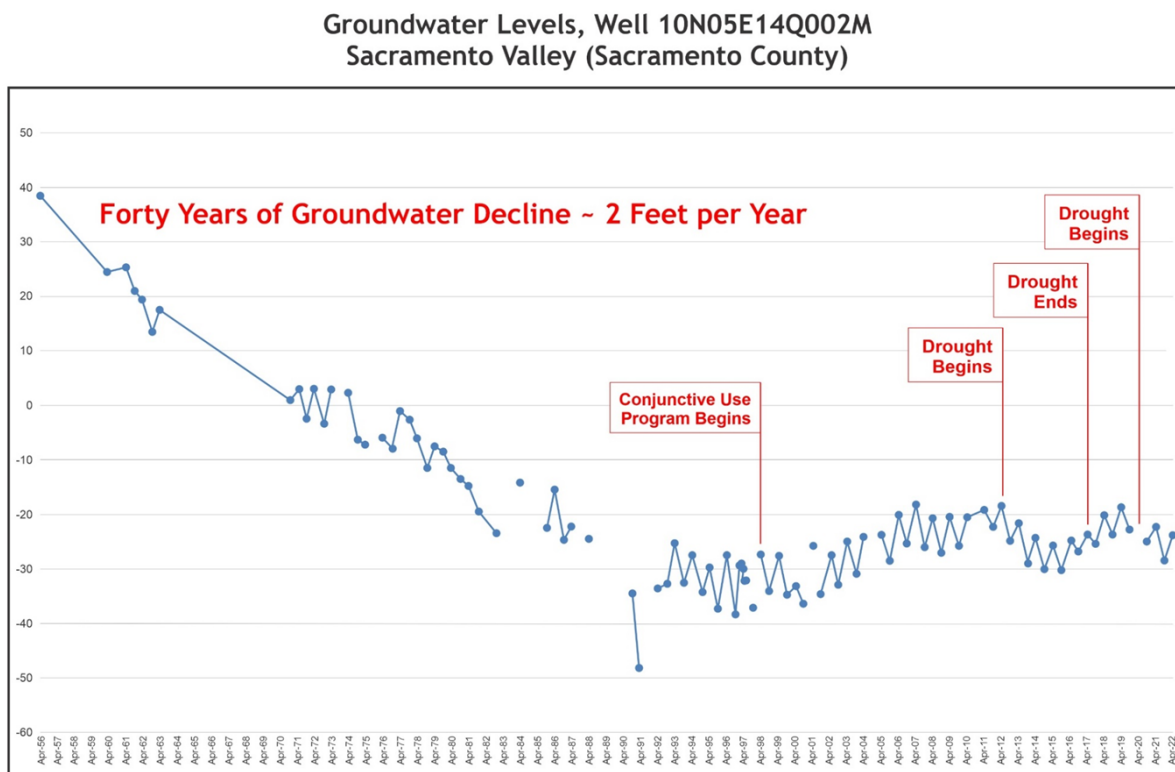
- Placer County Water Agency (PCWA): SSWD has a contract with PCWA to purchase up to 29,000 acre-feet per year during wet water years. Water from PCWA is treated at the San Juan Water District (SJWD) Peterson Water Treatment Plant before being delivered to SSWD North Service Area.
- US Bureau of Reclamation: Temporary Section 215 Water is water that flows over reservoir spillways or is released in excess of normal operations. SSWD has an agreement to purchase 215 water when available. 215 water is treated at the SJWD Peterson Water Treatment Plant before being delivered to SSWD North Service Area.
- City of Sacramento: SSWD has a contract with the City of Sacramento to purchase up to 20 million gallons per day of surface water and 10 million gallons per day of additional water up to an annual

maximum of 26,064 acre feet. Water is treated at the City of Sacramento's Fairbairn WTP and delivered to SSWD South Service Area through the Howe Avenue transmission line. This water is limited by the amount of surface water flow and other specifications in accordance with Hodge flow restrictions.

- San Juan Water District: SSWD annually negotiates a contact with SJWD to purchase up to 4,000 acre-feet of surplus water to deliver to the SSWD North Service Area. The contract must be renewed every year and is subject to change.

The conjunctive use program has been effective in limiting the drawdown of the aquifer. Prior to program implementation in 1998, the groundwater level was declining approximately two feet per year. Since the program began, the level has stabilized and, in some years, increased (Figure 5).

**Figure 4: Recorded Groundwater Level in Sacramento Valley**



## Water Quality

Several groundwater contamination issues exist within the District boundary, including two groundwater contamination plumes that have the potential to impact the District's groundwater supply; the McClellan plume and the Aerojet plume. Both plumes are under remediation by the federal government. Additional contamination sources include leaking underground storage tank (LUST) sites, drycleaning facilities, and the Roseville railroad yard.

A new contamination of concern is per- and polyfluoroalkyl substances (PFAS). This family of chemicals resist grease, oil, water, and heat and are used in hundreds of products including stain- and water-resistant fabrics, cleaning products, paints, and fire-fighting foams which are commonly used at airports (FDA, 2023).



The long term health effects of PFAS are still unknown and research is ongoing. Once PFAS enters the ecosystem it can migrate large distances and contaminate groundwater aquifers. Conventional water treatment that includes coagulation, filtration, and chlorination appears to be ineffective at removing PFAS. However, activated carbon treatment and other methods such as high-pressure membranes and ion exchange resin have had promising results (SWRCB, 2020).

Historically, groundwater wells in and around the District were constructed with a small footprint that allowed for pumping equipment and onsite chlorination equipment. These small lots often do not have the space to accommodate additional treatment systems for removal of groundwater contaminants. Due to this, SSWD attempts to secure additional land around District wells when possible. In the future it may require SSWD to purchase homes and/or vacant lots that can be altered to accommodate carbon filtration or other types of treatment systems.

### Distribution

SSWD is divided into two separate service areas: North and South. The South Service Area (SSA) is fluoridated to meet the optimal level per State standards which is 0.7 parts per million (ppm). Concentrations throughout the SSA may vary from 0.6 to 1.2 ppm which is roughly equivalent to 3 drops in 42 gallons of water (SSWD, 2020). The fluoridation contract with First 5 Sacramento Commission is scheduled to end in 2027, and at this time it is unknown if the program will continue after that.

SSWD maintains approximately 700 miles of water mains and nearly 47,000 service lines within its service area. In 2021, the District repaired 67 service line leaks and 47 main line leaks. These repairs, and other District maintenance activities, resulted in 88 water outages. Since the District initiated its pro-active Main Replacement Program, the frequency of these repair incidents and water outages has declined.

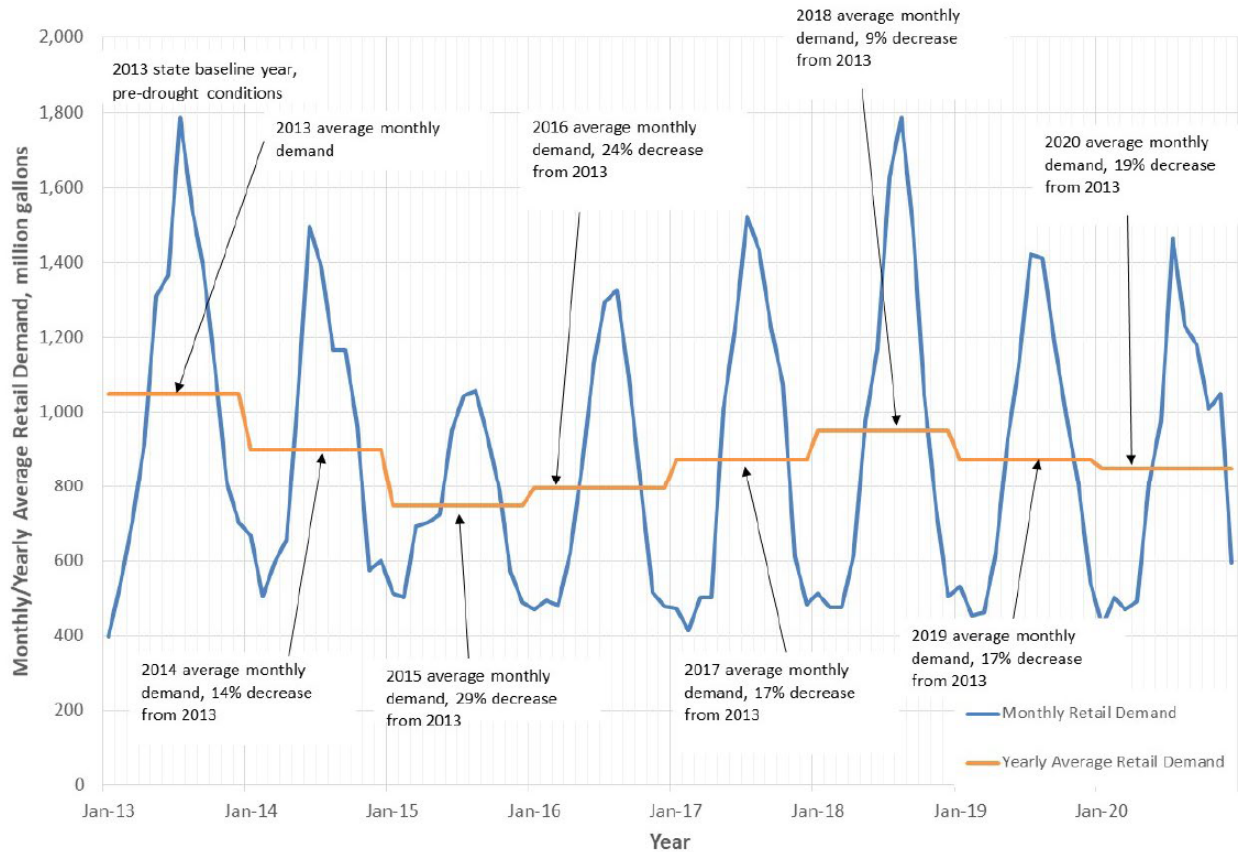
### Demand

In 2020 SSWD had a total demand of 39,913 acre-feet of which 29,071 was met with groundwater. The largest use type for the District is single family residences which accounts for 44.7% of total demand as shown in Table 4. Combined, residential water accounts for 63.1% of demand. The District has been conducting ample customer outreach and education on the benefits of water conservation and has seen an overall reduction in demand from the 2013 State baseline average. This is in part due to the water conservation regulations put in place during drought years (SSWD, 2021).

**Table 4: 2020 Water Demand by Use Type**

| Use Type                                 | Volume (acre-feet) | % of Total |
|------------------------------------------|--------------------|------------|
| Single Family                            | 17,848             | 44.7%      |
| Multi-Family                             | 7,332              | 18.4%      |
| Commercial                               | 2,619              | 6.6%       |
| Institutional                            | 2,187              | 5.5%       |
| Industrial                               | 63                 | 0.2%       |
| Landscape                                | 1,827              | 4.6%       |
| Sales/ Transfers/ Exchanges <sup>1</sup> | 6,826              | 17.1%      |
| Non-Revenue Water                        | 1,211              | 3.0%       |
| Total                                    | 39,913             | 100%       |

<sup>1</sup> This includes 159 ac-ft from California American Water Company and 6,667 ac-ft from the City of Sacramento.

**Figure 5: Historical Average Monthly and Annual Retail Demand**


Based on the District's current maximum production rate of 473 acre-feet per day (172,645 acre-feet per year) and additional availability of surface water during wet weather years, SSWD has more than adequate supplies to meet current and future water demands within the District.

### Rates

SSWD conducted a rate study in 2019 which included an annual 3-5 percent increase from January 2020 to 2024. This rate schedule was approved by the Board of Directors in October 2019 and went into effect January 2020. The rate schedule was set in order to adequately plan for and fund future capital improvement projects in addition to the increasing cost of providing services such as energy costs, equipment maintenance, salaries, and so on.

The District is fully metered. Metered accounts are charged a base rate depending on size of the meter which starts at \$35.32 for a small residential connection (5/8") and then either a multi-tiered (single family residential) or single-tiered (multi-family and non-residential) use charge per 100 cubic feet (ccf). The full list of SSWD rates for 2020 to 2024 is provided in Appendix A.

## 3.2 Other Service Providers

### Water

#### ***Golden State Water Company***

The Golden State Water Company serves water to communities across California, including Artesia, Barstow, Bay Point, Bell-Bell Gardens, Claremont, Cordova, Culver City, Florence Graham, Norwalk, Orcutt, Placentia, San Dimas, Simi Valley, South Arcadia, South San Gabriel, Southwest, and West Orange. The area of Cordova covers a portion of the City of Rancho Cordova and the unincorporated community of Gold River, as well as the Nimbus Aquatic Center and the commercial area between Highway 50 and Nimbus Dam. The area has eight active groundwater wells, a connection to surface water supplies from the Folsom South Canal, an intertie to Carmichael Water District to Receive “replacement water,” two treatment plants, storage facilities, and a distribution network of 187 miles of pipelines divided into two pressure zones.

#### ***Sacramento County Water Agency***

The Sacramento County Water Agency (SCWA) provides planning, development, facilities design, operations and management, and groundwater management services to Laguna Vineyard, Mather-Sunrise, Arden Park-Sierra Oaks, Hood, Northgate, and Southwest Tract. The planning services are responsible for identifying and developing long-term water supplies based on growth in the area. The development services include the review of civil and landscape improvement plans for negotiations with developers in relation to constructing water transmission mains. The staff is responsible for securing sites for wells, treatment plants, and storage facilities in line with the water supply master plan, improvement standards, and entitlement conditions, and to provide cost effective and efficient facilities. The Water Supply Design Section is in charge of design and construction of surface and groundwater production, treatment, storage, and delivery systems for SCWA and other County-owned systems to maintain adequate system reliability in order to ensure the health and safety of their water customers. The Water Supply Engineering and Regulatory is responsible for regulatory compliance of the groundwater system and some components of the surface water system, engineering support to provide safe and reliable water delivery to customers of SCWA and County-owned water systems, and asset management determining long-term maintenance and financial health of its public water systems. SCWA participates with other local entities in groundwater management efforts in the four groundwater sub-basins in Sacramento County.

#### ***Del Paso Manor Water District***

The Del Paso Manor Water District (DPMWD) provides water services to the community of Arden/Arcade located in the area generally bounded by Marconi Avenue, Cottage Way, Eastern Avenue, and Watt Avenue. Del Paso Manor is largely a residential area but also includes Country Club Plaza and other shopping centers on its western edge in addition to AT&T corporate offices located on Kings Way. The majority of homes in the area were constructed in the early 1950s, which led to the establishment of DPMWD in 1956. They utilize several wells to provide water to customers and have been monitoring groundwater contamination issues in the area. DPMWD has recently been coordinating with SSWD on potential reorganization and governance options in order to provide more sustainable water service to the DPMWD customers.

The District currently has three emergency interties with Del Paso Manor Water District (DPMWD) that were previously manually operated. These were recently upgraded to automatic interties that will be activated if there is a drop in pressure in the DPMWD system. This will greatly reduce the time to open them, and when completed, the manufacturer stated they will add up to a total of 11,100 gpm to DPMWD

total available water capacity. However, in practice, the amount of available water will vary depending on the circumstances at the time.

***Carmichael Water District***

The Carmichael Water District (CWD) serves the unincorporated community of Carmichael. It is located in the northern part of Sacramento County along the north bank of the American River. CWD provides water for irrigation, municipal, and commercial customers. As CWD has grown, they have become predominantly an urban water supplier. They serve approximately 11,700 connections. Almost all of the water supply is a direct diversion from the American River. CWD also operates four groundwater wells and meets some local irrigation needs with non-potable remediated water from a well in the Ancil Hoffman Golf Course.

***California American Water***

California American Water (CalAm) provides water and wastewater services to many small communities across California. The communities nearest SSWD are Antelope, Arden, Dunnigan, Fruitridge, Lincoln Oaks, Parkway, Security Park, Rosemont, and West Placer. CalAm provides water services only in these areas.

***City of Sacramento***

The City of Sacramento (City) offers water, wastewater, and drainage services. Most of the City's water supply comes from surface water including the Sacramento and American Rivers. A small portion comes from a system of 28 groundwater wells. The City serves approximately 130,000 customers, providing 46 billion gallons of water each year. The City also provides up to 26,064 AF of treated surface water per year to SSWD when available based on Hodge flow restrictions. Water is pumped from the American River, treated at the City's Fairbairn facility, and delivered to SSWD through the Howe Avenue transmission line (SSWD, 2021).

***Citrus Heights Water District***

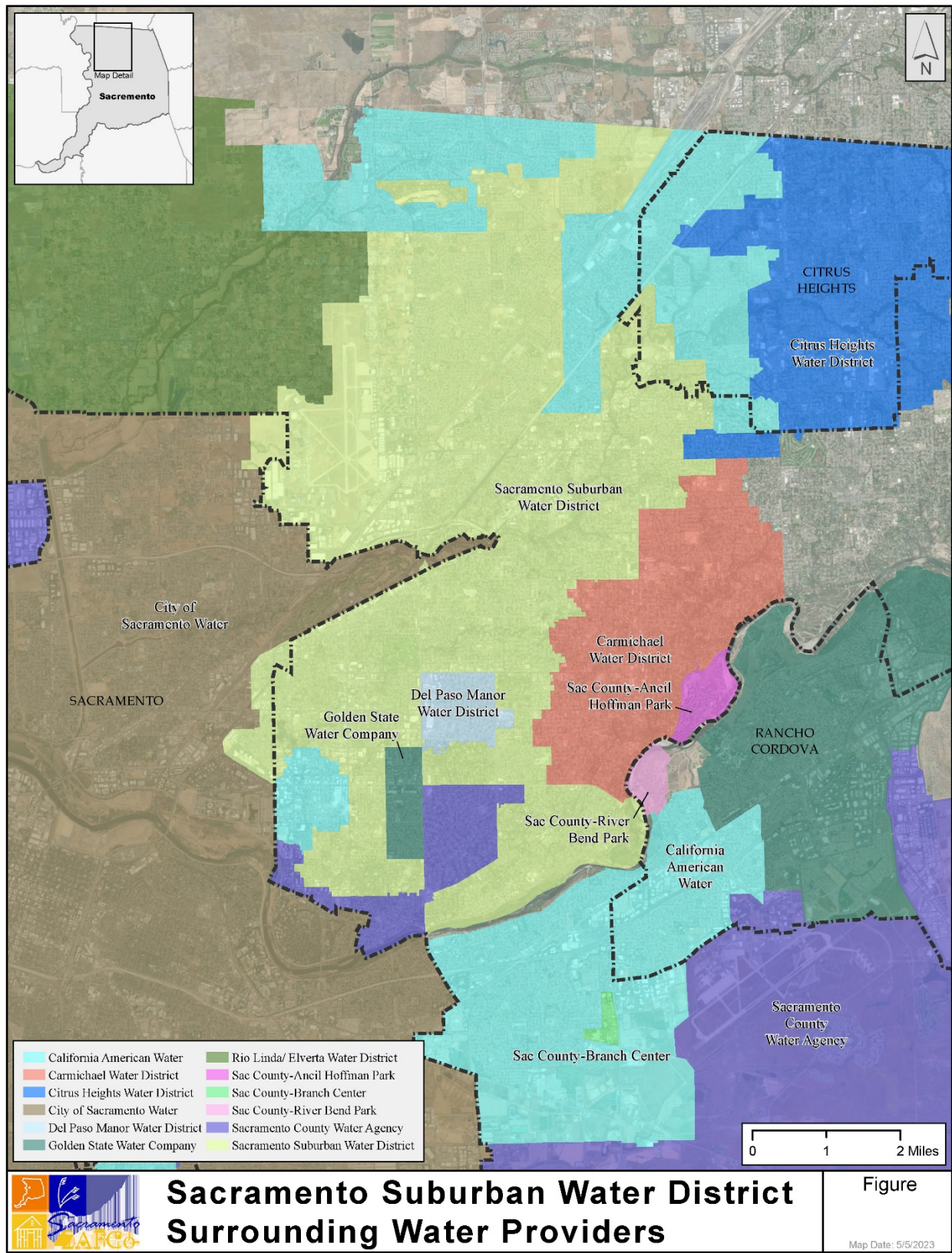
Formed in 1920, the Citrus Heights Water District (CHWD) is an independent special district that provides municipal water service to residential, commercial, institutional, and irrigation customers within its service area. CHWD provides service to approximately 70,000 customers across 12.8 square miles through 20,300 service connections in Sacramento and Placer counties including areas within the City of Citrus heights. CHWD purchases treated surface wholesale from SJWD.

***Rio Linda/ Elverta Water District***

Formed in 1948, the Rio Linda/ Elverta Water District (RLEWD) is an independent special district that provides drinking water within its service area. It serves approximately 11,013 customers across 18 square miles. Water is provided by 12 wells throughout the service area which includes small-lot residential development in Rio Linda and large-lot residential, agricultural, and ranch land uses throughout Rio Linda and Elverta.



Figure 6: Regional Water Purveyors



## **Fire Protection and Emergency Response**

### ***Sacramento Metropolitan Fire Department***

The Sacramento Metropolitan Fire District (Metro Fire) provides fire suppression, emergency medical, and other public safety and hazard mitigation services to Citrus Heights, Rancho Cordova, most of the unincorporated area of Sacramento County, and a part of Placer County. Metro Fire employs a Fire Chief, three Deputy Chiefs, and 717 authorized positions. Those positions include safety, prevention, and support personnel that provide all-hazard fire suppression and emergency medical services from 41 fire stations and 51 front line apparatus. They responded to 96,059 calls in 2019, with 68 percent being for medical aid. Metro Fire will routinely be deployed to local, state, and federal emergencies.

## **Wastewater**

### ***Sacramento Area Sewer District***

Residential and commercial properties within SSWD receive wastewater services from the Sacramento Area Sewer District (SASD) which provides wastewater services to urbanized, unincorporated areas of Sacramento County, the cities of Citrus Heights, Elk Grove, and Rancho Cordova, parts of the cities of Sacramento and Folsom, and the delta communities of Freeport, Courtland, and Walnut Grove. SASD's main collection system includes over 3,100 miles of sewer pipelines ranging from 1.25 to 75 inches in diameter. Generally, sewer collectors get flow directly from individual homes and businesses. They are designed to carry less than one million gallons per day (gpd) of peak wet-weather flow (PWWF). The trunk sewers can carry 1 to 10 mgd of PWWF to the Regional San interceptor system. However, some SASD's current pipes can carry more than 10 mgd.

Wastewater is treated at the Sacramento Regional Wastewater Treatment Plant which can treat up to 181 million gallons per day. The plant produces a disinfected secondary effluent that is discharged to the Sacramento River downstream from the community of Freeport. The principal treatment processes are primary sedimentation, pure-oxygen activated sludge, secondary sedimentation, and chlorination/dechlorination (SSWD, 2021).

## **Solid Waste Disposal**

Solid waste disposal is currently provided to residential and commercial customers by multiple agencies including Sacramento Utilities and Waste Management.

## 4.0 GOVERNANCE & FINANCE

### 4.1 Governance

The District is an independent district served by a five-member Board of Directors that is elected to four-year staggered terms. Board meetings are held every third Monday of the month at 6:00pm. Meetings are held at the District Office located at 3701 Marconi Avenue, Sacramento. Remote participation is also available via Zoom video conference. Directors receive \$125 per day for each day's attendance at meetings of the Board or for each day's service rendered as a member of the Board at the request of the Board.

**Table 5: Board of Directors**

| Board Member      | Title          | Term      |
|-------------------|----------------|-----------|
| Jay N. Boatwright | President      | 2022-2024 |
| Kevin M. Thomas   | Vice President | 2022-2026 |
| Craig M. Locke    | Director       | 2022-2026 |
| David A. Jones    | Director       | 2020-2024 |
| Robert P. Wichert | Director       | 2022-2026 |

The SSWD Board of Directors also acts as the board for the SSWD Financing Corporation which is the successor in interest to the Arcade Water District Financing Corporation. The latter was dissolved as part of the reorganization between Northridge Water District and Arcade Water District in 2002. The SSWD Board also maintains several committees including Audit, Facilities and Operations, Regulatory Compliance/ Water Quality, General Manager Review, and 2x2's. These committees meet on an as needed basis and do not have standing meeting dates and times.

### Staffing

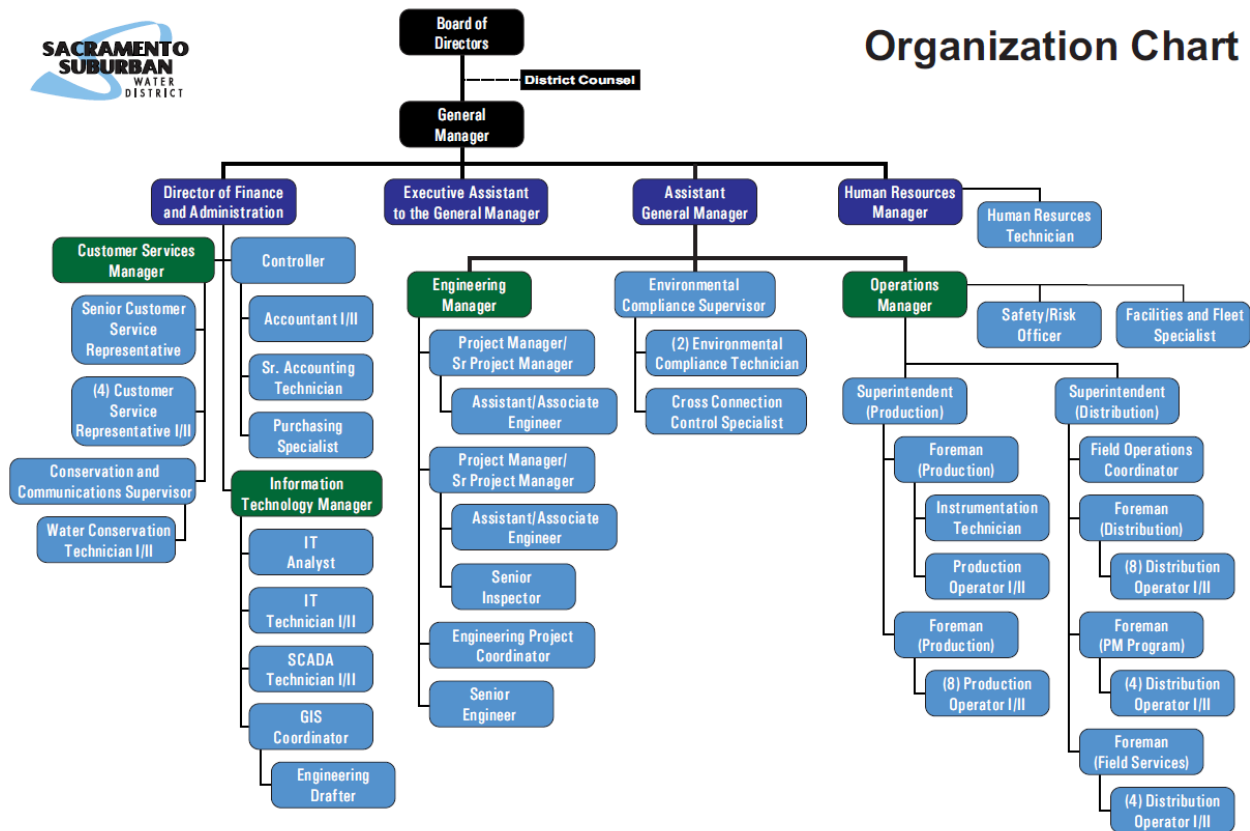
**Table 6: District Staffing by Department**

| Position Category               | Positions |
|---------------------------------|-----------|
| Water Production                | 12        |
| Water Distribution              | 22        |
| Engineering                     | 10        |
| Environmental Compliance        | 4         |
| Customer Service                | 6         |
| Administration                  | 3         |
| Finance                         | 4         |
| Information Technology          | 4         |
| Water Conservation              | 2         |
| Safety/ Risk Officer            | 1         |
| Facilities and Fleet Specialist | 1         |
| Human Resources                 | 2         |
| GIS                             | 2         |
| <b>Total</b>                    | <b>73</b> |

The District currently employs 73 full time employees and 7 part-time, seasonal, and special assignment employees. These positions are generally divided into five major departments including Customer Service, Information Technology, Engineering, Environmental Compliance, and Operations as shown in Figure 7 and Table 6.

Full-time employees are offered a full benefits package including medical, dental, vision, and life insurances. The District also participates in the California Public Employee's Retirement System (CalPERS) 2% at 62 and 2% at 55 plans which takes effect immediately upon employment. The District also has employees in the legacy 3% at 60 plan which is closed to new participants. Additional benefits include optional supplemental insurance plans, education reimbursement, employee assistance programs, and medical insurance options upon retirement.

Figure 7: SSWD Organizational Chart



### Accountability and Transparency

The District maintains a website in accordance with SB929 regulations ([www.sswd.org](http://www.sswd.org)). Board agendas and notices are posted at the District office and online at least 72 hours in advance of scheduled Board meetings. Past meeting agendas dating back to 2012 are also available online along with information about the District's budgets, audits, rate studies, and more. Ample information is made available to the public regarding District business and operations indicating a high level of District transparency.

### District Awards

SSWD has taken pride in establishing a safe workspace and promoting transparency throughout all aspects of operations and administration. The following is a list of awards the District has received over the past several years.

- 2021 Excellence in Safety Chairman's Award of Merit from Safety Center in recognition of exemplary leadership in creating a culture of awareness and responsibility for safety in the workplace
- National 2018 WaterSense® Excellence in Education and Outreach Award by the U.S. Environmental Protection Agency for outstanding efforts to educate customers about water efficiency and the WaterSense® brand



- 2017 Award of Distinction for Go Green/Environmental Programs by the California Association of Public Information Officials for its communications program "Conservation 365"
- 2017 Sustainable Business of the Year Award from the Business Environmental Resource Center (BERC)
- 2012 Merit Award for Excellence in Communication from the California Association of Public Information Officers (CAPIO)
- 2012 Merit Award for Excellence in Communication in Writing from CAPIO
- 10 straight years of Government Finance Officers Association (GFOA) "Excellence in Financial Reporting" awards (2011 – 2021)

### Alternative Governance Structures

SSWD has been in discussions with adjacent water providers including DPMWD and CWD regarding potential reorganization. Separate 2x2 committees have been established in order to assess the pros and cons of reorganization with one or both of the adjacent districts, including the potential cost to rate payers.

Throughout 2022 and part of 2023 SSWD and DPMWD conducted regular 2x2 meetings. Discussion included the status of DPMWD's infrastructure, water quality, and staffing in addition to the potential cost to rate payers. Based on initial analysis by SSWD, residents of DPMWD would not see an increase in monthly rates based on SSWD's current rate structure. However, residents of DPMWD would have to install metered connections to determine usage rates. As of July 2023, discussions have been put on hold while DPMWD pursues rate increases through the Proposition 218 process. Reorganization discussions may resume once the 218 process is complete.

The SWRCB supports the reorganization of small water purveyors that join two or more purveyors together as small water systems are often less resilient to natural disasters, have more difficulty adjusting to regulatory changes, and may struggle to fund infrastructure maintenance and replacement. To support these consolidation projects, the state offers funding through the Division of Financial Assistance that supports planning and construction efforts. This source of funding does come with additional planning and engineering requirements that can make it a multiyear process (SWRCB, 2023).

Reorganization discussions with CWD are ongoing. This has included two public meetings which were well attended both in person and virtually. A joint SSWD and CWD Board meeting is planned for November 2023 in order to discuss governance options such as retaining board members, main district offices, staffing, and additional items. Reorganization would provide long-term benefits to rate payers since economies of scale would reduce the financial impact of capital improvement projects for each individual rate payer. It would likely reduce overhead costs for the agency as well. SSWD and CWD anticipate submitting a reorganization application to LAFCo in February or March 2024.



## 4.2 Financial Overview

SSWD is primarily funded by customer fees for water service with additional funding coming from rental fees, investments, grants, staffing contracts, and other small sources. SSWD does not receive any property taxes since the District was formed after implementation of Proposition 13 which limits the amount of ad valorem property taxes to 1%.

The District annually adopts a budget for the fiscal year running from January 1 to December 31 in accordance with generally accepted accounting practices. As can be seen in Table 7, the District strives to maintain a balanced budget with limited to no reliance on reserve funding. When budgeted revenues are anticipated to exceed budgeted expenses, the difference is placed into reserve funding for future use on capital projects or other budgetary needs.

**Table 7: Annual Budget Summary**

| Category                    | CY 21             | CY 22             | CY 23             |
|-----------------------------|-------------------|-------------------|-------------------|
| <i>Revenues</i>             |                   |                   |                   |
| Revenue from Customers      | 48,886,080        | 49,957,000        | 51,926,000        |
| Other                       | 2,094,000         | 1,404,000         | 2,734,000         |
| <b>Total Revenues</b>       | <b>50,980,080</b> | <b>56,066,000</b> | <b>54,660,000</b> |
| <i>Expenditures</i>         |                   |                   |                   |
| Operating                   | 23,063,675        | 23,811,000        | 24,860,000        |
| Capital Improvement Program | 17,120,000        | 22,194,000        | 22,095,000        |
| Operating Capital Program   | 1,881,000         | 2,558,000         | 710,000           |
| Debt Service                | 7,531,647         | 7,503,000         | 6,995,000         |
| Reserve Funding             | 1,383,758         | -                 | -                 |
| <b>Total Expenditures</b>   | <b>50,980,080</b> | <b>56,066,000</b> | <b>54,660,000</b> |
| <b>Gain/ (Loss)</b>         | <b>0</b>          | <b>0</b>          | <b>0</b>          |

The District also provides for regular audits of annual revenues, expenditures, debts, and other financial obligations. As seen in Table 8, the District's largest source of revenue (65%) comes from its water service charge which is the base rate charged to all accounts. The second largest source of revenue (29%) comes from consumption charges. The largest single expense category for the District, after depreciation, is Administration and General (20%) which includes the departments: Board, Administration, Finance, Information Technology, GIS, Human Resources and Risk and Safety. When combined, the total expense for source of supply, pumping and distribution accounts for just over one third (35%) of the District's total operating expenses. The District regularly invests in capital improvement projects to ensure the pumping and distribution system is well maintained and functions efficiently.

Over the last five fiscal years reviewed, SSWD has seen an overall increase in their net position. Since CY 2019 the District has more than doubled its overall net gain from \$8.2 million in CY 2019 to \$18.8 million in FY 2022. This is largely due to scheduled rate increases that help support the District's Capital Improvement Program. The vast majority of District assets consists of water pumping and distribution infrastructure including \$69.5 million in pumps and wells, \$150.8 million in hydrants, pressure reducing stations, and valves, and \$199.7 million in purchased transmission and distribution pipelines as of December 31, 2022.

**Table 8: Total Net Position Summary**

| Category                         | CY 2018              | CY 2019              | CY 2020              | CY 2021              | CY 2022              |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total Assets                     | 348,071,000          | 355,805,000          | 360,856,000          | 372,289,000          | 380,852,000          |
| Total Liabilities                | 102,736,000          | 108,672,000          | 100,411,000          | 88,110,000           | 86,218,000           |
| Net Deferred Inflows/Outflows    | 5,939,000            | 7,970,000            | 7,478,000            | (477,000)            | 7,822,000            |
| <b>Total Net Position</b>        | <b>\$251,274,000</b> | <b>\$255,103,000</b> | <b>\$267,923,000</b> | <b>\$283,702,000</b> | <b>\$302,456,000</b> |
| <i>Change from Previous Year</i> | -                    | +3,829,000           | +12,815,000          | +15,779,000          | +18,754,000          |

**Table 9: Audit Summary**

| Category                                      | CY 2018             | CY 2019             | CY 2020             | CY 2021             | CY 2022             |
|-----------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <i>Operating Revenue</i>                      |                     |                     |                     |                     |                     |
| Water Consumption Sales                       | 13,272,095          | 13,250,822          | 15,948,172          | 15,391,966          | 15,545,075          |
| Water Transfers                               | 1,760,900           | 42,578              | 979,431             | -                   | 1,748,400           |
| Water Service Charge                          | 6,370,582           | 6,197,481           | 31,694,042          | 33,167,169          | 34,920,697          |
| Capital Facilities Charge                     | 24,448,810          | 24,453,627          | -                   | -                   | -                   |
| Wheeling Water Charge                         | 510,168             | 643,670             | 82,748              | 6,136               | 6,806               |
| Other Charges                                 | 1,054,182           | 1,133,375           | 523,531             | 408,004             | 1,137,823           |
| <b>Total Operating Revenue</b>                | <b>\$47,416,737</b> | <b>\$45,721,553</b> | <b>\$49,227,924</b> | <b>\$48,973,275</b> | <b>\$53,358,801</b> |
| <i>Operating Expenses</i>                     |                     |                     |                     |                     |                     |
| Source of Supply                              | 2,882,315           | 3,525,538           | 1,099,268           | 753,486             | 1,849,669           |
| Source of Supply – Transfers                  | 907,116             | -                   | 762,215             | -                   | 435,646             |
| Pumping                                       | 4,946,462           | 5,330,573           | 5,227,250           | 6,241,663           | 5,602,361           |
| Transmission and Distribution                 | 4,192,517           | 7,034,411           | 4,760,776           | 5,225,802           | 4,919,967           |
| Water Conservation                            | 440,674             | 489,585             | 533,853             | 502,108             | 637,057             |
| Customer Accounts                             | 1,301,011           | 1,372,995           | 1,279,436           | 1,477,018           | 1,797,422           |
| Administration and General                    | 7,790,742           | 8,611,630           | 8,643,757           | 7,639,071           | 7,212,451           |
| Depreciation and Amortization                 | 12,460,118          | 12,993,403          | 13,715,125          | 13,587,671          | 13,766,157          |
| <b>Total Operating Expenses</b>               | <b>\$34,920,955</b> | <b>\$39,358,135</b> | <b>\$36,021,680</b> | <b>\$35,426,819</b> | <b>\$36,220,730</b> |
| <i>Nonoperating Revenue (Expenses)</i>        |                     |                     |                     |                     |                     |
| Rental Revenue                                | 244,205             | 378,707             | 291,356             | 338,808             | 314,816             |
| Interest/ Investment Revenue                  | 746,341             | 1,763,651           | 1,599,865           | (320,616)           | (1,663,671)         |
| Interest Expense                              | (3,112,262)         | (2,632,398)         | (2,552,074)         | (2,270,651)         | (2,640,560)         |
| Other Revenue/Expense                         | 204,479             | 684,804             | 77,784              | 764,731             | 53,509              |
| Gain (Loss) on Disposal of Assets             | (6,755)             | 24,076              | (1,348,331)         | (132,006)           | (343,802)           |
| <b>Total Nonoperating Revenues (Expenses)</b> | <b>(1,923,992)</b>  | <b>170,688</b>      | <b>(1,931,400)</b>  | <b>(1,619,734)</b>  | <b>(4,279,708)</b>  |
| <b>Capital Contributions</b>                  | <b>893,919</b>      | <b>1,647,865</b>    | <b>1,545,842</b>    | <b>3,851,358</b>    | <b>5,896,427</b>    |
| <b>Net Gain/(Loss)</b>                        | <b>\$11,465,709</b> | <b>\$8,181,971</b>  | <b>\$12,820,686</b> | <b>\$15,778,080</b> | <b>\$18,754,789</b> |

### Long Term Liabilities

Liabilities are financial obligations of the District that will become due at a future point in time. This includes capital improvement loans, pensions, accrued vacation time, bonds, and other such obligations. Long-term liabilities are financial obligations and/or debt that are ongoing and will not be due in full for a longer period of time, such as pensions or capital improvement loans for water main repairs/replacements and well upgrades.

SSWD currently owes three different revenue bonds including two that were issued in 2022 for a total of \$41.3 million. Payoffs in 2022 included \$42 million in Certificates of Participation and \$8.7 million in revenue bonds. An additional \$2.99 million in payments were made on other bonds. Additional long term debt includes deferred compensation, pension, and other postemployment benefit obligations.

### Capital Improvement Funding

SSWD regularly plans for capital improvements and most recently completed a Water System Master Plan in March 2017 and covers the years 2017 to 2031. The plan divides capital needs into five categories including supply, transmission, distribution, storage, and special projects. The estimated cost of all projects included in the plan totaled \$473 million including \$102 million in existing bond debt. While not a financial obligation, having a capital improvement plan in place allows the District to prioritize projects and plan for adequate funding over the course of the plan. This helps keep the system in good working order so the District can provide high quality water to customers.

## 5.0 SSWD MSR DETERMINATIONS

As set forth in Section 56430(a) of the CKH Act- In order to prepare and to update the SOI in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for a service review the county, the region, the sub-region, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed, and shall prepare a written statement of its determinations with respect to each of the following:

**(1) Growth and population projections for the affected area**

- a) The estimated 2020 population for SSWD is 194,514. This is an increase of 13.9% from the 2010 estimated population of 170,768. Should the population continue to grow at a similar rate, there could be a population 221,551 by 2030. This could result in a moderate increase in demand for services throughout the current SSWD boundary. However, growth in the Sacramento region is expected to slow as the population ages and the number of children born (per capita) continues to decline. As such, the actual population by 2030 will likely be less than projected.

**(2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence**

- a) Several Census Designated Places in and around the District can be considered DUCs based on 2021 MHI estimates. This includes Arden-Arcade (MHI \$56,805), Foothill Farms (MHI \$57,810), McClellan Park (MHI \$27,500), and North Highlands (\$55,616).
- b) The DUCs identified in and around SSWD are largely in developed areas with high densities of residential and commercial development. All of the DUCs currently receive water from either SSWD or other area water providers, wastewater services from Sacramento Area Sewer District, and fire/emergency response services from Sacramento Metropolitan Fire Department.

**(3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies**

- a) SSWD is a retail water provider with 47,199 connections. In 2020, the District reported a total demand of 33,097 AF.
- b) SSWD has 71 active groundwater wells with a combined pumping capacity of 79,000 million gallons per minute. The District is also pursuing development of additional wells in the area and is working towards proactive rehabilitation of existing wells to ensure continued water supply for current and future demand.
- c) SSWD maintains several contacts with nearby agencies for purchase of surface water during wet weather years as part of their conjunctive use program. This allows the District to reduce groundwater pumping during wet weather years which has helped stabilize drawdown of the groundwater aquifer. The District currently has agreements with the Placer County Water Agency, US Bureau of Reclamation, City of Sacramento, and San Juan Water District.
- d) This District has and up to date Urban Water Management Plan (2021) and a current Capital Improvement Plan which they utilize to regularly implement projects including water main replacements and well rehabilitation.



- e) Based on the District's current water supply of 90,064 from active wells and surface water agreements, and the 2020 annual demand of 39,913 acre-feet, SSWD has ample supply to meet current and future demands for water service. Since the District has diversified water resources, there is also enough water to meet District demands through a five consecutive year drought as shown in the water supply reliability assessment contained within their UWMP.

**(4) Financing ability of agencies to provide services**

- a) The District currently adopts an annual budget and conducts annual audits in accordance with generally accepted best accounting practices and water district law.
- b) Over the last five fiscal years reviewed, the District has seen an overall increase in their net position from \$251 million in FY 2017-18 to \$302 million in FY 2021-22.
- c) SSWD implemented a series of rate increases beginning in 2020 and lasting through 2024. The annual rate increase allows the District to adequately plan for major capital expenditures such as water main replacements.

**(5) Status of and, opportunities for, shared facilities**

- a) SSWD has a current agreement with DPMWD to supply part-time operation and maintenance assistance and on-call/standby staff.
- b) SSWD has three interties with DPMWD that have been upgraded to allow automatic connection when water pressure drops substantially.
- c) SSWD and DPMWD held 2x2 meetings to discuss the potential of reorganization. However, these discussions are currently on hold while DPMWD assess the feasibility of completing a Proposition 218 process to increase water rates.
- d) SSWD and CWD are currently holding 2x2 meetings to assess the potential for reorganization into a single district and are anticipating applying to LAFCO in spring 2024. The Districts are encouraged to continue these discussions and keep LAFCO informed.
- e) Based on SSWD's proven success in water resources management, financial management and reporting, and water conservation, the District is an ideal successor agency when considering potential reorganizations with neighboring water suppliers.

**(6) Accountability for community service needs, including governmental structure and operational efficiencies**

- a) SSWD is governed by a five-member Board of Directors that meets regularly in accordance with Brown Act regulations. Board meetings are held in-person with options for remote participation.
- b) There are several standing committees that focus on different aspects of district business including the Audit, Facilities and Operations, Regulatory Compliance/ Water Quality, General Manager Review, and 2x2 Committees. These standing committees report to the full Board of Directors and provide recommendations as appropriate.

**(7) Any other matter related to effective or efficient service delivery**

- a) SSWD coordinates with other water suppliers that share a common source and stays apprised on regional water supply needs and quality issues which allows them to plan appropriately for current and future needs.

## 6.0 SSWD SOI DETERMINATIONS

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In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development of local governmental agencies to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each local agency, as defined by G.C. Section 56036, and enact policies designed to promote the logical and orderly development of areas within the sphere. In determining the sphere of influence of each local agency, the commission shall consider and prepare a written statement of its determinations with respect to the following:

**(1) Present and planned land uses in the area, including agricultural and open-space lands.**

- a) The area in and around SSWD is highly urbanized. The predominant land use type is Low Density Residential followed by Intensive Industrial and Commercial/ Offices. While the area is highly developed, there is urban infill potential for future development of vacant or underutilized parcels and/or increased density which could lead to an increase in demand for water service.

**(2) Present and probable need for public facilities and services in the area.**

- a) The region is densely populated and continues to experience growth. As such, there is an existing and continued need for water services.

**(3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**

- a) SSWD maintains 71 active wells and has several surface water agreements in place with neighboring agencies which allows the District to operate a conjunctive use program. This allows the District to use surface water in normal to high precipitation years and reduce well production so that the groundwater basin may recharge. This program, along with the District's conservation and well maintenance programs, means there is enough water to meet current and future demands.

**(4) Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.**

- a) Three cities are located within or in close proximity to SSWD including Sacramento (partially included), Citrus Heights (partially included), and Rancho Cordova. These cities and the surrounding unincorporated areas provide numerous employment and housing opportunities. The City of Sacramento is also the state capital and is the headquarters for numerous state agencies which employ thousands of people who likely seek residences in the greater Sacramento region.

**(5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.**

- a) The SSWD SOI is coterminous with its jurisdictional boundary. There are currently no proposed changes to the SSWD SOI. However, any potential future annexations and/or reorganizations will require a SOI amendment.

## APPENDIX A

# SACRAMENTO SUBURBAN WATER DISTRICT CURRENT RATES AND FEES

### Summary of Current Water Rate Charges

| DESCRIPTION                                                             | AMOUNT     |            |            |            |            |
|-------------------------------------------------------------------------|------------|------------|------------|------------|------------|
|                                                                         | 2020       | 2021       | 2022       | 2023       | 2024       |
| <b>FLAT ACCOUNTS</b>                                                    |            |            |            |            |            |
| Usage Charge (\$/1,000 square feet)                                     | \$2.35     | \$2.44     | \$2.52     | \$2.59     | \$2.67     |
| <b>Fixed Charge</b>                                                     |            |            |            |            |            |
| 3/4" Connection                                                         | \$44.40    | \$46.18    | \$47.56    | \$48.99    | \$50.46    |
| 1" Connection                                                           | \$69.19    | \$71.96    | \$74.12    | \$76.34    | \$78.63    |
| 1 1/2" Connection                                                       | \$131.17   | \$136.42   | \$140.51   | \$144.72   | \$149.07   |
| 2" Connection                                                           | \$205.53   | \$213.75   | \$220.16   | \$226.77   | \$233.57   |
| <b>METER ACCOUNTS</b>                                                   |            |            |            |            |            |
| <b>Usage Charge (\$/100 cubic feet (ccf)) Note: 1 ccf = 748 gallons</b> |            |            |            |            |            |
| Residential - 1st Tier (0-15 ccf)                                       | \$0.88     | \$0.92     | \$0.95     | \$0.98     | \$1.01     |
| Residential - 2nd Tier (16 + ccf)                                       | \$1.15     | \$1.20     | \$1.24     | \$1.28     | \$1.32     |
| Multi-Family Residential                                                | \$1.26     | \$1.31     | \$1.35     | \$1.39     | \$1.43     |
| Non-Residential                                                         | \$1.33     | \$1.38     | \$1.42     | \$1.47     | \$1.52     |
| <b>Fixed Charge</b>                                                     |            |            |            |            |            |
| 5/8" Meter                                                              | \$32.01    | \$33.29    | \$34.29    | \$35.32    | \$36.38    |
| 3/4" Meter                                                              | \$44.40    | \$46.18    | \$47.56    | \$48.99    | \$50.46    |
| 1" Meter                                                                | \$69.19    | \$71.96    | \$74.12    | \$76.34    | \$78.63    |
| 1 1/2" Meter                                                            | \$131.17   | \$136.42   | \$140.51   | \$144.72   | \$149.07   |
| 2" Meter                                                                | \$205.53   | \$213.75   | \$220.16   | \$226.77   | \$233.57   |
| 3" Meter                                                                | \$403.85   | \$420.00   | \$432.60   | \$445.58   | \$458.95   |
| 4" Meter                                                                | \$626.95   | \$652.03   | \$671.59   | \$691.74   | \$712.49   |
| 6" Meter                                                                | \$1,246.68 | \$1,296.55 | \$1,335.44 | \$1,375.51 | \$1,416.77 |
| 8" Meter                                                                | \$2,238.25 | \$2,327.78 | \$2,397.61 | \$2,469.54 | \$2,543.63 |
| 10" Meter                                                               | \$2,981.93 | \$3,101.21 | \$3,194.24 | \$3,290.07 | \$3,388.77 |
| 12" Meter                                                               | \$4,190.40 | \$4,358.02 | \$4,488.76 | \$4,623.42 | \$4,762.12 |
| <b>OTHER CHARGES (IF APPLICABLE)</b>                                    |            |            |            |            |            |
| <b>Privately-Owned Fire Protection Systems</b>                          |            |            |            |            |            |
| 2" Connection                                                           | \$13.95    | \$14.51    | \$14.95    | \$15.40    | \$15.87    |
| 3" Connection                                                           | \$26.17    | \$27.22    | \$28.04    | \$28.89    | \$29.76    |
| 4" Connection                                                           | \$42.62    | \$44.33    | \$45.66    | \$47.03    | \$48.45    |
| 6" Connection                                                           | \$84.82    | \$88.22    | \$90.87    | \$93.60    | \$96.41    |
| 8" Connection                                                           | \$150.05   | \$156.06   | \$160.75   | \$165.58   | \$170.55   |
| 10" Connection                                                          | \$234.44   | \$243.82   | \$251.14   | \$258.68   | \$266.45   |
| 12" Connection                                                          | \$261.28   | \$271.74   | \$279.90   | \$288.30   | \$296.95   |
| <b>Backflow Charge</b>                                                  |            |            |            |            |            |
| Per Connection                                                          | \$2.31     | \$2.41     | \$2.49     | \$2.57     | \$2.65     |

## APPENDIX B

### MSR UPDATE ANNOTATED REFERENCES

**Bureau, US Census. 2023.** Explore Census Data. *2021 American Community Survey 5-Year Estimate Table S1903 for Cameron Park CDP*. [Online] March 30, 2023. The US Census Bureau provides information on population, income, household size, ethnicity, and other demographic data for the United States. This data is available for states, counties, cities, census designated places, and smaller divisions.. <https://data.census.gov/>.

**DWR. 2023.** *Disadvantaged Community Mapping Tool*. [Online] California Department of Water Resources, 2023. [Cited: March 30, 2023.] This mapping tool utilizes data from the American Community Survey and provides graphic information on disadvantaged and severely disadvantaged areas by census tract, place, or block groups. It also provides information for Prop 1 and IRWM programs. <https://gis.water.ca.gov/app/dacs/>.

**FDA. 2023.** Per- and Polyfluoroalkyl Substances (PFAS). *Food and Drug Administration (FDA)*. [Online] May 31, 2023. [Cited: July 10, 2023.] This website provides information on PFAS including recent research, testing, and analysis of the potential harmful effects of the chemical. It also provides background on the chemicals use and collaboration efforts among agencies. . <https://www.fda.gov/food/environmental-contaminants-food/and-polyfluoroalkyl-substances-pfas#:~:text=What%20Are%20PFAS%3F,%2C%20and%20fire%2Dfighting%20foams..>

**GEI. 2023.** *Annual Report for North American Subbasin: Water Year 2022*. 2023. Annual Groundwater Basin Report. The annual basin report provides details on the flow of water throughout the basin including change in contours, amount of extraction, and change in storage. It also provides an overview of the sustainability of the basin over time. .

**Sacramento County. 2013.** *Housing Element of 2013-2021*. Department of Community Development. 2013. General Plan Housing Element.

—. **2022.** *Housing Element of 2021-2029*. Office of Planning & Environmental Review. 2022. General Plan Housing Element. The Housing Element of the General Plan provides detailed information on the County's current housing stock, population trends, demographic profile, and other related information. It also contains the County's plan for encouraging more housing..

**SSWD. 2023.** SSWD - DPMWD 2x2 Committee Meeting February 14, 2023 Item 3. February 14, 2023. Agenda Item 3: Combination Discussion Next Steps/Analysis - Attachment 4: Ch 12 - Facilities and Equipment. This excerpt provides information on district facilities and equipment including buildings, yards, wells, and vehicles. .

—. **2021.** *Urban Water Managment Plan.* 2021. The District's UWMP provides information on water sources, supply, current and projected demand, quality, and numerous other aspects of water distribution. The UWMP is updated every five years and guided by the California Water Code. .

—. **2020.** *Water Fluoridation.* 2020. Flyer. This information flyer was produced by SSWD to provide basic information on the fluoridation system. This includes why there is fluoridation, how much is added, and additional informatio on conjunctive use. .

**State Water Resources Control Board. 2022.** *GeoTracker.* September 1, 2022.

**SWRCB. 2023.** Funding and Incentives for Consolidation and Reorganization Projects. [Online] January 23, 2023. [Cited: June 27, 2023.] This webiste provides information on assistance and funding for consolidation of small water purveyors.. [https://www.waterboards.ca.gov/drinking\\_water/certlic/drinkingwater/fundingincentives.html](https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/fundingincentives.html).

—. **2020.** *PFAS - Frequently Asked Questions.* Division of Drinking Water. 2020. FAQ Report. This FAQ document provides information on PFAS including what it is, where it cn be found, potential health effects, and more. It also covers regulatory agency actions, potential treatment methods, and testing methods. .